



# Indian Hotel Industry Survey 2004-2005





## FOREWORD



The Federation of Hotel & Restaurant Associations of India is pleased to present the eighth annual edition of the Indian Hotel Industry Survey 2004-05 in cooperation with HVS International and our sponsor ECOTEL<sup>®</sup>. We started this research project in 1998 with operational and financial figures of the Indian hotel industry based on the responses received from our members for the financial year 1997-1998. We are happy to say that this project has been sustained by us for the last eight years and we hope to continue with it in future.

We are grateful for the cooperation extended by a large number of FHRAI hotel members who have supplied the detailed information on our format of Hotel Fact Sheet (HFS) for this survey report. The figures in this report are, therefore, based on authentic data from hotels across the country and give a true picture of the performance and trends in the Indian hotel industry in the year 2004-05. The document covers a number of areas in terms of facilities, manpower, occupancies, marketing trends and operational performance, integrating all aspects of the hotel industry. We are aware that a large number of hotel professionals, investors, bankers, consultants, researchers, government officers in tourism departments, media persons and others value this document for a study of the Indian hotel industry. Most of all, it provides reliable data for feasibility studies and investment decisions to those interested in setting up new hotel projects in various cities in India.

As in the previous years, we have included an analysis of seven major cities from where we have received detailed information and twelve other cities where information was available with us for some hotels, though not in sufficient number for all the star categories. We would like to include information on additional cities, provided we get sufficient number of responses from our member hotels through the Hotel Fact Sheet sent to them every year in April. We also urge upon them to try and send us their full financial / operational data as per the HFS, as many members are not including full data on these parameters. The result is that while we have basic data for 1,065 members, we have the financial data only for 509 hotels. We will continue to make efforts to persuade more of our hotel members to participate in this research project. We again assure you that all the data is used only for averages and no data on individual hotels are released by HVS International or by FHRAI to anyone under any circumstances.

We continue to strive for improvements in the content and presentation of the annual edition of the Indian Hotel Industry Survey. We will be happy to receive any comments and suggestions from the users of this report. We are thankful to HVS International for their continued support for this project for the past eight years. Our sincere thanks also to ECOTEL<sup>®</sup> who has sponsored the current edition.

**Manbeer Choudhary**  
*President, FHRAI*



## ABOUT HVS

HVS International is the world's leading full-service consulting and appraisal firm devoted exclusively to the hotel industry. Founded in 1980 in the United States, the company has 23 offices across the globe. Over the last 25 years, HVS International has performed more than 15,000 assignments throughout the world for virtually every major industry participant. Our principals literally "wrote the book" on hospitality consulting, authoring numerous authoritative textbooks and hundreds of articles.

HVS International is client driven, entrepreneurial, and dedicated to providing the best advice and services in a timely and cost efficient manner.

## OUR SERVICES IN SOUTH ASIA

- Consulting & Valuation Services
- HVS Executive Search
- Feasibility studies and return on investment analysis
- Market studies & desktop research
- Investment Services
- Ecotel® Certification Process
- Brokerage
- Management contract analysis and negotiation
- Operator selection
- Asset management (to be launched soon)
- Land bid evaluations and residual land valuations
- Franchise evaluation and selection

## CITIES COVERED IN SOUTH ASIA

- |                |                 |                      |
|----------------|-----------------|----------------------|
| • Agra         | • Greater Noida | • Mysore             |
| • Ahmedabad    | • Gurgaon       | • Nagpur             |
| • Allahabad    | • Hyderabad     | • Nasik              |
| • Amritsar     | • Indore        | • Navi Mumbai        |
| • Aurangabad   | • Islamabad     | • New Delhi          |
| • Bangalore    | • Jaipur        | • Noida              |
| • Bentota      | • Kanpur        | • Pune               |
| • Bhopal       | • Karachi       | • Ranchi             |
| • Bhubaneshwar | • Khajuraho     | • Rawalpindi         |
| • Calicut      | • Kochi         | • Siliguri           |
| • Chandigarh   | • Kolkata       | • Surat              |
| • Chennai      | • Lahore        | • Thiruvananthapuram |
| • Colombo      | • Lucknow       | • Udaipur            |
| • Coimbatore   | • Ludhiana      | • Vadodara           |
| • Dhaka        | • Male          | • Varanasi           |
| • Gandhinagar  | • Manali        | • Vizag              |
| • Ghaziabad    | • Manesar       |                      |
| • Goa          | • Mumbai        |                      |

## **HVS CONSULTING & VALUATION SERVICES**

HVS Consulting & Valuation Services has one of the most experienced professional staffs, an impeccable worldwide reputation and the highest level of credibility. Thus, hotel projects attract immediate attention when accompanied by an HVS consulting report. Our valuation and consulting services are driven by the needs of our clients. Those who come to HVS want information that is highly regarded and accepted by leading lenders, investors, operators and other interested parties. We stand alone in our support for investors and operators who are new to this marketplace, as well as to those who have vast experience in hospitality. The unique needs of each client are met because we structure our assignments in order to meet your timing needs and all of your other requirements.

### **THE HVS SOLUTION**

HVS International was founded to satisfy the demand for strong consultation services and valuation needs. Over the years, the scope of our professional services has expanded to include a wide range of consulting activities. Our database of hotel information, combined with broad insight and extensive local and international experience, enables HVS Consulting & Valuation Services to produce well-documented appraisal reports that contain fully supported value conclusions.

Our consultants and appraisers understand the hotel business. Most have degrees in hotel management from top international hotel schools, and each has actual hotel operating experience. Our staff has extensive training in real estate and valuation techniques.

### **THE HVS METHODOLOGY**

We have a database of information along with broad insight and extensive experience that enables us to produce well-documented consulting reports that contain fully supported recommendations and conclusions. The HVS approach on hotel and real estate appraisal is the approach most widely used by hotel management companies, financial institutions and banks, equity investors and developers of hotels in formulating their investment decisions in the South Asian hospitality industry.

## **OPERATOR SEARCH & MANAGEMENT CONTRACT ADVISORY SERVICES**

If you are an investor interested in the hospitality industry, you need to be willing to put your money into a market that is increasingly sophisticated and global in its outlook. Differences in local markets, legislation, business cultures and positioning issues must be effectively communicated in a way that is meaningful in an international context. In today's competitive market environment, hotel operators and owners must work harder than ever to satisfy the increasingly well-traveled and discerning customer. Through our operator search and management contract advisory services, we support hotel owners and operators in making optimal decisions. Our objective is to provide a win-win solution.

## **HOTEL INVESTMENT CONFERENCE SOUTH ASIA**

Hospitality sector in South Asia has shown robust performance in the past two years resulting in huge growth in the form of enhanced investment and development opportunities. Addressing the needs arising out of high interest levels in South Asia, HICSA 2006 aims to bring all the stakeholders of the hospitality industry together. For registration enquiries visit [www.hvsinternational.com/HICSA](http://www.hvsinternational.com/HICSA) or e-mail [hicsa@hvsinternational.com](mailto:hicsa@hvsinternational.com)



THE HALLMARK OF ENVIRONMENTALLY SENSITIVE HOTELS.

The ECOTEL® Certification program is not just for Hotels that want to effect increased cost-saving benefits for themselves, but also for Hotels that want to give something worthwhile back to the environment by providing a benevolent helping hand to the community on the whole. These benefits might be multihued, but will ultimately lead to an improved inter-community relationship while providing a healthy and safe future for the world.

The ECOTEL® Certification is given to hotels, which show a heightened level of environmental responsibility. The **certification** is based on 5 criterions termed as **globes**:



**A hotel must achieve at least 2 of the 5 ECOTEL® globes to qualify as an ECOTEL® Hotel.**

A hotel primes for an ECOTEL® certification by creating and implementing a meticulous environmental program according to the ECOTEL® globes. Each of these globes is unique in the sense that, in isolation it covers one responsible aspect of the environment, and all together in totality encompasses the environmental ethos of our earth. The ECOTEL® certification once granted lasts for two years during which period the hotel must submit to regular inspections, to ensure the steadfast belief and unmitigated faith in their environmental curriculum.

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#### **Cities where new ECOTEL® Hotels are planned:**

Pune, Lonavala, Jaipur, Hyderabad, Bangalore, Kolkata, Johannesburg, Lahore

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HVS International is an association of integrated companies providing a wide range of services to hotel owners, lenders and operators. In 2005, HVS International celebrated 25 years of operations. As one of the leading hospitality consulting firms we continue to endeavour to fulfil the growing demand for reliable and well-documented hotel market studies and feasibility reports. Today, our firm provides the hospitality industry a full range of consulting services, including valuations, market and feasibility studies, executive search, hotel acquisitions, strategic analyses, development support, environmental consulting (ECOTEL<sup>®</sup>), operator search & selection, operational and management strategy development, timeshare consulting, marketing communications, and technology strategies.

HVS International has worked with over 15,000 hotels in more than 65 countries across the globe, involving many hotel projects, including 42 cities in South Asia. With more than 250 professionals worldwide, we are able to offer global services that are locally delivered. We have been in India since 1997 and have now completed over 150 consulting assignments in the South Asian region including various cities in Pakistan, Bangladesh and Sri Lanka.

HVS International's New Delhi office has been active on the advisory front for hotel acquisitions and exclusive sales mandate of hotel assets across India. It has also extended its services to operator/investor search and negotiating management contracts, convention services consulting and consulting for mixed-use real estate development. The New Delhi office of HVS International is responsible for all ECOTEL<sup>®</sup> certifications globally.

The Executive Search division in New Delhi commenced operations in May 2001. The division caters mainly to the hospitality, services and real estate markets: our core competencies include retained executive search, compensation design, and employee assessment. The Association of Executive Search Consultants (AESC) governs our practice and our objective is to set up new benchmarks within the recruitment process in the hotel sector in this part of the world.

The Indian Hotel Industry Survey 2004-2005 once again brings together the industry's key statistics in one easy reference volume. The publication continues to emphasise the scale and importance of the hospitality, tourism and leisure industry in the Indian economy, by providing readers key information about this vast and growing industry. We are truly grateful to all those who have kindly contributed their hotel's results and we look forward to further increased participation from hotels in the years to come. As always, we welcome any suggestions for improvement.

For further clarification on this report or on HVS International's services, please contact us at: HVS International, C-67 Anand Niketan, New Delhi 110 021, India

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## Introduction & Key Highlights of the Survey

### Introduction to the FHRAI Indian Hotel Industry Survey

Statistics in this report are presented by star category, by size (according to number of rooms) and by 'chain affiliated' and 'independent' hotels. Also, separate operating indicators are included for the following 19 cities:

Agra	Goa	Kolkata	New Delhi	Udaipur
Ahmedabad	Hyderabad	Lucknow	Pune	Vadodara
Bangalore	Jaipur	Mumbai	Thiruvananthapuram	Visakhapatnam
Chennai	Kochi	Nagpur	Udagamandalam (Ooty)	

To ensure confidentiality and to provide a meaningful representation, data for each star category and city has been presented only in cases where the sample consisted of at least four hotels. In addition, All India trends for the past five years are also presented.

As in the previous years, a unique feature of this report is that it presents the number of participating hotels for each area of analysis – room profile, F&B facilities, employee information, market segmentation, occupancy, revenue and expense information, and so forth. This allows the reader to assess the validity of the results, based on the number of participants. 'ID' indicates insufficient data received.

To enable better comparability of data, we have presented the financial statements up to net income, before any deduction of depreciation and interest, which are too hotel/owner specific to render their comparison to be meaningful.

All amounts presented in this report have been rounded to the nearest whole number and are in Indian rupees (Rs) for fiscal year 2004-05 (April-March). In the financial statements, Rupee amounts are shown as amounts per available room (PAR) and per occupied room (POR) in order to eliminate differences in the size of hotels surveyed. Market mixes, ratios of various sales and appropriate departmental expenses have also been presented. In addition, we have provided highlights throughout the document to reflect certain key aspects of our findings.

Market data has been presented as an average of the respective segments and as a percentage. Financial data has been presented according to the most common measures of industry performance: as a percentage of revenue, and as amounts PAR and POR.

The amounts and ratios presented should not be considered a standard for any type of property, region, city, star category or price category, but only as a guideline for comparison

with the operating results of a specific category. Readers of this report must also keep in mind that large differences from one year to the next for a particular item may be partly on account of a different mix of survey participants (thus affecting the average figure), rather than an actual year-to-year change. This is relevant for some of the unusual figures in the city trends also.

As in the past three years, we have included a Hotel Analysis Worksheet at the end of the report, for hoteliers to analyse their financial data and compare with that of their competitors, which will help them in budgeting and in developing their strategies.

### Highlights of the Indian Hotel Industry Survey 2004-05

This eighth edition of the Indian Hotel Industry Survey presents a study of 1,065 hotels (74,112 rooms) across various cities in India, compared to 1,109 hotels (60,773 rooms) last year. Mumbai had the largest number of survey participants (91 in all categories), followed by New Delhi (30 in all categories), Bangalore (27 in all categories), Goa and Kolkata (23 each in all categories).

Lucknow has been presented in detail for the first time. The increased participation of smaller hotels in the survey of 2004-05 (less than 50 rooms), many of which have brand or chain affiliation, has resulted in an overall increase in occupancy reported but decrease in average rates for several cities.

As before, in this issue as well, we present two key operating characteristics - occupancy and average rate - for 30 important hotel markets, and on an 'All India' basis. This is followed by a listing of the main findings of our survey.

City	Average Occupancy					Average Rate				
	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
All India	55.6%	53.2%	54.8%	59.7%	63.6%	Rs2,046	Rs2,058	Rs2,004	Rs 2,689	Rs3,413
Agra	55.4%	42.9%	42.2%	51.0%	62.7%	Rs1,615	Rs1,269	Rs1,232	Rs 2,201	Rs1,895
Ahmedabad	57.7%	59.9%	51.3%	57.0%	52.6%	Rs1,921	Rs1,749	Rs1,740	Rs 2,004	Rs1,825
Aurangabad	44.8%	ID	34.1%	63.0%	61.1%	Rs1,378	ID	Rs1,733	Rs 2,998	Rs1,784
Bangalore	72.1%	62.8%	72.4%	78.9%	79.8%	Rs2,570	Rs1,921	Rs2,149	Rs 4,109	Rs6,762
Bhopal	53.9%	ID	62.3%	59.6%	71.2%	Rs1,288	ID	Rs1,145	Rs 1,677	Rs1,785
Chennai	75.1%	65.0%	63.9%	61.6%	73.3%	Rs2,118	Rs1,936	Rs2,048	Rs 2,061	Rs2,384
Cochin	68.2%	58.7%	57.6%	69.0%	64.8%	Rs816	Rs1,306	Rs1,089	Rs 1,368	Rs1,062
Coimbatore	56.4%	ID	ID	64.5%	67.5%	Rs1,366	ID	ID	Rs 1,407	Rs1,401
Darjeeling	26.3%	28.2%	ID	62.6%	66.3%	Rs671	Rs1,630	ID	Rs 1,902	Rs1,570
Goa	57.1%	56.1%	60.2%	65.3%	60.1%	Rs2,174	Rs1,756	Rs1,982	Rs 2,147	Rs2,704
Hyderabad	71.4%	67.2%	71.0%	72.8%	75.2%	Rs1,842	Rs1,131	Rs2,049	Rs 2,406	Rs2,729
Indore	65.1%	77.5%	64.7%	61.4%	60.0%	Rs874	Rs850	Rs782	Rs 521	Rs661
Jaipur	52.3%	56.2%	56.9%	62.6%	71.5%	Rs2,051	Rs1,543	Rs1,289	Rs 1,628	Rs1,791
Jodhpur	34.7%	32.5%	37.4%	45.9%	56.2%	Rs2,117	Rs1,290	Rs1,561	Rs 1,226	Rs3,346
Kolkata	66.7%	61.7%	63.6%	64.6%	67.1%	Rs2,465	Rs1,417	Rs1,342	Rs 2,520	Rs2,210
Kullu-Manali	44.4%	39.8%	ID	34.5%	47.0%	Rs760	Rs1,498	ID	Rs 1,964	Rs2,668
Lucknow	53.3%	56.5%	56.6%	66.3%	66.7%	Rs2,019	Rs1,166	Rs1,129	Rs1,642	Rs1,867
Mount Abu	ID	42.1%	38.1%	51.8%	47.1%	ID	Rs980	Rs922	Rs 1,084	Rs1,255
Mumbai	66.1%	63.8%	62.6%	66.3%	74.9%	Rs3,591	Rs2,075	Rs1,822	Rs 3,063	Rs4,307
Mussoorie	52.9%	ID	ID	70.0%	61.0%	Rs1,766	ID	ID	Rs 2,685	Rs2,997
Mysore	52.5%	ID	51.1%	34.8%	ID	Rs660	ID	Rs1,120	Rs 878	ID
						Rs643	Rs1,113	Rs1,032	Rs985	Rs931
New Delhi	59.3%	55.9%	58.3%	69.1%	76.6%	Rs3,911	Rs3,434	Rs2,918	Rs 4,247	Rs5,498
Pune	58.1%	58.0%	59.9%	62.1%	77.2%	Rs2,036	Rs1,044	Rs1,141	Rs1,820	Rs1,295
Shimla	48.1%	43.6%	46.7%	45.0%	53.8%	Rs1,062	Rs1,578	Rs1,022	Rs 2,080	Rs1,679
Thiruvananthapuram	57.0%	55.4%	60.3%	51.1%	47.5%	Rs1,153	Rs966	Rs983	Rs 1,302	Rs1,805
Udagamandalam (Ooty)	ID	38.0%	ID	48.8%	44.4%	ID	Rs947	ID	Rs 1,609	Rs1,861
Udaipur	44.0%	44.3%	46.6%	45.7%	54.5%	Rs3,402	Rs1,924	Rs1,644	Rs2,473	Rs3,800
Vadodara	58.0%	43.5%	46.4%	62.5%	62.6%	Rs1,116	Rs1,039	Rs1,110	Rs458	Rs467
Visakhapatnam	65.6%	56.6%	ID	70.1%	80.6%	Rs877	Rs1,184	ID	Rs 1,293	Rs1,531

ID - Insufficient Data

Note: HVS will like to clarify that for certain cities occupancy has increased but the average rates have gone down, this is partly a result of increase in participation by smaller hotels in the survey

- Even though the sample size has come down from 1,109 hotels to 1,065, the number of rooms represented in the sample has gone up from 60,773 to 74,112 owing to the higher average number of rooms per hotel from 54.8 in 2003-04 to 61.5 in 2004-05.
- In 2004-05, Visakhapatnam was the market leader in terms of occupancy, registering occupancy of 80.6%. Bangalore achieved the second-highest occupancy at 79.8%. Bangalore had the highest average room rate (ARR), also averaged across all categories, among the 30 cities, with an ARR of Rs6,762. New Delhi was the second highest, registering an ARR of Rs5,498.
- All India average occupancy was 63.6%, an increase of 3.9% occupancy points above the previous year's level, or 6.5% in real terms. All India average room rate increased by 26.9% over the previous year.

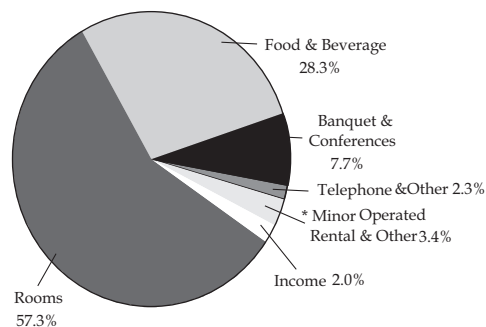
### Key Operating Characteristics

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
Number of responses:	33	27	40	223	87	25	27	47	509
Average Total Rooms Per Hotel:	227	122	101	56	39	25	35	39	81
Average Occupied Rooms Per Hotel:	58,666	30,962	24,986	11,661	8,724	5,667	6,874	5,949	19,392
Average Occupancy Per Hotel:	71.4%	70.1%	72.1%	59.6%	64.5%	63.1%	54.5%	46.3%	63.6%
Average Rate Per Hotel:	Rs5,499	Rs3,459	Rs2,554	Rs1,389	Rs916	Rs643	Rs2,375	Rs1,114	Rs 3,412
Average Revenue Per Available Room (RevPAR):	Rs3,926	Rs2,424	Rs1,841	Rs827	Rs591	Rs406	Rs1,294	Rs516	Rs2,170
<b>Net Income (After Operating &amp; Overhead Expenses, before Depreciation, Interest Payments &amp; Taxes)</b>									
- As a Percentage of Revenue	36.9%	37.2%	37.1%	22.3%	21.1%	12.6%	34.8%	19.4%	35.4%
- Per Available Room	Rs 908,386	Rs 547,158	Rs 416,092	Rs 125,084	Rs 77,684	Rs 26,920	Rs 336,891	Rs 71,054	Rs 503,063

\*Others include approved/unapproved hotels without star category

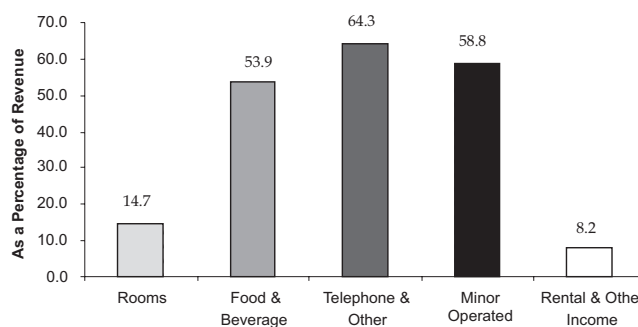
- Net income as a percentage of revenue has gone up over the previous year in nearly all categories (except in the one-star and Others category).
- Occupancies ranged between 46.3% to 72.1%. Average rates showed a much greater spread, from Rs5,499 for five-star deluxe hotels to Rs643 for one-star hotels, an increase of Rs1,052 and Rs140, respectively, from the previous year.
- The All India average revenue per available room (RevPAR) increased substantially, from Rs1,605 in 2003-04 to Rs2,170 in 2004-05, reflecting an increase of 35.2%. In the eight years of our survey, this has been the second-highest RevPAR growth (the highest was 46.2% in 2003-04).
- Rooms revenue, generally considered being the most important source of a hotel's overall profitability, was 57.7% of total revenue for five-star deluxe hotels, 60.1% of total revenue for five-star hotels and 56.6% for four-star hotels. Overall (across all hotels) it represented 57.3% of total revenue (an increase of 5.7% from 2003-04).

### Breakdown of Revenue - 2004-2005

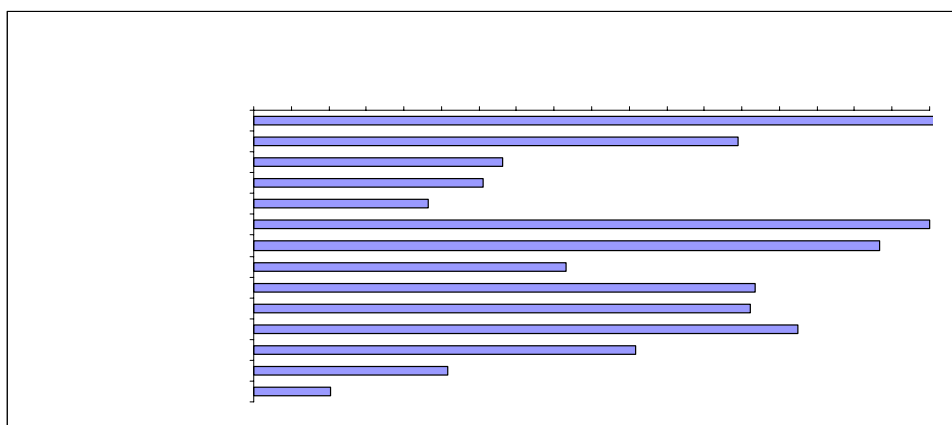


\*Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

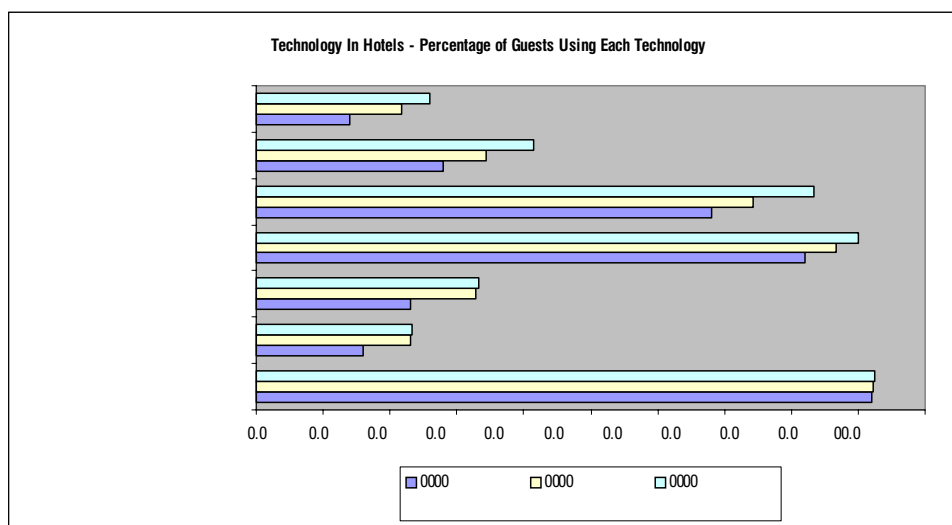
### Departmental Expenses as a Percentage of Revenue - 2004-2005



- The departmental expense consists of direct cost, such as raw materials, and does not include operating expenses like energy, administrative and general expense.
- The All India average of Rooms department expense as a percentage of Rooms revenue declined further from 17.8% in 2003-04 to 14.7% in 2004-05.
- Similarly, the All India average Food & Beverage department expense as a percentage of Food & Beverage revenue declined from 55.9% in 2003-04 to 53.9% in 2004-05.
- Minor Operated department expense as a percentage of Minor Operated department revenue registered an increase from 53.7% in 2003-04 to 58.8% in 2004-05.
- Total departmental expense as a percentage of total departmental revenue reflected a further decline, from 37.4% in 2002-03 and 33.7% in 2003-04 to 30.9% in 2004-05. This is partly owing to higher average room rates.
- Technology in hotels is showing a decline in few of the attributes this year. This may be partly attributed to the increased participation of smaller hotels in the survey. However, the larger hotels continue to improve the use of technology in various areas of hotel operations.



- Intranet and e-mail systems by hotels and usage of CRS and websites as distribution channels continue to gain importance. The table below depicts a comparison of the percentage of hotels using each technology, during the period 2002-2003 to 2004-05.



