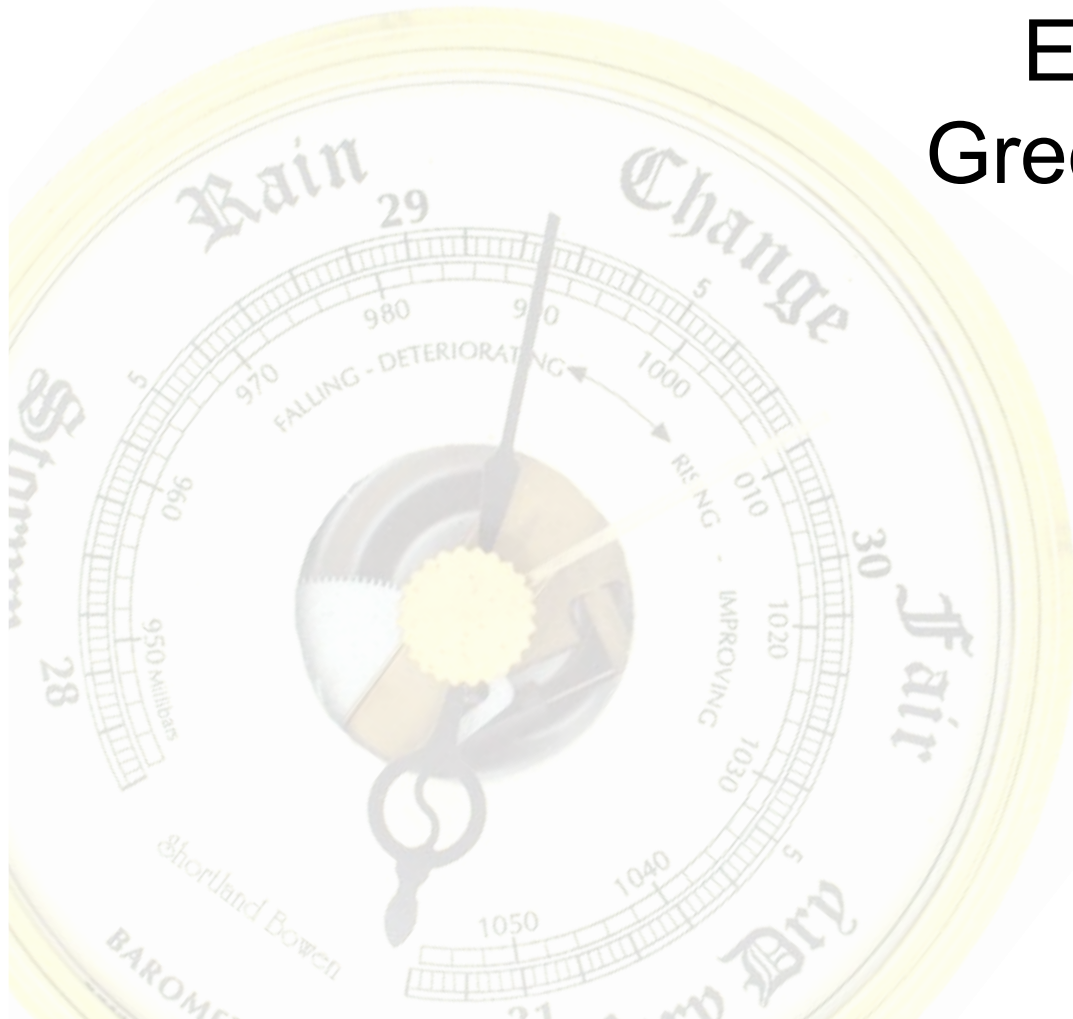


# Tourism Barometer

## 2012 Q1

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### Expectations of the Greek Hospitality Sector



**gbr**  
consulting

January 2012

# Survey characteristics

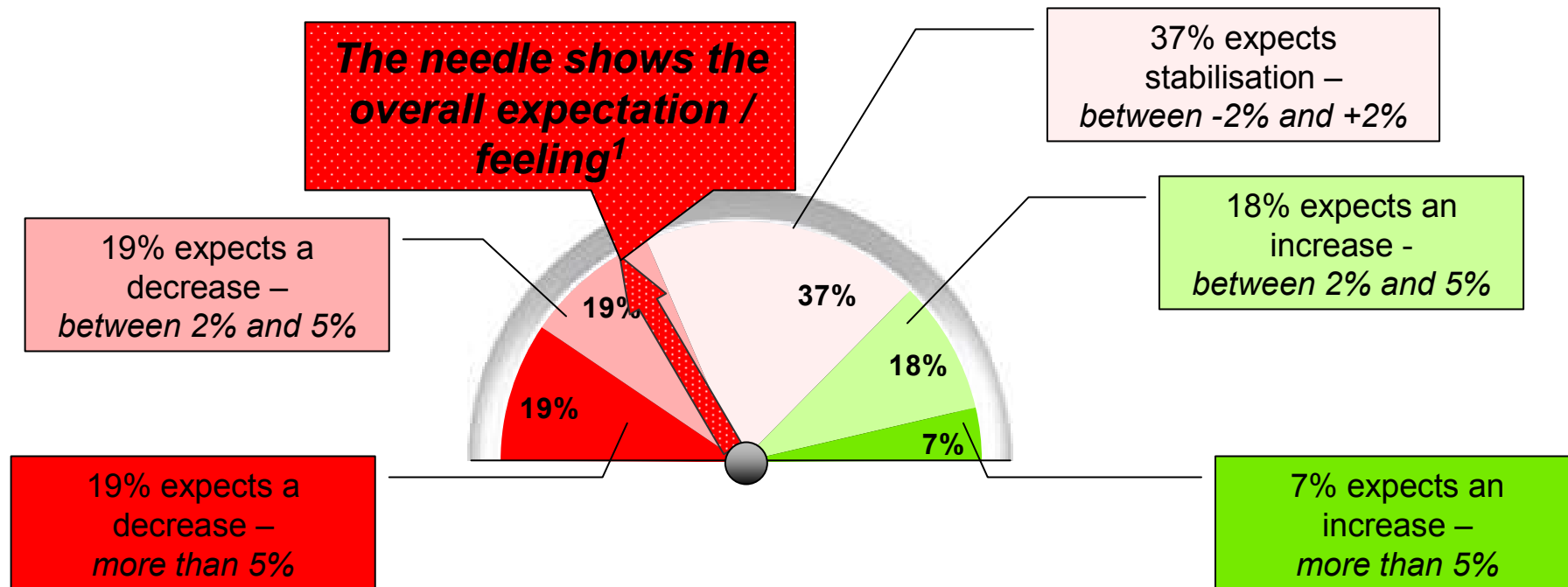
- The Q4 Survey ran from 16 – 31 January 2012, among hotels of all hotel categories (1 – 5\*) all over Greece;
- The survey was anonymous and 210 hotels completed the online questionnaire, of which 172 fully. The distribution of those was as follows:
  - 48% are city hotels and 52% resort hotels;
  - 31% are 5\*, 33% 4\*, 17% 3\*, 17% 2\* and 3% 1\* hotels.
- The survey includes results for both 2012 Q1 (city hotels) and for the next season / 2012 (city & resort). The results are presented in separate sections.
- Survey results are published in the press and on [www.gbrconsulting.gr/barometer](http://www.gbrconsulting.gr/barometer)

# Main Conclusions

- The city hotels are clearly pessimistic for the first quarter of 2012 with expected drops in occupancy and room rate levels. The hoteliers in Thessaloniki form an exception as they are more optimistic, especially on occupancy development, probably as the city hosts a large number of Libyans recuperating after the Civil War in Libya.
- With respect to 2012, the hotel sector in general is pessimistic, while when we measured expectations for 2012 at the end of October 2011 (Q4 2011), hoteliers were overall slightly optimistic. Now three months later with PSI talks and negotiations with the Troika on a new package are under way with an uncertain outcome, hoteliers have turned negative on the performance of the sector in 2012.
- Exceptions within the overall negative climate for 2012 are the 5 star resort hotels and to a lesser extent the 4 star resort hotels as well as the Thessaloniki hoteliers, who are still expecting positive developments of their occupancy and room rate levels, albeit at a lower level than when we measured in October 2011.

# How to read the Quarter meters

- All the meters reflect the hoteliers' projections for current Quarter with respect to Occupancy (OCC) and the Average Room Rate (ARR) for:
  - their Own Hotels, in the top half of each page
  - the Market Overall, in the bottom of each page



<sup>1</sup> The position of the arrow is based on the weighted average of the projections for increases and decreases, where the increases / decreases of more than 5% have a weight twice as high as the increases / decreases of between 2% and 5%

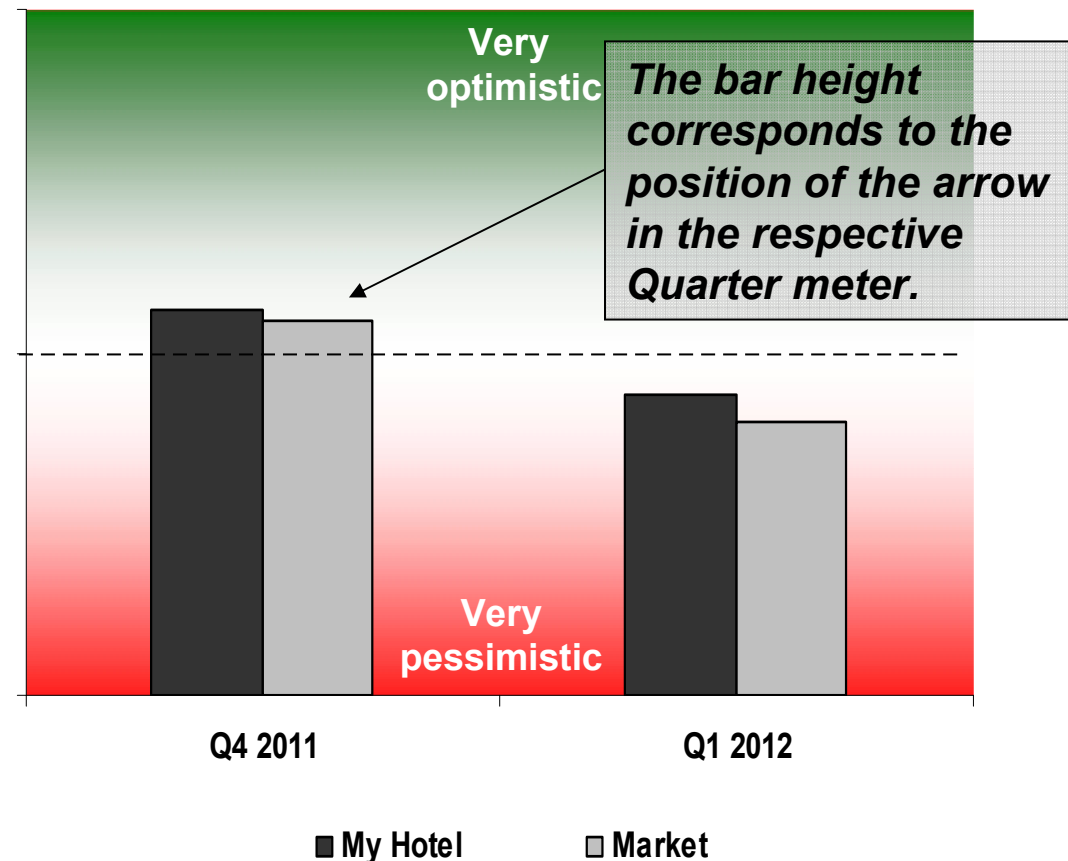
# How to read the Trend graphs

*In the chart we compare the expectations for 2012 measured in Q4 2011 and Q1 2012*

In the green zone, hoteliers are rather optimistic; the more we move into the green zone the more optimistic they become.

At this point, hoteliers' expectations are neutral.

In the red zone, hoteliers are rather pessimistic; the more we move into the red zone, the more pessimistic they become



# Expectations for 2012 Q1

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City Hotels

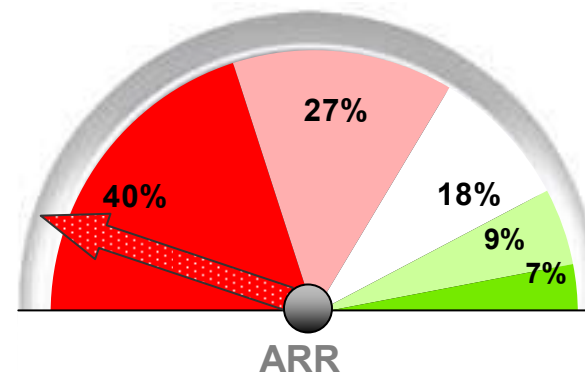
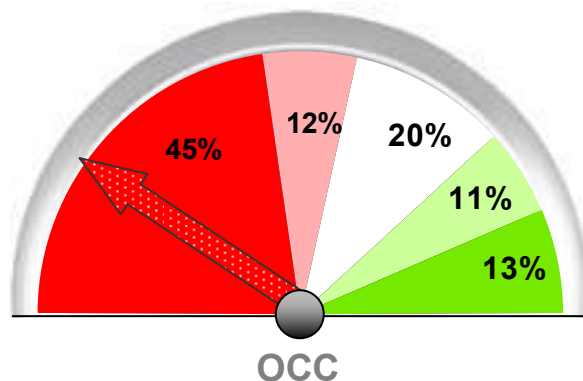


## Expectations for 2012 Q1

### «MY HOTEL»

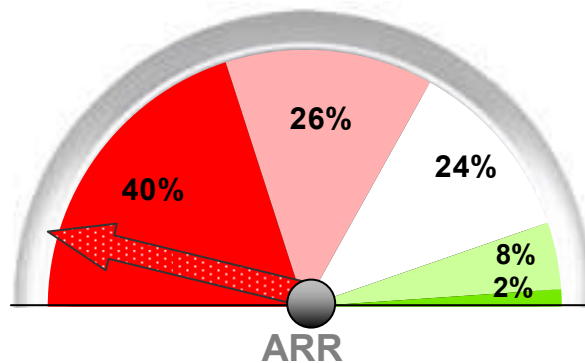
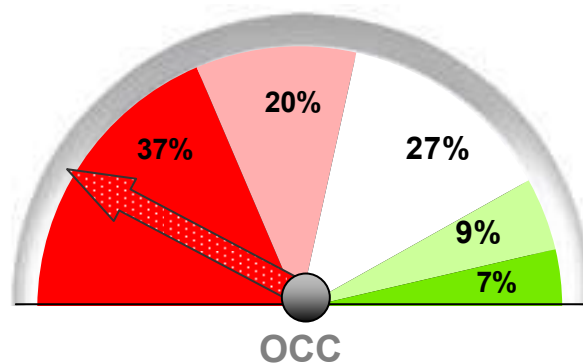
#### City hotels

City hoteliers are clearly very pessimistic for the first quarter of 2012, which applies for their own hotels as well as for the market as a whole.

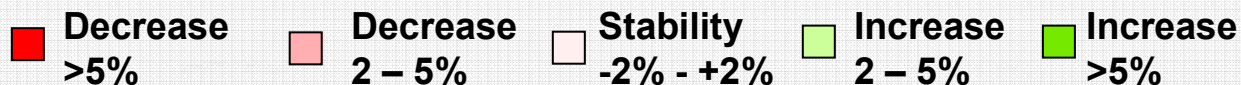


### «MARKET IN GENERAL»

As will be shown in the next slides, hoteliers in Thessaloniki are not that pessimistic and expect for their own hotels some growth in occupancy and stabilising rates.



% of respondents that expected

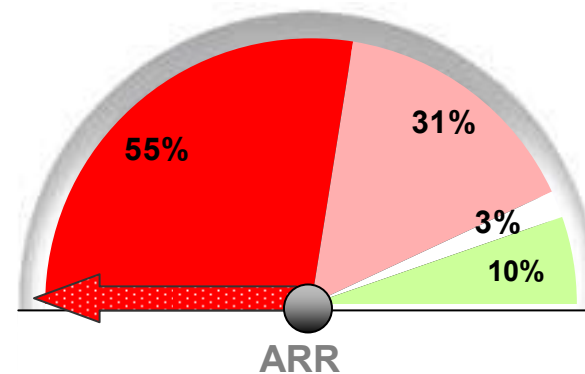
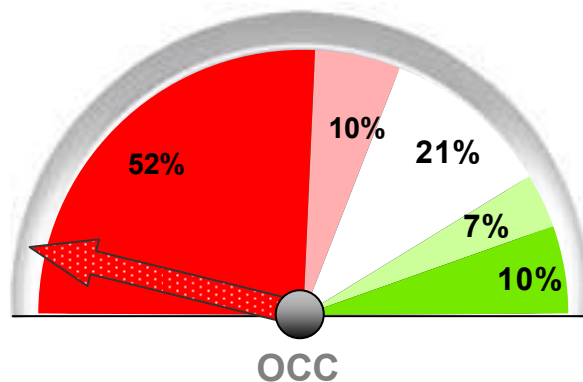


## Expectations for 2012 Q1

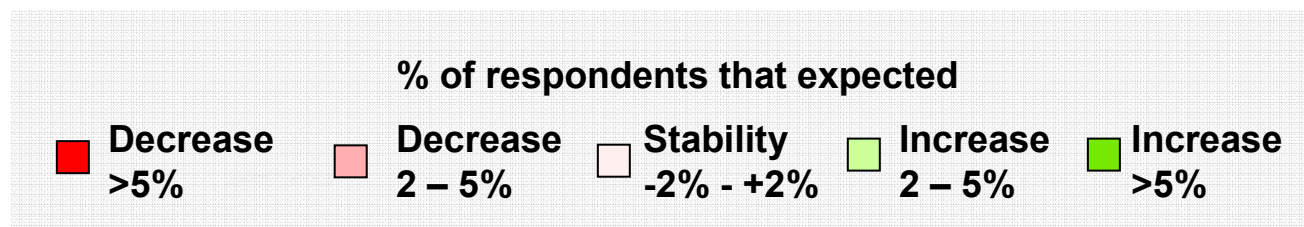
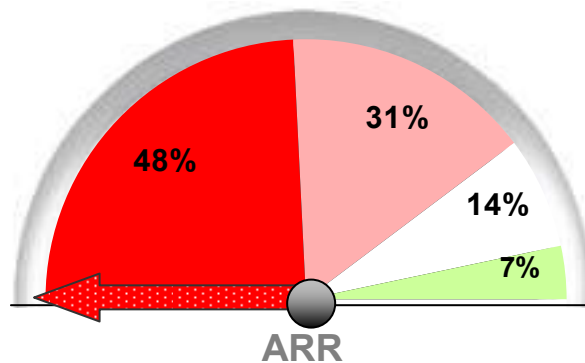
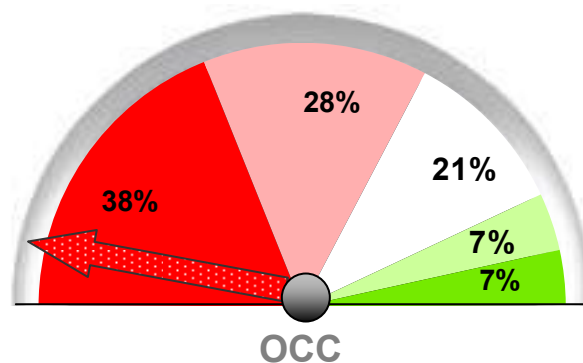
### «MY HOTEL»

#### Athens hotels

The barometers of the Athens hotels are red coloured. After a very bad December month the Athenian hoteliers expect a clear deterioration of occupancy levels and rooms rates this first quarter compared to the same quarter in 2011. All meters show a majority of hoteliers who expect significant decreases, where especially the room rates are expected to be under pressure.



