

The Hotel Price Index™

Review of global hotel prices: Jan-Jun 2013



Hotels.com

Introduction

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 HPI tracks the real prices paid per room per night by Hotels.com customers around the world, using a weighted average based on the number of rooms sold in each of the markets in which Hotels.com operates.

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 Index was started in 2004 at 100 and includes all bookings across all star ratings from 1-star to 5-star. This edition looks at the first six months of 2013, comparing the results with the same period in 2012. 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 the first six months of 2013, comparing it with the same period in previous years.

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 2-8) shows hotel prices across the world per room per night as paid by travellers from Finland in the first half of 2013 compared with the same period in 2012. This shows the changes in real prices paid by Finnish consumers, reflecting both movements in exchange rates and hotel pricing. In Chapter 4, figures are compiled from global bookings to Indian in all currencies.

Prices are rounded to the Euros and percentage figures to the nearest percentage point.

Chapter 9 covers the top overseas destinations for Finnish travellers and the top Finnish destinations for visitors from overseas.

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

Reports are also available in other currencies. Please contact press@hotels.co.uk. Follow the discussions on Twitter at #HotelExperts.

Foreword



As the economy recovers, so hotel prices follow. The price paid by travellers booking a hotel room for the night increased by 2% in the first half of this year. The rise, although relatively small, maintained a trend of slowly increasing rates that we've seen since the start of 2010. Our Hotel Price Index is now almost back to the same level as in 2006, the year before the financial crisis began. Whether we are quite due for seven fat years after seven lean remains to be seen but, as our report shows, there are certainly some destinations where prices have begun to move as traveller demand increases.

USA led the way

The strengthening US economy helped North America and the Caribbean outperform the

global average. During the first three months of the year, the US travel and tourism sector grew by 6.8%, more than double the rate of the US GDP, according to the US Bureau of Economic Analysis. Increased international demand has led to higher occupancy rates across North America and a 3% rise in average hotel rates, showing that the region is still climbing, albeit at a slower speed than its 2012 pace of 5%.

Benefiting from an increase in US visitors, the Caribbean HPI gained 5% during the first six months of this year. Buoyed by a 5.4% rise in visitors last year and the largest number of stayover visitors in five years, according to the Caribbean Tourism Organisation, hoteliers in the region are optimistic.

Although the Pacific enjoyed some of the highest increases last year, with a 6% rise during the first half of 2012, a slowdown in the Australian mineral resources industry led to a fall in the number of business travellers and growth of just 1%. Europe and the Middle East also underperformed against the global average, growing by 1% - a small increase, but a step in the right direction after finishing 2012 down slightly on the year as a whole.

The Asian market was the only faller, down by 2%, its first fall since 2011. This was due in part to a fall in inbound visitors to China, according to the country's National Tourism Administration. While outbound travel from China is booming, the sluggish economy and appreciation of the Yuan have hit inbound

tourism. Concerns over air pollution have also contributed to a 14.3% fall in visitors to the Chinese capital during the first half of 2013, according to the Beijing Commission of Tourism Development. There was also a slight fall in the numbers travelling to Japan.

Europe stabilised

There is no doubt that European hotel prices have been some of the most badly affected since the economic fallout in 2008/2009. The fact that the Eurozone recorded growth for the first two quarters of 2013 is evidence that the economic crisis is easing, although not yet over. While some increase is anticipated this year, it is expected to be modest and largely driven by visitors from the UK, Germany and Russia. However, many of the destinations worst hit by the downturn have seen hotel prices flatten out, with some experiencing healthy rises.

Iceland has bounced back from the recession to become one of the best performing European destinations. The Icelandic Tourist Board reports that record numbers of visitors entered the country during the two first

months of the year, driven in part by interest in the Northern Lights. According to the Greek Civil Aviation Authority, Greece has also witnessed a rise in visitors, with international airport arrivals and revenues growing by 10% during the first half of 2013, as hotel prices in the country continued to offer good value.

Egyptian boost

In a similar vein, Egypt has begun the year well. The Egyptian Tourism Ministry announced a 9.6% rise in visitors during the first half of 2013 which helped Egypt regain many of the losses reported during the upheaval of the Arab Spring, although spending on tourism is still below expectations. As visitors returned, the Red Sea resorts such as Sharm-El-Sheikh benefited from higher prices. However, with Egypt returning to the global headlines as civil unrest continues, it is still too early to tell whether this progress will last.

Road to Rio

Also in the global spotlight is Brazil, as the FIFA World Cup in 2014 and the Olympic Games in 2016 draw ever closer. Despite

concerns over the readiness of Brazil's stadia and infrastructure, and the shortage of hotel rooms, the warm-up event, the FIFA Confederations Cup in June, went well, in spite of protests and demonstrations. While Brazil's government insists that it will be ready come 2014, debate persists.

The devaluation of the Real against most of the major currencies over the period meant that hotel prices became less expensive for many international travellers. This, combined with the lure of the Confederations Cup, helped Brazil generate record levels of inbound tourism revenues during the first half of the year. Spending rose by 9.6% compared to the same period in 2012, according to the Brazilian Tourist Board.

With even more visitors expected next year, new hotels are being built to meet demand. By the end of 2013, Lodging Econometrics reports that nearly 60 additional properties will have opened, adding close to 9,000 rooms. Next year, a further 108 are planned, providing just under 19,000 rooms. Away from the sporting events, this increased

supply should help minimise any potential rise in hotel prices, most notably in Rio de Janeiro which has traditionally seen some of the highest average rates in the world.

The Chinese take flight

Another phenomenon impacting hotel prices is the huge and rapid rise in number of Chinese international travellers. China has officially become the world's largest outbound tourism market with an estimated 83 million overseas trips made by Chinese citizens, according to the China Tourism Academy 2013 report. The UN World Tourism Organization (UNWTO) also announced that Chinese travellers spent US\$102 billion on international tourism in 2012, 40% more than in 2011, overtaking the more established tourism markets of Germany and the USA.

The momentum in this area has not been lessened by the Chinese economy, which slowed during the first half of the year, following decades of rapid growth. International travel remains an aspiration for many, especially younger travellers with the disposable income to travel abroad. As

the market moves away from group to more independent travel, hotels have recognised the potential of this new market and are adapting their services accordingly. There is more information on this topic at the end of this report.

With UNWTO predicting that international tourism as a whole will grow in 2013, the travel industry is in a period of expansion. In the air, there are new airlines and new routes, particularly in Asia. On the ground, new hotels are under construction and existing properties refurbished. It is one of the most exciting and competitive industries in the world and it never stands still.

We hope you find this latest report useful and informative.

David Roche
President
Hotels.com

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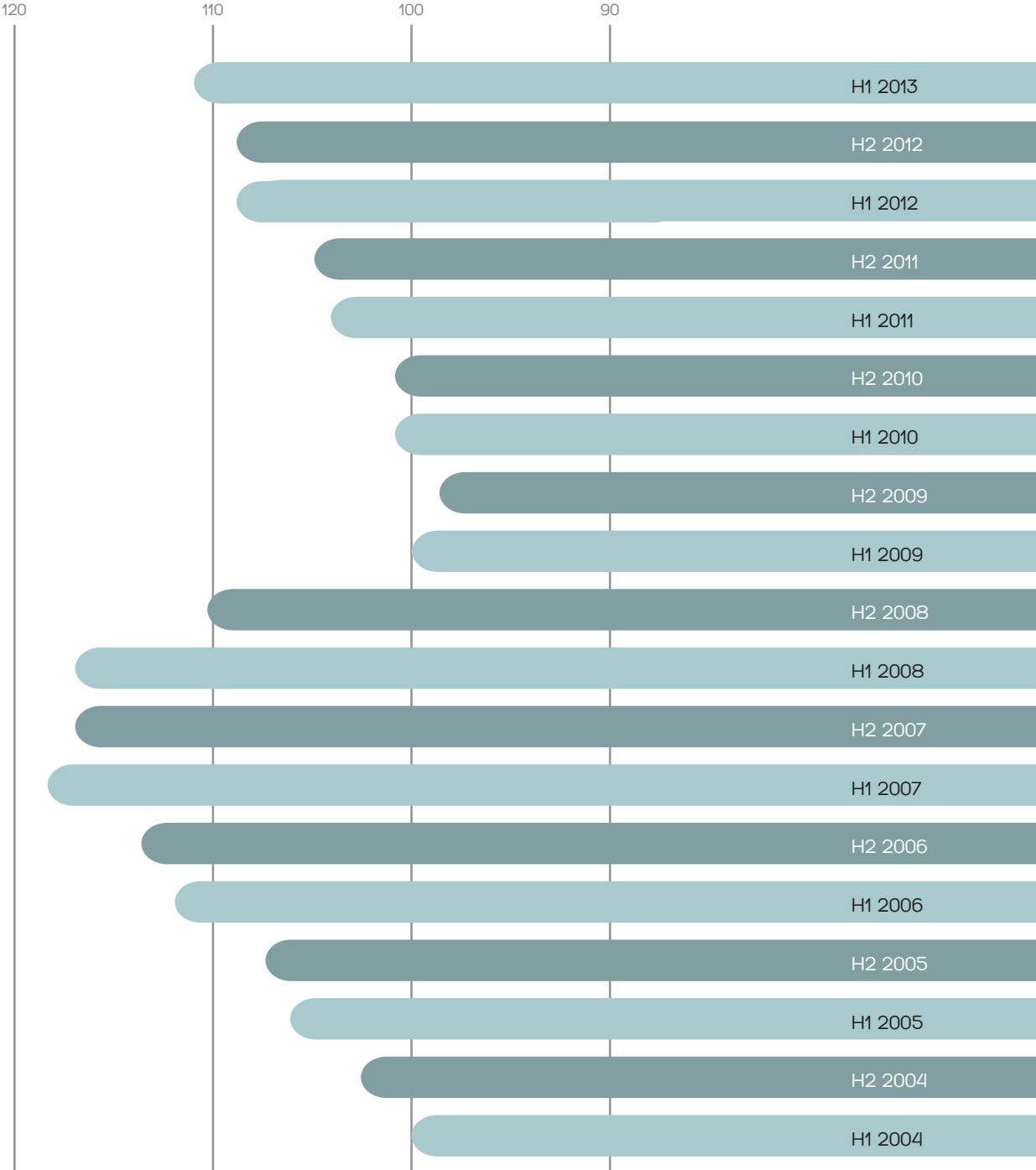
Global Price Changes

The average price of a hotel room around the world rose by 2% during the first six months of 2013 compared with the same period the previous year, with the Hotel Price Index (HPI) standing at 111. This is just eleven points higher than at its launch in 2004, eight points lower than its peak in the first half of 2007 and still below its H1 2006 level.

This is the fourth year running that the H1 HPI has increased but the rate of rise has halved when judged against the 4% rise in H1 2012.

Prices rose in all regions for the year, apart from Asia which saw its HPI fall for the first time in two years. Latin America registered its strongest result for more than two years and the Caribbean remained strong, while the Pacific, Europe and the Middle East showed weaker rate growth. 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.

Figure 1 HPI half-yearly breakdown from H1 2004 to H1 2013 globally



Javier Escobedo
Vice President
Hotels.com
Latam



Several factors impacted the changes in prices hotel guests paid in Latin America, some of an internal nature and related to the macroeconomic situation in the region as a whole, while others were external and related to the position of the region in a worldwide context.

Brazil, one of the giants of the region, has experienced a very different first half of 2013. A year ago, the Real was strong and exchange rates were high. Since the beginning of 2013, however, the currency has been losing value and this has a direct impact on the rates Brazilian travellers paid abroad while inflation at home also impacted domestic travel. However, inbound visitors to Brazil paid less on average with the currency exchange rate in their favour.

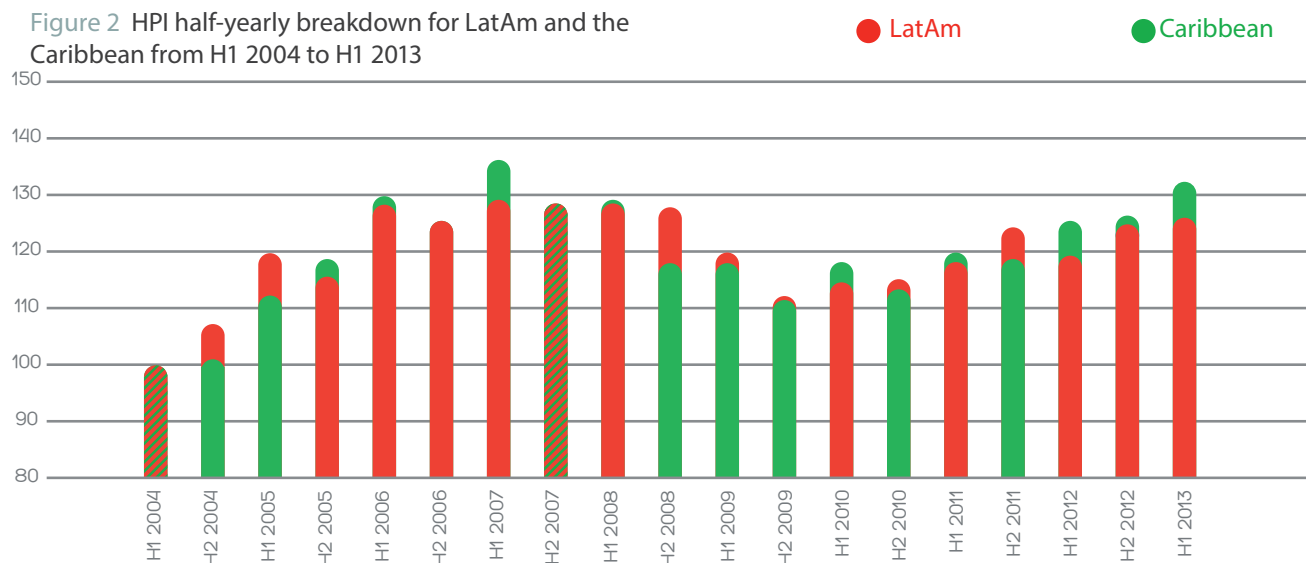
Many markets in the region have witnessed continuous growth in terms of domestic development and infrastructure, which has positively impacted local tourism. Colombia, one of the strongest countries in the region, is an example of this.

