



Brands with Personality

An Interview with
C. Scott Rohm, President, SH Group



Baccarat Hotel & Residences New York
Prestige Suite bedroom (left) and bar (above)

EDITORS' NOTE C. Scott Rohm has held his current post since January 2013. Prior to this, he was President of Turnberry Hospitality with Turnberry Associates; Senior Vice President Operations with West Paces Hotel Group; and Vice President of Operations with The Ritz-Carlton Hotel Company LLC. He also held various positions with Hyatt Hotels Corporation. He graduated from James Madison University with a B.S. in Hotel & Restaurant Management.



C. Scott Rohm

COMPANY BRIEF SH Group (1Hotels.com and Baccarathotels.com), an affiliate of Starwood Capital Group, is a hotel brand management company that currently manages and operates two of the most exciting and innovative brands on the market: Baccarat Hotels, an international ultra-luxury brand built from the heritage of the 251-year-old French crystal company, and 1 Hotels, a lifestyle, mission-driven brand, focused on sustainability. SH Group provides Starwood with significant proprietary investment opportunities, and maximizes returns on hotel investments in the firm's dedicated hotel funds. Professionals within SH Group also act as Starwood Capital's in-house design and hotel operations experts.

What excited you about the opportunity with SH Group and made you feel it would be the right fit?

Working with Barry Sternlicht (Founder, Chairman, and CEO of Starwood Capital Group), and the opportunity to launch two new brands was incredibly attractive and a once in a career opportunity. I had worked for Horst Schulze (former President of Ritz-Carlton) for 18 years, and he is an exceptional hotelier and leader. He has had a huge impact on our industry and personally on my career. Barry comes at hospitality from a completely different perspective, so I thought it would be a wonderful opportunity to learn and grow under his skill set, experience, and leadership.

In such a crowded market, how challenging is it to launch two brands?

No doubt, it is a challenge, but we have some unique advantages. Barry's experience in the industry is unparalleled, and we have the ability to leverage Starwood Capital Group's experience and talent bank. Many other start-up companies do not have that advantage.

The number of brands that have been launched over the past five years is staggering in the U.S. and globally. We believe it's important to have brands with a point of view and personality, and a story and experience for the customers. If one is going to launch a brand that is more of a commodity fighting with Hilton, Marriott, and Starwood and their programs and point systems, it's going to become almost impossible. They're only going to be successful with great compression in the marketplace.

The brand has to differentiate itself, which isn't easy. Does the consumer see, perceive, and experience a difference when they're in the product and at the hotels? There needs to be a distinct personality, voice, heart, and experience. These aspects need to express themselves in the design, service delivery, products, and experiences using the same language.

What is the point of view for Baccarat?

The wonderful aspect about Baccarat is that we're standing on the shoulders of 251 years of the Baccarat legacy, and there is a great history that's all about artisanship and perfection. Artists dedicate their lives at the factory to be the absolute best craftsmen in their fields. It's about bringing that legacy of artistry, craftsmanship, and perfection into hospitality. Baccarat crystal has also been creating moments of magic for customers for centuries with unique and innovative designs.

Baccarat started from a hospitality base. It was always a brand based around socializing, celebration, perfection, and community. Applying that in a hospitality environment makes complete sense.

Our staff is focused on being the best bartender, doorman, or concierge, and we dedicate ourselves to that goal. One of our guiding principles states that it is not the best that one can do but the best that can be done. We're striving for that perfection.

We brought two of the artisans from the Baccarat factory to orientation at opening and they told their stories of the passion they have for their craft. In essence, we brought the factory to the hotel because we can't separate the two – we are an extension of that great history.

How big can the Baccarat brand become?

The international gateway cities are our target because of the product level, the investment in the hotel, and the average rate we need to achieve for the brand. We may have 30 Baccarat hotels eventually in those cities as well as in key

resort destinations around the world. But they will generally be the highest average rates and REVPAR with the most discerning customers, like in Paris, London, Milan, and Hong Kong.

What is the story behind the 1 brand?

Much like what Barry did with W, 1 is his brainchild. He states, we're not a brand but a cause. He wanted to have a great lifestyle hotel with great experiences and products that customers would really enjoy. However, he also wanted to layer on top of that something that gives back and sets an example for how to minimize our impact and emphasize sustainability as much as possible.

We know what our goals are: to be the most beautiful and sustainable product in the lifestyle space, and to create great experiences for our customers that connects them with nature, as nature is very much a part of the design of the brand – there isn't "traditional" artwork in these hotels; it's a cross-section of a tree, for instance. We want that commune with nature because it impacts who we are as human beings.

Barry is hoping to create an example that other operators can emulate and produce a more thoughtful operating model.

What defines the true luxury experience today?

It's about individualization, personalization, and special experiences that are created within uniquely designed, thoughtful spaces. The difference comes not from talking about it but in delivering it.

One example is at Baccarat where we moved the front desk to the front drive where we greet everyone. We are there waiting for them with their key and whisk them to their room without having to complete any components of a normal check in. Ultimately, this is what the customer wants – anticipation of their needs, provision of personalized service, and finding ways to delight them and to respect their time surrounded by creative design elements. It also involves getting to know the customer. At Baccarat, this means not looking at the demographic of customer but at the psychographic. We have a very mixed customer base and they all want different experiences.

Baccarat is a five-star property but every staff member has to determine who the guest is, what they want, and how they want service delivered and then change their service delivery for each customer. There is a higher degree of adaptability that the staff must achieve in order to come full circle in that promise of individualizing service and delighting our guests. ●