### «MARKET IN GENERAL»





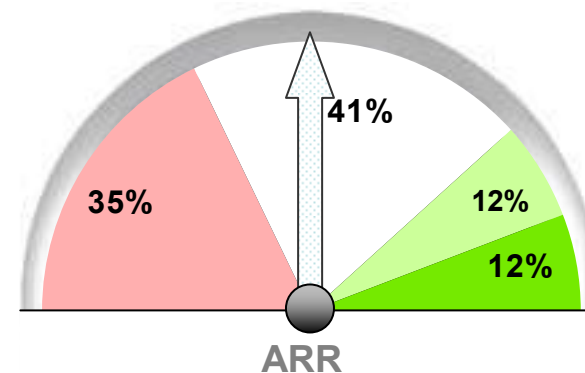
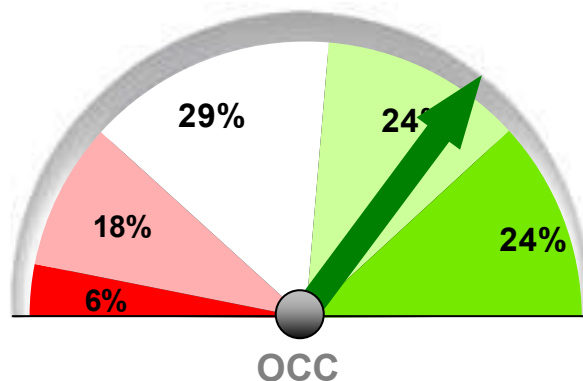
## Expectations for 2012 Q1

### «MY HOTEL»

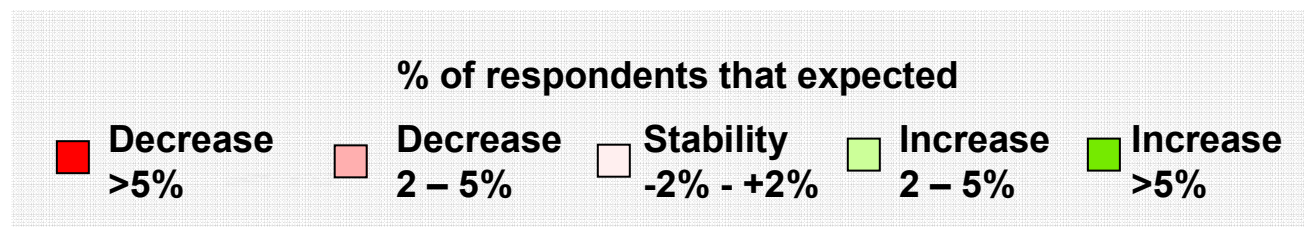
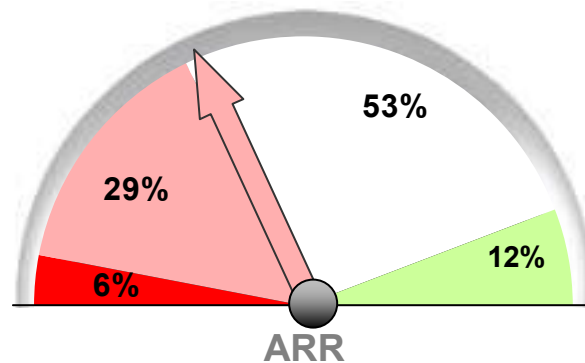
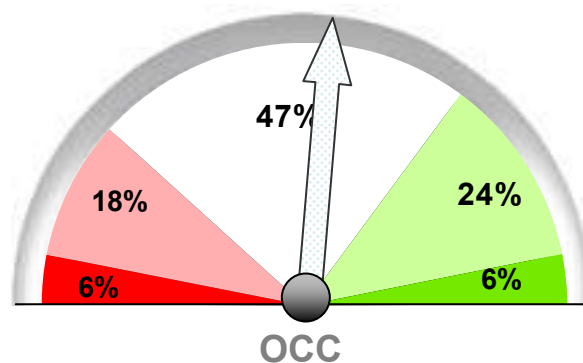
#### Thessaloniki hotels

Contrary to the overall negative climate among city hoteliers, Thessaloniki is more optimistic especially on occupancy development, probably as the city hosts a large number of Libyans recuperating after the Civil War in Libya.

For the market as a whole they are less optimistic, especially on the development of the room rates.



### «MARKET IN GENERAL»



# Expectations for 2012 Q1

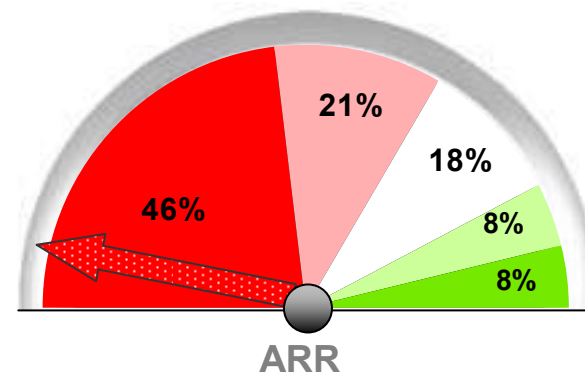
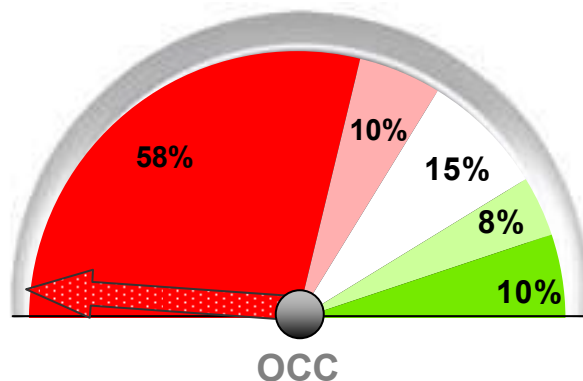
## «MY HOTEL»

### Other city hotels

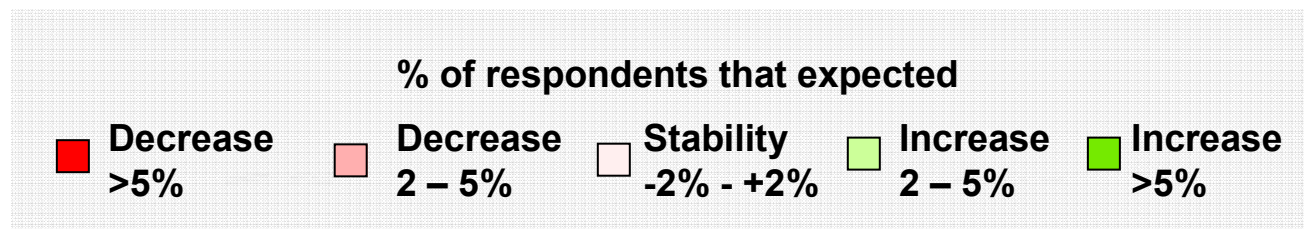
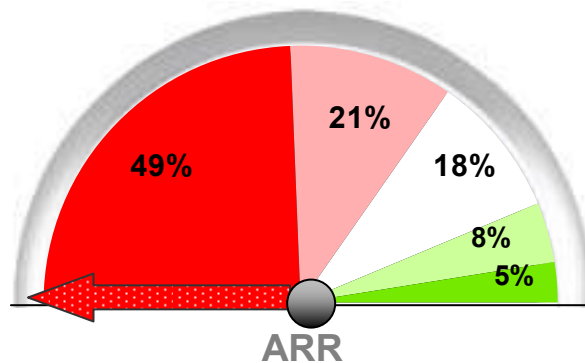
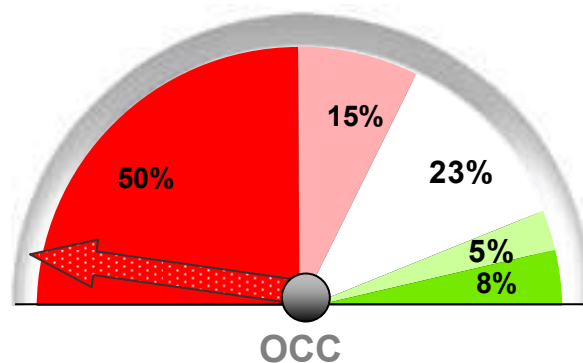
Like the Athenian hoteliers, also the other city hoteliers are very pessimistic for this quarter. 68% expects a drop in occupancy and 67% a drop in room rates as far as their own hotel is concerned.

A similar picture is shown for the market as a whole.

Very few hoteliers expect improvements in their performance.



## «MARKET IN GENERAL»



# Expectations for 2012

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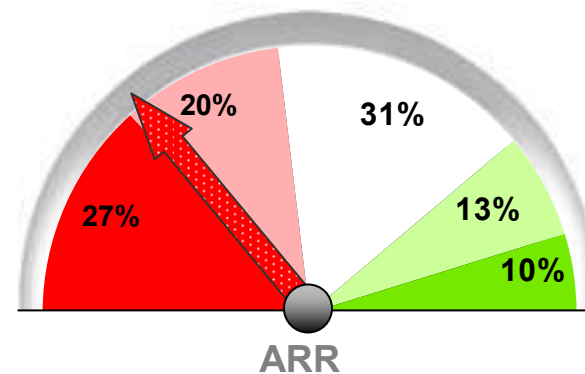
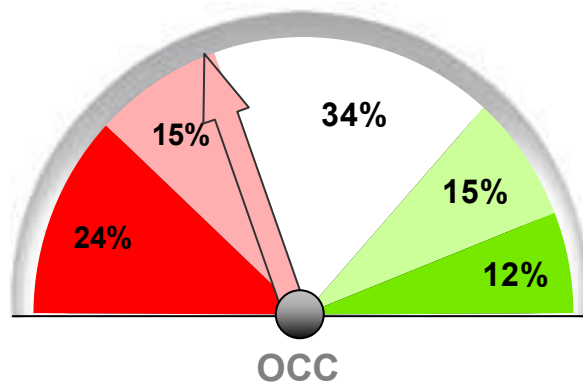


## Expectations for 2012

### «MY HOTEL»

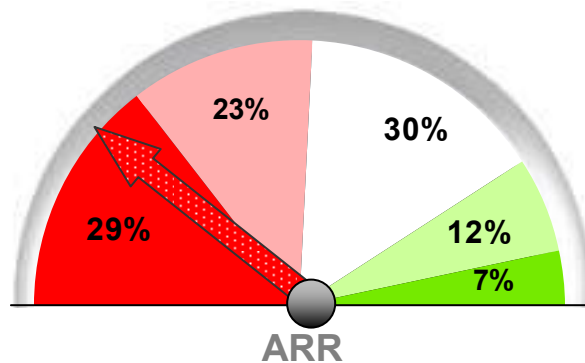
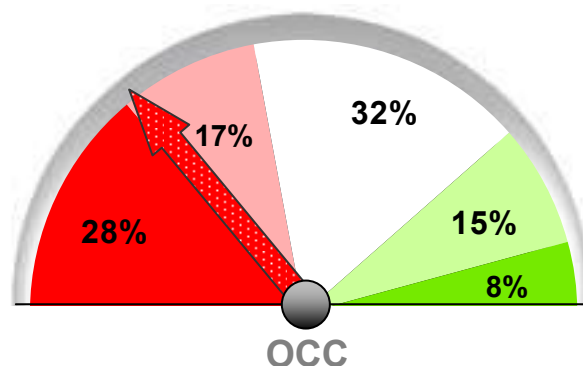
#### All hotels

The hotel sector as a whole is negative on their performance in 2012, while three months ago they were still positive for this year (see next slide).

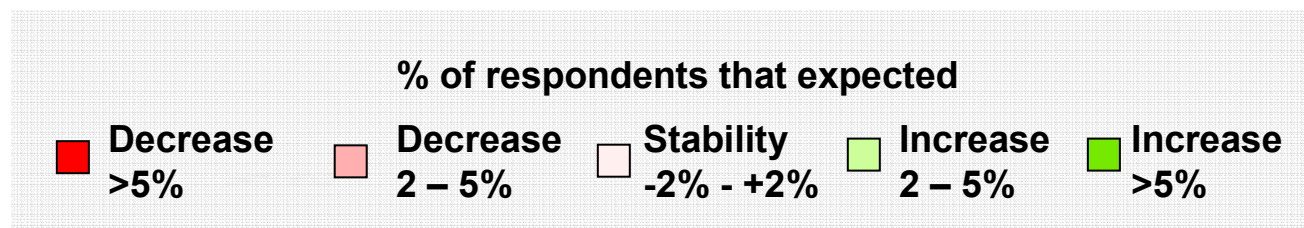


### «MARKET IN GENERAL»

Almost half of the hoteliers expect –for their own hotels – stabilisation or decreases up to 5% in occupancy as well as in ARR levels.



For the market in general they are slightly more pessimistic.

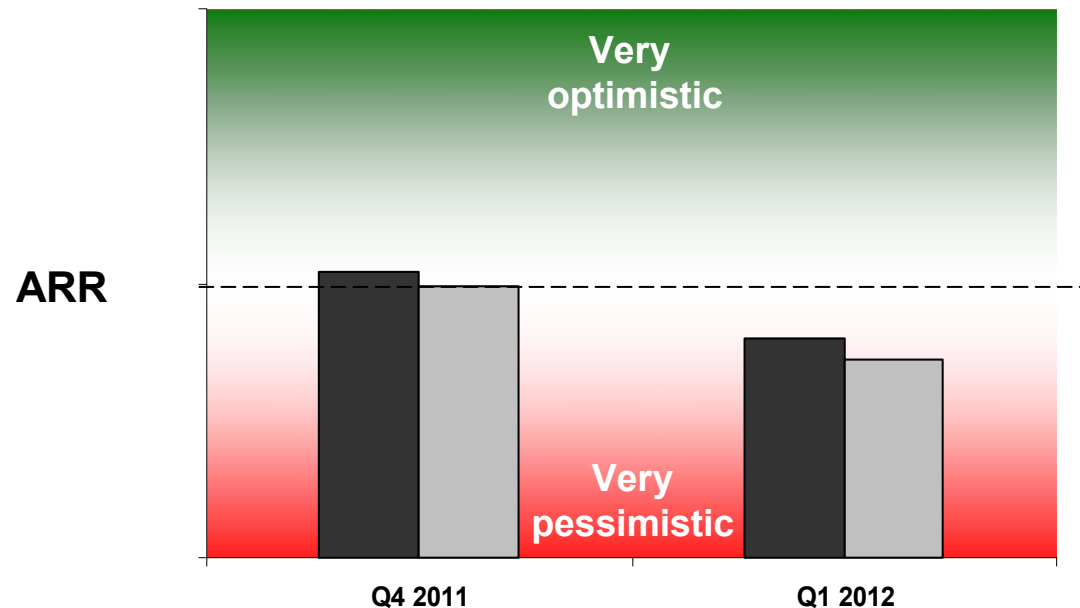
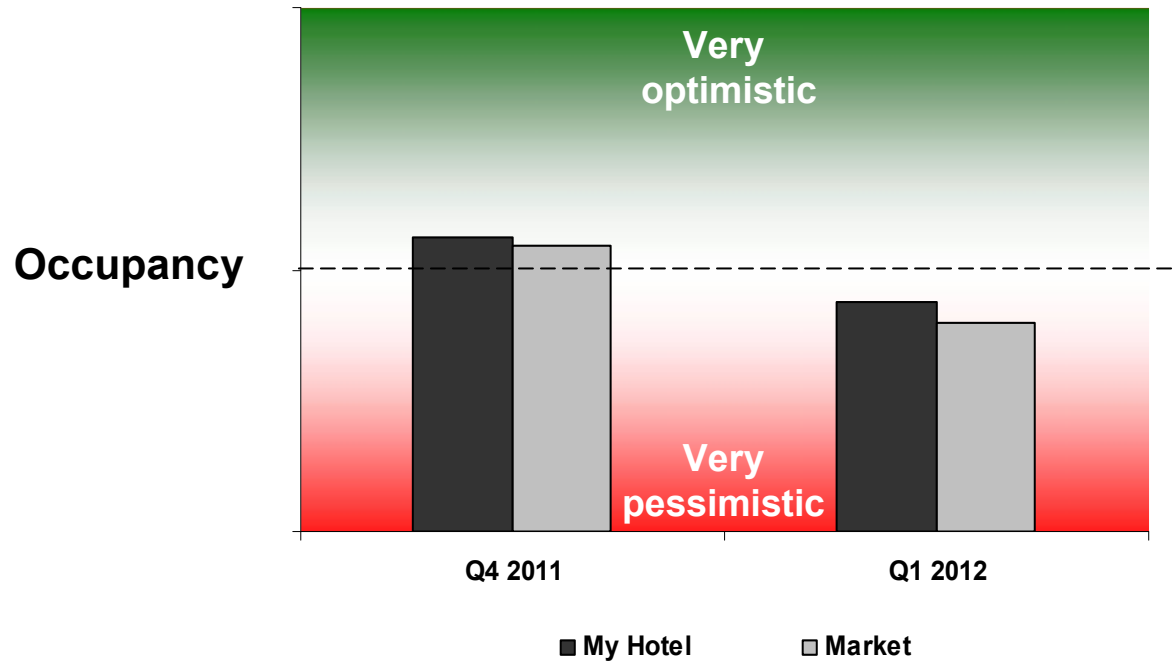




### All hotels

When we measured the expectations for 2012 at the end of October 2011 (Q4 2011), hoteliers were slightly optimistic. A short positive impact of the October 26<sup>th</sup> European summit might have influenced the predictions. Now three months later with PSI talks and negotiations with the Troika on a new package are under way with an uncertain outcome, hoteliers have turned clearly negative on the performance of the sector in 2012.

