SAUDI ARABIA TOURISM

MARKET GAP ANALYSIS

DEMAND, CAPACITY AND ECOSYSTEM READINESS TOWARD 2030

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Executive Summary

Saudi Arabia's tourism sector has already done something few national transformation programs manage: it delivered ahead of schedule. The original Vision 2030 target of 100 million annual visitors was reached in 2023 — seven years early. The government responded not by declaring victory but by raising the bar, revising the target to 150 million by 2030. Tourism's direct contribution to GDP has grown from roughly 3% at the launch of Vision 2030 toward close to 10% today. A hospitality investment pipeline exceeding 358,000 new hotel rooms is already under construction or in advanced planning. Tourism employment has grown from roughly 600,000 jobs in 2019 to around one million today, on the way to a 1.6 million target. This is a sector executing at scale, not one still building a case for itself.

The question this report answers is not whether Saudi Arabia's tourism ambition is credible — the delivery record already answers that. The question is where, precisely, the next tranche of value creation sits as the sector scales from good execution to full ecosystem maturity.

Riyadh's skyline at golden hour

The answer: the opportunity is not "more capacity everywhere." It is precisely located capacity and infrastructure investment that follows where demand pressure is actually concentrated — largely Makkah and Madinah, where religious tourism drives the highest-intensity, most resilient demand in the entire sector — rather than where investment has historically been easiest to build.

DEMAND COMPOSITION

123M total trips in 2025, structurally split between long-stay religious/inbound and short-stay domestic VFR travel — not one market, two.

ACCESSIBILITY, TODAY

Three of four major airports already exceed design capacity in 2025 — a current constraint, not a 2030 projection.

WORKFORCE PARTICIPATION

Total employment is scaling toward the 1.6M target, but the Saudi share has edged down even as subsidies expanded — a participation gap, not a headcount gap.

MEASUREMENT GAP

Established sector data (GASTAT, Ministry of Tourism) is rigorous; the newest experience-economy segments — events, cruise — are not yet measured to the same standard.

TARGET VS. TRAJECTORY

OFFICIAL 2030 TARGET · Vision 2030 / Ministry of Tourism

70M	80M
International visitors, official target	Domestic trips, official target

OBSERVED TRAJECTORY · 2025, GASTAT / DataSaudi.sa

29.3M	93.3M
International visitors, 2025 actual	Domestic trips, 2025 actual

WHAT THE EVIDENCE SHOWS

Domestic trips (93.3M) have already exceeded their entire 2030 target component (80M), while international visitors (29.3M) sit at less than half of their target (70M) — requiring roughly 19% annual growth to close. This is not a shortfall in one direction: it is two targets diverging in opposite directions from the same headline goal. This report treats total-visitor volume as the primary planning anchor, with the international/domestic composition tracked as a separate, explicitly monitored variable (Section 9).

EXECUTIVE IMPLICATION

Taken together, the evidence points to geographic and compositional mismatch — not an absolute national capacity shortage. Accommodation, transit, and aviation investment have followed the path of least resistance (Riyadh) more than the path of highest demand (Makkah and Madinah). This report's central task is to locate, size, and evidence that mismatch — and translate it into a commercially actionable opportunity map — not to litigate whether Saudi Arabia's tourism growth is real. It already is.

(01) Saudi Arabia's Tourism Transformation

Saudi Arabia's tourism sector has moved through three distinct phases since Vision 2030 launched: opening the market (the 2019 introduction of the tourist e-visa, ending decades of near-total restriction on non-religious foreign visitors), scaling demand (the sector's rapid climb toward, then past, its original visitor targets), and — the phase the sector is now entering — building the ecosystem depth to sustain that demand at a much larger scale.

Hotel check-in in a Gulf hospitality setting

KEY INDICATORS · GASTAT, Ministry of Tourism, Vision 2030

123M Total tourist trips, 2025	**150M** Revised 2030 target	**1.6M** Tourism jobs targeted by 2030

- 123 million total tourist trips in 2025 (29.3 million international, 93.3 million domestic), against an original 2030 target of 100 million that was already exceeded in 2023.
- Tourism's direct GDP contribution has grown from roughly 3% at Vision 2030's launch toward close to 10% today, with WTTC estimating total sector GDP at approximately $178 billion in 2025.
- A committed hospitality pipeline of roughly 358,000 additional quality-tier hotel rooms sits on top of a current base of 171,650, implying a national stock approaching 530,000 rooms as the pipeline delivers.
- Tourism employment has grown from approximately 600,000 jobs in 2019 to roughly one million today, en route to a 1.6 million target by 2030.

Alongside religious tourism — the sector's oldest and most durable demand driver, addressed in depth in Section 3 — Saudi Arabia has built an entirely new leisure and cultural tourism proposition largely from scratch: eight UNESCO World Heritage sites, giga-projects spanning NEOM, the Red Sea, AlUla, Diriyah, and Qiddiya, and a fast-growing entertainment calendar anchored by Riyadh Season.

The Ministry of Tourism's 2023 National Tourism Strategy refresh formally organized this growth around eleven destination clusters — Riyadh, Jeddah, AlUla, the Red Sea, Diriyah, Taif, Asir, Hail, Tabuk, the Eastern Province, and Madinah — replacing an earlier, narrower view of where tourism development should concentrate.

Source: GASTAT; Ministry of Tourism; Vision 2030; Lumina Plus analysis.

(02) The Destination Pattern

The single most important lens for reading every subsequent section of this report.

Before examining demand, accommodation, transport, workforce, and experience infrastructure pillar by pillar, it is worth stating plainly what this research found, consistently, across every one of those pillars: capacity and infrastructure investment have followed a specific pattern that does not yet fully track demand pressure — and that gap is where the next phase of value creation is concentrated.

Three data points make the pattern vivid

Riyadh has a metro. Makkah and Madinah do not. In December 2024, Riyadh opened a 176-kilometer, six-line, 85-station automated metro system. Makkah and Madinah, which together absorb the majority of the country's religious tourism demand and run the highest peak occupancy rates in the national portfolio, have no equivalent system; visitors move between sites via bus and ride-hailing.

