



M&A trends in travel, leisure and hospitality

H2 2025 M&A trends report

From volume to value: TLH M&A
rediscovers its confidence in 2025

Issue date: February 20, 2026

[kpmg.com](https://www.kpmg.com)



Capital flows back to TLH

A sharp rebound in deal value amid disciplined volumes defined the second half of 2025 (H2'25), with capital flowing into scaled, premium, and technology-enabled assets while financiers and operators remained selective on price and risk. Expectation setting from earlier quarters—muted activity in the first half of 2024 and a cautious thaw in late 2023—set the stage for a value-heavy H2'25.

Deal value increased 83.0 percent year-on-year (YoY) overall in 2025 while deal volume pulled back modestly by 3.1 percent, indicating fewer but higher-value transactions. Strategic buyers

were more prominent, accounting for 53.7 percent of deal value—an increase of 146.8 percent YoY. Private equity (PE) backed deals accounted for 46.3 percent of total deal value—a dip of 23.1 percent YoY.

The big money concentrated in leisure and hospitality; travel stayed quieter, with activity skewed to platforms, content, and data/insights rather than capacity plays. The acquisition of IGT's Global Gaming and PlayDigital business and Everi by Apollo Funds for \$6.3 billion, Bally Corporation's International Interactive business by Intralot for \$3.2 billion, and Soho

House & Co. Inc. by a group of investors for \$2.7 billion are the testament to this.

Three takeaways anchored H2'25. First, luxury and eco-luxury in lodging continued to outearn, attracting both strategic consolidation and real-asset-capital recycling. Second, hybrid leisure (physical venues plus mobile engagement) tightened the loop from user acquisition to recurring revenue. Third, travel ecosystems tilted toward information, events, and analytics to capture high-value demand ahead of 2026's tentpole calendar.^{1 2}

“What we’ve seen early this year and what we expect to see throughout 2026 is some market recovery and some increased M&A activity. Companies are looking toward strengthening their positions and consolidation, particularly in the gaming space. There’s also going to be continued investment in technology, with a focus on tech-driven hospitality solutions.”



—Daniel Fischer
Advisory Hospitality Lead, KPMG LLP

¹ David Rabinowicz, “The future of leisure in a digital age: Exploring emerging trends in interactive entertainment,” The Jerusalem Post, December 28, 2025.

² “Luxury Segment Dominates U.S. Hotel Market Outlook Through 2030,” Luxury Travel Advisor, September 11, 2025.

H2 2025 highlights

H1'25 versus H2'25

448
deals

↑ 12.0%
increase in number
of deals HoH

\$39.6
deal value
(in \$US billions)

↑ 229.8
increase in deal
value HoH

2025 highlights

848
deals

↓ -3.1%
decrease in number
of deals YoY

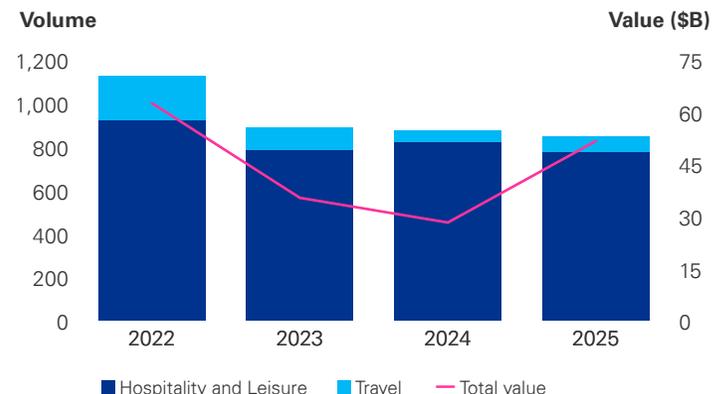
\$51.6
deal value
(in \$US billions)

