

Size and performance
of the
5-star hotel chains
in Greece

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consulting

December 2018

Hotel sector Greece

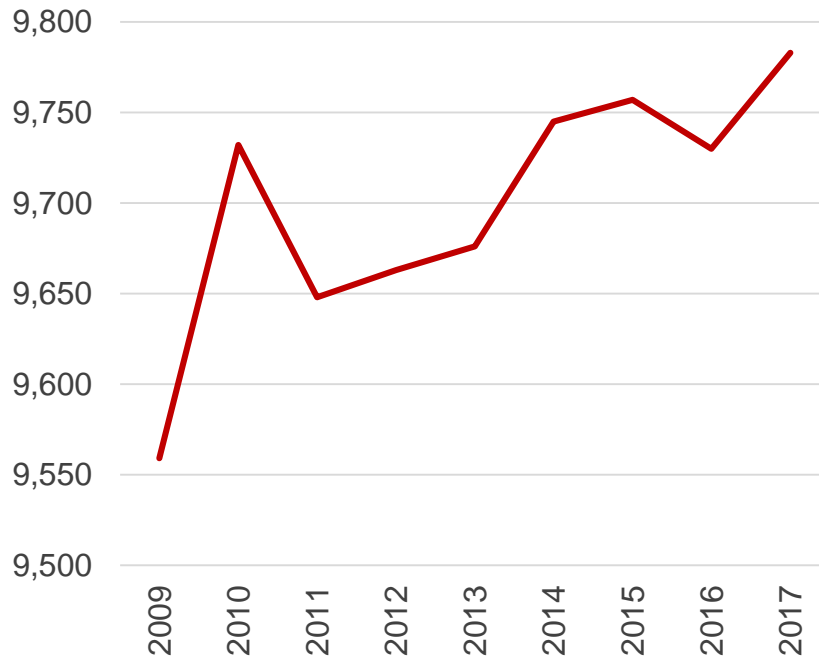
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Hotel sector Greece

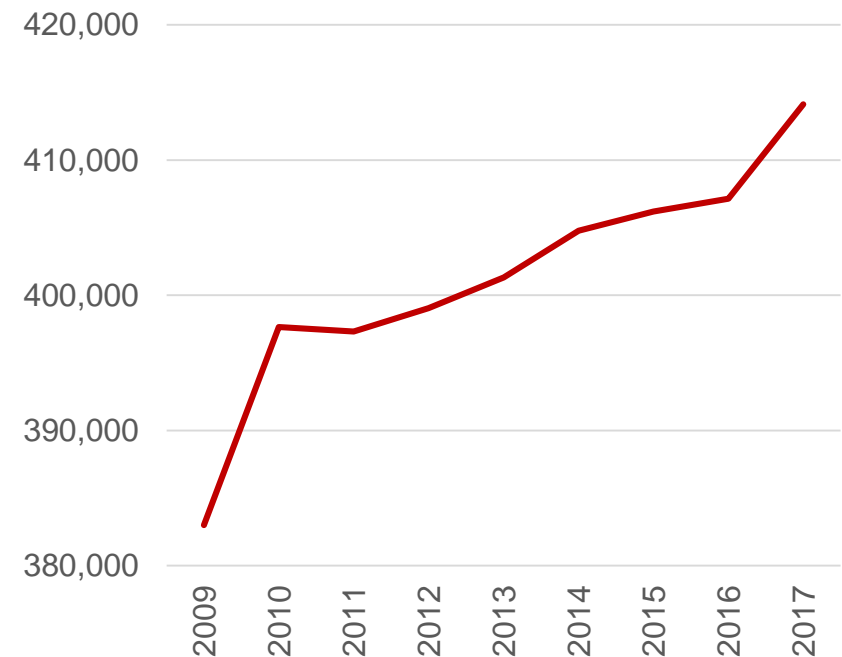
Development of total number of hotels and hotel rooms

- ✓ In 2017 a total of 9,783 hotels were officially registered, up from 9,559 hotels in 2009, representing an increase of 2.3%.
- ✓ The total number of rooms, however, increase by 8.1% during the reviewed period, which means that the average size of the hotels increased slightly from an average of 40 rooms per unit in 2009 to 42 rooms per hotel in 2017.

Total number of hotels

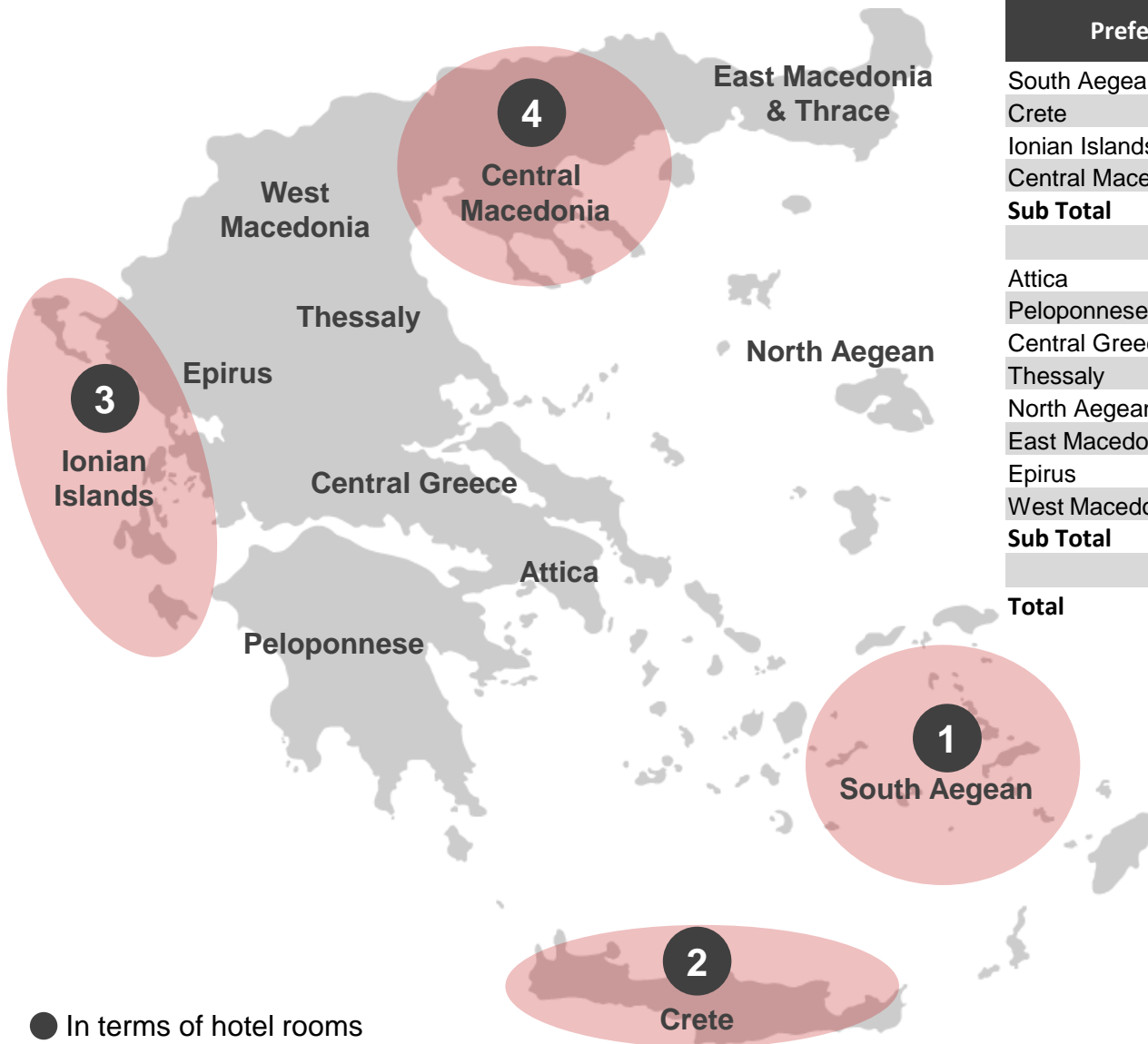


Total number of hotel rooms



Hotel sector Greece

Concentration of hotel supply



● In terms of hotel rooms

Prefecture	Hotels	% of total	Rooms	% of total
South Aegean	2,097	21%	104,053	25%
Crete	1,577	16%	90,889	22%
Ionian Islands	933	10%	48,121	12%
Central Macedonia	1,192	12%	45,825	11%
Sub Total		59%		70%
Attica	648	7%	31,894	8%
Peloponnese	853	9%	26,965	7%
Central Greece	600	6%	17,083	4%
Thessaly	570	6%	14,928	4%
North Aegean	391	4%	11,777	3%
East Macedonia & Thrace	382	4%	11,111	3%
Epirus	413	4%	8,528	2%
West Macedonia	127	1%	2,953	1%
Sub Total		41%		30%
Total	9,783		414,127	

Data 2017, sorted by number of rooms

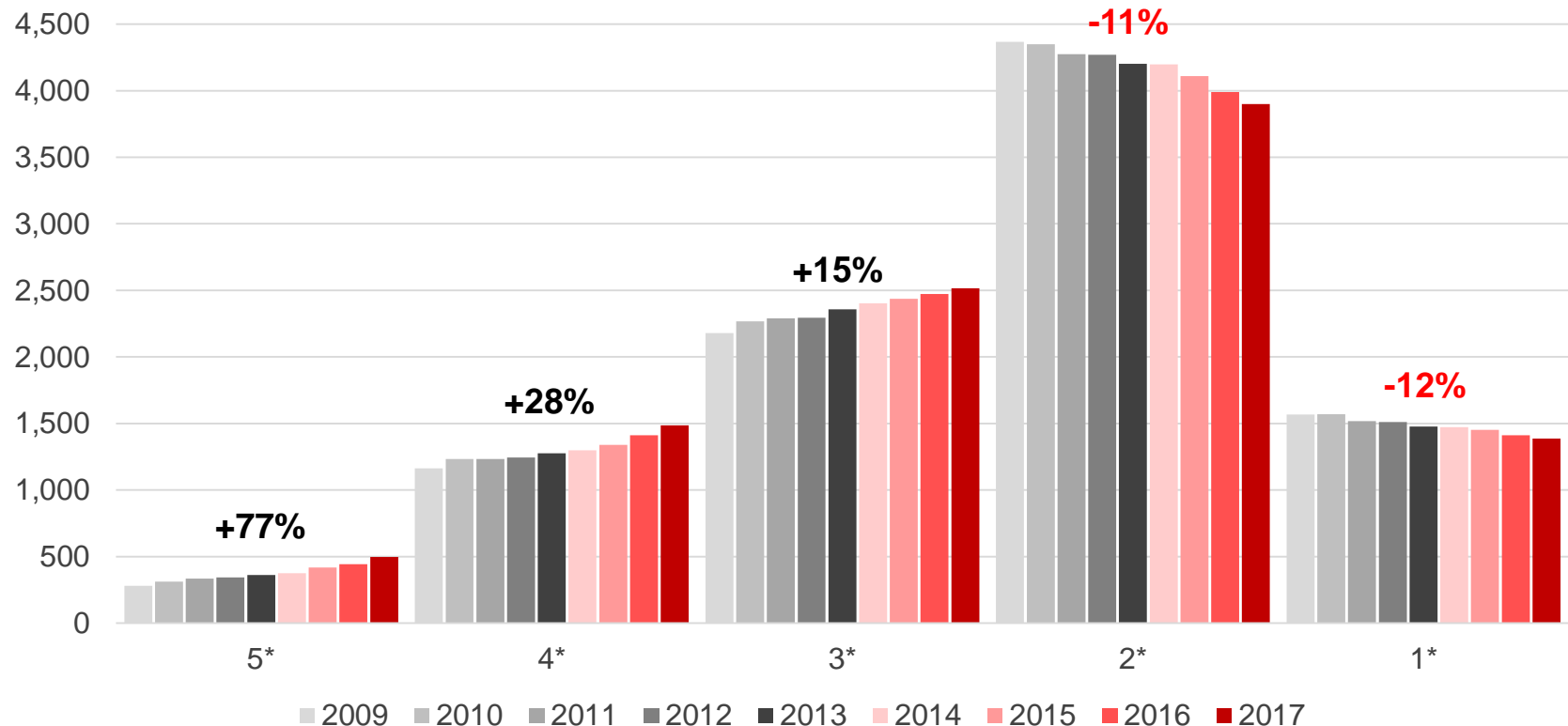
- ✓ Around 70% of all hotel rooms in Greece are located in 4 regions: South Aegean, Crete, Ionian Islands and Central Macedonia.

