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THE INNOVATION REVOLUTION TRANSFORMING
AUSTRALIA'S HOTEL INDUSTRY



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“ Hotels are no longer just a place to stay, but rather have become lively and connected destinations for visitors and locals alike. As trends in the travel industry have shifted...large and small hospitality brands have reacted and adapted to a new generation of hotels ”

REBECCA GROSS, HABITUSLIVING.COM.AU

EXECUTIVE SUMMARY

The tourism accommodation industry delivers \$8 billion to the Australian economy and employs over 187,000 people directly and indirectly. The industry is undergoing its largest and most dynamic era of growth. This growth is promoting a comprehensive re-generation of its hotel product, with new lifestyle and boutique hotels reflecting the changing traveller demographics.

The impact of Millennial and other new generations has prompted a complete renaissance in the products and services the hotel industry offers guests. New brands, new designs, new technologies and new guest-centric services are transforming Australia's accommodation sector.

While the concentration of new hotel openings has been in cities such as Perth, Brisbane and Adelaide over the past four years, the new era of hotel development is sweeping across Australia, with 200 new or upgraded hotels scheduled to be launched by 2025.

The profound change in the hotel industry is providing unique opportunities to design 'Hotels of the Future', taking into account trends such as localism, wellness, individualism, art and sustainability. Australia is at the forefront of the global hotel renaissance, with 'Hotels of the Future' already opened, changing the face of the hospitality industry and introducing world-class design and service initiatives to cater for the anticipated growth in international and domestic visitation.

INTRODUCTION

Australia's first major internationally-branded hotel – the Hilton Sydney – opened in 1974, and was followed by many other of the world's prominent hotel brands. The arrival of these globally-recognised brands played an important role in establishing Australia's place as an emerging destination for international visitors, conferences and events.

Subsequently, two major expansionary phases occurred: in the late 1980s/early 90s, and prior to the Sydney Olympics in 2000, adding significant large-scale capacity to enable Australia to attract mass tourism from Asia as well as become a substantial player in the conference, exhibitions and events markets.

The economic downturn in the decade after the Sydney Olympics, culminating in the Global Financial Crisis in 2008, resulted in a significant slowdown in new hotel and resort development, with Sydney, in particular, affected. The city did not see a new-build 5-star international hotel developed in 18 years from 1999 to 2017.

In the past three years, Perth, Brisbane, Adelaide, Darwin, Canberra, Gold Coast and Melbourne have experienced an unprecedented new wave of hotel openings, and – along with Sydney – will see the development phase peak over the next three years.

While in previous phases of Australian hotel development the focus had been on attracting hotel projects that replicated international styles, the fundamental change in the current expansion has been the accent on the diversity of styles, with unprecedented design innovation at the core of the new wave of hotels.

Complementing the arrival of niche international brands, local brands have evolved offering hospitality approaches renowned for their distinctive design credentials and emphasis on localism and experiential travel.

Never before has the Australian hotel industry seen such cutting-edge innovation that is not only meeting changing travel trends, but anticipating them as well.

THE DESIGN REVOLUTION

The early evolution of the Australian hotel industry was based on 'brand fidelity' – ensuring that a globally-branded hotel in Sydney or Adelaide would look, feel and be presented in much the same way as a similar branded hotel in Los Angeles or London.

This was important for establishing Australia as part of a global tourism industry, with the benefit of brand homogeneity providing guarantees for travellers who – long before the internet – could not be sure of the standards awaiting them on the other side of the world.

In the past decade, this global philosophy has changed to a 'think globally, act locally' attitude, whereby even hotels in the largest global brands are incorporating specific local design features and have introduced niche brands to tailor the experience for a new generation of travellers.

The new generation of hotels has attracted a new generation of designers, with the licence to make a statement with their designs.

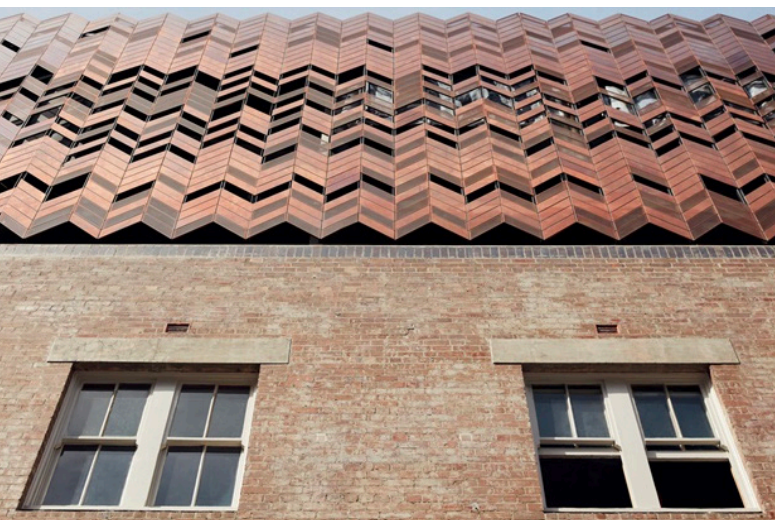
From prime city locations to pristine resort locations, hotel design today is aimed at complementing the landscape, becoming an integral component of the local area.



Innovation, creativity and vision are at the heart of exterior and internal design of Hotel Hotel in Canberra

A collaboration of over fifty designers, architects and artists produced a remarkably authentic exterior and interior design for Canberra's pace-setting Hotel Hotel, which has been instrumental in the New Acton precinct's renaissance.

Urban redevelopments such as Sydney's Paramount Hotel, Old Clare Hotel and the new Collectionist Hotel have re-imagined industrial buildings adding design elements that capture both the heritage and the present, creating an atmospheric and experiential destination for guests.



Sydney's Paramount Hotel (left) and the Old Clare Hotel (right)

The new Paramount Hotel was the former Australian head office of Paramount Picture Studios and is connected across two adjacent buildings. A two-storey copper-clad extension was added to what was previously the film storage warehouse, which now houses both rooms and the hotel's restaurant, Poly.

The Old Clare Hotel was created out of the unification of a 1939 art deco pub and a building from the Victorian-era CUB brewery headquarters. The exterior combines new and old architecture and the interior pairs industrial and mid-century style with contemporary interiors.

Resort hotels from the past five years are boasting similarly dramatic designs that both respect and complement the local environment. Outstanding projects like Emirates One & Only Wolgan Valley, Spicers Sangoma Retreat in the Blue Mountains and Saffire Freycinet in Tasmania have won international renown for their environmentally-sensitive designs that contribute significantly to the holiday experience.

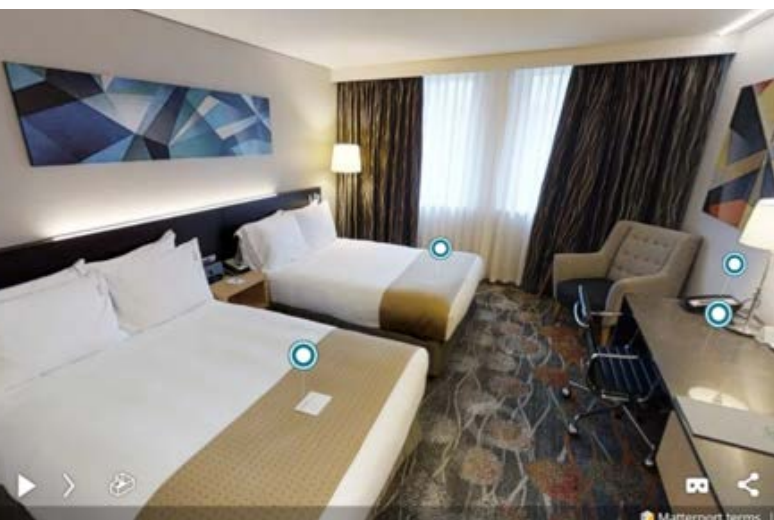


Saffire Freycinet: “Very few resorts manage to get all the ingredients right when opening but we can assure you, this beauty of a hotel has ticked all the right boxes. We were literally left speechless — and that takes some doing — as we feasted our eyes on the breathtaking vistas, indulged our senses in our gorgeous suite and in the spa, and devoured the food that made any thought of a diet ridiculous.”

