

# The Hotelier Pulse Report

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# Editor's Note

BY PEDRO COLACO

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**W**e are well into the second wave of the crisis, and the start of 2021 shows a notable shift in the industry's expectation for financial recovery, from 2022 to 2023. We are even seeing increasing numbers of Hoteliers expecting to financially recover to 2019 levels in 2024. Meanwhile, booking behaviour continues to change in light of the times we live in, and Hoteliers must continue to adapt in 2021. Mobile bookings and domestic travel are on the rise, and our results show that the majority of hoteliers are focusing on strengthening their direct channels and reshaping their offers to meet these demands.

There is a Latin aphorism that has been widely quoted throughout the ages: "Knowledge is power." Putting this into context, the only way the industry can recover faster is by continuing to share information. This will ultimately help Hotels be in a stronger position to bounce back when the upturn comes. Will you use your voice to support your fellow Hoteliers in 2021 and beyond?

**Please share your valuable insights in our February 2021 survey [HERE](#).**

Sincerely,

**Pedro Colaco,  
CEO of Guestcentric & Editor  
of The Hotelier PULSE Report**

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# January 2021 Key Takeaways



## Market Trends

- The traditional January lift in bookings did not happen, and the trend of bookings continues downwards. Booked nights in January 2021 comprise just **21.0%** of bookings over the same period in 2020.
- The start of 2021 indicates the weight of domestic travel will continue to grow. In January, Domestic bookings comprised **52.1%** of total bookings - surpassing International travel for the first time since 2015.  
Since the 1st Edition of the Hotelier Pulse Report, the Direct Channel shows the smallest reduction in reservations compared to the major OTAs and all other channels. By the end of 2020, Direct generated **58.6%** of total bookings generated in 2019, **17.0%** more than Booking (**41.5%**).

## Occupancy Expectation

- The monthly occupancy expectation continues to decline for February 2021, from **18.0%** in January 2021 to just **12.0%** today.
- Resorts represent the majority of respondents who expected to meet the average occupancy level anticipated for January 2021, at **28.1%**.
- On the flip-side, only Bed & Breakfasts expect occupancy levels to increase in February 2021 at **12.4%**, compared to **10.0%** expected for January 2021.

## Financial Recovery Forecast

- This edition marks a notable increase in hotels expecting to financially recover to 2019 levels in 2023, with a notable shift toward 2024.
- **53.9%** of Resorts, **53.0%** of City center Hotels, and **35.0%** of Bed & Breakfasts expect to increase their revenue in 2021 compared to 2020.
- The majority of Resorts still expect to financially recover to 2019 levels in 2021.

## Concerns, key priorities & short-term strategies

- The expectation for 'Business Travel' (International and Domestic) has hit an all-time low in this edition, while an increasing number of Hoteliers expect 'International leisure' travel to be a strong contributor to recovery.
- Bed & Breakfasts represent the majority of Hoteliers who expect Business travel to be the strongest contributor to recovery, at **33.3%**.
- **88.9%** of Resorts expect either 'International' (**22.2%**) or 'Domestic' (**66.7%**) leisure to be the strongest contributor to recovery.

## Guest Behaviour and Hotel expectations

- Out of all property segments, City Center Hotels are most likely to decrease ADR - rating it **3.4** out of 7.
- The majority of Hoteliers across all property segments continue to expect that Direct Bookings will significantly increase in importance over the next 12 months, rating it **5.5** out of 7.
- Resorts represent the majority of respondents expecting to increase marketing spend, rating it **4.2** out of 7.

## Sales & Marketing Priorities over the Next 12 Months

- This edition marks the highest number of respondents who rank the 'Hotel Website' as 'Extremely Important', at **61.3%**.
- OTAs have dropped to 4th place, ranked as 'Extremely Important' by **41.3%** of respondents.
- Rich Media in 3rd place for the first time. **45.0%** of hoteliers view photos, videos and visual materials as extremely important.

# Interview of the month

## Joaão Corte-Real



General Manager  
Hotel Tivoli Mofarrej

It's a new year, with the promise of a vaccine shining its light at the end of the tunnel. Yet there is still a long uphill road to recovery, and many Hoteliers are using this time to adapt their sales and marketing strategies to reach new markets. Meanwhile, reintroduced lockdowns have once again pushed Health & Safety to the forefront of Hoteliers' short-term priorities to tackle the crisis.

In this month's Hotelier Spotlight Interview, we take a trip to Hotel Tivoli Mofarrej in Sao Paulo, Brazil. Here, we catch up with the Hotel Group's General Manager, Joao Corte-Real, who shares his take on the industry's sentiment during these times and how hotels are tackling the pandemic in Sao Paulo and Brazil at large. .

**What is the status of your hotel today, and what is the industry sentiment in Brazil?**

Brazil is a large country, with more than 200 million inhabitants and divided by states, similar to the US. This means that the measures implemented in Sao Paulo are often completely different to what we see in Rio de Janeiro or Bahia.

In São Paulo, most hotels closed between March and April 2020, and reopened in September 2020. However, hotels were never forced to close their doors. Our decision to do so was solely influenced by the lack of guests and business in this region.

In our specific case, we remained closed for a period of 5 months from April to September. During the closing period, we temporarily reduced our team and took advantage of the government support measures to support those who were unable to work during this time. We restarted commercial activity from the moment some air travel returned to the city, since this gave us a business case to justify reopening. Since we reopened in September, our occupancy averages between 30% to 40%. After we reopened, there was a positive expectation across the industry that hotels would bounce back quickly. Everyone across the industry was focused on promot-

ing this destination and the sentiment was optimistic. However, this changed in December 2020, as cases increased significantly and the local government of Sao Paulo was forced to take more restrictive measures to control the pandemic. Our Hotel Tivoli Mofarrej in Sao Paulo is currently operational, but with restrictions. For example, our restaurants are only allowed to be open until 10:00pm, and only serve alcoholic drinks until 8:00pm on weekdays.

“

**The vaccination program is already in progress here in Sao Paulo and rolling out quickly, so that gives us some hope.**



On weekends we are only allowed to serve guests through room service. In general, I would say hotels across Sao Paulo and Brazil are still facing many challenges due to these measures. But the good news is that the vaccination program is already in progress here in Sao Paulo and rolling out quickly, so that gives us some hope. At this stage however, I would be surprised if any Hotelier expects to have a good Q1 or Q2 in 2021. For our City Center Hotel specifically, events, weddings, and meetings have all been postponed to the last quarter of this year, which we believe is a period where the industry will return to a certain sense of normality.

**Domestic and Leisure Travel made a comeback in 2020. How have yours and other local hotels responded to this demand and what is the expectation for 2021?**

Since we reopened in September 2020, the majority of our guests have been from Sao Paulo and Brazil at large. Around 80% of our guests are local from Brazil, 40% of which are from the state of Sao Paulo specifically.

So clearly, the local market is extremely important for us. Therefore, we continue to shape our sales and marketing strategies around local tourists and guests. As a City Center Hotel, we have also adapted to new markets that have emerged from the crises. In the past we predominantly ser-



**About João Corte-Real & Hotel Tivoli Mofarrej**

Joao Corte-Real is the General Manager at Hotel Tivoli Mofarrej - São Paulo, Brazil, a member of Great Hotels of the World. Hotel Tivoli Mofarrej is part of the global group, Tivoli Hotels & Resorts. This 5-star property is located in the heart of São Paulo, which includes 220 rooms and suites, a luxury spa, 2 gastronomic restaurants, a bar, and meeting facilities.

ved groups and corporate segments, providing short stays during the week for professionals traveling to Sao Paulo on business. But currently we're seeing an increase in leisure guests, including families.

As a result, we have had to reshape our offer to meet this new demand - offering suites and family rooms - which are in even greater demand during weekends. So our commercial activity has also shifted from weekdays to weekends. I think the rise of leisure travel is largely due to how Sao Paulo boasts an array of local attractions. Despite the restrictions, many local guests from surrounding cities come to visit,



**So clearly, the local market is extremely important for us. Therefore, we continue to shape our sales and marketing strategies around local tourists and guests.**



**As time goes on, it is likely that we will all return to normality, including guest behaviours. But only time will tell.**

mostly to enjoy the restaurants, do some shopping, or just to get away after months of being confined indoors.

Unsurprisingly, Resorts in the countryside and more remote locations continue to perform better than hotels in the city. And in some cases performing even better than in previous years. I believe this is because more people are looking for open space, fresh air, and a place to escape from the hustle and bustle of the city.

**Do you believe guests have different expectations and purchasing behaviour during this time?**

After we reopened our hotel, we saw a significant pent up demand to travel and enjoy life again.

People had spent too much time at home. When travel reopened, guests were eager to spend more money on meals, the best wines, and generally spare no expense in enjoying luxury experiences.

As time goes on, it is likely we will all return to normality, including guest behaviours. But only time will tell.

**Read the Full Interview [Here.](#)**



## Key Takeaways

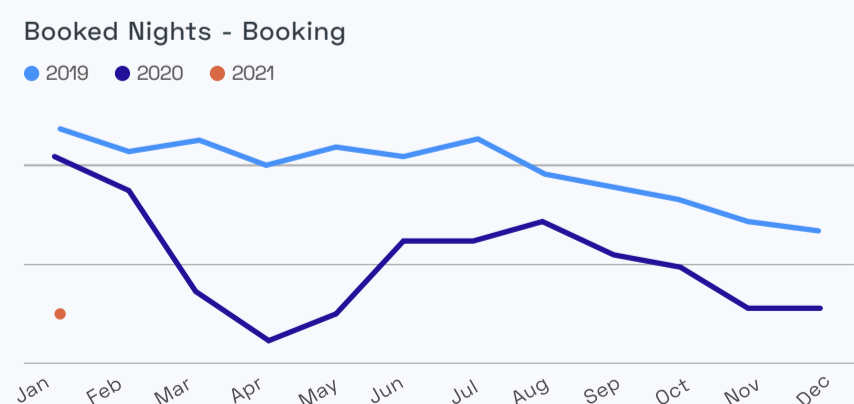
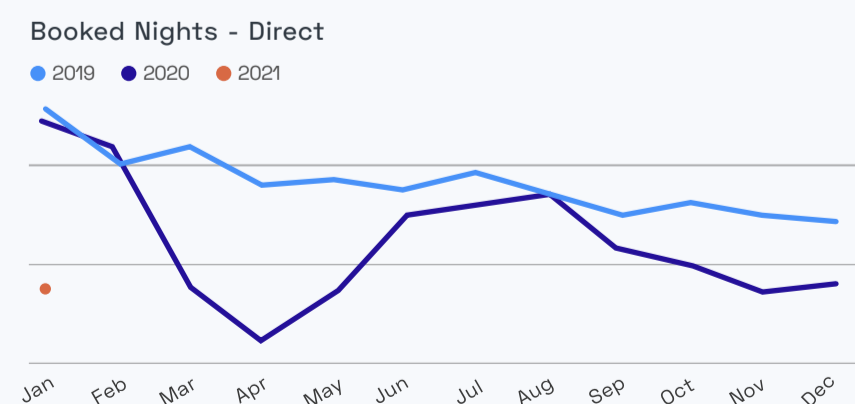
- The traditional January lift in bookings did not happen, and the trend of bookings continues downwards. Booked nights in January 2021 comprise just 21.0% of bookings over the same period in 2020.
- The start of 2021 indicates domestic travel will continue to grow. In January, Domestic bookings comprised 52.1% of total bookings - surpassing International travel for the first time since 2015.
- Since the 1st Edition of the Hotelier Pulse Report, the Direct Channel shows the smallest reduction in reservations compared to Booking, Expedia, GDS, and Others

## Booking & Stays Behaviour in 2021

It's a new year and a new chapter for Hoteliers on the road to recovery. Our Market Trends analysis covers booking behaviour throughout 2021, in comparison to 2020 and 2019.

We also cover the evolution of channel performance in 2021 vs 2020 and 2019, before the pandemic impacted on check-ins and booked nights. We also analyse how each reservation channel is recovering, mobile reservations behaviour, booking pace and Domestic vs International travel trends. Analysing bookings and stays per channel from 2019 to 2021, the graphs below show how each of the 5 main channels performed. These channels are:

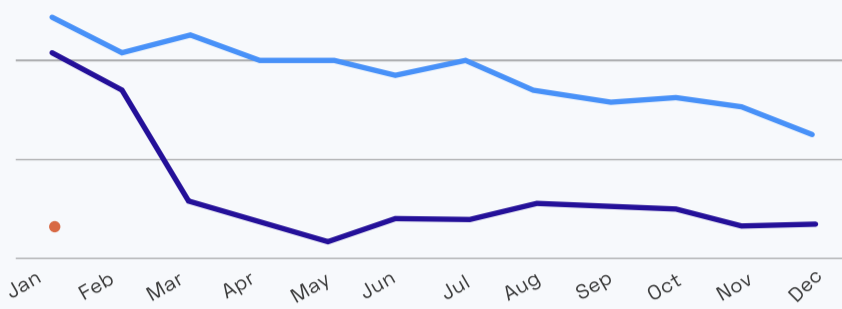
1. Direct
2. Booking
3. Expedia
4. GDS.





