Gradebook for Cleanliness in Hotels

An Analysis of
Housekeeping Costs
and Hotel Cleanliness
as Perceived by Guests

Gradebook for Cleanliness in Hotels Executive Summary

Cleanliness is one of the main factors in a hotel selection, regardless of property size, brand affiliation, or location. High standard of cleanliness of a hotel helps to form customer loyalty, generate positive word of mouth, and, as a result, increase the hotel's occupancy and profitability.

This report aims to answer an important question:

Does spending more on housekeeping make a hotel look cleaner?

Data collected from 1,139 hotels across 15 brands showed that spending more money on cleaning a room does not guarantee higher guest scores for cleanliness. Generally, upper upscale brands spent more than other hotels on housekeeping in 2017, however they did not have the highest cleanliness scores. When comparing the cleanliness scores of the hotel brands relative to their housekeeping expenses per occupied room (POR), TownePlace Suites had the most efficient housekeeping operations in 2017. Hampton Inn, Hampton Inn and Suites, SpringHill Suites, and Fairfield Inn followed the leader.

Other Important Findings

- The analysis of seasonal changes in housekeeping expenses in 2016-2017 showed that the cost of cleaning each occupied room was lower for months with higher occupancy.
- Thirteen out of 15 brands increased their housekeeping expenses in 2017 from 2016. This increase ranged from 0.1% to 3.63%.
- Only 4 brands (Hilton, DoubleTree, Hilton Garden Inn, and Hampton Inn) had increase in cleanliness rating in 2017.
- The largest category of housekeeping expenses were spent on housekeeping salaries and wages (over 65%) in 2017.

The recommendations are provided at the end of the report.

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Cleanliness is one of the main factors in a hotel selection, regardless of property size, brand affiliation, or location. The words “clean hotel” are among the most used key-words entered by travelers who are in search of accommodations for their leisure or business trips. Whether you are managing a luxury facility or a budget hotel, guests’ expectations of a clean hotel should not be underestimated. High standards of cleanliness of a hotel helps to form customer loyalty, generate positive word of mouth, and, as a result, increase hotel occupancy and profitability.

Since cleanliness has a direct impact on a property’s financial success, it is necessary for hoteliers to implement smart strategies to increase efficiency of their housekeeping operation. Here is an important question that needs to be answered:

Does spending more on housekeeping make a hotel look cleaner?

Methods and Data Set

The M3 company provided anonymous data on hotel monthly housekeeping expenses for the years 2016 and 2017. The sample of 1,139 hotels included properties from all regions of the US: Midwest (13%), Northeast (12%), South (62%), and West (13%). The hotels studied represented **15 brands and three chain scales***:

Upper Upscale: Embassy Suites (26 hotels), Hilton (25 hotels), Marriott (19 hotels), Westin (13 hotels);

Upscale: Courtyard (125 hotels), DoubleTree (55 hotels), Hampton Inn and Suites (10 hotels), Hilton Garden Inn (132), Homewood Suites (69 hotels), Hyatt Place (40 hotels), Residence Inn (102 hotels), SpringHill Suites (53 hotels);

Upper Midscale: Fairfield Inn (136 hotels), Hampton Inn (260 hotels), TownePlace Suites (74 hotels).

The data set of **housekeeping expenses** included the following expenses categories:

- cleaning equipment
- cleaning supplies
- contract cleaning
- guest supplies
- laundry supplies and chemicals
- linen replacement
- housekeeping equipment maintenance
- housekeeping salaries and wages
- laundry salaries and wages

Housekeeping expenses per occupied room (POR) were used in the analysis. Housekeeping expenses POR were calculated for each brand as aggregated averages monthly or annually.

A **cleanliness score** is a satisfaction score of cleanliness provided by hotel guests. The cleanliness score for each brand is a brand averaged score ranging from 0% to 100%.

* The hotels brands were grouped in the chain scales based on STR chain scale classification.

Seasonal Changes in Housekeeping Expenses

Figure 1. Monthly Housekeeping Expenses POR and Occupancy Rate (2016 - 2017).

The fluctuations of housekeeping expenses POR in 2016 exhibited four peaks across upper upscale, upscale, and upper-midscale brands. The higher spending on housekeeping occurred in January, May, September, and December. Upper upscale hotels also had a peak of housekeeping expenses during July of 2016. In 2017, the brands had three peaks in housekeeping expenses. Upper upscale hotels had greater housekeeping expenses POR in January, July, and December during 2017. Upscale brands spent more on housekeeping in February, August, and December during 2017. Upper midscale hotels had peaks of housekeeping expenses POR in January, August, and December during 2017.

Figure 1 shows a negative relationship between housekeeping expenses POR and occupancy rate. This makes sense since as occupancy increases, staff time can be used more efficiently, therefore, decreasing the average cost of cleaning per room.

