



Indian Hotel Industry Survey 2008-2009



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In our efforts to reduce our carbon footprints, HVS has published this year's FHRAI report using ENOVA; a 30% Post Consumer Waste (PCW) + 70% Programme for the Endorsement of Forest Certification (PEFC) certified recycled coated substrate paper. We shall, in the coming years, substitute this with 100% PCW paper.



Foreword

The Federation of Hotel & Restaurant Associations of India is pleased to present the twelfth annual edition of the Indian Hotel Industry Survey in cooperation with HVS Hospitality Services. This survey, covering the performance of hotels across different cities and different quality standards, provides an in-depth understanding of the Indian hospitality industry; becoming a benchmark reference standard. We would like to thank the participating hotels for all the detailed information they have provided and helped improve the quality of this research.

The Indian Hotel Industry Survey analyses the performance of the Indian hospitality industry across varying parameters such as facilities, manpower, operational performance and marketing trends. The information is based on data received from FHRAI hotel members and the authenticity of this data helps us in providing a clear picture of the operating statistics of India's hospitality sector. Data collated from our member hotels, our extensive historic database and the credibility of our research have helped make this report a preferred tool for hotel professionals, consultants, investors, bankers, researchers, government officials in the tourism department, media persons and all those interested in studying the Indian hotel industry.

The current edition includes an analysis of seven major cities for which we have received detailed information and twelve other cities where information was available with us for some hotels, though not in sufficient numbers for all the star categories. We earnestly request all our members to be more forthcoming with sharing the required information as this helps us all. Therefore, while we have basic data for 1,168 members (a decline from the 1,204 responses received last year), the financial data is not available for all of them.

We have, this year, put special focus on the urgent need to protect and preserve our environment. Being the standard bearers for our industry, it will be our endeavour to lead by example.

We encourage feedback on the presentation and content of this report to enable us to better it each year. We are thankful to HVS Hospitality Services for their continued support for this.

Rajindera Kumar

A handwritten signature in black ink, appearing to read 'Rajindera Kumar', written over a light gray background.

President, FHRAI



About HVS

HVS Hospitality Services, a global hospitality consulting and services organization, is acknowledged as a specialist in its field. Founded in 1980 in the United States, by Steve Rushmore, the company has 30 offices across the globe and more than 18,000 assignments to its credit. HVS New Delhi was established in 1997 and has risen to be the only dedicated hospitality-consulting firm in this region. It currently offers its consulting and valuation services to clients with interests in the South Asian Region covering India, Pakistan, Sri Lanka, Bangladesh and Nepal. The New Delhi office offers the following services.

CONSULTING AND VALUATION

The team comprises of experienced and qualified hotel professionals undertaking feasibility studies, development strategies, valuations, market area analyses, market entry strategies, investment services, operator search and management contract negotiations. Our database of hotel information, combined with broad insight and extensive experience, enables HVS to produce well-documented studies that contain fully supported value conclusions. Each report is customized to meet client requirements based on mutually agreed upon parameters. The HVS approach on hotel and real estate appraisal is widely used by hotel management companies, financial institutions, equity investors and developers of hotels in making investment decisions in the South Asian hospitality industry.

EXECUTIVE SEARCH

Executive Search, another vertical to the base of services offered, entered the Indian market in 2001 and manages diverse portfolios across varied sectors. HVS Executive Search has offices in New Delhi and Mumbai and is among South Asia's first retained Executive Search practices catering to the services sector. While hospitality continues to be an important area of focus, this division has carried out senior level searches in the real estate, financial services, retail and healthcare sectors.

MARKETING AND COMMUNICATIONS

Marketing Communications Services provides a specialized platform for its clients creating executable marketing and communication road maps for improved business performance. Our services include Pre-Opening, Opening and Tactical Marketing Campaign, Conceptualization, Strategic Advertising, Development and Implementation of Brand Architecture and Strategies, Creation and Management of CRM Strategies, F&B Marketing and Corporate Communications.

WEB STRATEGIES

HVS Web Strategies provides affordable, accessible, and streamlined Internet and Web services to hotel and resort owners, operators, developers and investors who recognize the key role technology can play in improving their operational and financial performance. It specializes in conceptualizing, developing and deploying the next generation of online/web solutions, such as, Website designing and development, Online Marketing and Branding (including SEO), Graphics and Multimedia services to name a few.

ASSET MANAGEMENT & STRATEGIC ADVISORY SERVICES

The HVS Asset Management & Strategic Advisory Services aims to provide a unique value proposition for its clients through services aimed to assist hotel owners and investors to achieve optimal performance from their hospitality investments. Through expert, independent market assessments and unbiased reviews of various processes affecting the operational efficiency of hotel assets, our analysis and recommendations will be custom-designed to meet the specific needs of each individual client and asset that we manage.

The HVS Asset Management & Strategic Advisory vertical offers services like Strategic Advisory Services and Owner Representation, Pre-Opening Capital Plan and Budgeting, Revenue-Cost Optimization and Profitability Analysis, Sales, Marketing and Revenue Management, Operational Advisory and Audit Services.

OUR CONFERENCES



A confluence of hotel industry stakeholders, visions and ideas, industry news and networking, HICSA has successfully created an interactive platform in the South Asian region. For enquiries regarding the sixth annual conference, HICSA 2010 please visit www.hicsaconference.com or email to hicsa@hvs.com



The Hotel Operations Summit India would exclusively focus on and be purely dedicated to hotel operations, introducing hospitality leaders and decision makers to the trend setting practices, products and services. For more information please visit www.hosiconference.com or email to hosi@hvs.com

The Indian Hotel Industry Survey 2008-2009 brings together the industry's key statistics and serves as an easy reference volume. We are grateful to all those who have contributed towards the same and look forward to increased participation in the years to come.

Manav Thadani
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Shamsher Singh Mann
Senior Associate

Panchali Mahendra Singh
Consulting & Valuation
Associate

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Research Analyst

Gaurav Sharma
Associate - Creative
Design



Ecotel®

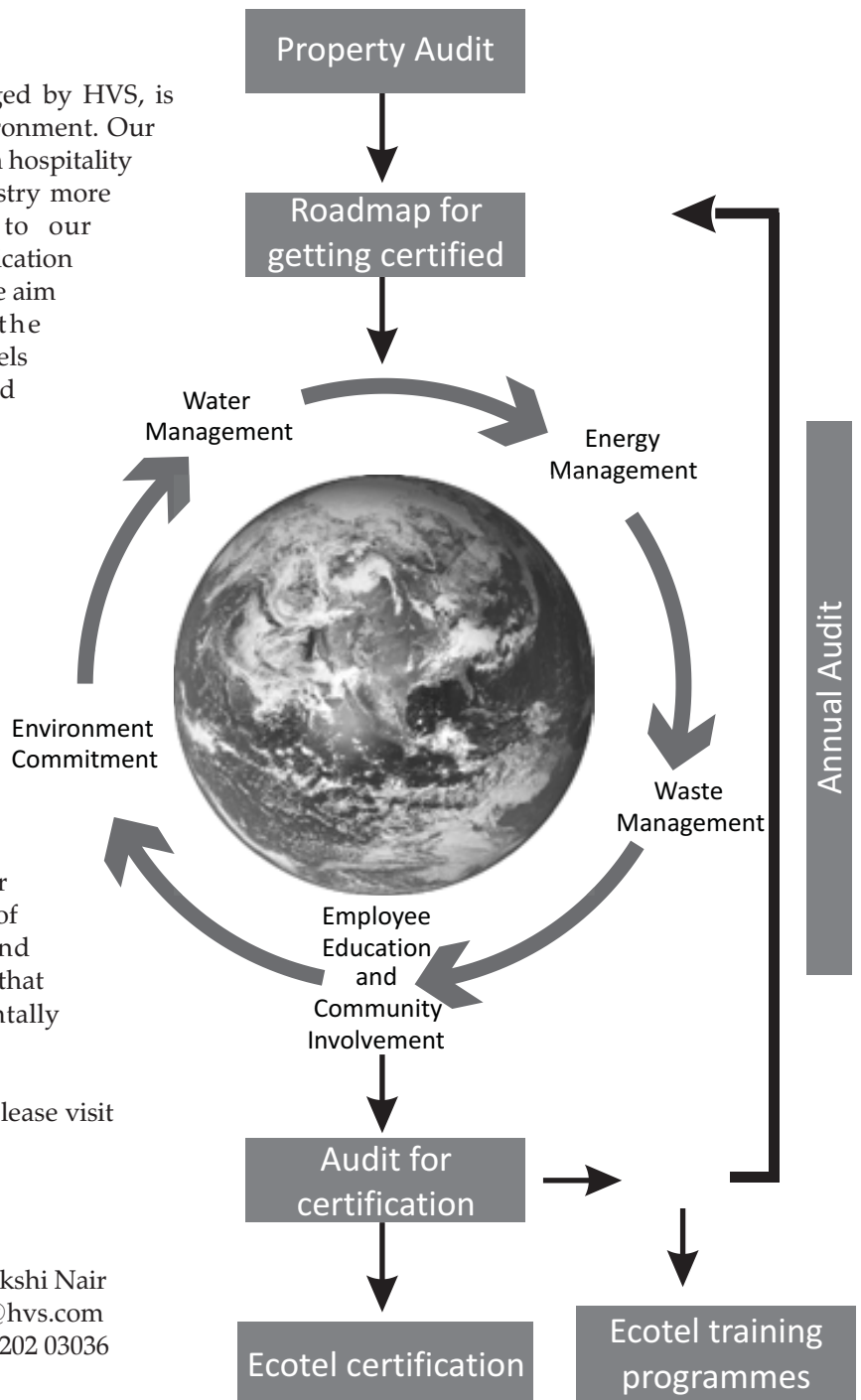
The ECOTEL® Certification, managed by HVS, is our commitment to protect the environment. Our endeavour is to utilise our expertise in hospitality operations and help make our industry more responsible and less damaging to our environment through practical application of our knowledge and experience. We aim to enable operators reduce the environmental impact of their hotels while functioning more efficiently and cost effectively.

The ECOTEL® Certification is based on five areas of environmentalism, each of which is designated by a Globe award. Each of these globes is unique in that, independently each covers either a responsible aspect of the environment (Solid Waste Management, Water Conservation, and Energy Management) or hotel operations and practices (Environmental Commitment, Employee Education Community Involvement), that can together encompass the complete gamut of people/staff-driven operations and practices along with infrastructure that will make the hotel environmentally responsible.

For further details and information please visit our website at www.ecotelhotels.com or contact us at:

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Synopsis and Key Highlights of the Survey

Introduction

The Indian hospitality industry has emerged as one of the key industries driving the growth of the services sector and, thereby, the Indian economy. The FHRAI Indian Hotel Survey 2009 Report aims to provide the most comprehensive guide to all India performance trends for this industry. Results of the Survey will empower industry stakeholders such as owners, investors, operators, business analysts and researchers with information on the operational aspects of the industry. It will help operators benchmark their performance and identify investment opportunities.

Data Collection

The data for the FHRAI Indian Hotel Survey 2009 Report has been contributed by the member hotels of FHRAI. The FHRAI sends out a questionnaire to each of its members (currently numbering 2,272 member hotels) which is then analysed and presented in this report. The data presented in the current edition is culled from 1,168 responses.

Methodology

Data from participating hotels is sorted and filtered into a comprehensible structure, from which is extracted the performance of the Indian hospitality sector across crucial parameters. These parameters, like guest segmentation, hotel finances, marketing, seasonality and sources of reservations among others, are then presented under the following categories:

- **Star:** Five-Star Deluxe, Five, Four, Three, Two, One-Star and Heritage hotels alongwith Other hotels, which are not classified under any star ratings.
- **Inventory:** Number of rooms in hotels categorised under - Less than 50 Rooms/ 50-150 Rooms/ More Than 150 Rooms.
- **Affiliation:** Affiliated to chain/ independent
- **Primary Markets:** Seven major cities
Bangalore Chennai Goa Kolkata Mumbai
New Delhi – NCR Pune
- **Secondary Markets:** Twelve secondary cities
Ahmedabad Chandigarh Coimbatore Hyderabad Indore
Jaipur Kochi Ootacamund Shimla Thiruvananthapuram
Vadodara Visakhapatnam

Qualifying Conditions

- While it is our endeavour to represent all the cities of India, we are limited by the data received from the participating hotels. In order to make the study relevant, we present data for only those categories for which we have a minimum of four participating hotels.
- Hotels across different categories showing similar characteristics have been combined under the same category.
- To facilitate better evaluation of data across comparable groups, the financial statements are presented upto Net Income, before any deduction of depreciation and interest, which are hotel/owner specific.

Limiting Condition

- In some cases, there are large fluctuations in the data and this noise in the data may be attributed to the changing participation in the survey and not an accurate representation of market performance.

Presentation of Financial Data

- **Percentage of Revenue:** is an assessment of costs as a percentage of revenue. Departmental expenses are portions of individual revenue heads while Operating and Fixed Expenses are deducted from Gross Hotel Revenue following the international accounting guidelines.
- **Amount per Available Room (PAR):** is the financial performance of a single room and is based on the total inventory.
- **Amount per Occupied Room (POR):** is the performance of a single occupied room.

All amounts presented in this report have been rounded to the nearest whole number and are in Indian rupees (Rs) for the fiscal year 2008/09 (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.

Key Trends

In the section, 'Country Trends', broad industry characteristics are highlighted first along with historic marketwide trends. 'In the Focus' discusses some key trends and characteristics and this is followed by some emerging trends from hotels across the country presented under 'City Trends', analysing hotels in 19 cities. The City Trends reflect HVS' market perception for each city, as well as our expectations with regard to its performance in the current year (2009/10).

Country Trends

- **Overall Performance:** Reflecting the global trend of an economic slowdown, the Indian hospitality market witnessed a sharp decline in the overall occupancies. This was further affected by the unfortunate terror attacks in Mumbai. Average rates did not follow this trend immediately as they generally lag behind; hence, we observe them to be on par with that of the previous year's except in the case of tourist destinations where a decline in average rates is much more visible. Average occupancy across India fell by approximately 6.3% with some cities witnessing a decline of upto 20%. It is observed that while hotels have been able to reign in the departmental expenses, the overall bottom lines have declined by approximately 21% over last year. This can primarily be attributed to an increase in the PAR expenses of energy and POMEAC and the overall reduction in top lines.
- **Marketing Media:** The advent of new marketing media such as viral marketing (advertising through social networks), Consumer General Media (CGM)/ User Generated Content (end consumers rate and give their opinions on the services/products), Pay Per Click and others have changed the way consumers view marketing, forcing advertisers and product/service companies to change their approach towards marketing. We see an increased usage of non-traditional media by the hotel industry with the five-star deluxe, five-star and heritage hotels taking the lead. Travellers are researching the internet and forming their opinions and choices based on the information provided by unaffiliated platforms where their peers comment on the hotels. Blogs, networking sites, travel sites and suchlike are therefore being used by the travellers for making their choices. It is our opinion that such media shall increasingly become the preferred mode of advertising in the coming future and hotels should ensure they are marketed well online.
- **Bars and License:** The lower category (three, two and one-star) hotels have comparatively lesser number of bars operating in their hotels (on an average 0.7 per hotel) as compared to the ones in the higher categories (on an average 1.2 for five-star deluxe, five and four-star hotels). This, however, is not reflective of the demand in the market for bars around the country. Further, we are aware of liquor sales traditionally having much higher margins than food and therefore being a very lucrative business option for hotels. The dearth of bars in the lower category hotels may be attributed to the exorbitant procurement and annual license fee required for operating bars across most states in the country. It would be in the interest of both the hotel owners and state governments to reduce the barriers to entry and see an enhanced revenue growth.
- **Domestic Traveller:** The domestic traveller has long been ignored by hotels in India. Their propensity to spend has generally been much lower than other categories and they tend to bargain heavily in order to maximise their value for money. This said, while the underlying fabric of their requirements remains the same, their perception of value for money is undergoing a tectonic shift. Also undergoing a paradigm change is the demographics of the country with a rise in the educated, middle class with disposable incomes which is in turn driving domestic tourism. Domestic travellers have helped the hospitality industry recover from the downturn in the late 1990s and in the current survey, too, hotels in resort destinations were observed to tide over the turbulent past year by substituting the high paying foreign guests albeit at lower price points.

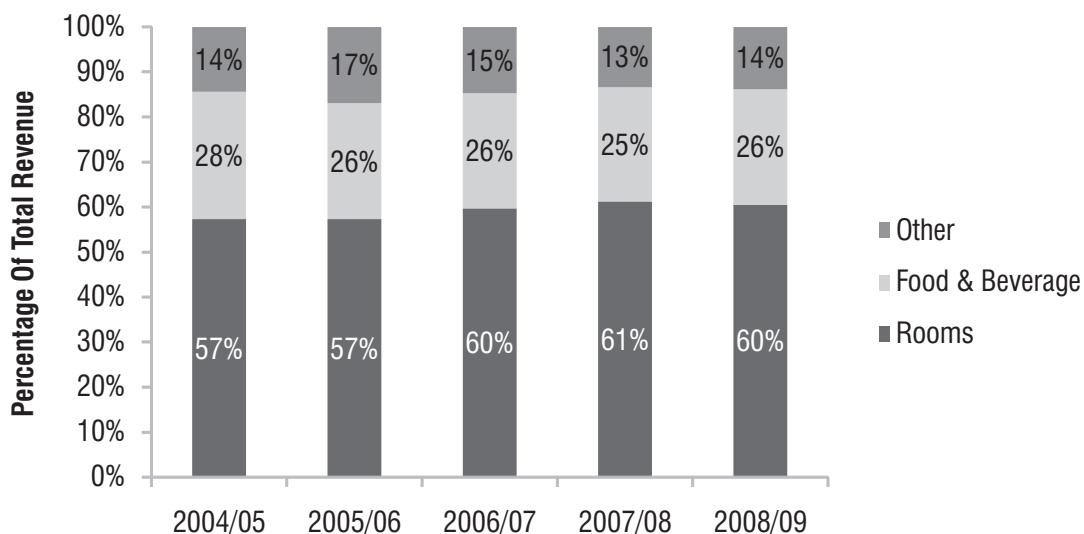
- **Telephone Department:** The telephone department has, over the years, become more of a cost centre than a revenue generator. Most hotels tend to provide this facility in order to take room reservations or transfer calls to other departments. While earlier, room guests used to utilise this facility for their personal consumption, the advent and increased usage of mobile telephony has obviated the need for this technology. Newer hotels, especially in the budget and mid market category, are now setting up countrywide call centres that are connected to the individual properties using Voice over Internet Protocol (VoIP). This system requires an initial investment in the setting up of a call centre and annual maintenance charges that are nominal. As the calls between the call centre and the individual properties utilise VoIP, these calls are free, unlike the regular phone charges. Individual/stand alone hotels might find this expense too high but they should consider outsourcing these services to IT companies which can provide this facility at lower costs by aggregating demand across a higher number of hotels.
- **Employees to Hotel Room Ratio:** Indian hotels continue to be inefficient in their manpower utilisation. The All India average of total employee ratio to hotel rooms stands at 1.6, much higher than what is observed in hotels across the globe. In fact not much has changed from our first survey back in 1988-99 when this ratio was 1.4. More interestingly, we see that while this average is 1.7 for hotels in the five-star category, it is 1.9 and 1.6 for those in the four and three-star categories, respectively. This may be directly attributed to the fact that hotel owners in India generally trend to 'overspec' their hotels. A hotel in the mid-market category would be built to much higher standards than that required and this tendency flows through to the manpower requirements as well. In order to compete with the branded international hotels entering all segments of the Indian hospitality sector, it becomes imperative for all hotels to reconsider their staffing levels and become more efficient.
- **Visa-on-Arrival:** The Government of India has decided to offer visa-on-arrival to selected countries including Japan, New Zealand, Luxembourg, Singapore and Finland, which the government was reluctant to offer before due to security reasons. The nationals of the same countries will be allowed to enter India and attain visa-on-arrival. This decision has ostensibly been taken in order to promote Indian tourism and increase the inflow of international tourists, which will directly and positively affect the Indian hospitality industry. However, the importance of the decision apart from promoting tourism was also to improve inter-country relationships on a long-term basis. India, in future, will open its policy only to those countries that are ready to reciprocate. Such a decision, will allow tourists and guests to visit the country in an easier way.

In the Focus

The coming years are expected to see a large quantum of new hotel supply entering the Indian market. A substantial proportion of these hotels are expected to be branded and of international quality in product and service offerings. Indian hotel operators would need to prepare themselves for this coming competition by improving their operational efficiencies and also their products and service offerings. Highlighted below are a few important emerging trends:

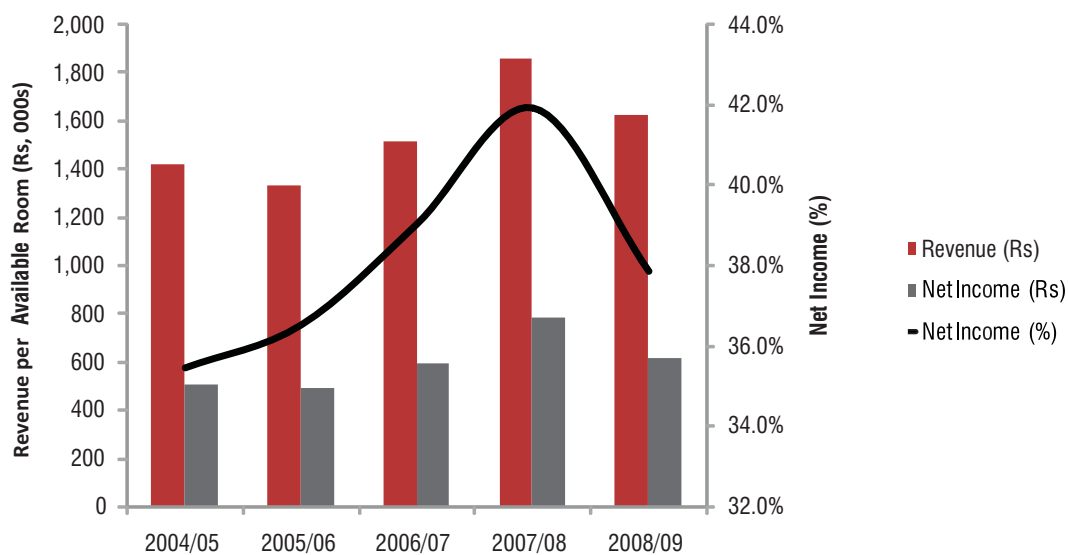
- Exhibit 1 highlights the sources of revenue for the hotel. Contribution from rooms has gradually risen over the past few years; this year, though, saw a 1% displacement between rooms and F&B as compared to last year. The overall decline in revenues, as highlighted later in Exhibit 2, have been similar in rooms and F&B (14% and 12% respectively) showing the correlation between hotel room occupancies and F&B revenues.

Exhibit 1: Source of Revenue



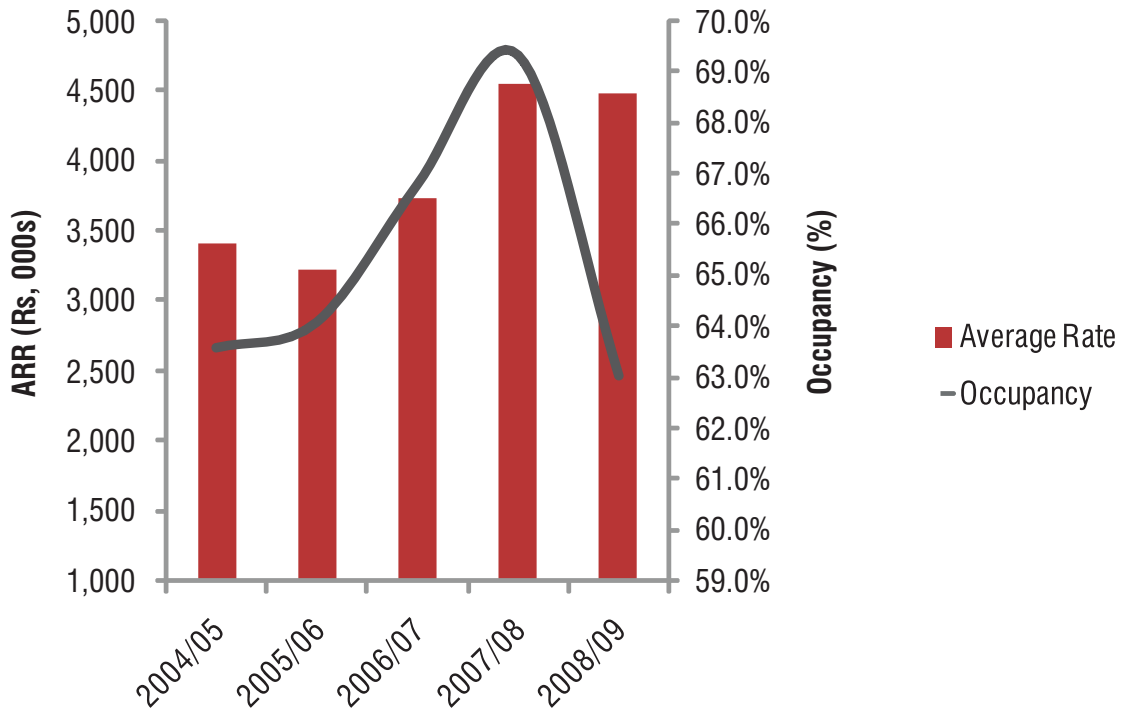
- As seen in Exhibit 2, overall revenue and net income have both declined in the year 2008/09. However, while the topline has declined by 13%, the net income for hotels has declined by 21%. This may be attributed to the high fixed costs incurred by hotels and also an increase in other costs such as energy and POMECC.

Exhibit 2: Revenue and Net Income



- Exhibit 3 shows the earlier mentioned observation of hotel occupancies correcting faster than the rates in 2008/09, a trend commonly noticed during business cycle downturns. We expect the rates to show a marginal rationalisation in 2009/10 while the occupancies are expected to rise significantly.

Exhibit 3: Hotel Occupancy and Average Rate



- The variance in monthly seasonality has been reducing over the past few years as is evident from Exhibit 4, which compares the monthly seasonality of hotel occupancies between 2000/01 and 2008/09. Hotels in India are introducing innovative offerings in order to improve performance in the shoulder period (May to August). This includes targeting the conferencing segments, offering cheaper travel packages among others.

Exhibit 4: Monthly Seasonality

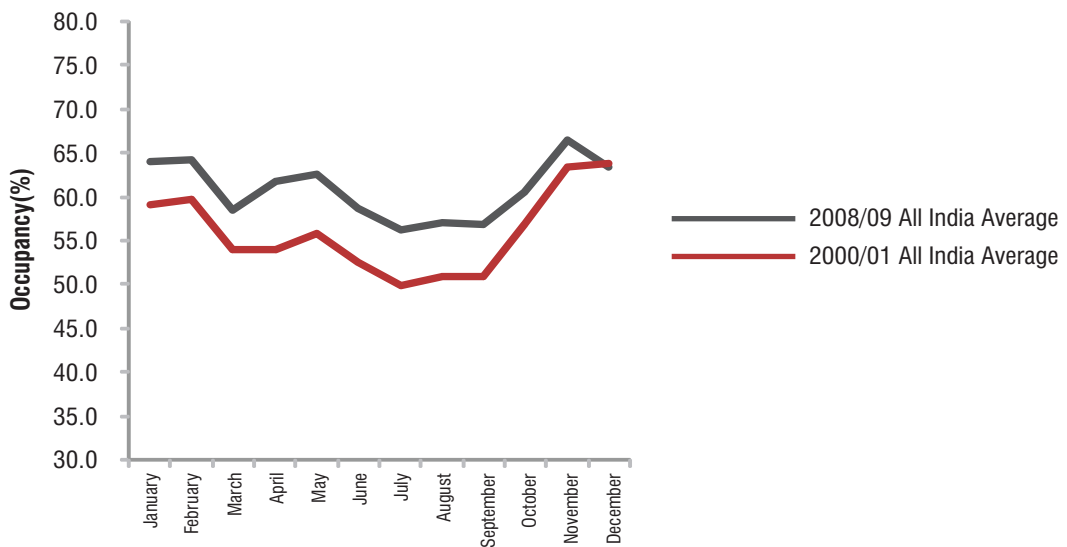


Table 1 highlights the performance of hotels across India over the past five years.

City Trends

The Indian hospitality industry, over the last three years, has been witnessing a remarkable phase in performance and has continued the same in the former part of the year 2008/09. One of the key reasons for the increase in demand for hotel rooms in the country was the boom in the overall economy and substantial growth in sectors like information technology, telecom, banking and finance, insurance, construction, retail and real estate. However, the global economic downturn and the Mumbai attacks adversely affected the performance of the industry in the latter part of the year. This has been, to a large degree, mitigated by a steep increase in domestic travel and we expect this to be one of the major drivers of growth in the short to medium term. With the economy of the country improving and a simultaneous effort by the government to upgrade and improve the existing road, airport and other infrastructure, we can expect India to recover faster than most countries across the globe. We also expect India to become one of the most favoured investment destinations in the world and all these bode very well for our industry.

It should be noted that the country average is not representative of the trends seen in certain key hotel markets in India as it includes the results of lower star category hotels across several cities, which comparatively, have a more restrained operating environment. Table 2 illustrates average occupancy and rate for 30 cities/regions on an all-India basis over the last five years, which is followed by HVS' viewpoint on the demand-supply scenario and performance of the 19 identified hotel markets based on in-house research.

TABLE 1-1: **Indian Hotel Industry by Star Category: Facilities Analysis and Staffing**

| City | Occupancy | | | | | Average Room Rate | | | | |
|--------------------|--------------|--------------|--------------|--------------|--------------|-------------------|----------------|----------------|----------------|----------------|
| | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 |
| All India | 63.6% | 64.1% | 66.8% | 69.3% | 63.1% | Rs3,413 | Rs3,227 | Rs3,741 | Rs4,556 | Rs4,487 |
| Agra | 62.7% | 60.7% | 58.9% | 62.8% | 54.8% | 1,895 | 2,389 | 2,361 | Rs3,307 | 4,211 |
| Ahmedabad | 52.6% | 68.9% | 69.6% | 74.9% | 63.7% | 1,825 | 2,572 | 2,108 | 4,138 | 4,039 |
| Aurangabad | 61.1% | 43.2% | 52.9% | ID | 56.5% | 1,784 | 1,837 | 2,160 | ID | 2,289 |
| Bangalore | 79.8% | 71.7% | 67.9% | 73.1% | 56.5% | 6,762 | 6,534 | 8,519 | 9,679 | 9,757 |
| Bhopal | 71.2% | 65.8% | 74.7% | 70.3% | 72.2% | 1,785 | 1,604 | 2,028 | 2,647 | 2,639 |
| Chennai | 73.3% | 78.0% | 78.7% | 77.4% | 64.6% | 2,384 | 3,080 | 3,340 | 3,076 | 4,678 |
| Coimbatore | 67.5% | 79.7% | 72.9% | 77.8% | 72.1% | 1,401 | 2,311 | 2,322 | 2,634 | 3,255 |
| Darjeeling | 66.3% | 50.1% | 56.3% | 57.8% | ID | 1,570 | 1,912 | 2,090 | 1,719 | ID |
| Goa | 60.1% | 66.7% | 71.3% | 70.1% | 61.7% | 2,704 | 3,994 | 4,515 | 4,368 | 5,378 |
| Hyderabad | 75.2% | 80.2% | 71.6% | 63.7% | 56.3% | 2,729 | 4,305 | 4,660 | 5,643 | 4,730 |
| Indore | 60.0% | 64.9% | 69.8% | 72.9% | 68.7% | 661 | 773 | 992 | 1,486 | 1,933 |
| Jaipur | 71.5% | 60.2% | 69.2% | 63.0% | 61.4% | 1,791 | 2,220 | 2,743 | 5,460 | 4,472 |
| Jodhpur | 56.2% | 45.1% | 50.7% | 53.6% | 51.0% | 3,346 | 1,679 | 4,066 | 5,468 | 3,964 |
| Kochi | 64.8% | 65.9% | 75.4% | 75.2% | 67.4% | 1,062 | 1,247 | 1,237 | 1,486 | 2,062 |
| Kolkata | 67.1% | 65.0% | 75.6% | 72.5% | 69.6% | 2,210 | 2,668 | 3,567 | 5,138 | 5,342 |
| Kullu-Manali | 47.0% | 48.0% | 46.9% | 48.1% | 50.9% | 2,668 | 1,585 | 2,334 | 1,688 | 3,716 |
| Lucknow | 66.7% | 75.0% | 70.8% | 71.6% | 63.0% | 1,867 | 2,060 | 1,988 | 2,208 | 2,491 |
| Mount Abu | 47.1% | 52.7% | 56.6% | 57.0% | 69.4% | 1,255 | 1,338 | 1,558 | 1,825 | 1,823 |
| Mumbai | 74.9% | 75.8% | 79.2% | 80.1% | 71.2% | 4,307 | 4,615 | 4,996 | 6,665 | 6,822 |
| Mussoorie | 61.0% | 55.0% | 50.9% | ID | 48.0% | 2,997 | 656 | 1,454 | ID | 4,099 |
| Mysore | ID | 60.9% | 46.4% | 66.3% | 67.7% | ID | 1,249 | 3,300 | 1,254 | 2,340 |
| Nagpur | 46.1% | 71.0% | 69.4% | ID | ID | 931 | 1,307 | 1,144 | ID | ID |
| New Delhi - NCR | 76.6% | 74.8% | 82.2% | 78.0% | 64.8% | 5,498 | 6,699 | 7,459 | 9,728 | 6,087 |
| Ootacamund | 44.4% | 50.3% | 48.5% | 58.3% | 58.1% | 1,861 | 1,690 | 1,527 | 1,258 | 1,956 |
| Pune | 77.2% | 77.3% | 80.7% | 76.5% | 65.5% | 1,295 | 2,621 | 3,232 | 4,927 | 4,951 |
| Shimla | 53.8% | 45.2% | 52.2% | 64.6% | 52.7% | 1,679 | 813 | 1,554 | 1,033 | 1,766 |
| Thiruvananthapuram | 47.5% | 57.6% | 62.4% | 65.1% | 57.9% | 1,805 | 1,665 | 3,959 | 2,221 | 1,570 |
| Udaipur | 54.5% | 55.3% | 57.8% | 58.2% | 51.6% | 3,800 | 3,580 | 3,700 | 6,320 | 7,319 |
| Vadodara | 62.6% | 70.0% | 71.9% | ID | 77.9% | 467 | 2,085 | 1,730 | ID | 2,779 |
| Visakhapatnam | 80.6% | 77.2% | 71.4% | 75.9% | 69.0% | 1,531 | 1,686 | 2,495 | 3,169 | 3,687 |

Seven Major Cities

Bangalore

Bangalore has witnessed a steep drop in its occupancies (-16.6%) while the overall rates have maintained themselves. This has been a result of the new supply entering the market as well as the overall slowdown in the market. The Bangalore market has traditionally been heavily dependent on the IT/ITeS sector. With the financial crisis severely affecting these companies, there has been a direct negative impact on the performance of hotels as can be observed from the sharp decline in the occupancies and average rates of the hotels. IT companies, in order to reduce their costs, have organised guesthouses and hostels for their usage, thus reducing their dependence on over priced hotels in the market. The market has also got divided into smaller micro-markets such as Whitefield and Electronic City, which now have hotels built in proximity to the feeder markets. The moving of the airport outside the city has helped hotels in Bangalore as visitors invariably need to stay overnight owing to the distance between the airport and most parts of the city. Though the Bangalore market will see some quality developments such as the convention centre near the new airport which would increase the overall demand for rooms, hoteliers should be realistic in their pricing strategy for the future and not be swayed by the historical highs seen by the city hotels.

