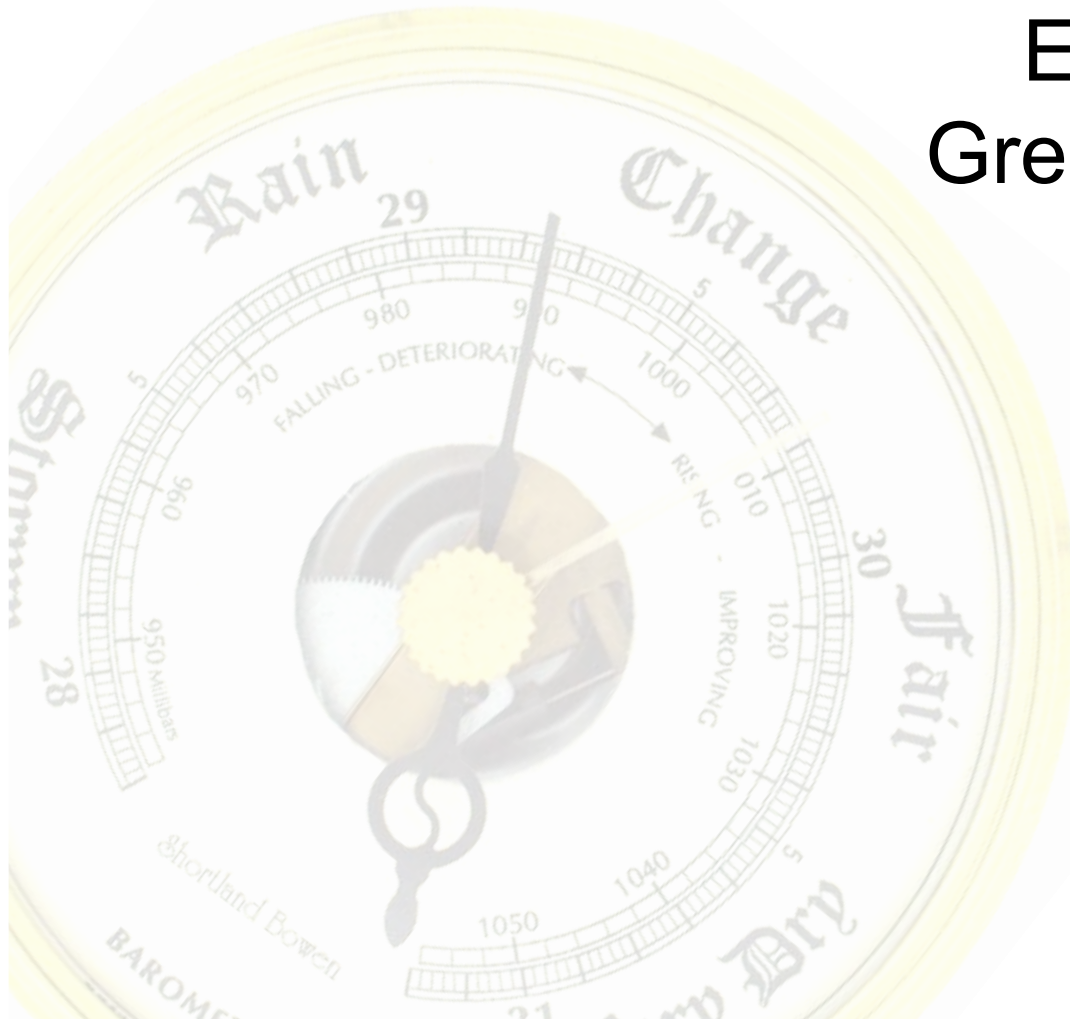


# Tourism Barometer

## 2012 Q3

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### Expectations of the Greek Hospitality Sector



**gbr**  
consulting

July 2012

# Survey characteristics

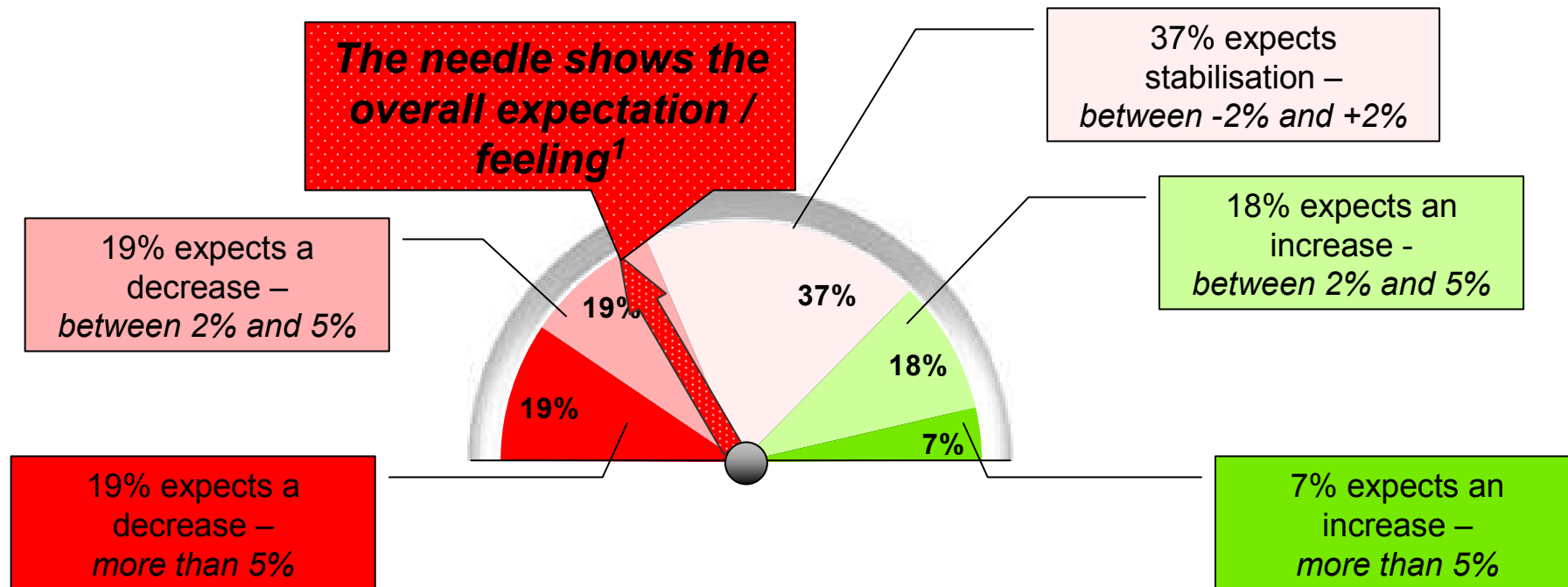
- The Q4 Survey ran from 18 – 31 July 2012, among hotels of all hotel categories (1 – 5\*) all over Greece;
- The survey was anonymous and 175 hotels completed the online questionnaire, of which 135 fully. The distribution of those was as follows:
  - 43% are city hotels and 57% resort hotels;
  - 33% are 5\*, 29% 4\*, 16% 3\*, 18% 2\* and 3% 1\* hotels.
- The survey includes results for both 2012 Q3 and for this season as a whole. The results are presented in separate sections.
- Survey results are published in the press and on [www.gbrconsulting.gr/barometer](http://www.gbrconsulting.gr/barometer)

# Main Conclusions

- After a difficult first half of this year, hoteliers continue to be pessimistic for Q3 of this year. As a result hoteliers are expecting to close the year of 2012 with significant drop in both occupancy and room rates.
- Hoteliers have become more pessimistic every quarter of this year. For the market in general they are even more pessimistic as hoteliers overall believe that they will perform better than their market segment.
- The most optimistic hoteliers can be found in Thessaloniki and in Crete. Nevertheless, about a third of hoteliers in Crete expect to close the year with drops of 2% or more for occupancy and ARR, while the majority of Thessaloniki hoteliers expect to close the year with more than 5% declines in occupancy and ARR levels, even though they had a relatively good performance in the first two quarters of this year.
- Hoteliers in Athens do not expect any recovery and forecast that at year end they will have decreases of more than 5% for both occupancy and ARR.

# 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



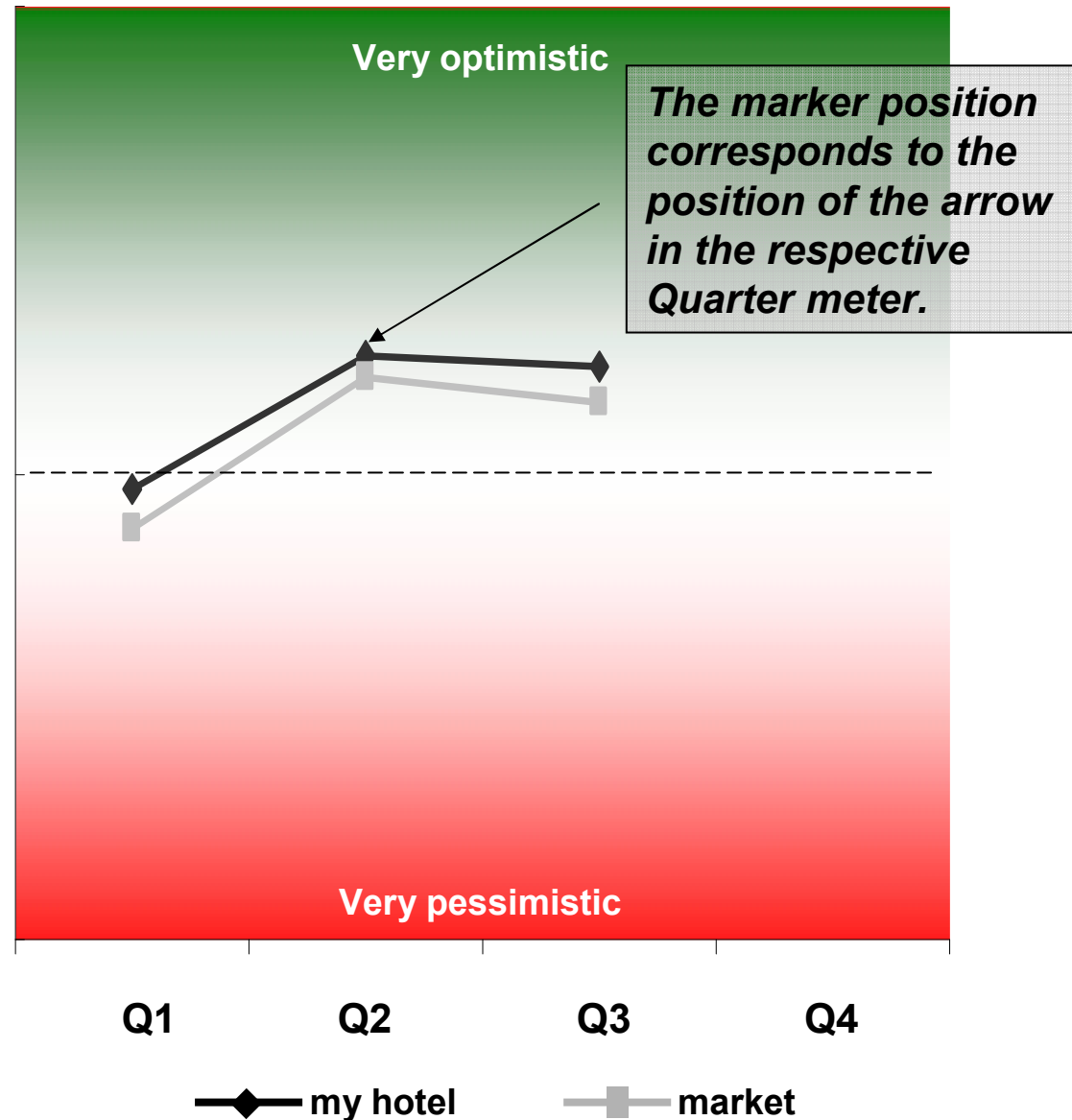
<sup>1</sup> The position of the arrow is based on the weighted average of the projections for increases and decreases, where the increases / decreases of more than 5% have a weight twice as high as the increases / decreases of between 2% and 5%

# How to read the Trend graphs

In the green zone, hoteliers are rather optimistic; the more we move into the green zone the more optimistic they become.

At this point, hoteliers' expectations are neutral.

