

# PRESENCE OF THE LARGEST HOTEL FRANCHISE COMPANIES ON THE EUROPEAN MARKET

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**ABSTRACT:** *The largest hotel and restaurant chains nowadays widely use franchising system at national and international level. Five of the twenty largest global franchise companies are in the field of hotel industry. Franchising enables physical growth and the increase of accommodation capacity which leads to territorial expansion over the selected target market. Franchising in Europe is still underdeveloped than in the U.S., but is gaining strength. The largest number of hotel franchise systems operates in Germany, the United Kingdom, France, Italy and Spain, whereas Eastern Europe is less strong in terms of the number of franchised hotel chains. This study deals with the determining of the presence of the largest hotel franchise companies, Wyndham Hotel Group, Choice Hotels, InterContinental Hotel Group, Hilton Worldwide and Marriott International in the European market. The paper shows the strength of the mentioned hotel companies brands in the European countries. The results indicate the condition of the first quarter of the year 2012.*

**Keywords:** *franchising, hospitality, Europe*

## INTRODUCTION

Franchising has roots in feudal times, and the first commercial franchise dealing with sales was Singer Sewing Center, developed by Isaac Singer in 1858. Singer sold rights to local business men to sell his machines and train its users. Singer's model was copied by several companies at the turn of the century. Most early givers of franchise rights did not control the work conditions of the receivers of franchise rights. Although the early receivers of franchise rights could be identified by a common trade name, they were free to create their own business style. However, all that changed in the 1950s, when Ray Kroc reorganized the potential of franchise cloning to repeat a successful formula and launch a business format of franchise that exists today. Kroc, using the ex-

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ample of McDonald's, devised the concept called "trade dress" to include not only the appearance and the ambient of business decor but also every other business based detail. For Ray Kroc, every aspect of handling McDonald's franchise became a part of a system which ensures that consumer experience in every McDonald's restaurant is the same. Kroc's theory proved to be so successful, that soon it had spread in the franchise industry. During the 1960s, gas stations began to accept the unified "trading dress", and standardized their manners of providing service.

Typical franchise contract from mid 1990s was significantly different from its predecessors in the 1950s and 1960s. That three page contract increased to 50 or more pages and now, the giver of franchise dictates every aspect of the business relation. Having uniformity as a goal, users of franchise usually accept (and pay for) all demanded systematic changes, including offered products, using trade names and trade dresses ([http://www.franchiseserbia.rs /index.php?strana=Istorija-fran-izinga](http://www.franchiseserbia.rs/index.php?strana=Istorija-fran-izinga)).

## HOTEL FRANCHISE

Globalization in tourism can be seen in dominant global air companies, hotel chains, tour operators and global distribution systems. It can be said that international tourism is a very important source of income for air companies, travel agencies and hotels. In terms of demand, important factors of globalization are: income growth and standard of living, education, life style etc. As the most famous names in internationalizing business in tourism we can mention Statler, Hilton, Thomas Cook etc. (Rakićević, 2002).

Caterers use a large number of strategies to expand business. It is performed in order to increase profitability through a larger share in the market. Most famous strategies employed by multinational companies from the field of tourism and catering industry are: franchise, management contracts, strategic alliances, joint investment, long-term leasing, integral ownership of stocks, merging and acquisition. Strategy choice depends on the choice of modality used to engage in international business (Čerović, 2002).

Franchising is a way of connecting and including a large number of small caterers (hotel and restaurant owners) into a large and recognizable catering chain. Hotel (restaurant) franchise is basically a contract between the hotel/restaurant chain and the owner of the said hotel/restaurant which allows the owner of the hotel/restaurant to use the name of the chain, for example, services like defined business procedure, technical-technological standards, central reservation system etc (Rakićević, 2002).

Through franchising, physical growth is accomplished, that is increasing the capacities for accommodation. This results with territorial expansion on selected, targeted markets which the hotel company, including the chosen business partner, finds to be adequate for assuming suitable positions in relation to the competition (Kosar, 2001).

The USA is considered to be the originator of franchising in hotel industry. The beginnings of conducting business according to this concept are linked to year 1954 and the "Holiday Inn" hotel chain. This business orientation is preserved even today. This status of the largest hotel chain according to the number of rooms has been maintained for several decades precisely due to franchising. The breach of hotel companies to new

markets is achieved, among all else, by internationalizing franchising. This demands flexibility while creating the package of standards, depending on the market. The readiness of potential franchisees to make contract arrangements highly depends on the adaptability of the franchisors, as is their realistic ability to adequately represent internationally recognizable brand (Kosar, 2001).

