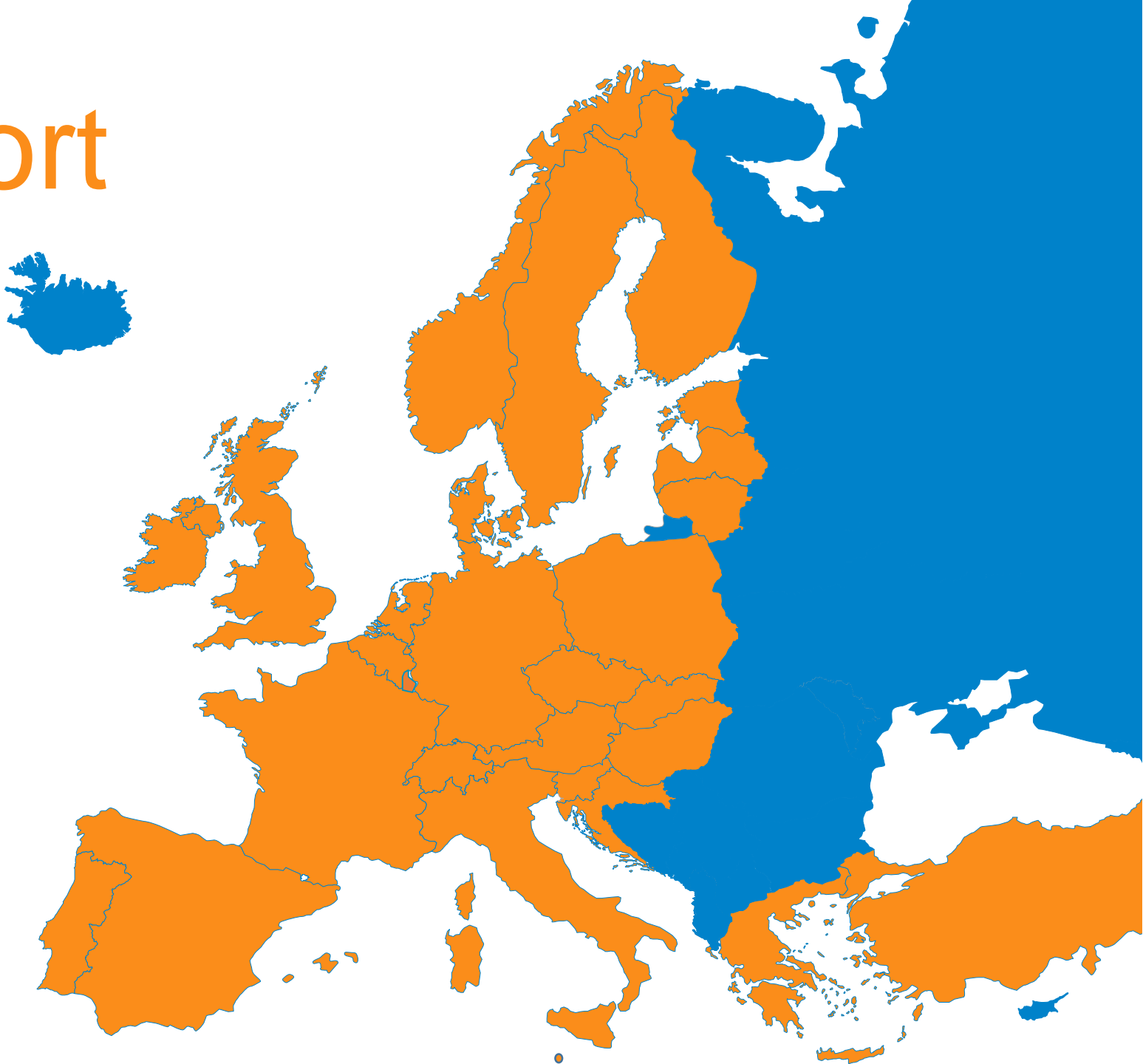


# H EU Report

Europe



AUGUST 2015



# ANALYSIS OF HOTEL RESULTS – AUGUST 2015

## Europe's maintains peak performance

In the second half of the summer season Europe's hotel industry continued to benefit from the drop in the euro, from Europe's improved economic context, and, for some, a dynamic events calendar and clientèle who defected from North Africa's summer destinations.

In August, hotel occupancy continued to grow in comparison to summer 2014. Up by 1.1 points on the period, the occupancy rate of hotels came close to 75%. Backed by the 4.5% increase in the average daily rate to 94.3 euros, this summer improvement made it possible to further increase the Revenue per available room. The RevPAR climbed to 71 euros, or 6.0% more than last year. All hotel categories played a role in this growth, driven, as is often the case, by the 4\* segment and the 7.0% leap in its RevPAR and the 5\* segment with a 8.2% RevPAR change. Growth could also be observed on the 3\* segment (RevPAR +4.7%) and 2\* segment (RevPAR +3.4%).

