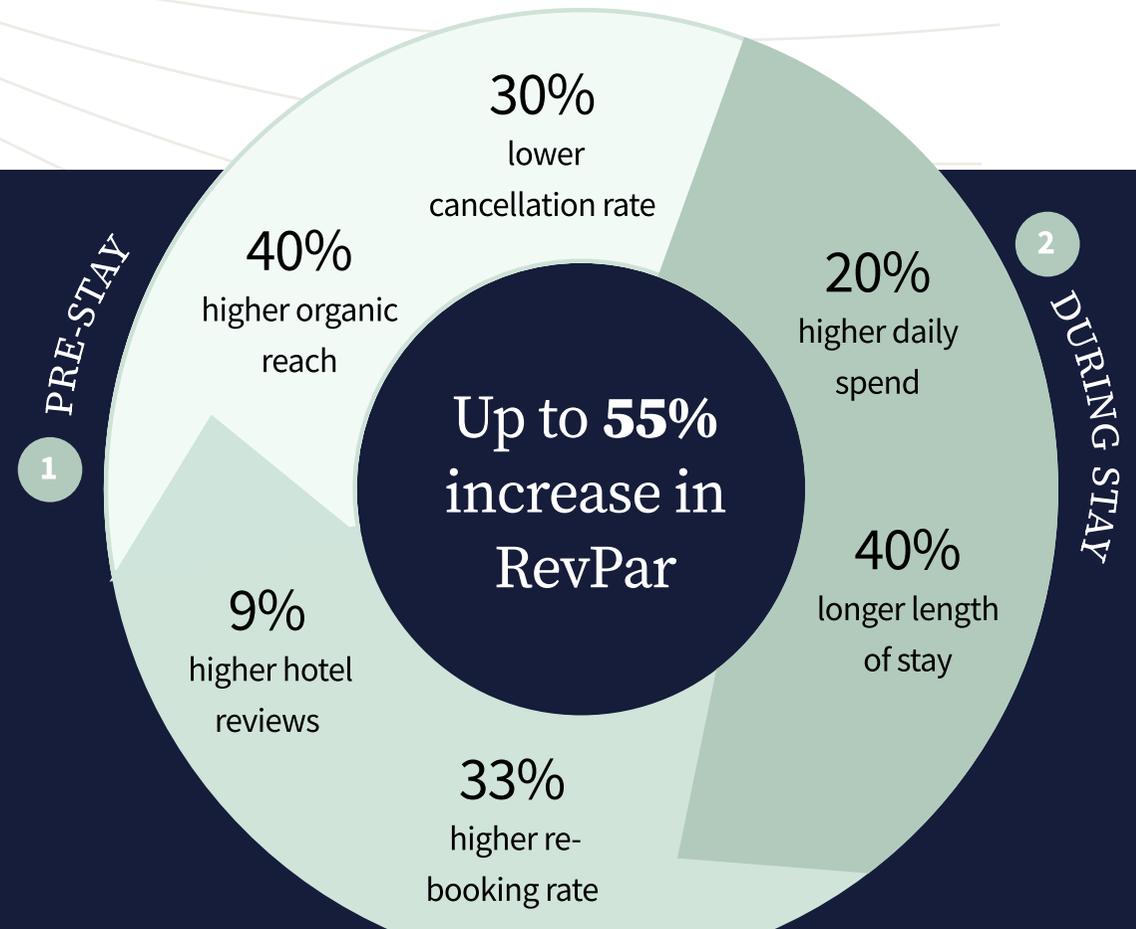
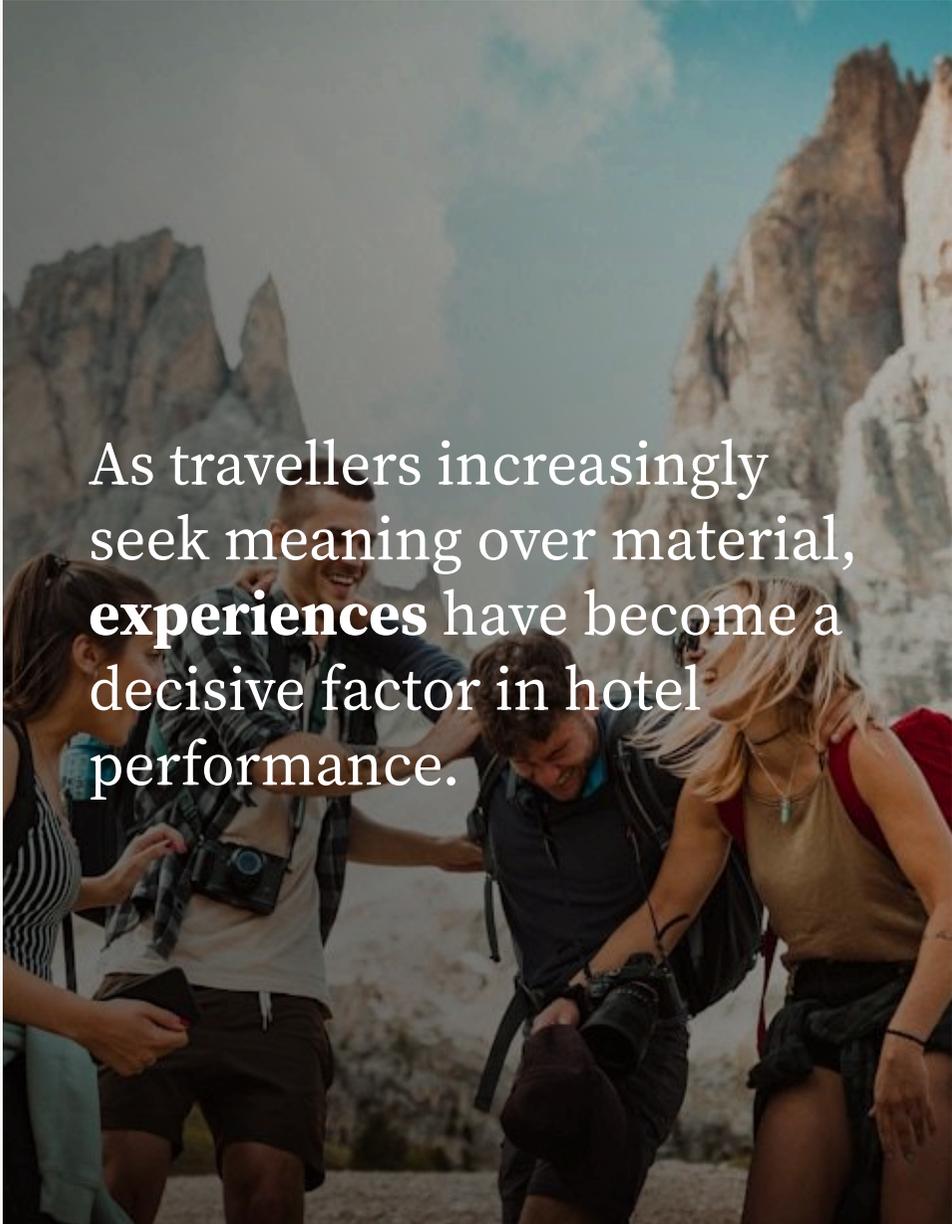


