

# The rise of aparthotels: Fad, buzzword, or booming sector?

By [Jonathan Liebmann](#)

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The hospitality industry has always been a dynamic space, constantly evolving to meet the ever-changing demands of travellers worldwide.



Source: Supplied.

In recent years, a new player has entered the scene, challenging the traditional hotel model: the apart-hotel, also known as aparthotel or serviced apartments. But is this concept merely a passing fad, a buzzword, or a booming sector reshaping the hospitality landscape?

With the rise of platforms like Airbnb and VRBO catering to extended travel needs, hotels have had to pivot their offerings to capture this market.

Many international travellers on extended assignments are seeking the safety and security of 24/7 staff, the convenience of in-building meals, and an elevated living experience complete with top-notch technology and services.

Aparthotels emerged as the hotel industry's response, combining the amenities of a traditional upscale hotel with the spaciousness and home-like feel of a vacation rental.

## The aparthotel advantage

Aparthotels offer guests more than just a place to stay; they provide a lifestyle. With fully-equipped kitchens or kitchenettes, expansive living spaces, and hotel-standard services like daily housekeeping and concierge assistance, these establishments cater to a diverse range of travellers.

Whether you're a business professional on a two-month assignment or a family looking for a longer stay, aparthotels offer the flexibility, comfort, and convenience that modern travellers crave.

Moreover, the concept of aparthotels aligns with the travel preferences of Millennials and Gen Z. These generations prioritise experiences over possessions and seek accommodation options that offer both value and authenticity.

Aparthotels, with their blend of hotel-like services and residential comforts, resonate with this demographic, positioning themselves as a compelling alternative to traditional hotels and vacation rentals.

## **A global perspective**

Aparthotels are not just a trend in one corner of the globe; they're making waves worldwide. From bustling cities to serene coastal towns, these innovative accommodations are reshaping the hospitality scene across continents.

In North America, including the United States, Canada, and Mexico, aparthotels are becoming increasingly popular among travellers seeking both short-term and extended stays.

Similarly, in Europe, countries like Germany, the UK, France, Italy, Russia, and Turkey are witnessing a surge in demand. The Asia-Pacific region, spanning from China to Vietnam, is embracing this trend as well, catering to diverse traveller preferences.

Meanwhile, in South America, countries like Brazil, Argentina, and Colombia are seeing the rise of aparthotels as a preferred accommodation choice. Even in the Middle East and Africa, including Saudi Arabia, the UAE, Egypt, Nigeria, and South Africa, aparthotels are gaining traction, offering guests a unique blend of comfort and convenience.

## **SA's aparthotels on the rise**

South Africa, in particular, has emerged as a hotspot for aparthotel growth. According to data from local property-management company Propr and hotel management software company RoomRaccoon, aparthotels within their portfolio are outperforming long-term rental rates by over 50%.

This surge in popularity is driven by the unique advantages aparthotels offer, comforts of home, including fully-equipped kitchens and spacious living areas, combined with the services of a hotel.

Aparthotels within the South African market have recorded impressive growth, with occupancy rates exceeding industry averages by a significant margin.



Source: Supplied.

In terms of guest demographics, both domestic and international travellers are contributing to the rise in demand for aparthotel accommodations.

Notably, travellers from key source markets such as Germany, the Netherlands, the US, and the UK are increasingly opting for aparthotels in South Africa, indicating a growing appeal among international visitors.

## Pioneering aparthotel innovation

Amidst this burgeoning landscape, BlackBrick has emerged as a leader in the aparthotel space.

With operational properties strategically located in Sandton, Johannesburg, and Foreshore, Cape Town, as well as properties opening in Bedfordview, Gardens, and Umhlanga, BlackBrick has quickly established itself as Africa's fastest-growing network of apartment hotels.

Led by visionary entrepreneur Jonathan Liebmann, the man behind Johannesburg's Maboneng Precinct, BlackBrick is on a mission to redefine hospitality by seamlessly blending the comforts of home with the luxury and convenience of a hotel experience.

## BlackBrick's impact

BlackBrick properties consistently surpass industry benchmarks with occupancy rates exceeding 80%, showcasing the brand's steadfast dedication to guest satisfaction and service excellence.



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With plans for further expansion, including new properties in Bedfordview, Johannesburg, and future locations in Atlanta, New York, and Mexico City, BlackBrick is poised to elevate the aparthotel experience on a global scale.

With more than 1,000 apartments on the platform and a remarkable achievement of 1 billion in sales made to investors over

five years, BlackBrick demonstrates a solid foundation for continued growth and success.

## **The future of aparthotels**

As we look ahead, several trends indicate that the demand for aparthotels will continue to grow. The rise of digital nomads, estimated to reach 35 million worldwide, underscores the appeal of flexible accommodation options that cater to both work and leisure. Bleisure travel, a blend of business and leisure, is also on the rise, with travellers extending their business trips to include family stays.

Moreover, wellness tourism, microcations, and sustainability are emerging trends upon which aparthotels are well-positioned to capitalise. Travellers are increasingly seeking experiences that promote their physical and mental wellbeing, local explorations, and eco-friendly stays. Aparthotels, with their versatile offerings and community-focused approach, are primed to meet these evolving demands.

The apart-hotel concept is far from being a passing fad or a mere buzzword. It is a sector that is booming, reshaping the hospitality landscape and setting new standards for accommodation excellence.

As the travel industry continues to evolve, aparthotels will play a pivotal role in meeting the diverse needs of today's travellers, offering them a home away from home wherever their journeys take them.

## **ABOUT THE AUTHOR**

Jonathan Liebmman is the founder of BlackBrick.

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