Makkah and Madinah are absorbing the overwhelming majority of new hotel investment. Four megaprojects alone — Rua Al Haram, Rua Al Madinah, Knowledge Economic City, and Masar Makkah — account for more than 252,000 of the roughly 358,000 rooms in the national pipeline.

Hotel towers under construction in Saudi Arabia

Riyadh's own hotel performance, meanwhile, is softening. Occupancy and average daily rates in the capital both declined through 2025 even as Makkah's occupancy pushed toward 85% at peak periods and its rates grew by double digits.

WHAT THE EVIDENCE SHOWS

These three facts are not evidence of a problem — they are evidence of a market already self-correcting toward where demand is concentrated. Accommodation investment is following the religious-tourism opportunity precisely. What has not yet caught up is enabling infrastructure: mobility, in particular. That is the opportunity this report quantifies, pillar by pillar, across the sections that follow.

The sections that follow examine each pillar in turn — demand, accommodation, transport, workforce, and experience — building this pattern out with independent evidence from each.

(03) Tourism Demand: Scale, Composition and Trajectory

Airport departure hall

Saudi Arabia's tourism demand is best understood as two structurally distinct markets, tracked by two separate official reporting systems, each requiring its own capacity planning.

Tourist demand — 123 million trips in 2025 (29.3 million inbound, 93.3 million domestic) — tracked by the Ministry of Tourism and GASTAT.

Religious pilgrimage demand — Hajj (1.83 million pilgrims in 2024) and Umrah (35.8 million in 2024, up 33% year-on-year) — tracked separately by GASTAT's dedicated Hajj/Umrah reporting. Umrah volume alone exceeds the entire inbound tourist figure, underscoring that this is not a subset of “tourism” in the conventional sense but the single largest demand stream in the country.

Inbound and Domestic Demand Are Different Markets

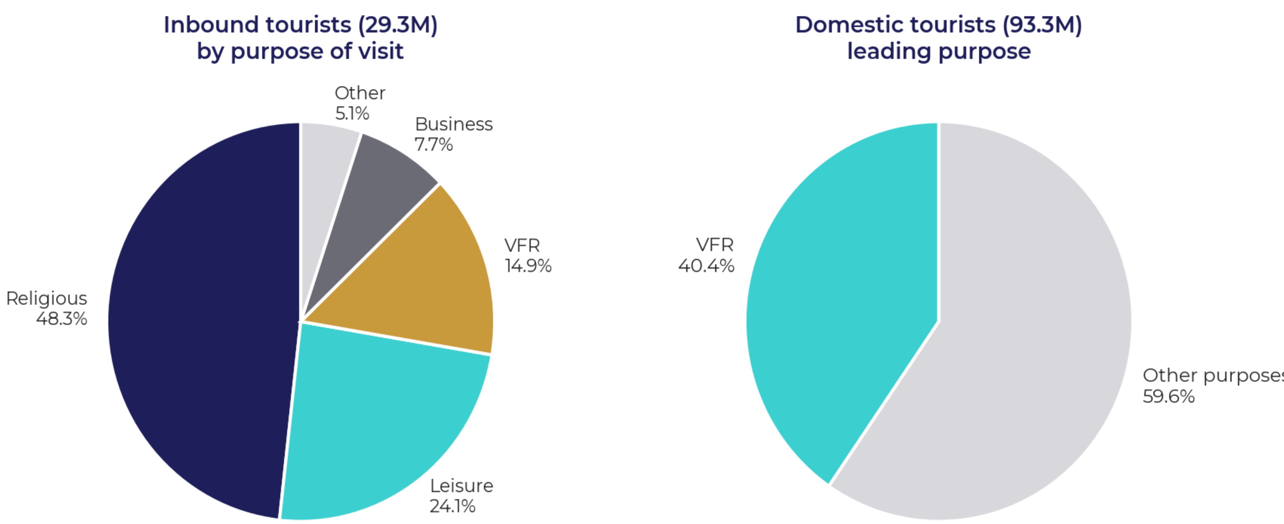


Figure 1. Inbound tourists by purpose of visit versus domestic tourists' leading purpose. Source: DataSaudi.sa (Ministry of Economy and Planning), 2025.

Inbound and domestic tourism are different products, not the same demand at different scale. Inbound demand is religious-purpose-heavy (48.3% of inbound visitors cite religious purpose), long-stay (16.9 nights average), and concentrated in Makkah and Madinah. Domestic demand is dominated by visiting friends and relatives (40.4% of domestic trips), short-stay (5.3 nights average), and led by Riyadh province (11.9 million domestic trips in 2023, the highest of any province).

A methodological note on Umrah demand

Umrah's ritual core — Tawaf and Sa'i — takes an officially measured average of 104 minutes to complete, with the full door-to-door experience typically running 2–4 hours outside peak periods. Everything beyond that core ritual is Mustahab (optional) rather than Wajib (fixed), and the Umrah visa framework itself has shifted materially in recent policy cycles. The practical result is that Umrah's contribution to accommodation demand in Makkah and Madinah is real and substantial but cannot be reduced to a single average length of stay without materially misrepresenting a genuinely multi-modal pattern.

Seasonality is structural, not noise

National occupancy swings by roughly 15 percentage points between quarters (72% in Q1 2025 versus 56% in Q4 2024), and Makkah and Madinah's peak-period occupancy (approaching 85% during Ramadan and Hajj) runs meaningfully above Riyadh and Jeddah's occupancy in the same windows. Any capacity plan built on annual averages will understate the infrastructure required during the periods that matter most.

