Hospitality Market at a Glance | 2019

Main Tourism Indicators

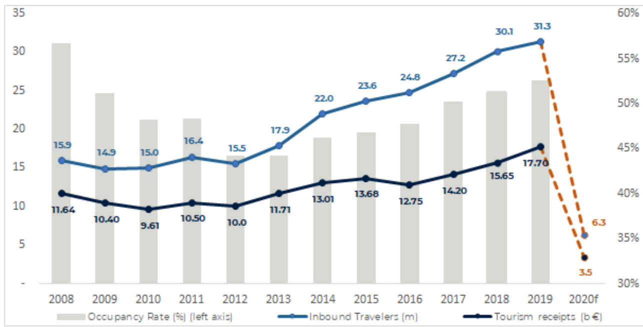
2019: A new record in terms of tourism arrivals and receipts is recorded. The impressive performance of the tourism sector continued for 7th consecutive year with 31,3m (↑4% YoY) inbound travelers and €17,7b (↑13% YoY) travel receipts (without cruise figures).

2020: The upward trend of Greek tourism was expected to continue in 2020 but the spread of covid-19 adversely affected the growth of the sector.

Greece has timely taken all the necessary measures (lock down from 23/03) and effectively controlled its spread. These actions allowed Greece to reopen its borders to international visitors after 3-4 months of prohibition. City hotels and restaurants opened on June 1st, with international travelling being reenacted together with resort opening on 15/6. International flights to the Greek islands resumed on July 1st.

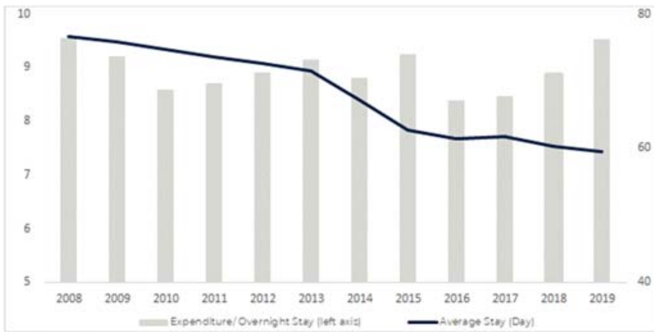
Under the threat of covid-19 and protocols that visitors and hoteliers must observe during their travel and stay to a hotel, the demand for traveling overall is negligible globally. Inbound travelers and travel receipts are forecasted maximum at 15-20% of 2019 figures. While the corresponding figures for 2021, even in the most optimistic scenarios, will not exceed the 70% of 2019 figures. Taking into accounts the great prospects of Greek hospitality and the growing demand for traveling abroad globally, we are expecting the market to return to a normality from 2023.

Without cruise figures	2015	2016	2017	2018	2019
Inbound Travelers (m)	23,6	24,8	27,2	30,1	31,3
Travel receipts (b €)	13,68	12,75	14,20	15,7	17,7
Overnight Stays (m)	185	190,4	209,9	227	232,5
Average Stay (Days)	7,84	7,68	7,72	7,54	7,42
Expenditure/ Day €	73,93	67	67,7	70,9	76,1
Occupancy Rate (%)	46,8	47,7	50,2	51,2	52,5



