



# InterContinental Hotels Group.

Breakfast as a Competitive Advantage.



## A Better Breakfast that Raises the Bar.

InterContinental Hotels Group distinguished its Holiday Inn Express and Staybridge Suites hotels from the competition – and gained first-mover advantage – with a fresh hot breakfast bar that has guests clamoring for more. RATIONAL oversaw the installation of 1,800 SelfCookingCenter® units in under eight months at hotels in every state and province in the U.S. and Canada. The move from a re-thermalized to fresh cooked breakfast is creating a clear point of difference reflected in higher guest satisfaction scores.



### **About IHG®**

IHG® (InterContinental Hotels Group) is a global organization and one of the world's leading hotel companies. IHG has a broad portfolio of hotel brands that are well known and loved by millions of consumers around the world.

IHG franchises, leases, manages or owns more than 5,600 hotels and approximately 837,000 guest rooms in more than 100 countries, with more than 1,900 hotels in its development pipeline.

#### Goals

- > Create a clear point of difference between Holiday Inn Express and competitive set.
- > Increase customer loyalty by offering high quality, fresh food that pleases guests.
- > Rapidly deploy RATIONAL combi ovens, new menus and training to properties.
- > Provide staff with ease of use, menu flexibility and consistently excellent output.

## **Approach**

- > Test RATIONAL equipment; then accelerated international roll out.
- > Install quickly to minimize hotel downtime and guest disruption.
- > Provide training and education to staff.
- > Collaborate with national dealer and installer.

## **Equipment**

- > Holiday Inn Express properties with < 115 rooms mostly use SelfCookingCenter® XS.
- > Holiday Inn Express properties with >115 rooms use the SelfCookingCenter® 61.
- > The majority of Staybridge Suites properties use the SelfCookingCenter® 61.
- > Staybridge Suites properties with limited space use SelfCookingCenter® Combi-Duo XS.

#### Results

- > 1,800 SelfCookingCenter® units installed in eight months.
- > Gained first-to-market advantage with hot, fresh breakfast program.
- > Increased guest survey scores on breakfast, boosting the guest satisfaction rate.
- > Lowered costs and improved nutrition with fresh versus prepared ingredients.

# **Express Start® Breakfast:**

# A success story.

Breakfast is a big differentiator in the select service hotel sector, and in 2017 InterContinental Hotel Group (IHG®) conceptualized a new breakfast offering that would strengthen its Holiday Inn Express and Staybridge Suites brands in a crowded and competitive field. IHG wanted better quality, consistently delicious hot foods like fresh scrambled eggs, bacon, sausage, and cinnamon rolls for its guests. It also wanted a "future proof" solution that would allow menus to grow and evolve going forward.

With approximately 2,700 hotels and 275,000 rooms, and 786 new hotels in the pipeline, Holiday Inn Express is the largest lodging brand in the world in terms of number of properties. Its properties required an oven that would provide menu flexibility, ease of use, outstanding results, and produce delicious food. It also wanted a partner that could scale quickly to implement a North American rollout in a short timeframe. Speed was essential to maximize the benefit of being first to market with a fresh-cooked hot breakfast bar.

Shortly after the implementation of the breakfast upgrade at Holiday Inn Express, IHG planned a similar breakfast program and evening manager's reception at its Staybridge Suites properties across North America. Designed to appeal to extended stay travelers, Staybridge Suites has 200+ hotels and 29,000+ rooms, with another 176 new hotels planned in the future.



Updated breakfast bar at a Holiday Inn Express.



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Adam Handler, director of global guest experience for Holiday Inn Express.

# Picking the Right Partner.

"We needed an oven partner who had the best product and who could also help us figure out how to get in close to 2,000 properties in under a year," said Adam Handler, director of global guest experience for Holiday Inn Express.

IHG conducted an extensive procurement process, issuing a formal RFP (request for proposal) and considering every category of cooking equipment, including both conventional and combi ovens. Once it was determined that a combi oven was clearly the best solution, the IHG test kitchen evaluated different brands to rate performance, quality, cost, warranty, service, training, and culinary support. It also conducted a ROI analysis.

Ultimately, IHG identified RATIONAL as the leading provider.

"We selected RATIONAL because we felt RATIONAL would be the best partner to execute on this scale. In addition, the product was the best product for our properties and a number of our full service properties already utilized RATIONAL," said Amar Doshi, director global procurement for hotel operations, Intercontinental Hotels Group.

The next step was a field test with RATIONAL SelfCookingCenter® units installed at seven Holiday Inn Express properties. When this small-scale launch succeeded, RATIONAL rolled out combi ovens and new menus at approximately 350 top performing Holiday Inn Express locations to solidify the process. Installations then followed in the U.S. and Canada, in a rapid and dynamic timeframe, at the remaining properties.

To manage the complex deployment, RATIONAL worked with industry partners including foodservice equipment dealer Ed Don and a service firm to oversee installation. RATIONAL Certified Chefs conducted chef assist training at each location.

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Perfectly prepared scrambled eggs are an important menu item.

