

COVID-19 hospitality sentiment survey Key findings

Week commencing 20 April 2020

Introduction

To help identify the business impact of COVID-19 in the hospitality industry, Deloitte is conducting a periodic survey of sentiment from senior figures in international hospitality

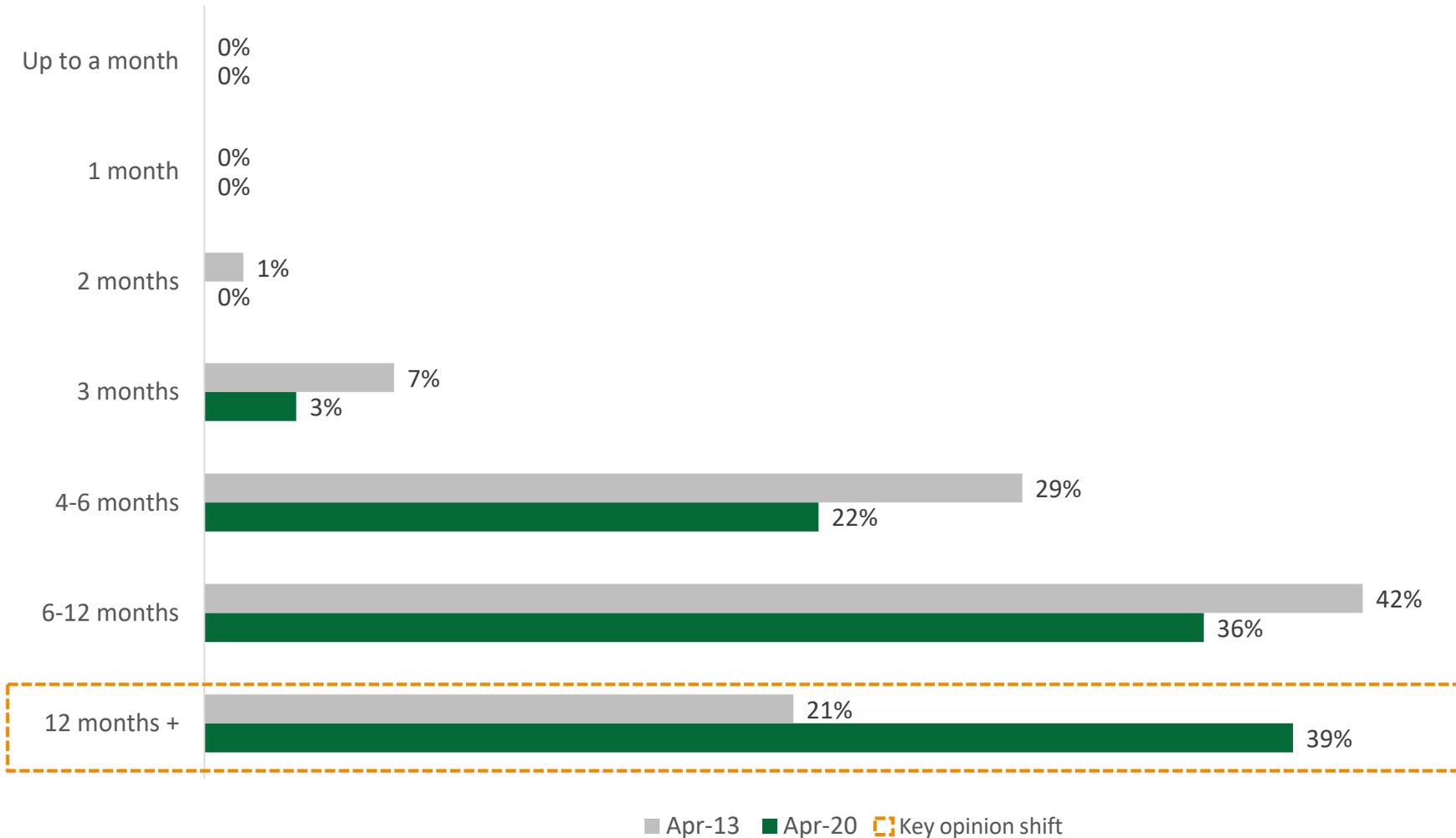
- These are the key findings from the Deloitte Hotel Sentiment Survey, conducted in March and April 2020, as part of the annual European Hotel Industry Conference. The findings are based on the responses of 123 senior figures in international hospitality
- The findings in this document represent the fifth survey conducted during the week of April 20, 2020
- Stay tuned for our next set of COVID-19 hospitality sentiment survey findings and please contact: EHIC@deloitte.co.uk to sign up



