


[Login](#) [Join](#)


[Deloitte Site Selector](#)

[Search](#)



[Deloitte Global](#) | [Contact Us](#) | [Site Map](#)

[About HotelBenchmark™](#) | [Services](#) | [Members Area](#) | [Resources](#) | [Press Room](#) | [Careers](#) | [Advanced Search](#)



You are here: [Home](#) > [Press Room](#) > [Press Releases](#) >

Press Room

Latest News Releases

- > [2007](#)
- [2006](#)
- [2005](#)
- [2004](#)
- [2003](#)
- [2002](#)

[RSS News Feed](#)

Double-digit growth continues for the Middle East hotel industry

Published: 08/08/2007

Half year results from the HotelBenchmark™ Survey by Deloitte show the Middle East hotel market continuing to enjoy double-digit growth for the fourth consecutive year – with revPAR increasing 13.7%.

During the first six months of 2007 revPAR increased US\$17 fuelled by improvements in average room rates. At US\$108 the Middle East continues to boast the highest revPAR of any region - above Asia Pacific and Europe at US\$97 and US\$100 respectively.

Behind the figures, markets across the region have their own stories to tell and perform in very unique ways. There is a huge disparity in revPAR; with Dubai topping the scales at US\$255 compared to Luxor at US\$24 – a staggering US\$231 difference.

Muscat has seen the strongest growth of any market in the Middle East so far this year with revPAR up 54.8% to US\$164. This has been driven predominately by an impressive 44.2% increase in average room rates. Hoteliers continue to benefit from the closure of four key hotels for extensive refurbishment due to scheduled upgrades. Also the cyclone which hit the city in June caused significant infrastructure damage and forced many residents into temporary hotel accommodation.

Riyadh took second place with revPAR increases of 40.3% over the period to reach US\$170. Again performance was largely due to growth in average room rates which topped US\$200 – among the highest in the region.

Another market enjoying a good year is Damascus. Bucking the trend of the region, the capital of Syria, has pushed occupancy up 20.7% to 59% - resulting in a 31.8% improvement in revPAR. At US\$57 this is still relatively low compared to other markets but confirms that Syria's strategy to promote its unique historical legacy is paying off.

Hoteliers in Egypt have at last started to see performance bounce back with all markets reporting double-digit revPAR growth during the first half of the year. The country struggled in 2006 following the bombings the prior year. So far this year, it has been the Red Sea Resorts that have seen the strongest growth with revPAR increases of over 30%. These have been driven mainly by occupancy which is now sitting at just below 70%.

Average room rates in Egypt do however remain among the lowest in the region making the country a very competitive holiday destination. Egypt is extending its future appeal by diversifying its tourism offering and attracting more tourists looking for city breaks, medical and wellness tourism.

Beirut and Doha were the only markets to report revPAR declines so far this year. Unsurprisingly, following the tensions between Israel and Hezbollah in 2006, Beirut has seen occupancy levels plummet to the lowest levels in the region at 32.9%. Beirut's revPAR is consequently one of the lowest at US\$39.

Doha has also seen revPAR fall by 3.6% following its excellent performance in 2006 when the city hosted the Asian Games. Hoteliers have also suffered at the hands of new supply following the partial opening of the Ritz Carlton Sharq Village and Spa and the Movenpick Tower and Suites Doha. In addition, the Ramada Doha has increased its room count by over 120 rooms. Despite the city still boasts the second highest revPAR in the region, after Dubai.

Lorna Clarke, Executive Director of HotelBenchmark™ comments: "As expected hotel performance across the Middle East has slowed slightly compared to last year but this is still in double-digit territory. The level of investment in the region continues to astound. In the first quarter of 2007 alone, US\$2 billion is reported to have been pumped into the hotel sector. Given the continued investment, strong economic performance, and the media attention the region commands – it's not hard to see why the Middle East has the highest revPAR in the world".

