

Interview

"A Bridge Not Too Far": An Interview with lebua Hotels & Resorts Founder and CEO Deepak Ohri

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Starting from a humble background in India, Deepak Ohri, founder and CEO of lebua Hotels & Resorts, has become a leading figure in the luxury hospitality industry. He recently released his book, *A Bridge Not Too Far: Where Creativity Meets Innovation*, where he describes his journey to becoming a global hospitality leader. In this interview, he discusses with William Newbury the conditions that impacted his decision to become a self-initiated expatriate to Singapore, Thailand, and the United States, his development of an entrepreneurial global mindset, and factors related to the emerging market context of Thailand that influence business success.

INTRODUCTION

Starting from a humble background growing up in a one-room flat in a lower middle-class area of New Delhi, India, Deepak Ohri, founder and CEO of lebua Hotels & Resorts, has risen to become an award-winning entrepreneur who has established new standards within the luxury hospitality industry from the emerging market context of Bangkok, Thailand. This has included establishing the world's highest outdoor restaurant, Sirocco, on the 63rd floor of one of Thailand's tallest buildings (Salter, 2017), in a space where virtually everyone thought a successful alfresco restaurant could not be developed – particularly in an emerging economy context where both building and operational supplies and talent were difficult to obtain. He then performed a major revamping of the hotel below the restaurant to provide a comparable luxury experience. The hotel now hosts two Two-Michelin-Star restaurants (Mezzaluna and Chef's Table), in addition to Sirocco and several other high-end bars and restaurants. It was featured in the movie *The Hangover Part II*. Mr. Ohri recently released his autobiographic book, *A Bridge Not Too Far: Where Creativity Meets Innovation* (Ohri, 2023), where he describes his journey to becoming a global hospitality leader and provides advice for future entrepreneurs.

In the interview excerpts that follow below, Mr. Ohri discusses with *AIB Insights* Editor William Newbury several themes of interest to international business scholars, including the conditions that impacted his decision to become a self-initiated expatriate to Singapore, Thailand, and the United States, his development of an entrepreneurial global mindset, and factors related to the emerging market

context of Thailand that both promoted and created barriers to achieving business success, among other topics.

Interviewer: William Newbury [WN], Florida International University, USA

Interviewee: Deepak Ohri [DO], Founder and CEO of lebua Hotels & Resorts

SELF-INITIATED EXPATRIATION

[WN]: Thank you for taking time to meet with me. You have had a truly remarkable journey. Given the international business interests of *AIB Insights* readers, we'll focus today on some prominent IB themes related to your career. First, you made a decision to move abroad early in your career as what would now be termed as a self-initiated expatriate. What motivated you to do that?

[DO]: The atmosphere, the environment. So when I was growing up, I saw many people working hard. And India at that time was giving preference to expertise over experience. Meaning, you have to be a doctor, you have to be an engineer, or you have to be a scientist, or you have to be a computer coder.

I was not that studious, so I didn't get into any one of those professions. So people don't look at you, and then your career options in those days were very limited. So rising up within the country also becomes very limited during that period of time. Education has become an agenda lately in India. At that time, education was not at the top of the world. So looking at that, I saw the environment and I knew that if I was ambitious, and I am an ambitious person, then this environment will not let me fulfill my dreams.

^a Cover photo for online article version courtesy of lebua Hotels & Resorts

[WN]: So you moved to another environment that would allow you to do this, and then you moved to different places. What was your motivation for the moves?

[DO]: I never thought I'd move to so many places. So it is sometimes when people challenge you or they have an opinion about you, it doesn't bother me, people's opinion, but when people challenge you and they have an opinion about you that tells me to move (so I can advance to the next level)... And that's when I moved. And I am glad I moved, because I found my mentor in the US when I went there for my internship. And I learned a lot from there. I learned about respect. I learned about equality. I learned about diversity, though these became key words much later. But American people knew these things and respected them quite a while ago.

[WN]: So part of it was situations changed and you wanting to continue to advance yourself. And then part of it was eventually you found the right mentor to move you into the next stage of your development. What are the major difficulties you had as you moved from different places? Could you summarize some of the problems you experienced?

