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TERRITORIAL EXPANSION OF HOTEL CHAINS IN COUNTRIES OF SOUTH-EASTERN EUROPE

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Abstract: The paper discusses the market of Serbia and neighboring nine countries: Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Albania, Macedonia, Romania, Bulgaria and Greece. The aim is to present a comparison with the number of hotel chains, brands and facilities in the surveyed countries in South-eastern Europe. While Serbia, Slovenia, Macedonia and Romania almost exclusively attractive as the continental areas, countries such as Greece, Croatia, Bulgaria and Montenegro are popular mass bathing tourism destinations. This fact directly indicates the types of international hotel facilities (in first case there are city and conference types and in the other case there are resorts). The results show that a total of 21 international hotel chains are operating in the observed region, with the dominance of the markets of Bulgaria, Greece and Romania. Among them, Bulgaria has the largest number of individual hotel chains (11 chains), but Greece prevails when it comes to international hotel brands (19 brands) and individual objects (71 facilities). On the other side, the Serbian market has relatively modest offer with a total of seven hotel chains and eight brands, while the number of individual objects are significantly lower of the region maximum (only 13 objects). Based on the above, the observed countries are relatively new and potentially important macro market for future investments in hotel facilities.

Key words: hotel chains, territorial redistribution, hotel types, Serbia, South-Eastern Europe

Introduction

The influence of global processes on economic development is reflected in the intensity and direction of tourist streams, and thus in the development of the hotel companies' strategy. The quick progress in information technology, economic increase in the developing countries and political changes in the countries worldwide, as well as an intensive development of traffic, are all the main factors for the speeding up of the growth of the global tourist market. Because of the globalisation process and a successful strategy in the last few

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decades, multinational companies are able to penetrate and expand their businesses much easier in, until lately, inaccessible markets.

Progressive trends are also manifested in hotel industry, as an economic activity and a material basis of tourism. The main direction of the companies' flexibility in the tourism industry will include: adaptability, entrepreneurship, goal-oriented creativity (Čerović, 2002; Vukosav & Čurčić, 2009). According to such indicators, world's tourist streams influence the growth intensity and the structure of accommodation capacities, the level of the concentration of hotels, as well as their spatial dispersion (Kosar, 2001; 2002).

Authors such as Frank and Pine (1995), Čačić (1998), Čomić and Kosar (1999) and Kosar (2001) claim that the development and business conduct of an enterprise in the modern world of economy can be manifested through four orientations: ethnocentric, polycentric, region-centric, and geocentric. Some big companies speed up their territorial expansion towards new markets by using a so-called "Centre and Cog" Strategy, which is often present in airline companies' business (Theobald, 1998; Čerović, 2002). Actually, with the aim to compete successfully on the market with independent hotels, hotel chains first build luxurious hotel brands in big cities, and then they start expanding towards the surrounding, smaller towns with secondary brands. The best example for this strategy is the American hotel chain The Marriott International, which is expanding on the Russian market via Moscow and St. Petersburg, as primary and strategic centres towards cities like Kazan, Irkutsk and Yekaterinburg as secondary target markets (MacCanell, 1999; Medlik & Ingram, 2002).

The aim of this paper is to have an insight into the state of the representation of international hotel chains, recognisable hotel brands and the number of facilities which exist or are in the process of building, i.e. revitalisation of the existing facilities. That could be the way to adequately analyse and establish the comparative state of Europe and other continents, the share in the market of South-Eastern European countries within European continent, but also the comparison of the presence of facilities in Serbia with the surrounding countries in the region.

Materials and methods

Current capacities of international hotel chains and brands

According to the estimations of the World Tourist Organisation (Statistics UNWTO, 2012), the total accommodation capacities were over 20 million rooms. The International association of hotels and restaurants (IHRA), in its

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register, has over 300 international hotel chains of different sizes, ownership structures, kinds of business relations, quality of hotel capacity, business concepts, prices, etc. According to information from 2012, the 300 best ranked hotel chains possess around 54,400 hotels and over 7.2 million rooms. In other words, business systems which function as hotel chains possess more than 1/3 of the world's accommodation capacities.

