



# Industry Workshop on Global Trends in Hospitality

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15<sup>th</sup> May 2013

Dublin / Limerick

# Topics of the Day

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- Trends in Travel:
  - Changing global demand dynamics – how this drives trends in hotels
- Trends in Hotels:
  - Hotel Concepts
  - Rooms
  - Food and Beverage
  - Spas
  - Fitness Facilities
  - Technology



# Introduction: Strategic Hotel Consulting

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- An independent, international management consulting firm
- Specialising in hotel and tourism related projects
- Advisory services for owners, investors, developers, managers
- Based in Switzerland with satellite office in United Arab Emirates
- Key Markets: Europe, Middle East, Asia
- Managing Director – Tea Ros



# Introduction: Strategic Hotel Consulting (Cont.)

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- Key Services:
  - **New Developments** – market and financial feasibility studies, optimal component analysis, opportunity assessments, management company selection and negotiation of contracts
  - **Existing Assets** –Operational assessments, repositioning, redevelopment, rebranding, acquisition due diligence



# Trends in Travel

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- Changing demand dynamics – rapidly emerging new source markets and decline in traditional demand sources
- Key markets of growth: China, China, China.
- And also India, Middle East, Russia, South America (Brazil)
- Emerging markets can be highly profitable...
- ... but have very specific requirements when travelling



What do they want?

# Trends in Travel (Cont.)

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- Traditional source markets of US and Europe are declining (in % terms and often also in actual numbers)
- Greying global population...
- ...BUT quickly growing Millennials
- Corporate travel driven by value considerations
- Leisure travel more adventures, after unique experiences
- Rise of intergenerational family travel (especially among emerging markets such as India)



# Food for Thought

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- Estimated that by 2020 Asians claim 33 % of global travel spend.
- Chinese now spend most of all tourists: 80 billion EUR in 2012...
- ...An increase of 40 % from previous year.
- 50 % of Middle East travellers spend more than € 5,000 per day...
- ...They account for only 3.5 % of visitors to France, but 30 % of revenues in luxury hotels.
- Gross bookings of online travel market in India was estimated at USD 7.1 billion in 2012.... and growing 35 % per year.



Opportunity not to be missed!

# Travel Trends – What does this mean for Hotels?

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- Need to understand the emerging markets and accommodate to their requirements by adapting service and facility offering.
- Need to re-think sales and marketing strategies and possibly create new channels of distribution (technology very important)
- Possible partnerships to enhance understanding and gain competitive advantage:
  - Dusit (Thailand) and Changzhou Qiao Yu Group
  - Meliá Hotels International (Spain) with Greenland Group
  - GHM (Singapore) and Beijing Tourism Group – Ahn Luh
  - Louvre (France) and Jinjiang Inn co-branded hotels





# Trends in Hotel Concepts

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- Healthy Hotels: wellness is everywhere concepts:
  - EVEN from Intercontinental
  - Sheraton JV with Core Fitness
  - MGM's Stay Well rooms
- Sport Hotels: Thanyapura Sports & Leisure Club, Phuket, Thailand



EVEN from IHG



Thanyapura Sport Hotel



# Trends in Hotel Concepts

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- Unique Hotels: Water Discus underwater hotel in the Maldives
- Shopping Hotels: Hotels as part of a shopping mall, Middle East is the leading region – City Centre Bahrain, Dubai Mall
- Pet-friendly hotels: The Hotel deLuxe in Portland Oregon
- Urban Resorts: Banyan Tree Shanghai, Anantara Abu Dhabi



Water Discus



Banyan Tree Shanghai

# Trends in Hotel Concepts

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- Value and Technology driven Hotels: Moxy, Citizen M, Yotel
- Environmentally Friendly Hotels: Longitude 131 in Australia
- Flexible check-in Hotels: stay of 24 hours regardless of check-in time (Starwood's "Your 24", Raffles in Dubai, Cosmopolitan in Hong Kong, Eastin Easy in Bangkok and Hanoi, Atria Bangalore)



Yotel



Longitude 131



# Travel Trends / Hotel Concepts in Ireland

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- What do the changes in Travel Trends mean for hotels in Ireland?
- Could Limerick / West Coast offer opportunity to explore / develop some of the new hotel concepts?



