

Boutique & Lifestyle Hotel Summit

12-13 May 2014 – The Montcalm, London

Report by Molly Dolan

Industry experts gathered at The Montcalm, London, in May for Europe's only B2B conference dedicated to the thriving boutique and lifestyle hotel sector.

Opening the summit with a keynote speech was John Quilter, aka the Food Busker. Four years ago, following the credit crunch, three robberies and a fire, Quilter closed his Chorlton-based restaurant and started afresh. After claiming that F&B is a "nightmare" for boutique hotels, Quilter stressed the importance of creating an experience that is real and not replicated, as consumers know the difference.

Next up was the Market Update, courtesy of Joe Stather, Business Development Manager at STR Global. Offering a relatively positive outlook, Stather outlined that 38% of European pipeline is in the UK, with the majority in the budget sector, closely followed by upper midscale. Meanwhile both Europe and the US are now operating at RevPAR levels above their pre-recession peak. More specifically, Glasgow has seen a high RevPAR increase due to the Commonwealth Games, while Leeds is a success story following the airport expansion, Trinity shopping development and upcoming Tour de France opening ceremony.

According to Stather, the

industry is in the second phase of recovery, and the boutique hotel sector is a good investment for those looking for something adverse to the volatile economic climate. Building on the success of the UK market came the announcement that Nobu are set to open a new hotel in Shoreditch, London in 2015.

Speaking of loyalty and engagement, it became apparent that consumers now have virtually unlimited information and options in their palms, putting the sector under increased pressure to stand out while maintaining guest loyalty. In a session addressing the topic, Yuri Sawerschel, consultant at Bridge.over Group commented: "Attention spans are lower and loyalty programs are no longer fun, it's time to bring back the fun in loyalty."

Bill Walshe, CEO at Viceroy Hotel Group, added: "The crisis in loyalty is self-created. Rewards and loyalty are completely different and there is a laziness in our industry, giving points over service to create loyalty." Concluding, Walshe commented: "The deal chasing mentality is here to stay and we need to incentivise existing customers."

In a session looking at the 'F&B Conundrum', Mark Fuller, owner of Sanctum Hotels revealed his properties make as much revenue on F&B as they do

on guestrooms. "You can wander out and there are many excellent restaurants, so you've got to be on point," expanded Fuller. "I want to give people the best experience."

Reiterating this point was Bob Puccini, President and CEO of Puccini Group: "Most people can't taste above good. They want an experience, very good environment and service. You need to run a hotel restaurant as a restaurant and pay attention to the market."

Turning attentions to finance, a panel of owners and investors discussed what they look for in a hotel deal. "Do what you do best and go into markets you are comfortable with," advised Stephen Brandman, co-owner of the recently launched Sixty Hotels. "Build something that's not traditional, and be passionate. You have to take risks, and if you do the investors will eventually come to you," he added. Acknowledging it's not always so simple, he continued: "One challenge is that to grow a brand, you need access to capital and to understand which assets to own or manage. It's a struggle."

According to Chris Penn, General Manager at Ace Hotel London Shoreditch, a boutique hotel "cannot be something corporate or robotic, as this will never be dynamic." He elaborated: "The most successful

ideas come from outside the sector, from people who have seen an idea and made something visionary. It is never one-size-fits-all." Also speaking on the panel was Kate Levin, General Manager at The Capital Hotel and The Levin Hotel, who discussed the removal of technology from guestrooms: "My client base are grateful to not have to fiddle and overcomplicate things. They still have an iPad, but no complicated systems such as TV controls."

The event also saw tours of local boutique hotels, as well as the presentation of case studies from Jason Holley, Director at Universal Design Studio for his creations at Ace Hotel London Shoreditch, and Sigurlaug Sværriðóttir, on ION Luxury Adventure Hotel in Iceland.

Wrapping up the day's events, an esteemed panel of hoteliers and designers looked at trends in the sector. Ilse Crawford MBE, owner of StudioIlse commented: "It is hard to define a moving beast, boutique should have a heart and respond to what is going on." Reflecting on the comments of the keynote speaker, Niki Leondakis, CEO of Commune Hotels & Resorts concluded: "It is more than design – people want experience. It is about experiencing the locale and being inspired." ■

www.boutiquehotelsummit.com