

Accommodation & Food Services

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Bahrain's Accommodation and Food Services sector covers a wide range of businesses including restaurants, cafés, hotels, retail shops and entertainment venues. Bahrain is well known for its diverse culinary scene that is influenced by regional and international flavors. The country's hotel sector has grown in recent years, with new establishments and resorts opening to meet the increasing demand.



Sector Opportunities & Trends

01. Authentic local experiences

A survey conducted in 2021 (Booking.com survey of 29,000 respondents across 30 countries) found that 73% of respondents "want to have authentic experiences that are representative of the local culture" when they travel. This is an opportunity for businesses to connect visitors with Bahrain's cultures and communities through unique local culinary traditions and flavors and to create partnerships with local farmers and producers to gain a competitive advantage by offering customers authentic dining experiences.

02. Disruptive technology

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, restaurants can streamline many industry processes, such as ordering, payment and rewards programs, thereby enhancing the customer's experience. For example, chatbots have proven to be a customer service asset during the booking process or responding to customers enquiries 24/7.

03. Franchising

Operating a franchised business in the F&B segment can give owners and entrepreneurs access to capital and reduce risks associated with business growth.

04. Metaverse

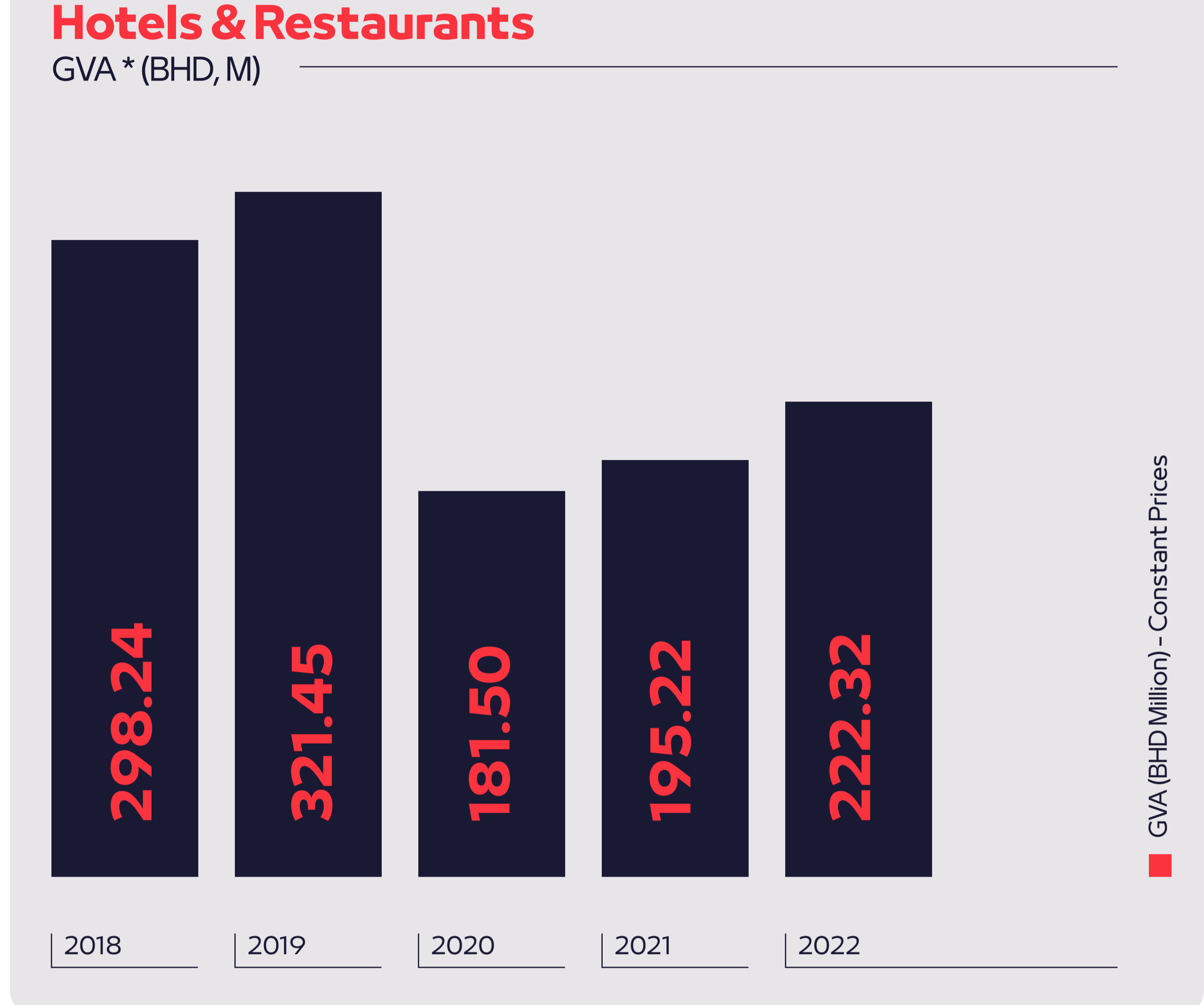
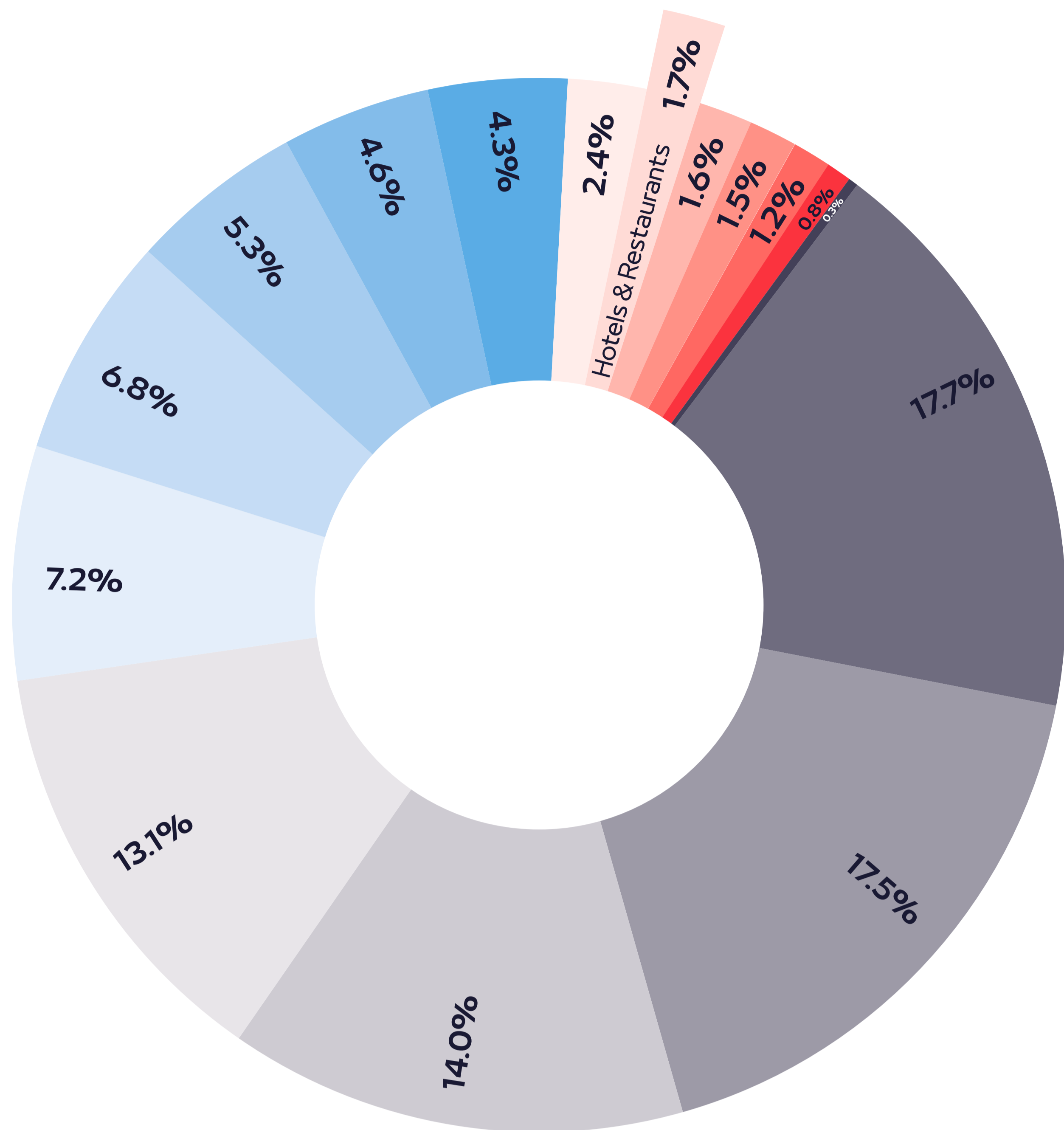
The metaverse presents an opportunity for the hospitality sector to build a more immersive and engaging experience for customers through virtual events, virtual tourism and virtual concierge services. By embracing the metaverse, hotels and other hospitality businesses can differentiate themselves from competitors with customized online solutions for their guests that complement or enhance the offline experience.