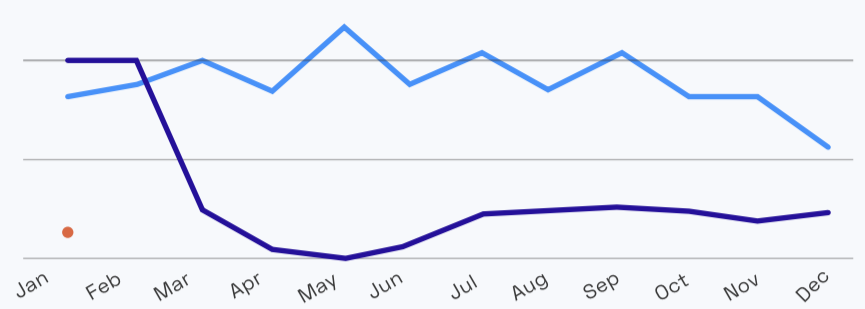
Booked Nights - Expedia

● 2019 ● 2020 ● 2021



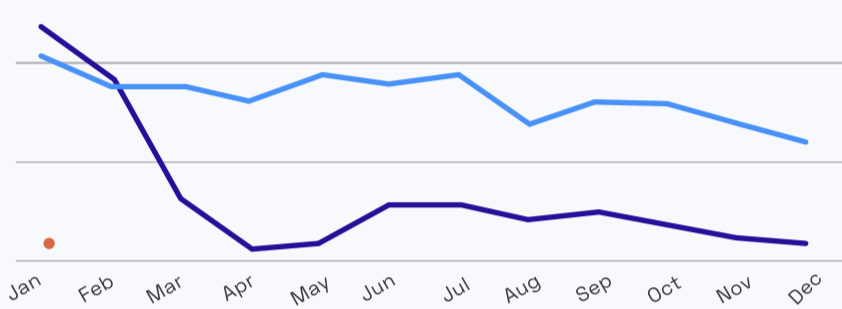
Booked Nights - GDS

● 2019 ● 2020 ● 2021



Booked Nights - Others

● 2019 ● 2020 ● 2021



Historically, January generates high volumes of bookings, especially in Europe. Most guests use the winter period to decide where to go throughout the year, particularly for the summer holidays. With exception of GDS, our analysis shows this trend across all channels. However, this booking behaviour has been changing since January last year.



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Even before the pandemic started, January 2020 registered less reservations than January 2019. January 2020 registered 94% of nights booked in January 2019. Fast-forward to January 2021, with the fresh wave of cases, restrictions and flight bans. We can see that booked nights in January 2021 comprise just **21.0%** of bookings over the same period in 2020. In absolute terms, this compares to some of the slowest months of the pandemic in 2020 - i.e. April and June.

Since the 1st Edition of the Hotelier Pulse Report, the Direct Channel shows the smallest reduction in reservations compared to the major OTAs and all other channels. By the end of 2020, Direct generated **58.6%** of total bookings generated in 2019, **17.0%** more than Booking (**41.5%**). In January 2021, our analysis shows the Direct channel generated **31.9%** of total nights booked in January 2020. Compared with 2019, the result it's pretty similar, at **31.3%**.

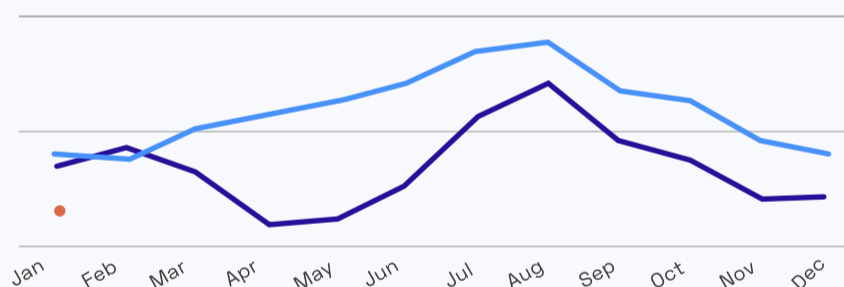
In second place is Booking, which in January 2021 generated **24.1%** of the nights booked over the same period in 2020, and just **20.9%** of bookings in January 2019. Meanwhile, GDS generated just **14.5%** booked nights in January 2020, followed by Expedia at just **13.2%**.

The 'Others' group, which represents all other channels (including wholesalers, tour operators, smaller groups etc), was the lowest performing channel in January 2021. This channel only generated **7.2%** of the nights booked in January 2020. Looking at the overall results for January 2021, here is the tally of total booked nights for each channel by order of performance, compared to January 2020 results:

Direct: **31.9%**      Booking; **24.1%**      GDS: **14.5%**      Expedia: **13.2%**      Others: **7.2%**

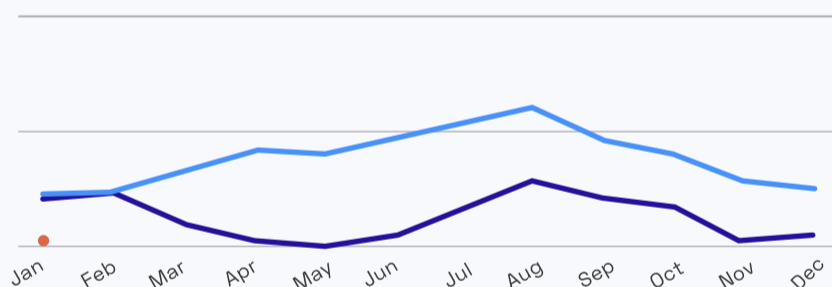
Booked Nights - Direct

● 2019 ● 2020 ● 2021



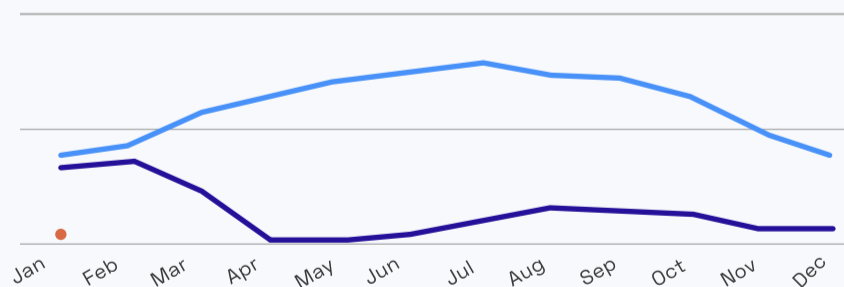
Booked Nights - Booking

● 2019 ● 2020 ● 2021



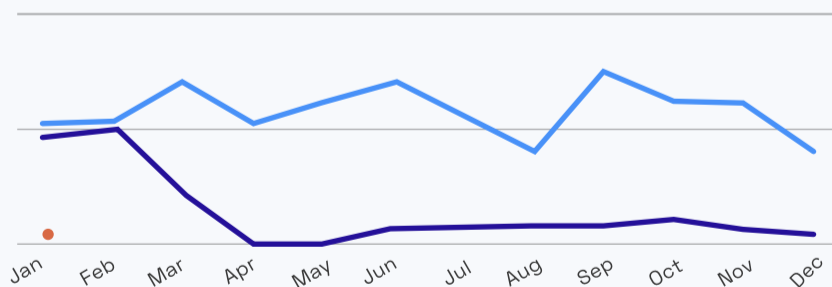
Booked Nights - Expedia

● 2019 ● 2020 ● 2021



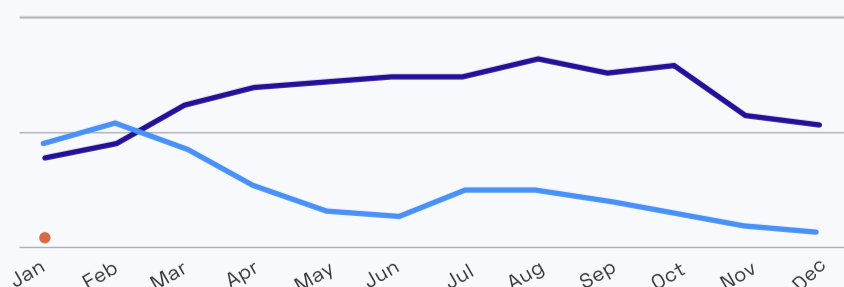
Booked Nights - GDS

● 2019 ● 2020 ● 2021



Booked Nights - Others

● 2019 ● 2020 ● 2021



Contrary to booked dates, January is typically a slow month for stay nights. But compared to previous years, January 2021 registered a massive impact due to the pandemic, with extremely low levels of stay nights. Overall, January 2021 generated just **24.0%** of January 2020 check-ins.

The direct channel has also been the most resilient in terms of stay nights. In January 2021, Direct generated **45.3%** of Stay Nights over the same period in 2020. When we compare January 2021 with 2019 stays, the direct channel generated **43.6%** of total check-ins.

Booking came 2nd in January 2021, generating **16.5%** of stay nights over the same period in 2020. In 3rd place we have Expedia, which in January 2021 generated **14.2%** of stay dates over the same period in 2020. Following 'Expedia' is the 'Others' group, generating just **13.3%** of stay dates in January 2021 vs 2020. In January 2021, GDS generated just **11.1%** of stay nights over the same period in 2020.

Looking at the overall results for the year 2021 vs 2020, here are the total stay nights for each channel by order of performance:

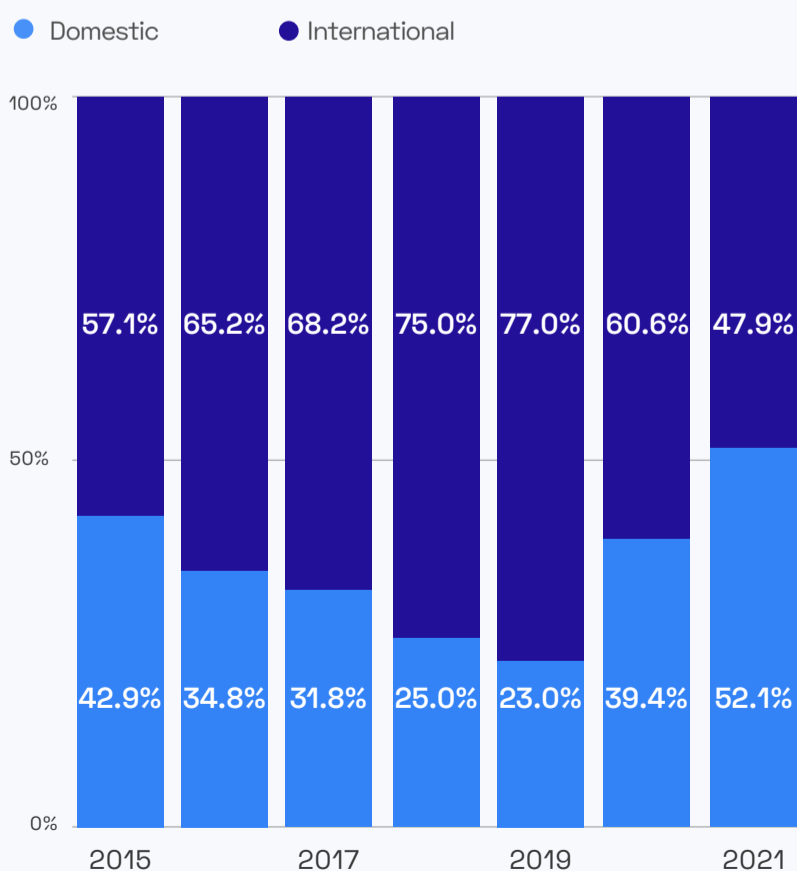
Direct: **45.3%**      Booking; **16.5%**      Expedia: **14.2%**      Others: **13.3%**      GDS: **11.1%**

### International Travel vs Domestic Travel in 2021

From 2015 up until the tail-end of 2019, international travel has been on the rise, with decreasing levels of domestic. This was likely due to the rise of budget airlines and short-term rentals such as Airbnb, which lead to more people booking trips to far-flung overseas locations. However, the events of 2020 drastically altered this trend.

