

Average Hotel Prices in Georgia and Hotel Price Index

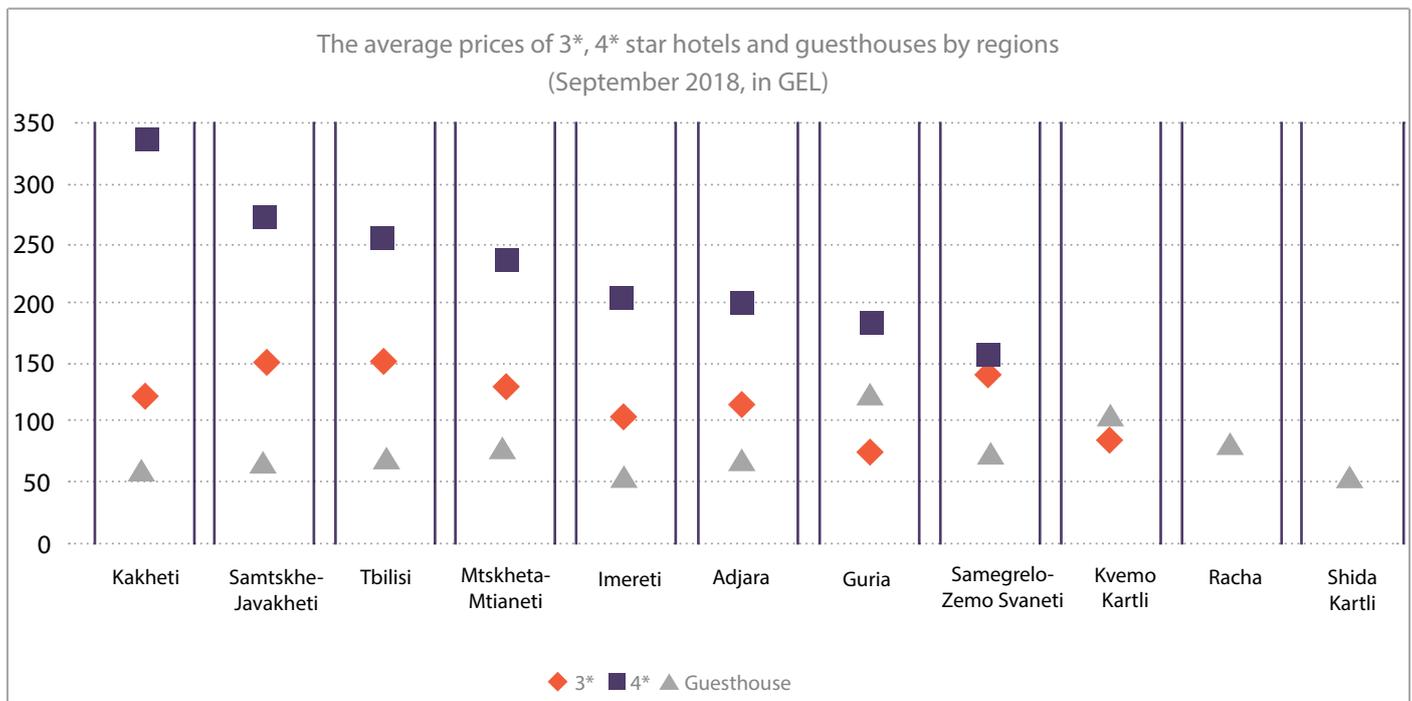
September 2018

- During October 2017 – September 2018 period, in Tbilisi the highest average prices of a room in a 3* and 4* hotels were recorded in December 2017, respectively 165 GEL and 293 GEL, the lowest prices were recorded in February 2018, respectively 124 GEL and 214 GEL.
- In September 2018, the hotel price index decreased by 5.9% compared to August 2018;
- In September 2018, the average cost of a room in each category was as follows: 3-star hotel room - 135 GEL per night; 4-star hotel room - 244 GEL; 5-star hotel room - 521 GEL; guesthouse room- 70 GEL.

Average Hotel Prices

In Georgia, the average cost of a room¹ in a 3-star hotel was **135 GEL** per night in September 2018. The most expensive 3-star hotels in September in Georgia were in Tbilisi – 153 GEL and in Samtskhe-Javakheti – 151 GEL. The cheapest 3-star hotels in September in Georgia were found in Guria – 74 GEL and in Kvemo Kartli- 85 GEL.

The average cost of a room in a 4-star hotel in Georgia in September 2018 was **244 GEL** per night. The most expensive 4-star hotels in September were found in Kakheti – 336 GEL and Samtskhe-Javakheti – 269 GEL. The cheapest 4-star hotels in September in Georgia were found in Samegrelo-Zemo Svaneti – 153 GEL and Guria – 180 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 September 2018 was **521 GEL** per night. In Tbilisi, the average price was 619 GEL, followed by Adjara – 527 GEL, Kakheti – 400 GEL, and Samtskhe-Javakheti - 383 GEL.

