

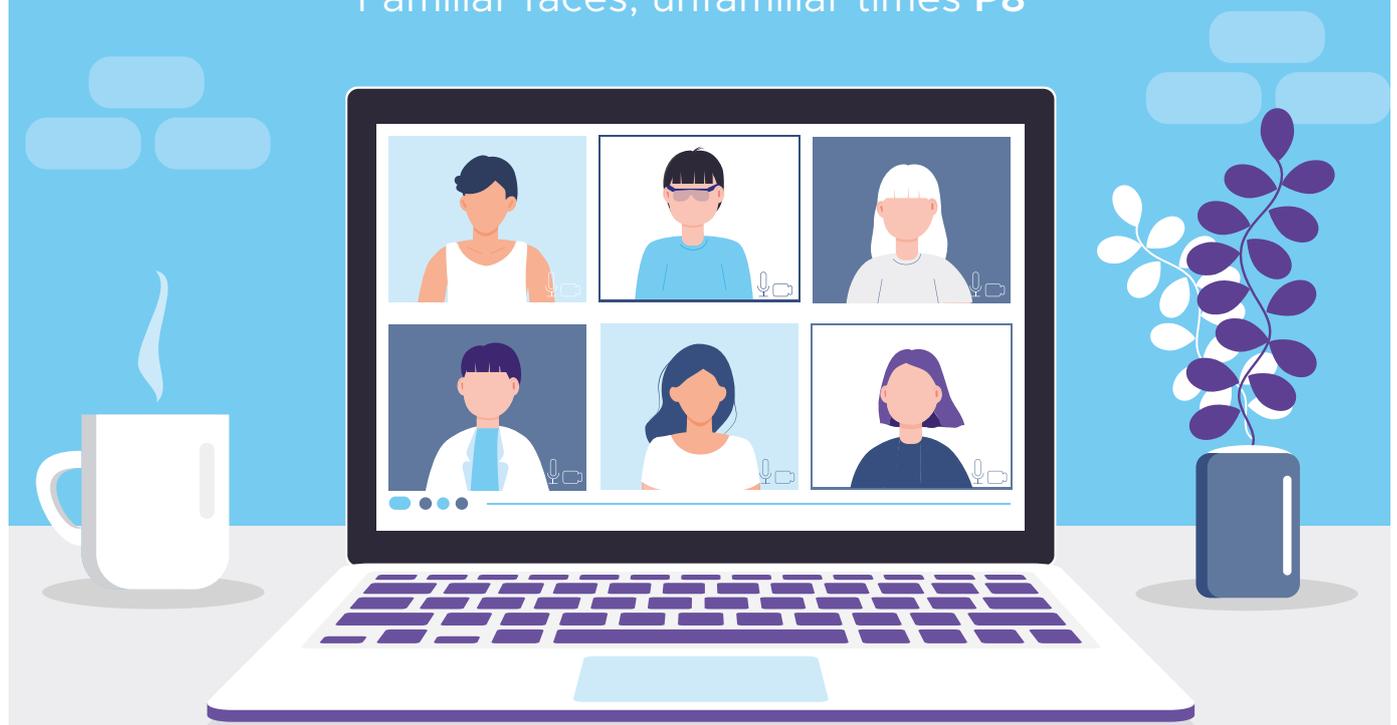
# THE OVERVIEW

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DECEMBER ISSUE 2020

## HOSPACE The Hybrid Edition

Familiar faces, unfamiliar times P8



### Featured inside

Technology: delivering crucial efficiencies P6

The last Noël? Hospitality and the Winter Plan P10

# Welcome to THE OVERVIEW

**T**his year's Hybrid HOSPSPACE may not have been what we were expecting at the beginning of the year, but it was very much in keeping with HOSPACES of yore, with plenty to inspire at a time when inspiration has never been more needed.

Barclays' Bob Silk spoke for many when he said: "It may not be a time to earn, but it's a time to learn" and learning has always been what HOSPSPACE is all about.

Kate Nicholls, CEO, UKHospitality, said that the sector needed to be "fleet of foot, agile and innovative" and the only way you can, she said, was "with good data". With good data and the technology to make the most of it.

What has been lacking through the door of hospitality businesses has, of course, been guests and, agonisingly for a sector which is all about welcome and service, the nature of the pandemic means that the core elements of service are putting guests in danger. Much of the issues being addressed by the sector relate to how to bring customers in safely and then how to give them the experience they have come to expect and crave.

HOSPA CEO Jane Pendlebury spoke

about her recent hotel stay which had been lovely, but, well "just not the same". The pandemic has given hospitality a chance to think about what that relationship is with the guest and work out how to do it from a distance. After all, if the multi-billion pound online dating segment can do it, so can we.

But it has to be done cleverly and not as a reaction, to strengthen businesses in the long term, post pandemic. Most companies have access to screeds of data through loyalty programmes and previous bookings and interactions with customers but few what data they need to prioritise. If nothing else, just knowing the customer's favourite drink will get you a long way. Likewise, if you're going to invest in a keyless entry system, make sure it's something which was on your radar anyway, because there are other Covid-safe ways to get into a room.

HOSPSPACE is not just about learning, of course, it's about networking as well and it was a thrill to see familiar faces and be able to interact with them. Despite that, next year, pandemic willing, there will be a lot of pent-up networking demand spilling over into the event. This hack can't wait.

## December 2020 Inside this issue

- 03 CEO's column
- 05 Leading learner
- 06 HOSPA webinar
- 07 Technology improves service
- 08 HOSPSPACE 2020
- 10 The last Noël?
- 12 England cuts quarantine
- 14 HOSPA scholarship
- 16 Amadeus
- 18 COVID drives insolvencies
- 20 Keystep looks to 2021
- 21 Sales go into reverse
- 22 Sponsors & Partners



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You can login to the membership area on the HOSPA website and read this journal online plus archived copies in the members' area are available at: [www.hospa.org](http://www.hospa.org)

# Sanity in a crazy world

We did it! And thank goodness it went well and was a success. Each year we learn new things for the following year.

This year was a whole new book of learnings! Our plans changed frequently along the way, and even our 'worst case scenario' penned in March 2020 turned out to be not quite bad enough! Our plan to 'go hybrid' was met with a lot of questions and scepticism back in the Spring. Some suggested we were over-reacting, that November was so far away. Others were more blunt and just said we were crazy to even contemplate running an event during 2020. There were times when the team and I had to reach deep for our inner craziness to find the energy to plough on. At times, everything around us seemed so bleak as many other industry events were postponed or even cancelled completely.

Despite a sea of gloom, we were also surrounded by hospitality business owners who were pulling innovative ideas out of the bag to help keep their ventures afloat and their staff employed. Inspired by this, I remained determined to stay positive, to support the industry and prove that it could be done. Thankfully I had the commitment of the HOSPA team who were unwavering in their grit, their sense of purpose and we all remained upbeat throughout.

This sense of purpose was maintained, in part, by constant encouragement and support from our sponsors. We are so grateful to them for believing in us and for staying loyal to HOSPA. They were patient with us as our plans chopped and changed. It's one thing signing up to a hybrid event, where we envisaged having 100+ delegates live in the studio and broadcasting to the wider audience, to going almost entirely virtual. We wasted hours with the hotel team working out how many people we could accommodate in a 'live' environment. But these calculations were all based purely on social distancing, rather than the Government cap of 30 delegates that we had to work with in the end. Despite its enormous challenge, at least we knew where we stood when that rule was put



in place – although we were always on the alert for amendments to that number of 30. Some days we feared that it may decrease – and our plan of having a small group of sponsors and most of the speakers present on the day would have had to be addressed. Other days we dared hoped that it would increase – but to no avail.

