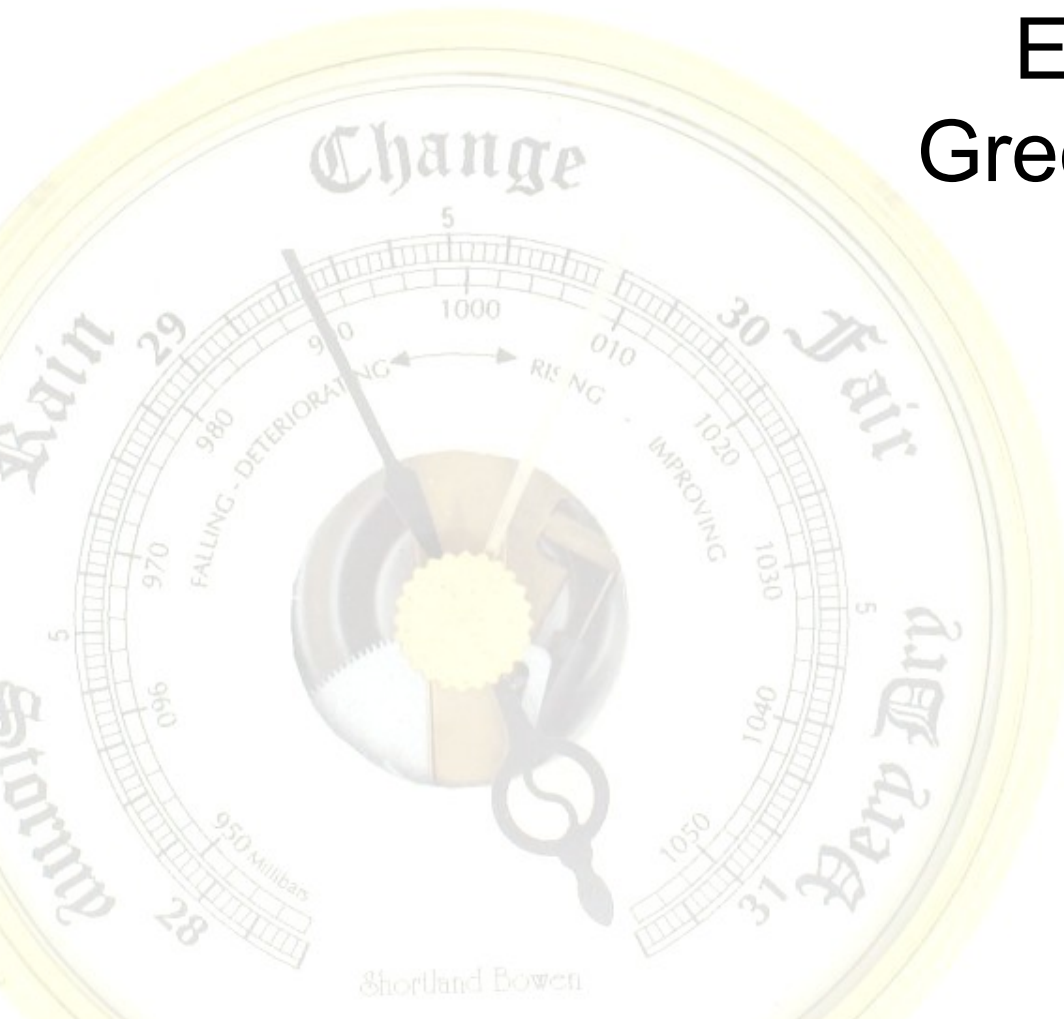


Tourism Barometer Snapshot Q1 2014

Expectations of the Greek Hospitality Sector



gbr
consulting

January 2014

Barometer Snapshot Q1 2014

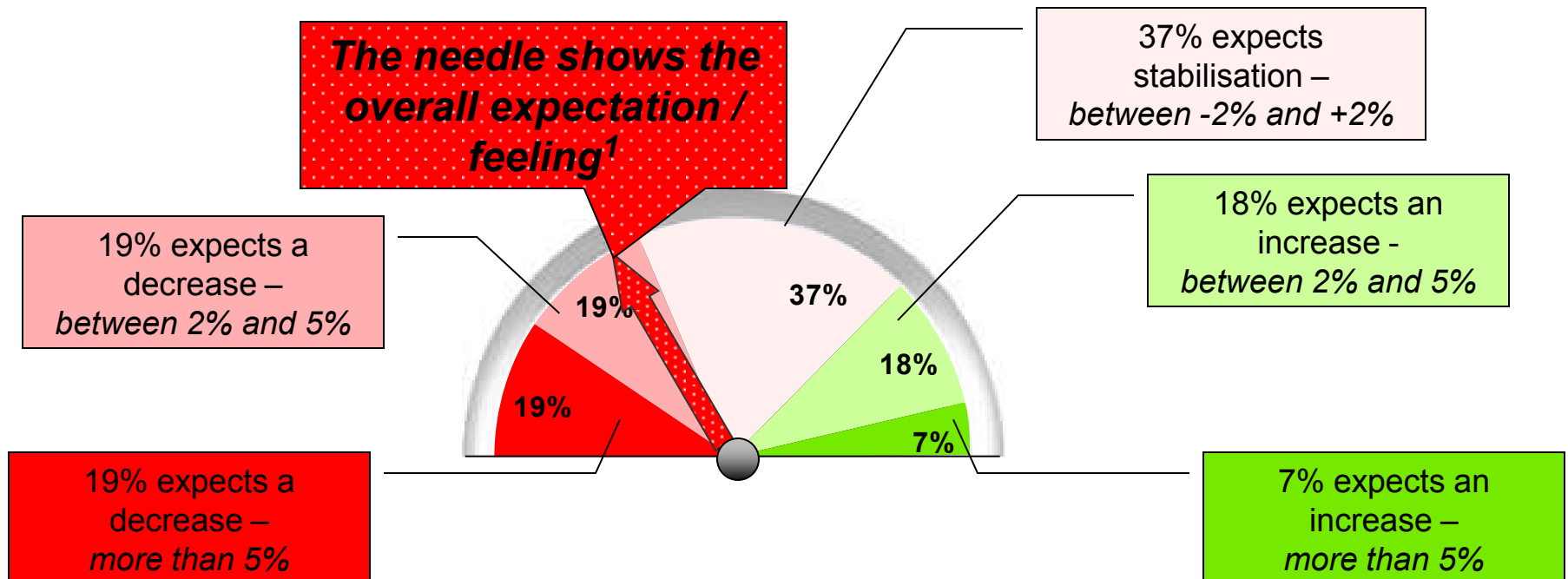
- For the hotel sector in general the barometers of the **first quarter of 2014** show optimism in terms of occupancy development. However, hoteliers are more cautious on ARR as they forecast stabilising to slightly increasing room rates.
- For **the year of 2014 as a whole** the hotel sector expects to achieve significant improvements in both occupancy and room rates.

More specifically:

- For **Q1 2014** city hoteliers expect significant increases in occupancy and stabilising room rates, while the resort hotels expect to operate at the same levels as last year. The 5*, 4* and 3* hotel categories all expect this quarter increases in occupancy. In terms of ARR only the 4* is expecting improvements as the 5* is forecasting only slightly higher levels, while the 3* expects drops in room rates.
- For **2014 as a whole** both city and resort hoteliers are very positive. Significant increases in occupancy are expected, while also achieving higher rates. The 5* and 4* segments are expecting to achieve higher occupancies and ARR, while the 3* sector is more cautious with improving occupancy levels and similar room rates as last year.

