vinetur

French hospitality business failures rose to 9,474, up 56.3% from 2019

The study found deeper distress, with 67.1% of insolvencies entering direct liquidation rather than reorganization

Thursday, November 26, 2026



Corporate failures in France’s accommodation and food service sector rose 7.31% from a year earlier over the 12 months through October 31, reaching 9,474 businesses, according to a FailliteTracker statistical study published Thursday. The increase matters

across hospitality because it points to continuing stress for restaurants, hotels and other operators even after the sharp post-pandemic rebound in activity.

FailliteTracker said the latest total was 56.3% above the same period in 2019, or 3,414 more failed businesses, and 41.7% above the 2010-2019 annual average of 6,686. The study defines failures as distinct companies that entered an initial court-supervised reorganization or liquidation proceeding. It excludes safeguard proceedings and later conversions from reorganization to liquidation.

The figures show a sector that has been under pressure for several years. FailliteTracker’s rolling 12-month count stood at 6,060 in 2019, then fell to 4,347 in 2020 and 2,501 in 2021 during the pandemic period before climbing back to 4,636 in 2022, 6,984 in 2023, 8,205 in 2024, 8,829 in 2025 and 9,474 by October 31, 2026. The pace of growth has slowed since the large jumps seen in 2022 through 2024, but the study said it was too early to call that a turning point. The rolling total slipped only slightly between the end of September and the end of October, from 9,488 to 9,474.

For restaurants, the pressure was broad but uneven. Traditional restaurants recorded 3,856 failed businesses over the 12 months through October 31, up 4.41% from a year earlier, FailliteTracker said. Fast food recorded 3,565 failures, up 8.95%, which means failures in that segment rose at roughly twice the pace of traditional restaurants. The gap is important because fast food is often seen as more resilient, yet the volume of failures in that segment is now approaching the level in traditional dining.

Other parts of the market also showed strain. Cafes and bars recorded 1,286 failures, up 7.71%. Hotels recorded 327, up 24.81%. Tourist accommodations rose to 140, up 50.54%, although FailliteTracker said changes in smaller categories should be treated with caution because low volumes can amplify percentage swings. Caterers were one of the few segments to improve, with 247 failures, down 1.59%. Campgrounds fell to 23, down 36.11%.

FailliteTracker also found that many businesses are reaching insolvency in a more severe financial state. Between January 1 and October 31, 2026, 7,887 companies in the sector entered a failure procedure, and 5,292 of them, or 67.1%, went directly into judicial liquidation rather than reorganization. In fast food, the share of direct

liquidations was more than seven in 10, the study said, suggesting that many operators are already in deep distress by the time they enter court proceedings. Hotels more often entered reorganization first, which FailliteTracker linked to the larger property and business assets in that part of the market.

The study paired those market figures with a separate fall 2026 survey by the Groupement des Hôtelleries et Restaurations de France, or GHR, a French industry group. In that survey of 338 professionals, 57% said they were weakened or in difficulty, 45% said business had deteriorated over the past two years, 58% reported limited investment capacity and 33% said they had no investment capacity at all. FailliteTracker cited the results as evidence that financial pressure extends beyond companies that have already failed.

The source text also cited a separate GHR figure stating that 44% of independent restaurateurs surveyed said they could no longer invest at all. Elsewhere in the same study, FailliteTracker summarized the GHR findings by saying 33% of respondents across the wider sector had no investment capacity. The difference reflects different sample cuts rather than a direct contradiction: one refers to independent restaurateurs, while the other refers to the broader survey population.

Taken together, the market data and the GHR survey suggest that the problem is not only customer demand. In the GHR survey, 84% of respondents cited costs as a difficulty, compared with 44% who cited a lack of customers. FailliteTracker said that pattern may help explain why some businesses remain vulnerable even when trading activity appears healthy. The study stopped short of claiming that weak investment causes insolvency, noting that the GHR survey is self-reported and not representative of the entire sector.

Hotels offer one of the clearest examples of that disconnect. FailliteTracker noted that sector data cited by GHR showed hotel overnight stays rising 1.4% in the second quarter of 2026, while hotel business failures still increased 24.81% on a rolling 12-month basis and tourist accommodation failures rose 50.54%. The study cautioned that the datasets do not cover the same periods or populations, but said the comparison underlines a basic point: stronger activity does not necessarily translate into stronger

solvency when operating costs, debt service, renovation needs and property-related investment remain heavy.

The regional picture was also uneven. Among departments with meaningful numbers of failures, Loire-Atlantique rose from 141 to 202 cases, up 43.3%, Hérault rose from 196 to 268, up 36.7%, and Hauts-de-Seine rose from 154 to 207, up 34.4%. Seine-Saint-Denis climbed 24.9% and Nord rose 20.5%. Paris was nearly flat, rising 1.3% from 620 to 628. Some areas moved in the opposite direction, with Gironde down 3.9%, Alpes-Maritimes down 16.3% and Seine-Maritime down 28.2%. FailliteTracker said those differences should be read carefully because a full local default-rate analysis would also need the total number of hospitality businesses in each department.

FailliteTracker said its data extraction was carried out on November 26 and covered French activity classifications 55 and 56, which include lodging and food services. The figures are based on distinct company identifiers and are set as of October 31, 2026. The study said the totals may still be revised if court publications are filed late.