

# LODGING

**2015**  
**MARKETPLACE**  
 GUIDE TO INDUSTRY  
 RESOURCES AND  
 SERVICE PROVIDERS  
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**SURGE  
 PROTECTION**  
 HANDLING AN  
 UNEXPECTED  
 INFLUX OF GUESTS

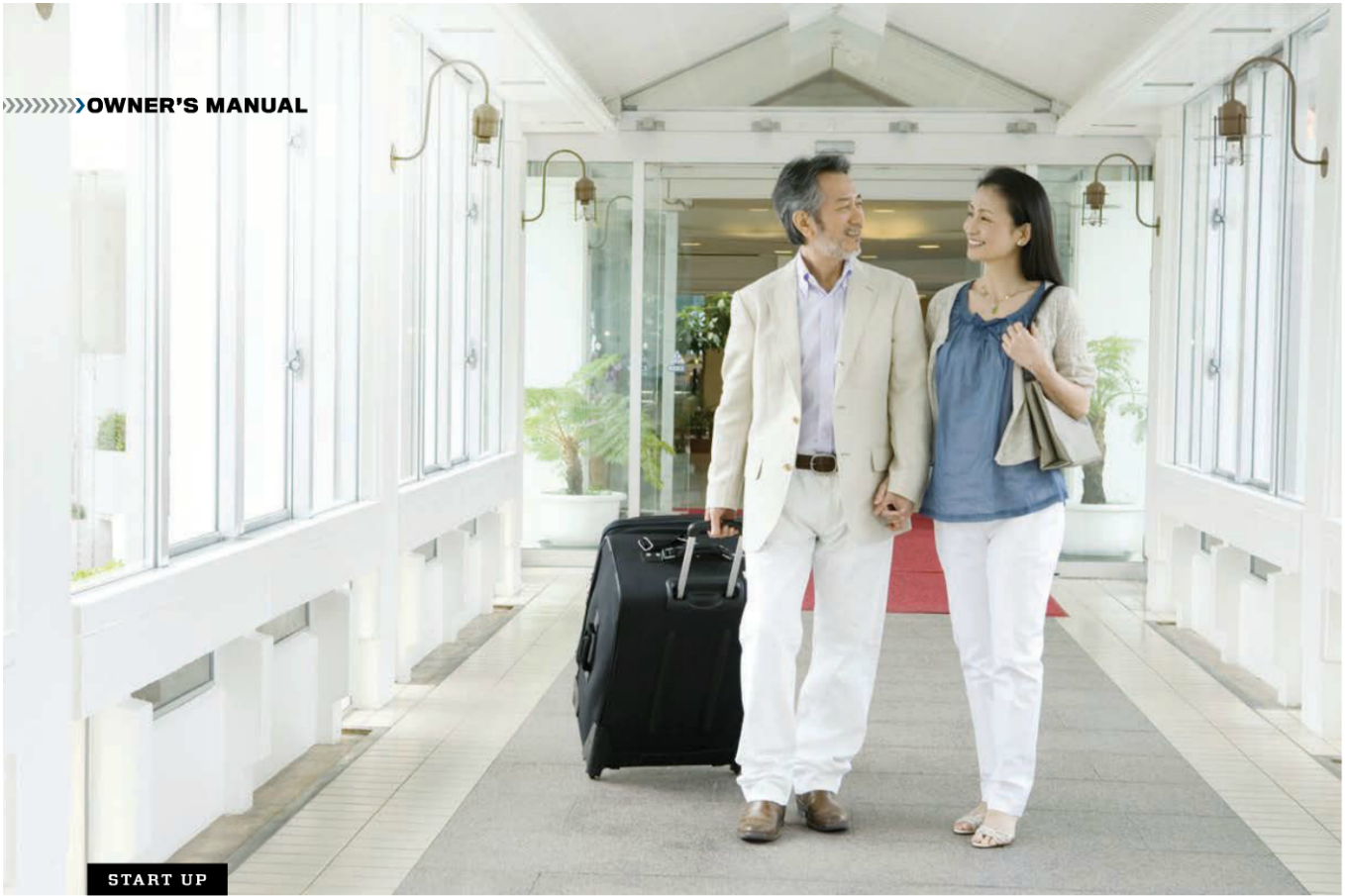
TAKING  
**THE LEAD**

INSIDE *HILTON'S QUEST*  
 TO BECOME THE MOST  
 VALUABLE BRAND  
 IN LODGING

**BUILD  
 BABY  
 BUILD**

WHAT PROJECTS ARE  
 BREAKING GROUND  
 AND WHERE

**CHRIS NASSETTA**  
 CEO, HILTON WORLDWIDE



START UP

## The Legion of Boom

MILLENNIALS HAVE YOUTH, BUT BABY BOOMERS HAVE PLENTY OF TIME AND MONEY BY VALERIE NEFF NEWITT

**HOTELS ARE GOING SLEEK AND TECHIE** to woo millennials. But it's the baby boomers who have the promise to keep brands' pulses racing throughout a long relationship. *Forbes* estimates brand-loyal boomers spend a none-too-paltry \$157 billion on travel every year. "Millennials are getting the buzz, but boomers are still the most valuable customers," says Richard Jones, COO of Hospitality Ventures Management Group. "They have time and money, and leisure travel is their most desired activity. Projections show by 2017, 50 percent of the population will be over 50, control 70 percent of U.S. disposable income, and inherit \$15 trillion over 20 years. Hotels can be a beneficiary of that."

More good news: Design aesthetics and tech upgrades aimed at millennials aren't wasted on boomers. "They are an educated, wealthy, and technically proficient generation," says Muriel Muirden, EVP at WATG, an architectural firm. "They appreciate fine design and expect to be connected, but boomers don't want to waste time figuring out how to turn on an interactive device. Hotels are responding with in-room technology that is straightforward and easy to use."

Subtlety is paramount when bridging generations, says Christy Hubbard, senior project designer at The

Gettys Group. "However, there's a huge difference between a brand having an internal discussion and an all-out marketing campaign that boasts, 'brighter lights, because we know you can't see well.' Boomers don't want to be reminded of their age, so hotels are making appropriate design refinements, like grab bars in bathrooms that appear more as an aesthetic choice than a disability aid." Other age-sensitive tweaks are outlets at accessible heights, adjustable in-room lighting, and larger type on bathroom controls, HVAC controls, remotes, menus, in-room directories, and even emergency escape route placards. And they also concur these are things all ages appreciate.

"Boomers want more than a room," says Lee Speronis, JD, director of the School of Hospitality, Sport, and Tourism Management, Husson University in Maine. "They want enriching experiences, new adventures, and a hotel to package experiences and accommodations."

