



HOTEL MARKET DAY 2021



NEW TRENDS
IN A CHANGING
HOTEL WORLD

THE ECONOMY

Professor Ian Goldin:
“The crisis is a great opportunity
to create a better world”

SIX TRENDS

Future trends in the hospitality
industry are presented by
representatives of The Future
Laboratory.

PANDOX'S POSITION

The newly appointed CEO,
Liia Nõu, share the 3 steps of
action that guide Pandox
through the crisis.



BACK TO THE (NEW) NORMAL

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Jan Wifstrand was the moderator during Pandox Hotel Market Day 2021. Jan is a journalist and entrepreneur in the media industry. Among other things, he was editor-in-chief of the Swedish daily newspaper Dagens Nyheter between 2003–2006.

Production

This report is produced by Gabardin on behalf of Pandox.

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FROM TIME TO TIME, I think about how I in 10 years will look back on this period marked by the coronavirus pandemic. What will be the most lasting changes? What changes did we think would happen but that faded along the way? Will we look back on the coronavirus pandemic as a milestone, with a before and an after, where certain behaviors or events as a result of the pandemic feel bizarre or obvious in 10 years?

FOLLOWING THE TERRORIST attacks in the United States on September 11, 2001, when extra security checks were introduced at airports, some people believed that many travelers would lack the energy to stand in long queues. It turns out that basically every traveler has that energy. Just a year or two after the horrible terrorist attacks, travel was back in full swing. Today, most people would probably raise their eyebrows if they did not have to scan their bag at the airport.

THIS HAS BEEN the case several times in Pandox's long history. The reasons for structurally reduced travel have been many - financial crisis, terrorist attacks, recession - but the hotel market has always recovered. We at Pandox are humbled around the fact that history doesn't always repeat itself, but our view is that the hotel market will recover this time as well, albeit in a new kind of normal.

THIS YEAR'S HOTEL Market Day was also back to a new kind of normal after last year's fully digital event. We were happy to welcome over 200 guests physically, while the hundreds of viewers online had an equally nice experience of the day. And perhaps this is an important lesson for the future: the importance of finding a balance between the physical and the digital? We believe that both parts must live in symbiosis in the future's new normal.

FOR THIS YEAR'S Hotel Market Day, we managed to gather world-class speakers who together painted a picture of the future of the world, cities, and hotels. Many thanks to Jan Goldin, Leo Johnson, Andreas Scriven, Chris Sanderson and Kathryn Bishop for inspiring presentations. Thanks to Robin Rossmann and Ruslan Husry for your participation. Thanks also to Jan Wifstrand and DJ Gunn Lundemo for elegant moderation. Thanks to all viewers - whether you were there physically or via the web.

IF YOU MISSED the event or would like to see it again, you can find the full Hotel Market Day 2021 on demand at www.pandox.se

Liia Nõu, Chief Executive Officer



Almost the same procedure as last year!

The moderator of the Hotel Market Day 2021 was the eminent Jan Wifstrand – just like the previous year. He is a Swedish journalist and an entrepreneur in the media industry. During his career, he has worked for Sweden’s biggest newspaper as a financial reporter and deputy editor-in-chief.

And just like last year, he did not back down from asking some tough questions about where the guests thought the industry is heading. But there was one important difference, because this year he had a wise and musically talented sidekick...



... a DJ in da house!

Gunn Lundemo, a professional DJ and producer, served as the dedicated sidekick to Jan Wifstrand during this year’s event. During the past decade, she has performed in over 200 cities around the world and toured in the US, Central America and Europe. She also had residences at luxurious resorts like the Billionaire Mansion in Dubai.

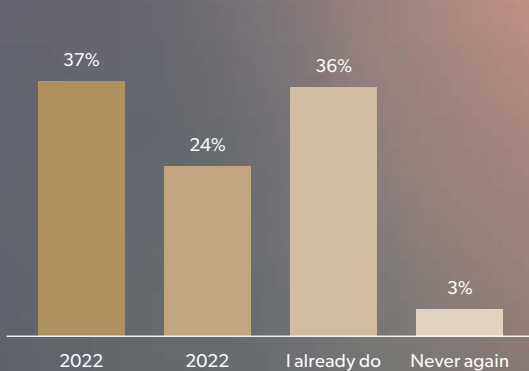
Besides asking thoughtful questions to the guests, she also had some interesting interchanges with Jan Wifstrand, and naturally played some nice tunes. She had even produced a special Pandox-song for the event. If you want to listen to it, watch the event by following the link below.

