

The Hotelier Pulse Report

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01.11.2020 / 30.11.2020

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Editor's Note

BY PEDRO COLACO



Welcome to the December edition of The Hotelier PULSE Report.

With all signals pointing to a second wave in Europe and North America, our November survey suggests Hoteliers expect it to last longer than the first. Despite the expectation of widespread vaccination on the horizon, the industry outlook remains cautious and uncertain.

As opposed to the first wave, where the industry expectation was one or two months of closure, we've been seeing steady increases in Hotels expecting to remain closed for three months or more. Booking pace is moving from last-minute bookings in the summer, to long-term bookings reflecting new travel restrictions. While our Market Trends Data reveals important insights in total bookings generated in 2020 vs 2019 along with a comprehensive breakdown of channel performance, it's important that Hoteliers continue to share information and support each other through this time.

Please share our valuable insights in our December survey [HERE](#).

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

Sincerely,

Pedro Colaco,
CEO of Guestcentric

Table of Contents

	November Key Takeaways	3
	Interview with Kyp Charalambous, Atlantis, The Palm, Dubai	4
1.0	Market Trends	6
2.1	Occupancy Trends	9
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

November Key Takeaways

01.11.2020/31.11.2020



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

Market Trends

- Overall, total bookings in November 2020 plummeted to **35.4%** of total bookings over the same period in 2019.
- Overall, total stays in November 2020 declined to **23.9%** compared to total stays over the same period in 2019.
- 'Direct' continues to be the top performing channel, generating over **58.0%** of bookings in November 2020 vs 2019.

Occupancy Trends

- The average occupancy expected for December has declined again to just **16.9%**, marking **3.0%** from occupancy levels expected in November.
- City Center Hotels expect an average occupancy of **13.4%** for December vs **18.1%** expected for November.
- As it stands, December is the month with the lowest occupancy expectation since we started the Hotelier PULSE series in April 2020.

Financial Recovery Forecast

- **87.5%** of Hoteliers expect revenue declines of **50.0%** or more in 2020 vs 2019.
- **56.0%** of Hoteliers now expect to financially recover to 2019 levels in 2022, marking a **5.0%** increase compared to the November Edition.
- For the first time since August 2020, the number of respondents who only expect to recover to 2019 levels in 2023 increased from **12.0%** to **18.0%**.

Concerns, key priorities & short-term strategies

- Of Hoteliers surveyed in November, **35.7%** expect Business Travel to be the 1st recovery contributor (vs **32.6%** of those surveyed in October).
- Interestingly, **37.2%** of City Center Hoteliers expect 'International Leisure' to have the biggest impact on their recovery.
- Unlike previous editions, 'Upskilling the Workforce to Meet Tomorrow's Demands' and 'Renegotiating Distribution Partnerships' almost doubled in responses in November's survey compared to October.

Guest Behaviour and Hotel expectations

- Reemergence of Health & Safety concerns ranked as a top consumer behaviour concern by Hoteliers worldwide.
- Resorts are the most concerned with Tighter Consumer Budgets, rating it **5.4** out of 7.
- Flight Capacity is a top concern for City Center Hotels, rating it **6.1** out of 7.

Sales & Marketing Priorities over the Next 12 Months

- The 'Hotel Website' continues to be consistently ranked as 'Extremely Important' with **64.8%** of Hoteliers ranking it as 'Extremely Important'
- OTAs remain in the second place, also considered extremely important by **39.8%** of respondents.
- Social media Maintains its 3rd place position with **37.5%** of hoteliers saying it is also extremely important

Interview of the month

Kyp Charalambous



Each month, we shine our Spotlight on Hoteliers to understand how 2020 has impacted industry and what's on the horizon for the future. In this month's Hotelier Spotlight Interview, we catch up with Kyp Charalambous, Vice President of Sales at Atlantis, The Palm in Dubai.

What is the current status of your hotel today, as well as the wider industry in your region?

From flights to hotels and resorts, one of the benefits about Dubai as a destination is that the status is currently open. This morning I attended a Visit Dubai Tourism conference, and it's been very interesting to see how the industry's tourism strategies to promote our destination have evolved through various stages this year.

At the start of the pandemic, the message was very much, "We're ready when you are", evolving to "Come and live your story in Dubai" today. It's very positive to

see this evolution of the message to market, and how it may continue to evolve over time. Since Dubai reopened to international travel in July 2020, flight capacity has also been a major contributor to the recovery of tourism and the hotel industry. Emirates is currently flying in visitors from over 160 destinations in over 80 countries globally.

It's important to remember just how much of a global hub Dubai is, with just 8-hour flight access from many countries.

All of this has contributed significantly to international tourism and hotels during this time.

We see this upturn continuing, which will in turn continue to have a positive impact on the industry.

The reality, however, remains to be seen, but we remain optimistic.

We're seeing an increase in Hotels expecting to decrease ADR in the coming months. In your view, what will be the impact of this trend on recovery?

I am proud to say that at Atlantis, The Palm price integrity is extremely important to our brand.

Instead of compromising the price, we have used the periods of lower occupancy to upskill our workforce of over 3,000 individuals and prioritize their wellbeing, redefine our offers and services, and enhance our resorts and hotels.

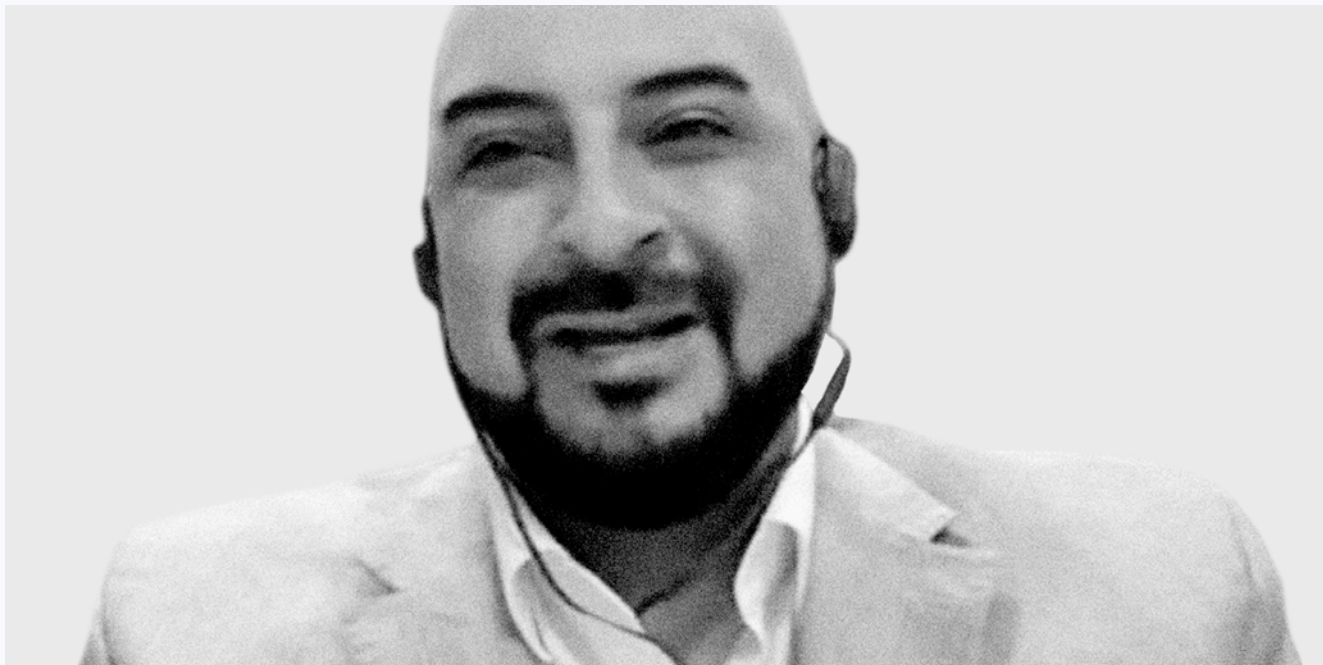
In short, I firmly believe hotels should hold the line on price whilst striving to be unique with the products offered.

In what ways has the industry and your local government collaborated to bolster tourism during this time?

Our government recently launched the 'Stay to Work' initiative that incentivises remote workers to relocate to, and work from Dubai. Many hotels, including ours, have become involved in this initiative to offer longer-term stay rates for relocating professionals along with other benefits. It's a great opportunity to welcome those guests.

In terms of engaging this profile of guests, we immediately welcome them to our Atlantis Circle loyalty program. We also have dedicated office space available in our resorts as well as up to 30% discounts on laundry in-house. We also offer car hire deals with up to 40% discounts.

Our primary aim is to make the transition as easy and comfortable as possible for our guests, especially if they are bringing their families. On that score, we have an incredible water park which we provide access to as well.



About Kyp Charalambous, Vice President of Sales at Atlantis, The Palm in Dubai

With more than 23 years of experience in luxury hospitality sales, Kyp Charalambous joined Atlantis, The Palm post resort opening in 2009 as Director, Sales. After eight years of delivering outstanding commercial results, Charalambous was promoted to Vice President, Sales in 2017. The appointment places Charalambous, at the helm of the Sales department of Dubai's leading entertainment resort, where he leads an engaged team of Sales Managers and Directors to drive the overall sales strategy for the resort.



Instead of compromising the price, we have used the periods of lower occupancy to upskill our workforce of over 3,000 individuals and prioritize their wellbeing, redefine our offers & services, and enhance our resorts and hotels.

