

canopy
BY HILTON

Welcome to Canopy

The energizing new hotel in the neighborhood. Offering simple pleasures, thoughtful extras and nice surprises. For a stay that's positively yours.

PART ONE | HOW WE GOT HERE

PART TWO | WHO WE ARE

PART THREE | HOW WE ACT

PART FOUR | WHERE WE'RE HEADED



PART ONE

How we got here

We took the time to get it right



We wanted to develop a new lifestyle hotel concept with high potential, clearly defined offerings and a sustainable business model. We started by identifying guest types and their preferences, and verified our concept with consumers at every step.

- 1 **Customer segmentation.** We identified four high-potential guest types that together make up a viable (and valuable) target audience.
- 2 **Concept development.** We developed eight distinct hotel concepts that incorporated various features our target consumers had expressed interest in.
- 3 **Consumer evaluation.** We selected four of the eight concepts for consumer testing with regard to uniqueness, level and extent of interest, suitability for both business and leisure and anticipated number of stays per year.
- 4 **Concept refinement.** We combined elements of the three top-ranking concepts to create one ownable brand proposition.
- 5 **Consumer evaluation.** Our target consumers showed strong interest in our integrated concept and its various offerings.
- 6 **Brand name development.** We developed hundreds of potential names.
- 7 **Consumer evaluation.** Of the six final names chosen for testing, two proved most appropriate and appealing, and ultimately one was preferred.
- 8 **Logo development.** We created and refined dozens of logos.
- 9 **Consumer evaluation.** Consumers preferred what became our final logo, saying that it expresses creativity, high quality and sophistication.
- 10 **Integrated concept validation.** The final package—hotel concept, name and logo—generated an amazing level of interest among our target consumers.

Vetted by 9,000 target consumers in the US, the UK and China.
Answers to 442 questions generated over 40,000 individual statistics.

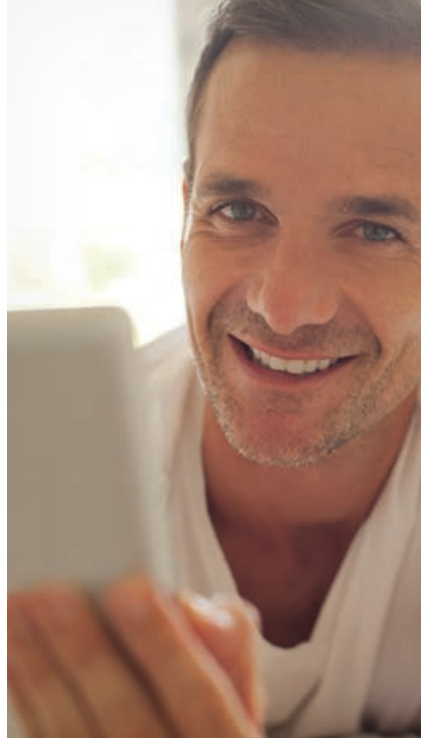
Four stay-occasion mindsets

Our target consumer isn't defined by a demographic, but by a mindset that can change with the stay occasion.



Originals

Slightly younger, they value amenities outside their room. Looking for a unique, out-of-the-mainstream experience with style and atmosphere.



Room-Centrics

It's all about the room's comfort and functionality; other hotel amenities are secondary. Less likely to upgrade, but they appreciate freebies.



Modern Business

They expect a well-designed contemporary hotel with services and amenities that support them in business and give them an edge.



Cultured Vacationers

Very active leisure travelers who appreciate high-end touches and easy access to local culture, art, museums and historical tourism.

A concept driven by consumers and owners

Instead of yet another luxury lifestyle hotel chain, Canopy is a conversion-friendly, accessible lifestyle brand built to deliver the consumer benefits our research revealed to be most highly desired.



HIGH POTENTIAL



CLEARLY DEFINED OFFERINGS



SUSTAINABLE BUSINESS MODEL

A name that speaks to people

SURVEY RESULTS:

The name

canopy

- + Blends business and leisure
- + Indicates the proper hotel type
- + Inspires strong interest
- + Conveys quality, sophistication, being on-trend
- + Is friendly and welcoming
- + Sounds warm and comfortable
- + Is down to earth and natural
- + Sounds honest and genuine

A strong brand with wide appeal

Our strong brand proposition offers an experience that our target guests believe they'll love, while taking the focus off capital-intensive "high design" and justifying a premium ADR.