[Click here to watch the Hotel Market Day 2021.](#)

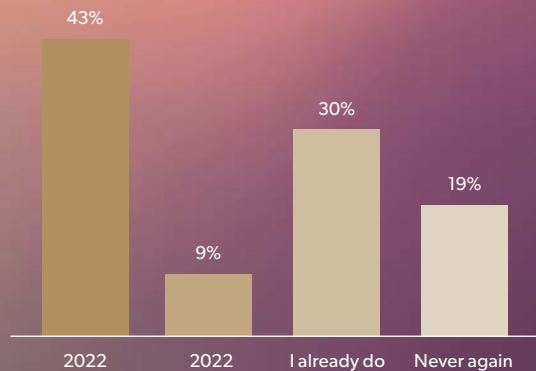
THE POLL RESULT

During the event, the online audience was asked to answer a poll about how they plan to stay at hotels in the coming years. Below you can find some of the results.

As a leisure traveller, when will you stay at hotels as much as you did before the pandemic?



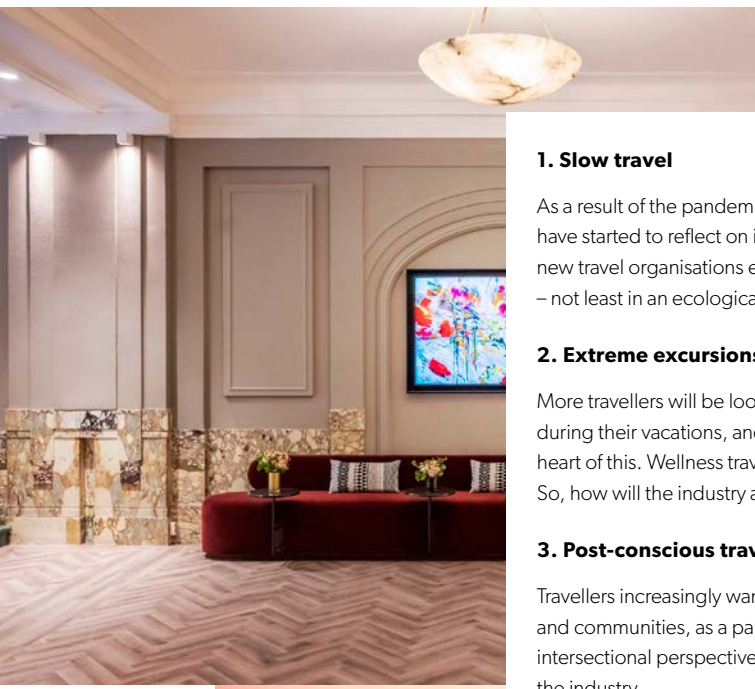
As a business traveler, when will you stay at hotels as much as you did before the pandemic?



For the full results of the poll, you can watch the entire Hotel Market Day 2021 online.

6 FUTURE TRENDS THAT WILL INFLUENCE THE HOTEL MARKET

Chris Sanderson and Kathryn Bishop work at The Future Laboratory, one of the world's most renowned futures consultancies. They were invited up on the stage by Jan Wifstrand to give a presentation about future trends that will influence the hospitality industry for the years and decades to come. Here they are ...



1. Slow travel

As a result of the pandemic, an increasing part of travellers have started to reflect on intentions. We are now seeing new travel organisations emerge, that offers mindful travels – not least in an ecological and conscious niche.

2. Extreme excursions

More travellers will be looking for something challenging during their vacations, and sport and fitness will be at the heart of this. Wellness travel is expected to grow incredibly. So, how will the industry adopt to this?

3. Post-conscious travels

Travellers increasingly want to contribute to the local culture and communities, as a part of their interest to do good. The intersectional perspective will be important to embrace for the industry.

