Horwath HTL

Hotel, Tourism and Leisure

2022 Germany Hotels & Chains

This report provides a snapshot of a fascinating moment in hospitality. Will we see the direction of the industry change forever?

A very warm welcome to this latest country edition of the Hotels and Chains report. The report was started to examine the relationship between branded hotels and hotel companies and their independent counterparts.

Over the last 20 years or so, branded hotel products have started to become more and more prevalent in Europe and the Middle East. We are still nowhere near North America when it comes to brand penetration, but the industry has definitely been moving in that direction.

Of course, when we wrote the last edition, we had no idea that global events would cause such chaos in a market which had seen unprecedented success in 2019. Needless to say the events of the last 24+ months have thrown the ownership and performance of the hotel industry into sharp focus, exacerbating friction between owners and operators, putting pressure on lenders, making development debt something of a mirage and laying waste to the best laid plans of many giants in the industry.

There are signs of life however. Hotel products away from city centres have experienced two summers of unexpectedly high occupancy with the famous staycation surge if not running to the rescue, then certainly helping to keep businesses afloat.

As we recover, we turn our focus once again to branded hotels and products and look to see what affect COVID-19 has had on their inevitable rise. Will the lack of corporate travel and city centre tourists see a slowing of the large brands? Will owners think twice about rebranding with an inevitable rise in costs, or will the pandemic accelerate the move towards the perception of a safe harbour?

The other interesting question is what now happens to the various models that are prevalent in the industry. There are already signs that owners are unhappy with the current arrangements, so will that mean less management contracts and more franchises and will those markets that have traditionally relied on leases be able to create a product that shares the risk more effectively?

This report provides a snapshot of a fascinating moment in hospitality. Will we see the direction of the industry change forever, or will the pain be short term and the new normal looks like the old normal?

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Germany

Hotel chains in Germany continue to expand their portfolio in 2022. As a result, the number of rooms in hotel chains is growing to an all-time high of 334,562 rooms, an increase of 5.5 percent compared to 2018. Strong market penetration is particularly evident in major cities such as Berlin, Frankfurt, Munich, and Hamburg. With 584 hotels across all segments and 115,123 rooms, these metropolitan areas command one-third of the total room capacity in the hotel market.

The Market

Private hotels still hold the largest share of the German hotel market, accounting for 60 percent of rooms. Hotel chains, however, are catching up more and more; especially in the major cities, hotel chains have two-thirds of the room capacity. This is particularly evident in trade fair cities such as Leipzig and Frankfurt: in Frankfurt, for example, the midscale segment is especially well represented, with 43 hotels branded hotels and 8,481 rooms. In small towns, on the other hand, private hotels tend to dominate.

Among the hotel chains, Accor is the leader in Germany with 362 hotels and 50,147 rooms. Accor thus has almost as many rooms as Best Western, Marriott and Deutsche Hospitality combined. Hotel chains like Accor and Marriott are constantly trying to expand their portfolio of hotel brands. Through a joint venture with Ennismore, Accor wants to further expand its presence within lifestyle brands, such as 25h, 21c and Delano, among others. Accor is also focusing on capturing the highest possible demand for hotel stays through a differentiated product portfolio across all price ranges.

Moxy, a Marriott brand, is focusing on D-locations, such as Simmern and Kupferzell, for this purpose.

B&B has greatly expanded its room count to 15,953 and 151 hotels. Compared to 2018, B&B thus recorded the strongest growth in the number of rooms (52.6 percent) as well as in newly opened hotels (48.0 percent).

Among German hotel providers, Motel One is the frontrunner, which now offers 4,054 more rooms compared to 2018, an increase of 33.1 percent.

The trend of building fewer hotels, but with a larger number of rooms, initially remains as in previous years. In this context, the average number of rooms per hotel in the chain hotel market has increased by around 4.4 percent from 143 rooms to 149 rooms from 2018 to 2022. Furthermore, the number of rooms depends on the categorization of each individual hotel. Hotels in the budget, economy and midscale segment have an average of 143 rooms per hotel, in the upscale segment 160 rooms and in the luxury segment 226 rooms.