(THE COOL HUNTER)

NEW DESIGN AND CONSTRUCTION TECHNOLOGY

New design and construction technology is introducing new building techniques to the Australian hotel industry. Modular design – which is already well-established in Europe – has been introduced in Australia, with ProBuild using a modular design to construct the first Tribe hotel in Australia, in West Perth. The Art Series Schaller Studio hotel in Bendigo and the Hougomont hotel in Fremantle have also used modular design in the construction. The new design technology allows for more efficient and cost-effective construction, as well as superior insulation and acoustics. The savings in constructions can make affordable hotels more viable in prime locations.



JLL's Ryan Darcy is at the forefront of introducing VR and AR technology in the design process

New technology, from virtual reality to artificial intelligence, is increasingly intertwined in the future of hotel development. Design fit-out can now be 'seen' through the use of VR and AR technology, enabling designers to maximise the space and functionality of public areas, restaurants and rooms, when in the past design had to be achieved and finalised through a series of one-dimensional drawings. The future hotel will allow prospective customers to experience the hotel virtually before physically through virtual reality.

A NEW GENERATION OF HOTEL BRANDS FOR A NEW GENERATION OF TRAVELLERS

The past decade has seen the emergence of an unprecedented collection of new, niche hotel brands to provide an unmatched range of accommodation choices for travellers – and at all levels of the hotel industry.

The largest growth has been in 'lifestyle' hotel brands concentrating on experiential travel, incorporating highly stylised and individual design elements that bring the guest into the heart of the destination.

MARRIOTT'S AUTOGRAPH COLLECTION – represented in Australia by the Pier One Hotel in Sydney – epitomises the new attitude to hotel design and fit-out. Their four guiding principles are:

- **Products of Passion:** Each hotel is a uniquely personal realization of an individual's vision.
- **Stories through Design:** Hotels that seamlessly blend beauty, thoughtfulness and purpose in their design.
- **A Mark of Craft:** We select hotels offering signature moments and experiences that reflect their skills and expertise.
- **Reflection of Place:** Our hotels are inspired by and reflect the locality, championing its history, culture and future.



Sydney's Pier One Hotel – part of Marriott's Autograph Collection – captures its prime location on Sydney Harbour through its interior design and the services it offers guests

The major hotel groups have invested heavily in developing brands to service specific market areas. The largest hotel groups operating in Australia – companies like Accor, Marriott and IHG – now offer up to a dozen different brands across the country, and are constantly developing and enhancing their brand offer with new product and service concepts.

NEW LIFESTYLE BRANDS INTRODUCED INTO AUSTRALIA INCLUDE:

ALOFT

Marriott's Aloft Hotels debuted in Australia in 2017, with the launch of an exciting new project in Perth. The design was aimed at offering "what millennials want": contemporary architecture and design in rooms, common areas that create vibrant social scenes, alive with activity and using "innovative programming centring on music, art and design, along with always-evolving technology updates". Addressing the technology requirements of modern travellers, the brand's tech-forward philosophy includes RoomCast, a technology that allows guests to stream media from Netflix, YouTube, and other channels directly onto their room TV without having to download an app or sign into their accounts, all at no extra cost and on the available free Wi-Fi.

MGALLERY BY SOFTEL

Accor's MGallery has been at the forefront of delivering highly-individual hotels that put destination and style first. Each of the high-end boutique hotels offers a unique personality and story based on its architecture, heritage and location. In Australia, hotels such as the Harbour Rocks in Sydney, Lindrum in Melbourne, Reef House in Palm Cove and Elements of Byron all offer a distinctive personality, complemented by services that allow guests to best experience the location.

TRIBE

The new Tribe brand is cutting-edge from construction design through to delivery of the product. The first Tribe hotel opened in Perth in 2017, bringing a funky, millennial-friendly hotel design that is also functional and affordable for the prime location and high-quality facilities. The brand is designed to suit the new 'tribe' of travellers who put greater emphasis on having a sociable atmosphere with desirable, practical and casual eating and living areas. Rooms are more compact, but offer high-end bedding and amenities, and connectivity – from wifi access to chrome-casting, is taken as a "given".

THE TRIBE HOTEL FORMULA FOR TODAY'S TRAVELLERS

WHAT'S IN

- Free wifi, that's a given.
- Signature beds and amenities you would love to have at home.
- Stylish contemporary spaces you would be proud to call your own.
- Sociable atmosphere with privacy when you need it.
- No nonsense, no hidden costs.
- Easy to use technology that works every time.
- Unique, innovative experiences.
- A mobile office.
- Desirable, practical and casual eating and living spaces.

WHAT'S OUT

- An incompetent concierge.
- Bills groaning with unwanted extras and hidden costs.
- Long check-ins and check-outs.
- To speak to someone every time they want something.
- Tipping for unnecessary services.
- Room service and overpriced mini bars.
- Generic hotel chains with little local knowledge.
- Large, musty rooms with space they don't use.
- Pricey hotel restaurants.

OVOLO HOTELS

Ovolo has introduced its dynamic lifestyle hospitality concept in Australia with signature hotels in Sydney, Melbourne, Brisbane and Canberra. The hotels were designed with travellers in mind, while each of the hotels reflects its unique location. The emphasis on technology and 'fun-loving' services extend to its 'Freebies' package, which includes free breakfast, mini-bar, Wi-Fi and even 'happy hour'. The hotel gyms are open 24 hours, recognising guests' differing travel patterns and preferences.

QT HOTELS

A pioneering, locally-produced lifestyle brand introduced by Event Hospitality & Entertainment in 2011 that has re-imagined many existing hotels into stylish, art and design-driven contemporary hotels with an emphasis on high-class dining and entertainment. The bar for hotel design was raised with the launch of QT Sydney, which was converted out of the former Gowings department store. The focus was on creating a dynamic footprint that blended the building's heritage with distinctive interior design, new technology and innovative touches throughout the hotel. Rather than being separated, the reception lounge flows through to the restaurants and bars, while providing a 'living room' style ambience that emphasises "home".

CAPRI BY FRASER

Business hotels have evolved significantly over the past five years, personified by Fraser Hospitality's funky Capri brand launched in Brisbane. Rather than being a traditional business hotel, Capri features an eye-catching design by Ministry of Design with living vertical gardens, art installations, and a restaurant that reflects changes in dining patterns, with a Paleo-inspired menu designed by Pete Evans. Guests can check in with an iPad, ergonomic desks in rooms can convert to make-up tables, connectivity is a focus with USB ports in bedroom walls, and an in-house laundry allows guests to indulge in foosball or Xbox Kinect while they wait.

CURIO COLLECTION BY HILTON

The Curio website invites travellers to input their preferences to highlight what makes them curious about travel. Are they a spiritualist, epicurean or a pathfinder? The first Curio Collection hotel in Sydney, the West Hotel, opened at the end of 2017, and its architecturally striking exterior contrasts dramatically with the oasis style serenity of the interior design. With the high-energy Barangaroo precinct on its doorstep, business travellers can retreat to an open-air garden Atrium, with lush green foliage. The restaurant and bar, Solander, is named after the First Fleet botanist, and the concept is maintained through the creation of botanical-inspired cocktails and a menu highlighting regional and seasonal produce from sustainable NSW sources.

SPICERS RETREATS

Better known for its boutique resort hotels in Queensland and NSW, designer Jude Turner has introduced the brand to funky urban environments such as New Farm in Brisbane and Potts Point in Sydney, converting heritage properties into stylish urban retreats with exceptional original artwork by Martine Emdur and Keith Burt. Tapping into the wellness revolution, many of the Spicers properties – such as Spicers Sangoma Retreat in the Blue Mountains and Spicers Tamarind in the Sunshine Coast Hinterland – complement their stunning surrounds with spas, cooking schools and nature-based activities.

