

Brussels, 20 June 2017

Findings from new global survey highlights international travelers' future expectations of European hospitality sector

Embracing a new consumer service model: an asset to play for European hospitality!

Facing a rapidly changing global competitive landscape, the European hospitality sector constantly reinvents itself to adapt to customers' expectations and desires. HOTREC commissioned TCI Research to conduct a large-scale survey that maps the services and products travelers will expect from hotels and restaurants in the future. The report reveals clear trends and opportunities that hospitality decision makers can use to optimize customer attraction and retention.

The *survey promotes 5 key pillars*:

1. Global Satisfaction Index **TRAVELSAT© rates Europe as strong competitor** in meeting international guests' expectations, with competitive scores among consumers from China and India in particular.
2. **Authenticity, flexibility, and a genuine friendly staff** are associated as key features in a hotel's DNA, together with a private and safe environment.
3. Guests appreciate **hassle-free hospitality experiences** as well as feeling at home ... away from home where they can take care of themselves, including services available at any time.
4. **Amaze me!** Millennial guests look for unique hotels that quenches their thirst for discovery, with cool design, digital innovations and rewarding personalized experiences.
5. European restaurants in lesser known destinations emerging on the scene **delight "foodie" tourists** and exceed visitor expectations. Restaurants are expected by visitors to provide the **ultimate authenticity of a destination, also including safe food.**

"European hotels receive excellent ratings from Chinese visitors, which is extremely encouraging in the context of the 2018 EU-China year to come. While guests are looking for privacy and security, the survey highlights the crucial importance of a genuine friendly staff and of an environment offering a broad spectrum of services available at any time. The importance of local tastes experience is highly ranked among guest expectations towards food experiences" explained Christian de Barrin, CEO of HOTREC.

TCI Research CEO Olivier Henry-Biabaud concludes: *"Accommodation and food are two facets that will increasingly impact the overall visitor experience at a destination. Having more choices, travelers express a lot of positive expectations from hotels and restaurants, necessitating them to exhibit factors that distinguishes them from their competitors. The survey shows that the hospitality sector is facing lots of opportunities for responding a growing demand of hassle-free and surprising consumer experiences, keeping intact the sense of a truly genuine hospitality".*

About HOTREC – www.hotrec.eu

HOTREC represents the hotel, restaurant and café industry at European level. This industry includes around 1.8 million businesses, of which 99% are small and medium sized enterprises (91% of them micro enterprises, i.e. employing fewer than 10 people). These businesses make up some 59% of industry value added. The hospitality industry provides some 10.2 million jobs in the EU alone. Together with the other tourism industries, the sector is one of the largest industries in Europe. HOTREC brings together 41 national associations representing the sector in 29 different European countries. Media contact: christian.debarrin@hotrec.eu; Tél: +32 2 513 63 23

About TCI Research – www.tci-research.com

TCI Research is an independent UNWTO-Awarded market intelligence agency leading in international tourism and travel competitive analysis. It provides public and private players of the visitor economy with innovative research solutions and insights combining conventional surveys with controlled Big Data analysis covering the whole visitor journey. Media contact: olivier.henry-biabaud@tci-research.com

ANNEX:
SURVEY EXECUTIVE SUMMARY

An Outlook on European Hotel and Restaurant Guest Experience

European Hospitality delivers satisfactory quality of experience to its guests, with best-in-class destinations located all over the region. Efforts for adapting Chinese and Indians expectations are also paying off.

Hospitality perceived as top-notch quality by high-end visitors and long-haul markets.

The TRAVELSAT® Index reports European hotels provide their international guests with a **satisfactory quality experience overall**, offering a wide range of lodging options from budget to premium. Several destinations exceed consumers' expectations for key dimensions such as the *overall quality, staff hospitality or value for money*.

European hotels also receive excellent ratings from the coveted **Chinese** and **Indian** visitors.



