

## 2011 European Hotel Group Rankings

Following a year of restructuring forced by the global economic crisis, chain hotel supply growth in Europe stabilises. Rankings remain rather similar, with Accor the outright leader in the market and Carlson showing greatest growth.

Top ten hotel groups in the European Union at Jan. 1st. 2011								
RANK		GROUPS	HOTELS 2011	HOTELS 2010	HOTELS GROWTH	ROOMS 2011	ROOMS 2010	ROOMS GROWTH
1	1	ACCOR	2 272	2 231	41	246 665	242 288	1,8%
2	2	BEST WESTERN	1 309	1 289	20	89 092	87 017	2,4%
3	3	INTERCONTINENTAL HOTEL GROUP	545	548	-3	84 653	84 522	0,2%
4	4	GROUPE DU LOUVRE	942	995	-53	66 705	71 544	-6,8%
5	5	NH HOTELES	354	352	2	51 121	50 502	1,2%
6	7	CARLSON EUROPE /REZIDOR	247	228	19	49 237	44 471	10,7%
7	6	SOL MELIA	204	203	1	44 531	45 960	-3,1%
8	8	TUI	164	158	6	41 639	39 914	4,3%
9	9	HILTON INTERNATIONAL	177	163	14	41 214	39 713	3,8%
10	10	WHITBREAD	588	579	9	40 975	39 142	4,7%

Source : MKG Hospitality Database - February 2011

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**Europe, 11 March 2011:** Latest figures released by MKG Hospitality reveals over 23,000 new chain hotel rooms in Europe, a growth of 1.6%

“Despite still recording positive growth, this is a slowdown compared to previous years, as there is a lag in timing. Projects are signed when market condition are good (hotel performances and financing). Since these conditions were bad during the crisis, fewer projects were signed, consequently impacting stock results in subsequent years – hotel projects normally take around two years to break ground,” explains Direct of Development, MKG Hospitality, Vangelis Panayotis.

As expected, most growth in 2011 is in the budget and economy segments, with 3,918 new rooms (or 4.1% growth) and 7,756 new rooms (3.2% growth), respectively. This is lead by Travelodge’s aggressive expansion of 58 new properties or 11% growth (35 hotels and 3,700 rooms are under construction), on track to meetings its ambitious goal of 1,100 hotels and 100,000 rooms by 2025. Other significant new stock comes from Best Western, Etap Hotel, B&B and Premier Inn.

“Chain supply growth is still quite limited compared to the potential that can be achieved here in Europe. At present chain penetration rate is only 27.2%, compared to say North America’s 71.1%. So we can expect to see a lot more growth in branded supply,” adds Panayotis.

With almost three times the amount of rooms than its nearest rival, Accor is still the region’s heavy weight and creeping closer to the 250,000 room milestone. 34 new All Season properties and development of Etap Hotel helping the group maintain a considerable gap. Meanwhile, greatest movement comes from Carlson Europe / Rezidor , with 19 new properties and a 10.7% increase in room supply.

Despite recording a 6.8% drop in supply, Group de Louvre remains firm in fourth position. This decrease was also to be expected following integration of Golden Tulip, which increased stock considerably. German tour operator TUI balanced its portfolio of leisure hotels, reducing presence in Spain with partners Riu and Grupotel, while increasing in Greece under its brand Atlantica Hotels. Finally, Whitbread’s growth of its star chain Premier Inn continues to remain exclusively in its core market the UK.

## Hotel chain supply by category in the European Union Jan. 1st 2011

Segment	Hotels chains		No. of rooms		Hotels	Rooms	Growth in % of supply
	2011	2010	2011	2010			
0*/1*	1 323	1 303	99 224	95 306	20	3 918	4,1%
2*	3 126	3 071	247 409	239 653	55	7 756	3,2%
3*	4 174	4 152	468 650	463 277	22	5 373	1,2%
4*	3 380	3 355	614 917	608 824	25	6 093	1,0%
<b>Total</b>	<b>12 003</b>	<b>11 881</b>	<b>1 430 200</b>	<b>1 407 060</b>	<b>122</b>	<b>23 140</b>	<b>1,6%</b>

Source : MKG Hospitality Database - February 2011

## ABOUT MKG Group

Established in 1985 by Georges Panayotis, MKG Group has built a solid reputation for business expertise and substantial European-based know-how in the fields of tourism, lodging and food service. MKG Group meets the needs of each of its clients by providing valuable analytical and decision-making skills necessary for success. [www.mkg-group.com](http://www.mkg-group.com)

## METHODOLOGY

For 25 years, MKG Hospitality has been a global leader in tourism, hotel and catering consulting, with the largest database in the world (excluding the US), representing all segments from budget to upscale hotels. 45 000 hotels and over 2.5 million rooms are compiled in MKG's database.

MKG's market monitoring database, HotelCompSet, contains a sample of over 250 brands in 150 countries (over 800 markets) and 11 000 corporate chain hotels, representing more than 1,000,000 rooms. HotelCompSet provides daily, monthly and yearly monitoring of hotel indicators and analyses of its sample.

MKG's statistical samples provide a comprehensive and accurate measure of the hospitality industry. Together with other specialised brands, MKG Qualiting, OlaKala, Worldwide Hospitality Awards, Global Lodging Forum, as well as sector publications HTR Magazine and Hotel Restau Hedbo, MKG Group supports investors, hoteliers and key tourism players to improve performance, boost productivity and achieve results.

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