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**Strong together into the future with the segment's USPs and flex strategies! Successful digital edition of the conference SO!APART 2020 in a still strong segment.**

**Mixed thinking as the new mixed-use: the eighth industry meeting at a glance**

*Berlin, 11 December 2020 – "92 per cent see the current basic mood in the serviced apartment segment as positive or rather positive, while only 44 per cent say the same for the economy as a whole," reports Anett Gregorius, initiator and organiser of the SO!APART.*

*"As surprising as the result of the participant survey was right at the beginning of our conference, it shows: The players in the segment look clearly into the future and are noticeably less hit than the hotel industry." This was a distinct tenor of the 8th SO!APART, which due to corona took place for the first time digitally in a Munich studio on 9 and 10 December 2020.*

*The segment is currently in its greatest growth phase, growing by around 43 per cent to approximately 50,000 units by the end of 2022 alone, and investors continue to show confidence in the segment. So where do we really stand? In which consolidation and which new competition with which new strategies?*

*In line with the 2020 motto "Mixed thinking is the new mixed-use", these questions were discussed by top-class experts from the entire*

*temporary housing, the financial and legal world, the transport and business travel industry, the hotel industry and, of course, the serviced apartment segment about paths and scenarios in the segment, the consequences of "travelling differently" and numerous legal and real estate topics. The next SO!APART will take place as an in-person event in Leipzig on 10 and 11 November 2021.*

**BERLIN, 11 December 2020.** "The bed with a kitchenette is sexier than the bed with a restaurant and bar," noted hotel journalist Maria Puetz-Willems, Editor-in-chief of HospitalityInside.com, while taking part in the kick-off "heavyweight round". There seem to be only "grey veil clouds" over the segment in 2020, she said, while there are "gloomy clouds" in the hotel industry. Together with Karl-Heinz Pawlizki from Dorint Hospitality & Innovation, she had reported on the dramatic situation of the hotel industry. This was confirmed by Christian Strieder from STR. Although a clear recovery was recorded for the leisure hotels in summer, not for the overall hotel market. The serviced apartment segment is performing more resiliently: "The average occupancy rate is 60.3 per cent in October, mainly due to the high number of long-stay bookings, although at the same time the ADR (Average Daily Rate) dropped to 70 Euros (2019: 89 Euros)," explained Anett Gregorius.

Frankfurt is currently the big loser with only 30 per cent occupancy. "Overall, however, the segment is looking at a market growth of 43 per cent by the end of 2022 with approximately 35,000 units in currently 666 operations." The pressure from the market is not only increasing

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because of this, clear ambitions from the neighbouring segments are there. "If only 5 per cent of the hotels were to grow with extended-stay products in the future, we would experience a doubling of the total capacities," speculates organiser and owner of ApartmentService. Another risk is the high dependence on the business travel segment. However, Christoph Carnier, President of the Business Travel Association VDR, sums up: "We want to travel again, but there will be a new quality to travel." The prospect of appointments being bundled together in the future and trips becoming longer is a positive outlook for the segment. Many operators have already tested new sales and marketing channels for new target groups in 2020. Ralf Krause of Adapt Apartments, for example, has been able to gain over 11,000 room nights with completely new business guests, such as from authorities or the German armed forces, just for his Berlin location since September 2020. He achieved this result through a video marketing campaign about the serviced apartment concept and by providing security and home offices, he reported in the panel "Flex strategies". At Limehome, the consistent digital strategy was even more effective in order to switch more flexibly between short and long stay. "The concept of serviced apartments makes them a flexible product per se," emphasised Limehome founder Dr. Josef Vollmayr with regard to the opportunities and USPs of the segment. This was followed by the unbridled dynamism of this year's "New Kids on the Block": KPM Hotel & Residences, Suite. 030, The Base and Locke. Despite the ongoing pandemic, the latter two plan to celebrate their market entry in Germany in 2021.

Another key topic was the panel "Financing and investing", which was moderated by Olaf Steinhage, Chairman of the Hotel Real Estate Committee at ZIA (Zentraler Immobilien Ausschuss). Alexander Lackner of CR Investment Management sees an approaching consolidation in the serviced apartment segment, but continues to focus on the product, however, currently only wants to concentrate on A-cities or A-locations in B-cities.

