

## **Hospitality sector registers 10.8% YOY RevPAR growth in Q3 2024: JLL**

The Indian hospitality sector maintained its upward trajectory in Q3 2024, with a 10.8% YoY growth in revenue per available room (RevPAR) and a 2% QoQ increase compared to Q2 2024, as reported in JLL's Hotel Momentum India (HMI). This growth was largely driven by higher Average Daily Rates (ADR), fueled by a surge in corporate travel. Hyderabad led the pack with an impressive 23.6% YoY RevPAR growth, followed by Chennai at 17.7% and Mumbai at 16.8%. Occupancy levels remained stable across major markets, while ADR improvements contributed significantly to RevPAR growth.

The upcoming quarter is expected to benefit from a continued rise in corporate travel and the festive season, alongside an increase in MICE (Meetings, Incentives, Conferences, and Exhibitions) events. Robust domestic demand for business travel and social gatherings like weddings will further strengthen the sector's performance. Industry experts project a busy season ahead, driven by the combination of festivals and corporate activities.

Q3 2024 witnessed 96 branded hotel signings totaling 10,686 rooms, with 11% comprising hotel conversions. A significant portion of these developments, approximately 80% of the 1,988 keys added from 30 branded hotel openings, were in Tier II and III cities such as Tirupati, Udaipur, Ranchi, and Mussoorie. This shift reflects growing investment interest in emerging markets.

According to Jaideep Dang, Managing Director of JLL India's Hotels and Hospitality Group, strong investor confidence continues to fuel both greenfield developments and acquisitions in the hospitality sector. While the summer season impacted corporate room night demand, sustained growth in ADR and a promising festive quarter are set to propel the industry forward, supported by weddings, MICE events, and domestic travel.