



INDEPENDENT HOTEL SHOW

M U N I C H

20-21 Nov 2024
MOC Munich

Independent Insights

Trends and projections for Germany's
independent & boutique hotel segments

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A note on the data in this report:

Please note that the data used in this report is submitted directly from participating hotels. Comparisons between branded and independent hotels include all hotel classes from economy to luxury to provide a broader representation of the market. Roughly 47% of Germany’s independents properties are classified as economy hotels, whereas a majority of Germany’s branded hotels (54%) fall into the upper midscale and upscale segments.

Introduction

Welcome to the first Munich rendition of the Independent Hotel Show.

Like peer events in London, Amsterdam and Miami, this show presents as a premier thought leadership platform for independent and boutique hoteliers. It offers a unique opportunity to address challenges unique to the DACH region and explore new avenues for innovation and growth. STR’s partnership with the Show enhances these discussions, and this complimentary report for attendees offers a glimpse into the role of benchmarking in optimising strategies and achieving operational excellence.

Given recent trends in market performance, opportunities to grow profit have become less apparent. Unlike previous years, the balance of short-term performance growth reflects moderating increases in room rates amid rising price sensitivity among travelers. Therefore, hotel owners and operators must explore every possible revenue stream for their properties while also carefully managing expenses.

Excitingly, the recent announcement of an expanded industry solution from CoStar Group and STR is unlocking a new level of opportunity across the commercial real estate market. This new standard of success, CoStar + Benchmark, equips you with the tools to measure and improve your performance as well as expand your portfolio.

STR works with nearly 2,300 hotels in Germany, more than 3,000 hotels in the DACH region, and 85,000 hotels around the world—more than any other data provider. Every owner, operator or brand partnering with us is positioned to gain a competitive advantage.

Our German-speaking team is available at your convenience to provide more information and demonstrate how you can benefit from the industry’s most comprehensive market share product.

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Independents vs. Brands: DACH Region & Germany

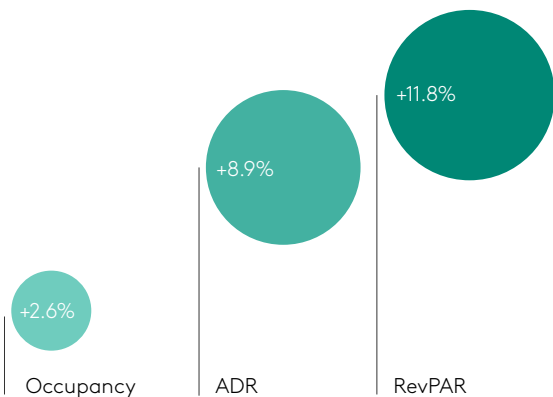
DACH REGION

The region has reported 5.0% or higher performance growth in all but two months this year (March and May). Gains earlier in the year leaned further toward occupancy with easier comparable levels to surpass from 2023, whereas growth during the summer months was highlighted by advancement in room rates (June: +10.4%, July: +6.9%, August: +7.9%). Independents have outgrown branded properties across the three key top-line metrics, especially in average daily rate (ADR) with levels in the region at all-time highs.

September 2024 YTD vs. September 2023 YTD

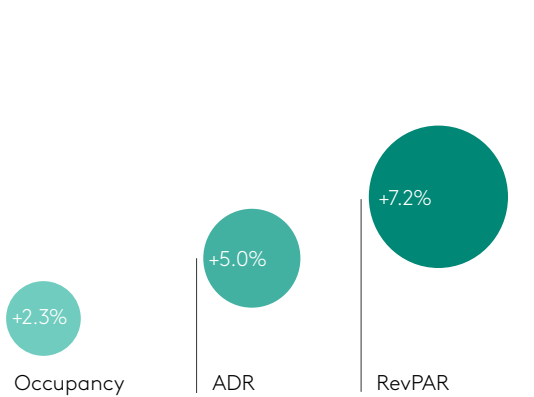
INDEPENDENTS

Occupancy	Average Daily Rate	Revenue Per Available Room
65.2%	€205.66	€134.16



BRANDS

Occupancy	Average Daily Rate	Revenue Per Available Room
66.8%	€125.10	€83.61



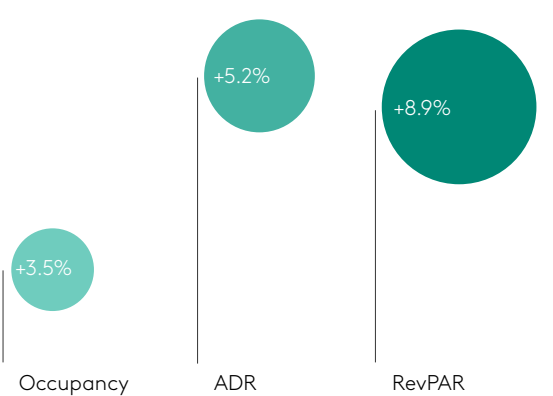
GERMANY

When narrowing the focus to Germany, growth patterns look similar with the most noteworthy gains coming during the summer months and the UEFA Euro Championship. Growth then moderated at the end of the third quarter. Percentage increases have come in at similar levels for independent and branded properties.

