



Interview: Insight into the Hotel Real Estate Market in Ukraine

Authors: Artur Lupashko
Submitted: 16. May 2022
Published: 23. May 2022
Volume: 9
Issue: 3
Affiliation: Riba Hotel Group, Kiev, Ukraine
Languages: English
Keywords: Ukraine, Hotel, War, Hope, Future
Categories: News and Views
DOI: 10.17160/josha.9.3.822

Abstract:

In this interview Artur Lupashko shares insights of the hotel real estate market in Ukraine. The war had an significant impact on the hotel business and the market has to face new challenges. Future prospects include finding hotels to provide management services. They are open to partnerships with local management companies, hotel and restaurant chains, specialized online and printed publications and associations, and the media. They are also ready to share our knowledge and experience through interviews with opinion leaders, online speeches on educational platforms and workshops. The hotel chain wants to be ready when most likely every European will consider coming to Ukraine as his duty. To visit the country that fought so valiantly against the aggressor and became famous throughout the world.

JOSHA

josha.org

**Journal of Science,
Humanities and Arts**

JOSHA is a service that helps scholars, researchers, and students discover, use, and build upon a wide range of content



Interview: Insight into the hotel real estate market in Ukraine

Artur Lupashko

Artur Lupashko: “Afterwards I think that every European will consider it his duty to come to Ukraine”

The Ukrainian hotel chain Ribas Hotels accumulated all its forces and sent it for help during wartime. They set up volunteer headquarters and offer accommodation in our hotels on net cost. Artur Lupashko, founder and CEO of hotel chain Ribas Hotels, believes that it will take several years to eliminate the consequences of the war and restore the market.

Tell us about Ribas Hotels Group

Ribas Hotels Group was founded in Ukraine in 2014. The company offers the following services: complex management, exclusive booking, concept development, design, construction and launch of the hotel, hotel franchising and consulting. At the moment there are more than 570 employees at the company.

Under the complex management and exclusive booking of Ribas Hotels Group there are 26 hotel objects, such as: business hotel Wall Street by Ribas (Odessa) and Bossfor by Ribas (Odessa), ski hotel Ribas Karpaty (Bukovel), beach hotel complex Richard by Ribas (Hrybivka) and others. The total number of hotel rooms is more than 1000 rooms.

The WOL.45, WOL Black and Ribas Lviv in Lviv are currently at the design and construction stage; hotel Ribas Ternopil in Ternopil; Ribas Frankivsk in Ivano-Frankivsk; two hotels under new brand 2be Hotels in Kyiv, as well as other hotel objects outside Ukraine in the city Jelenia Gora in Poland. The total area of future projects is more than 30000 m².

Before the start of the war, how was the year 2022 for the company?

In winter 2021 we opened the first apart-hotel in the format Home & Hotel under the new brand Wol lifestyle hotel. Also, we launched a franchise development program for apart-hotels chain by Ribas in partnership with developers. Recently we started work on the mobile application “Ribas Investor”, which will provide the ability to track all investment data to the investors of the apart-hotels by Ribas Hotels on their smartphones.



Before the war, the company's turnover was over \$12 million. Last year we launched 12 new projects, hired over 400 employees, opened office in Lviv, sold 5 franchises of glamping Mandra, took 5 new hotels under our management and signed 5 memorandums with development companies for the joint creation of apart-hotels and cottage towns and much more.

How has the business changed now and what challenges do you face?

In Ukraine the war affected all our regions at once. Even those where it was absolutely not expected in Lviv, Ivano-Frankivsk, Volyn regions. Due to this regard, 95% of Ukrainian enterprises completely stopped or suspended their work.

The offices of Ribas Hotels Group in Lviv and Odessa, where professionals in marketing, sales, finance, recruitment and training, revenue management, guest success management, concept development, project-managers of hotel design and construction are currently working at 30%. Most of our employees stayed in Ukraine.

Our main challenge is to maintain the strong team that has successfully managed 26 hotels across the country and has been a hotel industry leader.

New challenge is to enter the markets of other European countries, adapt to working conditions with them, show our professionalism and talent and show the best of Ukraine. Thus, we will rent hotels in Europe and manage them. Thereby, Ribas Hotels Group will provide taxes to Ukraine and will be able to support Ukrainian employees during the war.

What steps have you taken to ensure the safety of hotel guests and staff?

In the first two days (24-25 February) we mothballed all hotels in areas where there could be hostilities. Our company paid employees wages by the end of the month and will pay minimum wage for the next couple of months.

We offered the top management of Ribas Hotels Group to move to safe cities with the provision of housing from the company. Only a few took advantage of the offer.

One part of the team members left the country. The other one became volunteers in the headquarters, organized by our company and in another headquarters. It is worth noticing that we, with a team of employees and their friends, have collected almost a million hryvnias in three weeks of volunteer work. The money was directed to purchase ammunition, food and other critical means to ensure the territorial defense of Odessa, Mykolaiv and Kherson.

Ukrainians have shown themselves to be very brave and hardworking people who do not abandon their own people and stand up till the end for their truth.

Foreign guests left Ukraine 3-4 days before the war started, as there was a lot of information about a possible war. The Ukrainian guests, in turn, left all the hotels during the first days of war.

Today they live in those regions of the country that are located far from military operations. Guests stay there long-term, waiting for the end of the war of stabilization of the situation to return to their homes. The hotel chain Ribas Hotels, likewise many other hotels, has lowered



prices to the net cost of accommodation and nutrition to provide guests with a comfortable stay for as long as possible.

Do you think further support is needed? If yes what would you suggest?

We, the Ukrainian businessman, must support the country's economy and start work where it is possible, as well as support our employees who are now out of work. These are, to a greater extent, educated, hardworking, decent people who our county and business needs. It is important to support them financially and psychologically until the war is over or we can provide them with jobs in other European countries.

Thus, in our European hotels, first of all we will offer jobs to Ukrainian specialists who have evacuated to Europe or are ready to move there temporarily.

What are the future prospects for the Ukrainian hospitality market?

The first year or two after the war will definitely be spent on the restoration of the infrastructure airports, train stations, bridges and roads. It is necessary to eliminate the consequences of the bombardment of cities destroyed buildings, broken windows, destroyed roads. Nobody wants to see the consequences of the war when they come to have a rest in another country.

In the first couple of years, only domestic recreation and business tourism will be on top. Without foreign guests and without 5 million of Ukrainians who have already left Ukraine, this is less than half of our market. That is, most of the hotels will either not open or work at half strengths.

Later, I think every European will consider coming to Ukraine as his duty. To visit the country that fought so valiantly against the aggressor and become famous throughout the world.

What are your plans to develop company outside of Ukraine?

Ribas Hotels Group is supporting the construction of the hotel Bautzen by Ribas in Jelenia Gora, Poland, which we are going to open next year.

The decision to actively enter the European market was accelerated by the war. Today we are registering our company in the EU, opening a representative office, relocating some of our employees, searching for potential partners - management companies, like us, with whom we can implement joint projects.

Our main focus is on finding hotels, where we can provide management services, we are also looking for hotels for rent or purchase.

We are open to partnerships with local management companies, hotel and restaurant chains, specialized online and printed publications and associations, and the media. We are also ready to share our knowledge and experience through interviews with opinion leaders, online speeches on educational platforms and workshops.



Artur Lupashko

CEO and Founder of hotel chain Ribas Hotels, Hotel developer



Our website us hotel chain: <https://ribas.ua/en>

Our website as hotel operator: <https://ribashotelsgroup.ua/en/>

Company founder: <http://lupashko.pro/eng>

YouTube: <https://youtube.com/c/RibasHotelsGroup>