

Holiday Inn redevelops its iconic hotel brand 50 years after it arrived in Canada

cross any product category, marketers and advertisers strive for one ultimate goal: to make a brand synonymous with the product itself. When successful, the brands become commonplace words in the English language and infiltrate the popular lexicon. One needn't look far for exhibits. Consumers climb into their Jacuzzis, regardless of who made their hot tub, or those saddled with colds reach for a Kleenex, even though someone else made their facial tissue. These are the vaulted positions of brand dominance, the zenith to which all others aspire.

There's no clear case of this sort of supremacy in the hospitality business, but one could argue that few brands have come closer than Holiday Inn, in terms of its position in the public consciousness. 'Holiday Inn' is often a quick stand-in for 'hotel' in today's pop culture, or in everyday conversation. In fact, after the iconic brand was cited in some racy lyrics by hip hop artist Pitbull in a chart-topping song this summer, Kevin Kowalski, senior vice-president of Global Brand Management for Holiday Inn, told the U.S. publication *Hotels*, it's all part of the brand's reality. "You have to smile and recognize that you have a 100-per-cent-known, ubiquitous brand, and that stuff is going to come up. You have to roll with it. It's kind of unavoidable."

With that type of brand capital already sitting at the forefront of the travelling public's consciousness, not to mention a crippling recession that had most hospitality operators pinching each penny, 2009 seemed an unlikely time to shake things up. But not so, say the top brass at the InterContinental Hotel Group. "Research has shown that companies who invest in their brands during an economic downturn actually increase their market share and end up being more profitable during the recovery," says Kowalski "The relaunch program, combined with new openings and continued removal of lower-quality hotels, will completely rejuvenate the Holiday Inn estate over the next few years," he adds.

Far from a half measure, IHG took Holiday Inn's household name brand and went back to the drawing board to retouch every aspect of its operation. "The motivation behind this project was to preserve this iconic brand, and to make sure we protected its position moving forward," says Gopal Rao, regional vice-president, IHG Canada. "Guests demand that brands stay contemporary, and this was very much an all-encompassing relaunch."

Making changes that would be easily perceived by a guest's many senses, the company left few stones unturned, and few operational norms unexamined. For example, modern and luxurious bedding was added to help travellers feel more at home, and a signature scent was created to

provide consistency across each property in the chain. The lobby and check-in area was also de-cluttered and adorned with a new-look logo, and as a final visual indicator of change, the brand's outdoor signage was revamped. "The last piece of any new or relaunched property is a new sign," says Rao, "It's very fresh and welcoming."

IHG didn't overlook its guests' demands for value and great service, either, especially considering the recent economic climate. "Look, no one ever got fired for staying at a Holiday Inn," jokes Rao. "When the economy gets tough, people travelling for business or pleasure are looking for more value, and we're in a great position to take advantage of that sentiment. We think this relaunch is a signal to those guests that Holiday Inn takes pride in our brand, and that we're investing in our future."

Just north of Toronto, John Caneco, general manager of the newly opened, 125-room, \$25-million Holiday Inn Express Hotel and Suites, Vaughan Southwest, is keen to point out that some of the most significant changes had nothing to do with brick and mortar, but rather on the human capital side. "In order to qualify as a relaunched property, each and every employee has to be certified in our new program called 'stay real.' That goes for employees who have been with us for 10 years, or for two days," says Caneco. "The key to the program is giving team members the training and the ability to engage guests in their own words. It allows them to be sincere, as opposed to following a script. The new buildings speak for themselves, but guests come back because of the people."

The new culture of unscripted guest interaction also goes well beyond the front desk, where Caneco says the change in mandate may not be as readily apparent. "Where you might see a big difference as a guest is in positions like room attendants and housekeeping staff. They'll greet guests in the halls, and everyone will be on the same page," he says.

Nevertheless, Caneco says there's still plenty for guests to check out when it comes to Holiday Inn's new look and feel. Seeing as his property was one of the first hotels in the Canadian portfolio to be built to the new standard, he's literally had the ground floor view of the rebranding. "The key to the relaunch was establishing certain hallmarks across the brand, and those are some of the things a guest will notice and appreciate," he says. "Obviously, the signage is different, but you'll also see a set of planter boxes out front, a signature scent to establish consistency and a new backdrop behind the front desk, where we've really promoted a clutter-free look." Step into a renovated or new-build room, and the brand standards (or hallmarks, as Caneco calls them) have all been bumped up a notch or two as well. "Flat-screen TVs are the new standard, as are curved shower rods and triple sheeting, all-white linen beds. It's a very clean, modern look," he says.

Most importantly, according to both Caneco and Rao, is that the transition is going smoothly, and the results are impressive. “As of today, we have 129 Holiday Inn properties in Canada, and 51 have been relaunched, with 55 others all but ready to go,” says Rao. “We’ll be finished the process by the middle of 2010.” Similar relaunches are happening at Holiday Inns around the world.

But it’s not just contractors that are happy about the work. Rao says there have been noticeable, tangible benefits for owners and managers who have gone through both the building and training components of the program. “The owners have clearly seen the benefits,” he says. “Post relaunch, we’ve seen a three-to-seven-point jump in RevPAR,” says Rao, an impressive feat in a marketplace where RevPAR has been battered in regions across the country. At the management level, Caneco says the new focus on training staff to be more outgoing and empowering them to make on-the-spot, off-script decisions has led to a significant jump in customer service test scores across several indicators. “The response has been overwhelming in terms of our overall satisfaction scores, which is the brand’s measuring stick,” he says. “Since we completed the training program, our scores have gone up three-to-four per cent.” Adding further proof to the pudding, Caneco says that the property’s own guest view scores, completed via survey, have been consistently higher, too.

While guests walking into a relaunched Holiday Inn property will quickly notice the changes, Caneco stresses that the fundamental principles that have underpinned the name in Canada for 50 years remain solidly in tact. “The key to all of this is value — hot breakfasts, pools, fitness centres, free Internet — which we’ve always offered,” he says. “Now it’s about that special service. That’s what’s going to ensure Holiday Inn remains a premier brand.”