



# The Journal



Is food delivery bubble bursting?



## Hyatt Doubles Down on Latin America Growth with 30+ Planned Openings Through 2027

Upcoming openings in Latin America & the Caribbean enhance Hyatt’s leadership in luxury, resort and lifestyle, creating unforgettable experiences in destinations that matter most to guests and World of Hyatt members



The Destination by Hyatt brand debut in Latin America & the Caribbean:

CHICAGO (July 31st, 2024) – Hyatt Hotels Corporation (NYSE: H) highlighted today Hyatt’s expected growth trajectory, from the sought-after beach town of Miches Dominican Republic to the lush island of St. Lucia, World of Hyatt guests and members will soon have more than 30 new hotels to consider in Latin America & the Caribbean. Through 2027, Hyatt is committed to expanding its brand presence in new and exciting destinations throughout the region, meeting travelers in even more places – whether vacationing with family for a fun-filled stay or reconnecting with colleagues at a picturesque location.

"Hyatt’s brand growth in Latin America & the Caribbean is fueled by robust travel across all customer segments and our effective execution of an asset-light strategy including the 2021 acquisition of Apple Leisure Group," said Camilo Bolaños, Senior Vice President of Development for Latin America & the Caribbean at Hyatt. "Since 2017, our intentional growth strategy and commitment to an asset-light earnings model have allowed us to double our luxury rooms, triple our resort rooms, and quintuple our lifestyle rooms, making us the world’s largest portfolio of luxury branded rooms in resort locations. Our expanding brand footprint reflects our commitment to meeting our guests’ and members’ desires, providing unforgettable experiences in cherished destinations. We are dedicated to growing in the region entering new and thriving markets, and are excited about the continued momentum ahead."

The Destination by Hyatt brand is a diverse collection of independent hotels, resorts and residences that offers one-of-a-kind experiences around the globe with stays that are authentic to their destination. The brand is expanding its footprint in Latin America & the Caribbean with the introduction of properties in two new markets:

The Legend Paracas Resort (Peru, expected to open in summer 2024): The resort, located on the coast of Peru about three hours south of Lima, is expected to join the Destination by Hyatt brand this summer amid a phased enhancement project focused on elevating guestrooms and common areas. Guests will have endless opportunities to discover the Paracas Natural Reserve or Paracas Bay with a range of curated experiences such as kayaking paddleboarding, sandboarding, and more.

Cas En Bas Beach Resort (St. Lucia, expected to open in early 2025): Nestled on the northern tip of St. Lucia, and idyllically situated between two 18-hole championship golf courses and a stunning white sand beach, the resort will provide a secluded, elevated luxury escape. The resort is expected to open in early 2025 with contemporary residential-style studios, and one- and two-bedroom suites.

"Expanding the Destination by Hyatt brand into Latin America & the Caribbean highlights our commitment to delivering unique experiences within our distinct Independent Collection portfolio," said Katie Johnson, Vice President and Global Brand Leader, Independent Collection at Hyatt. "Destination by Hyatt hotels are design carefully crafted for discovery and designed in harmony with their surroundings. In line with the rest of the brand's properties around the globe, Peru and St. Lucia will provide the perfect backdrop for these new Destination by Hyatt properties, instilling a deep sense of place for our guests."

Endless Hospitality meets All-Inclusive at Hyatt's Inclusive Collection resorts:

Hyatt's Inclusive Collection, the largest portfolio of luxury all-inclusive resorts in the world, delivers immersive and elevated experiences, all with the luxury and convenience offered by an all-inclusive resort. With 10 all-inclusive brands providing endless hospitality through well-appointed accommodations, exceptional service, gourmet a la carte dining, and thoughtful touches, Hyatt's Inclusive Collection portfolio continues to expand in new and existing destinations throughout Mexico and the Caribbean in 2023 and 2024 with recent openings including the family-friendly Dreams Estrella del Mar Mazatlán Golf & Spa Resort, Sunscape Coco Punta Cana and Sunscape Dominicus La Romana. Recent additions to the adults-only resorts include the luxury all-inclusive Impression Moxché by Secrets and Impression Isla Mujeres by Secrets, Secrets Tides Punta Cana, Secrets Playa Blanca Costa Mujeres, and Hyatt Vivid Grand Island, the first resort within the new Hyatt Vivid brand.



