Annual Tourism Performance Report 2019

QATAR
المجلس الوطني للسياحة
National Tourism Council

Introduction

2,136,504
Visitor arrivals
+17%

Qatar welcomed 2.136 million visitors[1] in 2019, representing an increase of 17% compared to the same period in 2018. Visitation from nationals of all regions of the world grew significantly.

Indian nationals continued to make up the largest portion of visitor arrivals to Qatar in 2019, despite decreasing by 4% compared to 2018. Arrivals of UK nationals (133,418 YTD) were up 25% from 2018, and arrivals of US nationals (127,271 YTD) were up 22%, representing unprecedented annual growth rates among nationals from each of these key countries. This growth has helped to offset the 4% decline in visits by Indian nationals, which represents some slowing of the substantial growth witnessed between 2017 and 2018 (20%). The increases in visitation from US nationals were consistent across every month of the year, except January, and were most significant in Q4. In December 2019, Qatar welcomed a record number of US nationals (15,189) to the country—a month during which Qatar successfully hosted the FIFA Club World Cup and the global policy event, Doha Forum. Meanwhile, the increased visitation from UK nationals seems to come from an increasing number of British long-haul travelers choosing Qatar as a stopover destination.

The final quarter of 2019 also marked the beginning of the fourth cruise season in Qatar and the first to welcome turnaround passengers – those whose cruise itineraries began and ended in Qatar. In 2019, Qatar welcomed 127,582 cruise passengers (up 98% from 2018) and 57 cruise ships, five of which carried turnaround cruise passengers. In preparation for Qatar's busiest cruise season yet, QNTC and Doha Port inaugurated a new 6000 m² temporary passenger terminal, further streamlining passenger experiences and offering premium services similar to those at Hamad International Airport.

[1]A visitor is a traveler taking a trip to a main destination outside of his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited. A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor), if his/her trip includes an overnight stay, or as a same-day visitor (or excursionist) otherwise. Source: United Nations World Tourism Organization (UNWTO)

The year 2019 was also successful for the business events sector in Qatar, with the country winning bids to host 10 largescale events between 2019-2023, including the 2020 Micro, Small and Medium Enterprises Forum and the World Symposium of Choral Music 2023.

In addition, 2019 saw QNTC and its partners consolidate efforts to promote Qatar as a sustainable year-round tourist destination, offering nation-wide festivals, including the third edition of Shop Qatar, the tenth edition of the Qatar International Food Festival, and Summer in Qatar 2019; as well as local exhibitions, including the 16th edition of the Doha Jewellery and Watches Exhibition that attracted nearly 24,000 visitors, and the Heya Arabian Fashion Exhibition which attracted more than 39,000 people.

The room supply across the hospitality accommodation sector in Qatar increased by 6% in 2019 compared to 2018. Despite the increased supply, room demand grew substantially (up 15%), resulting in a 9% increase in occupancy. While Average Room Rate (ARR) was down by 2% across all hotels and hotel apartments, Revenue Per Available Room (RevPAR) was up 7% in 2019 compared to 2018.

The average length of stay (ALOS) for visitors in Qatar in 2019 was 3.54 nights per trip in the hotel segment (with the highest in four-star hotels at 4.93 nights per trip on average) and 6.56 nights per trip in the hotel apartment segment (the highest was in Standard Apartments at 7.13 nights per trip on average). ALOS across all hotels and hotel apartments dropped slightly (-2%) in 2019 as compared to 2018.

Occupancy
+9%

ARR
-2%

RevPAR
+7%

ALOS
-2%

Highlights above represent growth between 2018 and 2019 for the entire hospitality accommodation sector (hotels and hotel apartments)

