

The Hotel Price Index™

Review of global hotel prices: January - December 2013



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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 sites 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 2-7) shows hotel prices across the world per room per night as paid by travellers from New Zealand in 2013 compared with 2012. This shows the changes in real prices paid by consumers from New Zealand, reflecting both movements in exchange rates and hotel pricing. In Chapter 4, figures are compiled from global bookings to New Zealand in all currencies. Prices throughout are rounded to the nearest New Zealand Dollar and percentage figures to the nearest percentage point.

Chapter 8 covers the top overseas destinations for travellers from New Zealand and the top New Zealand 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 and languages. Please contact press@hotels.co.uk. Follow the discussions on Twitter at #HotelExperts.



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’Neill¹, 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)² 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 travel³ 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

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>

quarter4. 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 year⁵, 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 China⁶, 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 start 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.

⁴ <http://uk.reuters.com/article/2014/01/27/uk-germany-ifo-idUKBREA0Q0DB20140127>

⁵ Source: Australian Government Tourism Research

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

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.

We hope you enjoy reading our report.

Johan Svanstrom
President of the Hotels.com brand

Introduction

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1. Global price changes

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.

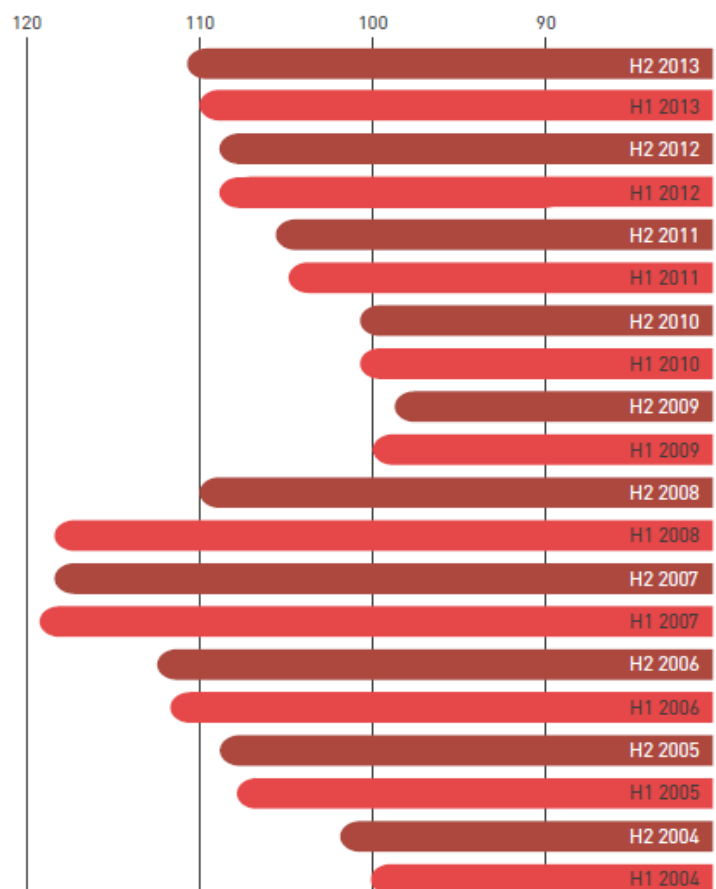
The Hotel Price Index stood at 110 at the end of 2013, just ten points higher than at its launch in 2004. It was still seven points lower than its peak in 2007 and just below its 2006 level.

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

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 were 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.

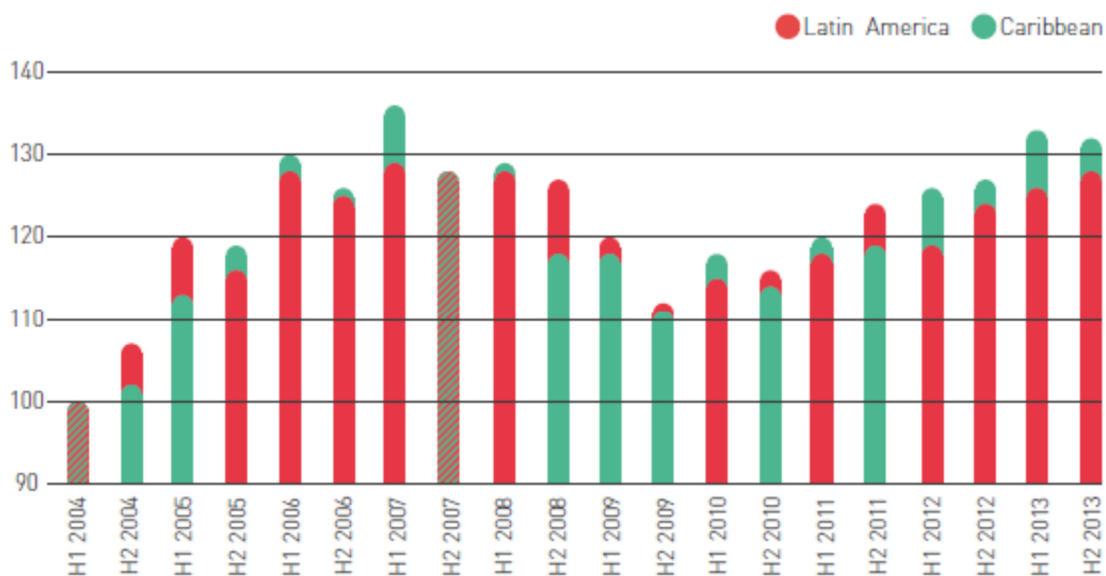
Mexico, on an opposite trend, saw increases in the prices paid by travellers. Mexico's internal travel has always been very strong and 2013 kept the trend of previous years. As for international destinations, Mexico felt the effect of its neighbour, the USA, recovering steadily for the last couple of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

Colombia, currently one of the fastest growing countries in the region, with an economic growth of 4.5% year over year⁷ 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.