As at the beginning of the summer, shoreline destinations in Southern Europe fully benefited from the travelers who defected from their usual destination in North Africa due to the terrorist threat in the region. To this may be added the benefits of the organization of international events: in Italy (+13% of the RevPAR), which hosted the ICF Canoe Sprint World Championships and is still in the midst of its Expo 2015 and the Venice Biennial, and in Portugal (+13.1%) where the European Women's Basketball Championships were held. Moreover, growth in Greece is particularly remarkable (RevPAR +17.6%), as the country is in a crisis and there was a procedure underway to close banks at the beginning of the summer. Spain, meanwhile, ends the month with 11% growth in its RevPAR. The strongest growth in performance was nonetheless recorded in Eastern Europe, with a 21.0% increase in the RevPAR for Hungary, and 15.6% growth for the Czech Republic. In Northern Europe, Sweden is showing its strength by holding the European Weightlifting Championships, and is watching its RevPAR progress by 13.8%. France is once again behind in terms of evolution of performances, and shows slow growth in its RevPAR by around 0.8%.

After another month of growth, Europe's hotel industry is able to maintain steady growth in its results since the beginning of the year 2015. Between January and August, the Revenue per available room increased by 5.6%, thanks to a 1.7 point increase in occupancy rate and 3.1% increase in the average daily rate.

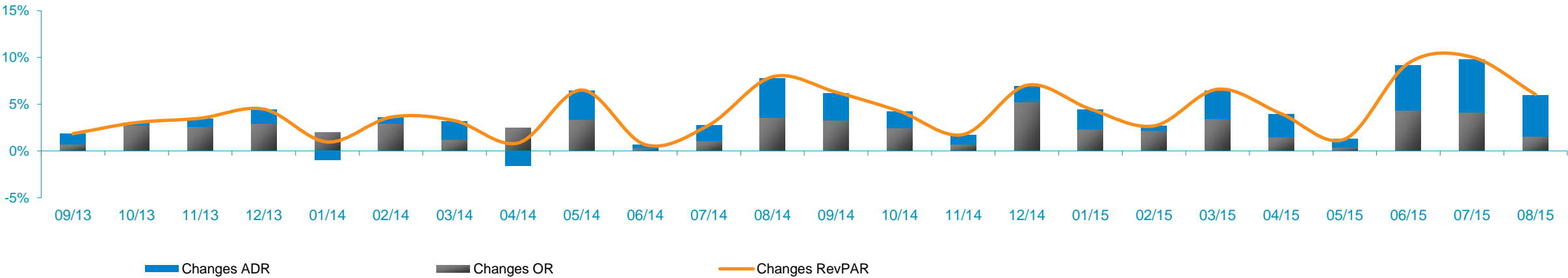
# HOTEL RESULTS BY SEGMENT IN EUROPE – AUGUST 2015

MONTHLY RESULTS			
	Occupancy Rate	Average Daily Rate (€ VAT excl)	RevPAR (€ VAT excl)
	(pts)	(%)	(%)
2*	0,3	3,0%	3,4%
3*	1,0	3,3%	4,7%
4*	1,7	4,6%	7,0%
5*	1,8	5,7%	8,2%
Global	1,1	4,5%	6,0%

YTD RESULTS			
	Occupancy Rate	Average Daily Rate (€ VAT excl)	RevPAR (€ VAT excl)
	(pts)	(%)	(%)
2*	1,3	2,8%	4,8%
3*	1,7	1,9%	4,6%
4*	2,0	3,3%	6,3%
5*	2,3	3,4%	7,0%
Global	1,7	3,1%	5,6%

Note : The indicators are compared to the same period of previous year, i.e. January 2015 vs January 2014

