

# The Hotel Price Index™

Review of global hotel prices: January - December 2013



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## Introduction

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The Hotels.com™ Hotel Price Index™ (HPI™) is a regular report on hotel prices in major destinations across the world. The HPI is based on bookings made on Hotels.com and prices shown are those actually paid by customers per room per night, rather than advertised rates.

Now in its tenth year, the HPI is respected as the definitive report on hotel prices paid around the world and is increasingly used as a reference tool by the media, hoteliers, financial analysts, investors, tourism bodies and academics.

The international scale of Hotels.com, in terms of the number of customers, properties and destinations covered, makes the Hotel Price Index one of the most comprehensive benchmarks available. It incorporates both chain and independent hotels, as well as options such as self-catering and bed & breakfast properties.

The HPI was started in 2004 at 100 and includes all bookings across all star ratings from 1-star to 5-star. More than 150,000 properties around the world make up the sample set of hotels from which prices are taken.

The HPI report focuses on two main sources of data:

The first section (Chapter 1) shows the global Hotel Price Index for 2013, with comparative data back to 2004. The Index is compiled from all relevant transactions on Hotels.com during this period, weighted to reflect the size of each market. By representing hotel price movements in an index, Hotels.com can illustrate the actual price movements as paid by consumers, without foreign exchange fluctuations distorting the picture.

The second section (Chapters 2-6) shows hotel prices across the world per room per night as paid by travellers from the

Eurozone in 2013 compared with 2012. This shows the changes in real prices paid by Eurozone consumers, reflecting both movements in exchange rates and hotel pricing. Prices throughout are rounded to the nearest Euro and percentage figures to the nearest percentage point.

Chapter 7 covers the top overseas destinations for Finnish travellers.

The final chapter focuses on some additional travel facts identified by Hotels.com.

Reports are also available in other currencies and languages. Please contact [press@hotels.co.uk](mailto:press@hotels.co.uk). Follow the discussions on Twitter at [#HotelExperts](https://twitter.com/HotelExperts).

## Foreword



Welcome to our latest Hotels.com Hotel Price Index (HPI) which takes a comprehensive look at what happened to prices paid by hotel guests around the world during 2013.

“Travel and change of place impart new vigour to the mind,” said the Roman philosopher Seneca and it seems that many people are still taking his words to heart nearly two thousand years later. According to UNWTO (the United Nations World Tourism Organisation), international tourist arrivals in 2013 grew by 5% to a record global figure of 1,087 million. This was 52 million more than the previous year and well above expectations.

The HPI tracked this result, recording global growth of 3%

in the average amount paid for accommodation during the year. This means we have now seen four years of solid progress since hotel prices nose-dived during the financial collapse of 2008. As a whole, rates are not back to where they were even in 2006 - yet one of the world's regions has set a new all-time high.

### Record for Latin America

With the economic gains made in Brazil over the last few years and Mexico now being named as one of the next powerhouses of the world economy by the British economist Jim O'Neill<sup>1</sup>, it was perhaps not surprising that Latin America was the region that became the first global region to see its Index figure overtake its 2007 pre-crisis peak with a 5% increase over last year.

The Caribbean was also not far away from achieving this as its 5% rise meant it reached par to its 2007 level.

The US hotel industry had the highest number of rooms available (1.7 billion) and the highest number of rooms sold (1.1 billion)<sup>2</sup> during 2013 and these better occupancy levels helped the North American HPI climb 3%, equaling the global average. One out of every eight jobs in the USA depends on travel<sup>3</sup> so continued hospitality strength is welcome news for the economy.

### Economic recovery

The economic recovery in Europe seems to be gathering greater momentum. In December, Ireland became the first country to exit the Eurozone bailout programme,

in January this year the UK announced yet another fall in its unemployment levels and, that same month, the Bundesbank said it expected the growth in the German economy, Europe's largest, to accelerate yet further in the first quarter<sup>4</sup>. In March, the Eurozone announced better than expected GDP results for the fourth quarter of 2013.

UNWTO figures show that Europe welcomed an additional 29 million international tourist arrivals in 2013, raising the total to 563 million. They also record that Russia, now the world's fifth largest outbound market, reported an increase in tourism expenditure of 26% for the first nine months of the year and is now only second to China in its rate of spending growth.

All of these factors helped the European HPI advance 2%. It still had the lowest Index level among the regions but most indicators point to the fact that the outlook for the sector is more hopeful.

### **APAC behind the curve**

Asia and the Pacific were the two areas that were not able to join the party in 2013.

The Pacific HPI was level with its 2012 result. Although overall visitor numbers to Australia, the region's main market, were up 5% for the year<sup>5</sup>, the slump in the Australian mining industry impacted hotel occupancy levels in Western Australia in particular and the over-inflated prices seen there in recent years started to fall, in some cases quite considerably.

Asia was affected by a number of factors during the year. Currencies in both Japan and India fell steeply, which had a negative effect on outbound tourism, particularly hitting South Korea where the Japanese are the most important source market. There was a fall in the number of inbound visitors and overnight stays in China<sup>6</sup>, although outbound travel remained buoyant. Civil unrest in Thailand also began to have a bearing on visitor numbers. The region's HPI fell 2% and Asia continues to offer some of the world's best value hotel accommodation.

### **Negative headlines**

The overall strong travel industry growth in 2013 and its healthy future outlook was dampened by bad news emanating from a few key tourism markets.

Egypt had begun the year well with the Egyptian Tourism Ministry announcing a 10% rise in visitors during the first half of the year. However, since the President was deposed in July, demonstrations have continued with television footage beamed around the world. Prices in Sharm-el-Sheikh have begun to fall once again for many visitors and the tourism situation remains uncertain.

Thailand has become a very popular holiday destination worldwide but the anti-government protests that began in October 2013 started to impact visitor numbers towards the end of the year, particularly in Bangkok. All this was too late

to have much impact on 2013 hotel prices but the picture in 2014 could be very different, depending on the aftermath of the elections in February 2014.

### **2014 the year for sport**

On a lighter note, sports fans are looking forward to 2014 with two major worldwide events: the Sochi Winter Olympics and Paralympics in Russia in February and March and the FIFA World Cup in Brazil in June and July. Often on these occasions, there is not only a lot of travel to the host nations but also out of them, as many locals escape the intense and nonstop commotion surrounding the events. The travel industry naturally does its best to encourage both trades.

Both Russia and Brazil will be left with a legacy of improved infrastructure and more hotel rooms which will bring greater benefits in the longer term, particularly as Brazil also prepares for the Olympic Games in 2016. The UNWTO forecast for 2014 is for an extra 4 million to 4.5 million international arrivals on top of the gains made this year. As long as the global economic improvement continues, there would appear to be no reason why yet more people would not follow Seneca's advice and indulge in the joys of travel.

### **Johan Svanstrom**

President of the Hotels.com brand

1. <http://www.bbc.co.uk/news/magazine-25548060>

2. Source Smith Travel Research

3. <http://www.ustravel.org/marketing/national-travel-and-tourism-week/talking-points-and-facts>

4. <http://uk.reuters.com/article/2014/01/27/uk-germany-ifo-idUKBREAO0QDB20140127>

5. Source: Australian Government Tourism Research

6. <http://en.cnta.gov.cn/html/2013-11/2013-11-14-16-29-96565.html>



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## Global price changes

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This chapter examines the movement in the Hotel Price Index since 2004 on a global and regional basis. It also includes insight from the Hotels.com senior management team in each region to help explain the more recent changes.

The average price of a hotel room around the world rose by 3% during 2013, when compared with 2012.

This is the fourth year running that the full year HPI has increased and the rate of growth equalled that recorded between 2011 and 2012.

The Hotel Price Index stood at 110 at the end of 2013, just ten

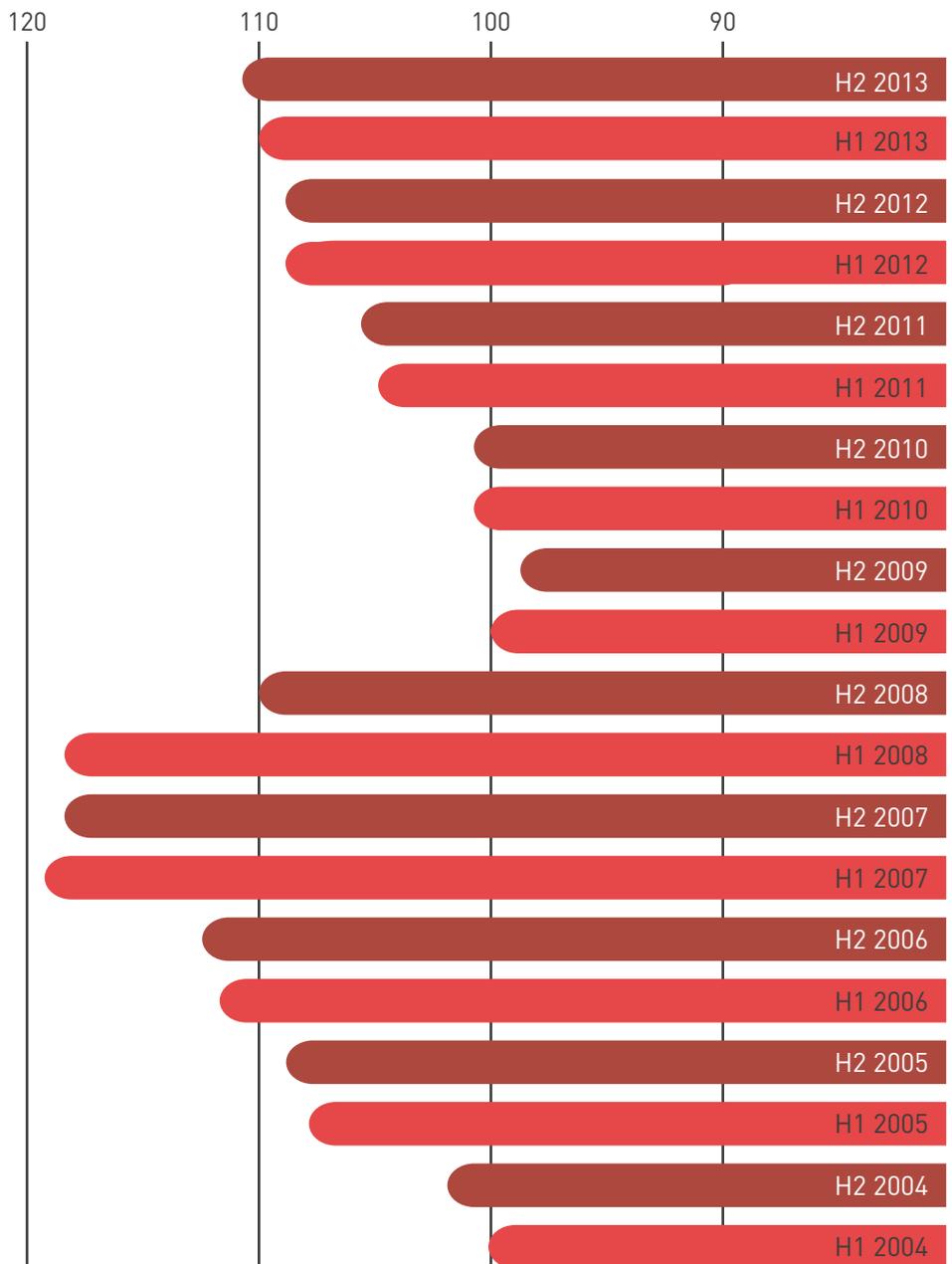
points higher than at its launch in 2004. It was still seven points lower than its peak in 2007 and just below its 2006 level.

Of the six regions covered by the HPI, the Index rose in four, was flat in one and fell in another. Strong results were recorded in Latin America and the Caribbean, which both saw a 5% increase, while North America was up 3%, matching

the global result. Europe and the Middle East saw a more modest 2% rise with the Pacific flat and Asia down 2%.

More in-depth analysis into what caused these changes and how they influenced prices in individual cities and countries can be found below and in subsequent chapters.

HPI half-yearly breakdown from H1 2004 to H2 2013 globally



**Carolina Piber**  
**General Manager LatAm**  
**of the Hotels.com brand**



The HPI in Latin America achieved its historical peak of 129 since HPI was launched in 2004. In a fast growing region like Latin America with emerging markets showing solid economic growth, it is expected to see increases in prices paid as demand becomes stronger.

However, parts of the region were heavily impacted by economic factors that also reflected in actual prices paid by travellers. Brazil had around a 40% devaluation of its currency vs the US dollar year over year and this impact can be seen in the increases in daily rates for international destinations, particularly the US and Europe. Colombia and Argentina also suffered from shifts in their foreign exchange, witnessing two-digit growth for many destinations away from home.

In 2013, we saw the consolidation of a growing middle class in many of the countries of the region, like Brazil and Mexico. This growth coupled with an increased domestic air capacity in the region and more stable economies led to an interesting dynamic in hotel prices. Some destinations saw minimal to moderate increases, while tourism in Argentina benefited from more intense promotional activity, driving domestic prices down.

