

TRAVEL AND HOSPITALITY

## Trump Hotels announced new brand in response to tech-driven economy

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*Trump Miami beach*

By FORREST CARDAMENIS

Trump Hotels is adapting to the sharing economy and recuperating youth support with a new brand concept.

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Although Trump Hotels has not named or provided specified details about the impending brand, it has said it will be in response to the "technology-centric we' economy." Besides the imperative to change wrought by technological growth, a new name presents questions as to whether the Trump brand will push or hide from its now-controversial name.

"Neither Trump nor his organizations and enterprises are running away from the Trump name; in fact, they're doubling down," said Rob Frankel, branding strategist & expert at Frankel & Anderson, Los Angeles. "People are scratching their heads about him, but I don't know why. The oldest adage in business is 'give the people what they want' and Trump has an uncanny knack for not only knowing what people want, but giving it to them, as well.

What's in a name?

Details are scarce, but the personality of the brand has been described as "engaged" and "agile," two words that reflect today's fast economy driven by technological change that has been embraced most openly by millennials.

Throughout the luxury industry, brands are taking steps to compete with or incorporate tech-led innovations. With transfer of wealth from baby boomers and seniors to millennials beginning to take place as the latter generation climbs the work ladder combining with sheer size, the millennial generation represents an enormous growth opportunity for luxury brands.

However, these consumers also focus more on the values a brand embodies than their parents, leading marketers to reorient their strategy in accordance with these new behavioral patterns.



*Donald Trump*

The polarizing presidential campaign of Mr. Trump has likely led to particularly notable image devaluation for the Trump Hotel brand in the eyes of many consumers. Moreover, opposition to Mr. Trump is particularly passionate among younger voters, who as consumers would be most likely to abstain from the brand for political reasons.

During his campaign, Mr. Trump, who is all but assured to be the Republican Party's nominee for the general election in November, has made repeated pledges to build a wall between the United States and Mexico and ban Muslims from the country. He has repeatedly come under fire for his attacks on women, minorities, the press and disabled persons.

Seen through this lens, a brand that might not have Mr. Trump's name directly attached to it is an opportunity to win over those consumers on their own terms and establish a more agreeable set of values.

On the other hand, many of the young consumers against Trump do not have the income to consider Trump Hotels, and there is no evidence the Trump name will not be included. Moreover, Trump has attracted fervor from supporters that equals that of the opposition. His hard stance on American protectionism, contempt for the status quo and slogan "make America great again" led him to an unlikely victory over professional politicians for the Republican Party nomination.

The impact of digital technology and the sharing economy is most pronounced among millennials but has pervaded other generations as well. The admiration Trump garners among so many constituents could therefore translate to aspiration and generate desire among a different group of consumers.

"This is a great time for Trump Hotels as we target a new and different type of guest with the same Trump standard of quality and excellence," said Eric Danziger, CEO of Trump Hotels, in a statement. "We also continue to enjoy strong performance across the portfolio and are very excited about the imminent opening of three high profile properties: Trump International Hotel Washington, D.C.; Trump International Hotel & Tower Vancouver; and Trump Rio de Janeiro Hotel."



*Trump Hotel Rio de Janeiro*

In addition, Trump Hotels is currently planning or considering developments in Dallas, Tel Aviv, Munich, London, Frankfurt and the Dominican Republic.

### **New markets**

The Trump brand is also under scrutiny internally.

In April, more than 500 workers at the Trump International Hotel Las Vegas officially unionized despite opposition from the property's management.

The hotel managers had expressed objections to the outcome of a secret ballot held last December, but the regional director for the National Labor Relations Board overseeing Las Vegas rejected their appeal. Trump has said it will request that the NLRB in Washington review the decision, but if the board chooses not to reexamine, the unionization will be permanent ([see story](#)).

While the Trump brand looks to gain favorability with younger voters, other hotels are looking elsewhere for growth.

For example, noting the value of localization, Four Seasons Hotels and Resorts has reconstructed its mobile application to make bookings easier for Chinese guests.

Four Seasons launched an app earlier this year, but rather than merely translating it into Chinese, the chain instead decided to design an entirely different app for the new market. The dedication and precision required in tailoring an app to a specific market is emblematic of Four Seasons' focus on service and the consumer's convenience ([see story](#)).

"I can't understand why the media would have such a tough time accepting that Trump is now more popular than ever," Mr. Frankel said. His style - no matter who likes/dislikes it - is extremely popular. So popular, in fact, that it has upended a firmly entrenched political party and garnered more popular votes than any of its candidates in history.

"So whether you like him or not, the masses seem to accept both him and his brand. Even if he's 'the man you love to hate,' so was Simon Cowell, and he did just fine."

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