Amazing interest

75% DEFINITELY/PROBABLY WOULD CONSIDER CANOPY



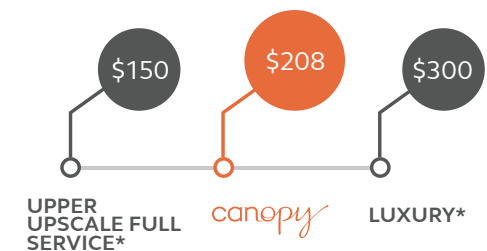
Balanced appeal



Higher ADR

+39% ADR lift
VS. UPPER UPSCALE HOTELS

*2014 STR Chain Scales



Target audience surveyed: Adults 30-59 with \$100,000+ HHI and 2+ stays yearly in upper upscale, lifestyle or luxury hotels

PART TWO

Who we are

Positioning Canopy

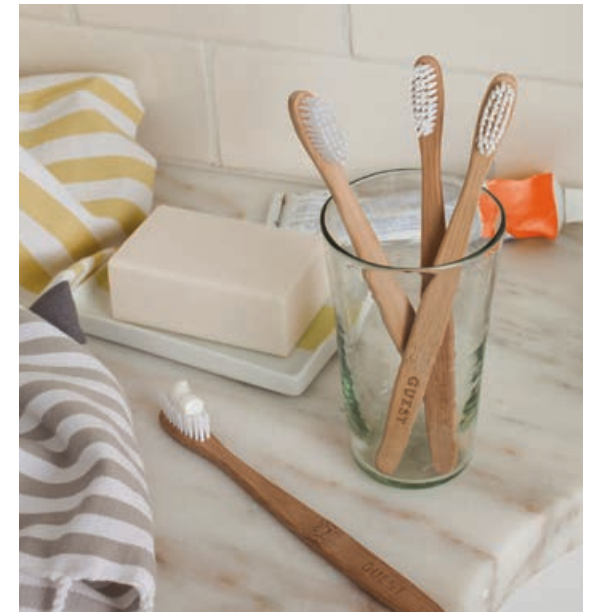
To those seeking an energizing, comfortable experience, Canopy by Hilton is the hotel that creates a positive stay through simple, guest-directed service and thoughtful local choices.

CHECK IN RELIEVED

canopy

POSITIVE STAY

CHECK OUT
RECHARGED



The Canopy promise: a positive stay

We give our guests just what they need and nothing they don't, so they simply feel better going forward.

Simply enabling

It all comes down to one simple question: How can we help?

Thoughtfully local

Locally inspired design and the best local food and drink, art and music, fun and fitness.

Surprisingly comfortable

An energizing place for work, rest and play, featuring our just-right room.



PART THREE

How we act

Delivering a positive stay

To bring the promise of a positive stay to life, we focus on five essential aspects of the total guest experience.

Energizing comfort

Open, welcoming lobby | Friendly, facilitating staff providing guest-directed service | Casual F&B with healthful choices

More included value

Rise & dine, complimentary breakfast delivered to room or to go | Complimentary Canopy breakfast in the café | Free basic Wi-Fi

Surprising extras

Welcome gift | Thoughtfully themed, reasonably priced foodie bags | Evening tastings featuring local offerings

The just-right room

Great bed and ideal sleep environment | Uncloseted ease | Filtered water

Local know-how

Locally inspired design | Local art and music programs | Neighborhood fitness options, including bikes and jogging routes



Canopy culture

Beyond establishing our brand concept and positioning, we've defined our culture—the essence of who we are and how we interact with each other, our guests, our partners and our neighbors.

OUR CULTURE

Positively yours

Much more than a slogan, “positively yours” is our underlying attitude, the story of who we are and how we approach everything.

