



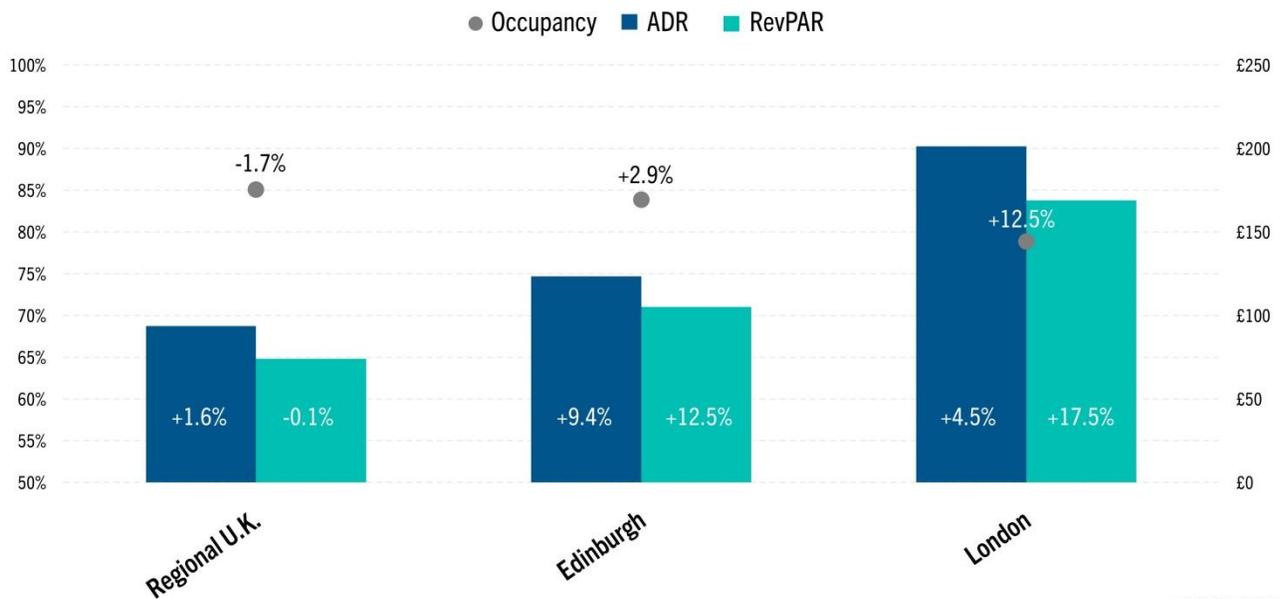
# STR: Edinburgh serviced-apartment sector second only to London

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LONDON—Serviced apartments in Edinburgh, Scotland, hold the second highest revenue per available room (RevPAR) level in the U.K., ranking behind only London, according to data from STR.

## U.K. Serviced Apartment Performance

Occupancy, ADR & RevPAR, August 2017 YTD, GBP



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Through the August 2017 year-to-date time period, Edinburgh serviced apartments substantially outperformed market averages across the Regional U.K. (U.K. excluding London) with a RevPAR level of GBP105.17. Meanwhile, London ranked first at GBP169.05, and Manchester held the third-highest level (GBP78.31) despite a 9.5% decline compared with the first eight months of 2016.

STR analysts note that market supply should be taken into account when comparing London and Edinburgh, as the capital currently accounts for more than half of the available serviced-apartment units in the U.K. (4,409 rooms), whereas Edinburgh accounts for roughly 6% (530 rooms).

According to Sean Morgan, director of research for STR’s Tourism Consumer Insights team, Edinburgh’s serviced apartments have managed to capitalize on some of the same market factors that have benefitted the city’s hotels this year.

“As we’ve seen across the U.K., notably in London and Edinburgh, the pound devaluation following last year’s Brexit vote has resulted in a sharp increase in hotel business,” Morgan said. “It’s very encouraging to see that this uptake in demand has also

benefited the extended-stay sector. Furthermore, Edinburgh's growing reputation as a tourism destination, enhanced again this year by record-breaking attendance at August's festivals, coupled with the continuous strong growth in inbound airport arrivals, paints a positive picture for hospitality operators in Scotland's capital."

Recent figures from VisitBritain showed an 8% increase in arrivals to the U.K. for the January to July period, with a 9% increase in visitor spending.

"Scotland's reputation as a world-class tourism destination has gone from strength to strength," said Graeme White, head of tourism for Scottish Development International (SDI). "Spending by tourists in Scotland generates around GBP12 billion of economic activity in the wider Scottish supply chain and contributes 5% of Scottish GDP. The outlook for the sector is set to improve further with Scotland's cities now seen by major brands as key locations to establish new business, with many operators viewing Scottish hotels as ideal platforms for diversification. Development is particularly strong in Scotland within the serviced-apartment sector, which is becoming a key player within the hospitality industry as a whole."

"The sector is booming across the U.K. as consumers increasingly choose serviced apartments as their accommodation of choice," said James Foice, CEO of the Association of Serviced Apartment Providers (ASAP). "Serviced apartments offer the space, value and flexibility of living like a local for travelers, whether on business or leisure trips, and it's great to report that many of our Edinburgh operators have experienced significant increases in business in line with VisitBritain's recent arrivals figures. The outlook for our sector for 2018 and beyond is hugely positive with such high consumer demand for our serviced-apartment product."

**A note to editors:** As of 1 March 2016, all references to STR data and analysis should cite "STR" as the source. Please refrain from citing "STR, Inc." "Smith Travel Research" or "STR Global" in sourcing as those names no longer fit within the updated STR brand.

#### **About STR**

STR provides clients from multiple market sectors with premium, global data benchmarking, analytics and marketplace insights. Founded in 1985, STR maintains a presence in 15 countries with a corporate North American headquarters in Hendersonville, Tennessee, and an international headquarters in London, England. For more information, please visit [str.com](http://str.com).

#### **About SDI**

Scottish Development International (SDI) works to attract inward investment and knowledge to Scotland to help the economy grow. It also helps Scottish based companies to trade overseas and promotes Scotland as a good place to live, work and do business. It is a partnership between the Scottish Government, Scottish Enterprise and Highlands and Islands Enterprise and its work is guided by the Scottish Government's strategy for economic development in Scotland. To find out more visit us at [www.sdi.co.uk](http://www.sdi.co.uk).

#### **About ASAP**

ASAP (Association of Serviced Apartment Providers) is the not-for-profit trade body dedicated exclusively to the serviced apartment industry. Our 190 members own and operate over 100,000 properties globally. Our membership also includes 15 serviced apartment agencies committed to supporting and growing the sector. [www.theasap.org.uk](http://www.theasap.org.uk).

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