Horwath HTL

Australia Hotel & Chains 2026

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Welcome

Welcome to the 2026 Australia Hotel & Chains Report, a comprehensive overview of the structure and evolution of Australia's branded accommodation market. This report examines the key trends, operator dynamics and market characteristics shaping one of the Asia-Pacific region's most mature and diverse hotel markets, providing valuable insights for investors, operators, developers and industry stakeholders.

Australia's hotel sector continues to demonstrate resilience, supported by a strong domestic travel base, the ongoing recovery of international visitation, and sustained demand across corporate, leisure, events, government and airport-related segments. Major capital cities such as Sydney, Melbourne, Brisbane, Perth and Adelaide remain the core drivers of branded hotel supply, while regional destinations continue to add depth to the national accommodation landscape.

The market remains defined by a strong mix of international and domestic operators. International hotel groups continue to hold a leading position across major urban centres, larger assets and higher-scale segments, while domestic operators remain particularly important in serviced apartments, extended-stay accommodation, regional markets and selected mid-market categories. Chain-affiliated hotels account for a significant share of total room supply, reflecting the strength of branded and professionally managed accommodation across the country.

This report provides a detailed analysis of Australia's chain hotel market, including branded supply, chain penetration and rankings, scale positioning, destination distribution, property pipeline and business models. From the continued expansion of global hotel groups to the ongoing relevance of domestic operators, the inaugural 2026 edition offers a timely and data-driven perspective on one of the region's most established hospitality markets.

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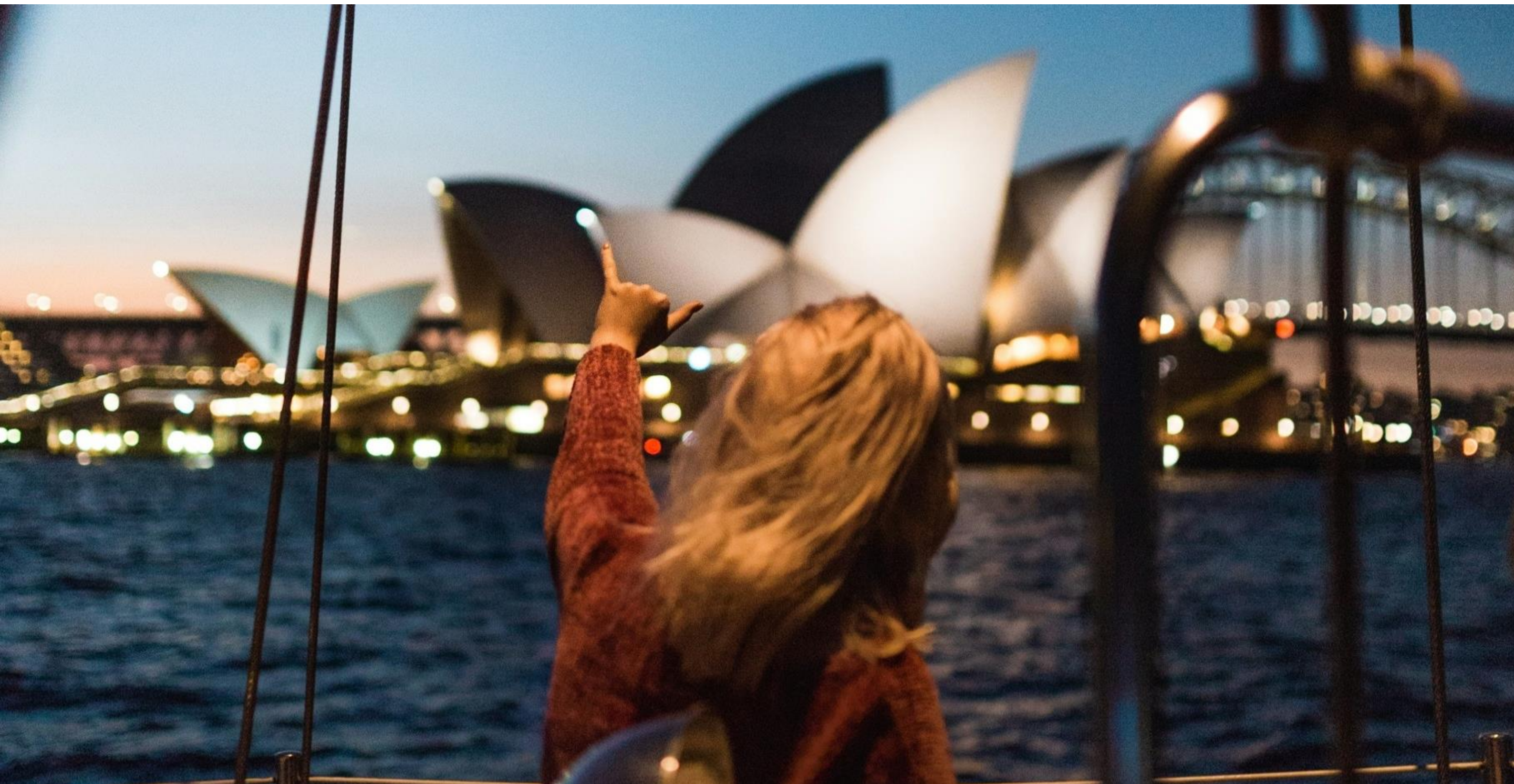

