

THE OVERVIEW

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Learning to win - HOSPA's annual student awards



**VAT and loyalty schemes
Heading into the cloud**

Welcome to THE OVERVIEW

Dear members,

Customer loyalty is currently holy grail of hospitality and, as our wallets cluttered with coffee house stamp cards attest, it is very hard won.

The theory is that, once earned, loyalty will have the customer returning time and again, making back the cost of that free coffee you've had to shell out. Hotel operators are currently using loyalty to drive direct sales, with most of the majors offering discounts to their loyalty members as a way to counteract the OTAs.

So far, the efforts are in their nascent stages, with reports of spikes in memberships, but also falling revpar and owners griping on the sidelines that really, this wasn't what they signed up for. CEOs have reassured all that they are playing the long game. In the meantime some smaller operators have ruined it for everyone by offering their discounts to the OTAs.

In the US, plans are afoot to make it possible to trade in loyalty-points-backed securities. Affinity Capital Exchange estimated that the loyalty-related value on the balance sheets of airlines, hotels, banks, large retailers and rental car companies worldwide was around USD350bn.

The company said: "Loyalty has evolved into a multi-billion dollar industry, as companies and customers discover the purchasing power of loyalty currencies. Mileage sales offer high margins and are rapidly boosting airline revenues and profits, recently eclipsing ancillary fee-revenues."

The airline industry has long known the value of this currency - the largest stack of non-sovereign currency in the world and the widest held, being owned by 2 billion people - using it to back the purchase of new aircraft and other activities. The hotel sector is now invited to join in, bringing in a potential new source of development finance. Loyalty could be more than repeat bookings, it could be repeat sites.



Katherine Doggrell

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Hospitality Finance, Revenue and IT Professionals

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The Overview online

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Cloud-based hospitality software for hotels, groups, apartments and pub chains



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Success story

HOSPA CEO Jane Pendlebury reports on a new launch for the organisation

Over 70 industry leaders and prize-winning learners - together with an expert panel - helped make our very first HOSPA Annual Student Awards Ceremony the major success it proved to be.

Big thanks for organising the January event go to the HOSPA Professional Development team under Debra Adams - a member of the excellent Awards Ceremony expert panel who gave us a fascinating insight into 'Developing the Financial Management and Revenue Management professional - The Next Generation'. The overwhelming message delivered by the panelists - who, in addition to Debra, included: Paul Nisbett, Finance Director at Valor Hotels and Chairman of our Finance Committee; Simon Tarr, Chief Operating Officer at People 1st; and Michael Heyward, Heyward Hospitality Solutions and Chairman of our Revenue Management Committee - was that with the Apprenticeship Levy coming on stream on 6 April, the industry employers, staff in the workplace and potential employees need to take a new, career-long view of apprenticeships. Keeping all the speakers on track with his probing questions was the chairman - the ever charming Professor Peter Jones MBE, HOSPA Professional Development Committee Chairman (See page six for Julian Demetriadi's report on the discussion).

The prestigious new HOSPA event enabled us to celebrate the successes of the highest achievers from HOSPA's Finance and Revenue Management Professional Development programmes. It was uplifting to see all the prize-winners rewarded for their hard work, supported by their colleagues, managers and in some cases mentors too. My heartfelt congratulations go to them all, as well as everyone who undertook the courses. Quite apart from broadening their knowledge to gain career progression, all our learners deserve our recognition and congratulations for fulfilling their learning obligations - submitting course work and sitting exams is no mean feat when you are fitting your studies around your day job.

It proved a great day too for Hilton. Not only did the The Hilton on Park Lane provide a magnificent tea and a spectacular setting for this glittering occasion, but Hilton as a whole received The HOSPA Outstanding Company Commitment to Professional Development Award 2016. We were delighted to welcome Hilton's Ricarda Both, Senior Manager, Operations Finance EMEA, who received the HOSPA glass trophy on behalf of the company from Professor Jones. This was a Professional Development Committee award, in recognition of Hilton's outstanding commitment in promoting and developing education in the hospitality industry.

Away from the Awards Ceremony, February saw Firmdale hotels inviting HOSPA to participate in their employee engagement week. During the week, Firmdale encouraged all their employees to take advantage of the benefits available to them. They were an inspired bunch of people, and it was clear that the Firmdale management choose their staff carefully, and then look after them well. HOSPA welcomed the opportunity to speak with Firmdale staff, already enrolled on some of our courses, and to meet those who were keen to find out more about our programmes. We are always happy to attend such events and come to meet hospitality industry teams to share the benefits of studying with HOSPA and being part of our membership. So please don't hesitate to ask us, we are here to help you!

I am pleased to say that already we are well underway with our plans for HOSPACE2017 and very excited about our new central London venue at The Lancaster London. We are having regular meetings there and watching the on-going refurbishment, which will all be completed months before the big day: 2 November. On 21 March, we will be hosting an open meeting and buffet lunch at the hotel - offering an opportunity for exhibitors and sponsors to view the space and decide how best to present their brands later this year. If you are interested in joining us on that day, then please send me an email Jane.Pendlebury@HOSPA.org and I will book you in.

Holding Members' Meetings is a prime HOSPA objective to keep you updated and abreast on current industry issues and developments. Our next meeting will take place during ScotHot in Glasgow on Wednesday 15 March. Watch our website www.hospa.org for details.

At HOSPA, it is not all work and yes, we have moments to play! Our popular social events include the London Quiz Night on 6 July - to be held once again at Browns on St Martin's Lane; and our Scottish Quiz Night on 13 September - to be staged again at the Radisson Blu in Glasgow. Please register your teams as soon as possible to avoid disappointment as they are always extremely popular events.

We also look forward to seeing you at many of the hospitality industry's key conferences and functions - also great opportunities to network with HOSPA members.

Please keep an eye on the HOSPA website www.hospa.org to make sure you are making the most of your membership by joining us at these events. I look forward to seeing you!

HOSPA
Hospitality Finance, Revenue and IT Professionals
Professional Development





Katherine Wyles

Office Manager and Coordinator for
Search Assignments
Hospitality People Group team

Hazard: Data - Handle with care

Every business in the digital economy is now seeking to create a 'data driven culture'. In hospitality, we are learning new ways to gather, analyse, and apply data in every aspect of our industry. As we do this it is essential that we are handling data safely and securely. Next year, the new EU General Data Protection Regulation comes into force. This will update data law to account for the immense increase in the volume of data we work with and the advances in the ways we can use it. But beyond compliance with laws, we should always apply responsible and ethical decision making every time we encounter data or we leave ourselves open to serious risks.

Data across hospitality

There are many kinds of data in play in every business. It can be all too easy to become overly focused on one kind of information and ignore another. 'Data Strategy' in any one hotel could encompass:

- Customer details for bookings
- Performance data from finances and booking history
- Feedback collected from reviews and social media
- Customer information and preferences collected through apps and loyalty programmes
- Staff information
- Website usage statistics

When it comes to applying data and insight to improve a hospitality business there are again several avenues to follow:

- Personalise service
- Anticipate demand and adjust pricing and customer acquisition strategy
- Inform marketing campaigns
- Inform product development
- Implement improvements in service

The Risks

The consequences of a mistake with data can be serious. We must not get so excited by the opportunities with data that we overlook the risks. Sloppy data handling can leave us vulnerable to data breaches, can break laws, can lead to litigation and financial loss, and can damage the trust between company and customer.

Data is of course not just valuable to businesses. We all know there are those who, for challenge or profit, are choosing to break into private systems. Ways that business are protecting their digital systems range from having secure passwords to hiring 'ethical hackers,' who test the security of their systems before any outsider tries to get in for real. As more types of technology systems are added and connected across a hospitality network it is essential that everything is tested for security. Any systems that hold particularly sensitive information should be kept separate from other networks and have extra protection¹.

64% of data compromised in the hospitality industry in 2015 was from credit card magnetic stripes².

Trustwave, 2016 Global Security Report.

Who has the keys?

