

Accommodation & Food Services

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In hospitality, global trends hold significant importance. As cultures blend and borders become less defined, the hospitality industry must cater to the preferences that are ever evolving and becoming more universally connected. The latest hospitality trends encompass a range of changing practices, technologies and consumer preferences that are reshaping the industry. From sustainable practices to personalized experiences and digital integration, industry players must respond to trends to stay adaptable to market changes and meet guest expectations.



Sector Opportunities & Trends

01. Disruptive technologies

Businesses can improve efficiency, reduce waste and enhance customer experience by leveraging technology such as mobile apps and Artificial Intelligence (AI) to improve customer engagement and loyalty. With the right technology, businesses such as restaurants can streamline many industry processes such as ordering, payment and rewards programs to enhance customer experience. For example, chatbots have proven to be important to respond to customer enquiries 24/7.

02. Sustainability

According to Booking.com's Sustainable Travel Report 2024, the annual research reveals a continued sense of desire and awareness, with 83% of travelers confirming that sustainable travel is important to them. The hospitality industry is undergoing a notable shift towards sustainable practices, influenced by growing environmental and social concerns. Such practices include adopting more efficient methods of water consumption, choosing renewable energy, reducing food waste, minimizing the use of single-use plastics and other disposables, utilizing compostable packaging, and switching to green technologies.

03. Restaurant-to-retail

Restaurants are exploring new avenues to generate additional revenue beyond traditional dining experiences, leading to an increasing presence of restaurant-branded merchandise and condiments.

04. Value chain fragmentation & cloud kitchens

This enables the establishment of virtual restaurant concepts, optimization of kitchen space and boosting of revenue. Hotels also have the potential to brand and outsource various operations like restaurants, events and laundry, expanding their revenue streams beyond traditional accommodation services.

05. Embracing increased localization, bleisure (business leisure travel) and boutique facilities

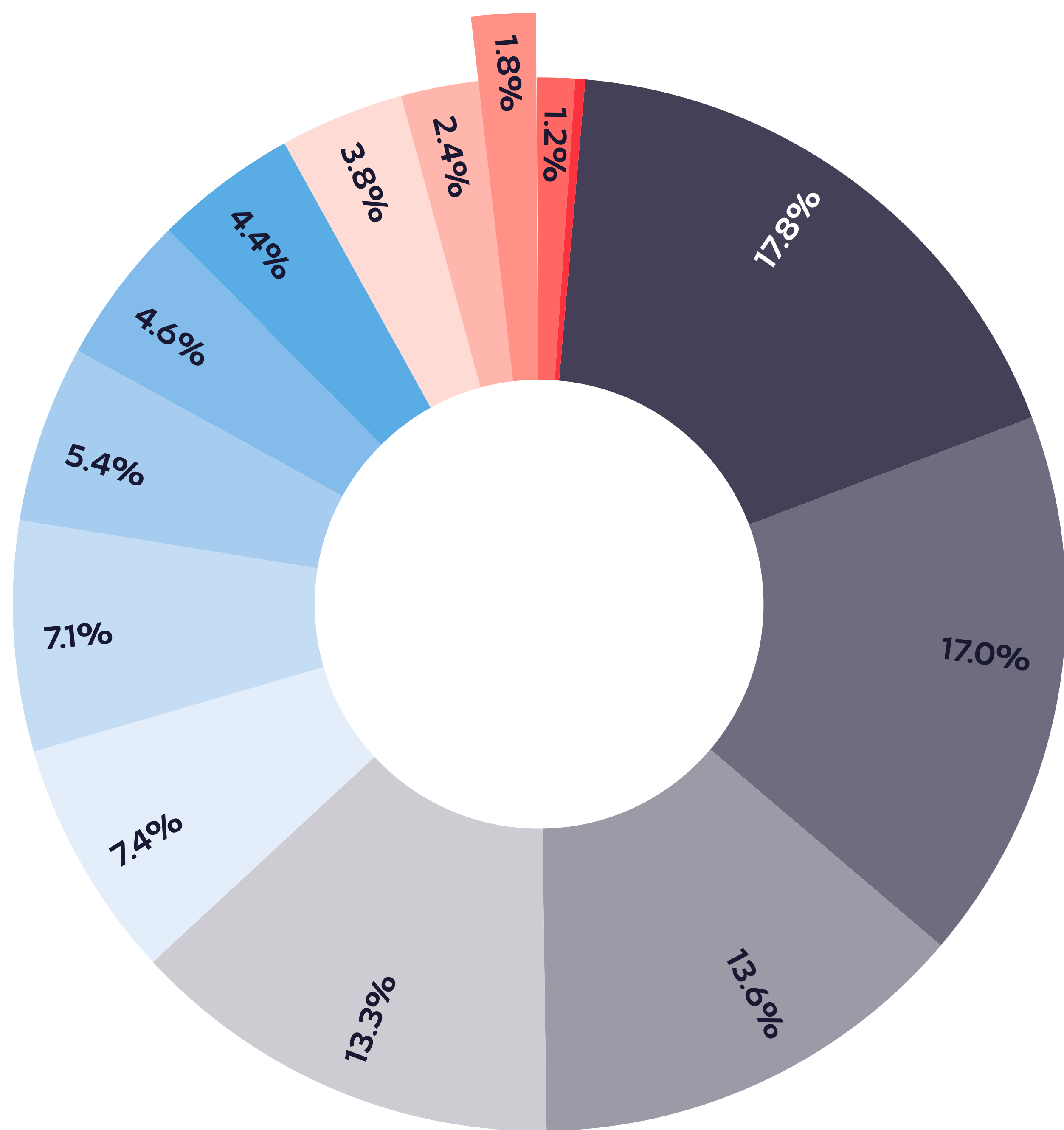
Accommodation and food service establishments can attract and cater to the evolving preferences of travelers by offering authentic and personalized experiences tailored to the local culture and attractions. The development of boutique facilities that emphasize uniqueness, character and a high level of personalized service further enhances the potential for differentiation and revenue growth in the sector.

