

# Trends Shaping the Second Half of 2025 in Dubai



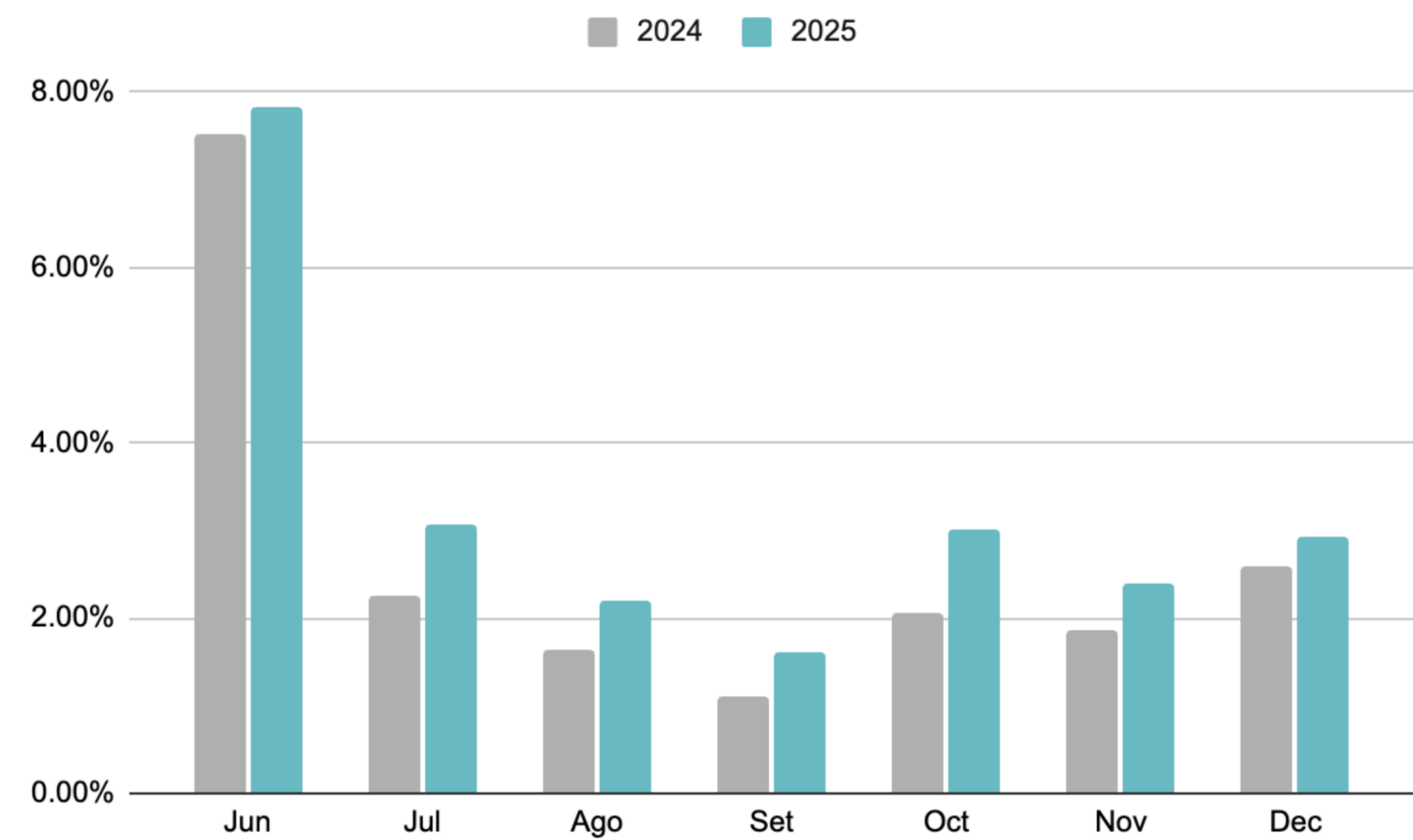


Dubai's short-term rental market is unique—driven by major investment groups and large-scale property managers. While summer (June–August) is low season due to extreme heat, it's a key time to review revenue management strategies.

The market rebounds fast in September/October, with high season kicking off and historically short booking lead times (1–2 days). Success in the last half of this year hinges on agility and timing more than long-term forecasting.