All new members of staff that enter your business should be taught your data security processes as part of their initial training. Basic safeguards such as not leaving an unattended computer or till logged in could make all the difference in keeping data protected. In hospitality there are a lot of staff joining and leaving all the time. It is important to keep good records of who has access to what, and to remove access as soon as an employee leaves. You can have an incredibly sophisticated firewall in place to stop hackers, but if you are not in control of who you have given access to your systems, then your safety promises to your customers mean very little.

Ethics and algorithms

When companies start to use data in more sophisticated ways - to build algorithms and automated systems - there are a number of ethical questions that also arise. Facebook uses algorithms to decide which stories to show us in our news feeds. The consequences of this have been controversial - we see more things that are similar to what we have previously interacted with and are therefore more likely to interest us - but this also limits the types of ideas and stories we are exposed to.

While it is good service in hospitality to remember how your loyal customer likes their coffee - and the right technology system could make this information instantly available to all staff - let's also make sure the customer has the opportunity to switch it up and ask for a hot chocolate instead if they prefer - and let's not forget to let them know when new items appear on the menu too.

Trust

There is so much more trust required in every purchase a consumer makes today. They are buying items 'unseen' online

¹ www.hotelnewsnow.com/Articles/50929/Common-security-mistakes-and-how-to-overcome-them

² www2.trustwave.com/GSR2016Success.html?aliid=120804929

and they are handing over personal details instead of just cash. Every time a customer interacts with your business they are trusting you to treat their data professionally and with respect.

We need to keep track of the source of each data set we capture. When we use, and combine them with other data sets - or share them with our partner companies - we need to know what we have permission to do with each piece of information. Our customers always share data for a specific purpose, if we work outside of these intentions we are breaching our agreement with them. This will damage our relationships with the customer and could be illegal. After a data breach, loss of trust and custom could be the most difficult thing to repair.

83% of executives agree trust is the cornerstone of the digital economy³.

Accenture, Technology Vision 2016 Survey

It is this element of trust that often holds back both consumers and business from using new technology and new products. It is natural for people to be wary of new things that they don't yet understand or have a reason to trust. A survey by Trust Pilot found that 29% of people have previously avoided using a sharing economy platform because of a lack of clarity on who would hold responsibility when something goes wrong. The more transparency and accountability you can show to your customers the better. Help them understand why you are asking for information, let them know what you will do

with it and how you are protecting it, and they will be more comfortable sharing.

200 billion smart objects

It is important to get these issues right because the amount of data we collect is only going to increase in the future. This also means the shockwaves when something goes wrong will reverberate further. The big driver of this change is the 'Internet of Things'. More and more objects in and around hotels, hostels and apartments will soon contain information sensors. They will be connected to the internet, and will be ready to collect and transmit information around the clock. Research from Intel states there were 15 billion 'smart devices' in the world in 2015 and predicts that by 2020 - just a few short years away - there will be a phenomenal 200 billion.

When planning and executing data strategies we must be careful not to get lost in the numbers and lose sight of the people behind them. While data can be a great enabler to a hospitality business our job is first and foremost to give a great experience to our guests. Keeping these people in mind should help you make good decisions about data handling.

Katherine Wyles is the Office Manager and Coordinator for Search Assignments within the Hospitality People Group (HPG) team.

HPG comprises HPG Advisory Services, FM Recruitment and Madison Mayfair, recruiting senior managerial positions across the spectrum of hospitality, within the UK and internationally.

³ www.accenture.com/t00010101T000000__w_/gb-en/_acnmedia/PDF-22/Accenture-Data-Ethics-POV-WEB.pdf#zoom=50



Everyone is now an apprentice!



With the Apprenticeship Levy coming into force on 6 April, hospitality employers, staff in the workplace and potential employees urgently need to take a new, career-long view of apprenticeships.

This was the overwhelming message delivered to over 70 industry leaders and prize-winning learners by an expert panel examining 'Developing the Financial Management and Revenue Management Professional – The Next Generation', at the very first HOSPA Annual Student Awards Ceremony.

The panellists in question – speaking at the Association's new event on 25 January at the Hilton on Park Lane, London – were: Debra Adams, Head of HOSPA Professional Development Services; Simon Tarr, Chief Operating Officer, People 1st; Michael Heyward, Chairman of the HOSPA Revenue Management Committee; and Paul Nisbett, Chairman of HOSPA's Finance Committee. They all agreed with Panel Debate Chairman Professor Peter Jones MBE, who said: "Gone are the days of the traditional image of apprentices as being typically 16-17 and 18-year-olds in overalls, lying under a car trying to change the oil sump. All our HOSPA prize-winners here today, who have successfully completed our hospitality focused Professional Development Programmes in Financial Management and Revenue Management, could become apprentices to enable and enhance their career development."

He believed industry employers and employees needed to engage with a new career-long terminology for what 'apprenticeships' now mean, in light of the forthcoming Apprenticeship Levy which will present employers from 6 April with a different way of accessing money for what they are already doing in terms of training.

Expanding on this point, Paul Nisbett said: "The biggest thing to take out of today is that everyone can now be an apprentice when undertaking CPD during their careers."

He cited examples of how this view could apply to those in the hotel industry who wanted to change career direction and become a Finance Controller or Director, or say a hotel reservations employee aiming to become a Revenue Manager. "This is what apprenticeships are now all about," he said. In short, everyone can become an apprentice at whatever stage they are in their careers. Apprenticeships also allow employers to provide a career path for their teams from the moment they join.

Simon Tarr believed apprenticeships are now a vital part of training going forward, especially at a time when it is very expensive to go to university. He said: "it is a real opportunity for the hospitality industry and employers as they can say come and work for us, receive an income from day one and more importantly, there is a career progression." He said it was very exciting that both Financial Management and Revenue Management are now written into industry specific apprenticeships, including those for hospitality.

Michael Heyward agreed. "From my experience as being a university student mentor, I know there is a huge demand from students who love the idea of Revenue Management," he said, "but do not know how to make that step." He strongly recommended that those at the beginning of their careers, or those at a turning point in their careers, should ensure they work for hospitality organisations who offer a career path, are keen to support individual development and are really good practitioners at what they do.

"Apprenticeships are all about feeding off those who are really good practitioners," he explained. Heyward then urged job candidates at interview not to be afraid to check that their

employers knew what they are talking about, as employment was a two-way street. “You want to get the best job with the best people,” he said. “Employers should measure up as well as you, the candidate.”

Debra Adams told the audience that the Apprenticeship Levy presented a “huge opportunity” for promoting hospitality industry careers in financial management and revenue management; and she believed the challenge for HOSPA in 2017 was to demonstrate how organisations could benefit from the Apprenticeship Levy, whilst preserving the integrity of the Association’s hospitality focused Professional Development programmes in Financial Management and Revenue Management.

When it comes into force on 6 April, the ‘Apprenticeship Levy’ will require all employers operating in the UK, with an annual pay bill of over £3 million, to make an investment in apprenticeships. The investment is set at 0.5% of an employer’s pay bill and businesses can benefit from this investment by training apprentices. Each employer will receive an allowance of £15,000 to offset against their levy payment. In addition, the government will give employers a 10% top-up on their levy, so for every £1,000 paid into the levy, an employer will have £1,100 to spend on the training.

Companies with a pay bill under £3 million, will be asked to make a 10% contribution to the costs of their apprenticeship training. The government is proposing to offer extra incentives in the form of an additional £1,000 to employers, and an additional £1,000 to training providers, for training 16- to 18-year-old apprentices. This will also apply for training 19- to 24-year-olds who have previously been in care or who have a Local Authority Education, Health and Care plan.

HOSPA is working to provide Association members with an opportunity to learn more about accessing money paid under the ‘Apprenticeship Levy’, and to provide guidance for financial teams to work with learning and development managers to determine how the funds can be used.

The next question, posed by Professor Jones at the Panel Debate, was how are careers in Revenue Management and Financial Management going to grow in importance within the hotel sector?

