

## **Radisson Hotel Group's CDO Shares How It Plans To Dominate The Hotel Industry**

The hospitality and hotel sector of the Middle East has seen unprecedented growth in recent years. In fact, recent figures reveal that the Middle East has overtaken Europe in terms of the number of new hotel rooms in the pipeline, with the region set to add 238,963 new hotel rooms, compared with Europe's 214,743.

The uptick in hotel offerings has not only made the Middle East an exciting destination for global travelers, but has also made its hospitality industry one of the most competitive.

The Radisson Hotel Group is one of the largest hotel groups in the world, and has been one of the pioneers of the industry in the MENA region. With a host of new offerings and strategies to match, the Group has its eyes on expanding its sizeable presence.

In this conversation with *Forbes Middle East*, Radisson Hotel Group's Chief Development Officer (CDO) Elie Younes shares the opportunities and challenges of operating in the rapidly evolving hospitality sector of the MENA region.

### **The Radisson Blu is a globally renowned brand; when did it enter the MENA region?**

The journey started back with Radisson Blu Hotel, Kuwait, in the early 80's. The hotel holds particular significance within the company history as it is the first Radisson Blu hotel outside of Scandinavia. We have also been successful in accelerating our growth in the region with strategic conversions in Dubai, Riyadh and Jeddah to name but a few.

We then gained further momentum between 2009 and 2018 where we dramatically grew our presence in the region from 20 hotels to now over 50 hotels, and over 10,000 rooms in operation across the region. Capitalizing on our presence, we are now anticipating to double our hotels in operation once again to over 100 hotels and 20,000 rooms by 2020, further validating the group's reputation as one of the fastest growing companies in the region.

### **What has been the Radisson Blu's greatest accomplishments since it entered the MENA region?**

Beyond our organic growth, we also take pride in other accomplishments, including significant progress in areas such as balanced leadership and Human Resources.

In Saudi Arabia, one of our key markets, we have made significant strides in empowering more women and Saudi nationals to enter the hospitality sector. We were the first hotel company in the world to appoint a female Saudi General Manager and we have seen our female talent in Saudi Arabia grow from single digit numbers to over 150 now in just a few years.

We have also just held our first “National Career Day” in Saudi Arabia. The national recruitment day is being organized across the Group’s hotels in Jeddah, Riyadh and Khobar with the aim to provide employment and development opportunities for Saudi graduates. The recruitment drive aims to fill more than 1,200 opportunities coming up in the next 3 years as Radisson Hotel Group has over 40 hotels and +10,000 rooms in operation or under development in Saudi Arabia, which will create considerable opportunities for local employment.

### **What were some of the challenges of operating in this market?**

The area remains somewhat volatile due to its dependence on oil and some regional political instabilities. This made us become more agile and nimble in our approach.

Agility is critical as the region is not only a fast emerging area but a lot of policies and reforms are implemented as we grow locally.

People are also critical! This is a people industry and as much as we have been very successful at attracting and retaining talent, this continues to be a key challenge for the way forward.

### **What is the current state of the hospitality industry, in particular, that of the GCC? Are there concerns about market saturation?**

Globally, this is a booming industry. Global travel keeps increasing year on year and there is no sign, or a reason, for this to slow down anytime soon.

When assessing the GCC as a whole, the picture is positive. One needs to assess the quality of the infrastructure and the location of those countries on the world map. The GCC has one of, if not the greatest accessibility to the world with the concentration of the best airlines. Those two fundamentals are the basics of any demand growth and that has clearly been an aim of the region to become an aviation hub.

Around that, additional elements are built such as financial centers; leisure and entertainment venues; healthcare, cultural, educational and professional communities among others.

If you therefore further assess these fundamentals across the GCC, some cities or countries are more advanced than others but all of them without exception are taking all the necessary initiatives towards the establishment of an attractive regional destination that is locally integrated. The benefit is not only for their residents but also foreign companies and tourists.

The hotel supply across the GCC, in particular, is very much being developed in line with major government infrastructure projects and a drive from the Tourism Authorities across the GCC to develop international cultural, aviation or financial hubs. For example, Dubai has the target of 20 million visitors by 2020, Saudi Arabia has its 2030 Vision, which is fundamentally focused around an economic diversification strategy with tourism one of the key drivers and Qatar is aiming to attract 4 million tourists by 2020 and aiming to position itself as a global hub for culture & arts and hosting world class events such as the World Cup.

Furthermore, the growth of the region's airline will see an increasing number of routes. We have already seen Dubai become an international hub and we have seen other regional cities adopt a similar strategy. This strategy has worked well and so although there is a strong hotel supply entering the market we believe this will be satisfied by the broader vision and goals of the regional governments and tourism authorities.

So, in the short term, there may be some hic-ups but, holistically and in the long run, the evolution of supply and demand will balance itself.

### **How does the Group go about tailoring the brand for consumers in the region? What does it take to successfully target upscale consumers?**

The region demands adaptability and, at times, innovation.

In terms of our proposition for upscale consumers, we have recently launched our Radisson Collection which is our premium lifestyle collection of exceptional hotels located in unique locations. The character of each Radisson Collection hotel is designed to feel authentic to its location and offer the ultimate template for contemporary living.

The Radisson Collection looks to cater to the growing segment of consumers looking for a unique experience but also the authenticity that only an independent hotel can deliver, while having the reassurance of a trusted brand behind it. We are well placed to serve this growing need with our Radisson Collection hotels in the region, such as the Hormuz Grand, Muscat and the Symphony Style Hotel in Kuwait, with Nofa Resort in Saudi Arabia Riyadh soon to join the Collection.

Radisson RED is an exciting lifestyle brand that we have significant plans to grow in vibrant cities across EMEA, and appeals to the growing segment of style conscious, socially driven upscale consumers. The brand is designed to present a playful twist on the conventional with hotels that inject new life into hospitality through informal services, a lively social scene and a bold design. We are excited that RED will debut in the region next year in Dubai - the ideal urban location as a key global city with a fantastic energy.

### **What is Radisson Group's strategy in establishing market leadership in the MENA going forward?**

We seek to create critical mass in regional business hubs to further facilitate our growth but also to translate economies of scale, efficiencies and improved returns to our owners.

In some more mature markets, we will seek to diversify with the introduction of all our brands from midscale up to premium lifestyle, from Park Inn by Radisson and Radisson to Radisson RED or Radisson Collection.

We are committed to becoming increasingly relevant to our guests and owners. These are our two key stakeholders. So we will transform the behavior of our organization so that everything that we do creates a compelling value proposition to our owners - from branding, revenue, cost, engagement and transaction simplicity.

Speed, agility, responsiveness and a pragmatic mindset continues to make us stand out from the crowd. We are creative, yet simple. We believe in long standing relationships based on trust, responsibility and accountability.

**The Chief Development Officer (CDO) position is one that has received greater interest in the business community in recent times. Tell us about what the position entails and what does it take to become an effective CDO?**

The role is simple and fun. It ultimately aims at creating shareholder value to our own shareholders and also for our partners. As importantly, it creates great opportunities to all other stakeholders.

It entails putting in place a growth strategy for the company, creating the necessary capabilities to deliver it and enabling the team to execute the plan. At the same time, the role is to make sure that the company is well prepared to support the growth that we create. I also spend a lot of my time ensuring that our organization creates value to our owners in all that we do.

<https://www.forbesmiddleeast.com/radisson-hotel-groups-cdo-shares-how-it-plans-to-dominate-the-hotel-industry>