↑ 83.0
increase in deal
value YoY

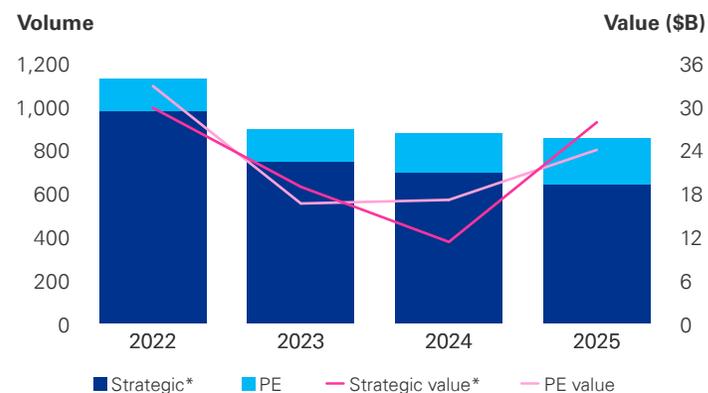
Bigger checks, measured counts

Hospitality and leisure led the value surge (\$49.2 billion across 774 deals), while travel activity (\$2.4 billion across 74 deals) pivoted toward platforms and experiential offerings—reflecting a market that rewards scale, operational resilience, and digital engagement. Strategic deals set the pace with 636 transactions (75.0 percent of volume) and a decisive value upswing of 146.8 percent, as PE held 212 deals in 2025 with value recovering in H2'25 (\$20.2 billion in H2'25 versus \$3.7 billion in the first half of 2025 [H1'25]).

Travel, hospitality, and leisure deal volume and value



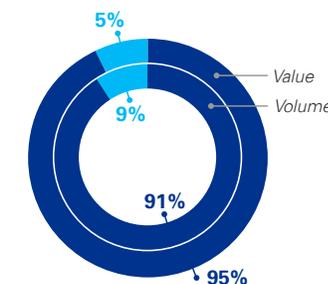
Travel, hospitality, and leisure strategic/PE deal volume and value



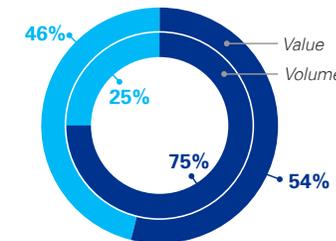
*Data also contains figures for SPAC deals.

Travel, hospitality, and leisure – 2025

Sector mix



PE/strategic mix



Legend: Hospitality and Leisure, Travel, Strategic*, PE

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

Travel, hospitality, and leisure deal size mix – 2025



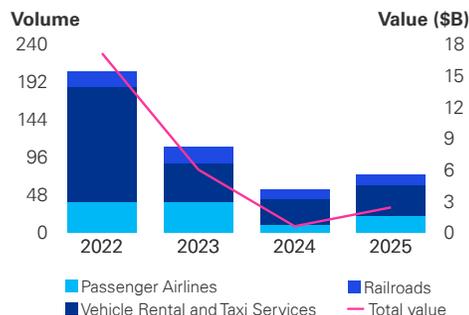
Note: Deals with disclosed values only. Values may not add to 100% due to rounding.

Sector Data

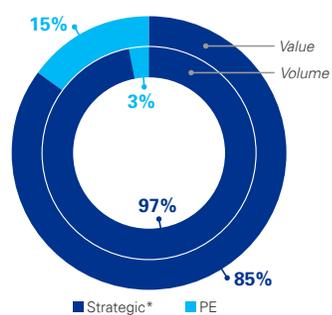
Travel: Luxury and experiences drive value

Despite a 34.5 percent increase in deal volume YoY (74 in 2025 versus 55 in 2024) and a 274.9 percent increase in value YoY, the travel subsector performed modestly in H2'25, with a 27.9 percent drop in deal volume when compared to H1'25, while the deal value summed up to just \$1.6 billion.

Travel deals by subsector



Travel strategic/PE mix - 2025



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

³ "Hamilton island sold to Blackstone for \$1.2B," Markets Group, December 23, 2025.

⁴ "Hyatt Completes \$2.0 Billion Sale of Playa's Owned Real Estate Portfolio to Tortuga," Hyatt Hotels Corporation (Investor Relations), December 30, 2025.

⁵ Eloise Hanson, "Soho House to go private in \$2.7 billion deal," Boutique Hotel News, August 19, 2025.

⁶ Valerija I., "Hotel Transactions Shift in 2025 US Market," CRE Daily, December 30, 2025.

⁷ "Flutter secures 100% ownership of FanDuel through new agreement with Boyd," Flutter Entertainment, July 10, 2025.

