

## London hotels look forward to a rosy 2011, says HVS

London is looking forward to two of its best trading years ever in 2011 and 2012 as the world's attention focuses on the capital at the end of April for the royal wedding, and next summer for the London Olympic Games.

‘These two opportunities represent a marketing dream,’ said hotel consultant Russell Kett, managing director of HVS London. ‘It’s a fantastic opportunity for London and the rest of the UK, and one which will inevitably boost both room rates and occupancy in hotels, not just during the events themselves but with a longer term spin-off potential too.’

Many of London’s hotels are already fully booked in the days surrounding the Royal Wedding, particularly those properties that line the route to Westminster Abbey. Hotels are now able to charge full room rates and are insisting on minimum stays during this period.

Hotels in other major UK cities such as Edinburgh and Manchester as well as those in the London suburbs will also benefit from increased bookings as demand exceeds capacity in the capital.

This year London sees an unprecedented number of new openings and refurbishments in the luxury hotel market including the new 137-room Waldorf-Astoria London in Syon Park, the revamped Four Seasons Park Lane, the new Corinthia London and 45 Park Lane. Estimates suggest that over £1bn-worth of luxury hotel rooms will open in London over the next two years.

‘Far from creating an over-supply, these openings are long overdue. London has been under-bedded in terms of hotels for many years,’ added Kett.

‘Bookings in London’s hotels have shown remarkable resilience over the past 18 months, there is real confidence for the future and the number of new hotels is merely correcting a long-term under-supply. As confidence continues to rise, so will hotel values although it could get to the point that London becomes too expensive for some investors who could instead be tempted to look at regional cities.

‘Business travel is also picking up – the signs are that corporate travel budgets have increased for 2011. As business bookings improve, we would then expect the meetings and conferences sector to pick up as well.’

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### About HVS

HVS is the world's leading consulting and services organisation focused on the hotel, restaurant, shared ownership, gaming and leisure industries. Established in 1980, the company performs more than 2,000 assignments a year for virtually every major industry participant. Through a worldwide network of 30 offices staffed by 300 industry professionals, HVS provides an unparalleled range of complementary services for the hospitality industry. For further information regarding about our services, please visit [www.hvs.com](http://www.hvs.com).