⁷ Source: World Bank

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.

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



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.

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 low⁸, 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 DC. 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 2013⁹ and nearly quadruple by the end of 2015 to \$39.5 billion in revenue and 25% market share¹⁰. 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 2014¹¹. The disruption of smartphones by tablets signals that online travel planning is being split across multiple web-enabled devices creating a new interface to interact with consumers.

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

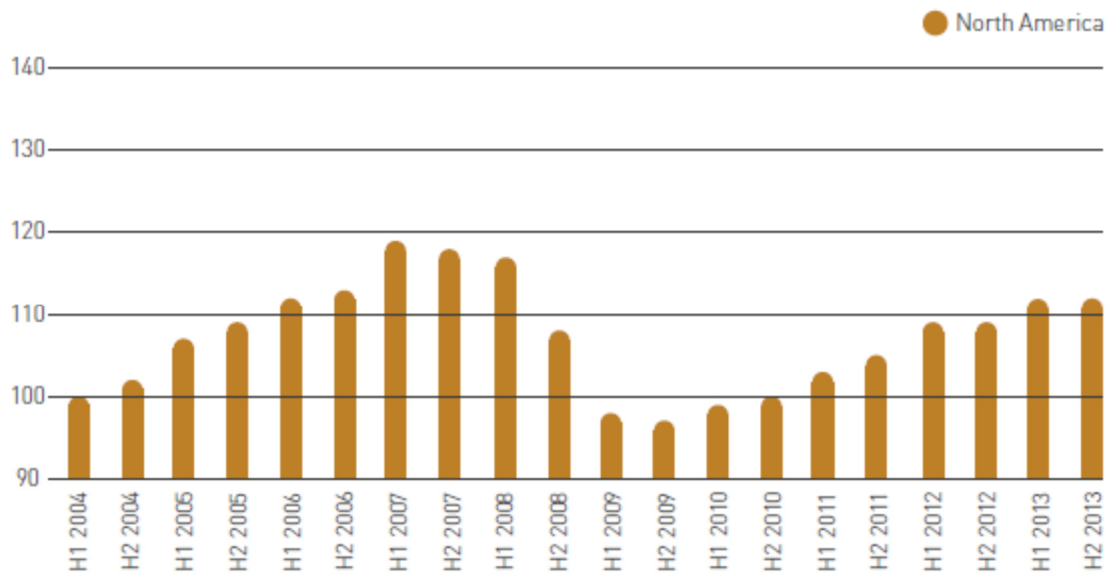
⁹ PhoCusWright *Mobile Hits the Mainstream: Technology and Industry*

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

¹¹ [PhoCusWright Innovation Edition report](#)

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.

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



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.

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 are paid for local hotels.

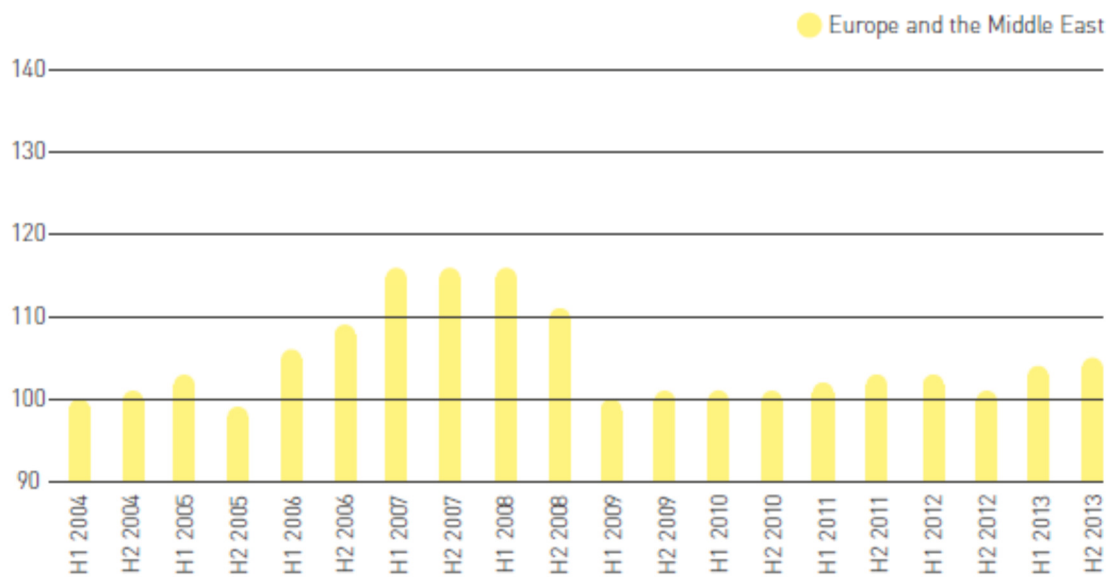
The “hotspots” for European travellers are aptly named this year as we have seen a real resurgence in demand for the traditional summer sun destinations. Spain, Greece and Turkey were countries hit particularly badly by the 2008/9 recession. Their continued recovery is clear to see in the numbers, with 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 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 stabilised 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.

