

Brands Entering the Hotel Space

BY MICHAEL SHINDLER, PRESIDENT

Abraham Maslow, an American psychologist known for many other things, also has written "I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail." This insightful lesson comes to mind reading the article about Muji's entry into the hotel space, as the person quoted discussing this is a designer. Therefore, his focus, appropriately due to his expertise, is the design element of the in-development Muji hotels.

Of course, when I read an <u>article</u> in the "Development" section of Hotel Management's online magazine, I expect a bit of development to be discussed – rather than the only development-related statement being the number of rooms with "five varying configurations." And, given the magazine's name, one might expect some insights into how Muji will approach hotel management, marketing, branding, reservations and corporate infrastructure, those elements that truly enable a brand to fulfill its brand promise when moving to a new business milieu.

If only it were so easy to change course and operate a hotel just because of a brand, there would be 100 Hard Rock hotels, 100 Margaritaville hotels; West Elm would be growing twice as fast as it is. Recently announced Karl Lagerfeld Hotels would be design-led in all the fashion capitals of the world, and the long-rumored Restoration Hardware hotel line would have been up-and-running some time ago. (From public reports, at least, both West Elm and Karl Lagerfeld Hotels have partners who are true and professional hotel people, so the criticism of doing this halfway implicit in this piece does not apply to them, nor am I familiar with Restoration Hardware's plans, so I do not want to paint too broad a brush.) Suffice to say, it is not so easy as simply throwing one's brand in the hotel ring and announcing, "we have a hotel company."

It is hard work to enter the hotel space and gain real traction. Besides representing and presenting one's own brand, that brand in the hotel space needs to stand for something beyond being a product showroom. Furthermore, it needs to consistently and safely fulfill the fundamental blocking and tackling of a hotel company – provide a comfortable room, with copious hot water, a bed worthy of a good night's sleep, access to the Internet (preferably, free and fast), a screened (as in TV) entertainment option and decent lighting, all in a safe, secure location and building. Beyond that, the brand can overlay its style, approach, vibe, ambience and amenities and the rest of its value proposition. Best wishes to Muji (with which I am entirely unfamiliar) and the other brands from other lines of business that are increasingly trying to enter the hotel space. However, Muji should not expect that every

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customer who has ever bought a piece of furniture (or clothing, or blender, or hamburger) is simply going to show up and change all other loyalties in the hotel space based on its furnishings and its design.

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