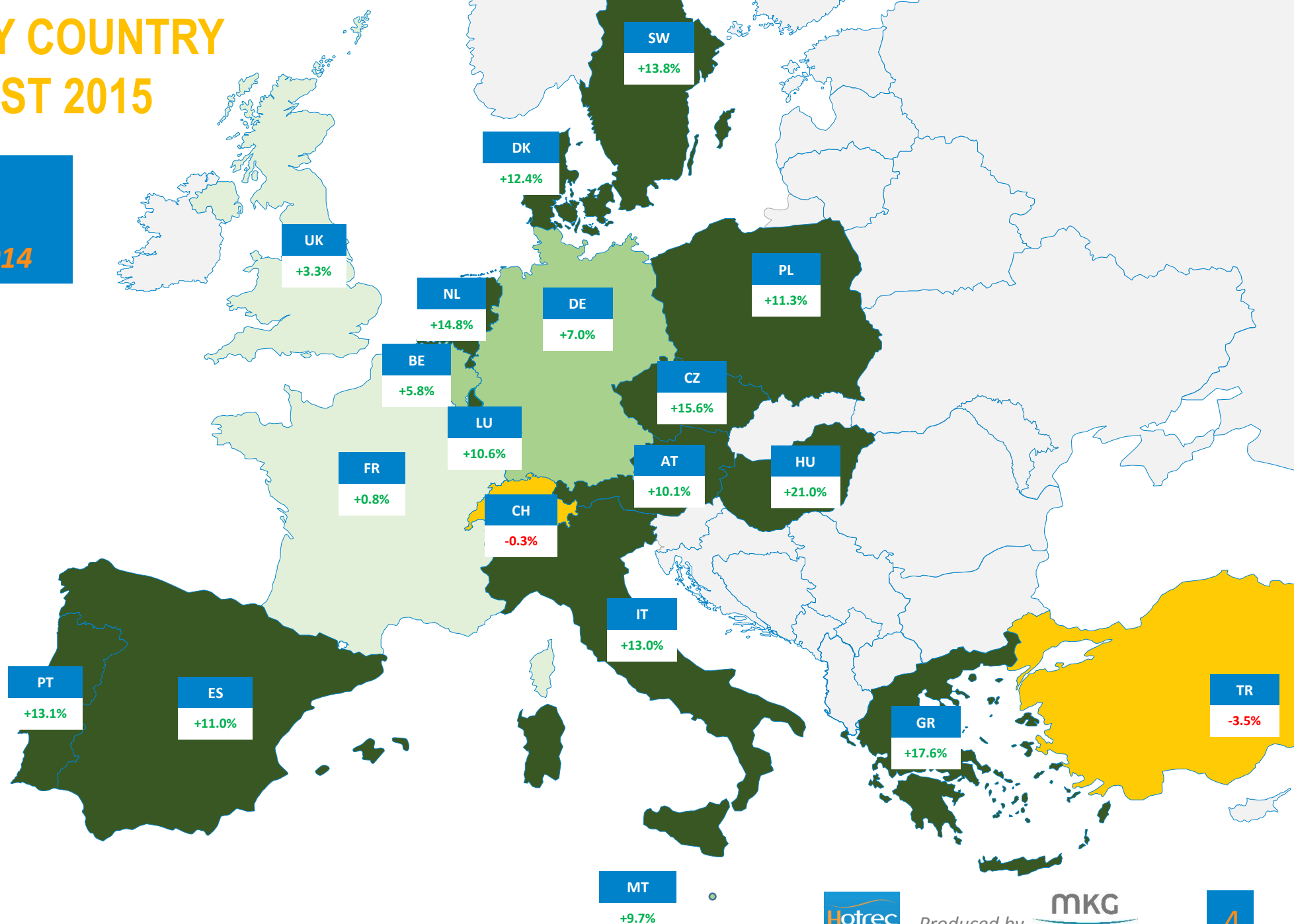
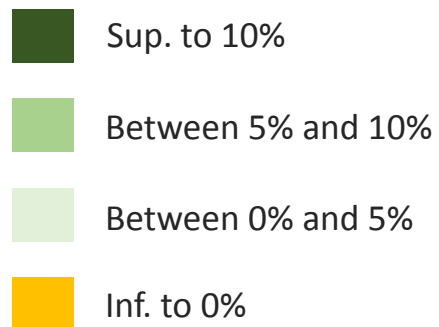
## OR, ADR and RevPAR change - Last 24 months



# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

*Monthly Results - RevPAR  
change by country  
AUGUST 2015 vs AUGUST 2014*

European  
average  
**+6.0%**

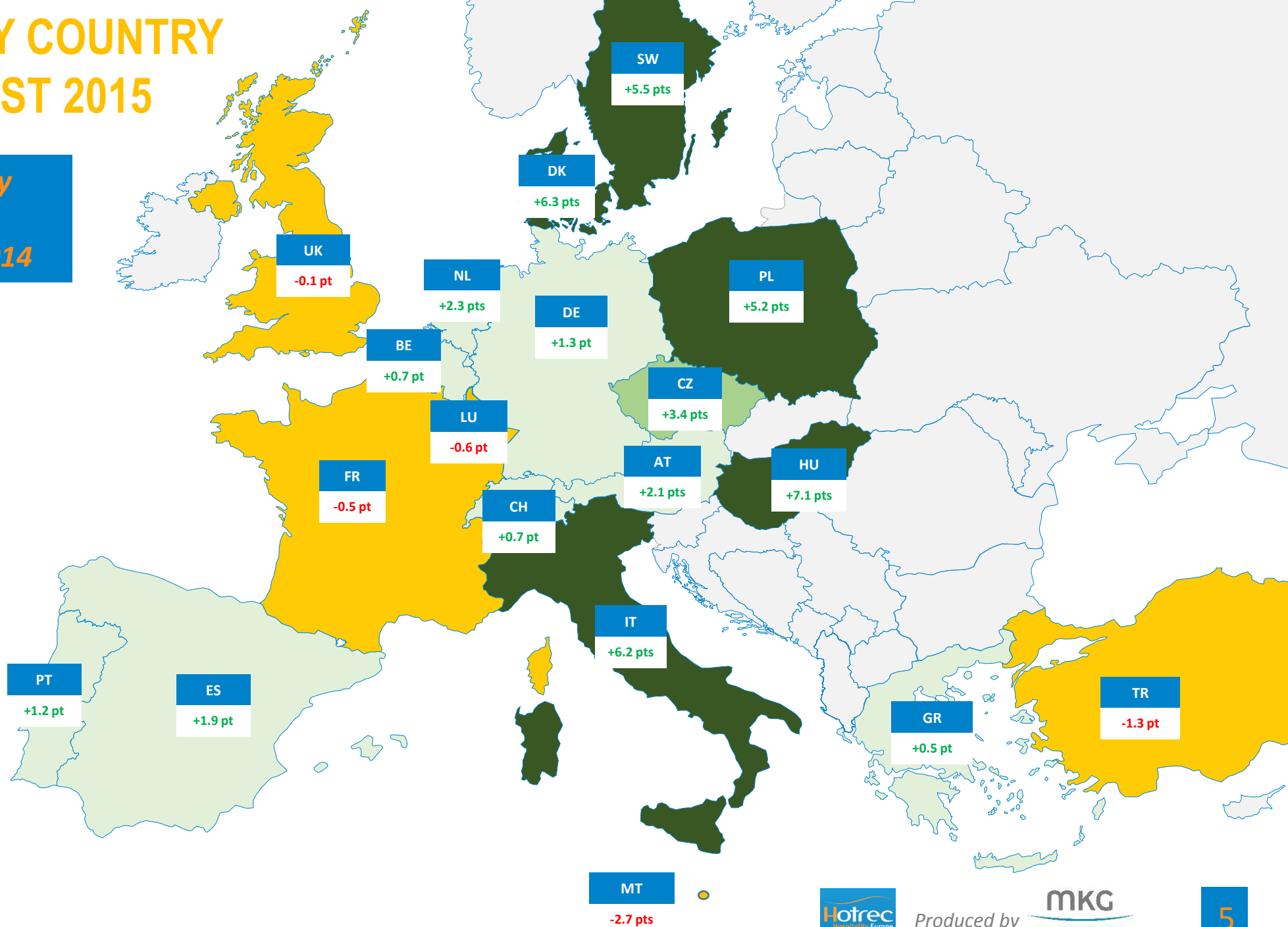
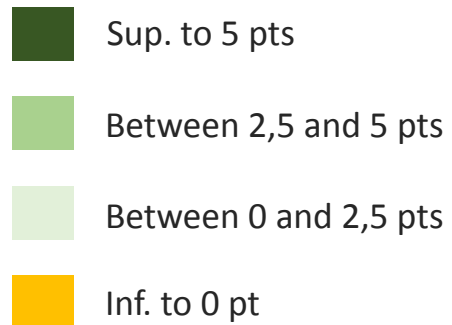


# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

*Monthly Results – Occupancy  
Rate change by country  
AUGUST 2015 vs AUGUST 2014*

