

JANUARY 2019

Mobile Technology: The Future is Now



Mobile Technology continues to advance at a relentless pace and the hotel industry continues to adapt. Hotel guests have shown a strong preference for mobile self-service - from checking-in/out at a hotel kiosk, to ordering room service, making dinner reservations, booking spa treatments, and managing laundry/dry cleaning services. And they also enjoy the convenience of paying for these services with smart phone mobile payments. In addition, some hotels have adopted a “concierge in your pocket” concept. Through a proprietary hotel app, guests can access useful information such as local entertainment venues, tourist attractions, event calendars, and medical facilities and services. In-room entertainment continues to be a key

factor, as guests insist on the capacity to plug in their own mobile devices to customize their entertainment choices. Mobile technology also allows for greater marketing opportunities. For example, many hotels have adopted the use of “push notifications” - sending promotions, discounts and special event messages to guests based on their property location, purchase history, profiles, etc. Near field communication (NFC) technology is also being utilized to support applications such as opening room doors, earning loyalty points, renting a bike, accessing a rental car, and more. Finally, some hotels have adopted more futuristic technology. Robots are in use that have the ability to move between floors to deliver room service requests for all kinds of items - food, beverages, towels, toothbrushes, chargers and snacks. And infrared scanners are being used by housekeeping staff that can detect body heat within a room, alerting staff that the room is occupied and they should come back at a later time. The January Hotel Business Review will report on what some hotels are doing to maximize their opportunities in this exciting mobile technology space.

FEBRUARY 2019

Social Media: Getting Personal



There Social media platforms have revolutionized the hotel industry. Popular sites such as Facebook, Twitter, Pinterest, Instagram, Snapchat, YouTube and Tumblr now account for 2.3 billion active users, and this phenomenon has forever transformed how businesses interact with consumers. Given that social media allows for two-way communication between businesses and consumers, the emphasis of any marketing strategy must be to positively and personally engage the customer, and there are innumerable ways to accomplish that goal. One popular strategy is to encourage hotel guests to create their own personal content - typically videos and photos -which can be shared via their personal social media networks, reaching a sizeable

audience. In addition, geo-locational tags and brand hashtags can be embedded in such posts which allow them to be found via metadata searches, substantially enlarging their scope. Influencer marketing is another prevalent social media strategy. Some hotels are paying popular social media stars and bloggers to endorse their brand on social media platforms. These kinds of endorsements generally elicit a strong response because the influencers are perceived as being trustworthy by their followers, and because an influencer's followers are likely to share similar psychographic and demographic traits. Travel review sites have also become vitally important in reputation management. Travelers consistently use social media to express pleasure or frustration about their guest experiences, so it is essential that every review be attended to personally. Assuming the responsibility to address and correct customer service concerns quickly is a way to mitigate complaints and to build brand loyalty. Plus, whether reviews are favorable or unfavorable, they are a vital source of information to managers about a hotel's operational performance. The February Hotel Business Review will document what some hotels are doing to effectively incorporate social media strategies into their businesses.

MARCH 2019

Human Resources: An Era of Transition



Traditionally, the human resource department administers five key areas within a hotel operation - compliance, compensation and benefits, organizational dynamics, selection and retention, and training and development. However, HR professionals are also presently involved in culture-building activities, as well as implementing new employee on-boarding practices and engagement initiatives. As a result, HR professionals have been elevated to senior leadership status, creating value and profit within their organization. Still, they continue to face some intractable issues, including a shrinking talent pool and the need to recruit top-notch employees who are empowered to provide outstanding customer service. In order to attract top-tier

talent, one option is to take advantage of recruitment opportunities offered through colleges and universities, especially if they have a hospitality major. This pool of prospective employees is likely to be better educated and more enthusiastic than walk-in hires. Also, once hired, there could be additional training and development opportunities that stem from an association with a college or university. Continuing education courses, business conferences, seminars and online instruction - all can be a valuable source of employee development opportunities. In addition to meeting recruitment demands in the present, HR professionals must also be forward-thinking, anticipating the skills that will be needed in the future to meet guest expectations. One such skill that is becoming increasingly valued is “resilience”, the ability to “go with the flow” and not become overwhelmed by the disruptive influences of change and reinvention. In an era of transition—new technologies, expanding markets, consolidation of brands and businesses, and modifications in people's values and lifestyles - the capacity to remain flexible, nimble and resilient is a valuable skill to possess. The March Hotel Business Review will examine some of the strategies that HR professionals are employing to ensure that their hotel operations continue to thrive.

