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SALES & MARKETING

The GREAT BRAND DEBATE

TO BRAND

(A brand by any other name would smell as sweet...)

Best Western Hotels & Resorts knows how to craft a brand. In just the past six years, the company has introduced 10 brands, with newer ones (like Glo and Vib) comprising 40% of its current pipeline.

"We're certainly fast and on global growth, both in North America and Asia," says Ravi Pahl, Best Western's senior vice president and chief operations officer. "The mid-market hotels in China are where the opportunity really lies."

But how differentiated are these newer brands, both in the marketplace and even just among one another? A description of Vib could easily be mistaken for Glo's new midscale. Aced or Red Lion's Hotel 88. Design for the "connected traveler," with "social spaces," guest rooms have plenty of USB ports and smart TVs.

Perhaps the true differentiation is in target markets. While you'd find a Vib and Glo in Manhattan, you wouldn't find a Vib in Des Moines, Iowa, for instance. Vib's smaller guestroom makes it cost-effective for the urban areas it's angling for.

"We know there are an awful lot of brands out there today. Is there customer confusion? I think there is," says Pahl, who adds that tapping into the right range of brands has worked for Best Western.

The game is betting it on what the consumer wants. Hilton's launch of Tru by Hilton in 2014 aimed to fill a gap in midscale. Now there are more Trus open and 470 in the pipeline, more than any newcomer in midscale, according to Alessandro Jacini, global head of Tru.

As well, loyalty counts big for branding.

"As a new entry into the midscale segment, our research showed that travelers were more likely to book Tru when they found out it was part of the Hilton family of brands," Jacini says. "We also created the Midscale Advisory Group — a team of 10 dedicated Hampton owners — to work through every aspect of Tru by Hilton."

While Piero Schmidt, founder of consulting agency Luxury Branding, thinks "time will tell" in terms of how brands created by the bigger hotel groups will fare, he also thinks they also deserve credit for a mentality shift.

Over the past 10 years, "there's been a really good ramp-up in innovation and improvement which is great for the consumer," Schmidt says. "The traveler, the guest, has never had it so good in terms of a quality product."

TO BRAND OR NOT TO BRAND?

NOT TO BRAND