Survey responses

Length of the disruption to the hospitality sector

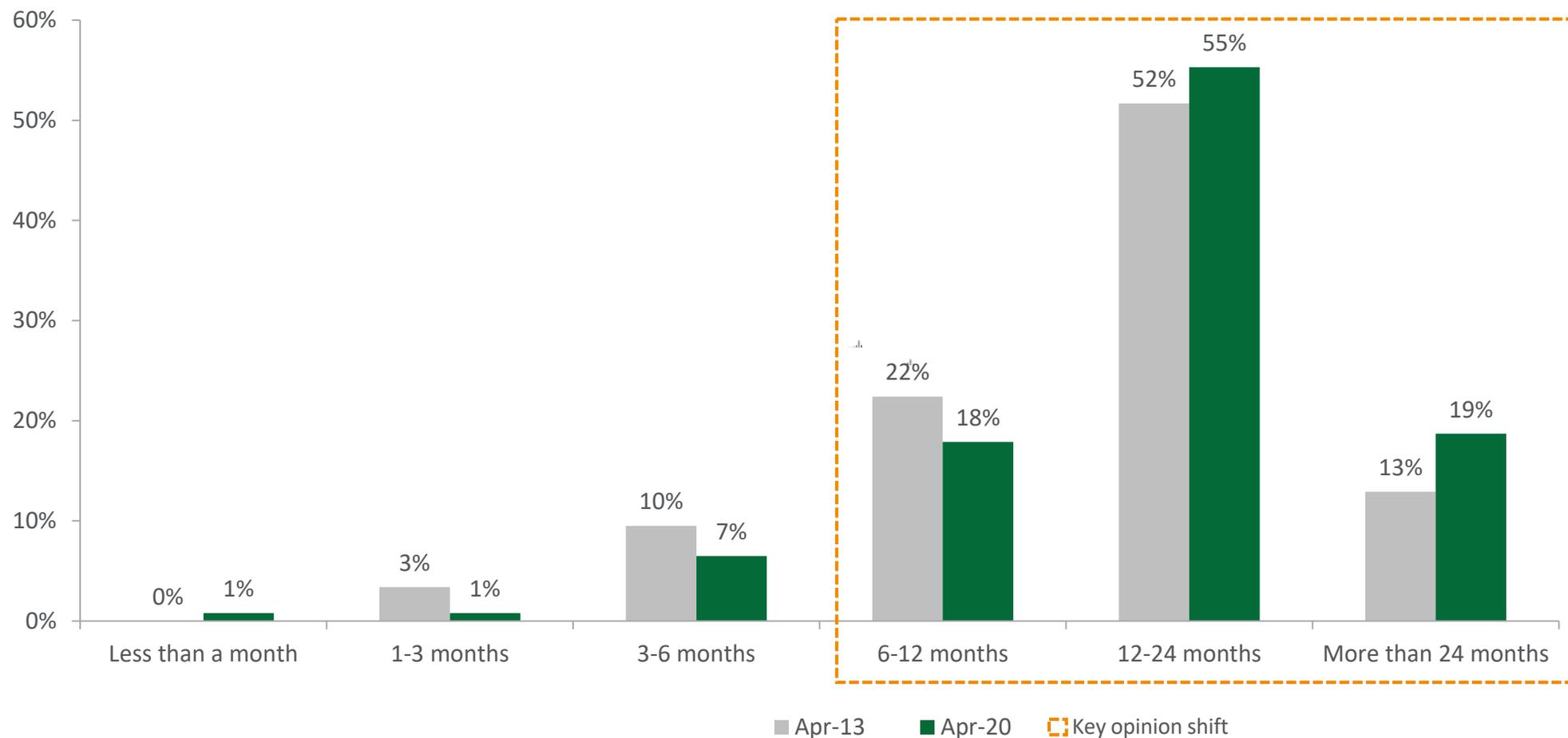
97% of respondents expect the disruption to last 4 months or more i.e. beyond the summer vs. 92% last week. Respondent sentiment has continued to shift more negatively towards longer term disruption of 12 months+ (39% vs. 21% last week)



Q1: How long do you expect material disruption to the hospitality sector to last?

