transformational partnerships

collaborative approach

competitive returns



hotel franchising simplified

Coast Coal Harbour Vancouver Hotel by APA, Vancouver, BC

WHITTH

# our local approach is your strategic advantage



# transformational partnership opportunities

Coast Hotels is anything but cookie-cutter. We own, manage and franchise properties in vibrant large cities, tranquil resort towns and everywhere in between throughout Western North America.

As today's travelers gravitate toward unique lodging accommodations, we turn the standard hotel brand concept on its head with our localized approach and our commitment to preserving the character of every community we are situated in. However, what each property does have in common is an exceptional value and an unmatched dedication to our guests.

Isn't it time that you joined our network of one-of-a-kind hotels?

#### where we're located



#### **canada** alberta

Calgary Canmore Edmonton (2) Grimshaw Hinton Jasper Lethbridge Nisku

#### british columbia

Abbotsford Burnaby Campbell River Chilliwack Courtenay Fort St. John Kamloops Kelowna Langley Nanaimo Oliver Osoyoos Parksville Prince George Revelstoke Sechelt Tsawwassen (Delta) Vancouver Victoria Williams Lake

#### saskatchewan

Swift Current

#### **yukon** Dawson City (3)

#### **USA** alaska

Anchorage

#### california

Burbank (2) Santa Barbara

#### hawaii

Kauai

#### washington

Bellevue Pullman Sea-Tac Airport Wenatchee



### about coast hotels

Since acquiring our first property over 50 years ago, Coast Hotels has grown into one of North America's fastest-growing and one of Canada's largest hospitality brands.

Coast Hotels represents a diverse blend of owned, managed (branded and independent) and franchised properties. Our portfolio is as unique and varied as their locations and each hotel brings a style and personality all its own to the brand.

As hospitality experts, Coast Hotels facilitates unique experiences at every property. We are passionate professionals, offering superb management and a dedicated team of experts focused on driving revenue and guest loyalty.

# about coast hotels at a glance

Coast Hotels enhances your property by aligning it with a well-respected and distinct brand. Through our brand delivery and services, Coast Hotels provides robust owner and franchisee benefits ultimately driving more profit to your bottom line and maximizing the value of your asset.

We believe that aligning your property's unique attributes with Coast Hotels' brand vision, strategy and services is the key to success.

- Founded in 1972 and purchased by APA Hotel International, Inc. of Japan in September 2016
- Headquartered in Vancouver, BC, Canada Coast USA, Inc. office in Seattle, WA, USA
- Coast Hotels currently owns, manages and franchises 42 properties in Canada and the United States:
  - Owns and manages 6 properties in Canada
  - Manages 3 properties for various Canadian ownership groups
  - Franchises 24 properties in Canada
  - Franchises 9 properties in the USA

00451

#### meet the leadership team

Respected industry-wide, our highly experienced, visionary and diverse leadership team is committed to building mutually beneficial long-term relationships.



Takamasa Machiura President & CEO Coast Hotels Limited



Jin Sasaki President & CEO Coast USA, Inc.



Mark Hope Senior Vice President, Development



Manny ilao Chief Financial Officer



Kelli Steer Vice President, Operations



**Brigitte Diem-Guy** Vice President, Revenue Strategies & Communication



Linda Hagen Director, Brand Engagement



Nooshi Akhavan Director, Revenue Performance



Shafina Hajee Director, National Sales



Glen Merx Director, People & Culture



Elaine Apel Director, Corporate Purchasing



Lily de Asis Director, Accounting & Reporting Services



David Ferguson Director, Development



Grant McKegney Director, Technology



Dale Prout Director, Development



Leon DeLuca Director, Facilities & Maintenance



Lloyd Ilumin Director, Asset Management

# no place like coast

#### the fit

Coast Hotels are as unique and varied as their locations. Each property brings a style and personality to the network.

#### our vision

To grow our network of unique hotels, creating brand preference, happy ambassadors, and competitive return on investment.

#### our values

At Coast Hotels, we work collaboratively with our partners to ensure that strategies are effective and relevant, and to achieve collective success. We are guided by five core values. All Coast Hotels ambassadors are hired and supported to demonstrate these values to our guests, stakeholders, and one another. These five values are:

- Act with Fairness
- Challenge the Limits
- Expect Commitment
- Live with Honour
- Win Together

#### our brand promise

At Coast Hotels we provide a stay you can trust, by delighting guests with friendly service and a Refreshingly Local<sup>™</sup> experience at a network of unique hotels.