Table 1. Capacity of 10 leading international hotel chains (Comparative balance 2011/2012)

| Rank | | Groups | Country | Number of hotels | | Growth | Number of rooms | | Growth | % Growth |
|------|------|---|---------|------------------|-------|--------|-----------------|---------|--------|----------|
| 2012 | 2011 | | | 2012 | 2011 | | 2012 | 2011 | | |
| 1 | 1 | IHG Hilton | UK | 4480 | 4437 | 43 | 658348 | 647161 | 11187 | +1.7% |
| 2 | 3 | Worldwide Marriott International | USA | 3843 | 3689 | 154 | 633238 | 605938 | 27300 | +4.5% |
| 3 | 4 | Wyndham Hotel Group | USA | 7205 | 7207 | -2 | 613126 | 612735 | 391 | +0.1% |
| 4 | 2 | Accor Choice Hotels International | FRA | 4426 | 4229 | 197 | 531714 | 506606 | 25108 | +5.0% |
| 5 | 5 | Starwood Hotels and Resorts | USA | 6203 | 6142 | 61 | 502460 | 495145 | 7315 | +1.5% |
| 6 | 6 | Best Western Home Inns (+ Motel 168) | USA | 1077 | 1041 | 36 | 315346 | 308700 | 6646 | +2.2% |
| 7 | 7 | Carlson Rezidor Hotel Group | USA | 4078 | 4015 | 63 | 311598 | 307155 | 4443 | +1.4% |
| 8 | 8 | China Home Inns | CHI | 1426 | 818 | 608 | 176562 | 93898 | 82664 | +88.0% |
| 9 | 12 | TOTAL | | 37352 | 36102 | 1250 | 4526031 | 4344455 | 181576 | +4.2% |
| 10 | 9 | | USA | 1077 | 1078 | -1 | 165802 | 165061 | 741 | +0.4% |

Source: Adapted from www.mkg-hospitality.com

According to Table 1, it can be concluded that IHG Group has kept its leading position in relation with the previous year, with the total number of more than 650,000 rooms. However, according to the number of hotel facilities, this chain takes the third place, after The Wyndham and The Choice hotel chains. The above mentioned chain, The Wyndham Hotel Group, possesses no fewer than 7,205 hotel facilities under its name, and therefore it is the most represented international hotel chain according to this criterion. It is interesting to point out that, compared to the year 2011, the Hilton Hotels chain took the second position in 2012, replacing Wyndham. On the other hand, Chinese' The Home Inns with the average growth rate of the number of rooms no less than 88%, which is far more than the other nine most represented hotel chains in the world.

The ten mentioned hotel companies comprised over 4.5 million rooms in 2012, which totally makes 56.6% of the total number of rooms owned by all the hotel chains in the world. The first five leading hotel companies possess around 3 million rooms, i.e. 38% of the complete registered offer of the accommodation units of all the hotel chains. The stated facts directly point to an extremely high level of the so-called corporation concentration. If the mother countries of the companies are considered, the USA and certain European countries (France, UK, Spain, etc.) have an absolute domination, with over 90% of the offer of the hotel chains in the world (The Hotels News Resources, 2012; The Top Hotel Chains, 2012).

However, in the last twenty years, the most intensive growth has been recorded in macro-regions of Asia, Pacific and Africa considering the criteria of the capacity growth dynamics and their spatial arrangement. Authors, such as Čomić and Kosar (2000), explain that the carriers of hotel capacities, besides companies from the USA and Europe, are also becoming the national hotel chains especially from China, but from Japan, Singapore, the United Arab Emirates, the Republic of South Africa and Egypt. In 2012, the leading Asian chain, The Home Inns from China, takes the ninth place among the world's hotel chains according to the number of accommodation capacities (around 176 thousand rooms). Thereby, the increase of the accommodation capacities in other (less developed) parts of the world leads to the attenuation of the unevenness in the offer of hotel capacities on the global level (Pine, Zhang & Pingshu, 2000).

Table 2. Capacity of 10 leading international hotel brands in 2012

| Rank | | Brands | Groups | Country | Number of hotels | | Number of rooms | | Growth | % Growth |
|------|------|---------------------------|------------------------|---------|------------------|------|-----------------|--------|--------|----------|
| 2012 | 2011 | | | | 2012 | 2011 | 2012 | 2011 | | |
| 1 | 1 | Best Western Holiday Inn | Best Western | USA | 4078 | 4015 | 311598 | 307155 | 4443 | +1.4% |
| 2 | 2 | Marriott Hotels | IHG | UK | 1233 | 1247 | 225328 | 230117 | -4789 | -2.1% |
| 3 | 3 | Hilton Hotels | Marriott International | USA | 555 | 554 | 205595 | 204019 | 1576 | +0.8% |
| 4 | 5 | Comfort Inns & Suites | Hilton Worldwide | USA | 561 | 547 | 200170 | 192866 | 7304 | +3.8% |
| 5 | 4 | Holiday Inn Express | Choice Hotels | USA | 2590 | 2621 | 199875 | 202132 | -2257 | -1.1% |
| 6 | 6 | Hampton Inn | IHG | UK | 2114 | 2075 | 196666 | 191228 | 5438 | +2.8% |
| 7 | 7 | Home Inns | Hilton Worldwide | USA | 1847 | 1817 | 181087 | 178353 | 2734 | +1.5% |
| 8 | 19 | Days Inn of America | Home Inns | CHI | 1426 | 818 | 176562 | 93898 | 82664 | +88.0% |
| 9 | 8 | Sheraton Hotels & Resorts | Wyndham Hotel Group | USA | 1864 | 1877 | 150436 | 149980 | 456 | +0.3% |
| 10 | 9 | | Starwood Hotels | USA | 415 | 401 | 144648 | 141500 | 3148 | +2.2% |