Hotel industry's recovery speed

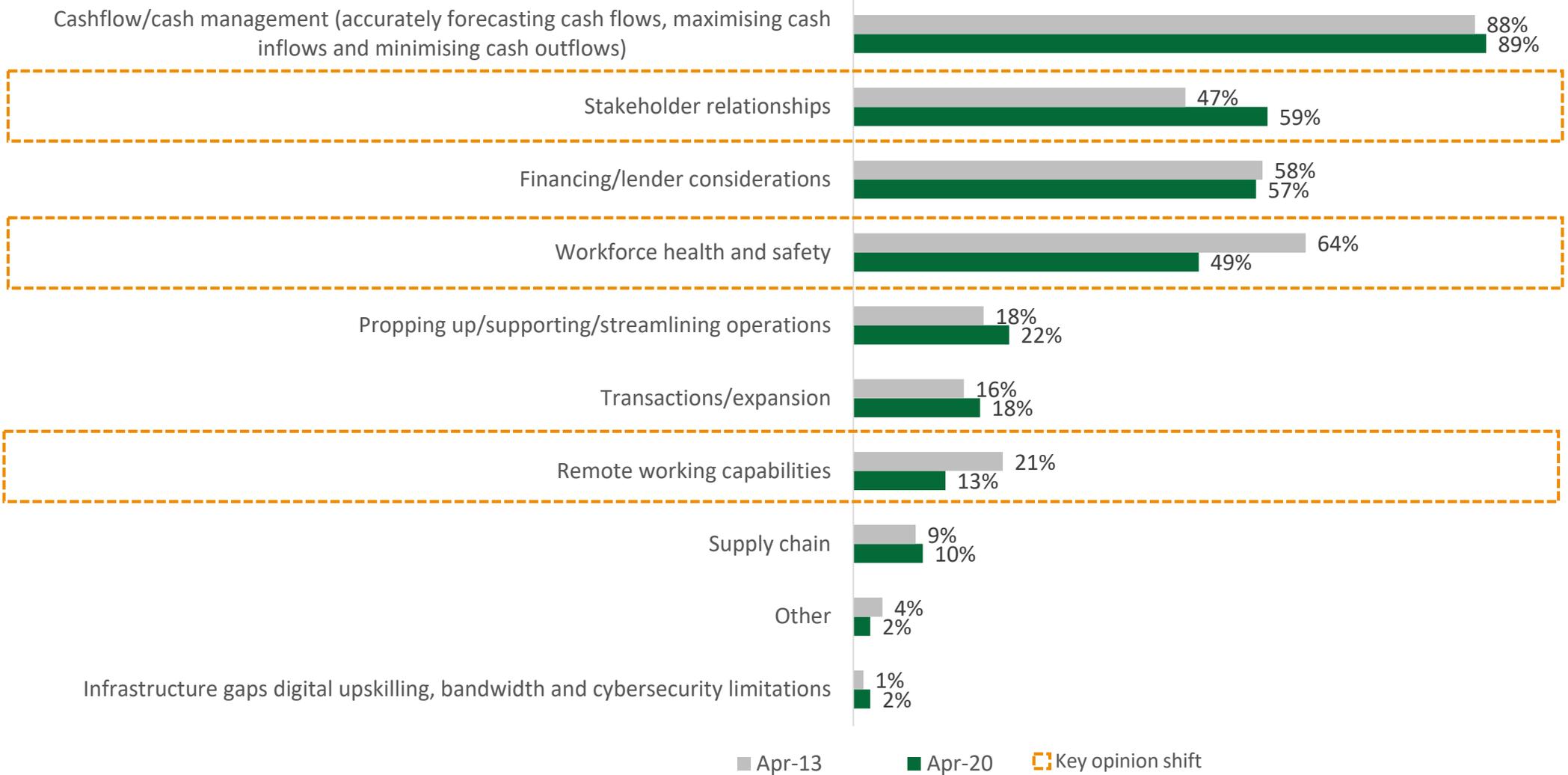
Sentiment is also continuing to shift towards a significantly longer recovery period. Once the pandemic is contained, more than half (55%) of respondents believe the industry will take another 12-24 months to recover (vs. 52% last week) and 19% believe it will take more than 24 months (vs. 13% last week)



Q2: Once the pandemic is contained, how long do you estimate it will take for the industry to get back to business as usual?