How to read the Quarter meters

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

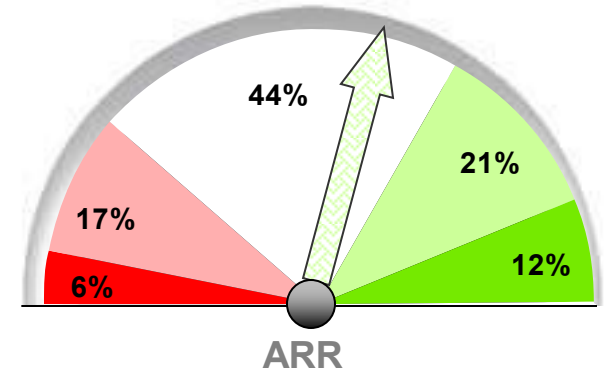
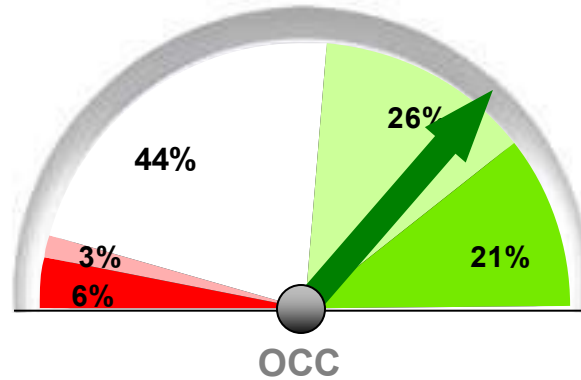


¹ The position of the arrow is based on the weighted average of the projections for increases and decreases, where the increases / decreases of more than 5% have a weight twice as high as the increases / decreases of between 2% and 5%

Expectations for 2014 Q1

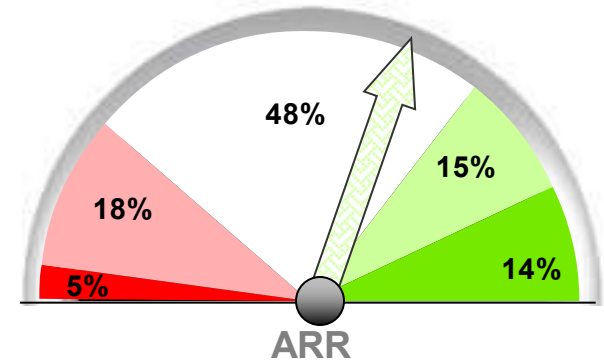
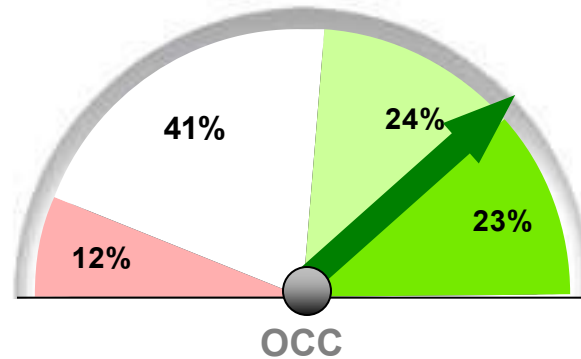
«MY HOTEL»

All hotels

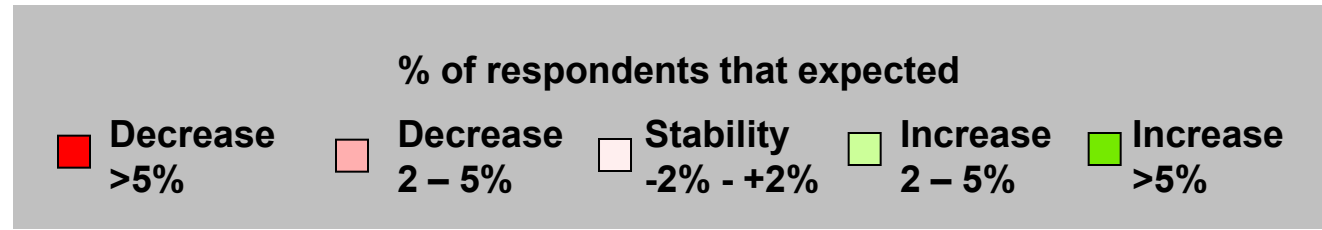


For the first quarter of 2014 hotels are overall optimistic on occupancy rates as almost half of them expects increases of 2% and more compared to the same quarter last year, both for their own hotels as well as for the market in general.

«MARKET IN GENERAL»



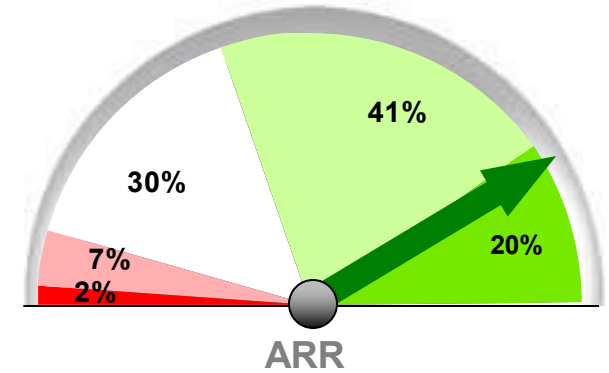
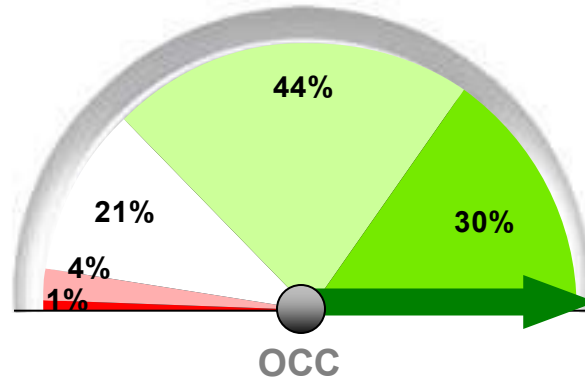
With respect to ARR, they are less optimistic for Q1. Hoteliers predict slight increases in room rates for both their own hotel units and the market as a whole.



Expectations for 2014 as a whole

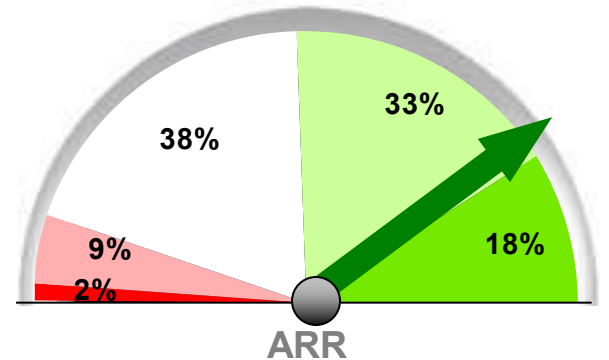
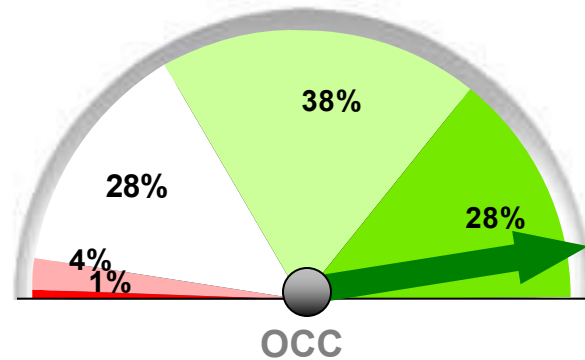
«MY HOTEL»

