

## PROTECT YOUR HOTEL'S REPUTATION

**Hotel Reputation Protection is a new insurance product to provide hotels with public relations assistance and financial compensation for loss per available room (RevPAR), should an incident attract adverse media coverage.**

### MASS MEDIA INFLUENCES THE CONSUMER

Modern electronic communication allows adverse news to spread exponentially. Social media encourages the participant to send and receive information allowing the correspondents to make comments or form personal judgements about events. Social media cannot be controlled in advance, nor can the content being reported or discussed be actively managed. Traditional media actively utilises social media as a vehicle for discovery, allowing further reporting of incidents. Any internet search for adverse media incidents at hotels or leisure destinations quickly identifies how the mass media machine will interpret an innocuous incident using sensationalism to attract readers.

### REPUTATION DAMAGE

As noted in the Willis Hotel and Leisure industry autumn 2010 newsletter, 30% – 40% of a business's worth is accounted for by reputation. The loss of this reputation will have a financial impact on reservations, occupancy, ability to maintain Average Daily Rate and RevPAR at a hotel.

### BOARDROOM CONFIDENCE

Shareholders and members of the board are increasingly seeking reassurance from their senior management team that they have the right protection in place should their hotel experience a crisis situation. Designed by Willis in conjunction with Lloyd's insurer Kiln, the Hotel Reputation Protection product delivers protection for hotels which become involved with an incident that gets reported in any public communication or medium which leads to or is likely to lead to a loss of RevPAR.

### FOR FURTHER INFORMATION PLEASE CONTACT

#### YOUR ACCOUNT EXECUTIVE OR:

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This publication is a guide to the cover provided by Willis' Hotel Reputation Protection insurance policy. It is intended to provide a high level illustration of some of the key features of the wording and does not represent the full policy detail. Please refer to the policy document for full details of cover including complete terms, conditions and exclusions. A copy of the policy document is available on request and will automatically be supplied to you with any quotation.

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FP1264/10574/05/12

## HOTEL REPUTATION PROTECTION: KEY FEATURES

### CRISIS MANAGEMENT COSTS

Crisis management costs for an approved professional who assists with handling the incident with the media.

This section of the insurance coverage is provided on a sliding scale, commencing with 100% in week one and reducing over time as the incident and media reporting becomes controlled.

### LOSS OF REVPAR

Cover is provided for loss of RevPAR which directly results from the incident, protecting the hotel's financial loss caused by the adverse media coverage.

### POLICY LIMIT

The insurance product allows sectionalised individual limits for crisis management and loss of RevPAR with an overall aggregate of up to €25,000,000 within the policy period.

### POLICY PERILS

Incidents which are covered by this policy include:

- Death of a guest
- Permanent physical disablement of a guest
- Food-borne illness caused by malicious or accidental contamination
- Outbreak of Norovirus
- Outbreak of Legionnaires' disease

### EXCLUSIONS

- Any loss arising out of the Insured's wilful, deliberate, malicious, fraudulent, dishonest, or criminal act.
- Any action taken to improve the reputation, goodwill, market recognition or sales of the Insured to a level which is greater than existed at the date immediately prior to the occurrence of an adverse media event.

*A deductible will apply*

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