Heyward explained that Revenue Management is regarded as the “youngest profession” of the disciplines currently represented by HOSPA. He stated there was no clear definition as it was changing all the time. “Since Revenue Management’s static beginnings,” he said, “the internet has turned our world on its head. Distribution is becoming faster and faster all the time. Indeed, change is so fast that, in a year’s time, the definition of Revenue Management would have to be revised and updated significantly. The great challenge with Revenue Management is its ambiguity, the impact from various points of distribution, customer behaviour and the way our industry is changing.”

He added that the days of revenue managers being “back-room people buried in spreadsheets has pretty much gone”. Key to today’s revenue managers, he believed, were people skills. “Those people skills,” he said, “turn someone with great ideas into someone who can deliver great outcomes, and that’s what revenue management is all about.” Revenue managers needed to be team players as well as being numerate and having a financial acumen. It is now vital they can build relationships with key staff in hotel departments – such as sales, marketing and finance – to keep abreast of everything that’s happening.

Equally, Paul Nisbett, said a similar change had taken place

in finance. The need today for speed in delivering information and data from so many sources was now paramount. This has been reflected in the way hotel teams are currently being restructured. He said hotel finance people needed to be much more commercially focused. Everyone now has visibility of what’s going on, he said, so it’s about being able to add value, working together in a commercial arm – linking finance, revenue management and sales. Nisbett also believed that there was now so much technology available that it was more important than ever to choose the right technology to drive results.

The panel then outlined some of the key characteristics ideally needed by an individual wanting to pursue a career in hospitality Financial Management or Revenue Management:

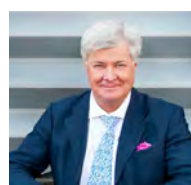
- Possess both people skills and technical skills – a rare combination. Need to be able to connect with people to be able to talk to the head Chef, for instance, explaining why you want to do x and y.
- Be a team player and have a commercial bent
- An ability to interact with Cluster revenue managers and financial managers, who are not on the premises, but may be based the other side of the country – whom you are only going to be able to meet two or three times a year. It is much harder to develop a relationship in such circumstances.
- Have a competitive streak – very healthy!
- Possess business acumen – critical as you must understand fully the business employing you.
- Be proactive

Professor Jones then asked the panel’s advice on how to attract more school leavers and graduates into careers in hospitality Financial Management and Revenue Management.

Debra Adams said: “This is a prime focus for HOSPA. Many of the learners we attract into our Professional Development Programmes in Financial Management and Revenue Management come from having operative roles in the industry. As far as school leavers and colleges are concerned, HOSPA is working with leading organisations, such as Springboard, to help to create a more cohesive structure to attracting talented people into our industry.”

Heyward believed that Revenue Management was a great profession. He said becoming a revenue manager and having a broad commercial grounding could prove an effective route to becoming a general manager. It was interesting to note, he said, that HOSPA 2016 ‘Revenue Management Professional of the Year’ Carol Dodds had been promoted to Vice President Commercial at Interstate Hotels and Resorts, adding sales and marketing to her responsibilities whilst retaining revenue management.

Nisbett believed that a hotel’s 24/7 working environment could well be a significant attraction to school and college leavers, possessing an acumen for finance. The buzz of a “live” hotel could prove a more exciting environment in which to broaden a finance career than the surroundings of a static office. Professor Jones agreed: “The hospitality industry is the most complex business you will ever be asked to run, because it is one of those industries where the requirement, the demand and the supply have to interact almost immediately. It’s these complexities and dynamics of the business that create the buzz, interest and love of it, and are the reasons why many people want to belong to the industry.”



Robin Sheppard recognised as a 'Hotel Sector Champion' by the government

Inbound tourist numbers rise

The number of holiday visitors to the UK from abroad in November 2016 rose by 32.4% year-on-year, according to the British Hospitality Association's Travel Monitor for the month. However the year to date figure for holidaymakers was down by 1% and the number of Britons travelling abroad continues to rise. Spending by overseas visitors in total was up 14.1% year on year.

Year to date, the analysis from the BHA Travel Monitor shows that the total number of visitors to the UK was up 2.8% with most of the increase being in people visiting friends or relatives.

Ufi Ibrahim, Chief Executive of the British Hospitality Association, said:

"Thankfully trading in November has been very encouraging and has helped offset poor performance earlier in the year. The low rate of sterling presents a great opportunity for our industry to welcome an increasing number of foreign visitors but we cannot and should not rely on fluctuating rates in the long term.

"With political and economic uncertainty increasing it is more important than ever to ensure UK tourism can compete. The UK continues to have on average twice the tourism VAT rate than that across Europe. Alongside businesses investing in the apprenticeship levy, rising business rates and the threat of online platforms such as Airbnb, this signals concern for businesses in the industry, four out of five of which are SMEs."

Bespoke Hotels is delighted to announce that Chairman, Robin Sheppard, has been recognised by the government's Office for Disability Issues as a Hotel Sector Champion. Minister for Disabled People, Work and Health, Penny Mordaunt, has personally selected Robin to join her campaign to improve access to products and services, drive equality and provide equal opportunities for disabled people.

As a founder of the UK's largest independent hotel group, Robin's wealth of experience and outstanding contribution towards hospitality, make him an ideal champion for the hotel sector. Whilst personally, disability is an issue close to Robin's heart, having experienced its frustrating and limiting effects, as well as his fair share of 'joyless' hotel rooms, first hand. This catalyst led Robin to launch the inaugural 'Bespoke Access Awards' in 2016, partnership with the Royal Institute of British Architects to create the first competition of its kind to address accessibility in hotels through design and innovation. The awards were a resounding success and achieved Robin's ultimate aim of drawing attention to the issue of access, whilst changing hearts and minds along the way. The second Bespoke Access Awards will launch in Autumn 2017.

Robin joins a dynamic network of champions across various sectors, including fashion, hospitality, technology, media, leisure venues and transport, who will combine their passion and ambition to create momentum for change. Robin is immensely proud to be a public advocate for improving access and experiences in hotels so that disabled people can enjoy life to the full, without fear or frustration. He is humbled and honoured to have been bestowed the opportunity to put his leadership, entrepreneurial and business skills towards an important movement so close to his heart.

Goodbye MagCard, Hello NFC



We have all been there, you arrive at your hotel after a long journey, you're pleased - the hotel looks amazing as you enter through the revolving doors. You had your doubts after reading Trip Advisor, you tell yourself not to read the reviews next time!

The receptionist greets you with a smile; you listen to the usual details of times for breakfast, the gym opening times and head off to your room impressed with the efficient and welcoming reception staff. The glass lift wafts you effortlessly up to your floor and you stroll down a contemporary corridor to your executive room. You push the key card into the lock, but all you get is the red light. You try a couple more times and then resign yourself for the walk back to reception, the illusion of a luxury shattered!

Sound familiar? So may the response from the hotel receptionist: "Oh, you must have put the card next to your phone". What sort of door system can't cope with a mobile phone being next to the key card? You ask yourself. The answer is a door locking system that is 20 years old. The classic magnetic card is a dangerously insecure technology that needs to be replaced. It's on its way out, it can't go fast enough for guests, but hotel operators just haven't caught on to the damage they are doing to their brand in a misguided attempt to save money.

When spending millions on hotel refurbishments it's incredible that 10 or 20 year old door locks are being put back on brand new doors that open onto a beautiful new room. What image does this project? More importantly what does it tell the customers about how seriously you take their safety? It is an illusion that hotel operators are saving money by not replacing the electronic door locks. The cost of operating these legacy systems and the eye watering price of replacing these locks means you are actually spending more money keeping an old system running than you would by purchasing a new system. Other sectors have started moving on from magnetic cards - hoteliers need to do the same.

Like paper maps and flip phones, the familiar magnetic stripes on the back of key cards have begun their slide into obsolescence. The only question is: how soon will they disappear? Four decades after its creation, the magnetic strip card has been overtaken by Contactless, Near Field

Communications (NFC) technology as the preferred choice for providing guests with secure access to their rooms. You have to ask yourself in today's modern world - how many people prefer a credit card with a Mag Swipe, over "Chip and Pin"?

