



 **Horwath HTL™**
Hotel, Tourism and Leisure

2019 INDIAN SUB-CONTINENT Hotel Industry Survey of Operations

2018

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FOREWORD BY HORWATH HTL INDIA



Horwath HTL India is pleased to present the India Hotel Industry Survey for the year 2018. In this issue we present an analysis of the operating performance of 200 hotels with 36,137 available rooms.

Occupancies have increased with demand growth and slower supply growth. A like for like comparison (with hotels participating in the 2018 survey), reflects occupancy crossing 70% mark. ADR levels have touched 6.5k.

I would like to offer our sincere appreciation to all survey participants for your longstanding support of this publication. We are grateful for any feedback or comments you may have to offer that will assist us in continuing to improve the utility of this survey.

Vijay Thacker
Director
Horwath HTL India

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SURVEY INTRODUCTION

SURVEY ACCURACY NOTES

The benchmark data presented in this survey of operations for the hotel industry offers users a baseline reference on the operational performance of hotels in each category by and large. With great emphasis on presenting accurate benchmarks, the following fundamentals on the results presented should be noted.

Service Charges: In accordance to the Uniform System of Accounts for the Lodging Industry and IRAS's treatment of Service Charges as taxable income, all respective departmental revenues, Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR) are inclusive of Service Charges.

Previous Year Comparisons: For previous year's comparisons we have only considered hotels that have participated in both years. This year we have additional participation, from new hotels across all categories, compared to last year, thereby changing the mix of participants. Therefore, the YoY comparison is done only for hotels with data for both years i.e. 2017 and 2018 (data for both years is available for 98 hotels).

Line Items: Vertical totals and averages may not add up as each average indicator is based on the hotels that contribute data for each specific line item.

Requisite Sample Size: Each average benchmark figure will only be presented if the number of respondents is more than 10 percent of the total respondents in the respective column group. Anything less than 10 percent will be show as Not Available (N/A).

Categories by Number of Rooms: We have analysed hotels based on rate category and location. We have chosen not to segment hotels by number of rooms as a category along with average daily rates and locations to avoid misleading data. If we rely solely on number of room size, data from hotels in different segments, such as budget and luxury, could be combined and create false averages. Analysis of performance data is therefore based on rate category and location provides stronger and more accurate data.

Categories by Markets: We have also analyzed the data based on markets and locations. The markets are classified as under

- Top 3 metros: Delhi NCR, Mumbai and Bengaluru
- Other Metros + Primary Cities – Goa, Chennai, Hyderabad, Kolkata, Pune, Ahmedabad, Jaipur and Kochi
- Other Markets: Locations within India other than those mentioned above
- Regional Market: Includes hotels outside India i.e. Sri Lanka, Bangladesh, Nepal and Bhutan

TABLE I.1 – SURVEY SUMMARY

SUMMARY OF RESULTS	2018
Total Number of Hotels	200
Total Number of Available Rooms per Day	36,136
Total Number of Occupied Rooms per Day	24,742
Occupancy	68.5%
Average Daily Room Rate (INR)	6,409
RevPAR (INR)	4,388
Average Rate per Guest Night (INR)	3,896
Total Revenue per Guest Night (INR)	7,330
Total Revenue per Available Room (INR)	2,889,777
Total Expenses per Available Room (INR)	1,765,404
GOP per Available Room (INR)	1,124,373
GOP as a Percentage of Revenues	39.0%
Fixed Charges (INR)	254,970
EBITDA per Available Room (INR)	869,403
EBITDA as a percentage of Revenue (INR)	30.2%

