hospitality events
for curious minds

196+ roundtable

196+ roundtable israel+

israel

tel aviv-jaffa (21.03.2023)

19 participants

supply

166 properties	**37,078** rooms[1]
72% branded rooms	**87%** chain affiliated rooms

group / brand profile

- strongest brand: **Leonardo**
- strongest group: **Fattal**
- fastest growing brand: **Kempinski**
- fastest growing group: **Kempinski**
- strongest regional brand (global presence): **Leonardo**
- fastest growing regional brand: **Leonardo**

pipeline

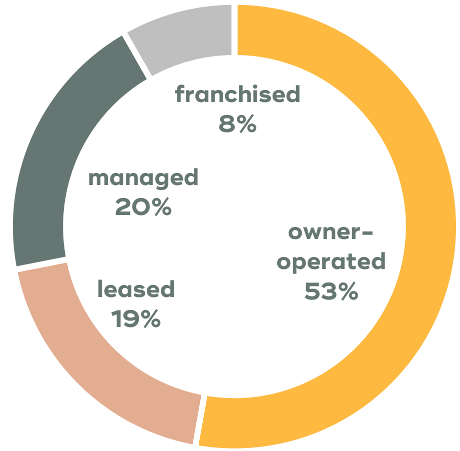
26 properties	**5,232** rooms[1,2]
9 hotels under construction	**17** planned hotels

selected openings of 2022

- The David Hotel Kempinski Tel Aviv, Tel Aviv-Jaffa, **250 rooms**
- Hotel Botanica Haifa, Haifa, **163 rooms**
- Isrotel Port Tower, Tel Aviv-Jaffa, **151 rooms**
- WOM Beach, Tel Aviv-Jaffa, **109 rooms**

contracts

138 properties	**31,679** rooms under contract[2,3,4]



key takeaways

- Tel Aviv has seen 89% RevPAR growth (STR: 2019-22) entirely via ADR increases, Eilat has 9% growth, and other areas have seen a small decline.
- Tel Aviv & Eilat have almost identical RevPAR ILS 690 (€182), Tel Aviv built on rate, Eilat on occupancy. Jerusalem was lower at ILS 527 (€139).
- Urban hotel groups were hit hard during COVID and are diversifying to resorts, of which there are several sea and desert destinations. Global nomad clientele and glamping concepts are opportunities in Israel.
- Cost of land issues restrict lower-rate co-living concepts; Regional committees are considering alternatives such as land subsidies.
- Bureaucracy in construction permits is an issue that slows real estate development and renovation, especially on facades.
- Higher interest rates challenge the capital appreciation business model; the transaction market is rather opaque.
- Labour is expensive and in short supply, stemming from cultural norms and more recent lockdown trends requiring flexible hours and employment terms.

196+ roundtables around the globe

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For enquiries about our research offerings, please contact **Akshara Walia** at research@pkfhospitality.com

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NOTES

1) calculated as per PKF sample; includes all properties with at least 100 rooms; 2) as per 31 December 2022; 3) as per the PKF contract database; 4) from the viewpoint of hotel groups