- Five-star and four-star hotels witnessed overall increase in utilization of yield management systems over the three-year period between 2002-03 and 2004-05.
- The maximum utilisation of energy management systems continues to be in the five-star deluxe category. These hotels have managed to maintain the energy cost POR at Rs762 in 2004-05 (Rs758 POR in 2003-04).
- There has been an increase in heritage hotels using energy management systems, from 21.1% in 2003-04 to 28.6% in 2004-05, which has resulted in decrease in energy cost of heritage hotels from Rs637 POR in 2003-04 to Rs499 in 2004-05.
- Percentage of foreign guests increased to 28.3% in 2004-05, compared to 25.0% in 2003-04, primarily as the percentage of foreign business travelers grew. Of the foreign guests, the UK provided the largest demand, at 16.2%, followed by USA, at 12.8%, and France at 7.2%.
- Domestic guests continue to be the most important segment for the Indian hotel industry, accounting for 71.7% of all guests in 2004-05, though this has decreased marginally from 75.0% in 2003-04 and 76.9% in 2002-03.
- All India average stay of a business traveler has increased from 2.0 days to 2.4 days.
- There is an increase in foreign business travelers utilizing five-star deluxe, five-star, four-star hotels and heritage hotels from 27.0%, 18.6%, 11.4% and 11.7%, respectively, in 2003-04 to 28.1%, 21.4%, 13.7% and 14.1%, respectively, in 2004-05.
- With the increase in average rates the foreign-tourists/leisure FIT segment has shifted from five-star deluxe hotels to five-star and four-star hotels. There has been a decrease in foreign-tourists/leisure FIT in five-star deluxe hotels (from 10.4% in 2003-04 to 8.1% in 2004-05) and an increase of this segment in five-star and four star hotels (from 5.6% and 10.5%, respectively, in 2003-04 to 10.9% to 12.2%, respectively in 2004-05).
- Owing to all India increased occupancy property operations and maintenance expense PAR has increased from Rs69,735 in 2003-04 to Rs91,981 in 2004-05.
- Average monthly occupancy was highest in December (at 71.7%), followed by November (at 67.8%) and January, February (at 65.8%).
- Direct enquiry and advance reservations by travel agents and tour operators cumulatively comprise of 75.9% of reservation source for Indian hotel industry. Five-star deluxe hotels are making the best use of GDS as 8.1% of the total reservations for five-star deluxe hotels come from GDS, against the all India average of 1.7%.
- Print advertising is the most popular media used by the Indian hotel industry with the all India average at 92.2%, followed by 82.5% using direct mails.
- Credit cards as a mode of transaction increased from 27.7% and 30.4% in 2002-03 and 2003-04 respectively to 32.5% in 2004-05. Credit cards remained the most popular method of payment at five-star deluxe hotels at 47.4%.
- Visa (41.8%) was the most widely used credit card by hotel guests in 2004-05, followed by Mastercard (37.0%). American Express charged the highest credit card commission at 2.9% against 1.7% by Visa and Mastercard.

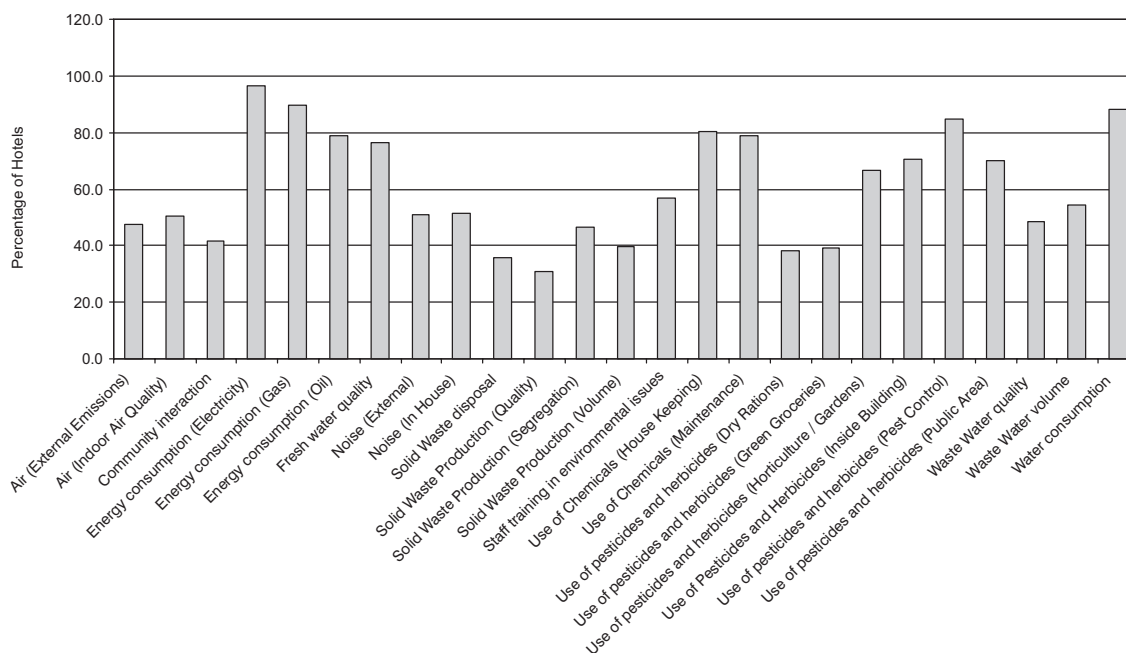
## Change in Performance Ratios: 2004-05 over 2003-04

COMPOSITION	Five-Star								All India Average
	Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
Average Occupancy Per Hotel:	5.0%	6.4%	15.4%	5.6%	10.6%	-3.0%	17.2%	23.8%	6.5%
Average Rate Per Hotel:	23.6%	26.1%	23.1%	7.5%	15.6%	27.8%	-4.2%	73.2%	26.8%
RevPAR	29.8%	34.1%	41.9%	13.4%	28.0%	23.8%	12.2%	31.7%	35.2%

\*Some changes may have partly occurred due to a different mix of hotels participating in our survey

- The table above compares the results of our survey in 2004-05 with the previous year. Nearly all categories (except one-star hotels) saw an increase in occupancy and a significant increase (except heritage hotels) in average rate. This resulted in a major increase in RevPAR across all categories with the highest RevPAR growth in four-star hotels at 41.9% and an All India RevPAR growth at 35.2%.
- The demand for rooms has been positive and owing to lack of adequate new supply, hotels in nearly all categories have managed to simultaneously increase the occupancy and average rates.
- Electricity consumption is the most monitored attribute, followed by water consumption. Five-star deluxe and five-star hotels continue to monitor environmental issues most closely.
- Solid waste production (quality) attribute is the least monitored environmental issue with the All India average at 30.7%.
- In 2004-05, hotels increased the monitoring of chemical usage by housekeeping at 80.4%. Staff training in environmental issues increased to 56.8% from 48.3% in 2003-04 and 44.4% in 2002-03.
- Energy expenses accounted for 8.9% of total revenue in 2004-05 against 10.5% of total revenue in 2003-04 and 12.3% in 2002-03. This may be partly attributed to rising revenues and partly to the increase in efforts made to conserve energy by the industry.

Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance





# Trends & Opportunities in the Indian Hotel Industry

## Introduction

In this section, we seek to draw attention to some broad industry characteristics and present certain marketwide trends over the last few years. This being the eighth edition of the Indian Hotel Industry Survey, we are in a position to analyse survey results for the last few years and provide a historical trend for the users of this report.

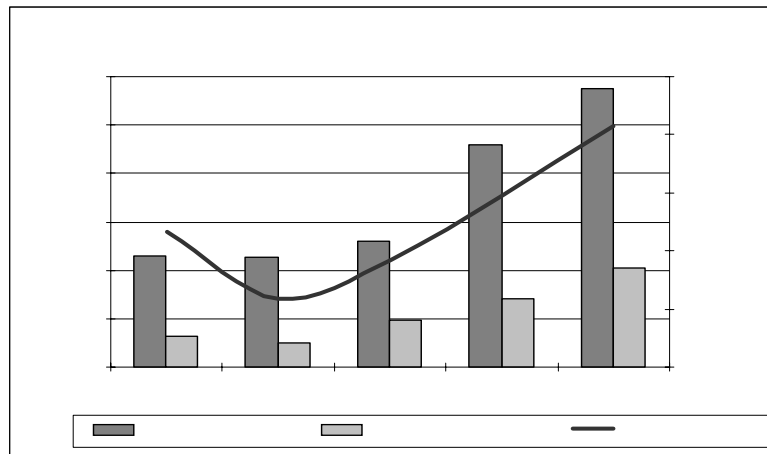
We have also attempted to provide brief market analyses for 19 cities, under 'City Trends'. The city analysis reflects HVS International's market perception for each city, as well as our expectations with regard to its performance in the current year (2005-06).

## Indian Hotel Industry - Size and Category

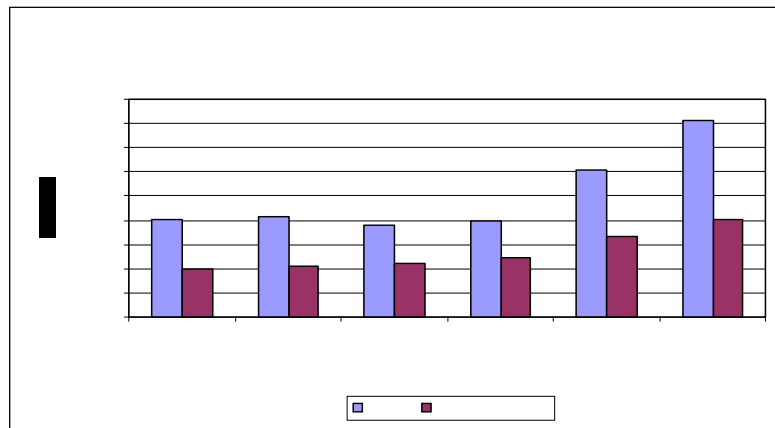
Hotels in India are categorized into two main types: approved and unapproved. The Ministry of Tourism, Government of India grants approval to hotels at the project stage and then classifies them into one of the star categories. This approval status is voluntary; however, only approved hotels can avail of the various incentives, import licenses and other benefits from the Government. The following table lists the number of FHRAI member hotels in different categories in the last six years. Nearly all the five-star deluxe, five-star, four-star and three-star hotels in the country are members of FHRAI, although membership is not so comprehensive in lower star categories. The majority of hotels and hotel rooms in India are included in the unapproved type, as many hotels, especially those that are equivalent to lower star category hotels, do not take part in the Government classification process.

Category	2000		2001		2002		2003		2004		2005		Avg Annual Rooms Growth (2000-2005)
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	
Five-Star Deluxe	57	12,556	65	14,959	68	15,672	68	16,050	74	17,903	78	18,625	12%
Five-Star	73	9,051	72	8,513	72	8,662	72	8,669	71	8,554	77	9,326	3%
Four-Star	92	7,232	99	7,791	100	7,614	102	7,408	104	7,355	124	8,693	9%
Three-Star	379	19,785	402	20,691	413	21,387	409	21,098	414	21,433	468	24,401	13%
Two-Star	244	9,135	263	9,958	234	9,278	226	8,903	221	8,639	212	8,242	1%
One-Star	46	2,253	50	2,428	48	1,696	44	1,520	43	1,480	44	1,504	-9%
Heritage	66	2,372	73	2,551	71	2,492	67	2,258	69	2,297	75	2,567	22%
Approved (Unclassified)	263	10,560	303	12,318	308	12,515	297	11,921	304	12,058	333	13,426	17%
Un-approved	493	18,350	472	17,757	455	17,925	452	17,895	477	18,796	470	18,286	-10%
<b>Total</b>	<b>1,713</b>	<b>91,294</b>	<b>1,799</b>	<b>96,966</b>	<b>1,769</b>	<b>97,241</b>	<b>1,737</b>	<b>95,722</b>	<b>1,777</b>	<b>98,515</b>	<b>1,881</b>	<b>105,070</b>	<b>4%</b>

## Indian Hotel Industry-Revenue and Profitability-Average Per Hotel



- All India average revenue per hotel has grown significantly, from Rs9.15 crore during 2003-04 to Rs11.49 crore during 2004-05, and is expected to see further improvement in the next few years owing to increase in occupancy and average rate.
- House Profit (Gross Operating Profit after deducting franchise and management fees) as a percentage of revenue increased from 34.8% in 2003-04 to 40.7% in 2004-05.
- The All India average Net Income (Income before depreciation, interest payments and taxes) per hotel also increased, from Rs2.80 crore (34.8%) in 2003-04 to Rs4.08 crore (40.7%) in 2004-05, reflecting the overall health of the industry.



- It is evident from the above graph that there is strong correlation between F&B revenue and room revenue and even with rising RevPAR the overall F&B contribution to total revenue has been maintained. This may be partly attributed to price increases in the F&B outlets.
- July continues to have the lowest monthly occupancy in the year. However, the occupancy for all months was higher in 2004-05 compared to the last five years.
- South Africa and the Caribbean are the lowest feeder markets in terms of number of visitors to India at 0.9% and 1.7%, respectively, in 2004-05. This is followed by China at 1.9%.
- Radio advertising features as the least utilized marketing media at 8.4%, followed by merchandising at 24.5%, by the Indian hotel industry in 2004-05. All five-star deluxe hotels (sample size 32) are using the hotel web site at 100.0% as a marketing medium in 2004-05.

## Trends in Key Operating Statistics

COMPOSITION	2000-01	2001-02	2002-03	2003-04	2004-05	2000-01	2001-02	2002-03	2003-04	2004-05	2000-01	2001-02	2002-03	2003-04	2004-05
	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average	All India Average
<b>Number of responses:</b>	443	424	417	484	509	443	424	417	484	509	443	424	417	484	509
<b>Average Total Rooms Per Hotel:</b>	62	63	66	82	81	62	63	66	82	81	62	63	66	82	81
<b>Average Occupied Rooms Per Hotel:</b>	12,659	11,727	13,129	18,435	19,392	12,659	11,727	13,129	18,435	19,392	12,659	11,727	13,129	18,435	19,392
<b>Average Occupancy Per Hotel:</b>	55.6%	53.2%	54.8%	59.7%	63.6%	55.6%	53.2%	54.8%	59.7%	63.6%	55.6%	53.2%	54.8%	59.7%	63.6%
<b>Average Rate Per Hotel:</b>	Rs2,046	Rs2,058	Rs2,004	Rs 2,689	Rs 3,412	Rs2,046	Rs2,058	Rs2,004	Rs 2,689	Rs 3,412	Rs2,046	Rs2,058	Rs2,004	Rs 2,689	Rs 3,412
	<b>Percentage of Revenue</b>					<b>Amount Per Available Room</b>					<b>Amount Per Occupied Room</b>				
<b>REVENUE</b>															
Rooms	56.4%	53.2%	50.8%	54.2%	57.3%	Rs416,158	Rs380,562	Rs398,802	Rs 607,328	Rs 813,001	Rs2,046	Rs2,058	Rs2,004	Rs 2,689	Rs 3,412
Food & Beverage	28.5	30.9	31.3	29.6	28.3	210,327	220,976	245,970	332,217	401,240	1,034	1,195	1,236	1,471	1,684
Banquet & Conferences	6.5	6.8	8.9	7.8	7.7	48,016	48,324	69,850	87,662	109,463	236	261	351	388	459
Telephone & Other	3.6	3.1	2.5	2.3	1.6	26,622	22,063	19,844	25,202	22,614	131	119	100	112	95
Minor Operated*	2.2	2.7	2.8	3.4	3.2	16,341	19,336	21,901	38,420	44,725	80	105	110	170	188
Rental & Other Income	2.8	3.4	3.6	2.7	2.0	20,538	24,338	28,581	30,172	27,707	101	132	144	134	116
<b>Total</b>	100.0	100.0	100.0	100.0	100.0	738,003	715,599	784,949	1,121,000	1,418,749	3,629	3,869	3,945	4,965	5,955
<b>DEPARTMENTAL EXPENSES</b>															
Rooms	19.4	20.6	20.7	17.8	14.7	80,534	78,234	82,462	108,205	119,369	396	423	414	479	501
Food & Beverage	61.7	62.2	58.7	55.9	53.9	159,268	167,450	185,236	234,771	275,303	783	905	931	1,040	1,156
Telephone & Other	56.8	57.7	50.0	47.6	64.3	15,124	12,732	9,921	12,007	14,533	74	69	50	53	61
Minor Operated*	50.5	51.8	52.7	53.7	58.8	8,256	10,016	11,547	20,624	26,283	41	54	58	91	110
Rental & Other Income	7.3	10.1	7.3	8.1	8.2	1,502	2,466	2,097	2,919	2,269	7	13	11	14	10
<b>Total</b>	35.9	37.9	37.4	33.7	30.9	264,685	270,898	293,662	378,052	437,756	1,302	1,465	1,476	1,674	1,897
<b>DEPARTMENTAL INCOME</b>	64.1	62.1	62.6	66.3	69.1	473,318	444,701	491,286	742,949	980,993	2,328	2,405	2,469	3,291	4,118
<b>OPERATING EXPENSES</b>															
Administrative & General	8.9	10.3	8.5	8.4	7.9	65,596	73,323	66,328	94,401	112,477	323	396	333	418	472
Management Fee	2.0	2.4	2.3	2.3	1.6	14,525	16,944	18,302	25,842	22,069	71	92	92	114	93
Marketing	2.8	3.5	3.2	3.6	3.1	20,409	24,718	24,980	40,681	43,564	100	134	126	180	183
Franchise Fees	0.4	0.4	0.5	0.4	0.5	3,301	2,796	4,145	3,874	6,902	16	15	21	17	29
Property Operations & Maintenance	7.1	7.3	6.9	6.2	6.5	52,644	52,179	54,321	69,735	91,981	259	282	273	309	386
Energy	11.3	12.5	12.3	10.5	8.9	83,005	89,228	96,439	118,093	126,417	408	482	485	523	531
<b>Total</b>	32.5	36.2	33.4	31.5	28.4	239,480	259,188	262,117	352,626	403,409	1,178	1,401	1,317	1,562	1,693
<b>HOUSE PROFIT</b>	31.7	25.9	29.2	34.8	40.7	233,839	185,512	229,169	390,323	577,584	1,150	1,003	1,152	1,729	2,424
<b>FIXED EXPENSES</b>															
Property Taxes	1.0	1.1	1.1	1.0	0.6	7,584	7,831	8,919	11,068	7,959	37	42	45	49	33
Insurance	0.6	0.7	0.8	0.6	0.5	4,236	4,992	6,131	6,845	7,545	21	27	31	30	32
Other Fixed Expenses	2.1	1.8	1.1	1.6	2.0	15,253	13,104	8,740	17,840	28,465	75	71	44	79	119
Rent	0.8	0.9	1.3	1.0	2.2	5,650	6,482	10,115	10,947	30,552	28	35	51	48	128
<b>Total</b>	4.4	4.5	4.3	4.2	5.3	32,723	32,408	33,905	46,700	74,521	161	175	170	207	313
<b>NET INCOME**</b>	27.2%	21.4%	24.9%	30.7%	35.4%	Rs201,116	Rs153,104	Rs195,264	Rs 343,622	Rs 503,063	Rs989	Rs828	Rs981	Rs 1,521	Rs 2,112

\*Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

## **City Trends**

The year 2004-05 saw a continuation of the growth momentum experience by the hotel industry in 2003-04. Most cities saw occupancy levels improve over the previous year and, consecutively for two years, both occupancy and average room rates have improved. The following paragraphs detail our expectations of new supply and performance for 19 important hotel markets, based on research undertaken and forecasts made by HVS International.

### **New Delhi:**

Occupancy witnessed a growth of 10.82% in 2004-05. Average rates registered an increase of 29.43%. The National Capital Region is expected to see an estimated 27 new hotels, serviced apartments and mixed-use developments with approximately 4,900 rooms in various categories over the next three to four years, with nearly 20 new hotels to be in Gurgaon alone. The new supply will start entering the market in 2007-08. This growth will be supported by significantly improved road and transport infrastructure (a six-lane section of National Highway 8 connecting Delhi and Gurgaon will open in late 2006), privatisation of the Delhi airport and demand induced by the Commonwealth games, to be held in Delhi in 2010. There will be further increase in hotel activity, especially in the mid-market and budget segment, after the much-awaited auction of sites by the DDA.

### **Mumbai:**

Citywide occupancy in Mumbai increased by 13.0% and average rate witnessed an increase of 40.6% in 2004-05. Mumbai (including Navi-Mumbai) is expected to see 19 new hotels, serviced apartments and mixed-use developments with approximately 4,950 rooms in various categories over the next three to four years. The bulk of the new supply will enter the Mumbai market by 2008-09. Most companies setting up operations in Mumbai now prefer to locate to new commercial districts in the suburbs like Andheri, Bandra-Kurla and Malad, and other periphery areas like Navi-Mumbai and Mulund; and, hotel development has shifted to these areas. Now, with availability of commercial space in the mills area, places like Parel, Lower Parel, Worli and Mahalaxmi will see increased hotel development activity. This is more so with the proposed development of Bandra-Worli Sea Link, which will significantly reduce the travel time between Bandra and central Mumbai.

### **Kolkata:**

In 2004-05, Kolkata witnessed 3.8% increase in occupancy over the previous year. Though the survey shows a decrease in the average rate, HVS research indicates an increase in average rates by approximately 6.0%. This may be partly due to change in the composition of survey participants. Kolkata is expected to see 12 new hotels, serviced apartments and mixed-use developments with approximately 2,000 rooms entering the market in various categories over the next few years. The city is becoming a preferred location for conferences and seminars due to the relatively easy availability of space and at a lower cost as compared to other metros. It is also the commercial capital of the northeast region, with most companies basing their headquarters in the city. There has been growth in IT, ITeS, financial services and telecommunication sectors. However, development of companies in these sectors is being concentrated primarily in Salt Lake, the township under development at Rajarhaat and other adjoining areas around the Eastern Metropolitan bypass.

**Pune:**

Occupancy in Pune registered an increase of 24.31% over the previous year. The survey indicates a decrease in average rate by 28.84%. This is partly attributed to an increase in the number of smaller hotels participating in the survey. Pune is expected to see 11 new hotels, serviced apartments and mixed-use developments with approximately 1,600 rooms in various categories over the next three to four years. The addition to supply, although quite high, is likely to be successfully absorbed, taking into account Pune's low room base of approximately 800 rooms and a continuous growth in the city's IT, ITeS, BPO and manufacturing industries.

**Chennai:**

Chennai witnessed an occupancy increase of 15.7%, following a decline for two consecutive years. The city saw a simultaneous increase in average rate by approximately 15.6%. Chennai is expected to see 14 new hotels, serviced apartments and mixed-use developments with approximately 2,900 rooms in various categories over the next few years. The Old Mahabalipuram Road (OMR) connecting Chennai with Mahabalipuram is being developed as an IT corridor to house various IT and ITeS companies. As existing tech parks are full to capacity, software companies are also looking at sick industrial unit areas such as Guindy, Taramani, Ambattur and Padi, which are being converted into software technology parks (STPs). We see Chennai as a stable market and expect it to continue to show improvements in occupancy and average rate in the next few years.

**Bangalore:**

Bangalore's hotel market grew marginally in terms of occupancy and by approximately 64.5% in terms of the average room rate. This is on the back of very high demand and lack of new supply. Approximately 7.0 million square feet of commercial space is likely to be absorbed this fiscal year (2005-06). Bangalore is expected to see, at last count, 27 new hotels, serviced apartments and mixed-use developments with approximately 6,100 rooms in various categories over the next few years. Though this development would be evenly distributed between the CBD (MG Road) and off-CBD locations, suburban pockets (Koramangala & Indiranagar) and peripheral locations (on Outer Ring Road and in Whitefield), we fear that there may be an oversupply in some parts of Bangalore with the influx of new rooms. With work on the international airport having commenced the northern areas of the city will see pronounced commercial and hotel development activity. The first phase of the airport is estimated to open by October 2008. Road infrastructure, however, remains the biggest challenge for the city.

**Goa:**

In Goa, overall occupancy decreased by 5.2%. This may be due to change in composition of hotels participating in the survey. Average rates registered an increase of 25.9% over the previous year. Goa is expected to see development of eight new hotels with approximately 1,200 rooms in various categories over the next 2-3 years. Goa is an extremely promising market with the highest average length (amongst the key cities) of stay by both foreign and domestic guests. The proposed Mopa airport is anticipated to witness much higher traffic flow than the airport at Dabolim. Accompanying the airport project will be a new ground transportation system, which will benefit the whole of Goa.

**Agra:**

Agra has seen an increase in occupancy of 22.9%. Average rates have decreased marginally by 1.4%. This may be partly attributed to a higher base surveyed in 2003-04 and an increase in smaller hotels participating in the survey. Tourists typically make a day trip to Agra from Delhi; the increase in occupancy is owing to the meetings & conference segment, which has seen a significant growth for two consecutive years.

**Ahmedabad:**

The survey indicates an occupancy decline of 7.7% and a decrease in average rate by 8.9%. This may again be due to change in composition of hotels participating in the survey. However, HVS's independent research indicates an estimated 15.0% increase in both occupancy and average rate. Hotel activity will increase in the city owing to expected commercial growth on CG Road, Ashram Road, Satellite Road and SG Highway—particularly from the pharma, financial sector, telecom, retail, textiles, BPO and IT services.

**Kochi:**

The survey indicates a decrease in occupancy of 4.2% and a decrease in average rate by 22.3%. This may be partly attributed to a variation in the hotels participating in the survey and does not reflect the true market condition. Our market research indicates a marginal increase in both occupancy and average rate. The city's hotel demand generators are mainly tourism related, with commercial demand borne out of shipping, Kochi Port, Cochin Shipyard, oil refineries and marine and agro export industries based in the city. Banking, financial services, insurance and the telecom sectors have seen growth over the past two years. In the near future, we expect IT/ITeS related business to grow significantly, particularly with the development of the Infopark at Kakkanad.

**Hyderabad:**

In Hyderabad, overall occupancy increased by 3.3%. Average rates registered an increase of 13.4% over the previous year. HITEC City, HITECH, Genome Valley and ICICI Knowledge Park demonstrate the state's commitment to create world class infrastructure. The convention centre opening in 2006, with approximately 75,000 square feet of conferencing facility and 55 break-out rooms, is the first of its kind in South Asia. The convention centre will induce substantial demand for rooms in the city. The Hyderabad market will continue to witness a strong increase in occupancy and average rate in the next few years.

**Jaipur:**

Occupancy levels increased by 14.2% in 2004-05 and average rates increased by 10.0% over the previous year. Besides being a preferred tourist and wedding destination, the city of Jaipur is gaining prominence as a commercial destination as well. This is owing to increased travel by buyers for gems, jewellery and textiles. With the proposal for a Jaipur special economic zone (SEZ), an international airport and an ethnic village, the city will see development of new hotel projects (approximately 1,200 rooms). There is a chance of Jaipur facing an oversupply of rooms in 3-4 years.

