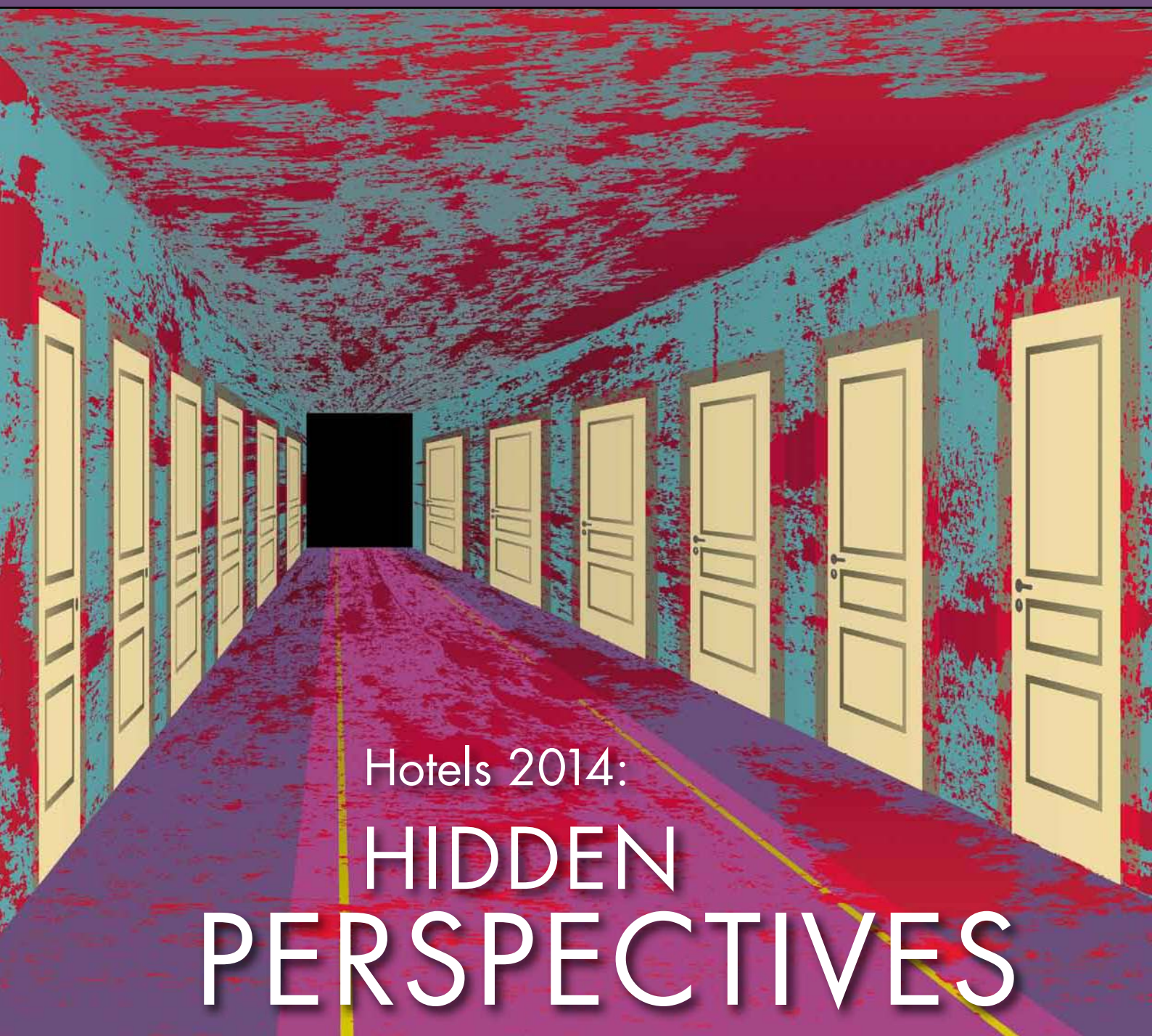


hospitality
INSIDE



SPECIAL

MARCH 2014 // ITB EDITION FOR EXPERTS IN HOSPITALITY & TOURISM



Hotels 2014:
**HIDDEN
PERSPECTIVES**

THALGO

COSMETIC GMBH



Leader in professional
marine cosmetics



Skin care à la carte with
NUTRIDERMOLOGIE®



Sensorial spa rituals



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professional standards

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THALGO COSMETIC represents strong brands, unique spa concepts, intensive training and marketing support.

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Couleur Caramel provides organic make-up with an extraordinary variety of colours.

Innovative service concepts such as SPA GYM® complete the range of THALGO COSMETIC.

THALGO
LA BEAUTE MARINE

Paris Ella Baché

Couleur caramel
natural make up



Dear hospitalityInsiders and guests of ITB 2014,

the latest headlines in the world press also affect the hotel business, such as the NSA bugaboo: how can hotels defend themselves against it? Or the OTA threat: will hotels be able to boost up their websites and win back some reservations from online agents? And how hard will private room sellers (peer-to-peer) hit the hotel business?

There is unrest everywhere: what do the "new" Chinese want? The second wave of travellers from this huge country is currently pushing towards Europe. Despite crises, luxury is still en vogue, as is sustainability. Can they be combined with each other? How paradoxical is it to pay 1,000 euros a night to be able to run barefoot across an ecologic island?

The 9th ITB Hospitality Day will answer all these questions. With 2,140 visitors last year, the hotel conference at the world's largest tourism trade fair was again one of the most popular events of the extensive conference programme. As the organiser, I'm once again looking forward to top-notch speakers and panel guests from all over the world this year (see programme on page 16).

„ITB Hospitality Day“ LIVE Streaming under www.techcast.com/events/itb/en

As for myself, I still value ITB very much, even after more than 20 years, as nowhere else do you still meet so many people in such a short time. There are only very few events in the world that are so cost-saving as far as travel expenses go! And this is why I'm very glad that we, as specialised publishers in the hotel business, are present in hall 9. Everything is in short reach and I consider the opportunity to promote our own brand among the many famous ones a privilege.

At our joint stand "World of Hospitality" in hall 9/109, you will meet eleven companies from Germany, UK, Qatar and Switzerland. The current names pass from A for Al Jazeera Media Network through to G for the Glion Institute of Higher Education and up to U for Unify (former Siemens Enterprise Communications). The stand features companies from investment & consulting, education/training, media industries, information services, hotels, Travel/Mice business, as well IT & software, in particular from software development, travel technology, eCommerce, eMarketing and Social Media Solutions – go to page 8.

You will find this and more in this special edition, 4th "hospitalityINSIDE SPECIAL ITB". Its contents are worth more than this 310 gram weight – but, if you do not wish to carry this paper along, you can also find us as an ultra-light eMagazine under www.hospitalityInside.com. Again, in German or English.

Have a successful ITB 2014!
Yours, Maria Puetz-Willems
Editor in Chief

Do you have any questions or suggestions? Please, contact us:

Editorial office: editor@hospitalityInside.com
Publishing company: office@hospitalityInside.com



4,000 copies of this magazine
are distributed.

Visit us!
WORLD OF HOSPITALITY
Hall 9
Stand 109

Also available as
eMagazine at
www.hospitalityInside.com!





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ITB BERLIN 2014: RECORD DEMAND FROM ASIA, INDIA, ARABIA AND TRAVEL IT

Large increase in exhibitor numbers

Berlin (March 5, 2014). The 48th ITB Berlin taking place 5-9 March 2014 expects around 10,000 exhibiting companies and organisations from more than 180 countries to be present in the 26 halls on the Berlin Exhibition Grounds. The focus is on Mexico, the partner country of ITB Berlin, which is organising the opening ceremony of the show and will present itself later in hall 1.1. More exhibitors than ever come from Arabia and Asia, also the travel technology segment increased in size. For the first time, ITB already started on Tuesday with its first "pre-summit" about digital marketing.

Compared with last year the number of bookings at ITB Berlin 2014 has remained consistently high. The majority of the halls are booked up and there are now waiting lists. One noticeable trend is that exhibitors are booking larger stands. This demonstrates that the world's largest travel trade show is a reliable economic indicator which accurately mirrors the industry's developments. This year it will once again unite supply and demand from around the world and send out an important message for the future. The ITB Berlin Convention's agenda features up-to-the-minute and forward-looking themes and leading experts will be taking part in the debate", said Dr.

Martin Buck, vice-president of Travel & Logistics at Messe Berlin. There has been particularly high demand for places at the world's leading travel show from countries in Asia and the Arab world. As in previous years Germany's federal States are all represented at the show. Travel Technology has expanded significantly. Due to the high number of bookings (about 30 new exhibitors will be represented at ITB Berlin 2014) this fast-growing segment with its focus on up-to-the-minute topics will now also occupy Hall 5.1.

Many changes in the Asian halls

Growth in floor space and exhibitors returning to the show reflect the tourism

industry's dynamic developments. India, Asia and the Arab countries, whose tourism industries are all booming, will be represented in large numbers at ITB Berlin. Occupying Hall 22, the Arab countries will be just as strongly represented as last year. Muriya Tourism Development from Oman is a newcomer to the event and the stand of Dubai has increased by 56 square metres. A waiting list exists for Hall 5.2a, where countries from Southeast Asia and the Pacific are represented. Nepal and Bhutan will require larger display areas. Hall 5.2b, occupied by India, is also booked up. For the first time the three Indian states of Andhra Pradesh, Maharashtra and West Bengal will be represented with their own

stand. The exhibitors in the Asia Hall will be more diverse than in previous years, as many hotels and holiday resorts are no longer in the sections of their relevant regions and instead will be hosting their own displays.

In Hall 26 (Far East and Southeast Asia) more than a dozen exhibitors new to ITB will be presenting their products. They include G Charlton Hotels and Resorts from Vietnam as well as numerous other tour operators, among them Asia Aventura, Luxury Travel, Travel Indochina, Trails of Indochina, Wide Eyed Tours and Terra-verde. Thailand's region Prachuap Khiri

2.2, 3.2 and 4.2, where exhibitors from Europe can be found. Newcomers include the city of Bilbao, on a display covering 248 square metres, as well as Alltours. Returning to the show is Spain's railway network operator RENFE, as is Gibraltar, after an absence of 22 years. Hall 7.2b is a completely new, smaller venue for European exhibitors, where the Slovak Republic, Czech-Tourism and Romania can be found. Hall 3.1, which hosts the Americas and the Caribbean, welcomes first-time exhibitors such as Latin America Travel, as well as countries returning to ITB Berlin, such as Haiti. This hall is where Gay & Les-

bian Travel can be found, which has moved from Hall 2.1.

Segments and events – a barometer for new trends

Training & Employment in Tourism, which following a reorganisation has moved to Hall 11.1, is fully booked up. First-time exhibitors as well as several who are back at ITB Berlin can also be found here. They include F+U Unternehmensgruppe, University of Bologna – Rimini Campus, OEHV-Trainee Tourismuskolleg Semmering and Deutsche Gesellschaft für Tourismuswissenschaft (DGT).



The new CityCube.

After ITB 2014

Khan will be represented for the first time, as will YTL Hotels from Malaysia, one of Asia's largest hotel chains. Meritus Hotels and Resorts from Singapore and Best Western from Thailand are also newcomers to ITB. Waiting lists have been drawn up for Halls 26a and 26b and Hall 26c is almost booked up. Hong Kong and Macao have moved to Hall 26a. Exhibitors from Vietnam hosting individual displays have all moved to Hall 26c. The stands have grown by 100 square metres, an increase of 50 per cent, as has the stand of the Philippines in Hall 26a. In Hall 26c the Business Point, a lounge with free wi-fi access, represents a new service by ITB. From Wednesday to Friday buyers, trade visitors and exhibitors can meet here, away from the bustle of the show. Bookings remain high for Halls 1.2, 2.1,

After ITB 2014, the large conversion of the exhibition grounds will continue: the former ICC will be closed; at the same time, the "CityCube", already under construction, will come into existence in the southern part of the exhibition grounds. This new multi-functional trade show and congress hall will be able to host events with a capacity of up to 11,000 participants at one time. In all probability, the CityCube will go into operation when the Congress of the Federation of German Trade Unions takes place (May 11-16). The ICC Berlin will then be closed for extensive renovations. The start to the congress highlights in the CityCube will be immediately continued with the World Congress of the International Trade Union Confederation 2014 (May 18-23). Numerous large medical conventions will follow, e.g. the Congress of the German Diabetes Society (May 28-31), the Capital Congress of Medicine and Healthcare 2014 (June 25-27), and the 27th ECNP Congress, the annual congress of the European College for Neuropsychopharmacology (October 18-22). At ITB 2015, the City Cube will be part of the international tourism event for the first time.

Messe Berlin's CEO Dr. Christian Goeke is optimistic about the prospects for the current financial year: "In 2014 the CityCube heralds the start of a new era in trade fairs and congresses for Messe Berlin. Both the exhibition grounds and the CityCube are almost fully booked up for 2014. Messe Berlin expects turnover to reach around 250 million euros, equalling the record of 2012, a year with a similar number of events."



In Hall 4.1 the focus is on Youth Travel, Adventure Travel and Responsible Tourism. 25 nations are represented in this hall, some are newcomers as the Agency of Protected Areas from Georgia, the Ministry of Nature Protection from the Republic of Armenia, ExploRussia and Xtremedesert.com from Dubai. Once again, socially responsible tourism is a key topic at ITB Berlin 2014, and not only at the ITB Convention.

On Saturday, 8 March the new Adventure Day for campers, hikers and globetrotters promises a programme of exciting events. Visitors can take to lofty heights on a high ropes course, explore caves, see an exhibition featuring artefacts from the past and try their hand at crafts in an experimental workshop.

2014 marks the third year that Danube@ITB is taking place. Events include the Danube Forum on Friday, 7 March, which will be taking place at the ITB Berlin Convention, as well as guided tours on the days for trade visitors, and a quiz about the Danube on the Open Days for the Public.

In collaboration with UNWTO the focus is once again on the countries on the Silk Road, with the Silk Road Ministers' Meeting taking place on Wednesday, March 5th. The details, products and services of all the exhibitors at ITB Berlin can be found at the Virtual Market Place at www.virtualmarket.itb-berlin.com.

The Virtual Market Place also functions as an online catalogue. Information is updated on a regular basis.

New ITB pre-summit about omni-channel marketing

In recent years there has been a paradigm shift in the travel industry. Before travellers actually go on holiday they deal with a host of different channels such as the internet, smartphone apps, traditional media and travel agencies. For the travel industry this means that it must coordinate the information and products it offers to an even greater degree.

According to Dr. Martin Buck, the Vice President of CompetenceCenter Travel & Logistics at Messe Berlin, in future travel companies will have to place a greater focus on their customers and tailor their marketing activities to their needs. "Today the path a customer takes before ultimately booking a trip is no longer difficult to understand. Big data offers a wealth of information, helping to better understand customer behaviour. This helps to significantly improve the dialogue with the customer and enables the travel industry to tailor its products accordingly, which in the medium term can potentially boost sales."

