

Will the recession change the UK hotel industry?

London 17th March 2009: Specialist market research company BDRC (www.bdrc.co.uk) has just published the latest issue of its renowned British Hotel Business Guest Survey. The latest edition reveals how the economic crisis will affect the UK hotel market and what impact key factors such as the decline of the long stay leisure market and the rise of value brands are likely to have in the long-term.

The decline of the long stay leisure market

The research shows that the long stay leisure market (those who have made a five + night stay in the past 12 months) continues to decline, a trend first identified in 2004. At 11 million, the number of long stay leisure room nights booked in 2008 was half that of 2006. Whilst the short break market (one to four nights stays) has experienced rapid growth in the past two years, increasing from 30 million room nights in 2006 to 37 million in 2008, its rise has not offset losses in the long stay market.



As Tim Sander, Director and author of the report says “In 2007 a key reason for the decline in long stay volume was definitely the poor summer, a problem we faced yet again in 2008. With the start of the credit crunch it seems that

long stay holidays were also replaced with shorter breaks - a key cause for renewed interest in the latter.”

The rise of value brands – budget for business

There has been a steep increase in the number of business travellers using budget hotel brands – and this trend correlates exactly to the start of the economic downturn in 2008. Budget hotel brands have made significant investments into their portfolios to close the gap in standards with the mid-market brands. The three top most improved business brands for advertising awareness are all budget brands - Premier Inn, Travelodge and Holiday Inn Express.

Sander says “Budget brands will not escape the current downturn unscathed as the recent Premier Inn figures have demonstrated. However, the market indicates that they will take less of a beating than their more upmarket counterparts.”

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Note to editors:

The BDRC Hotel Guest Surveys were first launched in 1982 in Britain and are now conducted annually amongst more than 12,000 hotel business guests in the bespoke regions. The surveys focus on hotel brand awareness, usage, preference, and image perception. They also examine the hotel selection and reservation process, hotel & travel internet websites and other marketing issues. The BDRC Hotel Guest Surveys are conducted in almost 40 markets: Britain, Ireland, Germany, France, Italy, Spain, Netherlands, Belgium, Sweden, Norway, Denmark, Finland, Saudi Arabia, UAE, Egypt, Jordan, Kuwait, Oman, Bahrain, Lebanon, Qatar, South Africa, Brazil, Mexico, Argentina, Chile, China, India, Hong Kong, Japan, Singapore, Malaysia, Thailand, Australia, United States, Canada, Russia, Poland and Turkey.

About Tim Sander

Tim Sander is Research Director in the Hotels and Hospitality Team at BDRC and editing author of the global suite of BDRC Hotel Guest Surveys. Tim has worked in hotel industry research for over 10 years and holds a first class degree in Hospitality Management.

About BDRC

Founded in 1991, Business Development Research Consultants is a leading full service market research agency. Working primarily for service organisations, the company specialises in hotels, finance, travel and tourism and mobile telephony. The acquisition of Continental Research at the beginning of 2008 added media and advertising, public sector and technology research expertise to the portfolio of market sectors covered. Headquartered in London BDRC works internationally and has representation in South Africa and Asia. For more information, please visit www.bdrc.co.uk.