# owner-focused approach

#### distinctive

Coast Hotels represents a diverse blend of owned, managed and franchised properties. Our hotels are as unique as their locations. Our Brand Touch Points ensure consistent guest experiences building on the personality of each hotel. This ensures travelers always enjoy the level of service and amenities they expect from a Coast hotel.

#### experienced

The Coast Hotels team are experienced leaders with a wealth of hospitality and specialized experience. We consistently strive for new and innovative ways to drive business to Coast Hotels properties, researching and employing the most current tools, technologies and services to attract guests, cultivate repeat business and stimulate customer loyalty.

#### responsive & collaborative

Just because you're in business for yourself doesn't mean you have to be in business by yourself. Because we're owners too, we have a responsive model that ensures your hotels have access to the right tools to maximize revenues, profitability and market share. We pride ourselves in being flexible and collaborative with our owners because each hotel is truly unique with different needs.

### proactive approach







#### revenue centric focus

At Coast Hotels, our mission is to drive a high-performing revenue centric culture throughout all areas of our operations, from top-line revenue generation to bottom-line operational efficiency.

We balance our focus on creating memorable guest experiences with our ability to grow revenues and increase market share, knowing that delighted guests are key to achieving competitive returns and long-term sustainable ROI.

With the goal of more than doubling the size of our hotel group throughout North America over the next five years, our Network Strategy Map sets out our growth path.

# network strategy

Network Strategy Map		ntric culture that chisees and stror							
Strategic Pillars	Engaged and productive Ambassadors	Delighted guests	Refreshing stays		Friendly service		Return on investment		
Customer Value Proposition				Nanaged Hotel Owners ability, stability, confide value, support, leaders	ence,	High qualit	Guests ty, strong value, brand experience		

# driving customer loyalty - coast rewards"

Designed to drive customer advocacy, lower acquisition costs and increase higher lifetime value of guests, our innovative proprietary Coast Rewards<sup>™</sup> loyalty program drives awareness and high engagement.

Rewards members earn points the moment they join on every qualifying dollar spent with every stay. Members redeem points for complimentary stays, room upgrades, travel packages and merchandise. Coast Rewards<sup>™</sup> offers members five benefit tiers – Pink, Purple, Silver, Gold and Platinum – based on room-night volume.

Members enjoy exclusive reservation services through a dedicated toll-free phone line as well as online support. They also have access to member exclusive rates, receive express check-in and many additional exclusive perks based on their tier achievement.

In addition, we offer our Coast Rewards<sup>™</sup> members the option to accumulate points with Aeroplan®, Alaska Airlines Mileage or More Rewards in place of Coast Rewards<sup>™</sup> points.

# **global integration** coast **rewards**<sup>™</sup> & **Φ ΛΡΛ** HOTELS&RESORTS

In 2016, Coast Hotels joined APA Hotels & Resorts, the largest hotel company in Japan.

We are now a global hotel network with over 670 locations and 20 million-plus reward members. With the goal of creating more value and offerings for our guests, our loyalty programs work together to reward our members every time they stay at a Coast Hotel or an APA Hotel.



# more rewarding, more often - coast rewards & AEROPLAN (\*)

Aeroplan is Canada's premier loyalty program and Air Canada's frequent flyer program. Aeroplan Members have access to over 26 member airlines.

Aeroplan members can earn 250 to 500 Aeroplan Points per qualifying stay at all Coast Hotels properties in Canada and the U.S. Members simply provide their Aeroplan number when booking their stay, present their Aeroplan card on check-in or join the Coast Rewards program and select Aeroplan as their earning preference.

Meeting Planners can also earn Aeroplan Points with Coast Hotels. Planners can receive up to 20,000 Aeroplan Points for meetings and events. Earn one point per dollar spent on room reservations, and one point for every three dollars spent on food, beverage and meeting room rentals, excluding taxes and gratuities.

# more rewarding, more often - coast rewards martners

Alaska Airlines Mileage Plan is the loyalty program for those who love to travel. Part of the oneworld® alliance and other Global Partners, Mileage Plan is rewards its members with every flight.

