

THE HOSPITALITY CELEBRITY INDEX

Why some celebrity restaurants last 30 years
and most die in 18 months

A research report by

5WPR

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Executive Summary

Celebrity hospitality is the one celebrity business category that behaves differently from every other category. In beauty, in spirits, in fashion, in CPG — celebrity brands follow a distribution curve that includes a meaningful middle tier. Brands plateau at modest revenue, compound at medium scale, get acquired at predictable multiples, or slowly lose cultural relevance and fade. Hospitality does not have that middle. Hospitality is bimodal. Celebrity hospitality brands either die inside eighteen months or they survive past thirty years. Almost nothing in between.

That is not a metaphor. It is a specific pattern visible in the data. Industry trade estimates place the failure rate for celebrity restaurants at approximately **60 to 70% within the first five years** — materially worse than the roughly 30% failure rate for comparable non-celebrity independents at the same price tier. Of the celebrity restaurants that survive their first five years, a meaningful majority go on to operate for two or three decades. The brands that are alive at year five are overwhelmingly alive at year twenty. Hospitality rewards durability, not valuation velocity.

This study is about why — and, more practically, how hospitality operators, hotel development teams, restaurant groups, and talent representatives can tell in advance which celebrity deals belong to the first group and which belong to the second.

THE NUMBERS AT A GLANCE

60–70%

Celebrity restaurants that close within five years of opening, per industry trade estimates

30 yrs

Nobu's age in 2024; approximately 60 restaurants and 45 hotels globally

\$485M

Tao Group Hospitality revenue (FY2022); valued at \$550M in 2023 Mohari transaction

18 mo

Typical window within which failed celebrity restaurants become visibly troubled

3–20%

Equity range for operating celebrity partners in category-leading restaurant groups

\$11T

Global travel and hospitality spending projected for 2026

Five findings that should change how hospitality operators structure celebrity deals

1. The five-year rule.

The single most reliable predictor of a celebrity hospitality brand's durability is whether it survives its first five years. Brands alive at year five overwhelmingly survive to year twenty. Brands in trouble at year

three almost never recover. The operating-cycle structure of hospitality produces this pattern: service quality, kitchen discipline, hotel housekeeping standards, and the entire layer of execution that distinguishes a great property from a tired one all deteriorate visibly within 36 to 60 months if the celebrity partner is not genuinely engaged. Most other celebrity categories allow a brand to coast for two or three years on cultural momentum alone. Hospitality does not.

2. The celebrity is the smallest line in the P&L.

The brands that survive have celebrity partners whose financial participation is equity, not appearance fees. The brands that fail tend to be structured the opposite way — large upfront appearance fee, relatively modest ongoing equity stake, and limited operating involvement. The deals that produce Nobu produce almost no recurring fee flow to the celebrity in the early years. The deals that produce failures frequently pay the celebrity seven figures on the opening weekend and then lose the property within 24 months.

3. The three-legged partnership beats the two-legged partnership every time.

The structural template that produces durable celebrity hospitality outcomes, visible in Nobu and in the broader industry pattern, has three legs rather than two. A celebrity equity partner who serves as commercial catalyst. A category expert (chef, hotelier, nightlife operator) who serves as creative and operational lead. A professional hospitality operator — ideally one with experience running multi-unit luxury properties — who manages the day-to-day business. Two-legged partnerships (celebrity plus chef, or celebrity plus operator) survive at lower rates than three-legged ones.

4. The category's economic center is moving from restaurants to branded residential.

Celebrity hospitality outcomes over the next ten years will increasingly be produced in branded residential real estate rather than in standalone restaurants. Nobu Residences in Toronto, Los Cabos, and globally. Robert De Niro's Barbuda resort and residences, slated for 2027. The economic structure — capital events on sale, recurring management and licensing fees — is materially more favorable than restaurant economics. Many operators still think of celebrity as a restaurant-level decision. It is now a residential one.

5. Nightlife is the category's worst ROI and shrinking further.

Clubs were the original celebrity hospitality play. They are now, on verified ROI data, the worst-performing sub-category. A club paying six figures for a headliner to appear on opening weekend produces front-loaded attention and no recurring asset. A restaurant offering the same celebrity three to five percent operating equity produces a structurally different outcome. The five-year net present value differential is an order of magnitude. The best operators in the nightlife category — Tao Group Hospitality and Catch Hospitality Group chief among them — have understood this for years and built their celebrity relationships on equity, recurring customer traffic, and operator discipline rather than on appearance fees.

What this study does

Sections of this report cover, in sequence: the structural logic of why hospitality behaves differently from other celebrity categories (Part I); detailed sub-category deep dives on restaurants, hotels, residences, and nightlife with representative wins and representative misses in each (Part II); benchmark ranges for what celebrity hospitality involvement actually costs — opening appearances, ongoing arrangements, equity stakes, and management fees — drawn from verified industry data (Part III); a proprietary Hospitality Fit Index that hospitality operators can apply to evaluate specific celebrity-property pairings before signing (Part IV); and forward indicators on the category's 2026-to-2028 evolution (Part V).

The report is designed to be read cover-to-cover by hospitality development executives, operating CEOs, and senior talent representatives, and to be used as a reference document at the deal-evaluation stage. The intended outcome is fewer failed celebrity restaurants, more durable celebrity hotel brands, and the successful extension of the founder-operator hospitality template into branded residential and international markets.

WHO THIS REPORT IS FOR

Hotel development teams at Marriott, Hilton, IHG, Hyatt, Four Seasons, Aman, Rosewood, Auberge, 1 Hotels, SH Hotels, and the independent luxury cohort. Restaurant and hospitality groups including Tao Group Hospitality, Catch Hospitality Group, Major Food Group, Groot Hospitality, Jean-Georges Management, STARR, and the full tier of independent operators in New York, Miami, Los Angeles, Las Vegas, Austin, Nashville, London, and Dubai. Casino hospitality development at MGM, Wynn, Sands, and Caesars. Branded residential platforms, resort developers, and the talent and entertainment representatives structuring celebrity participation across all of the above.

Methodology

This report synthesizes three research streams. Verified financial and transaction data on celebrity hospitality properties and groups. Industry trade data on failure rates, occupancy performance, and operating economics in celebrity-branded venues. And primary industry commentary from hospitality operators, development executives, and talent representatives with direct experience structuring celebrity deals in the category.

Financial and transaction data

Revenue figures, valuation estimates, and transaction values cited in this report are drawn from company disclosures, SEC filings (where applicable), and reporting from Bloomberg, Reuters, The Wall Street Journal, Restaurant Business, Hospitality Design, Skift, Nation's Restaurant News, Variety, and the Business of Fashion hospitality vertical. Private-company valuations are flagged as estimates where they rely on reporting rather than disclosed capital events. Transaction details for the Nobu group, Tao Group Hospitality, Catch Hospitality Group, and other referenced operators are sourced to the specific transaction announcement or annual reporting wherever possible.

Industry operating data

Failure rates, occupancy data, ADR and RevPAR comparisons, and opening-week performance figures are drawn from Restaurant Business industry rankings, STR and CoStar hospitality operating data, MJBiz Factbook where cannabis-hospitality adjacency is relevant, and trade press reporting. Where industry trade estimates differ on specific figures (for example, celebrity restaurant failure rates vary in published estimates from approximately 60% to 70%), the report cites the range and identifies the upper and lower bounds.

Primary industry commentary

Commentary from hospitality operators, hotel development executives, restaurant group principals, and talent representatives is drawn from public statements, interviews, and trade press appearances. The report does not quote private conversations. Named attributions in pull quotes reflect public statements, and the sourcing is visible in the appendix.

What this report does not do

This report does not rank individual celebrities, recommend casting for specific properties, or evaluate the creative merits of particular restaurants or hotels. It is a structural and operational framework. The goal is to give hospitality decision-makers and talent representatives a disciplined lens through which to evaluate proposed celebrity deployments at the structural level, before the evaluation of creative fit, cultural alignment, and specific commercial terms.

Part I — The Structural Logic of Celebrity Hospitality

The bimodal outcome

Every other celebrity consumer category — beauty, spirits, fashion, CPG, wellness — produces a recognizable distribution of outcomes. Some celebrity brands in those categories hit escape velocity and compound to billion-dollar exits. Others plateau at modest revenue and continue operating as profitable but sub-scale businesses for years. Others still slowly decline as the founder's cultural moment fades and are eventually acquired, recapitalized, or quietly wound down. The shape of the distribution has a thick middle.

Hospitality does not. In this category the distribution is bimodal. Celebrity hospitality brands either die fast or last a long time, with almost no middle territory. The Nobu brand is in its fourth decade. Many celebrity-founder restaurants of the past 20 years did not see year five. The gap between the two outcomes is structural, not accidental, and understanding the mechanism is the foundation of every other recommendation in this report.

The mechanism, simply stated: hospitality operating cycles expose the quality of the celebrity's involvement faster than any other category does. A beauty brand can coast for two or three years on launch momentum, paid-media spend, and social cadence, even if the founder is not deeply engaged in product development. A restaurant cannot. Within a matter of months, a restaurant reveals whether the person whose name is above the door is actually operating or not. Service slippage, kitchen inconsistency, front-of-house turnover, declining food costs being absorbed by declining quality — the signals reach customers within 90 days. The Yelp and Google review curves deteriorate inside 180 days. The critical trade press picks up the change by the end of year one. By year two, the property is either correcting or dying.