Hotel sector Greece

Developments in the hotel sector

- ✓ The 5-star category increased by 77% in terms of hotels in the period 2009 – 2017 from 280 to 496 units. The 4-star category increased from 1,164 to 1,485 units, representing an increase of 28%, while the 3-star segment added 336 hotels, an increase of 15%.
- ✓ The 1 and 2-star categories decreased in the reviewed period by 12% and 11% respectively.

Development number of hotels 2009 – 2017 per category

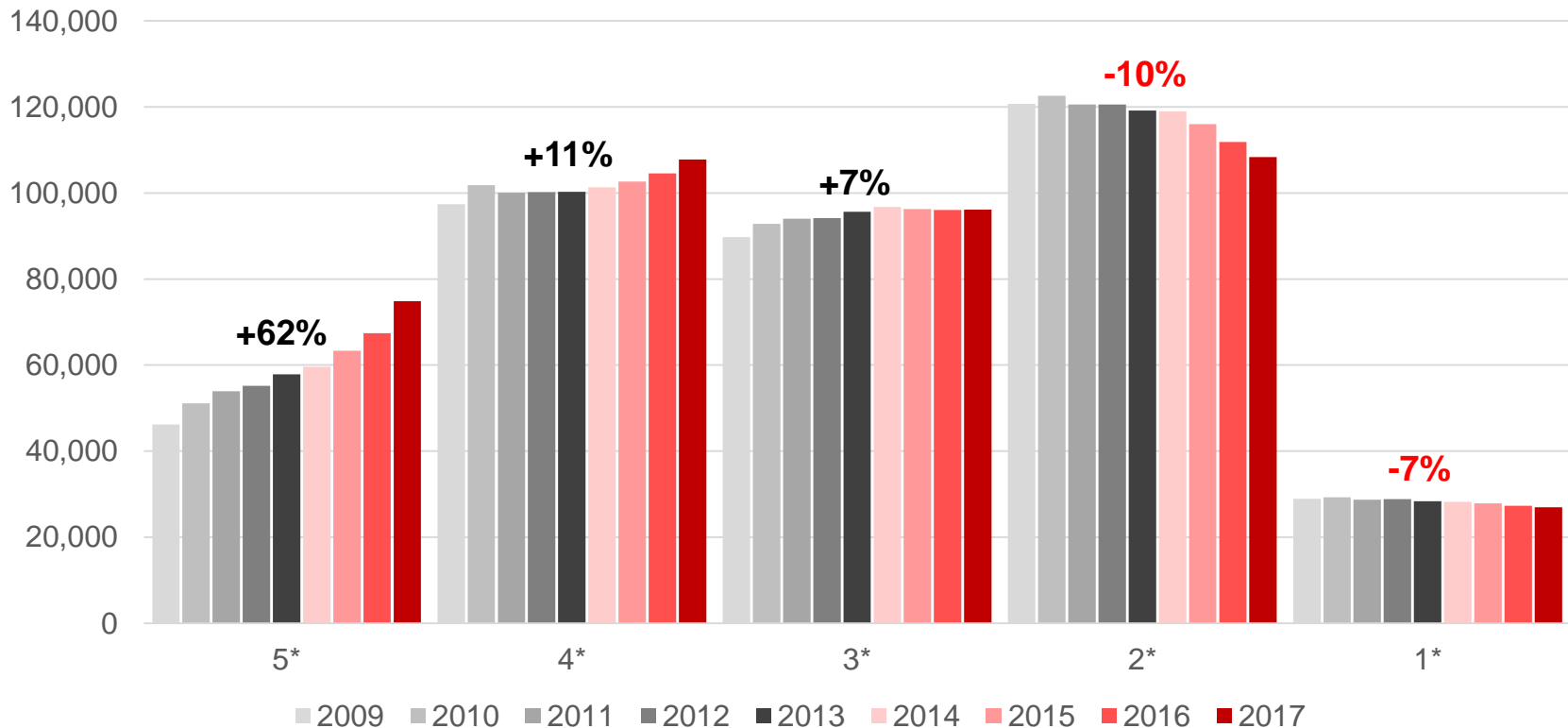


Hotel sector Greece

Developments in the hotel sector

- ✓ In terms of room count the 5-star segment increased from 46,183 in 2009 to 74,884 rooms in 2017, an increase of 62%, while the 4- star added 10,373 rooms representing an increase of 11%. The 3-star segment registered a growth of 7% in 2017, compared to 2009 in terms of number of rooms.
- ✓ The 1 and 2-star categories decreased their number of rooms in the reviewed period by 7% and 10% respectively.

Development number of hotel room 2009 – 2017 per category



5-star sector

Growth per region



New 5-star hotels 2009 - 2017

Region	Change		Δ 2017 / 09		Average size
	Hotels	Rooms	Hotels	Rooms	
Dodecanese	45	11,636	122%	129%	259
Crete	37	5,338	55%	38%	144
Central Macedonia	12	3,120	34%	57%	260
Cyclades	62	2,675	207%	202%	43
Ionian Islands	19	2,657	95%	79%	140
Peloponnese	13	1,488	100%	52%	114
East Macedonia & Thrace	5	493	71%	70%	99
Attica	6	409	21%	6%	68
Thessaly	7	347	33%	35%	50
Epirus	7	326	175%	64%	47
North Aegean	2	195	33%	26%	98
West Macedonia	1	15	50%	33%	15
Central Greece	0	-1	0%	0%	-
Total	216	28,698	77%	62%	133

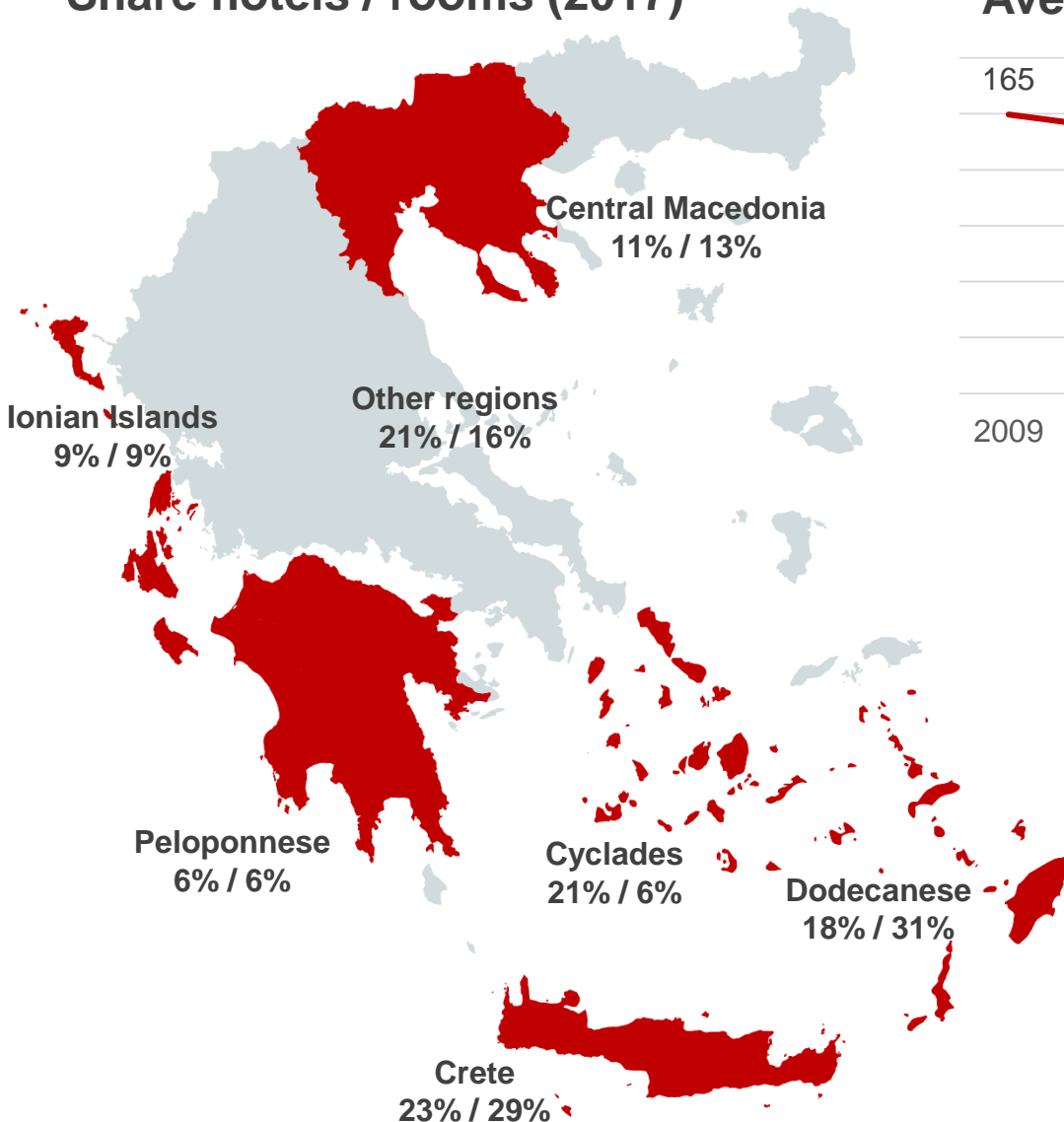
✓ In the period 2009 – 2017 an additional 216 hotels and 28,698 hotel rooms were registered.