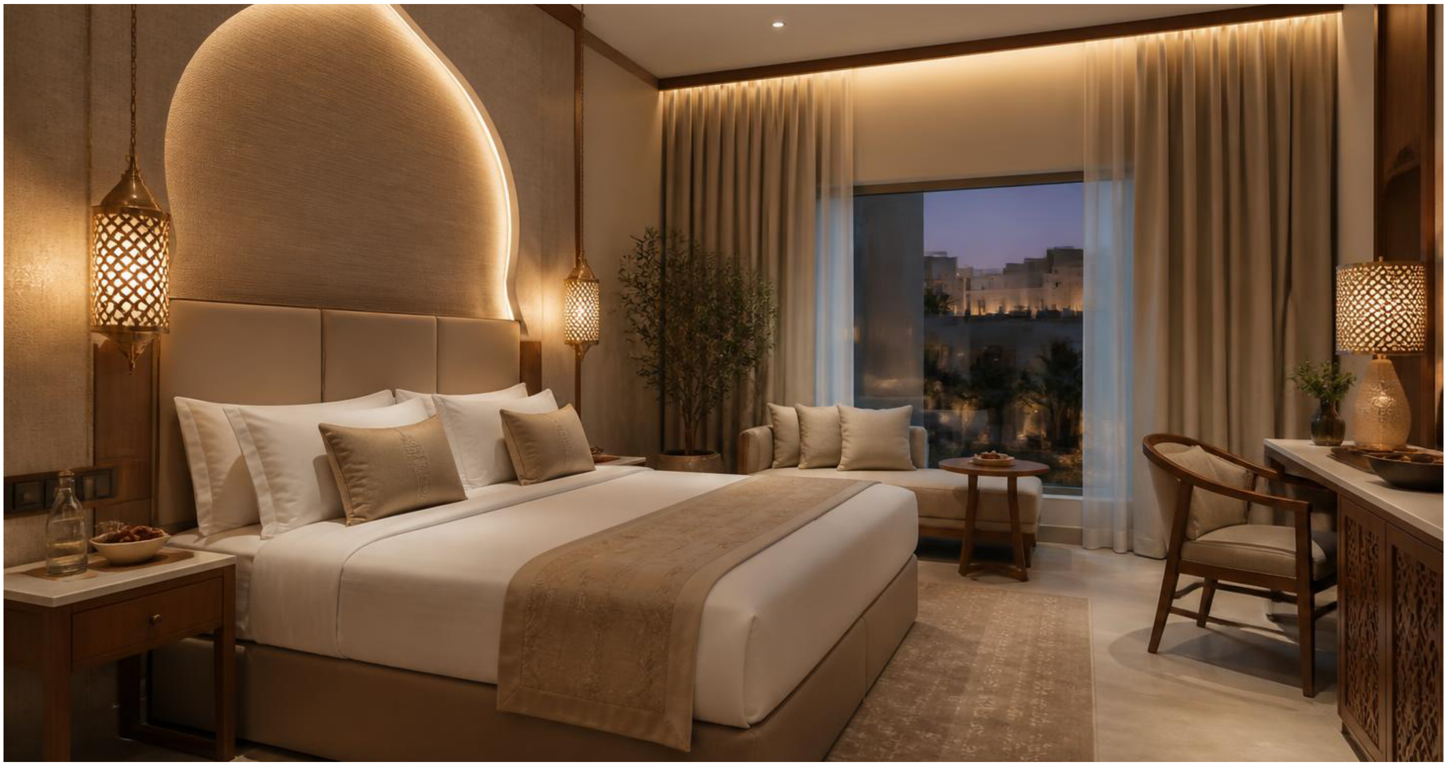
Travelers arriving at a Gulf hotel

Source: GASTAT; Ministry of Tourism; DataSaudi.sa; Lumina Plus analysis.

(04) Accommodation Supply and Utilization

The real gap is composition, concentrated in one city.

Saudi Arabia's accommodation sector has already answered the volume question at a national level. The real opportunity lies in composition — specifically, in aligning Makkah's enormous existing room base with the quality tier that demand wants.



A contemporary Gulf hotel room

KEY INDICATORS · Ministry of Tourism, Knight Frank

171,650	+358K	300K+
Quality-tier rooms nationally, Sept 2025	Net-new pipeline committed	Total licensed rooms, Makkah alone

Makkah specifically has more than solved the volume question. The city's total licensed hospitality stock — hotels, serviced apartments, and tourist inns combined — exceeded 300,000 rooms as of Q1 2025, up 41% year-on-year. This is not a capacity-constrained market in the conventional sense.

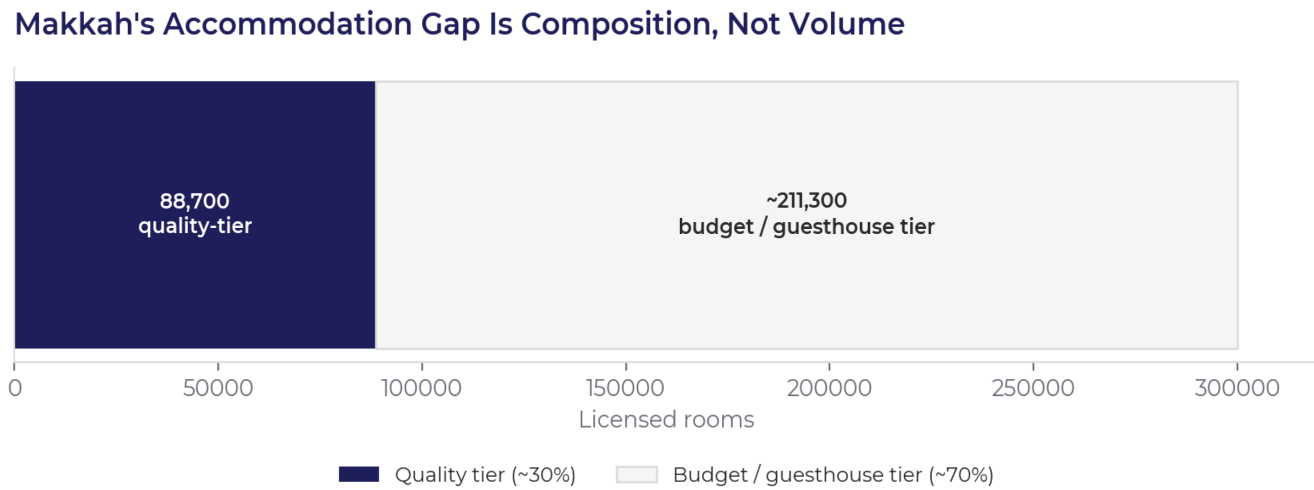


Figure 2. Makkah's licensed accommodation stock by quality tier. Source: Ministry of Tourism (total); Knight Frank Saudi Arabia Hospitality Market Review (quality-tier subset), 2025.