Introduction

We are pleased to present the 2026 Australia Hotel & Chains Report, providing an overview of the structure and composition of Australia's chain-affiliated accommodation market based on 2025 data. The report focuses on branded accommodation supply, including properties operated under management, franchise, lease or other chain-affiliated models. The analysis reviews the market by chain group, brand, scale, destination, location type and operating model.

The purpose of the report is to assess the structure of Australia's branded accommodation market, rather than the total accommodation sector in isolation. As such, the analysis distinguishes between independent properties and chain-affiliated assets, while also considering the role of both international and domestic hotel brands across Australia's major urban, regional, airport and leisure-oriented markets.

For the purposes of this report, two separate classification fields have been used: one for brand origin and one for chain group origin. Brand origin refers to whether the brand itself was originally developed domestically or internationally. As such, Australian-born brands are classified as domestic brands, even where they are now owned by an international hotel group. Chain group origin is classified separately and reflects the broader parent company or ownership platform. This allows the report to distinguish between domestic brand presence and international group control within the Australian market.

Location type has been assigned based on the primary market orientation of each destination or submarket. Capital city and major urban markets include all state and territory capitals, as well as selected major accommodation markets such as the Gold Coast. City centre locations refer to the main commercial or tourism core of a destination, while secondary urban markets cover larger non-capital centres, generally with populations above 100,000. Airport locations include properties on airport land or within airport precincts, where demand is primarily airport related. Regional markets include all other non-capital and non-major urban destinations.

In compiling this report, Horwath HTL has used CoStar accommodation supply data, supplemented by Horwath HTL Australia's own analysis, property categorisation and market knowledge. Hotel development pipeline data has been sourced from Horwath HTL Australia's internal supply pipeline database and reflects known projects at the time of analysis.

The Market

According to Tourism Research Australia, Australia's visitor economy generated $192.4 billion in total visitor spending in 2025, while tourism GDP reached $81.1 billion in 2024–25, representing 2.9% of the national economy. The sector also remains a major employer, supporting 736,800 tourism jobs as of December 2025.

This strong tourism base supported improved hotel performance across key markets, with growth driven by occupancy recovery, rate growth and event-led compression. Sydney and Brisbane were among the stronger-performing major markets, while Melbourne continued to absorb recent supply additions supported by its events calendar and diversified demand base. Perth remained supported by corporate and resource-related demand, while Adelaide, Hobart and selected regional markets benefited from domestic leisure, government activity and events.