At the same time tourism marketing methods were changing, he added. According to Dr. Martin Buck, digital omni-channel marketing has combined the various methods of addressing the

customer to a greater degree than the previous model of multi-channel marketing. "For the tourism industry, rapidly developing omni-channel marketing instruments such as real-time advertising and user centric marketing are becoming more and more important. Mass media such as television and publications have generated a wide range of hybrid online and offline instruments which are of increasing interest to the travel industry." These changes would significantly influence the way in which the travel industry conducted its online marketing in the future, he added. On the eve of the world's largest travel trade show ITB Berlin 2014 will place a special focus on omni-channel marketing by devoting the first ITB Summit to this key topic. Among those taking part on 4 March 2014 from 2 to 6 p.m. will be Facebook's Head of Travel Lee McCabe, who will talk about the prospects for social media securing new customers. Rounding off the programme will be a thought-provoking discussion round in which members from various parts of the media will discuss the future of marketing communications. Juergen Scharrer, editor-in-chief of "Horizont", will moderate the ITB Summit. ITB Berlin has extended exclusive invitations to this event. //

HOTELIERS AND EXPERTS PRESENT THE „WORLD OF HOSPITALITY“ 2014

Hard to overlook

Berlin (March 5, 2014). The joint hospitality stand was launched at ITB 2012 as "hospitality X-PERTS Lounge".

In 2013, its name changed to ITB "World of Hospitality", in 2014 the booth expanded by 39 sq.m. to 108 sq.m. in size. Its location in the hotel hall 9 remained unchanged. Aside HospitalityInside as the host, eleven well-known companies have registered as a co-exhibitor. The current names pass from A for Al Jazeera Media Network through to G for the Glion Institute of Higher Education and up to U for Unify (former Siemens Enterprise Communications). Pay them a visit at hall 9/booth 109. Also, for the first time external guests will find meeting space there, bookable for minimum two hours.

8



Planning as of Feb 10, 2014. Rendering: fliegendebauten24.de

PARTNERS of the „World of Hospitality“ 2014

Below, the partners will introduce themselves in alphabetical order.

AL JAZEERA Media Network: Al Jazeera was established in November 1996 as the first independent Arabic news channel in the world dedicated to providing comprehensive television news and live debate. With the creation of new channels and services, Al Jazeera established itself as an international media corporation and has become formally named Al Jazeera Media Network. The Network now consists of the following channels and services: Al Jazeera Arabic, Al Jazeera English, Al Jazeera Documentary, Al Jazeera Mubasher, Al Jazeera Mubasher Misr, Al Jazeera America, Al Jazeera Balkans, Al Jazeera Center for Studies and the Al Jazeera Media Training and Development Center. All of the subsidiaries of the Al Jazeera Media Network follow the same principles — values that inspire it to be challenging and bold. The Network provides a global audience with an alternative voice, putting the human being at the center of the news agenda, giving a voice to the voiceless, and bringing under-reported stories from across the world to light. With more than 70 bureaus across the world, Al Jazeera Media Network is among the world's most influential news corporations, striving to deliver content that captivates, informs, inspires and entertains.



Contact:
Nader Gerges,
Commercial Distribution Manager /
www.aljazeera.com

GLION Institute of Higher Education: Glion Institute of Higher Education is a private Swiss institute that offers undergraduate, graduate and post-graduate programmes in Switzerland (Glion and Bulle campuses) and in the United Kingdom (London). Glion London is a branch campus with the same program structure and ethos as Glion Switzerland. Also, Glion offers 100% online (MBA) programs and executive education. Glion is accredited at the university level by the New England Association of Schools and Colleges, Inc. (www.neasc.org) through its Commission on Institutions of Higher Education, and offers programmes in the fields of hospitality, tourism, events, sports and entertainment management. Glion Institute of Higher Education is ranked the second most prestigious hospitality school, according to a 2010 survey conducted by one of the world leaders in research and analysis, Taylor Nelson Sofres (TNS).



Contact:
Anouk Tenten,
Partnership Manager /
www.glion.edu

HOSPITALITYINSIDE is the initiator of the joint stand "World of Hospitality" at ITB Berlin. The Augsburg-based company publishes the online magazine www.hospitalityInside.com addressing to the management of the international hotel industry and related industries in German and English language. Furthermore, the company connects executives of the industries during fairs, workshops, hotel conferences and own events by its grown information network.



Contact:
Michael Willems,
Managing Director /
www.hospitalityInside.com

HR Group is a privately owned company based in Berlin which focuses on ownerships and operation of hotel properties. Meanwhile the group has grown to twelve hotels in Germany. The portfolio ranges from a resort at the Baltic Coast to classic business hotels in metropolitan areas such as Stuttgart, Berlin, Munich and Frankfurt. The majority of our operations is positioned in cooperation with major franchisors such as Mercure (Mercure Munich Neuperlach South, Mercure Hotel Berlin City West, Mercure Hotel Frankfurt Airport, Mercure Hotel Eschborn East, Mercure Hotel Bad →

Homburg/Friedrichsdorf, Mercure Hotel Stuttgart Schwieberdingen, Mercure Hotel Garmisch Partenkirchen, Mercure Hotel Castle Neustadt Glewe) InterCity Hotels (InterCityHotel Schwerin) and Lindner Hotels & Resorts (Lindner Hotel & SPA Rügen). Smaller properties are operated as standalone individual hotels (Markgraf Hotel Leipzig). The Dormotel Hotel Europa in Halle (Saale) is about to undergo an extensive renovation and will then be positioned as a budget design hotel. Regardless of the brand and location our guests enjoy a high level of comfort and personal service in all our properties.

As HR Group takes the role of the owner within all projects, the company differs from conventional hotel companies. Especially on the capital-intensive hotel real estate market there are significant advantages if the hotel operation is aligned with the needs of the owner. Furthermore, operational processes will be streamlined. The property's value increase is always in the foreground. Extensive market knowledge of the hotel real estate market as well as professional management structures build the base for the success of HR Group.



Contact:
Katja Remus,
Sales & Marketing /
www.hrgroup.eu

HSDS – Hospitality Software Development

Services: The company creates web applications for some of the world's leading hospitality players, from leading hotel brands, through OTAs, to leading application providers in the hospitality industry. Recently founded in 2011 around a core team that has been working together for the last fifteen years, the company already has a proven track record and understands the hospitality industry, driven by a group of the finest professionals in the industry.

As a near-shore IT development & services provider HSDS builds complete solutions for some clients in full service, other clients "simply" want their own applications managed – so HSDS takes over support and

maintenance for them. With a team of 40 specialists the company scales up for projects where required with the exact required resources. So HSDS keeps its customers from paying for unnecessary overheads. The emphasis is on quality not quantity.

Clients can choose how they wish to work with HSDS: Have their own dedicated team, pay on time & material basis, or agree on a fixed project price – the client decides which

is suitable for his own situation.



Contact: Adriaan
Kleingeld, CEO /
www.hsdsuk.com

KOS Objekttextilien International: As a specialist in realizing any kind of customized flame retardant articles the company KOS Contract Textiles has been well known since almost 20 years.

While working together with international interior architects, general contractors and interior decorators we have created a high confidence and we established ourselves as a reliable supplier in the textile Hospitality and Health Care market.

Plenty of excellent references are attesting our high experience and knowledge of the branch.

A fine selection of base-textiles meet the requirements for the most intended uses, as there are flame retardant sheers, decoration and blinding draperies (woven dimouts and coated blackouts), upholsteries, microfiber and artificial leather as well as shower curtain fabrics.

Our main focus is the knowledge of developing and producing customized fabrics by meeting all requirements the customer desires. As our most particular ability "we create textiles that comply with the customer's option and fulfill all qualitative demands". Along with visual appearance and surface-feel we give special attention to quality characteristics such as flame retardant properties, abrasion resistance, light fastness and easy-care performances.

In a constant dialogue with our customers the requested features as material, production type (e. g. if woven or printed), design and color-scheme are worked out. Following these will be implemented "in textile". This happens within a manageable time-frame and by meeting your budget – for sure!

Due to the cooperation with professional interior decoration and sewing-companies not only material sold by meter, but as well ready-made decoration and drapery can be delivered. So the customer gets all from a single source.

The full concentration to the international contract market since 1997 distinguishes the company KOS Contract textiles as a renowned specialist in supplying customized textiles of all kinds- even within short time-frames and in line with your budget.



Contact:
Thomas Berndt,
Managing Director /
www.kos-international.de

MACNETIX: It all started with a vision: When Peggy Bielke and Dirk truth in 2000 founded Macnetix, the two young entrepreneurs had one main goal: the development of intelligent software solutions. With the emphasis on intelligent. "Our programs should not only work, but are designed to support people in their labor surroundings," says Peggy Bielke. This project Macnetix could implement into practice. During the ten-year history, the company grew steadily, increased the number of its employees and has expanded its business

premises. In the field of new communication systems, it is undoubtedly one of the leading companies in Germany and within Europe. Several well-known companies such as Bacardi, Lufthansa Cargo and the Otto Group and known hotel chains such as Marriott, Moevenpick and Hilton are belonging to the buyers and customers of the Berlin products.

"Our customers appreciate especially our professional and flexible service," Bielke explains. All benefit from the good quality of Macnetix products. In addition to numerous software solutions that are tailored to the needs of its customers, Macnetix could bring its own standard applications on the market. "It is quite extraordinary that we develop individual software and distribute our own products – but that in fact makes us so unique," says CEO Dirk Wahrheit. The knowledge of the product range is an advantage in creating custom solutions. Conversely, the project experience helps in the optimization of its own systems.

The standard applications, however, are programs within the range of modern communications solutions. This claim is also in the name Macnetix (MArketing Communication NETwork IntereXchange). While editIT/ playIT is used as advertising and information system for digital signage, IPTV-HD, the multimedia television Macnetix, for in-room entertainment is at its best. Macnetix is taking care of the changing market and provides in times of Smart TV its own products. OpenApp.tv tailors multimedia smart TVs to individual requirements.

"We look back on a grown experience and will further develop our programs,"



HR Group



explains CEO Wahrheit. In consequence it is not surprising that Macnetix is established both in the market for digital signage as well as in the field of IPTV (Internet Protocol Television) and is among the top ten in the industry. A success that has already been honored twice with the "Digital Signage Best Practice Award".



Contact:
Dirk Wahrheit, CEO /
www.macnetix.com

MEDIA CARRIER: Media Carrier is specialized in the distribution of digital newspapers and magazines and is the most recent company established by Trunk Holding, one of Europe's largest press-distributor. Media Carrier has developed a digital library, which offers digital editions to download on any mobile device such as smartphones, tablets or laptop without any prior installation or registration of apps. According to the clients' requirements, Media Carrier buys digital editions of newspapers and magazines from pub-

lishing houses and composes individual portfolios using its own technical solution for distribution: the "Media Box". This service is offered to the Travel and Hospitality Industry, such as hotels, airlines and lounges. Amongst others, passengers of airberlin, hotel guests of the Steigenberger chain and hotels of the brands Inter-Continental, Crowne Plaza, Hampton by Hilton, Jumeirah, Westin Grand, Radisson Blu, Dorint, Sofitel, Hyatt, Best Western, Ibis styles etc. are already enjoying the great benefits of the "Media Box". The company is a subsidiary of the Trunk Group. Through Trunk Press Distribution, one of the leading press distributors in Germany, and the sister company News-Log which supplies airports, lounges and airlines in Europe and in the U.S. with print media for over 10 years; Media Carrier has access to a wide range of national and international publications, which adds



to an attractive portfolio for all its clients and customers.



Contact:
Philipp J. Jacke,
Managing Director /
Sandra Bardewyck,
Key Account Manager /
www.media-carrier.de

MEETINGMASTERS: meetingmasters.de assists companies in finding and booking MICE locations (hotels, event locations, conference halls) and other MICE services (catering, supporting programmes, transfer services) for events by means of web-based outsourcing and insourcing solutions using databases. There is an extensive guide on the internet to over 15,000 conference hotels worldwide, 2,000 event locations and conference halls as well as 1,700 other meeting and event suppliers. meetingmasters.de is the only supplier to prepare a cost calculation for interested parties in addition to providing details and images of suitable service providers, thus making the comparison of various offers easier. Moreover, the range of services includes a billing service, an online hotel reservation system for integration into the website of the planned event (moreHotel), web-based event and participant management (moreEvent), a web-based rate requesting tool (moreRates) as well as web-based solutions for purchasing conference hotel

A man in a pink shirt is speaking into a microphone, surrounded by a crowd of people. A hand holding a microphone is visible in the foreground on the left. The background shows a diverse group of people, including a man in a grey shirt and a woman in a blue shirt.

Offer your Audiences a Fresh Perspective on the World

At Al Jazeera, we focus on people and the events that impact people's lives. We bring topics to light that often go underreported, listening to all sides of the story and giving a 'voice to the voiceless'.

Reaching more than 310 million households in over 140 countries across the globe, our viewers trust Al Jazeera to keep them informed, inspired and entertained.

Stop by **Hall 9, Stand number 109** to learn more about partnering with Al Jazeera. For more information about Al Jazeera channels, email us at distribution.int@aljazeera.net, or visit aljazeera.com



شبكة الجزيرة الإعلامية
ALJAZEERA MEDIA NETWORK

services and other event services by embedding the web tool into a company's intranet. The MICE purchasing tool moreDirect can be used to search for all event services parallel, send RFPs and make bookings! All our online modules have been developed in-house by our own highly qualified team of web designers and developers and can be adapted to the requirements of individual companies on request.



Contact: Christoph Schwind, Managing Owner / www.meetingmasters.de

PUETTER GMBH: Puetter GmbH, located in Duisburg and Cologne, stands for qualified consulting and services in the sector of online marketing, mobile Websites and public relations.

The owner-managed company focuses on services in the arena of digital communications to maximize the online performance of hotels including a transparent reporting. The company provides services and solutions of mobile websites, search engine optimisation (SEO); search engine advertising (SEA); email marketing; website optimisation & care; public relations – online and offline; social media. Today's Customers are companies such as TUI, Worldhotels, Accor, Starwood and IHG. The Puetter GmbH has been recently awarded from one of the leading hospitality magazines for providing excellent eCommerce services.