Brazil had a particularly volatile 2013 in terms of foreign exchange stability. The country saw a gradual but constant devaluation of its currency year over year that impacted the prices paid for the favourite destinations of Brazilians, such as the United States and the main capitals of Europe. We saw a steep increase in prices, particularly in European

destinations. As Europe and the US also grow stronger, our markets also feel the impact of their recovery, as evidenced by higher prices. On a similar note, domestic travel in Brazil experienced a boost as internal demand grew larger and these destinations became interesting alternatives to international travel, while international attention was focused on Brazil as the home of some key global events such as the 2014 World Cup and the 2016 Olympics.

Mexico, on an opposite trend, saw increases in the prices paid by travellers. Mexico's internal travel has always been very strong and 2013 kept the trend of previous years. As for international destinations, Mexico felt the effect of its neighbour, the USA, recovering steadily for the last couple of years and increases were aligned to that trend.

## HPI half-yearly breakdown for LatAm and the Caribbean from H1 2004 to H2 2013



Colombia, currently one of the fastest growing countries in the region, with an economic growth of 4.5% year over year<sup>7</sup> has received a significant investment in the travel sector. Many new hotels have been built throughout 2013 in Bogota, Cali and Cartagena, driving a bigger supply while generating a favourable price situation for travellers.

Argentina has suffered from a slowdown of international demand for local destinations that reflected in more promotions and special offers to boost some of these both to local and international visitors. Though not as steep as in Colombia, Argentina also saw a reduction in actual prices paid in top local destinations.

### Record HPI level for Latin America

The HPI in Latin America saw a 5% increase for the full year 2013, compared with 2012, up two percentage points over the global figure.

As a result, the 2013 HPI for Latin America reached a new record high of 129, the second highest behind the Caribbean. The previous peak of 125 was set in 2007, just as the global financial crisis began to develop towards the end of that year.

Although this is solid progress, the second half of the year saw a slowdown in the Index growth when viewed against the 7% rise recorded for the first six months of 2013.

### Caribbean equalled its peak

The Caribbean registered another strong performance with its HPI rising 5% during 2013, compared with the same period in 2012, equalling the level of growth seen in Latin America.

After four years of consistent growth, this led to the Caribbean 2013 HPI matching its all-time high of 131 set in 2007, making it the highest of all the regions.

<sup>7</sup> Source: World Bank

**Neha Parikh**  
**Vice President**  
**North America**  
**of the Hotels.com brand**



American author Henry Miller once wrote: "One's destination is never a place, but a new way of seeing things."

In 2013, North Americans revisited familiar places near and far, whether to explore mountainous peaks from Colorado to Whistler, to try their luck at glitzy Vegas hotels, to lend a hand rebuilding houses in New Jersey for Hurricane Sandy relief or assist with flooding clean-up and recovery in Calgary: the old and familiar transformed to contemporary as travellers set their sights back to North America's beloved destinations.

With the Canadian exchange rate declining throughout the last half of 2013 to a three-year low<sup>8</sup>, U.S. travellers took the opportunity to cross the border and explore the country's cultural and entertainment capital Toronto, which

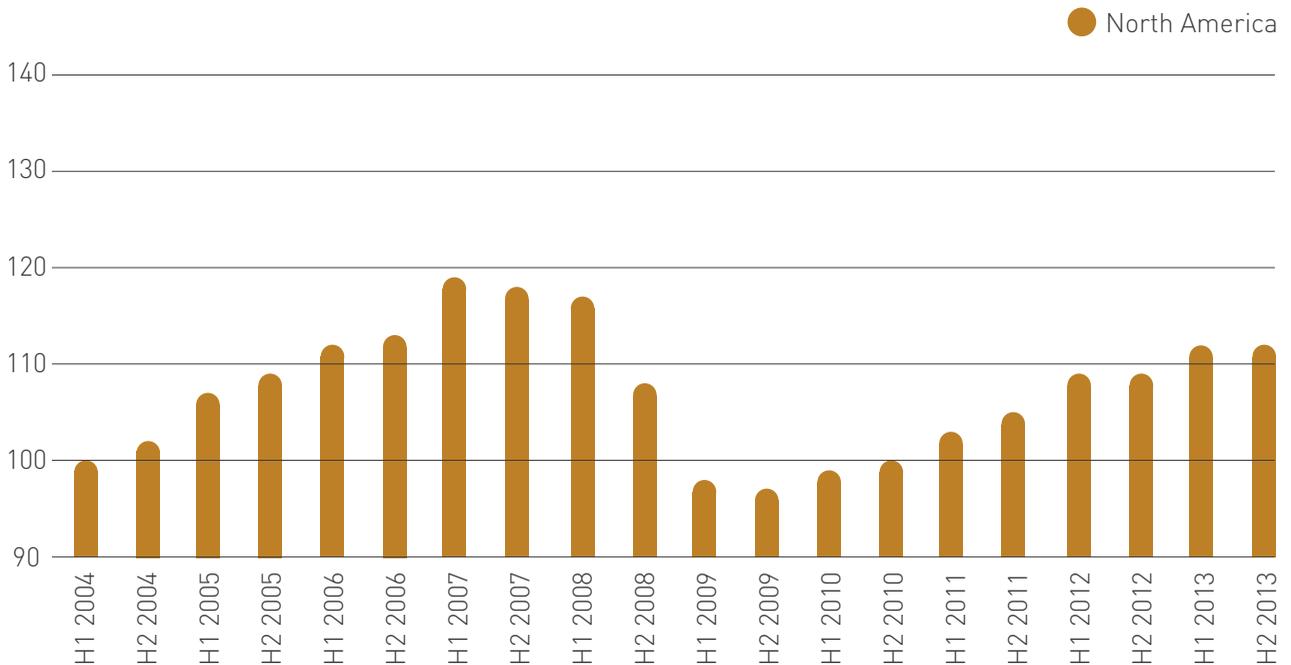
surpassed Rome as the third-most popular international destination for Americans for the first time since 2010. And Canadians continued to visit the U.S. with regularity as eight of their 10 Most Popular International Cities, with the luck of Las Vegas luring more Canadians than New York City for the first time.

International travellers to North America also frequented destinations on both coasts and the heartland. Chinese travellers visited American and Canadian favourites like New York City, Toronto and Los Angeles. Brazilian travellers shopped along Ocean Drive and spied the California coast line. North American cities make up more than a quarter of Chinese and Brazilian travellers' 20 Most Popular International Cities, with the Chinese adding a new favourite, Chicago, to their list. Foreign visitors from east, south and everywhere in between

visited Washington, D.C. to capture glimpses of U.S. history and western heritage in Calgary, Alberta which rebounded from disastrous floods over the summer to jump two spots in popularity, to number five, amongst international visitors to Canada.

If there were a common denominator amongst travellers near and far, it was mobile technology. Mobile travel was expected to exceed \$8 billion with 6.5% of the total travel market in 2013<sup>9</sup> and nearly quadruple by the end of 2015 to \$39.5 billion in revenue and 25% market share<sup>10</sup>. Yet mobile travellers aren't just relying on smartphones. According to PhoCusWright, tablet use has skyrocketed with 44% of travellers owning tablets and an additional four in 10 planning to purchase a tablet by the end of 2014<sup>11</sup>. The disruption of smartphones by tablets signals that online travel planning is

## HPI half-yearly breakdown for North America from H1 2004 to H2 2013



being split across multiple web-enabled devices creating a new interface to interact with consumers.

With the fast paced growth of international travellers and ensuing technological advances, the coming 12 months is sure to give travellers far and wide a new way of seeing things.

### Growth in North America

The North American HPI rose 3% in 2013, compared with 2012. This represents four years of continuous growth in the regional Index but the rate has slackened since the 5% rises achieved in 2011 and 2012.

With this increase, the North American 2013 HPI rose to 111.

This equalled its 2006 level but was still six Index points behind its 2007 peak of 117. The North American HPI fell 21 points during the global economic crisis, dropping to 96 in 2009.

8. <http://www.theglobeandmail.com/report-on-business/economy/loonie-hits-three-year-low-economists-see-more-declines-ahead/article16229612/>

9. PhoCusWright Mobile Hits the Mainstream: Technology and Industry

10. PhoCusWright U.S. Online Travel Overview Thirteenth Edition

11. PhoCusWright Innovation Edition report

**Matthew Walls**  
**Vice President EMEA**  
**of the Hotels.com brand**



Following two straight years of consolidation when average prices remained flat, 2013 brought significant change for travellers across the EMEA region. Whilst the Hotel Price Index rose just 2% for the year as a whole, we saw a significant shift around the middle of the year towards higher demand, which mirrors the economic recovery being reported across Europe.

As confidence grows on the part of consumers, we are seeing a change in demand back towards overseas travel. For 2012 and the first half of 2013, domestic trips grew much more strongly and we can see that demand strength reflected in the rates customers paid for local hotels.

The “hotspots” for European travellers are aptly named this year as we have seen a real resurgence in demand for the traditional summer sun

destinations. Spain, Greece and Turkey were countries hit particularly badly by the 2009 recession. Their continued recovery is clear to see in the numbers, with average rates in many Mediterranean resorts growing well above the norms for the region.

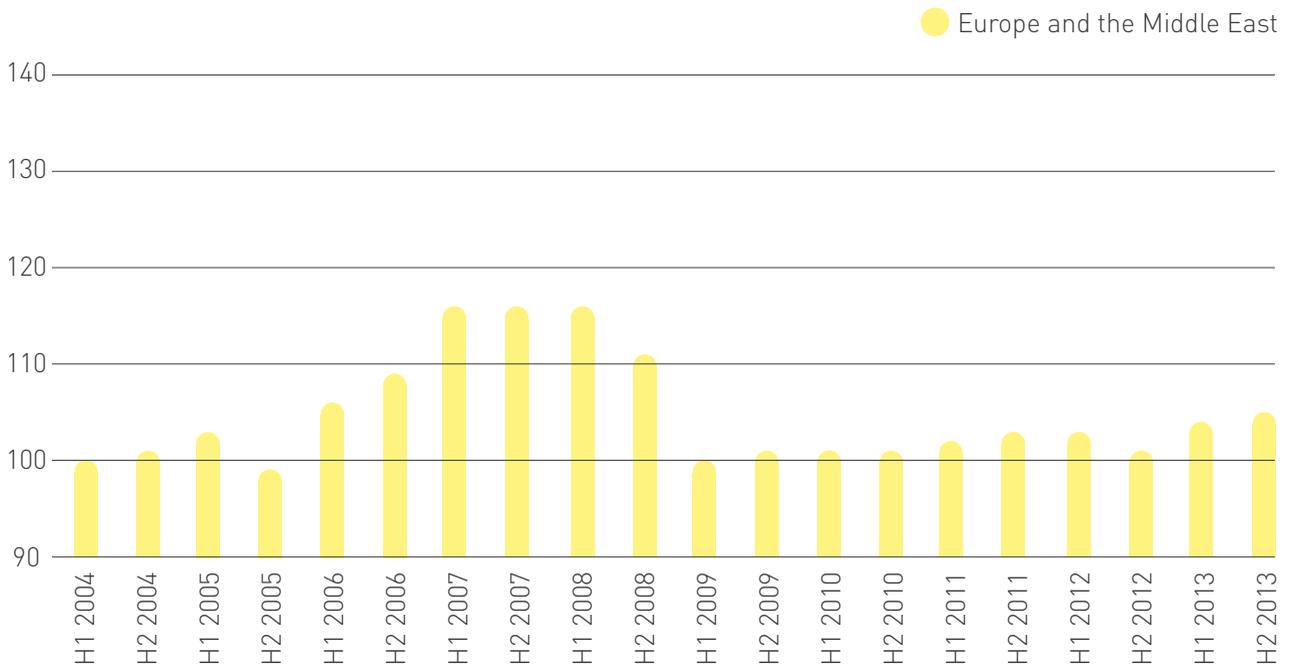
In a similar vein, we can see a very strong pick up in demand for Europeans again travelling to Morocco and Tunisia. These countries were obviously impacted by the Arab Spring from late 2010 but, during 2013, we have seen some double-digit rises in average prices paid, indicating a significant return of customer confidence.

Whilst demand to longer haul regions such as Latin America and the Far East remains relatively sluggish, Europeans do seem to be venturing more towards “mid-haul” destinations, such as the Middle East. This year’s Index reveals a clear

pattern of higher room rates paid and hence strong demand to both the UAE and Saudi Arabia.

Overall, therefore, the outlook for travel in Europe during 2014 looks increasingly buoyant. Economic indicators from the key countries are positive and we expect Europeans to be venturing further afield and in greater numbers in the year ahead.

## HPI half-yearly breakdown for Europe and the Middle East from H1 2004 to H2 2013



### Europe and the Middle East saw stronger year end

The HPI for Europe and the Middle East for 2013 grew by 2%, compared to 2012, the slowest growth of all the regions. However, the second half of the year showed a stronger upward trend when judged against the 1% rise recorded over the first six months.

Following this rise, the 2013 HPI for Europe and the Middle East reached 104, the lowest of all the regions and a full 27 Index points behind the Caribbean.

This was only four index points above where it stood in 2004 at the launch of the HPI, still three points behind its 2006 level and 12 points behind its 2007 peak of 116.