**Lucknow:**

Occupancy levels increased marginally by 0.6% in 2004-05 and average rates increased by 10.0% over the previous year. Lucknow has been a very stable market and is witnessing a rise in average rate for the last two years. Lately, Lucknow has also seen increased retail activity.

**Nagpur:**

Nagpur witnessed a decline in occupancy by 10.1% and a decrease in average rates by 5.5% from the previous year. The Nagpur market has now declined for two years consecutively.

**Thiruvananthapuram:**

The city witnessed a decrease in occupancy of 7.0%, and a growth in average room rate of 38.6%. Being the state capital, the city is a hub of political activity. Moreover, Thiruvananthapuram, with its famous beaches, is among the top tourist destinations in India. The city has grown as a tourist and commercial centre, with the international airport being one of the gateways into Kerala.

**Udagamandalam (Ooty):**

Ooty city has seen a decline in occupancy by 9.0% and an increase in average rate by 15.6%. Mainly a tourist destination, Ooty is known for its picturesque locales. The city is unlikely to see any major hotel activity in the next 2-3 years.

**Udaipur:**

Citywide occupancy increased by 19.25% in 2004-05. Average rate showed a steep increase of 53.65%. The increase in the average rate may be partly attributed to the inclusion of luxury/heritage hotels in the survey. Udaipur has lately seen an increase in international events and is attracting many domestic off-site meetings, conferences and weddings as well.

**Vadodara:**

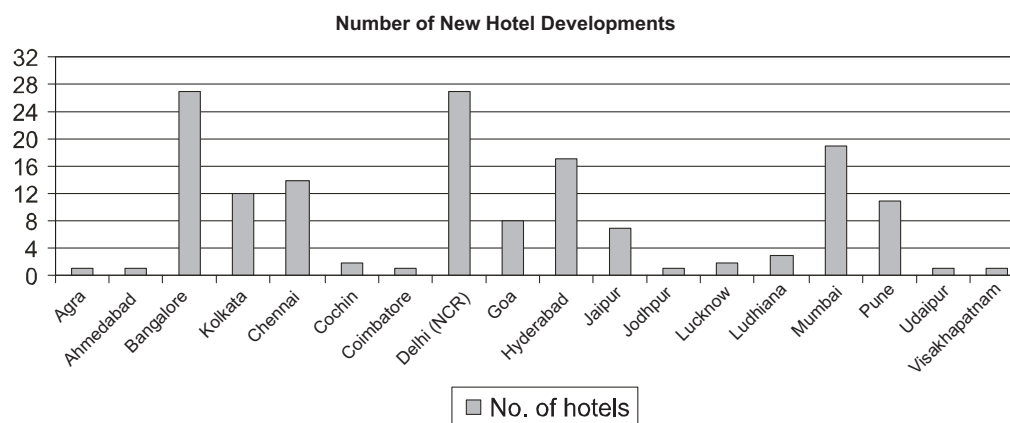
Citywide occupancy increased marginally from 62.5% in 2003-04 to 62.6% in 2004-05. Similarly, the average rate increased from Rs458 in 2003-04 to Rs467 in 2004-05. The Gujarat government has also been promoting the state as a commercial destination and is giving incentives to various companies.

**Visakhapatnam:**

Visakhapatnam witnessed a steep increase in occupancy by 15.0% in 2004-05 and an increase in average rates by 18.4%. In the past, the city experienced rapid industrialization with the onset of major industries: an oil refinery, a large fertilizer factory, the Hindustan Zinc smelter and the Visakhapatnam steel plant. Apart from the traditional companies, IT & ITeS companies like HSBC's BPO, Satyam, NuNet Technologies and Gallega Software Solutions have established centres at Vizag. Vizag is one of the important east coast ports of India. It is also a fishing port, handling major seafood exports. With the expansion of Vizag's special economic zone, there may be an increase in the development of hotel projects.

## New Supply of Hotels

HVS international maintains its own database of new supply into key and developing markets in India. The graph below highlights the 155 hotels (up from 95 last year) under active development in various cities, of which HVS International is currently aware. It is important to note that most HVS data for new supply represents branded properties. It is also quite likely that a large number of hotels are in the early stages of planning and/or development. New economy segment hotels (approximately 100 in number) are being promoted by some leading hotel chains in India (like IndiOne & Ibis), and these have not been accounted for in this survey.



The demand for rooms has risen significantly in nearly all cities for the current financial year (April 05 – March 06). The room supply has only marginally increased in the key cities. This has led to a sharp increase in average room rates in Bangalore, Delhi (NCR), Goa, Hyderabad, Kolkata, Mumbai and Pune. There is going to be a major shortage of rooms for the next 2-3 years and the above-mentioned cities may see a further 20-25% increase in average rate. Another development in the current financial year is announcement of hotel projects in cities like Agra, Ahmedabad, Cochin, Coimbatore, Jaipur and Visakhapatnam. These cities will see additions to supply and, though the secondary market in these cities will grow on a smaller base, there is unlikely to be a huge impact on the marketwide occupancies, owing to the large levels of unaccommodated demand.

## What the Future Holds

Tourist arrivals to India, which were showing positive growth over the previous year for the first three quarters of the calendar year have now tapered down in the last quarter. This can be attributed to increase in rates and lack of mid-market hotels, which has made India an expensive destination. However, the government's focus on infrastructure development, especially airports and national highways, and India's rich heritage will keep India on the world tourism map.

The year 2004-05 has brought gains to the hotel industry in India and has fuelled development and expansion plans by various hotel operators. The Indian hospitality boom has also caught the attention of various other new international hotel operators and foreign funds. The next 2-3 years will see many more international brands entering India. Also new real estate developers have shown keen interest in the sector and with FDI in real estate opening up, foreign funds have ensured availability of finance. Mixed-use development projects that include hotel, retail and commercial space have gained momentum and will continue to be a lucrative option for large land parcels. There will be increased activity in the area of budget and mid-market hotels with international brand affiliation in secondary markets and various tourist and religious destinations in India.

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# 1. Indian Hotel Industry by Star Category

In this section, we have analysed hotel performance by star classification. An overall total of 1,065 hotels participated in our survey for 2004-05. The hotels have been classified into the eight star categories available in India (see tables 1-1 to 1-10), and their responses analysed accordingly. In order to be fair to the approved hotels that are awaiting classification, we have combined them with their expected star category. 'Unapproved' hotels have been put under the 'Others' category.

To provide further interesting comparisons, we have included a column for All India totals across all star categories. Each section includes the total number of respondents for each component of the survey, allowing the reader to judge the validity of the data received.

The layout has been standardized in each section to enable consistency throughout the entire document. All figures pertain to 2004-05 (April-March), and monetary figures are in Indian Rupees. The US dollar conversion rate can be taken at 1US\$ = Rs45.0 (average conversion rate for the period 2004-05).

- **Table 1-1:** presents a typical facilities analysis including rooms configuration, F&B outlets, a subdivision of employees into managerial, supervisory and staff positions and a breakdown of trained and total employees;
- **Table 1-2:** presents the individual revenue and expense components as a percentage of revenue;
- **Table 1-3:** presents financial statements on a PAR (per available room) basis;
- **Table 1-4:** presents financial statements on a POR (per occupied room) basis;
- **Table 1-5:** presents market data including market segmentation, guest analysis and the country of origin of guests;
- **Table 1-6:** presents a monthly and daily occupancy analysis;
- **Table 1-7:** presents the sources of reservations of hotel rooms;
- **Table 1-8:** presents the use of various forms of marketing media;
- **Table 1-9:** presents an analysis of payment methods and the use of credit cards;
- **Table 1-10:** presents the technology used and environment-related issues and practices.

**TABLE 1-1: Indian Hotel Industry by Star Category – Facilities Analysis and Staffing****Typical Room Profile of an Average Hotel**

COMPOSITION		2004-2005								All India Average
		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
<b>Number of responses:</b>		<b>37</b>	<b>46</b>	<b>70</b>	<b>343</b>	<b>167</b>	<b>36</b>	<b>42</b>	<b>324</b>	<b>1065</b>
Air-Conditioned	Single	50.2	16.8	19.0	5.2	4.5	1.9	0.8	1.5	6.8
	Double	166.7	89.6	63.8	36.5	19.3	9.0	16.1	14.2	39.8
	Suites	21.3	9.5	11.5	4.8	3.8	1.9	6.2	1.8	5.7
Non-Air-Conditioned	Single	0.0	0.0	0.0	2.2	2.6	2.2	1.4	2.0	1.3
	Double	0.0	3.6	3.1	6.9	8.7	10.1	6.4	10.6	7.2
	Suites	0.0	0.3	0.4	0.6	1.1	0.5	1.2	0.7	0.7
<b>Total Average Rooms</b>		<b>238.2</b>	<b>119.7</b>	<b>97.8</b>	<b>56.1</b>	<b>40.0</b>	<b>25.6</b>	<b>32.1</b>	<b>30.7</b>	<b>61.5</b>

\* The Number of non-air-conditioned rooms in lower star category hotels appears to be higher, partly because many are located in hill stations where air-conditioning is not provided in hotels.

**Average Number of Food & Beverage Outlets Per Hotel**

COMPOSITION		2004-2005								All India Average
		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
<b>Number of responses:</b>		<b>35</b>	<b>40</b>	<b>60</b>	<b>273</b>	<b>97</b>	<b>38</b>	<b>30</b>	<b>92</b>	<b>665</b>
Restaurant		3.6	2.4	2.3	1.6	1.4	1.4	1.5	1.2	1.9
Bar		1.6	1.1	1.3	0.9	0.7	0.5	0.8	0.5	0.9
Others		1.0	1.0	1.0	0.9	0.8	0.4	0.8	0.4	0.7
<b>Total</b>		<b>6.2</b>	<b>4.4</b>	<b>4.6</b>	<b>3.3</b>	<b>2.9</b>	<b>2.3</b>	<b>3.1</b>	<b>2.0</b>	<b>3.5</b>

**Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)**

COMPOSITION		2004-2005								All India Average
		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
<b>Number of responses:</b>		<b>34</b>	<b>40</b>	<b>38</b>	<b>277</b>	<b>153</b>	<b>36</b>	<b>30</b>	<b>210</b>	<b>818</b>
Managers	Male	47.3	19.2	12.7	4.9	2.7	1.8	3.1	1.9	11.7
	Female	14.7	4.5	2.2	0.5	0.6	0.5	0.3	0.2	2.9
Supervisors	Male	54.5	23.4	16.3	7.8	5.1	3.1	5.1	2.8	14.8
	Female	15.8	3.5	2.7	1.1	0.5	0.2	0.4	0.4	3.1
Staff	Male	251.2	151.9	114.8	56.1	35.9	21.7	40.9	25.6	87.2
	Female	27.9	11.7	9.4	5.2	2.3	1.2	2.4	1.8	7.7
<b>Total</b>		<b>411.3</b>	<b>214.2</b>	<b>158.2</b>	<b>75.6</b>	<b>47.1</b>	<b>28.4</b>	<b>52.2</b>	<b>32.7</b>	<b>127.4</b>
Average Number of Employees Per Room		1.8	1.8	1.8	1.5	1.3	1.1	1.7	1.0	1.5

**Average Percentage of Trained Employees Per Hotel**

COMPOSITION		2004-2005								All India Average
		Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
<b>Number of responses:</b>		<b>28</b>	<b>27</b>	<b>65</b>	<b>181</b>	<b>86</b>	<b>28</b>	<b>10</b>	<b>58</b>	<b>483</b>
Managers		82.7%	89.2%	91.2%	85.6%	85.6%	75.0%	93.3%	78.5%	84.8%
Supervisors		78.3	81.1	78.6	70.4	63.5	50.0	80.2	68.4	71.3
Staff		67.1	67.9	58.4	52.5	63.7	54.9	59.0	30.9	56.8
<b>Total Avg. Trained Employees*</b>		<b>76.0</b>	<b>79.4</b>	<b>76.1</b>	<b>68.5</b>	<b>70.9</b>	<b>60.0</b>	<b>77.5</b>	<b>59.3</b>	<b>70.9</b>
<b>Total Avg. Un-Trained Employees</b>		<b>24.0</b>	<b>20.6</b>	<b>23.9</b>	<b>31.5</b>	<b>29.1</b>	<b>40.1</b>	<b>22.5</b>	<b>40.8</b>	<b>29.1</b>
Hotels with Training Department		95.8%	50.4%	33.3%	24.2%	20.0%	9.5%	31.2%	1.7%	25.1%

\* Trained employees includes those with a minimum one year certificate course in an educational institute, however some hotels may have included those with short term (in-house) training.

**TABLE 1-2: Indian Hotel Industry by Star Category – Financial Report - Percentage of Revenue**

COMPOSITION									2004-2005
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	All India Average
<b>Number of responses:</b>	<b>33</b>	<b>27</b>	<b>40</b>	<b>223</b>	<b>87</b>	<b>25</b>	<b>27</b>	<b>47</b>	<b>509</b>
<b>Average Total Rooms Per Hotel:</b>	<b>227</b>	<b>122</b>	<b>101</b>	<b>56</b>	<b>39</b>	<b>25</b>	<b>35</b>	<b>39</b>	<b>81</b>
<b>Average Occupied Rooms Per Hotel:</b>	<b>58,666</b>	<b>30,962</b>	<b>24,986</b>	<b>11,661</b>	<b>8,724</b>	<b>5,667</b>	<b>6,874</b>	<b>5,949</b>	<b>19,392</b>
<b>Average Occupancy Per Hotel:</b>	<b>71.4%</b>	<b>70.1%</b>	<b>72.1%</b>	<b>59.6%</b>	<b>64.5%</b>	<b>63.1%</b>	<b>54.5%</b>	<b>46.3%</b>	<b>63.6%</b>
<b>Average Rate Per Hotel:</b>	<b>Rs5,499</b>	<b>Rs3,459</b>	<b>Rs2,554</b>	<b>Rs1,389</b>	<b>Rs916</b>	<b>Rs643</b>	<b>Rs2,375</b>	<b>Rs1,114</b>	<b>Rs 3,412</b>
<b>REVENUE</b>									
Rooms	57.7%	60.1%	56.6%	51.8%	56.7%	67.4%	48.2%	50.5%	<b>57.3%</b>
Food & Beverage	28.5	23.9	28.2	32.3	32.4	24.9	32.3	38.9	<b>28.3</b>
Banquet & Conferences	6.5	9.6	10.3	9.7	4.4	4.2	12.2	6.0	<b>7.7</b>
Telephone & Other	1.7	1.6	1.4	1.1	1.2	1.3	0.7	1.3	<b>1.6</b>
Minor Operated*	3.8	3.1	1.5	1.7	0.3	0.1	0.9	1.0	<b>3.2</b>
Rental & Other Income	1.6	1.6	1.9	3.4	5.1	2.0	5.5	2.3	<b>2.0</b>
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	<b>100.0</b>
<b>DEPARTMENTAL EXPENSES</b>									
Rooms	14.3	15.8	12.6	19.1	24.1	27.4	15.5	14.8	<b>14.7</b>
Food & Beverage	52.3	51.8	45.4	73.7	70.6	69.6	46.9	64.9	<b>53.9</b>
Telephone & Other	63.4	50.9	45.6	105.1	157.8	152.9	87.7	100.4	<b>64.3</b>
Minor Operated*	51.0	50.9	149.1	92.4	604.4	1,461.2	121.8	120.7	<b>58.8</b>
Rental & Other Income	5.4	0.3	7.4	15.4	32.4	80.0	8.4	16.4	<b>8.2</b>
Total	29.8	29.3	25.6	44.1	44.9	44.3	30.6	39.5	<b>30.9</b>
<b>DEPARTMENTAL INCOME</b>	<b>70.2</b>	<b>70.7</b>	<b>74.4</b>	<b>55.9</b>	<b>55.1</b>	<b>55.7</b>	<b>69.4</b>	<b>60.5</b>	<b>69.1</b>
<b>OPERATING EXPENSES</b>									
Administrative & General	7.3	9.3	10.3	7.8	6.6	10.6	9.0	11.3	<b>7.9</b>
Management Fee	1.2	2.2	2.6	1.6	1.1	1.3	1.3	1.4	<b>1.6</b>
Marketing	3.2	2.9	3.1	2.5	3.0	2.2	3.3	2.5	<b>3.1</b>
Franchise Fees	0.6	0.3	0.0	0.4	0.0	0.1	0.4	0.0	<b>0.5</b>
Property Operations & Maintenance	6.3	6.2	8.7	5.4	7.3	10.8	8.3	6.1	<b>6.5</b>
Energy	8.0	9.1	10.1	13.2	13.1	13.9	10.1	16.5	<b>8.9</b>
Total	26.7	30.0	34.9	30.9	31.1	38.8	32.4	37.9	<b>28.4</b>
<b>HOUSE PROFIT</b>	<b>43.6</b>	<b>40.8</b>	<b>39.6</b>	<b>25.1</b>	<b>24.0</b>	<b>16.9</b>	<b>36.9</b>	<b>22.6</b>	<b>40.7</b>
<b>FIXED EXPENSES</b>									
Property Taxes	0.6	0.4	0.6	0.7	1.0	0.9	0.3	0.4	<b>0.6</b>
Insurance	0.6	0.6	0.4	0.4	0.3	0.3	0.3	0.5	<b>0.5</b>
Other Fixed Expenses	2.7	0.9	1.1	1.0	0.5	1.7	0.4	0.3	<b>2.0</b>
Rent	2.8	1.7	0.4	0.7	0.8	1.4	1.2	1.9	<b>2.2</b>
Total	6.7	3.6	2.5	2.7	2.7	4.3	2.2	3.2	<b>5.3</b>
<b>NET INCOME**</b>	<b>36.9%</b>	<b>37.2%</b>	<b>37.1%</b>	<b>22.3%</b>	<b>21.2%</b>	<b>12.6%</b>	<b>34.8%</b>	<b>19.4%</b>	<b>35.4%</b>

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 1-3: Indian Hotel Industry by Star Category - Financial Report – Amount Per Available Room**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	
<b>Number of responses:</b>	<b>33</b>	<b>27</b>	<b>40</b>	<b>223</b>	<b>87</b>	<b>25</b>	<b>27</b>	<b>47</b>	<b>509</b>
<b>Average Total Rooms Per Hotel:</b>	<b>227</b>	<b>122</b>	<b>101</b>	<b>56</b>	<b>39</b>	<b>25</b>	<b>35</b>	<b>39</b>	<b>81</b>
<b>Average Occupied Rooms Per Hotel:</b>	<b>58,666</b>	<b>30,962</b>	<b>24,986</b>	<b>11,661</b>	<b>8,724</b>	<b>5,667</b>	<b>6,874</b>	<b>5,949</b>	<b>19,392</b>
<b>Average Occupancy Per Hotel:</b>	<b>71.4%</b>	<b>70.1%</b>	<b>72.1%</b>	<b>59.6%</b>	<b>64.5%</b>	<b>63.1%</b>	<b>54.5%</b>	<b>46.3%</b>	<b>63.6%</b>
<b>Average Rate Per Hotel:</b>	<b>Rs5,499</b>	<b>Rs3,459</b>	<b>Rs2,554</b>	<b>Rs1,389</b>	<b>Rs916</b>	<b>Rs643</b>	<b>Rs2,375</b>	<b>Rs1,114</b>	<b>Rs 3,412</b>
<b>REVENUE</b>									
Rooms	Rs 1,420,598	Rs 876,911	Rs 634,380	Rs 290,691	Rs 205,839	Rs 144,381	Rs 467,261	Rs 170,795	<b>Rs 813,001</b>
Food & Beverage	702,024	348,783	316,747	181,299	117,519	53,274	313,242	131,546	<b>401,240</b>
Banquet & Conferences	160,687	140,279	115,894	54,267	15,793	9,051	118,292	20,183	<b>109,463</b>
Telephone & Other	42,929	22,830	15,661	6,206	4,191	2,778	7,196	4,488	<b>22,614</b>
Minor Operated*	93,722	45,594	17,236	9,355	1,062	290	9,053	3,369	<b>44,725</b>
Rental & Other Income	40,181	23,850	21,812	18,921	18,354	4,328	53,544	7,784	<b>27,707</b>
<b>Total</b>	<b>2,460,143</b>	<b>1,458,247</b>	<b>1,121,731</b>	<b>560,739</b>	<b>362,758</b>	<b>214,102</b>	<b>968,589</b>	<b>338,166</b>	<b>1,418,749</b>
<b>DEPARTMENTAL EXPENSES</b>									
Rooms	203,714	138,736	63,475	55,552	49,682	39,567	72,390	25,326	<b>119,369</b>
Food & Beverage	451,213	253,257	196,476	173,559	94,140	43,377	202,338	98,528	<b>275,303</b>
Telephone & Other	27,217	11,629	7,139	6,520	6,614	4,247	6,313	4,503	<b>14,533</b>
Minor Operated*	47,801	23,196	25,691	8,648	6,417	4,238	11,027	4,068	<b>26,283</b>
Rental & Other Income	2,161	61	1,615	2,918	5,953	3,464	4,496	1,278	<b>2,269</b>
<b>Total</b>	<b>732,106</b>	<b>426,879</b>	<b>294,396</b>	<b>247,196</b>	<b>162,807</b>	<b>94,893</b>	<b>296,564</b>	<b>133,703</b>	<b>437,756</b>
<b>DEPARTMENTAL INCOME</b>	<b>1,728,037</b>	<b>1,031,369</b>	<b>834,712</b>	<b>313,543</b>	<b>199,951</b>	<b>119,209</b>	<b>672,025</b>	<b>204,463</b>	<b>980,993</b>
<b>OPERATING EXPENSES</b>									
Administrative & General	178,903	135,085	115,935	43,732	23,932	22,667	86,994	38,300	<b>112,477</b>
Management Fee	30,287	32,528	29,235	9,082	3,923	2,751	13,000	4,869	<b>22,069</b>
Marketing	79,548	42,277	34,736	13,716	11,041	4,789	31,878	8,455	<b>43,564</b>
Franchise Fees	15,687	4,540	414	2,208	93	127	3,924	0	<b>6,902</b>
Property Operations & Maintenance	154,406	90,868	97,316	30,255	26,448	23,060	80,294	20,638	<b>91,981</b>
Energy	196,765	127,052	113,093	74,099	46,053	29,685	98,111	50,328	<b>126,417</b>
<b>Total</b>	<b>655,597</b>	<b>432,350</b>	<b>390,728</b>	<b>173,093</b>	<b>111,490</b>	<b>83,079</b>	<b>314,200</b>	<b>122,590</b>	<b>403,409</b>
<b>HOUSE PROFIT</b>	<b>1,072,441</b>	<b>599,019</b>	<b>443,984</b>	<b>140,450</b>	<b>88,461</b>	<b>3,612,955</b>	<b>357,825</b>	<b>81,873</b>	<b>577,584</b>
<b>FIXED EXPENSES</b>									
Property Taxes	13,917	6,172	6,645	3,923	3,589	1,976	2,487	1,469	<b>7,959</b>
Insurance	14,047	7,990	4,951	2,418	1,132	670	2,926	1,702	<b>7,545</b>
Other Fixed Expenses	66,549	12,829	11,794	5,358	1,940	3,595	3,859	1,093	<b>28,465</b>
Rent	69,542	24,869	4,501	3,667	4,115	2,969	11,662	6,554	<b>30,552</b>
<b>Total</b>	<b>164,054</b>	<b>51,860</b>	<b>27,891</b>	<b>15,366</b>	<b>10,776</b>	<b>9,209</b>	<b>20,933</b>	<b>10,818</b>	<b>74,521</b>
<b>NET INCOME**</b>	<b>Rs 908,386</b>	<b>Rs 547,158</b>	<b>Rs 416,092</b>	<b>Rs 125,084</b>	<b>Rs 77,684</b>	<b>Rs 26,920</b>	<b>Rs 336,891</b>	<b>Rs 71,054</b>	<b>Rs 503,063</b>

\* Minor operated departments include: laundry, gift shop, bu

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 1-4: Indian Hotel Industry by Star Category – Financial Report – Amount Per Occupied Room**

COMPOSITION	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Others	2004-2005 All India Average
<b>Number of responses:</b>	<b>33</b>	<b>27</b>	<b>40</b>	<b>223</b>	<b>87</b>	<b>25</b>	<b>27</b>	<b>47</b>	<b>509</b>
<b>Average Total Rooms Per Hotel:</b>	<b>227</b>	<b>122</b>	<b>101</b>	<b>56</b>	<b>39</b>	<b>25</b>	<b>35</b>	<b>39</b>	<b>81</b>
<b>Average Occupied Rooms Per Hotel:</b>	<b>58,666</b>	<b>30,962</b>	<b>24,986</b>	<b>11,661</b>	<b>8,724</b>	<b>5,667</b>	<b>6,874</b>	<b>5,949</b>	<b>19,392</b>
<b>Average Occupancy Per Hotel:</b>	<b>71.4%</b>	<b>70.1%</b>	<b>72.1%</b>	<b>59.6%</b>	<b>64.5%</b>	<b>63.1%</b>	<b>54.5%</b>	<b>46.3%</b>	<b>63.6%</b>
<b>Average Rate Per Hotel:</b>	<b>Rs5,499</b>	<b>Rs3,459</b>	<b>Rs2,554</b>	<b>Rs1,389</b>	<b>Rs916</b>	<b>Rs643</b>	<b>Rs2,375</b>	<b>Rs1,114</b>	<b>Rs 3,412</b>
<b>REVENUE</b>									
Rooms	Rs 5,499	Rs 3,458	Rs 2,554	Rs 1,389	Rs 915	Rs 643	Rs 2,374	Rs 1,113	<b>Rs 3,412</b>
Food & Beverage	2,718	1,376	1,275	867	523	237	1,592	858	<b>1,684</b>
Banquet & Conferences	622	553	467	259	70	40	601	132	<b>459</b>
Telephone & Other	166	90	63	30	19	12	37	29	<b>95</b>
Minor Operated*	363	180	69	45	5	1	46	22	<b>188</b>
Rental & Other Income	156	94	88	90	82	19	272	51	<b>116</b>
<b>Total</b>	<b>9,523</b>	<b>5,751</b>	<b>4,516</b>	<b>2,681</b>	<b>1,614</b>	<b>954</b>	<b>4,923</b>	<b>2,206</b>	<b>5,955</b>
<b>DEPARTMENTAL EXPENSES</b>									
Rooms	789	547	226	266	221	176	368	165	<b>501</b>
Food & Beverage	1,747	999	791	830	419	193	1,028	643	<b>1,156</b>
Telephone & Other	105	46	29	31	29	19	32	29	<b>61</b>
Minor Operated*	185	91	103	41	29	19	56	27	<b>110</b>
Rental & Other Income	8	0	7	14	26	15	23	8	<b>10</b>
<b>Total</b>	<b>2,834</b>	<b>1,684</b>	<b>1,156</b>	<b>1,182</b>	<b>724</b>	<b>423</b>	<b>1,507</b>	<b>872</b>	<b>1,897</b>
<b>DEPARTMENTAL INCOME</b>	<b>6,689</b>	<b>4,068</b>	<b>3,361</b>	<b>1,499</b>	<b>890</b>	<b>531</b>	<b>3,415</b>	<b>1,334</b>	<b>4,118</b>
<b>OPERATING EXPENSES</b>									
Administrative & General	693	533	467	209	106	101	442	250	<b>472</b>
Management Fee	117	128	118	43	17	12	66	32	<b>93</b>
Marketing	308	167	140	66	49	21	162	55	<b>183</b>
Franchise Fees	61	18	2	11	0	1	20	0	<b>29</b>
Property Operations & Maintenance	598	358	392	145	118	103	408	135	<b>386</b>
Energy	762	501	455	354	205	132	499	328	<b>531</b>
<b>Total</b>	<b>2,538</b>	<b>1,705</b>	<b>1,573</b>	<b>827</b>	<b>496</b>	<b>370</b>	<b>1,597</b>	<b>800</b>	<b>1,693</b>
<b>HOUSE PROFIT</b>	<b>4,151</b>	<b>2,362</b>	<b>1,788</b>	<b>671</b>	<b>394</b>	<b>161</b>	<b>1,819</b>	<b>534</b>	<b>2,424</b>
<b>FIXED EXPENSES</b>									
Property Taxes	54	24	27	19	16	9	13	10	<b>33</b>
Insurance	54	32	20	12	5	3	15	11	<b>32</b>
Other Fixed Expenses	258	51	47	26	9	16	20	7	<b>119</b>
Rent	269	98	18	18	18	13	59	43	<b>128</b>
<b>Total</b>	<b>635</b>	<b>205</b>	<b>112</b>	<b>73</b>	<b>48</b>	<b>41</b>	<b>106</b>	<b>71</b>	<b>313</b>
<b>NET INCOME**</b>	<b>Rs 3,516</b>	<b>Rs 2,157</b>	<b>Rs 1,675</b>	<b>Rs 597</b>	<b>Rs 345</b>	<b>Rs 119</b>	<b>Rs 1,712</b>	<b>Rs 463</b>	<b>Rs 2,112</b>