Coast Hotels guests receive 500 Miles for every qualifying stay. Members can redeem their miles towards flights, seat upgrades and booking hotel stays



More Rewards is a top loyalty program in Western Canada. Earn points when you shop at Save-On-Foods, PriceSmart Foods, Urban Fare and other partners. Redeem points towards your travel needs through More Rewards Travel, gift cards, groceries and more.

More Rewards Members receive one point per dollar spent at any Coast Hotels property. Simply show your More Rewards card at check-in to earn.



# commercial focus to drive revenue & maximize your performance

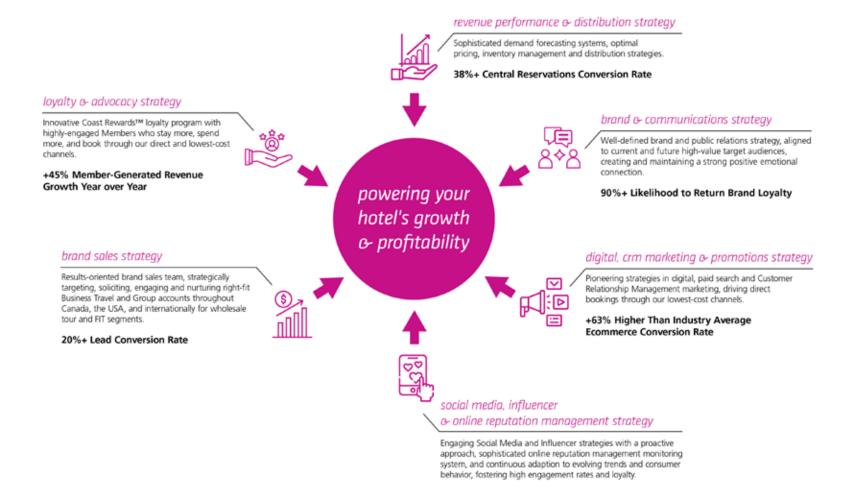


### commercial strategy

Our commercial strategy is designed to drive revenue and maximize your hotel's profitability.

As the driving force behind our brand's affinity, revenue generation, and customer advocacy, Coast Hotels Commercial Strategy is pivotal in realizing your long-term and sustainable growth objectives.

Our dynamic team of commercial strategy specialists consistently delivers exceptional returns for our franchise owners while fostering brand affinity, loyalty, and advocacy.



### national sales team

Coast Hotels' national sales and business development programs immediately and significantly increase your property's exposure. Dedicated to building and strengthening our business-to-business sales relationships, our national sales team targets, solicits and manages top accounts for the brand throughout Canada, the USA and, in the case of wholesale tour and FIT markets, internationally.

Our strength in the corporate travel and group convention and meetings segments helps provide a consistent year-round base of business and drives market share growth.

Sales and brand-wide stays are stimulated through our national and hotel-based sales teams who cross-sell business to drive room nights and revenue across our network.

#### central reservations

Our Central Reservations System (CRS) is the heart of Coast Hotels' network of hotels and resorts. We handle over 300,000 calls annually based on an 18 hour a day, 7 day a week basis. Based in Vancouver, British Columbia, Canada, CRS recruits, trains and retains the best sales associates to increase sales and revenue for our hotels. **Coast Hotels' CRS production is significant, contributing more than 50.0% of property room revenues.** 

**CRS on average converts over 40.0% of calls to sales.** The success of CRS is partly due to our ability to cross-sell all Coast hotels on every call. Agents offer alternatives when a property is sold out or doesn't meet a customer's needs.

The rooms inventory of the entire Coast Hotels network, including day-to-day rates and availability, is dynamically managed and stored in the reservation system so that guests and agents are able to book rooms quickly and efficiently. All reservations are captured and confirmed within the CRS, helping ensure your property achieves maximum occupancy rates and revenues. CRS is an extension of, or is your hotel's reservation department.

# insightful reporting

Each month-end, every Coast Hotels property receives a reporting package outlining volume and revenue by source, conversion rates by channel, average rates, the average length of stay and average lead time, with year-on-year comparisons.

These reports and insights allow you to leverage data to drive decision-making and gain a competitive advantage, reduce business costs and increase profit.

-4.3%

Countime

# distribution

Coast Hotels branded properties are supported by a robust distribution platform that delivers high-value guests through several channels.

