VIDEC's

GCC & Egypt Travel Market Sizing & OTA Benchmarking Study, 2019-2028

Overview and analysis of the GCC & Egypt travel market opportunity for air and hotel categories from 2019-2028, with an emphasis on the role of online travel intermediaries.

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About VIDEC

VIDEC is a boutique research and analytics firm focused on the travel, tourism and hospitality industry.

Our services include research & data analysis, consulting, due diligence and industry thought leadership.

VIDEC's clients benefit from its founding partners' decades of travel industry experience in consumer and B2B research, business development, education and media.

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- Venture and growth capital funding
- Debt refinancing and raising of bank of bond financing
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Sponsors

VIDEC undertook an independent, rigorous and unbiased, multi-client syndicated research on the GCC & Egypt Travel Market, covering air and hotel categories with an emphasis on the role of online travel intermediaries.

VIDEC is thankful to its sponsor partners who agreed for the need of such an overarching research and for their sponsorship participation in this multi-client syndicated research study.

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2. The GCC & Egypt's total hotel market touched $18.3 billion in 2024, based on bookings made for hotels located in the region from local POS and bookings made by outbound travelers.
3. By 2028, the region's hotel market is expected to reach $25.8 billion, still ahead of the air market at $23.1 billion.
4. Saudi Arabia and the UAE collectively account for over 70% of the regional air and over 75% of the regional hotel market.
5. Saudi Arabia's hotel market is bigger than its air sector, whereas the UAE shows the opposite pattern.
6. The UAE and Qatar have low local POS share due to minimal domestic travel, when measured from the demand-side perspective, despite being major aviation hubs with 133 million and 46 million flown passengers in 2023.
7. Online penetration across the region rose sharply from 2019 to 2024, with the air segment growing from 31% to 40% and hotels from 21% to 29%, continuing a strong upward trajectory.
8. Saudi Arabia and Kuwait lead digitally, with high online air penetration at 54% and 44% respectively, driven by local payment networks, mada (Saudi) and K-Net (Kuwait).
9. The OTA air market in GCC & Egypt was valued at $3.1 billion in 2024, and is projected to reach $5.1 billion by 2028.
10. Almosafer leads in the OTA air category in the GCC & Egypt region, with a dominant 44% market share.
11. Homegrown players, including Almosafer, Almatar, Book on Wego, and Cleartrip Arabia, lead the online indirect air distribution in the GCC & Egypt's region.
12. The OTA hotel market in GCC & Egypt stood at $3.8 billion in 2024, and is expected to touch $6.2 billion by 2028.
13. Booking.com dominates the regional OTA hotel market with a 60% market share.
14. The OTA hotel sector in GCC & Egypt is dominated by global players like Booking.com, Expedia Group, and Agoda.
15. Direct online air bookings accounted for nearly half of the online air market in GCC & Egypt in 2024, with airlines focusing on promotions, incentives, and personalized experiences through loyalty programs.
16. Online-direct hotel bookings accounted for 29% of the total online market in GCC & Egypt in 2024, with most consumers preferring OTAs due to ease of booking in a fragmented hotel market.
17. Offline bookings dominate the GCC & Egypt region, highlighting strong customer preference for traditional booking channels.
18. The GCC & Egypt region's air market is set to grow at a CAGR of 9.5% between 2024 and 2028, with major carriers expanding network and capacity, and Riyadh Air entering the market.
19. Planned expansions will add approximately 400,000 hotel rooms in the GCC (80% in Saudi Arabia) and 250,000 in Egypt by 2030, fueling robust hotel market growth.

Overview

The global GDP growth is expected to moderate from 3.2% in 2024 to 3.1% in 2025, as higher trade barriers and rising policy uncertainty weigh on investment and household spending. Despite these geopolitical headwinds, the Gulf Cooperation Council (GCC) remains a key trade partner for the US. The region's GDP growth is expected to be 4% in 2025—outpacing the global growth and up from an estimated 1.8% in 2024—partially driven by the non-oil sectors. The non-energy economy is on track for 4.4% expansion in 2025, up from an estimated 3.9% in 2024.

The GCC & Egypt region collectively represents nearly 2% of the global population and approximately 2.5% of the world's GDP. The GCC market exhibits considerable diversity. Qatar, with a population of about 3 million, boasts the highest GDP per capita at $78,700. The UAE follows at $51,900, with Saudi Arabia, Kuwait, Bahrain, and Oman ranging between $20,000 and $30,000. Among the GCC's 58 million residents, expatriates constitute over half the population—representing approximately 90% in the UAE and Qatar, 70% in Kuwait, and 42% in Saudi Arabia.

Table 01: GCC & Egypt Traveler Profile

Market	Population	Share of Pop Aged 25-64 Years	Median Age (Years)	GDP per Capita
Saudi Arabia	33Mn	58%	29	$32,500
UAE	10.4Mn	69%	31	$51,900
Qatar	2.9Mn	74%	33	$78,700
Kuwait	4.8Mn	68%	35	$32,600
Oman	4.9Mn	59%	29	$21,600
Bahrain	1.6Mn	65%	33	$28,300
Egypt	114Mn	45%	24*	$3,700

*Half of Egypt's population is below 25 years. For ease of visualization, GDP per capita rounded to hundreds.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Egypt, home to the region's largest population of approximately 114 million, has a GDP per capita of around $3,700—significantly lower than both GCC nations and global averages. With a median age of 24, Egypt has a notably young population, while GCC countries have median ages between 29-33 years. The region's economic transformation, liberalization, and the presence of a young, affluent population continue to fuel travel aspirations among the people.

Non-oil sectors have become the primary growth engine in the GCC economies. This expansion stems from successful diversification initiatives that have strengthened entrepreneurship, trade, investment, development projects, and tourism throughout the region.

Table 02: Contribution of Non-Oil Sectors in GDP (%)" and center aligned.		
Market	**2000**	**2024**
Saudi Arabia	~39%	~53%
The UAE	~70%	~75%
Kuwait	~50%	~57%
Qatar	~43%	~64%
Oman	48-49%	~72%
Bahrain	~ 56%	~86%

Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

The seven countries in focus are driving economic diversification through strategic frameworks like Saudi Arabia's Vision 2030, 'We the UAE 2031' vision, Qatar's Vision 2030, Oman's Vision 2040, and Egypt's Vision 2030, with major investments in tourism, technology, and renewable energy to reduce dependency on oil.

Significant investment in tourism infrastructure is underway across the region. Saudi Arabia is pursuing an aggressive tourism strategy through high-end developments, including NEOM, Rise Tower, Qiddiya Entertainment City, Red Sea Project, Diriyah Gate, and Amaala Triple Bay, complemented by mid-market hotel investments. The Kingdom aims to attract 150 million visitors annually by 2030. Similarly, the UAE plans to increase tourism's contribution to its GDP from 12% to 15% by 2031, leveraging its expanding luxury hospitality sector and new attractions like Expo City Dubai.

Qatar has emerged as a promising tourism destination following the FIFA World Cup 2022. The country has diversified its tourism offerings, including its flagship Lusail City, while Qatar Airways has expanded both destinations and flight frequencies. Having attracted more than five million tourists in 2024, Qatar remains on track to reach its target of over six million[1] annual visitors by 2030.

Oman is developing eco-friendly tourism projects along its coastline, particularly in Salalah (New City Salalah) and Muscat (Muscat Bay, Jebel Sifah, and Al Mouj), in line with its Vision 2040, which has earmarked $11.4 billion[2] for hospitality and real estate investments to make the country a sustainable tourism destination. Oman Air has also expanded its international routes and capacity, strengthening connections to European and Asian markets.

Kuwait and Bahrain have been focused on regional tourism. Kuwait is targeting 100,000 tourists[3] annually through new cultural tourism projects, improved hotel infrastructure, and tourism festivals, while Bahrain aims to become an international tourism hub[4]. Manama's selection as the Gulf Tourism Capital for 2024 highlights Bahrain's rising prominence in the regional tourism landscape.

Egypt is revitalizing tourism with investments in luxury resorts along the Red Sea and Mediterranean coasts. The country aims to double its tourism industry[5] by addressing infrastructure bottlenecks and enhancing promotional initiatives. EgyptAir has expanded its network, improving connectivity between Europe, Africa, and the Middle East.

1. Bloomberg (2025, May 6). Qatar Bets on Sports to Hit 2030 Tourism Goal Ahead of Schedule.
2. JLL (2024, August 31). Sustainable Tourism in Oman: A Vision 2040 Goal.
3. Zawya (2025, February 17). Kuwait aims to attract 100,000 tourists annually with new cultural tourism project.
4. Government of Bahrain (2025, April 2). Bahrain's Tourism Strategy & Projects.
5. The Business Year (2024, August 31). Egypt's New Tourism Strategy for 2024.

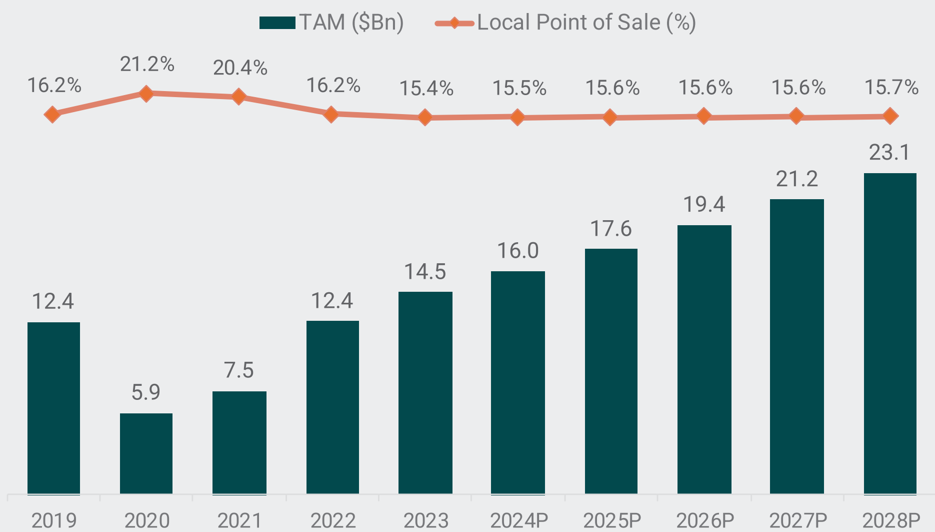
Air Market Opportunity

The UAE, Qatar, and Saudi Arabia are the global aviation hubs in the GCC & Egypt region, accounting for nearly 77% of regional passenger traffic. With the exception of Egypt, Saudi Arabia, and Oman, all other countries in the region lack domestic air travel due to their limited land mass and serve as connecting points for international and regional travelers.

Total Air Market (TAM)

Based on the demand-side methodology, which represents air bookings made from local points of sale (POS)—both domestic and international—and excludes bookings made from outside the region, VIDEC estimates GCC & Egypt's total air market at US$16 billion in 2024, up 29% from $12.4 billion in 2019, driven by expanding capacity and rising air fares. By 2028, the regional TAM is forecast to reach $23.1 billion, growing at a 9.5% CAGR from 2024 and registering a 44% increase.

GCC & Egypt: Total Air Market (US$Bn), 2019-2028



-	47%	60%	100%	117%	129%	9.5%	7.2%
Indexed to 2019 (%)						CAGR: 2024-2028	CAGR: 2019-2028

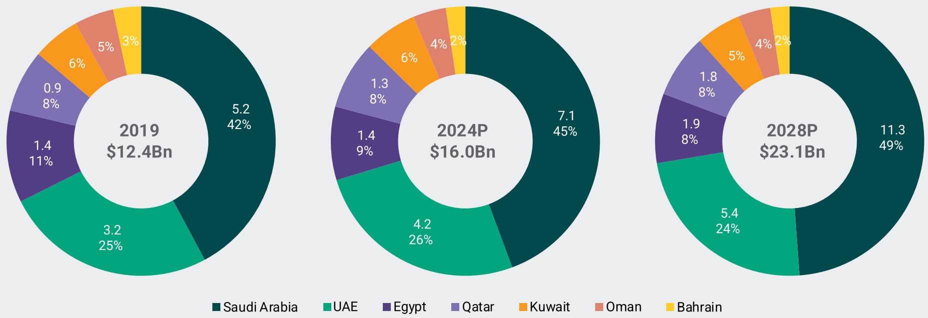
NOTE

Total air market (TAM) represents bookings made on local as well as foreign carriers operating in a particular market from its local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

The GCC & Egypt region houses multiple aviation hubs, heavily focused on inbound and transit traffic. The local demand—the share of bookings made from local POS—has remained constricted to 15-16% for the region. In dollar terms, this indicates a total market potential of over $100 billion from the supply-side perspective, with transit and transfer traffic comprising the majority.

Saudi Arabia is the biggest air market in this region, contrary to the common perception, when assessed from the demand-side methodology. At $7.1 billion, Saudi Arabia accounted for 45% of the regional TAM in 2024, owing to its robust domestic demand. Growing nearly 60%, Saudi Arabia's TAM will reach $11.3 billion by 2028, driving almost half of the GCC & Egypt air market.

GCC & Egypt: Total Air Market ($Bn), Share by Country



NOTE

Total air market (TAM) represents bookings made on local as well as foreign carriers operating in a particular market from its local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

The UAE is the second-largest air market in the region, despite the country being the base for four large carriers in the region, each carrying over 10 million passengers. Given its small local POS share, it trails behind Saudi Arabia when evaluated from the demand-side perspective. Estimated at $4.2 billion in 2024, it constitutes 26% of the regional market. Rising from $3.2 billion in 2019, the UAE air market will reach $5.4 billion by 2028.

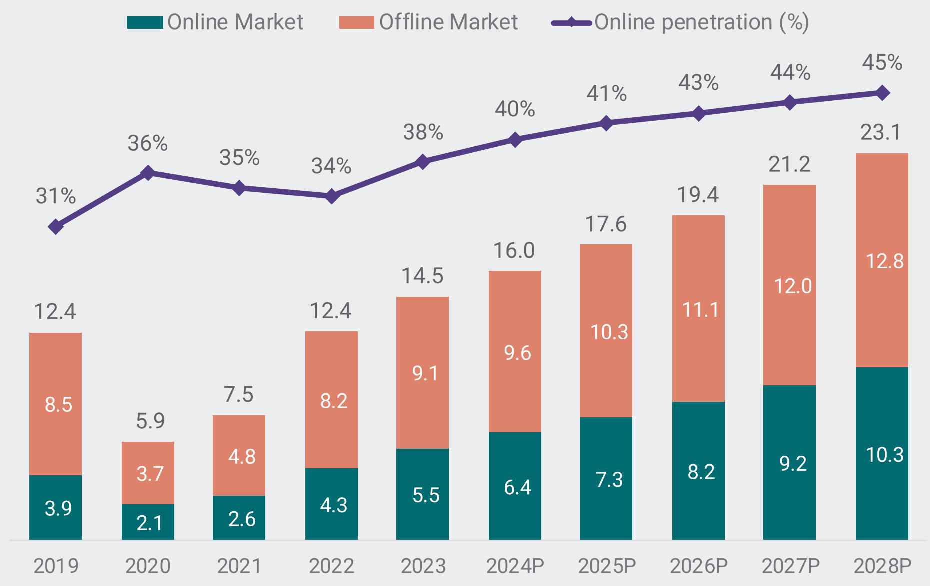
Egypt, the Middle East's largest market demographically, ranks third in the pecking order but has a significantly smaller TAM than the top two markets due to minimal domestic air travel demand and high inbound traffic. Estimated at $1.4 billion with a 9% share of the regional TAM in 2024, Egypt's air market will expand to $1.9 billion by 2028. Qatar, Kuwait, Oman, and Bahrain's contributions to the total TAM are anticipated to range from 2–8% and are expected to remain steady through 2028.

Notably, Kuwait has a high local POS share of about 34%, on par with Saudi Arabia, followed by Oman's 25%, Egypt's 20%, and Bahrain's 17%. This stands in stark contrast to the UAE and Qatar, where local POS shares remain in mid-single digits despite their status as major aviation hubs—handling 133 million and 46 million air passengers, respectively in 2023. These figures encompass domestic, inbound, outbound, transit, and transfer passengers, highlighting the need for a demand-side assessment.