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 1-5: Indian Hotel Industry by Star Category – Market Data**

**Market Segmentation**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>34</b>	<b>40</b>	<b>36</b>	<b>247</b>	<b>103</b>	<b>28</b>	<b>33</b>	<b>37</b>	<b>558</b>
Airline Crew	4.3%	3.0%	2.3%	0.5%	0.5%	0.1%	0.1%	2.0%	1.2%
Business Traveller - Domestic	19.1	30.0	34.6	39.3	45.0	47.0	18.2	38.1	36.9
Business Traveller - Foreign	28.1	21.4	13.7	6.2	7.7	4.6	14.1	4.5	10.3
Complimentary Rooms	2.0	1.2	1.7	2.2	1.8	1.4	1.9	2.5	1.9
Domestic - Tourists/Leisure FIT	9.1	12.9	11.8	17.8	20.6	21.6	18.0	26.2	17.9
Foreign - Tourists/Leisure FIT	8.1	10.9	12.2	7.5	8.1	6.3	17.5	4.4	8.4
Meeting Participants (Less than 100 Attendees)	4.1	2.2	3.4	4.3	1.5	2.3	2.4	2.2	3.0
Meeting Participants (Over 100 Attendees)	6.8	6.2	8.2	6.8	3.4	3.0	4.1	7.0	5.9
Tour Groups - Domestic	2.6	2.3	4.8	7.5	5.5	8.3	5.9	8.2	6.0
Tour Groups - Foreign	7.3	6.5	4.5	5.1	3.3	3.4	13.9	1.5	4.9
Other	8.6	3.6	3.0	3.0	2.6	2.1	3.9	3.4	3.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Guest Analysis**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>37</b>	<b>41</b>	<b>34</b>	<b>247</b>	<b>83</b>	<b>28</b>	<b>31</b>	<b>245</b>	<b>746</b>
Domestic Guests	48.7%	58.6%	68.8%	76.9%	76.1%	82.1%	51.8%	82.5%	71.7%
Foreign Guests	51.3	41.4	31.2	23.1	23.9	17.9	48.2	17.5	28.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Total Business Guests	62.8%	66.4%	70.2%	59.8%	52.5%	59.5%	25.1%	53.1%	58.6%
Total Leisure Guests	37.2	33.6	29.9	40.2	47.5	40.5	74.9	46.9	41.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Avg. Stay of Domestic Guests (Days)	2.3	1.9	2.4	3.0	2.6	2.7	3.7	2.5	2.6
Avg. Stay of Foreign Guests (Days)	3.3	3.0	2.7	3.2	2.5	3.2	3.2	3.0	3.0
Avg. Stay of Business Guests (Days)	2.1	2.1	2.0	2.6	2.8	3.6	1.9	2.1	2.4
Avg. Stay of Leisure Guests (Days)	2.2	2.2	2.0	2.4	2.3	2.3	2.1	2.5	2.3
Percentage of Repeat Guests	47.4%	48.2%	36.6%	53.2%	52.2%	66.6%	32.9%	49.4%	49.9%

**Country of Origin of Guests**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>33</b>	<b>38</b>	<b>33</b>	<b>106</b>	<b>52</b>	<b>17</b>	<b>24</b>	<b>25</b>	<b>328</b>
ASEAN*	6.1%	5.6%	5.8%	6.9%	4.8%	7.7%	2.4%	4.0%	5.7%
Australia	2.8	4.0	2.0	3.3	3.9	3.8	5.7	3.1	3.5
Canada	1.9	2.7	3.9	3.6	2.8	1.8	4.9	3.1	3.2
Caribbean	0.5	0.6	0.3	1.8	0.4	0.1	0.2	1.0	0.9
China	1.7	3.2	1.7	2.1	1.8	1.7	0.5	1.5	1.9
France	5.2	6.6	7.2	8.0	5.7	5.8	15.1	4.2	7.2
Germany	4.7	7.6	9.1	6.6	6.6	7.8	8.6	7.8	7.1
Japan	5.7	7.1	5.4	5.9	3.4	1.5	3.4	3.0	4.9
Middle East	4.1	3.1	1.7	4.1	4.3	1.8	0.7	3.5	3.4
Other European	9.1	7.7	6.6	9.4	10.3	12.6	14.3	7.6	9.4
Russia	3.8	6.4	3.6	3.2	1.5	2.6	2.3	0.8	3.1
SAARC**	4.9	2.8	6.2	7.3	11.2	17.5	3.9	15.5	8.0
South Africa	1.4	1.5	2.0	1.8	1.6	1.9	0.6	2.3	1.7
UK	17.8	13.8	18.3	14.3	19.8	10.4	19.4	16.4	16.2
USA	14.8	13.3	13.6	13.2	11.7	9.0	11.1	13.4	12.8
Other	15.6	14.1	12.6	8.7	10.3	14.1	7.2	12.8	11.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* ASEAN: Association of South East Asian Nations

\*\* South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

**TABLE 1-6: Indian Hotel Industry by Star Category – Monthly & Daily Occupancy****Average Monthly Occupancy**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>35</b>	<b>36</b>	<b>34</b>	<b>229</b>	<b>78</b>	<b>32</b>	<b>28</b>	<b>58</b>	<b>530</b>
January	81.8%	75.4%	73.2%	63.8%	67.2%	59.0%	55.8%	55.5%	<b>65.8%</b>
February	82.1	80.1	75.8	63.9	63.6	56.6	58.6	55.2	<b>65.8</b>
March	77.5	71.1	65.2	57.2	60.0	55.0	55.6	52.2	<b>60.3</b>
April	69.0	66.8	62.0	59.3	58.8	54.9	44.5	54.2	<b>59.2</b>
May	60.0	59.5	55.2	62.2	60.5	56.1	42.8	60.7	<b>59.4</b>
June	60.5	58.8	60.2	65.0	66.8	55.1	44.1	59.6	<b>61.5</b>
July	62.7	59.6	62.5	54.9	56.6	52.7	41.2	53.8	<b>56.0</b>
August	64.6	63.2	61.9	55.1	55.9	51.1	74.0	53.1	<b>57.6</b>
September	67.2	65.9	63.5	58.6	56.8	54.9	40.7	54.5	<b>58.4</b>
October	71.2	70.8	67.1	61.6	64.3	61.3	60.9	60.8	<b>64.0</b>
November	77.9	75.8	70.8	66.8	65.6	64.0	63.1	63.2	<b>67.8</b>
December	79.1	78.8	77.1	70.7	72.5	69.6	60.2	65.9	<b>71.7</b>

**Average Daily Occupancy**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>32</b>	<b>35</b>	<b>36</b>	<b>224</b>	<b>81</b>	<b>28</b>	<b>28</b>	<b>44</b>	<b>508</b>
Monday	69.5%	67.7%	65.0%	54.9%	56.8%	55.7%	44.3%	54.5%	<b>57.9%</b>
Tuesday	72.3	70.7	66.0	55.5	59.1	56.6	44.2	55.6	<b>59.5</b>
Wednesday	72.8	71.0	67.2	56.8	63.1	55.2	43.1	56.4	<b>60.7</b>
Thursday	69.5	69.5	67.1	58.4	62.9	57.1	45.4	55.1	<b>60.9</b>
Friday	65.4	63.8	63.1	60.8	60.8	58.4	64.1	57.8	<b>61.5</b>
Saturday	61.7	61.6	58.1	55.7	56.5	56.2	69.9	54.2	<b>58.9</b>
Sunday	67.2	59.8	57.9	48.8	48.6	49.4	56.1	46.8	<b>54.2</b>

**TABLE 1-7: Indian Hotel Industry by Star Category – Sources of Reservations****Source of Advance Reservations**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>34</b>	<b>40</b>	<b>33</b>	<b>141</b>	<b>76</b>	<b>24</b>	<b>23</b>	<b>51</b>	<b>422</b>
Chain CRS (Central Reservation System)	15.0%	9.4%	6.7%	2.1%	0.6%	1.0%	6.3%	1.1%	<b>3.9%</b>
Direct Enquiry/ Hotel Representative	40.1	46.6	59.1	55.9	56.8	72.7	26.8	64.5	<b>54.7</b>
Global Distribution System (GDS)	8.1	2.3	0.7	2.2	0.8	0.0	1.9	0.6	<b>1.7</b>
Hotel/Chain Web Site	2.6	4.9	4.3	5.7	5.5	0.8	6.8	3.2	<b>4.6</b>
Travel Agent & Tour Operator	18.8	21.2	19.7	20.7	20.5	15.6	39.5	19.2	<b>21.2</b>
Other online reservation systems	9.7	7.5	1.8	2.6	1.1	1.7	10.3	2.2	<b>3.7</b>
Other websites	0.7	1.6	3.3	2.8	2.5	1.2	2.0	1.6	<b>2.3</b>
Others	5.0	6.5	4.3	8.0	12.1	7.0	6.5	7.7	<b>7.9</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**TABLE 1-8: Indian Hotel Industry by Star Category – Marketing Media****Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>32</b>	<b>36</b>	<b>34</b>	<b>172</b>	<b>79</b>	<b>23</b>	<b>30</b>	<b>148</b>	<b>554</b>
Direct Mail	93.8%	94.4%	88.2%	85.0%	77.2%	65.2%	81.8%	67.5%	<b>82.5%</b>
Hotel web site	100.0	94.4	88.2	81.9	66.7	56.5	77.3	60.0	<b>78.7</b>
Loyalty card program	87.5	75.0	50.0	25.2	14.0	13.0	36.4	15.0	<b>34.8</b>
Merchandising	46.9	36.1	35.3	23.6	17.5	13.0	13.6	12.5	<b>24.5</b>
Other Internet site	68.8	75.0	55.9	52.8	49.1	47.8	81.8	40.0	<b>56.1</b>
Outdoor Advertising	62.5	69.4	76.5	66.1	57.9	60.9	72.7	47.5	<b>63.9</b>
Print Advertising	93.8	94.4	91.2	92.1	94.7	87.0	95.5	87.5	<b>92.2</b>
Promotions	96.9	94.4	85.3	74.0	56.1	47.8	77.3	42.5	<b>71.4</b>
Radio Advertising	28.1	13.9	14.7	4.7	1.8	8.7	13.6	0.0	<b>8.4</b>
Telemarketing	71.9	72.2	79.4	54.3	36.8	39.1	31.8	22.5	<b>51.5</b>
TV Advertising	53.1	36.1	32.4	30.7	21.1	26.1	36.4	15.0	<b>30.2</b>

**TABLE 1-9: Indian Hotel Industry by Star Category – Payment Methods****Payment Methods Used**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>32</b>	<b>33</b>	<b>35</b>	<b>241</b>	<b>105</b>	<b>27</b>	<b>21</b>	<b>72</b>	<b>566</b>
Cash Sales	14.6%	24.5%	25.9%	41.2%	53.3%	65.4%	27.1%	63.8%	<b>42.2%</b>
Credit Card Sales	47.4	35.0	41.9	33.9	27.9	19.5	31.0	24.5	<b>32.5</b>
Credit Sales (Other than Cards)	34.9	38.6	29.7	23.7	16.8	15.1	41.3	10.7	<b>23.9</b>
Electronic Fund Transfer	3.1	1.9	2.5	1.2	2.0	0.0	0.6	1.0	<b>1.5</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Credit Cards Used**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>32</b>	<b>31</b>	<b>56</b>	<b>235</b>	<b>62</b>	<b>18</b>	<b>21</b>	<b>150</b>	<b>605</b>
American Express	30.4%	21.0%	14.5%	10.5%	5.6%	3.1%	15.4%	8.5%	<b>12.5%</b>
Diners Club	6.9	8.8	4.9	4.5	4.8	2.0	3.8	4.9	<b>5.0</b>
Mastercard/Eurocard	28.1	32.1	35.0	38.8	37.4	42.6	39.1	40.5	<b>37.0</b>
Visa	34.1	36.8	42.3	42.3	47.3	48.8	38.0	40.6	<b>41.8</b>
Other	0.6	1.3	3.4	4.0	4.9	3.5	3.8	5.5	<b>3.6</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Average Credit Card Commission**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>32</b>	<b>29</b>	<b>33</b>	<b>235</b>	<b>61</b>	<b>14</b>	<b>12</b>	<b>144</b>	<b>560</b>
American Express	3.2%	3.2%	3.2%	3.0%	2.2%	1.8%	3.4%	2.7%	<b>2.9%</b>
Diners Club	2.2	2.1	1.8	1.4	1.1	1.0	1.3	0.7	<b>1.5</b>
Mastercard/Eurocard	1.3	1.4	1.6	1.8	1.9	2.1	1.9	1.9	<b>1.7</b>
Visa	1.3	1.4	1.6	1.7	1.8	2.1	1.9	1.8	<b>1.7</b>

**TABLE 1-10: Indian Hotel Industry by Star Category – Technology & Environmental Issues**

**Technology in Hotels - Percentage of Hotels Using Each Technology**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>34</b>	<b>33</b>	<b>32</b>	<b>104</b>	<b>43</b>	<b>17</b>	<b>14</b>	<b>24</b>	<b>301</b>
Accounting System	94.1%	93.9%	78.1%	96.2%	88.4%	94.1%	100.0%	91.7%	92.4%
Call Accounting System	88.2	78.8	68.8	64.4	46.5	35.3	57.1	62.5	64.5
Central Reservation System (CRS)	76.5	45.5	40.6	27.9	16.3	0.0	57.1	8.3	33.2
Electronic Keycard	94.1	57.6	21.9	22.1	4.7	29.4	14.3	8.3	30.6
Energy Management System	58.8	33.3	31.3	17.3	7.0	5.9	28.6	12.5	23.3
Internet/E-Mail	100.0	97.0	90.6	93.3	83.7	64.7	92.9	79.2	90.0
Internet/Website	97.1	84.9	78.1	86.5	74.4	64.7	92.9	79.2	83.4
Intranet System	82.4	48.5	53.1	32.7	30.2	35.3	50.0	16.7	41.5
Local Area Network (LAN)	97.1	93.9	78.1	71.2	41.9	41.2	57.1	20.8	66.8
Management Information System (M I S)	88.2	93.9	75.0	67.3	48.8	29.4	71.4	33.3	66.1
Point of Sale System for Food and Beverage	97.1	93.9	78.1	77.9	55.8	23.5	64.3	45.8	72.4
Property Management System	88.2	84.9	56.3	47.1	30.2	11.8	71.4	12.5	50.8
Yield Management System	44.1	39.4	46.9	20.2	9.3	5.9	42.9	12.5	25.9
Other	29.4	15.2	12.5	7.7	4.7	5.9	7.1	0.0	10.3

**Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance**

COMPOSITION	2004-2005								All India Average
	Five-Star Deluxe	Five-Star	Four-Star	Three-Star	Two-Star	One-Star	Heritage	Other	
<b>Number of responses:</b>	<b>33</b>	<b>34</b>	<b>31</b>	<b>124</b>	<b>98</b>	<b>26</b>	<b>13</b>	<b>168</b>	<b>527</b>
Air (External Emissions)	90.2%	58.8%	61.3%	38.0%	31.1%	31.3%	53.9%	29.2%	47.3%
Air (Indoor Air Quality)	81.8	61.8	67.7	43.0	35.6	43.8	46.2	37.5	50.7
Community Interaction	72.7	55.9	51.6	36.0	28.9	12.5	53.9	25.0	41.6
Energy Consumption (Electricity)	100.0	100.0	96.8	97.0	93.3	93.8	100.0	91.7	96.6
Energy Consumption (Gas)	90.9	94.1	96.8	94.0	75.6	75.0	100.0	83.3	89.5
Energy Consumption (Oil)	93.9	79.4	93.6	83.0	66.7	50.0	76.9	62.5	78.7
Fresh Water Quality	84.9	94.1	90.3	71.0	71.1	56.3	84.6	62.5	76.4
Noise (External)	75.8	50.0	58.1	47.0	48.9	37.5	69.2	29.2	51.0
Noise (In House)	63.6	67.7	61.3	48.0	44.4	43.8	53.9	29.2	51.4
Solid Waste Disposal	66.7	47.1	54.8	28.0	26.7	12.5	46.2	12.5	35.8
Solid Waste Production (Quality)	57.6	38.2	54.8	26.0	15.6	6.3	46.2	8.3	30.7
Solid Waste Production (Segregation)	75.8	55.9	77.4	38.0	37.8	18.8	53.9	20.8	46.6
Solid Waste Production (Volume)	60.6	58.8	45.2	38.0	22.2	18.8	53.9	20.8	39.5
Staff Training in Environmental Issues	81.8	82.4	58.1	60.0	35.6	31.3	61.5	25.0	56.8
Use of Chemicals (Housekeeping)	78.8	91.2	74.2	81.0	77.8	81.3	92.3	70.8	80.4
Use of Chemicals (Maintenance)	87.9	94.1	93.6	78.0	64.4	62.5	84.6	62.5	78.7
Use of Pesticides and Herbicides (Dry Rations)	48.5	44.1	41.9	43.0	15.6	25.0	61.5	29.2	38.2
Use of Pesticides and Herbicides (Green Groceries)	57.6	44.1	38.7	41.0	20.0	31.3	69.2	25.0	39.2
Use of Pesticides and Herbicides (Horticulture / Gardens)	72.7	82.4	83.9	62.0	55.6	56.3	92.3	45.8	66.6
Use of Pesticides and Herbicides (Inside Building)	72.7	70.6	87.1	70.0	60.0	68.8	84.6	62.5	70.6
Use of Pesticides and Herbicides (Pest Control)	78.8	88.2	93.6	84.0	86.7	81.3	92.3	75.0	84.8
Use of Pesticides and Herbicides (Public Area)	75.8	73.5	87.1	71.0	60.0	62.5	100.0	41.7	70.3
Waste Water Quality	84.9	73.5	71.0	43.0	20.0	31.3	61.5	16.7	48.7
Waste Water Volume	81.8	82.4	74.2	52.0	31.1	31.3	61.5	16.7	54.4
Water Consumption	90.9	94.1	96.8	86.0	84.4	81.3	100.0	79.2	88.2

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## 2. Indian Hotel Industry – Hotel Size & Chain Affiliated vs. Independent

In this section, we present key operating and other data for the survey participants according to number of rooms. The participating hotels have been classified into three categories: ‘less than 50 rooms’, ‘between 50 and 150 rooms’, and ‘more than 150 rooms’. We have also made a comparison between chain affiliated and independent hotels.

- **Table 2-1:** presents a typical facilities analysis including rooms configuration, F&B outlets, and a breakup of trained and total employees;
- **Table 2-2:** presents financial information of chain affiliated hotels vs. independent hotels;
- **Table 2-3:** presents financial information of hotels according to hotel size;
- **Table 2-4:** presents market data including market segmentation, guest analysis and the country of origin of guests;
- **Table 2-5:** presents a monthly and daily occupancy analysis;
- **Table 2-6:** presents the sources of reservations;
- **Table 2-7:** presents the marketing media most widely used by hotels;
- **Table 2-8:** presents an analysis of payment methods and the use of credit cards;
- **Table 2-9:** presents the technology used and environmental issues measured by hotels.

## **Section Highlights**

The majority of responses in our survey for 2004-05 have been from smaller properties, with 671 hotels in the less than 50 rooms category, followed by 306 hotels in the 50 to 150 rooms category and 88 hotels in the more than 150 rooms segment. The number of survey participants has increased in the smaller (less than 50 rooms) segment: from 664 in 2003-04 to 671 in 2004-05. However, there has been a decrease in the number of responses in the middle (50 to 150 rooms) and larger (more than 150 rooms) segments. An analysis of survey participants in the chain affiliated and independent hotels segments reveals a decline in the number of responses from the independent larger hotels. The number of survey participants in the chain affiliated segment has increased from 146 in 2003-04 to 158 in 2004-05, whereas the number of survey participants in the independent segment has decreased from 963 in 2003-04 to 907 in 2004-05. When we presented the analysis of this category (Chain affiliated vs Independent) for the first time in 2001-02 there were 1,038 useable responses. Of these, 127 hotels had chain affiliations and 911 were independent hotels.

Some key highlights of the survey are as follows:

- Larger (more than 150 rooms) chain affiliated hotels have shown a marginal decline in the average number of total employees per room.
- Average occupancy for hotels with more than 150 rooms was 73.5% in 2004-05; for hotels with 50 to 150 rooms was 65.2%; and for hotels with less than 50 rooms was 59.5%. In all three categories, average occupancy has increased over the level of the previous year. Similarly, the average rate has shown an increase across all categories. In 2004-05, the average rate for hotels with more than 150 rooms was Rs5,083; 50 to 150 rooms was Rs2,496 and less than 50 rooms was Rs1,242. In 2003-04, the average rate for these categories was Rs3,960, Rs2,053 and Rs1,102, respectively.
- Chain affiliated hotels, which constitute 19.2% of the respondents, registered occupancy of 68.2% in 2004-05, and an average room rate of Rs3,929. In comparison, independent hotels had occupancy of 63.1%, with an average rate Rs3,311. The all India RevPAR increased by 35.2% from Rs1,605 in 2003-04 to Rs2,170 in 2004-05. Besides increased demand, another reason for increased occupancy is the increase in average stay (days) of business and leisure guests for both chain affiliated and independent hotels.
- Large hotels enjoy economies of scale as well as higher average rates and thus are better positioned to earn higher profits. Net income as a percentage of total revenue was highest for hotels with more than 150 rooms at 38.9%. For hotels with 50 to 150 rooms, it was at 29.3% and for those with less than 50 rooms, it was at 23.9%. Net income across all categories increased to 35.4% in 2004-05 from 30.7% in 2003-04.
- Average monthly occupancy in 2004-05 was more than 70.0% for six months for larger (more than 150 rooms) hotels and for four months for chain affiliated hotels, against five and three months in 2003-04, respectively. Similarly, average daily occupancy in 2004-05 was higher than 70.0% for four days in a week for larger hotels and two days in a week for chain affiliated hotels, compared to only two days and zero days in 2003-04, respectively.
- With increased internet security, usage and increased penetration of computers in urban India the percentage of hotels using hotel website and other internet sites for reservations as well as promotions has gone up.
- Larger (more than 150 rooms) hotels saw a further increase in reservations through the global distribution system(GDS), from 3.9% in 2002-03 and 5.8% in 2003-04 to 7.8% in 2004-05. GDS is also the most profitable channel for hotels as the room rates are highest through this channel.

**TABLE 2-1: Indian Hotel Industry – Hotel Size & Chain Affiliation: Facilities Analysis and Staffing**

**Typical Room Profile of an Average Hotel**

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>		<b>671</b>	<b>306</b>	<b>88</b>	<b>158</b>	<b>907</b>
Air-Conditioned	Single	1.7	6.2	59.2	23.6	5.8
	Double	16.6	54.1	189.5	106.6	35.7
	Suites	3.4	7.1	21.1	10.6	5.4
Non-Air-Conditioned	Single	1.2	1.7	0.4	0.3	1.4
	Double	6.7	9.4	0.8	4.0	7.4
	Suites	0.7	0.9	0.0	0.3	0.8
<b>Total Average Rooms</b>		<b>30.2</b>	<b>79.4</b>	<b>271.0</b>	<b>145.3</b>	<b>56.4</b>

**Average Number of Food & Beverage Outlets Per Hotel**

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>		<b>389</b>	<b>240</b>	<b>36</b>	<b>132</b>	<b>533</b>
Restaurant		1.4	1.9	3.6	2.4	1.7
Bar		0.6	0.9	1.7	1.1	0.8
Others		0.6	1.1	0.8	1.1	0.8
<b>Total</b>		<b>2.6</b>	<b>3.9</b>	<b>6.1</b>	<b>4.5</b>	<b>3.2</b>

**Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)**

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>		<b>547</b>	<b>235</b>	<b>36</b>	<b>81</b>	<b>737</b>
Managers	Male	2.5	10.0	45.1	25.1	6.5
	Female	0.4	1.5	15.0	4.9	1.5
Supervisors	Male	3.9	13.3	56.9	28.5	9.2
	Female	0.4	2.0	16.3	5.7	1.7
Staff	Male	31.2	87.0	285.3	152.9	60.0
	Female	1.9	7.4	30.6	12.0	5.1
<b>Total</b>		<b>40.3</b>	<b>121.1</b>	<b>449.2</b>	<b>229.0</b>	<b>83.9</b>
<b>Average Number of Employees Per Room</b>		<b>1.3</b>	<b>1.5</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>

**Average Number of Trained Employees Per Hotel**

COMPOSITION		Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>		<b>341</b>	<b>97</b>	<b>45</b>	<b>117</b>	<b>366</b>
Managers		84.4	86.4	82.1	93.2	82.8
Supervisors		69.4	77.6	72.2	84.5	71.4
Staff		54.4	58.4	67.1	72.4	55.2
<b>Total Average Trained Employees</b>		<b>69.4</b>	<b>74.1</b>	<b>73.8</b>	<b>83.4</b>	<b>69.8</b>
<b>Total Average Un-Trained Employees</b>		<b>30.6</b>	<b>25.9</b>	<b>26.2</b>	<b>16.6</b>	<b>30.2</b>
Hotels with Training Department		21.5	28.2	56.9	52.2	17.3

\* Trained employees includes those with a minimum one year certificate course in an educational institute, however some hotels may have included those with short term (in-house) training.