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The Experience Index

How in-destination experiences drive a 55% boost in hotel RevPAR





As travellers increasingly seek meaning over material, **experiences** have become a decisive factor in hotel performance.

Once considered ancillary to core room sales, in-destination experiences are rapidly becoming central to how travellers choose where to go and where to stay. In a recent global survey, 98% of travellers identified experiences as a key factor in selecting a destination. This trend signals a fundamental shift in priorities. As Tony Capuano, CEO of Marriott, once noted: *“Travel is about creating memories, not just finding a place to stay. People are looking for experiences that resonate with them on a personal level.”*

This shift is also being reflected in consumer spending. In 2019, around a third of the trip budget was devoted to experiences. Today, that figure already stands at 46%, and by 2027, it is expected that **more than 50% of the trip budget will be spent on experiences**. In response, executive leaders across the hospitality industry are rapidly shifting their strategies from selling rooms to selling experiences.

Brands that are ahead of the game are already reaping the rewards. Few illustrate this better than Four Seasons, where experiences aren't just an offering—they're central to the brand's identity. *“Luxury consumers are increasingly seeking meaningful, authentic experiences,”* explains CEO Alejandro Reynal. *“They align themselves with brands that reflect their values.”* This experiential focus translates into tangible business results: Four Seasons' RevPAR is almost 10 times higher than the industry average.



While leading luxury brands are setting the pace, many in the industry are still asking a key question: **do experiences actually drive revenue, or are they just a trendy cherry on top?**

The Experience Index: A Data-Driven Evaluation of the World's Leading Hotel Brands

Analysis sample

 **€131B**
Annual Revenue

 **136.6K**
Total Properties

 **12.2M**
Available Rooms

To help resolve the long-standing debate, Turneo developed a structured framework to quantify how much emphasis hotels are placing on selling experiences—the Experience Index. Our analysis reviewed **122 hotel groups**, encompassing **12.2 million rooms** and generating over **€131 billion in revenue**. The dataset includes global giants such as Marriott, Hilton, and Accor, as well as regionally focused players like Budget Suites of America, Arp-Hansen Hotel Group, and Isrotel.