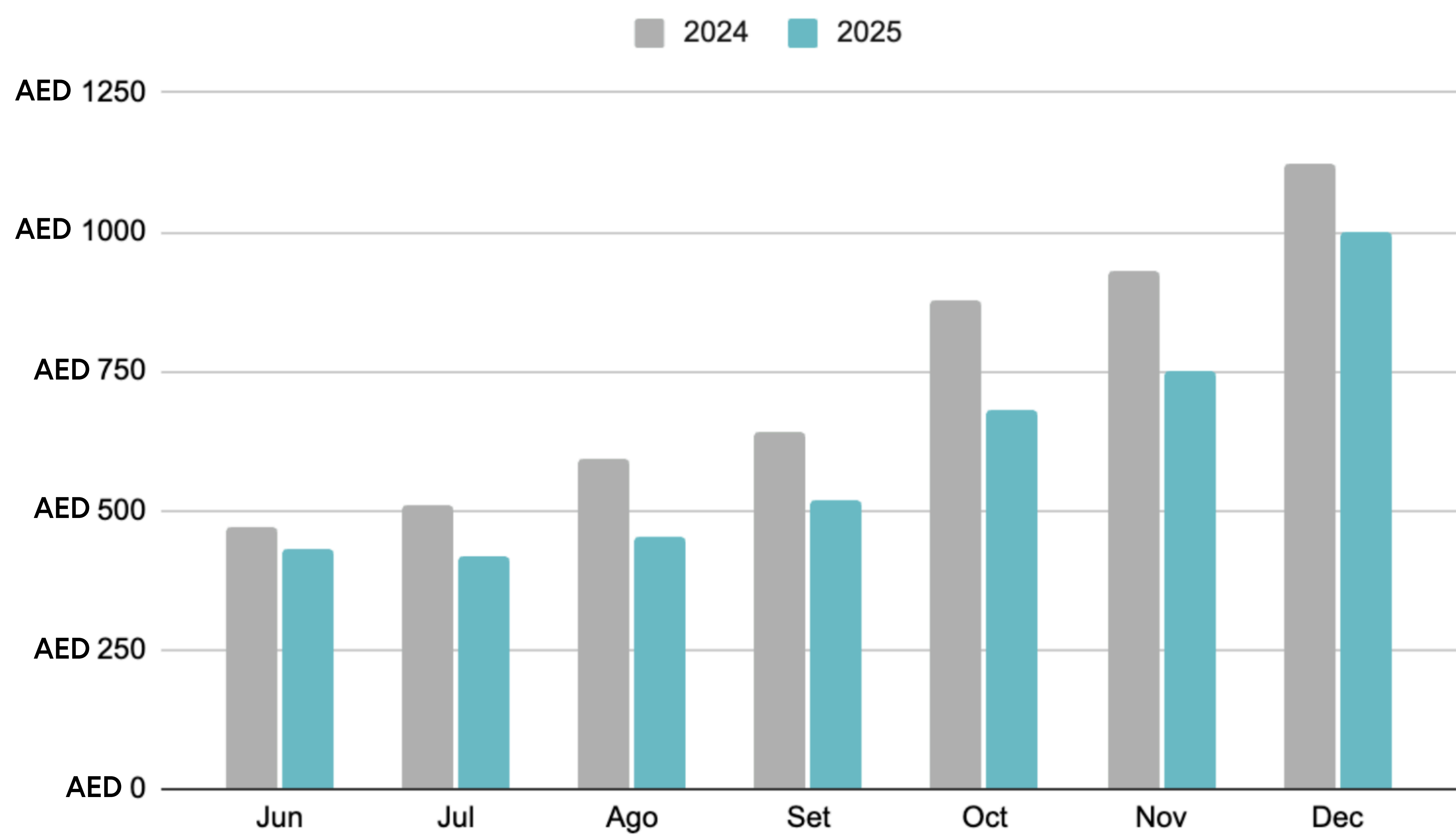
# 2025 Projections: Low Season and Trends in a Short Booking Lead Time Market