Seasonality 2019 – Overnight Stays per quarter

5%	25,1%	58,3%	11,5%
Q1	Q2	Q3	Q4



Purpose of Travel (Share of receipts) – 2019

4,9%	7,7%	87,3
Business	Other	Leisure

Top Five

Inbound Travelers (m)			Travel receipts (b €)			Average Stay (Days)			Expenditure/Day €		
Country	2018	2019	Country	2018	2019	Country	2018	2019	Country	2018	2019
Germany	4,38 ↑18,2%	4,03 ↓8,1%	Germany	2,96 ↑16%	2,95 ↓0,1%	Australia	13,3 ↑4,2%	13,5 ↓1,5%	USA	89,1 ↑4,6%	95,4 ↑7,05%
UK	2,94 ↓2%	3,5 ↑18,9%	UK	1,94 ↓6,2%	2,56 ↑32,4%	Canada	14 ↑13,2%	12,6 ↓10,1%	Switzerland	85,1 ↓1,3%	95,3 ↑12,07%
Italy	1,67 ↑15,7%	1,55 ↓6,8%	USA	1,04 ↑27,8%	1,19 ↑14,3%	USA	10,6 ↓3,7%	10,6 ↓0,6%	Austria	79,9 ↑9,13%	89,9 ↑12,5%
France	1,52 ↑7,3%	1,54 ↑1,2%	France	0,95 ↓4%	1,09 ↑14,2%	Russia	9,9 ↓9,9%	10,4 ↑5,2%	Belgium	75,2 ↑3,6%	88,3 ↑17,3%
Romania	1,39 ↑20,9%	1,38 ↓0,8%	Italy	0,94 ↑24,6%	1,01 ↑7,4%	Germany	9,7 ↓4,3%	9,3 ↓4,7%	Canada	75,1 ↑3,16%	84,7 ↑12,7%

Germany and UK remain the leader countries, accounting to c. 20% of the total inbound travelers and 30% of travel receipts. The average spending per day increased for 3rd consecutive year, with USA and Switzerland traditionally be among the top performers. On the other hand, average stay slightly drops with distant countries recording higher than average staying period.

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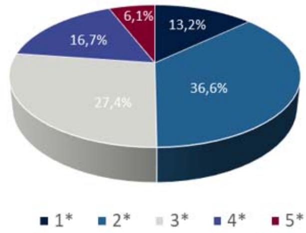
Hotel Supply

Despite that international arrivals more than doubled since 2010, the hotel capacity remained essentially unchanged, recording 2,5% increase in hotel units and 12,2% in hotel beds overall.

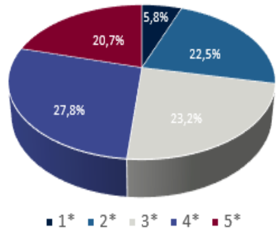
The hotel stock is old or in need of considerable refurbishment regardless.

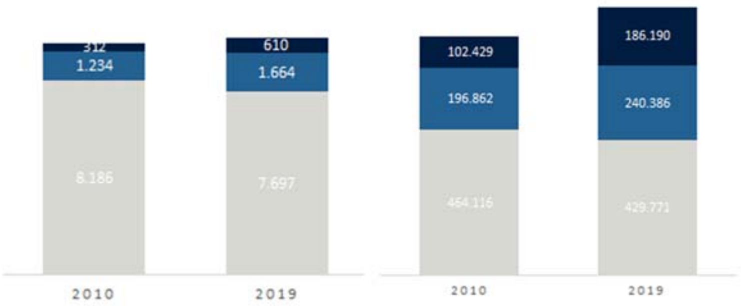
5-star hotels recorded an increase of 81,8% in hotel beds but still correspond only to 21,7% of the total country's capacity. To upscale the product offering, the country needs more 4- and 5-star hotels.

	Units
1 star	1.317
2 star	3.651
3 star	2.729
4 star	1.664
5 star	610
Total	**9.971**



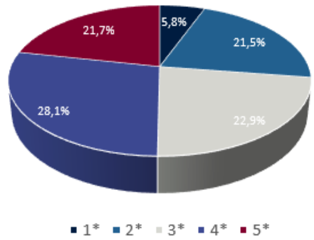
	Rooms	Av. Size
1 star	25.151	19,1
2 star	95.510	26,7
3 star	100.634	36,9
4 star	120.542	72,4
5 star	89.852	147,3
Total	**433.689**	**43,5**





Units	% difference	Beds
-6%	**1,2 & 3 star**	-7,4%
34,9%	**4 star**	22,1%
95,5%	**5 star**	81,8%
2,5%	**All Categories**	**12,2%**