CAPACITY SHORTAGE vs. GEOGRAPHIC / QUALITY MISMATCH

Of Makkah's 300,000-plus total rooms, only around 88,700 — roughly 30% — sit in the "quality" tier tracked by international real-estate advisory research. Meanwhile, 83% of travelers nationally say they prefer four- or five-star accommodation, and 64% of the new national pipeline is being built at that quality level. This is not a shortage — it is a precisely quantifiable repositioning opportunity: converting a portion of Makkah's existing budget-tier stock toward the quality segment demand has already signaled it wants, in a city already running close to 85% peak occupancy.

Riyadh presents the inverse opportunity. Hotel occupancy and average daily rates in the capital both declined through 2025 (occupancy down as much as 5 percentage points, rates down 7–9% depending on the tracking period) even as national demand continued growing — an underutilization signal, not a capacity one. Riyadh's opportunity is less about adding rooms and more about aligning its existing hospitality offer more precisely with the VFR-led, shorter-stay domestic demand that actually drives its market.

A related, previously unscoped opportunity: workforce accommodation. Independent research from Knight Frank estimates the Holy Cities alone may need to house between 161,000 and 322,000 additional hotel workers by 2030 to staff the delivered pipeline.

Source: Ministry of Tourism; Knight Frank Saudi Arabia Hospitality Market Review; JLL; Lumina Plus analysis.

(05) Transport and Destination Accessibility

Some of the highest-value gaps in this report are current, measured constraints

Aviation is where this report's most immediate, highest-value opportunity sits — not because the sector is underinvesting, but because a genuinely world-class expansion program has a delivery timeline that has not yet caught up with today's demand.

A modern Gulf metro platform

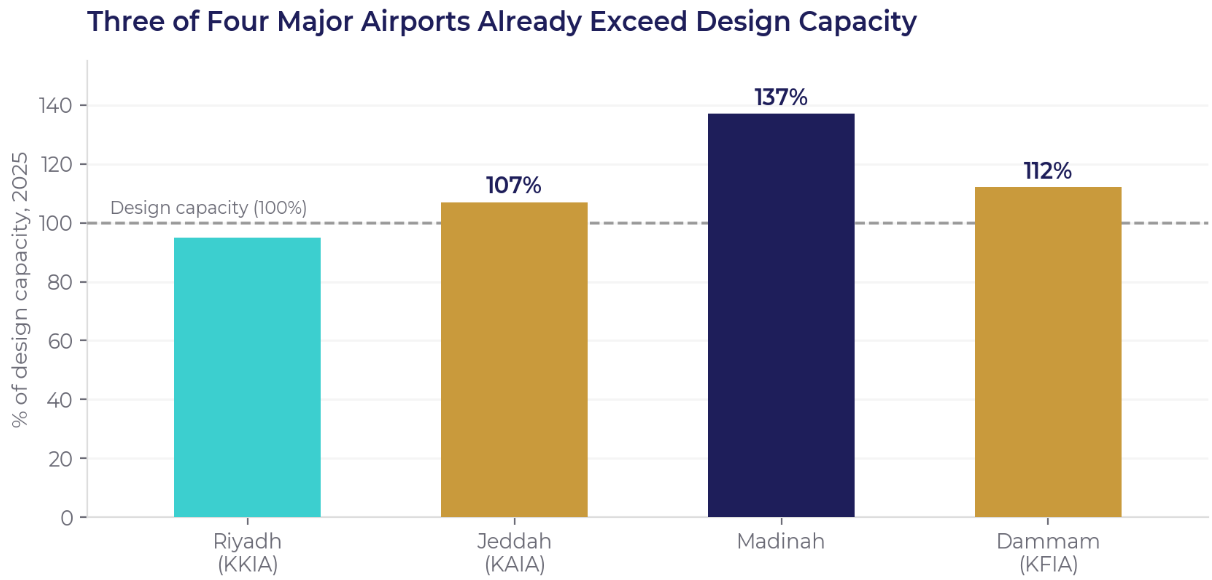


Figure 3. Passenger volume as a percentage of design capacity, major Saudi airports, 2025. Source: GACA.

EVIDENCE CONFIDENCE: HIGH — DIRECTLY OBSERVED

Three of the four busiest airports in the Kingdom are already operating above their design capacity — in 2025, today, not as a 2030 projection. King Abdulaziz International in Jeddah is running at 107% of design capacity; Prince Mohammad bin Abdulaziz International in Madinah at 137%; King Fahd International in Dammam at 112%. This is current, measured operational reality at exactly the airports serving the highest-intensity demand identified in Sections 3 and 4.

The relief is real, but it is not immediate. King Salman International Airport — a new mega-airport in Riyadh targeting 100–120 million annual passengers by 2030 — began construction in September 2025. Jeddah's own $31 billion expansion of King Abdulaziz International is targeted for completion in 2031. Both mean the busiest gateway to Makkah and Madinah will likely continue operating over capacity for several more years before relief lands — the clearest, most time-bound opportunity in this entire report is interim capacity solutions at Jeddah specifically, in the window between now and 2031.

National aviation capacity is expanding aggressively: total passenger volume grew from 128 million in 2024 to 140.9 million in 2025, against a 2030 target of 330 million, supported by expanded connectivity to 250 destinations, up from 170 today.

An aircraft on the tarmac at a Gulf airport

Internal mobility is the second major opportunity in this pillar. Riyadh's new 176-kilometer metro — opened December 2024, already carrying nearly two million riders in its first week — gives the capital a rapid transit system that Makkah, Madinah, Jeddah, and the Eastern Province do not have. Extending purpose-built rapid transit to the Holy Cities represents the same class of opportunity the capital has already captured, applied to the destinations carrying the heaviest visitor load.