Henrik von Bothmer from Union Investment also emphasised that one continues to trust in the product and does not have to follow every flag because it is somewhat less risky. The unanimous tenor, however, was the clear mandate to the industry to work on the investment capability of the product. At another investment panel, a study by Savills, Adina Hotels and Union Investment also showed that although the transaction volume in the market has currently dropped significantly, confidence remains. Price reductions are expected. Tim Düysen from Living Hotels underlined in the opening round how overdue the latter is and how this also creates growth opportunities. Matthias Niemeyer from Adina Hotels said elsewhere that the topic of taking over existing properties will gain relevance.

### **We are all neighbours**

On the second day, British trend researcher Oona Horx Strathern spoke about the "future after corona" and made it clear that the future cannot be like the past, it is important to concentrate on the positive. The topics of connectivity, community, localhood and resonance are becoming increasingly important, and we are all currently on a voyage of

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discovery. Connected to this is the need to create new forms of living in hospitality. It is also about a different way of working in more flexible places, in the 'Hoffice' or 'Boffice', for example, as she says, i.e. in the hotel home office or at the bar office.

Managing Director Germany Jan Hoepper from Quarters and the Director Business Development Benjamin Roeber-Rathay from International Campus reported on how the neighbouring segments performed in 2020 and want to gain more ground in the commercial sector.

Afterwards, Marc P. Werner and Sabrina Handke from Hogan Lovells International LLP generated lively interest on the topic of "The impact of corona on serviced apartment operating contracts". They reported on the trend towards new pandemic clauses in contracts and at the same time emphasised that the brand has become much more important as a "value-creating factor".

The high-calibre conclusion of the SO!APART 2020 was a discussion panel moderated by Philipp S. Ingenillem from Online Birds on the aspects of digitalisation and contactlessness – in 2020 the segment had drawn particular attention with both topics. Experts such as Benjamin Oeckl from BelForm, Alexander Haussmann from CODE2ORDER and Philip von Ditfurth from Apaleo reported on concrete case studies for the implementation of complete digital guest journeys. Especially young operators such as Stayery and Schlafwerk use open systems, with the help of which they can also develop their own apps.



"As successful as the digital edition was, it cannot replace the personal exchange between participants that also makes the SO!APART so important for many," says Anett Gregorius. That's why the next SO!APART will take place again in Leipzig at Felix im Lebendigen Haus on 10/11 November 2021. It will be dedicated to the 20th anniversary of Apartmentservice and a look at the success and future of the segment.

The SO!APART 2020 was supported by Union Investment as a Partner Exclusive. Other partners included Adina Hotels, Gira, Haefele, Limehome, Locke, Online Birds, SMARTments business, Staycity Aparthotels and Stay Kooook. "After this challenging year 2020, I am impressed and grateful how much these companies believe in our segment and promote and drive further development in the segment. I look forward to seeing everyone again in Leipzig in 2021," says Anett Gregorius.

#### **About Apartmentservice**

Expert, pioneer, mastermind, consultant and booking platform - the 360° view of the special segment serviced apartments: Apartmentservice has been a fixed industry player since 2001, advising investors, project developers and operators on new developments, preparing feasibility studies and publishing the "Serviced Apartments Market Report" once a year. On the portal of the same name, apartmentservice.de, Apartmentservice presents more than 120 destinations in Germany and the world as the first booking platform for serviced apartments. Founder and Owner of Apartmentservice, Anett Gregorius, is an industry expert and ambassador for the megatrend of temporary living and is present at numerous top-class events as a speaker and moderator.

Apartmentservice itself has created the most important industry meeting in the German-speaking apartment world in 2013 with SO!APART: an annual



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Consultant + Agent for Serviced Apartments

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conference with top-class experts and industry insiders on topics relating to the operation of specialist real estate as well as market developments, trends and prospects, and its own industry price, the SO!APART-Awards.

Photos:

<https://www.dropbox.com/sh/n1dkm71uwwhpb9y/AABZ243OV3lBuZFkPNzwV2zga?dl=0>

Caption: Impressions of the SO!APART 2020.

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