

# Impressions from PKF hotelexperts in conversation with...

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[PKF hotelexperts in conversation with...](#) is a series of conversations that we started three weeks ago in response to the noise that has been and remains in the media about the correct response to the Covid-19 crisis. Instead of joining the crowd with yet another list of to-dos, we decided to speak to a range of people who are engaged in the hospitality industry at large. So far, our guests have been lawyers, operators, IT experts, start-ups, financiers, project managers and colleagues from around the globe. We wish to share some key takeaways and impressions from the initial conversations we have held over the past few weeks.

For us, it is a wonderful opportunity to check in with contacts from around the world who work in different disciplines. It is good to see how our initial idea has been received. We continue to receive a variety of views, different inputs as well as advice from our interview partners.

We started this amid the Covid-19 crisis when most nations decided to move toward a lockdown situation. We are now, a few weeks later, in the situation where some nations are commencing with their efforts to slowly restart their economies. The form these restarts take is as unique as each of the states trying to implement them. Certain federal states are often acting and reacting differently. They are often not in unison initially, yet, frequently they end up following the same path after all.

Our first guest was our colleague Robin Wattinger, Head of Asia for PKF hotelexperts. Robin reported about some first small green shoots that could be seen in China. Now, more than four weeks later, some hotels in the People's Republic report occupancies of around 60%. But there were also scares about reinfections occurring in cities like Hong Kong and Singapore.

How differently various nations handle the response to the crisis was visible when we chatted to Peter Haaber in Denmark. His Zleep hotels were open, albeit with no F&B facilities, but hosting guests, nonetheless. A fortunate situation to be in and certainly welcome when looking for the ability to generate and maintain cash flow which most players could only look at with justifiable envy.

The value a government attaches to hospitality and tourism as a whole varies across the globe. Many colleagues struggle to explain the need for government support and lobby for the inclusion into recovery plans and staged restarting initiatives. On the other hand, the New York City Council has, in some cases, declared hotel construction an essential building project. For example, the work on the iconic Waldorf Astoria is carrying on amidst the shut-down which is paralysing large parts of the city.

It is heart-warming to see that despite media reports about many companies laying off big numbers of their labour force, our industry, in most cases, is trying very hard to retain its staff. Across the globe, governments have devised various ways of assisting companies to implement plans to allow them to retain their teams. These schemes revolve around such initiatives as "Kurzarbeit" or short-time working, where the government is making up for at least a part of the employee's income. Other companies are letting their staff members take leave now instead of later and then there is, of course, the option of a home office but that only works for a small number of hotel employees. But it is good to see that many practice what they preach when they are saying that people are their most important asset.

Our discussion with lawyers told us that a similar spirit can generally be seen between the contractual parties, who, for the first time and the most part, realise that they are in the same boat. Rent-holidays, special conditions and ultimately a redraft of the agreements with the inclusion of new clauses are being looked at but this time in a much more aligned and partner like spirit.

Technology will undoubtedly play a big role when we will be looking at ways of how to emerge from this crisis and how to answer certain needs. Funny enough, in many cases it is in already existing technology that will just need to be slightly adapted and which may be employed to address issues such as social distancing, contactless payment and the issuing of key-cards, to name but a few.

There is a discussion evolving around which changes we will see in response to corona and other viruses that may plague us in the future. It is quite interesting as the comments and suggestions range from minor, mainly hygiene based adjustments, such as a complete disinfecting regime and dispensers everywhere, to the more drastic ones, advocating the widespread use of automatic doors, antiseptic rooms and virtually no public areas. With these responses one may feel safe in such an "antibacterial oasis" but what will happen to the comfort, the "Gemütlichkeit" or "Hygge" which we have been trying so hard to incorporate into previous sterile-looking hotel rooms over the past years?

These and many other discussions are sadly still based on what can best be described as a very basic understanding of the virus and how we ought to be dealing with it. No one yet knows for sure how it behaves, nor when a vaccine will be found and when we will have a return to normal or even a new normal. So, until we have certainty we will continue to speculate

and adapt as we go along. What we may see, is that some of these ideas could, in fact, influence future design and concepts, while others will be relegated to the distant memory of the crisis.

What gives us hope, is that all those with whom we spoke, in one way or another, raised the aspect of communities, either personal or industry-wide, which are moving closer and are caring for one another and each other's needs. What more can we wish for in a situation as dire as the one we find ourselves in right now?

PKF hotelexperts in conversation with ... will continue as we feel that it best embodies our belief that, through direct dialogue, we will learn what our clients need and through our global network and relevant experience we can find solutions for those needs.

**For further information about consulting and our PKF hotelexperts services, please contact:**



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