

# Global Ambitions

H World International is on a quest to breathe new life into a solid portfolio of hotels, while taking more of its brands to new pastures. We caught up with the company's CEO, Oliver Bonke, to learn more

When choosing a hotel, modern travellers are seeking lifestyle affiliation, identity, and a sense of belonging with their chosen brand, whether it's the budget-friendly or the ultra-luxurious. One emerging company to watch is H World International, formerly known as Deutsche Hospitality. A European hotel company with German roots, Deutsche Hospitality rebranded to H World International in February this year, as part of its effort to drive the expansion of its ownership group, H World – also known as Huazhu Hotels Group – outside of China.

As of the first half of 2024, H World International's portfolio encompasses more than 100 hotels, with brands including Steigenberger Hotels & Resorts, Steigenberger Icons, Steigenberger Porsche Design Hotels, House of Beats, Jaz in the City, MAXX, IntercityHotel, Zleep Hotels, and Ji Hotel. Its properties can be found in Germany, China, the UAE, Oman, Singapore, Denmark, Austria, and beyond – and the company is planning a global expansion in the coming years, with plans to widen its scope across Europe, Asia, and the Middle East. We caught up with Oliver Bonke – the former CEO of Deutsche Hospitality and now-CEO of H World International – to learn more.

## Please tell us about the recent developments.

H World is a Nasdaq-listed, publicly-traded company. We're somewhere in the top five hotel companies in the world, with a market cap of around US\$11-13 billion. It is a unique constellation in that just before the pre-COVID era, H World bought Deutsche Hospitality to create a second growth trajectory beyond China internationally. Part of that strategy involved seeing how we could use the strong presence we have in China, with over 9,000 hotels and over 200 million members in our loyalty programme, for when they want to travel overseas. There wasn't a choice offered to them before. So with the acquisition of Deutsche Hospitality, that was the intention. Then [the pandemic] came, and we all had to figure out how to survive that. Now that we're finally past that, we felt this is the right time to make it clear where we're going. H World is our holding company, we've got our headquarters in Singapore, and we have two business units under that: one for China, and one for the rest of the world. H World International covers everything



CLOCKWISE FROM ABOVE: IntercityHotel Bawshar Muscat; Oliver Bonke; IntercityHotel Riyadh Malaz; IntercityHotel Salalah

non-China. Now, we're looking at figuring out the right locations where we can leverage the Chinese outbound market, and combining that with our strong presence in the

## Bilateral travel between China and Germany, and the Middle East, is growing. Is this a consideration in your strategy?

Yes, absolutely. Recent figures show that there were about a million travellers coming from Germany to the UAE, and figures for China are quite similar – so that plays to our strengths. We may not be the strongest in the US market, but we are very strong in these two feeder markets, and that is our unique proposition. Both China and Germany are countries with very strong foreign direct investment strategies, as well as outbound tourism, and you very quickly come up with geographies where those things overlap. The Middle East is certainly one of them.

## What are your key areas of focus across the different parts of the Middle East?

In the region, everything tends to start with Dubai. It is one of the world capitals for [tourism], so a presence in Dubai is strategically important for us. We're focusing on opening our Steigenberger flagship hotel in Dubai – there's nothing to announce on that front yet, but we are very aggressively pursuing that. That's the pebble in the lake, so to speak – from there, a lot of other ripples will flow. In Ras Al Khaimah, the gaming space that's rising there will create a

## HOTEL VIEWS



CLOCKWISE FROM LEFT: Banquets Al Shahba Ballroom at IntercityHotel Nizwa; Business Sea View Suite at IntercityHotel Bawshar Muscat; IntercityHotel Dubai Jaddaf Waterfront