European  
average

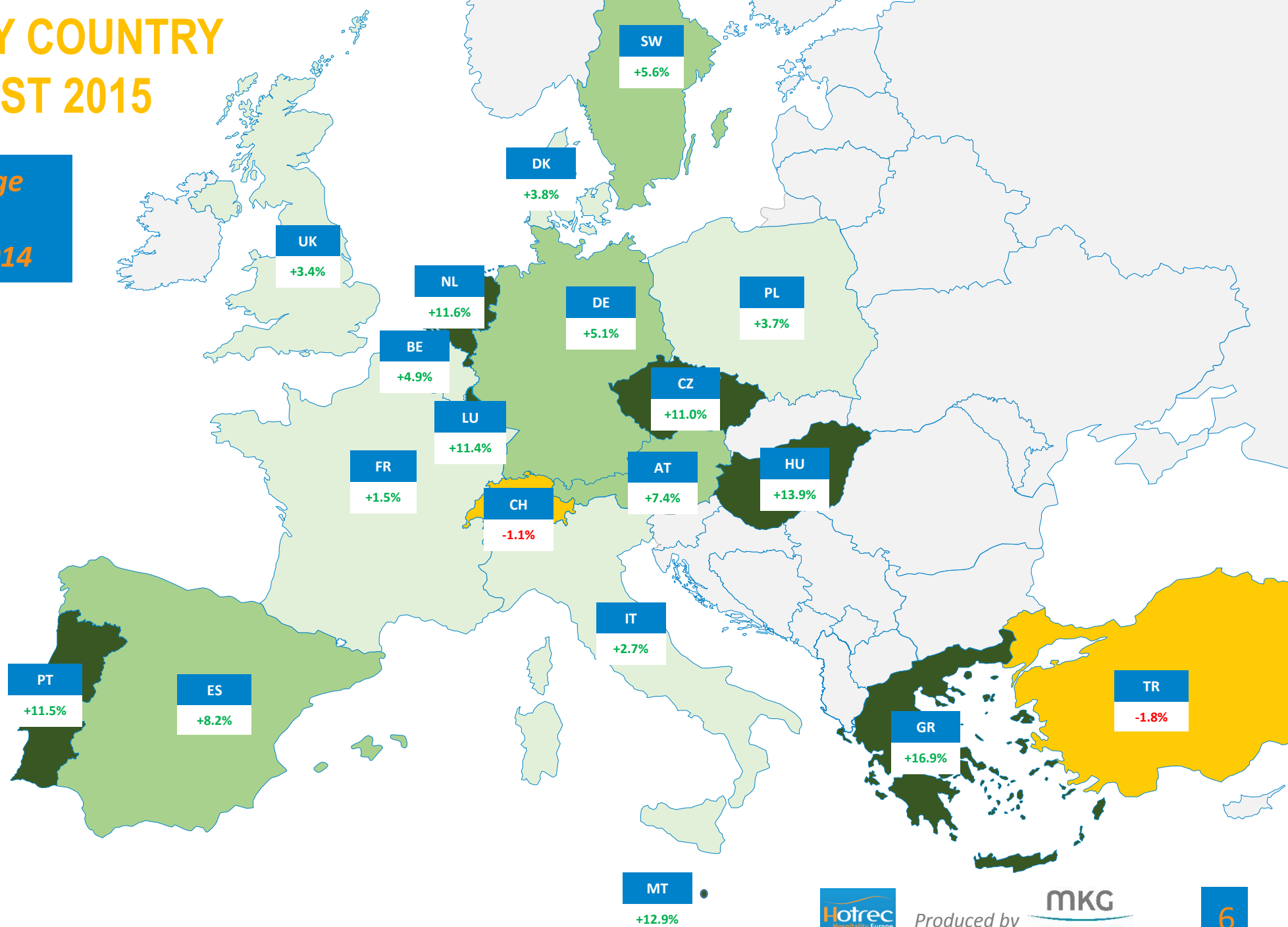
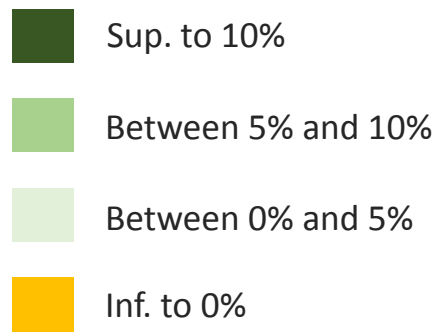
**+1.1 pt**



# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

*Monthly Results - ADR change  
by country  
AUGUST 2015 vs AUGUST 2014*

European  
average  
**+4.5%**

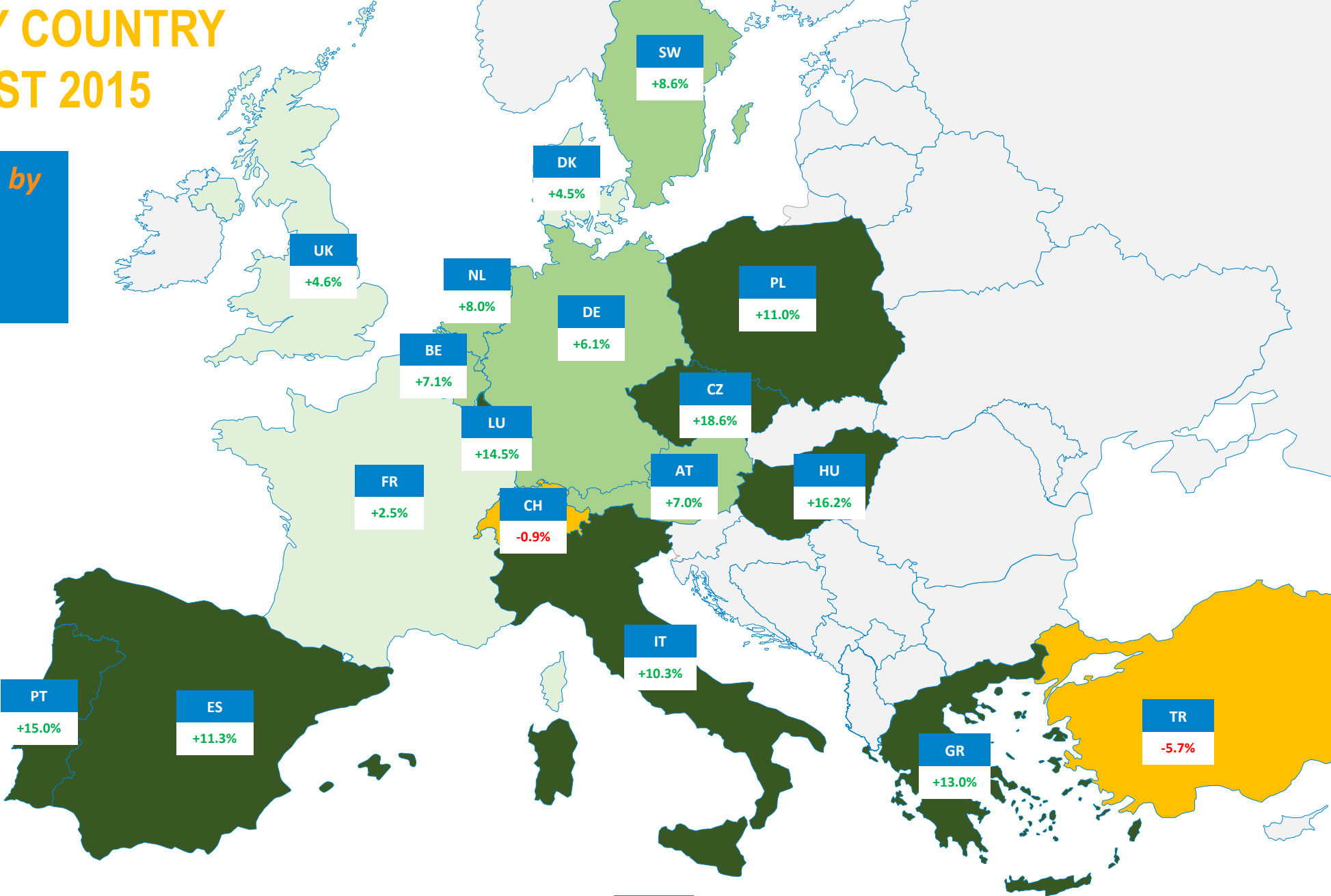


# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

YTD Results - RevPAR change by  
country  
YTD AUGUST 2015 vs YTD  
AUGUST 2014