APRIL 2019

Guest Service: A Culture of YES



In a recent global consumers report, 97% of the participants said that customer service is a major factor in their loyalty to a brand, and 76% said they view customer service as the true test of how much a company values them. And since there is no industry more reliant on customer satisfaction than the hotel industry, managers must be unrelenting in their determination to hire, train and empower the very best people, and to create a culture of exceptional customer service within their organization. Of course, this begins with hiring the right people. There are people who are naturally service-oriented; people who are warm, empathetic, enthusiastic, pleasant, thoughtful and optimistic; people who take pride in their ability to solve

problems for the hotel guests they are serving. Then, those same employees must be empowered to solve problems using their own judgment, without having to track down a manager to do it. This is how seamless problem solving and conflict resolution are achieved in guest service. This willingness to empower employees is part of creating a Culture of Yes within an organization. The goal is to create an environment in which everyone is striving to say “Yes”, rather than figuring out ways to say, “No”. It is essential that this attitude be instilled in all frontline, customer-facing, employees. Finally, in order to ensure that the hotel can generate a consistent level of performance across a wide variety of situations, management must also put in place well-defined systems and standards, and then educate their employees about them. Every employee must be aware of and responsible for every standard that applies in their department. The April issue of the Hotel Business Review will document what some leading hotels are doing to cultivate and manage guest satisfaction in their operations.

MAY 2019

Eco-Friendly Practices: Corporate Social Responsibility



The hotel industry has undertaken a long-term effort to build more responsible and socially conscious businesses. What began with small efforts to reduce waste - such as paperless checkouts and refillable soap dispensers - has evolved into an international movement toward implementing sustainable development practices. In addition to establishing themselves as good corporate citizens, adopting eco-friendly practices is sound business for hotels. According to a recent report from Deloitte, 95% of business travelers believe the hotel industry should be undertaking “green” initiatives, and Millennials are twice as likely to support brands with strong management of environmental and social issues. Given these conclusions, hotels are continuing to innovate in the areas of environmental sustainability. For example, one leading hotel chain has designed special elevators that collect kinetic energy from the moving lift and in the process, they have reduced their energy consumption by 50% over conventional elevators. Also, they installed an advanced air conditioning system which employs a magnetic mechanical system that makes them more energy efficient. Other hotels are installing Intelligent Building Systems which monitor and control temperatures in rooms, common areas and swimming pools, as well as ventilation and cold water systems. Some hotels are installing Electric Vehicle charging stations, planting rooftop gardens, implementing stringent recycling programs, and insisting on the use of biodegradable materials. Another trend is the creation of Green Teams within a hotel's operation that are tasked to implement earth-friendly practices and manage budgets for green projects. Some hotels have even gone so far as to curtail or eliminate room service, believing that keeping the kitchen open 24/7 isn't terribly sustainable. The May issue of the Hotel Business Review will document what some hotels are doing to integrate sustainable practices into their operations and how they are benefiting from them.

JUNE 2019

Sales & Marketing: Selling Experiences



There are innumerable strategies that Hotel Sales and Marketing Directors employ to find, engage and entice guests to their property, and those strategies are constantly evolving. A breakthrough technology, pioneering platform, or even a simple algorithm update can cause new trends to emerge and upend the best laid plans. Sales and marketing departments must remain agile so they can adapt to the ever changing digital landscape. As an example, the popularity of virtual reality is on the rise, as 360 interactive technologies become more mainstream. Chatbots and artificial intelligence are also poised to become the next big things, as they take guest personalization to a whole new level. But one sales and marketing trend that is currently resulting in major benefits for hotels is experiential marketing - the effort to deliver an experience to potential guests. Mainly this is accomplished through the creative use of video and images, and by utilizing what has become known as User Generated Content. By sharing actual personal content (videos and pictures) from satisfied guests who have experienced the delights of a property, prospective guests can more easily imagine themselves having the same experience. Similarly, Hotel Generated Content is equally important. Hotels are more than beds and effective video presentations can tell a compelling story - a story about what makes the hotel appealing and unique. A video walk-through of rooms is essential, as are video tours in different areas of a hotel. The goal is to highlight what makes the property exceptional, but also to show real people having real fun - an experience that prospective guests can have too. The June Hotel Business Review will report on some of these issues and strategies, and examine how some sales and marketing professionals are integrating them into their operations.

