



HOTEL OPPORTUNITIES



**WEST
MIDLANDS**
GROWTH COMPANY
Invest in the West Midlands

WELCOME TO THE WEST MIDLANDS

One of the youngest and most
diverse regions in Europe

32%

of West Midlands residents
are aged under 25

3

city region - comprising
Birmingham - the UK's second city,
Coventry and Wolverhampton.

Population of

4.7M

nearly as large as New Zealand

HS2 will bring London within

38

minutes of the region

Regional economy worth

£118BN

185K

students



90%

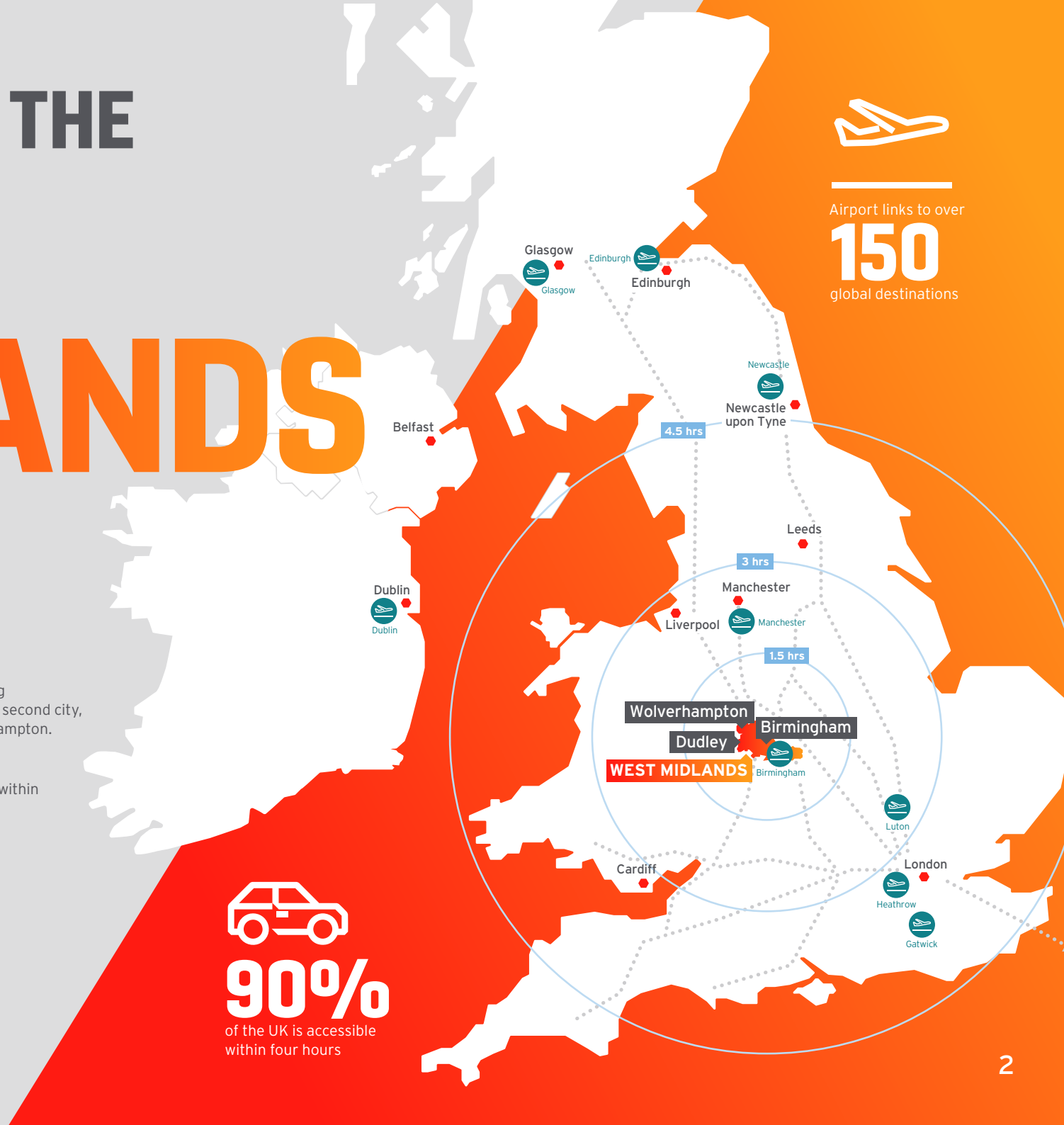
of the UK is accessible
within four hours



Airport links to over

150

global destinations



VISITOR ECONOMY WORTH £14BN

The West Midlands has a rich cultural heritage. Famed pioneers and creators James Watt, Matthew Boulton, William Shakespeare, James Starley, John Cadbury, and J.R.R. Tolkien all hail from the region.

More recently, major television successes like *Peaky Blinders* and *This Town* have shone the spotlight on the West Midlands, bringing a new wave of fascination with the region's industrial past and musical heritage. Last year 141m people visited, an impressive and rapid return to above pre-Covid levels, bolstered by Birmingham's hosting of the 2022 Commonwealth Games and Coventry's recognition as UK's City of Culture 2021. One in seven visits to the West Midlands relates to sports.