**TABLE 2-2: Indian Hotel Industry – Chain Affiliated vs. Independent: Financial Report (2004-2005)**

	Chain Affiliated			Independent			All India Average 2004-2005		
<b>Number of responses:</b>	98			411			509		
<b>Average Total Rooms Per Hotel:</b>	125			77			81		
<b>Average Occupied Rooms Per Hotel:</b>	30,588			18,206			19,392		
<b>Average Occupancy Per Hotel:</b>	68.2%			63.1%			63.6%		
<b>Average Rate Per Hotel:</b>	Rs 3,979			Rs 3,311			Rs 3412		
<b>COMPOSITION</b>	<b>Percentage of Revenue</b>	<b>Amount Per Available Room</b>	<b>Amount Per Occupied Room</b>	<b>Percentage of Revenue</b>	<b>Amount Per Available Room</b>	<b>Amount Per Occupied Room</b>	<b>Percentage of Revenue</b>	<b>Amount Per Available Room</b>	<b>Amount Per Occupied Room</b>
<b>REVENUE</b>									
Rooms	53.3%	Rs 970,950	Rs 3,979	58.3%	Rs 785,600	Rs 3,311	57.3%	Rs 813,001	Rs 3,412
Food & Beverage	28.8	524,594	2,150	28.2	379,861	1,601	28.3	401,240	1,684
Banquet & Conferences	11.5	208,853	856	6.8	92,256	389	7.7	109,463	459
Telephone & Other	1.4	26,291	108	1.6	21,976	93	1.6	22,614	95
Minor Operated*	2.9	52,320	214	3.2	43,407	183	3.2	44,725	188
Rental & Other Income	2.2	39,731	163	1.9	25,624	108	2.0	27,707	116
Total	100.0	1,822,740	7,470	100.0	1,348,724	5,686	100.0	1,418,749	5,955
<b>DEPARTMENTAL EXPENSES</b>									
Rooms	16.2	157,703	646	14.4	112,726	475	14.7	119,369	501
Food & Beverage	52.0	381,000	1,561	54.4	256,990	1,083	53.9	275,303	1,156
Telephone & Other	34.5	9,065	37	70.4	15,478	65	64.3	14,533	61
Minor Operated*	34.7	18,157	74	63.8	27,687	117	58.8	26,283	110
Rental & Other Income	3.5	1,387	6	9.5	2,421	10	8.2	2,269	10
Total	31.1	567,312	2,325	30.8	415,301	1,751	30.9	437,756	1,897
<b>DEPARTMENTAL INCOME</b>	68.9	1,255,427	5,145	69.2	933,423	3,935	69.1	980,993	4,118
<b>OPERATING EXPENSES</b>									
Administrative & General	9.0	164,778	675	7.7	103,418	436	7.9	112,477	472
Management Fee	2.0	36,825	151	1.5	19,514	82	1.6	22,069	93
Marketing	3.3	59,907	246	3.0	40,732	172	3.1	43,564	183
Franchise Fees	0.2	3,370	14	0.6	7,512	32	0.5	6,902	29
Property Operations & Maintenance	5.0	91,735	376	6.8	92,015	388	6.5	91,981	386
Energy	7.8	142,436	584	9.2	123,634	521	8.9	126,417	531
Total	27.4	499,051	2,045	28.7	386,825	1,631	28.4	403,409	1,693
<b>HOUSE PROFIT</b>	41.5	756,376	3,100	40.5	546,598	2,304	40.7	577,584	2,424
<b>FIXED EXPENSES</b>									
Property Taxes	0.5	9,733	40	0.6	7,651	32	0.6	7,959	33
Insurance	0.6	10,668	44	0.5	7,004	30	0.5	7,545	32
Other Fixed Expenses	1.1	19,079	78	2.2	30,087	127	2.0	28,465	119
Rent	1.8	33,075	136	2.2	30,113	127	2.2	30,552	128
Total	4.0	72,555	297	5.6	74,855	316	5.3	74,521	313
<b>NET INCOME**</b>	37.5%	Rs 683,821	Rs 2,802	35.0%	Rs 471,742	Rs 1,989	35.4%	Rs 503,063	Rs 2,112

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

TABLE 2-3: Indian Hotel Industry – Hotel Size: Financial Report (2004-2005)

COMPOSITION	2004-2005				2004-2005				2004-2005			
	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	All India Average
<b>Number of responses:</b>	218	248	43	509	218	248	43	509	218	248	43	509
<b>Average Total Rooms Per Hotel:</b>	32	82	269	81	32	82	269	81	32	82	269	81
<b>Average Occupied Rooms Per Hotel:</b>	6,550	18,937	69,923	19,392	6,550	18,937	69,923	19,392	6,550	18,937	69,923	19,392
<b>Average Occupancy Per Hotel:</b>	59.5%	65.2%	73.5%	63.6%	59.5%	65.2%	73.5%	63.6%	59.5%	65.2%	73.5%	63.6%
<b>Average Rate Per Hotel:</b>	Rs 1242	Rs 2496	Rs 5083	Rs 3412	Rs 1242	Rs 2496	Rs 5083	Rs 3412	Rs 1242	Rs 2496	Rs 5083	Rs 3412
	Percentage of Revenue				Amount Per Available Room				Amount Per Occupied Room			
<b>REVENUE</b>												
Rooms	52.6%	57.3%	57.8%	57.3%	Rs 254,781	Rs 579,033	Rs 1,321,778	Rs 813,001	Rs 1,241	Rs 2,496	Rs 5,083	Rs 3,412
Food & Beverage	32.8	27.9	28.0	28.3	159,129	282,571	640,763	401,240	775	1,218	2,464	1,684
Banquet & Conferences	8.9	8.5	7.2	7.7	42,926	85,965	165,290	109,463	209	371	636	459
Telephone & Other	0.9	1.3	1.8	1.6	4,221	12,634	41,869	22,614	21	54	161	95
Minor Operated*	1.2	2.7	3.6	3.2	5,677	26,776	82,051	44,725	28	115	316	188
Rental & Other Income	3.7	2.4	1.6	2.0	17,912	24,335	35,829	27,707	87	105	138	116
Total	100.0	100.0	100.0	100.0	484,645	1,011,314	2,287,581	1,418,749	2,362	4,360	8,797	5,955
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	19.4	14.3	14.6	14.7	49,415	82,866	192,629	119,369	241	357	741	501
Food & Beverage	63.9	59.4	50.6	53.9	129,168	218,902	407,458	275,303	629	944	1,567	1,156
Telephone & Other	145.6	77.9	56.5	64.3	6,146	9,838	23,663	14,533	30	42	91	61
Minor Operated*	163.5	79.7	48.3	58.8	9,282	21,348	239,620	26,283	45	92	152	110
Rental & Other Income	14.5	16.3	0.9	8.2	2,591	3,966	309	2,269	13	17	1	10
Total	40.6	33.3	29.0	30.9	196,602	336,919	663,680	437,756	958	1,453	2,552	1,897
<b>DEPARTMENTAL INCOME</b>	59.4	66.7	71.0	69.1	288,043	674,394	1,623,901	980,993	1,404	2,908	6,245	4,118
<b>OPERATING EXPENSES</b>												
Administrative & General	8.1	9.7	7.1	7.9	39,081	97,954	162,667	112,477	190	422	626	472
Management Fee	1.5	2.4	1.5	1.6	6,190	22,186	29,113	22,069	30	96	112	93
Marketing	3.0	3.1	3.1	3.1	14,431	30,820	71,058	43,564	70	133	273	183
Franchise Fees	0.1	0.3	0.6	0.5	696	3,386	13,596	6,902	3	15	52	29
Property Operations & Maintenance	6.9	6.9	6.2	6.5	33,428	69,992	142,547	91,981	163	302	548	386
Energy	12.8	11.3	7.5	8.9	61,969	113,899	170,608	126,417	302	491	656	531
Total	32.4	33.7	26.0	28.4	155,796	338,237	589,590	403,409	759	1,458	2,267	1,693
<b>HOUSE PROFIT</b>	27.1	33.0	45.0	40.7	132,248	336,157	1,034,311	577,584	644	1,449	3,978	2,424
<b>FIXED EXPENSES</b>												
Property Taxes	0.8	0.6	0.5	0.6	3,905	6,162	11,761	7,959	19	27	45	33
Insurance	0.4	0.4	0.6	0.5	1,997	4,186	13,736	7,545	10	18	53	32
Other Fixed Expenses	0.9	2.0	2.1	2.0	4,388	20,501	48,077	28,465	21	88	185	119
Rent	1.0	0.7	3.0	2.2	4,876	7,037	67,944	30,552	24	30	261	128
Total	3.1	3.8	6.2	5.3	15,166	37,886	141,518	74,521	74	163	544	313
<b>NET INCOME**</b>	23.9%	29.3%	38.9%	35.4%	Rs 117,081	Rs 298,271	Rs 892,793	Rs 503,063	Rs 570	Rs 1,286	Rs 3,433	Rs 2,112

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 2-4: Indian Hotel Industry – Hotel Size & Chain Affiliation: Market Data**

**Market Segmentation**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>336</b>	<b>187</b>	<b>35</b>	<b>101</b>	<b>457</b>
Airline Crew	0.6	1.3	5.1	6.5	1.2
Business Traveller - Domestic	38.6	36.6	26.9	33.8	37.2
Business Traveller - Foreign	6.9	11.4	28.6	20.8	9.5
Complimentary Rooms	2.3	1.6	1.1	1.5	2.0
Domestic - Tourists/Leisure FIT	21.1	15.9	6.2	10.6	18.5
Foreign - Tourists/Leisure FIT	8.5	8.5	7.5	6.7	8.4
Meeting Participants (Less than 100 Attendees)	2.6	3.6	3.1	3.4	3.1
Meeting Participants (Over 100 Attendees)	5.3	6.7	6.0	4.8	5.9
Tour Groups - Domestic	6.9	5.5	2.5	2.0	6.3
Tour Groups - Foreign	4.4	5.4	6.1	6.9	4.6
Other	2.9	3.5	7.0	3.2	3.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Guest Analysis**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>424</b>	<b>253</b>	<b>69</b>	<b>33</b>	<b>377</b>
Domestic Guests	76.0	71.5	47.9	58.7	72.8
Foreign Guests	24.0	28.5	52.1	41.3	26.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>99.6</b>
Total Business Guests	54.0	60.7	70.2	64.6	57.9
Total Leisure Guests	46.0	39.3	29.8	35.4	42.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Avg. Stay of Domestic Guests (Days)	2.4	2.5	3.3	2.6	2.6
Avg. Stay of Foreign Guests (Days)	2.3	2.3	2.1	2.8	3.5
Avg. Stay of Business Guests (Days)	2.7	2.2	2.1	2.2	2.3
Avg. Stay of Leisure Guests (Days)	2.3	2.3	2.2	2.1	2.0
Percentage of Repeat Guests	51.1	47.9	50.2	44.1	50.4

**Country of Origin of Guests**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>165</b>	<b>127</b>	<b>36</b>	<b>36</b>	<b>292</b>
ASEAN*	5.2	5.8	7.7	7.0	5.6
Australia	3.7	3.4	2.5	4.4	3.4
Canada	3.5	3.1	2.3	2.5	3.3
Caribbean	0.5	1.5	0.5	0.3	0.9
China	1.8	2.1	2.0	2.6	1.8
France	7.3	7.9	4.4	8.7	7.1
Germany	7.2	7.5	5.1	6.9	7.1
Japan	4.7	5.2	5.1	5.9	4.8
Middle East	3.8	2.9	3.1	3.0	3.4
Other European	10.3	8.4	9.1	10.1	9.3
Russia	2.5	3.9	3.3	5.7	2.9
SAARC**	10.2	5.8	5.3	3.3	8.4
South Africa	1.7	1.7	1.4	1.6	1.7
UK	15.4	16.8	17.5	14.5	16.4
USA	11.6	14.0	14.1	13.8	12.7
Other	10.7	10.1	16.7	9.7	11.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* ASEAN: Association of South East Asian Nations

\*\* South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

**TABLE 2-5: Indian Hotel Industry – Hotel Size & Chain Affiliation: Monthly & Daily Occupancy****Average Monthly Occupancy**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>296</b>	<b>157</b>	<b>77</b>	<b>150</b>	<b>380</b>
January	61.2	68.3	81.5	74.5	65.1
February	60.1	69.1	84.6	78.6	64.8
March	55.7	62.4	77.7	67.9	59.8
April	55.3	62.1	69.2	64.4	58.8
May	58.7	60.4	59.1	57.6	59.5
June	63.8	58.7	59.9	55.9	61.9
July	54.0	57.2	61.9	58.2	55.8
August	53.5	61.6	64.0	63.5	57.1
September	55.7	59.9	68.0	64.8	58.0
October	61.6	65.2	72.3	68.8	63.6
November	64.3	70.1	78.4	76.0	67.2
December	68.8	73.9	78.8	79.7	71.1

**Average Daily Occupancy**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>198</b>	<b>267</b>	<b>43</b>	<b>123</b>	<b>385</b>
Monday	53.8	60.1	72.1	67.7	57.0
Tuesday	55.7	61.1	74.5	70.7	58.5
Wednesday	56.8	62.5	75.6	70.5	59.8
Thursday	57.2	63.5	71.7	69.6	60.2
Friday	58.8	63.4	66.9	66.6	60.8
Saturday	54.6	60.3	63.8	63.5	57.1
Sunday	46.4	56.0	66.6	64.2	50.9

**TABLE 2-6: Indian Hotel Industry – Hotel Size & Chain Affiliation: Sources of Reservation****Source of Advance Reservations**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<b>Number of responses:</b>	<b>230</b>	<b>156</b>	<b>36</b>	<b>37</b>	<b>385</b>
Chain CRS (Central Reservation System)	1.7	5.8	10.0	14.5	3.1
Direct Enquiry/ Hotel Representative	57.0	54.8	39.5	45.8	55.4
Global Distribution System (GDS)	1.0	1.3	7.8	2.4	1.7
Hotel/Chain Web Site	4.5	5.1	3.8	3.2	4.7
Travel Agent & Tour Operator	22.1	19.5	22.9	19.2	21.4
Other Online Reservation Systems	2.2	5.1	7.0	7.6	3.4
Other Websites	2.3	2.5	1.2	1.3	2.3
Others	9.2	6.0	7.9	6.0	8.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**TABLE 2-7: Indian Hotel Industry – Hotel Size & Chain Affiliation: Marketing Media**

**Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliation	
				Affiliated	Independent
<i>Number of responses:</i>	<b>287</b>	<b>233</b>	<b>34</b>	<b>96</b>	<b>458</b>
Direct Mail	78.1	86.7	88.2	90.3	81.8
Hotel Website	68.5	87.3	97.1	93.6	77.4
Loyalty Card Program	20.9	42.0	79.4	87.1	30.0
Merchandising	17.1	30.7	38.2	41.9	22.9
Other Internet Site	48.7	62.0	70.6	67.7	55.0
Outdoor Advertising	61.5	68.7	55.9	80.7	62.4
Print Advertising	92.5	90.0	100.0	96.8	91.8
Promotions	61.5	78.0	97.1	100.0	68.8
Radio Advertising	4.8	9.3	23.5	19.4	7.4
Telemarketing	42.3	60.7	61.8	71.0	49.7
TV Advertising	27.8	30.7	41.2	58.1	27.7

**TABLE 2-8: Indian Hotel Industry – Hotel Size & Chain Affiliation: Payment Methods**

**Payment Methods Used**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliation	
				Affiliated	Independent
<i>Number of responses:</i>	<b>219</b>	<b>154</b>	<b>33</b>	<b>88</b>	<b>478</b>
Cash Sales	51.9	34.0	15.8	20.7	43.8
Credit Card Sales	27.2	37.1	45.4	39.0	32.0
Credit Sales (Other than Cards)	19.9	26.9	36.2	36.4	22.9
Electronic Fund Transfer	1.0	2.1	2.6	3.8	1.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Credit Cards Used**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliation	
				Affiliated	Independent
<i>Number of responses:</i>	<b>180</b>	<b>147</b>	<b>31</b>	<b>102</b>	<b>503</b>
American Express	8.5	14.2	27.9	21.9	11.7
Diners Club	4.2	5.8	6.4	6.6	4.9
Mastercard/Eurocard	38.6	36.2	31.8	31.9	37.5
Visa	44.3	40.6	32.9	38.4	42.1
Other	4.4	3.3	1.0	1.3	3.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Average Credit Card Commission**

COMPOSITION	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliation	
				Affiliated	Independent
<i>Number of responses:</i>	<b>136</b>	<b>124</b>	<b>33</b>	<b>90</b>	<b>470</b>
American Express	2.6	3.1	3.2	3.3	2.8
Diners Club	1.1	1.7	2.2	2.2	1.4
Mastercard/Eurocard	1.9	1.6	1.3	1.4	1.7
Visa	1.8	1.6	1.3	1.4	1.7

**TABLE 2-9: Indian Hotel Industry – Hotel Size & Chain Affiliation: Technology & Environmental Issues**

**Technology in Hotels - Percentage of Hotels Using Each Technology**

Room Size	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<i>Number of responses:</i>	<i>137</i>	<i>129</i>	<i>35</i>	<i>43</i>	<i>258</i>
Accounting System	91.2	94.6	88.6	85.7	93.0
Call Accounting System	51.8	72.1	85.7	75.0	63.4
Central Reservation System (CRS)	19.0	38.8	68.6	57.1	30.8
Electronic Keycard	13.1	34.1	85.7	57.1	27.8
Energy Management System	11.7	27.1	54.3	32.1	22.3
Internet/E-Mail	81.8	96.9	97.1	96.4	89.4
Internet/Website	74.5	89.9	94.3	89.3	82.8
Intranet System	30.7	44.2	74.3	50.0	40.7
Local Area Network (LAN)	44.5	83.0	94.3	89.3	64.5
Management Information System (MIS)	48.2	79.8	85.7	92.9	63.4
Point of Sale System for Food and Beverage	54.7	85.3	94.3	96.4	70.0
Property Management System	27.7	64.3	91.4	85.7	47.3
Yield Management System	13.9	35.7	37.1	32.1	25.3
Other	5.1	10.9	28.6	10.7	10.3

**Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance**

Room Size	Less Than 50 Rooms	50 to 150 Rooms	More Than 150 Rooms	Chain Affiliated	Independent
<i>Number of responses:</i>	<i>134</i>	<i>126</i>	<i>36</i>	<i>95</i>	<i>432</i>
Air (External Emissions)	39.6	46.0	80.6	76.9	44.4
Air (Indoor Air Quality)	44.0	50.0	77.8	73.1	48.5
Community Interaction	33.6	44.4	61.1	73.1	38.5
Energy Consumption (Electricity)	94.8	98.4	97.2	100.0	96.3
Energy Consumption (Gas)	85.8	92.1	94.4	96.2	88.9
Energy Consumption (Oil)	72.4	81.0	94.4	96.2	77.0
Fresh Water Quality	70.2	80.2	86.1	92.3	74.8
Noise (External)	45.5	51.6	69.4	73.1	48.9
Noise (In House)	44.8	54.8	63.9	80.8	48.5
Solid Waste Disposal	25.4	36.5	72.2	57.7	33.7
Solid Waste Production (Quality)	19.4	35.7	55.6	50.0	28.9
Solid Waste Production (Segregation)	34.3	50.8	77.8	61.5	45.2
Solid Waste Production (Volume)	30.6	45.2	52.8	57.7	37.8
Staff Training in Environmental Issues	46.3	60.3	83.3	80.8	54.4
Use of Chemicals (Housekeeping)	78.4	81.8	83.3	96.2	78.9
Use of Chemicals (Maintenance)	71.6	83.3	88.9	92.3	77.4
Use of Pesticides and Herbicides (Dry Rations)	29.9	45.2	44.4	65.4	35.6
Use of Pesticides and Herbicides (Green Groceries)	32.1	43.7	50.0	61.5	37.0
Use of Pesticides and Herbicides (Horticulture / Gardens)	70.3	80.9	78.8	80.8	65.2
Use of Pesticides and Herbicides (Inside Building)	75.2	72.7	77.1	80.8	69.6
Use of Pesticides and Herbicides (Pest Control)	84.3	85.7	83.3	88.5	84.4
Use of Pesticides and Herbicides (Public Area)	69.4	69.1	77.8	84.6	68.9
Waste Water Quality	31.3	57.1	83.3	76.9	45.9
Waste Water Volume	36.6	66.7	77.8	76.9	52.2
Water Consumption	82.8	93.7	88.9	92.3	87.8

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### 3. Indian Hotel Industry - Seven Major Cities

In this section, we present the operating profiles and financial data for different categories of hotels in seven major cities: New Delhi, Mumbai, Kolkata, Pune, Chennai, Bangalore and Goa. In certain cities and for certain star categories, we were unable to fulfil the minimum data requirement of at least four hotels in each representation and have reflected this as 'ID' (insufficient data). As most cities had insufficient data in individual star categories, we have combined star categories to enable the information to be summarised. However, in doing so we have been careful to combine star categories that are broadly similar.

- For the second consecutive year, Bangalore's five-star deluxe and five-star hotels continue to enjoy the highest average room rate. High occupancy and the highest room rate have enabled Bangalore to achieve highest net income as a percentage of revenue (52.3%) for its five-star deluxe and five-star hotels.
- UK, USA and other European countries (except France and Germany) remain the key feeder markets for India. As Kolkata is used as a transit point by SAARC countries like Bangladesh and Bhutan, SAARC forms a significant feeder market to the city.
- All Bangalore hotels achieved a monthly occupancy of 70.0% for all 12 months in 2004-05, followed by Delhi's five star deluxe and five star hotels, which achieved a monthly occupancy of 70.0% and above for 10 months. Also the afore-mentioned categories had daily occupancy of 75.0% and above for four days (Monday to Thursday) in a week.
- Goa's five-star deluxe and five-star hotels, four-star and three-star hotels had the highest average stay of domestic guests (3.7 and 3.6 days, respectively), highest average stay of foreign guests (10.6 and 12.8 days, respectively) and highest average stay of leisure guests (5.6 and 5.2 days, respectively).
- Pune's four-star, three-star and two-star hotels had the lowest average number of employees per room (1.2), inline with the city's orientation as a mainly business destination. The city had the highest percentage of business guests at 82.1%.
- There is an increase in rent for New Delhi five-star category hotels at 9.5% in 2004-05 as there are more survey participants with land leased from the city's authorities like New Delhi Municipal Corporation and Delhi Development Authority.