✓ The most 5-star hotel rooms were added in the Dodecanese, while the Cyclades added the most hotels, but of a smaller size.

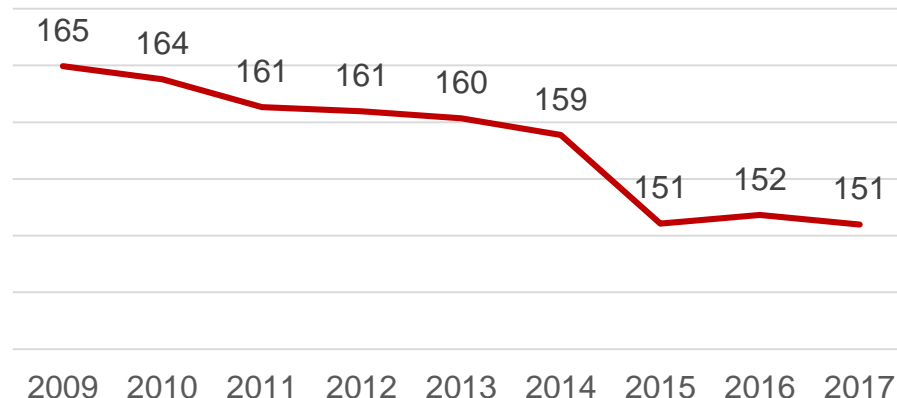
5-star sector

Market share per region and average size per hotel

Share hotels / rooms (2017)




Average rooms per hotel 2009 - 2017



Overview per region (2017)

Region	Hotels	Rooms	Average rooms per hotel
Dodecanese	82	20,633	252
Crete	104	19,568	193
Central Macedonia	47	8,560	188
Cyclades	92	3,998	182
Ionian Islands	39	6,003	167
Peloponnese	26	4,350	154
East Macedonia & Thrace	12	1,197	117
Attica	35	6,758	100
Thessaly	28	1,335	76
Epirus	11	836	72
North Aegean	8	939	48
West Macedonia	3	61	43
Central Greece	9	646	20
Total	496	74,884	151



Hotel chain
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Hotel chain landscape

Definitions

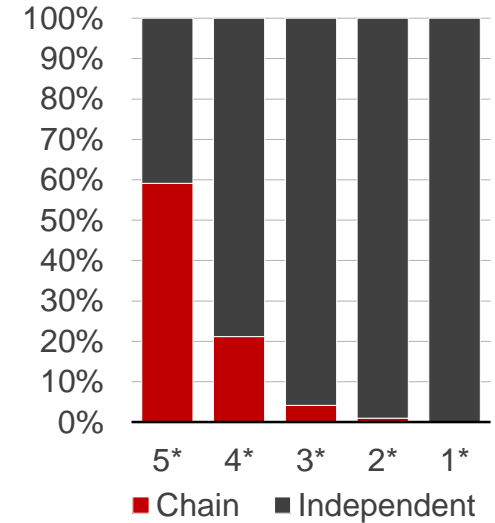
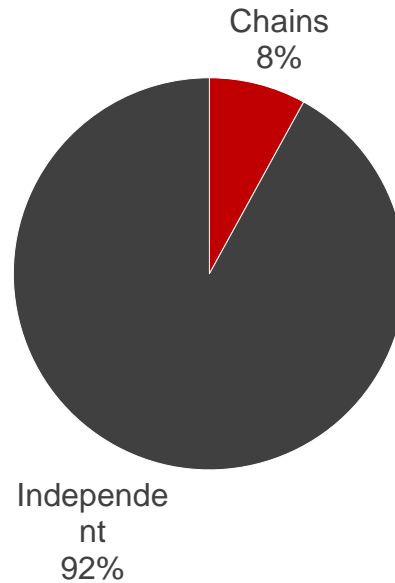
- ✓ The hotel brand landscape concerns branded chains, which have at least two hotel properties in their portfolio.
- ✓ Four brand types have been categorised and analysed:
 - International brand: an international brand is a hotel brand that has a presence in more than one country;
 - National brand: a national brand is a brand that has a presence in various geographic regions within Greece with no presence abroad;
 - Local brand: a local brand is a brand that is present in only one geographic area in Greece;
 - Consortium: a consortium is a marketing partnership of a group of individual hotels.
- ✓ It is important to note that some hotel companies have different hotels in their portfolio but are not operating under the same brand or under the same umbrella and are not promoted as such. These hotels are not covered by this report.
- ✓ Furthermore, some hotels carry multiple brands. The maximum identified number of brands of a unit was 6 brands.
- ✓ As there is no single source inventorising brands, the recording took place by collecting brand information from individual hotel web sites, brand web sites, internet searches, press releases and news articles, existing hotel databases, guides and directories and our own hotel database. We have also communicated directly with hotel groups and individual properties to confirm data.
- ✓ It is important to note that the market is constantly changing. Brands enter the market, brands leave and hotels are switching brands, while hotels also upgrade or downgrade category and change room count due to expansion and / or renovations. Therefore, our report is up-to-date until the beginning of October 2018.

Hotel chain landscape

Penetration

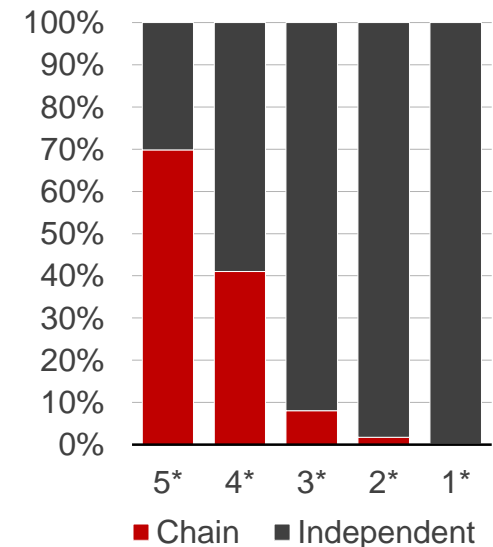
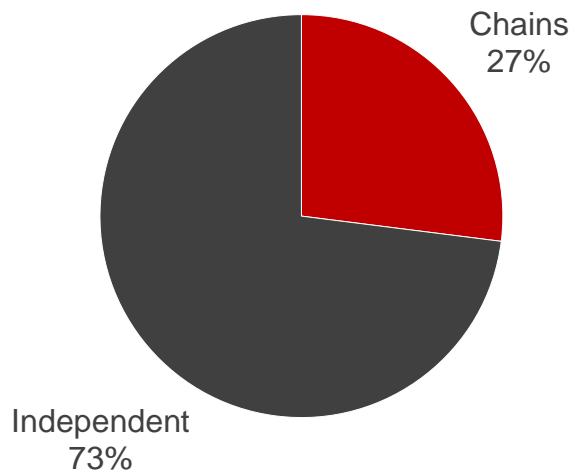
Penetration of chains (hotels)

- ✓ About 8% of the hotels are part of a chain.
- ✓ The 5-star sector has the highest penetration.



Penetration of chains (hotel rooms)

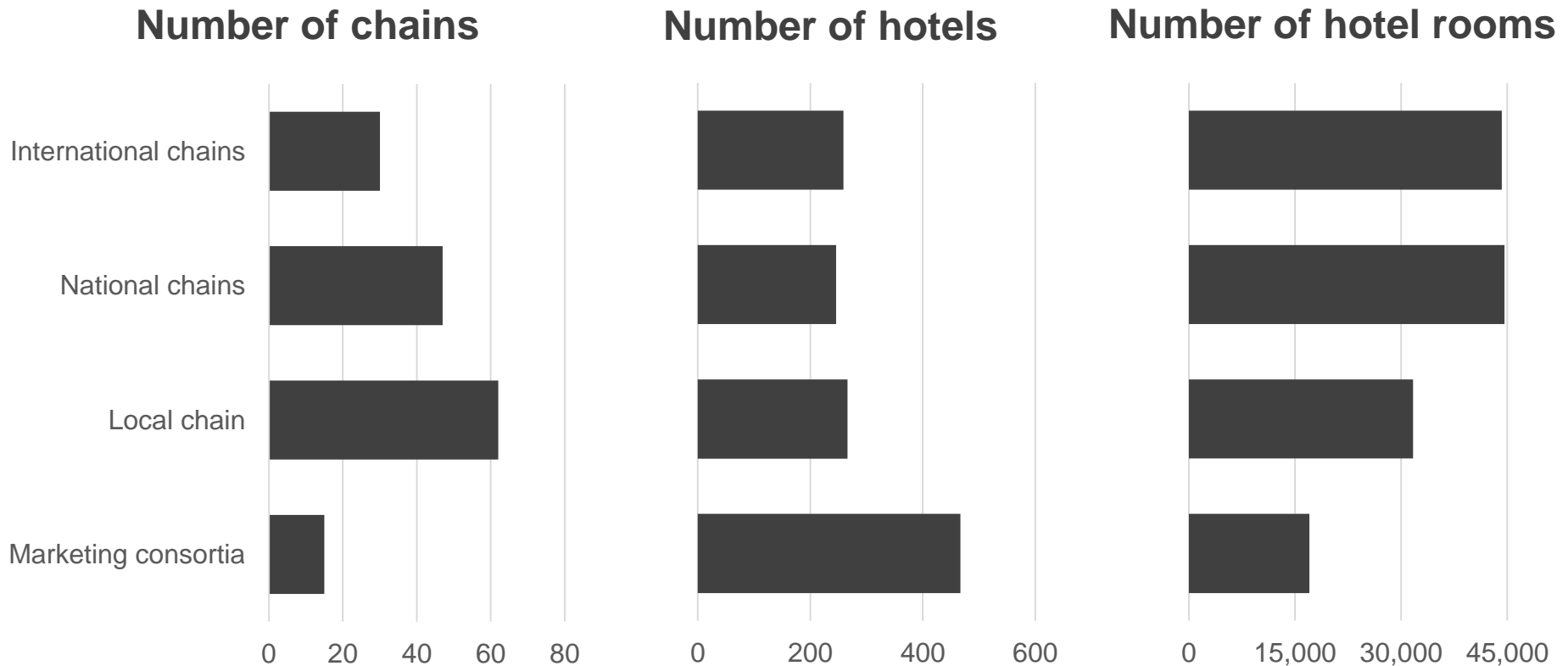
- ✓ About 27% of the hotel rooms are part of a branded chain.
- ✓ The 5-star sector has the highest brand penetration, followed by the 4-star sector.



