

Hotel Finance KPI Reference

Formulas, what each KPI tells you, and a common mistake to watch for. USALI-style definitions; USALI is referenced for layout only.

The KPIs

KPI	Formula	What it tells you	Common mistake
Occupancy	Rooms Sold ÷ Rooms Available	Share of sellable rooms you sold.	Treating out-of-order, comp and house-use rooms differently month to month.
ADR	Rooms Revenue ÷ Rooms Sold	Average rate paid per room sold.	Counting comps as sold, or mixing non-room revenue into rooms revenue.
RevPAR	Rooms Revenue ÷ Rooms Available (= Occupancy × ADR)	Volume and rate combined into one inventory measure.	Reading it as profit. Discount-driven RevPAR can lower GOP.
Cost per occupied room	Rooms Dept Expenses ÷ Rooms Sold	Cost to service each sold room night.	Ignoring fixed costs: CPOR rises in slow months even when well managed.
TRevPAR	Total Operating Revenue ÷ Rooms Available	Whole-property revenue per available room.	Using a different rooms-available count than RevPAR.
GOP & GOP margin	Total Revenue – (Dept + Undistributed Expenses); GOP ÷ Total Revenue	Operating profit before fees, fixed charges and non-operating items.	Comparing with reports that classify expenses under different schedules.
GOPPAR	GOP ÷ Rooms Available	Profit per unit of room inventory.	Reading it without RevPAR and TRevPAR beside it.
Flow-through	ΔGOP ÷ ΔTotal Revenue (vs. prior year or budget)	Share of each extra revenue dollar that reached GOP.	Quoting % on tiny or negative revenue changes. Show the dollars too.
Labor cost %	Total Labor Cost ÷ Total Revenue	Share of revenue consumed by payroll and related costs.	Including benefits, taxes or contract labor in some periods but not others.

Worked example: FICTIONAL SAMPLE DATA

Sample Resort (fictional) is a 120-room property used for illustration only. Figures are invented for illustration and are not benchmarks. 30-day month: 3,600 rooms available; 2,700 sold; rooms revenue \$540,000; total revenue \$810,000; rooms dept expenses \$135,000; labor \$259,200; GOP \$283,500. Prior year: revenue \$760,000; GOP \$258,500.

KPI	Calculation	Result
Occupancy	2,700 ÷ 3,600	75.0%
ADR	\$540,000 ÷ 2,700	\$200.00
RevPAR	\$540,000 ÷ 3,600 (check: 75.0% × \$200.00)	\$150.00
TRevPAR	\$810,000 ÷ 3,600	\$225.00
Cost per occupied room	\$135,000 ÷ 2,700	\$50.00
GOP margin	\$283,500 ÷ \$810,000	35.0%
GOPPAR	\$283,500 ÷ 3,600	\$78.75
Labor cost %	\$259,200 ÷ \$810,000	32.0%
Flow-through	(\$283,500 – \$258,500) ÷ (\$810,000 – \$760,000) = \$25,000 ÷ \$50,000	50.0%

How to read it: half of each extra revenue dollar reached GOP. Prior-year GOP margin was 34.0% (\$258,500 ÷ \$760,000), so the new revenue converted above the base rate and margin rose to 35.0%.

Before you compare two reports: confirm the same rooms-available definition, the same revenue in each numerator, the same period, and the same USALI edition and schedules.

Want this as a working Excel file? If it helps, the Hotel KPI Calculator & Monthly Review Pack (\$39) calculates these KPIs from your monthly inputs, adds net ADR after OTA commissions, a 12-month budget with budget vs actual, and a monthly review / owner report template. One-time price, 14-day refund. hospitalityfinancetools.com/resorts-hotels/