



Performance Update - Fiji

Fiji Hotel & Tourism Association

Matthew Burke

July 2017



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STR

The leading provider of hotel data to the global hotel industry



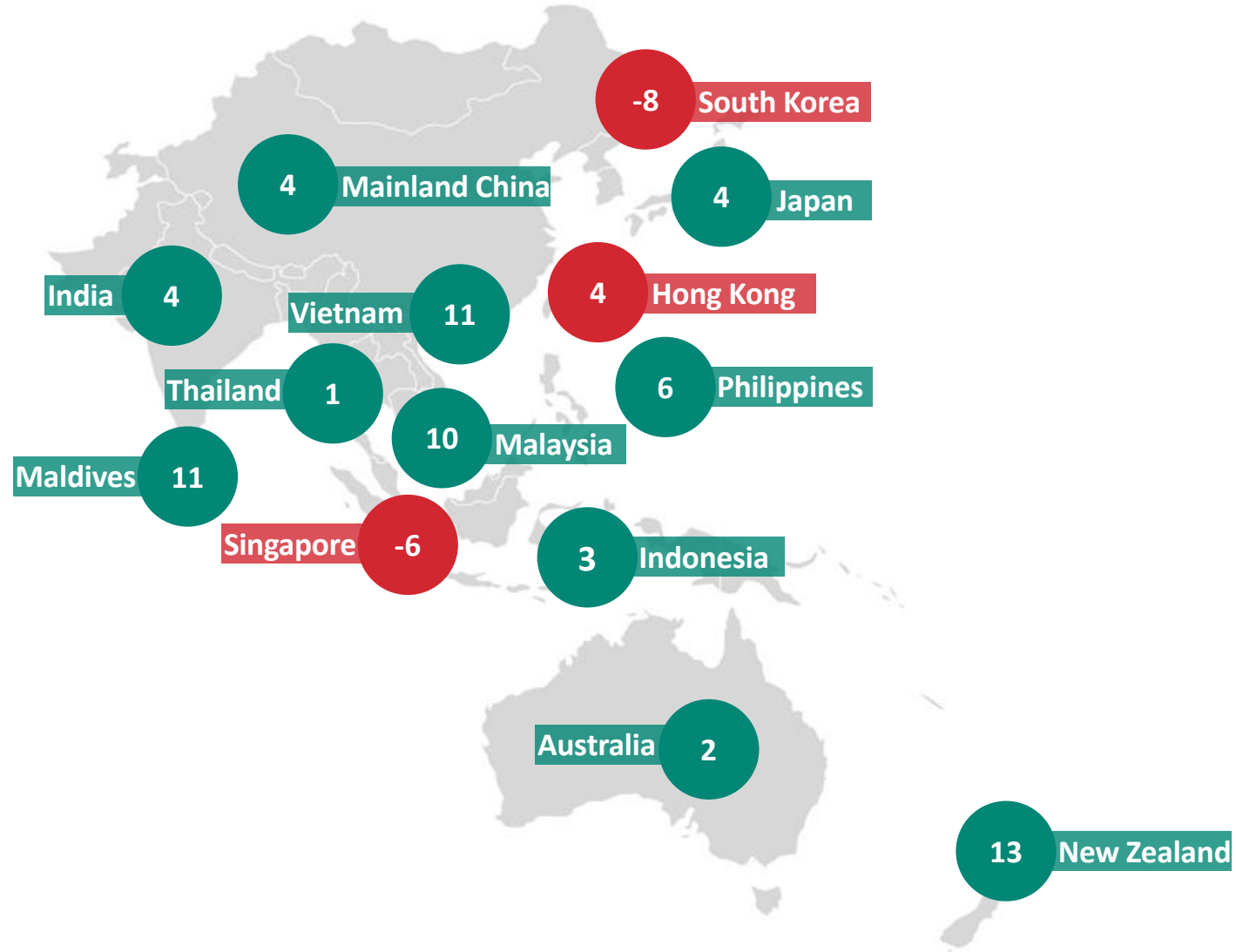
Over 57,000 participating hotels and 174,000 hotels in our database



Thank you

Asia Pacific Hotel Performance

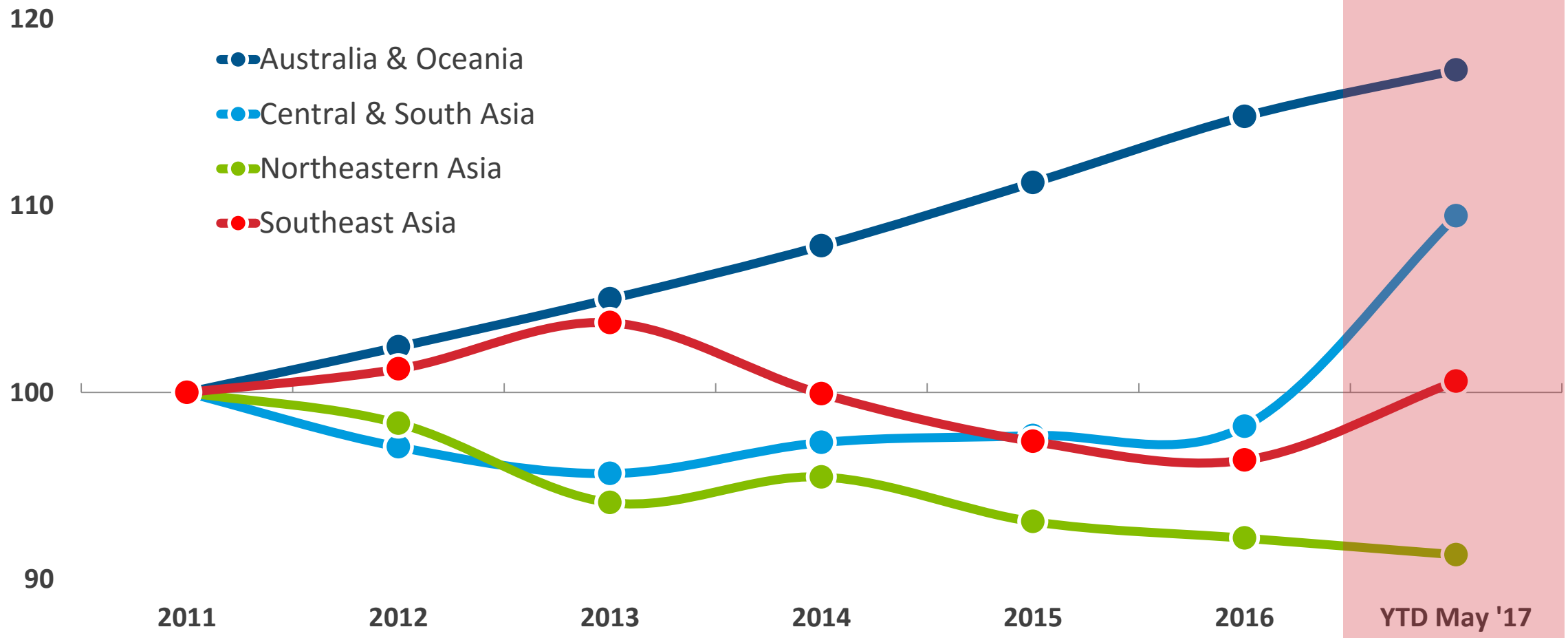
Selected Countries' RevPAR Growth, YTD May 2017, LC



Asia Pacific Sub-Continents Performance

RevPAR Performance (Indexed to 2011)