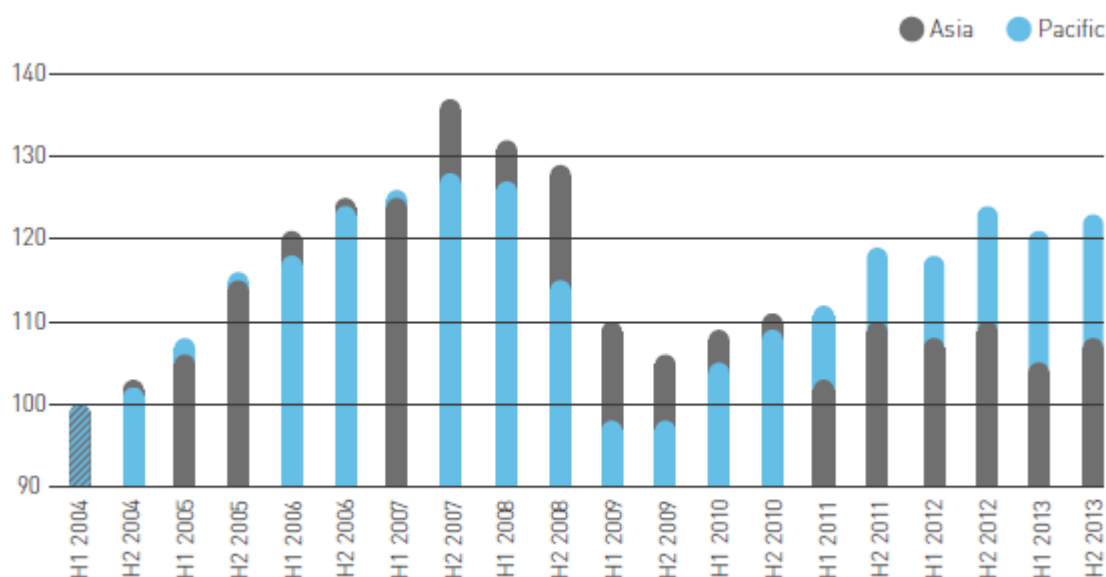
There continues to be a longer term trend of more travellers traveling around the region. An effect of this is in evidence in Taiwan as it continues to see the increasing trend in visitor numbers and tourism, particularly from Chinese customers. The total amount of inbound visitors to Taiwan in 2013 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 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.

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



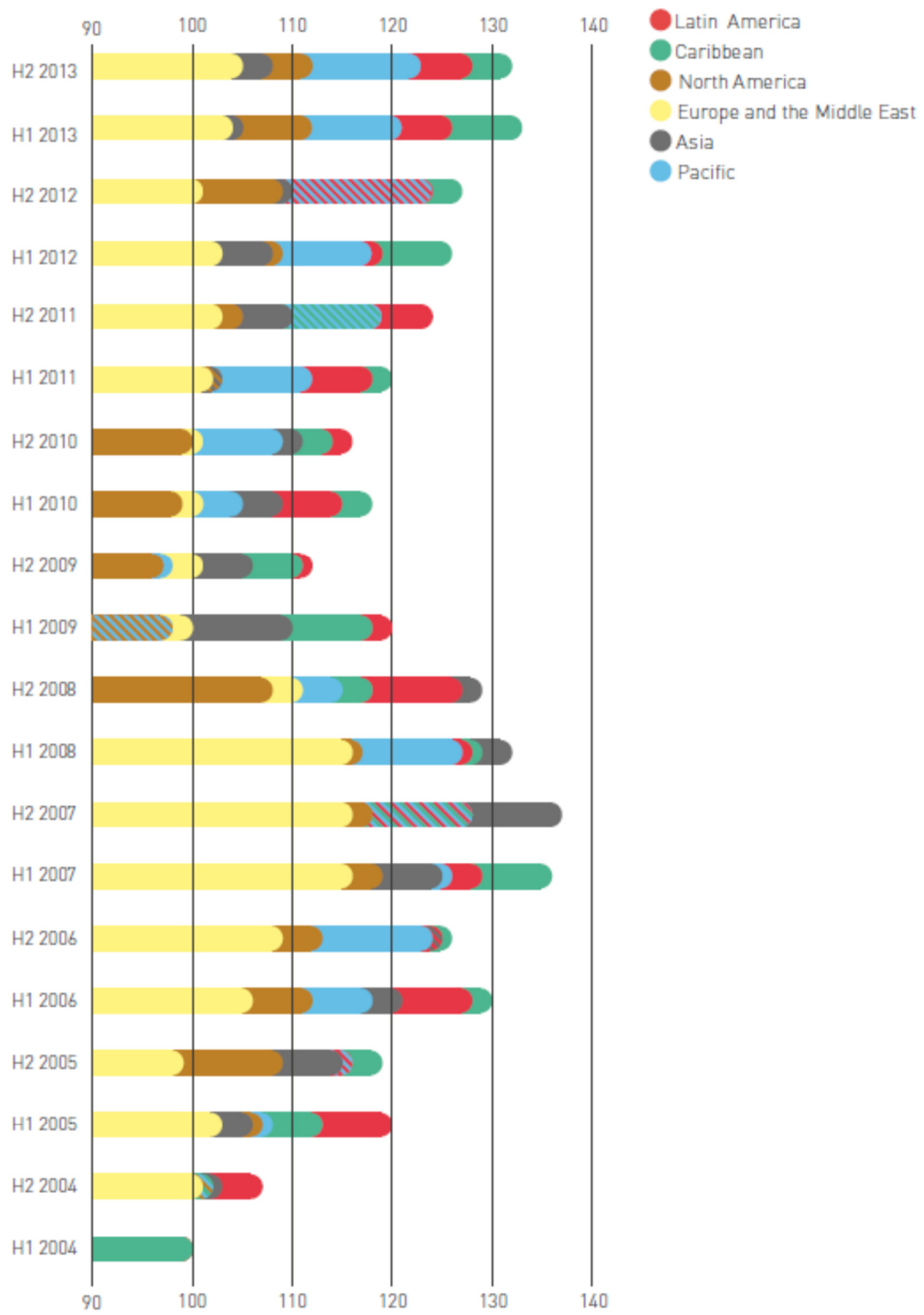
Pacific remained stable

- The Pacific region recorded no change 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 slight 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



