

FYI MOTEL OF A DIFFERENT KIND

Instead of roadside motels, most economy hotels in China are in downtown convenient locations where guests arrive by train, bus, or taxis. The economy hotel sector has experienced tremendous growth in China where the concept remained relatively unknown until the mid-1990s. The rise of the Chinese middle class and the general growth of the economy supported by millions of small and medium sized enterprises generate leisure travel activities and business travel require-

ments, respectively. Suitable accommodation choices in traditional hotel sectors for these travelers are limited because the high end 4- and 5-star hotels are usually priced beyond their reach and 3-star or lower hotels and guesthouses are usually poorly run with inconsistent and less than desirable quality. A big portion of these travelers would demand value-for-money accommodation options.

In 1996, one of China's influential hotel companies, the Jinjiang Hotel

Group, launched the first domestic economy hotel brand, Jinjiang Inn, marking the beginning of the economy hotel development in China. Since 2000, foreign economy hotel chains have also stepped into the China market. Among the forerunners are Ibis, Super 8, and Holiday Inn Express. By the end of 2015, China had over 21,000 economy hotels with close to two million rooms across the country.

Source: Based on 2016 China Hotel Chain Development and Investment Report. Published by China Hotel Association. Retrieved on December 5, 2016 from <http://chinahotel.org.cn/ChoiceOSP/upload/file/20160422/42291461329739119.pdfv>.

free morning newspapers were delivered to each room. The hotel also had fire doors and a host of other standard features.

The Buffalo Statler Hotel ushered in a new era of lodging growth, and the industry continued to flourish in the early 1900s as hotels, designed to be the biggest and best, sprouted up across Canada and the United States. This boom stopped abruptly with the Great Depression (which began in 1929), when nearly 85% of all hotels in the United States went bankrupt as business and leisure travel came to a screeching halt.

Prosperity finally returned with the end of World War II, but the focus shifted to motels (a contraction for motor hotel) rather than hotels. With improvements in road construction and maintenance, increased automobile traffic, and the desire and ability to travel, the motel segment flourished. As families began using automobiles for vacation travel, the old practice of sleeping in cars or camping beside the road no longer met their needs.

In response to changing needs, small wooden structures (the forerunner of the modern motel) were built beside major highways to serve this growing group of automobile travelers.

The first use of the term “motel” occurred at the Milestone Mo-Tel, built in 1925 in San Luis Obispo, California. Strategically located adjacent to the then-youthful Pacific Coast Highway (later U.S. 101) at the base of the Cuesta Grade near the foot of the Santa Lucia Mountains, the motel was a popular stop for modern motorists exploring this ruggedly beautiful country in their automobiles.¹⁴

The idea of “tourist courts” for the motoring public caught the eye of another lodging pioneer, Kimmons Wilson. Wilson believed consistent marketing programs and operating procedures could lead to financial success by fulfilling an unmet need: standardized facilities, service, and quality at the end of each day. His answer to meeting this need was Holiday Inn, the first of which was opened on the outskirts of Memphis, Tennessee, in 1952.

Based on the promise of providing standardized facilities, Holiday Inn soon grew into a successful chain of motels stretching across the United States. One room looked just like another and travelers always knew there would be free parking, a telephone, air conditioning, a swimming pool, and free ice. In addition, children under the age of 18 could stay free with their parents wherever they found the distinctive Holiday Inn sign.

Hyatt Hotels ushered in the renaissance of downtown hotel properties when it agreed to take over a yet-to-be-completed hotel construction project that other companies had shunned in Atlanta, Georgia. Architect John Portman had designed the hotel with an open atrium where conventional wisdom would dictate that another