WHY WE ARE HERE

So you simply feel better going forward

New and different. Brisk and invigorating. Ahead and active. These “fresh-forward” qualities describe our commitment to guests, partners, neighbors and enthusiasts.

WHAT WE DO

Create a positive stay

We focus on the simple details that make a difference, always a step beyond the expected. Every detail has just the right feeling: caring, energizing, positive.

HOW WE DO IT

Simple. Personal. Positive. Local.

Keep things simple and focused on the personal. Look at every situation from the bright side. Take pride in our neighborhood and gladly share what it has to offer.



PART FOUR

Where we're headed



Partners wanted

Every Canopy hotel is fresh, local and exciting. And each one is unique. We're looking for like-minded partners to help grow the brand.

New builds, conversions or historic buildings—all are on the table. The more character and creativity needed to make it special, the better.

Whatever the location, our neighborhoods will be fun to explore, and Canopy will be the streetlamp for all to enjoy.



Canopy is what we make it, together

To bring Canopy to life, we will work closely with our partners, tapping into fresh inspiration with each new location. Because while the Canopy brand is powered by Hilton Worldwide, each Canopy is a neighborhood hotel.

From the nature of the guest experience to the core operational details to the design of public spaces and guest rooms, our Brand Narrative is a robust guide to all things Canopy—including that crucial adaptability to local culture and conditions.



Hilton Worldwide Performance Advantage

A photograph of three business professionals sitting around a wooden table in a modern office setting. A man with curly hair and a beard, wearing a grey jacket over a maroon shirt, is on the left, smiling and looking towards the center. A woman with long dark hair, wearing a white blazer, is in the foreground with her back to the camera. A man with glasses and a red shirt is on the right, smiling and looking towards the center. They are all holding pens and looking at papers on the table. A white mug is also on the table. The background shows a large window with a view of a city skyline.

It's simple: You take care of the guests, we take care of you. Partnering with a global hospitality leader brings you a world of advantages.

+ **Hilton HHonors™** is our award-winning guest-loyalty program that connects you with 40 million Hilton Worldwide loyalists—the people who made up over half of all stays at our hotels in 2013.

+ **Hilton Worldwide Sales** is a 700-member force in 34 regions securing higher revenues through negotiating power and access to high-value accounts and sensible partnerships.

+ **Hilton Reservations and Customer Care** means over 3,000 highly skilled, multilingual customer service pros are working around the clock to keep your rooms booked and your guests happy.

+ **Online Services** puts your property at travelers' fingertips wherever they are, with the latest mobile, search and online channels providing locally relevant content in 22 languages.

+ **Revenue Management** helps you maximize profits while increasing guest satisfaction, with industry-leading pricing and yield-management capabilities.