Overview of Housekeeping Expenses and Cleanliness Scores

Chain Scale	Total Housekeeping Expenses			Cleanliness Score
	POR	% of Room Revenue	% of Total Revenue	
Upper Upscale	\$13.73	8.89%	6.84%	69.52%
Upscale	\$11.31	8.56%	7.71%	73.00%
Upper Midscale	\$10.08	8.91%	8.57%	76.20%

Chain Scale	Brand	Total Housekeeping Expenses			Cleanliness Score
		POR	% of Room Revenue	% of Total Revenue	
Upper Upscale	Embassy Suites	\$10.70	7.48%	6.49%	66.74%
	Marriott	\$14.02	9.76%	7.29%	72.15%
	Westin	\$14.53	9.45%	6.40%	70.91%
	Hilton	\$15.23	9.40%	7.09%	68.27%
Upscale	Springhill Suites	\$10.29	9.05%	8.67%	76.03%
	Homewood Suites	\$10.83	8.39%	8.07%	74.93%
	Hampton Inn & Suites	\$10.91	8.63%	8.36%	81.15%
	Courtyard	\$10.97	8.59%	7.61%	74.37%
	Residence Inn	\$11.00	7.79%	7.45%	75.28%
	Hilton Garden Inn	\$11.03	8.37%	7.50%	76.13%
	Hyatt Place	\$11.54	9.13%	8.51%	58.34%
	DoubleTree	\$13.14	9.75%	7.59%	67.74%
Upper Midscale	Towneplace Suites	\$8.71	8.40%	8.17%	75.07%
	Hampton Inn	\$10.32	8.73%	8.40%	77.48%
	Fairfield Inn & Suites	\$10.41	9.53%	9.12%	76.05%

Figure 2. Annual Housekeeping Expenses and Cleanliness Score by Brand (2017).

Who got an “A” in Cleanliness?

Nobody!

None of the brands in the data set received an “A” for cleanliness from guests during 2017. Cleanliness scores for all brands were less than 90%. Hampton Inn and Suites led the pack in cleanliness as the only brand that exceeded the 80% mark. Hampton Inn had the second highest score of 77.48%, followed by Hilton Garden Inn, Fairfield Inn, and SpringHill Suites that had almost the same cleanliness scores ranging from 76.13% to 76.03%. Hyatt Place was the only brand with a cleanliness score below 60%.

Figure 3. Brand Cleanliness Scores (2017)

However, when comparing the cleanliness scores of the brands relative to their housekeeping expenses POR, TownePlace Suites had the most efficient housekeeping operations in 2017. Hampton Inn, Hampton Inn and Suites, SpringHill Suites, and Fairfield Inn followed the leader. Upper upscale hotels spent more than other hotels on housekeeping in 2017, however they did not have the highest cleanliness score from their guests compare to other hotels.

Figure 4. Comparison of Annual Housekeeping Expenses (POR) and Cleanliness Scores (2017).

Figure 5 shows that 13 out of 15 brands increased their expenses for housekeeping in 2017 from 2016. This increase ranged from 0.1% to 3.63%. However, only 4 brands (Hilton, DoubleTree, Hilton Garden Inn, and Hampton Inn) had increases in cleanliness ratings in 2017.

Figure 5. Percent Change of Annual Housekeeping Expenses (POR) and Cleanliness Scores in 2017 from 2016.

Recommendations

It is known that hotel cleanliness is one of the top three criteria for selecting an accommodation (location, safety, and cleanliness).

For this reason, every hotel should focus on providing clean rooms to its guests in order to remain competitive. Interestingly, the data collected from 1,139 hotels showed that spending more money on cleaning a room does not guarantee higher guest scores for cleanliness. However, smart management of housekeeping costs does.

Ensuring a property operates at the highest possible standards without straining a budget can be achieved when the right practices are in place.

Figure 6. Breakdown of Housekeeping Expenses (2017).

According to the data analysis, the largest category of housekeeping expenses is spent towards housekeeping salaries and wages (over 65%). Therefore, this area provides the most opportunities for managing costs, and potentially achieving a higher cleanliness score while spending less. Below are some recommendations for maximizing the return on your dollars spent for housekeeping salaries and wages:

- 1) Train your housekeeping staff on an ongoing basis
- 2) Provide training not only on cleaning the rooms efficiently, but also on the impact efficient cleaning has on the business continuity.
- 3) Have more efficient housekeepers train less efficient housekeepers (Hint: peer training may reduce the communication barrier).
- 4) Train housekeepers in their native language.
- 5) Reduce the turnover of housekeepers by implementing special programs for employee recognition.

The analysis for this report did not differentiate the hotels base on their age and the time from most current renovation of the hotels. Further research on housekeeping efficiency should also take into consideration the age of the properties, time for renovation, and current maintenance score.

Have good ideas or best practices? **SHARE WITH US** › info@m3center.org

Credits

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