ART SERIES HOTELS

Created a decade ago, each of the home-grown Art Series Hotels collection is a true piece of art in its own right. Art and culture are ingrained in every aspect of the hotels, which take their design inspiration from their namesake artist, whose works and personality are infused through the hotel's rooms, public areas, restaurants and exterior. Dedicated art channels available through the TV, a library of art books and even art utensils are available for guests to channel the artist's influence. The hotels and their teams embrace the excitement of the concept, elevating the experience to a level beyond templated hospitality, without losing sight of the fundamentals of a hotel stay. Each hotel is an expert on its local area, providing guests with news of the latest restaurant opening, laneway bar, concerts or exhibition.



Art Series Hotels wear their artistic credentials throughout the hotel design

HOTEL JEN BY SHANGRI-LA

A relaxed, lifestyle-oriented brand launched to cater to a new “Jeneration” of independently minded business and leisure travellers that has become popular throughout south-east Asia and now in Brisbane. Each hotel puts the emphasis on being ‘fresh, friendly and fuss-free’ with hotel services shaped around Simple Pleasures, Easy Efficiency, A Sense of Adventure and InJenious Ideas.

VERIU

This locally-originating brand looks to transform existing properties and create a bespoke collection of hotels and suites where guests feel connected to the city where they’re staying. Each property offers its own distinct personality and style, with the character-filled accommodation supported by a service team who are trained as “local area guides”, reflecting their motto: “Connect. Live. Local”.

OTHER BRANDS COMING TO AUSTRALIA INCLUDE:

INDIGO

IHG is planning to bring its Indigo brand to Australia, with hotels announced for Sydney, Brisbane and Melbourne. The brand’s millennial-focused design and service features celebrate their local neighbourhoods, with localism a distinct flavour of menus, art and interior design.

MOXY HOTELS

Moxy Hotels is Marriott’s millennial-focused boutique hotel concept which was driven out of research that highlighted design aspects such as: that most guests never use their wardrobes and rarely use in-room tea and coffee facilities. As a result, non-essentials have been stripped out of rooms, with larger space allocated to communal lounge areas with social spaces, games, work stations, meeting rooms, sofas, high-quality coffee and a full-service bar.

THE BOUTIQUE HOTEL REVOLUTION

While the first three decades of Australia’s hotel evolution was defined by the arrival of the large international chains, the last decade has witnessed an unprecedented rise in boutique hotels in both city and regional areas.

For Australia’s tourism industry this has allowed a new narrative to be developed, with high-quality accommodation being located in city laneways, in trendy inner-city villages, amongst wineries, and in secluded beachside locations.

The boutique hotels have introduced a touch of exclusivity to travel, becoming as important as the destination itself, because of their ability to immerse guests in the local surrounds. These hotels help discerning travellers feel special and add relevance to their trip.

Sydney is leading the way with urban boutique hotels that are attracting international renown for their ability to provide highly-stylised, individual and authentic travel experiences.

Hotels such as the Old Clare, Hotel Palisade, Mrs Banks Hotel, Paramount Hotel and Spicers Retreat Potts Point have captured the essence of their history, their stylish surrounds, and the local environment.



Mrs Banks Hotel in Paddington and Hotel Palisade in the Rocks have added distinctive accommodation in heritage areas of Sydney

Highlighting the move away from uniformity to complete diversity, the developers of Sydney's newest hotel – The Collectionist Hotel in Camperdown – commissioned seven designers and 13 artists to create the 39 uniquely designed rooms, which are housed within a former warehouse space. Guests select their rooms based on their preferred style, just as they would choose an art-work.



Guests pick their own room style at Sydney's newest design-inspired hotel, The Collectionist

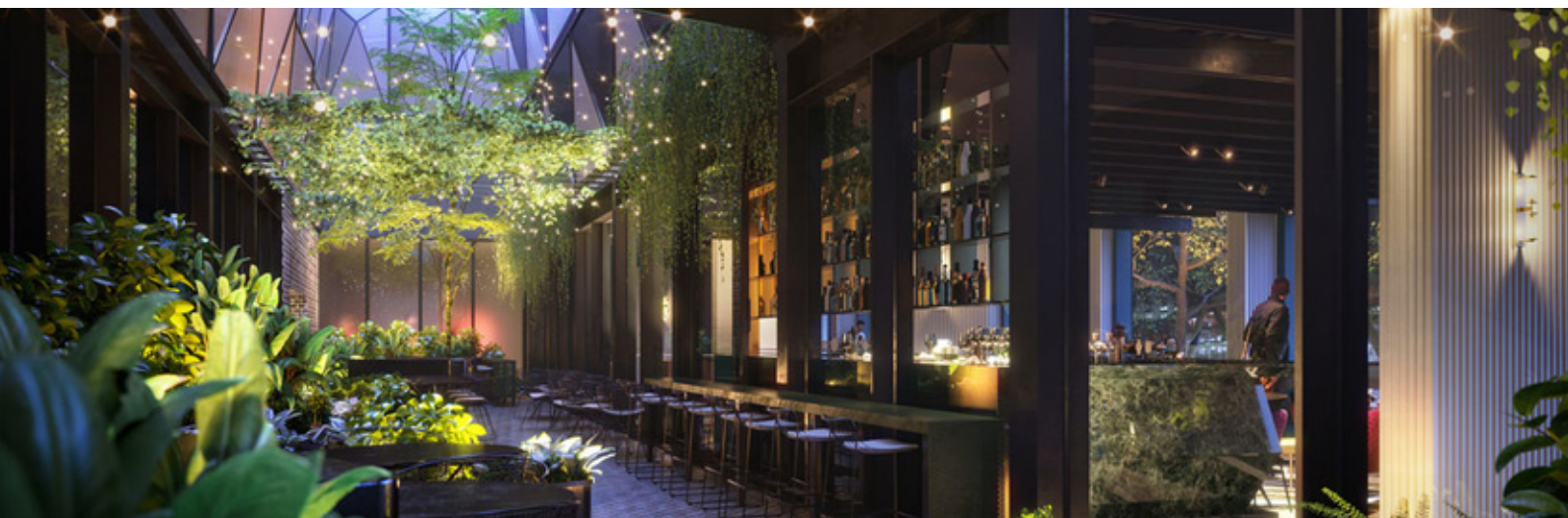
In regional NSW, the re-imagining of relatively ordinary motel-style accommodation has created a suite of outstanding designer boutique hotels such as Halcyon House, Bannisters and Bells, offering guests a fully-immersive boutique experience with signature restaurants such as Rick Steins at Bannisters, coupled with indulgent spas, and locally-tailored touring options.

BRINGING NATURE INTO HOTELS

Hotel designers are increasingly blurring the lines between interior and exterior spaces, with vertical hydroponic gardens, indoor waterfalls, multilevel terraces and rustic wooden furnishings enabling guests to connect with nature. New and refurbished hotels are integrating more natural elements into their design. Living green walls are now a feature of exterior and lobby design and there is greater emphasis on using natural lighting, along with direct and indirect exposure to nature.

Hilton Sydney might be in the heart of an urban environment, but its massive vertical garden upon arrival provides an immediate sense of natural wellbeing, and their first hotel in the Curio Collection in Australia – The West Sydney – has similarly incorporated a strong botanical theme.

Greater emphasis is now being placed on using natural and authentic materials in building design such as reclaimed woods and sustainably sourced stone, exposure to picturesque landscapes or the incorporation of plants and greenery. The West Hotel Sydney includes a central open-air garden atrium with luscious foliage and sparkling lights, creating a relaxed urban oasis



The West Hotel Sydney includes a central open-air garden atrium with luscious foliage and sparkling lights, creating a relaxed urban oasis

THE LOBBY/LIVING SPACE REVOLUTION

The greatest change to Australian hotels over the last decade has been the transformation of ‘functional’ lobby and reception areas into vibrant, communal ‘living’ spaces.

Hotel designers have introduced the ‘home-away-from-home’ concept by re-designing their lobbies and other public areas from business-like, pragmatic spaces to living room-like spaces that are warm and inviting.