Source: GACA; Saudi Arabia Railways; Riyadh Metro; Lumina Plus analysis.

(06) Tourism Workforce and Capability

Headcount is scaling well. Saudi participation specifically is not keeping pace.

Saudi Arabia's tourism workforce has nearly doubled since 2019 — genuine, substantial progress toward the sector's 1.6 million job target. The opportunity in this pillar is not headcount growth, which is already strong, but nationalization: aligning that growth more closely with the policy intent already backing it.

Hospitality trainees practicing service skills

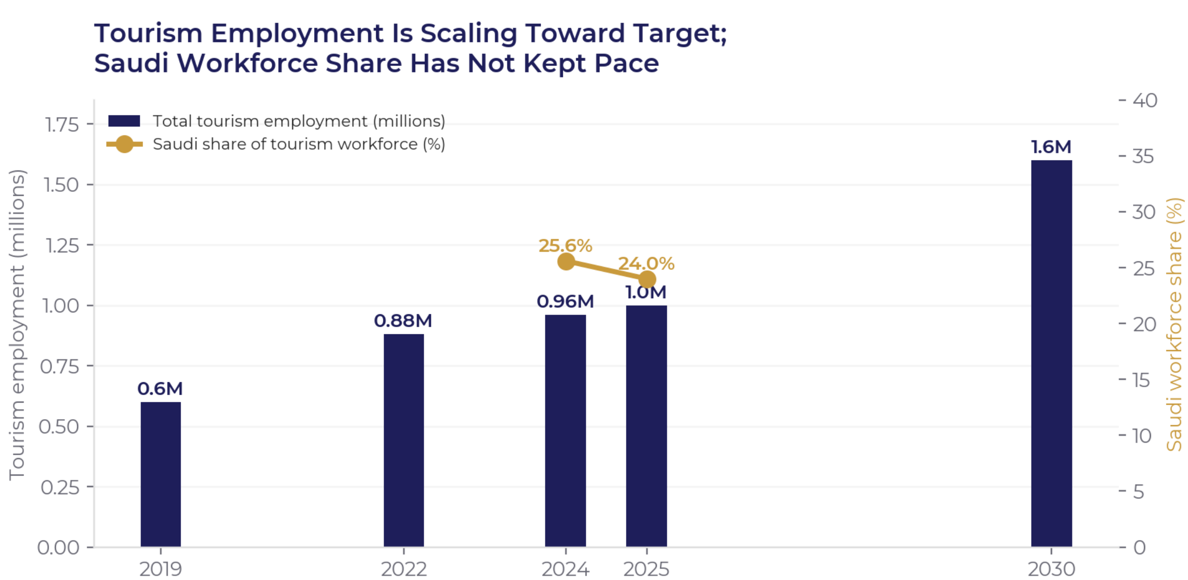


Figure 4. Tourism employment growth and Saudi workforce share. Source: GASTAT Tourism Establishments Statistics; Vision 2030 targets.

EMPLOYMENT QUANTITY → PARTICIPATION — THE GAP IS HERE, NOT HEADCOUNT

Between Q2 2024 and Q3 2025, the Saudi share of the tourism workforce edged down slightly — from roughly 25.6% to approximately 24% — even as total sector employment grew by around 6% and even as the Human Resources Development Fund simultaneously expanded wage subsidies for Saudi nationals in tourism roles to 50% of salary, up from 30%, across 63 eligible occupations. In absolute terms, Saudi employment held broadly flat while non-Saudi employment absorbed nearly all of the sector's recent net job growth. The policy infrastructure to accelerate nationalization is already in place and expanding — the participation outcome simply has not caught up with it yet.

The skills and productivity dimension remains an open question. Employment counts do not, on their own, indicate whether workforce capability is keeping pace with sector sophistication — a genuine gap in publicly available data that a future phase of research could usefully close.

Regional distribution roughly tracks the destination pattern already established: Riyadh leads tourism employment (329,100 workers, 33% of the national total), with Makkah second (278,400).

A genuinely new opportunity surfaced during this research: staff housing. As noted in Section 4, independent estimates suggest the Holy Cities alone may need housing for 161,000 to 322,000 additional hotel workers by 2030 — a workforce-adjacent infrastructure opportunity that follows directly from the scale of the accommodation build-out already underway.

Source: GASTAT; HRDF/HADAF; Ministry of Tourism; Lumina Plus analysis.

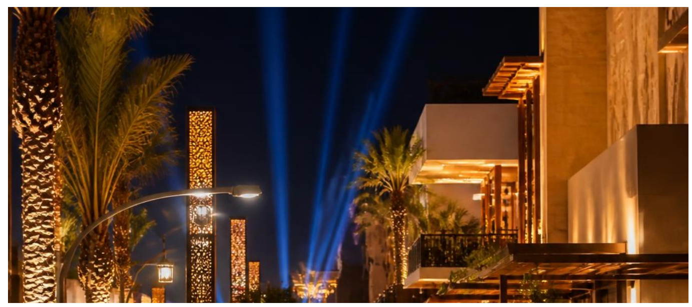
(07) Tourism Experiences and Destination Product

A different kind of gap: measurement, not capacity.

Workforce capability is scaling, even if nationalization is lagging behind it — but the experience economy presents a different kind of gap entirely: one of measurement, not capacity. Saudi Arabia's cultural and heritage tourism base is expanding on a credible, well-governed trajectory.

KEY INDICATORS · Ministry of Culture, UNESCO, Vision 2030

8	3,646	155→241
UNESCO World Heritage Sites	Registered heritage sites, 2024	Museums, 2024 baseline → 2030 target



Heritage and cultural tourism (left); the entertainment and events economy (right)

INFORMATION GAP — A FINDING, NOT A LIMITATION OF THIS RESEARCH

The newest, most commercially prominent segments currently lack the same measurement rigor as the established sector — and that gap is itself a market opportunity. Riyadh Season, the country's flagship entertainment event, has had wildly inconsistent attendance figures reported across its own promotional cycle — anywhere from 2 million to 20 million for overlapping periods, all self-reported without independent audit. Cruise and marine tourism, anchored by Cruise Saudi (established 2021), currently has no published passenger volume, port-call count, or operator licensing data at all — not because the research missed it, but because the sector is young enough that this measurement infrastructure has not yet been built.

