

More Mobile Citizens

rooms for

If you've been following the international hotel market recently, then the location and pricing of CitizenM Amsterdam Airport Hotel might come as a surprise. Just 200 metres from the main entrance of Amsterdam Airport Schiphol, the hotel, opened in 2008, offers accommodation in a price class that really doesn't fit with the triple-A location. For a reasonable rate, guests check themselves in at one of the terminals at the entrance: there's no reception, restaurant, or conference room. You can get a drink at the bar, or select something to eat from one of the sleek display cases that feature in an interior designed by the Dutch architect firm, Concrete.

The room is the next surprise. It has everything – in just 14 square metres. Thanks to the two space-saving glass units housing the shower and toilet, there's still room for a couple to stay here comfortably. Every guest has ac-

cess to an integrated communications system, designed by project partner Philips, offering free films, music, and Internet.

So how did CitizenM manage to create such a stylish hotel, in an expensive location, and yet make it so affordable?

"We looked at every process to see where we could remove an inefficiency, or find a better solution," says Michael Levie, who is responsible for the daily direction of the fledgling hotel chain on behalf of a consortium centred around the Indian investor, Rattan Chadha.

"Building costs and personnel costs are the biggest outlay for new hotels," he explains. "We therefore have no reception or restaurant staff, though we do have 23 'ambassadors,' as we call them, in the hotel. And our construction is modular. Our hotel rooms are designed as fully fitted units that can be stacked one on top of the other. This way, we've managed to reduce the

construction time to ten months (half the traditional building time), saving on materials and building costs."

DUAL BENEFIT

For the Amsterdam Metropolitan Area, CitizenM's high-quality, low-cost hotel concept represents a valued addition to its hospitality offering, especially since it presents extra choice for today's increasingly individualistic travellers ("the mobile citizens of the world," as CitizenM calls them).

"Of course, investing in familiar hotel concepts is still interesting in our region," says René van Schie, the Hotel Development Intermediary for Amsterdam inbusiness, who is responsible for attracting new hospitality ventures, and the planning of such initiatives. "But if you look at the demands of current travellers, there's definitely room for something different, too."

Certainly the next few years will feature





extensive investment in hotels in the Amsterdam Metropolitan Area, with the goal of adding 9,000 extra rooms in the city by 2015. Large increases in rooms are also planned for the rest of the region. This expansion is essential in order to meet the ambitious goals of the region with regard to visitor numbers, since the current offering is already inadequate. The clearest sign of this, says Van Schie, is the high occupancy of Amsterdam's hotels: 81 per cent on average, or the highest in Europe after London.

"At first sight, this occupancy rate looks great, but unfortunately what it really means is that there is extra demand that is not being met," he says. "The short supply of rooms makes it more difficult, for example, to attract congresses and conferences away from competitors. Plus, extra hotel capacity is a powerful economic force – every hotel room earns €72,000 directly, and €134,000 indirectly yearly (including spending in shops and so on). Investing in hotels in the Amsterdam Metropolitan Area has a dual benefit. The

investor is sure of a good return, and the whole region profits from the boost to the economy and our increased attractiveness to visitors."

DIFFERENT APPROACH

The message is certainly getting through. Growing numbers of hotel investors are in touch with Van Schie and his colleagues, and 105 potential hotel locations have been identified (Van Schie hopes to add 50 more in the near future). "Naturally, there are A-locations among them, but we've also identified a number of sites outside the city centre, or ones where the context requires a different, non-standard approach," says Van Schie. An example of a recently opened hotel is the Amrâthhotel, in the former Scheepvaarthuis. The hotel won design prizes for its tasteful adaptation of a 400-year-old building. Another recent new arrival, the Blue Tower Hotel, is located in the middle of a residential area. "Guests experience this as an advantage," says Van Schie, "all of the sites have enough potential for a successful hotel operation."

As for CitizenM, its second hotel in Amsterdam opens soon, and will be followed by identical branches in London and Glasgow, and eventually New York and other global cities. Meanwhile, the new chain is cherishing its Amsterdam origins: its concept, design and branding were all developed here. "This is an inspiring place in every way," says Michael Levie.

CITIZENM

COUNTRY OF ORIGIN THE NETHERLANDS

ESTABLISHED IN THE AMSTERDAM

METROPOLITAN AREA SINCE 2008

EMPLOYEES 25

INDUSTRY HOSPITALITY

ACTIVITY HEADQUARTER