

The future(s) OF THE HOSPITALITY INDUSTRY



COVIVIO × Usbek & Rica

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Editorial

THE FUTURE(S) OF THE HOSPITALITY INDUSTRY



In many ways, today's hospitality industry is a hybrid object. An object that has long since ceased to simply be a place for passing through. The hotel sector is now the center of an entire ecosystem where urban, technological, environmental and social issues meet. It is a never-ending laboratory where all the changes that are sweeping through society are at work.

In this increasingly complex world, the hotel must face a brand-new challenge: it must rethink its entire *raison d'être*, its entire purpose. This does not necessarily seem so trivial at a time when competition is high and where there appear to be just as many hospitality models as there are travelers' expectations. The hotel is, first and foremost, a place that is a hive of activity which achieves the feat of welcoming in the busy worker, the family on vacation or the globe-trotting couple, all within its four walls. As such, it is a space that must speak to everyone, while also meeting everyone's needs. Because when it boils down to it, each customer is unique and must be considered as such. Regardless of whether it is the destination or a stopover, the hotel is an integral part of the travel experience. It is an immersive, multifunctional, unique and cultural experience. As such, it must act as a protective cocoon as much as an open space connected to its cultural, economic, urban and leisure environments. Finally, the hotel is a social crossroads where new needs meet, in terms of services and accommodation, collaboration and working methods, how people travel, and environmental expectations.

Far from being constraints, these diverse issues are what makes the hospitality industry an industry that is constantly evolving. Above all, it is a question of competitiveness and attractiveness in a sector where competition is tough and expertise so valuable. Nevertheless, this remains a challenge. Because the hospitality industry is an economic sector founded on local roots and real estate, whose strategies and investments are built over the long term. All the more reason to know how to decipher market trends. And this is exactly what we sought to do in this white paper which explores the different futures of the hospitality industry. The aim being to identify the risks and opportunities, and to be able to answer one simple question: what is the future(s) of the hospitality industry?

Happy reading.

Tugdual Millet,
Directeur général hôtels, Covivio

How do you travel?

or the future of hospitality
in 8 trends flat

From responsible tourism to connected services, travel today will shape the hotel of tomorrow. Let's take an eight-stop tour of the mid-term trends emerging for tourist accommodation of the future.

A return to reasonable tourism

Barcelona, Venice, Athens, Amsterdam and Bali... Just some of many destinations now synonymous with overtourism, with damaging consequences for the environment and for local communities. From turnstile gates, tolls, time slots and access permits, to bans on cruise ships docking, on the other end of the scale, coercive measures are being introduced in answer to the current tourist bashing that is rife. While hotels cannot be held responsible, they are however the epicenter of travel and, as such, have a role to play in how people travel. The hotel will have to be more of a model to its customers, for example through its sustainable practices, collaborations with local communities and raising awareness of local cultural heritage among travelers. Responsible practices also helps create a better balance and spread of tourists throughout the season, and to promote alternative attractions to visit, to help avoid the crowds. The hotel of tomorrow will play a role in its local cultural and heritage landscape, and have a responsibility to ensure the latter is respected.



Sustainable travel: the new standard

Sustainable travel is becoming a crucial factor for travelers, who are increasingly aware not only of the environmental impact on the places they visit, but also of the climate pledges made by such places. Simply displaying a notice in the hotel bathroom asking guests not to change their towels daily is no longer enough. According to a report on sustainable travel¹ published by the reservation platform Booking.com, 83% of people surveyed say that traveling more sustainably is important to them. And 45% prefer accommodation

1. <https://news.booking.com/fr/le-dernier-rapport-de-booking-com-sur-le-voyage-durable-met-en-evidence-les-defis-auxquels-sont-confrontes-les-consommateurs-et-souligne-la-necessite-dune-collaboration-entre-les-differents-secteurs/>



that has a sustainability certification. Consequently, hotels must increase their efforts. French certification labels such as Clef Verte, Écogîte and Bio Hotels already provide insight into an establishment's sustainability credentials. But this may no longer be enough, further down the line. Renovations using sustainable materials, rainwater harvesting systems, waste reduction, having renewable energy providers, developing a local network and introducing a circular economy... The future involves certification labels that reward initiatives implemented to meet the needs of a clientele that is increasingly aware of its environmental impact.

Hotels have a role to play in how people travel.

