

## **Tour Groups Play Greater Role for Hotels**

By The Moscow Times

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A distinctive trend in the Moscow hospitality market in 2011 was the difference in occupancy rates for the luxury and upper upscale segments as compared to other more affordable segments, Cushman & Wakefield said in a report released late last week.

The upscale, upper midscale and midscale segments all registered occupancy peaks in the third quarter with 74 percent, 82 percent and 77 percent occupancy, respectively.

Highest occupancy in the summer season indicates that the group leisure business is becoming an important part of annual hotel occupancy in the luxury segment.

The boost in occupancy comes at a drop in the payment rate, but such groups also spend money on other services, such as group meals.

The city in general closed 2011 with an increase in revenue per available room of 8 percent over 2010 figures. This came from a 5 percent growth in occupancy and 3 percent growth in average rate. It was the second straight year of growth and a similar trend is expected

in 2012.

The highest growth of revenue per available room was recorded in the midscale, upper midscale and upscale segments (about 10 percent for each). Revenue per available room in the luxury segment (hotels like the Ritz-Carlton and Park Hyatt) grew by about 3 percent.

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