

DOBLIN DELOITTE CONSULTING

**THE HOTEL OF THE FUTURE**



# About This Report

## PROJECT OVERVIEW

The hotel industry is in a period of significant evolution and opportunity. This report will help companies understand where and how to disproportionately invest today to account for how needs and expectations of hotel guests are likely to evolve in the next 5-10 years.

This research focuses on mid-tier hotels that are struggling to differentiate in the “sea of sameness.” We answer, “How might we enhance the traditional hotel offering to support high frequency, mid-tier business travelers as their needs shift and their expectations of the role of a hotel evolve in the future?”

After an eight-week process of generative research and synthesis, we have identified five opportunity areas to guide hotel companies in making strategic choices for their future.

## HOW TO USE THIS CONTENT

This document provides a comprehensive report of the research findings and the opportunity areas. It serves as the foundation for other materials that will be created depending on the particular purpose and audience. We imagine three paths to leverage the content in this report:



### **INFLUENCE**

Gain eminence by providing materials, such as a white paper or blog post, that can influence future approaches to scenarios.

### **KICKSTART**

Accelerate future concept development work by providing an industry POV and user insights to jump start projects faster.

### **COLLABORATE**

Engage in an immersive co-creation process with clients to bring a new service offering to life.

# The Hotel of the Future

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THE HOTEL OF THE FUTURE

# Understand the Challenge

## THE CHALLENGE

# Today, hotels are all about brands.

Yesterday, hotels were all about spaces. Hotels both owned and operated their hotels. Today, hotels are all about brands and the many faces of one hotel chain. However, the hotel industry is in a period of significant evolution and opportunity.

### HOTELS FACE MANY NEW CHALLENGES

The rapid pace of change and evolving customer preferences is forcing traditional hotel brands to explore ways to cultivate customer loyalty, drive traffic to their direct sites, and capture greater share of wallet. The new and varied competitive threats from third party intermediaries (i.e., OTAs), non-traditional entrants (i.e., Airbnb), and start-ups are disrupting the marketplace and placing stress on the traditional ways that hotels do business. Today, hotels are structured and act in silos making it difficult to successfully adapt and operate in an increasingly challenging ecosystem.

### THE VALUE OF BRANDS IS DECREASING

One of the biggest challenges hotels face is the decreasing value of their brands and their shrinking base of loyal guests. From OTAs to the commoditization of hotels, brands need to extend and deepen their relationship with travelers in order to stay relevant. Yet current approaches like offering more services, free amenities, and loyalty points won't deliver the returns brands need to stay relevant. Hotels need

to be more imaginative about the resources that are available to them and how they are utilized to develop a stickier brand that can't easily be replicated. This will be important for hotels to consider as they become increasingly interchangeable with one another and command a smaller portion of the traveler's share of wallet. Encroaching third party intermediaries are increasingly pigeonholing hotels into a smaller portion of the guest's overall travel journey. Both brands and owners need to reimagine how a hotel might manifest itself beyond the guest's hotel stay in order to redefine the value that hotels can offer.

**1 in 4** travelers allocate more than 75% of their share of wallet to their preferred hotel brand. **DELOITTE**

### THE MARKET IS OVER-SATURATED WITH BRANDS

Additionally, after the entrance of Airbnb, travelers now expect their lodgings to provide a variety of unique and delightful experiences. In response to this the number of new hotel brands that address this emerging

need are popping up at a surprising rate. Brands will increasingly find it difficult to differentiate with the rush to boutique-style hospitality. Hotels need to change the rules of the game by rethinking hospitality beyond solving for short-lived trends.

**6.1%** growth per year in the boutique hotel industry since 2009. **IBIS WORLD**

### BRAND REQUIREMENTS ARE TOO RESTRICTIVE

Hotels also face new challenges on the role they play for both guests and locals. Guests want to engage the local scene, yet brand requirements are still too restrictive for properties to embrace the local community in any meaningful way beyond incorporating new aesthetics. There is a divide between brands that know best about guests and owners that know best about properties. This divide prevents both parties from discovering greater opportunities for hospitality. To overcome this division, brands will want to examine other roles hotel can play to democratize decision making.

### BUSINESS MODELS ARE TOO NARROW

Most importantly these new trends are challenging industry orthodoxies and will have implications on the way hotels do business. Traditionally, hotels have focused on getting heads in beds. Yet, this continues to pit the conflicting business models of owners with brands and prevents optimization for both parties. The issue is that hotels too narrowly define the purpose of their current assets. Hotels need to rethink the one-to-one relationship of space to utility to explore a combination of options (many spaces, one purpose; one space, many purposes; many spaces, many purposes). Owners and brands need to realign goals in order to diversify the customers a hotel can serve.

**“** *The brands have a global not a local perspective. As an owner you have to make tough decisions to do what's best for your guests and your employees.* **”**

**BRYAN, DRIFTWOOD HOSPITALITY**

## THE CHALLENGE

# Hotels will need more than brands to differentiate in the future.

*“I’m not so sure how long brands will survive and what is the long enduring factor that makes one sustainable...the market is over-saturated and there are still more to come.”*

**TOM ITO**  
GLOBAL HOSPITALITY LEADER, GENSLER

*“By and large the hotels that we own are in an A+ location, are extremely high-quality, and are going to attract customers regardless of the brand they hold.”*

**REVENUE MANAGEMENT LEADER**  
LODGING REIT

*“Corporate hotels, they’re not awful, but they’re forgettable: nothing stands out, they all feel and look the same, you can’t tell them apart, and you are happy to leave.”*

**DAVID**  
FREQUENT BUSINESS TRAVELER

## THE CHALLENGE

# Tomorrow, hotels will need to be about people.

Hospitality will always be about experiences and connecting to people. Even in the face of new technology, evolving customer preferences, and new competitive threats, hospitality will require a human touch. A personal and an active approach will place hotels on the same footing as the guests they serve and the owners they work with.

### TODAY

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*Hotels offer a one-size-fits-all hospitality that serves no one.*

*Hotels chase instead of incorporate guests.*

*Hotels are separated from the surrounding communities.*

*Hotels focus on one space with one purpose.*

*Hotels think of themselves as mostly physical things.*

### TOMORROW

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*The hotel of the future will be an integrator of partnerships to offer new and varied experiences that can evolve with guests.*

*The hotel of the future will be an integrator of networks and people to build more personal connections with and between guests.*

*The hotel of the future will be an integrator of cultures, merging global brands with local roles in communities.*

*The hotel of the future will be an integrator of multi-purpose spaces to provide a platform of resources that can serve new customers.*

*The hotel of the future will be an integrator of services and businesses to play as the nexus of the travel industry.*



## OPPORTUNITY AREAS

# The hotel of the future will be an integrator with a job to play.



### **CURATOR** AN INTEGRATOR OF EXPERIENCES

The Curator integrates external partnerships to keep hospitality fresh and the experiences it provides guests relevant. As the Curator, hotels can deliver a variety of environments that support the mindset guests want to be in, providing delight through choice, and the ability to explore new experiences.



### **MATCHMAKER** AN INTEGRATOR OF PEOPLE

The Matchmaker reimagines guests as having an equal role in the process of building personal connections with the brand and between guests. It extends and deepens the relationship with guests by creating a culture around the brand and allowing the brand to be defined by this network of guests. The Matchmaker draws on the current strengths of hotels like space and hospitality to build a compelling network of guests that can be used to attract more business.



### **NEIGHBOR** AN INTEGRATOR OF CULTURES

The Neighbor expands the hotel into the community and engages locals. It's a destination place for guests and locals, but it's more than a portal to the local culture—it's an active participant in the community—a good neighbor that fits into its surrounding context. The Neighbor integrates by merging the global brands with the local cultures. That means having qualities that can adapt to context, while maintaining an overall branded experience and service.



### **ARCHITECT** AN INTEGRATOR OF SPACES

The Architect utilizes and repurposes space and assets. Rather than thinking of a single building in a single location, for a single purpose, the Architect maximizes space and resources to think outside that box, quite literally. The Architect integrates multi-purpose spaces within and outside the single hotel to offer a whole new level of flexibility to guests, while serving new customers, too. It's reimagining hotels beyond heads and beds.



### **CHOREOGRAPHER** AN INTEGRATOR OF PROCESSES

The Choreographer focuses on everything but physical space and real estate assets. It's the virtual concierge and the logistics guru. It integrates services and businesses to play as the nexus of the travel industry—and delivers a seamless and convenient experience for the business traveler.

#### PERSONALITY TRAITS

*Experiential, experimental, fresh, variable, exploratory, and delightful*

*Connected, personal, interactive, social, intimate, and networked*

*Local, active, contextual, cultural, adaptable, participatory, and responsive*

*Diverse, resourceful, flexible, distributed, and spatial*

*Convenient, seamless, efficient, automated and virtual*

THE HOTEL OF THE FUTURE

# Opportunity Areas

THE HOTEL OF THE FUTURE AS A

# CURATOR

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As a curator you are an explorer, an experimenter, a tastemaker, and a branded experience.

## FOR GUESTS

For guests craving variety and delight in a beige world of hospitality, the Curator offers more choices and new environments for guests to explore different lifestyles.

## FOR HOTEL CHAINS

For brands competing with the unique experiences of alternative travel, the Curator leverages the capabilities that come with partnerships to continuously redefine hospitality and keep brands fresh for guests.

## FOR OWNERS

For owners who are looking for new capabilities and sources of revenue, the Curator positions the hotel as a channel for product placement and experiences that increases property value and decreases the overhead costs of keeping hotels fresh.

# MEET THE CURATOR

**Nathan** is a designer and brand content manager who also rents out a room in his 3-level flat in Chicago as a super Airbnb host. Business travelers seek out his accommodations because it offers a unique experience with its highly curated art, objects, and sauna.



*“A lot of people stay with me because they are intrigued by the design and my lifestyle. Business travelers—they are laid back. They are looking for a place that will be more of a retreat. Some people just want a bed, others an experience. My place is one of those places.”* **NATHAN**

## ENVIRONMENTS INFLUENCE BEHAVIORS

Guests are sensitive to the small things that put them in certain moods and mindsets, especially when they aren't helpful. We heard from many travelers that there is something about the spaces of most hotels that feels lonely and depressing. But when hotels thoughtfully consider their spaces, guests respond favorably.



*“I find myself acting differently in well considered spaces.”* **ERIK**

## SEEKING ENVIRONMENTS THAT RELAX

Guests need a variety of environments to support their changing moods and needs. Business travel is disruptive and emotionally draining enough that travelers look to the hotel to be inspired, energized, productive, or to relax at the times when they need it.

*“The art and the quirky things hotels do with their space give people something to talk about and engage each other.”* **DAVE**

**9 in 10** travelers try to incorporate relaxing moments into every business trip they take.

2015 SKIFT MAGAZINE

## USING TRAVEL TO EXPLORE NEW LIFESTYLES

Especially for young travelers, traveling for business provides an opportunity to explore new types of spaces. Guests enjoy staying at places with personality that reveal other possibilities for life. It offers a chance to suspend reality and to try a new identity and life on for size—it's like dress up for adults.

*“Any time you travel you are looking to see new things and experience new environments. A good hotel does the same thing—you get to see a new space and be a part of that for awhile in the way that you want to be inspired.”* **HILLARY**



## MO ROOMS

is a hotel that provides rooms with different themes to nourish each individual's sensation and sensibility of art.

INTRODUCING THE

# CURATOR



## AS A CURATOR, THE HOTEL WILL...

**Empower** guests by offering rotating flavors of rooms and experiences to choose from and customize.

We know environments influence travelers' behaviors and mindsets. To address this, hotels will need to design environments to deliver what feels like a more personalized experience.

**Elevate** the hotel to a branded experience that designs spaces targeted at guests' desired mindsets.

We know guests seek out hotels with environments that can make them feel more productive, relaxed, inspired, or energized. To address this, hotels will need to provide a variety of different types of spaces that can support the current and changing needs of guests.

**Build** partnerships with companies to leverage their reputation and capabilities to continuously offer quality user experiences not found elsewhere.

We know that guests appreciate thoughtful and simple, yet quality spaces and services over luxury. To address this, hotels need to reimagine how it defines and delivers hospitality that communicates quality to guests.

**Facilitate** guests' exploration by offering opportunities to try on for size new lifestyles, habits, or products.

We know guests use travel as a way of trying on new lifestyles and identities. To address this, hotels will need to predict how guests project their own brand and reflect that in the environment.

# WORKING WITH THE CURATOR

Specific attributes of this new role of the hotel could include:



### EXPERIMENTAL PRODUCTS

The Curator can monetize the design of hotels by allowing guests to purchase products they experience at the hotel. Participating companies are charged a “slot fee” to gain exposure to guests.



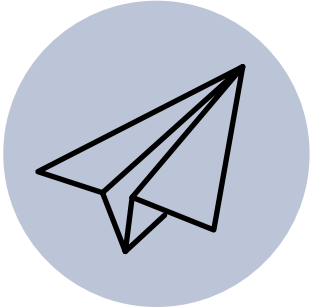
### FRESH DESIGNS

The Curator can re-energize the hotel’s brand and environment by partnering with lifestyle brands to redefine the hotel’s hospitality offering to reconnect with guests’ values.



### VARIABLE SPACES

The Curator can offer guests variety and choice at the hotel by offering both public and private rooms, spaces, or experiences of different styles to support the moods of guests.



### EXPLORATORY EXTENSIONS

The Curator can allow guests to not just vicariously experience different lifestyles but to recreate them at home. The Curator elevates the reputation of the hotel by becoming an experience center where tastemaking happens.



### DELIGHTFUL POP-UPS

The Curator can provide unique and exclusive guest experiences offered in limited supply to create demand and continually test new ideas.

