



Notoriously fragmented, individualist and resistant to associationism, the Italian hotel market now seems to be perking up. Chains are making their impact and giving the sector a real makeover, and national hotel enterprises look keen to measure up to the international challenge. Growth is almost always in family-run businesses, and hallmarked by typical Italian-style hospitality.

# chains

## A PULVERIZED UNIVERSE

**AICA**, the Italian association of hotel chains, represents 32 names (Italian and international). Its chairman, **Roberto Pedrazzi**, describes the Italian situation like this: "Let's not forget that the average independent hotel has 29.5 rooms, whereas the average chain hotel will have 175. That gives some idea of how unbalanced the accommodation on offer is. We are paying for the lack of legislation supporting companies that are the backbone of the hotel economy. We need legislative action to encourage entrepreneurial initiative."

On the other hand, market saturation is putting the brakes on those large international companies ready to invest in Italy. Moreover, underscores **Federalberghi**, the professional association representing Italian hoteliers and whose members include several chains grouped under the UNICA acronym, there is also a non-standard hotel classification system, where each Italian region uses its own methods.

Nonetheless, difficulties have not stopped entrepreneurs making headway by focusing on the "Belpaese" tradition of hospitality, and investing in properties of international standard. This has made a significant contribution to upgrading hotel real estate and to achieving hotel standards more in key with market demands and therefore more competitive at global level. Imprinting continues to be on a family and national basis, however, although **some brands have recently made it abroad and are now known directly by the international public**. There follows an overview of Italian hotel chains—with at least five directly-run premises, and beginning precisely with those who have business tourism in their veins.

Bruna Carcano

**N**ot that many, but high end. Hotel chains are still a borderline feature on the Italian scenario and even factoring in privately-owned and directly-managed groups, as well as affiliated brands and franchises, **they account for just 8% of overall accommodation capacity**. The total is lower still if only purely Italian groups are counted, established mainly in the last three decades by family-run businesses. The figure is even more significant if compared with the overall **number of hotels located on the Italian peninsula: 33,500 units**, a vast total that ranks Italy in with world leaders, on the heels of the USA and Japan. In actual fact, the Italian hoteliership map is dotted with a great many small-medium, independent venues, run for the most part by families, and not a good breeding ground for the chain system.

There are historical and structural reasons for this parcelling out, rooted in the Fifties and Sixties economic boom, when the Italian hotel market numbers (before that only for an elite) rocketed in response to tourist demands from a nation that suddenly found itself plunged into prosperity. The feedback was spontaneous and somewhat impromptu, retaining its fragmented and variegated style over the years.

little chains get longer



Jolly Hotel President – Milan



Jolly Hotel Milano Due – Milan



Starhotels Tuscany – Florence



Starhotels Tuscany – Florence

## TALKING BUSINESS

**Jolly Hotels** is a historic Italian hotel brand: the firstborn and still the biggest domestic chain, with 45 hotels owned, managed and franchised, seven of them abroad. It was founded back in 1949, by businessman Gaetano Marzotto, who gave a strong thrust to updating the market with an innovative offer whose clear-cut objective was the business sector, with an eye to value for money. Nowadays the company is quoted on the stock market, with EUR 10,000,000 in capital and a 2005 turnover of EUR 236,000,000. Jolly Hotels, now **accommodating an annual 2,000,000 guests (60% from abroad)**, has diversified its range over the years, but **meetings and conferences continue to account for 80% of its business**. It has two brands: the *Jolly Classic*, with a widespread coverage of 26 towns across national territory, and *Jolly Master*, which indicates more important and overseas locations. Jolly Hotels will soon be taking over at the new Fiera Milano trade fair district, as it has acquired management of the two, 400-room hotels being erected at the area's main entrance.

Meanwhile, property refurbishment continues non-stop, for a cost of 200,000,000 euros set aside in the last five years. Naples and Florence Jolly Hotels got their facelift in 2005: the former now has a luxurious executive floor with 13 panoramic guestrooms at the top of a 30-storey skyscraper; the Florentine hotel, on the other hand, now has a brand new conference centre, with 11 meeting rooms that make it a sure-fire location for the dual business-leisure target. In 2006 the Siena and Milan hotels will get their upgrade. The former is doing up the