European  
average  
**+5.6%**

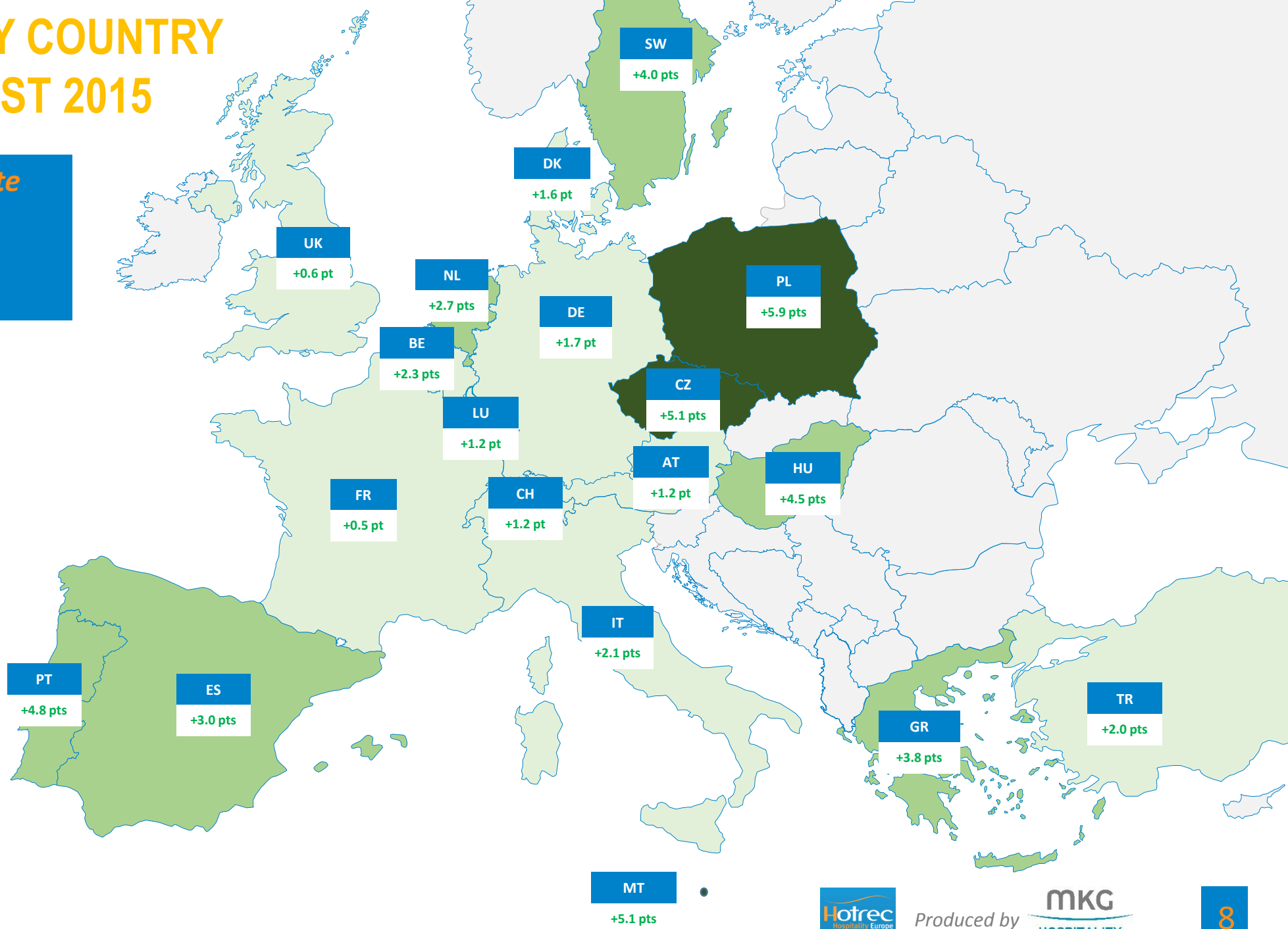
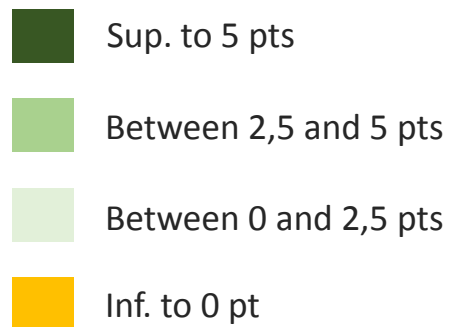
- Sup. to 10%
- Between 5% and 10%
- Between 0% and 5%
- Inf. to 0%



# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

*YTD Results – Occupancy Rate  
change by country  
YTD AUGUST 2015 vs YTD  
AUGUST 2014*

