

How the World's Biggest Hotel Chains Began"

Hotel chains play a lead role in the hospitality industry and can sometimes seem too big a rival to compete with. While the idea of a hotel chain was originally based on a referral system, many modern hotel chains are vast conglomerates containing smaller groups. However, some of today's biggest brands started out life as a single hotel and have modest yet intriguing backgrounds.

Hilton – the Failed Banker

Born in 1887 in San Antonio, New Mexico to a Norwegian immigrant father and a mother of German descent, Conrad Hilton always had an air of internationalism about him. Hilton had seven siblings and a Catholic upbringing. He served in World War I before becoming a politician, a banker and later, an hotelier. His first big stroke of luck came in the form of a knockback when he tried to buy a bank but the purchase fell through. Having relocated to Texas at the height of the oil boom, however, he bought a hotel instead. Hilton ran the 40-room hotel in Cisco with great success. From here the Hilton Empire began to grow as he purchased hotels all over Texas.

Hilton suffered massive losses during the Great Depression and narrowly avoided bankruptcy. He brokered a deal making him manager of a combined chain, enabling him to steer the chain out of a financial crisis and put control of his business back into his hands. In the following years the Hilton chain saw explosive growth, and in 1949 it became an international brand with the purchase of Calibre Hilton in Puerto Rico.

Conrad Hilton died in 1979 but his brand, his success and his values live on. The chain's success lies in its ethos – to provide a friendly, individualised service. But its success also lies in Hilton's forward-thinking nature. In 1947 the Hilton Roosevelt became the first hotel to provide televisions in guest rooms, and a year later Hilton Hotels became the first hotel company to introduce a multi-hotel booking system. Famed for being luxurious inside and out, Hilton Hotels have become truly iconic.

Marriott – the 5-cent Root Beer

Today, Marriott has over four thousand properties and revenue in the billions. However, the business started life in 1927 as a root beer stand on 14th Street in Washington D.C. A pair of newlyweds, Bill and Allie Marriott, had set up the stand to serve 5 cent root beer to passers-by who were thirsty from the hot weather. The "A & W" root beer became incredibly popular, so much so that they opened a restaurant – "The Hot Shoppe". The aim was to serve their famous root beer alongside hot food, all served as quickly as possible.

Pioneers of fast food, the restaurant was incredibly popular and, as such, more Hot Shoppes followed. The business enjoyed huge success by catering specifically to the needs of the market and always staying ahead of the curve. During the Great Depression they served hot food and drinks at affordable prices. Later, when cars became increasingly commonplace, they set up the East Coast's first drive-in restaurant where uniformed "Running Boys" would serve customers in their cars, as was characterised by their "Running Boy" logo. As commercial air travel took off, the Marriotts soon had the largest airline catering company in the world, and during World War II they opened cafeterias in defence plants, specifically to serve servicemen.

In 1957, the Marriotts purchased a motel near International Airport in Arlington, Virginia. As the business expanded and diversified, “Marriott” became the new name for the parent company. With Bill Marriott’s death, and the realisation that fast food had become commonplace, by the late 1980s it was decided that the company should leave the restaurant business. By this time, Marriott Hotels had become a vast empire. An innovative approach had helped fuel growth as its hotels catered towards a new breed of customer – the business traveller. Today, Marriott has 127,000 employees, owns numerous other brands and boasts both the tallest and second tallest hotel in the world.

Holiday Inn – the Plumbing Shed Headquarters

Kemmons Wilson was born in Oscoela, Arkansas and raised solely by his mother after his father died when he was just nine months old. When Wilson grew up he went to college and became a builder and developer. His first foray into hospitality came when he was on a road trip to Washington D.C. with his family. Wilson was disappointed by the roadside motels they visited, so in 1952 he opened his own in Memphis, Tennessee. Aware that location was imperative, Wilson’s motel was situated on the main highway to Nashville. The name “Holiday Inn” was in fact a joke suggestion given by the hotel’s architect, in reference to the Bing Crosby film of the same name.