Chennai

The city performance saw a correction in rate and occupancy in the second half of 2008/09 (the occupancies for our reported set fell by approximately 12.8%). With the IT & ITeS sectors cutting costs on travel and entertainment, demand from the OMR region saw the sharpest decline. City hotels also saw a decline in demand from industrial areas like Sriperumbudur, Ambattur and Egmore. There were only two new property openings towards the end of the year (Lemon Tree – 125 keys and Taj Mount Road – 215 keys). The current year has seen hotels discount rates and refocus on their segment mix; many PSU companies based in the city have announced new projects and travel associated with this has sustained occupancy levels to some extent. The winter season (Sep 2009 onwards) has seen improved occupancy performance with marginal rate improvement. Chennai has always maintained steady rates across hotels (three star to five star) and we do not see any upward revision this season. City occupancy will get stronger and with the entry of new supply in the next year (2010/11, at least four new hotels – estimate 950 rooms), rates will hold and market occupancy may see some correction.

Goa

The Goa market has predominantly been targeted towards the international tourist segment but over the past few years the growth in the Indian economy and maturity of a large domestic traveler base has changed the overall market mix for these hotels. Improved air connectivity with other Indian cities has further helped increase the traffic of tourists into the city. There are many barriers to entry in the hotel market of Goa, owing to the difficulty in getting approvals from the local and state authorities. This has resulted in a very limited hotel supply entering the market and the subsequent overpricing of the Goa market. While it is recommended that hoteliers in the market do not overprice their products, we see a continued growth, making Goa one of the most lucrative markets in the country for investments. At present, we are only aware of one large luxury resort under development that is scheduled to open in the next 12 months.

Kolkata

Over the last year, Kolkata witnessed a drop in room nights demand and the occupancies fell by approximately 3% points (HVS research on the market pegs this decline at 7%). The slump was a byproduct of the overall dampening of room nights demand across most major Indian cities, following the November 2008 terrorist attacks in Mumbai and the overall depressed sentiment from the global recession. The average rates, however,

did not see any movement owing primarily to the lack of new supply entering the market. Additionally, unlike other major cities, Kolkata hotels had not seen an exponential jump in average rates in the past few years and thus the immediate need for rate correction was not warranted. Future supply is expected to be absorbed as room nights demand grows from the central business district as well as the suburban districts of Salt Lake and Rajarhat. A few hotel projects are under construction and the city is expected to have an additional thousand branded rooms across various positionings in the next five years. That being said, while some of these hotel projects are finally seeing active development, there are several announced projects on EM Bypass and in Rajarhat that are suffering delays for a variety of reasons. The overall development of Rajarhat as the new commercial hub of Kolkata has been painstakingly slow and even stagnant in recent months. Overall, Kolkata is not expected to see significant growth in average rates or occupancies in the short to medium term and the existing hotels will probably manage to maintain their current performance over the next nine to twelve months.

Mumbai

The Mumbai market was adversely affected by both the global financial crisis and the terror attacks. Being the financial hub of the country, it saw a sharp decline in demand from its staple feeder markets such as the banking, financial and consulting companies. Hotels were slow to reduce their rates so while the average rates sustained themselves, hotel occupancies witnessed a very sharp correction. The delay in reducing the average rates can also be attributed to the signing of half yearly contracts with companies which could not always be renegotiated in mid-term. The first half of 2009 saw hotels reducing their rates in their endeavour to improve occupancies. This strategy has borne fruit and an improved Indian economy has helped increase both rates and occupancies in the hotels. The coming year will see the opening of many hotel projects such as the Trident at BKC, Westin at Goregaon, Holiday Inn at Saki Naka and Novotel in Juhu. However, the size of the Mumbai market is growing rapidly and we anticipate that Mumbai shall be able to absorb this demand and continue growing. Quality developments across the city such as the Mumbai International Airport's landside development shall further boost demand in the market. Mumbai continues to remain one of India's best performing hotel markets.

New Delhi-National Capital Region (NCR)

The NCR has grown in a very well-rounded manner and almost all parts of the city are seeing rapid growth. So while the Gurgaon market, located in close proximity to the Delhi International Airport, has been very buoyant over the past few years, other areas such as Rohini (in the West), Shahadra (in the Northeast), Noida and Saket (East) have all seen a healthy increase in demand and supply. Unlike many other cities, hotels across Delhi have demand originating from varied sectors including tourism, government, manufacturing and of course services. Therefore, while the NCR saw a decline in occupancies in the last year, it has regained its operating performance this year. The growth of the NCR is also largely attributed to the good governance of the state. Infrastructure projects such as the Metro rail, the road development and upgradation of facilities (owing partly to the upcoming Commonwealth games in 2010) have made the NCR an attractive destination for both investors and residents. However, there is a large quantum of supply expected to enter the NCR market (including the 4045 rooms at the Delhi International Airport Hospitality District) and this might pose a challenge for some of these hotels if not positioned correctly.

Pune

In our previous reports, HVS had predicted the Pune market would decline in both occupancies and average rates; this trend has been very visible in the current year. The city has seen a large influx of new hotels and many more are scheduled to enter the market in the coming future. The lacklustre performance has been further accentuated by these hotels being built outside the city and in close proximity to specific feeder markets which neither generate enough demand for rooms to support these developments nor subsist such a high supply in a relatively short period of time. We expect the performance of this market to remain dampened in the short to medium term.

Twelve Major Cities

Ahmedabad

Ahmedabad, being a commercial destination, has seen a decline in average rates and occupancy (11.2 points decline in occupancy) owing to the economic downturn. With sixteen new hotels scheduled to commence operations in the next four to five years, the hotels in the city are expected to witness a price war. Also, some companies such as Torrent Power have developed guest houses and training centers in their facilities. If this trend continues, it could further bring down hotel occupancies. However, in the long term, the investor-friendly approach of the Gujarat government, availability of good infrastructure such as road connectivity to major metros of Delhi and Mumbai as well as uninterrupted power, and proximity to several ports makes Ahmedabad a favored destination for corporations to set up regional offices or headquarters. Although the development of some big projects in Ahmedabad such as the Gujarat International Finance Tec-City (GIFT) and the Sabarmati Riverfront Development Project has slowed down, we expect Gujarat to be a financial hub for West India and continue to generate demand for hotel rooms. In the long term, Ahmedabad might also get more business from domestic and international airlines as it is developing a separate international terminal. Airlines that choose to park in Ahmedabad stand to benefit from cheaper parking and accommodation facilities.

Chandigarh

The Chandigarh market has attracted a lot of attention over the past few years, owing primarily to the good performance of existing hotels in the market. The city is the combined capital for Haryana and Punjab, and is located at a juncture where it caters to not just these two states but also to Himachal Pradesh. Therefore, the hospitality market in the city saw demand from sectors such as fast moving consumer goods (FMCG), telecommunications, manufacturing, pharmaceuticals and others. Many new projects such as the JW Marriott, Sheraton, The Lalit, Radisson and The Trident have been announced in the city though all of them are much behind completion schedule and in many cases construction has not even begun.

Coimbatore

Coimbatore's diversified economy consisting of a growing auto-ancillary sector, textile manufacturing and services sector (Medical, IT/ITeS) supported with a growing talent pool and significantly lower costs of business operations and living, has helped the city rise to prominence as a business destination in Tamil Nadu. In the medium to long term the proposed development on the commercial, residential and retail front is expected to create significant demand for hotel accommodation and facilities. Also, with the steady growth in the Leisure segment, and proximity of Coimbatore to the Nilgiris (Ooty, Conoor, Kotagiri), we foresee the demand from the Leisure segment to improve in the next few years. However, we anticipate the existing base of approximately 350 hotel rooms to rise to nearly 875 rooms, adding pressure to the performance of hotels in the coming short to medium term.

Hyderabad

Hyderabad, the capital of Andhra Pradesh, is a modern, cosmopolitan city and also the sixth largest in India. Contemporary Hyderabad comprises the tri-cities of old Hyderabad, Cyberabad (Madhapur and Gachibowli) and Secunderabad. Hyderabad was once a city dependent on handicrafts, textiles, and gems and jewellery. However, the city's economy has diversified greatly in the last five to ten years, due to the investor friendly government policies and significant state investment resulting in successful establishment of public-private partnerships. Hyderabad has seen steady growth of information technology (IT), biotechnology, banking, finance and insurance sectors. HITEC, Madhapur, Gachibowli and Nanakramguda in West Hyderabad have seen rapid developments and with a large number of companies, especially those involved in IT and finance in

particular having occupied space here. As the International Convention Centre approaches its stabilised year of operations and newer hotels open shortly we can be assured that demand will pick up as larger conferences come to this city.

Indore

Indore is the economic and commercial capital of Madhya Pradesh. Historically, business activity had been limited to textile production and domestic trade. These production houses, factories and mills were concentrated in the heart of the city. The state government is now trying to improve the IT infrastructure in the city and the plan to set up an IT SEZ near the proposed international airport has received approval from the state government. The retail market in the city is on a growth curve. While a majority of the high street retail is concentrated in the CBD, new mall developments are taking place on the outskirts as well. Commercial demand for the city's hotels is primarily dependent upon financial institutions, banks, service providers such as telecommunications companies, and insurance firms. Indore is a key centre for major automobile units like Force Motors and Eicher Motors.

Jaipur

The beginning of the calendar year 2008 did not go well for Jaipur. The communal tension due to the Gujjar agitation and the bomb blasts brought the city to a halt. This impacted the beginning of the fiscal year 2008/09 and resulted in the summer season being a wash out. The Mumbai bombings in November further impacted the leisure demand in the city with huge cancellations and a virtual freeze on the foreign travel to the city. The city, however, still holds a prominent place in the leisure circuit in India. Being the only international airport in the state till some time now, Jaipur acts as the gateway to Rajasthan. As a result, the city witnesses a longer length of stay. The rich heritage of the city with an easy access to Delhi and Mumbai has also benefited the city to develop as a preferred destination for the weddings and meetings segments. The city has also shown tremendous potential for Commercial demand. Jaipur has traditionally been a base for the traders, buyers and sellers from the gems and jewellery business and industrial units on the outskirts of the city. With the economical advantage of lower real estate prices and proximity to the two main markets in India, the city is now attracting other sectors like PSUs, Banking and Insurance, Telecom and IT. to enter the city. The development of the Mahindra World City on the outskirts of Jaipur is also an example of this potential.

Kochi

Kochi has historically been the trade and financial hub for Kerala and has now added tourism to its portfolio becoming the gateway to Kumarakom, Thekkady and other popular tourist spots. This has helped Kochi diversify its target market amongst business travelers, conferences and tourists. The Kochi market is divided into hotels targeting tourists and those targeting the business travelers, based on their location in the city. While we expect the supply in the business hotel category to outstrip demand, tourism oriented resorts are expected to continue performing well.

Ootacamund (Ooty)

Ooty is the primary hill station of South India. Located in the Nilgiris, in proximity to the Nilgiri Biosphere Reserve, it can be accessed by road from both Bangalore and Coimbatore. While Ooty continues to retain its charm as a hill station destination, many new innovative and environment-friendly hotels are being made around the location and in closer proximity to the wildlife destinations. With domestic travel set to grow at a fast pace, we expect these newer hotels to outperform those in Ooty proper as the preferred tourist destination.

Shimla

Shimla is the erstwhile summer capital of the British Raaj in India and has long served as the popular hillside getaway for tourists from Delhi, Punjab and Haryana. As the state capital of Himachal Pradesh, it also caters to the demand generated by the government sector. However, the city's performance in attracting the Leisure segment is fast ebbing owing to rampant commercial development and widespread destruction of the flora and fauna.

Thiruvananthapuram

Thiruvananthapuram, the official capital of Kerala, caters primarily to a rate-conscious business travellers segment. While there is a strong demand from the tourism segment, this is primarily for destinations located in close proximity to Thiruvananthapuram such as Kovalam. Two new properties have recently opened in the city but with no substantial future supply, we expect the performance of the city to remain stable.

Vadodara

Vadodara, previously known as Baroda, is located in the state of Gujarat. The city has faced a stable government for 15 years and is one of the developing areas in the field of finance. Some financial institutions like banks and insurance houses form the primary feeder market segment in terms of guests staying in the hotels in Vadodara. The city has a budget to mid market hotel orientation as most of the guests visit the area for commercial purposes.

Visakhapatnam

Vishakhapatnam, the second-largest city in Andhra Pradesh, is primarily an industrial area apart from being a port city. The city has a diversified demand for hotel rooms originating from the ship building, steel, oil and natural gas, and IT&ES sectors. The city has a strong demand from the Extended Stay segment and this has helped increase the overall occupancy in the city; however, there are no branded serviced apartments operational in the city. A Novotel and Double Tree by Hilton are expected to commence operations in this market in the coming year.

TOWARDS GREENER FOOTPRINTS – STRATEGIES FOR THE HOSPITALITY INDUSTRY

Footprints in the sands of time tell their own story...

The story of the earth has indeed reached its nadir this millennium with global warming and climate change. Humanity, too, needs to carry the earth through its low times as God carried Mary Stevenson in her poem during her sorrows, leaving a single set of footprints in the sand as opposed to two when her life was joyful.

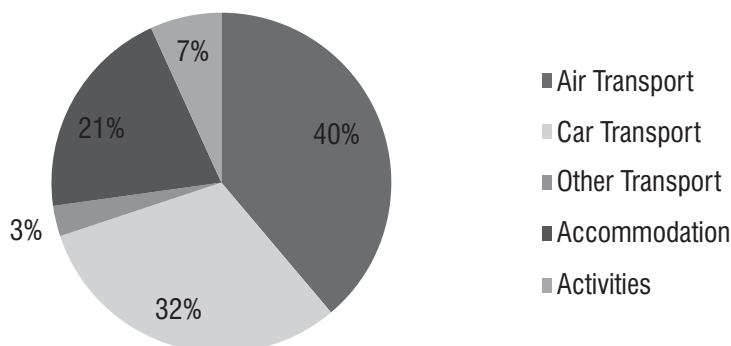
The earth has been a silent witness to the march of civilisation. Humanity has indeed made great strides in conquering the skies, the moon and even space. However, all this has been possible with the industrial revolution primarily after the seventeenth century. Industrialisation transformed the world at an astonishing speed with its new industries of manufacturing, transportation and power.

However, this progress has been achieved at a cost, i.e. natural resources and the environment. Moreover, activities such as deforestation and the burning of fossil fuels like coal, oil, and gas during transportation and power generation have resulted in the release of Carbon dioxide (CO₂) – a greenhouse gas (GHG). Other GHGs include methane, nitrous oxide and chlorofluorocarbons (CFCs). GHGs trap solar heat in the atmosphere, partly in the same way as glass traps solar heat in a sunroom or a greenhouse, resulting in increased global temperatures and climate change. GHG emissions have grown since pre-industrial times with an increase of 70% between 1970 and 2004.

Human activity is now responsible for releasing 7 billion tonnes of carbon a year into the atmosphere. If, as is expected, that rate doubles to 14 billion tonnes a year over the next 50 years, the concentration of CO₂ in the atmosphere will reach a level that may cause irreversible changes to the environment including flooding, hurricanes, and spread of diseases. Rising sea levels may flood coastal and river delta communities leading to the disappearance of many island nations; shrinking mountain glaciers and reduced snow cover may diminish fresh water resources leading to droughts. Such changes will affect not only the geography of the earth but also have social, environmental and economic implications.

With its close connections to the environment and climate itself, travel and tourism is considered to be a highly climate-sensitive economic sector. Thus, the sector is highly vulnerable to the effects of global warming and climate change. At the same time, the travel and tourism sector is also a contributor of GHG emissions as it includes transport, accommodation (hospitality) and activities that tourists indulge in. Since, the hospitality sector relies heavily on such activities that result in GHG emissions, this article discusses operational strategies to mitigate their impact.

Exhibit 1: Emission from Global Tourism – 2008



Source: UNWTO-UNEP (2008)

HOW DOES CLIMATE CHANGE AFFECT TOURISM AND HOSPITALITY?

- **Loss of tourism** as mangroves, coral reefs, and the general aesthetic appeal of natural environments is degraded
- **Closure of many locations** as weather changes; e.g. lack of snow in Scotland and across the Alpine resorts during the winter of 2006/07 damaged that ski season's profitability
- **Exploration of alternative activities** to survive as dominant activity changes
- **Shift in traditional tourism demand patterns** as the northern hemisphere gets a more temperate climate
- **Seaside property subsidence** due to retreating shorelines and coastal flooding
- **Erosion in tourist hot spots** — such as Venice
- **Adaptation** required by all stakeholders

STRATEGIES FOR REDUCING GHG EMISSIONS FROM THE HOSPITALITY SECTOR

Energy Efficiency: The hospitality sector is a huge consumer of energy and thus adds GHG emissions directly through carbon emissions. Carbon is mainly contributed from burning of fossil fuels in such processes as energy generation, heating and cooling, electricity, transportation, and importing products over long distances. Burning of fuel at high temperatures also releases Nitrous oxide, a powerful GHG (300 times more powerful than carbon dioxide over a 100-year term) due to its efficiency at trapping infra-red radiation. CFCs – the life blood of refrigeration and air conditioning equipment { also contribute to the 'greenhouse' effect because they absorb infra-red radiation from the earth's surface. Some methods for attaining energy efficiency in hotels are:

- **Reduction in energy consumption** by exploiting all technical potential for electrical efficiency via technical standards; for example replacement of incandescent bulbs by compact fluorescent lights (CFLs), which use less energy and last eight times longer (8,000h instead of 1,000h)
- **Replacement of old equipment** with energy efficient ones
- **Reduction in cogeneration of energy** that usually goes waste such as in operations of cooling towers
- **Replacement of fossil energy** sources with renewable ones available locally such as wind or sun
- **Sequestering of Carbon** for example through planting of trees, which absorb and store Carbon

Solid Waste Management: The hospitality sector produces large amount of waste. An average restaurant produces 22,727 kg of garbage a year. Every night, the average diner produces about 1 kg of waste, mostly composed of beverage and paper products, accounting for 65% of all hotel waste. About 95% of this can be recycled or composted, but most is simply thrown away. Logging and burning of tropical forests for making paper and clearing land for agriculture creates about 20% of GHG emissions, more than that emitted from the world's transportation. Hotels also use large quantities of plastic in packaging and amenities, which poses a problem in disposal as this takes up landfill space and takes hundreds of years to break down. Since waste has to be paid for twice - once in the form of packaging and again for disposal - it makes good business sense to create as little as possible in the first place. Not treating waste and diverting it to landfills produces methane emissions; methane is 21 times more powerful than CO₂ as a GHG. Specific methods for a good waste management plan in hotels include:

- **Reduction in use of virgin paper/paper** products and increased use of recycled paper. Twenty cases of recycled paper substituted for non-recycled paper save 17 trees, 390 gallons of oil, 7,000 gallons of water, and 4,100 kWh of energy
- **Reduction in use of virgin plastic/products** and increased use of recycled plastic/other packaging material
- **Recycling all waste material** in the hotel including paper, glass, metal, plastic, and textiles. An aluminum can saves energy to run a television set for three hours
- **Composting** yard and kitchen waste, which can then be used as manure or gas

Table 1: GHG Emission in the Hospitality Industry: Sources and Reduction Strategies.

| GHG Emission in Hotels | Source | Reduction Strategies |
|------------------------|--|---|
| Carbon | <ul style="list-style-type: none"> - stationary combustion (boilers, stoves) - electricity generation - Transport including food and drink items from foreign countries - Paper/cardboard products - Plastic products | <ul style="list-style-type: none"> - Improve electrical efficiency through technical standards - End the huge amounts of waste energy via cooling towers - Use large-scale renewable resources of energy available locally like wind, sun or geothermal - Burn less fossil fuel - Reduce imports - Increase community development - Reduce paper/plastic wastage - Reuse, Recycle paper/plastic |
| Methane | <ul style="list-style-type: none"> - Kitchen waste - Yard waste - Sewage water - Food processing | <ul style="list-style-type: none"> - Compost kitchen waste - Compost yard waste - Reduce landfills - Reduce reliance on processed foods |
| Nitrous Oxide | <ul style="list-style-type: none"> - Combustion - Sewage water treatment | <ul style="list-style-type: none"> - Use less energy - Burn less fossil fuel - Engineered water treatment |

Water Management: Water is a very expensive commodity in Hotels as a large amount of it is obtained from private tankers and thus paid for. It is estimated that by 2010, water use will increase to approximately 475 gallons per day for each room in high luxury facilities. At the same time, water availability is projected to decrease by 30% of the world's rivers as climate change leads to reduced availability of freshwater (less than 3% of the world's water) and groundwater. With reduced water supplies and increased water demand, water conservation becomes a must.

Compounding the issue of water conservation is the release of GHGs such as methane (CH₄) and nitrous oxide that are emitted during wastewater transport and sewage treatment. Water management methods in hotels include:

- **Water-efficient technology**, like low-flow showerheads and taps fitted with flow restrictors, which reduce water wastage
- **Rainwater harvesting**, which utilises the rainwater coming from roofs to supply toilets, laundry and watering the garden and thus reduces wastage of rainwater
- **Greywater system**, which treats water with low pollutants from sources like the laundry room, sinks and showers and then diverts it for other uses like watering the gardens
- **Engineered wastewater treatment**, which reduces production of GHGs

Employee Education and Community Development: Since hotels draw on environmental resources and climate change is primarily a result of human activities, it is crucial that people/ staff in hotels understand their role in how resources can be conserved and GHG emissions mitigated. Mitigation is truly possible when employees manning the operations understand the need for change, believe in it, and adapt their practices

Hotels, by their very nature, draw on huge environmental resources and depending on the positioning have high luxury standards. Hotels have to balance out the luxury coefficient of their operations with that of their impact on the environment and adapt accordingly. For example importing expensive items increases the carbon emissions (due to transportation) and costs, while an understanding with the community or a corporate social responsibility (CSR) project may actually lead to procuring the same item at lowered costs to both the hotel and environment as well as development of the local community

Specific employee education and community development methods in hotels include:

- **Commitment** to the environment through the complete employee spectrum
- **Standard operating procedures** of the hotel to include correct practices regarding different departments
- **Target setting**, and involving/encouraging employees to meet them
- **Training** staff on issues related to the environment such as GHG emissions, water shortage, energy and the initiatives taken by the hotel regarding these
- **Community development** with the participation of surrounding communities, suppliers and service providers, promoting the economic, social and cultural growth in the region

In addition to the above practices that focus on the operational aspects of hotels, developers of new hotels can further reduce the environmental effect of their hotels from conception itself – that is, the design stage – to the materials used in construction. Hotels are built to last, literally, a lifetime and hotel owners should ensure their hotels are constructed using environment-friendly products and have a design that minimises the usage of resources.

The world is cohesively moving towards helping green its footprints. The G-8 leaders are meeting in Copenhagen to agree to an acceptable 2 degree centigrade rise in temperature by the end of the century as against a 3 degree one. This involves adopting greener practices that cut down on GHG emissions by all sectors globally. Currently, India ranks fourth among the world's top ten carbon-emitting nations. India's environment policy, under the stewardship of Jairam Ramesh, Indian environment and forests minister, is gearing towards substantial cuts in its Carbon emissions anywhere between 20-25% by 2020.

We believe that this would be possible only by improving the resource consumption efficiency of every stakeholder including the hospitality sector. Owners and management companies of hotels should ensure that their buildings and processes are duly certified and improvements incorporated wherever possible. Not only does bringing about these changes help improve the bottomline, but they also help the topline by attracting an ever-increasing number of environmentally sensitive customers.

Avantika Vijay Singh
ECOTEL

The ECOTEL® Certification, managed by HVS, is HVS's commitment to the environment. ECOTEL® enables operators to reduce the environmental impact of their hotels and also to function more efficiently. The certification recognises only those hotels with high operational standards regarding a commitment to the environment through both the infrastructure of the hotel and the knowledge and practices of the people manning the operations. The criteria are updated to keep current with advances in scientific knowledge and technology, and so hotels must reapply every two years.

1. Indian Hotel Industry by Star Category

Introduction

In this section, we have analysed hotel performance by star classification. An overall total of 1,168 hotels participated in our survey for 2008/09. The hotels have been classified into the eight categories applicable in India (see Tables 1-1 to 1-10), and their responses analysed accordingly.

To provide further 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 standardised in each section to enable consistency throughout the entire document. All figures pertain to 2008/09 (April-March), and monetary figures are in Indian rupees.

Trends

- **Rooms Profile:** The proportion of suites to that of other room types varies across hotels in different star categories. The difference is stark in the five-star category where suites comprise just 6% of overall inventory as compared to the four star and three star (9% each) ones. This may be considered as an indicator of inefficient space allocation in the lower-category hotels and can have adverse effects on the overall yield management.
- **Market Segmentation:** Domestic business travellers (36.6%) constitute the largest segment in the Indian hotel market. There is a direct correlation between the economic growth of the country and the growth of this segment; a trend expected to grow in the future. A decline in the Tour groups segment (domestic and foreign) is observed with a corresponding increase in the (FIT) Leisure (domestic and foreign) segment as compared to 2000/01. This may be attributed to tourists increasingly preferring to make their own itineraries and exploring destinations on their own rather than through tour operators and packaged tours.
- **Country of Origin:** The overall constitution of the country of origin of guests continues to mirror that of the previous years; the UK and US continue to dominate the overall visitations. Country of origin covers both leisure as well as commercial travellers. This year has seen an increased visitation from 'other countries'.