4. Wandering workers

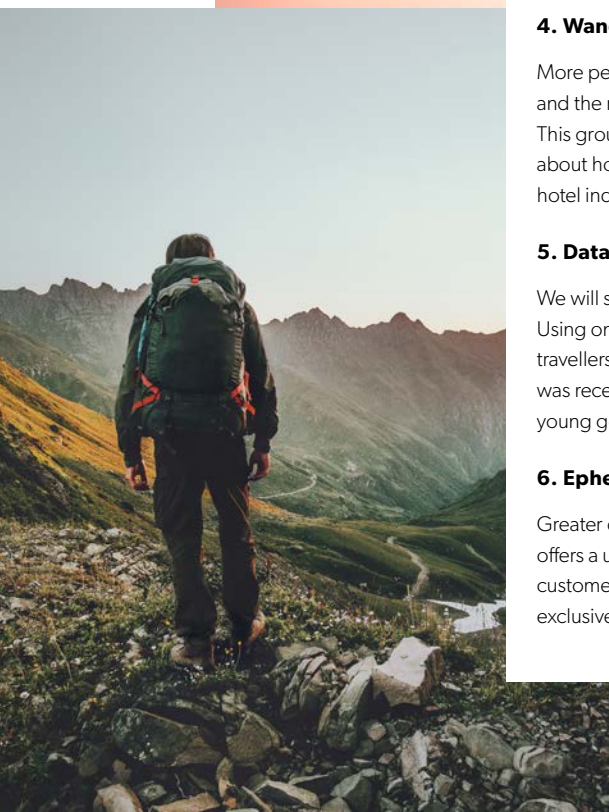
More people are going to want to blend work and leisure, and the result might be that they stay longer at one location. This group represent workers who think more carefully about how they travel and offer a great opportunity for the hotel industry.

5. Data-driven escapes

We will see the hotel industry become more data-driven. Using online data will enable better predictions about what travellers want. In China, a three day festival in the desert was recently arranged as a result of data analysis of what the young generation wants. It was a huge success.

