

Accor launches its digital transformation “Leading Digital Hospitality”

- Accor reinvents the customer experience through digital technology
- Eight purpose-designed programs to consolidate the Group's leadership, with key deliverables from 2015
- A five-year, €225-million investment plan

- Acquisition of French start-up Wipolo, which has developed a cutting-edge “travel companion” app

One year after the announcement of its new strategy and the redefinition of its business model around HotelServices and HotelInvest, Accor, the world's leading hotel operator with more than 3,600 hotels, today unveils its digital strategy aimed at consolidating its leadership throughout the hospitality value chain.

The “Leading Digital Hospitality” plan is Accor's global response to digital challenges, in a market defined by the accelerated pace of technological change and the fast evolution of customer usage.

The plan was designed with three targets in mind – customers, employees and partners. Its objectives are to rethink and incorporate digital technology throughout the customer journey, improve the services on offer for investor partners and consolidate the Group's distribution market share. Its two pillars are IT infrastructure and data management. The plan will be rolled out through eight programs, which initial deliverables to be effective as early as 2015.

Sébastien Bazin, Accor Chairman and Chief Executive Officer, said: “*Accor is transforming on a strategic, digital and managerial level. The plan addresses the full range of digital challenges and aims to make Accor the leader of a fast-changing industry. Accor is the leading hotel operator worldwide, backed by strong resources and unparalleled expertise. Combining these assets with our new digital ambition will allow us to expand our operational excellence throughout the entire industry value chain, to better anticipate customers’ expectations, and to bolster our leadership over the long term.*”

Vivek Badrinath, Deputy Chief Executive Officer in charge of marketing, digital solutions, distribution, and information systems, added: “*We have decided to act on all of the levers that make up the Accor experience. All our stakeholders – customers, employees and partners – will benefit from this wide-reaching digital transformation, which is built around migration to mobile devices, a more personalized service and a seamless customer journey.*”

An integrated plan based on 8 programs

The plan includes four customer-focused programs that aim to improve the knowledge of customers, the welcome they are given and the services provided. They will enable Accor to increase its customer data base and develop further loyalty.

- **“Mobile First”** takes into account customers’ migration to mobile devices, such as smartphones and tablets, by rolling out **a single mobile application** incorporating all of Accor’s services before, during and after hotel stays.
- **“Customer Centric”** will develop and make optimum use of databases to ensure personalized follow-up and services, and will centralize feedback on a single platform known as the “Voice of the Guests”.
- **“Seamless Journey”** will ensure convenience for customers at every stage of their experience, with electronic payment solutions, one-click booking, online check-in and the Le Club Accorhotels virtual card.
- **“Mice & BtoB”** will develop innovative digital solutions for businesses, such as online booking of seminar facilities, and will increasingly incorporate BtoB services in the global booking website, accorhotels.com.

The plan also includes programs for the Group's employees and partners:

- **“Employee Friendly”** aims to simplify welcome tasks using tablets and smartphones, develop online training solutions, and encourage experience sharing via “AccorLive”, the in-house social network.
- **“Owner & Franchise Centric”** aims to make Accor the most efficient and transparent partner, notably by offering comprehensive dynamic pricing and revenue management solutions, a dedicated portal to access personalized information and services and an optimized billing process, starting in 2015.

The Group's digital transformation also involves making IT tools and systems even more robust and agile. To achieve this objective, the following programs will be implemented in 2015:

- **“Infrastructure Transformation”** will focus on optimizing systems to speed up the roll-out of new services and keep pace with rising transaction volumes.
- **“Business Intelligence & Analytics”** will ensure that operational decisions are increasingly based on analyses of the large volumes of data collected, particularly in hotels.

The digital plan relies on existing robust tools, some of which have been significantly improved since the beginning of 2014, and which keep evolving:

- **TARS**, The Accor Reservation System, is a powerful distribution tool, which today centralizes 59% of the Group's bookings and over five million inquiries per day.
- **accorhotels.com** is the Group's multi-brand booking portal, which manages an average of 45,000 reservations per day. It is already available in 32 local versions and 16 languages (18 planned by 2015) and now offers a new trip planning service (My Trip Planner) that enables customers to prepare their stays in 70 destinations around the world.
- **Le Club Accorhotels** is the Group's multi-brand loyalty program, which added over 3 million new members in 2014 and increased its generosity. It is the only hotel loyalty program in the world that allows customers to redeem points with no time or availability restrictions.

Based on these tools, **several important initiatives have already been launched over the last months** at each stage of the customer journey, including:

- Increased personalization of e-mail campaigns through SMART, an exclusive self-learning recommendation tool that will generate over 14,000 e-mail campaigns in 16 languages in 2014.

- The worldwide roll-out of “**Welcome by Le Club Accorhotels**”, a digital solution that revisits hospitality and aims to make customers' stays easier through smartphone exchanges. It will be up and running in 1,000 Group hotels by the end of 2014.
- A complete makeover of the photo and video images available online, with more than 2,500 new shoots currently in progress.

Culture of innovation at the heart of the digital transformation

Accor will dedicate additional resources to innovation, through open innovation platforms and tactical acquisitions that strengthen its expertise and technology.

The Group also announces today its acquisition of French start-up **Wipolo**, a cutting-edge travel software company that offers mobile and web itinerary management services.

Ambitious five-year investment plan

The plan will be rolled out under the aegis of a dedicated governance structure, comprising a Digital Steering Committee and eight Digital Program Committees.

Accor will invest a significant €225 million between 2014 and 2018 to bring all of these initiatives to fruition. Capital expenditure will account for 55% of the total and operating expenditure for the remaining 45%.

In all, 60% of the amount invested will be aimed at consolidating the Group's current performance by improving middle and back-office solutions. The remaining 40% will be used to expand market share and optimize distribution unit costs.

Sébastien Bazin, Chairman and Chief Executive Officer, added: “*This profound transformation gives Accor an outstanding platform to scale up.*”



Accor, is the world's leading hotel operator, with **470,000 rooms** in **3,600 hotels** across **14 trusted brands** in **92 countries**. The company is organized around two distinct divisions, **HotelServices**, which operates and franchises the hotels and **HotelInvest**, which is a hotel owner and investor. The Accor hotels sit in three segments from budget to luxury which are constantly reinventing their concept to satisfy the needs of business and leisure customers around the globe. Accor brands include in luxury-upscale; **Sofitel, Pullman, MGallery and Grand Mercure, The Sebel**, midscale; **Novotel, Suite Novotel, Mercure and Adagio** and economy; **ibis, ibis Styles, ibis budget, adagio access and hotelF1**. The Group boasts a powerful digital ecosystem, notably its booking portal **accorhotels.com**, its brand websites and its loyalty program **Le Club Accorhotels**.

The Group's **170,000 employees** benefit from working for a company that believes in progression and has an industry leading training program, the Accor Académie. Since its creation 45 years ago, Accor is making innovation and sustainable hospitality the focus of its strategic vision as well as of its customer-centric approach development and innovation process.

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