

HOTEL yearbook 2010

What to expect in the year ahead

**Sir David Michels on the shape
of the coming recovery**

**The outlook for 20 key markets,
from China and the USA
to Germany, Brazil and Libya**

**Is it time to change in-room
technology standards?**

**How the crisis
will affect luxury in 2010**

**Editorial input from 25 hotel
industry CEOs**

This excerpt from the Hotel Yearbook 2010 is brought to you by :



Ecole hôtelière de Lausanne

The Ecole hôtelière de Lausanne (EHL) is the co-publisher of The Hotel Yearbook. As the oldest Hotel School in the world, EHL provides university education to students with talent and ambition, who are aiming for careers at the forefront of the international hospitality industry. Dedicated to preparing tomorrow's executives to the highest possible level, EHL regularly adapts the contents of its three academic programs to reflect the latest technologies and trends in the marketplace. Since its founding in 1893, the Ecole hôtelière de Lausanne has developed more than 25'000 executives for the hospitality industry, providing it today with an invaluable network of contacts for all the members of the EHL community. Some 1'800 students from over 90 different countries are currently enjoying the unique and enriching environment of the Ecole hôtelière de Lausanne.



Boutique DESIGN New York

Boutique DESIGN New York, a new hospitality interiors trade fair, will coincide with the 94-year-old International Hotel/Motel & Restaurant Show (IH/M&RS). Designers, architects, purchasers and developers will join the hotel owners/operators already attending IH/M&RS to view the best hospitality design offerings as well as explore a model room, exciting trend pavilion and an uplifting illy® networking café.



Hospitality Financial and Technology Professionals (HFTP)

HFTP provides first-class educational opportunities, research and publications to more than 4'800 members around the world. Over the years, HFTP has grown into the global professional association for financial and technology personnel working in hotels, clubs and other hospitality-related businesses.



Bench Events

Bench Events host premier hotel investment conferences including the International Hotel Investment Forum; the Arabian Hotel Investment Conference and the Russia & CIS Hotel Investment Conference. Bench Event's sister company, JW Bench, is a benchmarking company that has launched the Conference Bench and the Productivity Bench. An industry first, the Conference Bench, measures performance data for conference space in hotels throughout Europe.



Cornell University School of Hotel Administration

Founded in 1922, Cornell University's School of Hotel Administration was the first collegiate program in hospitality management. Today it is regarded as one of the world's leaders in its field. The school's highly talented and motivated students learn from 60 full-time faculty members – all experts in their chosen disciplines, and all dedicated to teaching, research and service. Learning takes place in state-of-the-art classrooms, in the on-campus Statler hotel, and in varied industry settings around the world. The result: a supremely accomplished alumni group-corporate executives and entrepreneurs who advance the industry and share their wisdom and experience with our students and faculty.



Hsyndicate

With an exclusive focus on global hospitality and tourism, Hsyndicate.org (the Hospitality Syndicate) provides electronic news publication, syndication and distribution on behalf of some 750 organizations in the hospitality vertical. Hsyndicate helps its members to reach highly targeted audience-segments in the exploding new-media landscape within hospitality. With the central idea 'ONE Industry, ONE Network', Hsyndicate merges historically fragmented industry intelligence into a single online information and knowledge resource serving the information-needs of targeted audience-groups throughout the hospitality, travel & tourism industries... serving professionals relying on Hsyndicate's specific and context-relevant intelligence delivered to them when they need it and how they need it.



WATG

Over the course of the last six decades, WATG has become the world's leading design consultant for the hospitality industry. Having worked in 160 countries and territories across six continents, WATG has designed more great hotels and resorts than any other firm on the planet. Many of WATG's projects have become international landmarks, renowned not only for their design and sense of place but also for their bottom-line success.

elevation



WATG re-invented the resort to reflect the magic of Kauai by paying homage to the unique island and its culture.

[READ MORE ►](#)

VISIONARY CLIENT



Ismail Haluk Kaya
Üçgen Construction and Trade Co. Inc.
Should a client invest in a monument to the architect's ego?

[READ MORE ►](#)



PROJECT SPOTLIGHT



St. Mary's Mixed-Use Residential and Retail

New luxury towers currently under construction in Kuala Lumpur set the bar high for metropolitan living.

[READ MORE ►](#)



THOUGHT LEADER



Shaun Hannah
WATG's director of sustainability talks about how the recession has impacted green design.

[READ MORE ►](#)

[facebook](#) [LinkedIn](#) [twitter](#) [flickr](#) [YouTube](#)



Our ever changing foods

Many of the contributors to this year's Hotel Yearbook are focused – understandably – on the gradual improvement expected in the economy next year, and how this will affect various aspects of the hotel business. But what about the way we dine out? Are changes in our eating habits also dependent on the economy, or are other factors at play as well? We asked **CHRISTOPHER MULLER**, Professor at the Rosen College of Hospitality Management at the **UNIVERSITY OF CENTRAL FLORIDA** in Orlando, for his views on the current culinary trends.

These are the five current trends I believe will most impact Food & Beverage in 2010:

- The retreat of fine dining;
- Rising casual elegance;
- The paradox of exotic new flavor influences and more local favorites;
- More coffee/energy drinks & less alcohol; and
- The impact of the LOHAS consumer.