Accommodation & Food Services Sector Economic Indicators

iGA-National Accounts, 2023

Accommodation & Food Services Sector Contribution to Real GDP

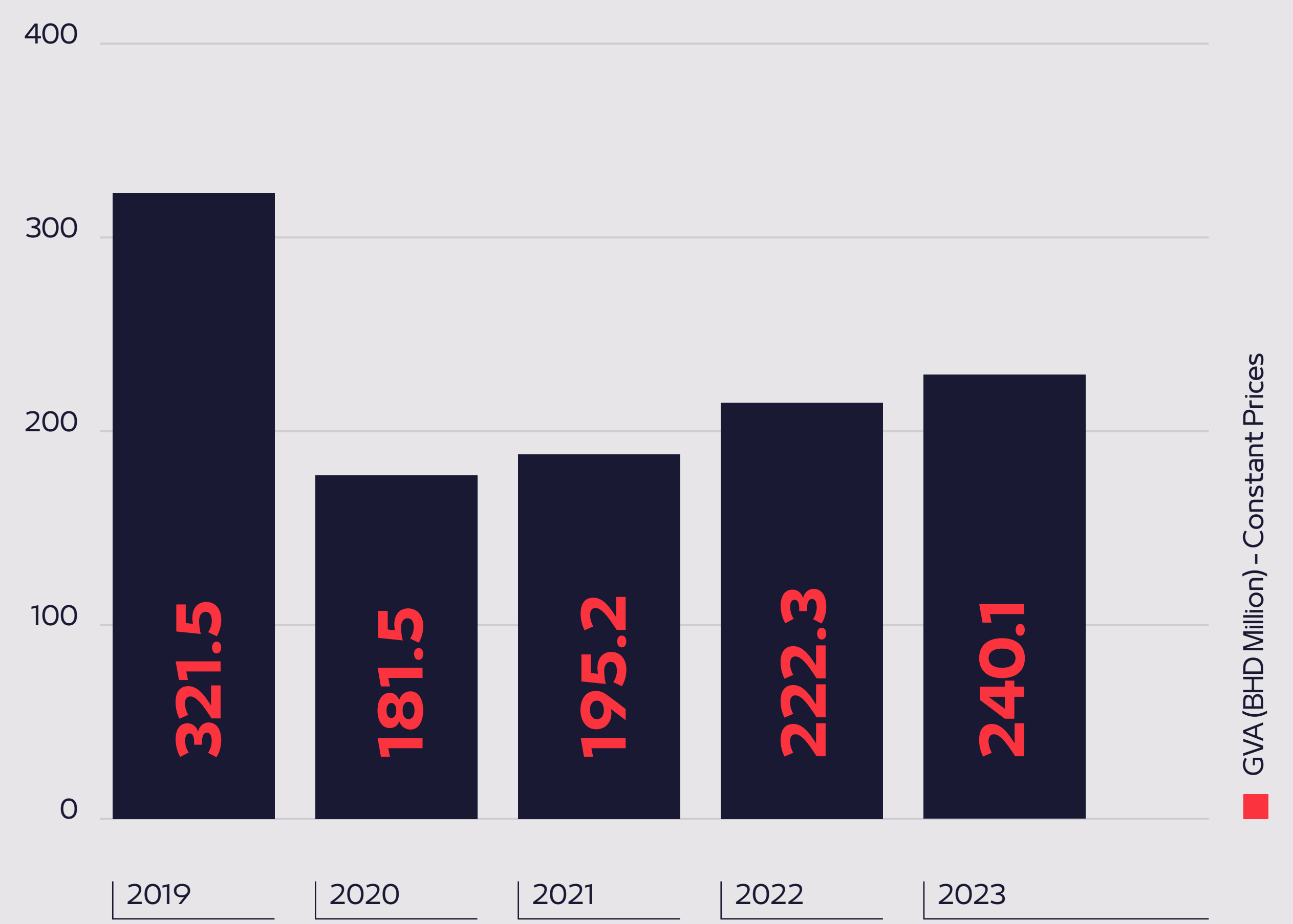
(%, 2023)



