



M&A trends in travel, leisure and hospitality

H1 2025 M&A trends report

Recalibrating, not retreating:
TLH M&A gets tactical in H1'25

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Quality over quantity

Despite a challenging macroeconomic backdrop, the travel, leisure, and hospitality (TLH) sector is showing signs of strategic recalibration in mergers and acquisitions (M&A). Dealmakers are navigating a complex environment shaped by evolving consumer preferences, geopolitical risk, and interest rate uncertainty. In fact, as the second half of 2025 (H2'25) began, Apollo Global Management's (Apollo) acquisition of International Game Technology (IGT) and Everi Holdings (Everi) for \$6.3 billion sparked hopes for increased dealmaking.¹

TLH saw a 17.3 percent increase in year-over-year (YoY) deal value in the first half of 2025 (H1'25) compared to the first half of 2024 (H1'24), even as deal volume dropped 18.8 percent over the same period. However, when compared to the second half of 2024 (H2'24), deal value dropped 43.3 percent and volume fell 12.8 percent, underscoring a more selective and strategic approach to dealmaking. This divergence signals a market that is prioritizing quality over quantity, with investors focusing on high-conviction bets in areas such as luxury travel, AI-driven hospitality, and mobile gaming.

Strategic buyers dominated the landscape, accounting for nearly 75 percent of deal volume, while private equity (PE) activity softened, particularly in the mid-market. The sector's largest transactions—Hyatt's \$2.6 billion acquisition of Playa Hotels & Resorts, Apollo and RedBird Capital Partners' \$1.0 billion acquisition of Madrid Open and Miami Open tennis tournaments, and Bain Capital's \$1.0 billion investment in Sizzling Platter—highlight a continued appetite for scale, brand consolidation, and operational synergies.^{2 3 4}

Thematically, the sector is being reshaped by three forces: the digital transformation of guest experiences, the rise of experiential and luxury travel, and the consolidation of gaming and online travel agency (OTA) markets. These trends are not only influencing deal strategy but also redefining the competitive landscape.^{5 6 7 8}

“One headwind that people are keeping an eye on right now is inbound travel to the United States.”

—Braden Mark
Partner and US Travel, Leisure & Hospitality Sector Leader, KPMG LLP



¹ “Apollo Funds Complete Acquisitions of International Game Technology’s Gaming & Digital Business and Everi; Combined Enterprise to Operate as IGT,” Apollo Global Management, Inc., July 1, 2025

² “Hyatt Announces Plans to Acquire Playa Hotels & Resorts N.V., Enhancing Hyatt’s All-Inclusive Platform,” Hyatt Hotels Corporation, February 10, 2025

³ Gillian Tan and Reshmi Basu, “Bain Capital Is Buying Sizzling Platter for Over \$1 Billion,” Bloomberg, April 9, 2025

⁴ Tariq Saleh, “Emanuel-led consortium set to acquire Madrid, Miami Opens,” Sportcal, April 10, 2025

⁵ Samuel Roberts, “Video game M&A activity rises to \$6.6 billion in Q1 2025, driven by mobile acquisitions,” Games Industry.biz, April 11, 2025

⁶ “How the Travel Agency & Tour Operator Industries Work,” Umbrex

⁷ “Online Travel Agency (OTA) Market Size, Share, Growth, and Industry Analysis, By Types (B2B, B2C) By Applications (Flights, Hotel, Activities, Travel, Others) Regional Insights and Forecast to 2033,” Global Growth Insights, July 21, 2025

⁸ “U.S. Luxury Travel Market Size, Share, Trends and Forecast by Type of Tour, Age Group, Type of Travellers, and Region, 2025-2033,” IMARC Group, 2025

H1 2025 highlights

Strategic consolidation dominated in H1'25

368

deals

↓ -12.8%

decrease in number
of deals HoH

\$10.8

deal value (in \$US
billions)

