

Do you want to snack with me?

Did you stay at a hotel recently? In the 70's and 80's, almost every hotel in the world boasted a minibar full of snacks and drinks. Nowadays, minibars are vanishing from most hotels and the few that are left are often empty. What happened?

## **Minibar History**

The minibar (a small refrigerator filled with drinks and snacks for the guest to purchase<sup>1</sup>) was invented in the 1960s by Siegas, a German company<sup>2</sup>.

Opened in the '60s, the *Madison Hotel* (in Washington, DC) was the first to offer a minibar in every room. In 1974, the *Hong Kong Hilton* offered a minibar **with liquor** in each of its 840 rooms, boosting drink sales by 500 percent! In the '70s and '80s, major chains around the world followed suite, making it a common amenity. In 1987, during the Washington Summit, a minibar even played a role in ending the Cold War! Mikhail Gorbachev stayed at the *Madison Hotel* and paid \$1,400 in minibar alcohol charges in one night. That's over \$3,000 today!

From 2007 to 2012, minibar sales dropped 28%. They were phased out of newer hotels or simply left empty so that travelers could stock them with their own purchases. By 2014, respondents to a *TripAdvisor* poll ranked the minibar as the least important hotel service.

Nowadays, the minibar is having a 'mini-revival' where hotels are trying to improve on the original concept. For instance, at the W Hotel in London, suite guests can order the Mega Bar to their room, which comes with a full bar, sound system, disco ball, and personal mixologist.

A few years ago, Fauchon (a gourmet food and delicatessen company founded in 1886, famous for its macarons) opened a five-star, luxury hotel in Paris. The minibar is housed in a lacquered pink armoire displayed in the main living area of each guestroom and filled with gourmet Fauchon goodies, as well as foie gras and champagne. Everything in the minibar is included in the room price and guests can even take home anything they haven't eaten!<sup>3</sup>

## Most popular items

Bartech Systems International, a company that supplies automated minibars and trays to 1,300 hotels around the world, said water is the top seller. Cashews, beer, white wine, Kettle Brand chips, Pringles and chocolate almonds also do well. Diet Coke is the top-selling soda<sup>4</sup>. MGM Resorts, which has minibars in its luxury Las Vegas properties, said that hotels "always keep the favorites in stock" — including vodka, tequila, beer, chips, nuts and candy bars.

<sup>&</sup>lt;sup>1</sup><u>https://en.wikipedia.org/wiki/Minibar#:~:text=A%20minibar%20is%20a%20small,to%20purchase%20during%20t</u> <u>heir%20stay</u>

<sup>&</sup>lt;sup>2</sup> <u>https://matadornetwork.com/read/minibars-went-dismal-dead-better-real-bar/</u>

<sup>&</sup>lt;sup>3</sup> <u>https://www.forbes.com/sites/irenelevine/2019/05/06/6-dazzling-hotel-minibars-saving-the-breed-from-extinction/?sh=2944ac61400c</u>

<sup>&</sup>lt;sup>4</sup> <u>https://www.washingtonpost.com/travel/2022/02/05/hotel-minibar-prices-water-alcohol/</u>

## Why are minibars vanishing?

Minibars can cause undue frustration for hotel employees and guests alike. There is always a chance of a human error or guests' dishonesty, and it's hard for the hotels or the guests to tell who is right. Even sophisticated sensors that indicate when a minibar item was moved can lead to unfair charges if the guest just replaced an item or used the fridge to store their own groceries.

More importantly, minibars are not profitable. A 2017 report from CBRE Hotels found that minibar revenue only accounts for 0.4% of total food and beverage income<sup>5</sup>. Why is this? Because many workers are needed to restock those tiny fridges.

As I mentioned in my other blogs, hotels are facing serious staff shortages which impact the services they can offer to their guests. That is why offering an electronic tipping solution like **Tip&Go**, which can increase employees' earnings by up to 30% and help reduce turnaround, is a win-win solution!

## Francis Léonard, CEO



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<sup>&</sup>lt;sup>5</sup> <u>https://medium.com/s/story/hotel-minibar-history-a381d6816dfa</u>