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OPPORTUNITY KNOCKS

LIFESTYLE LEADERS SHARE THEIR GROWTH STRATEGIES

Azadeh Hawkins, Montage International

LOCATION, LOCATION

FOR THESE BOUTIQUE AND LIFESTYLE BRAND LEADERS, GROWTH IS ALL ABOUT SEIZING THE RIGHT OPPORTUNITIES

By Katie Kervin

For many brands' development plans, 2020 was a time to pause and regroup rather than to shut down completely. In fact, announcements of new openings and supercharged development started coming fast as we turned the corner into 2021, proving that many companies were biding their time—and making smart business growth decisions—while the hospitality world slowed last year. Here, we take a behind-the-scenes tour of sorts with leaders from three companies to hear about their recent openings, development strategy, and outlook for the future.







PENDRY HOTELS & RESORTS

"Although this last year was challenging, this year is a big one for us," says Azadeh Hawkins, creative director for Montage International. Hawkins is speaking specifically about Montage's industry-darling lifestyle brand, Pendry Hotels & Resorts, which was launched in 2014 by Michael Fuerstman and his father Alan Fuerstman, Montage's founder and CEO.

Hawkins' position straddles disciplines in the company (she works on both Montage and Pendry properties), but ultimately her charge is to bring the brands' locations to life from a guest experience standpoint, a role that's especially important during the development phase.

Indeed, Montage has five openings this year, including four Pendrys—starting with this month's much-anticipated Pendry West Hollywood. Designed by Ehrlich Yanai Rhee Chaney Architects, Cuningham, with interiors by Martin Brudnizki Design Studio, the new build includes 149 rooms and 40 residences. The residential play is a strategy that works for Pendry in very specific markets. "The demand for the destination always tells us whether there should be residences or not," Hawkins says. In West Hollywood, for example, visitors can be "a New Yorker who wants a home in LA for a month, to an empty–nester and international residents." In the forthcoming Park City, Utah property (by SB Architects and SFA Design), the residences are perfect for multigenerational, ski-loving families who travel to the location often and want a second home.

Pendry Chicago is also on the docket, launching this spring in the 1929 Carbide & Carbon Building, an Art Deco marvel in the Loop neighborhood with interiors by Toronto's Studio Munge. "We wanted to peel away the layers [of previous renovations] and bring back what it was meant to be," Hawkins says. In contrast, the Pendry Manhattan West, planned for this summer as part of the five-tower Manhattan West mixed-use complex designed by SOM in Hudson Yards. With interiors by Gachot Studios, the sleek building fits with the brand's location-first strategy. "It's all [about] unique opportunities driven by the destination," she adds.

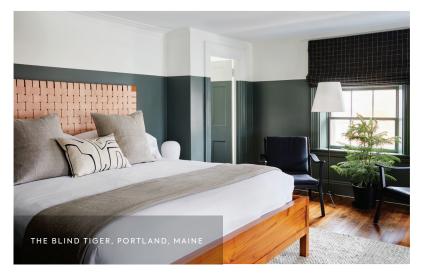
Additionally, expect a hotel and residences on the Natirar Estate in Somerset County, New Jersey and a waterfront Washington, DC property slated for 2022.

For Hawkins, the goal, no matter the location or building type, is to "create an incredible destination for people to visit, stay, and create memories. We don't have a rule book. It's really all opportunity."



LARK HOTELS

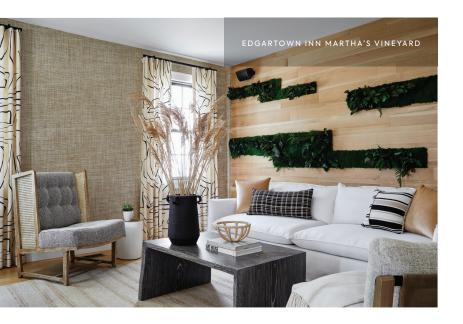




Hospitality management and development company Lark Hotels was founded in 2012 by Rob Blood, who has recently transitioned into the role of president as Peter Twachtman stepped in as CEO. Having worn many of the hats for years, "I've moved more consciously into development, design, and strategic direction," says Blood, who is also a principal—along with Lark creative director Megan Kennedy at Elder & Ash, which handles design for Lark's properties.