Source: Adapted from www.mkg-hospitality.com

According to Table 2, the absolute domination of hotel brands like Best Western on the international market can easily be noticed (4078 hotels worldwide). Although The Best Western group took the eighth place on the global rang of hotel chains, here has shown its indisputable leadership in the global distribution – more than 311 thousands rooms on the world level, which is over 86,000 rooms more than the second-ranked Holiday Inn. However, it is noticeable that The Home Inns with the average growth rate of the number of rooms no less than 88%, ones again shows its global leadership in growth evaluation rate.

The share of the Europe in the planetary network of the international hotel chains

According to the sources of the UNTWO (2012), at the end of the first decade in 21st century, there were almost 35 million beds in hotels and other facilities of a hotel type worldwide. The scope of the world's hotel offer, expressed in the number of facilities, ranged on the level of about 15.5 million. Almost 40% of the world's hotel offer was concentrated just in Europe. The total number of rooms in hotels and similar facilities was rising on the world level with an average annual rate of 3% for the period 2006-2012.

When geographical distribution is concerned, the space of Europe and North America comprises more than 65% of the total number of available rooms. In the Western and Southern Europe almost 30% of the accommodation capacity of the world hotel industry is concentrated. Within Europe, the capacity of the Eastern Mediterranean is also registered and it is developing intensely in the sense of tourism, which is witnessed by the average annual growth of the accommodation capacity which is significantly above the European and the world average. However, France still represents the country with the richest offer of facilities of hotel chains in Europe (The Hotel News Resources, 2012).

Table 3. Capacity of 10 leading hotel brands in Europe (Comparative balance 2011/2012)

| Rank | | Brands | Groups | Number of hotels | | Growth | Number of rooms | | % Growth |
|------|------|----------------------|------------------|------------------|------|--------|-----------------|-------|----------|
| 2012 | 2011 | | | 2012 | 2011 | | 2012 | 2011 | |
| 1 | 1 | Best Western | Best Western | 1316 | 1309 | 7 | 89743 | 89092 | +0.7% |
| 2 | 2 | Ibis | Accor | 681 | 676 | 5 | 71988 | 71422 | +0.8% |
| 3 | 3 | Mercure | Accor | 500 | 462 | 38 | 56912 | 53020 | +7.3% |
| 4 | 6 | Premier Inn | Whitbread | 613 | 588 | 25 | 45629 | 40975 | +11.4% |
| 5 | 4 | NH Hoteles | NH Hoteles | 314 | 310 | 4 | 45453 | 44877 | +1.3% |
| 6 | 5 | Holiday Inn | IHG | 269 | 269 | 0 | 41694 | 41466 | +0.5% |
| 7 | 7 | Novotel | Accor | 244 | 249 | -5 | 40015 | 40380 | -0.9% |
| 8 | 9 | Etap Hotels | Accor | 427 | 414 | 13 | 36149 | 34859 | +3.7% |
| 9 | 8 | Hilton International | Hilton Worldwide | 139 | 138 | 1 | 35653 | 35155 | +1.4% |
| 10 | 10 | Travelodge | Travelodge | 494 | 453 | 41 | 35189 | 29916 | +17.6% |

Source: Adapted from www.mkg-hospitality.com

The data from Table 3 point to the absolutely leading position of hotel brands within the Accor hotel group on the European market. Actually, the biggest European hotel chain in 2012 possessed more than 1,800 hotels with 205,064 rooms, which is more than a doubly higher than the second-ranked the Best Western ($\approx 90,000$ rooms), which is the most present American chain in Europe. Envious is also the presence of the hotels from Whitbread (over 45,600 rooms in 613 facilities). However, the most remarkable progress was achieved by a British first budget hotel group Travelodge with no less than 17.6% of growth in 2012. On the other side, Accor's Novotel even had a fall compared to the previous year (-0.9%).