**Abhiram Chowdhry**  
**Vice President APAC**  
**of the Hotels.com brand**



Across Asia, hotel prices were a mixed bag with APAC being the only region globally to record a fall of 2% in 2013 compared with the previous year. The Asia HPI stood at 106 in 2013, a level not seen since 2009, signalling good news if you are a traveller looking for value across Asian destinations. The instability in prices in the Asian market was to be expected as major currencies across the region slipped, with the Japanese Yen, Indian Rupee and the Indonesian Rupiah witnessing the harshest of falls. While the fall in local currencies does mean that the region is cheaper for inbound travellers it also makes it much harder for some customers wanting to travel intra-APAC. The good news is the currencies seem to have stabilized for now at least.

Also behind the varied picture in Asia were a number of

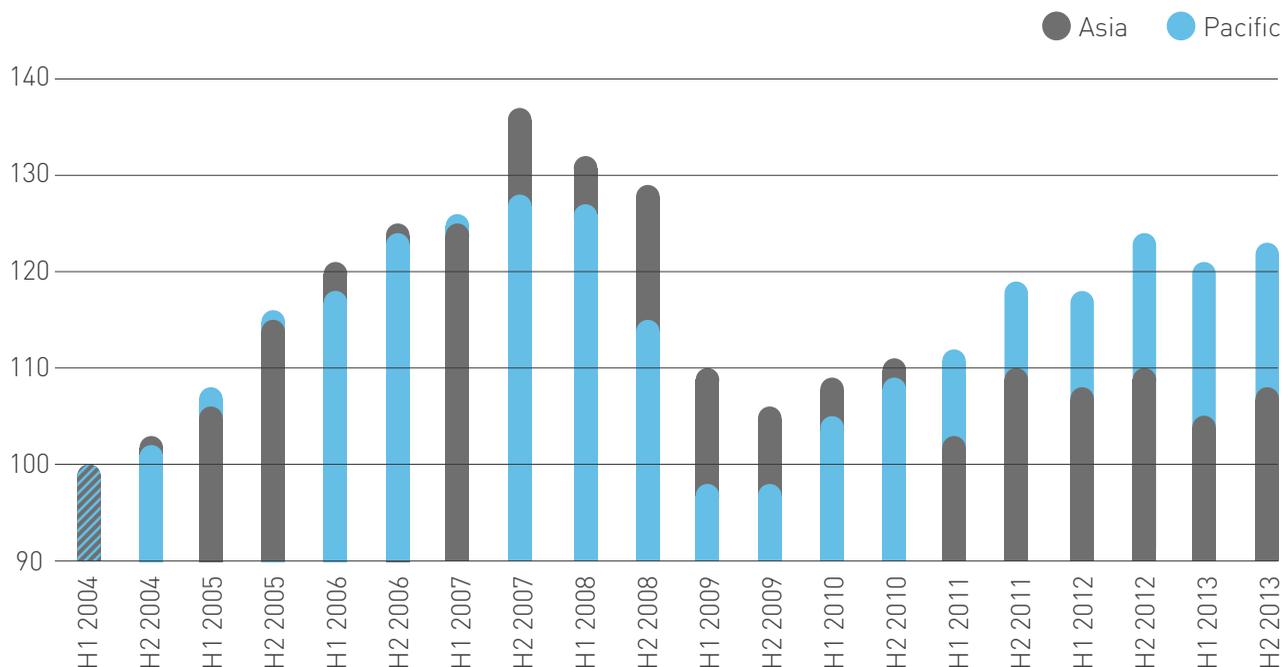
events that put pressure on hotel prices including the recent political protests in Thailand, the natural calamity that struck Uttarakhand, in North India, the political tensions between Japan and China and the typhoons that unfortunately hit parts of South East Asia particularly the Philippines. On the other hand the region continues on the path of economic recovery and this helped to balance some of the declines in most regions analysed.

There continues to be a longer term trend of more travellers traveling around the region. An effect of this is in evidence in Taiwan as it continues to see the increasing trend in visitor numbers and tourism, particularly from Chinese customers. The total amount of inbound visitors to Taiwan in 2013 had reached more than eight million arrivals, an increase of 9.4% in comparison to 2012.

On the other hand the Pacific showed a different picture. With the mining and natural resources boom in Australia, having said to reach its peak, hotel prices in the region showed a decline in 2013 in several of the big markets. Even though Australia and New Zealand have benefited from a growing number of Chinese travellers, which is now really turning into the region's biggest source market, this effect was not enough to offset the overall downward movement. This coupled with the lower Australian dollar means that Australia is a particularly good destination for travellers from all over Asia going into 2014.

Given the increase in low cost carriers across the region in the latter part of 2013 and onwards, hotel prices and occupancy rates in Asia will likely witness a modest upward trajectory in 2014. As usual though, discounts and deals will continue to be the

## HPI half-yearly breakdown for Asia and the Pacific from H1 2004 to H2 2013



region's drawcard with value for money to be found in popular destinations.

Overall hotel prices in Asia Pacific continue to offer good value for customers while certainly showing signs of growth in demand driven by the newly mobile Asia Pacific traveller.

### Pacific remained stable

The Pacific region recorded no growth in its HPI during 2013 when compared to 2012, continuing the declining trend of the last four years which had seen increases of 10% in 2010, 8% in 2011 and 4% in 2012.

The result also meant that there was a falling away during the year itself as the first six months showed a 1% increase.

The Pacific HPI for 2013 remained at 123, still the third highest of the regions behind the Caribbean and Latin America and four index points behind its peak of 127 established in 2007.

### Different picture in Asia

Hotel prices in Asia fell by 2% in 2013, compared with 2012, the only region to record a fall.

The Asia HPI stood at 106 for 2013, the second lowest region ahead of Europe and the Middle East and still behind its 2005 level of 110.

This regional Index saw a rapid rise from 2004 to reach its 2007 peak of 131 but results since 2009 have been inconsistent and overall the HPI has lost 25 points over the last six years.

# HPI half-yearly breakdown by region from H1 2004 to H2 2013





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## Price changes in global city destinations

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The following sections reflect the actual prices paid by travellers per night from the Eurozone in Euro (€) during 2013 compared to prices paid in Euro during 2012, except in Chapter 4 where the data shows prices paid in Finland by all hotel guests from around the world.

the international destinations included in the HPI with many of the increases coming in Europe as the overall economic situation improved. Of the 118 destinations included in the report, average prices paid were up in 66, flat in two and down in 50.

Travellers from the Eurozone spent more in over half of

## London, United Kingdom



### European prices gained ground

With the worst of the global economic crisis over in many parts of Europe, there were more increases than decreases in the European cities covered by the report during 2013.

Some of the highest double-digit rises were recorded amongst the southern European sunspots in Italy, Spain, Portugal and Turkey. Amalfi had the largest increases of 19%, taking it to €165, with Albufeira up 17% to €90, Mallorca up 16% to €113 and Lanzarote up 14% to €87. Como and Marbella both rose 13% to €133 and €128 respectively while Antalya was up 12% to €98. The list of winners continued with two others up 11%, Ibiza to €141 and Gran Canaria to €102, and a 10% rise took Torremolinos to €82.

Elsewhere in Europe, three capitals that had seen their prices paid plummet during the economic crisis saw a continued reversal of fortunes with Reykjavik up 17% to €120, Dublin up 11% to €88 and Athens up 5% to €79. Conversely, Madrid slipped a further 2% to €77.

Several city break destinations performed well. Vilnius witnessed an 11% increase to €71, although this still kept the Lithuanian capital at the bottom of the overall European price table, equal with three other destinations: Riga, one of 2014's European Capitals of Culture, up 9%, Budapest up 7% and Alicante up 3%. Bruges saw a 9% rise to €120 and Florence registered the same percentage increase, taking it to an average €115.

Amongst the handful of fallers, Kiev was down 19% to €100 as prices settled to more traditional levels after the UEFA European Football Championship in June 2012, with Warsaw, the other host city, losing 2% to €76. Capri, the highest placed European destination in the report in second place, tumbled 16% to €203 and Geneva fell 7% to €163.

### Average increases slowed or dropped in the USA

With healthy visitor numbers throughout the year, prices paid for hotel accommodation by travellers from the Eurozone in the USA did rise in many areas during 2013 but increases were generally lower and several

destinations saw their averages slip during 2013. However, overall high prices meant that two US destinations appeared in the Top 10 in the price table.

At No 5 was New York on €190 following a further gentle 1% increase, with Key West at No 6 on €184 after a 9% rise, the highest amongst the US destinations. Florida saw a record number of visitors during the third quarter of the year with 22.9 million primarily domestic travellers, according to Visit Florida. Not all of them stayed overnight but higher occupancy meant that Eurozone hotel guests also paid an extra 5% in Miami to €143 and 1% in Orlando to €77. However, Fort Lauderdale fell 7% to €105.

New Orleans welcomed conventions, the Women's National Basketball Association and rhythmic jazz events, while seeing a 7% increase in prices paid to €116. In addition to large conventions, the city hosted Superbowl XLVII in February 2013 at the Mercedes-Benz Superdome.

The west coast fared better than the east. San Francisco

added a further 6% to €145, while Seattle and Los Angeles both earned a 2% rise to a respective €128 and €117. However, San Diego saw a 1% slip to €104. On the other side of the country, Boston was down 4% to €159 and Washington DC matched this percentage decrease which took its average paid to €130.

### Asia still the best value

Continued political tensions between Japan and China continued to impact travel patterns during the year but overall numbers of travellers within the region increased as more low cost carriers added flights and the number of Chinese international travellers maintained its rise. The fall in value of the Yen and Rupee deterred international travel from Japan and India but had a beneficial effect on their domestic tourism.

For travellers from the Eurozone, many prices paid fell and Asian destinations occupied seven of the bottom 10 places in the overall price table. Hanoi offered the best value of the destinations included in the HPI after a 7% drop took its average to €41, followed by Phnom Penh on €43, the same as in 2012. Siem Reap dropped 19%, the highest Asian fall, to €45 and Chiang Mai was down 9% to €53. Further details of the price picture in Thailand can be found in the Thailand Review in Chapter 3.

Two other substantial fallers both lost 17% taking Bali to €88 and Seoul to €102. The weakened Yen in one of Asia's biggest outbound travel markets meant that international travel from Japan tapered off, particularly impacting the huge outbound segment to South Korea, where rates lowered significantly. Hua Hin saw another big decrease,

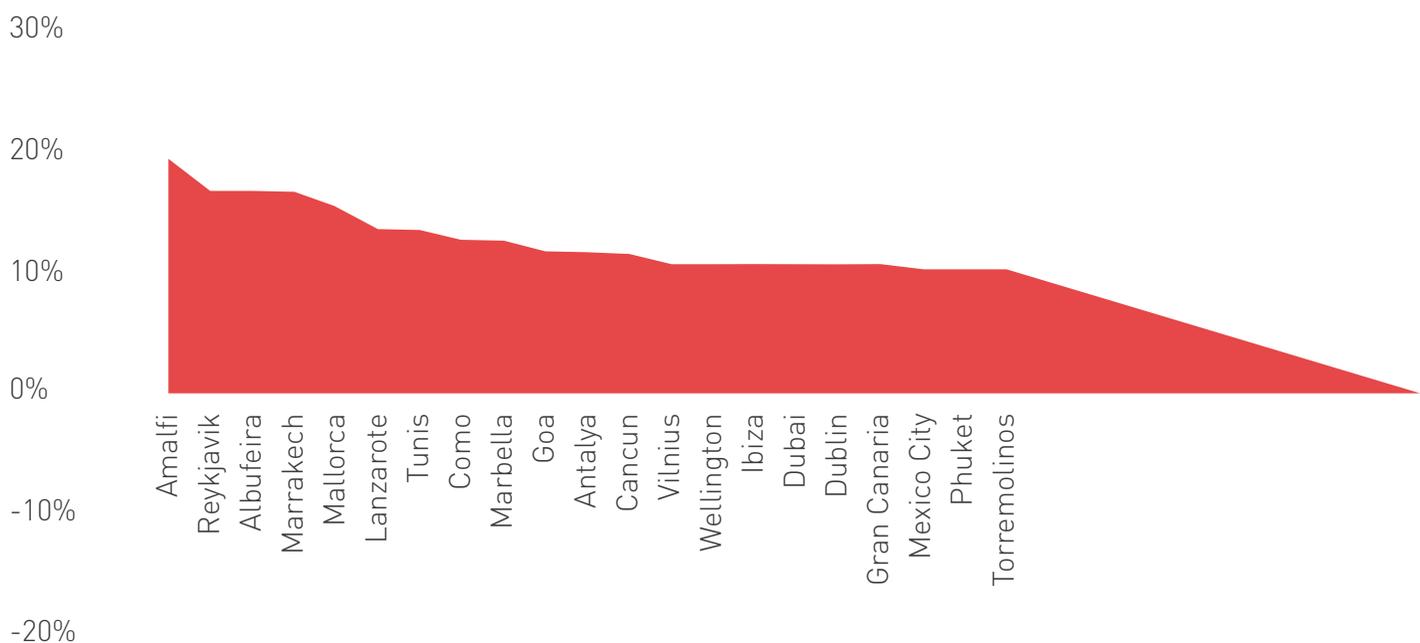
down 11% to €81 and Ho Chi Minh City saw its average fall 9% to €54.

Currency devaluations contributed to the falls in Mumbai, down 10% to €100, Kyoto down 12% to €95 and Tokyo down 9% to €98. In Hong Kong, hotel prices had been on a steady increase for a number of years but, in 2013, new hotel openings increased supply and the average price paid decreased by 5% to €145.