**Read the
full Interview
Here.**

**The Hotelier
Pulse Report
Spotlight**



Key Takeaways

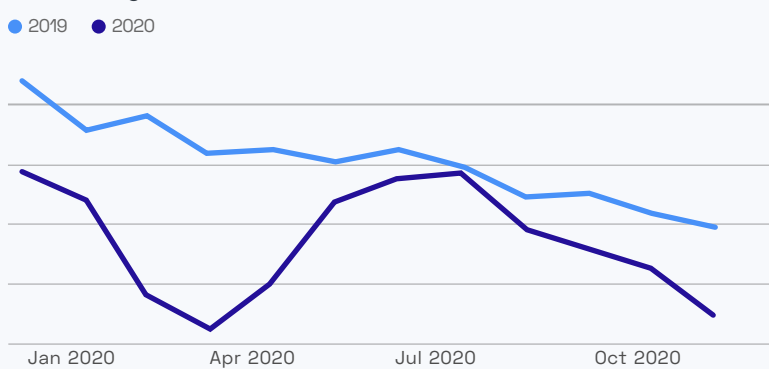
- Overall, total bookings in November 2020 plummeted to **35.4%** of total bookings over the same period in 2019.
- Overall, total stays in November 2020 declined to **23.9%** compared to total stays over the same period in 2019.
- 'Direct' continues to be the top performing channel, generating **58.0%** of bookings in November 2020 vs 2019.

In the December Edition of The Hotelier PULSE Report, we are showing the percentage of bookings in November 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.

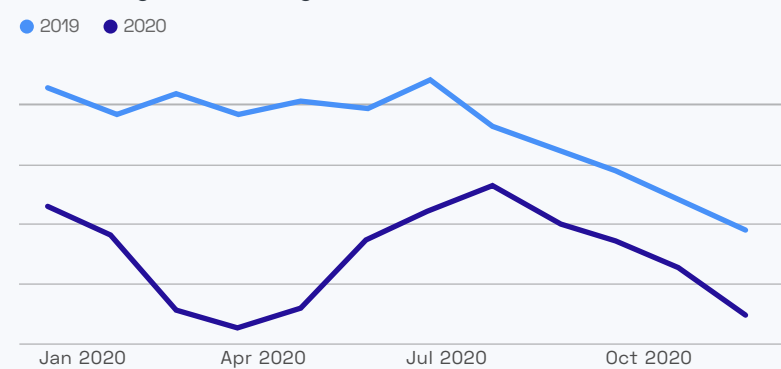
With many indicators pointing toward a second wave in the pandemic, as well as new restrictions rolling out across Europe, a decline in bookings was expected in November 2020. According to our November 2020 analysis, total bookings have dropped to **35.4%** compared to the same period in 2019. Total stays also declined to **23.9%** in November 2020 vs 2019. Analysing bookings and stays per channel from the start of the year until November 2020, the graphs below show how each of the four main channels performed, which are:

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

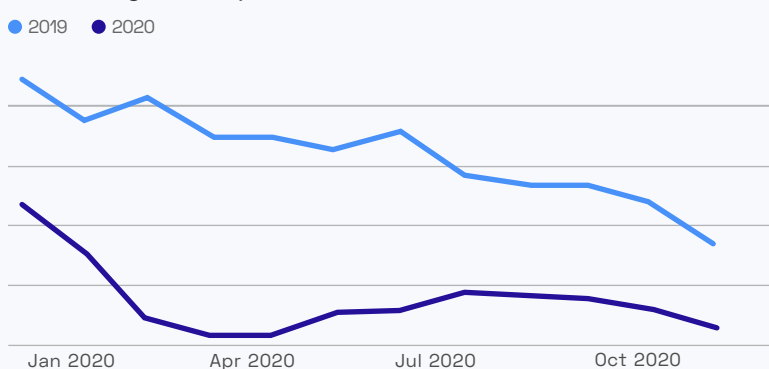
Booked Nights - Direct



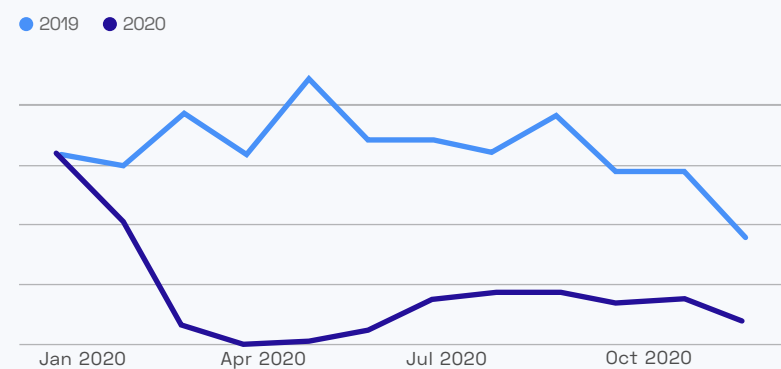
Booked Nights - Booking



Booked Nights - Expedia

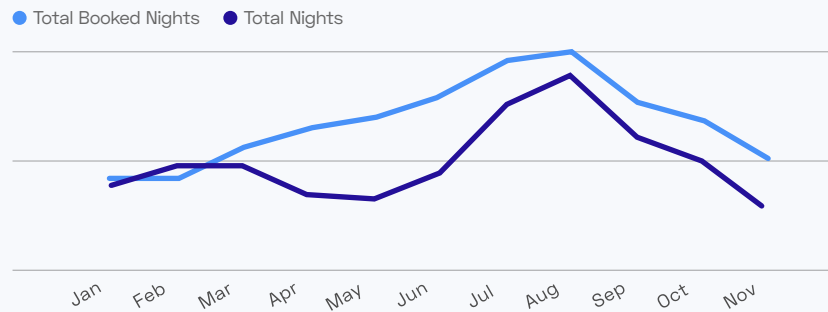


Booked Nights - GDS

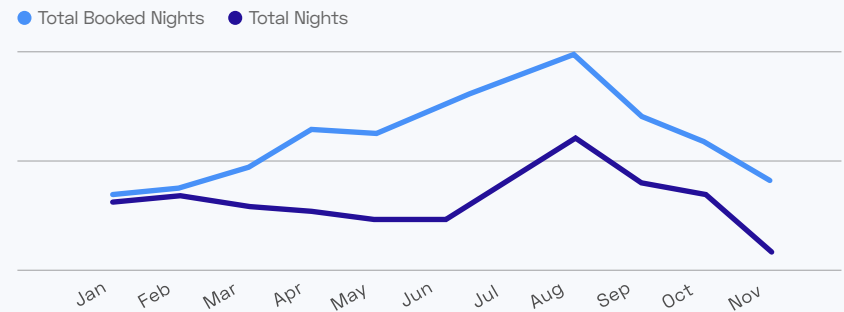


In November 2020, the Direct channel achieved **58.2%** of total nights booked in November 2019 (vs **69.5%** in October 2020), making this the best performing channel. As was the case with our October analysis, Booking was still the second top performing channel in November. However, this channel registered the biggest decline, with **52.5%** of nights booked in November 2020 vs 2019, versus **69.0%** in October 2020 vs 2019. GDS only registered **26.0%** of November 2019 booked nights, followed by Expedia, the lowest performing channel at just **23.8%**.