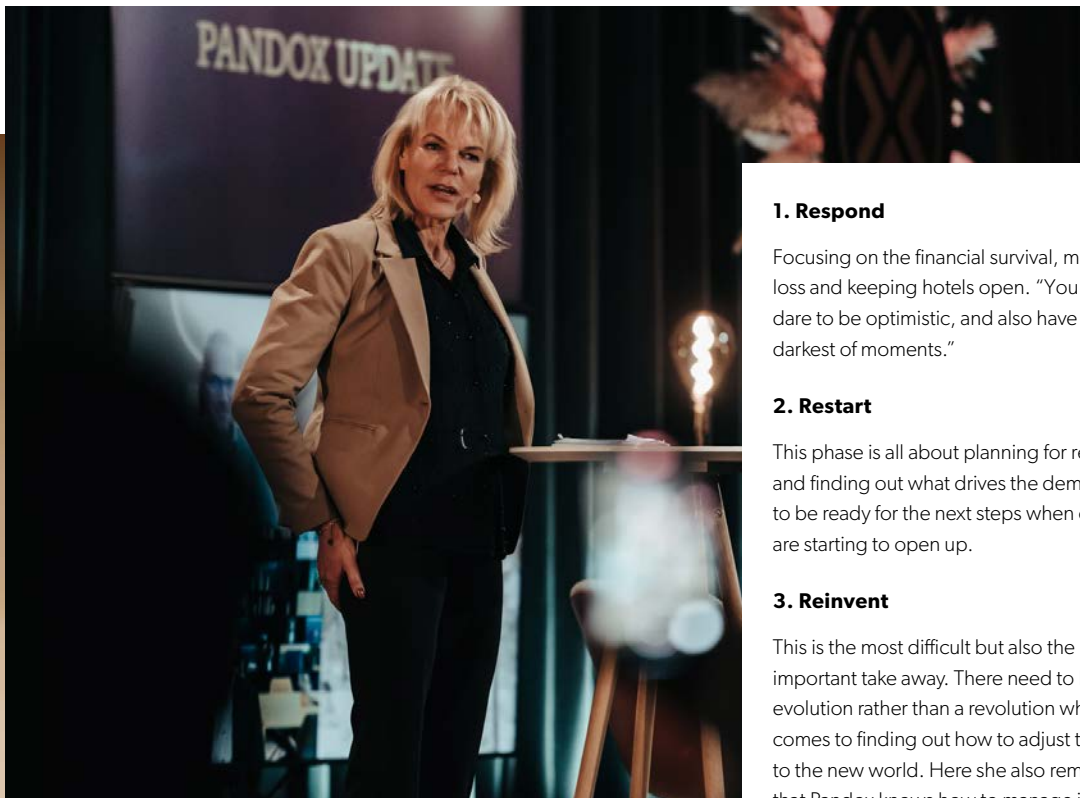
6. Ephemeral hotels

Greater demand for flexible and temporary setups. This offers a unique opportunity to attract high spending customers. It's a way to attract those who want to lead an exclusive, nomadic lifestyle.



As newly appointed CEO of Pandox, **Liia Nõu** entered the stage and was met with overwhelming applause. She took us back to how Pandox in March 2020 went from an all-time high to an all-time low, in just 19 days. Proud of the way Pandox managed to ride out the worst part of the storm, she summed up the lessons from the crisis in

3 STEPS OF ACTION



1. Respond

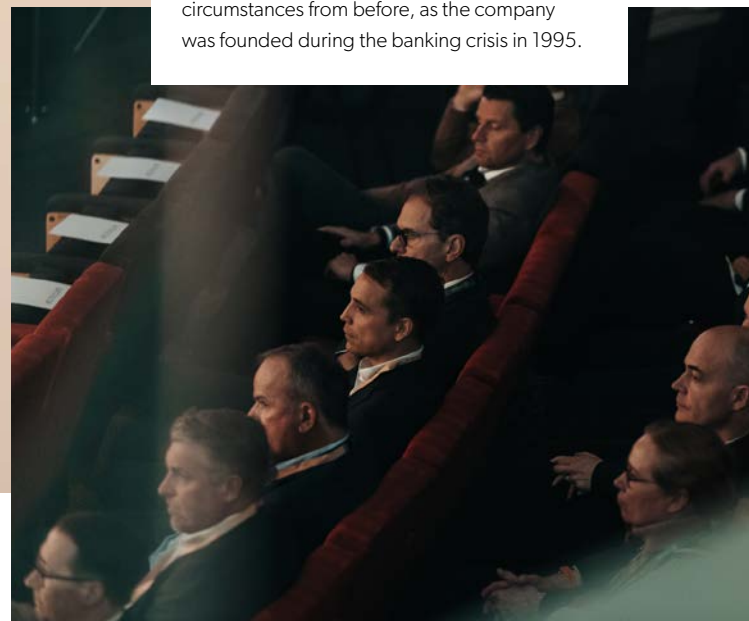
Focusing on the financial survival, minimising loss and keeping hotels open. "You need to dare to be optimistic, and also have fun in the darkest of moments."

2. Restart

This phase is all about planning for recovery, and finding out what drives the demand. Also to be ready for the next steps when countries are starting to open up.

3. Reinvent

This is the most difficult but also the most important take away. There need to be an evolution rather than a revolution when it comes to finding out how to adjust the business to the new world. Here she also reminded us that Pandox knows how to manage in tough circumstances from before, as the company was founded during the banking crisis in 1995.



“THE CRISIS IS A GREAT OPPORTUNITY FOR POSITIVE CHANGE”

Ian Goldin, Professor of Globalisation and Development at the University of Oxford, recently released a new book called “Rescue: From Global Crisis to a Better World”. On stage, he started off by commemorating the late Anders Nissen, who before his passing personally invited him to this event. Then moderator **Jan Wifstrand** started to ask questions.

Can you tell us a little bit about your new book, *Rescue*?

– Of course. In this book, I wanted to investigate how we can create a better and more sustainable world in the coming years and decades after the pandemic. Because despite all the suffering this tragic event has caused, I believe that there is a lot of hope out there and that it is really a great possibility.

Can you elaborate this a bit?

– Well, I compare this era to what happened as a result of the second world war. In the midst of it, while the bombs were falling, Churchill and Roosevelt resolved to never let that madness happen again. And as a result, the UN, the Marshall plan, the very seed of current Europe was created. But another interesting thing was that when the war ended, Churchill immediately lost power. People were hungry for change, and I think that will also be the case after this crisis.