Most of the top business destinations in the region, like Buenos Aires or Bogota, experienced a decrease in their prices paid as a result of an increased accommodation supply in these markets. Business travellers triggered and accelerated the development of the local offer, with new hotels opening and new accommodation options for this target market creating positive price dynamics as a result of competition from both independent and chain hotels.

As we see the US economy grow stronger, we also see its impact in Latin America. The United States is a key business partner for many countries in the region, as well as the top international destination for Latin Americans choosing their holidays abroad. During the first half of 2013, prices paid in the US as a destination have increased throughout the region, proof of the better and more consistent demand.

Europe and the Middle East had the lowest increase among all destinations chosen by Latin-Americans so they continued to be an attractive option for travellers from the region. Many favourite European destinations recorded negative growth year over year, going in an opposite direction in comparison to the region's growth.

Figure 2 HPI half-yearly breakdown for LatAm and the Caribbean from H1 2004 to H1 2013



Strongest HPI growth in Latin America

The HPI in Latin America saw a 7% increase in the first half of 2013 compared with the same period last year, its strongest result since the second half of 2010 and the highest rise of all the regions, way ahead of the overall global performance.

As a result, the H1 2013 HPI for Latin America reached 126, second only to the Caribbean which has also seen a consistent increase over the past few years.

The Latin American HPI set its peak of 129 in the first half of 2007 so the index does not have far to rise to match or pass this figure.

Robust rise in the Caribbean

The Caribbean recorded another robust performance with its HPI rising 5% during the first six months of 2013, compared with the same period in 2012, the second largest regional increase.

The Caribbean H1 2013 HPI climbed to 133, only three points behind its all-time high of 136

from the first half of 2007 so a new record could soon be established here.

Neha Parikh
Vice President
Hotels.com
North America



Mark Twain once said: "Twenty years from now you will be more disappointed by the things you didn't do than by the ones you did do. So throw off the bowlines, sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover." Thanks to innovations in technology, travel (which is a direct path toward exploring, dreaming and discovering) has become more accessible to everyone, not just from a budget standpoint but from the way you book, where you stay and what you do when you get there.

Whether it's visiting the lush vineyards of Cape Town, or the ancient temples of Chiang Mai, or seeing a stunning sunset in Santa Fe (all places that have become a little more affordable for US travellers to visit this year), once you get a taste of

all of the incredible places to explore in the world, it's hard to conceive of a life without travel.

In the US, the projected increase of inbound international travellers has inspired new hotels as well as hotel expansion. More than 600 hotels are opening in 2013 alone according to STR Analytics. Experts say the hotel pipeline will continue to grow in the coming years and keep the influx of international visitors, especially those from China, steady.

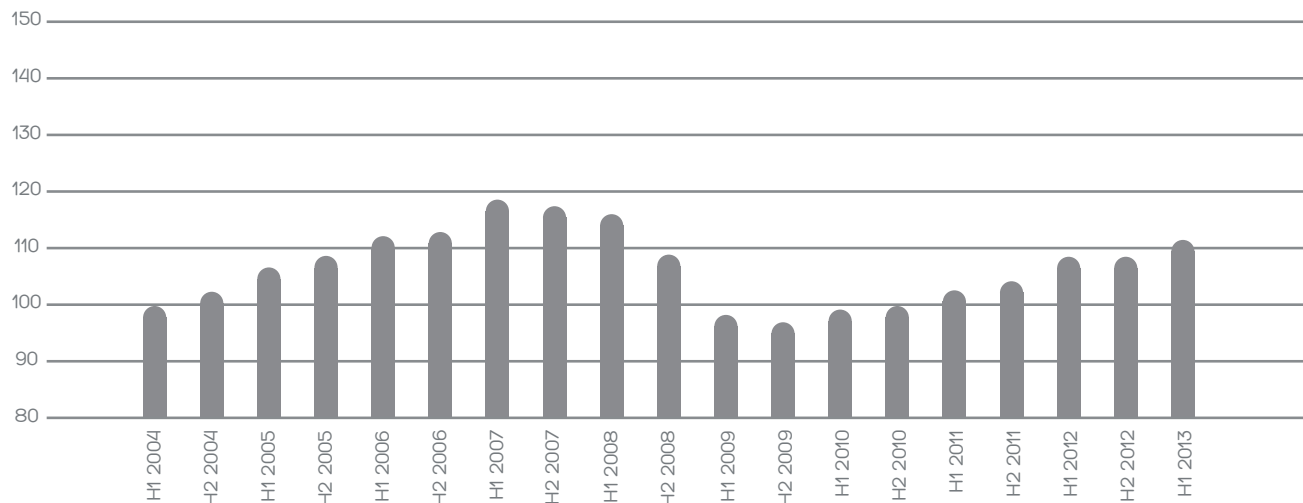
And Canada is no exception. Thanks to a 3.8% increase in travellers from the US to Canada, along with rises in tourism from other countries, there has been a steady growth of new hotels in the past year. Travellers may choose from boutique properties that

surround Niagara Lake, to 4-star luxury in Vancouver. The variety of hotel choices throughout the provinces will satisfy most any whim for a weekend away.

Hotels aren't just growing; they are getting smarter. They are catering to targeted audiences like the millennial generation as well as busy business travellers with tech-savvy hotel amenities and innovative loyalty programmes promoted via social media. Last year, mobile apps in the travel category were a new development. Today, a new social/mobile traveller has emerged that is more connected not only to their personal networks but to choices in accommodations, excursions and a plethora of ways to share their experiences with friends.

Figure 3 HPI half-yearly breakdown for North America from H1 2004 to H1 2013

● North America



Let the Hotel Price Index be your guide to explore, dream and discover your wanderlust; to identify luxurious locations for less and help you find the wonders in your own backyard.

Rates still growing but slowing in North America

The North American HPI rose 3% in the first half of 2013, compared with the same period last year. The rate of growth in the North American Index has slowed since its 5% rise in 2011 and the first half of 2012.

With this increase, the North American H1 2013 HPI rose to 112, ahead only of Europe and the Middle East.

This is its highest level since the second half of 2008 but it is still some way behind its peak of 119 from the first half of 2007, although the gap is closing. The North American HPI was last at this level in the first half of 2006.

i <http://www.latimes.com/business/money/la-fi-mo-international-travel-to-grow-20130610,0,2223628.story>

ii <http://www.ttrweekly.com/site/2013/06/china-travel-boom-reaches-us/>

iii <https://en-corporate.canada.travel/infographic/may-2013>

Matthew Walls Vice President Hotels.com EMEA



Hotel prices across Europe, Africa and the Middle East continue to mirror overall economic conditions very closely with the first half of 2013 demonstrating a slight improvement compared to 2012. Having said that, with only a 1% rise in the HPI versus the same period last year, average prices for travellers in the region still remain lower than they were seven years ago; in 2006.

In 2012, we saw hotel pricing in Southern Europe closely reflecting the significant economic downturn, but there has been a clear bounce-back in the early part of 2013 in many of the destinations most impacted by the crisis. Destinations in the stronger Northern European economies show a much more stable pattern.

London hotel prices saw some volatility in 2012. Whilst the Olympics itself was a resounding success, many hoteliers struggled to respond to the significant shifts in demand. Prices were originally set relatively high but, once large blocks of accommodation being held by the organising committee were released, there was a last minute rush, which particularly benefitted domestic consumers. The capital gained unprecedented worldwide media coverage as well as an expanded and much improved hotel stock. Prices have now stabilised, with rates in the UK showing an increase on the same time last year as occupancy rates rose.

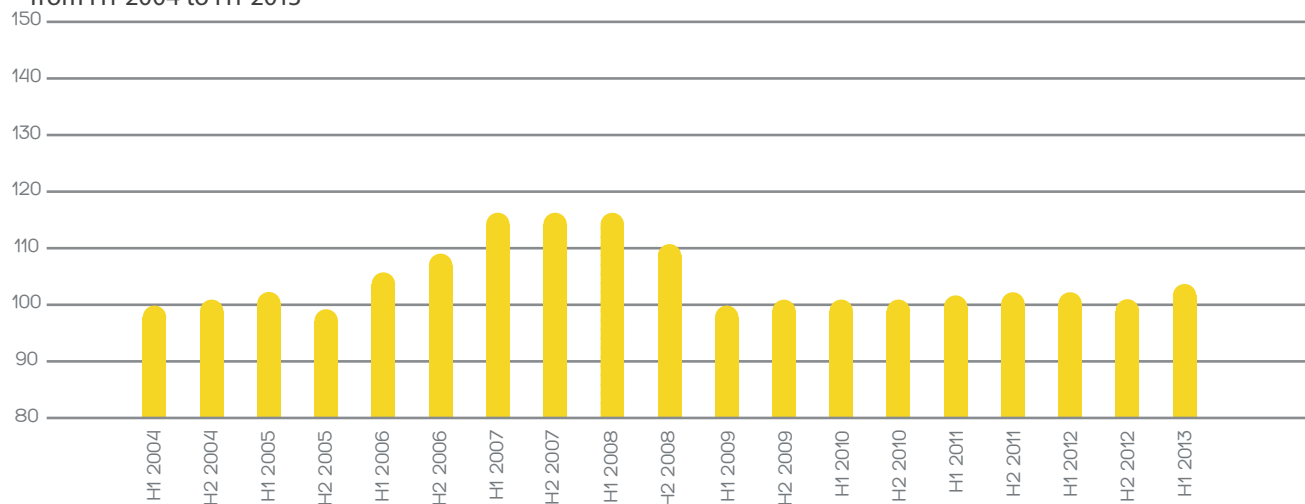
Due largely to the weaker economic conditions, European customers have materially

changed their travel patterns in the last few years with a significant rise in domestic and short trips at the expense of long-haul destinations. However, with the fall in value of several major currencies such as the Japanese Yen, Indian Rupee and Brazilian Real, lower prices in these markets may help to stimulate the long-distance travel juices once again.

In the Middle East, Dubai continued as the powerhouse of the region with a record number of visitors for the first six months of the year, according to the Department of Tourism and Commerce. Dubai is well on its way to achieving its Tourism Vision for 2020, whereby the city plans to double its annual visitor numbers from 10 million in 2012 to 20 million in 2020.

Figure 4 HPI half-yearly breakdown for Europe and the Middle East from H1 2004 to H1 2013

● Europe and the Middle East



Slight rise in Europe and Middle East

The HPI for Europe and the Middle East for the first half of 2013 grew by 1%, compared to the same period in 2012, the same level of increase as the Pacific region and trailing the global performance.

Following this slight rise, the H1 2013 HPI for Europe and the Middle East reached 104, the lowest of all the regions.

This is only four index points above where it stood in 2004 at the launch of the HPI and is still lower than its 2006 level. Hotel prices in much of Europe continue to be affected by various struggling economies in the Eurozone.

Johan Svanström Vice President Hotels.com APAC



While the rest of the world continued its steady road to recovery, results were mixed across the Asia Pacific region. Following a period of rapid expansion in the hotel sector, growth in hotel room rates halted, partly because of the slowdown in the region's previously booming economies (China, India and Australia) and because of instability in some currencies, such as the Japanese Yen and Indian Rupee.

Despite these modest results from a hotel rate perspective, the outlook remains positive as hoteliers focus on taking advantage of the thriving outbound markets of the region's growing economies. With UNWTO reporting that China is now the world's biggest spender on international travel, driven by an ever growing

middle class, continued relaxed visa requirements, and improved infrastructure.

The growth of low-cost air carriers, particularly now also in North East Asia, continues to drive both domestic and international travel.

In the first half of 2013, Asia experienced a decline of 2% in average room rates. A subdued growth in some of Asia's dominant economies was a contributor to this decline, though certain countries faced specific challenges.

The rapidly weakening yen in Japan, one of Asia's biggest outbound travel markets, meant that international travel demand tapered off, affecting particularly the huge outbound segment to South Korea, where

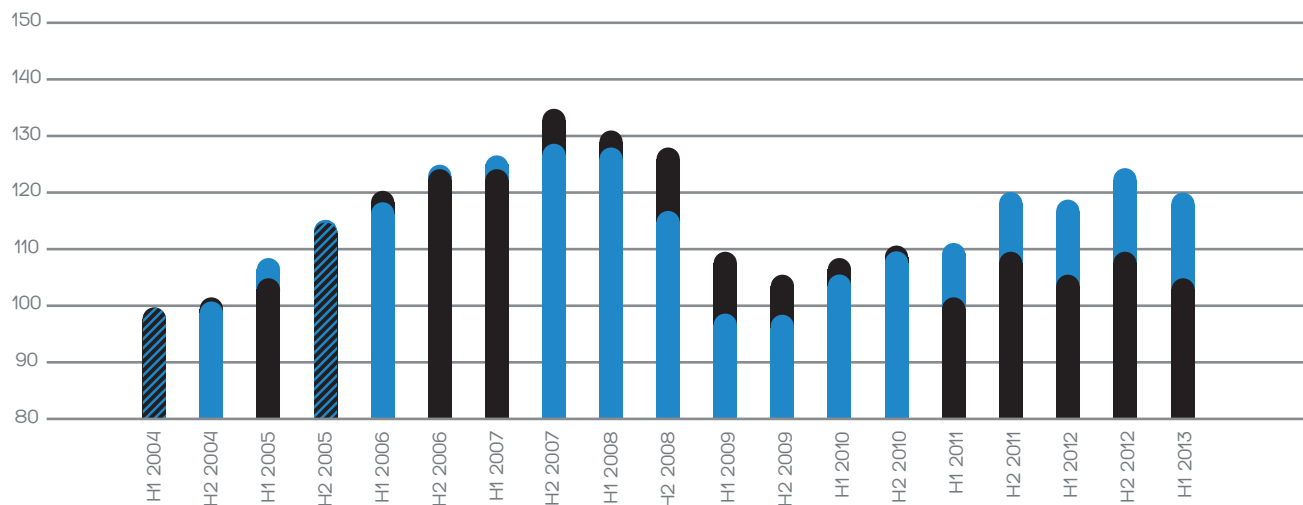
rates lowered significantly. The flip side of the weak currency was, however, good news for the country's inbound tourism market. Hotel prices became more affordable for most inbound visitors, strengthening further the attractiveness of destinations in Japan.

