

# Boost for tourism as London hotel prices fall



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Hotel.com's latest Hotel Price Index (HPI) has shown that hoteliers across the UK - and in London in particular - are continuing to drop the rates for hotel rooms.

London hotel prices were down by 12% to £111 per room on average in the last three months of last year, making it a great time to holiday at home in the capital.

However, the weakness of the pound meant that average prices paid by European and US travellers were down by as much as 24% in London, making the city an even more attractive destination for foreign travellers. Hotels.com saw a 49% increase in the number of searches by Eurozone travellers for [London hotels](#) in December 2008 compared to a year earlier, as travellers sought to take advantage of the struggling pound.

The Hotels.com HPI tracks the real prices paid per hotel room, rather than advertised rates, for 68,000 hotels across 12,500 locations around the world. The latest [Hotel Price Index](#) looked at prices from October to December 2008, compared to the same period the year before.

UK hotel prices were down by an average of 12% at the end of 2008, with hotels in the north-west seeing some of the biggest price drops. Prices in Blackpool fell by 22% to an average of £79 per room per night, and in Manchester by 19% to £73.

On the other hand, Bath was the only city at the top of the price league in which the prices paid for hotel rooms actually rose - by 3% in Q4 2008 to £119. It remained the most expensive city in the UK.

While UK travellers benefitted from significant price falls last year, visitors from Europe and the US enjoyed even bigger savings as the fall in hotel prices was compounded by the weak Sterling.

Cities leading the price falls alongside London (down 24%), were Manchester (down 24%) and Glasgow (down 23%). US travellers paid a similar proportion less for UK hotel rooms in Q4 2008 - average prices paid by travellers from the States to the UK fell by 25% between Q4 2007 and Q4 2008.

David Roche, president of Hotels.com Worldwide, said: "This is the first time in the four years we have published the HPI that we have seen such marked price falls.

"British travellers can enjoy some great savings at home and the UK has never looked so attractive for foreign visitors.

"The silver lining for hoteliers is that the low prices are proving a boost to British tourism."

Patricia Yates, Director of Strategy and Insights at Visit Britain, said: "This report underlines that Britain is a great place to holiday right now, whether you're from overseas or from the UK itself. There are some fantastic deals to be had and you can enjoy all this country has to offer for less than ever before."

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