BOTTOM: Steigenberger Hotel Doha

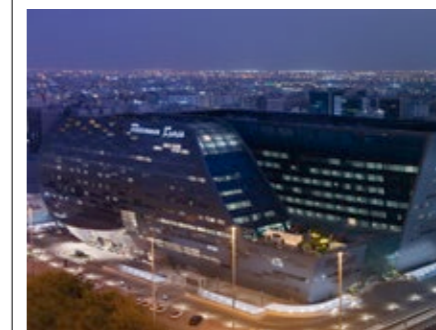
whole new dimension for purpose of travel to the UAE, so we are very excited about that opportunity. We've got two hotels there, and we're looking for some good long-term partnerships. We have four hotels in Oman – personally, I'm a fan of the country. You can really feel the history of the Arabian peninsula there, in a very authentic way. There's also the nature – you'll find some of the most pristine waters in the world there. It's a very unique tourist destination that's also emerging as a key business centre. Then there's Qatar and Abu Dhabi – they've done fantastic investments into the arts with museums and other venues that will add a lot more texture for travellers. There are a lot of opportunities stemming in these places in terms of both tourism and business.

## How do you identify which brands you want to bring over first?

As part of our broader strategy as H World International, our responsibility is to bring our European brands to China. So we're developing Steigenberger and IntercityHotel in China. It will help people there familiarise themselves with our European brands. At the same time, we're bringing the European brands into other parts of the world, and we have been selective about bringing a Chinese brand to the rest of the world. This creates the fabric of us bringing international brands to China, bringing Chinese brands outbound, and bringing international brands to the rest of the world.

## How are you approaching the needs of the outbound Chinese traveller?

With our strategy, we're able to address the Chinese traveller in the territory they know. They can experience one of our European brands in China, and seek it out as they travel outbound, with the Steigenberger in particular. We're also recrafting and analysing taking one of our Chinese brands, Ji Hotels, to be a familiar place for Chinese travellers to stay as they go outbound, while also making it a beautiful, elegant, refined, and founded-in-China brand that is appealing for international travellers. Here's one example: people of every culture could have the same food for breakfast every day. Certain food items can bring us comfort on the road – and a Chinese breakfast has a specific programming to it that might not make sense for many Westerners, but will to the Chinese guest. So breakfast is a key focus for us with the Ji Hotels brand – to make sure there's a high level of recognition and comfort there.



Secondly, we look at the simple programming of what you're looking for in a room, whether that's slippers, or a clear commitment to tea. That sounds cliché, but it's not – it is fundamentally true for this set of travellers. The Ji Hotels have a beautifully-designed tea bar in the lobby, which is authentic and respectful to what a Chinese traveller would be expecting while away from home. We are looking for elements that are true to this core expectation, without making the experience in the hotel fully Chinese, since they are still going to another part of the world after all.

## How will you incorporate this attention to detail to Steigenberger's return to the UAE?

With the Steigenberger, I see my job as a temporary custodian of something with immense historical presence. This brand has been here long before me, and it will be here way after me. It has hundreds of years of presence in Germany, and we're now about to re-open the Steigenberger in Baden-Baden. It was the first Steigenberger in the world, in one of the most beautiful heritage leisure destinations, in the middle of the Black Forest. The extensive renovation was done with immense respect to the heritage of the brand. We wanted to make sure it honours everything the brand stands for. It's a family brand, founded by a person with very clear views as to what hospitality should be and how it should evolve. It was never meant to stay stagnant. To compete around consumer mindset, we focus on things that others can't copy. This brand's roots are German, so we looked at the culinary offerings to build on what's unique and exciting about German cuisine. The diversity and quality of baked goods in Germany is, in my mind, unprecedented. So how can we bring that to the world? By helping people experience German baked goods authentically, because we are German. We're also now developing a Steigenberger beer. We have the authority to develop a unique beer that we can take out to the world, with the right quality and served in the right glass. In Germany, if you serve a beer in the wrong glass, people won't drink it! We honour that authentic cultural art of serving beer, and curating that for our brand. Finally, we're working with a culinary specialist in Germany that's developing a series of signature dishes that can help us take another taste of Germany out into the world. **BT**