

TRAVEL AND HOSPITALITY

## Rising hotel prices latest sign of global travel boom: report

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Canada welcomed a record-number of travelers in 2018. Image credit: Faimont

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By SARAH RAMIREZ

Political tensions and natural disasters around the globe did not put a damper on travelers' plans, as a new report shows that accommodation prices have reached the highest levels in 15 years.

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According to the Hotel Price Index from Hotels.com, a 3 percent increase in costs for overnight accommodations in 2018 is the latest indicator that the global travel industry remains healthy. Canada, Ireland and Japan saw increased interest from American travelers as well.

"It's not surprising to see hotel prices rise in destinations that grew in popularity, as we saw in some of the 50 most popular international destinations for U.S. travelers," said Jennifer Dohm, head of public relations for The Americas at [Hotels.com](#), Dallas, TX. "For example, Paris was the second most popular international destination for U.S. travelers in 2018, and it also had the second fastest rise in hotel prices."

### Looking at lodging

Globally, a 3 percent jump in hotel prices has pushed rates to the highest point since 2004. Average accommodation rates rose in 33 of the top 50 international travel destinations.

In North America, domestic travelers are fueling tourist growth.



*Istanbul had the highest jump in hotel prices for Americans. Image credit: Four Seasons*

More than 68 percent of Canada's record-breaking 21.13 million international visitors in 2018 hailed from the United States. The last time as many as 14.44 million Americans visited their northern neighbor was 2004.

Toronto was the top Canadian destination for foreigners, followed by Vancouver, Montreal, Niagara Falls and Calgary.

Ireland also welcomed a record number of travelers in 2018, more than 10 million. The average hotel rate in Dublin rose 10 percent, for an average cost of \$207 a night among American visitors.

Japanese cities were the major draw for travelers to the Asian country, which saw 9 percent growth with almost 32 million visitors. Osaka and Kyoto jumped more than 10 spots each on the rankings for top international destinations for Americans and Canadians.

Istanbul also climbed more than 10 places in the rankings, with a 22 percent increase in foreign travelers despite economic issues in Turkey. Istanbul also had the greatest jump in hotel prices for Americans.

After 2017 saw major hurricanes in the Caribbean, the region saw growth for the ninth straight year with an increase of 5 percent in hotel prices.



*Luxury villas in the Caribbean. Image credit: Exceptional Villas*

In the year since Hurricane Maria, not only have existing luxury hotels renovated and redesigned their properties, but other brands with no presence in the Caribbean have begun investing there ([see story](#)).

Notably, Reykjavik saw hotel prices drop to an average of \$478 a night as Iceland's tourism boom continues to slow.

Chinese travelers

In addition to being favored among American travelers, many Chinese tourists are also flocking to Japan and Canada.

Japan has become a popular destination among wealthy Chinese. Asian affluents have long been drawn to Japan because of its strong heritage, a diversity of destinations across the country and the low yen ([see story](#)).

According to a recent report from Resonance Consultancy, intended destinations popular among Chinese travelers looking to embrace nature and adventure include the United States, Canada and New Zealand. Canada saw a 12 percent boost in Chinese tourists in 2017 from 2016, with many traveling during the off-peak season in the winter

([see story](#)).

"Some contributing factors to Canada's rise in tourism include new flight routes added and increased service to Canadian airports and flight capacity," Hotel.com's Ms. Dohm said. "The opening of new visa applications centers in China, which is Canada's third largest source market, also helped to increase international travel."

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