

Las Vegas: A Marketing, Urban Planning and Hotel Management Showcase

Real Estate Tech, July 2000

By Stephen Chung BS BBLdg(HKU) MS in Real Estate(MIT) ARICS AHKIS MAACE MHKIREA PQS RPS-QS
Zeppelin Property Consultants Limited - Phone (852) 2401 6388 / 6602 Fax (852) 2401 3084

Real Estate Development, Investment, Asset Management, Joint Ventures and Marketing Strategies

The author had recently visited the place and was impressed by its overall operational efficiency. Here's why:

- a) **Marketing** = it attracts 3 main groups of visitors = business corporations (it is a convention center), families on holidays (it is now the 1st tourist spot in the USA with Orlando, Florida trailing behind it), and naturally gamblers (both professional and amateurish). It also blends this critical mass together well and each group can find at least a reason or two to be there. For instance, each major hotel has a theme and some even have a theme park. Then there are the nightly shows ranging from family-orientated ones to the more matured ones. The Grand Canyon is nearby for those who want an outdoor experience and there are the numerous never-ending casinos and highly affordable buffets. The major hotels occupying the "strip" are huge with thousands of rooms each plus large convention, amusement and shopping facilities.
- b) **Urban Planning** (not necessarily in the aesthetics sense and this is a subjective aspect) = it is easy to get around as there are bridges and trams connecting the various hotels and plenty of taxis. There would be some congestion at times though the wait is not intolerably long. As one checks into a hotel, one would find the process rather efficient as normally there would be enough registration counters (like a big bank) with sufficient lobby space and elevators catering to the high horizontal and vertical (people) traffic flows. Even the buffet restaurants, with their attractive prices, do not lead to an overly long queue. In short, there are few bottlenecks. It seems to be the result of careful planning.
- c) **Hotel Management** = According to the locals, Las Vegas (with around 1M people) caters to some 40M+ visitor-visits per year (imagine the logistics of just feeding them!) and it has 19 out of the 20 largest (by room count) hotels in the world. All have 5-star décor though none is so rated, as a 5-star hotel cannot have a casino according to some rating standards. The major ones will each have thousands of rooms plus thousands of employees and staff working in 3 shifts. Yet, everyone seems to know his/her areas of responsibilities well. Also, as the hotels have jurisdiction up to the pedestrian boundaries, there are few "loiterers" thus enhancing the security aspect.

This is not to say that there is no room for improvements, and the author is definitely not trying to promote gambling (there is plenty to do even without the gambling). Yet from a business angle, Las Vegas does contain certain elements worth learning by marketing, planning and hotel management professionals.