

RESEARCH INSTITUTE FOR TOURISM

Operation and Performance of Greek Hotels



RIT

January-November 2024

Basic Definitions

1. Occupancy Rate

- **Occupancy Rate:** The occupancy rate is defined for a specific month of the reference year (e.g. May, August) and it is equal to the ratio of overnight stays at occupied rooms to the maximum number of overnight stays that the rooms could have been occupied. Therefore, in a 20-room hotel the maximum number of overnight stays in August is $B = 20 \times 31 = 620$. The total number of overnight stays spent in the hotel in the same period is $A \leq B$ and finally the occupancy rate is calculated as A/B . This ratio is usually expressed as a percentage, as follows: $(A/B) \times 100 \%$.
- **Average occupancy rate (ratio estimator):** the average occupancy rate per room (mainly for the months of May-October). Hotels with a larger number of rooms participate more in the estimation.

Basic Definitions

2. Room Rate analysis

The hotel rate analysis in this survey is done both **at hotel level** and **at room level**.

Room Rate at hotel level:

- **The average room rate at hotel level** refers to the average cost of an overnight stay for a specific period and is calculated as a weighted average of the average room rate reported by hotels.
- **The median room rate at hotel level** is the rate that divides the total number of hotels into two equal parts. 50% of the hotels have an average room rate less than the median room rate and the other 50% more than the median room rate. 50% of hotels with room rate above the median and 50% of hotels with room rate below the median.

Room Rate analysis at room level :

- **The Average Room Rate (ARR)**, is an index used to calculate the average cost of each room for a given period. The average room rate is derived as a weighted average of the average room rate for all hotel rooms.
- **The median room rate at room level** is the value that divides the total number of rooms into two equal parts. 50% of the rooms have a value less than the median and the other 50% have a value greater than the median.

Basic Definitions

Average and Median Room Rate

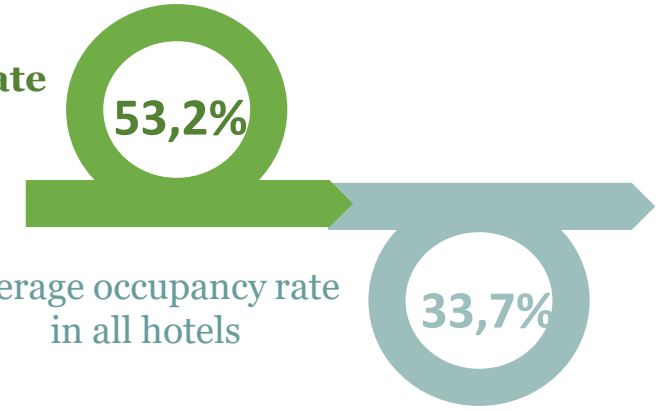
- In general, the average and median room rate at either hotel or room level, for a given month, display differences, with the average room rate appearing significantly higher than the corresponding median rate in almost all hotel classifications. This is because the average rate, by definition, takes into account all observations and is quite sensitive to the existence of outliers (hotels with very high room rates), which is not the case in estimating the median. The latter is calculated by considering only the central values of the distribution and is therefore not affected by outliers, dividing the distribution into two equal parts with 50% of the values below the median and the remaining 50% above it.

Basic Hotel Metrics (Year-round operating Hotels)

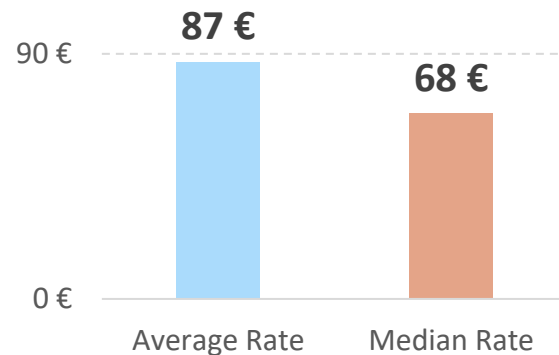
NOVEMBER 2024

81,4% of year-round hotels were open in November 2024

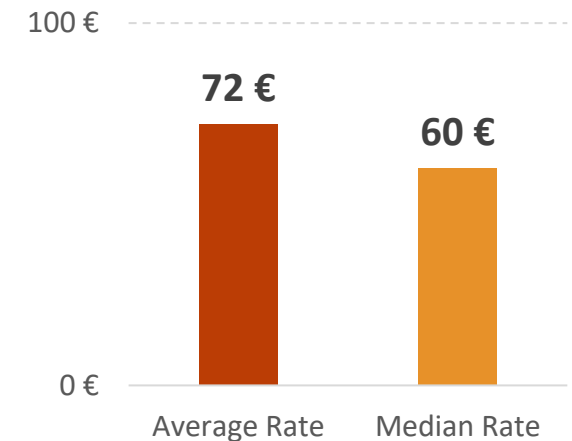
Average occupancy rate in operating hotels



