

THE STUDENT HOTEL

Making connections: a profile of Charlie MacGregor and The Student Hotel

Co-founder and CEO of The Student Hotel Group

The Dutch capital's pioneering Amsterdam City, the flagship property of The Student Hotel Group, is a purpose-built hybrid destination offering state of the art facilities and a unique experience for students and travellers alike. The company is changing the way students live and redefining who is even a student.

"I stay in a lot of hotels but one my favourite and most refreshing experiences was actually in a hostel in Florence", recalls Charlie MacGregor founder and CEO of The Student Hotel. "The beauty of a hostel is that everything is much less formal. People talk to each other, everyone talks to everyone and it's very refreshing, you don't have that in five-star hotels."

That welcoming informality is at the core of The Student Hotel experience. Charlie and his team have created an innovative proposition designed to offer high-quality accommodation in the heart of European cities, with rooms available not only to students but also to general travellers, who can check in for as little as one night.

Whether a long-term resident or overnight guest, anyone staying in a Student Hotel - and there are currently six in Europe, with 10 more due to open soon, - can expect something that is refreshingly different from the clinical anonymity of a typical city centre hotel.

The concept's appeal is immediately apparent at Amsterdam City, the company's flagship property. Situated in the heart of one of Europe's most iconic cities, the complex offers state-of-the-art hotel accommodation, collaborative work areas, a restaurant and bar branded The Pool.

As in all Student Hotel projects, the ground floors are designed to allow locals to use the facilities but in this new development, the The Student Hotel Group goes a step further. "We will open our first co-working spaces this year and we expect to roll this out across the portfolio," says MacGregor. "By doing this we

THE STUDENT HOTEL

build upon the strong atmosphere of start-ups that the guests already have but allows the locals to benefit from these facilities.”

The Student Hotel has grown rapidly during the recession and is underpinned by a resilient business model. “We have taken advantage of low demand for offices and residential in key European cities. Our model is very strong due to its hybrid flexibility,” says MacGregor. “We fully expect this expansion period to continue, allowing us to expand to 30 or 40 locations within the next few years.”

One of the keys to this rapid new development is the enthusiasm of host cities. “Cities are very keen to work with us,” says MacGregor. “This is due to the amazing regeneration power we bring. Not only are we a developer that is committed to operating the project for the long term, but all of our functions are designed to invite the locals into the property. This ensures total integration within our new neighbourhood. There are huge benefits for everyone – our student and hotel guests as well as the locals who come and take advantage of the co-working or The Pool – or even just come and use the super quick free Wi-Fi.”

The Student Hotel Story

MacGregor has carved a niche in the hotel industry via a circuitous but upwards route. Born in Edinburgh, Scotland, he began his career at the age of sixteen working on building sites. Staying in the property industry he purchased a small student accommodation company at the age of 25, which he sold 10-years later.

After spending time in London, MacGregor relocated to Amsterdam where he established The Student Hotel in partnership with the Carlyle Group. It was always an ambitious project, launched with the goal of developing and operating 5,000 beds in the Benelux region.

The first Student Hotel project was completed in 2008, just as the full implications of the global financial crisis unfolded. But despite a dismal economic backdrop and the collapse of bank backers the strength of the concept enabled MacGregor and his partners to press ahead with further projects in The Hague and Rotterdam in the years that followed.

Today, The Student Hotel company has recalibrated its plans and now targets 15,000 rooms by 2020.

THE STUDENT HOTEL

A Happy Accident

From small blocks to major developments, student accommodation is a clearly defined and often very lucrative segment of the property market, but as MacGregor recalls, the idea for a hybrid hotel was born almost by accident when he was faced with the frustrations of navigating a path through planning regulations in Holland.

“I wanted to build student residences but there were regulatory difficulties - these related to factors such as room sizes,” he says. “The Eureka moment came when I was sitting with a lawyer watching a promotional video for our first property in Liege. The visual featured a student checking in and picking up their key. My lawyer said it’s like a hotel and then we asked ourselves what exactly are the rules for a hotel?”

In pursuing that question MacGregor and his team realised that by creating a 'hotel' business his company could provide accommodation to student guests that was tailor made to their needs, while not being made to comply with an old rule book. It was a revelation that hatched The Student Hotel concept.