## STRUCTURE OF FRANCHISE COMPENSATIONS IN EUROPEAN HOTEL INDUSTRY

An important factor which is considered in the process of evaluation of a potential hotel franchise is the structure and the height of franchise compensations. Franchise compensation is the money which the franchisee pays to the franchisor for the rights to use the name, logo, prestige, marketing and reservation system of a company. Franchise compensation usually includes initial compensation and subsequent monthly compensations. Types and characteristics of franchise compensations in European hotel industry can be the following:

### **Initial fee or membership fee**

Initial fee most often includes a sum based on the number of hotel rooms. For example, initial fee can be 50,000 Euros plus 300 Euros for every room if the hotel surpasses 150 rooms. This means that a hotel with 125 rooms will pay 50,000 Euros, and 200 room hotel will pay 65,000 Euros ( $50,000 + 50 \times 300$ ). Initial fee is paid after submitting the franchise application. This sum covers costs of the franchisor to process the necessary documentation, terrain inspection, market potential evaluation, plan or existing structure evaluation, supervision (inspection) of construction and providing services for pre-opening phase. If the building already exists, the initial fee is occasionally reduced. Some franchisors will return the initial fee if the franchise is not approved, while others will keep a part of the sum for fees of the application audit. Turning an existing hotel building into a franchise most often means purchase of new towels, brochures, operative sets, documents printed with the franchisor's logo etc. Renovation of the hotel is necessary to all intents and purposes.

Paying continuous fees begins when the franchisor adjoins the member (franchisee) and the fees are mostly paid monthly for the duration of the contract. Continuous fees usually include royalty fee, advertising or marketing contribution fee and reservation fee.

### **Royalty fee**

Almost all franchisors collect royalty fee, which includes using brand name, logo, prestige and other franchise services. Authorship fee is an important source of income for the franchisor. These fees are usually in the range of 2.5% to 5% of accommodation service income, although it is always a point in negotiation of both parties and can be altered (depends on operative politics) depending on hotel category.

### **Advertising or Marketing contribution fee**

Advertising and marketing of a brand consists of national and regional advertising in different media, development and distribution of trade directory and marketing focused on different market segments. Often, this fee is goes into a fund controlled by the franchisor for all hotels in the brand. Franchisors usually want their share of marketing to be focused on their region, which is not always the case. These fees usually vary from 1.0% to 2.0% of total income or from 1.5% to 4.0% from accommodation service income.

### **Reservation fee**

This fee includes work costs of central reservation office, telephones, computers, reservation staff, that is all which maintains booking through reservation system. Calculating these fees can vary from one operator to another. It can be based on the number of bookings, available rooms, percent of accommodation service income etc. Additionally, it can be determined by a percent from total income or as a fixed amount. Here are some of most common examples.

- 9.0-9.5 Euros per month per room
- 1.9-2.0% from accommodation service income
- 3.5 Euros per booking

### **Loyalty fee**

Some franchisors offer induction program which reward guests with return stay: these programs are designed to encourage brand loyalty. Fees for managing these programs are financed through evaluation by frequent customers. Similarly as with reservation fee, there is no unified formula to determine this fee. Most frequent examples are:

- 4-8 Euros per booking
- 3%-4,75% per reservation

### **Various other fees**

These fees are paid to the franchisor for additional services and technical support. They also include fees for training programs, national and regional yearly conferences, counseling, acquisition assistance, computer equipment etc. These fees are usually not quantified in documents (Eisenbaum, Perret, 2010).

While evaluating potential franchise fees it is important to recognize where the system already works effectively. Although fees may seem high at first glance, the advantages of franchise business are many. Many hotel leaders consider that for competitiveness on the market recognition of a brand is very important. Clients want to know the level of quality which they pay for and would rather not risk with undesirable experience in a "nameless" hotel building. That is why franchising is a successful strategy which enables convenience for both the giver and the receiver of franchise.

## PRESENCE OF FIVE LARGEST HOTEL FRANCHISING COMPANIES IN EUROPE

The presence of franchising in hotel industry can be seen in Table 1. List of the first 20 world class franchising companies is given. From that list, five is from the domain of hotel industry. Those five are Wyndham Hotel Group, Choice Hotels, InterContinental Hotel Group, Hilton Worldwide and Marriot International. All are from the territory of USA, except InterContinental Hotel Group, with its residence in Great Britain.