In September 2018, the average cost of a room in a guesthouse² in Georgia was **70 GEL** per night. The highest daily rates for guesthouses were found in Guria – 122 GEL and Kvemo Kartli -104 GEL. The cheapest guesthouses in September in Georgia were found in Shida Kartli – 56 GEL and Imereti – 58 GEL.

Hotel Price Index

In September 2018, in Georgia the hotel price index³ decreased by 5.9% compared to August 2018. The daily rates for standard double hotel rooms decreased the most in Guria (-22.5%) and Adjara (-21.5%).

Among ten regions of Georgia and Tbilisi, in September 2018, compared to August 2018, hotel prices increased only in Racha. In Tbilisi, in September compared to August, the overall price level of hotels did not change.

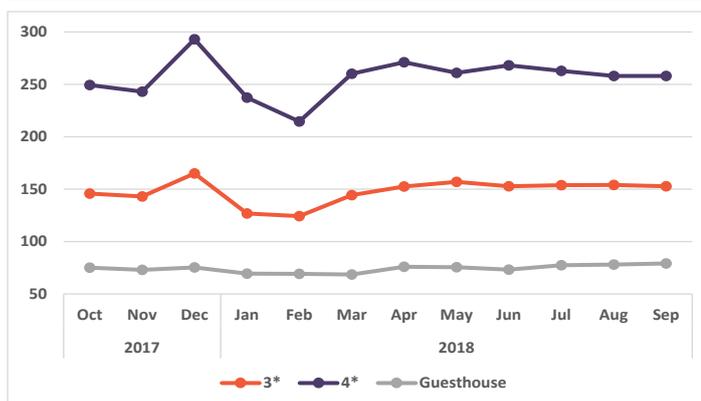
In Georgia, the 3-star, 4-star and 5-star hotel price index decreased by 6.4% in September 2018 compared to August 2018. In these types of hotels, the prices decreased in all regions of Georgia. The highest price decreases were recorded in Guria (-38.7%) and Adjara (-20.4%). In Tbilisi prices decreased by 0.2%.

In Georgia, for guesthouses, the price index decreased by 5.7% in September 2018 compared to August 2018. In this type of accommodation, the biggest percentage price decreases for standard double rooms were recorded in Adjara and Guria. In September, compared to August, the prices of guesthouses increased only in Racha and Tbilisi.

Region	Hotel	3*, 4*, 5*	Guesthouse
Racha	0.4%	-	0.4%
Tbilisi	0.0%	-0.2%	0.6%
Samegrelo-Zemo Svaneti	-0.7%	-3.0%	0.0%
Samtskhe-Javakheti	-1.3%	-1.2%	-1.3%
Mtskheta-Mtianeti	-1.7%	-2.0%	-1.5%
Imereti	-1.9%	-2.1%	-1.8%
Kakheti	-2.2%	-2.3%	-2.2%
Shida Kartli	-3.6%	-	-3.6%
Kvemo Kartli	-4.1%	-6.0%	-1.6%
Adjara	-21.5%	-20.4%	-22.9%
Guria	-22.5%	-38.7%	-11.4%
Overall price % Change	-5.9%	-6.4%	-5.7%

Table 1: Percentage change of prices in September 2018 over August 2018.

Hotel Prices in Tbilisi



During October 2017 – September 2018 period, the highest average hotel prices in a 3* hotel in Tbilisi was recorded in December 2017 – 165 GEL, the lowest average price was recorded in February 2018 – 124 GEL.

In a given period, like 3* hotels, the highest average price in 4* hotel in Tbilisi was recorded in December 2017 – 293 GEL, the lowest – in February 2018 – 214 GEL.

For guesthouses, in Tbilisi, the highest average price was recorded in September 2018 – 79 GEL, the lowest in March 2018 – 68 GEL.

Graph 2: Average prices in 3*, 4* hotels and guesthouses

Basic Economic Indicators										
	III 2016	IV 2016	2016	I 2017	II 2017	III 2017	IV 2017	2017	I 2018	II 2018
1	559,1	493.4	1978.3	458.7*	549*	647.7*	579.9*	2235.4*	534.8*	650.2*
2	2245.1	1473.8	6720	1378.1	1757	2927	1832.1	7902.5	1582.3	1979.6
3	1146.6	559.6	3297.3	665	908.9	1473.6	695.3	4069.4	839.5	1094.2
4	817.2	481.2	2166.3	434.6	658.8	1081.1	576.8	2751.3	550.8*	810*
5	107.8	92.4	386.3	81.4	109.5	152	120.7	463.6	105.9*	126.4*
6	12.5	34.7	56.1	7.1	25.1	29.7	14.4	76.2	23.8*	7.6*
* 1	Total Tourism Value Added (mIn Gel)			* 2 Number of International Travelers (thousand persons)		* 3 Number of Tourists (thousand persons)				
* 4	Revenue from International Tourism (mIn USD)			* 5 The Expenditures of Georgian tourists Abroad (mIn USD)		* 6 Foreign Direct Investment in Hotels and Restaurants Sector (mIn 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