TABLE 1-1: Indian Hotel Industry by Star Category: Facilities Analysis and Staffing

Typical Room Profile of an Average Hotel

| COMPOSITION | | Five-Star | | | | | | | | 2008-2009 |
|----------------------------|--------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| | | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | | 30 | 47 | 74 | 447 | 298 | 88 | 39 | 145 | 1,168 |
| Air-Conditioned | Single | 21.2 | 23.1 | 7.2 | 3.0 | 2.1 | 0.9 | 0.4 | 1.3 | 3.9 |
| | Double | 132.8 | 110.8 | 72.2 | 42.6 | 22.5 | 14.3 | 25.2 | 18.1 | 38.7 |
| | Suites | 27.1 | 8.4 | 9.7 | 5.0 | 2.6 | 1.6 | 9.0 | 1.8 | 4.8 |
| Non-Air-Conditioned | Single | 0.0 | 0.0 | 0.0 | 0.6 | 1.0 | 2.2 | 0.3 | 1.3 | 0.8 |
| | Double | 0.0 | 0.7 | 3.6 | 4.3 | 8.3 | 10.3 | 2.9 | 8.8 | 6.0 |
| | Suites | 0.0 | 1.6 | 0.3 | 0.3 | 0.9 | 0.4 | 0.6 | 0.6 | 0.6 |
| Total average rooms | | 181.1 | 144.6 | 92.9 | 55.8 | 37.3 | 29.6 | 38.3 | 31.9 | 54.7 |

* 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 | | Five-Star | | | | | | | | 2008-2009 |
|----------------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|-------------------|
| | | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | | 27 | 47 | 68 | 408 | 236 | 63 | 38 | 94 | 981 |
| Restaurant | | 3.3 | 2.8 | 2.1 | 1.6 | 1.3 | 1.2 | 1.8 | 1.3 | 1.6 |
| Bars | | 1.4 | 1.2 | 1.2 | 0.8 | 0.6 | 0.4 | 0.9 | 0.5 | 0.8 |
| Others | | 0.9 | 1.1 | 0.6 | 1.0 | 0.6 | 0.2 | 0.8 | 0.4 | 0.8 |
| Total | | 5.5 | 5.2 | 3.9 | 3.4 | 2.5 | 1.9 | 3.4 | 2.2 | 3.2 |

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

| COMPOSITION | | Five-Star | | | | | | | | 2008-2009 |
|----------------------------|--------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| | | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | | 28 | 47 | 68 | 398 | 265 | 78 | 35 | 96 | 1,015 |
| Managers | Male | 40.3 | 29.6 | 15.5 | 6.4 | 2.5 | 2.2 | 4.3 | 2.3 | 7.2 |
| | Female | 10.1 | 6.2 | 2.5 | 0.8 | 0.3 | 0.1 | 0.5 | 0.2 | 1.2 |
| Supervisors | Male | 45.1 | 28.9 | 17.7 | 10.1 | 4.2 | 3.5 | 8.6 | 3.0 | 9.7 |
| | Female | 9.6 | 3.7 | 3.0 | 1.7 | 0.6 | 0.3 | 0.8 | 0.4 | 1.5 |
| Staff | Male | 215.6 | 163.9 | 126.8 | 63.6 | 30.7 | 23.5 | 54.8 | 23.5 | 60.9 |
| | Female | 29.8 | 17.2 | 10.3 | 6.4 | 2.7 | 2.0 | 4.5 | 1.3 | 6.0 |
| Total | | 350.5 | 249.4 | 175.8 | 88.9 | 41.0 | 31.5 | 73.5 | 30.8 | 86.4 |
| Avg. Employees / Room | | 2.0 | 1.7 | 1.9 | 1.6 | 1.1 | 1.1 | 1.9 | 1.0 | 1.6 |

Average Percentage of Trained Employees Per Hotel

| COMPOSITION | | Five-Star | | | | | | | | 2008-2009 |
|--|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| | | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | | 24 | 43 | 61 | 250 | 138 | 33 | 22 | 34 | 605 |
| Managers | | 91.5 | 93.8 | 87.5 | 85.4 | 85.4 | 87.4 | 98.2 | 86.4 | 87.7 |
| Supervisors | | 87.5 | 84.9 | 81.2 | 77.5 | 77.5 | 74.1 | 93.9 | 90.4 | 79.9 |
| Staff | | 69.2 | 80.3 | 66.0 | 63.8 | 62.5 | 56.7 | 76.4 | 73.2 | 65.7 |
| Total Avg. Trained Employees* | | 82.7 | 86.3 | 78.2 | 75.6 | 75.9 | 72.8 | 89.5 | 83.4 | 77.8 |
| Total Avg. Un-Trained Employees | | 17.3 | 13.7 | 21.8 | 24.5 | 24.1 | 27.3 | 10.5 | 16.6 | 22.3 |

* Trained Employees includes those with a minimum one-year certificate course from a hotel management or equivalent institution; 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 (2008-2009)

| COMPOSITION | Five-Star | | | | | 2008-2009 | | | | |
|-----------------------------------|-----------|-----------|-----------|------------|----------|-----------|----------|----------|-------------------|--|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average | |
| Number of Responses | 26 | 40 | 49 | 199 | 101 | 30 | 21 | 8 | 474 | |
| Average Total Rooms Per Hotel: | 177 | 147 | 87 | 60 | 38 | 33 | 41 | 28 | 69 | |
| Average Occupied Rooms Per Hotel: | 42,089 | 31,686 | 18,614 | 12,910 | 8,769 | 7,836 | 7,687 | 6,073 | 15,143 | |
| Average Occupancy Per Hotel: | 65.3% | 60.5% | 60.7% | 62.6% | 65.4% | 67.8% | 53.6% | 69.6% | 63.1% | |
| Average Rate Per Hotel: | Rs 10,096 | Rs 6,724 | Rs 4,673 | Rs 2,530 | Rs 1,242 | Rs 790 | Rs 3,198 | Rs 1,482 | Rs 4,487 | |
| REVENUE | | | | | | | | | | |
| Rooms | 62.2% | 62.7% | 59.1% | 57.2% | 61.9% | 46.1% | 50.5% | 47.9% | 60.5% | |
| Food & Beverage | 22.3 | 23.3 | 25.3 | 31.6 | 29.1 | 46.4 | 35.6 | 39.7 | 25.6 | |
| Banquets & Conferences | 9.9 | 8.5 | 11.4 | 7.1 | 3.7 | 4.1 | 8.6 | 10.8 | 8.8 | |
| Telephone & Other | 0.6 | 0.6 | 0.5 | 0.6 | 0.4 | 0.5 | 0.2 | 0.3 | 0.6 | |
| Minor Operated* | 3.5 | 2.1 | 1.9 | 1.1 | 0.6 | 0.3 | 1.4 | 0.2 | 2.2 | |
| Rental & Other Income | 1.5 | 2.9 | 2.0 | 2.5 | 4.2 | 2.5 | 3.8 | 1.1 | 2.3 | |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| DEPARTMENTAL EXPENSES | | | | | | | | | | |
| Rooms | 13.6 | 15.2 | 12.4 | 15.6 | 24.5 | 25.0 | 19.8 | 17.4 | 14.8 | |
| Food & Beverage | 53.5 | 51.6 | 48.2 | 62.3 | 71.4 | 59.5 | 55.5 | 73.4 | 55.3 | |
| Telephone & Other | 57.1 | 69.7 | 98.5 | 88.9 | 239.1 | 149.4 | 355.7 | 284.2 | 79.7 | |
| Minor Operated* | 44.1 | 76.3 | 120.7 | 117.0 | 159.4 | 191.3 | 112.3 | 387.2 | 70.3 | |
| Rental & Other Income | 3.8 | 3.9 | 3.7 | 18.6 | 24.3 | 50.9 | 11.6 | 331.5 | 9.7 | |
| Total | 27.6 | 28.0 | 27.8 | 35.2 | 41.6 | 44.3 | 37.3 | 50.7 | 30.3 | |
| DEPARTMENTAL INCOME | | | | | | | | | | |
| OPERATING EXPENSES | | | | | | | | | | |
| Administrative & General | 8.6 | 8.7 | 9.1 | 8.3 | 8.8 | 9.0 | 9.2 | 7.1 | 8.7 | |
| Management Fee | 4.5 | 1.8 | 2.0 | 1.7 | 1.4 | 1.8 | 3.3 | 0.8 | 2.7 | |
| Marketing | 3.1 | 3.0 | 2.1 | 2.3 | 2.4 | 1.5 | 3.3 | 1.0 | 2.7 | |
| Franchise Fees | 0.3 | 0.8 | 0.5 | 0.6 | 0.0 | 0.2 | 1.7 | 0.1 | 0.5 | |
| Property Operations & Maintenance | 4.0 | 5.5 | 6.5 | 6.1 | 7.0 | 3.8 | 9.0 | 6.0 | 5.4 | |
| Energy | 7.2 | 8.4 | 8.6 | 10.7 | 11.4 | 13.1 | 9.1 | 14.7 | 8.5 | |
| Total | 27.8 | 28.2 | 28.7 | 29.7 | 31.1 | 29.4 | 35.4 | 29.7 | 28.5 | |
| HOUSE PROFIT | | | | | | | | | | |
| | 44.6 | 43.8 | 43.5 | 35.1 | 27.3 | 26.4 | 27.4 | 19.6 | 41.2 | |
| FIXED EXPENSES | | | | | | | | | | |
| Property Taxes | 0.6 | 0.6 | 0.5 | 0.6 | 0.6 | 1.0 | 0.2 | 0.7 | 0.6 | |
| Insurance | 0.3 | 0.3 | 0.3 | 0.4 | 0.3 | 0.5 | 0.2 | 0.2 | 0.3 | |
| Other Fixed Charges | 1.2 | 0.7 | 1.4 | 1.3 | 1.6 | 1.9 | 0.4 | 1.0 | 1.1 | |
| Rent | 0.9 | 2.0 | 2.3 | 0.7 | 0.7 | 0.7 | 1.3 | 0.1 | 1.3 | |
| Total | 3.0 | 3.6 | 4.5 | 2.9 | 3.2 | 4.1 | 2.1 | 2.1 | 3.4 | |
| NET INCOME** | 41.6% | 40.2% | 39.0% | 32.2% | 24.1% | 22.2% | 25.3% | 17.5% | 37.9% | |

* 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

ID: Insufficient Data

TABLE 1-3: Indian Hotel Industry by Star Category: Financial Report – Amount Per Available Room (2008-2009)

| COMPOSITION | Five-Star | | | | | 2008-2009 | | | | |
|--|--------------|--------------|------------|------------|------------|------------|------------|------------|-------------------|--|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average | |
| Number of Responses | 26 | 40 | 49 | 199 | 101 | 30 | 21 | 8 | 474 | |
| Average Total Rooms Per Hotel: | 177 | 147 | 87 | 60 | 38 | 33 | 41 | 28 | 69 | |
| Average Occupied Rooms Per Hotel: | 42,089 | 31,686 | 18,614 | 12,910 | 8,769 | 7,836 | 7,687 | 6,073 | 15,143 | |
| Average Occupancy Per Hotel: | 65.3% | 60.5% | 60.7% | 62.6% | 65.4% | 67.8% | 53.6% | 69.6% | 63.1% | |
| Average Rate Per Hotel: | Rs 10,096 | Rs 6,578 | Rs 4,673 | Rs 2,530 | Rs 1,242 | Rs 790 | Rs 3,198 | Rs 1,482 | Rs 4,487 | |
| REVENUE | | | | | | | | | | |
| Rooms | Rs 2,395,050 | Rs 1,445,080 | Rs 995,686 | Rs 542,557 | Rs 283,879 | Rs 188,992 | Rs 599,699 | Rs 324,339 | Rs 985,310 | |
| Food & Beverage | 858,188 | 532,242 | 425,762 | 299,596 | 133,588 | 190,283 | 422,509 | 268,554 | 417,248 | |
| Banquets & Conferences | 379,164 | 194,107 | 191,546 | 67,450 | 17,097 | 16,770 | 102,236 | 72,698 | 144,054 | |
| Telephone & Other | 23,564 | 13,479 | 777 | 5,519 | 1,812 | 2,099 | 2,402 | 2,171 | 9,154 | |
| Minor Operated* | 134,396 | 48,715 | 31,350 | 9,999 | 2,821 | 1,366 | 17,083 | 1,234 | 36,360 | |
| Rental & Other Income | 57,439 | 65,787 | 33,141 | 23,438 | 19,411 | 10,393 | 44,489 | 7,490 | 36,743 | |
| Total | 3,847,800 | 2,299,600 | 1,685,260 | 948,559 | 458,607 | 409,902 | 1,188,410 | 676,485 | 1,628,870 | |
| DEPARTMENTAL EXPENSES | | | | | | | | | | |
| Rooms | 326,089 | 220,180 | 123,876 | 84,572 | 69,642 | 47,282 | 118,724 | 56,313 | 146,192 | |
| Food & Beverage | 662,198 | 374,663 | 297,297 | 228,622 | 107,547 | 123,241 | 291,058 | 250,565 | 310,165 | |
| Telephone & Other | 13,452 | 9,397 | 7,664 | 4,907 | 4,332 | 3,134 | 8,542 | 6,170 | 7,291 | |
| Minor Operated* | 59,200 | 37,176 | 37,844 | 11,701 | 4,496 | 2,613 | 19,186 | 4,779 | 25,554 | |
| Rental & Other Income | 2,162 | 2,574 | 1,224 | 4,369 | 4,725 | 5,290 | 5,154 | 24,827 | 3,553 | |
| Total | 1,063,100 | 643,990 | 467,906 | 334,170 | 190,742 | 181,560 | 442,664 | 342,654 | 492,755 | |
| DEPARTMENTAL INCOME | 2,784,700 | 1,655,610 | 1,217,360 | 614,389 | 267,865 | 228,341 | 745,743 | 333,831 | 1,136,110 | |
| OPERATING EXPENSES | | | | | | | | | | |
| Administrative & General | 332,237 | 200,625 | 152,826 | 79,050 | 40,290 | 36,814 | 108,714 | 47,992 | 141,121 | |
| Management Fee | 172,785 | 40,324 | 33,283 | 16,525 | 6,508 | 7,479 | 38,913 | 5,405 | 44,133 | |
| Marketing | 118,775 | 69,358 | 35,667 | 21,399 | 11,202 | 5,979 | 38,832 | 6,907 | 44,439 | |
| Franchise Fees | 10,251 | 18,542 | 8,773 | 5,434 | 116 | 724 | 19,562 | 901 | 8,496 | |
| Property Operations & Maintenance | 155,509 | 127,494 | 109,440 | 57,702 | 32,052 | 15,661 | 106,380 | 40,822 | 87,780 | |
| Energy | 267,755 | 192,868 | 138,587 | 100,713 | 51,273 | 51,840 | 108,165 | 99,076 | 138,749 | |
| Total | 1,057,310 | 649,120 | 478,576 | 280,823 | 141,441 | 118,496 | 420,566 | 201,103 | 464,717 | |
| HOUSE PROFIT | 1,727,390 | 1,006,490 | 738,871 | 333,566 | 126,424 | 109,845 | 325,178 | 132,729 | 671,396 | |
| FIXED EXPENSES | | | | | | | | | | |
| Property Taxes | 24,797 | 14,314 | 8,903 | 6,094 | 2,707 | 4,141 | 2,485 | 500 | 10,031 | |
| Insurance | 9,574 | 5,892 | 4,136 | 3,401 | 1,477 | 2,037 | 2,164 | 1,539 | 4,522 | |
| Other Fixed Charges | 46,704 | 16,236 | 24,216 | 12,018 | 7,264 | 7,772 | 4,763 | 7,050 | 18,365 | |
| Rent | 36,001 | 46,794 | 38,524 | 6,349 | 3,312 | 2,874 | 15,410 | 622 | 21,784 | |
| Total | 117,076 | 83,353 | 75,779 | 27,861 | 14,759 | 16,824 | 24,822 | 14,210 | 54,702 | |
| NET INCOME** | Rs 1,610,310 | Rs 923,133 | Rs 663,002 | Rs 305,705 | Rs 111,665 | Rs 93,021 | Rs 300,355 | Rs 118,519 | Rs 616,694 | |

* 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

ID: Insufficient Data

TABLE 1-4: Indian Hotel Industry by Star Category: Financial Report – Amount Per Occupied Room (2008-2009)

| COMPOSITION | Five-Star | | | | | 2008-2009 | | | | |
|-----------------------------------|-----------|-----------|-----------|------------|----------|-----------|----------|----------|-------------------|--|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average | |
| Number of Responses | 26 | 40 | 49 | 199 | 101 | 30 | 21 | 8 | 474 | |
| Average Total Rooms Per Hotel: | 177 | 147 | 87 | 60 | 38 | 33 | 41 | 28 | 69 | |
| Average Occupied Rooms Per Hotel: | 42,089 | 31,686 | 18,614 | 12,910 | 8,769 | 7,836 | 7,687 | 6,073 | 15,143 | |
| Average Occupancy Per Hotel: | 65.3% | 60.5% | 60.7% | 62.6% | 65.4% | 67.8% | 53.6% | 69.6% | 63.1% | |
| Average Rate Per Hotel: | Rs 10,096 | Rs 6,578 | Rs 4,673 | Rs 2,530 | Rs 1,242 | Rs 790 | Rs 3,198 | Rs 1,482 | Rs 4,487 | |
| REVENUE | | | | | | | | | | |
| Rooms | Rs 10,096 | Rs 6,724 | Rs 4,673 | Rs 2,530 | Rs 1,242 | Rs 790 | Rs 3,438 | Rs 1,428 | Rs 4,487 | |
| Food & Beverage | 3,618 | 2,477 | 1,998 | 1,397 | 585 | 795 | 2,378 | 1,227 | 1,900 | |
| Banquets & Conferences | 1,598 | 903 | 899 | 315 | 75 | 70 | 769 | 332 | 656 | |
| Telephone & Other | 99 | 63 | 37 | 26 | 8 | 9 | 16 | 10 | 42 | |
| Minor Operated* | 567 | 227 | 147 | 47 | 12 | 6 | 76 | 6 | 166 | |
| Rental & Other Income | 242 | 306 | 156 | 109 | 85 | 43 | 356 | 34 | 167 | |
| Total | 16,220 | 10,699 | 7,909 | 4,424 | 2,007 | 1,712 | 7,033 | 3,091 | 7,418 | |
| DEPARTMENTAL EXPENSES | | | | | | | | | | |
| Rooms | 1,375 | 1,024 | 581 | 394 | 305 | 198 | 428 | 257 | 666 | |
| Food & Beverage | 2,791 | 1,743 | 1,395 | 1,066 | 471 | 515 | 1,543 | 1,145 | 1,412 | |
| Telephone & Other | 57 | 44 | 36 | 23 | 19 | 13 | 45 | 28 | 33 | |
| Minor Operated* | 250 | 173 | 178 | 55 | 20 | 11 | 95 | 22 | 116 | |
| Rental & Other Income | 9 | 12 | 6 | 20 | 21 | 22 | 13 | 113 | 16 | |
| Total | 4,481 | 2,996 | 2,196 | 1,558 | 835 | 758 | 2,120 | 1,566 | 2,244 | |
| DEPARTMENTAL INCOME | | | | | | | | | | |
| OPERATING EXPENSES | | | | | | | | | | |
| Administrative & General | 1,401 | 933 | 717 | 369 | 176 | 154 | 652 | 219 | 643 | |
| Management Fee | 728 | 188 | 156 | 77 | 28 | 31 | 116 | 25 | 201 | |
| Marketing | 501 | 323 | 167 | 100 | 49 | 25 | 314 | 32 | 202 | |
| Franchise Fees | 43 | 86 | 41 | 25 | 1 | 3 | 35 | 4 | 39 | |
| Property Operations & Maintenance | 656 | 593 | 514 | 269 | 140 | 65 | 555 | 187 | 400 | |
| Energy | 1,129 | 897 | 650 | 470 | 224 | 217 | 557 | 453 | 632 | |
| Total | 4,457 | 3,020 | 2,246 | 1,310 | 619 | 495 | 2,229 | 919 | 2,116 | |
| HOUSE PROFIT | 7,282 | 4,683 | 3,467 | 1,556 | 553 | 459 | 2,684 | 607 | 3,058 | |
| FIXED EXPENSES | | | | | | | | | | |
| Property Taxes | 105 | 67 | 42 | 28 | 12 | 17 | 13 | 23 | 46 | |
| Insurance | 40 | 28 | 19 | 16 | 6 | 9 | 12 | 7 | 21 | |
| Other Fixed Charges | 197 | 76 | 114 | 56 | 32 | 32 | 112 | 32 | 84 | |
| Rent | 152 | 218 | 181 | 30 | 14 | 12 | 67 | 3 | 99 | |
| Total | 494 | 388 | 356 | 130 | 65 | 70 | 204 | 65 | 249 | |
| NET INCOME** | Rs 6,788 | Rs 4,295 | Rs 3,112 | Rs 1,426 | Rs 489 | Rs 389 | Rs 2,480 | Rs 542 | Rs 2,808 | |

* 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

ID: Insufficient Data

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

Market Segmentation

| COMPOSITION | Five-Star | | | | | | | | 2008-2009 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | 25 | 38 | 55 | 309 | 188 | 54 | 22 | 32 | 723 |
| Airline Crew | 10.3 | 6.1 | 1.4 | 1.1 | 0.4 | 0.5 | 0.8 | 0.3 | 1.4 |
| Business Traveller - Domestic | 16.0 | 22.7 | 33.0 | 36.4 | 41.6 | 48.1 | 15.8 | 43.8 | 36.6 |
| Business Traveller - Foreign | 23.3 | 20.4 | 18.6 | 9.4 | 7.1 | 8.9 | 7.0 | 7.5 | 10.4 |
| Complimentary Rooms | 2.4 | 1.6 | 1.6 | 1.7 | 1.7 | 1.4 | 3.0 | 1.3 | 1.7 |
| Domestic - Tourists/Leisure FIT | 12.3 | 10.5 | 13.8 | 17.5 | 22.0 | 22.8 | 18.0 | 24.2 | 18.6 |
| Foreign - Tourists/Leisure FIT | 13.5 | 10.7 | 7.4 | 7.7 | 6.5 | 4.5 | 18.6 | 5.0 | 7.7 |
| Meeting Participants (Less than 100 Attendees) | 3.7 | 2.7 | 4.5 | 4.2 | 3.0 | 1.7 | 3.1 | 3.2 | 3.5 |
| Meeting Participants (Over 100 Attendees) | 9.5 | 9.4 | 6.1 | 7.3 | 5.2 | 4.0 | 3.8 | 5.8 | 6.4 |
| Tour Groups - Domestic | 2.0 | 2.7 | 4.3 | 6.8 | 7.5 | 5.2 | 5.3 | 5.1 | 6.2 |
| Tour Groups - Foreign | 5.7 | 7.5 | 5.9 | 5.2 | 3.2 | 1.4 | 23.5 | 1.1 | 5.0 |
| Other | 1.4 | 5.6 | 3.5 | 2.8 | 1.9 | 1.5 | 1.2 | 2.6 | 2.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Guest Analysis

| COMPOSITION | Five-Star | | | | | | | | 2008-2009 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | 30 | 43 | 68 | 369 | 220 | 73 | 29 | 40 | 872 |
| Domestic Guests | 43.3 | 51.5 | 62.9 | 75.4 | 81.9 | 84.9 | 41.4 | 83.0 | 73.6 |
| Foreign Guests | 56.7 | 48.5 | 37.1 | 24.6 | 17.7 | 15.1 | 58.6 | 17.0 | 26.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Total Business Guests | 61.7 | 64.5 | 63.4 | 58.1 | 57.9 | 62.2 | 30.1 | 60.4 | 58.4 |
| Total Leisure Guests | 38.3 | 35.5 | 36.6 | 41.9 | 42.1 | 37.8 | 69.9 | 39.6 | 41.6 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Avg. Stay of Foreign Guests (Days) | 3.0 | 3.6 | 3.3 | 4.0 | 3.1 | 2.9 | 2.7 | 3.4 | 3.5 |
| Avg. Stay of Domestic Guests (Days) | 2.3 | 2.1 | 2.1 | 3.3 | 2.8 | 2.9 | 2.3 | 2.5 | 2.9 |
| Avg. Stay of Business Guests (Days) | 2.4 | 2.0 | 2.7 | 3.2 | 2.9 | 2.7 | 1.4 | 2.7 | 2.8 |
| Avg. Stay of Leisure Guests (Days) | 2.1 | 2.5 | 2.5 | 2.4 | 2.7 | 2.8 | 1.9 | 2.2 | 2.5 |
| Percentage of Repeat Guests | 34.6 | 27.2 | 42.0 | 45.6 | 49.3 | 50.2 | 39.7 | 54.8 | 45.8 |

Country of Origin of Guests

| COMPOSITION | Five-Star | | | | | | | | 2008-2009 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| Number of Responses | 23 | 32 | 49 | 186 | 79 | 20 | 20 | 8 | 417 |
| ASEAN* | 2.7 | 4.1 | 4.5 | 6.5 | 4.9 | 3.3 | 2.6 | 8.3 | 5.2 |
| Australia | 3.7 | 2.4 | 3.4 | 3.4 | 4.1 | 4.4 | 3.6 | 3.7 | 3.5 |
| Canada | 2.3 | 1.8 | 4.3 | 3.4 | 3.3 | 4.5 | 2.1 | 13.9 | 3.5 |
| Caribbean | 0.4 | 0.2 | 0.6 | 0.6 | 0.7 | 0.8 | 0.2 | 0.0 | 0.6 |
| China | 1.6 | 1.8 | 3.0 | 5.3 | 3.2 | 6.8 | 0.9 | 2.6 | 3.9 |
| France | 3.6 | 6.2 | 7.0 | 5.8 | 4.6 | 5.9 | 19.1 | 6.8 | 6.3 |
| Germany | 8.9 | 5.9 | 8.0 | 6.5 | 5.1 | 6.7 | 11.7 | 6.6 | 6.8 |
| Japan | 3.3 | 4.2 | 6.1 | 4.9 | 3.2 | 5.4 | 4.0 | 3.9 | 4.6 |
| Middle East | 2.2 | 2.0 | 3.4 | 4.0 | 3.6 | 4.4 | 1.8 | 1.3 | 3.5 |
| Other European | 9.1 | 10.1 | 7.8 | 9.6 | 9.3 | 5.9 | 5.5 | 9.3 | 9.0 |
| Russia | 3.5 | 3.2 | 3.1 | 3.8 | 2.1 | 2.2 | 0.7 | 2.6 | 3.1 |
| SAARC ** | 2.4 | 3.8 | 2.9 | 6.0 | 11.7 | 6.2 | 2.4 | 11.8 | 6.2 |
| South Africa | 0.9 | 1.5 | 1.9 | 2.5 | 2.5 | 4.1 | 1.4 | 6.4 | 2.3 |
| UK | 13.3 | 16.8 | 13.1 | 12.7 | 14.8 | 17.9 | 15.9 | 9.3 | 13.8 |
| USA | 19.2 | 13.0 | 12.1 | 13.0 | 9.6 | 13.7 | 10.4 | 11.1 | 12.4 |
| Other | 22.9 | 23.3 | 18.8 | 12.2 | 17.5 | 7.9 | 17.9 | 2.9 | 15.3 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

* ASEAN: Association of South East Asian Nations

** SAARC: 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 | 2008-2009 | | | | | | | | All India Average |
|----------------------------|-----------|-----------|-----------|------------|------------|-----------|-----------|-----------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 27 | 44 | 64 | 330 | 197 | 59 | 28 | 36 | 785 |
| January | 63.6 | 65.6 | 64.6 | 65.0 | 62.4 | 64.2 | 60.7 | 64.7 | 64.1 |
| February | 71.7 | 73.3 | 69.5 | 63.9 | 60.8 | 60.5 | 64.6 | 66.5 | 64.3 |
| March | 64.6 | 64.0 | 59.4 | 58.9 | 56.3 | 56.9 | 59.4 | 58.0 | 58.6 |
| April | 70.3 | 70.6 | 66.0 | 62.1 | 59.5 | 60.4 | 51.6 | 58.5 | 61.9 |
| May | 64.7 | 60.7 | 62.6 | 63.2 | 63.6 | 65.1 | 40.6 | 64.2 | 62.6 |
| June | 61.2 | 57.1 | 58.1 | 58.1 | 61.2 | 64.2 | 36.0 | 61.5 | 58.8 |
| July | 61.4 | 57.6 | 55.7 | 55.7 | 56.1 | 60.1 | 37.7 | 60.3 | 56.2 |
| August | 63.4 | 59.9 | 56.1 | 56.1 | 56.9 | 57.1 | 51.1 | 60.0 | 57.1 |
| September | 64.3 | 61.4 | 56.0 | 56.0 | 56.1 | 57.3 | 45.0 | 60.6 | 56.8 |
| October | 67.2 | 60.2 | 59.6 | 59.6 | 60.0 | 61.9 | 60.7 | 65.6 | 60.5 |
| November | 73.3 | 73.3 | 65.8 | 65.8 | 63.5 | 64.3 | 73.5 | 68.7 | 66.4 |
| December | 53.3 | 55.8 | 64.7 | 64.7 | 64.0 | 66.5 | 60.1 | 71.2 | 63.3 |

Average Daily Occupancy

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|----------------------------|-----------|-----------|-----------|------------|------------|-----------|-----------|-----------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 24 | 37 | 57 | 313 | 186 | 59 | 17 | 33 | 729 |
| Monday | 69.9 | 63.8 | 61.0 | 56.0 | 56.1 | 62.9 | 45.8 | 53.3 | 57.0 |
| Tuesday | 71.3 | 63.8 | 64.0 | 58.2 | 58.0 | 62.5 | 44.4 | 54.9 | 58.8 |
| Wednesday | 73.7 | 67.4 | 66.6 | 59.8 | 59.3 | 63.1 | 47.3 | 58.4 | 60.6 |
| Thursday | 70.1 | 62.8 | 65.8 | 59.1 | 60.3 | 63.2 | 46.0 | 57.3 | 60.0 |
| Friday | 66.2 | 57.9 | 63.8 | 59.8 | 61.9 | 67.2 | 50.9 | 59.8 | 60.5 |
| Saturday | 63.4 | 55.0 | 58.2 | 56.4 | 58.9 | 67.2 | 52.1 | 55.1 | 57.3 |
| Sunday | 60.3 | 53.7 | 53.0 | 48.6 | 50.3 | 58.3 | 47.0 | 45.8 | 50.1 |

TABLE 1-7: Indian Hotel Industry by Star Category: Sources of Reservation

Sources of Advance Reservations

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 27 | 40 | 66 | 318 | 203 | 67 | 25 | 31 | 813 |
| Chain CRS (Central Reservation System) | 11.8 | 5.6 | 10.2 | 2.6 | 2.4 | 0.4 | 9.0 | 0.8 | 3.7 |
| Direct Enquiry / Hotel Representation | 45.8 | 44.1 | 49.1 | 54.8 | 57.2 | 65.2 | 26.5 | 62.9 | 53.3 |
| Global Distribution System (GDS) | 12.4 | 7.1 | 2.9 | 1.2 | 0.4 | 0.2 | 0.2 | 0.2 | 1.7 |
| Hotel / Chain Website | 5.2 | 5.2 | 5.4 | 6.4 | 6.9 | 3.7 | 4.6 | 4.6 | 6.0 |
| Travel Agent and Tour Operator | 14.8 | 23.7 | 18.7 | 22.4 | 17.8 | 15.9 | 47.4 | 13.3 | 20.7 |
| Other Online Reservation Systems | 5.3 | 5.1 | 4.6 | 2.6 | 2.4 | 2.7 | 5.1 | 1.0 | 3.0 |
| Other Website | 2.4 | 3.1 | 3.2 | 4.4 | 4.5 | 3.6 | 3.6 | 3.8 | 4.1 |
| Other | 2.3 | 6.0 | 5.9 | 7.9 | 8.5 | 8.3 | 3.7 | 13.4 | 7.7 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

TABLE 1-8: Indian Hotel Industry by Star Category: Marketing Media

Marketing Media - Percentage of Hotels Using Each Media

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|--------------------------------|------------------|-----------|-----------|------------|------------|-----------|-----------|-----------|-------------------|
| | Five-Star Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 28 | 43 | 68 | 349 | 197 | 65 | 29 | 32 | 811 |
| Consumer Generated Media (CGM) | 28.6 | 16.3 | 8.8 | 7.5 | 5.1 | 0.0 | 13.8 | 6.3 | 7.8 |
| Direct Mail | 85.7 | 79.1 | 82.4 | 83.4 | 72.1 | 70.8 | 86.2 | 71.9 | 79.0 |
| Hotel Website | 100.0 | 97.7 | 92.7 | 87.4 | 73.1 | 58.5 | 96.6 | 59.4 | 82.2 |
| Loyalty Card program | 92.9 | 88.4 | 51.5 | 30.1 | 16.8 | 9.2 | 27.6 | 12.5 | 31.4 |
| Merchandising | 46.4 | 34.9 | 25.0 | 21.5 | 12.2 | 10.8 | 24.1 | 12.5 | 20.0 |
| Other Internet Site | 87.6 | 69.8 | 66.2 | 60.2 | 55.8 | 47.7 | 82.8 | 43.8 | 59.9 |
| Outdoor Advertising | 71.4 | 79.1 | 57.4 | 64.5 | 52.8 | 56.9 | 51.7 | 46.9 | 60.3 |
| Pay Per Click | 25.0 | 11.6 | 2.9 | 7.7 | 3.6 | 1.5 | 17.2 | 6.3 | 6.9 |
| Print Advertising | 96.4 | 95.4 | 85.3 | 88.5 | 85.8 | 81.5 | 89.7 | 56.3 | 86.4 |
| Promotions | 96.4 | 90.7 | 83.8 | 67.9 | 48.7 | 43.1 | 82.8 | 40.6 | 64.2 |
| Radio Advertising | 35.7 | 32.6 | 29.4 | 17.2 | 6.6 | 6.2 | 6.9 | 6.3 | 15.4 |
| Telemarketing | 64.3 | 74.4 | 60.3 | 53.9 | 32.5 | 35.4 | 44.8 | 31.3 | 48.0 |
| TV Advertising | 32.1 | 37.2 | 26.5 | 26.9 | 19.8 | 13.9 | 13.8 | 15.6 | 23.9 |
| Viral Marketing | 17.9 | 9.3 | 1.5 | 7.2 | 2.5 | 4.6 | 13.8 | 12.5 | 6.3 |

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

Payment Methods Used

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|---------------------------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Five-Star Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 17 | 37 | 62 | 316 | 189 | 62 | 28 | 32 | 743 |
| Cash Sales | 16.2% | 18.4% | 25.2% | 40.4% | 53.2% | 68.6% | 26.6% | 64.9% | 43.6% |
| Credit Card Sales | 45.4 | 36.8 | 39.3 | 33.6 | 28.4 | 19.5 | 24.7 | 21.5 | 31.1 |
| Credit Sales (other than cards) | 33.9 | 39.1 | 32.8 | 21.2 | 14.6 | 9.7 | 45.1 | 11.6 | 21.4 |
| Electronic Fund Transfer | 4.5 | 5.8 | 2.7 | 4.5 | 3.8 | 2.2 | 3.5 | 2.0 | 3.9 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Credit Cards Used

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|----------------------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | Five-Star Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 18 | 39 | 57 | 282 | 140 | 39 | 23 | 19 | 617 |
| American Express | 36.2% | 21.4% | 15.5% | 8.6% | 4.3% | 3.3% | 10.8% | 5.8% | 9.5% |
| Diners Club | 2.9 | 2.5 | 4.0 | 2.7 | 1.4 | 3.6 | 1.3 | 0.8 | 2.5 |
| Mastercard / Eurocard | 25.6 | 33.3 | 35.9 | 37.7 | 40.4 | 40.0 | 34.7 | 33.5 | 37.4 |
| Visa | 33.7 | 37.8 | 42.3 | 46.5 | 49.1 | 51.4 | 46.3 | 50.5 | 46.2 |
| Other | 1.6 | 5.0 | 2.4 | 4.6 | 4.8 | 1.6 | 6.9 | 9.4 | 4.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Average Credit Card Commission

| COMPOSITION | 2008-2009 | | | | | | | | All India Average |
|----------------------------|------------------|-----------|-----------|------------|------------|-----------|-----------|----------|-------------------|
| | Five-Star Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | |
| Number of Responses | 17 | 34 | 52 | 212 | 101 | 24 | 19 | 9 | 468 |
| American Express | 3.3% | 3.4% | 3.0% | 2.6% | 2.0% | 1.6% | 3.5% | 1.6% | 2.6% |
| Diners Club | 1.9 | 1.4 | 1.1 | 0.7 | 0.4 | 0.4 | 0.2 | 0.3 | 0.7 |
| Mastercard / Eurocard | 1.2 | 1.3 | 1.3 | 1.6 | 1.8 | 1.7 | 1.6 | 1.9 | 1.6 |
| Visa | 1.2 | 1.3 | 1.3 | 1.6 | 1.8 | 1.7 | 1.6 | 1.9 | 1.6 |
| Other | 0.2 | 0.3 | 0.1 | 0.3 | 0.3 | 0.0 | 0.1 | 0.5 | 0.3 |

TABLE 1-10: Indian Hotel Industry by Star Category: Technology Management Practices

Technology in Hotels - Percentage of Hotels Using Each Technology

| COMPOSITION | | | | | | | | | 2008-2009 |
|--|-----------|-----------|-----------|------------|------------|-----------|-----------|-----------|-------------------|
| | Deluxe | Five-Star | Four-Star | Three-Star | Two-Star | One-Star | Heritage | Others | All India Average |
| <i>Number of Responses</i> | 28 | 44 | 65 | 320 | 163 | 54 | 24 | 24 | 722 |
| Accounting System | 100.0% | 97.7% | 95.4% | 94.7% | 92.6% | 98.2% | 100.0% | 91.7% | 95.0% |
| Call Accounting System | 85.7 | 93.2 | 80.0 | 62.2 | 51.5 | 40.7 | 54.2 | 33.3 | 61.4 |
| Central Reservation System (CRS) | 64.3 | 52.3 | 47.7 | 26.6 | 11.0 | 7.4 | 45.8 | 16.7 | 26.9 |
| Electronic Keycard | 85.7 | 75.0 | 61.5 | 31.9 | 16.0 | 20.4 | 33.3 | 16.7 | 34.4 |
| Energy Management System | 42.9 | 47.7 | 27.7 | 25.9 | 12.9 | 9.3 | 58.3 | 25.0 | 24.9 |
| Internet / E-Mail | 100.0 | 97.7 | 96.6 | 95.0 | 8.3 | 92.6 | 100.0 | 87.5 | 93.8 |
| Internet / Website | 100.0 | 93.2 | 96.6 | 87.5 | 76.7 | 63.0 | 95.8 | 75.0 | 84.8 |
| Intranet System | 78.6 | 59.1 | 56.9 | 46.6 | 32.5 | 27.8 | 62.5 | 37.5 | 45.2 |
| Local Area Network (LAN) | 100.0 | 8.6 | 93.9 | 82.5 | 63.8 | 53.7 | 95.8 | 58.3 | 77.8 |
| Management Information System | 85.7 | 75.0 | 84.6 | 61.8 | 33.1 | 33.3 | 75.0 | 29.2 | 56.4 |
| Point of Sale System for Food and Beverage | 100.0 | 95.5 | 93.9 | 76.6 | 53.4 | 42.6 | 91.7 | 41.7 | 71.8 |
| Property Management System | 96.4 | 81.8 | 75.4 | 49.7 | 2.7 | 11.1 | 50.0 | 20.8 | 45.8 |
| Yield Management System | 57.1 | 40.9 | 29.2 | 23.8 | 10.4 | 9.3 | 37.5 | 8.3 | 22.4 |
| Other | 14.3 | 27.3 | 7.7 | 8.4 | 5.5 | 3.7 | 8.3 | 8.3 | 8.7 |

2. Indian Hotel Industry – Inventory and Chain Affiliation

Introduction

In this section, we present key operating and other data for the survey participants according to the 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 drawn a comparison between chain affiliated and independent hotels.