	Beds	Av. Size
1 star	49.384	37,5
2 star	184.366	50,5
3 star	196.021	71,8
4 star	240.386	144,5
5 star	186.190	305,2
Total	**856.347**	**85,9**



Travel & Tourism Competitiveness Index

	Overall			*Environment*			*T & T Policy & Conditions*			*Infrastructure*			*Natural & Cultural Resources*		
	2019	***2017***	***2015***	2019	2017	2015	2019	2017	2015	2019	2017	2015	2019	2017	2015
Rank (out of 136)	***25***	***24***	***31***	58	46	48	26	12	33	26	29	24	25	25	35
Score (out of 7)	***4,5***	***4,5***	***4,36***	5,2	5,2	5,1	4,8	4,7	4,4	4,8	4,6	4,8	3,4	3,6	3,2

Inventio Market Peek – Covid-19 Impact

In HI 2020, the investment activity continued normally (conclusion of a few important deals) despite the spread of covid-19, confirming the great prospects of Greek Hospitality sector.

Even though, it is still too soon to predict the real impact of COVID-19 in the Hospitality sector as may reappear latter in the year (or next year) for an unknown period or some of the special protocols that applied currently in the hotel operation may stay permanently. Also, the sharp decline in travel activity in 2020 shall impact to significantly and structurally change the market with many Tour Operators and Airlines facing major financial issues. As a result, we expect most investment plans both from local and foreign investors will be put on hold for the next 12 months.

Many Greek Hoteliers will face significant sustainability issues while the support from the government is still limited as is new bank financing. Both are considered essential for the resilience of the sector. But the danger of creating a new NPL hospitality related generation looms ahead.

We note that there is a substantial pipeline, mainly of greenfield developments of integrated hotel resorts all around Greece, expected to mature and be put on the market during the next 5-7 years. The total investment ticket is estimated at circa €5b.

Indicative Deals 2019 - 2020

Year	Location	Asset	Category	Keys	Price	Price / Key	Investor	Comments
2019	Athens	Hilton Athens	5*	506			Temes – Olayan Group	Dogus share in Ionian Hotel Enterprises, owner of Hilton Athens, Temes holds 51% stake while the remaining 49% will remain at the Olayan Group (Temes affiliate)
2019	Corfu, Zante, Crete	Corcyra Beach Grand Hotel Zante Beach Plagos Beach Creta Princess Aquapark & Spa	3*-5*	370 247 266 161 420	€178,6m	€ 122k	Blackstone – HIP	Operated by Louis Group under the management of HIP. An additional €35K per room is estimated for CAPEX.
2019	Athens	Titania Hotel	4*	385	€50m	€ 130k	London & Regional	Situated at Panepistimiou Avenue, near Syntagma square
2019	Tinos	Mr & Mrs White Tinos	4*	60	€ 2,96m	€ 49k	Briq Properies REIC	The hotel is located just 300 meters away from the renowned Agios Ioannis beach
2019	Corfu	Mr & Mrs Corfu	5*	38	€ 3m	€ 79k	Biq Properties REIC	Located at the northern part of Corfu island, near Acharavi town, 600 meters away from the beach.
2019	Corfu	Corfu Senses Resort	3*	84	€4m	€ 48k	SK Resort Enterprises	The new owner will proceed to a full refurbishment.
2020	Mykonos	La Residence	5*	30			Reuben Brothers	The hotel will undergo extensive refurbishment.
2020	Skiathos	Plaza Hotel	3*	79	€3,5m	€ 44k	Biq Properties REIC	The Company intends to renovate the hotel at the end of 2020.
2020	Chalkidiki	Porto Carras Grand Resort	5*	840	€205m	€ 250k	Belterra Investments	Pre-agreement for the acquisition. Porto Carras Grand Resort includes 4 hotels – Villa Galini (11 deluxe apartments and 13 suites), Meliton (a 5* hotel with a capacity of 324 rooms), Sithonia(a 5* hotel with a capacity of 487 rooms), Marina Village & Yacht Club (3 luxurious apartments and 2 maisonettes) – conference centers, a casino, a marina, thalassotherapy and spa centers, an 18-hole golf course and the winery Domaine Porto Carras. The property also includes a private Villa with total surface area of 245sqm.
2020	Crete	Apollonia Beach Resort & Spa Santa Marina Beach Sitia Beach City Resort & Spa	4*-5*	703	€60m	€ 85k	Hines Group	Acquisition of Cyan Group which consists of 3 Hotels, located in Crete island. A further investment of c. €30m for the refurbishment of the hotels was announced.