**LOW TOUCH**

*On-site purchases or redirected to seller.*

*Working with celebrity designers to offer unique experiences in key locations.*

*Offering key areas in the hotel that are designed to target specific guest modes.*

*Giving guests a how-to manual to recreate experiences and designs at home.*

*Offering a small number of curated rooms, products, or experiences*

**HIGH TOUCH**

*Online store where guests can purchase products during and after their stay.*

*Develop rotating partnerships with lifestyle brands to design unique spaces and experiences.*

*Designing flavors of rooms or even an entire hotel to service a variety of guest modes.*

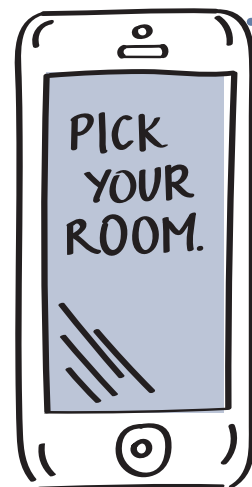
*Trained staff to assist guests with customizing and designing experiences at home.*

*Offering a mix of curated rooms, products, and experiences that rotate seasonally.*



# THE HOTEL AS THE CURATOR

**Nathan** is a designer and brand content manager. He travels often for business and although he is an Airbnb host, Nathan typically likes to stay in boutique hotels when traveling for business. For him, the unique experiences he finds at boutique hotels helps him compensate for the pain of traveling for business.

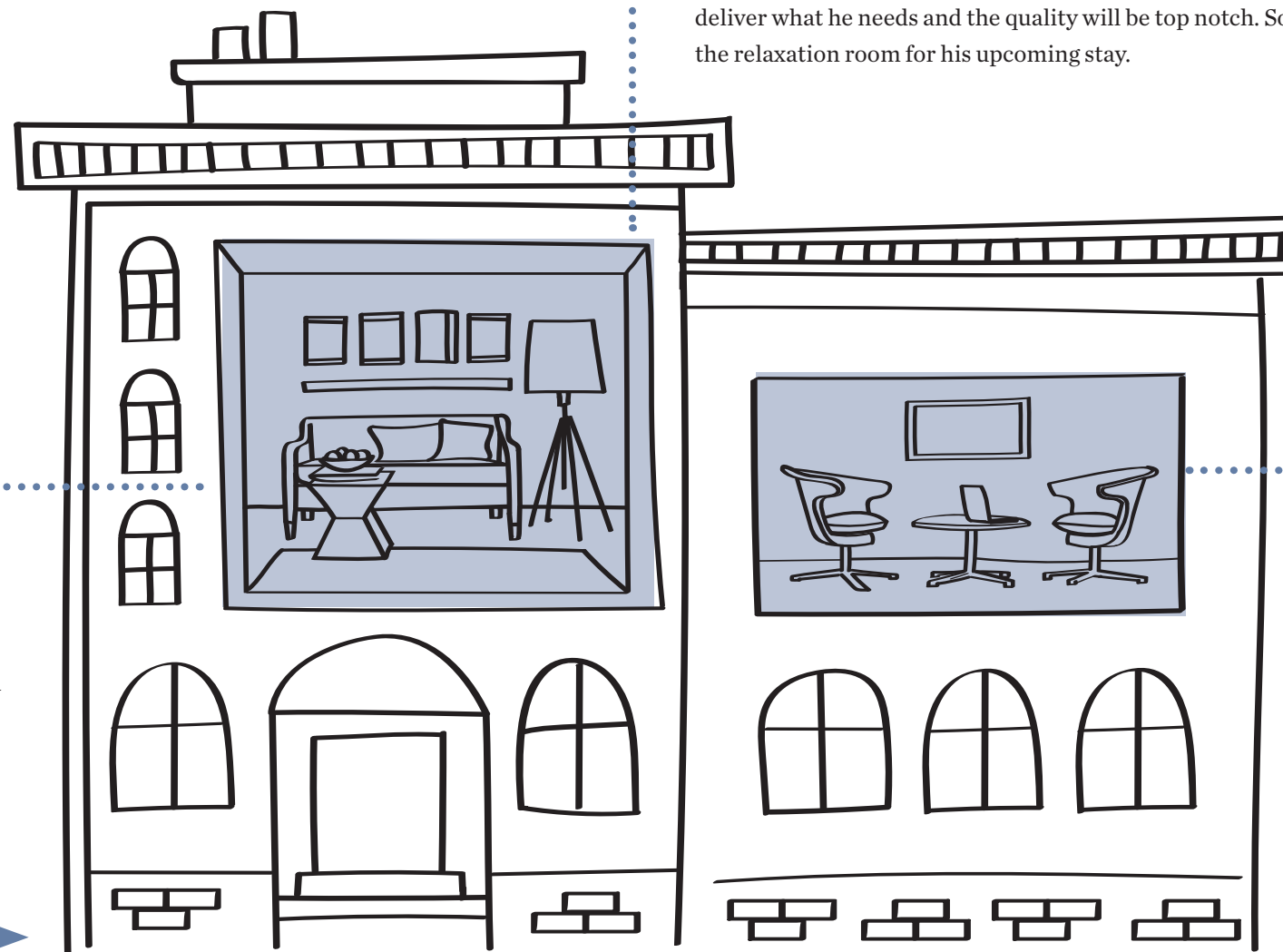


## CHECKS OUT HOTEL APP

This trip Nathan has to go to New York and is bracing for it to be hectic week. He wants to find a place that will be a relaxing retreat for him. He heard from one of his recent Airbnb guests that the Curator hotel offers the ability to choose from different types of rooms and he wonders if there could be one that would help him manage the upcoming stressful week. He goes to the Curator's online app to see what types of rooms he can choose from and finds a wide variety from wellness, to productive, to inspirational rooms to choose from.

## CHOOSES A ROOM

Nathan sees that one of the rooms is themed around relaxation and was specially designed by a well-known and reputable brand that is an expert in this area. He knows for sure now that this room will definitely deliver what he needs and the quality will be top notch. So he chooses the relaxation room for his upcoming stay.



## TRIES OUT AND PURCHASES PRODUCTS

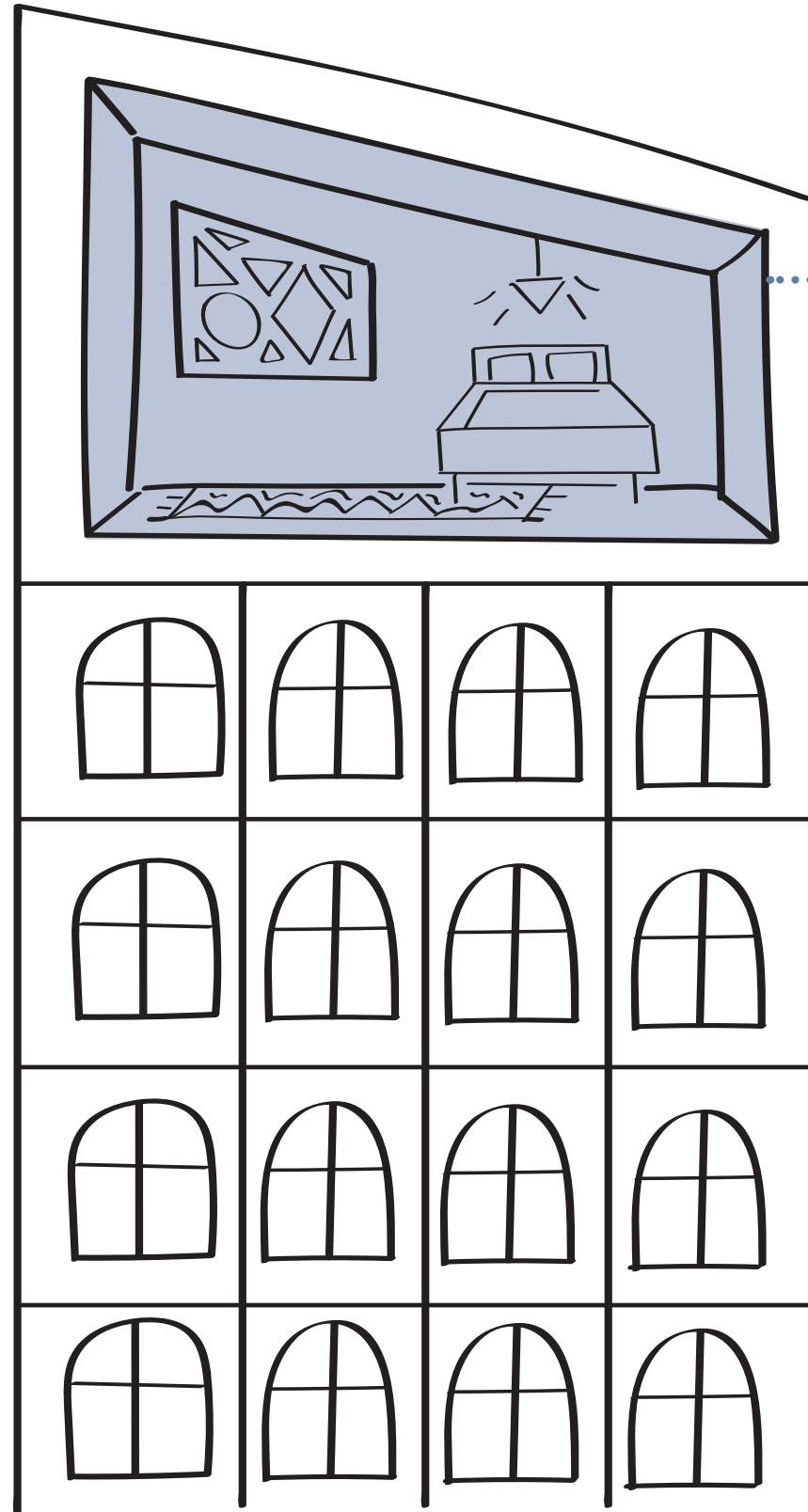
When Nathan arrives to his room, it's better than what he expected. It fully supported his stress management for the week. He especially loved the lamps in the room that offered just the right lighting to foster a relaxing mood. He had seen these lamps before but never had the chance to really experience them and what they could do for a room's atmosphere. Nathan is now completely convinced by the lamps and he notices that he can purchase them through the Curator's app and receive a discount. He decides to take advantage of this opportunity to purchase them and have them delivered to his home.

## USES OTHER SPACES IN HOTEL

During his stay, Nathan finds himself needing to work late. Although he loves his room, it isn't what he needs right now. He leaves his room to look for a good place to work and discovers that the hotel just recently renovated their business center partnering with Steelcase to optimize it for productivity. He locates the perfect chair and table to get what he needs done in record time.

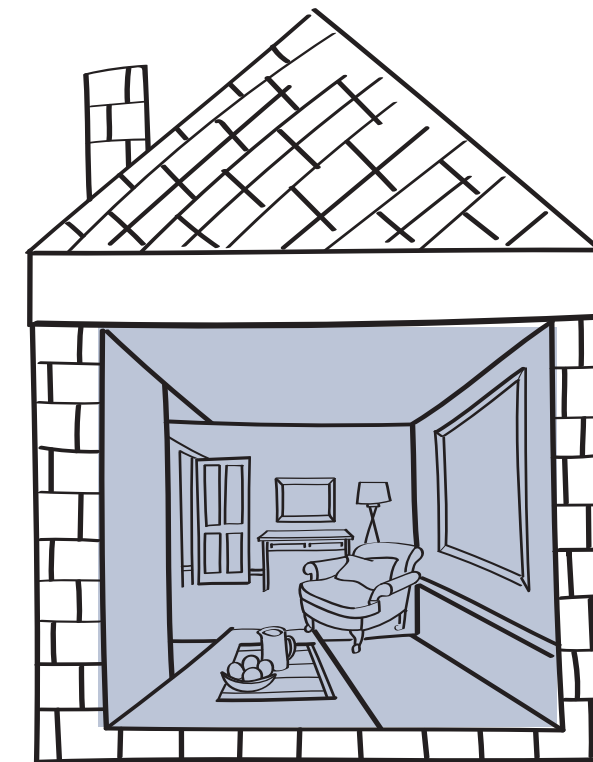
## EXPLORES AND TRIES OUT A NEW LIFESTYLE

The next week, Nathan has to travel to Atlanta to meet a new client. He loved his experience so much with the Curator last time that he looks for a branch there. He finds one and immediately goes online to select which room he wants. He notices that this branch partnered with a local designer that has been trending recently in the design blogs that he follows. Nathan is intrigued and since he is always on the lookout for trending designs he chooses one of these limited edition rooms.



## RECREATES EXPERIENCES AT HOME

When Nathan arrives to his room, he falls in love with the unique materials, color combinations, and fixtures that this designer put together. All week he feels like a different person in this new space, it feels like he is trying a new lifestyle on for size. Nathan falls in love with the entire design of the room and wishes he could feel this way at home too. So he decides to work with the onsite stylist to help him recreate the entire experience back at home.





# MATCHMAKER

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As a matchmaker you are a host, a connector, and a social network.

## FOR GUESTS

For guests searching for meaningful and interesting interactions while on the road, the Matchmaker facilitates personalized connections between guests for socializing, networking, and sharing experiences.

## FOR HOTEL CHAINS

For brands who are interested in extending their relationship with guests, the Matchmaker builds a social network they can engage beyond the hotel stay that makes brands stickier.

## FOR OWNERS

For owners who are looking to increase traffic and sales, the Matchmaker facilitates rendezvous that keep guests more engaged at the hotel.

# MEET THE MATCHMAKER

**Dave** owns his consulting business and is constantly on the road for work. Dave favors hotels that have interesting spaces that give him an excuse to interact with other guests. He's on the road so much that he is tired of putting his social life on hold.

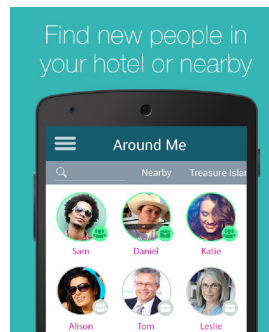


*"I'm in this space with 200 people. I keep thinking, is there someone who wants to go and hang out because they don't want to be alone for dinner and just wants to have a conversation? Like somehow use the proximity of where you're at and make a new friend and or not even a new friend, just...talk to someone."* **DAVE**

## SEEKING INTIMATE & SOCIAL INTERACTIONS

Traveling for business can take an emotional toll over time—making guests search for and appreciate the moments when they have meaningful and interesting interactions with others on the road. Most business travelers crave and respond favorably when they form real and personal relationships.

**83%** of travelers use time on business trips to socially engage and explore the world around them. BridgeStreet 2014 Report



**HELLOTTEL** is a new mobile app that turns any hotel stay into a potential networking or social opportunity.

*"I had a couple of ephemeral interactions with people. It had nothing to do with the hotel, but they made me feel very positively about the hotel."* **RUTH**

## MAXIMIZING TIME DURING A BUSINESS TRIP

Time and expectations are different on a business trip. Travelers assume the mentality that you're there for work so you should be making the most of every minute. However, traveling can be disruptive. Travelers can feel like they are falling behind in other ways, like meeting new clients or expanding their network.