Hotel chain landscape

Analysis by type

- ✓ Currently there are 30 international chains active in Greece representing 259 hotels and 44,198 hotel rooms. These hotels have an average size of 171 rooms.
- ✓ Furthermore, 47 national chains have been recorded representing 246 hotels and 44,592 hotel rooms, making it the largest segment in terms of room count.
- ✓ The largest number of chains have a local character and consist of 266 hotels and 31,665 hotel rooms.
- ✓ The largest number of hotels are affiliated with a sales and marketing organisation, but overall represent small hotels.



Hotel chain landscape

Top international chains

Nr.	International chains	Number of hotels	Number of hotel rooms	Average size per hotel
1	Tui	73	17,132	235
2	Thomas Cook	32	4,627	145
3	Marriott International	31	3,715	120
4	Der Touristik	13	2,393	184
5	Sani / Ikos Group	9	2,312	257
6	Labranda Hotels & Resorts	7	2,037	291
7	Louis Group	8	1,969	246
8	Wyndham Hotel Group	8	1,596	200

Hotel chain landscape

Top national chains

Nr.	National chains	Number of hotels	Number of hotel rooms	Average size per hotel
1	Grecootel	32	5,802	181
2	Mitsis Hotels	17	5,442	320
3	Aldemar Hotels & Spa	7	2,643	378
4	Blue Lagoon Group	6	1,714	286
5	G-Hotels	6	1,592	265
6	Helios Hotels & Resorts	7	1,553	222
7	Zeus Hotels	6	1,532	255
8	Kipriotis Hotels	5	1,483	297

Hotel chain landscape


Top local chains

Nr.	Local chains	Number of hotels	Number of hotel rooms	Average size per hotel
1	H Hotels Collection	6	1,972	329
2	Koullias Hotels	6	1,534	256
3	Esperia Hotel Group	5	1,453	291
4	Lindos Hotels	4	1,289	322
5	Xenos Group Hotels	12	1,289	107
6	Hersonissos Group Hotels	8	1,232	154
7	Aquila Hotels & Resorts	4	1,162	291
8	Harmony Resorts	3	1,120	373

Hotel chain landscape

Top marketing consortia

Nr.	Marketing consortia	Number of hotels	Number of hotel rooms	Average size per hotel
1	Tablet Hotels	67	3,971	59
2	Mr & Mrs Smith	46	2,204	48
3	Leading Hotels of the World	16	2,123	133
4	Great Small Hotels	108	2,009	19
5	Chic Retreat	76	1,841	24
6	Small Luxury Hotels of the World	40	1,652	41
7	Rethymnotels	6	720	120
8	Tresor Hotels & Resorts	35	568	16



Hotel chain
landscape

5-star sector

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5-star hotel chain landscape

Top chains based on 5-star hotels only

Nr.	International chains	Number of hotels	Number of hotel rooms	Average size per hotel in rooms
1	Tui	28	6,687	239
2	Marriott International	22	3,379	154
3	Sani / Ikos Group	9	2,312	257
4	Thomas Cook	13	2,257	174
5	Der Touristik	4	1,271	318

Nr.	National chains	Number of hotels	Number of hotel rooms	Average size per hotel in rooms
1	Mitsis Hotels	14	4,882	349
2	Grecootel	16	2,961	185
3	Aldemar Hotels & Spa	5	2,121	424
4	Blue Lagoon Group	5	1,581	316
5	Helios Hotels & Resorts	6	1,291	215

5-star hotel chain landscape

Top chains based on 5-star hotels only

Nr.	Local chains	Number of hotels	Number of hotel rooms	Average size per hotel in rooms
1	Aquila Hotels & Resorts	4	1,162	291
2	Porto Carras Grand Resort	3	986	329
3	Lindos Hotels	3	949	316
4	Atrium Hotels	3	899	300
5	H Hotels Collection	3	831	277

Nr.	Marketing consortia	Number of hotels	Number of hotel rooms	Average size per hotel in rooms
1	Tablet Hotels	39	3,157	81
2	Leading Hotels of the World	14	2,086	149
3	Mr & Mrs Smith	27	1,799	67
4	Small Luxury Hotels of the World	21	1,105	53
5	Chic Retreat	25	824	33

5-star hotel chain landscape

Penetration and types

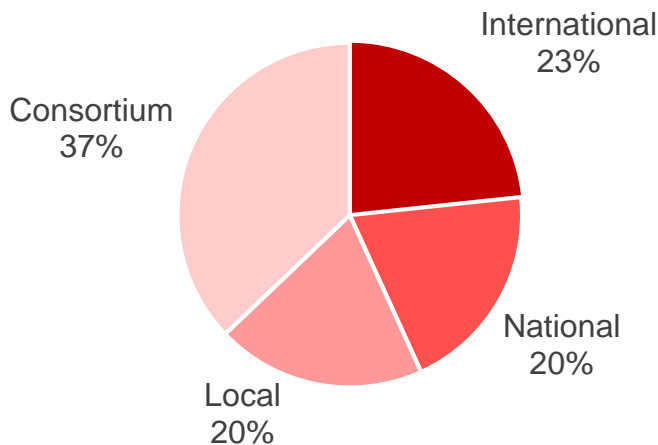
Penetration



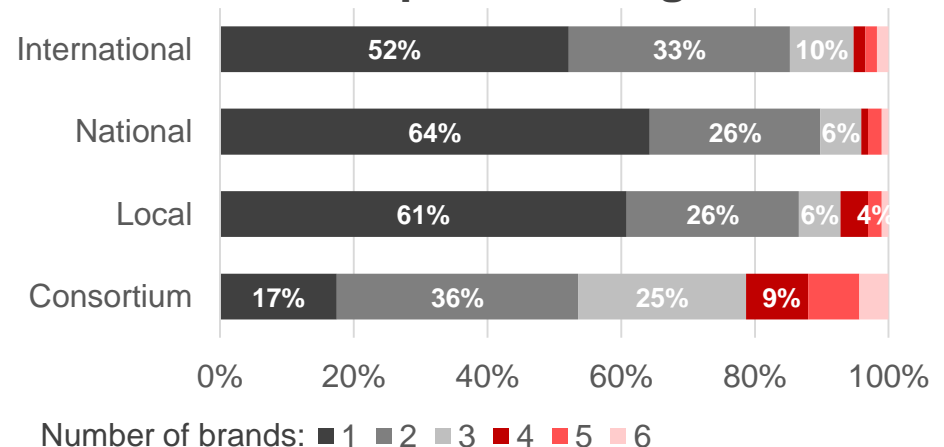
- ✓ About 59% of the 5-star hotels and 70% of the 5-star hotel rooms in Greece are part of a chain.
- ✓ The marketing consortia have the largest market share with 37%, followed by the international chains with a share of 23% and the local chains with 20%.
- ✓ Among the international chains about 52% is single branded, while 33% carry 2 brands and 10% carry 3 brands.
- ✓ Among the national and local brands 64% and 61% respectively is single branded.
- ✓ The hotels part of a marketing consortium are for 83% multiple branded.