Accommodation & Food Services Sector Economic Indicators

iGA-National Accounts, Q4-2022

Hotels & Restaurants Contribution to Real GDP

(%, Q4 2022)



Mining & Quarrying	17.7%	Trade	4.3%
Financial Corporations	17.5%	Private Education Services	2.4%
Manufacturing	14.0%	Hotels & Restaurants**	1.7%
Government Services	13.1%	Other Social & Personal Services	1.6%
Construction	7.2%	Electricity & Water	1.5%
Transport and Communication	6.8%	Private Health Services	1.2%
Real Estate & Business Activities	5.3%	Others***	0.8%
Net tax on Products	4.6%	Agriculture & Fishing	0.3%

GVA per company

(BHD, Q4 2022)



*Gross Value added (GVA) measures the value of goods and services produced in an area, industry or sector of an economy
 **Data extracted from National Accounts are categorized according to ISIC 3 - hence Accommodation & Food Services is referred to as Hotels & Restaurants
 ***Others includes (Private Non-Profit Institutions, Households with Employed Persons)

Accommodation & Food Services Sector Enterprises

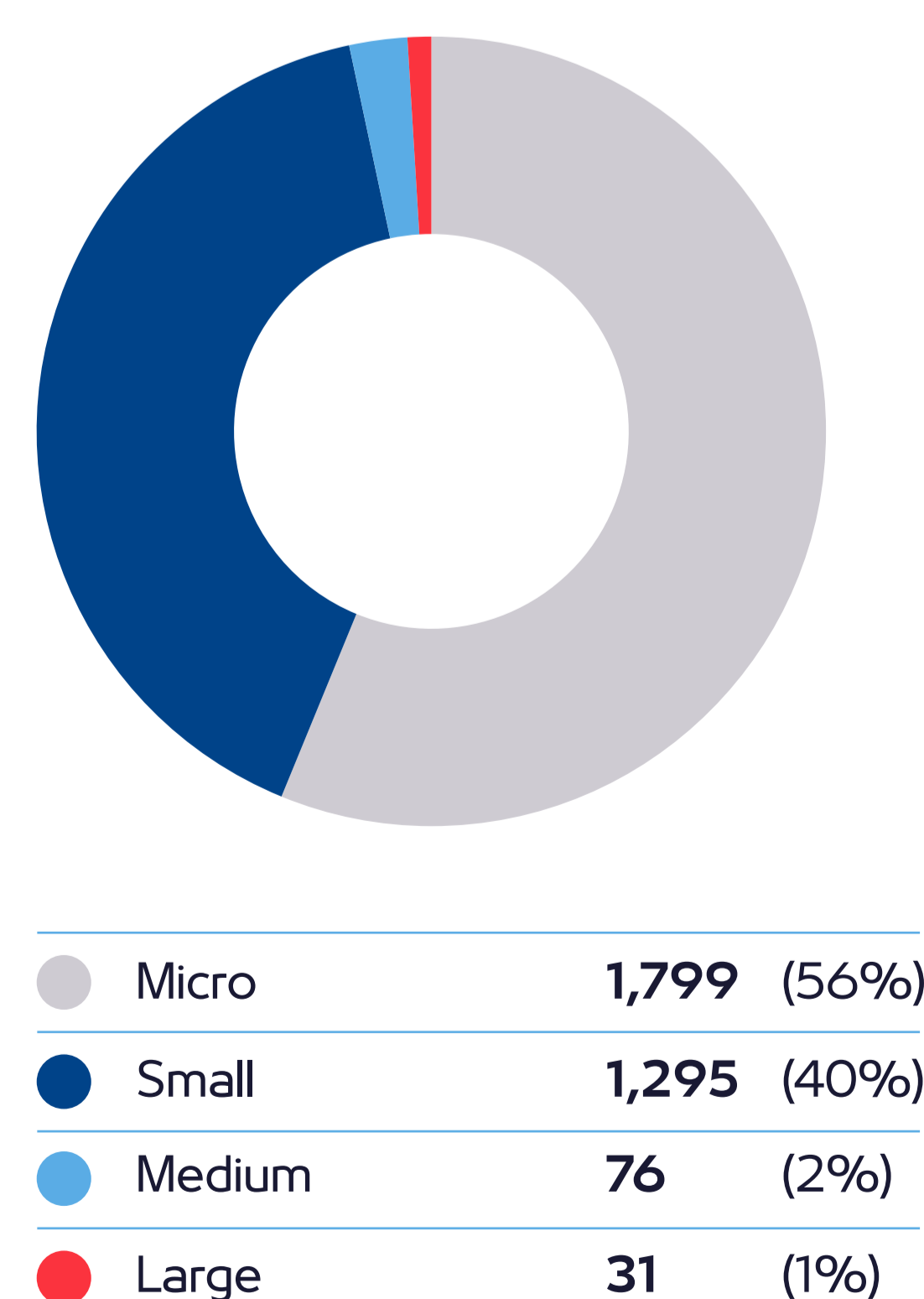
LMRA, 2022 - BLMI

3,201
Active CRs

4.4%
of total Active CRs in Bahrain

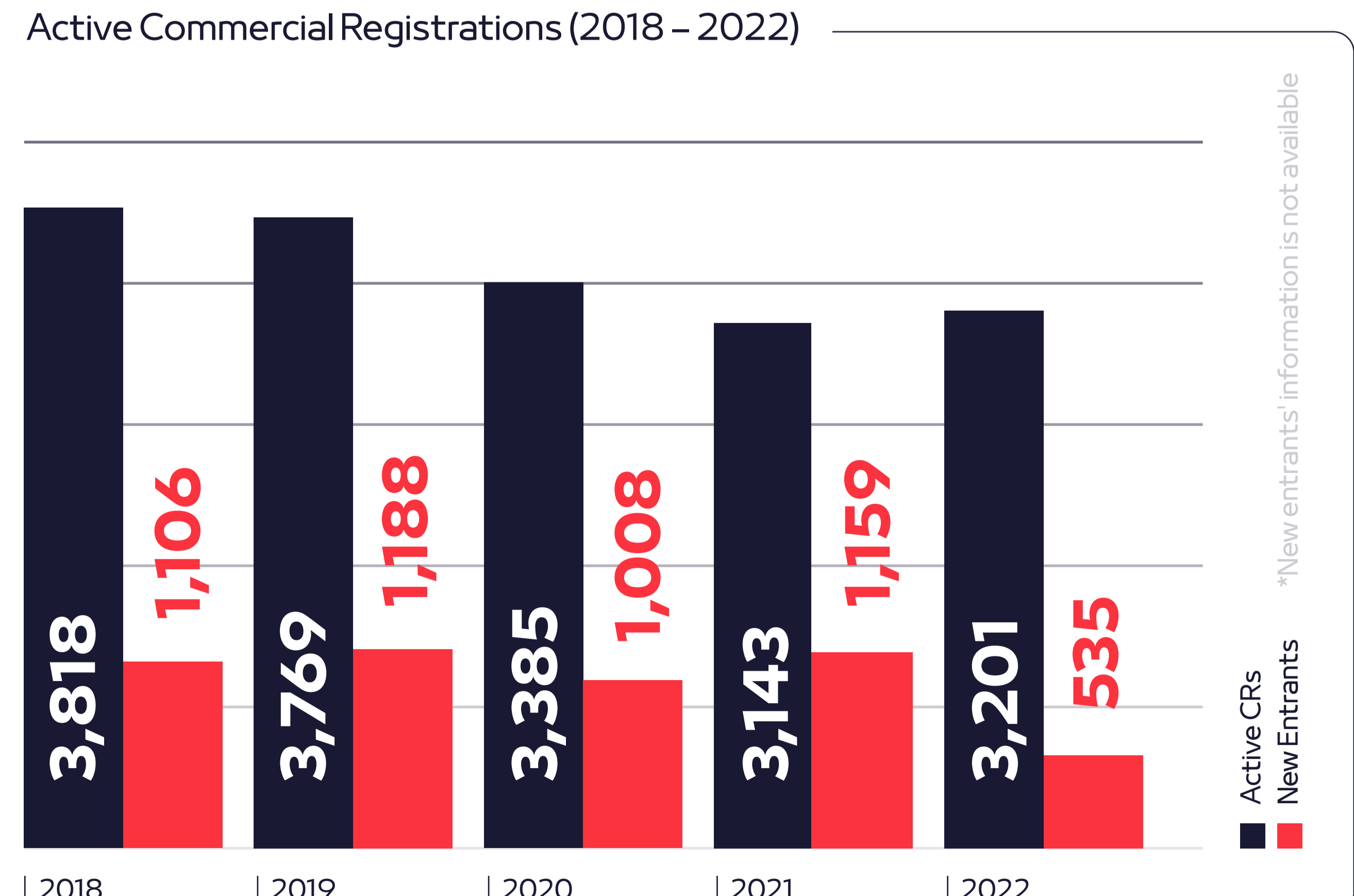
Accommodation & Food Services Sector

by Enterprise Size (%), Q4 2021



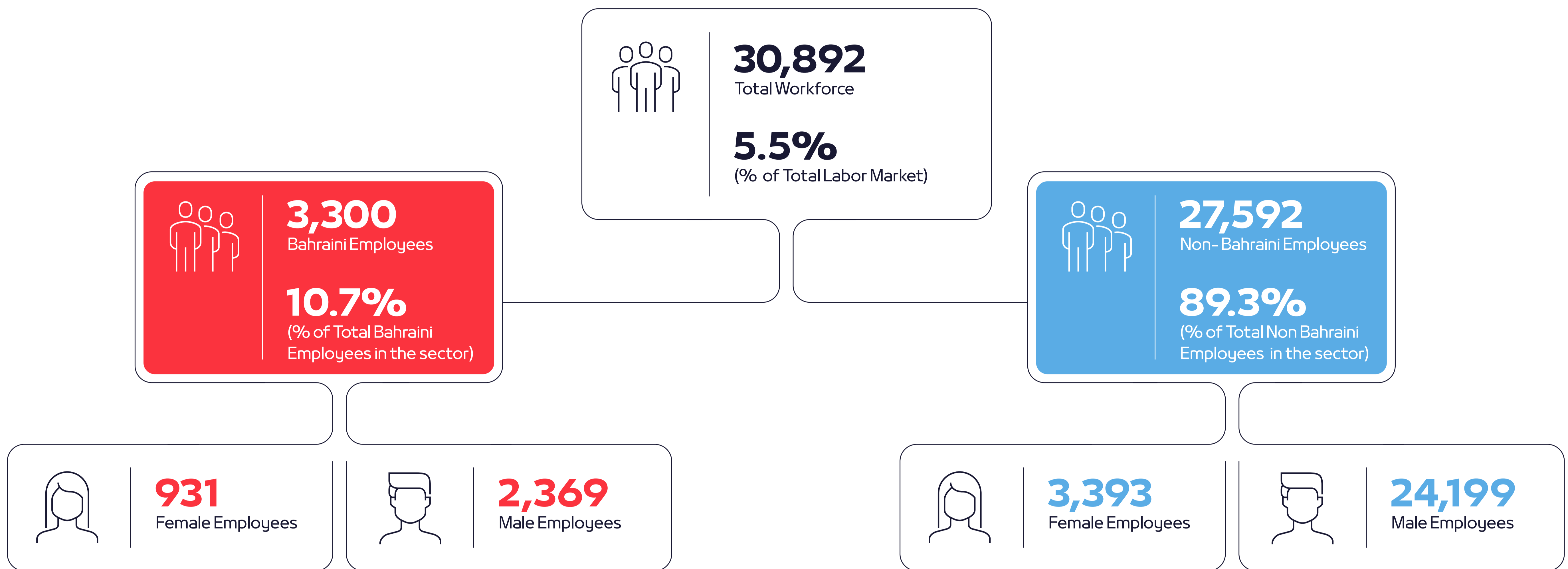
Accommodation & Food Services Sector

Active Commercial Registrations (2018 - 2022)