The future(s) of the hospitality industry



Travel: mixing business and pleasure

The distinction between travel for business and travel for pleasure is over. Even the distinction between a businessman or businesswoman and a tourist is over, for the simple reason that these two sets of people ultimately only constitute as one. The concept is brought to life by the word *bleisure* (a portmanteau of "business" and "leisure"), this desire to travel mixing work and pleasure is destined to develop in the future, with an estimated growth of 500% within 10 years², according to figures from the Statista institute. The hotel of tomorrow will have to accommodate these two reasons for travel. Offering hospitality that alternates between business and leisure, either within the same day or to bookend a few days of free time on either side of a business trip. This means that hotels need to know how to combine functionality with pleasure. Offering connected meeting rooms alongside leisure facilities, or entertainment in addition to practical services. The hotel of tomorrow will therefore be resolutely hybrid.

The entire sector needs to reinvent itself to attract and retain talent.



A "loving place" for talent

The hospitality industry is under a lot of pressure. According to estimates by the UMIH (the French union of hotel trades and industries), there is currently a workforce shortage of over 100,000 workers in all areas in the hospitality and catering sector in France. If a hotel is to become a "loving place" in the eyes of its customers, there is no reason why it should not be able to become one in the future for its employees too. The entire sector must therefore reinvent itself as an attractive employer if it is to retain talent. It must first begin by re-evaluating its pay packages, and find a balance between material and immaterial benefits to improve workplace well-being. The future of the hotel industry belongs to those who will invest in their workforce and become desirable for their staff again. Because in a hotel,

perhaps more so than anywhere else, human interaction will always be what makes the difference when it comes to attentiveness and quality of service.

Wanted: authenticity



Travel is an experience. The Hilton group's 2024 report³ on travel trends reveals that for 86% of travelers, this experience involves local cuisine, meanwhile for 40% of travelers it is a desire to discover

local customs and traditions. The search for authenticity is a driving force for which travel accommodation is an effective fuel. This no longer means building new hotels, but rather renovating existing buildings and showcasing their history through original features. Converted warehouses, old banks and historic buildings are a way of sharing heritage and authenticity. An experience is enhanced when the setting comes complete with a gastronomic approach and a window to local culture and heritage. Not only is it a way of tackling urban land scarcity, but it is also a way of meeting guests' expectations and the owner's economic imperatives too.

Renovating existing buildings and showcasing their history.

Using the intangible to create unforgettable experiences



Times are changing. Based mainly on criteria concerning comfort and quality of service, the hotel star rating system is outdated and no longer meets travelers' true needs. According to the

results of the C10 Ifop 2020 survey⁴ on responsible practices in the hospitality industry (cafes, hotels, restaurants), 74% of French people cite at least one CSR factor as a criteria when choosing where to stay. Access to digital services, personalized service, attention to detail with the interior design, the overall charm of the place... and traveler reviews on booking platforms, which are also intangible criteria that truly count when choosing where to stay. Consequently,

2. <https://www.statista.com/statistics/1067847/bleisure-tourism-market-value-worldwide/>

3. <https://stories.hilton.com/2024trends>

4. <https://www.ifop.com/publication/les-pratiques-responsables-chez-les-chr-cafe-hotellerie-restauration/>

more and more hotels are consciously working towards achieving certification for quality, service, personality and charm, or environmental commitment, such as the following: Tourisme & Handicap is for establishments committed to accessibility initiatives, Rando Accueil is for establishments that cater for hikers and cyclists, meanwhile Cheval Étape is for horse riders, Charme & Caractère brings together independent hotels offering unique services, facilities and experiences, Green Globe rewards establishments committed to sustainable tourism, and finally Destination d'Excellence, which replaced the Qualité Tourisme certification in summer 2024, is for establishments committed to sustainability and increasing accessibility. In the future, it'll be less about comparing yourself to others and more about standing out from the crowd, which has become a deciding factor for travelers.

AI present on all fronts



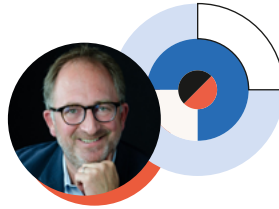
Artificial intelligence is revolutionizing every sector. And there is no reason why the hotel and accommodation industry should be an exception. AI opens up new perspectives. When it comes to reservation optimization, AI is likely to anticipate trends and predict occupancy rates well in advance, and even establish dynamic pricing based on reservation forecasting. As for customer services, we should expect to see the arrival of personal assistants offering a personalized service to each visitor and for each situation. Whether they want to work on their swing, spend a day on the ski slopes or visit a tourist site, customers will be in constant contact with their virtual concierge, who will receive their requests and respond to their queries at any time. And AI will soon be making an impact on building management too, by automatically regulating energy consumption, monitoring the status of infrastructure in real time, and predict maintenance and repairs. There is an AI for every task, although technology will never replace the personal connection of human interaction, which is the only thing that can offer a truly meaningful hospitality experience.