TAM by Booking Channel

The GCC & Egypt region's online air market is projected at $6.4 billion in 2024, a 65% increase over 2019. By 2028, the online market is expected to grow to US$10.3 billion, adding another 61% growth over 2024 levels.

GCC & Egypt: Total Air Market ($Bn), Share by Booking Channel, 2019-2028



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Total air market (TAM) represents bookings made on local as well as foreign carriers operating in a particular market from its local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Online channels accounted for 40% of the total regional TAM in 2024, compared to 31% in 2019, representing a steady increase in digital adoption. Online air penetration is projected to rise to 45% by 2028, underlining a broader consumer shift accelerated by young demographics, digital payments adoption, airline app-driven loyalty programs, and travelers' preference for convenience.

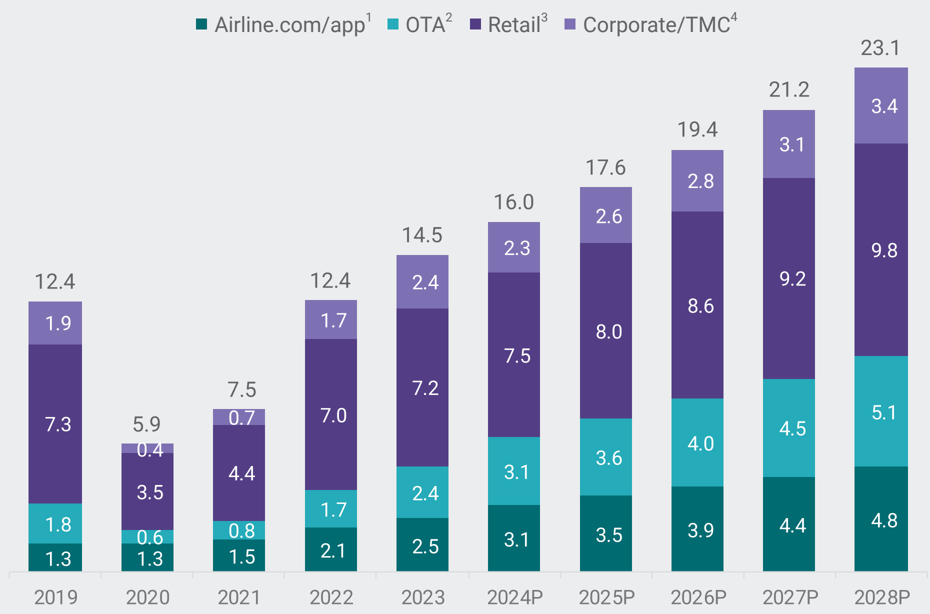
Offline channels remain dominant in the GCC & Egypt region, with an estimated GBV of $9.6 billion in 2024, up 13% compared to $8.5 billion in 2019. By 2028, offline bookings will grow further to $12.8 billion, a 33% increase over 2024. The offline channel constitutes the majority of the regional TAM, primarily attributed to the market's distinctive structure. The regional landscape encompasses two principal consumer segments: ultra-affluent individuals who prefer engaging travel companies for managing their bookings, and blue-collar workers who predominantly utilize local agents. The prevalence of extended families across Middle Eastern countries explains why many consumers gravitate toward travel agencies. Corporate travel likewise maintains its stronghold in the offline sphere.

While the offline channel continues to dominate the region, its share is gradually declining as more travelers shift to digital platforms. Online bookings are driving market expansion, growing nearly twice as fast as offline bookings, and are poised to represent nearly half of the total air market by 2028.

TAM by Distribution Channel

Offline retail—including traditional agencies, tour operators, wholesalers, and consolidators—is the biggest distribution channel in GCC & Egypt, accounting for almost half of the regional TAM.

GCC & Egypt: Total Air Market ($Bn), Share by Distribution Channel, 2019-2028



NOTE

[1]Airline.com/app covers online bookings made directly with airlines on their website or mobile. [2]OTA sizing primarily includes B2C bookings, while OTA corporate bookings are rolled up in Corporate/TMC. [3]Retail covers all offline distribution channels including traditional agencies, tour operators, wholesalers, consolidators et al. [4]Corporate/TMC channel includes bookings classified as 'corporate' in the MIDT data. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Estimated at $7.5 billion in 2024, offline retail bookings grew marginally over 2019. The region remains predominantly offline in air travel, with the majority of customers still preferring traditional ways of booking flights. By 2028, the retail channel is forecasted to reach $9.8 billion, growing 31% over 2024. While retail remains the largest channel by value, showing steady growth, it will lose share gradually to online channels.

Meanwhile, businesses in the region predominantly rely on travel management companies (TMCs) and retail travel agencies for corporate travel, which contributes to the overall offline air bookings. The limited prevalence of corporate credit cards further drives companies to work with travel agencies to simplify internal reporting. The corporate distribution channel constitutes the smallest yet steadily growing share of the TAM. The GCC has transformed into a prominent business hub over the last decade, with major global corporations establishing headquarters in Saudi Arabia and the UAE while expanding their regional operations. Valued at $2.3 billion in 2024, corporate travel and TMCs represent 14% of the TAM. This segment is projected to reach $3.4 billion by 2028, demonstrating 48% growth over 2024.

Even as offline channels continue to have a stronghold, direct online air bookings and OTAs have emerged as the fastest-growing segments. Direct online air is primed to expand to $3.1 billion in 2024, up from $1.3 billion in 2019, marking a 138% growth. As airlines in the region continue to be proactive in pushing their apps and websites, offering incentives and personalized experiences through loyalty programs, direct online air is projected to reach $4.8 billion by 2028, expanding 55% over 2024 levels. Notably, low-cost airlines (LCCs) have more online penetration than full-service carriers (FSCs).

Direct online air accounted for nearly half of the online air bookings in 2024, while OTAs captured the other half. The region has evolved into fertile ground for OTAs due to the presence of numerous airlines and large, diverse diasporas, particularly from Southeast Asia and South Asia, who actively seek competitive airfares. Projected at $3.1 billion in 2024, the OTA channel has witnessed 72% growth over 2019 levels. It is expected to reach $5.1 billion by 2028, adding another 65% over 2024 and outgrowing the direct online air share.

OTAs are currently focused on two larger opportunities—Saudi Arabia and the UAE—and to some extent, Kuwait. Their presence is significantly smaller in other markets, which indicates room for growth. Parallelly, the metasearch model predominates in the region because of the plethora of choices available. As the online air category builder, Wego Group stands as the largest metasearch platform in the GCC, followed by Trip.com-owned Skyscanner, which also maintains a sizable presence.

Moreover, OTAs are increasingly preferring direct connections with regional airlines such as Emirates, Etihad, Saudia, Qatar Airways, and Oman Air, which have been pushing NDC content for the last several years. To deliver results accurately and quickly to live up to customer expectations, OTAs rely heavily on solutions like GDS X and NDC X to streamline content and enhance the accuracy of search results.

All three major GDS providers—Amadeus, Sabre, and Travelport—have a significant presence in the GCC & Egypt region and are focusing on unbundling content and making it personalized. A decade ago, GDS providers primarily focused on hosting as many airlines as possible. As NDC emerged, these providers adapted by collaborating with airlines to integrate this new content stream.

Notably, Amadeus has strategically positioned itself as a comprehensive travel solution provider. The company has made remarkable strides in building a complete ecosystem, establishing a competitive advantage over rivals still working to catch up. Moving beyond traditional airline hosting, Amadeus now delivers integrated solutions to airports, TMCs, retail travel agencies, and ground services—all while ensuring seamless connectivity across its entire platform.

NDC's open architecture has also given rise to aggregators like TPConnect, which was acquired by Flight Centre Travel in 2022, and Verteil Technologies. These aggregators empower both OTAs and traditional travel agencies by offering NDC technology and seamless content aggregation.

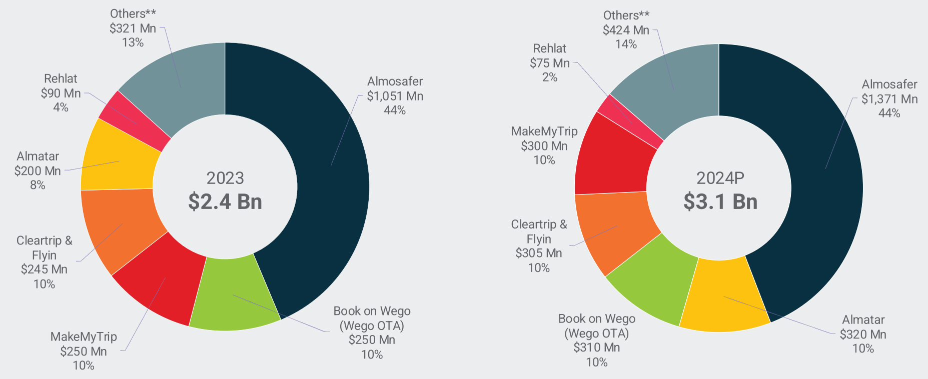
OTA Air Benchmarking

The GCC & Egypt region is a thriving playground for OTAs due to the plethora of airlines, including prominent ones like Emirates, Etihad, Qatar Airways, and Saudia. Customers who are price-conscious, digitally savvy, and prefer ease of booking have been driving the OTA growth. OTAs are now the preferred channel for exploring choices, comparing options, and booking flights.

Saudi-based Almosafer is the region's biggest OTA with an estimated $1.4 billion air gross booking value (GBV) in 2024, up 30% over 2023 and translating into a 44% share of the overall $3.1 billion OTA air market. Almosafer maintains a strong focus on Saudi Arabia and Kuwait, while experiencing organic growth in other regional markets through strong brand recognition.

While Almosafer's corporate travel business was significantly impacted by a Saudi government policy change in early 2024 that mandated all public sector air bookings be made directly through Saudia rather than third-party platforms, the OTA successfully offset this decline through growth in its retail consumer business. Consequently, the leisure travel uptick helped Almosafer retain its share in the regional market.

GCC & Egypt: OTA Air Gross Booking Value* (GBV) ($Mn), by OTA Brand, 2023 & 2024P



NOTE

*OTA air gross booking value (GBV) has been arrived using a demand-side approach and may differ from the published IR/guidance provided by publicly listed OTAs and/or suppliers. For privately held OTAs, GBV is estimated by VIDEC through executive interviews and secondary research and may vary from the companies' actual metrics. Almosafer's GBV excludes business travel bookings. **includes other local and global OTAs operating in GCC & Egypt such as BudgetAir, Costco Travel, dnata Travel, EaseMyTrip, eDreams, Ejazza, Expedia, Flybooking, Gotogate, Kanoo Travel, Kiwi, Musafir, SkySOUQ, Tathkarah, Travelwings, Trip.com, VakaTrip, Wingie, et al. 2024 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Almatar, another leading Saudi OTA, reached $320 million in GBV in 2024, capturing 10% share of the GCC & Egypt OTA air market. Almatar has been expanding its digital platform and improving travel services, having secured investments from the Tourism Development Fund and IMPACT46. They also have a sizable corporate air travel segment besides leisure travel.

Book on Wego, the OTA business of the region's largest metasearch platform, Wego, ranks third with a projected 10% market share and $310 million in GBV in 2024, up 24% from the previous year. Wego expanded into business travel offering by acquiring Travelstop in 2023 and subsequently launching Wego Pro, a digital solution targeting MSMEs in the GCC region.

UAE-based Cleartrip Arabia and India's MakeMyTrip also seized 10% market share each. Cleartrip Arabia and Flyin.com, a Saudi Arabia-based OTA that Cleartrip acquired in 2018, enjoy significant brand recall among the Arabic population. Before the pandemic, Cleartrip was the dominant player in the UAE. However, following the acquisition of its India and Middle East business by India's Flipkart in 2021, the company faced capital and resource crunch. Facing these challenges amid the throes of the pandemic, Cleartrip lost significant market share in the UAE and Flyin in Saudi Arabia. Cleartrip Arabia recently completed a management buyout of Cleartrip's Middle East business from Flipkart. Now led by several of Cleartrip's original team members, the company's new strategic direction and anticipated growth positions it as a strong competitor in the UAE and Saudi Arabia markets.

Meanwhile, MakeMyTrip has emerged as the leader in the UAE's OTA air category, quickly filling the void left by Cleartrip. The Indian OTA is now eyeing other markets in the region, strategically investing in technology, content, local market understanding, and supplier relationships—replicating the proven playbook from its home market to expand in the GCC region.

Kuwait's homegrown player Rehlat saw its GBV slide to $75 million in 2024 from $90 million a year ago, weighed down by resource constraints amid the sluggish economy, yet it retains its influence. Chinese travel giant Trip.com, a new entrant in the regional market, is another player to watch. Intensifying competition in the region, it has established a dedicated leadership team in its newly opened Dubai office and is expanding into Saudi Arabia to drive growth in the Gulf region. The Middle East is a key market for Trip.com's international expansion strategy and its ambition to become the world's largest OTA.

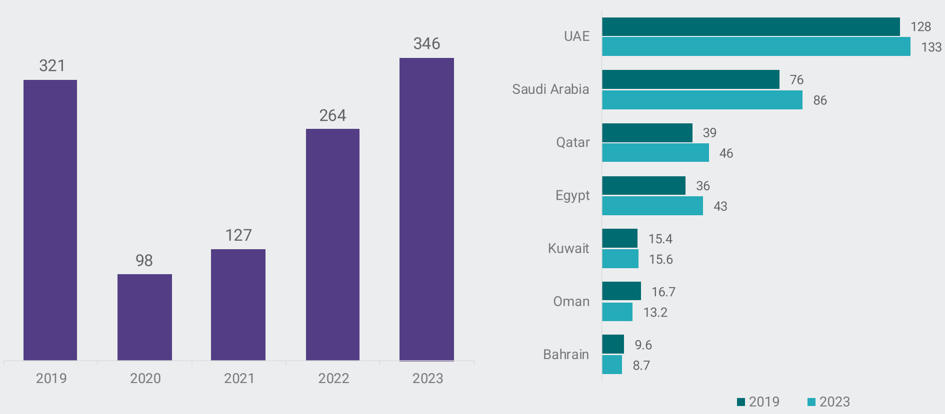
With dozens of major airlines operating in GCC & Egypt, the region houses a long tail of local, regional, and global OTA players, including eDreams, Expedia.com, Kiwi.com, and Wingie, among others, collectively representing 14% of the OTA air market.

Total Flown Passengers

The GCC & Egypt region is home to prominent global aviation hubs. In 2023, the number of air passengers in the region totaled 346 million, growing 31% over a year and surpassing pre-pandemic levels. This number includes inbound and outbound traffic as well as transit/ transfer passengers. At 133 million, the UAE hosts the most passengers in the GCC region, followed by Saudi Arabia (86 million), Qatar (46 million), and Egypt (43 million).

The UAE predominantly caters to international travelers, with transit passengers making up nearly 44% of the total air traffic, while Saudi Arabia has a strong domestic demand. Beyond Saudi Arabia and the UAE, Qatar has emerged as a regional hub, while Egypt remains an inbound-heavy market. Notably, the number of passengers in Oman and Bahrain still lagged behind 2019 levels, whereas Kuwait surpassed pre-pandemic high marginally.

GCC & Egypt: Total Flown Passengers* (Mn), 2019-2023



NOTE

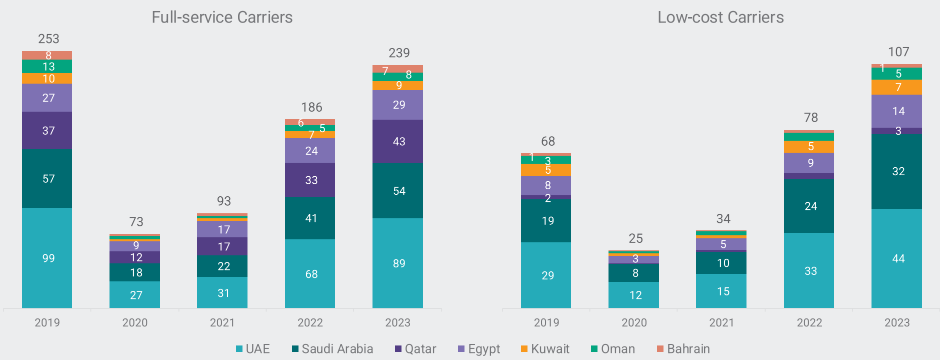
*Total flown passenger includes domestic, inbound, outbound as well as transit/ transfer passengers flying on all local as well as foreign carriers operating in the market of consideration. Flown passenger estimates are based on civil aviation statistics, airline earnings and available seat capacity. Totals may not add up due to rounding.

Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Full service carriers (FSCs) carried 239 million passengers in 2023, contributing 69% of the total air traffic in GCC & Egypt, even as their passenger volume declined slightly from 253 million in 2019. FSCs have maintained a stronghold in markets like Qatar, which has the highest per capita income; Egypt, where inbound demand is high; as well as Oman and Bahrain, which serve as connecting hubs for international passengers.

Meanwhile, LCCs have been gaining market share. They flew 107 million travelers, capturing almost 31% of the total market share of passenger traffic in 2023, a substantial expansion from nearly 21% in 2019. The surge in LCC share comes on the back of added capacity and network expansion, and signals rising demand for affordable, short-haul travel in the region. The LCCs' growth is primarily driven by three markets: the UAE, Saudi Arabia, and Kuwait.

GCC & Egypt: Flown Passengers* (Mn), by Market and Carrier Type, 2019-2023



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Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Overall, the region serves as a hub for numerous local LCCs—including Saudi Arabia's flynas and flyadeal, UAE's flydubai and AirArabia, Kuwait's Jazeera Airways, and Oman's SalamAir—which establish vital connections between the region and destinations across Southeast Asia, South Asia, and Europe. Beyond homegrown LCCs, foreign carriers like India's Indigo and Air India Express, Malaysia's AirAsia, and Europe's Wizz Air have been increasingly active in GCC & Egypt.

Aircraft Orderbook

Capitalizing on the UAE's strategic geolocation connecting Asia Pacific to the US and Europe, UAE-based carriers are pursuing aggressive growth with a combined orderbook of over 650 aircraft. Emirates, the largest carrier in the region with over 50 million annual passengers, leads with 315 aircraft orders, followed by flydubai (130) and Etihad (105).

Saudi Arabia's national carrier Saudiais enhancing its regional position by expanding beyond pilgrimage travel to focus on long-haul routes amid increasing competition in the aviation market. Meanwhile, Saudia Group's low-cost carrier flyadeal is strengthening its domestic presence while targeting regional markets. The combined Saudia-flyadeal orderbook currently stands at approximately 105 aircraft. Riyadh Air, a new premium full-service carrier launching in 2025, has confirmed nearly 132 aircraft in line with the Kingdom's strategy global aviation hub. flyadeal's rival flynas, which expanded its network in 2024 to include new destinations like Brussels and Berlin, has an orderbook of 280 aircraft.

Other markets in the region, specifically Qatar and Oman, are following in the footsteps of Dubai, integrating its playbook of developing excellent hotel infrastructure and connectivity to create new avenues to engage tourists. Qatar Airways, which carries over 43 million passengers annually—nearly 20 times the country's population—currently has an orderbook of 160 aircraft.

Meanwhile, Oman Air is actively pursuing digital transformation to modernize its retailing and distribution as it aims to become a regional player connecting the Gulf to the Indian subcontinent.

Digital Payment Ecosystem

The digital payments landscape across the GCC & Egypt region blends robust national networks, global payment services, and accelerating fintech adoption.

Saudi Arabia's national payments system, mada, remains the dominant card network, accounting for 95% of total transactions[6] made in the country. It is complemented by STC Pay's digital wallet leadership and gateways such as Amazon Pay (formerly PayFort) and Moyasar. Notably, Apple Pay integrated with mada in 2019, which facilitated its widespread acceptance across POS terminals and online platforms. Google Pay announced a similar partnership with mada in January 2025.

In the UAE, credit cards dominate travel-related spend, with Visa capturing the majority share, followed by Mastercard. This poses a challenge for OTAs, which must absorb merchant discount rates around 2% despite thin margins. To bolster local digital payments, the UAE introduced two significant domestic solutions—the instant payment system Aani in 2023 and the local card scheme Jaywan in early 2024. Jaywan is in the process of implementing support for Google Pay and Apple Pay, which rank among the top five mobile payment methods[7] in the country. Meanwhile, Checkout.com, the first gateway to enable mada digital transactions[8] in Saudi Arabia, has become a premier payment gateway in the UAE. In early 2025, its partnership with noqodi further strengthened payment solutions for UAE businesses and consumers.

Kuwait's payment ecosystem is built around K-Net[9], which dominates debit transactions, while innovative fintech players like Myfatoorah, Tap Payments, Payzah, and Kashier are driving accelerated adoption of digital payments. In Qatar, the national gateway QPay, developed by the Qatar Central Bank (QCB), alongside players like Fatora and Sadad, underpins the digital payments landscape. International card networks Visa and Mastercard remain dominant in Qatar, complemented by Apple Pay and Google Pay, fueling a robust shift towards contactless payments.

6. Arab News (2025, February 07). Saudi e-commerce sales using Mada cards hit $53bn in 2024.
7. Mordor Intelligence (2025). United Arab Emirates Mobile Payments Market Size & Share Analysis.
8. Fintech Futures (2018, April 19). Checkout first PSP to accept payments via Saudi Arabia's domestic network.
9. Arab News (2025, February 07). Kuwait adds 5 new e-payment solutions providers to boost financial innovation.

Oman primarily leverages OmanNet for interbank connectivity, with Thawani Pay emerging as the leading digital wallet platform, working alongside global payment providers. Bahrain distinguishes itself through BenefitPay, an integrated national mobile wallet and instant payment platform facilitated by the central bank's BENEFIT network. Additionally, UATP, a global airline and travel industry payment network, has strategically partnered with Wego Group to extend its presence within the GCC region.

In Egypt, the payments landscape continues to evolve rapidly despite economic volatility and substantial currency depreciation following the government's decision in March 2024 to adopt a more freely floating currency as part of an IMF bailout. Though stringent currency-transfer restrictions pose operational challenges to businesses, there has been some easing of these controls[10] over the last year, enhancing the ease of doing business.

Amid these developments, digital payments have accelerated significantly. Fawry, Egypt's largest payment platform, serves over 53 million[11] users across bill payments, e-commerce, and peer-to-peer transfers. Payment gateways such as PayMob, PayTabs, Telr, and HyperPay have strengthened cross-border transaction capabilities.

Parallelly, Egypt's national payment network, Meeza, introduced in 2019 by the Central Bank of Egypt (CBE), now accounts for the majority of payment cards[12], pulling millions of Egyptians into the formal financial system. Additionally, the CBE's Instant Payment Network (IPN), launched in March 2022, is driving real-time, account-to-account payments and is projected to process EGP 2.7 trillion[13] worth of transfers in 2024.

Rapid digital adoption has significantly driven buy-now-pay-later (BNPL) solutions to prominence across GCC & Egypt, addressing consumer preferences for flexible payment options. Collectively, the GCC & Egypt region represent dynamic, rapidly maturing payment ecosystems shaped by national networks, innovative fintech solutions, and strategic international partnerships. Accelerated digital adoption, regulatory support, and economic dynamics continue to reshape the region's payments landscape.

10. Egypt Today (2024, March 6). CBE eases restrictions on credit card usage in foreign currencies.
11. Forbes Middle East (2025). Fintech 50.
12. Daily News Egypt (2023, November 26). E-payment cards surge to 62 million in Egypt as of September 2023.
13. Egypt Today (2024, December 5). Egypt's central bank predicts EGP 2.7T in transactions via InstaPay by end of 2024.

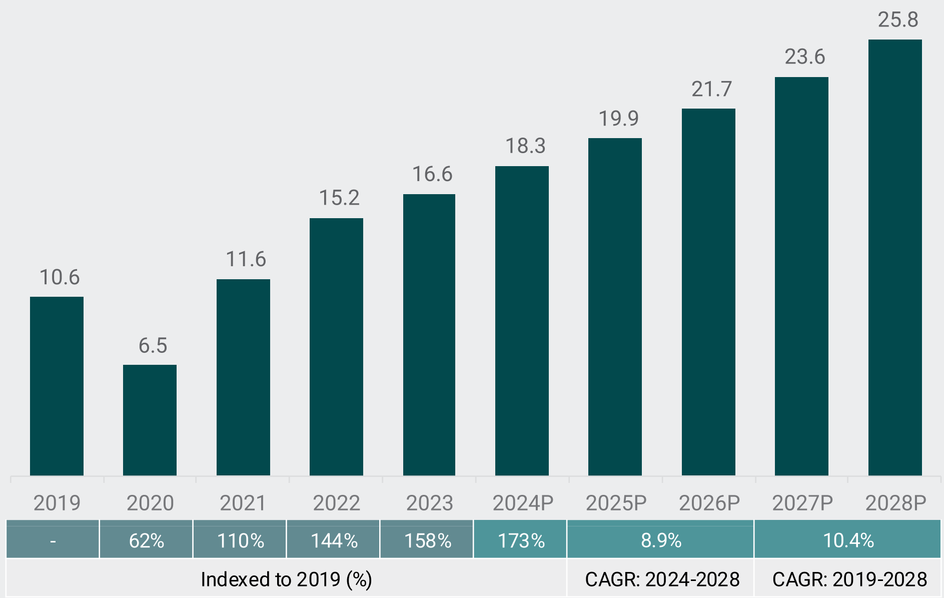
Hotel Market Opportunity

VIDEC has assessed the hotel market opportunity in the GCC & Egypt region using the demand-side methodology, which captures bookings made on local POS, including domestic bookings (by locals for hotels within the region) and international bookings (by locals for hotels outside the region). It excludes inbound bookings made by foreign visitors for hotels in GCC & Egypt, as these are booked from the visitors' countries of origin rather than through local POS and therefore do not represent local demand.

Total Hotel Market

The GCC & Egypt region's total hotel market is estimated at US$18.3 billion in 2024, up 73% over 2019 levels. By 2028, the hotel market is expected to touch $25.8 billion, representing a 41% increase over 2024.

GCC & Egypt: Total Hotel Market (US$Bn), 2019-2028



NOTE

Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Notably, the hotel market in the region is bigger than the air market when viewed from the demand side. This growth is driven by healthy occupancy rates and average daily rates, new room supply, and marquee events that boost regional travel. The market will continue to expand at 8.9% CAGR between 2024 and 2028, supported by GCC countries' strong hotel room pipeline, continued investments in tourism infrastructure to create more avenues for local and regional travelers, and sharpening focus on sport tourism.

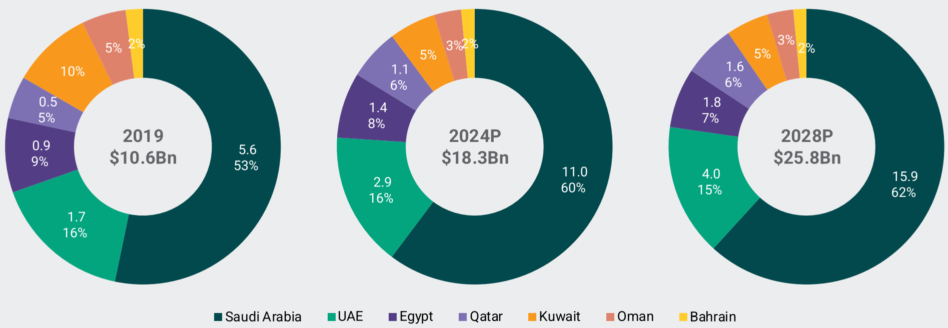
The GCC's total hotel room supply is estimated to be over a million keys, with Saudi Arabia and the UAE leading the market. Nearly one-third of these rooms fall under the upscale and luxury category. In Saudi Arabia, which has nearly 65% of the regional hotel inventory, the supply is mainly concentrated in key destinations like Mecca, Medina, Riyadh, and Jeddah. The UAE, where the hotel market is dominated by local and global hospitality chains, houses 20% of the regional hotel supply. Meanwhile, Qatar's hotel supply is expected to have crossed 40,000[14] in 2024.

The GCC is poised to expand its hospitality offerings significantly, with plans to add nearly 400,000 hotel rooms by 2030[15]. Saudi Arabia accounts for approximately 80% of this growth, aiming to add 320,000 hotel keys as part of its Vision 2030 initiative. Meanwhile, Egypt is working to nearly double its hotel inventory from the current 230,000 rooms[16] as part of its target to attract 30 million tourists by 2028. Notably, the region's hotel market is bigger than the air market, which is not often the case.

Within GCC, the regional travel is prominent. Except for the UAE, where outbound traffic constitutes 70% international travelers and 30% regional travelers, all markets contribute heavily to regional travel. A significant portion of Saudi Arabia's outbound traffic goes to Egypt, while half of Oman's outbound traffic travels within the GCC.

14. Doha News (2023, August 3). Qatar's hotel rooms set to top 40,000 by end of year.
15. Gulf Construction (2024, November 1). Region to add 400,000 rooms in six years.
16. Zawya (2025, April 30). Egypt receives 3.9mln tourists in Q1 2025.

GCC & Egypt: Total Hotel Market ($Bn), Share by Country



NOTE

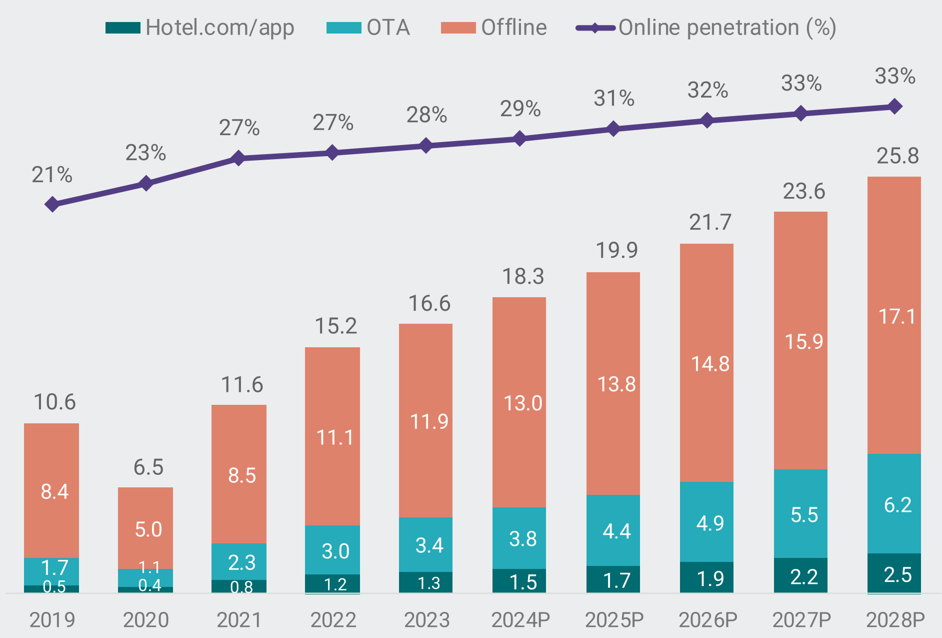
Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Saudi Arabia is the main growth engine, capturing the lion's share—60%—of the total hotel market in 2024, up from 53% in 2019, on the back of strong domestic demand. At 16% share, the UAE is the second largest contributor to the regional hotel TAM, followed by Egypt at 8%. While the UAE and Egypt are poised to continue growing in size by 2028, Saudi Arabia is expected to outpace their growth. Other markets, including Qatar, Kuwait, Oman, and Bahrain, will continue to expand, maintaining their steady share of the total hotel market.

Online Hotel Market

The GCC & Egypt's online hotel market reached an estimated $5.3 billion in 2024, representing 140% growth from $2.2 billion in 2019, with projections indicating expansion to $8.7 billion by 2028. Online penetration has risen from 21% in 2019 to 29% in 2024. As digital adoption rises with consumers increasingly preferring online channels, the penetration will climb to 33% by 2028.

GCC & Egypt: Total Hotel Market ($Bn), Share by Booking Channel, 2019-2028



NOTE

Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. OTA channel includes bookings made on all local and global OTAs from local POS. 2024-2028 projected. Totals may not add up due to rounding.

Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Though the total hotel market in the GCC & Egypt region is bigger than the total air market, the online penetration in hotels is still lower than that of air. Consequently, offline channels remain dominant, accounting for over 70% of the total hotel market. Estimated at $13 billion in 2024, representing a steady 55% increase over 2019 levels, the offline hotel market will cross $17 billion by 2028.

This growth is primarily driven by a large, affluent consumer base, which typically prefers personalized, assisted service through traditional booking methods and often opts for walk-in due to their last-minute booking nature, as well as businesses, which lean on corporate travel management companies and retail travel agencies, for booking travel.

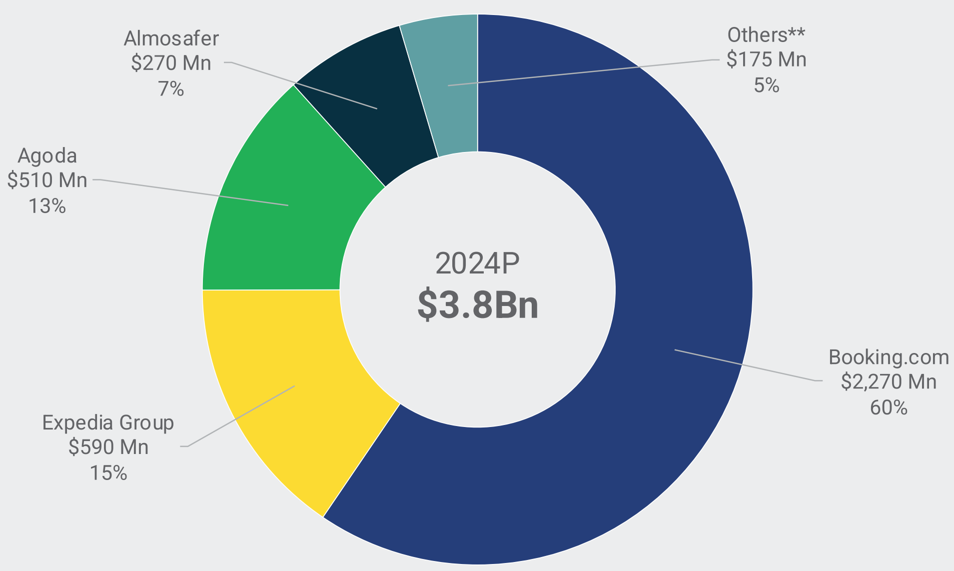
Despite offline being predominant, online channels are growing over 2x faster than offline channels. OTAs dominate the online hotel segment with over 70% share, having brought the fragmented hotel category online with their strong technology play. The region's young demography has been increasingly preferring them due to more choices and ease of booking. The OTA hotel market has more than doubled from $1.7 billion in 2019 to $3.8 billion in 2024. Continuing with a similar growth trajectory, OTA hotel bookings will touch $6.2 billion by 2028.

Online-direct hotel bookings comprise the remaining 30% of the online hotel market. Projected at $1.5 billion in 2024, up from $453 million in 2019 and poised to reach $2.5 billion by 2028, the direct online channel is steadily growing. Chain hotels, which provide personalized, premium offerings and benefits through their membership and loyalty programs, encourage travelers to book directly with them. However, a majority of independent hotels rely on OTAs to drive their bookings.

OTA Hotel Benchmarking

The GCC & Egypt's OTA hotel market is dominated by global players, led by Booking.com, which enjoys a 60% share, far ahead of any other platform, due to its strong technology and content play. As per VIDEC estimates, Booking.com's gross booking value (GBV) in the region stood at $2.3 billion in 2024.

GCC & Egypt: OTA Hotel Gross Booking Value* (GBV) ($Mn), by OTA Brand, 2024P



NOTE

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Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Expedia Group, which still has a meaningful B2B presence in the region, follows with a 15% market share and $590 million in GBV. Agoda, another Booking Holdings company, ranks third with a 13% share and $510 million in GBV in the regional OTA hotel market.

The stronghold of these global players stems largely from their early entry in the online hotel distribution. Global OTAs have had a first-mover advantage, having brought hotels online, while regional players have been focusing on the air segment to consolidate their position and have a small footprint in hotel bookings.

Almosafer, the region's leader in OTA air market, has an estimated 7% share in the hotel market. The other local, regional, and global OTAs operating in the region constitute the long tail, collectively holding a 5% market share. This concentrated landscape creates high barriers for entry for newcomers.

Market Level Insights

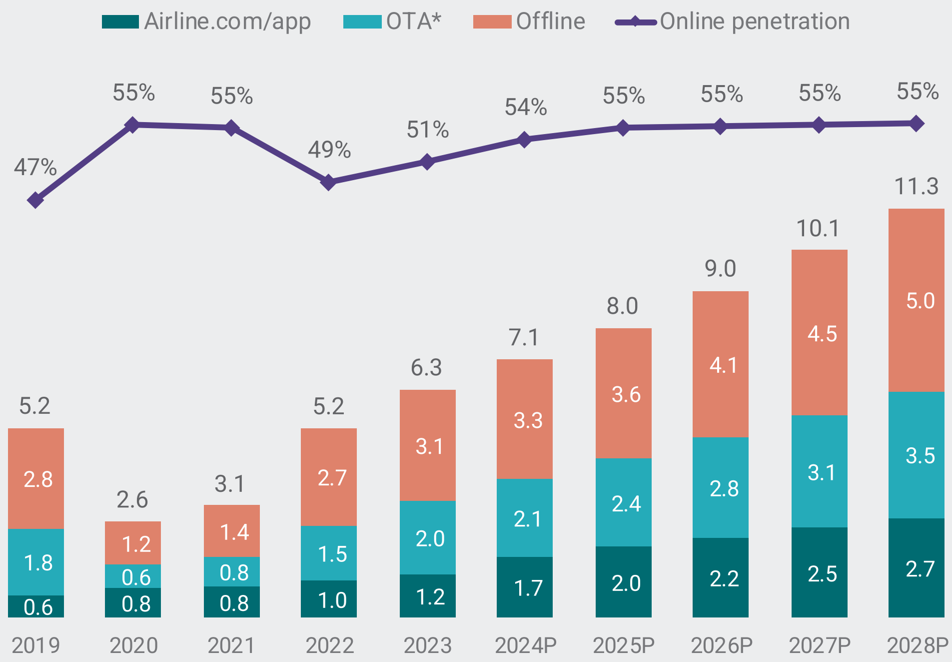
Saudi Arabia

Saudi Arabia is the largest and fastest-growing economy in the region. While the country remains the world's largest oil exporter, the contribution of the non-oil sector to its GDP has risen to over 50% from nearly 40% two decades ago. Within the non-oil sector, travel and tourism contributed 11.5% to the GDP in 2023 as religious and leisure travel grew at a phenomenal pace in the Kingdom. This growth comes as the country revamps its image as a global tourist destination under the Vision 2030, which primarily aims to diversify the economy.

Air Market Opportunity

Based on the demand-side estimation, Saudi Arabia's total air market (TAM) stood at US$7.1 billion in 2024, comprising 44% of the regional TAM—the largest share. Projections indicate the country's TAM will grow to $11.3 billion by 2028, a 59% increase from 2024 levels.

Saudi Arabia: Total Air Market ($Bn), Share by Booking Channel, 2019-2028



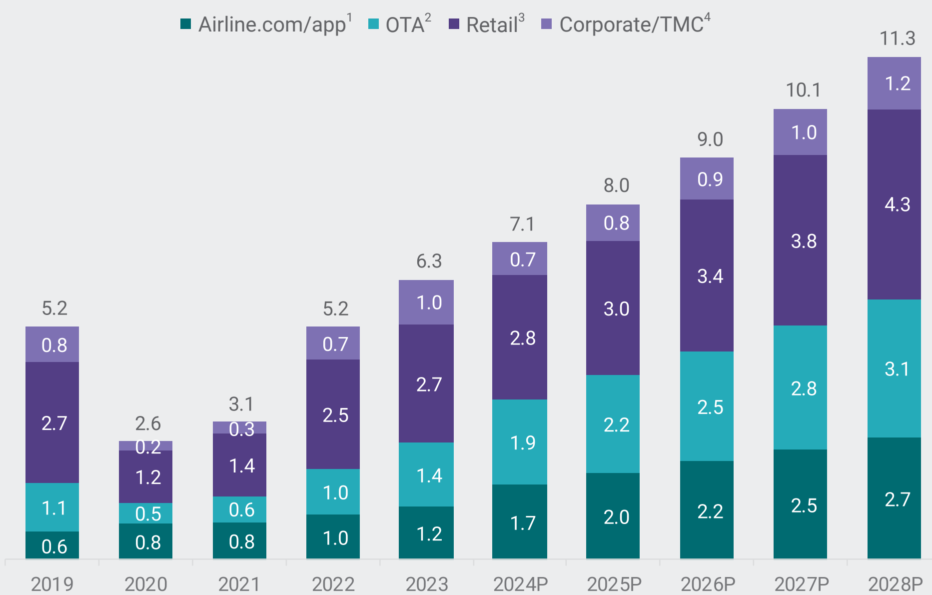
NOTE

*OTA channel includes all bookings made on local and global OTAs from local POS. Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Saudi Arabia from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Saudi Arabia's online air penetration, the highest in the GCC & Egypt region, touched 54% in 2024. The online air market, anticipated at $3.8 billion in 2024, is expected to expand to $6.2 billion by 2028, representing 55% penetration. This makes Saudi Arabia the only country in the region where online air has already surpassed the offline air market, valued at $3.3 billion in 2024.

Within the online segment, the OTA GBV, including leisure and corporate travel segments, is estimated at $2.1 billion in 2024 and is projected to grow at a 13.2% CAGR to $3.5 billion by 2028. The direct online air channel is quickly catching up to OTAs with a projected GBV of $1.7 billion in 2024. Growing at a CAGR of 13% between 2024-2028, direct bookings will reach $2.7 billion by 2028, up 63% compared to 2024.

Saudi Arabia: Total Air Market ($Bn), Share by Distribution Channel, 2019-2028



NOTE

[1]Airline.com/app covers online bookings made directly with airlines on their website or mobile. [2]OTA sizing primarily includes B2C bookings, while OTA corporate bookings are rolled up in Corporate/TMC. [3]Retail covers all offline distribution channels including traditional agencies, tour operators, whole-salers, consolidators et al. [4]Corporate/TMC channel includes bookings classified as 'corporate' in the MIDT data. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

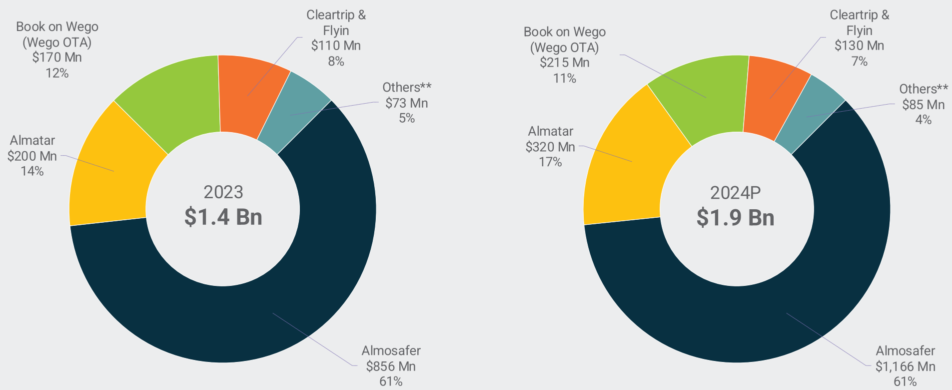
Despite the rise in digital adoption driven by a young, tech-savvy demographic, Saudi travelers continue to rely heavily on conventional retail channel, which is estimated to have exceeded a GBV of $2.8 billion in 2024. Retail players such as Akbar Travels, Fursan Travel, Kanoo Travel, and Zahid Travel, among others, are projected to collectively hold approximately 38% of the TAM by 2028.

The corporate/TMC channel, which includes only bookings classified as 'corporate' in the MIDT data, is expected to have reached $733 million in GBV in 2024. This figure is primed to surge to $1.2 billion by 2028, riding on the back of the Kingdom's pro-business initiatives, including tax incentives for non-Saudi businesses to establish operations in Saudi Arabia.

OTA Air Benchmarking

Saudi Arabia is one of the few travel markets that has the most lucrative commercial relationship between airlines and third-party air distribution channels. Saudi carriers actively incentivize these channels, with airline and GDS incentives accounting for up to half of OTAs' revenue.

Saudi Arabia: OTA Air Gross Booking Value* (GBV) ($Mn), by OTA Brand, 2023 & 2024P



NOTE

*OTA air gross booking value (GBV) has been arrived using a demand-side approach and may differ from the published IR/guidance provided by publicly listed OTAs and/or suppliers. For privately held OTAs, GBV is estimated by VIDEC through executive interviews and secondary research and may vary from the companies' actual metrics. Almosafer's GBV excludes business travel bookings. **includes other local and global OTAs operating in GCC & Egypt such as BudgetAir, Costco Travel, dnata Travel, EaseMyTrip, eDreams, Ejazza, Expedia, Flybooking, Gotogate, Kanoo Travel, Kiwi, Musafir, SkySOUQ, Tathkarah, Travelwings, Trip.com, VakaTrip, Wingie, et al. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Almosafer, a wholly owned subsidiary of the publicly-listed Seera Group, is the largest OTA player in Saudi Arabia and the entire GCC region. With $1.2 billion in GBV 2024, up from $856 million in 2023, Almosafer accounts for 61% of the Kingdom's OTA air GBV.

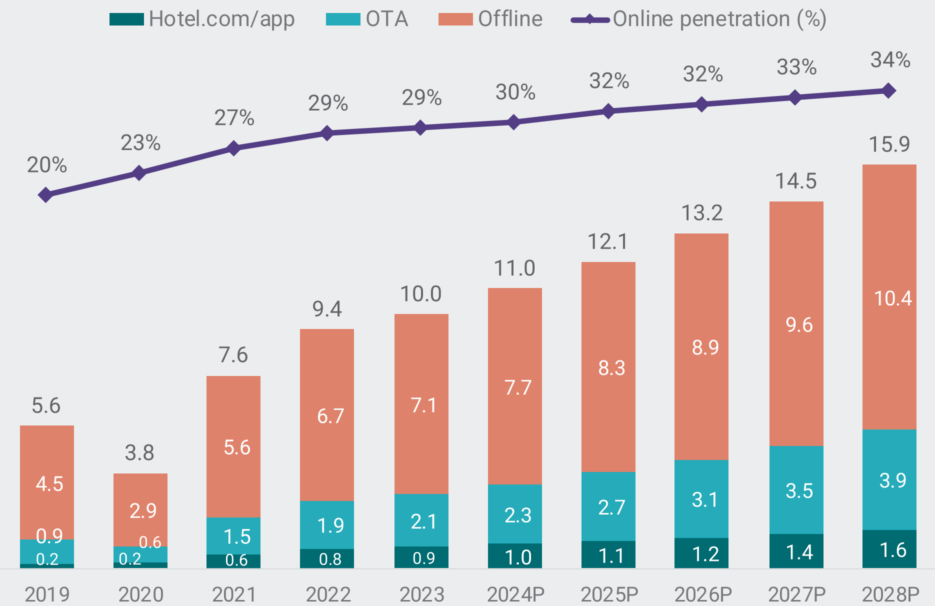
Six-year-old Almatar has emerged as the second-largest OTA player in Saudi Arabia with a GBV of $320 million in 2024, up 60% compared to 2023. Book on Wego is the third-largest OTA air player in the Kingdom with a projected GBV of $215 million in 2024, jumping 26% compared to 2023, despite being a relatively new entrant in the OTA category.

Flyin, a homegrown OTA founded in 2008 and acquired by Cleartrip in 2018, is another formidable player in Saudi Arabia. Cleartrip-Flyin is the fourth largest OTA player in the Kingdom with a GBV of $130 million in 2024, up from $110 million in 2023.

Hotel Market Opportunity

Based on the demand-side methodology, Saudi Arabia's hotel market is valued at $11 billion in 2024—much larger than its $7.1 billion air market. The country accounts for 60% of the GCC's hotel market in 2024, emphasizing its dominant position in the region.