The implication of bimodality is practical. Hospitality operators evaluating celebrity deals should not think about the question the way they would think about a beauty or spirits investment. The question is not, what multiple will this business exit at in seven to ten years. The question is, will this property be alive at year five, and if yes, is it positioned to still be operating in year 25.

Why hospitality exposes celebrity quality faster than any other category

Four structural features of the hospitality business produce the pattern:

- **Service quality is visible in real time.** Unlike physical products, which have a manufacturing and distribution buffer between the celebrity's creative involvement and the customer's experience, hospitality is direct. The customer's encounter with the restaurant or hotel on any given night is

shaped by decisions made that week or that month. A celebrity partner who stops showing up creates operational deterioration that customers feel almost immediately.

- **Operating margins are thin.** Restaurant operating margins typically run in the 3% to 10% range; luxury hotel margins are higher but are consumed by capital cost. Unlike beauty brands that can carry a 70% gross margin and absorb significant operating inefficiency, hospitality has no margin cushion for sustained underperformance. A celebrity partner who introduces even modest operating friction is enough to push a property from profitability to loss.
- **Reputation decays faster than it accumulates.** A restaurant's reputation is built over years and lost in weeks. A celebrity's association accelerates both directions — a great celebrity partner accelerates reputational build; a departing or disengaged celebrity partner accelerates reputational decay. The asymmetry is a feature of the category.
- **Capital intensity forces long commitment.** A restaurant buildout costs \$5 million to \$20 million at the high end. A hotel costs tens to hundreds of millions. This capital intensity selects for celebrities who are willing to make multi-year commitments. Celebrities who are not go into licensing deals; licensing deals underperform equity deals; the selection filter works.

The three-question test that every deal should pass

Before any celebrity hospitality deal is signed, three questions should be answered affirmatively. Every hospitality professional who has evaluated these deals for a decade or more already knows these questions, but the discipline of asking them explicitly — in writing, before the LOI — separates operators who consistently produce durable outcomes from operators who do not.

Question 1 — Will this celebrity actually show up, multiple times per year, for a decade?

Not, will this celebrity post on social media about the property. Not, will this celebrity come to the opening. The real question: if we are still open in eight years, will this celebrity have been in this restaurant or hotel more than a dozen times across those eight years, meeting customers, interacting with staff, and being visibly invested in the property? If the answer is no, the deal should not be structured as a celebrity-equity deal. It should be a one-time appearance fee and nothing more.

Question 2 — Does the celebrity have genuine prior connection to this category or concept?

The wins in celebrity hospitality share a feature — the celebrity had a real, observable relationship to the category before the deal was contemplated. Robert De Niro was a Nobu customer for four years before he became a partner. Sean Combs' Justin's was rooted in his own upbringing and family. Jon Bon Jovi's JBJ Soul Kitchen was built on years of philanthropic work around food insecurity. When the celebrity has no authentic category connection, the partnership becomes a licensing arrangement dressed up as a founder relationship, and the operating gap shows up quickly.

Question 3 — Can we name the professional operator who will run this property?

If the celebrity and the category expert are the only two parties in the partnership, the structure is fragile. The third leg — a professional hospitality operator with multi-unit experience — is what allows the property to survive the inevitable cycles where one of the other two partners is less engaged. The operating groups whose celebrity properties have the highest survival rates in the industry are the ones that built their infrastructure around this three-legged template.

PART I KEY TAKEAWAY

Celebrity hospitality outcomes are bimodal — properties either die fast or last a long time. The reason is structural: hospitality operating cycles expose the quality of celebrity involvement faster than any other category does. The three-question test — will the celebrity show up, does the celebrity have genuine prior connection, and who is the professional operator — filters out the structures that produce the 18-month failures and leaves the structures that produce the 30-year durable brands.

Sub-Category 1 — Restaurants

Sector context

Restaurants are the most-attempted and most-failed sub-category of celebrity hospitality. They are also the sub-category where the structural logic of this report is clearest. The restaurant business punishes low-quality celebrity involvement faster and more publicly than any other hospitality format. It also rewards high-quality celebrity involvement with outcomes that compound over multiple decades and that no other format can replicate.

Industry trade estimates place the failure rate for celebrity restaurants at approximately 60–70% within five years of opening, against roughly 30% for comparably priced non-celebrity independents (*National Restaurant Association industry data referenced across trade press, 2024*). The differential is real, it is consistent across markets, and it is not primarily driven by the food. It is driven by operating discipline — or its absence.

The win: Nobu

Robert De Niro's Nobu story is the foundational case study of celebrity hospitality done correctly, and the structural details are worth walking through in full because every element of the arrangement has been quietly copied by operators who understood what was happening and ignored by operators who did not.

De Niro's relationship with chef Nobu Matsuhisa began in 1988, when he first visited Matsuhisa's Beverly Hills restaurant. He spent **more than four years** persuading Matsuhisa to open a New York location with him as partner. The first Nobu opened in Tribeca on September 17, 1994, with Matsuhisa, De Niro, restaurateur Drew Nieporent, and investor Meir Teper as founding partners.

The partnership structure is what matters. Matsuhisa was the culinary and creative authority — the menu, the kitchen, the philosophy of the food. Nieporent was the operating restaurateur, with decades of New York restaurant experience at the point of Nobu's opening. De Niro was the celebrity equity partner and commercial accelerator — the credibility, the access, the press, the guest list. No single leg of the partnership was asked to do a job that another leg was better suited for. The celebrity was not asked to run the kitchen. The chef was not asked to be a marketer. The operator was not asked to be a creative.

The arrangement also worked at economic scale. Today the Nobu brand comprises approximately **60 restaurants and 45 hotels worldwide**, with more than a dozen residential properties in development (*Nobu — Wikipedia / Bloomberg interview coverage*). Australian investor James Packer purchased a 20% stake in 2015, which catalyzed the hotel expansion. The group reached approximately \$1 billion in

revenue projection by 2023. The hotel arm has been led by British hospitality veteran Trevor Horwell, previously of Hyatt and COMO — a critical addition that extended the three-legged template from restaurants into hotels without abandoning the structure that had made restaurants work.

The food was amazing. Japanese food traditionally in New York and in my experience even in London was very by the book, but it wasn't what Nobu was doing.

— Robert De Niro, on his first visit to Matsuhisa's Los Angeles restaurant (CNN, 2019)

Thirty years in, Nobu's reputational quality, service consistency, and brand equity are not declining. They are expanding geographically. The structural template — celebrity as commercial catalyst, chef as creative anchor, hospitality professional as operator — is the reference standard for the sub-category. Every other celebrity restaurant outcome in this report is best understood by how closely the partnership matched or diverged from this template.

The miss pattern: single-unit celebrity restaurants

The failure population in this sub-category is large enough that singling out specific closed properties is less useful than describing the pattern. High-profile celebrity restaurants that closed within their first five years of operation over the past fifteen years have included Justin Timberlake's Southern Hospitality (BBQ concept, New York), Eva Longoria's Beso (Los Angeles and Las Vegas), Kanye West's involvement with Fatburger franchises, and a long list of single-unit celebrity restaurants across Los Angeles, New York, Miami, and Las Vegas that opened with significant press and closed without it.

Three structural features recur in the failures.

- **The celebrity was not a prior customer of the concept or category.** The restaurant existed because a deal was structured, not because the celebrity had a pre-existing, observable connection to the cuisine or the concept. Consumers picked up on the gap between the celebrity's public persona and the restaurant's concept faster than the operating team expected.
- **The partnership was two-legged, not three-legged.** The celebrity and a chef, or the celebrity and an investor group, without the third leg of experienced multi-unit hospitality operation. When early execution problems emerged, there was no operating infrastructure capable of fixing them at the pace the category requires.
- **The deal economics were front-loaded.** Large upfront appearance fees, ribbon-cutting stipends, opening-weekend activation fees — and relatively modest long-term equity. The incentive structure meant the celebrity was most engaged in the first six months and least engaged in years two through four, which is exactly the inverse of what the category requires.

The emerging model: operating groups that have mastered celebrity hospitality

Between the Nobu three-legged template and the single-unit failure pattern sits a third category of operators: hospitality groups that have industrialized celebrity relationships without making any single property dependent on a single celebrity. Two are particularly worth discussing.

Tao Group Hospitality

Founded in 2009 and now with approximately 80 branded locations across 20 markets on four continents, Tao Group Hospitality has become the definitive example of a hospitality operator that treats celebrity as a recurring operating input rather than as an episodic marketing event. Tao Group is owned by Mohari Hospitality, the investment firm founded by PokerStars founder Mark Scheinberg, which acquired Madison Square Garden Entertainment's 66.9% stake in 2023 at an implied valuation of approximately **\$550 million** (*Variety, April 2023*). In fiscal 2022, Tao Group generated approximately \$485 million in revenue.

Co-CEOs Noah Tepperberg and Jason Strauss have described the business as built around the industrialization of nightlife-restaurant hybrid economics — taking the New York model of separate restaurants and separate clubs and combining them into a single operational complex that lengthens the customer's evening and increases revenue per guest. The celebrity arrangement across Tao's portfolio — TAO Asian Bistro, LAVO, Marquee, Beauty & Essex, Hakkasan (acquired 2021), Cathédrale, and multiple other brands — is consistent. Celebrities are recurring customers and occasional equity participants across specific venues, not temporary faces of the brand.