Oscartek Gala series are an integral part of Hyatt



Hyatt's Inclusive Collection is thoughtfully expanding its brand footprint with planned openings in key Latin America & Caribbean resort destinations such as:

Dreams Curacao Resort, Spa & Casino adults-only expansion (expected to debut 2024): Expected to debut on July 1, Dreams Curacao Resort, Spa & Casino will open an all-new adult-only preferred club section to complement the existing family-friendly offerings. The 53 modern-designed standalone units, titled 'IL MARE', embrace next-generation architecture with modern interior design to create a first-of-its-kind luxury beachfront experience overlooking Piscadera Bay, with amenities such as thoughtfully appointed custom crafted furniture, a bathroom with two vanities, an indoor sitting area, and an oversized oceanfront terrace with direct beach access.

Dreams Bahia Mita Surf & Spa Resort family-friendly expansion (expected to open in summer 2024): Located adjacent to the existing Dreams Bahia Mita Surf & Spa Resort, this new section will add 58 additional rooms, a new restaurant, and three new pools including a dedicated pool for children with a pirate ship, a pool with water slides, and an adults-only pool.

Dreams Sapphire Resort & Spa family-friendly expansion (expected to open in 2024): The new expansion of this resort will add new

private luxury villas and a new event space, dining experiences and separate building that will feature a rooftop with breathtaking views, a bar, sushi bar, infinity pool and venue to host memorable weddings, along with premium room categories.

Secrets Playa Esmeralda Punta Cana (expected to open in 2024): Designed with the adults-only concept in mind, this intimate resort will feature nine gourmet dining options, including six à la carte restaurants, a buffet, a cafe, a grill by the pool, beach, and a private lounge for Preferred Club guests.

Dreams Playa Esmeralda Punta Cana (expected to open in 2024): The family-friendly resort will offer nine restaurants, three snack bars, an ice cream parlor as well as its own Preferred Club lounge, an Explorer's Club for Kids with activities for children ages 3-12, a Core Zone Teens Club with entertainment for teens ages 13-17, and a water park.

Secrets Baby Beach Aruba (expected to open in 2025): This adults-only resort will mark Hyatt's Inclusive Collection debut to the island of Aruba. Situated alongside Baby Beach, a popular white-sand lagoon in the southern part of the island close to San Nicolas, this new resort will boast architecture that blends with the landscape, offering stunning views of the region.

Secrets St. Lucia Resort & Spa (expected to open in 2025): Just minutes from the world-class Rodney Bay Marina, Cap Estate Golf Course, and capital city of Castries, guests will enjoy a stunning view of dramatically tapered mountains, volcanic beaches, reef-diving sites, fishing village and more at this new adults-only property.

Breathless Puerto Vallarta Resort & Spa (expected to open in 2025): Situated in a secluded zone just 10 minutes from Puerto Vallarta International Airport, the resort will be a prime destination for adults-only guests, featuring impressive amenities, including four swimming pools, a scenic rooftop with picturesque views, a variety of culinary options and more.

Elevated Stay Experiences in Sought-After Leisure Destinations:

With approximately 70% of rooms in the Hyatt portfolio classified as luxury or upper upscale, Hyatt leads the market with the fastest-growing luxury portfolio globally. Thoughtfully expanding its luxury and lifestyle brand footprint across desirable destinations from Turks & Caicos to Los Cabos, Hyatt continues to extend meaningful experiences to guests and World of Hyatt members:

Boundless Collection hotels are each shaped by the distinctive culture of their locale and replete with rich and immersive lifestyle experiences. Upcoming openings in the region include:

Dream Valle de Guadalupe (expected to open in 2025): This 35-acre resort in Ensenada, Mexico will mark the first Hyatt hotel in Mexico's dynamic wine region complete with a large vineyard, 58 guestrooms and villas, a luxury spa and wellness concept and three highly activated dining and nightlife venues, including a private tasting room and rooftop bar.

