



General Brand Questions

WHAT IS SPARK BY HILTON?

- Spark by Hilton, the newest addition to Hilton's portfolio of 19 world-class brands, is a premium economy brand that proudly delivers reliable essentials and friendly service for every guest, all at an accessible price. The introduction of Spark by Hilton follows extensive research that identified an open space in the industry and the opportunity to serve even more guests and owners by addressing a major unmet demand for value and consistency.

WHY IS HILTON LAUNCHING A NEW BRAND?

- With 19 brands spanning from luxury to midscale, Hilton strives to be a premium player within each brand's respective competitive set.
- We've identified an open space opportunity within the Hilton portfolio and are launching this new brand to serve even more guests and owners looking for value and consistency.
- 68 million people annually choose to stay in economy hotels throughout the United States, and 43% of the industry is comprised of economy class hotels.
- The addition of Spark by Hilton fulfills a need in the market while enhancing Hilton's diverse, yet complementary brand portfolio heralded for serving every customer for every need.

HOW DID YOU COME UP WITH THE NAME "SPARK"?

- We chose the name Spark to signify the start of something great – a moment of ignition as we insert energy and momentum into the premium economy segment.

HOW WOULD YOU DESCRIBE SPARK BY HILTON IN TEN WORDS?

- A simple, reliable and comfortable stay, all at an accessible price.

WHAT ARE HIGHLIGHTS OF THE BRAND AND WHAT SETS IT APART FROM OTHERS IN THE CATEGORY?

Signature elements of Spark by Hilton will include:

- **Thoughtful Simplicity:** Spark by Hilton will offer simple, inspired design with splashes of color and cheer that bring the outdoors in. Each hotel will provide a welcoming sense of arrival with colorful exterior statement walls and energizing artwork. The public space will feature multi-functional seating from picnic tables to rocking chairs, offering plenty of options for guests to enjoy breakfast, socialize or work throughout the day. Guest rooms will be comfortable and relaxing so travelers can unwind and recharge for whatever comes next. Focusing on practical amenities, the simple streamlined furniture will include an open closet, in-room refrigerator, multi-purpose work surface and bright bathroom.
- **Reliable Service:** Guests will feel welcome and confident in their stay from the moment they walk through the door. Warm and inviting hotel team members with attention to detail will provide happy and helpful service. And, guests will be empowered with the tools needed to make the most of their stay, such as 24-hour digital check-in and Digital Key.
- **Unexpected Touches:** Spark by Hilton will help add value to the guest experience by offering a simple, complimentary breakfast, featuring premium coffee, juice and a signature bagel bar with spreads, so they can fuel up before hitting the road. The brand will also offer a 24-hour retail market for on-the-go travelers.
- **Consistent Quality:** To ensure the goal of a consistent, quality guest experience, each hotel will be required to complete a full renovation, encompassing all guest-facing areas of the hotel, prior to joining Spark by Hilton and the Hilton family.



FOR CURRENT HILTON GUESTS WHO HAVE STAYED WITH HILTON BEFORE, HOW WILL SPARK DIFFER?

- Guests will continue to receive the reliable and friendly hospitality in which Hilton is renowned in comfortable and consistent settings. Spark by Hilton will offer simple basics with the consistency consumers need and want.

WHO IS SPARK'S TARGET CONSUMER? WILL SPARK BY HILTON ATTRACT BUSINESS OR LEISURE TRAVELERS?

- Spark by Hilton will serve any guest looking to maximize the value of their travel budget. That might be an adventurer looking for a simple, reliable stay complete with free breakfast to fuel up for the day of new experiences ahead, or someone working in freight looking for a comfortable night's sleep before they hit the road again.

HOW MUCH WILL ROOM RATES AVERAGE?

- Spark by Hilton will target a rate premium for the segment, reaching the upper economy, lower midscale rate bounds.

HOW IS SPARK BY HILTON A PART OF HILTON'S OVERALL GROWTH STRATEGY?

