

TRANSFORMING the Hotel Industry for Sustainable Growth



About Our Hotel Industry



With about 400 properties island wide comprising up to 63,000 rooms, the hotel landscape in Singapore is characterised by a myriad of diverse hospitality selections and is closely supported by close to 33,000 individuals within the industry.

To cater to the different guest demographics and evolving needs of travellers, hotels will need to innovate and transform in order to stay ahead of competition.

Key Challenges and Opportunities



1. Increasingly competitive landscape affects topline and bottomline growth

Hotels need to innovate and adopt new technologies to remain productive and profitable.

2. Changing customers' expectations

Different innovative formats of customer engagement need to be adopted to better meet changing expectations, especially with the millennials.

3. Slower workforce growth

Attracting and retaining talent, especially the rank and file, will become increasingly challenging due to mismatch of aspirations and the ageing workforce.

4. Growing global hotel industry

With a global hotel industry growth of 3-5%¹, there are opportunities for local companies to further grow revenue through internationalisation.

5. Good jobs and career opportunities

Hotel industry is well positioned to offer attractive jobs with good opportunities for career progression.

¹Source: UNTWO Tourism Highlights 2016

Hotel Industry Transformation Map

The Hotel Industry Transformation Map aims to accelerate business transformation and forge a competitive industry supported by futureready workforce, working in close partnership with key agencies, associations, union and hotels to achieve the following:



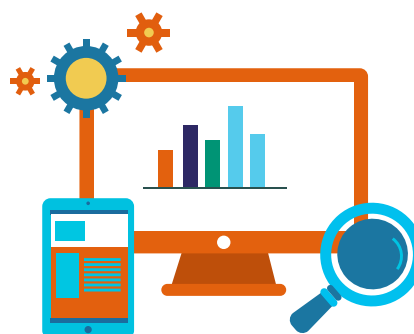
What can you do?



1 Make technology work for you

Invest in new technology solutions to achieve bottom line growth with operational efficiency and reduced reliance on workers.

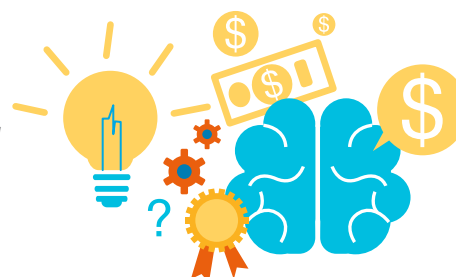
Park Avenue Rochester successfully deployed 2 robots to transport housekeeping linen, refuse and bulky items for the hotel's back of house functions. This allowed the hotel's room attendants to focus on cleaning and eliminated their roles to perform tedious mundane tasks. As a result, the hotel has achieved manhour savings equivalent to 3.5 full-time equivalents.



2 Redesign existing processes and business models

Challenge the norm by exploring new business models to overcome current tedious work processes. Review legacy building structures for new workflow design to unlock productivity gains.

Village Hotel Katong by Far East Hospitality partnered a design thinking firm and the Hotel Productivity Centre (HPC) to review processes in its housekeeping and front office departments with the aim to reduce redundancies and enhance guest experiences. From the review, the hotel re-designed its service touch-points by implementing a self-service laundry drop-off and a self-service check-in kiosk at its front office. By encouraging a more DIY-focused culture amongst guests and with the streamlining and integration of processes between departments, the hotel is able to enhance guest experience and redesign job scope.



3 Pool resources to achieve economies of scale

Partnership with neighbouring hotels/businesses or sister properties in areas such as centralisation of HR functions, logistics and food preparations.

Park Hotel Group adopted an *Inventory Procurement Management System* across their hotel properties, thereby allowing the hotels to improve on cost management and enhance work efficiency.



4 Adopt a data-driven approach to improve productivity

Leverage data analytics to develop a culture of measurement, streamline processes, forecast demand and eliminate redundancies in job functions including Housekeeping, Front Office, F&B, etc.

Marina Bay Sands Hotel employs demand forecasting and data triangulation to improve guest check-ins, luggage delivery and housekeeping. As a result, the Hotel is able to better allocate manpower resources and raise its service experience with the achievement of 15% improvement in manpower productivity and 13% improvement in net promoter score.



5 Build revenue management and digital marketing capabilities

Maximise revenue through revenue management solutions and digital marketing tools to better gain customer insights and predict demand.

Fullerton Hotels is able to automate tedious reports generation and carry out in-depth analysis across various business aspects from sales & marketing to revenue management, finance and front office with the implementation of Business Intelligence solutions. Insights obtained on booking lead-time, occupancy and Pareto analysis, allowed the hotel to effectively manage their room inventory and understand their guests' booking profiles.



