



# HOTEL MARKET VIENNA – BACK ON TRACK

MARCH 2023

## FOREWORD

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Dear readers,

Characterised by seemingly endless annual increases, the Vienna hotel market saw no end to growth until the outbreak of the COVID-19 pandemic. Since a new normality has returned in the second half of 2022, the question is how the Vienna hotel market has emerged from this crisis.

For this reason, we have analysed performance, supply and the most important stakeholders on the Viennese hotel market and will give you an overview on the following pages.

While the first half of 2022 had an inhibiting effect on demand due to travel restrictions, it is evident in the second half of the year that the Viennese hotel market is emerging stronger from this pandemic, with some key figures already surpassing those of 2019. RevPAR was steadily above 2019 levels from September onwards and reached an unprecedented high of € 102.3 in December.

We hope you enjoy reading this report and that it will give you an exciting insight into the market!



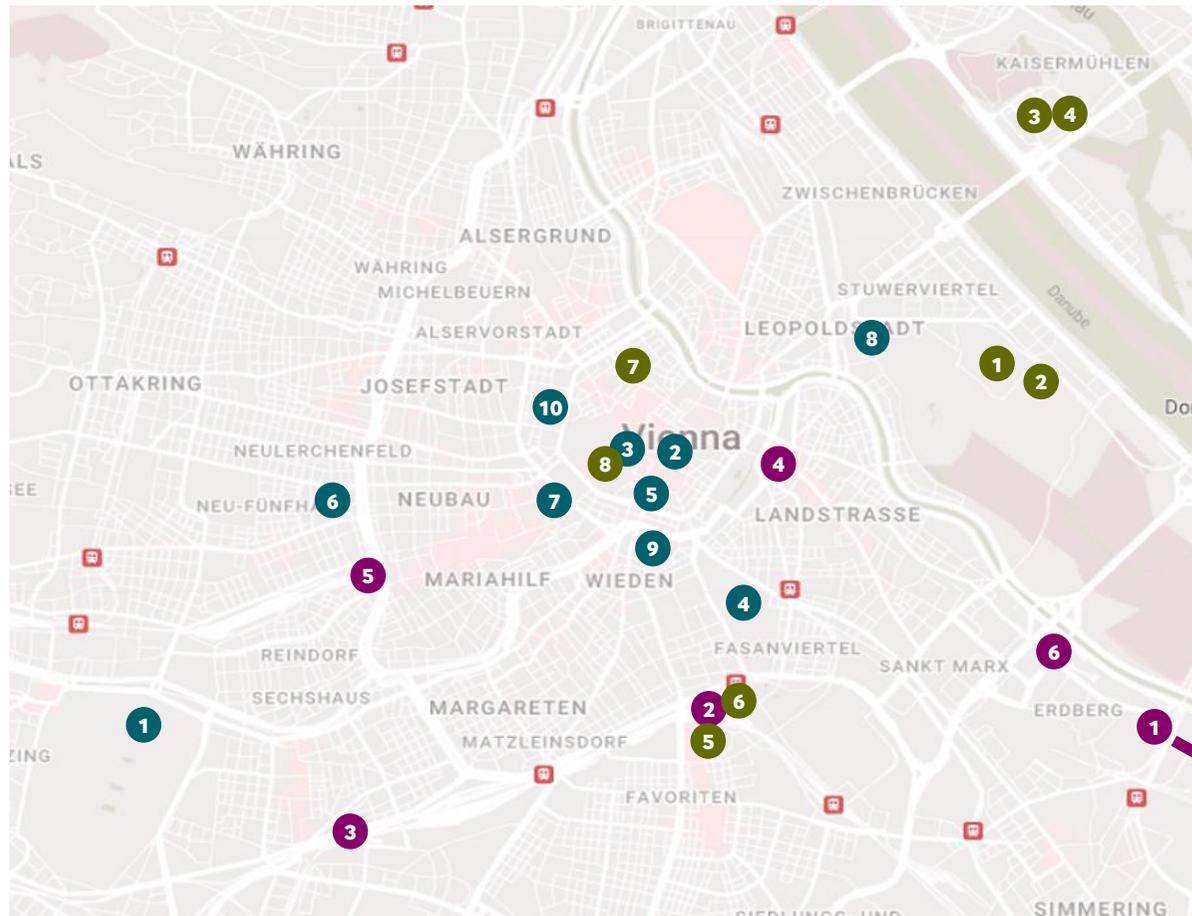
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Analyst