All hotels

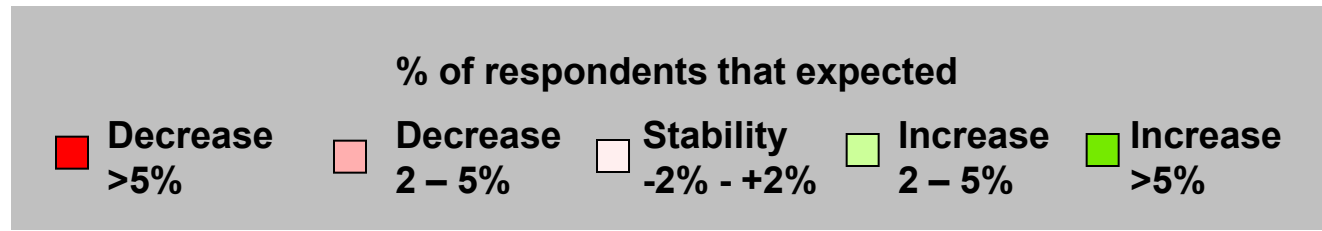


Hoteliers are optimistic that the recovery of 2013 will continue in 2014 with significant improvements in occupancy levels and increases in the room rates. About 74% expects occupancy increases of more than 2% for their own hotel units compared to 2013 and 61% expects this increase for their room rates.

«MARKET IN GENERAL»



The forecasts for the market in general show similar trends.



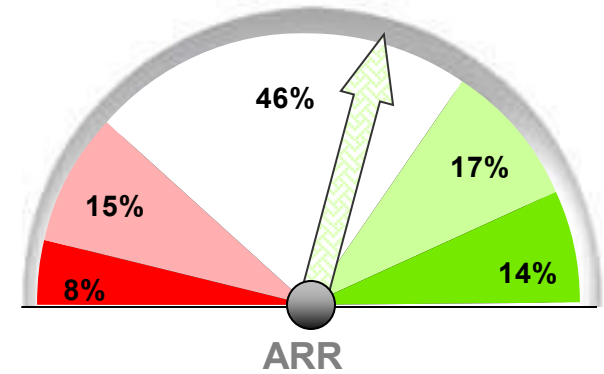
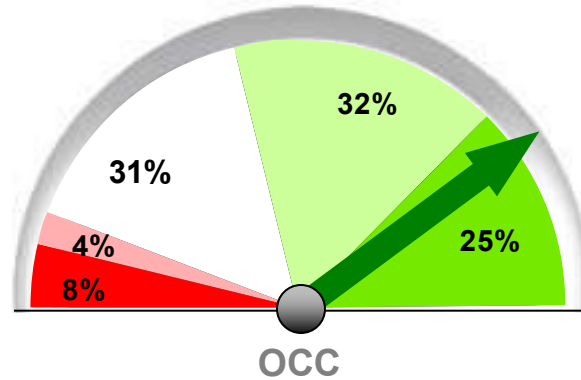
Expectations for 2014 Q1

«MY HOTEL»

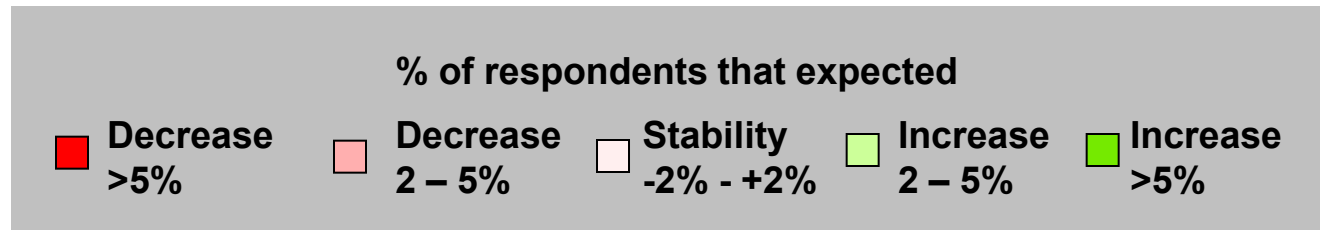
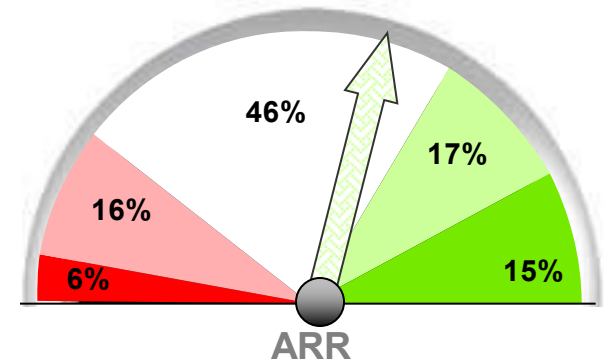
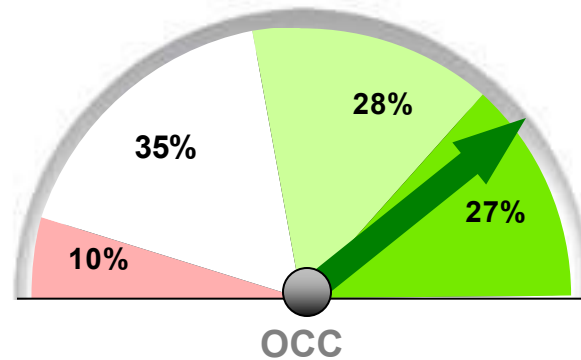
City hotels

City hoteliers remain positive, also for this first quarter of 2014.

Occupancy levels will improve at a faster pace than room rates, but overall the barometers show optimism for both their own hotels as well as for the market as a whole.



«MARKET IN GENERAL»

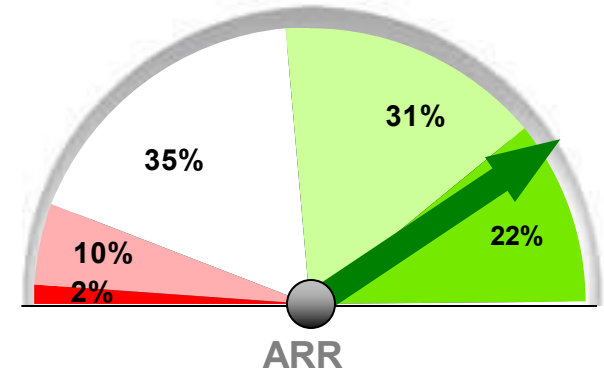
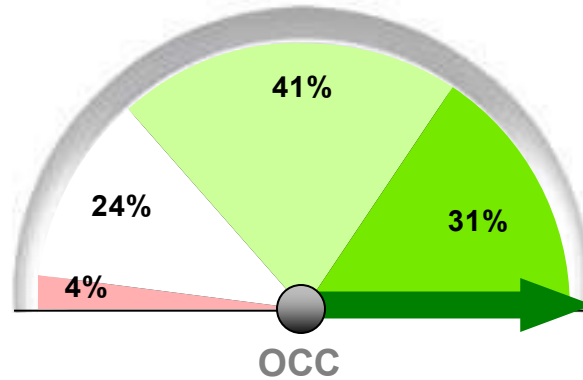


Expectations for 2014 as a whole

«MY HOTEL»

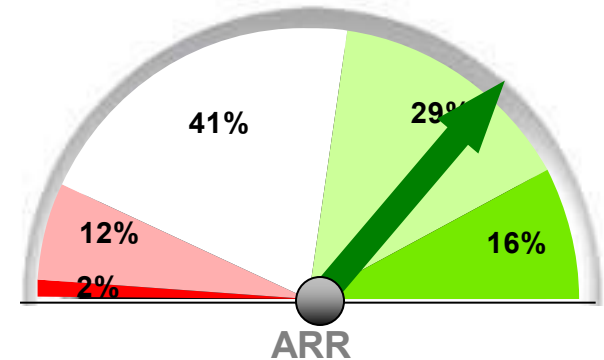
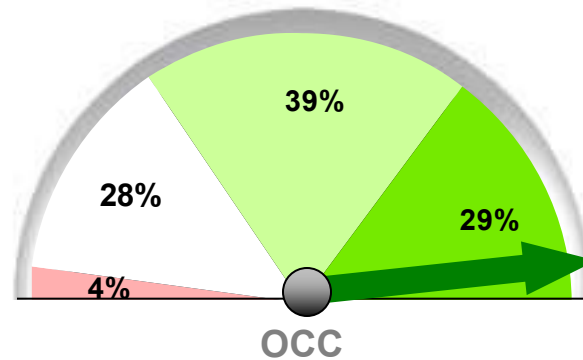
City hotels

The city hoteliers are hoping to further benefit from the improved climate and expect strong increases in occupied rooms in 2014 compared to last year.