# Consistently Excellent Fresh Breakfast.

"The RATIONAL cooks great food and it's easy to use. Within one week the pain for the property owners is erased by the ease of use, consistency and positive feedback."

Adam Handler, director of global guest experience for Holiday Inn Express.



Breakfast Attendant using the SelfCookingCenter® at a Holiday Inn Express.

RATIONAL corporate chefs worked with IHG to develop menu items and recipes that guests would love and that kitchen staff with limited culinary experience could easily prepare. The menu items needed to be thoroughly tested and products specified to ensure consistent results.

The new breakfast program required the franchise owners to embrace the program and encourage their staff to change, sometimes overnight, how they prepared breakfast using the new equipment. To support the roll out and change management process, a key user at each location received one-on-one training from a RATIONAL Certified Chef.

Today, RATIONAL combis cook almost all hot food served at Holiday Inn Express and Staybridge Suites locations in North America, with one notable exception being the made-to-order pancake machine. Over 90% of the Holiday Inn Express properties now have a RATIONAL. At both brands, the new breakfast launch included a redesigned and renovated front of house with new graphics, décor and serving equipment. Going forward, RATIONAL SelfCookingCenter® units are standard equipment for each new Holiday Inn Express and Staybridge Suites property.

A rollout of this size is challenging and complex, involving many individuals and logistical consideratons requiring hotel operators and employees to change their work habits. IHG conducts ongoing surveys of hotel owners, and the majority of locations reported ease of use, consistent results, and positive feedback from employees and guests. The highest scores went to front of house design and equipment, quality of food, and performance of the RATIONAL combi oven.

"With such a wide range of properties, the RATIONAL helps to take out some of the guesswork and make it easier for more of the breakfast hosts to do a better job, so more often they are delivering a consistently strong guest experience," Handler says.



The bacon is an especially popular item with guests.

# "Guest Love" Survey Scores Rise.

Holiday Inn Express surveys guests after every stay, and responses show that the new breakfast bar has a positive impact. The Holiday Inn Express "Guest Love" survey scores rose four and a half points on quality of food, and overall breakfast experience scores increased four points, an increase that contributes to overall guest satisfaction scores.

"This means a lot when you have over half a million guests per night," Handler adds.

He pointed out one unexpected outcome: guests like the food more than anticipated. ROI projections had estimated cost savings would pay for the new breakfast bar in three years, with first year savings covering equipment costs and savings in years two and three covering front of house costs. Since food consumption has risen, IHG has extended the payback timeline to three and a half years.

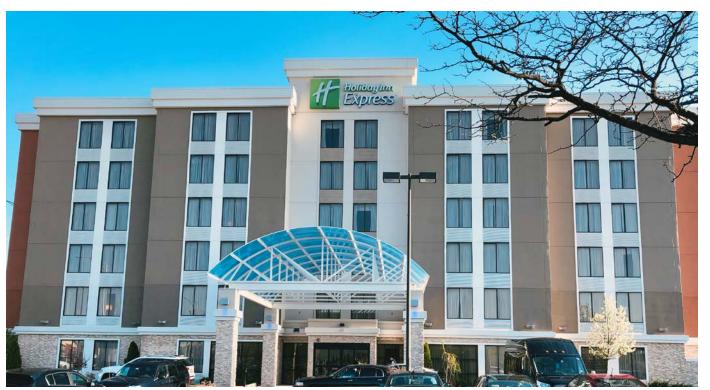
"Breakfast satisfaction improvements correlate with overall satisfaction," Handler said. "If your food is outstanding, you drive breakfast satisfaction. If your breakfast is outstanding, you drive overall satisfaction. If overall satisfaction is outstanding, it drives room rate and occupancy."

IHG is currently investing in a marketing blitz for the Holiday Inn Express brand that highlights the reinvented breakfast program. The leadership team will be watching the numbers, but the early results are positive.

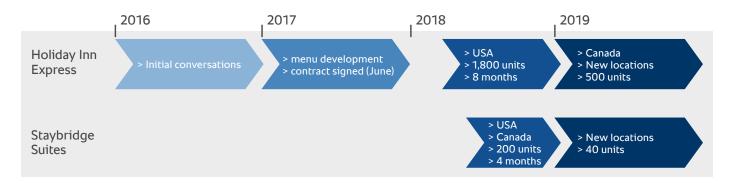
In fact, Elie Maalouf, CEO of the Americas at IHG, told Hotel News Now in April of 2019 that the change in breakfast resulted in some owners being able to take market share from competitors.

The strategy is working: better breakfast, better results.

A typical Holiday Inn Express property in North America.



# International Dual Brand Rollout.



The majority of the Holiday Inn Express and Staybridge Suites RATIONAL SelfCookingCenter® units were delivered and installed during an eight month rollout in 2018. Installations in new locations are ongoing.

1701 Golf Road Suite C-120, Commercium Rolling Meadows, IL 60008

Tel. 888-320-7274 (Toll Free) Fax 847-755-9583

info@rational-online.us rationalusa.com