Contact: Michael Puetter, Managing Director / www.puetter-online.de

TREUGAST: Treugast Unternehmensberatungsgesellschaft mbH, founded 1985 in Munich, is a member of TREUGAST Solutions Group and belongs to the leading consulting companies in hospitality industry in Europe and North Africa. Years of experience and expertise of more than 30 Consultants and 600 employees worldwide in TREUGAST Unternehmensberatung, TREUGAST Hotellerie and TREUGAST International Institute provide decision-makers with the planning reliability, which is essential for the development and execution of projects within the tourism environment. Its portfolio encompasses around 120 consulting projects per year, among others in fields like development of tourism destination, site surveys, feasibility studies, operational analyses, expertises, coaching & controlling as well as marketing & sales; since 1995 more than 130 self-operated hotels in terms of Pre-Opening-Management, Interim Management, Turn-Around-Management as well as Operational Asset Management; scientific activities of TREUGAST International Institute, among others publisher of several

ITB 2014: HOSPITALITY JOINT STAND IN HALL 9 EXPANDED

Also bookable for meetings only

The "World of Hospitality" joint stand at the ITB 2014 was expanded at short notice by 39 sq.m. to 108 sq.m. in total. Among other things, the new floor space can provide a meeting space for six people and a lounge area for four people that can now also be booked by external companies on an hourly basis – in busy Hall 9.

Those in the bustle of the trade show activity seeking a meeting point for important customer talks will find exactly that right here. The packages can be firmly booked in advance for two or four hours or a limited use can be firmly agreed on all professional visitor days. Catering and Internet use are included in the packages.

The prices begin at 650 Euro for two hours. hospitalityInside subscribers will receive special terms.

hospitalityInside Managing Director, Michael Willems, is available for further questions, phone +49/821/885880-20, or by eMail under office@hospitalityInside.com.

industry-relevant publications like Hotel Investment Ranking Germany and Austria, Hospitality Trends, Business Comparison Hospitality and Gastronomy as well as Hotel Location Attractions Index.

The American Academy of Hospitality Sciences bestowed TREUGAST Solutions Group as the first consulting company worldwide with the Star Diamond Award. Furthermore, TREUGAST was distinguished by the German specialist publisher "AHGZ" with Special Award "Hotelier des Jahres 2011".



Contact:
Prof. Stephan Gerhard,
Founder & CEO /
www.treugast.com

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David Leonhard
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9TH ITB HOTEL CONFERENCE WITH SUBJECTS THAT GREATLY INFLUENCE THE INDUSTRY

Data, online, eco, the Chinese, P-2-P, reviews

Berlin (March 6, 2014). The American data octopus, NSA, has also reached the hospitality industry over recent months, online portals are defending themselves against federal cartel offices and hoteliers have regained strength while they continue to defend themselves against Peer-to-Peer. Eco & luxury are beginning to reconcile, the "new" Chinese asks for individuality and in the meantime, many bloggers have joined the reservation-determining hotel review portals. The 9th "ITB Hospitality" Day at ITB Berlin 2014 takes up the major social subjects that have been greatly influencing the hotel industry. On Thursday, March 6 from 10:30 in Hall 7.1 B / London Auditorium at the Messe Berlin Exhibition Centre. Entry is free to all trade show visitors. Moreover, the ITB Hospitality Day will be broadcast LIVE on the Internet.

10.30-11.00 a.m.

KEYNOTE: "You Can Check Out Any Time You Like, But Your Data Can Never Leave" – Disturbing Developments in Data Security.

Speaker: Uwe Bernd-Striebeck, Partner, KPMG AG Auditing Company

Panel guests: Darren Gearing, Regional Vice President Europe, Shangri-La Hotels & Resorts
Yufei Gu, Manager Hotel Procurement, Caissa Touristic (Group) AG
Luis del Olmo, Executive Vice President Asia Pacific, Meliá Hotels International

Panel guests: Tom Breckwoldt, Territory Manager Business Listings Germany, Austria, Switzerland, TripAdvisor
Benjamin Jost, Co-Founder & Managing Director, TrustYou
Marion Schumacher, Vice President PR & Communication, Moevenpick Hotels & Resorts
Yvonne Zagermann, Travel Blogger, justtravelous.com

11.00-12.00 a.m.

Online Distribution: How Much Business Does Your Website Generate? Hotels, hotel chains and OTAs caught between commissions and profits.

Moderated by Carolin Brauer, Managing Director, Quality Reservations

Panel guests: Dr. Mark Friesen, Pricing Expert, Quinta Consulting
Michael Buller, Chairman, Association Internet Travel Distribution
Alexander Pyhan, Sr. Director, Global eCommerce Channels, Marriott International
Susanne Weiss, Chief Executive Officer, Ringhotels

1.15-2.00 p.m. BREAK

2.00-3.00 p.m.

CEO Panel: Luxury & Eco – Contradiction or Entitlement?

Walking barefoot for 1 000 Euros per night. A talk with a sustainable luxury hotelier and an "Infinity Finder".

Moderated by Maria Puetz-Willems, Editor in Chief, hospitalityInside.com

Panel guests: Bernhard Bohnenberger, President, Six Senses Hotels Resorts & Spas
Ross Harding, Founder & Executive Director, Finding Infinity

4.30-5.30 p.m.

Social Tourism Or Gray-Market? The power of Peer-2-Peer.

Will the protests and regulations of cities and industry associations be able to hinder the boom of private room rental websites?

Moderated by Prof. Macy Marvel, Advisor, Lausanne Hospitality Consulting

Panel guests: Christopher Oster, Co-Founder, Wimdu
Roman Bach, Chief Executive Officer, 9flats
Arnaud Bertrand, CEO, HouseTrip
Ramón Estalella Halfller, Secretary-General, Spanish Confederation of Hotels (CEHAT)
Thomas Allemann, Member of the Management Board, hotelleriesuisse

12.15-1.15 p.m.

Quality The Chinese Way – How China's second wave of tourists challenges hoteliers anew.

Moderated by Prof. Dr. Wolfgang Georg Arlt, Director, CONTRI China Outbound Tourism Research Institute

3.15-4.15 p.m.

A Different Perspective: How Do Bloggers And Hotel Review Platform Analysts View The Hotel Industry? Is the industry changing – or its evaluators?

Moderated by Prof. Dr. Axel Jockwer, Professor Tourism Management, EBC-Hochschule Stuttgart

Program Experts Forum Wellness see page 23.

„ITB Hospitality Day“ LIVE Streaming www.techcast.com/events/itb/en

THE PANELISTS (Selection)



Uwe Bernd-Striebeck is a partner of KPMG Germany and head of IT Security Services. He focuses on the architecture and implementation of information security in companies. He is an auditor and consultant in the domains of technical security and penetration testing, data privacy and the defense against industrial espionage.

Prof. Wolfgang Georg Arlt studied Sinology in Berlin, Taiwan and Hong Kong. He visited Mainland China for the first time in 1978 and more than 125 times since. In the 1990s



he was the owner of an inbound tour operator. Since ten years he has been a fulltime Professor for International Tourism Management in Germany and the founder and director of COTRI China Outbound Tourism Research Institute.

Darren Gearing has been responsible for the planned opening of the new 5-star city Hotel The Shard/London in May 2013. He is also overseeing all other European and North American Hotels including Paris, Istanbul, Toronto and Vancouver. Before that he was responsible for



the marketing, financial management and operation of the 565-room 5-star business hotel Shangri-La Hong Kong.

Bernhard Bohnenberger, President of Six Senses Hotels Resorts Spas, joined the company in 1991 as Development Director, he was appointed Managing Director in January 1996 and recently appointed President in July 2011. Prior to joining Six Senses, BB's hotel operations experience includes Hilton Geneva and Hong Kong, Marco Polo Group in Hong Kong, Hotel



Vier Jahreszeiten Munich, Hotel Baur au Lac Zurich and The Peninsula Hong Kong.

Ross Harding, a creative with an academic background in engineering and finance, sustainability advisor to big names in architecture initiated "Finding Infinity", focusing on bridging the gap between communications and implementation of sustainability – relying on video, IT, and enthusiasm, e.g. for Design Hotels.

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BIG DATA: THE HOTEL INDUSTRY IS (STILL) UNABLE TO EVALUATE THE NEW DATA FLOOD

More missing links than links

Vienna/Munich. "We generate gigantic volumes of data every microsecond: in house, in the network, in store. Raw material or waste? A journey to the mines and refineries of the data era." The teaser on the cover of "GDI Impuls" describes what Big Data is. The Swiss Gottlieb Duttweiler Institute (GDI) dedicated its first magazine of the year to this topic. Because "Big Data" will change our lives and ideas in future.

The Munich-based CRM, software and data specialist Michael Toedt breaks the issue down for the hospitality sector – and challenges management to raise the profile of the marketing manager and to link data in a sensible way. He also sings the praises of the good old questionnaire. Big Data goes over people's heads, like a black hole in which all the world's data disappear. Current media reports on bugging scandals provoke a certain amount of mistrust of the issue. In their book "Big Data. A Revolution That Will Transform How We

Live, Work and Think", Viktor Mayer-Schoenberger and Kennett Cukier compare big data with the introduction of the printing press. The authors believe Big Data Analytics is part of the solution for many global problems. The consumer goods industry – as well as tourism and the hotel industry – take the position that Big Data is the next stage in the evolution of marketing. How these data can be sensibly linked, analysed and used is a mystery to many.

Michael Toedt, Managing Director of Toedt, Dr. Selk & Coll, is the author of the book "Big Data – Challenges for the Hospitality Industry". The issue was the central issue at a talk round held by "Travel Industry Club" at the Viennese Hotel Le Méridien which made an attempt to shed some light

in to the data darkness and provide hoteliers with information on challenges and errors.

Data overflow

Since society has largely moved into one mega smartphone user, feeding social media platforms such as Facebook and Twitter on a minute by minute basis, it should now be clear to everyone that we produce huge amounts of data every day. Various statistics show just how rapid growth in data volume is:

- Every year the amount of data produced doubles.
- Around 90 percent of existing data was produced in the last two years.
- Yet only 23 percent of this is usable; only 0.1 percent of data are actually analysed.

In the hotel industry, even less is analysed, data expert Toedt says. Tourism and the

In this magazine, we focus on the content of the „ITB Hospitality Day“ and other hotel-related events taking place at ITB. Furthermore, you will find excerpts from the hospitalityinside.com online magazine.

hotel industry are, however, not the only sectors in which the potential of Big Data has not really been recognised. The message is clear: Use the information which customers provide voluntarily. Analyse the data and improve the product, communication and service. This way, revenues are increased. According to a current McKinsey study, earnings potential on professional use of Big Data analyses stands at 60 percent. The benefit in the hotel industry could be even higher, Toedt suggests and lists a number of points:

- By collecting and analysing data, the sale of existing products is simplified.
- Changed customer communication: Relevant information is sent to the customer at the right point in time.
- Every customer is individually approached (but fully automated through Big Data).
- The conversion rate rises by quality improvement

Status quo

Why has the hotel industry still not recognised the opportunities provided by Big Data? According to Toedt, the problem is the lack of appreciation which Marketing receives in the hotel. „Operations and Sales see Marketing as vicarious agent and not as central element,“ the expert says. A mistake which, above all, the international chain hotel industry likes to make. Toedt wants to see the profile of the marketing manager raised. „Big Data demands more and more specialist knowledge from Marketing. The responsibility and impact on operating profit is growing. This is seldom reflected in the structure of the organisation in which creative members of staff often have weak standing.“

Toedt views the situation as more positive in Austria: „There is much more direct marketing awareness. This is also explained with reference to the hotel landscape which is largely made up of small and medium sized enterprises.“ The Big Data expert therefore demands that Marketing take up the most important position alongside the Board of Directors and Management.

Missing Links

Why, despite the data flood from booking machines, management systems and other sources provide a hotel with largely unusable data is quick to explain: There are too many missing links. „It's a mistake to believe that a property management system can assume the task of evaluating all data. The volume of data is simply too high,“ Toedt says. The separation of operating and analytic system is decisive here. System breaks occur, for instance, in sending newsletters or on the analysis of questionnaires which can't be linked to the guest profile. „E-mail marketing and guest profile don't meet at all. There are further system breaks between website and guest profile and Facebook and guest profile. There are more missing links than links,“ Toedt concludes. The CRM specialist names the three „Vs“ as key properties of Big Data: Volume, Velocity (speed of data processing) and Variety. And he then adds a further two: Veracity and Value (usability of data).

Questionnaires make sense

Yet for all the hype surrounding Big Data, the Munich expert also points to the irreplaceability of questionnaires in paper form. According to a current study, which Toedt's company Toedt, Dr. Sell & Coll conducted together with Holiday Check, guests like to provide their feedback in questionnaire form. The crucial error which hotels make, but often also made by consultancies and universities, is in the scale used. „Answers are normally provided on a scale of 1-5, though this makes little sense,“ Toedt says. „A scale of 1-8 or 1-10 would provide much more information from which to work.“

Even the question of relevance is often forgotten. For instance, guests are often asked to rate the breakfast buffet. What the hotelier really needs to know is whether such a large breakfast is important or whether the guest can do without it or would be satisfied with a smaller à la carte breakfast. Despite Big Data, the hotel industry remains a diverse and complex product which needs a human factor – the „simplest interface“ between guest and hotel.

Travel industry experts between extremes Even in Austrian tourism, Big Data has still not arrived, as the Travel Industry Club discussion round in Vienna showed. Fundamental requirements, both technical and methodical, are often lacking for data analysis. Hoteliers and tour operators must have statistical training today in order to benefit from Big Data, Prof Hannes Werthner from Technical University Vienna says. Yet statisticians and data analysts are few and far between in the sector at present. The researcher Klaus Grabler from the IT-specialised market research company Manova in Austria doubts the current media hype surrounding the Big Data and asks the question how much in good CRM systems and classic data analysis is „Big Data“. „Everybody is talking about it, but where is it really happening?“, Grabler asks. „What are the potential uses outside online marketing? Really understanding why people behave in one way or another – we really aren't that far today,“ the Manova boss concludes critically.

Prof Werthner held quite a different opinion here: „Big Data is already happening: Large online platforms already know more about their customers than they know about themselves.“ For him, the question is rather: How could smaller companies benefit from the same opportunities? The data belong to them! Prof Werthner pleads here for data protection to be taken seriously. An open and honest approach to data protection is, after all, a real selling point over consumers.

Customisation

Travi-Austria Managing Director Rudolf Mertl, expert for tourism booking systems says here that the volume of data is not decisive. The important thing is the analysis of customer behaviour, the evaluation and drawing the right conclusions. „What data do I need, and what do I want to do with it?“ // Romana Kanzian



Hannes Werthner.



Michael Toedt.



3,750 of 5,000 index points: Currently, hotel investors and experts are in good mood.

The survey carried out once a quarter always includes four questions about "index" and three about "trends".

Here are two results:

More than half of the participants indicate that the current market situation is "good" for their own business (51.6 percent), 22.5 percent say "satisfactory". This leads to a very stable middle – with a euphoric upward swing: for 16.1 percent, the situation is "very good". Only among very few participants is the current situation "unsatisfactory" or even "very bad": this is less than ten percent in total.

