

MEDIA RELEASE

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'Hotels of the Future' changing Australia's hotel industry today: New report shows how 'innovation revolution' is transforming Australian hotel industry

A new research report has been released highlighting the dramatic expansion and transformation of Australia's hotel industry, with a new generation of hotels being developed to cater for a new era of travel.

The report – **The Innovation Revolution Transforming Australia's Hotel Industry** – was undertaken by **Tourism Accommodation Australia (TAA)**. It documents how new global and local hotel brands, new designs, new technologies and new guest-centric services are changing the face of Australia's accommodation sector.

The changes emphasise trends such as localism, individualism, art and sustainability, and come at a time when the Australia hotel sector is undergoing its largest-ever expansion. Cities such as Perth, Brisbane, Canberra, Adelaide and Melbourne have already witnessed a significant rejuvenation of their hotel stock, while the Sydney hotel sector is at the start of its most dramatic expansionary phase since the 2000 Olympics.

Over 200 new or upgraded hotels will be added to Australia's hotel inventory in the decade to 2025 in city, airport, suburban, regional and resort destinations. The addition of close to 30,000 rooms across all price points will make a vital contribution to maintaining the record growth in tourism, which in 2017 delivered \$55.3 billion in foreign revenue to the economy and supported over 924,000 jobs.

Major innovations identified in the TAA research report include:

New lifestyle brands introducing new hospitality concepts: Boutique international brands like Aloft & the Autograph Collection (Marriott), Curio (Hilton), MGallery (Accor), Indigo (IHG), and TRYP (Wyndham) and Ovolo Hotels have joined Australian designer brands like QT, Art Series and Veriu.

The technology revolution – from VR design to keyless entry: New technology, from virtual reality to artificial intelligence, is increasingly intertwined in the future of hotel development and design. In many hotels the reception desk has been replaced by multi-purpose welcome areas with iPad check-in – or no check in at all. Personal mobile technology is also allowing guests the capability to pre-select rooms and services.

The Lobby/Living Space Revolution: Functional lobby and reception areas are being transformed 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 style spaces that are warm and inviting. 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/colleagues to catch up over a coffee or glass of wine.

Design emphasis moves from global to local, uniformity to individuality: 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.

Small equals big in the design revolution: Through innovation in design, many of the new hotels being launched feature smaller, more functional bedrooms, with wall-mounted TVs doing away with the need for large cabinetry. Power and USB points are now bed-side to support guests using technology from their beds, while mobile desks are replacing traditional work-desks.

Other innovations include:

- **Co-working spaces:** hotels are increasingly being designed to cater for mobile workers. Singapore-based Next Story Group will launch its first combined co-working space and hotel brand called Kafnu in Sydney's Alexandria in the next year
- **Going natural: hotel designers are increasingly incorporating natural design elements into hotels** with vertical hydroponic gardens, indoor waterfalls, multilevel terraces and rustic wooden furnishings enabling guests to connect with nature
- **Hotel restaurants** are being redesigned to provide more **distinctive local experiences**, with a focus on regional produce, wines and craft beers
- 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
- **Wellness options** such as yoga rooms, 24 hour gyms, and health-conscious menus

In launching the report, Tourism Accommodation Australia CEO, Carol Giuseppi, said that the massive expansion of Australia's hotel industry and the commitment to design excellence would play a crucial role in sustaining Australia's record-breaking tourism performance.

"The biggest trends influencing the new hotel design include an emphasis on localism, community, individualism, art and sustainability. Hotels are being designed to complement the local landscape, with street art, edgy design and a focus on local produce on restaurant, bar and function menus.

"The changes are being driven by changes in traveller's demands, particularly the millennial generation. Technology has been a key focus for hotels. Not only are most Australian hotels offering at least some level of free Wifi, but connection speeds are faster and the new breed of hotels are offering casting capability to their in-room screens. Keyless entry to rooms has been introduced and increasingly guests will be able to select their specific room type in advance.

"There has been a major change to design of hotel lobbies and reception areas, with 'living rooms' being created to allow guests to relax, work and meet friends and colleagues with more casual bar and dining options, such as the introduction of 'deli' style menus and local craft beers. The new wave of hotel development is covering all price points – from economy to luxury. New hotel design has allowed for rooms to be made more compact by better utilisation of space and this has enabled hotel development costs to be kept competitive. Never before has the Australian hotel industry seen such cutting-edge innovation that is not only meeting changing travel trends, but in many cases anticipating them as well."

The full report is available [here](#) .

Media Contact: Jason Bartlett, 0433 95 46 57