FY 2011 – YTD May '17, CC, USD

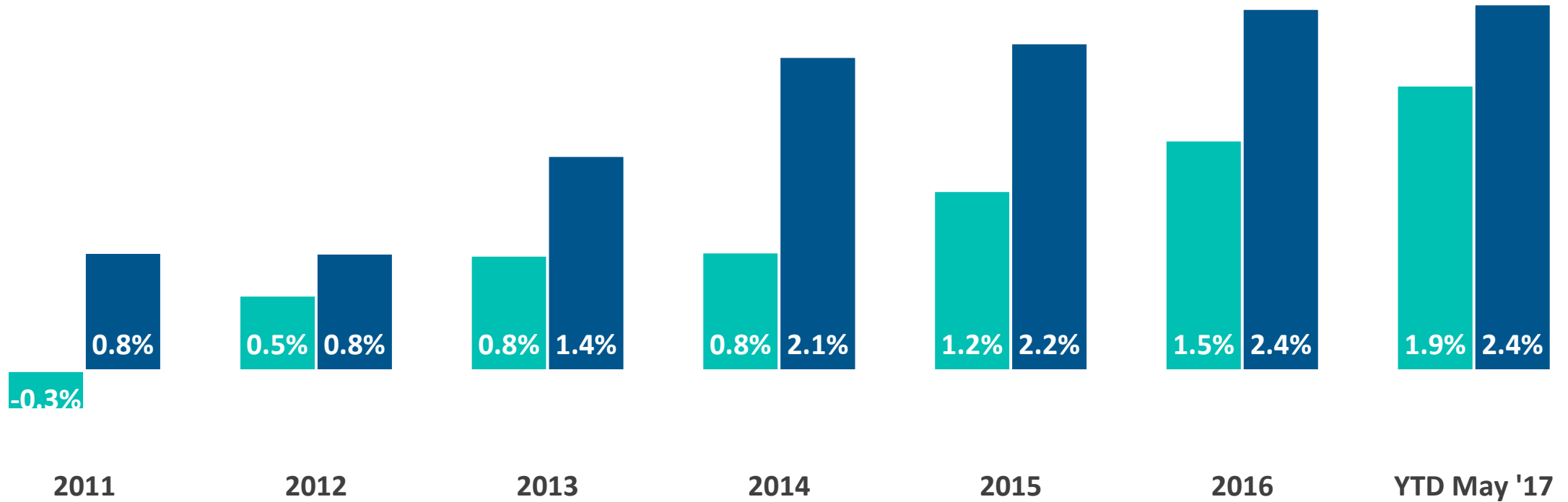


Pacific Hotel Performance

Supply & Demand Growth
FY 2011 – YTD May '17

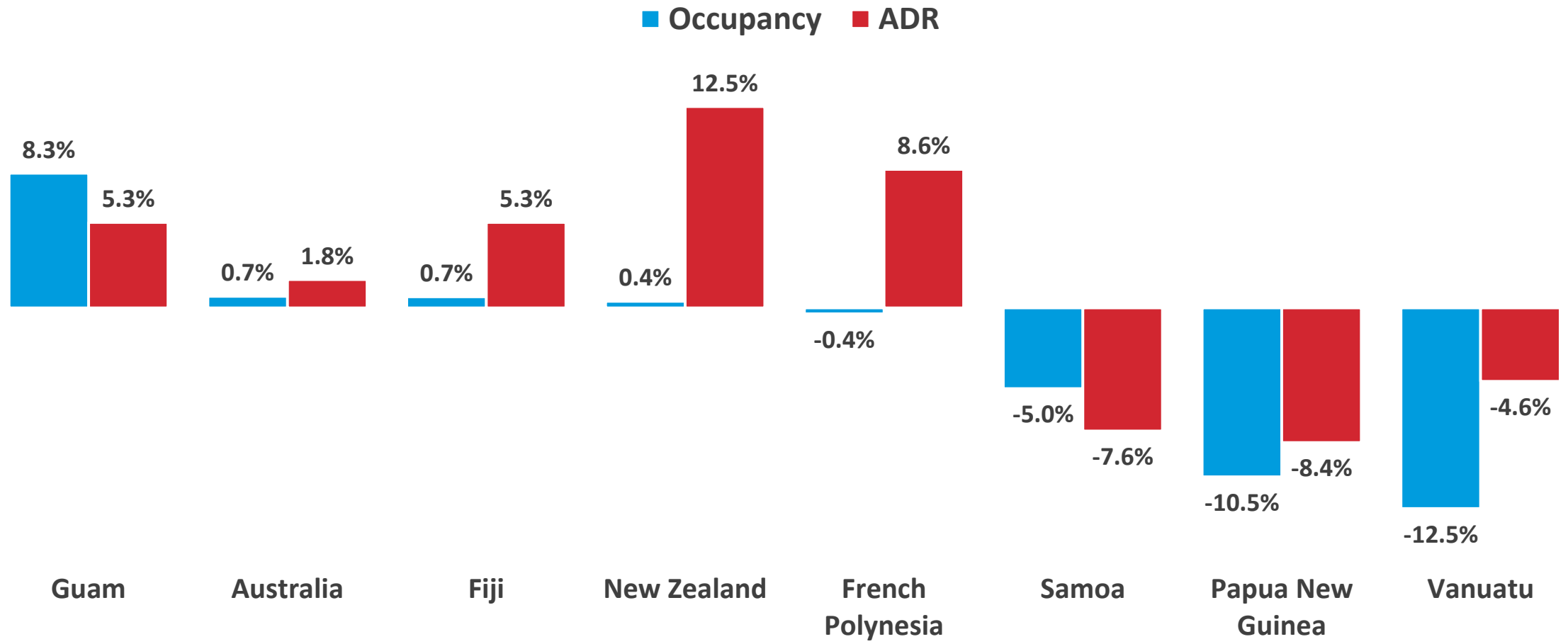


■ Supply ■ Demand



Pacific Hotel Performance

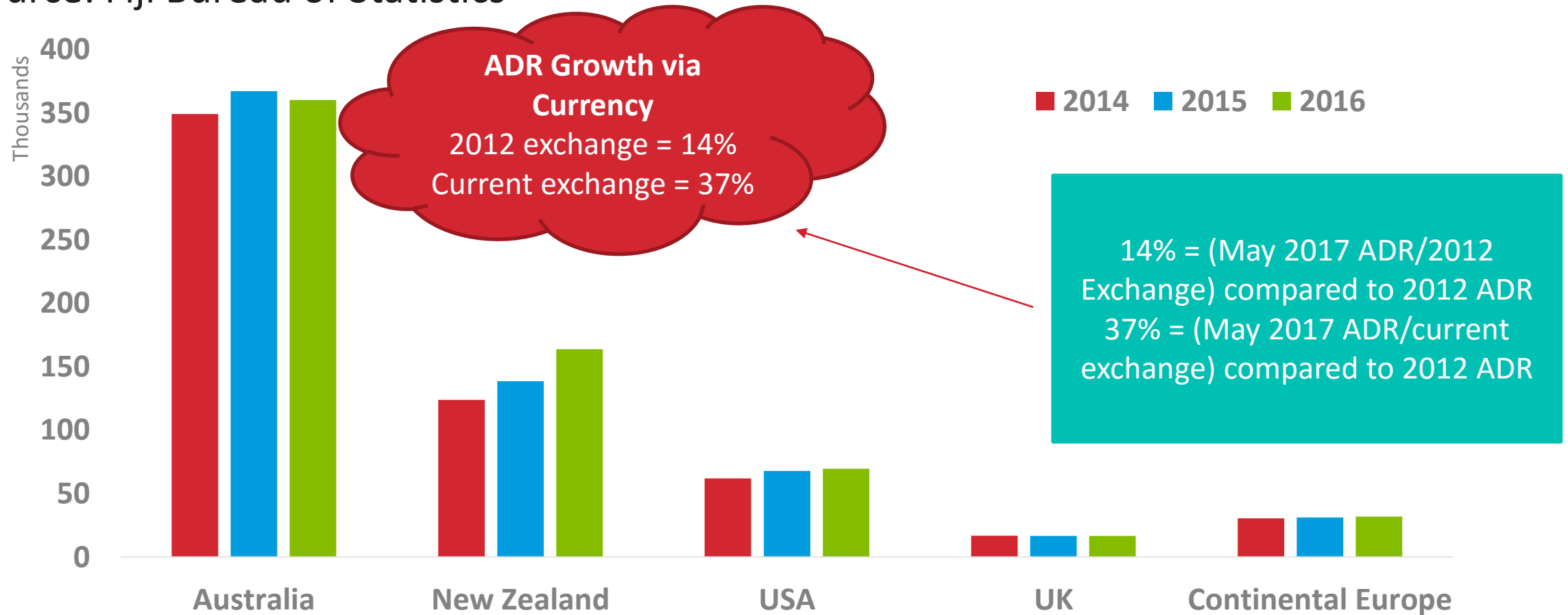
Selected Countries Occupancy & Average Rate Growth
YTD May 2017, Local Currency



