

Strong long-term future for tourism in Moroccan city of Marrakesh although some challenges remain, says HVS report

July 27 2015, London: Despite becoming a popular destination over the past decade, the Moroccan city of Marrakesh is likely to be amongst those markets seeing a downturn in tourism as a result of terrorist attacks on neighbouring African and Middle Eastern countries.

A new report from global hotel consultancy HVS on the hotel sector in Marrakesh, says that the city is one of those likely to suffer as negative sentiments towards Muslim countries rises amongst European markets.

Already a number of large corporate congresses have been cancelled or relocated from the city, while some public events have been abandoned in response to the Ebola epidemic in sub-Saharan West Africa, despite the fact that Morocco has been unaffected by the epidemic and is one of the most stable countries in Africa.

Over recent years investor and operator interest in Marrakech has been growing with several international luxury hotel brands opening, including Four Seasons. The city has a current development pipeline of some 1,502 rooms with an existing stock of around 2,000 rooms in its upscale and luxury hotel sectors.

'The strength of trading in Marrakesh is particularly remarkable given the increase in supply over the past few years and demonstrates the attraction from both investors and visitors,' commented report co-author Nicole Perreten.

'The city has been actively promoting itself to the MICE market, offering an exotic but affordable and relatively safe alternative, located within a few hours flight of Europe. The reopening of the Palais des Congrès after an extensive refurbishment programme should further enhance the attractiveness of the market.'

After a slowdown in 2008 and 2009 due to the global financial crisis, growth in tourism in Marrakesh picked up in 2010. Tourist arrivals grew at a compound annual growth rate of 4.8% between 2004 and 2014. RevPAR in 2013 rose by 11% to ?135, while 2014 saw a rise in the first three quarters of the year, followed by a downturn in the final quarter, partly due to the terrorist attacks such as Charlie Hebdo in Paris in January.

The first quarter of 2015 saw bed nights decrease by 12%, compared with the first quarter of 2014.

'Marrakech will continue to face certain challenges,' said report co-author HVS director Sophie Perret. 'Islam-related terrorism and Africa-related problems might further damage the perception of Morocco from a safety point of view. In particular, the latest attacks in Tunisia are a setback for the country and it will take some time to overcome the immediate fear caused by it. Despite this, the prospects for Marrakesh remain extremely strong in the medium to long term.' **[ends]**

To download the report Marrakesh ? 1001 hotels by Nicole Perreten and Sophie Perret please click <http://www.hvs.com/article/7407/marrakech-1001-hotels/?campaign=email>

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About HVS

HVS is the world's leading consulting and services organization focused on the hotel, mixed-use, shared ownership, gaming, and leisure industries. Established in 1980, the company performs 4500+ assignments each year for hotel and real estate owners, operators, and developers worldwide. HVS principals are regarded as the leading experts in their respective regions of the globe. Through a network of more than 30 offices and 450 professionals, HVS provides an unparalleled range of complementary services for the hospitality industry. [HVS.com](https://www.hvs.com)

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