

Rate and RevPAR continue to increase globally in July

2008-08-27

The global hotel industry recorded positive growth in average daily rate and revenue per available room for the month of July 2008, according to data from STR and STR Global.

[Click here](#) ( Adobe Acrobat PDF file) to download statistics.

July occupancies fell in all but one world region. Data for the survey was gathered from more than 36,150 hotels comprising 4.93 million guestrooms worldwide.

"Global data for July followed the same pattern that we have seen all year," said James Chappell, managing director of STR Global. "The US and Europe clearly are at a very different stage of the cycle than the other Global regions."

Growth in the Middle East/Africa region ranked first in each of the three performance categories. Regional rates increased by 29.9 percent in July and measured US\$149.57 per night. Middle East/Africa was the only region to post occupancy gains in July. Occupancy was up 3.5 percent to 70.7 percent for the month. The region recorded robust RevPAR gains of 34.5 percent in July and RevPAR stands at US\$105.75 for the month.

European hotels sampled by STR Global showed ADR growth of 14.1 percent for July, due in part to the U.S. Dollar conversion. July ADR in Europe was US\$166.81. Occupancies fell 2.3 percent in July to 70.3 percent and RevPAR is up 11.5 percent. RevPAR at European properties averaged US\$117.22 for July.

"European performance fell as the occupancy dipped below levels of 2007 and although Average Rate has been holding up, it wasn't enough to offset the fall," added Mr. Chappell.

Performance in the Asia Pacific region relied on strong rate growth - up 14.8 percent in July - to offset declining occupancies. Average Daily Rate in the region was US\$136.52. July saw Asia Pacific hotel occupancy fall 7.0 percent to 65.4 percent, the worst decline among the four regions. Nevertheless, Asia Pacific RevPAR gained 6.8 percent in July and stands at US\$89.32.

Mr. Chappell explained that the Asia Pacific region is a bright spot among the survey: "The Tiger Economies of Asia, which have been growing strongly from the last two years, continued to post impressive results and the Olympics in August will only boost the year-to-date figures."

The Americas region lagged in ADR and RevPAR growth. Occupancy fell 1.9 percent in July, buffered by South American gains. Occupancy in the Americas was 69.4 percent for the month. Average daily rate was up 2.9 percent in the Americas to US\$108.58. In July, RevPAR in the Americas was the lowest in the STR Global survey at US\$75.36 - a 0.9 percent increase for July.

Performance in the Americas region was weakened by the Caribbean sub-region, which was the only such locale in the survey to record declining rates (down 8.0 percent) and also declining RevPAR (down 9.9 percent) for the month.

Mr. Chappell cautioned further, "Hotel companies will be looking to see if rates will continue to hold as growth rates decline and economic indicators speak of worse to come."

All data and growth rates calculated in U.S. Dollars. Please see corresponding media file for data in Euros and British Pounds.

About STR & STR Global

For more than 20 years, Smith Travel Research has been the recognized leader for lodging industry benchmarking and research. Smith Travel Research and STR Global offer monthly, weekly, and daily STAR benchmarking reports to more than 36,000 hotel clients, representing nearly 5 million rooms worldwide. STR is headquartered in Hendersonville, Tenn., and STR Global is based in London. For more information, visit www.smithtravelresearch.com or www.strglobal.com.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article34300.html>

© 1998 - 2008 Nevistas and the author.

Brought to you by Hotel News Resource

Distribute your news on our Network

See what all the buzz is about at:

http://www.hotelnewsresource.com/Info-news_account_info.html