

	RESOURCE LIBRARY REVENUE MANAGEMENT GOP Definition	<i>CODE:</i> 06.01.017
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GOP

GOP= Total Hotel Revenue - All (product or services) Expenses

Gross operating profit is the difference between the revenue and cost of making a product or providing service, before deducting payrolls, taxation and interest payments.

Expenses include:

- POMECE (property operating maintenance + energy cost)
- FB expenses
- Room Expenses
- ISM expenses
- Sales & marketing
- HK expenses
- General & administration
- HR expenses.....

$$\text{GOP \%} = \frac{\text{GOP}}{\text{Total Hotel Revenue}}$$

Normal GOP% is 54% for a hotel running any meal basis.

At our hotel there are 2 types of management fees:

- % from the GOP
- % from the total hotel revenue