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COMMERCE

The Ritz-Carlton accelerates expansion push for 2016

May 9, 2014



The Ritz-Carlton, Bali

By JOE MCCART HY

The Ritz-Carlton Hotel Company is focusing on the Middle East and Asia-Pacific as it pursues the 100-property milestone.



The hotel chain will be adding 15 properties to its portfolio by 2015. Luxury brands across categories are aggressively entering new markets to clinch the loyalty of today's global consumers.

"Our company culture resonates around the world and hence, the brand image remains relevant," said Ed French, chief of sales and marketing officer of The Ritz-Carlton, Washington. "The philosophy of The Ritz-Carlton speaks to multiple cultures and the core values are never modified but instead, we tailor the execution of guest experiences based on the labor market and local nuances.

"It's amazing to see how quickly ladies and gentlemen around the world understand the power of our brand and embrace it," he said.

"We are ladies and gentlemen serving ladies and gentlemen. This philosophy is based on trust, respect and integrity which translates around the world."

Where to go

Properties in Egypt, Tunisia, Morocco, Indonesia, China and Panama will emerge within the next 30 months, according to the brand.

Imminent Middle East and African properties include The Nile Ritz-Carlton, Cairo; The Ritz-Carlton, Tunis in Tunisia; The Ritz-Carlton, Marrakech; The Ritz-Carlton, Rabat and the Tamuda Bay Reserve in Morocco.

Five new hotels in the Asia-Pacific region will open up in response to the region's booming tourism. Two properties in Bali, Indonesia, will be appearing soon, one of which slated as a Reserve.



The Ritz-Carlton, Bali

Furthermore, the brand aims to flesh out its traditional markets such as North America and Europe due to the rise of travelers's venturing beyond common destinations.

The Ritz-Carlton has identified the Middle East, Asia, Australasia and the Indian Subcontinent as areas for sustained growth following the 2016 benchmark.



The Ritz-Carlton, Mumbai

Ramped-up development is not for the brand, either. In fact, nine properties opened within the last 20 months in: Kyoto, Japan; Herzliya, Israel; Tianjin and Chengdu in China,

Bangalore, India; Almaty, Kazakhstan; Aruba; Dorado Beach, Puerto Rico and Vienna, Austria.



The Ritz-Carlton Reserve, Pearl Island

All in

Luxury consumers rarely visit a single location exclusively, preferring instead to gather fresh experiences by traversing the globe. If a consumer's favorite brand does not have a property established in a region she is visiting, then the doors become opened for other brands to pry away this consumer's loyalty by providing an exceptional experience.

To prevent other brands from absconding with brand loyalists, many chains are treating expansion as imperative to survival.

For instance, Starwood Hotels and Resorts opened 74 hotels across its nine hotel brands in 2013, with new luxury properties in Abu Dhabi, Greece, Thailand and Peru.

Starwood claims to have doubled its luxury footprint in six years to a total of 160 properties and will continue this upward trend by adding 10 more luxury hotels in 2014. The collective effort of the company's nine hotel brands for global expansion dwarfs the efforts of contenders (see story).

Also, Trump Hotel Collection stepped up its efforts to expand internationally with the appointment of Shafi Syed as the vice president of development and acquisitions for India, the Middle East and Africa.

The brand plans to attain 30 global properties by 2020 and Mr. Syed will marshal the project in India, the Middle East and Africa from headquarters in Dubai (see story).

"Our expansion is a long term plan and we have been working on these new opportunities for several years," Mr. French said.

"Continued global growth in these markets remains at the forefront of our development as an organization," he said.

"It is a testament to today's global affluent traveler, who seeks The Ritz-Carlton experience whether on business or leisure."

Final Take

Joe McCarthy, editorial assistant on Luxury Daily, New York

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