Saudi Arabia: Total Hotel Market ($Bn), Share by Booking Channel, 2019-2028



NOTE: Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. OTA channel includes bookings made on all local and global OTAs from local POS. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

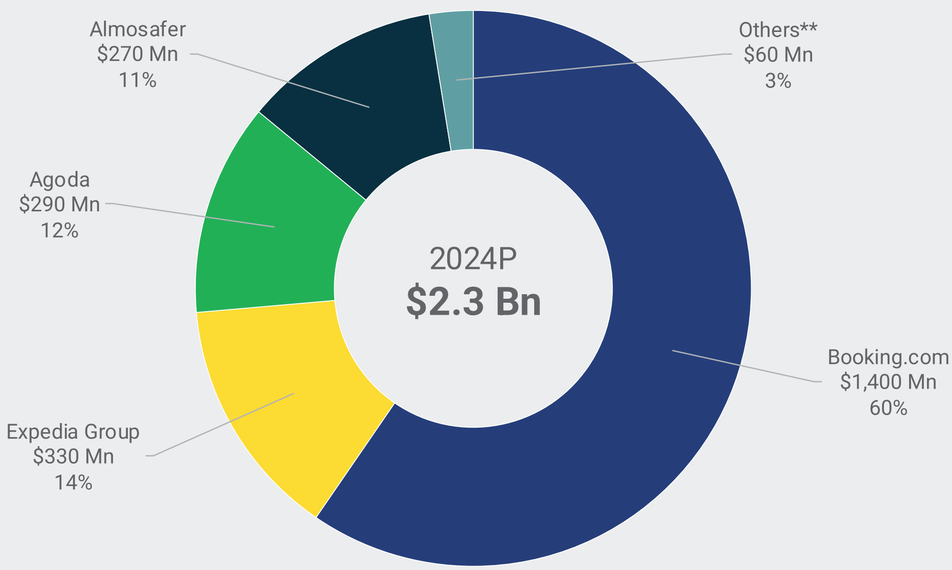
At $3.3 billion in 2024, the online channels captured 30% of the total hotel market. It is expected to reach $5.5 billion by 2028, representing 34% online penetration, driven by rising digital adoption among Saudi travelers and their growing preference for online hotel booking platforms.

Hotel OTAs have more than 70% of online hotel GBV, establishing their dominant position in the Kingdom's online hotel distribution. The OTA hotel market is valued at $2.3 billion in 2024 and is projected to reach $3.9 billion in 2028, growing at a CAGR of 13.6% during 2024-2028.

OTA Hotel Benchmarking

Booking.com commands 60% of Saudi Arabia's OTA hotel market with a GBV of $1.4 billion in 2024. Expedia Group, which continues to have a sizable B2B presence in the region, is the second-largest player with a GBV of $330 million in 2024. It is closely followed by Agoda, part of Booking Holdings, with a GBV of $290 million in the same period.

Saudi Arabia: OTA Hotel Gross Booking Value* (GBV) ($Mn), by OTA Brand, 2024P



NOTE

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Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Interestingly, Almosafer—currently the region's largest air OTA—originated as a hotel distribution platform under the brand Tajawal, before strategically evolving into an air-heavy OTA. Almosafer's hotel GBV is estimated at $270 million or 11% of Saudi Arabia's OTA hotel GBV in 2024.

Despite the online hotel segment growing robustly, offline hotel channels remain dominant, capturing the lion's share of the hotel bookings, owing to the last-minute booking nature of Saudi travelers and preference for managed, personalized services. Valued at $7.7 billion in 2024, the offline hotel market will expand to $10.4 billion in 2028.

For a more in-depth analysis of the Saudi Arabian travel market, refer to <u>VIDEC's Saudi Arabia Travel Market Sizing & OTA Benchmarking Study, 2019-2028.</u>

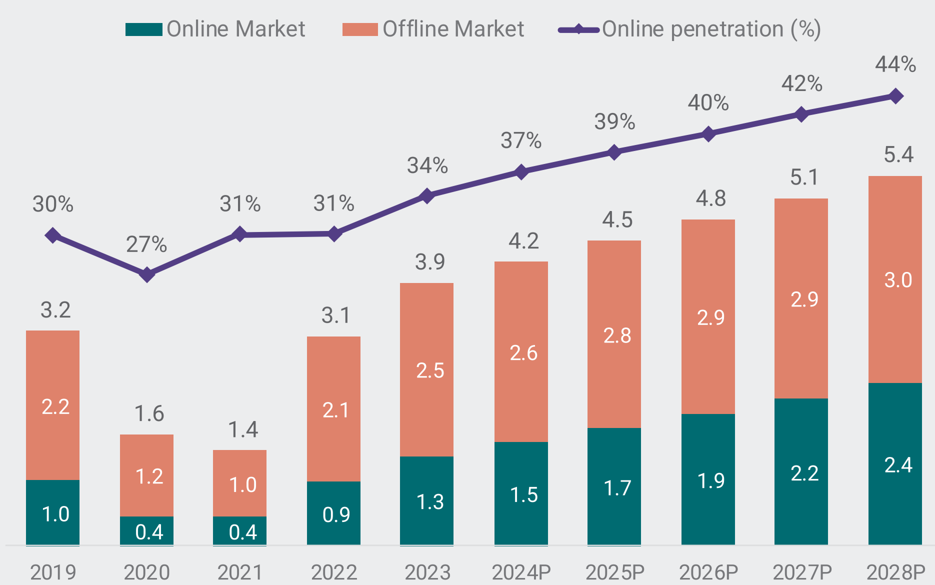
The UAE

The UAE stands as the second-largest air market after Saudi Arabia, contrary to common perception, when assessed from the demand-side perspective. The country's strategic position, which bridges Asia-Pacific with Europe and Africa, makes it a global aviation hub. With the second-highest per-capita income in the GCC region, the nation has a higher propensity to spend more on travel. International air travel constitutes the majority of the country's total air market, as the domestic air market is negligible, and local travel happens predominantly by ground.

Air Market Opportunity

The UAE's total air market (TAM), valued at US$4.2 billion in 2024, will reach $5.4 billion by 2028, growing at a CAGR of 6.9%, as per VIDEC estimates derived from the demand-side methodology.

UAE: Total Air Market ($Bn), Share by Booking Channel, 2019-2028

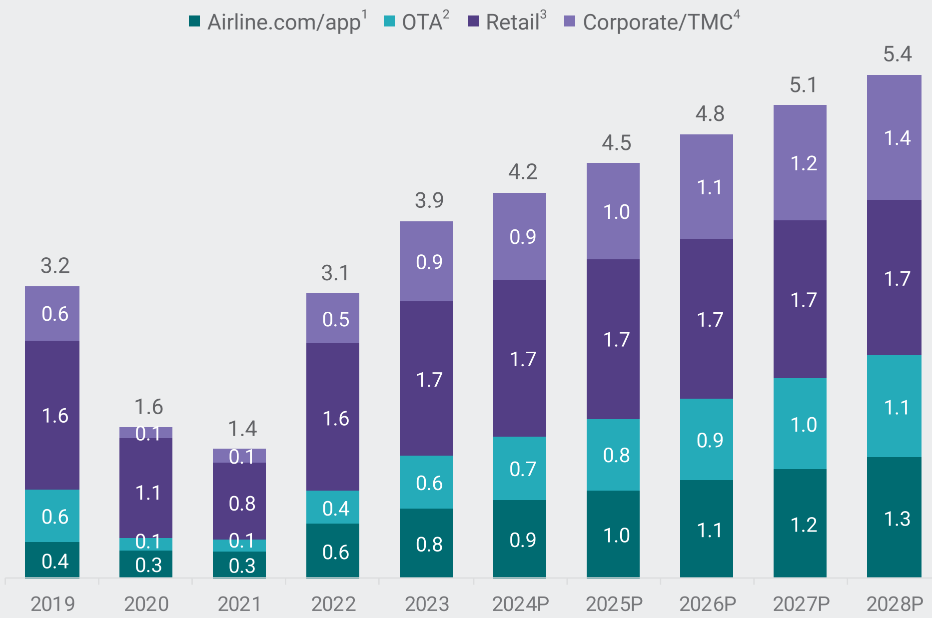


NOTE
Total air market (TAM) represents bookings made on local as well as foreign carriers operating in UAE from its local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Online air penetration stood at 37% in 2024, up from 30% in 2019 and progressing toward 44% by 2028. Despite the country's near-universal internet penetration, the air market remains predominantly offline as deep-pocketed Emiratis still prefer personalized, assisted service through traditional booking methods.

The online air market, expected to reach $1.5 billion in 2024, is set to expand 57% to $2.4 billion by 2028. Notably, airlines lead in online air distribution in the UAE, which is home to the region's most prominent carriers, including Emirates, Etihad, flydubai, and Air Arabia. Direct online air bookings comprised 56% of the online air market with $851 million GBV.

UAE: Total Air Market ($Bn), Share by Booking Channel, 2019-2028



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Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Alongside online direct airline bookings, OTAs have seen steady growth. The UAE OTA air market, projected at $679 million in 2024, is poised to cross $1.1 billion by 2028. Growing at a 12.6% CAGR during 2024-2028, the OTA segment commands the highest growth trajectory among all distribution channels.

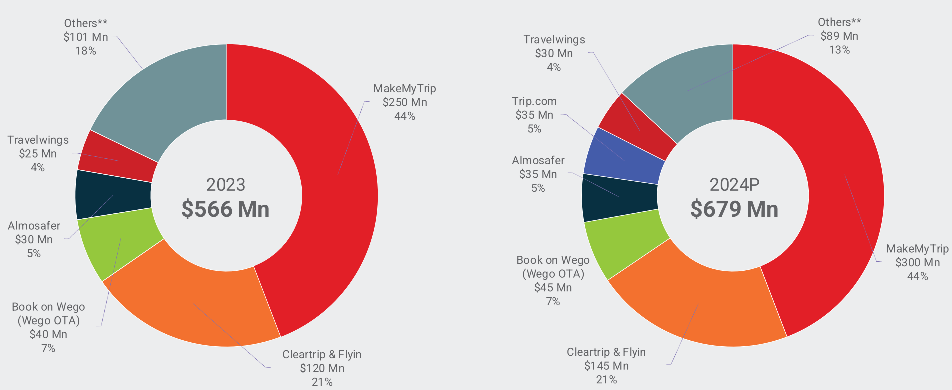
Offline air market, estimated at $2.6 billion in 2024, will grow to $3 billion by 2028, driven by retail bookings. Valued at $1.7 billion in 2024, offline retail is the UAE's largest distribution channel, followed by corporate and travel management companies (TMCs) at $947 million, which is poised to grow at a 9.3% CAGR, reaching $1.4 billion by 2028 and expanding its market share to a quarter of the TAM.

As online channels rapidly expand, retail channels will continue to shrink, as is already reflected in declining numbers of agency storefronts. Most prominent retail agencies are now pursuing a hybrid distribution model, including both online and offline.

OTA Air Benchmarking

MakeMyTrip is the market leader in the UAE, dominating the OTA air category with 44% market share in 2024. The company's GBV is estimated at $300 million, representing 20% growth compared to 2023. Cleartrip Arabia, which recently completed a management buyout of Cleartrip's Middle East business from Flipkart, is estimated to have an OTA air market share of 21% with a $145 million GBV in 2024.

UAE: OTA Air Gross Booking Value* (GBV) ($Mn) by OTA Brand, 2023 & 2024P



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Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

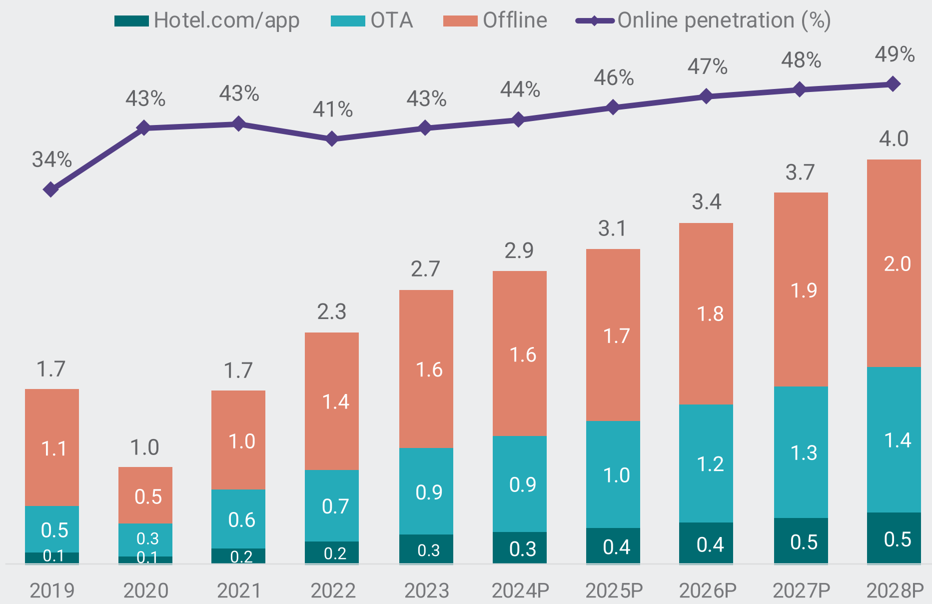
Book on Wego, the OTA business of the region's largest metasearch platform, Wego, is the UAE's third-largest player in the air category with a 7% share in 2024. Saudi Arabia's Almosafer, the largest OTA in the Gulf region, is estimated to have a 5% OTA air market share in the UAE, on the back of its strong brand recall in the Arabic population. Chinese travel giant Trip.com, a new entrant in the UAE, is also projected to capture a 5% share of the country's OTA air market in 2024.

Being a global aviation hub, the UAE houses a long tail of regional and global players, collectively representing 13% of the OTA air market. BudgetAir, eDreams, Etraveli Group, Kiwi.com, Travelwings, Wingie, and Wakanow are some of the other notable players in the market.

Hotel Market Opportunity

The UAE's total hotel market totaled $2.9 billion in 2024 and is poised to reach $4 billion by 2028, as per VIDEC's estimates based on the demand-side methodology. Online channels accounted for 44% of the total hotel GBV, significantly higher than other markets in the GCC & Egypt region. Online hotel penetration is poised to approach 50% by 2028. Consequently, the UAE's online hotel market is forecasted to expand from $1.3 billion in 2024 to $1.9 billion by 2028.

UAE: Total Hotel Market ($Bn), Share by Booking Channel, 2019-2028



NOTE

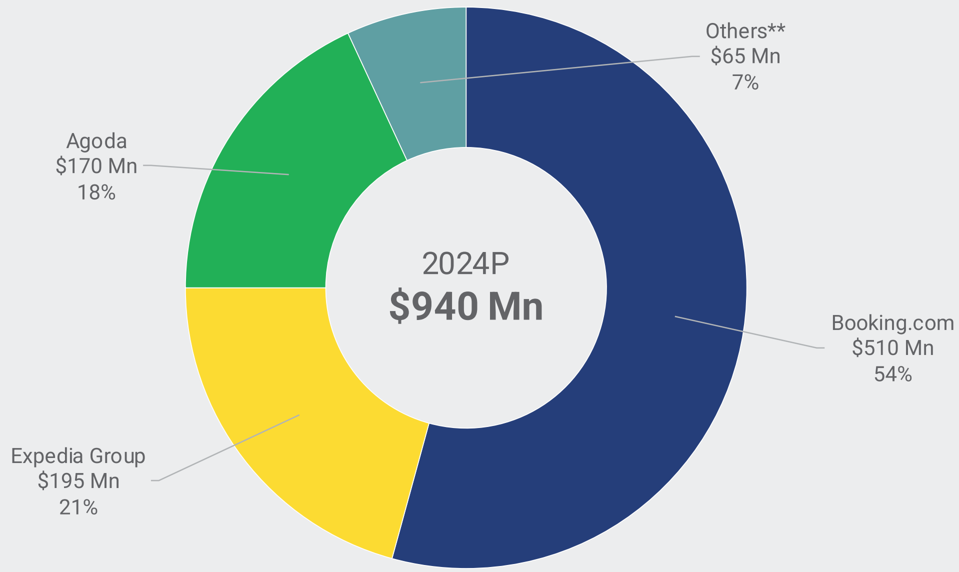
Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. OTA channel includes bookings made on all local and global OTAs from local POS.
2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

OTAs commanded 74% of the UAE's online hotel market, with $940 million GBV in 2024. Growing at 11.1% CAGR, the OTA hotel segment is projected to touch $1.4 billion by 2028. Meanwhile, the online direct hotel channel, valued at $328 million in 2024, is projected to cross $519 million by 2028. Offline remains a significant distribution channel in the UAE hotel market. Estimated at $1.6 billion in 2024, the offline hotel market is set to reach $2 billion by 2028, but its market share in the total hotel category is projected to decline from 56% to around 50%.