Room Rate at room level



Room Rate at hotel level

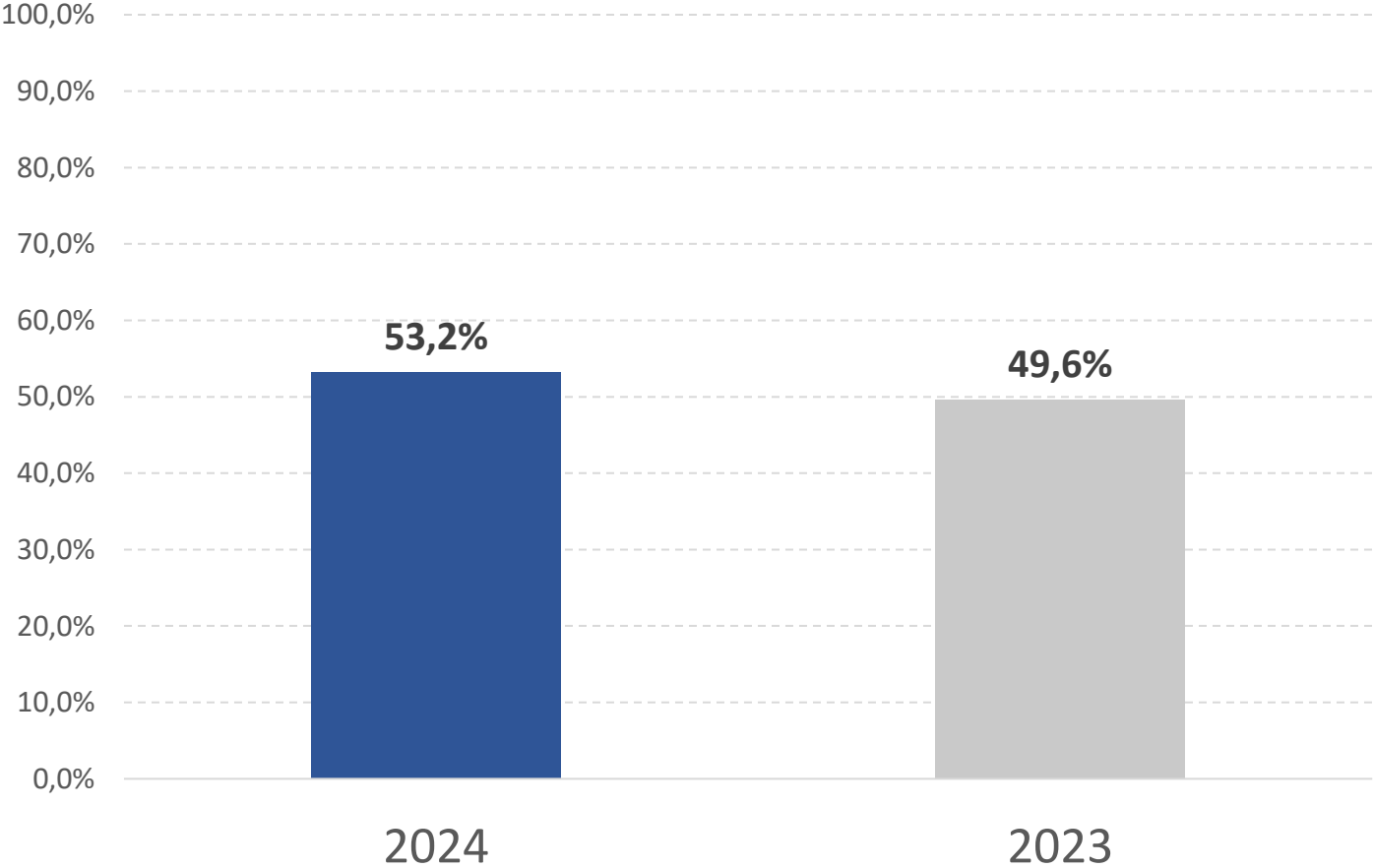


Hotel Operation and Performance

Occupancy Rate Analysis

Average Occupancy Rate of operating Hotels*

November 2024/2023