*"There is a mentality, well you're here for work so you should be working."* **PETER**

**1 in 5** travelers have done business with someone they met on a flight. 2014 Hall & Partners Survey

## LOOKING FOR OPPORTUNITIES TO LEARN, GROW, AND SHARE EXPERIENCES

With the monumental ride of co-working spaces, such as WeWork, millennials are displaying their desire for the sharing of knowledge and experiences. With the diversity of guests in the hotel at any time, there are great opportunities for cross-pollination and learning.



**46%** of millennial travelers use social media to meet up with friends while on a business trip. 2015 GBTA Traveler Index

*"A recent guest I hosted was looking for someone to kick it with, knowing that traveling for business can often be boring and lonely unless you make friends at the hotel, which is unlikely."* **NATHAN**

## INTRODUCING THE

# MATCHMAKER .....

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### AS A MATCHMAKER, THE HOTEL WILL...

• **Utilize** the hotel's hospitality, diverse spaces, and knowledge of guests for personalized matchmaking and rendezvous.

• We know guests seek intimate and social interactions to fight the monotony of business travel. To address this, hotels will need to help guests feel a personal connection and part of a network wherever they are.

• **Facilitate** a variety of interactions between guests that makes it worth traveling to meet new people for business.

• We know business travelers want to maximize their time while working on the road—and that includes networking. To address this, hotels will need to support other types of business needs beyond the desk.

• **Capitalize** on the hotel's diverse base of guests to attract younger travelers seeking to expand their network and their world of knowledge.

• We know millennials are looking for opportunities to learn, grow, and share experiences. To address this, hotels need to offer learning and development experiences beyond the corporate ballroom workshops.

WORKING WITH THE

# MATCHMAKER

Specific attributes of this new role of the hotel could include:



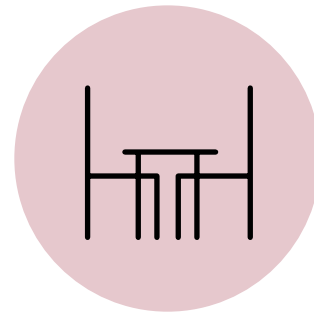
**CONNECTED PLATFORM**

The Matchmaker could utilize technology to take social networking beyond the online realm to the physical one for guests to make the most of their stay at the hotel.



**PERSONAL MATCHING**

The Matchmaker could draw on its knowledge of guests' current reasons for traveling to offer customized matchmaking that meets their needs and moods.



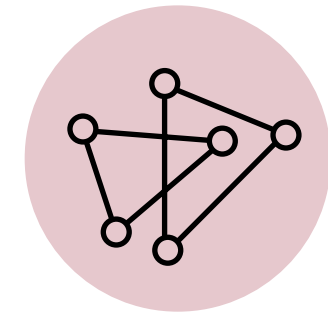
**INTERACTIVE SPACES**

The Matchmaker could offer both public and private spaces that are expertly designed for collaboration, chance meetings, and intimate gatherings.



**SOCIAL EVENTS**

The Matchmaker could develop an expertise in hosting social events and activities geared toward providing guests a reason to connect.



**NETWORKED BRAND**

The Matchmaker could build a brand platform on their network of guests.

**LOW TOUCH**

*Partnering with existing platforms and contracting third party plug-ins.*

*Tracking user data to offer personalized recommendations based on guest preferences.*

*Designing pockets of spaces throughout the hotel to facilitate guest interaction.*

*Outsourcing and connecting guests to third party social programming in the area.*

*Offering a subscription model to an elite club of the wider network.*

**HIGH TOUCH**

*Developing a proprietary online service and platform to connect guests.*

*Training concierges to get to know guests and offer customized recommendations.*

*Implementing a neighborhood design to optimize collaboration.*

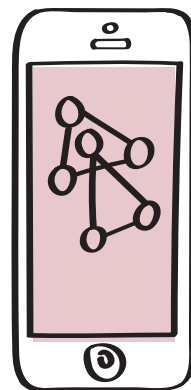
*Developing a branded social programming agenda to attract guests.*

*Providing members services or special spaces to extend the experience beyond the hotel.*

## THE HOTEL AS THE

# MATCHMAKER

Dave owns a consulting company and needs to travel often for work to meet with his clients. His work takes him all over the country, preventing him from spending any significant time in one place. After doing this for several years, Dave feels isolated and disconnected from any sort of community with his social life put on hold. Dave heard from a colleague that there is a hotel that helps guests connect with each other. So he decides to check out the Matchmaker.

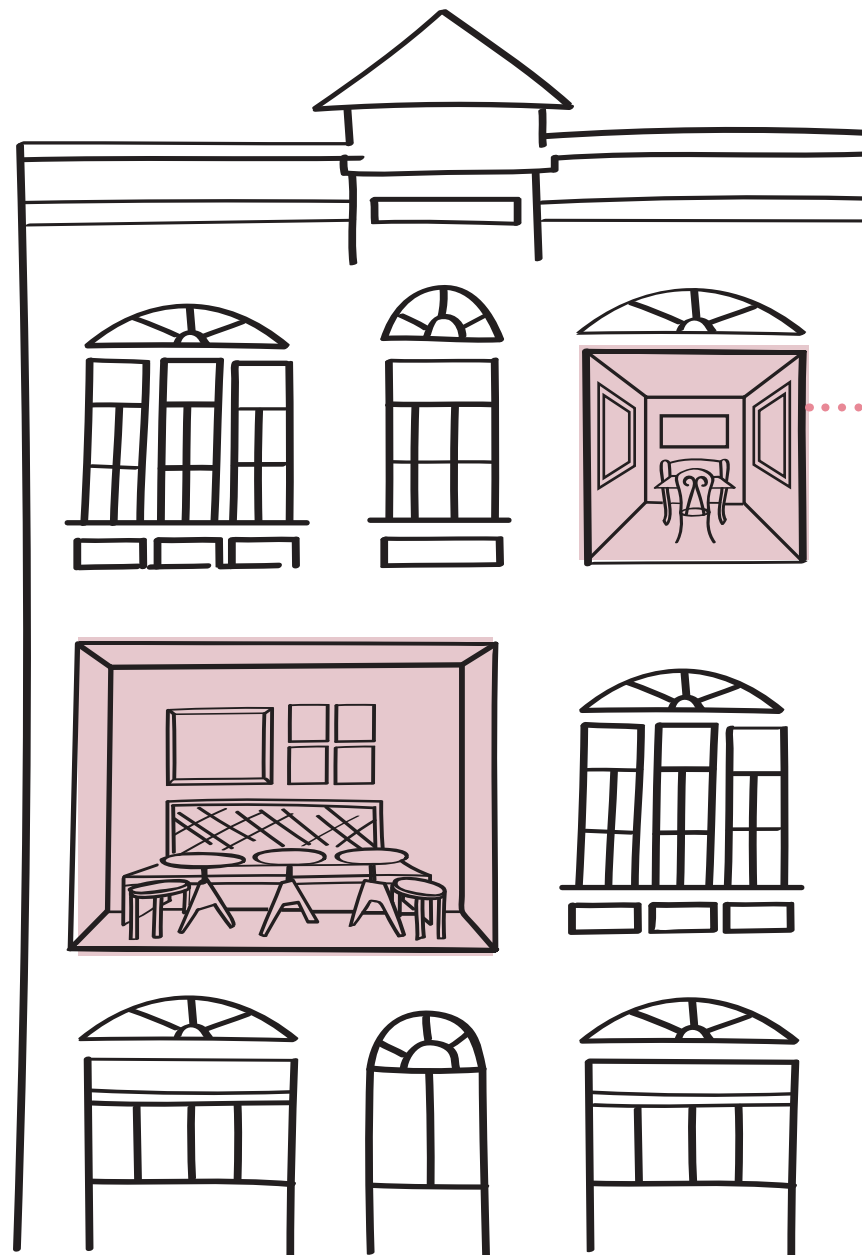


### NETWORKS ONLINE

When Dave arrives at the hotel, he checks out the online platform to see who is at the hotel for the week. He connects the app to his Facebook and LinkedIn accounts to see if he knows anyone in particular. He immediately gets a ping and notices that by chance an old friend and colleague is also staying at the hotel.

### SETS UP A COFFEE DATE WITH A FRIEND

Dave is excited at the serendipity and takes advantage of the opportunity to catch up and learn what an old colleague is up to. He messages him through the app and they set up a time to meet over coffee. Through the app, he selects and reserves a nook in the café that will allow them to catch up in a comfortable and intimate setting.



### PERSONALIZES MATCHING BY CONCIERGE

As Dave was checking in, the concierge notices that Dave's profile says that he is the CEO of a successful advertising agency and that he is there for business. He knows that a frequent guest of theirs in marketing just checked in last night and that she is interested in bringing a fresh approach to a new project. So he suggests to Dave that he could match them if he's interested. Dave is pleasantly surprised and agrees. Because Dave travels all the time for clients, he finds himself never having the time to network and to sell new work to build the business. So he's excited that the legwork has already been done for him. The concierge matches them for the next evening when they're both available and reserves a special alcove that will be open and casual enough to facilitate the first meeting.

### MEETS NEW CONTACTS

The next night Dave's meeting with the marketer went great and they even have plans to continue the conversation. They really hit it off and the setting and service was perfect to help break the ice. He left the meeting in a great mood.

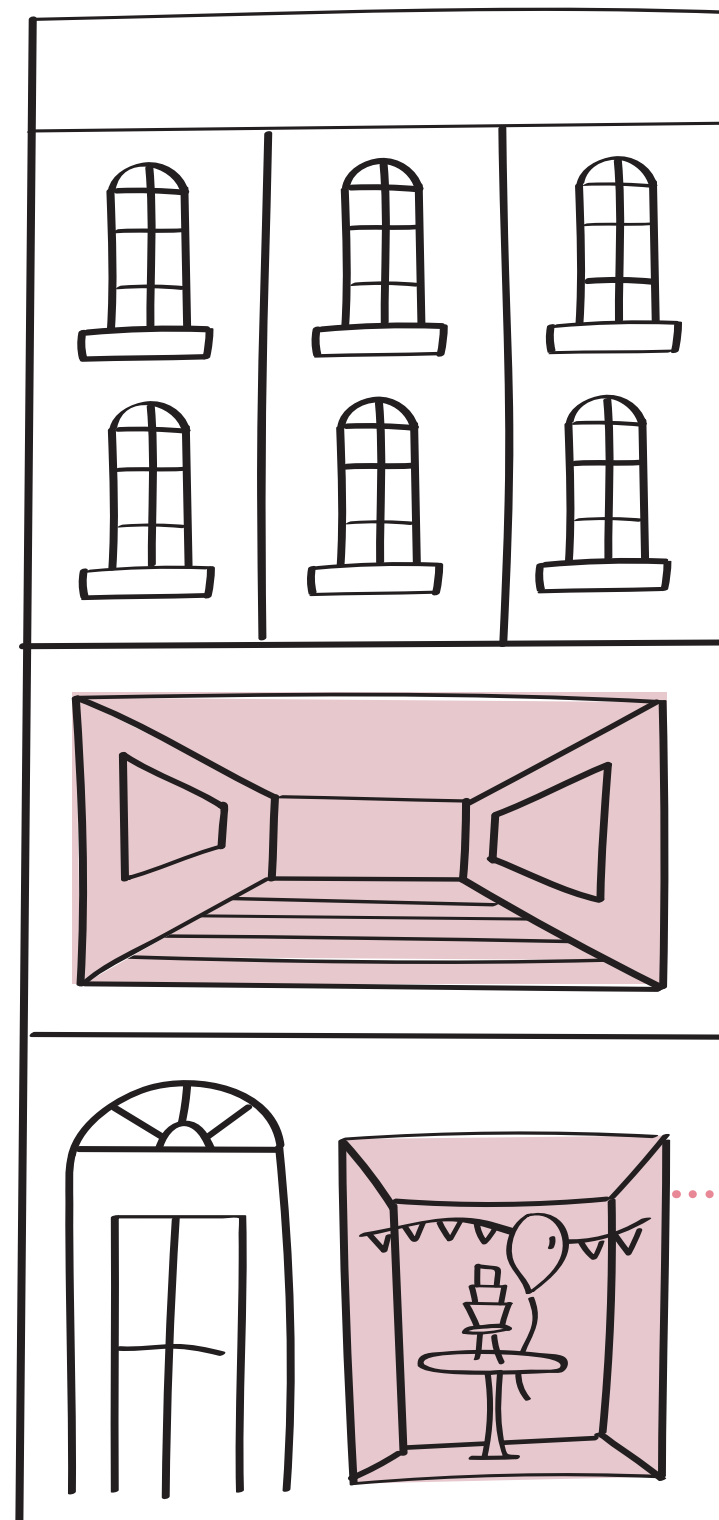
### CONNECTS WITH OTHERS AT CONFERENCE

The next week, Dave heads to LA for a conference. The conference happened to be held at the Matchmaker and they partnered with the hotel so that every attendee had a temporary profile for the conference on the Matchmaker app. Dave used his profile to indicate the type of people he wanted to connect to. During the conference social events, he used the app to let him know who was nearby that he could connect with.



### JOINS ELITE CLUB

By the end of the conference, Dave had such success connecting with other people through the Matchmaker that he decides to become a member of the elite Matchmaker club so that he can leave the networking for his business up to the experts. He knows that the hotel has a great reputation for attracting the best people in a variety of fields and that he can tap into this culture at not only at any Matchmaker location but beyond that as well. He uses his membership to regularly meet with other members at intimate and engaging locations around his hometown. This allows Dave to benefit from the network on and off the road.



### HOSTS A SOCIAL EVENT

After noticing how fruitful the conference's partnership was with the Matchmaker, Dave gets the idea that he should do the same for his upcoming launch party for his new startup. He wants to make sure that the right type of people will be there to open funding opportunities for the company. So he decides to partner with the Matchmaker's event services to help him tap into the rich network of Matchmaker members and to curate the perfect attendee list. Dave is confident that with the help of the Matchmaker, his event will be a success.

THE HOTEL OF THE FUTURE AS A  
**NEIGHBOR**

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As a neighbor you are a local, an active participant, a good citizen, and a community center.

