

HOTELS

STEERING A ROUTE TO A
RESILIENT RECOVERY



Part One: Culture & Credibility





Image: citizenM London Shoreditch Hotel

Navigating the seven 'C's – The Post Pandemic Era



CULTURE

Etched forever in our history will be “The Post Pandemic Era”. How will the UK hotel sector respond during the early stages of recovery? And how will it steer a path from out of the bottom of this economic cycle? The response will shape the sector’s legacy.



CREDIBILITY

As the pandemic recedes and hotels and the wider hospitality industry reopen their doors to all guests, a new strategic vision is required to embrace the ever-evolving operating environment. The pandemic has caused societal and economic disruption on a global scale and brought the international travel, tourism, airline and hotel sectors to a virtual standstill. Ongoing uncertainty around new variants, linked to the success of global inoculations have the potential to continue to cause havoc on the sector.



COLLABORATION

The goodwill crafted from the sector’s staff, communities and stakeholders during the height of the pandemic, could soon evaporate if the ability to adapt, engage, communicate, direct and innovate is not actively seized upon during the recovery phase. How businesses respond in this next phase will ultimately determine their long-term existence.



CONNECTIVITY

Looking ahead with optimism, the recovery and transformation will be guided by a path initially paved by trends which emerged pre-pandemic, then shaped at pace during the crisis, with the transition continuing to accelerate and exploit new, far-reaching opportunities. What is certain, however, is that with so many changed variables, the marketplace is very different to pre-pandemic.



COMMUNITY



CREATIVITY

As we emerge from the pandemic, new strategies will have seven C's at the heart of the great reset, from which to build back stronger.



CHANGE



The pandemic has led the industry to work harder and smarter. As the sector resets and recovers, how are hotels adapting to evolving consumer habits and trends? Are they realigning their business goals and/or challenging the status quo? And which strategy works best?

Extensive restrictions on trading and hotel closures over an extended period of time, has led to the widescale separation and often permanent change in the structure of a hotel's most valued asset, its people. Whilst difficult decisions have inevitably been taken, the challenges faced have brought a period of reflection, adaptation and opportunity. As the sector embarks on the recovery phase, it braces itself to reshape and rebuild, testing its resilience once again.



WHAT INITIATIVES HAVE YOU EMPLOYED WHICH PROVIDE YOU WITH THE CONFIDENCE AND CONVICTION TO BUILD BACK STRONGER?

Our businesses went into the pandemic as strong assets and with our cost saving initiatives undertaken during the height of the crisis, will ensure they return more efficiently. We have been focused on improving our service levels and welcome approach as we lead into the summer months and beyond. We are actively ensuring a focus on channel distribution and taking back some control, working more intensively with fewer preferred partners as well as investing in digital marketing to grow our direct bookings.

LYNN HOOD, CHIEF OPERATING OFFICER, FOCUS HOTELS MANAGEMENT



RECOGNISING THERE IS A PEOPLE AND SKILLS SHORTAGE, HOW DO YOU AIM TO NURTURE TALENT, RETAIN STAFF AND ACHIEVE A MORE INCLUSIVE, PEOPLE-FOCUSED CULTURE?

This is going to be our biggest challenge for the foreseeable future. We are being more creative, challenging our General Managers to be more flexible, recruiting people for specific tasks, rather than the hours and shifts which need cover. This may result in more contracts of shorter hours, but which allows staff to work around their other responsibilities. Working within the hospitality industry is a highly rewarding, motivating job, helping candidates understand that is our challenge. Throughout the pandemic, our staff learnt new skills and were empowered to make decisions. Forward-thinking programmes to continue to develop and retain our staff is key to our success.

PAUL CALLINGHAM, CHAIRMAN, STARBOARD HOTEL

CULTURE

The transition back to work

Lockdowns across the globe have forced the hotel sector to cope with the fewest staff possible, with employees adapting and often empowered to make decisions.