According to the participants of the first "Investment Barometer", most of the capital

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There is still more in the air

Augsburg/Hamburg. The investment atmosphere in the hotel real estate market was good at the turn of the year 2013/2014. With 3,750 out of 5,000 possible index points, investors, owners, and project developers showed clearly that they rate the current offers beneficial for their own businesses; however, they are expecting a further upturn in the offer pipeline. This is one of the results of the 1st "Investment Barometer", initiated by hospitalityInside and supported by Union Investment.

for the European hotel markets comes from Continental Europe way ahead of the Middle East and the Far East. America as a source of capital lags far behind in this response. According to the survey, the largest potential of developing into an investment product is being assigned to aparthotels and serviced apartments.

"Institutional investors are progressively including hotels in their investments," says Andreas Loecher, Head of Investment Management Hotel at Union Investment, evaluating the results in the context of the market. "Just as in the office real estate markets, the competition has increased in the European hotel markets concerning core objects, but at a lower level. Players from Asia and especially from the Middle East are increasingly contributing to this."

In the first survey, more than half of the participants were owners, managing directors and CEOs, followed by other management positions. Their main tasks were mostly in the business fields of operations and marketing as well as development and financing, but estimates from other important business fields were also included in the evaluations. Among the participants, the business interests are aligned internationally from a geographic perspective, but there is also a clear focus on Europe.

"We are very satisfied with the start of our first Investment Barometer," says Maria Puetz-Willems, Editor in Chief of the international online trade magazine hospitalityInside.com. "Due to the participation of top-class executives, the index combines the

current evaluations of well-informed industry specialists. We are very curious to know how the index will develop and which predictions can be made." // map

The next survey starts

in April. All those who have registered for the barometer will receive a new invitation to participate for every survey. The registration for the barometer can be made any time on the website at www.hospitalityInside.com.

Those who have participated in the survey, obtain all results and evaluations as a PDF file sent to the registered e-mail address. Parts of the survey results will be published in hospitalityInside's magazine. Those who are interested can look on the website under "Market Check" where a diagram summarises the results.

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ITB Convention 2014: Key Topic Luxury

5 March 2014:

ITB Future Day

Luxury Markets: Trends and Best Practices

16.00 – 16.45, Hall 7.1b, Auditorium London

6 March 2014:

ITB Hospitality Day

CEO Panel: Luxury & Eco – Contradiction or Entitlement?

14.00 – 15.00, Hall 7.1b, Auditorium London



MERGER OF QYPE AND YELP AND ITS IMPACT ON ONLINE DISTRIBUTION

Content suddenly disappeared

Bremen. The triumph of online hotel evaluation portals is based on content – on the content of a hotel or business. The portals have used this content very skilfully – just like the booking platforms (OTAs), which have already snatched away the rates and availability. These “third parties” repeatedly squeeze into the value-added chain between customer/guest and hotelier to cash in as well.



Internet hotelier Marco Nussbaum.

While many hoteliers have not yet figured this out, the next coup is looming on the horizon: through the merger of the two internet businesses Qype and Yelp, the content is now being taken away from the hoteliers and/or filtered randomly. Marco Nussbaum, dedicated internet hotelier and CEO of German prizeotel Group describes the severe impact of this merger in this guest contribution: “Over night, 100 evaluations disappeared!” Is this legally permissible? The lawyers are in a dispute. To whom does the content in the internet belong? The hotel industry is facing a new problem.

“Before other hotels even discovered the Qype portal, we already used it actively for prizeotel. With more than 100 evaluations, the portal was a very important multiplier in the internet for us. This ended when an American business swallowed up the German clone; now it is trying to merge these two portals.

At first, this plan did not give rise to suspicion as we thought nothing would change. But we were wrong! Qype became Yelp and the prizeotel Bremen City was “out of the game”: we lost 100 evaluations without any advance notice or communication by the businesses. Of course, we did everything, to motivate our guests to rate us actively on Yelp on short notice. This way, we were able to slowly get back on our feet, within three weeks. And then? Yelp deleted these new evaluations again!

Allegedly, a technical adjustment and an algorithm were responsible for the losses. This clearly shows the dependency of hoteliers on these portals! Due to the loss of one multiplier, prizeotel suffered a considerable loss in revenues on a short-term basis. Therefore, this is not a loss of honour we are talking about here...

How do we cope with this dependency? To whom does this content belong? To the portal, the author or to us as a brand?

Random filters are unlawful

Our legal adviser (hotelprotect e.V.) told us that written content could be protected by copyright, basically speaking. But by publishing it on a platform, the user grants rights of use and has no right to publication. The content does not belong to the hotel; it belongs to nobody, simply put. The portal is able to do what it wants as its website reports about other businesses and companies as well. However, hotels have to protect themselves from evaluations that contain inaccurate facts and claims or wrong descriptions.

If a large number of evaluations – as was the case with Yelp – has been sorted out and therefore subtracted from the overall score or if this influences the ranking, then it is unlawful.

This has been confirmed by the Hamburg Regional Court. In a temporary injunction

(file number 324 O 628/13) issued on December 3rd, 2013, the court prohibited Yelp Ireland Ltd., the operator of the website www.yelp.de, from evaluating a hotel if the evaluation rank is only based on a random selection of guest evaluations.

When 5 stars suddenly become 3.5 stars...

The German lawyer Peter Hense of hotelprotect e.V. says: “Businesses like hotels and restaurants are not able to prevent evaluations on portals. The freedom of evaluating ends, however, as soon as guest evaluations are filtered randomly and a distorted overall picture emerges as a result. This principle applies to all industries.”

Hense explains further that after the court injunction in Hamburg, the question arises whether the evaluations on Yelp are even allowed in Germany. In another verdict of the Higher Regional Court of Duesseldorf from February 19, 2013 (file number I-20 U 55/12 – “eKomi”), the court ruled that advertising with evaluation portals is misleading and therefore anti-competitive as soon as evaluations of customers are not published unfiltered immediately.

In this specific case, General Manager of Relaxa Hotel Bellevue Hamburg, Olaf Dierich, reports: “We have earned all our evaluations with very hard work. Now, Yelp has filtered 54 of 61 evaluations and instead of 5 of 5 stars on Qype we only have 3.5 stars on Yelp. This is very harmful to our business.”

This all reveals that the hotel industry has stepped into yet another dependency besides the ones from the OTAs, and that many people are not yet aware of this.” //

ITB EXPERTS FORUM WELLNESS

Inspiration and self-reflection

Berlin/Duesseldorf. Inspiration and self-reflection. This is what this year's ITB Experts Forum Wellness has in store at ITB on Thursday, March 6, 2014. The main topics will be trends in Asia, online distribution, wellness criteria, successful concepts, and market analyses.

Renowned spa experts will provide international comparisons, and surveys involving renowned partners will reveal detailed figures and statements. Michael Altewischer, managing partner of Wellness Hotels & Resorts in Duesseldorf – the organiser of the Experts Forum – has once again arranged eight interesting talks.

First in line will be Samantha Foster, Director of the Destination Spa Management consultancy in Bangkok. She provides an insight into the current development, for example, by examining the number of day spas in urban environments, and she will take a look at Asia's influence on the European spa sector. At the end of her talk, Foster will also discuss the term "spa" in general.

Are wellness apps the right way to relax? Austrian consultant Dr. Franz Linser looks into this new trend that definitely holds opportunities for providers. Klaus King, General Manager of Hotel Kranzbach near Garmisch-Partenkirchen, explains the criteria that lead to a successful spa. Since its opening six years ago, this hotel has marketed and clearly positioned itself.

Which criteria are important after all and which are critical ones? After last year's initial presentation, Lucerne University of Applied Sciences and Arts will present the results of the continuing survey of 2013. Dr. Kai Illing of FH Joanneum University of Applied Sciences in Bad Gleichenberg, Austria, will introduce a survey on European health and well-being destinations. Despite all the talk of figures, wellness hotels live from the acceptance of their offers. Online sales in this segment are absolutely indispensable nowadays. Roland Fricke, managing partner of the Beauty24 online portal will talk about the decisive sales criteria.

And last but not least, Wibke Leder of Wellness Hotels & Resorts will present the latest results of a survey on the desires and expectations of both hoteliers and guests carried out by Beauty24 and her own consortium.

The **ITB Experts Forum Wellness** will take place on **Thursday, March 6, in Hall 7.1c/Room Paris**.

TOPICS at a glance:

10:30 – 10:35 h	Forum Opens
10:45 – 11:25 h	Wellness And Spa: Trends in Asia
11:30 – 12:20 h	Keynote – Self Design: An Opportunity For Our Industry?
12:25 – 12:55 h	General Criteria For Spa And Wellness Hotels I
12:55 – 13:40 h	General Criteria For Spa And Wellness Hotels II
14:30 – 15:00 h	Internet: Important Criteria To Sell Spa Offers Successfully
15:05 – 15:45 h	Best Practise: Wellness Hotel Das Kranzbach
15:50 – 16:30 h	Wellness And Spa: Embracing The Wellness Revolution
16:35 – 17:10 h	Wellness Terms And Figures – An Up To Date Overview!
17:10 -17:15 h	ITB Wellness Forum Summary

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A VISIT TO THE GLOBALLY UNIQUE RESEARCH DEPARTMENT OF PENINSULA HOTELS

The technology inventors

Hong Kong. It has a touch of James Bond: The limousine careens along its way from the Peninsula Hotel Hong Kong in the glittering shopping quarter of Kowloon to Aberdeen, a former industrial quarter on Hong Kong Island. Dilapidated factory buildings everywhere, no one on the street ... Here sits the technology brain of the five-star hotel group. As the only hotel company in the world Peninsula Hotels disposes of its own research and technology department that solely looks after the optimisation of the technology in the guestrooms. Moreover, it is less about the latest gadget, but more about a simple and well thought-out usability and the integration of different systems. A visit to a somewhat different "garage company".

The large, dark flashy car of the five-star hotel seems like a foreign entity in Aberdeen. The driver halts before a hardly confidence-inspiring building. A man with an earwig asks what we are seeking and accompanies us to a shabby freight elevator. Another world opens up at the top. Two ladies at the smart reception desk welcome us. Behind them, the words "Research" and "Technology" are resplendent on a dark glass panel. Ingvar Herland, Group General Manager Research & Technology Hong Kong and Shanghai Hotels Limited, the owner of currently nine Peninsula Hotels meets with us. They had only just moved into the space in February, the Norwegian apologises. Hence, a great deal is not yet ready and the spiral

staircase in the upper floor is just being renovated.

He leads us into his scanty office. No pictures, no files, nothing personal. Only one laptop, a phone and a few pencils are on the desk. Herland has been with Peninsula since 2006. Before this, he had worked within the telecommunication industry and was, among other things, responsible for the construction of the internets for India and Latin America. "We are the only hotel group that has its own research department for the technology in our hotel rooms", explains Herland. He has studied telecommunications and microwave technology in Norway and has a Master's Degree as an electrical engineer. 25 staff members meticulously tinker here with how the hotel guests can very easily

gain control of the technology in their room – a subject of pent-up demand worldwide. Who has not yet wandered endlessly through their hotel room until they had switched off all the lights at night? And who has not yet fought with the remote control to gain control of the air-conditioning? The innovations are not sold. Most hotels do not look after such details or blindly and across-the-board trust the external know-how of architects. However, Herland and his staff work continuously on improvements. "Everything must be made very easy and the guests must be able to use it intuitively", the technology boss describes the premise. With this, they simply differ from the competitors. By far, not everything that is worked on is spectacular

and the guest does not even see a great deal of it. "We work on the electronic nervous system of the hotel", explains Herland and leads the visitors through the rooms in which it looks as in the hobby room of an impassioned amateur handicraftsman. Disassembled remote controls or touchpads lie on the tables between all sorts of measuring instruments, screwdrivers, tongs and cables. Engineers check switching circuits, measure resistance or lay new connections. They have spent a great of time with the design of the remote control, says the technology manager. How are they able to accommodate as many functions as possible without confusing the guest?

What Herland and his team puzzle out is produced exclusively for Peninsula and is not sold to other companies. Herland does not wish to talk about the budget but altogether, the total is not much more expensive than the technology costs with other hotel chains. Only the money is used sensibly. The greatest challenge is to integrate everything with each other sensibly, explains the technology boss. Above all,

the very modern audio and video system that includes a Blu-ray LED flat panel display, an iPod / iPad docking station, memory card reader and sound bar loudspeaker system with a high-performance subwoofer needs to be properly navigated. "If one watches television or listens to the radio and the phone rings, the volume of the system automatically lowers", Herland. There is also intelligent technology in the bathroom. If one presses a button, an atmospheric light comes on, relaxing spa music sounds and a "Do not disturb" glows outside the door.

Pondering the logic of lights

The engineers also repeatedly potter about with the lighting. There are 20 switching circuits in the room for the lighting alone, says Herland and points to a switch palette. Next to him, the various lamps are integrated on a blackboard. "One must be able to easily control everything with this", says the Norwegian. A great deal of time is spent on the optimum light logic. There is not the tiresome search for light switches in the Peninsula

Hotels. The guest has control of the entire room through the master controls next to the bed. If all lamps are out at night, a discreet light illuminates the way to the bathroom. We have distanced ourselves from the idea that the light automatically goes out when one leaves the room, Herland says. This has only confused many. Also the coloured light that was to create different moods was again abolished. "This looked like a night club", according to the Norwegian. The different architectural conditions of the properties is a problem. What functions in one property does not work in another. Hence, the different systems of all hotels are indicated on big boards in a corner. So, for example, the legendary nail varnish dryer is integrated into the wall in the Peninsula Tokyo. This does not work in Hong Kong, so they fashioned a new, beautifully designed model that now lies in the drawer on a battery charger.

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The new Peninsula Hong Kong rooms offer multi-charger device.

latest touchpad technology – a true challenge at the 85 year-old hotel. The guest now finds interactive and easy to use tablets on the walls, on the desk and beside the bed with which they can not only control the lighting, air-conditioning and audio and video systems or use the curtains, but also gain access to all hotel services. They can browse through the restaurant menus, study the spa menu and draw inspiration through the virtual “PenCities” guides.

At the touch of a button, further options are available such as the “Do not disturb” indicator as well as weather reports and outside temperature and air humidity displays. The whole thing is currently available in eleven languages; technically, even an extension would be possible. Menus or current offers can be updated or changed without great expenditure; costs for printing and paper are eliminated.

A special development is also the multi-charger device with which one can charge all of the new devices – without the annoying adaptor problem. And because one often charges their devices at night, in addition to the copy at the desk, there is another one in the bedside table drawer. The guest will find their own office with a combined fax/printer/photocopier and scanner device at the desk. It is only a laptop that is not provided. It is hardly ever used anymore, Herland knows. A special service is the free voice over IP long-distance calls worldwide from the rooms as well as during the journey in the Rolls Royce limousines belonging to hotel. “In addition, we have simply bought some accounts from Skype”, says Herland. It is a long way until a new technology comes to the hotel rooms. If the engineers have worked out something, it is first tested in a model room in the city, but outside the hotel and namely by people without experience with these gadgets. “They spend the night in the room and describe their experiences to us”, says the technology boss. Moreover in Hong Kong, they even allo-

25 technicians exclusively create innovations for Peninsula – far away from the luxury glamour of the hotel in Hong Kong Kowloon.



wed a 90-year-old to test the new touchpad technology along with clients inexperienced in modern technology.