Franchising in Europe is still less developed than in the US, but it is gaining strength. Most hotel franchises in Europe are predominantly located in Western Europe. Largest number of franchising systems are operative in Germany, United Kingdom, France, Italy and Spain. Hotel ownership model in Europe is gradually changing. Although there are still more individual hotel owners, implementation of franchising contracts is at an increase. It can be especially seen in more developed markets like in Western Europe, where international hotels are present. Today, European hotel groups consider criteria between franchising/management contract and their own property. The presence of world class hotel chains via franchising in Europe will be seen on the example of the following five world class hotel franchising companies.

**Table 1.** Twenty leading world franchising companies in year 2011

Nº.	Franchise name	Country	Industry
1	SUBWAY	USA	Sandwich & Bagel Franchises
2	McDonald's	USA	Fast Food Franchises
3	KFC	USA	Chicken Franchises
4	7 Eleven	USA	Convenience Store Franchises
5	Burger King	USA	Fast Food Franchises
6	Snap-On Tools	USA	Automotive Repair Franchises
7	Pizza Hut	USA	Pizza Franchises
8	Wyndham Hotel Group	USA	Hotel Franchises
9	ServiceMaster Clear	USA	Commercial Cleaning Franchises
10	Choice Hotels	USA	Hotel franchises
11	InterContinental Hotel Group	Great Britain	Hotel franchises
12	Dunkin' Donuts	USA	Bakery & Donut Franchises
13	Ampon Mini Market	USA	Convenience Store Franchises
14	Domino's Pizza	USA	Pizza Franchises
15	Circle K	USA	Convenience Store Franchises
16	GNC Live Well	USA	Wellness Products & Services
17	Ace Hardware Corporation	USA	Home Improvement Retail Franchises
18	Hilton Worldwide	USA	Hotel franchises
19	Marriott International	USA	Hotel franchises
20	Taco Bell	USA	Fast Food Franchises

*Source: <http://www.franchisedirect.com/top100globalfranchises/rankings/>*

## *Wyndham Hotel Group*

Wyndham Hotel Group represents world's largest franchise hotel chain. It is a pure hotel franchise company, which means that the entire portfolio is doing business under the franchise system, i.e. it does not own any hotel capacities. Portfolio of Wyndham Hotel Group consists of several brands: Baymont, Days Inn, Hawthorn Suites, Howard Johnson, Knights Inn, Microtel Inns & Suites, Night, Planet Hollywood, Ramada Worldwide, Super 8, Travelodge, TRYP, Wingate by Wyndham, Wyndham Garden, Wyndham Grand Collection, Wyndham Hotels & Resorts. International growth strategy of Wyndham Hotel Group chain is based on finding new partners who are willing to sign a franchising contract. Such partners are, for example, Premier Hotels from Great Britain, which operates with brands Days Inn and Howard Johnson. Working

**Table 2.** Prevalence of Ramada Worldwide, Wyndham Grand Collection, Days Inn and TRYP brands in Europe in year 2012.

Brand / Country	Ramada Worldwide	Wyndham Grand Collection	Days Inn	TRYP
United Kingdom	46 hotels	One hotel	52 hotels	-
Germany	37 hotels	-	-	11 hotels
Switzerland	Seven hotels	-	-	-
Romania	Six hotels	-	-	-
Italy	Five hotels	-	-	-
Belgium	Four hotels	-	-	-
Ireland	Four hotels	-	-	-
Austria	Three hotels	-	-	-
Ukraine	Three hotels	-	-	-
Russia	Two hotels	One hotel	-	Two hotels
Czech Republic	One hotel	One hotel	-	-
France	One hotel	-	-	-
Hungary	One hotel	One hotel	-	-
Macedonia	One hotel	-	-	-
Holland	One hotel	-	-	-
Montenegro	One hotel	-	-	-
Portugal	-	One hotel	-	Seven hotels
Spain	-	-	-	53 hotels
Lithuania	-	-	One hotel	-
Malta	-	Two hotels	-	-

Sources: <http://www.ramada.com/hotels/destinations>  
<http://www.tryphotels.com/en/tryp-cities.html>  
[http://www.wyndham.com/about-us/wyndham-grand?tier\\_name=grand](http://www.wyndham.com/about-us/wyndham-grand?tier_name=grand)  
<http://www.tryphotels.com/en/tryp-cities.html>

under Wyndham Hotel Group there are around 7,200 hotels in 65 different countries (<http://www.wyndham.com/destinationsandinterests/destinations/europe/main.wnt>). This hotel company is most known in Europe with its Ramada Worldwide brand. Table 2 shows the prevalence of Ramada Worldwide, Wyndham Grand Collection, Days Inn and TRYP brands in Europe.

