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Hostels and Shared Hotel Rooms Take Root in America

The Getaway

By Elaine Glusac



A bunk-bed room at the Linq Hotel and Casino in Las Vegas. Credit The Linq Hotel and Casino

Hostels, budget havens of the post-college European travel circuit, traditionally offer bare-bones bunks in communal dormitories. Now for those whose tastes have graduated beyond the backpacking years but whose finances have not, a new breed of hybrid hostel sprouting up on this side of the Atlantic bundles better design, lively bars and restaurants and even some private rooms, all still nicely priced.

“The hostel industry is trying to refashion itself to appeal to a wider range of travelers,” said Douglas Quinby, the vice president of Phocuswright, a travel industry research firm. “It’s almost moving to a boutique and independent lodging space by offering a distinctive experience that is still within reach of price-sensitive travelers.”

Most of those travelers are millennials — 70 percent globally, according to Phocuswright. This travel-loving generation is fueling the expansion of hostels, bargain hotel brands like Tru by Hilton and shared accommodations like Airbnb.

But unlike whole home or apartment rentals, the new hostels make social interaction central to the stay, particularly through food and drink but also concerts, art exhibits and shared work spaces.

“Legacy hotels are trying to become more local, social and personal, and Airbnb is starting to become more like hotels, with standards and housekeeping support, and making owners more professional,” said Chekitan Dev, a marketing professor at the Cornell University School of Hotel Administration. “This is the third way, somewhere between a traditional, classic, bland, boxy and boring legacy hotel and this wild, wild west of the Airbnb world.”

Hostels are much more popular in Europe and Asia, which account for two-thirds of global business, according to Phocuswright. Hostelling International USA, a nonprofit membership organization representing over 50 hostels here, primarily caters to foreign travelers, who comprise 65 percent of overnight stays.

The newer breed of American hostels — the stylish few found in major cities, as represented by the following — aims at a broader demographic of travelers who share at least one thing: thrift.



A room at the Freehand that is to open in Los Angeles.

Freehand

In Miami and Chicago, with a Los Angeles location set to open in February, Freehand makes a virtue of economy through thrift-shop-cool décor and trendy bars and restaurants that tend to attract locals as well as guests. Just don't call these venues hostels.

“It's not that we don't like the term ‘hostel’ as much as a large portion of Freehand rooms are regular hotel rooms,” said Andrew Zabler, the founder and chief executive of Sydell Group, which owns Freehand.

In Chicago, for example, the Freehand offers accommodations ranging from a duplex penthouse with two bedrooms to shared quads with bunk beds, each with a privacy curtain (from about \$25 a bed). The more resortlike Miami property has a pool. Both operate Broken Shaker cocktail bars. A New York Freehand is expected to open in late 2017 with a similar blend of private and shared rooms.

“The primary audience for the shared product are people on a budget but who appreciate high-quality design, good food, a good bar, but see the room for sleeping and don't want to spend a lot for sleeping,” Mr. Zabler said.

In addition to younger solos and duos, that audience has included bottom-line-minded entrepreneurs, friends traveling together and families.

“Kids love the bunk beds and it’s really economical, and you have the great Broken Shaker bar in the lobby,” Mr. Zobler said. “You can’t get that at a chain hotel.”



At the Generator, in Stockholm. Credit Mans Berg

Generator

Operating 12 hostels in major cities in Europe, Generator will make its debut in the United States in late 2017 in Miami with 406 beds in 102 rooms — 70 percent of which are shared — in the Mid-Beach district. The company also aims to open several more Generators in major American cities in the next five years.

Generator is known for encouraging guests to hang out in-house with a variety of programming including music, art shows and lectures, as well as dining and drinking options.

“We refer to our guests as the seeker seeking experience and social interaction, from art, music and culture to meeting people,” said Fredrik Korallus, the chief executive of Generator. “There is no age divide. We get empty nesters, boomers, families, students, youth. It’s a real *mélange* of people out for social connection.”

While Generator started in London in 1997 as a more traditional dorm-style hostel, it has added private rooms over the last five years. At the Miami site, which will house a pool and three restaurants and bars, private rooms will sleep up to four and are designed for families or groups of friends traveling together; rates to be determined.

“Millennial consumers are growing up and migrating from shared to private experiences,” Mr. Korallus said. “The bed is the least important thing we sell.”



The type of room the Hollander will offer in Chicago. Credit Adrian Gaut/Grupo Habita

The Hollander

Best known for its design-focused boutique hotels in Mexico, Grupo Habita will open its first American property with shared rooms at the Hollander in Chicago this month. In the trendy neighborhood of Wicker Park, the Hollander will hold 66 beds spread among 12 private rooms and eight shared rooms, each with their own bathrooms. Amenities include a bike shop, a coffee shop and a room for special events.

The company already runs a hostel, Downtown Beds, in Mexico City, but plans to make the Hollander more social-media-centric by offering guests what it calls the Social Stay, the opportunity to link Instagram accounts to a reservation through which fellow roommates can get to know one another other before check-in.

“This is a generation about social media that lives constantly in a visual world and we want to bring them to a physical world, which is a Social Stay,” said Carlos Couturier, a founder of Grupo Habita.

Beds in shared rooms will start at \$45 a night (private rooms from \$165). The property will be a neighbor of a more upscale hotel from the group, the Robey, also set to open late this month.

The Linq

Las Vegas famously attracts vacationing groups. Now, instead of cramming three to a double, roomies can more comfortably inhabit at 12 new rooms with bunk beds at the Linq Hotel and Casino, a Caesars Entertainment property, on the Strip.

Two queen beds and one twin bunk bed furnish each of the 350-square-foot rooms, accommodating up to five travelers at rates starting at \$69 each a night.

“The bunk-bed rooms are quite popular for group travel, such as birthdays, bachelorette and bachelor parties, family reunions and quick weekend getaways with friends,” wrote Bob Morse, the president of hospitality for Caesars Entertainment, in an email.

<http://www.nytimes.com/2016/11/06/travel/hostels-hotels-budget-lodging-getaway.html>

While the quarters might be tight, nearby diversions abound, including an open-air mall with the High Roller Ferris wheel and the concert venue and bowling alley Brooklyn Bowl.

*Pickup by Houston Chronicle

*Pickup by StarTribune

<http://www.nytimes.com/2016/11/06/travel/hostels-hotels-budget-lodging-getaway.html>