Visitor Arrivals

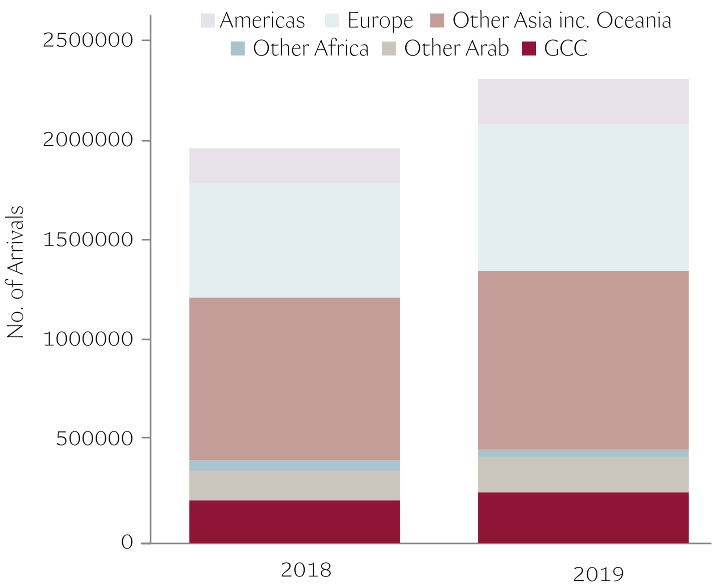
Year-On-Year Performance 2019/2018

By Nationality, Grouped by Region

In 2019, 2.136 million visitors arrived in Qatar, an increase of 17% compared to 2018. Visitor arrivals across all regions showed significant growth: European visitors were up 29%; nationals from the Americas were up 27%; Other Arab nationals were up 21%; GCC nationals were up 17%; nationals from Other Asia, including Oceania, were up 8%. Nationals from Other Africa edged up by 1%.

The number of visitor arrivals to Qatar in each month of 2019 outpaced the number of visitor arrivals in the corresponding month in 2018. Visitor arrivals in December 2019 (275,084) were higher than any month since the beginning of 2018.

Arrivals to Qatar by Nationality, Grouped by Region, 2018-2019



Source: Ministry of Interior, National Tourism Council

Arrivals to Qatar by Nationality, Grouped by Region, 2018-2019

	2018	2019	% change, 2018-19
Total	**1,819,344**	**2,136,504**	**17%**
GCC	200,115	233,268	17%
Other Arab	128,562	155,086	21%
Other Africa	48,011	48,593	1%
Other Asia inc. Oceania	753,161	813,379	8%
Europe	528,333	680,951	29%
Americas	161,162	205,227	27%