During a recent installation of one of Keystep's Opendoor solutions, guests requested rooms that had been converted with new locks to ensure they didn't experience the frustrations anticipated with the older magnetic swipe locks. Guest's opinions matter. Door locks on the bedroom doors make a difference to the guest experience.

For the luxury sector whose guests often include famous and wealthy patrons, security is of particular concern. Andrew Evans, CEO of Keystep explains: "We had an enquiry recently from a hotel where a top flight football team regularly stayed. After an incident with unauthorised entry to a player's room, the hotel was informed by the football club that unless they upgraded the door locking system to a system that could provide an accurate audit trail of who had entered the rooms, the team would no longer stay there".

Hotel guests want to feel safe and secure in their temporary home. Hotels have a duty to protect them. After all, the business depends on them. Good security benefits everybody; hotel guests, staff and managers. When staff take security seriously, the result is a well run, efficient hotel with an excellent reputation and booming business. Security should be another guest service, just like the bar, restaurant, leisure club, or turn-down service. It should not be seen as an overhead, but as a value-add which can be used to promote the hotel as a safe haven.

Andrew Evens comments, "Over the last year we have had an increase in enquires from hotels wanting help and advice to ensure they are following best practice. Many enquiries have come after an incident or breach in security including thefts from guest rooms. Security experts warn theft from guests rooms is on the increase due to the wide array of gadgets and devices

they now travel with, for example laptops, tablets, mobile phones and not to mention the good old favourites; passports and cash - these should not be easy pickings for a thief."

Many hotels see the door access system as a tool that simply lets guests in to their rooms, and do not effectively manage the system. The makeup of the door entry system is split into two - part mechanical - part IT system - who owns the responsibility to look after it is sometimes difficult to agree. Is it maintenance, front desk or the IT department? In many cases, no one takes responsibility for this mission critical system. You have to look beyond "it's just a system for letting guests in to rooms". After power and water, it is probably one of the most critical systems you have in your hotel.

As guests become more tech savvy and self-sufficient in their travel habits, technology to enable seamless, faster check-in and room entry has become a necessity in a modern hotel.

NFC technology can transform how hoteliers welcome guests at their hotels and resorts. With the advent of NFC, the same device used to make calls and browse the web can now be used to allow guests to skip the check-in queue, allowing them to walk straight into the hotel and go directly to their room. By checking-in on their phone before arrival, the NFC chip within a mobile phone can act as the room door key. NFC can be used to connect apps to room management systems that know which rooms have been cleaned and ready to use. Hotels can offer extra services through the app, like letting guests pick a specific room. Guests could also set their air conditioning temperature, and manage other room controls.

The next generation of hotel door locking solutions such as "Opendoor" uses latest generation contactless key card systems and kiosks to encode guests' Smartphones to gain door entry. The Locks read keycards and guests' Smartphones without the need for any direct contact with the lock itself. For arrival of guests after a lengthy journey or a business travellers on a tight schedule, Smartphone Access to their room is a valuable tool that can allow them to save vital time and ensure their satisfaction by avoiding long queues at reception. For hoteliers, Mobile Access helps meet the ever-increasing demand for faster responsiveness for each guest.

If you are lucky enough to be operating Opendoor you don't need to keep reading. For everyone else, note that clocks go forward 1 hour at 2am on Sunday 26th March to British Summer Time (BST). Hotels that still operate legacy solutions - remember to ensure the time is correct on all the locks in the property in order to avoid your guests being locked out of their rooms.

Andrew Evans is the Chief Executive Officer of Keystep Solutions who is a specialist provider of IT Services, Access Control, Door Locking and Security Systems in the UK and Europe. Keystep Solutions are the leading supplier to the Hotel sector and are trusted to provide a comprehensive range of intelligent locking and security solutions. Our clients include a selection of the largest Groups, as well as many smaller independent operators. If you would like more information contact sales@keystep.co.uk

"it's a no-brainer"



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upgrades and a three year
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How can you use the cloud to streamline supplier relations?



Since adopting Dropbox Business two years ago, Jane Pendlebury, CEO at HOSPA, said she would recommend a move towards this sort of system to all HOSPA members.

But how can the cloud and collaboration tools improve productivity for your hospitality business? In this monthly Tech Talk column Tal Pelta, Hospitality expert at Dropbox shares his thoughts.

The success of any hospitality business relies on relationships. The relationships you have with suppliers, with contractors, internal departments and ultimately, with your customers.

Now imagine you could facilitate all these interactions in a single location, in real-time, no matter where you, or anyone else related to your business, were based. Wouldn't the path to success seem a little easier?

The research certainly suggests so. In fact, according to a Harvard Business Review three quarters (77%) of businesses feel cloud computing has given them a competitive advantage. So, if you're unsure where to start, here are three ways the cloud can help streamline your supplier relationships and improve productivity:

1. It speeds up external communication. With the ability for external suppliers to view, amend, and sign off on activities in real time you can wave goodbye to laborious email chains, large attachments, and the scanner. By giving suppliers secure access to your cloud network less time is spent negotiating the logistics of working together (chasing information, searching through email trails, and waiting for systems to refresh), leaving more time to identify new business opportunities and proactively mitigate problems.

2. It speeds up internal communication too. Despite working on the same project, departmental siloes can create replicated internal workflows, and make transactions difficult to trace back.
3. It improves security. Employee turnover in the hospitality industry is high, and a number of those climbing the career ladder will likely be doing so with one of your competitors. Now ask yourself this - when an employee leaves your business, can you guarantee that your internal data (supplier contracts, customer details etc.) doesn't leave with them? If not, here's your main business case for the cloud. The cloud allows you to give only relevant people access to your company's intellectual property (IP). And if, for whatever reason, a person no longer has clearance to view that content, you can remove them at the click of a button; ensuring your information remains safe and secure.



If you need cloud insights, or have any questions about how to improve collaboration in the workplace, please contact Tal Pelta at techtalk@dropbox.com

ScotHot - trade, network, be inspired



ScotHot, Scotland's leading trade event for the food, drink, hospitality and tourism industries, is returning to Glasgow, bigger and better than ever before.

Held in Glasgow's SEC (formerly the SECC) on the 15th and 16th March, it promises to be the sector's most exciting trade event of the year. Exhibitor numbers are already up on previous years, with over 100 new companies represented. The event will boast a diverse variety of Scottish food and drink, while catering products and hospitality and tourism services will be on show for the expected 6,000 visitors. From decision-makers and buyers, to aspiring chefs and business owners, ScotHot is a one-stop shop for those looking to trade, network and be inspired.

We are now firmly in the digital era. Which means that for all industries, even those in the food and drink industry, being tech savvy is essential. Promoting your business through online travel agencies, recruiting for staff, making table and room reservations and marketing your brand, as we know is now all done online.

There will be a range of catering services and technology companies to look out for at ScotHot 2017, so here are three innovative ones to whet your appetite:

Eviivo, Stand 4439

Eviivo is the original all-in-one booking suite for anyone with rooms to sell and a story to tell. They work with over 6,200 properties ranging from fantastic castles and hill-top bolt-holes to snug Shepherd's huts and beach front B&Bs. Eviivo allows these independent accommodation providers to have a simple and secure (PCI Level 1) way to connect to major travel websites like Expedia, Laterooms and Booking.com. Businesses can manage all bookings, guest admin, credit and debit card payments in one click whilst maintaining absolute control of their business through a flexible array of cancellation and deposit policies, including pay-on-arrival options.

Tevalis Ltd, Stand 4550

Tevalis offers fully integrated EPOS hardware and software systems, designed to handle the demanding pressures of the hospitality industry. Whether you're operating a Michelin Star restaurant or a large network of bars, they provide the expertise

to implement the most suitable EPOS system, capable of delivering improved efficiency and profitability. Their EPOS solutions have been specifically designed for the hospitality industry and much of their development is driven through consultation with their clients and industry professionals, which helps to ensure that their products meet the demanding and evolving requirements of the hospitality industry.

