

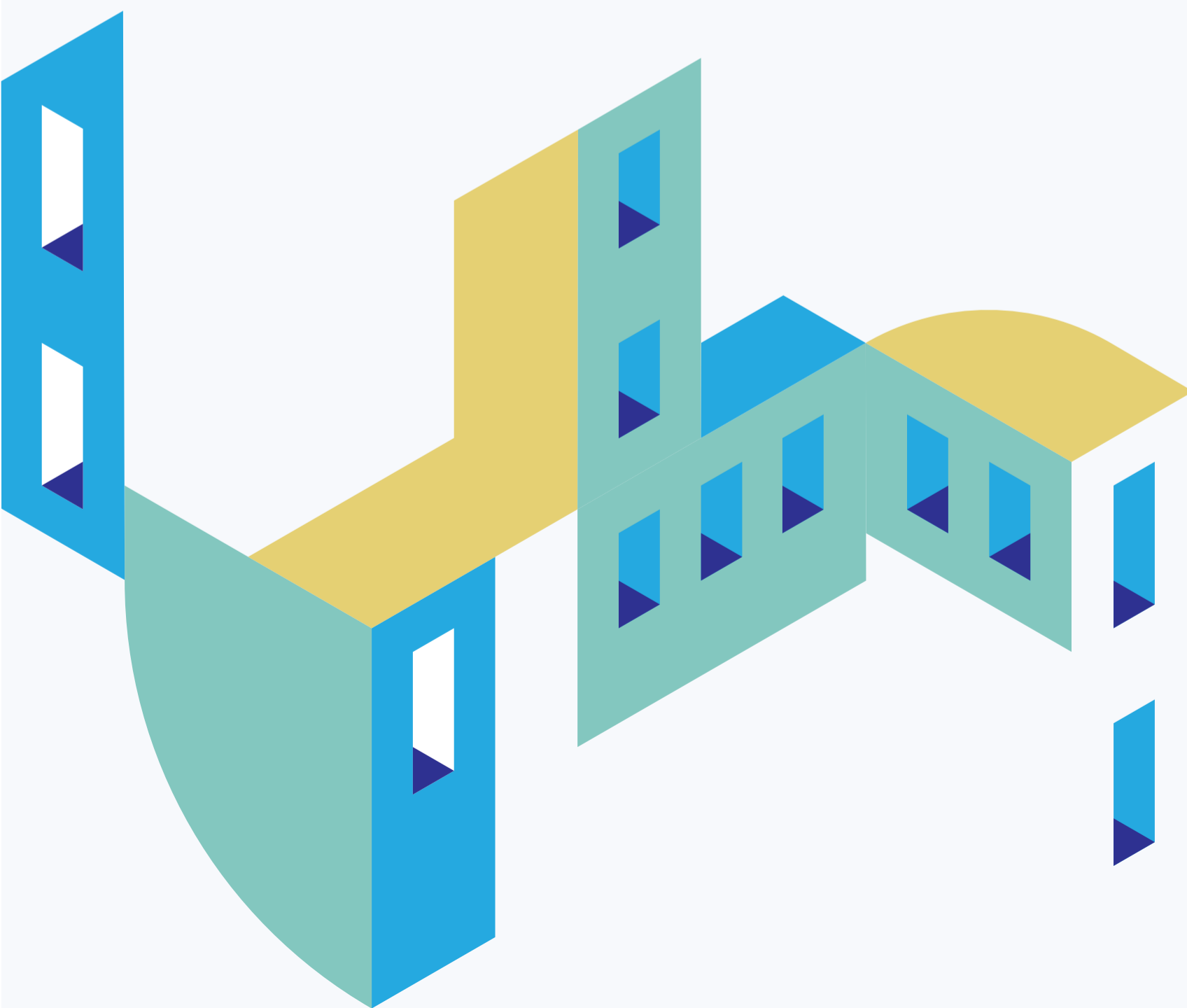
The Hotelier Pulse Report

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01.10.2020 / 31.10.2020

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Editor's Note

BY PEDRO COLAÇO



Welcome to the November edition of The Hotelier PULSE Report.

In these uncertain times, it's vitally important to continue sharing information with your peers and Hoteliers worldwide. This will help both you and Hoteliers like you understand the industry sentiment around what is currently happening and the expectations for the future.

Whether it's your first time reading this report or you have participated previously, I truly encourage all Hoteliers to continue participating in The Hotelier PULSE Report project. It will not only give you better information to help your decision-making process, but also help the wider industry during this time.

You can get a head start by taking our November survey [HERE](#).

Thank you all for sharing your feedback and sentiments with the global Hotel Community this month.

Sincerely,

Pedro Colaço,
CEO of Guestcentric

Table of Contents

	Executive Summary	3
	Interview with Nienke Badía, Hotel Okura Amsterdam The Hotelier Pulse Report Spotlight	4
1.0	Market Trends	6
2.1	Occupancy Trends	10
2.2	How are Hotels doing this month?	12
2.3	Financial Recovery Forecast	14
2.4	Concerns, Key priorities, Short-term Strategies	17
2.5	Guest Behaviour & Hotel Expectations	20
2.6	Sales & Marketing Priorities over the next 12 months	22
	Conclusions	24

Executive Summary

01.10.2020/31.10.2020



Before we dive into the results from our October survey, here are some of the key findings to note:

Hotel Occupancy Trends – November 2020

- Hotel Occupancy expectations have declined to **20.0%** for November, down **9.0%** compared to October's results.
- For the first time since the 1st Edition of PULSE, City Center Hotel respondents do not have the lowest monthly occupancy expectation.

Hotel Business Status in November 2020

- For the first time, following a steady increase in hotels entering recovery since May 2020,
- October's survey reveals less hotels in recovery, and an influx of hotels returning to complete shutdown.
- Unprecedented in this edition, the number of hotel openings didn't go up, it remained stable.
- Bed & Breakfasts represent the majority of respondents that will wait until 2021 to reopen at **28.0%**.

Hotel Bookings Behaviour in 2020

- Direct continues to be the top performing reservation channel in October, generating **69.5%** of bookings over the same period in 2019.

Hotel Financial Recovery Expectations

- City Center Hotels hit hardest by pandemic. **92.0%** respondents expect a decline of **50.0%** or more in revenue compared to 2019.
- Resorts represent the majority of respondents expecting to financially recover to 2019 levels in 2022.

Consumer Behaviour Expectations

- For the first time in The Hotelier PULSE series, 'Domestic Leisure is no longer considered the 1st recovery contributor to City Center Hotels, giving rise to 'International Leisure'.
- 'Flight Capacity' is now the top consumer behaviour concern for Hoteliers.

Hotel Recovery, Sales & Marketing Priorities

- 'Implementing an enhanced Cleaning Program' has now moved to 4th place in the short-term recovery priorities list. Hoteliers are now focused on 'Creating Special Offers and Packages to Generate New Bookings' and 'Redesign Sales and Marketing Strategies to Attack New Markets.
- The 'Hotel Website' has been consistently ranked as 'extremely important' throughout the Hotelier PULSE Report series. However In this edition, it registered the highest number so far, being considered extremely important by **62.1%** of Hoteliers.

Interview of the month

Nienke Badía



In this month's Hotelier Spotlight Interview, we catch up with Nienke Badía, Director of Sales at Okura Hotel Amsterdam, Great Hotels of the World Member. Here, she shares her take on how 2020 has re-shifted the industry's focus toward sustainable tourism and the importance of focusing on the workforce.

What is the status of your hotel today and what strategies are you prioritizing for recovery?

There is a huge focus on our teams, which we believe are our most important asset. Our priority is to ensure that they receive the support that they need to remain motivated and inspired during this time. Maintaining transparency and communicating on a regular basis is now more important than ever. In terms of sales and marketing, we have redefined and continue to redefine our target markets. Up until March 2020, we predominantly received guests from the US and the UK, but that is no longer the case. So we are

now targeting local and neighbouring markets such as Germany and Belgium.

We also shifted our attention from the business guest to the leisure guest. However, we do know that business guests will return to us and will once again continue to be an important market in the future.

With this in mind, we have also partnered with our in-house AV supplier, ACS, for a semi-permanent hybrid set-up in our Grand Ballroom and our Junior Ballroom, which will save time and money once our corporate clients are ready to return.

In your view, what has your hotel done which has made a difference during this time?

One thing we have done and still

do is that we have kept our guest interactions very personal. More so now than ever before, we call each and every guest before their arrival to ensure we meet their needs. We also keep our guests informed of changing regulations whilst offering them flexible options with their reservations. We also guide guests about local attractions that are still available to enjoy in Amsterdam.

“
We are now targeting local and neighbouring markets such as Germany & Belgium.

What we have also done really well since the start of the crisis is guaranteeing a safe environment.

From the 1st of June, when hotels were allowed to reopen again in the Netherlands, we've implemented more safety measures than what was and still is required of us. I am very proud to say that since last week we're the very first hotel in the Netherlands to receive the GBac certification, which just goes to show that everyone at Hotel Okura Amsterdam is taking this seriously and we are acknowledged for that too.

What are you most looking forward to during these times?

Connecting with people has always been what I do best and what I love the most about my profession. So connecting with colleagues, guests, clients, family, and friends is definitely what I look forward to most.

I think the yearning for connection is stronger now than ever before because we are all weathering the same storm together. Everyone just wants each other to survive and thrive again. Each day, I look forward to speaking to these individuals who give me this energy and motivation to keep going.



About Nienke Badía & Hotel Okura Amsterdam

Nienke Badía is the Director of Sales at Hotel Okura in Amsterdam - a Great Hotels of the World member. A strong personable sales professional with great leadership skills, she has a Bachelor focused in Hospitality Management from Hotelschool Den Haag. Hotel Okura Amsterdam has 300 rooms, most of them offering a unique panoramic view of old Amsterdam.

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More so now than ever before, we call each and every guest before their arrival to ensure we meet their needs.

Read the full Interview Here.

The Hotelier Pulse Report Spotlight



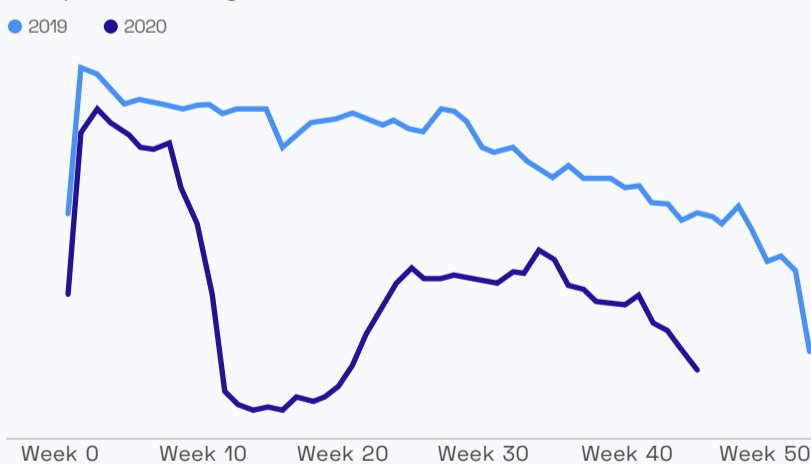
Key Takeaways

- Total bookings in October are down by 60% in 2020 compared to bookings over the same period in 2019.
- Direct continues to be the top performing reservation channel in October, generating 69,54% of bookings over the same period in 2019.
- Booking pace continues to decrease, with nearly 60% of October bookings generated for stays in the same month.
- Mobile bookings have increased by over 6% since 2019.