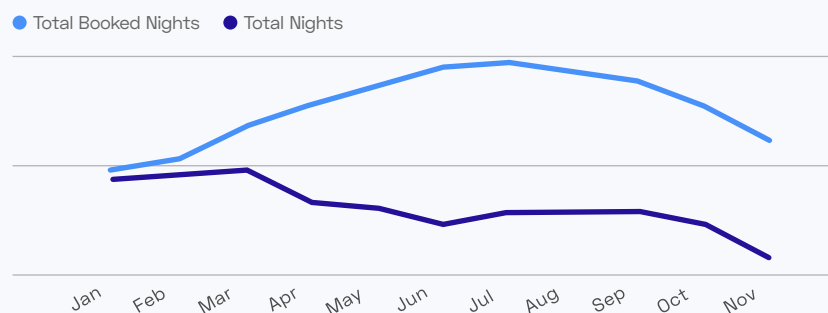
Stay Nights - Direct



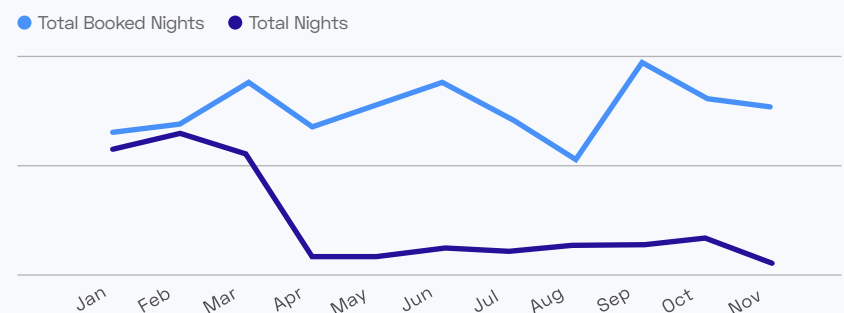
Stay Nights - Booking



Stay Nights - Expedia



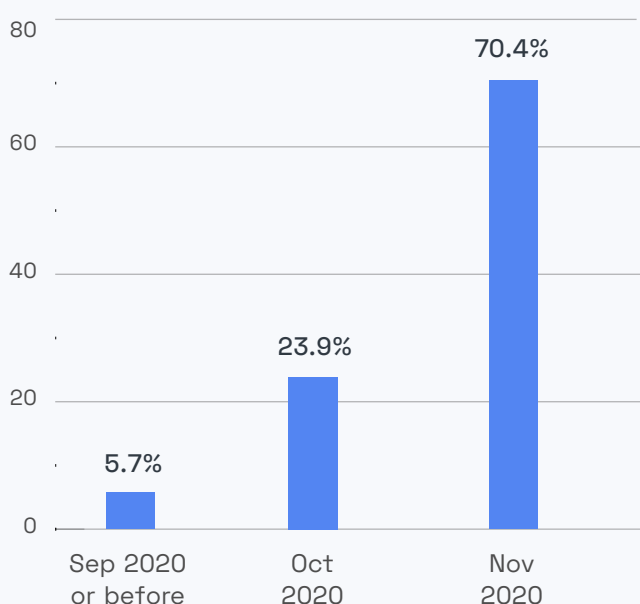
Stay Nights - GDS



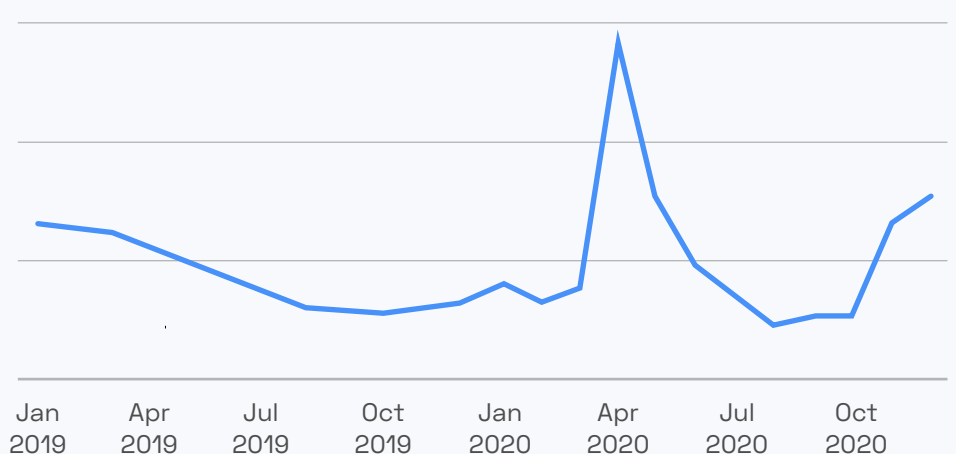
In October 2020, after the high season, we saw Stay Nights from the best performing channels, Direct and Booking, continue to decline. November is no different, the trend continues. There was a big decrease in stay nights across all channels vs last year. In November 2020, Direct generated **56.8%** of Stay Nights over the same period in 2019 (vs **71.6%** in October 2020). Booking generated just **32.2%** in November 2020 (vs **59.1%** in October 2020). Once again, similar to booked nights data, Booking was the channel that registered the biggest decline.

Regarding the lowest performers, and inversely to booked nights, Expedia was not the lowest performing channel. Expedia registered **18.3%** of November 2019 Stay Nights (vs **31.3%** in October 2020), while GDS only generated **14.6%** (vs **20.7%** in October). As we enter the second wave of the pandemic and undergo reinstated restrictions worldwide, this downward trend is very likely to continue in December.

November Bookings

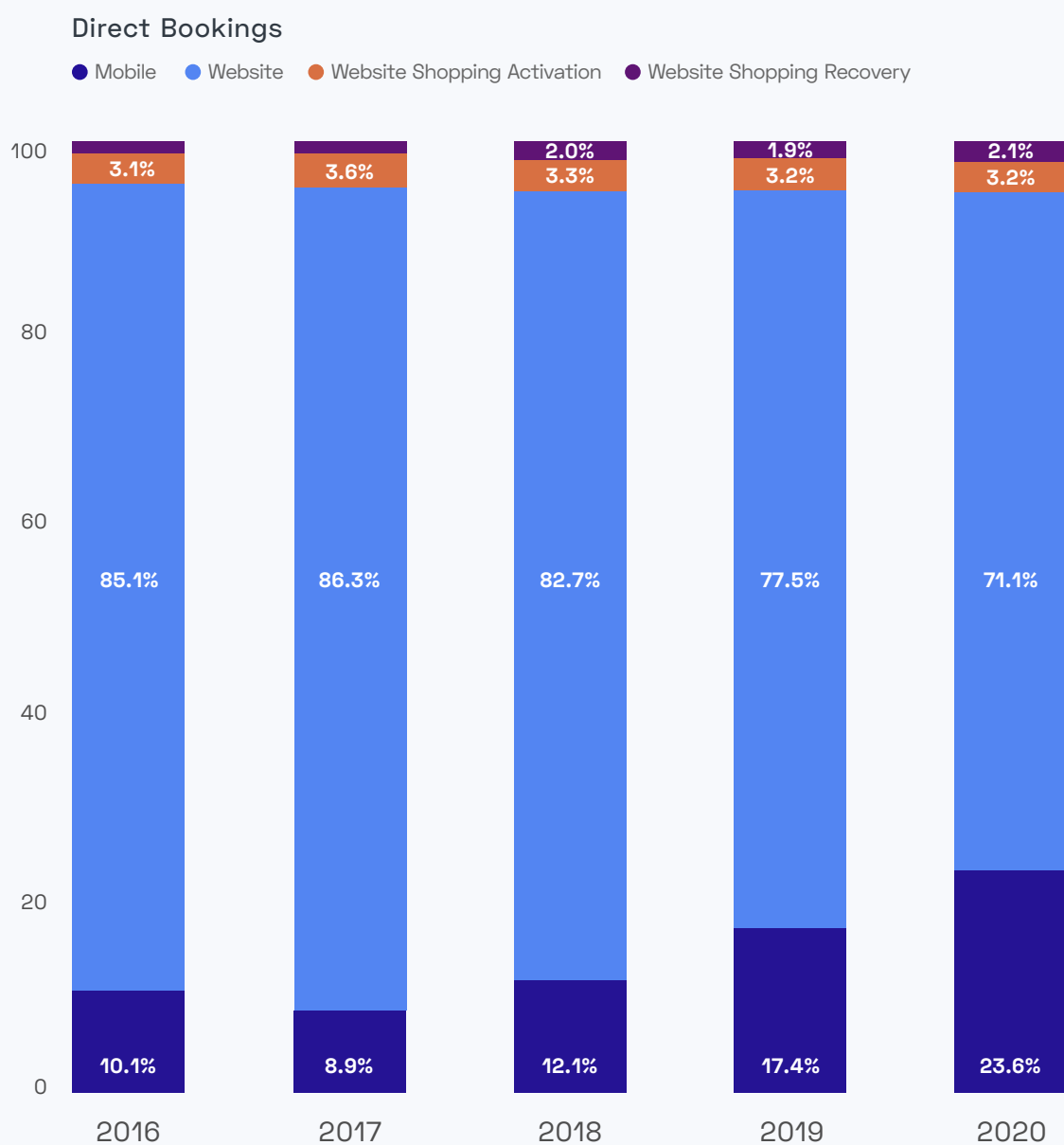


Average Booking Pace



As expected in these uncertain times, we continue to see an increase in last-minute reservations. While **66.1%** of the reservations for October were booked during that month, for November this number was even higher at **70.4%**.

Although monthly booking pace has steadily declined since May 2020, reaching its lowest point of just 23 days in July 2020, the pace has since increased to 76 days in November 2020. This means that in November, guests booked 2 and a half months in advance, on average. This signifies guests are already booking their 2021 stays.



Although the persistently short booking pace makes it challenging to forecast business performance, we continue to monitor booking behavior trends that are likely to hold in 2021 and beyond. Here, we analyse the rise of mobile bookings in November compared to October 2020.

Based on booking data generated in October 2020, **23.6%** of all direct reservations were mobile bookings. In November 2020, this number increased slightly to **23.8%**.

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

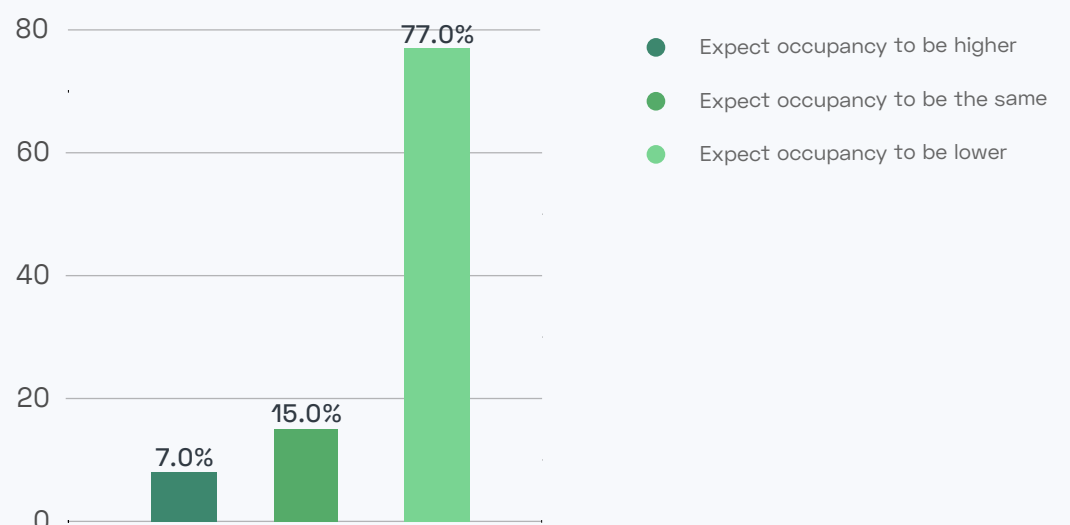
- The average occupancy expected for December has declined again to just **16.9%**, marking **3.0%** from occupancy levels expected in November.
- City Center Hotels expect an average occupancy of **13.4%** for December vs **18.1%** expected for November.
- As it stands, December is the month with the lowest occupancy expectation since we started the Hotelier PULSE series in April 2020.

POLL:

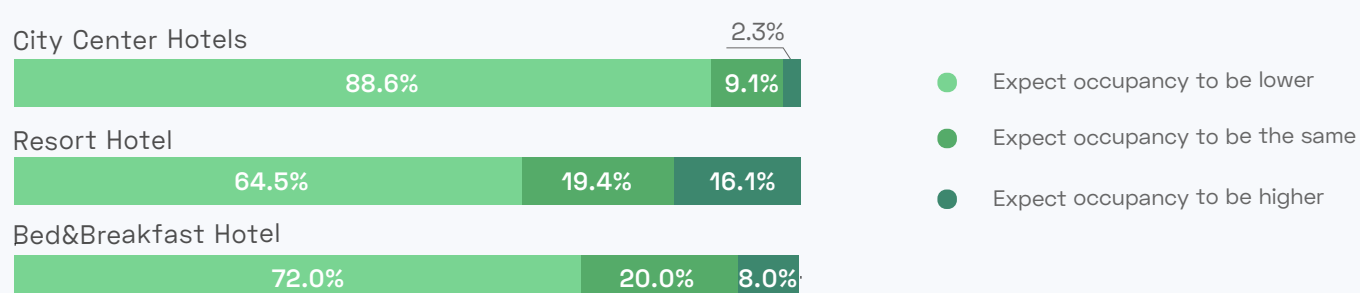
Hoteliers we surveyed in October expected **an average of 20.0% occupancy in November**. Do you expect your property to be below, the same, or above this expectation?