# LOCATION ANALYSIS

## Balanced Business-Leisure Mix



### Leisure Demand Generators

- 1 Schönbrunn Palace
- 2 St Stephen's Cathedral
- 3 The Hofburg
- 4 Belvedere Palace
- 5 Opera
- 6 Wiener Stadthalle
- 7 Museums Quartier
- 8 Prater
- 9 Charles Church
- 10 City Hall

### Business Demand Generators

- 1 Messe Wien Exhibition Center
- 2 OMV
- 3 Austria Center
- 4 United Nations Vienna
- 5 ÖBB Holding
- 6 Erste Bank Campus
- 7 OPEC
- 8 OSCE

### Transportation

- 1 Vienna Airport
- 2 Vienna Central Station
- 3 Meidling Station
- 4 Wien Mitte Station
- 5 West Station
- 6 International Busterminal

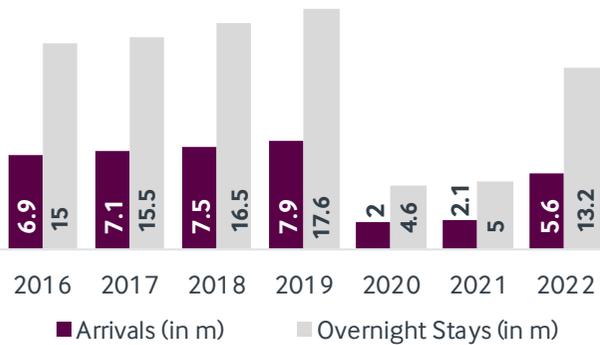
The capital of Austria is strategically located in the east of the country, close to the borders with Hungary, the Czech Republic and Slovakia. As the second largest German-speaking, and sixth largest city in the European Union, Vienna is an important economic and cultural centre and is also considered the most liveable city in the world for the third time in five years, according to the Global Liveability Index. The city is home to numerous landmarks, such as the Schönbrunn Palace, Hofburg Palace, St. Stephen's Cathedral, and the Belvedere Palace, that attract tourists from around the world. Vienna is a major economic and political center in Europe and hosts a large number of international conferences and exhibitions. The Austrian capital headquarters several major international organisations such as OSCE, UNIDO or OPEC and international companies like OMV, Erste Bank or ÖBB.

Source: Christie & Co Research

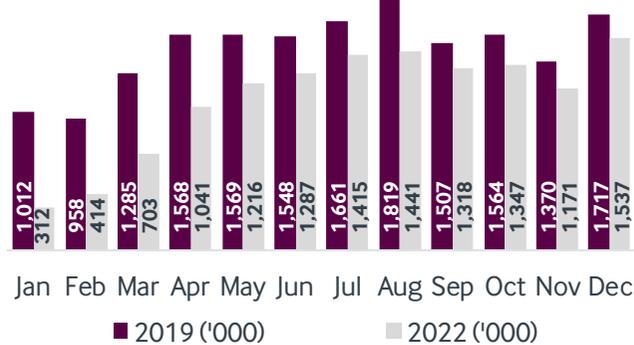
# TOURISM DEMAND & ORIGIN

Who are the big spenders?

