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Employee benefits boost ROI

HITESH (HP) PATEL
AAHOA Chairman (2018-2019)

WHEN HOTELIERS consider the best way to get maximum return on investment, they often focus on guest-orientated initiatives such as property renovations, incorporating new technology, and offering on-site restaurants and cafés. As important as all of these assets are, hoteliers also need to take into account their greatest asset: employees. They are at the front line of all guest service, maintenance, and behind the scenes management. Investing in them leads to greater long-term gains such as engaged employees who want to move up within the business and not having high rotation in and out of certain positions, which can cost money and disrupt daily operations.

The workforce shortage, however, makes this hard to accomplish. A recent survey conducted by AAHOA found that nearly 15 percent of jobs in the hotel industry remain vacant. With the unemployment rate at a historic low, it is difficult for employers to find skilled workers to fill empty positions. To combat this trend, small businesses must find ways to draw in the job-seekers that are qualified and eager to be part of a team. The most obvious way to do this is by increasing compensation. But this does not always have to mean giving higher wages. According to the Bureau of Labor Statistics, 32 percent of total compensation now comes in the form of employee benefits.

Employers can offer their employees a host of different benefit options that will make them want to come, and stay, on board. This can be anything from paid leave for new parents to increased vacation time or more flexible work schedules. All

employees are different, so offering a range of benefits can personalize benefit packages and appeal to more applicants.

One specific benefit that is always highly sought after is health insurance. In many cases, small businesses have been unable to afford health coverage for their employees, but the recent expansion in association health plans has made them more accessible and affordable. AAHOA recently partnered with the National Restaurant Association to offer our members top-notch health insurance through United Healthcare. Members who decide to participate will be able to choose from over 120 health benefit plans to find one that best fits the needs of their business. Employers will also be able to give out pharmacy discount cards to their employees. These cards are guaranteed to give a discount on FDA approved medications on up to 75 percent of the cost and most importantly, are reusable. Perks like this can set your business apart from the rest in your area and bring more talent into your hotel.

Look at your employee retention rates to see if you are doing enough to be a competitive employer. Considering most employees in management positions started out in entry level jobs within the industry, it is important to incentivize your workers with new and improved benefits to keep them in your business. All employees have the potential to be long-term team members that can be counted on to produce good work and boost the success of your business.

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Shrinking utility costs could boost your bottom line

CHIP ROGERS
AAHOA President & CEO

IF YOU'RE LOOKING FOR YET another example of how the Tax Cuts and Jobs Act is supercharging the economy, perhaps look no further than your utility bill. The tax law reduced the corporate tax rate from 35 percent to 21 percent, and over 100 water, electric, and gas corporations across the United States are passing these savings on to consumers. Whether it is through lower rates or even credits applied to consumers' bills, for hoteliers, lower utility bills can mean real savings throughout the year.

Rising utility costs can squeeze hoteliers across all segments. But, according to a recent study by Americans for Tax Reform, utilities will likely pass on about \$3 billion in savings to their customers in 2018. This is a huge win for America's small business owners. The increase in capital from tax reform is now being compounded by savings in other areas, giving hoteliers more opportunities than ever to make their businesses thrive.

For small businesses in states that have been at the brunt of the especially active and damaging hurricane seasons of this year and last, these price drops could not have come at a better time. In many cases, when a natural disaster strikes, utility rates, especially electric, skyrocket in order to pay for the loss of necessary infrastructure and equipment. But the tax cuts have given utility companies a revenue cushion that has allowed them to absorb some of the extra cost without having to put the burden on the people who were already harmed by the storms. Two large Florida electric companies, Tampa Electric and Duke Energy Florida, have cited that their tax reform savings will go toward paying for hurricane recovery costs without having to boost rates on customers as they start to rebuild.

“The increase in capital from tax reform is now being compounded by savings in other areas, giving hoteliers more opportunities than ever to make their businesses thrive.”

This goes to show that when businesses are given tax relief, consumers benefit the most. As consumers, hoteliers should make the most out of these changes because the opportunity for increased business growth cannot be emphasized enough. Small business owners are always looking for ways to save money and the best way to do that is to continue to implement cost-cutting efforts on top of these rate reductions. Pairing your new utility savings with eco-friendly initiatives, such as offering guests the option to reuse their towels and installing automatic lights, would help to reduce your monthly and annual utility bills even more.

Now is the time to check with your local utility companies to see if your service prices have changed. Chances are, when you look at your utility bills, you will see rates that are lower than the same time last year, allowing you to start capitalizing on your savings.

5 THINGS TO KNOW ABOUT AAHOA THIS MONTH

1

The Marriott International Conference will be held December 17-19 in San Diego, CA.

2

AAHOA Chairman Hitesh (HP) Patel will speak at the RLH Corporation Conference on December 10-12. Come learn more about operations, technology, sales, and marketing. In addition to education seminars, the RLH Corporation Conference will offer interactive sessions to discuss the direction of their brands as well as social events. Register now at www.rlhco-conference.com.

3

The California Lodging Expo and Conference will be held in Los Angeles at the Crowne Plaza on December 3. Join AAHOA Treasurer Biran Patel as he will moderate a panel and speak during the industry Luncheon on the topic of "The Lodging Industry and AAHOA." Visit www.clia.org for registration information.

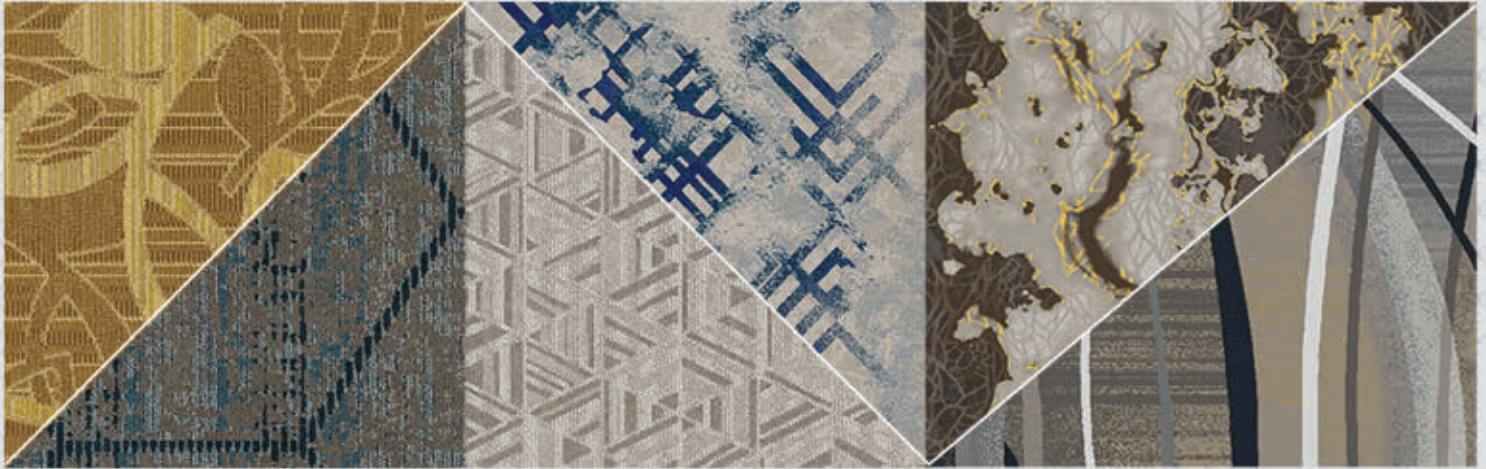
4

Take note of the AAHOA membership cycle for 2019! In order to be eligible to vote in the 2019 AAHOA elections, you must be/become a Lifetime Member on or before December 31, 2018 or pay your annual membership in 2019 on or before Election Day while also having paid your annual membership fees in two of the past three years.

