

Independent hotels in SA set new RevPAR record

Independent hotels in South Africa have achieved a new precedent in revenue per available room (RevPAR) performance over the festive season, measuring R2,197 on 31 December 2023. This is according to hotel management system, RoomRaccoon, which recorded the highest RevPAR volume recorded since 2017.



Source: [Pexels](#)

The data analysed the booking data from over 4,500 rooms in boutique hotels, B&Bs and guesthouses using the hotel management software across South Africa.

According to the data, independent hotels in South Africa reported a 9% increase in RevPAR, the standard metric for measuring top-line performance, on New Year's Eve compared to 2022.

This increase can be attributed to consistently strong occupancy rates, which measured 76% in 2023 compared to 79% in 2022, as well as a notable increase in Average Daily Rate (ADR), climbing from R2,560 in 2022 to R2,890 in 2023.

Commenting on the data is Niels Verspui, market head of RoomRaccoon South Africa: "The increase in RevPAR indicates the South African hotel industry's success in optimising revenue by capitalising on sustained high occupancy in 2023 over the festive season."

Smart technology

He recommends that hotels leverage dynamic pricing technology to maximise revenue per available room in 2024. "By implementing smart technology, hoteliers can leverage sophisticated algorithms that understand supply and demand dynamics in real-time. This ensures that room rates are adjusted dynamically, maximising revenue during peak periods and maintaining competitiveness during slower times."

Verspui recommends adopting technology solutions "that empower hoteliers with effective competitor analysis and the ability to implement dynamic pricing strategies to ensure they provide the best value to customers while maximising revenue."

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