## Expectations 2012: Q4 2011 versus Q1 2012

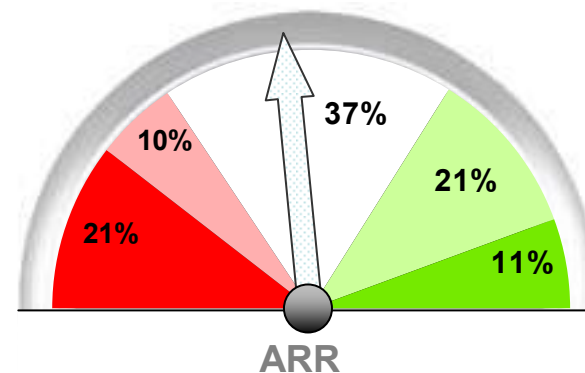
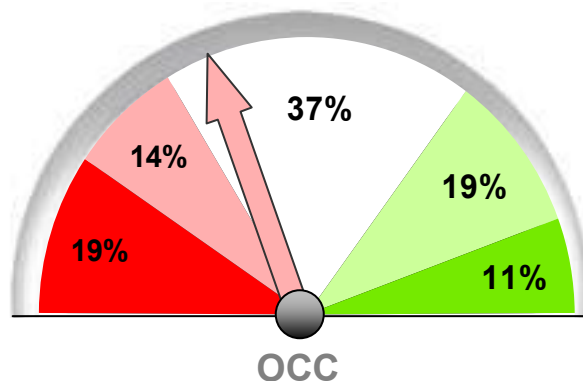


# Expectations for 2012

## «MY HOTEL»

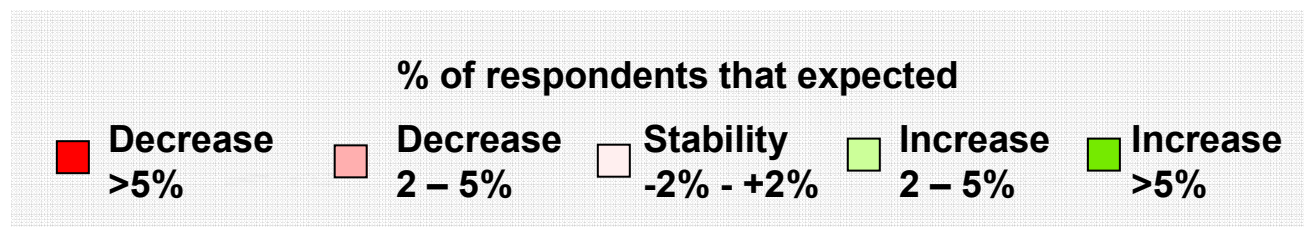
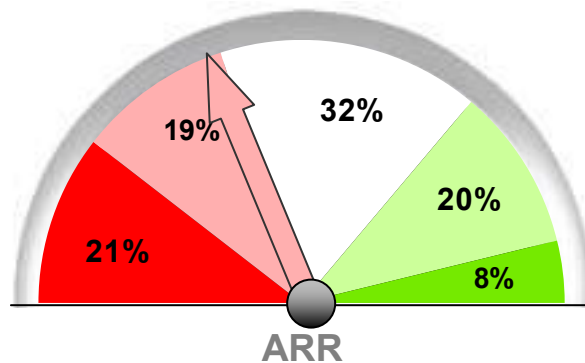
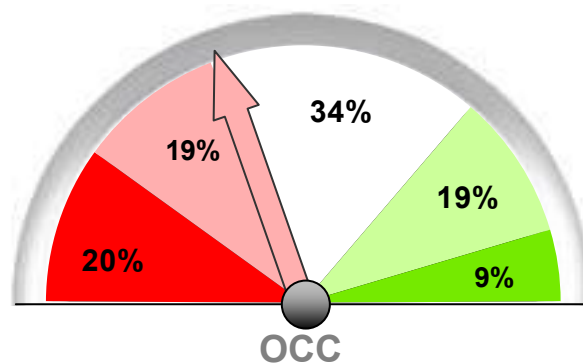
### Resort hotels

The resort hoteliers are slightly pessimistic for the new season. They expect falling occupancy rates, but stabilising ARR for their own hotels.



## «MARKET IN GENERAL»

For the market in general they are more pessimistic with more than half of the hoteliers expecting stabilising and decreasing occupancy and ARR.



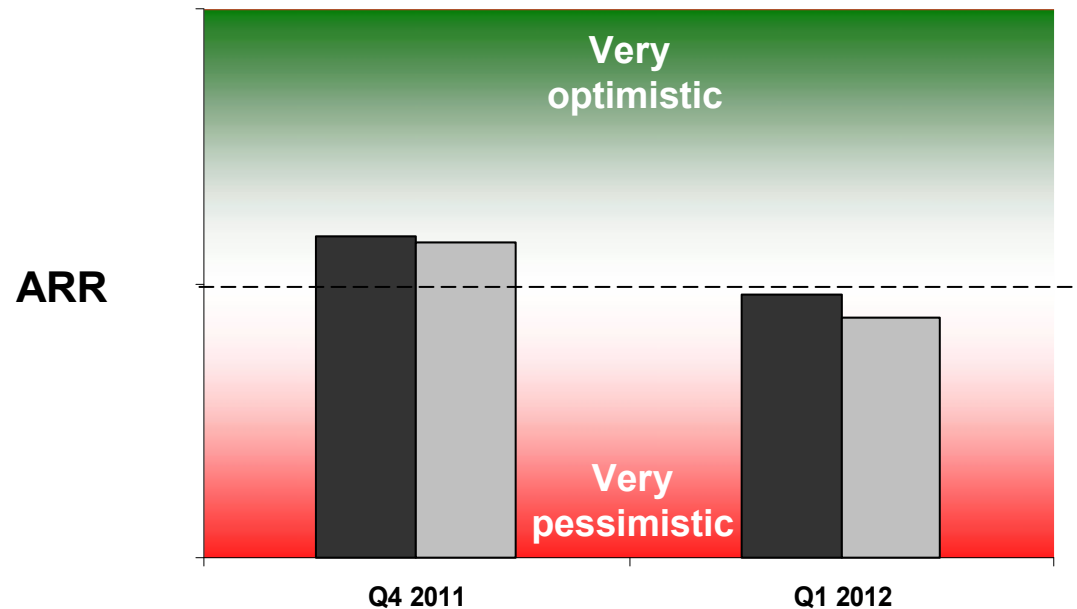
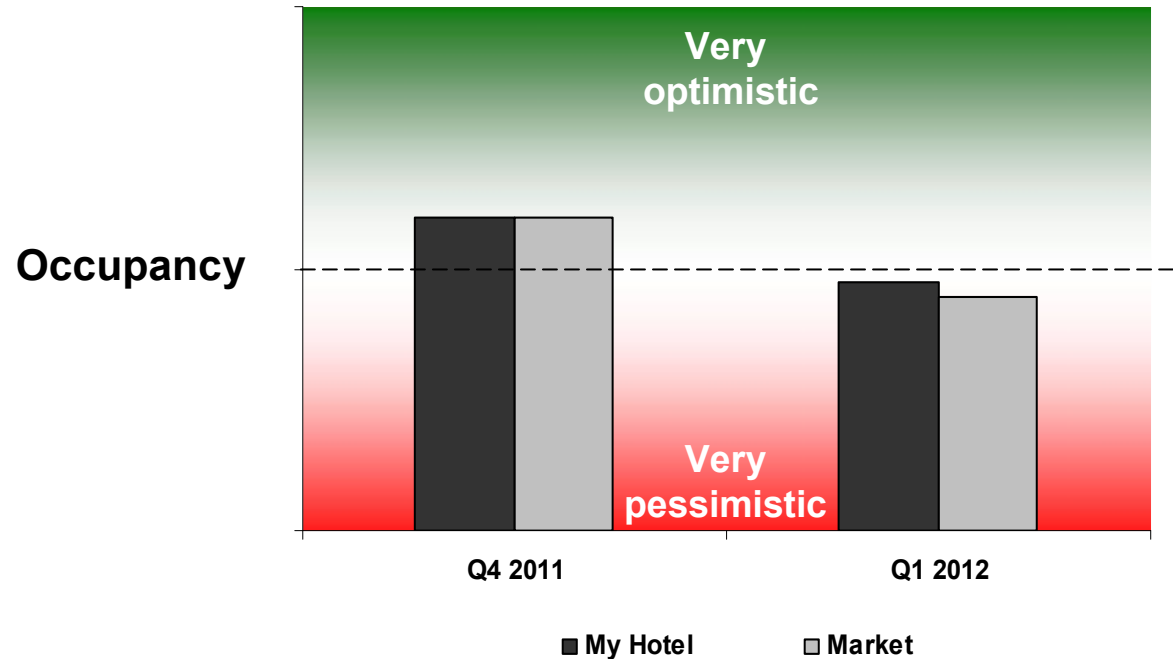


## Resort hotels

At the end of October 2011 resort hoteliers were among the most positive for 2012. However, now in January 2012 they have also turned negative for this season for both occupancy and room rate levels.

Comparing the two surveys, the gap for the market as a whole is bigger than for their own hotels.

## Expectations 2012: Q4 2011 versus Q1 2012



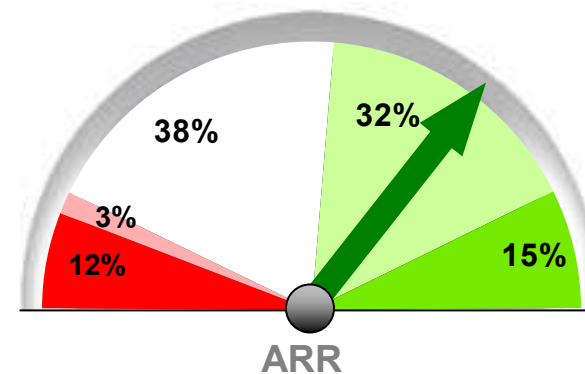
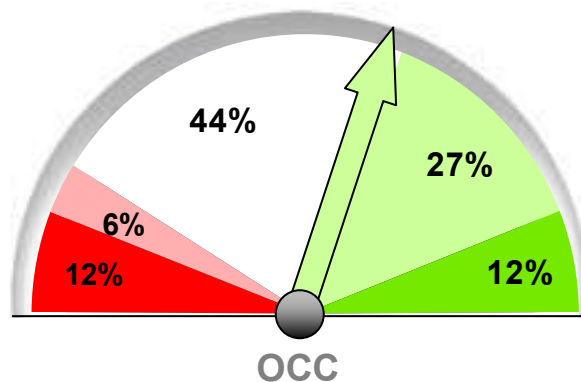
## Expectations for 2012

### «MY HOTEL»

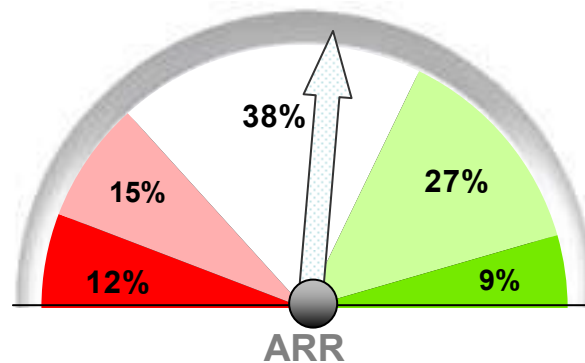
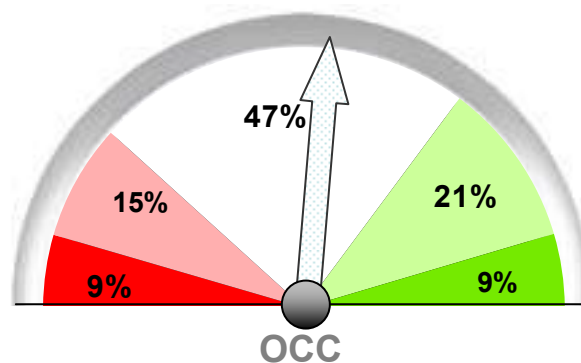
#### 5 star resort hotels

The 5\* resort sector is an exception in the overall negative climate as hoteliers predict rising occupancy levels and an even bigger improvement in their room rates.

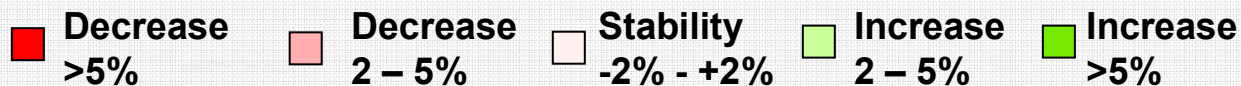
For the market as whole they believe that levels will stabilise in 2012.



### «MARKET IN GENERAL»



% of respondents that expected





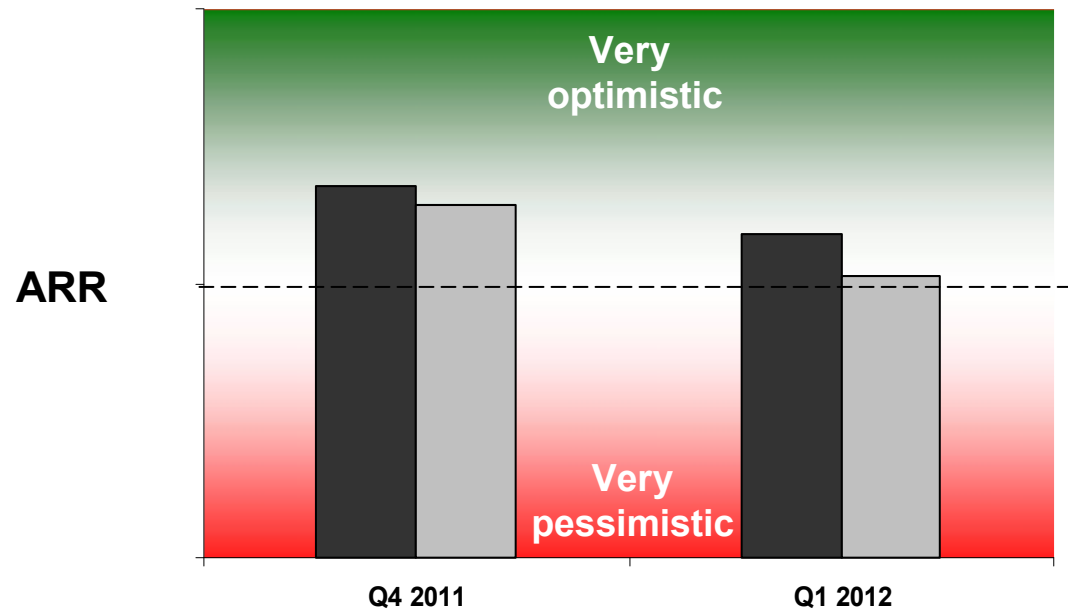
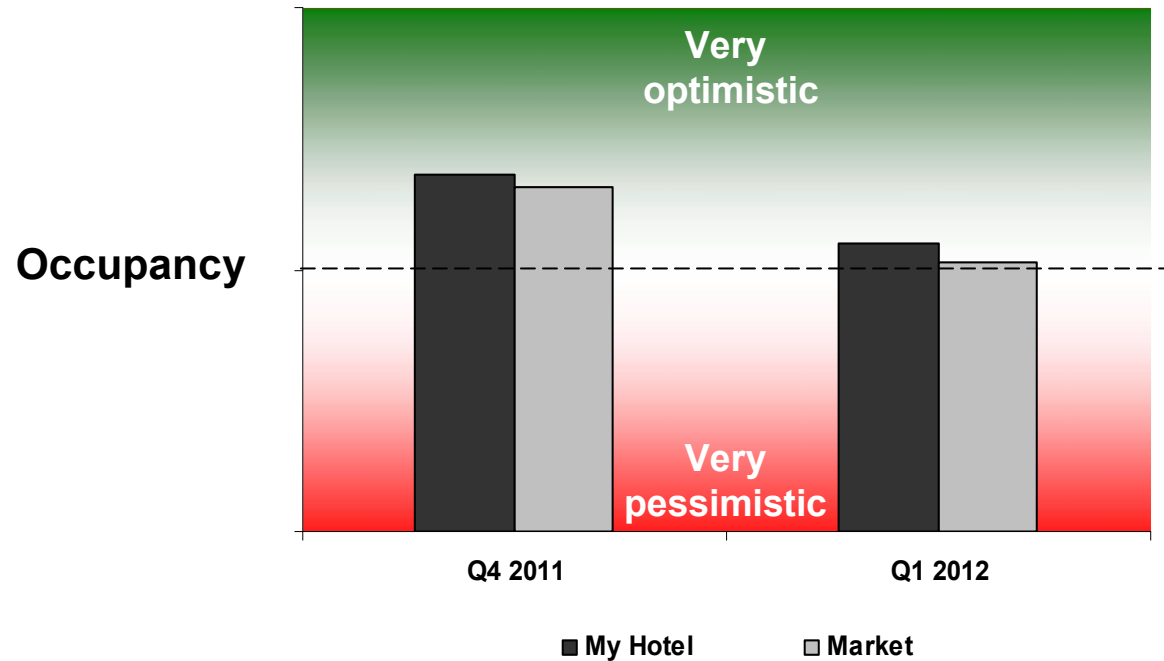


## 5 star resort hotels

Even though hoteliers are still positive for developments in 2012, it is clear that the 5\* resort sector has lost some of its optimism in the last three months.

The gap between the two measurement points is the biggest in expectations on room rates for the market as whole.

## Expectations 2012: Q4 2011 versus Q1 2012

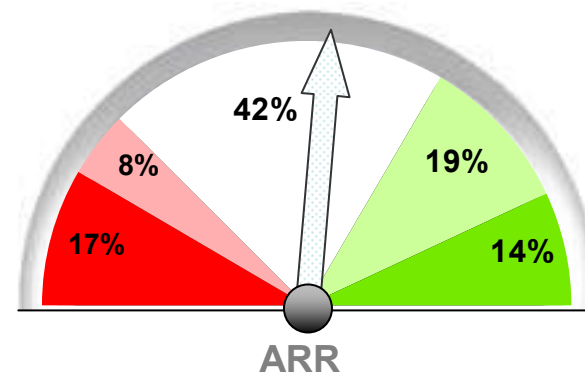
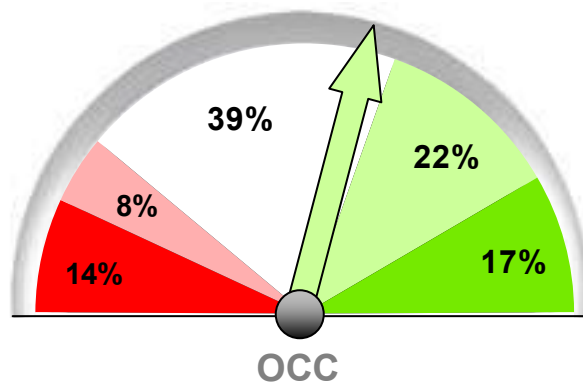


## Expectations for 2012

### «MY HOTEL»

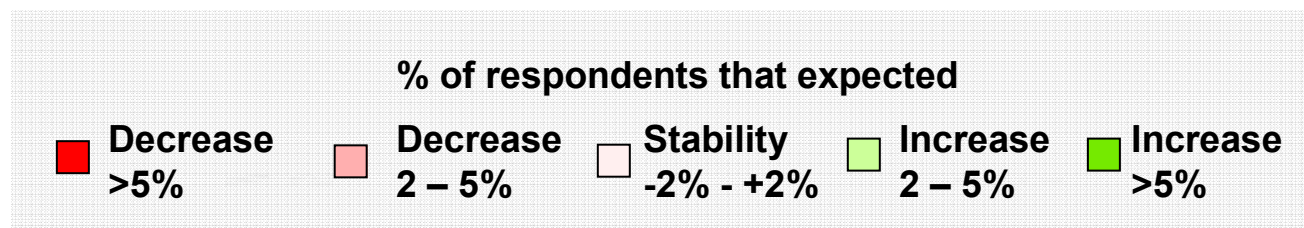
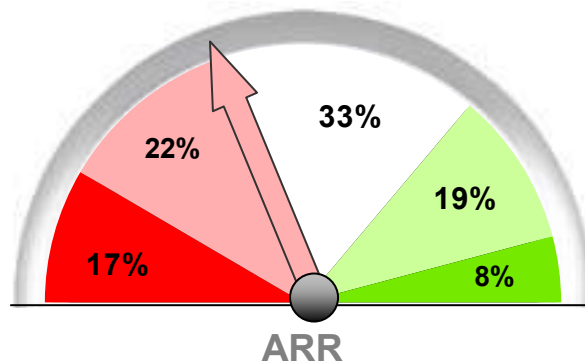
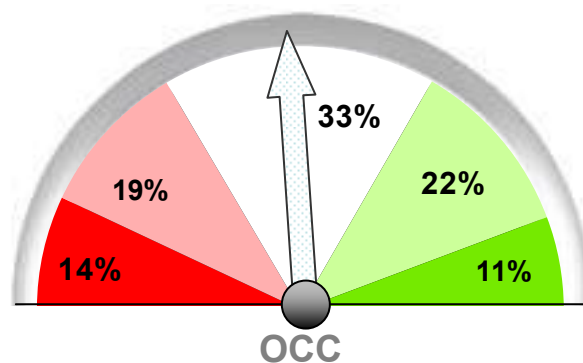
#### 4 star resort hotels

Also the four star resort hoteliers believe that the occupancy rates will improve in 2012 for their own hotels, while maintaining their rates more or less the same level.



