An Eye on *West Africa*

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A while back I wrote in this column about hotel branding, and how the big international brands don't, as a general rule, own any of the hotels that they put their name on (with one or two exceptions).

Mostly, in Africa, hotel groups manage the properties that they brand, so that they can directly control the quality of the product and the service, and deliver on the brand promise. In the US, that's not so much the case, and the brands manage very few of their hotels, relying on the owner to manage the hotel, or on the owner appointing a 'white-label" (i.e. unbranded) operator to manage the property.

Here in Nigeria we have some hotels that have been working under the same brand for many, many years. There's the Sheraton in Lagos, which opened more than 30 years ago – the Sheraton brand has changed hands a few times, but the name on the hotel has remained the same. And then there's the Sheraton and Hilton hotels in Abuja, which date back to the early 1990s. The Golden Tulip in Accra dates back to 1990, and there are others which just go on and on – presumably to the satisfaction of all involved.

But at the same time, there has recently been a dizzying turn and turnabout of brands where some hotels are concerned. Some of those changes are evident to the traveller, others not so, but which nevertheless affect you.

One of the first hotels in West Africa to de-brand was the Eko Hotel in Lagos. Did you know that, back in the 1970s, this hotel opened as a Holiday Inn? Then it became a Meridien, was for a short time managed by Accor, then a Meridien again, and in 2004 the owners decided to 'go it alone', running it themselves without any support from an international brand or management company. Funny though, many people in Lagos still refer to it as the Eko Meridien, almost 15 years later.

Another hotel that de-branded a couple of years ago is the Accra City Centre Hotel. It was a Novotel-branded and managed hotel for many years, and in fact Accor, the owner of the Novotel brand, still has a share of the owning company. But, like the owners of the Eko, the owners in Accra decided not to continue with Accor/Novotel, and the hotel is now unbranded.

Talking of Meridien, it seems to have experienced more 'brand transfer' than others – in Nigeria it also exited what is now the NICON Luxury Hotel in Abuja, the Ibom Golf Resort in Akwa Ibom State, as well as its hotels in N'Djamena and Douala.

Then there are the hotels that switch brands. Apart from the Eko Hotel, the most famous instance of this is the rebranding earlier this year of the Renaissance Hotel in Ikeja, Lagos to Radisson Blu. The owners of that hotel decided that they would be better off with Radisson than Marriott (owners of the Renaissance brand), and achieved a very smooth transition back in January.

Other hotels that have changed their brands are two of the Protea hotels in Abuja, as well as the one in Warri (an oil city in Nigeria), to the BON brand, and a Protea hotel in Ikeja to management by Mantis, under the name L'Eola.

What's been going on at a macro-level is that the hotel chains are increasingly becoming brand owners, and thus 'owners' of their customers – that's you and me. One of the reasons that Marriott acquired Starwood in 2016 was to buy all those Starwood SPG card holders – the combined total of Marriott Rewards and SPG is now a stunning 100 million people, with whom Marriott can, and does, communicate on a regular, one-on-one basis, pulling us towards the Marriott product, enticing us to book direct (and please, oh please, they say, not through an Online Travel Agent). The more brands that Marriott, and Accor, and Hilton et al have, the greater their ability to entice us to be loyal to them.

There's still room for the smaller players. In conversations with some senior Hyatt executives last month, I got the very clear impression that they don't want to be big, and dominating – but they would say that, wouldn't they! Southern Sun, part of Tsogo Sun, is another small player, at least by global standards, that has a long-standing and strong presence in several markets outside of South Africa – and that's a chain that ditched their franchise relationship with Holiday Inn many years ago, to develop their own brand.

On the micro-level, re-branding is often a case of economics. The management company is there to earn fees from operating a hotel, and the owner is there to enhance profits by engaging a company expert in managing and branding hotels. Where there's a mismatch, the deal tends to stumble and fall. The owner doesn't believe the hotel chain is acting in their best interest – and the chains aren't going to continue operating a hotel when it is uneconomical for them and, in many instances of de-branding, they're not getting paid.

In the US, re-branding is very common; you go to sleep in a Sheraton and wake up in a Hilton! That's not happened that often here yet – but as the branded supply increases, expect more activity on the roundabout of hotel branding. ■

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