Trends

- **Room Profile:** Suites comprise a higher percentage of the total room inventory in the less than 50 rooms category (11%) as compared to that in the other categories. The reason for this maybe attributed to heritage properties, with low room inventory and higher number of suites, comprise a large proportion of this category
- **Facilities:** There is a distinct difference in the facilities of hotels belonging to chains when compared to those belonging to independent owners. We observe chain hotels to have a higher room count (105) as compared to Independent (49) ones. Chain affiliated hotels also tend to have a higher count of F&B outlets (4.3) as compared to that of independent (3.0) ones.
- **Market Segmentation:** Hotels under the Independent, less than 50 and 50 to 150 rooms categories show a heavy reliance on the domestic business and leisure traveller while the hotels in the chain and more than 150 rooms category tend to have a more diversified spread of target market. This may be attributed to the latter having access to these segments through better marketing and sales forums.
- **Performance:** While hotels with a larger room inventory (more than 150 rooms) and those with chain affiliation tend to generally outperform the other categories in their occupancies through the year, a reverse trend is observed during the month of December. This may be attributed to the former having a larger reliance on international business, which tends to dip during this month on account of Christmas and New Year.
- **Marketing mode:** There is a direct relationship between size of room inventory and electronic advertising, with the larger hotels relying more on the electronic media for marketing. However, there was not much difference in print advertising among the different categories.

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 |
|----------------------------|--------|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | | 734 | 387 | 47 | 115 | 1053 |
| Air-Conditioned | Single | 1.7 | 4.6 | 32.2 | 11.0 | 3.1 |
| | Double | 19.2 | 59.9 | 167.1 | 79.6 | 34.2 |
| | Suites | 2.6 | 7.2 | 20.6 | 11.4 | 4.1 |
| Non-Air-Conditioned | Single | 0.7 | 1.2 | 0.4 | 0.1 | 0.9 |
| | Double | 5.9 | 6.5 | 3.6 | 2.9 | 6.3 |
| | Suites | 0.6 | 0.6 | 0.0 | 0.3 | 0.6 |
| Total Average Rooms | | 30.6 | 79.9 | 223.9 | 105.4 | 49.2 |

Average Number of Food & Beverage Outlets Per Hotel

| COMPOSITION | | Less Than 50 Rooms | 50 to 150 Rooms | More Than 150 Rooms | Chain Affiliated | Independent |
|----------------------------|--|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | | 593 | 344 | 44 | 109 | 872 |
| Restaurant | | 1.4 | 1.9 | 3.3 | 2.2 | 1.6 |
| Bars | | 0.7 | 0.9 | 1.5 | 1.1 | 0.7 |
| Others | | 0.6 | 1.0 | 1.0 | 0.9 | 0.7 |
| Total | | 2.6 | 3.8 | 5.8 | 4.3 | 3.0 |

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 |
|--------------------------------------|--------|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | | 628 | 345 | 42 | 111 | 904 |
| Managers | Male | 3.0 | 11.3 | 36.6 | 18.6 | 5.8 |
| | Female | 0.4 | 1.7 | 9.8 | 3.5 | 0.9 |
| Supervisors | Male | 4.3 | 14.8 | 47.2 | 19.9 | 8.4 |
| | Female | 0.6 | 2.2 | 9.0 | 3.4 | 1.3 |
| Staff | Male | 31.9 | 92.0 | 239.4 | 124.9 | 53.1 |
| | Female | 2.9 | 8.6 | 30.6 | 12.5 | 5.2 |
| Total | | 43.0 | 130.6 | 372.5 | 182.8 | 74.6 |
| Average Number of Employees per Room | | 1.4 | 1.6 | 1.6 | 1.7 | 1.5 |

Average Percentage of Trained Employees Per Hotel

| COMPOSITION | | Less Than 50 Rooms | 50 to 150 Rooms | More Than 150 Rooms | Chain Affiliated | Independent |
|---------------------------------|--|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | | 327 | 243 | 35 | 91 | 514 |
| Managers | | 88.1% | 87.1% | 88.4% | 91.9% | 86.9% |
| Supervisors | | 79.7 | 80.7 | 75.7 | 87.1 | 78.6 |
| Staff | | 64.4 | 67.4 | 66.5 | 74.9 | 64.1 |
| Total Avg. Trained Employees* | | 77.4 | 78.4 | 76.8 | 84.6 | 76.5 |
| Total Avg. Un-Trained Employees | | 22.6 | 21.6 | 23.2 | 15.4 | 23.5 |

* Trained Employees includes those with a minimum one-year certificate course from a hotel management or equivalent institution; 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 (2008-2009)

| | Chain Affiliated | | Independent | | 2008-2009 All India Average | |
|-----------------------------------|------------------------------|----------------------------------|---------------------------------|------------------------------|----------------------------------|---------------------------------|
| <i>Number of Responses</i> | 92 | | 382 | | 474 | |
| Average Total Rooms Per Hotel: | 110 | | 59 | | 69 | |
| Average Occupied Rooms Per Hotel: | 24,285 | | 12,941 | | 15,143 | |
| Average Occupancy Per Hotel: | 60.6% | | 63.6% | | 63.1% | |
| Average Rate Per Hotel: | Rs 6,575 | | Rs 3,543 | | Rs 4,487 | |
| COMPOSITION | Percentage of Revenue | Amount Per Available Room | Amount Per Occupied Room | Percentage of Revenue | Amount Per Available Room | Amount Per Occupied Room |
| REVENUE | | | | | | |
| Rooms | 61.3% | Rs 1,447,990 | Rs 6,575 | 59.8% | Rs 777,174 | Rs 3,543 |
| Food & Beverage | 23.4 | 552,098 | 2,507 | 27.5 | 356,603 | 1,626 |
| Banquets & Conferences | 10.2 | 240,337 | 1,091 | 7.8 | 100,732 | 459 |
| Telephone & Other | 0.6 | 14,546 | 66 | 0.5 | 6,728 | 31 |
| Minor Operated* | 2.7 | 63,898 | 290 | 1.9 | 23,969 | 109 |
| Rental & Other Income | 1.9 | 44,053 | 200 | 2.6 | 33,457 | 153 |
| Total | 100.0 | 2,362,920 | 10,730 | 100.0 | 1,298,660 | 5,921 |
| DEPARTMENTAL EXPENSES | | | | | | |
| Rooms | 14.2 | 205,114 | 931 | 15.4 | 11,988 | 546 |
| Food & Beverage | 51.2 | 405,917 | 1,843 | 58.4 | 267,106 | 1,218 |
| Telephone & Other | 57.0 | 8,289 | 38 | 101.7 | 6,843 | 31 |
| Minor Operated* | 48.7 | 31,145 | 141 | 96.1 | 23,041 | 105 |
| Rental & Other Income | 3.7 | 1,626 | 7 | 13.2 | 4,421 | 20 |
| Total | 27.6 | 652,091 | 2,961 | 32.4 | 421,099 | 1,920 |
| DEPARTMENTAL INCOME | 72.4 | 1,710,830 | 7,769 | 67.6 | 877,564 | 4,001 |
| OPERATING EXPENSES | | | | | | |
| Administrative & General | 9.1 | 214,947 | 976 | 8.3 | 107,908 | 492 |
| Management Fee | 4.5 | 105,142 | 477 | 1.3 | 16,675 | 76 |
| Marketing | 2.9 | 69,165 | 314 | 2.6 | 33,315 | 152 |
| Franchise Fees | 0.6 | 13,109 | 60 | 0.5 | 6,421 | 29 |
| Property Operations & Maintenance | 4.6 | 109,519 | 497 | 6.0 | 78,006 | 356 |
| Energy | 7.6 | 178,301 | 810 | 9.3 | 120,964 | 551 |
| Total | 29.2 | 690,183 | 3,134 | 28.0 | 363,289 | 1,656 |
| HOUSE PROFIT | 43.2 | 1,020,650 | 4,635 | 39.6 | 514,275 | 2,345 |
| FIXED EXPENSES | | | | | | |
| Property Taxes | 0.5 | 11,117 | 50 | 0.7 | 9,544 | 44 |
| Insurance | 0.2 | 5,701 | 26 | 0.3 | 3,992 | 18 |
| Other Fixed Charges | 1.2 | 29,374 | 133 | 1.0 | 13,412 | 61 |
| Rent | 1.4 | 32,832 | 149 | 1.3 | 16,814 | 77 |
| Total | 3.3 | 79,024 | 359 | 3.4 | 43,762 | 199 |
| NET INCOME** | 39.9% | Rs 941,622 | Rs 4,276 | 36% | Rs 470,514 | Rs 2,145 |
| | | | | 37.9% | Rs 616,694 | Rs 2,808 |

* 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 (2008-2009)

| | 2008-2009 | | | | 2008-2009 All India Average | | | | 2008-2009 | | | |
|--|------------------------------|-----------------|---------------------|-------------------|----------------------------------|-----------------|---------------------|-------------------|---------------------------------|-----------------|---------------------|-------------------|
| | 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 |
| Number of Responses | 237 | 203 | 34 | 474 | 237 | 203 | 34 | 474 | 237 | 203 | 34 | 474 |
| Average Total Rooms Per Hotel: | 32 | 86 | 225 | 69 | 32 | 86 | 225 | 69 | 32 | 86 | 225 | 69 |
| Average Occupied Rooms Per Hotel: | 6,965 | 18,689 | 50,849 | 15,143 | 6,965 | 18,689 | 50,849 | 15,143 | 6,965 | 18,689 | 50,849 | 15,143 |
| Average Occupancy Per Hotel: | 62.7% | 63.1% | 64.7% | 63.1% | 62.7% | 63.1% | 64.7% | 63.1% | 62.7% | 63.1% | 64.7% | 63.1% |
| Average Rate Per Hotel: | Rs 2,101 | Rs 4,069 | Rs 7,694 | Rs 4,487 | Rs 2,101 | Rs 4,069 | Rs 7,694 | Rs 4,487 | Rs 2,101 | Rs 4,069 | Rs 7,694 | Rs 4,487 |
| | Percentage of Revenue | | | | Amount Per Available Room | | | | Amount Per Occupied Room | | | |
| REVENUE | | | | | | | | | | | | |
| Rooms | 55.3% | 60.6% | 61.9% | 60.5% | Rs 452,410 | Rs 887,899 | Rs 1,740,370 | Rs 985,310 | Rs 2,101 | Rs 4,069 | Rs 7,694 | Rs 4,487 |
| Food & Beverage | 34.8 | 26.2 | 22.2 | 25.6 | 284,732 | 384,677 | 623,808 | 417,248 | 1,322 | 1,763 | 2,758 | 1,900 |
| Banquets & Conferences | 5.4 | 8.4 | 10.4 | 8.8 | 44,130 | 123,120 | 291,748 | 144,054 | 205 | 564 | 1,290 | 656 |
| Telephone & Other | 0.3 | 0.5 | 0.7 | 0.6 | 2,723 | 7,442 | 19,491 | 9,154 | 13 | 34 | 86 | 42 |
| Minor Operated* | 1.1 | 1.8 | 3.0 | 2.2 | 9,252 | 26,722 | 85,435 | 36,360 | 43 | 122 | 378 | 166 |
| Rental & Other Income | 3.1 | 2.5 | 1.8 | 2.3 | 25,248 | 36,081 | 49,738 | 36,743 | 117 | 165 | 220 | 167 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 818,496 | 1,465,940 | 2,810,590 | 1,628,870 | 3,801 | 6,718 | 12,425 | 7,418 |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | |
| Rooms | 21.0 | 15.3 | 12.7 | 14.8 | 95,127 | 135,543 | 221,207 | 146,192 | 442 | 621 | 978 | 666 |
| Food & Beverage | 65.5 | 57.6 | 48.4 | 55.3 | 215,331 | 292,225 | 443,479 | 310,165 | 1,000 | 1,339 | 1,961 | 1,412 |
| Telephone & Other | 213.4 | 80.6 | 59.7 | 79.7 | 5,813 | 5,999 | 11,638 | 7,291 | 27 | 27 | 51 | 33 |
| Minor Operated* | 103.5 | 66.0 | 69.5 | 70.3 | 9,577 | 17,638 | 59,405 | 25,554 | 44 | 81 | 263 | 116 |
| Rental & Other Income | 28.0 | 6.8 | 5.2 | 9.7 | 7,059 | 2,440 | 2,567 | 3,553 | 33 | 11 | 11 | 16 |
| Total | 40.7 | 31.0 | 26.3 | 30.3 | 332,907 | 453,844 | 738,295 | 492,755 | 1,546 | 2,080 | 3,264 | 2,244 |
| DEPARTMENTAL INCOME | 59.3 | 69.0 | 73.7 | 69.8 | 485,589 | 1,012,100 | 2,072,300 | 1,136,110 | 2,255 | 4,638 | 9,161 | 5,174 |
| OPERATING EXPENSES | | | | | | | | | | | | |
| Administrative & General | 7.9 | 10.5 | 6.7 | 8.7 | 65,006 | 154,220 | 187,753 | 141,121 | 302 | 707 | 830 | 643 |
| Management Fee | 2.4 | 2.8 | 3.5 | 2.7 | 17,518 | 38,077 | 84,558 | 44,133 | 81 | 174 | 374 | 201 |
| Marketing | 2.6 | 2.3 | 3.3 | 2.7 | 21,506 | 33,044 | 93,112 | 44,439 | 100 | 151 | 412 | 202 |
| Franchise Fees | 0.4 | 0.5 | 0.6 | 0.5 | 3,034 | 6,732 | 17,915 | 8,496 | 14 | 31 | 79 | 39 |
| Property Operations & Maintenance | 6.2 | 5.7 | 4.8 | 5.4 | 51,014 | 83,532 | 134,226 | 87,780 | 237 | 383 | 593 | 400 |
| Energy | 9.8 | 9.0 | 7.5 | 8.5 | 80,195 | 132,510 | 211,986 | 138,749 | 372 | 607 | 937 | 632 |
| Total | 29.4 | 30.8 | 26.5 | 28.5 | 238,274 | 448,115 | 729,549 | 464,717 | 1,107 | 2,054 | 3,225 | 2,116 |
| HOUSE PROFIT | 30.0 | 38.3 | 47.2 | 41.2 | 247,314 | 563,981 | 1,342,750 | 671,396 | 1,149 | 2,584 | 5,936 | 3,058 |
| FIXED EXPENSES | | | | | | | | | | | | |
| Property Taxes | 0.5 | 0.6 | 0.6 | 0.6 | 4,435 | 9,210 | 17,503 | 10,031 | 21 | 42 | 77 | 46 |
| Insurance | 0.4 | 0.3 | 0.3 | 0.3 | 3,002 | 4,100 | 7,002 | 4,522 | 14 | 19 | 31 | 21 |
| Other Fixed Charges | 1.4 | 1.4 | 0.8 | 1.1 | 11,081 | 19,763 | 22,472 | 18,365 | 51 | 91 | 99 | 84 |
| Rent | 0.9 | 1.1 | 1.8 | 1.3 | 7,287 | 15,744 | 50,042 | 21,784 | 34 | 72 | 221 | 99 |
| Total | 3.2 | 3.3 | 3.5 | 3.4 | 25,804 | 48,816 | 97,019 | 54,702 | 120 | 224 | 429 | 249 |
| NET INCOME** | 26.8% | 35.0% | 43.9% | 37.9% | Rs 221,510 | Rs 515,165 | Rs 1,245,730 | Rs 616,694 | Rs 1,029 | Rs 2,361 | Rs 5,507 | Rs 2,808 |

* 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 to 150 | More Than | Chain | |
|--|--------------|--------------|--------------|--------------|--------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 429 | 255 | 39 | 88 | 635 |
| Airline Crew | 1% | 1.8% | 9.5% | 5.4% | 0.9% |
| Business Traveller - Domestic | 39.5 | 33.9 | 22.9 | 28.8 | 37.7 |
| Business Traveller - Foreign | 8.0 | 12.6 | 22.0 | 18.6 | 9.2 |
| Complimentary Rooms | 1.6 | 2.0 | 1.5 | 1.6 | 1.7 |
| Domestic - Tourists / Leisure FIT | 21.8 | 14.9 | 7.1 | 12.6 | 19.4 |
| Foreign - Tourists / Leisure FIT | 6.9 | 8.8 | 9.5 | 10.1 | 7.4 |
| Meeting Participants (Less than 100 Attendees) | 3.1 | 4.0 | 4.9 | 3.1 | 3.6 |
| Meeting Participants (Over 100 Attendees) | 5.8 | 7.0 | 9.9 | 6.4 | 6.4 |
| Tour Groups - Domestic | 6.6 | 5.7 | 4.1 | 3.8 | 6.5 |
| Tour Groups - Foreign | 4.1 | 6.5 | 4.9 | 6.1 | 4.8 |
| Other | 2.2 | 2.9 | 3.8 | 3.6 | 2.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Guest Analysis

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 510 | 319 | 43 | 126 | 746 |
| Domestic Guests | 78.4% | 69.8% | 49.3% | 57.4% | 78.3% |
| Foreign Guests | 21.6 | 30.2 | 50.7 | 42.6 | 21.7 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Total business | 56.8% | 59.6% | 68.8% | 62.4% | 56.3% |
| Total leisure | 43.2 | 40.4 | 31.2 | 37.7 | 43.7 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Avg. Stay of Foreign Guests (Days) | 3.1 | 4.0 | 4.1 | 2.1 | 3.1 |
| Avg. Stay of Domestic Guests (Days) | 2.7 | 3.1 | 2.3 | 2.3 | 2.9 |
| Avg. Stay of Business Guests (Days) | 2.7 | 3.1 | 2.3 | 3.3 | 3.6 |
| Avg. Stay of Leisure Guests (Days) | 2.6 | 2.3 | 2.5 | 2.3 | 2.5 |
| Percentage of Repeat Guests | 48.3 | 42.5 | 38.1 | 31.7 | 47.6 |

Country of Origin of Guests

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 207 | 174 | 36 | 76 | 341 |
| ASEAN* | 5.0% | 5.9% | 3.4% | 4.6% | 5.4% |
| Australia | 3.9 | 3.2 | 3.0 | 3.2 | 3.6 |
| Canada | 4.1 | 3.0 | 2.9 | 2.8 | 3.7 |
| Caribbean | 0.6 | 0.5 | 0.7 | 0.3 | 0.6 |
| China | 4.2 | 3.9 | 2.6 | 2.3 | 4.3 |
| France | 6.3 | 6.6 | 4.7 | 5.6 | 6.4 |
| Germany | 6.4 | 7.0 | 7.5 | 6.7 | 6.8 |
| Japan | 4.4 | 4.7 | 4.6 | 5.3 | 4.4 |
| Middle East | 3.6 | 3.6 | 2.1 | 2.6 | 3.7 |
| Other european | 9.0 | 9.4 | 7.0 | 9.1 | 8.9 |
| Russia | 2.5 | 3.4 | 4.5 | 3.4 | 3.0 |
| SAARC ** | 7.5 | 5.0 | 5.4 | 4.1 | 6.8 |
| South Africa | 2.6 | 2.3 | 1.3 | 1.7 | 2.5 |
| UK | 14.1 | 12.5 | 18.6 | 12.2 | 14.2 |
| USA | 11.8 | 12.9 | 14.3 | 16.4 | 11.6 |
| Other | 14.2 | 16.1 | 17.7 | 19.7 | 14.3 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

* ASEAN: Association of South East Asian Nations

** SAARC: 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 |
|----------------------------|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | 445 | 300 | 40 | 100 | 685 |
| January | 63.5% | 64.3% | 68.7% | 62.5% | 64.3% |
| February | 61.5 | 66.9 | 75.0 | 68.7 | 63.6 |
| March | 57.2 | 60.0 | 63.2 | 61.1 | 58.2 |
| April | 59.6 | 64.1 | 70.7 | 65.4 | 61.4 |
| May | 62.8 | 62.5 | 61.1 | 61.8 | 62.7 |
| June | 59.2 | 57.9 | 60.1 | 57.9 | 58.9 |
| July | 55.1 | 57.5 | 59.3 | 58.9 | 55.9 |
| August | 55.7 | 58.6 | 61.1 | 59.5 | 56.7 |
| September | 55.1 | 58.3 | 64.3 | 58.7 | 56.5 |
| October | 60.8 | 59.7 | 63.1 | 59.5 | 60.6 |
| November | 64.6 | 68.0 | 74.9 | 65.5 | 66.1 |
| December | 64.5 | 62.4 | 57.9 | 54.9 | 64.6 |

Average Daily Occupancy

| COMPOSITION | Less Than 50 Rooms | 50 to 150 Rooms | More Than 150 Rooms | Chain Affiliated | Independent |
|----------------------------|-----------------------|--------------------|------------------------|---------------------|-------------|
| Number of Responses | 419 | 271 | 39 | 89 | 640 |
| Monday | 55.5% | 58.0% | 66.1% | 61.9% | 56.3% |
| Tuesday | 57.2 | 60.1 | 67.4 | 62.7 | 58.3 |
| Wednesday | 58.6 | 62.3 | 69.7 | 65.0 | 59.9 |
| Thursday | 58.4 | 61.5 | 66.6 | 62.0 | 59.7 |
| Friday | 60.1 | 60.6 | 63.2 | 62.8 | 60.1 |
| Saturday | 57.2 | 57.0 | 59.6 | 58.4 | 57.1 |
| Sunday | 49.3 | 50.2 | 58.1 | 53.6 | 49.6 |

TABLE 2-6: Indian Hotel Industry – Hotel Size & Chain Affiliation: Monthly & Daily Occupancy

Sources of Advance Reservations

| COMPOSITION | Less Than 50 Rooms | 50 to 150 Rooms | More Than 150 Rooms | Chain Affiliated | Independent |
|--|-----------------------|--------------------|------------------------|---------------------|--------------|
| Number of Responses | 472 | 300 | 41 | 97 | 716 |
| Chain CRS (Central Reservation System) | 3.1% | 4.0% | 7.6% | 8.8% | 3.0% |
| Direct Enquiry / Hotel Representative | 54.8 | 52.7 | 40.8 | 47.9 | 54.0 |
| Global Distribution System (GDS) | 0.7 | 2.0 | 10.0 | 5.8 | 1.1 |
| Hotel / Chain Website | 6.4 | 5.3 | 5.7 | 6.0 | 6.0 |
| Travel Agent & Tour Operator | 20.1 | 21.5 | 21.8 | 18.3 | 21.0 |
| Other Online Reservation Systems | 2.1 | 3.9 | 5.8 | 6.4 | 2.5 |
| Other Websites | 4.0 | 4.3 | 3.0 | 2.7 | 4.2 |
| Other | 8.8 | 6.4 | 5.2 | 4.3 | 8.2 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Marketing Media - Percentage of Hotels Using Each Media

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|--------------------------------|------------|------------|-----------|------------|-------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 464 | 303 | 44 | 90 | 524 |
| Consumer Generated Media (CGM) | 6.7% | 9.2% | 9.1% | 15.4% | 6.7% |
| Direct Mail | 76.3 | 82.5 | 84.1 | 81.7 | 78.6 |
| Hotel Web site | 75.4 | 90.4 | 97.7 | 84.2 | 80.5 |
| Loyalty Card Program | 20.9 | 40.6 | 79.6 | 71.2 | 25.6 |
| Merchandising | 14.7 | 25.1 | 40.9 | 32.7 | 18.1 |
| Other Internet Site | 55.6 | 64.7 | 72.7 | 70.2 | 58.4 |
| Outdoor Advertising | 58.0 | 63.4 | 63.6 | 69.2 | 59.0 |
| Pay Per Click | 5.6 | 7.9 | 13.6 | 10.6 | 6.4 |
| Print Advertising | 84.7 | 88.8 | 88.6 | 92.3 | 85.6 |
| Promotions | 55.8 | 73.3 | 90.9 | 93.3 | 60.0 |
| Radio Advertising | 9.5 | 21.1 | 38.6 | 24.0 | 14.1 |
| Telemarketing | 37.9 | 60.7 | 65.9 | 61.5 | 46.0 |
| TV Advertising | 20.0 | 28.1 | 36.4 | 30.8 | 22.9 |
| Viral Marketing | 5.8 | 6.6 | 9.1 | 9.6 | 5.8 |

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

Payment Methods Used

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 434 | 275 | 34 | 84 | 659 |
| Cash Sales | 51.1% | 34.6% | 20.3% | 21.7% | 46.4% |
| Credit Card Sales | 27.8 | 35.0 | 42.4 | 39.3 | 30.1 |
| Credit Sales (Other Than Cards) | 17.2 | 26.6 | 32.5 | 35.6 | 19.6 |
| Electronic Fund Transfer | 3.8 | 3.9 | 4.7 | 3.3 | 4.0 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Credit Cards Used

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 336 | 248 | 33 | 86 | 531 |
| American Express | 5.5% | 13.0% | 25.0% | 20.9% | 7.7% |
| Diners club | 2.1 | 2.9 | 3.3 | 2.8 | 2.4 |
| Mastercard/Eurocard | 38.9 | 36.5 | 29.3 | 31.1 | 38.4 |
| Visa | 49.0 | 43.5 | 38.3 | 40.3 | 47.1 |
| Other | 4.6 | 4.2 | 4.1 | 4.9 | 4.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Average Credit Card Commission

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|----------------------------|------------|------------|-----------|------------|-------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| Number of Responses | 241 | 200 | 27 | 75 | 393 |
| American Express | 2.2 | 2.9 | 3.0 | 3.3 | 2.4 |
| Diners club | 0.5 | 0.9 | 1.5 | 1.2 | 0.6 |
| Mastercard/Eurocard | 1.7 | 1.5 | 1.2 | 1.3 | 1.6 |
| Visa | 1.7 | 1.5 | 1.3 | 1.3 | 1.6 |
| Other | 0.2 | 0.3 | 0.2 | 0.3 | 0.3 |

TABLE 2-9: Indian Hotel Industry – Hotel Size & Chain Affiliation: Technology Management Practices

Technology in Hotels - Percentage of Hotels Using Each Technology

| COMPOSITION | Less Than | 50 to 150 | More Than | Chain | |
|--|------------|------------|-----------|------------|-------------|
| | 50 Rooms | Rooms | 150 Rooms | Affiliated | Independent |
| <i>Number of Responses</i> | 392 | 286 | 44 | 100 | 622 |
| Accounting System | 92.6% | 97.9% | 97.7% | 90.0% | 95.0% |
| Call Accounting System | 51.5 | 71.7 | 81.8 | 80.0 | 58.4 |
| Central Reservation System (CRS) | 16.8 | 36.7 | 52.3 | 66.0 | 20.6 |
| Electronic Keycard | 21.9 | 44.1 | 81.8 | 67.0 | 29.1 |
| Energy Management System | 19.4 | 30.4 | 38.6 | 45.0 | 21.7 |
| Internet / E-Mail | 91.3 | 96.5 | 97.7 | 96.0 | 93.4 |
| Internet / Website | 79.9 | 89.9 | 95.5 | 93.0 | 83.4 |
| Intranet System | 37.5 | 52.1 | 68.2 | 70.0 | 41.2 |
| Local Area Network (LAN) | 70.4 | 85.3 | 95.5 | 92.0 | 75.6 |
| Management Information System | 43.1 | 71.3 | 77.3 | 79.0 | 52.7 |
| Point of Sale System for Food and Beverage | 60.5 | 83.9 | 93.2 | 94.0 | 68.2 |
| Property Management System | 29.1 | 62.9 | 84.1 | 82.0 | 40.0 |
| Yield Management System | 16.1 | 27.6 | 45.5 | 40.0 | 19.6 |
| Other | 5.1 | 12.2 | 18.2 | 9.0 | 8.7 |

3. Indian Hotel Industry – Seven Major Cities

Introduction

In this section, we present the operating profiles and financial data for different categories of hotels in seven major cities: Bangalore, Chennai, Goa, Kolkata, Mumbai, New Delhi-NCR and Pune. This section will give the reader an understanding of hotel performance in these cities.

Key Trends

The key trends noted in the 2008/09 survey across the seven major participating cities are presented below.

- **Revenue Per Available Room (Rev PAR):** While Bangalore leads all cities in overall revPAR followed closely by Mumbai and Delhi, we observe that it's room costs (PAR) are amongst the highest in the country and this may lead to a sharp erosion of profitability in times of lower average room rates, as are expected in the coming years.
- **F&B Outlets:** Goan hotels continue having the highest proportion of bars per hotel in the country. This may be attributed to Goa being the primary holiday/party destination in India.
- **Foreign Guests:** Kolkata has the lowest percentage of foreign guests visiting the city as compared to other major cities in the country. Considering that the city is steeped in history, has a rich culture and is also the gateway city to eastern India, this low visitation seems to be an anomaly. This may be attributed to the lack of an effective campaign and support from the state tourism department. Political instability, red tapism, and security concerns in the region further aggravate the situation.
- **Marketing Media:** Despite the widespread success of IT&ES companies in India, we notice a slow rate of adoption of media such as CGM, Pay Per Click and Viral Marketing in the larger cities. While the countrywide adoption of these media is slowly increasing, hotels in primary cities should be more aggressive in adopting these media in order to reach out to their target client base and also expand their existing base.
- **Country of Origin:** The country of origin of travellers indicates the primary feeder market for cities such as Goa have a predominance of travellers from UK while Bangalore has visitors from the US. Similarly Pune has a predominance of Other European and Germans, which is in line with the type of manufacturing taking place in Pune.

