HOTEL REVIEW 2007

Fāilte Ireland
National Tourism Development Authority

Contents

1	Capacity and Demand	4
2	Grade	6
3	Regions	8
4	Hotel Size	10
5	Location	12
6	Markets	14
7	Visitor Attitudes	16

Appendices

Appendix A	Capacity	19
Appendix B	Demand	20
Appendix C	Grade	22
Appendix D	Regions	23
Appendix E	Grade within Region	24
Appendix F	Room Size	25
Appendix G	Location	26
Appendix H	Markets	26
Appendix I	Hotel Stock by Region (2008)	27
Appendix J	Hotel Stock by County (2008)	29
Appendix K	Methodology	30

Introduction

The Hotel Survey has been conducted by Bord Fáilte/Fáilte Ireland since 1963. In 2006 and 2007, Fáilte Ireland commissioned MVA Consultancy to undertake the fieldwork and provide data tabulation of the survey on its behalf.

The aim of this survey is to monitor hotel performance, particularly occupancy levels, and to provide overall demand and supply trends, in relation to:

- grade;
- region;
- size; and
- location.

Fáilte Ireland and MVA Consultancy would like to acknowledge the invaluable support of those hotels included in the panel, without whose co-operation this survey would not be possible.

This report summarises the results of the hotel sector in the Republic of Ireland for 2007, and also draws comparisons with recent years. The Review of Hotel Performance in 2007 also presents highlights of the Visitor Attitude Survey 2007 which are pertinent to the hotel industry. A capacity update for 2008 is also included in this report.

The following Summary highlights the key points emerging from the 2007 survey. The body of the report focuses initially on the demand and supply aspects of the hotel industry, examining the current year and also the trends which have emerged in recent years. This is followed by an overview of the sources of business for hotels in Ireland in terms of markets.

The appendices contain detailed tables on supply, demand, occupancy rates at national and also at a seasonal, regional, grade, size and location level.

Notes

- National totals vary slightly depending on disaggregation.
- Due to the small number of 1* hotels in the panel, grades 2* and 1* have been combined to provide more meaningful results.

Highlights

- Overall, there has been an increase in both the number of hotels (7%) and room capacity (12%) between 2006 and 2007.
- Grade 4* hotels were the only grade where occupancy rates increased (from 63% in 2006 to 66% in 2007). Room occupancy rates remained static or declined across all other grades.
- The overseas market accounts for 59% of bednights in Grade 5* hotels, and between 28% and 39% in all other Grades.
- Room occupancy rates in the South East and Shannon have declined by 3 and 2 percentage points respectively. All other regions have experienced either static occupancy rates or only very minor changes (ie +/- one percentage point).
- Despite only accounting for 35% of the total market at a national level, overseas visitors account for over half (52%) of all bednights sold in Dublin during 2007.
- The domestic market is very important in the West, South West, South East and in East and Midlands where it accounts for over two thirds of the bednights sold. Northern Ireland is also important to the North West where it accounts for 22% of all bednight sales.
- Large hotels (100+ rooms) and those with 21-49 rooms have experienced slight increases in their annual room occupancy rates. Conversely, the smallest hotels (1-20 rooms) and those with 50-99 rooms have experienced slight decreases in their room occupancy rates.
- Overseas visitors were most prevalent in hotels with 21-49 rooms and large hotels (100+ rooms), respectively accounting for 38% and 40% of all guests in these categories.
- The increase in demand outstripped the increase in room availability for hotels in Major Metropolitan Areas (MMAs) and Rural Areas, resulting in slight increases in their room occupancy rates. Both are now at their highest level in the past six years. A faster decline in demand than supply, however, led to a slight decline in room occupancy rates in Other Urban Areas.
- Guests from overseas account for nearly half (44%) of all bednight sales in hotels in MMAs. The domestic market is more important in Other Urban and Rural locations, with around one quarter of the total bednight sales attributable to overseas visitors.
- The Republic of Ireland's market share is now the highest it has been in six years due to a significant increase (+24%) in demand from this market.
- Northern Ireland's overall market share of bednight sales has remained static at 4%, despite an 8% increase in demand.
- Overseas market share has declined from 39% in 2006 to 35% in 2007, its lowest point in six years.

