

### **April 2023**

The Choice Connection is your source for updates on every step of our integration journey. Be sure to check out the archives posted on CONNECT — click on the Choice Hotels + Radisson Hotels Americas quick link.



Over the past few months, we have made significant progress in laying the foundation to fully integrate your hotels into the Choice system. We believe once your hotel is integrated you will see tremendous value, and are aiming for top-line growth and improved profitability driven by our commercial capabilities, distribution network, and our industry-leading support network.

Our integration efforts will rapidly gain momentum over the next few months across all areas of the business as we unlock the full value of the Choice system, ensuring that while you are in business for yourself, you're never by yourself.

**Did You Know:** Over the past two years, the new hotels we have added to our portfolio have generated, on average, twice the revenue of hotels leaving it. Last year, we grew the system size across our 20 brands in the higher-revenue segments by approximately 10% YOY.

## What We've Accomplished Already:

- Okta Account Activation: This multi-factor authentication system will make it easy for you to access all Choice systems through secure, single sign-on verification. Activating your Okta account is the first step to enabling your hotel to enter our distribution systems.
- Access to Choice University: Our award-winning learning platform. Hotels that are highly engaged with ChoiceU.com are more likely to experience elevated key performance indicators, such as increases in guest satisfaction, staff service scores, RevPAR and ADR.
- **Points Exchange:** In January we enabled Radisson Rewards Americas and Choice Privileges members the ability to exchange points between their accounts in the two programs, helping drive additional revenue opportunities to your hotel.
- **Global Sales:** Our Global Sales team continues to leverage our expanded brand offerings to help deliver midweek business and facilitate group bookings from corporate and group national accounts that contribute directly to your bottom line.

# What's Happening Next:

There is still a lot left to be done including several changes to some of the systems and fees that you have grown accustomed to. While some fees may go up and some may go down, our end goal is to ultimately drive more benefits to you through the changes.

Through all of the changes, we will communicate what is happening as clearly as possible so that you understand the impact on your business. To do this, we will group communications around six core themes - educational resources, distribution, loyalty and marketing, revenue management, property management systems, and operations. This way, all the dots will be connected, and you can feel as good about coming into the Choice system as we feel about having you and your hotel a part of it.

#### **Educational Resources:**

Choice University and the Choice Hotels Annual Convention are the best-in-class educational resources you have at your disposal.

ChoiceU.com provides you with on-demand 24/7 access for you and your staff to an ever-evolving library of content. These robust training resources are designed to support your hotel's needs, drive performance, and help you increase profitability. To help you get up and running, ChoiceU.com was provided complimentary in Q1. The first quarterly charge of \$375 will appear on your April invoice, replacing your prior Radisson annual education access fee.

The Annual Convention, taking place later this month, is where we get together to learn more about driving revenue and sales, profitability, financial management, driving guest experience scores, leadership, staffing and employee retention, legal issues, and risk management. It offers over 75 Education Sessions, the Corporate Business Session with CEO Pat Pacious, a Marketplace with dozens of vendors, and Brand Sessions in case you're curious about the other brands in our deep portfolio. While mandatory, the cost to attend is 26% less than the Radisson conferences you've attended in the past.

### Distribution:

Through the Choice system, your hotels will be bookable through

several high-performing channels including ChoiceHotels.com, Online Travel Agencies (OTAs), and other third-party distribution channels including group travel. We believe the high traffic our site pulls in regularly could help drive more direct bookings, more profitable guest stays, a higher ADR, and more RevPAR growth than you've experienced before.

Your hotel should be bookable on these channels later this year. To make this happen, we need you to do one thing:

• Complete the Choice PROP-EL form when you receive it so that we can move your hotel to our website, and it can continue to be bookable online.

# **Loyalty and Marketing:**

The loyalty program you are about to tap into, Choice Privileges, is more than 56 million members - five times larger than what you are used to. Since loyalty members generally stay more often, book direct and spend more during their stay, this is a huge pool of lucrative customers that we are constantly marketing to, and you have access to. Your guests are already getting exposure to Choice Privileges through the point exchange with Radisson Rewards Americas, which launched earlier this year. We are also excited to launch a new cobranded credit card program with Wells Fargo and Mastercard this spring to deliver greater value to you and your guests. This will expand the exposure of our brand to Wells Fargo's 70M+ customers, including visibility on their website and in their branches. And it will offer accelerated earning opportunities to members.

Also, we recently launched a new multichannel national marketing campaign to help travelers feel confident about their upcoming trip by booking their stays direct. Once your hotel goes live on ChoiceHotels.com later this year, logos of your brand will appear at the end of the advertising spot, leading to more exposure for your hotel and ultimately more opportunities to drive direct bookings.

#### **Revenue Management:**

Our Revenue Management teams have joined together and look forward to working with you to help you maximize your revenue potential. We are in the midst of assessing processes and programs to align in anticipation of system migrations later this year, laying the foundation to make sure our team is ready to support you through the transition.

**Did You Know:** Choice has outperformed the industry in RevPAR growth for three straight years and surpassed 2019 RevPAR levels for six consecutive quarters due to the significant investments made in our business, creating a best-in-class franchisee system.

## **Property Management Systems:**

- Upper Midscale Brands
  - choiceADVANTAGE, our industry-leading property management system, offers enhanced functionality, on average lowers the total cost of ownership for most hotels (final cost varies by room count), and empowers you to improve performance, maximize revenue, and provide exceptional guest experiences. We're excited to migrate Country Inn & Suites and Park Inn brand hotels in the U.S. and Canada to choiceADVANTAGE during the second half of 2023. An integration roadmap will be communicated later in the year.
    - As we work to prepare for a smooth migration to choiceADVANTAGE, please ensure you complete the interface survey you received so that we can better understand your current hardware configuration to ensure optimal setup for usage.
- Upscale+ Brands
  - Radisson Individuals, Park Plaza, Radisson RED, Radisson, and Radisson Blu-branded hotels will continue to leverage your current property management system (Opera), minimizing business interruption. We are

actively working with Oracle to secure advantageous pricing and service for your hotel.

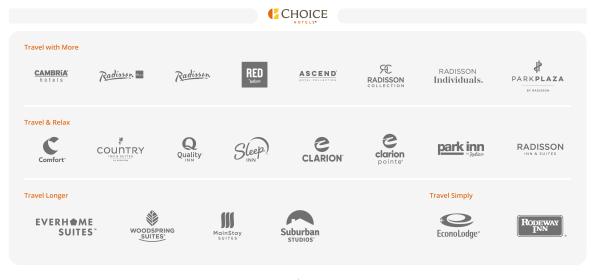
## **Operations:**

Hopefully you've had the opportunity to meet your Area Director. Formerly known as Regional Director, these hospitality veterans are here to provide on-site hotel operations support and to be a trusted advisor that will help you take advantage of all that Choice has to offer. They are excited and getting powered up to introduce you to new programs that will help increase the operating performance of your hotel.

**Did You Know:** Radisson and Country Inn & Suites hotels now have access to Choice's profitability benchmarking tool, HotStats, a free resource that provides comparisons on key operational areas at your hotel. Explore HotStats through one-on-one consulting provided by your Area Director to help increase your profitability potential.

# In Closing:

The next few months will bring many changes to the programs and platforms you have been used to as we drive toward unlocking the full power of the Choice system for the Radisson brands. Through all these changes, please know that we will provide regular updates, including the information you need to run your hotel and help maximize your return on investment.







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