

Monthly Tourism Update

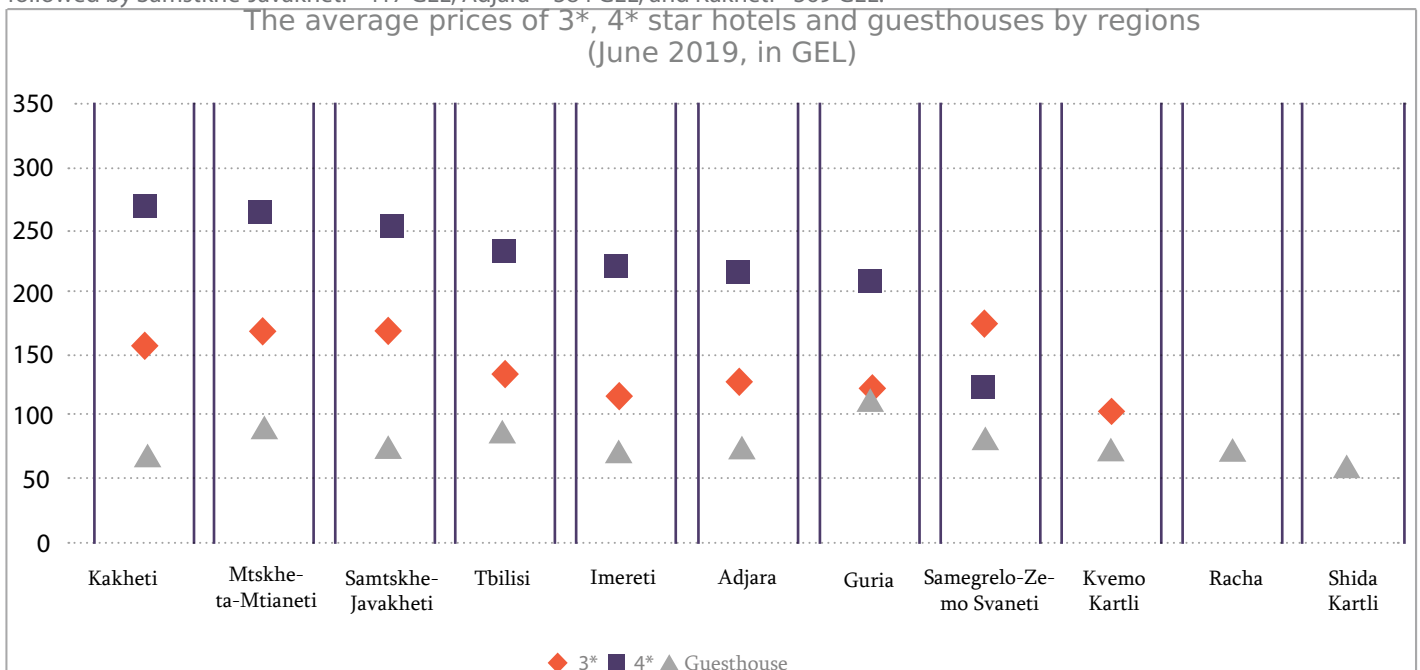
June 2019

- In June 2019, compared to June 2018, hotel prices in Georgia decreased by 2.9%, this was mainly due to the prices of 3*, 4*, 5* hotels. The prices of 3*, 4*, 5* hotels decreased by 7.3%, while the prices of guesthouses increased by 9.9%. In June 2019, compared to June 2018, the number of international travelers trips in Georgia increased by 19.9%, and among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 18%;
- In June 2019, in Georgia the hotel price index increased by 1.5% compared to May 2019. The 3-star, 4-star and 5-star hotel price index increased by 3.6%, while for guesthouses, the price index decreased by 0.1%; In June 2019, compared to May 2019, the number of international travelers trips in Georgia increased by 20.8%, while among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 11.1%;
- In June 2019, compared to June 2018, In Tbilisi the prices of 3*, 4* and 5* hotels decreased by 11.9%, while the prices of guesthouses increased by 20.4%;
- In Georgia, in June 2019, the average cost of a room in a 3-star hotel was 137 GEL per night, while the average cost of a room in a 4-star hotel was 232 GEL per night, in a 5-star hotel - 448 GEL per night and in a guesthouse - 76 GEL per night;
- According to the property type, in Georgia the majority of registered accommodations on booking.com website were apartments (49.1%), apartments were followed by guesthouses (21.2%) and hotels (17.6%);
- Among the hotels in Georgia registered on booking.com website, more than half were unrated (56.7%), while 23.5% of hotels were 3-star hotels, 15.5% - 4-star hotels, 2.2% - 5-star hotels.

Average Hotel Prices

In Georgia, the average cost of a room¹ in a 3-star hotel was 137 GEL per night in June 2019. While the average cost of a room in a 4-star hotel in Georgia was 232 GEL per night and the average cost of a room in a guesthouse² was 76 GEL per night.