In India, Asia's third largest consumer market, the deterioration of the Rupee to record lows had a big impact on discretionary spending, including particularly overseas travel. The country's inbound tourism market was also impacted significantly following several incidents of violent crimes early in 2013, which gained global media attention.

After an average growth rate of 8% year on year between 2010 and 2012, the rate of price

Figure 5 HPI half-yearly breakdown for Asia and the Pacific from H1 2004 to H1 2013

● Pacific ● Asia



increases in the Pacific slowed dramatically, with the region witnessing a modest 1% rise in the first half of 2013.

This result is unsurprising given the severe tightening of the mining sector and political uncertainty in Australia, the region's major economy. The recent fall in the Australian dollar against the US dollar will likely start to affect travel demand and rates in the second half, possibly keeping local and inbound business strong.

Slowdown in the Pacific

The Pacific region recorded its slowest HPI growth since 2009 with a 1% increase in the first half of 2013 when compared with the same period in 2012, matching that of Europe and the Middle East.

However, the Pacific HPI for H1 2013 rose to 120, the third highest of the regions behind the Caribbean and Latin America.

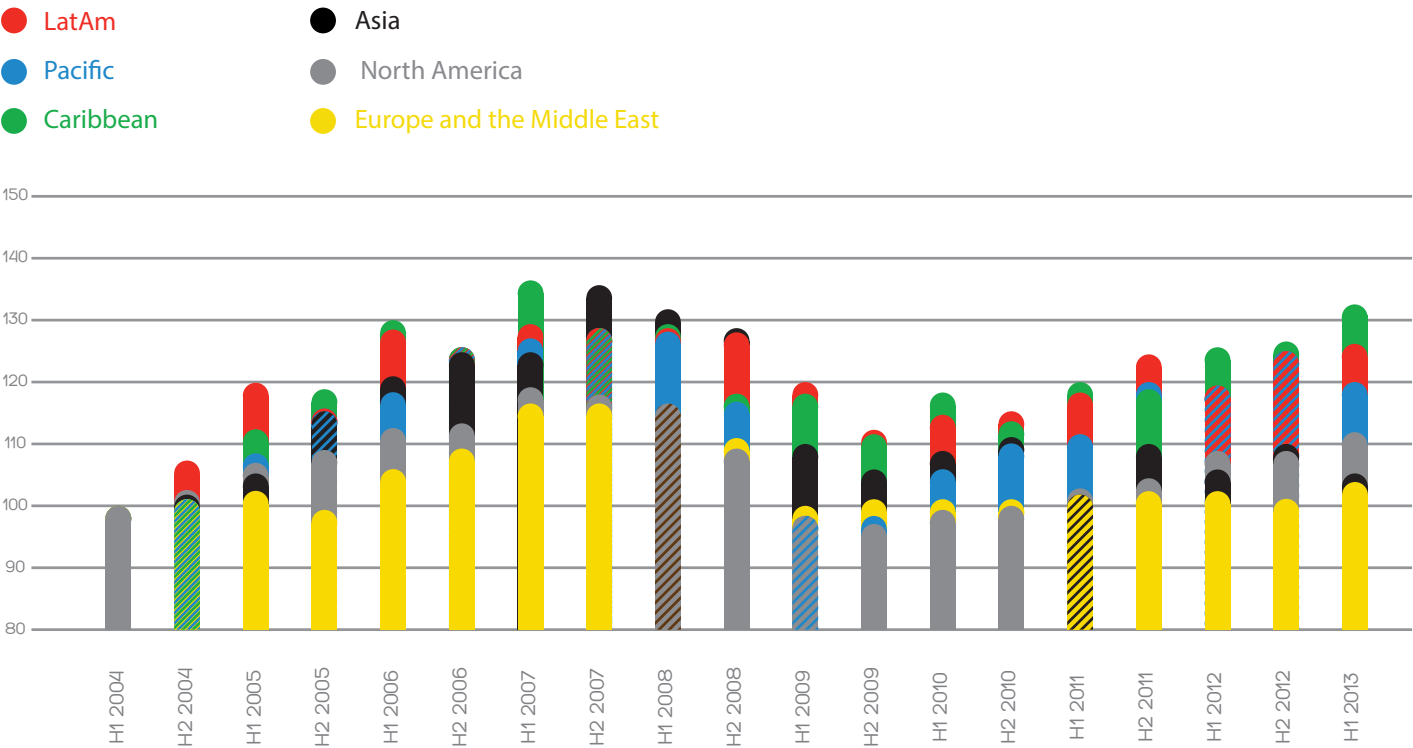
This is eight index points behind its peak of 128 established in the first half of 2008 and is lower than in 2006.

Asia the only faller

Hotel prices in Asia fell by 2% in the first half of 2013, compared to the same period in 2012, the only region to record a fall.

The Asia HPI stood at 105 for H1 2013, the second lowest region ahead of Europe and the Middle East. It has the most ground to make up on its H1 2007 peak of 137 and is still behind its 2005 level, although individual cities in the area have performed well.

Figure 6 HPI half-yearly breakdown by region from H1 2004 to H1 2013



Price Changes In Global City Destinations

The following sections reflect the actual prices paid by travellers from the Eurozone in Euro (€) during the first six months of 2013 compared to prices paid in Euro during the same period in 2012.

Eurozone travellers spent more in over half of the international destinations included in the HPI with price rises mainly coming in the USA and parts of Europe as well as many holiday destinations around the world such as Albufeira, Palma de Mallorca and Sharm El Sheikh. Asia continued to provide some of the best value with already low prices down still further. Of the 114 cities included in the report, average prices were up in 59, flat in 6 and down in 49.

European prices stabilised

The economic situation in the Eurozone continued to run its course but gains were greater than losses in the European

cities included in the report over this period.

Cities in European countries most affected by the economic crisis performed better during this period with Reykjavik adding 26%, the highest rise in the HPI, to €128. In Portugal, Albufeira rose 17% to €89, Athens was up 9% to €83 and Lisbon grew 8% to €79. Eurozone travellers to Dublin paid €83 for their hotel rooms, 5% more on average.

In Spain, holiday sunspots bounced back with Palma de Mallorca up 18% to €116, Marbella up 17% to €125, Torremolinos up 12% to €79, Alicante up 9% to €72 but still one of the lowest rates in Europe, Barcelona up 6% to €115 and Benidorm up 4% to €86. Madrid could not match these results with its average down 4% to €76 and Ibiza fell 8% to €113.

There was a similar situation in Italy which saw Amalfi up 17% to €171, Como up 13% to €137, Florence up 10% to €116 and Rome up 6% to €113. However, Capri fell 11% to €213, although it was still in second place on the overall price table, and Milan dropped 2% to €110.

Other big winners included Monte Carlo in fourth place in the chart, up 16% to €193, Bratislava and Krakow both rising 12% to €77, Antalya adding 11% to €90 and St Petersburg, up 9% to €126.

In Germany, the capital Berlin, traditionally with some of the best value rooms, rose 5% to €83, Munich grew 3% to €117 and Frankfurt fell 2% to €105. In France, Nice saw an 11% upswing to €116, Paris rose 4% to €133, and Cannes was flat on €135. In the post-Olympic year, Eurozone travellers paid less for hotel rooms in London, down 1% to €138, and Edinburgh, down 5% to €108.

Prices paid in Switzerland took a tumble with Geneva down 8% to €174 and Zurich shedding 5% to €144. Kiev was the fastest faller in Europe, down 25% to €101, and Warsaw lost 9% to €75 as prices in both cities settled to more traditional levels after the UEFA European Football Championship in June 2012.

The destination offering the greatest value in Europe was Vilnius on an average €68 a night in spite of an 8% rise, with neighbouring Riga next on €69, up 5%.

Prices up in the Middle East and North Africa

Following the turmoil and uncertainty created by the Arab Spring, several destinations hardest hit by the insecurity in the region saw less need for discounting during this first half of 2013. Consequently, average prices rose.

In Egypt, the Red Sea resort of Sharm el Sheikh had been severely impacted by the drop in foreign tourists but added 12% over this period to an average €87 a night while rates in the capital Cairo fell 13% to €97. With the country once more in the headlines, hotel prices could again be impacted.

Marrakech also gained from the increased optimism in the market with an 18% rise to €90. Dubai, the most popular destination in the region, saw high occupancy and new upmarket hotels drive its rates up 10% to €177. A new giant airport concourse has been opened in the Emirate just for the Airbus A380 super-jumbos as a global first. This is part of expansion plans for the facility to become the world's busiest airport by 2015.



Conversely, rates in Doha dropped 12% to €122 and Muscat, the destination in the HPI where Eurozone travellers paid the most, fell 6% to €236.

Rises slowed in the USA

Occupancy rates across the US, particularly in the major cities, were up in the first six months of 2013, especially in the first quarter. This contributed to price rises for Eurozone travellers in 10 of the 15 US destinations in the HPI, although not as high as in recent reports.

The steepest were in Miami up 10% to €147 and New Orleans which saw 9% growth to €115. After that, growth was more modest. San Francisco was up 6% to €138 while Key West and Seattle added 5% to €181 and €127 respectively. A 3%

increase took Chicago to €133, Los Angeles to €118 and Orlando to €78, while, on the east coast, New York, in fifth place in the table and traditionally the US destination where Eurozone travellers paid the most, added 2% to €183.

The losers were on both coasts with Boston down 6% to €155, Fort Lauderdale down 5% to €109 and Washington DC, down 2% to €137 with San Diego and Las Vegas both slipping 1% to €107 and €80 respectively.

Australian results stumbled

The current slump in the mineral resources boom hit Western Australia in particular as corporate demand suffered and rates in Perth were flat for the first time in several years on €152, although this was still the highest in the country.

China is Australia's fastest growing tourist market and their arrivals helped buoy up results in other areas. Sydney saw its average rise 8% to €137 and Melbourne added 5% to €113 while rates in Brisbane fell 9% to €124.

An increase in visitor rates to New Zealand over the period of the report helped Wellington record a 17% gain in its average to €83 and Auckland add 9% to €81.

Winners and losers in Asia

The rise in the number of Chinese travellers continued to impact this region more than any other and this, coupled with the rise in the number of low cost carriers and new routes helped to stimulate demand, particularly in South-East Asia. On the other hand, 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.

Taking all this into account, Eurozone travellers paid less in most Asian destinations in the report and price rises, where they occurred, were relatively modest. Asia still offered the

best value prices for Eurozone travellers in the HPI, occupying eight of the bottom ten destinations in the overall price table.

The risers were Phuket, up 8% to €79, Shanghai, up 5% to €79, Beijing and Pattaya, both up 4% to €75 and €57 respectively, and Delhi, up 1% to €79, although an increase in the number of hotel rooms had a dampening effect on price rises.

The largest loser was Langkawi off the coast of Malaysia which saw its average rate paid drop 20% to €118. Amongst other holiday destinations, Goa fell 12% to €69, Bali dropped 11% to €94, Koh Samui recorded a 6% downturn to €83 and Krabi was down 3% to €73.

The major cities also saw price reductions. Rates paid in Phnom Penh fell 12% over this period, making the Cambodian capital the destination with the lowest prices in the HPI for Eurozone travellers at €42 a night. Seoul fell 17% to €100 with Tokyo down 11% to €94 and Kyoto down 8% to €96. A 5% slide took Mumbai to €107 and Taipei to €105 while Hong Kong lost 4% to €138, despite an increase in tourist arrivals as new hotel openings increased supply, and Ho Chi Minh City fell by

the same percentage to €55.

Mexico ahead in Latin America

Mexico had by far the strongest performance in Latin America in the first half of 2013 with Eurozone travellers paying 17% more at €153 to visit the Caribbean resort of Cancun and 9% more at €92 for the capital Mexico City.

Elsewhere, though, as the Real dropped in value, visitors from the Eurozone paid less with Rio de Janeiro falling 7% to €201 as the city staged the FIFA Confederations Cup in June and prepared for the 2014 World Cup, although it was still in third place in the price table. Sao Paulo and Buenos Aires both fell 5% to a respective €141 and €86.

