

THE OVERVIEW

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JANUARY ISSUE 2020

HOSPACE Review

A whistle-stop review
of HOSPACE 2019

Featured inside

Natasha's Law:
Preparing for allergen
legislation **P12**

Awards season:
Leading learners **P15**



Welcome to THE VERVIEW

This year's HOSPACE covered a wide range of topics, from the power of (good) data, to female leadership and security.

There was even a podcast, beamed straight into the cloud from the stage. But one topic which returned time and again was that of sustainability, with Serena von der Heyde, owner of the Georgian House hotel in London's Victoria, telling delegates: "If you're a business and you don't care about sustainability, in two years' time you will be running a big risk when it comes to customers".

There is an argument, of course, for saying that the greenest thing to do would be to sit at home and try not to move at all. That is not a practical or desirable solution. So, accepting that we are inclined to roam ever farther afield, what to do?

The global hotel operators have been upping their game recently, as we have reported in these pages, with efforts to eradicate tiny bottles of

shampoo leading the way. Outside the realm of miniature toiletries, brands such as Novotel have championed eco-designed beds made from wood sourced from sustainably-managed forests (FSC certified), as well as bedspreads and pillowcases made from recycled bottles.

But as ever in the realm of hospitality, it is the airlines which are leading the way. So good with queues and online check in, they have now realised that being more sustainable is the next big selling point and both British Airways and easyJet have made recent moves to help us all feel better about leaving the house, be that for work or pleasure.

The number of travellers may be growing and keeping pace with the enthusiastic growth of the hotel sector, but Serena von der Heyde has a point. With brands in particular trying to reflect their tastes of their guests, those who don't make a quantum leap will be left behind.

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



Sponsor of The Overview

A very fortunate event

HOSPA CEO Jane Pendlebury reports from a successful HOSPACE.

HOSPACE went well! We hope you think so too. Judging by the feedback (both formal and anecdotal) it seems HOSPACE was successful on every level. Hoteliers, wider hospitality operators, exhibitors and sponsors alike have all reported back with comments on great learning, fantastic commercial opportunities and quality, enjoyable networking.

We are still in the process of producing video content from the day and we will let members and delegates know via email once they are uploaded on our website. There is a whistle-stop review of the day on pages four and five of The Overview. If you were not able to attend this year, then you can get a feel for the content from reading the report, but there is nothing like actually being there; especially when it comes to the gala dinner. Whilst the atmosphere during the day is business like – there is a lot of sharing of ideas, exchanges of opinions and gathering information – the fun aspect really starts with the pre-dinner drinks, followed by the dinner during which we present four key awards for inspirational leadership in Finance, IT, Revenue Management and Marketing. This year's winners were all truly inspirational and so humble as to be genuinely surprised when they won their awards. We will include a full report on the winners in February's edition but in case you cannot wait to find out:

- Finance (sponsored by BDO) was won by Barry Dawson of Interstate Hotels and Resorts



- IT (sponsored by Tierneys) was won by Robert Henderson from The Doyle Collection
- Revenue Management (sponsored by Right Revenue) was won by Jamie Blackmore from Langham Hotels
- Marketing (sponsored by the HMA) was won by Joi Izilein from The Ritz London.

We had a competition between dinner tables in the form of a quiz, kindly sponsored by Euronet. As Euronet were hosting a couple of tables, we chose not to let Simon Auld (regional MD) have a look at the answers prior to inviting him up on

stage to reveal them but he did a valiant job of pronouncing the names of global winners of Olympic gold medals. Thank you, Simon.

And the magicians! Each year they never cease to delight, impress and surprise. Following the fantastic dinner delivered by The Royal Lancaster's food and beverage events team, the gaming tables opened as did the bar. The rest is a blur of networking, chatter and laughter and, perhaps it would be indiscreet to go into more detail, but if you weren't there, you might want to mark 19th November 2020 in your diary.

And on the subject of diaries – two important dates for January – HOSPA's Professional Development Awards on 23rd January at The Soho Hotel and The Hotel Leaders Conference from Master Innholders on 13th and 14th January.

Jane Pendlebury

HOSPA CEO
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HOSPACE 2019

This year has been a big one for HOSPA, with the association marking its 50th anniversary, as well as celebrating one of its most successful HOSPACE conferences to date.

Jane Pendlebury, HOSPA CEO, said: “As always, we had a jam-packed schedule of speakers and workshops. They were all absolutely fantastic and I’d like to thank them for taking the time to discuss some of the most pressing issues currently facing our industry to the hundreds of discerning delegates who attended this year’s conference.

“There is so much currently going on within the industry, and indeed, outside it, that there was a lot to cover. I hope everyone enjoyed it – certainly the feedback I had was very positive. As always, a huge thank you to everyone who made the event possible, our sponsors, exhibitors, and of course, my wonderful HOSPA team.”

The conference opened with speeches from HOSPA chairman, Chris Upton; HOSPA President and chairman of Lucknam Park, Harry Murray; CEO Jane Pendlebury; and Peter Hancock, chief executive of Pride of Britain Hotels; before talk turned to the current buzzword that is Brexit.

Returning to HOSPACE following their appearance last year were Professor Chris Cows MBE – Eproductive and Professor Andrew Lockwood from the University of Surrey, who reiterated the concerns over staffing for hotels in light of Brexit.

Updating their findings to include 2018/2019, they reported that once again, the number of seasonal hours worked by European staff in UK hotels had significantly decreased.

With EU workers – the majority coming from Poland, which had seen the most significant decrease – providing a third of the hours worked in UK hotels, it was clear many hotels would struggle to replace them. However, all was not lost, as the past four years had seen an increase in the seasonal hours worked by staff from the rest of the world.

Speaking of staff; how best to keep them motivated, interested and engaged? With the make-up of the workforce

changing drastically – by 2025, 75 per cent of the workforce would be Millennials and Gen Z – it was important that attitudes, as well as the tone and language you use to communicate, were changing accordingly.

“Integrity is important,” said Sarah Duncan of Sleeping Lion. “People take pride in the services they provide; they want to work for businesses that stand for more than just making money.

“We have to recognise the generational gap. We need to understand the motivational result of feedback.”

Adam Rowledge from Rowledge Associates added: “The hierarchy is diverted now. Employers should have an open-door policy to speak to employees, not wait for them to come and speak to you.”

Ultimately, your workplace culture should be an extension of your brand. The most attractive employers – with high levels of staff retention – are those that had the most successful culture.

The UK hospitality industry had a diverse workforce, with more than 50 per cent of women, yet only one in five of those in leadership roles were held by women.

Statistical evidence highlights that a more diverse workforce improves performance, said Serena Von Der Hyde from Georgian House Hotel. “Being more representative of the buying public makes you more relatable, with the additional benefit of a larger talent pool to call upon,” she said.

Big brands, such as IHG and Hilton, had already recognised the risk of reputational damage of failing to demonstrate

appropriate diversity and had signed up to the diversity charter.

Serena added: “Calculate your gender pay gap. If you don’t have a gap, shout about it, and if there is one, sign up to the diversity charter and work towards fixing it for everyone and the long-term performance of your business.”

Russell Kett, chairman, HVS London, led a panel on the shifting relationship between owners and brands, where the move away from management contracts to franchise was debated.

Stephen Cassidy, Senior Vice President and Managing Director, UK & Ireland, Hilton, said: “We wouldn’t be able to expand at the pace we’re doing if there was no alignment of interests. There are bumps in the road, like any relationship, but it’s important to have that relationship so you can overcome that.” Cassidy said that some relationships had meant that it made more sense for the owner to have a franchise and a third-party manager at the property than a management contract.