Tao's Las Vegas flagship was the highest-grossing independent restaurant in the United States for multiple years, earning approximately \$60 million in revenue in 2011 and remaining at or near the top of the rankings in subsequent years (*Tao Asian Bistro — Wikipedia summarizing Restaurant Business annual rankings*). The 2021 Hakkasan acquisition — Tao's combination with its largest global competitor — consolidated the group's position as the dominant operator in the premium nightlife-dining hybrid category. The brand's durability across more than 25 years, its successful pivot through COVID, and its ability to sustain celebrity attention at recurring rather than episodic cadence is the operator-side counterpart to the founder-led Nobu template.

Catch Hospitality Group

Catch Hospitality Group's arc is a parallel story of disciplined celebrity hospitality execution at the operator level. Co-founded in 2011 by Eugene Remm and Mark Birnbaum, Catch opened its original location in the Meatpacking District with a specific category thesis — New York lacked a premium seafood-focused concept in that neighborhood — and has since grown into a multi-city, bi-coastal

operation. Today the group operates in New York, Los Angeles, Las Vegas, Aspen, Miami Beach, Dallas, and Scottsdale, with more than **1,000 employees across seven markets** ([*Eugene Remm professional bio*](#)).

In 2017, Tilman Fertitta — chairman of Landry's and owner of the Houston Rockets — became a 50% partner in the group, bringing the operating infrastructure of one of the largest privately owned restaurant portfolios in the United States. The combination of Remm and Birnbaum's hospitality and brand sensibility with Fertitta's multi-unit restaurant operating capability is another instance of the three-legged principle at the operator level rather than at the single-property level. Forbes profiled Remm and Birnbaum alongside their partners as "New Kings of New York Hospitality," and the group has continued to expand with new markets opening through 2025 and 2026.

Catch's celebrity relationships — which include the group's reputation as one of New York's most reliable celebrity gathering points — are structured the same way Tao's are. Celebrities are repeat customers and occasional venue equity participants, not paid faces. The group's durability, now in its fifteenth year of operation, reflects the specific operational discipline that the sub-category rewards.

What works in celebrity restaurants

- **The three-legged partnership structure.** Celebrity equity partner, category expert as creative lead, professional operator as CEO. Every celebrity restaurant that has survived past year five has some version of this structure; most that have failed have a truncated version of it.
- **Pre-existing celebrity-category connection.** The celebrity was visibly engaged with the food, the concept, or the category before the restaurant existed. Manufactured connections are visible and unforgiving.
- **Back-loaded, not front-loaded, economics.** Equity with modest cash; long-term incentives; no large upfront appearance fee. The celebrity's financial interests and the property's long-term interests align.
- **Operating groups that institutionalize celebrity as infrastructure.** Tao Group Hospitality and Catch Hospitality Group represent the professionalization of celebrity-restaurant management at the operator level. Both have survived and scaled where individual celebrity ventures have failed.
- **Multi-market, not single-market.** Celebrity restaurants that open in two or three markets within their first five years build operational infrastructure that single-market restaurants do not, and survive category disruptions (pandemics, local economic shifts) at higher rates.

What does not work in celebrity restaurants

- **Single-unit celebrity restaurants in second-tier markets.** The failure rate here is particularly high. The celebrity's presence is infrequent, local operating infrastructure is thin, and the unit is dependent on first-year press that fades within 18 months.
- **Licensing deals without operating involvement.** Name-on-door arrangements where the celebrity has no equity and no operational input are indistinguishable from branded retail in their worst outcomes — except that the operating requirements are meaningfully higher than in retail.
- **Expansion pace that outstrips operating capacity.** Celebrity restaurant groups that open five or six properties in 24 months frequently experience service-standard deterioration at the original unit, which erodes the brand's overall reputation faster than the new units can compensate.
- **Concepts built on cuisine categories the celebrity has no real affinity for.** The audience detection of inauthenticity is fast in this sub-category. Celebrity-chef or celebrity-concept restaurants that don't pass a smell test with sophisticated diners do not get a second year.

Counterintuitive finding

The celebrity restaurants with the highest per-venue margins are not the ones with the largest celebrity names. They are the ones where the operator — Tao Group, Catch Hospitality Group, a handful of independent groups — has built infrastructure capable of attracting celebrities as recurring customers without paying for them. A venue that celebrities choose to visit voluntarily produces higher-quality social content, higher-tier reservation demand, and higher consistency of brand perception than a venue whose marketing budget includes a celebrity-appearance line item. This has always been the quiet premium in the Tao and Catch operating model.

Forward indicator (next 18 months)

Watch the expansion of both Tao Group and Catch Hospitality Group into branded residential. The 2023-announced Tao Hotel in Orlando is the first Tao Group hotel and an indicator of the group's willingness to extend its operating template into a higher-capital format. Catch's expansion into additional markets (Dallas in 2024, Scottsdale in 2025) is testing whether the multi-market premium-seafood format scales at continued margin. The single most consequential development to watch is whether either group acquires or partners with a residential development platform, which would unlock the economic upside that remains capped at the restaurant level. Watch also for new entrants attempting to replicate the Nobu three-legged template in emerging markets — the Middle East and Southeast Asia are the geographies where this will happen first.

RESTAURANTS — KEY TAKEAWAY

The restaurant sub-category punishes low-quality celebrity involvement faster than any other hospitality format, but rewards high-quality involvement with decades-long durability. The Nobu template (three-legged partnership; celebrity equity with genuine category connection; professional multi-unit operator as CEO) is the reference standard. Operating groups that have industrialized celebrity as a recurring customer relationship rather than an episodic marketing event — Tao Group Hospitality and Catch Hospitality Group among them — represent the parallel operator-side template. Single-unit, front-loaded, licensing-deal structures produce the category's failures with depressing consistency.

Sub-Category 2 — Hotels

Sector context

Hotels are the second major sub-category of celebrity hospitality and the one where the economic upside of well-structured deals is largest. Global hotel revenue is projected to exceed \$1 trillion in 2026. Celebrity-branded or celebrity-associated hotels remain a small percentage of that total, but the segment has grown more than the category average over the past decade, and the capital intensity required to enter the format has meaningfully filtered out low-quality entrants.

The structural features of hotels differ from restaurants in ways that materially affect celebrity deal structure. Capital intensity is higher — a single luxury hotel may cost \$200 million to build and take four to seven years from site selection to opening. Operating cycles are longer — a hotel's reputation takes longer to build and, in the luxury segment, longer to decay. Revenue per customer event is higher. And the M&A and capital markets for hotels are considerably more mature than for restaurants, which produces different exit economics for celebrity equity partners.

The win: Nobu Hotels

Nobu's extension from restaurants into hotels began in 2013 with the opening of Nobu Hotel at Caesars Palace in Las Vegas. The strategic rationale was explicit — Nobu's restaurant brand had sufficient global recognition and category discipline that a hotel product could be architected around the same positioning and would benefit from the same brand equity and recurring customer relationships.

The execution was distinguished by a decision that has become a reference case for other celebrity hospitality groups considering hotel extension. Rather than operating the hotels themselves, the partners brought in British hospitality veteran Trevor Horwell as CEO of Nobu Hospitality — Horwell having previously held senior roles at Hyatt and at COMO Hotels & Resorts. The three-legged template extended into the new format, with Matsuhisa retaining culinary and creative authority, De Niro as celebrity equity partner and commercial catalyst, and Horwell as professional operating CEO for the hotel business specifically.

The Nobu hotel portfolio now includes approximately **45 hotels worldwide**, with new openings continuing across gateway cities and regional luxury markets. The March 2025 announcement of a Nobu hotel, restaurant, and residences inside a £360 million planned skyscraper in Manchester received planning approval in April 2025, illustrating the geographic expansion pattern from gateway cities into secondary luxury markets. The economic returns on Nobu hotels — through management fees, licensing, and equity participation — have produced a recurring revenue stream that the restaurant business, on its own, would not have generated.

The parallel: SH Hotels and the Baron Hilton–Barry Sternlicht branded-hotel lineage

The celebrity-hotel category's lineage extends beyond the Nobu template into the broader history of branded luxury hotels founded by hospitality industry principals whose personal cultural reach approaches celebrity status. Barry Sternlicht's 1 Hotels and Bacarat Hotels brands, Ian Schrager's Edition and PUBLIC Hotels, Morgans Hotel Group's foundational history — each represents a version of the branded-hotel approach where the individual behind the brand is a cultural asset in addition to being an operator.

These are not "celebrity hotels" in the strict sense of celebrities-from-outside-hospitality entering the category. They are the hospitality industry's own version of celebrity-founder branding, where the founder's cultural reach compounds over decades of operation. The pattern is instructive for celebrity participants considering the category. A celebrity entering hotels should structurally expect to behave the way Sternlicht or Schrager have behaved — multi-decade commitment, active operational involvement, and personal brand accumulation in the hospitality category specifically. Celebrities unwilling or unable to operate that way should not take hotel equity deals.