5

AAHOA President & CEO Chip Rogers and AAHOA Vice Chairwoman Jagruti Panwala will be participating in the Expedia Owners and Management Company Summit in Las Vegas providing an opportunity to discuss how owners can better engage with Expedia.

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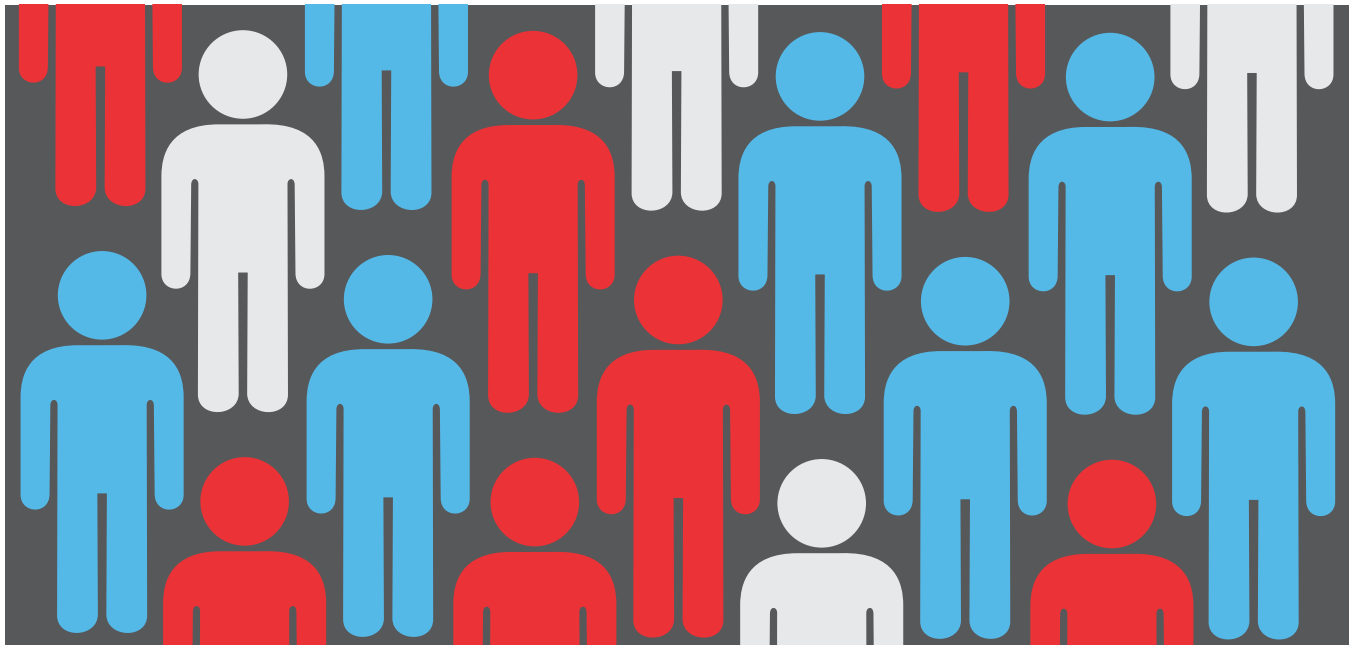
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2018 Midterm Election Recap



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UNLIKE 2016'S SHOCKING ELECTION result, the expected outcome of the election this past November actually came to be. Democrats won a majority of seats in the U.S. House of Representatives taking control of the lower house for the first time since 2010, and Republicans managed to hold onto control of the U.S. Senate and expand their majority. AAHOA members Rep. Ami Bera (D-CA)

and Rep. Ralph Norman (R-SC) won reelection to the U.S. House.

At the time of this printing, there are still a handful of House races that are too close to call. No candidate in Mississippi's Senate race won a majority, and the top two finishers, Sen. Cindy Hyde-Smith (R) and former Secretary of Agriculture Mike Espy (D) are headed for a runoff on November 27. After a full recount in Florida, Governor Rick Scott (R) has defeated Bill Nelson and secured the seat for U.S. Senate.

A DIVIDED CONGRESS

The end of a unified Republican government means that the next two years may be vastly different than the last. In the coming weeks, party leaders will lay out their agenda for the new Congress. In order for there to be progress, deals must be cut and compromises must be made. This is the question looming over Washington: will the Democratic House and Republican Senate be able to pursue bipartisan legislation in the interest of governing, or will they pursue

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divergent paths that take the country nowhere?

WHAT DOES A DIVIDED CONGRESS MEAN FOR HOTELIERS?

Democratic control of the House means that two pieces of legislation that passed the House but died in the Senate last session, the Save Local Business Act and a bill to stop drive-by lawsuits, will probably not get any traction this time around. The tax cuts and other key provisions in the Tax Cuts and Jobs Act that are set to expire in 2026 will likely not be made permanent in the next two years. But while the outlook for some legislation that impacts hoteliers may be rather dim at this point, it is key to remember that over fifty Members of Congress did not seek reelection. There will be many first-time lawmakers in Washington, and this presents numerous opportunities to educate them about our industry, our story, and our future.

GUBERNATORIAL RESULTS: DEMOCRATS RETOOK SEVERAL STATES, FELL SHORT IN GEORGIA, LIKELY FLORIDA

While Republicans maintained control over 26 states, Democrats picked up seven governorships. Tony Evers denied Wisconsin Governor Scott Walker a third term, and Democratic candidates won in Nevada, New Mexico, Kansas, Illinois, Michigan, and Maine. The two most publicized and closely-watched races in Georgia and Florida have gone to the Republican candidates. Former Secretary of State Brian Kemp avoided the chance of a runoff election against Stacey Abrams by gaining over 50 percent of the vote. She conceded after the gap became too large to overcome even with last-minute votes being tallied. The same goes for Republican gubernatorial nominee Ron DeSantis, his opponent Andrew Gillum conceded after the Florida recount showed that he trailed DeSantis by over 30,000 votes. ■

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2019 forecast and your bottom line

by AMANDA HITE, PRESIDENT & CEO, STR



“Performance remains good nationally and in a lot of individual markets, but there are plenty of hotels seeing the slowdown on their P&L sheet.”

BEFORE I GO ANY FURTHER, let me preface this column by saying what most of us already know. U.S. hotel demand continues to grow to levels never before seen, and the industry continues to break records across the key performance metrics, with the current growth cycle expected to charge through at least 2019. Yes, the industry’s 102-month streak of positive RevPAR ended in September (–0.3 percent), but that tiny decrease will prove to be just a blip on the radar caused by year-over-year comparisons with the post-hurricane demand period of 2017.

STR’s latest forecast revised in August projected 3.2 percent growth in RevPAR for total-year 2018, then a slowing to 2.6 percent growth in 2019. While our final forecast of 2018 will have been released before this column publishes, we do not expect it to waver much from those projections – even as occupancy draws closer to leveling off, and a lack of pricing confidence persists.

Overall industry performance is on solid footing, and that will not change anytime soon unless we encounter an unexpected event or situation that alters the economy. There are obvious risks in place, especially with the current trade environment, but economic fundamentals are solid. Low unemployment, moderate interest rates, and rising consumer confidence and wages should bode well for continued growth in demand.

With all of those positives established, I want to risk sounding a bit negative by shifting the focus to your bottom line.

It is easy to get enamored with records and 102 consecutive months of RevPAR growth, but the fact is, inflation-adjusted rate growth is negligible, and labor costs are growing faster than revenue. That is making operating budgets much more difficult to manage at the property level.

In recent years, most of the conversation at industry conferences centered on when we would see the next downturn. Now, expectations have shifted a bit as

industry stakeholders instead anticipate only a moderate slowdown.