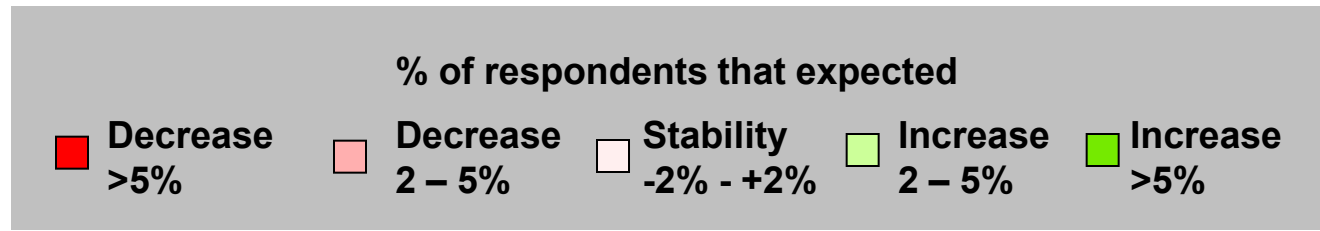


«MARKET IN GENERAL»

Furthermore, they forecast that the room rates will improve significantly as well this year.



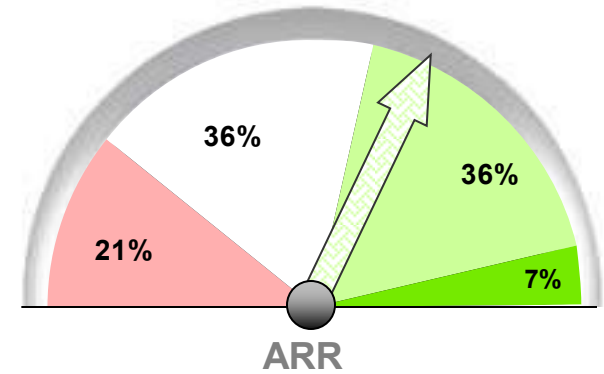
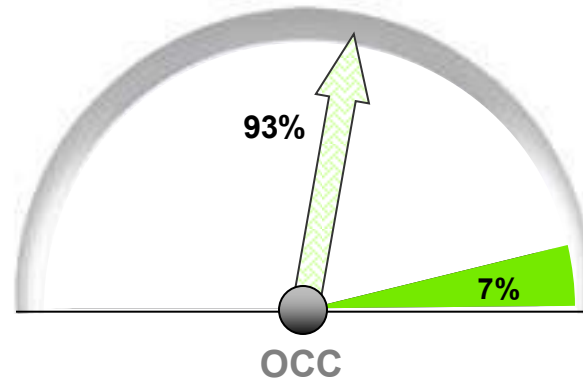
The forecasts for the market in general and the expectations for their own hotels are very similar.



«MY HOTEL»

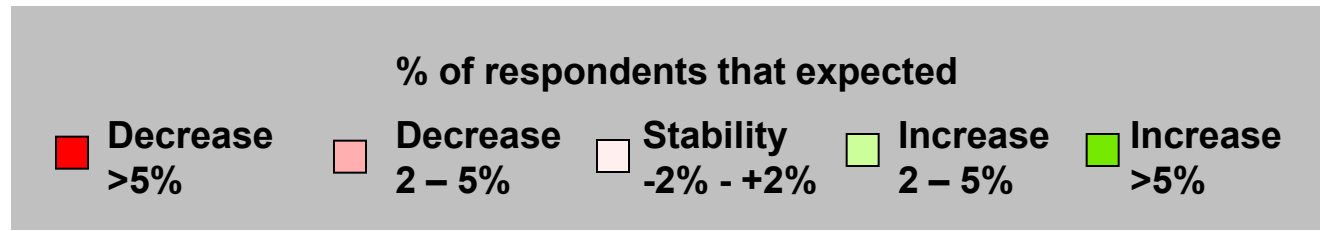
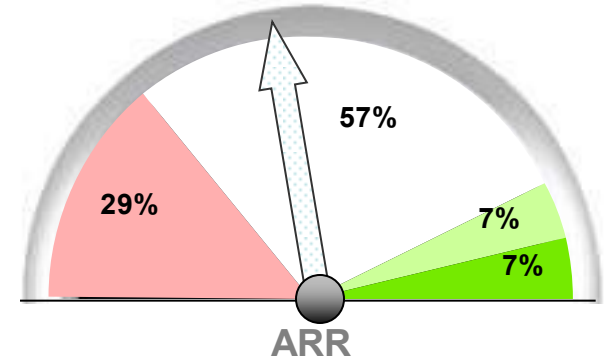
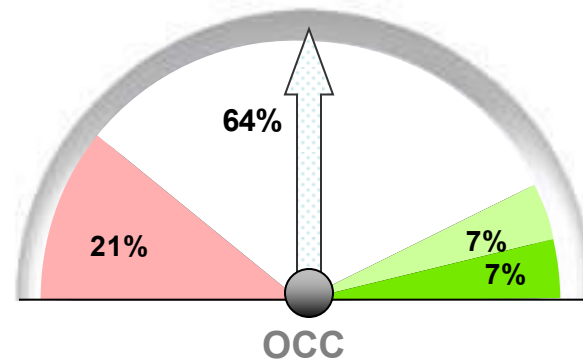
Resort hotels

With respect to the resort hotels that are operating this first quarter, 93% is expecting stabilising occupancy levels, while the room rates for their own hotels are expected to slightly improve this quarter.



«MARKET IN GENERAL»

For the market in general it is forecasted that resort hotels will operate at the same occupancy and room rate levels as last year's quarter.