In the red zone, hoteliers are rather pessimistic; the more we move into the red zone, the more pessimistic they become



# Survey results

## Expectations for 2012 Q3

- All hotels
- City hotels
  - Athens hotels
  - Thessaloniki hotels
  - Other city hotels
- Resort hotels
  - Crete hotels
  - Dodecanese hotels
- Hotels per category
  - 5 star hotels
  - 4 star hotels
  - 3 star hotels
  - 2 star hotels

## Expectations for 2012 as a whole

- All hotels
- City hotels
  - Athens hotels
  - Thessaloniki hotels
  - Other city hotels
- Resort hotels
  - Crete hotels
  - Dodecanese hotels
- Hotels per category
  - 5 star hotels
  - 4 star hotels
  - 3 star hotels
  - 2 star hotels

# Expectations for 2012 Q3

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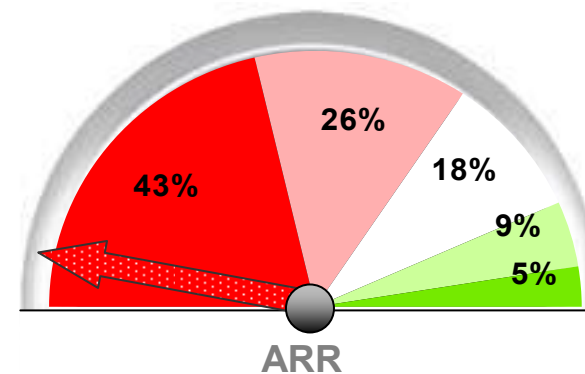
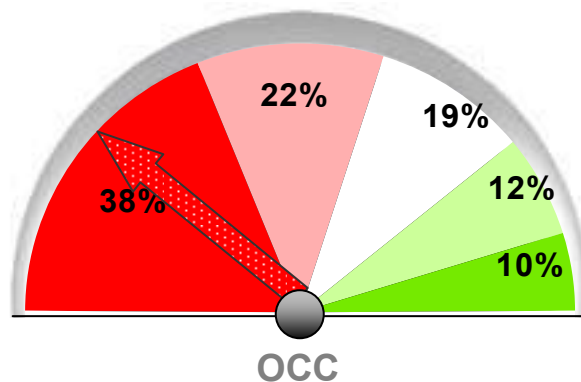
## Expectations for 2012 Q3

### «MY HOTEL»

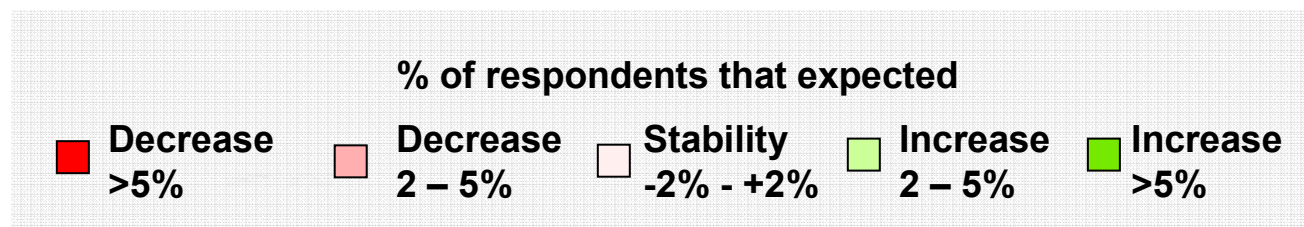
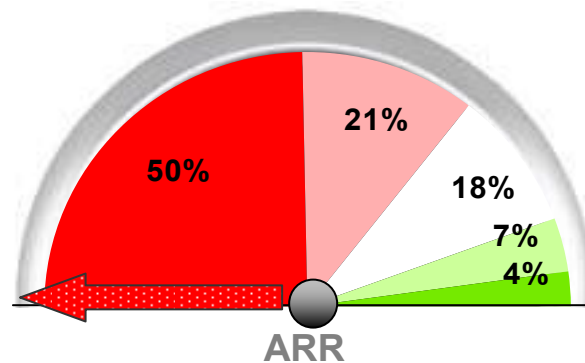
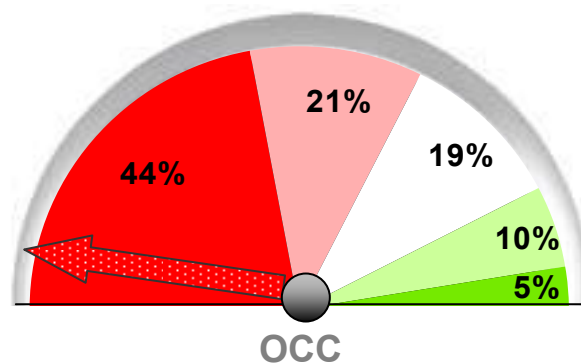
#### All hotels

About 60% of the Greek hoteliers expect decreases of more than 2% for Q3 in terms of occupancy, while 69% is expecting a similar fall in ARR compared to same quarter in 2011. For the market as a whole hoteliers are even more pessimistic.

Very few hoteliers expect a substantial improvement of occupancy levels and room rates for both their own hotel and for the hotel market in general.



### «MARKET IN GENERAL»



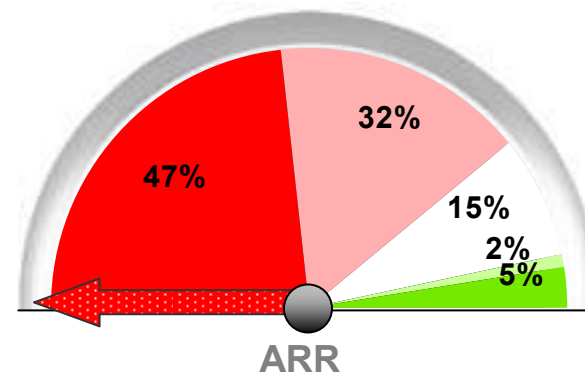
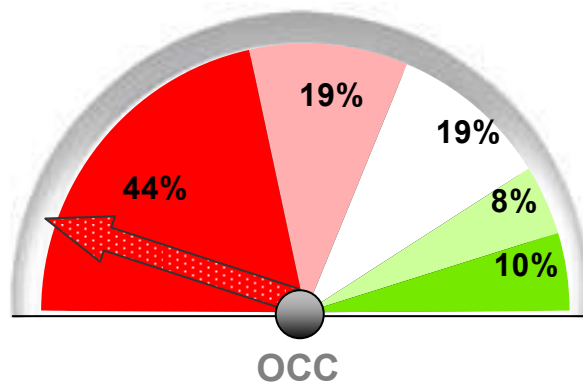


## Expectations for 2012 Q3

### «MY HOTEL»

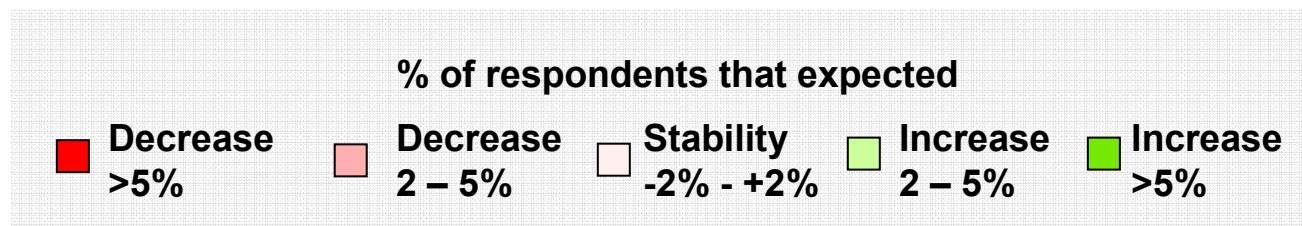
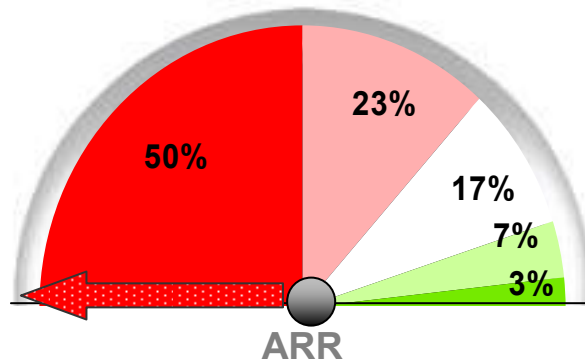
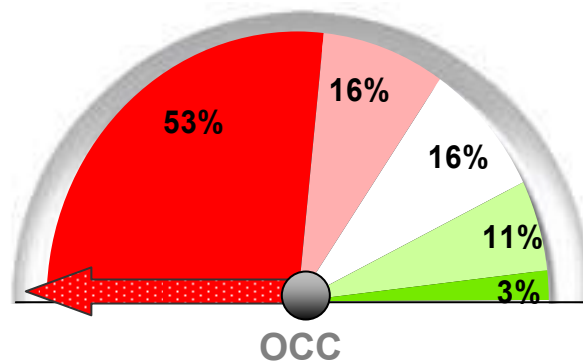
#### City hotels

The city hotel sector is clearly pessimistic for this quarter. Very few hoteliers expect improvements of the occupancy and ARR.



The majority predicts a drop in occupancy levels and rates for their own properties, but also for the market overall.

### «MARKET IN GENERAL»



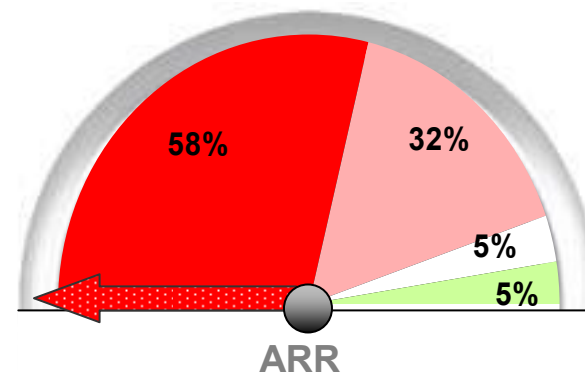
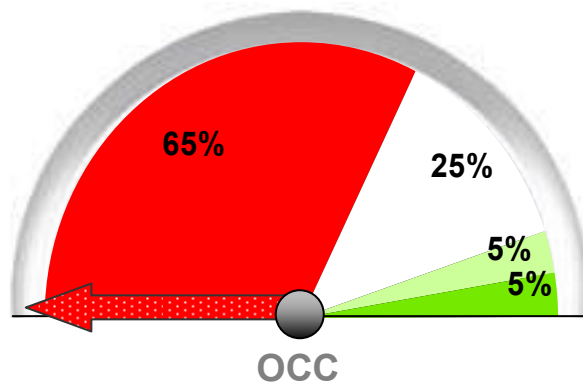
## Expectations for 2012 Q3

### «MY HOTEL»

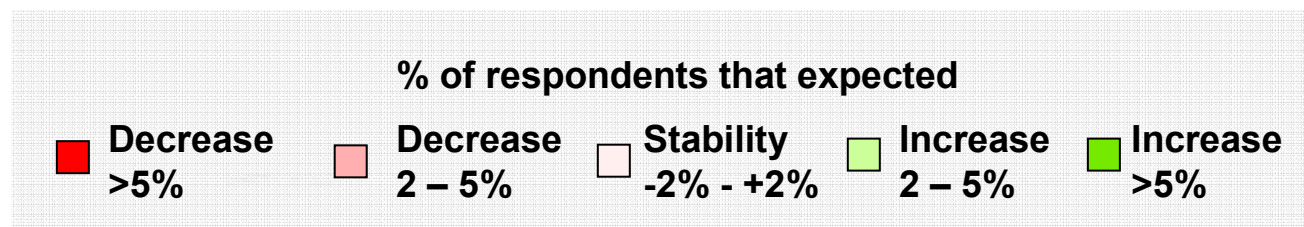
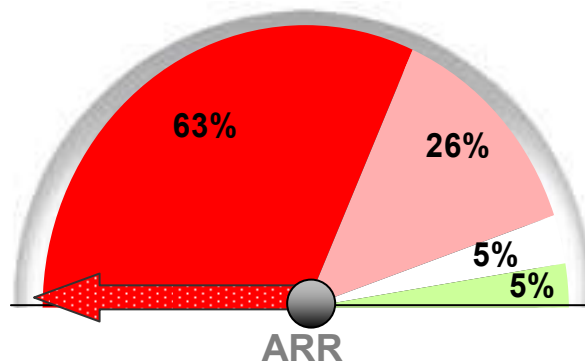
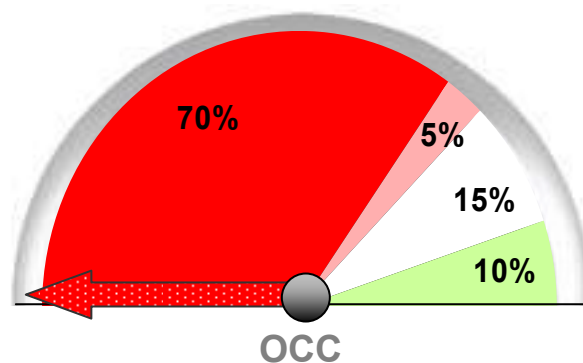
#### Athens hotels

After a very difficult first two quarters of this year, Athenian hoteliers do not predict a recovery for the third quarter either. In fact they forecast that the decline will continue in Q3 with drops of 5% or more for occupancy as well as room rates.

For the hotel sector in Athens as a whole they are more pessimistic.



### «MARKET IN GENERAL»



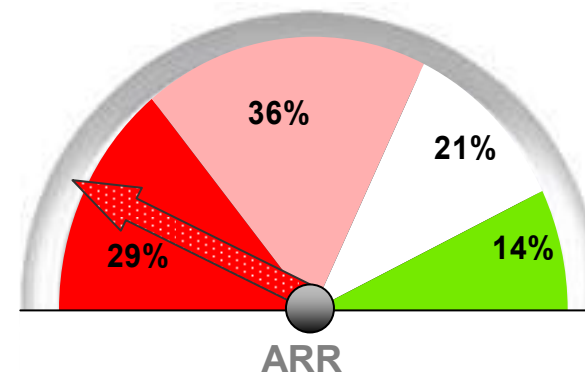
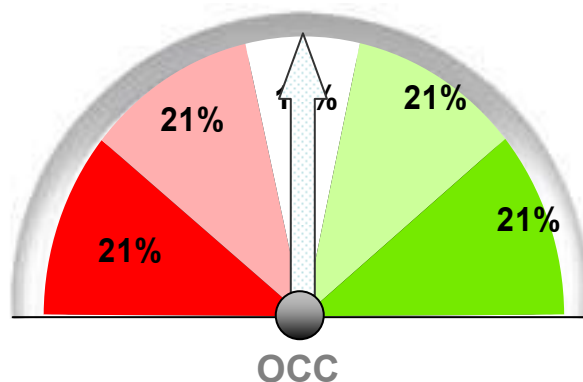
## Expectations for 2012 Q3

### «MY HOTEL»

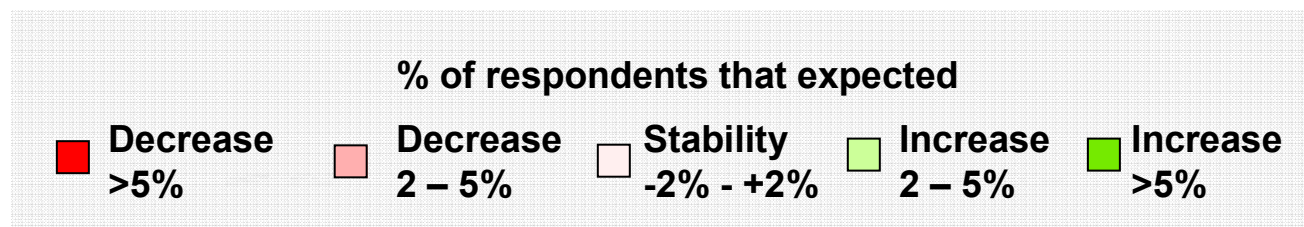
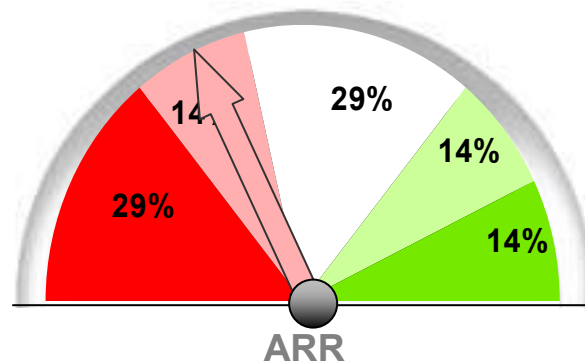
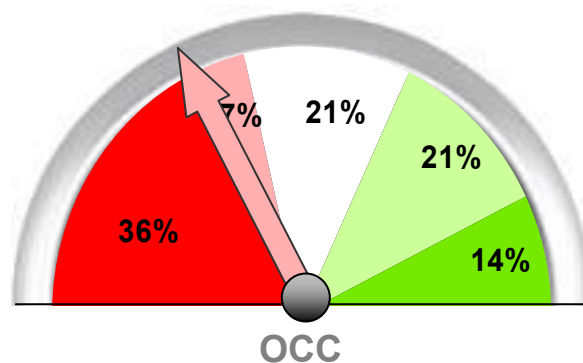
#### Thessaloniki hotels

Thessaloniki hoteliers are among the most positive for the coming quarter. About 58% expects stabilising or increasing occupancy levels. For their room rates they are less optimistic, but still 35% expects stabilising or increasing rates.