**Yearly Arrivals and Overnight Stays Vienna 2016-2022**



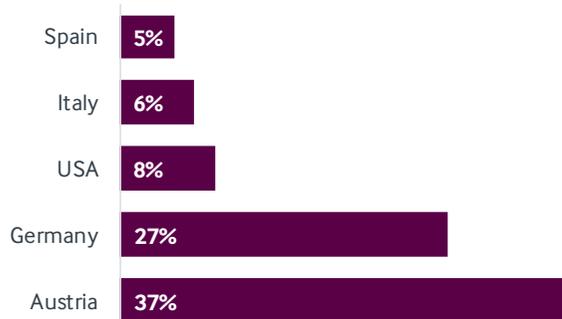
**Monthly Overnight Stays 2019 vs 2022**



According to the Vienna Tourist Board, Vienna recorded a total of 13.2 million overnight stays in 2022, which is 4.4 million below the 17.6 million recorded in 2019.

From the second half of 2022 onwards, a positive trend was observed. In the second half of 2022, the total of 8.2 million overnight stays were only 1.4 million behind those of 2019. A gap that could now be closed even faster with the lifting of travel restrictions in China, which was the fastest-growing origin market until the outbreak of the pandemic.

**Top 5 Countries of Arrivals 2022**



**Top 5 Average Expenditure 2022 per guest per night (accommodation only)\***



The average length of stay increased from 2.23 days (2019) to 2.36 days (2022). While 37% of arrivals in 2022 were domestic, 63% were international, with 27% originating from neighbouring Germany. In third place is the USA (8%) followed by Italy (6%) and Spain (5%).

While Austria (€ 62.1) and Germany (€ 61.6) generated the largest number of overnight stays and arrivals, they spent relatively less on accommodation. The leaders in this regard were UAE and USA, where guests spent an average of € 97.8 and € 92.5 respectively per person per night on accommodation, followed by the UK, Switzerland and Israel.