This, it was felt, was helping to bring balance to that relationship. Louise Wallace, partner, CMS, said: “The way I see it, I’m more into marriages than divorces but there are some which fall apart. In the past 15 years there has been more cohesiveness and togetherness.”

One of the issues facing both owners and brands was security, which was on the mind of the panel led by IPPSO’s Chris Phillips, who warned he wasn’t necessarily going to cheer up the attendees. He was proven right, with 100% of delegates raising their hands to say that they expected a terrorist attack within the next year.

Phillips said: “Terrorism is a pervasive problem, it’s not going to go away.” And even away from terrorism, there were issues with attacks from within organisations, from customers committing crimes in rooms, in communal areas, as well as fraud and cyber attacks.

But what could be done? Chetan

“As always, a huge thank you to everyone who made the event possible, our sponsors, exhibitors, and of course, my wonderful HOSPA team.”

Bhanot, GM, The Mandeville Hotel, said: "It's time to take it seriously. The top issue which concerns guests is security. It is our responsibility that our guests feel secure."

Bob Quick from Global Secure Accreditation, said: "I think the industry has responded to travellers who are now looking for reassurance. Certainly the corporate world is requiring more objective proof. I don't think it needs to interfere with service. We believe in the power of hello - a predator will go somewhere else if you encourage your staff to engage with them, appearing to be helpful."

"It's about having a regime of trained people knowing when something is out of the normal and having the confidence to say that's not right."

Technology remained front of mind. According to Chargifi, 50 per cent of people said they would be more likely to visit a hospitality venue if it had wireless charging capabilities, while 17 per cent would make a purchase at the venue simply to charge their device.

Embracing technology was important. Thinking of investing in a mobile app? "Guests' primary need is to check in and check out. If you have one element of functionality in your app, make it this," says Stephen Barr, chief insight officer at Noetic.

But don't try to use technology to solve every problem. Julie Grieve, CEO of Criton, said: "If you're going to introduce technology into your hotel, it's important to talk to your staff about it. Technology is about understanding what your guests want. Can it do the job better? Don't try to over-solve."

The importance of engaging and training your staff properly was not to be underestimated. Technology, while being beneficial, came with its own risks, driven by the 'Careless Caroline' persona – that one person who was relied upon but is ignorant of security – who was responsible, delegates heard, for half of security breaches.

"The insider threat is growing," said Jonny Tennyson from Fortinet. "But it's important to recognise that it's not always malicious. It can be accidental and as a result of staff not following the proper protocols and procedures."

Bim Jinadasa from Vodat International, added: "A 'shut the door' policy around data is best. Whilst you might briefly hold up legitimate activity, the delay while intent is established is better than falling

victim to a malicious breach. Once data is gone; it's gone."

So were concerns around security and GDPR hindering hotels' uptake of cloud-based solutions? It's hard to think of a system within hotels that couldn't be cloud-based. During their live podcast, Cloudbusting Live, the team from Cloudreach highlighted that security is heightened with the cloud and just as secure, however, the adoption was different. Businesses needed to re-understand it.

"Don't put blind trust in your provider," said Bryan Hammer from Belmond. However, the panel, which also included Stephanie Timsit from Magnolia Finance Consulting, concluded that if researched properly, businesses should be adaptable to change – it could result in a total transformation of not just your IT department, but of your business as a whole.

When talking about transforming business – and indeed revenue – there was no moving away from the discussion around OTAs.

Frank Reeves from Avvio said: "For the customer journey, a lot can happen during a session, but it apparently takes eight 'moments' to deliver a direct booking – approximately 70 hours after their first website visit – so it's important that your website is optimised to engage with the customer and bring them back. Treat your customers like VIPs, target them throughout their journey with information that's useful."

"OTAs are moving away from being a stand-alone booking platform, investing in economies of scope and expanding to provide more, as Google grows and develops its booking offering."

Adrienne Hanna, founder and CEO of Right Revenue, added: "OTAs do some good stuff, but where did it all go wrong? We panicked and jumped into bed with the wrong person; rate clarity is the biggest struggle in our industry – OTAs are undercutting us. It's all about your competitive set. Make sure the right messages are in front of the right people."

Don't underestimate the influence of revenue management either, says Adrienne: "Revenue management affects every single part of your profitability and influences the whole customer journey from beginning to end. Revenue managers should be pulling every department together."

Looking strategically at demand was key when it came to managing total revenue.

Heather Hart from RevExcel said: "Better data is key to better revenue management. It allows for accurate demand forecasting – this needs to be captured and used effectively. Start with a few KPIs. What are the measures that need to be tracked to help drive this business forward?"

Following the conference, Harry Murray, HOSPA President, said: "The conference has been excellent, it's covered trends, issues affecting the hospitality industry and I've found the whole day interesting. Today's event was better than ever."



Clearing the mists

They say that all good Revenue Managers always carry two things: a calculator to crunch the numbers and a crystal ball to predict the future. So here is my attempt as a fortune teller and my own personal thoughts on how the industry will change in 2020.

1. A move to focus on TrevPar

We are all used to managing our business on ADR or RevPar but is this really enough? Absolutely not. As our challenges with distribution increase, along with our Cost of Customer Acquisition (COCA); with the need for increased digital spend; PPC, re-marketing and meta spend increases expected, understanding your true costs will be business-critical. It never ceases to amaze me that so many hoteliers don't work out their true costs and have given their teams little clear direction on 'walk it' rates but crunching those numbers and understanding perimeters for Last Room Value (LRV) must be the starting point for measuring TrevPar. Once you have a true handle on costs, then measuring incremental spend per segment is your next challenge. Imagine the power you would have if you understood exactly what each segment was costing to acquire and how much incremental spend you could expect? Now that is the power of revenue.

2. Increased reliance on technology

We all know that 'every pound is a prisoner' and that it is all of our jobs to increase the bottom line. If this is truly the case, then take your revenue manager out of spreadsheet hell and allow them to become a strategist! And to do that, for goodness sake invest in technology. Whether that is a revenue management system, a CRM, channel manager or effective PMS, please redress the balance and spend a little more on systems that will actually benefit your whole business strategy. I promise your business will benefit immediately.



3. Distribution Landscape

The one to watch in 2020 is Google. They may not position themselves as an OTA but they certainly behave like one. Google recently announced that all travel related sites will be pushed further down the rankings so that they can dominate search, and we saw the effect immediately with an instant and serious loss of profits for Expedia. Add this to the fact that they know more about our customers than anyone else - their travel behaviour and their spending potential and we have a global power-house right on our doorstep - literally! They are changing our distribution landscape and my advice is to watch this space...

4. Rate parity is disappearing

Not only do we have to cope with inflated commission levels and the ever-increasing number of under-hand practices unveiled

daily by OTA's, we now have them very openly under-cutting our rates. Mix this with confidential rates being leaked into the public domain, and I believe 2020 will be consumed with price wars. My advice is to be very careful who you 'jump into bed with'. Go through every contract with a fine-tooth-comb and be very aware of what you are signing up to. Ensure your team is bought into your revenue strategy and that they can quickly spot rate under-cutting, as every price that is undercut is affecting your valuable profit.

5. Guest expectations

A quote I use frequently - 'the future belongs to those who hear it coming', the question for 2020 will be, do you hear it? Some industry leaders are suggesting that our guests are actively seeking a 'hotel/AirBnb' hybrid; a wonderful and unique experience but with comfort, security and style. Providing a bedroom

is simply no longer enough, are you ready for that shift in buying behaviour? It is right around the corner.

