

ULTIMATE HOTEL & DESTINATION GUIDE

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never duplicated: THE BOUTIQUE EXPERIENCE

If imitation is the sincerest form of flattery then the boutique hotel segment is a very flattered category indeed. Every player from single properties to mega-chains is getting into the boutique market because of soaring consumer demand from travelers who like the style, feel and variety of these lodgings.

Travel Weekly spoke with several leaders in the boutique category to see how they keep up with the ever-increasing competition.

TW: How is the boutique market doing?

CORNELL: For us the boutique market is strong. We have 160 today—40 in the Americas. South Africa alone has 20 members and that is because of a partnership we have there. We're looking at 10 percent growth for 2013. In the last couple of months we brought in a number of high-profile properties like Little Nell in Aspen and Peter Island in the Caribbean, which had been a Preferred Hotel.

GAMEZ: It's exciting to see the kind of growth we are experiencing. We've seen that our guests who stayed with us 16 years ago when they were working for high-tech start-ups and couldn't afford a luxury hotel remain loyal to us because this has now become what they are comfortable with.

COUTURIER: 2012 has been a good year for small hotels and their performance has been ahead of the curve; we think the trend is still going strong for 2013.

LIEBERMAN: I would argue that the boutique market is ahead, particularly in South Beach. The demand for hotel rooms [here] is higher than ever, and our affordable prices ensure maximum occupancy.

TW: Where are you looking to expand?

CORNELL: India is a good example of how we're growing. It started out as a commercial market, then branched out using our partners there. We are still in early days there. We are also spending a lot of time in China and are

seeing some great new partnerships. We are committed to developing that market. From what I've seen and heard there is a very high level of sophistication among travelers there—especially when it comes to food and beverage.

GAMEZ: We moved outside of California for the first time in 2011 with a hotel in Scottsdale. Now we have added Hawaii and Chicago and are set to expand nationally, including New York and other major markets.

COUTURIER: We opened Hotel Americano in New York City last year, our first property outside of Mexico; and we intend to expand our brand in other North American cities such as Austin and Los Angeles.

TW: What are the trends in boutique hotels?

CORNELL: The communal lobby is particularly well suited to the types of property we're talking about. Also, one of the things we're seeing especially in new hotels and retrofitting is an emphasis on the bathroom. Today developers will look hard at the bathroom to provide unique experiences. We're also very strong proponents of f&b, which is absolutely integral to our product. We are more focused on in-house restaurants where we can have control over things like local ingredients. In addition, a lot of our properties do very well with that home away from home experience.

GAMEZ: One thing Joie de Vivre is known for is that we really work around the neighborhood in which we're located. A perfect example is the Hotel Lincoln in Lincoln Park in



PETER GAMEZ
Vice President Sales & Business Development,
Joie de Vivre Hotels

Peter Gamez is vice president, sales and business development for Joie de Vivre Hotels. He oversees a team of sales directors for individual hotels, as well as corporate office regional sales managers and directors. He also directs the efforts of catering and special events teams.

AGENT ADVICE: Once clients try us they tend to become repeat customers. My best advice is to look at the profile of your guests and decide which hotel matches them best. We offer everything from a rock 'n roll-themed motor lodge to a luxury hotel on the waterfront, so it's always good to educate yourself on the individual properties.

FAVORITE VACATION: My top three non-Joie de Vivre places are Roswood Mayakoba in Mexico; Taj Lake Palace in Rajasthan, India; and, locally, the Cameros Inn and Spa. In all these places it comes down to service.



ROBERT CORNELL
Senior Vice President of Business Development, Preferred Hotel Group

Robert Cornell is senior vice president of business development for Preferred Hotel Group including the Preferred Boutique division. He also directs the company's Global Standards of Excellence quality assurance program and in 2007 led the acquisition team for Historic Hotels of America.

AGENT ADVICE: What will set the bookings apart for the agent—and this frequently started with the boutique market—is that hotels will work with agents to deliver a stay that is above and beyond. That might mean amenities and services like wedding photos or a bottle of wine that they actually do enjoy—based on their stated preferences.

FAVORITE VACATION: My favorite spot is Lake Como, the Grand Hotel Tremezzo. George Cooney lives close by.

never duplicated: THE BOUTIQUE EXPERIENCE

A TRUE BOUTIQUE

The definition of a boutique hotel has taken some twists and turns over the past five years as larger hotels look to get into the boutique market. As agents match clients with a boutique experience in 2013, here are some criteria to keep in mind:

LOOK FOR LOCALS: Boutique hotels are often very close to their communities. Not only do the bars and lounges welcome the after-work crowd, the hotels are often very involved in the local arts and entertainment scene. This is a great advantage for travelers looking for "insider" or "authentic" experiences.

ACCESS TO AMENITIES: In some cities, the boutique hotel experience is a true alternative to a luxury hotel in terms of personalized service, but may not have the on-site amenities (or the prices) associated with such. The property might be absent an on-site restaurant or a spa, for example, as they may not fit the footprint or overhead costs for this type of property. A strategic location, close to restaurants, nightlife and lifestyle amenities can be key to a successful boutique hotel experience.

