

LIFE IS WHAT **WE** MAKE IT

# HOTEL OPERATOR BEAT

Europe 2023



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ABOUT THE SURVEY



CUSHMAN &  
WAKEFIELD

# HOTEL OPERATOR BEAT

2023 - EUROPE  
CITIES & REGIONS

Most attractive markets for  
hotel operators by market tier

## Top-10

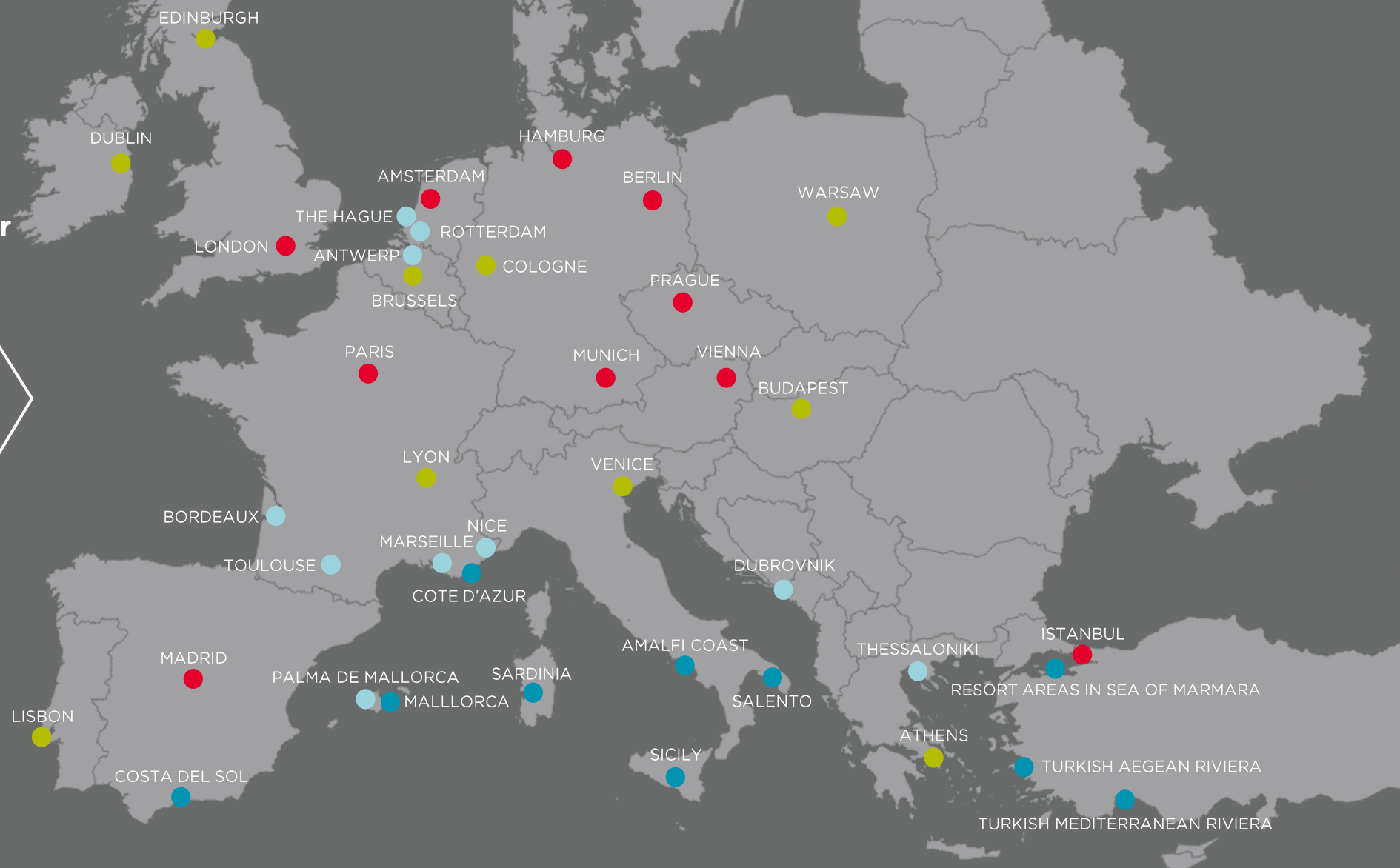
- 1<sup>st</sup> tier cities (>30k hotel rooms)
- 2<sup>nd</sup> tier cities (>10k hotel rooms)
- 3<sup>rd</sup> tier cities (>5k hotel rooms)
- Resort destinations