Current key priorities

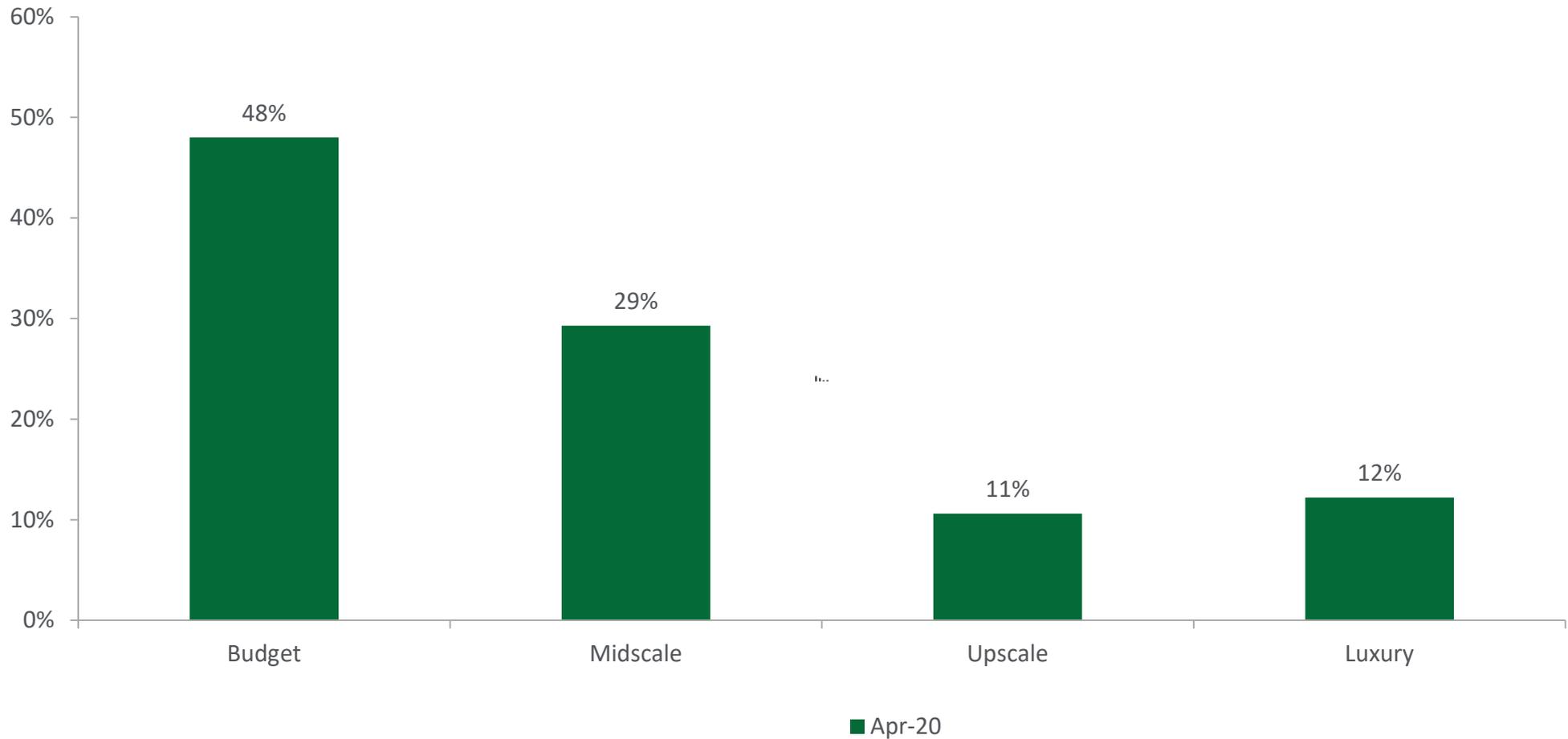
Respondents continue to prioritise cash management (+1ppt) as a number one priority over the next 4 weeks. More attention this week has been also given to stakeholder relationships (59% vs. 47% last week), at the expense of workforce health and safety (-15ppts) and remote working capabilities (-8 ppts)