Hyatt Centric San José Escazu (expected to open in 2024): Located in Plaza Tempo featuring 161 guestrooms and suites with artwork crafted by local Costa Rican artists, Hyatt Centric San Jose Escazú will mark the Hyatt Centric brand's first hotel in Costa Rica and serve as a homebase to explore San Jose, the country's capital and largest city.

Hyatt Centric Santo Domingo (expected to open in 2024): Hyatt Centric Santo Domingo will be the first Hyatt branded hotel in Santo Domingo located in the central area of the city within the thriving Ensanche Piantini neighborhood. The 130-room hotel will offer a rooftop bar, coffee shop, signature restaurant and lobby bar.

Hyatt Centric Querétaro (expected to open in 2025): The Hyatt Centric lifestyle brand will soon debut in Querétaro, Mexico with Hyatt Centric Querétaro. Drawing inspiration from the city's distinct and well-preserved colonial ambiance, the hotel's design will blend modern and culturally authentic elements with innovative dining options and award-winning bar concepts.

Timeless Collection properties deliver the comforts of a home away from home with a consistently elevated experience. Upcoming openings in the region include:

Grand Hyatt Grand Cayman Hotel & Residences (expected to open in 2025): Grand Hyatt Grand Cayman Hotel & Residences will mark the first Hyatt branded hotel in the Cayman Islands and offer 351 guestrooms, studio suites, and one-, two-, and three-bedroom layouts along a seafront eco-walk that will celebrate the diverse ecology of Grand Cayman.

Grand Hyatt Mexico City Santa Fe (expected to open in 2025): This 275-room hotel will be the first urban Grand Hyatt property in Mexico and the second Grand Hyatt hotel in the region. It will offer 360-degree views of the city, more than 10,000 sq. ft. of meeting and event space and be an integral part of the mixed-use project Distrito Santa Fe.

Grand Hyatt Cancun Beach Resort (expected to open in 2025): Situated on the eastern part of the Yucatán Peninsula, Grand Hyatt Cancun Beach resort will boast 500 guestrooms with panoramic views of the Caribbean Sea and Isla Mujeres. The resort will feature 11 vibrant dining experiences, six bars, an indoor and outdoor destination spa and fitness center, and over 16,000 sq. ft. of gathering space.

Park Hyatt Los Cabos at Cabo del Sol (expected to open in 2025): Slated to open as the first Park Hyatt hotel in Mexico, the luxury resort will boast 163 ocean-view guestrooms and suites, 19 for sale villas and residences, five pools including one lap pool, five unique culinary experiences, a world-class golf course, a full-service 20,000-ft. spa, and a fitness and wellness center with a yoga studio and nail salon.

The momentum continues in Latin America & the Caribbean beyond 2025 with forthcoming openings through 2027 including Andaz Turks & Caicos at Grace Bay, Grand Hyatt Los Cabos, Grand Hyatt St. Lucia, Park Hyatt Cancun, Park Hyatt Mexico City, Thompson Monterrey, Chatwal San Miguel de Allende and Thompson Puerto Vallarta.

Book your stay at participating Hyatt hotels in Mexico or Brazil by May 31, 2024 and enjoy up to 25% off hotels in Mexico with offer code LACMX and up to 20% off hotels in Brazil with offer code LACBR for stays now through August 31, 2024. To learn more and for full terms and condition, visit: [www.hyatt.com/hotels-in-lac-promo](http://www.hyatt.com/hotels-in-lac-promo)

Participating properties from the Mr & Mrs Smith portfolio add more than 20 new, sought-after countries to World of Hyatt in Latin America & Caribbean destinations such as Bolivia, Ecuador and Dominica. Find your next adventure and explore the world of Mr & Mrs Smith: <https://world.hyatt.com/content/gp/en/landing/mr-and-mrs-smith.html>

Members are encouraged to watch the Incredible Offers Incredible Places offer page to unlock more rewarding offers in the coming months for future globetrotting!

The term "Hyatt" is used in this release for convenience to refer to Hyatt Hotels Corporation and/or one or more of its affiliates.