OTA Hotel Benchmarking

Booking.com dominates the UAE OTA hotel category with a 54% share and over half a billion dollars in GBV in 2024. Expedia Group, with its significant B2B presence, follows with a 21% market share and a $195 million GBV. Agoda, another Booking Holdings company, ranks third with 18% share and $170 million GBV. The other local, regional, and global OTAs operating in the UAE constitute the long tail, collectively holding a 7% market share.

UAE: OTA Hotel Gross Booking Value* (GBV) ($Mn) by OTA Brand, 2024P



NOTE

*OTA hotel gross booking value (GBV) has been arrived using a demand-side approach and may differ from the published IR/guidance provided by publicly listed OTAs and/or suppliers. For privately held OTAs, GBV is estimated by VIDEC through executive interviews and secondary research and may vary from the companies' actual metrics. **includes other local and global OTAs operating in GCC & Egypt such as Almatar, Cleartrip, dnata Travel, EaseMyTrip, eDreams, Ejazza, Expedia, Flyin, MakeMyTrip, Musafir, Rehlat, SkySOUQ, Tathkar-ah, Trip.com, Wego, Wingie, et al. 2024 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

For a more in-depth analysis of the UAE travel market, refer to VIDEC's UAE Travel Market Sizing & OTA Benchmarking Study, 2019-2028.

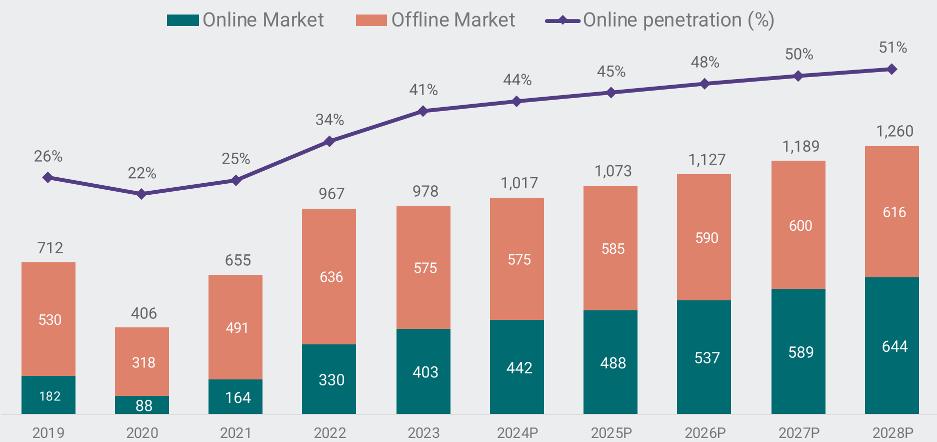
Kuwait

Kuwait's economy has underperformed for the last several years and is projected to have contracted 2.9% in 2024[17], due to its heavy reliance on oil and the impact of OPEC+ production cuts, becoming the lone GCC member in negative territory. A recovery in real GDP is expected in 2025, with growth poised at 2.2% on the back of oil production cuts ending and the non-oil sectors, including tourism, expanding. Kuwait hosts a dynamic travel sector driven by international demand and cross-border mobility, as expats make up around 70% of its 5 million population.

Air Market Opportunity

Kuwait's total air market (TAM) is valued at US$1 billion in 2024 and is set to expand by 24% to $1.3 billion by 2028, when assessed from the demand-side methodology. Online air bookings comprise 44% of the TAM, representing the second highest online air penetration in the GCC & Egypt region after Saudi Arabia. The online air market will cross the 50% threshold by 2028, growing from $442 million to $644 million between 2024 and 2028.

Kuwait: Total Air Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

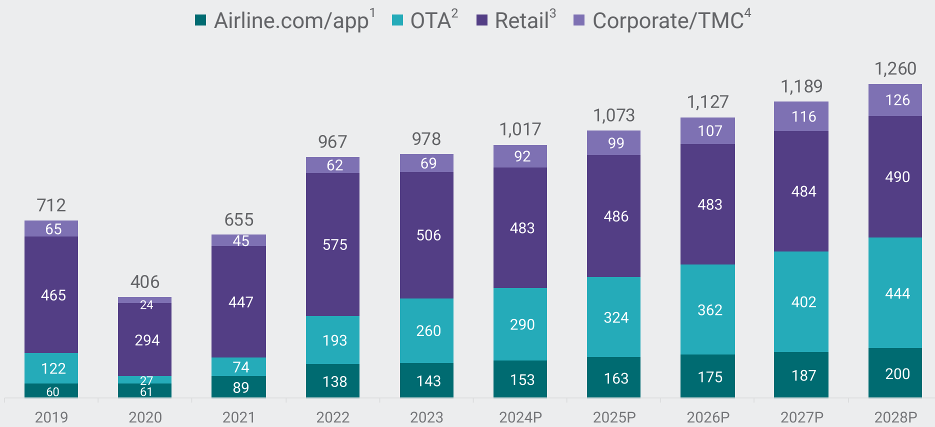
Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Kuwait from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Within the online channel, OTAs command 65% share with $290 million in air GBV in 2024, reflecting 138% growth over pre-pandemic levels. Notably, OTA air is poised to be the fastest-growing distribution channel, expanding by 53% to $444 million. Meanwhile, direct air bookings through suppliers' websites and apps have steadily increased 1.5x to $153 million in 2024 over 2019, and are anticipated to reach $200 million in GBV by 2028.

17. World Bank (April 2025). Macro Poverty Outlook.

However, owing to the traditional nature of the Kuwait market, offline air still commands the majority of the market with $575 million GBV in 2024, and is expected to grow modestly to $616 million by 2028. Still, its share in TAM is anticipated to shrink from 56% in 2024 to 49% in 2028.

Kuwait: Total Air Market ($Mn), Share by Distribution Channel, 2019-2028



NOTE

[1]Airline.com/app covers online bookings made directly with airlines on their website or mobile. [2]OTA sizing primarily includes B2C bookings, while OTA corporate bookings are rolled up in Corporate/TMC. [3]Retail covers all offline distribution channels including traditional agencies, tour operators, wholesalers, consolidators et al. [4]Corporate/TMC channel includes bookings classified as 'corporate' in the MIDT data. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Offline retail is the largest distribution channel at an estimated $483 million in GBV in 2024, primarily driven by Kuwaitis, who have deep pockets and prefer to go through more traditional channels like travel agencies for personalized experiences. Additionally, Kuwait hosts a large pool of blue-collar workers, often migrants from Southeast Asia and South Asia, who are price-sensitive and usually opt to buy through local offline agents.

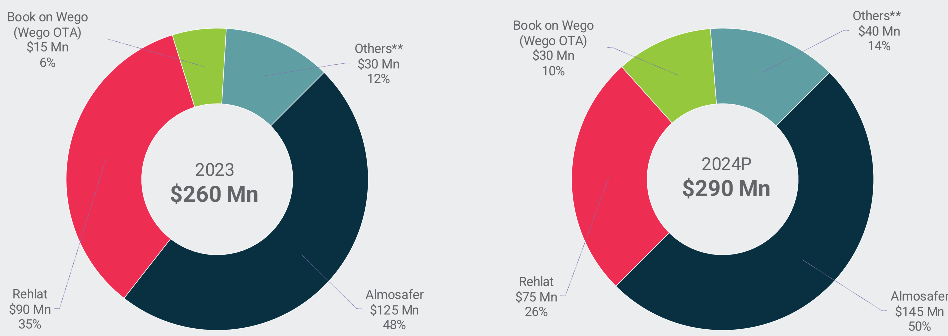
Despite the existing demand, the offline retail's growth will remain subdued and its share of TAM will shrink from 47% in 2024 to 39% in 2028. Corporate/TMC bookings, valued at $92 million in 2024, will grow 38% to $126 million by 2028, supported by recovering business travel and driving the overall offline air market.

While offline channels will continue to be significant, Kuwait's air market growth will be mainly driven by online bookings, bolstered by the country's premier payment solution, K-Net. Major OTA players like Almosafer and Rehlat remain dominant, while a long tail of OTAs is emerging.

OTA Air Benchmarking

Almosafer commands half of the OTA air market, with $145 million in GBV in 2024, followed by Rehlat at 26% with $75 million in GBV. Book on Wego, the OTA arm of the region's biggest metasearch, Wego, ranks third with 10% share and $30 million GBV.

Kuwait: OTA Air Gross Booking Value* (GBV) ($Mn), by OTA Brand, 2023 & 2024P



NOTE

*OTA air gross booking value (GBV) has been arrived using a demand-side approach and may differ from the published IR/guidance provided by publicly listed OTAs and/or suppliers. For privately held OTAs, GBV is estimated by VIDEC through executive interviews and secondary research and may vary from the companies' actual metrics. Almosafer's GBV excludes business travel bookings. **includes other local and global OTAs operating in GCC & Egypt such as BudgetAir, Costco Travel, dnata Travel, EaseMyTrip, eDreams, Ejazza, Expedia, Flybooking, Gotogate, Kanoo Travel, Kiwi, Musafir, SkySOUQ, Tathkarah, Travelwings, Trip.com, VakaTrip, Wingie, et al. 2024 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

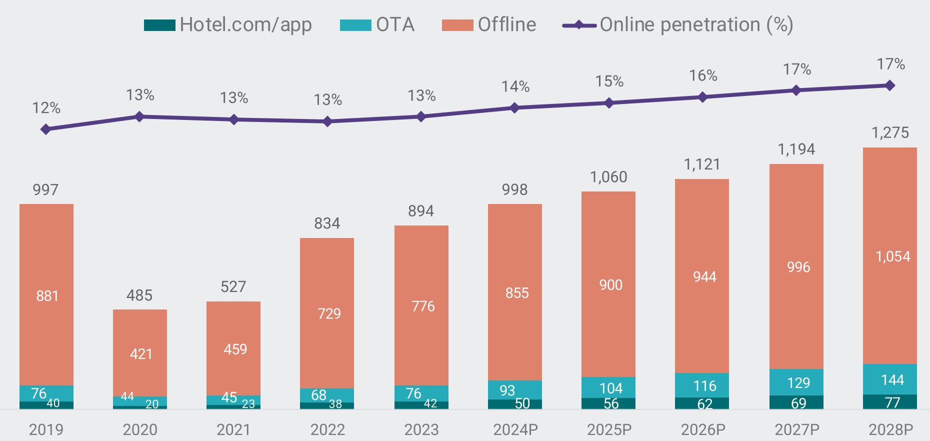
Notably, Rehlat's share dropped from 35% in 2023 to 26% in 2024, whereas Book on Wego has shown the highest relative growth—doubling its GBV and growing share from 6% to 10% year-on-year. Kuwait also hosts a long tail of local and regional like Tathkarah, SkySOUQ, and Ejazza, among others, collectively representing 14% of its OTA air market.

With the country's economy stagnating, its impact has been evident on the aviation sector. National carrier Kuwait Airways' growth has moderated over the past year in terms of air traffic, although LCC Jazeera Airways has been able to maintain its growth trajectory.

Hotel Market Opportunity

Kuwait's hotel market is estimated at nearly $1 billion in 2024, and is expected to expand 28% to $1.3 billion in 2028, when evaluated using the demand-side methodology. Online air accounted for 14% of the TAM in 2024 with $144 million in GBV. By 2028, online hotel penetration is poised to reach 17%, representing $221 million in GBV.

Kuwait: Total Hotel Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. OTA channel includes bookings made on all local and global OTAs from local POS.
2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Owing to the offline-heavy hotel booking culture, Kuwait's online shift for hotel bookings is the slowest among GCC peers. The offline hotel market, valued at $855 million and accounting for 86% of TAM in 2024, will grow by 23% to $1 billion, maintaining a dominant 83% share in 2028.

The OTA channel accounts for 65% of online hotel bookings at $93 million GBV and is projected to grow 55% to $144 million by 2028, maintaining its share of the online hotel market. Direct online hotel bookings account for the remainder of the market and are set to expand from $50 million in 2024 to $77 million in 2028.

Qatar

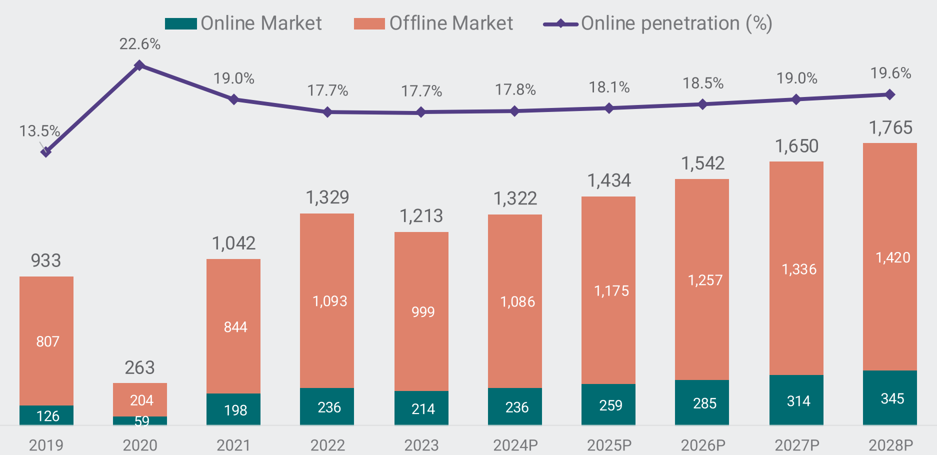
Qatar is a bright spot in the GGC & Egypt region, alongside Saudi Arabia and the UAE, with its economy expanding by an estimated 2.1% in 2024[18]. This growth was driven by strong performance in non-oil sectors, particularly the flourishing tourism industry.

The country has been investing heavily in airline capacity building and hotel infrastructure to develop more avenues for travelers. Qatar's tourism contributed nearly $25 billion, making up 11.3% of GDP[19]. The country of about 3 million people, which has the highest per capita income in the region, welcomed nearly 5 million visitors[20] in 2024. Qatar's tourism imports increased significantly from US$9.5 billion to $16.5 billion between 2019 and 2023, comparing favorably to Saudi Arabia, which, despite having ten times the population, spent $23.2 billion on tourism imports in 2023.

Air Market Opportunity

Based on the demand-side methodology, Qatar's total air market (TAM) is projected at $1.3 billion in 2024, up 42% from 2019. By 2028, the country's TAM is expected to reach $1.8 billion, representing 34% growth over 2024. Qatar Airways is the second-largest airline in the GCC region after Emirates, carrying over 43 million passengers annually, which has established the country as a global aviation hub. With international passengers comprising the majority of air traffic, the country's local POS share remains low at around 6.5%.

Qatar: Total Air Market ($Mn), Share by Booking Channel, 2019-2028

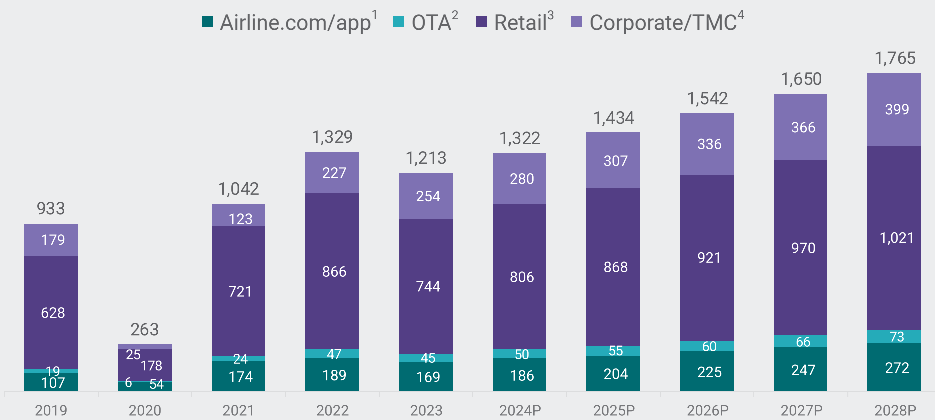


NOTE Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Qatar from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

18. World Bank (April 2024). Macro Poverty Outlook.
19. Economy Middle East (2024, May 14). Qatar's travel and tourism sector set to add $25 billion to economy in 2024: Report.
20. Qatar Tourism (2024, December 29). Tourism Triumph: Qatar Reaches Five Million Visitors in 2024.

