European Hotel Distribution Study

Preliminary Results for the Reference Year 2017

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The survey: background

- In order to monitor the current situation of distribution (online as well as offline) within the European hotel industry, especially in relation to the role of online travel agencies (OTA), **HOTREC**, the umbrella association of Hotels, Restaurants and Cafés in Europe, has decided to conduct an online survey between February and March 2018 **together with hotel associations from HOTREC member countries across Europe for the reference year 2017**.
- Similar studies have been conducted in 2014 for the **reference year 2013** and in 2016 for the **reference year 2015.** The present study allows therefore to illustrate the evolution of distribution channels and players between 2013, 2015 and 2017.

The survey administration

- The questionnaire was translated in more than 20 languages with the help of the respective national hotel organizations.
- The survey was addressed to the member hotels of the different hotel associations and **conducted between February and March 2018**. The collected data cover the **reference year 2017**.
- The different hotel associations contacted their members either by email or through newsletters.
- In addition to information of individual hotel owners, **data from hotel chains** could be integrated, either on an **aggregated level (country)** or a **property-level**.

Methodological remarks: sampling

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- Overall **2’744 responses** from individual hotels could be collected through the online survey. Response rates by country vary strongly in the survey.
- **Data from 2 hotel chains** allowed to integrate further **18 responses** on a property-level for 5 countries leading to an overall sample size of **2’762 valid observations**.

- For five countries, **aggregated data for distribution channels and OTA market shares** from **6 hotel chains comprising 650 hotels** with 101’981 rooms could be integrated into the analysis:
  - Germany: 3 chains with 456 hotels
  - Data from one chain in Finland, Hungary, Norway and Sweden
- The study is therefore based on observations from a total of **3’412 European hotels**.

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Market shares of distribution channels in Europe 2017: weighted values

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Direct - Phone	16.5	52.0
Direct - Mail / fax	2.1	
Direct - Walk-In (persons without reservation)	4.5	
Direct - Contact form on own website (without availabilty check)	5.3	
Direct - Email	14.6	
Direct - real time booking over own website with availabilty check	9.0	
Destination Marketing Organization (DMO) / trade associations	0.9	1.3
National Tourism Organization (NTO)	0.4	
Tour operator / Travel agency	9.5	16.3
Hotel chains and cooperations with CRS	1.1	
Wholesaler (e.g. Hotelbeds, Tourico, Gulliver, Transhotel, etc.)	3.2	
Event and Congress organizer	2.6	
Online Booking Agency (OTA)	26.1	29.0
Globale Distributionssysteme (GDS)	2.5	
Social Media Channels	0.5	
other distribution channels	1.4	1.4

Market shares in % of overnights.

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Evolution of market shares of distribution channels in Europe 2013 - 2017: weighted samples

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	Weighted market share 2017		Weighted market share 2015		Weighted market share 2013		DELTA (2017-2013)	
Direct - Phone	16.5	52.0	17.2	52.9	20.5	57.6	-4.0	-5.58
Direct - Mail / fax	2.1		2.4		3.2		-1.1	
Direct - Walk-In (persons without reservation)	4.5		4.5		5.8		-1.3	
Direct - Contact form on own website (without availabilty check)	5.3		5.4		5.8		-0.5	
Direct - Email	14.6		15.6		14.9		-0.3	
Direct - real time booking over own website with availabilty check	9.0		7.7		7.4		1.6	
Destination Marketing Organization (DMO) / trade associations	0.9	1.3	0.9	1.4	1.1	1.6	-0.2	-0.3
National Tourism Organization (NTO)	0.4		0.5		0.5		-0.1	
Tour operator / Travel agency	9.5	16.3	9.1	17.9	10.3	17.2	-0.8	-0.9
Hotel chains and cooperations with CRS	1.1		2.4		1.6		-0.5	
Wholesaler (e.g. Hotelbeds, Tourico, Gulliver, Transhotel, etc.)	3.2		3.5		3.4		-0.3	
Event and Congress organizer	2.6		2.9		1.8		0.7	
Online Booking Agency (OTA)	26.1	29.0	23.1	26.4	19.7	22.2	**6.4**	6.8
Globale Distributionssysteme (GDS)	2.5		2.9		2.0		0.4	
Social Media Channels	0.5		0.4		0.4		0.0	
other distribution channels	1.4	1.4	1.4	1.4	1.5	1.5	-0.1	-0.1

Market shares in % of overnights.