The miss: branded hotels without the three legs

The failure population in celebrity hotels is smaller than in restaurants because the capital barrier has filtered out most of the lowest-quality entrants, but the failures that have occurred follow a consistent pattern. Celebrity-branded hotels that fail or underperform tend to share two features: the celebrity's name was licensed rather than equity-held, and the operating partner lacked multi-unit luxury-hotel experience. The result is hotels that open with strong initial press, operate below pro forma for two or three years, and are either rebranded or sold at discount within five to seven years.

Without naming specific properties, the pattern is recognizable to every hotel development executive who has evaluated this category. The deal memo for the unsuccessful celebrity hotel typically includes language about "brand association" and "marketing value" without specific commitments on the celebrity's time, appearance schedule, or operational participation. The successful celebrity hotel deal memo, by contrast, includes specific obligations — minimum appearance days per year, board participation, approval rights on specific categories of operational decision, and equity that vests over a decade rather than vesting on opening.

Tao Group has grown from an innovator in nightlife to a leader in premium lifestyle and hospitality.

— J. Allen Smith, Managing Partner, Mohari Hospitality and former CEO of Four Seasons Hotels and Resorts (April 2023)

The emerging model: hospitality-operator-led hotel brands extending from restaurants

Tao Group's 2023 announcement of a branded Tao Hotel in Orlando, slated to open in 2025, represents an important test case for whether restaurant-operator-led hotel extension can replicate the Nobu pattern. The economic logic is clear — Tao Group's restaurant operations generate approximately half a billion dollars in annual revenue; a hotel product wrapped around the group's flagship food and beverage concepts could capture additional spend per guest and would benefit from the group's existing brand recognition.

The execution question is whether the operating discipline that distinguishes Tao's restaurant business extends into the hotel format, where operating complexity is materially higher. The Mohari Hospitality parent relationship — Mohari being an investment firm whose managing partner is the former CEO of Four Seasons — provides the hotel-industry operating capability that Tao Group did not have organically. The template is a version of the three-legged Nobu model adapted to the operator-side structure.

Watch for similar moves from Catch Hospitality Group, Major Food Group, and other multi-unit restaurant operators whose brand recognition and operating discipline could support hotel extension. The successful ones will share the Nobu structural template. The unsuccessful ones will skip the third leg.

What works in celebrity hotels

- **Extension from a mature, operationally disciplined brand.** Nobu's hotel extension worked because the restaurant brand had 15+ years of operational quality before the hotels launched. Celebrity hotels built from scratch, without that prior brand equity, have higher failure rates.
- **Multi-decade celebrity commitment structure.** The celebrity equity vests over 10+ years, not 3–5. Obligations to appear, to participate in board decisions, and to represent the brand internationally are specific and measurable.
- **Separation of creative, operating, and celebrity functions.** The three-legged template extended into hotels with Horwell as operating CEO remains the most-durable structure. Celebrity hotels that attempt to collapse these functions produce the category's failures.
- **Expansion from gateway cities into regional luxury markets.** The Nobu pattern — Las Vegas, then London, then regional cities like Manchester, Los Cabos, Toronto — is the geographic template that the data supports.

What does not work in celebrity hotels

- **Name-licensing deals with passive celebrity partners.** The worst-performing celebrity hotel deals of the past 15 years have been structured this way. The failure mode is consistent enough that hotel development teams should treat licensing-only celebrity proposals as structurally suspect until proven otherwise.
- **Luxury-positioned celebrity hotels in markets without luxury-buyer depth.** A celebrity brand can accelerate a hotel's opening reputation, but it cannot create a luxury customer base where the underlying market does not support one. Hotel development fundamentals come first; celebrity association is amplification.
- **Single-property celebrity hotel bets without a portfolio plan.** A single celebrity hotel is almost always a weaker bet than a portfolio approach. The operating infrastructure, the brand marketing spend, and the celebrity commitment make more sense when amortized across multiple properties.

Counterintuitive finding

Celebrity hotels produce their highest ROI in the residential component, not in the room nights. A celebrity-branded hotel with a residential tower attached generates more economic value from unit sales than from the hotel's F&B and room revenue combined, and the residential component's returns are more durable because they are one-time capital events rather than ongoing operating exposures. Every celebrity hotel project being developed in 2025 and 2026 that does not include a residential

component is, on a risk-adjusted basis, leaving value on the table. Section 3 of this report covers the residential sub-category specifically.

Forward indicator (next 18 months)

Watch the first Tao Hotel in Orlando for indicators on whether the operator-side extension model works at the hotel scale. Watch Nobu's Manchester opening for whether the brand's gateway-to-regional expansion continues to produce strong room rate and occupancy. Watch for any announcement of a celebrity-branded hotel project in the Middle East, particularly Saudi Arabia or the UAE, at a scale that would reset the upper bound of deal economics for the category. A \$1 billion+ celebrity-branded hotel or hotel-and-residences project in the Gulf region would materially change the benchmark deal size for the sub-category.

HOTELS — KEY TAKEAWAY

Celebrity hotels produce the largest economic upside in hospitality and the longest survival rates when structured correctly. The Nobu pattern — extension from a mature restaurant brand, multi-decade celebrity commitment, professional hotel operating leadership, and geographic expansion from gateway cities into regional luxury markets — is the reference template. The residential component, when included, is where the highest per-property ROI is captured. Licensing-only celebrity hotel deals remain the sub-category's most common structural failure.

Sub-Category 3 — Branded Residences

Sector context

Branded residences — the residential real estate component of celebrity hospitality — is the sub-category growing fastest in the 2024-to-2027 window and the one where the economic structure is most favorable to both celebrity and operator. The global branded-residences market has grown at a compound annual rate above 10% for the past five years, and industry estimates place total branded-residence sales globally above \$70 billion annually and projected to exceed \$100 billion before the end of the decade.

The economic logic for celebrity participation in branded residences is strong. Residences generate capital events at sale — one-time transactions that retire operating exposure — plus ongoing management and licensing fees that accumulate across the life of the property. Celebrities involved in branded-residence projects capture upside at both moments. The structure solves the persistent problem in celebrity hospitality that restaurants and even hotels pose: the economic return is too spread out across operating performance that requires continuous celebrity engagement.

The win: Nobu Residences

Nobu's residential extension follows the same disciplined pattern as its hotel expansion. The brand now operates or has announced residential projects in Toronto, Los Cabos, Riyadh, Marbella, Orlando, Atlanta, and multiple other markets. The residential buildings typically include a Nobu Hotel and Nobu Restaurant as anchor amenities, with residence buyers gaining access rights to both and to the broader brand's global network.

The economic structure is a capital-light-at-the-operator-level model. The brand licenses its name, design standards, and F&B concepts to the developer in exchange for upfront fees, ongoing management fees, and typically a percentage of unit sale proceeds. The developer retains the real estate capital risk; the celebrity and brand participants capture economic upside without carrying the full capital exposure. For a celebrity considering hospitality involvement with limited appetite for long-duration capital at risk, the residential format is structurally more favorable than restaurant or hotel equity.

The major development win: E11EVEN Miami

The single most commercially successful branded-residential project with entertainment-brand anchoring to open in the United States in the current development cycle is E11EVEN Miami's dual-tower development in the city's Park West District. The project, co-developed by Property Markets Group

(PMG) and E11EVEN Partners, is the first 24/11 branded residential entertainment destination and has established a new reference point for how entertainment brands can anchor nine-figure real estate developments.

The commercial performance has been extraordinary. E11EVEN Hotel & Residences, the flagship 65-story tower with approximately **400 fully furnished luxury residences**, sold out in three months after launching sales in 2020 — during the pandemic, without a completed sales center. E11EVEN Residences Beyond, the 65-story sister tower with 461 additional residences, sold out in six months on the same pattern. Residence pricing ran from the mid-\$500,000s to approximately \$4 million ([11Miami](#)). The two towers are connected by a signature architectural bridge designed by Sieger Suarez Architects, with residence interiors curated by award-winning design firm AvroKO Hospitality Group.

I've been in the development world for 21 years, and I've never seen a project sell out in three months like Tower 1 did.

— Raquel Kaufman, Director of Sales, E11EVEN Residences

What makes E11EVEN a structurally significant case — rather than a one-off real estate success — is the specific pattern it illustrates. The E11EVEN brand was built over more than a decade as a premium entertainment and nightlife destination with genuine operational quality, global cultural reach, and an authentic lifestyle thesis. The brand did not extend into residential development before it had the operational foundation to support the extension. When it did, the residential buyer market responded with the kind of sales velocity that hotel-branded residential projects rarely achieve, in a market environment (COVID-era 2020) that was structurally hostile to luxury real estate launches.

Amenity and service integration across the dual-tower complex reinforces the model. Residents access an 11-story E11EVEN Pool Club, a dedicated beach club on Miami Beach, branded food and beverage concepts, and the full entertainment infrastructure of the E11EVEN entertainment district. The structural lesson: a branded-residential project's value proposition is not the individual unit but the ecosystem of service and amenity that the brand credibly delivers. Brands that have built that ecosystem before launching residential — Nobu's restaurant and hotel network, E11EVEN's Miami entertainment district — command pricing premiums and sales velocity that standalone branded-residence efforts do not.

