



## The Hospitality Industry in the Kingdom of Saudi Arabia

On a delightful evening on the 19 May, members of the RGBB and invited guests packed into the British Embassy Hall for the 2<sup>nd</sup> Special Briefing of 2008. In a change to the established format, the RGBB Chairman invited Mark Baker to say a few words on behalf of the sponsor for evening, The Saudi British Bank (SABB). Mark outlined the range of personal banking services offered by SABB including the recently launched Global Premier and SABB Takaful insurance and also answered some unexpected questions from the interested audience.

Owain Raw-Rees then introduced our keynote speaker for the evening Mr. Musaed Al Said, CEO of the Al Khozama Management Group who run the Failsaliah and Al Khozama Hotels. Mr Al Said is also a board member of Zajoul Communications and as a member of the Hotel Committee at the Chamber of Commerce is a leading figure within the hotel industry in KSA.

Mr Al Said proceeded to give an extremely interesting and informative speech on the Development of the Hospitality Industry within Saudi Arabia. According to Mr Al Said, within the hospitality industry a 'smile is the best uniform you can wear' – which succinctly summarises the welcome that you can expect when visiting many of the hotels and guesthouses in Saudi Arabia. With a 'sunshine' climate, fantastic cuisine, friendly people and booming economy, the hospitality industry has grown rapidly within Saudi Arabia.



The location of Saudi Arabia and the prestigious religious sites make it one of the oldest societies that offer hospitality and residence service for pilgrims and visitors of the holy mosques. Tents were the first residences offered to visitors, who in the main were pilgrims. At the beginning of the 20<sup>th</sup> Century, rented houses were made available to visiting pilgrims and this was known as 'Istraha' - the original guesthouses were constructed from mud. An Istraha is a place where the Saudi's and invited guests can kick back and chill, normally they would be a desert camp or a small walled compound in towns and cities with various entertainment facilities.

As hospitality developed in Riyadh, most hotels in the 1960/70s were located in the Airport Road with the oldest hotel being the Zahret Al Shark hotel, complemented by the established Royal Palaces and some of the other first hotels - Atallah House and the Al Khozama. Being greeted by female receptionists was common with a mix-gender workforce - the Al Khozama Hotel had women management.

The Siege of Mecca had various impacts on the development of the hospitality industry within Saudi Arabia, including various bans and restrictions on women within Saudi Arabia. For example, women were not able to check-in to a hotel without a letter from husband. Interestingly, the non-restricted access to hotels by women had actually been permitted by law for over 30 years, but until recently the Government did not observe the prevailing regulations. Women can now freely check-in to hotels with supporting ID.

As the hospitality industry developed, all hotels adopted a 'standard'. The true meaning of service to be developed as a standard of operations in the Hotel industry has been established over the past decades mainly through expatriates from all over the world.

With the ever-growing Saudi economy fuelling a huge demand for hotel rooms, from 2005 Saudi Arabia