In 2015, just **42.8%** of the nights booked were from guests travelling within their own countries. This percentage slowly and steadily decreased over the years leading up to 2019, when domestic travel represented just **23.0%** of the nights booked. However, 2020 brought back domestic travel, which grew to **39.4%** of total booked nights last year. The start of 2021 shows signals that this trend will likely continue to increase. In January 2021, Domestic bookings comprised **52.1%** of total bookings, while International Travel comprises just **47.9%** of total bookings.

### Booked Nights





## Booking Pace

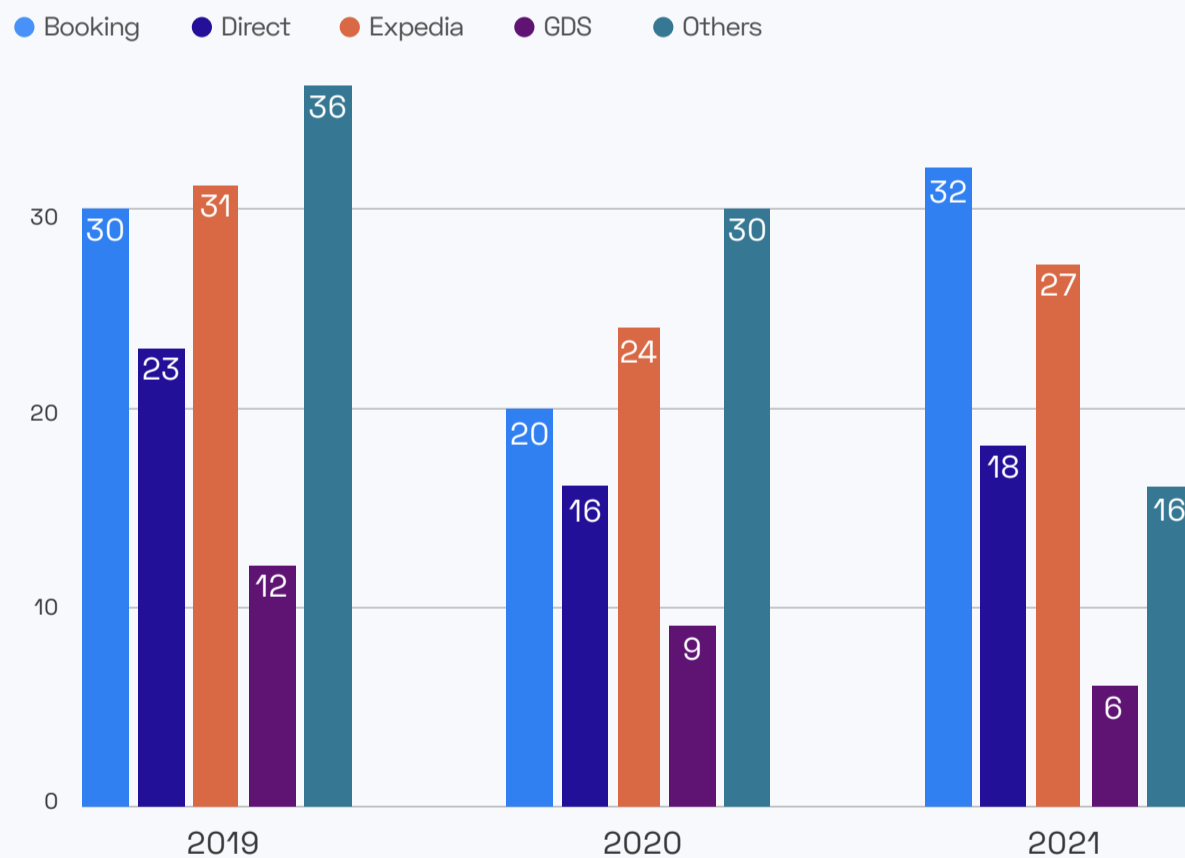
Booking pace decreased dramatically in 2020. Guests booked stays last minute due to uncertainty and changing restrictions. At the start of 2021 with lockdowns across Europe however, we see booking pace steadily increasing. In some cases even surpassing 2019 levels.

Overall, taking into account all channels, booking pace was **26 days in 2019** - which is almost 1 month approximately. In 2020 booking pace decreased by 1 week, **from 26 days to 18 days** - 2 weeks and 3 days. In the first month of 2021, we are once again starting to see an increase in booking pace - **at 21 days**. This is equal to 3 days more than the whole 2020.

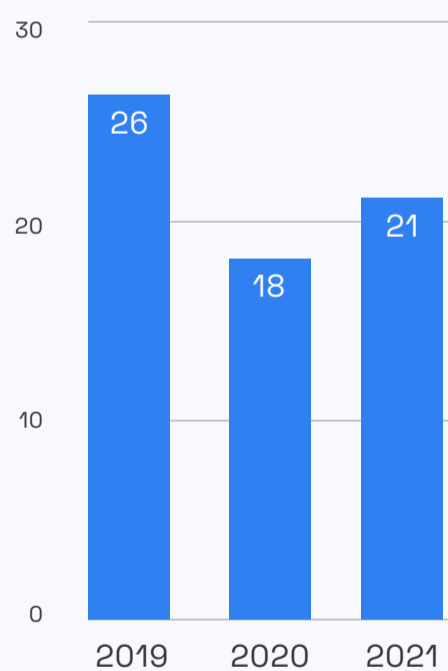
In 2019 the average booking pace for Booking **was 30 days** - or one calendar month in advance. In 2020, booking pace declined to an average of **just 20 days**. In January 2021 however, the numbers have increased, indicating that people are again booking long term and looking forward to travel. Breaking it down by channel, booking pace also decreased for the direct channel in 2020, **from 23 days in 2019 to just 16 days in 2020**. This year, **Direct Channel Booking Pace is still at 18 days** (approximately 2 weeks and a half).

Expedia is in a very similar position to Direct channel regarding Fluctuations of booking pace. It changed **from 31 days in 2019 to 24 days in 2020**. In 2021, Expedia's booking pace **sits at 27 days**. All other channels also saw the booking pace decrease in 2020. However, in 2021 GDS and 'Others' are seeing its booking pace reduce further compared to 2020.

Booking Pace by Year per Channel



Booking Pace by Year Overall



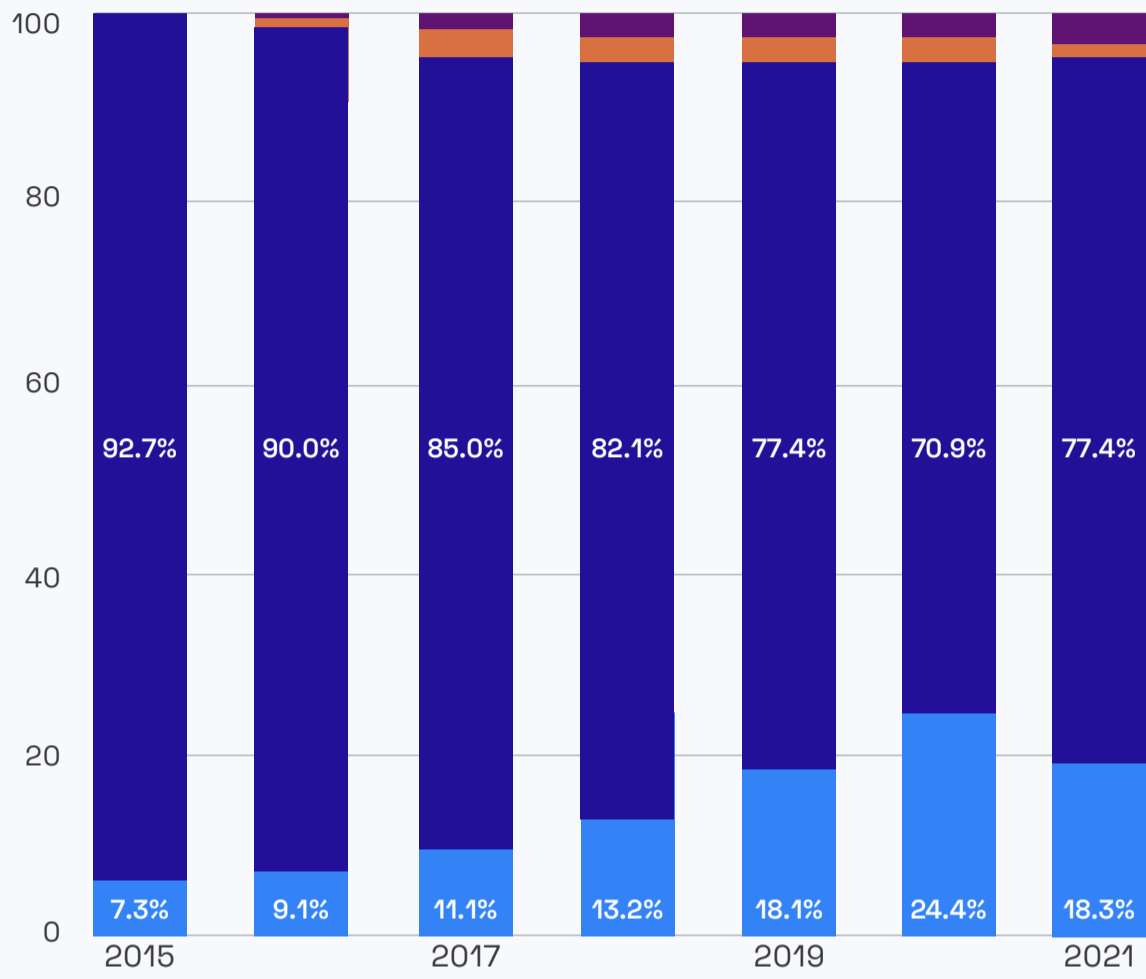
## Booking Behaviour Trends

We continue to monitor booking behavior trends that are likely to hold in 2021 and beyond. Here, we analyse the rise of mobile bookings between 2015 and 2021.

In 2015, just **7.3%** of all bookings were made via mobile and this number steadily increased year after year. In 2020, this number jumped to **24.4%**, surpassing the **20.0%** mark for the first time. Although 2021 has just begun, mobile reservations returned to 2019 levels at **18.3%**. We will continue to monitor mobile performance and present the results in the upcoming editions. The rise of mobile as the preferred booking device highlights the importance of an optimized, mobile-responsive, website that converts into more direct bookings for Hotels.

### Direct Bookings

● Mobile ● Website ● Website Shopping Activation ● Website Shopping Recovery





2.1

# Occupancy Expectation

## Key Takeaways

- The monthly occupancy expectation has lowered significantly for February 2021, from 18% in January 2021 to just 12.0% today.
- Resorts represent the majority of respondents who expected to meet the average occupancy level anticipated for January 2021, at 28.1%.
- On the flip-side, only Bed & Breakfasts expect occupancy levels to increase in February 2021 at 12.4%, compared to 10.0% expected for January 2021.

## POLL:

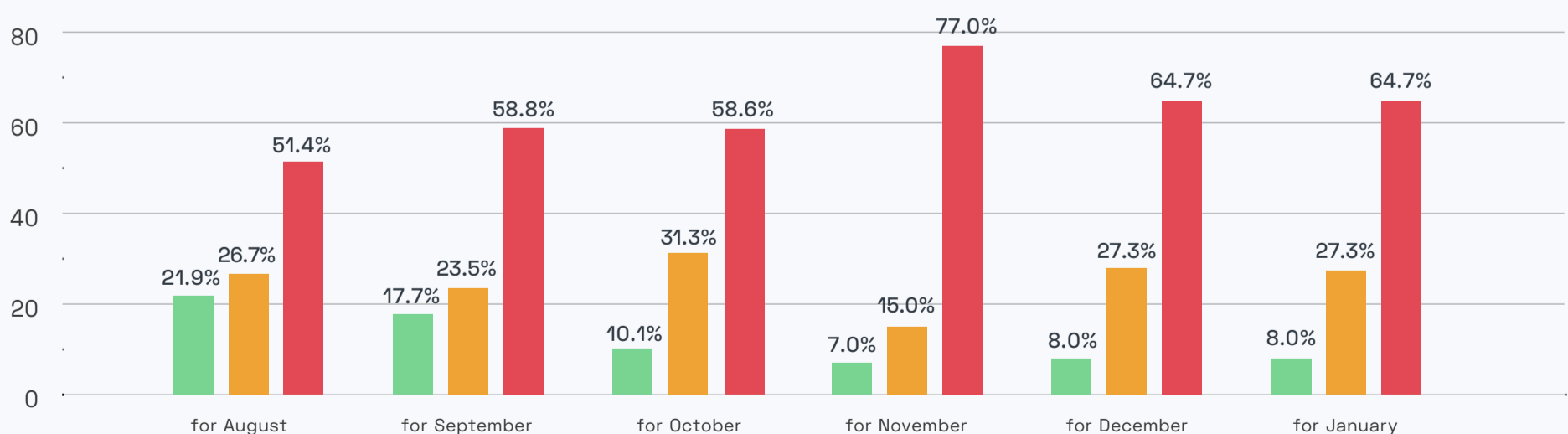
Hoteliers we surveyed in December expected an average of **18.0%** occupancy in January. Do you expect your property to be below, the same, or above this expectation? Since we began asking Hoteliers to share their monthly occupancy expectations with us, we've seen that our respondents keep overestimating occupancy for the following month.