Pre-lockdown, the West Midlands attracted a record 2.4 million international visits in 2019, with a spend of over £1 billion. More than two-fifths (41%) of visitor expenditure in 2022 was on the region's shopping offer, followed by food & drink (21%)



10

MICHELIN-STARRED
RESTAURANTS



200

CULTURAL
SPACES



The Heart of Sport in the UK

- 5 teams in the top two flights of English football
- International cricket at Edgbaston
- Clear strategy to bring even more world-class sport to the region: hosting the 2025 Kabaddi World Cup and 2026 European Athletics Championships
- A bid has been launched to host the 2027 Invictus Games in Birmingham

WORLD-CLASS EVENT
FACILITIES WITH THE UK'S
LARGEST EVENT SPACE



8.3M

CONFERENCING
VISITORS A YEAR



BIRMINGHAM

**THE YOUNGEST CITY
IN EUROPE, A VIBRANT
AND DIVERSE PLACE
HOME TO 1.3M PEOPLE**

It is full of world-renowned cultural and sporting assets, from its Symphony Orchestra and Repertory Theatre to the Ashes-hosting Edgbaston Stadium and the Premier League's Villa Park, attracting visitors from across the globe.

Located in the heart of England with 90% of the UK within 4 hours drive, Birmingham has a strong grip on the UK conferencing market with a number of leading venues, including the UK's largest conference (ICC) and exhibition (NEC) venues. The city is also the largest financial and professional services cluster outside London and is home to HSBC UK HQ and major bases for likes of PwC, Goldman Sachs, Lloyds Bank and host of top-tier law firms.

The very strong corporate market drives significant peaks in demand and pulls up room rates across upscale and the more saturated, economy market. Non-corporate demand is less stable and there is fluctuation in occupancy in non-peak times. However, the city is quickly catching up on its competitors' ability to attract overnight visitors. It has rapidly become the biggest Built to Rent hub outside London, reflecting the market's confidence in its cultural offer and nighttime economy, and a number of flagship schemes such as Paradise and Smithfield are transforming the city centre landscape with new commercial and leisure space.



**BIRMINGHAM'S HOTEL
MARKET IS ROBUST,
WITH AN ADR OF**

£84.50

OWN THE LUXURY MARKET IN THE UK'S SECOND CITY

23

UPSCALE HOTELS

0

LUXURY HOTELS

Birmingham presents a rare opportunity to the market to bring forward the City's first luxury hotel development. The City is seeking investors interested in the conversion of an iconic building in a prime location.

It is expected that the rate ceiling in Birmingham for a luxury hotel would be around £150 ADR, similar to Manchester which has four luxury hotels operating.

Birmingham has a very strong corporate and MICE market, supported by the proximity of the International Convention Centre to the city centre core and its large, high value financial and professional services sector. This market would be a core focus for a new, luxury development.

A number of other key drivers support the luxury market, including Birmingham's 5 Michelin star restaurants, major events venues & international sport.



UPSCALE
ADR:

£118

UPSCALE
OCCUPANCY:

70%

The area shown below, occupies a leading location within the city: within walking distance of mainline rail stations, conference and exhibition facilities, full of historic buildings and crucially, containing no hotels at upscale or luxury level.



WOLVERHAMPTON

UNTAPPED DEMAND IN A CITY ON THE RISE

Wolverhampton is changing rapidly, with a new transport interchange and state-of-the-art commercial quarter already complete.

The recently reopened Halls event venue is thriving and is expected to bring c.300k visitors a year to the city; just a small part of an improved cultural offer that will serve the city's rising student population and new residents of the 6,500 homes in the pipeline. The University of Wolverhampton also has a strategy to significantly grow their International student numbers.

The existing hotel supply is underserving the city, with only 649 branded keys open and a pipeline of just 63 more. There are no hotels within the City's inner ring road, and no conferencing offer.

Average demand in the City is for 975 keys and steady, with demand reaching over 1300 during the summer months. Whilst these figures already demonstrate the business case for further hotel developments, they are also taken from a very small and undeveloped market which is currently losing business to Birmingham 12 miles away, where upscale ADR is £118.

Wolverhampton poses a fantastic opportunity to new entrants, both across the clear demand for further economy provision and the chance to drive the local upscale market. The local council is looking to bring forward a site in close proximity to the mainline rail station with its fast connections to Birmingham, Manchester and London, and the nearby Premier League football stadium.



EXISTING MARKET:

ADR:

£72

OCCUPANCY:

80%



DUDLEY

**AN ESTABLISHED
MARKET SEEKING
NEW ENTRANTS**

Dudley is home to a number of major tourist attractions, including the Black Country Living Museum, an award winning open air museum telling the story of Dudley's rich heritage as the home of the industrial revolution, as well as Dudley Castle and Zoo, together welcoming around 650,000 visitors a year.

ADR:

£70

OCCUPANCY:

79%

The town centre, providing walking access to all tourist attractions, only provides 342 rooms (largely unbranded and/or budget), with borough-wide demand reaching nearly 1300 in the peak summer months.

A brand new Metro service will open in 2024, opening up direct connections to Birmingham and Wolverhampton. This major investment in transport infrastructure is set to enable development across Dudley and provide a substantial boost to its already successful visitor economy.

**DUDLEY IS LOOKING
TO BRING FORWARD A
CONVERSION OPPORTUNITY
TO EXPAND THE TOWN'S
PROVISION, CAPTURING
MORE OF THE SUCCESSFUL
TOURISM MARKET.**



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