

5 resolutions for hotel operators in 2012

05 January 2012 6:40 AM
By Patrick Mayock
News Editor-International
patrick@hotelnewsnow.com

Story Highlights

Hotel operators should never use "But we're in a recession" as an excuse for poor performance during 2012.

Operators cannot ignore the technology needs of guests any longer.

Instead of turning their backs on brands, hoteliers should embrace them and use the services and support included in franchise fees.



Editor's note: This is the third in a four-part series titled "Hotel resolutions for 2012." The final installment, "Revenue-management resolutions for 2012" will be published Friday, 6 January.

REPORT FROM THE U.S.—Adam Zembruski never wants to hear a hotel operator use, "But we're in a recession," as an excuse for poor performance during 2012. More importantly, neither do guests.

"In 2008, (guests) understood. 2009, they were forgiving. 2010, guests started to see the industry was improving, but were still patient. 2011, guests read the paper—they see that fundamentals are starting to return to 2006-2007 numbers," said the chief hotel operations officer for Charlotte-based Pharos Hospitality, a hotel investment, ownership and operations company.

"2012 will be the year of payback for the guests," Zembruski continued. "They've been patient for better of three years and want quality and service to return to the height, the same way (revenue per available room) is returning."

That's why **abandoning excuses** is one of the top resolutions for hotel operators during 2012.

That means being more accountable for guest service, the sources interviewed for this special report said.

"We are very much focused on financial, financial, financial, cutting costs, trying to improve productivity, and everything involved around staying alive and surviving the downturn. ... The focus for us next year ... will be on customer service and employees' satisfaction," said Birgit Radin, managing director of the 357-room Inn of Chicago and the 500-room Doubletree by Hilton - Chicago Magnificent Mile.

So how can hotel operators yield immediate improvement in satisfaction scores? Clean house and then clean up, Zembruski said.



Adam Zembruski
Pharos Hospitality

"Complete a 'roster review' and take action to remove any service professional that has not consistently displayed an 'of service' and positive attitude," he said. "Replace that person with someone with a very strong 'of service' attitude. Then, give them the proper training and motivation to succeed. Guests will still forgive some quality upgrades that are needed, but they will not tolerate a low level of guest service. It sounds cruel, but there are some people that just don't fit in hospitality and should have their careers redirected. They—and the hotel—will be better off in the long run."

By "clean up," Zemruski means literally cleaning up a hotel.

"Control what you can, and hoteliers can control cleanliness," he said.

Here are four other resolutions hotel operators should keep in mind for the year ahead:

2. Communicate goals

Many hoteliers are great at setting goals. However, fewer are proficient at communicating those goals with key stakeholders, sources said.

Operators must effectively and repeatedly communicate key objectives to get staff on board and get the organization closer to success, said Jorge Apaez, VP of operations, midscale, for InterContinental Hotels Group, which has 451,112 rooms in the Americas and 666,476 rooms worldwide.

One easy exercise to help with the process is to frame your goals as simple "stories"—for example, about an ideal guest experience, said Lew Fader, VP of operations, North America, for IHG.

"Test it with your kids; if they don't get it than no one else will," he said.

[HotelManagement Ad Will Appear Here](#)

3. Upgrade technology

"Owner and brands needs to step up their technology standards, in particular, high-speed Internet access and broadband requirements," Zemruski said.

Whereas a decade ago hotels were responsible for providing in-room entertainment (e.g. movies, cable TV, DVD players), today guests bring content with them. Hoteliers, therefore, should avoid investing in supply content and instead invest in ways to get that content to the guest faster and more efficiently.



"Invest in much more broadband technology, high-definition TVs that can easily hook up to a laptop, more HSIA access points, more innovative and efficient ways to deliver the content," Zemruski said. "The hoteliers that get that will be that much ahead of the game in 2012."

"I have spoken to numerous guests and hoteliers alike about this and here's the scary part: The guests that need powerful Internet access do not complete guest survey cards—they just go someplace else," he continued. "Brand loyalty becomes secondary to fast Internet. If an owner wants to know the reason for negative (revenue-per-available-room) share growth in their STR report, just invite the owner to stay at the hotel and use the (Internet during peak hours) like a guest." STR is the parent company of HotelNewsNow.com.

4. Embrace the brands

Many owners and operators have turned away from major brands in recent years, Zemruski said, and this avoidance is carrying over to the brands' day-to-day offerings in areas such as training and revenue management—especially when a third-party manager is involved.

Brand franchise fees already include these services, so owners should take advantage of them.

"Most of the management companies have spectacular programs for these areas, but many are duplicate efforts of what a particular brand has already created and is charging fees for," Zemruski said. "There are huge synergies and benefits in truly partnering with a brand, in truly making them a partner and treating them as such. Those franchisees that maximize the benefits and offerings of the brands will be more successful in 2012 and beyond."

Flo Lugli, executive VP of marketing for Parsippany, New Jersey-based Wyndham Hotel Group, shared a similar sentiment.

"It's also important that properties take advantage and participate in training that is offered the company or franchise level to help lift operating performance," she said.

[Wyndham](#) offers services in the fields of revenue management, operations

and housekeeping, to name a few.

"We see higher performing properties for those that engage in the different services that we offer," Lugli added.

Wyndham Hotel Group comprises more than 610,000 rooms in over 65 countries worldwide.

5. Mind (and mine) social media

"There needs to be a higher focus on reviewing consumer information, whether that's through online review sites such as TripAdvisor or through internal customer review facilities such as Wyndham's Medallia to address things like condition of property or other service issues," Lugli said.

Radin suggested assigning one person on each hotel's staff to take on this responsibility.

But that's not to say cultivating a presence on social media is a one-person job. At Kimpton Hotel & Restaurant Group LLC's 292-room Eventi hotel in New York's Chelsea district, GM Thomas Mathes is bringing everyone onboard to create a more authentic experience for guests.

Mathes is asking members from his team to share their unique, off-the-beaten-path hotspots in New York City so guests can find experiences beyond the typical tourist attractions.

"A room attendant who has a favorite restaurant or park will share that on Facebook for a local's perspective on what's hot," he said.