

HOTEL OF THE FUTURE NEEDS TO OFFER UNIQUE EXPERIENCE



The current preference of the price over quality among many travelers may change the whole concept of hotels as we know them today. The hotel of the future is likely to be luxurious but very expensive.

Ian Schrager, a hotel entrepreneur and co-founder of Studio 54, a legendary New York nightclub, believes that it is likely that in a few years, hotels will not be the same again.

"Hotels are manifestations of popular culture and people," he explains. The problem appears when the offer does not respond to changes in demand. **Today, middle-class tourists opt for a less expensive alternative and go for Airbnb offers.**

As a reflection of this demographic change, hotels are likely to become very luxurious and expensive or focused on value. In the next ten years, luxury hotels will host fewer clients, with only 80 or 90 rooms available, although, they will be much bigger. They will increase privacy and space, but in price as well.

"Furthermore, there will be less costly, value-oriented hotels, with diverse options and offering a unique experience," adds the expert. Schrager believes that hotel chains should choose between these two options since hosting services designed for the middle class will disappear completely. "I do not see anything in the middle," he added.

One of the examples that he uses, is that of his own hotel: the Public, located in the Lower East Side of New York, which was born under the intention of "ending Airbnb". The tactic was simple - lower the maintenance costs by making cuts on all the staff. Such a hotel would offer luxury to the middle class. Ultimately, improving services and lowering prices, to EUR 150 per night.

With 367 rooms available, Public operates with a lot fewer staff than most hotels in the area. Moreover, the "smart building" is capable of regulating itself. The magnate acquired the property in 2012 after paying EUR 50 million for it.

"I do not know why the industry is denying Airbnb", said the businessman. "You cannot stop a good idea. You can slow it down, but if it's a new idea it will finally prevail. And the only way to end it is to have another better idea. "Like what?" Guests are registered on stands and not on standard room services. "

"We tried to reduce the work component as much as we could and pretended that the communication between staff and clients was the easiest as possible through the use of technology and intuition," he said. "We just wanted to do things more easily and less expensive. **Hotels are a place where people go for something more than sleeping.** They should be a gateway to the best that the city has to offer to the visitors. We have to provide the guest with everything that the other companies like Airbnb cannot."

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