Qatar's online air GBV, valued at $236 million in 2024, is expected to increase 46% to $345 million by 2028, though its share of the total market will remain under 20%. Offline air bookings rose 35% to $1.1 billion in 2024 compared to pre-pandemic levels, and are set to grow an additional 31%, reaching $1.4 billion by 2028. The sustained dominance of offline channels stems from the traditional booking preferences of affluent residents and the prevalence of offline corporate travel.

Qatar: Total Air Market ($Mn), Share by Distribution Channel, 2019-2028



NOTE

[1]Airline.com/app covers online bookings made directly with airlines on their website or mobile. [2]OTA sizing primarily includes B2C bookings, while OTA corporate bookings are rolled up in Corporate/TMC. [3]Retail covers all offline distribution channels including traditional agencies, tour operators, wholesalers, consolidators et al. [4]Corporate/TMC channel includes bookings classified as 'corporate' in the MIDT data. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Even as offline air continues to maintain its stronghold, the online air market is growing faster than the TAM. Notably, direct online bookings through carriers' websites and apps command nearly 80% of the online air market, led by Qatar Airways, which has a strong focus on digital channels and its loyalty program. Projected at $186 million in 2024, the direct online air channel is expected to grow 46% to reach $272 million by 2028.

OTA air, valued at $50 million in 2024, makes up for the rest of the online air market. It is expected to touch $73 million in GBV by 2028, reflecting a 46% increase driven by the large, price-sensitive expat community, which usually prefers to compare available options. However, OTAs' share of the online air market will remain stagnant at about 20%.

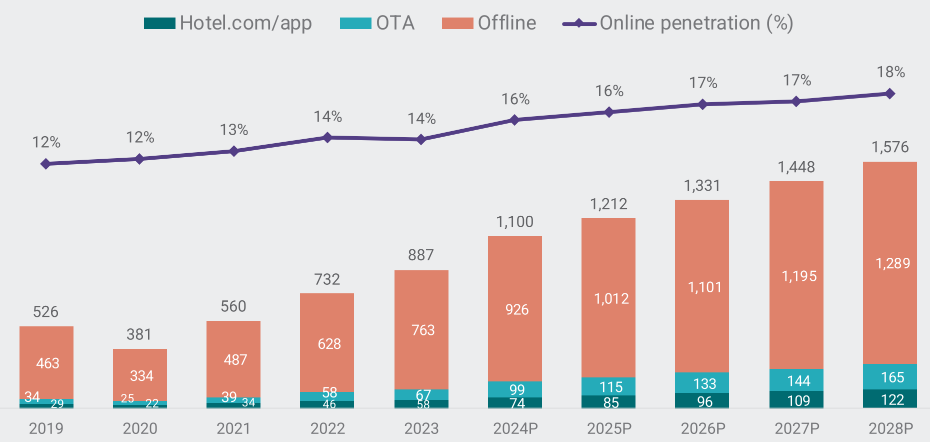
Traditional retail channel currently account for over 60% of the TAM. Estimated at $806 million in 2024, offline retail air is anticipated to grow 27% to $1 billion by 2028, remaining the single largest distribution channel in the country.

The corporate/TMC segment constitutes one-fifth of TAM, with businesses still preferring offline travel management services. In 2024, the corporate/TMC distribution channel stood at an estimated $280 million. It is forecasted to reach $399 million by 2028, rising 43% over 2024 levels.

Hotel Market Opportunity

Qatar's total hotel market is projected at $1.1 billion in 2024, up 109% over pre-pandemic levels, when assessed from the demand-side perspective. By 2028, the market is forecasted to reach $1.6 billion, surging 43% from 2024 levels, fueled by the rising domestic hotel supply and outbound leisure demand.

Qatar: Total Hotel Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

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2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Online hotel penetration hit 16% in 2024 and is set to grow modestly to 18% by 2028, highlighting the strong preference for offline hotel booking, including last-minute walk-ins. The online hotel market reached $173 million in 2024 and is anticipated to grow 66% to $287 million by 2028, outpacing the total hotel market growth.

The OTA hotel market stood at an estimated $99 million in 2024, accounting for 57% of the online hotel category and registering nearly 3x growth compared to pre-pandemic levels. This channel is projected to hit $165 million in GBV by 2028, adding another 67% over 2024. Direct online hotel bookings, estimated at $74 million in 2024, are expected to expand 65% to $122 million by 2028.

At $926 million, the offline channels dominated with an 84% share of the total hotel market in 2024. This segment is expected to reach $1.3 billion by 2028, representing a 39% increase over 2024.

Oman

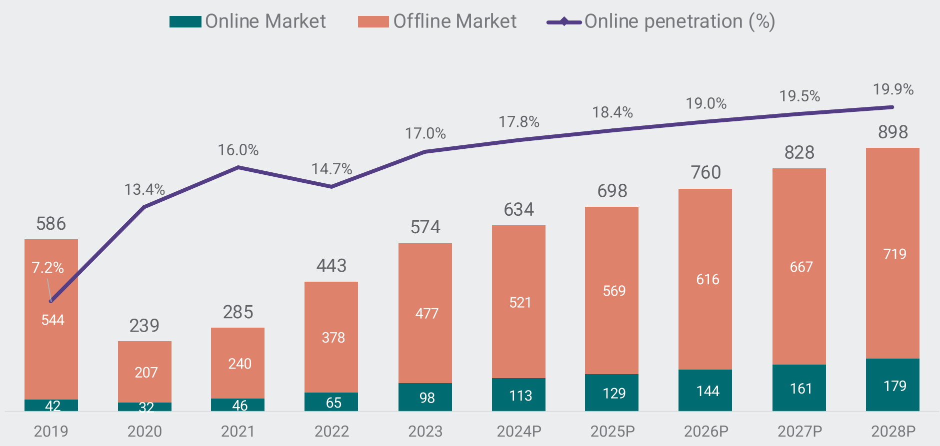
Oman has maintained steady growth, supported by the robust performance of the non-oil sector, and anticipates a 3.4% GDP growth in 2025, surpassing many regional peers. Tourism has emerged as a significant driver of Oman's non-oil economy, contributing 7.6% to the country's GDP.

Oman Air serves as a full-service carrier connecting Muscat to over 40 international destinations across Europe, Asia, and Africa. It recently enhanced[21] its distribution capabilities by partnering with ARC Direct Connect, enabling NDC (New Distribution Capability) transactions. Meanwhile, Oman's first low-cost airline, SalamAir, which focuses on short-haul destinations, has been expanding its network steadily, adding new routes to meet growing demand.

Air Market Opportunity

Oman's total air market is estimated to be US$634 million in 2024, up 8.2% growth over 2019, when assessed by the demand-side methodology. By 2028, the market is projected to reach $898 million, a 42% increase over 2024, signaling accelerated growth ahead owing to the airlines' capacity and network expansion.

Oman: Total Air Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Oman from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

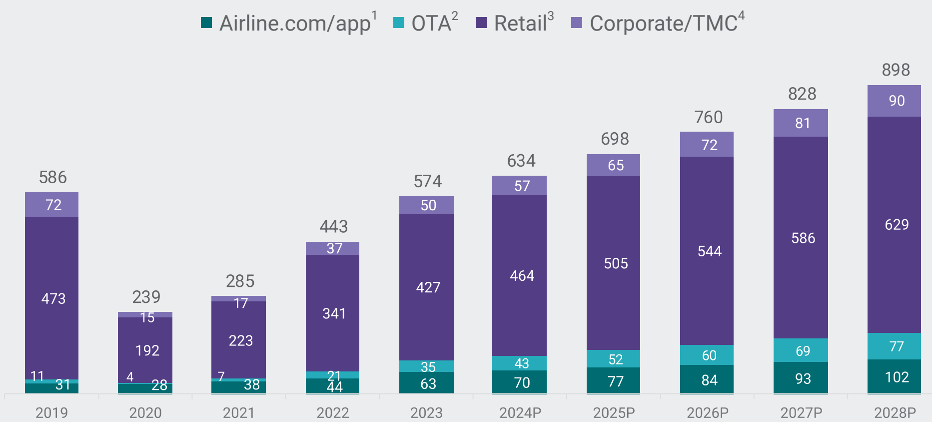
Online air penetration stood at 17.8% in 2024, rising from 7.2% in 2019. By 2028, online share will reach 20%, indicating that the majority of the air market is still offline. Valued at $113 million in 2024, Oman's online air market is expected to reach $179 million by 2028, growing 58% from 2024, driven by airlines' digital upgrades and improving OTA reach.

21. ARC Corp (2024, October 8). ARC Announces New NDC Partnership with Oman Air.

Direct online air channel is projected at $70 million GBV in 2024, and will reach $102 million by 2028. However, its share in the online air market will shrink from 62% to 57% between 2024 and 2028. OTAs will be the beneficiary, with their air bookings rising from a projected $43 million in 2024 to $77 million in 2028.

Offline air channel continues to seize the biggest pie of the TAM. Estimated at $521 million in 2024, it is expected to touch $719 million by 2028. But its share is gradually being chipped away—from 93% in 2019 to 80% in 2028—as OTAs and airline direct channels gain traction.

Oman: Total Air Market ($Mn), Share by Distribution Channel, 2019-2028



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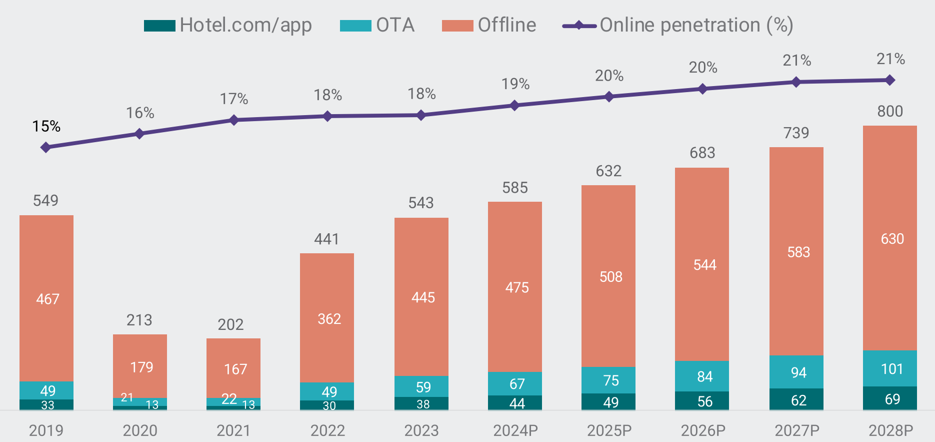
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Retail air bookings are the biggest driver of the offline air market, valued at $464 million in 2024. The retail distribution channel will continue to be dominant, growing 36% to $629 million by 2028. Corporate/TMC bookings, estimated at $57 million in 2024, are set to rise 58% to $90 million by 2028, owing to rebounding business travel and further giving a boost to the overall offline air market.

Hotel Market Opportunity

Oman's total hotel market is projected at $585 million GBV in 2024 and is poised to expand 37% to $800 million by 2028, when measured from the demand-side perspective. While offline hotel booking remains predominant, online hotel penetration is set to increase steadily from 19% in 2024 to 21% in 2028.

Oman: Total Hotel Market ($Mn), Share by Booking Channel, 2019-2028



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2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

In absolute terms, the online hotel market is estimated to grow from $110 million in 2024 to $170 million by 2028, reflecting a 55% rise as digital channels gain traction. OTAs lead the online hotel market, capturing 60% of its share. With $67 million in GBV in 2024, the OTA hotel segment is forecasted to jump 51% to $101 million by 2028, maintaining its majority share. Direct online hotel channel, valued at $44 million in 2024, is set to expand 57% to $69 million.

The offline hotel distribution channel continues to make up the lion's share of the total hotel market, with $475 million GBV in 2024, due to traditional booking behavior. It is projected to reach $630 million by 2028, despite a marginal decline in its market share.

Bahrain

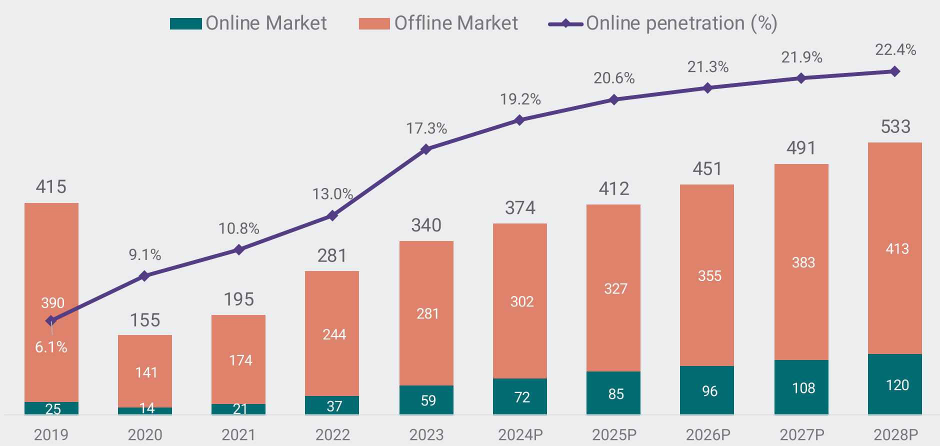
Bahrain, the smallest market in the GCC & Egypt region with a population of 1.6 million, has been performing steadily with significant contributions from non-oil sectors, including tourism, which collectively account for over 85%22 of the country's GDP. Notably, Bahrain's spending on international tourism has declined in recent years, as evidenced by the country's falling tourism imports, which dropped considerably from US$1.9 billion in 2019 to $1.1 billion in 2023.

Air Market Opportunity

Based on the demand-side methodology, VIDEC estimates Bahrain's total air market (TAM) at $374 million in 2024, with nearly 20% of air bookings made online. By 2028, the country's TAM is expected to grow by 43% to reach $533 million GBV, of which 22.4% will be online.

Bahrain's local POS air bookings accounted for 16.8% of total air bookings in 2024—substantially lower than many of its regional peers. This is primarily due to a large expatriate population, comprising mostly blue-collar workers from Southeast Asia and South Asia, and considerable transit traffic.

Bahrain: Total Air Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

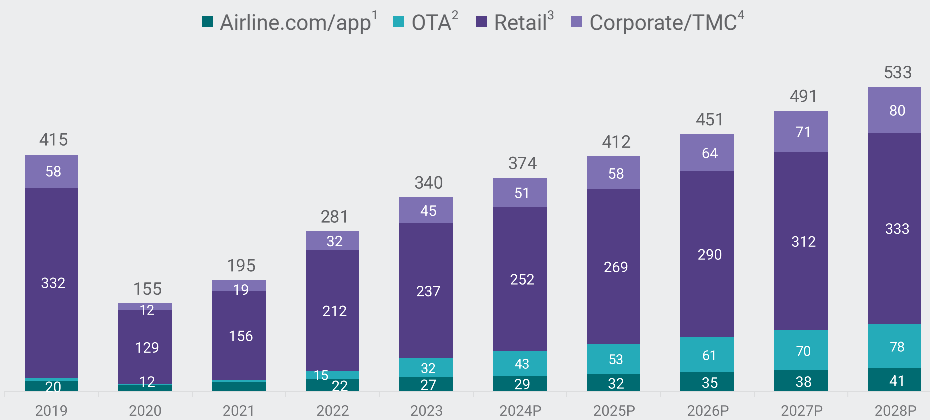
Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Bahrain from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

Online air channels generated $72 million GBV in 2024 and are expected to reach $120 million GBV by 2028. OTAs commanded nearly 60% of the online air market at $43 million GBV in 2024, with projections to reach $78 million GBV by 2028. Direct online air channels are expected to grow from $29 million in 2024 to $41 million in 2028.

