

# ADRIA HOTEL FORUM

**7<sup>th</sup> AHF**

February 20<sup>st</sup> -21<sup>th</sup> 2019

Crowne Plaza, Belgrade



## AHF 2013 - 2018



The AHF traditionally gathers top hospitality professionals such as key hoteliers, global hotel operators, investment funds and the most relevant regional experts with goal to discuss global hotel and development trends and increase quality in hospitality industry.

Within the last six years, AHF gathered more than:

- 1.800 attendees
- 250 panelists
- 100 round-table discussions and presentations
- 20 institutional partners
- 20 media partners
- 150 sponsors and partners

Panelists are, among others, representatives of the largest international hotel and affiliated companies such as: Hyatt International, AccorHotels, InterContinental Group, Hilton Worldwide, Marriott International, Colliers International, Falkensteiner Michaeler Tourism Group, HVS, Valamar Riviera, Hotel&Destination Consluting, Steigenberger Hotel group, Delta group, Corinthia Hotels, NAU Hotels, Ascendant Finance, GIHE, STR Global, Cushman & Wakefield, Condé Nast, Roland Berger, Lungarno Collection and many others.



## AHF 2019 theme – „Is the future bright?”

The Balkans is an amazingly interesting region because it has for millennia been the cultural connection between Central Europe and Asia Minor (Hudelson 2014, 34); the place where the Western civilization meets the Ottoman Empire, or as Nedelcheva (2013, 79) describes, a historical crossroad of the ancient cultures of Europe and Asia.

The mix of those cultures results in a cultural, ethnic and religious diversity of the whole region. This diversity attracts tourists and represents one of the main strengths that pull tourists towards the Balkans.

But how can we turn those strengths into hotel investments and development? Let us see the global picture for a moment.

According to PwC, European hotel transaction volume reached €20.9 billion in 2017. This was an 11% increase compared to 2016 deal volume and surpassed the record level achieved in 2015. The movement in transaction volume continued to show a strong positive correlation to changes in RevPAR growth which increased by 5.6% in 2017 compared to 2.1% in 2016.

A resurgence in UK hotel investment activity in 2017 and record levels of investment in the Spanish hotel market drove the growth in transaction volume. UK hotel deal volume in 2017 increased by 34% from €4.7 billion in 2016 to €6.3 billion in 2017 and represented 30% of the total European hotel transactions by deal volume. The number of exits in the second half of the year and the portfolios currently in market indicate that owners are considering whether we are potentially approaching the top of the current cycle. Hotel deal volume in Spain more than doubled in comparison to 2016 with significant portfolio and single assets being brought to market as investors sensed an opportunity for yield compression. Transactions across the UK and Spain combined accounted for more than half of total European transactions by deal volume in 2017.

In regards to the new hotel supply, as there being relatively low overall new supply levels, some cities have high pipelines and this includes London (with the highest pipeline) where some 9,000 rooms could open in 2018 – more than opened in 2012 when there was an Olympic sized demand boost. Berlin has around 6,500 new rooms in the pipeline with almost 4,000 of these already under construction.



## AHF 2019 theme – „Is the future bright?”

Some other cities with sizeable numbers of rooms under construction include Istanbul (3,000+), Moscow (3,400), Munich (3,000+), Hamburg (2,770), Dublin (2,600), and the total number of rooms in Amsterdam will grow by approximately 7,000 rooms by 2020.

Looking at the travel segment, there was particularly strong demand for international travel in 2017. Globally, according to the UNWTO, 2017 saw the highest tourism volumes in seven years. International tourism arrivals grew by 7% year on year to reach a total of 1,322 million overnight visitors (for both business and leisure). UNWTO shows that Europe recorded above average tourism growth with an 8% increase in international tourism arrivals in 2017. The outstanding sub-regions were Southern and Mediterranean Europe which saw a remarkable 13% growth over the prior year.

Data from the European Travel Commission (ETC) show that in 2017 Turkey (+28%) experienced an impressive rebound in visitor arrivals with growth largely driven by Russian travellers (+465.2%). Iceland (+24%), the fastest growing destination since 2012, showed robust results while its government considers measures to address overtourism. In southern Europe, destinations like Montenegro (+19%), Serbia (+18%) Malta (+16%), Slovenia and Cyprus (both +15%) also boosted growth and have proved their success in overcoming seasonality. Finland (+14%) enjoyed a solid increase driven by Chinese and Indian arrivals. Established summer destinations Croatia (+14%), Portugal (+12%) and Spain (+9%) also saw healthy growth.

Coming back to the region, and taking into consideration the numbers we have just mentioned, it is a question how can we boost the tourism arrivals and at the same time hotel investments and development on a larger scale, while the money is still cheap and the investors' interest in relatively high. What are the hotel products that should be developed in the region and how can we take advantage of the Far East markets that are booming at the moment (China, India, South Korea)? How should Croatia and Montenegro compete with the upcoming markets like Turkey, Tunisia and Greece and how should capital cities like Belgrade, Zagreb and Ljubljana compete with already mature markets like Vienna, Budapest and Prague. And is Albania a new hot spot?



