

CATEGORY ANALYSIS SERIES HOTELS

Overnight Success

The Olympics has made hotels the jewel in the crown of the hospitality sector, but how are smart caterers getting a slice of the action?

THE HOTEL SECTOR IS A KEY PART OF the UK's hospitality industry and even in choppy fiscal waters the market is thriving. This is no doubt thanks in part to the Olympics (hotels in London experienced a 48% uplift in room yield last month based on August 2011), but however you cut it, the market is in rude health.

What's more, the sector is showing a healthy growth. Last year's HVL report on boutique hotels established that the market would double in size between 2011 and 2013. The numbers stack up too. A report by PKF estimates that the sector is worth £3.65bn and that the average hotel room makes £21,870 a year – just £1,500 below the UK's average wage.

As a robust market with good prospects, it's unsurprising that the hotel sector is attracting the attention of business-minded caterers looking for ways to enhance their portfolio. What is even more attractive to caterers is the burgeoning assertion that food can play a key role in the overall success of hotels.

HVL's report estimates that catering can account for between 40% and 50% of all sales in hotels, meaning that managers have an incentive to supply better quality dining experiences. The report also suggests

that strong catering is not just a means to feeding guests, it can be an end in itself – creating a point of difference for a hotel and even making it a destination.

While there might be 22,000 hotels in the UK, competition is fierce, so any USP or perk is an advantage to shrewd hoteliers.

Underlining the importance of catering is the string of hotels who are teaming up with Michelin starred chefs to create wow-factor dining experiences that can draw in new business and even boost the hotel's publicity.

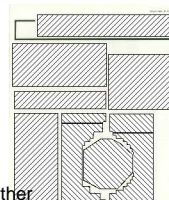
Prime examples include The Bethna Green Town Hall, which partnered with Michelin starred chef Nuno Mendes to open its acclaimed Viajante restaurant – ever since it has been a fixture on London's foodie circuit – and Bath's Priory, which has won three awards for its dining since taking on popular two Michelin-starred chef Michael Caines MBE.

Even TV is getting in on the act. Channel 4's new reality hotel show "Hotel GB" will see a hotel co-managed by Mary Portas (manning the rooms and reception) and celebrity chef Gordon Ramsey (keeping the kitchen in order). And it's not just TV getting its teeth into hotels. Big catering names such as Eloor, Sodexo and ISS are all making successful forays into the hotel trade. And with more hotels pushing their catering as a core service, this is a prime opportunity for contract caterers to use their expertise to make a profit in a new sector.

Top quality

The most obvious trend in hotel dining is quality. So it's fitting that Sodexo's first foray into the hotel sector involves its Prestige branch – a wing of the catering giant, which is dedicated to fresh food and great taste, provided by the company's most elite chefs and suppliers.

Last year, Sodexo Prestige won a £30m 10-year contract with the five-star Montcalm



Hotel in central London. The luxury 150-bed hotel is located near London's Marble Arch, just off Oxford Street, making it the perfect location to attract tourists in search of a luxury retreat, corporate clients, tired shoppers and those wanting to try a traditional afternoon tea.

The contract will see Sodexo provide a range of services at The Montcalm Hotel. Richard Wheeler, account director for Montcalm Hotel, explains the broad remit taken on: "Sodexo Prestige provides room service, restaurant and bar, event catering, and sales and marketing services."

What's more, all of this is delivered to the highest quality. Wheeler confirms: "For Sodexo Prestige, providing foodservice that is based on culinary expertise, elegance, and excellence in customer service whilst sourcing the best quality produce is a priority, which were also key expectations at The Montcalm."

Money matters

Canny caterers can draw on their experience to make operations even more profitable. One way to do this is to capitalise on the hotel's guests. For example, Sodexo Prestige noticed that many customers at The Montcalm were Japanese and adjusted their service to make it more appealing to this key customer group.

Wheeler explains: "10% of bookings at The Montcalm Hotel are from the Japanese market, and to support and drive interest amongst this key customer group we recruited a specialist Japanese chef, who oversees a creative food offer that includes Japanese breakfast, lunch and dinner."

As Wheeler confirms: "It's all about knowing your target market and tailoring the service to meet their needs."

But stand-out hotel catering isn't just about pleasing the guests you already have; it's about transforming a hotel into a destination. The Montcalm might be a five-star hotel, but its situation means it's perfectly located to pick up business from hungry Londoners looking for a quality bite. To entice them into The Montcalm's restaurant, Wheeler and his team have introduced a range of offers and strategies "We create offers to entice local diners into the restaurant," he says. "In the past

these have included organising local drop-in nights and a Sunday lunch special rate. There is also a local Monday to Thursday offer of steak and chips, which is more cost-effective, and going forward a restaurant loyalty scheme will be introduced."

Of course, satisfying diners is one thing, but caterers also have to watch the bottom line and create a cost-effective business. Wheeler explains that he has found integrating services is a useful way to control costs. He says: "One of the ways to make hotel catering more profitable is through cost-efficient methods such as integrating services, which allows contractors to reduce payroll costs. An example of this is recruiting a single site manager to oversee the entire offer, as opposed to having a group of managers to oversee the various strands of services."

As well as providing a better margin, Wheeler thinks this benefits hotel management, as it creates a single point of contact for day-to-day business.

New pastures

Diversifying your remit is another way to increase profits from the hotel sector. Service providers to the sector find they can offer better value by bundling their offers and provide a range of services.