Brand types

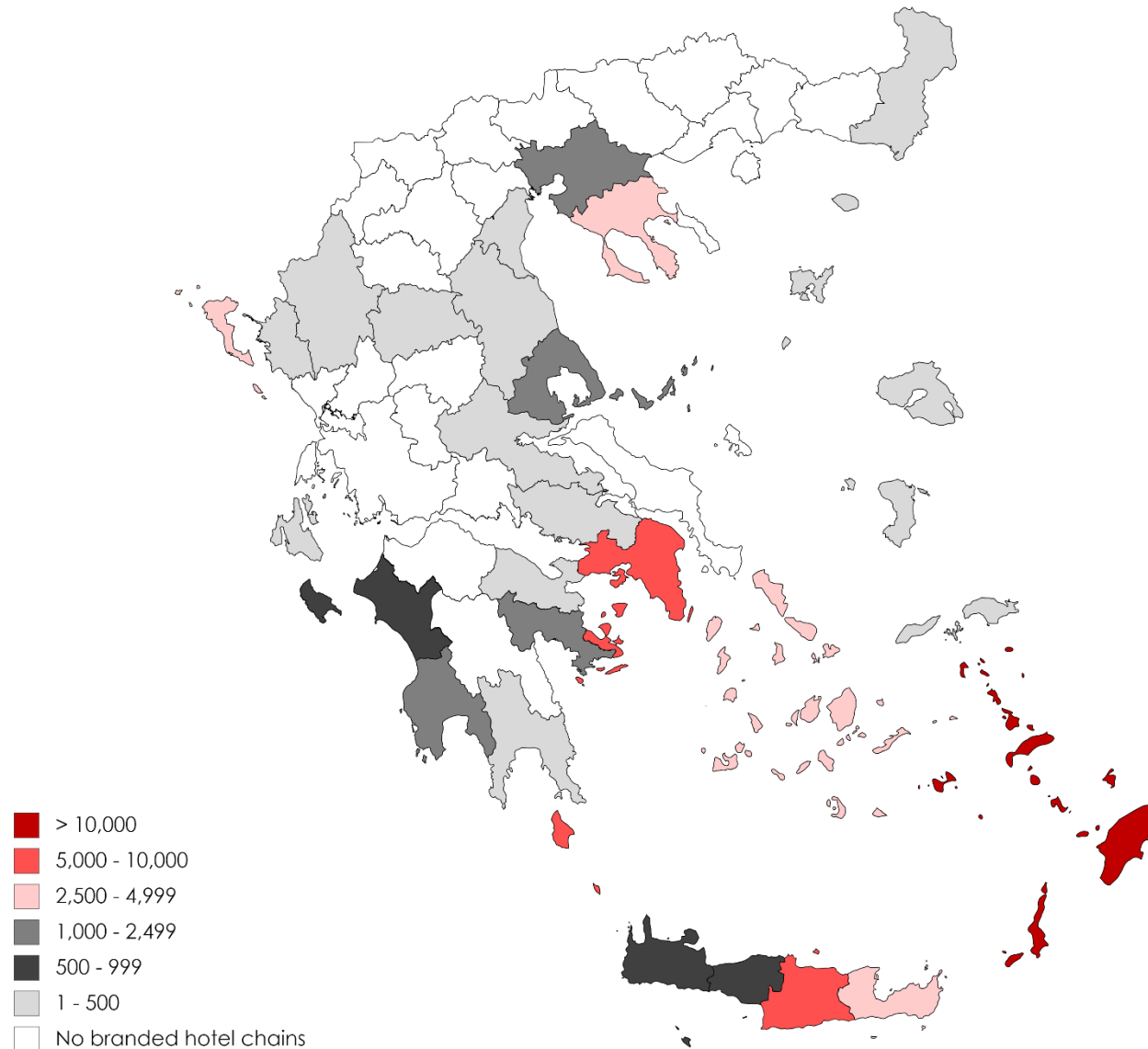


Multiple branding



5-star hotel chain landscape

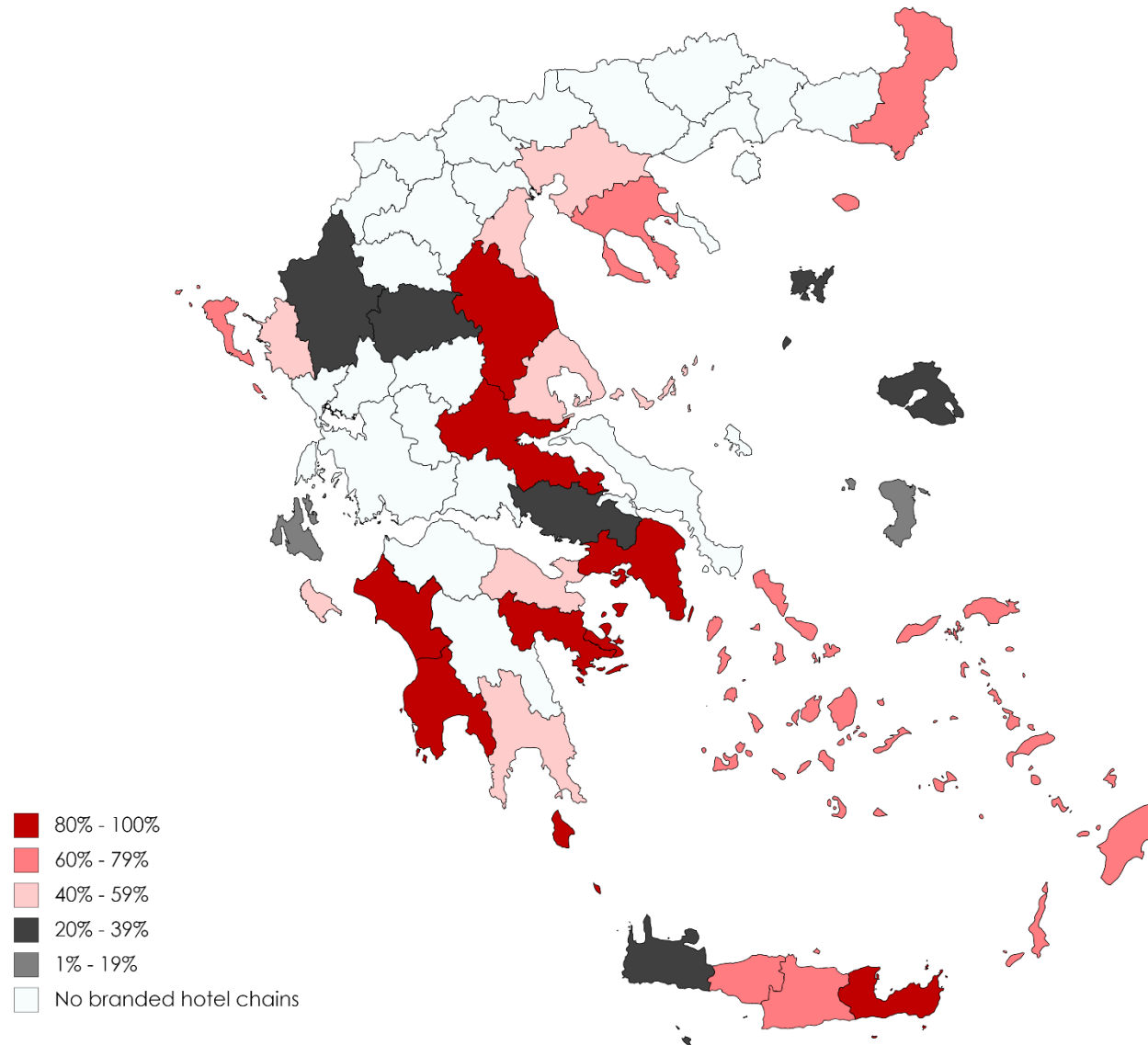
Number of rooms



- ✓ The largest number of rooms part of a chain is located in the Dodecanese.
- ✓ At a distance the prefectures of Heraklion in Crete and Attica follow.
- ✓ In 22 prefectures, hotel chains do not have a presence.

5-star hotel chain landscape

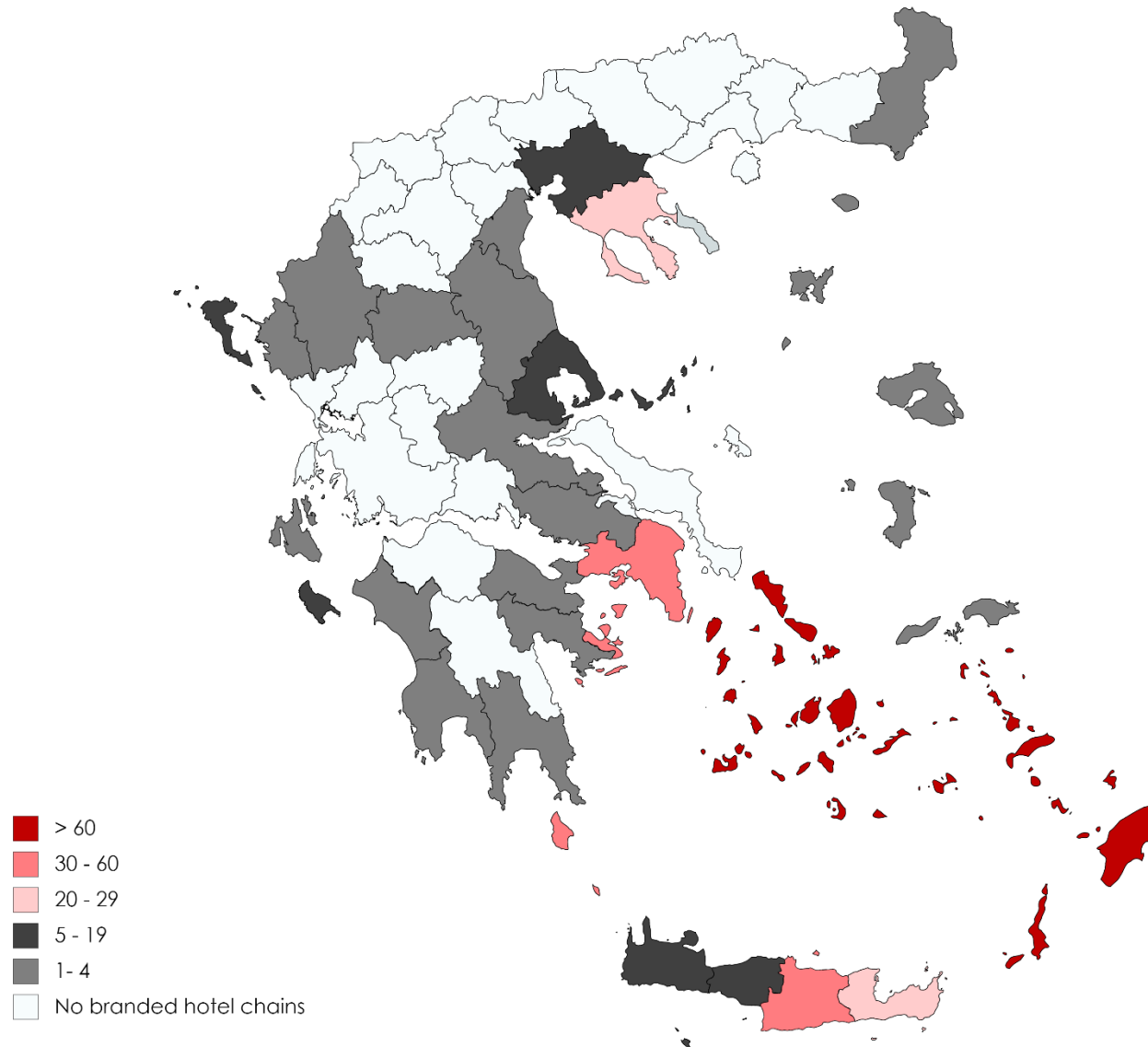
Penetration – hotel rooms



- ✓ In terms of penetration as a percentage of the total available hotel rooms, the prefectures of Ilia, Attica, Messinia, Argolida and Lassithi show the highest rates.
- ✓ The prefectures of Larissa and Fthiotida have a 100% penetration rates, but based on 1 – 2 properties.

5-star hotel chain landscape

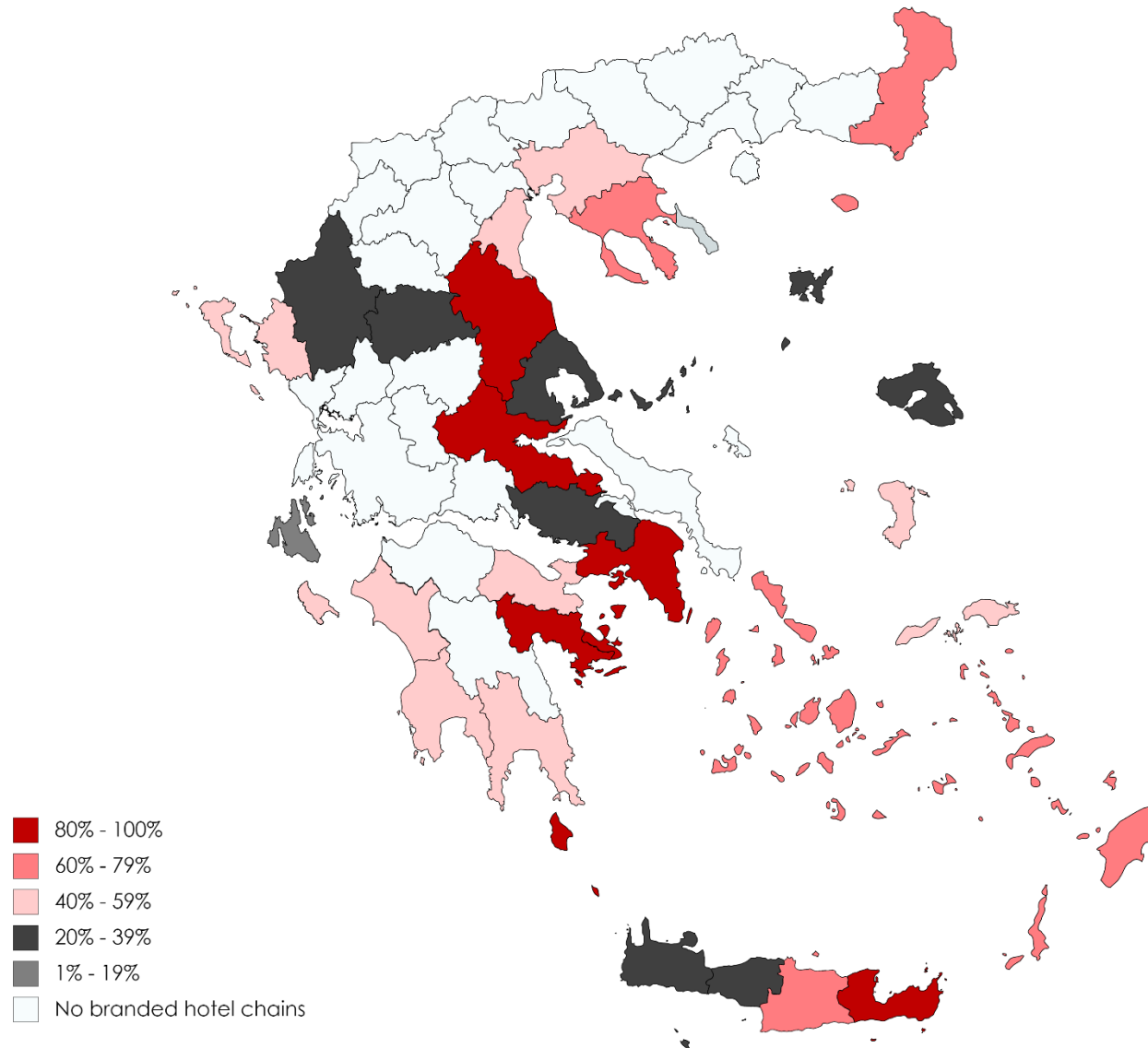
Number of hotels



- ✓ The penetration of hotel chains in Greece in terms of number of hotels is the highest in the Dodecanese and the Cyclades.
- ✓ At a distance the prefectures of Attica and Heraklion in Crete follow.