6. Ethical buying

We have a huge amount to thank David Attenborough for. His series 'Blue Planet' brought it home to most of us, just how wasteful we all are and that we are in fact not 'entitled' to do what we want with this earth but that we actually purely custodians. This shift in ethics has and will continue to have an impact on your customer's buying decisions. Removing plastic straws is no longer enough. Do you have an open and honest environmental policy? Are you already ahead of even your customer's desire for more ethical food choices? I hope so...

7. Events Revenue Management

Often neglected when we talk about Revenue Management but understanding your profitability in this very lucrative sector should be at the forefront of your strategic planning in 2020. As an example, I often hear 'we are 10 weddings down compared to last year' but in real terms, what exactly does this mean? The questions you should be asking are: 1) what value did your weddings have last year 2) how many 'eaters' compared to 'sleepers' 3) what was the overall value last year 4) what is the overall value this year 5) what potential business have you lost this year in total revenue terms, NOT just total number of weddings. In essence, you need to stop evaluating your business at a high level and start digging deep into the figures. The future of Total Revenue Management lies in having a great handle on ALL of your business.

8. Retaining Talent

Hospitality is hard work... Those of us who love this industry are used to working long hours and often in very stressful circumstances but the truth is that for many of us, it is our 'normal' and we wouldn't change a thing. However, as we learn to cope with Brexit, Generation Z, and cope with more competition in our area, the staffing issue will, I believe, become more of an issue in 2020 than ever before. As an industry we need to learn to invest in our teams, reward in

new ways - which often isn't monetary but could take the shape of training, more flexible working, removing zero-hour contracts - all of which will benefit the industry as a whole. We are nothing without the people around us, so 2020 is the time to show that.

9. Personalisation

This is a buzz word that has been around for a while and whether we like it or not, it is here to stay, but what exactly does it mean and how do you tread that thin line of personalising a stay and not seeming to be intrusive? This journey often starts with your website and your booking experience and there are some great providers who specialise in this space. But over and above that, what are you doing as a hotelier to recognise your guest's needs? My advice is to stop thinking like a hotelier, and start thinking as an experience provider. As I said above, we need to stop believing we are providing a room for the night (gone are the days), our guests want more than that, and 2020 will bring a year when we need to be pro-active rather than re-active

10. An end to silo-working

is this too optimistic? I hope not. I still see so many hotel departments that are all consumed by their own targets, focusing on their own GOP and that rarely focus on the big picture of Total Revenue Management. Make 2020 the year that

you give overall targets. Make 2020 the year that you improve communication between your teams. Make 2020 the year of great teamwork.

The truth is that we all have the privilege of working in the most dynamic and exciting industry in the world (in my humble opinion). Change happens almost daily and often we told that we don't react quick enough. 2020 will bring, I believe, one of the most exciting and challenging years we have ever faced... Let's hope we are ready for it!

About Right Revenue

Right Revenue is a Data Analysis, Demand Forecasting & Rate Recommendation Software Solution, designed specifically for the independent hotel sector.

Right Revenue was developed by Adrienne Hanna after 15 years' experience as a Revenue Manager. Still actively working with hotels and consulting on 'all things revenue', Adrienne was keen to build a system which solved a problem in an industry that she was passionate about. The challenge was to design a software solution that took the myth out of revenue management and simply presented data and forecasted demand along with rate recommendations, all within a visual and easy to use revenue solution.

At Right Revenue we understand that one of the biggest problems we all face is our industries difficulty to present all relevant data in one place. Our vision is to solve that problem by ensuring you have all the relevant internal data (how your own hotel is performing) as well as all the external influences that influence business decisions, all in one business dashboard. We aim to make your job as straightforward as possible, and to save you lots of time as well.

We interface with your Property Management System and multiple external providers to ensure all of the data that you need to make a decision on revenue is presented in one simple dashboard. Your data is updated in real time, ensuring that you always have the correct information at hand. Every day we run multiple layers of machine learning to analyse your trends and booking patterns; this in turn allows us to make recommendations on rate strategy, which in turn will drive profit straight to your bottom line.

This shift in ethics has and will continue to have an impact on your customer's buying decisions. Removing plastic straws is no longer enough. Do you have an open and honest environmental policy? Are you already ahead of even your customer's desire for more ethical food choices? I hope so...

How to transform your hotel's marketing with storytelling

Let's face it. In 2019, your hotel brand competes not only with other hotel businesses but also with non-traditional accommodation businesses. Modern customers, especially Millennials and Generation Z, are seeking more authentic experiences, and they tend to choose an Airbnb to stay rather than a hotel.

If you want to beat the competition, you should build brand authenticity with the help of storytelling. You should create stories that will make travellers believe that your hotel can offer an interesting, one-of-a-kind experience.

In a nutshell, brand storytelling is about writing stories that promote the values that your company and your customers have in common. To use storytelling means to use a narrative to connect the brand to the target audience.

How storytelling can help your hotel brand?

Storytelling can benefit your hotel business in numerous ways. If appropriately applied, storytelling helps brands to achieve the following goals:

- Increase reach and boost engagement on social media
- Raise brand awareness
- Improve brand loyalty
- Generate higher revenue
- Stay competitive in the long run

Define the narrative

The first thing you should do to create a good story is to define the storytelling elements: characters, setting, conflict, rising action, climax, and dénouement.

The main characters in your brand story can be your customers, your partners, your employees, or the founders of the

company. It all depends on what specific values you want to promote. And you are free to choose any settings and any conflicts – whatever appeals to your target audience the most.

Be your authentic self

If you want to achieve success, don't try to copy famous hotel brands. Your hotel business is unique, and you should find a way to show that to your customers. You should focus on the strengths and values that your target audience appreciates the most.

Let's say you run a small eco-hotel, and you can't boast with fancy amenities. But you can boast with the food you serve to your guests – 100% organic fruits and vegetables sourced from local farms.

You can write stories about the local farmers who deliver organic strawberries to your kitchen. Or, you can share stories of your happy guests who escape big cities to enjoy those delicious, aromatic berries and to listen to birds singing.

People do love stories like these! And if you find the right words to capture the customers' imagination, you will be amazed at the results.

Take advantage of visual storytelling

As a famous saying goes, a picture is worth a thousand words. And it's so true when it comes to brand storytelling.

If you want to create a good story, you should use not only words, but also images, graphics, and videos. You should present your rooms and amenities in a brand new way to capture the attention of your customers.

"Human brain processes visual data better and faster than text. So if you use Instagram-worthy photos in combination with riveting narratives, you will double the effectiveness of your marketing efforts," says Marie Fincher, a head of content at TrustMyPaper.

Collaborate with influencers

If you want to create great content for social media, collaborate with the influencers who are famous among your customers. Invite popular bloggers to visit your hotel and ask them to share their experience using storytelling techniques.

Keep in mind that it's important to choose an influencer who shares the same values as you. For instance, if you run a hostel somewhere in Guatemala, you should collaborate with backpacking influencers. But if you run a luxury boutique hotel in the Bahamas, you should partner with fashion bloggers or luxury travel bloggers.

If you want to see how other hotel brands use storytelling to boost engagement on social media, check out the following Instagram post by Marriot. It's a great example of how to use social media for storytelling.

Hire a storyteller

If you want to create a story that is worth publishing, hire a professional. Seriously. Don't force an in-house content creator, or digital marketer to complete this challenging task. If your employees do not have experience in storytelling, they have no chances to create a masterpiece.

Only a storytelling guru knows how to make your hotel brand stand out. There are plenty of platforms that you can use to find a qualified writer: Upwork (the biggest international freelance platform), Studicus (online writing service), Fiverr (another popular freelance platform), and GrabMyEssay (another reliable writing service).