In the November Edition of The Hotelier PULSE Report, we are showing the percentage of bookings in October 2020 vs 2019, how each reservation channel performed in 2020 year to date vs 2019, how each reservation channel is recovering, the booking pace evolution, and mobile reservations behaviour.

Overall, total bookings in October 2020 plummeted by **60.0%** compared to total bookings over the same period in 2019. Considering that we are now in the shoulder season, combined with ever-changing travel restrictions, this is not surprising.

2019/2020 bookings



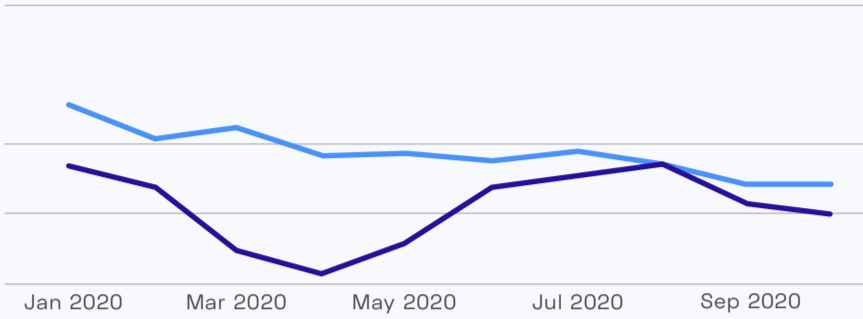
The graphs below show all the nights booked per each of the four main channels, which are:

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

This data was pulled from the beginning of 2020 up until the end of October, and compared with the same period in 2019.

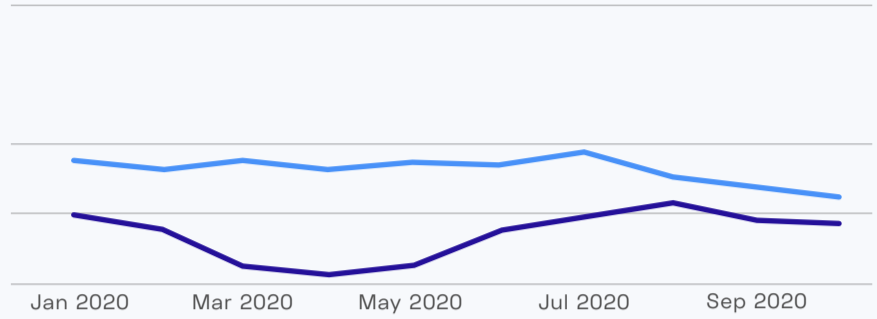
Booked Nights - Direct

● Total Booked Nights ● Total Nights



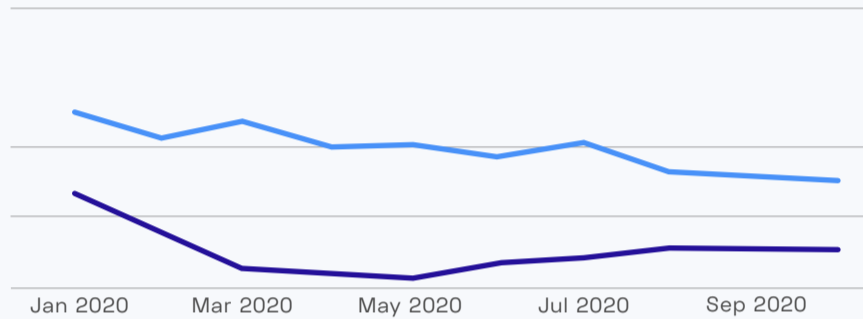
Booked Nights - Booking

● Total Booked Nights ● Total Nights



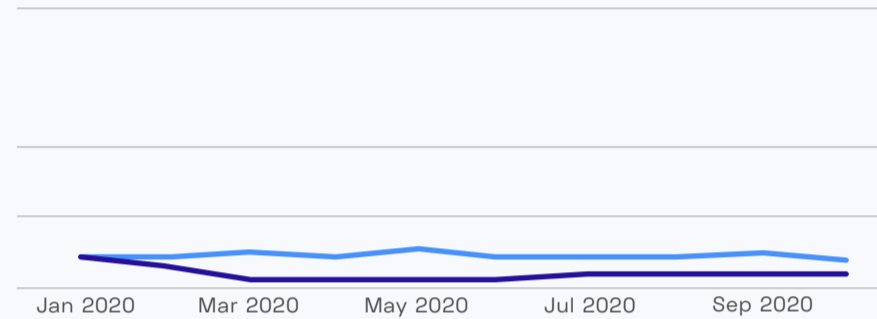
Booked Nights - Expedia

● Total Booked Nights ● Total Nights



Booked Nights - GDS

● Total Booked Nights ● Total Nights



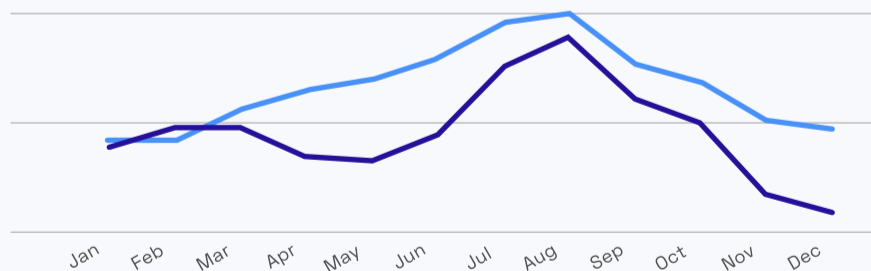
In the October Edition, we saw that Direct, Booking and GDS declined to the lowest performance levels in April 2020. Expedia saw the same behaviour in May, since it derives the majority of its revenue from the US market. We also saw that Direct was the quickest to recover closer to 2019 levels from June until September 2020, where nights booked reached the highest point in August at **92.0%** of 2019 values.

Analysing the October results and comparing with the same period in 2019, a decline in bookings was expected at the beginning of the shoulder season. In October 2020, the Direct channel achieved **69.6%** of total nights booked in October 2019, making this the best performing channel.

Following Direct, is Booking with **69.0%** of nights booked over the same period last year. GDS only registered **33.8%** of October 2019 nights, followed by Expedia at just **32.0%**.

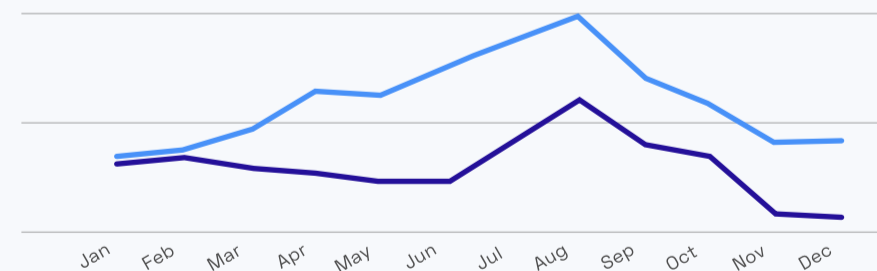
Stay Nights - Direct

● Total Booked Nights ● Total Nights



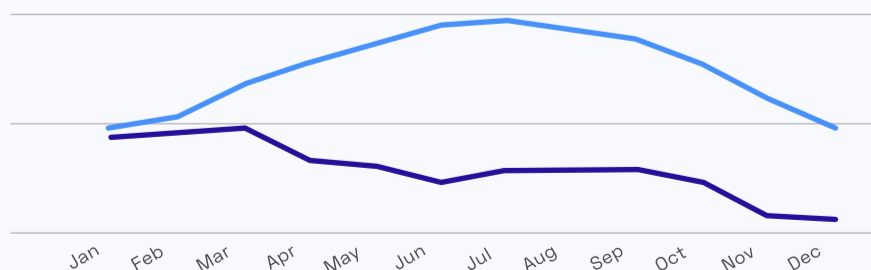
Stay Nights - Booking

● Total Booked Nights ● Total Nights



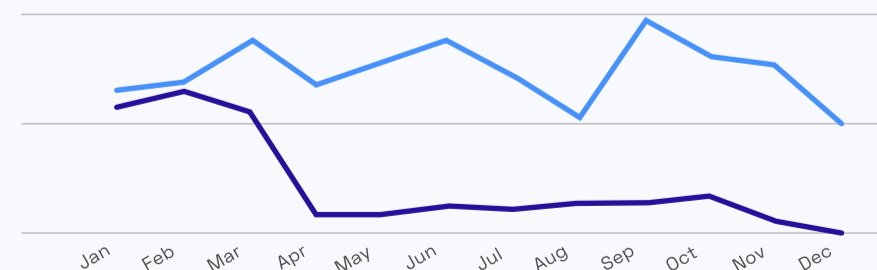
Stay Nights - Expedia

● Total Booked Nights ● Total Nights



Stay Nights - GDS

● Total Booked Nights ● Total Nights



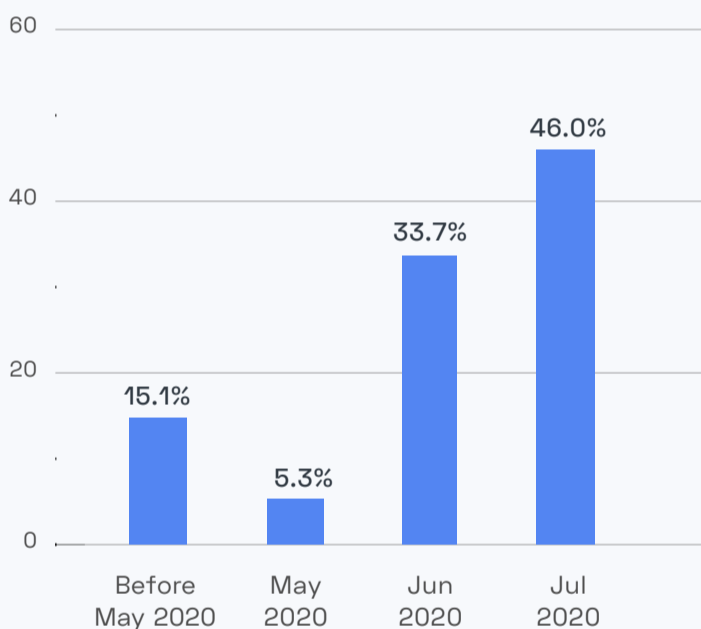
Since the beginning of 2020, Direct continues to be the best performing channel for Stay Nights (or check-in dates). All channels started seeing declines in March 2020. The lowest point for Direct, Booking, and GDS was in May 2020, while Expedia began declining in June.

The Direct channel performed best in August 2020, with **90.4%** of check-ins over the same period last year. Booking, on the other hand, generated just **61.1%** of check-ins over the same period in 2019. In October 2020, we saw Stay Nights from Direct and Booking begin to decline once more.