**TABLE 3-1: Indian Hotel Industry - Seven Major Cities: Facilities and Guest Analysis****Typical Room Profile of an Average Hotel**

		New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One-Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five- Star	Four -Star, Three- Star & Two - Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
<b>Number of responses:</b>		<b>11</b>	<b>10</b>	<b>9</b>	<b>18</b>	<b>37</b>	<b>36</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>5</b>	<b>17</b>	<b>7</b>	<b>20</b>	<b>7</b>	<b>16</b>
Air-Conditioned	Single	91.3	14.2	6.2	76.8	5.4	5.7	33.2	4.7	0.3	64.6	12.6	33.3	8.7	0.0	0.4
	Double	163.9	81.3	22.3	172.2	43.4	18.2	55.5	17.5	30.1	100.8	37.8	132.6	50.2	139.0	60.9
	Suites	23.8	4.6	1.3	22.8	5.4	3.3	10.2	3.5	3.5	11.8	8.4	16.1	7.1	20.4	16.1
Non-Air-Conditioned	Single	0.0	0.0	0.0	0.0	0.1	0.5	1.2	2.1	1.6	0.0	3.6	0.0	1.4	0.0	0.0
	Double	0.0	0.0	4.6	4.1	0.6	2.6	1.7	4.9	12.6	0.0	8.9	0.0	7.0	0.0	3.7
	Suites	0.0	0.0	0.0	0.2	0.0	0.1	0.0	0.2	0.4	0.0	0.7	0.0	0.5	0.0	0.0
<b>Total Average Rooms</b>		<b>279.0</b>	<b>100.1</b>	<b>34.5</b>	<b>276.1</b>	<b>54.9</b>	<b>30.5</b>	<b>101.7</b>	<b>32.9</b>	<b>48.4</b>	<b>177.2</b>	<b>72.1</b>	<b>182.0</b>	<b>74.8</b>	<b>159.4</b>	<b>81.1</b>

**Average Number of Food & Beverage Outlets Per Hotel**

		New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One-Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five- Star	Four -Star, Three- Star & Two - Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
<b>Number of responses:</b>		<b>11</b>	<b>10</b>	<b>7</b>	<b>16</b>	<b>34</b>	<b>36</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>5</b>	<b>17</b>	<b>7</b>	<b>20</b>	<b>7</b>	<b>16</b>
Restaurant		3.1	2.0	1.2	3.3	1.4	1.2	2.5	1.1	1.6	3.2	1.7	3.4	1.8	4.7	2.2
Bar		1.4	1.0	0.2	1.3	0.9	0.9	1.8	0.4	0.7	1.4	0.9	1.3	0.9	3.0	1.5
Others		1.0	0.2	0.4	0.9	0.9	0.5	0.5	0.6	1.0	1.7	0.7	1.4	2.1	0.7	0.2
<b>Total</b>		<b>5.6</b>	<b>3.2</b>	<b>1.8</b>	<b>5.5</b>	<b>3.1</b>	<b>2.5</b>	<b>4.8</b>	<b>2.1</b>	<b>3.3</b>	<b>6.3</b>	<b>3.3</b>	<b>6.1</b>	<b>4.7</b>	<b>8.4</b>	<b>3.9</b>

**Guest Analysis**

		New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
COMPOSITION		Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One-Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five- Star	Four -Star, Three- Star & Two - Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
<b>Number of responses:</b>		<b>9</b>	<b>8</b>	<b>5</b>	<b>14</b>	<b>30</b>	<b>31</b>	<b>10</b>	<b>12</b>	<b>14</b>	<b>4</b>	<b>15</b>	<b>7</b>	<b>14</b>	<b>6</b>	<b>9</b>
Domestic Guests		50.4%	84.5%	89.6%	53.2%	71.9%	75.4%	77.8%	76.5%	70.8%	66.4%	77.8%	34.5%	77.8%	52.1%	56.3%
Foreign Guests		49.6	15.5	10.4	46.8	28.1	24.6	22.2	23.5	29.3	33.6	23.1	65.5	22.2	47.9	43.7
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Total Business Guests		72.8%	71.6%	70.2%	79.8%	72.3%	68.3%	70.2%	69.8%	82.1%	77.7%	74.5%	71.7%	74.5%	48.8%	37.4%
Total Leisure Guests		27.2	28.4	29.8	20.2	27.7	31.7	29.8	30.2	17.9	22.3	25.5	28.3	25.5	51.2	62.6
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Avg. Stay of Domestic Guests(Days)		2.1	2.6	2.9	2.9	3.5	3.7	3.1	3.3	3.3	2.0	2.7	2.1	3.1	3.7	3.6
Avg. Stay of Foreign Guests(Days)		3.2	2.8	2.7	3.2	3.2	2.5	3.6	3.6	3.6	3.1	3.4	3.1	3.5	10.6	12.8
Avg. Stay of Business Guests(Days)		2.2	2.4	2.1	2.8	2.6	1.9	2.1	1.7	2.4	2.8	2.5	2.2	2.7	2.7	2.5
Avg. Stay of Leisure Guests(Days)		1.9	1.7	1.2	1.9	1.7	2.6	2.8	1.2	1.9	2.6	2.0	2.0	2.3	5.6	5.2
Percentage of Repeat Guests		52.2%	51.1%	48.7%	52.4%	54.2%	57.5%	49.6%	55.7%	62.5%	53.1%	69.0%	38.3%	62.4%	30.5%	39.8%

**TABLE 3-2: Indian Hotel Industry - Seven Major Cities: Staffing****Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)**

		New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
		Five-Star Deluxe & Five- Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five- Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two-Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four -Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
<b>COMPOSITION</b>																
<i>Number of responses:</i>		<b>7</b>	<b>10</b>	<b>8</b>	<b>15</b>	<b>21</b>	<b>24</b>	<b>6</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>15</b>	<b>7</b>	<b>16</b>	<b>7</b>	<b>10</b>
Managers	Male	55.7	4.8	2.3	56.4	8.7	1.9	17.3	4.7	4.9	28.5	4.6	34.6	10.2	26.1	5.9
	Female	16.7	1.4	0.7	18.1	1.7	0.1	3.0	0.7	1.2	6.3	0.6	14.4	1.7	7.6	0.4
Supervisors	Male	52.0	3.4	4.3	63.6	9.4	2.6	19.7	4.9	5.8	45.3	8.6	43.7	15.1	39.3	11.3
	Female	17.7	0.6	0.3	20.5	1.3	0.3	4.2	0.6	1.7	5.5	0.6	11.4	1.8	8.4	3.4
Staff	Male	248.7	71.4	21.5	327.7	78.5	21.8	118.2	30.1	52.2	273.8	60.1	221.9	99.5	214.0	80.9
	Female	15.6	8.4	1.0	39.2	5.1	0.5	8.8	0.4	2.0	14.8	3.5	23.3	7.7	32.6	9.0
<b>Total</b>		<b>406.4</b>	<b>90.0</b>	<b>30.2</b>	<b>525.5</b>	<b>104.8</b>	<b>27.1</b>	<b>171.2</b>	<b>41.4</b>	<b>67.8</b>	<b>374.1</b>	<b>78.0</b>	<b>349.3</b>	<b>136.0</b>	<b>328.0</b>	<b>111.0</b>
Average Number of Employees Per Room		2.0	1.7	1.0	1.9	2.0	0.9	1.6	1.3	1.2	2.1	1.7	1.9	2.0	2.1	1.4

**Average Number of Trained Employees Per Hotel**

		New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
		Five-Star Deluxe & Five- Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe & Five- Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two-Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four -Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
<b>COMPOSITION</b>																
<i>Number of responses:</i>		<b>5</b>	<b>10</b>	<b>5</b>	<b>14</b>	<b>16</b>	<b>10</b>	<b>6</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>14</b>	<b>6</b>	<b>16</b>	<b>6</b>	<b>9</b>
Managers		100.0%		69.7%	78.9%	83.5%		100.0%	100.0%	100.0%	79.8%	76.7%	82.6%	96.5%	74.1%	67.6%
Supervisors		79.9		70.5	75.6	85.6		90.0	85.5	83.3	100.0	75.0	65.7	94.4	60.8	52.5
Staff		88.5		62.3	63.8	72.6		73.2	57.9	69.9	99.5	52.3	74.6	89.8	45.8	36.6
<b>Total Avg. Trained Employees</b>		<b>89.4</b>		<b>67.5</b>	<b>72.7</b>	<b>80.6</b>		<b>87.7</b>	<b>81.1</b>	<b>84.4</b>	<b>93.1</b>	<b>68.0</b>	<b>74.3</b>	<b>93.6</b>	<b>60.3</b>	<b>52.2</b>
<b>Total Avg. Un-Trained Employees</b>		<b>10.6</b>		<b>32.5</b>	<b>27.3</b>	<b>19.4</b>		<b>12.3</b>	<b>18.9</b>	<b>15.6</b>	<b>6.9</b>	<b>32.0</b>	<b>25.7</b>	<b>6.5</b>	<b>39.7</b>	<b>47.8</b>
Hotels with Training Department		78.7%		0.0%	57.2%	13.8%		32.5%	0.0%	9.1%	51.6%	36.1%	85.9%	29.9%	58.4%	35.6%

\*Trained employees include those with a minimum one year certificate course in an educational institute, however some hotels may have included those with short term (in-house) training.

**TABLE 3-3: Indian Hotel Industry - Seven Major Cities: Financial Report - Percentage of Revenue**

	New Delhi		Mumbai		Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION	Five-Star Deluxe & Five- Star	Five-Star Deluxe & Five- Star	Four-Star & Three- Star	Two-Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two-Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Three- Star	Three- Star & Two-Star	Five-Star Deluxe & Five- Star	Four-Star, Three- Star & Two-Star	Five-Star Deluxe & Five- Star	Four-Star & Three- Star	
	7	12	11	13	5	6	4	4	8	6	9	5	7	
<b>Number of responses:</b>	7	12	11	13	5	6	4	4	8	6	9	5	7	
<b>Average Total Rooms:</b>	230	292	60	30	118	29	55	142	72	180	69	171	81	
<b>Average Occupied Rooms:</b>	68,465	76,024	16,169	7,106	28,831	6,627	16,467	35,486	17,812	49,379	20,750	43,952	17,900	
<b>Average Occupancy:</b>	83.1%	74.6%	81.0%	69.6%	76.0%	59.7%	83.0%	80.1%	68.4%	77.5%	81.4%	71.0%	62.2%	
<b>Average Rate:</b>	Rs 5,680	Rs 5,100	Rs 2,057	Rs 1,203	Rs 2,564	Rs 926	Rs 1,588	Rs 2,406	Rs 1,207	Rs 8,892	Rs 3,382	Rs 3,547	Rs 1,272	
<b>REVENUE</b>														
Rooms	56.0%	58.1%	62.0%	84.7%	53.0%	77.4%	60.7%	44.6%	41.6%	66.8%	59.4%	58.3%	51.4%	
Food & Beverage	26.3	29.5	27.0	9.7	23.0	15.4	14.4	34.3	42.6	24.5	29.2	30.2	37.7	
Banquet & Conferences	11.4	4.7	7.5	1.2	17.4	3.6	18.4	15.6	12.6	2.2	8.1	3.7	3.9	
Telephone & Other	1.9	2.0	0.7	0.7	1.4	1.4	1.2	1.6	1.7	2.3	1.3	0.4	0.6	
Minor Operated*	2.8	3.8	1.2	0.2	2.6	0.8	1.0	2.6	0.9	3.8	0.8	5.4	1.3	
Rental & Other Income	1.7	2.0	1.6	3.6	2.6	1.5	4.3	1.3	0.6	0.3	1.3	2.0	5.2	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
<b>DEPARTMENTAL EXPENSES</b>														
Rooms	14.8	15.7	17.5	22.2	11.0	13.4	13.5	11.1	35.4	11.0	6.6	17.1	27.1	
Food & Beverage	58.0	49.9	70.3	110.7	41.7	88.1	59.0	33.2	42.2	48.3	46.7	56.2	50.1	
Telephone & Other	34.2	93.5	167.7	269.3	31.7	181.9	118.6	21.2	49.4	37.6	37.0	64.1	70.1	
Minor Operated*	59.7	49.7	158.3	405.1	43.9	218.8	145.1	264.7	58.6	33.7	106.8	39.0	42.8	
Rental & Other Income	0.0	0.8	27.9	37.0	0.2	45.1	0.0	0.0	0.0	43.0	44.4	0.0	11.2	
Total	32.5	29.9	38.7	34.7	24.2	32.0	30.3	28.7	39.4	22.6	23.2	31.4	36.2	
<b>DEPARTMENTAL INCOME</b>														
	67.5	70.1	61.3	65.3	75.8	68.1	69.7	71.3	60.7	77.4	76.8	68.6	63.8	
<b>OPERATING EXPENSES</b>														
Administrative & General	7.8	7.3	8.9	6.8	11.2	10.8	11.6	13.0	5.5	5.6	7.4	10.6	7.5	
Management Fee	0.9	1.3	1.5	0.7	1.5	5.7	1.0	0.0	3.7	1.4	6.0	2.1	0.8	
Marketing	2.3	3.8	3.7	4.3	4.7	2.5	1.6	2.6	1.4	2.2	2.1	4.8	8.1	
Franchise Fees	1.0	0.4	0.1	0.0	0.0	0.0	0.0	0.0	2.4	0.6	0.0	1.0	0.1	
Property Operations & Maintenance	8.4	4.0	5.2	15.0	13.7	7.2	4.2	8.5	1.4	3.8	8.3	6.4	10.2	
Energy	7.0	7.0	16.7	15.7	10.4	11.7	7.1	11.0	9.9	6.6	7.4	10.6	8.3	
Total	27.4	23.8	36.1	42.5	41.6	37.9	25.4	35.1	24.4	20.3	31.2	35.4	35.0	
<b>HOUSE PROFIT</b>														
	40.2	46.3	25.2	22.8	34.2	30.1	44.3	36.2	36.3	57.2	45.7	33.2	28.7	
<b>FIXED EXPENSES</b>														
Property Taxes	0.4	0.4	1.2	0.7	0.5	0.4	1.4	0.4	1.0	1.0	0.5	0.0	0.4	
Insurance	0.4	0.6	0.3	0.2	0.7	0.1	0.3	0.5	0.7	0.6	0.6	0.4	0.1	
Other Fixed Expenses	0.9	0.9	0.5	1.5	0.6	1.2	0.8	0.4	1.0	1.4	2.2	17.9	1.7	
Rent	9.5	0.1	0.7	0.7	0.0	1.9	0.2	0.0	0.0	2.0	0.4	0.0	2.4	
Total	11.3	2.0	2.7	3.0	1.9	3.5	2.6	1.2	2.7	4.9	3.7	18.4	4.5	
<b>NET INCOME**</b>														
	28.9%	44.3%	22.5%	19.8%	32.3%	26.6%	41.7%	35.0%	33.6%	52.3%	42.0%	14.8%	24.2%	

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 3-4: Indian Hotel Industry - Seven Major Cities: Financial Report – Amount Per Available Room**

	New Delhi		Mumbai		Kolkata		Pune		Chennai		Bangalore		Goa	
COMPOSITION	Five-Star Deluxe & Five-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	Two-Star & One-Star	Five-Star Deluxe, Four-Star & Three-Star	Two-Star & One-Star	Four-Star, Three-Star & Two-Star	Five-Star & Four-Star	Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star, Three-Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star	
<b>Number of responses:</b>	7	12	11	13	5	6	4	4	8	6	9	5	7	
<b>Average Total Rooms:</b>	230	292	60	30	118	29	55	142	72	180	69	171	81	
<b>Average Occupied Rooms:</b>	68,465	76,024	16,169	7,106	28,831	6,627	16,467	35,486	17,812	49,379	20,750	43,952	17,900	
<b>Average Occupancy:</b>	83.1%	74.6%	81.0%	69.6%	76.0%	59.7%	83.0%	80.1%	68.4%	77.5%	81.4%	71.0%	62.2%	
<b>Average Rate:</b>	Rs 5,680	Rs 5,100	Rs 2,057	Rs 1,203	Rs 2,564	Rs 926	Rs 1,588	Rs 2,406	Rs 1,207	Rs 8,892	Rs 3,382	Rs 3,547	Rs 1,272	
<b>REVENUE</b>														
Rooms	Rs 1,687,828	Rs 1,326,793	Rs 553,569	Rs 283,403	Rs 628,558	Rs 214,141	Rs 472,486	Rs 601,190	Rs 298,611	Rs 2,441,751	Rs 1,010,672	Rs 909,545	Rs 280,139	
Food & Beverage	792,846	672,315	241,369	32,346	272,764	42,577	112,398	462,563	305,556	897,921	497,438	471,901	205,244	
Banquet & Conferences	342,852	106,250	66,985	3,980	206,692	9,882	142,954	210,067	90,278	81,115	137,031	57,056	21,329	
Telephone & Other	56,953	45,172	6,443	2,311	16,233	3,896	9,217	21,180	12,037	83,333	21,651	6,009	3,007	
Minor Operated*	85,906	86,694	10,675	561	31,141	2,070	7,537	34,516	6,713	139,960	13,061	84,998	6,956	
Rental & Other Income	49,776	45,169	14,202	12,079	31,122	4,046	33,737	17,129	4,491	12,733	21,313	31,286	28,524	
<b>Total</b>	3,016,161	2,282,392	893,243	334,681	1,186,510	276,613	778,330	1,346,644	717,685	3,656,813	1,701,165	1,560,795	545,200	
<b>DEPARTMENTAL EXPENSES</b>														
Rooms	249,667	208,622	97,113	62,893	69,014	28,717	63,685	66,805	105,787	268,551	66,565	155,638	75,806	
Food & Beverage	658,794	388,580	216,884	40,227	199,673	46,216	150,611	223,518	166,898	472,717	296,027	297,218	113,488	
Telephone & Other	19,485	42,227	10,805	6,223	5,139	7,087	10,934	4,488	5,949	31,296	8,011	3,854	2,109	
Minor Operated*	51,287	43,055	16,897	2,273	13,684	4,528	10,934	91,357	3,935	47,113	13,942	33,149	2,977	
Rental & Other Income	0	364	3,959	4,465	71	1,825	0	0	0	5,469	9,461	0	3,204	
<b>Total</b>	979,233	682,849	345,659	116,081	287,582	88,373	236,165	386,167	282,569	825,146	394,005	489,860	197,583	
<b>DEPARTMENTAL INCOME</b>														
	2,036,927	1,599,543	547,584	218,600	898,929	188,240	542,165	960,477	435,116	2,831,667	1,307,159	1,070,935	347,616	
<b>OPERATING EXPENSES</b>														
Administrative & General	236,041	165,392	79,457	22,760	132,974	29,764	90,078	175,025	39,768	205,180	126,124	164,624	40,905	
Management Fee	25,790	29,882	13,465	2,388	18,184	15,766	7,506	0	26,759	51,769	102,133	32,862	4,562	
Marketing	70,551	86,407	33,055	14,392	55,724	6,935	12,254	34,972	10,185	80,842	35,660	75,748	44,084	
Franchise Fees	28,933	9,949	694	64	340	0	0	0	17,130	21,316	54	15,201	703	
Property Operations & Maintenance	251,807	91,964	46,068	50,158	162,371	19,934	32,870	114,414	10,232	140,027	141,561	99,958	55,665	
Energy	211,833	160,040	149,285	52,596	123,599	32,473	54,931	147,806	70,792	241,608	125,265	164,686	44,982	
<b>Total</b>	824,955	543,634	322,025	142,357	493,192	104,871	197,638	472,217	174,866	740,743	530,798	553,079	190,901	
<b>HOUSE PROFIT</b>														
	1,211,972	1,055,909	225,559	76,243	405,736	83,369	344,527	488,261	260,250	2,090,924	776,361	517,855	156,716	
<b>FIXED EXPENSES</b>														
Property Taxes	12,965	9,918	10,713	2,264	6,214	1,092	10,495	5,261	7,083	34,767	7,787	435	2,040	
Insurance	12,594	12,737	3,055	493	8,709	183	2,603	6,599	5,185	21,731	9,330	6,393	731	
Other Fixed Expenses	28,085	20,092	4,594	5,034	7,270	3,255	6,024	4,676	6,944	49,234	37,735	279,639	9,072	
Rent	286,925	2,375	5,827	2,199	340	5,180	1,277	0	0	72,756	7,089	0	12,829	
<b>Total</b>	340,569	45,123	24,189	9,990	22,534	9,711	20,399	16,535	19,213	178,487	61,942	286,468	24,672	
<b>NET INCOME**</b>														
	Rs 871,402	Rs 1,010,785	Rs 201,370	Rs 66,253	Rs 383,202	Rs 73,658	Rs 324,128	Rs 471,725	Rs 241,037	Rs 1,912,437	Rs 714,420	Rs 231,387	Rs 132,044	

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 3-5: Indian Hotel Industry - Seven Major Cities: Financial Report: Amount Per Occupied Room**

	New Delhi				Kolkata		Pune	Chennai		Bangalore		Goa	
COMPOSITION	Five-Star Deluxe & Five-Star	Five-Star Deluxe & Five-Star	Four-Star & Three- Star	Two-Star & One-Star	Five-Star Deluxe, Four- Star & Three- Star	Two-Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two-Star	Five-Star Deluxe & Five- Star	Four-Star, Three- Star & Two-Star	Five-Star Deluxe & Five-Star	Four-Star & Three-Star
	<i>Number of responses:</i>	7	12	11	13	5	6	4	4	8	6	9	5
<b>Average Total Rooms:</b>	230	292	60	30	118	29	55	142	72	180	69	171	81
<b>Average Occupied Rooms:</b>	68,465	76,024	16,169	7,106	28,831	6,627	16,467	35,486	17,812	49,379	20,750	43,952	17,900
<b>Average Occupancy:</b>	83.1%	74.6%	81.0%	69.6%	76.0%	59.7%	83.0%	80.1%	68.4%	77.5%	81.4%	71.0%	62.2%
<b>Average Rate:</b>	Rs 5,680	Rs 5,100	Rs 2,057	Rs 1,203	Rs 2,564	Rs 926	Rs 1,588	Rs 2,406	Rs 1,207	Rs 8,892	Rs 3,382	Rs 3,547	Rs 1,272
<b>REVENUE</b>													
	Rs 5,680	Rs 5,100	Rs 2,057	Rs 1,203	Rs 2,564	Rs 926	Rs 1,588	Rs 2,406	Rs 1,207	Rs 8,892	Rs 3,382	Rs 3,547	Rs 1,272
Food & Beverage	2,668	2,585	897	137	1,113	184	378	1,851	1,235	3,270	1,665	1,840	932
Banquet & Conferences	1,154	408	249	17	843	43	480	841	365	295	459	223	97
Telephone & Other	192	174	24	10	66	17	31	85	49	303	72	23	14
Minor Operated*	289	333	40	2	127	9	25	138	27	510	44	331	32
Rental & Other Income	168	174	53	51	127	18	113	69	18	46	71	122	130
	10,151	8,774	3,319	1,420	4,840	1,197	2,615	5,389	2,901	13,318	5,693	6,087	2,476
<b>DEPARTMENTAL EXPENSES</b>													
	840	802	361	267	282	124	214	267	428	978	223	607	344
Food & Beverage	2,217	1,494	806	171	814	200	506	894	675	1,722	991	1,159	515
Telephone & Other	66	162	40	26	21	31	37	18	24	114	27	15	10
Minor Operated*	173	166	63	10	56	20	37	366	16	172	47	129	14
Rental & Other Income	0	1	15	19	0	8	0	0	0	20	32	0	15
	3,296	2,625	1,284	493	1,173	382	794	1,545	1,142	3,005	1,319	1,910	897
<b>DEPARTMENTAL INCOME</b>	6,856	6,149	2,035	928	3,667	814	1,822	3,843	1,759	10,312	4,375	4,176	1,579
<b>OPERATING EXPENSES</b>													
Administrative & General	794	636	295	97	542	129	303	700	161	747	422	642	186
Management Fee	87	115	50	10	74	68	25	0	108	189	342	128	21
Marketing	237	332	123	61	227	30	41	140	41	294	119	295	200
Franchise Fees	97	38	3	0	1	0	0	0	69	78	0	59	3
Property Operations & Maintenance	848	354	171	213	662	86	110	458	41	510	474	390	253
	713	615	555	223	504	140	185	591	286	880	419	642	204
	2,777	2,090	1,197	604	2,012	454	664	1,890	707	2,698	1,776	2,157	867
<b>HOUSE PROFIT</b>	4,079	4,059	838	324	1,655	361	1,158	1,954	1,052	7,615	2,598	2,020	712
<b>FIXED EXPENSES</b>													
Property Taxes	44	38	40	10	25	5	35	21	29	127	26	2	9
Insurance	42	49	11	2	36	1	9	26	21	79	31	25	3
Other Fixed Expenses	95	77	17	21	30	14	20	19	28	179	126	1,091	41
	966	9	22	9	1	22	4	0	0	265	24	0	58
	1,146	173	90	42	92	42	69	66	78	650	207	1,117	112
<b>NET INCOME**</b>	Rs 2,933	Rs 3,886	Rs 748	Rs 281	Rs 1,563	Rs 319	Rs 1,089	Rs 1,888	Rs 974	Rs 6,965	Rs 2,391	Rs 902	Rs 600

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 3-6: Indian Hotel Industry - Seven Major Cities: Market Data****Market Segmentation**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four -Star, Three- Star & Two - Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
	8	7	7	15	17	21	8	11	11	5	12	7	12	7	12
<i>Number of responses:</i>															
Airline Crew	6.5%	0.0%	0.3%	6.1%	0.4%	0.4%	7.8%	0.0%	0.2%	8.3%	0.7%	4.5%	2.0%	6.4%	0.8%
Business Traveller - Domestic	28.4	20.0	48.0	29.4	47.0	51.8	63.1	64.9	40.7	44.5	42.1	18.0	31.9	3.8	20.3
Business Traveller - Foreign	26.2	3.1	13.7	35.1	10.2	12.5	12.6	10.4	9.5	21.2	10.7	51.1	18.3	0.9	5.3
Complimentary Rooms	1.5	0.4	0.3	1.2	1.0	0.9	0.6	0.6	0.5	0.4	1.1	0.9	5.7	2.2	1.2
Domestic - Tourists/Leisure FIT	2.8	16.0	9.0	6.1	11.1	13.2	2.0	6.6	23.8	6.8	12.7	2.3	10.0	16.4	19.5
Foreign - Tourists/Leisure FIT	9.4	30.0	17.3	5.8	9.7	7.8	6.5	8.0	2.3	4.8	6.5	8.2	3.1	20.3	33.2
Meeting Participants (Less than 100 Attendees)	0.9	0.0	2.0	0.8	0.8	1.2	1.7	1.4	5.8	0.6	0.6	3.9	6.6	11.1	1.9
Meeting Participants (Over 100 Attendees)	7.1	0.0	0.7	6.1	9.0	3.2	1.0	1.3	7.0	4.0	2.6	7.4	16.2	7.0	5.3
Tour Groups - Domestic	2.4	6.6	0.3	1.5	5.0	3.8	2.0	3.3	9.8	1.8	9.7	0.7	4.1	6.3	2.5
Tour Groups - Foreign	11.8	0.0	7.3	2.4	3.8	1.0	1.8	3.6	0.3	5.2	4.2	1.8	1.0	4.3	9.9
Other	3.0	24.0	1.0	5.5	2.0	4.2	0.8	0.0	0.0	2.4	9.2	1.2	1.2	21.3	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Country of Origin of Guests**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four -Star, Three- Star & Two - Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star
	8	7	7	16	13	17	8	10	11	4	15	6	15	7	12
<i>Number of responses:</i>															
ASEAN*	4.8%	9.3%	3.4%	8.4%	9.2%	4.4%	4.2%	4.2%	2.7%	19.0%	14.2%	6.6%	3.5%	0.7%	0.7%
Australia	2.4	3.3	3.3	3.5	3.7	2.2	1.5	5.0	5.3	3.5	1.6	2.9	2.5	1.2	0.3
Canada	3.5	2.6	2.9	2.4	4.6	2.7	1.1	2.8	1.0	9.0	2.8	2.4	3.0	1.4	1.6
Caribbean	0.3	0.0	1.5	1.0	0.7	0.7	12.3	0.4	0.7	0.9	0.0	0.2	0.3	1.2	0.0
China	3.1	0.3	2.1	2.5	2.2	1.4	1.8	2.9	2.0	1.5	0.5	1.6	3.4	0.7	2.4
France	6.0	5.0	10.4	2.8	4.9	5.1	3.4	3.2	3.7	11.3	5.6	3.3	4.0	1.3	2.1
Germany	3.8	3.0	10.9	4.8	5.6	3.5	9.9	2.7	13.0	8.3	2.4	5.6	7.4	6.2	7.6
Japan	8.1	4.3	4.8	4.5	2.3	1.0	6.0	1.6	6.3	5.5	1.8	4.3	8.6	1.0	0.1
Middle East	4.4	1.6	1.0	6.1	8.8	6.1	0.2	0.2	16.7	1.5	2.3	1.5	3.4	1.1	0.0
Other European	8.9	17.7	15.9	9.8	4.5	8.1	2.8	9.6	1.7	6.3	10.7	5.8	11.6	6.5	0.9
Russia	4.8	0.1	4.1	0.9	3.9	2.8	2.6	1.8	0.3	3.3	1.1	1.8	3.4	15.0	15.4
SAARC**	5.0	10.8	7.4	3.8	6.0	12.7	25.8	42.4	10.7	4.0	12.2	4.9	3.1	6.2	0.0
South Africa	3.4	1.0	2.1	2.3	2.2	1.9	0.3	0.4	0.3	3.5	1.6	0.8	2.0	0.0	2.9
UK	11.3	12.7	12.7	12.6	16.8	19.7	8.1	9.6	15.7	10.0	12.0	13.2	9.5	41.2	54.6
USA	16.4	12.9	11.3	12.3	14.5	10.1	11.6	7.5	16.7	10.3	16.6	32.8	18.4	4.2	8.1
Other	14.1	15.6	6.3	22.1	10.0	17.7	8.4	5.7	3.3	2.4	14.8	12.4	16.0	12.1	3.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* ASEAN: Association of South East Asian Nations