For further information:  
About Hyatt Hotels Corporation

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company guided by its purpose – to care for people so they can be their best. As of March 31, 2024, the Company's portfolio included more than 1,300 hotels and all-inclusive properties in 78 countries across six continents. The Company's offering includes brands in the Timeless Collection, including Park Hyatt®, Grand Hyatt®, Hyatt Regency®, Hyatt®, Hyatt Vacation Club®, Hyatt Place®, Hyatt House®, Hyatt Studios, and UrCove; the Boundless Collection, including Miraval®, Alila®, Andaz®, Thompson Hotels®, Dream® Hotels, Hyatt Centric®, and Caption by Hyatt®; the Independent Collection, including The Unbound Collection by Hyatt®, Destination by Hyatt®, and JdV by Hyatt®; and the Inclusive Collection, including Impression by Secrets, Hyatt Ziva®, Hyatt Zilara®, Zoëtry® Wellness & Spa Resorts, Secrets® Resorts & Spas, Breathless Resorts & Spas®, Dreams® Resorts & Spas, Hyatt Vivid Hotels & Resorts, Alua Hotels & Resorts®, and Suncscape® Resorts & Spas. Subsidiaries of the Company operate the World of Hyatt® loyalty program, ALG Vacations®, Mr & Mrs Smith™, Unlimited Vacation Club®, Amstar DMC destination management services, and Trisept Solutions® technology services. For more information, please visit [www.hyatt.com](http://www.hyatt.com).

# The food delivery bubble is bursting — and maybe that's not a bad thing

## On-demand food delivery is not working for customers, couriers, restaurants, or even the companies behind the apps

On-demand food delivery saw truly explosive growth during the pandemic. With restaurants closed to in-person dining and takeout's ability to turn “a lethally depressing Saturday night into a lethally boring Saturday night with pad thai,” as “Last Week Tonight” host John Oliver recently put it, apps like GrubHub and DoorDash experienced a surge of new users and global revenue for the industry skyrocketed from \$90 billion in 2018 to \$294 billion in 2021.

However, new reports show they still aren't profitable.

According to a 2024 analysis from the Financial Times, leading online food delivery groups in Europe and the U.S. “have racked up more than \$20 [billion] in combined operating losses since they went public,” reportedly leaving investors queasy at the idea of funding more loss. Not only that, but consumer reports indicate customer dissatisfaction with the apps is on the rise, while labor groups continue to decry the ways in which they say the food delivery industry takes advantage of gig economy workers.

Put another way: On-demand food delivery is not working for customers, couriers, restaurants, or even the companies behind the apps themselves. The food delivery bubble is definitely bursting — but maybe that's not a bad thing.

Desire for novelty and convenience has always helped drive food delivery.

Texts from the Korean Joseon Dynasty dated around 1770 indicate that scholars and government officials would occasionally order in naengmyeon, chilled buckwheat noodles served with pickled radish, thin strips of cucumber and slices of Korean pear. By the late 19th century, dabbawalas — which translates to “one who carries the box” — began operating in colonial Mumbai, delivering hot lunches to workers. Across the globe, in Naples, Italy, Queen Margherita placed what is now recognized first delivery pizza order from Pizzeria di Pietro e Basta Così in 1898; after the queen fell ill, the shop's head chef, Raffaele Esposito personally brought a mozzarella and basil pie to her doorstep.

The advent of the telephone meant that average diners could receive similarly royal treatment. In 1920s Los Angeles, the Chinese cafe Kin-Chu would fulfill orders via phone until 1 a.m., a stroke of prescience that forecasted the eventual and immense popularity of late-night delivery.

Technology continued to inspire shifts in the industry. For instance, after the second World War, many restaurants began advertising “television menus,” dishes meant to be ordered for takeout or delivery and enjoyed in front of TV sets, which were becoming increasingly commonplace in middle-class American homes. In 1994, Pizza Hut launched one of the first internet-based food delivery websites, Pizzanets, which allowed customers in Santa Cruz (though only in Santa Cruz) to order delivery.



Then smartphones came to market, quickly followed by food delivery apps, like DoorDash, GrubHub and UberEats, now the three top food delivery companies in the United States, which collectively account for 80% of the sector's revenue. The introduction of these apps completely upended how food had previously been delivered.