Figure 7 Average hotel prices in H1 2013 compared with H1 2012 in EUR

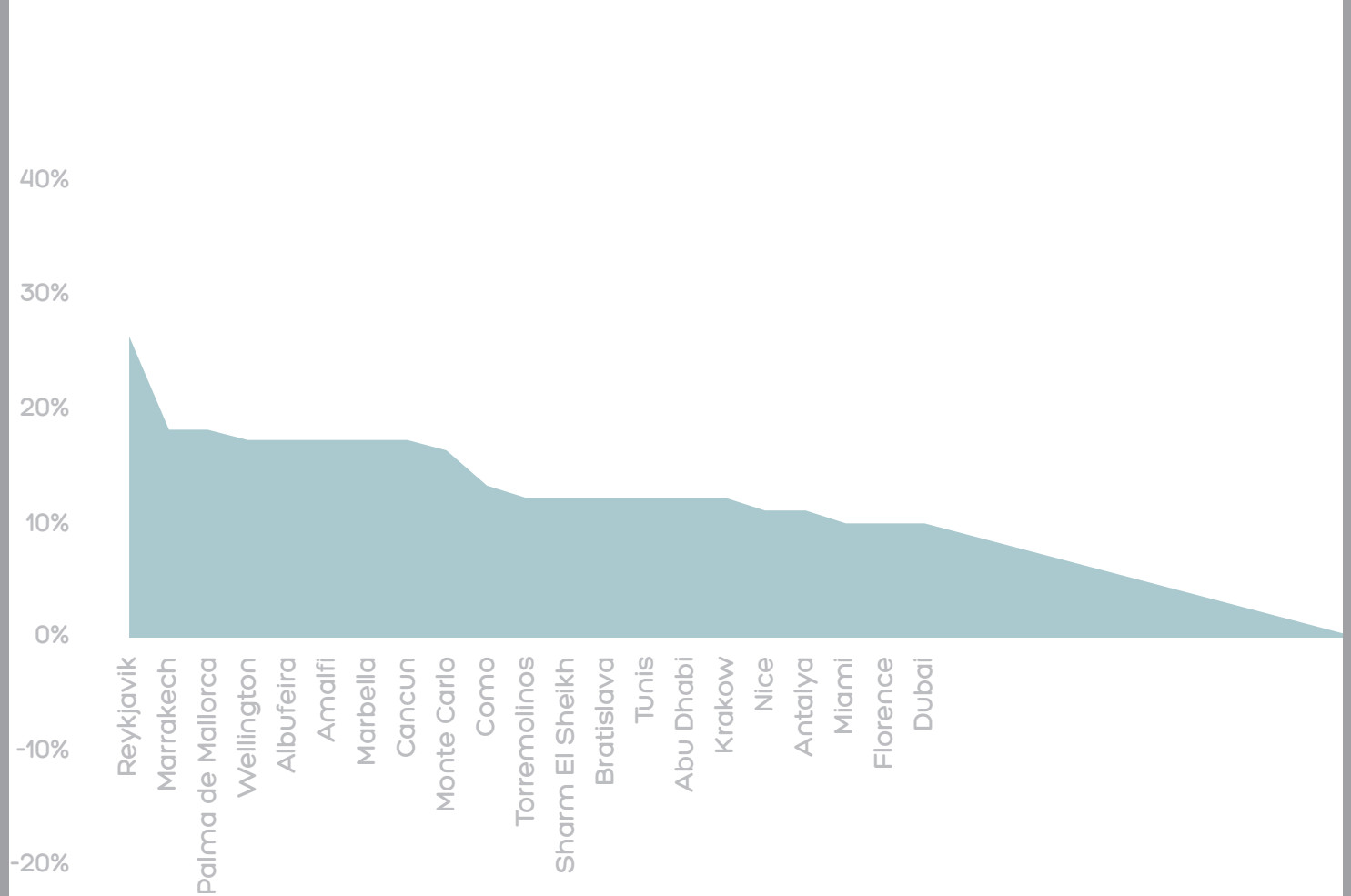


Figure 8 The biggest percentage price falls in H1 2013 compared with H1 2012

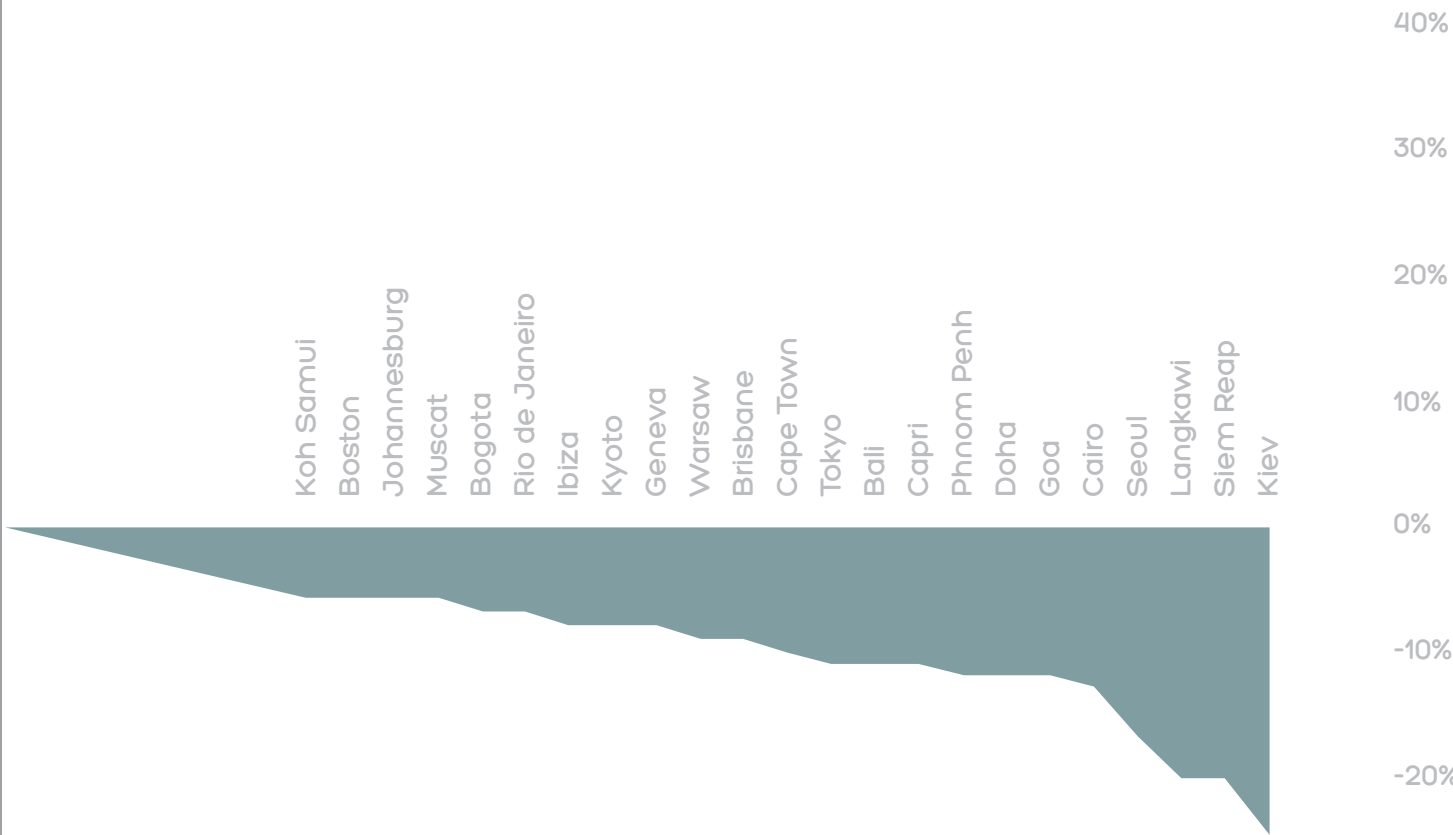
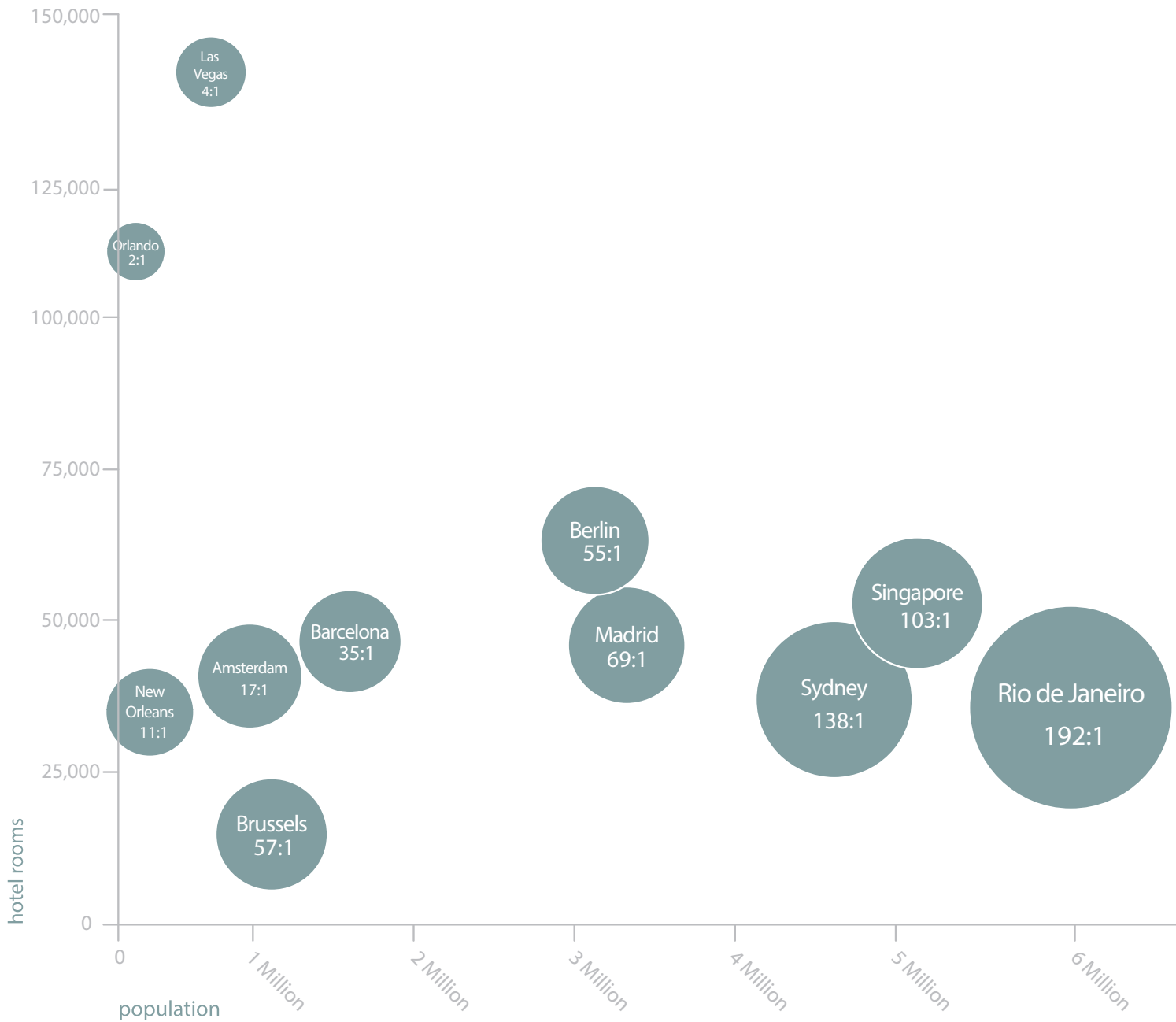


Figure 9 Ratio of population size to the number of hotel rooms



This graphic looks at the relationship between the size of a city, using its total population, and the number of hotel rooms available within that city. It highlights those with a robust hotel stock and others where there could be under-supply. Generally speaking, a shortage of rooms will lead to higher average prices. The figure in the circle is the ratio of the number of individuals in the population to each hotel room.