Of the Hoteliers we surveyed in January 2021, **72.3%** expected occupancy to be significantly lower than the **18.0%** average, which was the expectation back in December 2020.

Furthermore, **64.8%** of Hotels did not meet their occupancy expectations for December. These numbers continue to increase month by month, indicating that hoteliers now find it more difficult to make accurate forecasts.

## Occupancy Expectations

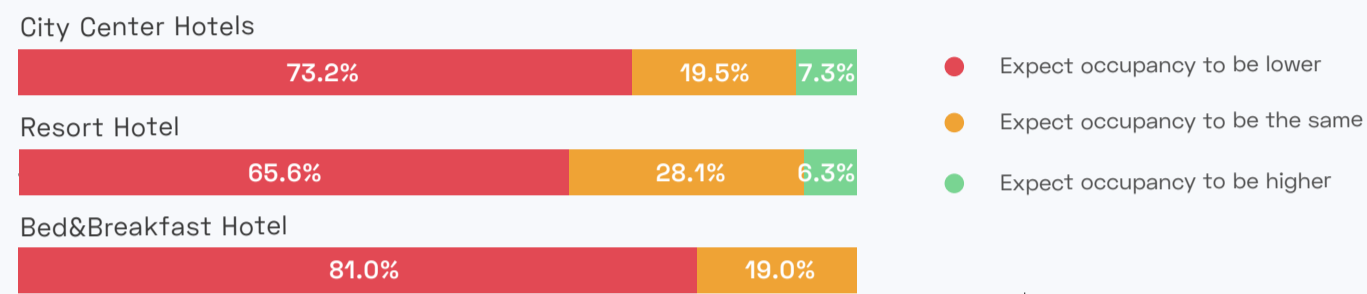
● Expect occupancy to be higher   ● Expect occupancy to be the same   ● Expect occupancy to be lower





In January 2021, **22.3%** of Hoteliers answered they would meet the **18.0%** mark (vs **27.3%** of hoteliers who met the expectation). Just **5.3%** of Hoteliers expected their occupancy to exceed this expectation in January 2021 (vs **8.0%** in December 2020).

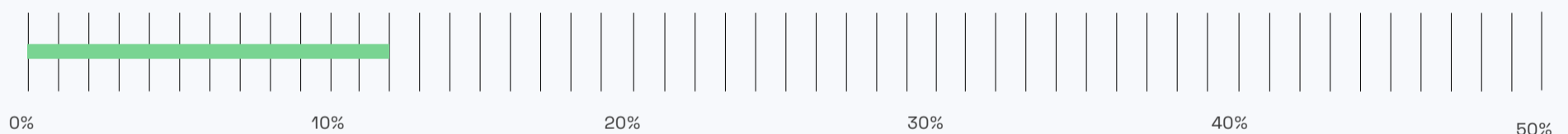
Breaking the results down by property segments, **81.0%** of Bed & Breakfasts did not meet the monthly occupancy expectation for January 2021, vs **73.9%** who said the same for December 2020. Meanwhile, **73.2%** of City Center Hotels did not expect to meet the occupancy levels expected for January 2021, compared to **66.7%** that held the same expectation for occupancy levels in December 2020. Furthermore, **65.6%** of Resorts expected the same result, vs **52.2%** in December 2020.



Resorts represent the majority of respondents who expected to meet the average occupancy level anticipated for January 2021, at **28.1%**. In addition, **19.5%** of City Center Hotels and **19.1%** of Bed & Breakfasts also expected to meet the **18.0%** occupancy levels expected for January 2021. On the positive side, **7.3%** of City Hotels and **6.3%** of Resort Hotels expected to exceed **18.0%** occupancy levels. No Bed & Breakfasts expected to significantly exceed this occupancy mark.

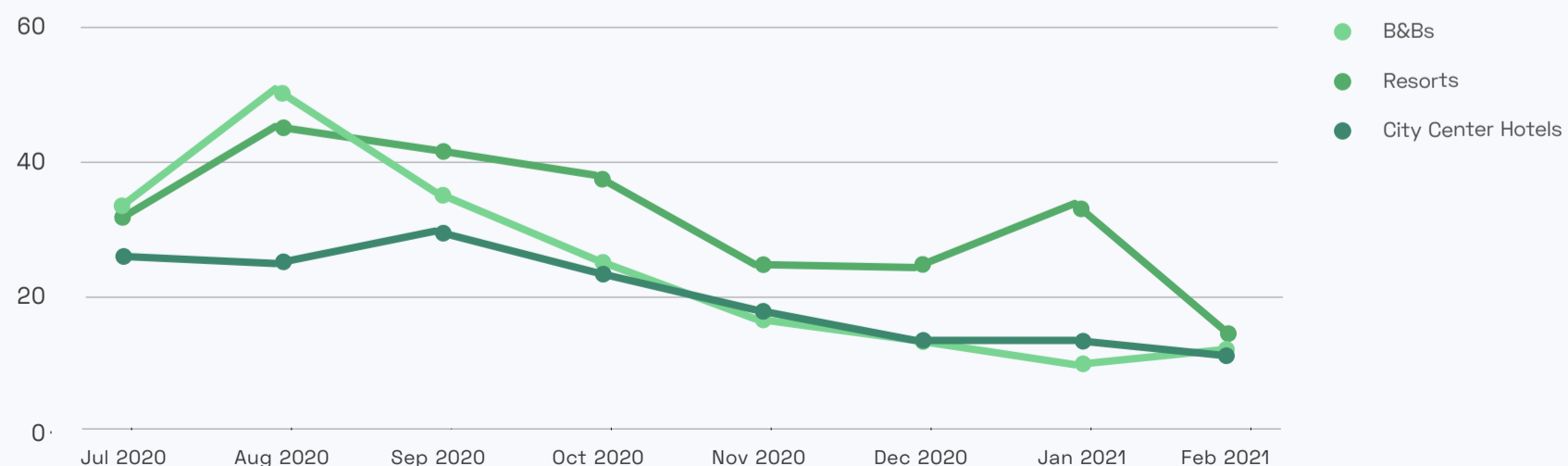
### What is your expectation for total occupancy in February 2021?

#### 12.0% Average Rating



Although Resorts continue to expect the highest monthly occupancy levels, this segment also shows the biggest shift across this segment. Resorts now expect **13.8%** occupancy for February 2021, compared to **30.0%** occupancy expected for January 2021. City Center Hotels also show decreased occupancy expectations, at **11.2%** for February 2021 vs **13.6%** expected for January 2021.

On the flip-side, only Bed & Breakfasts expect occupancy levels to increase in February 2021 at **12.4%**, compared to **10.0%** expected for January 2021.





2.2

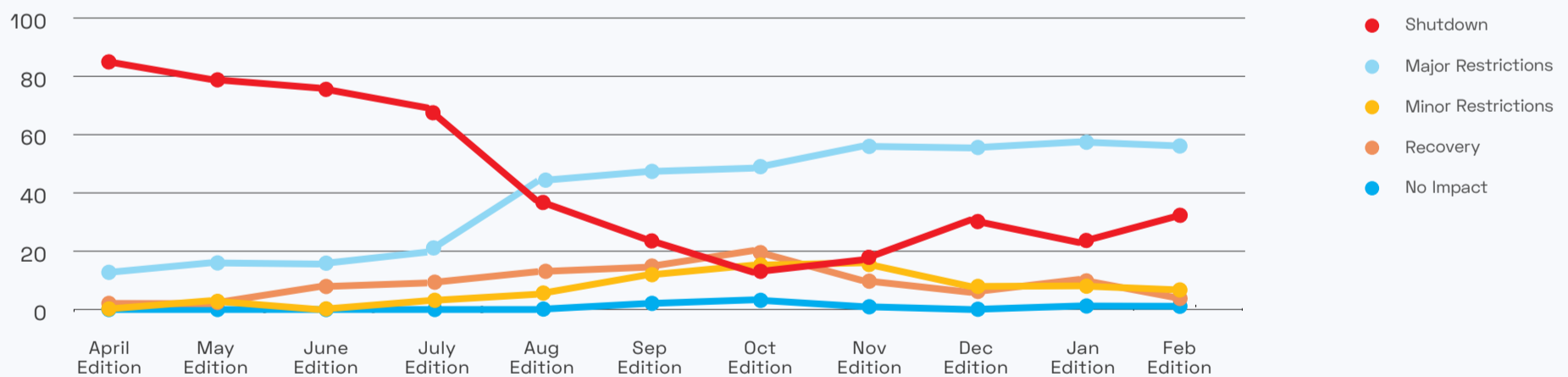
# How are Hotels Doing This Month?

## Key Takeaways

- The situation has degraded with more hotels (89.0%) in complete shutdown or experiencing major restrictions.
- The number of hotels in recovery has also decreased by 8.0%, from 10.3% in December 2020 to 3.3% in January 2021.
- Resorts represent the majority of Hotels already in the recovery stage, at just 6.5%.

Our December 2020 survey showed an **8.0%** decrease in hotels still in complete shut down. However, our January 2021 survey marks an inversion of this trend. More hotels are now closed, returning to almost the same numbers as November 2020 - where we saw the biggest spike of closed hotels since July 2020.

### What statement best describes the current state of your hotel today?



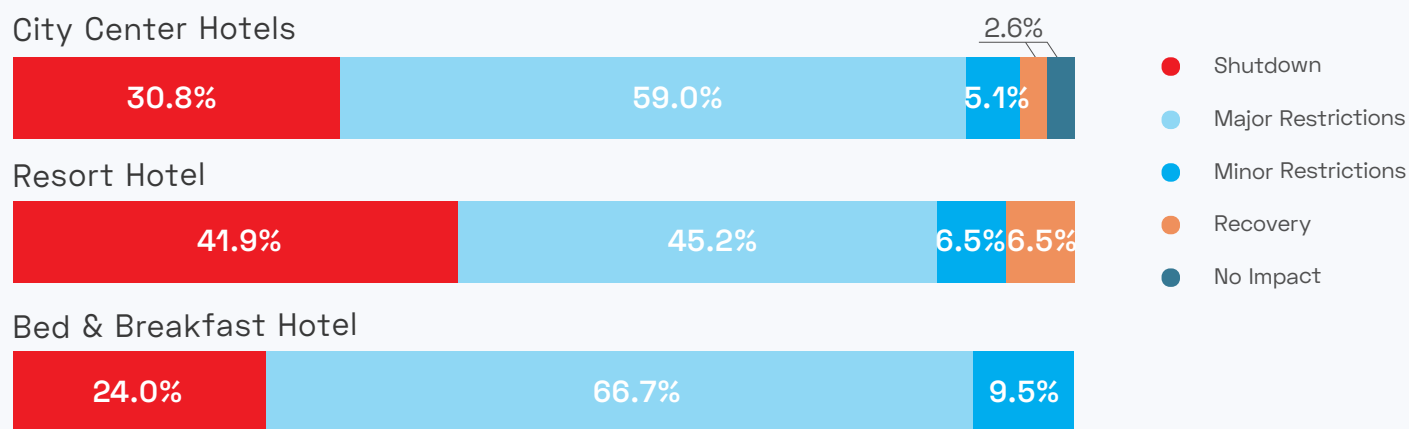
In this edition, **10.0%** more properties are now in shutdown compared to January 2021. **33.0%** of Hoteliers surveyed said their property was still closed, compared to **23.0%** in our January 2021 edition. Meanwhile, **56.0%** of Hoteliers surveyed in January 2021 continue to register major restrictions, compared to **57.5%** in December 2020.

