Unpacking the Growth of Hotel Chains in Africa: Enterprises and Patterns

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Abstract

The internationalization of hotel chains is a topic of rising interest in tourism research. Existing literature mainly focuses, however, on the internationalization of hotel chains based in North America and Europe. Over the past two decades Africa has been one of the most rapidly expanding regions of the global tourism industry. This growth has triggered the entry and expansion of both international and regional hotel chains. Against this background, the aim in this article is to provide an exploratory analysis of hotel chain development in Africa. The findings show that Accor, Starwood, and Hilton are the leading hotel chains in terms of operations across different African countries. Nevertheless, in terms of total numbers of hotels, the largest operators are Protea and Tsogo Sun, both chains which are based in South Africa. In terms of spatial distribution the largest clusters of hotel chains occur in South Africa, Egypt, Morocco and Nigeria. Overall, attention is drawn to Africa as a region of growing competition by international and Africa-based hotel groups and of the need for more research on the internationalization of hotels in Africa.

Keywords: *Internationalization; Africa; Hotel Chains*

1. Introduction

The hotel industry is of critical importance for the global tourism economy as it represents one of the primary infrastructural elements for tourism development (The Economist, 2013). For one observer, hotels are described as at the heart of the "business of tourism" (Evans, 2009, p. 218). Most existing academic literature on the hotel industry relates to the global North with only a small amount of research investigations concerning hotels in the developing world. International scholarship on hotels, both from a hospitality or social science perspective, is dominated clearly by research on North America, Western Europe and Pacific Asia. Arguably, the most neglected areas of the world in relation to hotel research are Latin America and Africa (Timothy & Teye, 2009). This paper centres on hotel chain expansion as a critical aspect of the growth of the contemporary hotel landscape of Africa.

In international research Niewiadomski (2013a) makes the important point that what is usually referred to as the hotel industry actually comprises two different and distinct segments, namely a large number of independent hotels on the one hand and a comparatively smaller number of branded hotels comprised by large hotel groups on the other hand. Although the hotel industry is globally highly fragmented it is estimated the leading hotel groups account for 52% of global sales and thus are the dominant players in the international hotel economy as a whole (Niewiadomski, 2013a). The globalization of the hotel industry emerges as a critical issue of scholarly research (Go & Pine, 1995; Cunill, 2006). Among themes that have been investigated are case studies of the historical global expansion of particular hotel groups, most notably the Intercontinental Hotel Corporation (Quek, 2012) and the decision making and strategies of international hotel groups (Cunill, 2006; Whittle, Walters & Davies, 2007; Yu, Byun & Lee, 2014). In addition, the particular decision of how enterprises expand in terms of entry mode (full ownership, management or franchise) has received much attention (Rodriguez, 2002; Cunill, 2006; Ivanova & Ivanov, 2014). Arguably, the most detailed research on the globalization of the hotel industry has been that conducted by the economic geographer Niewiadomski (2013a; 2013b) who explores the different expansion strategies of international hotel groups in Central and Eastern Europe in the context of post-communist transformation. As a whole most academic attention focuses upon the leading international hotel chains based in Western Europe and North America. This said, scholarly interest is emerging on the growth and internationalization of hotel chains based in countries outside of these areas. One example is work by Rodtook and Altiany (2013) which examines the internationalisation of Thai hotel chains.

The purpose of this paper is to contribute to the growing scholarly interest in the expansion of international hotel chains. More specifically the geographical focus is upon the continent of Africa which is emerging as a rapidly growing

region of the global tourism economy (Rogerson, 2007; World Bank, 2012; Christie et al, 2013). Over the past two decades in particular the expansion rates of tourism in Africa have outpaced that of other regions of the global tourism economy (Christie et al, 2013). With its rise in importance within the global tourism economy Africa has begun to attract the attention of international hotel chain developers. This paper offers an exploratory baseline analysis of the growth and contemporary picture of hotel chains in Africa. The next section of discussion locates this contribution and shows that hotel research in Africa is a relatively undeveloped component of African tourism scholarship. Against that background an audit of hotel chain development provides the basis for the analysis of hotel chains, international and regional, which have radically reshaped the nature of the hotel industry in Africa over the past two decades. The particular themes which are explored in this contribution on the hotel industry in Africa are the size or scope of international chain involvement, the nature of the enterprises driving hotel chain development, and the spatial patterns of chain development across the continent.