Singapore was the Asian destination covered by the report where travellers from the Eurozone paid the most on average for a night's accommodation, in spite of a 2% fall to €149.

Goa was one of only four risers in the region, up 12% to €77, followed by Phuket, up 10% to €84, and Shanghai, up 7% to €81.

The biggest percentage price rises in 2013 compared with 2012



## Australian results reflected mining slowdown

A drop in corporate demand as a result of the decline in the mineral resources industry saw average rates paid in Perth fall 10% to €135, a fairly substantial drop following several years of rising prices. Brisbane was also down 16% to €112 and Melbourne fell 7% to €106. On the other hand, ever popular Sydney grew 4% to €136.

An increase in Chinese visitors helped to raise rates in New Zealand by 11% in Wellington to €84 and by 7% in Auckland to €83.

## Mixed picture in Latin America

With a strong economy and its recent nomination to MINT<sup>12</sup> status as one of the world's potential new economic powerhouses, Mexico showed

the way in the region with regard to increases in its average hotel prices paid by travellers from the Eurozone. The Caribbean resort of Cancun added 12% to €154 and the capital Mexico City grew 10% to €96, the only two Latin American destinations included in the HPI to show a rise.

In Brazil, preparing for the 2014 World Cup and 2016 Olympic Games, rates fell by 9% in Rio de Janeiro to €194, although this still placed the city in third place in the overall price table, while Sao Paulo was down 4% to €133. In Argentina, Buenos Aires also lost 9% to €84 and, in Colombia, Bogota was down 11% to €95.

## Rises and falls in the Middle East and North Africa

Muscat remained as the destination in the region where travellers from the Eurozone

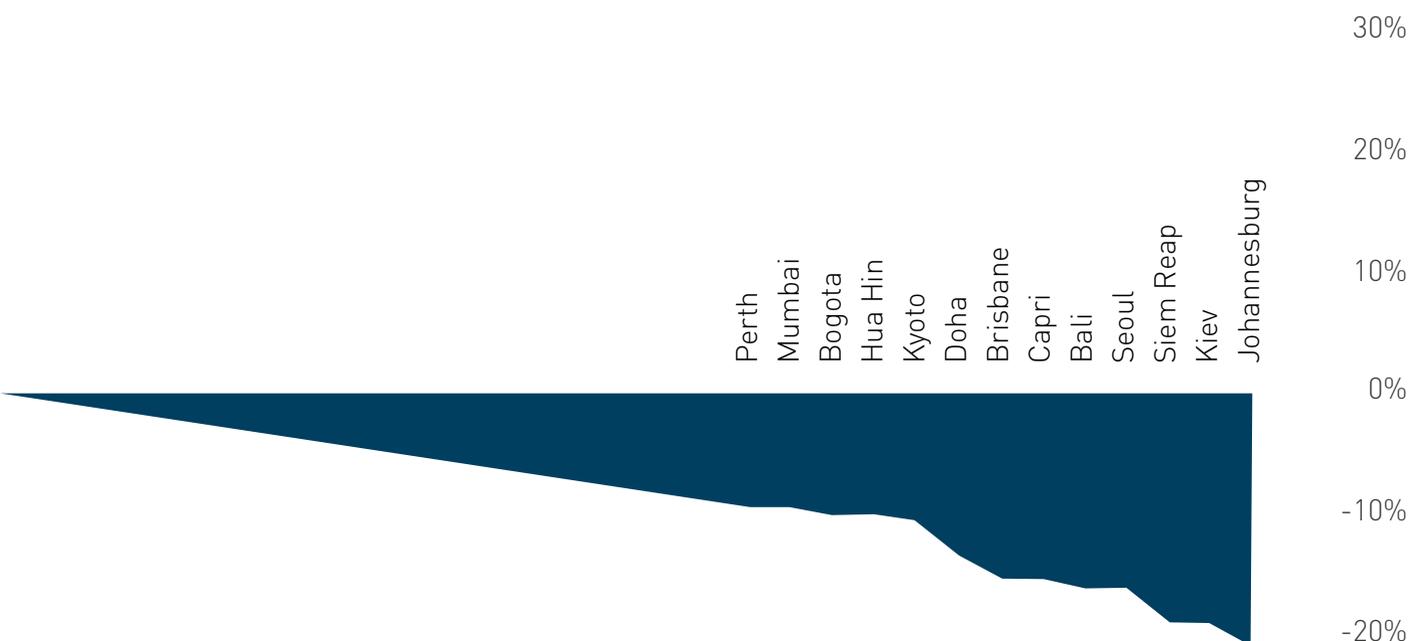
paid the most in spite of a 7% fall to €234 but Marrakech recorded the highest rise in the region of 17% to €88 followed by Tunis, up 14% to €89.

In the UAE, Dubai continued its relentless rise in the number of visitors, the number of hotels and its average hotel rates, this year recording an increase of 11% to €178, and Abu Dhabi added 8% to €132. In Qatar, Doha tumbled 14% to €118.

In Egypt, rates continued to slip with Cairo down 2% to €103 and Sharm El Sheikh losing 8% to €79.

12. Expression coined by economist Tim O'Neill, <http://www.bbc.co.uk/news/magazine-25548060>

The biggest percentage price falls in 2013 compared with 2012



# Global hotel price changes in 2013 compared with 2012





## Average hotel prices in 2013 compared with 2012

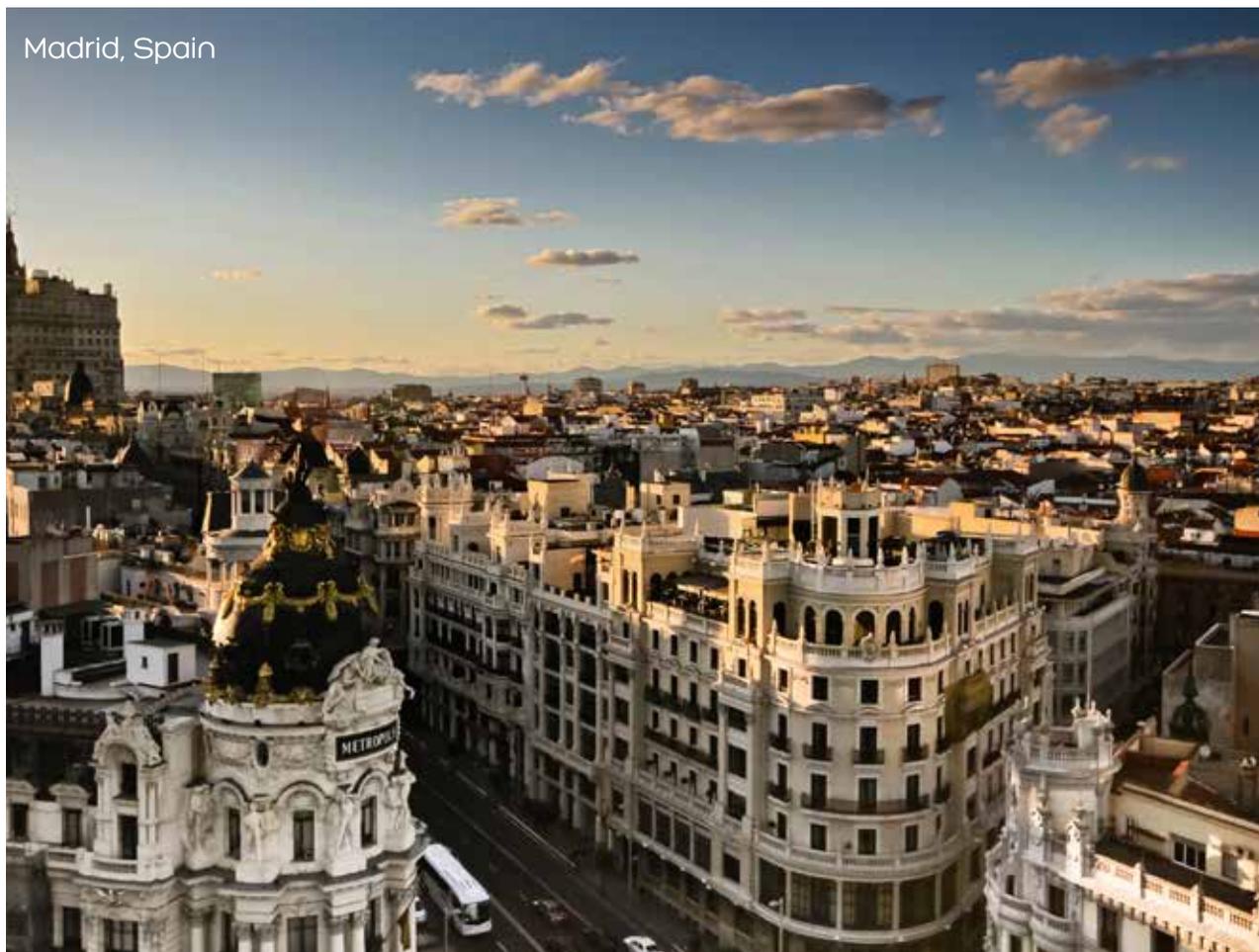
Destination	2013	2012	% change
Muscat	€234	€252	-7%
Capri	€203	€241	-16%
Rio de Janeiro	€194	€213	-9%
Monte Carlo	€194	€182	7%
New York	€190	€189	1%
Key West	€184	€168	9%
Dubai	€178	€161	11%
Amalfi	€165	€138	19%
Geneva	€163	€175	-7%
Moscow	€163	€170	-4%
Boston	€159	€165	-4%
Cancun	€154	€138	12%
Singapore	€149	€152	-2%
Hong Kong	€145	€152	-5%
San Francisco	€145	€137	6%
Zurich	€144	€150	-4%
London	€143	€139	3%
Miami	€143	€136	5%
Venice	€141	€132	7%
Ibiza	€141	€127	11%
Sydney	€136	€131	4%
Perth	€135	€151	-10%
Cannes	€134	€135	-1%
Sao Paulo	€133	€139	-4%
Como	€133	€117	13%
Abu Dhabi	€132	€122	8%
Paris	€131	€127	3%
Chicago	€131	€133	-2%
Washington DC	€130	€136	-4%
Jerusalem	€129	€127	2%
Seattle	€128	€125	2%
Marbella	€128	€113	13%
Amsterdam	€126	€120	5%
Reykjavik	€120	€103	17%
Bruges	€120	€110	9%
Munich	€120	€119	1%
Vancouver	€119	€118	1%
Doha	€118	€138	-14%
Langkawi	€118	€125	-6%
Dubrovnik	€118	€113	4%
Los Angeles	€117	€114	2%
New Orleans	€116	€109	7%

Destination	2013	2012	% change
St Petersburg	€115	€110	5%
Florence	€115	€106	9%
Barcelona	€114	€108	6%
Cape Town	€114	€115	-1%
Mallorca	€113	€97	16%
Nice	€113	€104	8%
Toronto	€112	€116	-4%
Rome	€112	€106	5%
Brisbane	€112	€133	-16%
Edinburgh	€110	€114	-4%
Milan	€110	€108	2%
Frankfurt	€109	€102	7%
Disneyland Paris	€108	€ 107	1%
Melbourne	€106	€115	-7%
Taipei	€105	€106	-2%
Fort Lauderdale	€105	€112	-7%
Johannesburg	€104	€136	-23%
San Diego	€104	€105	-1%
Cairo	€103	€104	-2%
Seoul	€102	€123	-17%
Gran Canaria	€102	€93	11%
Kiev	€100	€124	-19%
Mumbai	€100	€110	-10%
Tokyo	€98	€108	-9%
Antalya	€98	€87	12%
Vienna	€96	€98	-2%
Mexico City	€96	€87	10%
Kyoto	€95	€108	-12%
Bogota	€95	€107	-11%
Brussels	€95	€92	3%
Istanbul	€94	€88	7%
Grand Canyon	€92	€94	-2%
Albufeira	€90	€77	17%
Tunis	€89	€79	14%
Dublin	€88	€80	11%
Bali	€88	€106	-17%
Marrakech	€88	€75	17%
Benidorm	€88	€84	5%
Lanzarote	€87	€76	14%
Tallinn	€86	€86	0%
Prague	€86	€81	7%
Berlin	€85	€82	5%

Destination	2013	2012	% change
Wellington	€84	€76	11%
Phuket	€84	€76	10%
Buenos Aires	€84	€92	-9%
Koh Samui	€83	€86	-4%
Auckland	€83	€77	7%
Torremolinos	€82	€75	10%
Shanghai	€81	€76	7%
Hua Hin	€81	€91	-11%
Las Vegas	€81	€82	-2%
Osaka	€80	€79	1%
Athens	€79	€76	5%
Sharm El Sheikh	€79	€86	-8%
Delhi	€78	€79	-1%
Lisbon	€78	€73	6%
Goa	€77	€69	12%
Madrid	€77	€79	-2%
Beijing	€77	€74	4%

Destination	2013	2012	% change
Orlando	€77	€76	1%
Warsaw	€76	€78	-2%
Bratislava	€75	€71	6%
Krakow	€73	€69	7%
Krabi	€73	€75	-3%
Bucharest	€72	€71	1%
Riga	€71	€65	9%
Alicante	€71	€69	3%
Vilnius	€71	€64	11%
Budapest	€71	€66	7%
Bangkok	€63	€67	-6%
Pattaya	€57	€59	-3%
Ho Chi Minh City	€54	€60	-9%
Chiang Mai	€53	€58	-9%
Siem Reap	€45	€56	-19%
Phnom Penh	€43	€43	0%
Hanoi	€ 41	€ 44	-7%