Remarkably, hoteliers are more optimistic for the room rates of the hotel sector as a whole, although they expect to outperform the market in terms of occupancy.



### «MARKET IN GENERAL»

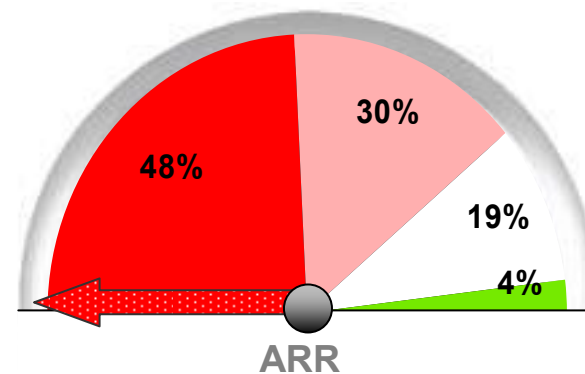
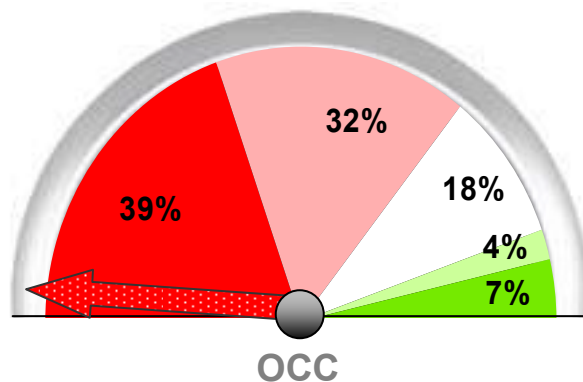


## Expectations for 2012 Q3

### «MY HOTEL»

#### Other city hotels

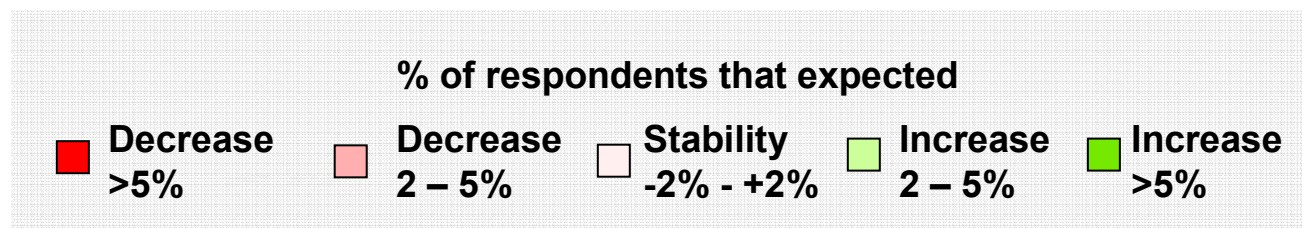
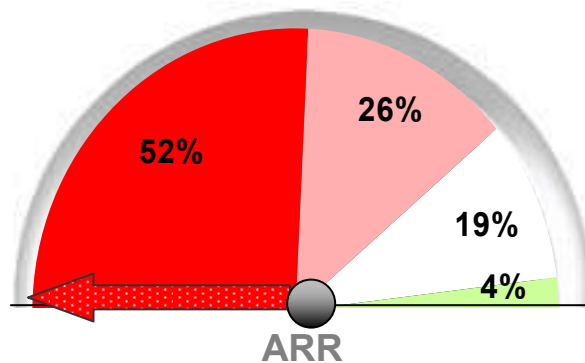
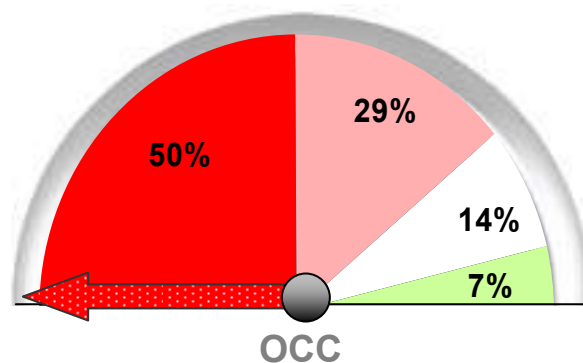
The barometers of the other city hotels are without any exception deeply red coloured, reflecting the impact of the Greek recession had on them .



### «MARKET IN GENERAL»

In comparison to last year's Q3 both occupancy and room rates are expected to fall with more than 5%.

No recovery is expected and the climate remains negative also for this quarter.



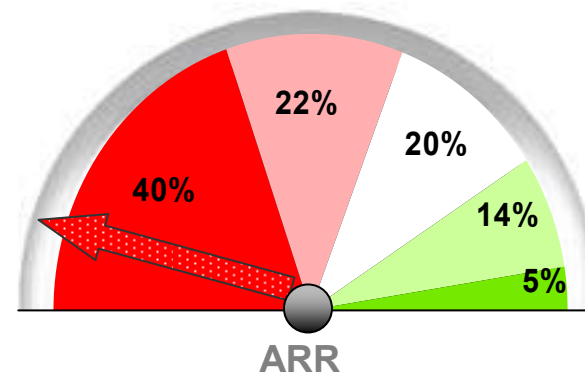
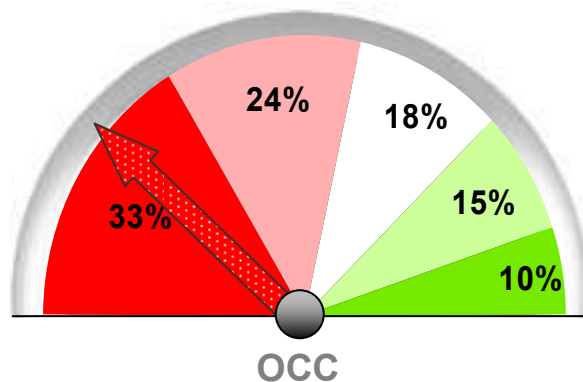
## Expectations for 2012 Q3

### «MY HOTEL»

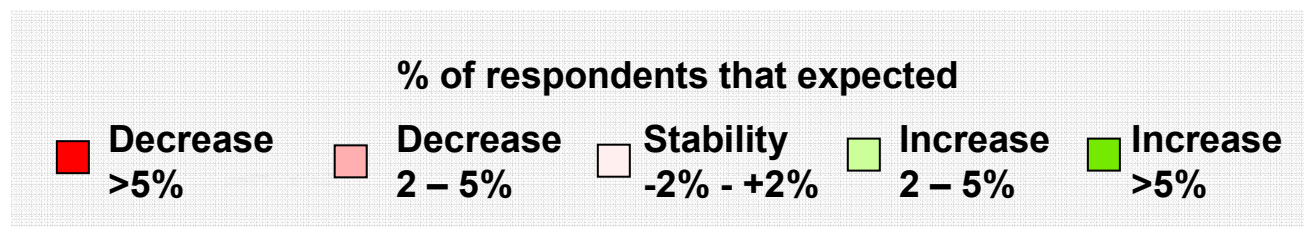
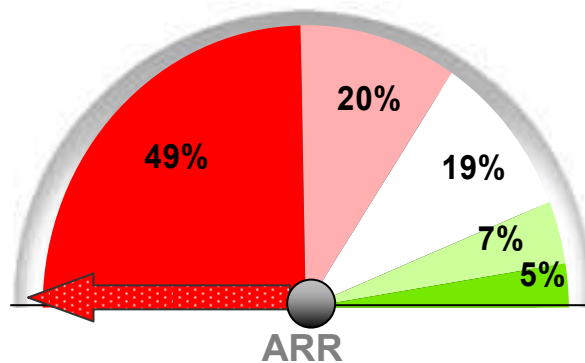
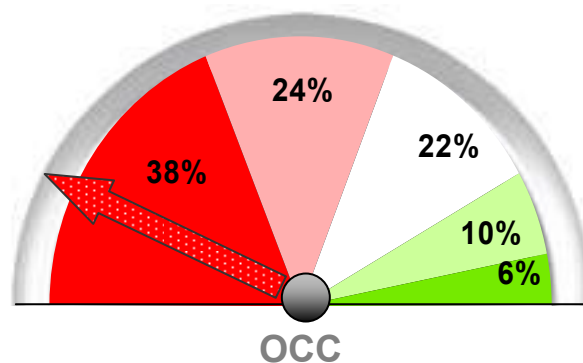
#### Resort hotels

Resort hoteliers predict that for Q3 the occupancy and room rates will decline in comparison with Q3 last year. A majority expects declines of more than 2% for their own properties.

For the market in general they are even more pessimistic



### «MARKET IN GENERAL»



## Expectations for 2012 Q3

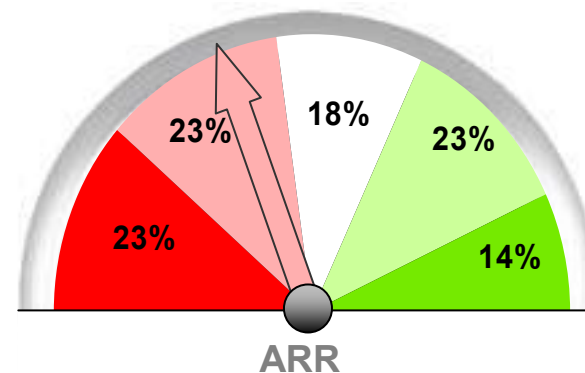
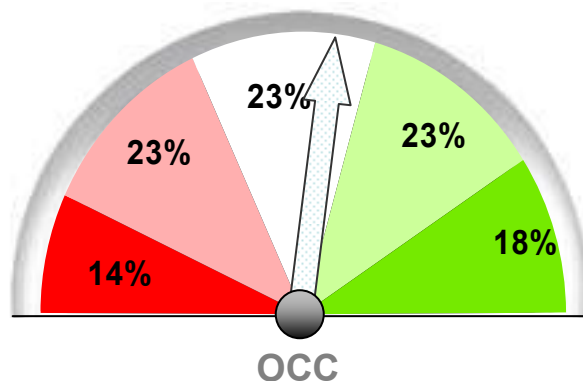
### «MY HOTEL»

#### Resort hotels in Crete

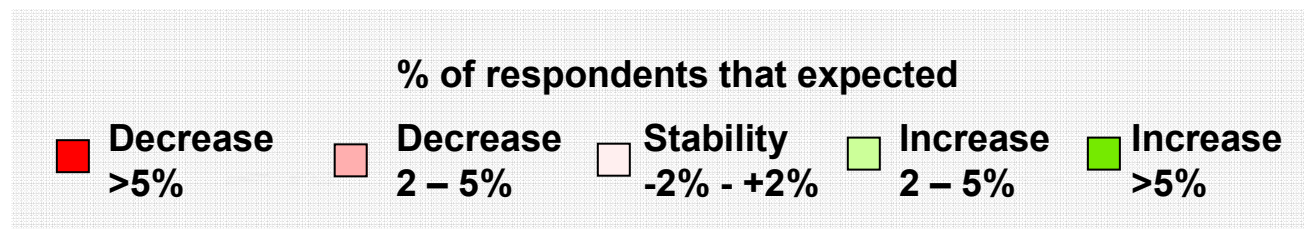
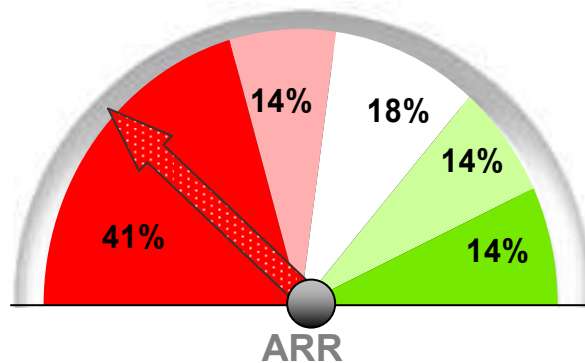
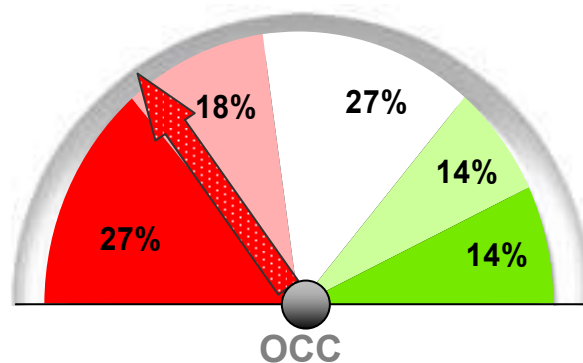
The resort hotel sector in Crete is among the most optimistic of all regions in Greece.

About 64% is expecting stabilising or increasing occupancy rates this Q3 and 55% is expecting a similar performance for their ARR compared to Q3 last year.