So while that negative RevPAR figure for September does not signal the beginning of a recession, it should provide another glimpse into what business looks like during a slowdown. I wouldn’t say this is anything to worry about right now, but we do have to keep in mind that hotel business is not booming everywhere. Performance remains good nationally and in a lot of individual markets, but there are already plenty of hotels seeing the slowdown on their P&L sheet.

Hotels are being challenged to manage rising expenses, especially labor costs. Labor expenses will continue to accelerate in part due to the competitive environment of low unemployment. Those that are successful will not just manage expenses, but also monetize revenue generating opportunities all around the property to ensure that their top and bottom lines remain healthy. ■



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ForWard spotlights women in hospitality



Tina Tchen, partner at Buckley Sandler and co-founder of the Time's Up Legal Defense Fund, shares her journey from the daughter of Chinese immigrants to serving in the Obama White House.



Reshma Saujani, founder & CEO, Girls Who Code and author, challenged the audience to be brave rather than perfect.

MORE THAN 200 women from across the hotel industry gathered in Chicago to share knowledge and hear from successful, dynamic female executives at ForWard: Women Advancing Hospitality, the inaugural conference for industry women hosted by the American Hotel & Lodging Association (AHLA) and sponsored by AAHOA and *Today's Hotelier* magazine.

AHLA leaders say they launched ForWard in recognition of the importance of diversity and inclusion, as well as the central role of women in the hospitality business.

"As hoteliers, we all recognize that our success depends on the 8 million people who power our industry – and more than half of those employees are women," said Katherine Lugar, president and CEO of AHLA. Lugar also noted that the vast majority of students enrolled in college hospitality programs are women, and that female consumers make the majority of purchasing decisions that drive demand for the industry.

Lugar says that's why the hotel industry has made it a priority to advance women in hospitality and set them up for success. While the industry has seen progress – more women than ever are

"Doors have been shut for a long time, and we need to come together and push them down."
JAGRUTI PANWALA, VICE CHAIRWOMAN OF AAHOA

serving on boards of directors and in senior management positions, and six hotel companies were among Forbes' Best Employers for Women 2018 – she says there is still more to be done.

"I'm excited to launch ForWard because it builds on the success of our industry's efforts, and provides a forum for us to highlight and champion the next generation of our industry's leaders and keep women moving forward," said Lugar.

The 2-day conference covered a range of topics, including hospitality in the #MeToo era, insights into the Gen Z generation's attitudes and expectations about the workforce, and career advancement.

Reshma Saujani, founder and CEO of Girls Who Code and a best-selling author, kicked off the conference with a message that women should focus on being brave rather than perfect.

"If you guide yourself by passion instead of fear, anything is possible," said Saujani.

Tina Tchen, partner at Buckley Sandler and co-founder of the Time's Up Legal

Defense Fund, shared her personal journey, which began as the child of Chinese immigrants, to landing in China on Air Force One with President Obama as a senior official in his Administration.

Carole Angel, director of government affairs for IHG, and Erica Gordon, vice president of government affairs at Hilton, exchanged stories about their career trajectories and experiences as lobbyists advocating on behalf of the industry. They agreed that women in power – whether elected officials, staff members, or lobbyists like themselves – excel at building bridges, being bipartisan, and seeking compromise.

Jagruti Panwala, Vice Chairwoman of AAHOA and president & CEO of Wealth Protection Strategies, tied the long-term strength of the hotel industry to women playing a bigger role.

"Doors have been shut for a long time, and we need to come together and push them down. Women are looking for a fair shake and an opportunity to advance and be rewarded for our talents. And I think we can do that – together moving forward." ■



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CULTIVATING

THE SOCIAL EXPERIENCE

Hotels are uniquely positioned to benefit from a carefully crafted digital marketing strategy

by LISA GORDON

GOOD NEWS TRAVELS FAST IN OUR CONNECTED world. According to referral marketing platform Ambassador, 71 percent of customers who have a positive service experience via social media are likely to recommend that company.

But that same percentage of customers expects to receive assistance within five minutes of submitting an online inquiry.

That means your business has approximately five minutes to turn questions or complaints into happy customers and future revenue. In short, it's all about the experience.

While social media experts everywhere trumpet the importance of "the experience," some companies are better positioned than others to respond.

Luckily, the hospitality industry has tremendous potential in the social media arena. Hotels, in particular, have a unique opportunity to connect with their guests via social media, not only driving engagement and cementing relationships, but fostering brand loyalty at the same time.

"From a hospitality standpoint, customer service and guest experiences are paramount," confirms Andrew Caravella, vice president of Global Partnerships at Sprout Social, a Chicago-based social media management and analytics platform founded in 2010.

"People's use of social media in the world is obviously second to none. They are using it to research; there is the word

of mouth component of digital. We see a lot of our hospitality clients understanding that people are asking friends about where they've stayed and where they've gone."

If they do it right, hotels can use social media to connect with guests before, during, and after their stay.

While a guest is onsite, attentive social customer care can pay big dividends.

"Whether it's the concierge, the management office or the corporate team, point people in the right direction, and talk about promos or deals," says Caravella. "There are a lot of different ways brands can connect with people to answer their questions. We often see Twitter used for customer care."

After the bags are packed and guests have departed, hotels can encourage them to relive the best moments of their vacation by posting selfies taken at or near the hotel. Incentives can be offered for such posts, such as a discount on their next stay.

CRAFTING YOUR STRATEGY

The worst thing a hotel could do is jump on social media and start "posting from the hip."

Instead, take some time to assess the organization's social direction.

"The first step is to always understand your goal and objectives – why do you want to be on social? Make sure the goals are well defined and ensure there is agreement," says Caravella.

“Is it just to create brand awareness, is it to drive registration, or is it to make sure guests are having a good time while on property? There might be multiple objectives, but it’s really worth having that conversation up front.”

While there is no right or wrong answer when it comes to social goals, the online world can be the great equalizer for independent hotels trying to compete with big chains.

Debbie Miller is the president of Social Hospitality, a boutique digital marketing firm located in Irvine, CA.

“For independent hotels, it’s important to highlight the differentiators,” she says. “For example, they can showcase the distinct experience guests will get at an independent property versus a big chain.”

Hotels generally understand the type of guest experience they provide, and Caravella says that’s an opportunity not to be missed.

“One goal is to create the same kind of experience for people on social. So if you’re a super luxury brand, translate that into social media. If you’re a budget brand for millennials, there is an opportunity to create that brand on social, too.”

He adds that hotels are often very good at the “anticipatory” experience – in other words, knowing what guests will want before they want it.

“Social channels can be used to translate those real life experiences.”

Innisfree Hotels uses social monitoring to surprise and delight guests who post about any kind of personal milestone. When they return to their room, they’ll find a card, cake, or some other personal touch to help them celebrate.

Those happy guests may talk about their experience online, and Miller says that is pure gold.

“User-generated content does a lot of the work for you. Many hotels leverage it by creating on-site opportunities for people to take pictures. Some places add selfie stations, for example. It’s a great way to bridge the gap between online and offline.”

She cited one example of a client that utilized social platforms to connect with potential customers. The property stimulated interest in its “Queen for a Day” Mother’s Day brunch by launching a corresponding social media contest.

“The contest asked users why their mom should be Queen for a Day, to win her a horse and carriage ride. We got a lot of great PR and leveraged social to augment an existing event.”

Since consumers are documenting their travel on social media anyway, Miller says it’s important for hotels to have as much control over their brand as possible, “especially since travel decisions are now being influenced by other people’s opinions of [every] brand.”

PLANNING YOUR POSTS

Like anything else in life, it pays to be organized when it comes to social media.

“I like to do a month’s calendar in advance and outline any holidays or themes; a road map of what to post on which days,” explains Miller. “It can ebb and flow, but it is an outline so you are never stuck in a rut.”