Dromoland Castle Hotel

# Trends in Hotel Rooms

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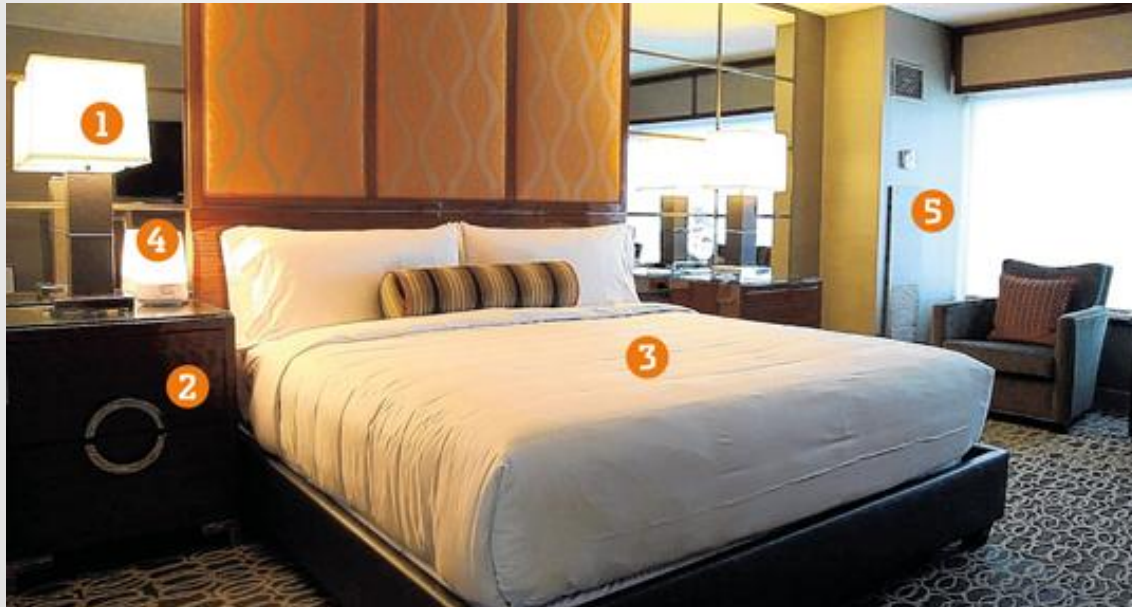
- Beds: comfort and cleanliness remains the key. Bed sheets are white but colours are integrated with blanket throws
- Technology emphasised: tablets that control all room functions, wifi (free!), power strips with adaptors which enable recharging of equipment (especially phone) straight from the bed.
- Emphasis on amenities / toiletries: top end hotels are moving into tailor-made property specific toiletries; Park Hyatt Zurich and Four Seasons Pudong Shanghai
- Bathtubs on the way out as popularity is diminishing. Possible options for bathtubs are spa bathrooms with private steam rooms as done by Six Senses



## Trends in Hotel Rooms (Cont.)

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- Healthy hotel rooms: rooms designed to alleviate altitude sickness, reduce jet lag, induce better sleep, humidify the air and eliminate bacteria, waterborne chemicals and allergens.



Stay Well Room at the MGM Grand Hotel & Casino in Las Vegas

# Hotel Rooms in Ireland

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- What are the recent trends in the room product in Ireland?
- Are the guest requirements for hotel rooms changing?



Room at Absolute Hotel, Limerick

# Trends in Hotel Restaurants

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- Going organic – recent food scandals reinforcing the trend.
- Going local: locally sourced seafood and meats and locally grown produce (as long as it is perceived “safe”)
- Allergy conscious menu options (free of gluten / wheat, nuts, milk, eggs, soya etc).
- Diet specific meals (high protein, low carbs, low fat etc)
- Healthy kids’ meals





# Trends in Hotel Restaurants (Cont.)

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- New creative restaurant concepts such as Gastropubs: The Brew at Kerry Hotel Shanghai, Cook Hall at W Atlanta, Darby's Bar at The Lodge at Doonbeg in County Clare, Ireland
- Reversed wine pairing: Kork at JW Marriott Marquis Dubai
- Elaborated menus: Andaz in Shanghai
- AND menus with limited options: fast gourmet restaurants



Darby's Bar at The Lodge at Doonbeg, County Clare

# Hotel Restaurants in Ireland

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- What do the recent organic and diet / allergy specific food trends mean for hotels in Ireland ?