Regional Indicators

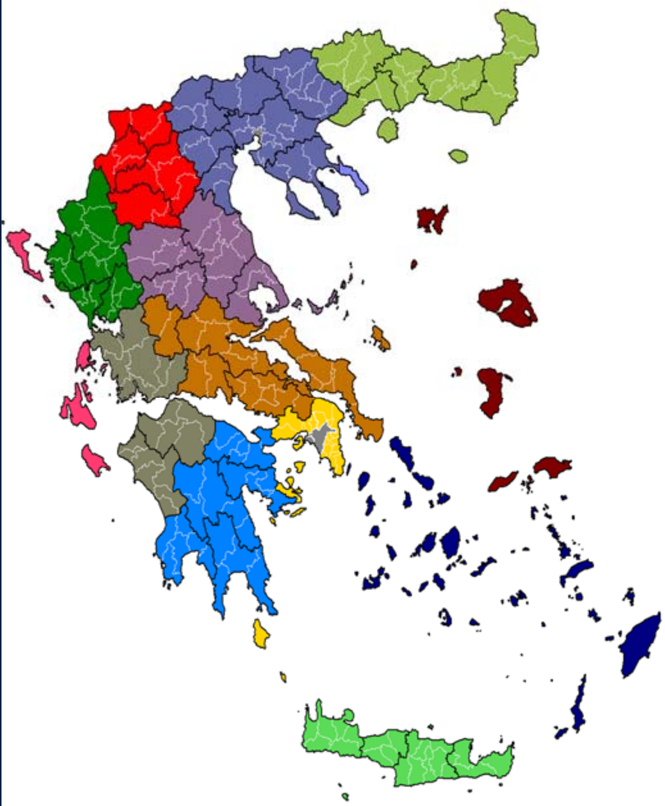
Central Macedonia		
	2018	2019
Foreign Visitors (m)	7,83	6,76
	↑7,82%	↓13,6%
Tourism receipts (b €)	2,28	2,25
	↑22,9%	↓1,13%
Seasonality (%)	65,4%	66,57%
Average Stay (Days)	5,7	6
Expenditure/ Day €	50,9	55,1
Top 3 Markets - Arrivals	BUL, NMAC, SER	
ADR for UC (€)	160	
Capacity: Beds - Share	93.036	10,9%
Av. Size: Rooms - Beds	39,3	79,2
Capacity UC: Beds - Share	40.207	9,4%
Av. Size UC: Rooms - Beds	106,2	217,3

West Macedonia		
	2018	2019
Foreign Visitors (m)	0,35	0,30
	↑57,5%	↓12,8%
Tourism receipts (b €)	0,06	0,08
	↑34,8%	↑24,8%
Seasonality (%)	51,9%	56,1%
Average Stay (Days)	3,8	5
Expenditure/ Day €	46	49,7
Top 3 Markets - Arrivals	ALB, ROM, BUL	
ADR for UC (€)	90	
Capacity: Beds - Share	6.466	0,8%
Av. Size: Rooms - Beds	22,7	51,7
Capacity UC: Beds - Share	944	0,2%
Av. Size UC: Rooms - Beds	22,8	49,7

Ipeiros		
	2018	2019
Foreign Visitors (m)	0,60	0,75
	↑15,4%	↑25,5%
Tourism receipts (b €)	0,22	0,26
	↑2,56%	↑17,8%
Seasonality (%)	54,3%	62,5%
Average Stay (Days)	4,1	3,9
Expenditure/ Day €	66	65,3
Top 3 Markets - Arrivals	ALB, IT, GER	
ADR for UC (€)	120	
Capacity: Beds - Share	18.171	2,1%
Av. Size: Rooms - Beds	20,7	42
Capacity UC: Beds - Share	6.619	1,6%
Av. Size UC: Rooms - Beds	26,9	56,6