It's best if we start with a common understanding – in all but a few markets, 2010 will not be a year of sales growth for food & beverages in the hotel business. In fact, it will be a «transition» year when many existing industry icons will not be able to survive, many others will need to significantly change the way they have traditionally conducted business, and many new, innovative market-driven businesses will be created. This means that we all need to be prepared for some very hard-to-swallow realities while searching for some windows of opportunity ready to be opened by forward-looking operators.

Too many of us are asking *sotto voce*, «Who will travel in 2010?» The answer is: (1) the very rich; (2) the «we're not as poor as we thought we thought we were»; and (3) a growing Chinese middle class. Not a strong mix for most of us to build on. Consensus predictions are that worldwide tourism will be down 10-15% for the coming year. Combine this with the

estimate that the jobless rate in the 30 member countries of the OECD will hover near 10% through all of 2010, and it is clear our dining rooms will not fill up by themselves. There is neither enough pent-up demand nor substantial new business on the near horizon to spread much optimism.

The good news is 2011 portends to be a much better year both for surviving businesses to rebound and for the startups of 2009/2010 to move into the mainstream. New relationships with guests, especially those established online and through social media will create exciting new opportunities for companies willing to act during a continued downturn. With luck some pockets of success will be emerging by the fourth quarter of 2010.

Here are what I believe will be the movements to watch.

Probably the most important and, unfortunately, most durable trend is the **relentless retreat of traditional Fine Dining**. There are many causes for this, the terrible global economy being the most obvious. But the continued drift towards a more casual lifestyle is the real killer. Dress codes and formal service protocols do not fit with a 21st century mindset. Reuters reports that more than 500 elite restaurants in New York City will have closed by the end of 2009 alone. The news in the *Atlanta Journal-Constitution* on October 1, 2009 was «The Dining Room at the Ritz-Carlton Buckhead Closes Tonight.» This was one of the few remaining Fine Dining restaurants in a



metropolitan area of over 5 million people. Five years ago these stories would have been shocking. During 2010 news like this will be hardly noticed.

So, what replaces the aging French restaurant model of César Ritz and Auguste Escoffier? Trend Two is «**casual elegance**,» an emerging foodservice category revealed as a more relaxed experience, with a broader and more energized menu served in a faster and less structured manner. The death knell for the necktie has already sounded. Sadly, the Sommelier has left the building, arm-in-arm with the Maitre d' Hotel. They certainly won't be coming back in 2010.

Trend Three for 2010 is that a paradox of **two divergent menu trends** will drive the entire restaurant business. Flavor profiles for this emerging movement will include the intensity of Vietnamese, the subtleties of East African, and the variety of North African/Mediterranean influences. Expect to see more shared plates, lower menu prices, more noodles and grains, and less protein in main portions. At the same time, chefs will turn to a provincial focus, with natural ingredients from local suppliers reflecting the customer needs to feel secure in their food choices and in control of what they eat. There may be less travel, but there will be more dining out at the local brasserie or gastro-pub

In the past, conventional wisdom suggested that when economies turned soft, the consumption of alcohol would increase. But it appears that 2010 will continue the nearly 25-year trend of slow decline of beverage alcohol sales worldwide. As with Fine Dining, fine wines, specialty spirits, and beer have all become less attractive and will not be leading us back to full revenues. But positive news is seen in an increase of caffeinated and other varieties of energy drinks including **specialty coffees, teas, and up-start New Age beverages**. Coffee, in all of its forms, will be strong throughout the industrialized markets and appears to continue as one of the few bright spots in all of Food & Beverage for 2010.

Finally, the most significant trend is that all of the above are being created, manipulated and in many respects openly

driven by a single emerging market factor: the consumer trend identified by the acronym **LOHAS – Lifestyles of Health and Sustainability**. The LOHAS consumer is an amalgam of a diverse demographic base. It includes Europeans seeking to ban genetically modified crops; traditional and political vegetarians; «locavores» seeking to minimize their carbon costs by buying only food produced within 100 kilometers of their kitchens; casual runners of 5-km races; vegans; patrons of green restaurants; drivers of hybrid cars; Costa Ricans looking to build gastronomic tourism in their eco-friendly nation; socially responsible teenagers choosing to ride bicycles to school; artisanal cheese makers in Brittany; organic stone-fruit growers in the Okanagan Valley of Western Canada; micro-farmers in Bangladesh; fair-trade shoppers at Whole Foods Markets in London; bakers of single loaf multi-grain bread; natural farmers; and anyone interested in the balance that **community, authenticity and inspiration** can bring to the market.

Satisfying the needs and wants of the LOHAS consumer is a growth business, both short and long-term. I would suggest that this is actually the trend which fills the gap left by Fine Dining after one hundred years of a more indulgent lifestyle. Simply stated, a large portion of the world's consumers, people who stay in hotels as well as local residents who dine in hotel restaurants, are increasingly aware of what they eat and how they live. Every time someone chooses not to have a glass of wine because they will be driving home after dinner, or to eat a green salad with natural aged Parmesan and heirloom tomatoes for lunch, or to share a cup of organically grown green tea with a friend and forego dessert, there you will see a LOHAS consumer.

So I predict that successful operators in 2010 will be:

- proactive when confronted by these five consumer trends,
- steadfastly focused on identifying real customer value, and
- looking forward to a new day of Health and Sustainability.

It will be 2011 in no time. ■

the first and only swiss vodka