International Arrivals

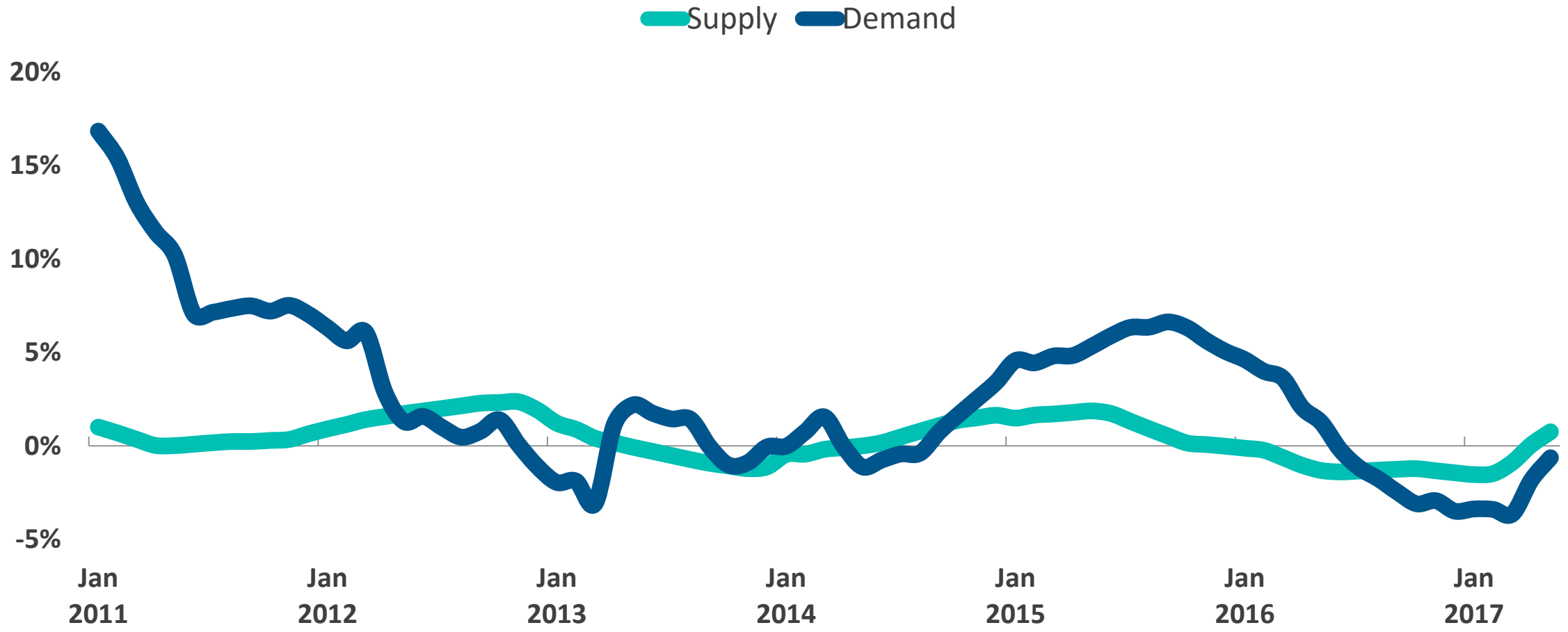
Is currency having an effect?

