



Gone to the Dogs

Pet-Friendly Accommodations: Revenue Producer or Marketing Farce?

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Let's face it. With declining demand levels impacting travel and tourism, marketing tactics, strategies, and dollars deserve the utmost attention, especially when it comes to lodging.

The effect of fluctuating demand levels is further compounded in seasonal markets where an already challenging yield management situation may require creativity to achieve some sort of sales and marketing balance.

Amid these concerns, hotels of varying service levels, brands, locations, and price points have slowly taken to the idea of appealing to what could be considered a rather affluent sliver of the traveling population: people who travel with their pets.

The Good Life

The Ritz-Carlton Bachelor Gulch, a prestigious luxury resort located at the base of the famed Beaver Creek Ski Area (Vail Resorts), commands nightly rates in the \$390-to-\$770 range for standard accommodations during peak season. With this relatively steep price of admission, what's another \$125 non-refundable pet-cleaning fee per stay required of guests who arrive with their favorite furry friend? Along with the 21,000-square-foot Bachelor Gulch Spa & Fitness Center, feather beds and duvets, and 400-thread-count linens, this ski-in/ski-out destination resort touts their "Loan-a-Lab" Program among top resort features. Just in case you don't have Fido in tow for your ski holiday at this world-class resort, you can make arrangements to hang with Bachelor, the property's resident Yellow Lab. In an effort to appeal to local or regional guests who are likely to take advantage of the resort's Rocky Mountain locale, the property actively markets a "Dog Days of Summer" promotion leading up to the peak winter ski season, with complimentary accommodation for your four-legged friend through Thanksgiving.

Not just suited for rustic and remote locales, pet-friendly accommodations can also allow a property to establish a unique position within an urban market—

capturing demand from this niche segment that goes largely untapped by conventional hotels located in a Central Business District, for instance. The recently opened W Minneapolis – The Foshay complies with the brand-standard P.A.W. (Pets Are Welcome) program, extending the W's hip and sexy style to human, cat, and dog alike. Custom W pet beds, a special W floor mat for food and water bowls, turn-down treats, concierge services (dog-sitting, dog-walking, dog park locations, birthday cake, grooming, and veterinarians), Bow-ow / Meow-ow Boxes (pet first-aid kits), and "Pet-in-Room" door signs are among the pet-related extras available for a relatively modest charge.

Wagging the Dog

Of course, rolling out the red carpet for pets can breed abuses. For example, the Sheraton Duluth (also a Starwood brand) conforms to the brand-specific Love That Dog program. The hotel posts a 30-pound pet limit and requires a signed waiver from guests stating that a pet will not be left unattended in the room—a policy that guests don't always honor. Only specific floors and rooms are designated "pet-friendly," but housekeeping and staff have been known to encounter dogs in spaces that are off-limits. Even more, hotel management has discovered pets disdaining use of pet-specific beds and making themselves at home in the guest beds instead. In most cases, in-depth cleaning includes changing out of all linens (including the pillows), expanded vacuuming, and lint-rolling of all furnishings. On occasion, pet-room carpets need to be shampooed.

The Ups and Downs of Pet-Related Revenues

From brand to brand, and even property to property, revenues tied to pet-related amenities appear slim. However, it's likely that revenue generated by guests traveling with pets is translated through other, less tangible means. One property located near a major metropolitan hospital benefits from guests who come back time and time again, either to visit inpatient friends and family or to receive treatment themselves, by welcoming pets along for the journey. This provides a comforting support system that fosters loyalty among travelers with pets, speaking volumes about a pet-friendly program's value as a selling tool for hotels.

Just as true pet-related revenue data and figures are difficult to track, so too are the real costs associated with pet-accommodation programs. Whether the costs of pet-related damage are borne by pet owners or absorbed by the hotel varies from property to property. Most brands add a "pet fee" to the room rate, which is meant to cover standard costs of cleaning. In limited instances, excessive cleaning or repair costs are passed along to guests. Management at some hotels has been known to go so far as asking guests to pay for the rooms of other patrons disturbed by their unruly pet.

Costs may also come in the form of silent, revenue-eroding factors. For instance, guests *not* traveling with pets may be disturbed by a barking dog left unattended in a nearby guestroom; corporate guests might feel out of sorts when they

encounter a dog walking down the hallway of an upscale hotel (and may think twice about booking their next visit or business meeting there); housekeepers may find themselves fed up with the extra cleaning duties assigned to them or surprise encounters with exuberant furry creatures, leading to higher turnover.

Conclusion

The Travel Industry Association estimates that some 14% of U.S. adults have traveled with a pet on a trip of 50 miles or more in the past three years, and nearly 30% of these travelers stayed in hotels along the way—that's millions of pet owners looking for a welcome place to spend the night. The verdict is likely to remain out on whether or not pet-friendly accommodations, amenities, and facilities turn a profit for hotels; however, it's hard to argue that they don't garner some positive attention from a marketing point of view, and more time will tell how they impact a hotel's bottom line.

About the Author



Amanda Repert is a Senior Vice President with HVS and a primary project and client manager of the HVS Dallas office. Amanda's tenure with the company has included a wide variety of consulting and valuation assignments spanning an impressive range of client types and markets across the U.S.

Amanda focuses on market and feasibility consulting, with an emphasis on proposed hotel and resort assets. In particular, her interest lies in consulting on projects relating to Starwood's nine distinct brands. Some of her major completed projects include the Sheraton Midtown Exchange Minneapolis, the Westin Edina, the Sheraton Duluth, the Sheraton Austin (Marriott at the Capitol conversion), the W Austin, and the W Minneapolis. Amanda has gained considerable experience working with Starwood and local developers, which has also created a sound foundation and knowledge base surrounding the development Starwood's newest brands, aloft and Element. In addition, Amanda has participated in large-scale proposed convention projects in prominent Texas markets, including Austin and San Antonio. Furthermore, she has extensive market experience in the cities of Austin, Minneapolis, San Antonio, Phoenix, and San Diego.

Amanda is a graduate of the University of Denver, Daniels College of Business, School of Hotel, Restaurant, and Tourism Management. She blends her hotel management education and previous operations experience with Hyatt Hotels and Resorts to provide clients with valuable opinions. Her operations experience at the Hyatt Regency Denver Tech Center was joined with completion of Hyatt's Management Training Program at the Hyatt Regency Chicago (HRC). Subsequently, Amanda focused on Sales & Marketing and Convention Sales at HRC. In addition, she has participated in the development and execution of an internal HVS training and certification program.

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