

# The ARC Issue

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07

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*Market overlooks*  
*Showcase*

*Reports & Stats*

*Network*

- **Mandarin Oriental to open luxury hotel in Milan**

Mandarin Oriental Hotel Group has today announced that it will manage a new hotel in the heart of Milan which will open in 2010. The project gives the Group another unique opportunity to provide guests with Mandarin Oriental's distinctive style of luxury in Europe, and in one of Italy's most important travel destinations

- **Global Hotel Prices Show Slight Rise but Europe Leads the Way**

Hotel rates rose by just 0.8% year-on-year on a global level in the second quarter of 2007, according to the Hotels.com Hotel Price Index, but in Europe year-on-year prices rose 5.2%

In contrast, there was a small rise of 0.6% in Asia, whilst prices in the US and the Rest of the World fell.

The Hotels.com HPI is the most comprehensive and accurate source of global hotel pricing information. It is based on prices for 30,000 hotels across 1,500 locations around the world and on the actual prices paid by customers, rather than simply advertised rates. Full details of the Hotel Price Index can be found at

<http://www.hotels.co.uk/press/gb/>

- **Venice: unofficially confirmed the growing trend in Occupancy Rate**

Our study centre reports: Several hotels reports huge O.R. in the last 3 months, getting close to 95%

- **STATS: Price per room sold 2007 table**

Country	NAME/LOCATION	CATEGORY	PRICE x ROOM EURO	N of keys
		<b>PORTFOLIOS</b>		
UK	Marriott Portfolio	Portfolio 47 hotels	195.000	8456
Ireland UK	Jury's Inn	Portfolio 20 hotels	312.000	1170
Germany , Nederland	Accor portfolio	Portfolio 91 hotels	72.000	12.000
UK	Accor portfolio	Portfolio 30 hotels	142.000	5000
UK	Mc Donald Portfolio	portfolio	270.000	2236
East Europe	Mamaison Hotels	Portfolio 8 hotels	191.000	906
Paris	Finhotel p	Portfolio 5 hotels	232.000	732
France	Hibernia		122.000	1236
		<b>SINGLE ASSET 2007</b>		
Sardinia I	Forte Village resort	5*	300.000	788
Dublin	Burlington H	5*	569.000	506
London	Crowne Plaza City	5*	613.000	201
Moscow	Baltschug Kempinsky	5*	515.000	232
Istanbul	Intercontin Ceylan	5*	298.000	380
Glasgow	Radisson Glasgow	5*	353.000	250
Copenhagen	Marriott	5*	159.000	395
Paris	Radisson Disney		244.000	250

London	Ramada Excel	4*	353.000	153
		<b>SINGLE ASSETS 2006</b>		
UK	MENZIES/UK	4	149.873	
UK	INTERCONT. PORT	4	115.255	
UK	STARDON		117.615	
UK	QUEENS MOAT	4	123.745	
UK	HILTON	5	188.650	
UK	BDL	5	111.024	
LONDON	SAVOY	5 de luxe	1.333.688	
LONDON	HARRINGTON		355.200	
LONDON	ST. JAMES		528.571	
LONDON	HILTON DOCKL		370.000	
MILAN	FOUR SEASON	5 de luxe	2.000.000	
VENICE	HOTEL DANIELI	5 deluxe	772.000	
MILAN	HOTEL GALLIA	5 DE LUXE	550.000	
EUROPE	L	2537 4-5 STARS ROOMS	250.000	

- **Congresses in Italy: 2003-2006**

	2003	2004	2006
<b>Meetings</b>	94.218	109.792	102.519
<b>Guests</b>	16.058.540	17.714.671	19.246.088
<b>Day-presences</b>	29.031.374	30.291.972	32.182.722
<b>nights</b>	12.284.144	12.671.833	13.707.777

- Other report related to Paris O.R in the [following page](#)
- **F&B news:The Rezidor Hotel Group** has launched two new bar and restaurant concepts - Sure Bar and Brasserie de Verres en Vers.

Following this important thread, we invite you to consider the one below

- **Exhibitions:** one of our partners, **enomatic**, will be present in HOST Milan, the European Hotellerie & Restoration exhibition. Enomatic invites you to visit its in pavilion 4 booth N 56 from 20<sup>th</sup> to 23<sup>th</sup> of October, where you can find state of the art wine serving systems and integration with hotel management software, already successfully used by several important chains and Selfridge's Oxford Street. [www.enomatic.it](http://www.enomatic.it)

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## Sun's shining on the French hotel industry

Against all expectations, the bad weather conditions have not affected the dynamics in the French hotel market. The whole market publishes very good progressions for the first half of this summer.

