Case study Fast charging in the hospitality industry

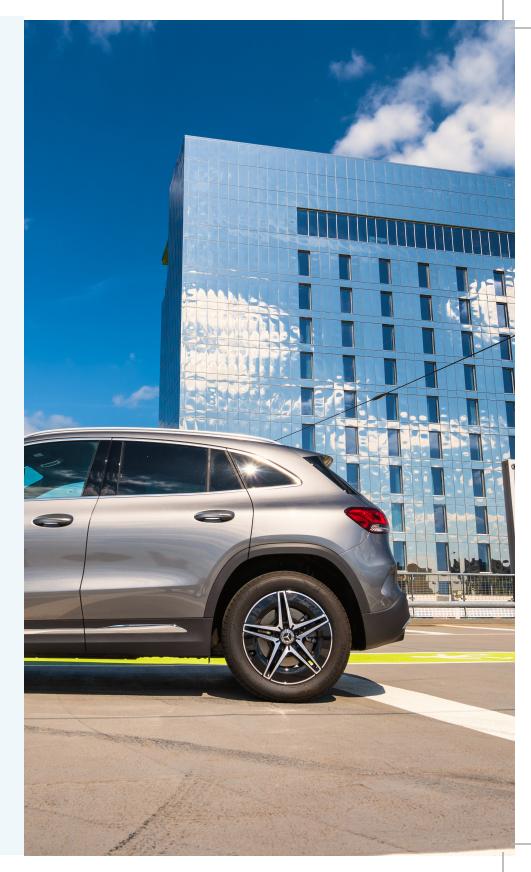
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## **Fast charging revolution:** How hotels are changing to seize this opportunity

In recent years, the hotel industry has had to find new strategies to regain lost revenues.<sup>1</sup>Despite the challenges brought by the pandemic, climate change and economic instability that have limited business travel and undermined loyalty to traditional hotel brands, an opportunity has emerged in the hotel industry, available to nearly all establishments. The increasing popularity of electric vehicles (EVs) and electric car rentals has given rise to a new segment of high- and middle-income consumers, whose hotel preferences are influenced by the convenient availability of EV chargers.<sup>1</sup>

More and more, hoteliers are realizing the value of on-site EV charging stations as they aim to reduce the environmental footprint of their industry. In Québec, 42%<sup>1</sup> of the hotel industry has already embraced the installation of such infrastructure. Charging services are now offered in over a third<sup>1</sup> of the tourism industry in "la belle province." Whether for a family getaway or corporate seminars, hotels with EV charging stations have an edge when it comes to improving customer loyalty, attracting new guests and even generating new sources of revenue.<sup>1</sup>





### Expanding the customer base to maximize return on investment

Exploring new markets beyond the existing customer base is a promising strategy for maximizing the use of fast charging stations. As Joanna Lortie, Vice-President of Hôtel Universel de Rivière-du-Loup, Québec, explains, "Fast charging stations provide great flexibility by cutting down a vehicle charging time to minutes instead of hours. With the installation of eight Smart DC<sup>™</sup> fast charging stations, we can provide a valuable convenience for our regular customers, but also for the local community and travellers passing through." Through this initiative, the hotel has positioned itself as a significant player in the field of EV charging, bringing in new customers and increasing traffic to potentially make the operation of the fast charging stations profitable more quickly.

The residential charging solution initially chosen by Hôtel Universel proved ill suited to its needs. Due to the limited charging capacity of these residential charging stations, only one vehicle could be charged at a time, which took all night, causing inconvenience for guests checking in and wanting to do some sightseeing or attend a business meeting. With this setup, these customers had to wait until the next morning to retrieve their fully charged vehicle. Guests were delayed and frustrated due to this limitation, which made it difficult for the hotel to meet its customers' needs. With a residential charging station, one charger is needed for each customer in transit, who has to wait overnight for a fully charged vehicle.

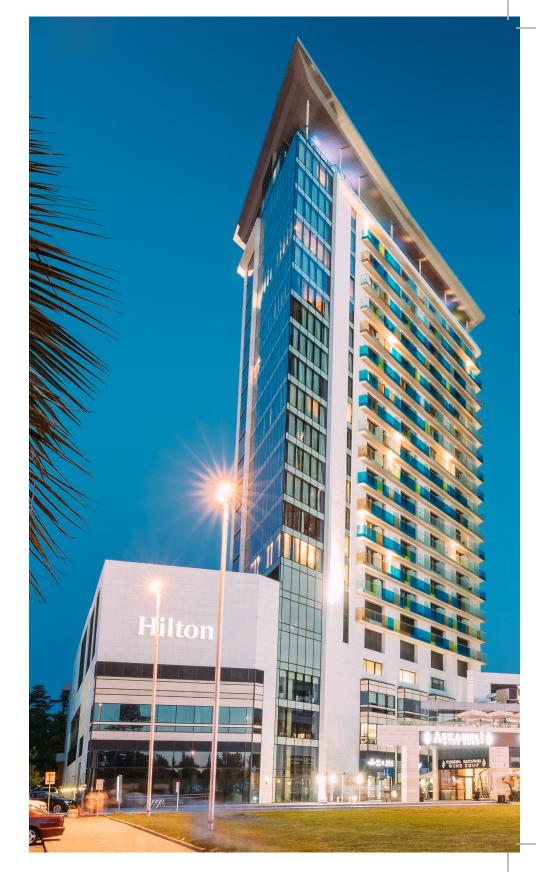
The problem was solved by replacing residential charging stations with FLO fast charging stations, which can charge most EVs in an hour. Now, not only does Hôtel Universel serve its customers seamlessly, but it can also accommodate additional paying guests arriving from the highway for a fast charge.