European  
average  
**+1.7 pt**

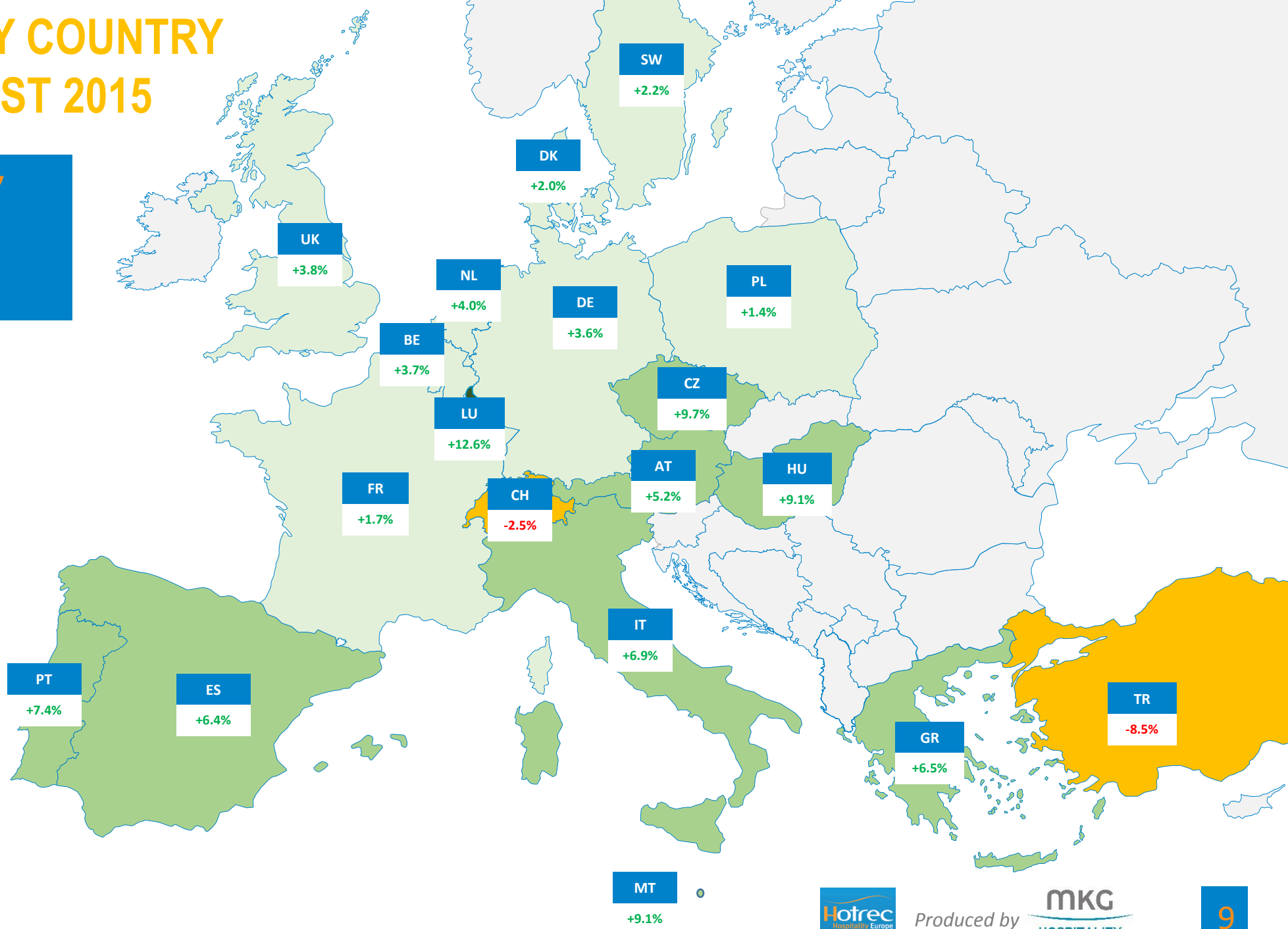
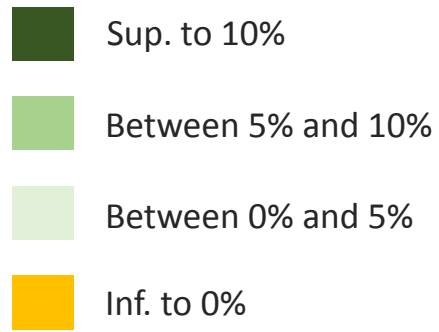




# HOTEL RESULTS BY COUNTRY IN EUROPE – AUGUST 2015

*YTD Results - ADR change by  
country  
YTD AUGUST 2015 vs YTD  
AUGUST 2014*

European  
average  
**+3.1%**



# METHODOLOGY

## 1 Conventions

The report presents the results of corporate brand hotels in Europe. The sample consists of a total of more than 6,500 hotels, representing more than 800,000 rooms. The breakdown by segment is as follows: 30% for Budget and Economic hotels, 30% for midscale hotels and 40% for upscale hotels.

Hotels are classified according to the hotel star system: from 1\* to 5\*. The category of corporate chain hotels are allocated individually according to MKG Hospitality's market expertise and reflect the "marketing classification" in complement to the official rating system(s) of the country (if any). The category breakdowns for global supply are taken from MKG Hospitality's database and from information provided by statistical and/or hotel industry institutions (e.g. associations, unions).

## 2 Glossary

- **Occupancy rate:** Number of sold rooms divided by number of available rooms
- **Average daily rate:** Room revenue divided by number of sold rooms
- **RevPAR:** Occupancy rate x average daily price or room revenue divided by available rooms
- **Available rooms:** Capacity x number of operating days (within a month)
- **Sold rooms:** Capacity x number of operating days x occupancy rate
- **Room revenue:** Room revenue expressed net of VAT (excluding other types of revenue such as food and beverage, etc.)