Artificial intelligence is revolutionizing every sector and opens up new perspectives.



Unique brands, distinctive experiences

In a world dominated by impersonal platforms, tourist accommodation establishments are banking on the power of their brand to make a difference and offer a unique experience. Concierge services with the complete package are no longer always enough. Accommodation is now synonymous with an experience. Highly Instagrammable decor, themed events, beer or mixology experiences, architecture in harmony with the surrounding environment, loyalty programs, and community spirit are all part of hospitality and help clearly position a building in travelers' minds, with a promise and an offer that stand out from the crowd. Some establishments are banking on a particular segment with a specific offer to attract a certain clientele. Others, such as large hotel groups, are diversifying their portfolio with a broad range that meets as many specific needs. The important thing here is to find the arguments to create a connection and develop brand attachment. The future belongs to establishments that have been able to build a strong brand and reveal their strengths.



Damien Perrot

Rethinking hospitality through design

For Damien Perrot, Accor's Global Chief Design, Technical Services & Innovation Officer for premium, midscale and economy brands, design is much more than an aesthetic exercise. It is an iterative and collaborative process, a compass that guides the hospitality industry towards the future. It meets customers' ever-changing expectations, while reinventing spaces, how they are used and the experiences made there. But what is the real purpose of design in this sector? What are its fundamentals, its limits and its promises? We chat with Damien Perrot, who explores the key role of design in a rapidly changing industry and shares his vision of a future where creativity and adaptation are the watchwords.

What does design represent in hospitality? And what is its real purpose?

Damien Perrot The term "design" is, often wrongly, used ubiquitously. It's crucial that we redefine it. Design is a method, a process that enables creative solutions to emerge in response to complex challenges. It's not just about creating beautiful objects or spaces: it's a strategic tool that can be used to strengthen a brand promise, to improve a hotel's economic performance or even respond to environmental or social challenges. Design isn't limited to the finished product: it's an approach that problematizes issues, explores possibilities and co-constructs adapted solutions. The earlier design is applied to the ideation process, the more effective it is to create spaces that meet our customers, our hotel managers and also our hotel owners' wide-ranging expectations. The renovation of the Novotel Brugge Centrum is a perfect example of how this process was implemented, process, in collaboration with Covivio.

In hospitality, design puts the customer at the center of the equation. As an iterative process, it enables a brand to constantly evolve and be in tune with its customers, rather than remaining set in a static approach. For example, for ibis, we totally reinvented the bedrooms and leisure areas to meet the expectations of a diverse and rapidly-changing

clientele. We applied the same approach for Jo&Joe, Da brand that embodies the modern youth hostel, which stands out distinctly from previous generations of hostels. The so-called "lifestyle" brands that were created over the last twenty years are also a direct response to societal changes, such as uberization, digital nomads and digitalization. These brands offer experiential leisure facilities that are aimed at communities looking for new ways to meet.

It is the customer who inspires how a space will be used, its function and its layout. Design brings together in a creative process all those who have a say in building a brand, not only the designers, but also marketing, operations and development.

Can everything be reinvented or are there intangible fundamentals in hospitality?

D.P. Design encourages us to question what already exists, to press the reset button. With this logic in mind, everything can be reinvented. Everything has to be, because hospitality is an industry that is constantly changing, one that constantly reinterprets itself to remain relevant.

This never-ending evolution is a strength: hotels are no longer a static space, instead they offer a range of uses and purposes. For example, why limit yourself to a fixed place? The idea of a mobile hotel, adapted to modern-day needs, could be explored. However, two fundamentals remain unchanging: the bed and the human connection. The bed, because it constitutes the primary function of a hotel. And the human connection, because this encounter, this connection, is what differentiates a hotel from a simple accommodation rental. The hotel is a social crossroads, whereas private spaces, such as houses or apartments, are designed to isolate you from the outside world.

Adopting an ever-changing dynamic also means cultivating a fundamental optimism.

Are there any positives to standardization? How do you preserve a unique brand experience?