Outdated by the current models ...

Proposals for improvements or new ideas also come from the staff. This is then discussed in a circle of the General Managers and if they deem the idea to be sensible, a prototype is built and tested in the model room. In doing so, it happens time and again that things are thrown right back out again, says Herland. As it occurred with the scales in the luggage racks that automatically registered how much the suitcase weighs. “We have noted that is a bit of a risk”, says the technology boss. “If the suitcase is too heavy at the airport and the guest must pay for overweight, this falls back on us.” The possibility to insert a small camera in the door spy so that one can see who is standing at the door from the tablet was refrained from in the first place.

The engineers are currently preparing for the opening of the new Peninsula Hotel in Paris next August. Then there, for example, the controls for the Venetian blinds will only be attached at the window and not the bed as to not demand too much of the guest with too many functions. And there

should be entertainment, music and weather info in the dressing room.

They have also already discussed the concepts for the planned opening in London and adopted the budget. Particularly with the longer advance planning, Herland and his team are often given a hard time by the rapid technological changes. “By the time we are ready with our planning, the manufacturer has sometimes already changed their model three times”, he says. Hence, they have a special arrangement with Samsung and are informed in advance about planned model changes. “The thing as a whole requires a heap of logistics”, says Herland. Thus, they must install the televisions in the new hotel in Paris at the middle of January. Nevertheless, they must already have a sufficient amount of devices for this in storage today. All of which the Peninsula guest senses and sees nothing. They only intuitively use the IT in the room and enjoy problem-free technology as a smart service. // Baerbel Schwertfeger

WHILE AIRBNB AND OTHERS FIGHT WITH CITY REGULATIONS ALL PROVIDERS ARE GROWING

The power of Peer-to-Peer

Lausanne. The development of peer-to-peer (P2P) web platforms, such as airbnb, Housetrip, Homeaway, onefinestay is disrupting the traditional transient lodging sector, as travellers can now operate autonomously outside of the normal accommodation industry structures. Young people, in particular, the future clients of lodging service providers, are most likely to resort to these alternative means of accommodation. The potential threat to the traditional lodging sector of P2P rental websites can be measured by the virulence of the reaction of the hotel industry to the rapid growth of the sites.

Worldwide, cities are increasing restrictions. In response to this push towards regulatory constraints, Airbnb has joined other online booking sites to fight "restrictive short-term rental regulations at the local level". Aside of this fight against third parties, P2P providers face strong competition among one other. Around the globe, a gigantic market has developed, including the holiday renting of individual apartments and homes as well as luxury villas. One provider even offers travellers the option of booking a whole apartment or villa for the price of a hotel room. The rise of accommodation rental websites is part of a broader trend that is labelled the "sharing economy". Sharing communities include a social element, as sites like Airbnb allow travellers not only to save some money on accommodation, but also to experience an authentic lifestyle in the destination by living like a local resident during their stay. Shared or rented flats and houses can also be promoted as ethical,

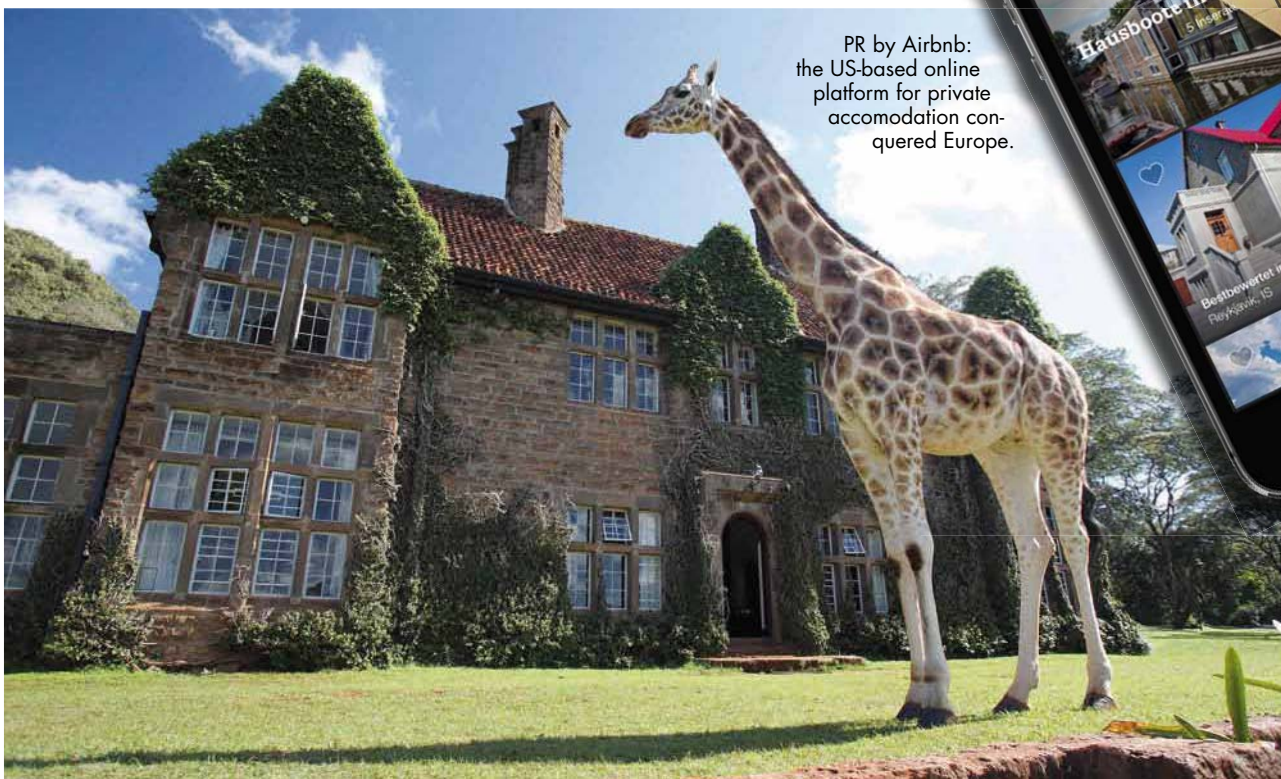
communal and sustainable, as they effectively increase the accommodation capacity of a destination without building new structures.

The potential threat to the traditional lodging sector of P2P rental websites can be measured by the virulence of the reaction of the hotel industry to the rapid growth of the sites. It can be surmised that a large, but undeterminable, proportion of revenues generated from rentals by individual property owners is not being declared as taxable income, nor, in many cases, do the owners pay bed night taxes to the municipality in which they are located. Hoteliers have picked up on these aspects as a way to lobby against the modus operandi of the websites. Another argument used by hoteliers is the regulatory one. Indeed, in large part due to pressure from the hotel industry, a number of cities in Europe and North America are beginning to place restrictions on the renting of individually owned residential properties to tourists.

Berlin, Paris, New York ... Restrictions everywhere

About 5 million visitors stayed in privately rented holiday apartments in Berlin in 2011, according to government and local industry estimates, but if a proposed new law is approved in autumn, that figure could drop drastically within the next couple of years. Berlin is not alone in seeking to restrict people from renting their properties to tourists. Paris, New York, San Francisco, Barcelona, as well as parts of Austria have already adopted measures to control the unregulated market of private landlords who compete with

PR by Airbnb:
the US-based online
platform for private
accommodation con-
quered Europe.



hotels, but do not pay the same taxes. In New York, Nigel Warren, a property owner offering his property on Airbnb was fined US\$2,400 in late May 2013 when a judge determined that he had violated a city law that prohibits rentals for less than 30 days. Similarly, in San Francisco rentals of fewer than 30 days are banned. Quebec City is also presently investigating 2,000 property owners for short-term rentals of their properties.

New Spanish laws to regulate holiday rentals by insisting that owners are licensed and conform to the same regulations as hotels have apparently been instituted primarily as a way to raise tax revenues. In Barcelona, noise and litter in residential neighbourhoods were becoming a problem, so holiday rental properties now have to be licensed. With no more licences available in the Old Town, certified apartments are far easier to sell than those that are not, notes Alex Vaughan, director of Lucas Fox estate agency. There are restrictions already in place in the Canaries and Balearics. Elsewhere in Spain, it will be up to each autonomous community to decide how to interpret the new law.

Austria could serve as a model for localities looking to restrict holiday rentals. There is a two-tier property market in the country between those that have permission to rent out and those that do not. "The vast majority of foreign buyers want to rent out their property, so properties without permission are languishing on the market and falling dramatically in price as they are only of interest to locals. Property designated for holiday lets is selling fast and at high prices – up to €7,000 per sq m in places such as Zell Am See" notes Giles Gale, managing director of Mark Warner Property.

STRAC campaigns against restrictions

In response to this push towards onerous regulatory constraints, Airbnb has joined other online booking sites such as HomeAway, Flipkey and TripAdvisor to form the Short Term Rental Advocacy Center (STRAC) to fight "restrictive short-term rental regulations at the local level".

"We strongly support people complying with local laws, but we've seen other governments take a different tack: treat those engaged in short-term rentals as partners and build a constructive relationship that simultaneously benefits providers, tourists and local residents," notes Tim Doyle of STRAC, who

cites Palm Springs, California as a positive example. The desert city has registered at least 550 properties, bringing in US\$600,000 in transient occupancy taxes. Otherwise, at the Desert Springs golf resort in Almeria, California, sales director Simon Coaker welcomes more regulation. "The bottom line is that it's all about licensing, which means the owner is registered and the government knows they can expect tax payments from them. Reputable companies like us deduct tax on behalf of the owners who rent out their properties," he notes. Airbnb is big in Europe

Although Airbnb is based in San Francisco, where it was founded in 2008, the peer-to-peer accommodation platform's offerings have deeply penetrated the European travel market. The importance accorded to Europe by the firm is evidenced by the numerous offices across the continent, which are loca-

moment search by the author of this article shows: on 25 July 2013 he was looking for available accommodation on the Airbnb site for 4 people in the Balearic Islands from 7 August -13 August 2013 which produced 328 results on the Island of Mallorca alone, of which 264 offers were for entire houses or apartments, 57 for private rooms and 7 for shared rooms at prices ranging between €51 per night and over €1,625 per night.

850 million social connections on the Airbnb website

In line with its ethos of sharing Airbnb also provides a social networking feature, which allows customers to see users with whom they are connected via Facebook – either directly or through mutual friends – based on the person's Facebook privacy settings. As of late July 2013, there were almost 850 million



ted in: London, Paris, Barcelona, Sao Paulo, Copenhagen, Moscow, Hamburg, Berlin, Milan, as well as Singapore.

Whether an apartment for a night, a castle for a week or a villa for a month, Airbnb can connect people to an accommodation at a broad range of price points. The website has booked more than 10 million nights since it was launched and has more than 300,000 listings worldwide in 33,000 cities located in 192 countries. Airbnb also provides a way for property owners to monetise their extra space, or to help finance a second home through showcasing it to an audience of millions. Airbnb is strong, as an example, a spur-of-

social connections recorded on the group's website. Social connections are shown on a guest's profile, in search results, and in his/her 'wish lists' feeds. For those seeking greater privacy, this feature can be suppressed and all connections will be hidden.

Guests can also filter their search results to see places their friends have reviewed, connections to hosts through friendships or school affiliations, and places that Airbnb employees have reviewed. Hosts will appear higher in personalised search results to a guest's connections.

Unlike a number of the other social networking websites, Airbnb has generated cash from the very beginning. While



Private accommodation provided by airbnb.

129

listing a property is free to owners, the firm charges a commission of 6% to 12% on every transaction, earning the group a reported US\$500 million of revenue in 2011. By contrast, traditional estate agents or other holiday rental intermediaries might charge 15% to 20% or more to rent a property. Owners have the possibility to answer guest inquiries using an onsite messaging system. Once a reservation request is received, the owner has the option to accept or decline it. Owners are paid within 24 hours after guests check-in, and, like the guests, are encouraged to write a review of their hosting experience.

Airbnb is a big player, but not the only one:

HouseTrip: another one competing with hotels

HouseTrip is one of Europe's largest holiday apartment-booking websites with a total of 235,274 rental listings in more than 350 destinations worldwide. The value proposition is simple: travellers can book a whole apartment or villa for the price of a hotel room. Guests book an apartment as they would book a hotel, online and with a credit card. To prevent scams, HouseTrip lets guests pay securely at the time of booking, only transferring the payment to the host

when the guests have started their stay. Holiday home owners also benefit from free listings on HouseTrip. HouseTrip was founded in 2009 by Arnaud Bertrand and Junjun Chen, who are both graduates of the Ecole Hôtelière de Lausanne in Switzerland. The pair stumbled on the HouseTrip concept as a result of difficulties encountered when trying to book a weekend rental in Scotland. The booking process was so complicated that they decided to dedicate themselves to creating a simpler system. They reasoned that, since rentals are better value and more "authentic" than hotels, people would more likely choose them over hotels, provided it is easier and safer to book. HouseTrip has been financed by Index Ventures and various business angels. In 2011, Index Ventures invested £1.7 million in the company, bringing the total amount invested so far to £2.4 million. These funds have been primarily used to increase the database of properties to over 230,000 property listings, a goal set four years ago which has been apparently achieved. HouseTrip.com now has offices in Switzerland (Lausanne), Portugal (Lisbon) and the UK (London). // Macy Marvel



■ ■ ■ EAST EUROPEAN EXPERTS ABOUT THE OLD AND NEW OLYMPIC LOCATION

Sochi remains in Russian hand

Wiesbaden. The ambitious project of the Russians, which includes the transformation of the traditional summer health resort at the Black Sea into a year-round destination with the aid of the Winter Olympics, has provided for much discussion in advance, and not only among tourism experts. However, hospitality experts widely agree on the future of the location by now: Russian guests will continue to have the say in the matter. If hotels remain empty in future, their type of use could be altered. Eastern European experts about the old and new location for the Olympic Games.

In the last few months, the Russian university and health resort city of Sochi was cause for many negative headlines in the western press, from the discussion about the admission of homosexual athletes to the Winter Olympics over corruption in the construction process to the danger of terror. The German Sunday newspaper "Welt am Sonntag" still had a headline on January 19, 2014: "Spiel ohne Grenzen – 70 deutsche Firmen haben in Sotschi mitgebaut – und in Abgründe geblickt." ("Game without limits – 70 German companies participated in the constructions in Sochi – and looked into abysses.") According to a companion title a few days later, the US even wanted to arrive at the games with warships. The fact is: the Olympic Games will take place even if there were many discussions

beforehand and some of the ambitious project announcements vanished into thin air and others could not be finished in time. All in all, the tourism industry looks back on Sochi's development with astonishing good will. "During my first trip, Sochi was a placid small town at the coast – last time, I slept in a hotel, which stands in the middle of one of the world's biggest construction sites," says Christian Walter, Managing Director of the consultancy PKF hotelexperts Austria, based in Vienna. Overall, the tourism infrastructure has developed very well in Sochi. The airport has been enlarged, sports facilities have been renovated or reconstructed, the hotel offer has been extended and modernised, and train connections have been built to the skiing area of Krasnaya Polyana. However, Russell Kett,

Chairman at HVS London and consulting colleague, thinks that the distance of 70 kilometres from Sochi to the sports facilities for the Winter Olympics is a little too far ...

