



▶ FINDING THE RIGHT INVESTMENT FOR CLIENTS



▶ INCREASING BORROWING COST AND INTEREST RATES, WHAT'S NEXT?



▶ TRACKING OF INVESTORS' MOVEMENT AND BEHAVIOUR

# Financial *focus*

February 02, 2019 | Volume 5

ADDRESSING THE NEEDS OF INDIVIDUAL INVESTORS AND PLANTING THE SEEDS FOR A SECURE FUTURE.

*Assessing the impact of technology and its benefit for the big hospitality sector. As the hotel industry continues to grow to meet the demands of travellers, new business-tech ideas are birthed to keep the asset class profitable and cost efficient.*

## The Marriage: Hotels and Technology

AS information technology gets more advanced, the role it plays in improving the hospitality and tourism industry becomes even more prominent. Technology has helped to reduced overhead costs, enhance operational efficiency and improve services and customer experience. With better informative technological platforms, travellers and tourists are able to conduct their own research as to which hotels stand out from the rest and therefore, is recommended for them to stay at.

It is commonly known that a good hotel occupancy rate will vary, depending on:

- The type of hotel
- The location of hotel
- **The guest experience**

The past *Financial Focus* articles have touched on the first two points. This week's article will guide hotel owners and investors on enhancing their hospitality assets' performances. In essence, the full potential of a hotel asset when technology is amalgamated.



*Property in picture: M Social Hotel  
The utilization of robotic assistance to reduce labour costs for higher efficiency.*

### Quillion's SPOTLIGHT

#### Wanderlust

- ✚ Property type - Hotel
- ✚ Tenure - Freehold | District 7
- ✚ OMV - S\$37,000,000
- ✚ PPK - S\$1,275,862
- ✚ Number of Floors: 4 | Total Units: 29
- ✚ Expected Yield: 6.52%

#### Anson House

- ✚ Property type - Office
- ✚ Tenure - 99 | District 1
- ✚ OMV - S\$218,000,000
- ✚ PSF - S\$2,500
- ✚ Number of Floors: 13 | Total NLA: 87,000 sq. ft.
- ✚ Expected Rental Yield: 2.78%



## “Improving Hotel Performances with Technology?”



**Top:** Hotel Jen's Smart butler system that allows seamless check-ins / outs for travellers



**Bottom:** M Social Hotel's Intelligent Aura room service robot to provide fast automated services for travellers

Besides forecasting a positive market outlook to increase the profit margins for hotels, intelligent investors can look into managing the internal capital investment of tools and services of technology. In Singapore, several hotels have started to implement ingenious ideas to enhance guest's experience within the hotel. This, on one hand, helps to reduce overhead costs and redundancy of staff counts, which improves on overall cost. At the same time, it can also serve as a form of marketing effort to attract potential travellers to come forth and experience the interaction with the smart hospitality technology.

In other countries, such adaption is key to driving revenue at hotels. Hoteliers utilise fully on the capability of digital marketing to improve on their positioning in the world wide web platform. This is especially so important for a growing competitive hospitality market.

It is imperative for hoteliers to capture as much market share of the tourist arrivals in order to generate up-to-par revenue. This is usually done through branding and marketing of the hotels. However, investors must take note of the rising advantage of technological assistance that, not just improving on guests' experiences, such tech support can be help to reduce operational costs and to be translated to gross profits.

Investors need to understand that hotels are guest-centric businesses and revenue is driven by guests' experiences. Hence, happy and satisfied guests will spend more and they will return to stay again. Thus, this should be the business direction every hoteliers should work in.

A simple work flow would be as follow:

- The Search
- The Purchase / Booking
- Arrival and Check-ins
- Stay Experience
- Departure and Check-outs
- Post-stay

In order to ensure a full 5-stars service, the hotelier must be ready to provide top-notch responses and remedies to all guests. Hence, technological equipment can be roped in to assist the hotelier for faster response time and this will ensue prompt decision making on the guests' side.


The author believes that this will be, perhaps, the next up and coming trend for the hospitality industry.

**Here, Quillion Global would like to take this opportunity to extend our most heart-felt gratitude to our esteemed clients and partners as we welcome the lunar new year.**

**Wishing All a Prosperous, Fruitful and Happy Lunar New Year!**

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