

Current Hotel Demand

- Estimated occupancy and achieved room rate figures for the city's hotel and guest accommodation sector are summarised in the tables below.

Brighton & Hove Hotel and Guest Accommodation¹ Occupancy 2004-2006

Standard	Average Annual Room Occupancy %		
	2004	2005	2006 ²
Hotels			
4/5 Star ³	68	69	70
3 Star	69	70	71
Brighton & Hove 3/4 Star ³	68	69	70
Provincial UK 3/4 Star Chain Hotels ⁴	71	70	72 ⁶
4 Star Boutique	77	79	77
Budget	n/a	n/a	77
Guest Accommodation			
4 Diamond/Star	63	61	63
2/3 Diamond/ Star	n/a	n/a	64 ⁷

Brighton & Hove Hotel and Guest Accommodation¹ Achieved Room Rates 2004-2006

Standard	Average Annual Achieved Room Rate £		
	2004	2005	2006 ²
Hotels			
4 Star ^{3/4}	72.25	73.18	76.60
3 Star	52.89	56.00	56.07
Brighton & Hove 3/4 Star ⁴	63.23	65.19	67.11
Provincial UK 3/4 Star Chain Hotels ⁵	63.72	66.95	69.75 ⁶
4 Star Boutique	97.58	104.97	106.89
Budget	n/a	n/a	n/a
Guest Accommodation			
4 Diamond/Star	n/a	n/a	59.35 ⁷
2/3 Diamond/ Star	n/a	n/a	n/a

Notes:

- Sample of participating establishments give at Appendix 1
- Based on projected figures provided by hotel managers
- Excluding boutique hotels
- The De Vere Grand has not been included in the sample for the achieved room rate calculations. As a 5 star hotel it achieves room rates that are considerably above those of 4 star hotels in the city. The inclusion of its figures in a 4/5 star achieved room rate figure would give a distorted picture of 4 star hotel performance in the city
- Source: TRI Hotstats UK Chain Hotels Market Review
- Year to date as at September 2006
- Small sample – view result with caution

- 3/4/5 star hotel occupancies in Brighton & Hove are broadly on a par with the national average for provincial UK 3/4 star chain hotels. Achieved room rates for 3/4 star hotels in the city are slightly below the national average, however. As a 5 star hotel the De Vere Grand achieves much higher room rates than the city's 4 star hotels.
- The newly opened boutique hotels in the city have rapidly established themselves in the marketplace and are already achieving high occupancies and room rates.
- Budget hotel occupancies are higher than those achieved by the city's 3 and 4 star hotels, but lower than those achieved by budget hotels in other cities in the South East, such as Portsmouth and Southampton.
- Occupancies achieved by guest accommodation establishments are generally lower than those achieved by hotels and vary significantly between establishments. Boutique guest accommodation establishments generally achieve higher occupancies (in line with those achieved by 3 and 4 star hotels) and can achieve room rates above those of some of the city's 4 star hotels.
- Hotel and guest accommodation occupancies and achieved room rates have been broadly static in the city over the last 3 years. Occupancies are understood to have declined significantly since 2000 as a result of the loss of aircrew business from Gatwick (for some 4 star hotels) following 9/11 and the loss of major conferences from the Brighton Centre.
- Weekend demand is very strong in Brighton & Hove, with all hotels and guest accommodation establishments consistently filling and turning away significant levels of business on Friday and Saturday nights for most of the year. Weekend breaks are the main source of weekend business for 3, 4 and 5 star hotels, boutique hotels and 4 diamond/star guest accommodation establishments. Brighton & Hove has a particular niche in the gay and lesbian leisure break market. Budget hotels, 2/3 diamond guest accommodation establishments and some 3 star hotels cater primarily for stag and hen parties and clubbers at the weekend.

- Weekday occupancies are much lower, particularly for guest accommodation establishments. Hotels and guest accommodation establishments rarely deny business during the week other than when major conferences are being held in the city, or during the peak summer months.
- Midweek demand for most 3 and 4 star hotels is a fairly even mix of business from the corporate, city conference, residential conference, leisure break and group tour markets. Residential conferences are the key weekday market for the De Vere Grand, Hilton Brighton Metropole and the city's larger boutique hotels. Midweek breaks are the key weekday market for the city's smaller boutique hotels and 4 diamond/star guest accommodation establishments. Group tours are an important midweek market for three 3 star hotels, with one of them catering primarily for this market during the week. Contractors working on construction projects in the city are the primary weekday market for 2/3 diamond guest accommodation establishments and a key midweek market for budget hotels.
- The corporate market is relatively weak in Brighton & Hove, with few major companies in the city that generate significant demand for hotel accommodation.
- Conferences held at the Brighton Centre currently generate business for the city's hotels and guest accommodation establishments for only 4-6 weeks per year. Establishments located closest to the Brighton Centre benefit the most (as delegates usually want to stay as close as possible to the Centre). Large conferences held at the De Vere Grand and Hilton Brighton Metropole also generate overspill business for nearby hotels and guest accommodation establishments for around a further 4-6 weeks.
- The most significant change in the Brighton hotel and guest accommodation market has been the decline in Brighton Centre conference and exhibition business. Many hotels and guest accommodation establishments have however been able to build new business from other markets, in particular the leisure break and residential conference markets, to offset the loss of city conference business to at least some extent. Midweek leisure break business is usually on discounted rates. A number of hotels and guesthouses have successfully built this business through Internet marketing.

- Most hotels and guest accommodation establishments are optimistic about their prospects for 2007 and 2008 due to the projected recovery in the city conference market as a result of VisitBrighton's increased efforts to market the city to the associations meetings market.