Create a sequence of stories

If you want to transform your hotel's marketing with storytelling, it's not enough to write the one story only. You should create multiple stories that maintain a specific theme.

Let's say you want to share your employees' stories with your target audience.

Instead of writing one long article that tells a few different stories, do the following:

- Create a few posts for Instagram or Facebook (each story must be devoted to one chosen employee)
- Publish one post per week (for instance, share a story of one of your employees every Monday during a month or two)

This simple trick will help you to boost your marketing efforts and get the most of storytelling.

Proofread your story

And the last, but not the least important advice to you: always proofread the text before publishing it online. Whether you write a story for "About Us" page or create a short caption for an Instagram post, proofreading is a must.

Your brand story must be perfect in terms of grammar and syntax. If you need help with proofreading, check out the following online services: Grammarly (automatic grammar checker), BestEssayEducation (writing and

proofreading service), Ginger Software (another grammar checker).

Wrap it up

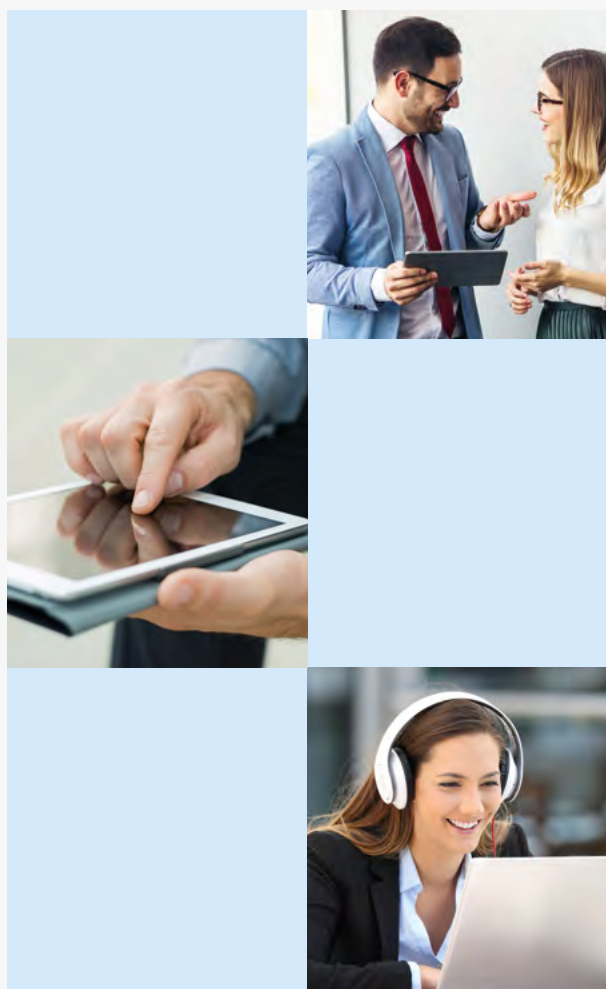
Competition in the hospitality industry is getting more and more intense. And if you want to keep your hotel business afloat, you should use storytelling to create an authentic brand.

You should share stories of your customers, employees, and business partners to show what values you promote and what mission you want to accomplish. Be open with your customers, be creative, and you will get your brand noticed.

About the author

Kristin Savage is a content manager and editor at IsAccurate, a website with translation services reviews. She writes for WowGrade and SupremeDissertations and contributes occasional articles to reputable blogs and magazines.

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The Art of Personalisation: Your Key to Competitive Differentiation

With the average consumer being exposed to sometimes hundreds of advertisements each day, business success in such a highly competitive market requires hoteliers to be flexible and to adopt new strategies. Across the industry, at properties small and large, the guest experience is the product and, for those who are in-the-know, managing that experience is a strategic differentiator.

A recent study carried out as part of research into industry opinion on the state of hospitality infrastructure questioned 300 senior hospitality professionals across 184 properties. For approximately 25 per cent of hoteliers, delivering a relevant experience is paramount to exceeding guest expectations and yielding repeat business. Guest Experience Management (GEM) is not a new concept; nevertheless, it requires striking a balance that combines the latest technologies with existing infrastructure. A successful GEM strategy depends on the organisational culture and supportive processes, placing the guest at the centre of every decision and breaking down information silos to achieve a holistic view of each guest. Armed with guest profile data, operators can offer services that are most appealing to each guest.

Is guest personalisation really that important? An independent survey revealed that consumers expect timely, knowledgeable and personal content, with 72 per cent saying they are frustrated when they receive generic advertising offers that do not relate to their interests or past purchases. Furthermore, the

survey indicated that consumers are four times more likely to respond to an offer if the offer takes their personal preferences into consideration.

Getting Started: How well do you know your guests?

Do you know your frequent visitors? How much they spent during their last stay? What amenities they prefer, or which services they used? Hoteliers who demonstrate such knowledge about the guest comes across as authentic and will stand apart from those who employ rudimentary practices. We all enjoy being acknowledged by name when ringing the concierge for a dinner recommendation and, in fact, we tend to desire more as time goes on. When it comes to meeting guests' overwhelming desire for personalisation, it requires them to share some amount of data with hoteliers. Data is the fuel that powers truly a personalised interaction.

Is your data strategy guest-centric?

Without question, data privacy is a top priority. But that doesn't mean

hoteliers are sacrificing data collection altogether – or that guests must forego personalised attention. Firstly, guests should not have to provide all their personal information. It falls squarely on hotel operators to use the data that is shared with them responsibly and wisely. Secondly, hoteliers must be transparent about the intended use of the data. Communicate the choices guests have when it comes to how their information will be used and managed. Creating this sense of trust is a great starting point

An independent survey revealed that consumers expect timely, knowledgeable and personal content, with 72 per cent saying they are frustrated when they receive generic advertising offers that do not relate to their interests or past purchases



for a data collection and management strategy that protects privacy rights while still being guest-centric. Typically, people who provide their data and consent to its use understand why it is being requested, and most will appreciate that it helps brands uncover personal preferences, ultimately, delivering a desired guest experience.

What are the emerging trends?

A recent report indicated that millennials will account for as much as 75 per cent of all hotel guests by 2020. Not surprisingly, 1 in 4 of those surveyed as part of the GEM study said more in-room services and technology are essential in ensuring their property's competitiveness, followed by predictive analyses of guest information. Accommodating this market shift while remaining relevant requires brands to have a strategy. Consequently, they can turn toward technology to ensure that guests of all demographics feel appreciated and valued.

The challenge of software integration is equally critical, as most guests expect hospitality environments to be

technologically-savvy. Indeed, over a third (37 per cent) of hoteliers see integration with existing technologies as the most desirable attribute of any property management system (PMS), highlighting the growing importance of technology inclusiveness in managing the guest experience. A further 31 per cent of those questioned agreed better integration capabilities would be the top area they'd most like to see improved, while a quarter identified the need to integrate multiple platforms as their property's main strategic goal for technology investments. From apps to social media, integration of technology is essential for engaging guests where they spend much of their time – online. However, it's important to note that technology alone cannot deliver the desired outcomes. Personalisation, optimising staff productivity, and data integration are also essential differentiators – ultimately, successful GEM and strategic differentiation depend on creating and implementing a guest-centric culture across the property.

Finally, the ever-increasing popularity and guest demand for tech-based amenities, such as free Wi-Fi, no longer

sets it apart as a differentiator. Instead, mobile and self-service technologies offer the promise of innovative guest experiences. Younger, digitally-driven generations expect greater conveniences, like direct SMS communications with a brand, placing F&B orders from their devices, and of course, property interaction over social media, all of which are becoming the standard in everyday life when travelling and dining out.

