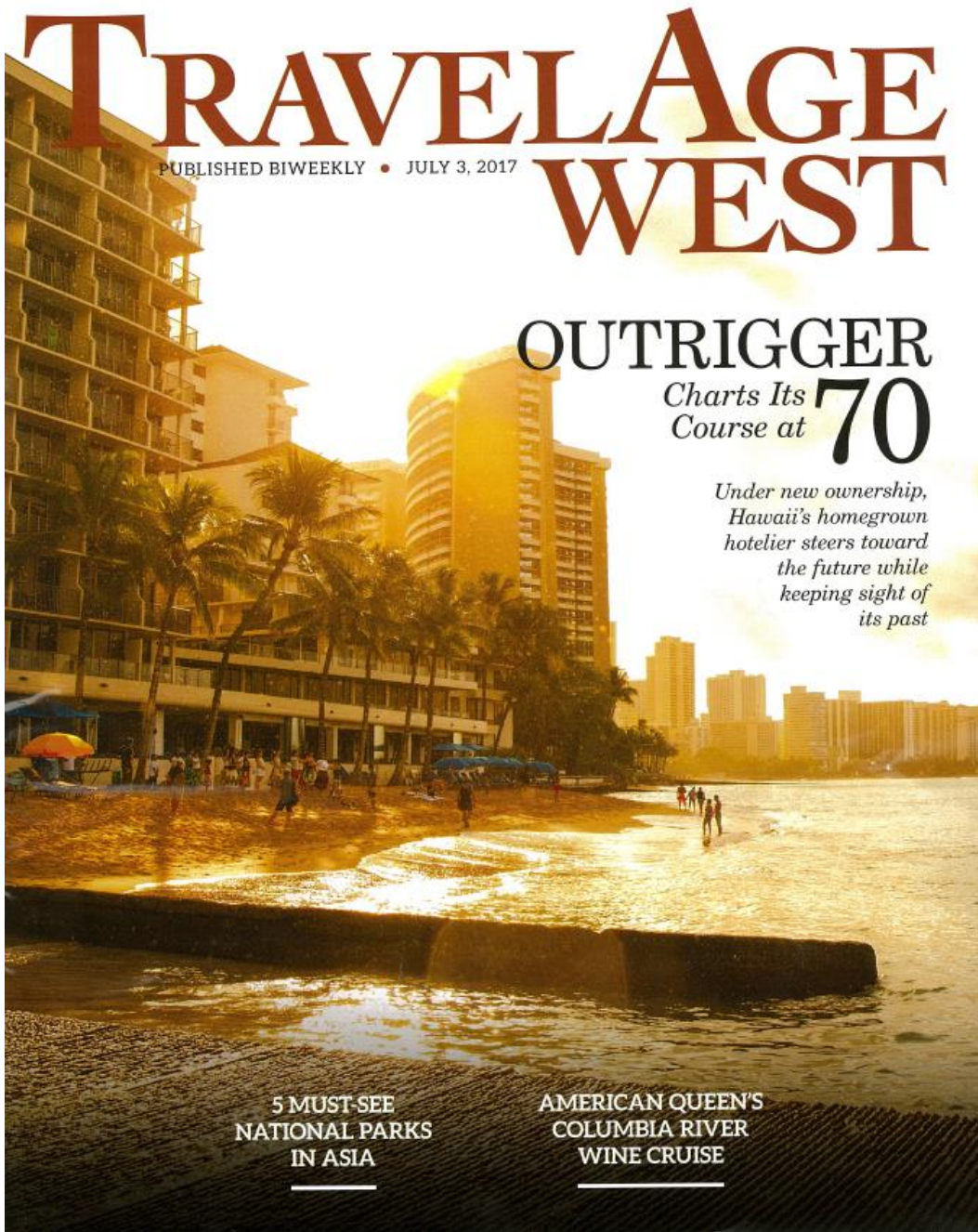




OUTRIGGER
ENTERPRISES GROUP

Publish Date: July 3, 2017
Circulation/VPM: 21,000
Topic: Outrigger Charts Its Course at 70

EXPLORING TRAVEL FAVORITES AND FRONTIERS



TRAVEL AGE WEST

PUBLISHED BIWEEKLY • JULY 3, 2017

OUTRIGGER
Charts Its Course at **70**

*Under new ownership,
Hawaii's homegrown
hotelier steers toward
the future while
keeping sight of
its past*