She says it’s important to monitor what is being said about your brand and respond promptly to reviews. It’s even more critical to respond quickly to negative comments.

“Respond publicly, but then take it offline. Acknowledge their concern and always be professional. Then, ask them to contact you directly for further discussion offline.”

Caravella agrees that acknowledgment is crucial.

“If someone spoke to you in person, you wouldn’t stare at them blankly. Not responding makes them more agitated and angry. So, give them a quick response, and get to the root cause and resolve it as quickly as possible.”

PLATFORMS AND PERFORMANCE

With so many social media platforms out there, how do you know what to post where?

Facebook is a good place for diversified content such as photos, video, travel news, and user-generated content. Likewise, Instagram is very visual, so photos and travel stories do well.

“Brands still get reasonably good engagement and brand awareness on Twitter, even though people aren’t using it as much to make buying decisions,” notes Miller. “Pinterest is another great platform for the hospitality industry. It’s been a huge traffic driver to many of my hotel clients’ websites, so it’s great for search engine optimization.”

If a hotel is targeting a younger clientele or prides itself on a distinct personality, Snapchat may be an option. Miller says some Las Vegas hotels have created custom geofilters to encourage user-generated content.

But once all your posts are out there, how do you evaluate performance?

“It’s very important to understand what performance looks like, and to go beyond vanity metrics such as likes and follows,” says Caravella. “Now, it’s much more about quality than quantity. So move beyond those simple metrics and think through content analysis. What content drove engagement in the past? Dig into the data a bit more to devise your strategy.”

Miller says most social media platforms provide data to help determine post reach, follower location, etc.

“Google Analytics should also be set up for your website to track social traffic,” she says. “It should track conversions, so you’re able to assess how many people visit the site and book from those platforms. The hard thing about social is you can’t always correlate bookings to posts, but you can see how much traffic comes from each channel, and loosely track direct and assisted conversions.”

While the precise return on your investment may be open to some interpretation, there is no longer any doubt that social pays off.

According to the digital marketing site WebFX, 23 percent of travelers use social media to research hotels, and 55 percent of them like social pages related to trips they are planning. Forty-six percent will post a hotel review post-vacation.

Is your property’s social strategy working? If not, invest the time to step back, craft a fresh approach with some clear goals, and take control of your brand. ■

Correcting 2020 VISION

plans prior to that strategic date

by KRISTI FROEHLICH

LOOKING TO MAKE THE MOST OF THE FUTURE, hotel executives sat down a few years ago, put on strategic planning caps and developed “2020 vision plans.” But with only a short 365 days until that magic date arrives, hoteliers may need to re-evaluate to see if current world events and economic conditions match the realities of what they thought back when they initially laid out their 2020 plans versus what 2020 will likely bring now that it’s closer. Let’s look at what’s likely to happen in several key areas.

THE MILLENNIAL EFFECT

Research shows millennials will continue to be the top spenders of travel dollars in 2020, outpacing baby boomers according to research conducted by *Hotel News Now*. This shift means hoteliers will likely need to continue to focus on interacting with this group of travelers to better appeal to their sensibilities such as in-room streaming, use of smart speakers, and more use of public spaces.

However, baby boomers are still the largest customer in our hotels, according to Ron Pohl, chief operations officer, Best Western Hotels & Resorts. “Travelers aren’t all that different in their desires. However, we do find that millennials spend less time in their hotel room. They are wanting to experience the local area so that is what drives their stay more so than the room amenities which matter more to boomers.”

GOING MOBILE

“Most of what we’ve outlined for our mobile goals for 2020 are the same as they

are today,” says Pohl. “This includes continued use of mobile apps which are at the top of our minds, though most important is we’re still using too many key strokes. Customers are saying, ‘you’re too slow compared to what we do in other industries.’”

There are more than 39 million Americans with smart speakers in their homes, such as Alexa, Google, and Siri. However, they don’t have them in their bedrooms. “There’s still a level of discomfort for them wanting to have them in their hotel room. The fear is that the device is listening all of the time, even when the guest isn’t communicating with it,” Pohl explains. “So even though the things that an Alexa can do are something guests want, it’s still an experiment to determine if guests really want the device in their hotel room.

“Integrating that technology is a component of the guest stay that we’re not giving up on,” he says, “But we’re still not sure where that application should go by 2020.”

Pohl says something as simple as when in your guest room you ask Alexa for more towels, that’s certainly more efficient for a hotel. “There are not many times we can add efficiencies, but having this technology available decreases the number of calls to the front desk and allows the guest to communicate by text.

He also said that there has to be a way that introducing smart speakers into hotel

18 19

rooms will change. “There has to be a way it’ll change,” he says. “But when you’re having a conversation and Alexa pops up and answers unexpectedly, it can still throw people off.”

IN-ROOM STREAMING

Another key 2020 vision difference between millennials and baby boomers is the streaming capability so they can watch what they want on the devices they carry with them versus watching the television in the room.

“Netflix is the largest base of streaming,” Pohl says. “We find that guests stream YouTube as well. Another difference is that millennials would rather spend time socializing in the lobby area rather than in their guest room, so our new public space design creates a Starbucks-type approach or living room space to meet that need.”

ONLINE TRAVEL BOOKING AGENCIES (OTAs)

The OTAs are one area that hotels should experience some significant growth in 2019 in terms of senate and house lobbying efforts to help put a stop to the use of scam booking sites.

“What they do well is easing the decision-making of choosing a hotel by travelers shopping for lower price hotels. It’s a frictionless experience for the travelers,” says Pohl. “But OTAs are using fake booking sites, so customers think they are using BestWestern.com, but they are scam booking sites. We believe that’s an infringement on our brands, so we’re trying to get in front of the senate, house, and local authorities to let them know that this is an issue,” Pohl says.



BEING GREEN

Being socially responsible is still top of mind for millennials, says Pohl and recycle programs are a simple way to approach that. “Energy costs are big for our industry and our customers. LED lighting is another way to help recoup energy costs within a year along with keeping a cool room only when people are in it.”

Pohl says bathroom amenities are a big area of focus for keeping costs down. “We’ve partnered with another company to use sustainable small bottles to keep costs down.”

The idea of refillable dispensers that have been talked so much about lately are not necessarily a cost savings, but are perceived to be so. Best Western uses those more in European hotel properties as opposed to U.S. Properties.

THE ECONOMIC LANDSCAPE

When the United States implemented steel and aluminum tariffs on June 1, some may have wondered if this would have an effect on the new hotel construction pipeline or hotel expansions. But according to JP Ford, sr. vice president of Lodging Econometrics, it really has not led to a groundswell of discussion. “It still may be early, but very little talk is going on now,” he says. “I have not been asked a question on the topic; we will need to see how it plays out. No one has been able to measure it. When we close out the 3Q pipeline, we will have a better idea on what the effect has been.”

Ford says sales are down for those transactions with a reported selling price, but the expectation is that they are not going to increase dramatically. “For all lodging transactions, 2018 will be roughly at 2017 sales numbers, or slightly less.”

Ford also says there is not a lot of expansion of hotels looking to add 150, 200 rooms to their properties. “If you have some extra land and demand is strong, you might do it.”

Overall, he says, the horizon looks good for the continuation of their lodging cycle.

“Demand is good, there is a high level of consumer confidence,” Ford says. “This has been a prolonged lodging cycle that started in 2010. We all know that the hospitality industry is cyclical and that at some point we will plateau and decline, but it is hard to pinpoint when that will be. Probably in 2020 we will see things start to go that way.”

Ford likened the lodging cycle to a baseball game. “Everyone wants to know what inning we are in. If we relate it to that, then this cycle has been so long that it seems like we are somewhere in the second game of a doubleheader.”

