

Hospitality

Growth Through Innovation

An Interview with John Vanderslice,
Global Head of Luxury & Lifestyle Brands, Hilton Worldwide



The West Courtyard of the Waldorf Astoria Hutong Villa in Beijing

EDITORS' NOTE John Vanderslice, who joined Hilton Worldwide in September 2009, oversees the Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts, and Canopy by Hilton hotel brands. Before joining Hilton Worldwide, he served as President and Chief Executive Officer for Club Med Americas and as Chief Executive Officer for Miraval Spa in Tucson, Arizona.



COMPANY BRIEF Hilton Worldwide (hiltonworldwide.com) is a leading global hospitality company, spanning the lodging sector from luxury and full-service hotels and resorts to extended-stay suites and focused-service hotels. The company's portfolio of 12 world-class global brands is comprised of more than 4,500 managed, franchised, owned, and leased hotels and time-share properties, with more than 745,000 rooms in 97 countries and territories, including Hilton Hotels & Resorts, Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Curio – A Collection by Hilton, DoubleTree by Hilton, Embassy Suites by Hilton, Hilton Garden Inn, Hampton by Hilton, Homewood Suites by Hilton, Home2 Suites by Hilton and Hilton Grand Vacations. The company also manages an award-winning customer loyalty program, Hilton HHonors®.

Would you give an overview of the brands today?

When I joined Hilton six years ago, we established the vision to be the fastest growing and most innovative luxury hotel brands in the world. At the time, it was almost required to be the fastest growing in terms of pipeline hotels, but because Hilton generally wasn't known for being a leader in the luxury space we felt that it was important to change that.

Six years ago, the Waldorf Astoria portfolio was made up of only five hotels. Today, we are a portfolio of 25 iconic hotels with nine more properties under construction. Conrad currently has 23 hotels in its portfolio and 21 currently under construction.

However, being the most innovative is actually more important. If we are innovative, then we'll become the fastest growing by default. People will see that we have a tap on the new luxury customer, that we're adapting to the high bar they set for themselves every day, and that we can be the luxury brands that deliver on all of their needs.

How important is the Hilton umbrella to building the brands?

Waldorf Astoria is a well-known brand across the globe, as is Conrad. That awareness of both and the specific platforms we have built is really resonating with customers.

At the same time, we have the power of the Hilton Worldwide Performance Advantage, a 700-person sales force that produces unbelievable digital marketing and Hilton promotions. The power of this engine also fuels our growth.

We can employ Hilton HHonors, the best hotel loyalty program in the business, for Waldorf Astoria and Conrad while maintaining our distinct imagery and our promise to customers who walk through our doors.

We recently introduced Canopy by Hilton, which we put at the top of the upper-upscale space, not in the luxury space. Our research told us that the most successful lifestyle brand needs to be more accessible rather than being a combination of luxury and lifestyle.

What can guests expect from Canopy?

Guests want brands that embrace the neighborhood, so with Canopy by Hilton, we have introduced a hotel concept that offers simplified, guest-directed service, thoughtful local choices, and surprising comfort. For us, it's about creating a positive stay. It's at a lower price point than super luxury, and our owners can build near areas in and outside the city center, which are more affordable. Today, we have more than 20 hotels in various stages of contract signing, etc.

Has the word "luxury" lost some of its meaning?

Waldorf Astoria and Conrad are defined as luxury brands, but at day's end, luxury is personal and defined. Anyone who has to use the word "luxury" probably isn't in that sector.

Luxury brands are built by word-of-mouth and by authentic experiences that people treasure, remember, and carry home. We call this "cocktail party currency," where people talk about the experiences they had on their trips. This is where luxury brands live and die.

Is it more challenging to personalize the guest experience when there is so much technology today?

We rolled out True Waldorf Service, a Personal Concierge service, and the Conrad Concierge, which is a mobile app that is hot-wired to all of our hotel systems that we have in place whether

its room service, wake-up calls, or a valet car – 240,000 people have downloaded it and we do it in multiple languages.

We measured those guests who used the app, and those who didn't, specifically on their satisfaction. While we found that everyone was very satisfied, we discovered that our scores on service were significantly higher among those who used the app. Also, our scores for team members were higher, which means that even if the guest just had one interaction with a team member since the technology handled so much of the request, the guests were still more satisfied by that exchange.

We have two programs now including digital check-in where guests can check in and pre-select their room prior to arrival and, at the Waldorf Astoria Orlando, we have rolled out a digital key system where guests can use their mobile device to replace their room key.

The combination of our service elements and this innovation gives us a huge advantage over other luxury providers.

How critical has it been to invest in employee training?

When I arrived, we had 18 Waldorf Astoria hotels and resorts, and 18 different cultures. We have now introduced brand standards that apply to each of our hotels and have aligned all of our cultures under one True Waldorf Service platform. For Conrad, we are aligning everything under our new Stay Inspired initiative, which we are rolling out to all hotels now. We approached many of our hotels prior to launching Stay Inspired to bring our teams up-to-date on the thinking and expectations of the new luxury customer. We emphasized that team members now need to enable experiences and be storytellers, and to focus on guests' needs and desires. This connection with our team members prior to launch is the reason why this initiative has been well received across the brand.

What advice do you give young people early in their careers as they're charting their paths in the hospitality sector?

The industry is more complex than it used to be. I recommend they spend time understanding the basics, like front desk and concierge service, which represent the platform that is hospitality. The real difference from 10 years ago involves figuring out where a hotel lies in social media. We watch our social media index and our Trip Advisor scores very closely, as well as how we fill our hotel through different marketing and PR strategies. The whole commercial side of our business is very different and more competitive than ever before. ●