**FOR GUESTS**

For guests looking for a more purposeful way to engage the local scene, the Neighbor offers a new culture of hospitality where guests can directly experience the heart of culture making.

**FOR HOTEL CHAINS**

For brands who need to be more adaptable to their context, the Neighbor reimagines the brand as a local culture-maker and community center that is empowered to explore new opportunities for hospitality.

**FOR OWNERS**

For owners needing flexibility to manage their properties, the Neighbor provides brand autonomy for individual properties to decide how to leverage the hotel's core capabilities to serve a wider community.



# MEET THE NEIGHBOR

**Ulili** works for an accelerator for early stage startups around the world and on principle doesn't think of herself as a tourist. She flies to each location constantly to work with companies to develop their business. It's important for her that she engages them as an equal and local participant.



*"I'm not a tourist. I don't like doing the local thing. It's important for me that we provide a local experience for our companies, like exposing them to the different cities that we're in. For me that's really important to make sure that if we're in Kenya, we're experiencing local life."* **ULILI**

## GENERIC SPACES ARE UNAPPEALING

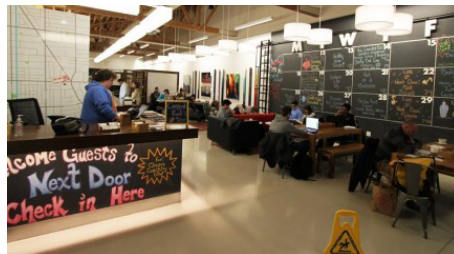
When the spaces of a hotel feel generic, guests try to minimize their time at the hotel as much as possible. We heard guests would rather engage the city in a meaningful way than just stay inside the hotel.

## NEEDING PERMISSION TO HANG OUT

We heard that when hotels don't actively try to engage the outside community and bring in the local culture guests feel like the hotel is not a place to hang out. Guests want to be where the action is and right now, travelers try to spend as little time as possible at the hotel.

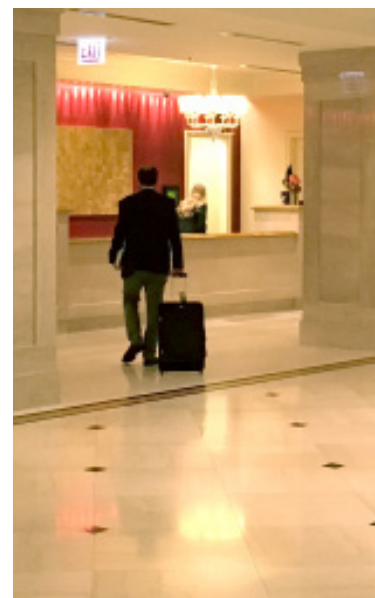
## DESIRING TO BE IN AUTHENTIC SPACES

It was perplexing to a lot of the business travelers that hotels tried to look the same but were never quite able to do it properly. We heard from guests that they preferred instead to linger and hang out in spaces that took on the qualities and aesthetics of the local scene, much like what Starbucks is trying to do with their new branches.



## NEXT DOOR

State Farm's financial advising center offers free services to the community for customer insights in return.



*"The current lobbies are not a welcome to the city and I find that really depressing. Hotels just want my money."*

**ZARAH**

*"The hospitality industry has to leverage how the community is changing. People are traveling because they want to see and experience the community they are visiting."* **NATHAN**

*"If it's Miami, I want a balcony, if it's Omaha, give me a beer."* **PETER**

**59%**

of millennials stay at independent hotels.

2014, 4Hoteliers





## INTRODUCING THE

# NEIGHBOR

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### AS A NEIGHBOR, THE HOTEL WILL...

**Empower** hotel properties to take on the aesthetic and the qualities of the local community, focusing brand properties instead on the guest experience.

We know generic spaces are unappealing to guests who don't find value lingering within a hotel that looks the same as every other hotel. To address this, hotels will need to embrace alternatives to a one-size-fits all approach to hospitality and branding while maintaining consistency for guests.

**Activate** the hotel to become a destination place for the community by providing products and services specific to locals.

We know guests feel more permission to hang out at the hotel when spaces are authentic with signs of life from the outside community. To address this, hotels will need to appeal first to locals in order to appeal to guests.

**Become** an active participant and contributor to the local community and culture.

We know People want to be in a real and authentic space but not necessarily interact with locals. . To address this, hotels need to offer authentic experiences to guests beyond becoming a portal to the local scene.

# WORKING WITH THE NEIGHBOR

Specific attributes of this new role of the hotel could include:



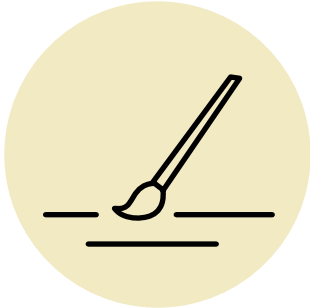
**LOCAL DESTINATION**

The Neighbor could re-purpose the hotel as a place for both guests and locals. The Neighbor makes the hotel a destination place where people want to hang out by bringing the outside in.



**CULTURAL CENTER**

The Neighbor provides locals with space for community engagement and events, including organizational training, educational exchange or public forums.



**ADAPTABLE BRAND**

The Neighbor could be a brand that adapts to context, taking on a new quality of blending into their environment and the personality of the local scene to appeal both to guests and to locals.



**ACTIVE PARTICIPATION**

The Neighbor considers what it can do for the community as a way of expanding into new opportunities for hospitality. It activates external spaces around the hotel for locals to enjoy, and offers opportunities for guests to participate as well.

**LOW TOUCH**

*Opening up space for a local farmer’s market to give locals a reason to visit the hotel.*

*Leveraging public spaces for community engagement and events, like art showings or community classes.*

*Incorporating local craftsmen and artists’ work into the design of the hotel.*

*Offering current public spaces for rooftop gardens that locals and restaurants can use.*

**HIGH TOUCH**

*Hiding the hotel while placing public areas front and center for people to use.*

*Collaborates with the community to invest in spaces and services that are most needed in the area.*

*Designing hotels to take on the qualities and aesthetics of the local culture.*

*Activating spaces around the hotel to build parks or gardens for locals to enjoy.*

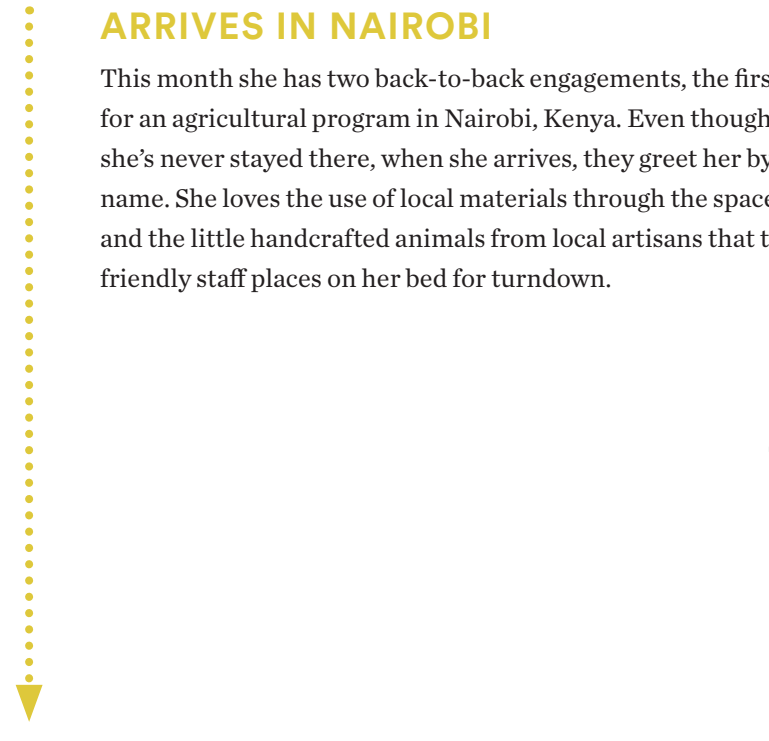
# THE HOTEL AS THE NEIGHBOR

**Ulili** works for an accelerator for early stage startups. As she travels all over the world, she always stays and hosts her clients at The Neighbor hotels. While she admittedly loves the points and the perks that comes with their loyalty program, she hates feeling like a tourist and wants to engage her clients in an atmosphere that's authentic to their community.



## ARRIVES IN NAIROBI

This month she has two back-to-back engagements, the first for an agricultural program in Nairobi, Kenya. Even though she's never stayed there, when she arrives, they greet her by name. She loves the use of local materials through the space and the little handcrafted animals from local artisans that the friendly staff places on her bed for turndown.



## HOSTS A CLIENT ENGAGEMENT

In order to provide an authentic, local experience for her teams and comfortable, familiar environment for her participants, she hosts a three-day workshop at the Neighbor. The days are long, but they take frequent breaks to enjoy lunches in the lobby, where local food vendors set up shop during the week. For her it's important to make sure that while her team is in Kenya, they're eating Kenyan food.



## EXPLORES AFTER WORK

One of the organizations the team is working with is responsible for sourcing fruits and vegetables directly from smallholder farmers and selling them to supermarkets and hotels in Kenya. When Ulili is traveling, she rarely has a chance to look beyond her hotel bed, but this time the non-profit has a farmer's market set up at her hotel. She's tired but grabs some local irio and fresh pineapple before heading in for the night.



## ARRIVES IN OAKLAND

The following week Ulili travels to the Bay Area to host a financial inclusion workshop. Her favorite Neighbor hotel in Oakland is a leader in the community by actively supporting local businesses and start-ups – including Ulili’s clients. The hotel is a go-to place for organizations and institutions to host events or small meetings.



## HOSTS WORKSHOP

This time, she decides to host their workshop in a nearby public park that the Neighbor developed as a way to improve and activate the area surrounding the hotel. The park provides open workspaces and friendly ambiance to set the tone for their meetings, and the food trucks that come and set-up at lunchtime are a huge bonus.

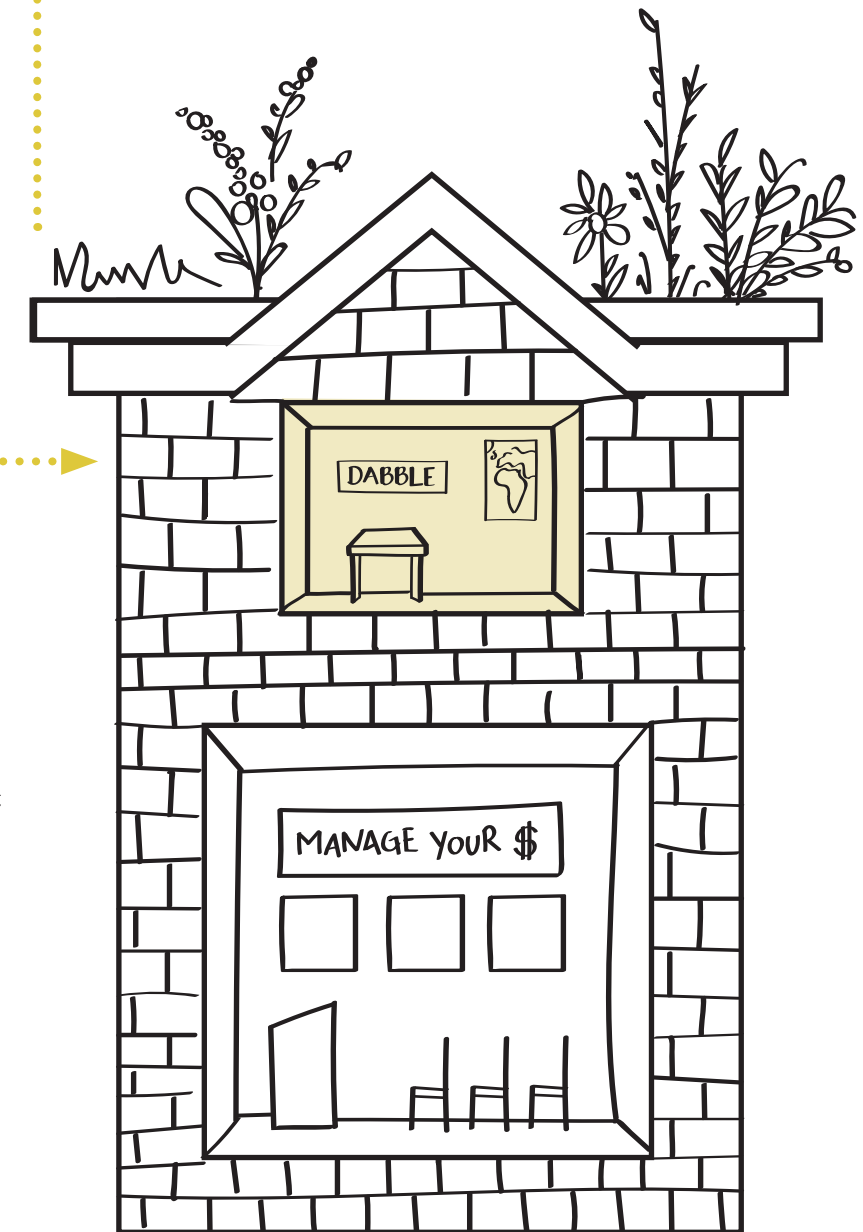


## TEACHES DABBLE CLASS

In the evenings, the hotel offers space for organizations to host community classes. This week Ulili’s group builds the class into the workshop agenda for participating companies to try out their platforms and teach consumers how to plan for the future, manage cash flow, and build savings.

## VISITS START-UP COMMUNITY GARDEN

After the class, Ulili ends the day at a restaurant on the hotel rooftop that features a rainwater collection system established in partnership with a nearby energy & water conservation start-up. The team celebrates an end to a long, but rewarding week with drinks, tacos and mingling with the locals.



THE HOTEL OF THE FUTURE AS AN  
**ARCHITECT**

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As an architect you are a resource provider and a flexible platform.

**FOR GUESTS**

For guests that demand greater flexibility in the types and locations of spaces to stay and work in, the Architect supplies new options and resources that are optimized to meet the needs of business travelers.

**FOR HOTEL CHAINS**

For brands that desire increased brand distribution, the Architect diversifies and extends the reach of brands to locals and businesses by restructuring hotels into nontraditional, flexible spaces ideal for serving new customers.

**FOR OWNERS**

For owners who seek less volatility in their properties, the Architect diversifies portfolios and utilizes spaces in novel ways that are ideal for membership-based business models and reaching new types of customers.