With worry an overriding thought, a constant source of comfort throughout was confidence in the venue. We felt so safe working with The Royal Lancaster London. We were lucky to already be booked in at the hotel, which had also taken the plunge by installing its Extended Reality Studio. Their management team wanted HOSPACE to go ahead as much as we did. It would be interesting to add up the number of work-hours spent on our regular weekly meetings. We would make a decision one week only to have it kyboshed by factors outside our control the next. But with the hotel team's support and enthusiasm we made it! And I believe both parties, HOSPA and the Royal Lancaster, will be eternally grateful to each other for making it happen.

In terms of a run through, we had just one rehearsal in the studio at the hotel, just over a week before. If anyone was thinking of following our lead - I would suggest this was the game-changing

day, without which we would have had a significantly bumpier ride on the day itself. From my view, it was certainly worth the investment in time and money.

To wake up on the 19th November and know that all the key figures were fit, healthy and raring to go gave me an enormous energy boost. We had over 450 delegates registered from all around the world which was encouraging. In the run up to our 10am start, everything was on track, the lights were up, the cameras were on – the tech was all lined up. My colleagues wished me luck as the tech team counted down, two minutes until live, one minute until live, 30 seconds to go. "Stand by Jane, 10, 9, 8, 7, 6 and... stand down, get a glass of water". What?! No.....! A key server had fallen over in the US and we had to delay the start. For the first five minutes of our 10 minute delay, we had no idea how long we were delayed for. But we were soon back on track, the day had started and we didn't look back! The rest as they say...is history. At least it certainly was for HOSPA, HOSPACE and, dare I say it, the Royal Lancaster London. You can read more about the events of the day on page 8.

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# Celebrating with our top learners!

This month we catch up with prize winner Jennifer Miller, who is Payroll and Cashier Executive at Fairmont St Andrews, Scotland.

Jennifer has been studying on the HOSPA courses in Financial Management where she achieved the highest overall grade for Level Two, Operational Management Accounting on the Financial Management course which she completed in August 2019 and she then went on to achieve the highest grade on Level 3 Strategic Management Accounting which she completed earlier this year.

The 520 acre five star Fairmont St Andrews resort encapsulates luxury, elegance and truly breath taking surroundings in the 'Home of Golf'. A truly unique and special venue that makes your visit one to remember, with its lavish and stunning surroundings, peaceful setting and stunning cliff top views of St Andrews and the North Sea.

The resort prides itself with an array of fabulous facilities including two championship golf courses, The Kittocks and The Torrance, excellent dining experiences for every palette, ranging from our Italian eatery La Cucina to St Andrews Bar & Grill serving the freshest of steak and seafood. All of our 211 luxury guestrooms are spacious and well-proportioned with thoughtful Scottish touches. Our sumptuous Fairmont Spa offers a range of treatments.

When Jennifer graduated from her degree in 2013 (English & Mathematics Joint Honours, Dundee University) she was looking to become a chartered accountant. Upon leaving university Jennifer decided to get some experience in an accounting department first of all to decide if this was the career path she wanted to take.

Jennifer joined Fairmont St. Andrews shortly after graduation and fell in love with the hospitality industry. She had a lot of friends who were working in practice and her experience was so different to



theirs'. Working in hospitality is so varied even for those in the office, it is an ever-changing environment and really does feel like a big extended family.

Jennifer explains what led her to her current role and hopes for the future:

"When I first joined the team, I was hired in the role of Income Auditor, within six weeks I moved to the Account Payable role, these were invaluable in giving me a grounding in hospitality finance. I then left the company to pursue a chartered accountancy opportunity with an investment bank. I quickly realised how much I missed the 'buzz' of hospitality and knew that hospitality was the industry for me! I returned to the hotel in a Human Resources role to gain experience in another aspect of the business but it wasn't long before the accounts department needed some cover, this time in the Account Receivable position. This allowed me to get the full picture having worked in all of the junior positions within the office.

In 2016 it was decided the payroll position would be moved back into the Finance department and I was asked if I would like to take on this role alongside

responsibility for the cash handling. I have immensely enjoyed this role as this was my first introduction into management accounts and having a role which is responsible for a process from end to end; from input to management account and reconciliation.

The HOSPA financial management programme has helped me in my current role already. Everything I have learnt about finance has been work based and although this has been a great way to learn HOSPA has given me the opportunity to gain a foundation knowledge which I can refer back to, this has given me more confidence in my own ability and confidence to query and ask questions.

The part of HOSPA which is so beneficial is that it is specific to hospitality and you can apply the knowledge you learn instantly to your working environment. Through HOSPA and the information I have learnt I have progressed very quickly in my career both on a personal level but also in the responsibility and projects I have been given. I recently ran a £35k capex project from the proposal phase along to implementation.

In the future HOSPA has given me a great foundation to move forward in my career. Through my performance in HOSPA and the skills and knowledge I have learnt, my employer has offered me the opportunity to complete a chartered accountancy qualification upon completion of HOSPA. This is the first time this has been offered to anybody in my company and is due in huge part to my HOSPA experience.

Having completed the HOSPA course, I will embark on a chartered accountancy qualification. In my career I hope this will enable me to become a Finance Manager within the hospitality sector and encourage others to achieve their potential."

# Efficiencies from technology ‘crucial’

Now was the time when efficiencies from technology become “crucial, particular when you possibly have a leaner workforce or one taking on multiple roles”, according to HOSPA CEO Jane Pendlebury.

Improved technology was likely to drive leaner operations, after back-office functions were seen to be lagging behind customer-facing products.

In a webinar hosted by HOSPA, Paul Fitzgerald, CEO, iNUA Partnership, said: “We’re strong disciples of lean thinking and being lean and we’re pushing hard to drive to competitive advantage and leverage the scale of having nine hotels within the group.

“We implemented lean across all the lines; across procurement and HR, revenue management, reservations, finance and digital marketing. The first theme underpinning that is consistency across all hotels; all hotels will have the same reservations platform, all the hotels will have the same spa management software and use the same Epos and PMS systems.

“The second staging post is integrating the back ends out of locally and bring that into a shared service and that’s where we believe the real value add will come. We’ve really broadened the scope. We were using very reactionary spreadsheets, with lots of errors within the spreadsheets, no business intelligence culture within the business, no use of dashboard reporting. There was a lot of duplication of effort.

“As businesses move into the new normal you need to bring lean into these processes. Then you can interact with guests and improve the guest experience.”

Peter Gibson, finance director, Hastings Hotels agreed on the improved service point, adding: “It’s part of a broader strategy, it’s not going much into our front-of-house activities at this stage, although I expect it to free up a lot of our staff to be able to spend more time on guest-facing activities.

“I started with business a year ago and

it became obvious that the systems were quite outdated. They worked well, but were very manual, administrative tasks - inputting data into spreadsheets and critically, none of it was compliant with the making-tax-digital regulations. The compliance aspect was a key driver, but even putting that to one side there was lots of functionality that we were missing out on.

“It’s all areas of the back office starting with our core finance platform and extending to purchasing and procurement, HR, recruitment, training, staff scheduling and pay. All the functions that go on in the background to ensure the smooth running of our hotels.”

Speaking on the side of the technology, Chris Stock, managing director, Percipient, said: “What we started to see about a year to 18 months ago was the industry investing in slick customer-facing technologies, but they were left with creaking back-office technology, which was taking time and was inefficient. We started to see a lot more adoption, particularly cloud, which led to a lot more efficiency in finance. It helps a lot more on the decision-making side of things and takes out manual errors. You focus a lot more on data analysis rather than data input, which helps break down silos by giving easy access to information.”

