Horwath HTL

Portugal Hotel & Chains 2026

March 2026

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Welcome

Welcome to the 2026 Portugal Hotels and Chains Report, a comprehensive exploration of the dynamic hospitality industry in Portugal. This report delves into the unique opportunities and evolving dynamics shaping this maturing yet vibrant market, offering valuable insights for investors, operators, and industry observers alike.

Portugal's hospitality industry continues to affirm its status as one of Europe's most resilient and strategically important markets. In 2025, the country sustained its position as a leading global tourism destination, underpinned by stable international demand, disciplined revenue management, and continued capital confidence. With approximately 32.5 million guests and over 82 million overnight stays recorded across the year, Portugal's tourism economy demonstrated its structural durability, generating accommodation revenues of approximately €7 billion.

The market's evolution is increasingly defined by internationalisation. International hotel chains recorded double-digit growth in both hotel count and room supply, while domestic brands experienced moderate contraction — a trend that underscores the deepening integration of global operators into Portugal's branded landscape. At the same time, the Luxury and Upscale segments continue to strengthen, reflecting sustained demand for quality accommodation and Portugal's growing appeal as a premium lifestyle destination. Lisbon, the Norte region, and the Algarve remain the principal hubs of branded supply and development activity, while emerging destinations such as Alentejo and Centro are gaining increasing attention from operators and investors.

This report provides a detailed snapshot of current performance, development pipelines, and the market forces reshaping Portugal's hotel landscape. From accelerating internationalisation to evolving chain penetration dynamics and geographic diversification, the 2026 edition offers a timely, data-driven perspective on one of Europe's most compelling hospitality markets.

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Introduction

Portugal's tourism industry remained resilient in 2025, continuing to attract millions of visitors from around the world. Known for its cultural heritage, diverse landscapes and year-round appeal, the country sustained its position as one of Europe's leading destinations. Tourism continued to play a central role in the national economy, supported by stable international demand and solid revenue performance. As the market matures, a growing focus on quality accommodation and diversified travel experiences continues to enhance Portugal's competitive standing across key destinations.

The Market

Portugal's tourism sector maintained positive momentum in 2025, albeit at a more moderate pace than in the immediate post-pandemic rebound years. Total demand remained resilient, with approximately 32.5 million guests (+3.0% YoY) and 82.1 million overnight stays (+2.2%), confirming the country's sustained attractiveness across both domestic and international markets.

Domestic tourism outperformed international growth, with resident overnight stays increasing by 5.4%, while international demand rose by 0.8%. Foreign visitors continued to account for nearly 70% of total overnight stays, with the United Kingdom remaining the leading source market, followed by Germany, the United States, Spain and France. Growth from North American markets, particularly Canada and the U.S., reinforced their strategic importance.

Operational performance reflected continued resilience. Average occupancy stabilised in the 62–63% range, while ADR and RevPAR recorded positive year-on-year growth, supported by pricing discipline and demand quality across urban and resort destinations. Total accommodation revenues reached approximately €7 billion, highlighting sustained revenue generation despite moderating growth rates.

Regional performance remained broadly positive, with above-average growth in destinations such as Alentejo and Centro. Overall, 2025 reflects market stabilisation rather than slowdown, with fundamentals remaining diversified and structurally sound.

The continued expansion of higher-category properties and internationally branded assets further underscores Portugal's positioning as a quality-driven and globally competitive tourism destination. Investor confidence remains supported by stable operating metrics and sustained long-term demand fundamentals.

Methodological Note

For the 2025 edition, the dataset has been refined to include a broader range of hotel typologies, providing a more representative view of the national market. A "2024 adjusted" baseline has therefore been introduced and should be considered the relevant reference for year-on-year comparisons.

Key Points

Internationalisation of the Chain Market Accelerates

The Portuguese chain hotel market totalled 681 chain hotels and 79,657 rooms in 2025, reflecting relative stability when compared to the 2024 adjusted baseline. However, growth dynamics increasingly favour international operators, which recorded double-digit expansion in both hotel count and room supply.

Domestic chains continue to represent the majority of total branded supply, yet experienced moderate contraction, reinforcing the gradual internationalisation of Portugal's chain landscape. The number of brands operating in the country increased to 133, primarily driven by the entry and expansion of international concepts, further strengthening global brand representation within the market.

Chain Penetration

Although the total number of chain hotels remained broadly stable, overall national hotel supply increased marginally, reflecting incremental growth in total establishments.