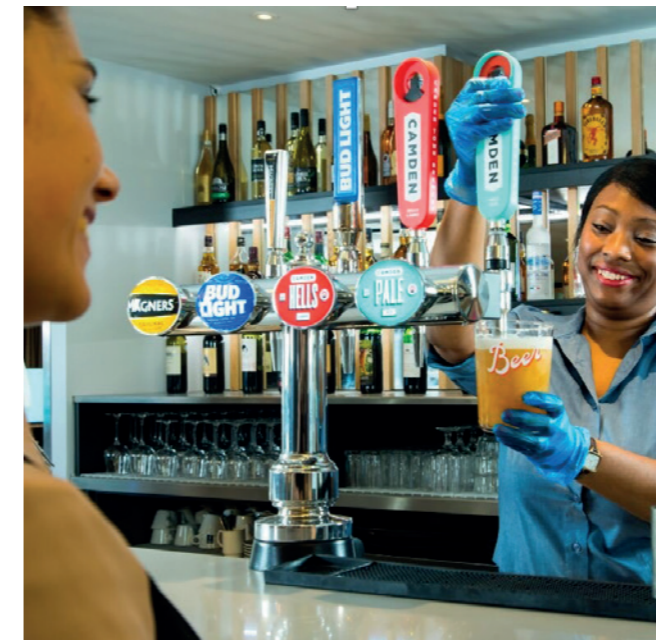
There's now an opportunity to upskill and retrain both new staff and those returning from furlough, but the next step must be to ensure that the right training, support, induction, tools and resources are all available and developed on an ongoing basis. The multi-skilling of teams doesn't just happen; a management team must put the tools, mentoring and buddying systems in place and provide opportunities for engagement and growth.

Recovery phase – action plan

Emergency action and decision making taken at the height of the pandemic may have been appropriate at the time, but what strategy and changes are now required for the recovery phase? How do zero-hour contracts fit within a culture that requires its people to be the heartbeat and life of the business?

With a drastically reduced pool of available labour and recruitment of skilled staff exceptionally difficult, how does the wider industry, respond to the challenge of making hotel operations a rewarding, aspiring and respected profession? Creating a working environment that demonstrates hospitality as a career choice, encouraging many thousands who have left the sector to return and many more to consider all it has to offer, is imperative at this time. As such, hotels need to develop a culture for sustained learning and development, recognition and opportunity for growth.

Image: Hampton by Hilton London Park Royal, Starboard Hotels



One-size most certainly does not fit all when it comes to the hotel sector, with location, property class, brand, service offering, management and ownership structure all impacting on a hotel's culture. Yet this pandemic has resulted in the belief that long-term structural changes have been accelerated, and for a hotel to adapt to the evolving marketplace, so too must its culture.

Key attributes of a service culture

With business models repositioned to focus on the leisure market and the value-add proposition of experience-based travel, the spotlight on providing warm and welcoming hospitality will be reignited. Offering authenticity and diversity, exceptional customer service, passionate people with a positive attitude and attention to detail are all considered critical attributes and essential skill sets required to providing meaningful and valued guest experiences.

Lifestyle hotels have perhaps adapted to this trend long before the pandemic hit, will they now have to adapt and elevate their service offering even further to differentiate themselves and challenge the status quo?

In a post-pandemic world, have the attributes which define a good hotel from a great one really changed? Or is it that these attributes have become heightened by the renewed importance placed upon wellness and experiences? What is increasingly apparent, is acknowledging that it is the acceleration in the use of technology which is fast becoming the greatest enabler in redefining hospitality. Yet, until such time that robots become customer-facing, the focus on a service culture will always be on its people. In a post-pandemic world, recruiting people with the right attitude, whilst also training and developing them and providing competitive remuneration, has never been more critical.



GOING FORWARD HOW WILL YOU SEEK TO DRIVE REVENUES AND DIFFERENTIATE YOURSELF FROM YOUR COMPETITORS?

With service at the forefront of everyone's mind, we have instigated refresher training with our teams and are looking at how we can 'delight our guests', with just the little touches, making the guest stay feel personal and inviting. Using the tools, we have to engage with people, is so important - training the team to give them confidence and to bring the fun back to hospitality. We aim to provide our guests with positive, meaningful experiences, exceeding our own and our guests' expectations.