[DO]: I think the major difficulty is experience universally was not looked upon favorably. At that time, people were more focused on expertise, and today it is experience over expertise. Second thing is acceptance. Acceptance of people coming from different parts of the world in adapting different cultures was not there. Today countries embrace different cultures, diversity of people because they know this is the way they will grow. Universities admit different students from different parts of the world, different cultures, because it will add and create a great atmosphere. But at that time, those things were not there. So being accepted as an outsider in a society was the biggest challenge.

[WN]: Obviously while conditions have improved, there are still issues related to this going on. What advice would you have for young people entering the world, entering the workforce that have dreams to overcome issues like yours, diversity issues and so on?

[DO]: I think the issue is that people have to understand that education is very important. So my only urge to people and to the government is that let's take education closer to every home in every household. And if we cannot take a theoretical education, which is expensive, let's create experiential education in different modules and formats. And that would be my only request to everybody else. And those who have become educated, they should spread that message of education. Because education is the most important thing, because we are a democratic world, right? And there's a global voice. But if everyone is educated, they can take mindful decisions in choosing their leaders. And then the world will become a better world for everyone.

[WN]: What advice would you have for people who come from a background where it's difficult to be educated? Are there things that they can do?

[DO]: If education becomes difficult for you, learn from experiences, from your daily life, and have the ability to communicate. And if it is possible, we have to devise a way how we can reach these people.

RELOCATING TO THAILAND

[WN]: So you came to Thailand and you became a huge success in this market competing against both established local and global competitors. So how did you do this? What's your secret to success? What was your path to success?

[DO]: I think the credit goes to the owners who gave me that independence to do what I wanted to do. That is the first part. So the belief and trust in me by them. Second is when they trusted me with my dreams and there were no barriers for me to achieve the dreams. Everything else becomes easy.

[WN]: So first of all, having a boss that trusts you and obviously you earn the trust. Yes?

[DO]: So they took that risk. The reason they took that risk is because they didn't have anyone else. So it's a little bit of luck. The right time, right place. But having been there and not satisfied with the service everybody was enjoying is the second part. Able to see five steps ahead of everyone. And that can only happen if the clarity is there and the focus is there. See, after building the restaurant, getting the revenue, people forget. After that there's one word that starts in any business - the last mile. And that's where everyone goes wrong. And that is the last mile.

There is one more word which is very powerful. It's called sustainability. Sustainability of any business, sustainability of the environment, sustainability of education systems, sustainability of human beings, sustainability of the planet. So we are looking at sustainability in a very micro manner today, worldwide, we are looking only at climate change, focusing on plastics and other kind of things. So we are looking at this in a very micro way. But for sustainability, the world is full of contradiction and this is where my thought is. And that is why I've become successful. To think differently. And I tell you how, we talk about sustainability and when COVID happened (we did not lay off any employees).

How could we just sustain the plan? Today you see what happened at Heathrow and Schiphol airports. But this is where they have lost people and they are lacking people. And every flight is not able to resume 100% its capacity and it will take more than one year for one action we have taken. And until today, there's no unconditional apology to the people. And we are talking about sustainability.

[WN]: So what difficulties did you have when you entered this environment?

[DO]: I think the first difficulty became an opportunity. When everybody said I'm going to fail. I took that as a challenge that I'm going to succeed and show it to you. And I'm thankful to those people who didn't believe in me. And those who believed in me are still with me. And those who didn't believe in me made me who I am today. So that was the first challenge and I used the negativity as a fuel to move forward.

[WN]: So you basically used people doubting you as a force to drive you to do better things. You're in the hospitality industry. Is this an industry where there are

global or local standards or both? And how do you manage those? How do you manage the two?

[DO]: Okay, so there are no (universal) standards in hospitality. There's one standard in hospitality everywhere in the world: "Bring happiness to your customer." And everything revolves. You bring happiness to your customer, meaning you have to keep your internal customer, that is, your team happy. And all this is great to give you profit. Now you have different kinds of customers coming in. You have global and local customers all coming to you. So you can't have a standard because there's no one stick that measures every inch in every part of the world.

