Revenue Definitions

RevPar – REVENUE PER AVAILABLE ROOM

MEANS – WHAT THE RATE WOULD BE BASED ON ALL AVAILABLE ROOMS IN THE HOTEL'S INVENTORY

TO CALCULATE - $\dfrac{\text{ROOMS REVENUE}}{\text{AVAILABLE ROOMS}}$

ADR – AVERAGE DAILY RATE

MEANS – THE AVERAGE RATE FOR THE AMOUNT OF ROOMS OCCUPIED.

TO CALCULATE - $\dfrac{\text{ROOMS REVENUE}}{\text{TOTAL OCCUPIED ROOMS}}$

MPI = MARKET PENETRATION INDEX

MEANS – HOW OUR OCCUPANCY COMPARES TO OUR COMPETITIVE SET.

TO CALCULATE – $\dfrac{\text{OUR OCCUPANCY}}{\text{MARKET OCCUPANCY}}$

ARI = AVERAGE RATE INDEX

MEANS – HOW OUR ADR COMPARES TO THE COMPETITIVE SET.

TO CALCULATE - $\dfrac{\text{OUR ADR}}{\textit{MARKET ADR}}$

RGI = REVENUE GENERATION INDEX

MEANS – HOW OUR REVPAR COMPARES TO THE COMPETITIVE SET.

TO CALCULATE - $\dfrac{\text{OUR REVPAR}}{\text{MARKET REVPAR}}$

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