CONCLUSION

With just a year remaining until 2020, it can’t hurt to pull out those vision plans, dust them off and see if there’s something you can do with your hotel properties in the short term to make a positive difference in the days left until 2020 comes to fruition. Current world conditions may or may not keep you from forward progress, but it never hurts to check. ■

2020

TUNING IN TO THE RIGHT CHANNELS

Using data to optimize inventory distribution strategy

by NICK FORTUNA

IF THERE'S ONE ADAGE THAT ONLINE TRAVEL agencies prove true over and over again, it's that not all reservations are created equal. The commission fees paid to OTAs naturally make hoteliers want to drive traffic to their own websites. But a diminished presence on high-traffic sites like Expedia and Booking.com can lead to lower occupancy rates and less revenue.

To find the right balance, you have to crunch the numbers, and when new numbers come in, you have to crunch those too. So says Kristen Richter, vice president for revenue optimization at Radisson Hotel Group, whose eight hotel brands account for more than 1,400 hotels around the world. Richter says that performing cost-of-acquisition analysis to determine hotels' margins with each booking channel is one of the most important parts of her job, and it's one task that never goes away.

Richter says she typically looks at the percentage of reservations, and the cost per reservation, made through each booking channel and compares that data with numbers from the prior month and the same month last year. The analysis helps the company identify trends and learn which strategies are most effective in each market.

"We're always looking backward and pulling data, whether it's from the CRS or PMS or various other data sources, and just looking to see production and watching trends over time," Richter says. "It's a fine line between wanting to grow Brand.com but also knowing that we do need to lean on the

OTAs for success, so you're constantly watching what's happening and then trying something new, such as a new rate code, and then just watching what happens."

Ghassan J. Sader, founder and chief executive of Los Angeles-based Sader Hospitality Worldwide, a hotel management company, says there are no hard and fast rules for how many reservations should come from each channel. But in general, if a hotel isn't getting at least 35 percent to 40 percent of its reservations from Brand.com, the franchisee isn't getting good value from the brand.

Ideally, at least 30 percent of reservations should be repeat business – those hard-won, loyal customers who like the guest experience at your hotel and its location. The rest should come from channels such as voice, OTAs, Groupon and mobile channels such as HotelTonight. If a hotel finds that it is getting an unacceptably high percentage of its reservations from OTAs, Sader recommended focusing on a few fundamentals:

➔ **Conversion** – Turn OTA customers into Brand.com customers by engaging with them online both before and after their stay. When thanking visitors for their business in person and via email, mention that you noticed that they booked through an OTA and offer them a discount code to use on Brand.com for their next stay.

➔ **Differentiation** – Make sure the online booking process is fast and simple and that your website showcases what's best about your hotel, its rooms and its amenities. And don't be afraid to name names. If you have an edge over your competitors, such as lower prices on rooms, parking, food



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and beverages or other amenities, display that information prominently and in a transparent way on your website, mentioning your competitors by name. If you're offering a service that they aren't, such as a free carwash, then brag a little.

"The site should be enticing to guests and show them the value of staying with Hotel A vs. Hotel B, and that really comes at the unit level," Sader says. "We monitor every aspect of our clients' competitors so they can defend their position in the marketplace."

➔ **Predicting demand** – Make sure you're keeping up with the calendar of conventions, concerts, major sporting events, local festivities and other events that could lead to a surge in demand, and plan ahead since these events typically are scheduled many months in advance. Additionally, reviewing data from previous years can help hotel operators predict demand. Sader says that when demand is sure to be high, his clients initially might make as few as 2 percent of their rooms available on OTAs and then adjust that percentage if need be.

Peter Ferretti, director of revenue management for Seattle-based Columbia Hospitality, a management company and consultancy, says some hotels are naturally more reliant on OTAs than others, especially newly built independent hotels, which haven't been around long enough to earn loyal customers and lack national brand recognition. Hotels in highly competitive urban markets typically will lean on OTAs more than hotels in remote resort locations, Ferretti says.

Since the OTAs require parity for the lowest public rate, hotels can't undercut them on Brand.com, but they can offer an additional benefit, such as a \$25 food-and-beverage credit at a cost of \$10, that makes booking on Brand.com a better value for customers, Ferretti says. Additionally, guest loyalty programs help make Brand.com more attractive than OTAs.

"OTAs are a great place to showcase good photography because they do have a billboard effect," Ferretti says. "They get a lot of visitors to their website, so it's important to show up well there. You want customers to book on OTAs because that gives you the chance when they check in or check out to try to capture them as a loyal customer and get them to book direct next time."

Given that OTAs do help keep occupancy rates high, Ferretti says hoteliers should maintain a close relationship with their OTA market managers and meet with them at least quarterly to review their hotel's placement and performance on the site. Expedia and Booking.com also have free tools that allow hoteliers to track what their competitors are charging for rooms and, if they lose a reservation, whether that customer went to a competitor.

Ferretti says hoteliers should consider participating in OTA promotions such as Expedia's 72-hour sales, which typically require rooms to be discounted at least 15 percent.

"Anytime you offer a promotion on Expedia, you should also load that same promotion on your website, because if someone sees it on Expedia, they might go to your website to find out more information about your property, and you certainly want to have that same rate loaded on your website to try to capture that direct booking," he says.

One potentially expensive option that nevertheless should be explored is bidding on keywords in Google Ads, Ferretti says. For a Seattle hotel, for example, being among the first listings on Google when a customer's search includes the words "Seattle" and "hotel" is a reliable way to drive Brand.com booking. When you select each keyword, you can choose how much you're willing to pay whenever a customer searches for that keyword and clicks on your ad. But with deep-pocketed OTAs like Expedia and Booking.com bidding on those same keywords, this option easily can become cost-prohibitive, Ferretti says.

Richter says that in addition to knowing the percentage of reservations coming from each channel, hoteliers should make sure they know the cost per reservation for each channel. When things like loyalty discounts and rewards points are factored in, the difference in revenue between OTA bookings and Brand.com bookings might be negligible.

"I think one of the most important things people can do is a thorough cost-of-acquisition analysis," Richter says. "For a long time, it's been the assumption that the OTAs are the most expensive, and that may be true, but it may not be true, and it's important for folks to know that for sure. It's a matter of just sitting down, doing the math and really understanding the cost of a booking on every channel." ■



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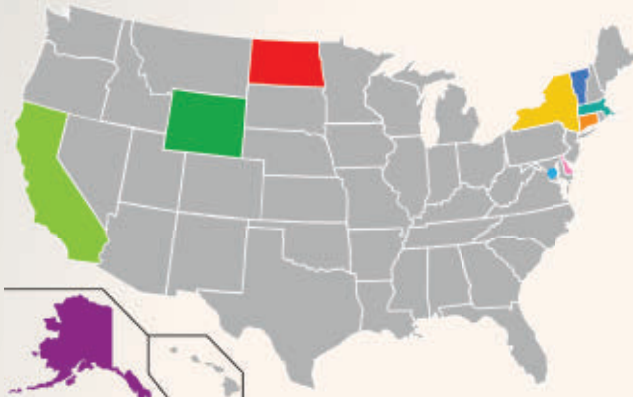
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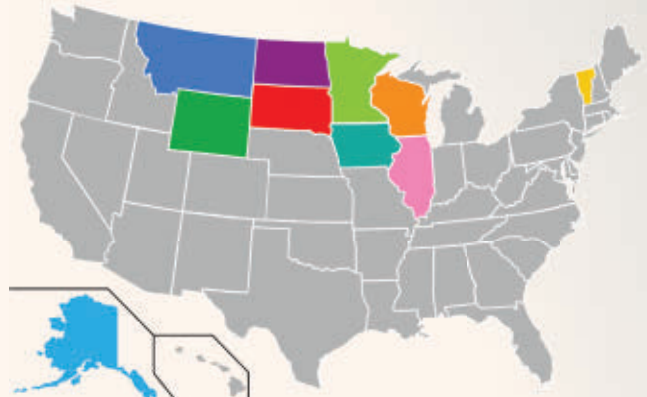
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HIGHEST OVERALL SPENDING BY STATE**



