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## Hyatt Place hits 200 mark; poised for added growth

By NICOLE CARLINO

CHICAGO—Having recently surpassed the 200-hotel milestone, Hyatt Place has certainly reached critical mass. But with a pace that's set to see one hotel open every two weeks for the remainder of the year, and an even faster pace anticipated for next year, the select-service brand seems poised to reach even greater heights.

Julienne Smith, SVP of franchise and managed development for Hyatt Place and Hyatt House in North America, credited the brand's adoption of the former AmeriSuites properties in 2005 for Hyatt Place's initial success. "We were able to base our initial Hyatt Place launch off of 120 conversion hotels right off the bat," she said, "so we were able to achieve critical mass in the marketplace fairly quickly." This enabled Hyatt Place to gain exposure with both consumers and owners/developers. "After that initial launch, we then really gained momentum in developing and opening many new-builds," she said.

Chris Walker, VP, brand experience, Hyatt Place and Hyatt House, noted that the brand waited roughly a year and a half between purchasing AmeriSuites and opening the first Hyatt Place hotel, time that allowed the brand to "conduct a tremendous amount of research on the guest experience we wanted this new brand to deliver." He added, "We spent a lot of time learning the business model that AmeriSuites had, speaking to guests to understand what they were looking for

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Hyatt Place Portland-Old Port

## Hyatt Place

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in a select-service hotel and really designing the Hyatt Place experience to be something that guests would enjoy and appreciate. We did our homework to make sure we had a good product going forward and then all of that development momentum went from there."

In addition to a consistent, quality product and opportunities in the marketplace, Walker credits the brand's success to its continued research. "From my perspective, it's the constant ongoing dialogue with our guest that is informing the brand," he said. "We've been at this since 2005, but we did more research last year than any year previously. That constant innovation will help us stay at the forefront of the space and appeal to guests, existing owners and potential new owners."

Smith added that the fact that Hyatt is itself an owner also helps. "Because we own and operate a lot of these hotels, we could really understand the ins and outs of the brand and help translate that to a potential franchisee who might be interested," she said.

Recent openings include Hyatt Place hotels in Santiago, Chile; Washington, DC; downtown Champaign, Ill.;

Shenzhen, China; Portland, ME; Dubai; Manatí, Puerto Rico; and downtown Lincoln, NE. Planned openings for the brand include properties in locations as far flung as Mexico, Panama, Brazil,



Hyatt Place in Washington, DC, recently opened. There are more openings planned for the brand.

Armenia and London, which are all far cries from the typical domestic suburban or airport locations that the former AmeriSuites properties were known for. "We did have a platform to launch off

of and they did happen to be airport and suburban locations because that's where AmeriSuites organically grew," noted Smith, adding that Hyatt Place can work in a variety of markets, including urban, quasi-urban, secondary markets and college markets. Smith said that a big reason for the shift to downtown, urban locations is that's where the opportunity is. "That's where the REITs and lending institutions are focusing their growth and that's where we have an open road in a lot of markets to choose locations that make the most sense for us and our franchising partners. Many of them have targeted urban, mixed-use, select-service projects," she said. "We're lucky in that we have an open landscape to develop and we're not dealing with trying to shoehorn our fourth or fifth hotel in the marketplace."

Walker added that the brand was originally designed for the multitasking business traveler. "Today, that's a way of life for the vast majority of people. The reality is they have business needs in all of those locations," he said, "so it evolved from the heritage of AmeriSuites to the urban development that we're seeing a lot more of today."

As for international expansion, Smith said that Hyatt has always been an international brand with boots on the ground all over the world. In addition to the

U.S., Hyatt Place has locations in Armenia, China, Costa Rica, India, Mexico, Puerto Rico and the Netherlands. "We started with the U.S. and that original AmeriSuites footprint, but the reality is a lot of the fundamental consumer needs that we uncovered through our research are the same in international markets as well," said Walker. "It definitely took a little bit of time to get to know the brand and the initial expansion effort was in the U.S., but the plan always was for this brand to have a global footprint. We've really started to bring that to life."

He added that, since much of the initial development in regions like China and Latin America were luxury hotels, there's a need for select-service. "In addition, there is so much growth in the general economy that is driving demand for that next tier of hotels. You have more than just the CEO and your executives traveling," Walker pointed out. According to the exec, the pace of development and the lifecycle of the brand means Hyatt Place will see acceleration of openings in both the U.S. and internationally.

"We're on a terrific trajectory, but we're very thoughtful in how we grow," added Smith. "We're not trying to grow for growth's sake. We want to be in the best locations with the best hoteliers and think we can be the best brand by keeping that as our main focus."

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