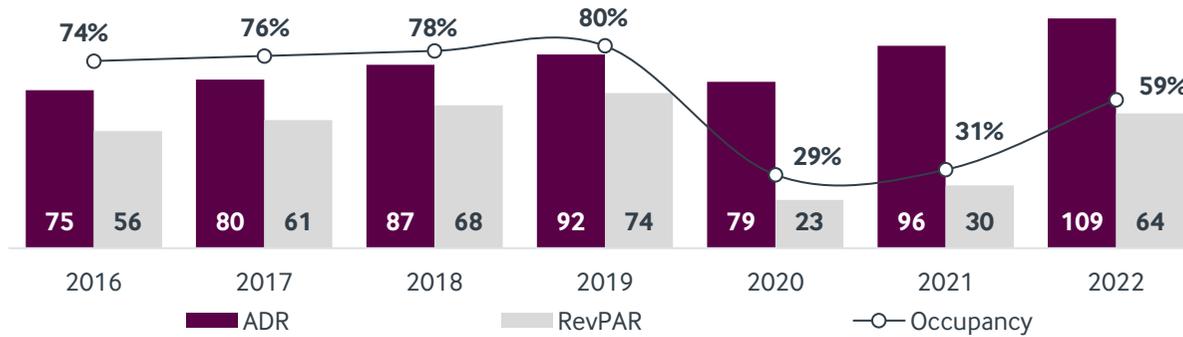
Source: Wien Tourismus

\*Note: Only countries generating +100,000 room nights / year included

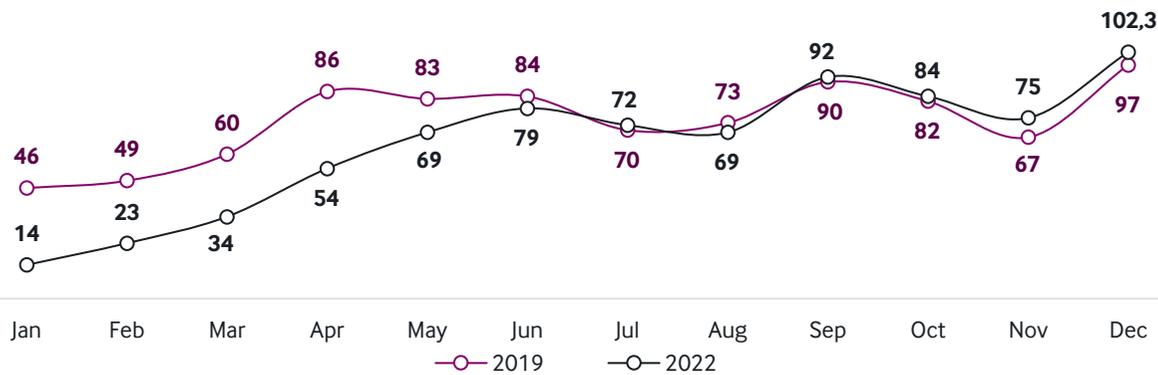
# PERFORMANCE ANALYSIS

Highest ever recorded RevPAR in December 2022

Vienna Historical Performance 2016-2022



Monthly RevPAR Performance 2019 vs 2022



Source: Wien Tourismus

## Occupancy



**58.7%**

2022

**-21.5ppts**

**80.2%**

2019

## Average Daily Rate



**€ 109.2**

2022

**+18.2%**

**€ 92.4**

2019

## Revenue Per Available Room



**€ 64.1**

2022

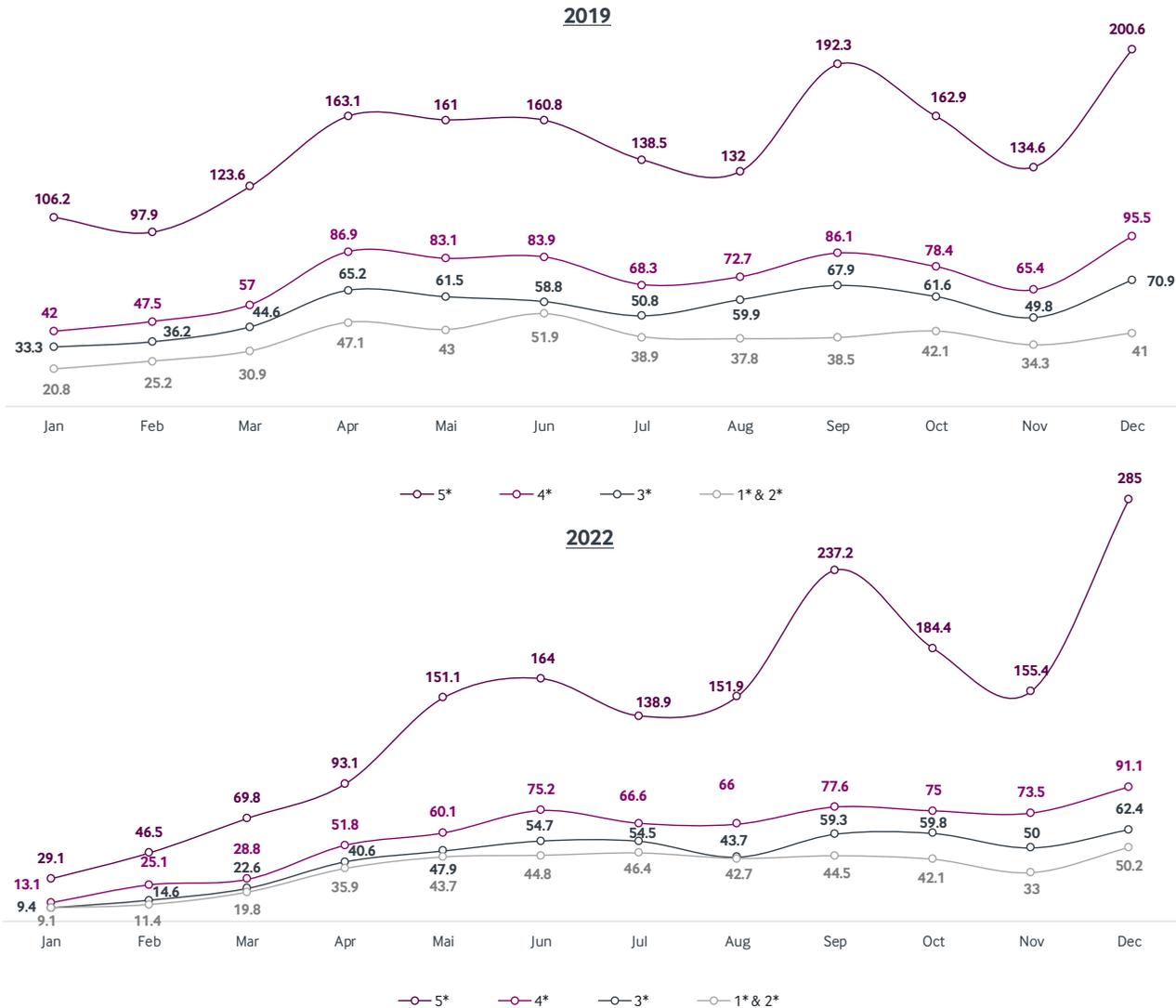
**-13.7%**

**€ 74.3**

2019

# MONTHLY REVPAR PER CATEGORY

Luxury and Budget outperform upscale and midscale



Sources: Wien Tourismus, Christie & Co Research

## RevPAR July – December

\*\*\*\*\*  
**€ 192.1**  
 2022 **+19.9%**  
**€ 160.2**  
 2019

\*\*\*\*  