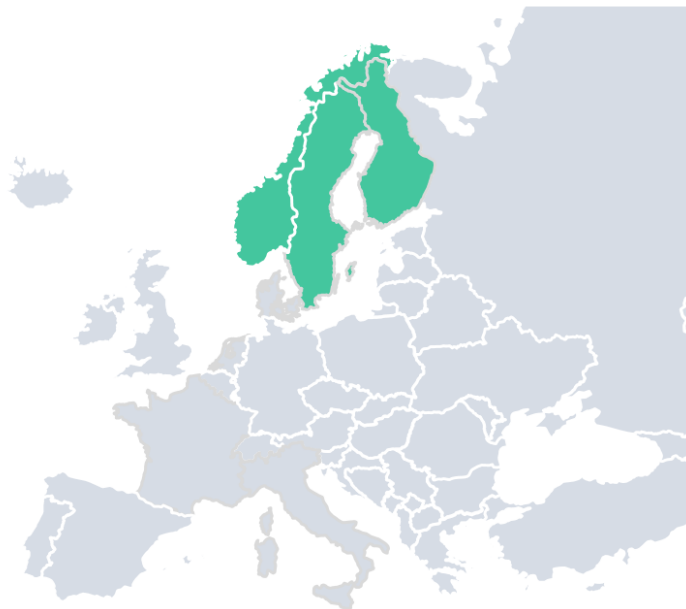
Best-in-Class Destinations

TOP 3 Ranking in Europe for "**Hotels Overall Quality**"

TOP 3 Destinations	Index > 200
Sweden	250
Norway	246
Finland	234

Nordics leading the race...

Despite operating in relatively expensive environment for visitors, hotels in Nordic destinations usually generate very positive overall quality rating.

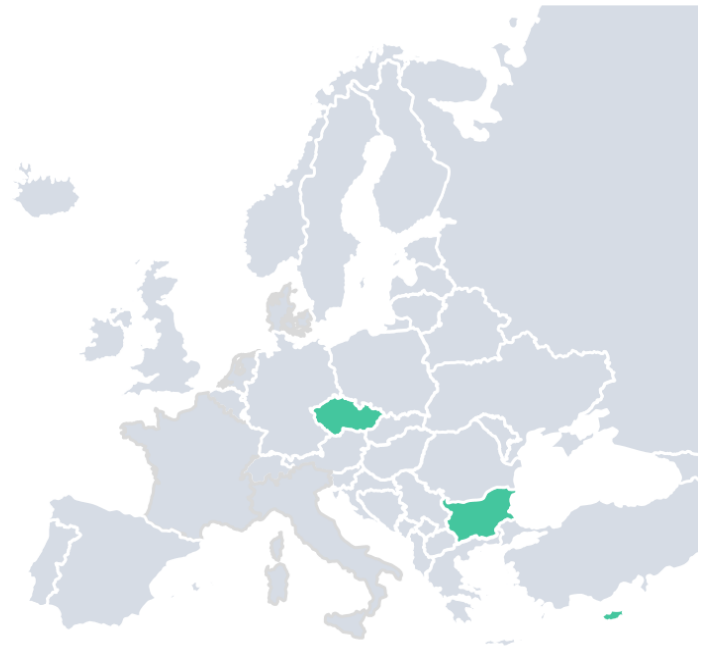




Best-in-Class Destinations

TOP 3 Ranking in Europe for *"Hotels Value for Money"*

TOP 3 Destinations	Index > 150
Bulgaria	212
Cyprus	192
Czech Republic	188



Eastern Europe drives value for money

Europe is also able to provide cheap yet valuable hotel experiences in some destinations, in particular those located in Eastern regions or remote islands.

Mapping future pillars of hotel guests' experience.

As travelers are looking for hassle-free experiences that respect their privacy, they have high expectation from hotels to respond their needs. International guests' needs are structured around 4 key pillars:

- hotels that offer a "wow" affect,
- hotels that offer a safe environment,
- hotel that offers an abundance of "on site" amenities,
- hotel that offers socializing space for friends and family.

Distinctive competitive differentiation strategies are open for European Hoteliers, to be built on various USPs, including *unique design, entertaining digital innovations, all-in-one-place amenities, and socializing spaces*.

Hotels must also continue focusing on the **generational shift**, keeping in mind that **Millennials expect much more from them than Boomers!** Gender and cultural specific needs expressed by consumers demand a high level of service versatility from staff at the highest, for facing a trend expected to grow in the coming years.

The ideal hotel experience in the future...

A snapshot of international Guests' viewpoint



The Four Pillar of Expectations

Hotels should address in the future



European restaurants delight foodie tourists with several destinations exceeding visitor expectations, including new Nordic players. Guests expect more from restaurants as they are seen as THE place for discovering the local “touch” of a destination.