Ionian Islands		
	2018	2019
Foreign Visitors (m)	3,16	3,05
	↑6,6%	↓3,6%
Tourism receipts (b €)	1,69	1,91
	↓4,7%	↑13%
Seasonality (%)	68,8%	67,8%
Average Stay (Days)	7,8	7,8
Expenditure/ Day €	68,3	80,5
Top 3 Markets - Arrivals	UK, GER, IT	
ADR for UC (€)	160	
Capacity: Beds - Share	101.405	11,8%
Av. Size: Rooms - Beds	51,6	100,2
Capacity UC: Beds - Share	34.973	9,6%
Av. Size UC: Rooms - Beds	107,5	212

West Greece		
	2018	2019
Foreign Visitors (m)	0,69	0,82
	↑24,1%	↑16,9%
Tourism receipts (b €)	0,21	0,26
	↑33,3%	↑21,5%
Seasonality (%)	54,8%	50%
Average Stay (Days)	3,8	5
Expenditure/ Day €	66,5	56,8
Top 3 Markets - Arrivals	ALB, GER, FR	
ADR for UC (€)	110	
Capacity: Beds - Share	18.851	2,3%
Av. Size: Rooms - Beds	36,4	71,4
Capacity UC: Beds - Share	8.310	1,9%
Av. Size UC: Rooms - Beds	84,7	173,1



Seasonality: Share of Q3 2019 overnight stays
Top 3 Markets: Top countries in terms of inbound travelers per region
GER: Germany
UK: United Kingdom
FR: France
USA: United States of America
CY: Cyprus
IT: Italy
ALB: Albania
BUL: Bulgaria
TURK: Turkey
ROM: Romania
NMAC: Republic of North Macedonia
SER: Serbia
ADR: Average Daily Rate
UC: Upper Category, 4 star & 5 star hotel units
Capacity: Beds: Number of beds in the region
Capacity: Share: Share of region's beds
Av. Size: Rooms: Average number of rooms per hotel unit in the region
Av. Size: Beds: Average number of beds per hotel unit in the region

East Macedonia & Thrace		
	2018	2019
Foreign Visitors (m)	1,93	3,83
	↑43,3%	↑98,6%
Tourism receipts (b €)	0,32	0,44
	↑14,1%	↑36,8%
Seasonality (%)	57,7%	64,7%
Average Stay (Days)	3,4	2,7
Expenditure/ Day €	49,7	43,2
Top 3 Markets - Arrivals	BULTURK, ROM	
ADR for UC (€)	120	
Capacity: Beds - Share	22.364	2,6%
Av. Size: Rooms - Beds	29,2	57,9
Capacity UC: Beds - Share	6.654	1,6%
Av. Size UC: Rooms - Beds	75	154,7

North Aegean		
	2018	2019
Foreign Visitors (m)	0,39	0,36
	↑6,8%	↓7,6%
Tourism receipts (b €)	0,16	0,17
	↓1,6%	↑0,7%
Seasonality (%)	61,6%	62,4%
Average Stay (Days)	8	8,1
Expenditure/ Day €	52,7	57
Top 3 Markets - Arrivals	TURK, UK, USA	
ADR for UC (€)	110	
Capacity: Beds - Share	23.006	2,7%
Av. Size: Rooms - Beds	31	59,4
Capacity UC: Beds - Share	5.424	1,3%
Av. Size UC: Rooms - Beds	64,6	126,1

