

Profiles

Laura Ashley sets goal of 100 hotels in next five years

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Laura Ashley Hotels has plans to expand its portfolio to 100 domestic and international hotels in the next five years, but executives said the brand will form its own identity independent of its parent firm's iconic design.



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ELSTREE, England—Laura Ashley Hotels plans to grow markedly in the next five years to open up to 100 hotels—mostly through conversions—according to its top executive.

[Laura Ashley](#) Principal Nick Turner said another part of the brand's increased presence will be the licensing of Laura Ashley-branded tea rooms, both in its hotels and as standalone offerings.

Lifestyle brand Laura Ashley—famous for its fabrics, designs and homeware—was started in 1953, while its relatively new hotels division, Laura Ashley Hotels, currently has two hotels.

The 49-room [Laura Ashley The Manor](#), in Elstree just northwest of London, was bought in 2013 and opened a year later in a Tudor-era building dating back to 1540. Its second property, the 62-room Laura Ashley The Belsfield, sits alongside Lake Windermere in the Lake District National Park north of Manchester and Liverpool and occupies an 1845 Victorian building. Both properties became part of the brand and opened in 2014.

Laura Ashley is owned by Malaysian company Malayan United Industries Berhad, usually referred to as MUI. MUI also owns Corus Hotels, which manages

both Laura Ashley Hotels properties, as well as an additional six hotels in the U.K., including the 387-room Corus London Hyde Park.

It was the opening of the Belsfield that has Turner convinced of the timeliness of the brand, who added Laura Ashley Hotels are “applicable to scale.”

“Our thinking is that if it works in an urban setting, then it will do so in a leisure one,” Turner said. “The (Lake) Windermere hotel has tripled revenue and operating profit. We took the existing property from a discounted, tired, provincial hotel serving the northern cities only.”

Turner puts its success down to several reasons.

“Firstly, Laura Ashley is a trusted brand, so the hotels have been received well,” he said. “Laura Ashley has millions of customers, and there is a lot of corporate interest, with massive implications to rates.”

There also is a segment gap in some of the U.K.’s treasured countryside settings, Turner said.

“Lake Windermere has lots of travelers but little spend,” he said. “We are targeting the little slice at the top end of the markets we enter in The Cotswolds, Cheltenham, Bournemouth, cathedral and university towns and getaway destinations, even some seaside locations.”

A British icon

Turner said the Laura Ashley Hotels brand will satisfy international demand for British style, history and heritage.

Lake Windermere draws on the popularity of iconic figures as poet William Wordsworth, hiking guide writer and illustrator Alfred Wainwright and author Beatrix Potter.

Turner said Potter’s books are wildly popular in places such as China, South Korea, Japan and Saudi Arabia, which are all markets Laura Ashley Hotels will target. The hotel-brand expansion went to market this spring, he added.

“The reaction has been phenomenal, and internationally there is demand for a global, aspiration, upscale British brand,” Turner said. “There are case studies on how underperforming assets can be turned around very quickly with a trusted brand that has delivered on lifestyle aspirations over many generations. There are significant premiums to pay for what Laura Ashley created more than 50 years ago.”

Turner said the concept will be exported internationally to the Middle East, Indian Ocean, Thailand and other parts of Southeast Asia.

In international hotels, Turner said, there will be a combination of both British and local design.

“The interest has been strong. In the U.K. it will be mostly conversions, family boutique hotels looking to reposition,” Turner said. “Design will be Laura Ashley but not to an overpowering level. It is quintessentially one of English heritage.”

Turner said hotels will most likely convey the British brand better internationally than they do at home. He is also adamant properties will not be stuck in the past.

In the U.K. and Ireland, Laura Ashley hotels will be franchises and management contracts, while franchises will dominate overseas “from The Maldives to Thailand to Andalucia,” Turner added.

“We have new development guides and (standard operating procedures), but an awful lot of the work has already been done,” Turner said. “It is for Generations X and Y who still have a lot of cash and travel at the front of the plane. There are a lot of markets around the world that have a love affair with British heritage.”

Time for tea

Turner said the brand would distance itself from anything hinting at U.S.-style legacy brand standards and crude licensing agreements.

Family is also a focus, with dining to be set up around long, communal tables.

Laura Ashley also is looking at expanding internationally in new markets, a strategy that will help grow the hotels division, Turner said. He added part of solidifying the expansion strategy of the hotels division was to reinvent its F&B.

Laura Ashley Tea Rooms is one concept of that plan, with tea rooms to be set up in Laura Ashley Hotels’ properties as well as in other high-end hotels. The first launched last year in The Regency Hotel in Solihull, close to Birmingham.

“Solihull is not such an obvious place (in terms of tourism), but there is a very large population within a two-hour radius of it, guests who are looking for an experience,” Turner said, who added the next one to open later this year will be in Stratford-upon-Avon, the home of William Shakespeare.