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Unweighted relative market shares of major OTAs in Europe

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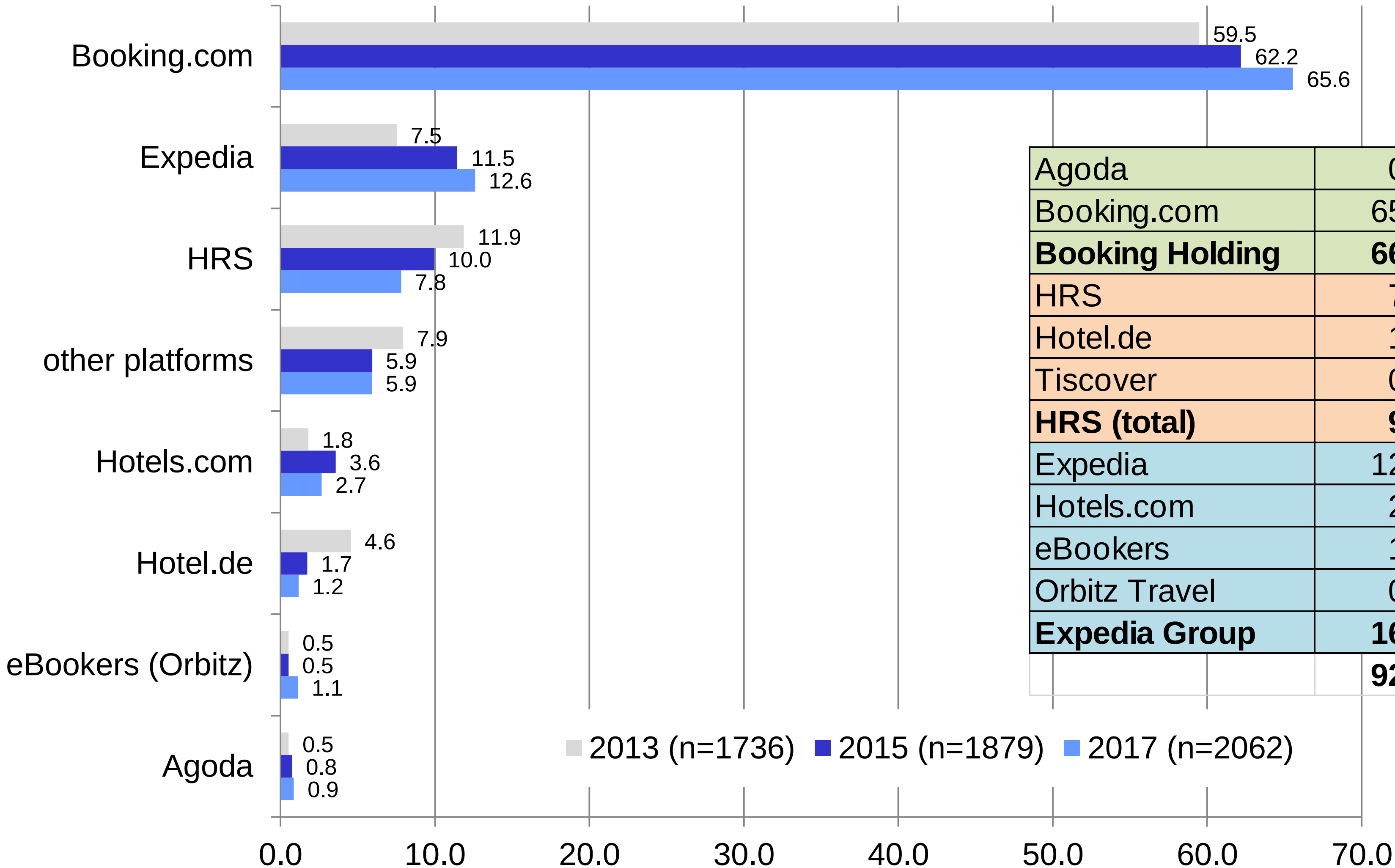
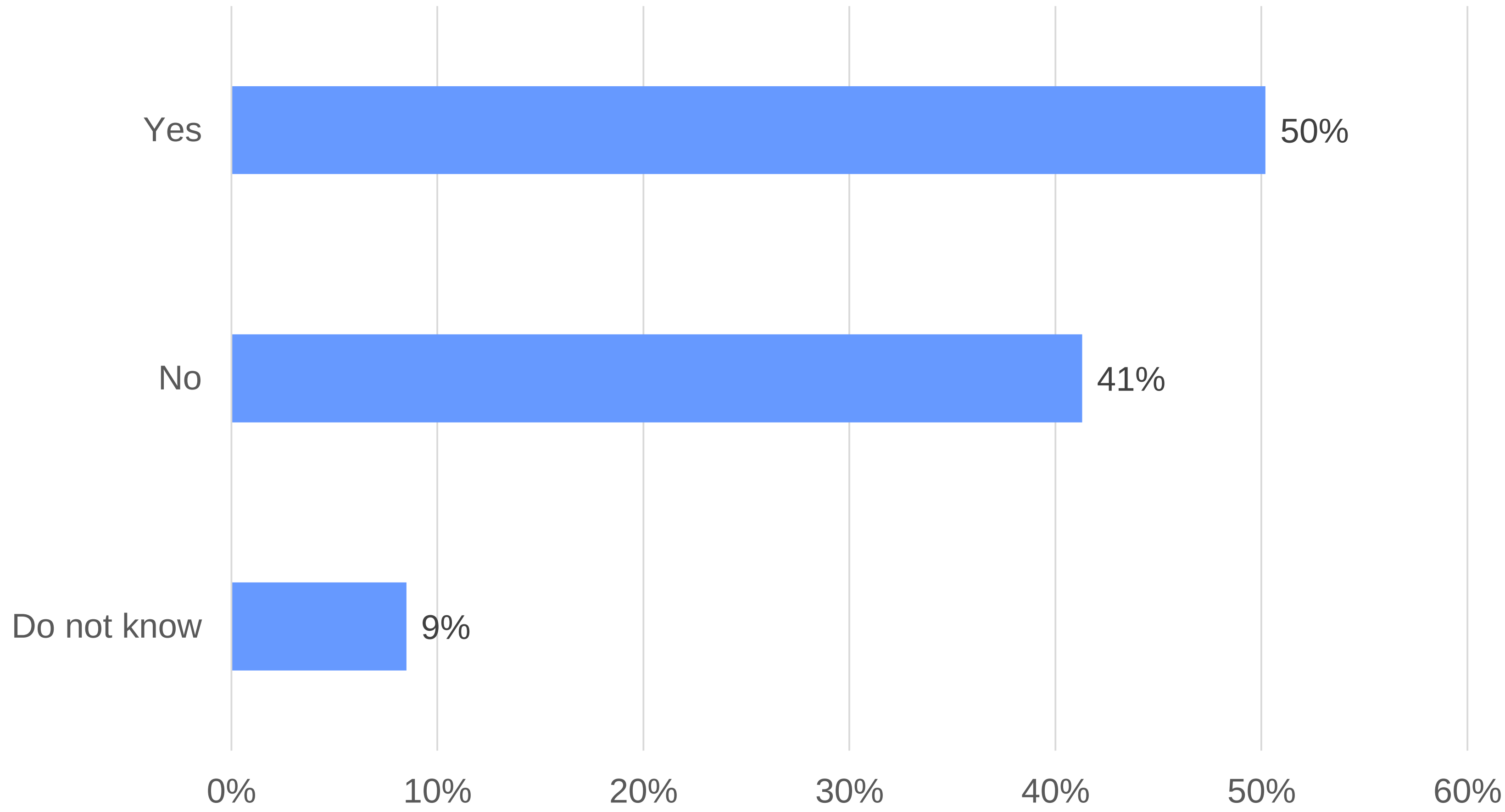