Mark Jelley, director, Avenue9 Solutions, added: “It’s been a move towards a more paperless environment and self service for guests and staff - the ability of guests to look after their profile online, mobile checkin, ordering at the table - it’s all come to relevance since March, since Covid.

“We are a retailer - retailers and have been doing this for years, why hasn’t hospitality? Information is still required,

but with less people to do it and on the same timeline - it has to be automated and by automating it you also get one version of the truth and no spreadsheet error. For a number of our customers, you can expand the way you do things without increasing headcount. By making the technology better you don’t have to put another head in.”

When asked whether technology could manage future lockdowns, Jelley said: “The chancellor changed the VAT rate, to a date and time and for a lot of legacy systems that was a nightmare. The global vendors need to get cute about how we can make global changes without having to ring for support and get charged for it. That is abhorrent. Flexibility needs to be put into these systems,

“People need to have a business continuation plan and business response plans and this has highlighted the fact that a lot of businesses don’t have those. You need to have a plan of action from invocation to coming out of it.”

Pendlebury raised the fear that “technology frees you up, but it means that managers are also stuck behind screens”. To which the response was largely that it’s less the technology and more that if it’s the right technology, delivering the right data, rather than the previous slew, it should not be too much in the way of shock and awe.

Fitzgerald said: “A lot of screen time is now at head office, what we want from those at property level is for people to build strategy and deal with the day-to-day challenges as they can and deal with the guests as they come through the door of the hotel. That culture change is critical which frees up time for the team and for the guest.”

# Technology improves service

Eighty-six per cent of consumers feel that technology has improved interaction staff since the lockdown, according to a study from Zonal and CGA.

Over a third of consumers said that they would be more likely to visit a venue that had order-and-pay technology.

Front of house teams shared similar views to consumers as they saw order and pay technology as vital in promoting safe as well as pleasurable experiences. When asked, hospitality professionals thought helping people feel safer and reducing the need for social interaction were the two biggest benefits of digital solutions.

But they also emphasised the need to balance technology with human contact. More than half (58%) of professionals felt Covid-related safety measures have impacted the level of service they can provide. But this view was not shared by consumers, the research shows that nearly nine in ten (86%) think their interaction with staff is the same or better than it was before lockdown.

Before the pandemic, 18% of the 5,000 UK adults surveyed, said they typically used technology to order and pay for food and drink. However, that number has more than doubled to 43% since hospitality reopened in July emphasising the pivotal role that technology has played in hospitality since the end of the first lockdown.

And consumers have reacted positively to the new wave of order and pay technology. Just over three quarters (77%) say they had been satisfied or very satisfied with the ease of ordering, and even more (79%) with the ease and speed of payment.

Engagement with technology was much higher among younger adults with nearly two thirds of 18 to 24 year-olds (62%) reporting having used order and pay solutions since lockdown, but the

number tailed off amongst older groups like 55 to 64 year-olds (32%). Despite three quarters (74%) of consumers said they were willing download only one to five apps on their devices, the younger adults were much more likely to prefer mobile apps to websites.

The findings emphasised the close correlation between digital ordering solutions and customer concerns over safety. 40% of consumers say they felt safer in venues that use order and pay technology demonstrating how it has been an important tool in operators' efforts to give people the confidence to eat and drink out during the pandemic.

Alison Vasey, Zonal's group product director said 'As the industry reopened, technology very quickly became the solution to a whole raft of new challenges which led to an increase in the demand and usage of self-ordering and payment solutions. What is clear from the research

is that customers have embraced self order and pay systems and feel safe in venues who have adopted this technology. As usage continues to grow, operators will look to enhance the online ordering experience through additional features and personalisation to keep customers engaged with the platforms once Covid measures are eased.'

When asked about their reasons for using solutions beyond the pandemic around half of consumers cited convenience (53%) and ease of payment (47%) their top drivers for using order and pay technology. Other factors included not having to wait for staff to take orders (32%) and being able to see what they are ordering and the cost (30%).

The survey also highlighted that consumers need to know they can trust order and pay solutions before fully embracing them. 48% said they will only download an order and pay app in a venue if it is from a brand they know and trust. For operators, this reconfirms the importance of brand loyalty and working with technology partners that have a strong reputation or that can be trusted to protect brand integrity.

Karl Chessell, CGA business unit director, food and retail, said: "The adoption of technology across hospitality has been one of the most eye-catching side effects of the Covid-19 pandemic. Digital solutions have been an integral part of hospitality's efforts to show consumers they are in safe hands, and they will have another big role to play when we emerge from England's second lockdown in December. With the right investment, it can give businesses an important edge as they recover from a very challenging 2020."

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# A fully-charged hybrid

HOSPACE 2020 may have looked different to the HOSPACE events which have come before, but, as Jane Pendlebury reports, it was no less of a meaningful gathering for the hospitality sector.

The first Virtual Talk of the day was a link to HOSPA's so very presidential President Harry Murray. I defy anyone to watch Harry speak and not to hang on his every word. He's such an icon for hospitality, and always full of wise words and charm. As ever, Harry focussed on the people of our industry. He talked of strong leadership and recommended investing time in each and every employee. We are indeed lucky to have him at the top of our organisation. After Harry, we then welcomed Sally Beck, General Manager of the Royal Lancaster London to talk about our partnership and her brave decision to invest in the studio from where we were delivering the event.

From here, we dived straight into a brilliant finance session. HOSPA has worked with BDO for many years, so we knew they would deliver high quality insight into the world of finance in the COVID era. Robert Barnard and Mark Edwards offered a comprehensive review of our position, covering everything from sentiment to business processes and regulatory compliance. This was followed by a filmed face-to-face conversation that I'd had with Michael Grove from HotStats. He reported on the Q3 results and we both tried hard to find some positives amongst the figures. The light at the end of the tunnel was seeing Chinese hotels emerge with increased profitability, giving us much needed hope! Chris Stock from Percipient then reported on some trends he was seeing in the market. As a massive partner of Sage Intacct, Chris and his team are helping hospitality accounts offices up and down the country deal with all the current issues. The session was then completed with a panel discussion led by Diana Mountain alongside Bob Silk from Barclays and Mark Edwards. Within this, 174 delegates responded to a live poll asking if they were optimistic of success in 2021, to which more than two thirds suggested that they were, but with more than half of them

on the proviso of no further lockdowns. Despite these reservations, it's reassuring to see many leaning towards optimism.

On to technology, and Ricky Kapoor from Palm Holdings reported on his COVID experience. From here I was then lucky enough to have the opportunity to talk to Andrew Evers from Red Carnation Hotels and our highly-valued and trusted sponsor Andrew Evans from Keystep. As part of this talk, we asked the audience a question about reliance on technology during the current crisis, and an overwhelming majority (79%) said they had relied more on technology during it, citing automating new process alongside operating with fewer staff as the main benefits. No-one reported less reliance on technology. However, Andrew Evers cautioned against rash decisions, lamenting the loss of some of the hospitality theatre that's such a staple of the luxury sector whilst maximising the (temporary) use of QR codes. He had, however, embraced some short-term solutions to tide the hotels over in this period of social distancing and is clearly very focussed on the longer term strategic path for Red Carnation. Andrew Evans' default position was always to look ahead positively, and he reported an acceleration in the adoption of new technologies as a result of the pandemic.

