



Using Collaboration Through Crisis to Address Individual Property Needs

by Executive Vice President of Sales, Marketing & Revenue André Fournier

The last nine months have been unprecedented in the hospitality industry. Personally, I've seen the industry endure challenges after 9/11 and the Great Recession of 2007. Lessons learned during these crises helped us pivot during the COVID-19 pandemic, however, no one could have imagined an industry shutdown. The work CoralTree did as the company launched in 2018 helped prepare the company for rebounding from the latest crisis.

As we launched CoralTree nearly two years ago, we spent a lot of time defining the company's core values and the philosophies that would guide our decision making. More than being a corporate mantra these core values - entrepreneurial spirit, serve from the heart, individuality and results driven – provided a road map to help us navigate this challenging time. With a goal of serving our associates and owners as well as safely reopening properties to our guests as our top priorities, our teams mobilized to create recovery plans that leveraged our foundational values. We've provided a snapshot of how this was done along with several examples of successes.

Entrepreneurial Spirit

Unexpected challenges can expose division or galvanize a company's resolve to work together. In March, we developed company-wide action groups pulling in members from all levels to develop custom, real-time solutions for each property. We listened, removed obstacles and enabled the frontline to function as entrepreneurs to enact solutions that were effective and unique to their location. We found success by preparing, working together and trusting in our peer network verse traditional organizational hierarchies.

When The Woodlands Resort experienced significant corporate cancellations due to the pandemic, they looked to untraditional group types to fill the void. The last quarter of 2020 was looking devastating until a relationship with a professional sports league led to the opportunity for a full, quarantined buyout during playoffs.

To win the buyout (or "bubble") business, The Woodlands Resort had to compete with other properties much closer to the game location. After learning that the players' families would be joining for the three-week stay, the resort team positioned their remote location as more serene and secure, designating different outdoor spaces across the 350 acres to each team for outdoor recreation. Numerous custom menus were developed, ranging from high-end offerings for the athletes, special dishes for some players, and kid-friendly choices for the families, all keeping variety top of mind for the 21-day event.

This tailored approach earned the business and then it was all hands on deck. Team members from CoralTree and nearby sister properties helped ready The Woodlands Resort, much of which had been vacant since March. Despite the challenges of servicing a buyout during a pandemic, this combined team successfully provided a seamless, safe experience start to finish, winning praise from the prominent client and providing a new service model for future programs.

Serve from the Heart

A continued focus on doing what is best for the community, including ownership, colleagues and customers helped us strengthen team relationships through COVID-19 challenges. At our core, we value each property's desire to be independent, different and cause based. We believe, this heartfelt approach sets us apart and helped us develop teams invested in realizing profits by achieving purpose. We've always focused on listening and acting compassionately and the last few months have shown just how important this approach is to success.

At Terranea they created design thinking pods which entailed leadership to collaborate with CoralTree management to create the concept of Terranea Promise. The commitment ensures that Terranea puts the health and well-being of its associates and guests at the forefront of the experience. Terranea Promise is the ongoing commitment to the resort's community that has carefully thought through the journey points and has implemented enhanced standards of care and cleanliness to promote a safe and comfortable stay.

Individuality

Celebrating individual strengths, ideas and initiative helped CoralTree Hospitality build team cohesion during the last few months. Each community is unique and our properties reflect that. Our approach to current challenges embraced the same concept by empowering local leaders to develop initiatives and protocols that are informed, relevant and of the place. By empowering our frontline and creating flexible company-wide action groups we developed custom solutions that worked at each location rather than implementing a top down approach doomed to fail when rolled out at each distinct property.

As an example, Town and Country Resort deployed touchless technology within food and beverage operations. They leveraged new technology supported by the Infogenesis OnDemand ordering system to allow guests to order and pay for food and beverage on their mobile phone. It eliminated the headache of having to call and place an order as well as extra labor for telephone operators. Important in this COVID era, it's also a touchless option that simply links through a website and allows the customer the ability to order and pay remotely from anywhere, not necessarily on property. Within the first week of adoption, Town and Country generated \$35,000 in additional food and beverage sales revenue.

Results Driven

With deep roots as owners and managers of world-class independent luxury and lifestyle hotels and resorts, CoralTree Hospitality tapped into its depth of experience to navigate COVID-19 challenges. While the current health crisis is global in scale it's important to be targeted in each response. The right answer for a remote resort may vastly differ from a metropolitan hotel but our nimble approach and inherent understanding that each property is unique allows us to quickly execute marketing, sales and staffing plans custom developed to each property's needs and in line with their purpose to best deliver results.

We found ourselves in a situation that was and still is fluid and changed hourly. To effectively deal with these challenges, we created two strategy work groups to assimilate real-time information from the teams on the ground. The work groups were bifurcated by design to

address safe stay protocols for guests and team members as well as marketing and educational communications.

Our purpose was to continue to provide a safe working environment for our team members and safe stays for our guests. We also implemented future sales and marketing revenue strategies to amplify our brands and recover faster to employ our team members who have been furloughed and/or reduced.

One of our properties, Terranea Resort, implemented the Terranea Promise, which was a heightened health and safety protocol to ensure a comfortable guest stay. The plan was approved by American Hotel & Lodging Association, Certified by the California Hotel & Lodging Association and Ecolab. We believe that consumer confidence in our pro-active message drove more direct bookings to the resort. In fact, we found that over 90 percent of bookings were coming within 100 miles radius versus our traditional key feeder markets. That was a 50 percent improvement over the same times last year.

“To complement the Terranea Promise, the COVID- 19 recovery team implemented hyper local marketing strategies including direct email acquisition, repeat guest targeting in Los Angeles County, implemented sign-in and save promotions on the property website to encourage direct bookings and consumer savings,” said Agnelo Fernandes, chief strategy officer and executive vice president of Terranea Resort. “We amplified Terranea’s digital footprint, while many properties dropped digital media, pay per click and search engine marketing. We built trust with our consumers through these communications which resulted in a 60 percent increase in direct bookings.” Fernandes attributes this success to ongoing communications with guests as well as the property’s no worries cancellation policy.

Team members were trained and educated on the new protocols so this built trust with guests. Ultimately, we were able to mitigate the loss of group business during mid-week with these promotions. And, with customers booking direct, we reduced the cost of each reservation versus going through a third part OTA which improved profit. Terranea’s promotions and the consumer confidence they built with guests resulted in higher profit, which allowed team members to get back to work as well as mitigated financial impacts to our ownership groups.

As CoralTree continues to address this fluid situation, the company stands strong on its core values which continue to provide both a foundation and road map to navigating today’s travel climate.

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