2. Literature Review - Hotel Research in Africa

Detailed overviews of the state of the art of African research on hotels reveal that most existing work has been conducted from a hospitality management perspective (Rogerson, 2012a, 2013a). This approach offers useful insights on a range of important management-related topics including hospitality service management, human resources or training (eg. Mkono, 2010a, 2010b). Beyond such perspectives from hospitality studies, however, the 'research take up' on hotels has been much less in evidence in Africa, an observation which confirms international trends in scholarship on the accommodation sector (Timothy & Teye, 2009). In particular, the broader situation and contribution of hotels as critical assets in local and national tourism systems is so far an under-represented theme in African tourism research (Rogerson & Visser, 2011; Rogerson, 2012).

Despite the considerable growth in African tourism research over the past decade as discussed by Rogerson and Visser (2011) and by Dieke (2013) remarkably little attention has been given to understanding the hotel sector in relation to this expanding tourism economy. An analysis of tourism scholarship for the 15 countries of the Southern African Development Community during the period 2000-2010 demonstrates the paucity of research concerning the accommodation sector as a whole and the hotel industry in particular (Rogerson & Rogerson, 2011). Notwithstanding the importance of investment in hotels and of the provision of hotel accommodation in Africa for deepening the success of tourism development minimal investigations exist on hotel development. In particular, at present, African tourism scholarship offers limited insight into the growth of hotel chains or the major constraints facing hotel development and investment in relation to tourism expansion. Understanding the developmental challenges of the hotel sector thus represents a critical 'blind spot' or oversight on the African tourism research agenda. Arguably, a key factor behind this limited existing research base on African hotels is recognized in a landmark investigation conducted for the World Bank on the state of the hospitality sector in the continent (Ernst & Young, 2011). Importantly, the research by the World Bank highlights the poor and often unreliable state of data on the accommodation sector in many African countries (Twining-Ward, 2009; Ernst & Young, 2011).

From an analysis of academic literature it is evident several strands of interest exist concerning hotels in individual African countries. Human resource issues and matters relating to employment, training and working conditions in African hotels have been the focus of attention in a number of investigations (eg. Jauch, 2007; Fortanier & van Wijk, 2010; Mkono, 2010a, 2010b; Karatepe, 2012). Structural issues concerning the ownership and investment (domestic and foreign) and the technical efficiency of hotels also represent significant sub-themes in the African context (eg. Barros & Dieke, 2008; Snyman & Saayman, 2009; Barros, Dieke & Santos, 2010; Gatsinzi & Donaldson, 2010). Issues pertaining to the technical efficiency of African hotels are highlighted in the case of Luanda, Angola (Barros & Dieke, 2008; Barros et al., 2010). The phenomenon of service outsourcing by hotels has been interrogated in research conducted in Accra, Ghana (Himaey, 2012; Hiamey & Amenumey, 2013). The important question of the growth in foreign direct investment in the African hotel sector is examined in South Africa by Snyman and Saayman (2009) and by Gatsinzi and Donaldson (2010) for Rwanda. In Morocco a distinctive dimension of new foreign investment in hotel accommodation is shown to be the expansion of international property investors into *riad* boutique hotels especially in the cities of Marrakech and Fez (Lee, 2008). For several African countries the environmental strategies of hotels and 'responsible tourism' have come under the academic spotlight and now represent issues of vital significance (Masau & Prideaux, 2003; Van der Merwe & Wöcke, 2007; Frey & George, 2010; Prayag, Dookhopny-Ramphul, & Maryeven, 2010; Coolen & Bokhoree, 2011; El Boudribila, Kabbachi, & Kagermeier, 2012; Rogerson & Sims, 2012).

Other writings about sub-Saharan Africa reveal a scatter of concerns relating to hotel development taking place across the continent. For example, for Botswana Mbaiwa (2011) dissects the impacts for poverty alleviation and

sustainable development of growing foreign ownership of hotels in the Okavango Delta region. The role of hotels in shaping the nature of the Kenya's cultural product offerings has come under academic scrutiny (Wadawi, Bresler, Okech & Nedelea, 2009). For Egypt there are studies which point to the actions of national government in the historical development of Cairo hotels (Azmy & Atef, 2011) and interpret the factors influencing hotel selection by business travelers to international hotels in Cairo (Fawzy, 2010). An emerging theme which is garnering attention in a number of countries relates to the spatial distribution of hotels and of decision-making by hotel investors. One early contribution examined the growth and international expansion of the Sun International hotel/casino group from South Africa into other parts of the continent and beyond (Rogerson, 1990). In Tanzania the geographical distribution of small hotels in the country has been scrutinised by Sharma, Sneed and Ravichandran (2007) and for South Africa the relative demise of the country's former liquor-dominated small hotels has received attention by Rogerson (2011). In Ghana the characteristics, intra-urban location distribution of hotels and factors influencing hotel decision-making at the micro-scale in the city of Kumasi have been profiled in a rich seam of investigatory works (Adam, 2012, 2013; Adam & Amuquandoh, 2013; Adam & Mensah, 2014).