The next talk focussed on Kate Nicholls, who has continued to be a beacon for the whole of hospitality throughout the lockdowns. As CEO of UKHospitality we were grateful to her for taking the time to talk to our board member and CEO of Eproductive Ltd Chris Cowsls and to answer some of the questions that had been sent in by our members. Kate had hoped to be able to attend HOSPACE live and to see the studio in action, but the Government had other plans for her time on the morning of November 19th, which meant we recorded her thoughts earlier that week. She encouraged agility and innovation and promised to continue to be

the voice of our industry. In line with other voices heard at HOSPACE 2020, Kate talked with enthusiasm about the people in hospitality and their need to stay connected with fellow workers, even if they have temporarily lost their jobs. Employers must work hard to retain and attract the right staff by ensuring their employee packages are fair and ultimately attractive. She praised the versatility and adaptability of the sector as whole. With her calm approach, her detailed knowledge of hospitality and her determination to be heard, we can be sure Kate will strive to achieve the best economic support whilst advocating the re-opening of our businesses.

Our final discussion before lunch was sponsored by Profitroom, and led by Michael Heyward, and saw industry experts in the form of Steve Lowy from The Residence Apartments and Umi Digital, Liz Callaghan from The Cheval Collection and Kirsty Beasley from Profitroom look at collaborative working. The debate centred on the value of teams working together, with inspiration for the session born from a discussion between some senior commercial managers that took place in London over the summer. Here they had admitted that revenue managers had now had a new-found appreciation for the sales and marketing teams. Hotels and most hospitality businesses have had to re-invent themselves and up their game with communication to both existing and potential guests. The ever-changing environment in 2020 has dictated quick but well thought-out responses which can only be delivered via a united team. As we search for good news to emerge from COVID-19, enhanced collaboration within organisations is surely one to celebrate.

Over the course of lunch, those of us who were lucky enough to be at The Royal Lancaster London were treated to delicious Bento boxes for lunch. Beautifully presented and tasty, these were packed lunches to beat any other. They did us

proud, as they always do. The broadcast didn't really stop during that time though, as we ran two workshops over the lunch break. One from Criton with For-Sight and a second with IDEaS.

Following a quick summary of the morning's events, we moved on to hear Calum McIndoe from Infor explain how they had managed to successfully roll out a new hotel management system into the Apex chain of hotels during the pandemic. The face-to-face contact was certainly missed, but did not adversely affect the resounding success of the implementation. A big congratulations to both Infor and Apex for such a massive achievement whilst their hotels were dealing with so much uncertainty.

Following Infor we were treated to some insight into Intel's vision of the future of hospitality. Shoshanna Davies from Intel's 'Internet of Things' team delivered their view on the automation and digitalisation of our industry. A poll carried out during this presentation showed that half of the participants claimed freeing up staff from administrative tasks to improve the guest experience was of highest importance. This was followed in popularity by the value of capturing data to understand guest behaviour, resolving staff turnover and lastly as a route to marketing product and services.

The programme then went on to cover a comprehensive round up of the employee landscape and the legal obligations of employers amidst furlough and the job retention scheme. Carolyn Brown from RSM delivered a timely and clear explanation of the latest Government support for hospitality. She covered restructuring and redundancies with clarity and understanding of the current hospitality struggles before sharing sound advice on renegotiating contracts and restructuring the working model. A big thank you to RSM for this valuable input.

Michael Heyward from Heyward Hospitality Solutions then made another appearance, taking to the stage with Sally Beck of Royal Lancaster fame, Joanne Taylor Stagg from The Athenaeum and Thomas Finn from Edwards and Finn. We expected nothing but positivity from this panel and of course they delivered. Empowering employees and encouraging flexibility was core to all of their success – and each of their leadership styles was on display and an inspiration to all of us. Achieving more



with less people is definitely possible with the right attitude. Their passion for teams and the individuals within each team was both heart-warming and re-assuring. Their concern for each and every person who was part of helping their businesses survive and also for those who had to be 'let go' was overwhelming and clearly that honesty and integrity were key to their success.

The belief that employees can make or break a business led nicely into a debate on professional development. Learning is key to what we offer at HOSPA, so today was a great opportunity to talk about the courses we deliver. Once again, we thanked the Savoy Educational Trust for their contribution to our learners – this year in the form of scholarships. Chris Cowsls steered the discussion with contributions from Debra Adams, who heads up HOSPA's Professional Development team, Michael Heyward again and William Gibbs from Sir Richard Sutton Ltd who contributed to our newest course on Asset Management.

Our final topic of the day was led by BT and their partners at Purple. The analytics gained from guest interaction throughout their 'journey' – from planning a trip, confirming their plans, to arriving and departing – their interaction with technology can be invaluable in understanding what drives guest behaviour. This data, in turn, presents businesses with the opportunity to maximise their revenues by sending the right message, to the right guest at the right time. The analytical data really is fascinating. Inevitably this progressed on to a discussion with Rob Payne from BT and David Pryde from The Strand Palace (and

another HOSPA board member) about GDPR. Clearly this needs to be understood and regulations adhered to. The answer seemed clear: as long as the data was being gathered with a view to using it safely in the interests of the visitors, then it should be a mutually beneficial relationship. The value of a heightened personalised experience should encourage users to allow their (often impersonalised) data to be gathered and analysed.

And with that, the day was done. Our chairman Chris Upton and I closed the conference for 2020. Throughout the event I thanked all the sponsors who enabled HOSPACE to go ahead numerous times, but I cannot emphasise enough how crucially important their support was in enabling us to deliver such a rich programme of content to our members in an amazing environment. We will remember forever those that rode the waves with us on the, sometimes daunting but ultimately incredibly rewarding, route to Hybrid HOSPACE 2020.

I'll say it again though, one last time, that the sponsors, all the speakers, the teams at the Royal Lancaster London both in the studio and in the hotel were all incredible. The HOSPA team and the extended team at PicPR worked flat-out in the run up to HOSPACE 2020, and I will be eternally grateful. It was a true team effort and we could not have been more proud to be able to broadcast our event with professionalism and positivity. Thank you everyone for whatever part you played in ensuring HOSPACE was such a success – and, from feedback so far, the high point of many people's hospitality diaries in 2020.

# The last Noël?

The announcement of the COVID-19 Winter Plan saw the sector facing a season missing the traditional festive boost.

**T**he COVID-19 Winter Plan set out how England will lift national restrictions in England on 2 December. The government's new, tighter tier system was described as at best a restrictive straitjacket and at worst a lockdown in all but name for hospitality businesses, according to UKHospitality.

On 2 December, across all of England, stronger measures will be introduced in each tier:

- in tier 1, the government will reinforce the importance of working from home wherever possible
- in tier 2, pubs and bars must close, unless operating as restaurants, and hospitality venues can only serve alcohol with substantial meals
- in tier 3, all hospitality will close except for delivery, takeaway and drive-through; hotels and other accommodation providers must close (except for specific exemptions, including people staying for work purposes or where they cannot return home); and indoor entertainment and tourist venues must also close

The 10pm closing time for hospitality has been modified to last orders at 10pm and closing time at 11pm. This, the government said, allowed customers to depart gradually and provided greater flexibility.

The government also announced a modification for the Christmas period, allowing people to stay in a hotel during the Christmas period, including in a tier 3: Very High alert area but only by yourself, or with other members of your household.

Prime Minister Boris Johnson said: "England will therefore move back into a regional, tiered approach – safeguarding the gains made, and using scientific advances in vaccination, treatments and testing to enable life gradually to return closer to normal by Spring.

"Some restrictions will be amended, given lessons learned from previous tiers. For example, the hospitality curfew has



been modified to last orders at 10pm and closing time at 11pm, allowing customers to depart in a staggered way."

UKHospitality Chief Executive Kate Nicholls said: "The government is making a point of saying that these measures are needed in order to save Christmas. In reality, they are killing Christmas and beyond for many businesses and their customers who look forward to, and rely on, venues being open at this time of year. Sadly, for many staff, it will be a Christmas out of work.