77.0% of Hoteliers said their occupancy in November would be lower than **20.0%**, the average expectation registered in our October Survey.

While **15.0%** of respondents answered they would meet the **20.0%** mark, only **8.0%** said their occupancy would exceed this expectation in November 2020.



Breaking down the responses by property segments, City Center Hotels represent the majority of respondents who expected occupancy levels to not reach the expectation for November.



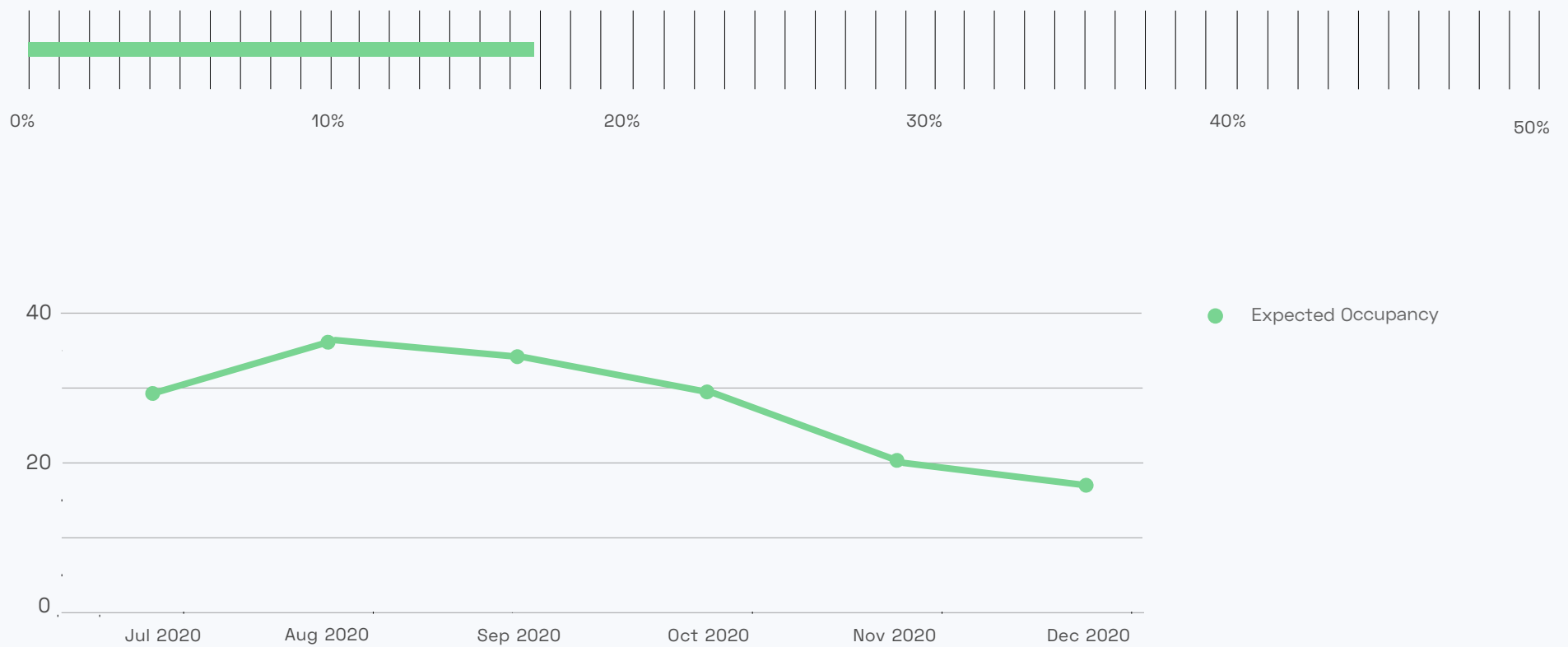
88.7% of City Center Hotels expected to close November occupancy to be below **20.0%**. Meanwhile, **72.0%** of Bed & Breakfasts, and **64.5%** of Resorts expected the same result.

Bed & Breakfast Hotels represent the majority of respondents who expected to meet the expected occupancy level for November. **20.0%** of Bed & Breakfasts and **19.4%** of Resorts expected to meet the **20.0%** mark in occupancy. Just **9.1%** of City Center Hotels shared this expectation.

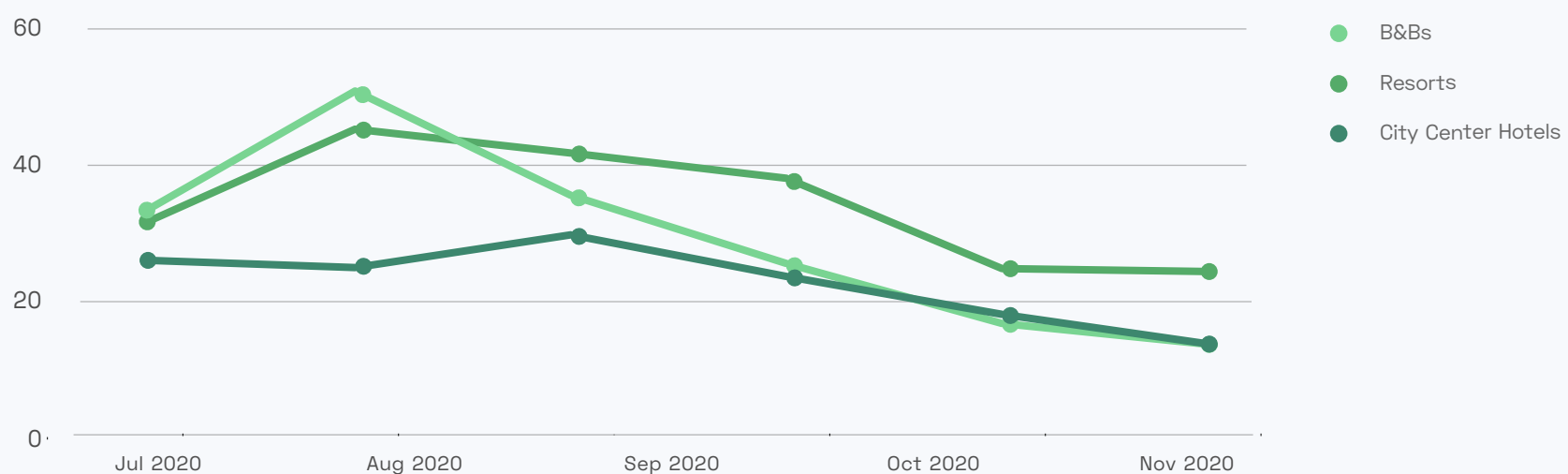
On the other side of the fence, **16.1%** of Resorts expected to exceed the **20.0%** occupancy expected for November, compared to just **8.0%** of Bed & Breakfast and **2.3%** of City Center Hotels.

What is your expectation for total occupancy in December 2020?

16.9% Average Rating



In this Edition, the average occupancy expected for December has declined again to just **16.9%**. This marks a **3.0%** decrease shared by all property segments in comparison to the **20.0%** occupancy expected for November. As it stands, December is the month with the lowest occupancy expectation since we started the Hotelier PULSE series in April 2020.



Resorts continue to expect the highest monthly occupancy levels, and the only segment that did not significantly decrease occupancy expectations for December compared to November. For December, the expectation is **24.4%** vs **24.9%** in November.

City Center Hotels saw a decrease of **5.0%** in their occupancy expectation for December vs November. This was the biggest expectation drop from all 3 segments. City Center Hotels expect an average occupancy of **13.4%** for December vs **18.1%** expected for November. This is followed closely by Bed & Breakfasts, with **13.6%** occupancy expected for December compared to **16.8%** registered for November.



2.2

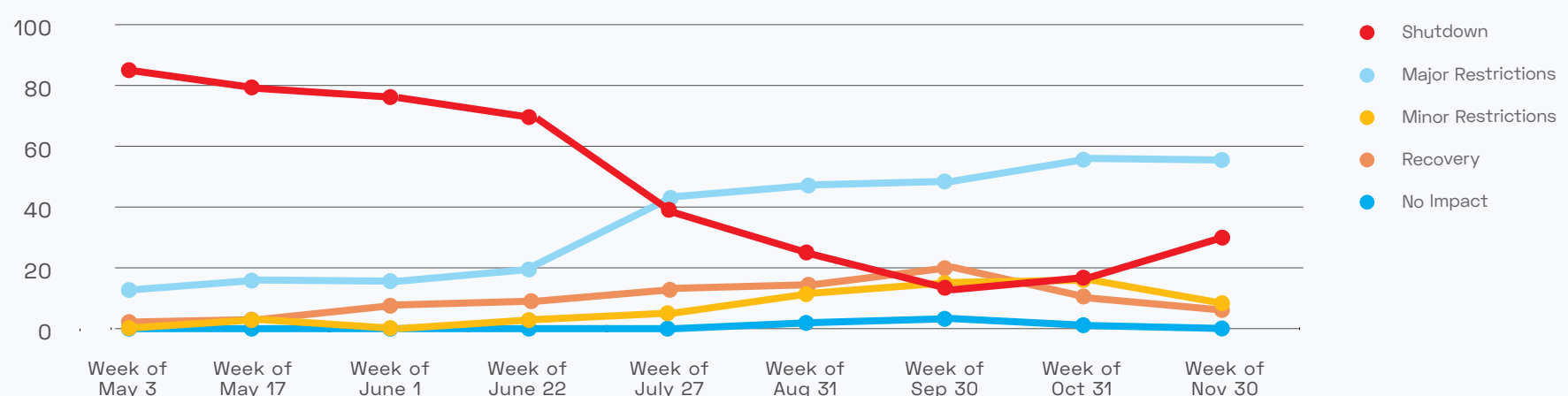
How are Hotels Doing This Month?

Key Takeaways

- Based on the results of our November survey, the number of hotels in complete shutdown is the highest since July - marking the biggest increase since the beginning of The Hotelier PULSE Report series.
- Comparing all segments, City Center Hotels represent the majority of respondents (36.4%) in complete shutdown.
- The number of hotels expecting to reopen in 2021 increased by 10.0% in our November survey, marking the biggest increase since April 2020.