Madrid, Spain



## The biggest percentage price rises in 2013 compared with 2012

Destination	2013	2012	% change
Amalfi	€165	€138	19%
Reykjavik	€120	€103	17%
Albufeira	€90	€77	17%
Marrakech	€88	€75	17%
Mallorca	€113	€97	16%
Lanzarote	€87	€76	14%
Tunis	€89	€79	14%
Como	€133	€117	13%
Marbella	€128	€113	13%
Goa	€77	€69	12%
Antalya	€98	€87	12%

Destination	2013	2012	% change
Cancun	€154	€138	12%
Vilnius	€71	€64	11%
Wellington	€84	€76	11%
Ibiza	€141	€127	11%
Dubai	€178	€161	11%
Dublin	€88	€80	11%
Gran Canaria	€102	€93	11%
Mexico City	€96	€87	10%
Phuket	€84	€76	10%
Torremolinos	€82	€75	10%

## The biggest percentage price falls in 2013 compared with 2012

Destination	2013	2012	% change
Johannesburg	€104	€136	-23%
Siem Reap	€45	€56	-19%
Kiev	€100	€124	-19%
Bali	€88	€106	-17%
Seoul	€102	€123	-17%
Brisbane	€112	€133	-16%
Capri	€203	€241	-16%

Destination	2013	2012	% change
Doha	€118	€138	-14%
Kyoto	€95	€108	-12%
Bogota	€95	€107	-11%
Hua Hin	€81	€91	-11%
Perth	€135	€151	-10%
Mumbai	€100	€110	-10%

## European city World Heritage sites

Destination	Price
Budapest	€71
Granada	€72
Cordoba	€74
Tallinn	€86
Rome	€112
Florence	€115
Dubrovnik	€118
Bruges	€120
Paris	€131
London	€143

## 10 cities for a proposal

Destination	Price
Las Vegas	€81
Marrakech	€88
Vienna	€96
Rome	€112
Florence	€115
St Petersburg	€115
Verona	€125
Paris	€131
Venice	€141
New York	€190

## Best cities for nightlife\*

Destination	Price
New York	€190
Las Vegas	€81
London	€143
Paris	€131
Barcelona	€114
Berlin	€85
Amsterdam	€126
Madrid	€77
Los Angeles	€117
Bangkok	€63

## Cities in film titles

Destination	Price
Cairo	€103
Rome	€112
Barcelona	€114
Los Angeles	€117
Bruges	€120
Seattle	€128
Venice	€141
London	€143
New York	€190
Rio de Janeiro	€194

\*as voted in a Hotels.com survey of 27,000 travellers around the world



Amsterdam, Netherlands

Stopover cities

Destination	Price
Bangkok	€63
Frankfurt	€109
Chicago	€131
Paris	€131
London	€143
Miami	€143
Hong Kong	€145
Singapore	€149
Dubai	€178
New York	€190

Most Michelin 3-star restaurants

Destination	Price
Tokyo	€98
Paris	€131
New York	€190
Kyoto	€95
Hong Kong	€145
Osaka	€80
San Sebastian	€134
Bruges	€120
London	€143
Chicago	€131

Best beer festivals

Destination	Price
Bangkok	€63
Las Vegas	€81
Prague	€86
Brussels	€95
Mumbai	€100
Munich	€120
Amsterdam	€126
Sydney	€136
London	€143
Hong Kong	€145

City markets

Destination	Price
Bangkok	€63
Budapest	€71
Buenos Aires	€84
Marrakech	€88
Munich	€120
Amsterdam	€126
Paris	€131
London	€143
Hong Kong	€145
New York	€190



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## Price changes by country

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During 2013, travellers from the Eurozone paid more for their hotel rooms in more than half of the countries included in the HPI with some healthy increases in some surprising destinations.

## Atlantis, Dubai



Many of the rises were seen in Europe as the region continued its recovery from the economic doldrums of recent years. Iceland recorded the highest increase in the region of 15% to €121, followed by Bulgaria, towards the bottom of the European averages in spite of an 11% rise taking the country to €64. Two countries recorded 10% growth with Montenegro moving to €95 and Malta to €83. Two more were up 9%: Latvia rising to €73 and Lithuania to €68.

Elsewhere in the Nordics, there were mixed results. Two countries were down: Finland by 3% to €107 and Norway by 2% to €129. Two were up: Denmark by 2% to €123 and Sweden by 1% to €128.

Three countries badly hit by the economic downturn also had a more successful 2013, all rising 6%. Ireland, which exited its €85bn bailout programme in December, saw its average climb to €88 with Cyprus on €101 and Greece on €87. Monaco was the highest placed European country in the overall price table in fourth place on

€194 after a 7% rise. On the other hand, Bosnia & Herzegovina was the European destination where Eurozone travellers paid the least on average during 2013, seeing its average slip 2% to €63.

Amongst the others in the small group of fallers in the region, the Ukraine was down 16% to €96 as rates stabilised after the country staged the UEFA European Football Championship in 2012, while Switzerland fell 5% to €145.

There were sharper reductions in Asia with Cambodia down 17% to €45, maintaining its position as the country where travellers from the Eurozone paid the lowest average rate of all the regions during the year. Indonesia dropped 16% to €82 and South Korea also fell 14% to €106, with a large drop in the number of Japanese travellers following the falling exchange rate. Japan itself fell 9% to €92. The only Asian country included in the HPI which saw its rates rise was China, up 4% to €79.

There were two stars in Latin America with Mexico up 6%

to €116 and Costa Rica up 3% to €89. Other countries in the region saw their averages head in the other direction with Colombia down 13% to €101, Brazil down 9% to €150 and Argentina losing 8% to €88.

The country in the HPI recording the highest increase was Tunisia, climbing 21% to €87, helped by the improving political situation. Saudi Arabia added 19% to €180, Morocco grew 11% to €86 and the UAE was up 10% to €170, placing it in fifth place in the overall price table. In third place, was Oman, despite a 6% fall to €214, and Egypt was also down 5% to €77 while Qatar slid a substantial 14% to €118.

Elsewhere, two Indian Ocean island nations occupied the top of the price table in spite of falling rates with the Maldives down 1% to €444 and the Seychelles down 9% to €215. Mauritius was also down 8% to €158.

Of the 72 countries included in the report, travellers from the Eurozone paid more in 40, the same in three and less in 29.

## Average hotel prices by country in 2013 compared with 2012

Destination	2013	2012	% change	Destination	2013	2012	% change
Maldives	€444	€448	-1%	Taiwan	€97	€103	-7%
Seychelles	€215	€236	-9%	Ukraine	€96	€115	-16%
Oman	€214	€227	-6%	France	€96	€94	2%
Monaco	€194	€182	7%	Montenegro	€95	€86	10%
Saudi Arabia	€180	€151	19%	Spain	€92	€85	8%
United Arab Emirates	€170	€154	10%	Japan	€92	€101	-9%
Mauritius	€158	€171	-8%	Turkey	€92	€86	7%
Israel	€155	€150	3%	Costa Rica	€89	€87	3%
Brazil	€150	€164	-9%	Ireland	€88	€84	6%
Singapore	€149	€152	-2%	Argentina	€88	€96	-8%
Switzerland	€145	€153	-5%	Malaysia	€88	€90	-2%
Russia	€141	€139	1%	Greece	€87	€82	6%
Norway	€129	€132	-2%	Tunisia	€87	€72	21%
Sweden	€128	€127	1%	New Zealand	€86	€80	7%
USA	€123	€123	0%	Morocco	€86	€77	11%
Denmark	€123	€120	2%	Czech Republic	€85	€80	6%
Iceland	€121	€105	15%	Estonia	€85	€85	0%
United Kingdom	€120	€119	1%	Malta	€83	€76	10%
Australia	€120	€125	-4%	Indonesia	€82	€98	-16%
Qatar	€118	€138	-14%	Portugal	€80	€76	6%
Mexico	€116	€110	6%	China	€79	€76	4%
Italy	€112	€108	3%	India	€79	€79	0%
South Africa	€112	€122	-8%	Philippines	€77	€78	-1%
Netherlands	€111	€108	2%	Egypt	€77	€80	-5%
Canada	€111	€115	-4%	Slovakia	€76	€72	6%
Croatia	€110	€105	4%	Serbia	€73	€71	3%
Austria	€107	€105	3%	Thailand	€73	€75	-3%
<b>FINLAND</b>	€107	€110	-3%	Poland	€73	€73	-1%
South Korea	€106	€122	-14%	Latvia	€73	€66	9%
Slovenia	€105	€100	6%	Hungary	€71	€67	7%
Luxembourg	€104	€97	7%	Romania	€69	€63	8%
Chile	€102	€110	-7%	Lithuania	€68	€62	9%
Colombia	€101	€116	-13%	Bulgaria	€64	€58	11%
Cyprus	€101	€95	6%	Bosnia & Herzegovina	€63	€64	-2%
Germany	€97	€94	4%	Vietnam	€56	€60	-6%
Belgium	€97	€94	3%	Cambodia	€45	€54	-17%

The biggest percentage price rises in 2013 compared with 2012

Destination	2013	2012	% change
Tunisia	€87	€72	21%
Saudi Arabia	€180	€151	19%
Iceland	€121	€105	15%
Bulgaria	€64	€58	11%
Morocco	€86	€77	11%
United Arab Emirates	€170	€154	10%
Montenegro	€95	€86	10%
Malta	€83	€76	10%
Lithuania	€68	€62	9%
Latvia	€73	€66	9%
Romania	€69	€63	8%
Spain	€92	€85	8%
Turkey	€92	€86	7%
New Zealand	€86	€80	7%
Monaco	€194	€182	7%
Hungary	€71	€67	7%
Luxembourg	€104	€97	7%
Slovakia	€76	€72	6%
Cyprus	€101	€95	6%
Czech Republic	€85	€80	6%
Greece	€87	€82	6%
Ireland	€88	€84	6%
Mexico	€116	€110	6%
Slovenia	€105	€100	6%
Portugal	€80	€76	6%

The biggest percentage price falls in 2013 compared with 2012

Destination	2013	2012	% change
Cambodia	€45	€54	-17%
Indonesia	€82	€98	-16%
Ukraine	€96	€115	-16%
Qatar	€118	€138	-14%
South Korea	€106	€122	-14%
Colombia	€101	€116	-13%
Japan	€92	€101	-9%
Seychelles	€215	€236	-9%
Brazil	€150	€164	-9%
South Africa	€112	€122	-8%
Argentina	€88	€96	-8%
Mauritius	€158	€171	-8%
Chile	€102	€110	-7%
Taiwan	€97	€103	-7%
Vietnam	€56	€60	-6%
Oman	€214	€227	-6%
Switzerland	€145	€153	-5%
Egypt	€77	€80	-5%



## Thailand in the Spotlight

Thailand remains one of the most popular tourist destinations around the world, in spite of recent headlines about the political unrest. Tourism is a major factor in the country's economy, as it welcomed nearly 27 million visitors in 2013, up 20% on the previous year.

Thailand is the only Southeast Asian nation never to have been colonised by a European power which helps to give the country its unique flavour. Located just 15 degrees north of the Equator, it has a tropical climate and the peak travel period runs from December to February during the cool season. Thai 5-star hotels are amongst the finest in the world but the country offers everything from luxury spa retreats to family-run

beachfront properties, all at reasonable rates.

Virtually every Thai holiday involves a visit to the capital Bangkok with its mix of exotic temples which underscore the country's strong Buddhist history, modern shopping malls and vibrant nightlife. Indeed, Bangkok rose four places to No 12 in the table of most popular destinations for Finnish travellers in 2013.

In this year's HPI, the average price paid by hotel guests from the Eurozone in the city was a reasonable €63 a night but, looking outside the combined average to the figures for individual star ratings, the picture looked even better. Bangkok's 5-star average was just €150 while its 4-star rate of

€80 was one of the lowest in the HPI, as was its €38 for 3-star and €25 for 2-star.

Hua Hin is one of Thailand's premier beach resort towns on the Gulf of Thailand, less than 200 kilometres south of Bangkok, making it a popular weekend getaway for city residents. It is also the location of the King of Thailand's summer palace. The powdery sand beach, numerous seaside seafood restaurants, a lively night market and activities such as horse-riding and golf contribute to its success amongst those looking for a quieter, peaceful holiday.

Pattaya is a lively beach town also on the Gulf, best known for its nightlife. Just a two-hour drive south of Bangkok's

Bamboo Island, Thailand.



## Krabi, Thailand



main airport, activities include a wide array of water sports, golf, shopping, cabaret shows, an elephant village, bungee jumping and sky diving, making it impossible not to have an action-packed holiday here.

Koh Samui is the largest in an archipelago of more than 80 islands in the Gulf of Thailand. This upmarket gem is lush with tropical forest, fringed with palm tree lined stretches of golden sand and surrounded by clear, aquamarine water with some of the best 5-star resorts on its quieter beaches.