For the market in general they are less optimistic.



### «MARKET IN GENERAL»



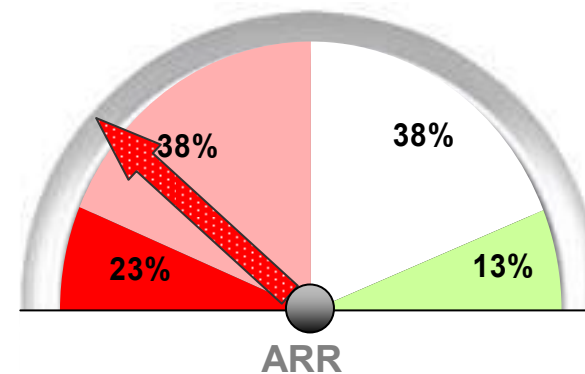
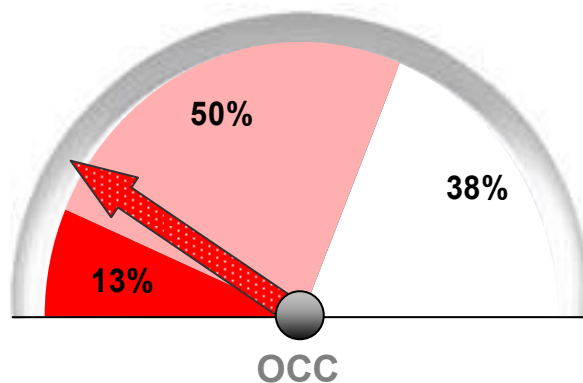
## Expectations for 2012 Q3

### «MY HOTEL»

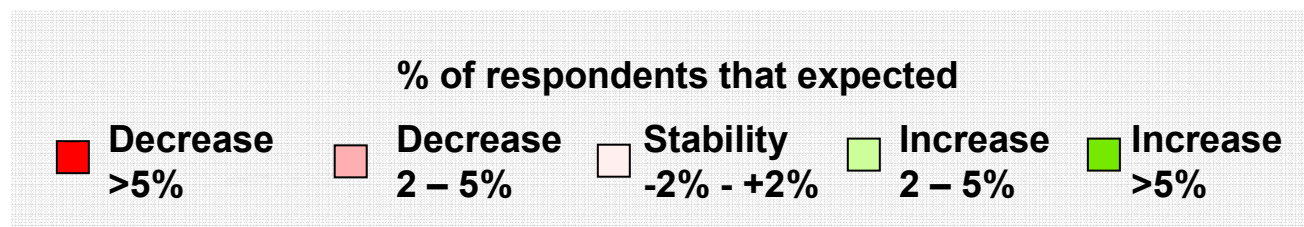
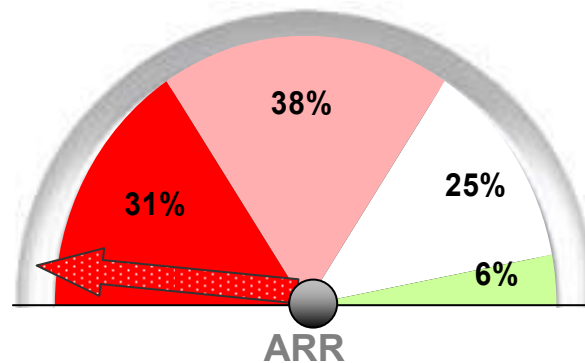
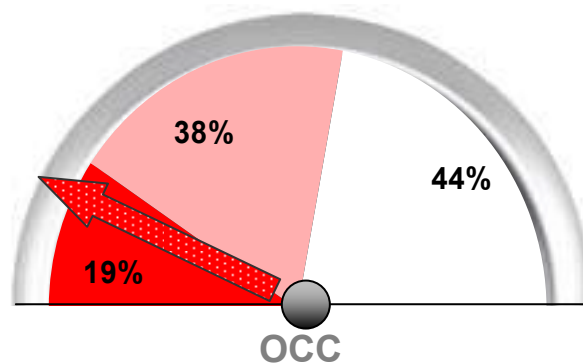
#### Resort hotels in Dodecanese

There are no hoteliers in the Dodecanese that expect for their own properties an increase of occupancy rates in Q3 2012 compared to Q3 2011. The most optimistic message could be that 38% is expecting stabilising occupancy rates.

A similar picture can be noticed in the other barometers: from stabilising to falling occupancy and room rates.



### «MARKET IN GENERAL»

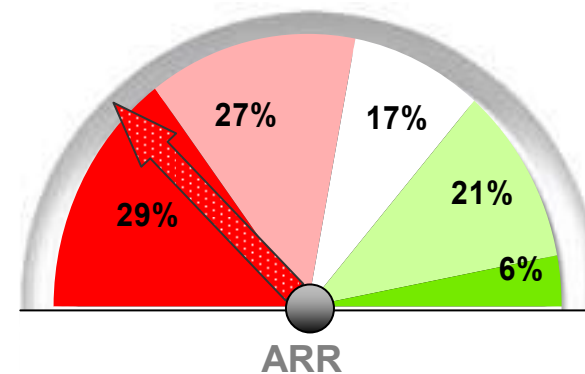
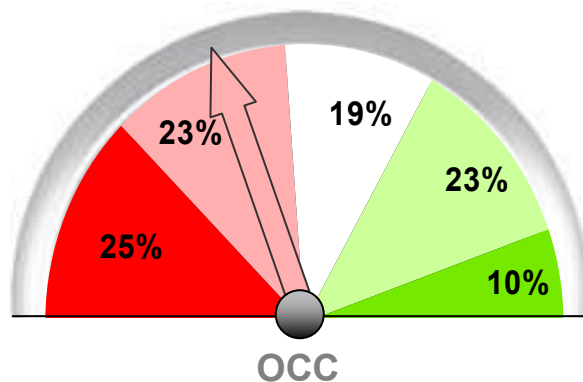


## Expectations for 2012 Q3

### «MY HOTEL»

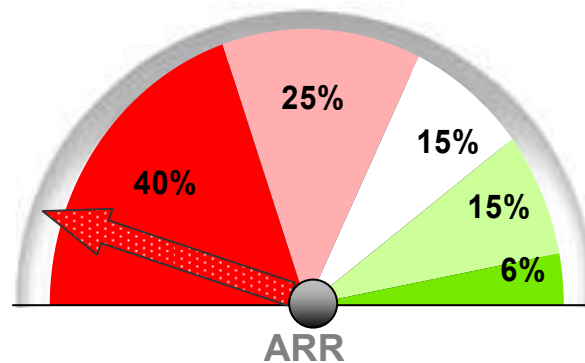
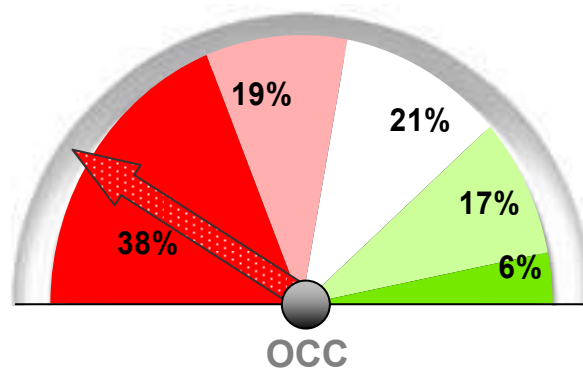
#### 5 star hotels

In terms of occupancy the 5 star hotel sector is expecting a stabilising trend for the coming quarter, although not for the market as a whole.

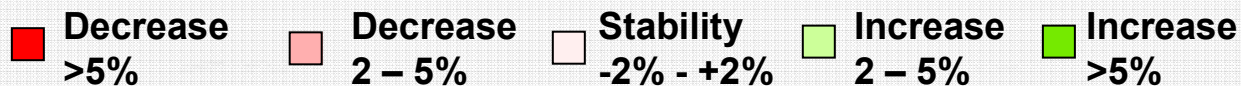


### «MARKET IN GENERAL»

In terms of room rates they predict falling rates for their own hotels as well as for the market in general.



% of respondents that expected





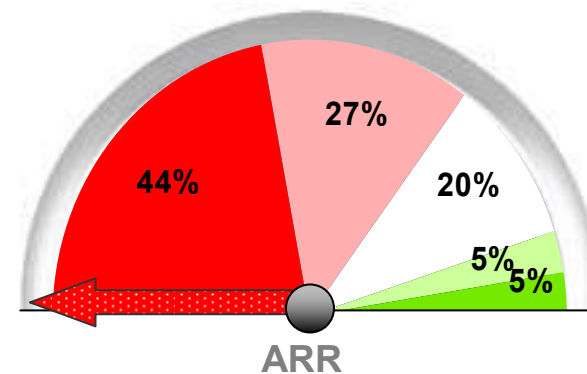
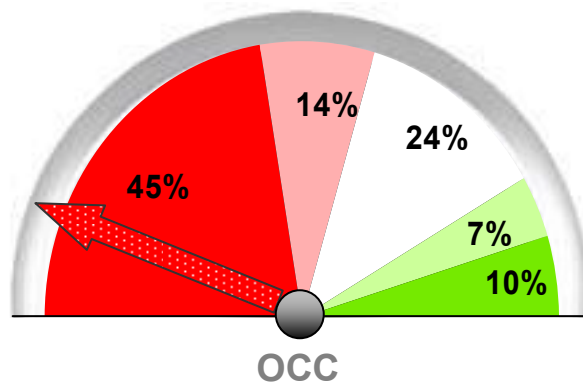
## Expectations for 2012 Q3

### «MY HOTEL»

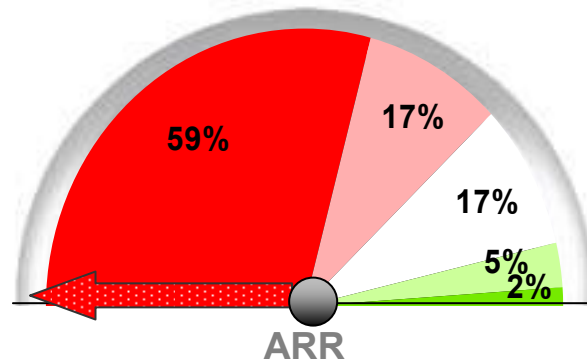
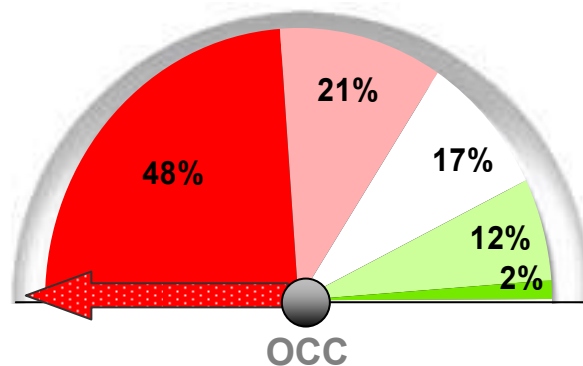
#### 4 star hotels

Very few hoteliers are optimistic for the next quarter. Occupancy and ARR are expected to decline sharply this quarter compared to same quarter last year for both their own hotels as for the market as a whole.

The majority expects declines of 2% or more for both indicators.



### «MARKET IN GENERAL»



% of respondents that expected



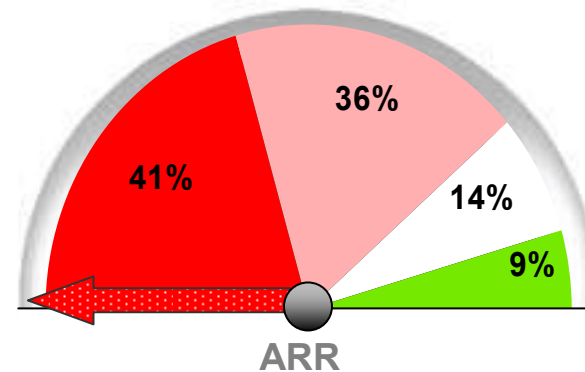
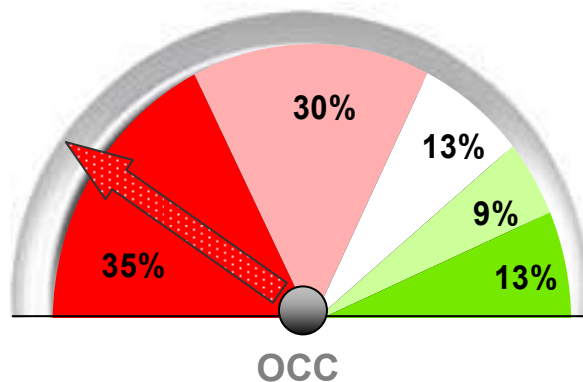
## Expectations for 2012 Q3

### «MY HOTEL»

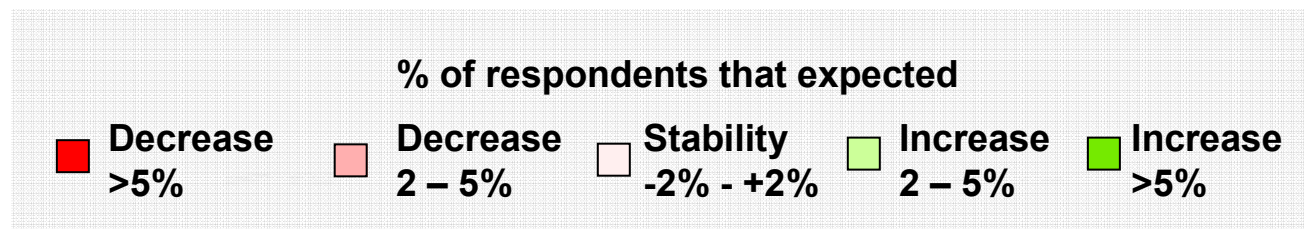
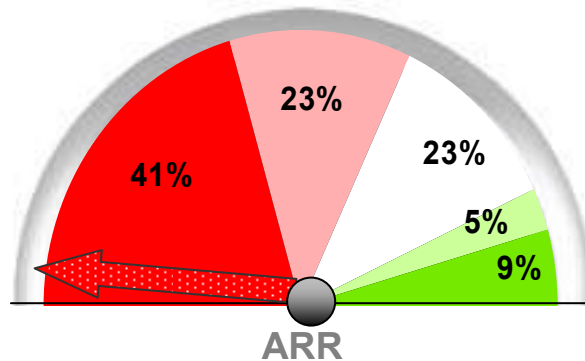
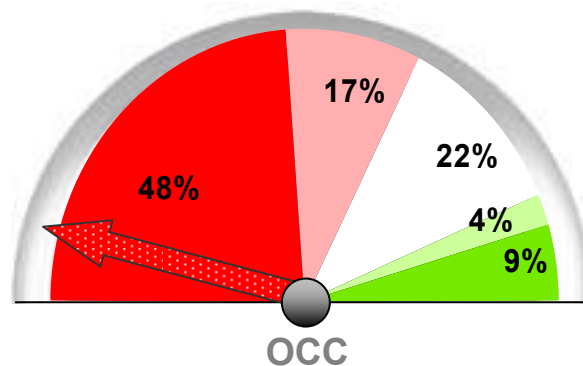
#### 3 star hotels

The majority of the hoteliers operating in the 3 star hotel sector are expecting declines of 2% or more for both occupancy and ARR, for both their own properties and for the market in general.

