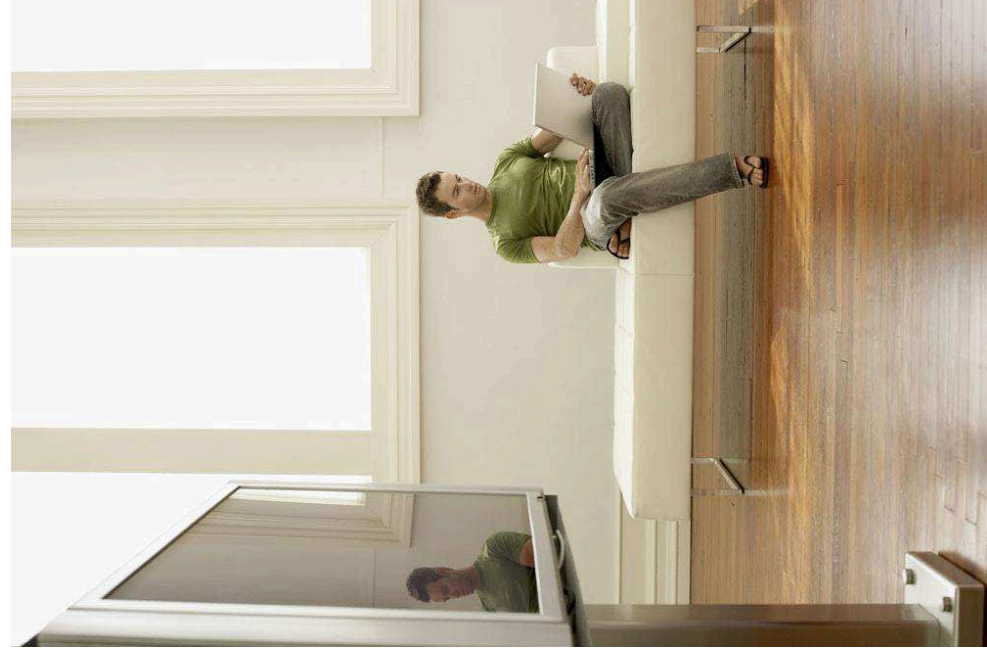


# In Extenso

tourisme, culture & hôtellerie

## French Hotel Industry Performance

November 2015



Membre de **Deloitte**.

**In Extenso Tourism Culture & Hospitality**, member of Deloitte, groups 25 full-time consultants providing tailor-made advice at all stages of your strategic reflection or project, whether in France or abroad. See a comprehensive description of our service offer at [www.inextenso-tch.com](http://www.inextenso-tch.com)



### Recent references

**Buyer**

*Due diligences for the acquisition of a portfolio of over 80 hotels*

Europe

**In Extenso**  
tourisme, culture & hôtellerie

**Investor**

*Project analysis for a complex of Upscale hotel villas*

Martinique

**In Extenso**  
tourisme, culture & hôtellerie

**Owner**

*"Highest and best use" (IFRS Gaap) valuation of a 200-room Upscale hotel*

Paris

**In Extenso**  
tourisme, culture & hôtellerie

**Sales instruction**

*3\* hotel-restaurant, unbranded, over 70 rooms, meeting rooms, private parking*

Sale of freehold

Oise

**Transaxio**  
HÔTEL

**In Extenso**  
tourisme, culture & hôtellerie

**Sales instruction**

*3\* hotel-restaurant, over 90 rooms, meeting rooms, pool, sauna, park and parking*

Sale of freehold

Côtes-D'armor

**Transaxio**  
HÔTEL

**In Extenso**  
tourisme, culture & hôtellerie

**Sales instruction**

*5\* boutique hotel with restaurant, branded, a dozen rooms, outdoor pool, conference facilities*

Sale of freehold

Lot et Garonne

**Transaxio**  
HÔTEL

**In Extenso**  
tourisme, culture & hôtellerie

**Normandie Impressionnisme**

*Definition of a destination strategy for Normandy and Paris Ile-de-France on the impressionnist theme*

**In Extenso**  
tourisme, culture & hôtellerie

**Lens-Liévain**

*Tourist development strategy and marketing positioning study for the Lens-Liévain territory*

**In Extenso**  
tourisme, culture & hôtellerie

### Your contacts

CONSULTING AND VALUATION  
[PHILIPPE GAUGUIER](#), ASSOCIATE MRICS  
[OLIVIER PETIT](#), ASSOCIATE

TRANSAXIO HÔTEL  
[GUY BOULLO](#), DIRECTOR

CULTURE AND TOURISM  
[DOMINIQUE LECEA](#), DIRECTOR  
[ANNE RAVARD](#), DEPUTY DIRECTOR

### Articles

#### [Family businesses: taking on social media](#)

Christophe Saubiez, Audit associate specialised in family businesses | Technology and innovation | 11/12/2015