"If there needs to be a tightening of restrictions, it should not come at the expense of hospitality. Only a small fraction of cases have been linked to our businesses and venues have shown that they can provide safe environments for customers and staff. If the government pursues this course of action, it is going to mean permanent closures and job losses.

"Tier 3 will be lockdown in everything but name for hospitality and will leave businesses almost no room for manoeuvre. With household mixing still not permitted, businesses in tier 2 are going to find revenues severely slashed at

a crucial time for the sector.

"Immediate financial support must now be rapidly increased as many businesses will be forced to close, in some cases permanently. Our member survey has shown the current Tier 3 restrictions, which will now effectively apply to Tier 2 areas, will see 94% of hospitality businesses operate at a loss or simply become unviable. The new Tier 3 simply means no chance of trading out of this. Government must also confirm that the increased State Aid cap of €3m will be applied – as this is preventing the distribution of grants to tens of thousands of businesses employing nearly a million people.

"Adding a degree of flexibility to the mandatory curfew will help with dispersal of customers, but it doesn't change the fact that businesses won't be able to generate revenues after 10pm.

"The big stumbling block for businesses is the lack of household mixing. This will be a huge hit that will be felt all the harder because it is almost Christmas. The government could throw the sector a lifeline if it adopted the Welsh model of limited household mixing to let people

socialise safely without jeopardising public or business health.”

CAMRA, the Campaign for Real Ale, called on governments to adapt the tier systems to let all pubs trade in December, after YouGov research found that the majority of pub-goers believe that pubs and other hospitality venues offer a COVID-secure environment.

The survey, conducted on the behalf of CAMRA, found that 82% of GB adults who have been to the pub at least once in the last 6 months felt hospitality businesses were COVID-secure environments, reflecting the huge investment many pubs have made to re-open during the pandemic.

Many pubs have invested thousands to utilise new technologies to introduce track and trace, table service, flexi glass screening, new sanitation stations and deep cleans. CAMRA has consistently called on government to offer evidence into virus transmissions within the pub setting and is asking ministers to publish

the evidence on which decisions were being taken about what the tier systems in England would look like.

The Campaign has also called on the Scottish government to re-examine strict restrictions on pubs as part of its 5 tier system.

The consumer group now wants the UK government to adapt the tier system in England to allow all pubs to open – regardless of whether they serve food or not – so that consumers can enjoy the personal wellbeing benefits of pub-going over the Christmas season.

CAMRA’s National Chairman Nik Antona said: “Businesses should be allowed to open based on whether they can provide a COVID-secure environment – not based on whether they serve food. Publicans have invested thousands to keep their customers safe this year and comply with additional regulations and track and trace requirements, and this research shows that customers recognise this too.

“We are particularly concerned that wet-led pubs have been hit by forced closure in Tier 3 areas even before lockdown and have been left out from the VAT reductions that only apply to food and non-alcoholic drinks, despite needing support just as much as other hospitality venues. It’s vital that they are given the chance to trade after lockdown ends.

“The government also need to properly review curfew, which SAGE scientists advise has a marginal effect on suppressing the virus and there are concerns that it leads to mingling in non-COVID-safe environments, such as people’s homes. With no evidence to suggest that curfews work, we believe the initiative should be scrapped – especially from the lower Tier levels when lockdown ends.”

“For a long time, CAMRA has championed community pubs as the home of responsible drinking. This Christmas, we believe pubs should be the COVID-safe home to enjoy a pint.”

# HOSPSPACE

## The Hybrid Edition

**THANK YOU**

HOSPA would once again like to salute our ‘Hospitality Heroes’ for enabling HOSPSPACE The Hybrid Edition to take place last month. We would like say a big thank you to all our sponsors and exhibitors for their support in particular our platinum and gold sponsors.

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# England cuts quarantine

The government has offered a route to shorter quarantines - will it help travel?

The government in England is to cut the 14-day quarantine on arrival with the aid of a new testing regime from 15 December.

Transport Secretary Grant Shapps has given international travellers not on the safe corridor list the option to take a test after five days of self-isolation, with a negative result releasing them from the need to isolate.

The tests must be purchased from a private provider, yet to be confirmed, at a cost of up to £120, with up to 48 hours to get a result.

Under the 'Test to release for international travel' strategy, passengers arriving into England by plane, ferry or train should book their test before they travel.

Shapps, said: "We have a plan in place to ensure that our route out of this pandemic is careful and balanced, allowing us to focus on what we can now do to bolster international travel while keeping the public safe.

"Our new testing strategy will allow us to travel more freely, see loved ones and drive international business. By giving people the choice to test on day 5, we are also supporting the travel industry as it continues to rebuild out of the pandemic.

Chancellor of the Exchequer, Rishi Sunak, said: "The aviation industry is vital to our economy – creating jobs and driving growth- which is why we have supported them throughout this crisis

through the job retention scheme, loans and tax deferrals.

"This new package of support for airports, alongside a new testing regime for international arrivals, will help the sector take off once again as we build back better from the pandemic.

Matthew Fell, CBI chief UK policy director, said: "Reducing quarantine periods is an important step to boost passenger confidence and get people flying again. And the financial support will be welcomed too, particularly for smaller airports. The UK aviation sector is a source of many skilled jobs and also plays a critical enabling role for trade and investment across the economy.

"Establishing a successful pre-departure testing system must be the next priority, ensuring the UK maintains its hub status for international connectivity and firms have access to the global talent and trade upon which they rely."

As Shapps was making his announcement IATA revealed that it was in the final development phase of the IATA Travel Pass, a digital health pass that will support the safe reopening of borders.

IATA is calling for systematic COVID-19 testing of all international travellers and the information flow infrastructure needed to enable this must support:

Alexandre de Juniac, IATA's Director General & CEO, said: "Today borders are double locked. Testing is the first key to enable international travel without quarantine measures. The second key is the global information infrastructure needed to securely manage, share, and verify test data matched with traveler identities in compliance with border control requirements. That's the job of IATA Travel Pass. We are bringing this to market in the coming months to also meet the needs of the various travel bubbles and public health corridors that are

Reducing quarantine periods is an important step to boost passenger confidence and get people flying again.



starting operation.”

ATA Travel Pass incorporates four open sourced and interoperable modules, which can be combined for an end-to-end solution:

- Global registry of health requirements – enables passengers to find accurate information on travel, testing, and eventually vaccine requirements for their journey.
- Global registry of testing/vaccination centres – enables passengers to find testing centres and labs at their departure location which meet the standards for testing and vaccination requirements of their destination.
- Lab App – enables authorised labs and test centres to securely share test and vaccination certificates with passengers.
- Contactless Travel App – enables passengers to (1) create a ‘digital passport’, (2) receive test and vaccination certificates and verify that they are sufficient for their itinerary,

and (3) share testing or vaccination certificates with airlines and authorities to facilitate travel. This app can also be used by travellers to manage travel documentation digitally and seamlessly throughout their journey, improving travel experience.

The WTTC said that quarantines need to be reduced further or completely replaced with a comprehensive and internationally recognised test upon departure.

Until a vaccine is widely available, the WTTC said this was the only way to get business travellers moving again.

Commenting on the UK government’s latest move, that will cut the travel quarantine lockdown if passengers test negative on the fifth day, the organisation said it would provide a much-needed economic boost and was a step towards reviving international travel.

WTTC said that the move, which will come into effect on 15 December, was significant progress to restoring travel,

especially for leisure travellers.

However, while many holidaymakers will embrace the reduced quarantine and will be able to afford the test, which will cost between £65 and £120, WTTC said it won’t be enough to resuscitate meaningful business travel.