About 48% believes that that the decline in occupancy will be more than 5% for the market as a whole and 41% expects such declines in ARR this quarter for the market in general.



### «MARKET IN GENERAL»

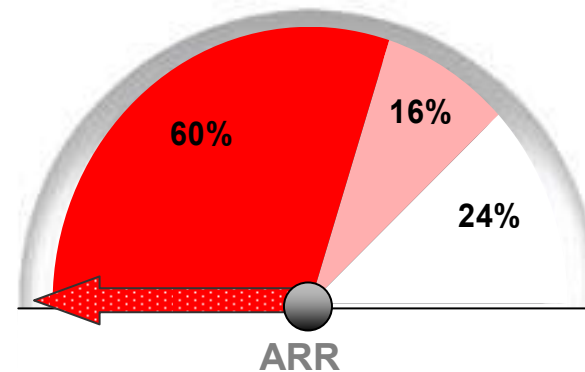
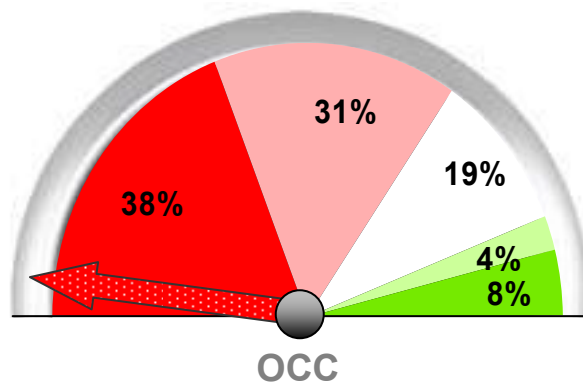


## Expectations for 2012 Q3

### «MY HOTEL»

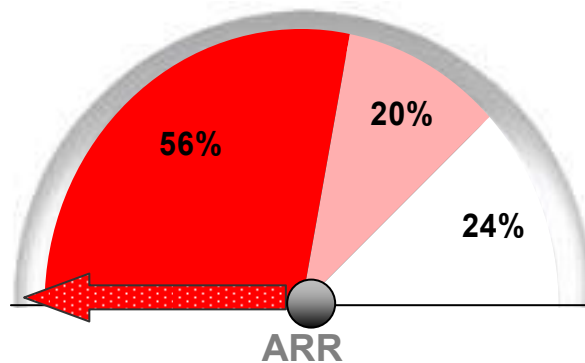
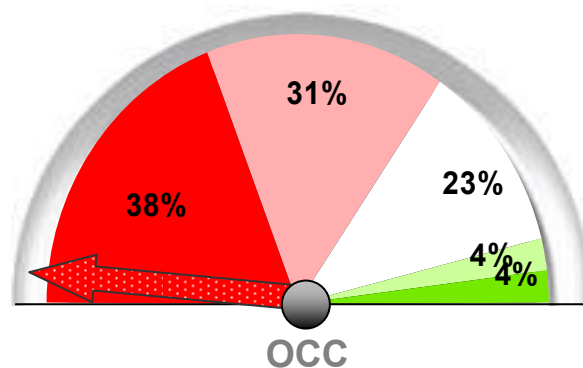
#### 2 star hotels

The 2 star hotel segment continues to be pessimistic with a clear negative outlook for the next quarter.



Very few properties are expecting improvements in comparison with same quarter last year. The vast majority expects sharp drops in occupancy and ARR for both their own hotels as well as for the market in general.

### «MARKET IN GENERAL»



% of respondents that expected

■ Decrease >5%

■ Decrease 2 - 5%

■ Stability -2% - +2%

■ Increase 2 - 5%

■ Increase >5%

# Expectations for 2012 as a whole

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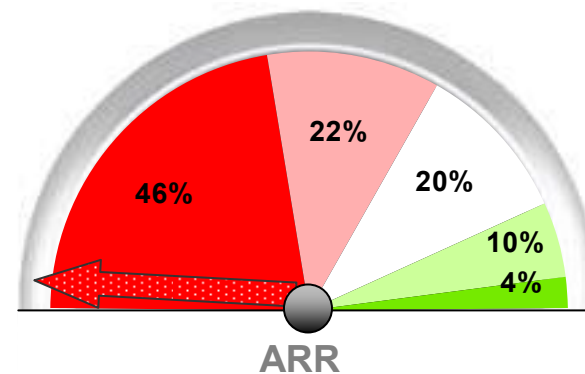
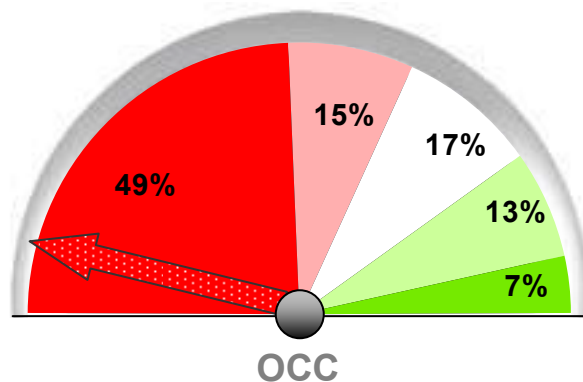


## Expectations for 2012 as a whole

### «MY HOTEL»

#### All hotels

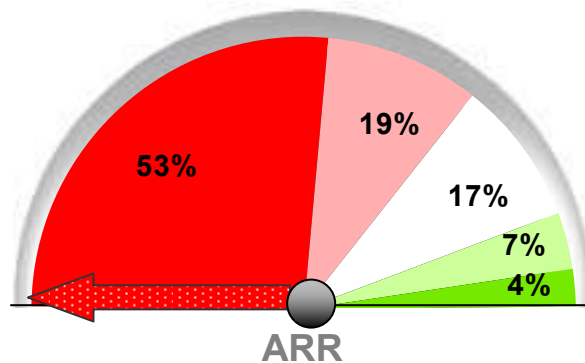
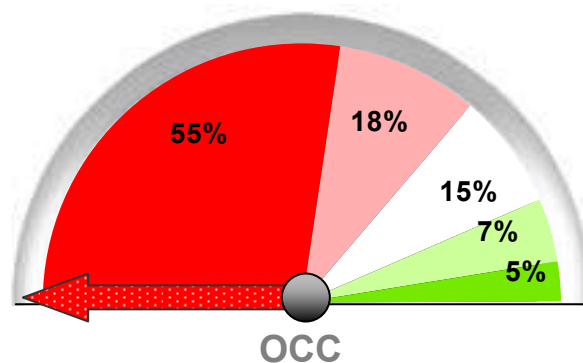
It is expected that 2012 as a whole will be a year of declining occupancy and room rates in comparison with 2011.



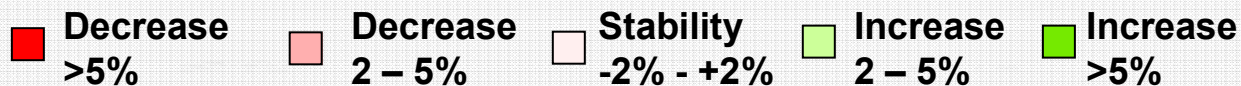
About half of the hoteliers expect for both indicators drops of more than 5% by year end.

The difference between the forecasts of their own hotels and the market overall is minimal.

### «MARKET IN GENERAL»



% of respondents that expected





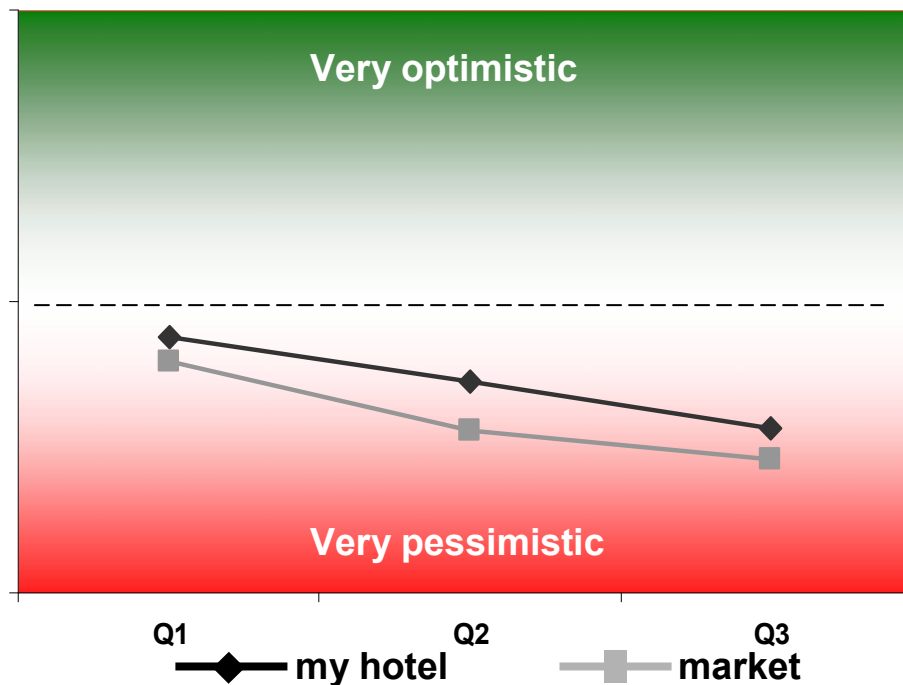
### All hotels

Expectations on 2012 as a whole have become more pessimistic every quarter of the barometer survey this year.

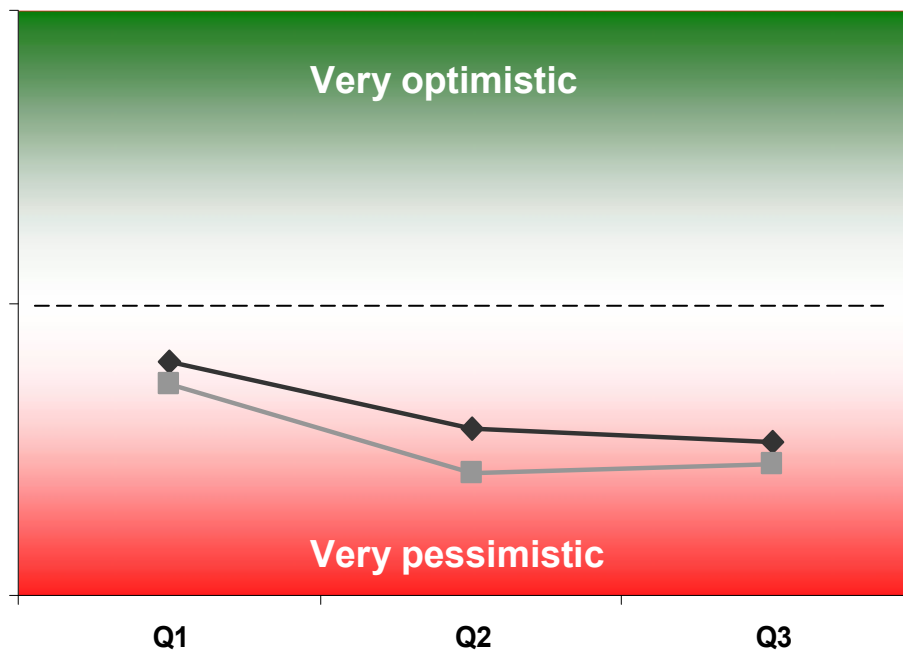
In Q3 the outlook for this year has reached the red zone of the barometer. This is also based on the actual performance of the first two quarters of this year, which were disappointing. Performance is clearly influenced by the uncertain climate overall in Greece.

## Expectations for 2012 as a whole

### Occupancy



### ARR



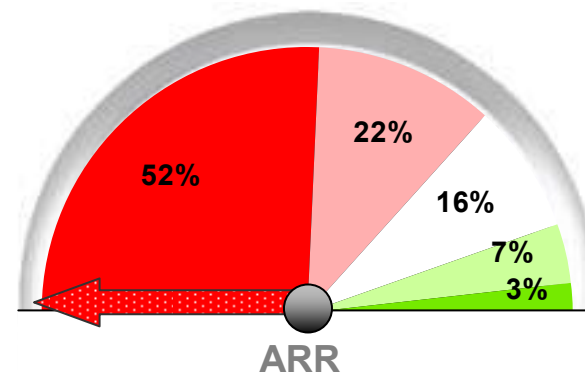
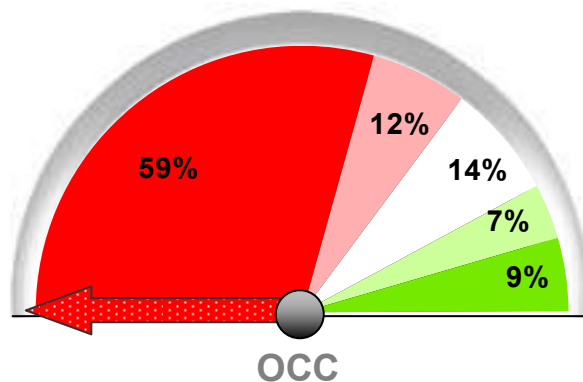
## Expectations for 2012 as a whole

### «MY HOTEL»

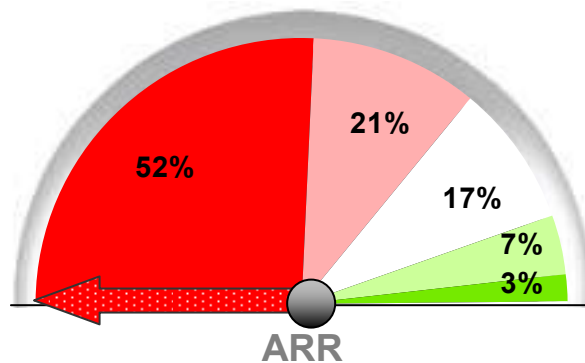
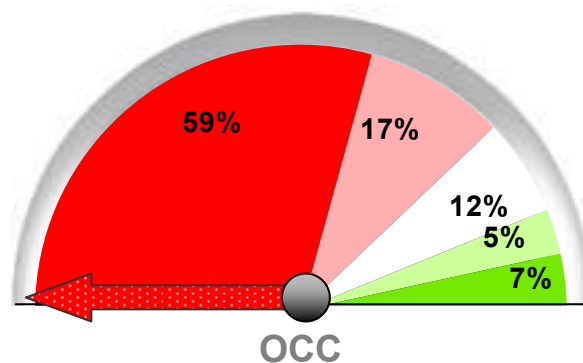
#### City hotels

City hoteliers do not expect any recovery anymore for the remaining 5 months of this year. They expect to close the year with significant drops in both occupancy and ARR.