Hotels in the 'Minor Restrictions' and 'Recovery' stages also decreased in this edition, down to **6.6%** vs **8.1%** in our January 2021 edition. The number of hotels in recovery has also decreased by **8.0%**, from **10.3%** in December 2020 to **3.3%** in January 2021.

Interestingly however, **1.1%** of Hoteliers surveyed in January 2021 reported not feeling the impact of the pandemic anymore, the exact same percentage registered in our December 2020 survey.

**41.9%** of Resorts are now in complete shutdown, overtaking Bed & Breakfasts and City Center Hotels as the property segment with the most hotels in this stage. Meanwhile, **30.8%** of City Center Hotels are in the same position. The segment with the least properties in complete shutdown this month is Bed & Breakfasts at **20.0%**.

Consequently, Bed & Breakfasts represent the majority of Hotels dealing with major restrictions. **66.7%** are currently in this stage, followed by **59.0%** of City Center Hotels, and **41.9%** of Resorts. Resorts represent the majority of Hotels already in the recovery stage, at **6.5%**.



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# 2.3 Financial Recovery Forecast

## Key Takeaways

- This edition marks a notable increase in hotels expecting to financially recover to 2019 levels in 2023, with a notable shift toward 2024.
- 53.9% of Resorts, 53.0% of City center Hotels, and 35% of Bed & Breakfasts expect to increase their revenue in 2021 compared to 2020.
- The majority of Resorts still expect to financially recover to 2019 levels in 2021.

At the start of a new year, we are now asking hotels to share revenue expectations for 2021 vs 2020. According to our January 2021 survey, the majority of hoteliers expect their hotel to perform better in 2021 than 2020. In fact, **48.8%** of Hoteliers said they expect revenue to increase in 2021 vs 2020.

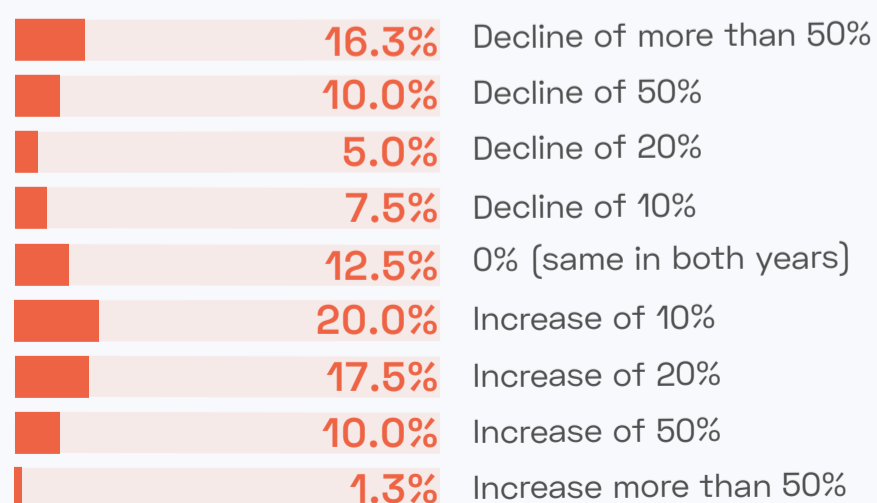
Meanwhile, **38.8%** of Hoteliers expect revenue to decline in 2021 vs 2020. Just **12.5%** of respondents expect the same financial results in 2021 and 2020.

Of the Hoteliers who expect to underperform in 2021 vs 2020, **26.3%** expect a decline of **50.0%** or more in revenue, while **5.0%** expect a decrease of **20.0%**, followed by **7.5%** expecting a decline of **10.0%**.

Of the Hoteliers who expect better financial results in 2021 compared to last year, **20.0%** say the revenue increase will be around **10.0%**. Meanwhile, **17.5%** expect a **20.0%** increase in revenue, while **11.3%** forecast an increase of **50.0%** or more in revenue.

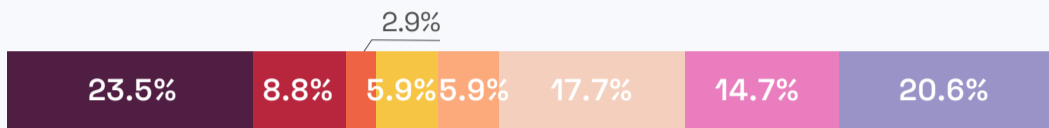
## What is your expectation of total hotel revenue in 2021 when compared to 2020?

### This Month



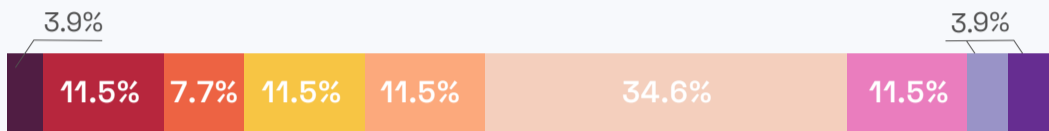
Analysing the results per segment, **53.9%** of Resorts, **53.0%** of City center Hotels, and **35.0%** of Bed & Breakfasts expect to increase their revenue in 2021 compared to 2020. On the downside however, **41.2%** of City hotels, **40.0%** of Bed & Breakfasts, and **34.6%** of Resorts are expecting a bigger revenue decline in 2021 compared to 2020.

City Center Hotels

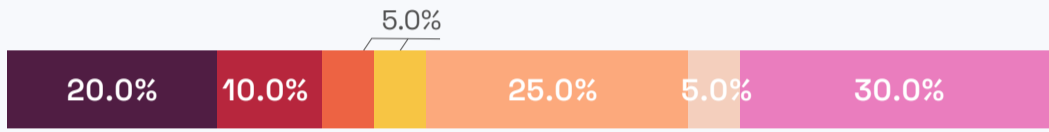


- Decline of more than 50%
- Decline of 50%
- Decline of 20%
- Decline of 10%
- 0% (Same in both years)
- Increase 10%
- Increase 20%
- Increase 50%
- Increase of more than 50%

Resort Hotel



Bed & Breakfast Hotel



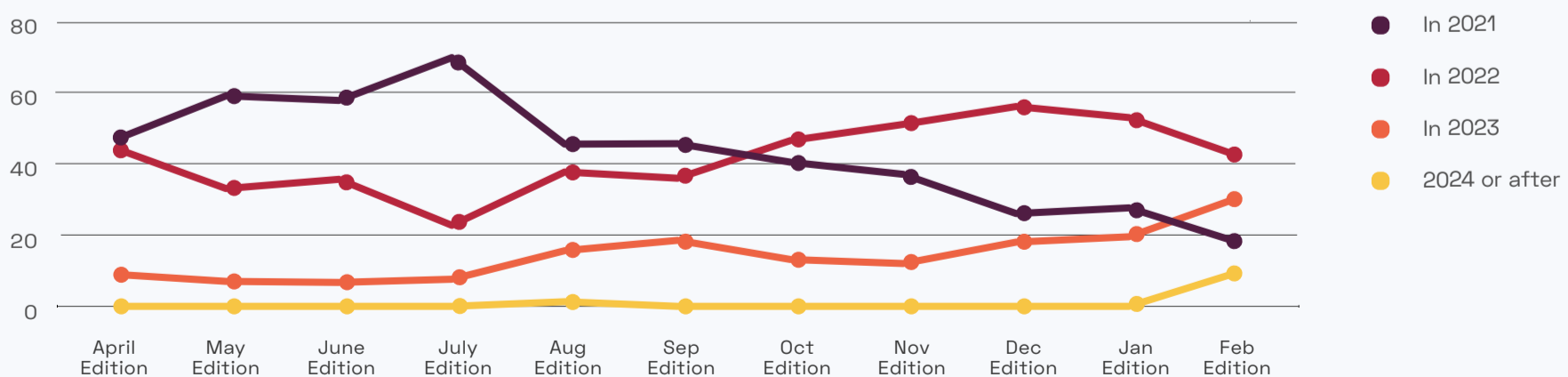
Following a steady increase in Hoteliers expecting to financially recover to 2019 levels in 2021, in August 2020 we began to see increasing numbers of Hoteliers expecting to financially recover in 2022. Since then, the expected timeline for financial recovery has steadily shifted even further toward 2023.

In this edition of The Hotelier PULSE Report, there was a clear decrease in the number of hoteliers expecting to financially recover in 2021 or 2022. Consequently, we see an increase in respondents who only expect to financially recover in 2023. The majority, however, still expects this to occur in 2022.

Of Hoteliers surveyed for our February 2021 edition, **41.8%** expect to financially recover to 2019 levels in 2022, **11.0%** from the **52.9%** who shared this view in our January 2021 edition. **17.6%** of respondents expect to financially recover in 2021, marking a 10% decrease from the **27.6%** who expected this to be the case back in our January 2021 edition.

Consequently, **11.0%** more properties surveyed expect to financially recover to 2019 levels in 2023, at **30.8%**. Meanwhile, **10.0%** of Hoteliers only expect to recover to 2019 levels in 2024 or after.

When do you estimate your business will recover to the same financial position as the year 2019?



This edition marks a notable increase in Hoteliers expecting to financially recover in 2023 or after.

Although the majority (**48.7%**) of City Center Hotels still expect to financially recover to 2019 levels 2022, **33.3%** now expect to only financially recover in 2023. Meanwhile, **15.4%** expect to financially recover in 2024 or after.

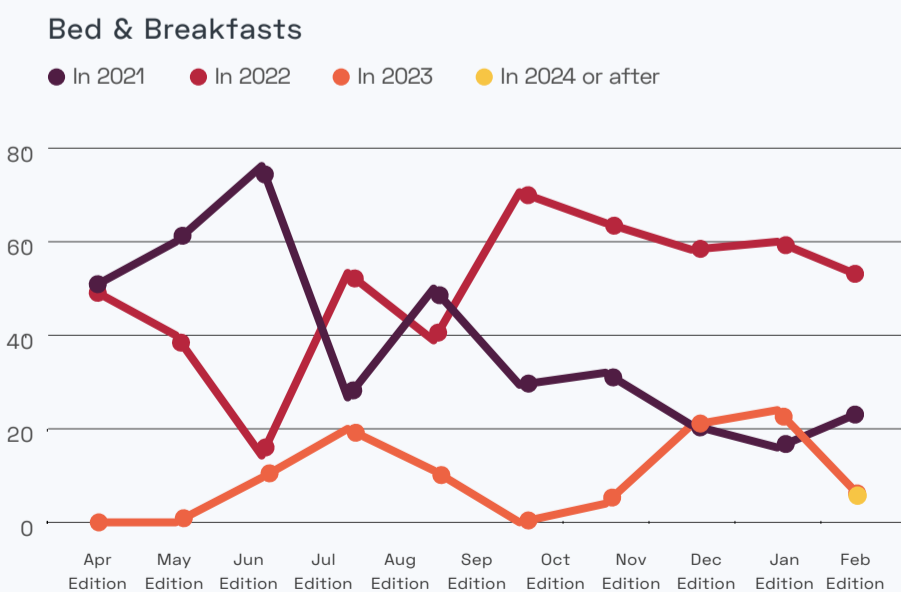
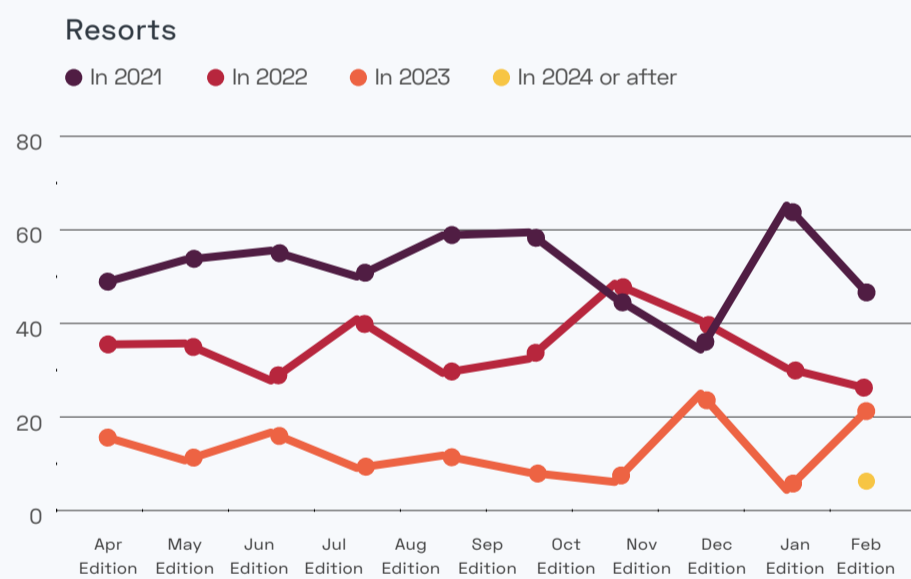
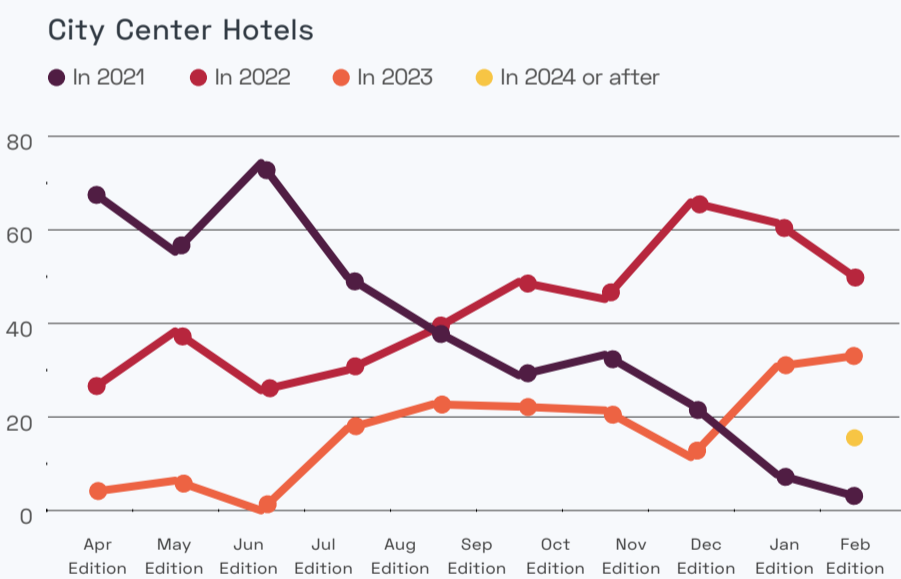
Although more optimistic than City Center Hotels, Resorts also shifted the expected timeline for financial recovery to 2019 levels, from 2021 or 2022, to 2023 or 2024.