For many hotels this has meant the replacement of formalised front desks with sit-down, comfortable concierge desks and sofa check-ins handled by staff equipped with iPads.

Interactive cafes and delis are now common, flowing across the lobby, along with plentiful lounges, re-charging ports, TV screens and private areas for friends to catch up over a coffee or glass of wine. The changes are encouraging guests out of their rooms and into the new dynamic social spaces.



The Alex Hotel in Perth encourages guests to share the communal living areas

The new living area designs are being driven by millennial and other experiential-influenced travellers who place a strong importance on being highly interactive. Communal spaces provide a variety of social environments and communal areas in which guests can get a full experience. It has also encouraged hotel designers to experiment with fit-outs that might include handmade goods, unexpected textures, mix-and-match furniture, diverse wall treatments and tiles. The new era of travel has allowed a new era of creative experimentation with design.

CASE STUDY: THE 'HOTEL AS HOME' CONCEPT: HOTEL ALEX PERTH

One of the first new-generation hotels to open in Perth for many years – Hotel Alex – brought a radically different design template to the Perth hotel scene. The mantra was 'rooms are for sleeping, communal areas are for living'.

Perth based architecture firm, the Space Agency designed the building while working alongside Sydney based interior designer studio Arent & Pyke, who were responsible for designing the hotel's interiors. They explained the concept: "The Alex Hotel in Perth was designed on the basis of the overarching concept of the 'Hotel as Home'.

Together with the client, four key concepts were established for the interior design; 'the personal', 'the escape', 'the craft' and 'the legacy', to nurture a sense of intimacy, connectedness and domesticity. With the client, there was always a discussion about 'Alex' being someone familiar to us all; an uncle whose home you love to visit, a treasured old friend with a house full of wonderment. The interior design, furnishing and styling imagines the richness, the personality, a sense of frivolity and the layering of a story."



THE SPACE REVOLUTION – ROOMS ARE GETTING MORE SPACIOUS, EVEN IF A LITTLE SMALLER

A massive investment in design has changed the face of guest rooms across the industry. Enhanced design technology has had a profound impact on room functionality, with even economy hotels boasting 5-star features and technology. The introduction of wall-mounted, flat-screen TVs has enabled designers to replace bulky cabinetry, opening up considerable space. Mobile desks that can be hidden away allow rooms to switch from business-mode to leisure-mode in an instant, and advanced lighting systems and better use of natural light enhance the feeling of space.

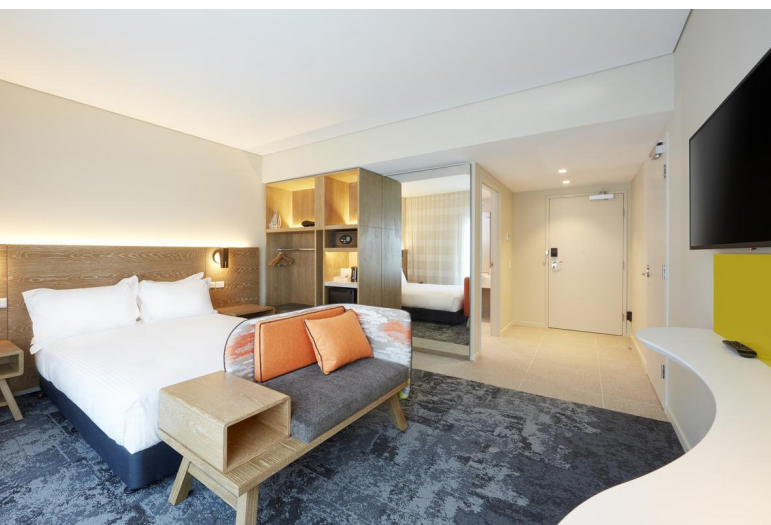
Hilton's new Tru brand has rooms of 21 square metres, which feel much larger because they have replaced bulky cabinets with hooks and rods on the walls for storage. The rooms have also scrapped a desk in favour of a chair with a large arm that can hold a laptop computer or a notepad.

For many guests, the idea of a working desk has been transcended, so hotels are providing USB points next to the bed, because this has become a defacto working space requiring power, connectivity and good lighting to respond to the trend.

Rooms may be getting smaller, but they are packing a greater punch as a result of advanced design. Brands such as Hilton's Tru and Holiday Inn Express may operate on the basis of offering smaller rooms, but they are upgrading their community lounge areas to more than compensate.

The brand that pioneered the "smaller isn't necessarily lesser" movement is European group, CitizenM, which is looking to enter the Australian market. Their rooms are often about 15 square metres but are of a funky design with huge quality beds taking up most of the space, and TVs on the wall opposite. They are coupled with a communal floor of delis, bars and lounges for guests to meet friends, catch up with work, eat, and just chill out.

Accor has also been a pioneer through its three levels of Ibis hotels and a recent acquisition, Mama Shelter hotels, designed by Philippe Starck, for which they are also looking at Australian opportunities. Economy hotels used to be very standardised, but no longer. Holiday Inn Express Adelaide reflects the new generation of economy hotels launching in Australia.



Holiday Inn Express Adelaide uses cleverly designed rooms and public spaces to offer quality accommodation and style in the heart of the city at economy rates

THE ROOM REVOLUTION

Significant design innovations have taken place including:

- Space planning to maximise the feeling of spaciousness, even in economy rooms
- Major upgrade in the quality of beds available across all hotels, along with the selection of accessories like pillows and linen
- Design of bathrooms to reflect the needs of differing traveller demographics
- Lighting and ambience
- Functionality of technology
- Selection of local art and in-room design features with a distinctly local flavour
- Upgrading mini-bars
- Use of natural materials and green elements

A new generation of rooms is being developed to cater for changing needs of business and leisure travellers. Corporate-focused hotels are utilising the latest technologies to turn rooms into mobile offices, though not necessarily in the traditional manner. For instance, old-style desks have been removed from the new WorkLife rooms in Crowne Plaza hotels and replaced by mobile desks that can double as dining tables and move to wherever the guest feels comfortable, supported by well-placed electrical outlets and USB ports.

Using advanced design technology, the room experience is being constantly upgraded, with use of textured surfaces, warm expressive colours and carefully tempered lighting to give the guest a sense of being transported somewhere special.

THE BED REVOLUTION

The introduction of Westin's 'Heavenly Bed' over a decade ago sparked a massive transformation of hotel beds. It highlighted that staying in a hotel wasn't just about sleeping, it was an experience, providing an "oasis for the weary traveller".

The Heavenly Bed included a bright white duvet, a down blanket, five feather-and-down pillows, triple-sheeted 230-thread-count, and a custom-designed 12½ inch thick mattress with 900 individual coils.



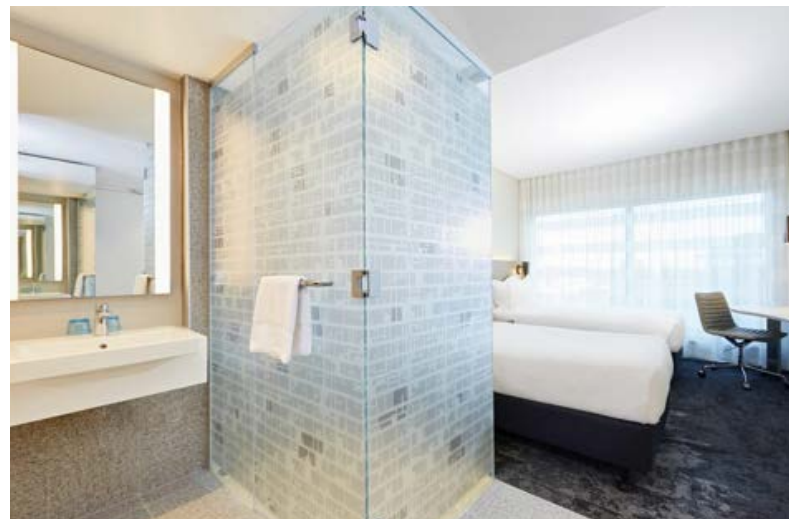
Luxury bedding in 5-star brands – such as Westin's 'Heavenly Bed'(left) – is now filtering down to economy hotels such as Holiday Inn. Express Adelaide (right)

Most of the luxury hotel brands followed suit with specially-designed bedding product such as Sofitel's MyBed, which became such an integral element in the Sofitel experience that they started to sell them to guests for use in their homes. The 'secret ingredient' was a mattress topper filled with white goose feathers and down that was described as "better than sleeping on a cloud".

