

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

Excerpts from the Signature Event featuring Christopher J. Nassetta and Arne M. Sorenson, President and CEO, Hilton Worldwide; and President and CEO, Marriott International, INC.

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“... as the world continues to become a smaller place and globalization continues to pick up steam, what we’re seeing is actually more brand loyalty particularly because ... at our scale, with the geographic distribution that we have in 91 countries with chain-scale diversification across all the various price-points, all connected together with Honors, our loyalty program, and with underlying it very good products and services that are being delivered, what we’re finding – notwithstanding the Internet, notwithstanding the ability to shop – is that our market share in individual markets, and in regions and globally, is going up, not down, that people are becoming more and more loyal to our brands.” ~ *Christopher J. Nassetta, President and Chief Executive Officer, Hilton Worldwide*

“It’s a business everybody loves. Our people love it, our guests love it, our owners love it. ... You can understand any business, but you love hotels and you love to talk about hotels and who’s taking the toiletries and what’s happening in the minibar. You can like it for the business riddles, you can like it for the grand questions around global development, but you can also like it just because you’ve got a favorite hotel in the world and you’ve got an experience that you’d like to talk to people about. Whether you’re on the soccer field with other parents or you’re talking in sophisticated business circles or you’re talking to government folks, everybody likes the hotel business, maybe to complain about it every now and then, but they love to travel, they love the experience, they love the memories that they get and take from it.” ~ *Arne M. Sorenson, President and Chief Executive Officer, Marriott International Inc.*

“... we live in a world in which anybody can say, you’re a bad business because you have housed somebody last night whose politics I dramatically disagree with. That is in our political system, but it’s also in our society over and over again. We’ve got to work, I think, collectively to make sure that it’s not a sort of a gotcha game, that we’re not holding business to a standard which is to somehow filter through all controversial things and get them behind us.” *Arne M. Sorenson, President and Chief Executive Officer, Marriott International Inc.*

“... automated check-in will be as prominent in the hotel space as it is in the airline space already. It’s been slow to get there. We’re now doing it in all of the Marriott-branded hotels in the United States, about 350 hotels. So if you’re a Marriott Rewards member and you want to sign up for the program, you can essentially walk in and they’ll give you your room key and, boom, you’re gone. Now, we’re not far enough yet because of the technology to let you open the door with your phone, which may be coming, although there are some risks with that. Unless you get it perfectly right, you may open the wrong door and find somebody already in your room. We obviously want to make sure that that doesn’t happen.” ~ *Arne M. Sorenson, President and Chief Executive Officer, Marriott International Inc.*

“It’s all about choice and control. ... everywhere, in all of our lives, that’s what we’re getting. That’s what we love about the iPhone or our Android, it’s not that it’s whiz-bang and it looks beautiful; it does. It’s that it makes my life easier, it makes me more efficient. I can get a lot done without having to deal with a lot of people. ... we are very, very focused and investing very heavily [*in technology*]. ... the world of the future is going to be – and it’s not far off – like you can do in other parts of your life – where on your iPhone or whatever you carry, you can interact with us ... from the first time you think about booking a room to checking out ... to giving us feedback. [*The interaction*] will be done seamlessly and without having to interact directly with

anybody unless you choose to do it. ...it's going to give you the ability to be much more efficient and much more functional." ~ *Christopher J. Nassetta, President and Chief Executive Officer, Hilton Worldwide*