Planday, Stand 4463

Take the pain out of planning staff rotas with software designed to gather all the necessary data required such as availability and holidays without the need for numerous spreadsheets. It doesn't matter whether you have 30 employees or 300, making sure that you plan for every eventuality is time consuming and labour intensive. This software can help you to manage, communicate and stay on top of your staff and business needs easily with templates, simple drag-and-drop implementation and time-efficient task management.

ScotHot's Spotlight Stage will host a number of sessions with industry professionals, who will debunk myths, spotlight trends and give insight into the industry. On the Wednesday (15th March), HOSPA are running a members meeting and will have Aoife Roche from STR presenting a full update from 2016 with a forecast for Scotland and Glasgow. STR is the source for premium global data benchmarking, analytics and market insight. Their data is sourced from over 50,000 hotels worldwide. Learn where to position yourself by truly understanding the market around you.

For those who need a nudge in the right direction to streamline their social schedule, let Mike Moffo, one of the men behind former President Barack Obama's social media electoral campaign, advise you in one of ScotHot's Spotlight Stage sessions. Whilst Steven Grier, Country Manager (Scotland) of Microsoft, will be looking at what it might take to empower a world-leading Digital Scotland. The Digital Future session takes place on Thursday 16th, 12:15 - 13:00.

Representatives from Trivago, AirBnB, VisitScotland and the Scottish B&B Association come together on a later session (Thursday 16th, 13:15 - 14:00) to discuss online travel agencies: in this constantly advancing, fast-moving world, can we afford to be without them? Let the experts put the world to rights in this 45 minute session.

As well as to learn and to exhibit, ScotHot is the perfect place

for businesses to launch new products, as the event is full of key decision makers. The CESA Zone is an area that will display the latest industry innovations, while the 'What's HOT at ScotHot' Awards will celebrate newly launched products that have particular strengths in innovation and efficiency. The winner of the 'What's HOT at ScotHot' Awards will be announced at 4:15pm on Wednesday 15th March.

To compliment the exhibitor offering at ScotHot, The Staff Canteen Live and Scottish Culinary Championships will together spotlight Scotland's revered chefs such as Gary Maclean (MasterChef: The Professionals winner 2016) and Adam Handling (Scottish Chef of the Year 2016) and also the next generation of chefs. Chefs' finesse in the culinary art will be tried and tested through demonstrations, challenges and competitions, all while using some of Scotland's finest ingredients.

Scotland's larger plays such an integral part in the success of Scotland's economy. It creates thousands of jobs and many famous careers and impacts on the health of the nation. This allows Scotland to stand out in a right of its own, in turn attracting tourism from all over the world. With Scotland's reputation of being a world-class food destination growing rapidly, it's essential that businesses know how they can develop their business to cater for new tourism and are confident in doing so.

ScotHot's Buell Business Advice Clinic offers business owners a one-off opportunity to get free specialist advice to help obtain insight into what their business potential is. Providing practical solutions and constructive feedback, the expert Buell consultants will be on hand to discuss any aspect of the business in complete confidence.

ScotHot brings together suppliers of food and drink; catering equipment; décor and design; tableware and technology products with chefs and buyers from hotels, restaurants, bars, catering outlets and tourism destinations.

With a heritage dating back over 40 years, ScotHot runs every two years and now takes place as part of the Scottish Tourism Week's 'Signature Events' programme. This includes the Scottish Tourism Industry Conference; Scottish Tourism Week Dinner with a Difference and the 'Oscars' of the Scottish tourism industry, the Scottish Thistle Awards.

For the latest show news, exhibitor information and to register for the show please visit: www.scothot.co.uk



The 2016 Outstanding Overall Hospitality Financial Management and Revenue Management Learners of the Year



The awards were announced by HOSPA at the Association's very first dedicated HOSPA Annual Student Awards Ceremony, sponsored by Revenue Management recruitment specialists, MRK Associates. There were also awards presented to the highest achieving prize-winning learners in each category of HOSPA's 2016 Professional Development Programmes in Financial and Revenue Management. The final award of the ceremony: 'HOSPA Outstanding Company Commitment to Professional Development' was won by Hilton Hotels.

The 2016 'Outstanding Overall Learners of the Year' for HOSPA's hospitality focused Professional Development Programmes in Financial Management and Revenue Management were announced at the newly-introduced HOSPA Annual Student Awards Ceremony - held at the Hilton on Park Lane, London in January.

The two recipients in question who gained the highest combined course work and examination results for 2016 in their respective Professional Development Programmes were, for Financial Management, Kamila Lipnicka - an Accounts Assistant for Radisson Blu Hotel Belfast in Northern Ireland and, for Revenue Management, Sam Jennings - a Key Market Revenue Manager in the South West for the Whitbread Premier Inn.

The two outstanding learners were each awarded with a specially engraved glass trophy and a complimentary day delegate space for HOSPACE2017. The awards were presented by HOSPA Professional Development Committee Chairman, Professor Peter Jones MBE.

The HOSPA Annual Student Awards Ceremony is a stand-alone celebration, sponsored by MRK Associates and dedicated to the achievements of HOSPA learners. The ceremony also saw a 'Special Outstanding Achievement Award' presented to Sam Willetts, Accounts Manager for Reporting at Jurys Inns. Head

of HOSPA Professional Development Debra Adams explained: "We wanted to honour Sam for scoring the highest combined course work and examination results over a two-year period in all three stages of the HOSPA Professional Development Programme in Financial Management. Sam was the 2015 highest scorer in Stages 1 and 2: 'Introduction to Financial Management' and 'Operational Management Accounting', which he completed in March and September 2015 respectively. He then completed the Financial Management grand slam in 2016 by gaining the highest score in Stage 3: 'Strategic Management Accounting', completed in February 2016."

Sam Willetts - like the two overall highest HOSPA examination score achievers for 2016, Kamila Lipnicka and Sam Jennings - received a glass trophy and a complimentary delegate space at HOSPA's prestigious annual HOSPACE2017 Conference and Exhibition, to be held on 2nd November at the Lancaster London. These were not the only awards the three outstanding learners received, as between them they also won four out of the 12 additional awards on offer. They were amongst the 12 learners, who received certificates and cash prizes for achieving the highest HOSPA Professional Development Programmes' scores. The awards were based on their results in each of the three HOSPA examination stages and levels for Financial Management and Revenue Management respectively - completed in February 2016 and August 2016.

The February 2016 HOSPA Professional Development Programme in Financial and Revenue Management prize winners were:

| HOSPA Professional Development Programme in Financial Management | | HOSPA Professional Development Programme in Revenue Management | |
|--|--|--|---|
| Stage 1: Introduction to Financial Accounting | Kamila Lipnicka Accounts Assistant, Radisson Blu Hotel Belfast, Northern Ireland | Level 1: Introduction to Revenue Management | Bethany Parker Cluster Revenue Data Analyst, Principal Hayley Hotels, Glasgow Cluster |
| Stage 2: Operational Management Accounting | Begona Manzanero Accounts Payable Supervisor, Hilton Park Lane, London | Level 2: Operational Revenue Management | Pankaj Khanna Value Centre General Manager, Thistle City Barbican, London |
| Stage 3: Strategic Management Accounting | Sam Willetts Accounts Manager, Reporting, Jurys Inns | Level 3: Strategic Revenue Management | Zena Carter Revenue Manager, Farncombe Estate Holdings Ltd. |

The August 2016 HOSPA Professional Development Programme in Financial and Revenue Management prize winners were:

| HOSPA Professional Development Programme in Financial Management | | HOSPA Professional Development Programme in Revenue Management | |
|--|--|--|---|
| Stage 1: Introduction to Financial Accounting | Ketan Bhakta Finance Graduate Manager, Jurys Inns | Level 1: Introduction to Revenue Management | Sam Jennings Key Market Revenue Manager South West, Whitbread, Premier Inn |
| Stage 2: Operational Management Accounting | Kamila Lipnicka Accounts Assistant, Radisson Blu Hotel Belfast, Northern Ireland | Level 2: Operational Revenue Management | Diane Little Assistant Cluster Rooms Revenue Manager, Principal Hotels, Edinburgh |
| Stage 3: Strategic Management Accounting | James Bland Food and Beverage Stock Controller, Redworth Hall Hotel, Newton Aycliffe | Level 3: Strategic Revenue Management | Bethany Parker Cluster Revenue Data Analyst, Principal Hayley Hotels, Glasgow Cluster |



Pictured from left to right: HOSPA's 2016 'Outstanding Overall Learners of the Year': Revenue Management award winner Sam Jennings, Whitbread, Premier Inn. Financial Management award winner Kamila Lipnicka, Radisson Blu Hotel Belfast, Northern Ireland. On the extreme right is 'HOSPA Special Outstanding Achievement Award' recipient Sam Willetts.

