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RETHINKING THE MINIBAR

CASH REGISTER FROM SIPS TO NUTS, JULIE MAUTNER CASES THE VACILLATING SCENE. BOTTLED OXYGEN ANYONE, OR PERHAPS A MOJITO JELLY BEAN? ILLUSTRATION BY POL TURGEON.

Three years ago, the 1,946 room **Marriott Marquis** on Times Square in New York City decided that their minibars weren't generating enough revenue—and so they pulled them from every room.

"We had eight full-time minibar staffers who each checked 150 rooms a day," says **Kathleen Duffy**, head of public relations for Marriott in New York City. "They simply couldn't get to every room every day. Plus, we found that guests weren't using the minibars as much as one would think. In Times Square, many retail outlets are open 24/7, so beverages and snacks are available everywhere, all the time. In addition, some minibar items have expiration dates, and we were throwing items away. It was a pure business decision: minibars were not profitable."

Minibars aren't particularly profitable at **Kimpton Hotels & Restaurants** either, but the San Francisco-based boutique company—with 8,000 rooms in 42 hotels and intentions to double in size over the next five years—works overtime to keep them stocked with fresh and interesting products.

"We see minibars not as a major source of revenue but as a guest convenience," says senior vice president of hotel operations **Mike DeFrino**. "Plus, the minibar offers a great opportunity to feature local products and to play up each hotel's distinctive character. But while guests expect to have access to a fully stocked minibar at a hotel of this quality, many don't actually use it." Members of Kimpton's guest loyalty program often receive arrival gifts (such as their favorite candy bar, beverage, or snack), which tends to nibble away further at minibar sales.

Hotels today are keeping a careful eye on minibar preferences, juggling what guests say they want with what they're most likely to splurge on in a late-night minibar raid. According to **Clark Wolf**, a New York City-based food, restaurant, and hospitality consultant

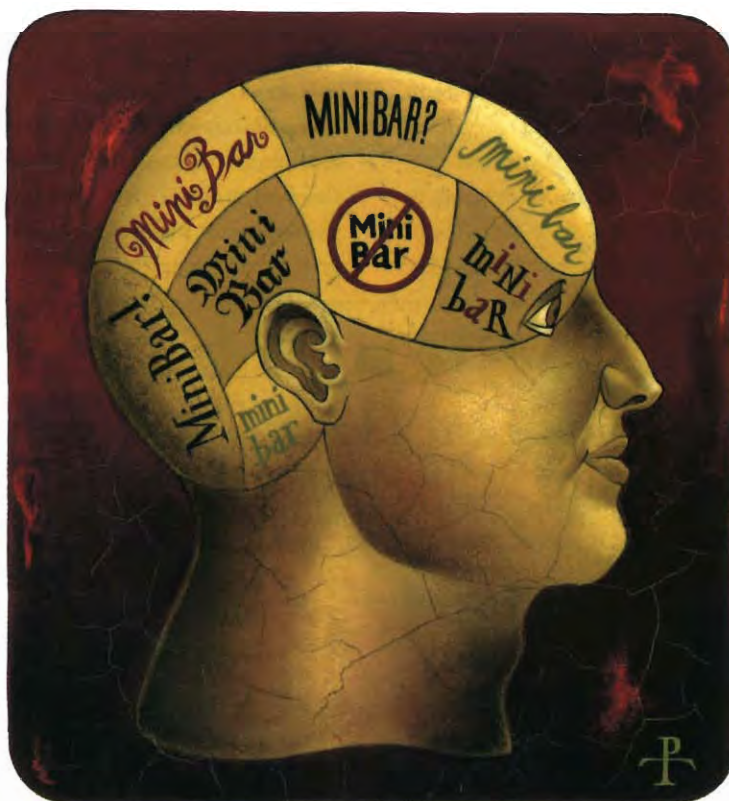
whose clients have included **Sheraton**, **Rosewood**, and **Loews**, "Sometimes it's comfortable to be politically aware and drink the tap water, and sometimes it feels good to go all Fiji. It's just like the rest of the room: One hotel gets lots of feathers; another eliminates every feather and sprays for hypoallergenic. It depends on who you are as a company and who you want to be—and serve. Sometimes ya feel like a nut, sometimes ya don't."

Speaking of nuts, In-Room Plus, a nationwide minibar distributor with 200-plus products and 700 clients with 250,000 rooms, says good old cashews are their most popular product—although "intimacy kits" are "the most talked about."

