

# HOTEL PRICES EXPECTED TO RISE SIGNIFICANTLY WORLDWIDE



Travel and hotel stays will become more expensive worldwide over the next two years. This is one of the conclusions of the seventh annual Global Business Travel Forecast, released by CWT and the Global Business Travel Association (GBTA). The report sees rising demand, capacity constraints and travelers' sustainability demand, as well as higher labor and energy costs, as the main reasons for rising prices, including the hotel prices.

The upturn in business travel is in full swing, says Michelle McKinney Frymire, CEO of CWT. This comes after a 31% drop in airfares for business travel, for example. **Experts expect airfares to rise 3.3% in 2022 and 3.4% in 2023, according to the report.**

The increase in global hotel prices is expected to be even stronger, with a price increase of 13% in 2022 and a further 10% in 2023. Nevertheless, it will still take some time in many markets before the 2019 level is reached again.

CWT Meetings & Events expects the majority of immediate meeting bookings to be small and regional in nature. Virtual and hybrid meetings played a critical role in 2021. **The size of live meetings decreased in 2021 from an average of 42 attendees per meeting in 2019 and 2020 to an average of 24 attendees.**

Many companies currently appear to be opting for smaller regional meetings rather than events that involve travel. However, as restrictions are lifted and pent-up demand leads to more people traveling to meetings, this is expected to change in 2022, the report said. Demand for meetings and events, it predicts, will increase 53% in the first half of 2022 compared to 2021.

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