5-star hotel chain landscape

Penetration - hotels



- ✓ The penetration in percentage in terms of number of hotels, is the highest in Attica, Argolida and Lassithi.
- ✓ All have a penetration of at least 80%.
- ✓ The prefectures of Fthiotida and Larissa have a penetration of a 100%, but based on 1 – 2 properties.

5-star hotel chain landscape

Top prefectures: Dodecanese

Penetration

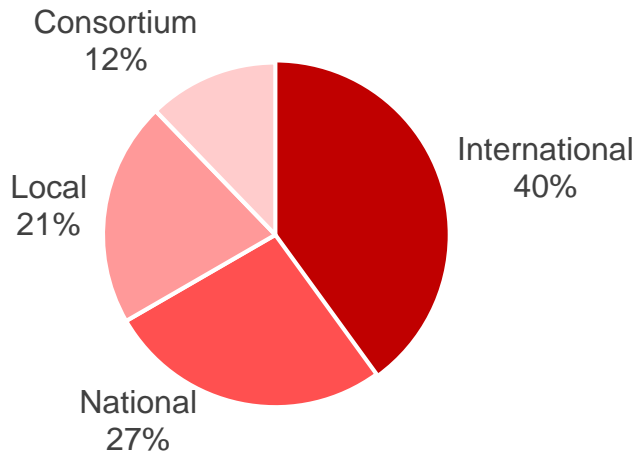
Hotels:
74%

Hotel rooms:
76%

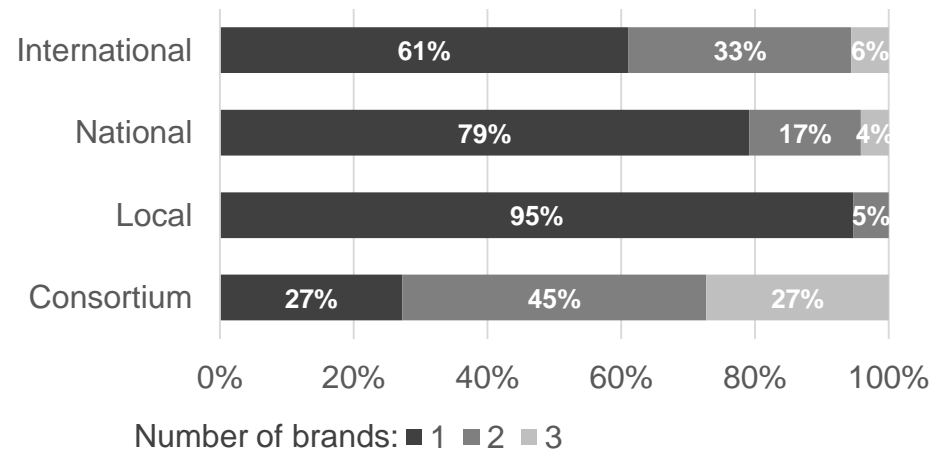
- ✓ In the Dodecanese about 74% of the 5-star hotels and 76% of the 5-star hotel rooms are part of a chain.
- ✓ The international brands have the largest market share with 40%, followed by the national chains with a share of 27% and the local chains with 21%.
- ✓ The local chains are mainly single branded in the Dodecanese, while also the hotels part of a national chains are for 79% single branded.
- ✓ Among the international chains about 61% is single branded, while 33% carry 2 brands and 6% carry 3 brands.
- ✓ The hotels part of a marketing consortium are for 73% multiple branded.



Brand types



Multiple branding



5-star hotel chain landscape

Top prefectures: Heraklion

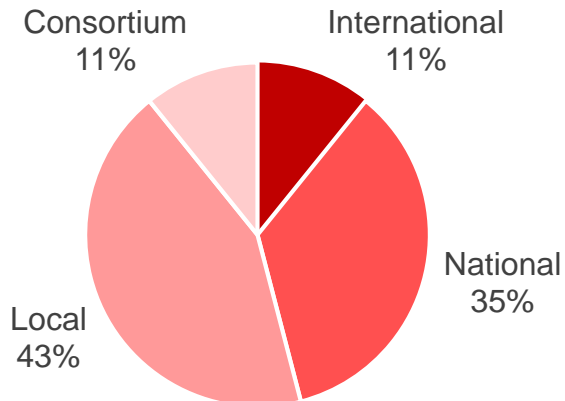
Penetration



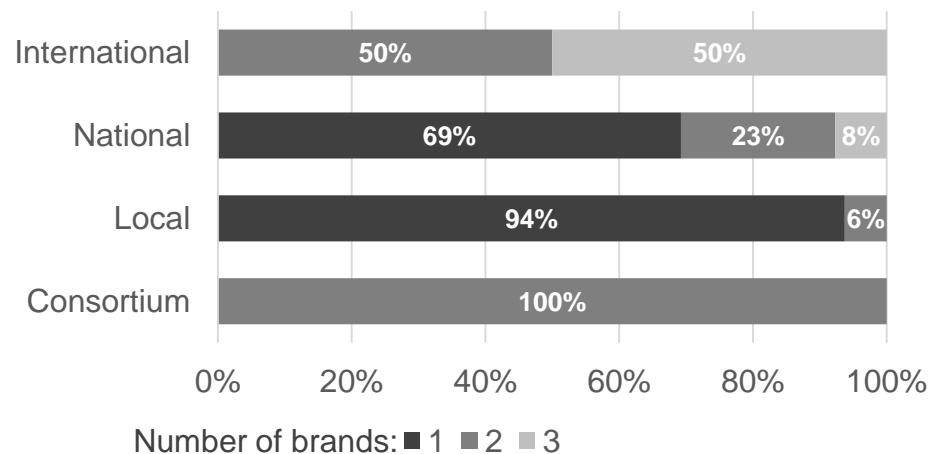
- ✓ In Heraklion, Crete about 65% of the 5-star hotels and 72% of the 5-star hotel rooms are part of a chain.
- ✓ The local brands have the largest market share with 43%, followed by the national chains with a share of 35% and the international chains with 11%.
- ✓ All international chains active in Heraklion are multiple branded, while all hotels part of a marketing consortium carry 2 brands.
- ✓ The local chains are predominately single branded.
- ✓ The national brands are single branded for 69%, while 23% carry 2 brands and 8% three brands.



Brand types



Multiple branding



5-star hotel chain landscape

Top prefectures: Attica

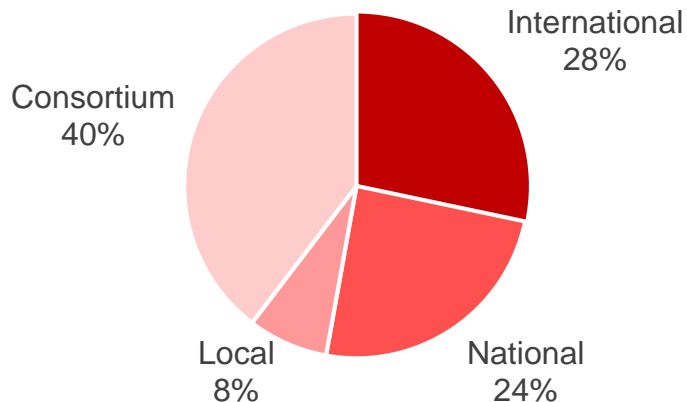
Penetration



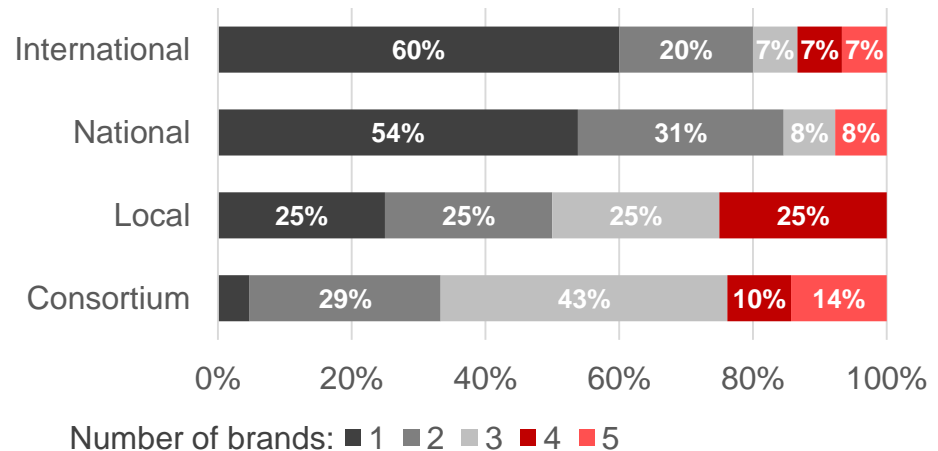
- ✓ The 5-star hotel chain landscape in Attica shows a very high penetration. About 86% of the hotels and 90% of the hotel rooms are part of a chain.
- ✓ The marketing consortia have the largest market share with 40%, followed by the international chains with a share of 28% and the national chains with 24%.
- ✓ The international chains with a presence in Attica are for 60% single branded and thus 40% carry multiple brands. Among the national brands this percentage of 54% and 46% respectively.
- ✓ About 75% of the local brands are multiple branded, while among the hotels part of a marketing consortium 95% is multiple branded.