September 2024 YTD vs. September 2023 YTD

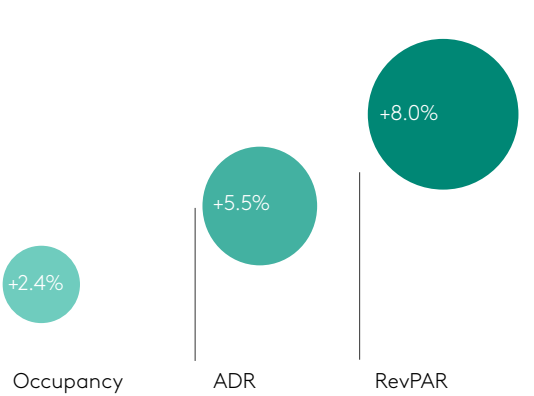
INDEPENDENTS

Occupancy	Average Daily Rate	Revenue Per Available Room
65.7%	€147.07	€96.56



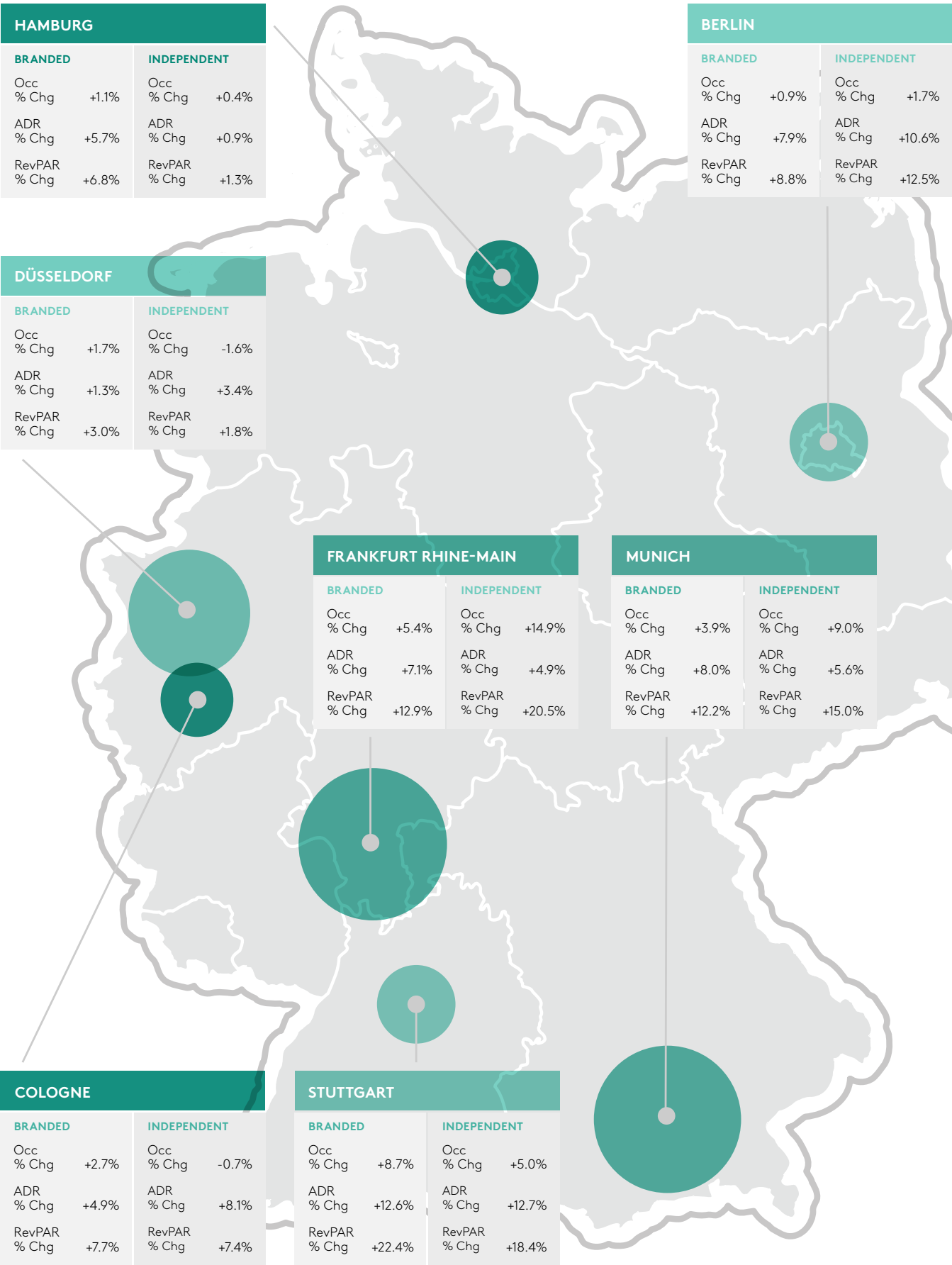
BRANDS

Occupancy	Average Daily Rate	Revenue Per Available Room
66.6%	€116.31	€77.41



Year-to-date performance by Germany markets

September 2024 YTD vs. September 2023 YTD



Year-to-date performance by select Germany submarkets

September 2024 YTD vs. September 2023 YTD

MÜNSTER			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+6.9%		-0.9%
ADR	% Chg	ADR	% Chg
	+3.0%		+2.7%
RevPAR	% Chg	RevPAR	% Chg
	+10.1%		+1.8%

DORTMUND			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+9.0%		+18.3%
ADR	% Chg	ADR	% Chg
	+14.4%		+13.3%
RevPAR	% Chg	RevPAR	% Chg
	+24.8%		+34.1%

BONN AREA			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+3.3%		-7.2%
ADR	% Chg	ADR	% Chg
	0.0%		-6.6%
RevPAR	% Chg	RevPAR	% Chg
	+3.3%		-13.4%

HANOVER AREA			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+0.3%		-2.9%
ADR	% Chg	ADR	% Chg
	-0.9%		+1.4%
RevPAR	% Chg	RevPAR	% Chg
	-0.6%		-1.5%

LEIPZIG AREA			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+2.6%		+2.2%
ADR	% Chg	ADR	% Chg
	+9.9%		+10.8%
RevPAR	% Chg	RevPAR	% Chg
	+12.7%		+13.2%

DRESDEN			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+0.3%		+3.0%
ADR	% Chg	ADR	% Chg
	+7.3%		-2.7%
RevPAR	% Chg	RevPAR	% Chg
	+7.7%		+0.3%

NUREMBERG			
BRANDED		INDEPENDENT	
Occ	% Chg	Occ	% Chg
	+3.0%		+2.7%
ADR	% Chg	ADR	% Chg
	+9.5%		+7.5%
RevPAR	% Chg	RevPAR	% Chg
	+12.8%		+10.5%

Year-to-end performance by European markets

September 2024 YTD vs. September 2023 YTD

DUBLIN			
BRANDED		INDEPENDENT	
Occ % Chg	-0.8%	Occ % Chg	-0.1%
ADR % Chg	-3.4%	ADR % Chg	-1.9%
RevPAR % Chg	-4.1%	RevPAR % Chg	-2.0%

LONDON			
BRANDED		INDEPENDENT	
Occ % Chg	+1.0%	Occ % Chg	+2.7%
ADR % Chg	+2.0%	ADR % Chg	+1.1%
RevPAR % Chg	+3.1%	RevPAR % Chg	+3.8%

PARIS			
BRANDED		INDEPENDENT	
Occ % Chg	-3.4%	Occ % Chg	-2.1%
ADR % Chg	+7.3%	ADR % Chg	+3.3%
RevPAR % Chg	+3.7%	RevPAR % Chg	+1.1%

ZURICH			
BRANDED		INDEPENDENT	
Occ % Chg	+2.3	Occ % Chg	0.0%
ADR % Chg	+8.4%	ADR % Chg	+10.5%
RevPAR % Chg	+10.9%	RevPAR % Chg	+10.6%

LISBON			
BRANDED		INDEPENDENT	
Occ % Chg	-0.5%	Occ % Chg	+0.3%
ADR % Chg	+6.0%	ADR % Chg	+12.2%
RevPAR % Chg	+5.5%	RevPAR % Chg	+12.6%