In July, the results of the Parisian hotel industry are indeed satisfying. Compared to last year, room revenue has increased by more than 8% for 4 star hotels and by nearly 13% for the midscale market.

The bad weather has not deterred tourists from coming; on the contrary, they turned up in large numbers according to the increases in occupancy rates. These range between 4.8% for the standard 3 star and 4 star hotels, and 9.4% for the 2 star properties. Only the superior 4 star hotels register stagnating visitor numbers. Nonetheless, they still count with the best occupancy rates in the Parisian 4 star hotel market.

Leisure tourism to Paris is growing. The increased number of visitors of cultural sites is evidence of the enthusiasm for the capital. French promotion policies already yield fruit, as shown by the rising number of foreign visitors, especially Chinese, Indian, Russian or Brazilian tourists.

The high occupancy goes hand in hand with an increase in ADR.

This growth is particularly strong for Boutique hotels, who register a growth of over 10% on average.

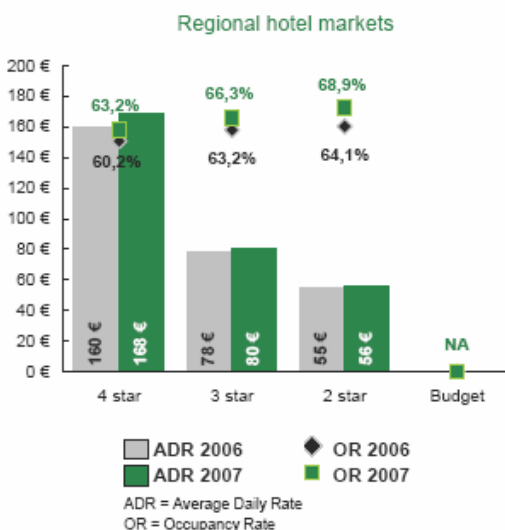
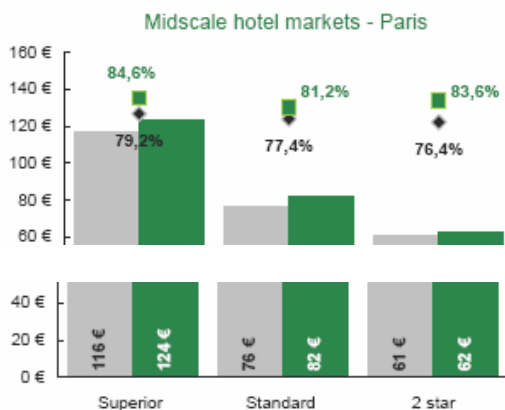
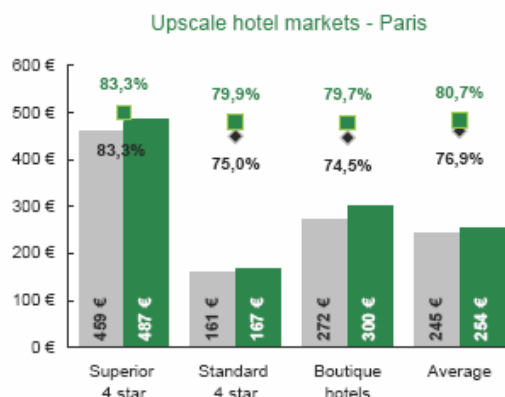
In regional France the tendencies are the same, with combined increases in demand and average rates.

The 2 star category, which has been lagging behind in growth since the beginning of the year due to a stagnation and even a downturn in demand, publishes a rise of 7.5% in occupancy rates. In July, the 2 star hotels are most dynamic of all categories in terms of occupancy. Nevertheless, the 3 star and 4 star properties register an increase of almost 5%.

Observing individual performances shows us that the hoteliers in the south (except Côte d'Azur) as well as in the north register similar performances. The bad weather does not seem to have caused massive southward tourist flows. Nevertheless, the hoteliers in regional France note a slight decrease in arrivals of foreign guests.

The slowdown of activity, which was traditionally recorded in Paris during summer does no longer occur. The hotels state occupancy rates close to 80%. In regional France, the lean season is still noticable but performances tend to flatten out. This phenomenon can be explained by a sociological change related to the reduction of summer holidays. This year, the many Bank holidays in May and the "Air Show" held in Paris have caused many companies to postpone their meetings and seminars to the beginning of July.

### Monthly indicators



**Market outlook:** please check our updated **OPPORTUNITIES'** list , which includes several very interesting development projects in : S. Petersburg Sicily, Apulia, Sardinia, and some gorgeous 5 stars in all the World. [www.hotel-consulting-network.com/opportunities](http://www.hotel-consulting-network.com/opportunities)

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