Table 4. Hotel chain supply by category in Europe (Comparative balance 2011/2012)

| | Hotels | | Bedrooms | | % Growth |
|---------------------------------------|--------|-------|----------|---------|----------|
| | 2012 | 2011 | 2012 | 2011 | |
| Budget (*) | 1296 | 1279 | 94855 | 93020 | +2.0% |
| Economy (**) | 3060 | 3007 | 238572 | 232215 | +2.7% |
| Midscale (***) | 4062 | 4099 | 455005 | 454911 | +0.0% |
| Upscale & upper scale (****/*****) | 3174 | 3146 | 586147 | 581040 | +0.9% |
| TOTAL | 11592 | 11531 | 1374579 | 1361186 | +1.0% |

Source: Adapted from www.mkg-hospitality.com

The data from the previous table point to the fact about the greatest presence of the middle-category hotels (almost a half of the total number of facilities) on the European market. However, the greatest number of room is registered in the facilities of higher or high categories, which is also almost a half of the total number of rooms. Contrary to these facts, the greatest growth in the number of accommodation units is actually registered among the economy-class facilities, which indicates to a growing "hunger" for this category of accommodation on the European market. Everything mentioned above indicates to the fact of an undeniable leadership of the European continent on the global level, but also of a reduced progress compared to some other markets (Asia – Pacific, Middle East – Africa...) which have had a significant growth in the last years.

The Case Study: Presence of international hotel chains on the territory of the South-eastern Europe

In the following chapter the market of South-Eastern Europe will be analysed. The aim of the mentioned chapter is to present the review of the represented hotel facilities which belong to some of the international hotel groups in order to get a clear insight into their representation so far, the earlier cases of the ending of business, but also into the future presentation in the observed region, and also

to make a comparative analysis of chains, brands and facilities among the observed countries.

The market of Serbia (SRB) opened itself relatively late to the possible foreign investments. Even today, in 2013, Serbia is facing quite a modest presentation of facilities which belong to the international hotel chains and also with their uneven distribution in space. Actually, all the hotel chains present in our country have their facilities exclusively on the territory of the city of Belgrade (most usually in New Belgrade), while only three hotel chains have their facilities in the provinces too (The Best Western, The EIX Hotels and The InterContinental Hotel Group).

Certainly, the most represented hotel chain in Serbia is The Best Western which possesses no less than four facilities on the territory of our country. The oldest facility is The M Hotel in Belgrade, and then The Šumadija Hotel, which represent the old Belgrade hotels bought and fully renovated according to the standards of the mentioned brand. Besides them, within this chain The Prezident Hotel in Novi Sad should be mentioned, and since recently The My Place Hotel in Niš (The Best Western, 2012). The famous French chain, The Groupe du Louvre, which was only on the 4th place, last year according to the representation in Europe, possesses its hotel, The Tulip Inn Putnik Belgrade in New Belgrade, built far back in 1972, and fully renovated in 2010.

Within The InterContinental Hotel Group (IHG) chain, it is interesting to state the only existing facility in Serbia, and that is The Holiday Inn Hotel in New Belgrade, while the same hotel brand is in the process of building in Novi Sad, where it will be ceremonially opened in July 2014. On the other hand, the business licence of The InterContinental hotel in New Belgrade was cancelled in 2006 (after 27 years of work under this brand) because the hotel management refused to continue with its usage. However, in December 2013, the old five-star hotel will again operate within the IHG chain, under the brand name Crowne Plaza (The IHG Group, 2012). In the year 2008, the Spanish hotel company The EIX Hotels bought The Srbija Hotel from Vršac. It was at the same time the first hotel outside Spain where the management of this company saw a possibility of continental tourism development, and for which significant assets have been invested for the equipment and permanent rising of quality (The Hotel Srbija, 2012).

Besides the mentioned ones, there are other facilities in the country which are in the process of building or renting. One of them is also the old Jugoslavija Hotel in Zemun, once a hotel with the greatest number of accommodation capacity in

the SFR Yugoslavia. Today, this facility, closed and neglected for a long time, will become a part of a world's highly regarded chain of The Kempinski Hotels, which bought the mentioned facility and which announced a ceremonial opening of this revitalised facility in 2014 (The Kempinski Hotels, 2012). Besides this one, on an attractive location in New Belgrade, a prestigious Austrian chain, The Falkensteiner, finished the building of a new facility in December 2011, together with new hotel Stara Planina on Jabučko ravnište location, opened in September 2012 (The Falkensteiner Hotels, 2012).

According to the above mentioned, it can be concluded that a relatively modest representation of the facilities which belong to some of the hotel chains is becoming richer, and the market of Serbia is becoming more and more attractive for new investments in hotel facilities, especially with the accent on the capital city (The City of Belgrade).

Unlike the market of Serbia, the market of Bosnia and Herzegovina (BIH) possessed only one international hotel brand, The Holiday Inn Hotel in Sarajevo, opened for the needs of the Winter Olympic Games in 1984. However, because of the damages of the facility during the Civil war in the 90s, the hotel is no longer in function. To this date, no other hotel chain is shown official interest in doing business in this country. Based on these findings, it can be concluded that in the 2013 were not represented by any hotel chain in BIH.