South Africa's hotel industry is the largest and most mature in Africa and therefore it is not surprising that most research work on the hotel industry in Africa has centred upon the country's hotel economy. Issues that have been investigated include, *inter alia*: the challenges faced by South Africa's hotel industry with the post-apartheid transition (Ahmed, Heller & Hughes, 1999); the appearance and rise of segmented forms and of different sizes of hotel (Rogerson, 2010, 2011a, 2001b, 2013a; Rogerson & Kotze, 2011); the environmental management and 'greening' practices of hotels (Van der Merwe & Wöcke, 2007; Frey & George, 2010; Rogerson & Sims, 2012); the historical evolution of the hotel industry from a liquor dominated sector to a leisure focused hotel industry (Caras, 2007; Rogerson, 2011); the emergence of hotels as a property investment class alongside that of bonds, shares or equities (Rogerson, 2012a); talent management and succession in South African hotel groups (Grobler & Diedericks, 2009); the changing location of hotels both at the intra-urban and inter-urban scales of investigation (Rogerson, 2012b, 2012c, 2013a, 2013b); and, strategic planning for hotels and within the hotel sector (Leslie, 2009; Petzer, Steyn & Mostert, 2009).

Overall, a scan of African scholarship reveals hotels have been relatively neglected by tourism researchers in Africa especially in relation to their critical role as axes of Africa's tourism economy. Moreover, it must be re-iterated that much of the extant literature derives from a hospitality perspective with limited attention given to the role of hotels in tourism development. Among a host of under-researched issues around the hotel sector in Africa, the growth and patterns of hotel chain development across the continent is one of the most striking areas of neglect.

3. Methodology

This study is an exploratory analysis of the patterns and investments made by hotel chains in the context of Africa. The work conducted for the World Bank by Ernst & Young (2011) underlines the lack of comprehensive and reliable data on patterns of hotel development across the continent. Accordingly, the core task of this research required the establishment of a data base of existing hotels under the management or ownership of international hotel chains in the continent. The definition of international chains involves the operations in Africa of both the leading global hotel chains based in North America and Western Europe as identified by Niewiadomski (2013a) as well as the important phenomenon of regional hotel chains in Africa. These regional chains include hotel groups which have their headquarters variously in South Africa, Kenya and Libya. In compiling a data base of these international and regional hotel chains an internet search was conducted of all the leading international hotel groups as identified in prior research as well as those of the leading regional chains. For the group of regional chains a triangulation of the internet information was further pursued by use of group hotel directories and annual reports which were accessed for the leading South African based chain hotel developers.

Comprehensive information was obtained for each hotel group on the country of investment and the specific location of hotel operations for 2014. Although additional information was available on new and future investments in the pipeline these were not incorporated into the data base which therefore reflects the position of hotels in operation as of April 2014. The analysis of hotels for sub-Saharan Africa was linked to the various classifications of African tourism countries as destinations as defined by the World Bank and categorised as consolidating, emerging, potential or pre-emerging destinations (World Bank, 2012, Christie et al, 2013).

4. Hotel Chains in the African Tourism Industry

At the outset, the emergence and penetration of hotel chains in Africa must be understood as inseparable from the

expansion that has taken place in the tourism economy of Africa over the past 20 years. The research of Rogerson (2007), the publication produced jointly by Africa House at New York University, The Africa Travel Association and The World Bank (2010) as well as the recent outputs of the World Bank (2012) and Christie et al (2013) taken together provide us with a comprehensive picture of the rise and contours of African tourism. It is highlighted that as a whole Africa now receives more tourists than the Caribbean, Central America and South America combined and that according to United Nations World Tourism Organization data African tourism arrivals mushroomed from 37 million in 2003 to 58 million by 2009 (Africa House, The Africa Travel Association and The World Bank, 2010)

