



## Goa, Goa (1 night)

Thu, 11 Feb - Fri, 12 Feb | 1 room, 1 adult

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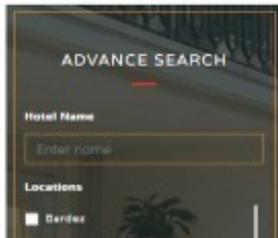


IMAGE	ROOM NAME	Total Stays	MODIFY SEARCH
	Comfy Stays, Saunta Vaddo, Baga-1516 Bargel, Goa, Goa	₹ 731 + Taxes ₹ 91	BOOK

# Former Cleartrip exec sees entry-level opening, launches Comfy Stays

Feb 10, 2016

Rakesh Rana, formerly vice president of hotel business development for Cleartrip, has launched Comfy Stays into India's fast-growing (and consolidating) branded budget accommodation sector.

The brand has been live since October with Rana going public on his plans for the first time this week. In five months it has signed up some 2,000 properties to Comfy Stays, while its proprietary booking engine and supplier extranet is "live and running".

He told Tnooz that Comfy Stays operates "in a different segment" to businesses such as Oyo and ZO, the two highest profile brands in the sector. Oyo and ZO kickstarted the move towards aggregating individual properties under a single brand, giving guests a consistent stay and booking experience with the hotels getting access to a distribution channel.

"Oyo and ZO are working with two-, three-star properties which are more advanced than the entry-level properties we are working with, the one star and below categories with 15 or 20 rooms," he said.

"That's where 60%-70% of domestic travellers like to stay. The demand is there and we're working on room rate of around \$20 a night."

For the hotel owners or managers, Comfy Stays gives them the chance to distribute inventory in advance, a sea-change in how many of these businesses currently operate. "We can provide them with the technology they need while also promoting them on a national scale."

He thinks that there are some 25,000 properties across India in the one-star-and-below segment.

The model used by Comfy Stays is similar to its competitors. It offers an extranet for suppliers who can load inventory and rates via mobile or PC, with Comfy Stays then distributing it through the brand dotcom but also through third parties.

The idea is that by selling the rooms in advance, hoteliers will have more flexibility in terms of the rates they can charge to guests who turn up and want a room for the night.

"We will be making the inventory available to sites such as MakeMyTrip but also booking.com and hotels.com. At the moment they don't have these types of property in their system and they seem happy for us to provide it for them," Rana said.

Operating at the entry-level means there is more education of suppliers required than, say, suppliers of higher graded accommodations. Comfy Stays is training its hoteliers about what is required of them to be part of the brand and the importance of maintaining the standards required for certification.

Comfy Stays is also taking control of customer service issues, dealing with any guests centrally rather than leaving it down to the individual property.

In November 2015, Deyor Rooms raised \$500,000 in angel funding from Redcliffe Capital's Dheeraj Jain and other unnamed investors.

"We think we've recognised the specific needs of hotels in this segment and we're able to bring them business they wouldn't have got otherwise," Rana said. "That's why we are getting three to five year commitments from them – we are looking to build long-term relationships."

The business is currently funded by the founders although Rana said that it was in "very advanced talks" for a \$4m-\$5m funding round which will allow it to expand.