MADRID			
BRANDED		INDEPENDENT	
Occ % Chg	+5.0%	Occ % Chg	+2.9%
ADR % Chg	+15.9%	ADR % Chg	+19.9%
RevPAR % Chg	+21.7%	RevPAR % Chg	+23.4%

AMSTERDAM			
BRANDED		INDEPENDENT	
Occ % Chg	+0.2%	Occ % Chg	+1.0%
ADR % Chg	-1.8%	ADR % Chg	-5.3%
RevPAR % Chg	-1.6%	RevPAR % Chg	-4.4%

PRAGUE			
BRANDED		INDEPENDENT	
Occ % Chg	+7.9%	Occ % Chg	+4.2%
ADR % Chg	+4.7%	ADR % Chg	+4.2%
RevPAR % Chg	+13.0%	RevPAR % Chg	+8.6%

WARSAW			
BRANDED		INDEPENDENT	
Occ % Chg	+1.8%	Occ % Chg	+0.2%
ADR % Chg	+7.2%	ADR % Chg	+7.7%
RevPAR % Chg	+9.2%	RevPAR % Chg	+8.0%

VIENNA			
BRANDED		INDEPENDENT	
Occ % Chg	+0.8%	Occ % Chg	+6.8%
ADR % Chg	+3.2%	ADR % Chg	+14.7%
RevPAR % Chg	+4.1%	RevPAR % Chg	+22.6%

BUDAPEST			
BRANDED		INDEPENDENT	
Occ % Chg	+2.0%	Occ % Chg	+1.8%
ADR % Chg	0.0%	ADR % Chg	-2.1%
RevPAR % Chg	+2.0%	RevPAR % Chg	-0.4%

ISTANBUL			
BRANDED		INDEPENDENT	
Occ % Chg	+6.5%	Occ % Chg	+6.4%
ADR % Chg	-8.5%	ADR % Chg	-9.8%
RevPAR % Chg	-2.5%	RevPAR % Chg	-4.0%

ATHENS			
BRANDED		INDEPENDENT	
Occ % Chg	+3.5%	Occ % Chg	-0.8%
ADR % Chg	+20.5%	ADR % Chg	+8.1%
RevPAR % Chg	+24.7%	RevPAR % Chg	+7.2%

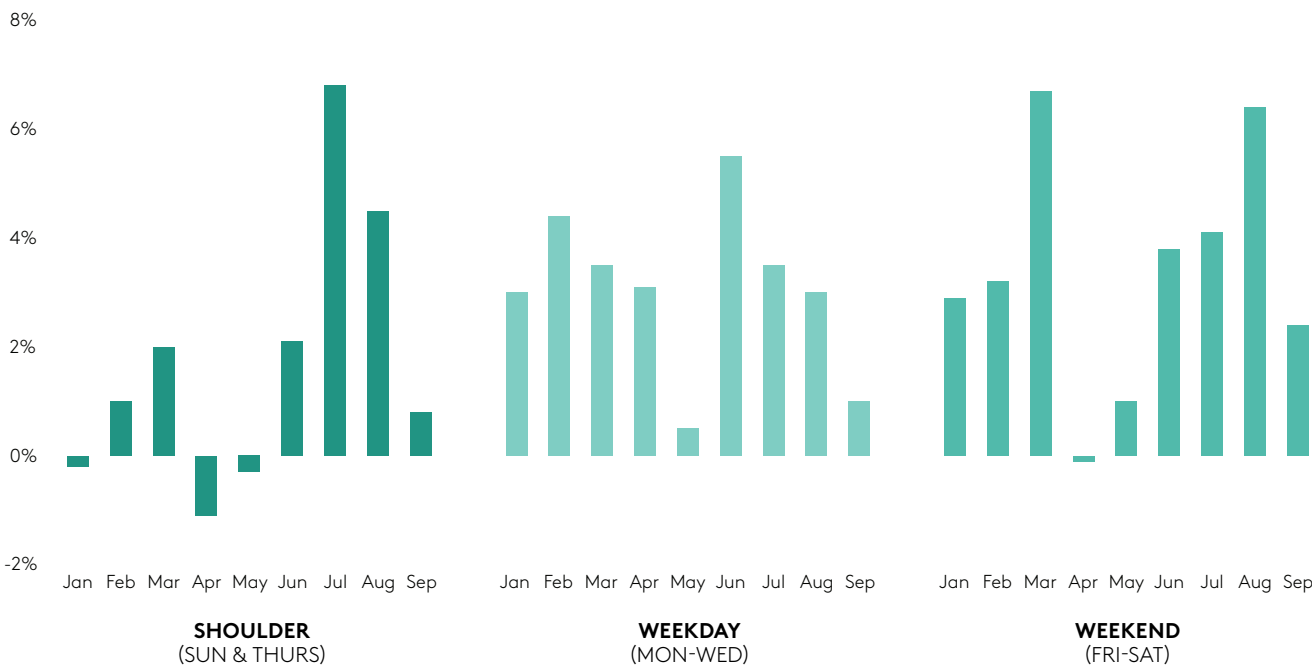
Day-of-Week Occupancy Patterns

INDEPENDENTS VS. BRANDS

Patterns in day types have been similar between independent and branded properties in Germany this year. Year-over-year growth has been more pronounced for independent hotels, especially on weekends and shoulder days.