2. Price changes in global city destinations

The following sections reflect the actual prices paid by travellers per night from New Zealand in New Zealand Dollars (NZD) during 2013 compared to prices paid in NZD during 2012, except in Chapter 4 where the data shows prices paid in New Zealand by all global hotel guests from around the world.

Spending by travellers from New Zealand was equally split between those where they paid more and those where the sums were less. Of the 47 destinations included in the report, average prices paid were up in 23, flat in one and down in 23.

Mixed picture in Australasia

An increase in consumer confidence coupled with a general lack of supply helped to raise the rates paid domestically in New Zealand. Auckland rose 7% to \$137, Christchurch was up 6%, driven by new hotel supply, to \$155 and Wellington rose 5% to \$134. Further details and explanations of price moves in New Zealand can be found in Chapter four.

A drop in corporate demand as a result of the decline in the mineral resources industry impacted the average rates paid in some areas. A 7% decline took Brisbane to \$195 and Melbourne fell 5% to \$196. Elsewhere on Australia's east coast, the Gold Coast dropped 11% to \$170 and Cairns was down 10% to \$153. The ever-popular Sydney, rose 4% to \$229.

In Fiji, the average paid in Nadi saw a 14% increase to \$217, Rarotonga in the Cook Islands added 7% to \$241, whilst the Samoan capital Apia tumbled 13% to \$143.

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 continued to rise. In China itself, New Zealand travellers paid 12% more in Beijing to \$146 but Shanghai was down 6% to \$136.

Singapore was the highest placed destination in the overall price chart in seventh place on \$242, following an 8% rise year-on-year. At the other end of the chart, Ho Chi Minh City was the destination where New Zealanders paid the least on \$95, up 6%.

In Thailand, Phuket was up 7% to \$143 and Bangkok fell 2% to \$106.

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. This helped New Zealand hotel guests pay 20% less in Osaka (to \$133) while Tokyo was down 12% (to \$181).

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 8% to \$220, although occupancy stayed high.

High rates in the USA

With healthy visitor numbers throughout the year, overall high prices meant that two US destinations appeared at the top of the price table.

In first place was New York on \$335, despite a 4% decrease, some way ahead of second place Honolulu on \$283 after a 10% rise.

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 hotel guests from New Zealand also paid an extra 9% in Miami to \$247.

The highest rise was recorded in Seattle, adding 17% to \$212, and, elsewhere on the west coast, San Francisco was up 5% to \$254 and Anaheim grew 4% to \$173 but Los Angeles lost 3% to \$197 and San Diego fell 1% \$169.

In other major cities, Washington DC saw an 8% decline to \$220 and Chicago fell 3% to \$185. Las Vegas saw the same percentage drop to \$145.

European prices steadied

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.

London continued to enjoy the aftermath of its Olympic year in the spotlight during 2012, attracting more visitors in 2013. This, combined with other high profile events such as the birth of the Royal baby in June, meant that domestic travellers to the capital paid an extra 3% to an average \$256 for their hotel accommodation, making it the highest placed European destination in the price table.

Barcelona saw the highest increase, up 17% to \$211, Paris was up 8% to \$255 and Amsterdam added 7% to \$226. Dublin, which had seen their prices paid plummet during the economic crisis, saw a continued reversal of fortunes with its average up 5% to \$158.

There were some fallers with Milan down 5% to \$191 while two German cities saw a 3% drop, Munich to \$192 and Berlin to \$131.

Average hotel prices in 2013 compared with 2012 in NZD

Destination	2013	2012	% change
New York	\$335	\$350	-4%
Honolulu	\$283	\$258	10%
London	\$256	\$248	3%
Paris	\$255	\$237	8%
San Francisco	\$254	\$242	5%
Miami	\$247	\$225	9%
Singapore	\$242	\$224	8%
Rarotonga	\$241	\$224	7%
Venice	\$237	\$239	-1%
Sydney	\$229	\$219	4%
Amsterdam	\$226	\$210	7%
Hong Kong	\$220	\$239	-8%
Washington DC	\$220	\$239	-8%
Nadi	\$217	\$191	14%
Seattle	\$212	\$181	17%
Barcelona	\$211	\$180	17%
Dubai	\$206	\$214	-4%
Los Angeles	\$197	\$203	-3%
Melbourne	\$196	\$205	-5%
Brisbane	\$195	\$211	-7%
Rome	\$194	\$187	4%