Instead of customers calling a restaurant and placing an order, which would then be delivered by a restaurant employee and often paid for in cash, customers now place an order and pay through one of these third-party apps, which connect a local courier with that order. Unlike typical restaurant delivery, the majority of these couriers are contract workers, while restaurants are also charged hefty commission fees for each order.

Especially in recent years, local restaurant owners and chefs have tried to educate their customers on what a toll on-demand, third-party delivery apps take on their businesses. In a 2021 story for Eater Chicago, Philip Foss, the chef and owner of the Michelin-starred EL Ideas and Boxcar BBQ, wrote that the restaurant industry has been “cannibalizing itself” by joining delivery services like Grubhub, DoorDash, and UberEats.

“As a consumer, I get it,” Foss wrote. “The convenience and the wide selection of restaurants makes takeout in recent years as good as it’s ever been. And as someone who used the apps a lot (pre-pandemic), ordering delicious food from the sofa speaks powerfully to the lazy side of my heart.”

He continued: “The allure as a restaurant owner is obvious: Our goal is to get our succulent barbecue in front of people. And if the customer’s goal is to get dinner on the table as quickly as possible, the best way to do that is to open an app and have it delivered. So it’s on restaurants to try to make that happen. Well, we tried. But here’s the thing: Delivery apps are destroying restaurants, from mom-and-pop places to chefs with Michelin stars. They’re a terrible deal.”

Foss laid out how, after accounting for normal restaurant costs plus paying the commission fees third-party apps charge — which can range between 15% and 30% — he makes \$1.50 on a \$30 check. The delivery app? They would make \$4.50 on the same order.

“New studies show that gig work is less profitable than it used to be as the cost of fuel, insurance and car maintenance have increased — and as the rate of tipping on food delivery has decreased.”

It’s a staggering discrepancy, but the couriers coming to pick up the order aren’t seeing that profit, either. For instance, the typical Uber Eats driver earns a base fare per delivery, ranging from \$2 to \$4, depending on the market. However, new studies show that gig work, in addition to being driven by sometimes unpredictable consumer demand, is less profitable than it used to be as the cost of fuel, insurance and car maintenance have increased — and as the rate of tipping on food delivery has decreased.

“As a customer that uses multiple food delivery apps: Grubhub, DoorDash, Uber Eats, I find that prices for each menu item are higher through the apps than if I ordered directly through the restaurant,” one respondent who spoke to Consumer Reports said. “Some apps also then charge a ‘Service Fee’ and/or ‘Delivery Fee.’ I have no idea how much of those added charges go to the restaurant, driver, or app company. It is not clearly outlined at all. Plus I need to tip on top of all those extra charges to make it work the driver’s time and effort. So, it quickly becomes ridiculously expensive to order through the apps.”

In 2023, New York Magazine officially declared food delivery a rip-off.

“It’s not exactly clear when it got out of hand, but at some point fees were eclipsing the cost of the actual food, especially in New York, the largest market for delivery apps,” wrote New York’s Kevin T. Dugan. “A Chinese-food order in Park Slope that totaled about \$28 in May 2022 cost an extra \$24 a year later via Grubhub. A \$17.95 order for a chicken-and-rice bowl with chips at Chipotle nearly doubled to \$32.06 after tip. A 30-something-dollar sushi order approached \$50.”

And even with all that, on-demand food delivery apps are still having trouble figuring out a profitability model that works post-pandemic, thanks largely to high operating costs, low margins and the deeply competitive market. So what’s the answer? According to chef Phillip Foss, there’s no single solution that is completely convenient and completely profitable for everyone, though there are some simple steps that can be taken to drive a more equitable delivery ecosystem.

Some companies, like ChowNow and Slice, are positioning themselves as ethical alternatives to big-name apps by prioritizing fair wages for drivers and offering more reasonable fees to area eateries. However, Foss maintains that one of the most responsible ways to get delivery is just by going old-school— simply picking up the phone and calling local restaurants for delivery or take-out.

“I ask the general public to take action by supporting restaurants that are just saying no to delivery app services,” he wrote. “The connection with the eatery will be more intimate, and you will feel good for supporting hard-working people through difficult times.”

By Ashlie D. Stevens