The focus of the hotel chains continues to be on the midscale segment, where brands such as Mercure, Intercity and Novum, are leading the way, as in previous years.

Although demand for the construction of new hotels is currently lower than in previous years, which is partly due to the pandemic situation, there are almost 40,000 rooms distributed in 184 hotels currently under construction that will enter the market in the next three years. Among the top three destinations are Berlin with 18, Hamburg with 17 and Munich with 15 new hotels.

Union Investment continues to lead the Institutional Investors ranking with 12,204 rooms and 47 hotels, followed by Accor Invest with 10,412 rooms and 77 Hotels. Union Investment was also the most active in 2021 with four acquisitions.

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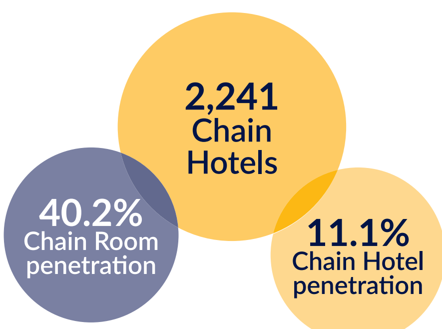

Key Statistics	2018	2022	% Change
Total chain hotels	2,217	2,241	1.1
Total chain rooms	317,235	334,562	5.5
Average size per chain hotel in rooms	143	149	4.4
Country hotels stock (overall supply)	20,029	20,272	1.2
Country rooms Stock (overall supply)	827,861	833,276	0.7
Average size per hotel in rooms	41	41	0.3
Chain penetration % by hotels	11.1%	11.1%	0.1
Chain penetration % by rooms	38.3%	40.2%	4.8
Total number of brands	222	231	4.1
Domestic brands	89	99	11.2
International brands	131	131	0
International chain hotels	1,316	1,362	3.5
Domestic chain hotels	898	879	-2.1
International chain rooms	197,028	207,517	5.3
Domestic chain rooms	120,207	127,045	5.7

Germany: Ranking by Size

CHAINS

Rank	Overall Chain Groups	Hotels	Rooms
1	Accor	362	50,147
2	BWH Hotel Group	184	20,302
3	Marriott International	78	18,215
4	IHG	88	17,382
5	Motel One GmbH	56	16,294
6	B&B Hotels	151	15,953
7	Deutsche Hospitality	66	12,217
8	Novum Hospitality	111	11,326
9	Radisson Hotel Group	47	10,865
10	NH Hotel Group	50	9,195

Rank	Domestic Chain Groups	Hotels	Rooms
1	Motel One	56	16,294
2	Deutsche Hospitality	66	12,217
3	Novum Hospitality	111	11,326
4	Dorint	54	9,050
5	Maritim	28	8,452
6	H-Hotels	50	8,299
7	A&O Hotels	25	4,803
8	Achat Hotels	32	3,775
9	Dormero Hotel	26	3,035
10	Lindner Hotels	21	2,742

Rank	International Chain Groups	Hotels	Rooms
1	Accor	362	50,147
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3	Marriott International	78	18,215
4	IHG	88	17,382
5	B&B Hotels	151	15,953
6	Radisson Hotel Group	47	10,865
7	NH Hotel Group	50	9,195
8	Fattal Hotels Group	52	9,183
9	Hilton Worldwide	32	8,454
10	Wyndham Hotel Group	49	7,170

Please note: There are 35 hotels (overall) with 2,582 rooms that are chain affiliated, but have no brand association.