The E11EVEN case is also a significant development signal for the nightlife and entertainment segment of celebrity hospitality more broadly. The established industry narrative has been that nightlife brands cap out at venue-level economics. E11EVEN demonstrates that nightlife brands with sufficient operational depth and cultural reach can access real estate capital markets at a scale that fundamentally changes the economics of the category. Other entertainment and nightlife groups with long operating histories — both named and unnamed in this report — are likely to pursue similar extensions over the next 36 months, with attendant winners and losers depending on operational depth.

The emerging case: Robert De Niro's Barbuda resort and residences

Robert De Niro's Barbuda development — a resort and branded residences project first announced more than a decade ago and now targeting completion in 2027 — represents the upper end of what celebrity-led residential hospitality can accomplish. The project, developed with Australian businessman James Packer and with support from the government of Antigua and Barbuda, includes luxury villas, a resort component, and associated hospitality infrastructure on the Caribbean island of Barbuda.

The project has faced development delays and hurricane recovery setbacks, which is representative of the category — large-scale celebrity residential projects in emerging destinations face execution risk that smaller branded-residence extensions inside established hotel brands do not. The economic upside at completion, however, is commensurately larger. If the project opens as planned in 2027 at the unit-pricing levels contemplated, it will establish a new reference point for celebrity-led destination residential development and draw additional capital into the category.

The category's broader structural shift

Beyond the specific Nobu and De Niro cases, the branded-residences sub-category is reshaping how hospitality operators of every scale think about celebrity association. Major hotel brands — Ritz-Carlton, Four Seasons, Aman, Rosewood, Auberge, SH Hotels' 1 Hotels and Baccarat — are all expanding their branded-residence portfolios, and the celebrity component is becoming a recognized layer of brand premium in these projects.

A celebrity or entertainment hospitality brand with credible operating history (Nobu is the clear leader for restaurant-to-hotel-to-residential extension; E11EVEN is the reference case for entertainment-brand residential; several others will emerge in 2026 and 2027) commands residential licensing fees and unit price premiums that non-celebrity but equivalent-quality brands do not. The ability to command those premiums is a direct function of the brand's operational discipline, which circles back to the report's central thesis: the brands that earn residential-scale economic upside are the ones that built restaurant, hotel, or entertainment operating quality first. There is no shortcut. A brand cannot open a residential project as its first hospitality deployment and expect to capture branded-residence premiums. The premiums reward the operating history, not the name.

What works in branded residences

- **Residential extension from a mature hospitality brand.** Nobu Residences works because Nobu restaurants and hotels work first. Branded-residence attempts by brands without that operating foundation have consistently underperformed.
- **Developer retains capital; brand licenses name and standards.** The capital-light-to-brand structure is the reason this sub-category is economically attractive. Celebrity brands taking on full development capital risk in residential projects have higher failure rates than those licensing into third-party developer projects.
- **Residential component attached to hotel.** The branded-residences-plus-hotel format is more durable than standalone branded residences, because the hotel provides ongoing service infrastructure and amenity access that sustains unit value across decades.
- **Multiple global markets.** Nobu's 12+ residential projects in development reflects the category-leading approach. Single-project residential ventures struggle to achieve the brand recognition and buyer confidence that multi-market portfolios produce.
- **Entertainment-brand extension backed by operating depth.** E11EVEN Miami's sold-out dual-tower development demonstrates that nightlife and entertainment brands with genuine operating history can command branded-residential pricing and sales velocity. The extension pathway is now proven; the operational-depth bar is what separates successful entrants from unsuccessful ones.

What does not work in branded residences

- **Residential launches without prior hospitality operating history.** A celebrity's name alone is not sufficient basis for branded-residence pricing premiums. Buyers expect service infrastructure; service infrastructure requires operating history.
- **Over-ambitious destination projects in emerging markets without developer partnerships.** Celebrity-led development in untested markets carries execution risk that smaller extensions inside established hotel brands do not. The De Niro Barbuda project illustrates both the potential upside and the execution friction.
- **Residential licensing deals with passive celebrity involvement.** The same structural issue as in hotels. Buyers and market validate active brand involvement; passive licensing produces weak price premiums and short sell-out durations.

Counterintuitive finding

The branded-residences category's growth is being driven, more than any other factor, by the persistence of high-net-worth buyer demand for service-intensive real estate in a market where staffing

traditional luxury homes has become operationally difficult. The branded-residences value proposition — purchase a unit, get hotel service — solves a practical problem that has little to do with celebrity branding. Celebrity involvement amplifies the premium in this market; it does not create the demand.

Forward indicator (next 18 months)

Watch the Gulf region (Saudi Arabia NEOM, UAE, and Qatar) for the first celebrity-branded residential projects above \$2 billion in total sell-out value. Watch Nobu's Saudi Arabia, Marbella, and additional European markets for whether the brand's European and Middle Eastern expansion sustains pricing premiums. Watch the post-delivery performance of E11EVEN Residences Beyond in Miami — resale velocity and pricing after the first owner cycle will provide the first hard data on whether entertainment-brand residential holds value across a full market cycle. Watch whether Tao Group, Catch Hospitality, or another restaurant-operator-led group announces a branded-residences project, which would confirm the operator-side template's expansion into the residential format.

BRANDED RESIDENCES — KEY TAKEAWAY

Branded residences is the sub-category where the economic center of celebrity hospitality is moving. The capital-light-to-brand structure, the capital events at sale, and the compounding value of brand operating history all favor mature celebrity hospitality and entertainment brands. Nobu and E11EVEN represent two distinct but structurally aligned templates — restaurant-led and entertainment-led — both of which have earned residential premiums through genuine operational depth accumulated over more than a decade. The category rewards operating discipline; it does not create shortcut economics for brands entering hospitality real estate without a proven operational foundation.

Sub-Category 4 — Nightlife and Clubs

Sector context

Nightlife is the oldest sub-category of celebrity hospitality and, on verified ROI data, the one with the weakest structural returns in 2026. The original celebrity-hospitality deal structures of the 1990s and 2000s were overwhelmingly nightclub-driven: a club paid a celebrity a substantial fee to appear on opening weekend; the opening generated press; the club capitalized on the opening-period attention before the celebrity moved on. That structure produced several commercial successes and many failures. In the current market, it produces primarily failures.

The category's underlying economics have compressed. Nightclub operating margins have narrowed as cost structures (staffing, security, licensing, insurance) have expanded. Social media has reduced the marketing value of a celebrity appearance — a one-night appearance that once produced weeks of traditional-press coverage now produces a day or two of social content before algorithmic decay. And the category's customer base has fragmented across more venues, reducing the return on any single opening event.

The win: operator-led nightlife as infrastructure

The surviving and thriving portion of the celebrity-nightlife sub-category is on the operator side. Tao Group Hospitality's nightclub portfolio — Marquee in New York and Las Vegas, TAO nightclubs globally, Hakkasan-acquired venues — has generated approximately half a billion dollars in annual revenue across the combined Tao + Hakkasan operation, with nightclubs representing a substantial portion of that total (*Restaurant Business, April 2023*). Marquee at the Cosmopolitan of Las Vegas was reported to have generated approximately \$70 million in annual revenue at its peak, driven substantially by long-term DJ residency agreements that turned nightlife entertainment into a recurring-revenue system rather than an event-driven one.

The structural insight from Tao's nightlife economics is important for the broader celebrity-nightlife sub-category. Tao did not build its nightlife portfolio on celebrity appearance fees. It built it on infrastructure: bottle service at scale, DJ residencies rather than one-night bookings, pre-negotiated artist deals, and an integrated restaurant-nightlife hybrid format that lengthened the customer's evening and increased per-guest revenue. Celebrity association is a customer acquisition and retention mechanism in this model, not a paid line item. Celebrities come because the venues are genuinely the best operating properties in their markets.

Catch Hospitality Group's approach to nightlife-adjacent venues follows the same operator-discipline pattern. The group's properties function as premium restaurant-plus-late-night concepts rather than as pure nightclubs, and the celebrity relationships are customer relationships rather than paid

appearances. The 2017 Landry's partnership extended the group's operating capability further without changing the underlying celebrity-as-customer structure.

It was the natural evolution to go from having just a nightclub to having a nightclub and a restaurant all in the same building.

— Noah Tepperberg, Co-CEO, Tao Group Hospitality (Hospitality Design, 2023)

The miss pattern: single-club celebrity opening deals

The failure pattern in celebrity nightlife is consistent and can be described structurally. A club pays a celebrity a six- or seven-figure fee to appear on opening weekend. The opening generates substantial press and social coverage across a 48-to-96-hour window. Weekly traffic settles within 6-to-12 weeks to a level consistent with the underlying operating quality of the venue, which has received no celebrity-driven enhancement. The club's operating margins cannot sustain the customer acquisition cost embedded in the celebrity appearance fee. Within 18 to 36 months, the club is either repositioned (rebranded or sold) or closed.

This is not a hypothesis. It is the observable pattern in dozens of celebrity-opened nightclubs across New York, Miami, Las Vegas, and Los Angeles over the past fifteen years. The pattern is so consistent that most sophisticated hospitality capital allocators no longer fund nightclub projects built on this structure. The projects that still get funded, and increasingly the only projects that deliver recurring returns, are those structured around the operator-discipline model that Tao and Catch exemplify.

The emerging model: nightlife brands extending into branded residential

The category's most consequential recent development is the extension of nightlife brands into branded residential real estate — and the case study that has redefined what is structurally possible in this category is E11EVEN Miami.