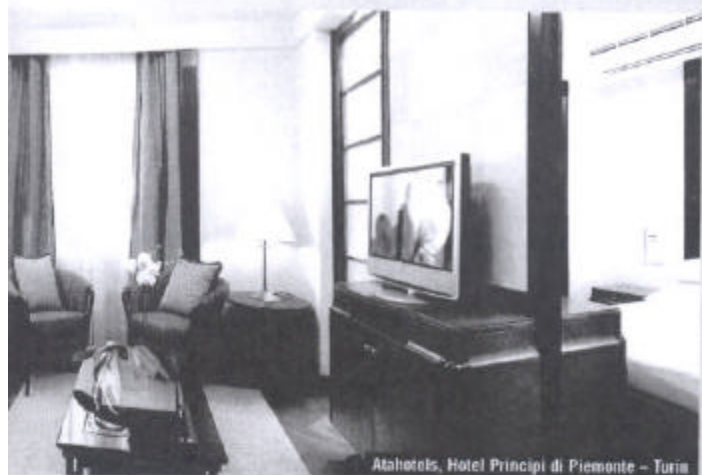
rooms and reception area, adding three new meeting rooms to those already available. The latter's five hotels will see airy restyling of the Jolly Touring's public areas, extension of meetings spaces at the President, and a complete overhaul of the Jolly Milano 2, a stone's throw from Linate airport, which will be back with an 11-room conference centre and renovated guestrooms, suites and apartments.

**Starhotels** is a classic example of a chain developed and financed independently by a family (the Fabris), whose story begins in Tuscany in 1980, with a dual vocation: leisure and business, which is still how clientele can be described. The hotels map uniformly distributes **all the 4-stars in historic urban centres or near the great communications nodes**. Meetings & conferences enjoy the chain's special rates which include all services and state-of-the-art technology – videoconferencing, satellite multimedia applications and wireless high speed internet in all the meeting rooms. What really gets the event off the ground fast and painlessly, is the **integrated Easyevents service**, implemented with the cooperation of a DMC network, so the client is informed of hotel availability and prices within 24 hours, and in the following 48 hours receives complete costing for pre and post meeting and non hotel services. The central team, an actual events department, is also flanked by an events manager in each hotel.

The company has opted for an **ongoing premises renewal policy** for which it sets aside considerable funds. The latest to get a new look and a new name was the Starhotels Tuscany in Florence, the first



## FOCUS ON Major Italian hotel brands: an overview



Atahotels, Hotel Principi di Piemonte – Turin



Atahotels, Golf Hotel – Madonna di Campiglio



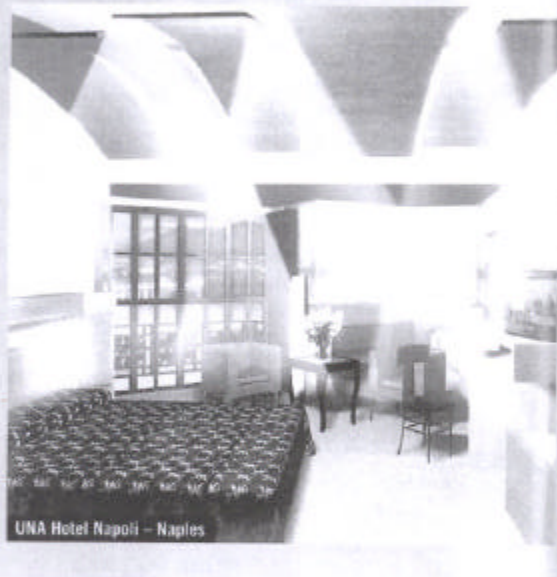
Atahotels, Ata Benessere Conservatorio – Milan

Hotels get longer

hotel to be opened by the chain. Then there is the Starhotels Grand Milan, being built with excellent timing in a strategic position at Saronno, a small town midway between Milan, Malpensa airport and the recently-opened Fiera Milano exhibition hub, to meet growing accommodation and conference demands from this new trade fair district. The Grand Milan has 200 guestrooms and 48 residential hotel units, swimming pool, fitness centre and a 1,000-seat conference centre. All designed by Mario Botta, the architect who also put his name to the new La Scala opera house.

In 35 years of business, **Atahotels**, the company belonging to the Ligresti Group, has built up a solid presence with a wide range of products that includes hotels, residential hotels, executive centres and resorts that can be found **not only in major metropolitan locations, but also in famous holiday resorts**. A kingpin in the chain is its capacity for accommodating large numbers, including for conferences. Corporate needs are met thanks to 100 meeting rooms, short stay or long stay solutions for businesspeople, and cutting-edge workstations with immediately operational offices. Last but not least, there are also meeting spaces in the big resorts like Sardinia's Tanka Village, or Naxos Beach in Sicily, where the conference area is currently being expanded. In Milan, in particular, Atahotels is one of the market leaders, with three hotels and seven residential hotels (plus an associated residence hotel), for over 2,600 guestrooms, 75 meeting rooms and 165 workstations.