While initially the preserve of 5-star hotels, the mattress and bedding revolution quickly filtered down to mid-market and economy hotels with brands such as Ibis and Holiday Inn commissioning their own upgraded bedding. The comfort revolution extended to providing extensive pillow menus and even sponsorship of sleep studies to ensure guests received a superior night's sleep.

THE BATHROOM REVOLUTION

Where bathrooms may have previously been seen as purely functional in the design of the hotels, today they can be a major sensory component of a stay, such as in the new Sofitel Sydney Darling Harbour, where massive bathtubs deliver wraparound views of the city skyline. Hotel bathrooms today often include waterfall showers and glass walls that connect to the room which can increase the size and feel of the room, while still offering privacy through blinds and instant gas-produced opaque screens.



(left) A bathroom and tub with a view at Sofitel Sydney Darling Harbour and (right) an opaque glass shower screen provides privacy for guests while an extra feeling of space in the economy Holiday Inn Express Adelaide City Centre

THE REFURBISHMENT REVOLUTION

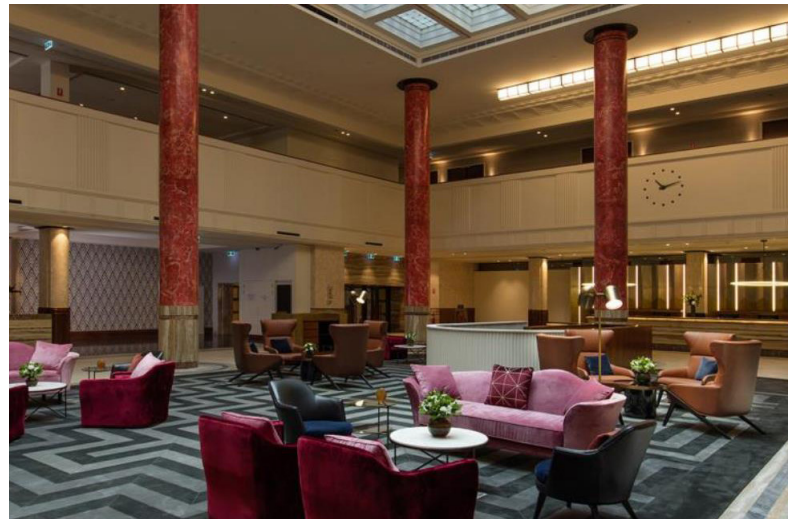
Australia is not only undergoing its largest expansion of new hotel accommodation, it is also seeing an unprecedented level of upgrading to existing properties to both match the quality of new-build hotels and add customer-centric facilities and services.

A contemporary refurbishment of Holiday Inn Melbourne on Flinders (below) saw each room completely gutted to create a blank canvas for the architect to design a room with the modern traveller in mind. The bathroom, luggage rack and wardrobe have been purposely designed outside the bedroom, which allows the guests to have more of a living room feeling. The new bathrooms have also been completely gutted and now feature large showers with no threshold and an opaque window into the bedroom which provides guests with natural light, while also ensuring privacy.



Capturing history in the redevelopment of buildings has been the hallmark of many new hotels opened in the past five years. With Sydney, heritage restorations of the Gowings Building produced QT Sydney, the Tank Stream Hotel was developed out of a 1960s office building, and a grand 5-star hotel called The Primus was fashioned out of the former Metropolitan Water & Sewerage Board headquarters.

Brisbane's Adina Apartment Hotel was created out of a grand, heritage-listed sandstone building near Brisbane's Queen Street Mall, making the most of the ornate lobby area.



Heritage restoration was a key component of the design of the QT Sydney (left) and Primus Hotel in Sydney (right)

THE TECHNOLOGY REVOLUTION

A technological revolution is taking place in hotels that is both changing the physical hotel structure and service elements as well.

Smart wall-mounted TVs have become entertainment centres with chrome casting capability so that business travellers can construct and edit presentations and leisure travellers watch their favourite movies and online material.

Other hotels – such as the Tank Stream Hotel in Sydney – offer free recent-release in-room movies, while other hotels are broadening the range of entertainment available to guests by providing streaming services including Netflix and Stan.

WiFi internet has become widely available on a free of charge basis for guests of Australian hotels either as a general policy or through membership of loyalty programs. In a recent survey of the Australian hotel industry Tourism Accommodation Australia (TAA) revealed that 96% of Australian hotels surveyed offer some level of free WiFi to guests.

The survey, from over 300 accommodation providers across Australia, revealed 99% of hotels currently offer WIFI as a service to guests. The majority of hotels (65%) do not charge for some level of free WiFi access and a further 31% offer it free to customers on a conditional basis (such as loyalty program member, upon booking direct or as a special inclusion). In the past two years, major Australian hotel groups such as Rydges, Meriton, Ovolo and Next have introduced across-the-board free internet access, while other groups have extended free WiFi access to loyalty club members.

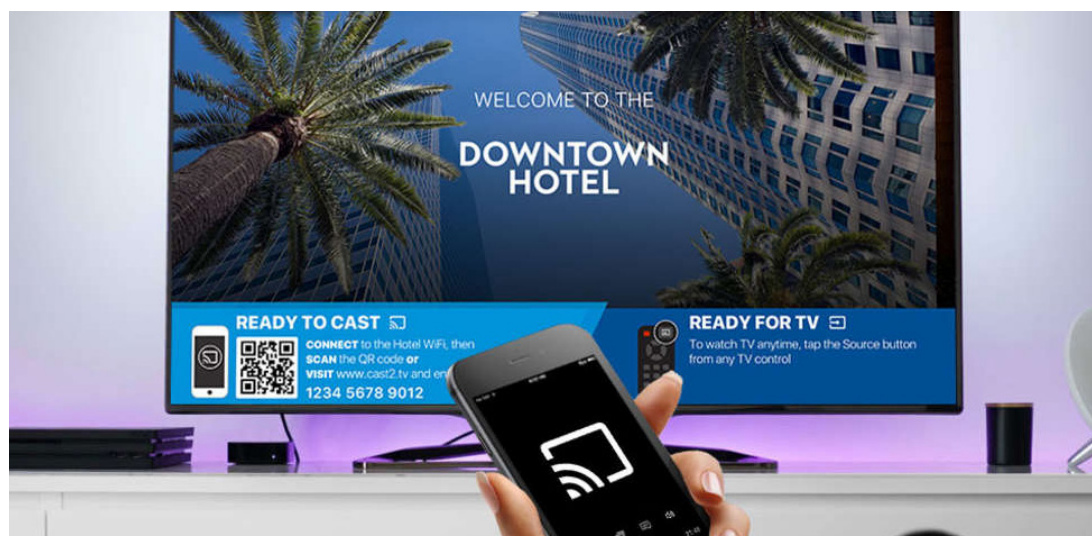
WIFI is also evolving with greater bandwidth available increasing speed and improving delivery, reliability and – significantly – safety for users.

Smartpads are being used in rooms to control all the technological aspects of the room through one control system, and increasingly apps are being developed to provide technological functionality to guests' own smartphones – from keyless entry, menu ordering and bill review and payment.