↓ -43.3%

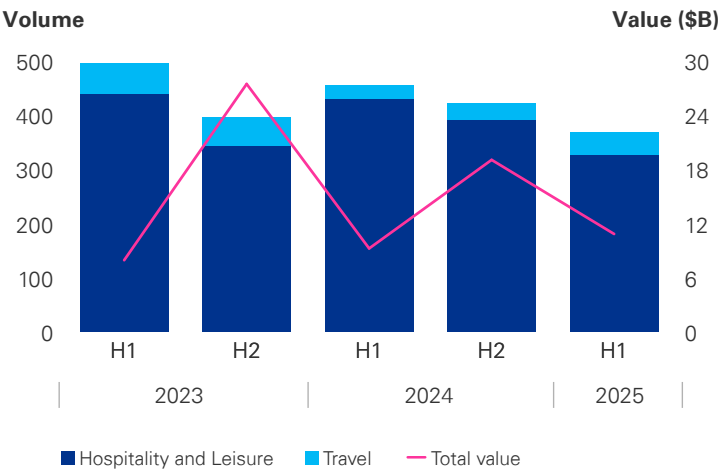
decrease in deal
value HoH



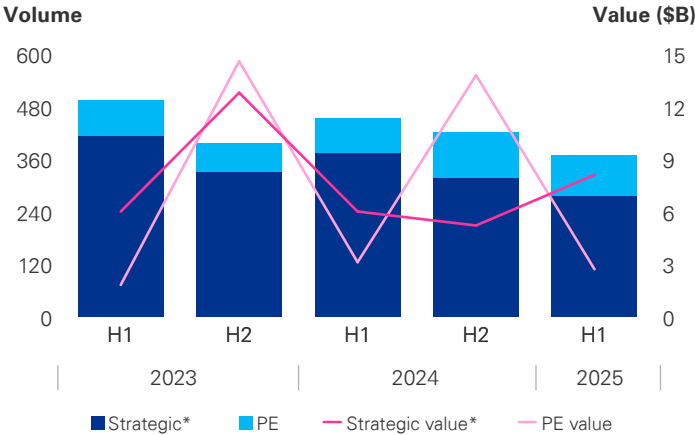
Fewer deals, bigger bets

Despite a decline in overall deal volume, H1'25 was marked by a concentration of high-value, high-impact transactions. Strategic acquirers led the charge, while PE firms recalibrated amid valuation resets and tighter financing conditions.

Travel, hospitality, and leisure deal volume and value



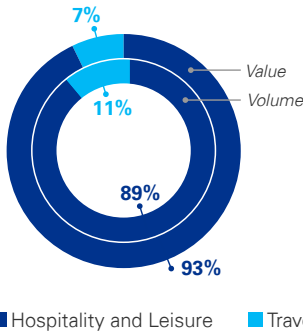
Travel, hospitality, and leisure strategic/PE deal volume and value



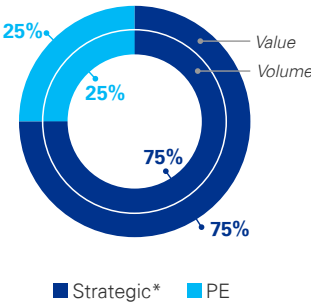
*Data also contains figures for SPAC deals.

Travel, hospitality, and leisure - H1'25

Sector mix

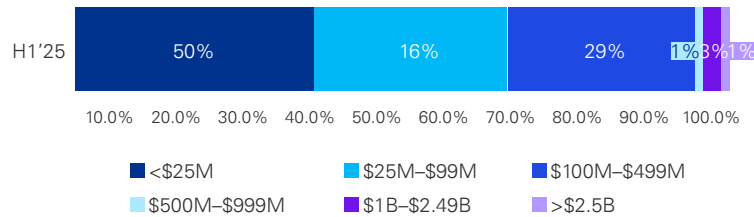


PE/strategic mix



Values may not add to 100% due to rounding.
*Data also contains figures for SPAC deals.

Travel, hospitality, and leisure deal size mix - H1'25



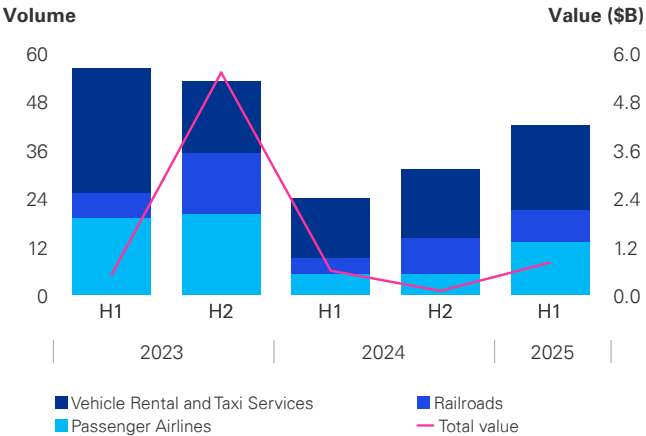
Note: Deals with disclosed values only. Values may not add to 100% due to rounding.