DESIGNER PERSONALITY: Quirkiness used to be a given for the boutique market, and it's available in plenty of great properties. A newer approach to the boutique segment is to focus more on fabulous design and convenience for the traveler.

SIZE MATTERS: Boutique hotels are intimate affairs that focus on personal and social interactions. They may host cocktail receptions for guests and offer other opportunities to connect travelers with other travelers, as well as with locals.

Chicago, in a historical building. We were able to build a property that reflected what Lincoln Park is all about and to make it an epicenter for the neighborhood. We have dogs coming by to get treats, a strong relationship with the farmers market and locals hanging out at our bar.

LIEBERMAN: We are in a huge evolution process and have a lot on the horizon. I am working on four new projects, all expected to open within the next year. A unique project is a five-star hostel, our latest concept called "Posh South Beach." I envision it as being an international hub for young European travelers. The hostel will revolutionize the concept of a traditional hostel into luxurious five-star accommodations, offering exclusive concierge services to guests.

TW: How do you feel about mega-brands entering the boutique market?

CORNELL: Those companies couldn't expand in some places because of territorial rights of existing brand locations. One of the ways they are dealing with that is a boutique product which drives more of a local experience for guests. We believe guests see our definition of the product as a reflection of themselves. And, whether it's our sales team or procurement we can offer owners a lot of the things the big chains do.

GAMEZ: One of the things guests find with us is authenticity around each location. This is a very profitable product that is in demand within the agency community, but the bigger brands can't duplicate it. People are looking for a place to gather that is different in all of these cities.

COUTURIER: At the end of the day a chain hotel cannot hide its DNA. Small intimate hotels with a soul are what differentiate our products from big brand hotels.

TW: What's the role of agents in selling your brand?

CORNELL: Agents spend a lot of time understanding these products. They are so personalized and so close to



CARLOS COUTURIER
Managing Partner, Grupo Habita

Carlos Couturier serves as managing partner at Grupo Habita, which owns and/or manages hotels in Mexico and New York. He oversees all design, architecture and creative teams for all the group's properties.

AGENT ADVICE: All Grupo Habita hotels are affiliated with Design Hotels. Habita Hotel in Mexico City is a member of Leading Hotels of the World; and Downtown Hotel in Mexico City and Habita Monterrey are affiliated with Small Luxury Hotels. With all these affiliations, we expose our brand internationally and bring awareness to travel agents.

FAVORITE VACATION: San Pedro de Atacama, Chile for a desert experience; Los Roques, Venezuela for isolation and pristine beaches; Istanbul for nightlife and culture; Marfa, Texas for art and essence; Mazunte, in Oaxaca, Mexico for its perfect winter weather plus great Mexican food.

their clients. All of our hotels have a sense of style and are very design oriented. We are trying to link agents with the appropriate properties. We are trying to do things like have hotels be family certified to offer agents a specific market they might target. Agents have such first-hand knowledge, which is important as the definition of boutique has expanded. For us, anything more than 100 rooms would be in the Preferred Hotels brand. It comes back to our definition of what a boutique is—smaller, unique, more intimate.

GAMEZ: The growth of the boutique segment has meant an ongoing education process for agents. But that's been made easier as brands like Kimpton and Joie de Vivre have opened their doors. And as we begin to open in secondary markets, the buzz becomes different. You expect to find boutiques in cities like Miami and San Francisco. But now you will find them in places like Palo Alto and Sunnyvale, places that had been dominated by major brands. Going into 2013, we are developing a series of webinars where we can educate agents. We find this to be more of a need as we grow nationally.

TW: Are awards important to your marketing strategy?

CORNELL: We take advantage of awards when we can. We are proud that many of our hotels are award winners. That is really important and has been for a long time. Lately we have been spending more time on customer-generated social media. A year and a half ago, we developed an internal social media dashboard so we could gauge how our guests feel about us. This brings us back to the travel agent. The opinion of a thousand people does carry weight, but the professional agent remains the most reliable source of travel knowledge.

ALAN LIEBERMAN
Owner, South Beach Group



Alan Lieberman is the owner of South Beach Group, a growing group of independent Art Deco boutique hotels in South Florida. The group currently owns and operates 12 properties in South Beach and one in Hollywood, Florida.

AGENT ADVICE: Agents should keep in mind that since 2008, the numbers have shown how much travelers love South Beach. It will always have the sun and the ocean and if we continue to offer a product that is affordable with our value-added amenities (free airport shuttle, happy hour, beach chairs, etc.) while retaining our signature sexy Miami appeal, clients will book with us.

FAVORITE VACATION: I spend my summers in the Hamptons; at my house in Bridgehampton. Buenos Aires is definitely a favorite of mine. I play polo on the outskirts. Lastly, London is a place I visit often. I stay at the Connaught because the location is ideal and I'm very fond of the design.