Over the past two months of October and November, the number of Hotels in 'Complete Shutdown' has continued to increase, with more hotels closing their doors during this period. Based on the results of our November survey, the number of hotels in complete shutdown is the highest since July. This marks the biggest increase since our first edition in April 2020.

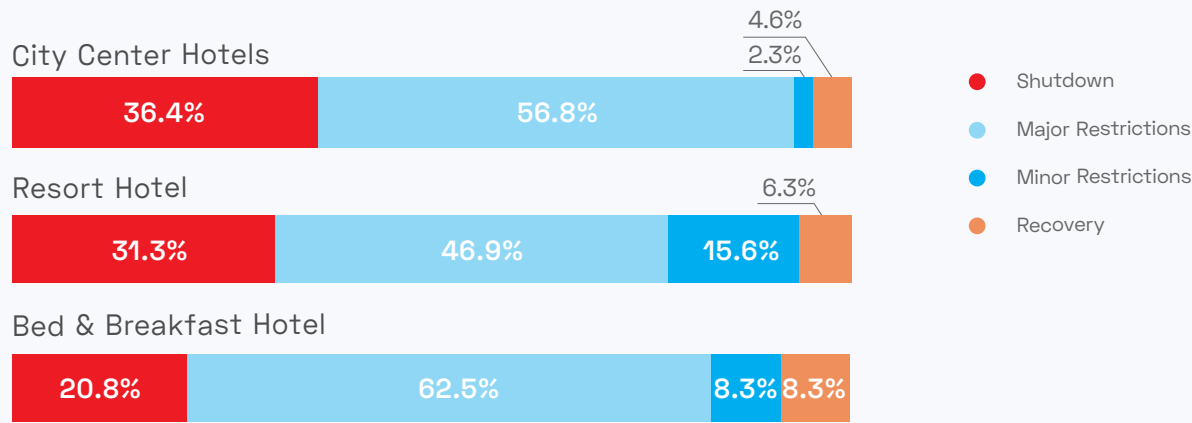
What statement best describes the current state of your hotel today?



In November, **31.0%** of Hoteliers surveyed said their property is closed compared to **17.0%** in October. Meanwhile, more than half of the Hoteliers surveyed continue to register major restrictions with a slight decrease compared to October's survey results: **55.0%** vs **56.0%**.

Hotels in the 'Minor Restrictions' and 'Recovery' stages significantly decreased as a result of more hotels closing their doors. Of all Hoteliers surveyed in November, **8.0%** said their hotel is dealing with minor restrictions (vs **16.0%** in October), while only **6.0%** answered 'Recovery' (vs **10.0%** in October).

Breaking down the results per segment, City Center Hotels are the most affected with **36.4%** in complete shutdown. The majority of City Center Hotels (**56.8%**) are currently dealing with major restrictions. Resorts represent the majority of Hotels dealing with minor restrictions at **15.6%**, while Bed & Breakfasts represent the majority of hotels in recovery (**8.3%**).

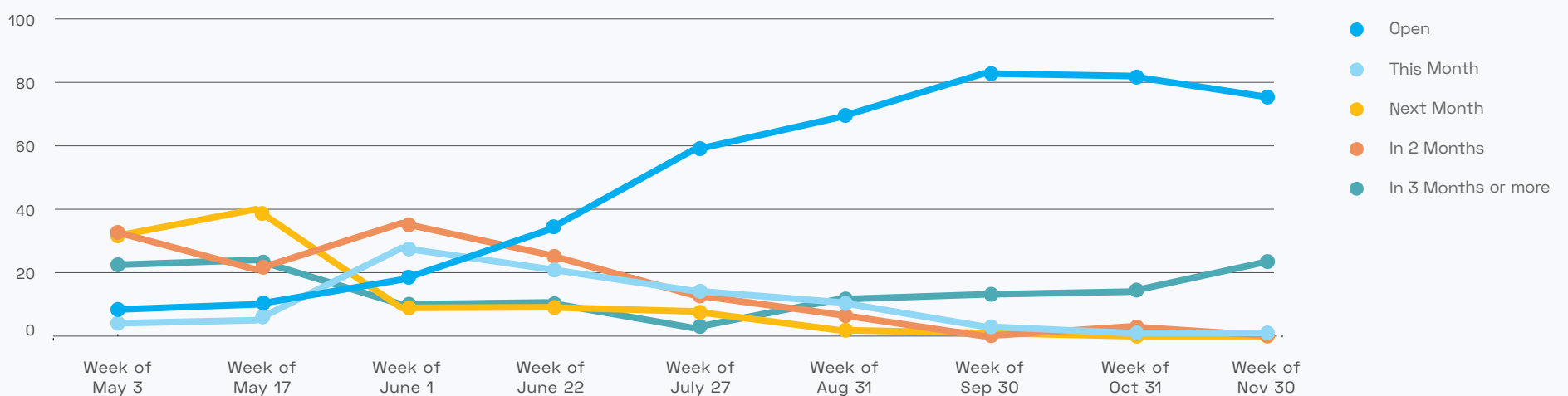


Following a steady increase in hotels reopening or about to reopen from June until September 2020, we can see that the trend has moved in the opposite direction between October and November. Our November survey not only showed a significant decline in hotels currently open, but also an increase in Hotels planning to reopen in 2021.

In this Edition, **75.0%** of Hotels remain open in comparison to **82.0%** in our November Edition. Just **1.0%** of hotels expect to reopen in December and **24.0%** will wait 3 months or more to reopen in 2021. The number of properties waiting for 2021 to open increased **10.0%** in our November survey compared to the previous month, marking the biggest increase since we launched The Hotelier PULSE series in April 2020

City Center Hotels represent the majority of hotels that have either reopened or that will do so in December at **79.6%**, followed by Bed & Breakfasts at **75.0%**, and **71.9%** of Resorts. Resorts represent the majority of hotels that will wait until 2021 to reopen at **28.1%**, followed by **25.0%** of Bed & Breakfasts, and **20.5%** of City Center hotels.

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





2.3 Financial Recovery Forecast

Key Takeaways

- 87.5% of Hoteliers expect revenue declines of 50% or more in 2020 vs 2019, with an increase of almost 10.0%.
- 56.0% of Hoteliers expect to financially recover to 2019 levels in 2022, marking a 5.0% increase compared to the November Edition.
- For the first time since August 2020, the number of respondents who only expect to recover to 2019 levels in 2023 increased from 12.0% to 18.0%.

Our November survey results reveal a steady increase in Hoteliers expecting revenue declines of **50.0%** or more. In this Edition, **87.5%** of Hoteliers say they expect revenue declines of **50.0%** or more in 2020 vs 2019. Only **8.0%** of respondents in November expected the decline to be **20.0%** or less.

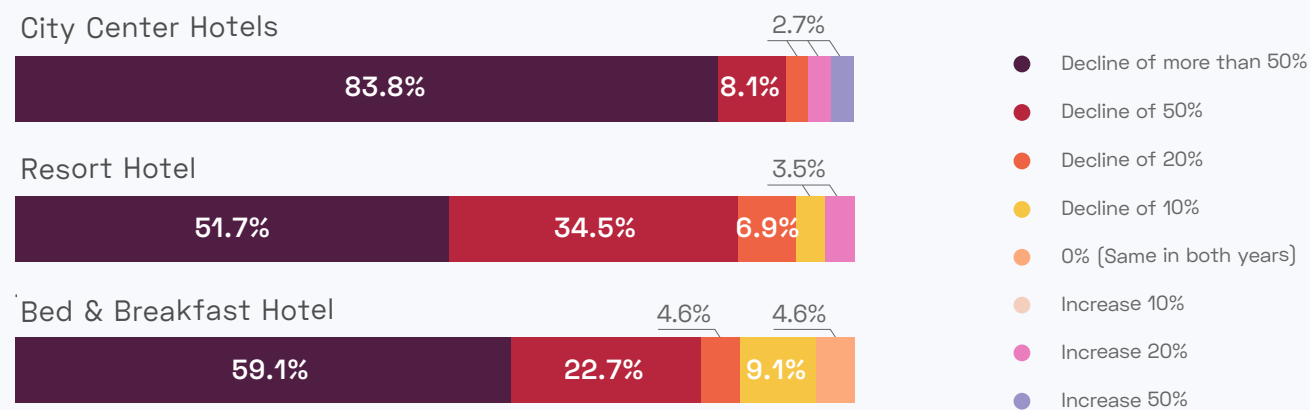
On the flip side, this Edition marks a slight rise in respondents expecting revenue to increase in 2020 compared to 2019, at **3.4%**.

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



With a difference of over **20.0%** in comparison to other segments, City Center Hoteliers continue to represent the majority of respondents that expect a revenue decline of **50.0%** or more. In fact, just **8.1%** of City Center Hotels do not share this expectation, compared to a staggering **91.9%** that do. Curiously, this is also the only segment where a small percentage of respondents expect their revenue to increase by around **50.0%** compared to 2019.

86.2% of Resorts and **81.8%** of Bed & Breakfasts also expect revenue declines of **50.0%** or more compared to 2019. No Bed & Breakfast respondents expect increases in revenue in 2020 vs 2019. As for Resorts, just **3.5%** said they are expecting a **20.0%** increase in revenue.