The market of Slovenia (SLO), even though it opened for foreign investments much earlier than other markets of the former SFRY, today, cannot boast with a great degree of the representation of the global hotel brands. The reasons for that are the absence of mega attractive destinations or big tourist regions in the country, such as vast seaside regions, worldwide famous cities or ski centres (unlike, for example, Croatia – Istra, Zagreb, Dubrovnik Riviera...), but also a great representation of small hotel facilities, which have been either newly opened or revitalised in the last 20 years.

The strategy for the development of tourism in this country is actually based on spa, rural and eco-tourism which represent insufficiently attractive destinations for the presence of the global hotel brands because there is no objective need for that. Slovenia, on the other hand, adopted the developing hotel strategy focused on the national hotel chain, The Sava Hotels & Resorts, which is in a significant progress and it is doing business very successfully on the domestic market. The mentioned chain is so far present in six attractive locations around the country (facilities in Radenci, Lendava, Banovci, Bled, Moravske Toplice and Ptuj) (The Sava Hotels and Resorts, 2012).

Of the international hotel facilities it is important to mention the facilities of The Best Western in Ljubljana and Bled. Besides them, a relatively new facility form The Kempinski Hotels group is also present in Portorož, opened in 2008, which represent one of the most renowned hotel facilities in Slovenia today.

On the other hand, Croatia (HR) is a country which has been significantly "occupied" by foreign investors in hotel industry, so that, today, it can boast with no fewer than eight international hotel chains present, which is much more than other countries of the Western Balkan. This is contributed by the fact that Croatia is a country with extraordinary long and attractive coast, with a great number of islands and the closeness to the important emissive centres with quite well organised infrastructure, where the (seaside) destinations are easily reached.

Of the hotel chains, the first which started the business was the giant IHG by opening the InterContinental Zagreb Hotel in the Croatian capital. But it stopped working because of the nonfulfillment of the contractual obligations. On the other hand, today, The Best Western chain possesses facilities in Zagreb, Split and Rijeka. Besides this chain, The Carlson Hotels and Resorts group has a successful business in two destinations – Dubrovnik (The Radisson Blue Resort & Spa) and Split (The Radisson Blue Resort). The Austrian chain Falkensteiner has seven facilities in Croatia, which certainly confirms the financial profitability of the presence on the market of Croatia (The Falkensteiner Hotels, 2012).

The Iberostar Hotels & Resorts international chain possesses three facilities in Croatia which are all located in Cavtat (The Iberostar Cavtat, The Iberostar Epidaurus and The Iberostar Albatros), while the Swiss Kempinski Hotels group opened its facility in Istra in Savudrija, not far from Slovenian border in 2009. The renowned Hilton Hotels chain possesses only one facility on the Croatian market and that is the magnificent Hilton Imperial Dubrovnik, which, at the same time, represents the most exclusive hotel facility in this, worldwide famous, tourist destination.

The Spanish hotel giant, the Melia Hotels International (former The Sol Melia), possesses the greatest number of facilities in Croatia (15 hotel/apartment settlements and five camping settlements), more than any other hotel chain. However, it is interesting to mention that only two recognisable brands are present (The Melia Hotels & Resorts and The Sol Hotels) and that all the facilities of this chain are located on the territory of the Istrian town of Umag (The Solmelia Hotels, 2012). And finally, the seventh most present hotel chain in the world in 2012, The Starwood Hotels & Resorts, possesses four facilities

on the Croatian market and they are in the two biggest cities in the country, in Zagreb – The Westin, The Sheraton Zagreb and The Four Points by Sheraton Panorama Zagreb and in Split - Le Meridien Lav.

Montenegro (MNE) follows the trend of the mentioned country, but the facilities of hotel groups are still modestly present there. The most current case is the purchase of the old Crna Gora hotel in Podgorica in 2011 by the giant Hilton Hotels, where the works on the revitalisation will take four years, so that it will bear the name of the mentioned chain from 2015 (The Hilton Worldwide, 2012).

The Spanish Iberostar Hotels & Resorts hotel chain (The Iberostar Hotels and Resorts, 2012) possessed The Montenegro Hotel in Bečići since 2006, and now it bears the name The Iberostar Bellevue and it represents one of the most renowned hotel facilities in the country. In the year 2010 The Aman Resorts chain from Singapore made a contract for a 30-year rent and renovation of The Sveti Stefan Hotel and The Miločer Villa (The Aman Resorts, 2012), which will certainly contribute to the quality and exclusiveness of the hotel facilities in Montenegro. The Best Western group possesses its facility in the strict centre of Podgorica.