Financial & Insurance Activities	17.8%	Net Tax on Products	4.6%
Mining & Quarrying	17.0%	Trade	4.4%
Manufacturing	13.6%	Others ²	3.8%
Government Services	13.3%	Private Education Services	2.4%
Transport & Communication	7.4%	Hotels & Restaurants ³	1.8%
Construction	7.1%	Private Health Services	1.2%
Real Estate & Business Activities	5.4%	Agriculture & Fishing	0.3%

Accommodation & Food Services Sector GVA¹

(BHD M, 2019 - 2023)



¹ Gross Value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy

² Others include Electricity & Water, Other Social & Personal Services, Private Non-Profit Institutions, and Households with Employed Persons

³ Data extracted from National Accounts are categorized according to ISIC 3 - hence Accommodation & Food Services is referred to as Hotels & Restaurants

Accommodation & Food Services Sector Enterprises

LMRA, Q2 2023 - BLMI

2,955

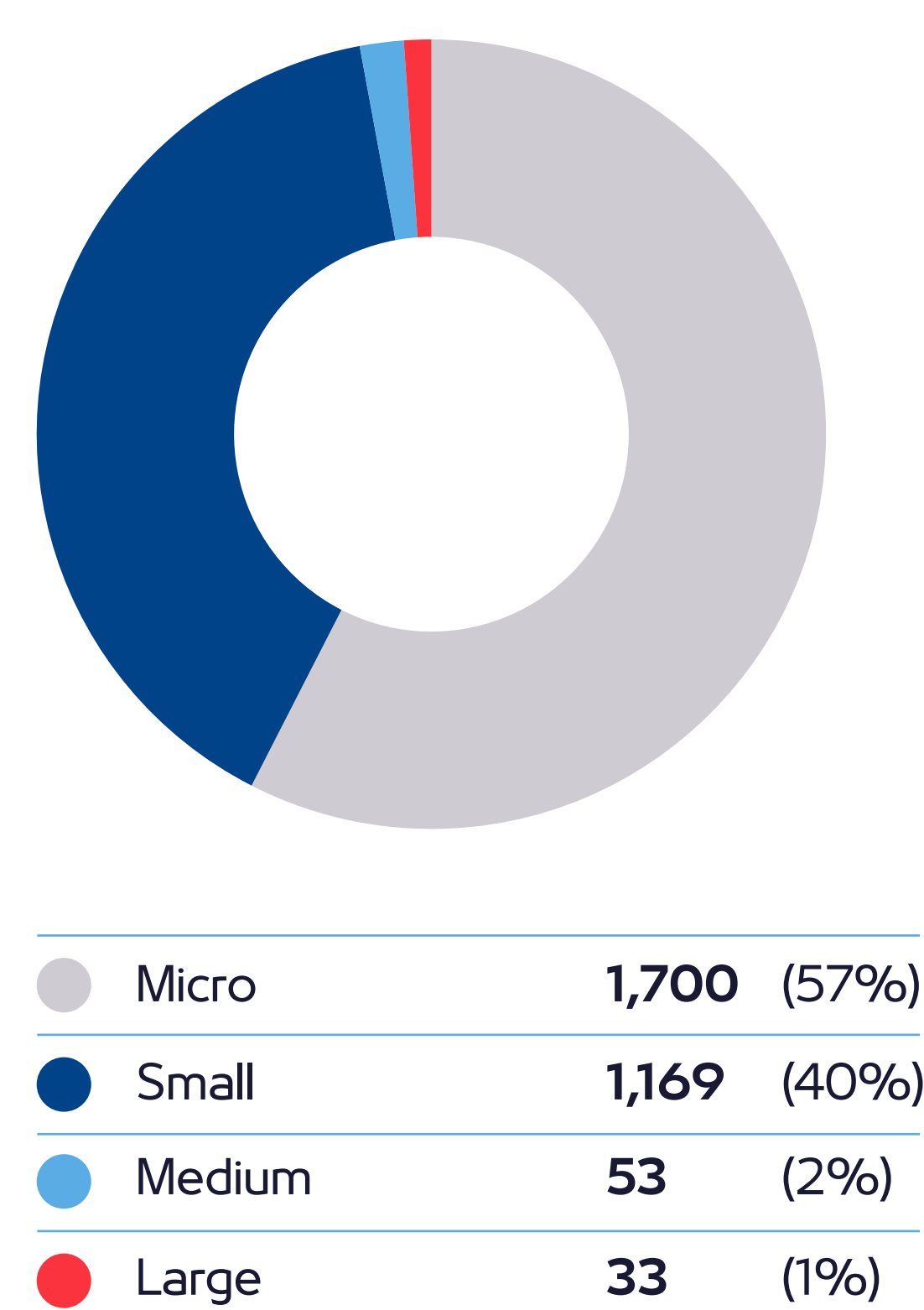
Active CRs

4.0%

of total Active CRs in Bahrain

Accommodation & Food Services Sector by Enterprise Size

(%, Q2 2023)



Accommodation & Food Services Sector Active Commercial Registrations

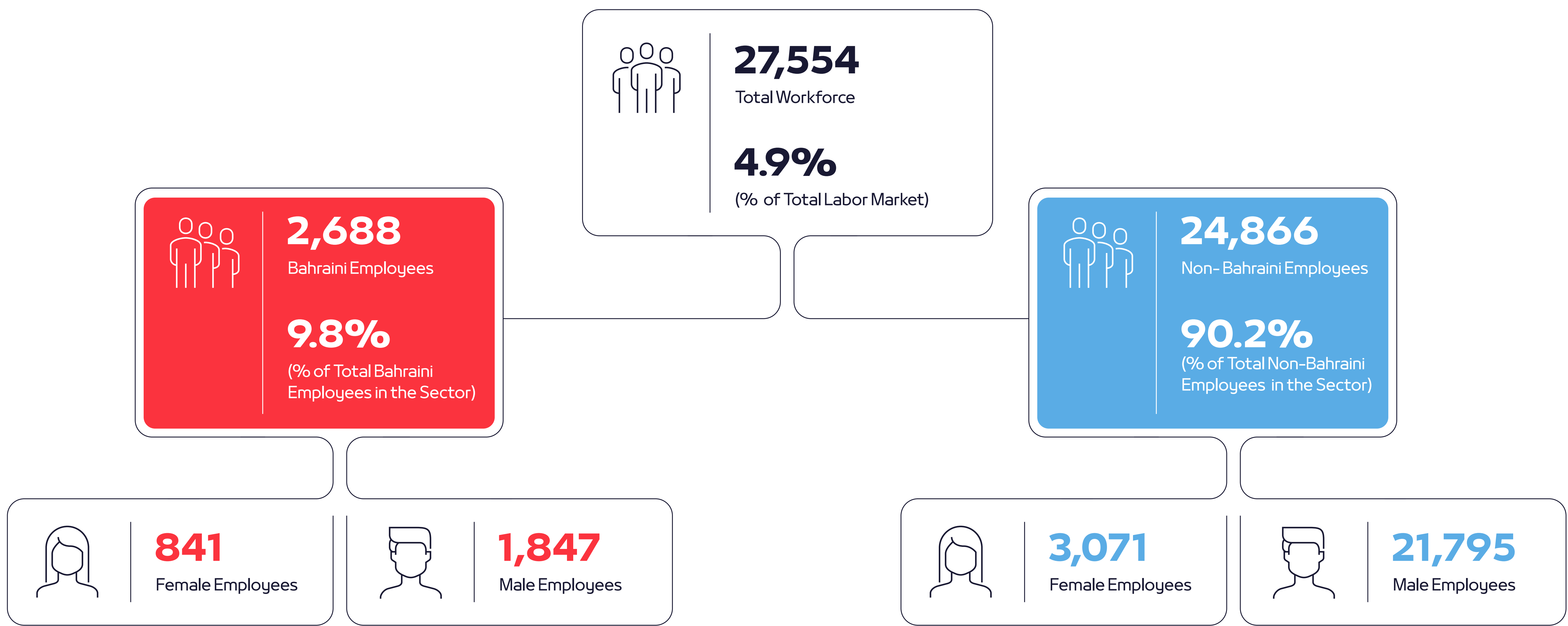
(2019 - Q2 2023)