Source: Ministry of Interior, National Tourism Council

Visitor arrivals
+17%

Highest monthly arrivals
275,084

European arrivals
+29%

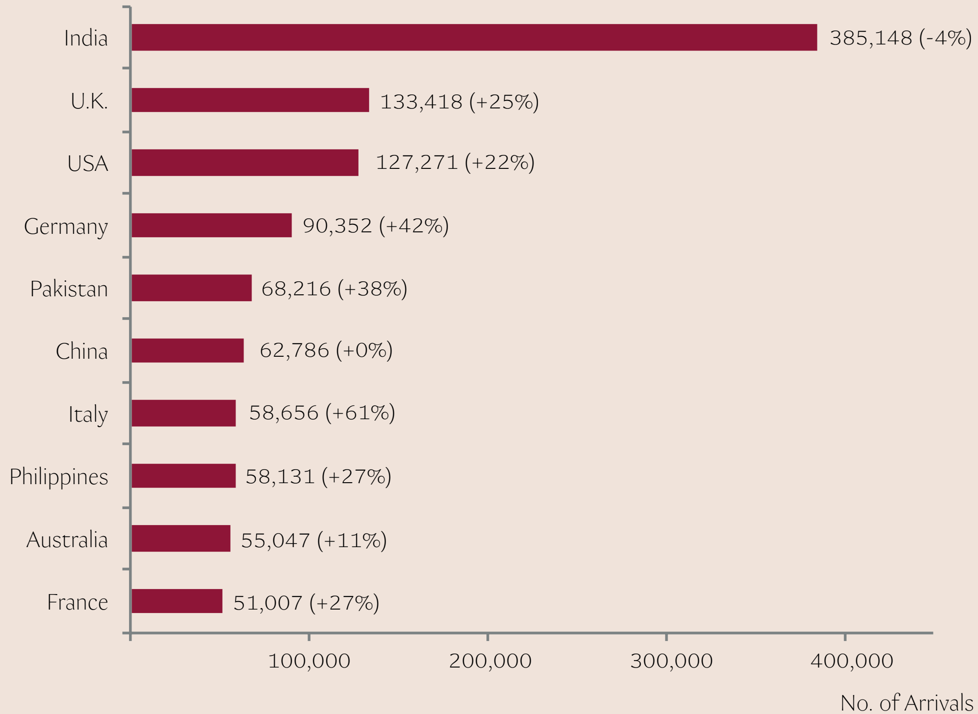
Americas arrivals
+27%

As compared with same period 2018

Top 10 non-GCC Nationalities

Indian nationals continued to make up the largest portion of non-GCC visitor arrivals, with more than 385,000 visitors coming to Qatar in 2019. Similar to previous years, nationals of the United Kingdom and the United States represented the second and third largest segment of arrivals, both showing significant growth in 2019 compared to 2018 (up 25% and 22% respectively). Among UK nationals, the most significant increases in visitation were seen in the stopover segment (+59%), whilst increases from nationals of the United States were more evenly distributed, with the smallest increases among the stopover segment (+17%). As in 2018, Germany was the next largest source market, with over 90,000 visitors. Pakistan and China were the next two largest markets, but with Pakistani visitors surpassing Chinese visitors in 2019. Across the top 10 nationalities visiting Qatar, Italian visitors moved up in ranking most significantly to 7th place after a 61% increase in visitation across 2019.

Top 10 non-GCC Nationalities by Absolute Size, 2019



Source: Ministry of Interior, National Tourism Council

A Look at the Cruise Segment

Qatar continues to achieve significant growth in the cruise passenger segment. Fifty-seven different cruise ships made port calls in Doha during 2019, two of which docked in Doha overnight and five of which made turnaround port calls; with passengers beginning and ending their journeys in Qatar. The fourth quarter of 2019 marked the first cruise season to welcome turnaround passengers, which was a major step in the growth and development of the cruise visitor segment.

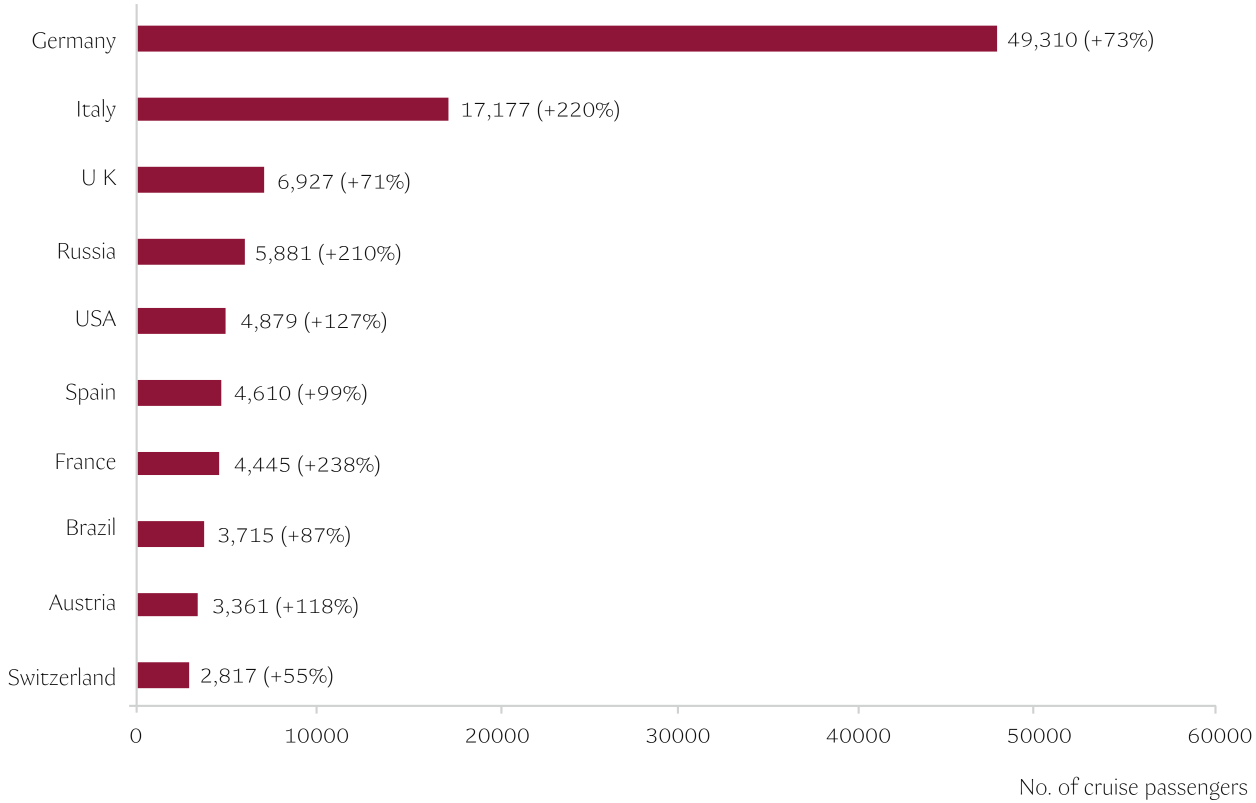
Overall, Qatar's cruise tourism grew by 98% in 2019, with approximately 127,500 visitors arriving (compared to approximately 64,400 cruise passengers in 2018). The majority of cruise visitors were European: German and Italian nationals making up the largest segments.