In terms of the different parts of Africa regional variations in tourism are in evidence (Rogerson, 2007). The largest number of tourism arrivals is recorded for the region of North Africa followed by Southern Africa and East Africa. By contrast, the regions of West Africa and Central Africa have the lowest number of tourism arrivals (Twining-Ward, 2009; Africa House, The Africa Travel Association and The World Bank, 2010; World Bank, 2012). Individually the countries that record consistently the largest receipts from tourism are South Africa, Egypt, Morocco, Tunisia and Mauritius (Rogerson, 2007; World Bank, 2012). Despite the global economic downturn and decline in international tourism arrivals the continent of Africa continues to show tourism arrivals which are expanding faster than the world average. It must be understood that the category of international tourist arrivals includes both long haul as well as regional African travel. Overall the top long haul source market for Africa is France followed by the United Kingdom, the USA, Germany and Portugal (Africa House, The Africa Travel Association and The World Bank, 2010). The core attractions of Africa for these international source markets are nature tourism, culture and heritage as well as the spectacular natural beauty of such iconic destinations as Victoria Falls.

Beyond the tourism assets of Africa for leisure travelers one must note also the importance of Africa as a growing destination for business travel. Indeed, for intra-regional African travel the importance of business travel and of visiting friends and relatives travel is consistently emphasized as opposed to leisure travel (Christie et al, 2013; Rogerson, 2014). Domestic business tourism is a further essential component of the tourism economies of several African countries (Coles & Mitchell, 2009; Mitchell and Coles, 2009; Donaldson, 2013; Rogerson, 2014). This expanding base and diverse tourism economy provides the essential context for unpacking the growth of hotel chains in Africa. The analysis is undertaken in terms of both the nature of the enterprises, the number of hotel operations and the geographical distribution of hotel chains across different African countries.

Hotel chain development in Africa has occurred through the activities of a number of international hotel enterprises based in North America and Western Europe as well as several regional chains rooted in Africa. Beyond market considerations linked to the continent's growing tourism base additional factors for the recent interest of international chains in Africa expansion are offered in the World Bank hospitality sector overview (Ernst & Young, 2011). This study disclosed that local property developers in Africa are "more frequently seeking international brands to attract international travelers" as such brands "may provide travelers a certain level of comfort and a sense of security when travelling to an unfamiliar location" (Ernst & Young, 2011, p. 35). In addition, whereas historically international brands have been relatively reactive in the region of sub-Saharan Africa in particular, it is noted that they are increasingly becoming proactive in searching out expansion opportunities even to the extent of sometimes engaging dedicated local teams to actively source potential opportunities. This said, as a whole it is emphasized that in terms of entry mode for African operations that "international operators are seeking primarily management and/or franchise agreements" (Ernst & Young, 2011, p. 35).

Table 1: Leading Hotel Chains Operating in Africa

Hotel Group	Number of Countries represented in Africa	Number of hotels in Africa
Accor	17	99
Starwood	15	37
Hilton	12	36
Radisson	10	17
Laico	9	11
Best Western	9	19
Intercontinental	8	10
Protea	7	114
Tsogo Sun	7	101
Sun International	7	27
Kempinski	6	8

Serena	5	10
Four Seasons	5	7
Movenpick	4	13
Holiday Inn	4	9
City Lodge	3	33
Marriott	3	9
Beachcomber	3	11
Three Cities	3	25
Golden Tulip	2	4
Hyatt	2	3

Note: The Serena group operates also a number of safari lodges in Kenya and Tanzania which have been excluded from this analysis.

Source: Author's database.

Table 1 provides a ranking of the leading hotel chains in terms of the numbers of countries in which they are operational and indicates the numbers of hotels which they currently have. Several points are of note. Overall a total of 21 different groups have hotel chains in more than one different African country. In terms of the degree of internationalization of different hotel groups it is revealed that most of the leading chains in Africa are enterprises with home bases in North America or Europe. The most internationalized hotel chain in Africa is Accor which is based in France, followed by the Starwood group and Hilton Hotels, both of which are based in the USA. Of note, however, is the strong representation and internationalization of regional hotel chains which are based within Africa. In total there are six African based hotel chains which have internationalized beyond their home base with operations in three or more different countries. The majority of the regional chains are South African operations including Protea, Tsogo Sun (formerly Southern Sun), Sun International, City Lodge and Three Cities.

