

Chapter 2:

# Focus on EMEA

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*Featured in this section cover is the city of London, UK. London experienced the highest international and domestic demand worldwide in Q4 2022, compared to Q3 2022, according to [Google's Destination Insights](#).*

# Getting Closer to Pre-Pandemic Volumes

Travel recovery was on track for European destinations in Q4 2022, with [Southern Europe](#) leading the recovery race. Certain European cities became the epicenter of tourism activity in the last months of 2022.

Data from the first three quarters showed that Europe was also the best performing region in terms of [hotel performance](#). The RevPAR has significantly increased year-over-year, driven mainly by high occupancy rates.

81%

was the estimated pre-pandemic international travel volume for [Q1-Q3 2022](#). Q3 was the busiest quarter, with Europe reaching 90% of the 2019 travel volume.

94%

of [overnight stays](#) in tourism establishments was achieved in Europe in 2022 compared to 2019.

The best performing period was the last two quarters of 2022, less than 1% behind the 2019 volumes.

9%

increase in the number of nights booked through online platforms [compared to 2019](#).

251 million nights were booked through online platforms in Q3 2022, compared to 230 million in 2019. This was the first quarter when European bookings were above pre-pandemic numbers.

 Greece recorded [31 million passengers](#) at their regional airports in 2022, exceeding pre-pandemic numbers.

 In the first 11 months of 2022, Spain recorded [85% of the 2019 international tourist arrivals](#).

 Croatia achieved [96% of 2019](#) overnight stays.

## [Top 3 European City Destinations, Q4 2022](#)

#1  London

#2  Paris

#3  Istanbul



# A Winter of Discontent

The energy crisis has massively impacted the hospitality industry. Hoteliers dealt with much higher costs on their bills and on services that keep their properties operational.

80%

of hoteliers stated that [the energy crisis](#) was their biggest challenge during the cold season.

Economic uncertainty (48%), costs associated with staff (42%), and staff recruitment and retention (43%) were also among the largest concerns for European hoteliers.

But the worst predictions didn't become a reality for most hotels. With higher than usual temperatures registered in the cold season, energy consumption was significantly reduced, resulting in a slight decrease in gas prices.

The energy crisis will continue to have an impact on the operational performance of European hotels. Short and long-term strategies to reduce consumption are now more essential than ever to manage the pressure of increasing costs.

## A Temporary Freeze

Some adopted extreme measures to stay open after the cold season ends. **Hungary** has been particularly affected by the energy crisis, and [many municipalities](#) decided to temporarily close public venues, such as spas, sports centers, and museums during the cold season.

**Danubius Hotel Hungaria City Center**, the largest hotel in the country, announced in October that [it would close its doors for the winter season](#). The main reason behind the closure was indeed the soaring energy prices, making it impossible for the hotel to sustain activity during the cold season.

**Caer Beris Manor Hotel** in Wales decided [to close its restaurant](#) for the winter months, despite a successful summer. Management made this decision because of the rising operational and energy costs so it made sense to reduce their activity to bed & breakfast and private events only.

### 💡 Some Initiatives Implemented by Hotels to Manage the Soaring Energy Costs 💡

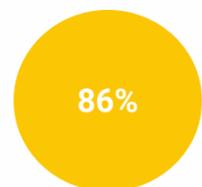
Here are some of [the most common strategies](#) European hoteliers adopted to reduce the pressure of increasing costs:

1. Higher rates or extra fees, such as energy fees
2. Asking guests to be more aware of energy consumption
3. Implementing smart tech - from thermostats to entire centralized systems
4. Prioritizing sustainable initiatives

# An Accelerated Review Volume Recovery

Since 2008, TrustYou has collected and analyzed guest reviews from the largest variety of global sources. Hotels, DMOs and management companies can benefit from one of the industry's most elaborate feedback databases.

The platform showcases a comprehensive overview of reviews, sources, and sentiments. Here's the overview for EMEA's fourth quarter:



**86% of the EMEA review volume has been reached in comparison to Q4 2019 reviews.** EMEA leads the recovery race in Q4 2022.