Cost Efficient

Cost efficiency is at the heart of the business plan. As MacGregor points out, traditional student accommodation in the form of flats or halls of residence requires no full time staffing. Hotels on the other hand – and particularly those offering high quality accommodation – are manpower hungry.

The Student Hotel model allows the company to offer all the comforts of a great city centre hotel while keeping staffing levels low. “What we've built is something that combines the efficiency of a student residence with sauce and flavour of a hotel,” says MacGregor. “What that means is that we can be lean and mean in terms of operating costs, we are not compromising on quality. It's all about efficiency.”

Equally important, because the company caters for a large population of students, occupancy rates are naturally high. Thus, the students provide a level of income stability that few conventional hotels enjoy.

THE STUDENT HOTEL

The hotels operate on a fully-commercial basis. Students are not subsidised by the revenues generated by travellers but rooms are priced to be affordable. “We do not subsidise students,” says MacGregor. “But our students are sacred. If we price ourselves out the student market, then we are doomed.”

Top Flight Design

The Student Hotel has always been well known for its commitment to the highest standards of interior design. Long-term interior design partner, [...Staat](#), has helped the company win numerous awards for bold work that provides a genuinely inspirational backdrop for residents. “We use design to influence behaviour in a positive way. We trust our customers and we provide super cool places to work and play and we see that this is appreciated back,” says MacGregor.

Making Connections

World-class universities require world-class facilities. It's a truth that not only applies to the campus buildings, equipment and teaching provision but also to accommodation.

The Student Hotel Group offers universities and city authorities a means to provide top grade accommodation without any public investment. This is an immensely powerful proposition. Put simply, on a purely commercial basis, the Student Hotel group is providing the kind of infrastructure that enables cities and their universities to attract the very best and most talented people from all over the world.

What's more, those cities are tapping into a network of Student Hotels that enable talent to move from one centre to another to, say, take part in summer school projects or undertake new study programmes. “In spring 2016 we will launch a new summer school platform in partnership with Rotterdam and the Erasmus University,” says MacGregor. “In a few years, I predict that our hotels will host pan-European summer schools, with talent hopping seamlessly from Brighton to Bologna.”

THE STUDENT HOTEL

Reaching Out and Adding Value

Those who use the Student Hotels can expect rooms, common areas, work spaces and social areas, such as bars, that are tailored directly to their requirements. But rather than being exclusive to specific groups, they provide an open and welcoming environment to all.

As MacGregor points out, the presence of a long-stay population means there's much local knowledge that can be shared. "We get the students to vote on the best local attractions and bars," he says. "That in turn means our guests can very quickly tap into the community. So we're mixing communities and making strong connections."

That sense of mixing things extends out into the wider community. Student Hotels are not intended to sit in isolation from their surrounding cities. Quite the reverse. They are designed to be an integral part of city districts that are already flourishing, adding facilities that benefit everyone living and working in the area.

The approach is ground breaking. For instance, in The Hague the company revitalised a section of shopping centre by transforming it into a winter garden-style co-working space with both public areas and spaces for start-ups and community groups.

The rejuvenated space was in turn connected to the hotel, bringing students and local residents together in an exciting and stimulating environment.

It's an approach that complements and enhances the vitality of existing communities. "We bring high-level design to make a bold statement about how much we value our customers," says MacGregor. "When we land in a city what we do becomes a statement of intent for that city, which in turn allows the authorities to shout that they also believe in the student generation. We do this with no need for government money. We offer the ultimate regeneration tool. The presence of a Student Hotel adds value to local accommodation and increases local property values."

The Student Hotel offers safe, clean and monitored accommodation where informality and fun are the order of the day. "I don't come from a conventional hotel background," he says. "So what we have is a hotel that is great for people who want to step outside the packaged experience and maybe find their inner

THE STUDENT HOTEL

student. And if students want to invite their parents to the city, it's great for that too."

Looking ahead, Charlie is set to open 40 properties across Europe and as its customer base grows, so will its ability to market other services. "If we can build trust then we have an amazing opportunity to build a customer database for future re-marketing," says MacGregor. As a business model, it reaches into the future.