Q4 2019 Qatar welcomes turnaround passengers

Cruise visitors +98%

As compared with same period 2018

Top 10 Cruise Passenger Visitor Arrivals by Nationality, 2019



Source: Ministry of Interior, National Tourism Council

A Glance at Visitor Arrivals Performance Over Last 5 Years (2014-19)

By Nationality, Grouped by Region

Visitor arrivals from nationals of all regions showed positive growth in the period 2014 to 2019, with the exception of arrivals of GCC nationals and of Other Arab countries, which show sharp decreases as a result of the blockade, which began in mid-2017. Since 2014, the most significant growth in visitor arrivals has been amongst nationals of Europe (up 56%, with an average annual growth rate of 9%) and the Americas (up 41%, with an average annual growth rate of 7%). Growth in visitation has also been seen by nationals of Other Africa, up 36%, and of Other Asia, including Oceania, up 4%.

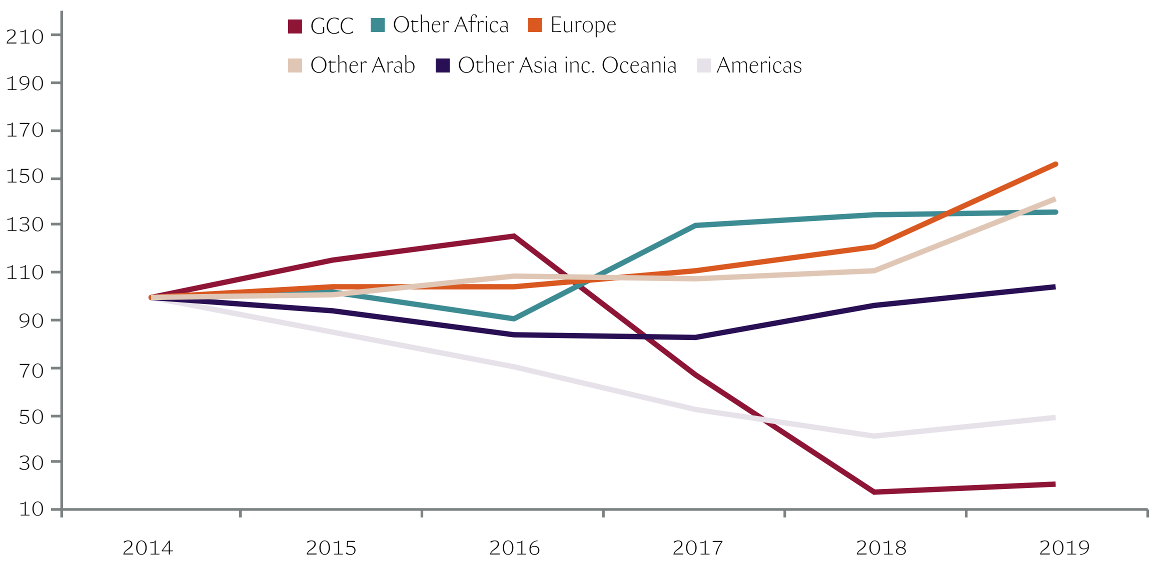
	2014	2015	2016	2017	2018	2019	CAGR*, 2014-19	Cumulative growth, 2014-19
Total	**2,839,373**	**2,941,130**	**2,938,096**	**2,256,490**	**1,819,344**	**2,136,504**	**-6%**	**-25%**
GCC	1,124,333	1,300,221	1,410,657	752,876	200,115	233,268	-27%	-79%
Other Arab	313,491	267,349	221,894	165,318	128,562	155,086	-13%	-51%
Other Africa	35,742	36,558	32,390	46,460	48,011	48,593	6%	36%
Other Asia inc. Oceania	782,794	732,964	660,364	652,102	753,161	813,379	1%	4%
Europe	437,842	457,940	455,076	483,834	528,333	680,951	9%	56%
Americas	145,171	146,098	157,715	155,900	161,162	205,227	7%	41%

