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CITIZENM

THE NEXT GENERATION HOTELS

CITIZENM HOTELS

CitizenM is a Dutch hotel company that provides an ideal example of a new breed of hotels currently innovating the wider industry. The company has grown from a single Schiphol airport hotel that opened in 2008 before rapidly expanding across major cities like New York, London, Paris, Amsterdam, Rotterdam, Taipei, Copenhagen and Glasgow, with over 30 hotels and 7,000 rooms across three continents. By 2020, CitizenM plans to expand its portfolio to over 40 total hotels internationally.

The 'M' in its title stands for mobile citizens, and the company's objective is to create 'affordable luxury for the people' and by 'the people'. In their own words, this philosophy encompasses 'a smart new breed of international traveler, looking for a brand-new kind of hotel experience. The modern traveler, who tends to value luxury, contemporary design, friendly state-of-the-art technology, great central locations and huge king-size beds all for an affordable price, while providing sustained premium returns to stakeholders.'

Their mission is to become the world's leading transformational hotel chain.^{1,2}



CITIZENM THE FUTURE OF HOSPITALITY? 99



CITIZENM DIGITAL DISRUPTION

The digital revolution has caused a tsunami of disruption that has swept across the backdrop of the travel sector. Today, consumers expect personalized, high tech and streamlined experiences without the human touch being lost. The opportunities are endless and the pace of innovation is unstoppable.

Airbnb is considered to be one of the strongest disruptors in this regard, and CitizenM is on the way to achieving a similar effect. The perceptions of luxury in the hotel space have been continuously challenged, with a growing sense of importance being placed upon appealing further to the mobile, connected traveler.

This tactic has been further applied through CitizenM's smart hotels innovations. They seek to appeal to niche markets, such as those representing the millennial demographic and the segment of business travelers who seek convenience through trouble-free and high-tech services, which are willing to travel from all over the globe to stay in such new-age hotels.

CitizenM are also branding and marketing specialists knowing how to capture audiences by the incredible digital marketing they run, which visually showcases the unique selling points of each venue and urges customers to book online and directly.

CitizenM has also accomplished in becoming a strong lifestyle brand that stands out from the of hotel operators. The futuristic technology, the contemporary design and of these hotels innovation from their development stage through to the hotel experience embrace the following considerations;

THIS OWNER-OPERATOR
MODEL HAS BEEN VERY
PROFITABLE, MORE OR
LESS, SINCE DAY ONE,
EXCEEDING 50% OF
GROSS OPERATING
PROFIT - WHICH IS
UNHEARD OF IN THE
INDUSTRY 99

RATTAN CHADHA,
Chairman and Founder of CitizenM

A LOW-COST BUSINESS MODEL

As CitizenM shuns traditional hotel employee roles, each area is manned with personnel which the company refers to as their "ambassadors". These employees balance multiple job roles and functions, from checking in guests to making a cocktail to recommending restaurants and whatever else a traveler might need. Despite the hotels' reduced staff count (for example, the Times Square NYC Hotel employs just six people, while a comparably-sized hotel would employ over 230), according to Chadha "we ranked higher in service than the Four Seasons". The company also keeps costs down by owning its own real estate and through the use of modular construction, by which rooms are manufactured in a factory before they're shipped to a job site for assembly.

Based on the concept of the mobile citizen, CitizenM was set up on the following principles;

- Light on operations
- High on technology
- Exceptional in service
- Affordable luxury
- Guests get everything they need and nothing they don't.

Hotels are designed and marketed as hubs by creating social spaces for guests, these hotels are becoming destinations, not just a place to stay. Hotels are found at key locations (prime metropolitan cities, and at major international airports).

All locations offer a One-Minute Check-in.

The Lobby acts as a Living Room; a social space with multiple corners for working and eating, lounges for relaxing, and places for sitting and watching TV.

The hotel is staffed by Ambassadors, Not Bellhops.

