

Real Estate to go

new hotel worlds

Issue 6 – September 2021

Leisure above work

Before the pandemic spread across the globe, the share of tourism in global economic output increased sharply over the past decade. Overall, the sector generated approx. EUR 8 trillion in 2019, which was equivalent to approximately 50% of the economic output of the European Union. Leisure travel was the key driver, with holidays accounting for around four-fifths of value creation before the pandemic. This is reassuring, as leisure travel is recovering from the pandemic much faster than business travel. According to STR, pre-crisis levels for leisure travel will likely be reached as early as 2023, whereas business travel will not recover to pre-crisis levels until 2025. According to a study by Oliver Wyman, 63% of the respondents surveyed plan to travel as much – or even more – privately than before the pandemic.

Number of respondents who plan to engage in leisure travel just as much or even more after the pandemic than before



Source: Oliver Wyman

Staycation is the new bleisure

Before Covid-19, business travel was extended to include a leisure component. Now staycations, i.e. holidays at or close to home, are currently experiencing a boom. In the UK, where staycations were already on the rise before the pandemic, bookings for the 2021 summer holidays increased by 460% compared to 2019. Surveys show that this form of holiday is becoming increasingly popular. According to Booking.com, 38% of respondents wish to spend their holidays near home in future. However, bleisure travel is still on trend, albeit in a modified form: more and more people are working from their holiday location – mobile working makes it possible.



Paris, mon amour

Prior to the pandemic crisis, France was the most visited country in the world with 90 million international tourists in 2019. 2020 came with the prospect of breaching the 100 million mark – but this is likely to take some time now. The country is also a leader in terms of museums. The Louvre is the most visited museum in the world and attracted 9.6 million visitors in 2019. In 2020 the figure was down to 2.7 million – but it was still sufficient to rank first.

2.7 million
visitors
in 2020

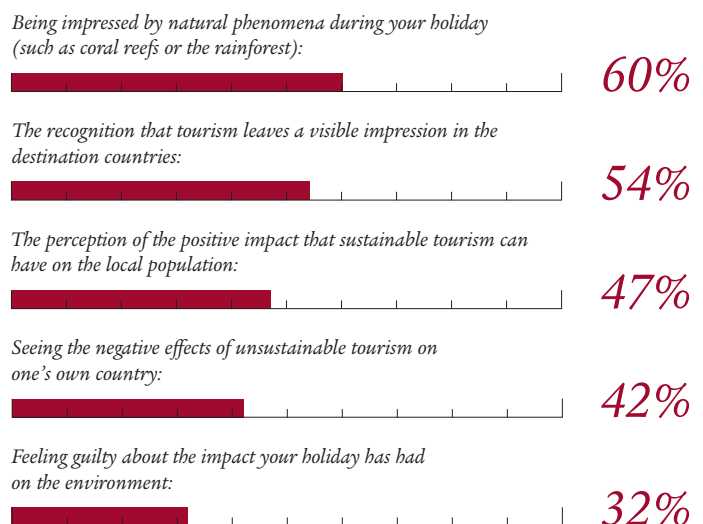


Source: Louvre

Travel with a good conscience

Sustainability everywhere. Both hoteliers and travellers are becoming increasingly aware of their responsibility and their environmental footprint. And the coronavirus has increased this awareness. According to a current study, 53% of all travellers want to travel more sustainably. Just as many are prepared to spend more on sustainable travel. Compared to before the pandemic, that is an increase of 13%. But even before 2020, travellers had a number of reasons to choose sustainable tourism. Nature experiences from previous trips played a particularly significant role.

Reasons for sustainable travel

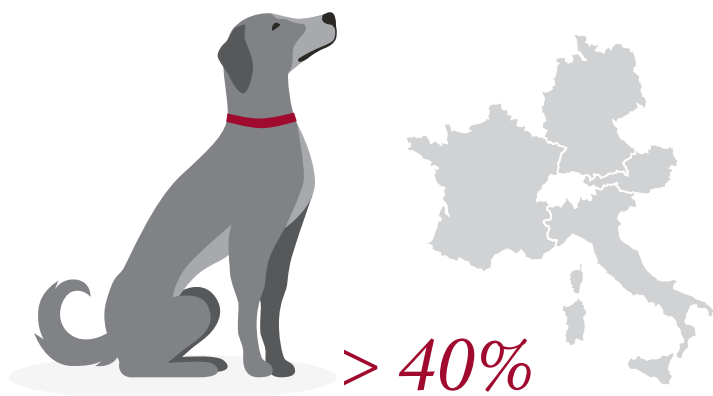


Source: Booking.com

Not without my dog!

A family holiday without the dog? Hard to imagine. Most people want to travel with their pet and are good guests: pet-friendly hotels have a higher number of returning holidaymakers and receive more recommendations. In France, Germany, Italy and Austria, more than 40% of all hotels already open their doors to our four-legged friends. According to a British study, it is worthwhile: hotels that allow animals can increase their turnover by 30%. In the UK, thanks to the staycation trend, demand for pet-friendly accommodation more than doubled in 2021.

Pet-friendly hotels in Europe

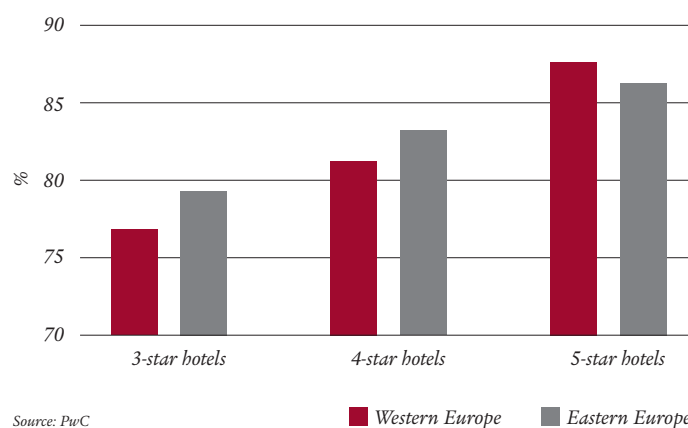


Source: TourismReview, TravelDailyNews International

Twinkle, twinkle, little star

It's not just pet-friendliness that counts when choosing a hotel, but also the rating. According to an American study, two out of three customers are influenced by online reviews when choosing a hotel. The effects are enormous: if the reviews are poor, hotels can lose up to 70% of their potential customers. Whereas one more star in the rating can increase turnover by 5 to 9%, according to a study by Harvard Business School. A look at Europe reveals that, on average, hotels in Eastern Europe receive more positive reviews than in Western Europe. Apparently, they are generally better at meeting guests' expectations.

Share of positive hotel reviews by star category and region



Source: PwC

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