Phuket is the most popular beach destination in Asia with its white sandy beaches, turquoise blue sea and well-

developed facilities. The mountainous island is located 862 kilometres south of the capital and the climate is quite different with only two seasons: the green season from May to October and the hot season from November to April. Phuket also made the chart of Top 20 overseas destinations for Finnish travellers in 2013 at No 18.

Chiang Mai, the Rose of the North, is the principle hub for tourism, education, transportation and commerce in the north of the country. The city features centuries-old pagodas and temples next to modern convenience stores and boutique hotels but is also blessed with pristine natural

resources including mountains, waterfalls and rivers that make this a trekkers' paradise.

Krabi is a countryside destination with both beaches and national parks. Of its 154 islands, the most famous is Ko Phi Phi, location for the filming of *The Beach* starring Leonardo DiCaprio. The availability of elephants, exotic jungle and beach settings, relatively low production costs, and a mature domestic film industry that provides a legion of experienced crew members, have made Thailand an attractive location for many Hollywood films and other foreign productions.

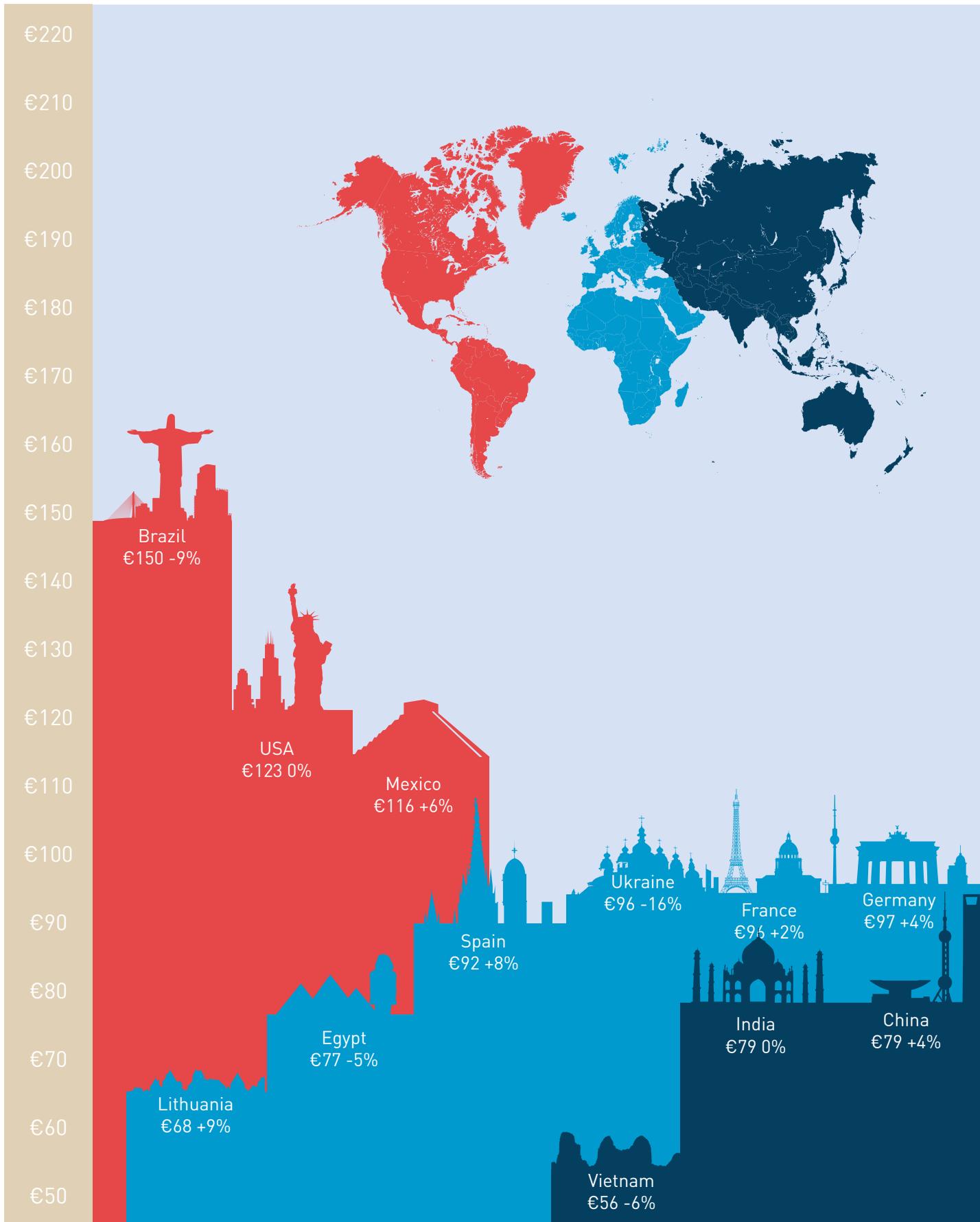
Average hotel prices in the principal Thai destinations in 2013 compared with 2012

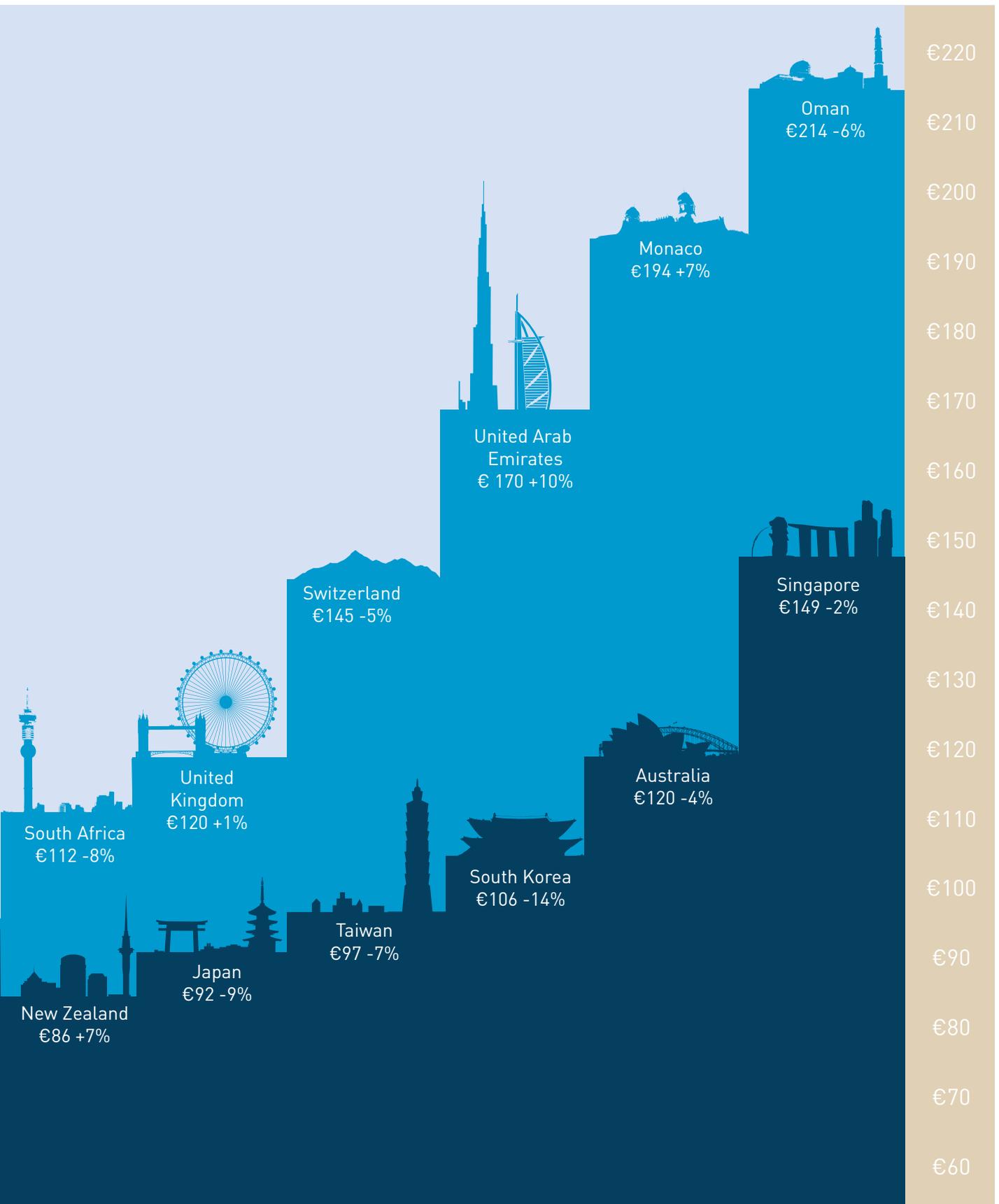
Destination	2013	2012	% change
Phuket	€84	€76	10%
Koh Samui	€83	€86	-4%
Hua Hin	€81	€91	-11%
Krabi	€73	€75	-3%
Bangkok	€63	€67	-6%
Pattaya	€57	€59	-3%
Chiang Mai	€53	€58	-9%

### Five Bangkok attractions

- Wat Phra Kaew and Grand Palace Complex
- Wat Pho Reclining Buddha
- Floating market
- National museum
- Wat Arun Temple of Dawn

# Average hotel prices by country in 2013 compared with 2012







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## Prices paid at home and away

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### Travelling abroad

European nations took four of the first 10 places including two in the top three, with travellers from Switzerland once again paying the most when travelling outside their own borders, with an average of EUR 137 per room night and the Norwegians on No 3 on €130, behind travellers from the US and average room nights of €131.

Travellers from the UK were in joint No 4 on EUR 128, together with travellers from Japan and Argentina, which made them the highest paying nations in APAC and Latin America respectively. Finland were towards the bottom of the table on an average €105.

Travellers from Malaysia were the savviest nation with an average spend of €97, followed by the Taiwanese on €98 and the Dutch €102.

### Travelling at home

It was Swiss travellers who again paid the most at home, averaging EUR 160 for a night domestically, followed by Norway in second place on €140 and Singapore in third on €138. European nations dominated the top of the chart once again, taking six of the 10 places, including Finland at No 9 on €106.

At the other end of the table, those looking for best value at home were travellers from Thailand and Malaysia on €67

each a night closely followed by those from India on €68.

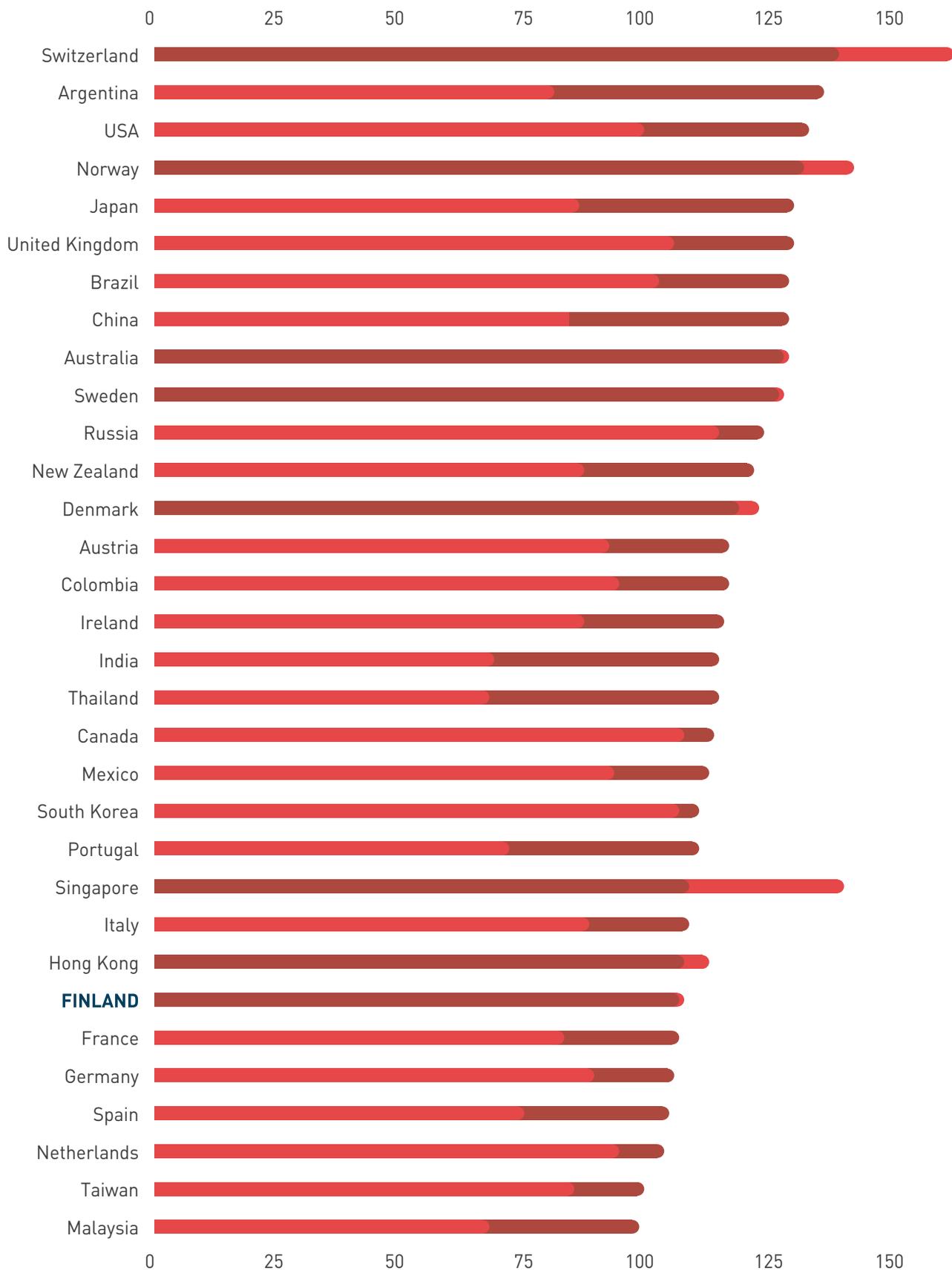
### More at home or away?