5 MUST-SEE
NATIONAL PARKS
IN ASIA

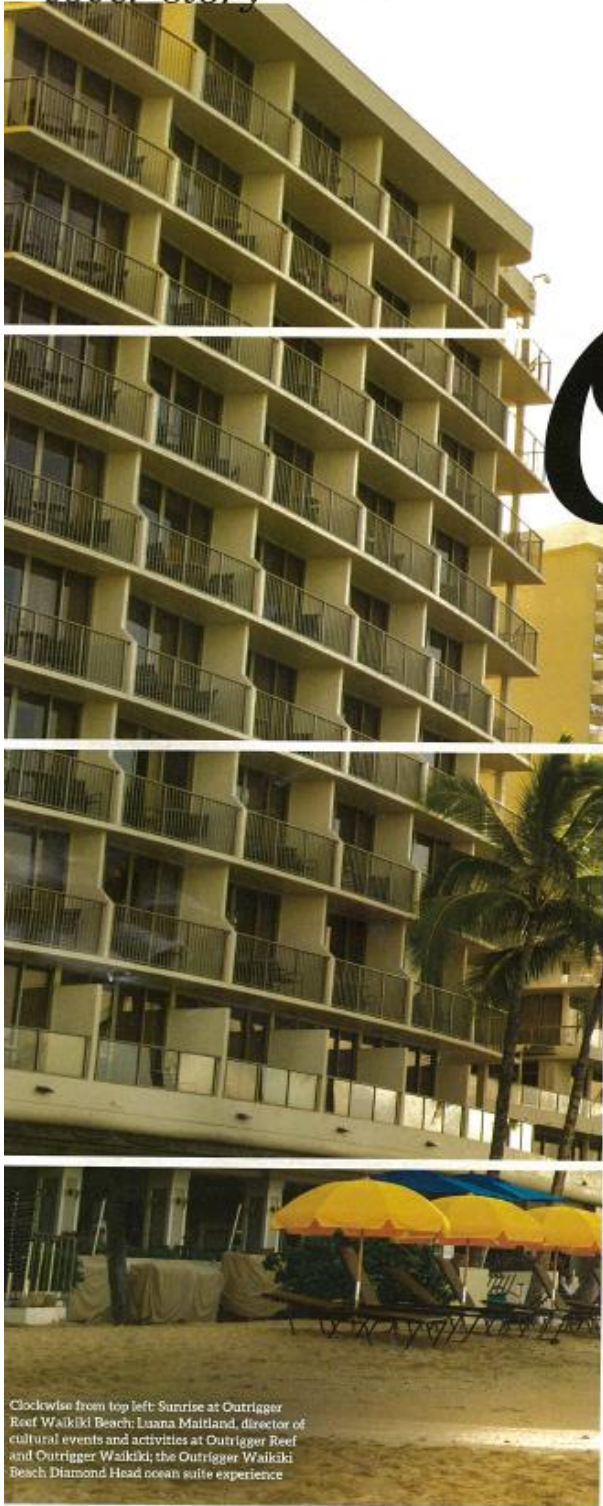
AMERICAN QUEEN'S
COLUMBIA RIVER
WINE CRUISE

cover story

Under new ownership,
Hawaii's homegrown
hotelier steers toward the
future while keeping
sight of its past

Outrigger

Charts Its Course



Clockwise from top left: Sunrise at Outrigger Reef Waikiki Beach; Luana Maitland, director of cultural events and activities at Outrigger Reef and Outrigger Waikiki; the Outrigger Waikiki Beach Diamond Head ocean suite experience



ger at 70

By Marty Wentzel

Last year, when KSL Resorts bought Outrigger Hotels and Resorts, it acquired more than just a portfolio of 37 hotels, condominiums and vacation resorts. It also inherited seven decades of family-generated aloha spirit, with deep roots in Hawaiian culture and a devoted following of travel agents and clients — all of which KSL officials have taken quite seriously since they took the helm in December 2016.

As Outrigger approaches its 70th anniversary this September, its new owner is going the extra mile to protect the hotelier's longtime philosophy of caring for the guest, caring for the host and caring for the place. According to Scott Dalecio, president and CEO for Outrigger, that commitment — called *Ke'Ano Wao* (The Outrigger Way) — remains alive and well in the midst of KSL's ambitious plans.

"We have developed a multipronged strategy for reinvestment — both in our properties and in our people — that will propel Outrigger forward and continue to differentiate our brand from the competition," Dalecio said.

Making Waikiki Affordable

Outrigger's story dates back to 1947, when young architect Roy Kelley opened the 50-room Islander Hotel. Waikiki's first new visitor digs in over 20 years, it stood out from Hawaii's existing hotels, which were often tailored to affluent guests. Kelley distinguished his offerings by providing aloha-imbued lodging attractive to middle-income families.

