

Monthly Tourism Update

May 2019

- In May 2019, compared to May 2018, hotel prices in Georgia increased by 3.4%, this was mainly due to the prices of guesthouses. In Georgia, in May 2019, compared to May 2018, the prices of 3*, 4*, 5* hotels decreased by 2.5%, while the prices of guesthouses increased by 15.9%. In May 2019, compared to May 2018, the number of international travelers trips in Georgia increased by 14.2%, and among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 18%;
- In May 2019, in Georgia the hotel price index increased by 6.7% compared to April 2019. The 3-star, 4-star and 5-star hotel price index increased by 4.1%, while for guesthouses, the price index increased by 11.4%. In May 2019, compared to April 2019, the number of international travelers trips in Georgia increased by 12%, while among the international travelers, the proportion who stayed in Georgia for 24 hours or more (classified as tourists) increased by 21.8%;
- In May 2019, compared to May 2018, the 3*, 4* and 5* hotel prices in Tbilisi decreased by 15.5%, while in Adjara increased by 21.3%;
- In the first quarter of 2019, the majority of visits made by international travelers in Georgia was made in Tbilisi (42.7%), this was followed by Kvemo Kartli (17.4%), Adjara (16.1%) and Mtskheta-Mtianeti (13.4%). While in other seven regions of Georgia only 10.4% of visits were made;
- In May 2019, according to the booking.com website, the prices of registered accommodation in Georgia are mainly between 1-150 GEL range - 71% of registered accommodation. While the prices of 22% of registered accommodation are between 150-300 GEL, 4% - 300-460 GEL, 2% - 460-610 GEL, 1% - 610 GEL and more.

Average Hotel Prices

In Georgia, the average cost of a room¹ in a 3-star hotel was 128 GEL per night in May 2019. While the average cost of a room in a 4-star hotel in Georgia was 219 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 May 2019 was 494 GEL per night. In Tbilisi, the average price was 612 GEL, followed by Adjara – 479 GEL, Samtskhe-Javakheti - 375 GEL, and Kakheti - 375 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.

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Hotel Price Index

In May 2019, in Georgia the hotel price index³ increased by 6.7% compared to April 2019. The 3-star, 4-star and 5-star hotel price index increased by 4.1%, while for guesthouses, the price index increased by 11.4%.

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Region	Hotel		3*, 4*, 5*		Guesthouse	
	2019 May/ 2019 Apr	2019 May/ 2018 May	2019 May/ 2019 Apr	2019 May/ 2018 May	2019 May/ 2019 Apr	2019 May/ 2018 May
Shida Kartli	10.2%	6.4%			10.2%	6.4%
Kvemo Kartli	9.0%	-16.7%	8.3%	6.4%	9.6%	-40.0%
Racha	7.9%	17.8%			7.9%	17.8%
Samtskhe-Javakheti	7.6%	6.6%	4.7%	-0.4%	9.8%	12.3%
Samegrelo-Zemo Svaneti	7.3%	7.1%	3.4%	-13.2%	9.0%	22.5%
Adjara	6.9%	26.6%	4.5%	21.3%	10.6%	37.0%
Tbilisi	6.8%	-11.2%	4.9%	-15.5%	13.5%	6.4%
Guria	5.9%	9.7%	5.8%	1.4%	6.1%	20.6%
Kakheti	5.7%	15.7%	3.5%	-2.7%	6.4%	21.4%
Mtskheta-Mtianeti	5.4%	14.2%	2.5%	12.8%	7.9%	15.4%
Imereti	4.9%	14.0%	1.9%	6.1%	7.0%	19.7%
Overall Price % Change	6.7%	3.4%	4.1%	-2.5%	11.4%	15.9%

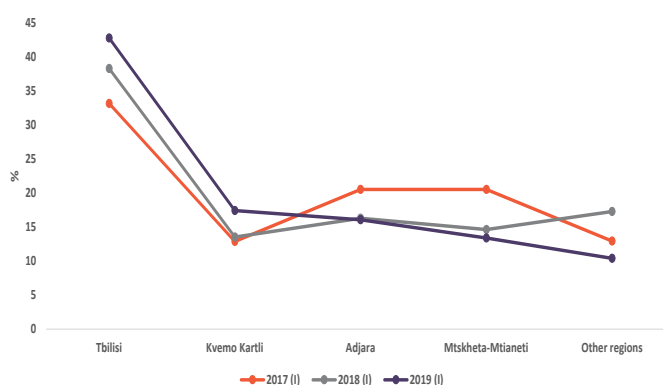
Table 1: Percentage change of prices in May 2019 over April 2019 and over May 2018.

The purpose of visits and most visited regions by International Travelers in Georgia

In the first quarter of 2019, the main purpose of visits made by international travelers in Georgia was holiday, leisure and recreation (35.8%), this was followed by the purpose of visiting friends and relatives (21.6%), while the least share of visits were made with purpose of health and medical care (3.2%). These shares are almost the same as in the first quarter of 2018.

In the first quarter of 2019, the majority of visits made by international travelers in Georgia was made in Tbilisi (42.7%), this was followed by Kvemo Kartli (17.4%), Adjara (16.1%) and Mtskheta-Mtianeti (13.4%). While in other seven regions of Georgia only 10.4% of visits were made.

To compare the first quarter of 2019 with the first quarter of previous year (2018), the share of visits made in Tbilisi and Kvemo Kartli increased, while the shares of visits in other regions decreased⁵.



Graph 2: Visited Regions by International Travelers

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				
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				
5	109.5	152	120.7	463.6	105.9	126.4	149.9	142.4	524.7				
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 (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 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