This sector includes short-stay and longer-term accommodation, food and beverage serving activities restaurants and mobile food service activities, event catering as per MOIC - ISIC 4 Classification

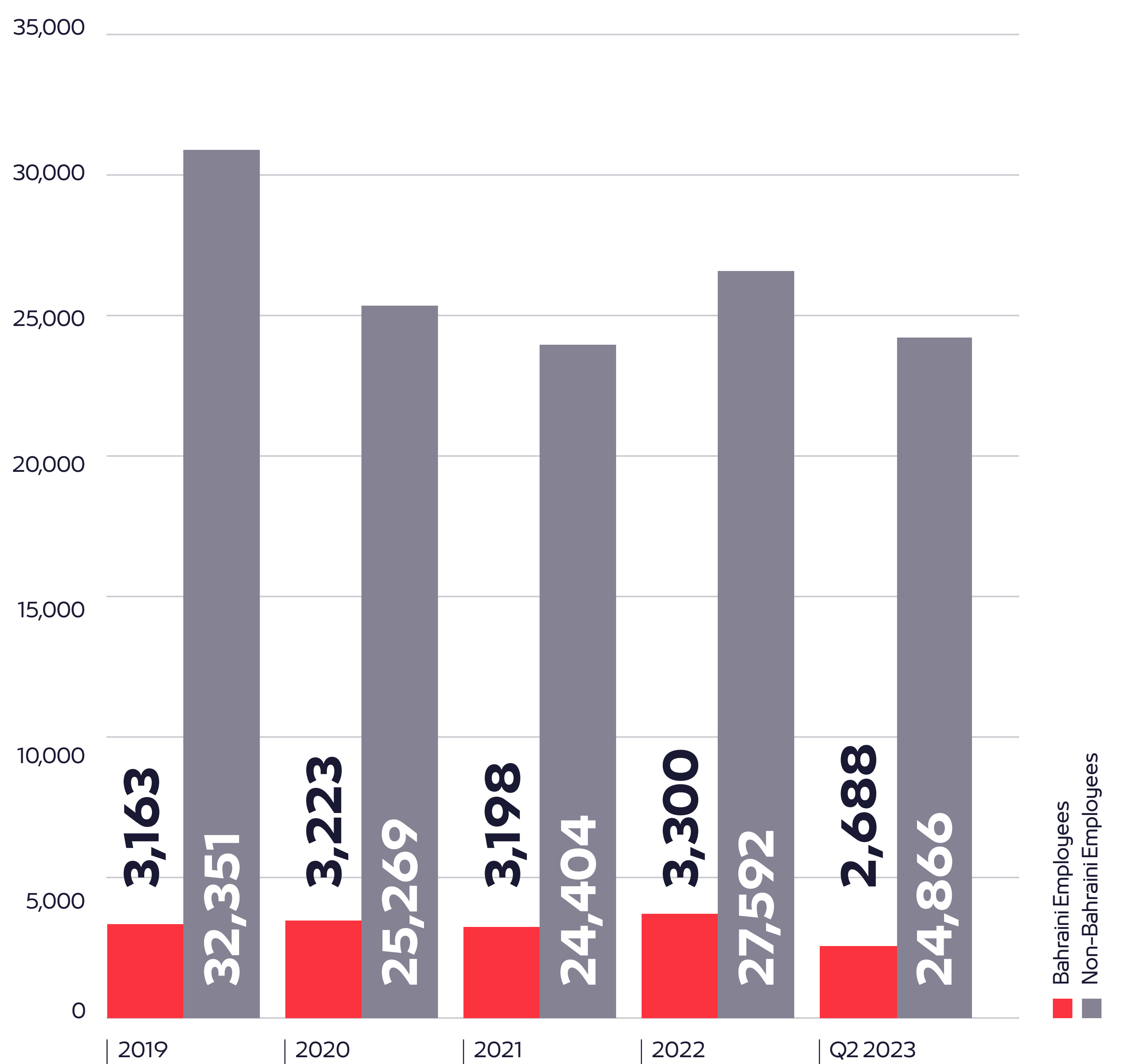
Accommodation & Food Services Private Sector Employment

