

Average Hotel Prices in Georgia and Hotel Price Index

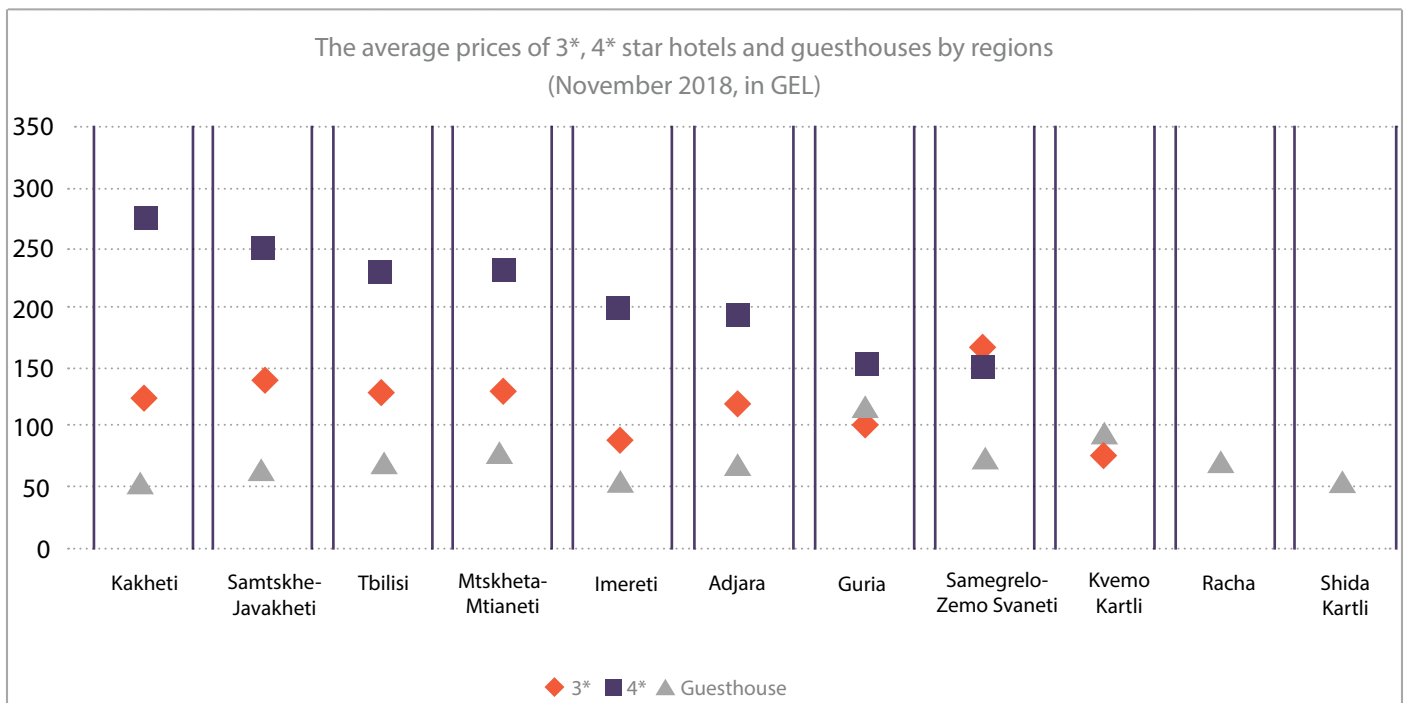
November 2018

- In November 2018, compared to November 2017, in Georgia the hotel price index decreased by 0.1%;
- In November 2018, compared to November 2017, the daily rates for standard double hotel rooms decreased the most in Guria (-14.7%) and Kakheti (-13.6%);
- In November 2018, compared to November 2017, the hotel prices in Tbilisi decreased by 8.9%;
- In November 2018, the average cost of a room in each category was as follows: 3-star hotel room - 120 GEL per night; 4-star hotel room - 221 GEL; 5-star hotel room - 489 GEL; guesthouse room- 63 GEL;
- In November 2018, compared to October 2018, the hotel price index decreased by 11.2%.

Average Hotel Prices

In Georgia, the average cost of a room¹ in a 3-star hotel was **120 GEL** per night in November 2018. The most expensive 3-star hotels in November in Georgia were in Samegrelo-Zemo Svaneti – 163 GEL.

The average cost of a room in a 4-star hotel in Georgia in November 2018 was **221 GEL** per night. The most expensive 4-star hotels in November was found in Kakheti – 277 GEL.



Graph 1: In the graph, average prices for standard double rooms in 3 and 4-star hotels and guesthouses are given by region. 5-star hotel prices are provided above.

The average cost of a room in a 5-star hotel in Georgia in November 2018 was **489 GEL** per night. In Tbilisi, the average price was 608 GEL, followed by Adjara – 474 GEL, Kakheti – 368 GEL, and Samtskhe-Javakheti - 365 GEL.

In November 2018, the average cost of a room in a guesthouse² in Georgia was **63 GEL** per night. The highest daily rates for guesthouses were found in Guria – 110 GEL.

Hotel Price Index

In November 2018, in Georgia the hotel price index³ decreased by 11.2% compared to October 2018. The daily rates for standard double hotel rooms decreased the most in Tbilisi (-13.1%), Kakheti (-12.5%) and Shida Kartli (-12.5%).

Among ten regions of Georgia and Tbilisi, in November 2018, compared to October 2018, the hotel prices increase was not recorded in any of the regions.

The 3-star, 4-star and 5-star hotel price index decreased by 11.7% in November 2018, compared to October 2018. In these types of hotels, the highest price decreases were recorded in Tbilisi and Kvemo Kartli. In November 2018, compared to October 2018, the price increase of 3*, 4* and 5* hotels was not recorded in any of the regions.