The average cost of a room in a 5-star hotel in Georgia in June 2019 was 448 GEL per night. In Tbilisi, the average price was 618 GEL, followed by Samtskhe-Javakheti - 417 GEL, Adjara - 384 GEL, and Kakheti - 369 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.

Hotel Price Index

In June 2019, in Georgia the hotel price index³ increased by 1.5% compared to May 2019. The 3-star, 4-star and 5-star hotel price index increased by 3.6%, while for guesthouses, the price index decreased by 0.1%.

In June 2019, compared to May 2019, the number of international travelers trips in Georgia increased by 20.8%, while among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 11.1%⁴.

In June 2019, compared to June 2018, hotel prices in Georgia decreased by 2.9%, this was mainly due to the prices of 3*, 4*, 5* hotels. The prices of 3*, 4*, 5* hotels decreased by 7.3%, while the prices of guesthouses increased by 9.9%.

In June 2019, compared to June 2018, the number of international travelers trips in Georgia increased by 19.9%, and among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 18%.

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2019 June/ 2019 May	2019 June/ 2018 June	2019 June/ 2019 May	2019 June/ 2018 June	2019 June/ 2019 May	2019 June/ 2018 June
Shida Kartli	10.2%	6.4%			-1.7%	4.9%
Samtskhe-Javakheti	8.0%	1.9%	15.7%	-4.3%	2.9%	5.7%
Racha	7.9%	17.8%			-12.8%	24.7%
Mtskheta-Mtianeti	4.2%	16.3%	3.5%	10.6%	4.8%	21.2%
Tbilisi	4.1%	-5.4%	3.2%	-11.9%	7.3%	20.4%
Samegrelo-Zemo Svaneti	3.7%	11.0%	10.3%	-6.7%	0.9%	17.4%
Guria	3.4%	-17.9%	5.6%	1.6%	0.2%	-28.7%
Imereti	2.7%	15.2%	9.6%	10.9%	-2.5%	18.5%
Kakheti	0.4%	6.3%	12.6%	2.9%	-0.1%	7.4%
Kvemo Kartli	-5.9%	-3.6%	-5.1%	1.0%	-7.0%	-20.0%
Adjara	-6.7%	-8.3%	-0.8%	-6.7%	-17.2%	-11.2%
Overall Price % Change	1.5%	-2.9%	3.6%	-7.3%	-0.1%	9.9%

Table 1: Percentage change of prices in June 2019 over May 2019 and over June 2018.

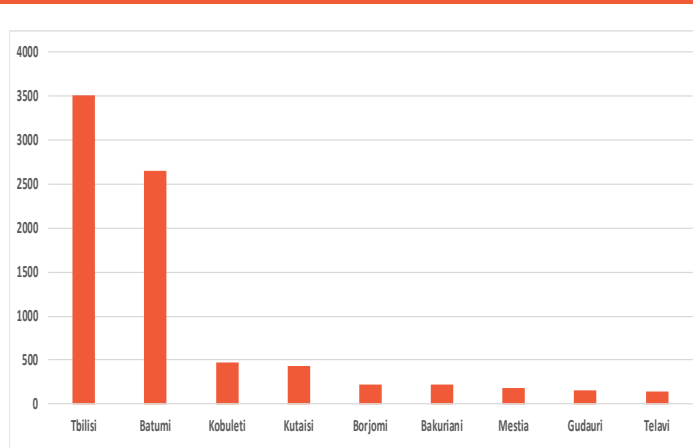
Accommodation Market in Georgia According to Booking.com Website

During June 2019, up to 10000 accommodations were available on booking.com website in Georgia. Majority of registered accommodations' prices ranged between 50-150 GEL per night (57.5%), while only 4.1% of accommodation prices were above 400 GEL.

Among the accommodations registered on booking.com website in Georgia, majority of them were located in Tbilisi (38.5%) and Batumi (29.1%). They were followed by Kobuleti (5.1%), Kutaisi (4.8%), Borjomi (2.5%), Bakuriani (2.4%) and Mestia (2.1%).

According to the property type, the majority of registered accommodations in Georgia on booking.com were apartments (49.1%), apartments were followed by guesthouses (21.2%) and hotels (17.6%).

Among the hotels in Georgia registered on booking.com, more than half were unrated (56.7%), while 23.5% of hotels were 3-star hotels, 15.5% - 4-star hotels, 2.2%-5-star hotels.



Graph 2: Number of Accommodations Registered on Booking.com Website

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)			3		Number of Tourists (thousand persons)	
4	Revenue form International Tourism (mln USD)			5			The Expenditures of Georgian tourists Abroad (mln USD)			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 individ-

ually, 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 Interna-

tional 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 Source: GNTA
5 Source: Geostat
6 * Preliminary results