Thessaly		
	2018	2019
Foreign Visitors (m)	0,68	0,81
	↓2,7%	↑19,5%
Tourism receipts (b €)	0,27	0,36
	↓6,6%	↑31,3%
Seasonality (%)	62,8%	69%
Average Stay (Days)	6,2	6,1
Expenditure/ Day €	64,1	72,6
Top 3 Markets - Arrivals	UK, IT, GER	
ADR for UC (€)	130	
Capacity: Beds - Share	29.193	3,4%
Av. Size: Rooms - Beds	29,4	56,6
Capacity UC: Beds - Share	10.225	2,4%
Av. Size UC: Rooms - Beds	35	70,5

Central Greece		
	2018	2019
Foreign Visitors (m)	0,55	0,68
	↑46,1%	↑23,7%
Tourism receipts (b €)	0,19	0,18
	↑71,3%	↓7,05%
Seasonality (%)	53,8%	52,7%
Average Stay (Days)	5,5	4,4
Expenditure/ Day €	64,6	60,5
Top 3 Markets - Arrivals	USA, FR, GER	
ADR for UC (€)	120	
Capacity: Beds - Share	29.850	3,5%
Av. Size: Rooms - Beds	29,4	56,6
Capacity UC: Beds - Share	7.444	1,7%
Av. Size UC: Rooms - Beds	67,1	135,3

Attica		
	2018	2019
Foreign Visitors (m)	2,28	2,59
	↑9,4%	↑13,7%
Tourism receipts (b €)	2,08	1,73
	↑20,1%	↑3,6%
Seasonality (%)	35,4%	36,4%
Average Stay (Days)	5,5	5,7
Expenditure/ Day €	72,6	76,2
Top 3 Markets - Arrivals	USA, UK, CY	
ADR for UC (€)	160	
Capacity: Beds - Share	62.899	7,3%
Av. Size: Rooms - Beds	49,1	93,2
Capacity UC: Beds - Share	31.878	7,5%
Av. Size UC: Rooms - Beds	100,3	193,2

Peloponnese		
	2018	2019
Foreign Visitors (m)	0,89	0,90
	↑21,9%	↑1,4%
Tourism receipts (b €)	0,42	0,42
	↑35,2%	↑0,34%
Seasonality (%)	56,8%	54,7%
Average Stay (Days)	7,5	7,2
Expenditure/ Day €	62,8	64,5
Top 3 Markets – Arrivals	GER, USA, FR	
ADR for UC (€)	160	
Capacity: Beds – Share	39.384	4,6%
Av. Size: Rooms – Beds	29	57,5
Capacity UC: Beds - Share	15.690	3,7%
Av. Size UC: Rooms - Beds	47,2	96,3

Crete		
	2018	2019
Foreign Visitors (m)	5,23	5,23
	↑8,8%	↑1,1%
Tourism receipts (b €)	3,13	3,6
	↓3,9%	↑14,9%
Seasonality (%)	57,1%	57,3%
Average Stay (Days)	8,4	8,2
Expenditure/ Day €	71,5	83,2
Top 3 Markets - Arrivals	GER, UK, FR	
ADR for UC (€)	160	
Capacity: Beds - Share	187.599	21,9%
Av. Size: Rooms - Beds	59,5	115,9
Capacity UC: Beds - Share	111.250	26,1%
Av. Size UC: Rooms - Beds	120	242,9

South Aegean		
	2018	2019
Foreign Visitors (m)	6,63	6,89
	↑13,5%	↑4%
Tourism receipts (b €)	4,41	5,17
	↑20,8%	↑17,2%
Seasonality (%)	61,4%	62,4%
Average Stay (Days)	7,7	7,7
Expenditure/ Day €	86,4	97,3
Top 3 Markets - Arrivals	GER, UK, USA	
ADR for UC (€)	250	
Capacity: Beds - Share	226.681	26,1%
Av. Size: Rooms - Beds	51,8	103,8
Capacity UC: Beds - Share	137.117	32,1%
Av. Size UC: Rooms - Beds	108,9	223,3

Sources: Elstat, Eurostat, Bank of Greece, The Foundation for Economic & Industrial Research, World Economic Forum, Hellenic Chamber of Hotels, SETE, INSETE.

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