– And if you think about it, this appetite for change has already begun. We are seeing that the pandemic has led to new ideas and new priorities for people. Working from home, spending more time with your close family and a growing responsibility for the climate. These are huge changes that will have profound effects on our societies.

But does not change require strong leadership?

– Yes, of course. But when we talk about leadership it does not only have to relate to governments and nations. I don't think that they will be the ones setting the agenda for change this time. In global politics, there is a clear lack of leadership today, if that's what you are referring to – but we can't use government failure as an indication of an overall failure. There are so many initiatives stemming from individuals around the globe today, and I think it's in civil society that we will see the future being shaped.



In what you are saying, I discern a dislike to “business as usual” after the pandemic. Am I correct?

– Well, both yes and no. Some part of the business does of course need to get back to how it was. But so much also need to change. The recent climate meeting is a sign of change in the right direction. We are also seeing the glaring light of a new transparency in business. Shareholders want to know what the leaders are doing to a much greater extent than before. Since I am also part of many investment committees, I know from personal experience that companies now spend a lot of time doing ESG, which they really didn't do only five years ago. So, yes. I do not, for example, like the term “bouncing back”, because it implies that we are getting back to the same spot as before when we instead need to think a new. ●

“Working from home, spending more time with your close family and a growing responsibility for the climate. These are huge changes that will have profound effects on our societies.”

– Ian Goldin



WHAT WILL THE CITIES OF THE FUTURE LOOK LIKE?

Leo Johnson, partner and disruption Lead at PwC in the UK joined the event from London to talk about how technological development will affect cities and the way people live in them. Jan Wifstrand initiated the conversation ...

You are here to talk about the future of cities.

What are your thoughts on the subject?

– Well, it is clear that big changes are ahead of us. The old cities of mass-production that we grew up in is rapidly falling apart. We got these huge megatrends that we see across the globe, like increased protectionism, increased migration, hiked interest rates and increased government debt. All this is putting enormous pressure on societies. And gradually we get a civil society that feels like the governments are failing.

So, what will happen then?

– Well, I think that the answer lies in the disruptive technological development that is going on. And as I see it, we can go two ways. One example would be Singapore, a city that I visited the other day. There I talked to representatives

“We should use technology to solve problems that will unite us, and make us cooperate better.”

– Leo Johnson

of the Ministry of Transport, and they presented their vision for the future. In their case, it includes driverless cars, an automated economy, universal basic income and block-chain facial recognition to close the city gates to migration. What you find there is thus a city and a country that has a tradition of openness but instead now is aiming to become more of a gated community. And it is all driven by technology.

So, what is the other option?

– I think we have to understand that technology is not the answer, but only the amplifier of intent. So, it's the intent we should focus on. We should use technology to solve problems that will unite us, and make us cooperate better. And there is already so much going on here, not the least related to the climate. >

