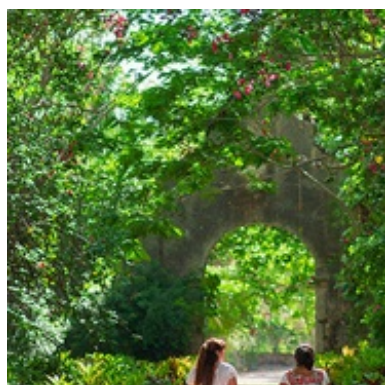


COMMERCE

Luxury Collection accelerates North American upgrade via \$300M infusion

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Hacienda San Jose, a Luxury Collection Hotel

By JOE MCCARTHY

Starwood's The Luxury Collection is converting and renovating a slew of properties across North America to rejuvenate the brand.

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The brand is on pace to surpass 100 hotels in more than 30 countries by the end of this year. To ensure that the brand's core properties safeguard The Luxury Collection's value proposition, a major infusion of funds will go to the improvement of North American hotels.

"As we look to accelerate Starwood's growth, we are shining an ever brighter spotlight on our world-class hotel brands to further incite innovation and create compelling guest experiences," said Adam Aron, CEO of Starwood Hotels & Resorts.

"We fully recognize the enormous untapped potential of The Luxury Collection, and with these new hotel openings and impressive renovations, Starwood is setting out for The Luxury Collection to become the world's largest luxury hotel brand by year's end," he said.

Fresh coat

Like most major hotel chains, The Luxury Collection partners with many independent

hotel owners.

While ceding independence, these owners receive a wealth of benefits as a hedge against competition in an increasingly noisy space. Some benefits include enhanced technological infrastructure such as Web sites and mobile applications, greater marketing power, loyalty programs, accumulated consumer bases and operational guidance.



La Posada de Santa Fe, a Luxury Collection Resort & Spa

The travel industry is experiencing rapid expansion, especially in emerging markets, and in this crowded space, the clout of trusted brands can be a lifejacket.

For hotel chains, acquiring independent properties inevitably entails some form of upgrade to ensure brand consistency.

The rise in United States travel is spurring The Luxury Collection to acquire more properties and renovate existing ones. The brand is aiming for this consistency through a \$300 million improvement effort.



Sunset Key Cottages, a Luxury Collection Resort, Key West, FL

A private island named Sunset Key near Key West, FL, with 40 luxury cottages and the Conrad Chicago were recently acquired and are slated for updates.

A multi-million dollar restoration effort will rejuvenate the St. Anthony in San Antonio. In 2016, a property in Napa Valley, CA, will open after several cottages overlooking a vineyard are completed.



The St. Anthony, a Luxury Collection Hotel, San Antonio

Properties in Hawaii, Minneapolis, San Francisco and Boston will all receive renovations in the year to come.

The Phoenician in Scottsdale, AZ, will unveil a complete redesign of its guest rooms and public spaces next year.



The Canyon Suites at The Phoenician, a Luxury Collection Resort, Scottsdale

The Luxury Collection recently completed a \$500 million restoration program for its European properties.

Steeper curve

The travel industry is being roiled by digital channels just as much as other industries. As brands expand internationally, they cannot afford to put digital investments on the back burner.

Travel industry sales are expected to climb to \$671 billion by 2018, and sales booked through mobile are expected to grow approximately 800 percent during this period, according to a report by L2.

A primary driver of this boom will be Chinese consumers traveling abroad. To net as much of this growth as possible, luxury brands will have to ensure that mobile and digital touchpoints are localized and meet escalating consumer expectations throughout the entire travel experience ([see story](#)).

Final Take

Joe McCarthy, staff reporter on Luxury Daily, New York

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