Global facilities management giant ISS has stamped its mark in the hotel sector with its ISS Hotel and Leisure business. This wing of ISS is 100% dedicated to providing specialised services to the hotel industry – and there is almost nothing it can't do!

Adam Wurf, communications manager at ISS, explains the scope of his company's duties: "We currently operate in 175 hotels and serviced apartments. We will potentially service 22,000 bedrooms and apartments per day."

ISS offers a full house of services, including landscaping, floristry, pest control, fire, flood and damage control,

washroom services, kitchen hygiene and building services. "Our core offering is a fully managed housekeeping service," Wurf remarks.

For Wurf, working in hotels is all about perfection. "First impressions count for so much in hotels," he says. "Presentation needs to stay at a consistently high standard at all times."

"Hotels don't close their doors and need to be perfect 100% of the time. It is vital that the service we provide reflects the brand image and exceeds expectations of both client and the guests."

"Our clients expect us to understand their brand promises to their guests and to help them make sure that these are delivered. We do this by working as a partnership and making sure that we build stable, guest-focused teams."

And the potential exists for anyone looking to get involved in the sector. Wurf is confident about expanding the business of ISS Hotel and Leisure: "There are many more hotel operators for us to support and we can also use the service skills of ISS to offer more help to our current clients."

So with plenty of clients to choose from and a whole host of services to offer, the time is right for hoteliers and caterers to work together.

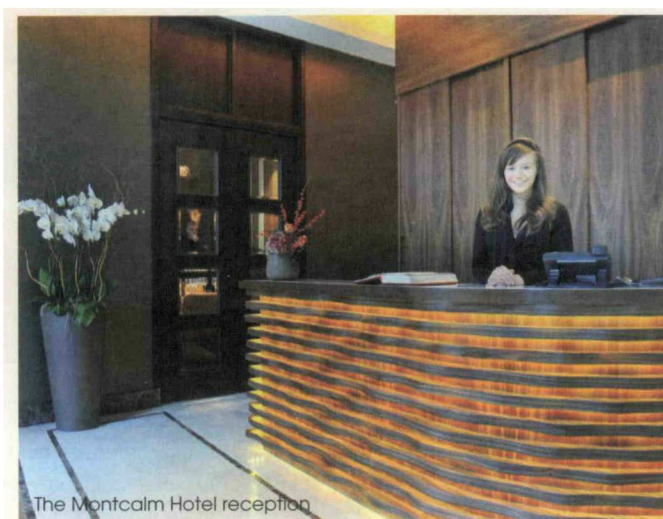
As the hotel sector grows, so too will opportunities for food and facilities

managers. With their knowledge of food and customer service experience,

Source: FSM (For Contract Caterers) {Main}
Edition:
Country: UK
Date: Monday 1, October 2012
Page: 35,36,39
Area: 1195 sq. cm
Circulation: 0 10102 Monthly
BRAD info: page rate £0.00, scc rate £0.00
Phone: 0845 500 6008
Keyword: The Montcalm

caterers can give hotels a wow factor that significantly contributes to their business. By diversifying into facilities management, caterers can offer

hoteliers the chance to concentrate on the key business of filling rooms, safe in the knowledge that guests achieve the very best experience once inside the hotel.



The Montcalm Hotel reception

Source: FSM (For Contract Caterers) {Main}
Edition:
Country: UK
Date: Monday 1, October 2012
Page: 35,36,39
Area: 1195 sq. cm
Circulation: 0 10102 Monthly
BRAD info: page rate £0.00, scc rate £0.00
Phone: 0845 500 6008
Keyword: The Montcalm



The Montcalm Hotel

as is

**"We create offers
to entice local
diners into
the restaurant"**



The Montcalm Hotel restaurant

**"Our clients expect
us to understand their
brand promises to
their guests and to help
them make sure that
these are delivered"**

Source: FSM (For Contract Caterers) {Main}
Edition:
Country: UK
Date: Monday 1, October 2012
Page: 35,36,39
Area: 1195 sq. cm
Circulation: 0 10102 Monthly
BRAD info: page rate £0.00, scc rate £0.00
Phone: 0845 500 6008
Keyword: The Montcalm

Seeing stars. Top hotels with Michelin-starred restaurants

The Priory, Bath. The Bath Priory Hotel has become a foodie destination after partnering with double Michelin-starred chef Michael Caines in 2009. Caines has established his approach to fine cuisine at the Priory and the results have been a foodie boon for the hotel and restaurant, which regularly picks up gongs for its chefs and food. Recent awards have been for 'best head chef' (Sam Moody) and 'best fine dining wine list', making it a must visit destination in the West Country.

Coworth Park, Berkshire. Double Michelin-starred chef John Campbell started working at Coworth Park in 2009. This year the hotel – Dorchester Collection's luxury country house hotel and spa – earned a place in Michelin's Guide for Great Britain and Ireland. The hotel's restaurant, John Campbell at Coworth Park, offers a choice of three menus, including a local 'Shire Menu' that sources all produce from within a 70-mile radius of the hotel grounds.

The Berkeley, London. Bringing his unique genius to rustic dishes, celebrity chef Marcus Wareing makes his modestly named restaurant, Marcus Wareing at The Berkeley, the place to go for sophisticated dining in London. He has been at the Berkeley since 2008 and won the restaurant two Michelin stars in its own right.



Coworth Park



The Bar at Coworth Park



The Barn