\*\* South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

**TABLE 3-7: Indian Hotel Industry - Seven Major Cities: Monthly & Daily Occupancy****Average Monthly Occupancy**

COMPOSITION	New Delhi		Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa		
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four - Star, Three- Star & Two-Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
	8	ID	ID	15	17	21	5	8	6	4	15	7	13	7	
January	85.9%			87.9%	82.4%	73.1%	77.9%	73.2%	70.1%	75.2%	72.4%	75.7%	80.9%	97.2%	83.9%
February	91.5			85.4	79.3	69.5	74.5	66.1	69.6	77.8	71.0	87.3	78.4	96.9	82.6
March	85.9			79.8	71.0	64.8	64.9	60.2	68.2	71.0	63.4	82.4	73.2	91.3	72.2
	79.3			68.6	68.7	59.1	57.8	57.1	65.5	66.4	67.1	77.6	77.8	78.8	58.1
	69.3			63.4	66.3	57.4	59.0	56.0	64.4	55.2	59.5	77.1	82.4	53.2	44.6
	69.3			65.1	69.4	60.4	63.9	58.2	62.6	68.2	58.3	80.4	79.3	53.8	39.7
	78.8			67.3	72.0	64.0	64.1	61.7	61.1	74.0	61.0	78.4	77.8	46.9	32.6
August	80.3			62.9	68.0	60.7	69.3	58.3	59.4	72.8	63.3	78.9	74.9	52.7	31.7
September	82.6			69.6	70.2	65.1	67.3	62.4	60.3	71.4	68.7	79.6	77.6	60.1	36.6
October	84.8			75.7	70.4	67.6	62.1	60.9	64.2	74.2	71.1	80.3	75.6	63.3	55.2
November	89.0			77.7	70.2	67.5	72.3	66.0	66.6	68.8	70.6	80.0	75.6	87.7	75.6
December	87.6			86.7	83.4	79.1	78.2	73.4	71.8	72.8	76.8	70.57	75.80	88.4	79.1

**Average Daily Occupancy**

COMPOSITION	New Delhi		Mumbai			Kolkata		Pune	Chennai		Bangalore		Goa		
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four- Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Four - Star, Three- Star & Two-Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
	8	ID	ID	15	15	20	5	6	6	4	15	7	13	4	
Monday	80.4%			75.5%	73.7%	65.3%	58.7%	71.7%	61.5%	66.8%	61.7%	84.0%	75.6%	65.0%	53.9%
Tuesday	83.4			78.9	72.7	66.3	64.7	78.8	60.5	70.8	65.8	89.3	77.5	65.8	55.0
Wednesday	80.1			80.5	74.4	70.6	66.4	77.5	60.5	72.2	68.3	91.4	80.2	69.5	55.7
Thursday	76.8			74.5	73.3	70.5	64.9	73.3	61.0	69.0	67.5	82.1	76.0	71.5	63.6
Friday	68.4			67.7	66.9	64.6	54.9	70.8	58.5	64.2	64.2	64.4	75.8	75.3	65.7
Saturday	62.4			60.4	62.0	56.1	45.5	63.3	61.8	53.8	55.8	64.1	66.9	75.5	66.7
Sunday	63.4			67.4	56.8	48.0	44.4	56.7	55.0	56.8	62.5	72.7	61.5	73.3	59.3

**TABLE 3-8 : Indian Hotel Industry - Seven Major Cities: Sources of Reservation****Source of Advance Reservations**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three-Star	Two- Star & One- Star	Four - Star, Three-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star	
<b>Number of responses:</b>	<b>9</b>	<b>ID</b>	<b>ID</b>	<b>15</b>	<b>14</b>	<b>19</b>	<b>5</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>13</b>	<b>7</b>	<b>14</b>	<b>6</b>	<b>12</b>	
Chain CRS (Central Reservation System)	4.8%			16.4%	2.4%	5.3%	9.6%	0.0%	0.0%	3.2%	2.0%	5.9%	2.3%	5.0%	2.7%	
Direct Enquiry/ Hotel Representative	43.0			49.5	53.1	52.0	65.1	60.6	69.8	63.5	31.7	49.4	65.1	29.6	42.8	
Global Distribution System (GDS)	7.8			6.1	0.6	0.5	0.6	0.0	0.0	1.8	2.7	19.4	2.5	0.5	0.0	
Hotel/Chain Web Site	3.4			2.6	9.3	2.6	2.6	10.0	2.4	4.6	6.5	7.4	2.4	1.7	3.2	
Travel Agent & Tour Operator	21.9			12.0	18.9	16.4	10.2	15.6	10.8	9.0	16.3	2.6	7.7	52.6	44.1	
Other Online Reservation Systems	10.8			6.4	1.6	1.3	2.7	0.0	4.0	13.0	14.7	14.7	1.7	0.8	0.0	
Other Websites	1.0			1.4	6.8	2.8	1.0	4.0	1.0	2.0	3.3	0.6	4.6	0.2	1.8	
Others	7.3			5.6	7.3	19.0	8.3	9.9	12.0	2.8	22.8	0.0	13.7	9.6	5.4	
<b>Total</b>	<b>100.0</b>			<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

**TABLE 3-9 : Indian Hotel Industry - Seven Major Cities: Marketing Media****Marketing Media - Percentage of Hotels Using Each Media**

COMPOSITION	New Delhi			Mumbai			Kolkata		Pune		Chennai		Bangalore		Goa	
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three-Star	Two- Star & One- Star	Four - Star, Three-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star	
<b>Number of responses:</b>	<b>5</b>	<b>ID</b>	<b>ID</b>	<b>16</b>	<b>14</b>	<b>13</b>	<b>ID</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>15</b>	<b>7</b>	<b>12</b>	<b>5</b>	<b>9</b>	
Direct Mail	100.0			100.0	92.9	92.3		85.7	66.7	100.0	66.7	100.0	60.0	80.0	77.8	
Hotel Website	100.0			100.0	85.7	69.2		57.1	33.3	100.0	50.0	100.0	80.0	100.0	100.0	
Loyalty Card Program	80.0			93.8	14.3	0.0		0.0	33.3	80.0	33.3	85.7	30.0	60.0	11.1	
Merchandising	20.0			43.8	7.1	15.4		14.3	33.3	20.0	16.7	71.4	20.0	20.0	11.1	
Other Internet Site	60.0			68.8	78.6	38.5		28.6	66.7	60.0	50.0	100.0	50.0	80.0	55.6	
Outdoor Advertising	60.0			56.3	42.9	53.9		57.1	66.7	100.0	83.3	57.1	50.0	100.0	44.4	
Print Advertising	100.0			87.5	71.4	92.3		57.1	100.0	100.0	100.0	100.0	70.0	100.0	100.0	
Promotions	100.0			100.0	42.9	30.8		42.9	33.3	80.0	66.7	100.0	70.0	100.0	77.8	
Radio Advertising	20.0			50.0	7.1	7.7		0.0	0.0	0.0	0.0	42.9	20.0	0.0	11.1	
Telemarketing	80.0			75.0	42.9	30.8		71.4	66.7	80.0	50.0	85.7	60.0	20.0	33.3	
TV Advertising	80.0			43.8	14.3	7.7		28.6	0.0	0.0	0.0	14.3	10.0	20.0	33.3	

**TABLE 3-10: Indian Hotel Industry - Seven Major Cities: Payment Methods****Payment Methods**

COMPOSITION	New Delhi		Mumbai		Kolkata		Pune		Chennai		Bangalore		Goa		
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
<b>Number of responses:</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>15</b>	<b>15</b>	<b>19</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>14</b>	<b>7</b>	<b>13</b>	<b>5</b>	<b>8</b>
Cash Sales	27.7%	39.7%	39.3%	15.2%	27.8%	53.8%	37.6%	40.8%	36.2%	18.6%	40.3%	7.4%	25.9%	14.0%	39.3%
Credit Card Sales	44.7	34.7	25.3	51.0	37.1	31.0	42.8	40.8	31.6	48.4	43.6	65.3	45.0	22.0	19.5
Credit Sales (Other than Cards)	26.0	25.7	20.0	32.3	34.7	14.4	19.6	18.3	32.2	32.8	15.6	24.5	28.5	61.8	35.4
Electronic Fund Transfer	1.7	0.0	15.3	1.6	0.3	0.8	0.0	0.0	0.0	0.2	0.5	2.8	0.7	2.2	5.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Credit Cards Used**

COMPOSITION	New Delhi		Mumbai		Kolkata		Pune		Chennai		Bangalore		Goa		
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
<b>Number of responses:</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>15</b>	<b>13</b>	<b>16</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>14</b>	<b>6</b>	<b>12</b>	<b>5</b>	<b>9</b>
American Express	32.0%	24.0%	11.0%	29.3%	9.5%	7.4%	14.8%	7.6%	7.0%	21.6%	12.2%	39.5%	16.3%	17.0%	7.9%
Diners Club	5.6	2.0	2.3	8.3	9.5	7.3	9.7	2.4	1.1	10.4	1.4	6.9	7.4	5.4	0.3
Mastercard/Eurocard	18.6	20.0	25.3	29.1	35.3	39.5	30.1	37.0	32.9	32.0	33.7	28.8	36.1	33.5	43.1
Visa	42.8	49.0	61.0	32.0	42.7	44.7	45.1	52.8	57.7	36.0	47.7	24.8	36.6	43.7	48.7
Other	1.0	5.0	0.3	1.2	3.0	1.1	0.4	0.2	1.3	0.0	5.0	0.0	3.6	0.4	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Average Credit Card Commission**

COMPOSITION	New Delhi		Mumbai		Kolkata		Pune		Chennai		Bangalore		Goa		
	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe & Five-Star	Four- Star & Three- Star	Two- Star & One- Star	Five-Star Deluxe, Four-Star & Three- Star	Two- Star & One- Star	Four - Star, Three-Star & Two-Star	Five-Star & Four-Star	Three- Star & Two- Star	Five-Star Deluxe & Five-Star	Star, Three- Star & Two - Star	Five- Star Deluxe & Five- Star	Four- Star & Three- Star
<b>Number of responses:</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>15</b>	<b>13</b>	<b>14</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>12</b>	<b>6</b>	<b>10</b>	<b>5</b>	<b>8</b>
American Express	2.5	3.4	3.7	3.1	3.5	3.4	3.5	1.4	1.8	3.1	3.7	3.2	2.9	3.0	2.6
Diners Club	2.0	3.6	2.6	2.1	1.4	1.3	2.6	0.8	0.6	2.5	1.1	2.2	1.8	2.4	0.5
Mastercard/Eurocard	1.3	1.9	1.7	1.3	1.5	2.0	1.6	1.7	1.8	1.5	1.8	1.2	1.4	1.4	1.8
Visa	1.3	1.9	1.7	1.2	1.5	1.8	1.6	1.7	1.8	1.5	1.8	1.2	1.4	1.4	1.8



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## 4. Indian Hotel Industry - Twelve Other Cities

In this section, we continue to highlight market trends in 12 cities, namely, Agra, Ahmedabad, Cochin, Hyderabad, Jaipur, Lucknow, Nagpur, Thiruvananthapuram, Udagamandalam (Ooty), Udaipur, Vadodara and Visakhapatnam. Due to shortfall in data, this year we had to drop Bhopal, Indore and Shimla from the survey. These cities have been replaced by Lucknow, Ooty and Vizag.

As in Section 3, in certain cities and for certain star categories, we are unable to show the minimum data requirement of at least four hotels in each representation and have reflected this as 'ID'.

As most cities had insufficient data in individual star categories, we have combined star categories to enable the information to be summarised. However, in doing so, we have been careful to combine star categories that are broadly similar.

- Hyderabad's five-star, four-star and three-star hotels mainly get room nights from the domestic traveller at 85.2%, highest amongst the twelve cities and from the business guests at 76.3%, again, highest amongst the twelve cities.
- As for the sources of reservation, Hyderabad gets the highest number of reservations through direct enquiry/hotel representatives at 80.6%.
- Thiruvananthapuram's four-star, three-star and two-star hotels have the highest length of stay by foreign guests and leisure guests at 4.5 and 4.3, respectively. This may be attributed to Kerala's successful promotion as 'God's own country', by Kerala Tourism.
- Udaipur's five-star deluxe, five-star and heritage hotels achieved the highest average rate at Rs8,770. As explained in the 'trends and opportunities' section, this is partly owing to the fact that the composition of the sample has changed.
- As expected, five-star deluxe, five-star and heritage hotels of Udaipur have the highest average number of employees per room at 2.9.
- Five-star, four-star and three-star hotels of Hyderabad have achieved the highest net income per occupied room at Rs2,335, followed by five-star deluxe, five-star and heritage hotels at Jaipur at Rs2,287.
- Jaipur's five-star deluxe, five-star and heritage hotels get 70.5% of their total room nights from France, Japan, other European countries (except France and Germany), UK and USA.

TABLE 4-1: Indian Hotel Industry - Twelve Other Cities: Facilities and Guest Analysis

## Typical Room Profile of an Average Hotel

		Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION		Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>		6	8	22	9	7	6	5	7	10	5	6	8	5	7
Air-Conditioned	Single	1.3	20.3	4.1	18.4	14.4	2.6	0.0	5.0	1.8	0.0	0.2	11.0	2.0	0.0
	Double	145.8	32.5	32.4	89.4	80.9	34.0	54.0	29.8	45.5	0.0	48.6	32.0	44.0	95.0
	Suites	3.2	6.8	11.2	8.2	7.7	4.8	3.0	2.8	5.3	0.0	15.8	5.0	4.0	5.3
Non-Air-Conditioned	Single	0.0	0.0	2.6	0.0	0.9	3.4	0.0	11.0	0.5	14.0	0.0	0.7	0.0	0.0
	Double	5.6	3.7	7.3	9.8	0.9	5.4	0.0	14.6	1.3	72.3	0.0	8.2	3.2	0.0
	Suites	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	5.5	0.0	0.0	0.0	0.0
<b>Total Average Rooms</b>		<b>155.9</b>	<b>63.4</b>	<b>58.1</b>	<b>125.8</b>	<b>104.7</b>	<b>50.2</b>	<b>57.0</b>	<b>63.2</b>	<b>54.5</b>	<b>91.8</b>	<b>64.6</b>	<b>56.8</b>	<b>53.2</b>	<b>100.3</b>

## Average Number of Food &amp; Beverage Outlets Per Hotel

		Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION		Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>		6	8	17	9	6	6	5	6	10	4	6	8	5	7
Restaurant		2.6	1.4	1.7	2.0	2.2	1.0	3.5	3.0	2.3	1.3	1.8	1.2	2.0	2.3
Bar		1.4	0.2	0.9	0.8	1.2	1.0	0.6	2.0	0.7	0.8	1.2	0.7	1.0	1.0
Others		2.0	1.0	0.7	0.8	0.8	1.0	0.0	2.5	0.5	0.3	2.0	0.5	5.0	0.3
<b>Total</b>		<b>6.0</b>	<b>2.6</b>	<b>3.3</b>	<b>3.6</b>	<b>4.2</b>	<b>3.0</b>	<b>4.1</b>	<b>7.5</b>	<b>3.5</b>	<b>2.3</b>	<b>5.0</b>	<b>2.3</b>	<b>8.0</b>	<b>3.7</b>

## Guest Analysis

		Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION		Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>		5	4	17	6	6	5	10	5	7	4	5	5	10	5
Domestic Guests		64.3%	78.3%	80.1%	85.2%	33.2%	84.0%		81.0%	64.4%	77.8%	23.6%	65.6%		81.3%
Foreign Guests		35.7	21.8	19.9	14.8	66.8	16.0		19.0	35.6	22.3	76.4	34.4		18.7
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>
Total Business Guests		71.7%	73.2%	72.4%	76.3%	74.6%	70.2%		71.9%	54.2%	34.2%	51.2%	52.3%		47.5%
Total Leisure Guests		28.3	26.8	27.6	23.7	25.4	29.8		28.1	45.8	65.8	48.8	47.7		52.5
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>100.0</b>
Avg. Stay of Domestic Guests (Days)		2.1	2.2	2.1	2.0	2.2	2.1		2.0	2.6	2.7	2.2	2.1		2.2
Avg. Stay of Foreign Guests (Days)		3.0	3.1	3.2	3.2	3.5	3.4		3.0	4.5	3.1	2.9	2.3		2.1
Avg. Stay of Business Guests (Days)		2.0	2.1	2.3	2.7	2.3	2.0		2.1	2.0	2.0	1.2	1.1		2.7
Avg. Stay of Leisure Guests (Days)		1.9	1.2	1.5	2.0	2.1	1.9		1.7	4.3	3.5	2.0	2.0		1.4
Percentage of Repeat Guests		43.7%	68.3%	38.9%	72.8%	42.8%	48.8%		51.3%	51.5%	43.6%	25.7%	25.1%		26.0%

TABLE 4-2: Indian Hotel Industry - Twelve Other Cities: Staffing

## Average Number of Total Employees Per Hotel (Permanent / Contract / Full Time / Part Time)

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
	Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	6	7	20	7	7	5	4	5	6	4	5	6	4	5
Male	10.0	8.8	5.4	17.8	10.9	9.7	6.5	2.8	7.5	6.5	9.4	2.8	4.0	13.7
Female	0.3	1.7	1.1	3.0	1.1	1.4	1.5	0.3	0.7	1.0	1.0	0.0	1.0	1.3
Male	16.0	7.2	9.1	36.8	21.3	8.6	4.5	3.3	10.2	6.0	14.6	2.8	5.0	12.0
Female	0.8	2.8	2.1	8.8	2.1	1.5	0.0	2.0	1.2	0.8	1.6	0.0	1.0	1.7
Male	102.5	74.2	66.0	168.0	111.6	62.5	23.5	34.8	62.2	46.8	98.4	22.7	40.0	153.3
Female	1.3	2.5	8.4	17.3	7.1	1.2	1.5	7.5	12.8	7.5	5.6	0.0	7.0	8.0
	130.8	97.2	92.2	251.5	154.1	84.9	37.5	50.5	94.5	68.5	130.6	28.3	58.0	190.0
Average Number of Employees Per Room	1.1	1.5	1.7	1.8	1.5	1.7	0.7	0.8	1.9	0.8	2.9	0.6	1.2	1.9

## Average Number of Trained Employees Per Hotel

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
	Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	4	4	18	5	3	ID	ID	ID	4	4	4	4	ID	4
	100.0	63.6%	100.0%	100.0%	97.8%				100.0%	77.4%	100.0%	77.8		100.0%
	81.0	73.7	67.8	94.0	72.1				91.7	73.7	83.3	50.0		80.8
	44.4	65.2	77.9	70.1	77.9				65.8	76.1	100.0	45.5		54.9
												45.5		
<b>Total Avg. Trained Employees</b>	<b>75.1</b>	<b>67.5</b>	<b>81.9</b>	<b>88.2</b>	<b>82.6</b>				<b>85.8</b>	<b>75.7</b>	<b>94.4</b>	<b>57.7</b>		<b>78.6</b>
<b>Total Avg. Un-Trained Employees</b>	<b>24.9</b>	<b>32.5</b>	<b>18.1</b>	<b>11.8</b>	<b>17.4</b>				<b>14.2</b>	<b>24.3</b>	<b>5.6</b>	<b>42.3</b>		<b>21.4</b>
Hotels with Training Department	17.9	33.4%	7.8%	80.0%	33.3%				7.8%	0.0%	51.3%	0.0%		33.4%

\*Trained employees include those with a minimum one year certificate course in an educational institute, however some hotels may have included those with short term (in-house) training.

**TABLE 4-3: Indian Hotel Industry - Twelve Other Cities: Financial Report - Percentage of Revenue**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Thiruv'puram	Ooty	Udaipur	Vizag		
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	5	4	7	4	4	4	4	5	4	4	4	4
<b>Average Total Rooms:</b>	149	55	60	136	135	58	69	56	81	50	58	81
<b>Average Occupied Rooms:</b>	30,442	10,463	13,281	32,142	34,574	15,516	16,039	8,863	13,352	9,472	12,118	23,616
<b>Average Occupancy:</b>	60.8%	52.6%	64.8%	75.2%	70.9%	69.2%	66.7%	47.5%	44.5%	54.5%	54.0%	80.6%
<b>Average Rate:</b>	Rs 1,964	Rs 1,825	Rs 1,062	Rs 2,729	Rs 4,517	Rs 953	Rs 1,867	Rs 1,805	Rs 1,861	Rs 8,770	Rs 603	Rs 1,531
<b>REVENUE</b>												
Rooms	49.2%	57.6%	41.6%	52.1%	57.0%	58.8%	47.8%	47.4%	59.2%	56.6%	72.2%	51.2%
Food & Beverage	34.0	22.3	31.2	25.2	25.8	20.6	26.2	41.3	34.1	33.9	20.8	32.1
Banquet & Conferences	9.8	4.3	19.1	19.3	8.1	11.6	19.1	2.1	1.6	5.6	1.0	11.7
Telephone & Other	0.7	0.9	1.1	0.6	1.1	1.5	1.0	1.2	0.5	0.2	0.9	1.2
Minor Operated*	2.0	13.9	1.3	1.9	4.7	0.5	1.2	0.7	3.7	1.5	0.4	3.3
Rental & Other Income	4.2	1.1	5.7	0.9	3.4	7.0	4.7	7.3	1.1	2.3	4.7	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	18.1	22.2	23.2	12.8	10.7	16.1	18.4	12.2	17.5	11.9	27.7	17.0
Food & Beverage	43.1	116.7	74.6	54.8	43.7	59.3	57.0	54.8	101.4	40.8	83.8	59.8
Telephone & Other	98.9	158.4	106.0	75.6	22.3	168.1	85.4	85.3	805.6	64.1	149.3	48.7
Minor Operated*	77.1	57.0	136.7	29.8	9.1	873.4	77.2	72.1	54.4	133.9	185.4	37.3
Rental & Other Income	1.0	28.4	21.2	0.0	10.8	0.0	0.0	1.0	0.0	47.2	21.8	0.0
Total	30.1	53.4	51.4	32.1	21.9	35.3	36.4	31.1	52.6	26.0	41.4	36.7
<b>DEPARTMENTAL INCOME</b>	69.9	46.6	48.6	67.9	78.1	64.7	63.6	68.8	47.4	74.0	58.6	63.3
<b>OPERATING EXPENSES</b>												
Administrative & General	9.3	6.3	6.6	7.4	15.3	4.8	6.6	8.1	7.8	8.8	3.0	8.7
Management Fee	2.5	0.8	0.6	0.0	5.5	0.2	1.0	1.7	3.5	0.9	5.9	3.8
Marketing	2.1	3.8	2.4	1.0	2.1	4.1	1.7	2.5	3.0	7.6	0.8	1.5
Franchise Fees	0.0	0.0	0.2	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.8	0.0
Property Operations & Maintenance	5.2	9.6	4.7	3.9	12.0	5.2	6.8	5.4	4.6	4.7	15.5	5.8
Energy	12.1	12.1	13.9	9.4	10.0	11.6	12.8	12.1	16.8	6.1	11.6	21.0
Total	31.2	32.6	28.3	21.7	44.9	25.8	29.4	29.7	35.7	28.2	37.5	40.8
<b>HOUSE PROFIT</b>	38.7	14.0	20.3	46.2	33.2	39.0	34.2	39.1	11.7	45.8	21.1	22.5
<b>FIXED EXPENSES</b>												
Property Taxes	0.4	1.3	0.5	0.4	1.0	0.8	0.4	1.8	0.6	0.0	0.0	0.3
Insurance	1.1	0.4	0.3	0.5	0.5	0.3	0.5	0.6	0.5	0.1	0.7	0.6
Other Fixed Expenses	0.6	0.2	0.0	0.3	0.0	0.0	0.5	0.1	0.0	22.2	2.2	17.8
Rent	3.3	0.0	2.9	0.5	2.8	0.5	0.4	0.3	0.0	0.0	0.9	0.8
Total	5.4	1.8	3.7	1.7	4.3	1.6	1.7	2.7	1.1	22.3	3.7	19.4
<b>NET INCOME**</b>	33.3%	12.1%	16.6%	44.6%	28.9%	37.4%	32.4%	36.4%	10.7%	23.5%	17.4%	3.1%

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 4-4: Indian Hotel Industry - Twelve Other Cities: Financial Report – Per Available Room**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Thiruv'puram	Ooty	Udaipur	Vizag		
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	5	4	7	4	4	4	4	5	4	4	4	4
<b>Average Total Rooms:</b>	149	55	60	136	135	58	69	56	81	50	58	81
<b>Average Occupied Rooms:</b>	30,442	10,463	13,281	32,142	34,574	15,516	16,039	8,863	13,352	9,472	12,118	23,616
<b>Average Occupancy:</b>	60.8%	52.6%	64.8%	75.2%	70.9%	69.2%	66.7%	47.5%	44.5%	54.5%	54.0%	80.6%
<b>Average Rate:</b>	Rs 1,964	Rs 1,825	Rs 1,062	Rs 2,729	Rs 4,517	Rs 953	Rs 1,867	Rs 1,805	Rs 1,861	Rs 8,770	Rs 603	Rs 1,531
<b>REVENUE</b>												
Rooms	Rs401,314	Rs350,459	Rs233,335	Rs646,234	Rs1,153,999	Rs257,274	Rs431,865	Rs286,637	Rs306,784	Rs1,661,385	Rs127,139	Rs449,286
Food & Beverage	277,577	135,780	175,358	312,541	521,917	90,296	236,962	249,843	176,642	995,057	36,552	282,205
Banquet & Conferences	79,773	26,188	107,239	239,197	164,300	50,704	172,381	12,536	8,025	163,933	1,800	102,795
Telephone & Other	5,753	5,234	6,232	7,354	22,087	6,517	9,147	6,946	2,642	4,304	1,673	10,925
Minor Operated*	16,255	84,252	7,380	24,090	95,791	2,091	10,832	4,179	18,901	43,813	668	28,845
Rental & Other Income	34,415	6,468	31,749	11,076	67,975	30,596	42,231	44,446	5,556	68,821	8,239	4,348
Total	815,087	608,381	561,292	1,240,492	2,026,067	437,478	903,417	604,589	518,549	2,937,315	176,073	878,404
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	72,581	77,927	54,051	82,827	123,409	41,465	79,397	35,097	53,722	197,967	35,199	76,242
Food & Beverage	154,133	189,005	210,903	302,578	299,904	83,548	233,307	143,816	187,241	473,087	32,135	230,273
Telephone & Other	5,690	8,289	6,603	5,560	4,919	10,957	7,810	5,923	21,284	2,760	2,498	5,317
Minor Operated*	12,528	48,000	10,090	7,169	8,665	18,265	8,363	3,014	10,284	58,680	1,239	10,745
Rental & Other Income	330	1,835	6,737	0	7,345	0	0	437	0	32,467	1,794	0
Total	245,262	325,055	288,383	398,134	444,243	154,235	328,877	188,287	272,531	764,960	72,864	322,578
<b>DEPARTMENTAL INCOME</b>	569,826	283,326	272,908	842,357	1,581,825	283,243	574,541	416,302	246,019	2,172,355	103,209	555,826
<b>OPERATING EXPENSES</b>												
Administrative & General	76,007	38,385	36,756	91,560	309,646	20,943	59,138	49,168	40,222	259,427	5,199	76,764
Management Fee	20,255	5,073	3,527	0	111,606	652	8,991	10,004	18,093	26,640	10,456	33,317
Marketing	17,000	23,060	13,574	12,549	43,437	17,778	15,291	14,970	15,778	222,400	1,364	13,106
Franchise Fees	107	0	1,005	0	0	0	5,947	269	0	0	1,326	0
Property Operations & Maintenance	42,599	58,615	26,207	48,416	243,146	22,726	61,165	32,493	23,926	138,027	27,312	50,602
Energy	98,389	73,312	77,930	116,055	201,714	50,757	115,298	72,989	87,167	180,247	20,384	184,379
Total	254,357	198,445	158,999	268,580	909,550	112,857	265,831	179,892	185,185	826,740	66,041	358,168
<b>HOUSE PROFIT</b>	315,468	84,881	113,910	573,777	672,275	170,387	308,710	236,410	60,833	1,345,615	37,168	197,658
<b>FIXED EXPENSES</b>												
Property Taxes	3,575	7,606	2,738	5,151	20,944	3,370	3,284	10,721	3,086	213	0	2,174
Insurance	9,236	2,693	1,683	6,138	9,968	1,374	4,866	3,501	2,469	1,747	1,283	5,447
Other Fixed Expenses	4,753	917	71	3,477	0	0	4,255	427	0	653,027	3,781	156,006
Rent	26,817	0	16,300	6,254	57,056	2,252	3,130	1,549	0	0	1,498	6,770
Total	44,381	11,216	20,792	21,020	87,968	6,996	15,534	16,198	5,556	654,987	6,562	170,398
<b>NET INCOME**</b>	Rs271,087	Rs73,665	Rs93,118	Rs552,757	Rs584,308	Rs163,391	Rs293,176	Rs220,212	Rs55,278	Rs690,628	Rs30,607	Rs27,261