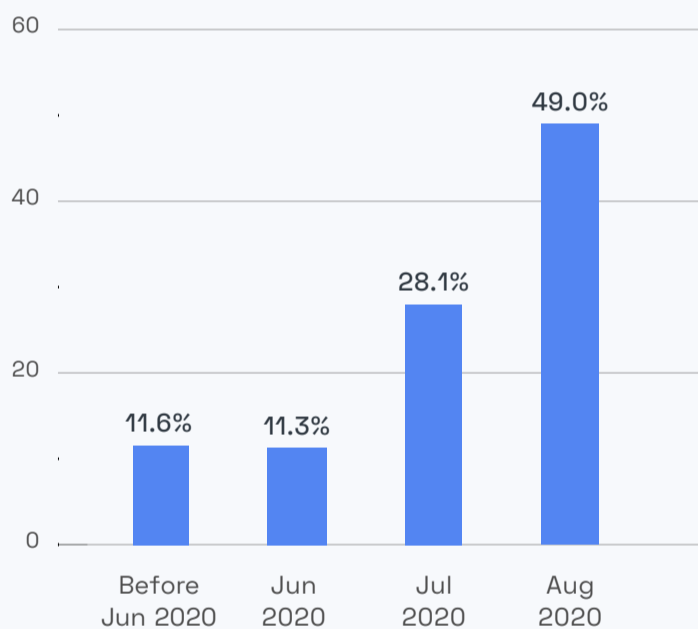
Direct generated **71.6%** of Stay Nights over the same period in 2019, while Booking generated just **59.1%**. The lowest performers were Expedia with **31.3%** of October 2019 Stay Nights, followed by GDS at just **20.7%**.

Due to the persistent reduction in booking pace, with over half of bookings made for stays in the same month, the biggest discrepancies in booking behaviour can be found in November 2020 vs the same period in 2019. By the end of October 2020, Direct had **33.6%** of November 2019 Stay dates, Booking registered **22.1%**, Expedia **12.4%** and GDS **7.2%**. With the second wave of the pandemic and new restrictions rolling out across Europe, we might see an even bigger drop by the end of November.

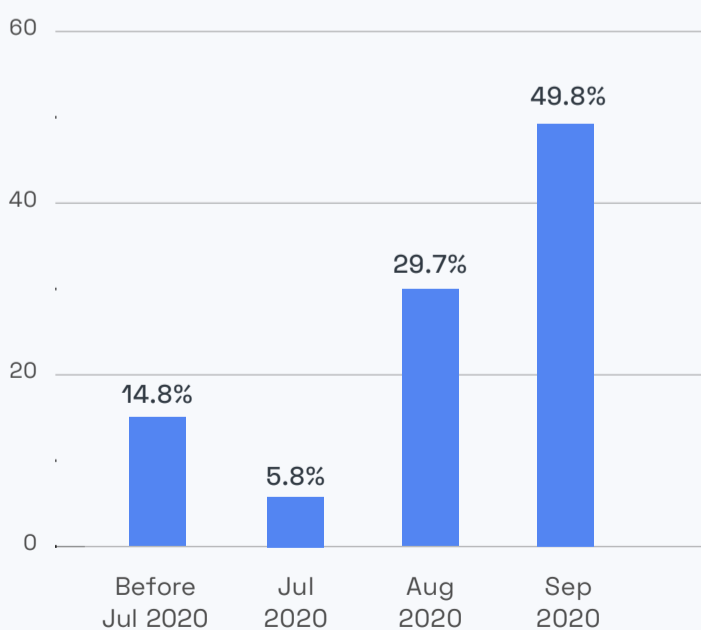
July Bookings



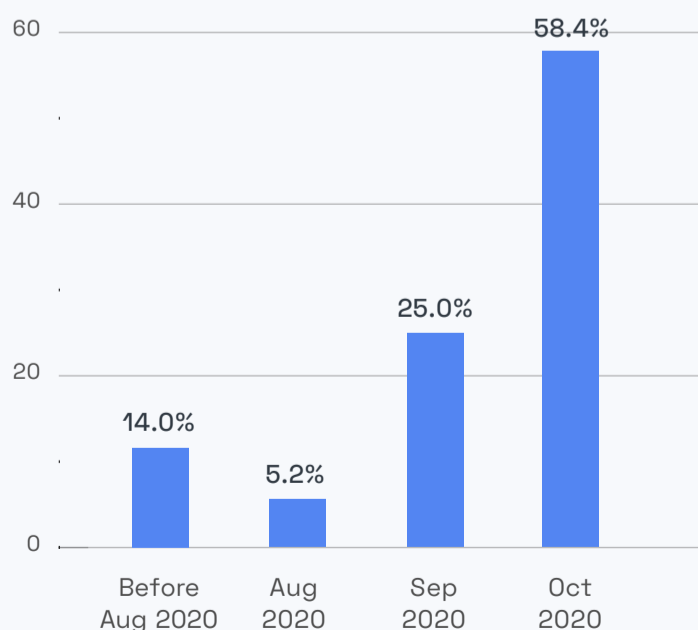
August Bookings



September Bookings

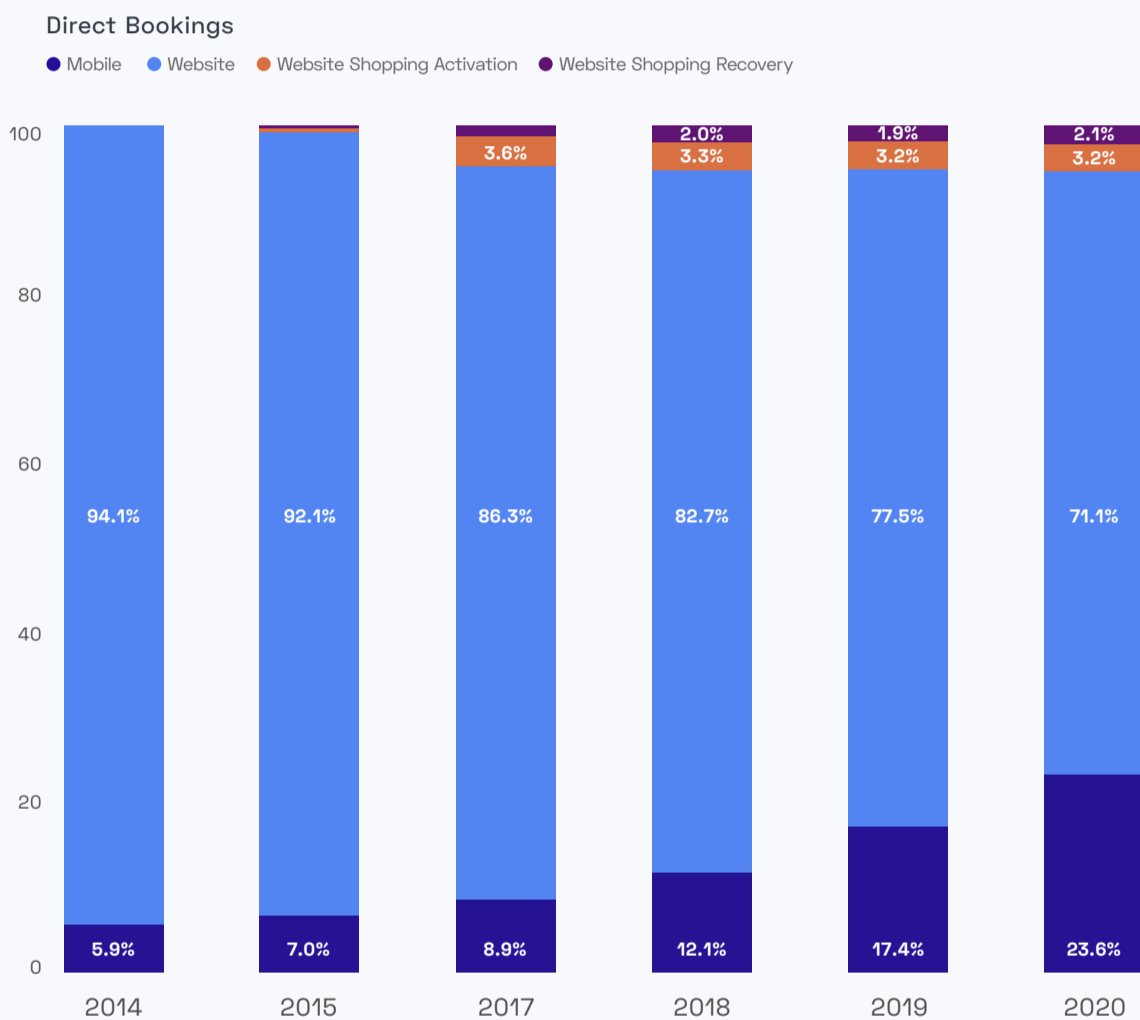


October Bookings



As expected in these uncertain times, we continue to see an increase in last-minute reservations. In July 2020, **46.0%** of reservations were booked for stays in the same month. In August 2020, the number of reservations for stays in the same month increased to **49.0%**, rising to **50.0%** in September 2020, and **58.4%** in October 2020.

The reduced booking pace is a persistent trend we have seen since the start of the pandemic, and why **82.4%** of reservations for October were made in the same month or in September. Given how just **17.6%** of reservations are booked two or more months in advance, Hoteliers have limited visibility to make advanced business forecasts and act accordingly.



Although it's now more difficult to forecast results and take actions according to booking pace, there are also some certainties Hoteliers can leverage during this time.

The first is the increasing importance of direct mobile reservations. Although 5 years ago only **5.9%** of direct reservations were made using a smartphone, nowadays nearly a quarter of all bookings are generated by mobile users. In fact, 2019 registered the biggest increase in mobile direct bookings, growing by **6.1%** since 2018.

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.



