

Hospitality

World Class Service

An Interview with Tetsuya Kobayashi,
President, Imperial Hotel Ltd., Tokyo

EDITORS' NOTE Tetsuya Kobayashi assumed his current role in June of 2004. Since joining Imperial Hotel Ltd., he has held the roles of Executive Vice President and General Manager, as well as Director of the General Planning Department, Market Planning Department, Rooms Division, and Sales and Marketing. Kobayashi is a graduate of the Faculty of Law, Keio University in Tokyo, Japan.



Tetsuya Kobayashi

PROPERTY BRIEF Imperial Hotel Tokyo (www.imperialhotel.co.jp) opened in 1890 as the nation's first fully western style hotel, and was patronized by royalty, heads of state, celebrities, and business leaders. The second generation Imperial opened in 1923 in a new building designed by Frank Lloyd Wright. The present day Imperial was rebuilt in 1970 and 1983 and boasts 931 rooms including 56 suites, 17 restaurant options, and 27 fully equipped banquet rooms. Imperial Hotel Tokyo is a member of The Leading Hotels of the World, Ltd.

How has the global economic crisis affected the travel and tourism business in Japan and what impact has it had on Imperial Hotel Tokyo?

Overall, Japan was negatively affected by the global economic crisis of 2009. In addition to the effects of a high yen and the swine flu scare, the number of foreign arrivals in the country dropped 18.7 percent over the previous term, after six years of increases. For us, where half of our guestroom patronage is from overseas, particularly from Europe and North America, the negative impact was substantial. The room rate averages dropped despite our successful efforts to maintain occupancy levels through patronage from the domestic market. But from November of 2009, we have seen an increase in occupancy of 10 percent over the previous period of the year before, and in March of this year, we enjoyed close to 90 percent occupancy, and look forward to increased average room rates.

Would you highlight some of the projects taking place at Imperial Hotel Tokyo that guests can expect in the coming years?

This year marks our 120th Anniversary and, from 2003, we have spent about \$190 million on wide-scale renovations, including guestrooms with new air-purifier and air refinement systems



and new bathrooms, restaurant and banquet room renovations, public spaces, and back of the house areas. The conditions defining a first-class hotel involve a high caliber balance of hardware, software, and what we call human-ware. We addressed the hardware and software issues through renovations and, in 2006, created a new division in our Personnel Department exclusively for refining the quality of our human resources.

How critical is it for the property to maintain a contemporary feel and offer all of the modern amenities without losing the history and tradition of the property?

In order to retain our position as a premier leading hotel, we continually need to acquire the latest in state-of-the-art facilities and systems, and provide our guests with the most ideal environment possible. We undertook renovations under the banner of successfully combining the contemporary with the traditional. We introduced auto-draw and set temperature baths, and on each guestroom floor, we enhanced security entrance precautions in accordance with guest requirements for increased safety.

We have also taken well-received steps to redeploy, in a tasteful and contemporary fashion, the extraordinary designs created for us by Frank Lloyd Wright. Our 120 years of experience has also given us a valuable collective expertise in offering our own distinct brand of Japanese hospitality that, when blended with the latest in technology, lets our patrons enjoy an experience they cannot easily find elsewhere.

Imperial Hotel Tokyo recently announced a partnership with Halekulani in Hawaii. Would you highlight the partnership and what made you feel that Halekulani was the right partner for you?

Halekulani Corporation is a wholly owned subsidiary of Mitsui Fudosan Co., Ltd. of Tokyo, which acquired stock in the Imperial in October of 2007. Looking to enhance its own hotel and resort industry interests, Mitsui and the Imperial agreed to explore future collaboration options. This new alliance between Imperial Hotel, Ltd. and Hotels and Resorts of Halekulani is the first instance of this strategy. Both the Imperial Hotel and Halekulani are respected pioneers in the Asia-Pacific hospitality industry and share culturally significant histories and refined international

service standards. Our collaborative strategies include special packages, customer-based benefit programs, joint marketing, promotional opportunities, and personnel exchange programs. Japanese guests at Halekulani in 2007 were approximately half of total guest patronage. Halekulani's Japan-based reservation center in the Imperial Hotel also provides frequent guest club members of the Imperial Hotel and other Japanese and international clientele with priority reservations and various other privileges.

What are the key priorities you are focused on for the property in order to make sure that you retain your leadership position in the industry?

In order to maintain our own market visibility, we first need to secure solid public recognition for assuring guest safety and for our trustworthiness. In order to do that, we must be financially solid and have available the necessary resources and funds from our profits.

On the arrival on November 3rd of our 120th Anniversary, we hope to enhance our industry standing through sound planning and management, earning the increased trust of our market as a stable listed company. Specifically, we intend to strengthen our CSR activities, environmental awareness, and food safety, while improving the caliber of our most important asset – our human resources – so we may offer our patrons complete satisfaction as they experience our unique essence and the Imperial Hotel DNA we need for our ongoing success.

We also hope to actively participate in and support the Japanese government's strategies to make Japan, and the city of Tokyo, more inviting destinations for tourism and leisure travel. In November of this year, the Annual Assembly of the prestigious Leading Hotels of the World will take place in Tokyo and the Imperial will serve as the main hotel for the event. It will be the first time in 27 years that Leading Hotels will host this function in Tokyo and, on the occasion of our 120th Anniversary, we are delighted to have been selected for this honor, and look forward to promoting the appeal of Japan to the attending general managers of numerous first-class hotels around the globe. ●

Imperial Hotel (upper left); Frank Lloyd Wright Suite sitting area and dining room (upper right)