1 Capacity and Demand

Table 1.1 Number of Registered Hotels

	2003	2004	2005	2006	2007	2008	Growth Rate 2008 vs. 2007 (%)
Dublin	145	143	143	137	151	155	+3
East & Midlands	105	109	108	108	118	128	+8
South East	101	100	106	102	108	113	+5
South West*	146	145	*165*	*158*	*161*	*164*	+2
Shannon*	107	109	*85*	*77*	*85*	*91*	+7
West	142	139	137	127	140	145	+4
North West	106	104	109	105	105	109	+4
Total	**852**	**849**	**853**	**814**	**868**	**905**	**+4**

*Note: 2005-2008 data are not directly comparable with previous years due to boundary changes.

Table 1.2 Registered Room Capacity in Peak Season (000's)

	2003	2004	2005	2006	2007	2008	Growth Rate 2008 vs. 2007 (%)
Dublin	12.7	13.1	14.0	15.2	16.6	17.9	+8
East & Midlands	3.7	4.0	4.3	4.8	6.3	6.8	+8
South East	4.0	4.0	4.3	4.5	5.4	5.7	+6
South West*	7.5	7.5	*8.7*	*8.9*	*9.6*	*10.4*	+8
Shannon*	5.6	5.8	*4.5*	*4.4*	*4.7*	*5.5*	+17
West	5.6	5.6	5.7	5.8	6.5	6.9	+6
North West	3.8	3.8	4.2	4.7	5.0	5.2	+4
Total	**42.9**	**43.9**	**45.7**	**48.2**	**54.1**	**58.4**	**+8**

*Note: 2005-2008 data are not directly comparable with previous years due to boundary changes.

Table 1.3 Current and Projected Room Capacity in 2008

	Registered Jan 2007 (000's)	Registered Jan 2008 (000's)	Open Awaiting Registration 2008 (000's)	Variance 2008 vs 2007 (%)	Planned Rooms in 2008 (000's)	Variance 2008 vs 2007 Registered, Open & Planned (%)
Dublin	16.6	17.9	0.4	10%	0.2	11%
East & Midlands	6.3	6.8	0.3	13%	0.4	19%
South East	5.4	5.7	--	6%	0.3	11%
South West	9.6	10.4	--	8%	0.4	13%
Shannon	4.7	5.5	*	17%	0.2	21%
West	6.5	6.9	*0.2*	9%	0.3	14%
North West	5.0	5.5	*0.1*	12%	0.2	16%
Total	**54.1**	**58.5**	**1.0**	**10%**	**2.0**	**14%**

*= less than 500 rooms; -- = 0 rooms.

Table 1.4 Average Hotel Occupancy Rates

	2002	2003	2004	2005	2006	2007
Bed Occupancy	45	44	44	46	46	46
Room Occupancy	59	60	60	62	64	64

2007

- Registered room capacity increased across regions between 2006 and 2007. There was a significant increase in the South East and the East and Midlands where registered room capacity has increased by 20% and 31% respectively.
- The increases in capacity were largely met by increases in demand, resulting in static room and bed occupancy rates between 2006 and 2007.

2008

- Registered room capacity grew by 8% between 2007 and 2008 and should all rooms scheduled to open in 2008 do so, this will result in growth in room capacity of 14% compared to 2007.
- Given the current economic uncertainty however, it is possible that some of these projects may not come to fruition.

2 Grade

Table 2.1 Capacity and Demand (000's)

	5*	4*	3*	2*&1*	Other
Bed Capacity					
2007	2,714	10,134	19,451	2,919	9,634
2006	2,205	8,007	17,983	3,181	7,970
Year on Year Change	*+23%*	*+27%*	*+8%*	*-8%*	*+21%*
Bed Nights Sold					
2007	1,321	4,745	9,371	1,106	4,296
2006	1,158	3,474	8,492	1,299	3,778
Year on Year Change	*+14%*	*+37%*	*+10%*	*-15%*	*+14%*
Room Capacity					
2007	1,127	4,450	8,235	1,314	4,147
2006	1,011	3,515	7,386	1,422	3,374
Year on Year Change	*+11%*	*+27%*	*+11%*	*-8%*	*+23%*
Room Nights Sold					
2007	786	2,936	5,364	700	2,498
2006	734	2,204	4,789	768	2,191
Year on Year Change	*+7%*	*+33%*	*+12%*	*-9%*	*+14%*

Table 2.2 Market Guest Nights within Grade 2007 (%)

	5*	4*	3*	2*&1*	Other
Britain	20	12	16	18	11
Mainland Europe	9	6	8	14	9
North America	25	9	6	4	6
Rest of World	5	3	3	3	2
Total Overseas	**59**	**30**	**33**	**39**	**28**
Northern Ireland	2	5	4	6	2
Republic of Ireland	39	64	63	56	71
Total	**100**	**100**	**100**	**100**	**100**

Note: Not all totals add to 100% (or the equivalent overseas total) due to rounding.