## Preliminary program

DAY 1 – FEB 20th 2019 – **MONEY TALK**

- 12.30 Key note presentation: Comparison of travel results vs. Travel rates vs. Investments
- 13.10 Presentation: Are we looking at another global financial crises in 2020?
- 13.30 Panel discussion: Who wants to finance and invest in projects and is there a model to insure the investment
- 14.30 Cocktail lunch
- 15.15 Panel discussion: How large projects can change the city perspective?
- 15.45 Panel discussion: Investors' talk – looking for ROI, investment landscape, latest transactions, deal structure and comparison of investors' effort...and cost of the investment
- 16.45 Panel discussion: Ministers' talk
- 20.00 Networking dinner



## Preliminary program

DAY 2 – FEB 21st 2019 – HOTEL TALK

09.00 Networking coffee

09.30 Panel discussion: Employees are 30% of every hotel costs – and rising problem in hospitality industry. What is the future model of employment and where will the employees be coming from...

10.30 Panel discussion: New lifestyle brands and how much design effects the guests' emotions and experience

11.15 Coffee break

12.00 Presentation: The hotel of the future

12.20 Lunch break

13.45 Panel discussion: Sea side destinations – what is the product we are selling, the effect of Turkey, Greece and Tunisia coming back

14.30 Panel discussion: Inland development – let's look at those who already did it – and what does it take to develop inland

21.00 Party



## Some of the panelists from previous AHFs:

Marybelle Arnett, Vice President, Development, Central & Eastern Europe, Hilton Worldwide

Keith Evans, VP Hotel Acquisitions, Starwood Capital

Christian Giraud, SVP Development Europe, Accor Hotels

Kenneth Hatton, SVP Global Development, Belmond

Damian Harrington, Director, Head of EMEA Research, Colliers International

Lukas Hochedlinger, Managing Director for central and northern Europe, Christie & Co

Otmar Michaeler, Chief Executive Officer, Falkensteiner Michaeler Tourism Group Ag

Ulf Pleschiutschnig, Managing Director, MSREI

Živorad Vasić, Area General Manager, IHG

Carly Weber, Key Account Manager EMEA, HomeAway (Expedia Brand)

Max Cergneux, Senior Director, Choice Hotels

Ivan Oreč, Manager of network development, Eurowings

Darren Blanchard, Senior Director of Business Development, Carlson Rezidor Hotel Group

Patrick Fitzgibbon, Senior Vice President of Development, Europe, Middle East & Africa, Hilton Worldwide

Jason Wischhoff, Vice President of Development for Europe and Africa, Dream Hotel Group

Federico Holzmann, Director of Development & Asset Management, Catalonia Hotels & Resorts

Paul Pisani, Senior Vice President Development, Corinthia Hotels

Alan Mantin, Senior Director Development Southern Europe, Hilton Worldwide

Charlie Ballard, Global Director, Customer Insights at TripAdvisor

Valeriano Antonioli, Chief Executive Officer and a member of the Board of Directors of Lungarno Collection

## AHF partners



Volkswagen





## Testimonials



**Charlie Ballard, Global Director,  
Customer Insights at TripAdvisor**

This conference has been terrific. Flew to the Zagreb two days ago, everything has been organized amazingly well. The conversation that we have been having, ideas around development, where the directions seems to be going here in Croatia. It's been just a wonderful two days and I can't be more thankful that I was given a chance to come.



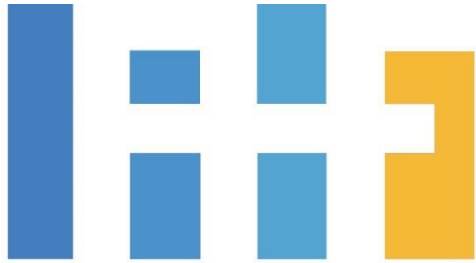
**Andrea Santis, Managing Director,  
NCH Greece and Western Balkans**

It was very well organized and planned forum. The quality of the people and the participants were on very high standard. I think it is becoming an established event and I believe and hope that next year it is going go another level to creating polices and bringing together the hotel and tourist industry on Adriatic area.



**Gregor Jamnik, Best Western Premier Hotel Slon & City Hotel Ljubljana**

On behalf of Slovenian association of hoteliers I would like to say a big thank you to the organizer of this event. I think Adria Hotel Forum has grown in the past three years into the major event for the region. And of course I congratulate for high level of attendees. Mostly all the world players in hospitality in regards to brands and in regards to investors were in this region which I think that this region is really developing and it has bright future. We have seen many analyses, many data showing us that the region has a bright future and I'm really looking forward to be part of that development of hospitality industry in the Balkans.



# ADRIA HOTEL FORUM

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