Gloria Guevara, WTTC president & CEO, said: “Cutting the hugely disruptive 14-day quarantine to just five days with a test, albeit a rather expensive one, will be welcomed throughout the Travel & Tourism sector as real progress.

“However, whilst it may provide the shot in the arm needed to bring about the return of some international leisure travel, it is simply not enough to bring back the economically boosting business travel.

“A single internationally recognised cost-effective test for all departing air passengers should be used to remove crippling quarantines and begin the gradual process to revive international travel, save the sector and bring back millions of jobs around the globe.”

# HOSPA

The Hospitality Professionals Association  
Professional Development

## Learn more about Revenue Management with HOSPA

This modular programme is delivered online and provides an opportunity to study in-depth the revenue management strategies and techniques applicable to the hospitality sector. You will benefit from:

- ✓ Expert online tuition and guidance from leading practitioners
- ✓ Up-to-date web based course materials
- ✓ Free subscription to the online [Journal of Revenue and Pricing Management](#)
- ✓ A convenient way to study
- ✓ Relevant and practical work based learning
- ✓ HOSPA Associate (Cert Revenue Management) membership on completion of the full programme
- ✓ Fees from only £820 + VAT per level of study



All courses are endorsed by the Institute of Hospitality.

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# Announcing the HOSPA Scholarship Scheme

During these extremely challenging times for the hospitality industry, the team at HOSPA are very much aware that maintaining investment in our own professional development is difficult, particularly in the current economic environment.

Equally it is important to maintain and develop professional knowledge to meet the current commercial challenges and to remain agile in the workplace whilst ensuring future career needs are being met.

At HOSPA we are very grateful to the Savoy Educational Trust for their continuous commitment to careers and professional development in the commercial roles within the sector. With their support we are now able to offer a number of subsidised places on our online courses in Revenue Management and in Financial Management commencing in March 2021. The scholarship funding is open to all those based in the United Kingdom who are working in the hospitality sector and who can demonstrate the commitment to developing their careers in these disciplines.

Funding is available for up to 50%

of the course fees with the learner or sponsoring company committing to funding the remaining 50% which can be paid in three equal instalments. To apply for the funding please complete the application form at [www.hospa.org](http://www.hospa.org)

The application process closes on the 11th January and all applicants will be notified by the 29th January in readiness for enrolment on to the courses at the start of March.

Funding is available for all three levels of both the Revenue Management and Financial Management Programmes with each level costing in total £820 + VAT.

## HOSPA Financial Management Programmes

This programme provides the first step to pursuing a career in business and finance in the hospitality sector.

The course content is based on best practice in the sector and follows the guidance and recommendations of the Uniform System of Accounts for the Lodging Industry (2014 edition). The course offers three levels of study and successful completion of all three levels leads to Certified Associate Membership of HOSPA enabling members to use AHOSPA Cert (FM) in their business correspondence.

This award confirms that the member has the skills and knowledge to manage a hospitality finance department. What will you study?

The course is studied in 3 levels; each of which takes 5 months to complete.

- Level 1: Introduction to Financial Management
- Level 2: Operational Management Accounting
- Level 3: Strategic Management Accounting



*“The third level of the HOSPA course included several aspects that I have had little exposure of to date in my role. As a result, I felt this really assisted in developing my base knowledge as well as being able to use this theory in the workplace. It has led to me requesting additional exposure to forecasting and budgeting as well as being part of the substantial ROI calculations for some large CAPEX projects that are ongoing at the property.*

*Being able to support the theoretical text with case studies focusing on industry specific examples have really helped to benefit me and allowed the application of the theory to be more easily understood.”*

Simon Leech, Assistant Financial Controller at the Sheraton Grand Hotel and Spa in Edinburgh

## HOSPA Revenue Management Programmes

This suite of courses provide more than training in Revenue Management - we provide the opportunity to learn about the different approaches to a particular technique and, with your tutors expert help, develop your skills to assess what techniques will suit your organisation.

- Provides the practical knowledge and understanding required to manage the Revenue Management function in a hotel or hospitality business
- All levels are available from Introductory through to Strategic
- The course tutors are revenue management experts and are there to help you get the most from the course
- Leads to HOSPA Associate (Cert Revenue Management) membership of HOSPA on completion of all modules
- Student members have all the benefits of full HOSPA membership including access

to online journals (including the Journal of Revenue and Pricing Management), members meetings and communities

*"The HOSPA course allowed me to gain additional knowledge about Total Revenue Management, while using different assignments to apply theoretical knowledge to my current set of properties. It also provided access to an impressive set of learning resources."*

Antonio Sans, Revenue Manager with STAY Properties

For more information about the HOSPA professional education programmes available please visit <https://www.hospa.org/finance-revenue-programmes> or email us on [education@hospa.org](mailto:education@hospa.org)

### Enrol now with 50% funding available for course fees for HOSPA courses in 2021

With the generous support of the Savoy Educational Trust, we are able to offer a

number of subsidised places on our online courses in Revenue Management and in Financial Management commencing in March 2021. The scholarship funding is open to all those based in the United Kingdom who are working in the hospitality sector and who can demonstrate the commitment to developing their careers in these disciplines. Funding is available for up to 50% of the course fees with the learner or sponsoring company committing to funding the remaining 50% which can be paid in three equal instalments. To apply for the funding please complete the application form at [www.hospa.org](http://www.hospa.org) The application process closes on the 11th January and all applicants will be notified by the 29th January in readiness for enrolment on to the courses at the start of March. Funding is available for all three levels of both the Revenue Management and Financial Management Programmes with each level costing in total £820 + VAT. For more information contact [education@hospa.org](mailto:education@hospa.org)

# HOSPA

The Hospitality Professionals Association  
Professional Development

## Celebrating the achievements of all the learners on the HOSPA Revenue Management and Financial Management programmes.

Join us at this virtual event to recognise the achievements of all our outstanding learners from the UK and around the world!

We are looking forward to celebrating the achievements of all our highest achieving learners on the HOSPA Revenue Management and Financial Management programmes with a presentation of certificates and the announcement for the 'Learner of the Year' for both programmes. We will also be presenting our company awards for 'Commitment to Education' in Financial Management and in Revenue Management.

**Thursday 28th January 2021 from 2.00pm**

**To register your place contact [education@hospa.org](mailto:education@hospa.org)**

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# What can we learn from the first lockdown?

A return to lockdown is not what any of us wanted, both personally and professionally. As hoteliers consider how to plan ahead, using Demand360® data, Amadeus has put together key learnings from the first lockdown and what you need to keep in mind over the coming weeks.

## Design promotions around flexibility and traveller needs

Over the past few months, more than 50% of bookings have been made within less than one week. With continued uncertainty, travellers have come to expect more flexibility, and are actively seeking trips with refundable or extended cancellation policies. As lockdown two ends, maintain this however possible, and show potential guests that you recognise the importance of greater flexibility during this time.

Similarly, only 25% of travellers cite price as a key driver of bookings (Destination X, Amadeus), and 80% view properties equally in quality, when the price is the same (Expedia). Hoteliers who focused on the unique value propositions of their properties over price, and tailored promotions to meet the current needs of

travellers were more likely to see better success coming out of lockdown one. For example, over the summer months, AirBnB's top 10 wish list stays in the UK were largely nature and seaside related. We therefore saw higher occupancy in these markets, than in cities. With lockdown two expected to end early December, and temperatures dropping and Christmas on the horizon, think about what will motivate travel, such as family reunions and ways to celebrate the holiday season. Build your promotions and messaging with this in mind.

