



# Focus on European & Dutch Hotel Industry Developments



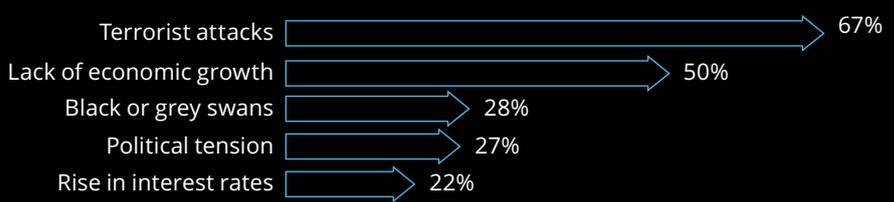
**Hotel investors are broadly optimistic** about the hotel market: **Many** say that **the Netherlands is at the upturn** of the investment cycle.

**Traditional bank debt** is expected to be the most common source of financing in the market (60%), followed by **private equity** (45%) and **alternative lenders** (41%).

**Terrorism (#1)** and a **lack of economic growth (#2)** are considered to be the **biggest sources of risk**

**More than half** of the respondents think hotel investments will mainly come from **Europe**. **4 in 10** believe it will largely come from **North America**, closely followed by **China**.

Even though the Netherlands is considered as a "safe zone", risks to the Dutch hotel industry is in the coming years seen in:



# Major industry trends

## Future growth demographics

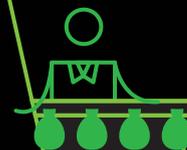
Despite **Baby boomers** having the highest disposable income, > 60% think that the Millennials and **Generation X** have the biggest potential to drive business over **the next 5 years**.



## Technology and big data

**50% say** that the **biggest area** for revenue & **profitability growth** is operational optimization (e.g. staff planning, procurement, automation).

**51% say** that **customer communication** (e.g. targeted marketing, pre- and after-care of guests) is the biggest area for revenue & profitability growth.



**Over a third** says they **would invest** in **small innovative hotel** companies over **traditional established hotels**.

Small innovative hotel collections in the Netherlands are for example the hotels within the European Hotels Private Collection (EHPC), with the opening of the Sir Adam Hotel Amsterdam (108 rooms) and the acquisition of the Parkhotel The Hague (120 rooms) in 2017.



**Moreover, 28% say** they would invest in **alternative accommodation**, like student housing.

For example, the Student Hotel Group is taking its advantage with respect to the need of alternative **student housing requests**.

These are the key findings from the 2017 Deloitte European Hotel Investment Survey, conducted as part of the annual European Hotel Investment Conference.

The survey represents the view of a sample of senior hospitality figures, including owners, operators, lenders, developers and investors.

The reports additionally includes insights from the Dutch Hospitality practice at Deloitte.

**Sources:**

**Misset Horeca:** <http://www.missethoreca.nl/hotel/artikel/2017/03/sir-adam-hotel-amsterdam-uitzicht-gitaren-en-ruw-beton-101262313>

**Hospitality & Catering News:** <https://www.hospitalityandcateringnews.com/2017/11/europe-hotels-private-collection-acquires-parkhotel-hague/>

**Hospitality Management:** <https://www.hospitality-management.nl/the-student-hotel--naar-maastricht>

**Consultancy.nl:** <https://www.consultancy.nl/nieuws/15972/markt-voor-serviced-apartments-in-nederland-en-amsterdam-neemt-vlucht>

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