6 Enhance guest experience

Improve service delivery by tapping on mobile & digital technologies to enhance guest experience and build brand loyalty.

InterContinental Singapore is developing an interactive storytelling mobile application for Hotel guests to make use of mobile technologies to explore off the beaten path around the Bras Basah and Bugis District to enhance the hotel guests' stay.



7 Create a strong hotel brand and differentiated value proposition

Strengthen your hotel's brand equity and company capabilities.

Shangri-La Group rebranded Traders Hotels to the Hotel Jen brand by introducing a more relaxed and energetic hospitality style into their hotel group to better cater to today's independent business and leisure travellers.



8 Cultivate progressive HR practices

Enhance the appeal of hotel jobs by putting in place progressive HR practices to better suit staff's needs. Redesign current job functions to improve the overall appeal of jobs in hotels.

Meritus Hotels & Resorts Group implemented a flexible benefit scheme in both its hotels to provide its employees with the flexibility to choose their preferred benefits within their entitlements to position the Company as a competitive employer. With the implementation, employees are now able to select their benefits according to their needs and preferences, e.g. they can now upgrade their insurance coverages, purchase insurance plans for their dependents, as well as utilize the Flexible Spending Account (FSA) for their wellness and lifestyle needs.



9 Develop a strong workforce through deep skilling and talent grooming

Equip your staff with necessary capabilities and competencies for their job function by establishing a talent development framework with detailed career progression pathways and training plans.

The Skills Framework for Hotel and Accommodation Services launched under the SkillsFuture initiative by Workforce Singapore (WSG) and SkillsFuture Singapore (SSG) will provide workers, employers and training providers with a common reference to identify emerging skills and competencies required for the hotel industry.



10 Embrace change

Build a culture of innovation within your Hotel by participating in thought leadership seminars & conferences and learn through other hotels' best practices.



Next Steps!

1 Leverage available grant schemes and the Hotel Productivity Centre (HPC) to enhance productivity

- i. **STB's Business Improvement Fund (BIF)** – Obtain funding support of up to 70% of qualifying costs when you embark on projects (including retrofitting) to redesign your business processes and enhance your productivity.
- ii. **Hotel Productivity Centre (HPC)** – Reach out to HPC, a one stop centre providing productivity assistance, consultancy and training & conferences for the hotel industry.



2 Build a strong pipeline of talent and deep skill your workforce

- i. **Training Industry Professionals in Tourism (TIP-IT)** – Obtain funding support when you embark on employee upgrading and talent and leadership development programmes.
- ii. **SkillsFuture Earn and Learn Programme (ELP)** – Grow your talent pool by participating in a programme which allows Polytechnic and ITE graduates to gain industry experience and pursue higher qualifications at the same time.
- iii. **SkillsFuture Leadership Development Initiative (LDI)** – Obtain funding support for your aspiring Singaporean employees looking to acquire leadership competencies and critical experiences.
- iv. **SkillsFuture Enhanced Internships** – Capture prospective employees' mindshare by delivering a positive and meaningful internship experience for students.
- v. **SkillsFuture Study Awards** – Encourage your employees to advance their skills by applying for a monetary award of S\$5,000 given directly to employees to defray out-of-pocket expenses.
- vi. **Skills Framework for Hotel and Accommodation Services** – Design progressive human resource management and talent development plans by referring to the Skills Framework which provides key information on career pathways, occupations and job roles, as well as existing and emerging skills required in the hotel industry.
- vii. **Professional Conversion Programme for Professional Executives (Hotel Industry)** – Join other hotels in attracting and re-skilling mid-career PMET Singaporeans to take up exciting careers in hotels.



3 Partner STB to transform the industry together

- i. **Hotel Career Campaign** – Partner us on a marketing campaign to galvanise perceptions on the availability of good jobs and career development in the hotel industry.
- ii. **Redesign Jobs** – Work with us on an initiative to redesign jobs to ensure that hotel careers remain attractive to the new generation of workforce.
- iii. **Hotel Innovation Committee** – Join industry leaders in projects to ideate and develop future-oriented solutions and implement industry-wide initiatives.
- iv. **Hotel Industry Storybank** – Contribute your hotel’s successful case studies and learn from others as we foster mutual learning and improve collectively as an industry.



4 Grow your business globally

Build a network presence in key gateway cities and tourism destinations, and develop global-ready talent to become globally competitive. You can tap on IE Singapore’s global network of overseas offices in over 35 locations, its Market Readiness Assistance Grant (MRA) and Global Partnership Programme (GCP) as well as STB’s Business Improvement Fund.



To find out more, please contact
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Published November 2016