Sector Data

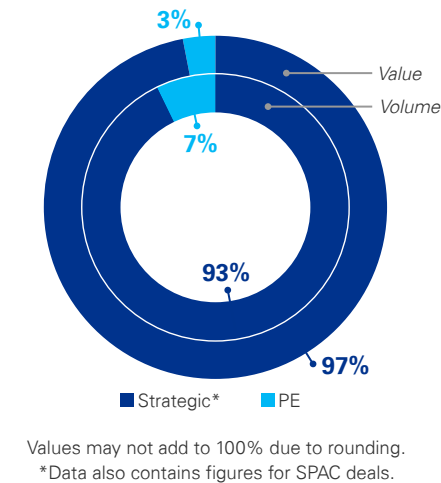
In travel, luxury propelled deals to new heights

Compared to H2'24, travel was the standout sector performer in H1'25, with deal volume rising 35.5 percent half-over-half (HoH), driven by renewed interest in luxury and experiential travel. NextTrip's acquisition of Five Star Alliance⁹ and Booking.com's renewed partnership with Etraveli Group signal a consolidation trend among OTAs.¹⁰ Compared to H1'24, deal value increased 38.2 percent, while volume surged by 75.0 percent, indicating a pivot toward higher-value transactions.

Travel deals by subsector



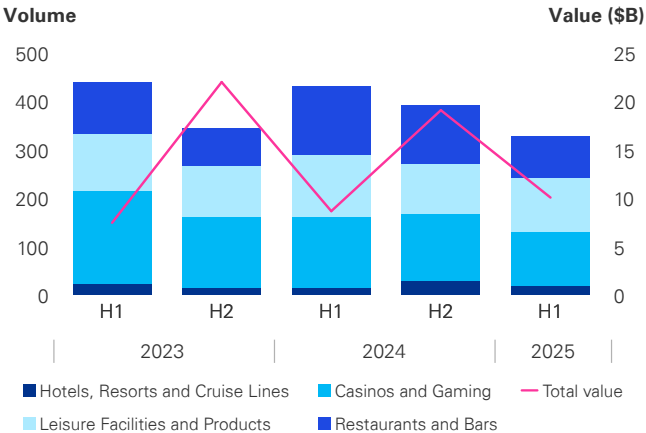
Travel strategic/PE mix - H1'25



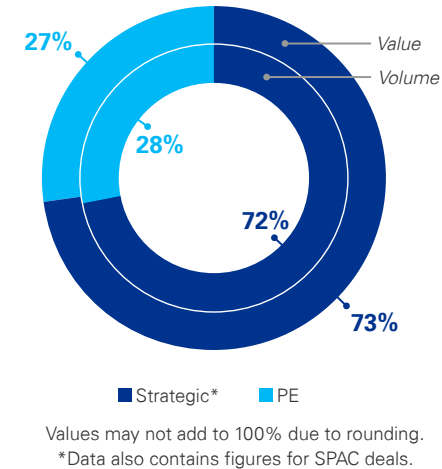
Hospitality and leisure cautiously pursue dealmaking

Hospitality and leisure saw a 16.6 percent decline in deal volume and a 47.4 percent drop in deal value, suggesting a cooling off after a robust H2'24. Compared to H1'24, deal value rose 15.9 percent, but volume fell 24.0 percent, pointing to fewer but larger deals. Gaming M&A surged, with Scopely's \$3.5 billion acquisition of Pokémon Go¹¹ and Light & Wonder's \$800 million deal for Grover Gaming's assets leading the charge.¹² The subsector remained active in strategic consolidation, particularly among hotel operators and resort chains.¹³

Hospitality & leisure deals by subsector



Hospitality and leisure strategic/PE mix - H1'25



⁹ Abby Crotty, NextTrip Acquires Luxury OTA Five Star Alliance," PhocusWire, April 14, 2025
¹⁰ "Booking.com and Etraveli Group Extend Strategic Partnership," Booking Holdings, June 12, 2025
¹¹ Cecilia D'Anastasio, "Behind the \$3.5 Billion 'Pokémon' Deal, a Consolidation Strategy," Bloomberg, March 25, 2025
¹² "Light & Wonder Announces Strategic Acquisition of Grover Gaming's Charitable Gaming Assets," Light & Wonder, February 18, 2025
¹³ Dr. Karl Michael Popp, "The Changing Landscape of Hotel Industry Mergers and Acquisitions: Trends, Impacts, and Future Outlook," Dr. Karl Michael Popp, July 21, 2025



Top deals

Acquirer:
Hyatt (HI Holdings Playa B.V.)*
Target:
Playa Hotels & Resorts N.V.