- We see a lot of potential with this new brand as 77% of our target traveler annually stays in an economy brand. This provides us the opportunity to serve these potential guests who are looking for the reliable and friendly service for which Hilton is known.
- Quantitative research found 4 out of 5 of travelers who love Hilton would see the brand more positively with the introduction of Spark and 71% would feel more positively toward Hilton with Spark in the portfolio.
- Hilton has a reputation of executing the hotel stay incredibly well, and bring confidence and consistency to the premium economy segment.

Development Questions

WHY IS SPARK BY HILTON APPEALING TO OWNERS?

- Spark by Hilton is the first largescale conversion-only brand with the consistency that prototypical brands normally enjoy.
- The cost-effective conversion brand provides a unique opportunity for existing properties by reimagining the economy segment and focusing on areas that drive the guest experience while also providing a consistent look and feel across each hotel.
- This allows developers to extend the value of their investment, delivering an attractive option for current owners and the opportunity to attract new owners.
- In addition to the cost-effective, thoughtful conversion model, owners will benefit from Hilton's high-performing commercial engine, powerful network effect and streamlined business model with various benefits, including supply chain support with Hilton Supply Management, pricing model and automated customer offerings such as digital check-in and digital key.

WHEN WILL THE FIRST SPARK PROPERTY OPEN? WHERE?

- We have more than 100 deals in various stages of development and anticipate the first property to open in 2023. We are excited to announce the first location in the coming months.

IS THIS BRAND BEING DEVELOPED FOR A PARTICULAR AREA OF THE COUNTRY OR TYPE OF MARKET?

- Hotels are currently expected to be developed across the U.S., with a focus on markets that will benefit from consistency in the premium economy segment, including untapped markets where Hilton has not previously had a footprint.
- We anticipate Spark by Hilton hotels will be developed in a range of destinations, from beach towns to interstate highways.



HOW DID YOU DECIDE WHAT AREAS OF THE HOTELS TO REFRESH?

- To ensure the goal of a consistent, quality guest experience, each hotel will be required to complete a full renovation, encompassing all guest-facing areas of the hotel, prior to joining Spark by Hilton and the Hilton family.
- After conducting qualitative and quantitative research into our guests' needs, we found key areas guests prioritize in the physical space that helped us prioritize focus areas for investment. This approach allows us to focus on the core guest elements and deliver the best value as they invest in this brand.
- When talking to these consumers, they shared that the guest room was the most crucial aspect of their stay, so we are focusing our renovation efforts there, followed by the public space and exterior elements.
- From a public space perspective, consumers shared that they desired elements of the outdoors in bright and airy spaces. Therefore, we designed the public space to be bright and airy with lots of natural light and are looking at a simple update of fresh exterior paint and an exterior graphic that will act as a beacon to travelers, signifying this is a premium experience delivered by Hilton.

WHAT TYPE OF RESEARCH DID YOU DO FOR THIS BRAND?

- We conducted extensive qualitative and quantitative research in partnership with guests and owners.
- Our quantitative exploratory research in the U.S. and U.K. helped us better understand the consumer, the impact on Hilton brand perceptions, whether this new brand would change stay behaviors and more.
- A panel of target customers was tapped into throughout the process, including building what the brand stands for, what the guest offering is, how it comes to life on property (product, F&B, etc.) and how it looks. We also dug into their priorities in the hotel experience, building a robust target customer profile and a deeper understanding of which elements of the hotel stay to prioritize.
- In addition, we conducted visits to more than 100 hotels in the economy category to better understand what the current offering looks like and how Hilton could deliver an unmet demand for consistency and value in this space.

HOW WILL THE BRAND CREATE A DISTINCT LOOK AND FEEL IF THEY'RE ALL CONVERSIONS?