BRANDS

Rank	Overall Chain Brands	Hotels	Rooms
1	Motel One	56	16,294
2	B&B Hotels	151	15,953
3	Mercure	99	14,097
4	Ibis	84	11,495
5	Best Western	98	9,615
6	Maritim	28	8,452
7	Ibis Budget	76	7,749
8	Dorint Hotels & Resorts	42	7,319
9	Holiday Inn	30	6,993
10	NH Hotels	41	6,972

Rank	Domestic Chain Brands	Hotels	Rooms
1	Motel One	56	16,294
2	Maritim	28	8,452
3	Dorint Hotels & Resorts	42	7,319
4	IntercityHotel	34	6,172
5	Novum Hotel	69	5,590
6	Steigenberger H&R	27	5,298
7	A&O Hotels And Hostels	25	4,803
8	niu Hotel	18	3,248
9	H+	25	3,215
10	Dormero Hotels	26	3,035

Rank	International Chain Brands	Hotels	Rooms
1	B&B Hotels	151	15,953
2	Mercure	99	14,097
3	Ibis	84	11,495
4	Best Western	98	9,615
5	Ibis Budget	76	7,749
6	Holiday Inn	30	6,993
7	NH Hotels	41	6,972
8	Holiday Inn Express	44	6,749
9	Leonardo Hotels	38	6,415
10	Radisson Blu	22	6,050

Germany: Ranking by Scale

DOMESTIC BRANDS			
Rank	Budget & Economy	Hotels	Rooms
1	Motel One	56	16,294
2	A&O Hotels And Hostels	25	4,803
3	Select Hotel	19	2,032
4	Meininger	12	1,918
5	Achat Comfort	13	1,379
6	Essential by Dorint	7	943
7	McDreams Hotels	8	757
8	Fleming's Express	1	384
9	Loginn	1	170
10	H.ostel	1	43
Rank	Midscale	Hotels	Rooms
1	Dorint Hotels & Resorts	42	7,319
2	IntercityHotel	34	6,172
3	Novum Hotel	69	5,590
4	niu Hotel	18	3,248
5	H+	25	3,215
6	Derag Livinghotels	14	2,451
7	Welcome Hotels	15	2,081
8	Victor's Residenz-Hotel	13	1,680
9	Achat Premium	12	1,502
10	Centro Hotels	22	1,403
Rank	Upscale	Hotels	Rooms
1	Maritim	28	8,452
2	Dormero Hotels	26	3,035
3	Lindner Hotels	19	2,403
4	H4	10	2,158
5	Michel Hotels	14	1,784
6	Pentahotels	9	1,711
7	Hyperion	9	1,483
8	Atlantic	11	1,384
9	Morada Hotels & Resorts	10	1,251
10	Dr. Lohbeck Privathotels	15	1,207
Rank	Luxury	Hotels	Rooms
1	Steigenberger Hotels & Resorts	27	5,298
2	Kempinski	6	1,487
3	Hommage Luxury Hotels Coll.	5	788
4	Roomers	3	526
5	Althoff Hotel Collection	4	464
6	A-Rosa	2	367
7	Hotel Neptun	1	338
8	Vila Vita Hotels	3	333
9	Severin*s	2	102
10	Louis C. Jacob	1	85

INTERNATIONAL BRANDS			
Rank	Budget & Economy	Hotels	Rooms
1	B&B Hotels	151	15,953
2	Ibis	84	11,495
3	Ibis Budget	76	7,749
4	Holiday Inn Express	44	6,749
5	Premier Inn	35	5,904
6	Ibis Styles	41	4,414
7	Moxy Hotels	14	2,601
8	Super 8	9	1,720
9	IFA-Hotels	4	1,449
10	Tryp	10	1,260
Rank	Midscale	Hotels	Rooms
1	Mercure	99	14,097
2	Best Western	98	9,615
3	Holiday Inn	30	6,993
4	Leonardo Hotels	38	6,415
5	Radisson Blu	22	6,050
6	Novotel	21	4,460
7	Center Parcs	6	4,432
8	Park Inn By Radisson	11	2,478
9	Hampton by Hilton	13	2,444
10	Innside by Meliá	14	2,288
Rank	Upscale	Hotels	Rooms
1	NH Hotels	41	6,972
2	Hilton	12	4,524
3	Best Western Plus	39	4,241
4	Marriott	10	3,288
5	Courtyard by Marriott	14	2,664
6	Best Western Premier	16	1,951
7	NH Collection Hotels	8	1,919
8	Vienna House Easy	16	1,874
9	Wyndham Garden	12	1,684
10	Crowne Plaza Hotels & Resorts	5	1,605
Rank	Luxury	Hotels	Rooms
1	Sheraton	8	2,785
2	Westin Hotels & Resorts	5	2,078
3	Le Méridien	5	1,441
4	Hyatt Regency	3	877
5	Sofitel	3	787
6	Autograph Collection	6	744
7	The Ritz-Carlton	2	473
8	Grand Hyatt	1	342
9	Park Hyatt	1	283
10	Andaz	1	277