# MEET THE ARCHITECT

**David** uses Airbnb to provide him not only with the convenience of being close to where he needs to travel on business, but also to explore the surrounding neighborhood eateries on foot. Airbnb rentals give him flexible and comfortable space to work and socialize with his colleagues.



*“When I traveled to Paris I chose Airbnb to give me the flexibility to walk to my meeting. Because you can get one in locations where there are no hotels you have many more options. For me, as a young person, the biggest problem is the location of hotels. They are really uninspiring. They need to be available in more places.”* **DAVID**

## FAVORING LOCATIONS TO EXPLORE & ENGAGE

Hotels can offer consistency for guests but it can't deliver on locations. Guests want the flexibility to choose the types and locations of spaces they need to stay during their travels. When travelers stay for longer periods, they are looking for greater flexibility in the social benefits that a space can offer.

### POP-UP-HOTEL

This new hotel helps revive empty office spaces in New York by temporarily utilizing the space while it's vacant.



*“If I'm staying for awhile I'll stay in a new hotel every week so that I can explore other neighborhoods and spaces.”* **DAVE**

*“A couple of us will choose which restaurants we want to explore and then we'll try to find a hotel nearby.”* **PETER**

## HOMELY EXPERIENCES

Homey is not the same as home, but spaces that are comfortable and relatable are a welcome relief to weary travelers. We heard from guests that they try to compensate for the pain of travel by looking for small signals that this could be someone's home, like finding your Airbnb host's rubber ducky in the bath with you.

# 10%

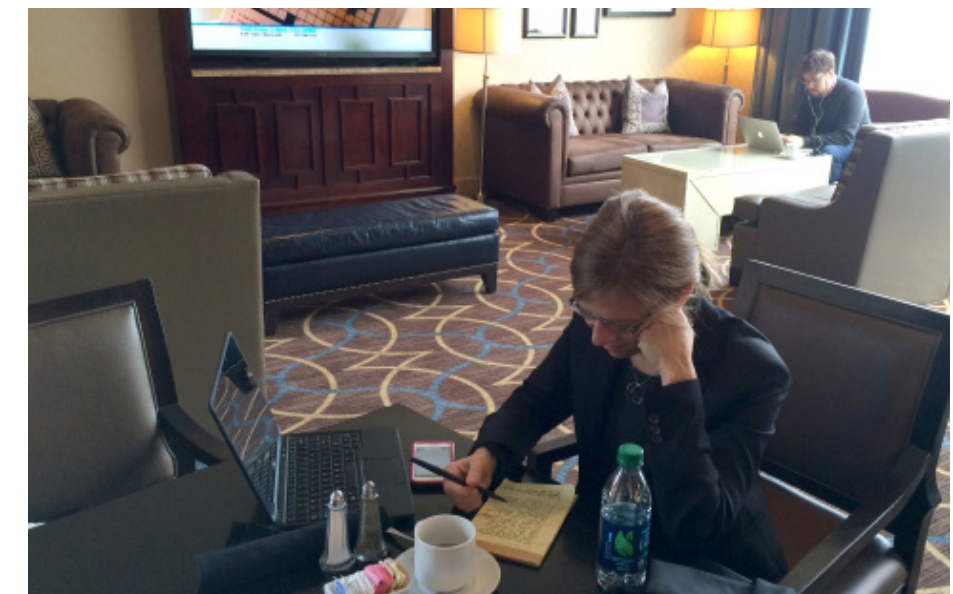
**of Airbnb rentals are business travelers.**

August 2015, Fast Company



## SEEKING SUPPORT FOR WORK MODES

Today, business travelers need flexibility regarding when and where they can work with and without their teams. The hotel is often the most convenient place to work, yet doesn't offer flexible spaces to do so. We heard especially from teams that it was awkward to work at the hotel but a nightmare to find anywhere else to work.



INTRODUCING THE

# ARCHITECT

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## AS AN ARCHITECT, THE HOTEL WILL...

**Reimagine** how space is used to offer guests greater flexibility for where they can stay.

We know guests favor accommodations that are in or close to locations they want to explore and engage. To address this, hotels will need to provide accommodations outside of big boxes.

**Redefine** the hotel to offer a variety of more intimate and new types of spaces to meet changing expectations of guests.

We know guests are seeking experiences that are homey, but not like home. To address this, hotels will need to offer more than oversized sofas to help guests feel more at home at the hotel.

**Activate** space and resources to provide guests, remote workers, and businesses access to the spatial resources they need to run a business or co-work with teams.

We know business travelers are in need of spaces to work individually and to collaborate with teams. To address this, hotels need to plan to better support the working needs of a growing population of business travelers and remote workers.

# ARCHITECT

Specific attributes of this new role of the hotel could include:



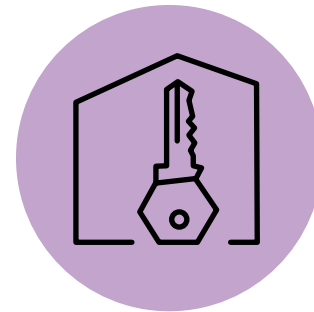
### DIVERSE SPACES

The Architect reimagines how existing capabilities can be leveraged in new ways to transform under-performing spaces into new mixed use spaces, such as co-working or retail areas for guests and locals to utilize.



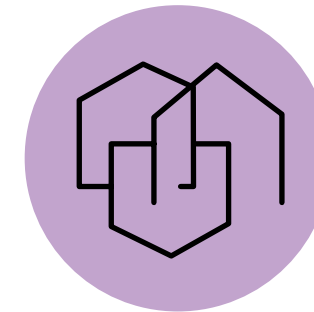
### RESOURCEFUL PARTNERSHIPS

The Architect takes a new spin on the strengths and capabilities of hotels. The Architect could build partnerships with companies to offer specialized co-working solutions so that companies can save money on space.



### FLEXIBLE OWNERSHIP

The Architect could take hotels into a new market by investing in solutions like co-owned apartments and time-share homes in order to offer guests more intimate spaces they currently seek elsewhere.



### DISTRIBUTED ASSETS

The Architect could reimagine the hotel as a set of interconnected spaces rather than a centralized one. Hub and spoke and other spatially distributed models allow hotels flexibility in the locations they can offer guests and the way they do business.

#### LOW TOUCH

*Activating currently underutilized space for new retail or workspace.*

*Offering spaces for remote workers to work at hotels.*

*Owning apartment spaces in key markets.*

#### HIGH TOUCH

*Installing an incubator on hotel premises that optimizes the value of co-working.*

*Partnering with companies to offer remote working hubs for their company.*

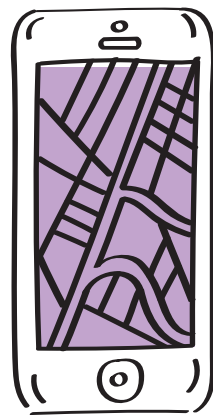
*Co-owning apartments and time-share homes that can be utilized by the hotel.*

*Annexing unique spaces in trending neighborhoods to complement the hotel's hub.*



# THE HOTEL AS THE ARCHITECT

As a business developer, Dave travels around the country every week. He's loyal to the Architect Hotels because of the flexible platform it provides. Depending on the project, client, and location, David likes having options for where to stay, work, and explore.



## BOOKS HOTEL BY LOCATION

This week he's traveling to a few spots for new business, with DC first on the list. As usual, he books at the last minute through the hotel app, finding an Architect Apartment in a neighborhood close to his client out in the suburbs.

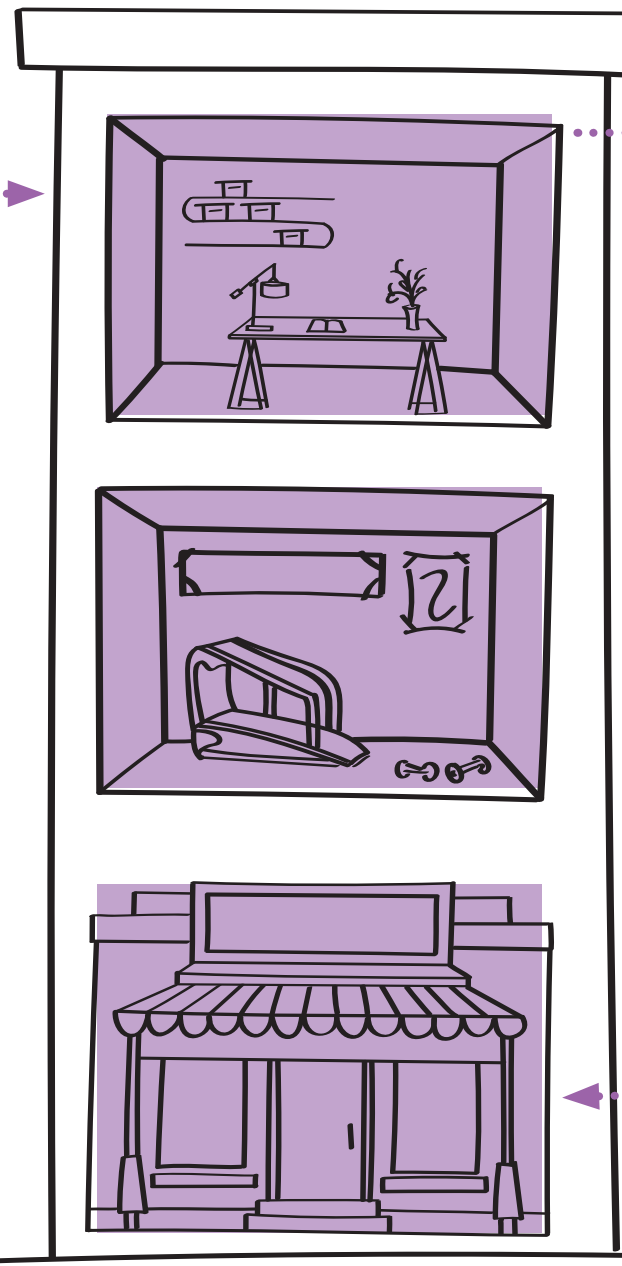
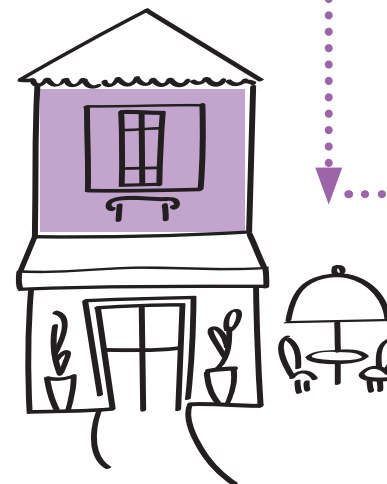
## ARRIVES AT SATELLITE HOTEL

When he arrives at a small 3-flat in Alexandria, he punches in a code sent by the hotel. The space is homey and spacious, and he recognizes a familiar feeling as he kicks off his shoes and sinks into his signature Architect bed. After relaxing and shaking off his stiff neck from the flight, he opens his laptop, connects to the wifi and starts working for a bit before heading out for the evening.



## EXPLORES THE NEIGHBORHOOD

For dinner, he meets his colleague (who's staying a few blocks away) at an oyster bar on the corner where they chat about their meeting tomorrow. Before heading home, David stops in a small grocer and grabs a bottle of wine and a few snacks for the morning drive.



## WORKS DOWNTOWN

Midweek, before getting on a flight to Denver, he decides to spend the morning catching up on email in the co-working space at The Architect hotel downtown.

## WORKS OUT

Right before lunch, and in an effort to stay healthier on the road, he swipes his Architect pass to get into the hotel gym and spend a quick 30 minutes on the treadmill. On his way out he grabs a fresh sandwich at the new bodega in the lobby.

### WORKS AT COMPANY SPACE

When he lands in Denver, David checks into the Architect downtown, where his company rents a dedicated working space. The company is often working with clients in Denver but the teams are always changing and the small space at the Architect makes it possible for them to provide their employees with resources without establishing a big office.

### JOINS HIS TEAM TO PREP FOR A BIG MEETING

The space is modularly configured with a mix of small huddle rooms, private focus rooms, and larger conference areas. He joins a group of his colleagues working in a small conference room they've reserved for the week to prepare for a big presentation.



### TRANSFERS TO AN APARTMENT

On Friday after a successful pitch, David checks out of the hotel and picks up a code to a small condo on the west side of town with a fantastic view of the mountains. He picks up his wife, who flies in to join him for the weekend. After a relaxing stay (and news of a successful project win!) they decide to co-invest with the Architect in a condo where David can stay for work, and they can spend their summer weekends!



# CHOREOGRAPHER

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As a choreographer you are a personal assistant, logistics guru, virtual concierge, and the ecosystem nexus.

## FOR GUESTS

For guests that value convenience above anything else, the Choreographer redefines the hotel as a new service that seamlessly manages the entire travel experience and logistics of guests.

## FOR HOTEL CHAINS

For brands that want to sidestep the costs of expensive loyalty initiatives, the Choreographer disrupts other brands by taking advantage of the interchangeability of hotels to focus on adding value where it matters most.

## FOR OWNERS

For owners who desire cheaper access to guests, the Choreographer builds a virtual marketplace connecting travelers to hotels that supply owners with a new channel to guests and independence from brands.

## MEET THE

# CHOREOGRAPHER

*“For work I don’t care where I stay. I’ll stay at an airport hotel that is not fun or cool. I’m just looking for a hotel with a convenient location that is reliable and clean. Really, it’s all about convenience for me.”* RACHEL

Rachel works in sales and marketing for a publisher. Her job requires heavy travel and the planning logistics involved can be complex. Planning and coordinating her and her colleagues’ travel can take hours out of her day. She says she looks for valuable time-saving solutions so that she can get back to her actual job.



### SEEKING WAYS TO SAVE TIME & HASSLE

Travel is a thankless, never ending task where business travelers look for tools and solutions that help minimize the energy and hassle needed to book, coordinate, manage, and track the same flight, hotel, and car over and over again. Travelers don’t want to expend the mental energy to manage their needs for every business trip.

*“When people travel they want a seamless experience and they don’t want to think about it.”*

DAVE

*“I’ll book at the hotel site because they have my info. People say I should book through OTAs to get more points but I just want to save time.”* RACHEL

### CHOOSING HOTELS LAST

For business travelers, hotels are interchangeable; they all feel the same. So when travelers choose a hotel they mentally weigh the trade-offs and benefits between a hotel’s location, price, convenience, and amenities. Oftentimes it’s in the name of convenience and comfort that travelers choose one over another.