Rob O'Hanlon, Tourism, Hospitality and Leisure Partner, Deloitte Middle



[Print this page](#)

[Email to a Colleague](#)

[Contact Us](#)

[RSS feed](#)
[What is RSS?](#)

East added: "The hotel industry continues to benefit from increased airline capacity, events and new attractions. Infrastructure developments and effective marketing campaigns are also all helping to raise the profile of region worldwide. So with this in mind, we expect hotels across the region to continue to reap the rewards."

Performance of selected markets in the Middle East year-to-June 2007

	Occupancy	Average room rate	RevPAR	RevPAR
	(%)	(US\$)	(US\$)	Change (%)
Middle East	70.2	154	108	13.7
Muscat	76.3	216	164	54.8
Riyadh	80.4	212	170	40.3
Abu Dhabi	78.5	221	174	33.3
Damascus	59.0	97	57	31.8
Red-Sea Resorts	68.9	67	46	30.2
Cairo	75.7	95	72	18.4
Sharm El-Sheikh	72.9	58	42	18.1
Dubai	86.1	296	255	16.4
Hurghada	74.4	43	32	16.4
Alexandria	76.2	61	46	13.6
Luxor	63.7	38	24	13.4
Doha	76.9	232	179	-3.6
Beirut	32.9	119	39	-53.6

Source: HotelBenchmark™ Survey by Deloitte

Note: All analysis in US\$.

Contact: Tina Wanstall
HotelBenchmark
+44 (0) 20 7007 0981
Email: twanstall@deloitte.co.uk

The **HotelBenchmark™ Survey by Deloitte** contains the largest independent source of hotel performance data in the world and tracks the performance of over 7,200 hotels and 1.3 million rooms every month. Monthly surveys are produced on the following areas:

- Four regional rate and occupancy surveys covering Asia-Pacific, Europe, Central & South America and the Middle East & Africa.
- Twelve country/sub region rate and occupancy surveys for Australia, Benelux, China, Germany, India, Italy, New Zealand, Nordic Countries, Qatar, Southern Africa, Spain and UK.
- Two city rate and occupancy surveys for London and Paris.
- Monthly profitability surveys on Germany and London.
- On an annual basis we produce profitability surveys tracking performance across all regions of the world.
- Daily HotelBenchmark™ tracks rate and occupancy everyday for a number of markets across the Asia, Europe and the Middle East.

About Deloitte



In this press release references to Deloitte are references to Deloitte & Touche LLP which is among the country's leading professional services firms, providing audit, tax, consulting and corporate finance services. Deloitte & Touche LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu (?DTT?), a Swiss Verein whose member firms are separate and independent legal entities. Neither DTT nor any of its member firms has any liability for each other's omissions. Services are provided by member firms or their subsidiaries and not by DTT. Deloitte & Touche LLP is authorised and regulated by the Financial Services Authority. The information contained in this press release is correct at the time of going to press. For further information, visit our website at www.deloitte.co.uk.

Security | Legal | Privacy

Audit. Tax. Consulting. Corporate Finance.

©2007 Deloitte & Touche LLP. All rights reserved.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, its member firms, and their respective subsidiaries and affiliates. As a Swiss Verein (association), neither Deloitte Touche Tohmatsu nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names ? Deloitte?, ?Deloitte & Touche?, ?Deloitte Touche Tohmatsu?, or other related names. Services are provided by the member firms or their subsidiaries or affiliates and not by the Deloitte Touche Tohmatsu Verein.