Using publicly available data, we calculated RevPAR by dividing annual revenue by the number of available rooms. To maintain comparability, we excluded statistical outliers such as MGM Resorts and Four Seasons, which had disproportionately high RevPAR compared to the rest of the sample.

The average annual RevPAR across the sample was **€18,076**, with the range spanning from **€500** to **€109,839**.



Five criteria behind the Experience Index

Experiential Language & Storytelling

We looked at how prominently experiences feature in the brand's messaging. Are they buried in a subpage or woven into the core narrative? Brands scored higher if they used immersive, story-driven language and dedicated meaningful space to experiences on their websites.

Range & Uniqueness of Experiences

Not all experience offerings are created equal. We evaluated how broad and distinctive the portfolio is - does it go beyond city tours and spa treatments? Higher scores went to hotels offering thoughtfully curated, original experiences that reflect the destination and brand personality.

Integration with Local Culture & Community

We assessed whether experiences are connected to local culture in a genuine and visible way. This includes partnerships with local artisans or guides, as well as experiences that highlight heritage, nature, or traditions not available elsewhere.

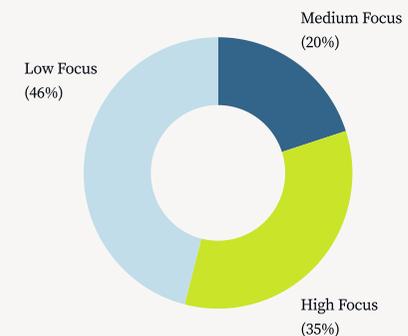
Personalisation & Flexibility

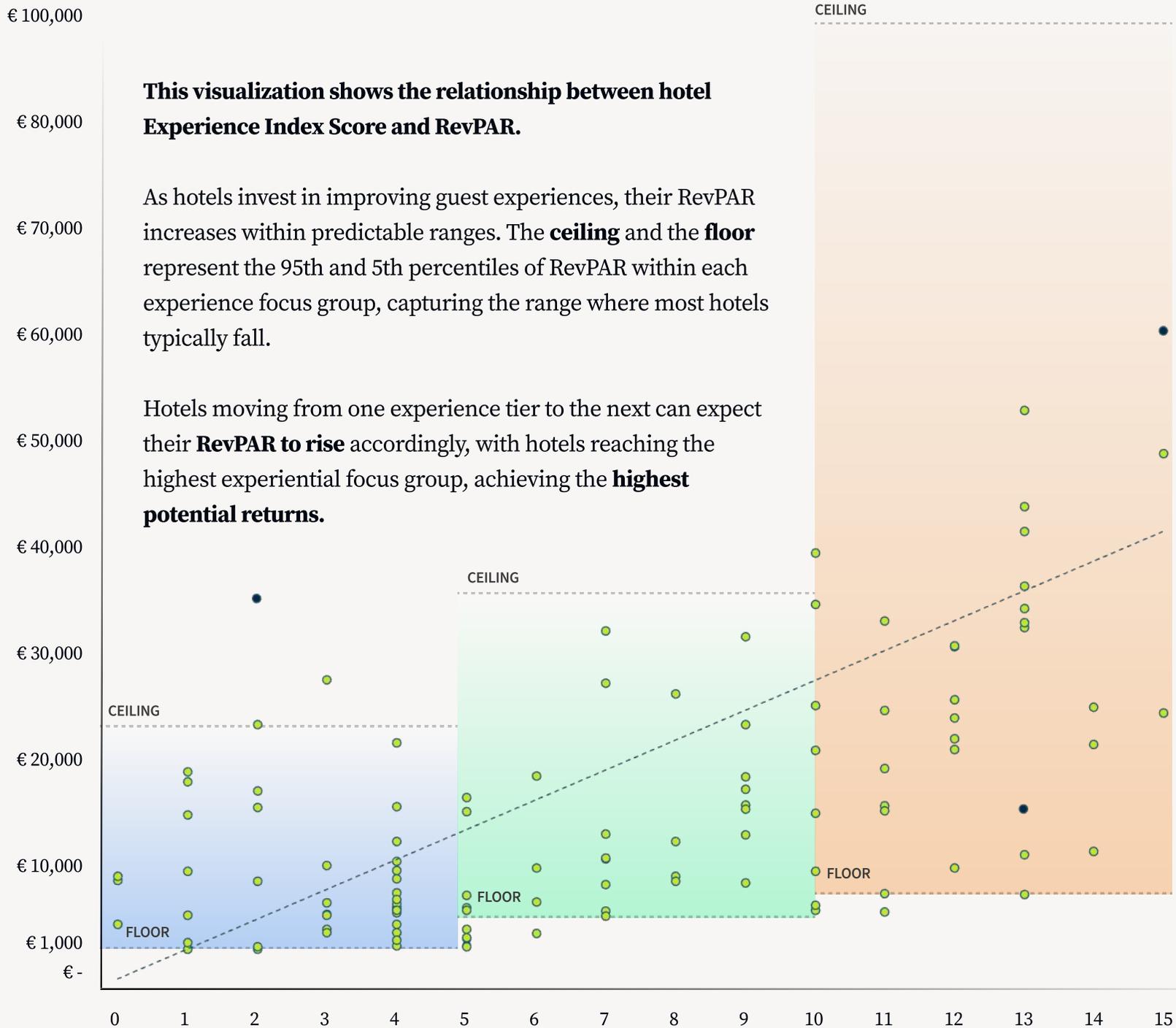
Guests increasingly expect experiences tailored to their interests. We examined how hotels facilitate this—whether through tech-enabled personalisation, concierge-curated itineraries, or dynamic booking tools that adapt to guest preferences.