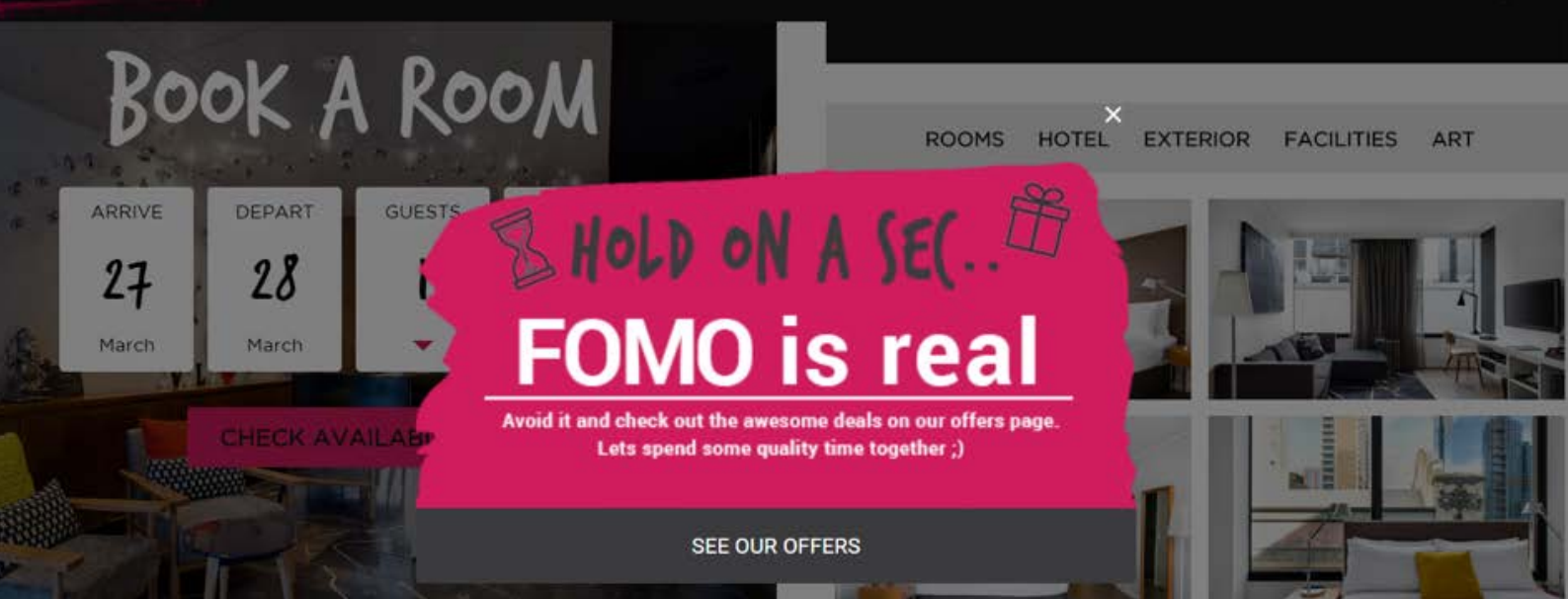
Voice activated technology is already a feature in a number of international hotels and will be increasingly adopted in Australian hotels with 'digital assistants' able to provide weather and traffic information, concierge services, entertainment content and travel bookings.

Technological demands are changing so rapidly that hotel groups like Accor (their Smart Room concept) and Hilton (their Connected Room concept) are developing rooms of the future to address accessibility and connectivity issues.

Keyless entry to guest rooms is now a reality in Australia following the launch last year of the concept in the Crowne Plaza Hunter Valley. The technology is delivered through an app developed for the hotel that not only provides keyless entry to the guest's room, but also provides an easy-access hub of information covering the hotel and the Hunter region. Mobile keys are digitally generated by hotel staff and, once created, guests simply need to open the app and wave their smartphone in front of the door for keyless entry. Other hotels such as Skye Hotel Suites Parramatta have also introduced keyless entry.



Keyless entry to the Crowne Plaza Hunter Valley and hotel TVs programmed for casting from mobile devices



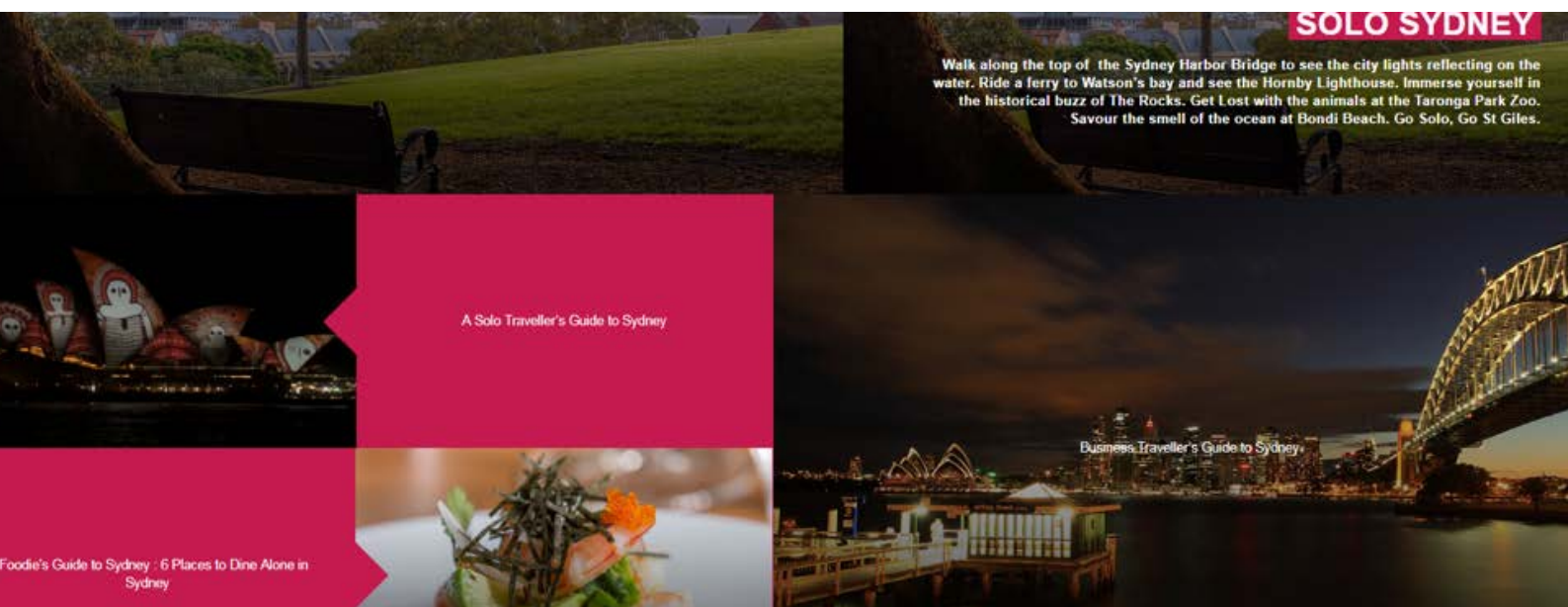
The Ovolo hotel website talks and presents in the language of Millennials, while having sharp, intuitive click-throughs

A NEW ERA OF HOTEL WEBSITES

With the technological and communications revolution has come a dramatic transformation of hotel websites in Australia, with individual hotel and brand websites upgrading the booking process, content, and hotel and destination information.

Many of the new boutique hotels and brands are using gamification techniques to suit millennials and other generations who have been brought up in an online gaming world, with enhanced graphics, video content, functionality, guest interaction, and up to date reviews.

Sydney's Tank Stream Hotel offers a special micro-site designed for solo travellers, with local experts providing recommendations for best restaurants, touring options and business travel advice.



Enhanced video, photos and information are an integral component of most hotel websites now, and the next frontier will be Virtual Reality (VR) and Augmented Reality (AR) tours of hotels. Shangri-La Hotels is already developing VR content for its hotels in Asia Pacific.



Mercury Sydney has recently introduced a major rooftop solar system, along with an electric car charging station

SUSTAINABILITY AT THE FOREFRONT OF NEW HOTEL DESIGN

Environmental sustainability is at the heart of most hotel operations today. This now goes beyond reusing towels and installing automatic lights to conserve energy and reduce waste, significant renewable energy projects are going ahead across the hotel network.