### «MARKET IN GENERAL»

In the 4\* resort sector in general, occupancies are expected to stabilise in comparison to 2011, while room rates are expected to slightly drop.

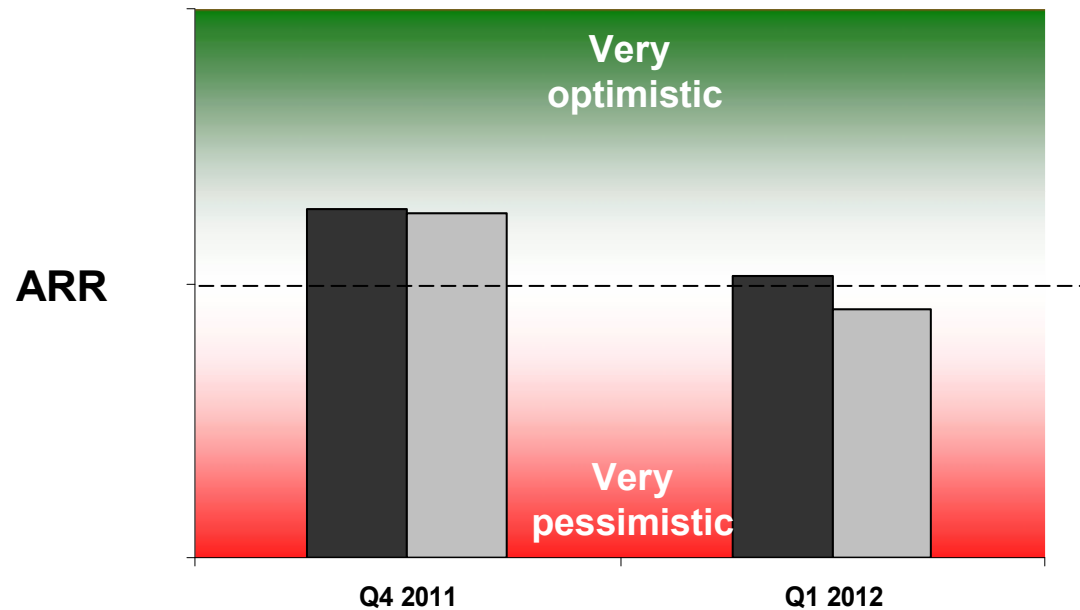
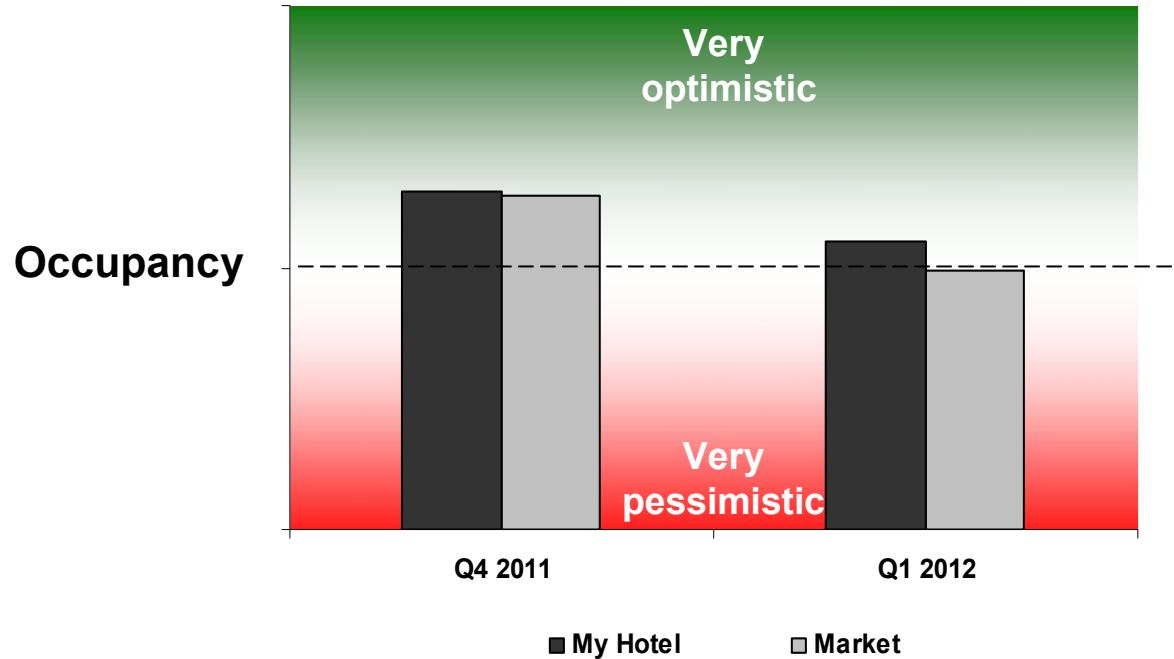




### 4 star resort hotels

With the exception of predictions on room rates for the market in general, the hoteliers in this segment still have a slightly positive outlook for 2012, albeit at a lower level than when we measured at the end of October 2011.

## Expectations 2012: Q4 2011 versus Q1 2012





## Expectations for 2012

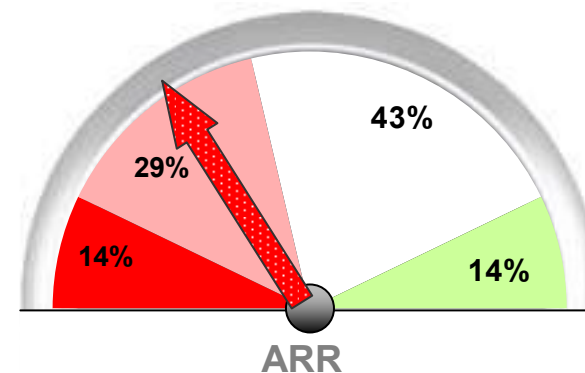
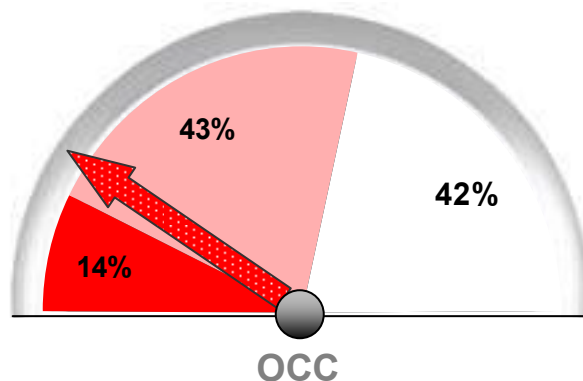
### «MY HOTEL»

#### 3 star resort hotels

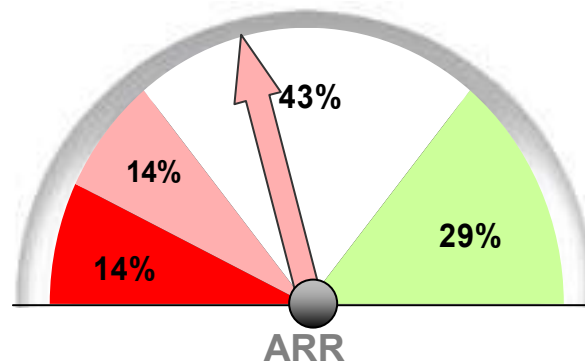
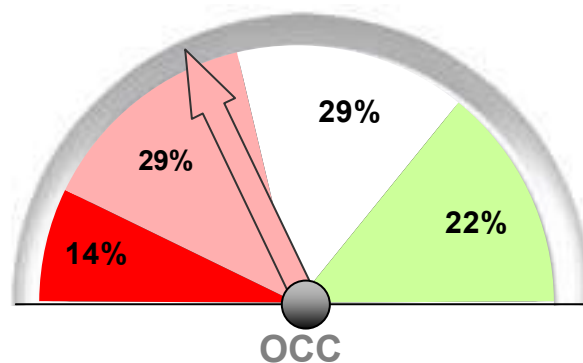
The three star hotels expect to operate in 2012 at a much lower level than in 2011.

Occupancy and room rates are expected to be under severe pressure this year.

Remarkably, hoteliers predict that the market will outperform their own hotels in 2012. In most segments we see just the opposite.



### «MARKET IN GENERAL»



% of respondents that expected

■ Decrease >5%

■ Decrease 2 - 5%

■ Stability -2% - +2%

■ Increase 2 - 5%

■ Increase >5%

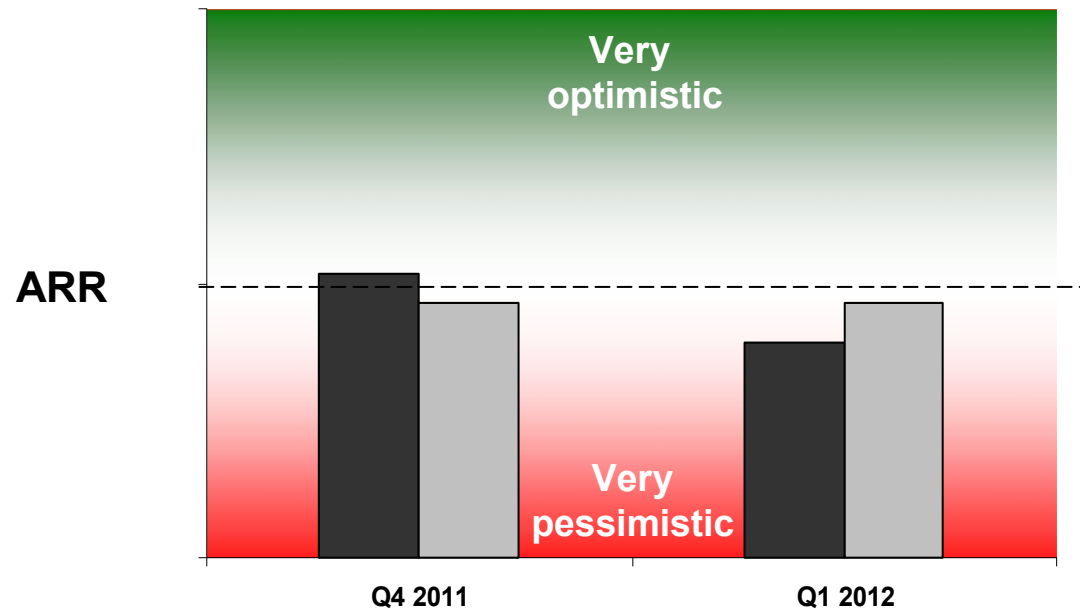
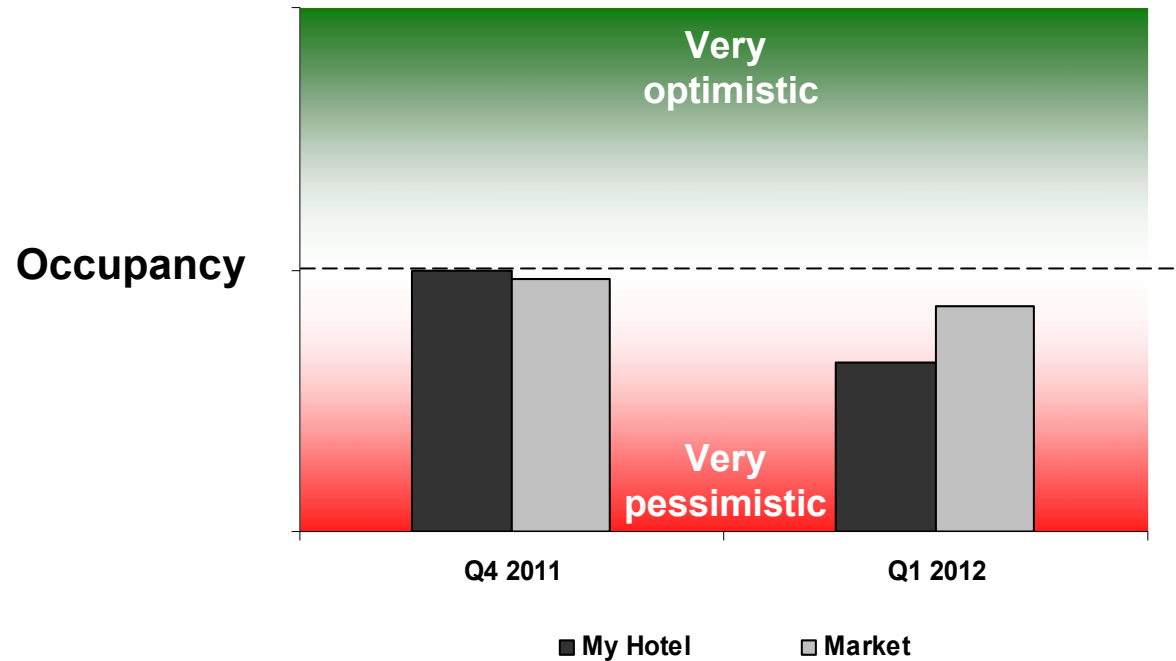


### 3 star resort hotels

Comparing the two measurement points, we indeed see that for their own hotels, hoteliers have become much more negative than for the market as a whole.

Especially the predictions on occupancy levels for their own hotels saw a big drop over the past three months.

## Expectations 2012: Q4 2011 versus Q1 2012



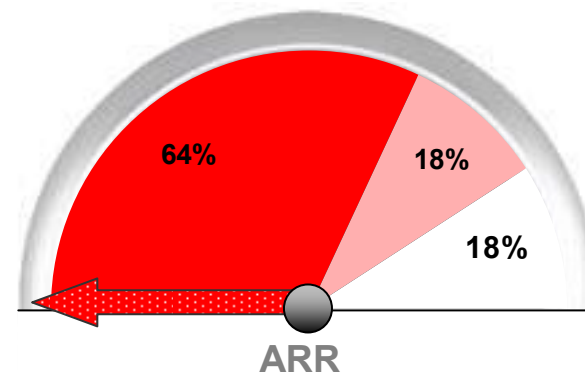
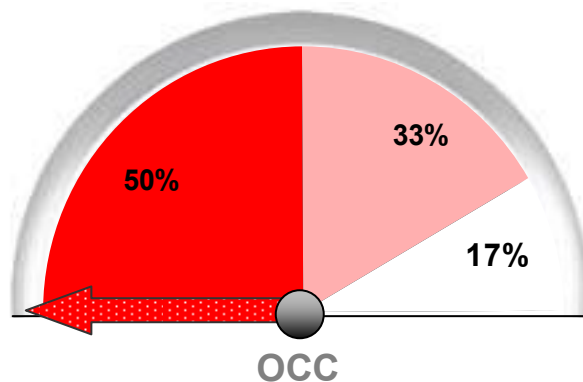


## Expectations for 2012

### «MY HOTEL»

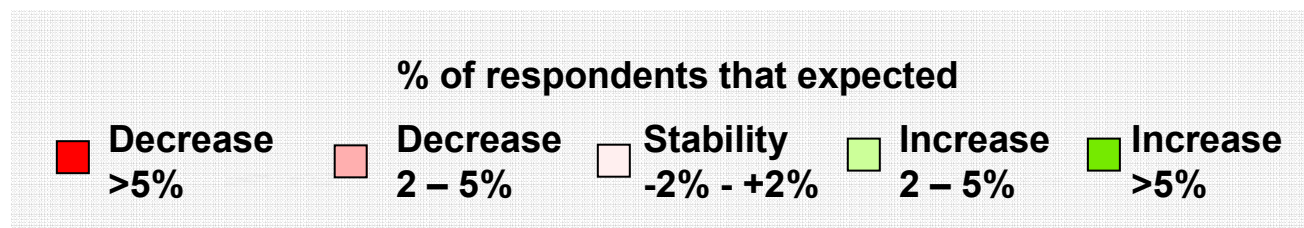
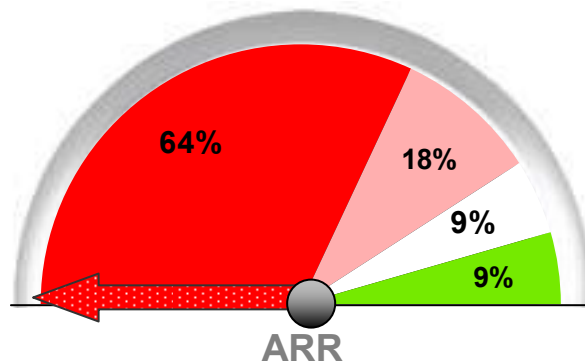
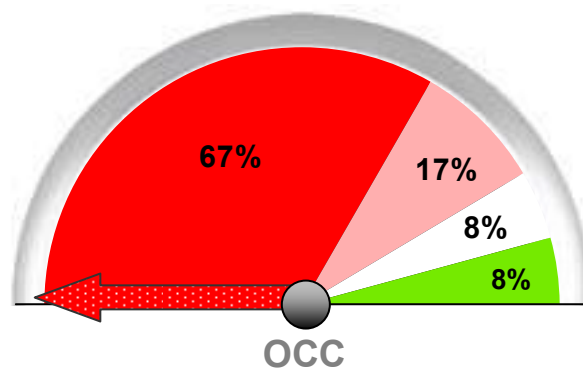
#### 2 star resort hotels

The barometers of the 2\* resort sector are coloured in red. On all aspects a majority predicts drops of more than 5% in 2012.



### «MARKET IN GENERAL»

For their own hotels none of the hoteliers expect increases in occupancy and ARR levels, while for the market in general they believe that there are at least some hotels who could improve their performance.



