

INTELLIGENT INVESTMENT

# Trends<sup>®</sup> in the Hotel Industry

REPORT



CBRE HOTELS RESEARCH  
U.S. EDITION 2024  
\$ 500

**CBRE**

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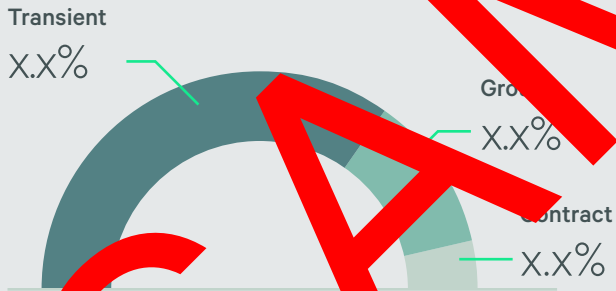
# Full Service Hotels

## Performance in 2023

- Total full-service hotel operating revenue increased by x.x percent from 2022 to 2023. The full-service hotels in our sample enjoyed a relatively strong x.x percent gain in occupancy during the year.
- As occupancy and revenue rose, operated and undistributed department expenses increased by x.x percent during 2023.
- With expenses growing greater than revenue, the gross operating profit (GOP) margin decreased from x.x percent in 2022 to x.x percent in 2023.
- Full-service hotels with an average daily rate (ADR) between \$xx and \$xx, as well as those with more than xx rooms, enjoyed the greatest GOP growth in 2023.
- Labor costs at full-service hotels increased by x.x percent in 2023. The combined costs of salaries, wages, bonuses and benefits represented x.x percent of operating expenses for the year.

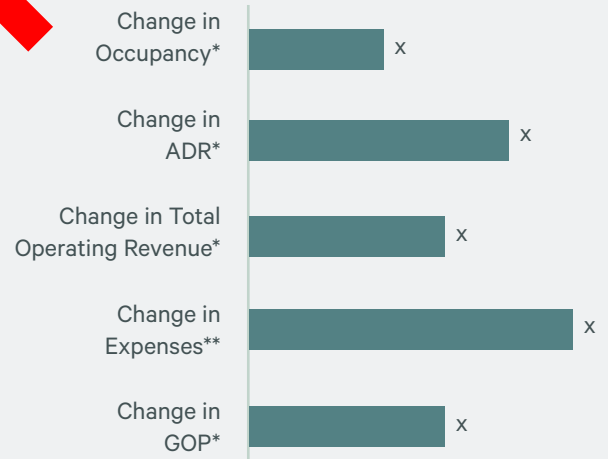
### Full-Service Hotels

#### MARKET MIX



### Change in Performance Among Six Property Type Categories

#### CHANGE FROM 2022 TO 2023



# Full Service Hotels

FIGURE 10

Summary Operating Statement - Dollars Per Available and Occupied Room				
	2023 Dollars Per Available Room	Change From Prior Year	2023 Percent Of Revenue	2023 Dollars Per Occupied Room
<b>Revenues</b>				
Rooms				
Food and Beverage				
Other Operated Departments				
Miscellaneous Income				
<b>Total Operating Revenue</b>				
<b>Departmental Expenses*</b>				
Rooms				
Food and Beverage				
Other Operated Departments				
<b>Total Departmental Expenses</b>				
<b>Total Departmental Profit</b>				
<b>Undistributed Operating Expenses</b>				
Administrative and General				
Information and Telecommunications Systems				
Sales and Marketing				
Property Operations and Maintenance				
Utilities				
<b>Total Undistributed Expenses</b>				
<b>Gross Operating Profit</b>				
<b>Management Fees</b>				
<b>Income Before Non-Operating Income and Expenses</b>				
<b>Non-Operating Income and Expenses</b>				
Income				
Rent				
Property and Other Expenses				
Insurance				
Other				
<b>Total Non-Operating Income and Expenses</b>				
<b>EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)</b>				
Percent of Occupancy				
Average Daily Rate				
RevPAR				
Average Size (Rooms)				

\* Expressed as a percent of departmental revenue.

# Suite Hotels without Food and Beverage

FIGURE 20

Departmental Expenses	2023 Dollars Per Available Room	Change From Prior Year	2023 Percent Of Revenue	2023 Dollars Per Occupied Room
<b>Rooms Department*</b>				
Total Labor Costs and Related Expenses				
Other Expenses				
<b>Total Department Expenses</b>				
<b>Other Operated Departments*</b>				
Total Labor Costs and Related Expenses				
Other Expenses***				
<b>Total Department Expenses</b>				
<b>Administrative and General Department**</b>				
Total Labor Costs and Related Expenses				
Other Expenses				
<b>Total Department Expenses</b>				
<b>Information and Telecommunications Systems Department**</b>				
Total Labor Costs and Related Expenses				
Other Expenses				
<b>Total Department Expenses</b>				
<b>Marketing Department**</b>				
Total Labor Costs and Related Expenses				
Other Expenses				
<b>Total Departmental Expenses</b>				
<b>Maintenance Department**</b>				
Total Labor Costs and Related Expenses				
Other Expenses				
<b>Total Department Expenses</b>				
<b>Utilities Department**</b>				
Other Expenses				
<b>Total Operating Expenses**</b>				
Total Labor Costs and Related Expenses				
Other Expenses***				
<b>Total Department Expenses****</b>				

\* Expressed as a percent of department revenue.  
 \*\* Expressed as a percent of total revenue.  
 \*\*\* Includes cost of sales.  
 \*\*\*\* Before management fees and non-operating income and expenses.



# Convention Hotels

FIGURE 24

Labor Costs				
	2023 Dollars Per Available Room	Change From Prior Year	2023 Percent Of Revenue	2023 Dollars Per Occupied Room
<b>Rooms Department*</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Food and Beverage Department*</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Other Operated Departments*</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Administrative and General Department**</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Information and Telecommunications Systems Department**</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Marketing Department**</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>Maintenance Department**</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				
<b>All Departments**</b>				
Salaries, Wages, Service Charges, Contracted Labor, and Bonuses				
Payroll-Related Expenses				
<b>Total Labor Costs and Related Expenses</b>				

\* Expressed as a percent of department revenue.

\*\* Expressed as a percent of total revenue.

## Resort Hotels

FIGURE 26

Summary Operating Statement - Dollars Per Guest Day			
	2023 Dollars Per Guest Day	2022 Dollars Per Guest Day	Change From Prior Year
<b>Revenues</b>			
Rooms			
Food and Beverage			
Other Operated Departments			
Miscellaneous Income			
<b>Total Operating Revenue</b>			
<b>Departmental Expenses*</b>			
Rooms			
Food and Beverage			
Other Operated Departments			
<b>Total Departmental Expenses</b>			
<b>Total Departmental Profit</b>			
<b>Undistributed Operating Expenses</b>			
Administrative and General			
Information and Telecommunications Systems			
Sales and Marketing			
Property Operations and Maintenance			
Utilities			
<b>Total Undistributed Expenses</b>			
<b>Gross Operating Profit</b>			
<b>Management Fees</b>			
<b>Income Before Non-Operating Income and Expenses</b>			
<b>Non-Operating Income and Expenses</b>			
Income			
Rent			
Property and Other Expenses			
Insurance			
Other			
<b>Total Non-Operating Income and Expenses</b>			
<b>EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)</b>			
Percent of Occupancy			
Average Daily Rate			
RevPAR			
Average Size (Rooms)			
* Expressed as a percent of departmental revenue.			



SAMPLE