At **Kimpton**, the big push is toward local products, organic food and drinks, and other items that support Kimpton's company-wide EarthCare initiatives. "We're trying hard to have more healthy selections," says COO **Niki Leondakis**, mentioning vitamin waters, **Honest Tea** organic ice tea, **Dagoba** Organic Chocolate bars, **Kettle Brand** organic potato chips, and **Clif Nectar** organic bars as a few examples. "But of course we still have Pringles," she continues,

"because we all need our junk food." Each Kimpton property has a different minibar selection but typically stocks 45 to 50 different items. The company also provides in-room recycling bins for paper, plastic and glass.

The Toronto-based **Four Seasons**, with 29 hotels and 8,288 rooms throughout the United States and Canada, is also focused on more healthful options. "Our guests are more aware than ever with regard to what they eat," says corporate director of f&b **John V. Washko**. "So we're promoting organic nuts and fruits, and products without preservatives, and we're offering a smaller variety, which the majority of the guests appreciate. This extends to beverage,"



ages as well, including Stirrings products such as ginger ale, made from real ginger.”

Still, Washko adds, “This is not to say we’ve removed the chocolate bars or potato chips! But we’ve added organic chips—all natural, less fat—and chocolate with more cocoa and less filler.”

In their ongoing attempt to keep minibars as compelling as possible, hoteliers are continually adding new items. Plus, they’re becoming increasingly customized with regard to luxury level, location, guest demographic, and personal preferences.

Erin Kozlowski, director of sales and marketing at the **Catalina Hotel & Beach Club** on South Beach in Florida got the idea for her “Pimp My Fridge” minibars from “Pimp My Ride” on MTV. “Reality TV shows are a huge hit with the majority of our target market,” she says. “But we also saw it as a way to draw in more affluent potential customers who stay in hotels that can cater to their every wish.”

Beginning at \$50 per fridge, guests can call ahead and customize their minibar with everything from edible body paint to Krispy Kreme doughnuts. Themes include the \$70 “Get It On”

(Champagne, whipped cream, strawberries, sensual oils, a Barry White CD, and more) and the \$75 “Rock Star” (vodka, cigarettes, doughnuts, Red Bull, Visine, a chilled eye mask, and Gatorade). The minibar setup called “Nostalgia” includes cheese in a spray can, Twizzlers, Tang, and candy cigarettes.

During high season (November to March), Kozlowski receives anywhere from three to 15 requests per week for the “Pimp My Fridge” packages, and her staff will honor other special requests if possible. “Being a boutique property, we try to stand out by making each guest feel special,” she says. “Personalized minibars were simply the next natural step.” The program has generated great publicity for both the hotel itself and its parent, **South Beach Group**.

Indeed, when it comes to in-room marketing these days, food and drink is just the beginning. Anything goes, it seems, as long

as it doesn’t offend the guest and boosts the bottom line.

Kimpton’s in-room retail offerings are usually pegged to hotel locations. They can be whimsical—such as rubber ducks (\$6.50) at the **Triton** (San Francisco) or \$6 harmonicas at the **Allegro** (Chicago)—or practical, like flip-flops at the **Solamar** (San Diego);

“Minibars are meant to take care of basic needs. Sensation Bars are about giving you indulgent, interesting things meant to delight all five senses.”

— CARYN KBOUDI, OMNI HOTELS

\$25) or Sleep and Yoga CDs (\$16). The best-selling retail item in Kimpton rooms are zebra- and giraffe-print bathrobes (\$120), with slipper socks (\$11) close behind. Kimpton's retail Web site (www.kimptonstyle.com) was relaunched this fall and now features more than 100 lifestyle products; KimptonStyle catalogs are in every guest room.

Late last spring, **Omni Hotels** launched in-room "Sensation Bars," and they're now in all but a handful of the company's 45 North American hotels.

"Minibars are meant to take care of basic needs," says spokesperson **Caryn Kboudi**. "Sensation Bars are about giving you indulgent, interesting items to relish. Things meant to delight all five senses." The 20 or so items currently include lavender pillow spray, eucalyptus bath salts, Mojito jelly beans, a miniature Zen garden, Dean & DeLuca chocolate bars in several different flavors, a mole-skin notebook, plus regional items such as Frango Mints in Chicago and, in New York, a playing card-like guide to the city's most important buildings. Presented on a decorative tray, Kboudi says the items have been extremely popular. "And they make the room smell nice," she adds.