Guests can conveniently make reservations via:

- Online at coasthotels.com
- Telephone & Chat through our Central Reservations
- Email
- Third-party vendors through our Global Distribution System (GDS) including Travel Agents, Consortia, E-commerce, Corporate Travel Managers and Online Travel Agencies (OTAs)

Coast Hotels offers a private label WX chain code for its hotels. The WX code allows agents to find booking information for all Coast Hotels properties in one location on the GDS.

Additionally, consortia and negotiated rate solicitations can be submitted for the entire brand via our Cvent-Lanyon platform.

#### revenue management

Coast Hotels is committed to helping our hotel partners increase their revenue through our dynamic approach to revenue management. Our revenue management team is dedicated to understanding, anticipating, and influencing consumer behavior through strategic distribution of hotel inventory.

With the help of advanced systems like IDeaS G3 Revenue Management Solution, we implement effective pricing strategies and inventory management techniques that align with our forecasting tools to boost your property's competitiveness, expand your market share, and maximize revenue.

We offer three revenue management service tiers that cater to your specific needs, revenue growth goals, and property size. Whether you have an in-house revenue management team or need full support, our team provides unparalleled expertise, resources, and services, all while leveraging the latest technology and key partnerships.

We work closely with you to ensure you're fully involved in decision-making and continue to own revenue performance and profitability. At Coast Hotels, we understand that effective revenue management requires a collaborative approach, and we strive to provide the appropriate level of collaboration to meet all your revenue management needs and objectives.

#### revenue management

#### flexible & creative

Coast Hotels' revenue management approach addresses the unique needs of each property. From technical support to strategic recommendations regarding inventory and pricing, Coast Hotels' revenue management supports each hotel's needs. We work with Coast Hotels properties to create customized solutions that capture share and optimize profits.

#### driving results with integrity

Coast Hotels values the loyalty of every traveler and practices aggressive but ethical revenue management. Our goal is generating short term growth that builds toward long term success, by earning the trust of travelers.

#### strategic priority

Coast Hotels' revenue management focus is to determine the optimal selling strategy for each property. Analytical tools are utilized to develop strategies with confidence. In-house expertise drives achievement of those strategies through complex management of multiple channels. Our revenue management is market driven and pro-active rather than reactive.

#### ota management

At Coast Hotels, we manage the OTAs, as part of a complete channel management program. Our outstanding relationships with the major OTAs in North America gives Coast access to the resources we need when we need them, optimizing exposure, while minimizing cannibalism of our Coast Hotels booking channels.

#### marketing & communications



**DESTINATION \*** DATES Fri, May 27 - Sat, May \_ Choose Hotel

OCCUPANCY 1 Room, 1 Adult, 0 K .... BOOK NOW

=

#### enjoy exclusive perks coast rewards benefits

SPECIAL CODE

None Added

We like to treat our Coast Rewards Members like family from the moment you join, you earn points and benefits that make your stay more rewarding. The more you stay, the more membership pays off. Discover the amazing benefits available to you as a Coast Rewards Member.

VIEW BENEFITS



# positioning the brand

Coast Hotels recognizes that the strength of a brand is a key success factor in today's competitive marketplace.

Within the hotel sector, creating brand differentiation and brand affinity is critical. That's why we are building on our brand equity by promoting, enhancing and protecting the Coast Hotels brand to ensure our positioning continues to be relevant and distinctive.

# public relations & social media

The Coast Hotels communications and social media team creates and delivers engaging press releases, blogs, paid and organic social media posts and influencer marketing tactics to create brand awareness and brand affinity.

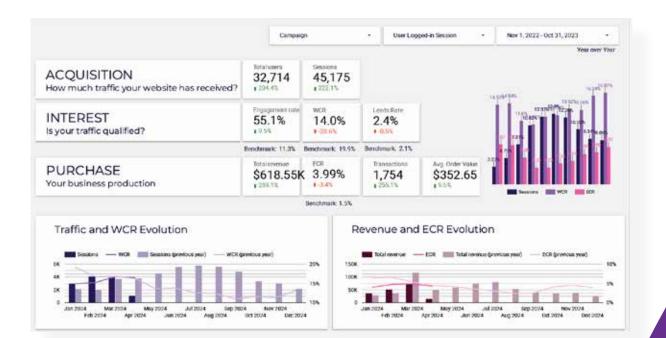
Communications strategies and tactics are designed to support the introduction of new hotels, marketing promotions, property and brand programs and initiatives, and to encourage usergenerated content to achieve top share of voice (SOV) rankings in all of our key markets.