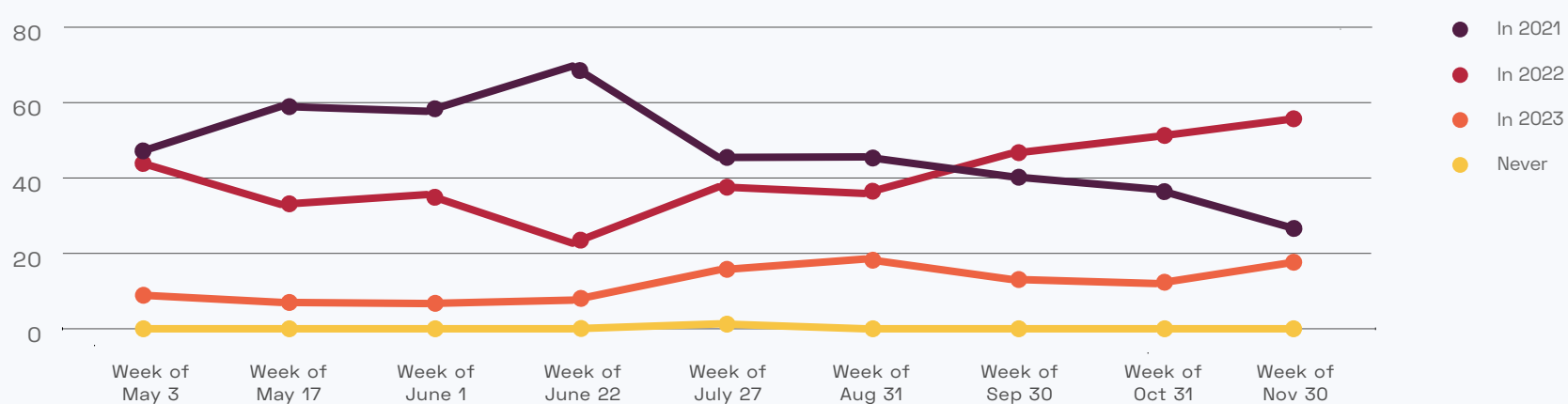


Following a steady increase of Hoteliers expecting to financially recover to 2019 levels in 2021, the expectation began shifting to 2022 by the end of July 2020. Today, the expectation is nearly back to what it was in April 2020.

In this Edition of The Hotelier PULSE Report, the trend continues to aggravate with **56.0%** of respondents expecting to only achieve 2019 results in 2022. This marks a **5.0%** increase compared to the November Edition. Just **26.0%** of respondents expect to financially recover to 2019 levels in 2021.

For the first time since August 2020, the number of respondents who only expect to recover to 2019 levels in 2023 increased from **12.0%** to **18.0%**.

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

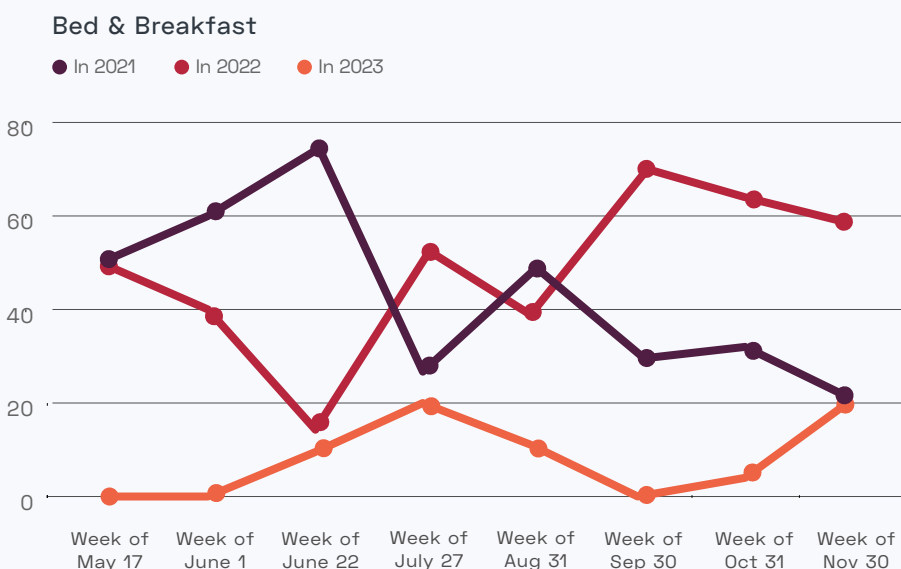
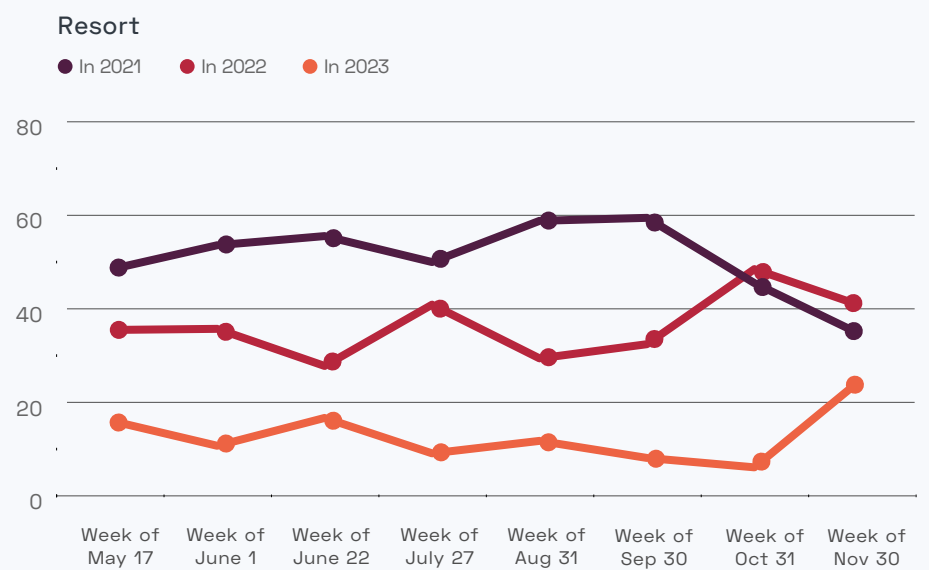
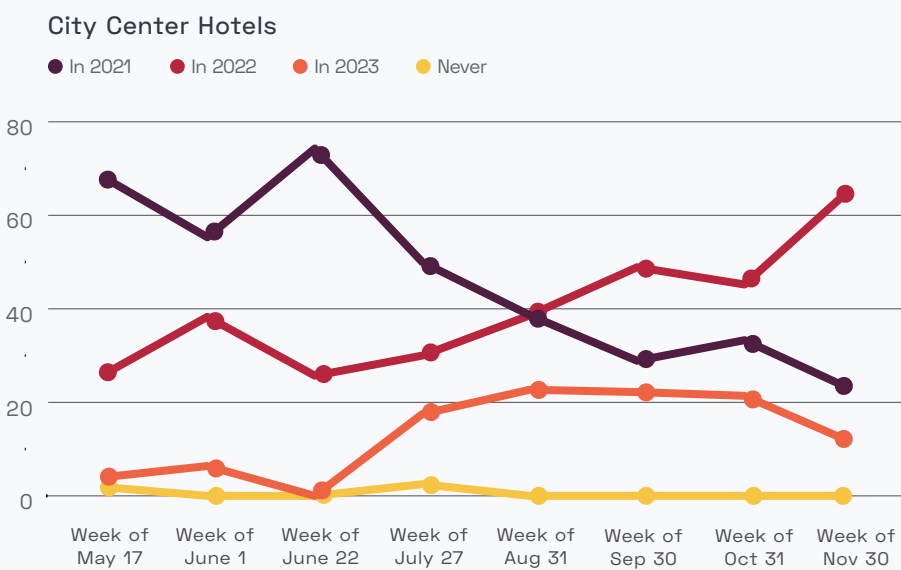


Until July 2020, more than half of City Center Hoteliers expected to financially recover to 2019 levels in 2021. In August 2020, the number of respondents expecting to financially recover in 2021 began decreasing, resulting in an increase of respondents expecting to only recover in 2022. In August, the majority of City Center Hotels expected to achieve the same financially results as 2019 in 2022.

This Edition marks a **20.7%** increase in City Center Hotels expecting to financially recover to 2019 levels in 2022, compared to our November Edition. Of all City Center Hotel respondents in November, **65.9%** expect to financially recover in 2022, compared to **45.2%** in our October survey. Just **22.7%** expect to financially recover in 2021, compared to **33.3%** in our October survey.

On the other hand, the percentage of City Center Hotels expecting to only financially recover in 2023 has decreased. Of those surveyed in this segment over the course of November 2020, **11.3%** expect to financially recover to 2019 levels in 2023, compared to **21.4%** surveyed in October. This marks the lowest percentage of City Center Hoteliers who share this expectation since July 2020.

In this edition, Resorts represent the largest increase in Hoteliers expecting to financially recover to 2019 levels in 2023. This is not only compared to results published each month since April 2020, but all property segments analysed over the course of The Hotelier PULSE Report series. Of those surveyed in the Resort segment, **25.0%** expect to financially recover to 2019 levels in 2023, compared to just **6.1%** in our November edition. Consequently, the number of respondents that expect to financially recover in 2021 or 2022 has decreased. In this Edition, **34.4%** still expect to financially recover in 2021, compared to **45.5%** in the November Edition. The majority of Resorts (**40.6%**) expect to financially recover in 2022, compared to **48.5%** in the November Edition.



The segment with the most erratic changes in expectations since April 2020 are Bed & Breakfasts. According to the results of our November survey, the trend was very similar to what was registered for Resorts. Bed & Breakfasts expecting to financially recover in 2023 have increased significantly, while expectations both for 2021 and 2022 decreased in comparison to October’s survey results.

Bed & Breakfasts expecting to financially recover in 2023 jumped from **4.0%** in our November Edition to **20.8%** today. As a result, the percentage expecting to financially recover in 2021 decreased from **32.0%** to **20.8%**. Meanwhile, **58.3%** expect to financially recover in 2022, compared to **64.0%** in our November Edition.