The final award presented at the ceremony was 'The HOSPA Outstanding Company Commitment to Professional Development Award 2016', which went to Hilton Hotels. Hilton's Ricarda Both, Hilton Hotels and Prof Peter Jones MBE. (Pictured Below) The award was made by the HOSPA Professional Development Committee, in recognition of Hilton's outstanding commitment in promoting and developing education in the hospitality industry.

Commenting on the awards, HOSPA Chief Executive Jane Pendlebury said: "Huge congratulations to our three outstanding learners and all our prize winning highest achievers, who have each demonstrated outstanding commitment to their careers, combining study with demanding full-time roles in the hotel and restaurant industry. We are extremely proud of them. Big congratulations also go to Hilton Hotels for winning our award for 'Outstanding Company Commitment to Professional Development'."

"We are delighted to have staged the very first HOSPA Annual Student Awards Ceremony, which has enabled us to centre on the professional development of the next generation of Revenue Managers and Financial Managers. Importantly, the event also has enabled our learners to network with industry leaders."

Prior to the Awards Ceremony itself, the afternoon's proceedings started with a Panel Debate - chaired by Professor Peter Jones MBE - involving expert participants discussing 'Developing the hospitality Financial Management and Revenue Management professional - the next generation'. Those taking part included: Debra Adams, Simon Tarr - Chief Executive of People 1st, Paul Nisbett - Chair of HOSPA's Financial Management Committee, and Michael Heyward - Chair of HOSPA's Revenue Management Committee.

The HOSPA Professional Development Programme in Financial

Management is the entry route to Associate membership of HOSPA for finance personnel in the industry. The programme provides career development for hospitality accounting professionals wishing to gain additional skills and the knowledge required to manage hospitality finance divisions, or gain an understanding of the accounting function of a hospitality unit. The three-stage 'blended learning' programme, studied over three five-month periods, provides the flexibility for accounts professionals to fit their learning around their busy working day. Successful completion will significantly enhance their careers and help their employers meet even more effectively today's ever changing management challenges.

In 2011, HOSPA introduced a Professional Development Programme in Revenue Management. Written by leading educators in revenue management in the hospitality sector, in conjunction with leading industry experts, the course is designed to provide aspiring and current revenue managers with the skills and knowledge required to manage their divisions, as well as to provide non-revenue managers with a detailed knowledge of the function within a hospitality property.

The deadline date for enrolment for the next intake in both the Financial Management and Revenue Management programmes is 1st March 2017. Both courses are available at three levels - Introductory, Operational and Strategic - each at a cost of £780 (ex VAT). For further information, visit: www.hospa.org/education; or email: education@hospa.org

We are grateful to MRK Associates for sponsoring this event. MRK Associates is the only recruitment business in the UK with a dedicated Revenue Management, Pricing and Yield Management focused division and specialist consultants dealing with nothing else.



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HOSPA Financial Management Learner of the Year 2016 - Kamila Lipnicka

**Accounts Assistant, Radisson Blu and Park Inn by
Radisson Hotels, Belfast**

Kamila previously studied AAT Level 2 Certificate in Accounting prior to joining the HOSPA Financial Management Programme. During her studies she achieved the top grades for both Stage 1 - Introduction to Financial Accounting and Stage 2 - Operational Management Accounting.

As Kamila explains: "I started as a F&B Assistant in the Radisson Blu Belfast in 2008, progressing to a shift leader and then a supervisor. After working for 7 years in F&B department, I wanted to try something new and needed a new challenge. As I always had an interest in numbers - I have been more analytical than creative - I decided to try accounting and started

working towards AAT qualifications. I was half way through my first course when the opportunity came up in my company - I applied for the accounts assistant position and got the job.

As I have been working in finance for a relatively short period of time, I had quite limited knowledge and experience. I knew the jobs and tasks I was doing on the daily basis but didn't fully understand the overall processes. The HOSPA course helped me to gain the general knowledge of how the finances and accounts are managed in the hospitality industry, and helped me to understand the purpose of all the small tasks. Now I hope to gain an experience across the whole finance department."



HOSPA Revenue Management Learner of the Year 2016 - Sam Jennings

**Key Markets Revenue Manager, South West for
Whitbread Premier Inn**

In his current role Sam is tasked with driving revenue performance across key 'high touch' markets, seeking to maximise the revenue growth above a target threshold, outperform comp sets and grow market share.

He is responsible for developing and implementing effective trading strategies, ensuring performance within these markets is optimised by leveraging the full set of revenue management controls. Using available systems to provide robust analysis and insight to validate trading strategies and responsible for effective decision making.

After graduating with a BA (Hons) Business Studies from the University of Plymouth, he spent a couple of years working across a few different industries before joining Premier Inn as a regional revenue analyst a year and a half ago, this was his first foray into the hospitality sector and introduced him to the concept of revenue management.

He tells us: "I spent almost a year and a half as a regional revenue management analyst for the South West/South East before moving into a new position of Trading Optimisation Executive for the North', however before I could begin this new role I was offered the opportunity for a secondment position as Key Markets Revenue Manager of the South West.

Having only recently entered the hospitality industry the course was a fantastic opportunity to synchronize my learning of the job role whilst utilising revenue management theory/principles learnt from HOSPA. The course has also helped me develop an understanding of areas I previously would have had little to no exposure within.

I hope to continue developing within my current role with the intention of eventually securing the position permanently in future. Once this is achieved I will further develop knowledge/skills from my peers and the course, which will put me in a good position of eligibility for further opportunities."

Christmas brings cheer for pub and restaurant chains

The festive season brought a welcome sales uplift for Britain's managed pub and restaurant groups. Figures from the Coffe Peach Business Tracker show collective like-for-like sales for the Christmas and New Year period were up 2.2% on the same six weeks last year. Both pubs and restaurants fared equally well during the six weeks of festive trading to January 8, with like-for-like increases of 2.2% and 2.1% respectively, although drink-led pub and bar businesses generally outperformed food-led operations which reflects other research by CGA Peach suggesting more people visited pubs this festive season than last.

The results are an improvement on last Christmas's performance, when like-for-likes were up 1.8% on 2014. The big winner this time was London, with collective like-for-like sales inside the M25 up a bumper 5.1%, compared to a more modest 1.2% for the rest of Britain.

"With all the uncertainty surrounding Brexit and growing cost concerns for the industry around staffing and business rates, these results will come as a welcome relief for operating companies," said Peter Martin, vice president of CGA Peach, the research and insight consultancy that produces the Tracker, in partnership with Coffe Group and RSM.

"They also show that people are still willing and able to go out to eat and drink and enjoy themselves given the right offer and opportunity", he added.

"The uplift for eating and drinking out also mirrors the upswing in retail sales for the period, showing that spending was on both in-home and out-of-home entertainment. The leading performance of London was also probably a reflection of its increased attraction for overseas visitors with the weakness in the value of sterling," said Martin.

"One interesting point is that, just like last year, Christmas started late with the increase in spending only beginning in the week leading up to Christmas Day itself, and continuing over New Year. For the first three weeks of the festive period, when most people were still at work, like-for-like sales were either flat or slightly down on the same weeks in 2015," he observed.

Total sales among the 33 companies in the Tracker cohort for the six-week period, were up 5.4% on the same time last year, reflecting the impact of new site openings.

