

SCOTLAND MANAGES TO SURVIVE THE UK HOTEL CRISIS



Despite a massive slump in hotel occupancy and room rates all over the UK, Scotland has managed to keep its head above water.

Spending on hotels as well as luxury goods have been dropping for the past years thanks to the economic downturn. Business trips have changed tone as many luxury hotel visits have been transformed to suit the 'in and out' mentality as business travelers have stopped sleeping over so much at their destinations. Similarly, **leisure travelers have been avoiding the luxury of hotels and have started to make their trips shorter.** This trend resulted in empty hotels and dropping room rates.

The total industry was down by 2.3% for the past 5 years in the UK, with England, in particular London, being hit by a figure of 2.7%. These results are slightly misleading, as they do not take dropping room rates into account, yet they prove the suffering of hotel owners, including the large hotel chains. Despite this, Scotland suffered a drop of a mere 0.2%, as revealed in a survey of 549 hotels, with a capacity of 92,000 rooms. This result provides a stark contrast to the figures for England.

The strong performance of Scotland in the hotel sphere has been attributed to the success of its capital. Edinburgh airport has proven to be a great success and the dividends have been reaped in most surrounding areas. Indeed, despite a number of recent difficulties often linked to the weather, the Scottish hotel industry remains very much afloat.

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