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For Margaritaville, executing on F&B is key

By [Jeff Weinstein](#) on 1/2/2020

Margaritaville Holdings was inspired by a song about a drink, after all, and John Cohan, co-founder and CEO of the Palm Beach, Florida-based company, is leveraging its experience and ability to execute on F&B.

“We have about seven of our own food and beverage brands, so we can say to our hotel owners/partners, ‘What type of food and beverage would you like?’ Even though we’re not a hotel management company, we use companies like Davidson (Hotels & Resorts), who is terrific, to manage,” he said. “But we co-manage the food and beverage because we really know how to execute on that.”

While Margaritaville works with multiple management companies, including giant Aimbridge Hospitality in the Bahamas, Davidson has been a big partner, operating the flagship in Hollywood, Florida, and the new Nashville property.

It also manages Pebblebrook’s Paradise Point Resort in San Diego, which upon renovation will become the West Coast flagship.

Cohan pointed to the partnership with Davidson, whose parent, KSL Capital Partners, owns the Hollywood project, as an example of the importance of finding the right partners. “What Davidson really brought to the table is the group corporate business,” Cohan said. “We are incredibly successful with corporate Fortune 500 meetings at our properties.”

“As the visionary for Margaritaville, John Cohan has also done an extraordinary job guiding the brand into various consumer segments, all while building critical brand awareness,” said Davidson CEO John Belden, adding that the brand doesn’t pretend to be something it’s not. “While they’ve had countless successes over the last 20-plus years, I feel like their journey has led them to their true calling in the hotel industry.”

Cohan has an unexpected answer when asked how he defines Margaritaville Holdings and its full-time staff of 51: “We’re a training company. We have to train the people who are on the front line,” he said. “Because we don’t manage those properties, we have to train the Davidsons of the world to know how to deliver our experience. That is really the core.”

Belden called Margaritaville a complex and sophisticated brand that requires an operator with deep F&B skills, exceptional culture and a dedication to quality.

“You can’t fake the experience, nor can you undercapitalize the asset from a quality standpoint, or you’ll risk cheapening the experience,” he said. “You have to be committed to creating a highly stylized, casual luxury environment. You also have to assemble a team that can truly bring the brand to life, so that the experiences can generate outsized revenue streams and exceptional profits.”



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