D.P. Every brand is based on a certain standardization, because it responds to the customer's need for reassurance. Standards define the codes which anchor the experience in a familiar surroundings. However, these standards are not constraints: they form a brand's identity, but they must be able to be

adapted to each local environment. As such, each hotel remains unique while offering a coherent and identifiable brand experience throughout the world. Design plays a key role. Once the fundamentals have been established, you shouldn't be afraid to push the boundaries, bring talent on board from outside the hospitality industry to get a fresh perspective on things. I often take an example of this from the fashion world. When Louis Vuitton hired Pharrell Williams, he reinvented the house codes without betraying its spirit or French identity. It's this ability to combine innovation and a respect for heritage that ensures a brand remains relevant over time.

What are the major trends driving change in hospitality right now?

D.P. One of the main challenges lies in successfully uniting not only customers, but a broad spectrum of stakeholders around a common vision. Immersive experiences requires everyone to be on board, from management to staff and partners.

Furthermore, hybrid concepts – co-living, long-term stays – are blurring the traditional boundaries. These concepts require bespoke business models, which not only meet hotel owners' performance expectations, but also social and urban challenges.

Lastly, social and environmental issues, such as reducing carbon emissions, are redefining the role of the hotel within a wider community. It is no longer simply about providing services to customers, but rather about integrating into the local ecosystem, reflecting the community, providing support and playing an active role within it. Although these challenges are complex, they're exciting too, because they encourage us to revisit the fundamental question: what is a hotel for?

And this question too is at the very core of design. [En savoir plus sur le partenariat Accor x Covivio](#)



SUSTAINABILITY CAN'T WAIT

What hospitality can do to be
a good ancestor



To achieve the Paris agreement pledges, the hospitality sector faces a colossal challenge: reduce its carbon emissions by 66% per room by 2030, and by 90% per room by 2050.

Hotels must reinvent the way in which they operate to adopt more sustainable practices, all while maintaining impeccable quality standards and meeting guests' expectations. The challenge is no longer so much about creating sustainability flagships, but incorporating sustainability into the daily operations of all hotels, by generalizing best practices. While some changes require substantial investments and a long-term vision, other actions can be implemented right now. Here are eight concrete initiatives already operating by others in the industry, to inspire hotel owners to act without delay.

1. ADOPT A COMMON LANGUAGE BETWEEN ALL STAKEHOLDERS

Too many projects get blocked at the concept phase due to lack of co-ordination between stakeholders or because of misaligned objectives. For sustainability to be effective, a common language is needed, by adopting an established framework of reference such as SBTi or the CRREM.⁵ Some regulations have become more streamlined over the years for increased efficiency, making considering implementing long-term decarbonization strategies a possibility. This is the case of the EU's Energy Performance of Buildings Directive (EPBD) and how it has been implemented into French law.

All these tools are designed to make it easier to work coherently towards goals shared by all parties

concerned, from the entire hotel workforce to environmental specialists and even asset managers.

[Find out more](#)



2. DYNAMIC AND FLEXIBLE SPACE MANAGEMENT

Located inside the Stream Building developed by Covivio, France's very first Zoku hotel optimizes spaces by adopting a hybrid approach to work, rest and play. Its modifiable loft spaces are designed to adapt to the needs of travelers and digital nomads alike, maximizing the building's occupancy by transforming into living or coworking spaces, according to demand. At the same time, the restaurant, meeting rooms and rooftop are open to guests and non-residents alike, ensuring a smooth and dynamic use of the infrastructure. This model limits energy waste linked to vacant spaces, while diversifying revenue streams, and as such increases the hotel's resilience and attractiveness.



[Find out more](#)

3. GET GUESTS AND STAFF INVOLVED IN SUSTAINABILITY INITIATIVES

Hotel group Marriott International offers members of its Bonvoy program the chance to convert their points into a donation for environmentally-certified projects, such as reforestation or renewable energy development. This model makes customers more committed on an individual level, while increasing customer loyalty among eco-conscious guests. Some hotels directly reward customers who adopt sustainable consumer behavior, like the Hotel Schweizerhof in Zurich, which offers free drinks to guests who forgo daily housekeeping.

At Covivio, sustainability goes way beyond the scope of our environmental team. Over the past few years, decarbonization is an issue that has even been incorporated in the center of our asset managers' role, which includes specialized training sessions and project-specific objectives. And when it comes to design and hotel management, it is a guiding principle which everyone – from those who design the hotel to those who bring it to life – is encouraged to make their own.