Hotelier Dr Jerry Schwartz is committed to adding solar plants and electric car battery chargers in most of his hotels, with his properties in Sydney, Hunter Valley and the Blue Mountains all installing new solar facilities.

Hotels are incorporating worm farms on roof tops, along with bee hives and herb gardens to promote sustainability.

In the future, use of smart materials and technologies will allow hotel designers to create dynamic environments that will enable window blinds to open and close automatically according to the position of the sun, walls that ensure room temperature is optimal, furniture that acts as a power source and other applications.

SHOWCASING LOCAL – AUTHENTIC INSIDER EXPERIENCES

"I check into the new 64-room Veriu Broadway warehouse conversion hotel in Sydney's revitalised Ultimo and enter the hash-tagged world of #livelikealocal. The property's name is purpose-driven towards the new breed of hipster (that "u" at the end of Veriu, derived from the Latin verus, to live) who want it to be all about them.

"So there "u" have it, from accommodation in artful studios and split-level lofts with an industrial edge to swish bicycles to borrow and a Living Local list that suggests a slew of eateries and neighbourhood attractions such as the Tramsheds "urban playground", markets, cocktail bars and craft breweries. Forget a formal reception desk, porters and butlers — check in beside the cafe counter, grab an espresso and pastry, and head to your groovy grey-and-white digs, equipped with laundry and kitchen, just like home.

"The biggest hospitality trends du jour (are) fundamental and embracing. It is all about hotels in distinct city and satellite neighbourhoods that celebrate a sense of connection with their communities and encourage collaborations that benefit guests and local businesses alike." – Susan Kurosawa, Editor, Travel & Indulgence, Weekend Australian

Hotels are increasingly playing a leading role in showcasing their local destination, reflected in the use of locally-sourced, sustainable and distinctive materials. This has led to hotels using more local artists, craftsmen, and artisans to provide input into the overall design and aesthetic of the hotel. These local touches provide an immediate sense of being part of the local destination. This emphasis on local and regional goes beyond the décor that guest experience in lobbies and guest rooms, it also applies to the restaurants, bars, and activities that hotels offer to guests.

Sydney hotel The Tank Stream took its name from the water source that was the reason for the city being located in its current position, and worked with a local tour company to offer walking tours based on the history of Tank Stream and the evolution of the city.

Accor's MGallery hotels in Australia offer a highly individual experience of their destination under the tagline Memorable Moments, a unique opportunity for guests to celebrate a special aspect of the hotel or destination. Hotel Lindrum in Melbourne, for instance, is named after world famous billiards champion, Walter Lindrum, so their curated experience is a private billiards session by former world champion, Robby Foldvari, on an original billiard table from when the building was the Lindrum Billiard Centre.

Many hotels are taking advantage of being located in vibrant retail areas, such as Brisbane's Fortitude Valley. The Sage Hotel had neighbourhood collaborator Kit & Ace design their uniforms, while James Dunlop Textiles provided the colourful cushions.

Befitting a city that has built its tourism renaissance on the launch of the edgy MONA Gallery, Hobart's Henry Jones Hotel has a full-time art curator with a rotating collection of some 400 works. The hotel team conducts daily art and history tours, and guests can enjoy original paintings by local artists in their room while drinking fine wines from some of Tasmania's best wineries. The art is available for purchase via the hotel's online gallery.



Ovolo Laneways Melbourne captures the city's laneways culture in artworks throughout the hotel

A REVOLUTION IN BUSINESS TRAVELLER HOSPITALITY

Business traveller trends have changed significantly in the past decade, with more fly-in/fly-out workers, corporate travellers mixing business with leisure ('bleisure'), an increasing proportion of women travellers, and 24 hour work patterns disrupting traditional hospitality delivery

Hotel designers have placed great emphasis on catering for the new corporate traveller: providing greater in-room working and technological functionality, improving lighting, adding additional power and USB ports in non-traditional areas (such as next to beds) and allowing for rooms to transform seamlessly from office to leisure mode.

One of the newest trends influencing hotels is the growing incorporation of co-working spaces for both work and play. Rather than working in their room, hotels have created spaces for them to work in attractively designed lobby areas, where they can work on their computer, use social media, enjoy a barista made coffee or drink a local craft beer over a meeting with a colleague or client.

On the horizon are 'co-living' accommodation brands that cater for the increasing number of working professionals characterized by not having a fixed home location who require hotels with 'home style' living facilities – a balance between independent living and catered hospitality. Leading the way in Asia Pacific is Ovolo, who are introducing Mojo Nomad, a new co-living concept that aims to inject more 'community' during hotel stays. Alongside a place to stay and sleep, the co-living solution integrates the latest in technology, value-add services, functionality and design across its communal areas.



Attractive work spaces within the lobby area are a feature of Aloft Hotel Perth

HOTELS CHANGE THE FACE OF AIRPORT PRECINCTS

The opening of a dynamic range of new hotels in airport precincts around Australia has helped create new 'aerocities', which in turn have attracted complementary businesses such as conference centres, shopping centres, offices, retail and service centres.

Rather than just catering for transiting passengers, these hotels have become destinations in their own right, with high-quality restaurants, meeting facilities and extensive leisure and recreational facilities.

The new breed of airport hotels is bringing a new vitality to the product, theming the accommodation and public areas to match the location. Adelaide Airport has seen the new Atura open with the restaurant, bar and lobby integrated with the airport plaza, while accommodation at Sydney Airport has doubled in the past year, with the latest hotel to take off, being the savvy Felix by 8 Hotels.

The airport location is incorporated throughout the hotel's fun-filled interior design, from the monkey chairs overlooking the runways to the naming of its room categories after aircraft cabins.

The squadron of new airport hotels have introduced facilities and services match their clients' specific travelling needs, such as 24 hour gyms, advanced blackout curtaining and sound proofing, and dining options that the transient requirements of many of their guests. Sydney Airport's Felix Hotel even offers a rooftop cinema for

Cabin Classes

CLASS	BED	SIZE	N°
ECONOMY	QUEEN	18M ²	X13
PREMIUM ECONOMY	TWIN	21M ²	X12
BUSINESS CLASS	KING	21M ²	X114
FIRST CLASS	KING	28M ²	X7
		40M ²	X4

The Felix at Sydney Airport names its room styles after aeroplane cabins

guests to relax.

New airport hotels are planned for Perth and Adelaide airports.

THE HOTEL F&B REVOLUTION – BRINGING THE NEIGHBOURHOOD INSIDE



Holiday Inn Perth City Centre re-launched the hotel with a new lobby and street-side dining venue called Ivy & Jack



The Old Clare revitalised the Broadway end of the Kensington Street precinct which has become a new home for restaurants and cafes inclusive Automata, A1 Canteen and Kensington Street Social.

Hotel restaurants have emerged as one of the most exciting hospitality sectors in Australia, with restaurants opening out onto the street, not the lobby, catering for local diners as much as hotel guests. New hotels are incorporating street-front bistros and bars, often leased out to specialists, with distinctive local menu offerings.

At the top end of the market, Sydney Hilton's Glass Brasserie has just undergone a \$2.5 million upgrade, with chef and restaurateur Luke Mangan at the helm providing signature local dishes and themed degustation menus.

The Old Clare Hotel in Sydney opened with three dining options that are all locally focused. Many of the new boutique hotels are built around high profile restaurants, such as Bannisters, Bells of Kilcare and Hacienda House, with guests travelling as much for the food experience as the hotel.

Even large hotels that previously built their F&B offer around buffets, have adapted. Novotel Sydney on Darling Harbour has had great success by launching The Ternary featuring three distinct dining concepts – The Grill Kitchen, The Asian Kitchen and The Wine Bar – to create a vibrant dining experience that can cater for couples, families, groups and solo diners.

Bringing in new thinking and local expertise was reflected in seasoned Sydney hospitality professionals Applejack Hospitality contracted to redesign the bar at Pullman Quay Grand Sydney Harbour, transforming the prime water venue into the Cuban themed Hacienda. The design, bar and food menus draw their inspiration from the luxe-vintage hotels of Miami, with classic Cuban drinks and meals on the menu, complementing the perennially-buzzy vibe of Circular Quay.