**93% of all feedback is positive.**

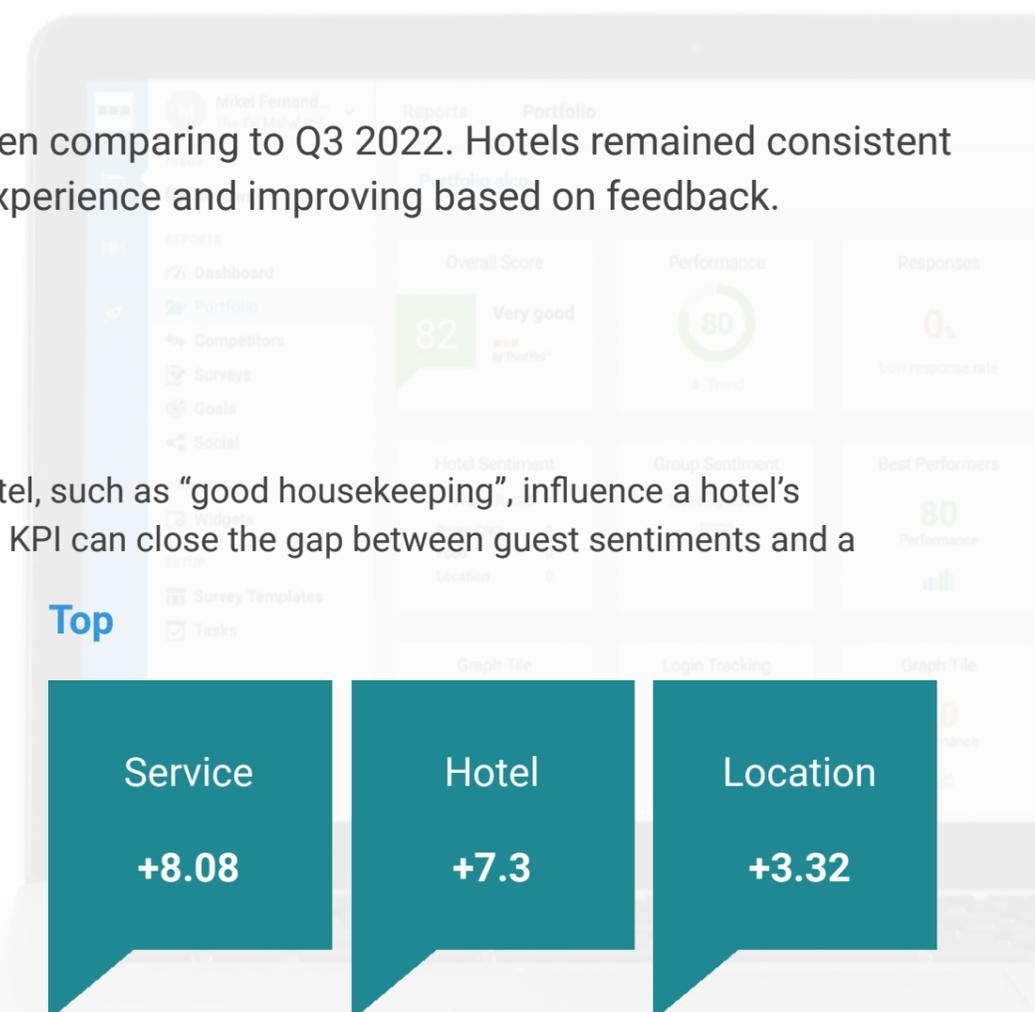
This number remains unchanged, when comparing to Q3 2022. Hotels remained consistent in terms of delivering a great guest experience and improving based on feedback.

## Impact Scores

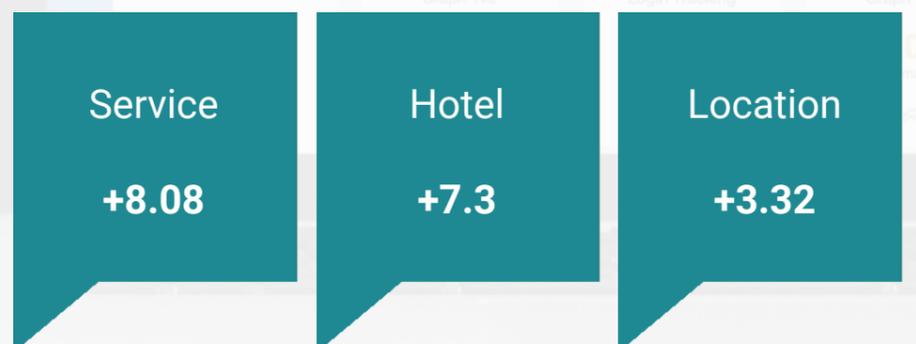
Impact Scores help identify how specific categories in a hotel, such as “good housekeeping”, influence a hotel's Performance Score during a particular time frame. This key KPI can close the gap between guest sentiments and a hotel's score.

**The Top Three Impact Scores** feature the same categories in Q4 2022 as in Q3 2022. Travelers were looking for high quality **customer service** from pre-stay to post-stay. Second category, **Hotel**, is perceived as a source of comfort, security, and relaxation. The third category, **Location**, shows that guests are more inclined to leave a positive review if the location of their stay is convenient.

**The Bottom Three Impact Scores** remained unchanged when compared to Q3 2022. With soaring inflation, **Price** continued to be a significant concern not only for hotels, but also for guests that were looking to get the most for the least.



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