It is interesting to point out that two national hotel groups work in this country – The Budvanska Rivijera and The Montenegro Stars Hotel Group, where the former possesses five hotels (all in Budva) – The Palas, The Aleksandar, The Slovenska Plaža, The Castellastva and The Mogren. The latter group, established in 2002, owns three facilities, the two of which have 4 stars (The Blue Star Hotel, The Montenegro Beach Resort) and one with 5 stars - The Splendid Conference & Spa Resort – which is officially considered the best hotel in Montenegro (The National Tourism Organization of Montenegro, 2012).

The market of hotel groups on the territory of Macedonia (MK) is also very modest, so that today, only three hotel chains do business in this country, and all the three are located in the business area of Skopje. The giant Best Western, The Radisson Blue Hotel from The Carlson Hotels and Resorts group and The Holiday Inn (IHG). Unfortunately, this country also had a case of cancelling the business licence so that The Wyndham Hotel Group chain in Gevgelija stopped working in The Ramada Hotel after many years because of the nonfulfillment of the contractual obligations (The Ramada Worldwide, 2012).

Albania (AL) represents a market which started with the modern market orientation and intensive tourist affirmation quite late, so that, as a consequence, there is only one facility in this republic today and it is in Tirana and belongs to The Best Western hotel chain.

Unlike the previously analysed countries, Greece (GR) became a very important tourist destination quite early, and for some time it represented one of the 10 most visited countries in the world. That fact contributed to the great expansion of numerous hotel chains which massively built their facilities on attractive locations. The Greek capital was also the host of the Summer Olympic Games in 2005 which resulted in attracting numerous hotel groups to that city. So, today, in Athens, the French giant Accor Hotels with no fewer than six facilities around the city, The Hilton Hotels group facility in the centre of the city and The InterContinental, The Holiday Inn and The Crowne Plaza (IHG) do the business there. Besides them, in the historic part of the city, there are The Athens Lendra Marriott Hotel (from The Marriott International group), The Melia Athens (The Sol Melia) and four hotels from The Starwood Hotels & Resorts group – The Grande Bretagne Hotel, The Westin Athens, The Arion and The W Athens.

Outside Athens, hotel chains are mainly represented near significant cultural sights or on the attractive coasts of the Aegean, the Mediterranean and the Ionian Sea. So, The Best Western chain possesses the facilities near the famous archaeological site of Olympia on the Peloponnese, but also in tourist destinations at the seaside and on the Crete Island (The Best Western, 2012). The famous French company Club Mediterranee, which also encompasses the role of tour operators and hotel chains (Pavlović, 2007), possesses only one resort and it is in Gregolimán on Euboea, while The Iberostar Hotels & Resorts chain is present on the Greek market with eight facilities and they are on the islands of Kos and Crete. Like the previous chain, The Melia Hotels International also has its resorts on the island of Kos (Sol Kipriotis Village) and on the Crete (The Gran Melia Resort).

The one of the most wide-spread hotel group in the world, The InterContinental Hotel Group, besides the mentioned facilities in Athens, also possesses The Holiday Inn Hotel in the centre of Thessaloniki. The international chain Starwood Hotels & Resorts is also represented on the Greek market with seven facilities. The world's largest tour operator TUI (Touristik Union International) with the headquarters in Hanover (Germany) possesses its own hotel and resort chain in 32 countries worldwide. So, The TUI Hotels & Resorts is the most represented international hotel chain on the Greek market with as many as 23 facilities, mainly situated on the most attractive locations on the Greek islands. It is interesting to point out that, within this group, there are totally 15 hotel brands, and three of them have their facilities in Greece (The TUI Hotels Group, 2012).

Bulgaria (BG) is a country which has positioned itself very successfully on the international market, considering the fact that it started that process quite late. Today, this country has 11 hotel chains, most of them located on the Bulgarian coast, in big cities and in the ski centres.

The first hotel chain which started its expansion on this market was the European leader in the hotel industry, the French Accor Hotels, which opened its brand Novotel in the second largest city in Bulgaria, Plovdiv. After this chain, the Best Western appeared with city hotels in Sofia, Varna and Rousse, but also in the famous ski centre Bansko. It is interesting that the Barcelo Hotels, a Spanish hotel chain, opened only one hotel in the area of South-Eastern Europe and it is exactly in the famous Bulgarian seaside resort of Sunny Beach. Besides the mentioned ones, in Bulgaria, there are also two facilities of The Carlson Hotels and Resorts chain (The Radisson Blue Grand Hotel and The Park Inn), both in Sofia. The hotel mega giants, The Hilton Hotels (The Hilton Sofia) and The IHG (The Holiday Inn Sofia), also possess their facilities in the Bulgarian capital, while the French Groupe du Louvre chain has business only in Varna with the brand The Golden Tulip.

