

Unlocking the unrealised potential of tourism in sub-Saharan Africa

Nigeria fell into a recession in August 2016 while the Ivory Coast became the continent's fastest growing economy as a result of big pushes in investment and infrastructure. Rwanda is also one of the big boomers following a firm push in construction and manufacturing. With the current economic tumult in the West, its time for industries related to these sectors to turn their focus to Africa.



Image Source: [Marriott](#) - Kigali Marriott Hotel

While Africa is still shaking off perceptions of political and economic instability, changing government policies are seeing investors turn to the continent more than ever. “This is absolutely clear in the hospitality industry,” explains Danny Bryer, the director of sales, marketing, and revenue management for Protea Hotels by Marriott.

Steady growth of new hotels

Highlighting the significant role that tourism plays in African economic development, Bryer says: “For the past few years, the planned pipeline of new hotels has grown steadily both in the number of hotels and rooms and in the number of hotel groups entering the sub-Saharan region.”

The continent’s hotel industry is in need of a boost with research showing that countries such as Somalia and Central African Republic have less than 500 branded rooms available. Put this alongside the fact that the continent as a whole reported an 8% surge in international arrivals in 2016.

Industry players have clearly caught on, with figures from [W Hospitality Group Hotel Chain Development Pipeline Survey](#) last year showing that the number of planned hotel rooms in Africa soared to 64,000 in 365 hotels, up almost 30% on the previous year.

Investors confident about the future of hospitality on the continent

Returning to Rwanda, one can use the example of Marriott International which opened its first five-star hotel in the capital of Kigali. The group showed another example of commitment to the country with its partnership with a local education group to train almost 40 graduates who will later work in hotels in Africa and the Middle East.

In its annual survey of the hotel pipeline for 2016, the W Hospitality Group stated: “The evidence from our survey is clear - investors remain confident about the future of the hospitality industry on the continent.”

And the potential is certainly strong. Demographic forecasts suggest that, in the next ten years, one in four people on the planet will be African. Simultaneously, the growth in wealth among private individuals is being fuelled by the economic growth of between 5 and 9% in many countries.

Industry players must also note that the sub-continent consists of 44 different states, each with its own challenges and cultures and that must all be considered. Investors must look at long-term growth, whilst factoring in the projected economic and political climate for each country, the ease with which it is possible to invest and develop properties and the growth of target markets.

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