Key Takeaways

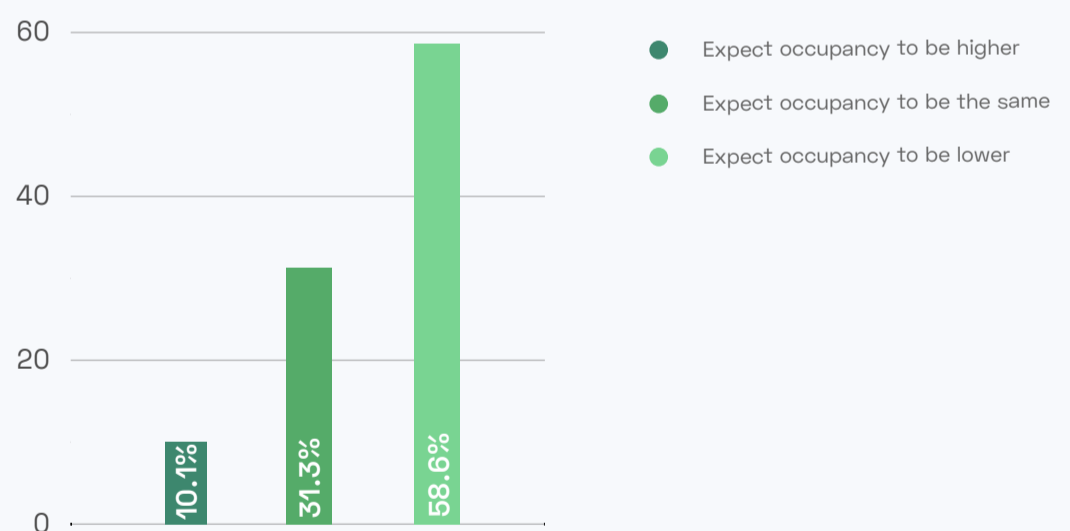
- Unlike previous editions, City Center Hotels no longer hold the lowest monthly occupancy expectations, but Bed & Breakfasts.
- Resorts continue to expect the highest monthly occupancy levels, with 24.9% expected for November (vs 38.1% for October).
- Overall, the monthly occupancy expectation has decreased by 9.0% compared to last month's results

POLL:

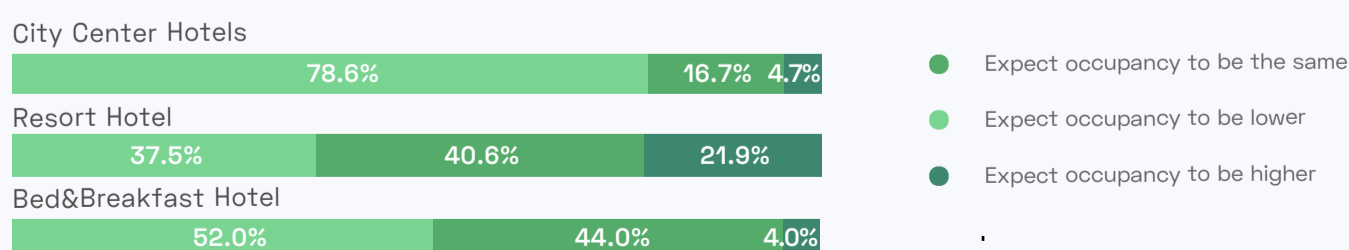
Hoteliers we surveyed in September expected an average of **29.0%** occupancy in October. Do you expect your property to be below, the same, or above this expectation?

58.6% of Hoteliers said they expected their occupancy to be lower than the average expectation of **29.0%** for October, registered in our September survey.

While **31.3%** of respondents believed they would meet the average expectation, only **10.1%** said their occupancy would exceed **29.0%** in October 2020.



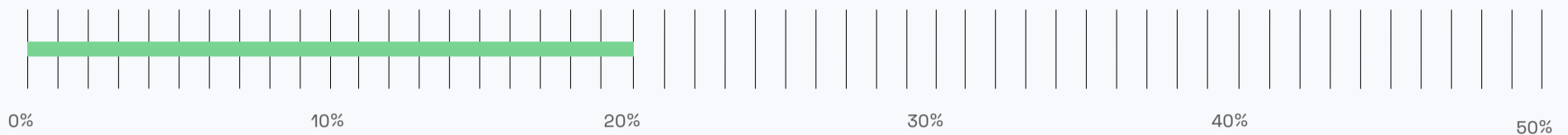
Breaking down the responses by property segments, **78.6%** of City Center Hotels expected occupancy to be lower than **29.0%** in October. **52.0%** of Bed & Breakfasts, and **37.5%** of Resorts expected the same result.



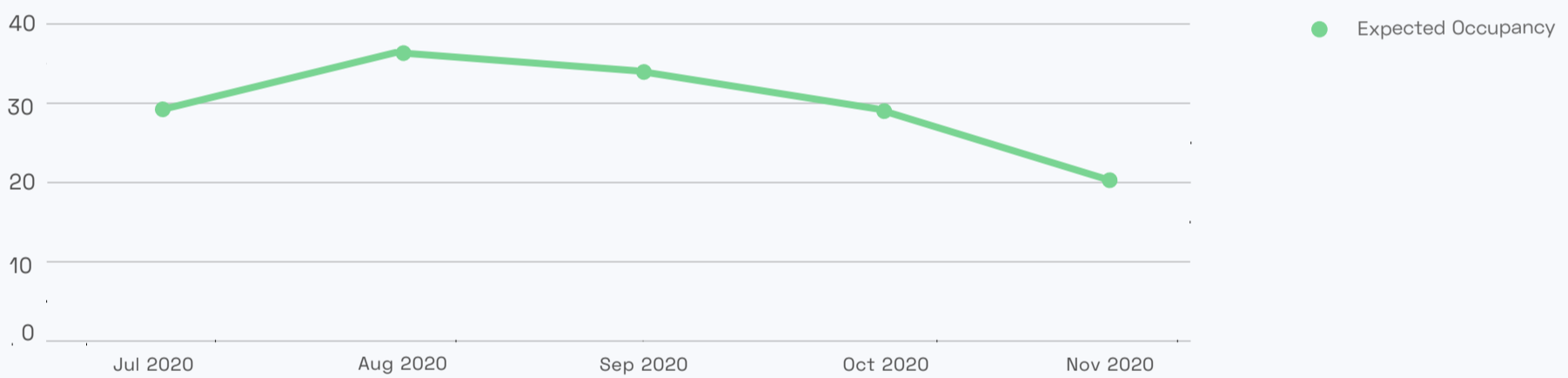
As for meeting the expected occupancy levels for October, **44.0%** of Bed & Breakfasts and **40.6%** of Resorts shared this expectation. Just **16.7%** of City Center Hotels expected to meet the occupancy expectation. On the flip-side, **21.9%** of Resorts expected to exceed the **29.0%** occupancy expected for October, compared to just **4.7%** of City Center Hotels, and **4.0%** of Bed & Breakfasts.

What is your expectation for total occupancy in November 2020?

20.0% Average Rating

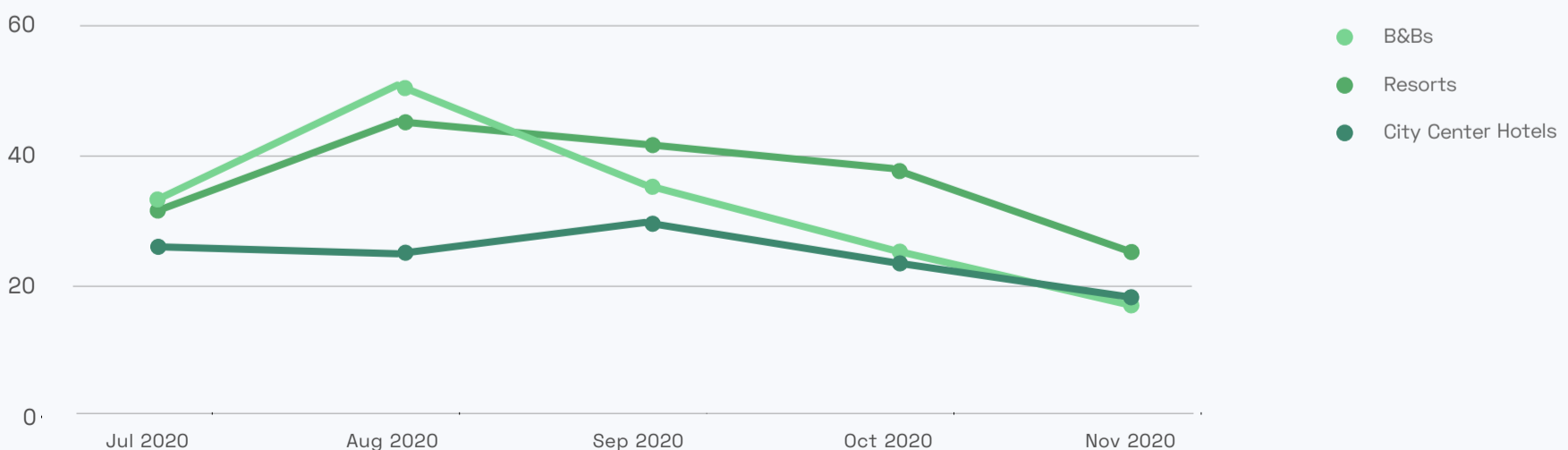


With shoulder season in full swing, the average occupancy expected for November has declined to **20.0%**. This marks a **9.0%** decrease shared by all property segments in comparison to occupancy expected for October. As it stands, November is the month with the lowest occupancy expectations.



Resorts continue to expect the highest monthly occupancy levels, with **24.9%** expected for November (vs **38.1%** for October). City Center Hotels expect **18.1%** for November (vs **23.7%** for October). Meanwhile, Bed & Breakfasts expect **16.8%** for November (vs **25.6%** for October).

Interestingly, for the first time since we launched the Hotelier PULSE Series in April 2020, the City Center Hotel segment does not represent the lowest monthly occupancy expectation, but Bed & Breakfasts.





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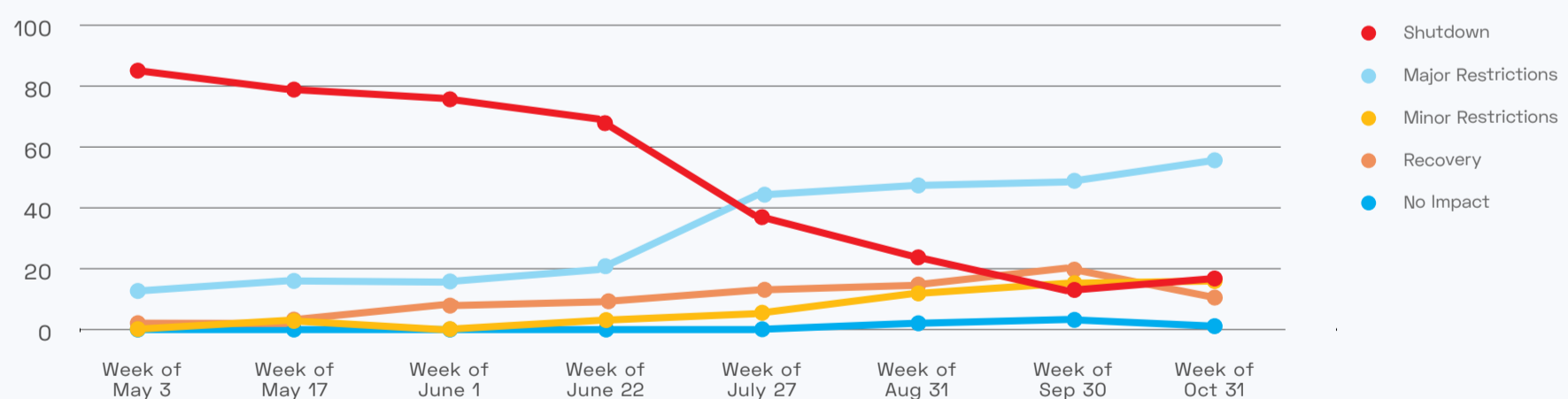
How are Hotels Doing This Month?

Key Takeaways

- Following a consistent upward trend in hotels entering the recovery stage since May 2020, this edition marks the first time this trend has moved downward. Subsequently, and for the first time since May 2020, the percentage of properties in 'Complete Shutdown' has increased in this edition.
- Bed & Breakfasts are the leading property segment expecting to only reopen in 2021 at 28.0%.

Following the second wave of restrictions and confinement in most parts of Europe, Hotels in 'Complete Shutdown' has increased from **13.1%** to **17.0%**, while hotels in 'Recovery' decreased from **20.2%** to **10.0%**. This edition also reveals that **56.0%** Hotels have moved to the 'Major Restrictions', possibly a consequence of less hotels in the 'Recovery'.