Table 2.3 Room Occupancy (%) by Grade

	2002	2003	2004	2005	2006	2007
5*	61	65	65	62	73	70
4*	67	67	66	65	63	66
3*	59	60	62	63	65	65
2* & 1*	47	46	45	46	54	53
Other	59	58	56	64	65	60

- Room demand increased at a faster rate than the increase in the availability of rooms in Grade 4* hotels; demand increased by 33% while supply increased by 27% between 2006 and 2007, leading to the overall increase in room occupancy rates from 63% to 66%.
- Supply and demand increased in equal measure (12%) in Grade 3* hotels, resulting in static occupancy rates.
- The increase in demand was slower than the increase in room availability in both Grade 5* and 'other' hotels. Room availability increased by 11% in Grade 5* hotels while demand grew by 7%. In 'other' hotels there was a 23% increase in availability compared to 14% in demand. This resulted in a decline in room occupancy rates in these hotels.
- Conversely, there was a slightly faster decline in the demand for rooms than the corresponding decline in supply at Grades 2* and 1* hotels. Supply fell by 8% while demand dropped by 9%, leading to a slight decline in occupancy rates in Grades 2* and 1* hotels between 2006 and 2007.
- Over half (59%) of all bednight sales in Grade 5* hotels are attributable to overseas visitors, with North American (25%) and British (20%) guests being most prevalent.
- Domestic visitors made up the majority of bednights across all other grades, accounting for almost two thirds of bednights in Grade 3* and 4* hotels.

3 Regions

Table 3.1 Capacity and Demand (000's)

	Dublin	East & Midlands	South East	South West	Shannon	West	North West
Bed Capacity							
2007	14,041	5,139	4,649	7,811	3,804	5,372	4,035
2006	12,010	3,832	3,841	7,066	3,635	5,023	3,940
Year on Year Change	*+17%*	*+34%*	*+21%*	*+11%*	*+5%*	*+7%*	*+2%*
Bed Nights Sold							
2007	7,435	1,861	1,929	3,783	1,567	2,485	1,779
2006	6,129	1,451	1,603	3,665	1,582	2,149	1,623
Year on Year Change	*+21%*	*+28%*	*+20%*	*+3%*	*-1%*	*+16%*	*+10%*
Room Capacity							
2007	5,987	2,291	1,946	3,300	1,676	2,284	1,789
2006	5,256	1,685	1,563	2,996	1,502	2,046	1,659
Year on Year Change	*+14%*	*+36%*	*+25%*	*+10%*	*+12%*	*+12%*	*+8%*
Room Nights Sold							
2007	4,330	1,238	1,115	2,192	1,018	1,379	1,012
2006	3,779	902	931	1,996	940	1,207	930
Year on Year Change	*+15%*	*+37%*	*+20%*	*+10%*	*+8%*	*+14%*	*+9%*

Table 3.2 Room Occupancy – by Region 2007 (%)

	Total	Dublin	East & Midlands	South East	South West	Shannon	West	North West
Year	64	72	54	57	66	61	60	57
Jan-Mar	52	59	44	48	53	48	47	47
April	65	75	54	60	66	62	57	57
May	67	78	58	48	73	64	66	60
June	76	82	64	70	82	69	77	70
July	76	81	60	73	84	71	75	74
August	77	81	70	73	83	73	84	63
September	76	86	63	70	76	76	71	71
Oct-Dec	56	69	49	49	54	54	49	46

Table 3.3 Distribution of Regional Guest Nights by Market Area 2007 (%)

	Total	Dublin	East & Midlands	South East	South West	Shannon	West	North West
Britain	15	22	8	12	11	13	8	15
Mainland Europe	8	13	3	3	6	9	6	5
North America	9	11	2	6	8	11	8	3
Rest of World	3	6	1	1	2	2	2	1
Total Overseas	**35**	**52**	**14**	**22**	**27**	**35**	**24**	**24**
Northern Ireland	4	3	5	1	2	1	4	22
Republic of Ireland	61	45	81	76	70	64	73	55
Total	100	100	100	100	100	100	100	100

Note: Not all totals add to 100% (or the equivalent overseas total) due to rounding.