The Strawberry Tree – the only certified organic restaurant in Ireland, at the BrookLodge & Macredding Village

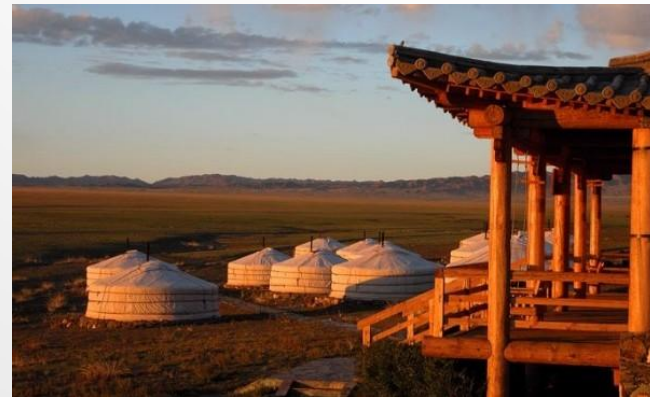
# Trends in Hotel Spas

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- Going bare: spa products with organic ingredients, simpler menus
- Infusing wellness: addressing health, nutrition and fitness
- Holistic holidays, dedicated wellness travels and “Spa-cations”: (Alpina Gstaad, Como Shambala Ubud, Chiva Som Hua Hin)
- Digital detox: technology free vacations in rustic surroundings (Jongomero Safari Camp Tanzania, Three Camel Lodge, Mongolia)



Chiva Som



Three Camel Lodge



# Trends in Hotel Spas (Cont.)

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- Mixing spas and health care:
  - Integrated medicine and wellness centres: DNA Health Corp opening a medicine / wellness centre at the Yas Island, Abu Dhabi jointly with spa at the Park Hyatt
  - Medi-spas: Specialist spas offering cosmetic, dental, laser, botox
- Demand trends ranging from ultimate indulgence – Luxury spa treatments and fine dining...
- ...to chasing the discount: daily deal sites, voucher books



# Trends in Hotel Spas (Cont.)

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- Trendy treatments:
  - “Earthing” – putting people back in touch with nature
  - Water therapy – hammam rituals, salt water bathing, Vichy showers and cold or ice therapies
  - Authentic Roman and Turkish baths and Russian Banyas
  - Authentic, ancient revivals (e.g. Ayurveda)
  - Body / nail art – creative and colourful
  - Sampling and express treatments due to lack of time



# Trends in Hotel Spas (Cont.)

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- Widening the market – Mens', kids' and couple's treatments
- Focus on men:
  - More targeted spaces and spa menus
  - Dedicated male spas: 1847 at Grosvenor House / Emirates Towers in Dubai and Steigenberger Frankfurter Hof 's "Male Zone" by GOCO Hospitality
  - Male day spas (stand alone)



Male Zone - Frankfurt



1847 – Dubai

# Trends in Hotel Fitness Facilities

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- Enormous demand for fitness focused hotels and facilities
- Shift from beauty and pampering to health and wellness
- Exercise equipment in the room: yoga mats, cardio equipment, on-demand workout videos (Stay Fit Kit at Affina Chicago)



Affina, Chicago



TRX In-room  
Workout



# Trends in Hotel Fitness Facilities

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- Demand for fitness facility add-on's: maps of local jogging tracks, sleep programs
- Tie-up with professional fitness companies
- Creative classes: yogalates, piloxing, crossfit etc.
- Increased emphasis on employee health and fitness



Sheraton – Core Fitness



# Trends in Fitness Facilities (cont.)

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- Trends in hotel fitness centres:
  - More dedicated facilities with emphasis on location / access
  - rubber flooring is out, vinyl encased hardwood is in
  - Floor exercise areas where using human body as equipment (TRX, kettle bells, yoga exercises etc)
  - Elimination of large locker-room bathrooms
  - Selling of memberships to external clientele



Plaza New York



Kerry Pudong Shanghai

# Hotel Fitness Centres in Ireland

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- How could hotels in Ireland improve their fitness offering ?