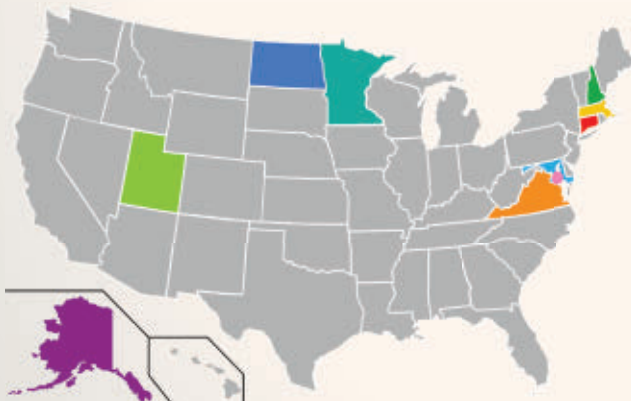
1 Alaska	\$19,965*	6 Vermont	\$11,065*
2 Washington, D.C.	\$18,534*	7 Massachusetts	\$10,582*
3 Wyoming	\$14,309*	8 California	\$10,514*
4 New York	\$13,033*	9 Connecticut	\$10,254*
5 North Dakota	\$11,976*	10 Delaware	\$10,254*

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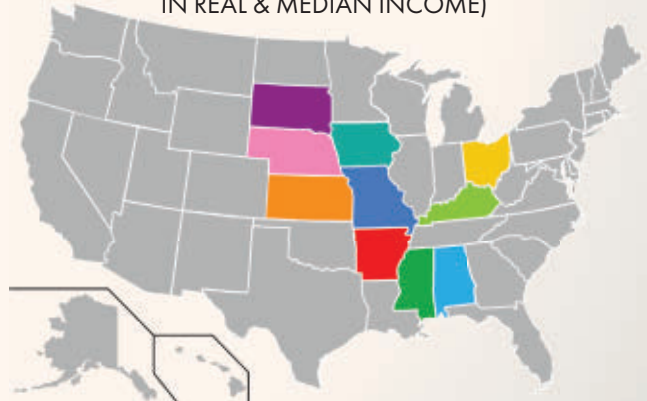
1 North Dakota	\$2,229*	6 Montana	\$935*
2 Alaska	\$2,150*	7 Iowa	\$836*
3 Wyoming	\$1,243*	8 Minnesota	\$808*
4 Vermont	\$1,189*	9 Wisconsin	\$750*
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3 Mississippi	\$6,499*	8 Kentucky	\$5,818*
4 Ohio	\$6,184*	9 Kansas	\$5,725*
5 Arkansas	\$6,054*	10 Nebraska	\$5,706*

*Per Capita. **Source: The Urban Institute - Brookings Institution Tax Policy Center. ***Source: The US Bureau of Economic Analysis/US Census Bureau's American Community Survey.

How can hotel owners use leverage as a tool to create wealth?

by RUSHI SHAH

IF YOU'RE A SUCCESSFUL HOTEL owner, you've likely invested years of blood, sweat, tears, and cash equity building value in your business. From spending money on cap-ex properties, to improving brands on your hotel assets, to developing management systems and engaging strong operational management to increase net operating income. When it's time to monetize the value created, many hotel owners assume that selling is their only option. There is an alternative. By putting on prudent leverage and using disciplined recourse, you can effectively recapitalize your balance sheet and retain the asset you've worked hard to establish. When it's really time to reap the rewards in the form of stabilized cash flow, owners tend to fold and book profits. There is a different way to monetize the value creation.

REFINANCE OR SELL

The classic conundrum: sell vs. refi. As cap rates compress and liquidity is abundant, owners face a critical decision – sell and take cash out, or refinance, keep the property and recapitalize. Parting ways with an asset, after nurturing it to where it is at the optimal level of cash flow and

occupancy, is usually a bad choice and can lead to risk that may not be immediately visible. First, not only are you giving up the benefit of stable cash flow, you may also face significant tax consequences. Second, just because you have mastered running your current asset in your current market, doesn't mean you will be able to repeat that success with a new property in a new location. If you sell and execute a 1031 exchange to buy a new asset, you may ultimately expose yourself to risk factors that you typically did not underwrite. Third, selling and buying a hotel brings added dimension and increased complexity to the transaction. More complexity typically translates into added uncertainty. For example, on a recent purchase transaction, the prospective buyer found out the seller had represented that all the necessary capital expenditures were complete at the time of selling the property. He found out later, however, that the work was very low quality and only done to "window-dress" the deal for a quick sale. After peeling back the onion, the prospective owner discovered he would need to redo the majority of the seller's work. This added expense would have wiped out five years of profits on the deal.

WHY EQUITY ISN'T THE ANSWER

Another way to access your sweat equity is to bring in additional equity investors. There are two problems with this approach. First, equity investors typically ask for higher returns in exchange for the risk. Second, equity investors are likely to exert some control over you, the primary owner. For example, an outside or third-party investor who does not have a vested interest in the asset may restrict your ability to put in additional cash in the form of capital improvements. Even though it might make financial sense in the long run, they may feel it will place undue cash flow pressure on the asset in the short term. At the end of the day, there is almost always a conflict between control and non-control equity investors.

MAKE DEBT YOUR FRIEND INSTEAD

The most time-tested method to create wealth is by putting on prudent debt. Sophisticated hotel investors look to the capital markets to recapitalize their assets instead of selling. By refinancing their hotels to permanent debt, they are able to access the equity



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they've invested and maintain cash flow. Not to mention, with the help of the right intermediary, a refinance has more certainty of execution than a sale and purchase. Furthermore, since most capital market (non-community bank) mortgages are non-recourse, in addition to accessing their implied equity, owners

get the valuable fringe benefit of reducing personal guarantee risk.

When structuring the capital stack, the most senior lien holder takes on the least amount of risk and subsequently also has the lowest return expectations. As we near the end of the economic cycle and continue to witness an uptick in

long-term interest rates, savvy hotel owners will review their leverage and work with an experienced intermediary to recapitalize their existing debt. By putting on new, long-term debt owners can also create liquidity, stockpile cash, and better prepare to generate wealth during the next downturn. If the cost of the capital they have sitting on the sidelines is that of a long-term loan (currently at time of writing in the 5 percent range) owners will have sufficient means to take advantage of distressed situations with a higher certainty of closing when the right opportunity presents during the next downturn. That's a sure-fire way to create wealth.

BRANDS VS. LENDERS

Experienced investors also use strategic debt to ensure they can access ready cash for critical capital improvements for a rebrand or reflag, or to give their assets a facelift when new competition and brand proliferation warrants it. Keep in mind, that when a corporate brand mandates a property improvement plan in the middle of the franchise term, it is typically the worst time to borrow more money on an asset. It's a classic catch-22. The brand thinks spending money will boost cash flow. This is the exact point in time, however, when lenders do not want to speculate on the property by lending more money. Lenders are likely to pull back because they want predictability in the form of in-place cash flow. This puts investors in a bind. Smart owners avoid this by taking advantage of "other people's money" and leveraging their properties to the optimal level when in-place cash flows are the highest, and market cap rates are the lowest. For example, in a recent closing of a Hampton Inn in Gulf Shores, Alabama, the developer was able to recapture almost all of the cost to build the hotel by putting on a 10-year, fixed-rate, non-recourse loan as soon as he achieved 100 percent RevPAR penetration (when the subject property is penetrating 100 percent



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of the competitive set's RevPAR as defined by STR). This allowed our client to take valuable cash off the table as soon as possible. Shortly after closing, two new-construction hotels with the potential to cannibalize the property's demand drivers were announced. Even though our client must cope with the new competition from an operations standpoint, by using prudent leverage he was able to hedge his financing risk from the threat of excessive supply in his market.