The most significant difference between City Center Hotels and Resorts is that the majority of Resorts still expect to financially recover to 2019 levels in 2021. **45.2%** of Resorts share this expectation, while **25.8%** expect to financially recover in 2022. Meanwhile, **22.8%** expect to financially recover in 2023. Only **6.5%** of Resorts expect to recover in 2024.

Similar to the other property segments, Bed & Breakfasts are also delaying their recovery expectations.

Like City Center Hotels, the majority of Bed & Breakfasts (**52.4%**) expect to financially recover to 2019 levels in 2022 (vs **60.0%** in our January 2021 edition). **23.8%** expect to financially recover in 2023 (up **7.0%** from our January 2021 edition). Just **4.8%** expect to financially recover to 2019 levels in 2024.

In our 10th edition of The Hotelier PULSE Report, **24.0%** of Bed & Breakfasts still expected to financially recover in 2021. However, this number has shrunk dramatically to just **4.8%** today.





# Concerns, Key Priorities, Short-Term Strategies

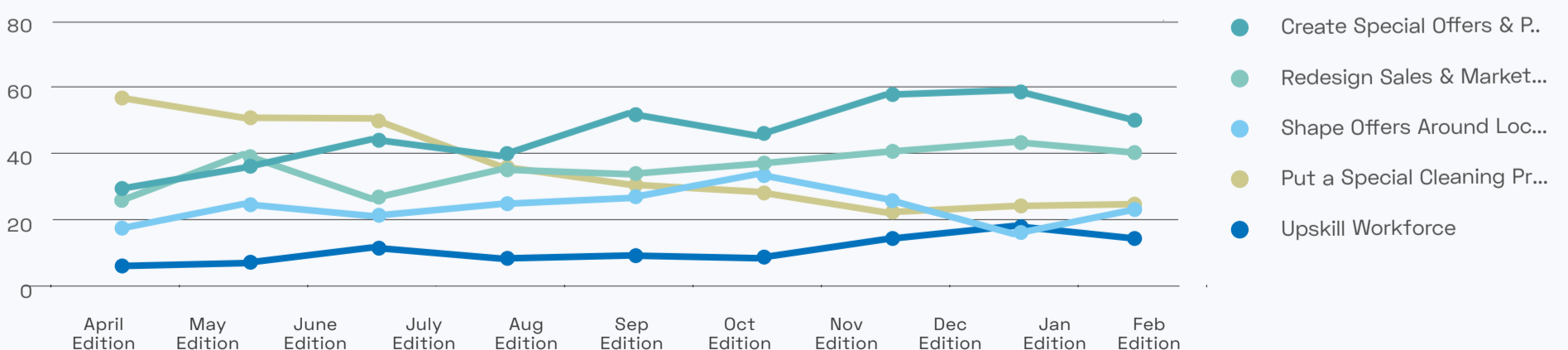
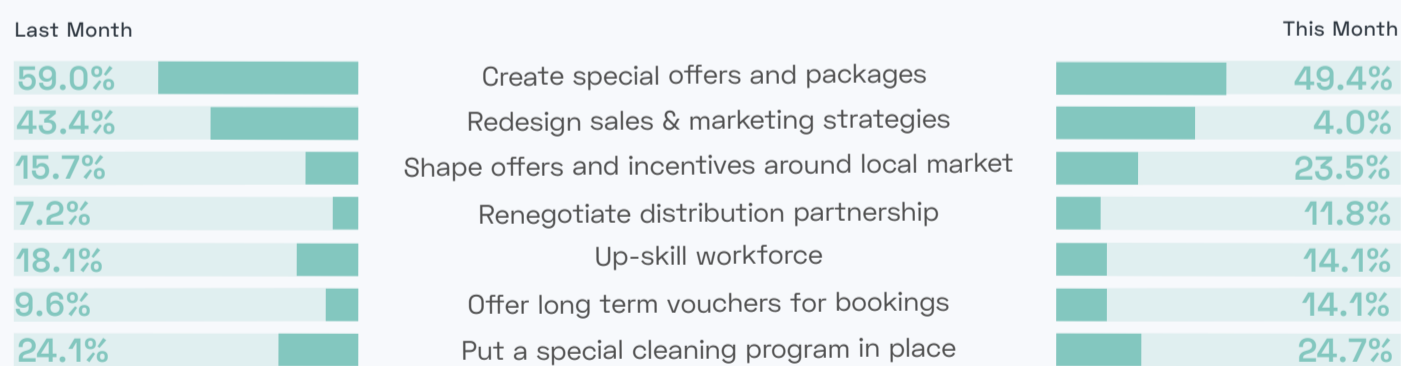


## Key Takeaways

- The expectation for 'Business Travel' (International and Domestic) has hit an all-time low in this edition, while an increasing number of Hoteliers expect 'International leisure' travel to be a strong contributor to recovery.
- Bed & Breakfasts represent the majority of Hoteliers who expect Business travel to be the strongest contributor to recovery, at 33.3%.
- 88.9% of Resorts expect either 'International' or 'Domestic' leisure to be the strongest contributor to recovery.

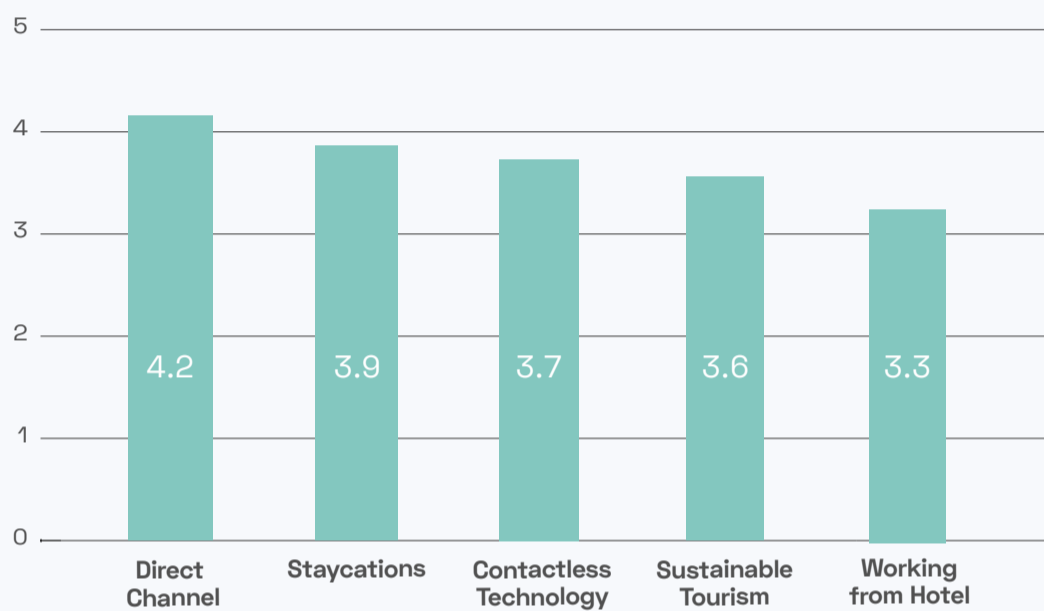
'Creating Special Offers & Packages to Generate New Bookings' continues to be ranked as the number 1 short-term priority for Hoteliers. 'Redesigning Sales and Marketing Strategies to Attack New Markets' continues to rank in 2nd. Meanwhile, the need to 'Put a special cleaning program in place to accommodate guests; health & safety concerns' ranks 3rd. In the beginning of the pandemic, we can see how the industry was strongly focused implementing enhanced cleaning measures to reassure guests. Since September 2020 however, increasing numbers of Hoteliers have shifted focus toward adapting their sales & marketing strategies to attack new markets & segments.

### Select your number 1 priority in overcoming the Covid-19 crisis and preparing for the upturn

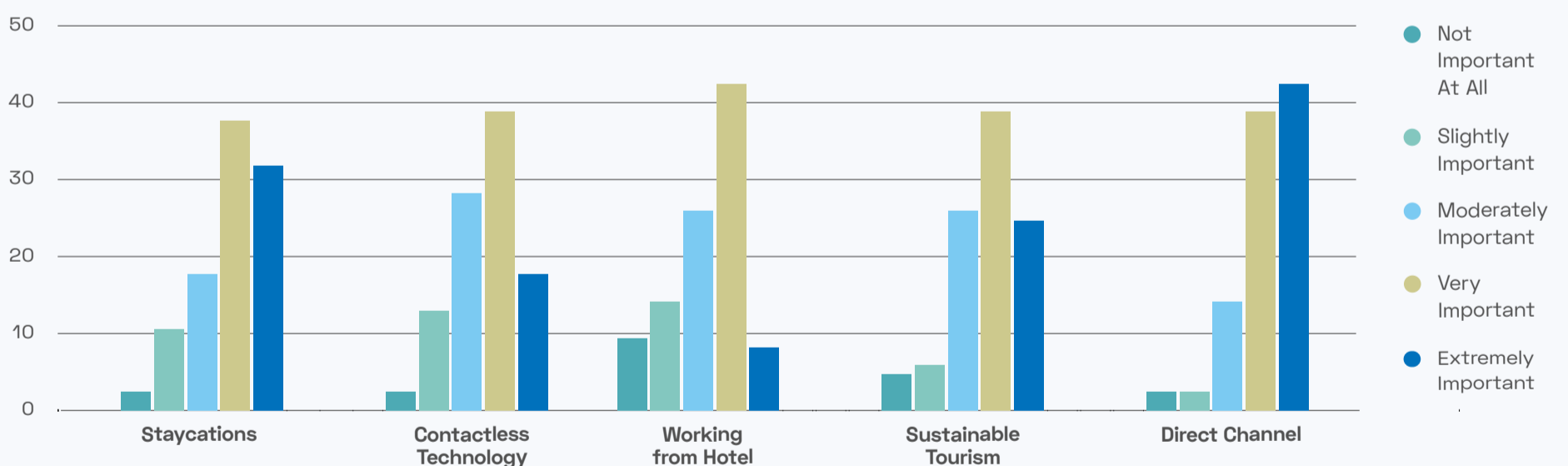


We've seen a number of hotel trends emerge or re-emerge as a result of the pandemic. In our January 2021 survey, asked hoteliers rank, by order of importance, which trends they plan to continue implementing in the next 12 months. The trends are:

1. Direct Channel
2. Staycations
3. Contactless Technology
4. Sustainable Tourism
5. Working from Hotel



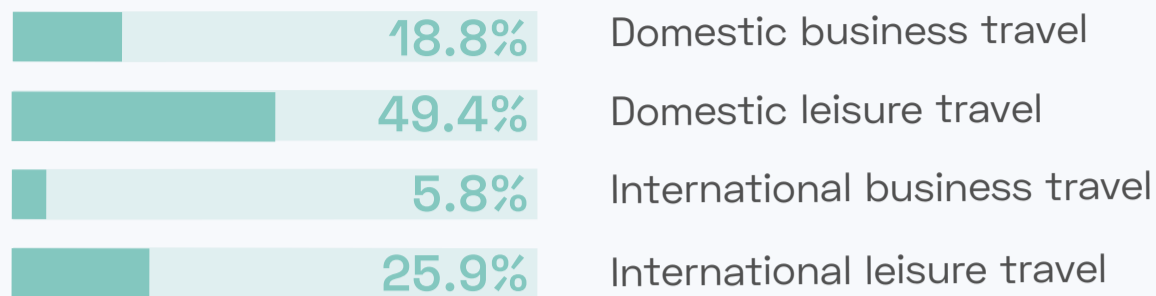
**Rank by order of importance (1 Not Important to 5 Extremely Important) the top trends you plan to continue implementing in the next 12 months.**



**35.0%** of Hoteliers surveyed ranked each of the 5 trends ranked as 'Very Important'. However, a whopping **81.2%** of Hoteliers surveyed ranked 'The Direct channel as the Top Reservation Channel', as very or extremely important over the next 12 months.

