

Hoteliers Locally And Nationally Expect Sales To Increase In 2011

■ By **AMY DEMPSEY**
Staff Writer

Research by the American Hotel and Lodging Association (AHLA) indicates that hotels nationwide will experience a 3 to 4 percent increase in sales in 2011, but according to AHLA president and CEO Joe McInerney, sales could increase as much as 6 percent nationally. He based his projection on the rapid increase in hotel business in 2010, when a 1.8 percent increase was expected at the beginning of the year. By June, sales had gone up 5.7 percent.

Since the economy is in the early stages of stabilizing, and financing remains difficult to obtain, few hotels are expected to add new facilities or guestrooms in 2011. However, there is plenty of opportunity for hotels to use innovative marketing tools like social media sites to promote the features and benefits they already have, enabling them to be lucrative in 2011. The hotels that create package programs and take advantage of events in the surrounding areas are going to be the most successful. Long Beach has an advantage, McInerney said.

“There is a lot of opportunity in Long Beach. It is an excellent city with a good airport, and it’s a convenient location between Los Angeles and San Diego. The waterfront has matured over the last 10 years. The convention center is nice and there are good restaurants downtown. Long Beach has some really positive things going forward, compared to other cities,” he told the Business Journal.

Many of Long Beach’s hotel general managers agree with McInerney’s assessment. They expect an increase in booked room nights and more private and corporate events, which are being booked earlier for 2011 compared to this time last year.

At the Renaissance Long Beach Hotel, General Manager Nusrat Mirza expects the first and second quarters to be very busy with meetings and conventions, compared to 2009 and 2010. However, he said, the “booking window” is shorter than ever before because people are

still waiting for the economy to be really stable before they book events far in advance.

“What we have seen within the last three months is that bookings for next year are stronger, but they are for next Q1 and Q2 only . . . Q4 is a big question mark,” Mirza said.

The hotel will not see a significant increase in sales until business at the city’s two economic engines – the convention center and the Port of Long Beach – improve, Mirza said, but there are positive signs that business is getting better. The Renaissance hired new hourly and salaried staff in recent months, and although room rates are not going to be as high as they were in 2007 and 2008, they are better than they were in 2009 and this year.

Bob Haury, general manager at the AVIA Long Beach Hotel – the city’s newest hotel property – echoed Mirza’s predictions for 2011. When the AVIA opened in August 2009, it did not do well, Haury said, but now the hotel can bid on any and all leads for group bookings provided by the Long Beach Convention and Visitors Bureau (CVB). The hotel is experiencing an increase in occupancies, and Haury expects the room rates in 2011 to exceed the rates from 2010. “The group market is returning a little bit. Our sales efforts have made good progress with business in the transient market and our weekends are solid,” he said.

The AVIA has also seen more inquiries and what Haury called “business capture” for events at the hotel. He expects 25 percent more business from small private events like small weddings and corporate meetings of up to 40 people. “We expect the year to be successful, we really do. We have a very optimistic outlook on 2011,” he said.

Similarly, Jeff Pace, the Hyatt Regency’s general manager, also expects the hotel to benefit from conventions in the city, which he attributes to the work of the CVB and the internal sales department at the Hyatt. However, he does not anticipate a huge change in 2011 and expects the year to have similar results as 2010 since it is progressing at the same pace. “Room rates will probably be very close to flat, with maybe a 2 to 3 percent increase,” he said.

Rebranding And Renovations Help Hotel Business

In October, the Hotel Maya announced that it is rebranding as a Doubletree property. General Manager Kristi Allen said that because of the change, the hotel is experiencing “significant growth” in occupancy, room rates and event bookings. “There is only an upside to 2011,” Allen said.

This holiday season, the Maya is booked for more holiday events than last year, and bookings for 2011 are also up. With a view of the Queen Mary and the harbor and a deck overlooking the water at Fuego restaurant, the Maya is a beautiful leisure product and has great views of the Long Beach skyline, she said. In 2010, there were more than 100 weddings at the Maya, and she hopes to double the amount of events in 2011. The hotel caters to the Long Beach market as well, and she expects to increase local events by 8 percent. “We do a lot of the social events and evening dinners around town for different nonprofits and organizations,” she said.

At the Queen Mary, renovations to the ship’s 314 state-rooms were completed in November. The upgrades included flat screen TVs and iPod docking stations, as well as new bedding, curtains, carpet and paint. The ship’s public spaces and three restaurants were also updated. Sir Winston’s and the Promenade Café’s menus now incorporate sustainable dining practices, and the Chelsea Restaurant became the Chelsea Chowder House Bar and Grill.

The changes have helped the Queen Mary compete with other Long Beach hotels. “It presents a better image. When you get on board the ship, it’s a much better experience than it was a year ago,” said Uwe Roggenthien, general manager of the Queen Mary.

Roggenthien is hopeful for the coming year, but he does not expect the economy to stabilize quickly. Going into 2011, the hotel has already tripled its group room business compared to 2010. “The business is out there, but the econ-

omy still has a long way to go before it turns around. Unfortunately, there are still a lot of people struggling out there,” he said. “There are still signs on the horizon that there are good things coming down the road, but it’s not going to come as quickly as we think it’s going to come.”

At the Residence Inn Long Beach Airport, General Manager Lucas Fiamengo also expects business to be better in 2011. After two years of renovations, which included modernizing rooms, painting the buildings’ exterior, repaving the parking lot and adding wireless Internet, he anticipates more small corporate meetings of up to 40 people. “We certainly expect business to improve next year . . . We expect business to increase and sales to increase overall, including more room nights booked.”

Local Hotels Go Green

With more travelers wanting to reduce their carbon footprint, divert waste from landfills and save limited resources, some hotels are going “green” to attract more business. Long Beach hotels are no exception. In 2011, the CVB plans to work with the hotels to become accredited by the Cal Green Lodging Program, a program aimed at diverting hotel waste from landfills, conserving energy and water and improving indoor environmental quality.

“We’re ready to go with having 17 hotels reviewed and accredited,” said Steve Goodling, CVB president and CEO. “It’s really critical for us to be able to promote having a green hotel community.”

The CVB and other hospitality and tourism representatives are also in discussions about integrating the hotels into the city’s “most bike-friendly city in America” campaign, which gives Long Beach a competitive edge, he said. Visitors may soon be able to rent bikes from hotels, the Long Beach Convention and Entertainment Center, the Aquarium of the Pacific, the Queen Mary and in Belmont Shore. ■