As a result, chain penetration remained stable at 25% by hotels, while increasing to 46% by rooms, indicating a slight strengthening of branded operators in terms of capacity. This evolution highlights structural stability within the chain segment and confirms that larger, professionally managed assets continue to hold a significant share of national room supply.

Premium Positioning

The Upscale (4-star) segment represents 51% of total chain hotels, remaining the backbone of Portugal's branded market. Meanwhile, the Luxury segment accounts for 29% of chain hotels, with notable expansion largely driven by international operators.

International portfolios continue to display higher average property sizes, particularly within upscale and luxury categories, reinforcing Portugal's positioning as a premium leisure and lifestyle destination. This concentration in higher categories reflects sustained demand for quality accommodation and the strategic positioning of global brands within the country.

Geographic Distribution

Lisbon City remains the leading hub for chain-affiliated properties in both hotel count and room volume, followed by the Norte region and the Algarve, which continue to represent key pillars of branded supply.

At the same time, chain presence across Centro, Madeira, Alentejo and the Azores confirms the nationwide footprint of branded operators. While major hubs maintain structural dominance, regional destinations retain meaningful weight within the overall hospitality landscape, reflecting the diversified and geographically balanced nature of Portugal's tourism market.

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Key Stats

Key Statistics	2024 (Adjusted)	2025	%
Total chain hotels	685	681	-1%
Total chain rooms	79.079	79.657	1%
Average size per chain hotel in rooms	115	117	1%
Country hotels stock (overall supply)	2.687	2.717	1%
Country rooms Stock (overall supply)	178.356	174.313	-2%
Average size per hotel in rooms	66	64	-3%
Chain penetration % by hotels	25%	25%	-2%
Chain penetration % by keys	44%	46%	3%
Total number of brands	129	133	3%
International brands	72	75	4%
Domestic brands	57	58	2%
International chain hotels	206	249	21%
Domestic chain hotels	479	432	-10%
International chain rooms	27.466	31.617	15%
Domestic chain rooms	51.603	48.040	-7%

Ranking by Size

CHAINS

Rank	Chain Groups	Hotels	Rooms
1	Pestana Hotel Group	83	8.084
2	Vila Gale Hotéis	31	5.062
3	IHG	31	4.600
4	Accor	38	3.935
5	Marriott	21	3.615
6	MINOR	17	3.361
7	Eurostars Hotel Company - Hotusa	24	2.772
8	Hilton	29	2.310
9	SANA	15	2.286
10	Hoti Hotéis	14	2.059

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4	Hoti Hotéis	14	2.059
5	VIP Hotels	11	2.014
6	The Editory Collection Hotels	14	1.815
7	Porto Bay Hotels & Resorts	11	1.809
8	HF Hotéis Fénix	8	1.320
9	Savoy Hotels & Resorts	7	1.297
10	Turim Hotels	13	1.204

Rank	International Chain Groups	Hotels	Rooms
1	IHG	31	4.600
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5	Eurostars Hotel Company - Hotusa	24	2.772
6	Hilton	29	2.310
7	B&B Hotels	18	1.839
8	Wyndham Hotels & Resorts	10	1.505
9	MGM Muthu Hotels	5	1.049
10	Four Seasons	4	616

BRANDS

Rank	Chain Brands	Hotels	Rooms
1	Pestana Hotels & Resorts	39	5.918
2	Vila Galé	31	5.062
3	Tivoli	9	2.406
4	B&B Hotels	18	1.839
5	The Editory Collection Hotels	14	1.815
6	PortoBay	11	1.809
7	Pousadas de Portugal	39	1.807
8	Ibis	19	1.792
9	VIP Hotels	10	1.785
10	Eurostars	15	1.549

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6	Pousadas de Portugal	39	1.807
7	VIP Hotels	10	1.785
8	Dom Pedro Hotels	8	1.462
9	HF Hotels	8	1.320
10	Savoy Signature	7	1.297

Rank	International Chain Brands	Hotels	Rooms
1	B&B Hotels	18	1.839
2	Ibis	19	1.792
3	Eurostars	15	1.549
4	Meliá	10	1.431
5	Holiday Inn	9	1.300
6	Marriott	5	1.281
7	MGM Muthu Hotels	5	1.049
8	Hilton	8	979
9	Exe Hotels	6	842
10	NH Hotels	7	836