**€ 75.0**  
 2022 **-3.5%**  
**€ 77.7**  
 2019

\*\*\*  
**€ 55.0**  
 2022 **-8.6%**  
**€ 60.2**  
 2019

\*\* & \*  
**€ 43,2**  
 2022 **+11.3%**  
**€ 38,8**  
 2019

# CHAINS & BRANDS

Accor, Verkehrsbuero and Marriott make up for 25% of Vienna's total room supply



Hotel Indigo Vienna / © BWM Architects

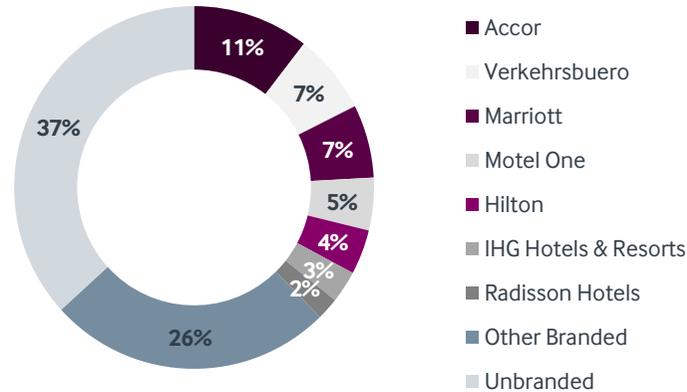


Rosewood Vienna / © A2K Architects



Radisson Red Vienna / © Radisson Hotels

2022 Vienna Share of Total Rooms Supply (%)



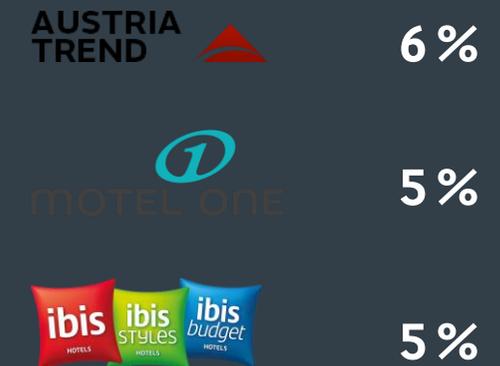
Top Chains	Hotels	Rooms	%
Accor	22	3 862	11%
Verkehrsbuero	15	2 642	7%
Marriott	9	2 410	7%
Motel One	4	1 733	5%
Hilton	4	1 476	4%
IHG Hotels & Resorts	5	1 057	3%
Radisson Hotels	4	737	2%

Top Brands	Hotels	Rooms	%
Austria Trend Hotels	12	2 084	6%
Motel One	4	1 733	5%
Ibis (incl. Styles & Budget)	8	1 660	5%
Hilton Hotels & Resorts	3	1 284	3%
Mercure	6	805	2%