Self-Service Replaces Room Service with 24/7 exceptional Food & Beverage. 3,4,5,6,7



REVOLUTION AT CITIZENM 99



THE FIVE M'S

The hotel outlets and services are known as the five M's and can be found across all CitizenM hotels:

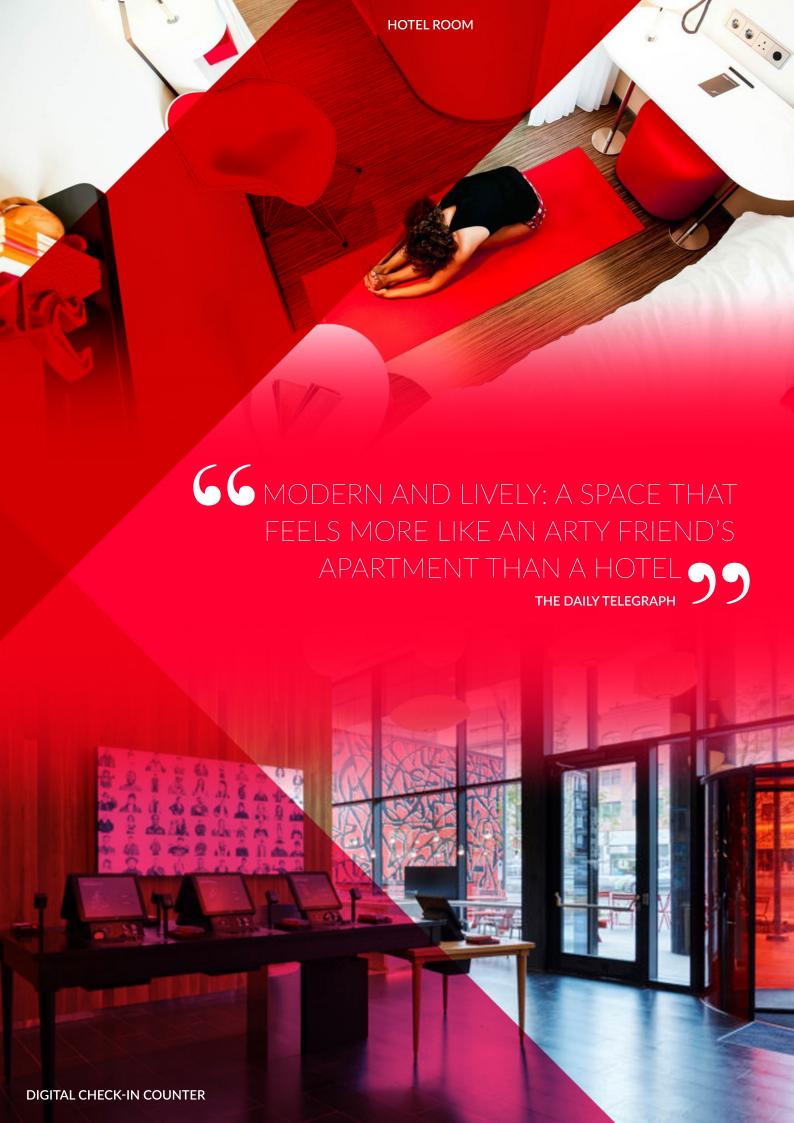
<u>-CanteenM</u>: 24/7 stop for guests offering the best of food and drinks.

-SocietyM: Creative meeting spaces with plenty of space and natural light, ergonomic furniture, innovative meeting props, inspiring art and design and optional food and beverages on demand.

-CloudM: elegant bars at rooftops with expert mixologists and available for private hire.

<u>-CollectionM:</u> last minute souvenir shopping, the best the world has to offer in handpicked items by CitizenM.

- CoffeeM: street-side style barista cafés.



ROOM KEY FEATURES

- XL king-size bed with an ultra-comfy mattress
- MoodPad for full room ambience control
- Electronic window blinds and curtains
- AM and PM shampoo/shower gel
- Spacious power rain shower
- Proper full-size hair dryer
- LED/LCD widescreen TV/ Apple Tv's
- Superfast, unlimited Wi-Fi
- Adjustable mood lights
- Wall-to-wall window
- Free movies
- Safe Room keys are RFID cards that double as payment method at CanteenM, as luggage tags for the return trip home, and they can also be used as new keys for the next stay at CitizenM.^{8,9,10,11,12,13,14,15,16,17}



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