

Accor Advances In Vietnam

The leading European hospitality group, Accor, is making strong strides in Vietnam since its debut in 1992

By Quang Tuan

Several days ago, DIC Phuong Nam informed the press that it would collaborate with a foreign partner to manage a five-star hotel, part of its 29,300-square-meter international exhibition and entertainment complex in the coastal city of Vung Tau.

The Pullman Vung Tau will be operational by first quarter of 2010 with 360 rooms. Based on information gathered on the Internet, the Pullman is Accor's new chain of upscale hotels opening around the world. Each Pullman hotel will provide an extensive range of tailored services, and access to groundbreaking technologies. It will also introduce the public to the "Co-Meeting," a new approach to organizing meetings, seminars and high-end incentives.

Pullman and more

At last week's press conference held at Sofitel Plaza Saigon, Michael Issenberg, Accor Asia Pacific Chairman, announced that by 2011, Vietnam would have three Pullman hotels. Besides the Pullman Vung Tau, the two others will be Pullman Lao Cai Hotel and Pullman Sapa Resort, both located in the northern province of Lao Cai.

"The launch of the Pullman brand is Accor's response to the substantial and continuously growing importance of upscale hotels and the predominance of the business clientele in this market," said Issenberg. He also added that the two new Pullman hotels in Lao Cai would meet a growing demand for high international standard facilities in northern Vietnam. The Pullman Vung Tau, which is located in the petroleum centre of Vietnam, is an ideal place for training and

conferences.

Aside from its management services, the Pullman brand is already well-known in Vietnam, as the Sofitel Metropole Hanoi was a Pullman hotel before re-branded to Sofitel in the early 1990s. Pullman, which is in the upscale segment, is one of various brands of Accor worldwide. Accor has redefined and expanded its brand portfolio to cover all segments ranging from budget to luxury with an offering of standardized and non-standardized products. In an effort to support the development of tourism infrastructure in Vietnam, Accor also announced the first appearance of Mercure hotels as well as the expansion of the Novotel brand.

Mercure Hanoi La Gare and Mercure Hanoi Hado are said to be the first Mercure hotels in Vietnam and the start of a 20-hotel development plan throughout the country. "When these Mercure hotels become operational in early 2009 and 2010, they will meet the rapid increase in demand for quality mid-scale, non-standardized accommodation in the capital city in

particular and in the country as a whole," said Patrick Basset, Accor Vice President, Operations for East and North East Asia.

The opening of Novotel Phu Quoc Resort will follow four other significant Novotel openings scheduled for the next two years, including Novotel Nha Trang, Novotel Hoi An Imperial Resort and Novotel Hanoi On The Park. They will join current Novotel hotels in Dalat and Phan Thiet to create new era for Novotel in Vietnam.

Long-term commitment

When asked about the challenge Accor is within the next three years, Basset and Issenberg both stressed that it is to get the right people. "Finding the right people is critical for our business," said Issenberg, adding that the right people in the right job are the key to the Accor's long-term sustainable competitive advantage.

After finding the right people, the next challenge for the group is to keep the bright and talented staff engaged and productive. Vietnam is an increasingly important

WHO IS ACCOR?

Accor is the European leader and a major global group in hotels, the global leader in services to corporate clients and public institutions, operating in nearly 100 countries with 150,000 employees. It offers to its clients over 40 years of expertise in its two core businesses:

- Hotels, with the Sofitel, Pullman, Novotel, Mercure, Suitehotel, Ibis, all seasons, Etap Hotel, Formule 1 and Motel 6 brands, representing 4,000 hotels and nearly 500,000 rooms in 90 countries, as well as strategically related activities, such as Lenôtre.
- Services, with 30 million people in 40 countries benefiting from Accor Services products in human resources, marketing services and expense management.

Accor has been in Vietnam since 1992 with the opening of Sofitel Metropole in Hanoi. Today, it is operating eight hotels in Vietnam – Sofitel Dalat Palace, Novotel Dalat, Sofitel Plaza Saigon, Sofitel Metropole Hanoi, Sofitel Plaza Hanoi, La Residence Hotel and Spa, Novotel Ocean Dunes Resort in Phan Thiet, and Grand Mercure La Veranda Phu Quoc.

Michael Issenberg (L), Accor Asia Pacific chairman, and Patrick Basset, Accor Vice President East and North East Asia, at the Accor's office opening function held last week in HCM City



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tourist market with many young employees who are said very dynamic and eager for studying. "We invest a lot in training local management. Hopefully, we will have first Vietnamese general managers in the near future for our hotels," Issenberg said.

Accor's goals are to focus on supporting the market's growth and to provide valued customers with enhanced and comprehensive services through its extensive network, linking Vietnam to Asia, India, Australia, Europe and North America.

"We choose to expand in Vietnam for two reasons: Vietnam's economic growth is very rapid; the country, thus, is becoming a great travel destination and the number of tourist has increased substantially," Issenberg said. "The second reason is Vietnam's entry into WTO — as a result, foreign investments are increasing, which is a sign that the corporate sector is developing significantly." Up to 39% of the 93,000 rooms committed by the Accor group by 2010 are located in the Asia-Pacific region. Issenberg also said that there are many segments in the Vietnamese market and Accor has specific brands to adapt to the different segments of

the hospitality market. Thus, this is the right time to expand the Accor office in Vietnam.

As for the possibility of bringing more brands into Vietnam such as Ibis or All seasons, Issenberg said that as part of Accor's ongoing development in Asia Pacific, Accor

is always exploring a wide variety of opportunities and alternatives. Like other international hospitality management groups, besides supplying the management services at deluxe hotels and resorts, Accor also invests in the development of its own hotels. However, at the moment, the company is focusing on management projects in Vietnam.

"Maybe in the future, we will invest," said Issenberg. He also added that the company does not discuss its acquisition plans, comment or speculate on market rumors or speculation.

LIST OF 10 NEW HOTELS MANAGED BY ACCOR TILL 2011

Name	City/province	Opening date
Pullman Lao Cai	Lao Cai	early 2011
Pullman Sapa Resort	Sapa	early 2010
Pullman Vung Tau	Vung Tau	early 2010
Mercure Hanoi La Gare	Hanoi	early 2009
Mercure Hanoi Hado	Hanoi	early 2010
Novotel Phu Quoc Resort	Phu Quoc	early 2010
Novotel Halong Bay	Halong	Jun., 2008
Novotel Nha Trang	Nha Trang	late 2008
Novotel Hoi An Imperial Resort	Hoi An	late 2009
Novotel Hanoi On The Park	Hanoi	2010