

THE HOTELIER'S KPI PLAYBOOK

MASTERING METRICS FOR MAXIMUM PROFITABILITY

The most successful hoteliers don't just track numbers—they leverage **KPIs** to optimize revenue, staffing, and profitability. Understanding these key metrics can transform your property's financial performance and create sustainable growth.

The 3 Essential KPIs Every Hotelier Should Master

RevPAR (Revenue Per Available Room)

Why It Matters:

Measures revenue efficiency, balancing both occupancy and **ADR**.

Industry Benchmark:

Top-performing hotels maintain a **RevPAR** at least 10% above market average.

Pro Tip:

Dynamic pricing and strategic **upselling** can increase **RevPAR** without deep discounting.

ADR (Average Daily Rate)

Why It Matters:

Higher **ADR** leads to stronger revenue and profitability.

Industry Benchmark:

The best hotels consistently price premium rooms 15–20% higher than base rooms.

Pro Tip:

A 5% increase in **ADR** can generate the same revenue impact as a 10% occupancy increase.

Occupancy Rate

Why It Matters:

Measures demand and operational efficiency.

Industry Benchmark:

A healthy occupancy rate varies by segment, but leading hotels target 75–85% annually.

Pro Tip:

Focus on personalized guest experiences and strong review management to drive repeat bookings.

Benchmark Your Performance

Luxury Hotels:

RevPAR: \$200+

ADR: \$250+

Occ: 75–85%

Midscale Hotels:

RevPAR: \$100–150

ADR: \$130–180

Occ: 70–80%

Economy Hotels:

RevPAR: \$60–90

ADR: \$80–120

Occ: 65–75%