Germany Independents

Monthly occupancy by day type, YoY % change, January-September 2024

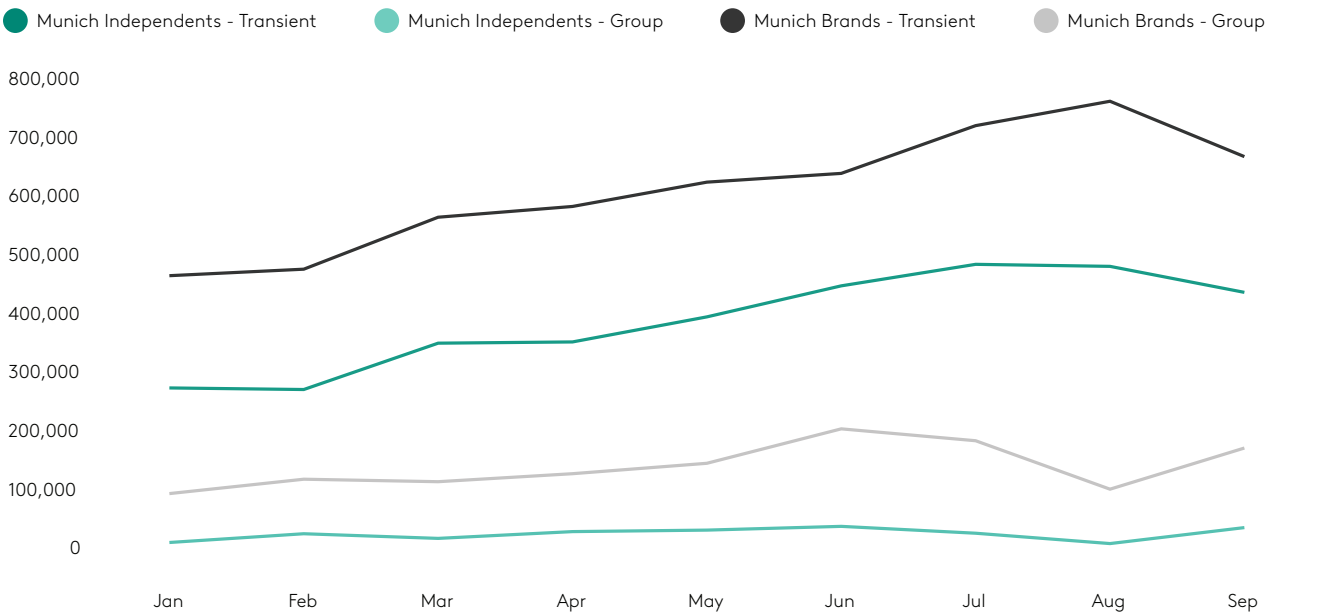


Groups vs. Transient

Measuring demand sources through segmentation data, we have seen similar movement in both the transient (bookings of less than 10 rooms) and group (bookings of 10 or more rooms) segments. Of note in Munich, branded properties saw a spike in transient demand in August while independents remained more level.

Munich

Transient vs. Group, demand



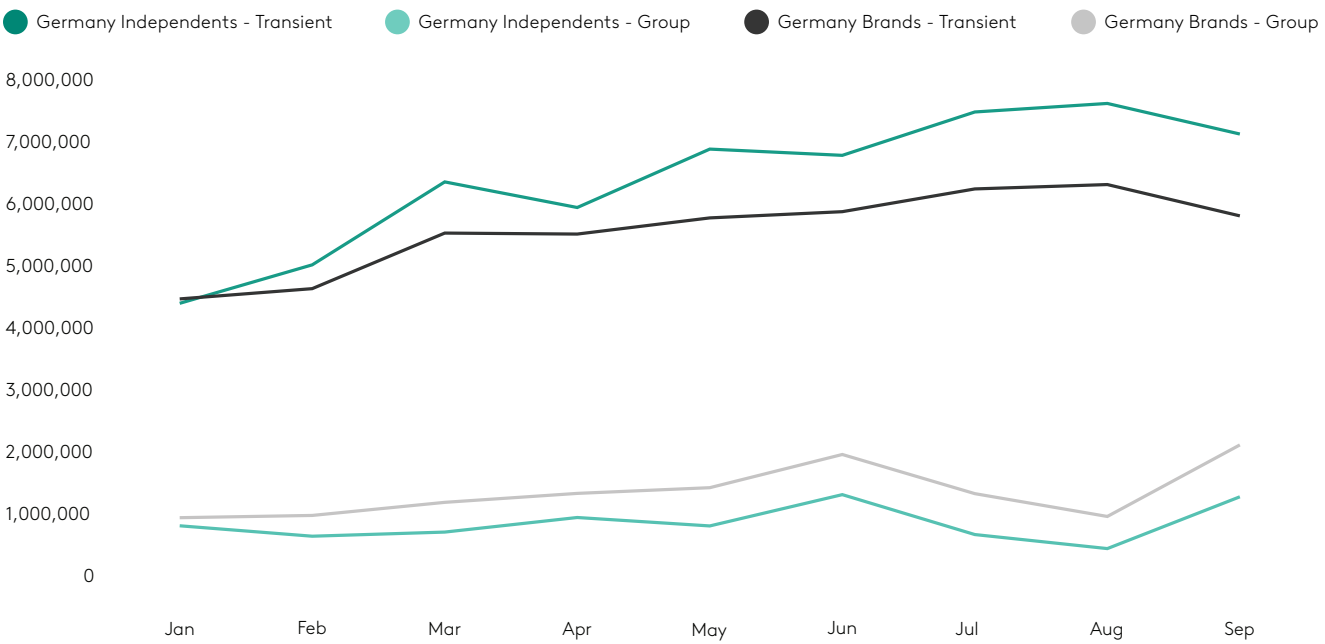
Germany Brands

Monthly occupancy by day type, YoY % change, January-September 2024



Germany

Transient vs. Group, demand



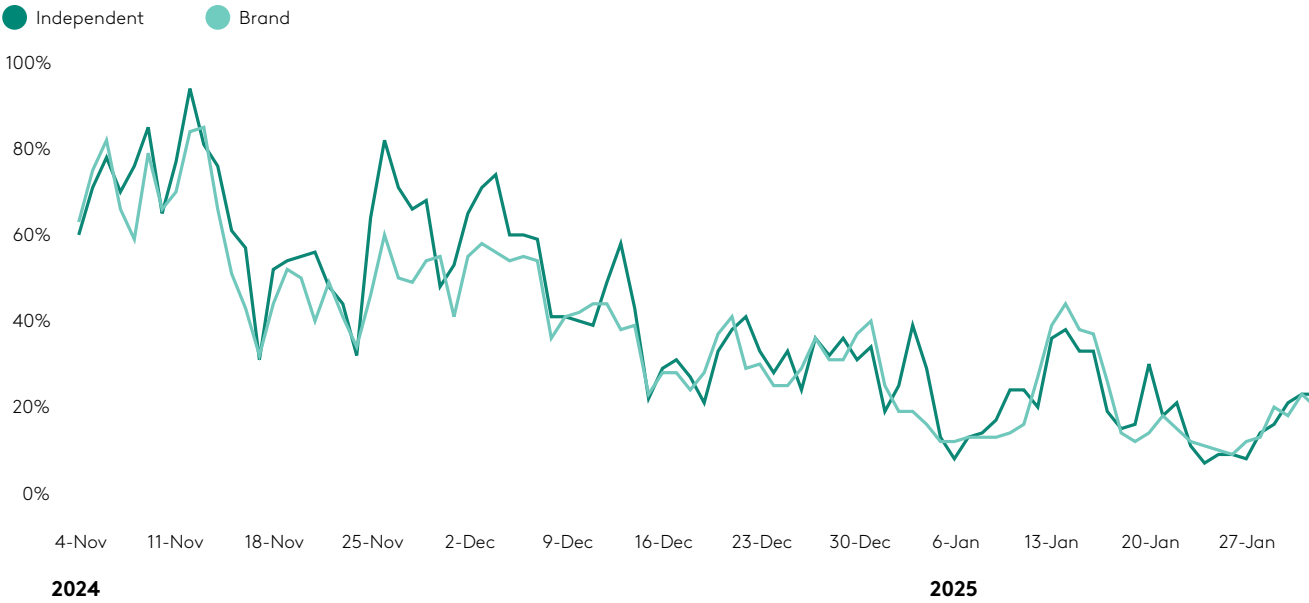
Forward-Looking Data

Consistent with the prior year, occupancy on the books and pickup (the difference in booking levels from one reporting period to the next) show similar trend lines in Munich and at a national level. Levels are a bit further ahead for branded properties in the short-term, while independents show higher spikes further out on the calendar. The consistency with this year’s bookings pace versus last year further supports the normalised growth patterns being seen around the industry and the need for exploring all avenues for growth.