Australia's accommodation market remains geographically diverse. The dataset comprises 6,557 properties and 340,266 rooms, of which 1,758 properties and 179,188 rooms are chain affiliated. This represents approximately 27% of properties and 53% of total room supply, showing that independent hotels continue to dominate by property count, while branded and professionally operated hotels account for a much larger share of rooms.

Key Stats	2026
Total chain hotels	1,758
Total chain rooms	179,188
Average room count per chain hotel	102
Australia hotels stock	6,557
Australia rooms stock	340,266
Average room count per hotel	52
Chain penetration % by hotels	26.8%
Chain penetration % by keys	52.7%
Total number of brands	176
International brands	105
Domestic brands	69
Total number of chain groups	78
International chain groups	35
Domestic chain groups	43
International chain group hotels	972
Domestic chain group hotels	786
International chain group rooms	118,785
Domestic chain group rooms	60,403

The chain market is shaped by both international hotel groups and domestic operators.

International chain groups account for the majority of chain room supply, while domestic brands remain highly significant, particularly across serviced apartments, apartment hotels, extended-stay accommodation, holiday parks, regional markets and selected midscale to upper-upscale segments.

Overall, Australia represents a mature but evolving branded hotel market. Future growth is expected to be selective, shaped by brand expansion, management and franchise agreements, serviced apartment formats, conversions, adaptive reuse and targeted new supply in markets with clear demand fundamentals.

The growth of third-party operators is also expected to support further expansion of franchise models, allowing international and domestic brands to increase their presence through asset-light operating structures

Key Points

Australia remains a mature and resilient hotel market

Australia's accommodation market remains one of the most mature and diversified in the Asia-Pacific region, supported by broad demand across corporate, government, events, leisure, airport-related, regional and extended-stay segments.

The identified accommodation market comprises 6,557 properties and 340,266 rooms, with an average property size of approximately 52 rooms. Major capital city and city centre markets continue to anchor national hotel demand, while regional destinations provide substantial additional depth to the market.

Regional markets account for the largest share of accommodation supply, with 3,652 properties and 122,505 rooms, although these properties are generally smaller and more independently operated. By contrast, City Centre markets comprise 962 properties and 115,542 rooms, reflecting the concentration of larger accommodation assets within CBDs and major urban centres.

Chain penetration is strongest in larger hotels and major cities

Australia recorded 1,758 chain-affiliated properties and 179,188 chain rooms, representing approximately 27% of total properties and 53% of total room supply. Chain-affiliated properties average approximately 102 rooms, compared with approximately 34 rooms for independent properties, reinforcing the role of branded operators within Australia's larger accommodation assets.

Chain penetration varies significantly by location type. Airport markets record the highest level of branded accommodation, with chain-affiliated rooms accounting for approximately 86% of total room supply, followed by City Centre (77%), Capital City (58%), Secondary Urban (40%) and Regional (28%) markets.

Sydney and Melbourne remain Australia's largest branded hotel markets, with approximately 40,206 and 36,034 chain rooms respectively. Brisbane, Perth, Adelaide and the Gold Coast also represent significant branded accommodation markets.

International hotel groups continue to play a major role

International hotel groups remain central to Australia's branded hotel market. On a parent company basis, international chain groups account for 972 properties and 118,785 rooms, representing approximately 66% of total chain room supply. Domestic chain groups account for 786 properties and 60,403 rooms, representing the remaining 34%.

Accor remains Australia's largest chain group, followed by major operators including IHG Hotels & Resorts, Marriott International, Ascott, EVT, Minor Hotels, Hilton, Hyatt, TFE Hotels, Meriton Suites and several other international and domestic operators. Collectively, these groups operate across every major market segment, from economy through to luxury.