Hospitality technology is continuously advancing, so it's no surprise that the ability to integrate it is a leading choice among hoteliers. This reflects the understanding within the hospitality industry that delivering guest-centric engagement requires not only the real-time combination of data from disparate systems but also analytics that reveal anticipated behaviours and actionable guest expectations. Guests are paving the way for more inclusiveness when it comes to digital interaction. As personalisation becomes ever more standard, we're likely to see technological developments continue pace in this area. **By James Slatter, Managing Director Agilysys EMEA**

Time to react

Natasha's Law, which covers food allergens, does not come into force until Summer 2021, but the sector should take note of requirements, which could find their way onto restaurant menus, says Katherine Doggrell.

Earlier this year the government backed the FSA's recommendation to implement a full ingredient list on all pre-packaged foods for direct sale. The legislation, also known as 'Natasha's Law', after the tragic death of Natasha Ednan-Laperouse, who died after eating a sandwich from Pret a Manger, will come into force in 2021.

While this law may not affect many in the hospitality sector directly, growing awareness of the dangers of allergens means that it is likely only a matter of time before restaurants are also required include a full list of ingredients, beyond asking servers to relay information.

Currently restaurants need to tell customers if any food products they sell or provide contain any of the main 14 allergens as an ingredient either via a menu, chalkboard, information pack or verbally through staff members.

The 14 allergens are:

- celery
- cereals containing gluten – including wheat (such as spelt and Khorasan), rye, barley and oats
- crustaceans – such as prawns, crabs and lobsters
- eggs
- fish
- lupin
- milk
- molluscs – such as mussels and oysters
- mustard
- tree nuts – including almonds, hazelnuts, walnuts, brazil nuts, cashews, pecans, pistachios and macadamia nuts
- peanuts
- sesame seeds
- soybeans
- sulphur dioxide and sulphites (if they are at a concentration of more than 10 parts per million)

Commenting on 'Natasha's Law', Food Minister Zac Goldsmith said: "This is a significant moment for the millions of allergy sufferers in England and a fitting tribute to Nadim and Tanya Ednan-Laperouse's tireless campaigning. The introduction of this law will make it easier for allergy sufferers to make clear, safe choices when buying food."

'Natasha's Law' will come into force in October 2021, giving businesses a transition period to prepare for the new rules. Currently, the law does not require PPDS food to carry allergen information on the packaging.

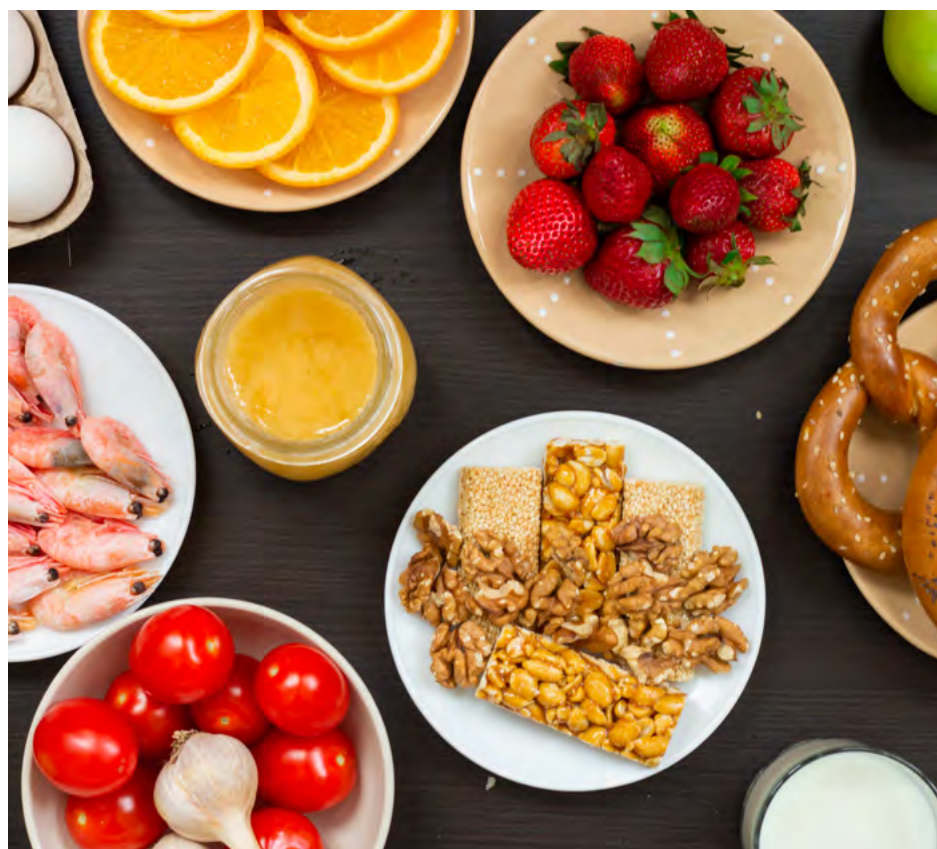
From 1 October 2021, PPDS food will need to have a label with a full ingredients list with allergenic ingredients emphasised within it.

According to the new rules, PPDS food will have to clearly display the following information on the packaging:

- name of the food,
- full ingredients list, with
- allergenic ingredients emphasised (for example in bold, italics or a different colour)

The Food Standards Agency Chair, Heather Hancock said: "This is an important and welcome step towards our ambition for the UK to become the best place in the world for people who have food allergies and intolerances.

"I encourage businesses large and small to work with the Food Standards Agency to get this right. Success will mean more choice and better protection for the millions of people – our families,



friends, colleagues and neighbours across the UK – who have food allergies.”

The reforms cover labelling requirements for foods that are prepared and packed on the same premises from which they are sold – such as a packaged sandwich or salad made by staff earlier in the day and placed on a shelf for purchase.

Food businesses across the country have already taken steps to improve food labelling and outlets are being urged to do all they can ahead of the implementation date to help consumers make safe food choices.

These changes will apply to businesses in England, with similar arrangements expected to follow in the devolved nations to provide a UK-approach to protecting consumers.

Allergy UK CEO Carla Jones added: “We are delighted with the news that Defra’s labelling review backs mandatory full ingredient labelling for pre-packed direct sale food. This move towards full ingredient labelling for pre-packed direct sale food will improve the lives of the allergic customer and it is warmly welcomed here at Allergy UK.”

Since the law was announced, the death of Owen Carey, who died from anaphylactic shock after unwittingly eating Byron Burger’s buttermilk marinated chicken, saw his family demand a change in the law to compel eateries to display full and clear allergen information on menus.

Assistant coroner Briony Ballard, who investigated Carey’s death, said that unless action was taken around food allergy information, “there is a risk that future deaths will occur”. Ballard said that she was concerned about the lack of a national register recording severe food anaphylactic reactions.

She said: “I was told in evidence that despite faster ambulance response times, a greater awareness of allergies and a greater distribution of EpiPens that the death rate for severe food anaphylaxis remains static. This is attributed in part to the fact that little is known about these deaths because thus far there has been a failure to collect any learning from these tragedies.” Ballard queried why a “simple red A” couldn’t be included in menu listings.

Byron’s chief executive officer Simon Wilkinson supported the coroner’s suggestion.

UKHospitality pointed out that it was not as easy as a matter of declaring ingredients. Dr Lisa Ackerley, the organisation’s food safety adviser, said: “I have just read a report of a test purchase of a dish in restaurant being made by Enforcement Officers to determine whether a meal actually contained peanuts following a request for the meal to not contain peanuts. This request is different to one that asks for information about ingredients in a dish, because the tests will be for contamination from allergens, which could be in very small quantities.