In 1950, Kelley continued that concept with the six-story Edgewater Hotel, the first hotel in Waikiki with an automatic elevator. By the time his Reef Towers Hotel opened in 1959, Kelley had essentially changed the shape of Hawaii's tourism industry by putting the destination within reach of the average traveler.

In 1967, Kelley opened Outrigger Waikiki, the first property to sport the Outrigger name. It laid claim to a prime beachfront location, famed as the spot where legendary waterman Duke Kahanamoku grew up swimming, surfing, canoeing and bodysurfing. By the 1970s, the Outrigger chain had really hit its stride in the fast-growing visitor mecca, opening five more hotels: Outrigger Waikiki Surf (1970); Outrigger East (1972); and Outrigger West, Outrigger Surf and Outrigger Village (1973).

Gradually, oversight of Outrigger's day-to-day operations shifted from Roy to his son Richard, and eventually to Richard's son-in-law David Carey. In 1989, the company ventured beyond Waikiki with the debut of Royal Waikoloan Hotel on Hawaii Island. In the 1990s, the portfolio broadened into the Pacific, where it continues to have a presence. In 2006, it added Asia to its list of destinations.

Despite its geographic growth, Outrigger has always retained its headquarters in Hawaii, and it continues to invest in Waikiki's infrastructure. Nowhere is that more apparent than Waikiki Beach Walk, Outrigger's multimillion-dollar, 7.9-acre redevelopment of a formerly run-down stretch of Lewers Street between Kalakaua Avenue and Kalia Road. Upon its completion in 2007, Waikiki Beach Walk effectively reinvented the neighborhood as an appealing hub with shops and restaurants, many of which have ties to Hawaiian culture. It created landscaped, outdoor spaces for live performances by island



cover story



Clockwise from top left: Guests and hosts share the beauty of a Waikiki sunset during one of Outrigger's Signature Experiences; a one-bedroom oceanfront suite provides bird's-eye views of Outrigger Waikiki's pool and beach action; among Outrigger's Maui condominium resort options is Palms at Wailea; free daily breakfast is offered at the Outrigger-managed Embassy Suites Waikiki Beach Walk; visitors and locals enjoy live island performances at Waikiki Beach Walk, a symbol of Outrigger's dedication to the destination and its culture; Waipouli Beach Resort and Spa Kauai by Outrigger makes the most of its oceanfront setting.



musicians and dancers. As part of the project, Outrigger introduced the new Embassy Suites by Hilton Waikiki Beach Walk and completed a \$130 million transformation of Outrigger Reef.

At the beginning of 2017, KSL's Dalecio — a seasoned leader in the hospitality industry — took over the reins as Outrigger's CEO. Simultaneously, Carey, who had led the company for more than 30 years, transitioned to a major role on the Outrigger advisory board.

"I am confident that the new team will lead Outrigger to new heights in the future and look forward to helping the company maintain its strong position in the community," Carey said.

Promoting the Brand

Throughout Outrigger's decades of development, it has stayed faithful to its original brand standards. To that end, employees — regardless of their job descriptions — are referred to as "hosts," which encourages them to take care of visitors, one another and the place where they live and work.

Another distinguishing brand element is the Outrigger Resorts Signature Experiences program, which was launched in 2016. This collection of memorable guest activities is crafted to connect clients with the destination they visit and the people they meet there. Hawaii-specific Signature Experiences include a traditional sunset ceremony, where guests learn and perform a hula and chant at the end of the day. In addition, couples can take part in an island-inspired, oceanside vow-renewal ceremony, and clients can participate in hands-on cultural pastimes such as hula, lei-making and playing the ukulele.

Outrigger displays its dedication to the culture through various value-added hotel packages, as well. Throughout this year, Outrigger Reef's Hawaiian Music package provides priority seating for two people at the hotel's Kani Ka Pila Grille, home to nightly performances by both well-known and up-and-coming local musicians. The deal also comes with a deluxe pupu (appetizer) platter, a mai tai or specialty cocktail and an autographed CD from the evening's entertainer.

Underscoring its allegiance to the protection of the environment, Outrigger introduced Ozone — a global conservation initiative — in 2015. As Ozone draws attention to the waters that define Outrigger's beach destinations, it presents meaningful, on-and-off-property guest activities. For instance, the Eco-Adventure package at Outrigger Waikiki and Outrigger Reef gives clients admission for two to Waikiki Aquarium. There, they can learn about protecting Hawaii's sea life and reef systems. They also get a buy-one-get-one-free voucher for Waikiki Snorkel Eco-Adventure Sail, where they can swim and dive with Hawaii's endangered green sea turtles.