Domestic brands dominate the top brand rankings

Under the brand-origin methodology used in this report, Australian-developed brands account for 1,043 chain-affiliated properties and 86,624 rooms, while international brands account for 619 properties and 86,778 rooms.

Although room supply is almost evenly balanced between domestic and international brands, seven of Australia's ten largest hotel brands originated domestically, demonstrating the enduring strength of Australian-developed brands. Several of these leading brands, including Quest and Mantra, are now owned by international hotel groups but continue to be classified as domestic brands under the report's brand-origin methodology.

Domestic brands remain particularly significant across serviced apartments, apartment hotels, extended-stay accommodation, holiday parks and regional markets, where locally developed operating models are well aligned with Australia's diverse accommodation landscape.

City Centre and Airport markets contain Australia's largest branded hotels

City Centre and Airport markets contain Australia's largest accommodation assets, averaging approximately 118 rooms and 120 rooms per property respectively.

Airport markets comprise 85 properties and 10,235 rooms, of which 22 hotels are located directly on airport land, with the remaining properties situated within surrounding airport precincts. City Centre markets comprise 946 properties and 111,580 rooms, reflecting the concentration of larger hotels within CBDs and major commercial centres.

Secondary Urban markets comprise 811 properties and 34,781 rooms, providing a balanced mix of branded and independent accommodation supported by business, government, education and healthcare demand. Regional markets remain Australia's largest accommodation segment by property count, with 3,583 properties and 118,758 rooms, although the market continues to be characterised by smaller independently operated properties.

Upscale and upper-upscale hotels form the core of branded supply

The Australian chain hotel market is concentrated in the midscale, upper-midscale, upscale and upper-upscale segments, with upscale and upper-upscale hotels accounting for 731 properties and 97,052 rooms, or approximately 54% of total chain room supply. This reflects the concentration of branded accommodation within Australia's major metropolitan and established leisure markets.

Midscale and upper-midscale hotels account for a further 767 properties and 52,367 rooms (approximately 29% of chain room supply), providing a broad base of accommodation across metropolitan, secondary urban and regional markets. Luxury hotels comprise 147 properties and 24,491 rooms, while budget and economy hotels account for 113 properties and 5,278 rooms, representing approximately 14% and 3% of branded room supply respectively.

Pipeline activity remains selective and destination-specific

Australia's hotel development pipeline remains selective, reflecting construction cost pressures, financing conditions, labour availability and the feasibility challenges associated with new-build hotel projects. Future supply growth is therefore expected to remain concentrated in destinations with strong demand fundamentals, particularly major capital cities, city centres, airport precincts and selected leisure markets.

Pipeline activity should be assessed not only by the number of projects but also by the volume of rooms under construction, as larger developments have a greater influence on future market performance. Brisbane, the Gold Coast, Canberra, Sydney and Melbourne currently have the highest proportion of pipeline rooms under construction, indicating relatively high near-term supply certainty.

Conversions, adaptive reuse, serviced apartment developments and mixed-use projects are also expected to remain important sources of future branded supply, supported by continued growth in management, franchise and third-party operating models.

Business models continue to evolve

Australia's chain hotel market is primarily structured around chain management and franchise operating models. Chain management accounts for 1,148 properties and 132,851 rooms, representing approximately 74% of total chain room supply, while franchise agreements account for 610 properties and 46,337 rooms, representing the remaining 26%.

The continued expansion of management agreements, franchise structures and third-party operators reflects the growing importance of distribution platforms, loyalty programmes and brand recognition. These operating models enable both international and domestic hotel groups to expand efficiently while providing owners with greater flexibility in how their assets are operated.

