

Dusit International: Delivering Gracious Hospitality to the World

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Abstract

Over than 70 years of Dusit international and service experiences that start from Thanpuying Chanut Piyaoui, founder and advisor to the board of directors indicates the pioneering spirit that desired to set the new standards for hospitality through Thai culture graciously. Mr. Chanin Donovanik as the second generation and performed the role of inheriting the family business in terms of Vice Chairman and Chairman of Executive Committee in 2016. He also followed the strategy of Thanpuying Chanut Piyaoui to expand the property of Dusit International based on the concept of Thainess in the five-star hotels in country and oversea.

In 2016, Dusit International approached and promoted Mrs.Suphajee Suthumpun to be Group Chief Executive Officer of Dusit International. She purposed the three strategies for balancing, expanding, and diversifying the Dusit International in short, middle, and long terms plan through the strengthening foundations, realizing potential, and unlock value creation respectively. Recently, Dusit International prepared and promoted Mr. Siradej Donovanik, the third generation to inherit the family business that performed the role of Vice President of Development & Projects and Interim Managing Director, Dusit Hospitality Education, and Managing Director ASAI holdings.

Accordingly, Dusit Thani international need to identify and formulate the growth strategy to achieve the stage of unlock value creation in 2022-2025 as the most challenge of this business.

Keywords: Dusit International, Gracious Hospitality, Five-Star Hotels

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ดุสิตอินเตอร์เนชั่นแนล : การให้บริการแบบมีอัธยาศัยไมตรีสู่ตลาดโลก

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บทคัดย่อ

กว่า 70 ปีที่ดุสิตอินเตอร์เนชั่นแนลได้สร้างประสบการณ์การให้บริการจากจุดเริ่มต้นของท่านผู้หญิงชนชั้นกลาง ในฐานะของผู้ก่อตั้งและที่ปรึกษาคณะกรรมการได้มีปณิธานอันแน่วแน่ที่ปรารถนาในการสร้างมาตรฐานใหม่ของอุตสาหกรรมบริการผ่านการนำเสนอบริการที่มีเอกลักษณ์แบบไทย คุณชนินท์ โทณวนิก ถือได้ว่าเป็นทายาทรุ่นที่สองที่ได้สืบทอดธุรกิจของครอบครัวในฐานะประธานคณะกรรมการบริหาร และรองประธานกรรมการบริหารในปี ค.ศ. 2016 ซึ่งคุณชนินท์ได้ทำการสืบทอดเจตนารมณ์ของท่านผู้หญิงชนชั้นกลางในการขยายเครือข่ายของดุสิตอินเตอร์เนชั่นแนลในฐานะของโรงแรมระดับห้าดาวทั้งในและต่างประเทศภายใต้แนวคิดความเป็นไทยด้วยเช่นกัน

ในปี ค.ศ. 2016 ทางดุสิตอินเตอร์เนชั่นแนลได้แต่งตั้งคุณศุภจี สุธรรมพันธุ์เป็นประธานเจ้าหน้าที่บริหารกลุ่มและคณะกรรมการบริหารของดุสิตอินเตอร์เนชั่นแนล โดยคุณศุภจีได้ตั้งเป้าหมายสำหรับการเติบโตของบริษัทไว้สามกลยุทธ์ อันได้แก่ การสร้างความสมดุล การขยายตัว และการกระจายตัวของดุสิตอินเตอร์เนชั่นแนลในระยะสั้น กลาง และยาว โดยการยืดเสริมความแข็งแกร่งของรากฐาน ความตระหนักถึงศักยภาพ และการสร้างคุณค่าให้แก่ธุรกิจและนักลงทุนทั้งในและต่างประเทศ และในปัจจุบันทางดุสิตอินเตอร์เนชั่นแนลได้แต่งตั้งคุณศิริเดช โทณวนิก เป็นทายาทรุ่นที่สามที่ได้สืบทอดธุรกิจของครอบครัวในฐานะรองประธานการพัฒนาและโครงการ กรรมการผู้จัดการกลุ่มการศึกษาด้านการโรงแรมและการท่องเที่ยว และกรรมการผู้จัดการของ อาศัย โฮลดิ้งส์