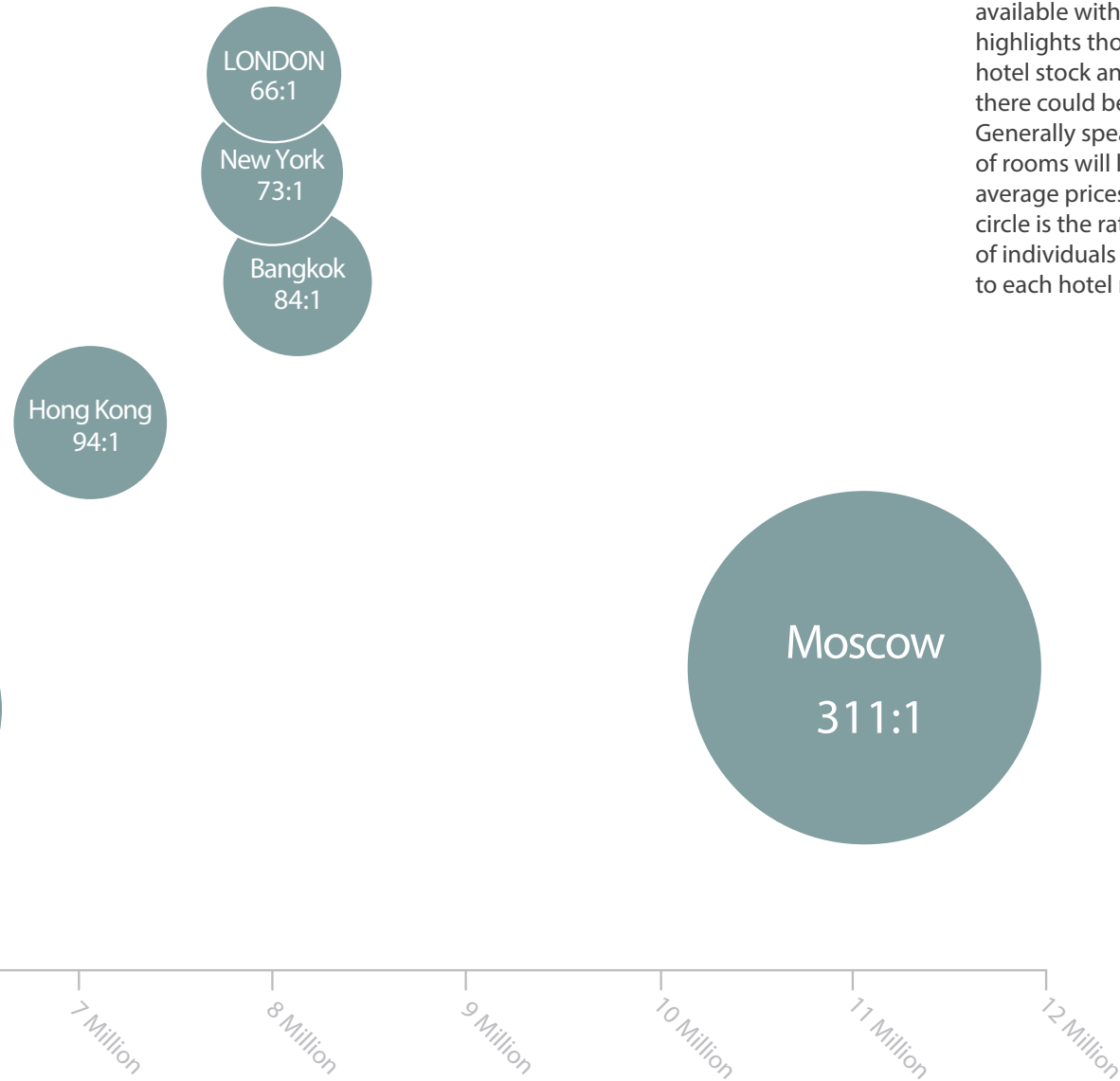


Table 1 Average hotel prices in H1 2013 compared with H1 2012

Destination	H1 2013	H12012	% change	Destination	H1 2013	H12012	% change
Muscat	€236	€250	-6%	Paris	€133	€127	4%
Capri	€213	€239	-11%	Jerusalem	€129	€126	2%
Rio de Janeiro	€201	€218	-7%	Reykjavik	€128	€101	26%
Monte Carlo	€193	€167	16%	Seattle	€127	€122	5%
New York	€183	€180	2%	Abu Dhabi	€127	€114	12%
Key West	€181	€173	5%	St Petersburg	€126	€116	9%
Dubai	€177	€162	10%	Marbella	€125	€107	17%
Geneva	€174	€188	-8%	Amsterdam	€124	€125	-1%
Amalfi	€171	€146	17%	Brisbane	€124	€135	-9%
Moscow	€167	€168	-1%	Vancouver	€122	€118	3%
Boston	€155	€165	-6%	Doha	€122	€139	-12%
Cancun	€153	€131	17%	Langkawi	€118	€147	-20%
Perth	€152	€152	0%	Los Angeles	€118	€115	3%
Singapore	€149	€149	0%	Johannesburg	€118	€125	-6%
Miami	€147	€133	10%	Bruges	€118	€111	6%
Zurich	€144	€151	-5%	Munich	€117	€114	3%
Venice	€142	€133	6%	Florence	€116	€106	10%
Sao Paulo	€141	€149	-5%	Nice	€116	€104	11%
Hong Kong	€138	€144	-4%	Palma de Mallorca	€116	€98	18%
San Francisco	€138	€131	6%	Barcelona	€115	€109	6%
London	€138	€139	-1%	New Orleans	€115	€105	9%
Sydney	€137	€127	8%	Dubrovnik	€113	€114	-1%
Washington DC	€137	€140	-2%	Ibiza	€113	€124	-8%
Como	€137	€121	13%	Rome	€113	€107	6%
Cannes	€135	€135	0%	Melbourne	€113	€107	5%
Chicago	€133	€129	3%	Toronto	€112	€117	-4%

Destination	H1 2013	H1 2012	% change
Milan	€110	€113	-2%
Fort Lauderdale	€109	€115	-5%
Edinburgh	€108	€114	-5%
Mumbai	€107	€112	-5%
Cape Town	€107	€118	-10%
San Diego	€107	€108	-1%
Taipei	€105	€111	-5%
Frankfurt	€105	€107	-2%
Kiev	€101	€134	-25%
Bogota	€100	€109	-7%
Seoul	€100	€120	-17%
Grand Canyon	€98	€96	2%
Istanbul	€98	€89	9%
Cairo	€97	€111	-13%
Vienna	€97	€96	0%
Kyoto	€96	€105	-8%
Brussels	€95	€95	0%
Tokyo	€94	€106	-11%
Bali	€94	€105	-11%
Mexico City	€92	€84	9%
Marrakech	€90	€76	18%
Tunis	€90	€80	12%
Antalya	€90	€81	11%
Albufeira	€89	€76	17%
Sharm El Sheikh	€87	€77	12%
Prague	€86	€80	8%
Benidorm	€86	€83	4%
Buenos Aires	€86	€90	-5%
Dublin	€83	€79	5%
Koh Samui	€83	€89	-6%
Tallinn	€83	€85	-2%

Destination	H1 2013	H1 2012	% change
Berlin	€83	€79	5%
Wellington	€83	€71	17%
Athens	€83	€76	9%
Auckland	€81	€74	9%
Las Vegas	€80	€81	-1%
Phuket	€79	€74	8%
Shanghai	€79	€76	5%
Lisbon	€79	€73	8%
Torremolinos	€79	€70	12%
Delhi	€79	€78	1%
Orlando	€78	€76	3%
Krakov	€77	€69	12%
Bratislava	€77	€69	12%
Madrid	€76	€80	-4%
Osaka	€75	€75	0%
Beijing	€75	€73	4%
Warsaw	€75	€83	-9%
Krabi	€73	€75	-3%
Alicante	€72	€66	9%
Bucharest	€72	€74	-3%
Budapest	€70	€67	5%
Riga	€69	€66	5%
Goa	€69	€78	-12%
Vilnius	€68	€63	8%
Bangkok	€66	€67	-2%
Pattaya	€57	€55	4%
Ho Chi Minh City	€55	€57	-4%
Chiang Mai	€55	€55	-1%
Siem Reap	€44	€55	-20%
Hanoi	€43	€44	-2%
Phnom Penh	€42	€48	-12%

Table 2 The biggest percentage price rises in H1 2013 compared with H1 2012

Destination	H1 2013	H1 2012	% change
Reykjavik	€128	€101	26%
Marrakech	€90	€76	18%
Palma de Mallorca	€116	€98	18%
Wellington	€83	€71	17%
Albufeira	€89	€76	17%
Amalfi	€171	€146	17%
Marbella	€125	€107	17%
Cancun	€153	€131	17%
Monte Carlo	€193	€167	16%
Como	€137	€121	13%
Torremolinos	€79	€70	12%
Sharm El Sheikh	€87	€77	12%
Bratislava	€77	€69	12%
Tunis	€90	€80	12%
Abu Dhabi	€127	€114	12%
Krakow	€77	€69	12%
Nice	€116	€104	11%
Antalya	€90	€81	11%
Miami	€147	€133	10%
Florence	€116	€106	10%
Dubai	€177	€162	10%

Table 3 The biggest percentage price falls in H1 2013 compared with H1 2012

Destination	H1 2013	H1 2012	% change
Kiev	€101	€134	-25%
Langkawi	€118	€147	-20%
Siem Reap	€44	€55	-20%
Seoul	€100	€120	-17%
Cairo	€97	€111	-13%
Phnom Penh	€42	€48	-12%
Doha	€122	€139	-12%
Goa	€69	€78	-12%
Tokyo	€94	€106	-11%
Bali	€94	€105	-11%
Capri	€213	€239	-11%
Cape Town	€107	€118	-10%
Warsaw	€75	€83	-9%
Brisbane	€124	€135	-9%
Ibiza	€113	€124	-8%
Kyoto	€96	€105	-8%
Geneva	€174	€188	-8%
Bogota	€100	€109	-7%
Rio de Janeiro	€201	€218	-7%
Koh Samui	€83	€89	-6%
Boston	€155	€165	-6%
Johannesburg	€118	€125	-6%
Muscat	€236	€250	-6%

Table 4
Best walled cities

Destination	Price
Avila	€55
Toledo	€68
Carcassonne	€84
York	€90
Lucca	€109
San Gimignano	€109
Dubrovnik	€113
Quebec	€116
Bruges	€118
Jerusalem	€129

Table 5
Cities in song titles

Destination	Price
Phoenix	€70
Liverpool	€83
Marrakech	€90
San José	€102
Barcelona	€115
Philadelphia	€125
Chicago	€133
San Francisco	€138
New York	€183
Monte Carlo	€193

Table 6
Best cities for theatre

Destination	Price
Dublin	€83
Prague	€86
Tokyo	€94
Vienna	€97
Cape Town	€107
Toronto	€112
Chicago	€133
Sydney	€137
London	€138
New York	€183

Table 7
Top city markets

Destination	Price
Bangkok	€66
Budapest	€70
Marrakech	€90
Istanbul	€98
Barcelona	€115
Philadelphia	€125
Paris	€133
London	€138
Hong Kong	€138
New York	€183

Table 8
Formula One racing cities

Destination	Price
Valencia	€69
Budapest	€70
Shanghai	€79
Kuala Lumpur	€81
Montreal	€109
Melbourne	€113
Abu Dhabi	€127
Sao Paulo	€141
Singapore	€149
Monte Carlo	€193

Table 9
Best party destinations

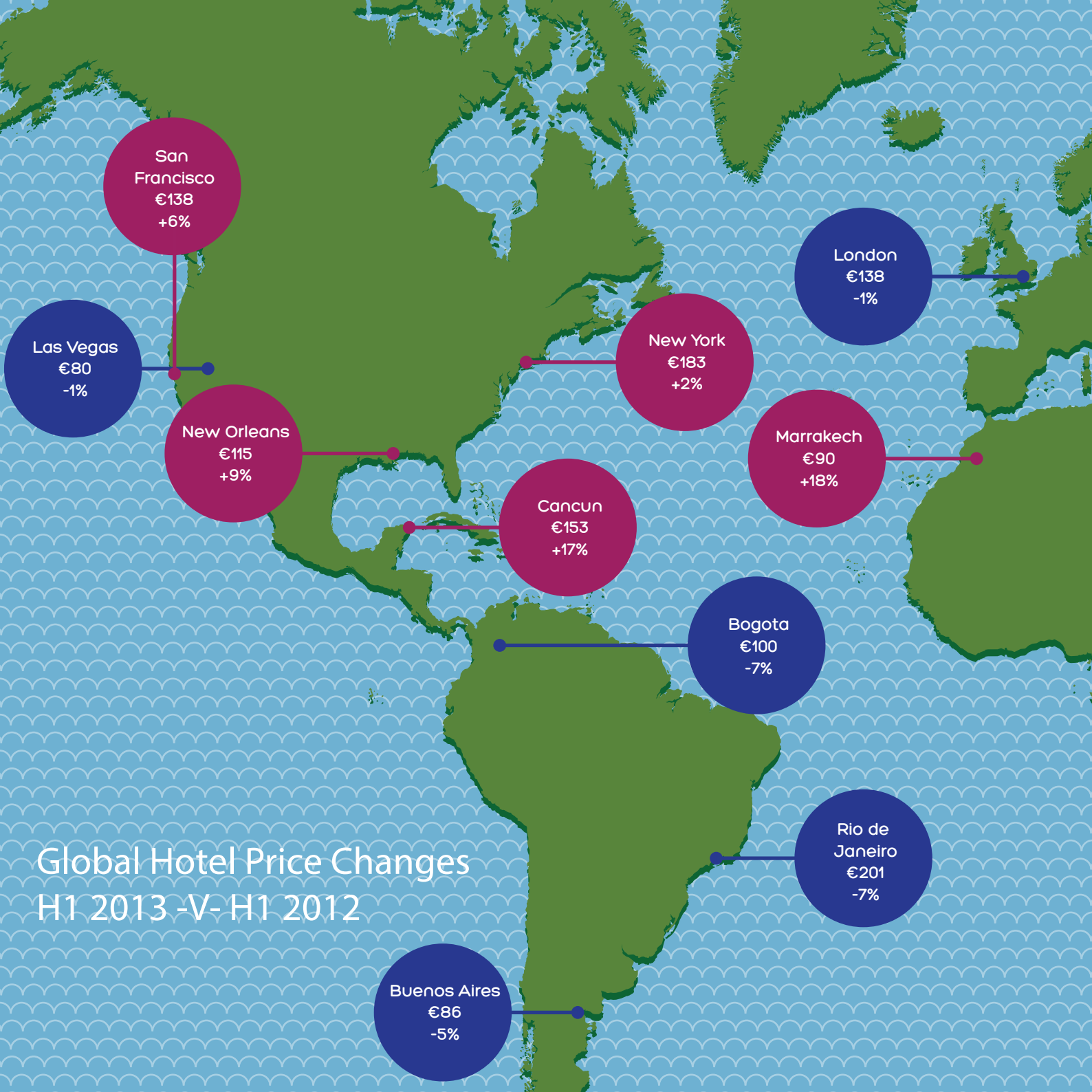
Destination	Price
Las Vegas	€80
Berlin	€83
Dublin	€83
Lloret de Mar	€91
Ibiza	€113
Ayia Napa	€123
Amsterdam	€124
Marbella	€125
Reykjavik	€128
Rio de Janeiro	€201

Table 10
Best beer festivals

Destination	Price
Bangkok	€66
Prague	€86
Denver	€90
Manchester	€90
Brussels	€95
Portland	€99
Cape Town	€107
Montreal	€109
Munich	€117
Amsterdam	€124

Table 11
Rock & Roll Memorial Sites

Destination	Price
Liverpool	€83
Detroit	€89
Memphis	€95
Cleveland	€113
Los Angeles	€118
Seattle	€127
Paris	€133
London	€138
Montreux	€164
New York	€183





3

Price Changes By Country



In the first six months of 2013, Eurozone travellers paid more for their hotel rooms in more than half of the countries included in the HPI with rates affected by the more stable situation across much of Europe, the Middle East and North Africa and falls across Asia.