“For some people, even the slightest trace of an allergen can cause the life-threatening illness of anaphylactic shock. Therefore it is important that businesses serving food are aware that if a customer asks for a meal to be free of a particular allergen – rather than simply asking about the ingredients in a menu item – that your team then takes care to convey exactly this message to back of house staff, to ensure that not only does the meal not contain the allergen as an ingredient, but also that all possible measures have been taken to ensure that there is no contamination. This means that not only do your back of house team need to prepare food with utmost care, but you will need to ensure you have clarification from your suppliers on items where they have declared that the food product was made in a factory preparing allergenic ingredients, or that it ‘may contain’ an allergen – get it wrong and this could result in traces of allergen appearing in your foods.

“If asked, and you have replied that a food is free of an allergen, and it is subsequently found to have contamination from the allergen, an offence could have been committed because the food is not what it says it is. This is particularly difficult as businesses have to rely on the accuracy of information from their suppliers. To be sure, ensure that you have had a conversation with your supplier in advance if they have a “may contain” or any other disclaimer.

“You may need to assume if it says ‘may contain’ that it actually does contain the allergen. Or you can discuss this with your guests and let them make the decision based on the information you

“If asked, and you have replied that a food is free of an allergen, and it is subsequently found to have contamination from the allergen, an offence could have been committed because the food is not what it says it is. This is particularly difficult as businesses have to rely on the accuracy of information from their suppliers.”

have provided. If in any doubt that you can provide an allergen-free meal, it is better to say you cannot provide the meal, rather than risk causing illness or being prosecuted. It is not an offence to say that you cannot be sure and do not want to serve someone. I know that no-one wants to turn away business, but better that, than the consequences of inadvertently serving up an allergen to an allergic customer or enforcement officer.”

Commenting on calls for information to be included in menus, UKHospitality CEO Kate Nicholls told The Guardian: “Hospitality and particularly high street restaurants are under intense cost pressures and are struggling. We’ve had a number of high-profile casualties on the high street. Those businesses operate on tight net profit margins. And there’s no doubt some would not be able to cope with any significant change in their cost structure.

“Ingredient declarations on the menu isn’t necessarily straightforward, and won’t necessarily protect all of our customers. We’re keen to keep our customers safe, and do the right thing and that comes down to two-way communication. So much of this can be affected by the way in which a product is cooked or prepared, not just about the raw ingredients.”

With the number of people affected by food allergens on the rise, restaurants must find a way to address concerns and reassure customers that they are safe to visit.

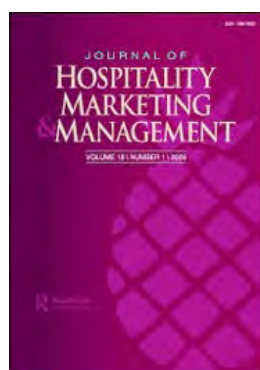


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Take a bow

Highest Achieving 2019 prize-winning Hospitality Financial Management and Revenue Management learners named by HOSPA.

We are delighted to reveal this year's highest achieving prize winners across its Professional Development Programmes in Financial Management and Revenue Management.

The prize winners are those learners who have achieved the highest grades during their studies in Financial Management and Revenue Management with HOSPA during courses completed in February 2019 and August 2019.

The winners will be presented with their awards and certificates by HOSPA President, Harry Murray MBE, during the association's Annual Learner Awards Ceremony, which is due to take place on 23rd January in the Screening Rooms at the Soho Hotel, London.

Alongside the winners, the prestigious 'Overall HOSPA Learner of the Year Award Winner for 2019' in both Financial Management, sponsored by FM Recruitment, and Revenue Management, sponsored by Edwards & Finn, will also be announced during the ceremony. These top awards are based on the highest combined course work and examination results, recorded in the 2019 HOSPA Financial Management and Revenue Management courses.

The 2019 HOSPA Professional Development Learner Award winners are as follows:

Financial Management prize winners, completed in February 2019, were:

Stage 1: Introduction to Financial Accounting

Sarunas Spakovas, Finance Assistant, The Sloane Club, London

Stage 2: Operational Management Accounting

Simon Bickle, Assistant Cluster Financial Controller, Crowne Plaza Plymouth, Devon

Stage 3: Strategic Management Accounting

Maria Gutierrez Mondragon, Accounts Assistant, Delta Norton Park Operations Company Ltd, Winchester (at the time of her studies)

Financial Management prize winners, completed in August 2019 were:

Stage 1: Introduction to Financial Accounting

Martin Jessop, Commercial Banker, Coutts, London

Stage 2: Operational Management Accounting

Jennifer Miller, Payroll & Cashier Executive, Fairmont St Andrews, Scotland

Stage 3: Strategic Management Accounting

Simon Leech, Food and Beverage Cost Controller, Sheraton Grand Hotel & Spa, Edinburgh, Scotland

Revenue Management prize winners, completed in February 2019 were:

Level 1: Introduction to Revenue Management

Leanda Laughey, Revenue Manager, Coombe Abbey Hotel, Coventry

Level 2: Operational Revenue Management

Kasia Serafin, Revenue Manager, CitySuites Manchester

Level 3: Strategic Revenue Management

Andrew Bunting, Commercial Analyst, Amaris Hospitality Ltd, London

Revenue Management prize winners, completed in August 2019 were:

Level 1: Introduction to Revenue Management

Anastasiya Dyuzheva, Corinthia Hotel London (at the time of her studies), now working at Sanderson and St Martins Lane Hotels, London

Level 2: Operational Revenue Management

Leanda Laughey, Revenue Manager, Coombe Abbey Hotel, Coventry

Level 3: Strategic Revenue Management

Sarah Artis, Group HR and Revenue Manager, Best Western Ship Hotel, Weybridge

During January's awards ceremony there will also be a panel debate chaired by Professor Peter Jones MBE, Chairman of the HOSPA Professional Development Committee, which will discuss the education needs and recruitment of hospitality finance and revenue managers. Expert input will be provided by Thomas Finn from Edwards and Finn and Chris Denison-Smith from FM Recruitment.

HOSPA will also recognise two organisations for their commitment to education in the fields of Revenue Management and Financial Management. The association is the UK's leading education provider for hospitality professionals working in Financial Management and Revenue Management, providing skills and knowledge for those seeking to excel in their careers in the commercial side of the hospitality business.

Debra Adams, Head of Professional Development at arena4finance (HOSPA's education partner), said: "The awards ceremony will be an excellent occasion to mark the hard work of all of those who

The winners will be presented with their awards and certificates by HOSPA President, Harry Murray MBE

have participated in the HOSPA courses and, in particular, those who have excelled in their respective fields. It's our first year of hosting the awards at the Soho Hotel, so we're very much looking forward to experiencing the wonderful venue.

"We're extremely proud of all of our learners and prize winners, who have worked exceptionally hard over the last 18 months to maintain a high level in their studies while continuing to work in demanding and fulfilling roles on a day-to-day basis.

"Participation on our HOSPA courses is growing year on year and it's great to see so many hospitality professionals benefiting from the learning that's on offer and then applying it in turn to develop their capabilities in their full-time industry roles. 2019 was yet another supremely successful year for our HOSPA learners and we're very excited to bring a new course in Asset Management online in 2020."

About FM Recruitment

FM Recruitment are hospitality finance

recruiters who are ongoing and long-standing supporters of HOSPA. As experts in their market, Chris Denison Smith and Andrea Shaw are best placed to offer professional advice and support to candidates and clients alike. We regularly mentor hospitality graduates, as well as providing ongoing support and career advice to senior finance individuals.