SanoVitae Health & Fitness Club  
at the Clarion Hotel Limerick



Sightjogging Dublin

# Trends in Technology – Social Media

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- Social Media: get in there but let the audience do the talk
- Encourage visitor engagement and provide compelling experience
- Main players: Facebook, Twitter, LinkedIn, Foursquare, YouTube
- Remember emerging markets: Sina Weibo and Youku
- Facebook increasing presence: recently appointed “Head of Travel” (initial goal is to provide clarity, then drive bookings)
- Facebook now click-to-call approach, future could be selling of rooms (Jebel Ali Hotels has already started)
- New trends in Facebook: Graph Search and Nearby
- Hotel specific social network platforms: Novotel’s LobbyFriend



# Trends in Technology (Cont.)

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- Internet guest feedback is critical: Many hotels now include their Tripadvisor rating and comments on their own website
- Tripadvisor and Wyndham partnership where Wyndham invites guests to provide feedback directly on Tripadvisor
- Hotel focusing on technology driven facilities: “Business Bar” at Kimpton’s Eventi, Manhattan
- Hotels still unsure how to handle IT:
  - Hyatt growing the department and recently named 1<sup>st</sup> “Head of Technology” (founder of Orbitz)
  - Outsourcing – Marriott to cut hundreds of jobs in corporate IT headquarters to outsource department started 3 years ago



# Trends in Technology

The screenshot displays the Four Seasons Hotel Dublin website. At the top, there is a navigation bar with links for 'Find a Hotel or Resort', 'Meetings & Events', and 'Weddings'. On the right side of the navigation bar, there is a link for 'My Account & Reservations'. Below the navigation bar, there is a secondary menu with links for 'ACCOMMODATIONS', 'PHOTOS & VIDEOS', 'SERVICES & AMENITIES', 'DINING', 'SPA', 'DESTINATION', 'OFFERS', and a prominent red button for 'MAKE A RESERVATION'. The main content area features a large photo gallery of the hotel's exterior, with the current slide showing a brick building and a stone entrance. Below the gallery, there is a caption '1/12 Exterior' and a link to 'VIEW ALL PHOTOS'. To the right of the gallery, there is a text block starting with 'Home to immaculate garden views and Dublin's only full-service hotel spa, our Hotel is an ideal spot to unwind and discover the perfect balance of warm Irish hospitality and personal service.' Below this text is a link to 'LEARN MORE ABOUT OUR ACCOMMODATIONS'. Further down, there is a badge from TripAdvisor that reads 'TRAVELERS' CHOICE 2013 WINNER' and 'VOTED TOP 25 LUXURY HOTELS IN IRELAND' for the Four Seasons Hotel Dublin in Dublin, Ireland. At the bottom of the badge, there are social media icons for TripAdvisor, Twitter, and Facebook.

## Four Seasons Dublin and Social Media



# Trends in Technology – Devices

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- Mobile is exploding: estimated that 80 % of bookings will be made via mobile within 3 years
- Apps are needed to capture mobile users
- Highest usage time of mobile devices? Late evenings!
- Game concept and developed applications: creative simulation games such as Hackathon from Radisson and My Marriott Hotel
- Tablet usage is high and increasing – consideration should be given to interfaces to focus on “touch” rather than “click”
- Tablets replacing menus in restaurants (Sama Sama Kuala Lumpur) and control devices in rooms (Peninsula Hong Kong)
- Free wifi: as vital as bed and shower



# Hotel Technology in Ireland

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- Are hotels in Ireland keeping up with trends in technology?
- How is your hotel represented in Internet / Social Media? Are you getting the results you are looking for? How could you improve?





Thank You.

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15<sup>th</sup> May 2013

Dublin / Limerick



# For Further Information

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