 RSS feed |  Sitemap



SUBSCRIBE NOW
 Print Edition ►
 Digital Edition ►
 FREE Newsletters ►
 Website ►

search

exact and or go

HOME

Features

Editorial Archives
 Design Trends -
 sponsored by Cintas
 Investment Outlook
 Performance Data
 Big Deals
 HOTELS' Giants
 Hot Openings
 Product Source Guide
 Events Calendar
 Global Hoteliers Club
 Construction Reports
 and Directories
 Jobs (new window)
 Service Strategies
 Podcasts
 Blogs
 RSS

[Back to Document List](#)



Subscribe

Print Edition
 Digital Edition
 Daily E-newsletter
 Website

CONSUMER

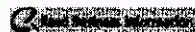
Subscription Services
 Website Help Desk
 Editorial Team
 Electronic Media
 Business/Sales
 Reprint Services
 Driving Directions

ABOUT HOTELS

HOTELS Magazine
 Investment Outlook
 Reed Business
 Information

FOR ADVERTISERS

Media Kit/Editorial
 Calendar
 BPA Circulation
 Online Advertising
 Specs
 Direct Marketing Data
 Card
 About DM2



Copyright 2007 Pertubuhan Berita Nasional Malaysia
 All Rights Reserved

Malaysia Economic News

August 13, 2007 Monday

557 words

MIDDLE EAST HOTEL SECTOR CONTINUES TO ENJOY DOUBLE-DIGIT GROWTH

DUBAI Aug 13

Half-year results from the Hotel Benchmark Survey by Deloitte show the Middle East hotel market continuing to enjoy double-digit growth for the fourth consecutive year, with revenue per available room (revPAR) rising 13.7 percent.

During the first six months of 2007, revPAR increased US\$17 (US\$1=RM3.47), fuelled by improvements in average room rates, said Deloitte, a leading professional services firm, in its recent survey.

At US\$108 the Middle East continues to boast the highest revPAR of any region, above Asia Pacific and Europe at US\$97 and US\$100 respectively, the firm said.

The Hotel Benchmark Survey contains the largest independent source of hotel performance data in the world and tracks the performance of over 7,200 hotels and 1.3 million rooms every month.

Dubai tops the scale at US\$255 while Muscat saw the strongest growth of any market in the Middle East so far this year with revPAR up 54.8 percent to US\$164, driven predominately by an impressive 44.2 percent increase in average room rates.

Riyadh also did well with revPAR increases of 40.3 percent over the period to reach US\$170, largely due to growth in average room rates which topped US\$200, among the highest in the region.

Another market enjoying a good year is Damascus, the capital of Syria, which had its occupancy rate up 20.7 percent to 59 percent, resulting in a 31.8 percent improvement in revPAR.

At US\$57 this is still relatively low compared to other markets but confirms that Syria's strategy to promote its unique historical legacy is paying off.

Hoteliers in Egypt have at last started to see performance bounced back with all markets reporting double-digit revPAR growth during the first half of the year with the Red Sea Resorts seeing the strongest growth with revPAR increases of over 30 percent so far this year.

Beirut and Doha were the only markets to report revPAR declines so far this year.

Following the tensions between Israel and Hezbollah in 2006, Beirut has seen occupancy levels plummeted to the lowest levels in the region at 32.9 percent, with its revPAR also the lowest at US\$39.

Doha saw revPAR falling by 3.6 percent following its excellent performance in 2006 when the city hosted the Asian Games.

Hoteliers have also suffered at the hands of new supply after the partial opening of the Ritz Carlton Sharq Village and Spa and the Movenpick Tower and Suites Doha.

Lorna Clarke, executive director of Hotel Benchmark, said that as expected, hotel performance across the Middle East has slowed slightly compared to last year but this was still in double-digit territory.

"The level of investment in the region continues. In the first quarter of 2007 alone, US\$2 billion is reported to have been pumped into the hotel sector," Clarke said.

"Given the continued investment, strong economic performance, and the media attention the region commands, it's not hard to see why the Middle East has the highest revPAR in the world," she said.

Rob O'Hanlon, tourism, hospitality and leisure partner, Deloitte Middle East, added that the hotel industry continued to benefit from increased airline capacity, events and new attractions.

"Infrastructure developments and effective marketing campaigns are also all helping to raise the profile of region worldwide. So with this in mind, we expect hotels across the region to continue to reap the rewards," he said.

August 14, 2007