E11EVEN, the Miami-based entertainment and lifestyle brand, partnered with developer PMG to build the first 24/11 branded residential entertainment destination in Miami's Park West District. The flagship tower, E11EVEN Hotel & Residences, is a 65-story, approximately 400-unit luxury condominium project with residences curated by AvroKO Hospitality Group. The second tower, E11EVEN Residences Beyond, added 461 additional units in an adjacent 65-story tower connected to the first by a signature bridge, creating one of the largest celebrity-and-entertainment-brand residential developments in the United States.

The commercial results are the headline. E11EVEN Hotel & Residences **sold out in three months** after launching sales in 2020 — during the pandemic, without a completed sales center. The sister tower sold out in six months on the same pattern. "I've been in the development world for 21 years, and I've never seen a project sell out in three months like Tower 1 did," said Raquel Kaufman, Director of Sales for E11EVEN Residences, in trade coverage of the expansion ([11Miami coverage](#)). Residence pricing ran from the mid-\$500,000s to approximately \$4 million, with the Presidential Collection on upper floors commanding the top of the range. Buyers included a pool of NFL and NBA players alongside high-net-worth investors bullish on Miami as an entertainment and lifestyle destination.

The structural importance of E11EVEN's success for the broader nightlife sub-category cannot be overstated. The project proved that a nightlife-adjacent brand with genuine operating quality, global brand recognition, and an authentic entertainment thesis could extend into a branded-residences format and command pricing and sales velocity that rival or exceed traditional hotel-branded residential developments. E11EVEN is not a paid-appearance nightclub. It is an operator-led entertainment brand with the discipline and cultural reach to anchor a nine-figure real estate development. That is a structurally different kind of business than the single-club opening-fee model this report has argued is no longer economically viable.

The implication for every operator in this sub-category is specific. Nightlife brands that have built genuine operational depth — the multi-unit groups, the entertainment brands with long track records, the operator-disciplined venues that have become recurring cultural destinations rather than episodic appearance events — can now access an exit and expansion pathway through branded residential that was not available five years ago. Nightlife brands that have not built that depth cannot. The capital markets for branded residential real estate, as with any real estate capital market, reward operating quality and brand credibility accumulated over time. They do not reward hype.

What works in nightlife

- **Operator-discipline model with celebrity as customer, not paid talent.** Tao and Catch represent the definitive template. Celebrities attend because the venues are operated to a standard; operations generate the customer base; celebrities reinforce brand positioning at no cost to the operator.
- **Restaurant-nightlife hybrid formats.** Tao's combined-format venues generate meaningfully higher per-guest revenue than either format alone, and the revenue base is more resilient to nightclub-specific demand cycles.
- **DJ residencies over one-night bookings.** Tao's Marquee Las Vegas generated roughly \$70M in annual revenue on the strength of long-term DJ residency deals. The recurring-revenue structure produced economic durability that one-night celebrity appearances cannot.
- **Brand extension into branded residential for operators with genuine depth.** E11EVEN's dual-tower Miami residential development is the reference case. Operators with authentic operational quality and cultural reach can now access real estate capital markets that extend beyond the nightlife-only revenue model.

What does not work in nightlife

- **Single-club opening-fee structures.** Celebrity appearance fees at nightclub openings generate short-duration press and long-duration margin compression. The structure no longer produces acceptable ROI in the current market.
- **Celebrity-name-on-door nightclubs without operator discipline.** Failure rates in this category approach or exceed the 60–70% restaurant failure benchmark and frequently on shorter timelines.
- **Single-market, single-venue celebrity nightclub bets.** Operational scale is the category's primary differentiator. Single-venue celebrity nightclub ventures have the weakest five-year survival of any format in this report.

Counterintuitive finding

The highest-grossing celebrity-associated nightlife property in the United States in any given year is typically operated by one of the multi-unit hospitality groups — Tao Group or Catch or a small handful of others — and the celebrity association is a function of recurring customer relationships, not of paid endorsement. The properties that bet on celebrity appearance fees to drive demand produce substantially weaker returns. The mechanism is simple: celebrities who attend a venue because they genuinely want to be there generate materially better social content and brand equity than celebrities who appear because they were paid to.

Forward indicator (next 18 months)

Watch for additional nightlife and entertainment brands following the E11EVEN playbook into branded residential real estate. E11EVEN Residences Beyond's delivery and the long-term occupancy and resale performance of the original tower will establish the first hard data on whether nightlife-branded residential holds its pricing over a full market cycle. If it does — and early signals suggest it will — expect a wave of additional entertainment-brand residential announcements across Miami, Las Vegas, Dubai, and potentially Dallas and Nashville through 2027 and 2028. Watch also for the gradual consolidation of the traditional nightclub segment as independent clubs without multi-unit operator infrastructure face continued margin pressure. The winners over the 2026-to-2028 window will be the operator-led groups with paths to branded residential; the losers will be the venue-by-venue independents who built their economics on celebrity appearance fees.

NIGHTLIFE — KEY TAKEAWAY

Nightlife is the celebrity hospitality sub-category with the weakest direct-ROI economics on single-venue celebrity appearance structures and the strongest economics for operator-discipline models. Tao Group Hospitality and Catch Hospitality Group represent the template at the venue level — celebrity as recurring customer, restaurant-nightlife hybrid format, DJ residencies and recurring revenue structures. E11EVEN Miami's sold-out dual-tower branded-residences development represents the emerging case for how entertainment brands with genuine operational depth can extend into real estate capital markets that the single-club model cannot access. Celebrity appearance fees at nightclub openings remain a structurally unfavorable deal on current operating economics.

Part III — Appearance Fee and Deal Benchmarks

The celebrity hospitality industry has historically operated without published benchmarks for what different tiers of celebrity involvement actually cost. Every deal is negotiated bespoke. Every operator has to reconstruct market pricing from fragmented conversations with agents, managers, and other operators. This has produced systematic overpayment at the low end of the category (operators who do not know what market rates look like) and systematic underpayment at the high end (celebrities whose representatives do not have visibility into what top-tier deals are paying).

The benchmarks below reflect composite industry ranges drawn from public deal reporting, trade commentary, and sector experience. They are ranges, not single numbers, because deal values in this category legitimately vary by geography, celebrity tier, length of commitment, exclusivity, and specific obligation structure. The purpose is to give operators and talent representatives a defensible first-approximation of market pricing at each tier of involvement.

Tier 1 — Single-appearance activations

A celebrity appears at an opening night, anniversary event, or single-occasion activation. Walks the red carpet or the dining room. Poses for photos. May make brief remarks. Duration: 60 to 120 minutes on site.

Celebrity tier	Low	Mid	High	Notes	Trend
Regional / micro-celeb	\$5K	\$15K	\$35K	Local market relevance	Flat
National recognition	\$25K	\$60K	\$125K	Trade press audience	Flat
Tier-1 A-list	\$100K	\$250K	\$500K	Top-tier recognizable	Up
Global celebrity	\$250K	\$750K	\$2M+	Global multi-market reach	Up

The market for single-appearance activations has softened at the mid-tier over the past three years as social-media payoff has declined and has firmed at the high tier as genuine global celebrities have become scarcer relative to demand. The most important structural observation at this tier is that single-appearance ROI has declined materially since approximately 2019. Operators should expect shorter-duration press cycles and shorter social-content halflives than they planned around a decade ago.

Tier 2 — Ongoing "face of" arrangements

A celebrity serves as a brand ambassador for a specific property or group for a defined period (typically 12 to 36 months). Obligations include 4 to 8 appearance days per year, social media posts at specified frequency, and exclusivity within the hospitality category. Compensation structure: annual fee, sometimes with performance bonuses, occasionally with modest equity.

Celebrity tier	Annual low	Annual mid	Annual high	Equity component	Notes
Regional / micro	\$50K	\$150K	\$300K	Rare	Multi-year rare
National	\$250K	\$600K	\$1.2M	0–2%	Trade standard
Tier-1 A-list	\$750K	\$2M	\$5M	1–5%	Most common tier
Global celebrity	\$2M	\$5M	\$10M+	2–8%	Rare, high-profile

This tier is the most-contested in the current market. Operators increasingly prefer to restructure "face of" arrangements into equity-carry partnerships, on the logic that the alignment of incentives produces better brand outcomes and caps cash exposure. Celebrities whose representatives have historically negotiated for maximum cash are increasingly accepting larger equity components in exchange for reduced fees, which aligns interests in the direction the operator wants.

Tier 3 — Equity-partner and founder arrangements

The celebrity holds meaningful equity in the property or group, typically 3% to 20% depending on the celebrity's commercial lift and the specific property structure. Commitments are multi-year (often 10+ years). Cash compensation is minimal or zero. Economic return is captured at exit, at secondary transactions, and through ongoing distributions if the property or group produces them. This is the tier where the decade's largest celebrity hospitality outcomes have been generated.

Arrangement type	Equity range	Commitment	Cash fee	Outcome profile	Examples
Single property	5–15%	10+ years	Low / none	Durable if well-structured	Various
Multi-unit group	10–25%	15+ years	None	Large upside at scale	Nobu model
Founder operator	25–51%+	Indefinite	None	Highest upside, highest bar	Founder-led

Arrangement type	Equity range	Commitment	Cash fee	Outcome profile	Examples
Residential license	Fee + unit %	Project-based	Milestone	Capital event driven	Growing segment

The Nobu partnership structure falls within the multi-unit group tier. Most successful celebrity restaurant and hotel deals of the past decade have been structured in this tier or in the single-property tier. The founder-operator tier is rarer in hospitality than in beauty or spirits, because hospitality's operating intensity is higher than most celebrities want to take on. The residential license tier is the fastest-growing segment as branded-residences continue to expand.

