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Arabian Hotel Investment Conference to unveil global hospitality research trends impacting the Middle East

New data will be presented from companies including PwC, STR, GRMC Advisory Consulting and Berwin Leighton Paisner LLP

Dubai, UAE. 19 April 2017 – Ahead of next week’s [Arabian Hotel Investment Conference 2017](#) (AHIC), being held at Madinat Jumeirah in Dubai from April 25 to 27, its speakers have unveiled insights into the global trends and market sentiment that are currently making an impact on the hospitality industry across the Middle East.

Chairman of Bench Events and Co-founder of AHIC, Jonathan Worsley, said: “AHIC is the premium networking and knowledge platform for the hospitality investment community in the Middle East and beyond. As such, we are committed to providing our delegates with the very latest market intelligence and are thrilled to be unveiling new reports at AHIC 2017, including *Global Megatrends* from PwC and the *AHIC BLP Market Sentiment Survey Review* in partnership with Berwin Leighton Paisner LLP (BLP).”

On 26 April, PwC Middle East’s Partner and Deals Real Estate Leader Dr. Martin Berlin, will present, for the first time, the new PwC Report *Global Megatrends and their impact on Hospitality in the Middle East*. Later that day, Berlin will take part in the AHIC Research Den in a session entitled: *Delving Into The Five Global Mega Trends and How They Relate to Middle East Hospitality*.

Ahead of the conference, Dr. Martin Berlin said: “We are delighted to take part in AHIC for the fourth year around. The Middle East finds itself at the epicentre of the several megatrends that are shaping our world today. These in turn have a direct impact on the region's hospitality industry.

“A polarising demand shift in generations, advancement of emerging technologies, increasing connectivity and awareness in urbanisation and tourism, as well as a changing climate and the evident impact of digitisation in today's world will shape the future of hospitality and tourism. Stay tuned for our report on global megatrends and their impact on the Middle East's travel and tourism industry, which we look forward to launch at this year's AHIC,” said Berlin.

Later the same day, Robin Rossmann, Managing Director, STR will present an exclusive data report on Performance and Pipeline for the three-four star segment at AHIC 2017, in a preview to one of the most anticipated sessions: The Investment Climate Warms Up to the Mid-Market. Rossmann will be joined on stage by representatives from operators including Emaar Hospitality Group, Louvre Hotels Group, Shaza Hotels and The Rezidor Hotel Group along with owners from Action Hotels and Ghina Real Estate Company to discuss the potential of this important segment.

“The Middle East has been the fastest growing region in the hospitality industry over the last decade in terms of supply,” said Robin Rossmann. “With 153,460 rooms across 540 projects currently under contract, the region is set to add 49% on top of its current existing supply. As far as markets, Dubai leads the way with over 42,000 rooms in the pipeline, followed by Makkah with almost 30,000. While this represents significant expansion for Dubai, demand has also continued to grow. We're projecting some declines for the market's occupancy levels over the next few years, as supply is expected to outpace demand. While Dubai continues to bring in substantial leisure business, which has helped offset much of the supply growth to date, it will become increasingly challenging for the market to continue maintaining this balance as it continues to expand.”

The dynamic market of Dubai will take centre-stage as AHIC presents its first *Dubai Tourist Profiling Report*, researched and written by GRMC Advisory Consulting, on April 27 in a not-to-be-missed session on Dubai and the Next Five Years 2017-2022.

Presented by Gurdish Bassi, Economist, GRMC Advisory Consulting, this report will provide a unique insight into Dubai tourist spend patterns, activities and motives – and analyse how the tourist profile will evolve by 2021.

In a sneak preview of the *Dubai Tourist Profiling Report*, GRMC Advisory Consulting forecasts a “conspicuous change” in the distribution of tourists coming to Dubai.

Gurdish Bassi explained: “Multiple primary research campaigns with hotel guests across Dubai revealed that 34% of Asian visitors were first-time overseas travellers – this statistic increases to 62% when only two-star and three-star hotels are considered. As affluence levels in tier two and three cities of Asian economies rise, an increasing number of first-time overseas travellers will seek Dubai as the first choice of destination, as it offers a comprehensive mix of activities, and is strategically located.”

He added: “As more Asians (increasingly from second and third-tier cities) replace Westerners, spending will witness growth levels lower than growth in number of visitors.

“Dubai is on track to reach the target of 20 million tourists (hotel / hotel apartment and staying with friends / family combined) by 2020 – this implies a 7% annualised growth rate up to 2020. However, the expenditure by these tourists will only grow by 4.5% because of the underlying change in visitor profile,” predicted Bassi.

In an analysis of the sentiment of AHIC delegates themselves, Scott Antel, Partner, Berwin Leighton Paisner LLP (BLP) will present the findings of the second annual *AHIC BLP Market Sentiment Survey Review*. Looking at 2016 vs 2017, the survey will analyse the shifts in market mood and forecasts.

Ahead of his presentation in The Research Den on April 26, Antel revealed that 72% of respondents predicted there will be “some growth” in MENA RevPAR in 2017 – an improvement in sentiment from 2016, where most respondents predicted “no growth” or a “decline in growth”.

Antel quoted one respondent, who said: “People have gotten used to these obstacles (low energy prices, sanctions, geopolitical uncertainty) as the “new norm” and have adapted and are getting on with it.”

However, Antel said one area that still caused major concern was that of the OTA model. According to the *AHIC BLP Market Sentiment Survey Review*, 90% of respondents feel operators should bear more of the costs of recapturing guests back to their own direct booking platforms.

Antel commented: “The very real dilution of the brands’ distribution systems with the rise of the OTAs has not been reflected in the cost charged by the operator for marketing and distribution. If anything it has increased as operators try and lure back (through discounts, upgrades, frequent guest programmes) the customers they lost but on the owners’ dime. This sentiment is clearly reflected in the survey results,” asserted Antel.

“Suggestions from respondents for redressing this perceived imbalance included decreasing the central marketing charges of operators or waiving those charges on guest revenues attributable to bookings not made directly through the operators own website,” Antel added.

To find out more from PwC’s *Global Megatrends and their impact on Hospitality in the Middle East*; GRMC Advisory Consulting’s *Dubai Tourist Profiling Report*; *The AHIC BLP Market Sentiment Survey Review*; and STR’s latest performance and pipeline data, [register now](#) for the Arabian Hotel Investment Conference 2017.

The full programme for AHIC 2017 is available [here](#).

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Notes to Editors

About Bench Events

Global event organiser Bench Events has a long track record of delivering multiple premium hotel investment conferences and forums across Europe, the Middle East, Africa, Asia and Latin America.

Market leading annual conferences include the Arabian Hotel Investment Conference (AHIC) in Dubai, now in its 13th year, the Africa Hotel Investment Forum (AHIF) the new Asia Hotel and Tourism Investment Conference (AHTIC), The Summit in London and the Latin American Hotel & Tourism Investment Conferences (SAHIC).

Bench Events' extensive portfolio also includes the Global Restaurant Investment Forum (GRIF) in Dubai and AviaDev, designed to promote the future air connectivity in Africa.

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