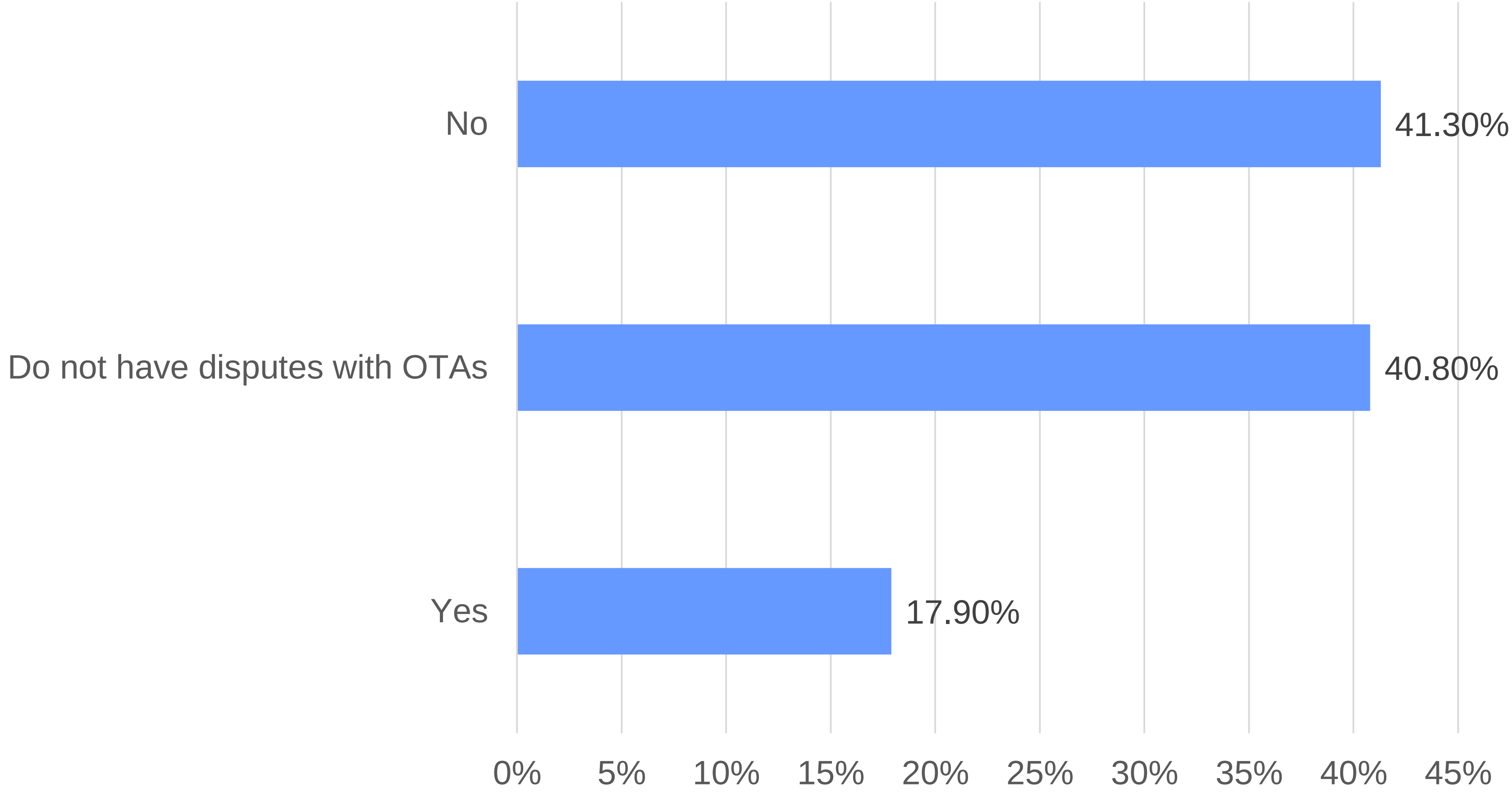
Agoda	0.86
Booking.com	65.55
Booking Holding	**66.41**
HRS	7.82
Hotel.de	1.17
Tiscover	0.04
HRS (total)	**9.03**
Expedia	12.59
Hotels.com	2.66
eBookers	1.13
Orbitz Travel	0.25
Expedia Group	**16.63**
	92.07

Do you feel pressured by OTA to accept their terms & conditions that you otherwise would not offer?



Based on unweighted (raw) sample data (n=2627).

In case of a dispute with an OTA, do you consider that there is a fair and effective solution to the disagreements?



Based on unweighted (raw) sample data (n=2598).

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