The forecast of their own hotel is very similar than that of the market overall.



### «MARKET IN GENERAL»



% of respondents that expected



## Expectations for 2012 as a whole

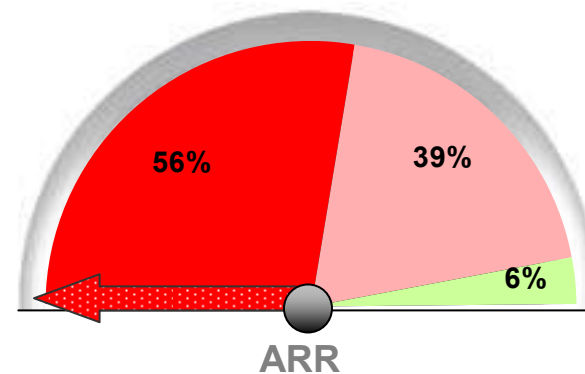
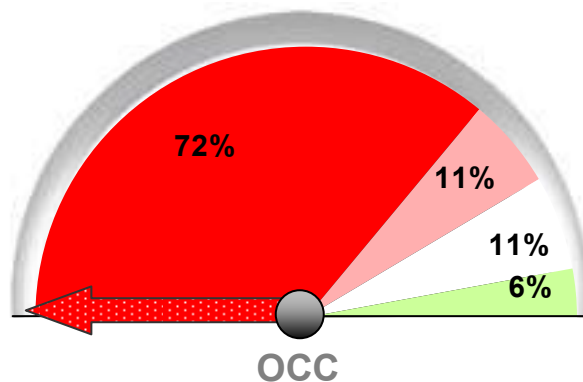
### «MY HOTEL»

#### Athens hotels

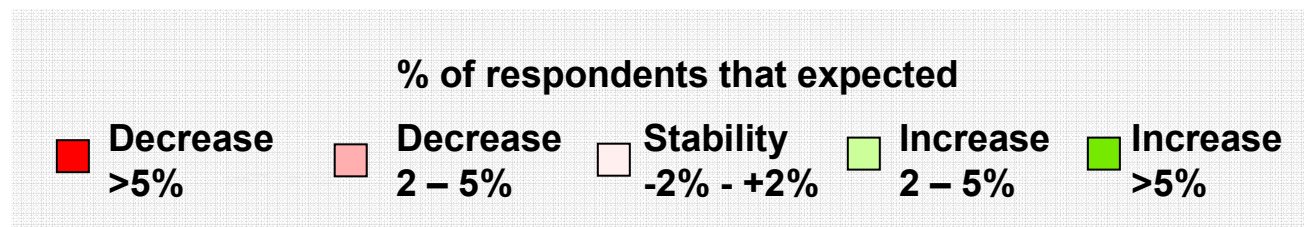
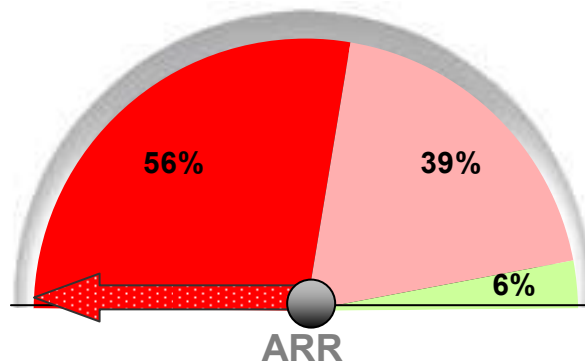
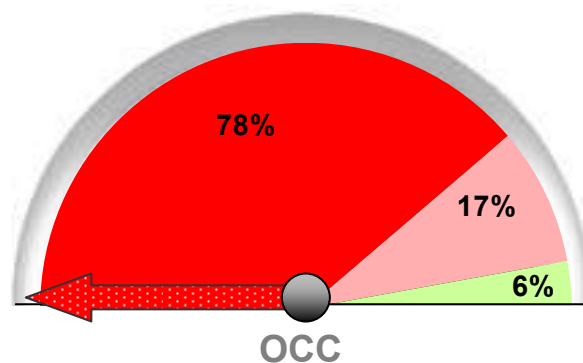
Conforming to the forecast of the first three quarters of this year, the outlook for 2012 as a whole is very pessimistic.

Hoteliers do not expect to recover anymore from the significant drops in occupancy and ARR in the first two quarters of 2012.

7 hoteliers out of 10 expect occupancy drops of 5% or more and 6 out of 10 drops in ARR of 5% or more for their own hotels.



### «MARKET IN GENERAL»



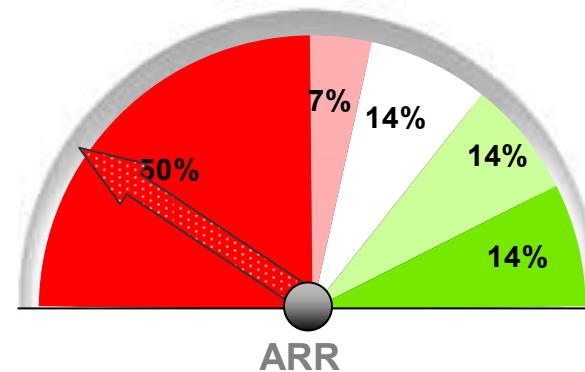
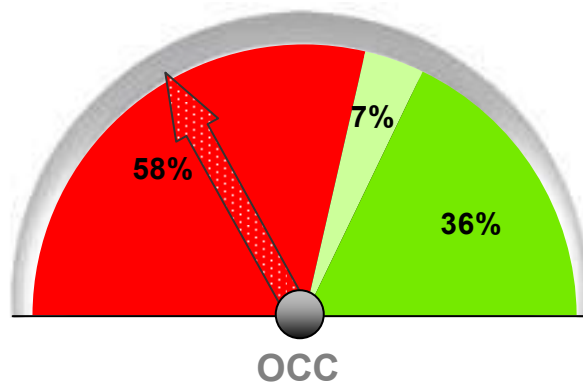


## Expectations for 2012 as a whole

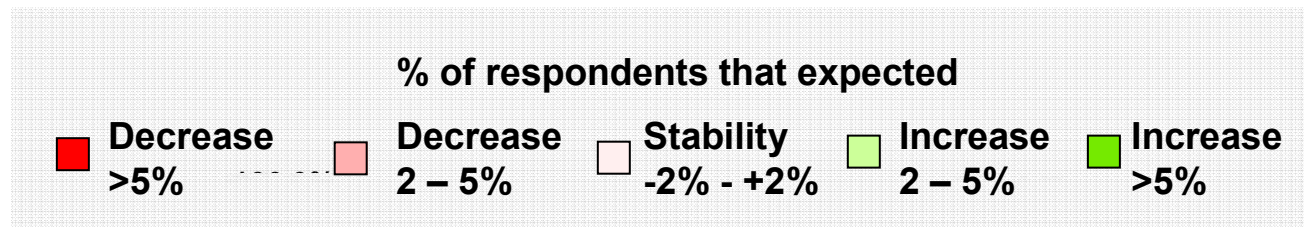
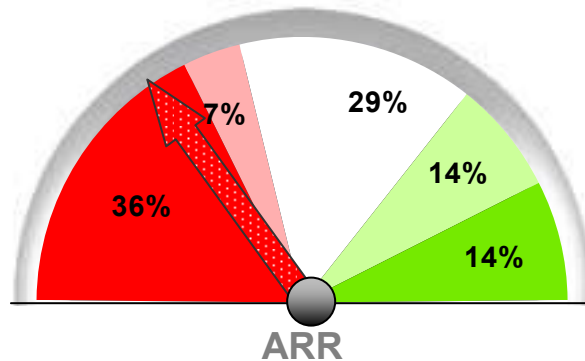
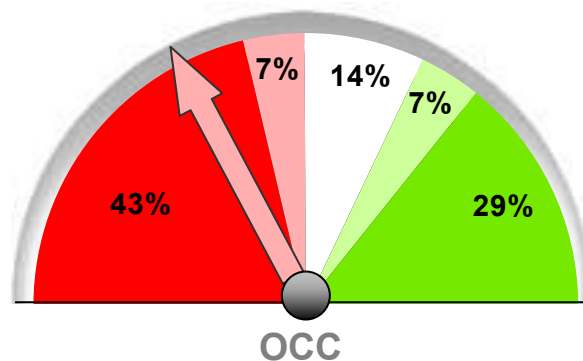
### «MY HOTEL»

#### Thessaloniki hotels

Compared to Athens and the other city hotels in Greece (next page) the hoteliers in Thessaloniki are much more optimistic to close the year positively. Hotels had a good performance in the first two quarters of this year. Nevertheless, they are cautious with their outlook and a substantial part is still expecting to close the year with drops in both occupancy and ARR.



### «MARKET IN GENERAL»



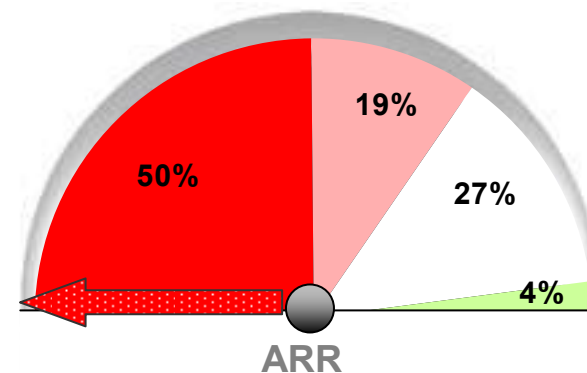
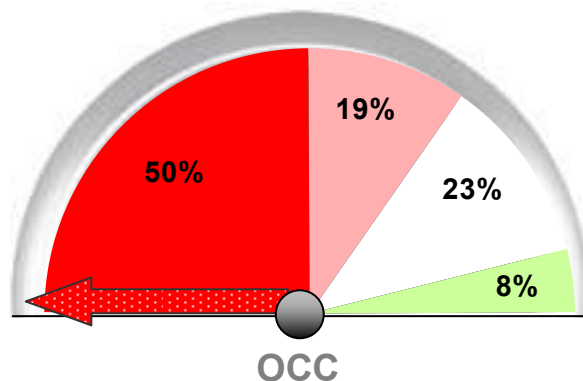
# Expectations for 2012 as a whole

## «MY HOTEL»

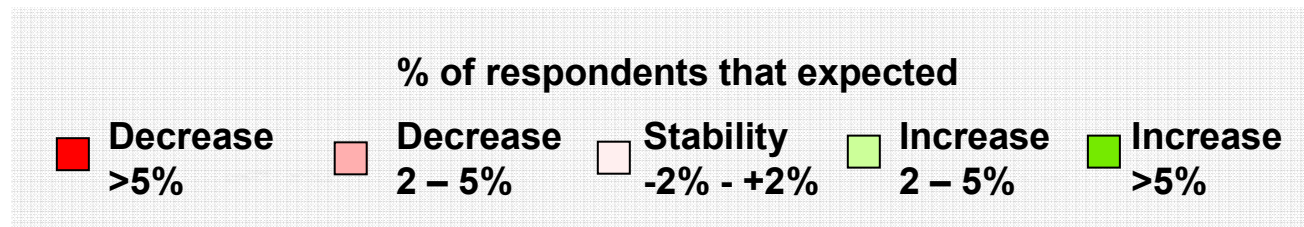
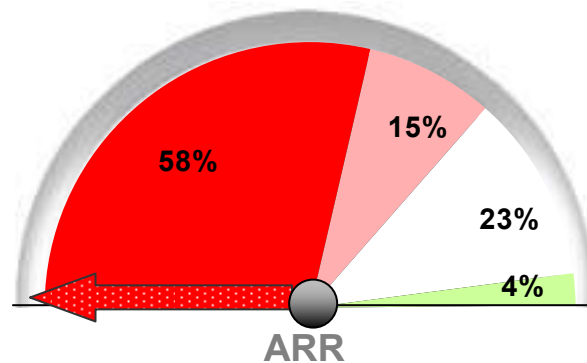
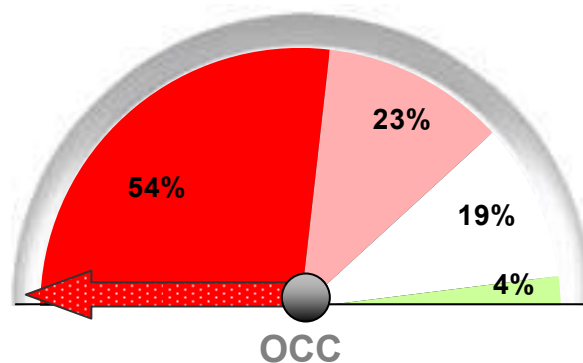
### Other city hotels

Expectations of the hotels outside Athens and Thessaloniki are clearly negative. About a quarter of the hotels expects stabilising occupancy and room rates, while the fast majority expect sharp drops.