### marketing

The Coast Hotels digital marketing team will deliver a branded custom website complete with highly optimized landing pages designed to maximize SEO performance.

Our powerful booking engine seamlessly integrates to enhance user experience and drive valuable direct bookings for your hotel.

Each month, you'll receive a personalized Google Analytics report, automatically generated to showcase the eCommerce performance of your website.

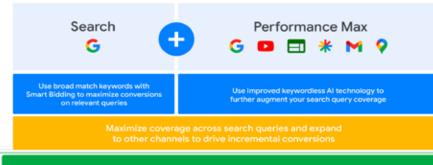




# search engine marketing

Your brand marketing fee will include an investment into ongoing organic search optimization (SEO) and targeted investment in paid search advertising, our primary strategic channel for driving brand awareness, fostering customer consideration, and maximizing conversion rates and revenue for your property.

Our paid search strategies focus on engaging high-value target personas across a variety of channels including Google Search, together with leveraging the power of Al-supported Google Performance Max's real-time understanding of consumer intents and preferences to unlock new customer segments.



Multiply results across Google Ads channels and inventory

# crm - guest satisfaction surveys & online reputation management

We will create a post-stay guest satisfaction survey for your property that will be automatically triggered by the CRM to each guest upon check-out. The survey measures customer advocacy, brand loyalty, cleanliness, guest services and more.

\*Online reputation has emerged as one of the most important factors behind a hotel's performance. It is directly linked to the hotel's image, which, in turn, is related to the financial performance of the hotels. Hence, it has become important for hoteliers to take steps to ensure that the online reputation management for hotels is addressed and maintained appropriately.

In order to manage our properties' reputation in the virtual domain, we have implemented an effective and intuitive online reputation management platform that can be used by everyone within the hospitality ecosystem, at both the property level and corporate, to quickly capture guest feedback, analyze results, engage with guests, drive sales and improve hotel and restaurant operations. (\*opt-in opportunity for a fee)

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antinuously regioned and would appreciate your				Last	12.0	romun	5 - KI	1.5							
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And public out and party a point should			Oct	Nov	Dec	Jan	Feb	Nar	Apr	18ay	Jun	Jul	Aug	540	Total
What was the nature of your stup? Set		The front deck staff were warn, orgaging and responsive.	98.74	99.40	99.45	97.53	98.77	98.76	98.09	98.84	99.09	98.78	98.73	98.48	98.4
and the or many of the second second		The housekeeping/maintenance staff were warm, engaging and responsive.	99.24	99.28	99.66	97.55	98.29	98.35	99.30	99.19	99.73	99.43	97.65	96.30	96.5
traveling entravels		The service was discreet and responsive.	96.13	94.67	95.19	90.24	96.92	\$7,78	82.00	82.00	68.24	82.50	90.59	92.94	92.53
On a romantic getaway I fue two		1. ATTITUDE TOTAL	98.04	97.78	98.50	95.11	97.99	98.30	93.13	96.65	95.09	95.90	91.05	90.94	95.5
	2 CLEANUNESS	My guest room was dean.	98.74	98.59	99.33	97.83	97.94	98.13	98.99	99.27	99.22	99.49	97.44	99.02	98.63
		2. CLEANLINESS TOTAL	98.74	08.08	09.33	07.83	07.04	08.13	98.99	99.27	99.22	99.49	97.44	98.02	98.6
haveforg sala 🔅 Tare	3. DELVERY	My reservation was accurate on check in and my billing was accurate or check-out.	97.82	99.12	99.63	97.44	98.29	58.88	98.74	99.18	59.81	99.05	96.07	98.47	98.5
		The meeting room set up, leatures and audio visual enhanced my experience.	100.00	95.00	95.00	91.43	97.50	98.67	88.00	100.00	77.14	79.35	90.00	96.00	91.17
likely are you to recommend up t		3. DELIVERY TOTAL	98.91	97.06	97.32	94.43	97.95	97.78	93.37	99.59	88.38	86.19	90.03	94.24	94.88
	4.PRODUCT	The food presentation was appealing (taske, appearance, temperature).	100.00	NA	100.00	90.00	NO	NA	N/A	NA	NA	NA	NA	NA	94.47
		My guest room was comfortable and everything was in good working order.	97.41	97.77	98.16	94.95	98.49	98.13	97.47	98.13	98.95	98.61	90.28	98.48	97.18
		4. PRODUCT TOTAL	98.71	97.77	99.08	92.48	96.49	95.13	97.47	96.13	98.95	90.61	95.29	98.48	97.06
	5. RECOMMEND	Would you recommend staying with us to others?	98.12	98.12	99,21	95.84	97,40	97,29	97.08	97.99	98.87	98.67	96.58	98.48	97.80
		I will recommend this versue to others.	95.47	92.44	97.14	84.00	97.19	69.70	85.53	81.71	91.20	89.25	90.00	90.59	90.58
		6. RECOMMEND TOTAL	96.83	95.28	98.18	89.92	97.30	93.53	92.71	89.81	95.03	93.95	90.29	91.54	94.20
buil you shey of a Ceast Hetel again	6. NET PROMOTER SCORE	Would you recommend staying with us to others?	98.10	98.12	99.21	95.84	97.40	97,29	97.08	97.90	98.87	58.67	98.55	98.48	97.80
		6. NET PROMOTER SCORE TOTAL	98.10	98.12	99.21	95.84	97.40	87.29	97.08	97.99	98.87	98.67	PE.58	98.48	97.80
at all level	Grand Total		98.18	97.25	98.47	93.88	97.63	95.90	94.51	96.41	95.09	94.78	94.39	96.43	96.16