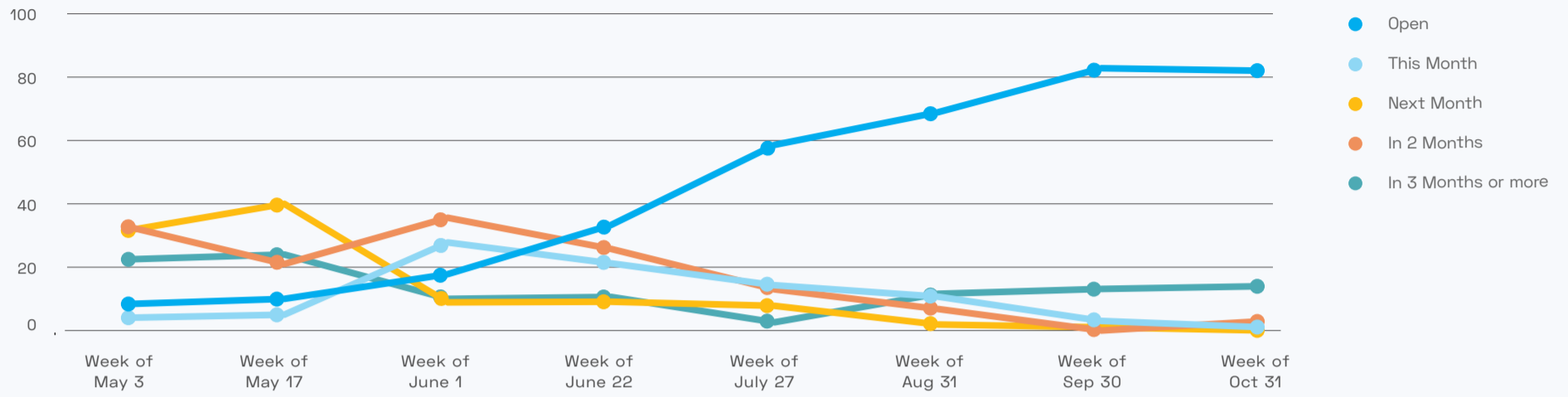
What statement best describes the current state of your hotel today?



Following a steady increase in hotels reopening or about to reopen from June until September 2020, this edition marks the first time that these numbers have not increased. In fact, the numbers have remained stable with very minor changes compared to the October edition of The Hotelier PULSE Report.

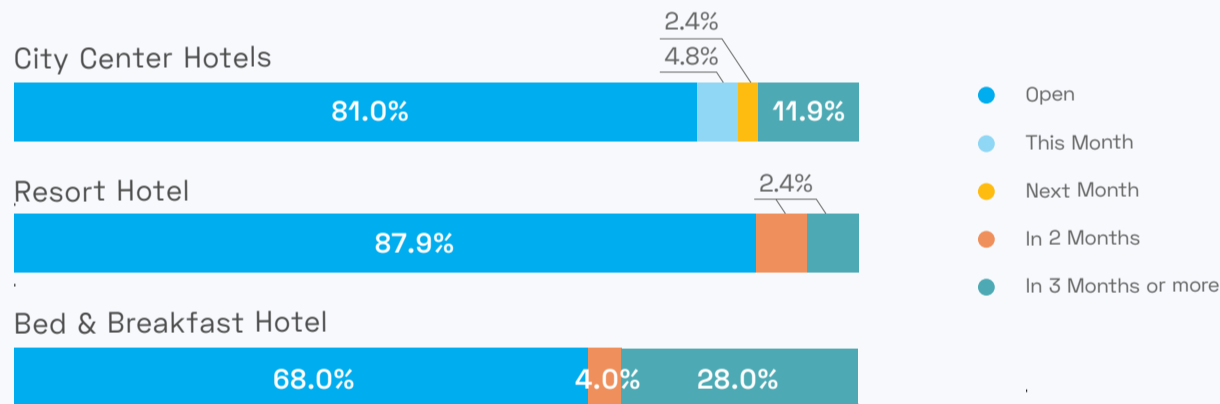
In this edition, **82.0%** of Hotels remain open. Just **1.0%** of hotels expect to reopen in November (vs **3.0%** in the October Edition). No Hoteliers expect to reopen in two months (vs **1.0%** in October), while **14.0%** expect to reopen in 3 months or more, compared to **13.1%** in October.

I am confident that my hotel will reopen and start taking guests in...



The Resorts segment represents the largest number of reopened hotels at **87.9%**, followed by **85.7%** of City Center hotels, and **68.0%** of Bed & Breakfasts. Just **2.3%** of City Center Hotels expected to reopen in November, compared to zero Resorts or Bed & Breakfasts.

The Bed & Breakfasts segment represents the largest number of hotels that will wait until 2021 to reopen at **28.0%**, followed by **12.0%** of City Center hotels, and **6.1%** of Resorts.





2.3 Financial Recovery Forecast

Key Takeaways

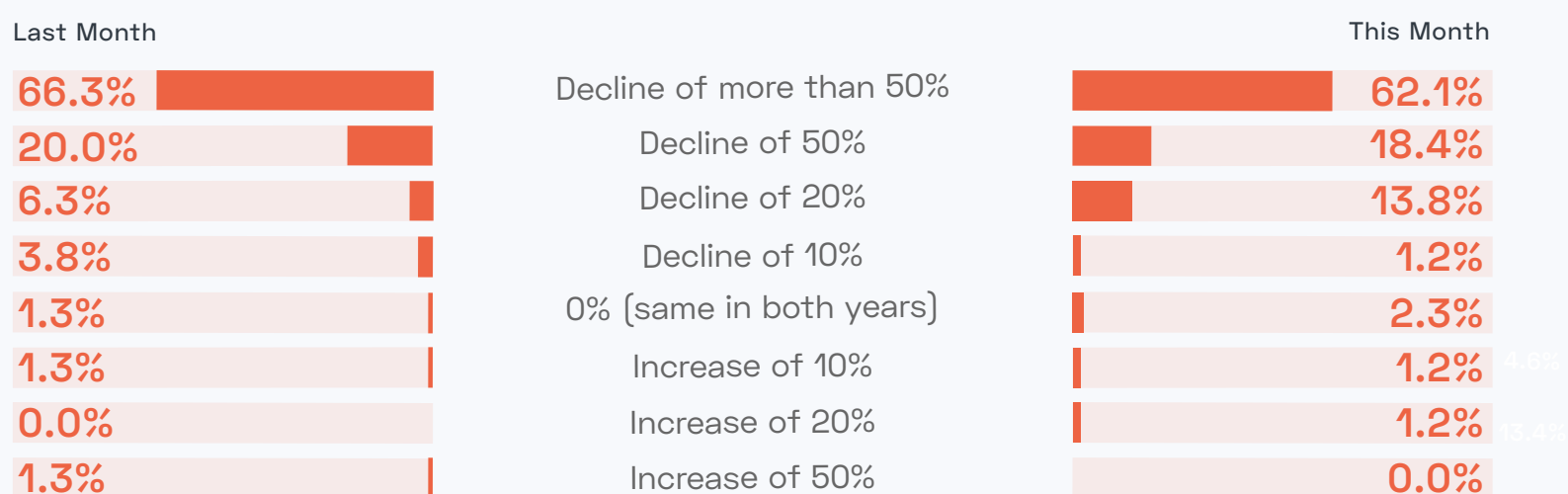
- **92.0% of City Center Hotels expect a revenue decline of 50.0% or more compared to 2019.**
Take November's Survey

Although the percentage of respondents expecting revenue declines of over **50.0%** has increased over previous editions, this edition marks the first time where the percentage has decreased.

Although **66.3%** of Hoteliers expected revenue declines of over **50.0%** in the October edition of The Hotelier PULSE, just **62.1%** now share this expectation in November.

Meanwhile, **13.8%** of Hoteliers expect revenue declines of approximately **20.0%**, while **3.8%** of the respondents say they will not register a decline. In fact, some Hoteliers expect an increase in revenue.

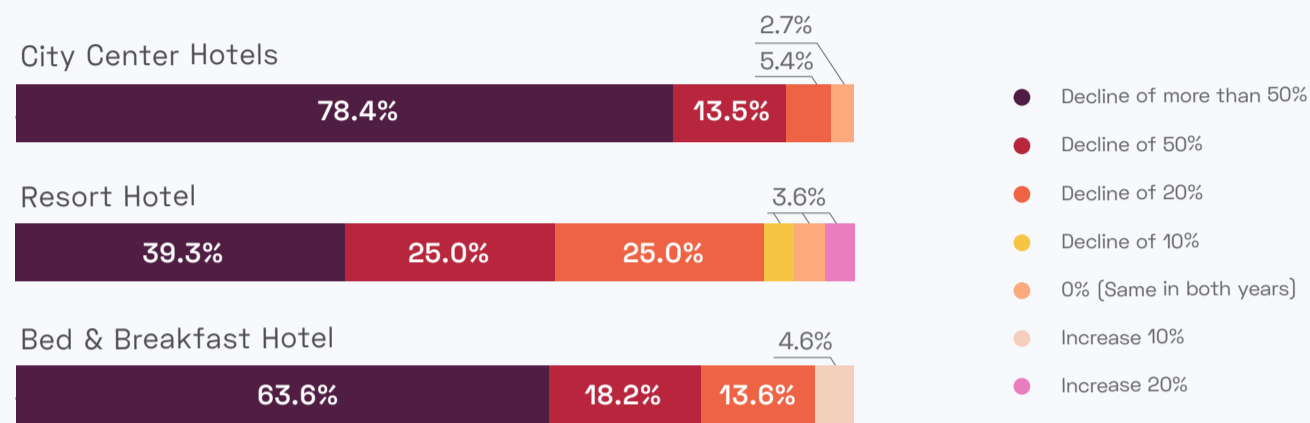
What is your expectation of total hotel revenue in 2020 when compared to 2019?



City Center Hoteliers continue to represent the majority of respondents that expect a revenue decline of **50.0%** or more. As the property segment most impacted by the pandemic, **92.0%** of City Center Hotels expect a revenue decline of **50.0%** or more, compared to 2019 levels. Just **5.4%** of Hotels in this segment expect a decline approximately **20.0%**.

Meanwhile, 88,64% of Bed & Breakfasts expect a **50.0%** or more revenue decline or, compared to **13.7%** of respondents who say their decline will be around **20.0%**.

In this edition, **64.3%** of Resorts expect revenue to decline by more than **50.0%**, while **25.3%** expect a revenue decline of **20.0%**. Interestingly, **3.6%** of Resorts expect a **20.0%** revenue increase compared to 2019 levels - making this the only segment with this anticipation.