Wyndham Hotels & Resorts brand has one hotel in Amsterdam, Holland ([http://www.wyndham.com/about-us/wyndham-resorts?tier\\_name=resorts](http://www.wyndham.com/about-us/wyndham-resorts?tier_name=resorts)), Wyndham Garden brand is represented by one hotel in Warsaw, Poland ([http://www.wyndham.com/about-us/wyndham-garden?tier\\_name=garden](http://www.wyndham.com/about-us/wyndham-garden?tier_name=garden)), while Howard Johnson brand has one hotel in Romania (<http://www.hojo.com/hotels/destinations>). Other brands are not located in European market.

### *Choice Hotels International*

Choice Hotels International is the second largest hotel franchiser in the world. It became a hotel franchising chain after abandoning real-estate business. The hotel's business strategy is based on developing a franchising system in strategic marketing on USA territory (Kosar N, Kosar L, 2010). It franchises over 6,000 hotels with over 485,000 rooms (<http://www.choicehotels.cz/en/about-choice-hotels/>). The franchise's operative brands are: Comfort Inn, Comfort Suites, Quality, Sleep Inn, Clarion, Cambria Suites, MainStay Suites, Suburban, Econo Lodge and Rodway Inn (<http://www.choicehotels.com/en/about-choice/ourbrands?sid=xIjMag.xnM69gWpL.22>).

Choice Hotels Europe connects 500 locations in Europe under the following brands: Comfort (150 hotels in Europe), Quality, Sleep Inn and Clarion.

**Table 3.** Prevalence of Choice Hotels hotel chain in Europe in year 2012.

Country	Number of hotels
France	93 hotels
Norway	87 hotels
Sweden	75 hotels
Germany	39 hotels
Great Britain	39 hotels
Italy	19 hotels
Ireland	11 hotels
Czech Republic	Eight hotels
Portugal	Seven hotels
Switzerland	Four hotels
Denmark	Four hotels
Estonia	One hotel
Lithuania	One hotel

Source. <http://www.choicehotels.com/en/travelideas/europevacations?sid=xJpDig.B3Ov3gRy%201.5>

## *InterContinental Hotels Group*

IHG conducts business in three different ways: franchising, management contracts and ownership. Franchising represents the largest number of their business: 3,831 hotel conducts business under franchising contract, 677 hotels are under management contract, while they own only 12 hotels (less than 1% of IHG portfolio). Brands of InterContinental Hotel Group are: InterContinental Hotels & Resorts, Crowne Plaza, Holiday Inn Resorts, Holiday Inn, Holiday Inn Express, Staybridge Suites, Candlewood Suites and Hotel Indigo (<http://www.ichotelsgroup.com/ihg/hotels/us/en/reservation>). Franchising activity of IHG company is largely based on already mentioned Holiday Inn hotel chain. Holiday Inn Hotels is the most prevalent brand, represented by 1,300 hotels all across the world.

**Table 4.** Prevalence of InterContinental Hotels Group hotel chain in Europe in year 2012.

Country	Number of hotels
Great Britain	over 200 hotels
France	over 100 hotels
Germany	over 100 hotels
Belgium	over 50 hotels
Italy	over 50 hotels
Spain	over 50 hotels
Holland	49 hotels
Russia	13 hotels
Portugal	12 hotels
Ireland	Eight hotels
Finland	Eight hotels
Austria	Seven hotels
Poland	Seven hotels
Slovakia	Six hotels
Czech Republic	Five hotels
Greece	Four hotels
Lithuania	Two hotels
Hungary	Two hotels
Romania	Two hotels
Denmark	One hotel
Bulgaria	One hotel
Serbia	One hotel
Malta	One hotel
Macedonia	One hotel
Andorra	One hotel

*Source.* <http://www.holidayinn.com/hotels/us/en/hd/europe-hotels>



InterContinental Hotels & Resorts with its 166 hotels is widespread across 60 countries of the world. In Europe it is represented with 30 hotels. European countries where this franchise is located are: Austria, Cyprus, Czech Republic, France (one hotel in Cannes and Marseille, two in Paris), Greece, Hungary, Italy, Malta, Portugal, Holland, Poland, Romania, Russia, Turkey, Ukraine, Great Britain (two hotels), Germany (five hotels), Switzerland (two hotels) and Spain (three hotels) (<http://www.ichotelsgroup.com/intercontinental/en/gb/locations>).