LEVERAGE FOR SUCCESSION PLANNING

Using prudent leverage for succession planning is another key strategy available for successful hotel owners. Fixed-rate, permanent, non-recourse loans can effectively insulate both the current generation and next generation against interest rate risk. Merely owning a commercial real estate asset (including hotels) already brings significant market and operational risk. There is no added benefit to take on any more risk than what is absolutely necessary to make the target returns. This is why organizations of all sizes should work with an expert in the field with access to sophisticated tools and innovative financing products to meet their goals.

Owners who have spent their lives creating wealth through owning of one type of business or real estate can also benefit from diversifying their portfolios. By taking cash out from their assets and re-investing in other investment opportunities they may be able to generate more predictable, risk-adjusted returns. For example, we recently helped a client refinance three hotels in one market to provide cash out. The client invested the cash in private equity investment strategies outside of commercial real estate without exposure to the stock market. The client is now able to use this new income stream to enjoy peace-of-mind and sustain his lifestyle. ■



Rushi Shah is principal and CEO of the commercial mortgage and real estate investment banking firm and AAHOA Club Blue member, Mag Mile Capital. As a leader in hospitality financing, Shah specializes in structuring and placing high-leverage, non-recourse bridge and permanent debt with cash out for full- and limited-service hotels nationwide. Since joining the firm's predecessor Aries Capital in 2015, Shah has structured and closed hundreds of millions in financing for all property types. Shah has held previous positions at Northern Trust and has an MBA from The University of Chicago's Booth School of Business.



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Win the holiday booking with behavioral marketing

by MICHAEL OSBORNE



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WITH A RECORD 107 million people traveling last holiday season, we're all eager for the promising booking potential that awaits this year. The problem is, the travel and hospitality industry has more competition than ever before – Airbnb alone represents a completely different way of meeting travelers' lodging and experiential travel needs, and OTAs and discount airlines are aggressively marketing to consumers. Then there's the sheer challenge of effectively engaging and meeting the expectations of today's hyper-connected, hyper-distracted customers, who abandon travel bookings 82 percent of the time.

So how do you compete and successfully win them over during this crucial season?

➤ Personalize your marketing based on what you already know.

Hotels can collect a lot of data on their visitors and customers, and the more you can tailor your marketing to their unique preferences based on that data, the more they're likely to pay attention. Do certain customers prefer rooms with certain features? Do they have rewards points to use? Do they typically travel with family or solo? Sending the right message with

the right offers also reminds them you care about their experience – and that can help drive even more bookings.

➤ Use last year's patterns to predict this year's purchases.

Holiday time has its traditions, and many customers travel to the same destination year-over-year. Offering personalized promotions or reminding consumers of rewards they can redeem for a trip they're likely to take again will have a great hit rate and also drive home that you know what they want. Evaluating consumers' behavioral patterns to identify full-service customers versus the value hunters will help you tailor relevant offers at just the right time.

➤ Make the marketing experience as customer-focused as the travel experience.

You already focus much of your efforts on making the on-property or travel experience as convenient and comfortable as possible for your customers – think about applying that to your marketing as well. Tailor the message to the individual by segmenting your communications, target customers with services and options that fit their profile, and make it super easy to find exactly what they want – by accurately predicting and delivering it to them via email or on your website.

➤ Send abandonment messages earlier in the booking funnel.

Hotels tend to target customers at the very last stage of booking, but that makes it difficult to educate, inform, and interact with them prior to purchase. If someone is actively engaged on your site, send an abandonment email within just a few hours of them leaving. Did the visitor input travel dates during their search? Include those dates in the email to personalize and make it easier for the customer to pick up where they left off.

'Tis the season to step up your strategies. Ensuring each traveler's experience with you is as personalized as when they stay at one of your properties can convert customers this holiday season and keep them loyal year-round. ■



Michael Osborne is the CEO of SmarterHQ, the leading multi-channel behavioral marketing platform empowering B2C marketers to

personalize individual customer interactions in real-time. SmarterHQ works with brands such as Omni Hotels, Bloomingdale's, Sam's Club, and CarRentals.com and has been recognized by Forrester's Total Economic Impact study to deliver 667 percent in ROI.

Choosing small businesses this holiday season

by ALFREDO ORTIZ



IMTMPHOTO/SHUTTERSTOCK.COM

THE HOLIDAY SEASON IS kicking into high gear as shoppers scour shopping centers and online retailers to find the perfect gifts for their friends and loved ones. While big box retailers or stores with well-known brands may be the initial stops on these shopaganzas, Americans shouldn't forget to check out what the small businesses that line Main Streets across the country have to offer.

Unlike many of the mega-stores, these cozier establishments offer a wide array of unique products that could be difficult to find anywhere else. Whether that be a custom pet bed for the family dog, locally sourced recipe ingredients, home decorations for mom, or a sports jacket from the hometown tailor for dad, small businesses have you covered.

And if online shopping is what suits your fancy – a growing preference among American consumers – products from small businesses can be shipped right to your front door. In fact, the online retail giant, Amazon, just launched a

new section of their website that will make this easier than ever.

“Amazon Storefronts” is a new platform that connects online shoppers to over one million products sold by 20,000 small- to medium-sized businesses located across the country. While this is only a fraction of the products and services sold by America's small businesses, these types of platforms are only expected to grow in size and in popularity over the coming years.

But why choose to visit small businesses this holiday season, rather than follow the tsunami of shoppers flooding the Walmart's and Target's of the world?

Well, one reason is jobs.

There are over 30 million small businesses across the country and they provide employment to 60 million people. That's nearly half the entire U.S. workforce. More importantly, they are responsible for two-thirds of all new job creation. Without these small business entrepreneurs, the economy would be in ruins as many Americans would be out of work and many more would lose their shot at the American Dream.

This is why policies and individual actions that encourage small business growth are so important.

One example is the Tax Cuts and Jobs Act that was passed and signed into law late last year. The legislation included tax relief measures that allowed small business owners to keep more of their own earnings and invest it back into their employees, business, and community. In fact, more than 700 businesses have already reported doing so.

The current administration has also made it a priority to cut government red tape – giving small business owners more freedom to operate as they see fit.

During this holiday season, help build on the success small businesses have experienced over the past year by choosing to shop small, rather than big. The millions of small businesses across the country, their employees, the broader U.S. economy and your community will thank you for it. ■

Alfredo Ortiz is the President of the Job Creators Network.

Guests are requesting these 10 hotel essentials: **DO YOU HAVE THEM?**

by ALAN WEINER

AS CONSUMER PREFERENCES increasingly trend in the direction of experiences rather than material goods, it's easy to forget what makes up a great hotel experience.

Even the smallest of factors, including certain hotel essentials, can make guests' visits go from blah to wow in no time.

So which hotel essentials make the biggest impact on your customers' experiences? Read on to learn about 10 of the most common on-demand hotel essentials.



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A COFFEE MACHINE

The coffee machine is a staple of just about every office and home in the United States. And it should be a given by now for hoteliers. However, several years ago, the *Washington Post* reported that hotels were increasingly getting rid of coffeemakers, or replacing them with single-serve machines. This, they said, was partly caused by cutbacks when the economy took a turn for the worse.

But in a *USA Today* article, Christopher Elliot found that one of the

most-requested amenities among frequent travelers is a coffee maker. The travelers that Elliot interviewed say they are frustrated with hard-to-use coffee makers that only make "one tiny cup at a time."