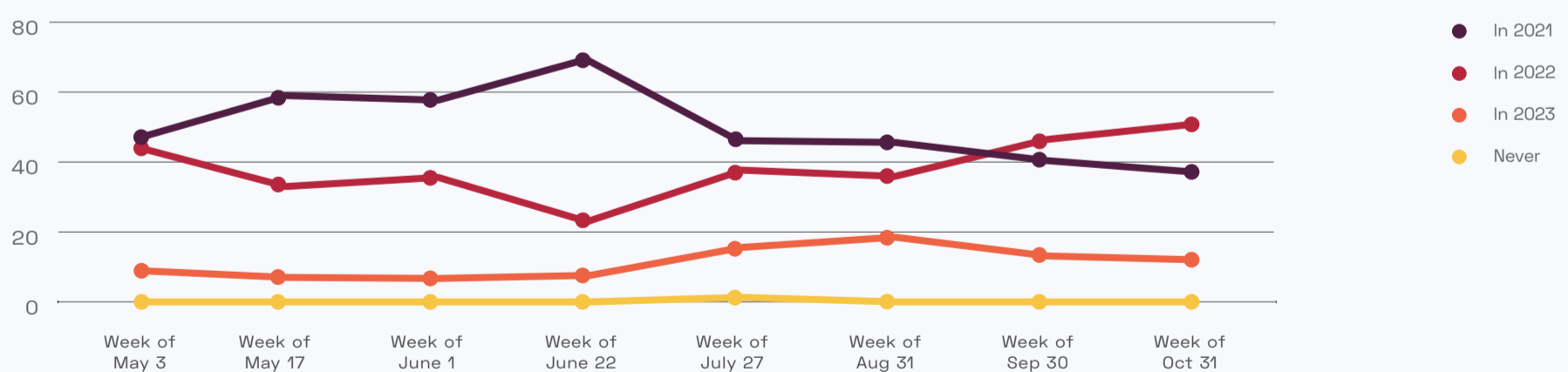


In the October edition, we noticed that financial recovery expectations began to drop by the end of July 2020- nearly back to what it was in April 2020.

In this edition, the trend continues to aggravate with **51.0%** of respondents expecting to only achieve 2019 results in 2022 (vs **46.5%** in the October edition). However, **37.0%** of our survey respondents expect to financially recover to 2019 levels in 2021.

On the flip-side, the number of respondents who only expect to recover to 2019 levels in 2023 continues to drop, from **13.1%** to **12.0%**.

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



Up until late July 2020, the majority of City Center Hoteliers expected to financially recover to 2019 levels in 2021. In August 2020, the number of respondents expecting to financially recover in 2022 began catching up to create a 50/50 split in financial recovery expectations within this segment.

In September, the majority of City Center Hotels expected to only achieve these financial results in 2022.

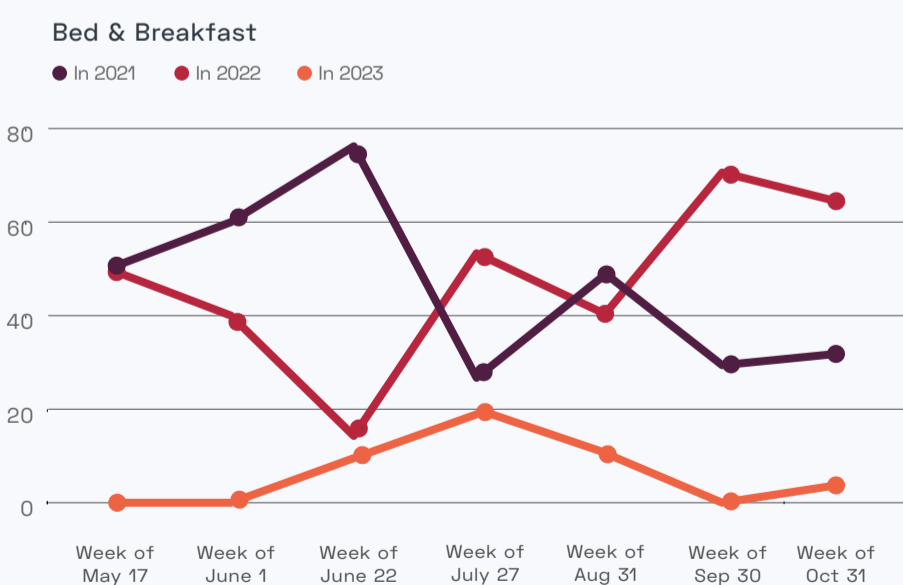
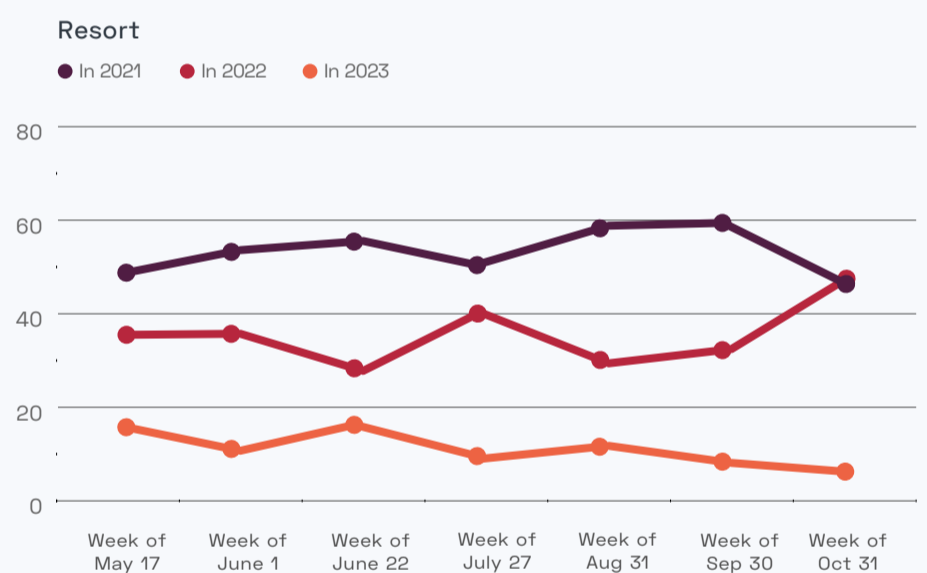
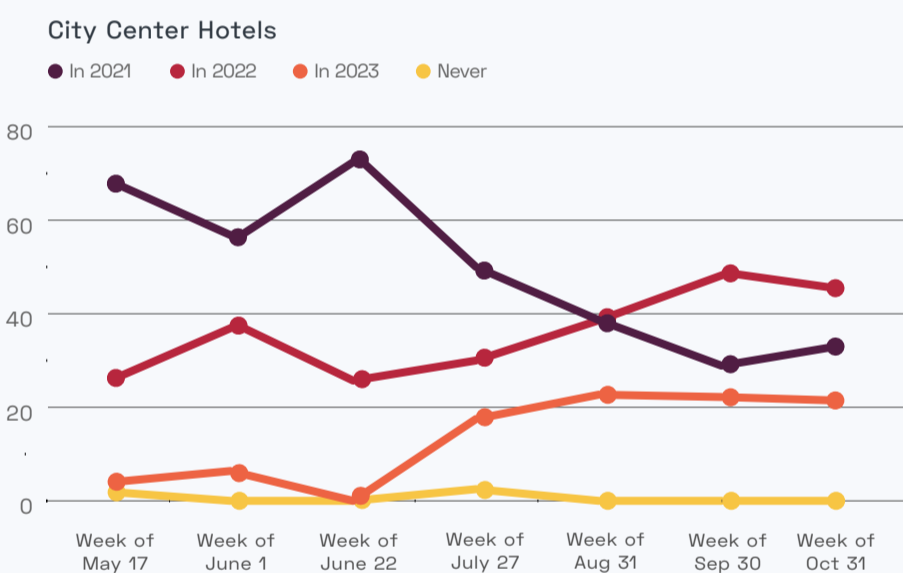
In this edition, the majority of City Center Hotels (**45.2%**) still expect to financially recover to 2019 levels in 2022, compared to just **33.3%** expecting to financially recover in 2021. Meanwhile, the number of City Center respondents expecting to financially recover in 2023 remains stable at **21.4%**.

Resorts saw the biggest shift in financial recovery expectations. Although **59.5%** of Resorts expected in October to financially recover to 2019 levels in 2021, just **45.5%** expect the same in this edition.

For the first time in The Hotelier PULSE Report series, the majority of Resorts (**48.5%**) expect to financially recover to 2019 levels in 2022. As for respondents expecting a 2023 recovery in this segment, the numbers have not changed much from October's edition. Today, only **6.1%** of Resorts expect to financially recover in 2023.

The segment with the most erratic changes in expectations since April 2020 are Bed & Breakfasts. According to the results of our October survey, the number Bed & Breakfasts expecting to financially recover in 2019 has increased slightly, from **29.4%** in September's survey to **32.0%**.

Between July and September 2020, we saw a steady decrease in Bed & Breakfasts expecting to financially recover to 2019 levels in 2023. In this edition however, the number increased from 0 to **4.0%**.





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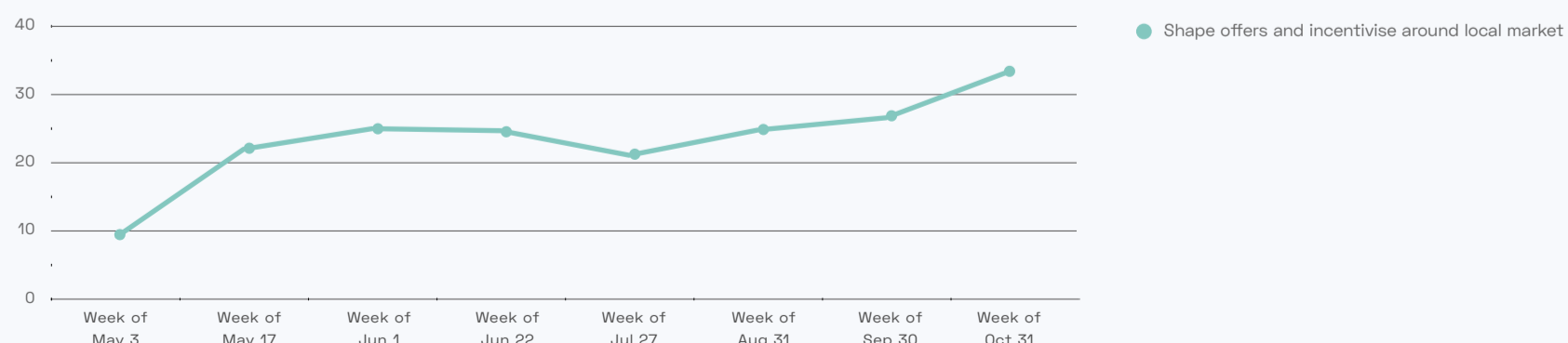
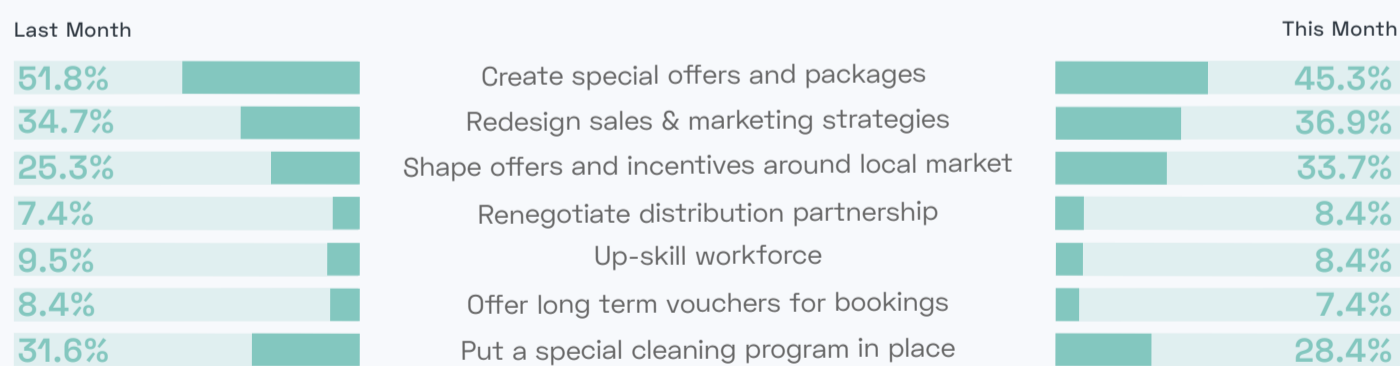
Concerns, Key Priorities, Short-Term Strategies

Key Takeaways

- ‘Shaping Offers & Incentives around the Local Market’ is now considered a top priority by **33.7%** of respondents vs just **9.0%** of respondents back in April 2020.
- ‘Implementing an enhanced Cleaning Program’ has now moved to 4th place in the short-term recovery priorities list.
- For the first time in The Hotelier PULSE series, ‘Domestic Leisure is no longer considered the 1st recovery contributor to City Center Hotels, giving rise to ‘International Leisure’.

