

## **AccorHotels Digital Transformation (2017, IMD)**

- *Full Name of the Case:* Accorhotels' Digital Transformation: A Strategic Response to Hospital Disruptor Airbnb
- *Teaching Note Available?* Yes
- Case is available through Harvard Business Publishing (product #: IMD885-PDF-ENG)

AccorHotels is a well-known global hotel brand. Founded in the 1960s in France, it is today Europe's foremost hotel chain. The case first goes into the history of the hotel industry, as well as the three waves of digital disruption hotel companies have faced (online booking companies, price comparison sites, and sharing economy platforms such as Airbnb). At first, traditional hotel companies did not take seriously the threat posed by Airbnb, because they were perceived to be focused on different customers (e.g., business travelers vs. leisure travelers).

The case provides some context on Accor's new CEO, Sébastien Brazin, who enacted an expansive digital transformation initiative encompassing a new organizational structure, corporate culture, business model, and approach to innovation. Part of this wide-reaching initiative included a pilot project that offered services (e.g., dry cleaning) for local residents, thus taking inspiration from Airbnb in terms of monetizing underutilized hotel assets via a business model innovation.

The case asks students to assess whether Accor's digital transformation initiatives are enough to take on the threat posed by digital firms (notably Airbnb). With its focus on CEO Sébastien Brazin, it lends itself well to discussing the importance of leadership for driving BMI in large established firms (**Chapter 10**). The case also touches on other aspects of business model innovation that are central to the book, such as the customer journey (**Chapter 6**), value proposition (**Chapter 8**), and importance of adopting a disciplined approach towards BMI (**Chapter 12**).

Executive audiences will find the case particularly interesting because it explores an industry where incumbents were for the most part clearly incapable or unwilling to perceive the threat of digital startups and have subsequently had to play catchup in a big way.