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Millennial Mayhem

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Millennial mayhem

– are hotels caught up in the hype?

Much hype has surrounded the emergence of the millennial generation – but should hotels adapt their offering to meet the demands of this market, or should they take a more generalised approach? **Sue van Winsen** spoke to members of the hotel industry to find out.

From room service delivered by robots to unstaffed hotels – it is difficult to recall a time when as many revolutionary changes have been brought in to meet the demands of a specific generation of travellers. Millennials, or those born between the early 1980s and early 2000s, are a segment that have piqued the interest of the hotel industry – especially as they begin to enter junior and middle management and travel more for business.

Tom Thrussell, vp of brand and marketing for Centara Hotels and Resorts, says the extent to which hotels should adapt their offering to cater for the millennial market depends on their particular segment. “But given that millennials currently represent one-third of all travellers and that within five years more than half of the money spent in the travel sector will come from millennials, if you’re not looking at how to attract them now, you’d better start quickly!”

Starwood believes we have entered what it refers to as “the age of great change”, where a new generation is reshaping global travel patterns, forcing the hotel industry to rethink the way it has operated since time immemorial. **Anjali Mehra**, regional director of

communications: Africa and Indian Ocean for Starwood, says things are changing at a faster pace than we could ever have imagined. “A new generation of travellers, rising wealth and accelerating technological change continue to reshape global travel patterns. This is generating the increased demand for our mid-market brands targeting at the younger, tech-savvy traveller. What is also rapidly changing is the way people book and interact with the brand.

What do millennials really want?

Indeed, **Caroline Daniel**, regional director of Africa for Preferred Hotels & Resorts, says before even considering product enhancements and innovations, hotels have had to re-examine their approach to marketing. “The vast majority of millennials will judge a hotel and its offering at the dreaming or research stage of travel, long before they are ready to make a reservation. If the website, social media or marketing activity around a hotel or collection of hotels are not memorable or don’t resonate, the hotel might not get the opportunity to showcase



Caroline Daniel, regional director of Africa, Preferred Hotels & Resorts

that its facilities and amenities are in line with their lodging preferences.”

Some of the most common themes that emerge in terms of the desires of millennial travellers are convenience, efficiency and, above all else, connectivity. Mehra says: “Exploration, interaction and experience have become the major focus. They are willing to pay more for a richer experience. For example, today we are seeing lobbies evolve into social spaces with food and beverage experiences integrated to create an atmosphere that combines work and play.”

Thrussell says: “Predominantly, they want to be able to do all the things they do in their everyday lives with the same ease they would in their own home or other natural environment.” He says while they are not necessarily in need of high-tech or complicated gimmicks, they do want high-speed Internet and the ability to plug in and connect their own devices.

Mark Jakins, chief marketing and regional operations executive for Peermont, echoes Thrussell’s sentiments and says, aside from convenient connectivity, they also want irons and ironing boards in the rooms to quickly press their own clothes, as well as a wide range of television channels offering news, sport and lifestyle programmes. “Online reservations and check-in, self-service takeaway coffee stations to be able to drink on the run, and public areas in the hotels to offer gathering places with bars that have a vibe for social interaction are also important.

Loyalty programmes have also been overhauled. Daniel points out that millennials tend to value “soft” benefits over points, seeking “on the spot” rewards that offer instant benefits for every interaction.

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What about the rest?

But do hotels risk alienating other generations by adapting their offering to millennial travellers? Thrussell says that while some hotels cater purely for specific segments, such as millennials, other hotels transcend generations and a fine balance must be achieved. "We are in the midst of a generational transition that is more pronounced in its differences than ever before. It can be a challenge to address the diverse service styles, offerings and technologies required for the differing audiences from a training, service and cost perspective but, provided we stay true to our core values, offering and identity, it is possible not to alienate guest segments."

Daniel also believes it may not be wise for every hotel to overhaul its offering or image if it could damage the rapport it has established with a loyal client base. "However, certain services or facilities can be incorporated into a hotel's existing offering to better reach millennials and inspire loyalty for years to come."

What hotels are doing to attract millennials

Centara

The group has taken steps to ensure strong complimentary WiFi connectivity throughout its hotels. It has also upgraded its website experience, made enhancements to its booking engine and ramped up its social media activity to provide a seamless user experience. From a product perspective, it has introduced a new beach club and bistro concept called COAST, which is offered at four of its beachfront locations and offers the laid-back socialising experience that millennials crave. Centara is also adding a new brand to its portfolio – COSI – with the first property opening in Chaweng, Koh Samui, Thailand. COSI Hotels will be an affordable lifestyle brand aimed at modern,

tech-savvy travellers, offering experiences differentiated by their location and cultural influences.

Peermont

The group has begun upgrading its WiFi connectivity speeds, dependent on available bandwidth and regulations in some of the countries, such as Botswana and Malawi. Peermont has also improved the reservations process on its website to offer more customisation, while rolling out bigger televisions in all the hotel categories, with USB and HDMI support, so guests can plug their phone into the television to work on email or watch movies saved on their devices, including laptops, tablets and phones.

Starwood

Starwood's tech-savvy brand, Aloft, was created to meet the needs of the always-on, evolving millennial global traveller. It includes modular furniture, open spaces, industrial design elements, loft-like guest rooms and a commitment to adaptive reuse. Each Aloft hotel receives a seasonal refresh to update the design experience. Aloft was the first brand to pilot Starwood's keyless entry system, where guests use their smartphone as their room key, as well as Botl, the industry's first robotic butler. The group has also focused on hiring more millennials, and has introduced reverse-mentoring, where millennials educate older staff on their world. ■



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