This is a direct, evidenced business opportunity, not just a research caveat. As Saudi Arabia's experience economy scales toward the sophistication already present in its demand and accommodation reporting, standardized, independently audited measurement is a service gap with a clear, demonstrated need.

Destination-authority attraction pipelines are substantial and diversified across the eleven-cluster model: NEOM's Trojena (ski resort, host of the 2029 Asian Winter Games) and Sindalah (luxury island); Red Sea Global's island resorts and marine conservation zones; AlUla's heritage and adventure-tourism positioning; and Riyadh's King Salman Park/Royal Arts Complex.

Source: Ministry of Culture; UNESCO; Vision 2030; Lumina Plus analysis. Note: Riyadh Season attendance figures are self-reported and unaudited — presented here as a measurement-gap finding, not a validated statistic.

(08) Destination-Level Market Gap Analysis

The flagship comparison

Sections 3 through 7 established the destination pattern independently across five separate data domains. This section brings that evidence together into a single, direct comparison across the country's four Tier 1 destinations.

Coastal development meeting open desert

Metric	Riyadh	Jeddah	Makkah	Madinah
Domestic visitation share	40–61%	40%	42% (highest)	n/a
Accommodation stock	49,100 quality keys	18,760 quality keys	300,000+ total / ~88,700 quality	47,160 quality keys
2025 occupancy trend	Declining	Occupancy up, ADR down	Peak ~85%, strong ADR growth	Peak ~81%, ADR +11.8%
Share of Holy-City pipeline (252,000+ rooms)	Separate, smaller (~10–13K)	Smaller (5,464 u/c)	~111,000	~89,000
Rapid transit	Metro (176km, 2024)	None	None	None

Metric	Riyadh	Jeddah	Makkah	Madinah
Airport capacity status	Near capacity	107% of design capacity	Served via Jeddah	137% of design capacity
Tourism employment	329,100 (largest)	n/a	278,400 (2nd largest)	n/a

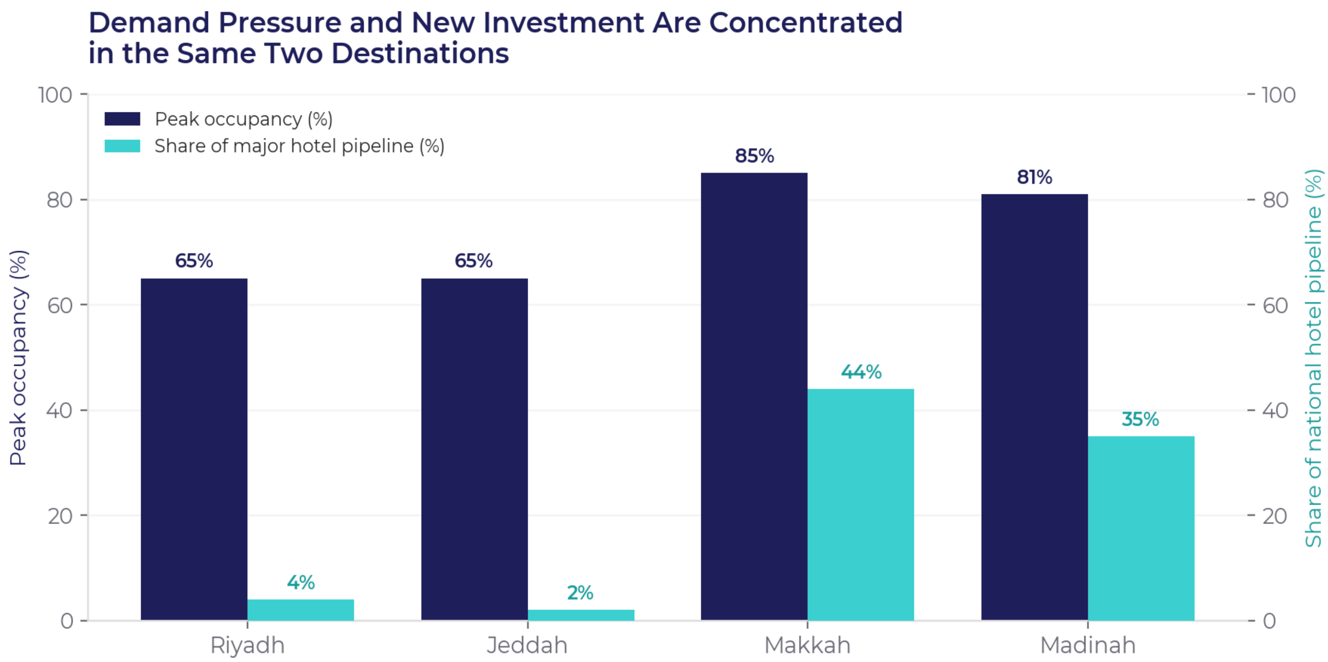


Figure 5. Peak occupancy versus share of the major hotel pipeline, by destination. Source: Knight Frank, JLL, Ministry of Tourism; Lumina Plus analysis.

READ ACROSS, NOT DOWN — THE CLEAREST, MOST INDEPENDENTLY REPLICATED FINDING IN THIS REPORT

Riyadh holds the enabling infrastructure — rapid transit and the largest workforce — relative to softening hotel performance and comparatively modest new investment. Makkah and Madinah hold the demand pressure — the highest occupancy, the strongest rate growth, and the overwhelming majority of new hospitality investment — without the equivalent transit infrastructure, and served through an already-overcapacity gateway airport. This pattern appeared independently in accommodation, transit, airport capacity, and workforce data — that independence is what makes it a genuine market signal, not a coincidence of any one dataset.