## Generation Clean can make or break bookings

When properties first opened a few months back, communicating and implementing new protocols was essential

to appease Generation Clean – the age agnostic group that prioritises hygiene measures over everything else. But as the saying goes – seeing is believing. That all-important first trip can make or break whether a guest identifies cleaning measures in place. Online reviews are playing a big role here, with many quick to take to social media if stays didn't meet expectations. Research shows that 75% of consumer's today will look at reviews before booking (Expedia), so if you've had successful stays at your property before the second lockdown, seek out positive reviews or ask for feedback. Use this in your communications, and on your channels (web, social) to ease concerns and drive more bookings. It's also important for all properties to continue dedicating time and effort on health and safety protocols. If possible, use the time

Transient Booking lead time (UK & IE 1 Oct)



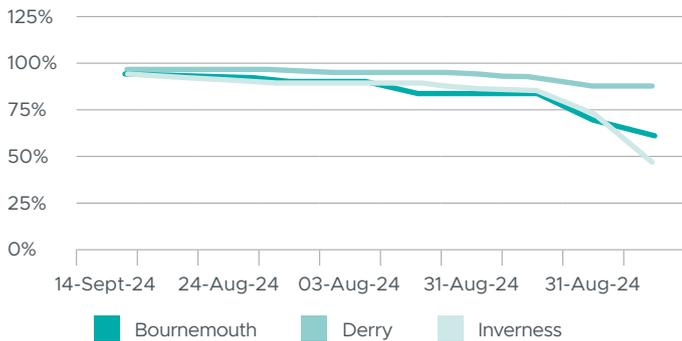
Source: Amadeus Demand360®, 9 November extract date

Transient Booking lead time (UK & IE 1 Nov)



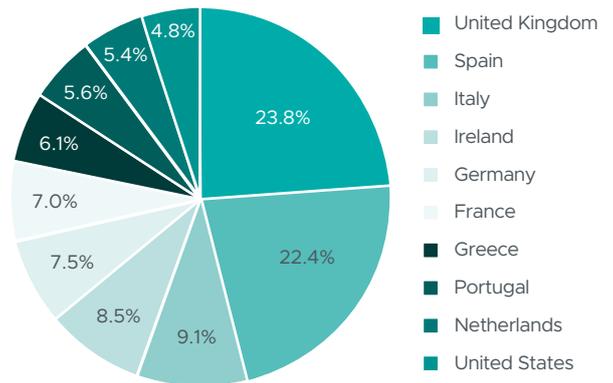
Source: Amadeus Demand360®, 9 November extract date

Occupancy (Transient & Group) July - Sept



Source: Amadeus Demand360®, 9 November extract date

Top 10 source countries in July (as of 3 July):



Source: Amadeus Demand360®, 29 June extract date

now to keep training staff, so they return more prepared than ever before.

Pay special attention to your target audience

When restrictions eased in June, domestic, leisure recovery was predicted to be the

driver of most bookings. This expectation proved to be true, and many hotels rightfully shifted their advertising and targeting to local markets. As we look ahead, keep an eye on how restrictions develop, with Europe looking to use the traffic light system as a way to reduce or limit quarantine numbers. Following

lockdown one, in summer those that did travel into the UK & Ireland, were more likely to come from neighbouring countries, such as Spain and Italy. If travel corridors begin to open after lockdown two, consider expanding your targeting to the top countries with flights scheduled, to capture more demand ahead of your competition.



STILL ENROLLING

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The HOSPA Financial Management and Accounting programme is the only online course of its kind providing finance managers in hotels, restaurants and leisure with an industry specific in-depth programme of study.

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- ✓ Is convenient and relevant to your career in hospitality finance
- ✓ Costs just £820 + VAT per stage



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# Covid-19 to drive insolvencies

Hotel insolvencies caused by the pandemic were likely to increase through 2021, with a survey revealing that 77% expected levels of insolvencies to start rising in Q2-Q3 2021.

Factors likely to trigger insolvency were identified as high levels of debt, a high loan to value ratio, high levels of rent payments, volatility of values, liquidity and the cost of getting businesses back on their feet.

Graeme Smith, managing director of AlixPartners, told a webinar organised by HVS, AlixPartners, Bird & Bird and EP Magazine that lower leverage levels had given the sector greater ability to absorb the shock of the pandemic. He believed recovery in hotels would be rapid once the vaccine rolled out. "There has also been significant government support and protection for the benefit of borrowers, so currently this is a liquidity crisis rather than a solvency crisis," he said.

"Liquidity is the biggest challenge and the relationship between sponsor and bank - there has to be a limit as to how much cash banks can put into these deals," commented Andrew Robb, chief business development officer with hospitality management company RBH.

Likewise, the importance of landlords and tenants working as a team was cited by several panellists along with transparency with lenders. "Lenders need to have the full information to buy into the future," said Louise Gillon, head of hotel finance with Bank Leumi UK.

HVS chairman Russell Kett pointed to a new, much more commonsense approach prevailing when it comes to loan-to-value, as high leverage made the relationship between lender and operator more volatile. However, lenders were now working more closely with owners and operators to find a way of emerging from the pandemic intact.

Kett then questioned how Brexit

would impact the sector and perhaps push some hotels further towards insolvency. While some panellists argued that the UK's exit from the EU together with Covid intensified the need for more Government support, others believed the impact of Brexit had been diluted by the pandemic.

"Brexit won't make that much impact," said Bird & Bird partner James Salford. "People will still travel and we are seeing a lot of investment. Hotels

**"Brexit won't make that much impact," said Bird & Bird partner James Salford. "People will still travel and we are seeing a lot of investment. Hotels still look like a very attractive asset class, much more so than other sectors."**

**Andrew Robb agreed: "Brexit was a concern but there has been a number of job losses in the sector due to Covid so the talent pool has gone up making it less of an issue – there are now plenty of excellent people available who have lost their jobs," he said.**

still look like a very attractive asset class, much more so than other sectors."

Andrew Robb agreed: "Brexit was a concern but there has been a number of job losses in the sector due to Covid so the talent pool has gone up making it less of an issue – there are now plenty of excellent people available who have lost their jobs," he said.

"A further devaluation of the currency could be a good thing for hotels, the challenge of Brexit has been minimised by Covid," agreed Bank Leumi UK's Louise Gillon.

When it comes to whether the hotel sector and brands will fundamentally change as a result of the pandemic, the panellists generally agreed that while the staycation had clearly come back into vogue, it was too early to tell whether this was a lasting change.

Sharon Quinlan, head of corporate real estate with HSBC said that her portfolio of hotel assets were mostly in London and city centres although it has been coastal resorts and holiday locations that had recovered more quickly. "It's too early to say if this is a longer-term structural change. City centres also rely on tourism but I do think that this will come back," she said. "However, there is now a much greater recognition that the planet has a limited life and overseas travel is part of that."

The webinar concluded with the experts urging operators facing a possible insolvency to talk to their lenders, offer full transparency, explore all options, prepare early, think about both short-term and long-term financing needs and acquire the necessary management skills to enable change if you need to.