Of the 32 countries analysed, 24 paid more abroad than at home with some having a significant gap between the two sums. The Argentineans spent €50 a night more on average when travelling abroad, followed closely by travellers from India and Thailand on €46 and the Chinese on €44.

Only seven nations paid more at home than away with travellers from Singapore once again with the greatest difference, spending €31 more domestically than abroad. The Swiss followed with a €23 variation and the Norwegians with €10.

Average room prices paid by travellers when travelling overseas versus those paid within their own countries in 2013

● Home ● Away





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## Where to stay for €150 a night

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Hotels with the same star classification share many characteristics but price is not necessarily one of them. In this chapter, Hotels.com examined the star rating that the sum of €150 or less could have bought during 2013 in 65 major cities around the world to help consumers make a more informed choice of where to stay.

Those looking for a great value luxury city break from the Eurozone had the choice of 11 destinations. These range from several close to home in Europe, such as Budapest, Tallinn and Warsaw, as well as a choice of more exotic locations further afield including Asia with Bangkok, Jakarta and Mumbai, Cairo and Marrakech in North Africa, and Las Vegas as the only US representative in this category.

There was a much wider selection in the 4-star category with a choice of 31 destinations around the world including an additional 16 in Europe such as Amsterdam, Madrid, Rome and Prague, six in Asia including Bali, Seoul and Shanghai, two in the US with Las Vegas and Orlando and seven others elsewhere with Buenos Aires, Cape Town and Sydney the most distant.

The 3-star category has less choice but did contain several of the world's leading cities, particularly in the USA such as Boston, Los Angeles, Miami and Washington DC, but also Hong Kong, London, Moscow, Singapore and Venice.

However, an average €150 could only buy 2-star accommodation in New York and San Francisco.



Warsaw, Poland

The star rating that could be purchased with € 150 a night or less on average in the world's top cities in 2013

Destination	€150	Destination	€150	Destination	€150
Bangkok	★★★★★	Dublin	★★★★★	Chicago	★★★★
Budapest	★★★★★	Edinburgh	★★★★★	Geneva	★★★★
Cairo	★★★★★	Frankfurt	★★★★★	Hong Kong	★★★★
Delhi	★★★★★	Guangzhou	★★★★★	London	★★★★
Jakarta	★★★★★	Istanbul	★★★★★	Los Angeles	★★★★
Lisbon	★★★★★	Jerusalem	★★★★★	Miami	★★★★
Marrakech	★★★★★	Las Vegas	★★★★★	Montreal	★★★★
Mumbai	★★★★★	Madrid	★★★★★	Moscow	★★★★
PISA	★★★★★	Melbourne	★★★★★	Nice	★★★★
Tallinn	★★★★★	Mexico City	★★★★★	Paris	★★★★
Warsaw	★★★★★	Milan	★★★★★	Sao Paolo	★★★★
Amsterdam	★★★★	Munich	★★★★★	Seattle	★★★★
Bali	★★★★	Orlando	★★★★★	Singapore	★★★★
Barcelona	★★★★	Prague	★★★★★	Tokyo	★★★★
Beijing	★★★★	Rome	★★★★★	Toronto	★★★★
Benidorm	★★★★	Seoul	★★★★★	Vancouver	★★★★
Berlin	★★★★	Shanghai	★★★★★	Venice	★★★★
Biarritz	★★★★	Sydney	★★★★★	Washington DC	★★★★
Brussels	★★★★	Taipei	★★★★★	Zurich	★★★★
Buenos Aires	★★★★	Vienna	★★★★★	New York	★★★
Cape Town	★★★★	Boston	★★★	San Francisco	★★
Dubai	★★★★	Cancun	★★★		



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## Average room prices by star rating

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For the HPI, Hotels.com analysed the average prices paid in Euro for hotel rooms across different star ratings in the world's top cities to help consumers make the most of their travel budget. In many destinations, 5-star hotels can be booked for the same amount as lower star categories elsewhere so it is always worthwhile to research before buying as a small amount of exploration can generate substantial savings.

In the 5-star range, there was a €412 gap between the highest and lowest average prices paid by Eurozone travellers for a single night's accommodation. At the top of the list on €495 was San Francisco, followed by New York and Tokyo both some way behind on €387.

As in the past, Warsaw offered the best deal on 5-star accommodation with average

prices of €83 a night, followed by Budapest some way ahead on €121 and Cairo on €131. If location were not a factor when choosing a luxury break, it would have been possible to spend six nights in the Polish capital for around the same price as one in the US west coast city.

Marrakech had the lowest 4-star average on €79, with Bangkok on €80 and Budapest on €81. In the 3-star category, Cairo offered the best value on €34.

For those watching their budgets, Delhi offered the lowest 2-star average with a very affordable €20 with Cairo just €1 more on €21 and Bangkok on €25. For an inexpensive trip in Europe, Budapest had an unbeatable €36 2-star average and, in the US, Las Vegas took the honours as the destination with the lowest rate at this level of €46.

## Average hotel room prices by star rating during 2013

Destination	★★	★★★	★★★★	★★★★★
Amsterdam	€97	€116	€140	€213
Bali	€25	€53	€104	€235
Bangkok	€25	€38	€80	€150
Barcelona	€66	€107	€131	€243
Beijing	€35	€50	€91	€161
Benidorm	€51	€74	€112	€249
Berlin	€62	€69	€94	€155
Biarritz	€80	€96	€144	€343
Boston	€107	€150	€214	€346
Brussels	€63	€89	€107	€155
Budapest	€36	€52	€81	€121
Buenos Aires	€34	€68	€100	€331
Cairo	€21	€34	€92	€131
Cancun	€55	€106	€249	€285
Cape Town	n/a	€74	€100	€188
Chicago	€81	€132	€153	€343
Delhi	€20	€37	€95	€137
Dubai	€93	€84	€139	€289
Dublin	€53	€80	€104	€206
Edinburgh	€84	€93	€128	€198
Frankfurt	€69	€91	€115	€194
Geneva	€119	€141	€163	€332
Guangzhou	€28	€60	€101	€180
Hong Kong	€56	€102	€168	€325
Istanbul	€50	€71	€103	€155
Jakarta	€32	€45	€87	€144
Jerusalem	€76	€112	€124	€226
Las Vegas	€46	€52	€95	€170
Lisbon	€44	€60	€92	€136
London	€89	€110	€170	€293
Los Angeles	€82	€126	€226	€370
Madrid	€49	€70	€86	€184
Marrakech	€41	€52	€79	€135

Destination	★★	★★★	★★★★	★★★★★
Melbourne	€28	€76	€114	€206
Mexico City	€65	€70	€148	n/a
Miami	€91	€130	€221	€333
Milan	€72	€84	€118	€307
Montreal	€79	€117	€171	n/a
Moscow	€56	€111	€157	€243
Mumbai	€45	€75	€95	€135
Munich	€81	€105	€134	€227
New York	€135	€188	€237	€387
Nice	€74	€96	€163	€258
Orlando	€52	€85	€124	€210
Paris	€90	€120	€185	€386
Pisa	€60	€80	€103	€138
Prague	€41	€67	€89	€157
Rome	€87	€109	€128	€308
San Francisco	€108	€159	€208	€495
Sao Paulo	n/a	€116	€159	€333
Seattle	€96	€136	€194	n/a
Seoul	€49	€84	€125	€229
Shanghai	€29	€53	€87	€186
Singapore	€66	€124	€163	€301
Sydney	€47	€101	€146	€216
Taipei	€50	€81	€129	€257
Tallinn	€44	€74	€97	€145
Tokyo	€61	€90	€175	€387
Toronto	€86	€107	€168	n/a
Vancouver	€88	€119	€175	€235
Venice	€101	€122	€171	€344
Vienna	€52	€77	€95	€182
Warsaw	€45	€63	€84	€83
Washington DC	€93	€134	€166	€340
Zurich	€102	€136	€153	€177

## Top 10 most expensive cities for 5-star hotels in 2013

Destination	Price
San Francisco	€495
New York	€387
Tokyo	€387
Paris	€386
Los Angeles	€370
Boston	€346
Venice	€344
Chicago	€343
Biarritz	€343
Washington DC	€340

## Top 10 destinations with the best-value 5-star hotels in 2013

Destination	Price
Warsaw	€83
Budapest	€121
Cairo	€131
Marrakech	€135
Mumbai	€135
Lisbon	€136
Delhi	€137
Pisa	€138
Jakarta	€144
Tallinn	€145

## Hotel star ratings explained

There is no universal star rating system. Each country has its own and, in some cases such as the Eurozone, more than one. This means that travellers should be aware of a possible disparity of standards and facilities when booking rooms with the same star ratings in different countries.



## Luxury for less

Looking at the averages paid by hotel guests from the Eurozone in 5-star and 4-star accommodation, there were some considerable falls at this level during 2013, meaning luxury was available for a little less for many travellers.

Asia recorded several of the highest double-digit drops at the 5-star level with Mumbai down 19% to €135, Jakarta down 16% to €144, Delhi down 15% to €137,

Bali down 12% to €235 and Taipei down 10% to €257. In Europe, Zurich also dropped 16% to €177 with Geneva down 13% to €322. The drops in Pisa and Istanbul were also in double-figures, with the former down 11% to €138 and the latter down 10% to €155. Cape Town's 5-star average also slid 12% to €188 and Cairo was down 10% to €131.

The picture was the same in the 4-star category with all the

highest fallers from Asia. With the loss in value of the Rupee, the two Indian cities led the list with Mumbai down 19% once more to €95 and Delhi down 14% to €95. Geneva and Buenos Aires were the exception to this, both losing 10%, with the Swiss city moving to €163 and the Argentinean capital down to €100.

Where prices at top-end hotels fell the most between 2013 and 2012

Destination	Star Rating	2013	2012	% change
Mumbai	★★★★★	€135	€166	-19%
Mumbai	★★★★	€95	€117	-19%
Jakarta	★★★★★	€144	€173	-16%
Zurich	★★★★★	€177	€211	-16%
Delhi	★★★★★	€137	€162	-15%
Delhi	★★★★	€95	€111	-14%
Geneva	★★★★★	€332	€381	-13%
Bali	★★★★	€104	€119	-12%
Cape Town	★★★★★	€188	€215	-12%
Bali	★★★★★	€235	€267	-12%
Pisa	★★★★★	€138	€155	-11%
Taipei	★★★★★	€257	€287	-10%
Istanbul	★★★★★	€155	€173	-10%
Cairo	★★★★★	€131	€146	-10%
Guangzhou	★★★★	€101	€113	-10%
Geneva	★★★★	€163	€180	-10%
Seoul	★★★★	€125	€139	-10%
Buenos Aires	★★★★	€100	€110	-10%
Moscow	★★★★★	€243	€267	-9%
Miami	★★★★★	€333	€365	-9%
Seoul	★★★★★	€229	€251	-9%
Singapore	★★★★	€163	€177	-8%
New York	★★★★★	€387	€421	-8%
Tokyo	★★★★	€175	€190	-8%
Melbourne	★★★★	€114	€123	-8%



## Travel habits

### Top overseas destinations for Finnish travellers

Finns travelling abroad in 2013 stayed quite close to home as 15 of the Top 20 overseas destinations during the year were in Europe, with two in the US, two in Asia and one in the Middle East.

London held onto its position at the top of the chart and Tallinn passed New York to take over second place.

There was considerable movement, both up and down, in the chart. Bangkok and Dubai were the big winners in the popularity stakes, both climbing four places to No 12 and No 15 respectively. A jump of three

took Barcelona to No 5 and Prague to No 9 while a gain of two lifted Budapest to No 7 and Miami to No 16. Munich at No 17 and Mallorca at No 20 were new entrants to the table as Gdansk and Milan left.

There were some major declines as well with Riga down six places to No 19, Rome at No 8 and Phuket at No 18 both falling four places, Copenhagen at No 11 down three and Amsterdam falling two.

Rank	Destination	2012 Rank
1	London	1
2	Tallinn	3
3	New York	2
4	Berlin	4
5	Barcelona	8
6	Paris	6
7	Budapest	9
8	Rome	4
9	Prague	12
10	Stockholm	10
11	Copenhagen	7
12	Bangkok	16
13	Amsterdam	11
14	Nice	15
15	Dubai	19
16	Miami	18
17	Munich	*
18	Phuket	14
19	Riga	13
20	Mallorca	*

# 8



## Travel talk

### Hoteliers prepare for Russian travel boom

Fuelled by its growing middle class and rising spending power, Russia is experiencing an outbound travel boom like never before, according to the Hotels.com Russian International Travel Monitor (RITM). Almost half (49%) of hoteliers surveyed worldwide have seen a rise in Russian guests in the last year, with 54% of those hoteliers seeing bookings grow by more than 10% or more.