They also demand a high level of service. A recent Preferred Hotel Group survey found boomers want unique interludes for themselves and for multigenerational family groups. Yet, they typically don't want to sleep in the same room as their children or grandchildren. Seeing this trend, Preferred created a family rate that allows boomers to book two rooms—one for themselves and another for family at a 50 percent discount, says Michelle Woodley, SVP of distribution and revenue management. Promoting this sort of accommodation, distinct from inventory of traditional rooms, drives incremental revenue for the properties. Woodley advises hoteliers to expand family



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RICHARD JONES, COO, HOSPITALITY VENTURES MANAGEMENT GROUP

room configurations as well as age-diverse dining options and concierge knowledge of age-g geared activities.

The survey also echoed the findings of a 2011 survey that Preferred conducted on multigenerational travel, which found boomers prefer online booking services for competitive rates. As a result of the earlier survey, Preferred launched PreferredFamily.com to stay ahead of the curve and provide a user-friendly tool for planning multigenerational travel.

The site spotlights extended-family discounts and suite opportunities, uses larger fonts for easier readability, and includes an executive-style overview for every booking.

Experts say boomers are also attracted to robust fitness centers and spa pampering, green ideology, and farm-to-table cuisine, due in part to their “Peter Pan obsession with staying young and on the go,” Muirden says. “They think they can fly.”

It's no surprise, then, that boomers also may be leading the charge toward medical tourism. Jones points to properties near major medical centers that are “looking to exploit that proximity, and rightfully so. This can open a new stream of revenue,” he says. “There are many seniors opting for outpatient surgeries and cosmetic procedures.”

The point being, who wants to show up in their condo lobby wearing a head bandage

supporting a just-completed face-lift? Better to convalesce at a hotel.

“While no one brand is focusing on the great white whale of an aging demographic, they all want to be the one to greet them on arrival,” comments Paul McKittrick, creative director at Brand Union. “Slight changes can be true innovations. It's not about acquiescing to our aging population; it's about understanding the power of creating an experience that can transcend generations. A brand may still target an under-30 crowd, but there is little to be lost in incorporating an experience that also respects the needs of seniors in quiet, understated ways. The ability to shower and relax with ease might just be more appealing than any AARP discount.”

Besides, those sought-after millennials are still unproven. “How they will eventually spend their money is yet to be determined,” Jones reminds. “The boomers are a vibrant and deep market. They will be around for another two decades.” ☺



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