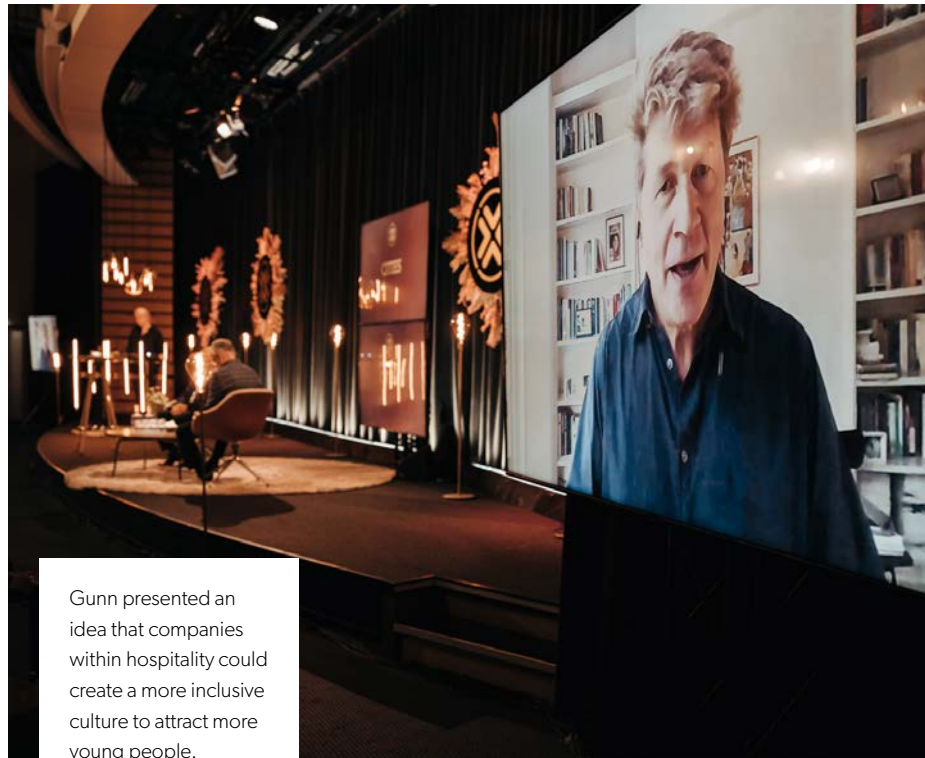
Conclusions

Can you give us some examples?

– One of the really interesting things now is how blockchain-technology can offer fantastic solutions to real problems. It is now used by companies together with the indigenous people in the Amazon to prevent deforestation. Another example of how blockchain could connect people and increase producing capabilities is by arranging microloans to make a larger share of the world's population be able to get solar panels for their households. These are really good examples of how technology can be used as a positive force for change.

What cities do you think will be the most dynamic in the future?

– You got to ask yourself, would you like to be in a shopping mall or at a piazza? The city should be like a meeting and melting pot and not simply a place for commerce. It should be a place where there is an ecosystem of innovators. The dynamic cities of the future are the ones being able to use technology to make people meet and come together. ●



Gunn presented an idea that companies within hospitality could create a more inclusive culture to attract more young people.

AN UPCOMING LABOUR CRISIS?

Andreas Scriven, Head of Hospitality & Leisure at Deloitte, joined the Hotel Market Day 2021 to talk about economic changes in the hospitality and hotel industries. Here comes some valuable insights from his presentation, mainly based on polls with professionals in the hospitality industry.

When will the crisis be over?

– In surveys, a majority of responders think that the material disruption caused by the pandemic will be over before the second half of 2022.

When are corporate business travels coming back?

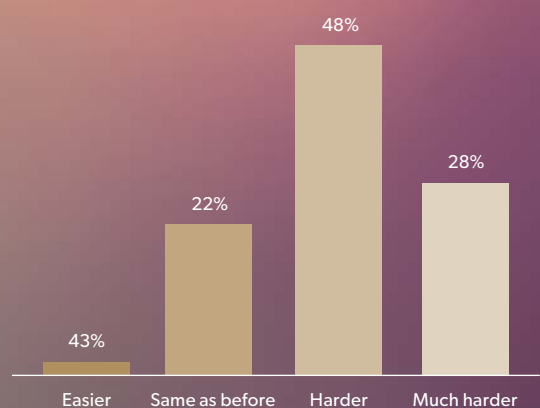
– Surveys among executives with responsibility for travel spendings, shows some uncertainty regarding the answer to this question. A majority think that they will be back at the 2019 spending levels before the last quarter of 2022. However, there is also some that answer that technology has replaced the need to travel for work.

Will the hospitality labour crisis intensify?

– The pandemic has made people change careers, and many will not return. This is also a part of a bigger demographic trend, that will pose a big problem to the industry. A real hospitality labour crises might be on the horizon.



How difficult is it for you to find the right staff today compared to before the pandemic?



PANEL DISCUSSION: WHAT HAVE WE LEARNED?

The day ended with a panel discussion. The participants were **Liia Nõu**, CEO of Pandox, **Ruslan Husry**, Managing Director and founder of HR Group, **Robin Rossman**, managing director of STR international and **Jan Wifstrand** who asked the questions.

So, let me start off by asking you this: Will there be any permanent changes as a result of the pandemic?