TABLE 3-1: Indian Hotel Industry – Seven Major Cities: Facilities and Guest Analysis

Typical Room Profile of an Average Hotel

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | |
|----------------------------|------------------------------------|--|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe & 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 9 | 27 | 9 | 27 | 9 | 27 | 17 | 7 | 12 | 55 | 55 | 11 | 21 | 6 |
| Number of Responses | | | | | | | | | | | | | | |
| Air-Conditioned | 0.0 | 6.7 | 0.0 | 7.0 | 0.0 | 0.0 | 0.0 | 0.0 | 69.8 | 5.0 | 3.2 | 7.6 | 5.1 | 16.0 |
| Double | 176.3 | 53.3 | 138.1 | 53.7 | 161.2 | 63.5 | 168.3 | 25.5 | 99.8 | 49.4 | 26.2 | 97.7 | 33.2 | 75.2 |
| Suites | 16.8 | 5.1 | 32.1 | 7.9 | 10.3 | 8.4 | 14.9 | 2.4 | 21.0 | 4.5 | 2.5 | 21.6 | 1.3 | 3.2 |
| Non-Air-Conditioned | 0.0 | 1.4 | 0.0 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.8 | 0.0 |
| Double | 0.0 | 10.3 | 0.0 | 3.5 | 0.0 | 2.0 | 0.0 | 3.8 | 0.0 | 1.7 | 0.8 | 0.0 | 1.2 | 0.0 |
| Suites | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Average Rooms | 193.0 | 76.7 | 170.2 | 72.7 | 171.6 | 73.9 | 183.1 | 37.9 | 190.7 | 60.5 | 32.8 | 126.8 | 41.5 | 94.3 |

Average Number of Food & Beverage Outlets Per Hotel

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | |
|----------------------------|------------------------------------|--|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe & 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 8 | 24 | 9 | 24 | 8 | 24 | 17 | 6 | 12 | 53 | 36 | 10 | 17 | 6 |
| Number of Responses | | | | | | | | | | | | | | |
| Restaurant | 2.9 | 1.9 | 2.8 | 1.8 | 4.4 | 2.1 | 3.7 | 1.4 | 3.1 | 1.3 | 1.0 | 2.1 | 1.2 | 2.5 |
| Bars | 1.1 | 0.9 | 1.4 | 0.8 | 2.5 | 1.7 | 1.5 | 0.9 | 1.3 | 0.8 | 0.6 | 1.0 | 0.7 | 1.0 |
| Others | 0.3 | 1.3 | 0.7 | 1.2 | 0.8 | 0.5 | 0.7 | 0.9 | 0.8 | 0.8 | 0.3 | 1.3 | 1.1 | 0.5 |
| Total | 4.3 | 4.0 | 4.9 | 3.8 | 7.6 | 4.3 | 5.8 | 3.2 | 5.2 | 2.8 | 2.0 | 4.4 | 3.0 | 4.0 |

Guest Analysis

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | |
|-------------------------------------|------------------------------------|--|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe & 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 8 | 19 | 9 | 24 | 16 | 16 | 17 | 7 | 11 | 41 | 45 | 10 | 14 | 6 |
| Number of Responses | | | | | | | | | | | | | | |
| Domestic Guests | 29.7% | 71.7% | 54.0% | 69.7% | 57.0% | 59.6% | 62.7% | 85.3% | 56.9% | 65.3% | 71.2% | 44.9% | 60.1% | 42.0% |
| Foreign Guests | 70.7% | 28.7% | 46.0% | 30.3% | 43.0% | 40.4% | 37.3% | 14.7% | 43.1% | 34.7% | 28.8% | 55.1% | 40.0% | 58.0% |
| 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 | 100.0 |
| Total Business | 91.7% | 68.5% | 82.0% | 82.1% | 30.8% | 38.4% | 82.7% | 78.5% | 72.1% | 69.0% | 68.5% | 69.0% | 69.3% | 74.6% |
| Total Leisure | 8.3% | 31.5% | 18.0% | 17.9% | 69.2% | 61.6% | 17.3% | 21.5% | 28.0% | 31.0% | 31.5% | 31.0% | 30.7% | 25.4% |
| 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 | 100.0 |
| Avg. Stay of Foreign Guests (Days) | 2.8 | 4.6 | 4.1 | 2.8 | 9.7 | 8.7 | 2.2 | 3.2 | 2.2 | 3.2 | 2.8 | 3.5 | 2.5 | 5.0 |
| Avg. Stay of Domestic Guests (Days) | 2.0 | 3.0 | 2.6 | 3.7 | 3.1 | 3.1 | 2.1 | 3.3 | 2.0 | 2.7 | 2.6 | 2.0 | 2.3 | 3.3 |
| Avg. Stay of Business Guests (Days) | 2.8 | 3.8 | 2.5 | 3.2 | 2.2 | 2.6 | 2.0 | 3.1 | 2.2 | 3.5 | 3.1 | 3.0 | 2.2 | 1.7 |
| Avg. Stay of Leisure Guests (Days) | 1.6 | 2.4 | 2.8 | 2.7 | 5.5 | 5.5 | 2.5 | 2.4 | 1.9 | 2.7 | 3.3 | 1.8 | 1.5 | 2.9 |
| Percentage of Repeat Guests | 27.2 | 34.1 | 50.5 | 51.8 | 18.4 | 32.3 | 36.0 | 63.0 | 32.9 | 50.9 | 47.5 | 40.2 | 33.9 | 57.5 |

TABLE 3-2: Indian Hotel Industry – Seven Major Cities: Staffing

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

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|--------------------------------------|---|-------------------------------------|--|------------------------|--|-------------------------------------|--|------------------------|--|-------------------------------------|--|------------------------|--|------------------------|--|
| | Five-Star Deluxe & Three-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star |
| Number of Responses | 8 | 24 | 8 | 24 | 9 | 16 | 6 | 21 | 12 | 48 | 51 | 10 | 14 | 5 | 29 |
| Managers | Male 14.4 | 8.0 | 32.3 | 11.4 | 41.8 | 8.6 | 45.3 | 2.7 | 33.3 | 7.6 | 2.0 | 21.2 | 7.4 | 27.8 | 3.3 |
| | Female 64.8 | 1.2 | 5.8 | 1.3 | 10.8 | 2.8 | 12.0 | 0.7 | 10.4 | 1.7 | 0.3 | 4.0 | 1.4 | 6.2 | 0.5 |
| Supervisors | Male 6.6 | 10.3 | 35.3 | 17.4 | 31.7 | 8.9 | 37.8 | 4.5 | 58.3 | 10.9 | 2.7 | 16.2 | 8.2 | 17.0 | 5.0 |
| | Female 245.5 | 1.2 | 8.9 | 1.8 | 8.6 | 3.7 | 7.3 | 0.7 | 11.3 | 2.3 | 0.7 | 3.4 | 1.2 | 2.4 | 1.0 |
| Staff | Male 23.6 | 77.5 | 230.9 | 100.6 | 228.7 | 82.3 | 198.7 | 31.7 | 198.4 | 77.1 | 23.6 | 158.6 | 57.3 | 138.4 | 30.3 |
| | Female 405.9 | 5.3 | 22.3 | 8.4 | 32.6 | 10.0 | 27.7 | 1.0 | 31.7 | 4.4 | 1.5 | 20.5 | 2.7 | 9.6 | 2.5 |
| Total | 8 | 103.5 | 335.3 | 141.0 | 354.0 | 116.3 | 328.8 | 41.2 | 343.3 | 104.1 | 30.8 | 223.9 | 78.2 | 201.4 | 42.6 |
| Average Number of Employees per Room | 2.2 | 1.7 | 2.1 | 2.3 | 2.0 | 1.7 | 2.0 | 1.2 | 1.9 | 1.8 | 1.1 | 2.0 | 1.6 | 2.0 | 1.0 |

Average Percentage of Trained Employees Per Hotel

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|---------------------------------|---|-------------------------------------|--|------------------------|--|-------------------------------------|--|------------------------|--|-------------------------------------|--|------------------------|--|------------------------|--|
| | Five-Star Deluxe & Three-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Four-Star Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star Two-Star | Five-Star Deluxe & Four-Star Two-Star |
| Number of Responses | 8 | 14 | 7 | 18 | 8 | 12 | 6 | 8 | 8 | 30 | 19 | 9 | 7 | 5 | 14 |
| Managers | 86.1% | 76.4% | 98.1% | 91.1% | 77.1% | 84.0% | 85.6% | 100.0% | 96.9% | 83.2% | 88.7% | 90.7% | 84.1% | 83.1% | 95.7% |
| Supervisors | 78.4 | 68.3 | 95.7 | 77.9 | 53.6 | 74.5 | 85.0 | 81.3 | 94.6 | 75.1 | 72.8 | 81.7 | 89.4 | 80.8 | 92.6 |
| Staff | 52.5 | 62.4 | 89.4 | 71.2 | 60.0 | 49.3 | 72.0 | 51.3 | 90.5 | 58.9 | 53.7 | 69.5 | 68.4 | 52.4 | 78.1 |
| Total Avg. Trained Employees* | 72.3 | 69.0 | 94.4 | 80.1 | 63.5 | 69.3 | 80.9 | 77.5 | 94.0 | 72.4 | 71.8 | 80.6 | 80.6 | 72.1 | 88.8 |
| Total Avg. Un-Trained Employees | 27.7 | 31.0 | 5.6 | 19.9 | 36.5 | 30.7 | 19.2 | 22.5 | 6.0 | 27.6 | 28.3 | 19.4 | 19.4 | 27.9 | 11.2 |

* Trained Employees includes those with a minimum one-year certificate course from a hotel management or equivalent institution; 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 (2008-2009)

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | |
|--|---|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|
| | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star | Five-Star Deluxe & Three-Star | Four-Star & Two- Star |
| COMPOSITION | 8 | 9 | 7 | 7 | 9 | 7 | 5 | 7 | 12 | 29 | 21 | 8 | 9 | 5 |
| Number of Responses | | | | | | | | | | | | | | |
| Average Total Rooms Per Hotel: | 197 | 82 | 165 | 78 | 172 | 82 | 167 | 52 | 191 | 62 | 34 | 77 | 52 | 102 |
| Average Occupied Rooms Per Hotel: | 44,172 | 12,957 | 39,828 | 17,244 | 38,729 | 12,219 | 44,360 | 12,219 | 45,524 | 14,144 | 8,927 | 20,213 | 10,196 | 22,206 |
| Average Occupancy Per Hotel: | 62.4% | 48.6% | 65.7% | 62.3% | 66.7% | 68.5% | 75.0% | 68.5% | 68.6% | 70.6% | 74.9% | 73.6% | 58.3% | 634.0% |
| Average Rate Per Hotel: | Rs11,799 | Rs4,877 | Rs5,971 | Rs2,504 | Rs6,496 | Rs2,556 | Rs6,524 | Rs2,556 | Rs10,333 | Rs4,394 | Rs1,892 | Rs7,990 | Rs3,188 | Rs7,043 |
| REVENUE | | | | | | | | | | | | | | |
| Rooms | 64.8% | 55.7% | 57.6% | 68.4% | 63.9% | 74.6% | 53.5% | 74.6% | 66.3% | 69.7% | 80.1% | 65.2% | 64.9% | 66.8% |
| Food & Beverage | 21.2 | 31.4 | 27.5 | 24.4 | 26.3 | 27.8 | 27.8 | 17.3 | 18.8 | 22.1 | 14.7 | 23.5 | 21.3 | 23.7 |
| Banquets & Conferences | 8.5 | 9.7 | 11.8 | 1.0 | 2.0 | 13.9 | 4.2 | 8.9 | 8.9 | 5.1 | 0.7 | 6.6 | 9.4 | 9.2 |
| Telephone & Other | 1.0 | 0.6 | 0.7 | 0.2 | 0.2 | 0.5 | 0.2 | 0.2 | 0.6 | 0.5 | 0.8 | 0.6 | 0.2 | 0.5 |
| Minor Operated* | 2.9 | 1.9 | 1.8 | 1.6 | 3.3 | 2.7 | 2.7 | 1.3 | 3.8 | 0.9 | 0.3 | 3.0 | 1.0 | 0.9 |
| Rental & Other Income | 1.6 | 0.7 | 0.7 | 4.4 | 4.4 | 2.5 | 1.6 | 2.5 | 1.7 | 1.7 | 3.5 | 1.1 | 3.2 | 1.8 |
| 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 | 100.0 |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | | | |
| Rooms | 12.8 | 9.3 | 14.1 | 19.0 | 14.4 | 15.1 | 15.1 | 16.6 | 9.9 | 15.2 | 18.3 | 14.2 | 16.3 | 12.2 |
| Food & Beverage | 51.9 | 53.6 | 42.6 | 81.7 | 56.7 | 47.1 | 47.1 | 72.2 | 49.7 | 59.4 | 97.4 | 68.1 | 77.3 | 143.2 |
| Telephone & Other | 60.3 | 90.4 | 64.3 | 484.7 | 71.0 | 54.1 | 54.1 | 573.0 | 48.4 | 95.5 | 141.1 | 109.9 | 242.7 | 89.1 |
| Minor Operated* | 44.6 | 36.6 | 48.2 | 292.9 | 46.4 | 42.5 | 42.5 | 252.3 | 41.0 | 135.8 | 347.4 | 52.0 | 84.8 | 75.5 |
| Rental & Other Income | 2.4 | 8.3 | 7.7 | 0.8 | 0.1 | 0.8 | 0.8 | 28.2 | 5.0 | 11.8 | 41.6 | 0.0 | 16.3 | 17.7 |
| Total | 25.7 | 28.5 | 26.2 | 30.4 | 26.9 | 29.4 | 29.4 | 32.8 | 22.3 | 22.3 | 33.1 | 32.0 | 36.2 | 52.5 |
| DEPARTMENTAL INCOME | 74.3 | 73.8 | 73.8 | 64.7 | 73.1 | 64.7 | 70.6 | 67.2 | 77.7 | 71.4 | 66.9 | 68.0 | 63.8 | 47.5 |
| OPERATING EXPENSES | | | | | | | | | | | | | | |
| Administrative & General | 9.3 | 4.6 | 4.6 | 18.2 | 11.9 | 8.4 | 11.5 | 8.4 | 5.9 | 8.7 | 12.1 | 7.8 | 6.3 | 7.9 |
| Management Fee | 1.8 | 1.8 | 1.8 | 1.4 | 1.1 | 3.4 | 3.4 | 2.6 | 4.3 | 2.4 | 0.7 | 0.6 | 0.0 | 2.6 |
| Marketing | 2.7 | 2.2 | 2.2 | 3.3 | 4.2 | 4.4 | 4.4 | 4.4 | 3.0 | 2.5 | 4.1 | 3.5 | 2.8 | 3.0 |
| Franchise Fees | 0.2 | 0.5 | 0.5 | 0.7 | 0.7 | 0.0 | 0.0 | 0.4 | 1.2 | 0.2 | 0.2 | 0.1 | 0.6 | 0.0 |
| Property Operations & Maintenance | 4.0 | 4.5 | 4.5 | 5.5 | 9.2 | 6.5 | 6.5 | 4.2 | 4.0 | 6.5 | 5.9 | 6.1 | 6.6 | 3.3 |
| Energy | 5.3 | 7.7 | 7.7 | 8.1 | 7.9 | 7.2 | 7.2 | 6.7 | 8.8 | 12.1 | 12.7 | 6.6 | 9.9 | 6.0 |
| Total | 23.3 | 21.4 | 21.4 | 30.7 | 35.1 | 32.9 | 32.9 | 26.6 | 27.1 | 32.3 | 35.6 | 24.7 | 26.1 | 22.9 |
| HOUSE PROFIT | 51.1 | 52.5 | 52.5 | 27.5 | 38.1 | 37.8 | 40.5 | 40.5 | 50.6 | 39.1 | 31.3 | 43.3 | 37.7 | 24.6 |
| FIXED EXPENSES | | | | | | | | | | | | | | |
| Property Taxes | 0.9 | 0.4 | 0.4 | 0.3 | 0.1 | 0.3 | 0.3 | 1.0 | 1.0 | 0.7 | 0.5 | 0.4 | 0.5 | 0.4 |
| Insurance | 0.2 | 0.2 | 0.2 | 0.3 | 0.5 | 0.2 | 0.2 | 1.2 | 0.2 | 0.3 | 0.4 | 0.2 | 0.2 | 0.2 |
| Other Fixed Charges | 1.0 | 0.5 | 0.5 | 0.0 | 0.6 | 0.6 | 0.6 | 2.0 | 0.2 | 1.3 | 0.3 | 0.4 | 0.3 | 0.8 |
| Rent | 4.5 | 1.2 | 1.2 | 0.2 | 0.2 | 1.4 | 1.4 | 0.4 | 0.6 | 0.8 | 0.3 | 0.5 | 0.0 | 0.7 |
| Total | 6.5 | 2.3 | 2.3 | 0.8 | 1.5 | 2.6 | 2.6 | 4.7 | 2.0 | 3.2 | 1.5 | 1.4 | 0.9 | 2.2 |
| NET INCOME** | 44.6% | 50.2% | 50.2% | 37.4% | 36.6% | 35.2% | 35.8% | 35.8% | 48.6% | 35.9% | 29.8% | 42.0% | 36.8% | 22.5% |

* 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

ID: Insufficient Data

TABLE 3-5: Indian Hotel Industry – Seven Major Cities: Financial Report – Amount Per Occupied Room (2008-2009)

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|---------------------------------------|--|---------|---|---------|--|---------|--|---------|--|---------|---|---------|---|---------|---|
| | Five-Star Deluxe & Three-Star Four-Star & Two-Star | 8 | Five-Star Deluxe, Three-Star Four-Star & Two-Star | 7 | Five-Star Deluxe & Three-Star Four-Star & Two-Star | 9 | Five-Star Deluxe, Five- Star & Four- Star | 5 | Five-Star Deluxe & Three-Star Four-Star & Two-Star | 12 | Five-Star Deluxe, Three-Star Four-Star & Two-Star | 8 | Five-Star Deluxe, Three-Star Four-Star & Two-Star | 9 | Five-Star Deluxe, Three-Star Four-Star & Two-Star |
| Number of Responses | 197 | 82 | 165 | 82 | 172 | 78 | 167 | 52 | 191 | 62 | 34 | 77 | 52 | 102 | 44 |
| Average Total Rooms Per Hotel: | 44,172 | 12,957 | 39,828 | 18,594 | 38,729 | 17,244 | 44,360 | 12,219 | 45,524 | 14,144 | 8,927 | 20,213 | 10,196 | 22,206 | 10,026 |
| Average Occupancy Per Hotel: | 62.4% | 48.6% | 65.7% | 63.5% | 66.7% | 62.3% | 75.0% | 68.5% | 68.6% | 70.6% | 74.9% | 73.6% | 58.3% | 63.8% | 65.9% |
| Average Rate Per Hotel: | Rs11,799 | Rs4,877 | Rs5,971 | Rs3,106 | Rs6,496 | Rs2,504 | Rs6,524 | Rs2,556 | Rs10,333 | Rs4,394 | Rs1,892 | Rs7,990 | Rs3,188 | Rs7,043 | Rs3,735 |
| REVENUE | | | | | | | | | | | | | | | |
| Rooms | Rs11,799 | Rs4,877 | Rs5,971 | Rs3,106 | Rs6,496 | Rs2,504 | Rs6,524 | Rs2,556 | Rs10,333 | Rs4,394 | Rs1,892 | Rs7,990 | Rs3,188 | Rs7,043 | Rs3,735 |
| Food & Beverage | 3,667 | 2,763 | 2,847 | 1,687 | 2,672 | 893 | 3,392 | 593 | 2,981 | 1,395 | 346 | 2,880 | 1,044 | 2,189 | 1,290 |
| Banquets & Conferences | 1,549 | 848 | 1,222 | 598 | 206 | 35 | 1,692 | 145 | 1,363 | 321 | 17 | 812 | 463 | 970 | 86 |
| Telephone & Other | 187 | 54 | 72 | 23 | 24 | 6 | 54 | 6 | 98 | 32 | 18 | 68 | 11 | 53 | 42 |
| Minor Operated* | 529 | 168 | 185 | 56 | 332 | 59 | 332 | 43 | 592 | 55 | 6 | 370 | 47 | 92 | 114 |
| Rental & Other Income | 290 | 62 | 72 | 157 | 442 | 162 | 194 | 85 | 257 | 110 | 83 | 130 | 158 | 191 | 185 |
| Total | 18,222 | 8,763 | 10,369 | 5,626 | 10,172 | 3,659 | 12,189 | 3,427 | 15,589 | 6,306 | 2,361 | 12,250 | 4,911 | 10,537 | 5,451 |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | | | | |
| Rooms | 1,505 | 456 | 839 | 352 | 933 | 476 | 984 | 425 | 1,026 | 667 | 346 | 1,133 | 520 | 861 | 566 |
| Food & Beverage | 2,812 | 1,925 | 1,733 | 1,149 | 1,632 | 758 | 2,393 | 532 | 2,143 | 1,019 | 353 | 2,514 | 1,164 | 4,523 | 771 |
| Telephone & Other | 113 | 49 | 46 | 23 | 17 | 31 | 29 | 35 | 48 | 31 | 25 | 75 | 28 | 47 | 32 |
| Minor Operated* | 236 | 61 | 89 | 165 | 154 | 25 | 176 | 108 | 243 | 74 | 21 | 192 | 40 | 69 | 83 |
| Rental & Other Income | 7 | 5 | 6 | 19 | 0 | 1 | 0 | 24 | 13 | 13 | 34 | 0 | 26 | 34 | 42 |
| Total | 4,673 | 2,496 | 2,714 | 1,708 | 2,736 | 1,291 | 3,582 | 1,125 | 3,472 | 1,803 | 781 | 3,915 | 1,778 | 5,534 | 1,493 |
| DEPARTMENTAL INCOME | 13,549 | 6,267 | 7,655 | 3,918 | 7,435 | 2,368 | 8,606 | 2,302 | 12,117 | 4,503 | 1,580 | 8,336 | 3,134 | 5,003 | 3,958 |
| OPERATING EXPENSES | | | | | | | | | | | | | | | |
| Administrative & General | 1,694 | 852 | 481 | 466 | 1,207 | 667 | 1,396 | 288 | 918 | 546 | 286 | 961 | 307 | 830 | 356 |
| Management Fee | 332 | 33 | 189 | 40 | 116 | 49 | 417 | 88 | 674 | 149 | 16 | 75 | 0 | 278 | 178 |
| Marketing | 482 | 106 | 222 | 171 | 427 | 121 | 529 | 149 | 463 | 156 | 96 | 426 | 139 | 319 | 67 |
| Franchise Fees | 31 | 208 | 52 | 55 | 75 | 26 | 0 | 15 | 183 | 13 | 5 | 17 | 29 | 0 | 21 |
| Property Operations & Maintenance | 730 | 873 | 470 | 350 | 934 | 203 | 786 | 143 | 623 | 410 | 139 | 743 | 323 | 343 | 299 |
| Energy | 967 | 719 | 801 | 647 | 807 | 296 | 877 | 231 | 1,364 | 765 | 300 | 805 | 485 | 636 | 445 |
| Total | 4,237 | 2,719 | 2,215 | 1,728 | 3,565 | 1,361 | 4,005 | 913 | 4,224 | 2,039 | 841 | 3,027 | 1,284 | 2,407 | 1,365 |
| HOUSE PROFIT | 9,312 | 3,476 | 5,440 | 2,190 | 3,870 | 1,007 | 4,601 | 1,389 | 7,893 | 2,464 | 739 | 5,309 | 1,850 | 2,596 | 2,593 |
| FIXED EXPENSES | | | | | | | | | | | | | | | |
| Property Taxes | 157 | 73 | 45 | 27 | 14 | 10 | 41 | 36 | 155 | 45 | 13 | 43 | 23 | 46 | 32 |
| Insurance | 32 | 15 | 21 | 13 | 48 | 12 | 23 | 41 | 30 | 18 | 9 | 25 | 7 | 21 | 13 |
| Other Fixed Charges | 181 | 42 | 54 | 27 | 63 | 1 | 73 | 70 | 32 | 84 | 7 | 43 | 13 | 86 | 72 |
| Rent | 810 | 362 | 119 | 19 | 22 | 5 | 176 | 14 | 100 | 52 | 6 | 56 | 0 | 73 | 5 |
| Total | 1,181 | 492 | 239 | 86 | 146 | 28 | 313 | 161 | 317 | 199 | 34 | 166 | 44 | 226 | 122 |
| NET INCOME** | Rs8,131 | Rs2,984 | Rs5,201 | Rs2,104 | Rs3,724 | Rs979 | Rs4,288 | Rs1,228 | Rs7,576 | Rs2,264 | Rs704 | Rs5,143 | Rs1,807 | Rs2,370 | Rs2,471 |

* 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

ID: Insufficient Data

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

Market Segmentation

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------------|-------------------------------|---|------------------------------|------------------------------------|-------------------------------|--|------------------------------|--|------------------------------|--|
| | Five-Star Deluxe & Five-Star | Four-Star, Three- Star & Two-Star | Five-Star Deluxe & Four-Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Five-Star Deluxe Five- Star & Four-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star | Four-Star & Three- Star | Five-Star Deluxe, 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 |
| Number of Responses | 7 | 11 | 8 | 12 | 9 | 14 | 7 | 18 | 8 | 34 | 40 | 9 | 14 | 6 | 20 |
| Airline Crew | 11.1% | 0.2% | 16.7% | 1.1% | 2.2% | 1.1% | 13.9% | 1.7% | 7.0% | 1.5% | 1.2% | 0.3% | 1.4% | 0.2% | 0.0% |
| Business Traveller - Domestic | 18.3 | 43.2 | 28.5 | 48.9 | 6.7 | 24.0 | 41.8 | 66.1 | 25.6 | 39.1 | 45.5 | 20.8 | 48.1 | 34.0 | 43.0 |
| Business Traveller - Foreign | 49.0 | 12.9 | 28.1 | 24.0 | 3.0 | 6.2 | 18.2 | 8.3 | 21.0 | 15.6 | 15.0 | 31.0 | 11.6 | 53.0 | 14.5 |
| Complimentary Rooms | 0.9 | 1.3 | 1.5 | 2.4 | 2.1 | 0.9 | 5.4 | 0.6 | 1.4 | 0.9 | 1.2 | 1.4 | 1.7 | 1.0 | 1.1 |
| Domestic - Tourists / Leisure FIT | 1.4 | 10.4 | 4.9 | 5.9 | 21.2 | 16.2 | 3.6 | 9.2 | 9.1 | 10.9 | 13.7 | 5.0 | 6.9 | 3.8 | 12.4 |
| Foreign - Tourists / Leisure FIT | 2.4 | 6.6 | 4.4 | 3.7 | 31.0 | 20.9 | 3.2 | 6.1 | 7.8 | 8.3 | 7.9 | 8.8 | 9.3 | 2.7 | 6.2 |
| Meeting Participants (Less than 100 Attendees) | 2.4 | 6.2 | 1.7 | 1.8 | 6.0 | 5.1 | 5.1 | 1.4 | 2.0 | 3.3 | 2.9 | 5.1 | 2.9 | 0.0 | 3.4 |
| Meeting Participants (Over 100 Attendees) | 12.4 | 4.8 | 7.9 | 3.7 | 13.0 | 3.6 | 5.8 | 1.9 | 10.5 | 8.4 | 4.5 | 8.8 | 6.1 | 1.3 | 12.8 |
| Tour Groups - Domestic | 0.7 | 4.8 | 3.0 | 2.6 | 4.6 | 11.4 | 0.7 | 3.7 | 3.9 | 4.1 | 4.5 | 3.2 | 4.3 | 1.3 | 2.2 |
| Tour Groups - Foreign | 0.9 | 2.9 | 3.0 | 2.7 | 5.3 | 7.5 | 2.0 | 2.0 | 2.3 | 3.9 | 2.0 | 8.1 | 6.9 | 2.3 | 1.0 |
| Other | 0.5 | 6.8 | 0.3 | 3.1 | 4.9 | 3.1 | 0.4 | 0.5 | 9.6 | 4.0 | 1.7 | 7.5 | 0.9 | 0.3 | 3.0 |
| 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 | 100.0 | 100.0 |

Country of Origin of Guests

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|----------------------------|------------------------------------|--|--|------------------------------|------------------------------------|-------------------------------|---|------------------------------|------------------------------------|-------------------------------|--|------------------------------|--|------------------------------|--|
| | Five-Star Deluxe & 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 | Five-Star Deluxe Five- Star & Four-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star | Four-Star & Three- Star | Five-Star Deluxe, 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 |
| Number of Responses | 6 | 11 | 8 | 13 | 6 | 9 | 6 | 11 | 5 | 22 | 27 | 7 | 7 | 4 | 10 |
| ASEAN* | 4.3% | 3.3% | 6.1% | 13.2% | 0.69% | 1.4% | 4.6% | 4.5% | 7.4% | 5.2% | 6.0% | 2.7% | 1.8% | 6.3% | 4.9% |
| Australia | 3.9 | 2.3 | 2.9 | 1.9 | 0.6 | 2.7 | 6.0 | 5.5 | 2.1 | 2.6 | 3.7 | 3.7 | 4.2 | 4.3 | 3.9 |
| Canada | 2.3 | 2.2 | 1.7 | 2.3 | 1.8 | 2.7 | 1.0 | 2.7 | 2.3 | 3.9 | 2.6 | 4.4 | 3.7 | 3.3 | 4.3 |
| Caribbean | 0.0 | 2.4 | 1.6 | 0.2 | 0.2 | 0.2 | 0.9 | 0.6 | 0.3 | 1.2 | 1.3 | 0.6 | 1.2 | 1.0 | 0.3 |
| China | 2.8 | 2.6 | 2.2 | 1.7 | 0.5 | 1.3 | 3.1 | 4.1 | 2.5 | 4.9 | 3.1 | 2.1 | 4.8 | 2.8 | 7.6 |
| France | 5.5 | 5.8 | 6.6 | 2.8 | 6.3 | 1.8 | 3.5 | 3.4 | 2.1 | 4.1 | 2.7 | 7.2 | 5.4 | 2.3 | 4.0 |
| Germany | 9.5 | 12.0 | 5.8 | 2.5 | 5.4 | 3.2 | 7.8 | 6.8 | 3.3 | 5.1 | 4.0 | 15.2 | 5.9 | 8.0 | 8.1 |
| Japan | 2.9 | 2.4 | 6.9 | 3.0 | 1.4 | 4.2 | 4.6 | 3.0 | 1.3 | 2.6 | 1.8 | 15.3 | 6.7 | 4.5 | 7.3 |
| Middle East | 2.4 | 4.7 | 3.0 | 1.6 | 0.2 | 3.2 | 2.7 | 1.2 | 1.3 | 9.1 | 6.3 | 3.3 | 1.9 | 6.5 | 5.3 |
| Other European | 8.7 | 9.5 | 7.3 | 6.4 | 2.7 | 7.6 | 11.5 | 6.2 | 2.9 | 8.1 | 11.9 | 8.0 | 14.7 | 24.3 | 11.7 |
| Russia | 0.5 | 2.3 | 2.5 | 0.9 | 10.7 | 21.2 | 1.0 | 3.0 | 0.6 | 3.8 | 1.7 | 8.6 | 2.8 | 1.8 | 1.6 |
| SAARC ** | 0.5 | 7.1 | 3.5 | 7.2 | 10.3 | 3.1 | 7.7 | 17.0 | 2.4 | 4.8 | 10.4 | 2.6 | 7.0 | 3.0 | 7.4 |
| South Africa | 0.6 | 0.7 | 1.2 | 3.0 | 0.2 | 2.4 | 2.3 | 0.7 | 2.0 | 4.7 | 4.6 | 2.2 | 2.5 | 5.3 | 1.1 |
| UK | 11.7 | 11.7 | 11.3 | 6.5 | 36.7 | 25.4 | 12.2 | 13.1 | 19.9 | 13.6 | 17.8 | 8.0 | 9.9 | 7.4 | 7.4 |
| USA | 27.6 | 22.0 | 16.0 | 9.3 | 3.5 | 7.0 | 14.3 | 10.4 | 10.9 | 10.1 | 9.6 | 9.5 | 8.8 | 8.5 | 14.7 |
| Other | 16.8 | 9.1 | 21.3 | 37.6 | 18.8 | 12.7 | 16.1 | 18.0 | 38.7 | 16.5 | 12.5 | 6.4 | 18.9 | 9.3 | 10.4 |
| 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 | 100.0 | 100.0 |