Munich	\$192	\$197	-3%
Florence	\$191	\$189	1%
Milan	\$191	\$200	-5%
Vancouver	\$187	\$192	-3%
Chicago	\$186	\$193	-3%
Edinburgh	\$183	\$179	2%
Tokyo	\$181	\$206	-12%
Bali	\$177	\$176	0%
Anaheim	\$173	\$166	4%
Gold Coast	\$170	\$190	-11%
San Diego	\$169	\$172	-1%
Dublin	\$158	\$150	5%
CHRISTCHURCH	\$155	\$146	6%
Cairns	\$153	\$171	-10%
Beijing	\$146	\$130	12%
Las Vegas	\$145	\$149	-3%
Apia	\$143	\$164	-13%
Phuket	\$143	\$133	7%
AUCKLAND	\$137	\$127	7%
Shanghai	\$136	\$145	-6%
WELLINGTON	\$134	\$128	5%
Osaka	\$133	\$167	-20%
Berlin	\$131	\$135	-3%
Kuala Lumpur	\$127	\$132	-4%
Bangkok	\$106	\$107	-2%
Ho Chi Minh City	\$95	\$89	6%

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

Destination	2013	2012	% change
Seattle	\$212	\$181	17%
Barcelona	\$211	\$180	17%
Nadi	\$217	\$191	14%
Beijing	\$146	\$130	12%
Honolulu	\$283	\$258	10%
Miami	\$247	\$225	9%
Singapore	\$242	\$224	8%
Paris	\$255	\$237	8%

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

Destination	2013	2012	% change
Osaka	\$133	\$167	-20%
Apia	\$143	\$164	-13%
Tokyo	\$181	\$206	-12%
Gold Coast	\$170	\$190	-11%
Cairns	\$153	\$171	-10%
Washington DC	\$220	\$239	-8%
Hong Kong	\$220	\$239	-8%

Top sporting cities in NZD

Destination	Price
Berlin	\$135
Dublin	\$150
Barcelona	\$180
Vancouver	\$192
Melbourne	\$205
Sydney	\$219
Singapore	\$224
London	\$248
Boston	\$267
New York	\$350

Best shopping cities in NZD

Destination	Price
Bangkok	\$107
Berlin	\$135
Milan	\$200
Dubai	\$214
Singapore	\$224
Paris	\$237
Hong Kong	\$239
Venice	\$239
London	\$248
New York	\$350

Best cities for nightlife in NZD*

Destination	Price
New York	\$350
Las Vegas	\$150
London	\$248
Paris	\$237
Barcelona	\$180
Berlin	\$135
Amsterdam	\$210
Madrid	\$143
Los Angeles	\$203
Bangkok	\$107

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

Romantic Destinations in NZD

Destination	Price
Bali	\$176
Barcelona	\$180
Rome	\$187
Florence	\$189
Rarotonga	\$224
Paris	\$237
Venice	\$239
San Francisco	\$243
Honolulu	\$258
New York	\$350

Top places for a stopover in NZD

Destination	Price
Ho Chi Minh	\$89
Bangkok	\$107
Kuala Lumpur	\$131
Los Angeles	\$203
Tokyo	\$206
Dubai	\$214
Singapore	\$224
Hong Kong	\$239
London	\$248
New York	\$350

3. Price changes by country

During 2013, travellers from New Zealand paid more for their hotel rooms in just over half of the countries included in the HPI.

Domestic hotel guests paid 5% more to stay in New Zealand to \$139 and, elsewhere in the region, Samoa was down 9% to \$159, Australia fell 3% to \$200 and Vanuatu slid 1% to \$184 but Fiji saw a 14% boost to \$206 and the Cook Islands rose 12% boost to \$252, taking it to second place in the overall price table.

There were sharper reductions in Asia with South Korea also down 15% to \$158 following a large drop in the number of Japanese travellers impacted by the falling Yen exchange rate. Japan itself was down 13% to \$159. On the other hand, Vietnam was up 16% to \$91 and an 8% rise took Singapore to \$242, the highest placed Asian destination, and Thailand to \$125. Cambodia was the country in the HPI where New Zealand consumers parted with the least cash on an average \$88 a night after a 7% increase. In Indonesia, there was a 5% lift to \$164 and Malaysia recorded the same percentage rise to \$137.

Many of the rises were seen in Europe as the region continued its recovery from the economic doldrums of recent years. Greece was up 15% to \$171, France rose 9% to \$219 and Spain added 8% to \$176. Growth of 6% took the Netherlands to \$213 and Ireland gained 5% to \$152. However, Italy fell 4% to \$189, Turkey lost 3% to \$158 and Switzerland was down 2% to \$252, although the country was still at the top of the price table as the destination in the HPI where New Zealanders paid the most.

With a strong economy and its recent nomination to MINT status as one of the world's potential new economic powerhouses¹², Mexico was one of the winners in the LatAm region, as its average saw the highest increase in the high of 30% to \$229.

Elsewhere, South Africa's average paid dropped 14% to \$168.

Of the 34 countries included in the report, travellers from New Zealand paid more in 18, the same in one and less in 15.

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

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

Destination	2013	2012	% change
Switzerland	\$252	\$259	-2%
Cook Islands	\$252	\$225	12%
Singapore	\$242	\$224	8%
Mexico	\$229	\$177	30%
Hong Kong	\$220	\$239	-8%
France	\$219	\$201	9%
USA	\$214	\$208	2%
Netherlands	\$213	\$200	6%
United Kingdom	\$206	\$203	2%
Fiji	\$206	\$180	14%
Australia	\$200	\$205	-3%
United Arab Emirates	\$195	\$207	-6%
Italy	\$189	\$196	-4%
Vanuatu	\$184	\$186	-1%
Canada	\$184	\$195	-6%
Spain	\$176	\$163	8%
Germany	\$175	\$171	2%
Greece	\$171	\$148	15%
South Africa	\$168	\$196	-14%
Indonesia	\$164	\$157	5%
Japan	\$159	\$184	-13%
Samoa	\$159	\$175	-9%
Turkey	\$158	\$163	-3%
South Korea	\$158	\$186	-15%
Ireland	\$152	\$144	5%
Argentina	\$147	\$148	0%
New Zealand	\$139	\$132	5%
Malaysia	\$137	\$131	5%
China	\$135	\$138	-2%
India	\$133	\$138	-3%
Thailand	\$125	\$116	8%
Philippines	\$115	\$116	-1%
Vietnam	\$91	\$79	16%
Cambodia	\$88	\$83	7%