Earlier this year, TripAdvisor.com released the results of a survey in which 1,600 travelers worldwide revealed their minibar preferences and proclivities. Thirty-three percent of the respondents said they never touched it, with price—not selection—the most important factor. Ninety-four percent of travelers surveyed would use the minibar more often if the prices were more reasonable. Twenty percent of travelers surveyed said they had replaced an item to avoid charges.

Indeed, hoteliers committed to minibars are continually seeking ways to cut the costs of maintaining them. Kimpton, for example, uses technology that registers if the minibar door has been opened. An electronic signal is sent to the office so the attendants only have to check rooms in which the bars have actually been used. "Not only has this improved the productivity of our room attendants," DeFrino says, "but it keeps us from disrupting guests who haven't used it." Some chains use minibars with sensors underneath every item, recording when they are moved, eliminating the need for humans to check manually.

With the advent of motion and weight sensors, 16 percent of travelers in the TripAdvisor survey said they've been billed for adding their own items to a hotel room minibar/fridge or for moving contents around. One quarter of the respondents have had a dispute with a hotel over a minibar charge, and 34 percent believed they'd been inaccurately charged at one time or another.

"Travelers are scared of hotel minibars because of sky-high prices," says Michele Perry, TripAdvisor's director of communications. "By lowering prices and double-checking bill charges, hotels could provide a minibar service that travelers would embrace."

What many hotel guests *really* seem to want, however, is a place to store their own stuff, be it last night's leftovers, the baby's bottle, or a six-pack of Coke. And many hotels are responding, by adding extra space in the minibar or simply replacing it with a fridge. Others are keeping fridges on hand for guests who may request them.

At Marriott, Duffy reports that, as part of recent renovations, the **Marriott East Side** and the **Brooklyn Marriott** both replaced their minibars with fridges (and added new capsule espresso makers). Omni is replacing existing minibars with new units, often glass-fronted, that leave room for whatever the guest may wish to store. "They still have all the standard items," Kboudi says, "but they're easier to use and more attractive."

As it turns out, the whole minibar thing may not be so important after all, except at the very highest levels of luxury or in locations where other food options are limited. In the J.D. Power and Associates 2007 North America Hotel Guest Satisfaction Index Study, which surveyed 47,000 travelers across six hotel segments, neither minibars nor fridges made the list of guests' top-three most sought-after amenities. (They wanted free breakfast, high-speed and wireless Internet access, and a TV with a screen larger than 27 inches, in that order.) ■

So what sells after all?

A recent TripAdvisor.com survey says the top snack items travelers are most likely to buy from a minibar, in order, are nuts, chocolate bars, Peanut M&Ms, Pringles, and Toblerone chocolate. And the top five drinks? Bottled water, soft drinks, beer, wine, and liquor. More than a half (52 percent) of respondents said the single item they were most likely to purchase was bottled water, while only 2 percent were likely to purchase energy drinks. Here, three leading hotel chains tell what their guests like best.

Kimpton Hotels & Restaurants (42 hotels in the U.S. and Canada; 8,000 rooms)

Best-selling item overall: Bottled water • **Wine (red vs. white):** White • **Soft drinks:** Coke and Diet Coke • **Liquor:** Vodka, followed by Scotch. • **Beer:** All beers sell very well. The beer selection varies widely among hotels and regions, and often feature local microbrews. • **Sweet snack:** Peanut M&Ms, followed by Snickers • **Savory snack:** Potato chips • **Currently considering:** More organic and eco-friendly products

Four Seasons Hotels and Resorts (29 hotels in the U.S. and Canada; 8,288 rooms)

Best-selling item overall: Bottled water • **Wine:** White • **Soft drink:** Diet Coke • **Liquor:** Vodka • **Beer:** Heineken • **Sweet snack:** Anything chocolate • **Savory snack:** Potato chips

Omni Hotels (45 hotels in North America; approximately 14,500 rooms)

Best-selling item overall: Bottled water • **Wine:** Red • **Soft drink:** Diet Coke • **Liquor:** Vodka • **Beer:** Local microbrews, when available • **Sweet snack:** Snickers and cashews • **Savory snack:** Potato chips • **Currently considering:** More local favorites • **Other item that sells well:** Spray starch