Source: Fiji Bureau of Statistics

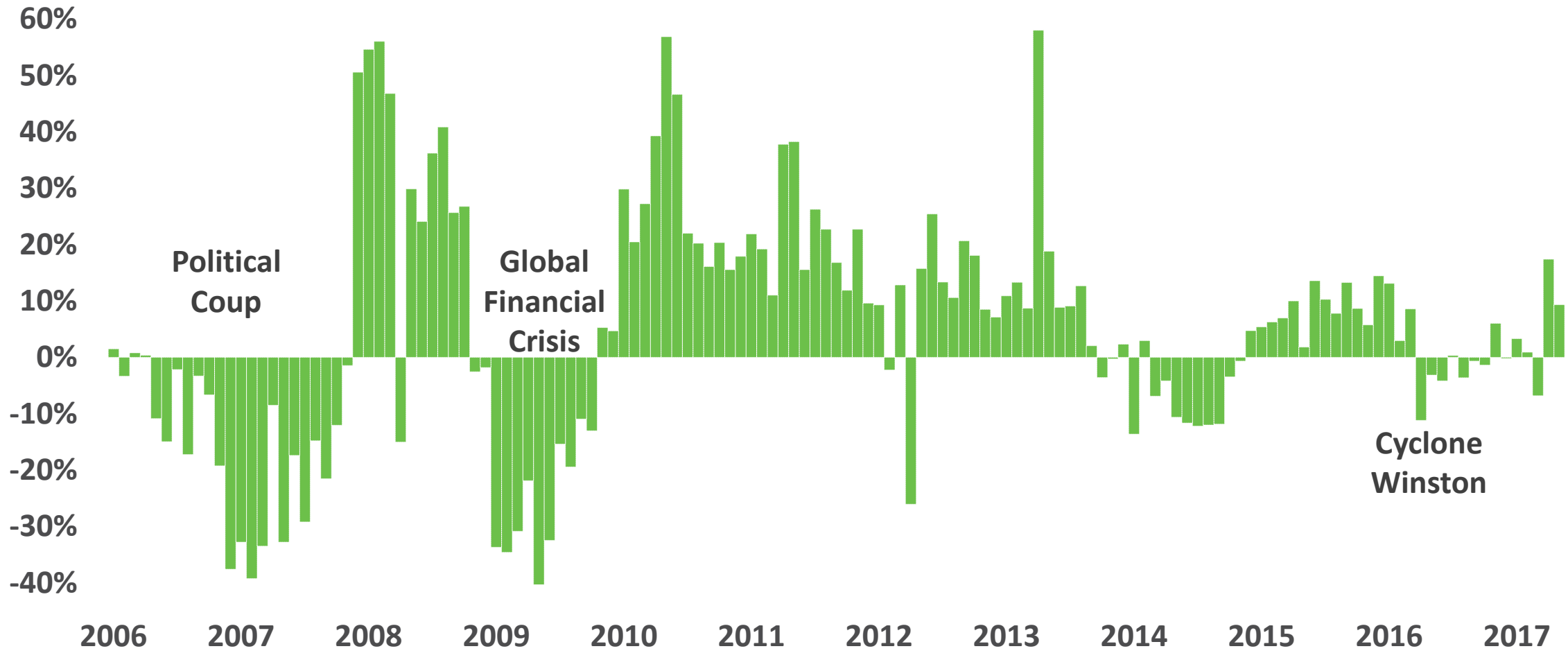


Fiji Hotel Performance

Monthly R12 Supply & Demand Growth
Jan 2011 – May 2017



Fiji Monthly RevPAR Performance



Fiji by the regions
RevPAR YTD May 2017



Coral Coast
+11%

Denarau
-0.6%

Fiji

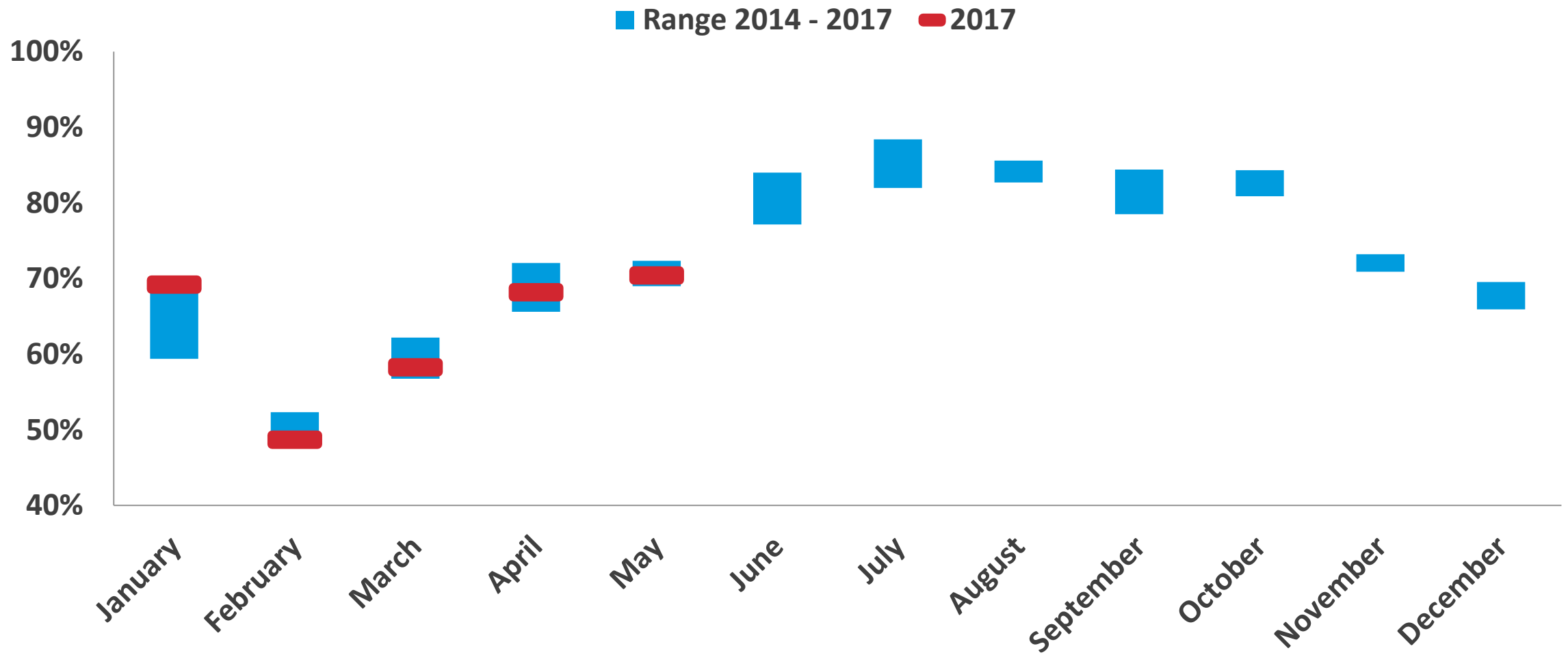
+6%

**Mamanuca
Islands**
+17.5%

Suva
+9.9%

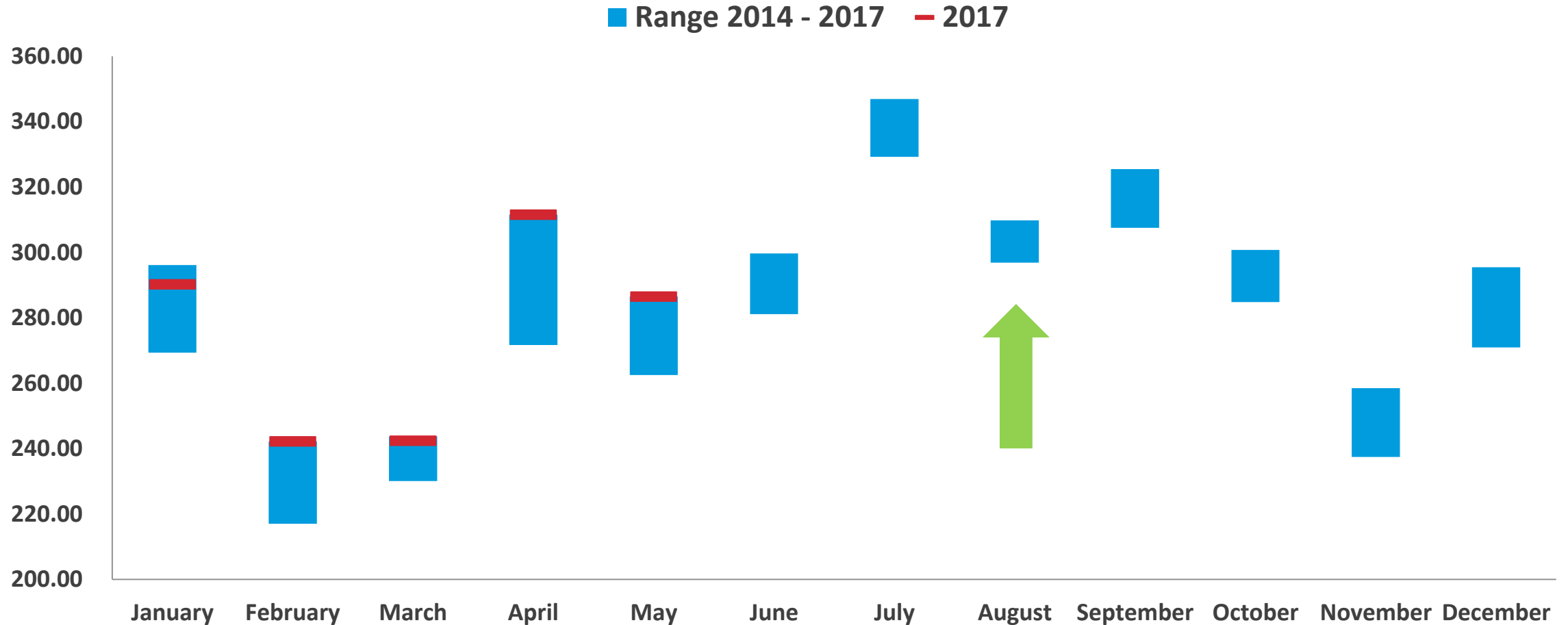
Historical Range of Occupancy

Fiji 2014 – 2017 Occupancy Performance



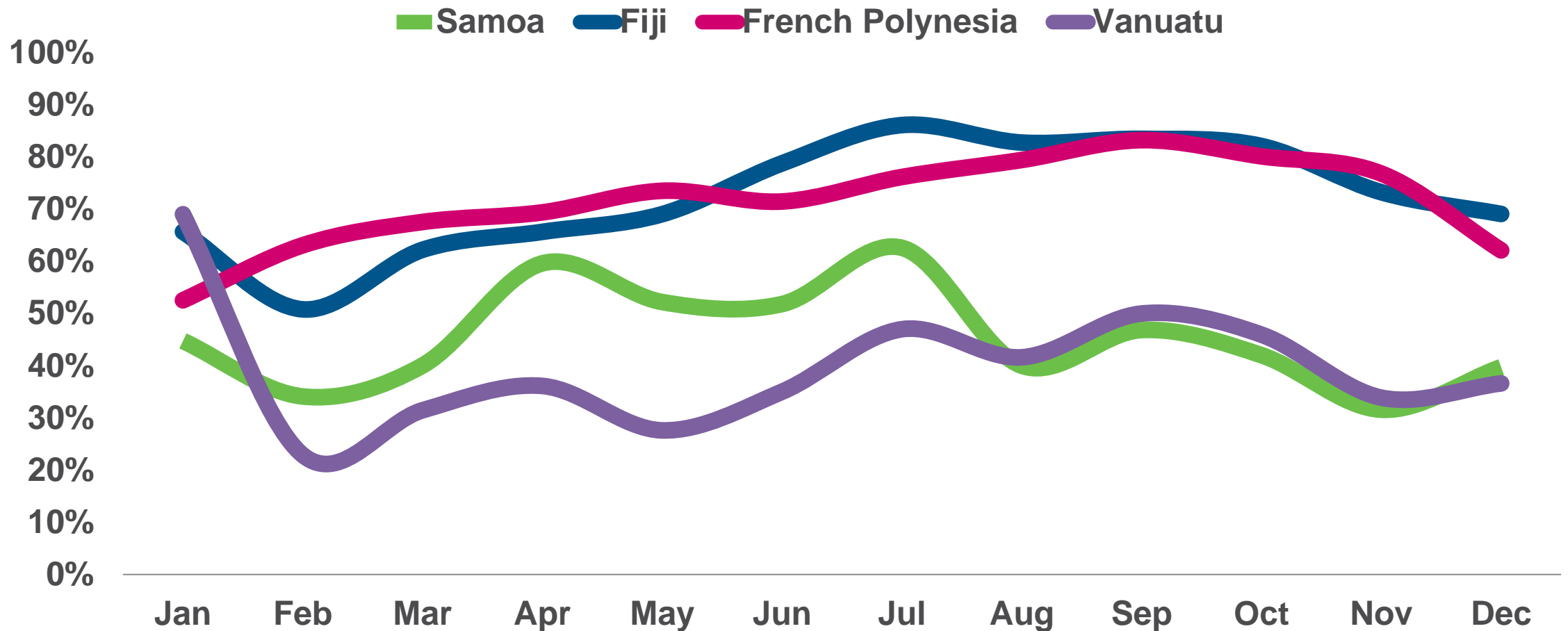
Historical Range of Average Rate

Fiji 2014 – 2017 ADR Performance, LC



Pacific Island Seasonality

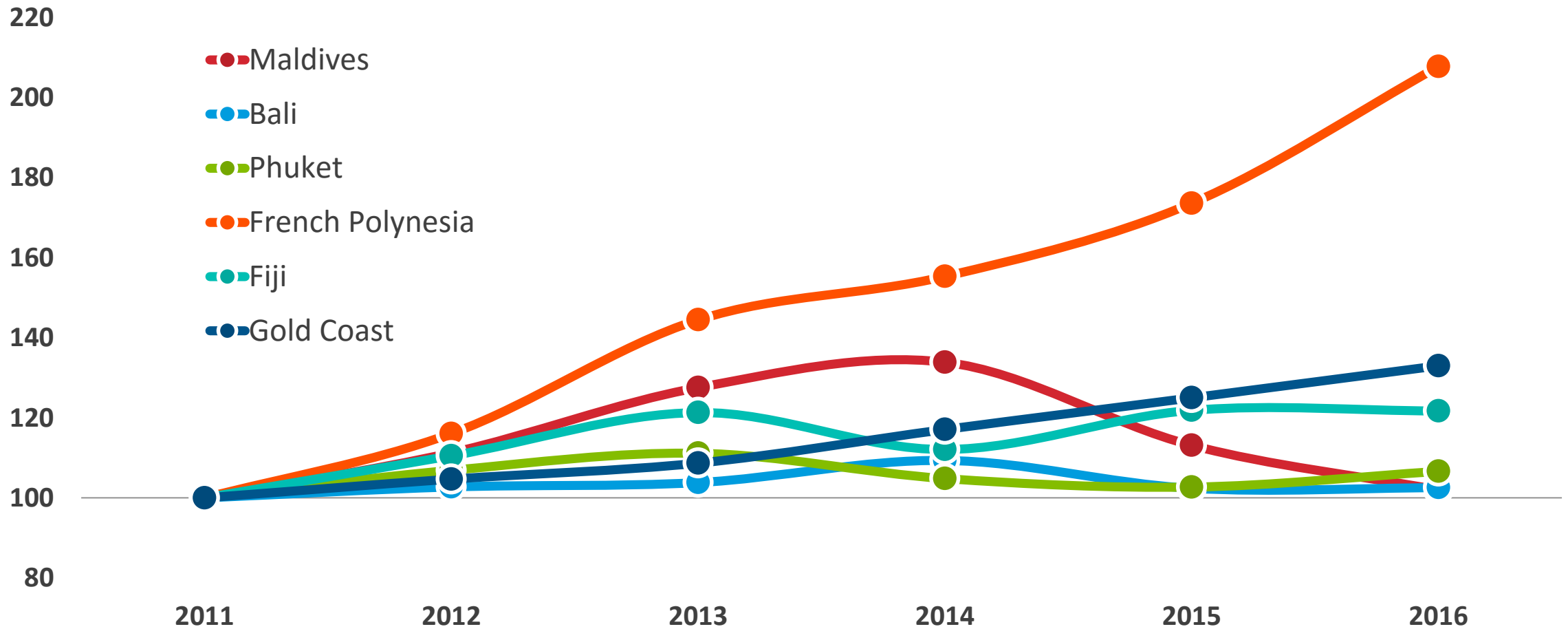
Monthly Occupancy 2016



Selected Leisure Destination in Asia Pacific

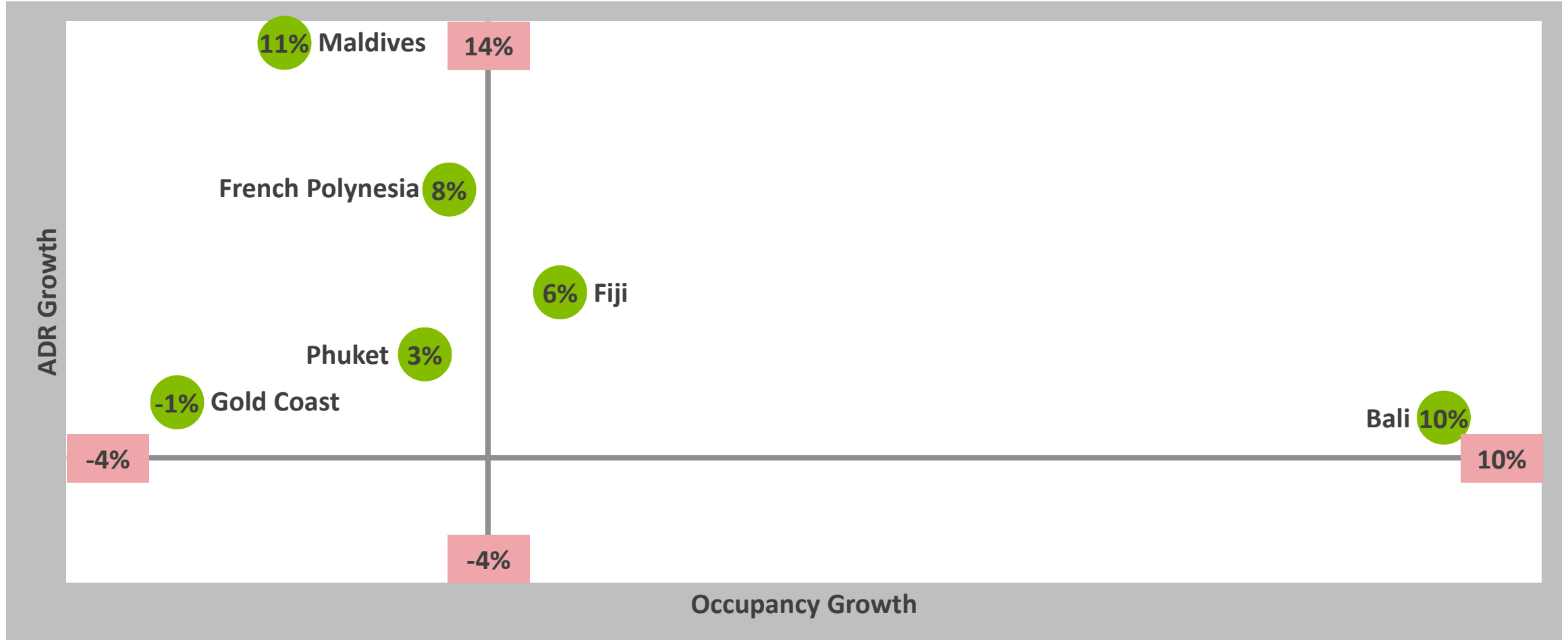
RevPAR Performance (Indexed to 2011)

FY 2011 – FY 2016, Local Currency



Selected Leisure Destinations in Asia Pacific

RevPAR Growth Positioning
YTD May 2017, Local Currency





Segmentation – It's FREE

Segmentation Program

FREE ADD-ON Report to Survey and STAR Subscription



With the Segmentation Report, you are able to pinpoint the group, contract, and transient rooms sold each month and benchmark your room, food and beverage, and other revenues as a % of total hotel revenues



Tab 10 - Segmentation at a Glance - My Property vs. Competitive Set

Currency: US Dollar

Sample Hotel City, State, Postal Code, Country Phone:
 STR # 999999 ChainID: MgtCo: None Owner: None
 For the Month of: September 2012 Date Created: April 08, 2013 Monthly Competitive Set Data Excludes Subject Property

September 2012

	Transient			Group			Contract			Total		
			% Chg			% Chg			% Chg			% Chg
Occupancy (%)	My Property	64.2	51.5	My Property	21.3	-48.6	My Property	4.2	18.9	My Property	89.8	2.7