Munich Occupancy on the Books

INDEPENDENT VS. BRANDED

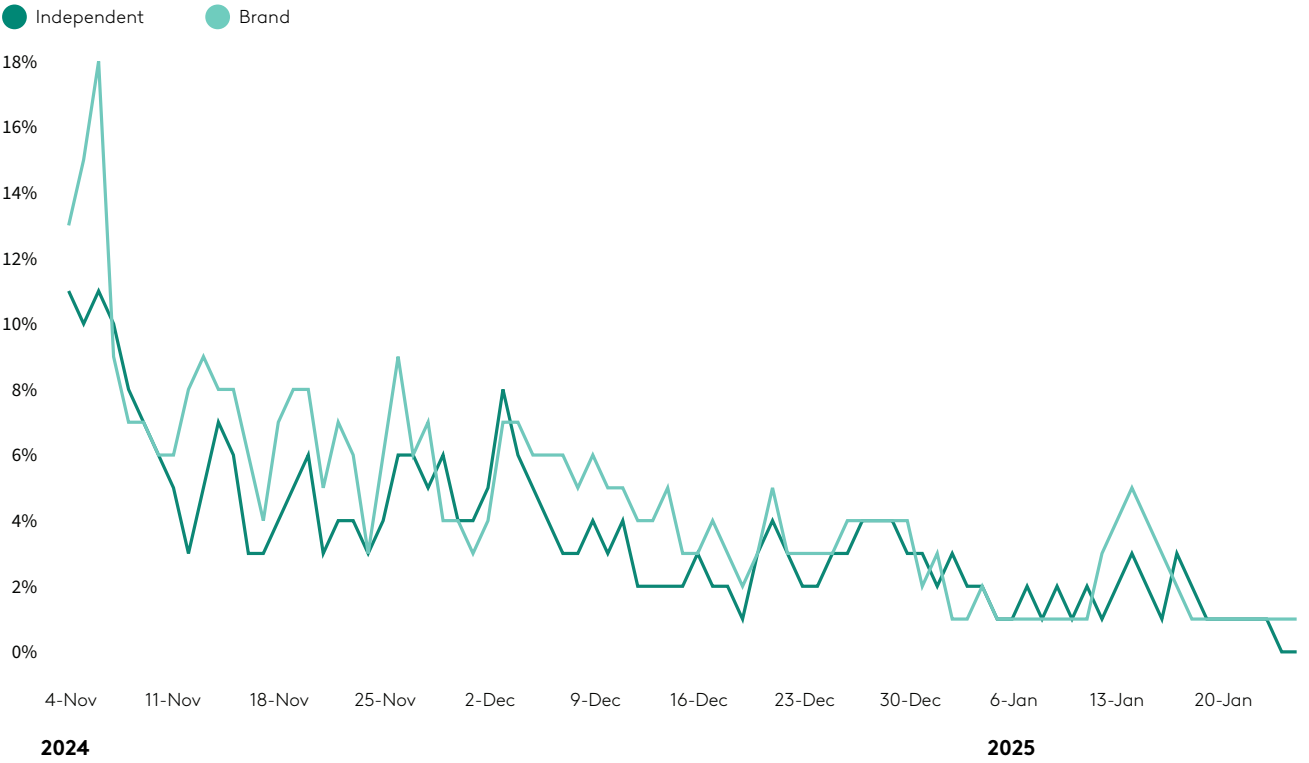
Next 90 days, as of 4 November 2024



Munich Pickup

INDEPENDENT VS. BRANDED

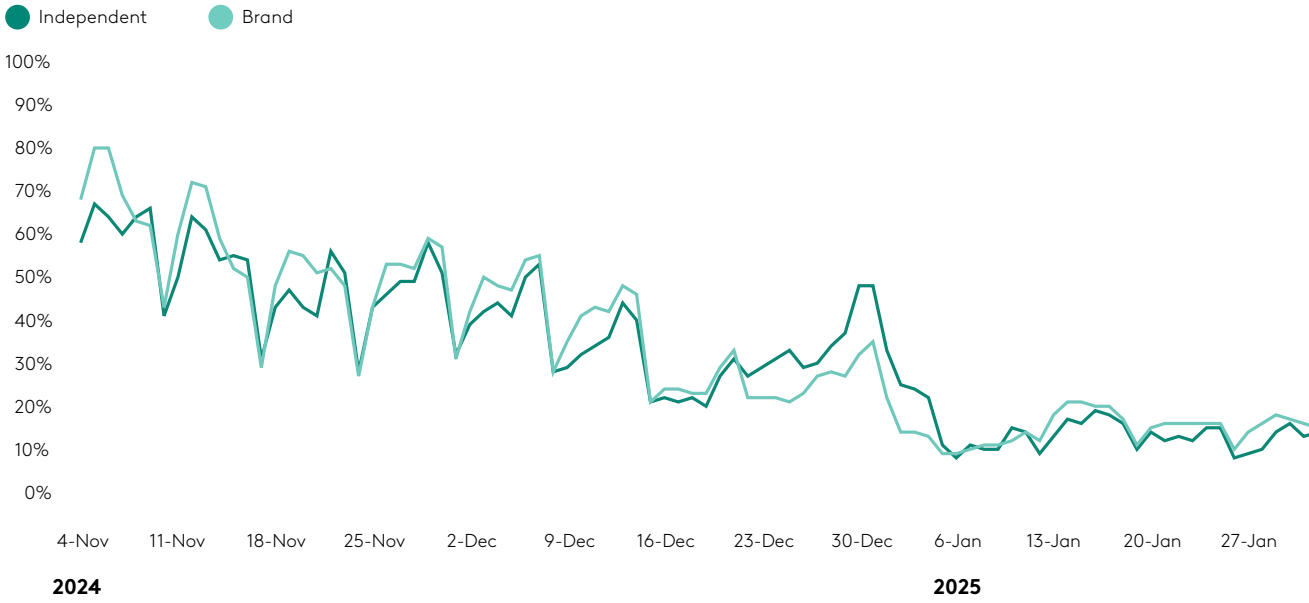
Next 83 days, as of 4 November 2024



Germany Occupancy on the Books

INDEPENDENT VS. BRANDED

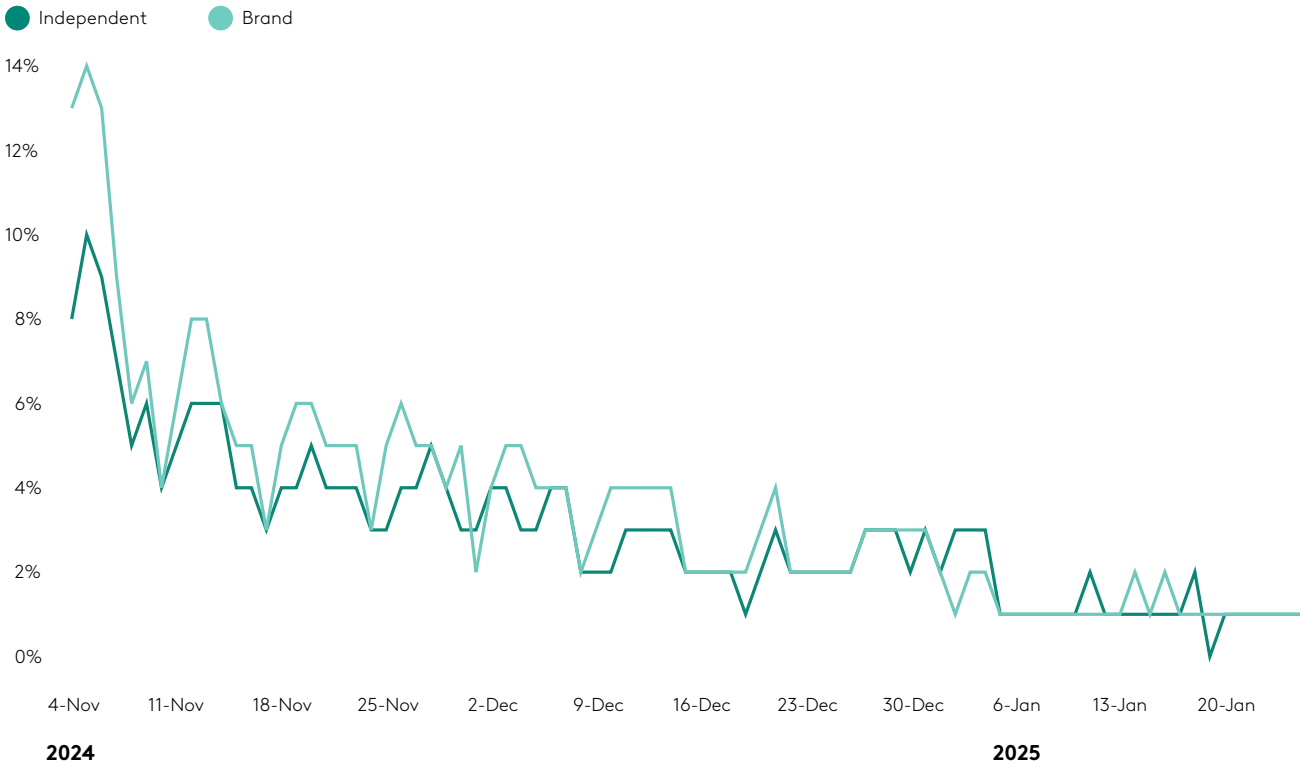
Next 90 days, as of 4 November 2024



Germany Pickup

INDEPENDENT VS. BRANDED

Next 83 days, as of 4 November 2024



Top-Line Performance Forecast