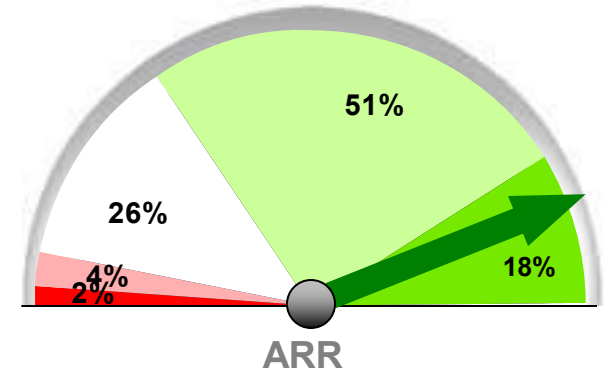
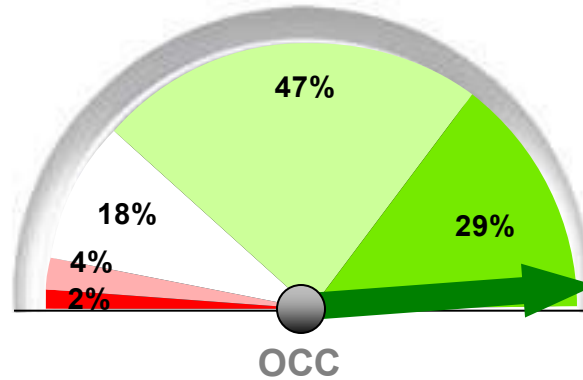


Expectations for 2014 as a whole

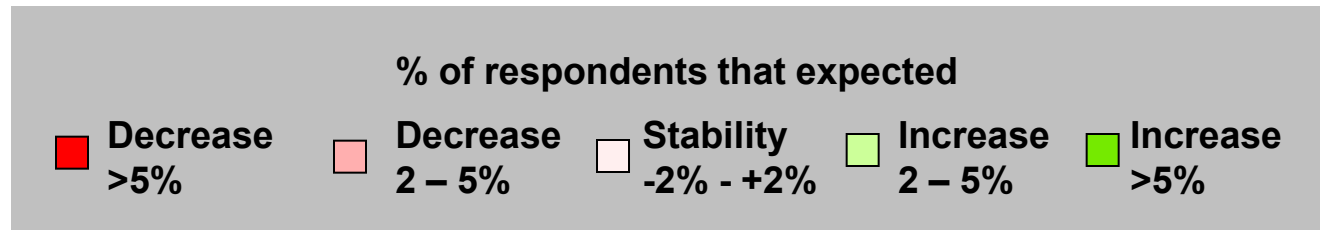
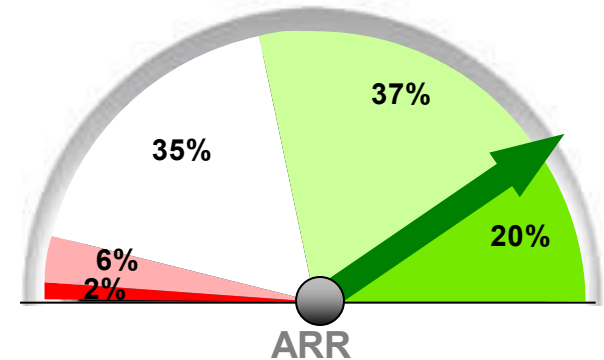
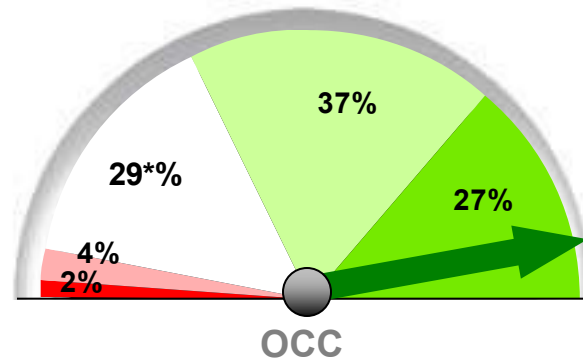
«MY HOTEL»

Resort hotels

For 2014 as a whole the resort hoteliers maintain the positive mood. All barometers are deeply green coloured, which means that hotels are expecting significant increases in both occupancy levels and room rates in 2014 compared to 2013, both for their own hotel units as well as for the market as a whole.



«MARKET IN GENERAL»



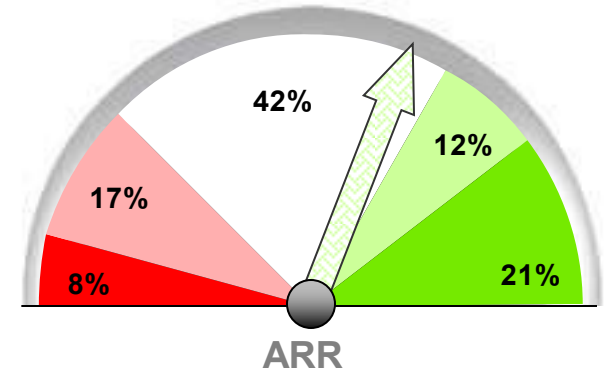
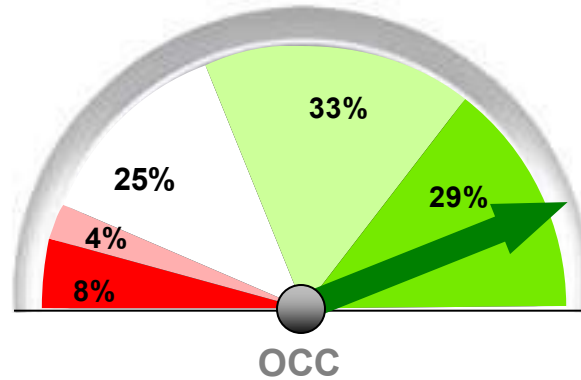
Expectations for 2014 Q1

«MY HOTEL»

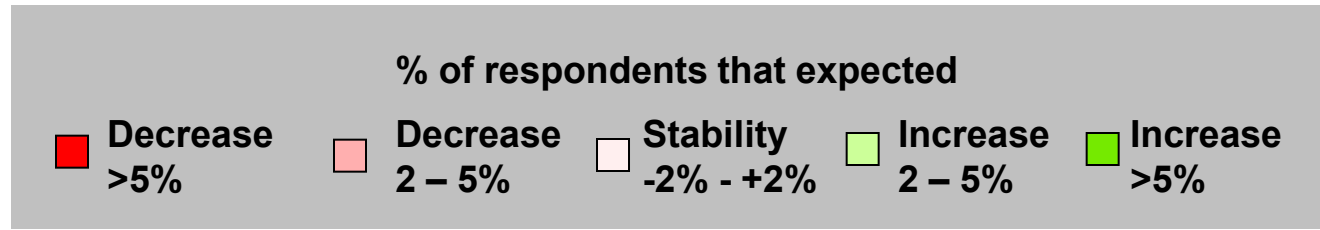
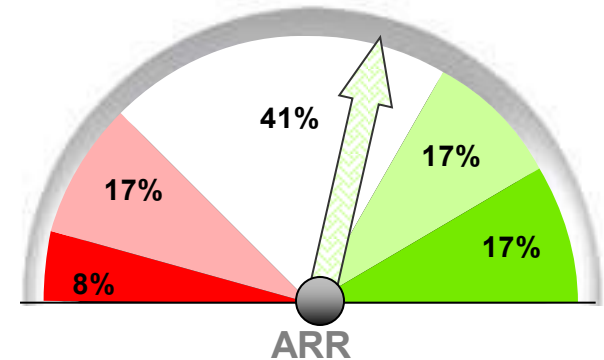
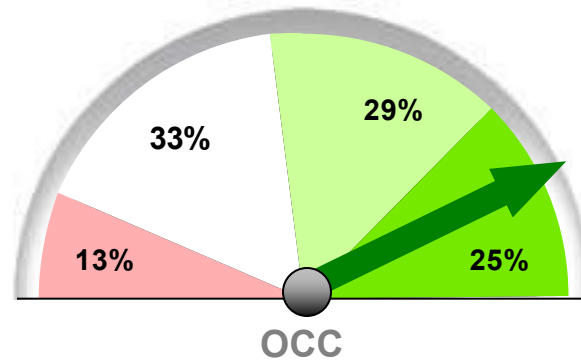
5* hotels

The 5* segment is optimistic with respect to occupancy this Q1 2014. They forecast significant improvements this quarter for both their own hotels and for the market in general.

With respect to the room rates, the 5* hoteliers are more cautious, but still positive. Slightly higher room rates may be achieved this quarter compared to last year.