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

**TABLE 4-5: Indian Hotel Industry - Twelve Other Cities: Financial Report – Per Occupied Room**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Thiruv'puram	Ooty	Udaipur	Vizag		
COMPOSITION	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	5	4	7	4	4	4	4	5	4	4	4	4
<b>Average Total Rooms:</b>	149	55	60	136	135	58	69	56	81	50	58	81
<b>Average Occupied Rooms:</b>	30,442	10,463	13,281	32,142	34,574	15,516	16,039	8,863	13,352	9,472	12,118	23,616
<b>Average Occupancy:</b>	60.8%	52.6%	64.8%	75.2%	70.9%	69.2%	66.7%	47.5%	44.5%	54.5%	54.0%	80.6%
<b>Average Rate:</b>	Rs 1,964	Rs 1,825	Rs 1,062	Rs 2,729	Rs 4,517	Rs 953	Rs 1,867	Rs 1,805	Rs 1,861	Rs 8,770	Rs 603	Rs 1,531
<b>REVENUE</b>												
Rooms	Rs1,964	Rs1,825	Rs1,062	Rs2,729	Rs4,517	Rs953	Rs1,867	Rs1,805	Rs1,861	Rs8,770	Rs603	Rs1,531
Food & Beverage	1,359	707	798	1,320	2,043	335	1,024	1,573	1,072	5,253	173	962
Banquet & Conferences	390	136	488	1,010	643	188	745	79	49	865	9	350
Telephone & Other	28	27	28	31	86	24	40	44	16	23	8	37
Minor Operated*	80	439	34	102	375	8	47	26	115	231	3	98
Rental & Other Income	168	34	144	47	266	113	183	280	34	363	39	15
Total	3,989	3,169	2,554	5,239	7,931	1,621	3,905	3,807	3,146	15,506	835	2,994
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	355	406	246	350	483	154	343	221	326	1,045	167	260
Food & Beverage	754	984	960	1,278	1,174	310	1,008	905	1,136	2,497	152	785
Telephone & Other	28	43	30	23	19	41	34	37	129	15	12	18
Minor Operated*	61	250	46	30	34	68	36	19	62	310	6	37
Rental & Other Income	2	10	31	0	29	0	0	3	0	171	9	0
Total	1,200	1,693	1,312	1,682	1,739	572	1,422	1,185	1,653	4,038	346	1,100
<b>DEPARTMENTAL INCOME</b>												
	2,789	1,476	1,242	3,558	6,192	1,050	2,483	2,621	1,493	11,468	490	1,895
<b>OPERATING EXPENSES</b>												
Administrative & General	372	200	167	387	1,212	78	256	310	244	1,369	25	262
Management Fee	99	26	16	0	437	2	39	63	110	141	50	114
Marketing	83	120	62	53	170	66	66	94	96	1,174	6	45
Franchise Fees	1	0	5	0	0	0	26	2	0	0	6	0
Property Operations & Maintenance	209	305	119	204	952	84	264	205	145	729	130	172
Energy	482	382	355	490	790	188	498	460	529	952	97	628
Total	1,245	1,034	723	1,134	3,560	418	1,149	1,133	1,123	4,364	313	1,221
<b>HOUSE PROFIT</b>												
	1,544	442	518	2,423	2,631	631	1,334	1,488	369	7,103	176	674
<b>FIXED EXPENSES</b>												
Property Taxes	18	40	12	22	82	12	14	68	19	1	0	7
Insurance	45	14	8	26	39	5	21	22	15	9	6	19
Other Fixed Expenses	23	5	0	15	0	0	18	3	0	3,447	18	532
Rent	131	0	74	26	223	8	14	10	0	0	7	23
Total	217	58	95	89	344	26	67	102	34	3,458	31	581
<b>NET INCOME**</b>												
	Rs1,327	Rs384	Rs424	Rs2,335	Rs2,287	Rs606	Rs1,267	Rs1,386	Rs335	Rs3,646	Rs145	Rs93

\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

TABLE 4-6: Indian Hotel Industry - Twelve Other Cities: Market Data

## Market Segmentation

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur		
COMPOSITION	Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star
Number of responses:	5	5	15	7	5	4	4	5	5	4	4	5
Airline Crew	0.6%	4.6%	0.7%	1.5%	0.5%	5.7%	0.0%	2.0%	2.6%	0.0%	0.0%	0.0%
Business Traveller - Domestic	27.3	51.0	40.3	48.8	6.6	39.7	83.6	63.0	19.8	5.8	1.8	31.6
Business Traveller - Foreign	16.8	11.2	2.9	11.8	12.0	3.3	6.1	7.5	10.4	1.8	0.9	9.0
Complimentary Rooms	2.4	1.6	0.9	0.6	2.9	0.3	0.0	1.0	2.2	0.5	4.8	2.2
Domestic - Tourists/Leisure FIT	13.5	7.8	22.5	2.6	19.8	12.0	0.8	5.5	21.8	52.8	10.3	21.8
Foreign - Tourists/Leisure FIT	15.2	5.0	8.5	3.4	14.6	6.0	1.3	1.3	20.9	8.3	45.3	11.2
Meeting Participants (Less than 100 Attendees)	1.2	2.8	4.3	4.2	1.7	0.7	3.6	3.8	3.6	7.5	3.3	1.2
Meeting Participants (Over 100 Attendees)	1.1	3.2	6.3	9.1	7.8	13.7	2.0	5.8	2.5	4.5	1.5	7.8
Tour Groups - Domestic	11.3	3.8	6.2	0.8	2.5	12.7	0.8	5.0	8.0	10.3	1.0	6.2
Tour Groups - Foreign	10.1	1.0	3.7	2.7	28.2	3.3	1.9	4.8	6.1	8.8	22.8	5.2
Other	0.5	8.0	3.9	14.5	3.4	2.7	0.0	0.5	2.1	0.0	8.2	3.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## Country of Origin of Guests

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur		
COMPOSITION	Five-Star Dlx, Five-Star, Two Star & Others	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star
Number of responses:	5	4	17	6	5	4	4	10	5	4	5	4
ASEAN*	5.2%	12.0%	15.5%	6.7%	5.2%	8.3%	1.0%		4.4%	5.7%	1.1%	0.7%
Australia	3.3	4.3	4.2	1.6	2.2	10.7	7.0		2.7	1.5	3.5	3.1
Canada	2.6	4.0	0.7	3.3	2.2	3.3	8.0		4.8	1.3	2.6	2.4
Caribbean	0.2	0.3	0.2	1.0	0.0	0.0	0.0		0.9	30.7	0.2	0.0
China	1.1	2.3	1.0	2.5	1.2	0.0	0.0		0.5	0.3	1.0	0.8
France	9.8	4.0	8.5	2.3	13.1	3.3	10.0		6.9	13.4	16.6	19.6
Germany	7.4	10.0	5.0	3.2	7.4	3.3	10.0		10.3	6.0	6.5	10.6
Japan	7.7	3.3	5.4	7.0	14.0	9.0	0.0		9.4	0.3	2.1	1.3
Middle East	1.0	3.8	14.6	0.6	1.3	0.0	0.0		2.4	2.0	2.3	0.0
Other European	13.6	5.0	11.4	7.6	18.3	1.7	2.0		11.1	1.7	11.0	27.1
Russia	1.1	0.5	0.1	0.3	0.4	0.0	3.0		1.7	5.0	0.5	0.0
SAARC**	3.5	12.5	3.2	26.3	3.0	11.7	3.0		5.5	4.4	0.5	2.3
South Africa	1.6	1.5	2.0	2.7	1.3	0.0	0.0		2.7	2.2	1.0	0.9
UK	13.0	12.0	11.8	8.1	14.8	11.7	39.0		22.8	21.3	14.4	9.9
USA	6.8	19.5	9.3	23.9	10.3	20.7	14.0		10.3	3.5	10.2	9.5
Other	22.1	5.3	7.2	2.8	5.2	16.3	3.0		3.8	0.7	26.6	11.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* ASEAN: Association of South East Asian Nations

\*\* South Asian Association for Regional Co-operation - India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives

**TABLE 4-7: Indian Hotel Industry - Twelve Other Cities: Monthly & Daily Occupancy****Average Monthly Occupancy**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<i>Number of responses:</i>	5	4	14	5	4	5	4	4	6	4	4	4	4	4
January	65.2%	68.5%	69.7%	71.8%	86.0%	76.0%	76.8%	70.0%	64.1%	42.1%	83.6%	43.4%	56.5%	68.5%
February	73.7	58.8	62.2	71.8	87.8	76.3	80.1	81.0	54.6	32.8	90.0	52.1	52.0	74.5
March	56.2	55.5	56.9	65.5	84.8	73.7	0.0	62.0	49.8	36.2	77.0	49.1	55.0	62.5
April	50.0	51.0	57.0	71.3	69.0	60.6	80.6	69.5	49.2	58.5	50.4	40.3	58.0	49.5
May	31.8	55.5	66.8	68.5	43.0	55.4	64.8	72.5	47.4	84.8	20.4	34.7	62.0	57.0
June	29.6	55.8	57.2	71.1	40.3	57.5	66.5	72.0	41.1	65.8	16.8	28.2	58.0	69.5
July	43.9	59.3	55.8	68.7	48.8	53.9	72.1	63.5	43.0	34.5	29.7	36.3	64.0	66.0
August	59.0	66.3	60.6	65.9	68.5	61.4	76.7	64.0	47.4	35.5	60.3	45.4	55.0	74.5
September	57.9	63.0	64.5	71.6	70.0	60.8	73.5	63.0	49.0	46.7	67.4	39.3	60.0	84.0
October	72.3	65.0	67.3	58.0	79.5	68.1	64.8	68.5	55.3	49.4	69.6	70.0	62.0	89.5
November	79.9	70.0	67.8	64.3	89.5	78.0	76.2	66.5	70.7	59.2	90.2	71.9	68.0	85.0
December	78.0	73.8	73.0	74.0	87.5	84.9	87.2	79.5	84.8	73.3	81.8	68.4	55.0	87.0

**Average Daily Occupancy**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<i>Number of responses:</i>	4	5	14	5	6	4	4	4	5	4	4	4	ID	4
Monday	53.8%	51.8%	59.6%	65.0%	60.8%	54.3%	78.0%	75.0%	60.0%	43.3%	65.0%	38.4%		71.0%
Tuesday	51.3	66.6	61.4	69.8	60.8	48.3	77.5	70.0	63.0	26.7	60.0	41.3		72.0
Wednesday	51.3	70.6	64.4	69.0	56.0	49.7	66.3	65.0	69.0	30.0	40.0	40.2		76.7
Thursday	52.0	70.8	62.9	67.8	58.2	46.3	68.7	70.0	67.6	40.0	60.0	45.3		78.7
Friday	53.8	62.0	58.6	62.8	60.8	44.7	71.3	65.0	64.0	76.7	82.5	44.9		73.7
Saturday	75.0	42.0	53.9	50.8	69.0	59.3	62.0	47.5	58.0	77.7	82.5	53.2		65.3
Sunday	72.5	42.2	50.1	51.4	71.0	56.7	63.0	60.0	46.8	70.0	52.5	39.4		60.0

**TABLE 4-8: Indian Hotel Industry - Twelve Other Cities: Sources of Reservation****Source of Advance Reservations**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage & Two-Star	Three-Star & Two - Star	Three-Star & Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star	
<i>Number of responses:</i>	5	5	14	5	6	4	4	4	5	4	4	6	ID	4
Chain Central Resvn. Sys.	12.2%	0.0%	0.6%	0.0%	13.8%	0.0%	2.0%	5.0%	0.0%	6.0%	26.5%	0.0%	9.3%	
Direct Enquiry/ Hotel Rep.	19.2	56.0	49.5	80.6	17.0	63.5	80.0	60.0	34.0	20.0	7.3	47.0	56.0	
Global Distribution Sys. (GDS)	2.0	0.0	0.0	0.6	2.0	0.0	0.5	0.7	0.0	1.0	6.5	0.0	0.0	
Hotel/Chain Web Site	2.2	9.0	3.6	3.2	4.0	0.3	2.0	2.3	11.0	17.0	3.5	2.0	5.3	
Travel Agent & Tour Operator	53.2	16.6	29.9	12.2	48.8	26.3	6.0	9.0	39.0	32.3	39.3	39.0	6.0	
Other Online Resvn. Sys.	1.6	2.4	2.5	1.0	3.2	0.0	8.0	1.7	0.0	19.3	12.8	0.0	2.0	
Other Websites	5.4	2.4	3.6	1.4	2.3	1.3	1.0	3.3	8.0	4.3	4.3	3.0	0.7	
Others	4.2	13.6	10.3	1.0	8.8	8.8	0.5	18.0	8.0	0.0	0.0	9.0	20.7	
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

**TABLE 4-9: Indian Hotel Industry - Twelve Other Cities: Marketing Media****Marketing Media - Percentage of Hotels Using Each Media**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag	
COMPOSITION	Five-Star Dlx, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dlx, Five Star & Heritage & Two-Star	Three-Star & Two - Star	Three-Star & Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dlx, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<i>Number of responses:</i>	5	5	17	5	5	5	4	4	6	4	4	6	4
Direct Mail	100.0%	100.0%	100.0%	80.0%	80.0%	100.0%	80.0%	33.3%	66.7%	100.0%	75.0%	100.0%	100.0%
Hotel Website	80.0	60.0	85.7	60.0	100.0	80.0	60.0	33.3	100.0	100.0	100.0	60.0	100.0
Loyalty Card Program	60.0	40.0	57.1	60.0	60.0	20.0	0.0	33.3	50.0	33.3	75.0	0.0	66.7
Merchandising	40.0	0.0	42.9	20.0	40.0	60.0	0.0	66.7	50.0	0.0	0.0	0.0	66.7
Other Internet Site	60.0	80.0	42.9	60.0	100.0	60.0	66.3	33.3	50.0	33.3	100.0	40.0	33.3
Outdoor Advertising	40.0	60.0	85.7	60.0	80.0	80.0	74.3	0.0	83.3	100.0	25.0	80.0	66.7
Print Advertising	80.0	100.0	100.0	100.0	100.0	100.0	87.3	100.0	100.0	100.0	100.0	100.0	100.0
Promotions	100.0	100.0	100.0	80.0	80.0	80.0	42.5	33.3	83.3	100.0	75.0	60.0	100.0
Radio Advertising	0.0	20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Telemarketing	80.0	100.0	100.0	60.0	80.0	80.0	0.0	66.7	50.0	33.3	0.0	40.0	100.0
TV Advertising	100.0	100.0	57.1	0.0	60.0	20.0	100.0	33.3	50.0	33.3	25.0	0.0	33.3

**TABLE 4-10: Indian Hotel Industry - Twelve Other Cities: Payment Methods**

**Payment Methods**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage & Two-Star	Three-Star & Two - Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	4	5	19	5	6	5	4	4	6	4	4	5	ID	4
Cash Sales	25.9%	25.8%	48.2%	20.1%	20.7%	52.8%	30.0%	43.3%	30.5%	18.3%	12.0%	52.0%		25.0%
Credit Card Sales	22.4	43.2	31.0	43.6	22.3	24.4	40.0	36.7	34.5	60.0	24.8	21.8		43.3
Credit Sales (Other than Cards)	51.7	30.8	20.4	32.4	45.7	22.8	30.0	20.0	27.5	10.0	63.3	23.8		31.7
Electronic Fund Transfer	0.0	0.2	0.3	4.0	11.3	0.0	0.0	0.0	7.5	11.7	0.0	2.5		0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		<b>100.0</b>

**Credit Cards Used**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage & Two-Star	Three-Star & Two - Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	4	5	18	4	5	4	4	4	6	4	4	5	ID	4
American Express	18.1%	6.7%	744.0%	14.9%	19.8%	6.8%	12.0%	16.7%	7.5%	13.3%	32.3%	5.0%		20.0%
Diners Club	0.8	12.5	8.4	5.0	11.4	0.4	3.0	5.0	2.7	3.3	3.5	5.8		6.7
Mastercard/Eurocard	31.4	32.9	36.7	49.4	25.4	49.6	26.0	45.0	37.8	40.0	27.8	46.3		24.2
Visa	49.7	43.9	46.0	29.9	41.8	43.2	59.0	28.3	49.6	38.3	36.3	43.0		39.2
Other	0.0	4.0	1.4	0.8	1.6	0.0	0.0	5.0	2.5	5.0	0.3	0.0		10.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>836.6</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		<b>100.0</b>

**Average Credit Card Commission**

	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vadodara	Vizag		
COMPOSITION	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage & Two-Star	Three-Star & Two - Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star	Five - Star, Four - Star & Three-Star
<b>Number of responses:</b>	4	4	18	4	5	4	ID	ID	5	4	ID	4	ID	ID
American Express	3.6	3.3	3.0	3.5	3.3	3.7			2.6	3.2		1.9		
Diners Club	1.5	1.9	1.7	1.1	2.4	1.3			2.0	1.4		1.3		
Mastercard/Eurocard	1.4	1.4	2.0	1.4	1.4	1.3			1.8	1.5		1.6		
Visa	1.4	1.4	2.0	1.4	1.4	1.3			1.8	1.5		1.6		

**TABLE 4-11: Indian Hotel Industry - Twelve Other Cities: Technology Issues****Technology in Hotels - Percentage of Hotels Using Each Technology**

COMPOSITION	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vizag		
	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star
<i>Number of responses:</i>	4	4	17	4	6	5	4	10	6	4	4	4	4
Accounting System	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	88.7%		66.7%	100.0%	100.0%	100.0%	66.7%
Call Accounting System	75.0	100.0	85.7	75.0	66.7	60.0	76.4		33.3	100.0	100.0	33.3	66.7
Central Reservation System (CRS)	75.0	66.7	28.6	50.0	83.3	0.0	77.4		16.7	66.7	100.0	0.0	0.0
Electronic Keycard	50.0	33.3	14.3	50.0	83.3	0.0	0.0		16.7	0.0	50.0	0.0	0.0
Energy Management System	75.0	33.3	0.0	0.0	50.0	0.0	0.0		16.7	66.7	50.0	33.3	0.0
Internet/E-Mail	100.0	100.0	85.7	100.0	100.0	80.0	68.9		50.0	100.0	88.9	100.0	66.7
Internet/Website	100.0	100.0	71.4	100.0	100.0	80.0	70.2		50.0	100.0	87.6	66.7	66.7
Intranet System	50.0	66.7	28.6	50.0	100.0	40.0	0.0		16.7	66.7	50.0	33.3	33.3
Local Area Network (LAN)	75.0	100.0	85.7	100.0	66.7	100.0	68.3		66.7	100.0	97.5	0.0	33.3
Management Information System (MIS)	100.0	100.0	100.0	100.0	100.0	60.0	77.8		66.7	100.0	87.4	33.3	66.7
Point of Sale System for F&B	100.0	100.0	85.7	50.0	83.3	100.0	59.6		66.7	66.7	79.8	0.0	66.7
Property Management System	100.0	66.7	57.1	75.0	83.3	60.0	62.1		50.0	66.7	88.7	0.0	33.3
Yield Management System	50.0	66.7	28.6	25.0	50.0	20.0	0.0		16.7	33.3	100.0	0.0	66.7
Other	25.0	33.3	0.0	0.0	33.3	0.0	0.0		0.0	0.0	0.0	0.0	0.0

**Environmental Issues - Percentage of Hotels Monitoring Quantitative Performance**

COMPOSITION	Agra	Ahm'bad	Cochin	Hyderabad	Jaipur	Lucknow	Nagpur	Thiruv'puram	Ooty	Udaipur	Vizag		
	Five-Star Dix, Five-Star, Four Star & Three Star	Four-Star & Three-Star	Three-Star & Two-Star	Five - Star, Four-Star & Three-Star	Five-Star Dix, Five Star & Heritage	Three-Star & Two-Star	Three-Star & Two - Star	Three-Star & Others	Four-Star, Three-Star & Two-Star	Three-Star & Two-Star	Five-Star Dix, Five - Star & Heritage	Three - Star & Two - Star	Five - Star, Four - Star & Three-Star
<i>Number of responses:</i>	4	4	17	4	5	4	10	10	6	4	4	4	4
Air (External Emissions)	33.5%	66.7%	0.0%	25.0%	80.0%	50.0%			33.5%	66.7%	0.0%		100.0%
Air (Indoor Air Quality)	33.3	100.0	0.0	25.0	80.0	50.0			66.7	33.3	0.0		66.7
Community Interaction	33.3	33.3	16.7	75.0	80.0	25.0			83.3	33.3	0.0		33.3
Energy Consumption (Electric)	100.0	100.0	100.0	100.0	100.0	100.0			100.0	100.0	100.0		100.0
Energy Consumption (Gas)	100.0	100.0	83.3	75.0	80.0	100.0			66.7	100.0	100.0		100.0
Energy Consumption (Oil)	100.0	100.0	83.3	75.0	60.0	75.0			66.7	100.0	100.0		100.0
Fresh Water Quality	100.0	100.0	83.3	100.0	60.0	50.0			100.0	100.0	100.0		100.0
Noise (External)	66.7	66.7	16.7	25.0	60.0	25.0			83.3	66.7	0.0		33.3
Noise (In House)	66.7	66.7	50.0	25.0	60.0	25.0			66.7	100.0	33.3		66.7
Solid Waste Disposal	33.3	66.7	16.7	50.0	40.0	25.0			66.7	66.7	66.7		66.7
Solid Waste Production (Quality)	33.3	66.7	16.7	0.0	20.0	50.0			33.3	100.0	66.7		66.7
Solid Waste Production (Segregation)	33.3	66.7	33.3	0.0	20.0	75.0			50.0	100.0	100.0		66.7
Solid Waste Production (Volume)	0.0	100.0	33.3	0.0	80.0	50.0			33.3	66.7	33.3		66.7
Staff Training in Environmental Issues	100.0	100.0	50.0	75.0	80.0	25.0			83.3	33.3	66.7		33.3
Use of Chemicals (House Keeping)	33.3	100.0	83.3	100.0	100.0	75.0			33.3	100.0	66.7		100.0
Use of Chemicals (Maintenance)	66.7	100.0	66.7	100.0	100.0	75.0			83.3	100.0	66.7		66.7
Use of Pesticides and Herbicides (Dry Rations)	33.3	100.0	0.0	0.0	80.0	0.0			33.3	66.7	0.0		66.7
Use of Pesticides and Herbicides (Green Groceries)	33.3	100.0	0.0	0.0	80.0	25.0			33.3	66.7	33.3		66.7
Use of Pesticides and Herbicides (Horticulture / Gardens)	33.3	100.0	50.0	75.0	100.0	75.0			33.3	66.7	66.7		100.0
Use of Pesticides and Herbicides (Inside Building)	33.3	66.7	16.7	50.0	100.0	50.0			66.7	100.0	33.3		66.7
Use of Pesticides and Herbicides (Pest Control)	0.0	100.0	100.0	75.0	100.0	50.0			66.7	66.7	66.7		100.0
Use of Pesticides and Herbicides (Public Area)	33.3	66.7	33.3	25.0	100.0	25.0			83.3	100.0	33.3		66.7
Waste Water Quality	66.7	33.3	66.7	75.0	60.0	50.0			66.7	100.0	66.7		66.7
Waste Water Volume	66.7	66.7	66.7	75.0	80.0	75.0			50.0	100.0	66.7		100.0
Water Consumption	100.0	100.0	100.0	100.0	80.0	100.0			100.0	100.0	100.0		100.0



# Hotel Analysis Worksheet

Hoteliers can analyse their financial data, compare it with their competitors and accordingly prepare their future strategies and budget with the help of the following table:

COMPOSITION	Your Hotel	Comparison 1	Comparison 2	Comparison 3
<b>Average Total Rooms Per Hotel:</b>				
<b>Average Occupied Rooms Per Hotel:</b>				
<b>Average Occupancy Per Hotel:</b>				
<b>Average Rate Per Hotel:</b>				
<b>REVENUE</b>				
Rooms				
Food & Beverage				
Banquet & Conferences				
Telephone & Other				
Minor Operated*				
Rental & Other Income				
Total				
<b>DEPARTMENTAL EXPENSES</b>				
Rooms				
Food & Beverage				
Telephone & Other				
Minor Operated*				
Rental & Other Income				
Total				
<b>DEPARTMENTAL INCOME</b>				
<b>OPERATING EXPENSES</b>				
Administrative & General				
Management Fee				
Marketing				
Franchise Fees				
Property Operations & Maintenance				
Energy				
Total				
<b>HOUSE PROFIT</b>				
<b>FIXED EXPENSES</b>				
Property Taxes				
Insurance				
Other Fixed Expenses				
Rent				
Total				
<b>NET INCOME**</b>				

\*\* Minor operated departments include: laundry, gift shop, business centre, news stand, sports, health club, garage, parking and so forth

\*\* Net Income is before depreciation, interest payments and taxes

# HVS INTERNATIONAL AT A GLANCE



## Organizational Chart