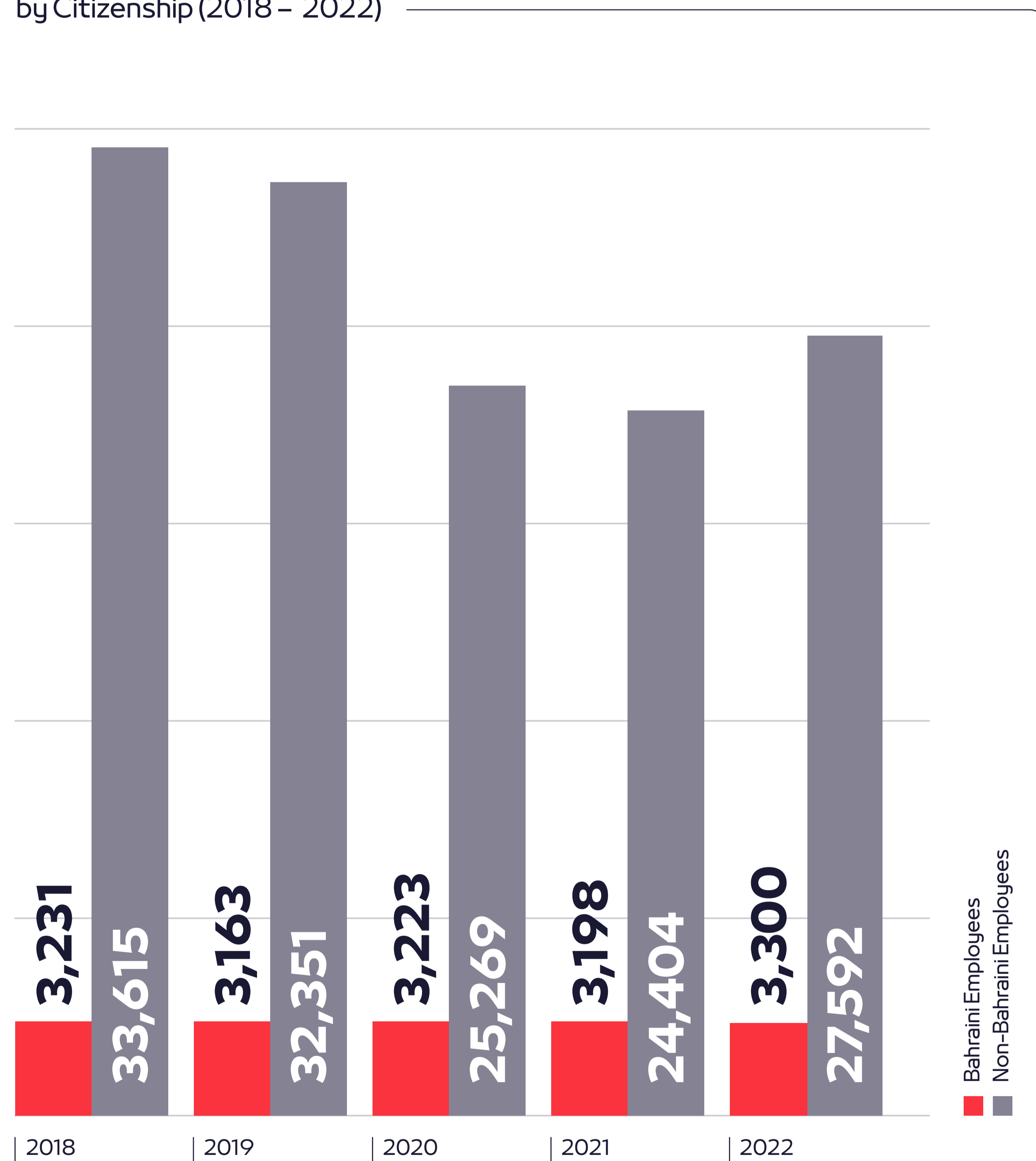


Accommodation & Food Services Private Sector Employment

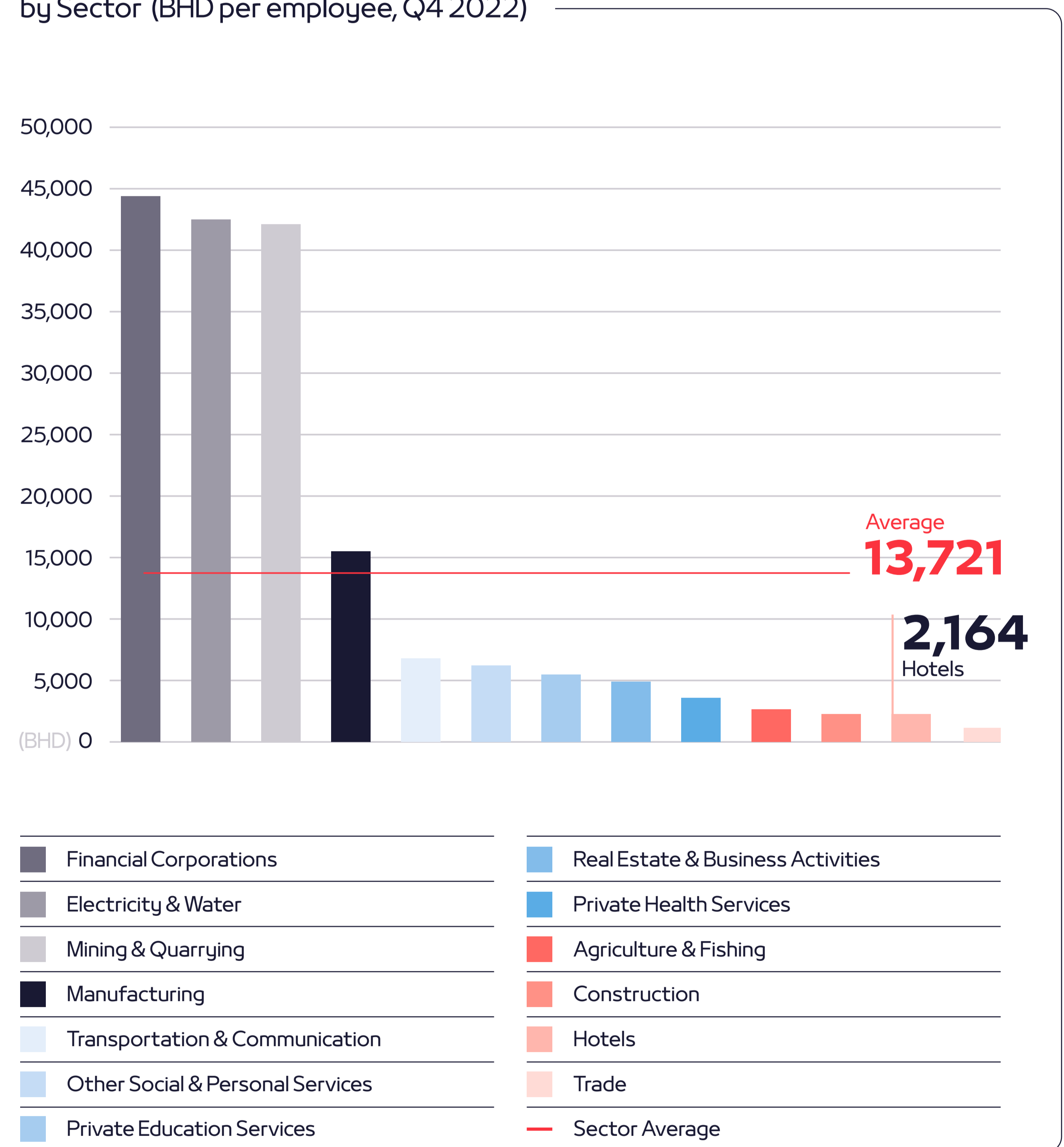
LMRA, Q4 2022- BLMI / iGA-National Accounts



Accommodation & Food Services Sector Employees by Citizenship (2018 - 2022)



Accommodation & Food Services Sector Labor Productivity by Sector (BHD per employee, Q4 2022)



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