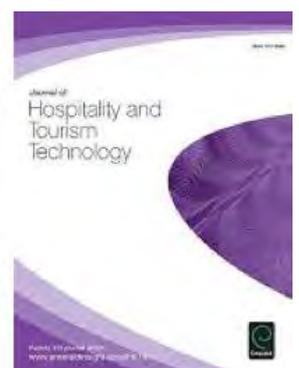
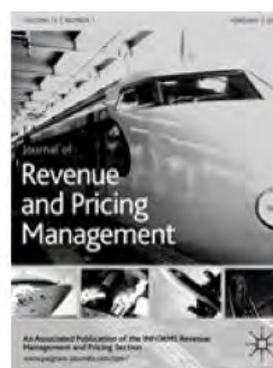
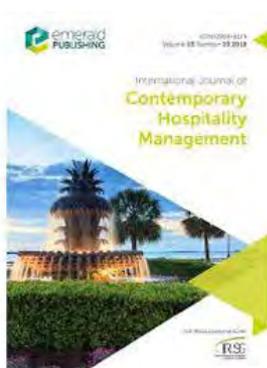
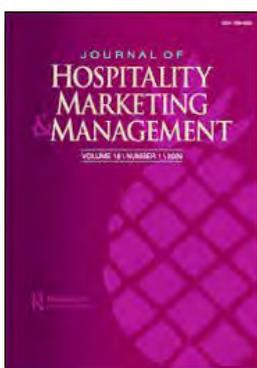


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# Staycations, OTA's & Google Hotel Ads what's it mean for 2021?

Coronavirus has tried it's hardest to destroy everything in its path, however, hospitality people are a resilient bunch and COVID-19 won't stop peoples innate desire to explore new places.

Once the vaccine starts to roll out, the hospitality industry will rise like a phoenix from the ashes and people will need places to stay when they get where they want to go.

The biggest issues for guests wanting to book their stay will be trust and flexibility. Many online travel agents, known as OTAs, have proven during the pandemic that they aren't able to offer the customer service or the same level of protection as traditional operators. Customers who booked with the likes of Lastminute.com and Loveholidays struggled to get hold of them to arrange refunds for cancelled hotels and they haven't been kept informed of changes to their bookings. Loveholidays has even sent customers to hotels that were closed. Some online travel agents, including Loveholidays and On the Beach, have refused to refund holidays to destinations that the Foreign Office said weren't safe to travel to.

Before COVID-19 the OTAs were already under threat from Google Hotel Ads which has helped hoteliers, who have grown tired of battling OTA's for bookings. The domination by OTA's has seen the rise of some unsavoury practices. Practices such as undercutting, which has shown to have a profound impact on the bottom line of your business.

Google now makes it possible for travellers to search directly on Google to find the best and the cheapest hotels without having to go through the OTAs.

Google now work directly with hotels eating into OTAs' bottom line. It is a win-win for travel product suppliers like hotels because they want to drive more travellers to their websites to avoid paying any commissions to the OTAs. Google Hotel Ads simply gives travellers the opportunity to book a hotel room at various points throughout their research. Anywhere a person can possibly make a travel-related decision, Google surfaces a hotel ad to help them evaluate the pricing and booking options available to them. Google Hotel Ads displays hotel information such as availability and rates on Google Maps, Search and Assistant.

Summer 2021 holidays are already on sale, but the risk that plans could be disrupted due to COVID-19 is making people cautious. Thousands of holidaymakers are still fighting to get refunds from tour operators and airlines for trips cancelled last summer made even more difficult if booked through an OTA. While many more are finding their airline won't refund them for flights to Spain and France, even though the government said they shouldn't travel. Is this all-good news for UK hospitality and will people looking to get away decide to stay in the UK?

Many travel companies, including some of the biggest brands, have taken months to refund customers for holidays that were cancelled due to COVID-19. A handful of firms did the right thing throughout the crisis and paid refunds within 14 days. People will remember who did the right thing and who didn't, trust

is going to be critical to people making a booking decision in the future.

Google Hotel Ads means you can beat The OTA's at their own game. Hotels that allow customers to book direct and offer last-minute cancellation will no doubt tempt guests to opt for a staycation. Increasing direct bookings without the need for pressure selling, heavy discounting and other tactics designed to lower a hotel's profits and reputation will certainly help. There's currently not a more effective, high-converting solution that will deliver direct bookings at a lower cost per acquisition than Google Hotel Ads.

During the current crisis many customers have struggled to contact travel companies who have failed to keep them informed of changes to their bookings, about cancellations or the progress of their refunds – some companies have even turned off their phones. A guest won't get that if they book directly with a reputable hotel and a personalised service is going to be important to travellers. Knowing someone is at the other end of the phone to help if they have questions or if their trip is cancelled will mean piece of mind.

As someone who has had to travel for work during the crisis when I have needed to stay in a hotel I booked directly with the hotel and normally one I had stayed at before or at least knew a bit about it. This was so I could confirm everything with a real person at the actual hotel as I wanted to know what to expect when I arrived in these uncertain times.

# Tougher restrictions drive sales into reverse

The roll-out of more regional COVID restrictions further depressed sales in Britain's managed pub, restaurant and bar groups in October, latest data from the Coffer Peach Business Tracker show.

**W**ith 83% of group-owned sites open, down from 88% in September, total sales across the whole managed sector were down 33.9% on the same month last year, a clear deterioration from September when sales were 20.3% below 2019 levels and August when they were just 12.2% down.

All parts of the market performed worse than in September. Like-for-like sales in those businesses trading were 28.9% below October last year, compared to a 14.7% fall in September.

"Drink-led pubs and bars have been particularly badly hit, and with England now in full-lockdown, you can only wonder how many will have to revamp their trading styles, including switching their emphasis to food?" said Karl Chessell, director of CGA, the business insight consultancy that produces the Tracker, in partnership with The Coffer Group and RSM.

"What's crystal clear is that even before total lockdown in England, the imposition of Tier 2 and 3 restrictions across large swathes of northern England, as well as the tough restrictions in Scotland and Wales, had a massive negative impact on sales performance," added Chessell.

Drink-led pubs saw total sales down 37.6% and like-for-likes down 35.3% on October last year. Corresponding figures in September were minus 22.7% and minus 21.1%. Food-led pubs and pub restaurants fared a little better, but still performed markedly worse than in September, with total sales down 28.9% and like-for-likes down 27.8%. Across all managed pubs food sales were down 24.5% with drink sales dropping 37.6% on the same time last year.

Restaurant groups performed the best, helped by the cut in VAT on food and delivery sales, but still saw total sales down 29.6%, and like-for-likes 19.5% below October 2019. Delivery accounted for 12.3% of sales among restaurant groups over the month, up from 10.4% in September and the pre-lockdown level of 5.9% in February.

Regionally, London continued to struggle. Total sales across managed pubs, bars and restaurants inside the M25 were down 39.5%, compared to 32.1% in September, with collective like-for-like sales in those sites open down 35.0%. Outside the M25 the market saw like-for-like sales down 26.8% and total sales down 31.9%.

Bar groups had the worst of the month,

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with like-for-like sales down 52.6% and total sales down 56.9%.

At the end of October, underlying annual like-for-like sales for the whole market were down -26.2% on the previous 12 months, with total sales down -37.9%.

Paul Newman, head of leisure and hospitality at RSM said: "It is impossible to put a positive gloss on such depressing results in the last full month of trading prior to England's second lockdown. This week's news about an imminent vaccine is just the fillip the sector needs as operators turn their focus to the operational challenges of successfully re-opening their businesses on 3 December for the truncated, but ever more crucial, festive trading period. I'm amazed at the creativity shown by operators to stay in business during lockdown and I urge consumers to support their local pubs and restaurants over the coming weeks. A whole business ecosystem is reliant on their support - from suppliers to operators and landlords."

David Coffer, chairman, The Coffer Group, said: "If anything, October's figures were better than many feared. The pressures on the hospitality sector to keep businesses going during lockdown is immense and the industry has been as creative as possible. Crucially, we will be concerned about how the public will react to the lifting of the restrictions in December - will their eating and drinking habits have culturally changed? The post lockdown figures especially over Christmas are sadly or joyfully going to be the acid test for the industry. We expect it will be a truly seismic period with far reaching effects."

A total of 56 companies, with between them 9,295 sites open for business, provided data to the October Tracker.

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