For guesthouses, the price index decreased by 7.1% in November 2018, compared to October 2018. In this type of accommodation, the biggest percentage price decreases for standard double rooms were recorded in Kakheti and Shida Kartli. In November 2018, compared to October 2018, the prices increase of guesthouses was not recorded in any of the regions. In Tbilisi the prices of guesthouses decreased by 4.4%.

In November 2018, compared to November 2017, in Georgia the hotel price index decreased by 0.1%. The daily rates for standard double hotel rooms decreased the most in Guria (-14.7%) and Kakheti (-13.6%). In Tbilisi, in November 2018, compared to November 2017, the overall price level of hotels decreased by 8.9%.

Among ten regions of Georgia and Tbilisi, in November 2018, compared to November 2017, hotel prices increased only in three regions of Georgia, Adjara, Mtskheta-Mtianeti and Samtskhe-Javakheti. Among them the hotel prices increased the most in Adjara-by 21.8%.

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2018 Nov/ 2018 Oct	2018 Nov/ 2017 Nov	2018 Nov/ 2018 Oct	2018 Nov/ 2017 Nov	2018 Nov/ 2018 Oct	2018 Nov/ 2017 Nov
Tbilisi	-13.1%	-8.9%	-15.6%	-10.8%	-4.4%	-2.2%
Kakheti	-12.5%	-13.6%	-6.7%	2.5%	-13.9%	-17.6%
Shida Kartli	-12.5%	-4.9%			-12.5%	-4.9%
Samtskhe-Javakheti	-9.3%	5.4%	-6.2%	20.6%	-11.5%	-2.8%
Kvemo Kartli	-9.2%	-7.1%	-10.8%	-3.8%	-7.2%	-13.4%
Adjara	-9.1%	21.8%	-8.3%	40.1%	-10.5%	-7.0%
Imereti	-8.4%	-6.8%	-8.0%	-6.8%	-8.6%	-6.9%
Guria	-7.7%	-14.7%	-5.9%	-22.1%	-9.6%	-8.3%
Samegrelo-Zemo Svaneti	-4.3%	-2.4%	-5.2%	1.2%	-4.1%	-4.1%
Mtskheta-Mtianeti	-3.2%	7.6%	-2.6%	0.3%	-3.7%	14.0%
Racha	-2.7%	3.9%			-2.7%	3.9%
Overall Price % Change	-11.2%	-0.1%	-11.7%	4.7%	-7.1%	-3.7%

Table 1: Percentage change of prices in November 2018 over October 2018 and over November 2017.

The 3-star, 4-star and 5-star hotel price index increased by 4.7% in November 2018, compared to November 2017. In these types of hotels, the highest price increases were recorded in Adjara (40.1%) and Samtskhe-Javakheti (20.6%). During this period, in Tbilisi, the prices of these types of hotels decreased by 10.8%.

In November 2018, compared to November 2017, for guesthouses, the price index decreased by 3.7%. In this type of accommodation, the biggest percentage price decreases for standard double rooms were recorded in Kakheti (-17.6%) and Kvemo Kartli (-13.4%). During this period, in Tbilisi the prices of guesthouses decreased by 2.2%.

Basic Economic Indicators											
	IV 2016	2016	I 2017	II 2017	III 2017	IV 2017	2017	I 2018	II 2018	III 2018	
1	493.4	1978.3	458.7*	549*	647.7*	579.9*	2235.4*	534.8*	650.2*		
2	1473.8	6720	1378.1	1757	2969.9	1797.5	7902.5	1582.4	1979.6	3226.4	
3	559.6	3297.3	665	908.9	1629.9	865.7	4069.4	839.5	1094.2	1838.3	
4	481.2	2166.3	434.6	658.8	1081.1	576.8	2751.3	550.8*	810*		
5	92.4	386.3	81.4	109.5	152	120.7	463.6	105.9*	126.4*		
6	34.7	56.1	7.1	25.1	29.7	14.4	76.2	23.8*	7.6*	36*	
* 1	Total Tourism Value Added (mln Gel)			* 2	Number of International Travelers (thousand persons)			* 3	Number of Tourists (thousand persons)		
* 4	Revenue from International Tourism (mln USD)			* 5	The Expenditures of Georgian tourists Abroad (mln USD)			* 6	Foreign Direct Investment in Hotels and Restaurants Sector (mln USD)		

1 The results are based on the surveying of standard double hotel room prices of 3, 4, 5-star hotels and guesthouses in 10 regions of Georgia. Hotels were chosen arbitrarily according to random sampling principle. The study contains 71% (312) of all 3, 4 and 5-star hotels and 25% (456 guesthouses) of all guesthouses registered on www.booking.com. The 3, 4 and 5-star hotel price data was collected by contacting hotels individually,

while the prices of guesthouses were taken from booking.com. The average prices are arithmetic mean of standard double hotel room prices.
2 Guesthouse: a type of accommodation that is characterized by having a small number of rooms and services are usually offered by the resident family.
3 The calculation of the hotel price index is based on the recommendations given by the International Monetary Fund (IMF). The elementary aggregate price index is calculated by Jevons index (Consumer Price Index Manual-Theory and Practice (2004), Practical Guide to Producing Consumer Price Indices (2009)).
4 * Preliminary results

tional Monetary Fund (IMF). The elementary aggregate price index is calculated by Jevons index (Consumer Price Index Manual-Theory and Practice (2004), Practical Guide to Producing Consumer Price Indices (2009)).
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