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What's Next For The Hospitality Industry: Experts Dish On Best Practices For Hotel And Restaurant Re-Openings



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I'm a customer experience consultant and customer service trainer.

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As a customer service and hospitality consultant, I advise hotels at all star ratings and service levels (up to and including triple-Five Star Forbes Travel Guide properties) on “the hospitality part of the hospitality industry”: proactive customer service, standards and best practices, and moments of wow, large and small. A typical consulting engagement for me with a property involves mystery shopping, [customer service and proactive hospitality training](#), workshops, and ongoing advisory services.

More than ever before, though, with the massive changes wrought by COVID-19, I’ve been feeling that no single SME (subject matter expert), myself emphatically included, has all the answers. So I thought it would be enlightening today to check in with one of my favorites in this field, [Jay Coldren](#), Managing Director of Hospitality/Eat+Drink for Streetsense, a

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Jay Coldren JAY COLDREN

A 25-year veteran of the hospitality industry, Coldren's background includes roles as the Global Brand Leader for EDITION Hotels, Managing Director for Dean & DeLuca, and Director of Dining for the Little Washington (a Michelin Three Star property I've spent a lot of time with in [these pages](#)). In response to the global pandemic, Mr. Coldren and his team at Streetsense have developed a series of "tool kits" to support restaurants and hotels struggling with the impact of the crisis.

Micah Solomon, Senior Contributor, Forbes; customer service and hospitality consultant; author, *The Heart of Hospitality: Great Hotel and Restaurant Leaders Share Their Secrets*: The hospitality sector is going through an industry-wide catastrophe of proportions we've arguably never seen before. What are you seeing out there?

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a very long road back to something close to normal. They just want to know how they can fight back and save their businesses.

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Solomon: How long do you think this will take?

Coldren: When we started this, everybody thought this was going to be a two to three-month crisis followed by a relatively fast period of recovery. That's what has happened in previous pandemics in China and the Middle East and, in fact, that's how the COVID-19 stimulus legislation is written.

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What we're actually seeing, based on our global economic models, is an elongated period of recovery taking anywhere between 12 and 18 months to

business and occupancy for a year or more. This will require a lot of cash on hand to keep these businesses afloat.



Solomon: So how are you advising your clients to deal with this?

Coldren: For our clients, we have two main strategies.

For independent restaurants, we're recommending that they go into the relaunch like a start-up. They have to be flexible, creative, and nimble and figure out a way to use the infrastructure they have to make money in any way they can. If that means they pivot to run on-line delivery, grocery pick-up or curbside meal service – that's what they have to do. A lot of the pre COVID-19 business will not come back, so these smaller, independent establishments have to deal with this new reality. We're not advising people to abandon their core business, but to diversify their business and find

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For our boutique hotel clients, we're focused 100% on being cash-flow positive. Our strategy for them is to carefully monitor the market and reopen only when there's enough business to break even. And when they do open, we are recommending they only open with essential services, so that their staffing levels and costs equal the available level of business in a way that keeps them profitable. (Not 2019 profitable, but in the black). As the business comes back, they add back in more services and amenities.

Restaurants and hotels, like all businesses entering the pandemic economy, are going to have to be nimble, creative, flexible, and listen very carefully to the feedback they're getting from their guests. Nobody knows or can predict how consumers are going to behave in the new normal. Knowing that things are not going to be settled or get into a rhythm for many months is important. The businesses that will struggle the most are the ones that try to maintain their pre COVID-19 business models at all costs. This pandemic is a moment for our industry similar to a meteor hitting the earth during the time of the dinosaurs. It's evolve or die.

Solomon: Have you seen any interesting or colorful approaches to dealing with social distancing requirements? I know that one of my own favorite clients, the Triple Five Star (Forbes-rated) [Ocean House](#), has created a bar cart to go door to door among its guestrooms, staffed by a skilled mixologist and painted the signature “Ferrarri red” of the property’s bar décor. And another standout client of mine, Forbes Travel Guide’s Luxury Hotel of the Year, [Twin Farms](#), has been investing in outdoor spaces where guests can hide away for a private meal on Twin Farms’ lovely Vermont grounds. I advise properties to consider being *playful* as well as, of course, strict in their responses, and these two properties are certainly nailing it in that regard.

A local restaurant group in DC called Founding Farmers has turned their restaurants into curbside grocery stores. They've been able to rehire more than 250 employees and keep people busy throughout the pandemic. Who better to fill up a grocery bag with fresh meats and produce than a farm-to-table restaurant? We thought this was brilliant.

I also love seeing the fine dining places like [Alinea](#) in Chicago or Roses Luxury in DC doing curb-side meal pick-up. I don't want this to end after the pandemic. I'm dying to go to Alenia and have them put a five-course tasting menu into the trunk of my car so I can eat it at home. Amazing!

Solomon: You mention essential services for hotel guests. How do you think this pandemic is changing the mindset of consumers coming back into the market?

Coldren: Everyone's mind is on sanitation. For several years before the crisis the big rallying cry was sustainability. Everything was about sustainability, farm to table, and artisan producers.

It's as if sanitation is the new sustainability. People are coming back into the market with real trepidation, so they're going to be hypersensitive to small signals about cleanliness and sanitation and they're only going to frequent places where they feel safe. There's a lot of talk in the market about "sanitation theater." This means that operators will not only be practicing a higher level of sanitation in their businesses, but also showing the public in a more overt way that they are doing these things. This is a very smart strategy. Sanitation is not something you should hide any more – it should be front and center.

Solomon: Any missteps to watch out for?

anything that smacks of a lack of cleanliness or diligence on the sanitation front is going to send people running for the exits. We think that restaurants and hotels are going to need to hire or cross train employees to be full-time cleaners and stewards and sanitizers in the front of the house operation. This is probably the area where operators could alienate their customers the most.

The other thing that we're worried about is people rushing back into the market too quickly. The fact that government restrictions are lifted in your area does not mean that this is the best time to reopen your business. Operators, whether they're in the hotel or the restaurant business, should very carefully analyze their break-even point and jump back in the market only when they think that they can make enough money to stay above water. We're going to see a massive contraction in the number of restaurants in this country following the pandemic – primarily because of struggles with cash flow. It's essential that operators go back into the market with a clear-eyed understanding of how the business is going to return, and plan for staying afloat during the next 12 to 18 months.

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