* ASEAN: Association of South East Asian Nations

** SAARC: 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 | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|----------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|-------|
| | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | |
| Number of Responses | 7 | 18 | 8 | 21 | 8 | 15 | 7 | 18 | 12 | 36 | 41 | 9 | 11 | 5 | 20 |
| January | 62.4% | 57.9% | 67.2% | 68.2% | 86.0% | 80.7% | 76.1% | 71.6% | 66.1% | 73.2% | 77.3% | 64.1% | 59.8% | 60.1% | 66.4% |
| February | 75.2 | 63.0 | 73.3 | 70.0 | 87.3 | 79.6 | 77.5 | 71.1 | 70.5 | 76.7 | 75.4 | 84.6 | 70.2 | 73.8 | 66.3 |
| March | 62.6 | 53.5 | 63.8 | 63.4 | 80.9 | 72.3 | 67.4 | 60.5 | 63.2 | 70.2 | 69.0 | 73.5 | 60.4 | 64.1 | 58.2 |
| April | 77.4 | 62.0 | 71.9 | 70.5 | 78.2 | 66.0 | 74.9 | 62.9 | 77.1 | 76.5 | 65.7 | 85.4 | 58.3 | 70.9 | 65.9 |
| May | 68.7 | 61.3 | 61.3 | 65.2 | 62.8 | 56.2 | 74.8 | 62.2 | 70.7 | 71.8 | 66.0 | 71.6 | 51.0 | 67.6 | 70.5 |
| June | 70.2 | 58.2 | 66.8 | 70.9 | 57.5 | 42.1 | 74.2 | 57.7 | 69.1 | 72.0 | 65.4 | 71.2 | 46.1 | 65.9 | 75.5 |
| July | 70.3 | 55.5 | 69.0 | 74.6 | 47.3 | 42.1 | 71.6 | 58.3 | 67.9 | 70.8 | 69.0 | 76.5 | 55.3 | 65.3 | 66.5 |
| August | 62.5 | 52.8 | 63.1 | 69.6 | 56.2 | 44.0 | 71.1 | 58.8 | 67.1 | 69.9 | 69.3 | 72.0 | 56.5 | 59.9 | 64.7 |
| September | 71.2 | 55.4 | 65.6 | 68.0 | 58.1 | 49.6 | 74.4 | 63.7 | 66.1 | 68.8 | 65.4 | 81.3 | 59.4 | 61.9 | 63.1 |
| October | 64.5 | 50.7 | 60.8 | 59.2 | 59.2 | 55.8 | 66.4 | 58.4 | 60.6 | 67.2 | 65.4 | 74.0 | 63.7 | 59.2 | 63.3 |
| November | 78.1 | 62.9 | 70.0 | 64.4 | 79.7 | 74.7 | 76.1 | 71.4 | 68.6 | 71.7 | 66.4 | 87.4 | 68.6 | 69.8 | 63.0 |
| December | 62.0 | 49.9 | 56.6 | 63.6 | 72.8 | 78.2 | 63.6 | 71.2 | 46.7 | 59.4 | 63.7 | 56.6 | 56.3 | 45.6 | 62.5 |

Average Daily Occupancy

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|----------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|--|------------------------------|-------|
| | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three- Star & Two-Star | |
| Number of Responses | 7 | 18 | 8 | 20 | 7 | 13 | 7 | 15 | 10 | 38 | 42 | 10 | 13 | 5 | 21 |
| Monday | 73.0% | 48.0% | 67.5% | 67.2% | 71.4% | 62.2% | 69.9% | 64.8% | 68.1% | 65.3% | 67.4% | 72.5% | 67.2% | 68.4% | 54.4% |
| Tuesday | 71.7 | 53.1 | 60.6 | 66.8 | 68.1 | 61.5 | 74.3 | 68.0 | 69.6 | 70.6 | 69.3 | 75.4 | 66.2 | 75.4 | 55.9 |
| Wednesday | 73.5 | 57.2 | 73.8 | 68.9 | 68.9 | 64.2 | 73.4 | 64.7 | 72.8 | 73.1 | 70.9 | 74.2 | 67.7 | 72.8 | 58.6 |
| Thursday | 61.8 | 56.3 | 68.3 | 68.1 | 71.3 | 65.9 | 71.3 | 61.9 | 67.8 | 72.3 | 70.8 | 75.3 | 65.4 | 63.0 | 54.9 |
| Friday | 47.6 | 52.1 | 59.8 | 64.3 | 82.1 | 71.3 | 63.0 | 51.1 | 60.7 | 65.2 | 69.6 | 69.7 | 55.9 | 52.0 | 60.9 |
| Saturday | 44.8 | 45.7 | 57.2 | 53.8 | 84.7 | 68.4 | 56.7 | 45.8 | 56.9 | 54.4 | 62.8 | 59.9 | 50.3 | 40.6 | 58.1 |
| Sunday | 57.5 | 46.5 | 59.3 | 55.5 | 76.1 | 56.9 | 55.0 | 46.2 | 52.0 | 50.9 | 56.8 | 59.7 | 46.0 | 44.0 | 48.0 |

TABLE 3-8: Indian Hotel Industry – Seven Major Cities: Sources of Reservation

Sources of Advance Reservations

| COMPOSITION Number of Responses | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|--|---|---------------------------|--|--------------------------|---|---------------------------|--|--------------------------|---|---------------------------|--|--------------------------|--|--------------------------|--------------|
| | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | |
| | | | | | | | | | | | | | | | 18 |
| Chain CRS (Central Reservation System) | 2.4% | 1.6% | 6.1% | 4.6% | 9.2% | 2.1% | 15.8% | 0.41% | 12.3% | 1.8% | 0.68% | 1.7% | 1.9% | 0.8% | 1.3% |
| Direct Enquiry / Hotel Representative | 49.1 | 54.1 | 55.3 | 54.6 | 24.9 | 36.7 | 54.6 | 64.2 | 55.0 | 51.7 | 61.2 | 41.4 | 50.2 | 65.4 | 60.6 |
| Global Distribution System (GDS) | 27.6 | 3.1 | 7.9 | 2.2 | 2.5 | 0.8 | 4.8 | 0.3 | 7.0 | 2.0 | 1.3 | 8.2 | 1.0 | 9.2 | 3.2 |
| Hotel / Chain Website | 4.2 | 9.8 | 4.1 | 5.7 | 5.4 | 9.2 | 4.4 | 5.3 | 6.3 | 7.2 | 5.1 | 7.5 | 3.2 | 8.2 | 7.6 |
| Travel Agent & Tour Operator | 8.5 | 13.9 | 8.7 | 14.1 | 48.3 | 38.3 | 6.8 | 14.3 | 4.6 | 15.9 | 15.0 | 20.6 | 18.0 | 3.2 | 7.2 |
| Other Online Reservation Systems | 2.9 | 2.7 | 12.4 | 5.0 | 1.1 | 1.8 | 9.0 | 5.7 | 6.9 | 2.7 | 0.5 | 5.9 | 8.4 | 5.0 | 2.6 |
| Other Websites | 2.6 | 7.9 | 2.1 | 3.6 | 3.1 | 6.5 | 3.9 | 4.2 | 2.4 | 6.0 | 6.4 | 4.8 | 2.4 | 4.2 | 3.6 |
| Other | 2.8 | 6.9 | 3.6 | 10.3 | 5.5 | 4.6 | 0.7 | 5.7 | 5.4 | 12.6 | 9.9 | 10.0 | 15.0 | 4.0 | 14.0 |
| 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 | 100.0 | 100.0 |

TABLE 3-9: Indian Hotel Industry – Seven Major Cities: Marketing Media

Marketing Media - Percentage of Hotels Using Each Media

| COMPOSITION Number of Responses | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|------------------------------------|---|---------------------------|--|--------------------------|---|---------------------------|--|--------------------------|---|---------------------------|--|--------------------------|--|--------------------------|------|
| | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Three-Star Two-Star | Four-Star & Three-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | Five-Star Deluxe & Four-Star Two-Star | Three-Star & Two-Star | |
| | | | | | | | | | | | | | | | 9 |
| Consumer General Media (CGM) | 0.0% | 0.0% | 11.1% | 5.6% | 0.0% | 13.3% | 28.6% | 5.6% | 9.1% | 4.8% | 2.4% | 20.0% | 8.3% | 0.0% | 4.2% |
| Direct Mail | 100.0 | 68.8 | 77.8 | 83.3 | 62.5 | 93.3 | 71.4 | 66.7 | 81.8 | 78.6 | 73.8 | 80.0 | 83.3 | 100.0 | 83.3 |
| Hotel Web Site | 100.0 | 87.5 | 100.0 | 77.8 | 100.0 | 100.0 | 100.0 | 61.1 | 90.9 | 81.0 | 76.2 | 100.0 | 91.7 | 100.0 | 75.0 |
| Loyalty card program | 88.9 | 43.8 | 77.8 | 22.2 | 87.5 | 6.7 | 85.7 | 22.2 | 100.0 | 26.2 | 11.9 | 60.0 | 41.7 | 83.3 | 33.3 |
| Merchandising | 44.4 | 12.5 | 0.0 | 27.8 | 25.0 | 40.0 | 42.9 | 5.6 | 36.4 | 11.9 | 0.0 | 0.0 | 16.7 | 0.0 | 16.7 |
| Other Internet site | 77.8 | 56.3 | 66.7 | 61.1 | 87.5 | 80.0 | 85.7 | 50.0 | 72.7 | 59.5 | 57.1 | 70.0 | 91.7 | 66.7 | 70.8 |
| Outdoor Advertising | 77.8 | 62.5 | 55.6 | 55.6 | 100.0 | 66.7 | 71.4 | 27.8 | 81.8 | 42.9 | 38.1 | 50.0 | 41.7 | 66.7 | 62.5 |
| Pay Per Click | 0.0 | 6.3 | 11.1 | 11.1 | 12.5 | 6.7 | 14.3 | 11.1 | 9.1 | 7.1 | 0.0 | 20.0 | 16.7 | 0.0 | 0.0 |
| Print Advertising | 100.0 | 68.8 | 88.9 | 77.8 | 100.0 | 93.3 | 100.0 | 77.8 | 81.8 | 83.3 | 73.8 | 50.0 | 83.3 | 83.3 | 87.5 |
| Promotions | 100.0 | 62.5 | 88.9 | 55.6 | 87.5 | 86.7 | 100.0 | 38.9 | 81.8 | 52.4 | 42.9 | 70.0 | 66.7 | 100.0 | 66.7 |
| Radio Advertising | 77.8 | 12.5 | 22.2 | 11.1 | 37.5 | 20.0 | 42.9 | 11.1 | 45.5 | 4.8 | 4.8 | 20.0 | 8.3 | 16.7 | 16.7 |
| Telemarketing | 44.4 | 68.8 | 77.8 | 66.7 | 37.5 | 53.3 | 85.7 | 33.3 | 81.8 | 54.8 | 40.5 | 60.0 | 50.0 | 66.7 | 45.8 |
| TV Advertising | 33.3 | 12.5 | 0.0 | 11.1 | 37.5 | 13.3 | 28.6 | 22.2 | 18.2 | 11.9 | 4.8 | 20.0 | 25.0 | 0.0 | 12.5 |
| Viral Marketing | 0.0 | 0.0 | 0.0 | 11.1 | 0.0 | 0.0 | 14.3 | 5.6 | 9.1 | 2.4 | 2.4 | 20.0 | 8.3 | 0.0 | 0.0 |

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

Payment Methods Used

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|---------------------------------|--|------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|----------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe, 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Two-Star & One- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 6 | 16 | 7 | 20 | 7 | 12 | 6 | 15 | 8 | 40 | 40 | 8 | 12 | 4 | 19 |
| Number of Responses | | | | | | | | | | | | | | | |
| Cash Sales | 5.7% | 37.6% | 24.5% | 38.0% | 15.9% | 29.0% | 14.4% | 46.3% | 17.8% | 32.9% | 56.1% | 10.5% | 34.9% | 13.6% | 38.1% |
| Credit Card Sales | 73.5 | 43.0 | 43.1 | 44.6 | 26.7 | 30.8 | 45.2 | 42.5 | 34.9 | 33.6 | 28.2 | 55.8 | 26.3 | 59.8 | 42.1 |
| Credit Sales (Other Than Cards) | 18.3 | 16.3 | 30.6 | 14.5 | 46.3 | 34.8 | 36.7 | 9.5 | 38.4 | 28.9 | 13.6 | 28.8 | 35.3 | 26.3 | 16.1 |
| Electronic Fund Transfer | 2.6 | 3.1 | 1.9 | 3.0 | 11.1 | 5.5 | 3.7 | 1.8 | 8.8 | 4.6 | 2.2 | 5.0 | 3.5 | 0.3 | 3.7 |
| 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 | 100.0 | 100.0 |

Credit Cards Used

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|----------------------------|--|------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|----------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe, 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Two-Star & One- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 6 | 11 | 7 | 19 | 6 | 12 | 6 | 11 | 8 | 39 | 37 | 8 | 8 | 4 | 14 |
| Number of Responses | | | | | | | | | | | | | | | |
| American Express | 38.9% | 20.6% | 19.5% | 12.5% | 19.8% | 6.0% | 28.0% | 7.3% | 33.0% | 15.4% | 5.6% | 21.4% | 13.6% | 22.6% | 14.4% |
| Diners club | 3.4 | 1.1 | 4.8 | 4.3 | 0.3 | 4.8 | 4.5 | 2.7 | 2.1 | 2.8 | 3.0 | 1.2 | 0.8 | 3.7 | 3.4 |
| Mastercard/Eurocard | 22.4 | 38.1 | 30.4 | 40.0 | 26.2 | 43.1 | 30.9 | 37.2 | 36.0 | 33.7 | 37.7 | 29.2 | 31.2 | 32.8 | 38.7 |
| Visa | 33.8 | 36.2 | 39.6 | 38.1 | 37.7 | 42.5 | 36.4 | 51.6 | 27.0 | 42.4 | 45.9 | 40.8 | 53.3 | 40.8 | 41.2 |
| Other | 1.6 | 4.0 | 5.7 | 5.1 | 16.0 | 3.7 | 0.2 | 1.2 | 1.9 | 5.7 | 7.8 | 7.5 | 1.3 | - | 2.2 |
| 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 | 100.0 | 100.0 |

Average Credit Card Commission

| | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | |
|----------------------------|--|------------------------------|--|------------------------------|------------------------------------|-------------------------------|--|------------------------------|------------------------------------|-------------------------------|----------------------------|--|------------------------------|--|------------------------------|
| | Five-Star Deluxe, 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 | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe & Five-Star | Four-Star & Three- Star | Two-Star & One- Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star | Five-Star Deluxe, Five-Star & Four- Star | Three- Star & Two-Star |
| COMPOSITION | 5 | 9 | 5 | 12 | 6 | 10 | 5 | 7 | 8 | 33 | 34 | 8 | 8 | 4 | 11 |
| Number of Responses | | | | | | | | | | | | | | | |
| American Express | 3.2 | 2.8 | 3.5 | 3.2 | 3.4 | 2.8 | 3.2 | 2.0 | 3.5 | 3.3 | 2.7 | 3.5 | 2.9 | 3.5 | 2.5 |
| Diners club | 1.7 | 0.8 | 1.6 | 0.8 | 0.4 | 1.0 | 2.2 | 0.5 | 1.8 | 0.9 | 0.6 | 0.8 | 0.5 | 1.8 | 0.6 |
| Mastercard/Eurocard | 0.9 | 1.5 | 1.2 | 1.5 | 1.3 | 1.8 | 1.1 | 1.6 | 1.3 | 1.4 | 1.7 | 1.2 | 1.7 | 1.6 | 1.7 |
| Visa | 1.2 | 1.5 | 1.2 | 1.5 | 1.3 | 1.8 | 1.1 | 1.6 | 1.3 | 1.4 | 1.8 | 1.2 | 1.7 | 1.6 | 1.7 |
| Other | 0.2 | 0.5 | 0.3 | 0.2 | 0.6 | 0.6 | 0.4 | 0.5 | 0.0 | 0.2 | 0.3 | 0.0 | 0.2 | 0.0 | 0.5 |

ID: Insufficient Data

TABLE 3-11: Indian Hotel Industry – Seven Major Cities: Technology Management Practices

Technology in Hotels - Percentage of Hotels Using Each Technology

| COMPOSITION | Bangalore | | Chennai | | Goa | | Kolkata | | Mumbai | | New Delhi-NCR | | Pune | | | | | | | |
|--|--|-------|--|--------|---|--------|--|--------|--|--------|--|-------|--|-------|--|-------|--|--------|-------|-------|
| | Five-Star Deluxe & Three-Star Five-Star & Two-Star | 14 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 8 | Five-Star Deluxe & Three-Star Five-Star Five-Star | 9 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 7 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 11 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 42 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 9 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 10 | Five-Star Deluxe, Five-Star & Four- Star & Two-Star | 6 | 19 | |
| Accounting System | 88.9% | 92.9% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 97.6% | 94.6% | 88.9% | 80.0% | 90.0% | 89.5% | 100.0% | 89.5% | 89.5% |
| Call Accounting System | 77.8 | 64.3 | 75.0 | 65.0 | 100.0 | 53.9 | 57.1 | 73.3 | 90.9 | 69.1 | 51.4 | 88.9 | 80.0 | 50.0 | 57.9 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| Central Reservation System (CRS) | 66.7 | 21.4 | 25.0 | 25.0 | 33.3 | 23.1 | 71.4 | 13.3 | 36.4 | 21.4 | 5.4 | 33.3 | 50.0 | 33.3 | 47.4 | 36.8 | 36.8 | 36.8 | 36.8 | 36.8 |
| Electronic Keycard | 88.9 | 57.1 | 75.0 | 65.0 | 88.9 | 23.1 | 100.0 | 33.3 | 90.9 | 40.5 | 24.3 | 44.4 | 30.0 | 100.0 | 94.7 | 94.7 | 94.7 | 94.7 | 94.7 | 94.7 |
| Energy Management System | 66.7 | 14.3 | 62.5 | 35.0 | 33.3 | 7.7 | 28.6 | 13.3 | 27.3 | 16.7 | 10.8 | 55.6 | 30.0 | 33.3 | 36.8 | 36.8 | 36.8 | 36.8 | 36.8 | 36.8 |
| Internet / E-Mail | 100.0 | 92.9 | 100.0 | 95.0 | 100.0 | 100.0 | 100.0 | 93.3 | 100.0 | 100.0 | 83.7 | 100.0 | 100.0 | 100.0 | 84.2 | 84.2 | 84.2 | 84.2 | 84.2 | 84.2 |
| Intranet / Website | 100.0 | 78.6 | 100.0 | 75.0 | 100.0 | 100.0 | 100.0 | 73.3 | 90.9 | 90.5 | 78.4 | 100.0 | 100.0 | 100.0 | 84.2 | 84.2 | 84.2 | 84.2 | 84.2 | 84.2 |
| Intranet System | 66.7 | 50.0 | 87.5 | 65.0 | 55.6 | 23.1 | 85.7 | 26.7 | 63.6 | 26.2 | 16.2 | 55.6 | 70.0 | 33.3 | 68.4 | 68.4 | 68.4 | 68.4 | 68.4 | 68.4 |
| Local Area Network (LAN) | 100.0 | 92.9 | 87.5 | 85.0 | 100.0 | 100.0 | 100.0 | 53.3 | 90.9 | 71.4 | 56.8 | 88.9 | 90.0 | 83.3 | 79.0 | 79.0 | 79.0 | 79.0 | 79.0 | 79.0 |
| Management Information System | 66.7 | 42.9 | 75.0 | 55.0 | 88.9 | 84.6 | 100.0 | 33.3 | 90.9 | 59.5 | 13.5 | 77.8 | 70.0 | 83.3 | 57.9 | 57.9 | 57.9 | 57.9 | 57.9 | 57.9 |
| Point of Sale System for Food and Beverage | 77.8 | 92.9 | 100.0 | 80.0 | 100.0 | 84.6 | 100.0 | 53.3 | 100.0 | 69.1 | 32.4 | 88.9 | 90.0 | 100.0 | 68.4 | 68.4 | 68.4 | 68.4 | 68.4 | 68.4 |
| Property Management System | 88.9 | 71.4 | 100.0 | 65.0 | 88.9 | 76.9 | 85.7 | 33.3 | 81.8 | 33.3 | 13.5 | 100.0 | 70.0 | 83.3 | 52.6 | 52.6 | 52.6 | 52.6 | 52.6 | 52.6 |
| Yield Management System | 44.4 | 21.4 | 25.0 | 10.0 | 33.3 | 38.5 | 57.1 | 20.0 | 45.5 | 21.4 | 5.4 | 55.6 | 10.0 | 50.0 | 15.8 | 15.8 | 15.8 | 15.8 | 15.8 | 15.8 |
| Other | 22.2 | 14.3 | 25.0 | 15.0 | 11.1 | 7.7 | 14.3 | 0.0 | 27.3 | 7.1 | 2.7 | 11.1 | 10.0 | 16.7 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |

4. Indian Hotel Industry – Twelve Other Cities

Introduction

This section presents the operating profiles and financial data for different categories of hotels in 12 other cities. These cities are Ahmedabad, Chandigarh, Coimbatore, Kochi, Hyderabad, Jaipur, Indore, Ootacamund, Shimla, Thiruvananthapuram, Vadodara and Visakhapatnam. This section will give the reader an understanding of the markets in these cities.

Qualifying Condition

In certain cities and for certain star categories, we were unable to fulfil the minimum data requirement of a minimum of four hotels in each representation and have reflected this as 'ID' (insufficient data).

Key Trends

Highlighted below are some trends noted in the 2008/09 survey across these 12 participating cities.

- **Extended Stay Segment:** Visakhapatnam has a large proportion of long stay guests in the foreign and business guests segments. This can be attributed to the nature of the industry developing in and around the city; these are primarily steel, ship building, oil and natural gas exploration. These factors highlight potential for the extended stay segment and thus, the demand for serviced apartments in the city.
- **Hill Station Destinations:** Shimla and Ootacamund, though similar in their being hill resort destinations in close proximity to major cities, differ in their ratio of domestic to foreign guests. With a high dependence on domestic guests, Shimla is very price sensitive inhibiting the development of higher category hotels in it. Destruction of natural beauty and overpopulation of Shimla are some of the factors that are affecting the destination's performance.
- **Banquets & Conferences:** Cities such as Ahmedabad, Chandigarh, Indore and Jaipur, which have a substantial portion of revenue from Banquets & Conferences have proportionally lower F&B costs than other cities. Considering the ample demand for quality banqueting venues in the country, newer hotels should look at capitalising on this opportunity.

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

Typical Room Profile of an Average Hotel

| COMPOSITION Number of Responses | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|-------------|------------------------|--------------|-----------------------------------|-------------|-----------------------|-------------|-----------------------|-------------|----------------------|-------------|-----------------------|-------------|-----------------------|-----|-----------------------|-----|-----------------------|------|------------------------|-----|------------------------|--|
| | Three-Star & Two Star | | Four Star & Three Star | | Five Star Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Four Star & Heritage | | Three-Star & Two-Star | | Three-Star & Two-Star | | Three Star & Two Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 12 | 5 | 4 | 5 | 20 | 10 | 12 | 9 | 20 | 6 | 14 | 13 | 8 | 6 | 20 | 6 | 14 | 13 | 8 | 6 | 13 | 8 | 6 | |
| Air-Conditioned | 4.1 | 0.0 | 3.0 | 90.8 | 3.4 | 1.3 | 1.2 | 4.4 | 2.7 | 0.0 | 0.0 | 4.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.6 | 0.0 | 0.0 | |
| Double Suites | 32.9 | 8.6 | 63.8 | 87.2 | 55.4 | 36.7 | 36.4 | 43.8 | 35.0 | 4.0 | 51.2 | 44.8 | 84.8 | 4.0 | 4.8 | 0.8 | 9.8 | 5.2 | 5.2 | 44.8 | 3.8 | 8.3 | 8.3 | |
| Non-Air-Conditioned | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.2 | 0.0 | 0.0 | 0.1 | 1.5 | 0.1 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Double Suites | 1.2 | 0.0 | 0.0 | 0.0 | 10.1 | 0.6 | 0.0 | 0.6 | 3.7 | 57.2 | 23.4 | 3.0 | 1.3 | 0.0 | 0.0 | 0.0 | 3.4 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Total Average Rooms | 41.6 | 92.0 | 82.5 | 192.2 | 76.7 | 41.1 | 58.4 | 50.4 | 46.3 | 65.2 | 37.6 | 59.5 | 54.4 | 93.2 | | | | | | | | | | |

Average Number of Food & Beverage Outlets Per Hotel

| COMPOSITION Number of Responses | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|------------|------------------------|------------|-----------------------------------|------------|-----------------------|------------|-----------------------|------------|----------------------|------------|-----------------------|------------|-----------------------|-----|-----------------------|-----|-----------------------|-----|------------------------|-----|------------------------|--|
| | Three-Star & Two Star | | Four Star & Three Star | | Five Star Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Four Star & Heritage | | Three-Star & Two-Star | | Three-Star & Two-Star | | Three Star & Two Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 9 | 5 | 4 | 5 | 15 | 8 | 12 | 9 | 19 | 5 | 14 | 12 | 7 | 6 | 19 | 5 | 14 | 12 | 7 | 6 | 7 | 6 | | |
| Restaurant | 1.3 | 1.8 | 2.0 | 2.8 | 1.5 | 2.1 | 2.2 | 1.3 | 1.7 | 1.2 | 1.3 | 2.5 | 1.7 | 1.2 | 1.2 | 1.3 | 1.3 | 2.5 | 2.5 | 1.7 | 1.7 | 2.8 | | |
| Bars | 0.0 | 1.4 | 1.5 | 2.0 | 0.5 | 0.8 | 1.1 | 0.6 | 1.1 | 0.6 | 0.6 | 0.8 | 0.0 | 0.6 | 0.6 | 0.6 | 0.6 | 0.8 | 0.8 | 0.0 | 0.0 | 1.3 | | |
| Others | 0.4 | 0.6 | 2.0 | 1.0 | 1.3 | 1.1 | 0.4 | 1.1 | 1.3 | 0.8 | 0.4 | 0.6 | 1.0 | 0.8 | 0.8 | 0.4 | 0.4 | 0.6 | 1.0 | 1.0 | 1.0 | 0.5 | | |
| Total | 1.8 | 3.8 | 5.5 | 5.8 | 3.3 | 4.0 | 3.7 | 3.0 | 4.1 | 2.6 | 2.4 | 3.9 | 2.7 | 4.7 | | | | | | | | | | |

Guest Analysis

| COMPOSITION Number of Responses | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|-------------------------------------|-----------------------|--------------|------------------------|--------------|-----------------------------------|--------------|-----------------------|--------------|-----------------------|--------------|----------------------|--------------|-----------------------|--------------|-----------------------|---|-----------------------|----|-----------------------|---|------------------------|---|------------------------|--|
| | Three-Star & Two Star | | Four Star & Three Star | | Five Star Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Four Star & Heritage | | Three-Star & Two-Star | | Three-Star & Two-Star | | Three Star & Two Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 8 | 5 | 4 | 4 | 15 | 10 | 11 | 9 | 18 | 4 | 12 | 11 | 9 | 4 | 11 | 4 | 12 | 11 | 8 | 5 | 8 | 5 | | |
| Domestic Guests | 81.5% | 87.4% | 71.8% | 69.0% | 88.5% | 96.2% | 34.4% | 75.0% | 76.9% | 57.0% | 92.2% | 62.6% | 70.9% | 61.0% | | | | | | | | | | |
| Foreign Guests | 18.5 | 12.6 | 28.3 | 31.0 | 11.5 | 3.8 | 65.6 | 25.0 | 23.1 | 43.0 | 37.4 | 29.1 | 39.0 | | | | | | | | | | | |
| 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 | 100.0 | | | | | | | | | | |
| Total business | 70.2 | 78.8 | 84.3 | 85.6 | 67.3 | 80.6 | 25.8 | 47.1 | 52.8 | 24.0 | 12.8 | 34.8 | 74.1 | 68.3 | | | | | | | | | | |
| Total leisure | 29.8 | 21.3 | 15.8 | 14.4 | 32.7 | 19.5 | 74.2 | 52.9 | 47.2 | 76.0 | 87.3 | 65.3 | 25.9 | 31.7 | | | | | | | | | | |
| 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 | 100.0 | | | | | | | | | | |
| Avg. Stay of Foreign Guests (Days) | 3.0 | 1.2 | 5.5 | 2.3 | 3.0 | 2.0 | 2.0 | 5.5 | 3.0 | 2.0 | 2.1 | 3.3 | 4.2 | 4.7 | | | | | | | | | | |
| Avg. Stay of Domestic Guests (Days) | 2.7 | 1.5 | 2.5 | 1.4 | 2.8 | 2.4 | 2.3 | 1.7 | 3.1 | 2.4 | 1.9 | 2.0 | 1.9 | 2.7 | | | | | | | | | | |
| Avg. Stay of Business Guests (Days) | 3.3 | 1.3 | 2.5 | 1.5 | 2.1 | 3.7 | 2.3 | 1.9 | 2.7 | 1.8 | 1.7 | 1.6 | 2.5 | 6.0 | | | | | | | | | | |
| Avg. Stay of Leisure Guests (Days) | 1.7 | 1.2 | 1.0 | 2.3 | 2.8 | 1.9 | 2.0 | 1.8 | 2.2 | 2.8 | 2.1 | 5.0 | 2.1 | 3.3 | | | | | | | | | | |
| Percentage of Repeat Guests | 54.3 | 51.0 | 47.3 | 53.3 | 49.8 | 71.7 | 23.6 | 37.2 | 34.3 | 22.3 | 16.6 | 33.8 | 54.6 | 72.5 | | | | | | | | | | |

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

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

| COMPOSITION | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|--------------------------------------|-----------------------|--------------|--------------|------------------------|-----------------------------------|-----------------------|-------------|-------------|-----------------------|-------------|-------------|-----------------------|-----------------------|-----------------------|------------|-----------------------|------------|-----------------------|--------------|-----------------------|------------|------------|------------------------|------------------------|
| | Three Star & Two Star | Four Star | Three Star | Four Star & Three Star | Five Star Deluxe, 5 Star & 4 Star | Three Star & Two Star | Five Star | Three Star | Three Star & Two Star | Three Star | Four Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star | Four Star & Three Star | Four Star & Three Star |
| Number of Responses | 11 | 4 | 4 | 4 | 5 | 15 | 10 | 12 | 9 | 16 | 6 | 14 | 12 | 8 | 6 | | | | | | | | | |
| Managers | 5.2 | 6.0 | 13.5 | 43.2 | 7.5 | 10.1 | 11.3 | 6.2 | 7.6 | 4.5 | 2.1 | 8.5 | 6.6 | 14.8 | | | | | | | | | | |
| Female | 0.9 | 1.3 | 1.8 | 10.2 | 0.8 | 1.5 | 0.8 | 0.2 | 1.2 | 0.7 | 0.4 | 1.0 | 0.5 | 0.7 | | | | | | | | | | |
| Supervisors | 5.9 | 11.0 | 26.3 | 30.0 | 22.5 | 12.4 | 17.5 | 6.9 | 9.1 | 6.5 | 2.2 | 9.7 | 11.1 | 15.8 | | | | | | | | | | |
| Female | 1.1 | 3.0 | 1.0 | 2.4 | 4.2 | 1.8 | 1.7 | 0.7 | 1.8 | 1.3 | 0.2 | 2.8 | 1.9 | 4.0 | | | | | | | | | | |
| Staff | 71.4 | 155.3 | 134.0 | 166.0 | 71.5 | 85.1 | 64.5 | 46.4 | 53.1 | 45.3 | 25.2 | 62.6 | 74.5 | 172.3 | | | | | | | | | | |
| Female | 3.7 | 13.5 | 20.8 | 17.0 | 8.9 | 1.3 | 3.1 | 1.6 | 10.4 | 10.7 | 0.7 | 15.7 | 2.1 | 21.5 | | | | | | | | | | |
| Total | 88.2 | 190.0 | 197.3 | 268.8 | 115.3 | 112.2 | 98.8 | 62.0 | 83.1 | 69.0 | 30.9 | 100.3 | 96.8 | 229.2 | | | | | | | | | | |
| Average Number of Employees per Room | 2.2 | 2.3 | 2.3 | 1.5 | 1.5 | 2.8 | 1.6 | 1.3 | 2.0 | 1.3 | 0.9 | 2.0 | 1.7 | 2.8 | | | | | | | | | | |