- Consistency is key for Spark by Hilton. Spark by Hilton is the first largescale conversion-only brand with the consistency that prototypical brands normally enjoy.
- To ensure the goal of a consistent, quality guest experience, each hotel will be required to complete a full renovation, encompassing all guest-facing areas of the hotel, prior to joining Spark by Hilton and the Hilton family.
- As a conversion model, Spark by Hilton properties will vary in footprint but no matter the size or shape of the properties, the look will remain consistent in many ways including exterior and interior color, signage, lobby and room décor/ furniture, and team member attire.
- Spark by Hilton will offer simple, inspired design with splashes of color and cheerfulness that bring the outdoors in. Each hotel will provide a welcoming sense of arrival with colorful exterior statement walls and energizing artwork.
- The public space will feature multi-functional seating from picnic tables to rocking chairs.
- Guest rooms will be comfortable and relaxing. An easy-to-install room package created with Hilton's Supply Management team will create a more consistent room experience across the brand. Focusing on practical amenities, the simple streamlined furniture will include an open closet, in-room refrigerator, multi-purpose work surface and bright bathroom.
- Travelers will distinctively know they have arrived at a Spark by Hilton hotel and know what to expect every time they stay with us.

ARE THERE PLANS TO INTRODUCE SPARK BY HILTON INTERNATIONALLY?

- Based on the extensive research we conducted to build the brand, we anticipate that Spark by Hilton will begin in the U.S. where we believe we can quickly scale up. The brand will focus on markets that will benefit from consistency in the premium economy segment, including untapped markets where Hilton has not previously had a footprint. From there, we will continue to look for future opportunities to expand the brand globally to meet the needs of even more guests and owners.



Services & Amenities Questions

WILL THERE BE A REFRIGERATOR IN THE ROOM?

- Yes, there will be an empty mini-fridge, offering guests space for their own items.

WILL THERE BE IN-ROOM COFFEE AND/OR TEA?

- There will not be in-room coffee or tea; however, each property will have a hand-selected assortment of premium coffees and teas in the lobby, complimentary, available 24/7.

WHAT OTHER AMENITIES CAN GUESTS EXPECT IN THE ROOM?

- Guest rooms will be comfortable and relaxing so travelers can unwind and recharge for whatever comes next.
- Focusing on practical amenities, the simple streamlined furniture will include an open closet, in-room refrigerator, multi-purpose work surface and bright bathroom.
- We did a lot of research to guide the guest room experience and based on that, have eliminated the items that our guest does not use such as alarm clocks, ice buckets and microwaves.

CAN YOU DESCRIBE THE DESIGN AND LAYOUT OF THE LOBBY AND OTHER PUBLIC SPACES? WHAT DOES IT LOOK LIKE?

- Spark by Hilton will offer simple, inspired design with splashes of color and cheerfulness that bring the outdoors in. Each hotel will provide a welcoming sense of arrival with colorful exterior statement walls and energizing artwork. The public space will feature multi-functional seating from picnic tables to rocking chairs, offering plenty of options for guests to enjoy breakfast, socialize or work throughout the day.

WILL THERE BE A BAR?

- No.

DOES SPARK BY HILTON OFFER A COMPLIMENTARY BREAKFAST? WHAT OTHER FOOD AND BEVERAGE OFFERINGS WILL BE AVAILABLE?

- Setting itself apart from others in the category, Spark by Hilton will offer a free in-lobby signature bagel bar breakfast complete with various spreads, yogurt, muffins and orange juice.
- Each Spark by Hilton will also offer complimentary premium coffee and tea 24/7.
- A retail market will offer ready-to-heat options, select snacks and sundries available for purchase.

WILL THERE BE A DEDICATED BUSINESS CENTER?

- Spark by Hilton hotels will not offer business centers, but will provide print on demand at the front desk.

WILL SPARK BY HILTON PARTICIPATE IN THE HILTON HONORS PROGRAM?

- Yes, guests will enjoy the benefits of Hilton Honors, the award-winning guest-loyalty program for Hilton's distinct portfolio of brands.
- Members who book directly with Hilton have access to instant benefits, including a flexible payment slider that allows members to choose nearly any combination of points and money to book a stay, exclusive member discounts, free standard Wi-Fi and the Hilton Honors mobile app.
- Through the customer journey, we'll also introduce them to core Hilton Honors benefits such as Honors Discount, free Wi-Fi, Choose your Room, Digital Key and more.