2.4

Concerns, Key Priorities, Short-Term Strategies

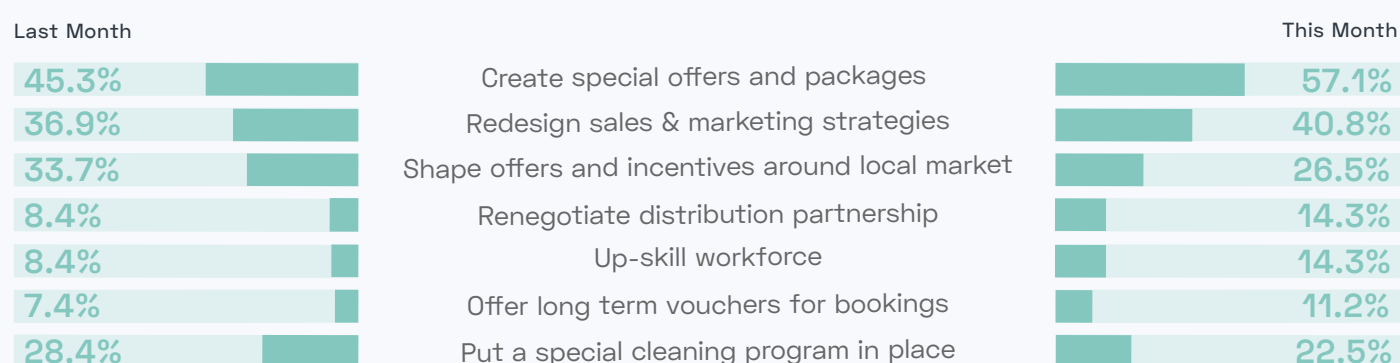
Key Takeaways

- Of Hoteliers surveyed in November, **35.7%** expect **Business Travel** to be the 1st recovery contributor (vs **32.6%** of those surveyed in October).
- Interestingly, **37.2%** of City Center Hoteliers expect 'International Leisure' to have the biggest impact on their recovery.
- Unlike previous editions, 'Upskilling the Workforce to Meet Tomorrow's Demands' and 'Renegotiating Distribution Partnerships' almost doubled in responses in November's survey compared to October.

In this Edition, 'Creating Special Offers & Packages to Generate New Bookings' continues to be ranked as the number 1 short-term priority, increasing dramatically **57.1%** of responses in our November survey (vs **45.3%** in our October survey).

In 2nd place is 'Redesigning Sales and Marketing Strategies to Attack New Markets', considered a top priority by **40.8%** of respondents in November (vs **36.8%** surveyed in October). Ranked 3rd is 'Shaping Offers and Incentives around the Local Market', voted as a top priority by **26.5%** of respondents. Interestingly 'Upskilling the Workforce to Meet Tomorrow's Demands' and 'Renegotiating Distribution Partnerships' almost doubled in responses in November's survey compared to October.

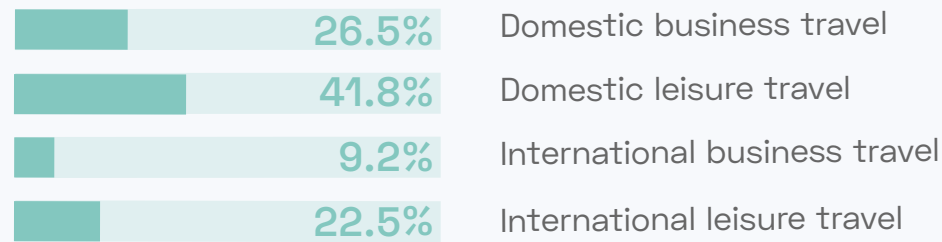
Select your number 1 priority in overcoming the Covid-19 crisis and preparing for the upturn



In terms of travel segments contributing to the recovery of hotels worldwide, 'Domestic Leisure' is once again expected to be the largest recovery contributor by the majority (**41.8%**) of Hoteliers. On the other hand, 'International Leisure' travel continues to generate the lowest number of responses, at just **9.2%** in this Edition.

Meanwhile, **26.5%** of Hoteliers expect 'Domestic Business' to be the biggest contributor to recovery, followed by 'International Business Travel' at just **22.5%**.

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

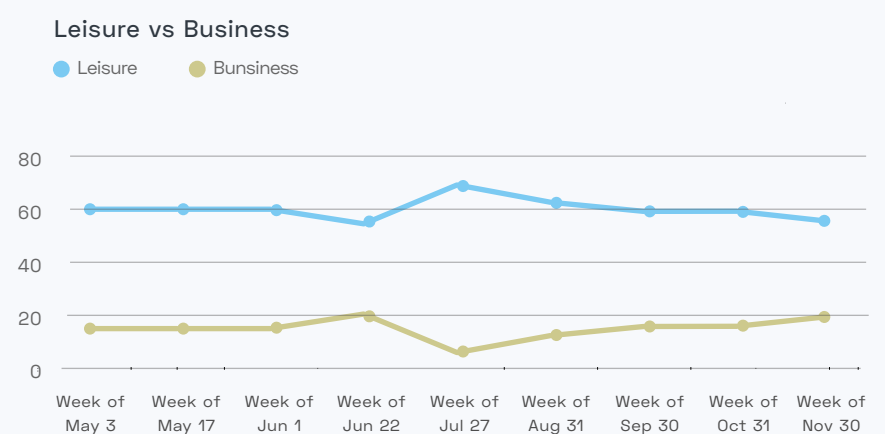
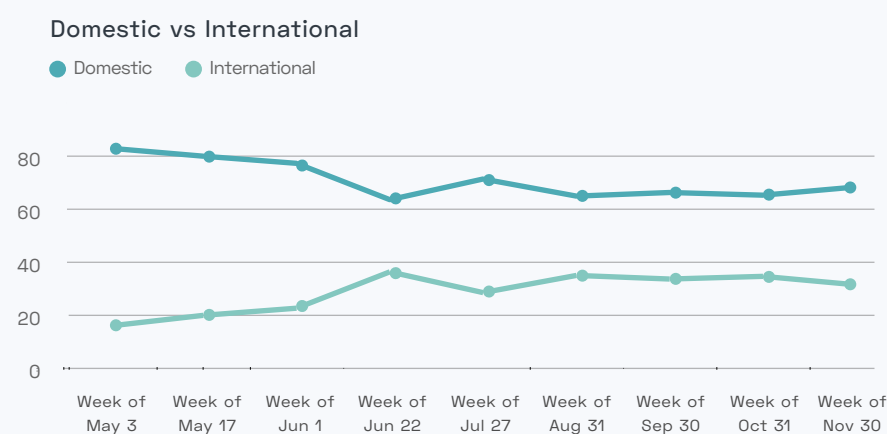


In this edition, the expectation for ‘Business Travel’ to significantly contribute to hotels’ recovery registered one of the highest levels of responses since the beginning of the Hotelier PULSE Report series.

Of Hoteliers surveyed in November, **35.7%** expect Business Travel to be the 1st recovery contributor (vs **32.6%** of those surveyed in October). Meanwhile, **64.3%** of November’s survey respondents expect ‘Leisure Travel’ to hold this first position (vs **67.4%** in our October survey).

When comparing the expectations for Domestic vs International travel, Domestic remains the obvious choice for the majority of respondents. In this Edition it increased once again, with **68.4%** of Hoteliers expecting Domestic to be the 1st contributor (vs **65.3%** in the October survey).

Meanwhile, **31.5%** expect International to be the 1st contributor (vs **34.7%** in the October survey).



For the second edition in a row, the majority of City Center Hotels expect ‘International Leisure’ to be the 1st recovery contributor instead of ‘Domestic Leisure’. Adversely, the latter is the top recovery contributor chosen by all other property segments since the 1st Edition in April 2020.

Interestingly, and also contrary to other property segments, the 2nd biggest recovery contributor expected for City Center Hotels is Domestic Business travel. Domestic Leisure travel shows up only in 3rd place.

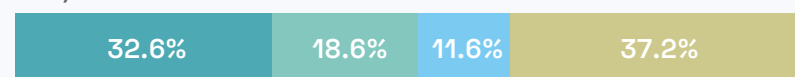
37.2% of City Center Hoteliers expect ‘International Leisure’ to have the biggest impact on their recovery. In 2nd place is ‘Domestic Business Travel’ at **32.6%**, followed by ‘Domestic Leisure’ at **18.6%**, and ‘International Business’ at just **11.6%**.

Out of all property segments, Bed & Breakfasts represent the majority of respondents who expect International Leisure to be the strongest contributor to recovery at **34.8%**. However, ‘Domestic Leisure’ is expected to be the number 1 contributor by **43.5%** of Bed & Breakfasts, compared to **41.7%** in the November edition.

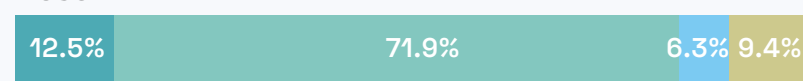
In 3rd place is 'International Leisure' at **13.0%** (vs **16.7%** in the November Edition), followed by just **8.7%** expecting 'International Business' to be the biggest contributor (vs **11.8%** in the November edition).

Similar to previous editions, the overwhelming majority of Resorts (**71.9%**) expect Domestic Leisure travel to be the 1st contributor (vs **61.3%** in the November Edition). 'Domestic Business' comes 2nd at **12.5%**, followed by 'International Leisure' at **9.4%**, and 'International Business' at just **6.3%**.

City Center Hotels



Resort Hotels



Bed & Breakfast



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

Guest Behaviour & Hotel Expectations

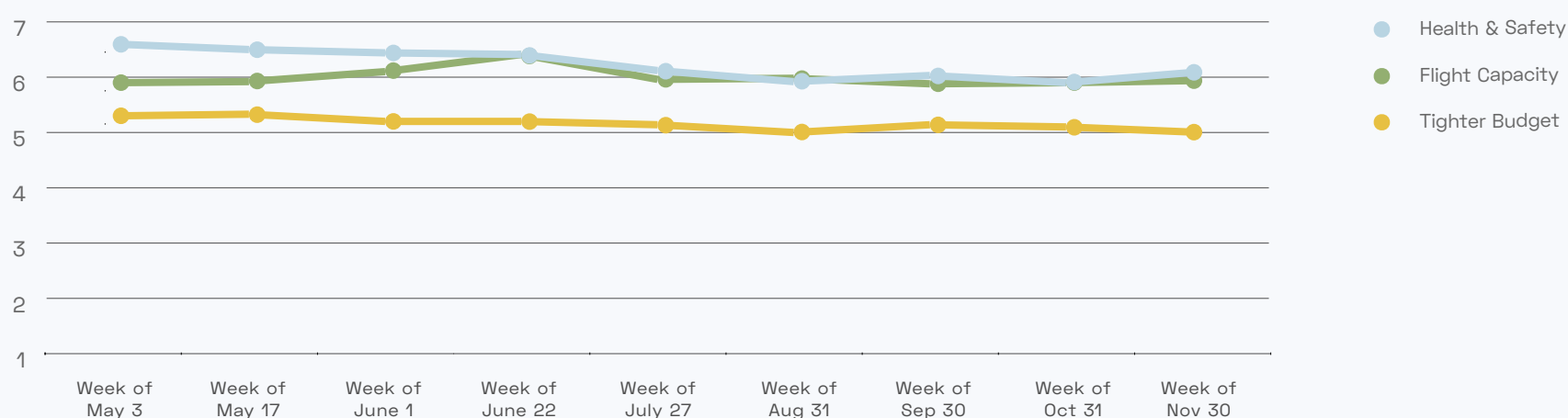


Key Takeaways

- Bed & Breakfasts are most concerned with Health and Safety precautions, rating it 6.7 out of 7.
- Resorts are the most concerned with Tighter Consumer Budgets, rating it 5.4 out of 7.
- Flight Capacity is a top concern for City Center Hotels, rating it 6.1 out of 7.