Tier 4 — Strategic advisory and board structures

Some celebrity hospitality arrangements are structured as strategic advisory relationships with board seats or formal advisory compensation rather than operating equity. These arrangements exchange smaller economic participation for reduced operating exposure and can suit celebrities whose interest is in brand association and governance participation rather than in day-to-day operational involvement.

Role type	Cash	Equity	Commitment	Obligations	Notes
Board observer	\$25K/yr	0%	Flexible	4–6 meetings/yr	Entry tier
Formal board member	\$75–250K	0.1–1%	2–5 yrs	8–12 meetings/yr	Governance active
Strategic advisor	\$100–500K	0.5–2%	3 yrs	Quarterly deep-dive	Operator-preferred
Chair (named)	\$500K+	1–5%	5+ yrs	Significant presence	High profile

Deal structure red flags

Operators evaluating celebrity hospitality proposals should treat the following structural features as red flags. Each of them, alone, does not disqualify a deal, but deals that combine three or more of them have consistently underperformed across fifteen years of industry history.

- **Opening-weekend-only celebrity commitment.** If the celebrity's obligations are concentrated in the first 30 days and become optional thereafter, the operator is paying for a peak that dissipates before repeat-customer economics take over.
- **Cash-heavy, equity-light structure.** Front-loaded cash with minimal equity produces celebrity incentives that are inverse to the property's long-term interests. The property needs the

celebrity most in years two through seven; the celebrity's economic interest is largest in year zero.

- **No specific minimum appearance days.** Vague language about "ongoing support" and "promotional participation" is not actionable. Deals that work have specific numbers — 6 days per year in the property, 4 international appearances, 12 social media posts.
- **Licensing arrangement structured as partnership.** If the celebrity has no equity, no board seat, and no operating approval rights, the deal is a licensing deal regardless of how it is labeled. Licensing deals in hospitality have higher failure rates than equity deals.
- **No named professional operator.** If the partnership consists only of the celebrity and a category expert (chef, hotelier), without a third-leg professional operator, the structure is fragile. Ask who is running this property in year five when one of the principals is less engaged.

Part IV — The Hospitality Fit Index

The Hospitality Fit Index is a five-variable scoring model that hospitality operators and talent representatives can apply to specific celebrity-property pairings before structuring a deal. It is not a substitute for commercial judgment; it is a disciplined way to ensure that the structural questions that predict durability have been answered before the financial terms are negotiated.

The five variables

- **Category authenticity.** Does the celebrity have a verifiable, observable pre-existing relationship to the category, cuisine, or concept? This is the single strongest predictor of durable celebrity hospitality outcomes.
- **Commitment credibility.** Is the celebrity's multi-year commitment credible given their other professional obligations? Celebrities with active performance or sports careers often cannot actually commit to the appearance cadence that successful hospitality deals require.
- **Operator quality.** Is the professional hospitality operator (the third leg) genuinely multi-unit experienced and adequately resourced? Deals with weak operator infrastructure produce service deterioration within 24 months.
- **Concept fit.** Does the specific concept (cuisine, positioning, market) make structural sense in the proposed market? Celebrity association cannot compensate for fundamental concept-market misfit.
- **Economic structure.** Does the deal's economic structure align celebrity incentives with long-term property performance? Front-loaded deals produce front-loaded celebrity engagement.

The scoring rubric

Each variable is scored on a 1-to-10 scale. Composite scores below 5.0 indicate deals that the data suggests will fail. Composite scores of 5.0 to 6.5 indicate deals with meaningful downside risk that can sometimes be mitigated by specific structural improvements. Composite scores above 6.5 indicate deals with strong structural fundamentals.

Variable	Score 1–3	Score 4–6	Score 7–10	Weight	Notes
Authenticity	Manufactured	Adjacent	Deep prior	20%	Single strongest
Commitment	Unlikely	Uncertain	Verified	20%	Check calendar
Operator	Weak / absent	Single-unit	Multi-unit luxury	20%	Third leg

Variable	Score 1–3	Score 4–6	Score 7–10	Weight	Notes
Concept fit	Poor market	Plausible	Strong strategic	20%	Market test
Structure	Front-loaded	Mixed	Equity aligned	20%	Multi-year

Applying the Fit Index: three example scorings

Example A — A Nobu-equivalent deal structure (illustrative)

Celebrity with 4+ years of documented personal relationship to the cuisine. Multi-decade commitment credibility. Professional multi-unit luxury hotel operator secured. Strong concept-market fit in a gateway city. Equity-heavy, long-vesting economic structure.

Variable	Score	Evidence	Weight	Weighted	Total
Authenticity	10	4+ years prior	20%	2.0	
Commitment	9	Verified	20%	1.8	
Operator	10	Multi-unit lux.	20%	2.0	
Concept	9	Gateway strong	20%	1.8	
Structure	10	Equity aligned	20%	2.0	9.6

Composite: 9.6 / 10. Structurally aligned across all five variables. Deals in this range represent the rare upper end of the category.

Example B — A mid-tier celebrity restaurant deal (illustrative)

Celebrity with general public interest in food but no category-specific history. Uncertain multi-year commitment given concurrent career activities. Single-unit operator, experienced but not multi-unit. Plausible concept for the target market. Mixed economic structure with meaningful upfront cash and modest equity.

Variable	Score	Evidence	Weight	Weighted	Total
Authenticity	5	Adjacent only	20%	1.0	
Commitment	5	Uncertain	20%	1.0	

Variable	Score	Evidence	Weight	Weighted	Total
Operator	5	Single-unit	20%	1.0	
Concept	6	Plausible	20%	1.2	
Structure	5	Mixed	20%	1.0	5.2

Composite: 5.2 / 10. Meaningful downside risk. Deal is not structurally disqualified but each variable should be improved before signing. Priorities: secure a multi-unit operating partner, restructure economics toward equity with back-loaded vesting, and obtain specific calendar commitments from the celebrity.

Example C — A high-risk opening-fee nightclub deal (illustrative)

Celebrity with minimal nightlife association. Commitment effectively limited to opening weekend. Operator is a first-time club operator. Concept is a saturated category in a competitive market. Economic structure is cash-heavy with no equity.

Variable	Score	Evidence	Weight	Weighted	Total
Authenticity	2	Manufactured	20%	0.4	
Commitment	2	Opening only	20%	0.4	
Operator	3	First-time	20%	0.6	
Concept	4	Saturated mkt	20%	0.8	
Structure	2	Front-loaded	20%	0.4	2.6

Composite: 2.6 / 10. The deal is structurally unlikely to survive 24 months on the operating-economics math. Recommend against signing. If the operator proceeds regardless, the celebrity's representatives should ensure cash fees are paid upfront rather than over performance milestones.

PART IV KEY TAKEAWAY

The Hospitality Fit Index produces a five-variable composite score for any celebrity-property pairing, scored from 1 to 10. Scores above 6.5 indicate structurally sound deals. Scores between 5.0 and 6.5 indicate deals that can be rescued with specific structural improvements. Scores below 5.0 indicate deals that should not be signed as-proposed. The framework is a first-approximation tool that disciplines deal evaluation; it does not substitute for commercial judgment on specific creative, financial, and market factors.

Part V — What Is Next

The celebrity hospitality category will look materially different in 2028 than it does in 2026. Four structural forces are reshaping the sub-category, and the operators positioning for each of them will capture disproportionate upside relative to operators who assume the next five years will resemble the last five.

1. Branded residential is where the economic center is moving

The shift has been discussed in Section 3. The magnitude of the economic reallocation is worth emphasizing here. Branded-residences sales globally are projected to exceed \$100 billion annually by the end of the decade, and celebrity-brand associated projects command licensing and management fee structures that restaurant or hotel-only operations cannot match. A hospitality group that does not have a branded-residences strategy by 2027 will be competing at a structural economic disadvantage against peers who do.

The specific opportunity for hospitality operators is the capital-light brand extension model. Nobu's approach — license the name, standards, and F&B into developer-owned residential projects — produces economic returns proportional to the brand's operating history without requiring the operator to take on residential capital risk. Other hospitality brands with sufficient operating maturity are positioned to follow. Tao Group's recent expansion signals suggest the group could execute a similar extension, though the group's public positioning has been more focused on hotel rollout. Catch Hospitality Group, with its 1,000+ employees across seven markets and growing bi-coastal operation, has the operating foundation that branded-residences expansion would require, though no public signal on that path has been given.

2. The Middle East and Asia-Pacific are where the next decade's ceiling will be set

The upper bound of celebrity hospitality deal economics will be reset in the Middle East and Asia-Pacific over the next 36 months. Saudi Arabia's NEOM, Red Sea Project, and broader Vision 2030 initiatives have been absorbing branded hospitality announcements at unprecedented scale. The UAE continues to expand branded-hospitality inventory in Dubai and Abu Dhabi. Southeast Asian markets, particularly Thailand and Indonesia, are absorbing new celebrity-associated luxury resort development.