C

#### crm - transaction emails

The Coast Hotels marketing team delivers a comprehensive suite of CRM (customer relationship management) services including branded and tailored reservation transactional emails, pre-stay messaging, upsell functionality, guest satisfaction surveys, and email marketing design, deployment and reporting.

Coast Hotels recognizes the effectiveness of marketing to engage guests, increase guest satisfaction and maximize contribution from their stay.

Digital marketing also works to drive repeat visits, cross-brand stays, and build loyalty. Corporately, Coast Hotels is building marketing databases, and investing in digital systems that form the foundation of Coast Hotel's marketing strategy.



#### you'll be here before you know it

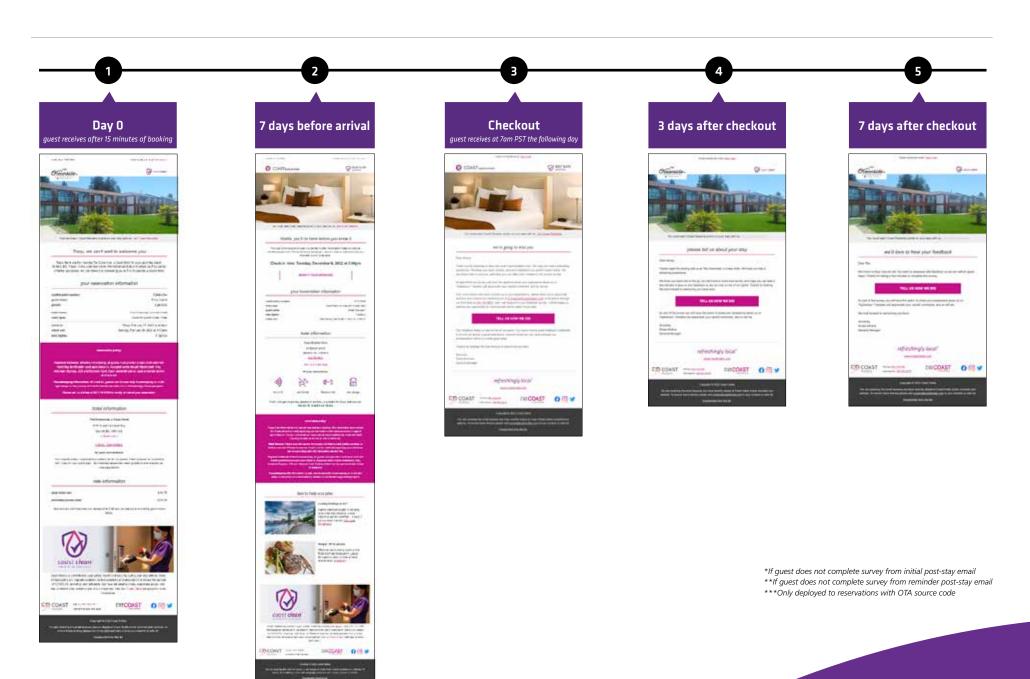
Dear Jennifer,

Since your visit is fast approaching, we wanted to offer some tips to make your stay as refreshing as possible.