Source: Knight Frank; JLL; Ministry of Tourism; GACA; GASTAT; Lumina Plus analysis.

(09) 2030 Tourism Capacity Scenarios

Three total-visitor pathways

Rather than a single point forecast, this report models three scenarios for total visitor volume through 2030, built from the 2025 base of 123 million total tourist trips. All figures below are labeled by evidence tier — observed data, official target, or Lumina Plus scenario assumption — and none of the three scenarios should be read as a forecast.

Total Tourist Trips: 2019–2025 Actual, 2030 Scenarios

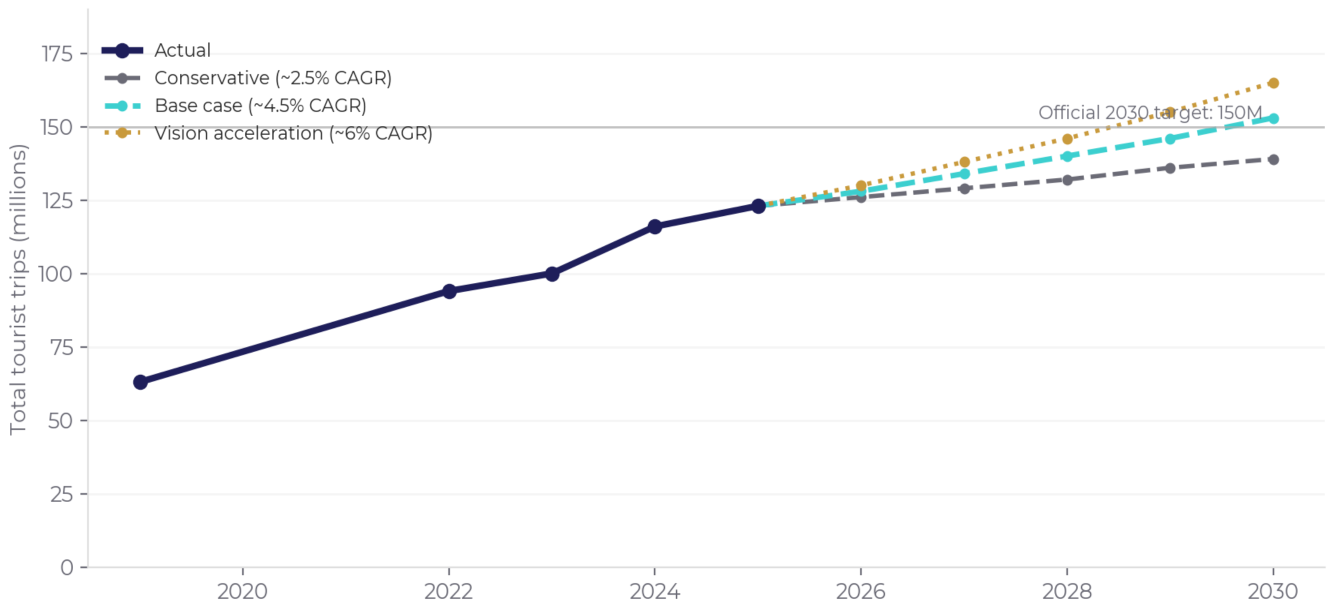


Figure 6. Total tourist trips, 2019–2025 actual, with three 2030 scenarios. Source: Ministry of Tourism, DataSaudi.sa (observed data); scenarios are Lumina Plus assumptions, not forecasts.

Scenario	Assumption (Lumina Plus)	2030 total tourist trips
Conservative	~2.5% annual growth	~139 million
Base case	~4.5% annual growth	~153 million
Vision acceleration	~6% annual growth (major giga-project openings, 2027–2029)	~165 million

All three scenarios sit within reach of the sector's demonstrated execution capability — the Base case alone essentially delivers the official 150 million target.

A STRUCTURAL POINT WORTH ADDRESSING EXPLICITLY

The official 150 million target is specified with a 70 million international / 80 million domestic composition split. Current trajectory does not yet track cleanly against that split: 2025 domestic volume (93.3 million) has already exceeded its entire 2030 target component, while 2025 international volume (29.3 million) would require sustained growth of roughly 19% annually for five consecutive years to reach its 70 million component. This report recommends treating total-visitor volume as the primary planning anchor, with the international/domestic composition tracked as a separate, explicitly monitored variable.

Source: DataSaudi.sa; Ministry of Tourism (observed); Vision 2030 (official target); Lumina Plus scenario modeling.

(10) Integrated Tourism Gap and Opportunity Assessment

Eight opportunity areas

Bringing every pillar together, eight distinct opportunity areas were identified. Each is rated by Evidence Confidence — High: directly observed or supported by multiple authoritative sources. Medium: derived or triangulated from reliable sources. Low: scenario-based, estimated, or supported by limited evidence. Confidence reflects evidence strength, not whether a finding is favorable.

Opportunity type	Location	Assessment	Evidence Confidence
Quality-mix repositioning	Makkah accommodation	Strong, well-evidenced opportunity	High
Interim gateway capacity	Jeddah airport (pre-2031)	Time-bound, high-value opportunity	High
Last-mile transit	Makkah / Madinah	Strong, analogous to Riyadh's delivered metro	High
Nationalization acceleration	Tourism workforce, national	Policy infrastructure exists; participation lagging	Medium-High
Standardized experience reporting	Events, cruise/marine tourism	Genuine, currently unmet market need	High
Workforce housing	Holy Cities	Newly identified, substantial scale	Medium
Riyadh demand-alignment	Riyadh accommodation	Realign offer with VFR-led domestic demand	Medium
Seasonal / peak-period solutions	National, Holy Cities-concentrated	Strong given confirmed 15+pt occupancy swings	Medium-High

A highway interchange at dusk

Every opportunity in this table traces back to a specific, independently verified finding in the sections above — this is a report built from what the data actually shows, not a general thesis about sector growth applied uniformly across categories.

Source: Sections 3–10, this report; Lumina Plus analysis.