The growth and penetration of most of these particular hotel chains into countries in sub-Saharan Africa is a distinctive phenomenon of the post-apartheid period. One exception is the operations of the Sun International group of hotel/casino resorts which despite international opposition early extended its activities beyond South Africa to proximate countries (Rogerson, 1990). The recent expansion and extension of these South African hotel chains can be interpreted as part of the wider internationalization and expansion of South African corporations across many different sectors of the economy (Carmody, 2013). Two non-South African based regional chains also have internationalized to a significant extent. The Serena group of hotels is based in Nairobi, Kenya and is one of the companies of the Aga Khan Fund for Economic Development which is for-profit arm of the Aga Khan Development Network. Finally, there are the operations of the Laico group of hotels, the Libyan African Investment Company, which is a state-owned enterprise. The activities of this group are most difficult to evaluate as there are newspaper reports appearing in the *Tripoli Post* that Laico "controls" 52 hotels and resorts across various parts of Africa (Idris, 2013). This said, the branded hotels of Laico which actually are included in the company's website as their portfolio of hotels number only 12 in total.

In terms of examining the actual number of chain hotels which are operated by particular groups Table 1 shows that currently the largest operators in Africa are the two South African groups of Protea and Tsogo Sun. The largest share of operations of these two South African groups is comprised of domestic hotels in South Africa. The two groups have roots in the apartheid era and have been in operation since the 1970s in the case of Southern Sun and 1980s in the case of Protea. During the apartheid period the two companies evolved an extensive network of hotels across South Africa (Rogerson, 2012b). They subsequently embarked on a further expansionary phase after the democratic transition. Further impetus for the growth of their South African network was given by the 'Mandela' boom in international tourism arrivals in South Africa during the 1990s and latterly by expectations raised by the country's hosting of the 2010 FIFA World Soccer Cup tournament (Rogerson, 2012b, 2013b, 2013c). Following these two groups in terms of numbers of hotels are Accor, Starwood and Hilton hotels and then City Lodge, another South African based hotel group which is now embarking on a phase of expansion into other parts of Africa (Rogerson, 2011a). In terms of other groups of note is the small number of African hotels under operation by the USA-based Marriott Group and Hyatt Hotels, both ranked among the most internationalized hotel groups with global operations according to Niewiadomski's (2013a) analysis. Also noteworthy is the absence in sub-Saharan Africa of a number of other top ten ranked global hotel brands such as Wyndham Worldwide and Choice Hotels, both USA based corporations.

Table 2: Hotel Chains by Country/Territory

Country/Territory	Number of Hotels
South Africa	265
Egypt	76
Morocco	42
Nigeria	32
Tanzania	16
Algeria	17
Mauritius	17
Zambia	17
Kenya	16
Namibia	12
Tunisia	10
Seychelles	9
Ghana	8
Uganda	7
Cote d'Ivoire	5
Equatorial Guinea	5
Senegal	4
Zimbabwe	4
Benin	3
Cameroon	3
Ethiopia	3
Libya	3
Mali	3
Mozambique	3
Reunion	3
Chad	2
Djibouti	2
Gabon	2
Gambia, The	2
Lesotho	2
Rwanda	2
Swaziland	2
Togo	2
Burkina Faso	1
Central African Republic	1
Congo, Republic of	1
Eritrea	1
Madagascar	1
Malawi	1

Source: Author's database

Table 2 reports the total number of chain hotels for each African country or territory. In total hotel chains can be found in 38 different countries as well as the Indian Ocean island of Reunion, which is part of France. Overall, it is evident that the largest clusters of hotel chains are situated in South Africa which can be explained by the dense network of hotels which have been established across the country by the leading South African chains of Protea, Tsogo Sun, Sun International, Three Cities and City Lodge. As has been shown, these chains have developed a range of different kinds of hotel from full-service hotels, all-suite hotels to limited service hotels in order to cater for different market segments (Rogerson, 2011a, 2011b, 2012b). Beyond the case of South Africa other countries which have significant clusters of chain hotels in operation are Egypt, Morocco, Tunisia and Algeria in North Africa, Kenya and Tanzania in East Africa, Nigeria in West Africa; and Zambia, Namibia and Mauritius in the region of Southern Africa. In each of these countries there are at least 10 branded hotels of leading international or regional hotel groups. Noteworthy also is the presence of a total of five or more chain hotels in the following countries, the Indian Ocean island of Seychelles, Ghana and Cote d'Ivoire in West Africa, Uganda in East Africa and the oil rich republic of Equatorial Guinea in Central Africa. The vast majority of the