Just a few properties expect a small increase in both indicators.



## «MARKET IN GENERAL»

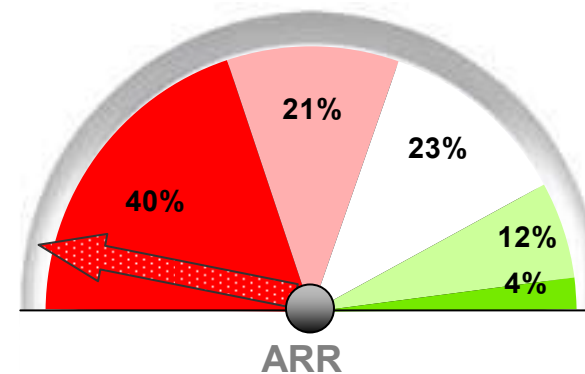
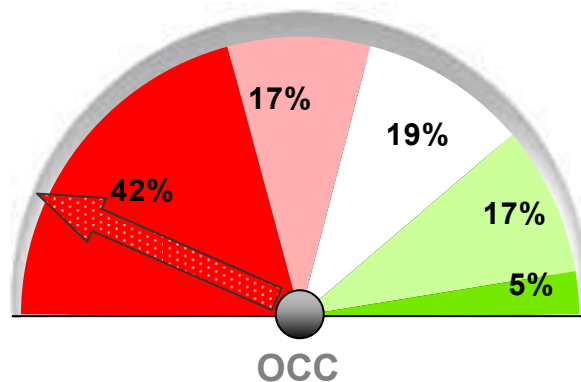


## Expectations for 2012 as a whole

### «MY HOTEL»

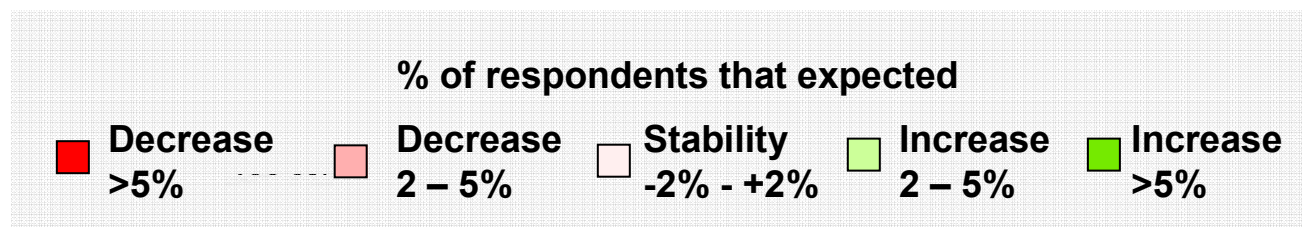
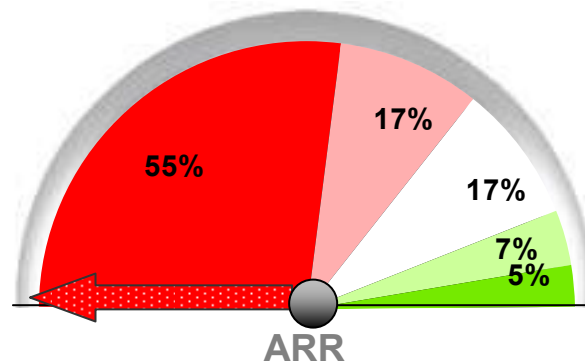
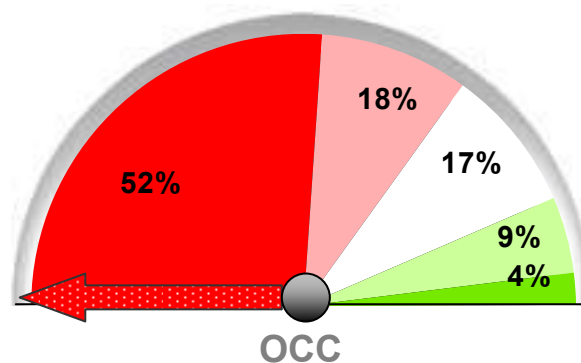
#### Resort hotels

The resort hotels have forecasted that they will also close the year of 2012 with a sharp drop in occupancy and ARR.



They do expect to outperform the market though, but overall drops are expected compared to the year of 2011, which was a recovery year for the resort hotels.

### «MARKET IN GENERAL»

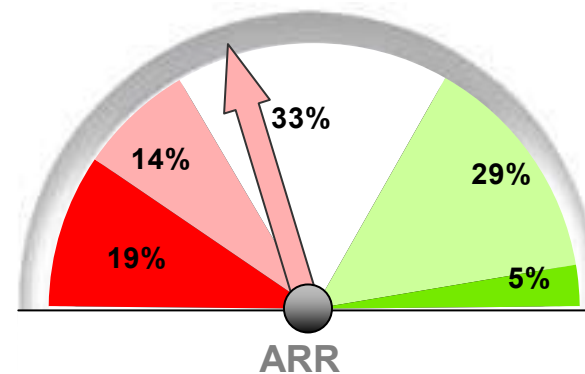
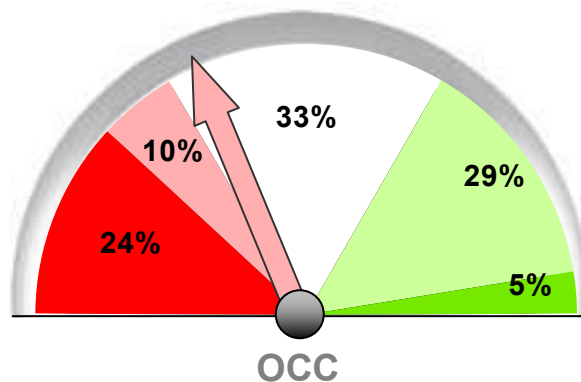


## Expectations for 2012 as a whole

### «MY HOTEL»

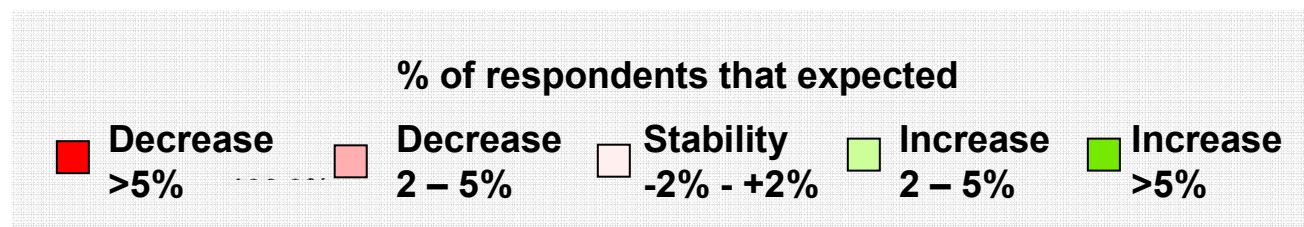
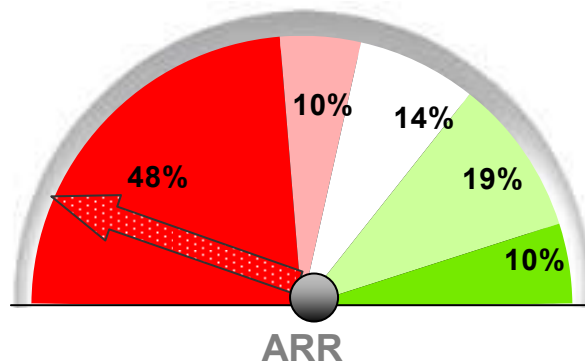
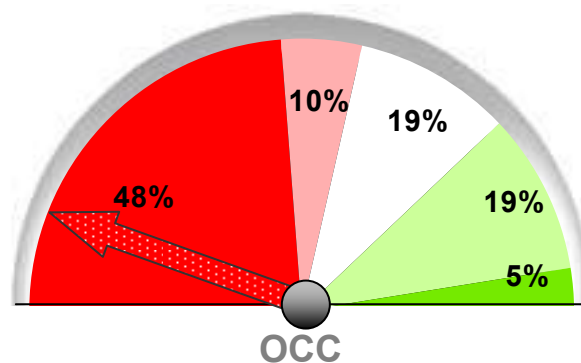
#### Resort hotels in Crete

The losses this year in Crete are forecasted to be limited to 2 – 5% overall in terms of occupancy and ARR.



For the market in general hoteliers believe though that the drops are significant with 48% of respondents predicting drops of 5% or more for both indicators.

### «MARKET IN GENERAL»

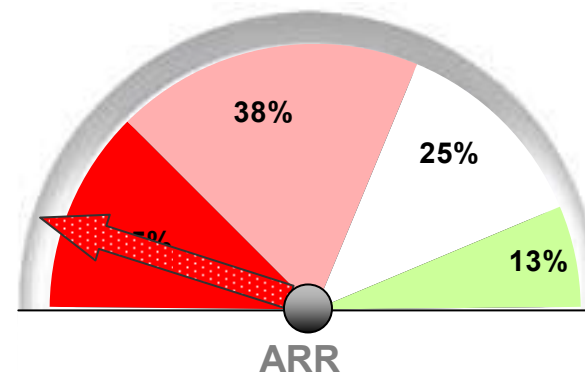
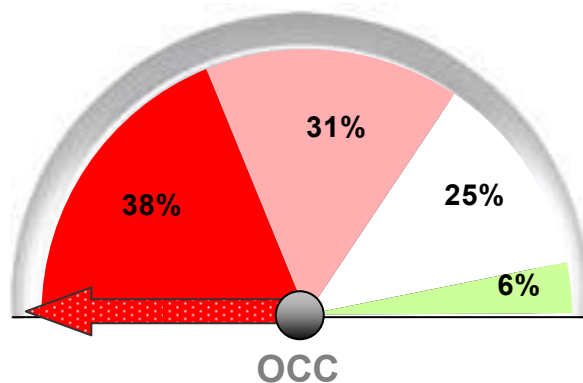


## Expectations for 2012 as a whole

### «MY HOTEL»

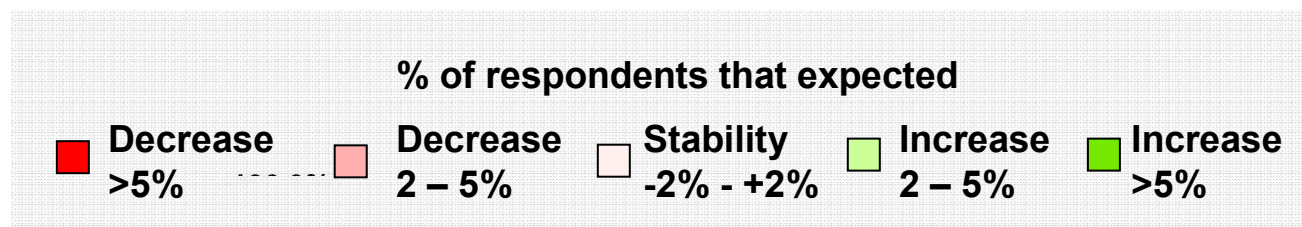
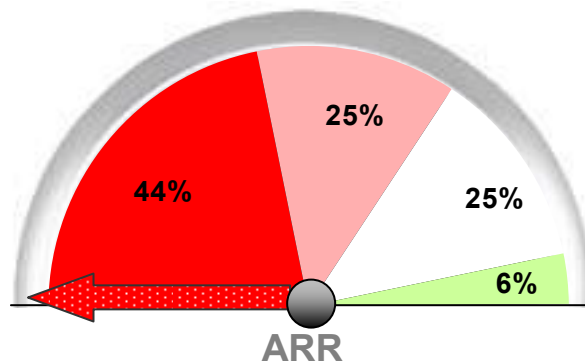
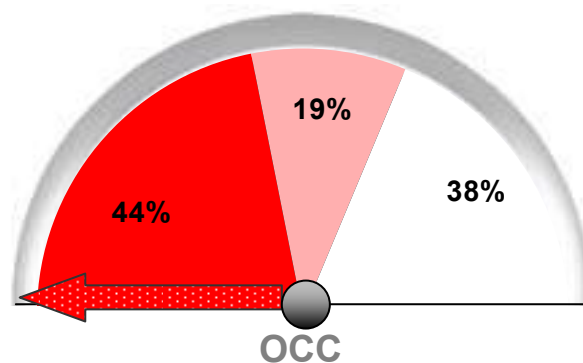
#### Resort hotels in Dodecanese

Hoteliers in the Dodecanese have no hope anymore for recovery in the last 2 quarters of this year.



### «MARKET IN GENERAL»

Sharp declines are expected for occupancy and room rates for both their own hotel units as well as for the market in general.