22. Arab News (2025, January 07). Bahrain's non-oil sector fuels 2.1% economic growth.

Offline channels maintained their stronghold, capturing an 81% share of the TAM in 2024, with the majority of consumers and businesses opting for traditional travel agencies due to complex itineraries. Offline bookings are estimated to reach $413 million in GBV in 2028 compared to $302 million in GBV in 2024.

Bahrain: Total Air Market ($Mn), Share by Distribution Channel, 2019-2028



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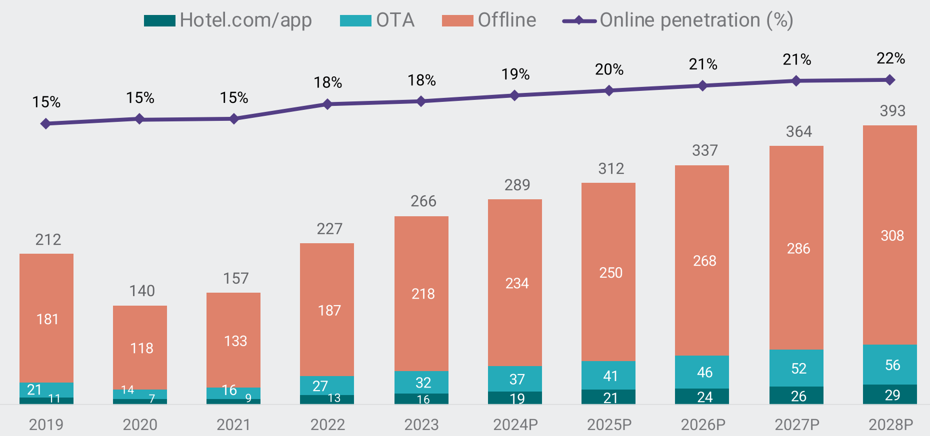
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

The traditional retail distribution channel, valued at $252 million in 2024, comprised 67% of the TAM and is set to expand 32% to $333 million GBV by 2028. Meanwhile, the corporate/ TMC channel, estimated at $51 million in 2024, is poised to jump 57% to $80 million by 2028.

Hotel Market Opportunity

Bahrain's total hotel market is projected at $289 million in 2024 and will touch $393 million in GBV by 2028, as per the demand-side evaluation. With 19% online penetration, the country's online hotel market is estimated at $55 million in 2024. By 2028, online hotel bookings will account for 22% of the total hotel market, contributing $85 million in GBV.

Bahrain: Total Hotel Market ($Mn), Share by Booking Channel, 2019-2028



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2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

OTAs dominate the online hotel distribution with a 66% share. The OTA hotel GBV is set to rise from $37 million to $56 million between 2024 and 2028. Direct online hotel channel makes up for the rest of the online hotel market, contributing $19 million in GBV in 2024, which is forecasted to grow to $29 million by 2028.

Offline channel continues to be the most prevalent, with an anticipated growth from $234 million in 2024 to $308 million in 2028. However, its share of the total hotel market will marginally decline from 81% to 78% in the same period.

Egypt

Egypt has been undergoing structural reforms while facing significant challenges, including currency volatility, foreign currency shortages, and double-digit inflation. These factors have impacted its economy, with GDP growth declining from 3.8% in 2023 to 2.4% in 2024[23]. The country has the largest population and the lowest per capita GDP in the GCC & Egypt region, which is primarily why its domestic travel sector has not realized its full potential.

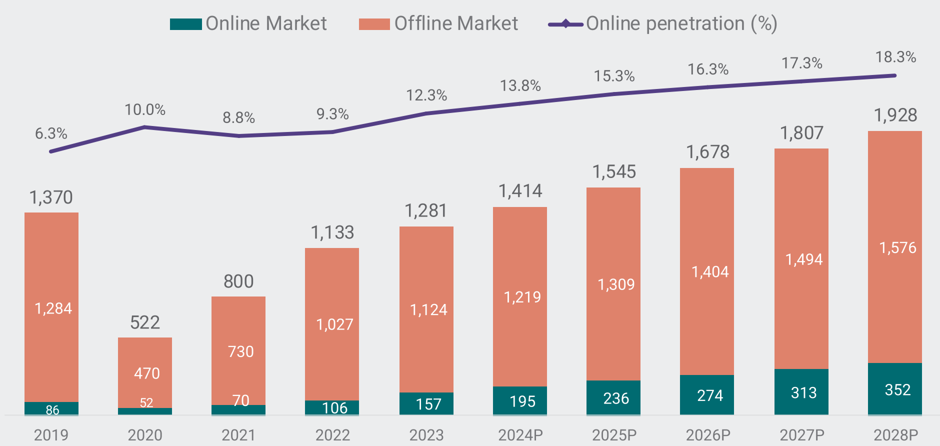
The Egyptian pound underwent a significant depreciation of over 60% after the government floated it more freely in March 2024 as part of the bailout agreement with the IMF. The move, which is expected to attract foreign investments, also makes Egypt, with its abundant natural and historical attractions, an even more lucrative destination for regional and international travelers. However, Egypt's large inbound travel potential doesn't fully reflect the true market opportunity.

Notably, it is difficult for businesses to operate and grow in the country. To protect foreign reserves, Egyptian authorities impose controls or delays on large currency transfers abroad. Often, travel players operating in Egypt make bookings from their regional offices instead of local POS, undermining the local market opportunity.

Air Market Opportunity

Egypt's total air market (TAM) is valued at US$1.4 billion in 2024, up only 3.2% over 2019, as per VIDEC's estimates based on the demand-side methodology. Owed to the significant depreciation the Egyptian Pound, the growth look muted when expressed in US dollar terms. With the country implementing reforms to stabilize the economy and boost private sector growth, the TAM is projected to rise 36% to $1.9 billion over 2024 levels.

Egypt: Total Air Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

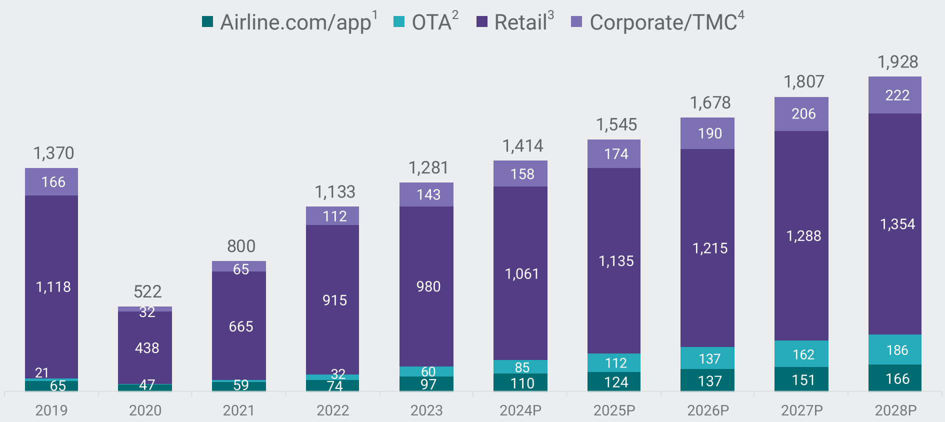
Total air market (TAM) represents bookings made on local as well as foreign carriers operating in Egypt from local point of sale (POS) and excludes bookings made from any other POS. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

23. Trading Economics (2024). Egypt Full Year GDP Growth.

EgyptAir, the national carrier, services long-haul destinations, carrying over 10 million passengers annually, while low-cost carriers (LSCs) like Air Cairo, a subsidiary of Egypt Air, and Nile Air are focused on short-haul routes. The Cairo–Jeddah route is the second busiest[24] international air travel link in the world, which reflects strong business, tourism, and cultural ties between Egypt and Saudi Arabia. In 2023, 10.5 million passengers travelled from Saudi Arabia to Egypt, making Egypt the top destination served out of Saudi airports that year.

In 2024, Egypt's online air penetration stood at 13.8%, with projections of reaching 18.3% by 2028. This is reflected in the online air market size of $195 million in 2024, poised to surge 81% to $352 million by 2028.

Egypt: Total Air Market ($Mn), Share by Distribution Channel, 2019-2028



NOTE

[1]Airline.com/app covers online bookings made directly with airlines on their website or mobile. [2]OTA sizing primarily includes B2C bookings, while OTA corporate bookings are rolled up in Corporate/TMC. [3]Retail covers all offline distribution channels including traditional agencies, tour operators, whole-salers, consolidators et al. [4]Corporate/TMC channel includes bookings classified as 'corporate' in the MIDT data. Refer methodology for more details. 2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

24. OAG (2024). The Busiest Flight Routes of 2024.

Direct online channel commanded 57% of the online air market with $110 million GBV in 2024, while the OTA air channel generated $85 million in GBV. By 2028, OTAs are expected to take over direct online air, capturing nearly 53% of the online air market with $186 million GBV.

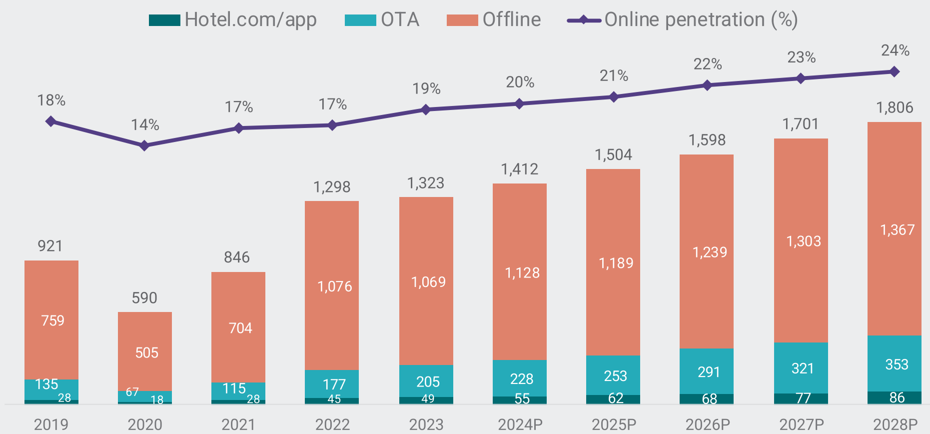
Despite the online channels gaining traction, offline bookings remain dominant in Egypt, similar to most of the GCC countries, accounting for 86% of the TAM in 2024. The offline air channel is projected to grow from $1.2 billion in 2024 to $1.6 billion by 2028, representing a 29% rise.

Offline retail continues to be the biggest distribution channel, poised to expand from $1 billion to $1.4 billion between 2024 and 2028. However, its share in TAM will shrink due to convenience-led digital channels, especially among young leisure travelers. Corporate/TMC channel is forecasted to rise from $158 million GBV in 2024 to $222 million GBV by 2028, climbing 41% as the government plans to boost private sector growth.

Hotel Market Opportunity

Egypt's total hotel market, valued at $1.4 million in 2024, is poised to grow 28% to $1.8 billion by 2028, based on the demand-side estimation. Online hotel penetration stood at 20% in 2024, exceeding the country's online air penetration when measured from local points of sale. Online hotel market reached an estimated $284 million in 2024, rising 74% over 2019 despite forex volatility, and is expected to climb 55% to $439 million by 2028.

Egypt: Total Hotel Market ($Mn), Share by Booking Channel, 2019-2028



NOTE

Total hotel market represents all domestic and outbound hotel bookings made from local point of sale (POS) and excludes all bookings made through any other POS. Refer methodology for more details. OTA channel includes bookings made on all local and global OTAs from local POS.
2024-2028 projected. Totals may not add up due to rounding.
Source: VIDEC's GCC & Egypt Travel Market Opportunity, 2019-2028

OTAs command the majority of the online hotel market with an 81% share. Valued at $228 million in 2024, the OTA hotel GBV will rise 55% to $353 million GBV by 2028. Meanwhile, direct hotel bookings are anticipated to grow from $55 million to $86 million in the same period.

Offline hotel channel captured the lion's share of the total hotel market at $1.1 billion GBV in 2024, and are projected to hit $1.4 billion in GBV by 2028. While offline channels will retain their dominance, they will lose their relative share to online channels in the long run.

Conclusion

The GCC & Egypt region represents a dynamic and rapidly evolving travel ecosystem, driven by accelerating digital adoption, significant infrastructure investments, and strategic economic reforms aimed at tourism growth. Both air and hotel categories are expected to see sustained growth, with the online segment rapidly expanding, powered by a young, digital-savvy population.

Key markets in the region—particularly Saudi Arabia, the UAE, and Qatar—are actively strengthening their positions as global aviation hubs, significantly increasing their aircraft capacities and enhancing connectivity. Concurrently, substantial investments are bringing additional hotel capacity, ranging from luxury to mid-market options, addressing diverse consumer preferences. The region is invigorating existing destinations through strategic upgrades and enhancements, while proactively developing new tourism destinations that align with eco-friendly and sustainable tourism objectives.

The GCC & Egypt region is heavily investing in building and branding their tourism destinations, positioning themselves effectively on global platforms through targeted and innovative media strategies across Meta, TikTok, and Google. The upcoming GCC Unified Visa launch in 2025, modeled after the Schengen agreement, is anticipated to further stimulate regional travel, fostering cross-border demand and multi-country tourism.

This comprehensive approach, driven by younger demographics, affluent populations, an aspirational migrant base, ongoing market liberalization, and pervasive social media influence, is poised to keep the travel and tourism market vibrant and on a robust growth trajectory well into the future.

Methodology

VIDEC's GCC & Egypt Travel Market Sizing & OTA Benchmarking Study, 2019-2028 analyzes market sizing and projections for the region's air and hotel categories using the demand-side methodology.

Why Demand-Side Methodology?

The analysis considers only bookings made through local points of sale (POS), which essentially covers the bookings made by citizens/residents for their domestic and international travel. Inbound bookings are excluded as they typically originate from a non-local POS and are not reflective of the local demand. Ergo, it inflates the real potential of the local market. Additionally, hotel bookings made by outbound travelers from the region remain unaccounted for in a supply-based approach.

This methodology was selected since the region is home to major global aviation hubs with high inbound and transit & transfer traffic but low domestic demand.

What Does the Demand-Side Methodology Count?

For air category:

Only bookings made from the local POS are included. The operating carrier could be a local airline (e.g., Emirates, Saudia, Air Arabia) or a foreign airline (e.g., Air France, Air Asia).

Examples:

1. A Dubai-London passenger on Emirates in accounted in UAE TAM, if the booking was made from a UAE POS.
2. A flynas passenger flying Riyadh-Cairo is accounted in Saudi Arabia TAM, if the booking was made from a Saudi Arabia POS.
3. A Mumbai-New York passenger on Qatar Airways is NOT accounted in Qatar TAM, if the booking was made from an India POS.
4. A Saudia passenger flying Jeddah-Jakarta is NOT accounted in Saudi Arabia TAM, if the booking is made from an Indonesia POS.

For hotel category:

The hotel market assessment focuses on local POS bookings, comprising:

- Domestic bookings made by the local residents for hotels located in the market of consideration.
- International bookings by the local residents for hotels located outside the market of consideration.

Inbound bookings constitute bookings made by foreign visitors for hotels located in the market of consideration. Most of these bookings are made from the visitors' country of origin. Since they do not represent local demand and are NOT made from local POS, they are EXCLUDED from the demand-side sizing.

How was the Market Analysis Conducted?

The market analysis synthesizes multiple data sources and interviews with over 60 industry executives from suppliers, intermediaries, technology companies, tourism boards, and government institutions to better understand the market dynamics and outlook. Financial information was sourced from publicly available financial reports. Estimates and projections are based on third-party data sources, economic indicators, market trends, executive interviews, and VIDEC analysis.

How is Financial Data Presented?

All data is presented on a calendar year basis, even if the company reports on a financial year. Data is actual for 2019-2023 and projected for 2024-2028. The market sizing is presented in US dollars, using applicable average currency exchange rates for respective years, with values unadjusted for inflation.

VIDEC's

GCC & Egypt Travel Market Sizing & OTA Benchmarking Study, 2019-2028

Overview and analysis of the GCC & Egypt travel market opportunity for air and hotel categories from 2019-2028, with an emphasis on the role of online travel intermediaries.

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