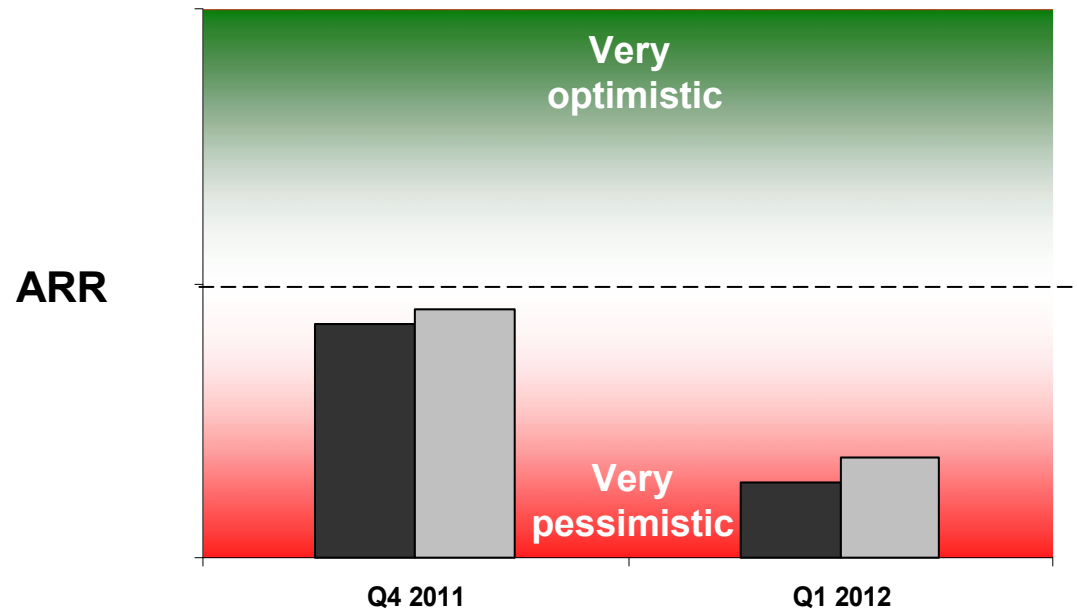
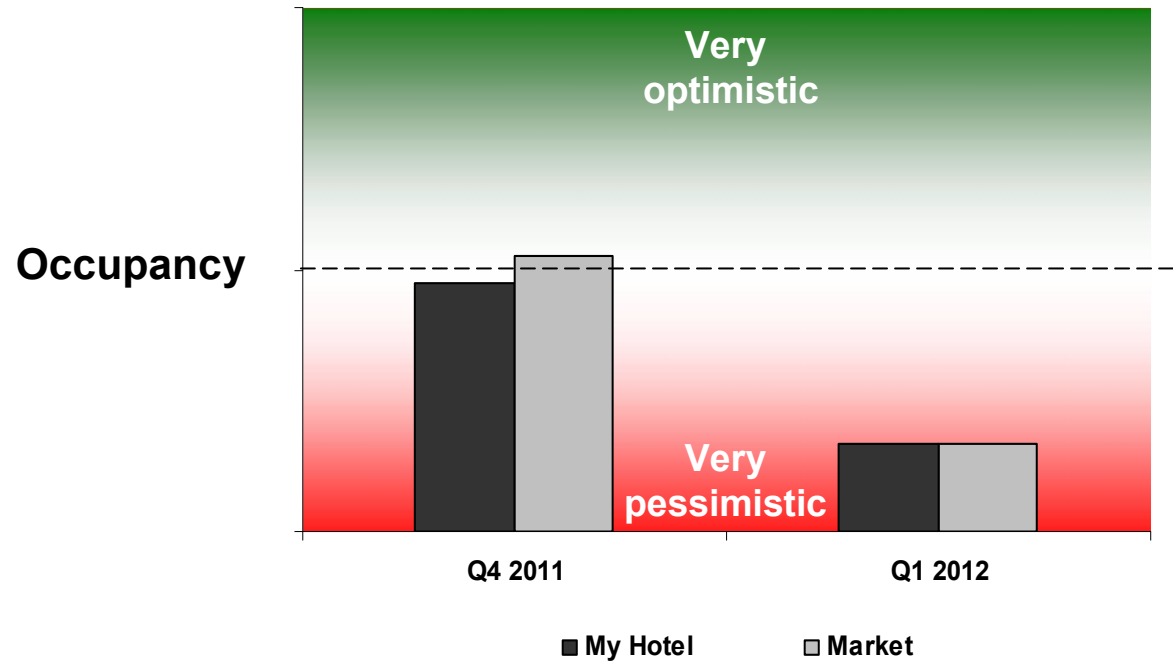


## 2 star resort hotels

This sector shows the biggest gap in predictions of October 2011 and January 2012 for this new season.

Hoteliers have become very negative for this season and expect that their performance will be much worse this year compared to 2011.

## Expectations 2012: Q4 2011 versus Q1 2012



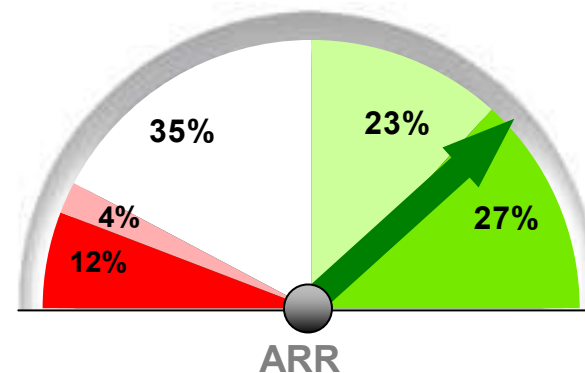
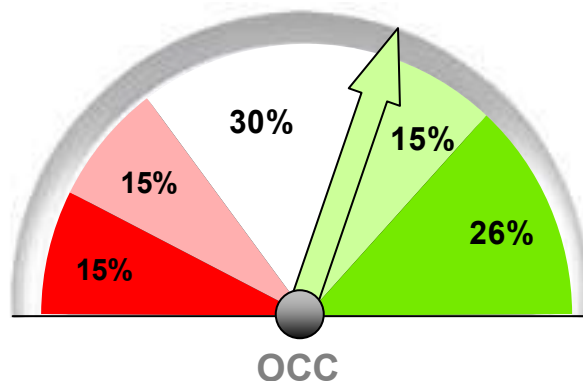
## Expectations for 2012

### «MY HOTEL»

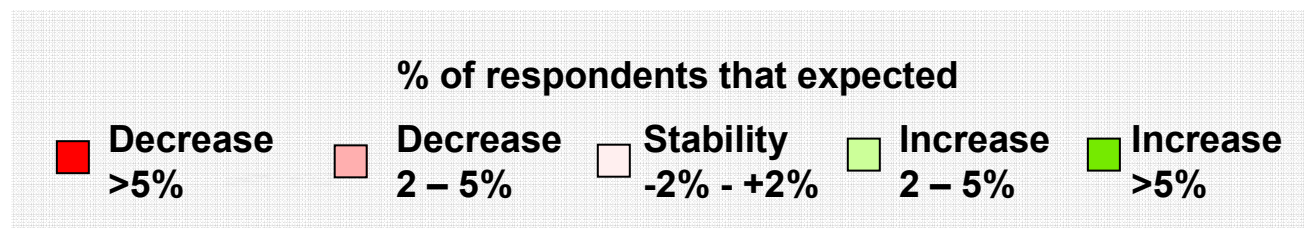
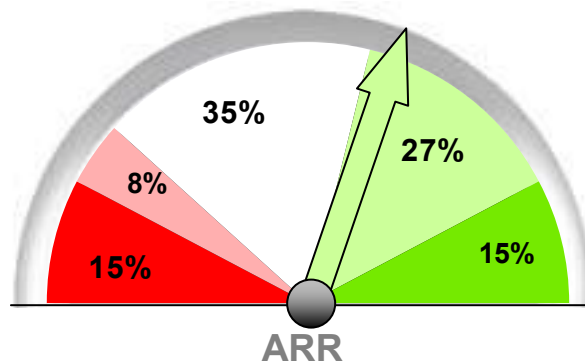
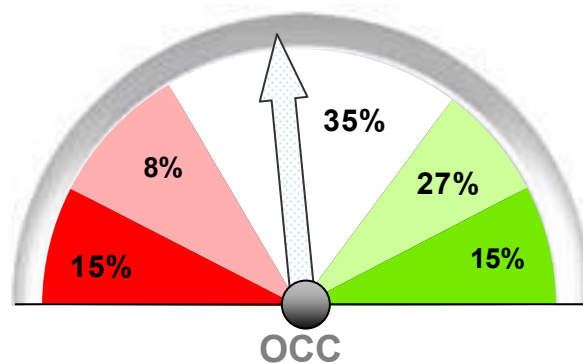
#### Resort hotels in Crete

The resort hotels in Crete have been positive throughout 2011 and they are still positive on the outlook for 2012. Hoteliers believe that especially their room rates will improve in 2012.

In terms of occupancy they are more conservative, but still optimistic for their own properties. Stabilising occupancy levels are expected for the market in general.



### «MARKET IN GENERAL»





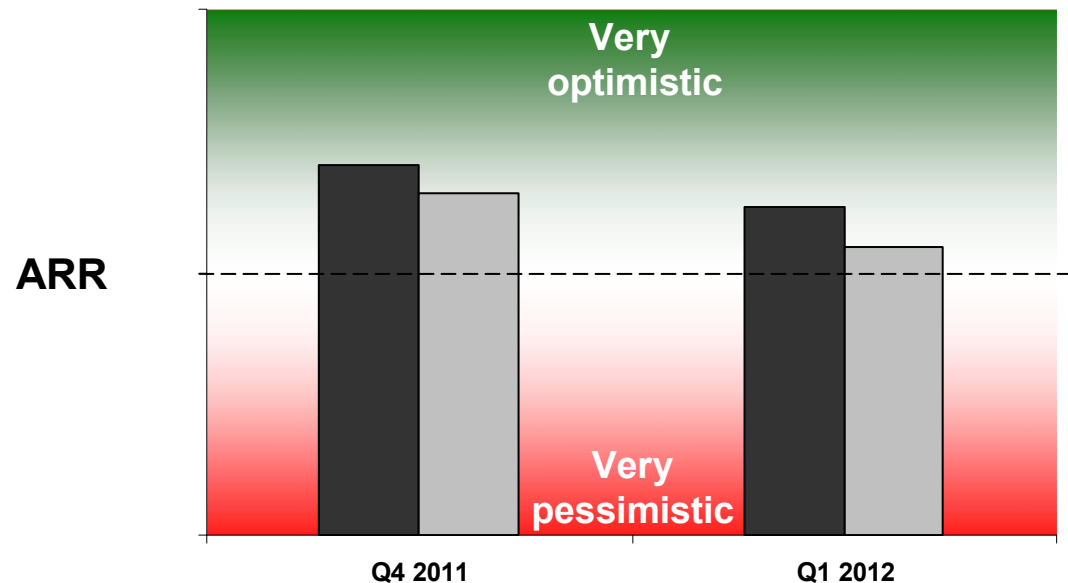
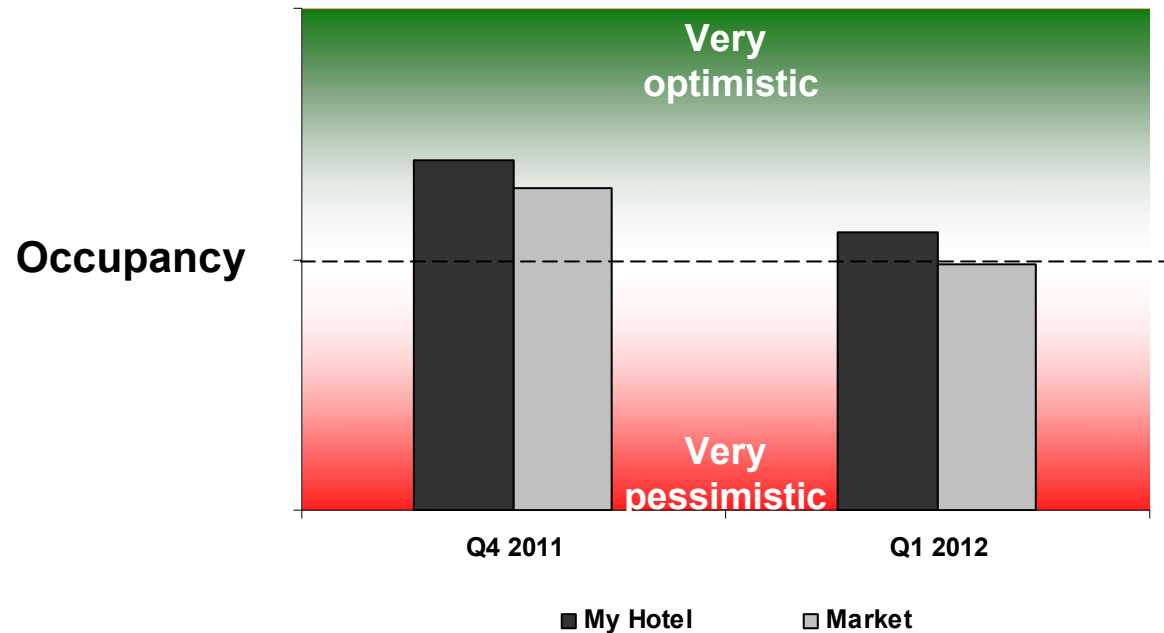


## Resort hotels in Crete

Even though that resort hoteliers in Crete have been positive throughout 2011 as well as for 2012, they also have become more cautious in their predictions in the last three months.

Especially with respect to occupancy levels for the market as a whole, which has just fallen below the neutral line.

## Expectations 2012: Q4 2011 versus Q1 2012



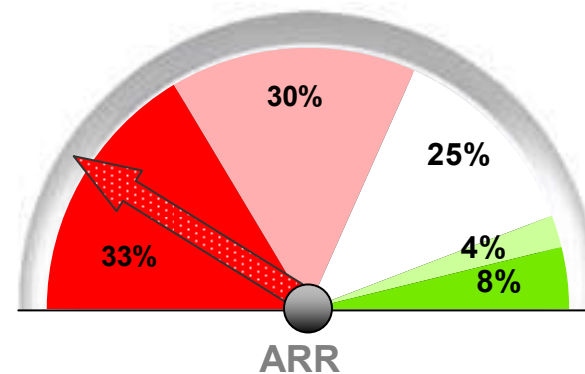
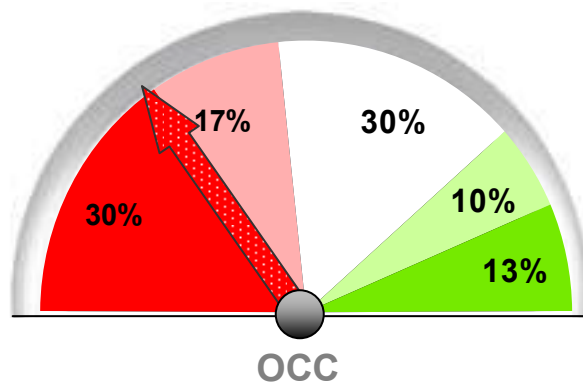
## Expectations for 2012

### «MY HOTEL»

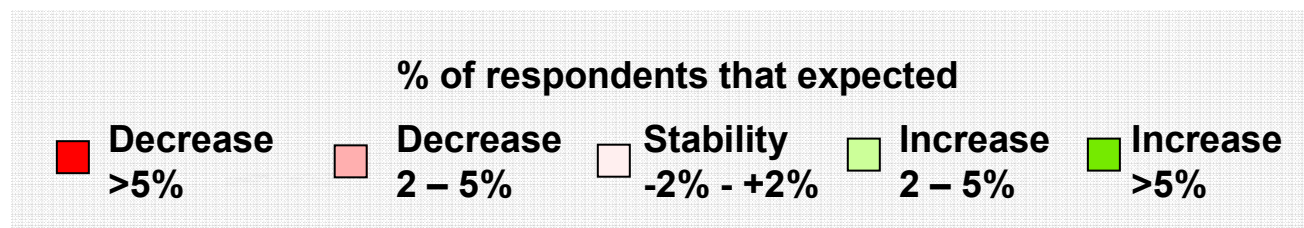
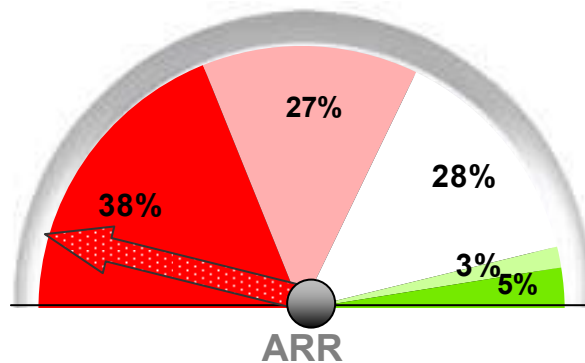
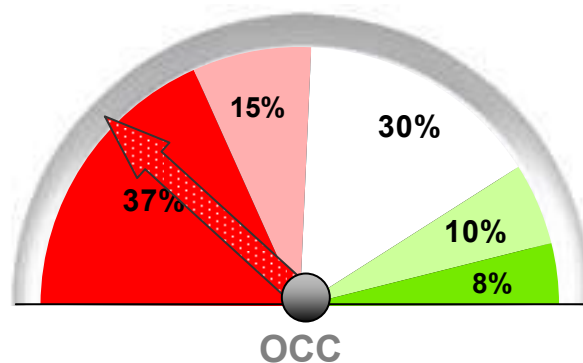
#### City hotels

Contrary to the resort hotels, the hoteliers of the city hotels are clearly pessimistic for 2012. 47% expect their occupancy level to drop with 2% or more and 63% forecasts a drop of 2% or more in rooms rates for their own hotels.

Overall they expect that the market in general will perform even worse and therefore the barometers are deeply red coloured.



### «MARKET IN GENERAL»



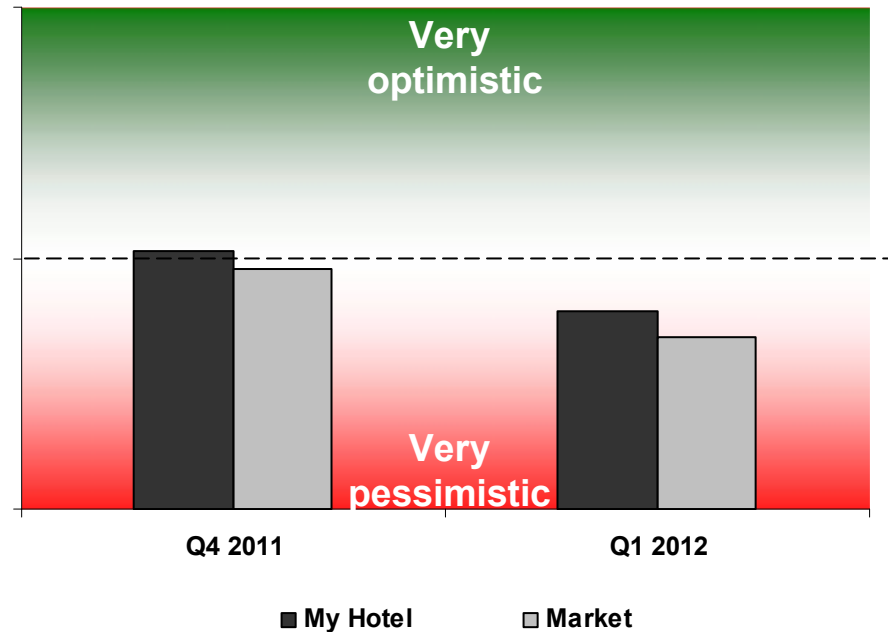


## Expectations 2012: Q4 2011 versus Q1 2012

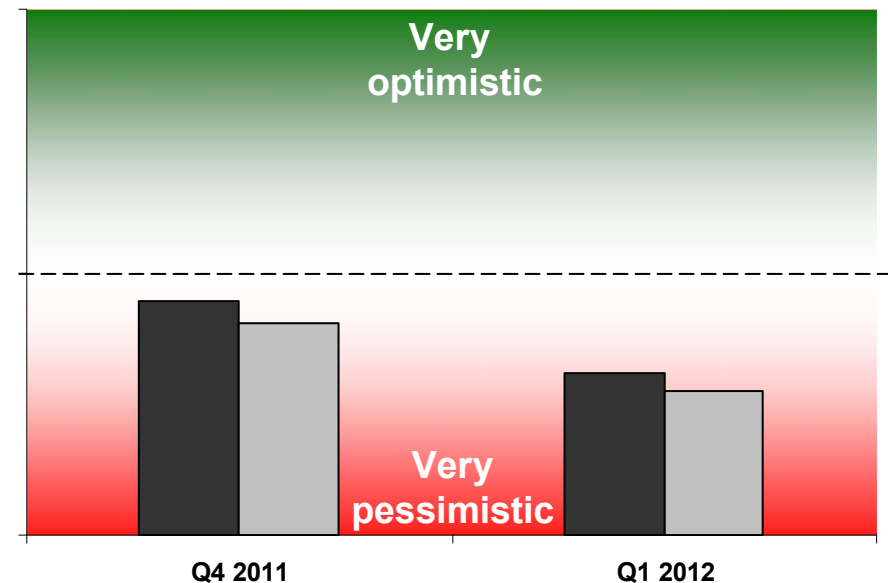
### City hotels

In comparison with three months ago hoteliers have become much more pessimistic. At the end of October 2011 they were still slightly positive on their occupancy levels for 2012, but this optimism has vanished in the last three months.

