

NEW YORK POST
Metro Edition – Tuesday, August 23, 2005

BUY ME!

Is it a boutique or a hotel? These days, who can say

By MARK ELLWOOD

August 23, 2005 -- AGATA Podedworny, a 30-year-old Brooklyn, attorney has an odd souvenir from her last vacation: a showerhead from the Westin hotel where she stayed. "I live in a 200-year-old brownstone, where the water pressure's awful," Podedworny says with a laugh. "It was the best shower experience I'd ever had."

When she got home, Agata logged onto Westin's Web site and ordered the \$100 Speakerman nozzle. She's so proud of finding the showerhead at a hotel that she's even left the Westin label on it.

Westin isn't the only hotel that's putting their rooms on sale. At W, you can buy almost anything you see. Visit the W site and you can purchase items ranging from the books sold in each lobby's boutique to full-size bottles of Bliss toiletries.

Sofitel's SoBoutique catalog offers bathrobes, cushions and even \$9 jars of honey, while Kimpton launches its online Kimpton Style store this summer, with a selection from the group's three dozen hotels.

The retail rage started five years ago, when Westin offered its trademark Heavenly Bed for sale to customers, kick-starting an entire industry. Since then, more than 7,000 beds have been sold at an average cost of \$2,675; in fact, the Heavenly Bed at Home's been successful enough to lure Nordstrom into stocking Westin-branded bedding and furniture in its stores last spring.

Retailing is such a hot prospect for hotels that they're outsourcing the job to firms created expressly to handle sales. Take recently launched Hoteluxury, whose first client is Boston's trendy Nine Zero Hotel. With the help of Hoteluxury, which is overseeing the hotel's new online catalog, you can buy almost anything in Nine Zero, from showy lobby decorations like an ornate rug (\$14,000) or glass chandelier (\$5,065) to handy take-home treats for your dog (\$5).

Hoteluxury vice president Sarah Bates says that luxury spots like Nine Zero can cost \$10,000 to \$30,000 each to design and decorate each room, and that hotels can recoup that money quickly by getting a percentage of the sales from bedding, bathrobes and furniture. Bates projects extra revenues of \$900,000 per hotel, per year.

Constantly bombarding guests with sales pitches, can be counterproductive. Some hotels now feature souped-up in-room “spa” bath products—for an extra fee—in addition to the standard shampoos.

There’s a subtle but significant difference between offering branded product—like the Carlyle’s pack of Dylan’s Candy Bar treats, packaged with branded wrapping so you can make like you were thoughtful without even leaving the room—and renting space for a fee. Tight-lipped industry observers won’t name names, but they say that some less scrupulous hoteliers are leasing in-room real estate to vendors.

Experts doubt that retail is a major revenue generator for most hotels. But hotels seem determined to fix that by offering big-ticket items. The Lyall in Melbourne, Australia, is test-marketing the concept of the room as art gallery; all prints in guest quarters are for sale.

Whether or not such revenue-generators end up turning a higher profit for hotels isn’t really the point, though. What gets the industry excited is the idea that they’re creating brand awareness. Every time you snuggle down under that feathery comforter, it’s a subtle reminder of who sold it to you.

What’s more, every sale—even Sofitel’s \$9 jar of honey—generates something more precious than cash: A database of loyal customers who can be aggressively targeted with future offers.