**Year-round Hotels*

Hotel Operation and Performance

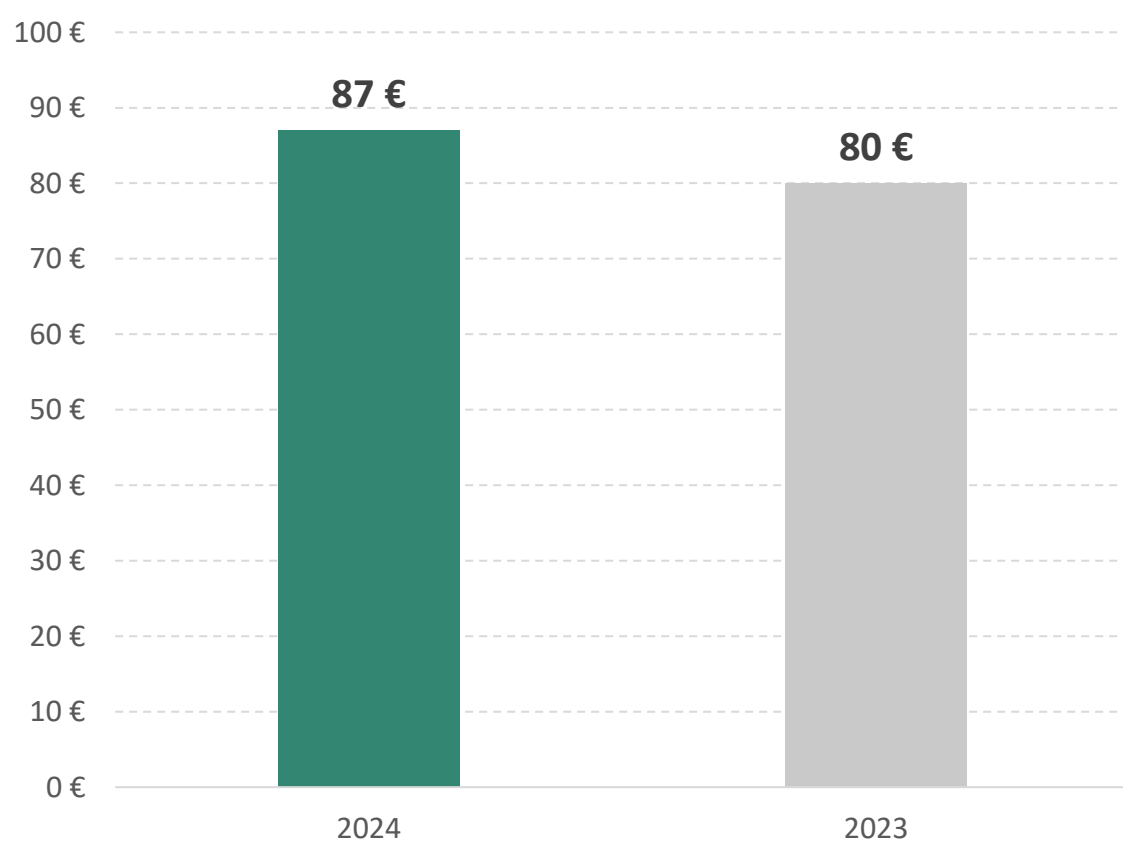
Room Rate Analysis at room level



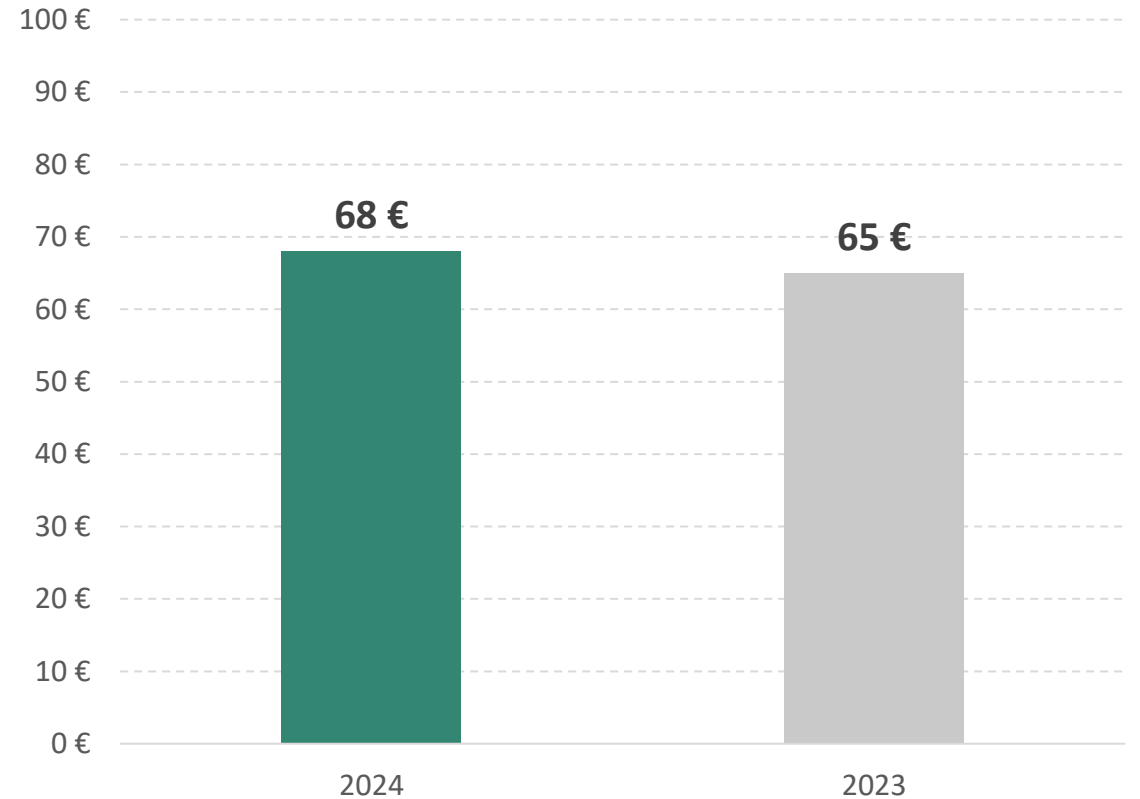
November 2024 /2023



Average Room Rate of a double room