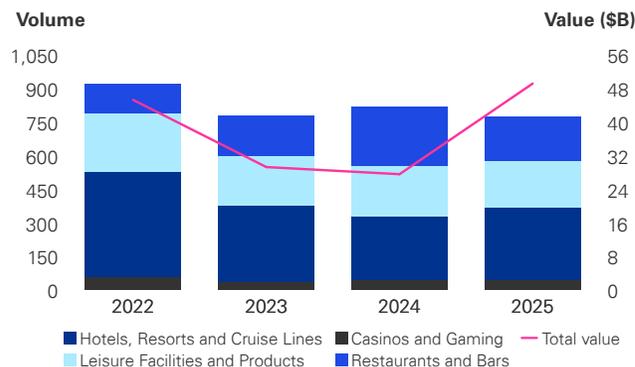
⁸ "Intralot S.A. to Acquire Bally's International Interactive Business in a Transaction that Creates a Global Gaming Technology and Services Company in Lottery and Digital Online Gaming Markets," Business Wire, July 1, 2025.

⁹ "Apollo Funds Complete Acquisitions of International Game Technology's Gaming & Digital Business and Everi; Combined Enterprise to Operate as IGT," Apollo Global Management, July 1, 2025.

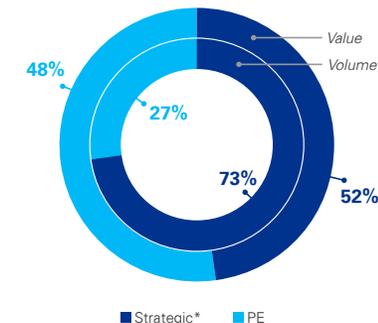
Hospitality and leisure: Hybrid engagement, scaled platforms, and opportunistic plays

In 2025, hospitality and leisure dominated the sector with 774 deals and \$49.2 billion of value (value up 78.5 percent in 2025 compared to 2024). Deals clustered around luxury and ecoluxury hotels and resorts, illustrated by Blackstone's \$1.2 billion purchase of Hamilton Island,³ KSL Capital and Tortuga Resorts' \$2.0 billion purchase of the Playa Resorts real estate portfolio from Hyatt Hotels Corporation (following Hyatt's \$2.6 billion acquisition of Playa Hotels & Resorts N.V.),⁴ and MCR Hotel's acquisition of Soho House and Co. for \$2.7 billion.⁵ These transactions were anchored in average daily rate (ADR) resilience, loyalty monetization, and repositioning capital expenditures (capex). Consistent with asset-light economics, operators leaned into fee-based models and selective portfolio recycling, while sponsors rotated real estate.⁶ Furthermore, the subsector focused on opportunistic plays in leisure. Intralot's \$3.2 billion acquisition of Bally Corporation's International Interactive business fused lottery infrastructure with gaming and data technology; Flutter's \$1.8 billion acquisition of Boyd Gaming's 5 percent stake in FanDuel consolidated its US online sports and iGaming; and Apollo's \$6.3 billion acquisition of IGT's Global Gaming & PlayDigital Business and Everi combined gaming content, digital platforms, and casino-financial technology (fintech) capabilities into a single scaled IGT-branded enterprise.^{7 8 9}

Hospitality & leisure deals by subsector



Hospitality and leisure strategic/PE mix - 2025



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



Top deals

Acquirer:

Apollo Funds

Target:

Global Gaming & PlayDigital Business of International Game Technology PLC and Everi Holdings Inc.

Value (billions)

\$6.3

Acquirer:

Intralot S.A. Integrated Lottery Systems and Services

Target:

Bally's Corporation's International Interactive business

Value (billions)

\$3.2

Acquirer:

Apollo Sports Capital (the sports investment subsidiary of Apollo Global Management)

Target:

Club Atlético de Madrid

Value (billions)

\$2.9

Acquirer:

Apollo Asset Management, Goldman Sachs Asset Management, MCR Hotels

Target:

Soho House & Co. Inc.

Value (billions)

\$2.7

Acquirer:

HI Holdings Playa B.V. (a subsidiary of Hyatt)

Target:

Playa Hotels & Resorts N.V.

Value (billions)

\$2.6

***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.

Selectivity with a growth bias

The travel, leisure, and hospitality (TLH) deal environment in 2025—especially H2'25—highlights that quality is dominant, not quantity. Expect the market to stay constructive into early 2026 on premium assets with clear customer economics, proven digital engagement, and durable cash flows. Strategic buyers will prioritize asset-light platforms and loyalty ecosystems; PE will favor carve-outs, sale leasebacks, and platform add-ons with operational levers and regulatory clarity.^{2 10 11}

Travelers in 2026 are seeking major events and unique experiences—such as the Winter Olympics, the FIFA World Cup, and cultural festivals—instead of simply moving from one destination to another. These high-profile occasions are set to redefine the travel landscape in 2026, with sports tourism and global concert tours encouraging visitors to plan trips around memorable, destination-focused adventures. Merger and acquisition (M&A) sentiment should remain net positive.

