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US Motel Industry Tells Story of Indian-American Immigrants

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[Matt Hilburn](#)

Indian-Americans own roughly half of the motels in the United States, according to a new book about their dominance in a quintessentially American industry.

Roadside motels are a quintessential feature of Americana dating back to the 1940s and '50s. Even today they are a staple of the American highway landscape. Their story tells an equally American tale: The immigrant's life.

The U.S. motel industry, from small independent motels to large economy franchises, is now dominated by Indian-Americans, many of whom are gathering in Atlanta, Georgia this week for the annual convention of the [Asian American Hotel Owners Association](#). The convention has enough pull to draw big name speakers such as former President Bill Clinton, former General Electric Chairman Jack Welch and other well-known celebrities.

The phenomenon of Indian-American predominance in the motel industry is explored in the new book, [Life Behind the Lobby: Indian American Motel Owners and the American Dream](#), by Pawan Dhingra, a sociology professor at Oberlin College.

A new book explores Indian-Americans' rise in the U.S. motel industry.

“[Indian-Americans] own over half of the motels in the country,” Dhingra said. “But they make up less than one percent of the population, and since most of the hotel owners are from the Indian state of Gujarat, it’s a subset of one percent.”

Dhingra said Indian-Americans didn’t come to the United States with plans to take over the motel industry.

“The first ones referred to themselves as accidental hoteliers,” he said, adding that most, if not all, arrived in the U.S. with no experience in the business.

According to Dhingra, it all started with Indian immigrants who were working in agriculture in northern California. The workers lived in residential hotels, one of which was owned by an Indian immigrant. Others learned the business from him.

Many of the workers found that running a motel was a much better life than working in the fields and scraping by, said Dhingra. And running a motel turned out to be a good match for new immigrants’ skills. They could succeed with some basic maintenance and business knowledge,

and didn't need to be fluent in English. Moreover, said, Dhingra, Indian-Americans are just good at running motels.

"They're very good at cutting costs while providing a quality experience," he said. "They do a lot of work themselves, have no staff other than family members and they often live at the motel."

Pawan Dhingra is the author of a new book about Indian-Americans' role in the motel industry.

That last fact has been key to the spread of Indian-owned motels and motels.

"The fact that you can live in the motel for free allowed for family members to come from India, learn the business and then go into the business themselves," Dhingra said.

In the wake of the 1965 Immigration Act, which opened the doors to immigrants from more diverse backgrounds, many more Gujaratis came to the U.S. and went into the motel industry. Gujaratis who had been living in East Africa, where they were often small business owners, also began to make their way to the U.S. and into the motel business.

And they entered the industry at the perfect time. According to Dhingra, the wave of Indian immigration to the U.S. came when a lot of motel owners were looking to sell their motels, often for a good price.

The keys to success today, Dhingra says, are a combination of opportunity, motivation and a large and growing network of fellow Indian-American motel owners

The Asian American Hotel Owners Association, for example, lobbies for the interests of nearly 11,000 members and offers numerous opportunities for them to network and learn best practices from each other. Its members own more than 20,000 hotels, worth approximately \$128 billion in property value, according to its website.

For many motel owners, Dhingra says, it's more than a job.

"They talk about it in the same way as if they'd built their own car - in a really sincere and emotional way," he said, adding that when he'd walk through a motel with the owners, they would often brag about how they'd done remodeling, new wiring or put in new carpeting.

"It's not just a business to them; it's a way of life. They may not make a lot of money, but most are able to send their kids to college, provide a living and it's also seen as a property investment."

The younger generation of Indian-Americans isn't as enamored with the hotel business as their parents' generation, but nonetheless, they often choose it as a career path.

"The younger generation, raised in the motel business, will say they have no desire to stay in the business," Dhingra said. "They see how much their parents work. They go to college, get a degree and work in a white-collar job."

But, he says, many of them end up deciding they'd rather be self-employed, so they may go back and run a franchise.

He then related the story of a young Indian-American who, upon graduating from college, was offered a job at New York's famous, high-end Waldorf-Astoria Hotel. He turned down the offer so he could run a low-budget franchise motel his family owned.

"His American friends were surprised," Dhingra said, but his Indian friends understood that he wouldn't want to go to the Waldorf and be 'middle management.' "They really want to be in charge of their own destiny, and small businesses allow that."

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