JULY 2019

Hotel Spa: Pursuing Distinction



The Wellness Movement continues to evolve and hotel spas continue to innovate in order to keep pace. Fueled by intense competition within the industry, hotel spas are seeking creative ways to differentiate themselves in the market. An increasing number of customers are searching for very specific, niche treatments that address their particular health concerns and, as a result, some leading spas have achieved distinction by offering only one specialized treatment. Meditation and mindfulness practices are becoming increasingly mainstream as are alternative treatments and therapies, such as Ayurvedic therapies, Reiki, energy work and salt therapy. Some spas specialize in stress management and offer lifestyle coaching sessions as part of

their program. Other spas are fully embracing new technologies as a way to differentiate themselves, such as providing wearable devices that track health and fitness biomarkers, or robots programmed with artificial intelligence to control spa environments, or virtual reality add-ons that transport guests to relaxing places around the world. Some spas have chosen to specialize in medical procedures such as liposuction, laser skin therapy, phototherapy facials, Botox and facial fillers, acupuncture and permanent hair removal, in addition to cosmetic body shaping procedures and teeth whitening treatments. Similarly, other spas are offering comprehensive health check-ups and counseling services for those who are interested in disease prevention treatments. Finally, as hotel spas continue to become more diverse, accessible and specialized, there is a growing demand for health professionals with a specific area of expertise. There is a proliferation of top class, quality wellness practitioners who make a name for themselves by offering their services around the globe, including athletes, chefs, doctors, physical trainers and weight loss specialists. The July issue of the Hotel Business Review will report on these trends and developments and examine how some hotel spas are integrating them into their operations.

AUGUST 2019

Food & Beverage: Millennial Chefs Lead the Way



Led by Millennial chefs, hotels continue to foster sustainability, sourcing and wellness within their dining rooms and banquet spaces, and by all measures, this is responsible for an increase in their revenues. In many hotels, the food & beverage division contributes 50 per cent or more to hotel sales and they are currently experiencing double-digit growth. As a result, hotel owners are allocating an increasing amount of square footage for F&B operations. The biggest area of investment is in catering, which is thriving due to weddings, social events and business conferences. Hotels are also investing in on-site market or convenience stores that offer fresh/refrigerated foods, and buffet concepts also continue to

expand. Other popular food trends include a rise of fermented offerings such as kombucha, kimchi, sauerkraut, tempeh, kefir and pickles - all to produce the least processed food possible, and to boost probiotics to improve the immune system. Tea is also enjoying something of a renaissance. More people are thinking of tea with the same reverence as coffee due to its many varieties, applications and benefits. Craft tea blending, nitro tea on tap and even tea cocktails are beginning to appear on some hotel menus. Another trend concerns creating a unique, individualized and memorable experience for guests. This could be a small consumable item that is specific to a property or event, such as house-made snack mixes, gourmet popcorn, macarons, or jars of house-made jams, chutneys, and mustards -all produced and customized in house. One staple that is in decline is the in-room minibar which seems to have fallen out of favor. The August issue of the Hotel Business Review will document the trends and challenges in the food and beverage sector, and report on what some leading hotels are doing to enhance this area of their business.

SEPTEMBER 2019

Hotel Group Meetings: Uncommon Destinations

The last few years have been good to the Hotel Group Meetings industry and that trend is expected to continue into 2019. Planners are brimming with confidence due to an expanding economy and increased job creation, which typically results in a boost in corporate meetings. Given this promising outlook, planners are trying to outdo themselves to satisfy the high expectations of their clients. One



notable trend is to integrate unusual settings into the meeting experience, hosting groups at local zoos, aquariums, museums, event centers, or other outdoor facilities. The goal is to embrace uncommon destinations, rather than a typical hotel conference room, so that meetings can be memorable, unique and stimulating. This is also part of another trend which is to support all things local - from hosting events at landmark city venues; to catering through local restaurants, food trucks and microbreweries; to hosting off-site excursions like agri-tours, athletic events or scenic 5k routes. However, though the setting might be spectacular, there are still some

bedrock components that must be provided to ensure a successful meeting. Free, high-speed Wi-Fi is still one of the most requested services. Planners have to make sure that a comprehensive communication infrastructure is in place so clients can easily connect - and stay connected - to the network throughout the entire meeting experience. Also, technology tools can be used to streamline the booking, registration, and check-in process, and Radio Frequency Identification (RFID) materials can be utilized to ensure seamless access to conference events. There are also numerous software tools that encourage audience participation, as well as integrating polls, Q&A, surveys and games into speakers' presentations. The September Hotel Business Review will examine issues relevant to group meetings and will report on what some hotels are doing to promote this sector of their operations.