Wilson partnered with Wallace E. Johnson and the pair built more motels using the same business model. Their dream was to create one of the world’s largest hotel chains. However, their business was still in its infancy and the headquarters were located in a converted plumbing shed. The business expanded though, and soon each approach to Memphis was covered. The pair continued to build more hotels and then turned the chain into a franchise. By setting certain standards of cleanliness, service and accessibility, they earned a loyal and fast-growing customer base.

By 1958 there were 50 Holiday Inns, by 1959 there were 100, and by 1964 there were 500. The brand continued to grow and expanded into areas as diverse as transportation, nursing homes and television production. Today the business is segmented into a number of brands and is part of the InterContinental Hotels Group.

Sheraton – the Name too Big to Move

In 1937 Harvard classmates Ernest Henderson and Robert Moore entered the hotel industry. With their war bonuses and the help of Henderson’s brother, George, they bought the Stonehaven Hotel in Springfield, Massachusetts. The hotel was successful and they soon started a small chain. Another early hotel of theirs, in the Back Bay of Boston, had an enormous lighted sign said to be so big that it would have cost \$10,000 to remove. As such, the name stuck and the name of the hotel became the name of the brand – “Sheraton”. The company soon expanded and bought hotels outside of Massachusetts, up and down the East Coast.

In 1945 Sheraton Hotels became the first chain to be listed on the New York Stock Exchange. Eager to build an international brand, in 1949 the pair bought two Canadian hotel chains. Subsequently the brand expanded into territories far and wide including Israel, Venezuela and Beijing, becoming the first Western company to run a hotel in the People’s Republic of China.

The brand’s ethos is based on bringing people together and creating connections, and though today the chain is owned by Starwood Hotels and Resorts, Sheraton

Hotels and Resorts remains a powerful trading name known for convenience, high standards and affordability.

Ritz-Carlton – the Elephant’s Trunk Chasseur

Cesar Ritz was born in Niederwald, Switzerland, to a poor peasant family. He was the youngest of 13 children. At the age of sixteen he was judged to be unsuitable for the hotel trade and dismissed from a hotel in Brig. He soon left for Paris in search of new opportunities and slowly gained increasingly good jobs until he was waiting at the high end Restaurant Voisin. However, within a few years Ritz found himself living in a country which was at war with Prussia – one of Europe’s most powerful countries. During the siege of 1870 fresh meat was hard to come by, so the restaurant used meat from zoo animals, serving-up dishes such as “elephant’s trunk chasseur”. Ritz’s career continued to vary, but he always made certain to follow the money. He was a waiter in a hotel in Vienna during the International Exhibition, and soon became restaurant manager at the Grand Hôtel in Nice. Moving usually twice a year, he worked in Southern France and Italy in the summer and Switzerland in the winter.

In 1878, Ritz became the manager of both the Grand Hôtel National in Lucerne and the Grand Hôtel in Monaco. It was here that he coined the famous phrase “the customer is always right”. He then opened a successful restaurant with Auguste Escoffier, a renowned chef now considered to be a founder of modern French cuisine. Subsequently, the pair was invited to be the first manager and chef at the Savoy Hotel in London. Under the direction of Ritz, The hotel enjoyed phenomenal success and was frequented by the rich and famous. But, in 1898, Ritz and Escoffier were dismissed, having been implicated in the disappearance of thousands of pounds’ worth of alcohol.

Despite this, they persevered, and in 1898 Ritz opened his first hotel – Hôtel Ritz in Paris. The Carlton Hotel, from which the brand also gets its name, then opened in 1899. The Ritz Hotel in London opened in 1906 and the Hotel Ritz Madrid in 1910. Cesar Ritz was now entertaining not only aristocracy, but also royalty. With Ritz’s hosting and Escoffier’s exquisite food, The Ritz became a symbol of exclusivity and decadence. Ritz’s health began to deteriorate though, and he slowly sold-off his business interests before he died in 1918. Ritz-Carlton is now owned by a hotel chain with a similarly modest background, having started life as a 5 cent root beer stand...