France, Germany, Benelux,  
and Turkey markets  
experienced the highest  
increases in their  
attractiveness since 2021



The coastal areas and  
islands of Italy, France,  
Turkey, and Greece saw the  
most substantial increase in  
operators' interest



# HOTEL OPERATOR BEAT

## 2023 - EUROPE

 **85%**

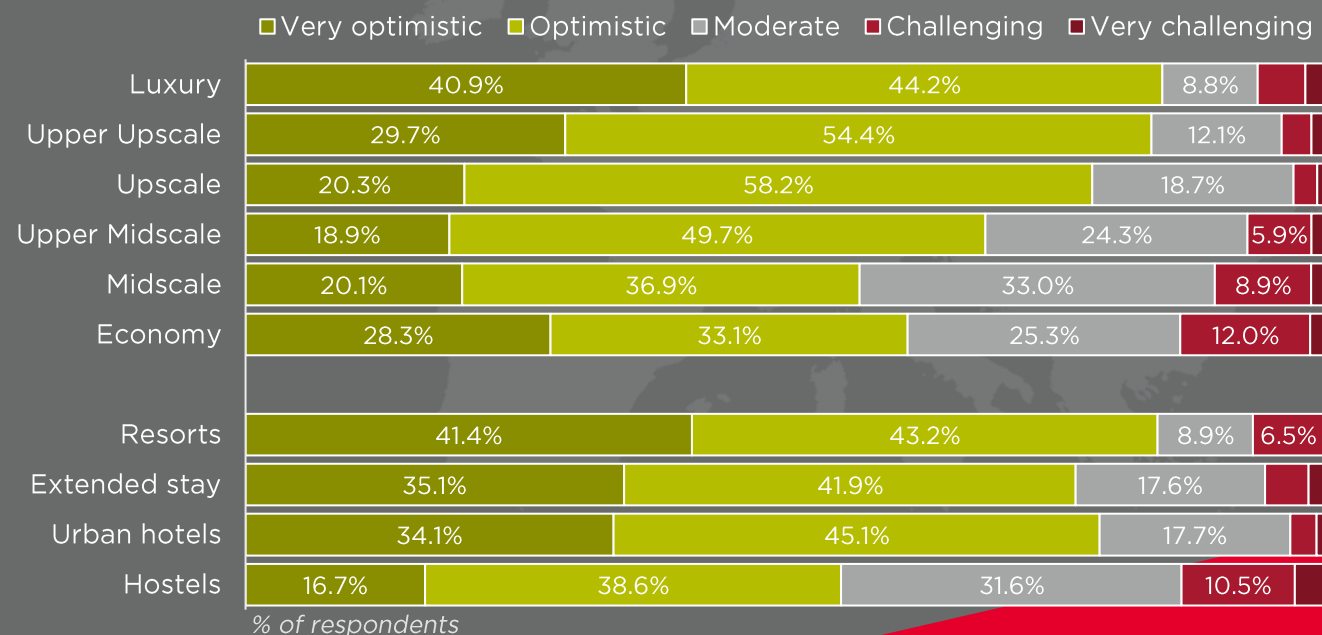
of surveyed operators are optimistic or very optimistic about the performance of **luxury hotels**

 **85%**

of surveyed operators are optimistic or very optimistic about the performance of **resorts**

## PERFORMANCE OUTLOOK

Q: What is your outlook for the following hotel classes/types (RevPAR in the next 12 months)?