OCTOBER 2019

Revenue Management: Focus On Profit



Revenue Management is still a relatively new profession within hotel operations and as such, it continues to evolve. One significant trend in this area is a shift away from using revenue as the foundation to generate key performance indicators (KPIs) and to instead place the emphasis on profit. Traditionally, revenue managers have relied on total revenue per available room (TrevPAR) and revenue per available room (RevPAR) as the basis of their KPIs. Now, some revenue managers are using gross operating profit per available room (GOPPAR) as their primary KPI. This puts profit at the center of revenue management strategy, and managers are increasingly searching for new ways to increase the profitability of their hotels. Return on Investment is the objective of any hotel investment, so it is only logical that

profitability and ROI will be emphasized going forward. Another trend is an expanded focus on direct hotel bookings. Revenue managers know that one way to increase profitability is to steer guests away from online travel agencies (OTAs) and book directly with the hotel. This tactic also reinforces brand identity and loyalty, and encourages repeat business. In addition, it provides a valuable platform to market the hotel directly to the customer, and to upsell room upgrades or other services to them. Another trend for revenue managers involves automation in their software programs. Revenue management systems with automation are far more desirable than those without it. Automating data entry and logistics increases efficiency, allowing managers to spend more time on formulating strategy. As a bonus, an automated system helps with aggregating and interpreting data. The October issue of the Hotel Business Review will address these developments and document how some leading hotels are executing their revenue management strategies.

NOVEMBER 2019

Architecture & Design: Biophilic Design



The hospitality industry is constantly evolving to meet and exceed guest expectations. As a result, hotels are always on the lookout for new ways to improve the guest experience, and architecture and design is an essential part of this equation. Bold design is often the most effective way to make an exceptional first impression - an impression guests use to distinguish between brands. One design trend that is being embraced worldwide has become known as "Biophilic Design." Biophilic design is based on the concept of biophilia, which is the theory that human beings have an innate

tendency to seek out nature, natural elements, and natural forms. Biophilic design is more than hotels simply adding a surplus of plants; it involves incorporating specific design elements into a hotel in order to imbue it with a sense of wellness and well-being. Some of those elements include exposure to natural lighting; views of nature and rooms with a view; natural architectural patterns; salvaged or reclaimed woods of all types; reclaimed metals; sustainably sourced stone; living green walls and vertical gardens; and direct and indirect exposure to nature. Hotels that have incorporated biophilic design into their properties are reaping the benefits associated with this trend including reduced stress responses, better air quality, lower energy costs, and more positive guest reviews. Biophilic design has also been shown to improve guest moods and to satisfy consumer demand for environmental responsibility. Savvy hotel owners and managers are aware that nature-inspired elements enhance their guests' comfort and well-being, which is why this trend is becoming so prevalent. Biophilic design is just one topic in the fields of hotel architecture and design that will be examined in the November issue of the Hotel Business Review.

DECEMBER 2019

Hotel Law: A Labor Crisis and Cyber Security



According to a recent study, the hospitality industry accounted for 2.9 trillion dollars in sales and in the U.S. alone, was responsible for 1 in 9 jobs. In an industry of that scope and dimension, legal issues touch every aspect of a hotel's operation, and legal services are required in order to conform to all prevailing laws and regulations. Though not all hotels face the same issues, there are some industry-wide subjects that are of concern more broadly. One of those matters is the issue of immigration and how it affects the ability of hotels to recruit qualified employees. The hotel industry is currently facing a labor crisis; the U.S. Labor Department estimates that there are 600,000 unfilled jobs in the industry. Part of the problem contributing to this labor shortage is the lack of H2B visas for low-skilled workers, combined with the difficulty in obtaining J-1 visas for temporary workers. Because comprehensive immigration reform is not being addressed politically, hotel managers expect things are going to get worse before they get better. Corporate cyber security is another major legal issue the industry must address. Hotels are under enormous pressure in this area given the large volume of customer financial transactions they handle daily. Recently, a federal court ruled that the Federal Trade Commission had the power to regulate corporate cyber security, so it is incumbent on hotels to establish data security programs in order to prevent data breaches. The lack of such programs could cause hotels to face legal threats from government agencies, class action lawsuits, and damage to their brand image if a data breach should occur. These are just two of the critical issues that the December issue of Hotel Business Review will examine in the area of hotel law.



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