*CAGR: Compound Annual Growth Rate

Europe (+56%)

The Americas (+41%)

Indexed Arrivals to Qatar by Nationality, Grouped by Region (2014 = 100)

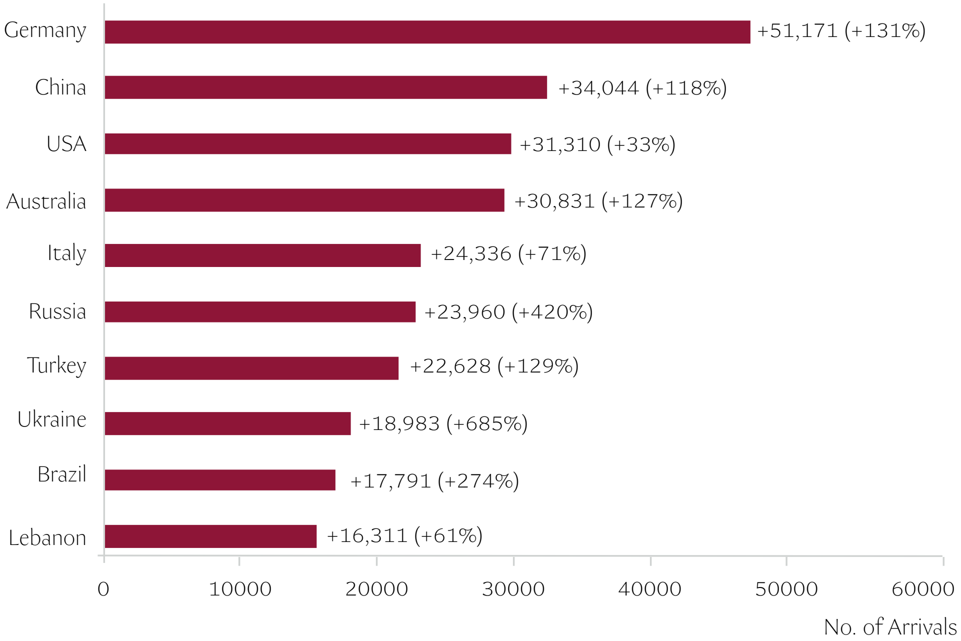


Source: Ministry of Interior, National Tourism Council

Largest Visitor Arrivals Growth in Volume by Nationality

The largest arrivals growth over the past five years in terms of actual volume came from German nationals, with an increase of 51,171 visitors (+131%), between 2014 and 2019, more than half of which came between 2018 and 2019 (26,820) and most of which can be attributed to the cruise visitor segment (20,872). Other countries with notable increases in visitation volume (but not among the fastest growing) include the United States (+31,310), 73% of which came between 2018 and 2019, Ukraine (+18,983) and Lebanon (+16,311).