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

Destination	2013	2012	% change
Mexico	\$229	\$177	30%
Vietnam	\$91	\$79	16%
Greece	\$171	\$148	15%
Fiji	\$206	\$180	14%
Cook Islands	\$252	\$225	12%
France	\$219	\$201	9%
Thailand	\$125	\$116	8%
Spain	\$176	\$163	8%
Singapore	\$242	\$224	8%

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

Destination	2013	2012	% change
South Korea	\$158	\$186	-15%
South Africa	\$168	\$196	-14%
Japan	\$159	\$184	-13%
Samoa	\$159	\$175	-9%
Hong Kong	\$220	\$239	-8%

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 underscoring the country's strong Buddhist history, modern shopping malls and vibrant nightlife. Bangkok made the Top 20 list of most popular overseas destinations for travellers from New Zealand, in thirteenth place. In 2013 HPI, the average price paid by hotel guests from New Zealand in the city was a reasonable \$106 per night (down 2%). Looking outside the combined average to the figures for individual star ratings, the picture looked even better as Bangkok's 5-star average was just \$248, the lowest in the HPI, as was its 4-star rate of \$125 and its 3-star \$65.

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 dynamic 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 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. 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 one of 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 New Zealand Top 20 list of most popular overseas destinations, in twentieth place.

Chiang Mai, the Rose of the North, is the principle hub for tourism, education, transportation and commerce in the north of Thailand. The city features centuries-old pagodas and temples next to modern convenience stores and boutique hotels. Chiang Mai is also blessed with pristine natural resources including mountains, waterfalls and rivers that make this a paradise for trekkers.

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, coupled with relatively low film production costs, a mature domestic film industry, and a legion of experienced film crew, have made Thailand an attractive location for many Hollywood films and other foreign productions.

4. Focus on New Zealand

This chapter covers the prices paid in New Zealand by all global travellers.

The two biggest markets for tourism to New Zealand continued to be China and Australia, the same as 2012. The popularity of New Zealand amongst Australians is obvious when considering geography and cultural relevance. Increasing numbers of Chinese travellers can be explained by the increased focus New Zealand has played in attracting these travellers in relation to marketing alongside the economic growth of China, and the rise of the Chinese middle class.

In the middle of 2013, the New Zealand Government announced an additional \$158 million funding of tourism infrastructure over four years, including hotels. The main areas for hotel growth are Auckland, Wellington and Christchurch, although major construction is yet to begin.

Tourism New Zealand continued to focus on their core inbound markets, specifically Asia, Australia and the United States. This can be seen in several extensive marketing campaigns aimed at these markets. The organisation also wooed more MICE (meetings, incentives, conferences and events) business from South-east Asia, by increasing resources and implementing a three-year marketing plan, with a budget of \$34 million for the next four years, representing close to an 80% increase in funds.

Last year was a strong year for the New Zealand Dollar, particularly against the Australian Dollar, resulting in an increase in consumer confidence.

HPI data shows that hotel guests paid an average 5% more for their accommodation in 2013, compared to 2012, to a national rate of \$152, but price movement at an individual city level was fairly contained.

The highest rise of 8% was recorded in Napier to \$166 followed by Christchurch up 7% to \$164. The city has seen the return of some larger hotels, following repairs from earthquake damage, but capacity remains constrained for much of the city.

Four cities saw a 6% increase taking Queenstown to \$187, Franz Josef Glacier to \$176, Wellington to \$146 and Dunedin to \$142.

Auckland hosted several high profile concerts during 2013 including Rihanna, Beyoncé and One Direction, which helped increase domestic leisure travel across both weekdays and weekends. Its average consequently rose 5% to \$145.

Lake Tekapo was up 3% to \$194 as the top of the price table.

Several other locations included in the HPI registered a negative change with Gisborne falling 9% to \$126 and Blenheim down 5% to \$165 while a 4% decline took New Plymouth to \$131 and Invercargill to \$110 - making it the New Zealand destination in the HPI where hotel guests paid the least.

Average price per room per night in 2013 compared with 2012 across New Zealand in NZD

Destination	2013	2012	% change
Lake Tekapo	\$194	\$189	3%
Queenstown	\$187	\$177	6%
Franz Josef Glacier	\$176	\$167	6%
Napier	\$166	\$154	8%
Fox Glacier	\$165	\$166	0%
Blenheim	\$165	\$173	-5%
Christchurch	\$164	\$154	7%
Tauranga	\$159	\$164	-3%
Paihia	\$157	\$159	-1%
Taupo	\$154	\$158	-2%
Wellington	\$146	\$138	6%
Nelson	\$145	\$142	3%
Auckland	\$145	\$137	5%
Dunedin	\$142	\$134	6%
Te Anau	\$139	\$138	1%
New Plymouth	\$131	\$136	-4%
Rotorua	\$130	\$124	5%
Gisborne	\$126	\$139	-9%
Hamilton	\$125	\$127	-2%
Palmerston North	\$112	\$109	3%
Invercargill	\$110	\$115	-4%

Top spenders

This section looks at the average price paid for a hotel room in New Zealand by visiting nationality.