[WN]: Okay, so you need to be adaptable. Adaptable to what?

[DO]: Progressive, dynamic. Ability to change. Ability to admit that I am wrong. The customer is right.

[WN]: Did you have any experiences where you failed at a venture in adapting to local standards?

[DO]: Yes, in Frankfurt when we opened (the restaurant) Breeze and I forgot everything that I used to preach. So I didn't understand the people. We went very ostentatious. The German people there are rich, but they love simplicity. They don't like to show off. And that's where I failed miserably. Second, I failed in assuming things. I assumed they will not eat certain food, and they were looking for authenticity. So with this mix of two things, I failed a lot. So when I failed there, I realized that, you know what, it's good to fail because that was a lesson. And the lesson was again, of arrogance. You know why we don't understand customers? Because we started believing we know everything. And you know, in education, our customers are our students.

GASTRO-DIPLOMACY

[WN]: Thailand is a great country. It's also an emerging country. So how does operating in Thailand impact your operations? Or does it materially impact your operations versus how you would do them in New York or London?

[DO]: I think when we are having customers from all over the world and Thailand doesn't have (significant) domestic business (in our line of business), the cost factor in Thailand becomes expensive because of import duties, customs and availability of produce. Because when you are giving international standards to these customers, and we have two restaurants with two Michelin Stars, the Michelin star is not given country-wise; Michelin star is a universal standard. And if you have two stars, meaning any customer can go to any part of the world, with that two-star restaurant, they get the same experience, same quality. So to give that kind of quality in New York is very easy because that is where every produce is available in the market. For us, we have to order. Flights are becoming difficult, supply chains are broken. All those kinds of things have happened. So it becomes very challenging and very difficult. Even in good times, produce that will have a cost of goods that will be 20% in the US would be double here because of import duties. One thing which you may not know, Thailand is the country in the world which has the most expensive taxation

on liquor, wine and champagne. So you understand? This increases the cost. These are the challenges we face.

The second issue we face is that when we are training our people, and you said emerging country, we are training our staff in serving foods like caviar, things like that. When I was young, I didn't know what was broccoli. I knew it is a green colored cauliflower in a smaller format. So many of the people who are growing up in Thailand do not understand; they have not seen these kinds of things because it is still an emerging country. And mainly outside of Bangkok, you don't see these structures and everything. So it is an emerging economy. But whereas in New York, Europe, people are born with these things, they see these things. So the training becomes a huge issue, finding the right people. Then the real estate in emerging economies is also expensive, and the cost of construction is also expensive. So when you combine these things, if we are competing universally, we are competing with a higher cost base. So it becomes very difficult to keep the same standard, compete and make money.

[WN]: So what can be done to help fix this?

[DO]: Education. Because when we educate people, the countries will understand the need for these kinds of things, all these issues which are not considered important. But you know what? There's a word, it's called gastro-diplomacy.

And that's the next very big keyword: Gastro-diplomacy. So when we bring all this international food and everything and create different kinds of food, people will travel to this part of the world. Today, it may be an emerging economy. Just because when we open the doors for food, import duties, easily available things, flights, all those kind of things, when that food scene becomes very important, I think the countries get closer to other countries and the conflict resolution will not even start. It will be resolved. The other thing is that once you have this quality of restaurants and bars available, it tells many people it's safe to travel.

[WN]: So they need an assurance that you have reached a certain level.

[DO]: The mind works in a very different manner. If someone is going to a developing country, we'll be a little bit afraid. Can I go to this country or is it safe to travel? However, if you have 20 restaurants which are Michelin star. Nobody will ask this question.

[WN]: People see the infrastructure there to support high quality establishments. They see signals to them.

[DO]: These are the signals that tell people that it is safe to travel. I believe education and gastro-diplomacy should be the two keywords every country should be using.

[WN]: Okay, so countries need to manage their reputations. These are the ways that countries can do this and then firms work within their country environments, so it becomes a symbiosis. I think firms can help countries develop these characteristics, but the country needs to also work to give conditions that will make the firm operate more efficiently and be more attractive to the outside world. So what capabilities are most critical for emerging market firms to succeed?