«MARKET IN GENERAL»

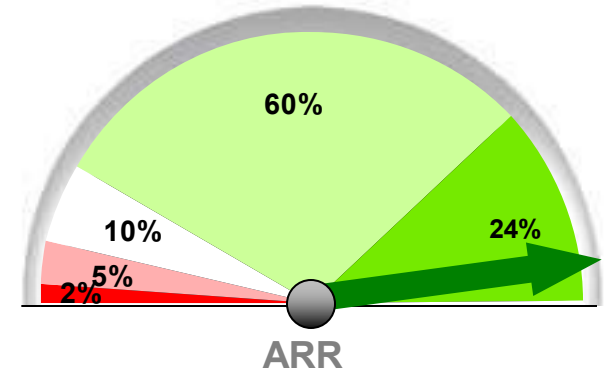
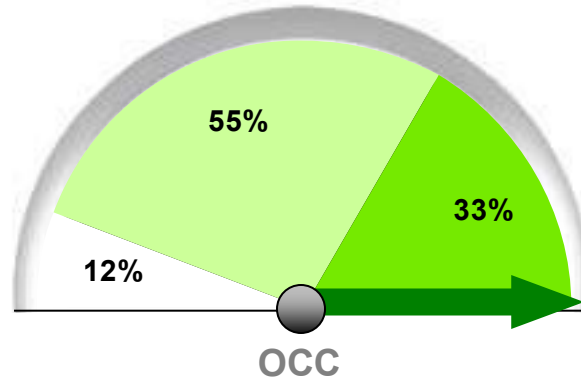


Expectations for 2014 as a whole

«MY HOTEL»

5* hotels

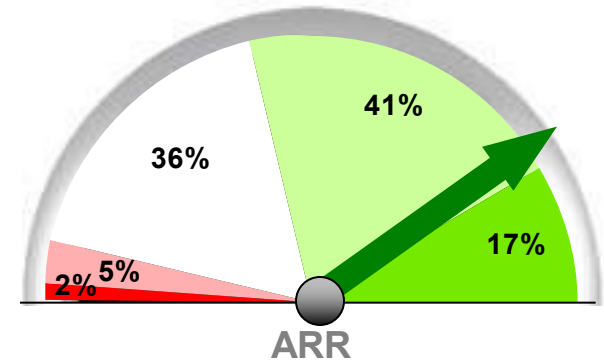
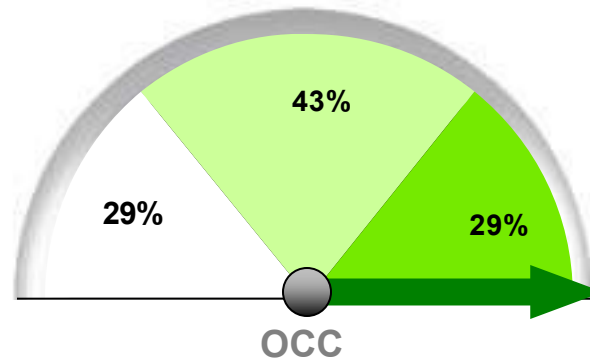
For the new year of 2014 as a whole the 5* hoteliers are much more optimistic than the first quarter of this year.



They expect significant increases of occupancy levels and none of the hoteliers forecasted a drop.

Also the room rates this year are expected to improve significantly albeit at a lower level than the occupancy.

«MARKET IN GENERAL»



% of respondents that expected

■ Decrease >5%

■ Decrease 2 – 5%

■ Stability -2% - +2%

■ Increase 2 – 5%

■ Increase >5%

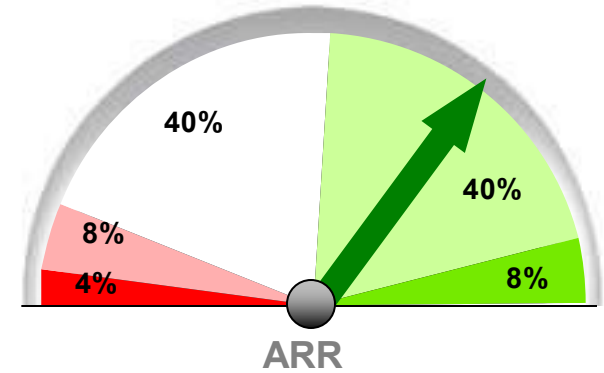
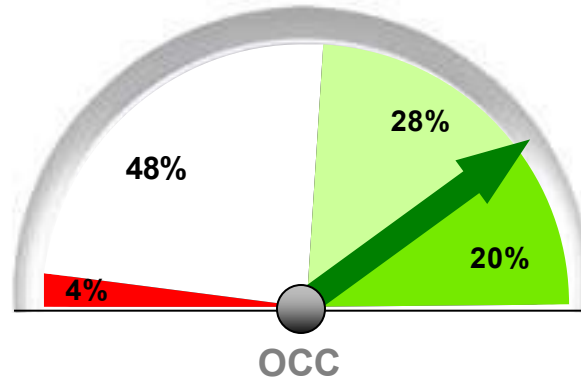
Expectations for 2014 Q1

«MY HOTEL»

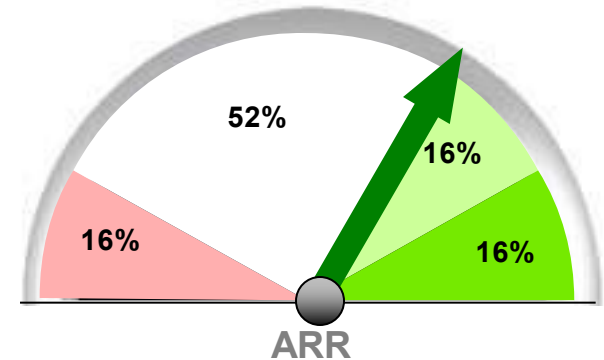
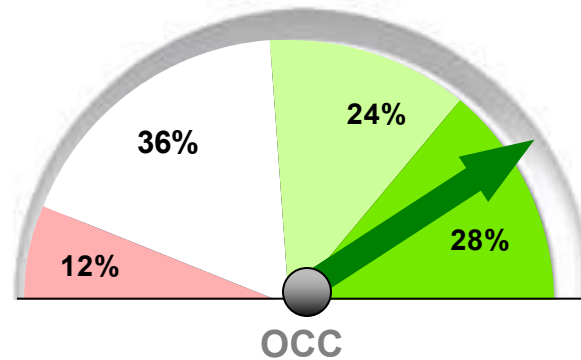
4* hotels

The 4* segment is expecting a good start of 2014 with improving occupancy and room rates. Very few expect decreases in occupancy, while about half of the market expects increases of 2% and more, both for their own hotels and the market as a whole.

A similar trend is seen at the ARR forecasts, although for the market in general they are slightly more cautious.