LMRA, Q2 2023 – BLMI



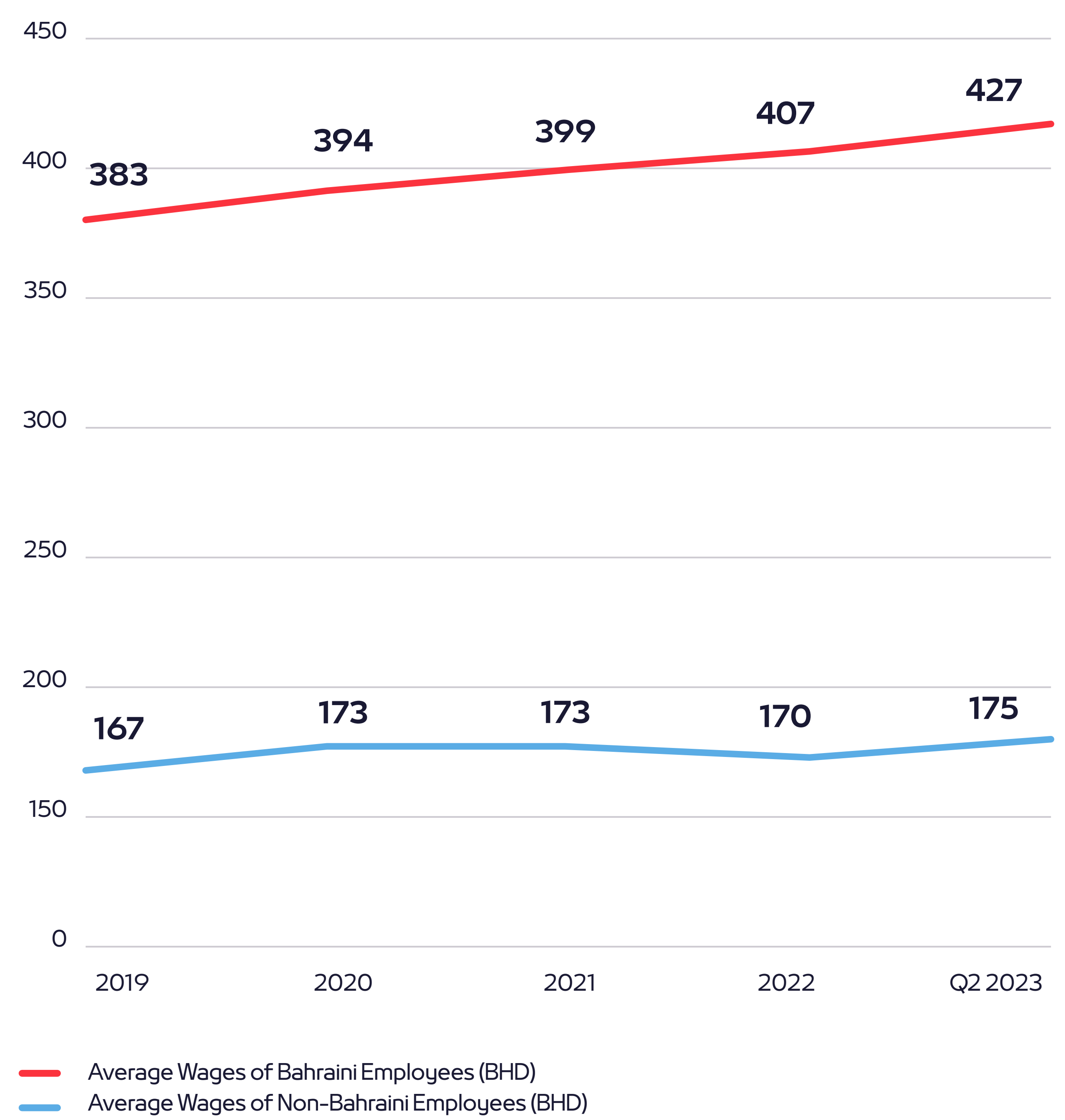
Accommodation & Food Services Sector Employees by Citizenship

(2019 – Q2 2023)



Accommodation and Food Services Sector Average Wages by Citizenship

(BHD, 2019 – Q2 2023)



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