The Spanish chain Iberostar Hotels & Resorts is present on the Bulgarian market with three hotels on the coast of the Black Sea. The giant, Kempinski Hotels, possesses two facilities, in Sofia and Bansko, while the Spanish Melia Hotels International represents the most represented chain in Bulgaria, where it does the business with two brands in five facilities. The facilities of this chain are situated in Varna, Nesebar and Obzor. The TUI Hotels & Resorts is also much presented in this country, exclusively at the seaside, with two of its brands (The TUI Hotels Group, 2012). According to everything aforesaid, a great move in the hotel industry can be noticed in this country compared to the period before it joined the EU and the modern market streams.

Similar to Bulgaria, Romania (RO) is also overcoming the period of the economic transition quite successfully and it is becoming more and more attractive for foreign investors in the hotel industry. Today, there are 10 global hotel groups working in this country, with totally 15 hotel brands recognisable all over the world. It is interesting that these chains, except the facilities of The Danubius Hotels Group, are present in the Romanian capital, Bucharest. The mentioned Hungarian chain, even though it operates much more on the regional level than on the global one, has three facilities in Romania, all the three of which are located in a Transylvanian spa town of Sovata (The Danubius Hotels, 2012).

The most represented world chain according to the number of hotel facilities, The Wyndham Hotel Group, is present with 10 hotels on the Romanian market, the five of which are in Bucharest. The other five are each located in: Brasov (The Ramada Brasov), Iasi (The Ramada Iasi City Center) Pitesti (The Ramada Pitesti), Sibiu (The Ramada Sibiu) and Oradea (The Ramada Oradea). The British chain, The NH Hotels, has facilities in two Romanian cities, Bucharest and Timisoara, while the famous Marriott International has The JW Marriott Bucharest Grand Hotel in the strict centre of the Romanian capital. Not far from this hotel are The InterContinental and The Crowne Plaza, from the IHG Group, while The Hilton Hotels operates in facilities in Sibiu and Bucharest.

The most present hotel chain besides The Accor, the Groupe du Louvre, works in many Romanian cities. The American chain, The Carson Hotels and Resorts, possesses the brand Radisson Blue in the city of Bucharest and in the ski centre Poiana Brasov. The most represented American chain in Europe, The Best Western, has 12 hotels on the Romanian market, the two of which are in Bucharest and one in each of the following: Arad, Baia Mare, Suceava, Hunedoara, Iasi, Zalau, Resita, Constanta, Cluj and Temisoara. And finally, the European leader, The Accor Hotels, possesses three brands in Romania – The Ibis (hotels in Bucharest, Sibiu and Constanta), The Novotel and The Pullman in Bucharest.

Results and discussion

According to mentioned data in the observed countries, it is useful to make a comparative analysis which would have an aim to show clearly the relation of the representation of the number of international chains, brands and facilities in the observed European macro region.

The data from the previous table clearly indicate the absolute domination of the facilities of The Best Western on the observed area, with the total number of 48 facilities, almost the half of which operates on the market of Greece. This fact clearly indicates to the mentioned fact of invasive business strategy which is present with this chain, so that today it operates in all the ten observed countries, except Bosnia and Herzegovina. The other two most present chains in the SE Europe are The Melia Hotels International and The TUI Hotels & Resorts (28 facilities each). However, this chain is notably focused on specific national markets and so the former possesses 20 facilities only on Croatian market, and the latter has no fewer than 23 facilities only in Greece, which clearly leads to the conclusion of business preferences of the two companies. The fourth-placed chain, The Starwood Hotels & Resorts, operates in 15 facilities in the region, but

this company also shows the business focusing on certain markets (11 facilities in Greece and four in Croatia). Together with these facts, the InterContinental Hotel Group possess 11 hotel objects in the observed region. All the other chains present operate with 10 or fewer facilities in the observed region and therefore they will not be analysed in the further work.

