

# BUSINESS PEOPLE CUTTING HOTEL STAYS



Business people are still travelling despite the financial crisis. However, they tend to stay in cheaper hotels and cut their business trips short, says the annual hotel survey by HRG.

Some suggest that the rising popularity of video conferencing and virtual conferencing has led to **business people** not travelling too much on business. Although there is an element of truth behind this suggestion, recent figures show that business people are travelling due to work just as much as before, with the exception of the fact that they tend to stay in hotels for less time and are also tending to be less extravagant in the spending area. The world economic crisis, naturally, has a lot to do with the attempted saving yet it is not as drastic as some would believe.

The actual number of nights stayed in hotels on a world scale for business people dropped notably from a yearly **1.9 to 1.5 nights** in 2008 according to the latest survey by Hogg Robinson Group. This has been blamed on the fact that business people now prefer to take shorter trips in order to save time. Let's not forget that taking of shorter trips has been made possible by the extra availability of flights and people are now able to return home in a much shorter time.

HRG's annual hotel survey also makes a list of the most expensive cities with respect to the hotel room price. Once more Moscow is on the top as the priciest city for sleeping. The **average hotel room rate** has recently risen by around 22% to L300. London, another city known for expensive sleeping rates, has a steady growth rate of 3%, whereas the popular city of Dubai has experienced a 2% reduction thanks to an increase in capacity. Many cities have been forced to reduce their room rates in order to entice business people in to staying for a longer period. Other bonuses such as free Internet access and conference services have also been designed with the intention of getting longer stays.

Top 10 most expensive cities worldwide, listing the average room rate (in sterling) in 2008 followed by the increase, or decrease, over 2007:

MOSCOW: L303.35 (22%)

NEW YORK CITY: L222.97 (15%)

PARIS: L200.16 (16%)

MUMBAI: L196.38 (21%)

ABU DHABI: L191.47 (36%)

MILAN: L190.72 (15%)

GENEVA: L183.24 (26%)

DUBAI: L182.94 (-2%)

STOCKHOLM: L178.64 (11%)

ZURICH: L178.23 (19%)

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