(11) Commercial Opportunity Map

Four opportunities stand out as the most immediately actionable

01

QUALITY-TIER ACCOMMODATION REPOSITIONING IN MAKKAH

With volume already solved (300,000+ total rooms) and only 30% currently in the quality tier that 83% of travelers prefer, converting existing budget-tier stock is a materially more capital-efficient opportunity than new construction, in a market already running near-85% peak occupancy.

02

LAST-MILE TRANSIT INVESTMENT IN THE HOLY CITIES

Riyadh's metro provides a proven, delivered domestic model. Extending an equivalent system — or a phased, purpose-built alternative suited to Makkah and Madinah's pilgrim-flow patterns — to the destinations carrying the heaviest visitor load is the most directly analogous, evidence-backed infrastructure opportunity in this report.

03

STANDARDIZED, AUDITED EXPERIENCE-SECTOR REPORTING

As Saudi Arabia's events and cruise tourism segments scale, they will need the same measurement rigor already present in demand, accommodation, and workforce statistics — a genuine, currently-unmet service opportunity.

04

HOLY-CITY WORKFORCE HOUSING

A substantial, previously unscoped opportunity (161,000–322,000 workers) that follows directly from the accommodation pipeline already committed — residential and transit-linked housing developed alongside, rather than after, the hospitality build-out.

Every opportunity above traces to a specific finding in Sections 3–10. No opportunity location is asserted without corresponding evidence. Source: Lumina Plus analysis.

(12) Strategic Implications and Conclusions

An evening waterfront promenade

Saudi Arabia's tourism sector has already cleared the hardest test any national transformation program faces: converting an ambitious target into delivered, measurable results, ahead of schedule. The task ahead is not proving the ambition is credible — it already is. It is precisely locating the next tranche of value as the sector moves from strong headline growth to full ecosystem maturity.

THE FIVE QUESTIONS THIS REPORT SET OUT TO ANSWER

Where are the largest gaps? Concentrated in Makkah and Madinah — not distributed nationally. What type of gaps are they? Predominantly geographic and compositional mismatch, not absolute shortage. Why do they exist? Investment and infrastructure have followed the path of least resistance (Riyadh) rather than the path of highest demand (the Holy Cities). Which are likely to persist toward 2030? The airport capacity and last-mile transit gaps, absent new intervention — committed relief doesn't land until 2030–31. Where are the strongest commercial opportunities? Quality-tier repositioning in Makkah, last-mile transit in the Holy Cities, and standardized experience-sector measurement.

This report's central finding — that capacity and enabling infrastructure have followed a specific, identifiable pattern that has not yet fully caught up with where demand is concentrated — is not a criticism of the sector's trajectory. It is, read correctly, a map. The same execution capability that delivered a 176-kilometer metro in the capital and a committed pipeline of over 350,000 hotel rooms nationally is the same capability that can now extend that pattern of delivery to Makkah and Madinah specifically, where the return on investment is, by this report's evidence, most directly quantifiable.

If the evidence does not support a broad national infrastructure shortage — and it does not — the report says so plainly. The opportunities identified here share a common feature: each is grounded in a specific, independently verified finding rather than a general thesis about sector growth. That is the discipline this report has tried to hold throughout.

One area sits outside this report's current evidence base and is flagged here as a natural next phase rather than folded in prematurely: quantifying the commercial impact of standardizing experience-sector measurement (Section 7). This report identifies the gap — unaudited event attendance figures, no published cruise or marine tourism data — but sizing what closing it is worth would require dedicated estimation work.

Source: Sections 1–11, this report; Lumina Plus analysis.

About This Report

Evidence hierarchy

Every finding in this report is classified by evidence tier: (A) official observed data — GASTAT, Ministry of Tourism, GACA, HRDF, SAMA; (B) official targets — Vision 2030 and National Tourism Strategy figures; (C) derived calculations — this report's own computations from official data; (D) secondary estimates — credible industry and advisory research (Knight Frank, JLL, CBRE); (E) scenario assumptions — explicitly modeled projections, never presented as fact.

Primary sources

GASTAT Tourism Establishments Statistics (quarterly) and Hajj/Umrah reporting; Ministry of Tourism Annual Statistical Report and MT Insights; the Saudi Tourism Authority Open Data Platform; DataSaudi.sa (Ministry of Economy and Planning); SAMA balance of payments data; GACA passenger and capacity statistics; Saudi Arabia Railways; HRDF/HADAF program data; General Entertainment Authority licensing data; Ministry of Culture and UNESCO heritage data.

Secondary sources

Knight Frank Saudi Arabia Hospitality Market Review; JLL KSA Hospitality Market Dynamics; CBRE Saudi Arabia Real Estate Market Review; World Travel and Tourism Council sector estimates.

Data validation

Discrepancies between sources were investigated rather than silently resolved. The most significant: Makkah's room inventory, initially cited inconsistently across sources from 63,000 to 154,000 keys, was resolved against the official Ministry of Tourism figure of 300,000+ total licensed rooms once the distinction between "total licensed stock" and "quality-tier tracked stock" was identified as the source of the apparent conflict, rather than treating either figure as simply wrong.

A note on Umrah demand methodology

This report deliberately does not assign Umrah pilgrims a single average length of stay as highlighted previously in this report. Forcing a single average onto this population would produce false precision rather than a genuine statistic — this report treats Umrah's accommodation impact as a qualitative, evidenced pressure factor rather than a non-accurate number.

AI disclosure

The production of this report utilized AI-assisted research, some data collection and some formatting. Photography throughout this report is AI-generated; no image depicts a real, identifiable place, structure, or person.

About the Author

Hadi Jawad Kadhem is a Growth, Business Development and E-commerce Strategy leader with more than 25 years of experience across the MENA region. His career spans senior leadership roles — including Chief Client Officer, Managing Director, and Group Director positions — at organizations including Al Fardan Marketing Services, Sapience Consultancy, Mindshare Advertising, and Mindsight Research (GroupM).

He is the founder of Lumina Plus, a Bahrain-based strategy consultancy, through which he publishes original market research and analysis for organizations navigating growth across the GCC and wider MENA region.

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