We hope this into helps make your travels a breeze, and maximizes your time with us and in Kamloops



#### crm - transaction email flow chart



#### crm - email marketing samples & reporting

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COAST







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You could earn Count Resource points on your stay with on Juin Count Woweness.

#### poor on the savings

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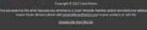
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# digital advertising - samples

We will work to develop an annual digital advertising strategy for your hotel based upon available budget.



# how coast hotels delights guests



### how coast hotels delights guests

As part of our strategy to realize our goal of becoming a brand of choice in North America, Coast Hotels has identified a number of select Brand Touch Point (BTP) standards.

Our goal is to ensure consistent offering and delivery of these BTP's at each and every Coast hotel. We know that guests value experience and they value consistency.

These BTP's encompass items guests tell us they care about the most, and include standards like triple sheeting, amenities and more.

Coast Hotels provides a Director of Brand Engagement as a key resource for properties to help them with the implementation and consistent delivery of these brand standards.

# brand identity & style guide

The Coast Hotels Brand Identity and Style Guide identifies expected brand standards for the use of the brand logo, visual identity, brand voice, property social media accounts, and more. Adherence to these standards helps us collectively build a consistent and strong brand in the marketplace.





# information technology

Coast Hotels offers hotel owners leading technology systems to improve internal processes and enhance guest experience.

Utilizing best-in-class cloud-based technology systems is pivotal in driving operational efficiency, reducing costs, and consistently improving the guest experience.

From an advanced hotel property management solution, a custom branded hotel website with high-converting landing pages integrated with a robust booking engine, and an intuitive Customer Relationship Management system, to an optional Online Reputation Management platform, our technology strategy's objective is to drive topline revenue, increase guest satisfaction and improve your hotel operations.

# how coast hotels drives operational efficiency to reduce your costs



# central purchasing

Backed by the purchasing strength of our properties, we have established long-term relationships with hospitality suppliers and manufacturers.

Leveraging our negotiations for optimal pricing empowers our franchisees to efficiently manage operations, minimize costs, and deliver exceptional guest service.

Our central purchasing department negotiates preferential and volume discounted pricing, ensures effective onboarding and training, easy e-procurement access to stocked items, and provides regular spend visibility reports.

Any vendor rebates will be equitably distributed among our properties in proportion to their purchases, thereby optimizing benefits for all stakeholders.

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BeeKind

# annual strategic planning & budgeting process (for managed hotels)

The **annual strategic/operating plan** is a detailed document that acts as a roadmap toward helping our managed properties achieve their strategic objectives. The hotel's marketing plan is also included in the annual strategic/operating plan and once approved, is funded by the approved budget.

The annual budget plan is a detailed document that allows each managed hotel to review and formulate the hotel's expected financial performance for the upcoming year as well as capital expectations.

Both the operating and budget plans will be delivered not less than 60 days prior to commencement of each year during the term.

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### franchise & management fees

Coast Hotels has low initial start-up fees, making your transition to a Coast Hotels property effective and easy.

Each month we charge a marketing fee that helps fund marketing of the brand, a reservation fee that is more than competitive, a revenue management services fee that covers our cost for revenue optimization services selected, and a royalty fee that helps cover our overhead. If you select Coast Hotels as the management company of your property, we include a monthly management fee.

You will find that Coast Hotels delivers programs at a fraction of the cost that other hotel brands charge. All of the fees are based on a percentage of Gross Room Revenue. The Management Fee is based on a percentage of Total Revenues.

2.0% Royalty Fee2.0% Brand Marketing Fee1.5% Reservations Fee0.5% -1.0% Revenue Management Services Fee

#### 6.0% – 6.5% Total Franchise Agreement Fee

3.5% Management Fee

9.5% – 10.0% Total Franchise/Management Fee

#### let's talk!

#### Mark Hope

Senior Vice President, Development m.hope@coasthotels.com | t. 604.642.4104 | coasthotelsdevelopment.com

#### **David Ferguson**

Director, Development d.ferguson@coasthotels.com | t. 604.642.4147 | coasthotelsdevelopment.com



hotel franchising simplified