### ***Hilton Worldwide***

Hilton Worldwide is a hotel company which conducts business in 85 countries of the world, with over 3,750 hotels under one of their 10 brands. Brands of Hilton Worldwide company are: Hilton Honors, Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts, Hilton Hotels, Doubletree, Embassy Suites, The Hilton Garden Inn, Hampton Hotels, Hilton Grand Vacations, Homewood Suites by Hilton and Home2suits by Hilton (<http://www.hiltonworldwide.com/portfolio/>).

From all Hilton Worldwide brands, Hilton Hotels brand is most present in Europe. Over 60 hotels of this brand are located in United Kingdom only.

Today, Hampton Hotels brand which conducts business within Hilton company since 1999, is one of the most sought out hotel franchisers, which in year 2010, had over 1,750 franchise buildings. However, in Europe it is represented by only eight hotels. Waldorf Astoria Hotels & Resorts brand is represented by four hotels in Europe, in London, Paris, Rome and Seville. Conrad Hotels & Resorts buildings are located in Bruxelles and Dublin. Other brands of this company are not located in Europe.

### ***Marriott International***

Marriott international is a company which consists of 3,700 hotel buildings in 72 different countries across the world. It is represented by a large number of brands: Marriott Hotels & Resorts, JW Marriott Hotels & Resorts, Bvlgari Hotels & Resorts, Renaissance Hotels, EDITION Hotels, Autograph Collection, Courtyard by Marriott, AC Hotels by Marriott, Residence Inn by Marriott, Fairfield Inn & Suites by Marriott, Marriott Conference Centers, TownePlace Suites by Marriott, SpringHill Suites by Marriott, Marriott Vacation Club, The Ritz-Carlton, The Ritz-Carlton Destination Club, Marriott Executive Apartments, Grand Residences by Marriott (<http://www.marriott.com/corporateinfo/glance.mi>)

Marriott has over 200 hotels in Europe and plans to double that figure by 2015. Large number of this company's brands is present in European market. Marriott Hotels & Resorts, with its 83 hotels, is the most represented brand of this company in Europe.

JW Marriott has one hotel in Azerbaijan, Turkey, France, United Kingdom and Romania (<http://www.marriott.com/jw-marriott-hotels-resorts/europe-hotels.mi>). Bvlgari Hotels & Resorts is in business in Milan and London.

Belgium, Czech Republic, Hungary and United Kingdom each have one hotel from Marriott Executive Apartments brand, while Germany and United Kingdom have one

**Table 5.** Prevalence of Hilton Hotels, Doubletree, Hampton Hotels and Hilton Garden Inn brands in Europe, year 2012.

Brand / Country	Hilton Hotels	Doubletree	Hampton Hotels	Hilton Garden Inn
United Kingdom	Over 60 hotels	Eight hotels	Seven hotels	Two hotels
Germany	11 hotels	-	One hotel	-
Italy	Eight hotels	Three hotels	-	Seven hotels
France	Eight hotels	-	-	-
Spain	Four hotels	-	-	-
Austria	Two hotels	One hotel	-	-
Poland	Two hotels	-	-	One hotel
Romania	Two hotels	One hotel	-	-
Denmark	Two hotels	-	-	-
Switzerland	Two hotels	-	-	-
Ireland	Two hotels	-	-	-
Malta	One hotel	-	-	-
Bulgaria	One hotel	One hotel	-	-
Greece	One hotel	One hotel	-	-
Russia	One hotel	-	-	-
Finland	One hotel	-	-	-
Hungary	One hotel	-	-	-
Sweden	One hotel	-	-	-
Croatia	One hotel	-	-	-
Portugal	One hotel	-	-	-
Iceland	One hotel	-	-	-
Belgium	-	One hotel	-	-
Slovakia	-	One hotel	-	-
Norway	-	One hotel	-	-

Source. <http://www.hiltonworldwide.com/development/properties/>

hotel from Residence Inn brand. Autograph Collection is represented in Europe with 10 hotels, and in Czech Republic, Hungary and Portugal, each with one hotel. Two hotels are located in Italy, five in Spain. Marriott Vacation Club is represented in France (1 hotel), Spain (3 hotels), United Kingdom (1 hotel) (<http://www.marriott.com/hotel-search/>).

**Table 6:** Prevalence of Marriott Hotels & Resorts, Courtyard by Marriott, Renaissance Hotels and AC Hotels by Marriot brands in Europe in year 2012.

