



GHN Brand Talk: WoodSpring Suites



Bruce Haase
CEO
WoodSpring Suites

GlobalHotelNetwork.com: When was your brand introduced into the industry?

Bruce Haase: The WoodSpring Suites brand was launched in April 2015; however we have been operating hotels under the Value Place name since 2003. Our founder Jack DeBoer created the extended stay category nearly 40 years ago when he launched Residence Inn and later Candlewood Suites.

GHN: What is the significance of your brand's name and how did the name originate?

BH: The WoodSpring Suites brand provides us with the right platform to build a widely distributed national brand, better serve our guests, and provide growth opportunities for our associates. The name and brand better aligns with our position as the leading value extended stay hotel company, will allow us to better communicate the quality of our product and allow us to expand our reach to new customer segments.

The name was born out of a robust process that included an enormous amount of research. It better reflects who we are. The “wood” reference in the name helps to convey the durability, consistency and reliability of our nationwide chain. The “spring” reference conveys fresh and clean and this aligns well with our operating model, which includes a rigorous 99 point guest room cleaning process. And the leaf in our logo subtly helps to indicate our environmentally friendly operations model.



GHN: At which segment of the market does your brand compete and who is in your competitive set?

BH: We compete in the value extended stay segment and represent a very unique new construction offering. We operate in the space between Starwood's Intown Suites and Extended Stay America.

GHN: Describe your brand's prototype(s) and amenities.

BH: WoodSpring Suites offers two products—our core offering, WoodSpring Suites and its line extension, WoodSpring Suites Signature with an enhanced guest experience. Both have all interior corridors with key card access and include free wireless Internet, kitchens with full size refrigerator with freezer, 2 burner stovetop and microwave, onsite laundry, and flat panel TVs with cable and premium movie channels. WoodSpring Suites Signature features upgraded FF&E, a fitness center, dishwasher, mini convenience store, and a lending program for guest necessities.

GHN: Will growth be principally by new build or conversion? If conversion, which competing brands most naturally convert to your prototype?

BH: Growth for WoodSpring Suites will come from new construction. All existing Value Place properties will be transitioning to WoodSpring Suites or WoodSpring Suites Signature by April 1, 2016.

GHN: How many hotels are currently in your brand's system and where are your properties geographically concentrated? Please tell us about your development pipeline for 2015-2017.

BH: WoodSpring Suites has 196 hotels located in 32 states and the company owns 84 of the properties and provides management services for both company-owned and franchised locations. We have 10 hotels under active construction and are expecting at least 30 additional groundbreakings this year.

GHN: Geographically, where would you like to grow—domestically, internationally?

BH: Our primary market is the U.S. and we've seen strong interest from Canada.



GHN: What are the franchise costs associated with your brand?

BH: License fee for the current typical WoodSpring Suites and WoodSpring Suites Signature property is \$50,000, Royalty Fee 5%, Marketing Fund fee 2.5%

GHN: In what ways are you using social media and mobile technology to enhance your brand and business?

BH: At the foundation of our marketing and distribution strategy at WoodSpring Suites is ensuring that we're where the guests are—and they're shopping and booking online more than ever before. The pace at which online reservations are growing in the travel industry (10%) is more than twice that of the general bookings growth rate (4%). And, at WoodSpring Suites, revenue through our web site is growing at a 25% YOY clip—much faster even than the industry average.

Part of what's facilitating this is the rapid adoption of mobile technology and social media. In 2015, mobile as a % of online sales for the industry is expected to be 25%. At WoodSpring Suites, we take a "mobile first" approach to web site design, and mobile placement is an important part of our media strategy. As a result, over half of the traffic that comes to our site is through mobile devices.

Social media is also becoming increasingly important. The global population of Facebook is now bigger than any other country in the world. By taking a holistic approach to Facebook where we strategically leverage it for guest engagement, customer care, and monetization, we've been able to increase our fan base 20% YOY. If you look to our industry specifically, the most impactful form of social media is review sites—hence why TripAdvisor is the most frequently trafficked site in hospitality. To that end, we are partnering with TripAdvisor, both to optimize them as a distribution channel, but also to leverage their content.

These efforts, in combination with our other marketing and distribution activities, are generating almost a 30% YOY growth rate in revenue through our central channels. This contributes to WoodSpring Suites having the highest average occupancy in the category, growing AWR, and unmatched owner profitability.



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GHN: How does Value Place engage in community relations and/or CSR initiatives?

BH: WoodSpring Suites hotels are active members of the communities in which they are located, with General Managers frequently serving on local chambers of commerce, toy drives for local kids at Christmas, and rooms available for community policing efforts. During recent renovations, properties donated thousands of mattresses and televisions to local charities for use in their communities. Our guests help support local merchants including restaurants and grocery stores. We help people moving into new communities by allowing them to begin new jobs and search for new places to live.

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