The company stayed busy over the last year with four openings, including the Blind Tiger, a nine-room guesthouse in Portland, Maine, and the surf-inspired Block Island Beach House off the coast of Rhode Island. And while its locations run the gamut from tiny, inn-like locations to 175-room resort destinations (the sweet spot is under 125 rooms, Blood explains), all are firmly rooted in their locations with unique, often-quirky design and programming to match.

While Lark's 21 current properties are in Maine, Massachusetts, Vermont, Rhode Island, and New York (with one in picturesque Carmel, California), Blood says the company is expanding its horizons. "We've been exploring opportunities in the Southeast [U.S.]," he says, including in areas around Savannah, Georgia; Charleston, South Carolina; Nashville; and Asheville, North Carolina.



But perhaps the most exciting development is an entirely new brand—Bluebird by Lark—a midscale offering centered around "some memory-making motels, ski lodges, and surf shacks that need to be injected with a little bit of love," both design-wise and operationally, Blood says. Bluebird comes partially as a response to the pandemic and the way people are traveling now. "I've had this feeling for the last year about how great it will be to get back out on the open road," he says, adding that guests can expect 40-to-75-key properties in drive-to destinations, with five or so planned this spring and a couple more in the works, he says.

Moving forward, Lark's Kennebunkport Captains Collection is rolling out a staggered opening this spring in Maine. (Two are currently open with the second pair slated for May.) Comprising 45 rooms across four historic mansions in the coastal town that are centered around its river green, each comes with a distinct design, but with centralized services and amenities including daily yoga on the lawn and mocktailmaking classes. The collection will be joined shortly by another Lark property, AWOL Kennebunkport's 11 rustic-meets-modern cabins.

Lark's formula for growth isn't always straightforward. If anything, "there's a little bit of art, a little bit of science, a little bit of, 'yeah, I want to do that because it would be cool' to guide us. We are not only strategically driven, but we're opportunistically driven. If something great comes up but we weren't thinking about it, we definitely start thinking about it."











VOCO HOTELS

Launched in Australia in 2018, IHG's voco Hotels brand has morphed into its fastest-ever global expansion. "We've been focused on growing our upscale, upper upscale, and luxury positioning," says Julienne Smith, senior vice president of development, in charge of expanding IHG's premium, lifestyle, and luxury brands in North America. She points to IHG's purchase of Kimpton, Regent, and Six Senses brands, plus the debut of wellness-focused Even, as part of that strategy.

With 50 hotels signed or open, voco is IHG's entry into the soft-brand market, filling the space between Even and Hotel Indigo as an independent upscale offering. Its U.S. debut, voco The Franklin New York updates a 1930s hotel on Manhattan's Upper East Side by local firm Glen & Company with pops of the signature yellow hue and standard offerings such as a coffee bar that turns into a regular bar at night, and sustainable bedding. A second U.S. property, voco The Tiger hotel in Columbia, Missouri, will complete its renovation at the end of the year. Outside the Americas, key openings are slated in locations including Paris, Johannesburg, Vietnam, and Hangzhou, China.

Location is the most important factor, whether that be for a conversion or new-build property (Smith says that with new-construction financing non-existent in the current climate, voco is a conversion brand in many senses). "You can't make up for a bad location," she says. "Then the bones of the structure have to be in place to fit the experience. That means guestroom sizes in line with an upscale property, and a communal lobby that encourages guests to linger." IHG is looking for hotels currently flagged as midscale but perhaps underbranded, or upscale market-leading independent hotels whose owners can benefit from being tied to a larger organization and reservation system.

Part of the process is often charging up a hotel's design. For potential vocos, Smith partners with IHG's architecture and design group to make sure the layout and property is appropriate for the brand, and then requires that owners partner with an upscaleexperienced design firm. "They understand what we're looking for in terms of quality and finish."

Luckily, Smith says, voco's strategy hasn't changed much despite 2020 setbacks and a necessarily less-than-splashy North American launch. "We're still targeting urban, suburban, airport markets. We could convert a hotel as small as 50 rooms or as large as 500. It really runs the gamut." BD

