

Hotel Chains operating in the Slovak Tourism Sector

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Abstract: The goal of this paper is to identify hotel chains operating in tourism sector in the Slovak Republic. By using scientific-cognitive methods, i.e. issue analysis, gained data synthesis, comparison a deduction hotel chains operating in tourism sector in the Slovak Republic have been identified and studied. Based on the results, we can state that Tourism in Slovakia is growing in numbers, but as a sector needs to ensure greater competitiveness.

Keywords: hotel chain; tourism; Slovak Republic

JEL Classification: F21, F23

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1. Introduction

Effective globalization and internationalisation process starts with a knowledge of key variables in the global business environment. In any industry, in any country, managers must have an overall knowledge of the wheres, whats, whys, and hows of the countries and regions of the world (Ubrežiová, Gurská 2012).

Joint ventures have expanded beyond the borders of national economies leading progressively to the internationalization of entrepreneurship. Forms of internationalization are presented in Table 1.

Distinction	Activity	Level
Trade	Export	Commercial
Agreements	Licenses	Contractual
Shareholding	Formation of consortia	Participatory
Integration	Direct production investments	Integrating
Autonomy	Formation of the other firms in all phases of the business activities	Autonomous

Table 1 Motives of the internationalization of entrepreneurship

Tourism is a sum of various economic activities. The analysis of the impact of tourism on the economy is generally based on the spending of tourism participants in a particular sector. Tourists on holidays use a large amount of tourism products supplied by different companies. Increasing demand of tourists leads to more and more increased production of goods and services, as well as an increased employment rate. Destinations thrive on the consumption of tourists who buy a product of tourism (Ramos, Jimenes 2008).

Tourism plays an important role in the EU due to its economic potential and potential for employment as well as its social and environmental impact. Statistics of tourism are not only used to monitor EU tourism policies, but also its regional and sustainable development policy (Eurostat 2017).

Tourism is undoubtedly one of the most promising and fastest growing sectors of the Slovak economy. The position of Slovakia in the heart of Europe at the intersection of commercial roads, with cultural and historical wealth and suitable climatic conditions, creates the potential of tourism development in our country (SARIO 2005).

MICE facilities, accommodation and conference capacities have expanded to a large extent in Slovakia over the past few years. International hotel groups such as Kempinski, Crown Plaza, Lindner, Radisson Blu, Sheraton, Hilton / Double Tree, Mercure, Holiday Inn and others have settled in Slovakia too (Slovakia travel 2017).

2. Hotel Chains in the World

At the beginning of the 20th century, the first association of hotels into chains appears, the peak boom was recorded after World War II.

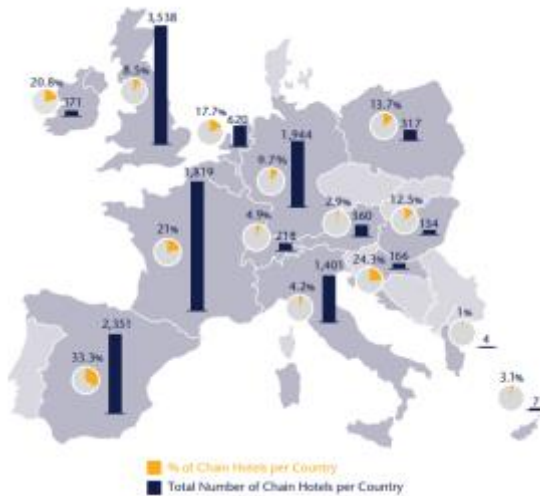


Figure 1 European Chain penetration (HHTL 2017)

Expansion of transnational networks means not only the introduction of global or European standards that contribute to the improvement of hotel services, but also ensuring clients coming from abroad and making marketing more efficient within the hotel chain. Ten largest hotel companies in 2015 are shown in Figure 2 (HNN 2015).