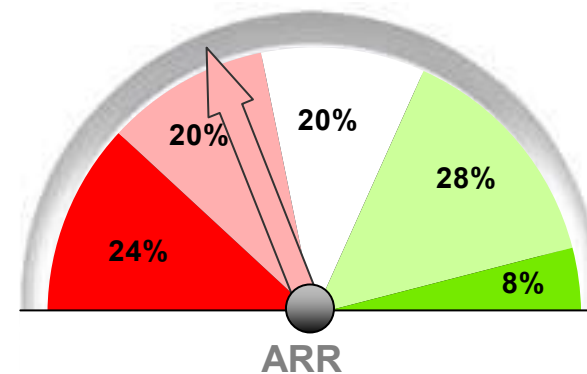
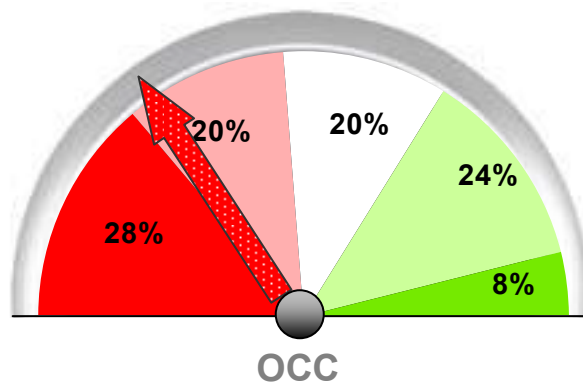
## Expectations for 2012 as a whole

### «MY HOTEL»

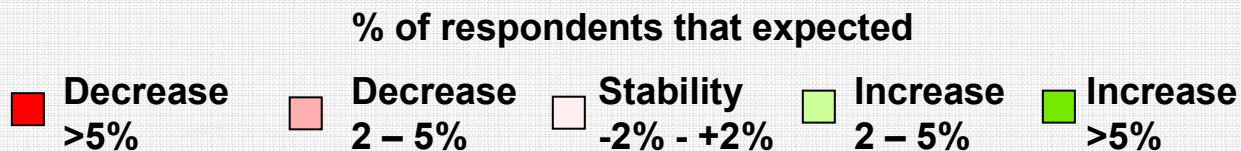
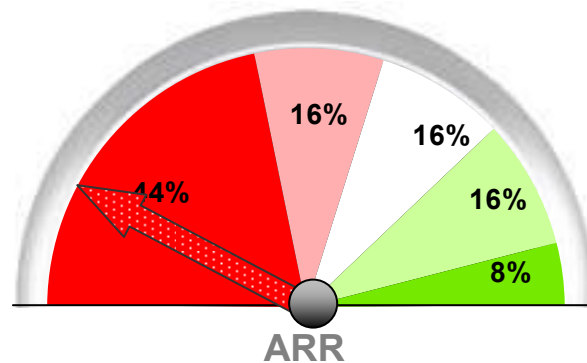
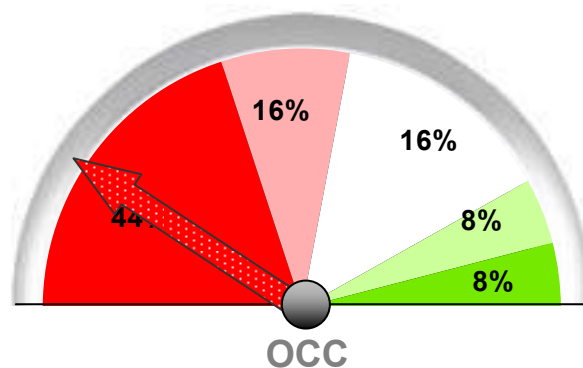
#### 5 star hotels

Based on the performance of the first two quarters of 2012 hoteliers are predicting that the year will close with sharply lower occupancy and room rates compared to last year.

With respect to their own hotel properties about half of respondents expect stabilising to improving performance, while the other half expects drops, of which the majority significant drops.



### «MARKET IN GENERAL»



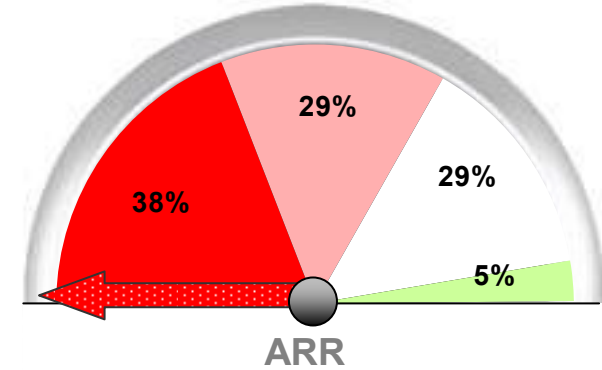
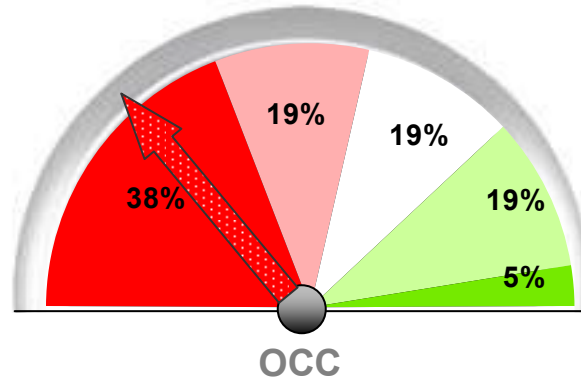
## Expectations for 2012 as a whole

### «MY HOTEL»

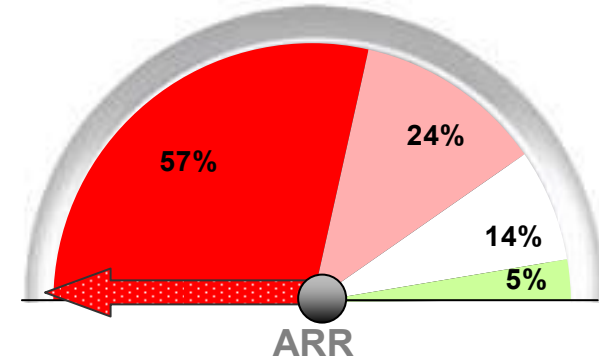
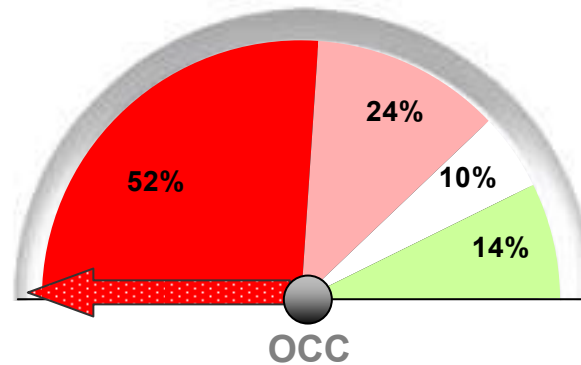
#### 4 star hotels

Besides some optimism for their occupancy development of their own hotel units towards the end of the year, the other barometers are coloured red.

Significant drops are expected in comparison to last year's ARR and occupancy.



### «MARKET IN GENERAL»



% of respondents that expected

■ Decrease >5%

■ Decrease 2 - 5%

■ Stability -2% - +2%

■ Increase 2 - 5%

■ Increase >5%

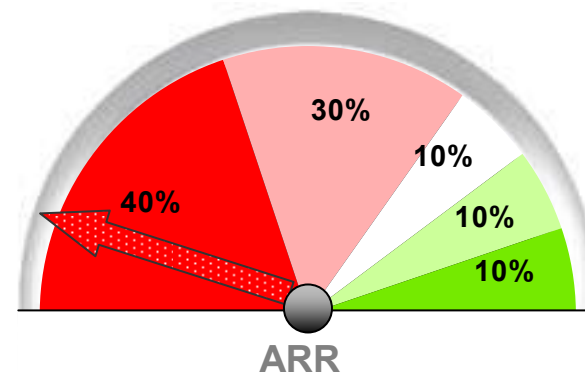
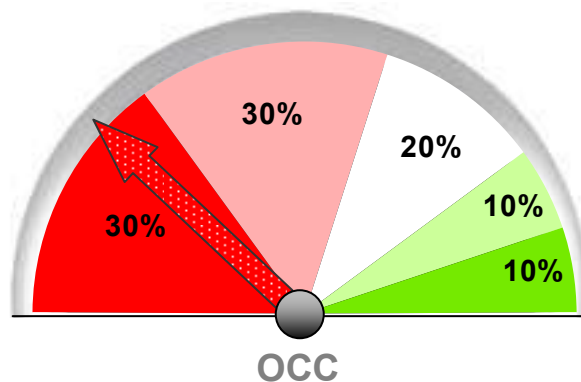
## Expectations for 2012 as a whole

### «MY HOTEL»

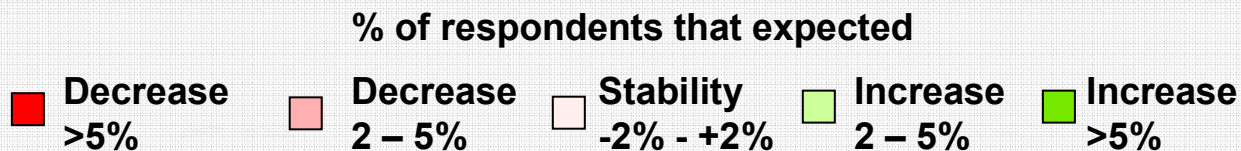
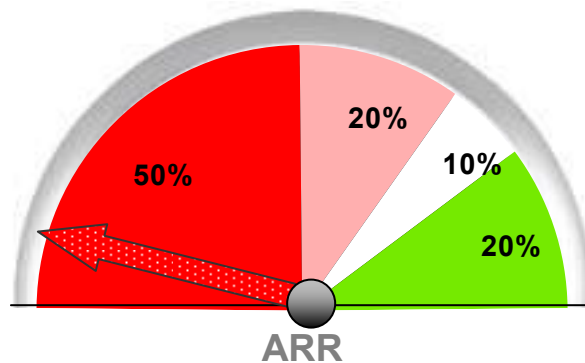
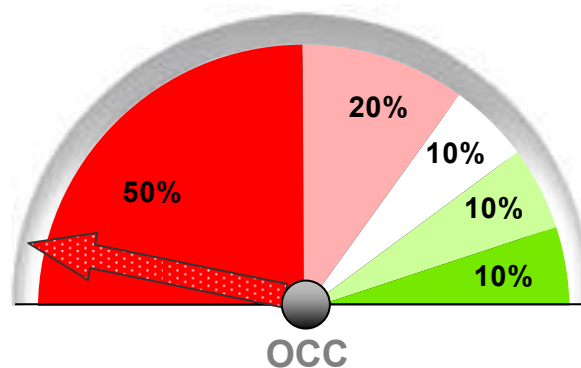
#### 3 star hotels

Outlook for the 3 star segment is negative as 30% is expecting a drop of 5% or more for occupancy by the end of the year compared to last year and 40% expects a similar drop for ARR comparing the two years.

About 50% of hoteliers predict drops of 5% and more for both indicators for the market in general, resulting in an overall negative performance outlook for 2012.



### «MARKET IN GENERAL»

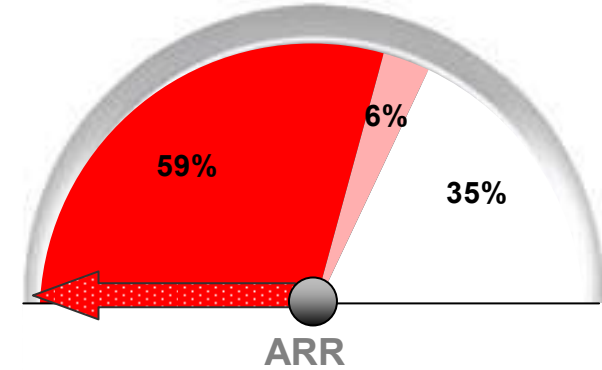
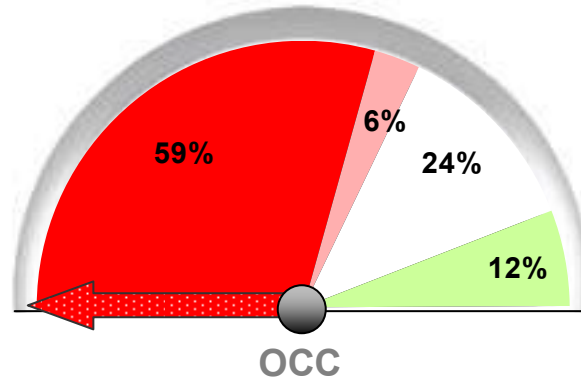




**Expectations for 2012 as a whole**  
**«MY HOTEL»**

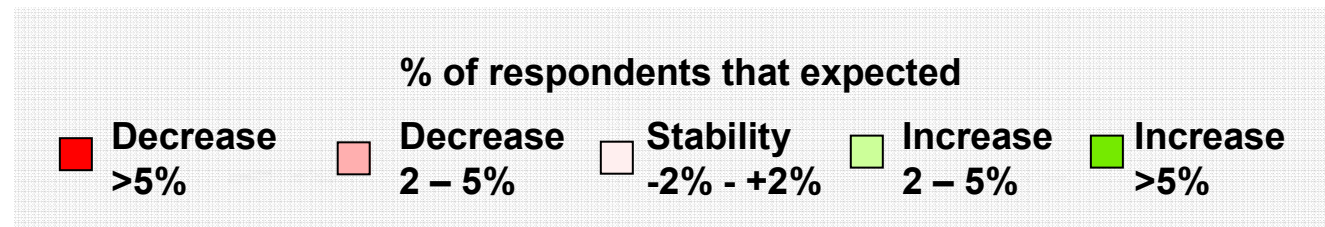
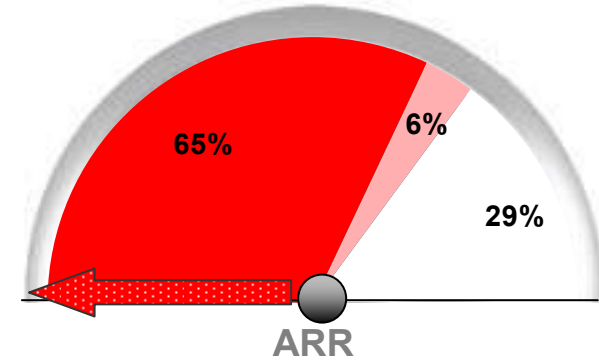
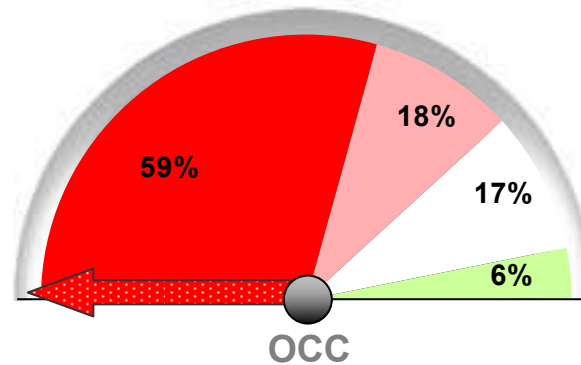
**2 star hotels**

All barometers of the 2 star hotels are flat in the negative half. A substantial majority is expecting a drop of 5% and more for occupancy and ARR.



**«MARKET IN GENERAL»**

A similar picture is seen in the barometers of the market in general.



# Tourism Barometer

## 2012 Q1

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### Expectations Greek Hospitality Sector



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