

Du-bye: Hotels in Desert City Wear a Deserted Look

Hotel occupancy drops to around 20% and average tariffs fall 50% due to escalation of conflict in West Asia

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New Delhi: Following limited resumption of flights last week and travel concerns due to the escalating conflict in West Asia, hotel rates in Dubai are crashing in the absence of new bookings.

“Hotel occupancy had dropped to around 20% last week. And this week is forecasted at single digits. It will take a while to rebound unfortunately,” said a hotelier working at a luxury hotel in Dubai. Another person familiar with the matter said average daily rates have

dropped by 50% week on week. As per a new ‘stay and dine’ offer, luxury rooms are available from AED 349 per person at luxury resort FIVE Palm Jumeirah, with the entire room charge redeemable across dining, beverages and spa experiences throughout the resort. Industry insiders said luxury rooms are usually priced upwards of AED 1000 at the resort.

Chains such as Indian Hotels Company and Lemon Tree Hotels have properties in Dubai.

As per rates published on a popular travel portal, a room at Taj Jumeirah Lakes Towers is avail-

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Limited resumption of flights and travel concerns to the area hit tourism

able for ₹7,219 plus ₹2,124 in taxes for a stay on March 11, while a room at Shangri-La Dubai is available for ₹13,738 plus ₹3,591 in taxes. A room at Taj Dubai is avail-

able for ₹12,489 plus ₹3,310 in taxes for the same date and a room at Lemon Tree Hotel in Jumeirah was available for ₹5,926 plus ₹1,708 in taxes. Lemon Tree Hotels founder Patanjali Govind Keswani told ET that rates and occupancies ‘were somewhat down’. A room at Hyatt Regency Dubai Creek Heights was available for ₹5,442, plus ₹1,724 in taxes for a stay on March 11, while a room at Grand Hyatt Dubai Resort & Waterpark was available for ₹8,992 plus ₹2,523 in taxes.

February is typically a strong month for hotel performance in

Dubai, but revenue per available room declined by up to 25% on some days in the latter half compared to last year, resulting in overall revenue per available room being 3-4% lower for the month, said Manav Thadani, founder chairman of Hotelivate. “The full impact of the conflict remains uncertain and will require a wait and watch approach,” he added. There are currently fewer than 1000 rooms under Indian brand management in the Dubai market, as per Nandivardhan Jain, MD and CEO, NOESIS Hotel Advisors.