The importance of 'localism' in F&B offerings has never been more evident. The Croft House Town Kitchen & Bar was launched recently at The Sebel Brisbane offering a 'wine and farm country meets city pace' experience. 'The Croft' refers to a patch of land which is a source of agriculture and reflects the restaurant's focus on local suppliers, which is showcased in the Queensland sourced coffee, food, wines, ceramics and art pieces. It's a place where cafe-styled food is a mix of grab-to-go, order from the counter and also à la carte by day; becoming a bar-centric bistro-style table service, shared plates and drinks venue by night.

The hotel food revolution has spread beyond CBDs, with the Novotel Glen Waverly responding to changing F&B demands by launching The Butchers Bench at Novotel Glen Waverly, a stripped down venue that puts the focus on seasonal Victorian produce, especially local meats. Taking on the food philosophy 'less is more', the restaurant's approach is all about taste, ensuring each dish delivers a punch of flavour, texture and colour to satisfy diners. Hotels are thinking out of the box, introducing new concepts such as a 'pop up' food and coffee truck – The Kerrigan (see below) – at Sydney's Pier One hotel, which makes the most of the city's perfect alfresco dining climate.



Changing eating habits have encouraged hotels to offer new dining options. Holiday Inn Express offers a free 'Express Start' buffet breakfast, and brands such as Ovolo and Tribe are including breakfast in their overall rates.

Free mini-bar items are now becoming increasingly commonplace, with Sydney's Tank Stream Hotel, Ovolo Hotels and Tribe offering a suite of complimentary items – dubbed the 'Freebies' menu at Ovolo – to add value to stays. Mini-bar selections are also changing, with many boutique hotels offering local items sourced from small suppliers, such as craft beers, wines of the state, pressed juices and healthy snacks.

There are also changes in the way hotels offer their dining. Communal kitchens with delis and simpler 'home style' menus accompany living areas in hotel lobbies, with high-quality coffee now a 'given' in the new breed of hotels.

Rather than 'one size fits all' restaurant design, dining options are designed to match the location. The new Felix Hotel at Sydney Airport matches the needs of their clientele by offering an innovative 24-hour Food Shop, where guests can select from a range of locally sourced gourmet dine and drink options, and charge it to their room with a swipe of their room key.



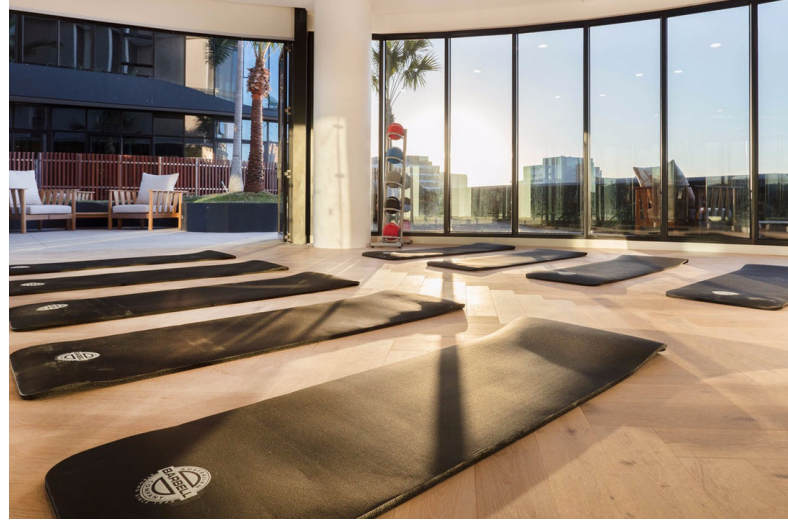
Communal kitchen and buffet at Aloft Perth (l) and 24 hour self-serve dining at Felix Sydney Airport (r)

THE WELLNESS REVOLUTION

The growth in importance of 'wellness' has seen a profound change in what hotels offer guests. Australia's new and refurbished hotels are offering new and upgraded gyms, health spas, retreat areas, in-room exercise equipment, health-conscious menus, and external services like on-demand fitness trainers and jogging mentors. Increasingly, hotel gyms are open 24 hours a day to cope with changing working and lifestyle patterns.

The new FV by Peppers in Brisbane is offering in-house yoga along with 24-hour gym access, while many properties offer in-house bikes that guests may borrow to explore the area. Westin Hotels & Resorts offer a dedicated running concierge at many properties to lead groups of guests on runs of the local precinct and beyond, while globally they have launched the Westin Let's Rise Workout Series: an in-room, HIIT workout program, curated by and starring certified health coach and model Rachael Finch.

IHG's EVEN hotels brand which is due to launch in Auckland in 2020, focuses on 'holistic wellness'. Beyond gyms, in-room exercise zones and fresh and organic foods, the brand offers initiatives that build on the bigger wellness picture, such as bedrooms with plush bedding, aromatherapy amenities and lighting profiles that energise and relax.



Novotel's InBalance provides a wide variety of wellness opportunities for hotel guests, while FV by Peppers has a dedicated yoga room overlooking the Brisbane skyline

A REVOLUTION IN CONFERENCING AND EVENTS

Conferencing, incentives and functions have moved beyond the traditional meeting room and are now being offered in a wide variety of creative spaces, using innovative themes and technologies to deliver messages.

Hotels in Sydney Olympic Park will often use the Olympic Stadium as one of its venues, while involving delegates in motivational sessions to deliver a more impactful event.

Creative sessions using art, Master Chef and even Games of Thrones themes are being incorporated into itineraries to provide greater variety and participation.



The Sage Style Space caters for fashion and other style-related events and functions

Hotels in vibrant urban locations – such as Sydney's Surry Hills and Brisbane's Fortitude Valley – are offering spaces that match the local business clientele. The Sage Hotel in Fortitude Valley caters for the many designers in the area with a studio-like space called the Sage Style Room, that comes with a dramatic wall-sized fashion runway mural.

Functions are now taken outside, using tipi-style tents or marquees in garden or beach settings, and the emphasis is on delegates experiencing local cuisines, often with market stalls focusing on specialties of the region.

Food vans are brought in to enable inner-city hotels the opportunity of turning unusual spaces into informal and fun dining areas, providing a fresh and more casual experience.



Conference organisers have created a range of new ideas for hotel functions

THE FUTURE

By 2025, the Australian hotel industry will look radically different from the way it looked just a decade earlier. It will service what will be one of Australia's most dynamic and sustainable industries, driving income and employment across the country. With continuing advances in aviation technology and massive development of local tourism and transport infrastructure, Australia will have a hotel sector well-equipped to accelerate future growth in international and domestic tourism.

The most dramatic change that guests will experience will be the diversity of the hotel experience. From fully immersive experiences in nature and wellness retreats to overnight stays in chic, savvy urban boutique hotels, Australia's tourism accommodation sector will be able to present options for the ever-evolving demands of the travel sector, across all price points.

The re-generation of Australia's hotel industry is being complemented by a new approach to training and career development. The emphasis today is on highlighting the diverse range of skills that are applicable for a career in the hotel industry, along with a nurturing of individual skills and talents that will ensure the Australian hotel industry remains well ahead of the curve in servicing the future needs of the country's tourism sector.

Technology, design and innovation are helping drive the comprehensive regeneration of facilities and services, highlighting the hotel industry's centuries-old DNA to adapt and evolve, while maintaining the core commitment to deliver genuine, personable and satisfying hospitality to all guests.



ABOUT TOURISM ACCOMMODATION AUSTRALIA

Tourism Accommodation Australia (TAA) represents the interests of Australia's accommodation chains and individual members in the hotel, serviced apartment, integrated resort, and motel sectors.

Servicing owners, operators, managers, franchises and other industry stakeholders, TAA is a division of the Australian Hotels Association, a federally registered organisation of employers representing hotels since 1836.





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