Table 5. Overview of present / opening facilities of international hotel chains in SE European countries

| | SRB | MNE | BIH | HR | SLO | MK | AL | GR | BG | RO | SUM |
|----------------------------|-----|-----|-----|----|-----|----|----|----|----|----|-----|
| Best Western | 4 | 1 | 0 | 3 | 2 | 1 | 1 | 20 | 4 | 12 | 48 |
| Falkensteiner | 2 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 10 |
| Hyatt Corp. | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Groupe du Louvre | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 6 | 8 |
| IHG | 3 | 0 | 0 | 0 | 0 | 1 | 0 | 4 | 1 | 2 | 11 |
| Kempinski | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 2 | 0 | 5 |
| Aman Resorts | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Iberostar Hotels & Resorts | 0 | 1 | 0 | 3 | 0 | 0 | 0 | 3 | 3 | 0 | 10 |
| Hilton Hotels Corp. | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 2 | 6 |
| Melia Hotels & Resorts | 0 | 0 | 0 | 20 | 0 | 0 | 0 | 3 | 5 | 0 | 28 |
| Starwood Hotels & Resorts | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 11 | 0 | 0 | 15 |
| Carlson Hotels & Resorts | 0 | 0 | 0 | 2 | 0 | 1 | 0 | 0 | 2 | 2 | 7 |
| Accor Hotels | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 1 | 5 | 8 |
| Club Meditteranee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| Marriott International | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 2 |
| TUI Hotels & Resorts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23 | 5 | 0 | 28 |
| Barcelo Hotels | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Danubius Hotels & Resorts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| NH Hoteles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Wyndham Hotel Group | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 10 |
| Eix Hotels | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

Source: Table introduced by authors

On the other hand, The Kempinski Hotels, The Hilton Corp., The Iberostar Hotels and The Carlson Hotels & Resorts are present in four or more observed countries, which clearly proves their global expansion on the large and rising number of national markets (besides the mentioned expansion of The Best Western Group). It is interesting to point out that, in this region, two companies operate only on the market of Serbia (The Hyatt Corp and The Eix Hotels), The

On the other hand, Serbia on its territory has 13 hotel facilities belonging to the international chains. That puts Serbia far behind Greece, Romania, Bulgaria and Croatia, but on the other hand, it is high above the markets of Montenegro, Slovenia, Macedonia, Bosnia and Herzegovina and Albania.

Zooming the overall situation, it can be stated that currently, in the region of South-Eastern Europe, there are 21 international hotel chains with the total number of 209 facilities. Taking into consideration the fact that in the same year, in Europe, there were 724 hotel chains with the total number of 11,592 facilities (The MKG Hospitality, 2012; The Top Hotel Chains, 2012), the observed region still represents a very modest share in the total number represented on the European market.

Conclusions

In this paper, the markets of ten countries of South-Eastern Europe have been analysed. While Serbia, Slovenia, Macedonia and Romania are attractive for the international groups almost exclusively as continental regions, with the accent on bigger city centres (Belgrade, Bucharest, Skopje, Ljubljana, Cluj-Napoca, etc.), the countries like Greece, Croatia, Bulgaria and Montenegro clearly represent the destinations of 3S tourism, so that the business orientations of hotel giants mostly focus on such regions (Istra, Cyclades, Budva Riviera, Chalkidiki, etc.) This fact clearly points to the types of hotel facilities which are expanding in the observed national regions – in the former group of countries, city and congress types prevail, and in the latter resorts (holiday centres) prevail.

It can be concluded that the total number of 21 international hotel chains operate in the observed region. The observed brands, according to facility types, are mostly present as resorts, especially on the attractive seashores of the Ionic, the Mediterranean and the Aegean Sea (Greece), or the shores of the Black Sea (Bulgaria). With a bit of a smaller number, the facilities can also be seen in city centres (Athens, Sofia, Bucharest, Thessaloniki...) as congress or city hotel types. Also, it is important to point out that, in the observed region, there are 209 facilities which belong to one of the international hotel chains.

The market of Serbia, according to the all the three stated criteria, unfortunately, does not belong to the most distinguished countries of the region. The cause for that is the late opening of our country for intensive foreign investments in hotel industry because it can be responsibly stated that Serbia, i.e. the City of Belgrade, together with other important Yugoslav city centres and the Croatian coast, was a key destination for foreign investors in hotel industry until the 1990s. On the other hand, the last decade of the last century was followed by a

political and economic instability, which lead to the complete denial of coming of potential foreign companies in hotel industry. Today, in 2013, it can be stated that there is a prevailing representation of city (and partly congress) hotel types, as a clear specialisation of the existing world brands which operate on the Serbian market, and which are directly related to the location of a facility. Actually, the hotel facilities present in Serbia, which have been mentioned in the paper, are positioned in business parts of economic centres such as Belgrade, Novi Sad, Niš or Vršac. The mentioned cities represent important business destinations in Serbia, but also the places where important cultural, economic and sport events take place.

Unlike them, international facilities of a resort type are completely absent from our market, even though there are numerous attractive destinations for their positioning (Vrnjačka Banja, Palić, Zlatibor, Sokobanja...). It is important to mention that all the mentioned facilities are subscribers of contractual arrangements with foreign companies, mostly the Contact on Franchising, which lead to taking over the standardised technical-technological and organisational systems of business, directed to giving standardised services in the facilities which belong to a certain chain.

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