Leisure demand into 2026's event cycle, gaming legalization momentum, and the maturation of generative artificial intelligence use cases in service, pricing, and personalization will catalyze investment, especially where data assets improve conversion and lifetime value. We do not expect a return to indiscriminate megadeals; instead, dealmakers will continue to price discipline, favor structured finance, and insist on synergy certainty. Recognizing that these major events and unique experiences provide one-off bumps, companies are looking to protect and grow their core businesses more broadly to ensure stability and long-term revenue growth.^{12 13 14}



Travel – Premium demand takes the spotlight

Expect other transaction agreements and corporate platforms to lean into content, events, and analytics that convert premium demand, elevating curation over capacity. As 2026's tentpole calendar approaches, players that own audience and data rights will monetize the full journey—from inspiration to itinerary to in-destination services.



Leisure – K-shaped market emerges

Digital-first wagering will keep expanding through mobile, fantasy, and lottery-adjacent plays, while land-based casinos pivot to hybrid models that integrate compliance, payments, and data-driven personalization. Supplier stack consolidation across gaming content, account management, and payments/fintech will accelerate, reducing vendor complexity and deepening recurring revenues in regulated markets.



Hospitality – Asset-light models evolve

Asset-light operating models, loyalty monetization, and sustainability cred will remain the valuation fulcrum, as selective recycling and urban repositioning continue. Technology-enabled service and disciplined capex will differentiate operators that grow fee streams without over-owning real estate.

¹⁰ Joe Brusuelas and Tuan Nguyen, "Economic outlook for 2026, focusing on the United States, the UK, Canada and Australia," RSM US, December 4, 2025.

¹¹ John Dragone, "US hospitality market outlook for 2026," LinkedIn, November 17, 2025.

¹² Aishwarya Jain, "US tourism expected to score big with FIFA World Cup," Reuters, November 19, 2025.

¹³ Bev Fearis, "Top business travel trends," The Business Travel Magazine, November 26, 2025.

¹⁴ "91% of Americans Plan Travel in 2026, Focus on Experiences," AltexSoft, December 11, 2025.

Key considerations as we look ahead

01

Rev up the engine

Prioritize deals with clear revenue engines—loyalty monetization, premium alternative dispute resolution, mobile daily active users growth—and where data rights are explicit; underwrite customer lifetime value/customer acquisition cost and cross-sell synergies early in diligence to de-risk the thesis.

02

Do your diligence

Sustainability diligence can be value determinative; investors have canceled or repriced deals on material findings. Bake in capex for efficiency upgrades, disclosure readiness, and certification pathways (LEED, Energy Star, SBTi).

03

Integrate and coordinate

In hybrid platforms (gaming, experiential leisure), integration is an operating model exercise—data, payments, compliance, and content. Align technology-stack consolidation (Remote Game Server/Player Account Management/fintech) with regulatory milestones to protect uptime and consumer trust. Ensure that you have a robust value creation plan (revenue growth and cost takeout). This is especially applicable to PE deals, which help businesses effect meaningful transformations that they can't manage on their own.

04

Time it right

Use structure—sale leaseback, earnouts, vendor financing—to bridge valuation gaps, and lock rate risk where possible. Rate expectations have improved, but spreads and refinancing timelines still bite; stress test covenants and liquidity.

05

Buy where experience compounds

Trophy lodging, urban repositioning, and event-adjacent assets will command premium multiples if backed by ecoluxury credentials and brand-level engagement. Align leadership bandwidth and capex to accelerate repositioning postclose of the deal.



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 Travel, Leisure, and Hospitality industry, data-supported and tools-led insights, and full M&A capabilities across the deal lifecycle.

With an TLH 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, U.S. Travel, Leisure, & Hospitality Sector Lead, KPMG US

**Daniel Fischer**

U.S. Travel, Leisure, & Hospitality Advisory Lead, KPMG US

**Rick Arpin**

Partner, U.S. Gaming Industry Lead, KPMG US

**Will Powell**

Advisory Managing Director, Transaction Strategy, KPMG US

With special thanks to:

Anjelica Armendariz, Mannat Gupta, Mridani Krishna, Kathy Nichols, Rama Ramaswami, Sunidhi Sharma, and Pranav Verma

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

Please visit us:



[kpmg.com](https://www.kpmg.com)



Subscribe

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2026 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization. DASD-2026-19737