In Finland, there was a 4% drop to €107 while, in other Nordic countries, Iceland climbed 23% to €127, Sweden was up 2% to €129, Norway fell 1% to €131 and Denmark was flat on €121.

At the other end of the scale, there were several other countries with double-digit increases. Cyprus added 20% to €104 and Monaco rose 17% to €194, taking it to third place in the price table as the European country where Eurozone visitors

paid the most. Montenegro increased 16% to €98 and two countries saw a 13% rise with Malta up to €81 and Slovakia to €77. A 12% rise took Bulgaria to €64, making it the European country in the report where Eurozone travellers paid the least.

In the countries most affected by the Eurozone crisis, Greece bounced back with a 10% rise to €89, Spain was up 8% to €92, Portugal saw a 7% upswing to €82 and Italy grew 4% to €113, while Ireland added 2% to €85.

In the rest of Europe, the largest fall was seen in the Ukraine, where Eurozone travellers paid 20% less in this period to €96 as rates adjusted following the UEFA European Football Championship there in the summer of 2012. In joint hosts

Poland, prices fell 3% to an average €74. Elsewhere, falls were lower than in previous years. Switzerland dropped 6% to €147 while a 4% fall took Bosnia & Herzegovina to €65.

The Middle East and North Africa saw some strong performances as stability returned to much of the region. A 20% increase took Saudi Arabia to €190 and fourth place in the chart, Tunisia increased 18% to €80, Morocco was up 11% to €87 and the United Arab Emirates grew 10% to €169 and occupied fifth place. Oman was at the top of the chart on €221, in spite of a 4% fall, with Egypt also slipping 1% to €80. Qatar and Lebanon were both down 12% to €122 and €113 respectively.

In Asia, there were rises in only two of the countries included in

the report with Malaysia up 5% to €57 and China up 3% to €77. Amongst the fallers, Cambodia fell the most, down 16% to €44, making it the country in the report where Eurozone travellers paid the least. This was followed by South Korea, down 15% to €101, Indonesia down 12% to €87 and Taiwan down 11% to €98.

In the Indian Ocean, the Seychelles saw its average price paid fall 17% to €210, although it was still in second place in the price chart, and Mauritius recorded a slight dip of 2% to €164.

There was a mixed picture in Latin America with Guatemala up 12% to €91, Mexico up 6% to €114 and Costa Rica up 5% to €92 but Colombia fell 11% to €106, Brazil was down 7% to €158, due to a more favourable exchange rate, and Argentina dropped 5% to €89.

A decline in mineral resources industry helped to contain Australia's growth to 2% with rates rising to €126 but New Zealand was up 10% to €85. Growth also slowed in the USA which saw a 1% upswing to €123 and neighbouring Canada fell 3% to €112. South Africa fell by 3% to €114.

Of the 73 countries included in the report, Eurozone travellers paid more in 40, the same in four and less in 29.

Table 12 Average hotel prices by country in H1 2013 compared with H1 2012 in

Destination	H1 2013	H1 2012	% change	Destination	H1 2013	H1 2012	% change
Oman	€221	€230	-4%	Austria	€105	€101	4%
Seychelles	€210	€252	-17%	Cyprus	€104	€87	20%
Monaco	€194	€166	17%	Slovenia	€104	€98	6%
Saudi Arabia	€190	€158	20%	Luxembourg	€102	€98	4%
United Arab Emirates	€169	€154	10%	South Korea	€101	€119	-15%
Mauritius	€164	€168	-2%	Montenegro	€98	€84	16%
Brazil	€158	€170	-7%	Taiwan	€98	€111	-11%
Israel	€155	€149	4%	France	€97	€96	1%
Singapore	€149	€149	0%	Belgium	€97	€96	1%
Russia	€147	€140	5%	Ukraine	€96	€120	-20%
Switzerland	€147	€156	-6%	Germany	€94	€94	1%
Norway	€131	€132	-1%	Turkey	€94	€85	9%
Sweden	€129	€126	2%	Costa Rica	€92	€88	5%
Iceland	€127	€103	23%	Spain	€92	€85	8%
Australia	€126	€123	2%	Guatemala	€91	€81	12%
USA	€123	€122	1%	Japan	€90	€99	-9%
Qatar	€122	€139	-12%	Greece	€89	€81	10%
Denmark	€121	€121	0%	Argentina	€89	€93	-5%
United Kingdom	€118	€118	0%	Morocco	€87	€78	11%
Mexico	€114	€107	6%	Indonesia	€87	€98	-12%
South Africa	€114	€117	-3%	Czech Republic	€86	€80	8%
Italy	€113	€109	4%	Ireland	€85	€83	2%
Lebanon	€113	€129	-12%	New Zealand	€85	€77	10%
Canada	€112	€115	-3%	Estonia	€83	€84	-1%
Netherlands	€110	€113	-2%	Portugal	€82	€77	7%
Chile	€108	€118	-9%	Malta	€81	€72	13%
Croatia	€107	€106	1%	Egypt	€80	€82	-1%
FINLAND	€107	€111	-4%	Tunisia	€80	€68	18%
Colombia	€106	€120	-11%	India	€79	€79	0%

Destination	H1 2013	H1 2012	% change
China	€77	€75	3%
Slovakia	€77	€69	13%
Poland	€74	€77	-3%
Serbia	€74	€75	-1%
Thailand	€73	€75	-2%
Latvia	€71	€67	6%
Philippines	€71	€77	-8%
Hungary	€70	€67	4%
Romania	€67	€64	5%
Lithuania	€66	€62	7%
Bosnia & Herzegovina	€65	€68	-4%
Bulgaria	€64	€57	12%
Malaysia	€57	€55	5%
Vietnam	€56	€58	-4%
Cambodia	€44	€53	-16%

Table 13

The biggest percentage price rises in H1 2013 compared with H1 2012 in

Destination	H1 2013	H1 2012	% change
Iceland	€127	€103	23%
Cyprus	€104	€87	20%
Saudi Arabia	€190	€158	20%
Tunisia	€80	€68	18%
Monaco	€194	€166	17%
Montenegro	€98	€84	16%
Malta	€81	€72	13%
Slovakia	€77	€69	13%
Bulgaria	€64	€57	12%
Guatemala	€91	€81	12%
Morocco	€87	€78	11%
New Zealand	€85	€77	10%
Greece	€89	€81	10%
United Arab Emirates	€169	€154	10%
Turkey	€94	€85	9%
Spain	€92	€85	8%
Czech Republic	€86	€80	8%
Lithuania	€66	€62	7%
Portugal	€82	€77	7%
Mexico	€114	€107	6%
Latvia	€71	€67	6%
Slovenia	€104	€98	6%

Table 14

The biggest percentage price falls in H1 2013 compared with H1 2012 in

Destination	H1 2013	H1 2012	% change
Ukraine	€96	€120	-20%
Seychelles	€210	€252	-17%
Cambodia	€44	€53	-16%
South Korea	€101	€119	-15%
Qatar	€122	€139	-12%
Lebanon	€113	€129	-12%
Indonesia	€87	€98	-12%
Taiwan	€98	€111	-11%
Colombia	€106	€120	-11%
Japan	€90	€99	-9%
Chile	€108	€118	-9%
Philippines	€71	€77	-8%
Brazil	€158	€170	-7%
Switzerland	€147	€156	-6%
Argentina	€89	€93	-5%
Oman	€221	€230	-4%
FINLAND	€107	€111	-4%
Bosnia & Herzegovina	€65	€68	-4%
Vietnam	€56	€58	-4%
Poland	€74	€77	-3%
South Africa	€114	€117	-3%
Canada	€112	€115	-3%

Table 15
World's largest
economies

Destination	Price
USA	€123
China	€77
Japan	€90
Germany	€94
France	€97
United Kingdom	€118
Brazil	€158
Russia	€147
Italy	€113
India	€79

as per International Monetary
Fund

Table 16
World's sexiest accents

Destination	Price
France	€97
Italy	€113
England	€118
Spain	€92
Sweden	€129
Norway	€131
FINLAND	€107
Denmark	€121
China	€77
Japan	€90

as voted in a Hotels.com
survey of more than 8,000
international travellers

Table 17
Most welcoming
countries

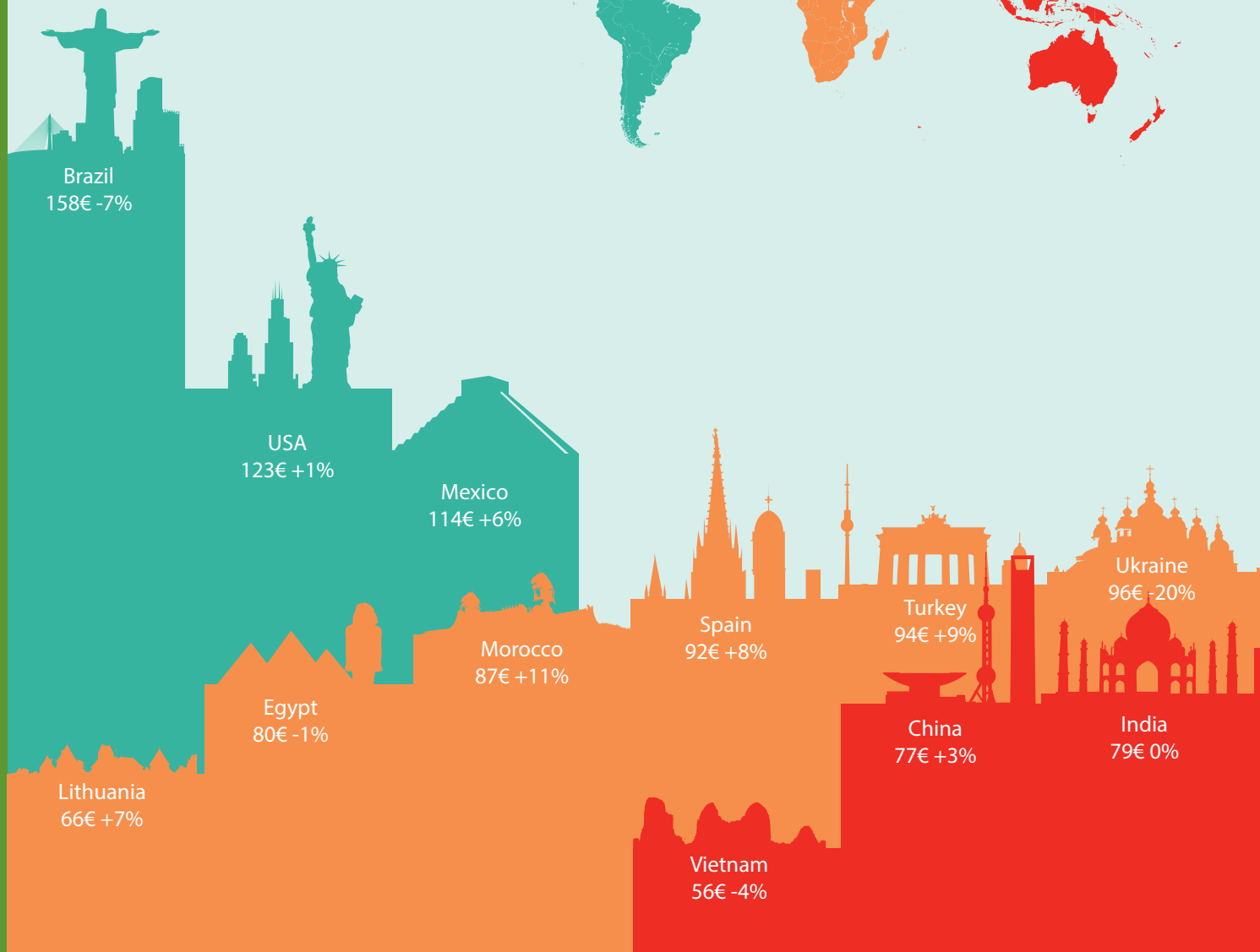
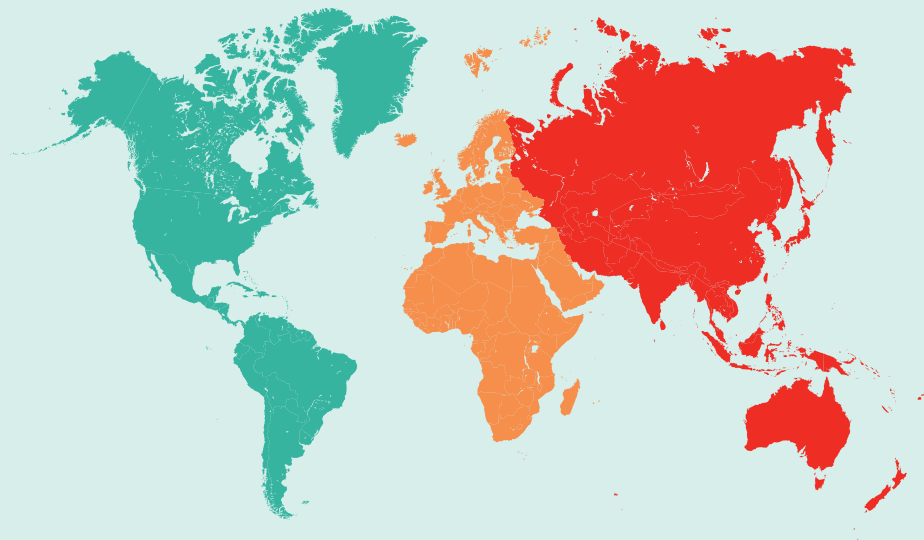
Destination	Price
USA	€123
Spain	€92
Japan	€90
Thailand	€73
Italy	€113
Mexico	€114
Greece	€89
Germany	€94
United Kingdom	€118
Australia	€126