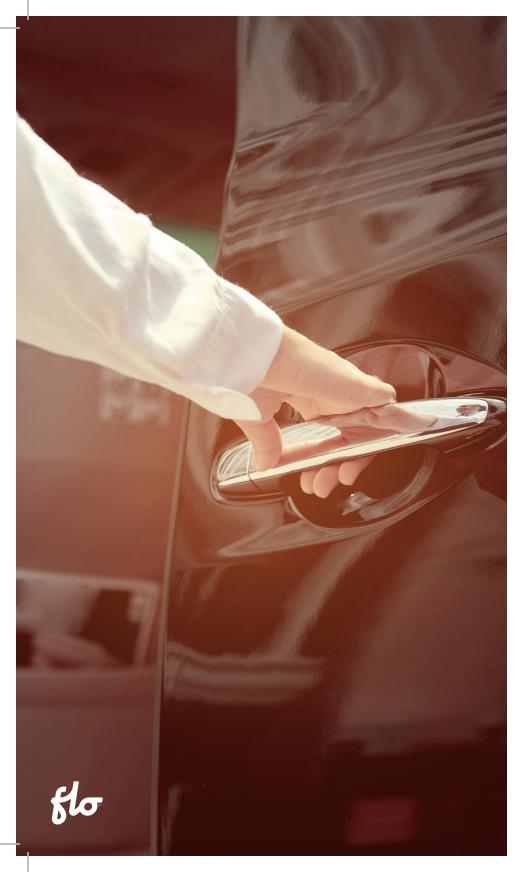
Photo: Hôtel Universel, Rivière-du-Loup

# The story behind Hilton's decision to install charging stations in its hotels

Meanwhile, major brands in the hotel industry are increasingly turning to EV charging to enhance customer loyalty and stay competitive against online platforms such as Airbnb<sup>2</sup> (while also keeping up with the latest hotel trends). The Hilton chain, for instance, recently made a substantial investment in installing 20,000 <sup>3</sup> charging stations in its hotels. With at least six charging stations available per hotel, the brand has made 2,000 <sup>3</sup> hotels more attractive to EV drivers.

Implementing this approach could lead to a significant return on investment. Electric vehicle owners in Québec typically earn more than \$70,000 annually <sup>4</sup>, making them a highly sought-after customer segment. What's more, this upgrade establishes the hotel chain as a top choice for businesses seeking eco-friendly options for event or conference bookings.





## A new customer experience: Hotels now offer fast charging through valet service

Even downtown hotels—often faced with challenges such as limited number of parking spaces or complex underground parking structures requiring valet service—can gain from fast charging as an added value. By adding a few fast charging stations to their existing valet services, these hotels can provide their guests with the convenience of charging their vehicles in less than an hour, depending on traffic and the type of vehicle.

Offering fast charging as a valet service also makes it easier to manage access and use of the charging stations. Your valets can monitor and coordinate the use of charging spaces, ensuring that they are always available to EV drivers when needed. Whether included in the basic amenities or available as a paid VIP service, it's an excellent way for hotels to gain a clear competitive edge.

### **Getting started is simple**

We take the complication out of deploying EV charging stations. Our charging experts will guide you through each step of the deployment process, from start to finish, and work with you to find the perfect solution for your business.

### Consultation

A dedicated FLO charging expert will work with you to determine your needs, usage behavior, and budget.

If available and eligible, our team will help you navigate and apply for funding programs to subsidize the cost of the stations.

### Site evaluation

FLO's application engineering team will conduct a site analysis to design a site plan that best suits your deployment needs.

This includes determining right-sized hardware to optimize your electrical capacity, parking environment, and advise on any needed electrical upgrades.

## 3

### Installation support

Installation guidance is provided whether you choose an electrician from our trusted network, or if you use your own electrical contractor.

### Onboarding

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A personalized onboarding session will be scheduled with our commissioning team to activate and configure your new EV charging station and answer any questions you may have.

## **5** After-care support

We ensure your charger performance through remote monitoring and over-the-air updates.

If you or your customers need assistance, our North American based call center is there to support 24/7.

#### Sources:

<sup>1</sup> Pratiques durables : état de la situation de l'industrie touristique du Québec,

[Sustainable Practices: the Situation in the Québec Tourism Industry], CHAIRE de tourisme Transat, ESG, UQAM produced for the Ministère du Tourisme du Québec, Reviewed in January 2023 (in French only)

<sup>2</sup> Airbnb Over 78,000 listings now offer electric vehicle charging (airbnb.com)

<sup>3</sup> Hilton to Install Up to 20,000 Tesla Universal Wall Connectors at 2,000 Hotels I Hilton News

<sup>4</sup> Sondage 2022 auprès des membres de l'AVEQ [AVEQ 2022 member survey] (in French only)

<sup>5</sup> https://transitionenergetique.gouv.qc.ca/transport/programmes/bornes-de-recharge-rapide-publiques



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