Value (billions)
\$2.6

Acquirer:
Apollo Asset Management, RedBird Capital Partners
Target:
Mutua Madrid Open and Miami Open

Value (billions)
\$1.0

Acquirer:
Bain Capital
Target:
Sizzling Platter

Value (billions)
\$1.0

Acquirer:
RHP Property AR, LLC
Target:
JW Marriott Phoenix Desert Ridge Resort & Spa

Value (billions)
\$0.9

Acquirer:
Marriott International, Inc.
Target:
CitizenM Operations Holding B.V.

Value (billions)
\$0.4

***HI Holdings and Playa Hotels & Resorts are headquartered in the Netherlands.**

Deal data has been sourced from Capital IQ and Pitchbook, and then further refined and analyzed by KPMG LLP. The cited values and volumes cover inbound, domestic, and outbound US deals announced during the timeframe, including both majority and minority stakes. Deal values are based on publicly available data and are not exhaustive. Previously published statistics may be revised to incorporate new data or changes.

Dealmakers appear ready to tap dry powder



H2'25 started strong with the blockbuster \$6.3 billion Apollo-IGT-Everi deal and is shaping up to be a period of strategic optimism tempered by macroeconomic caution.

Dealmakers are expected to focus on:

- AI and automation: Hospitality players are doubling down on AI and robotics to address labor shortages and enhance guest experiences. Marriott's partnership with RobotLAB and LG is a case in point.¹⁴
- Luxury and experiential travel: The luxury segment is forecasted to grow at a compound annual growth rate of 8.4 percent through 2033, driven by demand for bespoke, sustainable experiences.¹⁵
- Gaming consolidation: Mobile and regulated gaming segments are attracting both strategic and PE interest, with expectations of continued M&A activity through 2025.



In travel, luxury is the new loyalty

Expect continued consolidation among OTAs and a surge in high-end, experience-driven travel offerings.



Gaming goes big in leisure

Mobile gaming and regulated segments will remain hotbeds for strategic consolidation and PE investment.



Smart hotels and smarter deals in hospitality

AI, robotics, and sustainability will drive M&A as operators seek to modernize and scale efficiently.

¹⁴ "Marriott and LG chose RobotLAB to Revolutionize Hotel Automation," Robotics Tomorrow, March 25, 2025.

¹⁵ "Marriott will buy lifestyle brand CitizenM for \$355 million," CoStar News, April 28, 2025

Key considerations as we look ahead

Industrial manufacturing industry dealmakers thinking about M&A in the current environment should consider the following:

01

Rev up the engine:

With macro conditions stabilizing, now is the time for strategic acquirers to re-engage. Focus on assets that align with long-term growth themes—AI, luxury, and digital transformation.

02

Do your diligence:

Valuation gaps persist, especially in mid-market deals. Rigorous diligence on tech capabilities; environmental, social, and governance alignment; and integration readiness is critical.

03

Integrate and coordinate:

Postdeal integration remains a top challenge. Balance technology improvements with human service delivery and prioritize cultural alignment, digital infrastructure, and customer experience continuity.

04

Think globally, act locally:

Cross-border deal activity is rebounding. Tailor strategies to local market dynamics, especially in Asia-Pacific and Europe where travel demand is surging.

05

Private equity: Recalibrate and reload:

PE firms should reassess exit timelines and consider continuation vehicles or minority stakes to stay active amid valuation volatility.





How KPMG can help

KPMG helps its clients overcome deal obstacles by taking a truly integrated approach to delivering value and leveraging its depth in the TL&H industry, data-supported and tools-led insights, and full M&A capabilities across the deal lifecycle.

With an TL&H specialization, our teams bring both transactional and operational experience, delivering rapid results and value creation.

Our team

Experience wins the deal.

Each member of our deal team brings extensive industry experience and functional depth, working together to help you win the right deals, divest successfully and create long-term value.

**Braden Mark**

Partner, Advisory, Financial Due Diligence, KPMG US

**Daniel Fischer**

Principal, Deal Advisory & Strategy - Travel, Leisure and Hospitality Lead, KPMG LLP

**Rick Arpin**

Office Managing Partner, Las Vegas, KPMG US

**Will Powell**

Advisory Managing Director, Transaction Strategy, KPMG US

**Stephanie S Petruzzi**

Partner, Advisory, KPMG US

With special thanks to:

Anjelica Armendariz, Ankita Baweja, Lisa Bigelow, Sonali Garg, and Mridani Krishna

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