## 1. Occupancy in Line with 2024: Just 1% Ahead





## 2. Average Daily Rate is pacing -17 % Behind





# Guest Booking Behavior

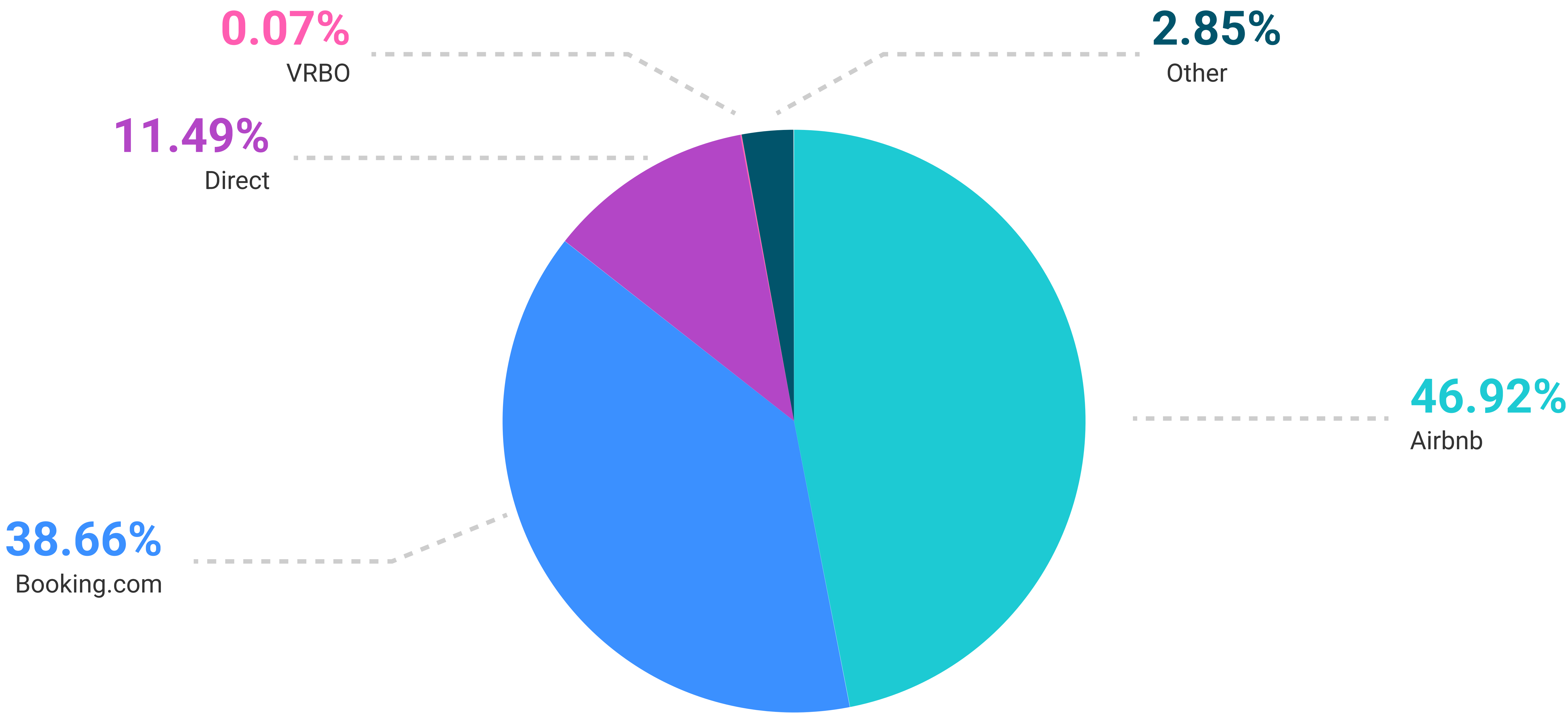
## Length of Stay

6 days, +20% YoY

## Booking Windows

3.5 days, -20% YoY

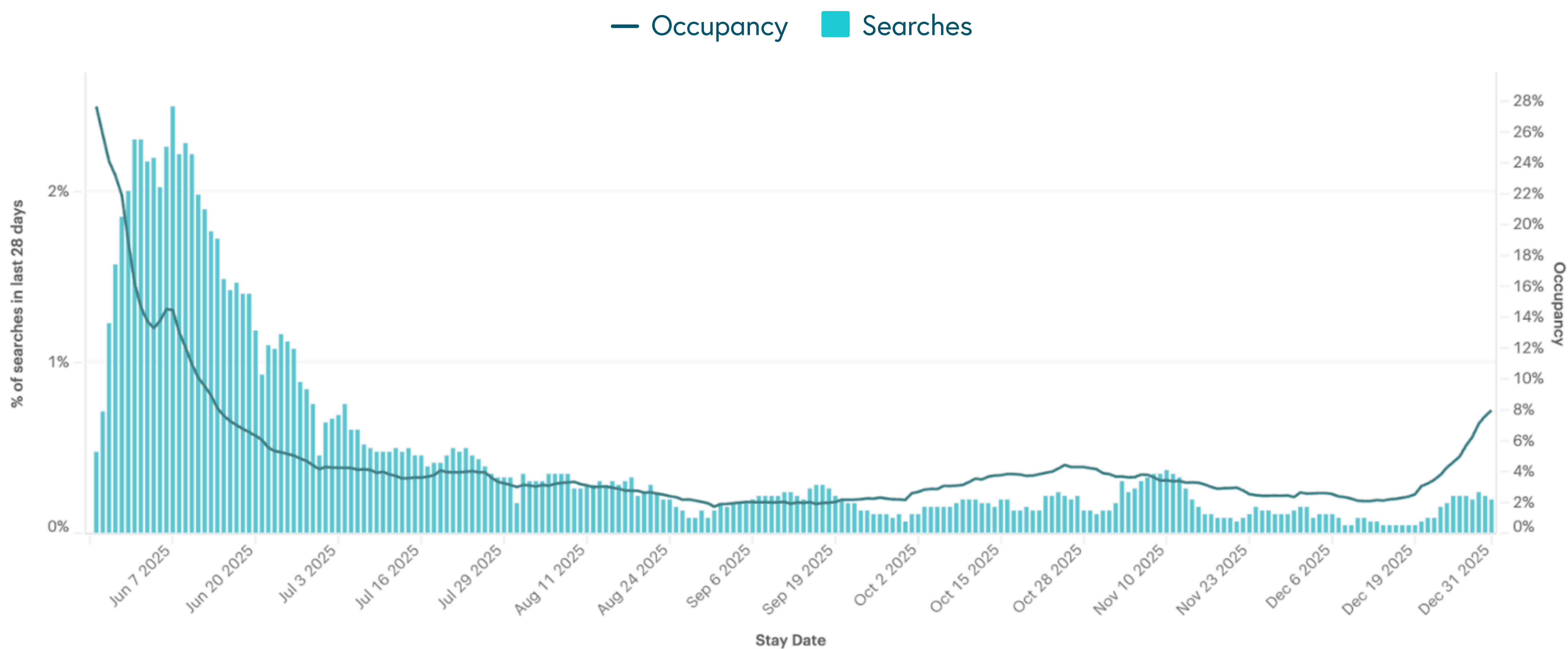
## Channel Distribution





# Searches by Market

Even in the low season, search volumes surpass occupancy rates, suggesting strong traveler interest and demand spikes. From September onwards, we see clear signs of interest in the market.





# Key Takeaways

- **Strong Market Interest:** Despite it being the low season, search volumes are consistently higher than actual occupancy rates, signaling robust traveler interest. This indicates potential demand surges not yet captured by bookings — suggesting an opportunity for optimised pricing or visibility strategies to convert searches into stays.
- **A Revenue Challenge:** While occupancy is roughly aligned with 2024 (just 1% higher), Average Daily Rates (ADR) are down 17%, which may be due to:
  - Aggressive price competition in a high-supply market
  - Travellers seeking more budget-conscious options
  - Limited pricing power despite demand signals: This may require revenue management adjustments (e.g., value-added pricing, minimum stays, or segmentation strategies).
- **Booking Windows are Shorter:** This is a last-minute booking market, so proactive pricing and availability strategies are essential to capture demand at the right moment. Dynamic pricing aligned with short-lead booking behavior can help maximise occupancy and revenue opportunities.