Ranking by Size

Rank	OVERALL Chain Groups	Hotels	Rooms
1	Accor	351	46,584
2	IHG Hotels & Resorts	59	12,305
3	Ascott Int Management (2001) Pte Ltd	127	10,543
4	EVT	65	10,173
5	Marriott International	33	8,796
6	Minor Hotel Group Ltd	63	7,902
7	Choice Hotels Int, Inc.	136	6,868
8	TFE Hotels	45	6,744
9	Meriton Suites	23	6,295
10	G'Day Group	83	5,322

Rank	OVERALL Chain Brands	Hotels	Rooms
1	Quest	119	8,869
2	Mantra	73	8,182
3	Novotel	31	7,417
4	Mercure	58	7,225
5	Oaks Hotels & Resorts	57	7,198
6	Rydges	37	6,463
7	Meriton Suites	23	6,295
8	Discovery Parks	83	5,322
9	Crowne Plaza	16	3,411
10	Crown	7	3,141

Rank	DOMESTIC Chain Groups	Hotels	Rooms
1	EVT	65	10,173
2	TFE Hotels	45	6,744
3	Meriton Suites	23	6,295
4	G'Day Group	83	5,322
5	Crown Hotels	7	3,141
6	ALH Group Pty Ltd	114	2,689
7	CLLIX Apartments and Hotels	24	2,284
8	Veriu Group	26	1,902
9	The Star Entertainment Group	8	1,893
10	NRMA Parks & Resorts	45	1,717

Rank	DOMESTIC Chain Brands	Hotels	Rooms
1	Quest	119	8,869
2	Mantra	73	8,182
3	Oaks Hotels & Resorts	57	7,198
4	Rydges	37	6,463
5	Meriton Suites	23	6,295
6	Discovery Parks	83	5,322
7	Crown	7	3,141
8	Adina Apartment Hotel	22	2,507
9	CLLIX	24	2,284
10	Peppers	24	2,184

Rank	INTERNATIONAL Chain Groups	Hotels	Rooms
1	Accor	351	46,584
2	IHG Hotels & Resorts	59	12,305
3	Ascott Int Management (2001) Pte Ltd	127	10,543
4	Marriott International	33	8,796
5	Minor Hotel Group Ltd	63	7,902
6	Choice Hotels Int, Inc.	136	6,868
7	Hilton Worldwide	19	4,363
8	BWH Hotels	64	4,263
9	Hyatt Corporation	12	3,378
10	Pan Pacific Marketing Services Pte. Ltd	6	2,037

Rank	INTERNATIONAL Chain Brands	Hotels	Rooms
1	Novotel	31	7,417
2	Mercure	58	7,225
3	Crowne Plaza	16	3,411
4	Pullman	17	3,116
5	ibis Styles	20	2,947
6	ibis	15	2,737
7	InterContinental	10	2,562
8	Sofitel	6	2,352
9	Comfort Inn	51	2,064
10	Holiday Inn	12	2,034

Ranking of Brands by Scale

Rank	ECONOMY TOP BRANDS	Hotels	Rooms
1	ibis budget	18	1,845
2	YHA Australia	17	945
3	Econo Lodge	14	478
4	ALH Hotels	19	388
5	Mad Monkey	10	342
6	SureStay Collection	8	312
7	Birch Hotel Group	11	243
8	Echo Holiday Parks	6	136
9	ValueSuites	1	107
10	Nightelier	1	104

Rank	MIDSCALE TOP BRANDS	Hotels	Rooms
1	Discovery Parks	83	5,322
2	ibis Styles	20	2,947
3	ibis	15	2,737
4	NRMA	45	1,717
5	Nightcap	79	1,602
6	Ingenia Holidays	36	1,561
7	Best Western	33	1,257
8	Tasman Holiday Parks	33	1,094
9	Ramada	12	1,075
10	BreakFree Resort	18	956

Rank	UPPER MIDSCALE TOP BRANDS	Hotels	Rooms
1	Mercure	58	7,225
2	Comfort Inn	52	2,080
3	Holiday Inn	12	2,034
4	Holiday Inn Express	8	1,918
5	Quality	19	1,284
6	Hotel Grand Chancellor	7	1,283
7	Punthill	18	1,130
8	Best Western Plus	15	1,046
9	Citadines	4	867
10	Metro	8	706