Given how most hotels have already implemented and established enhanced cleaning programs during the initial months of the crisis, we saw this priority move from 1st to 2nd place in the September edition. Unsurprisingly, Hoteliers are now prioritizing the creation of special offers to generate more reservations and redesigning Sales & Marketing strategies. ‘Creating special Offers and Packages to Generate New Bookings’ is now the top priority for **51.6%** of the respondents. In 2nd place is ‘Redesigning Sales and Marketing Strategies to Attack New Markets’, considered a top priority by **36.9%** of respondents. Meanwhile, **33.7%** of respondents view ‘Shaping Offers and Incentives around the Local Market’ as a top priority.

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

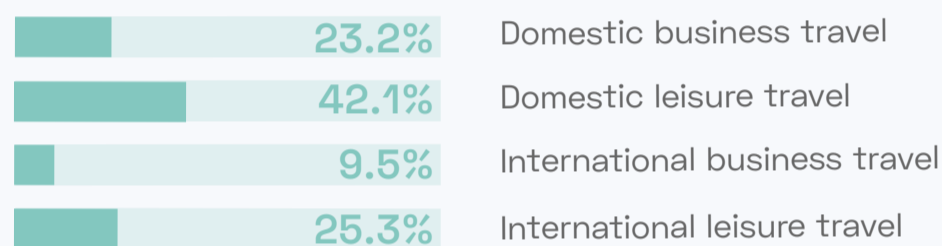


In this edition, ‘Domestic Leisure’ is still viewed as the biggest recovery contributor by the majority of Hoteliers. The gap between the top two segments, (‘Domestic Leisure’ in 1st place and ‘International Leisure’ in 2nd) narrowed slightly since the October edition of The Hotelier PULSE Report.

In this edition, **42.1%** of Hoteliers expect ‘Domestic Leisure’ to be the first recovery contributor, compared to **44.2%** in October. As was the case in October, **23.2%** of Hoteliers continue to expect ‘Domestic Business’ will be the first recovery contributor.

From the international travel perspective, **25.3%** of Hoteliers believe ‘International Leisure’ will be the 1st contributor to recovery once restrictions are lifted. The segment expected to contribute the least is ‘International Business’, with only **9.5%** expecting it to be the number 1 segment, compared to **10.5%** in October.

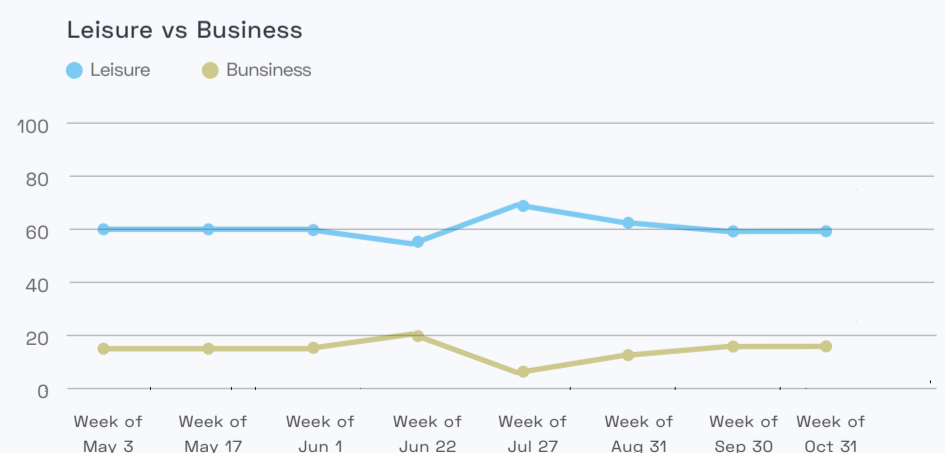
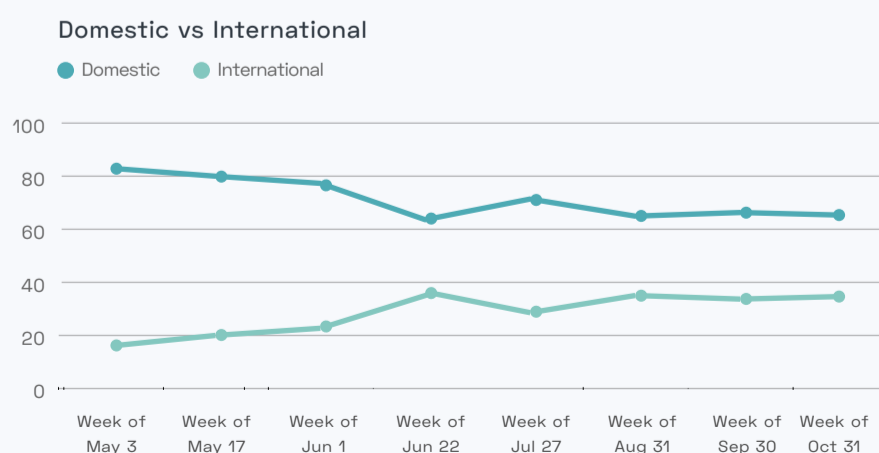
What segment do you think will be the first contributor to your recovery?



As we saw in the October edition of The Hotelier PULSE Report, the expectations for recovery contribution between the Leisure and Business travel segments remain very similar to the numbers we saw in May 2020.

In the April edition of The Hotelier PULSE Report, when there were a lot of travel restrictions in place, ‘Domestic’ gathered **80.0%** of responses. Since the beginning of June 2020, we saw more Hoteliers expect international travel to pick up again. Since August 2020 however, the numbers have stabilized with very minor alterations. In this edition, **65.3%** of respondents expect Domestic Travel to be the 1st recovery contributor (vs **66.3%** in the October edition). Meanwhile, **34.7%** expect ‘International Travel’ to hold this position (vs **33.7%** in the October edition).

When comparing the expectations for Leisure vs Business travel, **67.4%** of Hoteliers expect Leisure to be the 1st contributor (vs **67.4%** in the October edition). Meanwhile, **32.7%** expect Business to be the 1st contributor (vs **32.7%** in the October edition).

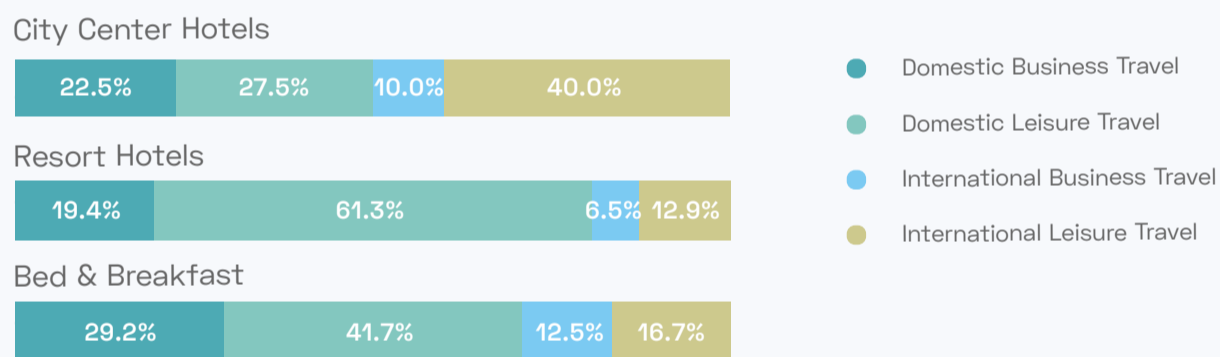


Since the launch of The Hotelier PULSE Report series, ‘Domestic Leisure’ was consistently expected to be the top recovery contributor by all property segments. Interestingly however, and for the first time, the majority of City Center Hotels expect ‘International Leisure’ to be the 1st recovery contributor.

In this edition, **40.0%** of City Center Hotel respondents expect ‘International Leisure’ to have the biggest impact on recovery, compared to just **27.9%** in the October edition. ‘Domestic Leisure’ ranks 2nd, with **27.5%** of City Center Hotels expecting it to be the 1st recovery contributor, compared to **32.6%** in the October edition. This is followed by ‘Domestic Business’ at **22.5%**, and finally ‘International Business’ with only **10.0%** of the votes.

Bed & Breakfasts represented the majority of respondents who expected International Leisure to be the strongest contributor to recovery in the October edition. In this edition however, ‘Domestic Leisure’ is expected to be the number 1 contributor by **41.7%** of Bed & Breakfasts, compared to 35.3% in the October edition. In 2nd place is ‘Domestic Business’ at **29.2%** (vs **23.5%** in the October edition). This is followed by ‘International Leisure’ at **16.7%** (vs **29.4%** in October) and ‘International Business’ with only 12.5% of responses compared to **11.8%** in the October edition.

Similar to previous editions, the overwhelming majority of resorts (**61.3%**) expect Domestic Leisure Travel to be the 1st contributor. ‘Domestic Business’ is in 2nd place at **19.3%**, followed by ‘International Leisure’ at **12.9%**, and ‘International Business’ at just **6.5%**.