«MARKET IN GENERAL»



% of respondents that expected

■ Decrease >5%

■ Decrease 2 - 5%

■ Stability -2% - +2%

■ Increase 2 - 5%

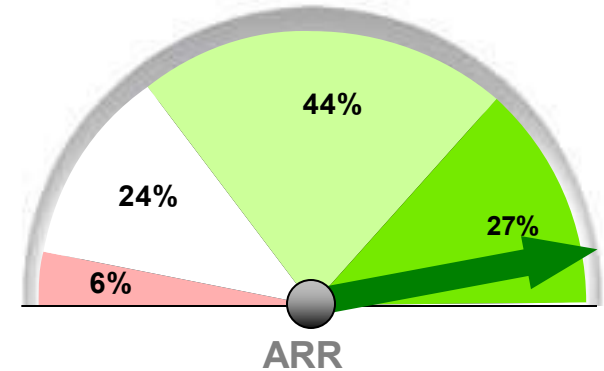
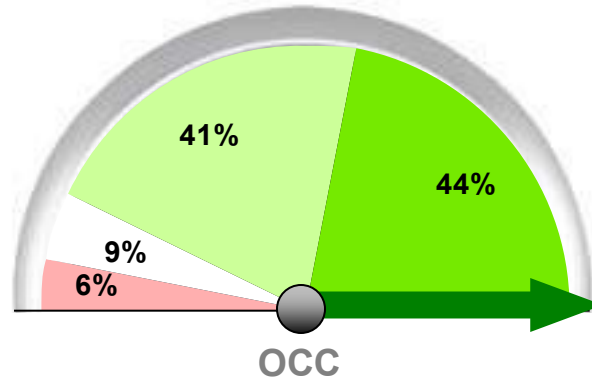
■ Increase >5%

Expectations for 2014 as a whole

«MY HOTEL»

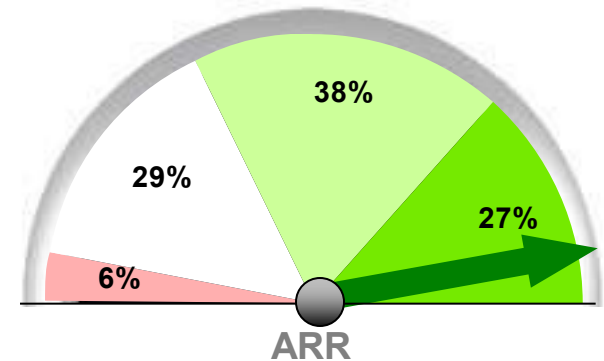
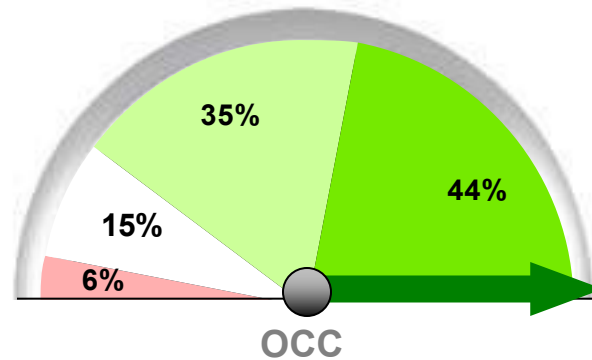
4* hotels

For the year as a whole the 4* segment is very optimistic.

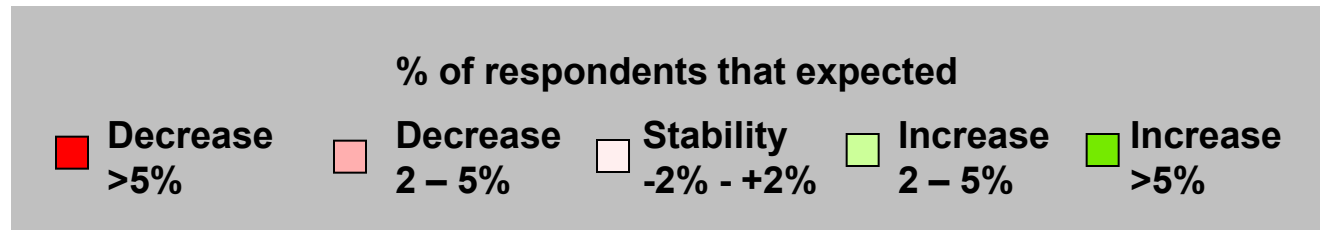


All barometers show that the fast majority is expecting a good year in comparison with 2013 with significant improvements in occupancy and room rates.

«MARKET IN GENERAL»



Only 6% of the hoteliers expect decreases of 2 – 5% in occupancy and ARR for both the market in general and their own hotel units.

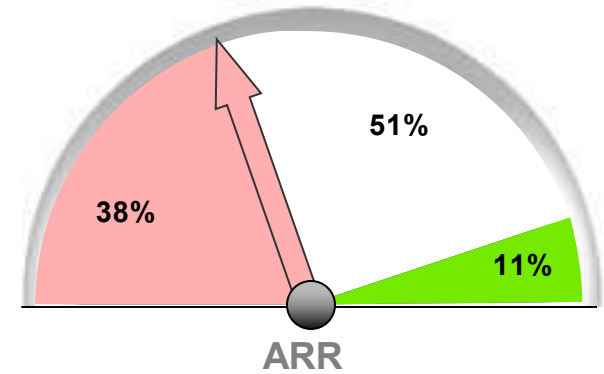
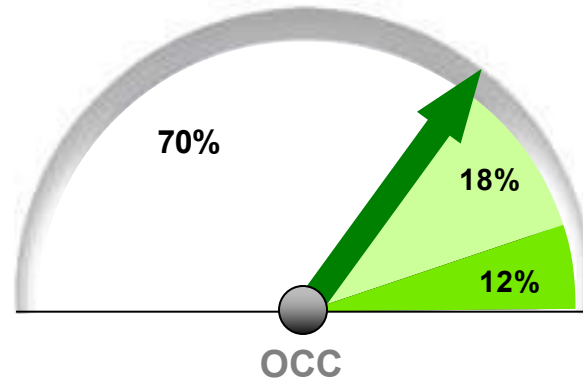


Expectations for 2014 Q1

«MY HOTEL»

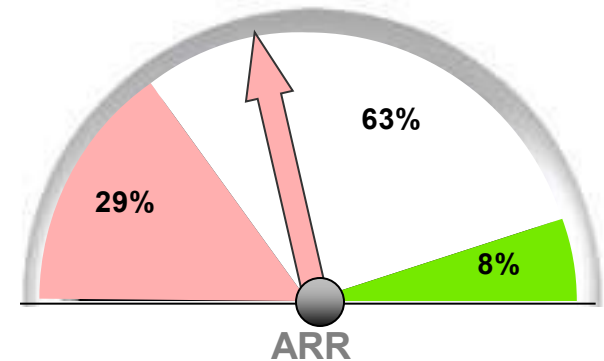
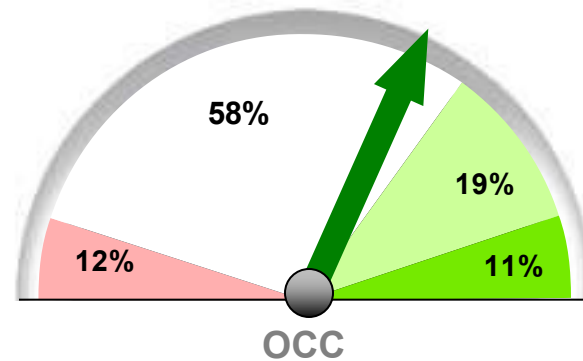
3* hotels

The 3* hoteliers are expecting this first quarter of 2014 stabilising to improving occupancy levels for both their own hotels and for the market in general.



«MARKET IN GENERAL»

However, they are not optimistic on their room rates as they predict drops in the range of 2 – 5% compared to the same quarter last year.



