

## Brands

# IHG's upscale Voco brand celebrates 'individual spirit'

13 JUNE 2018 9:44 AM

IHG announced its newest upscale conversion brand, Voco, will expand the company's upscale segment. IHG's managing director for Europe Karin Sheppard shared more details about the brand's differentiators and rollout strategy.



By [Dana Miller](#)  
dmiller@hotelnewsnow.com  
@HNN\_Dana

DENHAM, England—In the company's latest move to elevate its higher-end segments, InterContinental Hotels Group this week launched [upscale brand Voco](#), which an IHG executive says is intended to target upscale conversion opportunities internationally.

The big differentiator for the newly launched brand, according to Karin Sheppard, managing director of Europe for [IHG](#), is that it allows unique properties converting into Voco to "retain and celebrate all the individual spirit and elements" that make it successful while still carrying the brand name and its signature upscale standards.

Sheppard said in an email interview that Voco will complement IHG's other brands in the upscale segment, sitting alongside the Crowne Plaza and Hotel Indigo brands, but will have some differences.

"Crowne Plaza targets primarily business occasions; Voco is positioned to appeal to both business and leisure travelers, as well as being supportive to hotels with strong local (food and beverage), banqueting and events business," she said.

"The brand has the versatility to flex across softer hotel touchpoints and allows us to be sympathetic toward an existing hotel's character, so that becoming a

Voco doesn't mean becoming one of the same," she said. "Every Voco hotel looks and feels a bit different, but guests will come away having had a consistently memorable and dependable stay."

The Voco brand name and standards will be incorporated into each property. However, Sheppard said properties that already have significant individual name recognition will be able to incorporate their name alongside the Voco name. That includes "heritage asset" hotels that have a strong local reputation or significant weddings, banqueting and events business, as well as both urban and destination hotels, she said.

Sheppard said many of these asset types can be tougher to convert to a more traditional brand because they have more "variability in room types and size, facilities and programming," making a more flexible brand like Voco a good fit.

Voco hotels will also be designed to accommodate a higher percentage of leisure or locally driven business.

This launch is the latest in a spate of acquisitions and launches for the UK-based IHG. Last month, the company struck an agreement [with French real estate investment trust Covivo](#) (previously Foncière des Régions), to rebrand and operate hotels Covivio purchased from Starwood Capital Group as IHG properties—several of which will rebrand under the Voco flag, Sheppard said.

In March, the company purchased a [51% stake in six-asset Regent Hotels & Resorts](#) for \$39 million. In September, the company launched its [new midscale brand, Avid Hotels](#).

### **The rollout**

In the short term, IHG is concentrating Voco's rollout in the Europe, Middle East, Asia and Africa region, with plans to focus later on the Americas and Greater China.

Sheppard said IHG is confident that as the brand develops scale, it will have a more secure foothold to expand globally.

The 388-room Watermark Hotel & Spa Gold Coast in Surfers Paradise, Australia, will be the first hotel to open under the Voco flag in late 2018.

SB&G, a company that already owns five other IHG hotels in Australia (including under the brands InterContinental, Crowne Plaza and Holiday Inn), is in the process of acquiring the Watermark hotel, Sheppard said.

"The property is a perfect example of the kind of assets we are after—a high-quality hotel that will benefit from the reassurance that the IHG name brings, and the strength and scale of our systems," she said.

IHG expects to open more than 200 Voco hotels within the next 10 years, she said.

### **How owners will benefit**

Sheppard said the brand is a big draw for owners because of its versatility to adapt to a range of different property types. She said the company worked alongside its owners' advisory board "to develop a new opportunity to grow together with a really compelling brand—one that works for our owners as well as our guests."

She added that IHG anticipates Voco will attract owners of high-quality hotels and will pursue assets that are already in good condition, offering a high-quality experience to guests.

IHG CEO Keith Barr said in the news release announcing Voco, "We've talked about the significant growth opportunity we see for IHG in upscale, and Voco will help us deliver against this. We'll work with owners of attractive properties, who appreciate the power and expertise that a global business can bring to the table."

Sheppard said initial owner engagement has been positive, and early momentum is building. Becoming part of the IHG family, she said, enables these properties to get access to the "strength and scale of the IHG systems," driving substantial return on investment.

### **What's next**

IHG's focus remains on continually strengthening and accelerating growth of its existing brand portfolio and "launching new brands where there are attractive opportunities," Sheppard said.

IHG now has 14 hotel brands, including Voco.\*

*\*Correction, 13 June 2018: This story has been updated to correct IHG's total number of brands.*