international or regional chain hotels in Africa are of three star quality or above. Outside of South Africa, none of the groups have budget brands in Africa but rather they are full service hotels which cater for the metropolitan business tourists and resort leisure tourists. Finally, in terms of Table 2 one observes the absence at present of any operations of leading international or regional chains in a host of African countries such as the Democratic Republic of Congo, Sudan, Liberia, South Sudan, Mauritania, Burundi, Sierra Leone, most of which have a history of political conflict and instability. More interesting is the absence of leading chains at present in Cape Verde, a growing leisure tourism destination and oil-rich Angola, a major hub for business tourism.

Overall, there is an association between the largest clusters of chain hotels and the group of mature tourism economies in Africa (such as South Africa, Kenya, Tanzania or Mauritius) which the World Bank (2012) describes as countries which are consolidating their tourism base in terms of its contribution to GDP and direct employment. Countries in sub-Saharan Africa which are categorized as emerging tourism economies, such as Zambia, Seychelles, Senegal, Mozambique or Uganda all have been the focus of involvement by hotel chains. The group of countries which the World Bank describes as having potential for tourism development also has attracted the interest of hotel chains. Examples include Lesotho, Gabon, Cote D'Ivoire and Cameroon. The most exceptional case is that of Nigeria, now Africa's largest economic power, and a magnet for business tourism. Finally, the group of countries with the least presence of chain hotels is the pre-emergent tourism economies which include Liberia, Sudan, DR Congo, Guinea-Bissau and Chad. These are countries where tourism, in particular international leisure tourism, is at a low level of development. The exceptional case in the group of these pre-emergent tourism economies is Equatorial Guinea, where oil-fuelled business tourism has driven the growth of a number of international hotel chain operations.

Table 3a: International Hotel Chains in Africa by Country

	Hilton	Radisson	Kempinski	Beachcomber	Accor	Starwood	Best Western
Algeria	1				10	3	2
Benin					2		1
Cameroon	1				1	1	
Chad			1		1		
Djibouti			1			1	
Egypt	18	4	2		21	11	
Equatorial Guinea	1				4		
Ethiopia	1	1				1	
Gabon						2	
Gambia						1	
Ghana			1		1		2
Ivory Coast					5		
Kenya	1		2				2
Libya		1				1	
Madagascar					1		
Mali		1					
Mauritius	1			8	3	3	
Morocco				2	33	3	2
Mozambique		1					
Namibia	1						
Nigeria	1	1			4	5	6
Reunion					2		1
Rwanda							
Senegal		1			3		
Seychelles	3		1	1		1	
South Africa	5	4			4	2	1
Swaziland							
Tanzania	2						2
Togo					2		
Tunisia		2			2	1	
Uganda						1	
Zambia		1					

Source: Author's database

Table 3b: International Hotel Chains in Africa by Country

	Intercontinental	Marriott	Hyatt	Movenpick	Four Seasons	Holiday Inn	Golden Tulip
Algeria		1					
Egypt	1	7	1	9	2		
Eritrea	1						
Ghana				1		1	2
Kenya	2						
Libya		1					
Mauritius	1				1		
Morocco				1	1		
Nigeria	1						2
Seychelles					1		
South Africa	2		2		1	5	
Tanzania					1	1	
Tunisia				2			
Uganda						2	
Zambia	1						
Zimbabwe	1					2	

Source: Author's database

Table 4: The Involvement of Regional Hotel Chains in Africa

	Protea Hotels	Tsogo Sun	City Lodge	Sun International	Three Cities	Serena	Laico
Botswana			1	1			
Burkina Faso							1
Central African Republic							1
Gambia							1
Kenya		1	2			2	1
Lesotho				2			
Malawi	1						
Mali							2
Mozambique		1				1	
Namibia	10			1			
Nigeria	10	1		1			
Republic of Congo							1
Rwanda						2	
Seychelles		2					
South Africa	77	93	30	18	21		
Swaziland				2			
Tanzania	5	1				3	1
Uganda	3						1
Tunisia							3
Zambia	8	2		2	3		
Zimbabwe					1		

