



Understanding Guests' Needs

An Interview with Peter C. Borer,
Director and Chief Operating Officer,
The Hongkong and Shanghai Hotels, Limited



EDITORS' NOTE Peter Borer joined The Peninsula Group in 1981 as Food and Beverage Manager of The Peninsula Manila, and since then, has held various executive and managerial positions within the company in Hong Kong and Bangkok, including General Manager of the flagship Peninsula Hong Kong, Regional General Manager of Asian properties, and Group General Manager for Asia. He is a graduate of the Lausanne Hotel School in Switzerland.



Peter C. Borer

COMPANY BRIEF Incorporated in 1866 and listed on the Hong Kong Stock Exchange, The Hongkong and Shanghai Hotels, Limited (HSH) (www.hshgroup.com) is a holding company whose subsidiaries and its jointly controlled entity are engaged in the ownership and management of prestigious hotel, commercial, and residential properties in key destinations in Asia and the U.S. The hotel portfolio of the group comprises The Peninsula Hong Kong, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Beijing, The Peninsula Manila, and The Peninsula Shanghai. The property portfolio of the group includes The Repulse Bay Complex, The Peak Tower and The Peak Tram, St. John's Building, The Landmark in Ho Chi Minh City, Vietnam, and the Thai Country Club in Bangkok, Thailand.

How has the global economic downturn impacted the travel and tourism industry, and what is your outlook for the business in 2011?

Thankfully, we are now seeing a satisfactory upswing in many of our markets and are very positive for 2011. This has clearly been one of the more challenging periods, but as the hotel and tourism industry is cyclical, the downturns follow the good times and vice versa. We are always prepared for this so, financially, we are in a very sound and favorable position and our gearing is still very low.

In addition, we did not lay anyone off because in order to provide the level of service our guests expect, we invest highly in the training of our people. The long-term loyal commitment of devoted, well-trained staff certainly

outweighs the short-term financial gain of laying people off, and even during the most difficult times, guests who stay with us expect the same, if not a higher, level of attention and service that they expect as the value of staying at a Peninsula.

The Peninsula Hotels marked its homecoming to Shanghai with the opening of The Peninsula Shanghai in October 2009. Would you highlight this property and your outlook for Peninsula in China?

Our parent company, The Hongkong and Shanghai Hotels, Limited has a long and celebrated history in Shanghai, owning four of the city's leading hotels between the 1920s and the 1950s. Therefore, our return to the city in 2009 impacts the very core of our business and our corporate heritage. On a more personal note, our controlling shareholder, The Honorable Sir Michael Kadoorie, was raised in Shanghai.

Located on the world-famous Bund, The Peninsula Shanghai is the first new building to be constructed on the iconic promenade in over 60 years. A blend of art deco influences, the 235 spacious guest rooms and suites in Shanghai feature contemporary in-room guest facilities with stunning views over Pudong, the Bund, and the gardens of the former British Consulate. The collection of bars and restaurants, The Peninsula Spa by ESPA, and state-of-the-art fitness facilities and pool, offer guests and visitors alike a myriad of dining and relaxation options.

China is fast becoming one of the world's top travel destinations. As the only premier luxury hospitality company with hotels in all three of the major cities of Hong Kong, Shanghai, and Beijing, The Peninsula Hotels is ideally positioned to present China at its best. That is also why we have introduced "A Tale of Three Cities" – a collection of exceptional itineraries showcasing Hong Kong, Shanghai, and Beijing. Our exclusive "Epic Tale" features Peninsula Suite accommodations and a host of benefits, while the more value-driven "Classic Tale" program offers a range of distinctive advantages for the traveler to China.

We are also interested in opening elsewhere in China. There is tremendous potential and wealth in the country's second- and third-tier cities, and we are engaging our sales and

communications teams to explore the new markets for our hotels, both in China and elsewhere.

What are your plans for expansion into new markets?

We will open in Paris in 2013 at what was formerly the Hotel Majestic on Avenue Kleber, just off the Arc de Triomphe on the prestigious Champs Élysées. The Peninsula Paris will mark our arrival in Europe. However, we continue to look at other potential locations around the globe, focusing on prime locations in key international gateway cities.

How critical has technology been for Peninsula and how do you avoid losing the human touch for which you are known?

Innovative technology has always differentiated us from other hotel groups. We are the only hotel group in the world with a dedicated Electronic Services Department, comprising 28 hard- and software engineers who are constantly conceptualizing, designing, and creating new uses for our own proprietary technology, both in-room and throughout the hotel. The latest innovations are installed at The Peninsula Shanghai, and we are working on a collection of touch-screen technological initiatives for a variety of in-room functions and collaterals, to be launched in 2011. However, one overriding prerequisite for all our in-room technology is that it has to be completely user-friendly.

Which key priorities are you focused on for the brand in order to retain your leadership position in the industry?

We go to great lengths to make sure our guests feel as comfortable and as relaxed as they would be at home, yet also feel like they're indulging. Our service starts with an intuitive understanding of a guest's needs and taking care of them effectively and efficiently.

Our guests expect us to provide the elements of an extraordinary hotel brand, the unsurpassed traditional Peninsula standard of service and luxury, state-of-the-art technology, and stays that are both memorable and delightful. They also want to experience that "sense of arrival" as they come to every Peninsula hotel and to enjoy the destination in more intimate ways through our partnerships forged with the local community. ●

The Peninsula Hong Kong with its fleet of Rolls-Royces (left); The Peninsula Shanghai adjacent to the Park on the Bund (right)