This shows that, of the 24 nations included in the report, only one paid less during 2013 in the country as a whole, with one the same and the remaining 23 parting with more compared with 2012.

With a spread of \$53 a night between the top and bottom of the table, it was visitors from China who spent the most money to stay in New Zealand, up 1% to \$172, just ahead of the USA on \$170 after a 3% rise and Singapore on \$168 following a 2% increase. Australians were in fourth place on \$165, parting with 4% more, while the highest paying Europeans were the Norwegians in eighth places on \$154

The Austrians at No 17 saw the highest increase of 18% to \$143, followed by the Malaysians up 15% to \$148 at No 14 and the Swedes up 11% to \$149 to No 13. The Netherlands was another double-digit riser, up 10% to \$133 at No 22.

The Spanish were the nationality paying the least for their accommodation on average during their visits to New Zealand, parting with \$119, followed by the Germans on \$131, despite the 5% increase both nationalities paid.

The Taiwanese were the only fallers, down 7% to \$143 at No 17.

The average price paid for a hotel room in New Zealand in 2013 compared with 2012 by visiting country in NZD

Rank	Country/Region	2013	2012	% change
1	China	\$172	\$169	1%
2	USA	\$170	\$165	3%
3	Singapore	\$168	\$165	2%
4	Australia	\$165	\$159	4%
5	India	\$162	\$150	8%
6	Brazil	\$160	\$148	8%
7	Japan	\$155	\$153	2%
8=	Norway	\$154	\$141	10%
8=	Switzerland	\$154	\$142	9%
10=	Canada	\$151	\$151	0%
10=	South Korea	\$151	\$138	9%
12	United Kingdom	\$151	\$146	3%
13	Sweden	\$149	\$134	11%
14	Malaysia	\$148	\$129	15%
15	Ireland	\$146	\$136	7%
16	France	\$144	\$137	6%
17=	Austria	\$143	\$121	18%
17=	Denmark	\$143	\$141	1%
17=	Taiwan	\$143	\$153	-7%
20	Finland	\$137	\$130	6%
21	South Africa	\$134	\$128	5%

22	Netherlands	\$133	\$121	10%
23	Germany	\$131	\$125	5%
24	Spain	\$119	\$114	5%

5. Prices paid at home and away

Travelling overseas

Travellers from New Zealand were at No 12 in the 2013 price ranking when staying in an overseas hotel, with an average cost of \$194 per night.

Swiss travellers once again paid the most when travelling outside their own borders, with an average of \$222 per room night, followed by the Argentinians in second place on \$216, making them the highest paying Latin American nation, and travellers from the US in third place on \$212.

Travellers from Malaysia were the savviest nation with an average spend of \$157, followed by the Taiwanese on \$159 and the Dutch \$165.

Travelling at home

It was also the Swiss travellers again who paid the most at home, averaging \$259 for a night domestically, followed by Norway in second place on \$226 and Singapore in third on \$224. European nations dominated the top of the chart once again, taking six of the 10 places.

New Zealanders were further down the table in this category at No 22 on \$139.

At the other end of the table, those looking for best value at home were the travellers from Thailand on \$108, closely followed by the Indians and travellers from Malaysia on \$109 a night each.

More at home or away?

Of the 32 countries analysed, 24 paid more overseas than at home with some having a significant gap between the two sums. The Argentinians spent \$87 a night more on average when travelling overseas, followed closely by the Thais on \$75, the Indians with \$74 and the Chinese on \$71. New Zealanders had a \$55 gap between the two.

Only seven nations paid more at home than away with travellers from Singapore once again with the greatest difference, spending \$51 more domestically than overseas. The Swiss followed with a \$37 variation and the Norwegians with \$16.

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

Country	Away	Home
Switzerland	\$222	\$259
Argentina	\$216	\$129
USA	\$212	\$159
Norway	\$211	\$226
Japan	\$208	\$138
United Kingdom	\$207	\$169
Brazil	\$205	\$163
China	\$205	\$134
Australia	\$203	\$205
Sweden	\$203	\$203
Russia	\$197	\$184
NEW ZEALAND	\$194	\$139
Denmark	\$189	\$196
Austria	\$186	\$148
Colombia	\$186	\$150
Ireland	\$185	\$140
India	\$183	\$109
Thailand	\$183	\$108
Canada	\$181	\$172
Mexico	\$179	\$149
South Korea	\$177	\$170
Portugal	\$177	\$115
Singapore	\$173	\$224
Italy	\$173	\$141
Hong Kong	\$172	\$180
Finland	\$170	\$171
France	\$170	\$132
Germany	\$168	\$142
Spain	\$167	\$119
Netherlands	\$165	\$151
Taiwan	\$159	\$137
Malaysia	\$157	\$109

6. Where to stay for \$250 a night

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 \$250 or less could have bought during 2013 in 15 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 New Zealand could have visited Bangkok where 5-star accommodation was still available for \$250 a night or less on average during 2013.

There was a wider selection in both the 4-star and 3-star categories with six destinations in the higher rating ranging from Dubai to Las Vegas and Sydney, and another six in the lower grouping including London and Paris in Europe, as well as other major cities such as Los Angeles, Singapore and Tokyo.

The 2-star classification featured New York and San Francisco where New Zealand hotels guests found accommodation for \$250 or less in 2013.