# HOTEL OPERATOR BEAT

2023 - EUROPE



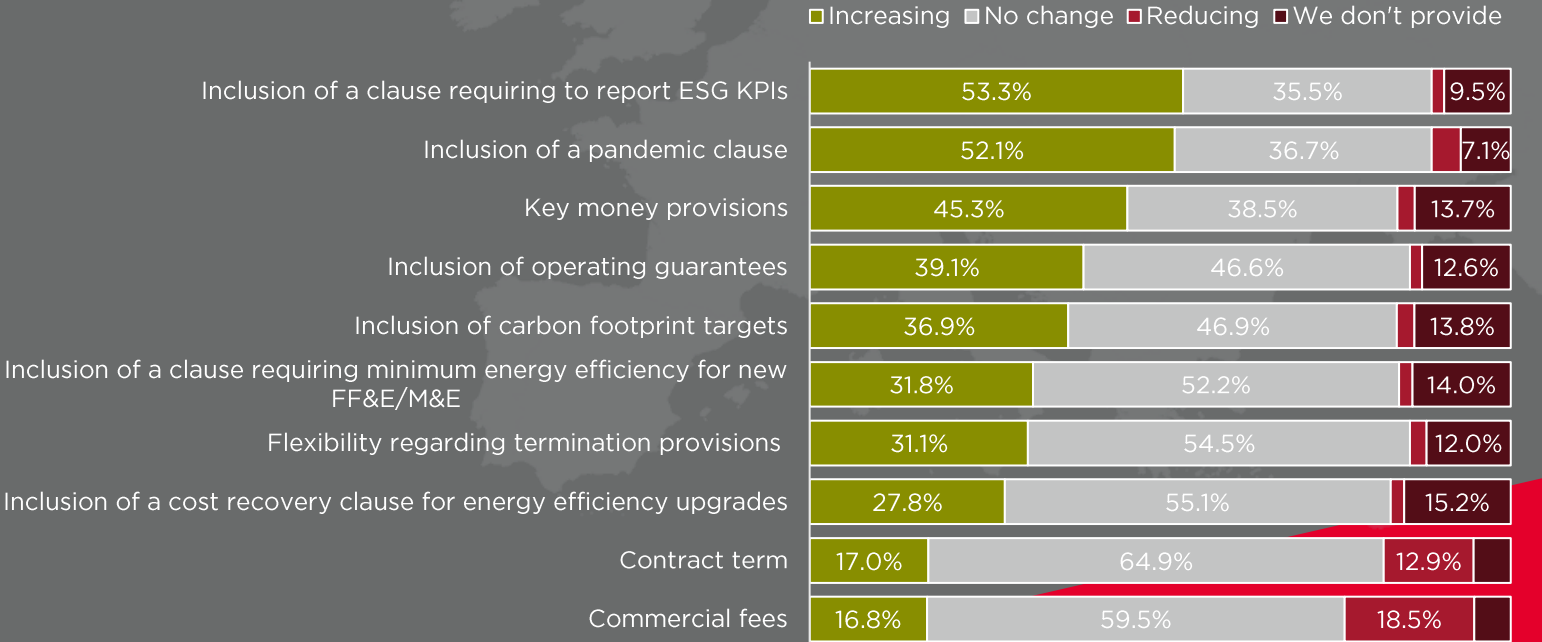
of surveyed operators report increasing trend of **ESG KPIs reporting clause** in their new contracts and renewals in the last 12 months



of surveyed operators report increasing trend of **Pandemic clause** in their new contracts and renewals in the last 12 months

## CONTRACT TERMS TRENDS

Q: Have you experienced any of the following trends in your key deal terms for new contracts and renewals in the last 12 months?



% of respondents for whom these deal terms apply

# HOTEL OPERATOR BEAT

## 2023 - EUROPE



# 64%

of surveyed operators are offering **hybrid leases**.