จากเส้นทางแห่งความสำเร็จของดุสิตอินเตอร์เนชั่นแนล การระบุและสร้างกลยุทธ์เติบโตเพื่อบรรลุกลยุทธ์ในอนาคตที่จะนำไปสู่ความตระหนักถึงศักยภาพในปี ค.ศ. 2021 และการสร้างคุณค่าให้แก่ธุรกิจและนักลงทุนทั้งในและต่างประเทศในปี ค.ศ. 2025

คำสำคัญ : ดุสิตอินเตอร์เนชั่นแนล การให้บริการแบบมีอัธยาศัยไมตรี โรงแรมระดับห้าดาว

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History of Dusit Thani

In 1948, Thanpuying Chanut Piyaoui introduced the first hotel in the city to offer a swimming pool, air conditioning, and modern amenities named “Princess” on Charoenkrung road in Bangkok. She desired to create and deliver Thai hospitality to national and international customers especially the cabin crew from Pan Am (Pan American Airways) (Figure 1.). The presentation and provision of the great things that exceeded the guests’ expectation, set the standard of service and made other hospitality companies to follow as the of Thanpuying Chanut’s philosophy that underlie the business performance. Dusit Thani in terms of Thai language represented the town in heaven based on Thai beliefs. This name was referred to the fourth of the seven levels of paradise. Dusit Thani was also referred to the model city of His Majesty King Rama VI to represent the values of Thai and western as the key concept to graciously deliver the service experiences to the guests.



Figure 1: Princess hotel on Charoenkrung road in Bangkok in 1948
(Dusit International, 2020)



Figure 2: Dusit Thani Bangkok in 1970 (Dusit International, 2020)

In 1970, Thanpuying Chanut Piyaoui presented the icon of luxury hotel in Bangkok called “Dusit Thani Bangkok”, the tallest and deluxe building in that period (Figure 2). Dusit Thani Bangkok was recognized by several celebrities and business executives around the world. All of customers around the world were received and touched the service experiences of Thainess based on the standard of five-star hotel. For instance, the staffs were always greeting with a “Wai” rather than greeting with a handshake or performing the The Khon (masked play) in Benjarong Restaurant. The next five year in April 30th 1975, Dusit Thani Public Company Limited (Dusit International) was established as the first Thai business into the list of Stock Exchange of Thailand (SET) in the services industry, tourism and leisure sector with the symbols of DTC. Furthermore, in 1987 to 1990, Dusit International was expanded and opened several places including Dusit Thani Laguna Phuket, Dusit Thani Pattaya, Royal Princess Larn Luang, and Dusit Thani Hua Hin.

In 1993, Thanpuying Chanut Piyaoui found that Thailand confronted with the scarcity of knowledgeable, experienced manpower and educational institutes and training program to serve in this industry. Hence, she was stablished Dusit Thani Hotel School to fulfill and solve the shortage problems based on two courses

including the diploma in hotel operations and professional chef diploma. Three years later, this school became Dusit Thani College which offered the undergraduate and graduate programs concentration in the hospitality industry. Meanwhile, in 1995 to 1997, Dusit International was established Dusit Princess Chiang Mai, Dusit Princess Srinakarin Bangkok, and acquired the Hotel Nikko Manila respectively.

In 2000, His Majesty King Bhumibol Adulyadej The Great confers upon her the highest royal decoration for a civilian: Knight Grand Commander (Second Class, Higher Grade) of the Most Illustrious Order of Chula Chom Klao for her services to tourism in Thailand. Hence, this right to bear the title Thanpuying that equivalent of Dame.

In 2016, Mr. Chanin Donavanik as the second generation and performed the role of inheriting the family business in terms of Vice Chairman and Chairman of Executive Committee in 2016. He also followed the strategy of Thanpuying Chanut Piyaoui to expand the property of Dusit International based on the concept of Thainess in the five-star hotels in country and oversea. In this period, Mr. Chanin Donavanik introduced the new brand under Dusit International called “dusitD2 hotels & resorts” to represent the balancing between the new concept of second generation and tradition concept of first generation based on highly standard and warmly hospitality. In 2016, Dusit International also approached and promoted Mrs. Suphajee Suthumpun to be Group Chief Executive Officer of Dusit International after a successful performance as Chief Executive Officer at Thaicom, Plc and 20 years for IBM. Mrs. Suphajee purposed the three stages for balancing, expanding, and diversifying the Dusit International in short, middle, and long-term plan through the strengthening foundations, realizing potential, and unlocking value creation, respectively. Recently, Dusit International prepared and promoted Mr. Siradej Donavanik, the third generation to inherit the family business that performed the role of Vice President of Development & Projects and Interim Managing Director, Dusit Hospitality Education.