Hardware corresponds to European standards

Matthias Hautli, Managing Director at the Austrian Kohl & Partner Hotel and Tourism Consulting at the location in Vienna, confirms that the destinations correspond to European standards concerning the hardware, and he provides facts about the destinations' potential: in 2012, they registered 24.7 million overnight stays in the region of Krasnodar to which Sochi belongs. However, from the enormous total volume of overnight stays, about 1.5 million were registered in sanatoria. Stays in these

sanatoria are not necessarily connected to medical treatments but can be regarded as spa/relaxation holidays. The owners of the sanatoria are, besides insurances, large Russian businesses or ministries offering affordable vacations to their employees. Before the allocation of the Olympic Games, there was only one international brand hotel – of Radisson – present in Sochi as well as in the skiing area called Krasnaya Polyana. In the last few years, nearly all large hotel chains have established themselves in Sochi and its environs. The number of new hotel rooms in Sochi and the region alone amounts to about 8,000 rooms.

Nevertheless, many cruise ships are expected in Sochi to meet the increased demand in beds. Meanwhile, the search for investors for all projects has been more difficult than expected. At an investment conference in Berlin some years ago, Elmar Kunz, ggh-consult, Wiesbaden, experienced the very specific and special approach of Russian people in charge. "Amongst others,

high financial hurdles were evident for tender participations," he explains. The master plans, which were presented at that time, resembled the plans of Dubai with yacht harbours and artificial islands.

Russia's only mega resort

Miroslav Dragicevic, Senior Partner Horwath HTL Zagreb, is absolutely enthusiastic about the development of Sochi. He is one of the most familiar experts of tourism development in Southeast Europe. "The idea of the Winter Olympics was to create a mega resort, which provides for summer as well as winter tourism including spa and recreational offers, and provides the infrastructure for mega events in addition. Because of the market and the concept, the idea seems to be clever as there are already many mega resorts or destinations in connection with various market drivers on an international comparison," he says. And he names as examples Las Vegas with its gambling, Orlando with Disneyland, the Universal Studios, and the Algarve as a mecca for golfing.

Sochi, which is located close to the Black Sea and the Caucasian Mountains, is the only region in Russia where such a large and international tourism development was possible. Despite the high expenditures (51 billion euros, as rumour has it) and the known problems, this project has very promising business logic, according to him.

No sustainable usage concept at present

Although many mega events will take place in Sochi over the next few years (G8 summit, FIFA World Cup, Formula 1), Dragicevic remains the only expert surveyed by hospitalityinside.com who believes in the city's future as a destination with an international clientele.

"The enormous hotel capacities, especially the quickly brushed-up old hotel complexes will not be filled sustainably after the games," predicts Kunz from Wiesbaden. A sustainable and long-term master plan for tourism is missing, predicts Walter of PKF hotelexperts. Even the Vice-Governor of the

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Miroslav Dragicevic:
The city is a
mega resort.



Matthias Hautli:
More overnight
stays in sanatoria
than in hotels.



The Olympic
Games mascots.



region admitted so in a press conference. Hautli has a similar opinion: "Russia itself does not attribute great significance to the future tourism potential of Sochi.

Within the country, the Olympic Games are regarded as an individual sports event and only very few people think about the benefits of tourism after the Games," he says and criticises that the country still lacks an organisational structure for tourism like the state tourism organisations in Austria and Germany.

Uncoordinated marketing and PR

Protest bans, the fear of attacks, the high security requirements or neglected human rights are in the foreground instead. "If nothing changes in this respect, Sochi will remain a destination for the Russian market only. The guests of the sanatoria or people without internationally valid passports will dominate among the guests, and due to the very high rates, many Russian guests are already opting in favour of the cheaper summer offers in Turkey or Egypt."

Martin Schaffer, Managing Partner at the consultancy MRP Hotels, Vienna, also assumes that Sochi will mainly remain a domestic destination in the long run. "However, the Russian market is large, and according to our experience, the number of overnight stays of Russian guests is more than 90 percent," he says. Basically speaking, Sochi is more a summer and cure destination and has little USP from an international point of view. The same applies to the adjacent ski resorts. There are no large and connected ski areas as there are in the Alps, and the Caucasus in this region is too low for special snow conditions compared to Georgia, where heli skiing is possible. "According to our experience, affluent Russians prefer skiing in Austria, Switzerland or Germany; for the broader Russian middle class, vacations in Russia are quite expensive compared to Turkey where skiing

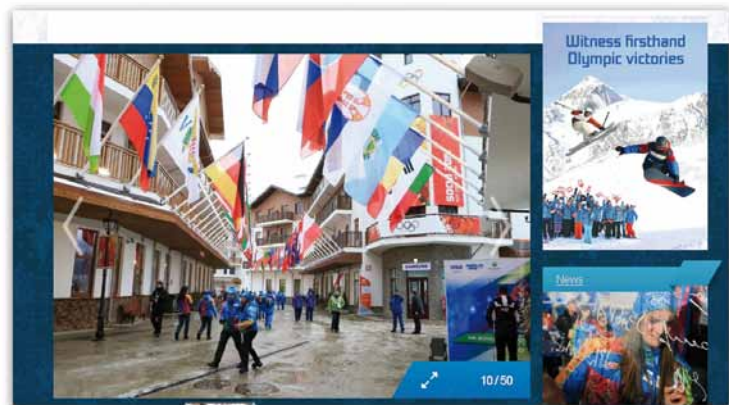
areas are also being developed. In addition, skiing is not a traditional sport in Russia," says Schaffer. Even if large events brought in international visitors to Sochi, this would only be enough to generate volume selectively. In addition, the issuance of visas is difficult for foreigners.

Will hotel rooms become senior citizens' homes?

Russell Kett of HVS sees a positive future for Sochi under certain circumstances: "We believe that the area will have its own influx of visitors and demand pool. However, the business can only remain sustainable with the significant support of the government. This implies cheaper flights as well as more flights from various places of origin to Sochi. The destination has to become an important MICE attraction in order to compensate strong seasonal fluctuations." Dragicevic does not worry about Sochi's future at all. After all, the price per square metre for apartments has already reached 6,000 euros. In addition, half of the investments, especially those into infrastructure, have been carried out with state money and the other half – hotels, real estate, etc. – with the aid of tycoons controlled by President Putin

However, this does not exclude the fact that some businesses might have problems in future. "But as we all know, only the second or third owner will be able to skim off the icing on the cake in the hotel business," says the consultant. Russia and the adjacent markets are large enough to fill a mega destination like Sochi.

Regardless of how the situation in Sochi develops, the city will remain a large business field for a certain industry. "Many of the new hotels will probably have to be converted to other or additional forms of usage like assisted living or sanatoria in order to safeguard their future. For us consultants, the region remains fascinating," says Konstantin Ploberger of Horwath HTL Austria with a twinkle in his eye. // Susanne Stauss



THE LEGENDARY TRAINS SUFFER UNDER AGED GUESTS AND OLD TRACKS

Change of course for the Orient-Express

Singapore. Luxury train travel is a niche product. But nostalgia alone can no longer fill the trains. The "Eastern & Oriental Express" (E&O), Asian scion of the legendary luxury group Orient-Express Hotels Ltd. also recognises this. Now a careful turn in strategy should provide for a new tempo on the Asian rails. Nicolas Pillet has drawn responsibility for E&O since the February 1, 2013. The most important job of the 43 year-old: To inspire a younger clientele toward the luxury train. During a train journey, the Frenchman, who was General Manager of the Orient-Express Hotels Ubud Hanging Gardens on Bali up to his change, chatted with our writer, Peter Hinze, about new ideas for a more fresh image, about new routes for one of the most exclusive travel experiences in Asia, about the likely resignation from Singapore, the origin of E&O, and beyond, which is why it is not quite the time to bring Lady Gaga on board yet.



Nicolas Pillet (left)
with Peter Hinze.

Peter Hinze: Congratulations!

Nicolas Pillet: For what?

If one looks around aboard this trip, "EPIC Thailand", one can ascertain: At your 43 years, you clearly belong among the younger of the passengers.

(laughs) I know where you're going here. I began my activity as General Manager of the Eastern & Oriental Express (E&O) on the 1st of February. And one of my most important goals is quite clear: E&O should become younger.

How do you want to handle this then?

Train travel has fallen somewhat "behind the times". And: A one week "EPIC Thailand" trip costs around 10,000 US dollars. A sophisticated clientele remains with priority as a target group.

Yes, this trip particularly appeals to an older clientele because of the price. We

conduct them only twice per year. The clear majority of our guests travel on the classic Bangkok-Singapore route. The average age currently lies at 65 years.

Not exactly what one would also call a "fountain of youth" ...

Our goal during the next two to three years is to achieve an age average of around 60 years old. We have the first indications that younger guests are also interested in E&O. Even a couple on their honeymoon was recently with us.

At the beginning of your work, what did the Orient-Express headquarters provide to you as a goal for the "route"?

First of all, it was a matter of strengthening the Human Resources department. We have a total of 82 employees who represent our "calling card" with their excellent service.

With the "train" product, one of the most important challenges is certainly to improve the offers on our classic route. Particularly in the area of excursions. This is the real challenge because on our classic route, we often have 120 guests and substantially less time for our programme than on "EPIC Thailand" trip.

Can one even earn money today with train travel or is it primarily about the image?

Of course we earn money. Otherwise we would not be operating in this area. This is quite clear.

Nevertheless: Train travel is no easy product.

It is primary the external factors that can make such a journey a gamble for us. There are political factors such as with the demonstrations in Bangkok at the moment and the new elections in about six weeks. We often do not know when and how we can come into and through the city. Moreover, there are weather risks, as with the numerous floods in Thailand. And of course, there are also the rail factors: We use the networks of the federal rails in Thailand and Malaysia. The rails are not always in "European condition".

Let's make it more precise: The Thai railway network belongs among the oldest and with this, probably also among the most dangerous railway track networks – perhaps worldwide. On this trip, for example, we are not able to reach Chiang Mai by train because the line has already been interrupted for weeks and is under repair.

Our challenge is to deliver a high-level, perfect service to our guests under these

partially complicated conditions. With the current Chiang Mai situation: We go to Lampang and from there, it is just three hours by coach to Chiang Mai where we accommodate our guests at the 5-star Hotel Dhara Dhevi for the night. Moreover: Our trains are heavier than the normal trains in Thailand and we travel more slowly. We have a very high safety awareness.

However, it also sometimes seems that E&O is powerless: Shortly before Bangkok, a rail guard had moved the switching too early. Then the last wagon nearly travelled past the main train on the railway siding.

(laughs) I have heard about this. It was before my time. At that time, the US network, CNN, was aboard and made a gigantic deal of it. It was quite harmless. In such instances, the passengers always immediately think that this is our responsibility. But we are dependent on the authorities! I will still emphasize another point: 2013 has been the best year for E&O in many years. We are on the right track. But if a trip is cancelled due to external conditions, this immediately has a huge influence on our result for the entire year. We must hope that everything will run smoothly up to the 31st of December 2013.

The railway network is ailing – and is nevertheless not free of charge. How much in fees does E&O pay to the federal lines annually?

We pay two million US dollars annually. 1.2 million of it in Thailand. And approximately 800,000 US dollars in Malaysia.

A stiff price for the operation of an E&O train. How many days a year is this train on the move?

We have 48 trips in the year. Our high season is between November and the beginning of April. In February and March, we have three trips per week between Singapore and Bangkok. In August, the low season, we have only one trip per week. With this, the train is on the move about 200 days a year.

There is still enough latitude for new routes!

Yes and because of this, for example, we are working intensively on a new route between Thailand and Cambodia that should lead to Siem Reap, so then Angkor Wat and further to Phnom Penh. This would be a trip with an overnight. Departure in Bangkok would be in the afternoon with afternoon tea and dinner aboard. Arrival in



Siem Reap is in the morning. This would be the first step in an expansion.

We are also thinking about a journey similar to the "EPIC Thailand", so with five nights. The route would connect Bangkok with the Cambodian capital of Phnom Penh and the port city of Sihanoukville. I will be there once again over the coming weeks to review the logistic conditions such as water for the train and "provisions". But again: We must create "new stories" surrounding our train. This is my goal.

Many of these interesting stories are currently being written in Myanmar.

There are no rail connections to Myanmar and the track width is different there. We would need an additional train for Myanmar alone. This is currently impossible, while we could offer a perfect combination with our Road to Mandalay and our hotel The Governor's Residence in Yangon, the logistics, however do not allow for this step.

Otherwise, the South-East Asia region is somewhat limited in rail technology for a further expansion.

Yes, particularly since Laos currently has no railway line. Whether a north-south route is to be built will likely be negotiated with the Chinese. But this will last for years and is the dream of the future. Just as another possibility: To travel around China from North Thailand. But also here, we are speaking of projects for the years 2015 or 2016.

In its beginnings, E&O was a company that the guest particularly associated with Singapore. Today, the head office sits in Bangkok and there is no longer a railway station in Singapore itself. The trips are now beginning in an austere, modern

station beyond the city centre. Is Asia of the 21st century still open to nostalgic railway travel in general?

The times have definitely become harder. There will soon be a new route with an express train. It is becoming increasingly more difficult for us to be "synchronized" with the official timetable there. Perhaps in the future, we will not be able to begin our trips from Singapore at all, but only from Kuala Lumpur. This could happen. The logistics are becoming more and more difficult. But this development would still last over several years. I recently spoke with the authorities of the state railway in Malaysia about these subjects. And it was clearly stated there: There are plans, but there is currently no budget. So we are waiting for the developments first of all.

Would it be a surprise to you if E&O had to one day emerge entirely without Singapore?

No, it would not surprise me. I am realistic there. Ten years ago, our offer consisted of a trip between Singapore and Bangkok. There was only this one trip. No short trips, no excursions. The train was the destination. But, this attitude has changed: The guests of today enjoy the train and enjoy the excellent kitchen aboard, but they increasingly want something "beyond" the train – experiences, excursions and exclusive meetings. A huge opportunity has risen here and we must also increasingly align ourselves with this.

