

Hospitality market experiences positive growth in the Francophone Africa region

In a market first, the FrancoReal Summit taking place in Dakar, Senegal on 16 and 17 October 2018, will provide a platform for hospitality leaders from the Radisson Hotel Group, Mangalis Hotel Group and Accorhotels to engage with regional investors and developers.



[Yaas Hotel Dakar Almadies](#)

According to global authority, Horwath HTL France's managing partner, Philippe Doizelet, there has been a measurable uptick in activity due to the historically low penetration of international operators in the market. "Investment opportunities within the hotel sector in French-speaking Africa are on the rise. This rise in sentiment is predominantly explained by the lack of quantitative and qualitative supply in some regions, with many hotels not being able to respond to the increasing demand."

With 50% of its Africa deals in 2018 taking place in the Francophone region, one international operator focussed on the region is the Radisson Hotel Group, as its director of business development, Erwan Garnier explains. "The Radisson Hotel Group has identified Francophone Africa as a key market, and we're aggressively expanding within the region to become the market leader. Our objective is to double our current Francophone presence to 40 hotels with over 9,000 rooms in the market by 2022."

Currently operating in 12 markets, Radisson's growth strategy is matched by AccorHotels and Mangalis and other international and regional chains, who are upping the ante in the region says Doizelet. "The market is currently dominated by Accor and the Radisson Hotel Group which continue their development in the region. Other international groups actively looking for new development opportunities in the region, are namely Hyatt, Hilton, Marriott, Kempinski, as well as regional groups including Azalai, Mangalis and Onomo."

Considered a regional specialist brand, the Mangalis Hotel Group hopes to become the preeminent brand in the region says its chief executive officer, Olivier Jacquin.

"With a significant number of brands entering the market, growth at this juncture remains constrained to the midscale pricing bracket, as there remain only a few locations for high-end developments," says Doizelet. "So far, only a handful of destinations in French-speaking Africa are suitable for top end hotel development, such as Ivory Coast or Senegal."

Scale of opportunity

The major international groups seem to agree with Doizelet's assessment especially in Senegal – with Radisson Hotel group active in the Dakar market and using the city as a launchpad for regional growth. Garnier explains: "Senegal is the number one market for international investors because of its long-term economic stability. We already have two of the country's leading internationally branded hotels; Radisson Blu Hotel, Dakar Sea Plaza and Radisson Hotel Dakar Diamniadio, however, we now want to introduce the rest of our African brands to Senegal, i.e. Radisson Collection, Radisson RED and Park Inn by Radisson."

While competition grows daily in the market, Jacquin believes the scale of the opportunity in the market provides room for all operators. "There is still room for all of us. The presence of a variety of suppliers gives the international and regional travellers choice of products in a market which is still growing. Mangalis like any other brand has its own DNA and signature, in addition, we are African rooted hotel operator and developer."

The annual Francoreal Summit, for Garnier, is a strategic fit for the Radisson Group, especially as they seek to identify strong local partners to match their Africa business plan and introduce new products to the market. Moreover, as the Radisson's brand continues to expand across the market – this rapid growth is dependent on developing strong local ties which are the foundation of their Africa strategy. "We have an asset-light strategy in Africa, providing our expertise from managing almost 90 hotels and partnering with local developers, making local connections to create successful projects," explains Garnier.

With more than 150 senior executives from across the region and from South Africa and internationally, providing the platform for delegates to conduct business deals and gather insights is a crucial focus for the FrancoReal Summit says its host, API Events' Kfir Rusin. "Francophone Africa is growing in interest for our African and international stakeholders, many of whom have expressed a keen interest in the market across all sectors. From a hospitality perspective, we have Mangalis Hotel Group's CEO Olivier Jacquin, the Radisson's Erwan Garnier, Accor Hotels' Redah Faceh, and Horwath HTL France's managing partner Philip Doizelet, who are the region's most active dealmakers and analysts speaking at the Summit."

Mangalis Hotel Group's Olivier Jacquin believes the Francoreal Summit will bring the key property stakeholders together. "Such an event is not only the opportunity to showcase the region, but it is also a platform to bring all the key stakeholders together."

For more, visit: <https://www.bizcommunity.com>