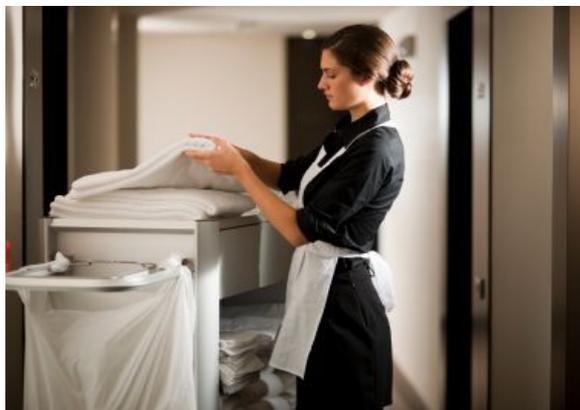


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“A surge in demand from the inbound segment should see the UK hotel market enjoy steady growth over the next five years. However, the shift to mobile bookings is likely to concurrently see a growth in the share of bookings through intermediary channels. Metrics such as price, guest reviews and star ratings will increasingly drive consumer decision making, and the influence of brand may take a backseat.”  
 – Harry Segal, Technology & Travel Analyst

### This report looks at the following areas:

- What are the opportunities and challenges presented by the growth of mobile?
- How can hotel operators react to a decreasing number of touch points?

The total number of bed nights stayed in UK hotels by both domestic and inbound tourists increased 2.9% in 2013 and Mintel expects the market to grow a further 0.9% in 2014. However, a strong performance from the inbound segment has been depressed by falling demand from domestic tourists, particularly from the domestic corporate travel segment. Market supply is generally positive, as growth from new hotel rooms increased significantly in 2014 and the rate of room reductions through closures has fallen. However, continued lacklustre demand from the domestic segment means operators face the potential of overcapacity in 2015. Operators will also have to contend with the challenge of a shift towards mobile booking and research channels, decreasing brand loyalty, and an increasing level of disconnect with guests fuelled by the growth in popularity of accommodation booking and metasearch sites.

This report examines UK hotel stays taken by both domestic and foreign tourists; and forecasts how the market will perform over the next five years. It explores the challenges and opportunities that brands operating in the hotel market will face in 2014/15, investigates the core drivers behind changes in the market and highlights some key innovations. The report also examines hotel research and booking behaviours, influencers on hotel choices, consumer attitudes towards hotels and consumer perceptions of selected hotel brands. This subject was last explored in Mintel's Hotels, UK - October 2013.

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