

People-in-Travel

Tracking Travel's Leaders



From Travel Business Analyst

CEO Soundbites

Recorded at the International Hotel Investment Forum in Berlin. As much on the business as their own businesses. May be paraphrased.

- **Denis Hennequin**, Accor Hotels.

Emerging markets are different, so we need to be flexible. Growth will come from emerging markets.

- **Hubert Joly**, Carlson Hotels.

Why is the economic impact not having more effect on travel? Because unemployment hits different people. Because rich are getting richer. Those most hit were not travellers. US president issued order to reduce travel, so we are seeing an effect on government travel.

The mood is better in Europe than it was five months ago. But there are problems.

70% of our hotels are in developed markets, but 70% of our pipeline is in emerging markets.

- **Steve Joyce**, Choice Hotels.

In US not much new construction, so good. Results are getting back to near 2007 levels. Seems likely to be three years of good growth. Conversion business in Europe is a huge opportunity. India is becoming



more interesting as there are more owner/operator hotels - so good for conversions.

We thought mobile bookings growth would be smartphones etc, but it is tablets. Because we do so many conversions, our pipeline number is not so important. 300 conversion deals in 2010, about

same in 2011. Conversion has been about 30% off, but not new-build.

Consumers may not know our brands (we have 11, two at upper level), but they know it means value. Secret of a hotel company is location, not brand.

- **Richard Solomons**, InterContinental Hotels.

2012 is going ok. We have seen a good spread of growth. We own only 11 hotels now. As brand manager we are doing well; not so good for owners. Europe is only 15% of our profits.

When markets get difficult we look at how well we do in terms of market share. We are the biggest in China. Removed 1300 hotels over past two years, but added 1700. 40% of pipeline is under construction. Our new brand Even (*sic*) is a way to get the IHG brand into cities.

CEO Soundbites

Recorded at the World Travel & Tourism Council's Global Summit in Sendai and Tokyo. May be paraphrased.

- **Chen Feng**, HNA Group. Children want to give a travel trip to their parents. There were about 2bn domestic travellers in China in 2011, spending US\$350bn; annual growth is 30%.

- **Martin Craigs**, PATA.

-People don't want mass tourism, they want an authentic experience. *We would say tourists want an "authentic experience" (whatever that might be), but want to pay mass-tourism prices (or cannot afford an 'authentic' price).*

-91k jobs in UK are being lost by the imposition of APD (a tick-

et tax).

- **Philip Wolf**, PCW.

-Some new things become past.
-F-commerce (Facebook commerce) will be the next important business segment.

- **Alan Root**, wildlife film-maker. Price will be the only way to make sure gameparks are not spoiled. I think the way is private ownership of parks, because public parks just don't get it.

- **Aw Kah Peng**, Singapore Tourism Board. We put a greater emphasis on spending. In two years, spending

has grown faster than visitor numbers. Now we are looking at what they are spending on.



- **Marthinus van Schalkwyk**, South African minister of tourism. There are too many associations in travel; there should be just one.

- **Michael Frenzel**, TUI.

-There have been crises in nearly every year.

-We have introduced a TUI Think Tank.

-The Arab countries should concentrate on Europe as source business. You cannot overcome the problems with a media campaign. So the political stability is the most important. It is not a question of marketing. Tunisia is getting there. I think there are opportunities to get together, such as museums in Greece and Egypt.

- **Taleb Rifai**, World Tourism Organization. Taxes are a fact of life. We have to accept some, and just tackle those that are not very good. *This seems defeatist. And who decides what is a 'good' and a 'bad' tax?*

An annual subscription to People-in-Travel, costing €100, is delivered only via email in PDF format. A small extract from PinT may be included in the Asia Pacific and Europe editions of Travel Business Analyst. ISSN-1998-6882.

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