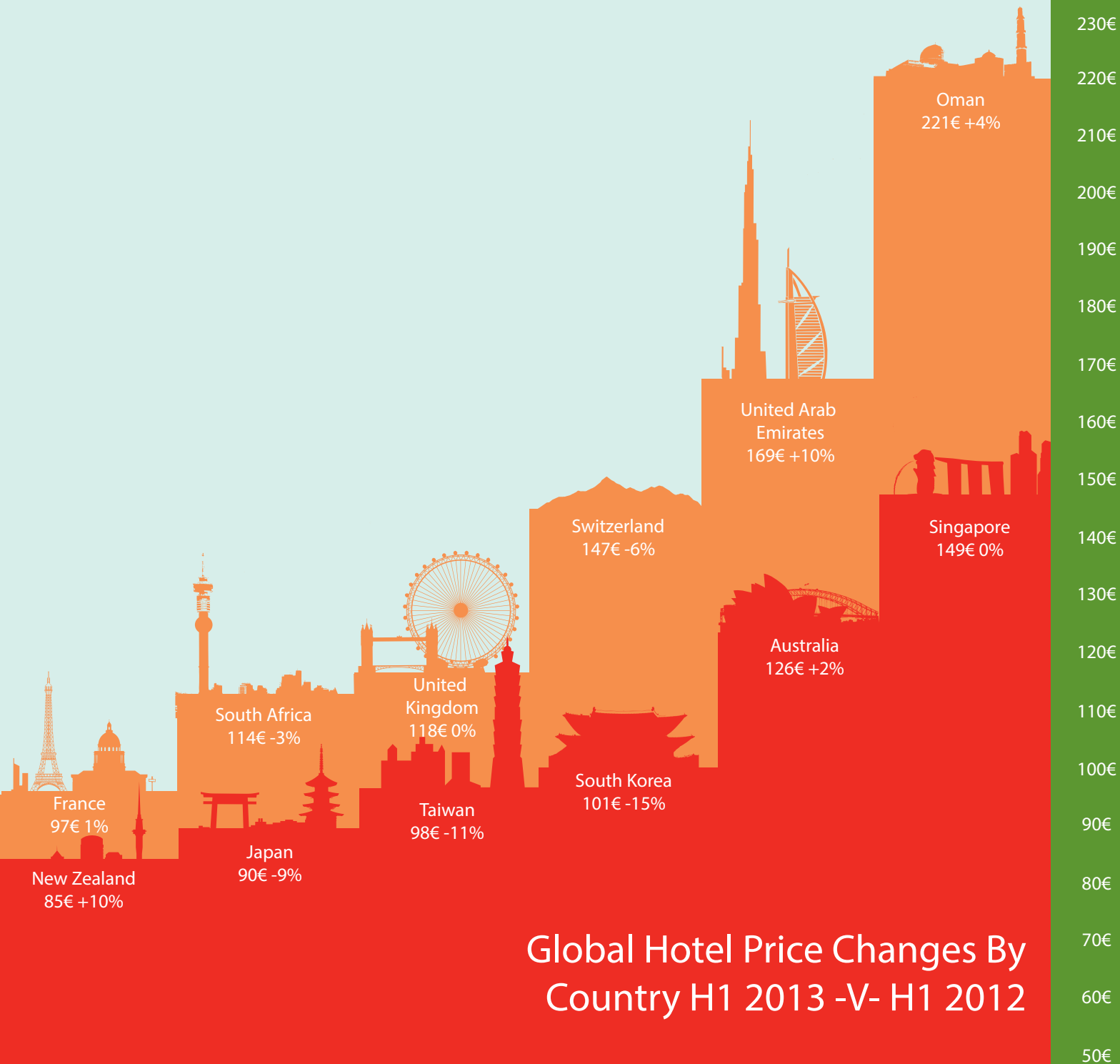
as voted in a Hotels.com survey of
27,000 travellers around the world

Table 18
Top countries for family
dining

Destination	Price
Italy	€113
USA	€123
Japan	€90
China	€77
France	€97
Mexico	€114
Spain	€92
Argentina	€89
Brazil	€158
Australia	€126

230€
220€
210€
200€
190€
180€
170€
160€
150€
140€
130€
120€
110€
100€
90€
80€
70€
60€
50€





Prices Paid At Home And Away

Travelling abroad

When travelling abroad between January and June 2013, it was travellers from Switzerland who paid the most when travelling outside their own borders, with an average of €136 per room night. Last year's leaders, the Japanese were in joint second place with travellers from Norway and the USA, paying €133 on average per room night.

Two other APAC nations featured in the Top 10, with the Australians at No 5 on €131 and the Chinese at No 8 on €128. Latin America was represented by Brazil on joint No 5 with Australia and Argentina at No 7, paying on average €131 and €129 respectively. Sweden took the final slot at No 10 with €125.

The Dutch and German were the savviest nationalities overall with

an average spend of €103 and €104 respectively at the bottom of the table, preceded by the Spanish and the French on €105. Finnish travellers were just ahead with an average of €106 spent on hotels abroad.

Travelling at home

It was Swiss travellers once again who paid the most at home, averaging €158 for a night domestically, followed by Norway in second place on €145 and Singapore in third on €141.

The Australians were in fourth place at €130 and there was one more nation from Asia-Pacific in the Top 10 table, with travellers from Hong Kong at No 7 on €109 on average. The Brazilians were at No 8 with average paid room rates on €108, making them the most generous domestic travellers in Latin America.

There were two more Nordic countries in the Top 10 with Sweden and Denmark on No 5 and No 6 at average room rates of €128 and €117 respectively. Finland was at No 11 on €106 for a night spent in a domestic hotel. The Canadians and Russians made up the Top 10 on

€107.

At the other end of the table, those looking for best value at home were again the Indians on €69 a night, preceded by the Portuguese and the Spanish on €71

More at home or away?

Of the 29 countries analysed, 25 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 the Japanese on €49 and the Indians and Chinese on €45.

Only four nations paid more at home than away with travellers from Singapore once more with the greatest difference, spending €28 more domestically than abroad. The Swiss followed with a €22 variation, the Norwegians with €12 and the Swedish with only €3 difference, while the Danish and Finnish travellers paid the same average room rate when on trips at home and away.

Table 19 Average room prices paid by travellers
when travelling overseas versus those paid within
their own countries

	Country	Away	Home
1	Switzerland	€136	€158
2=	Norway	€133	€145
2=	USA	€133	€100
2=	Japan	€133	€84
5=	Australia	€131	€130
5=	Brazil	€131	€108
7	Argentina	€129	€79
8=	China	€128	€84
8=	United Kingdom	€128	€101
10=	Sweden	€125	€128
10=	New Zealand	€125	€87
12	Denmark	€118	€117
13	Colombia	€117	€100
14	Austria	€115	€88
15=	Mexico	€114	€94
15=	Russia	€114	€107
15=	Canada	€114	€107
15=	Ireland	€114	€83
15=	India	€114	€69
20	Portugal	€113	€71
21=	Hong Kong	€112	€109
21=	Singapore	€112	€141
23	South Korea	€111	€103
24=	Italy	€106	€85
24=	FINLAND	€106	€106
26=	France	€105	€81
26=	Spain	€105	€71
28	Germany	€104	€87
29	Netherlands	€103	€94

5

Where To Stay For €150 A Night

Anyone looking for a great value luxury city break from Finland could have considered a choice of nine destinations where 5-star accommodation was still available for €150 a night or less on average during the first half of 2013.

In Europe, Budapest, Lisbon, Pisa, Tallinn and Warsaw fitted into this category alongside Cairo, Delhi, Marrakech and Mumbai.

The best stocked category was the 4-star range with 32 destinations available around the world. There were 15 in Europe including Berlin, Edinburgh, Prague and Vienna,



nine in Asia such as Bangkok, Beijing and Shanghai, with Latin America represented by Buenos Aires and Mexico City. Melbourne and Sydney were there for Australia while Las Vegas and Orlando were the two US cities in the group. Elsewhere, Dubai and Jerusalem were also in this division.

There was a good selection of rooms where Eurozone travellers were able to buy 3-star lodging for an average €150 or less in another 20 cities and holiday destinations in Europe, Asia, North and Latin America. New York and San Francisco could only offer 2-star at this level.

Table 21

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

Destination	€150
Budapest	★★★★★
Cairo	★★★★★
Delhi	★★★★★
Lisbon	★★★★★
Marrakech	★★★★★
Mumbai	★★★★★
Pisa	★★★★★
Tallinn	★★★★★
Warsaw	★★★★★
Amsterdam	★★★★
Bali	★★★★
Bangkok	★★★★
Beijing	★★★★
Barcelona	★★★★
Berlin	★★★★
Biarritz	★★★★
Brussels	★★★★
Buenos Aires	★★★★
Cape Town	★★★★
Dubai	★★★★
Dublin	★★★★
Edinburgh	★★★★
Frankfurt	★★★★

Destination	€150
Guangzhou	★★★★
Istanbul	★★★★
Jakarta	★★★★
Jerusalem	★★★★
Las Vegas	★★★★
Madrid	★★★★
Melbourne	★★★★
Mexico City	★★★★
Milan	★★★★
Munich	★★★★
Orlando	★★★★
Prague	★★★★
Rome	★★★★
Seoul	★★★★
Shanghai	★★★★
Sydney	★★★★
Taipei	★★★★
Vienna	★★★★
Boston	★★★
Cancun	★★★
Chicago	★★★
Geneva	★★★
Hong Kong	★★★
London	★★★

Destination	€150
Los Angeles	★ ★ ★
Miami	★ ★ ★
Montreal	★ ★ ★
Moscow	★ ★ ★
Nice	★ ★ ★
Paris	★ ★ ★
Seattle	★ ★ ★
Singapore	★ ★ ★
Tokyo	★ ★ ★
Toronto	★ ★ ★
Vancouver	★ ★ ★
Venice	★ ★ ★
Washington DC	★ ★ ★
Zurich	★ ★ ★
New York	★ ★
San Francisco	★ ★

6

Average Room Prices By Star Rating



For the HPI, Hotels.com analysed the average prices paid in Euros for hotel rooms across different star ratings in the world's top cities to help consumers make the most of their travel budget. For instance, 5-star average rates can start at an economical €81 a night but also soar to an extravagant €414 so it's useful to check before buying as a small amount of research can generate substantial savings.

At the top of the 5-star range at €414 was Geneva, followed

by Paris on €404 with New York in third place on €386. As in the past, Warsaw offered the best deal on 5-star accommodation with an average price of €81 a night, followed by Budapest on €121 and Cairo on €129.

Marrakech had the lowest 4-star average on €81 and Budapest on €82 with Bangkok and Madrid on €83, while Cancun on €241, Los Angeles on €235 and New York City on €231 had the highest.

For the more budget-minded, at the other end of the scale, Cairo offered the lowest 2-star prices with a very affordable €19 with Delhi on €21 and Bangkok on €26. With these rates, it would have been possible to spend three weeks in a 2-star hotel in the Egyptian capital for the same price as one 5-star night in Geneva.

For an inexpensive trip in Europe, Budapest had an unbeatable €36 2-star average.

Table 23 Average hotel room prices by star rating during H1 2013

Destination	★★	★★★	★★★★	★★★★★	Destination	★★	★★★	★★★★	★★★★★
Amsterdam	€92	€117	€144	€211	Jerusalem	€74	€114	€123	€236
Bali	€27	€54	€113	€249	Las Vegas	€43	€50	€94	€169
Bangkok	€26	€39	€83	€161	Lisbon	€46	€61	€90	€144
Barcelona	€69	€107	€131	€251	London	€87	€109	€165	€289
Beijing	€34	€50	€92	€161	Los Angeles	€84	€131	€235	€384
Berlin	€61	€68	€91	€153	Madrid	€50	€71	€83	€184
Biarritz	€85	€93	€130	€355	Marrakech	€41	€53	€81	€134
Boston	€109	€146	€212	n/a	Melbourne	n/a	€88	€118	€209
Brussels	€69	€89	€105	€154	Mexico City	€50	€70	€148	n/a
Budapest	€36	€52	€82	€121	Miami	€93	€134	€230	€321
Buenos Aires	€35	€69	€100	€322	Milan	€74	€83	€119	€284
Cairo	€19	n/a	€96	€129	Montreal	€81	€119	€179	n/a
Cancun	€53	€117	€241	€278	Moscow	€55	€116	€162	€263
Cape Town	n/a	€81	€101	€160	Mumbai	€44	€79	€109	€140
Chicago	€81	€134	€160	€350	Munich	€82	€100	€132	€234
Delhi	€21	€39	€107	€146	New York	€135	€186	€231	€386
Dubai	€95	€83	€137	€292	Nice	€76	€99	€172	€278
Dublin	€50	€77	€99	€199	Orlando	€53	€89	€132	€239
Edinburgh	€88	€91	€127	€208	Paris	€91	€122	€187	€404
Frankfurt	€55	€88	€108	€196	Pisa	€62	€78	€114	€146
Geneva	€124	€149	€172	€414	Prague	€53	€69	€90	€156
Guangzhou	€27	€61	€101	€164	Rome	€85	€111	€131	€313
Hong Kong	€60	€99	€162	€302	San Francisco	€105	€155	€200	n/a
Istanbul	€53	€77	€108	€167	Seattle	€96	€137	€192	n/a
Jakarta	€37	€51	€94	€160	Seoul	€48	€81	€123	€238

Destination	★★	★★★	★★★★	★★★★★
Shanghai	€28	€51	€88	€183
Singapore	€67	€122	€165	€290
Sydney	€41	€103	€149	€225
Taipei	€48	€84	€123	n/a
Tallinn	€44	€73	€92	€148
Tokyo	€60	€88	€171	€369
Toronto	€88	€108	€170	n/a
Vancouver	€90	€121	€180	€239
Venice	€99	€124	€177	€346
Vienna	€56	€76	€97	€166
Warsaw	€42	€64	€86	€81
Washington DC	€99	€145	€171	€250
Zurich	€96	€137	€155	€162

Table 24
Top 10 most expensive cities for
5-star hotels in H1 2013

Destination	Price
Geneva	€414
Paris	€404
New York	€386
Los Angeles	€384
Tokyo	€369
Biarritz	€355
Chicago	€350
Venice	€346
Buenos Aires	€322
Miami	€321

Table 25
Affordable luxury:
Top 10 destinations with the best-
value 5-star hotels in H1 2013

Destination	Price
Warsaw	€81
Budapest	€121
Cairo	€129
Marrakech	€134
Mumbai	€140
Lisbon	€144
Delhi	€146
Pisa	€146
Tallinn	€148
Berlin	€153

Hotel star ratings explained - There is no universal star rating system. Each country has its own and, in some cases such as the UK, 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.