Rank	UPSCALE TOP BRANDS	Hotels	Rooms
1	Quest	119	8,869
2	Mantra	73	8,182
3	Novotel	31	7,417
4	Oaks Hotels & Resorts	57	7,198
5	Rydges	37	6,463
6	Crowne Plaza	16	3,411
7	Vibe Hotel	10	1,748
8	DoubleTree by Hilton	7	1,498
9	PARKROYAL	4	1,153
10	voco	5	1,035

Rank	UPPER UPSCALE TOP BRANDS	Hotels	Rooms
1	Meriton Suites	23	6,295
2	Pullman	17	3,116
3	Adina Apartment Hotel	22	2,507
4	Peppers	24	2,184
5	The Sebel	31	1,998
6	Hilton	6	1,946
7	Marriott	5	1,524
8	RACV	10	1,517
9	Crystalbrook	8	1,476
10	WorldHotels Elite	5	1,430

Rank	LUXURY TOP BRANDS	Hotels	Rooms
1	Crown	7	3,141
2	InterContinental	10	2,562
3	Sofitel	6	2,352
4	MGallery Collection	9	1,674
5	QT	7	1,224
6	W Hotel	3	1,194
7	CLLIX	8	1,064
8	Pan Pacific	2	884
9	Langham	4	823
10	Shangri-La	2	820

Ranking by Scale & Size

The ranking per scale and size shows the structural differences between categories. Higher-end segments often contain larger properties and stronger international brand representation, while domestic operators may have a stronger presence in selected mid-market, apartment-style or regional categories.

OVERALL						DOMESTIC		INTERNATIONAL	
SCALE	HOTELS	%	ROOMS	%	AVG SIZE	HOTELS	ROOMS	HOTELS	ROOMS
Budget & Economy	113	6.4%	5,278	2.9%	47	62	2,242	51	3,036
Midscale & Upper Midscale	767	43.6%	52,367	29.2%	68	427	20,659	340	31,708
Upscale & Upper Upscale	731	41.6%	97,052	54.2%	133	215	28,389	516	68,663
Luxury	147	8.4%	24,491	13.7%	167	82	9,113	65	15,378
Total	**1,758**	**100.0%**	**179,188**	**100.0%**	**102**	**786**	**60,403**	**972**	**118,785**

Ranking by Destination

Branded hotel supply in Australia remains concentrated in major urban destinations, reflecting the importance of corporate demand, international access, events, government activity and large-scale leisure visitation. However, selected regional and resort destinations also hold meaningful branded supply, particularly where tourism demand is well established.

Rank	TOP MARKETS CHAIN ROOMS	Hotels	Rooms
1	Sydney	275	40,206
2	Melbourne	275	36,034
3	Brisbane	121	14,768
4	Gold Coast SEQ	104	12,514
5	Perth	80	11,478
6	New South Wales Regional	175	8,977
7	Adelaide	82	8,948
8	Sydney Surrounding	114	7,852
9	Victoria Regional	115	6,511
10	Queensland Regional	113	5,938

Rank	TOP SUBMARKETS CHAIN ROOMS	Hotels	Rooms
1	Melbourne Centre	121	23,507
2	Sydney Centre	118	22,261
3	Brisbane Centre	82	12,247
4	Gold Coast	62	9,671
5	Perth Centre	46	8,130
6	Sydney West	72	7,276
7	Adelaide Centre	46	6,760
8	Melbourne Northwest	69	5,978
9	ACT & Canberra Area	46	5,522
10	Sydney Airport	22	4,704

Destination Pipeline: Aggregate Projects

The pipeline analysis shows that future hotel supply remains concentrated in Australia's major capital city and gateway destinations. Across the destinations shown, the identified pipeline comprises a significant volume of future rooms, with Sydney, Melbourne, Perth, Brisbane and Adelaide representing the largest pipeline markets by room count.