	Comp set	60.6	10.4	Comp set	28.2	-13.8	Comp set	1.7	-26.0	Comp set	90.5	0.7
	Index	106.0	37.2	Index	75.6	-40.3	Index	254.1	60.6	Index	99.3	2.0
ADR	My Property	235.63	0.7	My Property	232.92	17.2	My Property	233.65	62.8	My Property	234.89	10.0
	Comp set	243.95	7.1	Comp set	203.06	7.4	Comp set	173.25	30.2	Comp set	229.88	8.8
	Index	96.6	-6.0	Index	114.7	9.1	Index	134.9	25.0	Index	102.2	1.1
RevPAR	My Property	151.28	52.5	My Property	49.71	-39.8	My Property	9.90	93.5	My Property	210.89	12.9
	Comp set	147.71	18.2	Comp set	57.33	-7.5	Comp set	2.89	-3.6	Comp set	207.93	9.5
	Index	102.4	29.0	Index	86.7	-34.9	Index	342.7	100.8	Index	101.4	3.1

Year To Date

	Transient			Group			Contract			Total		
			% Chg			% Chg			% Chg			% Chg
Occupancy (%)	My Property	53.8	20.5	My Property	23.7	-41.4	My Property	3.4	2.2	My Property	80.9	-8.5
	Comp set	58.8	11.1	Comp set	26.2	-4.5	Comp set	1.6	-54.9	Comp set	86.5	3.2
	Index	91.5	8.4	Index	90.5	-38.6	Index	210.6	126.4	Index	93.4	-11.3
ADR	My Property	258.47	7.4	My Property	233.07	17.7	My Property	199.05	40.8	My Property	248.55	14.3
	Comp set	250.17	8.0	Comp set	224.98	12.0	Comp set	167.55	20.1	Comp set	241.02	10.8
	Index	103.3	-0.6	Index	103.6	5.0	Index	118.8	17.2	Index	103.1	3.2
RevPAR	My Property	139.04	29.4	My Property	55.26	-31.0	My Property	6.71	43.9	My Property	201.01	4.6
	Comp set	147.01	20.1	Comp set	58.90	6.9	Comp set	2.68	-45.8	Comp set	208.60	14.3
	Index	94.6	7.8	Index	93.8	-35.5	Index	250.2	165.5	Index	96.4	-8.5

Segmentation Program Definitions



Transient

Derived from rental of rooms and suites by individuals or groups occupying less than 10 rooms per night. It also includes rooms leased to guests who have established permanent residence, with or without a contract. Transient stays typically include the following categories:

- ✓ Retail
- ✓ Discount
- ✓ Negotiated
- ✓ Qualified
- ✓ Wholesale



Segmentation Program Definitions

Groups

Derived from renting blocks of rooms to a group. A group is typically defined as 10 or more rooms per night sold pursuant to a contract.

Group Rooms Revenue is recorded net of discounts to wholesalers for selling large blocks of rooms.

To facilitate effective sales and marketing efforts, Group Rooms Revenue is generally segregated by market segment. Market segments typically include the following categories:

- ✓ Corporate
- ✓ Association/Convention
- ✓ Government
- ✓ Tour group/Wholesalers
- ✓ SMERF (Social, Military, Educational, Religious, Fraternal)



Segmentation Program Definitions



Contract

Derived from a contract with another entity for a consistent block of rooms for an extended period over 30 days. Contract Rooms Revenue is recorded net of discounts.

Examples include domiciled airline crews, ongoing corporate training seminars and incentive-based benefit programs.





Want to get more detailed?
Create a competitor set - STAR



The value of a competitor set?

- Comp sets have an impact on several functions of a hotel from the day-to-day operations to managerial and top-level decisions.
- Comp set uses include, but are not limited to the following:
 - Compare to the subject property for performance benchmarking purposes at a much more granular level
 - Aide the sales and marketing department to review their strategic and tactical decisions
 - Use in management contracts for performance requirements (often determines the amount of compensation managers receive)
 - Use for internal and external analysis (microeconomic)

Why are Comp Sets needed?