Marketing Emphasis & Brand Positioning

Finally, we evaluated how central experiences are to the overall brand identity. Are they integrated into the brand's promise and campaign messaging? Hotels that position themselves as gateways to the destination, rather than places to sleep, scored highest.

Each brand received a composite score (0–15), and we classified them into low, medium, or high **experiential focus category**.





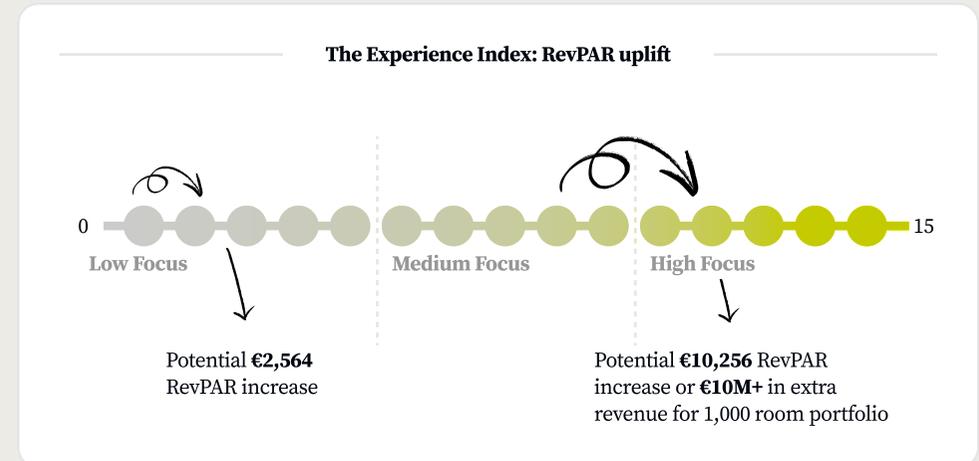
The Correlation Is Clear: Experience Focus Impacts RevPAR



Low Experience Focus	Medium Experience Focus	High Experience Focus	Average
€8,830	€15,670	€32,003	€18,076
RevPAR	RevPAR	RevPAR	RevPAR

The analysis reveals a **statistically significant correlation** between a hotel's focus on experiences and the revenue it generates per room. Simply put, the more a brand invests in offering and promoting meaningful, personalised, and locally rooted experiences, the higher its RevPAR tends to be.

We've found that for every additional point a hotel scores on our 15-point Experience Index, it sees an average increase of **€2,564 in RevPAR** each year. That adds up quickly.



For a 1,000-room hotel group, improving by just one point on the Experience Index could generate an additional **€2.5 million** in annual revenue - simply by enhancing experience offerings and how they're promoted.

To put this into context, imagine two hotel brands: one scores 8 out of 15 on our index, while the other scores 12. That four-point gap translates to a **difference of €10,256 in annual RevPAR**—or more than **€10 million in additional revenue across a 1,000-room portfolio**.