Occupancy



ARR



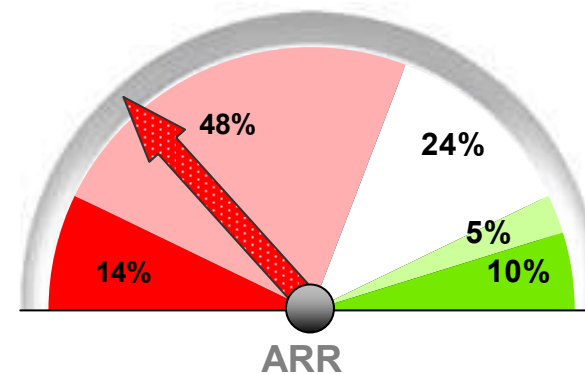
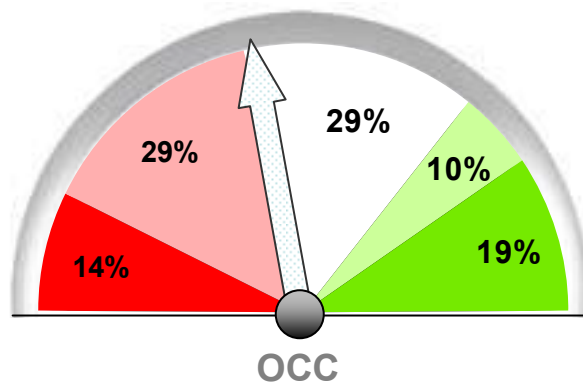
## Expectations for 2012

### «MY HOTEL»

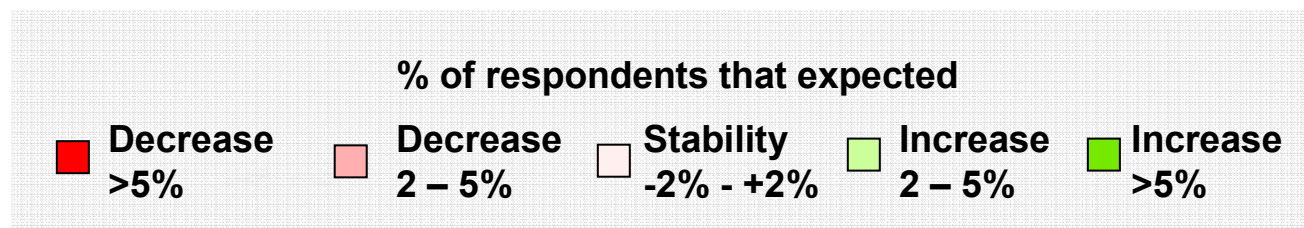
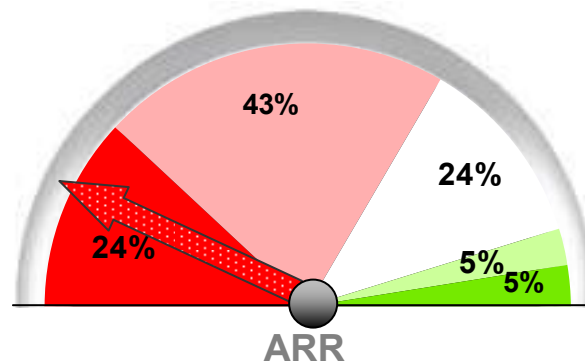
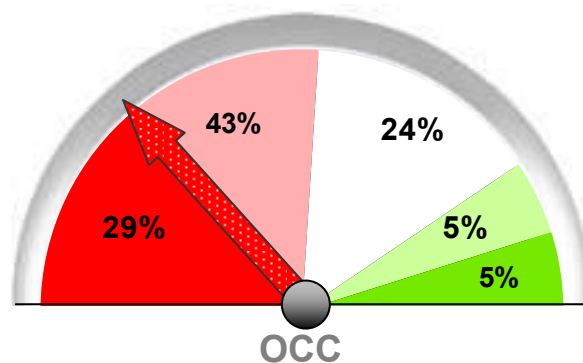
#### 5 star city hotels

The 5\* city hoteliers show a mixed picture in their occupancy level predictions for their own hotels. Overall, they expect mild decreases. In terms of room rate development the picture is clearly negative as 62% expects drops of 2% or more for their own hotels.

For the market in general expectations are negative for both occupancy and ARR levels.



### «MARKET IN GENERAL»



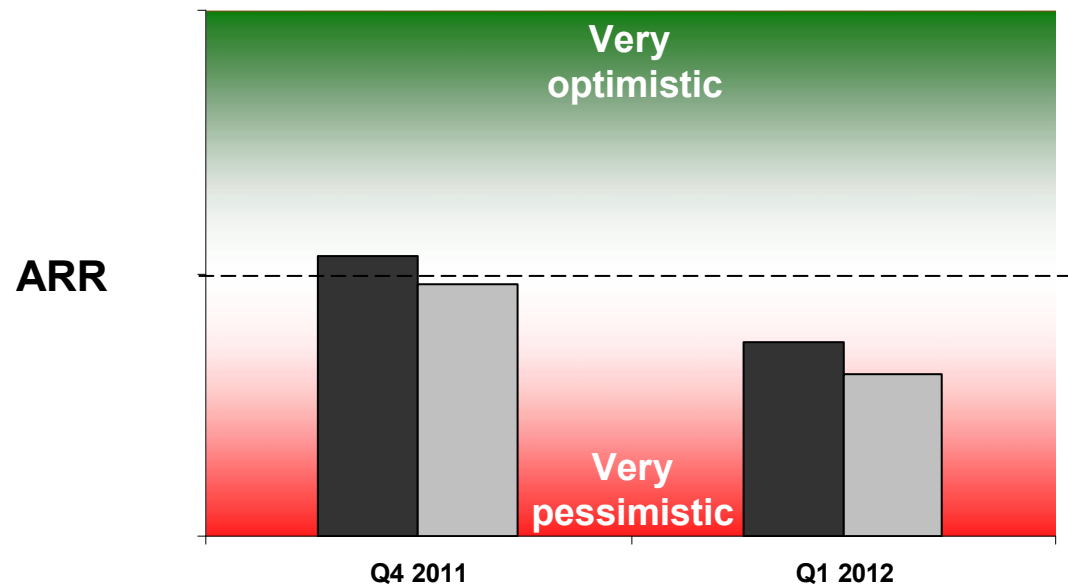
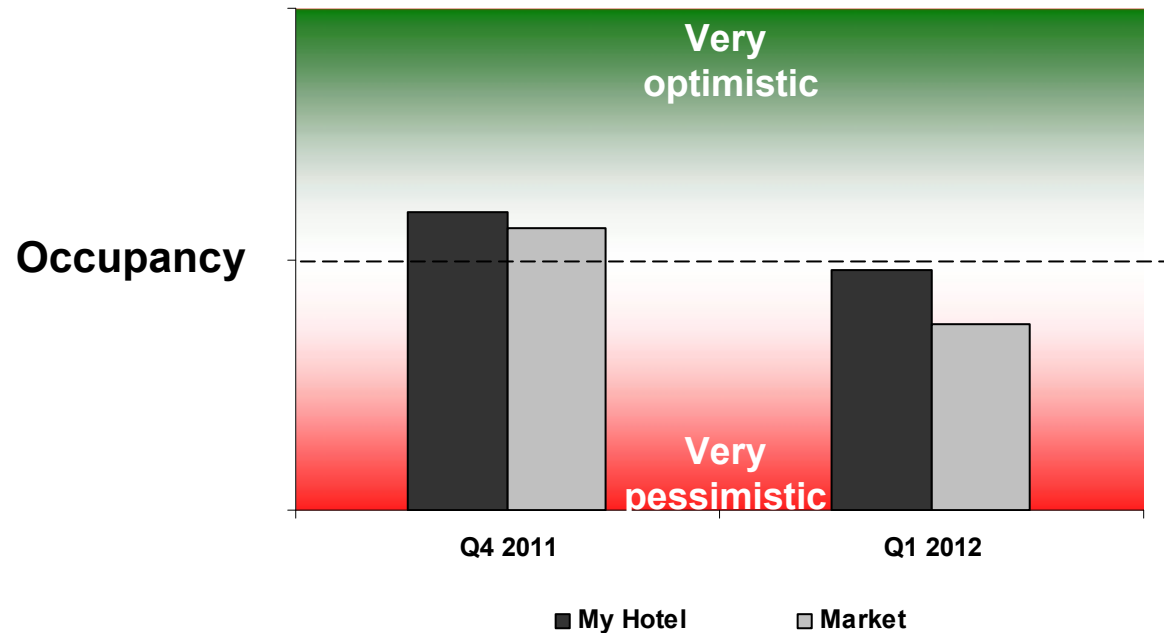


### 5 star city hotels

At the end of October 2011 hoteliers were hopeful on a positive development of their segment in 2012, with the exception of room rates for the market in general.

Now, all predictions have fallen below the neutral line. Especially for the market, expectations have turned clearly negative in this segment.

## Expectations 2012: Q4 2011 versus Q1 2012

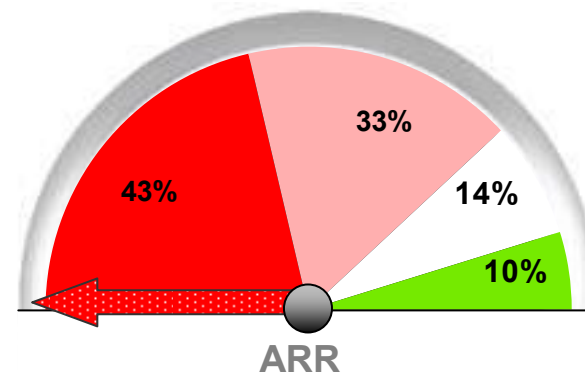
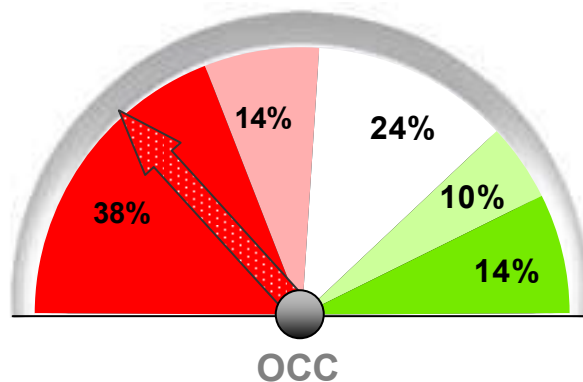


## Expectations for 2012

### «MY HOTEL»

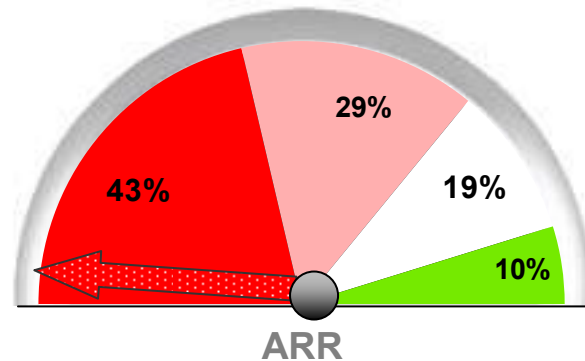
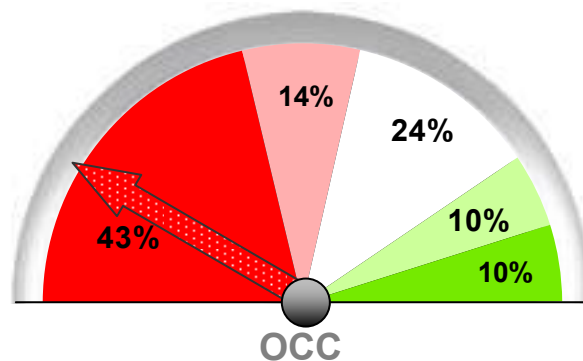
#### 4 star city hotels

The 4\* city hoteliers remain very pessimistic with 38% expecting this year a drop in occupancy of 5% or more and 43% a drop in rates of 5% or more for their own hotel.

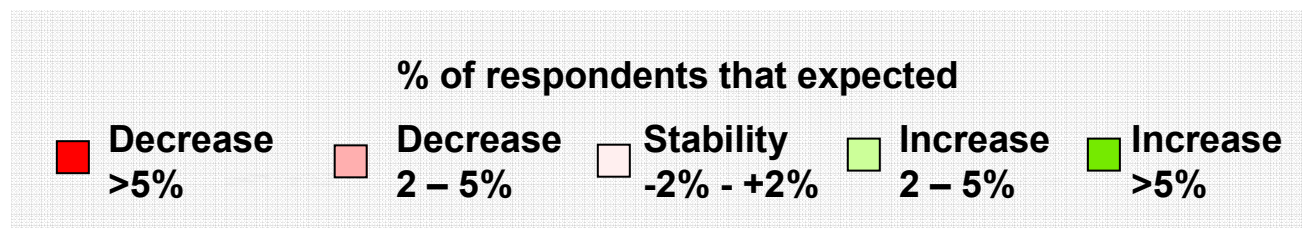


### «MARKET IN GENERAL»

Similar levels are being predicted for the segment as a whole.



As a result hoteliers are very pessimistic for this year on their performance.





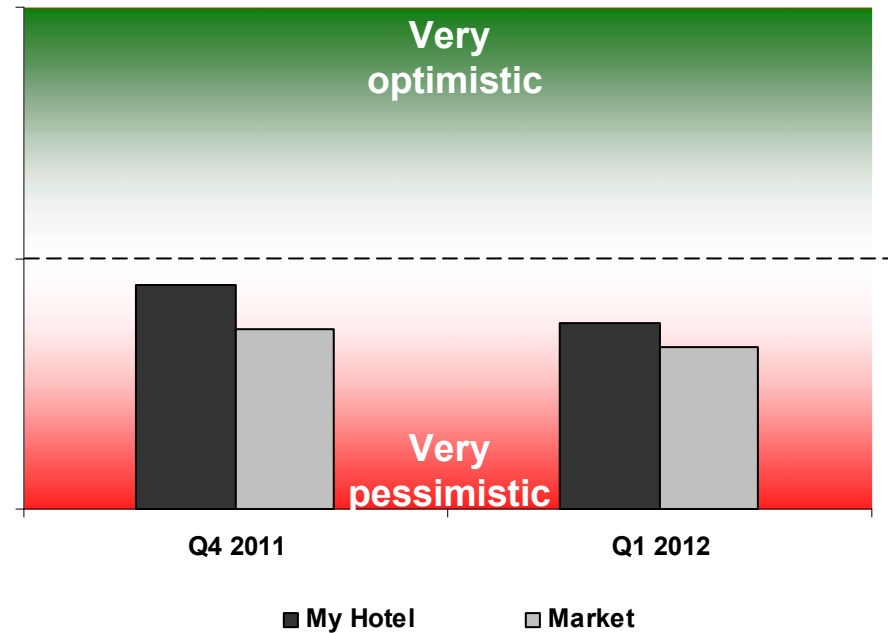
### 4 star city hotels

The predictions for the market in general remain more or less at the same level as in October 2011.

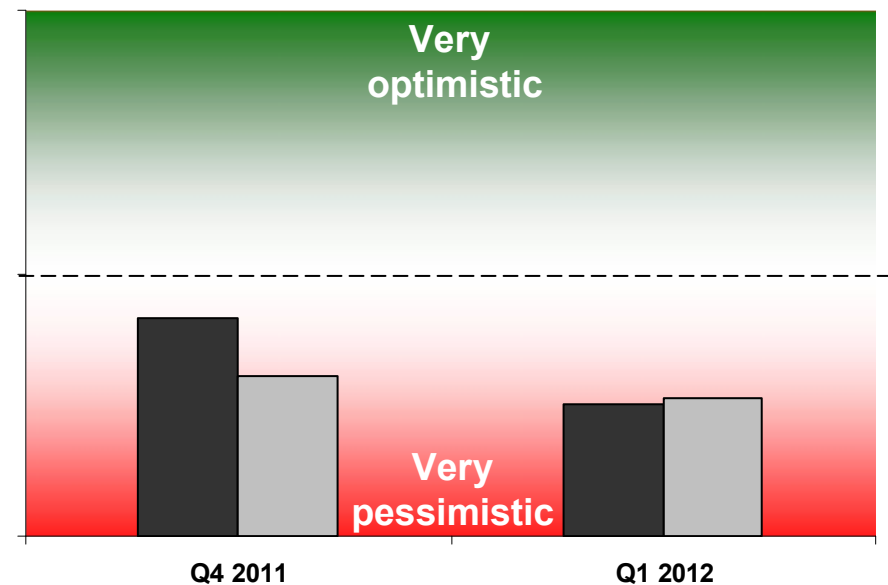
For their own hotels they have adjusted their forecast with bigger drops in occupancy and especially in room rates.