Ranking by Scale

DOMESTIC BRANDS

Rank	Economy & Midscale	Hotels	Rooms
1	VIP Hotels	5	1.087
2	Hoteis Moov	5	629
3	INATEL	6	556
4	Star Inn	3	481
5	Barata Hotels	3	476
6	Flag Hotels	7	424
7	HF Hotels	3	400
8	Stay Hotels	5	364
9	Dom Pedro Hotels	2	340
10	My Story Hotels	5	323

Rank	Upscale	Hotels	Rooms
1	Vila Galé	28	4.784
2	Pestana Hotels & Resorts	25	2.891
3	Pousadas de Portugal	36	1.405
4	PortoBay	7	1.067
5	AP	8	1.015
6	Turim	9	849
7	Bensaude Hotels	7	828
8	The Editory Collection Hotels	7	816
9	Tivoli	4	783
10	Dom Pedro Hotels	4	776

Rank	Luxury	Hotels	Rooms
1	Pestana Hotels & Resorts	12	2.939
2	Tivoli	5	1.623
3	Savoy Signature	4	937
4	Epic Sana	4	919
5	The Editory Collection Hotels	5	902
6	Real Hotels Group	5	757
7	PortoBay	4	742
8	Montebelo Hotels & Resorts	6	590
9	Altis	3	514
10	Jupiter Hotel Group	1	408

INTERNATIONAL BRANDS

Rank	Economy & Midscale	Hotels	Rooms
1	B&B Hotels	15	1.715
2	Ibis	14	1.387
3	Holiday Inn Express	7	829
4	Exe Hotels	3	565
5	Ibis	5	405
6	Locke Living	1	370
7	Holiday Inn	3	359
8	Ikonik	1	231
9	Ibis Styles	2	225
10	Moxy	1	222

Rank	Upscale	Hotels	Rooms
1	Meliá	9	1.211
2	Eurostars	11	1.015
3	Holiday Inn	6	941
4	Mercure	8	817
5	MGM Muthu Hotels	3	807
6	NH Hotels	6	714
7	TRYP	4	626
8	Marriott	1	577
9	Hilton	5	532
10	Novotel	3	447

Rank	Luxury	Hotels	Rooms
1	SLH	14	768
2	Marriott	4	704
3	Sheraton	3	684
4	Crowne Plaza	2	555
5	Eurostars	4	534
6	InterContinental	3	528
7	Corinthia Hotels	1	518
8	Hilton	3	447
9	Iberostar	2	386
10	The Luxury Collection	1	365

