

[HOME](#) / [BLOG](#) / POSITIVE OUTLOOK FOR WHITE-LABEL OPERATORS IN SPAIN

POSITIVE OUTLOOK FOR WHITE-LABEL OPERATORS IN SPAIN

By HOTELS Editors

October 5, 2017 - Categories: Blogs,

As Spain is experiencing record numbers in tourist arrivals for a few years in a row (80 million tourists are expected in 2017), the race by international brands to plant their flags in new destinations is getting traction outside of gateway destinations.

When brands such as Hilton, Marriott, Accor or IHG get into second- and third-tier markets such as Zaragoza, Granada and Alicante, the need to rely on third-party management companies increases and franchise contracts become the norm.

White-label management companies take a franchisee position and carry much lower overheads than international brands. They can better adapt to the local requirement of lease contracts and one-year revolving bank guarantees. SOCIMIs, for example, the Spanish 'REITs', require by law the signature of lease contracts.

For the past few years there have only been four professional players operating in Spain in this segment. In our experience, in some operator selection processes, the alternatives available to asset owners turn out to be limited. **T3** is the largest operator by far with more than 20 properties in Spain, Georgia, Slovenia and Nigeria. The second white label management company in Spain is **GAT** with 10 properties and counting. **Hoteles Tematicos** follows with six properties under third-party brands. Last but not least, **GEHO** is managing five hotels, mostly in secondary locations.

As the disassociation between branding and operations becomes more prevalent in Spain, we foresee growth and possible consolidation in this segment of the market, still controlled by domestic players.

COMMENT

You must be [logged in](#) to post a comment.