## Expectations 2012: Q4 2011 versus Q1 2012

Occupancy



ARR

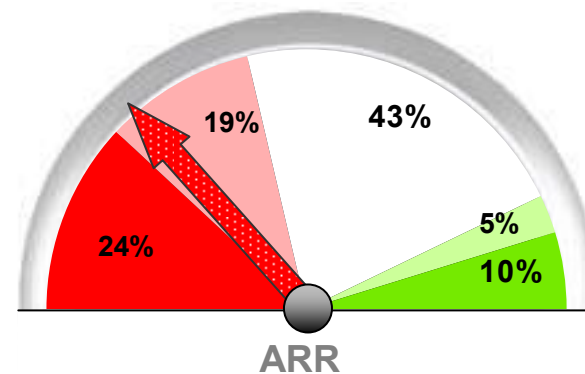
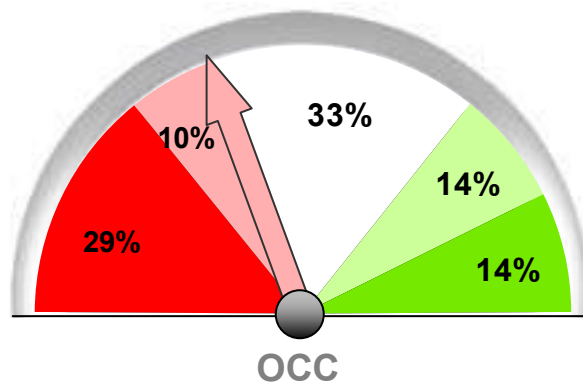


## Expectations for 2012

### «MY HOTEL»

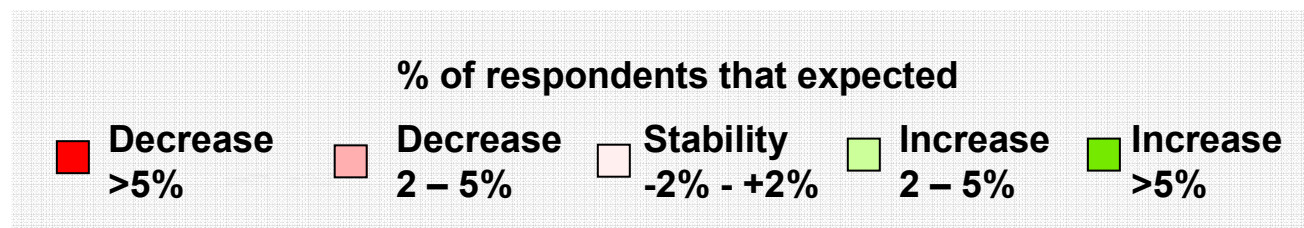
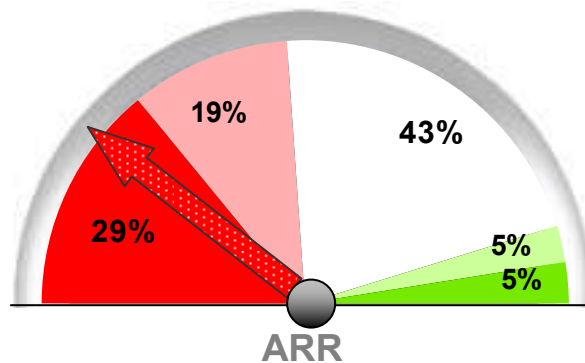
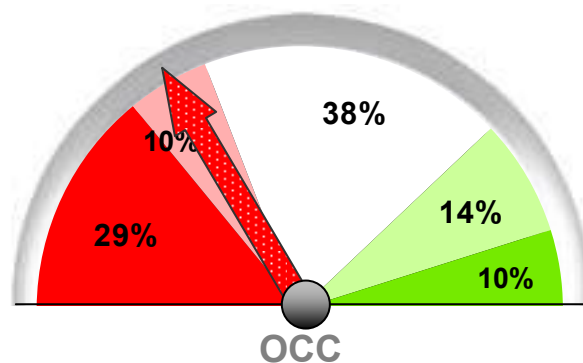
#### 3 star city hotels

The three star hoteliers believe that occupancy levels will decrease slightly in 2012, while more pressure is expected on room rates.



### «MARKET IN GENERAL»

For the 3\* market in general the outlook is more pessimistic with expected drops in occupancy as well as ARR levels.





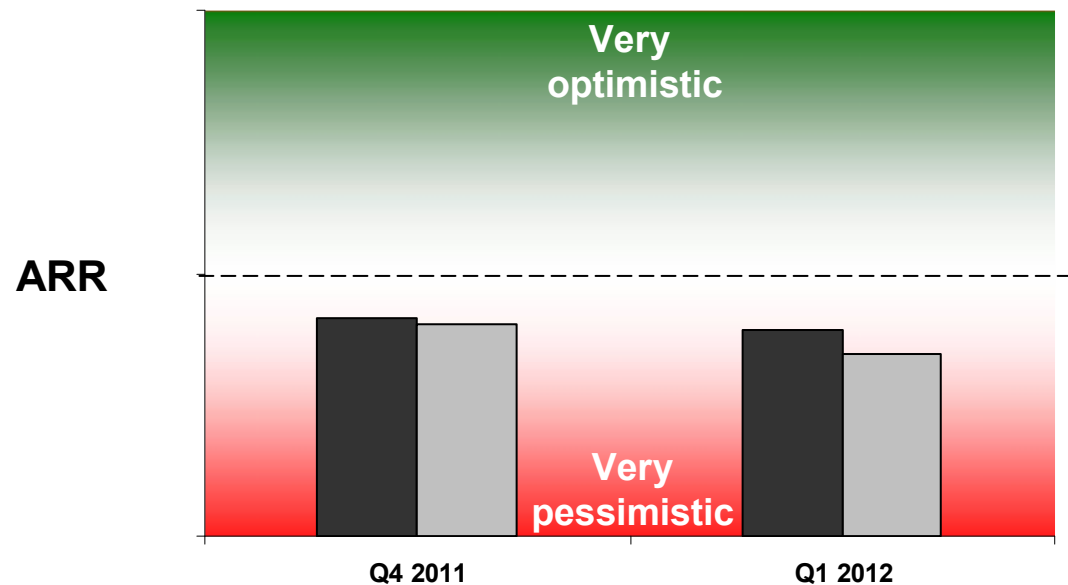
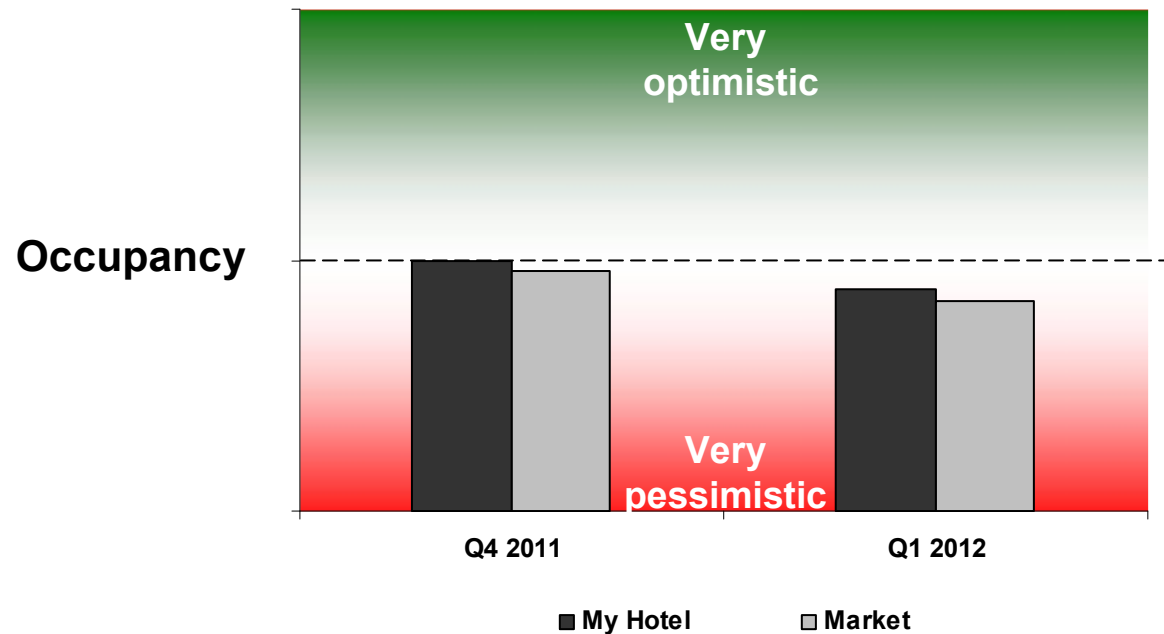


### 3 star city hotels

Comparing October 2011 with January 2012 forecasts for this year have become more negative on expected occupancy level.

With respect to room rates, the forecasts remain at the same negative level.

## Expectations 2012: Q4 2011 versus Q1 2012



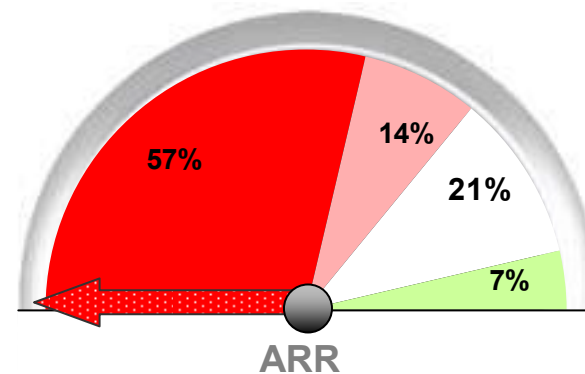
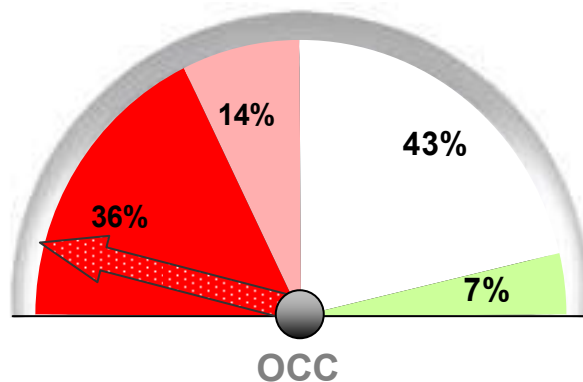
**2 star  
city hotels**

The two star hoteliers are not positive for 2012 as none predicts increases of 5% or more and only a few expect some mild increases.

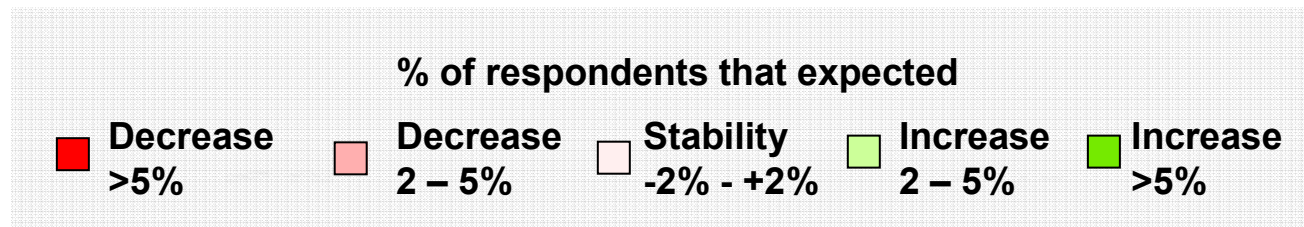
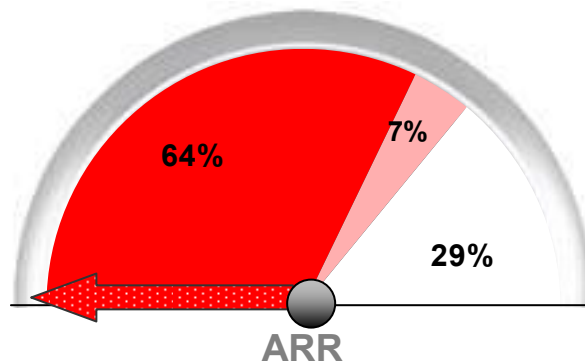
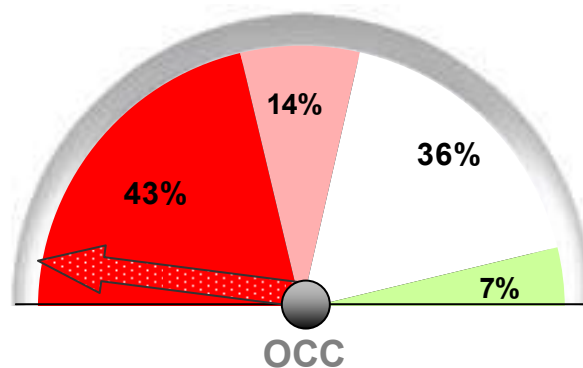
Regarding room rate developments for the market in general, none of the hoteliers expect increases, resulting in a very negative climate for 2012 in this segment.

**Expectations for 2012**

**«MY HOTEL»**



**«MARKET IN GENERAL»**

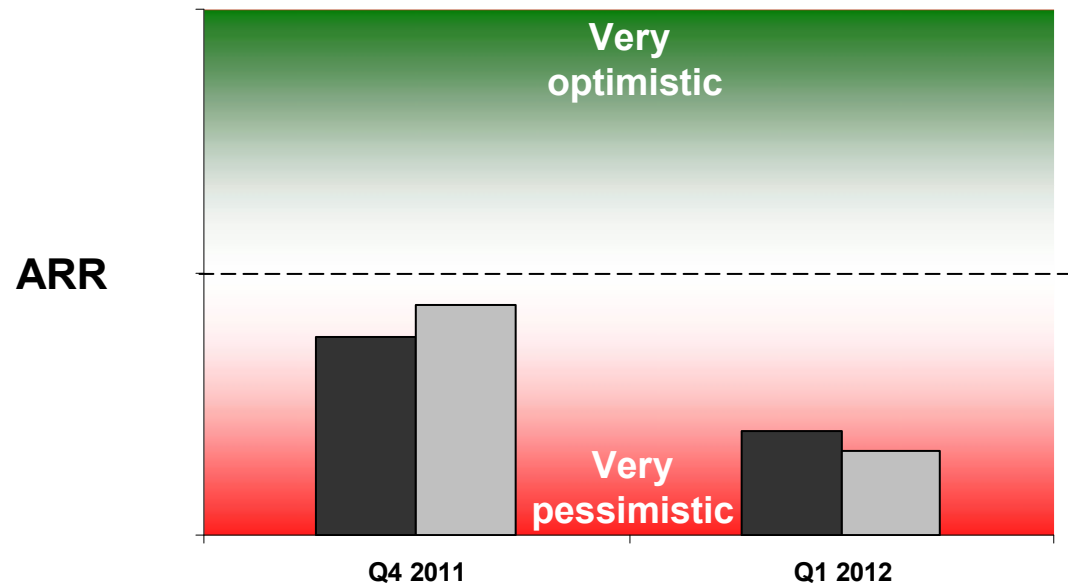
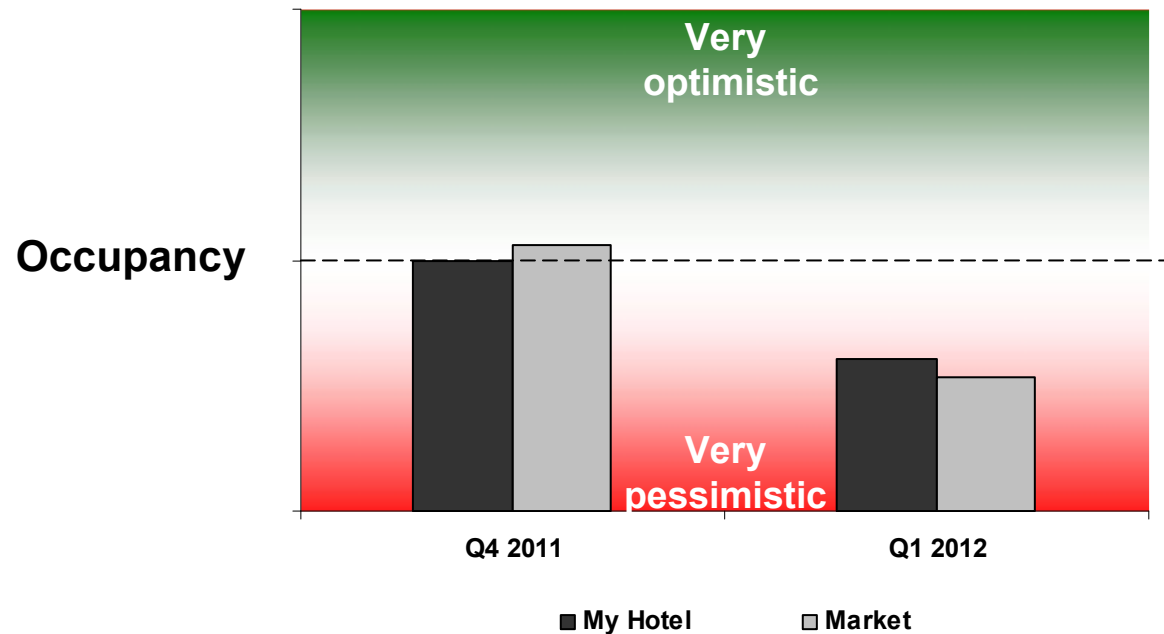




## 2 star city hotels

The graphs show that in the last three months the hoteliers in the 2 star city segment have adjusted drastically their forecasts and are now clearly pessimistic for 2012 with falling occupancy and room rate levels for their own hotel as well as for the segment as a whole.

## Expectations 2012: Q4 2011 versus Q1 2012



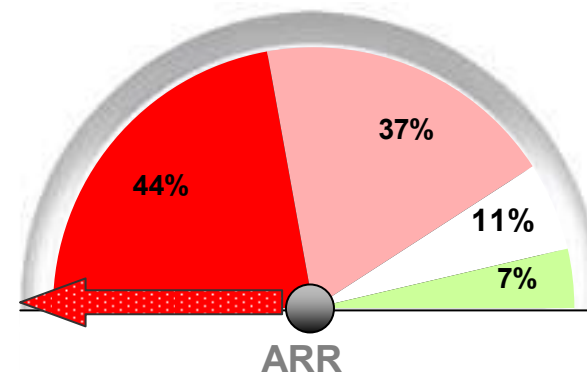
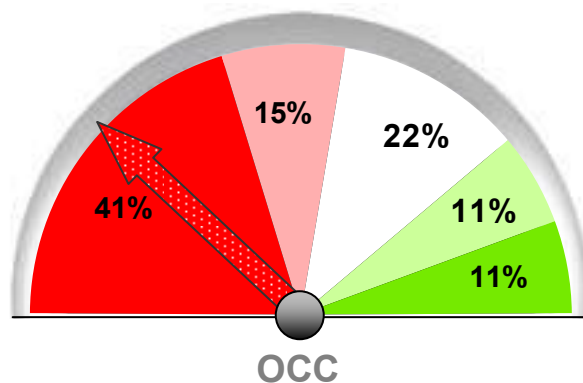
## Expectations for 2012

### «MY HOTEL»

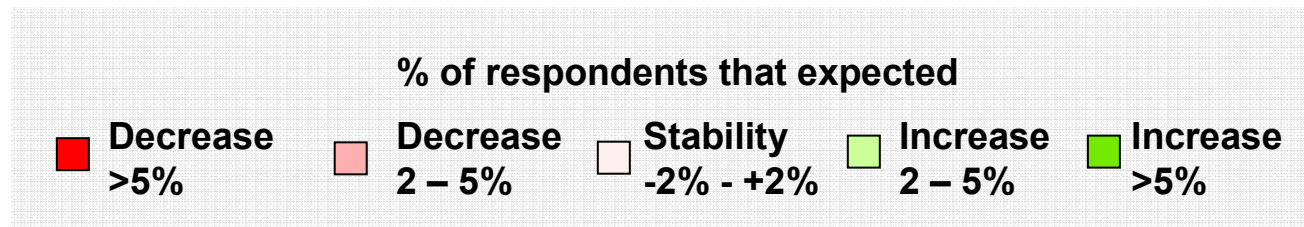
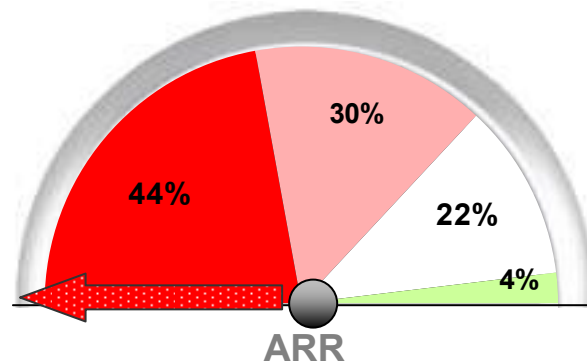
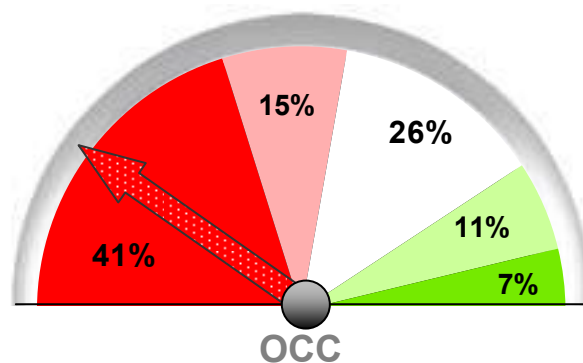
#### Athens hotels

The Athenian hoteliers are very pessimistic. The barometers with predictions of their own hotels and the meters of the market in general are very similar showing severe expected drops in occupancy levels as well as room rates.

