

UK is Building 17% of Europe's New Hotels



The European tourism industry is only slowly recovering from the devastating impact of COVID-19, with international tourist arrivals reaching half the pre-pandemic levels in 2022. Nevertheless, new investments are on the rise, most of which are in the United Kingdom.

According to data presented by Trading Platforms, the United Kingdom is building 17% of new hotels in 2022, making it the largest market for hotel construction in Europe.

New Hotels to Help Regain Tourists

The COVID-19 crisis has hit the UK hotel industry hard, with devastating effects on jobs and businesses. Statista and Lodging Econometrics data shows that the country is expected to see \$17.1bn in hotel revenues this year, nearly 80% more than in 2021 but still 10% less than before the pandemic. The number of hotel users is still 15% lower than three years ago, with 28.4 million in 2022, down

from 33.6 million in 2019.

And while the country struggles to recover revenue and user figures to pre-pandemic levels, new hotel investments have turned the UK into a leader of Europe's hotel construction race.

Statistics show the UK has a larger market share than Germany. The world's third largest tourism industry, behind the United States and China, is building 15% of new hotels in Europe in 2022. France ranked as the third-largest hotel construction market with a 9% share. Portugal and Poland round the top five list with 7% and 5% share, respectively.

Accor and Hilton Leading Hotel Construction in Europe

The Statista and Lodging Econometrics data also recovered that only four hotel chains are building half of Europe's new hotels.

The largest hospitality company in Europe, the French Accor, is behind 16% of Europe's hotel construction. Two American hotel chains, Hilton and Marriott, are each building 12% of new hotels, and Intercontinental Hotels Group follows with a 9% market share. Overall, big chain hotels are adding rooms faster than independent hotels in Europe.

Between 2015 and 2021, the market share of independent hotels in Europe slipped from 63% to 60%. The lost market share was taken up by chain hotels which now enjoy two-fifths of the overall market share. Statistics show independent hotels had around 2.55 million rooms in 2021, while chain hotels numbered 1.72 million.