Median Room Rate of a double room



Hotel Operation and Performance

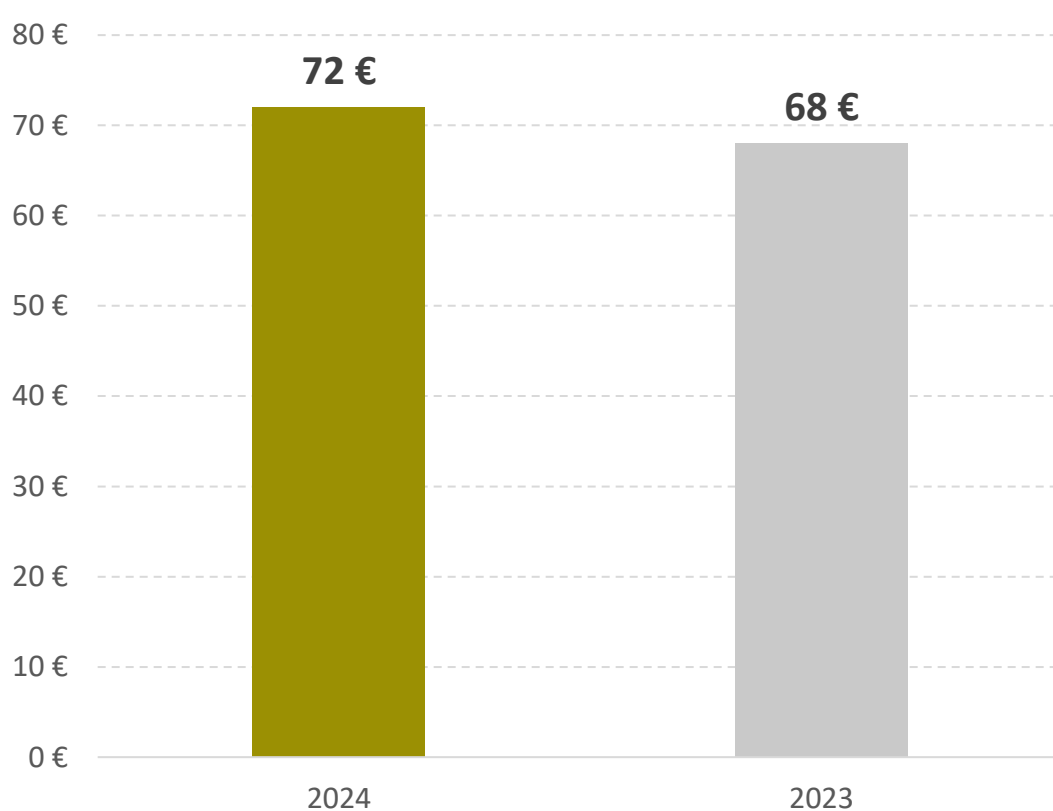
Room Rate Analysis at hotel level



November 2024 /2023



Average Room Rate of a double room



Median Room Rate of a double room