**Golf and spas are the pluses underpinning the group's development strategy.** Many hotels are built near golf courses but now the chain can count its own golf facilities not only with the brand-new course at the Tanka Village, with Sardinian sea vista, but also at its newly-acquired property, the Golf Hotel in Madonna di Campiglio, on the Dolomites. The group will also be offering spa treatments both at hotel



UNA Hotel Napoli – Naples

spas and at Milan's Ata Benessere Conservatorio, first of a series of health and beauty centres. When the new Hotel Principi di Piemonte reopened in Turin (99 guestrooms and a 300-seat conference), under Atahotels management, the company raised its sights and **entered the deluxe sector with its new *Luxury Emotions* brand.**

The **UNA Hotels & Resorts** group was founded in 2000 from a takeover of the Bonaparte Hotel Group by the Florentine real estate company owned by entrepreneur Riccardo Fusi and has grown in leaps and bounds thanks to acquisitions and renovations. It now boasts 18 hotels, concentrated mainly in the Milan and Florence areas, and with two main lines: *UNA Hotels*, the metropolitan premises with a strong techno feel, chiefly business-oriented, and *UNA Resorts*, elegant country homes offering relaxation, wellness and sport. The latest inauguration was UNA Hotel Naples, a complete restoration of a 19th-century building in the heart of Naples: 89 guestrooms, panoramic lifts and a terrace



Jolly Hotel Siena



UNA Poggio dei Medici Resort - Tuscany

overlooking Vesuvius. A new Rome hotel opening is scheduled soon, as well as the inauguration of the Renaissance Villa Le Maschere, being renovated on the Florentine hills.

Quotes in 24 hours, specialised staff, and tailored offers are the reply to demands for medium-size corporate events including training courses, pharmaceutical seminars, residential meetings and product launches, finding bigger accommodation capacity in the Milan and Malpensa airport hotels, and in the UNA Poggio dei Medici resort in Tuscany.

Recently a new formula made its market debut, the **UNAWAY** brand for multi-target hotels located in motorway service stations, great for stopovers during long trips and for quick working meetings. The architecture was designed by world-famous Giorgetto Giugiaro, who created an easy-to-recognise style icon that features a striking doorway and windows that light up to inform drivers that there are free rooms. The network also offers franchising, and got started with four existing hotels to reach a total of 11.

## THE "FEEL GOOD" CHAIN

The Borile family founded its fortune on water: the good, healthy sort, which has bubbled up from the subsoil of Abano since time immemorial. This famous spa resort is set in the green backdrop of the Euganean Hills, not far from Padua. Bathing and mud applications produce beneficial effects for aching bones and joints.

This precious resource inspired the Borile group's pool of theme hotels: **GB Thermæ Hotels**, all located in Abano, surrounded by parks and pools, complete with ultramodern thermal spas: the 5-star **Abano Grand Hotel** has elegant rooms the size of suites, **Grand Hotel Trieste & Victoria** has exclusive fin de siècle atmosphere, **Hotel Due Torri** is an 18th-century residence, and then there is the 4-star **Metropole**. Each hotel has its own spa unit in-house and creates bespoke treatment programmes for guests. The Metropole Garden combines mud therapy with Ayurvedic treatments; the Trieste & Victoria's guests find personal trainers who help them get back into shape; the Abano Grand Hotel promises anti-aging cellular rejuvenation; the Due Torri pampers couples. Lastly, **La Residence & Idrokinesis**, opened last year, is a venue wholly given over to state-of-the-art spa water rehabilitation therapies, under medical supervision.

Recently, mud therapy has started to benefit the business world too: GB Hotels grabbed the opportunity and responded with ad hoc programmes and meetings rooms for up to 130 attendees. In any case, if larger spaces are needed, there is always the nearby Abano Congress Center. In the pool, pre and post conference activities speed past, what with a massage here and a treatment there, improving mood and sociability.

## A LUXURY EXPERIENCE

Hospitality, comfort and service are well-established concepts, so the challenge for the luxury hotel industry comes down to ensuring a total seduction experience involving all five senses, exploiting all levels of communication.

Erica Iop, the **Baglioni Hotels** marketing manager, specifies: "We want to offer luxury as a life experience, rooted deep in territorial culture. This means not just a top quality stay in hotels strategically located in the heart of the great art towns, but also exclusive activities, like sitting in on La Scala Philharmonic Orchestra rehearsals in Milan, which even includes dinner with the musicians thanks to an agreement we have with the opera house." Baglioni Hotels is a **long-established brand in the luxury hotel segment and 75% of its clientele are netted abroad**: mainly USA, UK, Japan, but also emerging countries like Russia, China and the Arab Emirates. A feel for art and antiques, and focus on detail interweave in historic palazzos and castles where pages of history were written and where illustrious figures of the past have stayed.

The meeting product was developed from the same luxury experience concept. Up to now meetings were a small slice of the cake, but the company intends to relaunch, so it has **created the new Director of MICE Development and Events position**, filled by Adalgisa Conte. A while ago the chain initiated a presence on foreign scenarios and five of its 14 hotels are located