Vision, Mission & Values

Vision. “Proud of our Thai heritage, uniquely delivering gracious hospitality to the world was the vision statement of Dusit International”.

Mission. “We empower our people to exceed expectations always was the mission of Dusit International”.

Core values. The three foundations which driven a high performance culture of Dusit International presented by 3C’s includes: Care, we put the needs of our customers, colleagues, and communities first when crafting experiences to remember. Commit, we promise to deliver our very best, no matter how big or small the task. Can do, we are happy people happily serving our guests, and our modus operandi favors nothing but positive action.

Under Wings of Dusit International

As the one of Southeast Asia’s leading hospitality companies, Dusit International contains the five business units to deliver gracious hospitality to the world including hotel and resorts, hospitality education, property development, foods, and financial instruments and adjacent lines of business.

Hotels & Resorts. According to Table 1, it indicates the six brands of hotel and resorts under wings of Dusit International which categorized into the four segments. Firstly, Dusit Thani was categorized as the brand to serve the segmentation of upmarket that contains the main characteristics with the tradition of Thai culture and located in central business or major attraction. The main purpose of service of this brand to deliver the traditional Thai culture for special celebration, major business, and social events. Secondly, Dusit Devarana and ASAI were categorized as the luxury brands which contains the uniqueness of characteristics. Dusit Devarana located in the key leisure and urban destinations which presented the sanctuary of cultured refinement and served for a guests who seeks a balance of tranquility, while ASAI located in the vibrant neighborhoods worldwide and aims to deliver the authentic local experiences to a guest who seek an authentic local experiences, especially, a millennial generation. Thirdly, Dusit Princess and dusitD2 were categorized as

the mid-market brand, Dusit Princess purposed to present the culture and character of local community in the location of convenient to access to serve a guest who appreciates simplicity, value and practicality. dusitD2 which located in the key destinations worldwide and aims to present the combination of cutting-edge design and modern conveniences to serve the needs and desires of today's hyper-connected. Lastly, elite havens was acquired by Dusit International in September 2018 was categorized the hi-end brands and aims to present the luxury villa rentals which located in the major attraction to serve a guest who selected villas coupled with outstanding customer service.

Table 1: Hotels and Resorts of Dusit International

Brand (Segments)	Brand Characteristics	Location	Occasions
Dusit Thani (Upmarket)	Tradition of Thai culture	Central business Major attraction	Special celebration Major business Social events
Dusit Devarana (Luxury)	Sanctuary of cultured refinement	Key leisure Urban destinations	Seek a balance of tranquility
Dusit Princess (Mid-market)	Culture and character of local community	Convenient access	Appreciates simplicity, value and practicality
dusitD2 (Mid-market)	Combination of cutting- edge design and modern conveniences	Key destinations worldwide	Needs and desires of today's hyper- connected
ASAI (Luxury)	Authentic local experiences	Vibrant neighborhoods worldwide	Seek authentic local experiences
elite havens (Hi-end market)	Luxury villa rentals	Major attraction	Select villas coupled with outstanding customer service

Hospitality Education. “If Thailand is to be among the world’s leaders in the hotel and hospitality industry, the education and training of staff is of the most importance” said Thanpuying Chanut Piyaoui. Dusit Hospitality Education manages the three education units includes Dusit Thani College (Bangkok and Pattaya campus), Dusit Hospitality Management College in Manila and Le Cordon Bleu Dusit Culinary School in Bangkok to provide the deeply skills, knowledge, and attitude relevant in the hospitality industry (Figure 3).



Figure 3: Dusit Hospitality Education (Dusit International, 2020)

Property Development. Dusit Thani group has invested and sought the synergistic partnerships with the Thailand’s largest property developers in Thailand as one of five business units that Dusit International aims to grow the business. The two mega projects with the two leading partners includes Dusit Central Park and Hampton Sriracha by Origin and Dusit. Dusit International and Central Pattana Public Company Limited (CPN) as the partnership invested 36.7 billion baht to develop the project called Dusit Central Park which located in the prime area on the corner of Silom and Rama IV roads in the heart of Bangkok based on 440,000 sqm area. Dusit Central Park presented the concept Here for Bangkok as the mixed-use projects containing the luxury residences, office, high-end shopping mall, and large green area but still delivers the concept of gracious Thai hospitality. Dusit International also developed in partnership with Origin as the leading condominium developer and presented The Hampton Sriracha by Origin and Dusit which located in Sriracha, the center of regional transportation and logistics in the Eastern Economic Corridor (EEC).