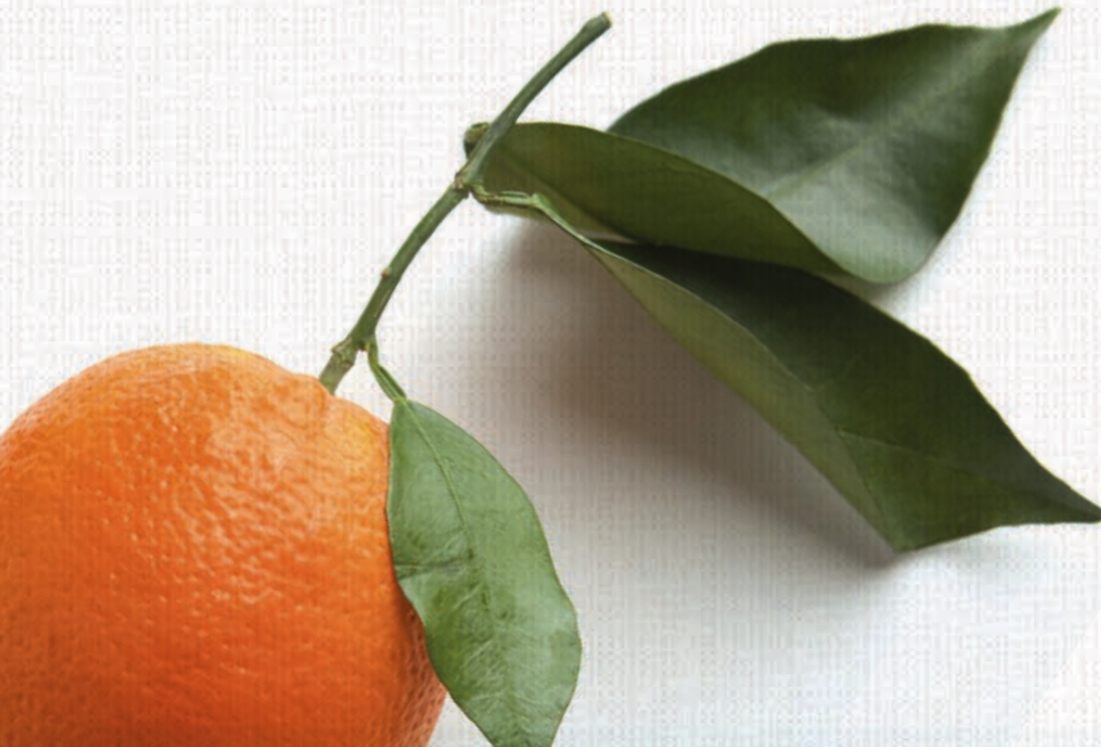
+ **Information Technology** is indispensable to your success. Our industry-leading OnQ Suite seamlessly handles reservations and property management systems, StayConnected provides reliable in-room Internet access and LightStay helps ensure your property's sustainability.

+ **Hilton Supply Management** provides the purchasing power to bring you competitive pricing on superior products and services.

+ **Global Marketing** has long been a notable strength of Hilton Worldwide. We take a purposeful, customer-oriented approach to inspiring demand for our hotels, from targeting source markets to offering product solutions to stimulating weekend travel.

Building more than a building

With each new Canopy hotel, we're not just delivering a building; we're building a brand, together. So we look at all those intangibles that reinforce the brand experience, with the twin goals of converting travelers into loyal guests and owners into satisfied partners.



Culture is key

Our hotels and offerings are fresh, but delivering on the brand promise depends on our knowledgeable “friendly enthusiasts” engaging core customers. This will bring the brand to life in a genuine way, so our guests love the experience, not just the product.

Conversions spur growth

With our adaptable approach to development, conversions will drive speed-to-scale, which will differentiate Canopy from competitors. We will optimize conversion cost by continuous refinement of our innovative approach to delivering very high-quality FF&E, F&B and programming concepts.

Think social, be local

Overwhelmingly, consumers book hotel stays online—primarily on mobile devices. We will give them lots of reasons to visit our neighborhoods, maintaining rich local content on social platforms, mobile sites and the Canopy app. We intend to achieve the highest engagement/ranking scores of any HLT brand.

Reinforce and refine

Any new brand must replace people's assumptions with knowledge. An accessible lifestyle brand may be unfamiliar, but it's the right place to be. We will continue fine-tuning our brand positioning in collaboration with owners and the development community.

The key takeaways

Beyond simply creating a positive stay, five essential elements define what it means to be a Canopy hotel.

Great neighborhoods

Canopy is all about being local, through design, food and beverage, art and knowledge. No two Canopy hotels will be the same, and we know that's what our guests want.

Market-driven approach

Who knows our markets and guests' needs better than our owners? Together with our owners, we will explore each hotel's unique potential for destination dining, rooftop bars, social and meeting spaces and swimming pools.

Comfort and design

We take a people-first approach to design. The energy of our great neighborhoods flows through our open, welcoming lobby space. This energy gives way to warm, inviting and comfortable "just-right rooms."

More included value

We know our guests are willing to pay for a more inclusive approach. So basic Wi-Fi and an artisanal breakfast are included, along with a local welcome gift and an evening tasting of local beers, wines or spirits to bring the neighborhood to life.

Our "positively yours" culture

With our "positively yours" service culture, our brand promise is to deliver a "positive stay." Our team members are "enthusiasts" and in the front of the house it's a whole new approach: one-stop service.



**Positively
yours,**

canopy