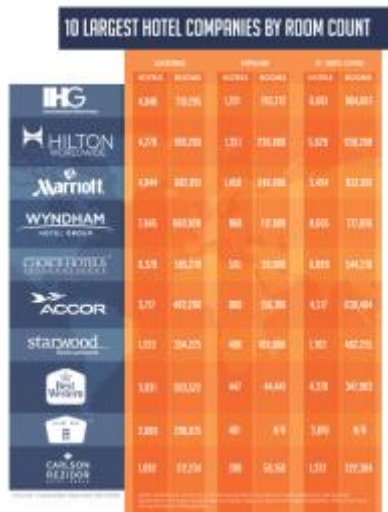


Figure 2 Ten largest hotel companies by room count

3. Hotel Chains in Slovakia

Slovakia is an ideal investment destination because of its political economic stability strengthened by the common European currency Euro, competitive taxation system tax, and availability of highly skilled and educated workforce offering the highest labour productivity in the CEE region with favourable labour costs (SARIO 2017).

3.1 Foreign Hotel Chains



Orbis is the largest hotel group in Poland and Eastern Europe. Orbis comprises more than 100 hotels and is the sole licensor of all AccorHotels brands in 16 countries including Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia. It offers a total of almost 19,000 rooms. The hotels operate under the brand names Sofitel, Pullman, M Gallery, Novotel, Mercure, ibis, ibis Styles and ibis budget. In Slovakia there are 2 hotels operating by this hotel group – Mercure Bratislava Centrum Hotel and Ibis Bratislava Centrum.



With 26 hotels located in Austria, Slovenia and Slovakia, they always aim at making stay perfect. In Slovakia they offer their services in Austria Trend Hotel Bratislava.



With more than 570 locations across 6 continents, Hilton provides an authentic and contemporary experience for its guests worldwide. In Slovakia there are 2 their hotels – DoubleTree by Hilton Hotel Bratislava and DoubleTree by Hilton Hotel Košice.



InterContinental Hotels Group understands that every customer has different needs and they aim to make their hotel facilities available and accessible to all of their guests equally. The hotels operate under these brand names:



These 12 brands cover 5000 hotels in nearly 100 territories and countries. There are four IHG hotels in Slovakia – Crowne Plaza Bratislava, Holiday Inn Bratislava, Holiday Inn Žilina and Holiday Inn Trnava.



Hoteliers since 1897, Kempinski has travelled the world in search of the most fascinating destinations without ever forgetting the finest traditions of its European heritage. With luxury holiday resorts, business and Spa hotels around the world, every Kempinski Hotel is unique, designed for guests who value five star holidays and luxury getaways. Kempinski Hotels now operates an international portfolio of 76 hotels that reflect the finest traditions of European hospitality.



Figure 6 Kempinski Hotels in the world (Kempinski 2017)

There is 1 Kempinski hotel in Slovakia - Grand Hotel Kempinski High Tatras.



Since the launch of its international expansion, NH Hotel Group has combined organic growth with carefully-chosen acquisitions. NH Hotel Group is now one of the 25 largest chains in the world and operates hundreds of hotels across Europe, America, Africa, and Asia. Throughout all of its hotels, the NH brand stands out in its dedication to high quality services and facilities. It covers 389 hotels in 31 countries. Hotel NH Bratislava Gate One is one and only hotel of this hotel group in Slovakia.



OREA HOTELS s.r.o. operates one of the largest hotel groups in the Czech Republic, OREA HOTELS & RESORTS, currently consisting of 14 hotels all over the Czech Republic in the most glamorous destinations.

OREA HOTELS s.r.o. was established in December 1992 with the intention of expanding accommodation capacity in the market of the comfort and superior hotels not only in the Czech Republic. They are currently seeking both medium and large size hotels that they can either lease or acquire from the owners. They also offer cooperation with

other hotel owners by means of franchising or management contracts. In Slovakia they provide accommodation in Orea Hotel Club Garni Bratislava.