5. Carbon Risk Real Estate Monitor, <https://www.crrrem.eu/>

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4. TRIAL INITIATIVES BEFORE MASS-SCALE ROLLOUT

Trial schemes are a crucial step to test whether sustainability initiatives are relevant. Immediate feedback is a must too, in order to evaluate the possibility of deploying solutions on a larger scale and inspiring other hotels to follow suit. For example, in 2024 the B&B Hotel Frankfurt Offenbach installed a heat pump, reducing energy needs for hot water by a third. This trial will serve as a model before widespread rollout in 2025.

At Covivio, decarbonization must be carried out widescale, across a large number of hotels. In addition to continuous efforts from within the hotels themselves, this requires in-depth planning that must be implemented in stages. Fossil fuel phase-out, energy efficiency and energy “sobriety” are the triptyque behind the group’s decarbonization strategy. Installing heat pumps for hot water and heating is the most important action. Developing smart buildings is also a strategic lever that can represent 15% in energy savings, by optimizing ventilation management in meeting rooms and restaurants. Thanks to these actions, Covivio will be able to achieve the objectives it set for its European hotels by 2030, such as reducing carbon emissions by 70% (in carbon intensity per m²) compared to 2010 figures.

5. EMBRACE UPCYCLING

The design of Accor’s greet hotels incorporates the principles of upcycling, creating something new from something old. While the idea is nothing new, it does inspire creativity. Mismatched tableware, wooden crate bookshelves, pool ball coat hooks and even coat hangers made from old tires... recycled materials add a quirky touch and help create a hotel’s unique identity. And guests can even get involved too, with upcycling workshops offered onsite.

Beyond the day-to-day running, hotels must also re-think the way in which they are implementing change. Supporting a circular economy and maintaining and repairing existing structures must take precedence. In parallel, this forces us to answer some practical questions: What can be done to extend the lifespan of hotel rooms and their furniture? And what design elements can be implemented to produce less carbon emissions while providing a better customer experience?

6. RAINWATER HARVESTING

The Covivio-owned Meininger hotel Paris Porte de Vincennes tested an innovative system to harness heat from wastewater from its showers, which is then used to heat domestic water, thus reducing gas consumption, which is now only used as a backup. Greywater can also be used for watering gardens and plants, an initiative seen at the Novotel Itu Terras in São José, Brazil, where 4.4 million liters of water were reused in 2023.

7. OFFER ECO-CONSCIOUS MENUS

The Hôtel du Couvent in Nice offers menus crafted using locally-sourced, seasonal produce, for a more sustainable approach to gastronomy. The hotel has partnered with local farms to source fresh, organic and seasonal produce, in turn reducing its carbon footprint linked to food miles while also supporting the local economy. This initiative also encourages guests to discover the region’s gastronomical and agricultural heritage.

8. REDUCE FOOD WASTE

The Mövenpick Hotel Zürich Regensdorf in Switzerland has collaborated with the app Too Good To Go, to offer discounted meals made from surplus unsold food. Thanks to this initiative, the hotel reduced its food waste by 90% and redistributed 800 kilos of food in 2022. All profits from meals sold via the app are donated to local charities.



Fleury Courtin



Sébastien Fortin

Well-rounded hotel seeks staff for serious relationship

Where has all the hospitality talent gone? The number of job vacancies in the sector has increased steadily over the past ten years, reaching a near record of 385,510 in 2024.⁶

However, the percentage of recruitments judged “difficult” by employers has almost doubled over the same period, reaching 59.2 % in 2024.⁷ At the end of September 2024, there were just over 62,000 vacant positions. The hospitality industry is actively recruiting, but the job candidates are nowhere to be seen. A staff shortage is beginning to bite and it is a cause for concern, forcing a good number of hotels to reduce their activity due to a lack of staff. So what does this HR challenge look like on the ground? What are industry players doing to try and solve the problem? How can it attract and retain skilled hotel workers? Sébastien Fortin, HR Director at WiZiU, and Fleury Courtin, Area General Manager of WiZiU Hotels in Lille, shed some light on the issue.

How would you describe the recruitment situation in the sector and in your respective domains?