Working with many of the major hotel & restaurant brands, owners and asset managers in the hospitality industry, our network reaches across Europe, Middle East, Africa, SE Asia and the Caribbean.

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For more information, visit:
<https://fmrecruitment.co.uk/>

About Edwards & Finn

Edwards & Finn is the specialist in revenue management recruitment, focussing on the development of the commercial leaders of tomorrow. Their clients consist of the largest

hotel brands in the world, smaller hospitality groups, hotel management companies and prestigious single properties. They create tailored development plans and workshops with the top universities and institutes in the world to secure students their desired first job.

Due to their market knowledge and vast connections, Edwards & Finn are able to offer solutions to candidates ranging from graduates looking for their first role through to senior level revenue professionals.

For more information, visit:
www.edwardsandfinn.co.uk

To attend the HOSPA Annual Learner Awards Ceremony on 23rd January, tickets cost £50 per person. For bookings, email: education@hospa.org. The deadline date for enrolment for the next intake for both the Financial Management and Revenue Management programmes is 9th March 2020. For more information, visit: www.hospa.org/professionaldevelopment; or email: education@hospa.org

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No and low alcohol sales soar as buyers moderate drinking

New report from CGA reveals growing interest in healthier beers, wines and spirits ahead of Dry January.

As drinking nears its peak over the festive season, new research from CGA reveals that sales of no and low alcohol drinks are rising too, thanks to increasing numbers of consumers moderating their intake.

The exclusive new report from CGA, 'Understanding Moderation in the On-Trade', shows that one in three (32%) adults has now tried a no or low alcohol beer, wine or spirit in the last six months. That equates to some 15.5 million consumers, with another 8.9 million saying they find the category appealing.

CGA's data shows that sales in the no and low alcohol category have increased by 48% in the last 12 months to more than £60m a year. Growth for completely alcohol-free options has been even higher at nearly 80%, and alcohol-free 'mocktails' or 'virgin cocktails' have been a particularly thriving segment.

With only 9% of those who drink no and low options classifying themselves as teetotal, the report suggests that these drinks are an alternative for people who want to moderate their intake, rather than a permanent substitute. A growing interest in health is one of the chief reasons why people steer clear of alcoholic drinks on occasions, and sizeable numbers say they experiment with no and low choices to see what they taste like.

But while a flood of new no and low alcohol beers, wines, spirits and cocktails have arrived on the market lately, CGA's new report reveals significant headroom for growth—starting in the new year.



More than four million people signed up to the Dry January campaign in 2019, and that number is expected to rise in 2020, pushing no and low alcohol drinks firmly into the mainstream.

CGA's senior consumer research manager Charlie Mitchell said: "Our report shows there is huge potential for operators and suppliers to capitalise on the growing number of moderators. With even more people likely to cut back

on booze after the Christmas excesses, producers, operators and suppliers are queuing up to jump on the opportunity with an ever-increasing range of no and low alcohol alternatives. With many consumers eager to trial them out of curiosity, along with the evident health drivers associated, the challenge will be to build loyalty and repeat trial in a market where it is increasingly hard to stand out."

Food price inflation to make Christmas dinner 2019's the costliest yet

Ingredient prices of festive favourites including turkey, ham, potatoes and sprouts continue to rise, the CGA Prestige Foodservice Price Index reveals.

Supply issues are driving up the wholesale prices of Christmas dinner essentials, leaving operators and consumers facing higher costs over the festive period.

The exclusive monthly Foodservice Price Index from CGA and Prestige has tracked steady price rises in key food and drink items for several years now—and problems with production this year have accelerated inflation in the turkey market in particular.

Many UK and European producers reported falling profits in 2018, and French firms, who supply a large proportion of the hatching eggs used by UK breeders, say high temperatures in the summer have led to eggs being lost at a much higher rate than usual. Alongside decisions by some producers to switch from turkey to chicken sheds, it has led to substantial reductions in supply—and, as a result, higher prices.

Major challenges in the pork industry are expected to push up the cost of Christmas ham, too. The outbreak of African Swine Fever sweeping Asia and parts of Europe is forecast to result in the culling of a quarter of all pigs worldwide, and the pressure on supply means whole-pig prices rose by more than 10% between March and October.

Vegetable supply has meanwhile been hit by wet weather and floods in recent weeks,

affecting final harvests of potatoes and other seasonal vegetables including cauliflower and cabbage. With the UK self-sufficient in fresh potatoes, this is likely to cause sentiment of lower output and therefore could drive prices up in the lead-up to the peak Christmas season. Brussels sprouts harvests are being similarly affected.

To avoid the stresses of the big festive food shop and cooking, a growing proportion of people are heading out for their Christmas dinners. Separate research for CGA's Christmas Report shows that 70% of consumers visit a restaurant over December, with nearly as many (64%) using pubs and one in five (23%) visiting bars. The report, which is available now from CGA, highlights the need for operators to make the most of the month by engaging guests with a compelling Christmas offer that secures their loyalty into 2020.

CGA Client Director Food and Retail Fiona Speakman said: "Our Index has shown a pretty relentless rise in food and drink inflation for the last three years, and with such pressure on businesses throughout the foodservice supply chain, it is inevitable that cost increases reach consumers too. While some competition between retailers may help to soften the inflation, many people will find their Christmas shopping trollies put a big dent in their festive spending."

Shaun Allen, CEO of Prestige Purchasing, added: "This is an expensive time of year for consumers, so the increasing costs on a number of traditional Christmas dinner items will be extremely unwelcome and will put pressure on margins for both operators and retailers in order to keep the costs down for customers over the festive period. With turkey and ham prices on the rise, demand for alternative meats such as beef could see a surge this Christmas."

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Rough start to final quarter

Like the three that preceded it, the final quarter of 2019 started with a year-over-year fall in profits per available room in the UK, according to data from HotStats. The 5.3% YOY drop in GOPPAR in October was only surpassed by the 9.4% plunge recorded in April, and marks the seventh month in the year to record a YOY contraction in profits.

A small 0.1% YOY uptick in average room rate was not enough to offset the effects of declining occupancy, which dropped by 2.2 percentage points YOY. As a result, RevPAR fell by 2.3% compared to the same month last year—the biggest cutback for this metric in 2019.

Led by a decrease in F&B revenue per available room (down 0.7% YOY), non-rooms revenue also took a hit in October, recording a 1.0% YOY fall. With declines across all major revenue centres, total revenue per available room dropped by 1.9% YOY.

The inability of UK hoteliers to control costs intensified the negative effects of a shrinking top-line. Labour costs increased by 2.2% YOY on a per-available-room basis, while overheads grew by 0.2%. This contributed to widening the profit gap between 2019 and 2018, with YTD 2019 profit per available room lagging 0.8% behind YTD 2018.

Profit conversion in the UK was recorded at 39.8% of total revenue.

Cardiff is a happy exception to the overall negative results in the UK, and the 9.0% YOY increase in GOPPAR achieved in October marks the third consecutive month of profit growth in the city.

This profitability boost was driven by a strong top-line. Fueled by YOY growth in occupancy (up 1.5 percentage points) and average rate (up 5.0%), RevPAR achieved a 5.0% increase compared to the same month of last year. F&B revenue per available room also exhibited a positive

trend, climbing by 2.0% YOY. This resulted in a 3.1% YOY growth in total revenue per available room.