PAUL CALLINGHAM, CHAIRMAN, STARBOARD HOTELS



The pandemic has profoundly altered how we continue to live, work and socialise. The ongoing commitment to achieving enhanced standards of hygiene and safety will be critical to maintaining the industry’s credibility and safeguarding brand reputations.

CREDIBILITY



WHAT ROLE DO HOTEL BRANDS HAVE IN REINFORCING CREDIBILITY OF THE SECTOR?

We launched the Marriott Global Cleanliness Council, which is focused on developing the next level of global hospitality cleanliness standards, designed to minimise risk and enhance safety for our customers and associates. As we look ahead, we will continue to focus on making sure that our guests health and safety is our top priority.

PAUL THOMAS, SENIOR DIRECTOR, INTERNATIONAL DEVELOPMENT, MARRIOTT INTERNATIONAL



HOW DO NEW POLICIES AND PROCEDURES BECOME EMBEDDED AS MINIMUM INDUSTRY STANDARDS?

As a way of objectively maintaining our already high cleaning standards, ALLSAFE was introduced in response to the pandemic in partnership with Bureau Veritas, as an audit to ensure compliance with Accor’s rigorous standards. Our hotels must comply with 16 global commitments, which translate into more than 100 brand standards. Training and education of our employees is an integral part of the ALLSAFE label. We see the programme as testament to our commitment to ensuring our guests are provided with the very best hygiene, cleanliness and safety measures in the industry.

AIDEN MCAULEY, SVP OPERATIONS, ACCOR NORTHERN EUROPE



Hygiene, safety and accreditation

Whilst global hotel brands have always promoted high standards of hygiene and cleanliness, the pandemic has served to challenge industry accepted norms. New partnerships forged between global hotel brands and leading hygiene and accreditation companies, have paved the way to new global brand commitments and enhanced hygiene standards - marketed in transparent ways.

All reputable hotel owners and operators have introduced new protocols and procedures, risk assessments and audits, but the challenge will be to continue to maintain and correctly implement these high standards, which requires ongoing investment in new products and the continued education and training of hotel staff. This will be critical to maintaining credibility of the industry as a whole and safeguarding brand reputation.

The importance of online reputation monitoring

All communication channels which educate, inform or critique a hotel’s hygiene record, both positively and negatively, will become an important decision maker in booking a hotel stay. With renewed efforts to rebuild market share and attract new customers, stakeholders must examine review websites and online forums on a regular basis. If, for example, there is a disconnect between the marketing and promise of stringent safety and sanitation protocols versus a customer’s experience, this impacts upon customer loyalty, whilst the risk of damage to a hotel’s name is significant. Managing a hotel’s online reputation therefore holds tremendous value and must become an integral part of a strategic plan.

Image: Marriott’s Global Cleanliness Council – Use of Electrostatic Sprayers



Rebuilding trust and safeguarding credibility

Providing guests with peace of mind and building or restoring their trust and confidence to travel again is critical at this time of recovery. Branded hotels are arguably best placed to achieve this, given the investment in their people, product offering and service level to maintain, enhance and deliver a reputable hotel brand and safeguard their credibility.

Independent, owner, operator hotels increasingly may seek to form alliances and partnerships to tap into a wider pool of resources that serve to raise industry standards. Enhancing one’s credibility score and reputation is one such reason why the appeal of soft brands is increasing in a post-pandemic environment.



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Contacts

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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Front cover image: Hyatt Place London City East – The project, conceived by Berkeley Capital Group (BCG) in partnership with Resolution Property, achieved a BREEAM rating of Excellent at both the design and procurement stage, utilising wherever possible materials with a low environmental impact.



The project is exemplary for its adaptive reuse of the existing structure, carrying a strong sustainable message, as well as creating a smart and practical Hyatt hotel within the old shell. Close collaboration and strong working relationships were key to achieving a successful development.

PAUL WELLS, PARTNER, DEXTER MOREN ASSOCIATES