- Historically, hoteliers have relied on each other for performance information (price, quality, quantity etc.).
- Hotel staff would perform “call-arounds” where they would talk to staff from competitive hotels.
- There is no way of assuring whether entities are being honest with each other, or whether their information is pertinent or relevant to that of the seekers.
- Aggregating means finding the averages based on the data from a group of hotels so that each individual hotel is protected.
- Confidentiality rules ensure no individual property data is ever disclosed to another property.



Who chooses the Comp Set?

- For a small independent hotel it may be easy. The hotel owner may choose the comp set by themselves.
- For a larger hotel or a chain hotel, there are many stakeholders when it comes to choosing a comp set:
 - **the Management Company**
 - **the Chain (corporate staff such as a regional manager)**
 - **the GM**
 - **the sales and marketing team**
 - **The revenue manager**
- The selection process becomes important because often, especially in the case of a chain hotel, the GM's bonus is related to the performance of the hotel versus the comp set.



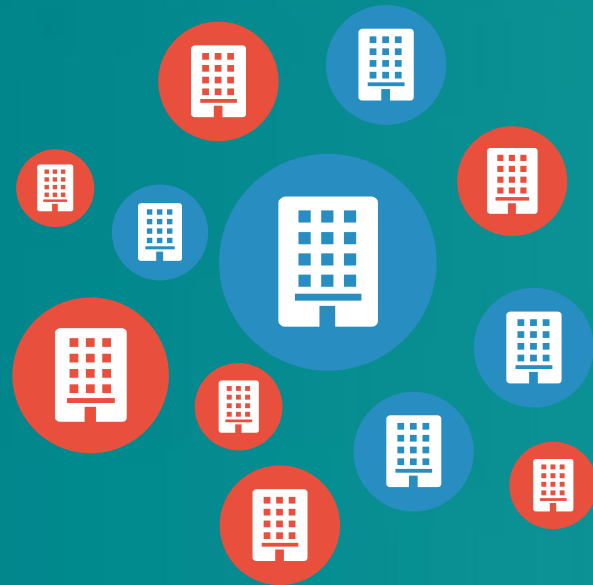
Key Considerations When Creating Comp Sets

- When it comes to deciding upon a competitive set, you can think of the four “P”s.
- **Participation** – You obviously want hotels that submit data to STR.
- **Proximity** – Normally, your competitors will be relatively close to your hotel.
- **Pricing** – In most cases, your competitors will have similar prices to your hotel
- **Product** – Your competitors will generally be similar to your hotel when it comes to features and amenities.

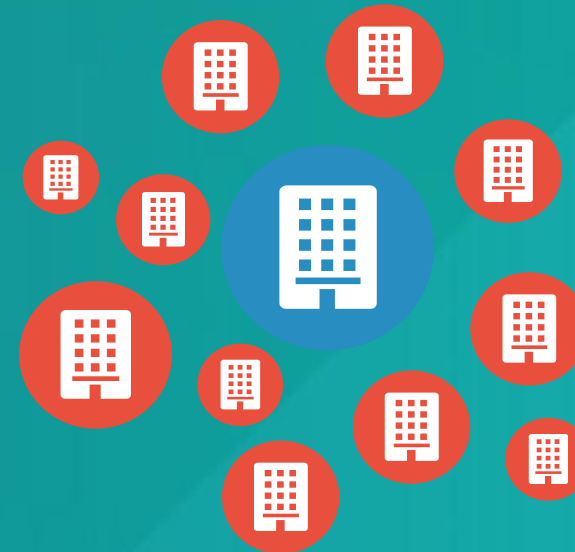
Building and Maintaining Compsets



STAR Report (Paid)
You vs chosen competition



Hotel Survey (Free)
You vs local market



STAR Report

Benefits to upgrading to a STAR Report

- ✓ Benchmark your hotel against your chosen Competitor Set as well as Fiji market
- ✓ 18 months historical Occupancy, ADR and RevPAR data showing year on year percentage change and rolling 3 & 12 month overview
- ✓ You can see year on year percentage change, rank and index
- ✓ You can have additional segmentation data for FREE
- ✓ Available in Daily, Weekly or Monthly Reports
- ✓ Annual subscription GBP 775 (approx. FJD 2,040)



Your hotel
vs
chosen competition



STAR Report example



Tab 2 - Monthly Performance at a Glance - My Property vs. Competitive Set

Sample Hotel Address City, Postal Code, Country Phone:

STR # 123456 ChainID: MgtCo: Owner:

For the Month of: February 2008 Date Created: March 28, 2008 Monthly Competitive Set Data Excludes Subject Property

Currency: European Euro

February 2008

	Occupancy (%)			ADR			RevPAR		
	My Prop	Comp Set	Index	My Prop	Comp Set	Index	My Prop	Comp Set	Index
Current Month	78.7	63.3	124.3	174.33	153.15	113.8	137.21	96.94	141.5
Year To Date	78.7	61.0	129.1	168.22	157.19	107.0	132.43	95.87	138.1
Running 3 Month	79.4	64.0	124.0	158.63	152.98	103.7	125.98	97.94	128.6
Running 12 Month	68.2	76.0	89.7	182.35	160.18	113.8	124.35	121.75	102.1

February 2008 vs. 2007 Percent Change (%)

	Occupancy			ADR			RevPAR		
	My Prop	Comp Set	Index	My Prop	Comp Set	Index	My Prop	Comp Set	Index
Current Month	10.0	14.0	2.0	-4.1	2.7	-6.6	5.9	17.1	-4.6
Year To Date	11.1	10.3	5.0	-8.8	5.4	-13.5	2.3	16.3	-8.5
Running 3 Month	8.5	7.4	6.0	-9.9	3.7	-13.2	-1.4	11.4	-7.2
Running 12 Month	-10.3	0.9	-11.1	2.1	-4.1	6.5	-8.4	-3.2	-5.4

Sample Daily STAR - Snapshot



	Mo	Tu	We	Th	Fr	Sa	Su
Occupancy (%)	December						
	1	2	3	4	5	6	7
My Property	57.8	79.5	83.1	53.0	45.8	69.9	27.7
Competitive Set	82.5	91.5	88.6	74.1	68.0	72.0	42.4
Index	70.1	86.9	93.8	71.5	67.3	97.0	65.3
% Chg							
My Property	-20.0	65.0	-16.9	-46.3	-51.9	-28.4	-61.7
Competitive Set	11.3	99.4	-0.8	-24.9	-28.9	-17.8	-48.1
Index	-28.1	-17.2	-16.2	-28.5	-32.3	-12.9	-26.1



Profitability – It's FREE

Report Structure



STR Analytics & STR Global
2016 Custom P&L Report
Summary

Currency: SGD

2014	2015
Props: 5	Props: 5
Rooms: 1,200	Rooms: 1,200
Occupancy: 81.5%	Occupancy: 81.3%
ADR: 339.91	ADR: 335.71
RevPAR: 276.90	RevPAR: 272.81
TrevPAR: 474.97	TrevPAR: 460.68
GOPPAR: 185.07	GOPPAR: 181.71