Mirroring many of the conclusions about hotel guests’ expectations, the survey also reveals several specific trends that restaurants need to consider in the future:

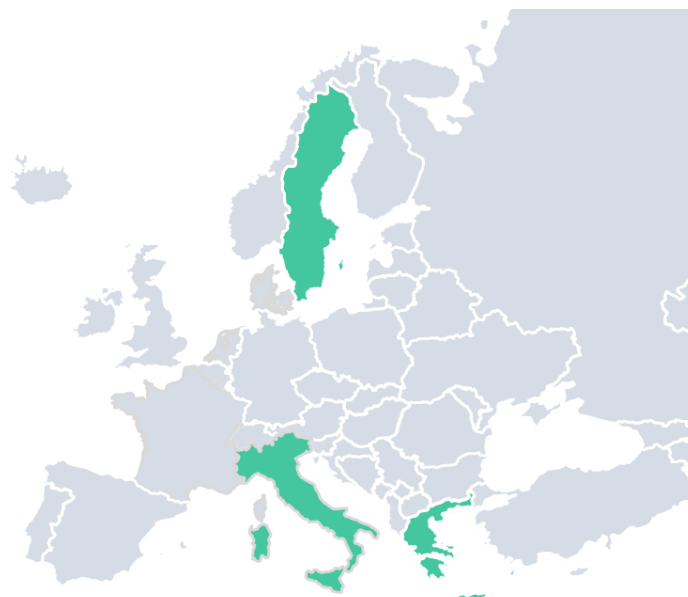
- The local food experience, has a growing impact in international visitors’ overall satisfaction, making the restaurant industry a **key pillar of destination reputation**.
- **Foodie tourists** – representing 120 million international visitors - are the most delighted by their restaurant experiences when traveling in Europe.
- Restaurants are expected to be a **perfect venue** and **opportunity** for guests to have a **“local experience”** while travelling. Using locally produced ingredients, showcasing indigenous flavors, and **sharing stories** with guests, restaurants are seen as great **ambassadors of a destination’s sustainability**.
- Guests from all nationalities look forward to cultural immersion by having restaurants owners share with them more about product origins and food preparation. They want to **see kitchens** and **hear chef’s stories**.
- **Cultural specificities** will continue to massively impact guests’ expectations, with growing needs of adaptations to **personal tastes or diets**, while also keeping intact the authenticity of the culture, and food safety.



Best-in-Class Destinations

TOP 3 Ranking in Europe for “*Local Food overall quality*”

TOP 3 Destinations	Index > 180
Sweden	197
Italy	192
Greece	191



Usual suspects and New players

In addition to Mediterranean food, which traditionally enjoys a positive reputation, more recent players like Sweden are now driving excellent visitors’ culinary experiences too.



Best-in-Class Destinations

TOP 3 Ranking in Europe for "*Local food Value for money*"

TOP3 Destinations	Index > 200
Bulgaria	229
Poland	207
Turkey	204

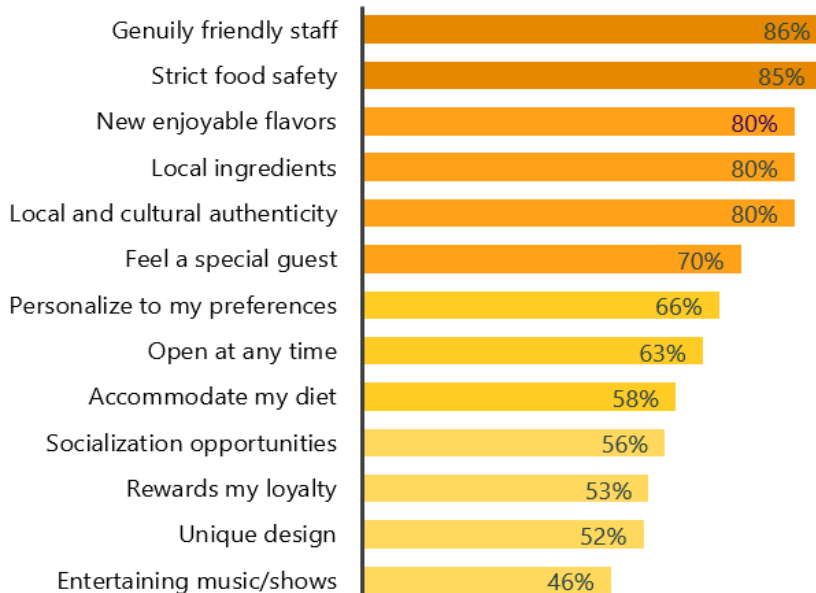


Affordable quality food experiences

Eastern European destinations have good capabilities to provide positive culinary experiences to their international visitors at very affordable cost, which offer competitive advantages for attracting families and budget travelers.

The ideal restaurant experience in the future...

A snapshot of international Guests' viewpoint



Methodological Note

TCI Research performed a custom analysis from the reference independent TRAVELSAT® Competitive Index Survey comprising 45 000+ interviews in the world and 30 000+ in Europe, completed by custom online survey among 2000 representative international travelers from UK, France, Germany, Netherlands, Spain, Italy, US and China. TRAVELSAT® is the UNWTO-endorsed global standard for measuring visitor experience, used by 100+ destinations and visitor economy players globally.