A trip with E&O is no budget trip. As mentioned, one week in Thailand costs around 10,000 US dollars. The classic trip between Singapore and Bangkok with

ORIENT-EXPRESS HOTELS TODAY

45 hotels, cruise ships, luxury trains and restaurants in 22 countries currently belong to the stock exchange-listed group, Orient-Express Hotels Ltd. (OEH), founded in 1976. Among them are the Hotel Cipriani (Venice), The Copacabana Palace (Rio), Mount Nelson Hotel (Cape Town) as well as the "21" Club in New York and the Venice Simplon Orient Express in Europe (www.orient-express.com). The Indian Tata Group recently wanted to take over OEH, but pulled back at the beginning of November – after nearly one year of waiting. Their takeover offer was at the rate of approximately 1.2 billion US dollars. Reasons: The refusing position on the side of Orient-Express and their own global withdrawal from the tourist luxury segment.

Regardless of such movements that have thoroughly shaken the group from the outside, OEH has consistently sold hotel real estate over the last years to clear the balance sheet and the hotel portfolio. The latest detail: The Hotel Ubud Hanging Gardens, the Balinese flagship of the group, left the group in the middle of November after the owner terminated all existing contracts overnight and now wishes to continue the hotel in their own direction. // PH



two or three nights costs around 2,000 Euro. The question poses itself here: How strongly is the product dependent upon the situation of the global economy?

The question is not money, the question is security. Our clients are hardly influenced by the global economic situation. They play in another "league" for the most part. However: Directly for this clientele, the global security situation is an important argument surrounding whether to travel or not to travel.

So an official travel warning is a mid-sized disaster?

Such a thing hits us hard. Also because our most important source markets are the USA followed by Great Britain. In addition, our clients are somewhat older. If there are warnings in the countries, e.g., for Thailand, then our business is certainly affected.

Would a marketing campaign in China be an option for the expansion of your business?

Not really. There is little that the Chinese can do with this product. A train has no air of luxury for most Asians. No one there understands how one could spend around 10,000 US dollars on a one-week train trip. Historically, train travel here is quite simply a journey from A to B. The train here has always been for people who have no money. And to this day, it is no matter of luxury.

New job – new perspectives? When you go through the train, do you see things of which you can say: This does not work at all? So maybe: Out with the old carpet!

Yes, of course I am critical. This train was designed in a traditional Eastern style more

than 20 years ago. In the meantime, the times have changed. Above all, we must do something in the area of the materials and colours if we want to appeal to a younger clientele. Therefore, I have already asked designers and architects to make proposals for changes. We cannot dramatically change everything, but step by step: For example, we will soon integrate our own Spa Wagon on this trip. The guests today simply want such a thing. We will have an employee aboard who simply explains the everyday business of the trains to the guests. Questions like "Why do we stop here?" or "Why do we go back in the same direction?" Our guests are increasingly more interested. They want to know what is happening around them. *Your pianist aboard has had the same name for 20 years: Peter. He nearly belongs as part of the inventory and knows every song from the fifties. How would it be to sometimes have a DJ aboard?*

You are completely right. I have also thought about this already. Why not? Maybe on our "Observation Deck". Maybe lounge music in the style of the Buddha Bar. Yes, this is possible. We had an incentive event aboard some weeks ago and the appropriate music was there. It was a complete success with 200 eager, rather younger guests, but none among them who would book the train as a trip. It always depends on the clientele.

And then you could soon install Internet. E&O is one of the last zones free of WiFi in Asia, as it sometimes seems. Intentions? I am not wild about Internet.

But maybe your guests?

They do not want it either. I know of no complaints due to lacking internet. Our guests know that when they come aboard there is no www connection. The people want to experience the train and not download films in their cabins. If it is asked, it is always only by travel agency people and journalists such as you. And have a look at the classic route where we travel through Singapore, Malaysia and Thailand. This is not done by distributing a SIM Card. I have dealt with the subject. It is not so straightforward.

Special emphasis is repeatedly placed on the E&O Story. Jim Thompson and Audrey Hepburn must continually serve history. But sometimes honestly: With the younger clientele, even if those names are generally known, they are not quite "sexy". How would it be with Lady Gaga or a prominent US actor?

(laughs long) You are also right again with this. We are working on it. Give us some time. It will not certainly be Lady Gaga, but why not an internationally known star. I no longer hold such a thing as impossible. A great deal is possible!

Many thanks for the conversation! //



Little Lobster & Friends Events have become a tradition in the Lobster Group, following the slogan "Fun & Friends". Impression from the event 2013.



IN MARCH: B-2-B PREMIER FOR THE GERMAN-SPEAKING MARKET IN FRANKFURT

loop! First tourism luxury trade fair on its way

Offenbach/Frankfurt. Germany, Austria and Switzerland belong to the most important source markets for luxury travel around the globe. However, there is no expert forum for this segment in the German-speaking region so far. This will change on March 9 when the first B-2-B luxury trade fair, "loop" – "luxury on our planet", opens in Frankfurt/Main.

Developed by the Lobster Group from Offenbach, the crème de la crème of hotels and providers of tourism luxury products as well as buyers of travel agencies and tour operators will meet there for three days. The concept of the event resembles a speed date at world-class level. www.hospitalityinside.com is the exclusive media partner of the premier event and will keep you up to date on this website with pre and post-reporting (accessible for all users).

About 500 travel agencies in Germany, Austria and Switzerland are specialised in the sale of luxury travels. In addition, there are numerous tour operators, which approach the target group of demanding travellers with new premium programmes and special catalogues. And the number of niche operators is growing steadily. Astrid Oberhummer and Andreas Mueller, both Managing Directors of the Lobster Group, have specialised in this segment for years: "In the meantime, a strong sales market for luxury travels has emerged but there is no respective platform in the German-speaking market where providers and vendors are able to meet and talk about developments, trends or just business relations," says Astrid Oberhummer.

"Therefore with 'loop', we have developed a concept for a unique luxury trade fair,

which will take place for the first time at the Kempinski Hotel Gravenbruch in Frankfurt from March 9 to 12, 2014," explains Oberhummer further.

Every 15 minutes a new business partner. For three days, the crème de la crème of the tourism industry will come together. What is special: the concept resembles speed dating at world-class level. The number of exhibitors (hotels and other providers of tourism luxury products) is exactly the same as the number of buyers (travel agencies and tour operators). Every 15 minutes, the buyers, who are sitting on a platform, rotate to the next partner and new conversations take place.

The exhibitors are owners, general managers and sales directors of 5-star luxury hotels as well as providers of tourism luxury products from all over the world. The participants of the trade fair are luxury tour operators and travel agencies from the German-speaking countries as well as several selected providers from CEE markets (Central and Eastern Europe).

The industry's feedback concerning the trade fair is already considerable. Internationally renowned hotel companies have already signed up, amongst them Armani Hotels, Oetker Collection or Sir Richard Branson's tourism business Virgin Limited

Editions. In total, 70 luxury hotels from five continents have already confirmed their participation.

A supporting programme with an entertaining dinner on March 10 as well as an exclusive networking event on March 11 in the "Kameha Suite" Frankfurt just to name a few, completes the concept. Apart from trade fair exhibitors and participants, other tourism experts, hoteliers and media will meet on this evening to network in a relaxing atmosphere. "Our event promises much excitement. There will be an award ceremony, VIP guests as well as several surprises," reveals Astrid Oberhummer. Renowned sponsors will also participate in this evening as well, like Kerzner International, Banyan Tree Hotels & Resorts, TUI Cars, Hapag-Lloyd Kreuzfahrten or Shangri-La Hotels & Resorts. Host of the dinner on the previous evening is, apart from another sponsor, the Thomas Cook Selection. "We are convinced, that loop will be a huge success. Our plan is to have loop become an annual event and to offer a platform for the 'who is who' of the luxury travel industry," says Andreas Mueller (www.lobster-experience.com).

The premier in Frankfurt will be a closed event. Those who are interested in the details – also for 2015 – please send an e-mail to loop@lobster-event.com. // map

HOW THE G8 SUMMIT 2015 FOUND ITS WAY TO SCHLOSS ELMAU

Merkel's good memory



Schloss Elmau.

Das Kranzbach.

Kruen/Garmisch-Partenkirchen. Angela Merkel has a good memory. Dietmar Mueller-Elmau has no less than Chancellor Merkel to thank for the decision to use Schloss Elmau in Bavaria as host to the G8 summit 2015. The hideaway & spa resort in the idyllic Elmau valley would shine a global camera light on the entire region around Garmisch-Partenkirchen, the equivalent of a lottery win for the area as tourism has fallen quiet over the past few years – especially since the Americans began staying away. Many hotels in Munich and in the Allgaeu region will benefit from the summit which will attract 7,000 journalists alone.

With its philanthropic past, its status as luxury hotel today and its secluded location in a high valley, Schloss Elmau has all the features required to host a high-profile political summit. A "hotel in the hotel" will also be set up alongside Schloss Elmau, a new retreat with 12 identical presidential suites. Dietmar Mueller-Elmau, owner of Schloss Elmau, and his direct hotel neighbour, Jakob Edinger, owner of the spa resort Das Kranzbach, explain why they will reserve their hotels for a full four weeks exclusively for the summit.

The exact date for the G8 summit has still not been fixed, but it is expected to be between mid-May and mid-June 2015. "Chancellor Merkel had the idea eight years ago," Dietmar Mueller-Elmau says, "then, she came to Schloss Elmau to give a speech on transatlantic relations. At the time, she believed the speech didn't meet with such a fantastic response, but she did appreciate the venue and suggested we do something together again." On January 23, 2014 the Chancellor announced that Schloss Elmau would be the venue for the G8 summit 2015.

In June 2013, the first request arrived from Berlin, which Mueller-Elmau promptly rejected: Elmau isn't a conference hotel, but a spa, the owner responded. Nevertheless, two weeks later, two men appeared at the hotel and asked to take a look around. Their decision: Perfect – the hotel also had a "memorable" location. "All the same, I gave no further thought to it," the hotelier said, in line with his reputation of being as unconventional as busy.

His full attention was demanded and is still demanded by an entirely different project: He is building a retreat, a "hotel in a hotel", between the Schloss (castle) and his private residence, but completely hidden in a curve in the wood and secluded in the valley with a magnificent view across a stream against the backdrop of the Bavarian mountains. This hotel will house 47 suites, including 12 identical presidential suites of between 220 and 240 sq.m. Up to now, no G8 hotel could offer that.

The new retreat an "Aman Plus"

Then the Federal Criminal Police arrived to assess the layout, the Schloss and the new

hotel plans. The retreat clinched it. "The identical suites are not a pre-requisite for such a summit, but they were a plus for us," Mueller-Elmau reports. The hotel in the hotel is to be imagined as an Amanresort – as a completely autonomous hideaway alongside an existing hideaway. A sort of "Aman-Plus", Mueller-Elmau jokes, a long-standing friend of Aman resort founder Adrian Zecha.

The retreat will have its own 2,500 sq.m. spa over three levels, a lounge, a library and two restaurants. Everything will flow into everything else and melt into one large "living room". In the lounge, guests will sit between several fireplaces and will be able to choose between various seating options at differing heights for dinner. There will not be a menu, where possible – in accordance with the current trend of "just bring me whatever you have in the kitchen" or "make me my favorite dish please...". The retreat suites measure between 70 and 240 sq.m. "Guests demand ever more space," the hotelier explains of his experience over recent years, "up to now, we had only 16 suites – that was clearly too



G8 hosts 2015:
Heidrun and Dietmar Mueller-Elmau.

few." With the new hotel in the hotel, he is expanding capacity for the first time since the big fire (in August 2005, fire and water used in fire-fighting destroyed two wings and two-thirds of all rooms in the hotel. Before the fire, Schloss Elmau offered 190 rooms, now it's only 170 rooms.

Only small pathways lead to the retreat, and the rooms are secluded from the outside. This allows each presidential suite to enjoy a window front measuring six to eight meters in length. The design won't differ much compared to the most popular suites in the Schloss Hotel, and will make a natural and cosmopolitan impression.

Expenses

The heads of state and delegates are to be made as comfortable as possible and perhaps even to be placed in the right frame of mind with a view on to a pleasantly trickling stream before they head off to discuss climate change, global poverty and healthcare provision... Schloss Elmau and the Elmau valley expects up to 2,000 delegates (alone the US delegation includes 1,000 people) and 7,000 journalists. Yet Dietmar Mueller-Elmau doesn't know much more than that. Not even the contract has been signed. "I expect to be busied exclusively by the G8 summit over the next 18 months," he says after a conversation with a colleague in Heiligendamm where the last G8 summit hosted by Germany took place in 2007. The hotelier doesn't expect protests from G8 opponents – and if this is the case, then these should



G8 co-host 2015: Dr. Jakob Edinger.

be better deflected than in the little village on beach of the Baltic Sea where 100,000 protesters met with 16,000 policemen.

As of immediately, Schloss Elmau is "fully booked" for four weeks in early summer 2015. The hotelier will presumably accept a number of renovation works and also have to expand his staff team. What the final bill will be to the German government, he can't yet say. "I would like only to ensure that I don't end up with less than under normal operation," he says, "but I won't hike prices and charge double."

Retreat guests will in future also not have to pay simply because heads of state once resided in the suites. Mueller-Elmau calculates the room rate at EUR 10 per square meter (room size between 20 to 120 sq.m.) and it is to remain so in the retreat (with room sizes of 70 to 240 sq.m.).

Das Kranzbach as G8 companion

Whoever drives from Garmisch-Partenkirchen towards Austria will have driven through the small community of Kruen, passed through a village road further into

the forest and then have come to a toll road charging EUR 4 to drive over a private road to Elmau valley. A narrow slightly sloping street finally leads to a free-standing magnificent Schloss – and with such a view ahead, not everyone will notice the other small but perfectly formed spa hotel just two kilometers before Elmau: Das Kranzbach. A 4-star plus resort which opened in 2007 has acquired an excellent reputation as spa refuge. Only forests, meadows and mountains frame the hotel, which cannot be seen from the road and which is constructed in the fashion of an old English manor set in grounds of 130,000 sq.m.

The G8 summit will also include Das Kranzbach. Owner Dr Jakob Edinger has also blocked his 130-room hotel for four weeks over the early summer. "A representative from Merkel's office asked me to a discreet private meeting before Christmas," he reports. After the meeting, he agreed that he would be prepared to come on board and asked that the rules of the house are accepted. This includes the modest image which the hotel has fostered since its very beginning.

"We don't have to restructure anything," Edinger reports after the first meeting, "the major events will all take place in Elmau. We don't have a contract yet, but the core team has already been told they cannot take holiday over this period. We will presumably also have to recruit further staff," the experienced Austrian hotelier reports. Over the last week, two hoteliers have sat in the idyllic Elmau valley, at 1,008 meters above sea level, beneath beautiful meadows and on the fringe of the most tranquil rambles' paths and have asked themselves how it will be when the hustle and bustle of the summit arrives. One thing is for sure: The PR effect will be gigantic for all concerned. The Google hit list already shows 99,600 entries for "G8 summit Heiligendamm". // Maria Puetz-Willems

HOW TUI AND THOMAS COOK ARE CHANGING THEIR HOTEL CONCEPTS

Holiday experiences, brand experiences

Hanover/Oberursel. Among most international hotel chains, the percentage of resort hotels is low; however, the large tour operators are continuously expanding their resort hotel brands. This increases customer loyalty. However, not every conceived concept provides the desired result, and new brands and models should meet the needs of the altered travel behaviour. hospitalityInside.com sounds out the travel giants TUI and Thomas Cook.