STR produces quarterly forecasts for 60 markets across the EMEA and APAC regions. In the latest update, as of August 2024, STR and its forecast partner, Tourism Economics, adjusted projections to account for rising price sensitivity in European travel.

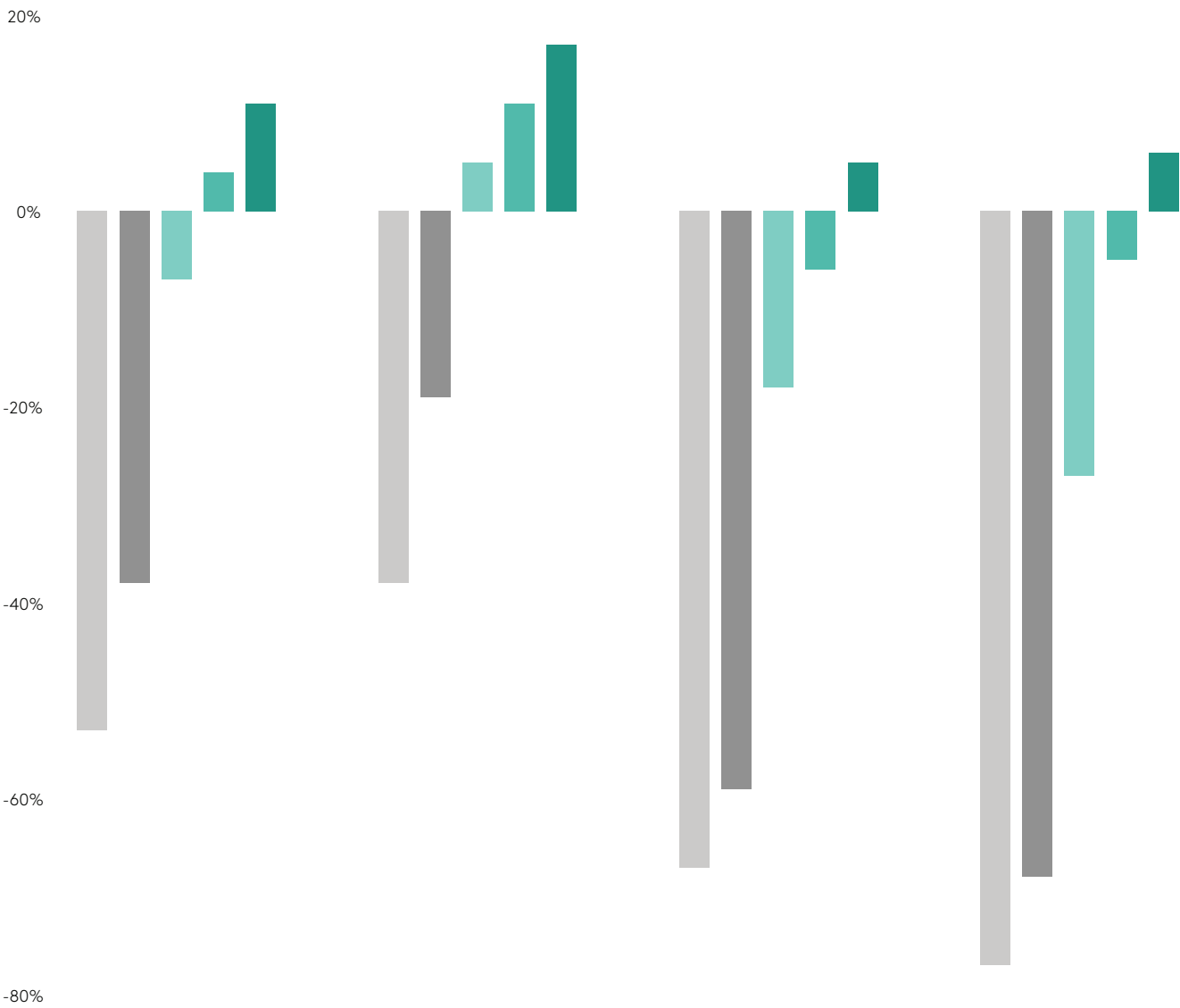
The success of the UEFA Euros Championship significantly boosted Germany’s 2024 RevPAR outlook; however, limited improvements outside the tournament period and higher comparables have led to a slight downgrade in 2025 performance expectations.