This customer desire holds up internationally too, as Dion Bosch says in *Hotel News*, "Travelers love the idea of a good in-room, hot beverage like the ones they can prepare at home."

TOOTHBRUSH AND TOOTHPASTE

Traveling can be hectic, even if it's for leisure, and guests tend to forget things. When you can save the day by solving their problem and providing them what they need, that's a memorable experience for them.

In fact, many hotels are already doing this. As Kiplinger points out, "A call to

the front desk might score you a host of other grooming supplies including a toothbrush, toothpaste, razor, and shaving cream."

If you choose not to have a toothbrush and toothpaste on hand, you're giving up an opportunity to serve your customers. And, even worse, you're giving your competitors an opportunity to serve your customers better than you did.

BLACKOUT DRAPES

Blackout drapes are a big deal for many business travelers. As *The Points Guy* highlights, "If you've flown overnight and arrive very early in the morning and need a few hours of sleep during daylight, blackout drapes can be a god-send to getting on the right time zone."

For guests who are not traveling through time zones, this essential is still helpful. When people come to your hotel,



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they're going to be sleeping in a strange place, so you should have everything they need to get a good night's sleep.

Not to mention, a well-rested guest is a happier guest, and that bodes well for the rest of their experience.

BRANDED TOILETRIES

While it might seem unique to have your own branded toiletries, this can actually backfire. This is why, as the *Washington Post* reports, "The Marriotts and Hyatts of the world have stopped tagging their toiletries with their own names in favor of [other brands]."

It's a small detail, but definitely not insignificant, and it makes sense. After all, what soap brand do you think most people trust and feel good about using: Dove or your hotel's branded version?

HIGH-QUALITY TOILETRIES

Supplying your hotel with the right kind of toiletries is so important we're dedicating another number to it. Moreover, if your hotel doesn't cater to travelers who might care about the brand of your toiletry, you should focus on what matters most to them. And that is quality they will remember and appreciate.

The *Boston Globe* advises that placing a fresh cluster of products on the vanity before a guest's arrival sends a clear message that the hotel is committed to pampering its guests.

FREE WI-FI

No list of important essentials is complete without the mention of free Wi-Fi. In fact, according to research by Hotels.com, 30 percent of respondents indicated complimentary Wi-Fi as their top factor in choosing a hotel for leisure stays.

For business travelers, Wi-Fi is even more important. Fifty percent of respondents to the Hotels.com survey say, "Free Wi-Fi is their must-have when traveling for business."



SNACKS AND FOOD

"Food is a major issue for any traveler," according to a study by Samsung. Whether it's a varied selection of in-room snack options or free breakfast in the hotel lobby, Samsung's research found that "getting food or snacks without having to leave the hotel," was very important for hotel guests.

The study also reveals that guests "are not happy when they have to search for a snack."

ENVIRONMENTALLY-FRIENDLY PRODUCTS

For anyone paying attention to consumer preferences in general, it should come as no surprise that demand is growing for environmentally-friendly products. Consumers are becoming ever more aware and concerned with how the products they use impact the environment.

In an interview with *Hotel News*, supply expert Robert Dupree, says, "Hotel guests increasingly are demanding body care products that harm neither their skin nor their environment." However, this goes beyond just body care products. Any essential product that may harm the environment should be scrutinized. If it's cost-effective to use a green alternative, it's time to do it.

WELCOME GIFTS

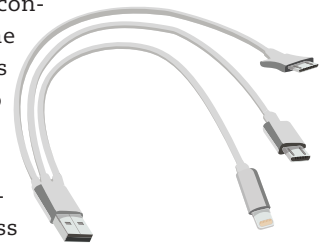
You might argue that welcome gifts don't qualify as "essentials," but with heated competition for guests, welcome gifts may well become a must-have essential. And you can't argue that your guests won't appreciate it.

According to research by PwC, "Business travelers of all ages, along with leisure travelers aged 30+, also value personalized experiences, including welcome gifts at check-in or in the room."

But what kind of welcome gift? Well, the key word to look for in PwC's research finding is "personalization." Your welcome gift should be personal to your guest or at least unique to your location.

SUPPORT FOR GADGETS

Like it or not, consumers in the United States are glued to their gadgets. Whether they're traveling for business or leisure, guests may need charging docks, cords, or headphones. Given how many different types of phones and other devices are out there, you should have a wide variety of cords so you'll be able to meet all your guests' electronic needs.



CONCLUSION

This list should give you a strong place to start when you begin to identify your hotel's must-have essentials. That said, be sure to ask your guests and survey employees to uncover new ideas. While each hotel guest has certain basic needs, understanding the small nuances between different guests' needs can make the experience even more memorable for them. ■

Alan Weiner is the President of Weiner's Ltd, a wholesale supplier of travel size products to businesses ranging from intimate B&B's to large five star hotels, gift shops in hospitals and airports, as well as airlines and charter services, college bookstores, e-commerce, pharmacies, vending, government institutions, charities and event planners.

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AAHOA *around the nation*



1. AAHOA Immediate Past Chairman Bhavesh Patel spoke at the ELFA/ Rodeway Regional Meeting in San Antonio, TX, where he provided updates on AAHOA's advocacy and education efforts throughout the year.
2. AAHOA hosted a Brand Alliance Meeting at the Best Western Conference, where AAHOA Chairman Hitesh (HP) Patel, Treasurer Biran Patel, and Past Chairman Danny Patel presented an award to Best Western CEO David Kong in appreciation of our 25-year partnership.
3. AAHOA Gulf Regional Director Girish (Gary) Patel and the Gulf Regional Ambassadors held a successful regional meeting in Baton Rouge, LA.



4. AAHOA members from across the country, including Treasurer Biran Patel and Young Professional Director Eastern Division Purvi Panwala, joined La Quinta Inns & Suites executives in Plano for a brand development day.
5. AAHOA Florida Regional Director Bharat Patel hosted a Regional Meeting in Tampa, FL, which boasted a huge amount of education, including the "Hotel ROI: Brand Choice" with guest speakers Chris Green of Chesapeake Hospitality, Phil Hugh of Red Roof, and John Lancet of HVS; the "Advocacy in Tallahassee" panel with guest speakers Chip Rogers of AAHOA, Bharat Patel of AAHOA, Rich Turner of the Florida Restaurant & Lodging Association, and Andy Palmer of Metz, Husband & Daughton, PA; and a special presentation from Randy Pullen of WageWatch.





6. The AAHOA Central Midwest Charity Golf Tournament, hosted by Central Midwest Regional Director Priyesh Patel, raised more than \$16,000 for Make-A-Wish Oklahoma.

7. AAHOA members, including AAHOA Secretary Vinay Patel, met with IHG executives at their headquarters in Atlanta, where they toured the IHG design center and discussed the future of the brand.

8. AAHOA Northeast Regional Director Jayesh R. Patel hosted a Regional Meeting in Boston, MA for the first time.

9. AAHOA Vice Chairwoman Jagruti Panwala and Immediate Past Chairman Bhavesh Patel spoke at a fundraising event for Rep. Tom MacArthur (R-NJ) with special guest Speaker Ryan.

10. AAHOA Chairman Hitesh (HP) Patel spoke at the Marcus & Millichap Hotel Investment Forum in Miami, where he discussed the role AAHOA plays in the hospitality industry along with topics important to our hotel owners.

11. AAHOA Treasurer Biran Patel spoke at the Asian Real Estate Association of America National Convention in Las Vegas, where he provided the hotel owner's perspective on top trends in the commercial hospitality sector, including fractional ownership, second home community development, new up and coming hotel brands, and the effect of Airbnb on the hotel industry.

12. AAHOA Lifetime Member Dr. Kiran Patel, a top philanthropist and hotel owner, met with AAHOA Vice Chairwoman Jagruti Panwala in Florida.



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