	2014			2013			Variance %	
	Ratio to Sales ¹	Amount Per Available Room	Amount Per Occupied Room Night	Ratio to Sales ¹	Amount Per Available Room	Amount Per Occupied Room Night	Amount Per Available Room	Amount Per Occupied Room Night
REVENUE	%			%			%	%
Rooms	58.3 %	101,053	339.91	59.2 %	99,466	335.71	1.6 %	1.3 %
Food	25.9	44,929	151.13	24.4	41,061	138.58	3.4	9.1
Beverage	5.4	9,428	31.71	5.2	8,710	29.40	8.2	7.9
Other Food & Beverage	4.6	7,969	26.81	5.2	8,721	29.43	(8.6)	(8.9)
Other Operated Departments	5.0	8,539	28.32	5.2	8,678	29.29	(0.9)	(1.3)
Rentals & Other Income	0.8	1,356	4.60	0.8	1,324	4.50	2.4	2.2
TOTAL REVENUE	100.0 %	173,335	583.04	100.0 %	167,961	566.88	3.2 %	2.9 %
DEPARTMENTAL EXPENSES								
Rooms	23.6 %	23,868	80.28	22.9 %	22,728	76.71	5.0 %	4.7 %
Food & Beverage	69.5	43,298	145.64	69.7	40,786	137.66	6.2	5.8
Other Operated Departments	42.8	3,683	12.39	43.3	3,756	12.68	(1.9)	(2.3)
TOTAL DEPARTMENTAL EXPENSES	40.9 %	70,849	238.31	40.1 %	67,271	227.04	5.3 %	5.0 %
DEPARTMENTAL PROFITS								
Rooms	76.4 %	77,186	253.62	77.1 %	76,738	259.00	0.6 %	0.2 %
Food & Beverage	30.5	19,029	64.01	30.3	17,706	59.76	7.5	7.1
Other Operated Departments	57.2	4,315	16.53	56.7	4,322	16.61	(0.1)	(0.5)
TOTAL DEPARTMENTAL PROFITS	59.1 %	102,486	344.73	59.3 %	100,630	339.84	1.8 %	1.4 %
UNDISTRIBUTED OPERATING EXPENSES								
Administrative & General	6.8 %	11,703	39.36	6.6 %	11,124	37.54	5.2 %	4.8 %
Marketing (excluding Franchise Fees)	5.2	3,019	30.34	5.2	6,743	29.51	3.2	2.8
Franchise Fees (royalty and marketing)								
Utility Costs	4.3	7,376	24.81	4.8	8,079	27.27	(8.7)	(9.0)
Property Operation & Maintenance	3.8	6,563	22.07	3.7	6,232	21.03	5.3	4.9
TOTAL UNDISTRIBUTED OPERATING EXPENSES	20.2 %	34,946	117.55	20.5 %	34,441	116.24	1.5 %	1.1 %
GROSS OPERATING PROFIT	39.0 %	67,541	227.18	39.4 %	66,249	223.60	2.0 %	1.6 %
Base Management Fees	1.8	3,149	10.59	1.5	2,466	8.32	27.7	27.3
Incentive Management Fees	1.2	2,102	7.07	1.1	1,920	6.48	3.5	3.1
INCOME BEFORE FIXED CHARGES	35.9 %	62,290	209.52	36.8 %	61,863	208.79	0.7 %	0.3 %
SELECTED FIXED CHARGES								
Rent	1.2 %	2,011	6.76	4.2 %	7,074	23.87	(71.6) %	(71.7) %
Property Taxes	0.7	1,191	4.01	0.7	1,209	4.08	(1.5)	(1.7)
Insurance	0.1	187	0.63	0.1	202	0.68	(7.4)	(7.4)
EBITDA / NET OPERATING INCOME	34.0 %	58,900	198.12	31.8 %	53,379	180.16	10.3 %	10.0 %
Reserve For Capital Replacement	1.4	2,422	8.15	1.4	2,332	7.87	3.9	3.6
SUPPLEMENTAL PAYROLL ANALYSIS ³								
Rooms	12.1 %	12,239	41.17	11.8 %	11,727	39.57	4.4 %	4.0 %
Food and Beverage	33.5	20,856	70.15	33.8	19,762	66.69	5.5	5.2
Other Operated Departments	24.1	1,535	5.10	22.6	1,435	4.94	2.6	3.2
Administrative & General	4.1	7,068	23.78	3.9	6,519	22.00	8.4	8.1
Marketing	2.3	4,022	13.53	2.3	3,867	13.05	4.0	3.7
Property Operations & Maintenance	1.4	2,408	8.10	1.4	2,331	7.86	3.3	3.1
TOTAL PAYROLL & RELATED EXPENSES	27.6 %	47,782	160.72	27.0 %	45,364	153.09	5.3 %	5.0 %
SUPPLEMENTAL FOOD & BEVERAGE INFORMATION ³								
Cost of Food Sales	29.8 %	13,702	46.37	31.0 %	13,094	44.13	4.6 %	5.1 %
Cost of Beverage Sales	26.3	2,634	8.91	25.7	2,377	8.01	10.8	11.2
Total Cost of F&B Sales	25.4 %	16,336	55.28	25.5 %	15,471	52.14	5.6 %	6.0 %
Food & Beverage Payroll	33.5 %	20,856	70.15	33.8 %	19,762	66.69	5.5 %	5.2 %
Food & Beverage Other Expenses	11.5 %	7,184	24.16	11.2 %	6,579	22.20	9.2 %	8.8 %



	2015		
	Ratio to Sales ¹	Amount Per Available Room	Amount Per Occupied Room Night
	%		
REVENUE			
Rooms	65.3 %	43,078	162.98
Food	18.5	12,225	46.25
Beverage	5.4	3,568	13.50
Other Food & Beverage	4.7	3,074	11.63
Other Operated Departments	4.0	2,628	9.94
Miscellaneous Income	2.2	1,444	5.50
TOTAL REVENUE	100.0 %	66,017	249.76

Report Structure

From top to bottom...



	2015		
	Ratio to Sales ¹	Amount Per Available Room	Amount Per Occupied Room Night
	%		
GROSS OPERATING PROFIT	37.1 %	24,495	92.67
Base Management Fees	2.5	1,639	6.20
Incentive Management Fees	0.6	379	1.43
INCOME BEFORE FIXED CHARGES	34.0 %	22,477	85.04
SELECTED FIXED CHARGES			
Non-Operating Income	0.1 %	405	1.49
Rent	3.4	2,255	8.53
Property Taxes	2.4	1,595	6.04
Insurance	0.7	485	1.83
EBITDA	27.4 %	18,102	68.49
Reserve For Capital Replacement	2.1	1,373	5.19

Report Structure

From top to bottom...



	2015		
	Ratio to Sales ¹	Amount Per Available Room	Amount Per Occupied Room Night
	%		
SUPPLEMENTAL PAYROLL ANALYSIS 3			
Rooms	13.8 %	5,935	22.46
Food and Beverage	37.8	8,539	32.49
Other Operated Departments	41.8	1,669	6.45
Administrative & General	4.1	2,764	10.46
Information & Telecommunications	0.5	468	1.77
Marketing	2.4	1,654	6.25
Property Operations & Maintenance	2.0	1,303	4.93
TOTAL LABOR COSTS	29.8 %	19,657	74.37
SUPPLEMENTAL FOOD & BEVERAGE INFORMATION ³			
Cost of Food Sales	26.7 %	3,903	14.84
Cost of Beverage Sales	20.7	905	3.44
Total Cost of F&B Sales	21.2 %	4,764	18.11
Food & Beverage Labor	37.8 %	8,539	32.49
Food & Beverage Other Expenses	10.0 %	2,190	8.32



P&L Reporting Output

If you submit two years of P&L data, you will for **FREE** receive:

- **Complimentary Report**
- **Companion File**
- **Executive Summary**

As a P&L participant you will also receive a discount on:

- **Custom Reports (Comp-set Reports)**
- **Comparative Custom Reports**



Be Involved – It is Free!!!

Visit - www.strglobal.com/profitability-guide



Thank you

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