

GERMAN HOSPITALITY INDUSTRY REPORTS STRONG RECOVERY



The hospitality industry in Germany recovered significantly from the Corona shock last year. This is illustrated by figures according to a preliminary estimate announced by the Federal Statistical Office.

According to the report, price-adjusted sales rose 47% from 2021, which was still affected by lockdowns, but fell 11% short of the pre-crisis 2019 figure, the statistics agency reported.

Since then, there have been strong price increases. **Including these, restaurants and hotels had an average of as much as 1% more revenue last year than in 2019**, with a 57% increase in nominal revenue compared to 2021.

Hotels Grew More than Restaurants in 2022

A look at the first eleven months of 2022, which have already been fully evaluated regarding the German hospitality industry, shows that hotels and other accommodation establishments were able to increase their sales more strongly than restaurants, with a real increase of 64.2% compared to the same period last year. Here, innkeepers only achieved a real increase of 40.6%. Including the price increase, they made 50% more sales than a year earlier.

Slight Decline in November

Comparing November 2022 figures to the previous month, preliminary results show that the hospitality industry sold 6.0% less in real terms and 5.4% less in nominal terms in the calendar- and seasonally-adjusted terms in November 2022 than in October 2022. Hotels and other lodging establishments reported a 7.9% drop in real sales in November 2022 compared with October 2022. Restaurant and catering sales were down 5.5% in real terms in November 2022 from the previous month. Overall, however, the figures give cause for optimism.

Methodical Hints

The estimates of real and nominal annual sales in 2022 are original values. They are based on available hospitality sales for January through November 2022 and estimated sales in December 2022. The estimates take into account the effects of price increases and revisions to the hospitality business statistics after up to 10 months from the March 2022 reporting month.

Based on this estimation methodology, **the overall German hospitality industry has an interval for real sales growth of 46.5% to 48.3% and for nominal sales growth of 56.5% to 58.3% in 2022 compared with the previous year.** For hotels and other lodging establishments, the estimate interval ranges from 64.2% to 66.2% in real terms and 77.5% to 79.5% in nominal terms. For restaurants, the estimate interval ranges from 40.2% to 42.0% in real terms and from 44.6% to 46.2% in nominal terms.

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