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'.

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



Between April and June, 'Health & Safety Precautions' was consistently ranked as the top consumer behaviour concern by Hoteliers. Since then, flight capacity continues to emerge a top concern with very similar values, and switching positions every other month.

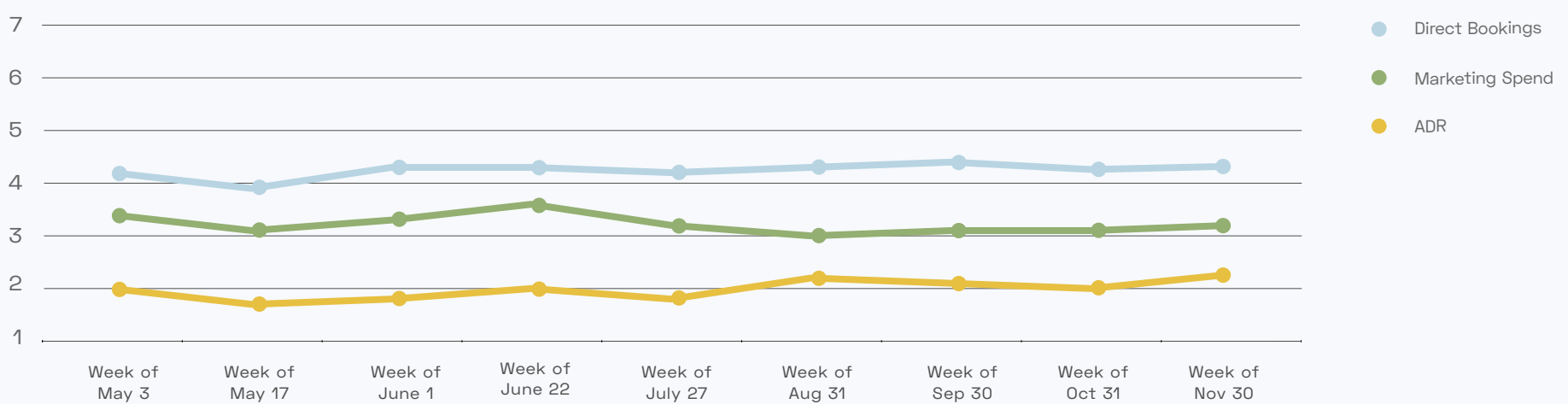
In this Edition, Health & Safety Precautions are once again ranked as a number 1 concern, increasing from 5.93 in our November Edition to 6.10 today. As for Flight Capacity, it had an insignificant increase since the November Edition, from 5.93 to 5.94. Bed & Breakfasts are most concerned with Health and Safety precautions, rating it 6.70 out of 7. Regarding tighter budgets, Resorts are the most concerned at 5.38. When it comes to flight capacity, this is top concern for City Center Hotels at 6.05.

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.

This Edition marks the biggest drop in Hoteliers expecting to decrease ADR in the next 12 months, rating it **3.29** compared to **2.95** in the November edition. Hoteliers also rated the importance of Direct Bookings at **5.32** - one of the highest ratings so far (vs **5.26** in the November Edition).

Resorts represent the majority of respondents expecting to decrease ADR, rating it **3.21** out of 7. Meanwhile, Bed & Beds represent the majority of respondents expecting to increase marketing spend, rating it **4.50** out of 7. Once again, Resorts represent the majority of Hoteliers expecting Direct Bookings to increase in importance, rating it **5.76** out of 7.

On a scale from 1 to 7 (with 7 being the highest level) rate your expectation on whether ADR, marketing spend and the importance of direct bookings will increase or decrease.



Sales & Marketing Priorities Over the Next 12 Months



Key Takeaways

- The 'Hotel Website' continues to be consistently ranked as 'Extremely Important' with 64.8% of Hoteliers ranking it as 'Extremely Important.'
- OTAs remain in the second place, also considered extremely important by 39.8% of respondents.
- Social media Maintains its 3rd place position with 37.5% of hoteliers saying it is also 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:

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

Unsurprisingly, The 'Hotel Website' continues to be consistently ranked as 'Extremely Important' with **64.8%** of Hoteliers ranking it as 'Extremely Important' (vs **62.1%** in the November Edition).

OTAs remain in the second place, also considered extremely important by **39.8%** of respondents (vs **37.9%** in the November Edition). Social media Maintains its 3rd place position with **37.5%** of hoteliers saying it is also extremely important (vs **31.0%** in the November Edition).

The Central Reservation System (CRS) is also considered extremely important by **36.4%** of respondents, followed by Rich Media (**31.8%**), and Meta-search (**28.5%**). Once again Trade Shows, Sales Calls, Road-shows and joining a brand/ soft-brand are not considered important at all.

Conclusions

As opposed to the first wave, where the industry expectation was one or two months of closure, we've been seeing steady increases in Hotels expecting to remain closed for three months or more. We're also seeing an increasing number of Hoteliers readjusting their financial recovery expectations, with the vast majority expecting to financially recover to 2019 levels in 2022 and 2023. What will the new year have in store for the industry? That remains to be seen.

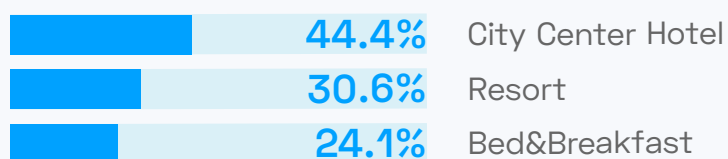
Keep yourself and your fellow Hoteliers informed with crucial recovery insights for 2020. You can start by taking our PULSE Report [HERE](#).

About This Report

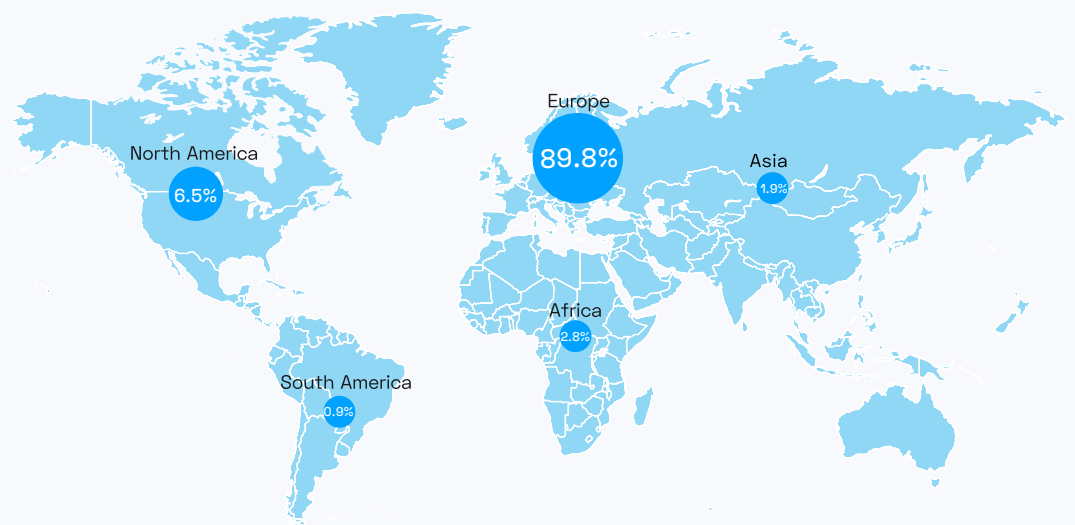
For the 9th Edition of The Hotelier PULSE Report, we surveyed 108 key decision-makers at hotels. General Managers represent the majority of our respondents at **38.0%**, followed by Group CEO's/Property Owners at **19.4%**. The remaining respondents include Sales Directors (**14.8%**), followed by Front Office Managers (**12.0%**), Revenue Managers (**9.3%**) Marketing Managers (**5.7%**), and IT Managers (**0.9%**).

The overwhelming majority of our respondents come from Europe (**89.8%**); followed by North America (**6.5%**), Africa (**2.8%**), and South America (**0.9%**). The 'City Center Hotel' segment is where most of our respondents come from at **44.4%**, followed by Resorts (**30.6%**), and Bed & Breakfasts (**24.1%**).

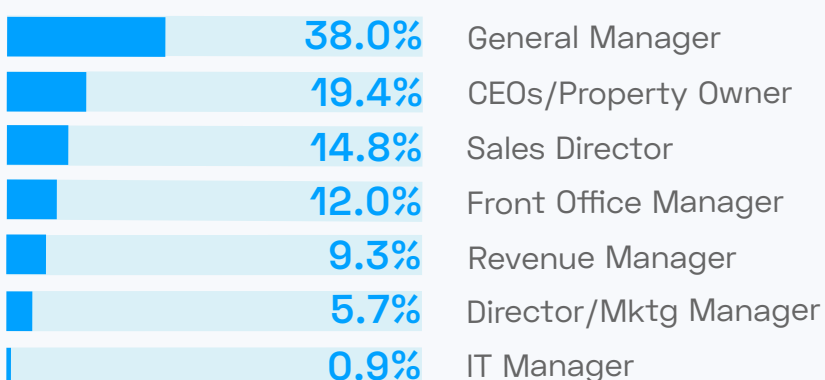
Type of Property



Property Locations



Role



The Hotelier Pulse Report

9

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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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