Even with increasing occupancy, hoteliers in Cardiff managed to control labour costs, which recorded no change compared to October of 2018 on a per-available-room basis. Overhead costs increased slightly year-over-year, by 0.4%. Despite these favourable results, YTD 2019 GOPPAR in Cardiff is still 0.5% below the YTD 2018 results.

Profit conversion in Cardiff was recorded at 31.1% of total revenue.

With a 6.3% YOY decline in GOPPAR, October broke the seven-month streak of profit per available room growth in Edinburgh. Still, the positive results achieved in the previous months place the city's YTD 2019 GOPPAR 4.2% above the same period of last year.

RevPAR suffered a 2.2% drop compared to October 2018, pulled by a 0.2 YOY percentage point fall in occupancy and a 1.9% YOY decrease in average rate. Conversely, F&B revenue per available room grew by 8.0% on a YOY basis, driving total revenue per available room up by 0.4% YOY.

This uptick in total revenue was not strong enough to counter the growth in expenses. The 4.3% YOY soar of labour costs per available room and the 3.2% YOY increase in overheads ended up eroding profitability for hoteliers in the city.

Profit conversion in Edinburgh was recorded at 36.5% of total revenue.

Profit & Loss Key Performance Indicators – Total UK (in GBP)

KPI

October 2019 v. October 2018

RevPAR: -2.3% to £101.91

TRevPAR: -1.9% to £155.71

Payroll: +2.2% to £41.97

GOPPAR: -5.3% to £61.93

Profit & Loss Key Performance Indicators – Cardiff (in GBP)

KPI

October 2019 v. October 2018

RevPAR: +5.0% to £68.95

TRevPAR: +3.1% to £103.65

Payroll: 0.0% to £30.41

GOPPAR: +9.0% to £32.20

Profit & Loss Key Performance Indicators – Edinburgh (in GBP)

KPI

October 2019 v. October 2018

RevPAR: -2.2% to £106.35

TRevPAR: +0.4% to £151.88

Payroll: +4.3% to £42.01

GOPPAR: -6.3% to £55.50

Closures start to slow for licensed premises

Britain's number of licensed premises dropped 2.0% in the 12 months to September 2019, the latest Market Growth Monitor from CGA and AlixPartners reveals—but the success of dynamic new restaurant brands and the evolution of food-led pub groups have provided bright spots in a challenging market.

The quarterly survey recorded around 116,500 pubs, bars, restaurants and other licensed premises in September. The 2.0% fall is the ninth successive quarter of year-on-year decline, but the rate of closures is the lowest since mid-2018.

The exclusive research shows that Britain's restaurant numbers fell by 2.4% in the year to September, to just over 26,000—a net closure rate of 12 a week. However, the bulk of closures were of independents, with group-run restaurants—managed sites from operators with more than one location—fractionally up by 0.3%. This net growth comes despite several major casual dining chains either closing restaurants or falling into administration in 2019—but CGA's research shows many of these sites have been swiftly reopened, often by small and medium sized restaurant groups.

“Our Market Growth Monitor data shows a huge amount of churn in the restaurant

market,” said Karl Chessell, business unit director for food and retail at CGA.

“There's no doubt that some leading casual dining names have had a tough 2019, but one brand's difficulty is another's opportunity. With capacity having eased in recent months there is still a lot of opportunity for growth in casual dining—but only if the offer, execution and price are all spot on.”

“From an M&A perspective, there remains high interest in concepts with growth potential and which tap into consumer trends,” commented AlixPartners' managing director Graeme Smith.

“This is evidenced by Social Entertainment Ventures, the operator of various experiential leisure concepts in the UK and US that recently secured a \$20m fund raise to aid expansion plans in the UK and internationally, and Richard Caring securing a £200m investment from Hamad bin Jassim bin Jaber Al Thani for a 25%

stake in Caprice Holdings, the operator of The Ivy, Annabel's and Sexy Fish.”

The report highlights similar structural contrasts in the pub sector. Britain's number of leased pubs has fallen by more than 5,000 since September 2014, while managed pub operators have added nearly 1,000 new sites, thanks in large part to a move towards more food-oriented offers. While drink-led pubs have tumbled by 15.9% in five years, food-led ones have increased by 1.5%, the Monitor shows.

These trends follow moves by leading pub groups to switch their emphasis to food. Businesses including Greene King, Mitchells & Butlers and Marston's have all been investing heavily in pub-restaurant formats, alongside medium-sized groups like Young's and Fuller's.

“While the overall number of restaurants has dipped further, the situation is not quite as gloomy as it seems, with a number of smaller restaurant groups continuing to expand site numbers. In addition, many major cities are reporting increases in the numbers of licensed premises, despite an overall downward trend,” added Smith.

“In the pub sector, the evolution of operating formats and offer continues. Whilst drink-led sites are declining and food-led outlets have grown to have a greater share of overall site numbers, there still holds a place in the market for wet-led operators who deliver a differentiated experience to customers. This is demonstrated by the success of high-quality operators, such as the likes of Arc Inspirations through its BOX and Manahatta concepts.”



Upcoming Events



Hotel Leadership Conference 2020

Hilton London Bankside

Formerly known as the 'General Managers' Conference' the Master Innholders has launched a new brand for its annual conference – the Hotel Leadership Conference 2020. Conference chair Dan Rose-Bristow said: "Not only do we have an exciting new brand, but we are broadening the content to appeal to a much wider range of senior hoteliers. The programme is not about reinventing overnight, it's about how people can think different to evolve and become a better hotelier. You'll leave with new ideas and forward-thinking, implementable actions to take back to your business."

Tickets are available now. The hotelier rate for the two-day conference and dinner is £475, with Master Innholder and St Julian Scholar member rates of £375. An early bird team offer of 4 tickets for the price of 3 is available until 15 November.

Visit <https://masterinnholders.co.uk/conferences-events/27th-hotel-leadership-conference> for more information and to purchase tickets.



HOSPA Learner Awards Ceremony 2020

1.30pm

Soho Hotel, 4 Richmond Mews, Soho, London

£50 + VAT per person

Celebrating the achievements of learners on the HOSPA Revenue Management and Financial Management programmes. The event commences with a panel debate with expert participants chaired by Professor Peter Jones MBE, Chairman of the HOSPA Professional Development Committee.

We will then be celebrating the achievements of all our highest achieving learners on the HOSPA Revenue Management and Financial Management programmes with a presentation of certificates and the announcement for the "Learner of the Year" for both programmes. The afternoon concludes with a celebratory Afternoon Tea.

We will also be presenting our company awards for "Commitment to Education" in Financial Management and in Revenue Management.



Hospitality Tech & Innovation Forum

Hilton London Canary Wharf

The Hospitality Tech & Innovation Forum is a unique one-day event which brings together hospitality tech procurement professionals with suppliers to the sector for a series of pre-arranged, face-to-face meetings.

The Forum is FREE for senior hospitality tech professionals to attend and enjoy all the benefits, including;

- A personalised itinerary of pre-arranged 1-2-1 meetings based on your requirements
- Attend insightful seminar sessions led by industry thought-leaders
- Learning and discussing current and future industry challenges and trends
- Unapparelled networking with fellow senior professionals
- Complimentary lunch and refreshments.

For more information on how to attend, please contact Lucia Gulisano on 01992 374094 or email l.gulisano@forumevents.co.uk

Are you a supplier to the sector?

If you would like to meet with these 50+ industry professionals, contact Toby Wand on 07930 402303 or email t.wand@forumevents.co.uk

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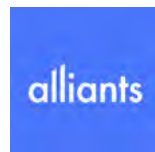
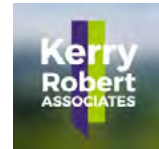
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