None of the hoteliers expect increases of 5% or more in room rates, while very few predict an increase of between 2 – 5%.



### «MARKET IN GENERAL»

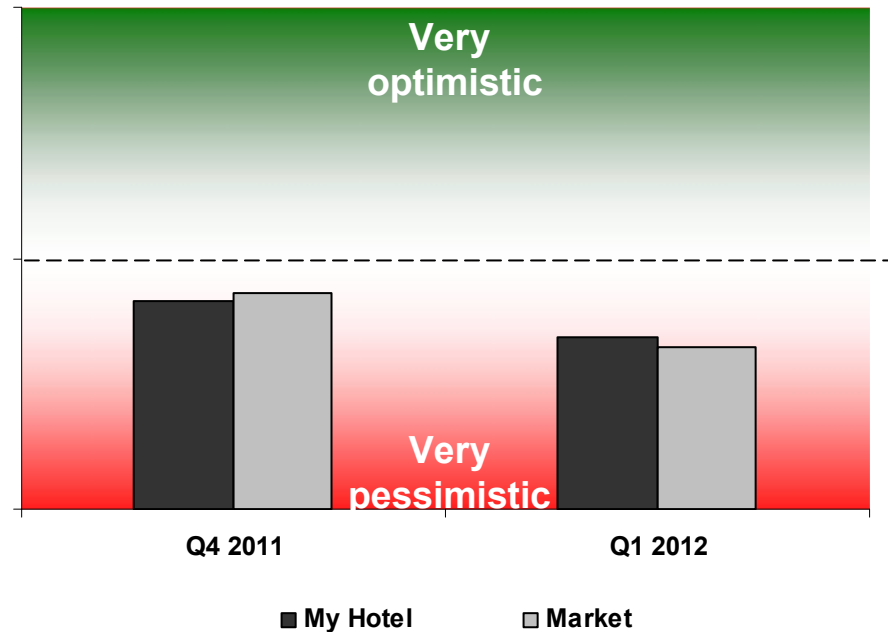


## Expectations 2012: Q4 2011 versus Q1 2012

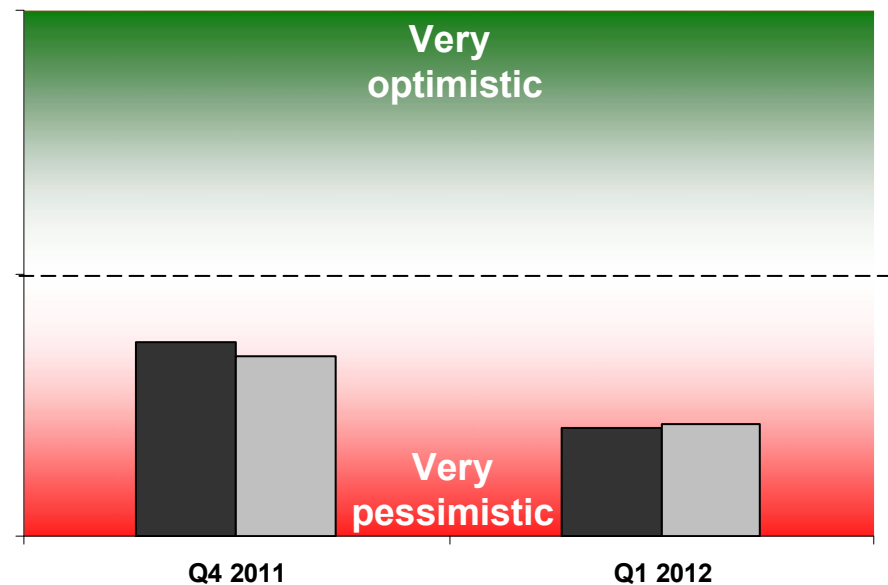
### Athens hotels

The Athenian hoteliers remain pessimistic for 2012. In fact they have become more negative in the past three months, possibly also under influence of the bad performance in this period and the economic climate in general.

Occupancy



ARR



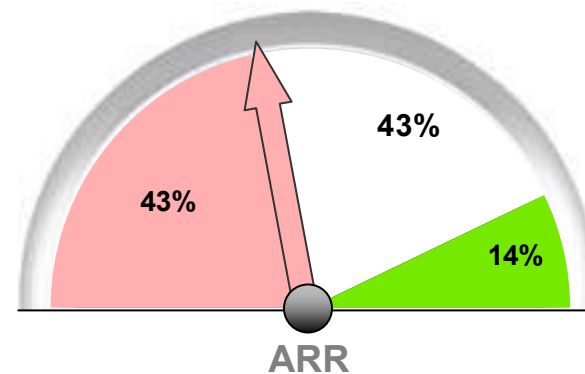
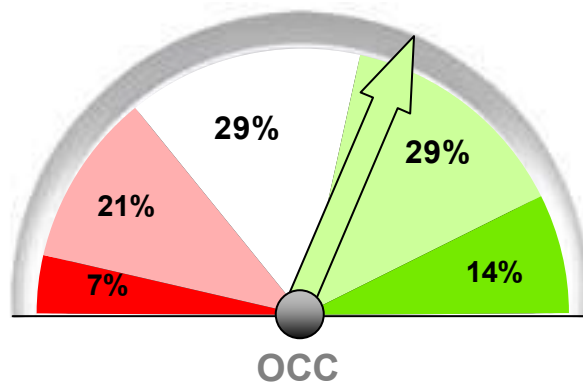
## Expectations for 2012

### «MY HOTEL»

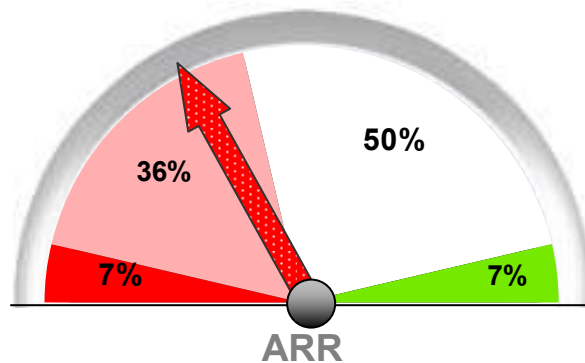
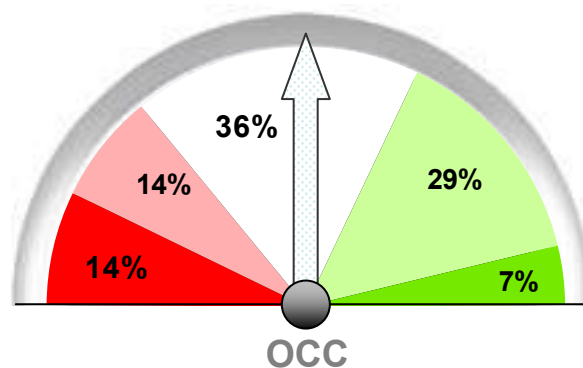
#### Thessaloniki hotels

Contrary to Athens the Thessaloniki hoteliers are optimistic for next season with expected increases in occupancy for their own hotel and stabilising rates for the segment as a whole.

The rates are expected to be under pressure though, where this is expected to be higher in the market in general, where the outlook is pessimistic.



### «MARKET IN GENERAL»



% of respondents that expected





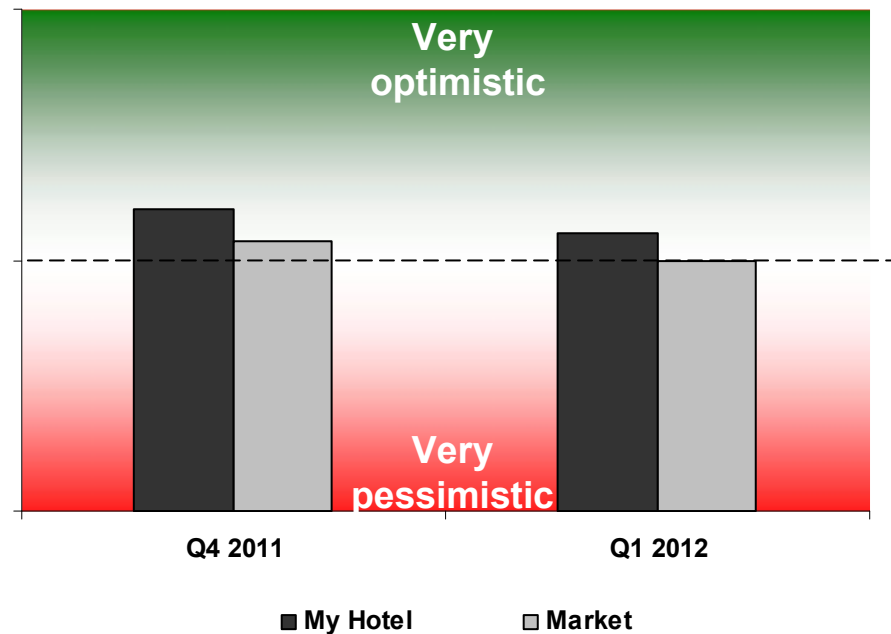
## Expectations 2012: Q4 2011 versus Q1 2012

### Thessaloniki hotels

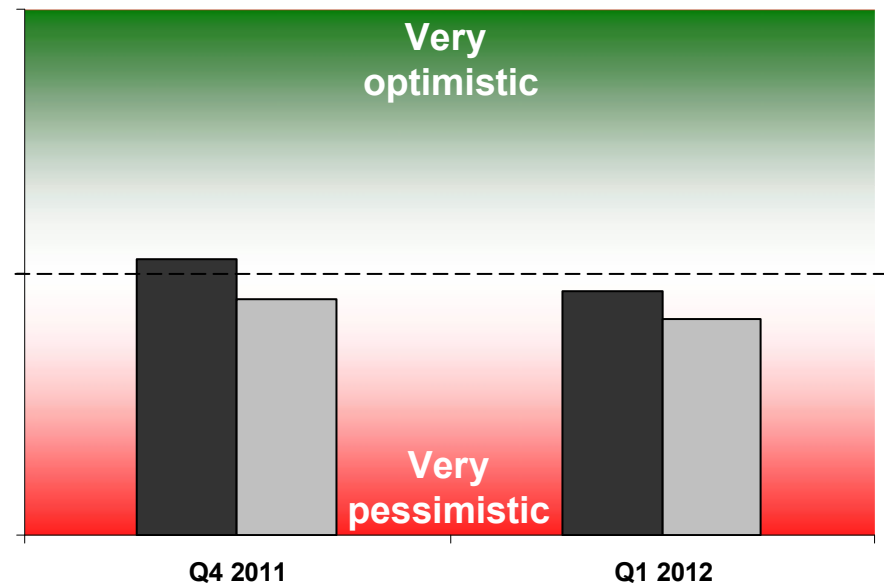
Hoteliers in Thessaloniki have slightly adjusted their predictions for 2012 in the past three months, but remain optimistic for their own hotels.

For the market as whole the climate has turned negative though, although this was already the case for room rates for the market in general.

Occupancy



ARR

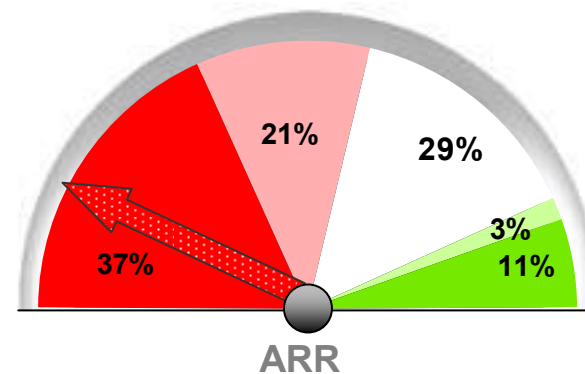
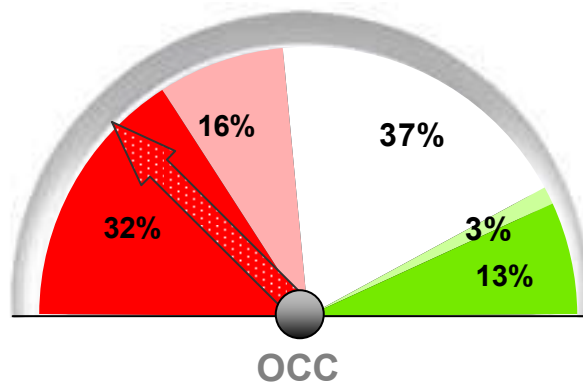


## Expectations for 2012

### «MY HOTEL»

#### Other city hotels

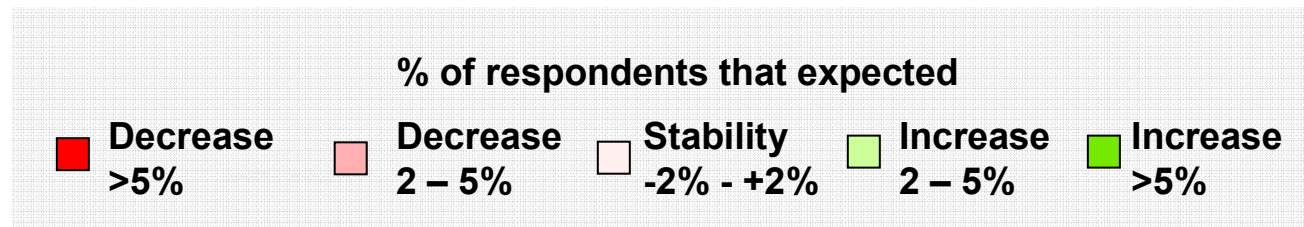
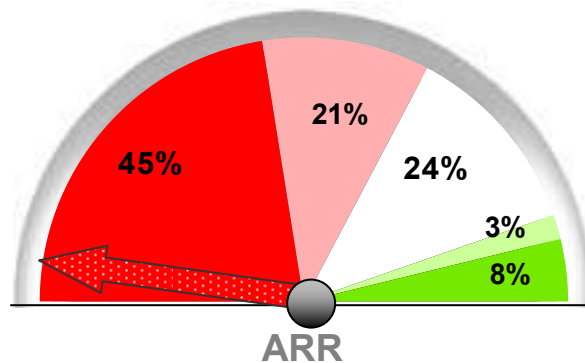
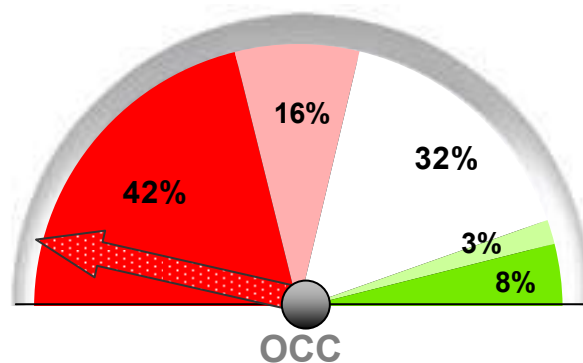
City hotels outside Athens and Thessaloniki expect drops in occupancy as well as room rates.



Hoteliers do believe that they will perform better than the market in general, where predictions are even more pessimistic.

### «MARKET IN GENERAL»

Drops of more than 2% are expected by 58% of hoteliers for occupancy, while 66% expect similar drops in ARR levels.





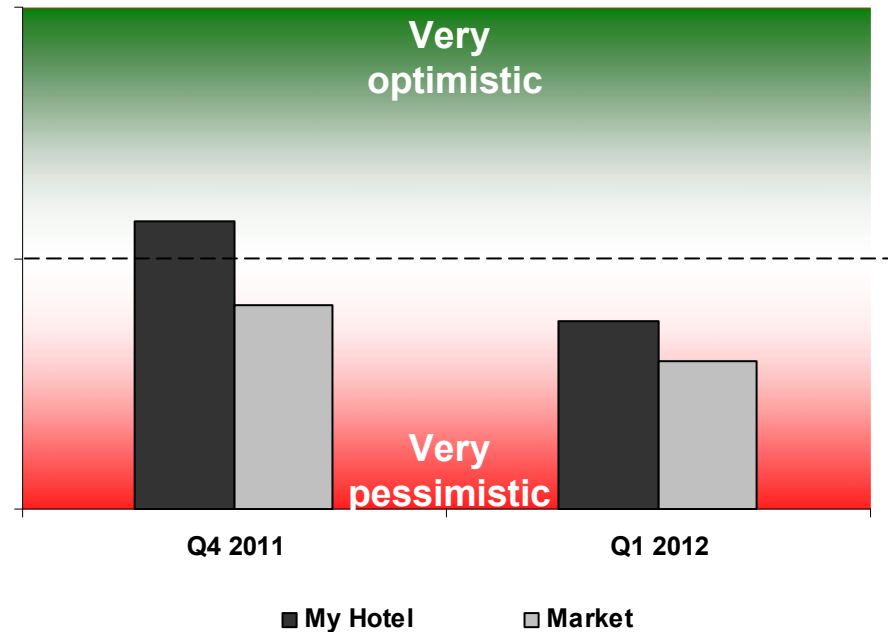


## Expectations 2012: Q4 2011 versus Q1 2012

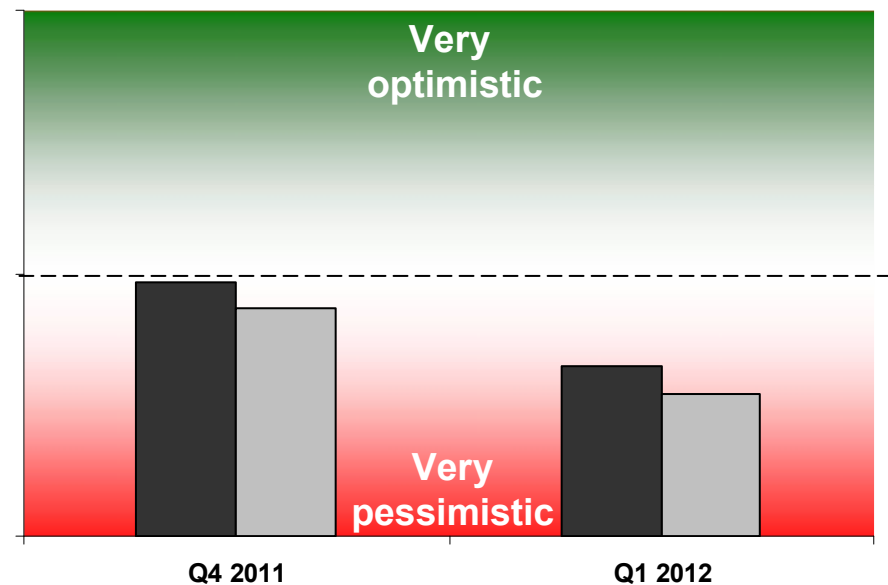
### Other city hotels

In October 2011 hoteliers were still positive for 2012 in terms of occupancy development. This optimism has turned into pessimism in January 2012. With respect to ARR hoteliers were not optimistic, but their predictions have become more negative in the past 3 months.

Occupancy



ARR



# Tourism Barometer

## 2012 Q1

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### Expectations Greek Hospitality Sector



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