#### [The pitch, a user's manual](#)

Yann Glever, Director of Innovation | Technology and innovation | 04/12/2015

#### [The circular economy on the Grand Paris scale: a perspective for businesses](#)

Mathieu Hestin, Director BIO by Deloitte, Sustainability Services | Society | 03/11/2015

See all our news at [www.inextenso-tch.com](http://www.inextenso-tch.com) et [www.transaxio.fr](http://www.transaxio.fr)

Reproduction or distribution in whole or part without written permission of In Extenso TC&H is prohibited and subject to legal action

FOR FURTHER INFORMATION, PLEASE CONTACT FLORENT DANIEL (+33 (0)5 61 94 11 40 OR [sacha.fournier@inextenso.fr](mailto:sacha.fournier@inextenso.fr))  
In Extenso Tourism, Culture & Hospitality - 7 rue Ernest Renan - 92136 Issy Les Moulineaux - France

# Paris endures...

Paris and the Ile de France region were dramatically hit by two terrorist attacks in 2015. The impact on hotel activity is evidently substantial and hotels in this area will finish the year on a lower note. November saw a fall in occupancy in Parisian hotels of all categories compared to the same period 2014. Although the impact appears to have been less strong in regional France, intermediary categories nonetheless recorded lower performances in November 2015, particularly on the Côte d'Azur.

Our fears were unfortunately confirmed as Paris suffered a significant drop in occupancy further to November's attacks (a fall of 10,9% to 14,6% depending on the category). Stable average rates limited the drop in RevPAR, although rooms revenue was still affected. Paradoxically, Luxury hotels managed to stabilise or grow RevPAR (+3,3%), although this was an illusion, since November 2014 was not a particularly good month (aggravating the findings for other categories). The rest of the region fared better, and inferior categories (Budget and Super Budget) in certain departments even managed to increase RevPAR.

The rest of France suffered to a lesser extent. The Upscale and Midscale categories were the only ones to record fairly significant drops in RevPAR in November 2015: -9,8% for regional Upscale hotels given the combined fall in occupancy and average rates and -9,5% for Midscale hotels on the Côte d'Azur given the significant drop in occupancy. All other categories recorded stable or better performances, confirming the more encouraging pattern recorded over the past few months. Even though we should remain cautious when comparing results against November 2014, year-end performances show a marked increase, with December not likely to reverse the trend.

For Super-budget hotels, the months go on and resemble each other. Maintaining a +1,5% increase in average rates since the start of the year has not been sufficient to offset declining occupancy: RevPAR is down by almost 1% and appears to have stabilised at this level.

We are already well into the month of December, and the picture is not likely to change much. Year-end results will in all probability be encouraging for regional France, particularly for the Côte d'Azur. Conversely, the significant drop recorded since the start of the year in Paris will likely be aggravated by an uncertain month of December, as security fears continue to prevail. 2015 looks, then, to deliver mixed results.

## Monthly performance

November	Luxury	Upscale	Midscale	Budget Super Budget
OR 2015	52,9%	54,5%	56,7%	60,0%
Var. /n-1	<b>0,3%</b>	<b>-8,7%</b>	<b>-4,2%</b>	<b>-0,5%</b>
ADR 2015	341 €	160 €	99 €	66 €
Var. /n-1	<b>8,3%</b>	<b>0,2%</b>	<b>-1,7%</b>	<b>3,6%</b>
RevPAR 2015	180 €	87 €	56 €	40 €
Var. /n-1	<b>8,6%</b>	<b>-8,5%</b>	<b>-5,9%</b>	<b>3,2%</b>

## Year To Date performance

Jan. to November	Luxury	Upscale	Midscale	Budget Super Budget
OR 2015	66,9%	69,4%	66,5%	67,5%
Var. /n-1	<b>0,5%</b>	<b>0,9%</b>	<b>0,4%</b>	<b>1,2%</b>
ADR 2015	426 €	185 €	103 €	64 €
Var. /n-1	<b>0,2%</b>	<b>1,4%</b>	<b>-0,3%</b>	<b>-1,0%</b>
RevPAR 2015	285 €	128 €	68 €	43 €
Var. /n-1	<b>0,7%</b>	<b>2,2%</b>	<b>0,1%</b>	<b>0,2%</b>

## Definitions

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

Reproduction or distribution in whole or part without written permission of In Extenso TC&H is prohibited and subject to legal action  
 FOR FURTHER INFORMATION, PLEASE CONTACT FLORENT DANIEL (+33 (0)5 61 94 11 40 OR [sacha.fournier@inextenso.fr](mailto:sacha.fournier@inextenso.fr))  
 In Extenso Tourism, Culture & Hospitality - 7 rue Ernest Renan - 92136 Issy Les Moulineaux - France