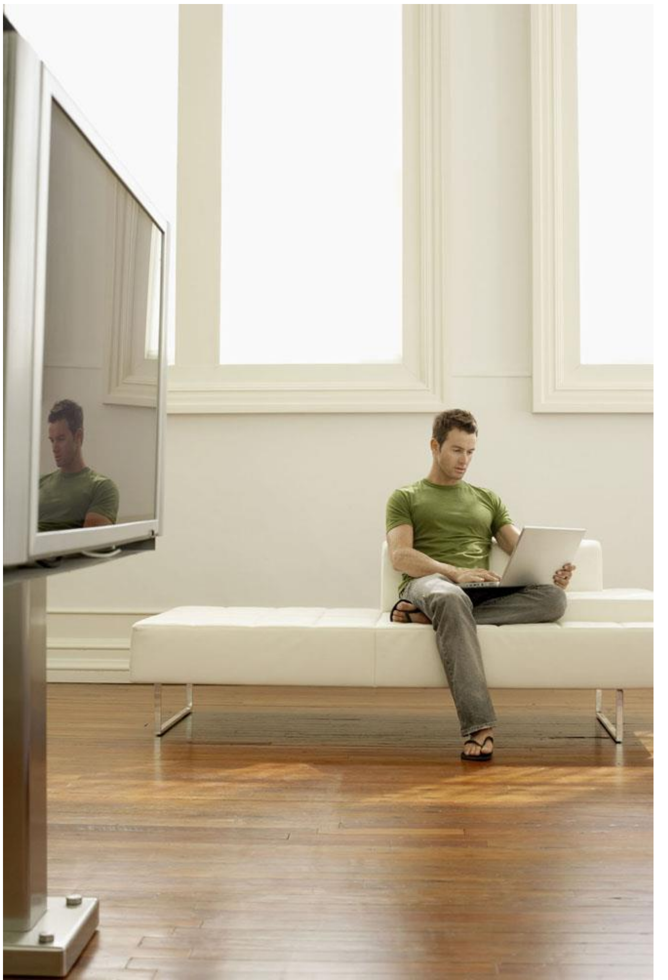
In Extenso
tourisme, culture & hôtellerie

French Hotel Industry Performance

February 2015



Membre de Deloitte.

Latest News

Consulting, valuations and transactions

In Extenso Tourisme Hôtellerie et Restauration, member of the Deloitte Group, has joined forces with the culture and tourism consulting agency, **Planeth.** This external growth operation leads to the creation of a larger and better performing tourism, leisure and culture division : **In Extenso Tourisme, Culture & Hôtellerie.**

Recent references

Developer	Conseil Régional de Martinique	Conseil Général de la Guadeloupe	SIUV Tourisme Hautes-Vosges
Market study for a hotel project	*Feasibility study for the creation of a Museum of Carribean Culture*	*Programing and reorganisation of the "Musée départemental d'archéologie amérindienne"*	*Feasibility and financial study for the implementation of tourist products*
Annemasse	*Martinique*	*Guadeloupe*	*Hautes-Vosges*
In Extenso tourisme, hôtellerie et restauration	In Extenso tourisme, hôtellerie et restauration	In Extenso tourisme, hôtellerie et restauration	In Extenso tourisme, hôtellerie et restauration

YOUR CONTACTS:

CONSULTING AND VALUATIONS : PHILIPPE GAUGUIER, ASSOCIATE MRICS (+33 (0)6 85 93 67 50 OR philippe.gauguier@inextenso.fr)
OLIVIER PETIT, ASSOCIATE (+33 (0)6 85 43 22 29 OR olivier.petit@inextenso.fr)

TRANSAXIO HÔTEL : GUY BOULO, DIRECTOR (+33 (0)6 80 17 60 02 OR guy.boulo@transaxio-hotel.com)

Find out more at http://www.inextenso-thr.com and http://www.transaxio.fr

Articles and publications

Social? That's for consumers. For travel companies, social media means business.
This paper by Deloitte and Facebook shows the findings from a survey commissioned by Facebook on how consumers view social media as it relates to leisure travel. It looks at how travel companies and consumers are currently engaging with digital channels today. http://www2.deloitte.com/global/en/pages/consumer-business/articles/travel-companies-social-media.html