Brand types



Multiple branding



5-star hotel chain landscape

Top prefectures: Lassithi

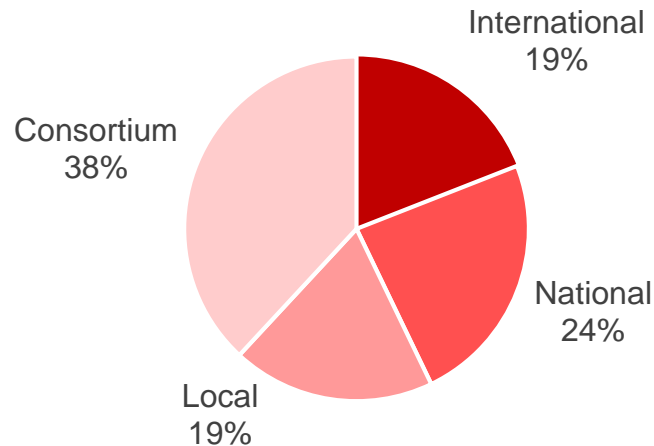
Penetration



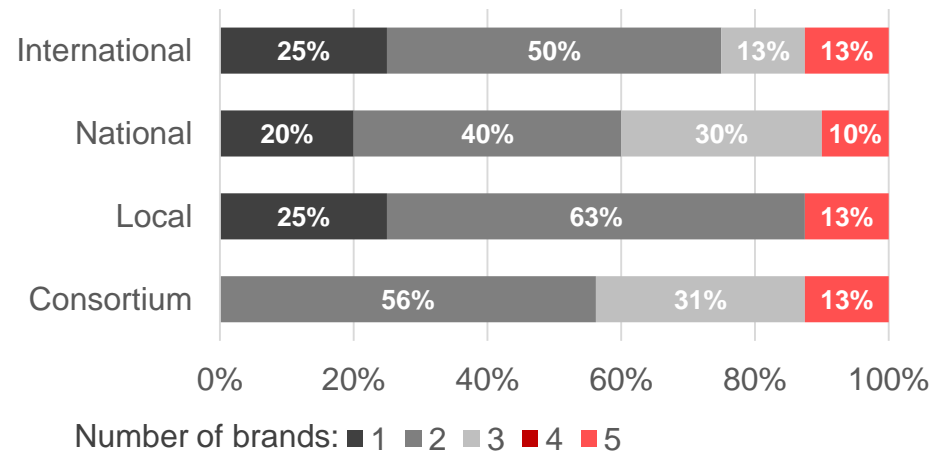
- ✓ In Lassithi about 81% of the 5-star hotels and 84% of the 5-star hotel rooms are part of a chain.
- ✓ The marketing consortia have the largest share with 38%, followed by the national chains with a share of 24% and the international chains and marketing consortia with each 19%.
- ✓ About a quarter of the international and local chains with a presence in Lassithi are single branded, while this percentage for the national brands is 20%.
- ✓ Taking marketing consortia as a basis, all hotels are multiple branded, with the majority carrying 2 brands.



Brand types



Multiple branding



5-star hotel chain landscape

Top prefectures: Corfu

Penetration

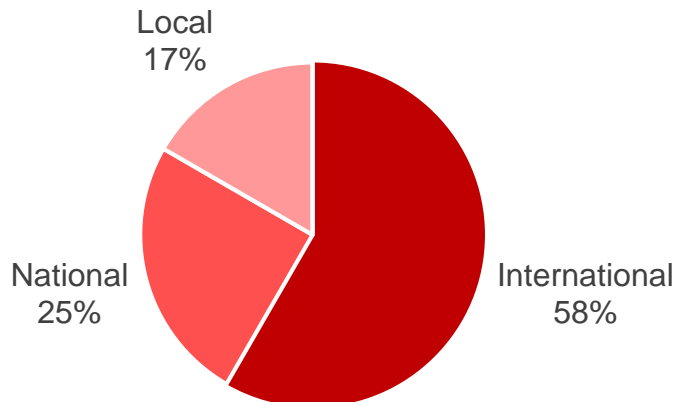
Hotels:
50%

Hotel rooms:
64%

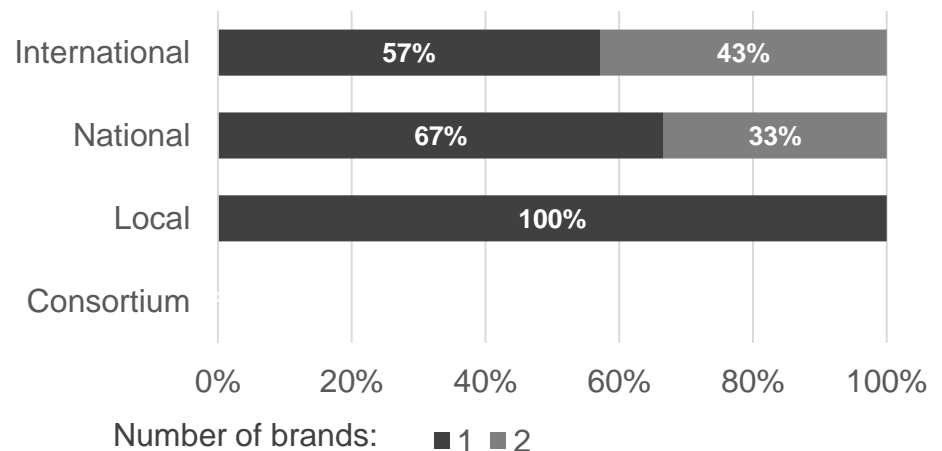
- ✓ In Corfu half of the 5-star hotels and 64% of the 5-star hotel rooms are part of a chain
- ✓ The majority of these are part of an international chain, while a quarter is part of a national chain. The local chains have a share of 17%, while the 5-star hotels in Corfu do not have memberships of marketing consortia.
- ✓ All identified local chains are single branded.
- ✓ The international chains are for 57% single branded and thus 43% is multiple branded.
- ✓ About 67% of the hotels part of a national chain are single branded.



Brand types



Multiple branding



5-star hotel chain landscape

Top prefectures: Cyclades

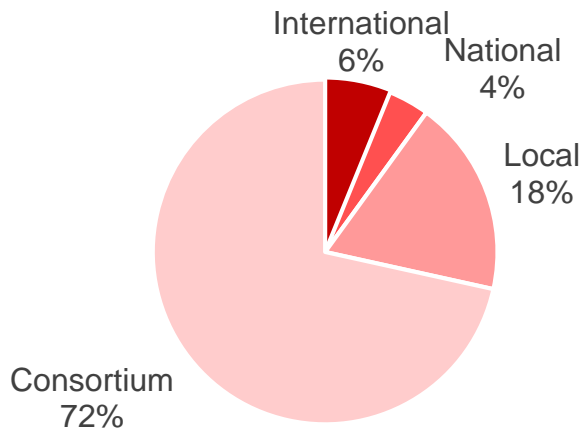
Penetration



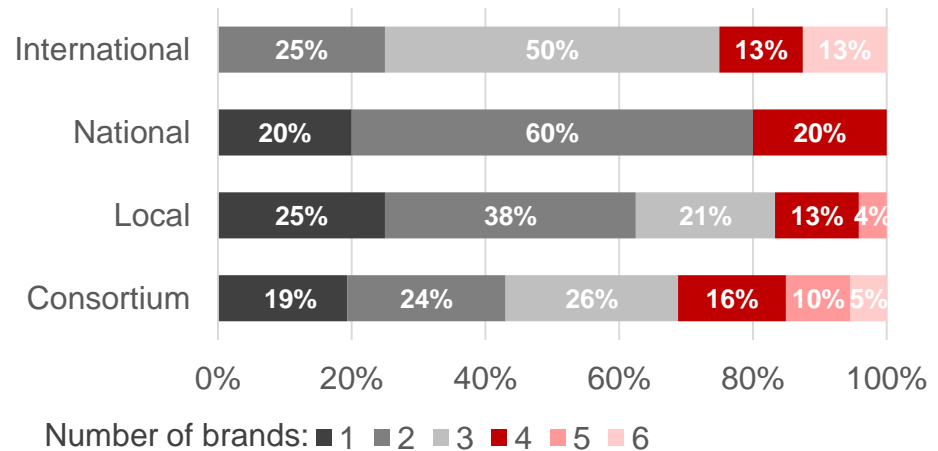
- ✓ In the Cyclades 65% of the hotels and 71% of the hotel rooms are part of a chain.
- ✓ The vast majority, about 72%, of these 5-star hotels are affiliated to a sales and marketing organisation.
- ✓ International chains have a share of just 6% and national chains a share of 4%.
- ✓ The vast majority of the 5-star hotel units in the Cyclades are multiple branded, mainly due to memberships of marketing consortia.



Brand types



Multiple branding





Revenue
Performance
&
Investment levels

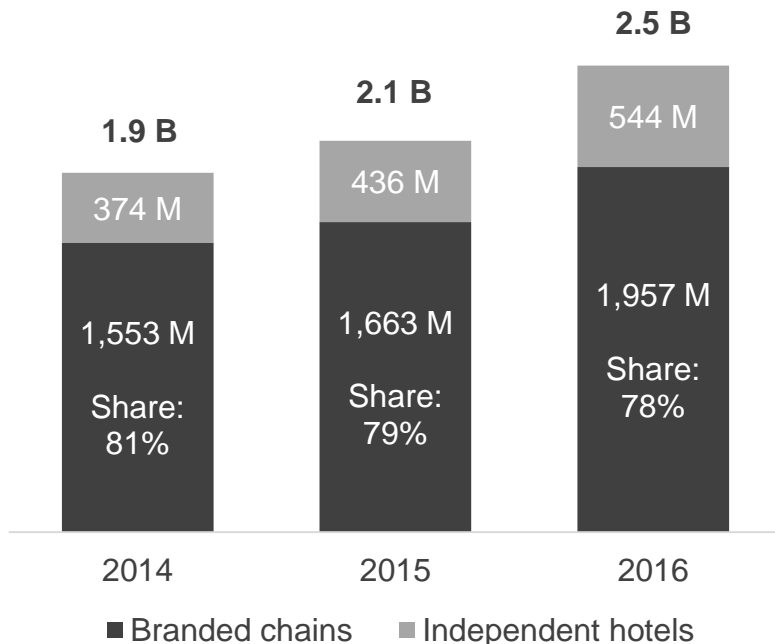
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5-star sector

