



New Brands in the Hotel Arena

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Recent articles (including this one) about the entry of West Elm and the possible entry of Restoration Hardware into the hospitality space, particularly, the hotel space, raise an interesting question about crossover branding.

As a consultant to and an executive for brands that either tried to enter (in the case of the former), or strived to expand its presence in (in the case of the latter, which, it is fairly clear, was Hard Rock), one critical point that I learned is this: ***there are fundamentals in the hotel business that must be satisfied, the basic blocking-and-tackling that hotels and hoteliers must do – provide a safe, secure room, with a shower that works, a comfortable bed, and decent wifi; get the reservations right; prevent hacking of the company computer; and teach as well as possible the basics of serving guests.***

Some do this exceedingly well; some, not so much.

As West Elm and Restoration Hardware, if, indeed, it is joining the ranks of hoteliers, will learn, there is far more than tossing their respective brand hats on the table and saying, “deal us in.” West Elm may or may not bring people into their hotels as a competitive matter, but the powers that be at West Elm have teamed with experienced developers/operators of hotels; I suspect they are not entering this field with blinders on. Their success as hoteliers, not retailers, will dictate whether West Elm hotels will pop up across the US; likewise, if they attempt to treat the hotel space as a simple extension of their retail business, they almost certainly will fail. The jury is out on RH, pending their doing more than dipping their toes into restaurants or showrooms with hospitality services.

Most brands not in the hotel space who announce the intention to take that step become enamored with the notion of brand extension. Those that are successful are the ones who treat the hotel space as a challenge to be learned and improved, rather than merely more of the same that got them there.