

Determining a Barter Budget HOTEL CHAIN

A hotel chain with 100 properties that has an average of 300 rooms per property and an annual 75% occupancy has 25% of their total guest rooms going unused or 2,737,500 room nights.

*100 hotels x 300 rooms/hotel x 365 days/year =
10,950,000 total available room nights
- 75% annual occupancy leaves
2,737,500 unused room nights per year
(25% of total available room nights)*

If this hotel chain has a \$150.00 ADR, it is losing \$410,625,000.00 of potential revenue each year.

*2,737,500 unused room nights per year
(25% of total available rooms)
x \$150 ADR =
\$410,625,000 lost room revenue annually
1% of the \$410,625,000.00 lost room revenue = \$4,106,250.00*

This hotel chain can take that 1% or \$4,106,250.00 and use it to pay valuable media from ITM, on a trade basis.

\$4,106,250.00 barter budget