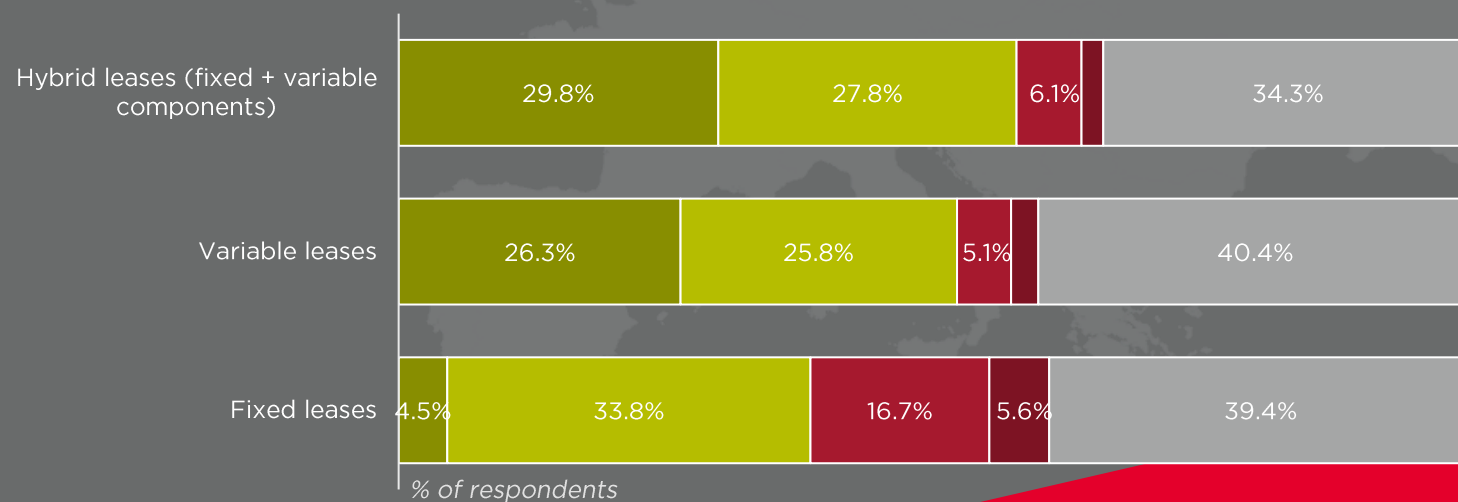
# 22%

of surveyed operators are offering fewer or have stopped offering **fixed leases**

## WILLINGNESS TO OFFER LEASE

Q: Please indicate (if applicable) how your attitude towards leasing evolved since last year.

■ Offering more ■ Offering the same ■ Offering fewer ■ Stopped offering ■ Never an option / Not applicable



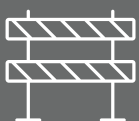
# HOTEL OPERATOR BEAT

2023 - EUROPE



16%

of the pipeline projects are currently **delayed** (on average)\*



8%

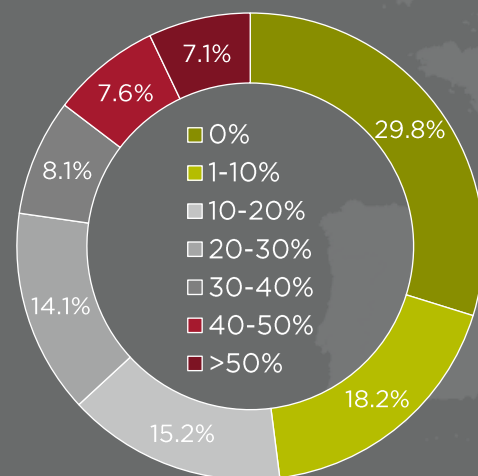
of the pipeline projects are currently **on hold** (on average)\*