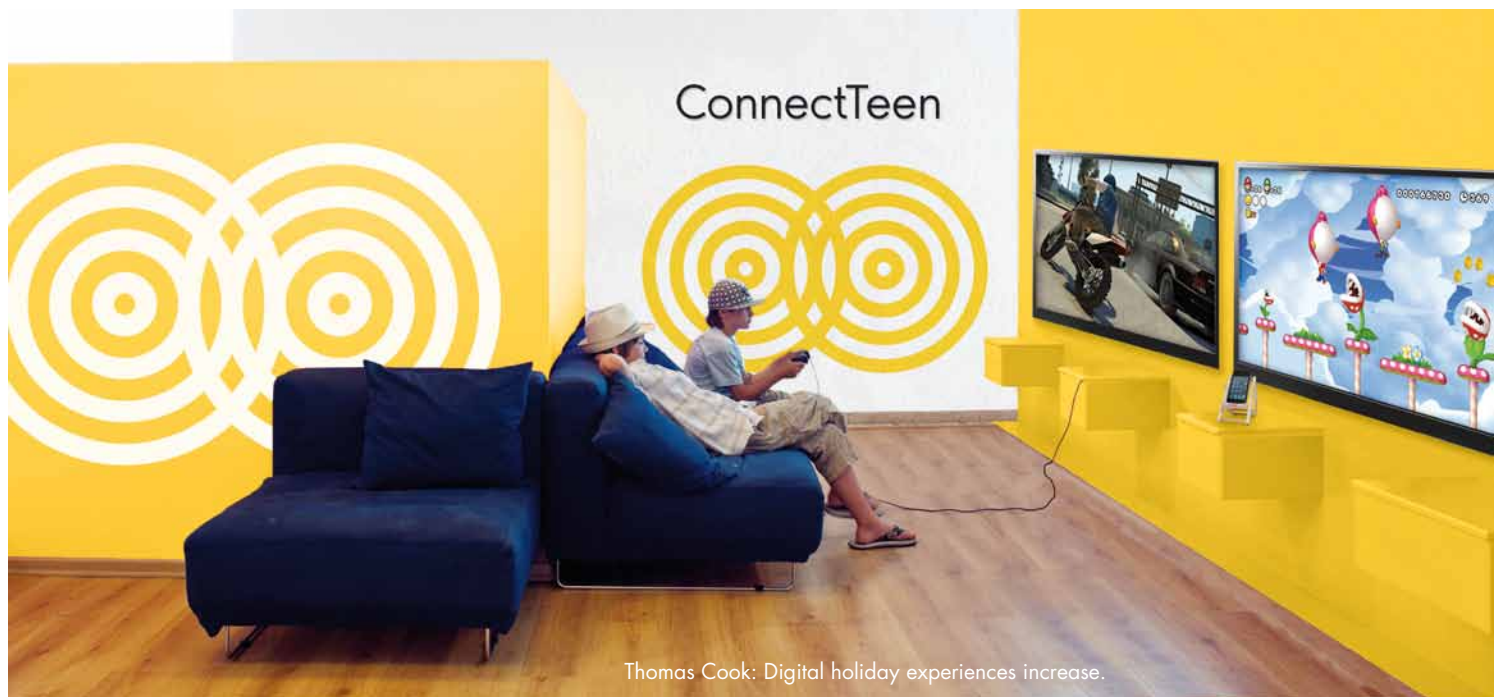


Hotel expertise has a long history at TUI. For decades, the tour operator has offered its own brands to its customers, has created new brands or has cooperated with hotel chains abroad. In this role, the business presents itself as owner, lessee, manager or franchiser. Today, TUI distinguishes between the brands of TUI Deutschland and the ones of TUI Hotels & Resorts. In 2008, TUI Deutschland started to develop its own target group-oriented hotel concepts in close cooperation with TUI Hotels & Resorts in order to increase the pace of expansion and to generate a higher real net output ratio. All concepts that are available in the German market are marketed by TUI Deutschland. On the other hand,

the hotel concepts of TUI Deutschland are only partly marketed in other markets by World of TUI operators. However, the strategy of TUI is currently being put to the test. In the middle of last year, the new Chairman Friedrich Joussen announced, amongst others, that the existing hotel strategy and hotel brands would be scrutinised. But so far, no results are available. The activities of competitor Thomas Cook (TC) in the field of its own hotel brands have been less intensive in the past. In 2009, however, TC emerged on the market with its home brand Sentido; in the meantime, the portfolio comprises five home brands, two of which have been in Scandinavia for quite some time now.

Much more than franchiser

The difference between the strategies of the two operators becomes evident in detail as their overall objectives are quite similar: "The expansion goal of our hotel brand is to reach new target groups and to extend TUI Reise-welten (TUI travel worlds)," explains Anja Braun, Head of PR Tour Operators and Hotel Brands at TUI. Among the future agreement types for TUI Hotels & Resorts, management agreements are clearly number one with about 50 percent, followed by approximately 40 percent in ownership. As opposed to this, lease or franchise agreements play a secondary role with about 10 percent. "However, there are also cooperation agreements with close relations to third-



Thomas Cook: Digital holiday experiences increase.

party hoteliers. This means that we arrange exclusiveness for TUI with our hotel partner, that we provide our partner with the target group-aligned concept, and that we commence a longer alliance with the hotel partner, putting the partner's hotel in the focus of marketing."

One example is the TUI Best Family Waldhotel Baechlein located in Mitwitz in Bavaria, which has been cooperating with TUI for about 20 years now. Owner Petra Jung: "In terms of location and equipment, our hotel is especially set up to accommodate families, which is one of the most important target groups of TUI. This works very well." In order to meet the needs of families even better, the hotel extended its facilities to include a beach volleyball field and an outdoor swimming pool for children at the suggestion of TUI. For two years now, a whole wing of the hotel has been dedicated solely to children. "We have an exclusive cooperation with TUI as a tour operator, which is the basis for TUI's Best Family concept. In the summer and during the holiday seasons, the booking situation is very satisfying. Concerning the off-season, we are currently looking for a way to generate a more satisfying occupation rate," says Jung.

Sometimes with, sometimes without the name TUI

However, things work without the TUI brand as well: at TUI's homepage, various hotel types are listed in the "Hotel" category, from 25hours Hotel in Berlin to Best Western holiday hotels in the Black Forest.

These hotels use this opportunity as an additional distribution channel. arcona hotels are a longstanding partner of TUI as well. "This is a reliable partner and we are able to draw up reasonable contingent agreements, allowing us to achieve our target occupancy without any significant discrepancies. We know from other operators that they sometimes undermine our rate policy via their own online distribution channels," explains arcona's Managing Director Alexander Winter. TUI is a brand that stands for quality; therefore, it is appropriate for his hotels. "Although many of them are city hotels, we have a leisure share of nearly 50 percent; because of this, TUI is an indispensable partner," says Winter.

Other groups even go one step further and slip under the TUI umbrella despite their own brands, like the Best Family Hotel Cristallo at Katschberg, which belongs to Falkensteiner. However, Anja Braun from TUI does not reveal which brands are generally the most preferred ones as partners from a hotel perspective.

And TC does not provide a specific answer to this question. "This depends on the country," says Public Relations Manager Nina Kreke evasively. In terms of agreements, franchise agreements play a superior role for TC's own brands, but also other models are coming into play increasingly. Stefanie Berk, General Manager Thomas Cook Hotels & Resorts: "Concerning Sentido, Sunconnect and Smartline, we will only expand via franchise; management and

franchise are possible for Sunprime, and for Sunwing, franchise, management and lease are feasible." This way, the group wants to expand to a total of 250 concept hotels within the next three years.

Possible booking channels

TUI's own hotel brands (including the budget brand 1-2-FLY) can only be booked via TUI in the German market. For the hotels of TUI Hotels & Resorts, there is exclusiveness for the operators of World of TUI to the greatest possible extent. In local markets, the hotels are distributed via third-party operators and online portals as well. "Theoretically, guests are able to book and pay for their stay directly at the hotels," says Braun. "However, the booking via TUI grants the guests more advantages: only with us are guests able to book the package including flight, transfer and 24-hour service. In addition, the room rates are not more favourable when the rooms are booked directly at the hotel compared to bookings via TUI. In most cases our hotel partners do not need to market their rooms via this channel as we aim to fill the hotels with TUI guests – from Germany and other source markets." According to Stefanie Berk, the hotels at Thomas Cook can be booked via all channels. "About 80 percent of our concept hotels can be booked exclusively at the operators of the Thomas Cook Group. With sentidohotels.de, Sentido has a website where Thomas Cook's travel packages including the flight as well as hotel-only deals can be booked. The other brands are

integrated in the provider's website: with brand landing pages per brand," she explains.

Sentido's slightly different strategy is also connected to the expansion plans of the brand and the operators on site. Only recently did Sentido go to Austria, for example. In Bregenz on the shores of Lake Constance, Seehotel am Kaiserstrand joined Sentido; the hotel is operated by RIMC Austria. Near Garmisch-Partenkirchen, Sentido Zugspitze was added to the portfolio via RIMC. "For us it was important to continue marketing the Seehotel am Kaiserstrand ourselves, apart from TC, as we have been very active in the corporate business with this hotel," says Hartmut Geese, Managing Director RIMC Austria. This is very important for the occupancy rate of the hotel seen from an annual per-

brand: Thomas Cook is entering the market with the digital concept called Sunconnect at ten locations. "If the concept is successful – and currently it looks that way – we will quickly extend it to 20 hotels for sure," says Berk.

Sunconnect addresses families. It provides many offers for children and teenagers: a TeenConnect lounge with interactive games, large pool areas, a Kids Club and interesting activities like geocaching. Another feature: via the hotel's own Sunconnect online platform, the guests are able to connect with other guests quickly. After the registration in the hotel, the guests are able to access an extensive vacation menu with their own smart phone or tablet computer. They can book sports classes, arrange meetings with other guests at special connect tables in the

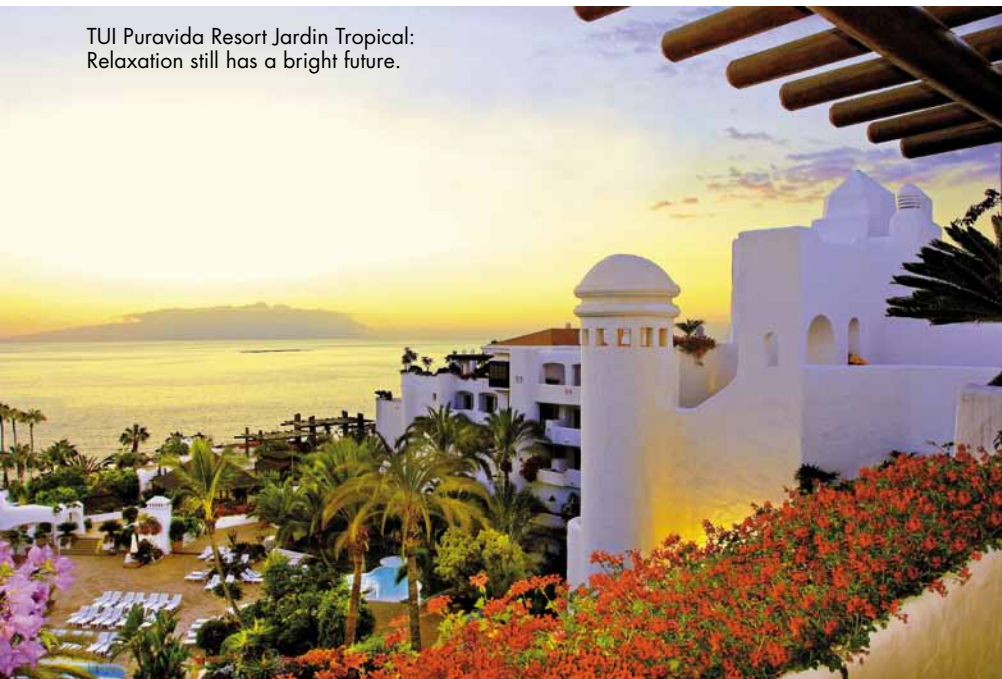
a modern but affordable 3-star club. Live cooking stations and entertainment offers are standard as well as free Wi-Fi in public areas. In addition, light colours, modern design, and stylish furnishings are characteristic for the new budget club concept. Altogether, seven hotels can be booked in Spain (Costa del Sol, Menorca, Ibiza), Greece (Rhodes, Kos, Corfu), Turkey and Tunisia.

Influencing factors for the future development

Both operators are convinced that the internet will influence the development of the resort hotel sector significantly in the next few years. Customers need Wi-Fi in the hotels; they want to share their experiences. Moreover, at TUI they believe that the destination itself will become increasingly less important. Experiences are what count. At the same time, quality expectations among the guests and the requirements concerning the sustainability of the hotels are on the rise, says Braun. Berk from Thomas Cook thinks that travellers will be more selective in future and choose those hotels with a clear concept, which are also able to communicate this concept clearly to its consumers.

The boom of city travels has not gone unnoticed by either of the tour operators, even though they play a subordinate role compared to the total picture. After more than 55 years of specialising in the resort hotel industry, TUI's brand RIU ventured into new territory with the Riu Plaza line and plans to expand even further (e.g. Riu Plaza Berlin 2014, Riu Plaza New York Times Square 2015) without neglecting the resort hotel industry. "The existing city hotels have established themselves well in the meantime. We shall continue to evaluate additional destinations all over the world that are strategically located," says Braun. So far, Thomas Cook's concept hotels have only been resort hotels at beaches, but this has changed now with Sentido in Bregenz and Garmisch. // Susanne Stauss

TUI Puravida Resort Jardin Tropical: Relaxation still has a bright future.



spective. So far, he is very satisfied with the course of the cooperation with Sentido: "We decided in favour of Sentido as we are able to approach international markets with this brand as well. The decision was a great gain for us; turnover via Thomas Cook has doubled since we started this cooperation."

New TC brand for the digital guest

Apart from maintaining already existing brands, TUI and Thomas Cook are always working on new concepts. This summer, each tour operator will launch a new

restaurant, and get information about weather, excursions and much more. Wi-Fi is free of charge in the entire hotel including the rooms and at the pool.

TUI is starting up a new international club concept. The Suneo Clubs are opening around the Mediterranean. The 3-star club concept overarches the source market and has been developed specifically for an international target group. In Germany, the Suneo Clubs are bookable via the budget brand 1-2-FLY. The clubs' target groups are families as well as couples and groups who are looking for all-inclusive holidays in



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