The star rating that could be purchased with \$250 a night or less on average in the world's top cities in 2013 in NZD

Destination	\$250
Bangkok	5
Bali	4
Dubai	4
Las Vegas	4
Melbourne	4
Seoul	4
Sydney	4
London	3
Los Angeles	3
Paris	3
Singapore	3
Tokyo	3
Vancouver	3
New York	2
San Francisco	2

7. Average room prices by star rating

For the HPI, Hotels.com analysed the average prices paid 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 \$239 gap between the highest and lowest average prices paid by New Zealanders for a single night's accommodation. At the top of the list on \$487 was London, followed by Singapore just below on \$485 with Bali in third place on \$429.

Bangkok offered the best deal on 5-star accommodation with average prices of \$248 a night, followed by Las Vegas on \$254 and Melbourne on \$306.

Bangkok also had the lowest 4-star average on \$125, with Las Vegas on \$165 and Dubai on \$176. It was still less expensive on average to stay in a 4-star hotel in the Thai capital than a 3-star property in 12 popular destinations such as Sydney on \$172, London on \$182 and Los Angeles on \$204 or even a 2-star in Paris on \$158, San Francisco on \$180 and New York on \$209.

For the more budget-conscious, Las Vegas offered the lowest 2-star prices with a very affordable \$64.

Average hotel room prices by star rating during 2013 in NZD

Destination	**	***	****	*****
Bali	n/a	\$87	\$189	\$429
Bangkok	n/a	\$65	\$125	\$248
Dubai	n/a	\$135	\$176	\$346
Las Vegas	\$64	\$94	\$165	\$254
London	\$157	\$182	\$283	\$487
Los Angeles	\$125	\$204	\$355	n/a
Melbourne	n/a	\$136	\$199	\$306
New York	\$209	\$321	\$412	n/a
Paris	\$158	\$228	\$337	n/a
San Francisco	\$180	\$269	\$334	n/a
Seoul	\$87	\$134	\$215	n/a
Singapore	\$107	\$188	\$267	\$485
Sydney	\$102	\$172	\$233	\$325
Tokyo	\$121	\$160	\$278	n/a
Vancouver	\$126	\$176	\$289	n/a

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.

Luxury for less

Looking at the averages paid by hotel guests from New Zealand in 5-star and 4-star accommodation, there were some double-digit falls during 2013, meaning luxury was available for less for many travellers.

At the 5-star level, there were 11% decreases in both Melbourne, down to \$306, and Las Vegas, down to \$254, with London also dropping 10% to \$487.

Two Asian cities led the way in the 4-star range as Guangzhou tumbled 29% to \$147 and Tokyo slid 8% to \$278. There was a 6% decline in Melbourne to \$199.

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

Destination	Star Rating	2013	2012	% change
Melbourne	5	\$306	\$343	-11%
Las Vegas	5	\$254	\$286	-11%
London	5	\$487	\$543	-10%
Guangzhou	4	\$147	\$206	-29%
Tokyo	4	\$278	\$302	-8%
Melbourne	4	\$199	\$212	-6%

8. Travel habits

Top overseas destinations for travellers from New Zealand

New Zealand globetrotters travelled the world in 2013 with six destinations each in Australasia, Asia and the USA in the list of top overseas locations, as well as two in Europe.

Sydney, Melbourne and Las Vegas held onto their 2012 places but there was more movement elsewhere in the chart. The highest climber was Gold Coast, up seven places to eighth place, with Honolulu up five to fourth and Tokyo up two to No 15.

There were two new entrants in the table with Brisbane coming in at No 18 and Bali at No 19, as San Diego and Kuala Lumpur were ousted from the top 20 list.

Others had to move down to make way for these rising stars. Rarotonga fell twelve to No 18 but, after that, falls were less dramatic with Los Angeles down three to No 9, and Phuket down two to No 20.

Top overseas destinations for travellers from New Zealand in 2013

2013 Rank	Destination	2012 rank
1	Sydney	1
2	Melbourne	2
3	Las Vegas	3
4	Honolulu	9
5	San Francisco	4
6	New York	7
7	London	8
8	Gold Coast	15
9	Los Angeles	6
10	Singapore	10
11	Nadi	11
12	Paris	12
13	Bangkok	13
14	Hong Kong	14
15	Tokyo	17
16	Anaheim	16
17	Rarotonga	5
18	Brisbane	*
19	Bali	*
20	Phuket	18

Top New Zealand destinations for overseas travellers

The chart of top New Zealand destinations for overseas travellers was filled by most of the country's major cities with several more obvious tourist destinations.

There was little change in the table with Auckland, Queenstown and Wellington retaining the top three places from 2012.

The only movement was further down the leader board as Taupo at No 8 overtook Paihia which slipped one place to No 9.

Top New Zealand destinations for overseas travellers in 2013

Rank	Destination	2012 rank
1	Auckland	1
2	Queenstown	2
3	Wellington	3
4	Christchurch	4
5	Rotorua	5
6	Dunedin	6
7	Te Anau	7
8	Taupo	9
9	Paihia	8
10	Napier	10

9. 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 overseas, 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.

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 punters 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.

*2,683 respondents across 30 countries.

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.

*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.

About Hotels.com

Hotels.com is a leading online accommodation booking website with more than 260,000 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 program 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. 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.

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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For further information

For more information, press enquiries or spokespeople for any global region, please contact Hotels.com at:

Hotels.com New Zealand Press Office

Kelly Santos
ksantos@sefiani.com.au
+61 2 8920 0700

Sara Brown
sbrown@sefiani.com.au
+61 2 8920 0700

Hotels.com

Zoe Chan (Hong Kong)
zchan@hotels.com
+852 3607 5719

Yvonne Bonanati (London)
press@hotels.co.uk
+44 (0)20 7019 2428