Sébastien Fortin The Covid pandemic has had a profound and lasting impact, the extent of which is only just starting to be felt. Before the pandemic, there wasn't much difficulty in recruiting people. Despite a high turnover, which is characteristic of the sector, the problem lay more in our ability to retain staff rather than hire staff. Covid changed a lot of things, not only in our sector. The unprecedented circumstances surrounding the pandemic pushed people to question the cons of traveling to work, the working conditions, the long hours, the lack of flexibility, and to find ways to prioritize mental health, a work-life balance and well-being. Jobs in this industry are demanding and have a reputation for being difficult and restrictive, in addition to being poorly paid compared to their demanding nature. As such, hospitality jobs were among the first targeted by workers

6. France Travail, *Enquête Besoins en main-d'œuvre, 2024*

7. France Travail, *Enquête Besoins en main-d'œuvre, 2024*

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for a desire for change. Especially since, post-Covid, customer relations have also demanding, and these relationships need to be reinvented.

Fleury Courtin I would also add that apart from the widespread recruitment issues, there is also a skills shortage. It is increasingly difficult to find multi-skilled workers to suit our establishments. A hotel like the L'Hermitage Gantois in Lille is steeped in more than 550 years of history. The building used to be a hospice, then a hospital, before becoming a hotel. Historic buildings are merging with new technology, and it is hard to find skilled workers capable of managing both equally well. A hotel is made up of its rooms, a spa, the kitchens, lounge areas and offices, a wide variety of spaces that require different standards and practices. This requires a higher level of engineering than that found in most skilled workers, who have often had specialist training. The majority of training courses currently don't prepare for the diverse skills we're looking for or our need for flexibility. It's a different problem when looking for kitchen staff, for there tends to be a lack of passion for the job. The Covid pandemic certainly changed things in terms of desirability for hospitality professions, but I also think there is an image problem. Television shows (such as *Top Chef* and *Masterchef*) and the explosion of influencers on social media have certainly helped to create a boom in popularity for culinary professions, but they give a watered-down version, disregarding the individual work and teamwork that goes into the job, both of which are essential.

What are the possible solutions to balance out the situation and retain skilled workers?

S.F. Hospitality has always been rather formatted, with a set way of doing things, with set rules and expectations that have barely changed, even though job applicants and wider society have changed significantly. A lot of work needs to be done to open up the job landscape to more diverse profiles, in terms of character, age, career history and professional training, without compromising on the standard and level of quality in the service provided. We need to be more accepting of people as they are, because they reflect today's society, and therefore our customers. The luxury sector has cottoned on: if you walked into the store of a major label a few years ago, all the salespeople looked exactly the same. These

days, you'll find more individuality and diversity, so that customers can see themselves in the people who represent the brand. Therefore, it is up to us to create work environments conducive to job fulfilment and diversity. Managers need to be more accessible and provide more support and understanding, and this needs to be a concerted effort industry-wide, from hotel management schools to customers. We can also activate other levers, especially on employer branding, with HR initiatives to build staff loyalty, by replicating what major business groups are already doing (seniority pay, co-optation, etc.). We began introducing measures with WiZiU, Covivio group's hotel management platform launched in the fall of 2024, such as uniting around a common identity that goes beyond branding logic, generating internal mobility, and creating an environment which inspires everyone to emulate success. This should enable us to build longer-lasting relationships with our employees, and offer long-term career paths with renewed career prospects.

F.C. We're expanding our scope of recruitment to speak to more potential candidates, whether for culinary jobs or skilled roles. It is easier to develop a hard skill than to instill a soft skill: all customer experience roles are inherently transferable to the hospitality and restaurant industry, because we share the same DNA, which includes customer service, the same passion for customer interaction, and mutual respect. A lot of work needs to be done to promote jobs in the sector and their image, to show the true reality and diversity of the situation. It's not about overselling a promise, but about making clear what the vision is, as well as a person's role, purpose and place in the collective whole. We must also show the development opportunities, to give people a reason to invest in their work, to consider it as a career and not just a job, and therefore build employee loyalty for hospitality professions and establishments. This is a fundamental lever to capture attention. As part of this process, we also need to ask ourselves what can we do to offer career tasters, providing an insight into our industry through work experience programs for high school students or traineeships. But for all of these approaches, we need to put people back at the center, and think about the career aspirations of those we seek to convince, and give them the means to imagine themselves working in our industry.





