

Conrad's Competitive Edge

An Interview with Dennis A. Clarke,
Managing Director, Conrad Hong Kong

EDITORS' NOTE Dennis Clarke, who assumed his present post in 1999, is a veteran hotelier with 42 years of experience. During his tenure with Hilton Hotels Corporation, Clarke spent two decades serving as General Manager of properties in the greater Los Angeles area, including The Beverly Hilton in Beverly Hills.

PROPERTY BRIEF The Conrad Hong Kong features superb views of Victoria Harbour or Victoria Peak from each of its 513 rooms and suites, and occupies the top 22 floors of a 61-story skyscraper in the heart of the city's business district. The hotel is renowned for its excellent restaurants, luxurious executive lounge, and state-of-the-art in-room technology. The Conrad Hong Kong is part of Hilton Hotels Corporation, a leading global hospitality company, with more than 2,900 hotels and 490,000 rooms in 76 countries and territories. The company owns, manages, or franchises a hotel portfolio of some of the best known and most highly regarded brands.

How has the global economic downturn affected the travel and tourism business in Hong Kong, and what is your outlook for the business in 2010?

A cut in traveling is a blow to our industry. Since mid-September of last year, almost in parallel with the extraordinary financial crisis on Wall Street, we were forced to revise our forecast downward for the balance of 2008, because the outlook had deteriorated in a fairly short period of time. During the first half of 2009, all markets remained soft. The combination of the H1N1 flu and China's crackdown on illegal travel agents, which outnumbered legitimate players by three to one, made it worse. However, during the third quarter, we experienced positive signs of pick-up after slowly recovering from the global recession with improved sentiments in real estate, stock markets, and employment. At the same time, travelers, and restaurant, banquet, and meeting customers are still very hesitant about spending and this is projected to last through the end of 2010.

There have been constant changes and new additions at the property. Would you highlight some of the projects taking



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place at Conrad Hong Kong that guests can expect in the coming years?

During the past five years, we renovated the entire hotel, which included all guest rooms and corridors, elevators, meeting rooms, the ballroom, the lobby, and all restaurants – except our all-day Garden Café, the cake shop, and the Health Club which will be renovated in 2010. This will complete the final piece of the puzzle of a brand new hotel.

Hong Kong has a number of high-end luxury properties focused on a similar market. How challenging is it to differentiate from your competitors, and how do you define what makes Conrad Hong Kong unique?

Just like all five-star hotels, we have beautiful facilities throughout the entire hotel and it is always kept in perfect luxurious condition. In our case, the issue of our team members is vital, so we take it a few steps further by resting 80 percent of our hiring decisions on attitudes, because we believe that if a person has a naturally positive attitude, he or she will deliver a consistent, from-the-heart, passionate quality of service. The technical part of the job is very easily taught, but we cannot motivate someone with a poor attitude. Ultimately, it is our team members' great can-do attitude in meeting guests' needs and their fast and flexible approach that gives us a competitive edge – that's our ticket to being the best.

Conrad Hong Kong has one of the leading restaurants in the market with Nicholini's. In a market such as Hong Kong, which has a number of world-class restaurants offerings, is it challenging to be successful as a hotel restaurant?

Hong Kong is well known for its abundant choice of cuisine with many excellent restaurants, and the list is growing on a daily basis. We are pleased that our hotel restaurants are recognized as some of the city's best, such as Nicholini's with its award-winning Northern Italian cuisine, and Golden Leaf, which serves exquisite traditional Cantonese Chinese cuisine. Our success here is driven by a combination of the Conrad brand, a great atmosphere, and innovative cuisine supported by its attentive and legendary

outstanding service. If customers perceive good value, they will return time and again.

How much of a focus does the property place on corporate meetings and social events, and would you highlight your facilities in this regard?

We have extensive meeting facilities that can host groups from 5 to 700, all well-equipped with the latest technology. Our Grand Ballroom is one of the largest pillar-free ballrooms in Hong Kong. In addition, the dedicated meeting floor offers 11 versatile meeting rooms, many of which have floor-to-ceiling windows offering a panoramic view of the city with natural light. The hotel's pool patio offers a unique outdoor venue in the city center. So we have a wide selection of meeting facilities including outdoor options.

Many leading properties today have placed a major emphasis on offering high-end spa/fitness facilities. How much of a focus has this been for you, and will you provide an overview of the plans you have for ensuring that your facilities meet the needs of today's travelers?

The worldwide vogue for spiritual, mental, and physical fitness has made spa and fitness facilities very important in hotels everywhere, especially in resorts. At the Conrad Hong Kong, we will renovate our Health Club in 2010 in order to offer the best boutique fitness facility in town with the latest state-of-the-art equipment.

As you look to 2010, what are the key priorities that you are focused on to make sure that you maintain your leadership position?

When a downturn hits hard, people usually overreact. They cut costs and staff indiscriminately and trim capital expenditures. Then when conditions improve, they must spend heavily to regain momentum. In our case, we will manage our costs carefully and consistently, focusing on what we do best, reinforcing our core business, and spending to gain market share. We will aggressively monitor the competition to ensure our competitive edge and accelerate when the economy starts to improve to take advantage of competitors' mistakes. ●



Harbour View suite (left); The dramatic Conrad facade (right)