*“I’ll stay at a hotel that I don’t want to stay at because I don’t want a long taxi ride.”* ULILI



### INFLUENCED BY COMPANY BOOKING SERVICES

Company travel portals and the loyalties of colleagues can greatly influence travelers on where they choose to stay. Portals that offer limited choices and company expensing protocols can be barriers to travelers exploring and trying new brands and alternative lodging options.

**85%** of all customers’ interaction will be digital by 2020, predicts Microsoft.

2014 Carlson Wagonlit Travel

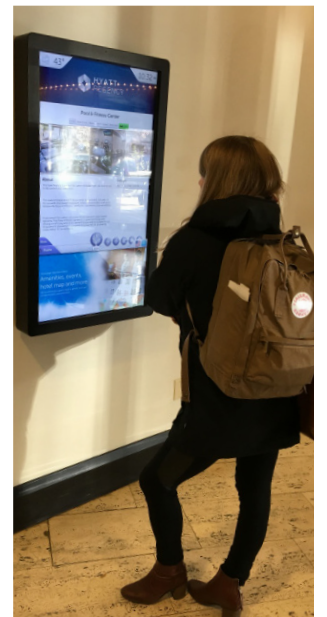
*“I usually book first so my colleagues will ask me where I’m staying so I’ll book them too to get their points.”* ULILI

### SEEKING TECHNOLOGY & CONVENIENCE BUT ALSO PERSONAL TOUCH

Technology solutions like mobile check-in feel like more of a hassle than convenient. We heard from guests that they prefer a more human touch, even through technology so that they can get the personalization or special treatment they want.

“M”

Facebook is testing a new virtual concierge, “M,” that will enable users to do a variety of tasks like booking travel.





## INTRODUCING THE

# CHOREOGRAPHER



### AS A CHOREOGRAPHER, THE HOTEL WILL...

**Facilitate** a seamless and holistically managed travel experience for guests by integrating travel logistics traditionally beyond the purview of the hotel.

We know travelers face immense complexity booking and managing their travel experience and don't want to expend the mental energy for every business trip. To address this, hotels will need to take on greater responsibility in managing the repetitive tasks of users to favor decision making in their direction.

**Utilize** technological solutions to become a virtual hotel that focuses on providing guests with a signature experience in any hotel, regardless of brand name.

We know business travelers decide on the hotel only after they plan other aspects of their travel experience. To address this, hotels will need to develop new techniques to support guests' decision making to offer more value to travelers.

**Build** new and cheaper booking channels to access guests directly and to offer targeted services to group and high frequent travelers.

We know colleagues and company booking services can influence which hotels are on a traveler's radar. To address this, hotels will need to form more loyal bonds with guests by bypassing third party booking agencies.

**Simplify** the hotel experience by offering bundles of third party services guests can customize for each trip, paying for only what they want at one time.

We know when guests feel nickel-and-dimed it diminishes the overall experience, even when someone else is paying. To address this, hotels will need to offer more value to guests by minimizing the number of transactions for services.

**Utilize** guest information and data to customize and automate the travel experience.

We know guests look for the convenience of technology but crave the personal treatment of a human touch. To address this, hotels will need to provide the right level of automation and personalization.

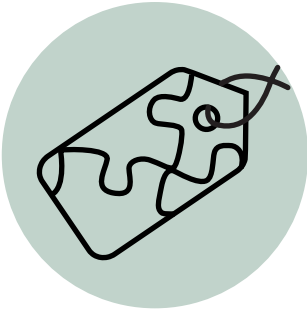
# WORKING WITH THE CHOREOGRAPHER

Specific attributes of this new role of the hotel could include:



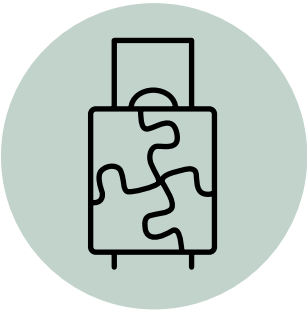
### CONVENIENT FOR GROUPS

The Choreographer could use its virtual services to specifically target group audiences and redefine group travel by offering specific services that meet their needs.



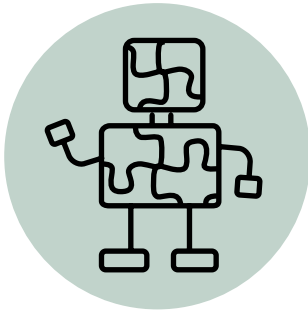
### SEAMLESS LOYALTY

The Choreographer allows for disaggregated pricing and bundling services so that guests can purchase the exact services they want to customize their trip.



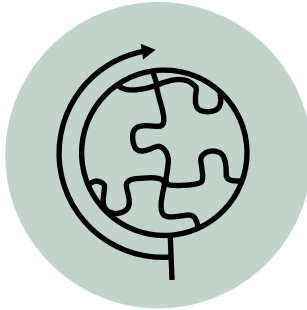
### EFFICIENT CHANNELS

The Choreographer sidesteps traditional channels to access guests by building a competitive alliance with operators to offer a cheaper avenue to guests.



### AUTOMATED EXPERIENCE

The Choreographer streamlines and manages the entire user experience for high frequency and group travelers.



### VIRTUAL HOTEL

The Choreographer redefines the hotel as a virtual service that strips away brands and focuses on connecting guests to hotels and offering streamlined logistics.

**LOW TOUCH**

*Offering remote workers packages for long-term travel schedules.*

*Curating third party bundles of services that users can choose from.*

*Offering an online OTA that brands manage to book travelers directly.*

*Uses travelers' data to pre-load preferences to automate the booking and travel experience.*

**HIGH TOUCH**

*Collaborates with companies to take on business travelers as a new "group" of travelers.*

*Building an online interface for guests to access services when they want and where they want.*

*Providing an enhanced booking service by targeting the specific travel needs of businesses.*

*Collaborates with companies to help automate steps of the travel journey for employees.*

*Developing an online marketplace to manage the travel experience for travelers.*

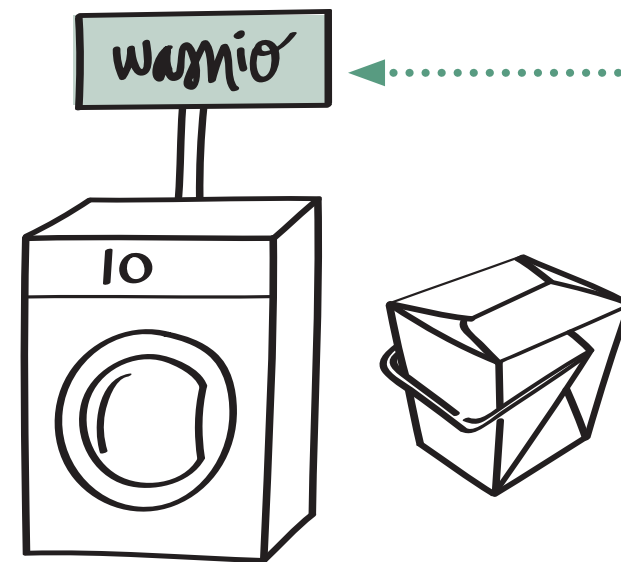
# THE HOTEL AS THE CHOREOGRAPHER

Rachel works in sales and marketing for a publisher and travels frequently for business. Often the logistics of coordinating her travel can be complicated and overwhelming. It can take a lot of time out of her day and she looks for convenient solutions to help her save time.



## PERSONALIZES EMPLOYEE BUNDLE

Rachel decides to use the Choreographer to manage her upcoming travel. The Choreographer has a new partnership with her company and all employees get a specific bundle of services included in the price. As an employee, she was able to customize her own travel bundle to add laundry services to the free wifi and GrubHub allowance she gets.

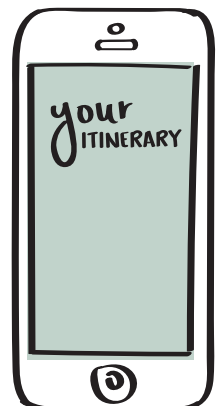
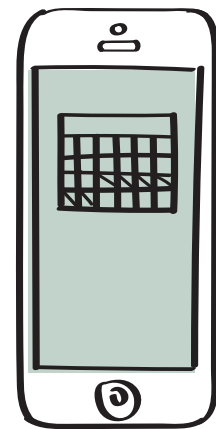


## ACCESSES SERVICES

When Rachel gets to the hotel, she opens the Choreographer's app to request laundry services from Washio to have her skirts pressed for tomorrow's meeting. She also decides to order local grub and have it delivered to her room using the grub hub allowance she gets from her company.

## BOOKS TRAVEL

She loves this new partnership because it really takes the time out of booking and managing her trip. Rachel puts in the dates and the location of her meetings and the Choreographer does everything else for her. In no time the Choreographer booked flights and a hotel for her and her team.

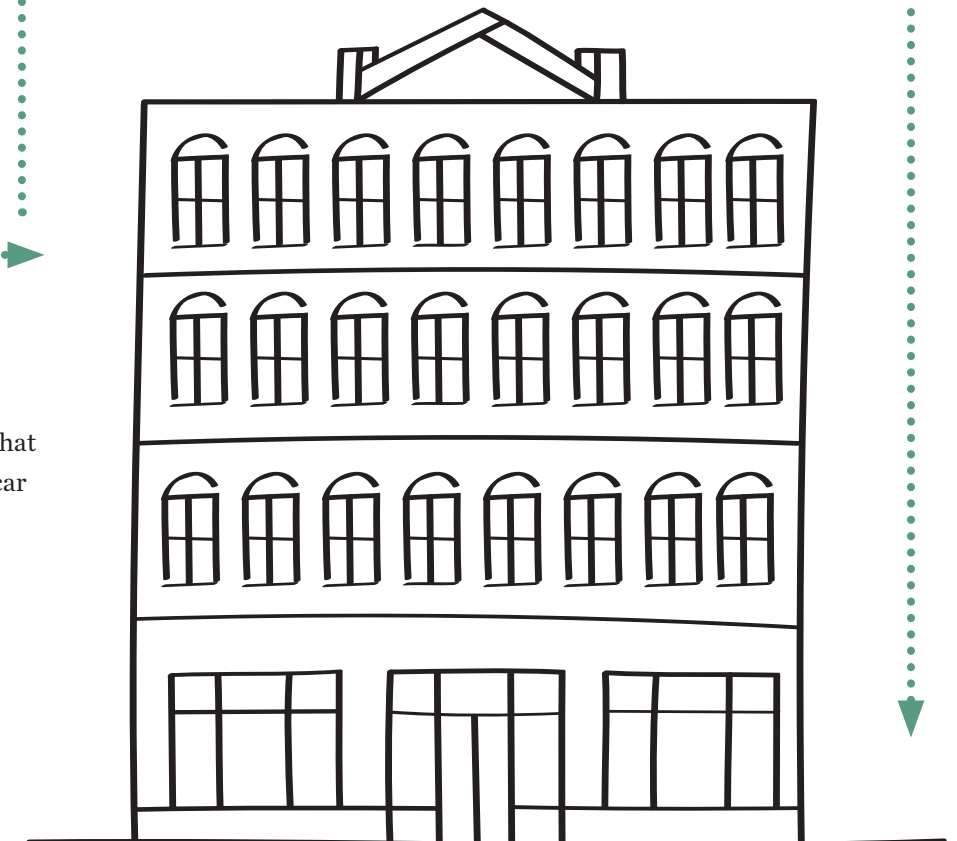
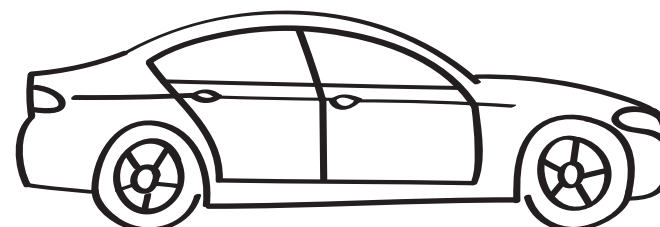


## RECEIVES FULL TRIP ITINERARY

Based on her preferences and the premium set by her company, the Choreographer puts Rachel and her team in a hotel with a good price, good quality, and a convenient location. The app sends Rachel and her team their full itinerary.

## PICKS UP CAR

Although the hotel isn't that far away from the meeting location, the Choreographer booked a rental car given the number of team members so that they could more conveniently move around and get to their meetings. The car was all ready to go and waiting for the team as they arrived at the airport.