% of respondents that expected

■ Decrease >5%

■ Decrease 2 – 5%

■ Stability -2% - +2%

■ Increase 2 – 5%

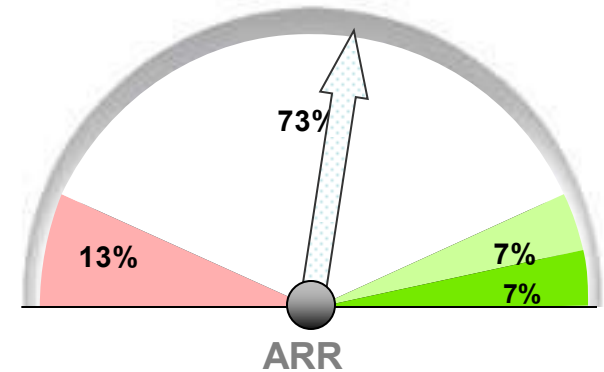
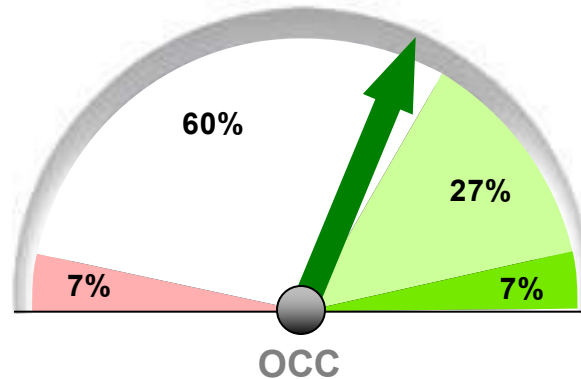
■ Increase >5%

Expectations for 2014 as a whole

«MY HOTEL»

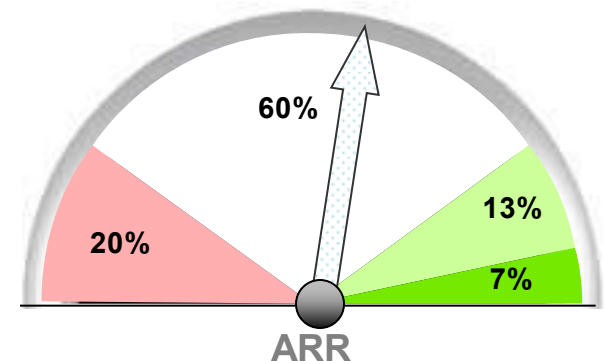
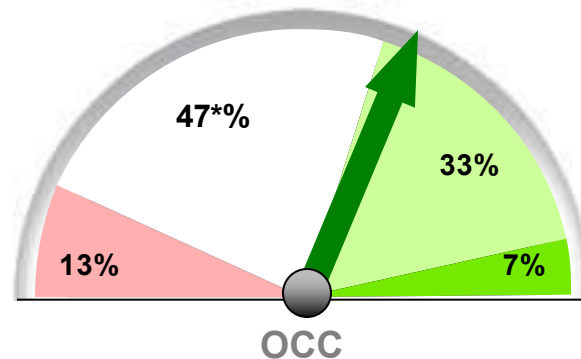
3* hotels

For 2014 as a whole the 3* hoteliers remain optimistic with respect to occupancy, both for their own hotels as well as for market.

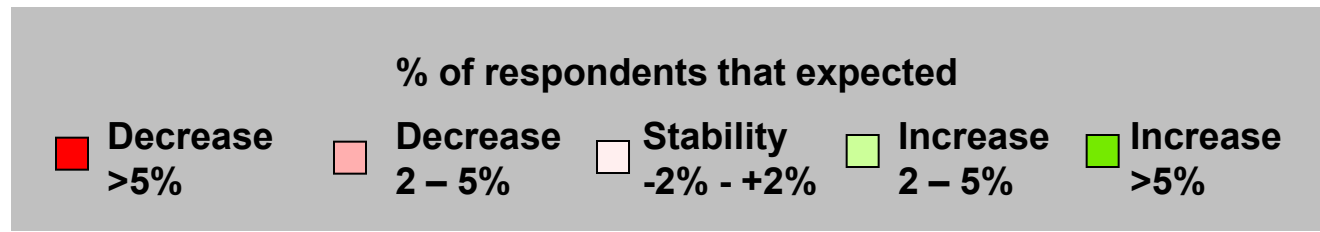


Regarding room rates they expect that after the forecasted drop in Q1 of 2014, rates will stabilise throughout the year and perhaps slightly improve.

«MARKET IN GENERAL»



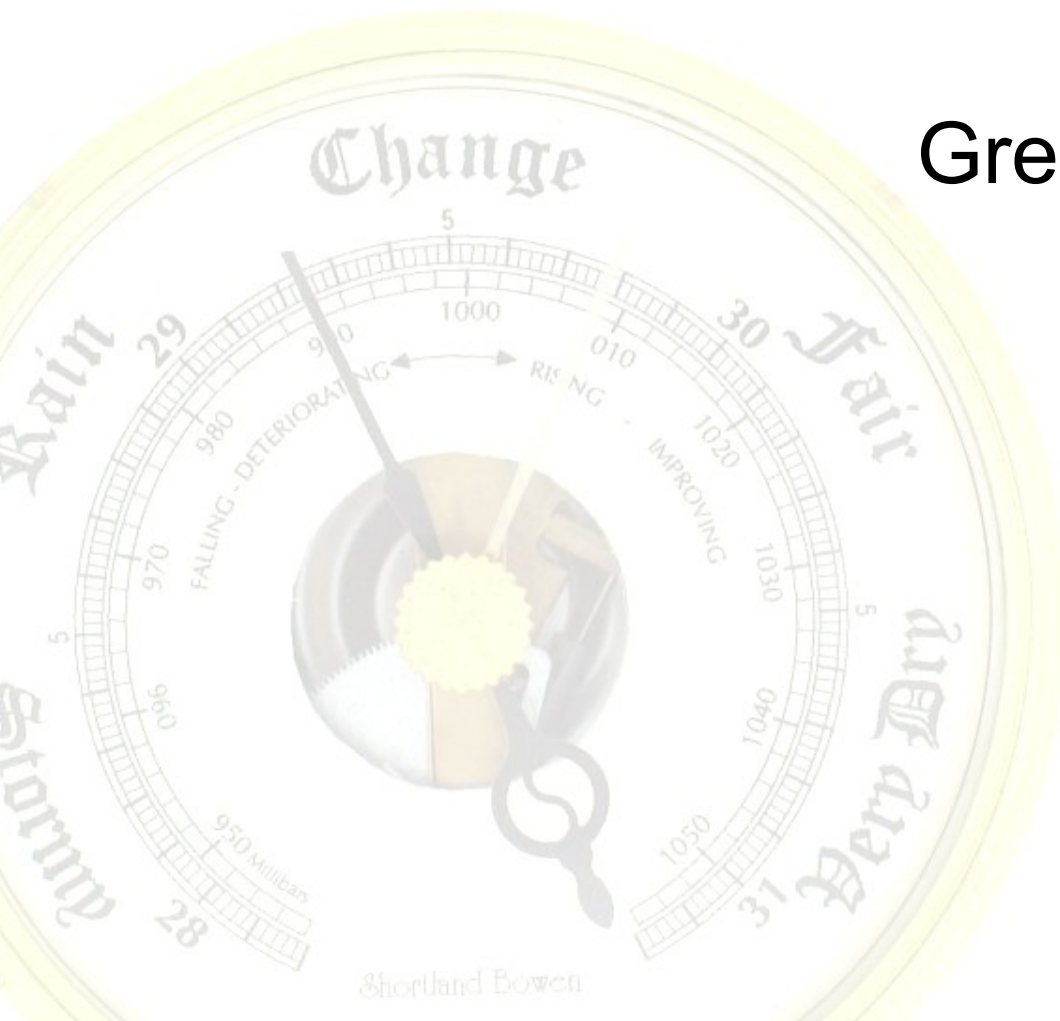
None of the 3* hotels is predicting drops of more than 5% though.



Tourism Barometer

2014 Q1

Expectations Greek Hospitality Sector



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