

INSIGHTS WRITTEN FOR INDUSTRY LEADERS BY INDUSTRY LEADERS

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Furniture, Fixtures & Equipment

Making the FF&E Process Less Stressful and More Efficient

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In-house Staff or Outside Professional?

Now as owners and managers prepare to spend money to catch up on deferred FF&E expenditures, they must make an important decision - who is going to manage the process. The choice may very well determine whether their project comes in on time and in budget, and whether they get the best value for the dollars spent.

If you consider having an in-house staff person handle your FF&E purchasing, you should also consider (1) whether that person has the appropriate experience and expertise, and (2) to what degree the person's other responsibilities will be impacted or neglected.

More and more owners/operators are coming to the conclusion that they want their staff people to concentrate on marketing and on enhancing the guest experience - while having a professional purchasing company devote its time and skills to managing the multiple details, special nuances, and tedious paperwork of the FF&E process.

Ms. Locke When selecting a purchasing company, remember that this firm is going to be your partner for hundreds of decisions and thousands of dollars in expenditures - so select someone you feel comfortable working with.

For example, every hotel brand focuses on slightly different details and requirements in its FF&E package. You want a purchasing agent who is familiar with your flag, but who will still represent your interests as the owner.

Also, be aware that some FF&E companies are more full-service than others. Most just do purchasing - only about one-third can enhance the purchasing function with in-house design services, and fewer still can also coordinate the logistics of your FF&E installation and transportation.

Clearly, a full-service FF&E company will get you the most "bang for the buck" because design, purchasing, installation, and transportation are all centralized in one contact person. Think of this as a "safety net" or "layer of value" that you don't want your FF&E project to be without.

Exactly how does an outside purchasing agent add value?

First, by helping to choose the right product for every application - and then finding the best source for that product. Experienced professionals look not only at initial price of a product, but also how well the product will hold up under active hotel usage.

For example, purchasing a table or chair or bed or other item may seem simple. However, there are literally dozens of manufacturers for every type of hotel product - not just in the United States, but in Canada and Mexico, and even in Europe, Asia, and South America.

A professional purchasing agent knows the advantages and disadvantages of these various manufacturers - including but not limited to reliability, shipping costs, craftsmanship, durability, and pricing.

As your partner in the purchasing process, your FF&E agent should explain to you the difference in "hard" costs between various manufacturers - namely, price. However, you and your FF&E agent should also review the difference in "soft" costs - namely, poor quality or late delivery - which can quickly eat up any price savings and which can actually double or triple the real cost of a product over its usable life.

There is no hard rule of thumb, but a good purchasing professional can extend your original budget by 10% to 20% - plus considerably reduce your headaches and sleepless nights.

Don't Forget Transportation and Installation

Unfortunately, poor scheduling and shipping logistics can undo all the benefits of a cost effective purchase. If orders do not arrive on time and in the proper sequence, your rooms may be held out of inventory longer than necessary. And that's why you're in business - to rent

It's important to use an FF&E supplier with integrated transportation, operating its own fleet of trucks and trailers. The benefits to hoteliers include direct pick-up from manufacturers, then staging products at a central warehouse for consolidated delivery, if necessary.

This reduces truck traffic at the job site, and also means that products are delivered exactly when they are needed for installation, not early so they can get damaged and not late so they will delay a job. Still other benefits of using an FF&E supplier with integrated transportation are reduced handling of goods and therefore reduced damage.

Installation is the final step of FF&E - and too often it's overlooked or is an afterthought. The reality is that a product is of no value to you and your quests until it is properly installed and ready to use.

Most FF&E companies don't deal with installation. A few will sub-contract the work to outside vendors. Only a very few have their own team of installers on staff and it's these firms that offer you the most advantages.

Summary

Hotel owners want to stay competitive and in compliance for the least amount of money. For them, "value" means price.

Hotel guests want to stay in a place that offers the amenities of home while being friendly, tasteful, and meticulously maintained. For them, "value" means ambiance.

An FF&E professional can help meet the expectations of both owners and guests - and that will pretty up your hotel and your bottom line.



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