THE HOTEL OF 2035: A GUIDED TOUR

A fictional future, inspired by true events

A few bends in the road and a little ocean spray, that is all that separates **Le Soco** from the historic center of the small Basque town of Saint-Jean-de-Luz. However, we are half a world away from the hustle and bustle of the city and the buzzing metropolitan area that now spans the southern part of France's Atlantic coast. Because Le Soco is a new type of hotel, one designed for the latter half of the century, where the environmental, climate, social and demographic crises are piling up. The challenges are omnipresent, but the hotel has found ingenious ways to tackle them.

LIVING, MODULAR ARCHITECTURE

From the road, it is almost impossible to distinguish Le Soco from the natural environment, as the building looks more like an extension of the surrounding ecosystem, rather than something man-made. While some of the exterior walls are covered with transparent solar panels which absorb sunlight while also letting light through, others are green walls which have a dual role: not only do they purify ambient air, but they also provide a natural habitat for seabirds and local microfauna. The native plants species were specifically chosen for their ability to flourish here, an area that gets battered by winds and the salt-spray.

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The building itself is built from recycled materials and operates on a system of modular units, offering total flexibility. Each floor can be reconfigured to suit any need, be it an international conference today, perhaps a festival tomorrow, or even a wedding next weekend. This design maximizes space, enabling the hotel to attract a rather diverse clientele.

HYPER-PERSONALIZED CUSTOMER EXPERIENCE

Once a guest has made a booking, they are assisted by AURA, an AI-powered bot with a subtle, non-intrusive presence, but whose input proves to be vital. Before a guest's arrival, AURA collects their preferences – in any case, those they choose to share – and adjusts every detail of their stay accordingly: the temperature of their room and shower, the brightness of the lights, the tone of voice for voice commands, the tv channel, their favorite foods and even the itinerary of cultural activities – just in case they decide to take a nap after lunch and change their schedule. AURA doesn't replace humans, but it does take over the logistical tasks, freeing up their time to focus on interacting with guests and building customer relationships.

The rooms come fully complete with connected devices, and can be rearranged to meet individual needs. A hologram can appear for a virtual meeting or a family call, and a relaxing beach background can be projected onto the walls for an immersive meditation session. The modular space can be easily reconfigured, thanks to a simple voice command which controls the wall partitions, making it perfect for intergenerational and family stays, fostering interaction while also preserving each person's privacy.

SUSTAINABILITY AT THE CORE OF EVERY FUNCTION

As water has become a highly regulated resource, the hotel's approach has been designed to place as little pressure on ecosystems as possible. For example, the showers operate in a closed circuit, using steam to reduce consumption by 90%. Wastewater is then reused to water the indoor gardens and vertical farms. The hotel is energy independent, thanks to its mini-hydrogen reactors, solar and wind power generation, and from transforming food waste into energy.

Adjacent to the main building, vertical farms produce the majority of the fruits, vegetables and herbs served at the hotel's two restaurants. Each dish is locally sourced, using ingredients grown less than 30 kilometers away. And traceability has been amplified to the max, as each dish comes complete with its own carbon footprint review that customers can consult in real time.

A personal carbon credits system was introduced in 2030. Each guest has their own annual quota, which they can use however they like. Credits can be spent, but also earned. Guests staying at Le Soco receive a detailed carbon footprint breakdown based on their options and activities: from what they ate to how long they spent in the shower, energy consumption is transparent. Guests who adopt sustainable practices or take part in eco-friendly activities can reduce their final bill or leave with a positive balance.

FROM MODULAR DESIGN TO ENERGY "SOBRIETY," THE SOLUTIONS DEVELOPED BY LE SOCO ARE ALSO KEY TO ITS FINANCIAL SUSTAINABILITY AND PERFORMANCE.

THE HOTEL WITHIN ITS COMMUNITY

Le Soco is not just a place where people come and go. It is a focal point for locals, who have free access to its facilities, such as libraries, coworking spaces and even the kitchens, which can be used to prepare meals for large family gatherings. The weekly cultural program and workshops also attracts a diverse crowd.

The hotel is also a haven for biodiversity and houses a research center. Its rooftops and gardens have connecting wildlife corridors, helping to boost pollinator populations and native animal species. Sensors monitor air, soil and water quality, and the data is shared with the scientific community.

The hotel has been designed to withstand natural disasters and can provide emergency shelter to communities affected by extreme events, thanks to its energy and water reserves. What's more, its self-contained, mobile accommodation units are easy to set up and can be used as remote shelters in the event of a serious disaster. They can also be used in more enjoyable circumstances, such as for local festivals or events which require sustainable accommodation solutions.