According to UNWTO, Russia is now the world's second fastest growing outbound travel market in terms of spend, up 26% for the first nine months of 2013 and more than doubling since 2005. The RITM examines how hoteliers are reacting to this rapid growth, which last year saw Russians spend \$43 billion on travel abroad, making Russia the fifth largest outbound travel market globally.

The country has become a top performing growth market for many destinations and international outbound travel is forecast to grow by 7.5% per year on average to 2017. However, with a population of over 140 million, there is still a huge untapped market for foreign travel that will create demand for different types of holiday and new destinations that are bound to make an impact on the pattern of world tourism.

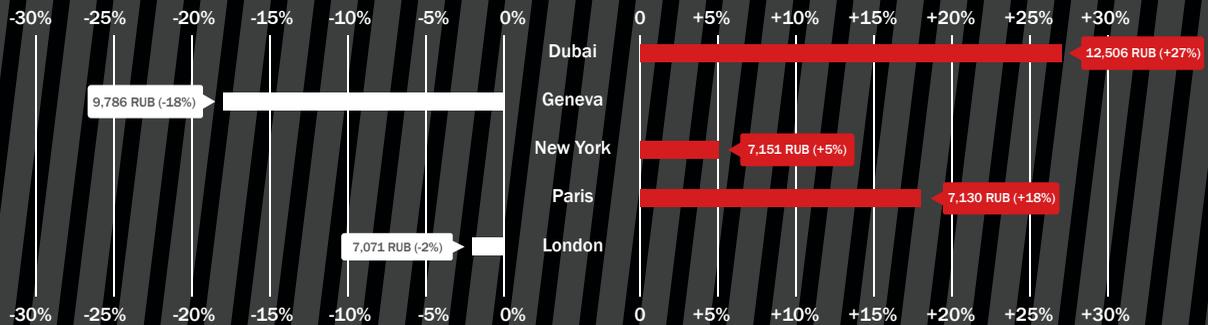
Many hoteliers also supported this fact as 43% said that Russians are now spending more money on their travels. Moreover, they are becoming more confident and independent, with improved foreign language skills. More than half (53%) already book their accommodation online with only 32% opting for a traditional travel agent.

With 92% of the hoteliers questioned expecting the volume of Russian visitors to increase over the next three years, many are making changes to deliver a warmer welcome. Almost a third (32%) of hoteliers have already started to offer Russian TV channels while more than a fifth (23%) have hired Russian-speaking staff, with a further 12% planning to do so.

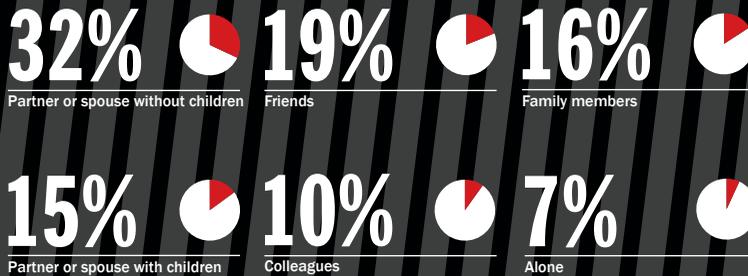
To ensure that Russian guests have a more relaxing stay, 15% of hoteliers plan to offer translated welcome materials, in addition to the 20% that already do so, and a further 15% plan to start providing translated tourism guides, with 11% intending to introduce Russian food.

# RUSSIAN INTERNATIONAL TRAVEL MONITOR

## Top 5 average hotel prices Jan - Jun 2013 compared with Jan - Jun 2012 by city



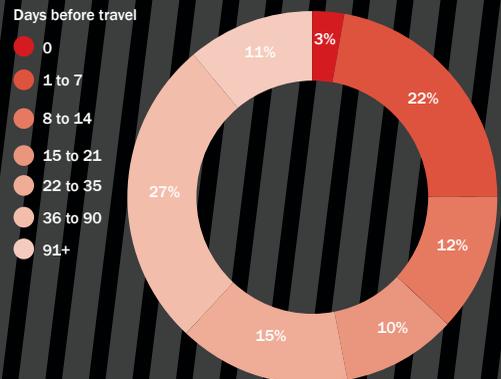
## Most popular travelling companions for Russian travellers



## Top overseas destinations for Russian travellers Jan - Jun 2013



## Russian travellers' booking window



## World's favourite taxis

London taxis have been voted the best taxis in the world for the sixth year in a row, according to the annual global taxi survey from Hotels.com.

London secured 22% of the votes, a clear runaway winner, followed by New York with 10% and Tokyo with 9% in second and third place.

London's iconic black cabs won nearly a quarter of the vote in the survey\*, which also saw Berlin reclaim its position in the top five list in fourth place with 5%, and Madrid, Mexico City and Amsterdam in joint fifth with 4%.

Of the 30 countries surveyed, London topped the list across five of the seven categories, including cleanliness (23%), knowledge of the area (27%) and quality of driving (30%). While London cabs were also voted top for friendliness (23%), it was this category that was deemed the least important to travellers, meaning London's friendly cabbies could be seen to put some customers off. Almost a quarter of respondents (23%)

voted safety their number one priority when travelling by taxi, where London's cabs also ranked highest.

New York and Bangkok taxis came joint first in terms of value for money (20%); interestingly, the latter didn't quite make the overall top five this year. New York's recognisable yellow taxis grabbed the top spot when it came to availability (23%).

The global Hotels.com taxi survey also revealed the world's more obscure objects that travellers have admitted to leaving behind, which included:

- A wig and a bird in a cage left behind in a US cab
- A prosthetic leg and an ex-boyfriend in Australia
- A trombone in Finland
- Dentures in Germany

Globally, the survey found that more people tend to text or email whilst in cab (19%), while sleeping was the second most popular activity (15%), followed by eating (10%) and kissing (9%). When asked which nation was

the most amorous in the back of a cab, Brits came out with 14% admitting to displaying passionate behaviour, 10% higher than the global average of 4%.

Other global findings include:

- Over half of us (53%) would choose a taxi as our desired mode of transport from airport to hotel.
- While the majority of people would round up to the nearest amount when tipping (38%), taxi passengers tend to choose not to tip more than 10% for the journey.
- The most important feature in a taxi is WiFi (14%), beating both the radio and music.
- The biggest pet hate for UK travellers is when taxi drivers take a longer route to the destination.

\*2,683 respondents across 30 countries.





# TAXI SURVEY

## Best taxis in the world

as voted by 30 countries

22%

LONDON



1st

10%

NEW YORK



2nd

9%

TOKYO



3rd

5%

BERLIN



4th

4%

Amsterdam

Madrid

Mexico City

Joint 5th

3%

Bangkok

Singapore

Bogota

Joint 8th

3%

Las Vegas

Vancouver

Mumbai

Joint 8th



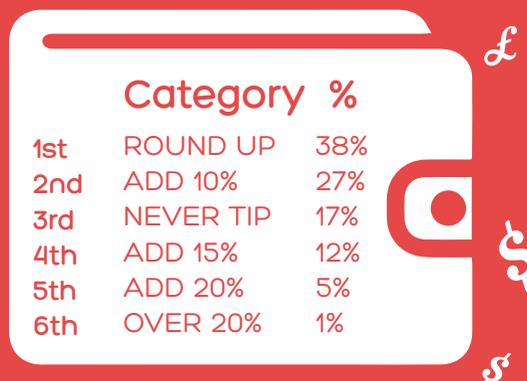
## Quality

Ranked in order of importance when taking a taxi ride



## Tipping

Most commonly, we tip by rounding up. However, nearly 1 in 5 do not tip at all!



## Most important feature for a taxi:

WiFi – 1st with 14% of the vote, beating radio and music



## Preferred choice of travel

53% of us would choose to take a taxi when travelling from the airport.



## Lost & Found



A trombone was left behind in a taxi in Finland



False teeth have been left behind in cabs in UK, Denmark, Finland, Sweden and Switzerland



A customer left behind a Rubik's cube in an Italian taxi



A bird in its cage and a wig have been left behind in a US cab



A prosthetic leg and an ex-boyfriend have been left behind in Australian taxis

## Hotels.com highlights of 2013

Hotels.com achieved several notable successes in 2013.

- In February, Byte Level Research's report of Best Global Websites 2013 listed Hotels.com as No 2, rising three spots in a year to its highest ever position. The Report Card analysed websites according to four criteria: Global Reach (Languages), Global Navigation, Global/Mobile Architecture and Localization & Social.
- In March, Hotels.com was named the Top Travel Website in the UK by eDigitalResearch which measured user satisfaction across the entire end-to-end customer journey, from first impressions all the way through to customer contact. Hotels.com claimed the top spot for its clean and simple homepage, clear navigational links and extensive range of search filters.
- In the UK, Hotels.com was officially named a CoolBrand in an influential annual survey to identify the country's coolest brands for the second year running and was Highly Commended in the leisure and tourism category of the Online Retail Awards in the UK.
- In February, Hotels.com launched a pioneering mobile app specifically designed for the Samsung Galaxy Note 8.0 device. The app, which is also available across all devices in the Samsung Galaxy Note series, makes use of the device's integrated pen-input technology, called the S Pen, to provide users with a richer and more interactive booking experience. In March, an app for Windows 8 was launched and, in the same month, the Hotels.com mobile app was named the Best Hotel Booking App in the Hotels & Resorts category by About.com, surpassing several other leading online travel companies to capture nearly half of the vote. Later in the year, Hotels.com became the first third-party travel app to be included in US automaker Ford's "Sync with AppLink" program, enabling drivers to use voice activation to search Hotels.com lodging content for nearby accommodation.
- In December, an app for the Kindle Fire was added to the portfolio. Collectively, Hotels.com apps have achieved more than 25 million downloads since the launch in 2011.
- Hotels.com also rolled out new functionality on its iPhone and iPad apps to notify Welcome Rewards\* members in 89 countries when they have earned a free night. Members of the loyalty programme in the US also receive notifications via the app when Welcome Rewards points have been earned. Since the launch of the Welcome Rewards programme, Hotels.com has rewarded its customers with more than one million free nights\*\*.
- Many of the international sites celebrated their 10th anniversary during 2013 including 13 in Europe and Australia.
- The number of bookable properties offered increased to more than 260,000 by year end, ranging from luxury 5-star properties to small B&Bs across the globe.

\* Welcome Rewards is the Hotels.com loyalty programme where members can collect 10 nights at eligible properties to get one night free to redeem on future bookings at another eligible property.

\*\*as at 6th February 2014. The maximum value of the free night is the average daily rate of the 10 nights stayed. The free night does not include taxes and fees.

## Hotels.com in numbers:



# 25+ Million

Hotels.com mobile apps downloaded



# 10+ Million

Customer reviews from guests who have actually stayed in the hotels



# 10+ Million

Welcome Rewards members



# 1+ Million

Free\* nights given away to Welcome Rewards members



# More than 260,000

Bookable properties available on the site through the Expedia group network



# 85+

Localised Hotels.com websites around the world



# 35

Languages

as at 6th February, 2014.

\*The maximum value of the free night is the average daily rate of the 10 nights stayed. The free night does not include taxes and fees.

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## About Hotels.com

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Hotels.com is a leading online accommodation booking website with approximately 220,000 properties around the world through the Expedia® group network, ranging from international chains and all-inclusive resorts to local favourites and bed & breakfasts, together with all the information needed to book the perfect stay.

Starting as a telephone service in 1991, the first website was launched in the US in 2002 with the first international version launched in the UK later that year. There are now more than 85 Hotels.com sites worldwide in Europe, North, Central and South America, Asia Pacific, the Middle East and South Africa, the majority of which are in localised languages.

Hotels.com benefits from one of the largest hotel contracting teams in the industry, constantly working to bring more hotels to the sites and ensuring best value pricing for its customers with frequent sales, special deals and promotions. Regular customer e-newsletters provide exclusive offers and advance notice of up-coming sales. There are

more than 10 million reviews on the site from users who have actually stayed in the hotels to ensure customers can make an informed choice when booking.

Through its industry-leading loyalty programme Welcome Rewards available in all markets, customers can earn a free\* night for every 10 nights stayed, subject to Welcome Rewards terms and conditions as set out at [www.hotels.com](http://www.hotels.com). They can accumulate their ten nights across more than 100,000 independent and chain hotels and redeem their free night\* at more than 90,000 eligible hotels around the world, including many that do not have loyalty programmes of their own. Since launch, Hotels.com has rewarded its customers with more than one million free nights\*.

Under its Price Match Guarantee, if a customer can find a lower price on a prepaid hotel, Hotels.com will refund the difference, subject to the Price Match terms and conditions set out on [www.hotels.com](http://www.hotels.com).

Travellers can book online or by contacting one of the

multilingual call centres. A portfolio of special apps for mobile phones and tablets can also be downloaded at [www.hotels.com/deals/mobile](http://www.hotels.com/deals/mobile) enabling customers to book on the go with access to 20,000 last minute deals.

Hotels.com is part of the Expedia group, the largest travel company in the world with an extensive portfolio that includes some of the world's best-known brands. Follow Hotels.com on Facebook, Twitter and on YouTube.

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\*The maximum value of the free night is the average daily rate of the 10 nights stayed. The free night does not include taxes and fees.

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## For further information

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