Mark Sheehan, managing director of Coffe Corporate Leisure, said, "These numbers are reflective of the mood among pub and



restaurant operators where optimism is returning. There are going to be cost increases during 2017 and operators need to see sales growth to stand still. After a relatively tough autumn we believe consumers are now returning with more confidence."

Paul Newman, head of leisure and hospitality at RSM, added: "The negative post-referendum predictions have failed to materialise and consumers have loosened their purse strings, providing a welcome relief to operators as they manage increased input costs and wage inflation. Attracting transient EU workers has been key to the success and growth of the UK's hospitality sector. Theresa May's Brexit negotiation comments now make it clear that new migration rules will need to be agreed providing further uncertainty for the sector in the months ahead."

Charlie Mitchell, senior consumer research manager at CGA said, "Our separate consumer research shows that the public made the most of the eating and drinking out market over the festive period. On eight of the top ten festive trading dates, more than 50% of consumers who went out did so for both food and drinks, the exceptions being the more drink focused New Year's Eve and Christmas Eve. The beneficiaries of this being those operators who can combine both an excellent drinks offer with good quality food."

The Coffe Peach Tracker industry sales monitor for the UK pub and restaurant sector collects and analyses monthly performance data from 34 operating groups, and is recognised as the established industry benchmark. CGA Peach is part of CGA Strategy.

Pub and restaurant group sales performance for last 12 months

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-------|------|------|------|-------|-------|------|------|------|------|-------|------|------|
| LFLs | 1.9% | 0.0% | 0.6% | -0.8% | -1.4% | 1.8% | 0.3% | 0.6% | 1.8% | -1.0% | 1.1% | 2.2% |
| Total | 5.4% | 3.2% | 4.9% | 3.1% | 2.2% | 5.7% | 4.0% | 4.2% | 5.0% | 1.9% | 4.1% | 5.4% |

Source: Coffe Peach Business Tracker



Revenue and profit fall at London hotels in 2016

Hotels in London recorded a 2.6% decline in profit per room in 2016, which was in spite of a 0.5% increase in RevPAR, according to the latest data from HotStats.

Whilst the addition of more 4,500 bedrooms of new supply into the capital undoubtedly diluted room occupancy performance, leading to a 0.4 percentage point decline to 80.8%, a 1.1% increase in achieved average room rate to £154.26, helped to recoup the occupancy losses and drive growth in RevPAR (Revenue per Available Room) to £124.60 for 2016.

However, in a bid to achieve RevPAR growth for year-end 2016, hotels in London failed to maintain growth in other departments, suffering declines in ancillary revenues, including Food and Beverage (-0.9%) and Conference and Banqueting (-2.7%). As a result of the decline in ancillary revenues, the growth in RevPAR was entirely cancelled out and London hotels recorded a 0.6% drop in Total Revenue in 2016.

Furthermore, a 36.8% year-on-year increase in Rooms Costs of Sales for the month of December suggests that the proportion of demand booking via high-cost Online Travel Agents into London increased significantly as hoteliers fought to record an increase in RevPAR for year end 2016.

As a result of the rising costs across the operation, hotels in London recorded a profit decline in both the Rooms (-0.4%) and Food and Beverage (-3.8%) departments in 2016, further compounding the overall profit decline at hotels in the capital this year.

Edinburgh hotels top the profit growth table in 2016

Hotels in Edinburgh recorded a 12.0% increase in profit per room in 2016, as hotel managers in the Scottish capital were able to combine an increase in revenues with a reduction in costs.

Profit growth for Edinburgh hotels is once again at the top of the table of key cities in the UK following a mixed profit performance in 2014 (+4.4%) and 2015 (-0.4%).

The growth in revenue in the Scottish capital was led by strong room occupancy levels, which remained amongst the highest in the UK in 2016, increasing by 1.4 percentage points to 82.9% enabling hoteliers to leverage achieved average room rate by 8.4%, to a record high of £114.15.

The growth in the achieved rate in the leisure (+13.2%) as well as corporate (+4.6%) segments suggests Edinburgh remains a key economic and visitor hub. Furthermore, the ongoing success of the Edinburgh Fringe Festival fuelled an 11.6% increase in RevPAR in August to £163.25.

In addition to the growth in revenue in 2016, hotels in Edinburgh recorded a 0.4 percentage point decline in payroll to 27.4% of total revenue, helping to drive a profit conversion of 38.3% of total revenue.

Absence of events in Cardiff in 2016 hits hotel profit hard

Profit per room at Cardiff hotels fell by 6.1% in 2016 due to the absence of a number of key events in the city, but particularly the demand created by the 2015 Rugby World Cup fixtures.

Despite a positive first half of the year for hotels in Cardiff, during which they achieved a 3.6% increase in RevPAR and a 5.1% increase in profit per room, such was the significance of the year-on-year declines in September and October, that the entire year of performance was negatively impacted.

The considerably lower demand levels prohibited Cardiff hoteliers from driving premium room rates and as a result year-on-year RevPAR fell significantly in both September (-16.6%) and October (-35.8%).

In addition, declines in ancillary departments and rising costs added further woe to a tough period of operation, resulting in year-on-year profit per room plummeting in September (-28.1%) and October (-46.0%) 2016, compared to the same period in 2015.

The month of December 2016

| | Dec'16 | Dec'15 | Var b/w |
|---------------|--------|--------|---------|
| LONDON | | | |
| Occ % | 78.7 | 73.8 | 4.9 |
| ARR | 160.97 | 146.57 | 9.8% |
| RevPAR | 126.68 | 108.22 | 17.1% |
| TrevPAR | 185.20 | 167.36 | 10.7% |
| Payroll % | 23.9 | 25.4 | 1.5 |
| GOP PAR | 84.18 | 74.71 | 12.7% |

| | Dec'16 | Dec'15 | Var b/w |
|-------------------|--------|--------|---------|
| BIRMINGHAM | | | |
| Occ % | 78.8 | 75.8 | 3.0 |
| ARR | 109.77 | 95.01 | 15.5% |
| RevPAR | 86.49 | 72.05 | 20.0% |
| TrevPAR | 138.68 | 124.50 | 11.4% |
| Payroll % | 28.1 | 29.0 | 0.9 |
| GOP PAR | 49.42 | 40.63 | 21.7% |

| | Dec'16 | Dec'15 | Var b/w |
|----------------|--------|--------|---------|
| CARDIFF | | | |
| Occ % | 77.3 | 74.0 | 3.3 |
| ARR | 79.33 | 76.45 | 3.8% |
| RevPAR | 61.32 | 56.55 | 8.4% |
| TrevPAR | 124.72 | 120.43 | 3.6% |
| Payroll % | 27.9 | 29.6 | 1.7 |
| GOP PAR | 38.01 | 36.53 | 4.1% |

The calendar year to December 2016

| | YTD'16 | YTD'15 | Var b/w |
|---------------|--------|--------|---------|
| LONDON | | | |
| Occ % | 80.8 | 81.2 | -0.4 |
| ARR | 154.26 | 152.65 | 1.1% |
| RevPAR | 124.60 | 123.95 | 0.5% |
| TrevPAR | 173.33 | 174.43 | -0.6% |
| Payroll % | 24.6 | 24.5 | -0.2 |
| GOP PAR | 78.16 | 80.22 | -2.6% |

| | YTD'16 | YTD'15 | Var b/w |
|-------------------|--------|--------|---------|
| BIRMINGHAM | | | |
| Occ % | 82.9 | 81.4 | 1.4 |
| ARR | 114.15 | 105.27 | 8.4% |
| RevPAR | 94.61 | 85.74 | 10.4% |
| TrevPAR | 135.67 | 125.57 | 8.0% |
| Payroll % | 27.4 | 27.8 | 0.4 |
| GOP PAR | 52.02 | 46.43 | 12.0% |

| | YTD'16 | YTD'15 | Var b/w |
|----------------|--------|--------|---------|
| CARDIFF | | | |
| Occ % | 81.6 | 80.4 | 1.2 |
| ARR | 79.63 | 83.49 | -4.6% |
| RevPAR | 64.97 | 67.09 | -3.2% |
| TrevPAR | 110.03 | 112.79 | -2.4% |
| Payroll % | 29.7 | 29.5 | -0.3 |
| GOP PAR | 34.56 | 38.81 | -6.1% |