In terms of governance, despite Le Soco being a private structure, its board is made up of representatives from the local community, associations and public authorities. This hybrid management approach embodies an inclusive and ethical vision of the hospitality industry, where every decision aims to benefit guests, locals and the planet.

From modular design to energy "sobriety," including its climate change mitigation efforts and provision of services, the solutions developed by Le Soco are also key to its financial sustainability and performance. By diversifying its revenue streams, it boosts its attractiveness and establishes a lasting presence in the local economy.

While Le Soco shapeshifts in tune with its local environment and communities, it also has one eye in the future, very far ahead in the future.... As it has been approached to consider what the very first hotel in space could look like! The challenge is very much in keeping with our times, as space tourism is moving beyond the realm of science fiction to become an attainable dream come true. But this dream must not be at the expense of the environment and the climate. A special team has been assembled to solve this equation and make Stellar the first sustainable outpost in space from Le Soco, adjoining the International Space Station. The first guests are expected to arrive in 2040.



HOSPITALITY IN FIGURES

Want to get a feel for what the hotel industry of the future will really look like? What better way than to take a quick look at the keys figures alongside a breakdown of the trends by Vanguélis Panayotis, CEO of the consulting company MKG Consulting, who always has a close eye on the economic activity in the sector.

10 billion

euros of investment into hospitality over the next three years.

Source: Savills, European Investor Sentiment Survey, 2024

Vanguélis Panayotis When it comes to investments in the hotel industry, they are being split into sectors. Investments are either directed towards construction, or towards business activity or services. Generally speaking, it should be noted that there is currently an undersupply of investment in the sector.

69%

of tourists plan to travel "sustainably" in the future. A factor that travelers take into consideration when picking a destination, the mode of transport and the overall environmental impact of the trip.

Source: World Travel & Tourism Council (WTTC), 2023

V. P. While most travelers consider this factor to be important in a trip, 3 out of 10 do not cite 'sustainability' as the only condition when choosing a hotel. Ultimately, price and location still remain the deciding factors.

1 in 5 people is a tourist

Source: UN Tourism

V. P. While the volume of tourists is increasing worldwide, sociology is evolving. Two types of 'tourism' coexist. There is tourism that 'consumes' travel (like Instagram) and tourism that seeks an experience.

8%

of the world's greenhouse gas (GHG) emissions are from the tourism sector 25% of these emissions concern accommodation, purchasing tourist souvenirs and eating out at restaurants.

Source: Nature Climate Change

V. P. The sector is not really winning in this area, especially when it comes to transport. However, the hospitality activity is in line with an overall effort towards decarbonizing buildings, improving energy efficiency, and ending single-use practices.

95%
of tourists visit
less than 5%
of the world's
surface.

Source: UN Tourism

V. P. Tourism remains an industry of supply. Without infrastructure or services, there is no tourism. We must learn to better manage visitor flows, avoid negative externalities, such as overtourism or the risk of gentrification in certain destinations. We must shift towards 'balanced tourism.'

+21,1%
revenue per available room (RevPAR)
in 2024 compared to 2019.

Source: MKG Consulting

V. P. The hotel industry remains a cyclical industry that isn't so volatile. In any case, it remains resilient and outperforming inflation.

36%
of travelers want to connect with local
communities and cultures.

Source: European Travel Trends, 2024

V. P. Travelers no longer want a sort of 'bunker hotel' that shelters them from the outside world. There is a demand for porosity and personalization, depending on the destination. This is done through offer fragmentation, particularly in old, large complexes where spaces are now compartmentalized, services separated, and offers divided up to make stays more intimate.

731,4
billion

dollars in 2032. This is the estimated size of the bleisure travel market, the practice of combining travel for business with pleasure.

Source: Bleisure travel market, 2023

V. P. The practice of bleisure reflects the change in what we use a hotel for. We are constantly looking to alternate work with leisure. We are looking for new services, such as meeting rooms equipped with video conferencing, with an adjoining spa and gym.

+1,5%
growth in the French
hotel stock by volume
in 2023. Compared
to +2 % in 2013.

Source: MKG Consulting

V. P. The hotel offer is growing too slowly in terms of volume. In any case, less quickly than the stock exits caused by the Covid pandemic. On the other hand, if French and European regulations have caused a more quality-driven offer to develop, particularly in terms of CSR, this then has the effect of slowing down the number of hotels opening.



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APRIL 2025

COVIVIO

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