The economic scale at which these projects are being capitalized is larger than the U.S. or European benchmarks of the past decade. A single Middle Eastern branded-residence project may include 200+ units at \$3 million to \$10 million each, producing gross sell-out values in the \$1 billion to \$2 billion

range. Celebrity brand association at that scale will be compensated at higher absolute figures than U.S. deals have produced. Operators and celebrity representatives positioning for this market should understand that the deal templates that work in New York or Los Angeles may not translate directly to Riyadh or Dubai, and local partner selection is significantly more important than in mature markets.

3. Entertainment and nightlife brands will extend into branded residential at accelerating pace

The single clearest structural development in celebrity hospitality over the next 24 months is the continued extension of entertainment and nightlife brands into branded residential real estate. E11EVEN Miami's dual-tower development — the first 24/11 branded residential entertainment destination, with the flagship tower selling out in three months and the sister tower in six — has established the commercial precedent. Nightlife and entertainment groups with genuine operational depth now have an exit and expansion pathway that fundamentally changes the sub-category's economics.

Operators considering this pathway should be disciplined about the prerequisite. The branded-residential extension works when the brand has accumulated sufficient operational quality, cultural reach, and customer loyalty to anchor a multi-hundred-million-dollar real estate development. It does not work for brands whose operational foundation is shallower than that. Developer partners (PMG in the case of E11EVEN) validate the operational foundation before committing capital. Brands that have not built the foundation should continue to build it before pursuing the extension.

4. AI and the authenticity premium

Artificial intelligence is reshaping celebrity-brand economics across every category. In hospitality, the effect will be specific: AI-generated celebrity content (voice, image, text) will proliferate in lower-tier hospitality marketing over the next three years, and the authenticity premium attached to celebrities who genuinely operate their hospitality properties will increase accordingly. The Fit Index variable of category authenticity — already the strongest predictor of durable outcomes — will become more important, not less, as synthetic celebrity content dilutes the value of manufactured celebrity associations.

The practical implication is that celebrity hospitality deals that can survive a simple authenticity test — would this celebrity credibly be at this property even without compensation — will command increasing premiums. Deals that fail that test will increasingly be indistinguishable from AI-generated content in the consumer's perception, and will deliver correspondingly diminishing returns.

Forward indicators: what to watch through 2027

- **Tao Group's first branded hotel opening in Orlando.** If the property opens at or above pro forma and establishes operational consistency with the group's restaurant business, it will validate the restaurant-operator-led hotel extension model and open the path for additional groups to follow.
- **E11EVEN Residences Beyond post-delivery performance in Miami.** Resale velocity and pricing after the first ownership cycle will provide the first hard data on whether entertainment-brand residential holds its value across a full market cycle.
- **Robert De Niro's Barbuda resort completion in 2027.** If the project opens at the contemplated unit pricing and achieves strong early sell-out, it will establish a new reference point for celebrity-led destination residential development.
- **The first celebrity-branded Middle Eastern project at \$1B+ gross sell-out.** When it lands, it will reset the upper bound of deal economics for the category globally.
- **Additional entertainment-brand residential announcements following the E11EVEN model.** Expect similar projects in Las Vegas, Dallas, Nashville, and Dubai over the 2026-to-2028 window as operators with genuine depth pursue the newly validated extension pathway.
- **FTC enforcement on celebrity hospitality endorsement disclosure.** The FTC's increased focus on influencer and celebrity disclosure is likely to extend into hospitality marketing within the next 24 months, particularly for social-media content.

PART V KEY TAKEAWAY

The celebrity hospitality category through 2028 will be shaped by four forces: the continued migration of economic upside from restaurants and hotels into branded residential; the reset of upper-bound deal economics in the Middle East and Asia-Pacific; the extension of entertainment and nightlife brands into branded residential real estate at accelerating pace; and the increased premium on authentic celebrity involvement as AI-generated content dilutes manufactured celebrity associations. Operators and talent representatives who position for these forces will capture disproportionate upside; operators who assume continuity will compound disadvantage.

About the Firm

About 5W

5W Public Relations ([5wpr.com](https://www.5wpr.com)) is one of the largest independently owned public relations firms in the United States. With more than 275 professionals headquartered in midtown Manhattan, 5W's client work spans corporate communications, consumer branding, crisis management, digital marketing, and public affairs.

The agency serves clients across B2C categories including Beauty & Fashion, Consumer Brands, Entertainment, Food & Beverage, Health & Wellness, Travel & Hospitality, Technology, and Nonprofit, as well as B2B and corporate reputation, public affairs, and crisis communications. Digital capabilities include social media, influencer marketing, paid media, and search and generative engine optimization (SEO and GEO).

5W has been recognized as a Top 50 Global PR Agency by PProvoke Media, a top-three New York City PR agency by O'Dwyer's, named to Inc. Magazine's Best Workplaces list, and has been awarded multiple American Business Awards including a Stevie Award for PR Agency of the Year.

Additional 5W properties and commentary appear at [5wpr.net](https://www.5wpr.net) and [everything-pr.com](https://www.everything-pr.com), the agency's industry news publication. 5W's sister agency [Virgo PR](https://www.virgo-pr.com) provides specialized consumer-brand and lifestyle communications services.

About this report

The Hospitality Celebrity Index is a research report of 5W, published in 2026. The report draws on public financial disclosures, industry trade data, and primary commentary from hospitality operators and industry professionals to provide a sub-category analysis of how celebrity involvement creates durable value in hospitality and where the structural signals predict failure.

For media inquiries, custom research collaborations, or licensing of the Hospitality Fit Index for deal evaluation engagements, contact 5W at info@5wpr.com.

Appendix — Source List

This appendix consolidates the primary sources cited throughout the report, organized by section. All URLs were verified live as of publication.

Part I and Executive Summary — Structural Data

- [National Restaurant Association. Industry statistics and failure rate benchmarks.](#)
- [Restaurant Business. Top 100 Independent Restaurants annual rankings.](#)

Part II — Restaurants

- [Nobu — Wikipedia. Consolidated corporate history and financial data.](#)
- [Patience Realty / Bloomberg interview coverage. How Nobu Matsuhisa and Robert De Niro built a global luxury empire.](#)
- [Tao Group Hospitality corporate site. Brand portfolio and operating structure.](#)
- [Tao Group Hospitality — Wikipedia. Corporate history, Hakkasan merger, Mohari transaction.](#)
- [Tao Asian Bistro — Wikipedia. Revenue history and Restaurant Business rankings.](#)
- [Variety \(April 2023\). Tao Group sold to Mohari for \\$550 million.](#)
- [Restaurant Business \(April 2023\). MSG Entertainment agrees to sell Tao Group Hospitality.](#)
- [Hospitality Design \(May 2023\). Tao Group Hospitality Tepperberg and Strauss interview.](#)
- [Profile Magazine \(2025\). Tao Group Hospitality expansion and partnerships.](#)
- [Catch Hospitality Group corporate LinkedIn. Portfolio and operating footprint.](#)
- [Eugene Remm professional bio. Catch Hospitality Group founder background and multi-market operations.](#)
- [Mark Birnbaum professional bio. Catch Hospitality Group co-founder and expansion history.](#)
- [CultureMap Houston \(2017\). Tilman Fertitta's 50% partnership with EMM Group \(now Catch Hospitality Group\).](#)
- [Eugene Remm — Wikipedia. Professional background and EMM Group founding.](#)

Part II — Hotels and Residences

- [Nobu — Wikipedia. Hotel portfolio, corporate milestones, and Manchester project.](#)
- [1 Hotels / SH Hotels. Barry Sternlicht's hospitality brand portfolio.](#)
- [Four Seasons Hotels and Resorts. Branded residence portfolio and expansion.](#)
- [Aman Resorts. Branded residence projects and global expansion.](#)
- [E11EVEN Residences official website. Dual-tower development, project details, amenities.](#)
- [11Miami. New luxury properties with E11EVEN Residences Beyond expansion.](#)
- [Miami Condo Investments. E11EVEN Hotel & Residences project overview and specifications.](#)

Part II — Nightlife

- [Tao Group — Medium / Global Times \(2025\). Inside the Rise of Tepperberg and Strauss.](#)
- [Soho House corporate. Members club expansion and international strategy.](#)
- [Major Food Group. ZZ's Members Club and premium-hospitality expansion.](#)

Part III — Deal Benchmarks

- [Clickanalytic. Celebrity endorsement fees and tier structures.](#)
- [Influencer Marketing Hub. Annual benchmark reports on celebrity and creator compensation.](#)

Part V — Forward Indicators

- [Skift. Hospitality industry news, branded residences, and market trends.](#)
- [Hospitality Design. Branded residence trends and hotel design coverage.](#)
- [Hotel Business. Branded residences market data and operator strategies.](#)

Methodology note

All URLs were verified live as of the publication date. Financial figures attributed to specific celebrity brands and operating groups reflect the most recent publicly available data as of the reporting dates cited. Private company valuations without disclosed capital events are flagged as estimates in the relevant sections. Deal benchmark ranges reflect composite industry data and are intended as first-approximation reference points; specific deal values vary by geography, celebrity tier, commitment structure, and individual negotiation.

The Hospitality Celebrity Index is a research report of 5W. Publication: 2026.