

Hospitality

Asia's Oldest Hotel Company



The Peninsula Hong Kong with its fleet of Rolls-Royces

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

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



Peter C. Borer

COMPANY BRIEF Incorporated in 1866 and listed on The Stock Exchange of Hong Kong, The Hongkong and Shanghai Hotels, Limited (hsbgroup.com; HSH) is the holding company of a Group which is engaged in the ownership, development, and management of prestigious hotel, commercial, and residential properties in key locations in Asia, the United States, and Europe, as well as the provision of transport, club management, and other services. The hotel portfolio of the Group comprises The Peninsula Hotels in Hong Kong, Shanghai, Beijing, New York, Chicago, Beverly Hills, Tokyo, Bangkok, Manila, with Paris and London in development. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and The Peak Tramways, St. John's Building, The Landmark in Ho Chi Minh City, Vietnam, and the Thai Country Club in Bangkok, Thailand.

What makes the Peninsula brand so special and what has been the secret to its success?

It is our ownership structure, which comes from the Kadoorie family, that makes the Peninsula brand unique. In today's hotel landscape, it is very important that the company is family owned, as there is not the same constant pressure with regard to return on investment.

In addition, we believe it is best to own the hotels we manage – or at least have a significant stake in those hotels – so we do not have management contracts. This allows us to focus on our brand and our standards of quality without having to make too many compromises. Having such a large financial involvement in the hotels gives us a greater say in what we do with them and how we run them.

All Peninsula hotels are very much of their destination, and this concept is carried through the entire hotel from design to artwork and cuisine to culture. We believe very strongly that we can only

be successful if we are fully accepted, welcomed, and embraced by the local community, who are proud to have a Peninsula hotel in their location.

We embrace our heritage as Asia's oldest hotel company. The Peninsula Pageboys are the personalities behind the Peninsula brand and they bring the hotel experience to life. The white Pageboy uniforms date back to the opening of our first property in Hong Kong in 1928, and have become a symbol of our heritage and our approach to personalized service.

Which characteristics make a Peninsula hotel and how do you customize your products for local markets?

Each hotel is distinct and reflects its destination in terms of design and atmosphere. Examples include the restoration of The Peninsula Paris by France's leading artisans and the myriad Japanese design elements of The Peninsula Tokyo, including over 90 individual artworks by Japanese artists. The hotel provides a wonderful introduction to Japanese culture for Western guests while ensuring that Japanese guests feel at home and that their culture is being honored.

We are also keen to introduce unique elements of local culture into our hotels – for example, the Peninsula Academy classes and activities in each hotel introduce hotel guests to the destination's cuisine, lifestyle, and culture, while other items, such as the tuk tuks at The Peninsula Bangkok and jeeps at The Peninsula Manila give guests a fun flavor of the destination that no other hotel can provide.

To ensure consistent Peninsula-standard service across all properties, we introduced the "Peninsula Ambassadors" program, whereby a group of carefully selected staff members visit one of the overseas Peninsula properties and work there for a period of time in order to truly absorb the Peninsula spirit and what it means to work with Peninsula. They then return to their operations to impart their learnings to their colleagues.

What is your vision for how The Peninsula Paris will impact the Parisian market?

The Peninsula Paris sets spectacular new standards in design, luxury, and comfort. The century-old classic building has been meticulously restored and modernized to create the latest example of Peninsula excellence. We are so excited that it has been performing extremely well given it is only a few months in operation. We will continue to

promote the hotel with the launch of Peninsula Academy and Grand Opening early next year. We will also showcase The Peninsula Paris in new and traditional markets, including South America, Middle East, Russia, and Continental Europe.

Paris is a city of elegance, glamour, and sophistication, maintaining a great balance between heritage and modernity, inspiring us with its traditions well served in terms of food, fashion, culture, and architecture. The Peninsula Paris will showcase how Paris has inspired us and, hopefully, vice versa.

Do you foresee additional growth opportunities for the brand in the North American market?

North America is a mature market with diversified growth opportunities. There are definitely additional cities on our radar, but we are waiting for the right opportunities and we are highly selective in this regard, such as finding the right partner in place and the right building.

In addition, The Peninsula Chicago will be undergoing a major renovation this year for a fabulous new look. Its rooms and suites will undergo a chic design upgrade, together with the installation of our cutting-edge in-room technology. We expect that this will position The Peninsula Chicago as one of the most advanced hotels in the city, and will greatly enhance our value and appeal to guests.

What are your plans for expansion into new markets?

We have signed an agreement to take over a beautiful old building in Yangon, Myanmar and transform it into The Peninsula Yangon. Formerly the headquarters of the Burma Railway Company, it is an elegant colonial building and one of the most distinctive in Yangon, located a few minutes from the UNESCO World Heritage Shwedagon Pagoda and famous Scott's Market.

We have also announced our first hotel in the U.K. – The Peninsula London. In July 2013, we purchased a 50 percent economic interest in 1-5 Grosvenor Place, Belgravia, London. The site is a spectacular location at the entrance to Belgravia, opposite the Wellington Arch at Hyde Park Corner with views across to the gardens of Buckingham Palace. Our goal is to commence demolition and construction by 2016.

Apart from the Chicago renovation, there will also be a renovation at The Peninsula Beijing at an investment of around RMB890 million this year, with some exciting new F&B concepts to be introduced in the hotel. ●