On the flip side, Working from hotels was the trend that had the least votes and it was classified as not important at all or slightly important by **23.5%** of hoteliers. Following the focus on the direct channel, we have the Domestic Market & Staycations tied at 2nd place. In 3rd place we have the focus on sustainable tourism, followed by contactless technologies in 4th place, and Working from the 'Hotel' in 5th place.

**What segment do you think will be the first contributor to your recovery once the restrictions are lifted?**

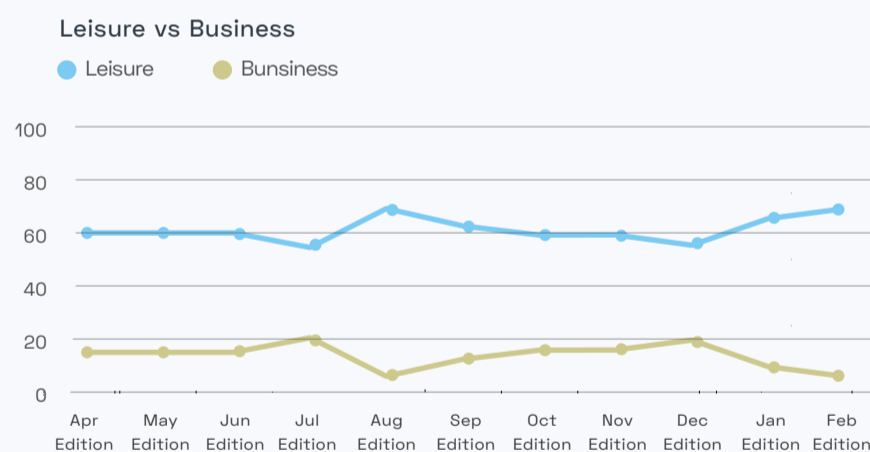
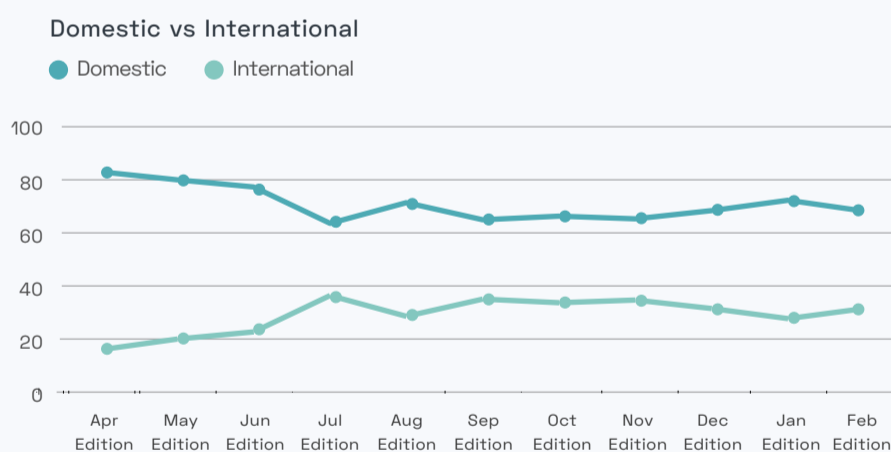


In terms of travel segments, ‘Domestic Leisure’ is once again expected to be the strongest contributor to recovery by the majority of Hoteliers.

As was the case in our 10th edition of The Hotelier PULSE Report, **49.4%** of the respondents still expect ‘Domestic Leisure’ to be a major contributor to recovery. Meanwhile, ‘International Business’ continues to generate the lowest number of responses, but with a slight increase - from **4.8%** in our 10th edition to **5.9%** today.

Contrary to the 10th edition, International Leisure travel is now expected to be a stronger contributor to recovery than Domestic Business travel.

Today, **4.0%** less Hoteliers [**18.8%**] expect ‘Domestic Business’ to be the strongest contributor to recovery, compared to 22.9% in our January 2021 edition. Meanwhile ‘International Leisure Travel’ grew **3.0%**, and **25.9%** of hoteliers think it will be the first contributor to their recovery (vs **22.9%** in our January 2021 edition).



In this edition, an increasing number of Hoteliers expect ‘International’ travel to be a strong contributor to recovery.

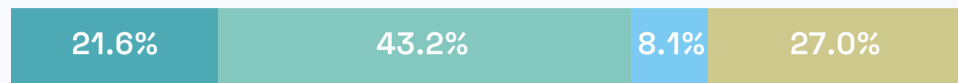
Meanwhile, the expectation that ‘Business’ travel will be a strong contributor to recovery is decreasing. ‘Leisure travel’ registered the most responses since the launch of the Hotelier PULSE Report series back in April 2020. **75.3%** of hoteliers expect leisure travel to be the strongest contributor to recovery.

The expectation for Domestic Travel as the strongest contributor to recovery registers a slight decline in this edition.

However, it is still considered the strongest contributor by the majority (**68.2%**) of Hoteliers. Consequently, International Travel grew from **27.7%** in our January 2021 edition to **31.5%** today.



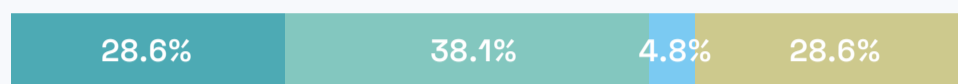
City Center Hotels



Resort Hotels



Bed & Breakfast



- Domestic Business Travel
- Domestic Leisure Travel
- International Business Travel
- International Leisure Travel

Out of all property segments, Bed & Breakfasts represent the majority of Hoteliers who expect Business travel to be the strongest contributor to recovery, at **33.3%**. However, the majority of Bed & Breakfasts expect International Leisure to be the strongest contributor to recovery at **28.6%**.

Furthermore, we can see that Resorts rely heavily on Leisure travel, due to the nature of their business. **88.9%** of Resorts expect either 'International' or 'Domestic' leisure to be the strongest contributor to recovery. As for City Center Hotels, nearly **30.0%** expect business travel to be the strongest contributor to recovery. However, Domestic business travel continues to generate the majority of votes from this segment, at **43.2%**.

# Guest Behaviour & Hotel Expectations

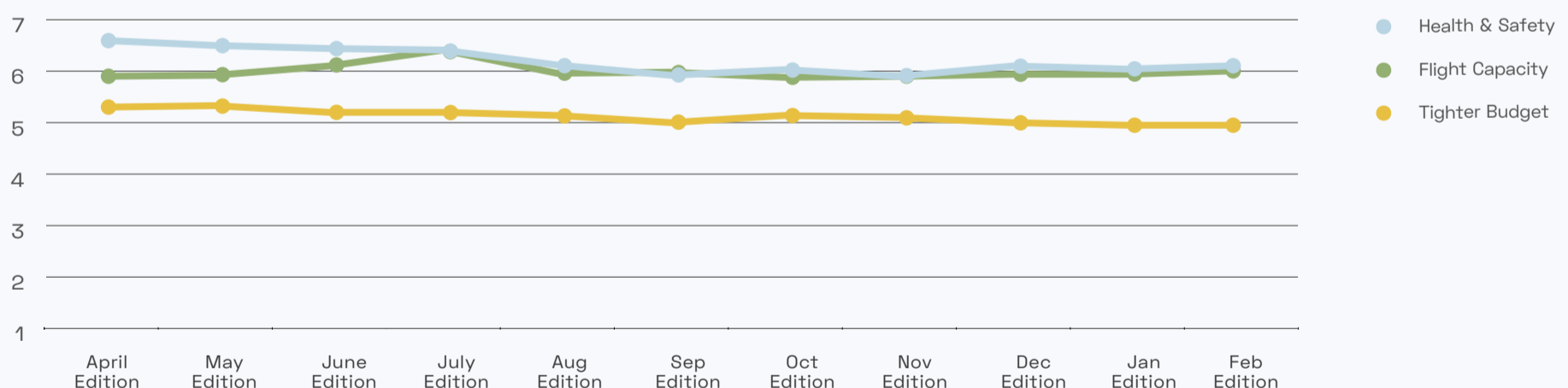


## Key Takeaways

- Out of all property segments, **City Center Hotels** are most likely to decrease ADR - rating it **3.4** out of 7.
- The majority of Hoteliers across all property segments continue to expect that **Direct Bookings** will significantly increase in importance over the next 12 months, rating it **5.5** out of 7
- **Resorts** represent the majority of respondents expecting to increase marketing spend, rating it **4.2** out of 7.

In the second wave of the pandemic, we continue to track the evolution of Hoteliers' expectations on consumer behaviours and the impact on business. The following consumer behaviour concerns were rated on a **scale of 1 to 7** by Hoteliers - with 1 considered 'Not Important' and 7 considered 'Extremely Important'.

**On a scale from 1 (Not Important) to 7 (Extremely Important), rate the following consumer behaviour concerns in terms of impact on your business:**

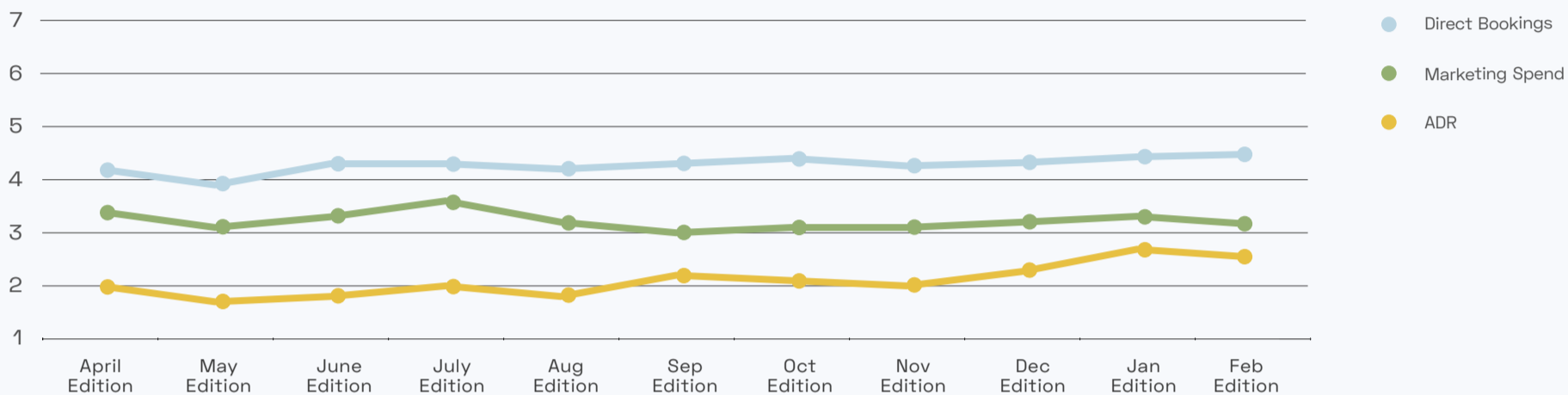


**Health and Safety is the number 1 consumer behaviour concern for Hoteliers in this edition, followed closely by Flight Capacity in 2nd, and 'Tighter Budgets' in 3rd.** Since the 10th edition of The Hotelier PULSE Report, Consumer Health & Safety Precautions and Flight capacity slightly increased in importance for hoteliers on the road to recovery.