Germany: Ranking per Scale & Size

CHAINS	OVERALL			DOMESTIC		INTERNATIONAL	
	Hotels	Rooms	Avg Size	Hotels	Rooms	Hotels	Rooms
Budget & Economy	654	93,429	143	143	28,723	511	64,706
Midscale	890	127,216	143	408	50,434	482	76,782
Upscale	565	90,351	160	246	35,720	319	54,631
Luxury	97	20,984	226	54	9,788	43	11,196
TOTAL	**2,206**	**331,980**	**150**	**851**	**124,665**	**1,355**	**207,315**

Germany: Ranking by Scale & Destination

CHAINS	BERLIN		HAMBURG		MUNICH		FRANKFURT	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms		
Budget & Economy	60	11,836	37	7,328	34	6,233	33	6,634
Midscale	77	14,818	60	9,211	47	7,465	43	8,481
Upscale	54	11,948	32	4,833	31	7,116	37	7,515
Luxury	14	4,094	9	1,878	9	2,962	9	3,260
TOTAL	**205**	**42,696**	**138**	**23,250**	**121**	**23,776**	**122**	**25,890**

Germany: Ranking by Destination

Rank	Destination	Hotel	Rooms
1	Berlin	202	42,084
2	Frankfurt	122	25,890
3	München	122	23,899
4	Hamburg	138	23,250
5	Stuttgart	56	9,658
6	Dusseldorf	62	9,313
7	Köln	49	8,783
8	Dresden	40	7,618
9	Leipzig	45	7,375
10	Hannover	35	5,694

Germany: Destination Pipeline

Rank	Destination	Hotel	Rooms
1	Berlin	18	4,680
2	Hamburg	17	4,360
3	München	15	3,256
4	Düsseldorf	12	2,982
5	Frankfurt	9	2,630
6	Karlsruhe	6	1,343
7	Stuttgart	6	1,071
8	Mannheim	5	955
9	Dresden	6	933
10	Köln	5	928

Source: TopHotelProjects & Horwath HTL

Germany: Institutional Owners

Rank	Name	Hotels	Rooms
1	Union Investment	47	12,204
2	Accor Invest	77	10,412
3	Covivio	56	9,365
4	Pandox	38	8,235
5	Aroundtown	35	6,972

Rank	Name	Hotels	Rooms
6	Patrizia	43	6,356
7	Event Hotels	29	6,056
8	DekaBank	27	6,049
9	Art Invest	30	5,532
10	Commerz Real	15	3,647

Source: MSCI Real Capital Analytics

Horwath HTL
Hotel, Tourism and Leisure

AFRICA
Rwanda
South Africa

ASIA PACIFIC
Australia
China
Hong Kong
India
Indonesia
Japan
Malaysia
New Zealand
Singapore
Thailand

EUROPE
Andorra
Austria
Croatia
Cyprus
Germany
Greece
Hungary
Ireland
Italy
Netherlands
Poland
Portugal
Serbia
Spain
Switzerland
Turkey
United Kingdom

LATIN AMERICA
Argentina
Brazil
Chile
Dominican Republic
Mexico

MIDDLE EAST
UAE & Oman

NORTH AMERICA
Atlanta
Denver
Los Angeles
Miami
Montreal
New York
Norfolk
Oregon
Orlando
Toronto

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Horwath HTL has made every effort to ensure that all data in this report is as accurate as possible at the time of publication, we cannot however guarantee that this is the case. All country figures from UNWTO.

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