[DO]: Understanding the culture and respecting other peoples' cultures and being able to communicate with them. Communication is the key. When people are able to communicate, certain countries respect that ability. And certain countries see a lack of communication skills as a disability.

[WN]: This is being able to communicate, get your message across.

[DO]: And respecting culture is the biggest education process.

[WN]: So cross-cultural training, international business training is very important.

[DO]: International business is very important. And how to conduct yourself when you go to other countries and respect their cultures is one important lesson that every school, every university should be teaching.

[WN]: As an international business professor, I totally agree! A couple last questions: So what advice would you have for emerging market firms to better compete in a global environment?

[DO]: I think there are a lot of emerging markets where they have sweatshops and I think dignity and respect of labor should be at the forefront because when the cost base becomes higher, they try to squeeze and start doing these sweat shops, which is very unethical. Okay, so I think respect and dignity of labor is very important. That is one thing every organization in emerging economies should do.

Second thing, since the cost of the goods becomes higher, the price of the goods in the market becomes higher. And when the price of the goods in the market becomes higher, piracy starts. Intellectual property laws should be very transparent and strengthened so that this piracy and counterfeiting can be stopped.

[WN]: This keeps people from wanting to invest in your country because they're worried about protecting their intellectual property and it also undermines companies within that country.

[DO]: Yes, and the competency of the countries.

[WN]: What advice would you have for individuals such as yourself growing up in emerging markets on how to pursue a career?

[DO]: So a person like me, I always had the global outlook, but it took me a while to be accepted as a person with the global outlook. They are two different things. You have a global outlook but people may not look at you that way. And people looked at me that I have the global outlook very recently when I started my journey with FIU, so two reasons for doing that; One, I didn't pursue that in hospitality, I just pursued this in education and mostly in entrepreneurship for graduate schools. Second, is to go and be able to hold myself in a world which is known for the top schools in the top universities of the world. To be able to deliver that kind of message. That gives a global outlook.

My humble request to my fellow colleagues in developed and developing countries is to start respecting people and start encouraging people who have a global outlook. They should not and they would not and they don't need to go through the journey that I have gone through to deliver the message. Let's make this journey shorter and when we make this journey shorter, the message spreads faster and we'll be living in a better world.

[WN]: Any last thought you would like to relate?

[DO]: My last thought is to live in a better world is a bridge not too far.

[WN]: We'll be looking forward to reading your book.

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ABOUT THE AUTHORS

Deepak Ohri, founder and CEO of lebua Hotels and Resorts, and president of Luxury Atelier Maison Happiness (LAMH), is an award-winning entrepreneur who has transformed the luxury hospitality landscape in Asia. Mr. Ohri is a visionary who has elevated experiential luxury hospitality. He was the first to create the world's highest rooftop restaurant that has earned two 2 Michelin stars and the first to develop the concept of a vertical destination. Additionally, under Mr. Ohri's leadership, Lebua is the first hotel in the world which has won the best service award by Michelin's guide. As a recognized expert in leadership and luxury hospitality, Mr. Ohri has lectured at leading business management schools, including the Indian Institute of Management Bangalore (IIMB) & ISB Hyderabad, INSEAD, and Harvard Business School. He also co-created and helped pioneer the first MBA course in luxury management and marketing at Florida International University, where he serves as Chairman of Executive Board and Executive in Residence, Entrepreneurship and Innovation for the Pino Global Entrepreneurship Center.

William Newbury is Chair of the Department of International Business and the Ryder Eminent Scholar of Global Business at Florida International University. Bill is also a Non-Resident Senior Research Fellow at the Nanyang Business School Center for Emerging Markets. Bill is an Academy of International Business (AIB) Fellow and served as the Local Host Chair of the 2022 AIB Meeting in Miami. He is serving a five-year term on the Academy of Management International Management Division Executive Committee (2019-2024). He also serves as President of the Consortium for Undergraduate International Business Education (CUIBE) and as Editor of *AIB Insights*.



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