'Consumer Health & Safety Precautions' now sits at **6.1** on a scale of 1 to 7 (vs **6.0** in our 10th edition). Flight Capacity now ranks **6.0** (vs **5.6** in our 10th edition). 'Tighter budgets' ranks **5.0** - with no change from edition 10.

Out of all property segments, resorts continue to be the most concerned with Health and Safety precautions, rating it **6.4** out of 7. Bed & breakfasts are most worried about tighter budgets at **5.1**. These properties are also concerned about flight capacity, rating it **6.5** out of 7 in terms of importance, followed by city center hotels at **6.1**.

**In a scale from 1 to 7 (with 1 representing a large decline and 7 being a large increase) rate your expectation on whether ADR, marketing spend and the importance of direct bookings will increase or decrease in the coming 12 months.**



We continue to ask Hoteliers to rate, on a scale of 1 to 7 (with 7 being the highest level), their expectations on whether ADR, marketing spend, and the importance of direct bookings will increase or decrease in the next 12 months.

The majority of Hoteliers across all property segments continue to expect that Direct Bookings will significantly increase in importance over the next 12 months, rating it **5.5** out of 7. This is the highest ranking since the start of the Hotelier PULSE Report series back in April 2020.

Although the majority of hoteliers say they will not decrease ADR and will likely to spend more in Marketing, the number of respondents who share these views has decreased slightly in this edition. The expectation to increase investment in marketing now ranks at **4.2** out of 7 (vs **4.3** in edition 10), while ADR sits at **3.5** (vs **3.7** in edition 10).

Out of all property segments, City Center Hotels are most likely to decrease ADR - rating it **3.4** out of 7. Resorts represent the majority of respondents expecting to increase marketing spend, rating it **4.2** out of 7. As for direct bookings, although all property segments consider this very important, Resorts rated it the highest at **5.7**.



# Sales & Marketing Priorities Over the Next 12 Months

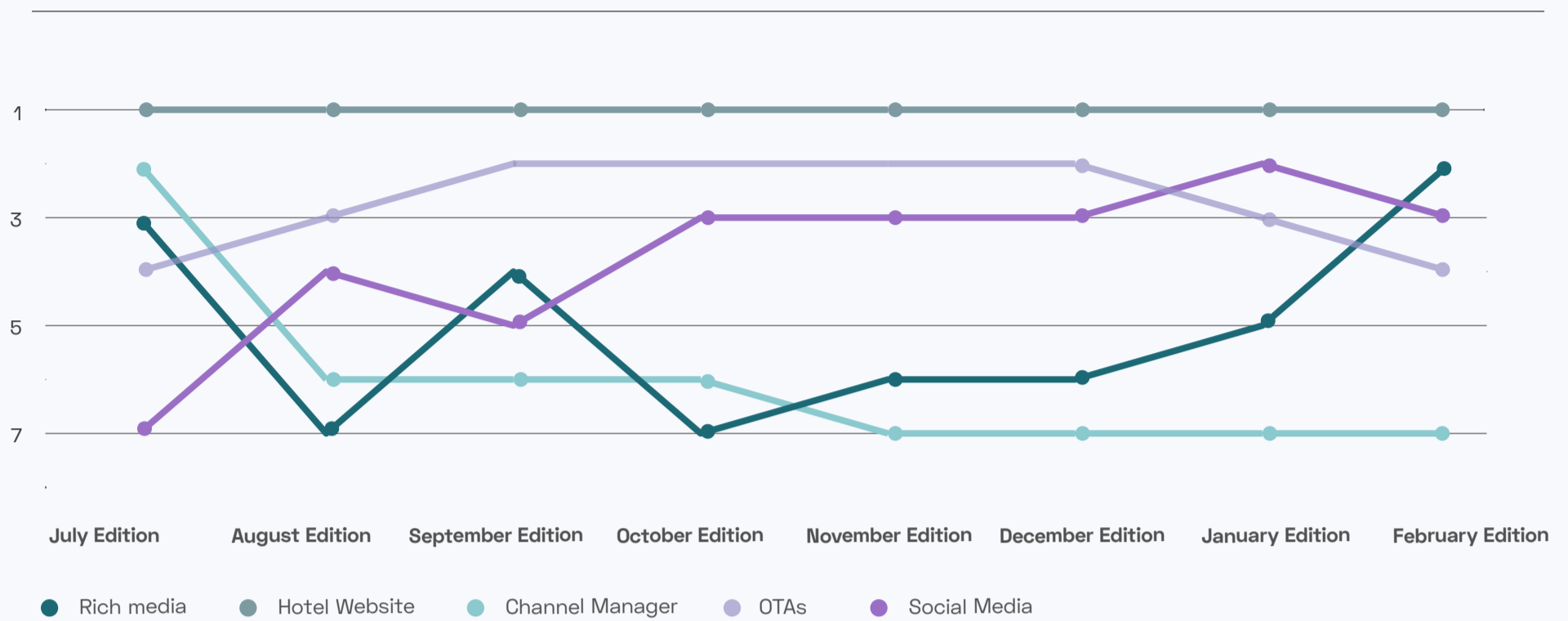


## Key Takeaways

- This edition marks the highest number of respondents who rank the 'Hotel Website' as 'Extremely Important', at 61.3%.
- OTAs have dropped to 4th place, ranked as 'Extremely Important' by 41.3% of respondents.
- Rich Media in 3rd place for the first time. 45.0% of hoteliers view photos, videos and visual materials as extremely important.

We asked Hoteliers to rank by order of importance their Sales & Marketing Priorities to maximize sales and profitability over the next 12 months. These priorities are:

1.	Hotel Website
2.	OTAs
3.	Social Media
4.	Hotel CRS
5.	Meta-search
6.	Channel manager
7.	Rich media
8.	Online ads
9.	Price comparison widget with OTAs
10.	Revenue management
11.	Tour operators
12.	Corporate sales
13.	Hotel bad banks
14.	New distribution technology
15.	Rate shopping system
16.	Sales calls & roadshows
17.	GDS
18.	Joining a brand/soft brand & trade shows



This edition marks the highest number of respondents who rank the ‘Hotel Website’ as ‘Extremely Important’ to maximize sales and profitability. 61,25% of the respondents shared this view (vs **59.7%** in our January 2021 edition).

Meanwhile, the importance of OTAs is decreasing, surpassed not only by Social Media as we saw in edition 10, but also by Rich Media. Social Media is the 2nd top priority, with 48,75% of responses (vs **44.2%** in our January 2021 edition), followed by Rich Media in 3rd place for the first time. **45.0%** of hoteliers view photos, videos and visual materials as extremely important.

In most editions throughout The Hotelier PULSE series, OTAs held 2nd place right after the Hotel website. In our 10th edition it dropped to 3rd place for the first time, and today ranks 4th place in terms of importance. Just **41.3%** view OTAs as extremely important, vs **41.6%** in our 10th edition.

Once again, Trade Shows, Sales Calls, Roadshows and GDS are considered the least important items in the list of Sales & Marketing priorities.

# Conclusions

Although it may be a new year, Hoteliers must still contend with the economic impact of 2020 and persisting uncertainty which looms over the industry in 2021. The majority of Hoteliers are adapting to the continuous rise of domestic travel, whilst saving costs through greater focus on the direct channel.

**What will the industry sentiments be in February 2021? Take our survey [HERE](#) to receive the full results in our 12th Edition of The Hotelier PULSE Report.**

## About This Report

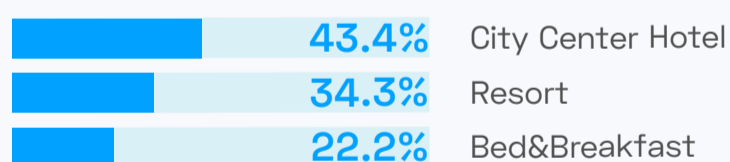
For the 11th Edition of The Hotelier PULSE Report, we surveyed 99 key decision-makers at hotels.

Group CEO's/Property Owners represent the majority of our respondents at **32.3%**, followed by General Managers at **28.3%**. The remaining respondents include Front Office Managers (**17.2%**), followed by Sales Directors (**14.1%**), Revenue Managers (**5.1%**), and Marketing Managers (**3.0%**).

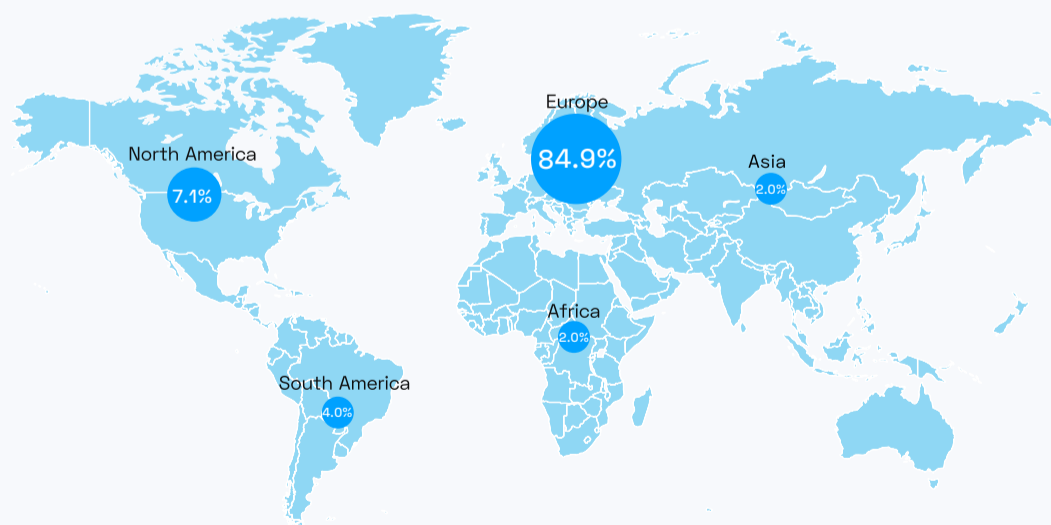
The overwhelming majority of our respondents come from Europe (**84.9%**); followed by North America (**7.1%**), South America (**4.0%**), as well as Asia and Africa (each at **2.0%**).

The 'City Center Hotel' segment is where most of our respondents come from at **43.4%**, followed by Resorts (**34.3%**), and Bed & Breakfasts (**22.2%**).

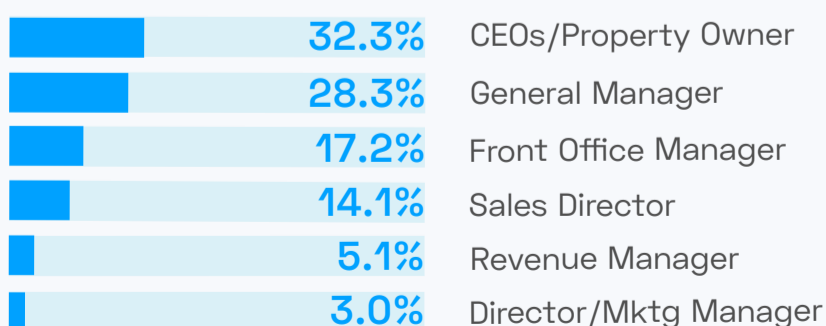
### Type of Property



### Property Locations



### Role



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## About Guestcentric

GuestCentric is a leading provider of cloud-based digital marketing software and services that help extraordinary hoteliers promote their brand, drive direct bookings and connect with customers on all digital platforms. GuestCentric's all-in-one platform provides hotels with the only unified solution for managing their guests' online journey, with award-winning, high impact websites and built-in booking engines working as one. GuestCentric is featured on Skift Travel Tech 250, a list of the top 250 travel tech companies shaping the modern-day travel experience.

## About Great Hotels of the World

Represents a portfolio of 60 largely independent upscale hotels and resorts worldwide that have been thoughtfully curated to cater to the rising bleisure traveller. Beyond exceptional accommodation, a sweeping range of meetings and events venues, and world-class leisure facilities in exciting destinations, the Great Hotels of the World brand is a seal of authenticity and character in hospitality. For more information, please visit [join.ghotw.com](https://join.ghotw.com).



# The Hotelier Pulse Report

# 11

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01.01.2021 / 31.01.2021

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[ghotw.com](http://ghotw.com)

[guestcentric.com](http://guestcentric.com)

We will be emailing you and other hoteliers another round of questions next week or you can take our new survey directly [HERE](#).

So, if you would like to track the evolution of sentiment across the industry, be sure to take our poll. Please reach out if you have any questions.