\*Weighted average of the mid points

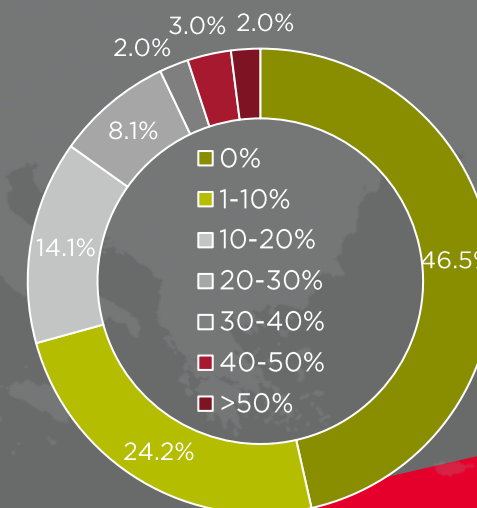
## HOTEL PIPELINE TRENDS

Q: What percentage of your pipeline projects are currently delayed or placed on hold?

% of pipeline delayed



% of pipeline placed on hold



Note:

DELAYED – the project continues but the completion is expected later than initially planned

ON HOLD – the project stopped



# HOTEL OPERATOR BEAT

## 2023 - EUROPE



### 6-12 MONTHS

is the **most common**  
**delay** of pipeline  
projects (according to  
39% of respondents)

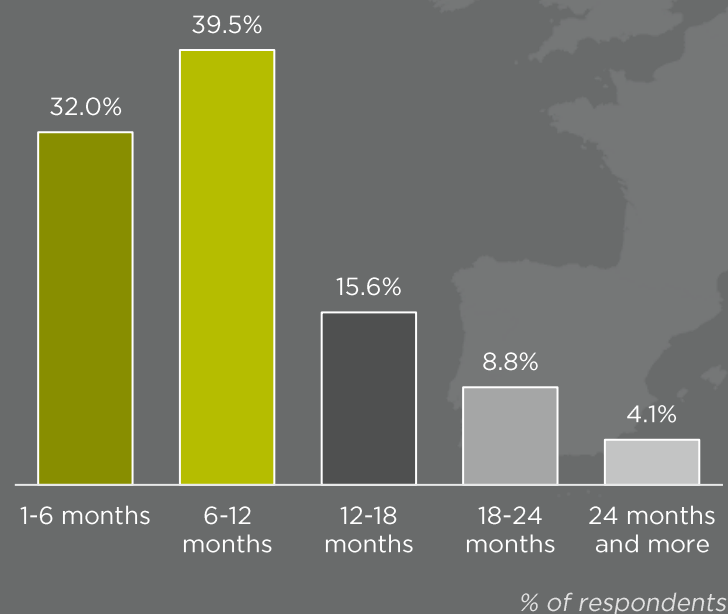


### 68%

of issues associated with  
delayed/pending pipeline  
projects are due to  
**increasing development**  
**costs**

## HOTEL PIPELINE TRENDS

Q: Of those projects which are delayed  
what is the average period of delay?\*

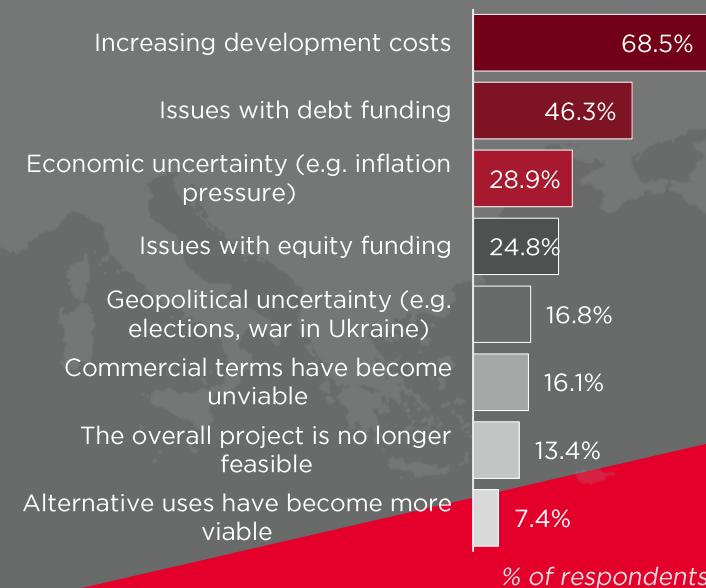


Note:

DELAYED – the project continues but the completion is expected later than initially planned

ON HOLD – the project stopped

Q: For the delayed deals or those that did not  
proceed, what were the reasons? (multiple  
answers possible)\*





# HOTEL OPERATOR BEAT

2023 - EUROPE



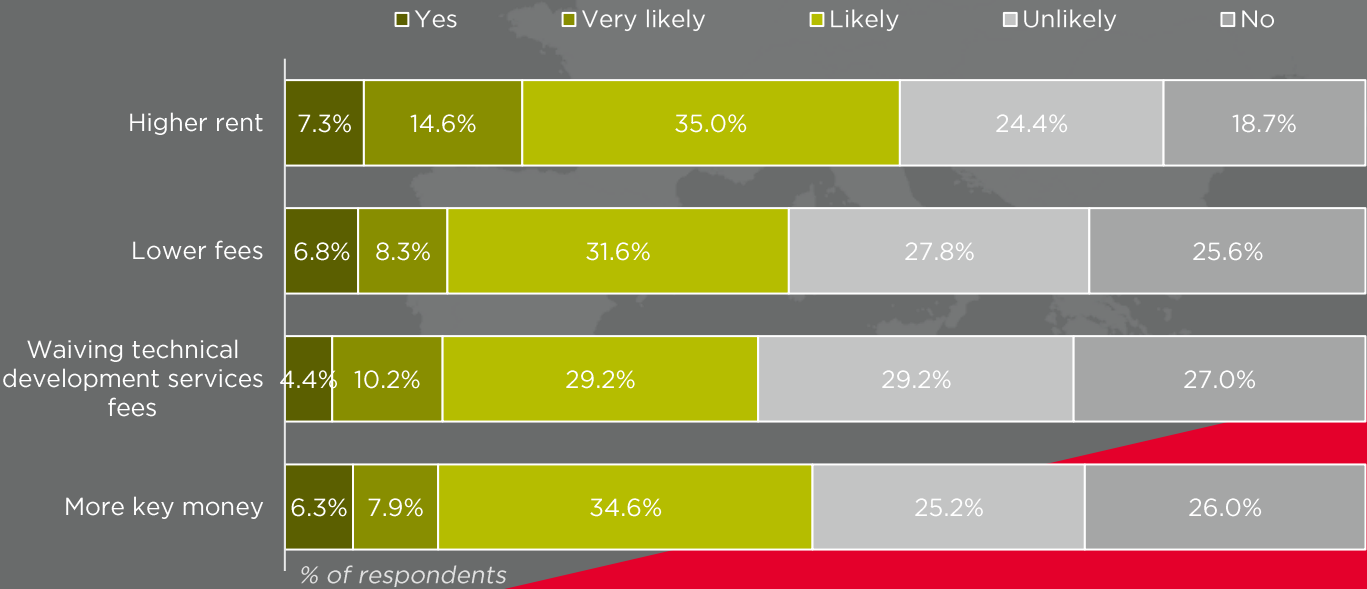
of surveyed operators would consider to offer a **higher rent** for hotels with the highest ESG certifications



are open to **lower their fees**, while 44% would consider **waiving technical development fees** for hotels with the highest ESG credentials

## ENVIRONMENTAL CONSIDERATIONS

Q: Are you willing to provide more favourable commercial terms for hotel properties that have the highest environmental building rating/certification (for example: BREEAM-Outstanding, LEED-Platinum, EPC-A, etc.)?





# ABOUT THE SURVEY

## Operator Beat 2023 – Europe

- The survey was completed by 198 executives representing over 108 operators with an existing presence in Europe or interest to enter the region
- The surveyed operators represent over 9,700 hotels with over 1,225,000 rooms already operating in Europe, with an additional 1,600 proposed hotels comprising over 244,000 rooms in the pipeline



# WE MAKE IT INNOVATIVE

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