

Mandatory Resort Fees FAQs

What are mandatory resort fees?

Mandatory resort fees were created in an effort to provide consumers with the best value by grouping amenity fees into one cost. If consumers were charged individual fees for all amenities, the cost would likely be prohibitive. Declining over the past decade, only seven percent of hotels currently charge resort fees – and these are the properties that typically have far more available amenities than other hotels.ⁱ

Why are they separate from the cost of the room?

To be as transparent as possible, hotels break out the mandatory resort fee and disclose it up front—rather than bundling it into the total cost—to ensure clarity. It allows consumers to see the total value of offerings available.

What amenities do they cover?

The amenities offered vary from resort to resort, but commonly cover many items and services, such as a continental breakfast, airport or area transportation, use of fitness clubs, pools and other recreational facilities, daily newspapers and snacks and beverages.

What is the difference between a mandatory resort fee and a service fee?

It is common to confuse mandatory resort fees and service fees. Mandatory resort fees were developed to provide a convenience of the guest by bundling amenities together rather than charging customers for individual items. Service fees are considered ‘optional’ for services or products that guests elect to use, such as later checkout times, mini-bar items or in-room movies.

Why do some hotels charge mandatory resort fees and others don’t?

While each property is different, generally hotels that charge mandatory resort fees are, as their name suggests, resorts. Other properties may have amenities meant to provide the customer with a complete experience that provides for all of their wants and needs without having to leave the premises.

Why are they mandatory?

The mandatory resort fees were originally created in an effort to offer the consumer with a bundle of amenities at a better value for the convenience of the guest. It would be inconvenient to the guest and unworkable to the hotel to offer all of these amenities on the property and have the cost be optional. The system of maintaining who could and could not take advantage of the amenities would be extremely difficult to regulate at these properties, and would result in a less than satisfactory guest experience.

How many hotels charge mandatory resort fees?

Declining over the last decade, only seven percent of hotels currently charge resort fees – and these are the properties that have far more available amenities than other hotels.

What kinds of hotels are most likely to charge mandatory resort fees?

The properties that are most likely to charge mandatory resort fees are larger hotels and resorts that offer a plethora of amenities and services on-site, such as resort style pools and recreation, fitness and entertainment. They are most common in popular vacation destinations, such as beaches and casino locales.

Why do online travel agencies (OTAs) and organizations that represent them want hotels to combine the mandatory resort fee into the total cost of the room?

The OTAs want to include the mandatory resort fees in the cost of the room because currently they do not make a commission on mandatory resort fees when selling a hotel's room inventory online. If the mandatory resort fee is included, then the OTAs would receive a higher commission amount from that hotel.

¹ STR, "The 2014 Lodging Study Hotel Trends: An Inside Look at Popular Amenities and Guest Services." The study consisted of more than 9,600 participants, it is the most comprehensive analysis of the trends in the hotel and lodging industry based on direct feedback from hotels. Respondents are also representative of the geographic makeup of the hotel industry. Released December 2014.