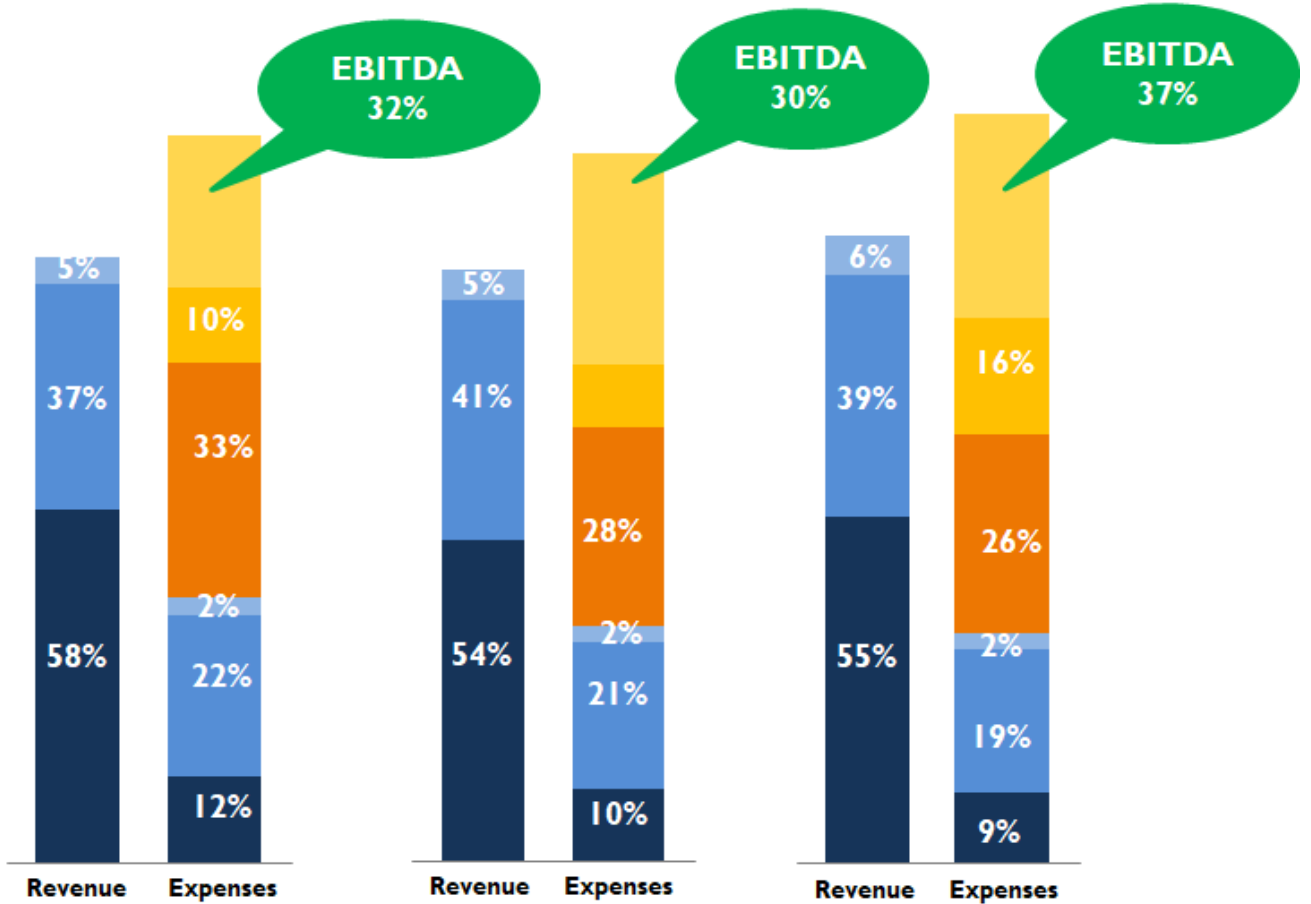
Note:

Vertical totals may not add up as averages are based on respondents that contribute for each

GOP: Gross Operating Profit

EBITDA: Earnings Before Interests, Taxes, Depreciation and Amortization

● Fixed Charges ● Undistributed ● Other Depts ● Food & Beverage ● Rooms



Below INR 3,500

ADR: INR 3,001
 Total Rev PAR: INR 1,171,243

Other 3% F&B Rev Mix
 Bev 14% Food 83%

F&B Rev POR: INR 1,915

Total Labour Cost To Revenue **22%**

38% Gross Operating Profit

All Hotels

ADR: INR 6,409
 Total Rev PAR: INR 2,889,777

Other 7% F&B Rev Mix
 Bev 17% Food 76%

F&B Rev POR: INR 4,812

Total Labour Cost To Revenue **20%**

39% Gross Operating Profit

Above INR 9,500

ADR: INR 12,133
 Total Rev PAR: INR 5,257,987

Other 8% F&B Rev Mix
 Bev 21% Food 71%

F&B Rev POR: INR 8,491

Total Labour Cost To Revenue **19%**

43% Gross Operating Profit