## Top 3 Chains (% Total Rooms)



## Top 3 Brands (% Total Rooms)



Source: Christie & Co Research

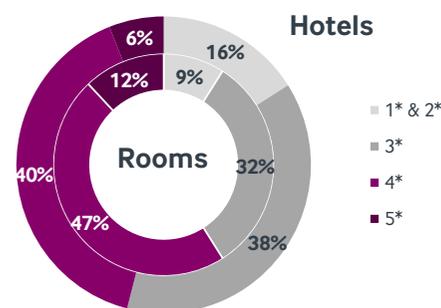
# SUPPLY & PIPELINE

Vienna's hotel rooms are concentrated within the 3 and 4 star segments

Vienna Room Supply 2015-2025F



Vienna Category Share 2022



The Vienna hotel market comprised 398 hotels and around 36.7k hotel rooms. Between 2019 and 2022, the market showed a decrease in hotel properties (from 422 in 2019 to 398 in 2022) as the pressure of COVID-19 forced especially smaller hotels (>50 rooms) to permanently close.

The total room supply is concentrated within the 3 and 4-star segments with 47% and 32% of the total rooms, respectively. There are 24 hotels in the pipeline totalling 3,450 rooms that are set to open by the end of 2025. The current pipeline represents a 9% increase in room supply between 2022 FY and 2025 FY.

The major hotel openings in the second half of 2022 were the 99-bedroom Rosewood opened in August, the 198-bedroom Bassena Wien Donaustadt opened in November and the 211-bedroom Leonardo Hotel Otto-Wagner opened in December.

The Viennese hotel market continues to reflect the trend towards branded hotels, which generally have well over 100 rooms. In addition, the trend towards extended-stay products is also recognisable with the opening of Citadines and Residence Inn by Marriott.

Recent (re-)openings	Opening Date	Number of Rooms
Rosewood Vienna	August 2022	99
magdas Hotel City	October 2022	85
Bassena Wien Donaustadt	November 2022	198
Leonardo Hotel Otto-Wagner	December 2022	211
The Amauris Vienna	February 2023	62

Selected Pipeline	Opening Date	Number of Rooms
Almanac Vienna	Mid-March 2023	111
Greet Wien City Nord	Mid-March 2023	96
Citadines Danube City Vienna	Q2 2023	223
Moxy & Residences Inn Erdberg	Q2 2023	246
Schani Hotel Donaustadt	Fall 2023	202
H2 Hotel	Fall 2023	265
The Hoxton	End of 2023	196
Hampton by Hilton	Fall 2024	358
Thompson Vienna	2024	148
Mandarin Oriental	2025	151
AWA Hotel Vienna	2025	246

Sources: Wien Tourismus, Christie & Co Research

# INTRODUCTION TO CHRISTIE & CO

12 offices  
across  
the UK



12 offices  
across  
Europe

**Christie & Co was founded 86 years ago, and as part of the Christie Group is publicly listed on the London Stock Exchange Alternative Investment Market (AIM).**

## Christie & Co Today

We are the leading valuers, consultants and brokers across Europe in our specialist sectors and have more than 250 professionals across 24 offices.

Our knowledge of the European and UK hotel market is unparalleled thanks to the largest hospitality team across our extensive network of offices.

Headquartered in London, we have offices across Europe, including Helsinki, Berlin, Frankfurt, Munich, Vienna, Paris, Barcelona and Madrid.

## We act on behalf of

- Local and International Developers
- Private Equity, Institutional Funds, Family Offices, HWNIs and Private Owners
- Regional and International Brands and Operators
- Domestic and International Banks and Debt Funds

We currently have more than 430 hotel sale instructions across the UK and Europe and carried out 272 hotel valuations in 2022 worth c. €2.6bn. Our Consultancy teams advised on assets worth c. €563m.

**In 2022, Christie & Co was the most active hotel property agent in the UK and across Europe, having sold more individual hotels than any other broker.**



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