

Monthly Tourism Update

August 2019

- In August 2019, compared to August 2018, hotel prices in Georgia decreased by 2.4%. The prices of 3*, 4*, 5* hotels decreased by 5.3%, while the prices of guesthouses increased by 3.1%;
- In August 2019, compared to August 2018, the number of international travelers' trips in Georgia increased by 5.8%, among them the number of Russian traveler trips decreased by 6.4%;
- According to airbnb, in August 2019, the average price of apartments per night in the capitals of Black Sea countries are the following: Kiev - \$172, Moscow - \$103, Bucharest - \$65, Sofia - \$43, Tbilisi - \$41, Ankara - \$30;
- In Georgia, in August 2019, the average cost of a room in a 3-star hotel was 151 GEL per night, while the average cost of a room in a 4-star hotel in Georgia was 230 GEL per night, in a 5-star hotel - 488 GEL per night and a room in a guesthouse was 75 GEL per night;
- In the first half of 2019, the majority of visits by international travelers were made in Tbilisi, in total - 1.7 million visits. Tbilisi was followed by Adjara region - 0.7 million visits, Kvemo Kartli region - 0.55 million visits and Mtskheta-Mtianeti region - 0.54 million visits.
- In August 2019, compared to August 2018, hotel prices in Tbilisi and Racha increased significantly, in Tbilisi 3*, 4* and 5* hotel prices increased by 20.4% and in Racha the prices of guesthouses increased by 23.7%. While, in Adjara region during this period the prices of hotels decreased.

Average Hotel Prices

In Georgia, the average cost of a room¹ in a 3-star hotel was 151 GEL per night in August 2019. While the average cost of a room in a 4-star hotel in Georgia was 230 GEL per night and the average cost of a room in a guesthouse² was 75 GEL per night.

The average cost of a room in a 5-star hotel in Georgia in August 2019 was 488 GEL per night. In Tbilisi, the average price was 592 GEL, followed by Adjara - 461 GEL, and Kakheti - 398 GEL and Samtskhe-Javakheti - 390 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.

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Hotel Price Index

In August 2019, in Georgia the hotel price index³ increased by 3.4% compared to July 2019. The 3-star, 4-star and 5-star hotel price index increased by 2.0%, while for guesthouses, the price index increased by 4.6%.

In August 2019, compared to August 2018, hotel prices in Georgia decreased by 2.4%. The prices of 3*, 4*, 5* hotels decreased by 5.3%, while the prices of guesthouses increased by 3.1%.

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2019 Aug/ 2019 July	2019 Aug/ 2018 Aug	2019 Aug/ 2019 July	2019 Aug/ 2018 Aug	2019 Aug/ 2019 July	2019 Aug/ 2018 Aug
Shida Kartli	13.1%	13.4%			13.1%	13.4%
Samegrelo-Zemo Svaneti	8.1%	15.6%	4.7%	-11.9%	9.0%	24.2%
Samtskhe-Javakheti	7.9%	3.0%	4.3%	-2.2%	10.4%	6.7%
Tbilisi	4.1%	17.8%	4.2%	20.4%	3.9%	15.2%
Mtskheta-Mtianeti	3.2%	-5.2%	5.0%	-8.5%	1.2%	5.7%
Adjara	2.6%	-5.5%	-0.6%	-4.8%	7.8%	-6.7%
Racha	2.0%	23.7%			2.0%	23.7%
Imereti	-0.6%	-0.2%	-1.2%	-0.2%	-0.2%	-0.2%
Kakheti	-2.1%	1.5%	-3.2%	-5.2%	-1.7%	3.4%
Guria	-2.7%	6.0%	-0.6%	7.0%	-4.2%	5.2%
Kvemo Kartli	-5.8%	-8.1%	-1.8%	-1.1%	-11.4%	-17.7%
Overall Price % Change	3.4%	-2.4%	2.0%	-5.3%	4.6%	3.1%

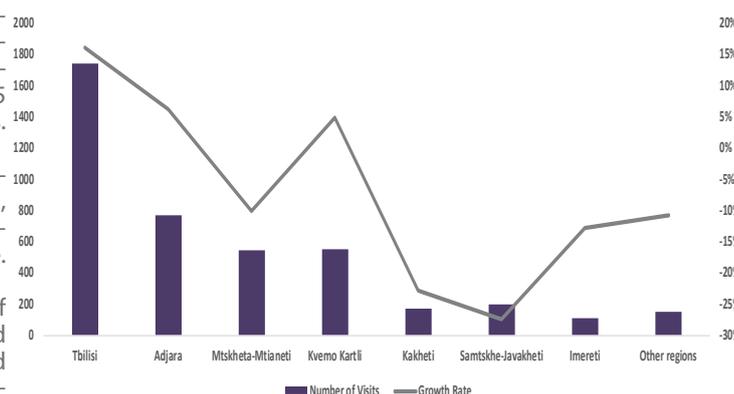
Table 1: Percentage change of prices in August 2019 over July 2019 and over August 2018.

Most Visited Regions by International Travelers

In the first half of 2019, the majority of visits by international travelers were made in Tbilisi, in total - 1.7 million visits. Tbilisi was followed by Adjara region - 0.7 million visits, Kvemo Kartli region - 0.55 million visits and Mtskheta-Mtianeti region - 0.54 million visits.

In the first half of 2019, the least visits were made in Guria, Shida Kartli, Racha, Samegrelo-Zemo Svaneti regions, in total in those regions 1.5 million visits were made.

Compared to the first half of 2018, in the first half of 2019, visits made by international travelers increased the most in Tbilisi, by 16.1%, followed by Adjara and Kvemo Kartli, respectively by 6.2% and 4.9%. Visits decreased the most in Samtskhe-Javakheti and Kakheti⁵.



Graph2: Number of Visits by International Travelers

Basic Economic Indicators											
	II 2017	III 2017	IV 2017	2017	I 2018	II 2018	III 2018	IV 2018	2018	I 2019	
1	544.3	642.6	569.8	2206.7	522.9	642.5	781.9	734.5	2681.8	600.6	
2	1757	2969.9	1797.5	7902.5	1582.4	1979.6	3226.4	1891.1	8679.5	1617.5	
3	908.9	1629.9	865.7	4069.4	839.5	1094.2	1838.3	984.7	4756.8	882.1	
4	629.9	1078.3	570.5	2704.3	550.7	810	1210.6	650.8	3222.1	578.4	
5	109.5	152	120.7	463.6	105.9	126.4	149.9	142.4	524.7	131.3	
6	25.1	29.7	10.3	72.2	25.4*	-5.4*	36*	16.1*	72.3*	25.4*	
1	Total Tourism Value Added (mln)			2			Number of International Travelers (thousand persons)				
4	Revenue form International Tourism (mln USD)			5			The Expenditures of Georgian tourists Abroad (mln USD)				
				3			Number of Tourists (thousand persons)				
				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 ag-

gregate price index is calculated by Jevons index (Consumer Price Index Manual-Theory and Practice (2004), Practical Guide to Producing Consumer Price Indices (2009)).
4 Source: GNTA
5 Source: Geostat
6 * Preliminary results