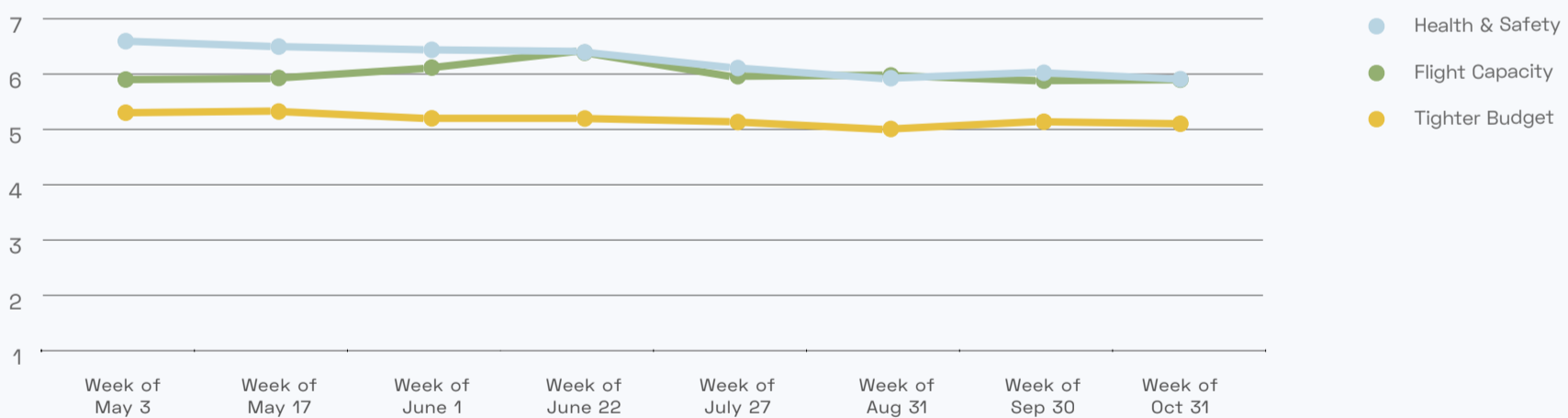
Guest Behaviour & Hotel Expectations



Key Takeaways

- 'Flight Capacity' is now the top consumer behaviour concern for Hoteliers.
- City center Hotels expect a bigger decrease in ADR, rating it 2.5.
- Resorts are most likely to increase marketing spend in the next 12 months

With ever-changing measures and restrictions, we continue to track the evolution of Hoteliers' expectations regarding consumer behaviours and the impact on business. The following concerns **were rated on a scale of 1 to 7 by Hoteliers - with 1 considered 'Not Important' and 7 considered 'Extremely Important'**.



Since the first edition of The Hotelier PULSE Report in April 2020, we saw concerns over Flight Capacity, Health & Safety precautions, and Tighter Consumer budgets steadily decreasing as restrictions eased.

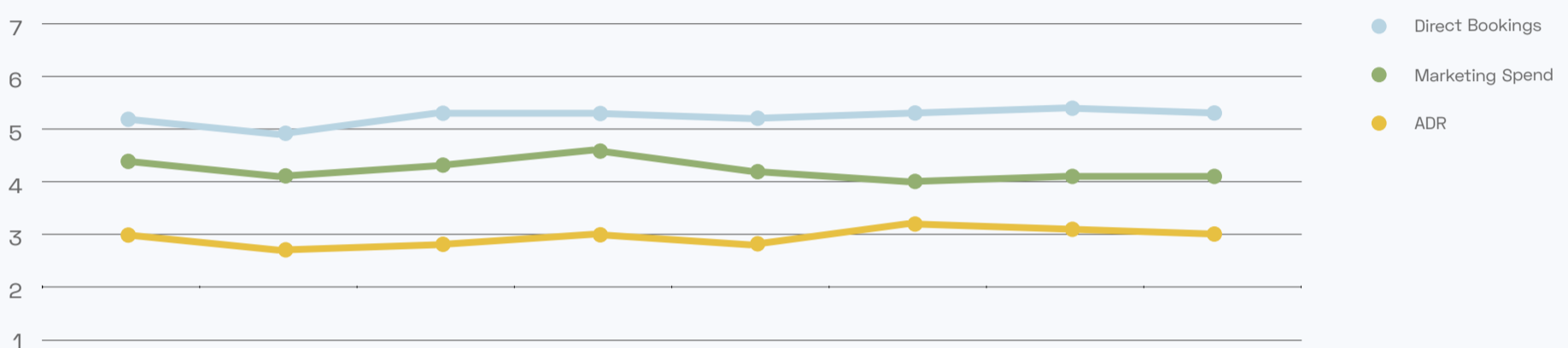
Since the numbers stabilized in late July, the concerns have remained very similar. One interesting exception is 'Flight Capacity', which is now the top concern for the majority of respondents.

Flight Capacity and Health & Safety now hold the same position as the top concern for Hoteliers' at **5.9**. Health & safety decreased from **6.0** in the October edition, and Flight Capacity increased from **5.9** in the October edition.

Resorts continue to expect that guests will give greater importance to Health & Safety precautions, while Flight Capacity is considered the most important factor to Bed & Breakfasts (6.1) and City Center Hotels (5.9).

Compared with the October edition, the concern over 'Tighter budgets' only moved from 5.1 to 5.1 in this edition. From the 3 different property segments, Bed & Breakfasts are the most concerned with tighter consumer budgets, rating it 5.5 out of 7.

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 in direct bookings will increase or decrease.



In this edition, we noted a shift in expectations regarding ADR and Direct Bookings.

Although we saw an upward trend in ADR expectations in August 2020, a period where Hoteliers were likely more optimistic for the high season, this edition marks an increase in Respondents who expect ADR to decrease in the coming months - rating it 3.0 in this edition, compared to 3.1 in the October edition. City center Hotels expect a bigger decrease in ADR, rating it 2.5.

In the October edition, Hoteliers rated the importance of Direct Bookings at 5.4 - the highest rating so far. In this edition however, the ranking has decreased to 5.3. City Center Hotels (5.3) and Resort Hotels (5.3) expect Direct Bookings to increase in importance over the next 12 months.

The expectation on Marketing Spend only moved very slightly from 4.1 in the October edition to 4.1 today. Resorts rated it 4.3, making this segment most likely to increase investment toward marketing over the coming months.

Sales & Marketing Priorities Over the Next 12 Months



Key Takeaways

- The Hotel Website continues to be the top Sales & Marketing priority for Hoteliers, with 62.1% ranking it as 'Extremely Important'.
- The Central Reservation System (CRS) is considered extremely important by 41.4% of respondents.
- Trade shows, Sales Calls, Roadshows, joining a brand/ soft-brand, and (for the first time) tour operators are not considered important at all.

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:

1st Place	Hotel Website
2nd Place	OTAs
3rd Place	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

The 'Hotel Website' has been consistently ranked as 'extremely important' throughout the Hotelier PULSE Report series. However In this edition, it registered the highest number so far,

With **62.1%** of Hoteliers ranking it as 'Extremely Important' (vs **52.5%** in the October edition). OTAs were also considered extremely important by **37.9%** of respondents, and social media by **31.0%**.

The Central Reservation System (CRS) is considered extremely important by **41.4%** of respondents, followed by Rich media (**39.1%**), and Social Media (**35.6%**). Inversely, Trade shows, Sales Calls, Roadshows, joining a brand/ soft-brand, and (for the first time) tour operators are not considered important at all.

When weighing all respondents' answers from 'Not Important at All' to 'Extremely Important', the top 2 priorities did not change compared to the October edition. Hotel Website wins the 1st place and OTAs the 2nd. However, the 3rd position - formerly held by Meta Search- shifted to Social Media.

Conclusions

Since we began measuring the evolution of sentiment amongst Hoteliers worldwide, we have seen the tide of closings and reopenings shift substantially. As most countries change measures and introduce restrictions in anticipation of the second wave, it's understandable that we are seeing more hotels close their doors once more. When combining the changing season, with lower summer performance levels than previously anticipated, as well as how Hoteliers now have limited visibility of advanced bookings, it's unsurprising that Hoteliers continue to shift their expectations for financial recovery.

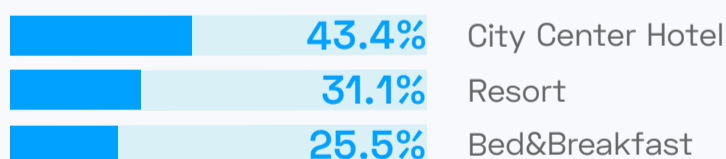
Don't miss next month's edition to see what the industry sentiment, as we approach the final chapter of 2020 and look toward 2021.

About This Report

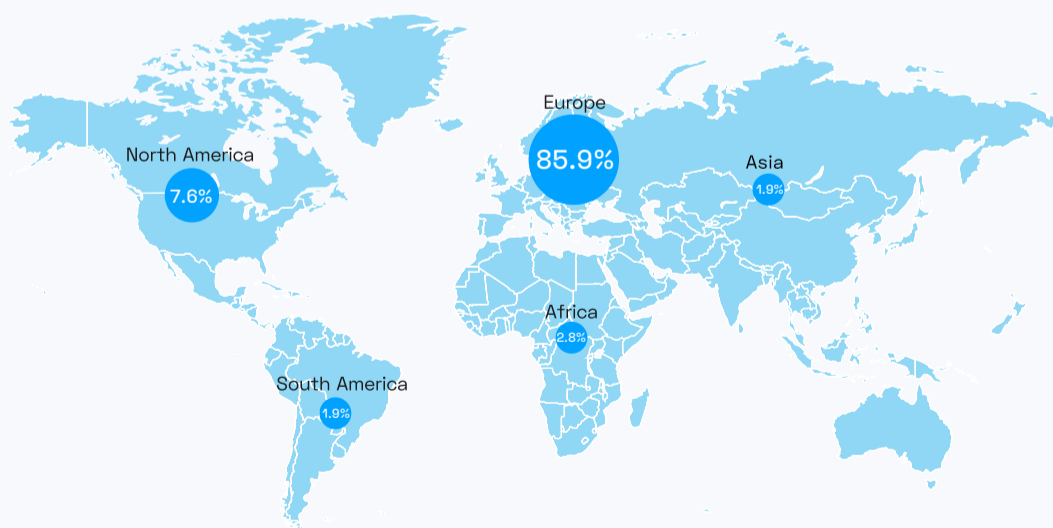
For the 8th Edition of The Hotelier PULSE Report, we surveyed 106 key decision-makers at hotels. General Managers represent the majority of our respondents at **30.2%**, followed by Group CEO's/Property Owners at **23.6%**. The remaining respondents include Sales Directors (**19.8%**), followed by Front Office Managers (**10.4%**), Revenue Managers (**9.4%**) Marketing Managers (**5.7%**), and IT Managers (**1.0%**).

The overwhelming majority of our respondents come from Europe (**85.9%**); followed by North America (**7.6%**), Africa (**2.8%**), South America (**1.9%**), and Asia (**1.9%**). The 'City Center Hotel' segment is where most of our respondents come from at **43.4%**, followed by Resorts (**31.1%**), and Bed & Breakfasts (**25.5%**).

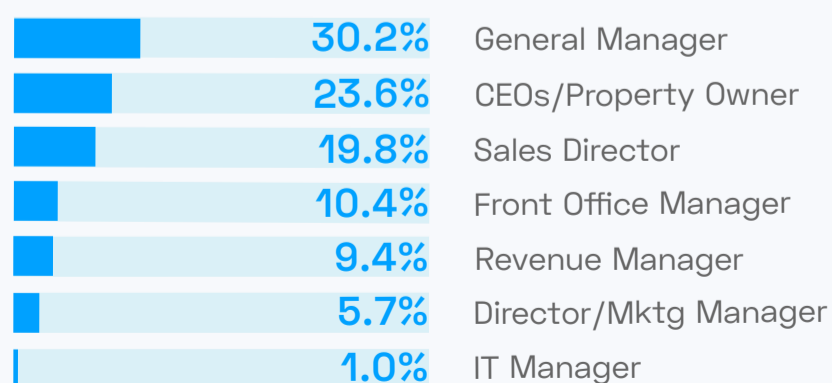
Type of Property



Property Locations



Role



The Hotelier Pulse Report

8

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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.


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