Top 10 Nationalities in Terms of Increase in Arrivals Volume, 2014-19

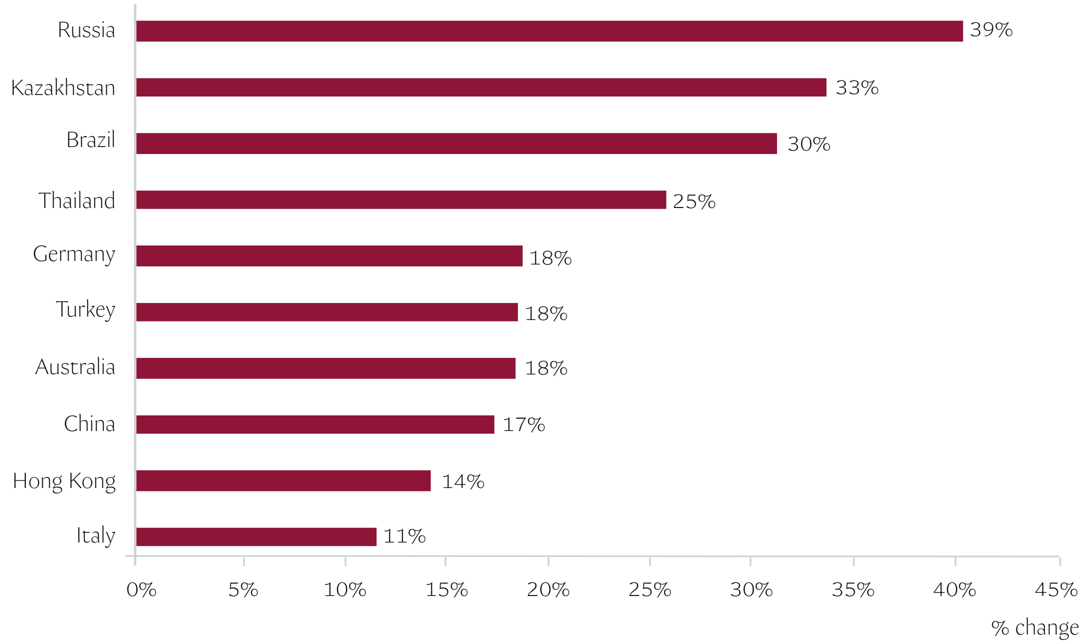


Source: Ministry of Interior, National Tourism Council

Fastest Visitor Arrivals Growth by Nationality

The nationalities with the fastest visitation growth rates between 2014 and 2019 include Russia (39%), Turkey (18%), Germany (18%) and Italy (11%) from Europe; Kazakhstan (33%), Thailand (25%), Australia (18%), China (17%), and Hong Kong (14%) from Other Asia including Oceania; and Brazil (30%) from the Americas.

Top 10 Nationalities in Terms of Fastest Growth Rates, CAGR, 2014-19



Source: Ministry of Interior, National Tourism Council

Greatest 5-year growth: German visitors +51,171 (+131%)

Fastest 5-year growth: Russian visitors +39%

As compared with same period 2018

Hospitality Accommodation

Performance in 2019/2018

The hospitality accommodation industry performed strongly in 2019, with a total occupancy rate of 66% across all hotels and hotel apartments, up 9% compared to 2018. Overall, the number of rooms sold (demand) in hotels and hotel apartments increased by 15% in 2019 compared to 2018. All hotel and hotel apartments witnessed increases in occupancy in 2019, except for deluxe apartments. One- and two-star hotels showed the largest increase in occupancy at +23%, while three-star hotels showed a growth of 11%. Both four-star hotels and standard hotel apartments showed a growth of 10%; and five-star hotels saw a growth of 9%. Deluxe hotels apartments witnessed a slight decline of 1% in occupancy.

The Average Room Rate (ARR) across all segments decreased slightly by 2%. Declines in ARR were seen in standard hotel apartments (down 9%) and in four-star and five-star hotels (both down 4%) in 2019 compared to 2018. However, ARR increased across one- and two-star hotels (up 3%), and deluxe hotel apartments (up 1%), and remained unchanged in three-star hotels.

Across all segments, Revenue Per Available Room (RevPAR) was up 7% in 2019. In a similar pattern to occupancy rates, RevPAR was up in all segments for 2019 compared to 2018, except for the deluxe hotel apartments segment, which showed a very minor decline (-1%). Most notable increases in RevPAR were witnessed in one- and two-star hotels (up 26%), followed by three-star hotels (up 11%). Both the four-star and five-star segments saw a 5% increase in RevPAR.

There was a slight drop of 2% in the average length of stay (ALOS) across all hotels and hotel apartments in 2019 (3.7 nights per trip) compared to the same period last year (3.8 nights per trip). However, ALOS showed increases in two segments; by 29% in three-star hotels and 7% in five-star hotels. The highest drops were seen in deluxe hotel apartments (-58%), one- and two-star hotels (-33%), as well as in 4-star hotels (-12%).

