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Whitbread announces PTI rebrand/Indian JV

Whitbread is rebranding its budget hotel chain Premier Travel Inn as Premier Inn at a cost of £13m together with £9m of capital expenditure.

Whitbread acquired the then Premier Lodge from Spirit Group for £505m in July 2004 and merged it with its existing Travel Inn chain to create PTI. PTI is the UK's biggest hotel brand with over 480 properties and more than 32,600 rooms.

The group said the rebrand followed an extensive research programme throughout 2006 with business, personal and prospective users of PTI. The findings of the programme showed that while the PTI product, distribution and service was market leading, 'the brand does not have the recognition it deserves, especially with leisure users'.

'The decision to rebrand as Premier Inn will make it easier for consumers to remember, recognise more quickly the premier offering in the budget hotel sector and create clear blue water between the brand and its competitors,' Whitbread said in a statement.

Gerard Tempest, PTI marketing director, added that according to the BDRC British Hotel Guest Survey the chain was already the leading budget brand for 'intent to recommend' by business and leisure travellers, but 'now's the opportunity to make it simple for them to remember our name and what we stand for. The rebrand will over-arch everything in the business, and be used as an opportunity to springboard our 'guest obsession' activity even further forward.'

Separately Whitbread announced that PTI had entered into a 50:50 joint venture with Emaar-MGF, one of India's biggest real estate developers, to develop the brand in India.

Up to £300m will be invested in the JV over the next ten years, with Whitbread contributing 50%. The JV will include 80 hotels and over 12,000 rooms with initial sites targeted in the Delhi Region, Chennai, Goa, Hyderabad and Chandigarh.

India will be PTI's second international market; a JV with Emirates was announced in April 2006 to develop the brand in the Gulf region, with its first site currently under construction in Dubai and set to open in spring 2008.

Finally, Whitbread issued an AGM trading statement showing the group's total sales from continuing operations in the 13 weeks to 31 May 2007 increased by 9.8% year-on-year, with like-for-like sales 5.6% higher.

PTI reported sales up 13.9% overall and 10.1% like-for-like, the Costa coffee bar chain +18.4% and +4.7% respectively, and the Brewers Fayre/Beefeater pub restaurants +2.8% and +1.5% respectively.