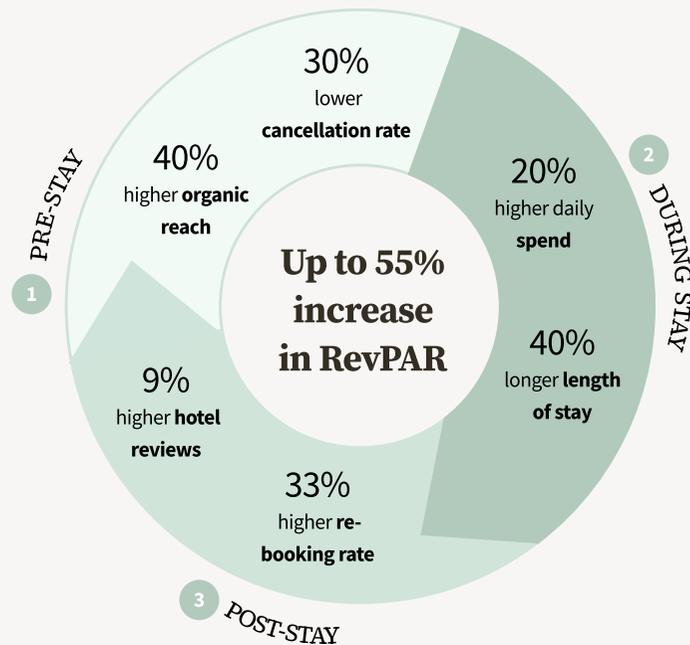
Put another way, each point of improvement on the Experience Index corresponds to approximately a **14% boost in RevPAR** compared to the average. And the best-performing brands aren't just a few points ahead - they're often five to seven points higher, meaning their experiential strategy could be earning them 70–100% more revenue per room than their competitors.

Beyond the Room: The Full-Funnel Economics of Experiences

For many hoteliers, the idea that experiences could significantly impact room revenue might seem surprising - even counterintuitive. After all, experiences are often treated as add-ons, accounting for only a small portion of direct income. However, that perspective overlooks the bigger picture. To understand the true financial impact of an experience-first strategy, you need to follow the full guest journey - from the first touchpoint to long-term loyalty.

The data from this analysis, demonstrates that the effect of experience participation compounds throughout the funnel. For a hotel group with approximately 30% of guests booking experiences—a figure typical of hotels in the “high focus” category - the expected uplift in RevPAR is 55%. Here’s how those gains unfold, step by step:

The Experience Impact Flywheel



Greater Reach and Visibility

Promoting experiences across marketing channels - particularly social media - drives stronger engagement. We’ve seen hotels achieve up to **40% higher organic reach** by shifting their marketing strategy to focus on experiences first. With direct channel typically accounting for 35% of bookings for hotel groups, a 40% increase in direct traffic could deliver a **14% boost in RevPAR** through increased direct bookings.

14%

RevPAR increase

Stronger Booking Intent

Guests who choose a hotel based on its experiences tend to be more committed. They are **30% less likely to cancel** their reservations and **stay 40% longer** on average. Together, these two effects contribute to a **14.3% increase in RevPAR**.

14%

RevPAR increase

Higher On-Property Spend

Once on-site, guests who engage in experiences tend to spend more across the board - on food, beverages, spa treatments, and more. On average, they **spend 20% more** than non-participants, translating into a **6% RevPAR boost** for the hotel.

6%

RevPAR increase

Satisfaction and Loyalty

Perhaps the most overlooked benefit comes after the stay. Guests who form an emotional connection with a hotel through memorable experiences typically leave reviews that are **9% higher** and are significantly more likely to return. These guests rebook at a rate **33% above average**, resulting in an **8% lift in RevPAR** over time due to stronger loyalty and reduced customer acquisition costs.

8%

RevPAR increase

A New Paradigm: From Ancillary to Core

What was once considered ancillary is now essential. **Experiences are no longer mere add-ons. They are catalysts for revenue growth, drivers of loyalty for hotel guests, and a differentiator in a crowded hospitality market.** As industry dynamics evolve, hoteliers who invest in experiential offerings can increase guest satisfaction, drive more direct bookings, and achieve higher RevPAR.

To support this transformation, we are inviting hoteliers to get in touch for a custom *Experience Index Assessment* and use our *RevPAR Impact Calculator* to assess the potential upside of focusing on experiences for their hotel.

Get in touch →

The future of hotel success will not just be built on beds, but on the **memories made between check-in and check-out.**

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About Turneo

Sell experiences directly on your hotel website. Turneo is the all-in-one digital platform for hotel chains to manage and monetise in-destination activities. Designed to meet the standards of leading hospitality brands, Turneo helps you offer curated, bookable experiences with ease—seamlessly integrated into your guest journey and hotel operations.

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