Source: Author's database

Tables 3a and 3b offer a more detailed picture of the country status of operations of the international chains with two or more hotels currently in operation in Africa. Table 4 provides a parallel picture of the current operation by geography of the most important regional chains. This profile by country of the different international and regional hotel chains provides the basis for an expansion of the research agenda concerning the internationalization of hotel chains in Africa. A few preliminary observations can be made from the exploratory analysis which is undertaken in this baseline study. First, one observes a trend for the international hotel chains to be situated strategically in particular countries. In particular the

operations of the French based Accor are distinctive as they exhibit a high concentration of activity in Francophone Africa including Morocco, Tunisia, Algeria, Benin, Cameroon, Mauritius, Senegal, Togo and Madagascar. It is observed in the study by Africa House, The Africa Travel Association and The World Bank (2010) that France is the most important long haul source market for such destinations as Morocco, Mauritius, Senegal, Tunisia and Madagascar among others. The American hotel groups such as Hilton, Starwood and Intercontinental exhibit a wide geographic distribution of hotels, albeit it is noted that there is a particularly strong presence of Hilton in Egypt, of Best Western in Nigeria, of the Marriot group in Egypt, and of the Starwood group in Egypt and Nigeria. The distribution of these companies reflects a mix of destinations which are both important for leisure tourism, such as Egypt, and business tourism such as Nigeria. In the case of the regional chains the evolution of these chains not surprisingly occurs mainly in surrounding countries of the home base. This is well exemplified by the case of the Serena group of hotels which is based in Nairobi and has a network of hotels in the surrounding countries of East Africa including Rwanda, Tanzania and Uganda. The only exception is the Serena groups' recent expansion into Mozambique. Another good example of regional spill-over of operations is that of the Sun International group with an extension from South Africa into the neighbouring countries of Botswana, Lesotho, Swaziland, Namibia and Zambia. In a parallel case of regional spill-over is the Three Cities group where its core operations in South Africa and expansion into Zimbabwe and Zambia.

Of the South African groups the most interesting in terms of their international expansion are the larger groups of Tsogo Sun, City Lodge and Protea. In the case of Tsogo Sun the expansion has been beyond the immediate surrounding countries of South Africa into Tanzania, Kenya, Zambia, the Seychelles as well as neighbouring Mozambique. It was recently announced that strategically Tsogo Sun's expansion strategy will be "focused on countries where it already has operations with Mozambique, Nigeria, Kenya, Tanzania and Zimbabwe the prime targets" (Theunissen, 2012, p.32). The City Lodge group has only recently started to move beyond their South African borders with branded hotels in Botswana and Kenya. The most internationalized of the regional South African chains is Protea. This company has a network of chain hotels in nearby Namibia, Zambia and Malawi and has extended its operations northwards to include hotels in Uganda, Tanzania and most importantly, Nigeria. The geographic presence of Protea in several countries has made it the target of an acquisition bid by the American based Marriott corporation which has been reportedly "trying unsuccessfully for a number of years" to enter the hotel market in Sub-Saharan Africa and in particular in South Africa (Harper, 2014, p.82). If this deal is finalized the Marriott group will emerge in future as the most significant hotel operator in Sub-Saharan Africa in terms of hotel numbers. The Marriott deal has now raised the possibility over further potential acquisitions or mergers between international chains and other regional African chains, most importantly Tsogo Sun, City Lodge and the Serena Group (Harper, 2014).

5. Conclusion

This article unpacks the issue of the internationalization of hotel chains which is a question of growing interest in tourism scholarship. Existing literature on the internationalization of hotels so far has addressed mainly the operations and expansion strategies of leading global hotel chains based in North America and Europe and includes their growth of hotels within and outside of these regions (see Niewiadomski, 2013a, 2013b). Over the past two decades Africa has emerged as one of the most rapidly growing regions of the global tourism economy. Africa's rise in economic terms as well as its growth for leisure tourism has triggered the entry and expansion of both international and regional hotel chains. Against this backdrop the paper offers an exploratory analysis of hotel chain development in Africa which seeks to open up further research around this critical topic. The findings from this study indicate that in terms of the degree of internationalization, as indexed by the number of operations in different African countries, the Accor, Starwood and Hilton groups emerge as the leading hotel chains. Nevertheless, in terms of total numbers of hotels, the largest operators are Protea and Tsogo Sun, both of which are regional chains based in South Africa. In terms of geographical distribution the largest clusters of hotel chains are evident in South Africa, Egypt, Morocco and Nigeria. Overall, attention is drawn in this investigation to Africa as a region of growing competition by international and Africa-based hotel groups and of the urgent need for more in-depth research concerning the internationalization of hotel chains in Africa.

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