The analysis also considers the proportion of pipeline rooms currently under construction. This provides a more meaningful indication of near-term supply risk than the number of hotel projects alone, as larger developments can materially affect future room supply even where the number of projects is limited. Markets with a higher proportion of rooms already under construction are likely to experience a greater level of near-term supply certainty, while markets with a lower proportion of rooms under construction may have a larger share of proposed or earlier-stage projects.

Sydney represents the largest pipeline destination by total rooms, reinforcing its position as Australia's largest and most active hotel development market. Melbourne also records a substantial pipeline, supported by its role as a major corporate, events, tourism and education hub. Perth, Brisbane and Adelaide also show notable future supply volumes, reflecting continued investment across major capital city markets. Especially in preparation for the Olympics in Brisbane 2032.

Overall, the pipeline data indicates that future hotel development is primarily focused on larger capital cities where demand is supported by corporate, government, events, infrastructure, leisure and mixed urban demand. The rooms-under-construction measure highlights the markets where new supply is most likely to enter in the near term, while also distinguishing between committed construction activity and broader proposed pipeline volume.

Rank	Destination	Hotels	Rooms	Hotels Under Construction	Rooms Under Construction	% of Rooms Under Construction
1	Sydney	52	8,025	20	3,203	40%
2	Melbourne	29	5,172	13	1,867	36%
3	Perth	23	3,904	5	965	25%
4	Adelaide	19	3,150	6	1,061	34%
5	Brisbane	21	3,136	9	1,552	50%
6	Gold Coast	13	2,421	7	1,149	48%
7	Canberra	6	1,020	3	573	56%
8	Hobart	10	995	2	146	15%
9	Darwin	2	171	0	0	0%

Supply by Market Type

Type	Hotels	Rooms	Average Room Size	Percentage of Chain Rooms
Capital City	1,132	64,912	57	58%
City Centre	946	111,580	118	77%
Secondary Urban	811	34,781	43	40%
Regional	3,583	118,758	33	28%
Airport	85	10,235	120	86%
Total	**6,557**	**340,266**	**52**	**53%**

Business Model

The business model section highlights the operating structures used by chain-affiliated hotels in Australia. International groups are typically present through management and franchise agreements, while domestic operators may use a broader mix of owned, leased, managed and franchised models.

The growth of asset-light structures reflects the increasing importance of brand distribution, loyalty platforms and operational scale.

Business Model	Hotels	Rooms	Hotel Penetration	Room Penetration
Independent	4,799	161,078	73.2%	47.3%
Chain Management	1,244	138,637	19.0%	40.7%
Franchise	514	40,551	7.8%	11.9%
Total	**6,557**	**340,266**		

Methodology, Data Sources and Terms

The data underpinning this report was collected during 2026 through a combination of primary and secondary research.

Hotel supply and chain data was compiled by Horwath HTL Australia using CoStar hotel inventory data, internal databases, official brand and operator websites, company announcements and publicly available property information. Properties were individually reviewed to verify its brand, chain group, and operating model.

The analysis covers 6,557 accommodation properties and 340,266 rooms across Australia, including approximately 1,662 chain-affiliated properties with 173,402 rooms. Rankings, market shares and growth comparisons are based on the properties included within the report database. As hotel openings, closures, rebranding's and changes in operating structure occur regularly, the findings represent a point-in-time assessment of the market.

Hotel pipeline data was compiled from Horwath HTL Australia's internal development database, planning information, operator communications, development announcements and industry reporting. Projects were reviewed based on their known development status at the time of research. Pipeline projects may be delayed, modified or cancelled and should not be interpreted as a definitive forecast of future hotel supply.

Qualitative insight is drawn from Horwath HTL Australia's ongoing advisory work, discussions with hotel owners, operators, developers and industry participants, and the team's broader knowledge of the Australian accommodation market.

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