

Three and Four Star Hotels in Dubai

Property firms are increasingly looking at constructing more three and four star hotels in Dubai these days. Dubai has made a surge in the recent years in trying to become the recreational center of the Middle East. A large number of tourists, apart from its expatriate community, are crowding Dubai's lanes each year. This has given a great push to Dubai hotels, especially to those in the luxury segment. One may see many five star hotels popping up across Dubai's horizon as a result, and many being announced regularly. The realty market hasn't taken care of catering to the needs of the low-end clientele, on the other hand. Realtors are increasingly looking at developing more affordable hotels therefore, and trying to gain a foothold in this emerging scenario. There are several reasons why we are witnessing a sudden spurt in three and four star hotels in Dubai. First of all, tourism is getting diversified and looking out at winning the favor of low-end clientele in the whole world. Airlines are offering discounted flights to keep up being alive in an overcrowded zone. Tour operators are selling last minute holidays and cheaper hotel rooms to win more buyers. Travel industry is fast acquiring a global and competitive outlook. Dubai hotels couldn't ignore these emerging trends. There are several other major cities in the Middle East that could soon start giving Dubai a run for its money. Dubai has got no other alternative but to begin re-looking at its policies; hence the rising demand for less expensive hotels now. There are a total of 90 three and four star hotels in Dubai in the present day scenario. However, it stands highly insufficient in the backdrop of a rising demand for budget accommodation. The trend might transform very quickly though, since more and more the UAE based construction houses were proposing budget hotel plans. Dubai's investment firm Istithmar plans to partner with London based Easy Group, and build 50 more budget hotels in the near future. These Dubai hotels would be launched and promoted under the brand name of Istithmar Hotels. Dutch hotel chain, Golden Tulip Hospitality, is also planning to partner in 10 new budget hotels soon. The firm is already managing twelve hotels across this region and six more are scheduled to open up by the end of 2009. Hotels in Dubai have always reported strong occupancy, especially during the peak summer seasons. However, the new emerging trend is that of an increased number of travelers from within the Gulf region. Until recently, Gulf travelers constituted up to 25% of the clientele in Dubai hotels, most of these having their annual summer breaks. However, this has gone up to 50% in the recent months. Most hotels and hotel apartments report of occupancies that may lie in excess of 80 to 90 percent. One might say therefore how exhausted Dubai hotels could be finding it to continue as a business today, and how urgently they need to be given more three and four star hotels by the real estate firms.

About the Author

Pankaj Mohan is an Ahmedabad, India based freelance writer who often writes on Dubai hotels, apart from other issues.

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