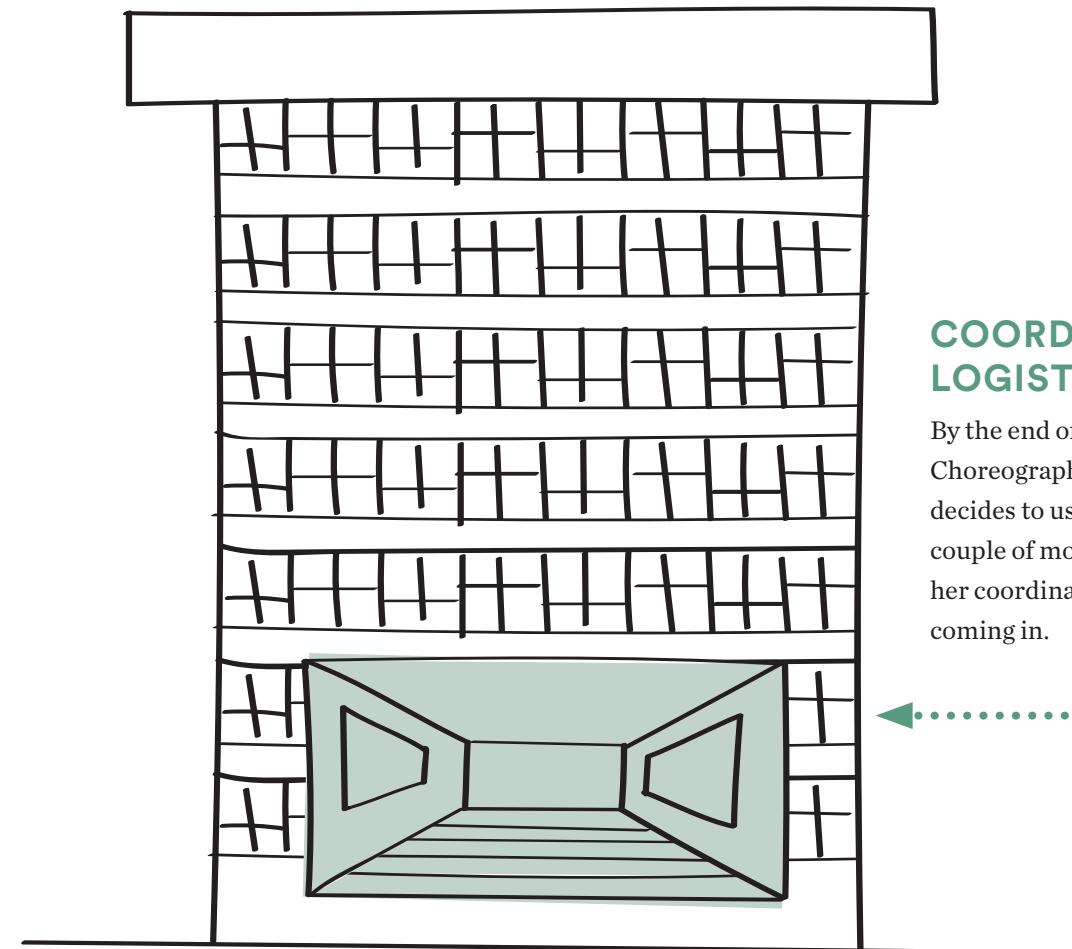
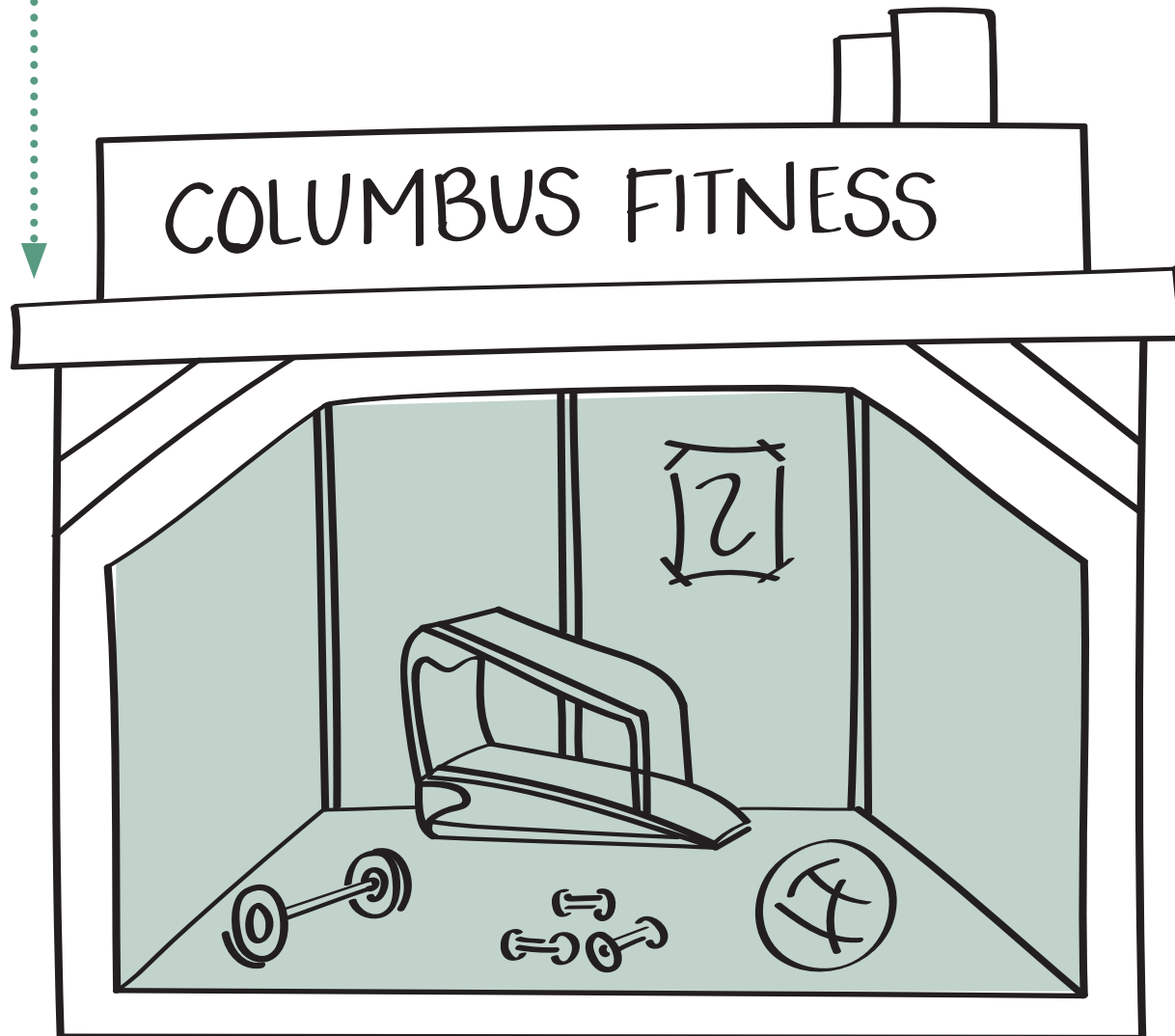
## PURCHASES NEW SERVICES

While she's in the app, she notices that the Choreographer has curated a list of services based on her previous purchases and sees that she can now access the gym across the street for a discounted rate as an elite traveler. So she selects the service to purchase it. In the past, Rachel would have normally opted out of this hotel because she didn't like the amenities that it offered her. Now that the Choreographer takes care of any services she needs, Rachel enjoys her stay much more.



## REDEEMS LOYALTY POINTS

By using the gym and ordering additional services through the portal, Rachel notices that she earned more loyalty points and decides to redeem those as credit card points so that she can purchase a pair of shoes she was eyeing the other day.



## COORDINATES CONFERENCE LOGISTICS

By the end of her stay, Rachel loved that the Choreographer managed every aspect of her trip and decides to use it for the conference she is putting on in a couple of months. She contacts a representative to help her coordinate all the travel logistics for the attendees coming in.



THE HOTEL OF THE FUTURE

# Making Strategic Choices

# What type of integrator will differentiate you?

The combination of knowing who, what, where, and why to integrate will be key for the hotel of the future. In order to make those new choices, hotel companies will need to reflect on key questions:

**Who** are we today?

**Who** do we want to be in the future?

**Who** are the customers we serve today?

**Who** are our customers of the future?

**What** is our current strategy?

**What** challenges are we facing today?

**What** are our strengths?

**What** are our unique opportunities?

**What** are we investing in today?

**What** is our aspiration for the future?

**Where** do we want to focus our efforts in the future?

**Where** do we want to play?

**Where** do we see the most potential?

**Where** are we already exploring?

**Why** do we want to change?

**Why** will guests of the future want to engage with us?

STRATEGIC CHOICES

# Different challenges present different opportunities

EXAMPLE CHALLENGES WE SEE HOTEL BRANDS FACING TODAY

*To compete with the experiences of boutique hotels and alternative travel accommodations...*

*To strengthen guest loyalty...*

*To be more desirable and flexible to owners...*

*To increase my brand distribution, find new sources of revenue and to minimize the conflicts with owners...*

*To increase my brand distribution, new sources of revenue and to minimize the conflicts with owners...*

CONSIDER:

Overcome the orthodoxy that hospitality needs to be standardized to be scalable by exploring:

Overturn the idea that loyalty must be built solely around the brand by exploring:

Break the standard that brands must be consistent and stable to be recognizable by exploring:

Subvert the expectation that hotels are all about heads-in-beds by exploring:

Move beyond the hotel as a brand and a space by exploring:



CURATOR



MATCHMAKER



NEIGHBOR



ARCHITECT



CHOREOGRAPHER



ARCHITECT



CHOREOGRAPHER



MATCHMAKER



NEIGHBOR



CURATOR



MATCHMAKER

## STRATEGIC CHOICES

# Imagine...

### CURATOR + ARCHITECT + MATCHMAKER

When the Curator, Architect, and Matchmaker get together, it's all about being a perfect place to stay, work, and play. The Curator becomes a suitable second home by providing variable and delightful experiences that are not one size fits all. The Architect supports daily life for travelers who are constantly on the road through multipurpose spaces. The Matchmaker creates an interactive atmosphere for guests to learn grow and share with one another. All around the hotel provides a homey, comfortable, and welcoming environment optimized for living, working and networking.

### MATCHMAKER + CHOREOGRAPHER

When the Choreographer meets the Matchmaker, it's all about the one-stop shop experience. The Choreographer transforms group travel by offering convenient, automated and custom bundled services. The Matchmaker matches travelers at group events to provide a personal experience and fosters brand loyalty by building a virtually connected network of guests. As the nexus of the travel ecosystem, the hotel matches people to all aspects of the travel experience.

### NEIGHBOR + MATCHMAKER

When the Neighbor meets the Matchmaker, it's all about networks. The Neighbor opens interactive spaces for neighborhood residents to hang out and businesses to build their network. The Matchmaker activates the community-centered hotel by hosting events around common local causes. The hotel cultivates a network of likeminded guests and locals.

### ARCHITECT + NEIGHBOR

When the Architect meets the Neighbor, it's all about physically integrating into the local community. The Architect provides diverse, multipurpose space that can be a destination place for locals. The Neighbor works with communities to build the capabilities for guests in dispersed co-owned spaces to engage and explore the neighborhoods.

### CHOREOGRAPHER + CURATOR

When the Curator meets the Choreographer, it's all about personalization. The Curator provides variable experiences to match guest mode and invites experimentation through product partnerships. The Choreographer enables those experiences through seamless packaging of services and virtual concierge services. The physical space of the hotel is merely a blank canvas for the guest to customize.

#### FOR GUESTS

---

*...who work remotely and need a second home away from home, a social network, and all the multipurpose spaces and amenities necessary to support life.*

*...traveling to an event as part of a group, or employees of organizations or businesses.*

*...traveling to the same hotel over a period of time and for a "new" kind of guest (the locals).*

*...looking for neighborhood experiences and interesting locations to stay.*

*...like Millennials who are looking for personalized, seamless experiences.*

#### FOR HOTELS

---

*...who want to redefine expectations for the experiences a hotel creates, what spaces and services it provides, and who it attracts.*

*...looking to disrupt the group travel industry and overcome the limits of existing loyalty programs.*

*...struggling to overcome the lonely and depressing hotel environment and looking for ways to activate the atmosphere.*

*...struggling to overcome the limits of location and diversity of experiences.*

*...struggling to overcome the orthodoxy that one-size-fits all.*

STRATEGIC CHOICES

# Reimagining Resources and capabilities

Becoming an integrator will require hotels to both rethink what resources and capabilities are available to them and how they are deployed. Today, the traditional hotel operates in silos defined by brands and spaces. Tomorrow, hotels will need to face the challenge of learning how to build bridges to access new resources, to balance the use of resources to bring new life to existing capabilities, to mobilize current resources for new partnerships, and to merge outside potential into new opportunity areas. Hotels should consider the range of resources available to them including **space, people, brands, and services**. They will also need to consider the capabilities they have at their disposal such as: **technology, human capital, user experiences, operations, and business models**.

<p>.....</p> <p><b>CURATOR</b></p> <p>The Curator is all about forming new partnerships.</p>	<p>.....</p> <p><b>MATCHMAKER</b></p> <p>The Matchmaker is all about branding and socializing guests.</p>	<p>.....</p> <p><b>NEIGHBOR</b></p> <p>The Neighbor is about contextualizing and democratizing the hotel.</p>	<p>.....</p> <p><b>ARCHITECT</b></p> <p>The Architect is about reimagining space and services.</p>	<p>.....</p> <p><b>CHOREOGRAPHER</b></p> <p>The Choreographer is all about streamlining the travel journey and being the virtual concierge.</p>
----------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------

CRITICAL RESOURCES

<i>Leveraging current <b>space</b> in a new way.</i>	<i>Leveraging current <b>branding</b> and the types of guests it attracts and making it better.</i>	<i>Drawing from the skills and the value your current <b>owners</b> bring to the table.</i>	<i>Drawing on existing <b>spaces</b> and access to space.</i>	<i>Leveraging and expanding on the strengths of the hospitality <b>services</b> you provide.</i>
------------------------------------------------------	-----------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------	---------------------------------------------------------------	--------------------------------------------------------------------------------------------------

CRITICAL CAPABILITIES

<i>Building a great <b>user experience</b> capability.</i>	<i>Redefining <b>human capital</b> capabilities to build strong relationships with guests.</i>	<i>Building a new <b>business model</b> that is flexible for different contexts and owners.</i>	<i>Building a strong capability around managing and <b>operating</b> multiple types and locations of spaces.</i>	<i>Developing core <b>technology</b> capabilities to deliver current and new services to guests.</i>
------------------------------------------------------------	------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------

THE HOTEL OF THE FUTURE

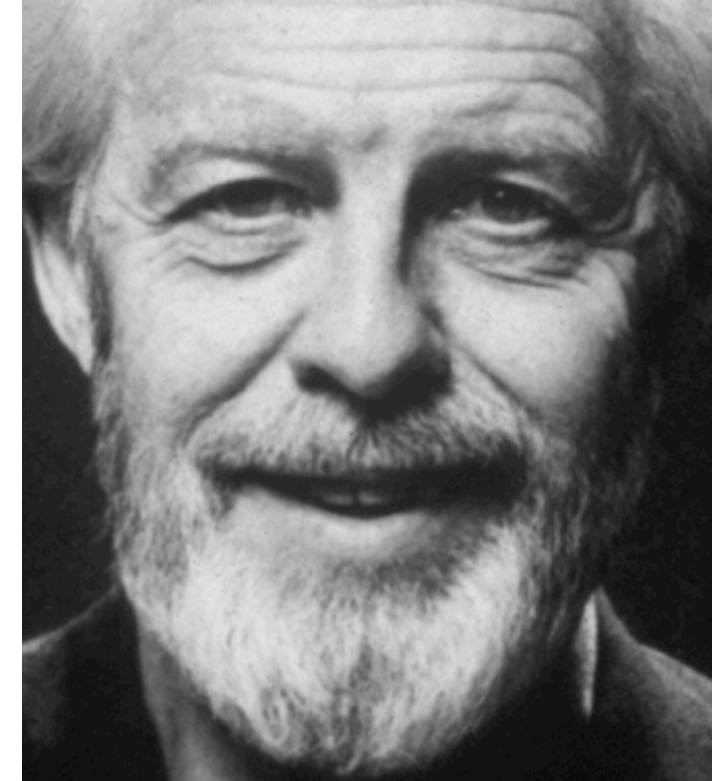
# Appendix



## OUR APPROACH

# About Doblin

*Research for innovation combines multiple approaches in order to consider the challenge from different perspectives. Ethnography is an approach to user-centered research, not necessarily a single methodology.*



**Doblin** was founded in 1981 by an acclaimed industrial designer who sought to apply design methods to a broader problem set, including business problems.

