

Beating All Odds

Carlson Rezidor's bold strategy includes operating in challenging markets such as Iraq and Libya. The group's regional head Mark Willis explains why the Middle East is a growth area for the global hotelier.

FORBES MIDDLE EAST TEAM

When Forbes Middle East caught up with the Rezidor Hotel Group's regional area vice president Mark Willis, he was just back from a business trip to Iraq.

"It (Iraq) is a place of real opportunity," says Willis, who heads the group's operations in the Middle East and Turkey. "There is a Radisson Blu coming in Iraq and we also have announced other properties that are coming up in Erbil, including serviced apartments which are in the pipeline."

If anything, his enthusiasm about the potential in Iraq, parts of which are beleaguered by deviant Islamist groups, is indicative of a corporate strategy that clearly does not shy away from operating in difficult terrain. Carlson Rezidor is also the only hotel operator in Libya with a 351-room Radisson Blu property.

"We operate in an emerging market where one needs to be able to deal with taxing or difficult locations. We also want to represent our guests in these locations and want to work with our owners—finding solutions and making sure that our footprint stays solid throughout the entire area."

But this unflinching attitude to grasp opportunities does not mean that Willis takes the safety and security situation for granted. "We do everything we can to ensure the safety and security of our properties, which is absolutely paramount to us. Am I worried about the volatility? Yes, of course. I am cautious and I am careful but we can't be distracted from what we are doing and we operate our hotels with safety and security at the absolute forefront. I am committed to that and so are our team members who work with Rezidor."

The Middle East has also been a growth area for Carlson Rezidor, which owns brands such as Radisson Blu and Park Inn by Radisson among others. The group operates around 37 hotels in the Middle East and Africa region while another 34 properties are currently under development. The fastest growing Rezidor brand is Radisson Blu, Willis affirms.

"We signed 14 hotels last year and 12 hotels in 2014. Between the core brands—Park Inn and Radisson Blu both continue to grow very well. We signed our first two Radisson RED properties in Jeddah and Dubai while we opened our second Quorvus in Muscat and our next Quorvus properties are in Kuwait."

Carlson Rezidor's pipeline is set to further expand this year with the signings of new properties in Dubai and Saudi Arabia but Willis says that the brand is aiming for a more measured growth in the region.

"We want to grow and increase our footprint but not at the expense of the brand. We try and stay very much on par with brand expectations and that is always the best way to achieve consistency. Another thing that will help us grow is our relationship with our owners. This is the way one builds a foundation and this will carry us forward, making sure we can attract the right owners and the right investors to key projects that are going to represent the brand, so maintaining that relationship is important. It is a long term marriage and you need to make that work 100% and we put a lot of effort into that."

This could also be the reason why the regional markets are so appealing to Carlson Rezidor. "I think as an area, the Middle East is a growth market. Yes, there will be setbacks that will arise with regards to global politics but for me the entire region is a place of commercial opportunity." **(**