Robin: Yes, it is clear that change has happened and will even intensify in the future. But in regard to the many of the megatrends that have been discussed here today, I don't think they will have a big impact immediately. Naturally, more meetings will be held digitally and some people will maybe continue to live more outside the cities. But things will also get back very much to normal after this.

And what have you learned from the crisis so far, Ruslan?

Ruslan: First of all that it's important to continue operations, and also to be prepared that the worst can happen. But also the importance of cooperation. The late Anders Nissen and Pandox trusted me, and the timing was good for cooperation between us. So, I would say that cooperation, but also to not be afraid and to continue digitalisation, are important lessons.

What about Pandox, has things changed, Liia?

Liia: Yes, definitely. And I would say that there are at least two important learnings. First of all, the way you manage your crises, is dependent on how well prepared you are. But luckily Anders Nissen put in place a culture of decision-making, that we really benefitted from. That culture of acting fast has really helped us in this crisis. The other learning is to act on fact and not fear. We are a data-driven company, and we want our decisions to be made with an analytic approach rather than being the result of us being scared.

So, what has been the most interesting learning today?

Husry: To understand the global situation with housing and the cities. I think the new kinds of hotels that are popping up are very interesting,



“Luckily Anders Nissen put in place a culture of decision-making, that we really benefitted from. That culture of acting fast has really helped us in this crisis. The other learning is to act on fact and not fear.”

– Liia Nõu

and also that we need to invest in the leisure market to a greater extent.

And what about you Gunn?

Gunn: All the different aspects. Because I am also a part of the management team behind Stockholm Pride, so I liked the idea about the importance of inclusion and thinking about intersectionality. I got a lot from that. I also liked the pop-up hotel ideas...

What about you Liia?

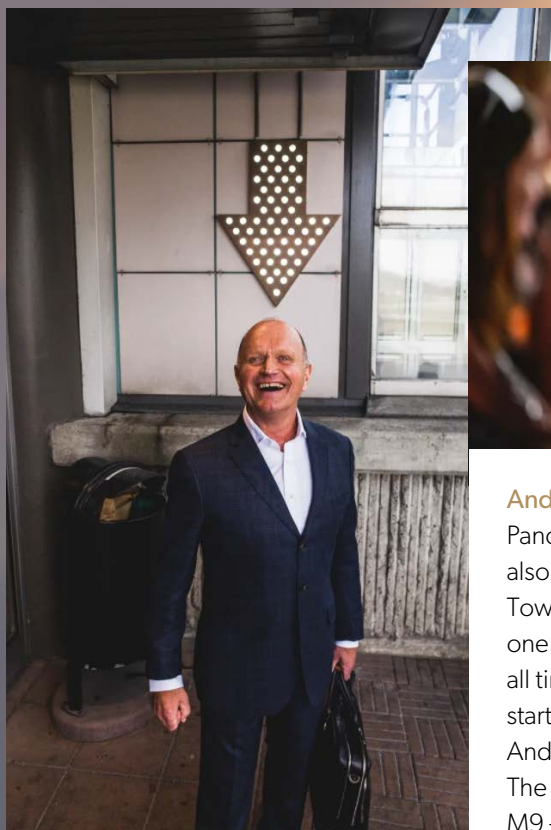
Liia: I think it is interesting to see that we are slowly getting back to the new normal again. I pick up that staying at a hotel will be a bigger expense for many, and that we need to plan better for people that stay longer when they are travelling.

Hand on your heart! Will pandox be able to adjust to the world after the pandemic?

Liia: Yes, a big yes. Pandox will go in the front of the change within the industry. Because in many ways, the crisis has only fast-forwarded the trends that were already there before. It is all about reinventing ourselves. ●

THE M9 FOUNDATION

– in memory of Anders Nissen



Anders Nissen, the late founder and CEO of Pandox, was not only a successful businessman but also an enthusiastic supporter of Swedish handball. Towards the end of the event, **Stefan Lövgren**, one of Sweden's most famous handball players of all time, entered the stage to announce a newly started foundation to commemorate Anders Nissen's memory. The foundation is called M9 – a reference to the playmaker in handball – and you can read more about how to support its cause by following the link below.



www.stiftelsenm9.se



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