Brand / Country	Marriott Hotels & Resorts	Courtyard by Marriott	Ritz-Carlton	Renaissance Hotels	AC Hotels by Marriott
United Kingdom	50 hotels	One hotel	-	Three hotels	-
Germany	Nine hotels	12 hotels	Two hotels	Four hotels	-
France	Four hotels	Seven hotels	-	Four hotels	Two hotels
Italy	Three hotels	Three hotels	-	Two hotels	10 hotels
Russia	Three hotels	Six hotels	One hotel	Four hotels	-
Belgium	Two hotels	One hotel	-	One hotel	-
Spain	Two hotels	-	Two hotels	Three hotels	66 hotels
Portugal	Two hotels	-	One hotel	-	Two hotels
Turkey	One hotel	One hotel	One hotel	Four hotels	-
Switzerland	One hotel	Two hotels	-	Three hotels	-
Holland	One hotel	One hotel	-	One hotel	-
Denmark	One hotel	-	-	-	-
Greece	One hotel	-	-	-	-
Czech Republic	One hotel	Three hotels	-	-	-
Austria	One hotel	One hotel	One hotel	Two hotels	-
Sweden	-	One hotel	-	One hotel	-
Hungary	-	One hotel	-	-	-
Ireland	-	-	One hotel	One hotel	-
Poland	-	One hotel	-	-	-

Source: <http://www.marriott.com/hotel-search/>

## DISCUSSION AND CONCLUSION

Largest world hotel and restaurant chains today widely use system of franchising on a national and international level. Increasingly larger presence of franchising system in international tourism and catering business shows that advantages of franchising are by far more numerous than its disadvantages. Franchising is especially functional in cases where some of the factors contributing to business success is missing (market, work force, finances, equipment etc.) (Muhi, Stanković, 2009). By employing franchising, a company gets a new business concept under the name of a known company, as a legally and financially separate and independent industrial subject. Fees to enter a franchise are not to be neglected. There is initial fee or membership which is paid immediately and continuous fees which are paid monthly to the franchisor. For those reasons it is

necessary to conduct a market research in the smallest detail, to properly select a suitable franchise.

Trend of developing a franchise is increasing all across the globe. As many as five hotel companies, Wyndham Hotel Group, Choice Hotels, Intercontinental Hotel Group, Hilton Worldwide and Marriott International are at the top of world's largest franchising industries.

Europe, especially its western part, is highly suitable for territorial expansion of hotel companies via franchising. By analyzing presence of five leading franchising hotel companies on European continent, the conclusion can be drawn that United Kingdom, Germany and France are in lead when it comes to prevalence of brands of the mentioned hotel companies. On the other hand, these brands are not present in Albania, Bosnia and Herzegovina, Slovenia, Moldavia, Belarus, Latvia, Armenia and small countries Luxembourg, Lichtenstein, San Remo, Vatican and Monaco.

Brands of Wyndham Hotel Group, which are most present in Europe, are Ramada Worldwide, Days Inn and TRYP. Days Inn conducts the largest portion of business in United Kingdom, and TRYP in Spain.

Choice Hotel International is present in Europe with approximately 500 hotels. Unlike other companies, they are most present in Scandinavia (Norway and Sweden). Apart from that, they have a large presence in Germany, France and United Kingdom, while they are nonexistent in Spain. They have a small number of facilities in Eastern Europe, in Lithuania and Estonia, having one hotel each.

Intercontinental Hotel Group has the largest presence in European market from all analyzed companies, where its headquarters is also located. The most prevalent brand of this company is Holiday Inn. Over a hundred hotels are located in United Kingdom, France and Germany, and about fifty in Belgium, Holland, Spain and Italy.

In Europe, Hilton Worldwide is mostly represented by Hilton Hotels brand, mostly in United Kingdom. A significant number of facilities under this brand are located in Eastern Europe.

Marriott International is a company which has most brands from all those previously mentioned. In Europe, it is mostly represented by Marriott Hotels & Resorts, Courtyard by Marriott and AC Hotels by Marriott brands. It has the largest presence in Spain, then in Great Britain and in Germany.

In Eastern Europe, the largest number of the mentioned companies is located in Romania, Russia and Poland. It is surprising that Greece, with its reputation of a very popular European tourist destination, has a small number of brands of mentioned hotel companies. Latest research show that hotel companies are very interested in Russian market, therefore it can be expected in that in the coming period Russia will be put into focus in terms of business expansion.

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