

London hotels 'coming back fast' despite fewer business travellers

London's recovering hotel sector has still not caught up with pre-Covid levels of demand as [hospitality](#) in the capital faces a dearth of business travellers, says InterContinental's owner [IHG](#).

Revenue per room in London was 10% behind 2019 levels in the first six months of the year, IHG reported, while revenue from the regions was 1% ahead.

IHG chief finance officer Paul Edgecliffe-Johnson said: "We've seen around the world that the markets that recovered first were outside urban markets [but] London is coming back fast.

"There are fewer business travellers now, and that's what's resulting in that discrepancy."

The company reported revenues of \$1.8 billion (£1.5 billion) in the first half 2022, up 52% on the previous year. Profits more than doubled to \$361 million.

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Revenues from the group's budget hotel chains such as Holiday

Inn and Holiday Inn Express recovered faster from the pandemic than more premium brands such as Crown Plaza, Edgecliffe-Johnson said.

The company plans to build almost eight times as many Holiday Inn and Express [hotels](#) as it does Crowne Plazas in the years ahead, signalling a drive to expand its offering of affordable stays as holidaymakers tighten their belts.

Edgecliffe-Johnson was confident the hotel group would be in a good position to withstand an economic downturn, adding it was making supplies at scale to deliver better value for hotel owners.

“What we’ve seen over the last few years is people really want to experience the world – they want to be together with people,” he said.

“There’s a slowdown in people buying big ticket electrical items, but not a slowdown in travel spending.”