Average Percentage of Trained Employees Per Hotel

| COMPOSITION | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|---------------------------------|-----------------------|-----------|------------|------------------------|-----------------------------------|-----------------------|------------|-----------------------|------------|-----------|-----------------------|-----------------------|-----------------------|------------|-----------------------|------------|-----------------------|------------|-----------------------|------------|------------|------------------------|------------------------|--|
| | Three Star & Two Star | Four Star | Three Star | Four Star & Three Star | Five Star Deluxe, 5 Star & 4 Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Four Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star & Two Star | Three Star | Three Star | Four Star & Three Star | Four Star & Three Star | |
| Number of Responses | 5 | 4 | 4 | 4 | 5 | 10 | 7 | 10 | 7 | 16 | 3 | 6 | 11 | 5 | | | | | | | | | | |
| Managers | 90.5% | 100.0% | 87.5% | 100.0% | 100.0% | 89.6% | 67.9% | 97.3% | 100.0% | 82.5% | 66.7% | 91.1% | 74.1% | 82.9% | | | | | | | | | | |
| Supervisors | 72.0 | 80.8 | 72.6 | 94.4 | 68.3 | 53.1 | 100.0 | 91.4 | 88.0 | 69.4 | 91.7 | 65.8 | 79.1 | 78.5 | | | | | | | | | | |
| Staff | 50.2 | 49.5 | 69.7 | 79.1 | 66.2 | 35.2 | 86.1 | 77.2 | 73.6 | 73.2 | 74.6 | 62.9 | 71.5 | 53.5 | | | | | | | | | | |
| Total Avg. Trained Employees* | 71.0 | 76.8 | 76.6 | 91.1 | 74.7 | 52.1 | 94.5 | 89.5 | 81.4 | 69.8 | 85.8 | 67.6 | 77.8 | 70.0 | | | | | | | | | | |
| Total Avg. Un-Trained Employees | 29.0 | 23.2 | 23.4 | 8.9 | 25.3 | 48.0 | 5.5 | 10.5 | 18.6 | 30.2 | 14.2 | 32.4 | 22.2 | 30.0 | | | | | | | | | | |

* 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 4-3: Indian Hotel Industry – Twelve Other Cities: Financial Report – Percentage of Revenue (2008/09)

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodra | | Vizag | |
|-----------------------------------|-----------------------|-----------|------------|------------------------|------------|----------|-----------------------|------------|-----------|----------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|
| | Three-Star & Two Star | Four Star | Three Star | Four Star & Three Star | Five Star | Star & 4 | Three Star & Two Star | Three Star | Four Star | Heritage | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Three-Star & Two-Star | Four-Star & Three-Star | Four-Star & Three-Star | Four-Star & Three-Star | Four-Star & Three-Star |
| Number of Responses | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 9 | 9 | 6 | 6 | 9 | 9 | 4 | 4 | 7 | 6 | 6 | 7 | 4 | 4 | 4 | 4 | 4 |
| Average Total Rooms Per Hotel: | 52 | 108 | 83 | 168 | 188 | 84 | 84 | 41 | 74 | 74 | 50 | 56 | 56 | 72 | 42 | 67 | 42 | 67 | 67 | 58 | 58 | 58 | 58 | 58 |
| Average Occupied Rooms Per Hotel: | 9,635 | 26,654 | 22,085 | 33,699 | 33,699 | 19,243 | 19,243 | 9,833 | 15,618 | 11,829 | 11,829 | 12,926 | 12,926 | 13,420 | 7,832 | 14,922 | 7,832 | 14,922 | 14,922 | 16,065 | 16,065 | 16,065 | 16,065 | 16,065 |
| Average Occupancy Per Hotel: | 57.5% | 83.2% | 73.8% | 55.4% | 55.4% | 65.6% | 65.6% | 70.3% | 57.4% | 64.6% | 64.6% | 69.6% | 69.6% | 58.1% | 52.7% | 58.1% | 52.7% | 58.1% | 58.1% | 77.9% | 77.9% | 77.9% | 77.9% | 77.9% |
| Average Rate Per Hotel: | Rs2,514 | Rs2,673 | Rs3,429 | Rs6,707 | Rs6,707 | Rs2,115 | Rs2,115 | Rs1,554 | Rs7,792 | Rs1,793 | Rs1,793 | Rs1,798 | Rs1,798 | Rs2,069 | Rs1,459 | Rs1,459 | Rs1,459 | Rs1,459 | Rs1,459 | Rs2,779 | Rs2,779 | Rs2,779 | Rs2,779 | Rs2,779 |
| REVENUE | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | 68.9% | 53.7% | 49.2% | 55.1% | 55.1% | 71.2% | 71.2% | 41.0% | 59.9% | 64.4% | 64.4% | 40.9% | 40.9% | 67.1% | 57.7% | 52.0% | 57.7% | 52.0% | 52.0% | 54.9% | 54.9% | 54.9% | 54.9% | 54.9% |
| Food & Beverage | 14.8 | 16.6 | 33.4 | 22.8 | 22.8 | 23.9 | 23.9 | 43.6 | 23.8 | 27.8 | 27.8 | 46.8 | 46.8 | 26.2 | 32.5 | 37.5 | 32.5 | 37.5 | 37.5 | 34.0 | 34.0 | 34.0 | 34.0 | 34.0 |
| Banquet & Conferences | 14.2 | 24.5 | 8.8 | 19.4 | 19.4 | 2.1 | 11.3 | 10.7 | 10.7 | 5.9 | 5.9 | 10.1 | 10.1 | 1.7 | 6.0 | 5.4 | 6.0 | 5.4 | 5.4 | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 |
| Telephone & Other | 0.2 | 0.3 | 3.6 | 0.5 | 0.4 | 0.4 | 0.1 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 | 0.2 | 0.0 | 0.4 | 0.2 | 0.0 | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Minor Operated* | 0.0 | 0.0 | 1.8 | 0.5 | 0.5 | 1.7 | 0.1 | 1.1 | 1.1 | 0.8 | 0.8 | 1.3 | 1.3 | 3.1 | 0.3 | 0.6 | 0.3 | 0.6 | 0.6 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Rental & Other Income | 1.9 | 4.9 | 3.2 | 1.8 | 1.8 | 0.8 | 3.8 | 3.8 | 4.4 | 0.7 | 0.7 | 0.7 | 0.7 | 1.7 | 3.4 | 4.1 | 3.4 | 4.1 | 4.1 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| 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 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | 31.8 | 8.5 | 12.6 | 13.2 | 13.2 | 12.3 | 32.0 | 32.0 | 32.8 | 18.5 | 18.5 | 17.7 | 17.7 | 34.6 | 21.2 | 20.6 | 21.2 | 20.6 | 20.6 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 |
| Food & Beverage | 69.4 | 40.2 | 28.9 | 46.9 | 46.9 | 82.1 | 68.0 | 68.0 | 44.4 | 68.6 | 68.6 | 60.1 | 60.1 | 73.6 | 45.1 | 59.9 | 45.1 | 59.9 | 59.9 | 30.3 | 30.3 | 30.3 | 30.3 | 30.3 |
| Telephone & Other | 443.1 | 163.9 | 12.7 | 84.5 | 84.5 | 187.4 | 852.0 | 852.0 | 138.8 | 342.0 | 342.0 | 213.6 | 213.6 | 84.7 | 0.0 | 60.5 | 84.7 | 0.0 | 60.5 | 206.9 | 206.9 | 206.9 | 206.9 | 206.9 |
| Minor Operated* | 0.0 | 0.0 | 90.1 | 991.2 | 991.2 | 77.9 | 587.6 | 587.6 | 59.1 | 142.8 | 142.8 | 82.9 | 82.9 | 44.6 | 150.0 | 23.2 | 150.0 | 23.2 | 23.2 | 382.0 | 382.0 | 382.0 | 382.0 | 382.0 |
| Rental & Other Income | 75.4 | 5.8 | 0.1 | 20.2 | 20.2 | 0.0 | 0.0 | 0.0 | 14.5 | 28.3 | 28.3 | 254.9 | 254.9 | 0.0 | 0.0 | 2.2 | 0.0 | 0.0 | 2.2 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Total | 31.8 | 38.9 | 20.5 | 32.5 | 32.5 | 32.0 | 52.3 | 52.3 | 36.5 | 37.7 | 37.7 | 44.7 | 44.7 | 45.3 | 30.2 | 36.8 | 30.2 | 36.8 | 36.8 | 19.4 | 19.4 | 19.4 | 19.4 | 19.4 |
| DEPARTMENTAL INCOME | | | | | | | | | | | | | | | | | | | | | | | | |
| OPERATING EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Administrative & General | 2.9 | 6.5 | 4.5 | 7.0 | 7.0 | 6.1 | 3.3 | 3.3 | 16.0 | 7.4 | 7.4 | 6.4 | 6.4 | 8.2 | 18.2 | 10.3 | 18.2 | 10.3 | 10.3 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 |
| Management Fee | 0.9 | 0.0 | 0.6 | 5.6 | 5.6 | 1.6 | 1.3 | 1.3 | 4.9 | 0.9 | 0.9 | 1.9 | 1.9 | 4.3 | 0.4 | 1.1 | 4.3 | 0.4 | 1.1 | 3.6 | 3.6 | 3.6 | 3.6 | 3.6 |
| Marketing | 2.6 | 1.2 | 0.6 | 2.9 | 2.9 | 1.5 | 1.1 | 1.1 | 2.3 | 2.4 | 2.4 | 1.6 | 1.6 | 1.9 | 2.0 | 3.4 | 1.9 | 2.0 | 3.4 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 |
| Franchise Fees | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.5 | 0.1 | 0.1 | 0.3 | 1.4 | 1.4 | 0.1 | 0.1 | 0.4 | 0.8 | 2.2 | 0.4 | 0.8 | 2.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Property Operations & Maintenance | 11.9 | 3.2 | 3.3 | 3.0 | 3.0 | 8.7 | 3.9 | 3.9 | 1.9 | 5.5 | 5.5 | 4.6 | 4.6 | 9.0 | 6.9 | 9.0 | 6.9 | 9.0 | 9.0 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 |
| Energy | 6.7 | 5.7 | 5.1 | 6.5 | 6.5 | 9.4 | 10.6 | 10.6 | 8.8 | 9.4 | 9.4 | 10.5 | 10.5 | 13.1 | 8.7 | 11.9 | 13.1 | 8.7 | 11.9 | 5.6 | 5.6 | 5.6 | 5.6 | 5.6 |
| Total | 24.0 | 16.4 | 14.1 | 25.0 | 25.0 | 27.8 | 20.2 | 20.2 | 34.1 | 26.9 | 26.9 | 25.1 | 25.1 | 36.8 | 37.1 | 37.9 | 36.8 | 37.1 | 37.9 | 22.1 | 22.1 | 22.1 | 22.1 | 22.1 |
| HOUSE PROFIT | 44.2 | 44.7 | 65.5 | 42.5 | 42.5 | 40.2 | 27.5 | 27.5 | 29.4 | 35.4 | 35.4 | 30.3 | 30.3 | 17.9 | 32.7 | 25.2 | 17.9 | 32.7 | 25.2 | 58.5 | 58.5 | 58.5 | 58.5 | 58.5 |
| FIXED EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Property Taxes | 1.5 | 0.1 | 0.2 | 0.7 | 0.7 | 0.8 | 0.9 | 0.9 | 0.8 | 0.4 | 0.4 | 0.4 | 0.4 | 1.6 | 0.6 | 1.0 | 1.6 | 0.6 | 1.0 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| Insurance | 0.2 | 0.0 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 | 0.2 | 0.4 | 0.6 | 1.6 | 0.4 | 0.6 | 1.6 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Other Fixed Charges | 0.5 | 3.8 | 0.2 | 3.1 | 3.1 | 2.3 | 0.4 | 0.4 | 0.2 | 0.4 | 0.2 | 1.8 | 1.8 | 0.0 | 0.8 | 2.9 | 0.0 | 0.8 | 2.9 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 |
| Rent | 0.1 | 0.2 | 0.4 | 0.6 | 0.6 | 2.4 | 0.2 | 0.2 | 0.5 | 2.9 | 2.9 | 0.9 | 0.9 | 0.0 | 0.1 | 0.0 | 0.0 | 0.1 | 0.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total | 2.4 | 4.1 | 1.0 | 4.6 | 4.6 | 5.7 | 1.9 | 1.9 | 4.1 | 4.1 | 4.1 | 3.3 | 3.3 | 2.0 | 2.1 | 5.4 | 2.0 | 2.1 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 |
| NET INCOME** | 41.8% | 40.6% | 64.1% | 37.9% | 37.9% | 34.5% | 25.6% | 25.6% | 27.6% | 31.3% | 31.3% | 27.0% | 27.0% | 15.9% | 30.7% | 19.9% | 15.9% | 30.7% | 19.9% | 53.1% | 53.1% | 53.1% | 53.1% | 53.1% |

* 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 – Amount Per Available Room (2008/09)

| COMPOSITION Number of Responses | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|-----------|------------------------|-------------|------------------------|-----------|-------------------------|-----------|-----------------------|-------------|--------------------|-----------|-----------------------|-----------|-----------------------|-----------|-----------------------|-----------|-----------------------|-----------|------------------------|-----------|------------------------|-----------|
| | Three-Star & Two Star | | Four Star & Three Star | | Four Star & Three Star | | Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Five Star Heritage | | Two-Star & Three-Star | | Three-Star & Two-Star | | Three-Star & Two-Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 9 | 6 | 9 | 9 | 6 | 4 | 4 | 6 | 6 | 7 | 7 | 4 | 4 | 4 | 4 |
| Average Total Rooms Per Hotel: | 52 | 108 | 83 | 168 | 84 | 41 | 74 | 84 | 41 | 74 | 50 | 56 | 72 | 42 | 72 | 42 | 42 | 67 | 67 | 58 | 58 | 58 | 58 | 58 |
| Average Occupied Rooms Per Hotel: | 9,635 | 26,654 | 22,085 | 33,699 | 19,243 | 9,833 | 15,618 | 11,829 | 9,833 | 15,618 | 11,829 | 12,926 | 13,420 | 7,832 | 13,420 | 7,832 | 14,922 | 14,922 | 14,922 | 16,065 | 16,065 | 16,065 | 16,065 | 16,065 |
| Average Occupancy Per Hotel: | 57.5% | 83.2% | 73.8% | 55.4% | 65.6% | 70.3% | 57.4% | 64.6% | 70.3% | 57.4% | 64.6% | 69.6% | 58.1% | 52.7% | 58.1% | 52.7% | 58.7% | 58.7% | 58.7% | 58.7% | 58.7% | 58.7% | 58.7% | 58.7% |
| Average Rate Per Hotel: | Rs2,514 | Rs2,673 | Rs3,429 | Rs6,707 | Rs2,115 | Rs1,554 | Rs7,792 | Rs1,793 | Rs1,554 | Rs7,792 | Rs1,793 | Rs1,798 | Rs2,069 | Rs1,459 | Rs2,069 | Rs1,459 | Rs1,459 | Rs1,459 | Rs1,459 | Rs1,459 | Rs2,779 | Rs2,779 | Rs2,779 | Rs2,779 |
| REVENUE | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | Rs468,048 | Rs662,644 | Rs917,888 | Rs1,343,270 | Rs4,856 | 369,726 | Rs1,604,220 | Rs420,489 | 369,726 | Rs1,604,220 | Rs420,489 | Rs415,099 | Rs384,265 | Rs272,000 | Rs384,265 | Rs272,000 | Rs326,257 | Rs326,257 | Rs326,257 | Rs326,257 | Rs769,695 | Rs769,695 | Rs769,695 | Rs769,695 |
| Food & Beverage | 100,516 | 205,521 | 623,473 | 556,325 | 162,962 | 393,494 | 637,098 | 181,755 | 393,494 | 637,098 | 181,755 | 475,545 | 149,972 | 153,127 | 149,972 | 153,127 | 235,211 | 235,211 | 235,211 | 235,211 | 476,445 | 476,445 | 476,445 | 476,445 |
| Banquet & Conferences | 96,705 | 302,267 | 164,291 | 472,606 | 14,088 | 102,355 | 285,049 | 38,801 | 102,355 | 285,049 | 38,801 | 102,827 | 9,689 | 28,175 | 9,689 | 28,175 | 33,691 | 33,691 | 33,691 | 33,691 | 69,207 | 69,207 | 69,207 | 69,207 |
| Telephone & Other | 1,032 | 4,167 | 67,173 | 12,192 | 2,418 | 1,196 | 4,212 | 2,321 | 1,196 | 4,212 | 2,321 | 2,363 | 1,143 | 0 | 1,143 | 0 | 2,697 | 2,697 | 2,697 | 2,697 | 7,181 | 7,181 | 7,181 | 7,181 |
| Minor Operated* | 0 | 34,258 | 11,539 | 11,539 | 11,322 | 1,075 | 29,258 | 5,515 | 1,075 | 29,258 | 5,515 | 12,643 | 17,834 | 1,587 | 17,834 | 1,587 | 3,711 | 3,711 | 3,711 | 3,711 | 3,216 | 3,216 | 3,216 | 3,216 |
| Rental & Other Income | 13,132 | 60,202 | 59,206 | 44,340 | 5,650 | 34,640 | 117,638 | 4,280 | 34,640 | 117,638 | 4,280 | 6,593 | 9,543 | 16,186 | 9,543 | 16,186 | 25,826 | 25,826 | 25,826 | 25,826 | 77,295 | 77,295 | 77,295 | 77,295 |
| Total | 679,432 | 1,234,800 | 1,866,290 | 2,440,270 | 682,071 | 902,487 | 2,677,470 | 653,160 | 902,487 | 2,677,470 | 653,160 | 1,014,980 | 572,446 | 471,075 | 572,446 | 471,075 | 627,394 | 627,394 | 627,394 | 627,394 | 1,403,040 | 1,403,040 | 1,403,040 | 1,403,040 |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | 64,614 | 56,186 | 115,180 | 177,042 | 59,739 | 118,198 | 526,847 | 77,879 | 118,198 | 526,847 | 77,879 | 73,294 | 132,938 | 57,564 | 132,938 | 57,564 | 67,126 | 67,126 | 67,126 | 67,126 | 79,304 | 79,304 | 79,304 | 79,304 |
| Food & Beverage | 136,919 | 204,079 | 227,359 | 482,048 | 145,270 | 337,366 | 409,236 | 151,293 | 337,366 | 409,236 | 151,293 | 347,561 | 117,517 | 81,691 | 117,517 | 81,691 | 160,944 | 160,944 | 160,944 | 160,944 | 165,424 | 165,424 | 165,424 | 165,424 |
| Telephone & Other | 4,570 | 6,830 | 8,552 | 10,296 | 4,551 | 10,192 | 5,846 | 7,938 | 10,192 | 5,846 | 7,938 | 5,048 | 969 | 786 | 969 | 786 | 1,631 | 1,631 | 1,631 | 1,631 | 14,858 | 14,858 | 14,858 | 14,858 |
| Minor Operated* | 290 | 209,079 | 30,852 | 114,379 | 8,820 | 6,318 | 17,289 | 7,878 | 6,318 | 17,289 | 7,878 | 10,484 | 7,945 | 2,381 | 7,945 | 2,381 | 862 | 862 | 862 | 862 | 12,285 | 12,285 | 12,285 | 12,285 |
| Rental & Other Income | 9,897 | 3,488 | 45 | 8,936 | 0 | 17,079 | 0 | 17,079 | 0 | 17,079 | 1,212 | 16,808 | 0 | 0 | 0 | 0 | 561 | 561 | 561 | 561 | 582 | 582 | 582 | 582 |
| Total | 216,290 | 479,663 | 381,987 | 792,700 | 218,360 | 472,073 | 976,296 | 246,199 | 472,073 | 976,296 | 246,199 | 463,194 | 259,368 | 142,421 | 259,368 | 142,421 | 231,124 | 231,124 | 231,124 | 231,124 | 272,452 | 272,452 | 272,452 | 272,452 |
| DEPARTMENTAL INCOME | 463,142 | 755,140 | 1,484,300 | 1,647,570 | 463,712 | 430,414 | 1,701,170 | 406,961 | 430,414 | 1,701,170 | 406,961 | 561,786 | 313,078 | 328,655 | 313,078 | 328,655 | 396,270 | 396,270 | 396,270 | 396,270 | 1,130,590 | 1,130,590 | 1,130,590 | 1,130,590 |
| OPERATING EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Administrative & General | 19,976 | 79,735 | 83,615 | 170,887 | 41,674 | 29,290 | 427,480 | 48,061 | 29,290 | 427,480 | 48,061 | 64,551 | 46,727 | 85,945 | 46,727 | 85,945 | 64,858 | 64,858 | 64,858 | 64,858 | 80,685 | 80,685 | 80,685 | 80,685 |
| Management Fee | 5,773 | 33 | 10,606 | 135,575 | 10,627 | 11,399 | 130,399 | 5,573 | 11,399 | 130,399 | 5,573 | 19,359 | 24,308 | 1,865 | 24,308 | 1,865 | 6,913 | 6,913 | 6,913 | 6,913 | 50,060 | 50,060 | 50,060 | 50,060 |
| Marketing | 10,763 | 14,302 | 10,512 | 69,918 | 10,498 | 10,259 | 62,605 | 15,467 | 10,259 | 62,605 | 15,467 | 16,603 | 10,796 | 9,305 | 10,796 | 9,305 | 21,312 | 21,312 | 21,312 | 21,312 | 18,349 | 18,349 | 18,349 | 18,349 |
| Franchise Fees | 0 | 0 | 30 | 2,340 | 3,578 | 806 | 8,153 | 8,865 | 806 | 8,153 | 8,865 | 1,389 | 2,114 | 3,968 | 1,389 | 3,968 | 13,720 | 13,720 | 13,720 | 13,720 | 797 | 797 | 797 | 797 |
| Property Operations & Maintenance | 81,005 | 38,886 | 62,055 | 72,536 | 59,282 | 35,197 | 49,787 | 36,190 | 35,197 | 49,787 | 36,190 | 46,556 | 51,730 | 32,357 | 51,730 | 32,357 | 56,253 | 56,253 | 56,253 | 56,253 | 81,271 | 81,271 | 81,271 | 81,271 |
| Energy | 45,420 | 70,019 | 95,302 | 158,707 | 64,143 | 95,500 | 234,755 | 61,677 | 95,500 | 234,755 | 61,677 | 106,159 | 74,966 | 41,071 | 74,966 | 41,071 | 74,814 | 74,814 | 74,814 | 74,814 | 78,372 | 78,372 | 78,372 | 78,372 |
| Total | 162,937 | 202,974 | 262,120 | 609,964 | 189,802 | 182,450 | 913,179 | 175,892 | 182,450 | 913,179 | 175,892 | 254,617 | 210,641 | 174,512 | 210,641 | 174,512 | 237,869 | 237,869 | 237,869 | 237,869 | 309,534 | 309,534 | 309,534 | 309,534 |
| HOUSE PROFIT | 300,205 | 552,165 | 1,222,180 | 1,037,600 | 273,910 | 247,963 | 787,995 | 231,129 | 247,963 | 787,995 | 231,129 | 307,169 | 102,437 | 154,143 | 102,437 | 154,143 | 158,400 | 158,400 | 158,400 | 158,400 | 821,052 | 821,052 | 821,052 | 821,052 |
| FIXED EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Property Taxes | 10,478 | 1,430 | 4,264 | 17,431 | 5,759 | 8,079 | 21,422 | 2,758 | 8,079 | 21,422 | 2,758 | 3,770 | 8,985 | 2,778 | 8,985 | 2,778 | 6,110 | 6,110 | 6,110 | 6,110 | 9,927 | 9,927 | 9,927 | 9,927 |
| Insurance | 1,623 | 537 | 3,606 | 5,817 | 1,575 | 3,675 | 10,126 | 2,035 | 3,675 | 10,126 | 2,035 | 2,304 | 2,264 | 2,679 | 2,264 | 2,679 | 9,954 | 9,954 | 9,954 | 9,954 | 3,922 | 3,922 | 3,922 | 3,922 |
| Other Fixed Charges | 3,623 | 47,056 | 2,727 | 73,037 | 15,523 | 3,666 | 4,371 | 2,577 | 3,666 | 4,371 | 2,577 | 18,341 | 0 | 3,857 | 0 | 3,857 | 18,020 | 18,020 | 18,020 | 18,020 | 33,536 | 33,536 | 33,536 | 33,536 |
| Rent | 415 | 1,916 | 7,576 | 14,896 | 16,186 | 1,559 | 13,938 | 19,231 | 1,559 | 13,938 | 19,231 | 8,663 | 0 | 445 | 0 | 445 | 0 | 0 | 0 | 0 | 28,254 | 28,254 | 28,254 | 28,254 |
| Total | 16,410 | 50,940 | 18,173 | 113,181 | 39,043 | 16,969 | 49,857 | 26,601 | 16,969 | 49,857 | 26,601 | 33,077 | 11,249 | 9,758 | 11,249 | 9,758 | 34,084 | 34,084 | 34,084 | 34,084 | 75,640 | 75,640 | 75,640 | 75,640 |
| NET INCOME** | Rs284,065 | Rs501,226 | Rs1,204,010 | Rs924,424 | Rs234,867 | Rs230,994 | Rs738,138 | Rs204,528 | Rs230,994 | Rs738,138 | Rs204,528 | Rs274,091 | Rs91,189 | Rs144,385 | Rs91,189 | Rs144,385 | Rs124,316 | Rs124,316 | Rs124,316 | Rs124,316 | Rs745,412 | Rs745,412 | Rs745,412 | Rs745,412 |

* 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 – Amount Per Occupied Room (2008/09)

| COMPOSITION Number of Responses | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Three Star & Two Star | Four Star & Three Star | Three Star & Two Star | Four Star & Three Star | Three Star & Two Star | Four Star & Three Star | Three Star & Two Star | Four Star & Three Star | Three Star & Two Star | Four Star & Three Star | Heritage & Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star |
| Average Total Rooms Per Hotel: | 52 | 108 | 83 | 168 | 84 | 41 | 74 | 50 | 56 | 72 | 42 | 67 | 58 | 0 | | | | | | | | | | |
| Average Occupied Rooms Per Hotel: | 9,635 | 26,654 | 22,085 | 33,699 | 19,243 | 9,833 | 15,618 | 11,829 | 12,926 | 13,420 | 7,832 | 14,922 | 16,065 | 0 | | | | | | | | | | |
| Average Occupancy Per Hotel: | 57.5% | 83.2% | 73.8% | 55.4% | 65.6% | 70.3% | 57.4% | 64.6% | 69.6% | 58.1% | 52.7% | 58.7% | 77.9% | 0.0% | | | | | | | | | | |
| Average Rate Per Hotel: | Rs2,514 | Rs2,673 | Rs3,429 | Rs6,707 | Rs2,115 | Rs1,554 | Rs7,792 | Rs1,793 | Rs1,798 | Rs2,069 | Rs1,459 | Rs1,459 | Rs2,779 | Rs0 | | | | | | | | | | |
| REVENUE | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | Rs2,514 | Rs2,673 | Rs3,429 | Rs6,707 | Rs2,115 | Rs1,554 | Rs7,792 | Rs1,793 | Rs1,798 | Rs2,069 | Rs1,459 | Rs1,459 | Rs2,779 | | | | | | | | | | | |
| Food & Beverage | 540 | 829 | 2,329 | 2,778 | 710 | 1,654 | 3,094 | 775 | 2,060 | 807 | 821 | 1,052 | 1,721 | | | | | | | | | | | |
| Banquet & Conferences | 519 | 1,219 | 614 | 2,360 | 61 | 430 | 1,385 | 165 | 445 | 52 | 151 | 151 | 250 | | | | | | | | | | | |
| Telephone & Other | 6 | 17 | 251 | 61 | 11 | 5 | 10 | 10 | 10 | 6 | 0 | 12 | 26 | | | | | | | | | | | |
| Minor Operated* | 0 | 0 | 128 | 58 | 49 | 5 | 142 | 24 | 55 | 96 | 9 | 17 | 12 | | | | | | | | | | | |
| Rental & Other Income | 71 | 243 | 221 | 221 | 25 | 146 | 571 | 18 | 29 | 51 | 87 | 115 | 279 | | | | | | | | | | | |
| Total | 3,649 | 4,980 | 6,972 | 12,184 | 2,970 | 3,793 | 13,005 | 2,785 | 4,397 | 3,082 | 2,526 | 2,805 | 5,067 | | | | | | | | | | | |
| DEPARTMENTAL EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Rooms | 347 | 227 | 430 | 884 | 260 | 470 | 2,559 | 332 | 318 | 716 | 309 | 300 | 286 | | | | | | | | | | | |
| Food & Beverage | 735 | 823 | 849 | 2,407 | 633 | 1,418 | 1,988 | 645 | 1,506 | 633 | 438 | 720 | 597 | | | | | | | | | | | |
| Telephone & Other | 25 | 28 | 32 | 51 | 20 | 43 | 28 | 34 | 22 | 5 | 4 | 7 | 54 | | | | | | | | | | | |
| Minor Operated* | 2 | 843 | 115 | 571 | 38 | 27 | 84 | 34 | 45 | 43 | 13 | 4 | 44 | | | | | | | | | | | |
| Rental & Other Income | 53 | 14 | 0 | 45 | 0 | 0 | 83 | 5 | 73 | 0 | 0 | 3 | 2 | | | | | | | | | | | |
| Total | 1,162 | 1,935 | 1,427 | 3,958 | 951 | 1,984 | 4,742 | 1,050 | 1,963 | 1,396 | 764 | 1,033 | 984 | | | | | | | | | | | |
| DEPARTMENTAL INCOME | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 2,488 | 3,046 | 5,545 | 8,226 | 2,019 | 1,809 | 8,263 | 1,735 | 2,434 | 1,686 | 1,762 | 1,772 | 4,083 | | | | | | | | | | | |
| OPERATING EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Administrative & General | 107 | 322 | 312 | 853 | 181 | 123 | 2,076 | 205 | 280 | 252 | 461 | 290 | 291 | | | | | | | | | | | |
| Management Fee | 31 | 0 | 40 | 677 | 46 | 48 | 633 | 24 | 84 | 131 | 10 | 31 | 181 | | | | | | | | | | | |
| Marketing | 58 | 58 | 39 | 349 | 46 | 43 | 304 | 66 | 72 | 58 | 50 | 95 | 66 | | | | | | | | | | | |
| Franchise Fees | 0 | 0 | 0 | 12 | 16 | 3 | 40 | 38 | 6 | 11 | 21 | 61 | 3 | | | | | | | | | | | |
| Property Operations & Maintenance | 435 | 157 | 232 | 362 | 258 | 148 | 242 | 154 | 202 | 279 | 174 | 251 | 293 | | | | | | | | | | | |
| Energy | 244 | 282 | 356 | 792 | 279 | 401 | 1,140 | 263 | 460 | 404 | 220 | 334 | 283 | | | | | | | | | | | |
| Total | 875 | 819 | 979 | 3,045 | 827 | 767 | 4,435 | 750 | 1,103 | 1,134 | 936 | 1,063 | 1,118 | | | | | | | | | | | |
| HOUSE PROFIT | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 1,612 | 2,227 | 4,566 | 5,181 | 1,193 | 1,042 | 3,827 | 986 | 1,331 | 552 | 827 | 708 | 2,965 | | | | | | | | | | | |
| FIXED EXPENSES | | | | | | | | | | | | | | | | | | | | | | | | |
| Property Taxes | 56 | 6 | 16 | 87 | 25 | 34 | 104 | 12 | 16 | 48 | 15 | 27 | 36 | | | | | | | | | | | |
| Insurance | 9 | 2 | 13 | 29 | 7 | 15 | 49 | 9 | 10 | 12 | 14 | 45 | 14 | | | | | | | | | | | |
| Other Fixed Charges | 19 | 190 | 10 | 375 | 68 | 15 | 21 | 11 | 79 | 0 | 21 | 81 | 121 | | | | | | | | | | | |
| Rent | 2 | 8 | 28 | 74 | 70 | 7 | 68 | 82 | 38 | 0 | 2 | 0 | 102 | | | | | | | | | | | |
| Total | 87 | 205 | 68 | 565 | 170 | 71 | 242 | 113 | 143 | 61 | 52 | 152 | 273 | | | | | | | | | | | |
| NET INCOME** | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | Rs1,526 | Rs2,022 | Rs4,498 | Rs4,615 | Rs1,023 | Rs971 | Rs3,585 | Rs872 | Rs1,187 | Rs491 | Rs774 | Rs556 | Rs2,692 | | | | | | | | | | | |

