

## Profiles

# Davidson Hotels expands, maintains full-service focus

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With the launch of its restaurant division, Davidson Hotels & Resorts is growing its business through full-service branded hotels and independent and resort properties.



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ATLANTA—The success of Davidson Hotels & Resorts has relied on maintaining a smaller portfolio and staying true to three main business segments, company executives said.

Thom Geshay, president at [Davidson](#), said the company will reach 52 hotels by the end of the year, and is growing with a focus on three verticals: branded full-service hotels, lifestyle hotels and resorts.

Having “full-service, more complex-type properties” is a differentiator for the company, Geshay said, and Davidson has done a lot of work in the food-and-beverage departments across its portfolio, which led to the creation of Davidson Restaurant Group to give more recognition to the company’s F&B efforts.

Davidson manages 98 restaurants and bars in its portfolio and is in the process of “concepting and developing another 30,” Greg Griffie, SVP of the restaurant group, said during an interview at the [Hotel Data Conference](#).

The restaurant group will continue to make decisions on concepts for hotel F&B outlets on a market-by-market basis, Griffie said. Davidson has built a “tremendously talented team” to run the operation, he said, and that team will stay up to date on F&B trends.

It's important for the culinary team to be familiar with lifestyle choices such as Whole 30, Keto and gluten-free so that menu items can be customized to meet those preferences, he said.

Davidson Restaurant Group is also exploring "ghost" (virtual, delivery-only) restaurant options as alternatives to traditional room service, Griffie said.

The goal of that would be to "capitalize on the concept kitchen we built and rebrand it online to gain a new revenue stream" that brings in locals, new guest and guests already staying at a hotel while not taking on the overhead delivery expense.

### **Independent and resort properties**

Davidson's independent division, Pivot Hotels & Resorts, has seen a lot of growth since its launch three years ago, Geshay said.

"In the last three years, we've grown to 20 (hotels) between what's opening and under development, and some of the best-known owners in the independent space have entrusted us with their assets so the growth of our lifestyle division has been just fantastic," he said.

Davidson also has grown in the resorts segment with "a select group of destination, large-scale resort properties," he said.

### **Market selection**

The cycle is a bit long in the tooth, Geshay said, so hoteliers have to be careful when it comes to market selection.

Davidson has hotels in primary, secondary and some tertiary markets, and looks for "a combination of a property in the right location for a given market that is maybe underperforming because of poor positioning in the market or branding or lack thereof," he said. "Or a place where we can bring our specific set of operating skills to the table and do a better job of operating the asset."

### **Company culture**

When hiring in a tight labor market, Davidson looks for the right personality and character and then trains people from there, Geshay said.

"I am proud our turnover last year was the lowest it's been in 10 years," he said. "In a tight labor market, usually it goes the other direction and you've got north of 80% turnover in the hospitality industry. We have been able to keep ours below 30%."

The company's portfolio size of around 50 hotels has made it possible to "demonstrate and live" the company's core values, he said.

"Because we've built all of our programs and systems around full-service, upper-upscale, heavier intake into our food and beverage type of property, our portfolio hasn't ballooned to 200, 300, 600 (hotels). ... You guys broke the news (on 29 August) on the behemoth [merger of Aimbridge and Interstate](#), (which is) great for them ... but at the same time, it's really hard if you've got 1,200 hotels to distill a culture across the portfolio."

He said companies with 75 hotels or less can really focus in on culture. At Davidson, he said, executives know many employees on the property level by name.

"The better people in the business want to work for a company that puts employees first," he said.