

NEWS BUSINESS



BRANDS AND CULTURE
CHRIS HARRISON

Good work does not always pay

MEETING RISING DEMAND

Global hotel chains set to put up 2,900 new rooms by 2020

MERCY GAKII / Sixteen global hotels will be opened in Nairobi and Mombasa in the next five years. This will add 2,900 new rooms to the current 18,500 rooms, audit firm PricewaterhouseCoopers said in a report yesterday. The firm projects hotels' capacity will grow by 14 per cent over the period, with a 2.7 per cent compound annual increase in available rooms. Occupancy rates for hotels in Nairobi and Mombasa will, however, remain high. Some companies set to build hotels include Marriott, Sheraton, Ramada, Hilton

Garden Inn, Mövenpick Hotel and Four Points by Sheraton. "The average room rate is on track for another healthy gain in 2016 and we project more moderate increases thereafter, with growth averaging 4.9 per cent compounded annually through 2020," says part of the report. Occupancy rates are expected to decline over the next two years before stabilising in 2018. Political instability and terrorism, the report says, present threats to the tourism sector in the short-term, as Kenya prepares for next year's general election.

INVESTIGATIONS

CBK extends Imperial Bank's receiver status

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