

## Hilton's new Hampton leader tasked with elevating a market leader

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by [David Eisen](#) |

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*Hampton Inn & Suites West Des Moines/SW Mall Area*

It's a quick, 10-minute shoot south along Interstate 495 to reach Hilton's headquarters in McLean, Va., from Marriott International's Bethesda, Md., office. Of course, Beltway traffic can lay waste to those plans fast.

Shruti Gandhi Buckley's commute remains relatively unchanged. In September, she was formally named the global head of Hilton's Hampton by Hilton, a brand she admittedly was enamored with during her time at Marriott, where she served as VP and global brand manager of the Fairfield Inn & Suites and Protea Hotels brands.

To borrow a sports analogy, Marriott and Hilton are the Yankees and Red Sox: fierce competitors and winners. And while Buckley joining Hilton is not exactly Ruth leaving the Sox for the Yanks, there is the idea that Buckley is joining a brand leader in the select-service space, one that she admits she was always chasing while working with Marriott and the Fairfield brand.

When she joined Hilton, she immediately told Phil Cordell, the global head for focused-service brands who is currently on sabbatical, “I’ve been chasing you for nine years.” She admitted, “If I can’t beat them, I might as well join them.” “Hampton is the first choice in the upper-midscale category. That was clear and owners said, ‘If we have a piece of land, our first choice is Hampton.’ At Fairfield, I aspired to that.”



*Hampton's new brand head, Shruti Gandhi Buckley.*

## **Big Brand, Big Growth**

Hampton currently has 2,108 properties in the U.S. with a global pipeline standing at 556 projects, according to Lodging Econometrics and as of Q2 2017.

A total of 323 of those projects, or 58 percent, are located in the U.S. According to Hilton and as of Q2, Hampton currently has 57 properties with 76 in development in the Europe, Middle East and Africa region, and 15 properties with 116 in development in Asia Pacific.

Lodging Econometrics further shows that there are 119 Hampton Inn projects in China, accounting for 21 percent of the global Hampton pipeline. “In 2017, it is anticipated that Hampton Inn will open more than 150 hotels globally for the first time in several years,” said Bruce Ford, SVP of Lodging Econometrics. “They are anticipated to do it again in 2018 and 2019 as the development cycle is progressing into the maturity stage.”

Hilton and Marriott brands, anecdotally and with evidence, command deference by hotel developers when it comes to return on investment. “Brand wise, the highest return on invested capital in the hotel industry is Residence Inn by Marriott and Hampton Inn,” said Tyler Morse, founder and CEO of New York-based hotel owner and operator MCR Development.

Not surprisingly, MCR's portfolio is stout with Hampton product. "There are more than 80 brands in the hotel business and they have the highest return on investment by a country mile," Morse said.

Buckley's induction into Hilton has been "the easiest I've made," she said. She would know, having worked for myriad companies, including Nestle, Unilever, Estee Lauder, Chanel and National Geographic. The task now is to improve on a market leader, which, she said, is unlike when she was working on at the Fairfield brand. "The shift is going from a brand that was growing and evolving to now being with a brand that is in a clear market-leader position," she said. "How do you take a category powerhouse and ensure that it continues to maintain a leadership position?"



*A guestroom at the Hampton Inn*

*Corby/Kettering in the UK. The hotel was Europe's first Hampton hotel.*

## **Moving On Up**

Hampton is a curious brand. It's really one that has grown up in the 33 years it's been around, graduating from what once was a midscale level to somewhere between upper midscale and upscale when it comes to rate. (STR designates Hampton Inn and Hampton Inn & Suites in the upper-midscale chain scale.)

As Hampton got pushed up, Hilton found itself with a gap in midscale, one of the reasons it launched Tru by Hilton, which has quickly become Hilton's thoroughbred from a growth standpoint.

According to Lodging Econometrics, the Tru brand, which was introduced 18 months ago, has nearly 250 verified hotels in its U.S. pipeline. "Hampton certainly plays between chain scales in terms of performance," Buckley said. "It certainly left a gap underneath, where we didn't have a product for that price-point guest. Tru is that."

The challenge now is making sure Hampton stays relevant to the evolving traveler. "The dynamics of how people live and stay when traveling have changed," she said. "There are newer consumers coming in with different expectations." The brand is continuing its

focus on creativity, Buckley said: “It has a history of innovation and being first to market.”

Still, there is room for improvement and Buckley said she is keying in on three areas: 1) the brand’s financial health and owner returns; 2) the guest experience—how people use space, how they eat and how they consume technology, to name a few. (Hilton was one of the first hotel companies to market with digital key, which Buckley is a proponent of, but asks: “How do you deliver service when guests are bypassing a key touchpoint?) 3) driving global growth. Hampton will open its first Middle East property in April 2018 in Dubai.

In terms of new initiatives on the horizon, Buckley was reticent to be specific, allowing that at the beginning of next year the brand will be rolling out a new exterior prototype design that “evolves, but doesn’t change or depart from Hampton’s personality.” Other trends to look for are in the dual-brand space, where a Hampton pairs with an extended-stay option, such as Hilton’s Homewood Suites brand. “It’s certainly a trend, particularly in high-density, high-cost, high-barrier markets,” Buckley said.