Foods. According to the experience servicing in the hotel, restaurants, and catering more than 70 years, therefore, Dusit Foods purposed to deliver Thai and Asia food product to the world. The portfolio of Dusit Foods contains the five units includes NR Instant Produce Co, Ltd (NRF) performed the roles of Producer and exporter of ready-to-cook food products, sauces, and soft drinks, Dusit Gourmet Co., Ltd operated to Create, market and sell Dusit-branded, organic food products, Epicure Catering Co., Ltd., operated the role as the provider the education catering business. Meanwhile, Baan Dusit Thani and Real Foods aims to provide the signature restaurants and healthy meals for end customers and Khong Thai as the producer a premium instant food brand targeted mainly at international markets (Table 2).

Table 2: Portfolio of Dusit Food

Company or Brand	Operating
NR Instant Produce Co, Ltd (NRF)	Producer and exporter of ready-to-cook food products, sauces, and soft drinks.
Dusit Gourmet Co., Ltd.	Create, market and sell Dusit-branded, organic food products.
Epicure Catering Co., Ltd.	Provider the education catering business.
Standalone restaurant (Baan Dusit Thani, Real Foods)	Provide the signature restaurants and healthy meals.
Khong Thai	Producer a premium instant food brand targeted mainly at international markets.

Financial instruments and adjacent lines of business

The last business units of Dusit International includes the six business activities which also designed to contribute the revenue of this business includes Devarana Spa a luxury spa and Namm Spa a high-quality spa. Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) aims to invest the money in the high potential freehold or leasehold properties which encouraged the hotel business. Dusit Hospitality Services Co (DHS) operated the one-stop services that

involved all high-end catering activities to serve the public and private companies. favstay as the business aims to guarantee and offer the excellent vacation homes in Southeast Asia. Baan Dusit Thani also includes in this business unit.

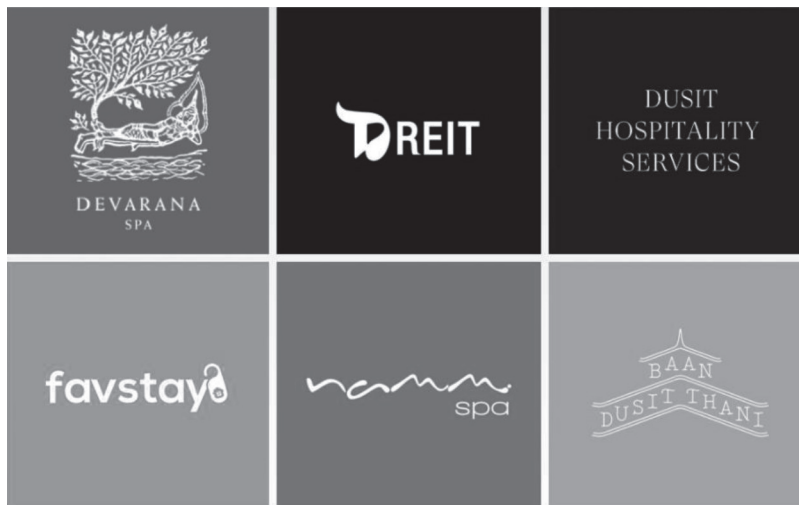


Figure 4: Financial Instruments and Adjacent Lines of Business (Dusit International, 2020)

Challenge of Dusit International in 2022-2025

Dusit International was proposed the three strategies to expand the business including balance, expansion, and diversification. Balance strategy aims to grow the business through balancing between asset light and capital investment with the ratio 50:50 of domestics to overseas revenue. Expansion strategy purposed to introduce the new hotels, new brand, and new horizons to double the number of rooms in operation. Diversification strategy to generate 10% of revenue from the unit of financial instruments and adjacent lines of business. Although, Dusit International was accomplished in terms of set the new strategic direction and develop the vision, mission and core values statement, integrating between the hospitality industry and education business. Nevertheless, the balancing the contribution of revenue between Thailand and overseas, completing of mixed-use projects, and generating the revenue from the new investments still needs to concern. Accordingly, Dusit Thani International need to identify and formulate the growth strategy to achieve the stage of unlock value creation in 2022-2025 as the most challenge of this business.

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