Q3: What are your key priorities over the next 4 weeks? (choose at least 3)

Hotel industry recovery by sector

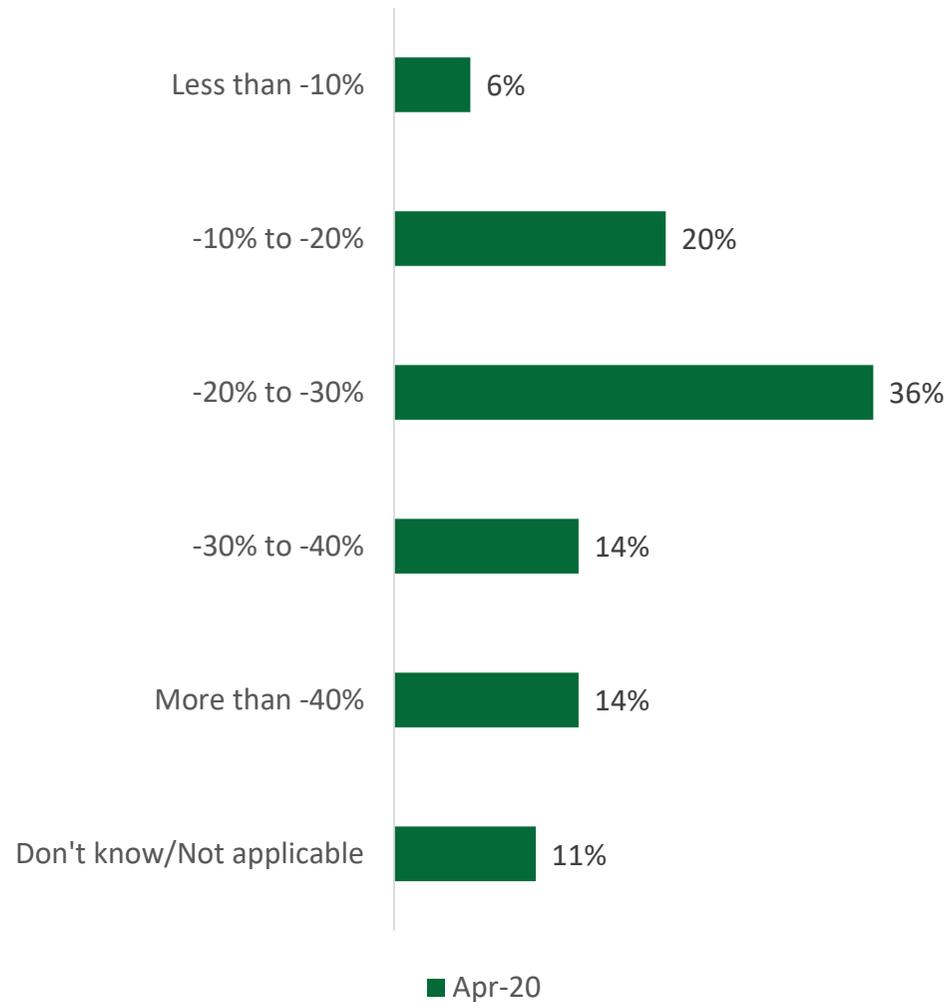
Almost half (48%) of respondents believe that Budget hotels will be the fastest to recover with Upscale (11%) and Luxury (12%) expected to be the slowest



Q4: Which segments do you think will recover the quickest?

Impact on pricing for hotels

The majority of respondents (36%) believe that current hotel values are down by 20-30% as a result of the pandemic. 28% believe current pricing is more severe with value declines of over 30%



Q5: What do you believe is the current impact on pricing for hotels?

Contacts

Please reach out if you have any questions



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