Reflecting the heightened price sensitivity, ADR declines are projected in 11 European markets for 2025, up from five in 2024. German markets are notably affected, impacted by both the post-UEFA period and offsetting trade fair dynamics.

Europe recovery remains stable

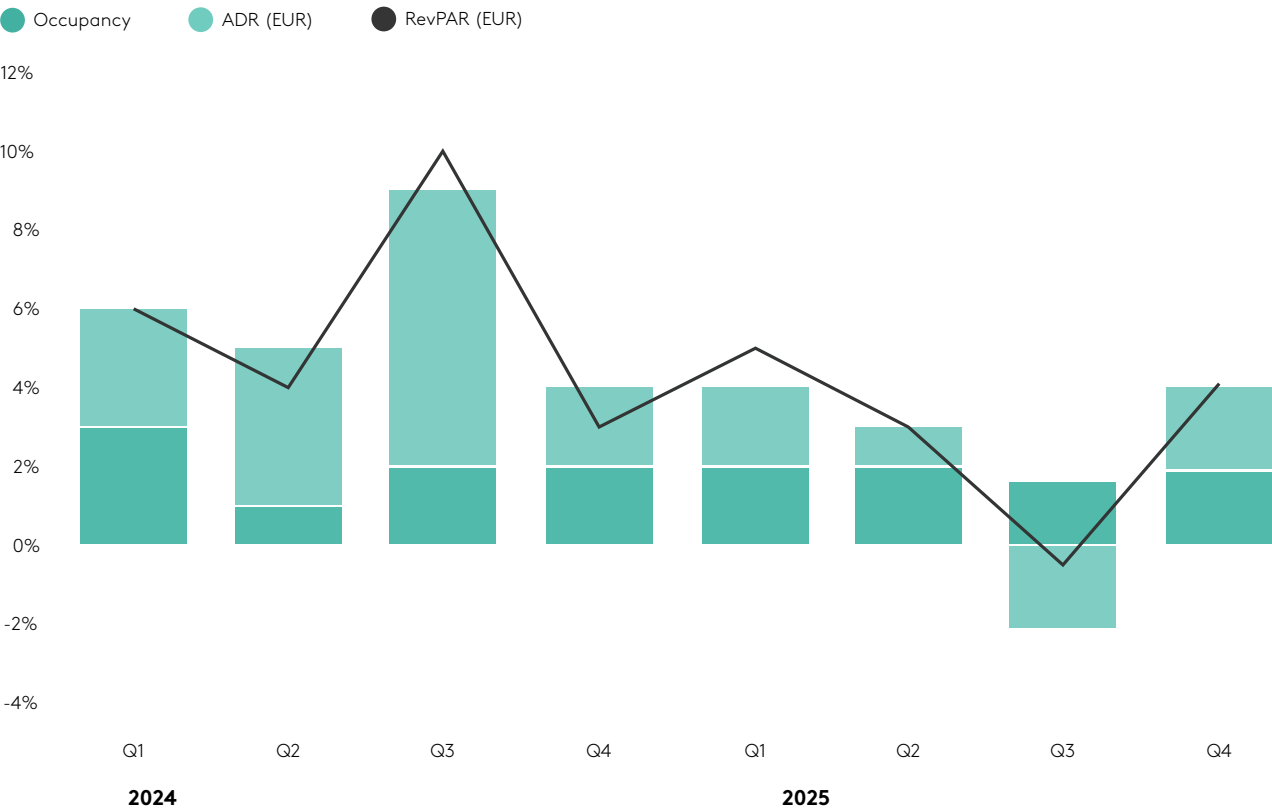
% change to 2019

2020 2021 2022 2023 2024



Europe RevPAR growth forecast

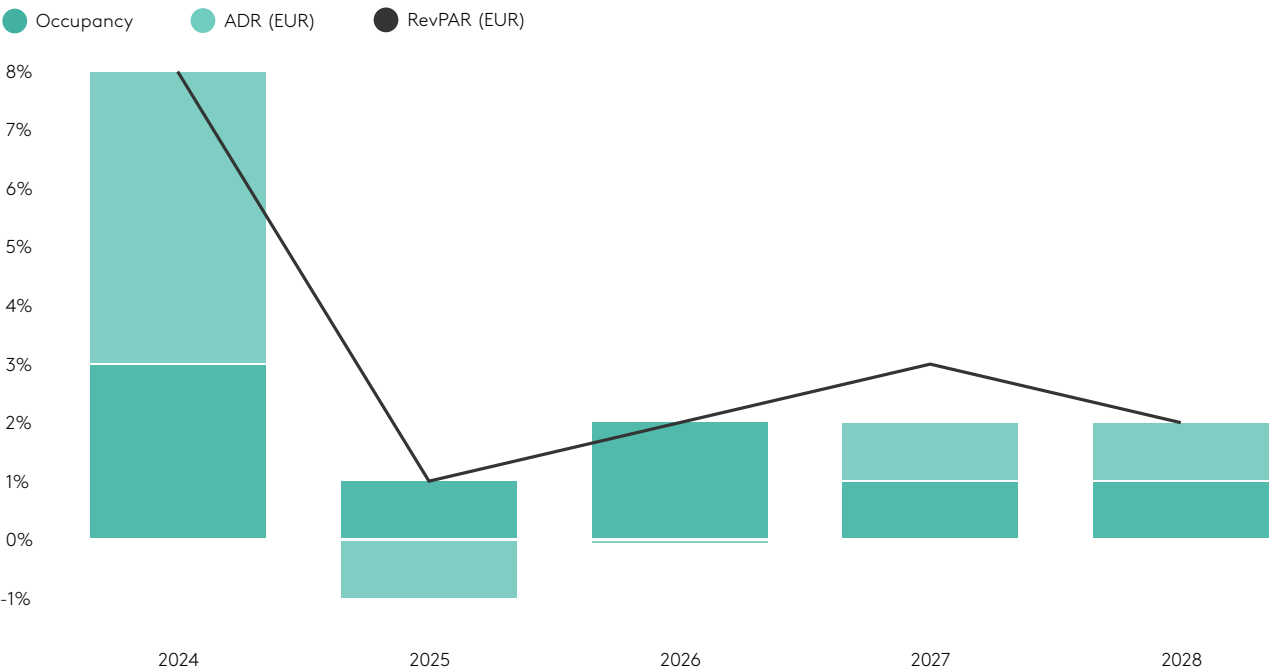
European markets*, YoY % change



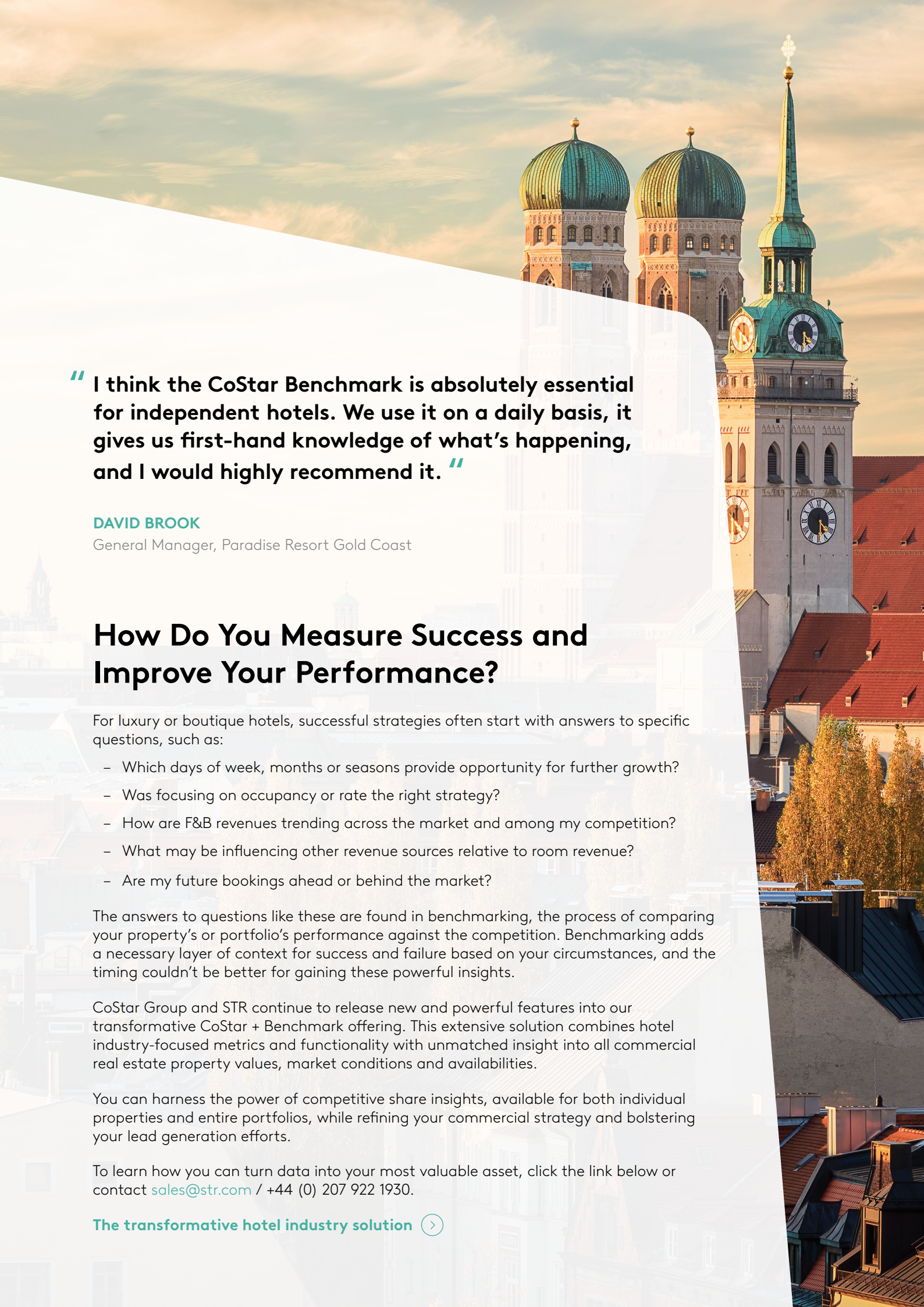
* Aggregated performance of Amsterdam, Barcelona, Belfast, Berlin, Birmingham, Brussels, Budapest, Cologne, Dublin, Düsseldorf, Edinburgh, Frankfurt, Glasgow, Hamburg, Leeds, Lisbon, London, Madrid, Manchester, Milan, Munich, Paris, Prague, Rome, Stuttgart, Vienna, Warsaw, and Zurich

Events and their offsets impact Germany ADR growth forecast

German markets**, YoY % change



**Aggregated performance of Berlin, Cologne, Düsseldorf, Frankfurt Centre, Hamburg, Munich, and Stuttgart



“ I think the CoStar Benchmark is absolutely essential for independent hotels. We use it on a daily basis, it gives us first-hand knowledge of what’s happening, and I would highly recommend it. ”

DAVID BROOK

General Manager, Paradise Resort Gold Coast

How Do You Measure Success and Improve Your Performance?

For luxury or boutique hotels, successful strategies often start with answers to specific questions, such as:

- Which days of week, months or seasons provide opportunity for further growth?
- Was focusing on occupancy or rate the right strategy?
- How are F&B revenues trending across the market and among my competition?
- What may be influencing other revenue sources relative to room revenue?
- Are my future bookings ahead or behind the market?

The answers to questions like these are found in benchmarking, the process of comparing your property’s or portfolio’s performance against the competition. Benchmarking adds a necessary layer of context for success and failure based on your circumstances, and the timing couldn’t be better for gaining these powerful insights.

CoStar Group and STR continue to release new and powerful features into our transformative CoStar + Benchmark offering. This extensive solution combines hotel industry-focused metrics and functionality with unmatched insight into all commercial real estate property values, market conditions and availabilities.

You can harness the power of competitive share insights, available for both individual properties and entire portfolios, while refining your commercial strategy and bolstering your lead generation efforts.

To learn how you can turn data into your most valuable asset, click the link below or contact sales@str.com / +44 (0) 207 922 1930.

The transformative hotel industry solution 