

Deluxe Hotel Accommodations Increasing on Long Island *

BY DANIEL WAGNER

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Danfords Hotel and Marina, a venerable Port Jefferson resort property with buildings dating from the 19th century, is spending more than \$500,000 to introduce some very 21st-century upgrades: flat-screen TVs, iPod docking stations, high-pressure showerheads and name-brand bath products.

And the dated, slightly run-down Best Western on Riverhead's Route 58 that Garden City-based Jaral Properties Inc. bought in 2004, also is investing in similar upgrades.

Despite being an entirely different property, pitched to a different clientele and at lower rates, the Best Western is spending to keep up with the "amenity creep" that Jaral senior vice president Rob Salvatico said has taken hold in recent years.

"People have come to expect so much more than the hotel rooms of 10 years ago," said Salvatico, explaining why his company is adding stone surfaces, wireless Internet and other services to help guests feel more at home. "The industry has gotten smarter -- it's a rat race to see who can be the best."

As hoteliers at these and other hotels across the Island upgrade and replace those critical little niceties that affect guests' experiences -- lighting, Internet connections and audiovisual equipment and even the scents piped through hotels' ventilation systems -- many are trying to give increasingly demanding customers than what they may have in their own homes.

Now, home is a tough rival

"Years ago, people would go to a hotel and it would be like heaven, because you're escaping to this fantasy land of this house you don't have," said Brian Rosenberg, a 25-year veteran of the hospitality industry who is overseeing the construction of the new Allegria Hotel and Spa in Long Beach for the Alrose Group, which reportedly is also in contract to buy the Garden City Hotel. "Now people have it as good or better at home, the way technology has rolled. To be able to top or match that, you've got to top what people have at home."

Other hoteliers agreed.

"You're trying to make your room more residential," said Mike Johnston, president of the Long Island Hotel & Lodging Association and general manager of the Long Island Marriott in Uniondale. That's how his hotel is using the \$40 million its new owners, Charles Wang and Scott Rechler, last year pledged to upgrade the site.

"Every year we take care of the priorities, but in a big renovation we do a lot of surveys, bring in big-time designers and ask, 'What's the future going to look like?'" said Johnston, whose redesign was developed in part by Marriott's brand team.

Special for Generation Y

He said the company is focused on providing an experience that will "attract the members of Generation Y [born between 1980 and 1994] that are the new business travelers now." That means in-room docking stations that connect to iPods, computers and the obligatory flat-screen TVs; ergonomic desk chairs and a lobby designed to draw guests in during the day and night with a plush lounge and more modern lighting and colors.

Weiner agreed this desire to make guests "feel like they're at home" drove many of the decisions Danfords' owners, Westport Capital Partners LLC in Connecticut, made when planning to renovate that property.

"It was old, and it was tired," he said. "It still had the prettiness of being on the water, but it wasn't up to date with amenities." To match what other high-end hotels were doing, he and the owners decided to add flat-screen TVs ("a must," he said), iPod docks, wood-frame furniture designed to last more than the typical two to three years, and glass-enclosed showers with rain showerheads and body sprays.

"I think in this day and age if you're paying a high rate for a room, you kind of expect it," Weiner said.

Indeed, these upgrades do not come without cost to consumers. Weiner said he introduced a "sudden and substantial jump in the base rate" in conjunction with Danfords' renovations, and other hoteliers acknowledged more costly upgrades force them to push prices north -- immediately or over time.

More guests despite rates

That hasn't been a problem at Danfords, which so far this year has produced stronger revenues than Weiner has seen in comparable months -- and he's been at Danfords for more than 10 years. Average daily room rates, a key measure in the hospitality industry, are up from \$140 to \$183, and occupancy is higher, too.

Weiner said these results, which he attributed to the upgrades, are especially impressive in a softening economy.

Indeed, with a looming recession, skyrocketing gas prices and corporate clients cutting their travel budgets, hotels are looking to find their own niches by offering extras for guests that will not just help them keep up with competitors, but also give them an edge in the ever-stiffer competition for customers.

Salvatico, who has seen a new Hilton Garden Inn sprout near two of his company's hotels, said the Best Western renovation will bring a new, regional flavor to the dated hotel.

"We're renovating it not only to bring it up to date but to give it a theme feeling -- something more reminiscent of the North Fork," he said. He said an evolving business model and consumer demands had forced his group to "make a full leap into the future," adding barely noticed improvements like sound insulation but also focusing on what could differentiate the property from new and existing competitors.

That's why the Best Western has installed authentic old barnwood paneling and local memorabilia in its function room -- to provide a bit of a sense of vacation or getaway even for those who have come for corporate meetings.

While Danfords targets a very different clientele, Weiner said it is also focused on marketing in its own backyard amid a sagging economy.

"The economy is a little soft and people are taking shorter trips, but there are 3 million people on Long Island," he said. "Last weekend we had people here from Plainview, Massapequa and Long Beach."

And the property's location on the water in a village with foot traffic and ferry service doesn't hurt either, Weiner noted.

"I'm past just trying to get heads in beds," he said. "Now we're proud of what we have."

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