### ETHNOGRAPHIC RESEARCH

New insights around what people actually do, how they think, and the choices they make provide new ways of thinking about solutions. This includes immersive interviews and observations with users, influencers, stakeholders and channel owners.

### EXPERT INTERVIEWS

Targeted information from a knowledgeable point of view gets us smart on the specifics of the challenge quickly. Traditionally interviews are conducted with internal experts on the industry as well as on trends, consumer behavior, and forces of change.

### TRENDS & MARKET RESEARCH

Broad trends across industries allow us to see “adjacent” activities that might inform solutions. A review of the industry forces and entities provides insight into what the market may support. This includes looking at internal and external sources, including market surveys, industry reports, and competitive analyses.

### OUR TEAMS

Our team of specialists work at distinct and unusual intersections to help our clients innovate and become better innovators. We work as truly multi-disciplinary teams with future-defining design skills, social science insight, and business model intelligence.

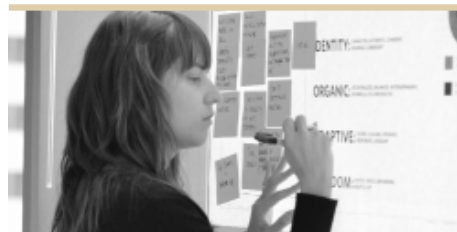
### HOW IS USER-CENTERED RESEARCH DIFFERENT THAN MARKET RESEARCH?”

- Market research often isolates a question or consideration, removing the broader context and details which appear inconsequential.
- Market research assumes that people know what they want or what influences their behaviors.
- Market research seeks to remove bias as opposed to exploring why those biases may exist.



## OUR APPROACH

# How we conceive, build, and launch innovations at Doblin



Successful innovators manage a portfolio of initiatives across ambition levels. Different levels of innovation ambition require an uneven allocation of available resources. To set initiatives up for success, three things are essential: alignment on ambition and the business objectives to achieve, the metrics that will tell us that we're succeeding, and the expectations of what the work will deliver.



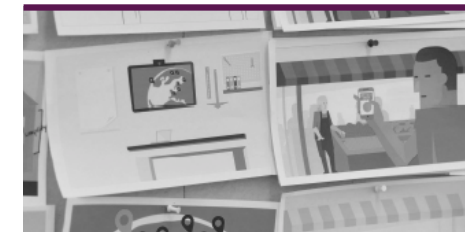
Deep insight is at the root of most great innovations, and still too many organizations remain out of touch with their customers. Serial innovators will explore the lives and contexts into which products and services must fit, and then work back from there to invent "the new." We take deep dives into the daily lives of people, exploring their goals, barriers, and pain points that stand in the way of customers reaching their goals.



Customer insight is necessary, but not sufficient, to produce bold ideas that are also practical and defensible. Our process also depends on insight into technical capabilities available in the marketplace, including competitors' strategies, business models, and services available to companies. Combining these different insights will define balanced opportunities for capturing markets and for building bold innovations.



Too often, companies try to innovate by simply coming up with new variations of existing products. New, by itself, will surely not be enough to win over and retain customers. In this stage, we work together to conceive and define ideas that combine multiple Types of Innovation. We work to turn opportunities into great ideas and use structured tools to turn great ideas into bold and systemic innovations. We make new ideas tangible by detailing what makes them desirable, feasible and viable as innovations.



Successful innovators test their ideas early and often. We test developed prototypes with customers and influencers. We gather feedback and continue to develop ideas accordingly. And we create detailed plans for a pilot program to prepare the organization for full-scale deployment of customer-centered transformational innovations.

OUR APPROACH





# Research Process

TIMELINE




**8 WEEKS**  
of research & synthesis

WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8
RESEARCH PREP	RESEARCH CYCLE #1	DOBLIN 101	RESEARCH CYCLE #2	IDENTIFY OPP AREAS	REFINE OPP AREAS	WORKSHOP PREP	FINAL DELIVERABLE

CITIES

-  **COLUMBUS**  
Ohio
-  **INDIANAPOLIS**  
Indiana
-  **CHICAGO**  
Illinois
-  **NEW YORK**  
New York

HOTELS

-  HYATT REGENCY
-  LE MÉRIDIEN
-  SHERATON
-  HILTON
-  THE ALEXANDER
-  LE MÉRIDIEN
-  HILTON
-  JW MARRIOTT
-  VIRGIN HOTELS
-  HYATT
-  THE JAMES
-  THE ACE HOTEL

INTERVIEWS

- 6 INTERNAL INTERVIEWS**  
with extreme travelers
- 8 IN-DEPTH USER INTERVIEWS**  
with frequent business travelers
- 3 STAKEHOLDER INTERVIEWS**  
with owners, operators, & Airbnb hosts
- 2 EXPERT INTERVIEWS**  
with industry specialists









OTHER RESEARCH

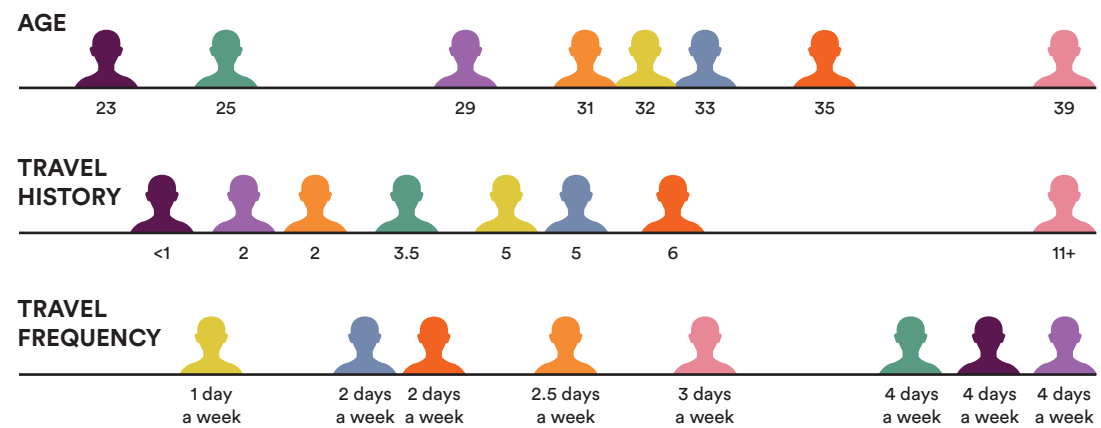
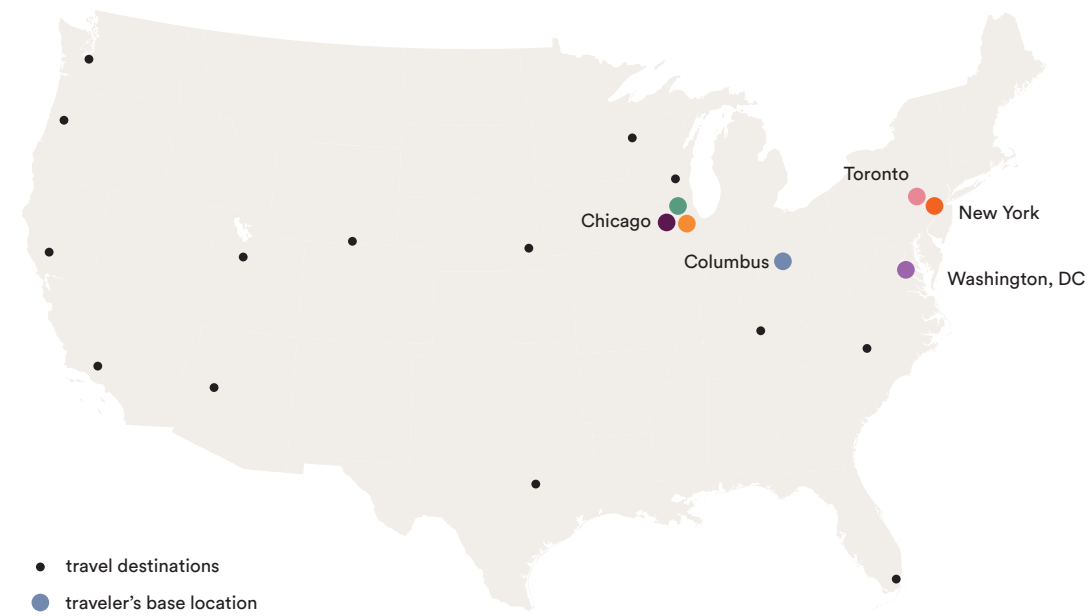
-  **CAMERA JOURNALING**  
from extreme travelers

OUR APPROACH




# Who we talked to

USERS



-  **RACHEL**  
Sales
-  **LAUREN**  
Leasing
-  **DAVID**  
Business Development
-  **DAVE**  
Advertising
-  **ULILI**  
Non-Profit Start-up
-  **PETER**  
Consulting
-  **ZARAH**  
Non-Profit
-  **RORY**  
Technology



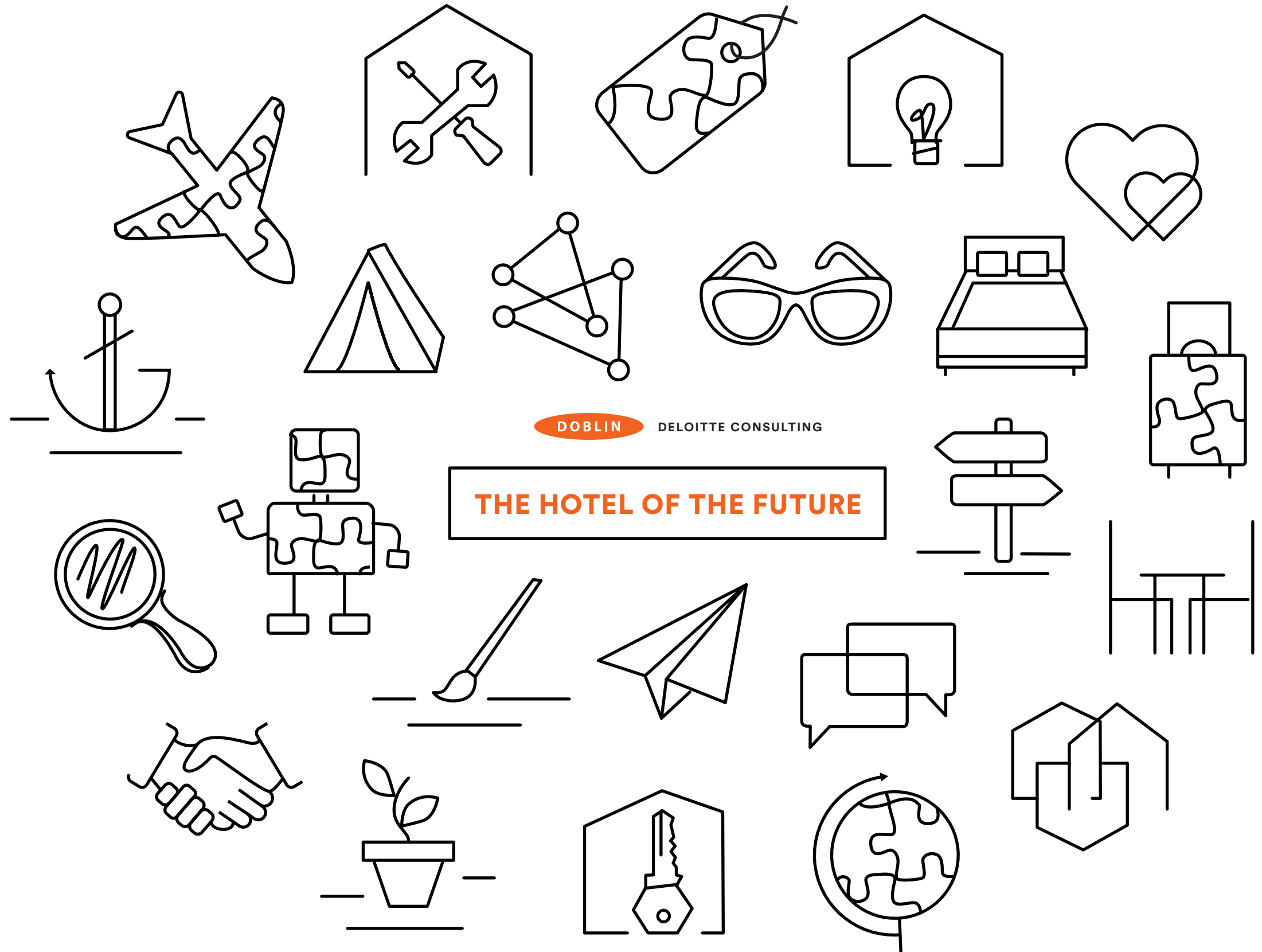
STAKEHOLDERS

-  **BRIAN**  
Owner, Host Hotels
-  **BRYAN**  
Owner, Driftwood Hospitality
-  **NATHAN**  
Super Host, Airbnb

EXPERTS

-  **TOM**  
Hospitality Designer, Gensler
-  **LARRY**  
Innovation, Doblin





DOBLIN DELOITTE CONSULTING

**THE HOTEL OF THE FUTURE**

**CONTACT US**

**Steve Jennings**

Principal, Monitor Deloitte  
 stjennings@deloitte.com

**Tom Schoenwaelder**

Principal, Doblin  
 tschoenwaelder@deloitte.com

**Ramya Murali**

Senior Manager, Monitor Deloitte  
 rmurali@deloitte.com

**Courtney Sherman Dehnert**

Innovation Program Lead, Doblin  
 crdehnert@deloitte.com

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**DOBLIN**