Eurozone travellers searching for top-of-the-range hotel accommodation for less were able to benefit from some significant price falls in 5- and 4-star prices around the world during the first half of 2013.

With the economic issues in Europe, luxury breaks became considerably cheaper and two European cities appeared in the list with substantial double-digit falls. The highest 5-star reductions were in Zurich, falling 28% to €162, and Milan, down 18% to €284.

The decreases were not limited to that continent. Eurozone travellers paid 24% less for 5-star accommodation in places as far afield as Miami and Cape Town at €321 and €160 respectively, Mumbai which fell 16% to €140, Cairo seeing a 14% negative change to €129 and Delhi down 10% to €146.

In the 4-star category, longhaul destinations saw the largest falls with Taipei down 12% to €123, Mumbai down 11% to €109 and Washington DC falling 10% to €171. The fastest European faller was Geneva, down 8% to €172.

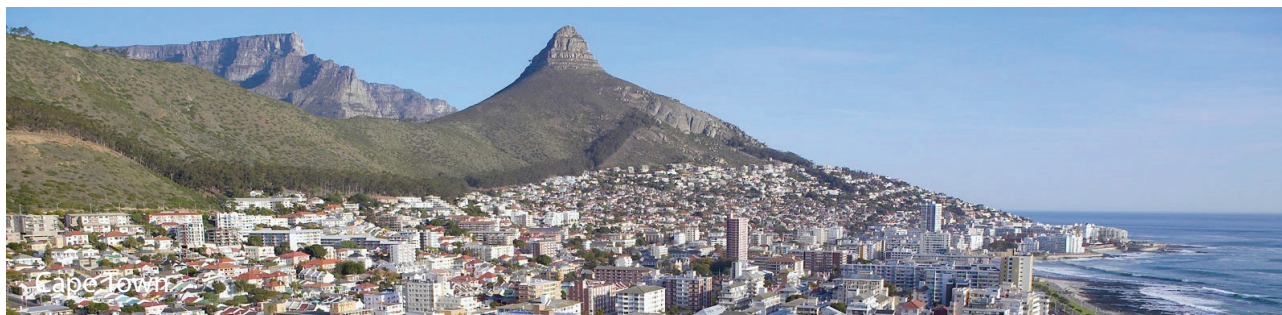


Table 26 Where prices at top-end hotels fell the most between H1 2013 and H1 2012

Destination	Star Rating	H1 2013	H1 2012	% change
Zurich	★★★★★	€162	€224	-28%
Miami	★★★★★	€321	€425	-24%
Cape Town	★★★★★	€160	€210	-24%
Milan	★★★★★	€284	€347	-18%
Mumbai	★★★★★	€140	€168	-16%
Cairo	★★★★★	€129	€151	-14%
Taipei	★★★★	€123	€140	-12%
Mumbai	★★★★	€109	€122	-11%
Washington DC	★★★★	€171	€191	-10%
Delhi	★★★★★	€146	€162	-10%
Buenos Aires	★★★★	€100	€110	-9%
Geneva	★★★★★	€414	€456	-9%
Geneva	★★★★	€172	€188	-8%
Warsaw	★★★★★	€81	€88	-8%
Tokyo	★★★★	€171	€185	-8%
Guangzhou	★★★★★	€164	€178	-8%
Rio de Janeiro	★★★★	€237	€256	-8%
Istanbul	★★★★★	€167	€180	-7%
Cape Town	★★★★	€101	€108	-7%
Biarritz	★★★★★	€355	€382	-7%

Top overseas destinations for Finnish travellers

In the first half of 2013, the chart of most popular overseas destinations for Finnish travellers showed that they preferred to stay close to home with 17 of the Top 20 destinations in Europe, two in the US and one in Asia.

There were changes up and down the table. In this post-Olympic year, London overtook New York to take over at the top, pushing the other into second place.

There were two newcomers: Dubrovnik at No 14 and Munich at No 16 as Phuket and Gdansk left the chart.

The fastest risers were Barcelona and Bangkok, both up five, with the former at No 3 and the latter at No 15, with Prague up three to No 9.

Amongst the big losers were Copenhagen and Riga, both down five places to Nos 12 and 19 respectively with Rome down four to No 7.

Table 27 Top overseas destinations for Finnish travellers in H1 2013

Rank	Destination	H1 2012 rank
1	London	2
2	New York	1
3	Barcelona	8
4	Berlin	5
5	Tallinn	4
6	Paris	6
7	Rome	3
8	Budapest	9
9	Prague	12
10	Stockholm	11
11	Amsterdam	10
12	Copenhagen	7
13	Nice	13
14	Dubrovnik	*
15	Bangkok	20
16	Munich	*
17	Milan	18
18	Las Vegas	17
19	Riga	14
20	Vienna	19

This chapter features some additional travel facts identified by Hotels.com.

Chinese International Travel Monitor

In August 2013, Hotels.com published its second Chinese International Travel Monitor (CITM), examining the impact of the huge growth in Chinese outbound tourism and the response by the global hotel industry to benefit from this rapidly developing trend. The report collected and analysed data from both hoteliers and Chinese travellers and many of the key findings can be seen on the opposite page.

Since the first report in 2012, the subject has hardly been out of the headlines with many countries now recognising the potential of the Chinese traveller boom. The UN World Tourism Organization reported that Chinese travellers spent US\$102 billion on international tourism in 2012, 40% more than in 2011, overtaking Germany and the USA as the world's biggest spenders.

China has also officially become the world's largest outbound tourism market, again outdoing Germany and the US last year with an estimated 83 million overseas trips made by Chinese citizens, according to the China Tourism Academy 2013 report.

This remarkable growth, largely due to more relaxed government restrictions on foreign travel and the rise of a Chinese middle class with higher disposable income, does not appear to have been impacted by the slowdown in overall economic growth seen in China over recent months. The desire to explore foreign lands and enjoy new experiences remains as strong as ever.

The move away from groups to more independent travel, identified in the CITM last year, is now unstoppable and is preferred by the mainstream. Governments will have to take this into account when organising their visa application

infrastructure and processes. Hoteliers report a growing confidence in this segment as more travellers say they are prepared to step outside their comfort zone and try more authentic local experiences. Although shopping remains one of the favourite activities, it is by no means the key driver for many who instead rate sightseeing and dining as their main interests. The desire for hotels to provide more material in Mandarin, including Mandarin-speaking staff, is highlighted by the vast majority of travellers.

In the main, hoteliers are responding well to these new challenges. The Hotels.com CITM provides information on how best to capitalise on this potentially highly-rewarding development, particularly as travel from more traditional source markets from parts of Europe has been declining.

Service Tips

Top five items hoteliers offer for Chinese guests



73%

Free Wi-Fi



43%

Kettle



33%

Slippers



29%

Smoking room



18%

Chinese TV

Top five items hoteliers plan to offer in the next 12 months



20%

Translated welcome materials



19%

Hotel website in Chinese language



16%

Translated tourist guides



15%

Chinese tea

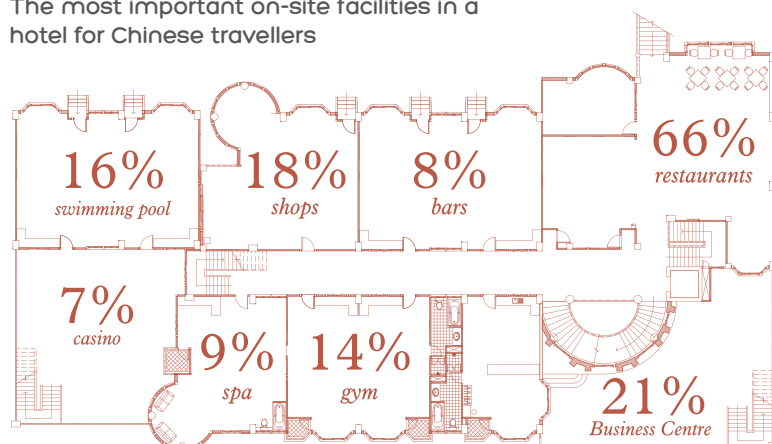


14%

Chinese breakfast

Hotel Hotspots

The most important on-site facilities in a hotel for Chinese travellers



Most Important Factors for Chinese Travellers when Choosing a Hotel



43%

Safety



39%

Historical and heritage sites



30%

Value-for-money



29%

Cuisine



20%

Quality of accommodation available



19%

Ease of visa application process



19%

Climate/weather



17%

Shopping



16%

Local seasonal/festive events



13%

Political situation



10%

Hospitality of locals



9%

Good public transport system



9%

Cleanliness



4%

Travelling time from airport



2%

Medical facilities

Club Sandwich Index

Geneva has taken over from Paris as the most expensive city in the world in which to order a Club Sandwich, at an average €23.35, according to research by Hotels.com. Using the classic hotel staple of a chicken, bacon, egg, lettuce and mayonnaise sandwich as a barometer of affordability, the Hotels.com Club Sandwich Index (CSI) offers holidaymakers an indication of the cost of living associated with their destination of choice. Helsinki was just outside the Top 10 at No 11 on €15.19.

			Average Club Sandwich Price (€) in 2013
1	Switzerland Geneva		23.35 €
2	France Paris		21.05 €
3	Norway Oslo		20.48 €
4	Sweden Stockholm		17.72 €
5	Denmark Copenhagen		17.18 €
6	Italy - Rome		17.13 €
7	Japan - Tokyo		15.93 €
8	UK - London		15.88 €
9	Australia - Sydney		15.80 €
10	Hong Kong		15.23 €
11	Finland - Helsinki		15.19 €
12	South Korea - Seoul		14.27 €
13	USA - New York		13.47 €
14	Russia - Moscow		12.98 €
15	Netherlands - Amsterdam		12.82 €



RUSSIA
40



ITALY
36



SWEDEN
36



FINLAND
35



FRANCE
35



NORWAY
35



BRAZIL
35



SPAIN
34



DENMARK
34



COLOMBIA
33



NEW ZEALAND
31



AUSTRALIA
30



ARGENTINA
29



GERMANY
29



IRELAND
29



SWITZERLAND
29



UK
28



SOUTH KOREA
27



NETHERLANDS
27



INDIA
26



JAPAN
26



HONG KONG
23



MALAYSIA
22



THAILAND
21



USA
20



TAIWAN
19



SINGAPORE
18



CHINA
16



CANADA
15



MEXICO
13

Holidays

Research from Hotels.com reveals discrepancies in paid and public holiday entitlements across Europe. When looking at both statutory annual leave and public holiday allowances across the EU, it's the British who were at the bottom of the table, with a minimum of only 28 days holiday a year when compared to residents of Russia and Italy, who top the table, benefitting from 40 and 36 days respectively. Finland was in fourth place with 25 days of annual leave and 10 days of public holidays.

Hotels.com

Highlights of H1 2013

The first half of 2013 has seen some notable achievements for Hotels.com.

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 Galaxy Note 8.0's integrated pen-input technology, called the S Pen, to provide users with a richer and more interactive booking experience.

Also in February, Byte Level Research's report of Best Global Websites 2013 listed Hotels.com at number two, rising three spots in a year to reach its highest ever position. The Report Card analyses 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 measures 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.

Also in March, Hotels.com launched an app for Windows 8 and 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. Collectively, Hotels.com apps have achieved more than

20 million downloads since the launch in 2011.

In June, Hotels.com was shortlisted in the travel and tourism category of the Online Retail Awards in the UK with the results to be announced in September.

Since the launch of its Welcome Rewards® loyalty programme, Hotels.com has rewarded its customers with more than one million free* nights.

Many of our international sites celebrated their 10th anniversary during 2013 including 13 in Europe and Australia.

*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.

20 million

Hotels.com mobile apps downloaded

7 million

Customer reviews from guests who have actually stayed in the hotels

1 million

Free* nights given away to Welcome Rewards members

220,000

Bookable properties available on the site through the Expedia group network

85+

Localised Hotels.com websites around the world

35

Languages

*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.

About Hotels.com

Hotels.com is a leading online accommodation booking website with 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 and Australia added in 2003. 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 warning 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 at more than 85,000 hotels, subject to Welcome Rewards terms and conditions as set out at www.hotels.com. 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.

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 enabling customers to book on the go with access to 20,000 last minute deals.

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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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