The twelve months to December 2016

| | Rolling'16 | Rolling'15 | Var b/w |
|---------------|------------|------------|---------|
| LONDON | | | |
| Occ % | 80.8 | 81.2 | -0.4 |
| ARR | 154.26 | 152.65 | 1.1% |
| RevPAR | 124.60 | 123.95 | 0.5% |
| TrevPAR | 173.33 | 174.43 | -0.6% |
| Payroll % | 24.6 | 24.5 | -0.2 |
| GOP PAR | 78.16 | 80.22 | -2.6% |

| | Rolling'16 | Rolling'15 | Var b/w |
|-------------------|------------|------------|---------|
| BIRMINGHAM | | | |
| Occ % | 82.9 | 81.4 | 1.4 |
| ARR | 114.15 | 105.27 | 8.4% |
| RevPAR | 94.61 | 85.74 | 10.4% |
| TrevPAR | 135.67 | 125.57 | 8.0% |
| Payroll % | 27.4 | 27.8 | 0.4 |
| GOP PAR | 52.02 | 46.43 | 12.0% |

| | Rolling'16 | Rolling'15 | Var b/w |
|----------------|------------|------------|---------|
| CARDIFF | | | |
| Occ % | 81.6 | 80.4 | 1.2 |
| ARR | 79.63 | 83.49 | -4.6% |
| RevPAR | 64.97 | 67.09 | -3.2% |
| TrevPAR | 110.03 | 112.79 | -2.4% |
| Payroll % | 29.7 | 29.5 | -0.3 |
| GOP PAR | 34.56 | 36.81 | -6.1% |

Average Room Rate (ARR) - Is the total bedroom revenue for the period divided by the total bedrooms occupied during the period.

Room Revpar (RevPAR) - Is the total bedroom revenue for the period divided by the total available rooms during the period.

Total Revpar (TrevPAR) - Is the combined total of all revenues divided by the total available rooms during the period.

Payroll % - Is the payroll for all hotels in the sample as a percentage of total revenue.

GOPPAR - Is the Total Gross Operating Profit for the period divided by the total available rooms during the period.

For more information please:

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Members' Events

15 Mar 2017

Members Meeting & Drinks Reception at ScotHot

Location: Scotland

HOSPA will be running a members meeting and are pleased to have Aoife Roche from STR presenting a full update from 2016 with a forecast for Scotland and Glasgow.

STR is the source for premium global data benchmarking, analytics and market insight. Their data is sourced from over 50,000 hotels worldwide. Learn where to position yourself by truly understanding the market around you.

FREE for all HOSPA Members and only £10 for Non-Members to attend

15th - 16th March
ScotHot

Location: SECC Glasgow

Event Details

ScotHot is Scotland's biggest food, drink, hospitality and tourism trade show. Over the two days, key buyers and decision makers from top hospitality and catering establishments networked with a wide variety of suppliers from all areas of the hospitality, tourism and catering industries.

Toby Wand, Managing Director of Fresh Montgomery, said: "The industry's appetite for ScotHot just continues to grow year on year. As a place where businesses can trade and head hunt, and a platform for chefs to showcase their skills and experts to trade knowledge, it's a beneficial experience for all. We are delighted that ScotHot will once again be the centrepiece of the opening of 'Scottish Tourism Week' and expect to welcome over 100 brand new exhibitors that haven't been at the show before. We are looking forward to a packed two days of activity, bigger and better than ever before."

New features for 2017 include Staff Canteen Live, which will showcase the culinary skills of some of the UK's leading chefs, and Liquid Academy Live which will host a number of inspiring speakers demonstrating innovation in Scotland's drinks industry.

The Scottish Culinary Championships, sponsored by Compass Group, is back for its 32nd year, highlighting the skills of Scotland's next generation of top chefs. Scottish Chef of the Year and Scottish Junior Chef of the Year are just two of the accolades that will be awarded.

The Spotlight Stage, sponsored by Scottish Tourism Alliance, will feature expert speakers from hospitality and tourism businesses, who will share their experiences and insight on some of the hot topics of the moment.

28 Mar 2017

Hotel Marketing Awards 2016

Location: London

Join the great and the good of hotel marketing at the 22nd Hotel Marketing Awards, sponsored by Cvent. This year, the event takes on a brand new dynamic and where better to hold it than at W London Leicester Square. Now in its 22nd year, the Hotel Marketing Awards recognise the best in Marketing and Commercial activity within the UK hotel industry.

Winners will be announced at a fabulous, fun evening at W London - Leicester Square on 28th March 2017, tickets for which will be announced shortly.

For more information, please go to the website
<http://www.hotelmarketingassociation.com>

24 April 2017

Looking from the Guest Perspective. ***What really makes your guests happy?***

Location: Firmedale's Covent Garden Hotel - Fortune Room,
10 Monmouth Street, London, WC2H 9HB

Time: 18:00 - 20:30

Hoteliers are often told that the way to keep a guest happy is to invest in technology, ensure the hotel looks like an interior designers dream and above everything else drop the rates. But is that really what every guest wants, or are those just supplier sales pitches? In a time when the lodging industry is seeing enormous growth in supply, selling a bedroom at a good price is getting harder as we are not only competing with other hotel and apartment operators but also with informal sector operators like Airbnb, Tripping and HomeAway.

So what does your guest really want? We have invited three guest speakers to share their views after which the audience will be able to discuss the topic with the speakers in the form of a panel session. There will be a lot to talk about and we look forward to some interesting discussions.

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ICAEW Tourism and Hospitality
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Smart Report

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Application For Membership



Hospitality Finance, Revenue and IT Professionals

| | | | | | |
|--------------------------------------|----------------------------|----------------------------|---------------------------|----------------------------|------------------------|
| Title (Please tick) | Mr <input type="radio"/> | Ms <input type="radio"/> | Mrs <input type="radio"/> | Miss <input type="radio"/> | Other (Please specify) |
| Forenames | | | | | |
| Surname | | | | | |
| Date of Birth | | | Nationality | | |
| Job Title | | | | | |
| Company Name | | | | | |
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| Home Telephone | | | | | |
| Mobile | | | | | |
| Home Email | | | | | |
| Correspondence Address (Please tick) | Home <input type="radio"/> | Work <input type="radio"/> | | | |

Which grade of membership are you applying for?

You would normally be granted Ordinary status, but if you wish to be considered for a higher grade then please indicate which and ensure you submit a CV to support your application. Corporate membership is available for 5 or more colleagues. Please call +44 (0)203 4188196 to discuss or email hospa@hospa.org.

| | | | | |
|----------------------|--------------------------------|--|---------------------------------|------------------------------|
| Status (Please tick) | Ordinary <input type="radio"/> | Ordinary Student <input type="radio"/> | Associate <input type="radio"/> | Fellow <input type="radio"/> |
| Your Signature | | | | Date |

SAVE THE DATE! HOSPACE 2017

Thursday 2nd November

The Lancaster, London

Hospitality Conference & Technology Exhibition

HOSPA is a Community of Professionals - Promoting the highest professional standards in Financial, Revenue Marketing and IT management in the hospitality industry.

The Conference is an industry leading set of speakers and topics relevant for today's Hoteliers.

HOSPACE is also home to an Industry Specialist Technology Solutions Exhibition – covering all aspects of your Hospitality business.

Who should attend this event?

- Senior Hospitality Business Directors
- Hospitality IT Professionals
- Financial Controllers and Accountants
- Revenue and Distribution Managers
- General and Commercial Managers
- Young aspiring employees wanting to develop their skills & meet with industry specialists

And all those interested in keeping up to date on innovations and trends in the hospitality sector and mixing with the experts!

 Follow us on Twitter @HOSPAtweets for all the latest news on HOSPACE.