Accommodation Sector Summary Perfomance Indicators, 2018 vs 2019

	2018 YTD				2019 YTD				% Change 2018-19			
	Occ	ARR	RevPAR	ALOS	Occ	ARR	RevPAR	ALOS	Occ	ARR	RevPAR	ALOS
All	61%	380	232	3.79	66%	374	248	3.73	9%	-2%	7%	-2%
All Hotels	60%	388	232	3.46	66%	380	249	3.54	10%	-2%	8%	2%
All Hotel Apartments	72%	327	235	12.96	72%	325	234	6.56	1%	-1%	0%	-49%
5 Star	57%	563	322	2.90	63%	542	339	3.10	9%	-4%	5%	7%
4 Star	61%	239	146	5.63	67%	229	154	4.93	10%	-4%	5%	-12%
3 Star	69%	178	123	2.03	77%	177	136	2.63	11%	0%	11%	29%
1 & 2 Star	63%	145	91	4.47	77%	149	115	2.99	23%	3%	26%	-33%
Deluxe Hotel Apartments	73%	350	254	15.49	72%	352	252	6.45	-1%	1%	-1%	-58%
Standard Hotel Apartments	68%	217	148	7.28	75%	197	148	7.13	10%	-9%	0%	-2%

Source: STR

Room Supply +6%

Demand +15%

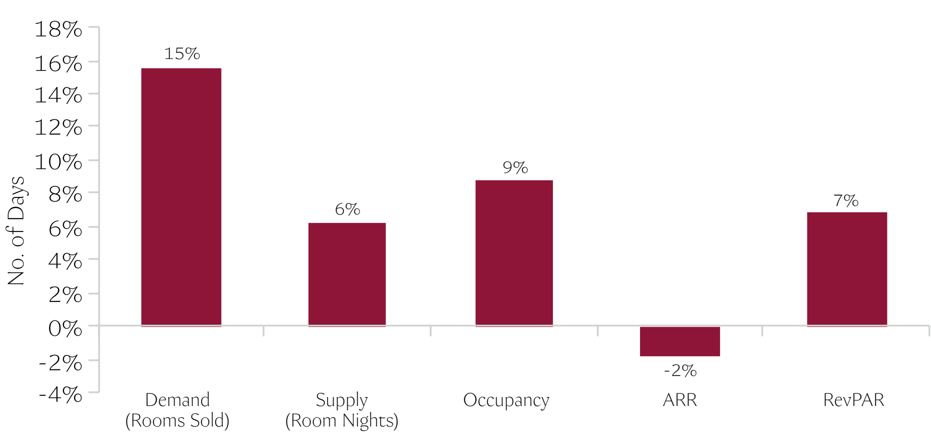
66% Occupancy +9%

ARR -2%

RevPAR +7%

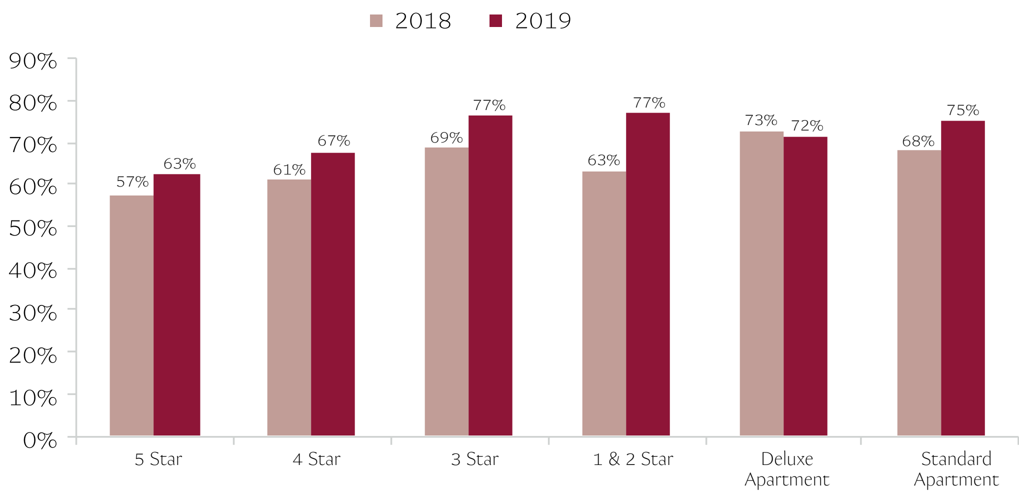
3.7 nights ALOS -2%

Qatar Accommodation Performance Summary, 2018 vs 2019



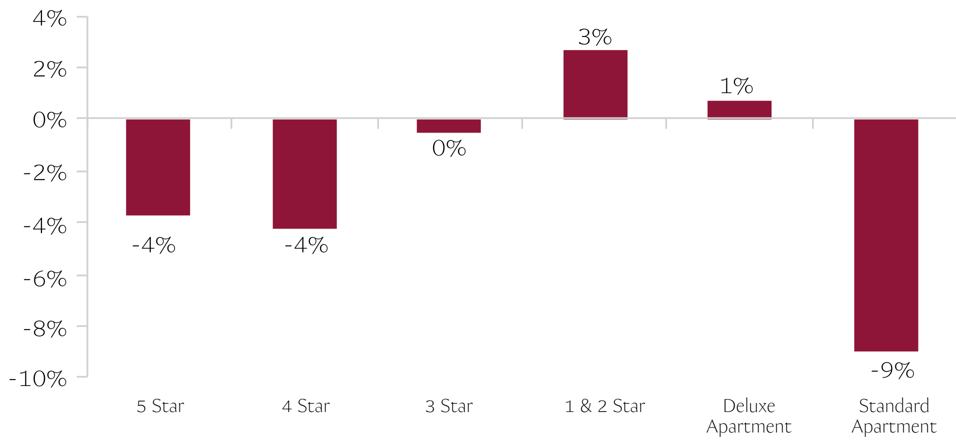
Source: STR

Qatar Accommodation Occupancy Rates, 2018 vs 2019



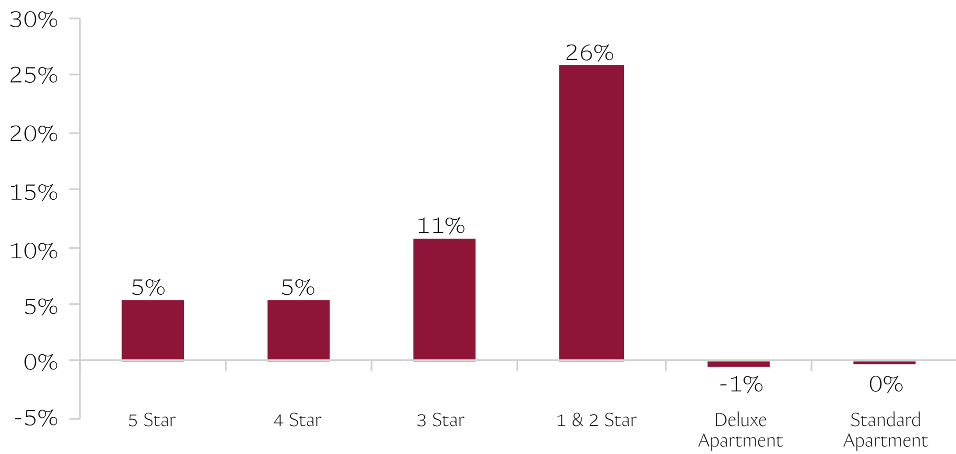
Source: STR

ARR (Average Room Rate), 2018 vs 2019, % change



Source: STR

RevPAR (Revenue per Available Room), 2018 vs 2019, % change



Source: STR

Growth in accommodation supply