* 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

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|--|-----------------------|-------|------------------------|-------|-------------------------------------|-------|-----------------------|-------|-----------------------|-------|--|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|------------------------|-------|------------------------|--|
| | Three Star & Two Star | | Four Star & Three Star | | Five Star & Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Five Star & Deluxe, Four Star & Heritage | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Four Star & Three Star | | Four Star & Three Star | |
| | 5 | 2 | 4 | 10 | 4 | 10 | 10 | 10 | 10 | 10 | 9 | 7 | 13 | 4 | 4 | 10 | 11 | 8 | 5 | | | | | |
| Number of Responses | 4.0% | 0.0% | 1.0% | 0.6% | 6.5% | 0.6% | 0.5% | 0.5% | 0.9% | 1.6% | 1.6% | 0.5% | 0.0% | 0.0% | 0.2% | 3.7% | 1.3% | 0.0% | 0.0% | 0.0% | 3.7% | 1.3% | 0.0% | |
| Airline Crew | 43.6 | 65.0 | 40.0 | 50.4 | 43.0 | 65.0 | 65.0 | 65.0 | 10.3 | 28.7 | 32.9 | 8.5 | 2.7 | 16.7 | 44.0 | 25.6 | 25.6 | 25.6 | 25.6 | 25.6 | 25.6 | 25.6 | 25.6 | |
| Business Traveller - Domestic | 5.4 | 12.0 | 32.5 | 6.0 | 21.5 | 6.0 | 2.9 | 2.9 | 9.1 | 3.9 | 11.2 | 2.0 | 2.0 | 6.3 | 9.6 | 20.2 | 20.2 | 20.2 | 20.2 | 20.2 | 20.2 | 20.2 | 20.2 | |
| Business Traveller - Foreign | 1.6 | 0.0 | 0.5 | 1.1 | 1.3 | 1.1 | 4.0 | 1.3 | 1.6 | 1.3 | 1.7 | 5.8 | 1.9 | 1.3 | 0.9 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | |
| Complimentary Rooms | 16.4 | 12.5 | 6.0 | 8.2 | 3.5 | 8.0 | 8.0 | 8.2 | 18.6 | 13.4 | 15.2 | 32.5 | 58.4 | 15.9 | 10.0 | 17.4 | 17.4 | 17.4 | 17.4 | 17.4 | 17.4 | 17.4 | 17.4 | |
| Domestic - Tourists / Leisure FT | 3.4 | 4.0 | 2.0 | 4.1 | 1.1 | 1.1 | 1.1 | 1.1 | 18.9 | 8.4 | 11.8 | 16.3 | 5.2 | 20.0 | 5.8 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | |
| Foreign - Tourists / Leisure FT | 2.0 | 0.5 | 1.5 | 6.0 | 7.7 | 2.9 | 2.9 | 7.7 | 1.9 | 14.9 | 4.8 | 8.0 | 3.8 | 4.5 | 6.9 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | |
| Meeting Participants (Less than 100 Attendees) | 10.0 | 0.3 | 10.5 | 12.8 | 6.8 | 8.3 | 3.9 | 9.1 | 6.2 | 3.8 | 6.2 | 7.0 | 6.2 | 3.8 | 16.5 | 14.6 | 14.6 | 14.6 | 14.6 | 14.6 | 14.6 | 14.6 | 14.6 | |
| Meeting Participants (Over 100 Attendees) | 5.6 | 4.0 | 5.0 | 1.8 | 6.6 | 5.5 | 5.5 | 6.6 | 4.4 | 6.7 | 10.1 | 10.0 | 18.1 | 14.5 | 1.4 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | |
| Tour Groups - Domestic | 1.6 | 0.3 | 1.0 | 3.6 | 1.5 | 3.6 | 0.1 | 3.6 | 29.7 | 10.9 | 4.6 | 7.3 | 0.8 | 9.4 | 1.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Tour Groups - Foreign | 6.4 | 1.5 | 0.0 | 1.3 | 5.0 | 1.7 | 1.7 | 5.0 | 0.8 | 1.1 | 1.4 | 2.8 | 0.7 | 3.9 | 2.3 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | |
| 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 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |

Country of Origin of Guests

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|---------------------|-----------------------|-------|------------------------|-------|-------------------------------------|-------|-----------------------|-------|-----------------------|-------|--|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|------------------------|-------|------------------------|-------|-------|--|
| | Three Star & Two Star | | Four Star & Three Star | | Five Star & Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Five Star & Deluxe, Four Star & Heritage | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Four Star & Three Star | | Four Star & Three Star | | | |
| | 2 | 2 | 3 | 4 | 5 | 4 | 4 | 4 | 4 | 7 | 6 | 10 | 3 | 3 | 5 | 4 | 4 | 4 | | | | | | |
| Number of Responses | 5.0% | 2.5% | 3.7% | 2.4% | 2.4% | 5.8% | 6.0% | 6.0% | 2.3% | 5.0% | 3.6% | 6.0% | 0.0% | 5.6% | 13.5% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | |
| ASEAN* | 2.0 | 3.5 | 2.0 | 2.1 | 3.0 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 6.7 | 6.2 | 5.7 | 5.0 | 2.8 | 1.5 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | |
| Australia | 4.0 | 1.5 | 2.0 | 1.6 | 6.8 | 3.8 | 3.8 | 3.8 | 1.6 | 5.0 | 6.2 | 0.4 | 6.7 | 6.6 | 4.0 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | |
| Canada | 0.0 | 1.0 | 0.0 | 0.6 | 0.8 | 0.0 | 0.0 | 0.0 | 0.4 | 0.3 | 0.9 | 0.0 | 0.3 | 0.2 | 0.0 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | |
| Caribbean | 3.0 | 2.5 | 6.7 | 3.4 | 13.8 | 11.3 | 11.3 | 11.3 | 2.5 | 2.8 | 2.4 | 2.4 | 0.3 | 0.6 | 4.3 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 | |
| China | 1.5 | 6.0 | 1.7 | 2.0 | 5.3 | 3.0 | 3.0 | 3.0 | 13.7 | 5.7 | 8.2 | 10.6 | 2.7 | 7.0 | 5.5 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | |
| France | 5.0 | 5.0 | 8.7 | 6.6 | 7.5 | 3.0 | 3.0 | 3.0 | 6.6 | 3.5 | 6.2 | 1.5 | 4.7 | 11.4 | 7.5 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | |
| Germany | 2.0 | 4.5 | 11.3 | 3.2 | 2.5 | 5.5 | 5.5 | 5.5 | 2.4 | 14.2 | 3.7 | 0.3 | 3.3 | 1.8 | 3.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | |
| Japan | 2.0 | 1.5 | 4.3 | 2.5 | 2.5 | 0.0 | 0.0 | 0.0 | 0.8 | 0.3 | 8.7 | 1.8 | 6.0 | 2.6 | 0.8 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | |
| Middle east | 16.0 | 29.0 | 15.3 | 1.4 | 5.8 | 6.5 | 6.5 | 6.5 | 5.7 | 5.0 | 11.2 | 4.1 | 9.7 | 13.2 | 9.5 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 | |
| Other European | 0.5 | 1.5 | 0.3 | 1.2 | 3.0 | 3.0 | 3.0 | 3.0 | 0.5 | 3.2 | 1.1 | 1.1 | 2.7 | 3.2 | 0.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | |
| Russia | 11.5 | 6.5 | 7.7 | 1.0 | 5.0 | 2.3 | 2.3 | 2.3 | 2.2 | 8.5 | 9.9 | 6.6 | 13.7 | 2.4 | 3.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | |
| SAARC** | 2.5 | 2.0 | 4.7 | 1.4 | 1.3 | 0.0 | 0.0 | 0.0 | 1.8 | 2.0 | 7.0 | 6.2 | 7.7 | 2.6 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| South Africa | 16.0 | 16.5 | 5.7 | 8.4 | 15.0 | 18.8 | 18.8 | 18.8 | 14.8 | 11.2 | 12.1 | 13.6 | 29.7 | 23.8 | 27.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | |
| UK | 25.0 | 13.5 | 9.0 | 24.8 | 18.0 | 11.0 | 11.0 | 11.0 | 11.1 | 12.0 | 8.4 | 7.7 | 7.7 | 13.0 | 17.5 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | |
| USA | 4.0 | 3.0 | 17.0 | 37.4 | 4.5 | 21.8 | 21.8 | 21.8 | 29.5 | 14.7 | 4.5 | 34.2 | 0.0 | 3.2 | 2.3 | 31.4 | 31.4 | 31.4 | 31.4 | 31.4 | 31.4 | 31.4 | 31.4 | |
| Other | 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 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |

* ASEAN: Association of South East Asian Nations

** SAARC: 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

| COMPOSITION Number of Responses | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|-------|------------------------|-------|------------------------|-------|-------------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|----|-----------------------|---|------------------------|---|------------------------|---|
| | Three-Star & Two Star | | Four Star & Three Star | | Four Star & Three Star | | Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Three-Star & Two-Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 9 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 16 | 8 | 16 | 9 | 11 | 9 | 16 | 4 | 4 | 11 | 11 | 9 | 9 | 8 | 8 | 6 |
| January | 68.3% | 65.8% | 64.5% | 64.5% | 53.8% | 56.1% | 56.1% | 72.4% | 72.4% | 73.2% | 73.9% | 73.9% | 54.8% | 39.0% | 74.1% | 65.9% | 70.0% | | | | | | | |
| February | 66.6 | 71.5 | 78.8 | 58.3 | 52.6 | 58.3 | 74.8 | 77.8 | 73.8 | 64.6 | 66.9 | 67.4 | 47.3 | 32.8 | 66.9 | 67.4 | 76.3 | | | | | | | |
| March | 56.8 | 73.8 | 71.3 | 54.0 | 54.0 | 63.8 | 63.8 | 65.3 | 64.0 | 58.5 | 50.0 | 61.1 | 45.0 | 36.3 | 50.0 | 61.1 | 71.8 | | | | | | | |
| April | 55.2 | 81.4 | 77.8 | 57.7 | 57.7 | 58.9 | 63.9 | 54.6 | 64.0 | 56.8 | 49.1 | 70.2 | 63.0 | 49.1 | 50.6 | 70.2 | 81.3 | | | | | | | |
| May | 55.9 | 80.1 | 81.3 | 54.1 | 54.1 | 58.0 | 69.1 | 33.7 | 50.0 | 57.1 | 78.8 | 46.3 | 90.5 | 78.8 | 46.3 | 70.3 | 81.7 | | | | | | | |
| June | 56.8 | 70.1 | 77.0 | 54.1 | 54.1 | 52.4 | 68.0 | 26.1 | 46.2 | 51.9 | 82.5 | 67.6 | 66.3 | 82.5 | 36.8 | 67.6 | 75.0 | | | | | | | |
| July | 63.8 | 70.1 | 75.3 | 52.4 | 52.4 | 56.0 | 60.9 | 38.2 | 59.8 | 53.1 | 44.7 | 65.4 | 47.5 | 44.7 | 39.1 | 65.4 | 70.5 | | | | | | | |
| August | 67.9 | 64.9 | 73.3 | 58.4 | 58.4 | 55.3 | 58.3 | 47.1 | 63.3 | 61.7 | 50.9 | 63.0 | 50.5 | 35.2 | 50.9 | 63.0 | 75.8 | | | | | | | |
| September | 68.1 | 77.5 | 75.8 | 56.1 | 56.1 | 54.1 | 60.4 | 46.9 | 61.2 | 59.0 | 47.1 | 62.0 | 57.8 | 30.9 | 47.1 | 62.0 | 73.0 | | | | | | | |
| October | 67.2 | 79.2 | 66.8 | 51.3 | 51.3 | 55.7 | 63.6 | 64.4 | 64.6 | 61.7 | 45.0 | 61.1 | 48.8 | 45.0 | 56.8 | 61.1 | 75.8 | | | | | | | |
| November | 76.5 | 86.9 | 71.3 | 53.9 | 53.9 | 61.6 | 75.4 | 75.1 | 71.0 | 71.4 | 38.2 | 71.4 | 47.5 | 38.2 | 71.4 | 72.3 | 76.3 | | | | | | | |
| December | 72.1 | 81.2 | 58.0 | 40.8 | 40.8 | 56.9 | 72.4 | 63.1 | 75.0 | 73.7 | 53.0 | 71.5 | 55.5 | 53.0 | 78.7 | 71.5 | 78.8 | | | | | | | |

Average Daily Occupancy

| COMPOSITION Number of Responses | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|------------------------------------|-----------------------|-------|------------------------|-------|------------------------|-------|-------------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|-------|-----------------------|---|-----------------------|--|------------------------|--|------------------------|--|
| | Three-Star & Two Star | | Four Star & Three Star | | Four Star & Three Star | | Deluxe, 5 Star & 4 Star | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Three Star & Two Star | | Three-Star & Two-Star | | Three-Star & Two-Star | | Four-Star & Three-Star | | Four-Star & Three-Star | |
| | 8 | 5 | 5 | 4 | 3 | 16 | 10 | 10 | 2 | 6 | 15 | 4 | 4 | 10 | 10 | 9 | 7 | 6 | | | | | | |
| Monday | 52.1% | 78.6% | 63.8% | 63.8% | 71.7% | 50.6% | 63.9% | 62.8% | 54.3% | 56.6% | 50.0% | 60.6% | 34.0% | 56.9% | 60.6% | 71.7% | | | | | | | | |
| Tuesday | 56.3 | 80.9 | 76.5 | 79.0 | 76.0 | 52.4 | 71.5 | 52.9 | 52.1 | 62.6 | 48.3 | 65.6 | 29.9 | 56.2 | 65.6 | 74.3 | | | | | | | | |
| Wednesday | 60.9 | 84.3 | 79.0 | 79.3 | 79.3 | 53.1 | 73.5 | 56.2 | 55.2 | 62.9 | 42.3 | 66.9 | 30.3 | 56.3 | 66.9 | 74.5 | | | | | | | | |
| Thursday | 60.6 | 83.0 | 76.0 | 69.0 | 69.0 | 56.8 | 72.0 | 52.4 | 57.8 | 61.2 | 47.5 | 68.3 | 34.7 | 54.8 | 68.3 | 74.2 | | | | | | | | |
| Friday | 58.1 | 75.8 | 71.5 | 65.0 | 65.0 | 53.1 | 60.0 | 73.8 | 65.2 | 52.0 | 65.5 | 54.1 | 53.0 | 53.3 | 54.1 | 74.8 | | | | | | | | |
| Saturday | 49.3 | 62.6 | 53.3 | 49.2 | 49.2 | 47.9 | 47.9 | 82.2 | 62.8 | 52.9 | 77.3 | 46.6 | 68.1 | 56.3 | 46.6 | 68.2 | | | | | | | | |
| Sunday | 46.3 | 57.0 | 50.8 | 42.6 | 42.6 | 41.8 | 41.8 | 61.6 | 47.5 | 48.9 | 64.3 | 46.1 | 53.5 | 52.8 | 46.1 | 60.7 | | | | | | | | |

TABLE 4-8: Indian Hotel Industry – Twelve Other Cities: Sources of Reservation

Sources of Advance Reservations

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|--|--------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 7 | 8 | 5 | 4 | 4 | 4 | 4 | 4 | 14 | 10 | 11 | 9 | 17 | 3 | 12 | 11 | 8 | 8 | 7 | 7 | 7 | 7 | 7 | 7 |
| Chain CRS (Central Reservation System) | 0.7% | | 2.2% | 0.5% | 0.8% | 0.0% | 0.0% | 3.6% | 0.0% | 0.0% | 9.4% | 2.8% | 0.2% | 3.3% | 0.1% | 3.6% | 2.8% | 0.1% | 3.6% | 0.0% | 0.0% | 0.0% | 0.0% | 1.3% |
| Direct Enquiry / Hotel Representative | 60.7 | | 63.4 | 74.8 | 67.0 | 69.1 | 56.8 | 69.1 | 56.8 | 69.1 | 17.9 | 45.1 | 44.0 | 13.3 | 35.3 | 27.0 | 68.1 | 35.3 | 27.0 | 68.1 | 35.3 | 27.0 | 68.1 | 76.0 |
| Global Distribution System (GDS) | 0.7 | | 3.0 | 0.0 | 6.0 | 0.0 | 2.5 | 0.0 | 2.5 | 0.0 | 1.4 | 0.4 | 0.1 | 0.0 | 0.4 | 1.0 | 2.3 | 0.4 | 1.0 | 2.3 | 0.4 | 1.0 | 2.3 | 0.7 |
| Hotel / Chain Website | 5.1 | | 2.8 | 6.3 | 1.9 | 4.8 | 4.8 | 8.0 | 4.9 | 4.9 | 12.4 | 12.4 | 5.9 | 13.3 | 11.4 | 11.1 | 5.8 | 11.4 | 11.1 | 5.8 | 11.1 | 5.8 | 4.5 | 4.5 |
| Travel Agent & Tour Operator | 15.0 | | 15.2 | 12.3 | 3.3 | 17.6 | 17.6 | 11.2 | 53.9 | 25.2 | 29.5 | 38.3 | 43.1 | 46.5 | 9.1 | 8.5 | 8.5 | 46.5 | 9.1 | 8.5 | 46.5 | 9.1 | 8.5 | 8.5 |
| Other Online Reservation Systems | 0.0 | | 0.6 | 1.0 | 5.0 | 4.8 | 4.8 | 1.0 | 6.4 | 2.7 | 1.8 | 6.7 | 1.7 | 2.5 | 3.9 | 1.5 | 1.5 | 6.7 | 1.7 | 2.5 | 3.9 | 1.5 | 1.5 | 1.5 |
| Other Websites | 2.9 | | 4.4 | 3.3 | 2.3 | 3.0 | 2.3 | 3.0 | 2.4 | 2.6 | 4.4 | 7.3 | 5.1 | 3.0 | 4.1 | 2.8 | 2.8 | 5.1 | 3.0 | 4.1 | 2.8 | 2.8 | 2.8 | 2.8 |
| Other | 14.9 | | 8.4 | 2.0 | 13.8 | 7.6 | 7.6 | 7.7 | 3.7 | 8.8 | 14.1 | 17.7 | 3.0 | 4.0 | 4.1 | 4.7 | 4.0 | 17.7 | 3.0 | 4.0 | 4.1 | 4.7 | 4.7 | 4.7 |
| 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 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

TABLE 4-9: Indian Hotel Industry – Twelve Other Cities: Marketing Media

Marketing Media - Percentage of Hotels Using Each Media

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | |
|--------------------------------|-----------|---|------------|------|------------|-------|-----------|-------|--------|-------|--------|------|-------|-------|------------|-------|--------|------|--------------|-------|----------|------|-------|--|
| | 8 | 7 | 5 | 4 | 4 | 4 | 4 | 4 | 13 | 10 | 12 | 6 | 18 | 4 | 10 | 11 | 8 | 8 | 7 | 7 | 7 | 7 | 7 | |
| Consumer Generated Media (CGM) | 12.5% | | 40.0% | 0.0% | 0.0% | 15.4% | 0.0% | 0.0% | 0.0% | 33.3% | 22.2% | 5.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 16.7% | |
| Direct Mail | 100.0 | | 100.0 | 75.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 72.2 | 75.0 | 90.0 | 100.0 | 100.0 | 87.5 | 87.5 | 100.0 | 100.0 | 87.5 | 87.5 | 83.3 | |
| Hotel Web Site | 75.0 | | 100.0 | 75.0 | 75.0 | 84.6 | 90.0 | 84.6 | 90.0 | 100.0 | 88.9 | 88.9 | 88.9 | 100.0 | 90.0 | 81.8 | 87.5 | 90.0 | 81.8 | 87.5 | 87.5 | 83.3 | | |
| Loyalty card program | 25.0 | | 80.0 | 0.0 | 0.0 | 61.5 | 20.0 | 41.7 | 22.2 | 41.7 | 22.2 | 33.3 | 50.0 | 10.0 | 27.3 | 50.0 | 83.3 | 10.0 | 27.3 | 50.0 | 83.3 | 83.3 | | |
| Merchandising | 0.0 | | 20.0 | 0.0 | 25.0 | 53.9 | 10.0 | 41.7 | 11.1 | 44.4 | 11.1 | 44.4 | 61.1 | 0.0 | 10.0 | 9.1 | 12.5 | 10.0 | 9.1 | 12.5 | 12.5 | 33.3 | | |
| Other Internet site | 62.5 | | 60.0 | 75.0 | 50.0 | 69.2 | 40.0 | 66.7 | 88.9 | 66.7 | 88.9 | 61.1 | 50.0 | 50.0 | 50.0 | 54.6 | 62.5 | 50.0 | 54.6 | 62.5 | 62.5 | 66.7 | | |
| Outdoor Advertising | 50.0 | | 60.0 | 0.0 | 25.0 | 61.5 | 50.0 | 66.7 | 88.9 | 66.7 | 88.9 | 75.0 | 75.0 | 75.0 | 70.0 | 63.6 | 75.0 | 70.0 | 63.6 | 75.0 | 75.0 | 50.0 | | |
| Pay Per Click | 12.5 | | 20.0 | 0.0 | 0.0 | 30.8 | 0.0 | 30.8 | 0.0 | 33.3 | 22.2 | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | |
| Print Advertising | 87.5 | | 100.0 | 50.0 | 75.0 | 100.0 | 90.0 | 88.9 | 94.4 | 100.0 | 88.9 | 94.4 | 100.0 | 100.0 | 90.0 | 72.7 | 87.5 | 90.0 | 72.7 | 87.5 | 87.5 | 83.3 | | |
| Promotions | 75.0 | | 60.0 | 50.0 | 100.0 | 53.9 | 80.0 | 91.7 | 66.7 | 72.2 | 66.7 | 72.2 | 72.2 | 100.0 | 70.0 | 81.8 | 75.0 | 70.0 | 81.8 | 75.0 | 75.0 | 66.7 | | |
| Radio Advertising | 37.5 | | 80.0 | 0.0 | 50.0 | 37.5 | 60.0 | 44.4 | 16.7 | 16.7 | 16.7 | 16.7 | 16.7 | 0.0 | 0.0 | 18.2 | 12.5 | 0.0 | 18.2 | 12.5 | 12.5 | 0.0 | | |
| Telemarketing | 87.5 | | 80.0 | 50.0 | 75.0 | 76.9 | 40.0 | 50.0 | 77.8 | 83.3 | 77.8 | 83.3 | 50.0 | 50.0 | 50.0 | 36.4 | 75.0 | 50.0 | 36.4 | 75.0 | 75.0 | 50.0 | | |
| TV Advertising | 25.0 | | 40.0 | 0.0 | 50.0 | 30.8 | 10.0 | 8.3 | 22.2 | 22.2 | 22.2 | 22.2 | 22.2 | 50.0 | 20.0 | 27.3 | 62.5 | 20.0 | 27.3 | 62.5 | 62.5 | 33.3 | | |
| Viral Marketing | 25.0 | | 40.0 | 0.0 | 0.0 | 30.8 | 0.0 | 25.0 | 0.0 | 25.0 | 22.2 | 16.7 | 0.0 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | | |

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

Payment Methods Used

| COMPOSITION | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|---------------------------------|-----------------------|---------------------|--------------|--------------|--------------|--------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Three-Star & Two-Star | Number of Responses | Four Star | Three Star | Four Star | Three Star | Five Star Deluxe, Four Star & Heritage | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star |
| Cash Sales | 37.2% | 43.2% | 33.2% | 34.0% | 34.0% | 36.6% | 45.2% | 17.4% | 50.0% | 40.2% | 23.8% | 42.2% | 42.1% | 33.4% | 41.6% | | | | | | | | | |
| Credit Card Sales | 34.4 | 29.6 | 59.4 | 31.9 | 34.0 | 29.9 | 24.7 | 34.6 | 20.9 | 17.5 | 24.7 | 18.9 | 21.9 | 20.0 | | | | | | | | | | |
| Credit Sales (Other Than Cards) | 26.4 | 22.8 | 4.9 | 28.5 | 26.1 | 18.5 | 51.8 | 24.1 | 20.9 | 17.5 | 24.7 | 18.9 | 21.9 | 20.0 | | | | | | | | | | |
| Electronic Fund Transfer | 1.9 | 4.4 | 2.6 | 1.2 | 5.4 | 2.3 | 0.8 | 1.2 | 4.3 | 17.5 | 9.8 | 3.8 | 4.4 | 9.4 | | | | | | | | | | |
| 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 | 100.0 | | | | | | | | | | |

Credit Cards Used

| COMPOSITION | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|---------------------|-----------------------|---------------------|--------------|--------------|--------------|--------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Three-Star & Two-Star | Number of Responses | Four Star | Three Star | Four Star | Three Star | Five Star Deluxe, Four Star & Heritage | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star |
| American Express | 4.1% | 4.2% | 8.4% | 42.0% | 9.1% | 3.1% | 19.3% | 4.6% | 3.9% | 6.8% | 6.3% | 9.3% | 11.4% | 10.0% | | | | | | | | | | |
| Diners Club | 2.4 | 6.4 | 1.1 | 0.3 | 2.7 | 1.6 | 2.9 | 0.3 | 0.6 | 0.5 | 4.4 | 3.9 | 16.0 | 1.4 | | | | | | | | | | |
| Mastercard/Eurocard | 47.6 | 39.2 | 29.2 | 27.5 | 38.9 | 33.9 | 31.1 | 34.4 | 36.9 | 35.8 | 30.0 | 29.6 | 29.8 | 36.0 | | | | | | | | | | |
| Visa | 43.3 | 39.4 | 58.3 | 28.0 | 37.7 | 58.4 | 45.1 | 59.4 | 56.9 | 45.8 | 48.8 | 47.9 | 38.8 | 46.6 | | | | | | | | | | |
| Other | 2.6 | 10.8 | 3.0 | - | 11.6 | 3.0 | 1.7 | 1.4 | 1.7 | 11.3 | 10.6 | 9.4 | 4.0 | 6.0 | | | | | | | | | | |
| 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 | 100.0 | | | | | | | | | | |

Average Credit Card Commission

| COMPOSITION | Ahm'bad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruv'puram | | Vadodara | | Vizag | |
|---------------------|-----------------------|---------------------|------------|------------|------------|------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Three-Star & Two-Star | Number of Responses | Four Star | Three Star | Four Star | Three Star | Five Star Deluxe, Four Star & Heritage | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star | Three Star & Two-Star |
| American Express | 3.7 | 3.5 | 4.0 | 3.4 | 1.9 | 2.3 | 3.5 | 2.2 | 3.3 | 1.2 | 2.3 | 2.7 | 3.1 | 2.8 | | | | | | | | | | |
| Diners Club | 1.0 | 1.7 | 2.0 | 1.8 | 1.4 | 0.5 | 1.4 | 0.2 | 0.9 | 0.0 | 0.4 | 0.9 | 2.6 | 0.9 | | | | | | | | | | |
| Mastercard/Eurocard | 1.4 | 1.4 | 1.4 | 1.3 | 1.8 | 1.6 | 1.5 | 1.5 | 1.7 | 1.9 | 1.6 | 2.2 | 1.6 | 1.5 | | | | | | | | | | |
| Visa | 1.5 | 1.4 | 1.4 | 1.3 | 1.7 | 1.6 | 1.5 | 1.5 | 1.7 | 1.9 | 1.6 | 2.0 | 1.6 | 1.5 | | | | | | | | | | |
| Other | 0.4 | 0.8 | 1.5 | 0.5 | 0.4 | 0.2 | 0.0 | 0.2 | 0.2 | 0.6 | 0.9 | 0.5 | 0.0 | 0.8 | | | | | | | | | | |

TABLE 4-11: Indian Hotel Industry – Twelve Other Cities: Technology Management Practices

Technology in Hotels - Percentage of Hotels Using Each Technology

| COMPOSITION | Ahmedabad | | Chandigarh | | Coimbatore | | Hyderabad | | Indore | | Jaipur | | Kochi | | Ootacamund | | Shimla | | Thiruvapuram | | Vadodara | | Vizag | | |
|--|-----------------------|-----------|------------|------------------------|------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Three-Star & Two Star | Four Star | Three Star | Four Star & Three Star | Five Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star | Three Star & Two Star |
| Accounting System | 87.5% | 100.0% | 100.0% | 100.0% | 80.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 10.0% | 100.0% | 100.0% | 100.0% | 88.9% | 90.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | |
| Call Accounting System | 62.5 | 75.0 | 75.0 | 72.7 | 100.0 | 72.7 | 60.0 | 77.8 | 77.8 | 77.8 | 77.8 | 77.8 | 60.0 | 60.0 | 100.0 | 33.3 | 33.3 | 30.0 | 30.0 | 100.0 | 100.0 | 66.7 | 66.7 | 66.7 | |
| Central Reservation System (CRS) | 50.0 | 0.0 | 25.0 | 54.6 | 60.0 | 54.6 | 0.0 | 66.7 | 44.4 | 44.4 | 44.4 | 20.0 | 20.0 | 66.7 | 66.7 | 11.1 | 11.1 | 30.0 | 30.0 | 62.5 | 62.5 | 16.7 | 16.7 | 16.7 | |
| Electronic Keypad | 25.0 | 50.0 | 50.0 | 45.5 | 100.0 | 45.5 | 30.0 | 66.7 | 44.4 | 44.4 | 40.0 | 40.0 | 40.0 | 66.7 | 66.7 | 11.1 | 11.1 | 40.0 | 40.0 | 37.5 | 37.5 | 50.0 | 50.0 | 50.0 | |
| Energy Management System | 25.0 | 75.0 | 50.0 | 36.4 | 20.0 | 36.4 | 0.0 | 66.7 | 33.3 | 33.3 | 33.3 | 33.3 | 33.3 | 33.3 | 66.7 | 22.2 | 22.2 | 20.0 | 20.0 | 75.0 | 75.0 | 0.0 | 0.0 | 0.0 | |
| Internet / E-Mail | 87.5 | 100.0 | 100.0 | 90.9 | 100.0 | 90.9 | 100.0 | 88.9 | 88.9 | 88.9 | 88.9 | 93.3 | 93.3 | 93.3 | 100.0 | 100.0 | 100.0 | 90.0 | 90.0 | 100.0 | 100.0 | 100.0 | 100.0 | 83.3 | 83.3 |
| Internet / Website | 87.5 | 100.0 | 100.0 | 63.6 | 100.0 | 63.6 | 90.0 | 100.0 | 88.9 | 88.9 | 86.7 | 86.7 | 86.7 | 86.7 | 100.0 | 100.0 | 100.0 | 90.0 | 90.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Intranet System | 50.0 | 75.0 | 75.0 | 63.6 | 80.0 | 63.6 | 50.0 | 8.9 | 55.6 | 55.6 | 46.7 | 46.7 | 46.7 | 46.7 | 100.0 | 55.6 | 55.6 | 30.0 | 30.0 | 75.0 | 75.0 | 50.0 | 50.0 | 50.0 | |
| Local Area Network (LAN) | 75.0 | 100.0 | 75.0 | 63.6 | 100.0 | 63.6 | 80.0 | 100.0 | 88.9 | 88.9 | 86.7 | 86.7 | 86.7 | 86.7 | 100.0 | 77.8 | 77.8 | 60.0 | 60.0 | 87.5 | 87.5 | 83.3 | 83.3 | 83.3 | |
| Management Information System | 25.0 | 100.0 | 50.0 | 54.6 | 80.0 | 54.6 | 30.0 | 77.8 | 88.9 | 88.9 | 80.0 | 80.0 | 80.0 | 80.0 | 66.7 | 33.3 | 33.3 | 70.0 | 70.0 | 87.5 | 87.5 | 66.7 | 66.7 | 66.7 | |
| Point of Sale System for Food and Beverage | 62.5 | 100.0 | 100.0 | 81.8 | 100.0 | 81.8 | 90.0 | 100.0 | 100.0 | 100.0 | 73.3 | 73.3 | 73.3 | 73.3 | 66.7 | 77.8 | 77.8 | 50.0 | 50.0 | 75.0 | 75.0 | 83.3 | 83.3 | 83.3 | |
| Property Management System | 37.5 | 100.0 | 25.0 | 72.7 | 100.0 | 72.7 | 20.0 | 77.8 | 88.9 | 88.9 | 33.3 | 33.3 | 33.3 | 33.3 | 66.7 | 11.1 | 11.1 | 30.0 | 30.0 | 62.5 | 62.5 | 50.0 | 50.0 | 50.0 | |
| Yield Management System | 12.5 | 50.0 | 25.0 | 54.6 | 40.0 | 54.6 | 10.0 | 44.4 | 44.4 | 44.4 | 40.0 | 40.0 | 40.0 | 40.0 | 66.7 | 0.0 | 0.0 | 30.0 | 30.0 | 12.5 | 12.5 | 50.0 | 50.0 | 50.0 | |
| Other | 0.0 | 0.0 | 0.0 | 45.5 | 0.0 | 45.5 | 10.0 | 11.1 | 11.1 | 11.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12.5 | 12.5 | 33.3 | 33.3 | 33.3 | |

We, the inheritors of Earth,
need to come together and
protect it from our own
excesses. This report is
dedicated to and symbolic of
our pledge to give our future
generations a happier,
healthier planet.

