



## WILL THE RETURN TO WORK TRANSLATE INTO A RETURN TO PRE-PANDEMIC LEVELS OF BUSINESS TRAVEL?

HOTEL DEMAND REPORT - AUGUST 2021

[SUBSCRIBE TO OUR HOTEL RECOVERY DATA REPORT](#) [CLICK HERE »](#)

As August and the very successful UK staycation period comes to an end, traditionally we would now see the return of business activity during September after its summer hiatus. There is a big focus and expectation on this market this year given now is the first real window for meaningful business travel since the controls were dropped in July. Coupled with potential for increased international travel we are all acutely aware of the importance of sustained growth in the hotel sector from these markets as we plan towards what will be a challenging winter.

As a follow up to our [last report in July](#) we summarise current market demand and trends using [SiteMinder's World Hotel Index tool](#) with a continued focus on the main UK cities:

- UK comparison compared to a broad global trajectory, Germany & France, both with similar sized economy & population and a larger international economy in the United States.
- UK City focus update, continued growth to bookings momentum despite the holiday season.
- International travel gains with evidence of a “balancing up”.

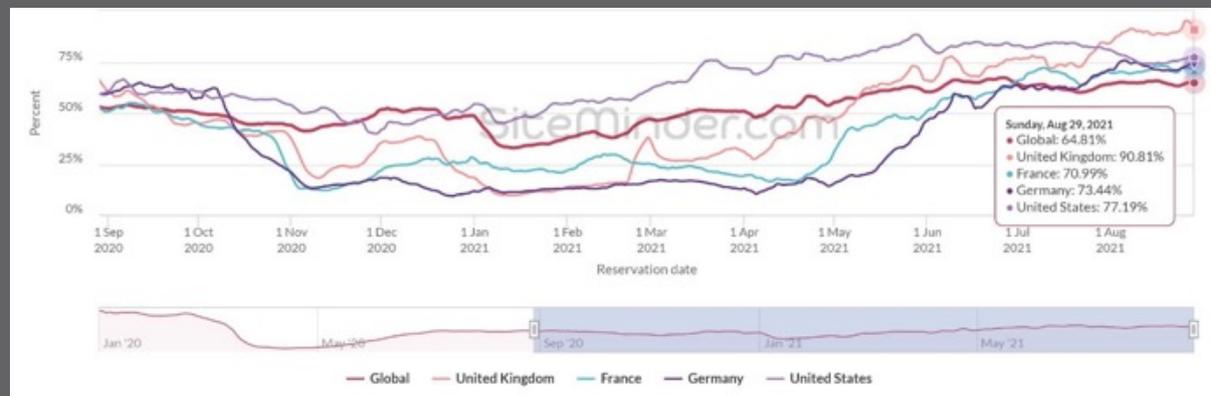
As always, all current booking trends are compared to 2019 actuals given this is where we aspire to get back to, as we are all too aware 2020 was severely damaged by legal restrictions.

CONT.



## UK COMPARED TO THE REST OF THE WORLD

**Booking Momentum** - table below compares daily bookings made as a % of 2019, looking at the UK against the Global consolidated figure and the daily pace in Germany, France & the US.



**Observations:** overall momentum in the UK remains consistent, compared with both similar sized and larger economies.

The headline figure of daily rooms booking pace remains positive with the UK now 25% ahead of the Global trend, approaching 20% ahead of Germany & France and 13% better than the US. With leisure destinations coming towards a slowing of peak season and expected emphasis shifting to business travel we look at what has driven this growth above 90% of pre-pandemic levels and how it might be sustained.

## UK CITIES FOCUS, CONSISTENT GROWTH PATTERNS CRYSTALLISE

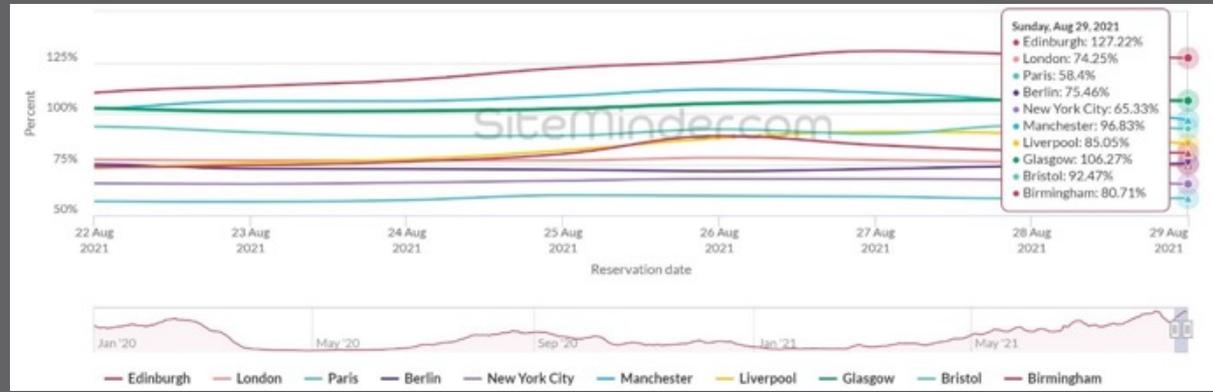
In our **last report on the 27th July** there was a clear disparity between regions and their cities on page 3, with London particularly lagging behind. Whilst business reliant centres remain behind those with a strong contribution from leisure markets the gap has closed. Additionally, when we look abroad at other major cities the UK wide performance is positive growing back much faster in comparison. The table below shows that all UK cities we have recently analysed are ahead of their international contemporaries, for example listed here Paris, Berlin and New York City.

There is further good news in the Global data supporting more balance to international travellers **in this report** from Mike Ford, Founder and Managing Director at SiteMinder. Whilst we can't get into the politics and complexities behind border controls this general trend demonstrates that the demand is there, as we work through autumn this market segment is critical to much of the UK if we want to move away from domestic overreliance and sustained growth into the winter.

CONT.



**Booking Momentum by city** - table below compares daily bookings made as a % of year prior, comparing momentum in the last week across a section of different UK & international destinations.



**Observations:** despite the holidays there have been some notable growth spikes in the last month – Manchester now over 95% of 2019 (was 77% end July), Liverpool 85% (70%) and London 74% (58%)

Individual properties will know how this translates into their forecasts for the autumn, however further confidence should be factored as people return to the office not only after the summer break but also as business behaviour slowly reverts. In short, we all remain confident of domestic and international business travel continuing to grow back into and beyond Q4 so rate plans and distribution should reflect this shift.

The data used paints a very broad-brush picture, particularly as it only uses daily rooms sold as a macro indicator and does not include rate or therefore revenue analysis. That said it does demonstrate a very positive overview which we are seeing across locations at property level despite the challenges – if you or a client has a hotel business Assured Hotels are well placed to give a 3rd party sense check of rate & distribution strategies to ensure all opportunities are maximised as the sector recovers, particularly in relation to profit forecasts as Government support is removed.



**Mathew Griffin**  
Managing Director

**M** 07850 240824  
**E** mgriffin@assuredhotels.co.uk

**HUBSPOT MEETING**  
BOOK A SLOT HERE »

**SUPPORTING STAKEHOLDERS - MEET WITH US ON A NO OBLIGATION BASIS**

Please do not hesitate to contact us to discuss finance reporting & forecasting, procurement, sales and revenue management, funding, and Government support.

Email Mathew, or call **0203 205 7239**.

**LEARN MORE ABOUT ASSURED HOTELS SERVICES** [CLICK HERE »](#)