Since the start of 2019, ten new properties have opened their doors, adding 1,899 new hotel rooms to the market. The room supply across Qatar’s hospitality accommodation market grew by 6% in 2019 compared to 2018. Qatar now has a total accommodation offering of 27,261 rooms across 130 properties, 24,562 of which are hotel rooms and 2,699 of which are hotel apartments. Despite the temporary closure of two five-star hotels for renovation in Q3 of 2019, the five-star hotel segment remains the largest, with approximately 12,900 rooms across 49 properties at the close of 2019.

Room supply from properties under development is set to increase significantly in the coming years, with 107 projects (comprising an estimated 21,500 rooms) under various stages of development, as well as other project proposals under consideration.

Current offering

27,261 Rooms

Under Development

21,577 Rooms

Existing Stock 2019

	Properties	Rooms
All Hotels & Hotel Apartments	130	27,261
All Hotels	109	24,562
All Hotel Apartments	21	2,699
5-Star	49	12,980
4-Star	31	9,104
3-Star	22	2,197
1- & 2-Star	7	281
Deluxe Hotel Apartments	12	2,228
Standard Hotel Apartments	9	471

Properties Under Development

	Properties	Rooms
All Hotels & Hotel Apartments	107	21,577
All hotels	70	14,499
5-Star	33	9,090
4-Star	26	3,994
3-Star	11	1,415
All Hotel Apartments	21	4,363
Standard Hotel Apartments	15	2,661
Deluxe Hotel Apartments	6	1,702
Not yet classed	16	2,715

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