Ranking per Scale & Size

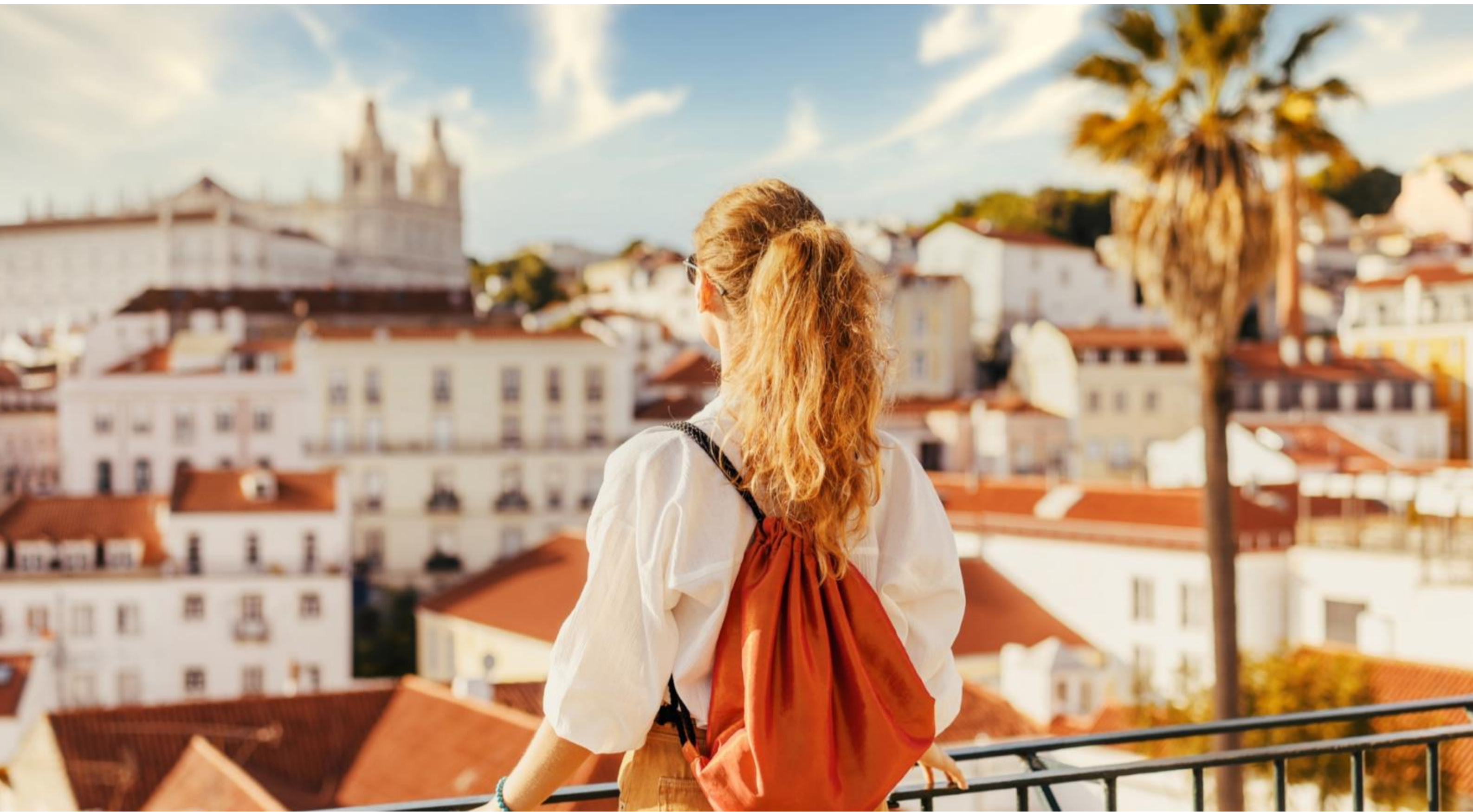
	OVERALL				DOMESTIC				INTERNATIONAL			
Category	**Hotels**	**Rooms**	**%**	**Ave. Size**	**Hotels**	**Rooms**	**%**	**Ave. Size**	**Hotels**	**Rooms**	**%**	**Ave. Size**
Budget & Economy	39	3.040	4%	78	22	1.418	3%	64	17	1.622	5%	95
Midscale	126	12.855	16%	102	76	6.857	14%	90	50	5.998	20%	120
Upscale & Upper Upscale	372	40.720	51%	109	259	27.292	55%	105	113	13.428	45%	119
Luxury	144	23.042	29%	160	78	14.126	28%	181	66	8.916	30%	135
TOTAL	681	79.657	100%	449	435	49.693	100%	441	246	29.964	100%	469

Ranking by Destination

Rank	Destination	Hotels	Rooms
1	Lisbon City	174	22.168
2	Norte	163	15.348
3	Algarve	125	18.682
4	Centro	74	6.021
5	Madeira	51	8.510
6	Lisbon Area	40	4.628
7	Alentejo	35	2.345
8	Azores	19	1.955