Expanding Abroad, Improving at Home

At present, Outrigger has hotels in Hawaii — including properties on Oahu, Maui, Kauai and Hawaii Island — as well as in Fiji, Guam, the Maldives, Mauritius and Thailand. Dalecio says that KSL is looking at further international opportunities, among

Anniversary Celebrations

In September 2017, Outrigger Hotels and Resorts will commemorate its 70th anniversary. Highlights will include festive events, on-property activities, giveaways and special room rates at Outrigger properties worldwide. More details will be available soon about the observance, which will also feature a booking campaign and travel agent promotion.

To honor another anniversary — Outrigger Waikiki's 50th — the company has dreamed up the

Hawaii 5-0 Celebrations package, which was designed to help guests create their own milestones. It targets a range of clients, from a couple celebrating a special occasion to those planning a family

reunion or girlfriend getaway. The Hawaii 5-0 Celebrations package comes with oceanfront suite accommodations, private VIP airport transfers, a

welcome gift, in-suite sunset champagne with pupus and special room rates for accompanying guests. Appealing add-ons include a suite upgrade, a massage, a catamaran cruise, an in-room pedicure party, a hosted tour of Oahu's most popular spots and a sunset dinner bash.

Clients can even request an exclusive encounter with featured performers at Blue Note Hawaii, Outrigger Waikiki's jazz venue for international, national and local stars.



them Mexico, Australia and destinations in Asia and the Pacific. What's more, the company is considering an expansion on Hawaii's neighbor islands.

"A new full-service Outrigger resort on a neighbor island would work in unison with our Signature Experiences platform and deliver cultural experiences unique to the destination," Dalecio said.

Meanwhile, the company is well-poised to continue providing resort management services.

"As a 'small, big company,' we give our hospitality clients individualized attention," Dalecio noted. "We find that our loyal customer base moves fluidly across our system of owned and managed properties."

And, KSL recently announced that it's in the early exploration stages of expanding the Outrigger brand to the U.S. mainland.

"The mainland is a market where we already have a significant customer base that has enjoyed authentic experiences with Outrigger and trusts our brand," Dalecio said.

Potential mainland sites have warm climates in iconic settings suitable for full-service beachfront properties, all of which align with the company's core elements and experiences, he says.

But for the foreseeable future, the majority of Outrigger's portfolio will be based in the Aloha State and will have a particular focus on the mass of visitors that come through Waikiki.

"Outrigger is intricately woven into the fabric of Hawaii's tourism market," Dalecio said.

With that in mind, the company has outlined plans to earmark upward of \$100 million for all of its properties in Waikiki over the next few years, drawing on the enhanced resources and fresh capital of its new parent company. Renovations will target rooms, public spaces, retail outlets and restaurants at Outrigger Reef and Outrigger Waikiki — two of the handful of true beachfront properties in Waikiki — plus its owned and managed brands located off the beach.

Along with planned capital improvements, KSL will be adding resources and expertise to Outrigger's business development and project management teams.

"We have a renewed focus on host training and support to strengthen the long-term sustainability of the company and provide additional opportunities

for employees," Dalecio said. "Companywide trainings have already begun, focusing on creating a consistently positive guest experience as well as professional growth for our hosts."

Benefiting Agents and Clients Alike

Since purchasing Outrigger, KSL has been devoted to upgrades that result in better internal infrastructure, distribution and connectivity across the brand.

"We are the right size to be nimble and innovative," Dalecio said.

A large part of Outrigger's technological agenda is aimed at enhancing travel agents' experience and success with bookings. On the company's newly redesigned Outrigger Expert Agent website, certified agents have access to a variety of tools, including reward points, promotions to help them earn points more quickly, monthly newsletters, complimentary client-arrival amenities, cash booking bonus offers, a help desk and exclusive rates on agent visits.

"Since our sales team works directly with travel agents on a daily basis, feedback and suggestions are passed on to us that way," said Sean Dee, chief marketing officer for Outrigger. "Or through email at Outrigger.Expert@Outrigger.com."

With travelers in mind, Outrigger recently launched its first-ever guest loyalty program — dubbed Discovery — as part of Global Hotel Alliance. Instead of accruing points, Discovery members collect rewards that they can redeem for local experiences. Program members also enjoy traditional loyalty benefits, such as room upgrades, membership offers and complimentary Wi-Fi access.

As Outrigger charts its course for the coming decades, it's clearly connected to its rich history and to the spirit and heritage of its hotel settings.

"Outrigger's distinct brand positioning — where local culture meets world-class hospitality — has withstood the test of time," Dalecio said. "It has enabled us to continuously evolve to meet the needs of our guests while staying true to our core values. The Outrigger name remains relevant to contemporary travelers in a constantly evolving market." •

The Details: Outrigger Hotels and Resorts (www.outrigger.com)