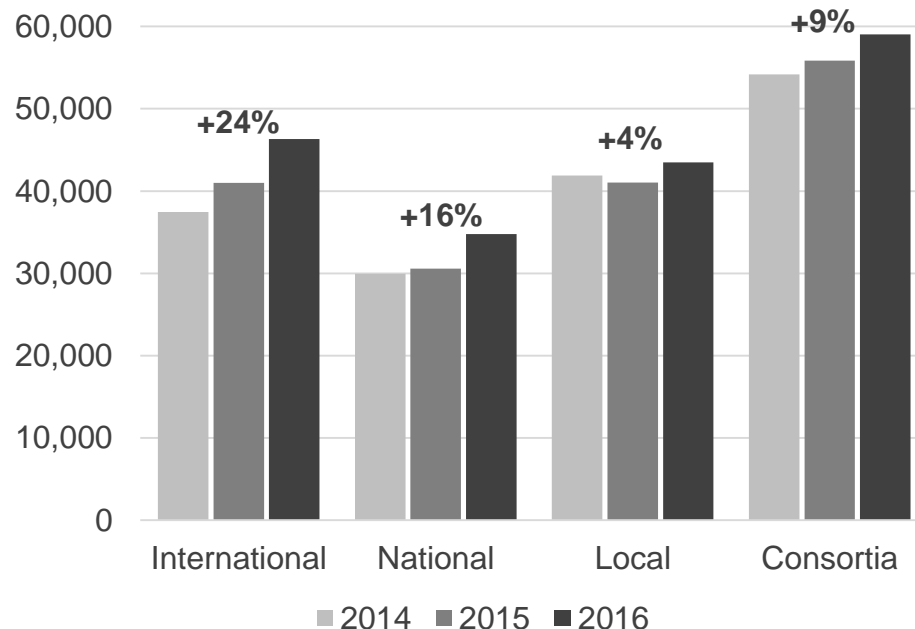
Market size and Total Annual Revenue per Available Room

- ✓ It is estimated that the 5-star market size has grown from € 1.9 B to € 2.5 B due to expansion of the sector and rising revenues.
- ✓ The international chains showed the highest growth of their Total revenue per Available Room (TRevPAR) in the period 2014 – 2016 with 24%, followed by the national brands with 16%, the marketing consortia with 9% and the local hotel chains with 4%.
- ✓ Most of the turnover is generated by the branded chains and about a fifth is generated by independent hotels. However, the share of the revenue of the hotel chains dropped from 81% in 2014 to 78% in 2016.

5-star market size by type (€)



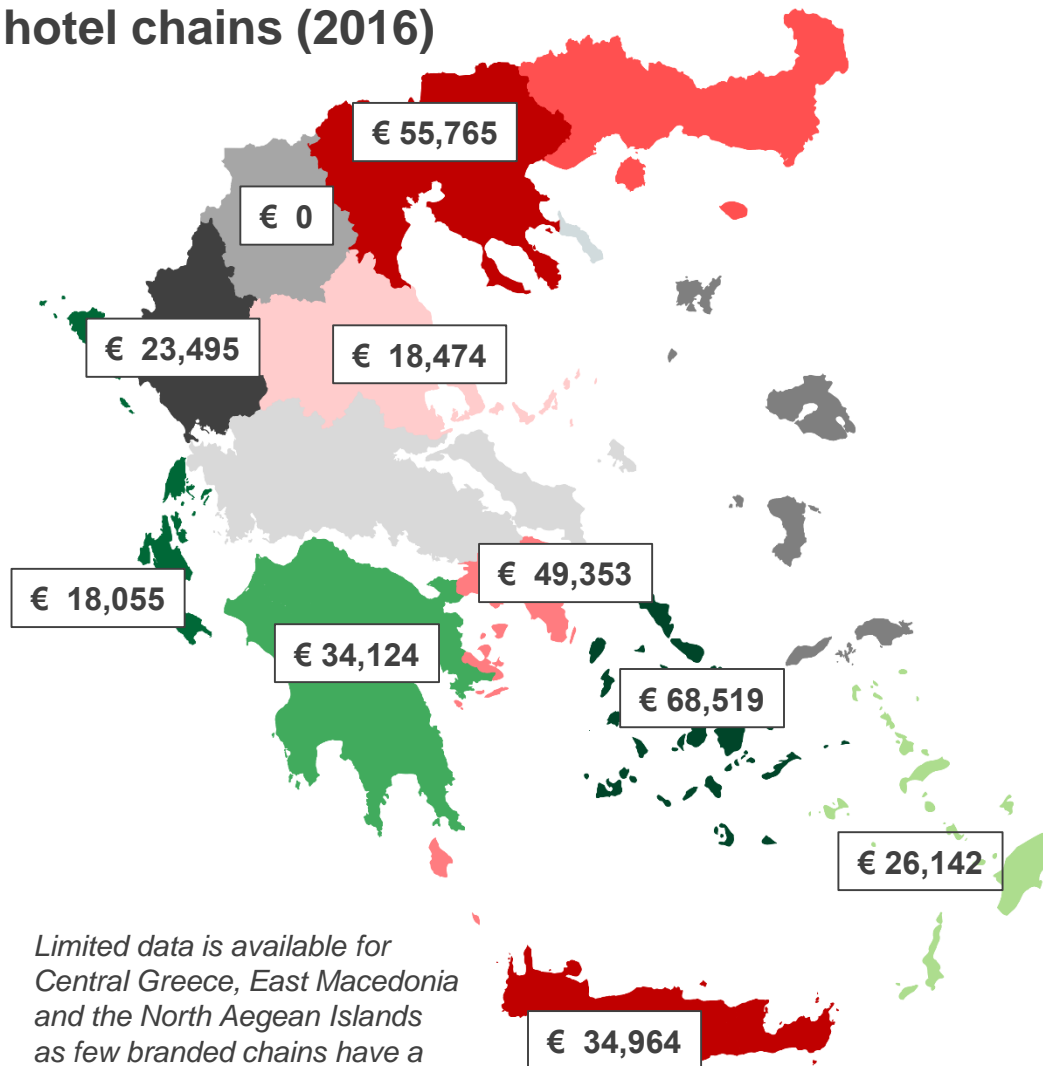
Total Revenue per Available Room (TRevPAR)



5-star sector

Revenue performance hotel chains

Total Revenue per Available Room of hotel chains (2016)

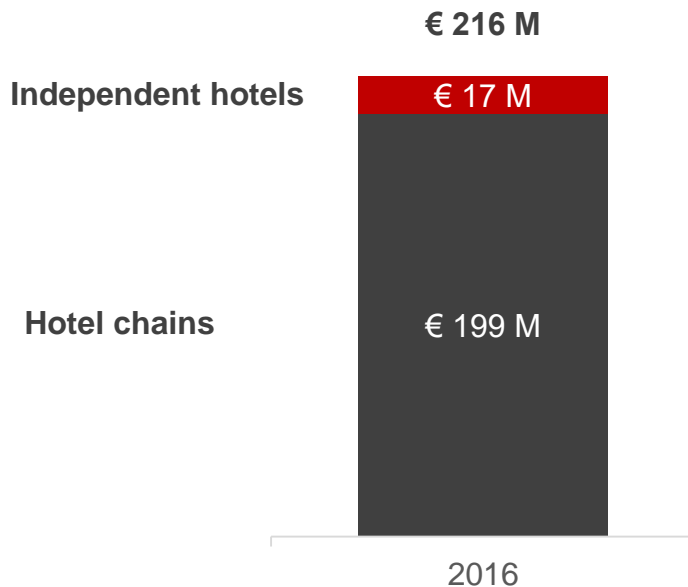


Limited data is available for Central Greece, East Macedonia and the North Aegean Islands as few branded chains have a presence.

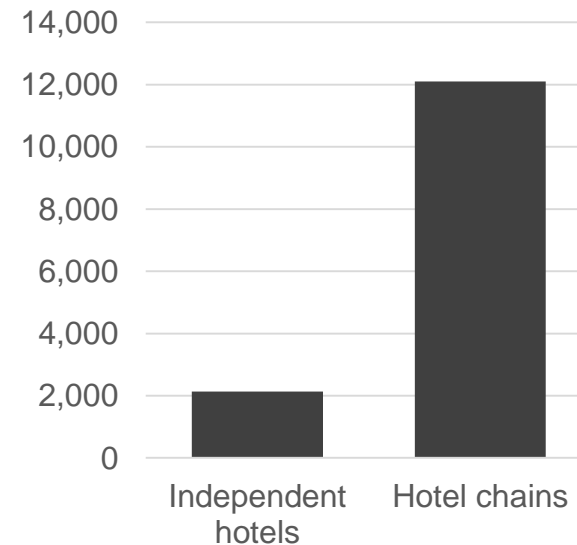
- ✓ The average TRRevPAR of all 5-star properties, hotel chains and independent hotels, was € 37,151 in 2016. The hotel chains achieved a TRRevPAR of € 41,564 and the independent hotels € 26,757.
- ✓ Based on 2016 data, the highest Total Revenue per Available Room by 5-star hotels part of a chain is recorded in the Cyclades with € 68,519, followed by Central Macedonia with € 55,765 and Attica with € 49,353.
- ✓ The TRRevPAR overall for these regions, including hotel chains and independent chains is € 57,201 for the Cyclades, meaning that the hotel chains achieve a much higher TRRevPAR than the independent hotels.
- ✓ For Central Macedonia a similar conclusion can be drawn with an overall TRRevPAR of € 46,858, while for Attica the overall revenue is € 48,764.

- ✓ Based on a sample of 124 companies covering 24,639 rooms, the level of capital expenditure in 2016 was € 216 M.
- ✓ Nearly 92% of this amount is accounted to the hotel chains and 8% to the independent hotels. In terms of CAPEX per room the hotel chains have invested a significantly larger amount.

Capital Expenditure *



CAPEX per room (2016) **



* Based on 124 companies covering 24,639 rooms, 2016 data.

** Based on 88 companies covering 16,422 rooms, 2016 data.

Appendix

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consulting

- ✓ The market size and the revenue performance presented in this report is based on published company data in the form of balance sheets and financial reports.
- ✓ For the 5-star sector we identified 487 companies and determined per company which hotels are covered. In case the company has other activities, the data will not be taken into account. Furthermore, we also excluded balance sheets and financial reports that covered hotels of lower categories. Finally, we excluded companies for which no data was available. As a result the following number of financial reports / balance sheets were identified:

Year	Number of financial reports	Number of 5-star hotels covered
2017	56	68
2016	160	187
2015	202	238
2014	206	244

- ✓ As the available information for 2017 is inadequate, we have not included 2017 in our analysis.

Some of the international brands presented in the report cover the following sub brands:

- ✓ Tui: Atlantica Hotels, Club Lookea, Club Magic Life, Club Marmara, Lakitira Hotels, Robinson, Sensatori, Sensimar, SuneoClub, Tui Family Life
- ✓ Thomas Cook: Casa Cook, Cook's Club, Sentido, Smartline, Sunprime, Sunwing
- ✓ Marriott International: Autograph Collection Hotels, Design Hotels, Marriott Hotels & Resorts, Sheraton, The Luxury Collection, Westin
- ✓ Louis Group: Louis Hotels
- ✓ Der Touristik: Club Calimera, COOEE, Lti Hotels, Prima Sol
- ✓ Sani / Ikos Group: Sani Resort, Ikos Resorts
- ✓ Wyndham Hotel Group: Dolce Hotels & Resorts, Ramada, Wyndham Grand, Wyndham Hotels & Resorts