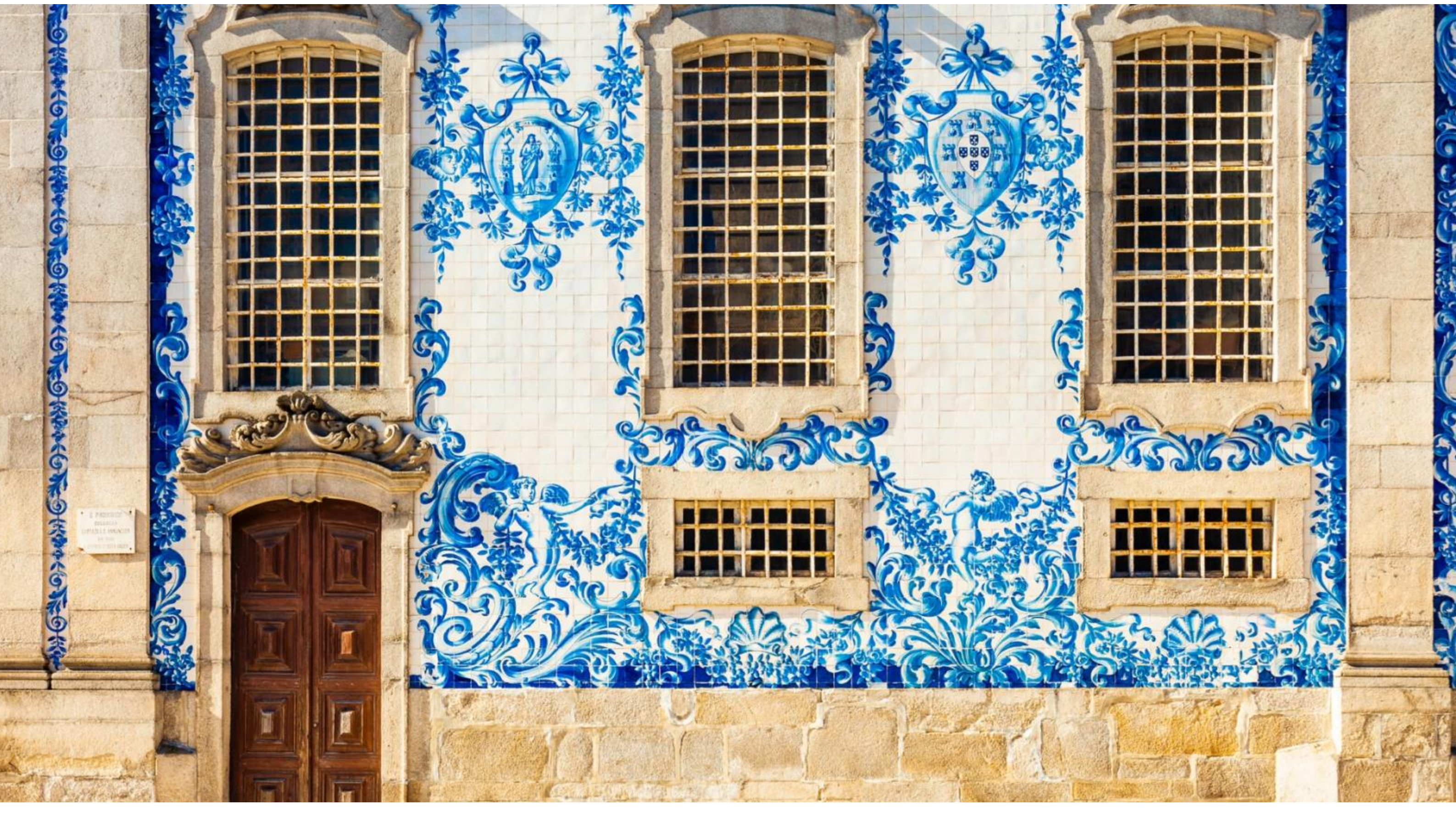
Destination Pipeline

Rank	Destination Pipeline	Hotels	Rooms
1	Lisbon City	32	4.696
2	Norte	25	2.960
3	Algarve	22	4.100
4	Centro	7	443
5	Lisbon Area	6	823
6	Alentejo	3	351
7	Madeira	2	231



Demand Driver

Driver	OVERALL Hotels	OVERALL Rooms	DOMESTIC Hotels	DOMESTIC Rooms	INTERNATIONAL Hotels	INTERNATIONAL Rooms
Art & Business	269	32.206	143	16.136	126	16.070
Casino	2	456	2	456	-	-
Cultural & Heritage	32	1.689	28	1.323	4	366
Golf	10	1.206	4	212	6	994
Mountain/Ski	3	203	3	203	-	-
Other Leisure	113	10.337	82	7.623	31	2.714
Religious	4	314	2	122	2	192
Sun & Beach	152	22.451	109	15.205	43	7.246
Urban	68	8.106	39	4.505	29	3.601
Wellness	20	2.155	16	1.978	4	177
Wine	8	534	4	277	4	257



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At Horwath HTL, our focus is one hundred percent on hospitality, tourism and leisure consulting. Our services cover every aspect of hotel real estate, tourism and leisure development.

Our clients choose us because we have earned a reputation for impartial advice that will often mean the difference between failure and success. Each project we help is different, so we need all of the experience we have gained over our 110+ year history.

We are a global brand with 55+ offices in over 40 countries, who have successfully carried out over 50,000 assignments for private and public clients. We are part of the Crowe Global network, a top 10 accounting and financial services network. We are the number one choice for companies and financial institutions looking to invest and develop in the industry.

We are Horwath HTL, the global leader in hospitality, tourism and leisure consulting.