The marketing 4P are dead… Long live the 4P. Jean-Marc Liduena, Associate Monitor Deloitte http://www.blog.deloitte.fr/management/les-4p-du-marketing-sont-morts-longue-vie-aux-4p/

Tourism and hospitality trends 2015

Moving forward in complex environments

Complex markets and customer expectations, regulatory challenges, technical advancements… tourism and hospitality players have to increasingly learn how to cope in difficult markets. Within this context, how did 2014 turn out and what are the trends for 2015? The 13th edition of our annual study helps answer these questions. Download study here: http://www2.deloitte.com/fr/fr/pages/consumer-business/articles/les-tendances-du-tourisme-et-de-l-hotellerie-2015.html

FOR FURTHER INFORMATION, PLEASE CONTACT FLORENT DANIEL (+33 (0)2 51 80 18 84 OR florent.daniel@inextenso.fr)
In Extenso Tourism, Culture & Hospitality - 7 rue Ernest Renan - 92136 Issy Les Moulineaux - France

February, still no sign of recovery

Difficult to say whether January's dramatic events continued to have a major impact on Paris as a destination, but hotel demand lost steam – a situation perhaps more to do with the on-going gloomy economic context where French clients were less present in Paris during the holidays. The situation was similar throughout regional France, where January's encouraging results failed to carry on into February.

Sharply impacted in January by the terrorist attacks, Parisian hotels are finding it difficult to get back up to speed. All categories recorded a drop in occupancy in February. Although certain segments managed to compensate by posting higher average rates (Luxury, Standard Midscale), a large part of the market stagnated or declined. However, Philippe Gauguier, Associate at In Extenso TCH, argues that we shouldn't be too quick to conclude that January's attacks are to blame for tourists staying away – February is traditionally a month where French clients are present, particularly during the holidays. The effects of the recession are still being felt, and as with last year, clients are making themselves scarcer.

At the same time, regional performances – rather encouraging in January – stagnated or even declined, depending on the area observed. The Côte d'Azur and certain cities (Bordeaux, Lille, Lyon, Toulouse, etc.), posted better results than this time last year, confirming January's trend. However, others (Marseille, Strasburg, etc.) suffered, recording significantly lower results.

It should be stressed that certain destinations and professionals are taking advantage of this quiet period to close – to use up holiday time or undertake maintenance works. This phenomenon is particularly present on the Côte d'Azur where hotels that usually stay open have adjusted capacity or opening dates to reflect the slower business.

More upscale categories confirmed the decline throughout France. Conversely, although 2014 was difficult for budget segments (particularly Super-budget), given the rise in VAT, average rates are slightly better this year. The budget sector was the only one to see RevPAR progress during February, although time will tell whether the VAT hike has finally been digested.

Monthly performance

February	Luxury	Upscale	Midscale	Budget	Super Budget
OR 2014	47,1%	52,3%	54,1%	58,6%	59,0%
Var. /n-1	*-3,7%*	*1,7%*	*0,1%*	*1,6%*	*-0,8%*
ADR 2014	286 €	146 €	93 €	62 €	39 €
Var. /n-1	*-8,7%*	*-2,0%*	*-0,8%*	*-1,9%*	*1,1%*
RevPAR 2014	135 €	76 €	50 €	36 €	23 €
Var. /n-1	*-12,0%*	*-0,3%*	*-0,6%*	*-0,3%*	*0,3%*

Year To Date performance

Jan. to February	Luxury	Upscale	Midscale	Budget	Super Budget
OR 2014	46,5%	53,3%	52,0%	55,2%	55,3%
Var. /n-1	*-3,4%*	*3,6%*	*0,6%*	*1,3%*	*-1,4%*
ADR 2014	296 €	150 €	95 €	63 €	39 €
Var. /n-1	*-9,3%*	*-2,3%*	*0,1%*	*-1,3%*	*1,1%*
RevPAR 2014	138 €	80 €	49 €	35 €	22 €
Var. /n-1	*-12,4%*	*1,3%*	*0,8%*	*0,0%*	*-0,3%*

Definitions

OR = Occupancy Rate
ADR = Average Daily Rate
RevPAR = Revenue per available room

For further information, please contact Florent Daniel (+33 (0)2 51 80 18 84 or florent.daniel@inextenso.fr)
In Extenso Tourism, Culture & Hospitality - 7 rue Ernest Renan - 92136 Issy Les Moulineaux - France

