

WINCHESTER

Current Hotel Demand

3/4 Star Hotels

Average annual room occupancies are estimated as follows for Winchester 3 and 4 star hotels in 2003 and 2004:

Winchester 3/4 Star Hotels – Occupancy 2003-2004

	Average Annual Room Occupancy %	Range of Occupancies %
2003	75.7	70-77
2004	74.7	65-77

Source: Hampshire Hotel Trends Survey 2003-2004

Occupancies vary between Winchester 3 and 4 star hotels. Some hotels are achieving occupancies well above the national average. Two are achieving below average occupancies, however. Achieved room rates also vary. Most hotels achieved average annual room rates in excess of £70 in 2004. One hotel achieved a much lower average room rate, however.

Winchester 3/4 star hotels achieve high weekday occupancies (typically 80-90%), with hotels generally full on Tuesday and Wednesday nights. Saturday occupancies are strong during the summer (90-100%), but weaker during the winter (65-75%). Fridays are generally weaker than Saturdays, but reasonably strong in the summer (up to 70%). Sunday occupancies are very low.

The market mix for Winchester 3/4 star hotels is most typically 60-70% business, 30-40% leisure. Residential conferences are a secondary midweek market, accounting for 5-15% of business demand. Key leisure markets are weddings and leisure breaks. Group tours are a minor leisure market for most hotels.

Winchester hotels occasionally deny business midweek. Weekend denials are more common, particularly on summer Saturdays.

Budget Hotels

The budget hotels in the Winchester area achieve comparatively low occupancies (65%) due to their location on motorway/ roadside service areas. Weekday occupancies are strong between May and September, with the area's budget hotels frequently filling midweek during the summer months. Weekend occupancies are lower.

Hotel Development Opportunities

Hotel development opportunities in Winchester are identified as follows:

- Potential for **a budget or upper-tier budget hotel in the city centre**
- Scope for **further boutique hotels**
- **The expansion and upgrading of existing 3/4 star hotels**

The potential for a budget or upper-tier budget hotel in the city centre is based on the fact that Winchester is poorly served by budget hotels currently. A new 140-bedroom Days Inn is due to open at Winchester in Winter 2006/07.

The Winchester hotel market does not appear to be strong enough to support a new branded 3 or 4 star hotel at present, but might support further boutique hotels and the expansion and upgrading of existing 3/4 star hotels.