37 hotels and resorts in seven European countries – that is the basis for the ambitious and innovative concepts of Lindner Hotels AG. The family-managed company is one of the leading hotel chains in Germany. 20 hotels in major cities, 11 spa and sport resorts (one in development) and a holiday park belong to Lindner Hotels & Resorts. They franchise one hotel in Slovakia – Lindner Hotel Gallery Central.



Carlson Rezidor Hotel Group is one of the world's largest and most dynamic hotel companies. It has an expanding portfolio of more than 1,440 hotels in operation and under development, a global footprint covering 115 countries and territories, and a powerful set of global brands: Qourvus Collection, Radisson Blu, Radisson, Radisson RED, Park Plaza, Park Inn by Radisson and Country Inns & Suites By Carlson. In Slovakia they operate Radisson Blu Carlton Hotel.



Starwood Hotels and Resorts cover 30 very famous and luxury hotel brands such as The Ritz-Carlton, Sheraton, Bulgari Hotels & Resorts etc. There is Sheraton Bratislava Hotel in major city of Slovakia.



Vienna House is Austria's largest independent hotel group: 34 hotels, nine European countries, 2,400 employees. Founded in 1989 as Vienna International Hotelmanagement. The group operates and develops hotels owned directly or via lease and franchise agreements. One of them is Vienna House Easy Bratislava.

3.2 Domestic Hotel Chains



Sorea Hotel Company present to you the most interesting offers for holidays in Slovakia! Their 11 hotels situated in the most beautiful locations of the High and Low Tatra Mountains, Ľubovnianske kúpele Spa and Bratislava can satisfy the broadest range of visitors of all ages in all seasons of the year. Apart from stays, such as family, senior or

skiing holidays, sports trainings, school field trips, congresses, seminars, workshops, it plan interesting products for our visitors aimed at wellness, resting, relax and regeneration. It has 5 hotels in High Tatras, 4 hotels in Low Tatras, 1 hotel in Lubovňa Spa and 1 hotel in Bratislava.



TRINITY Hotels & Resorts is first Slovak hotel group with unique loyalty system of discounts and benefits. It has 3 hotels: Hotel Senec, Hotel Atrium and Hotel Sitno.



APLEND belongs to the leading provider of holiday apartments, cottages, and restaurant in The High Tatras. APLEND has built a strong name in the holiday accommodation industry in The High Tatras. The brand does not mean only the accommodation but the quality of the apartments and services as well. We strive every day to provide the best service to our customers and it is our goal to not only maintain but day by day to increase the quality of the accommodation and services.

In 2016 APLEND has expanded its services to city hotels and apartments under the new brand APLEND CITY. In August 2016, APLEND has opened its first hotel under the name: APLEND CITY HOTEL PERUGIA, small boutique hotel in the city center. In March 2017 a brand new hotel under the name: APLEND CITY HOTEL MICHALSKA.

Mores Resort, a.s. has as a subject of its business the operation of the accommodation facilities. AS a first hotel, they renawated and now they operate Hotel Lomnica in High Tatras.

Sorea, Trinity Hotels as well as Aplend and Mores Resort focus their business activities exclusively on the territory of the Slovak Republic.

4. Conclusions

MICE facilities, accommodation and conference capacities have expanded to a large extent in Slovakia over the past few years. International hotel groups such as Kempinski, Crown Plaza, Lindner, Radisson Blu, Sheraton, Hilton / Double Tree, Mercure, Holiday Inn and others have settled in Slovakia too. There are 11 foreign hotel chains (including 12 hotel brands), mainly from Europe and 4 domestic hotel chains operating in tourism sector of the Slovak Republic. Most hotels belonging to foreign hotel chains are located in the capital city of Bratislava. None of the Slovak hotel chains have a hotel with its own brand in the surrounding countries. International hotel chains are not too much about our local accommodation facilities, especially those outside of Bratislava. Compared with the surrounding countries, there is low hotel occupancy and low accommodation prices in Slovakia.

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