Table 3.4 Regional Room Occupancy (%)

	2002	2003	2004	2005	2006	2007
Dublin	66	68	69	71	72	72
East & Midlands	54	52	50	53	54	54
South East	59	58	58	55	60	57
South West*	60	61	62	63	67	66
Shannon*	60	59	57	60	63	61
West	47	52	54	57	59	60
North West	51	54	51	54	56	57

*2005-2007 data are not directly comparable to previous years due to boundary changes.

- With the exception of South East and Shannon, there has been either no change in occupancy or only very minor changes (+/- one percentage point) in most regions.
- Room availability increased at a faster rate than demand in the South East (25% and 20% respectively) and Shannon (12% and 8% respectively), resulting in the reduction in occupancy rates in both regions.
- Although the overseas market only accounts for 35% of total bednights sold, over half (52%) of all bednights sold in Dublin were attributable to overseas visitors.
- Visitors from Northern Ireland accounted for between 1% and 5% of bednights sold in most regions, with the exception of the North West, where 22% of total bednight sales are attributable to this market.
- The domestic market accounted for 70% of bednights sold outside Dublin, with East and Midlands being the most dependent on this market with 81% of guestnights attributable to the Irish market.

4 Hotel Size

Table 4.1 Capacity and Demand by Room Size (000's)

	1 - 20 Rooms	21 – 49 Rooms	50 – 99 Rooms	100+ Rooms
Bed Capacity				
2007	2,347	6,198	13,013	23,293
2006	2,617	6,685	13,075	16,970
Year on Year Change	*-10%*	*-7%*	*-1%*	*+37%*
Bed Nights Sold				
2007	739	2,629	5,414	11,594
2006	850	2,751	5,819	8,254
Year on Year Change	*-13%*	*-4%*	*-7%*	*+40%*
Room Capacity				
2007	1,104	2,711	5,539	9,919
2006	1,194	2,886	5,483	7,144
Year on Year Change	*-8%*	*-6%*	*+1%*	*+39%*
Room Nights Sold				
2007	490	1,513	3,260	7,098
2006	549	1,581	3,337	4,992
Year on Year Change	*-11%*	*-4%*	*-2%*	*+42%*

Table 4.2 Room Occupancy – by Room Size 2007 (%)

	Total	1 - 20 Rooms	21 – 49 Rooms	50 – 99 Rooms	100+ Rooms
Year	64	44	56	59	72
Jan – Mar	53	37	45	45	60
April	64	41	54	60	72
May	66	47	45	64	76
June	76	48	66	73	84
July	76	52	69	72	82
August	79	63	77	76	83
September	75	41	68	72	84
Oct – Dec	54	41	50	50	64

Table 4.3 Distribution of Guest Nights by Market Area, by Room Size 2007 (%)

	Total	1 - 20 Rooms	21 – 49 Rooms	50 – 99 Rooms	100+ Rooms
Britain	15	11	17	14	16
Mainland Europe	8	7	11	7	8
North America	9	4	9	7	10
Rest of World	3	1	3	2	4
Total Overseas	**35**	**23**	**40**	**30**	**38**
Northern Ireland	4	8	7	5	3
Republic of Ireland	61	69	54	65	60
Total	100	100	100	100	100

Note: Not all totals add to 100% (or the equivalent overseas total) due to rounding.

Table 4.4 Room Occupancy (%) by Hotel Size

	2002	2003	2004	2005	2006	2007
1 – 20 Rooms	38	39	39	39	46	44
21 – 49 Rooms	53	55	52	55	55	56
50 – 99 Rooms	60	61	62	63	61	59
100+ Rooms	67	66	66	68	70	72

- Demand for rooms grew faster than supply in large hotels (100+ rooms). The total number of rooms sold increased by 42% while the total number of rooms available increased by 39%. This resulted in a two percentage point increase in occupancy rates, taking this to the highest level in six years.
- There has, however, been a decline in demand in all other sizes of hotels. The availability of rooms in hotels with 21-49 rooms fell at a faster rate than demand. A 6% drop in availability, compared to a 4% drop in demand resulted in the slight increase in occupancy rates to 56%.
- Demand for rooms in hotels with 1-20 rooms declined by 11%, while the availability of rooms fell by 8%, resulting in the two percentage point decline in occupancy rates.
- In hotels with 50-99 rooms, availability increased slightly (+1%) while demand dropped by 2%, resulting in a drop in occupancy rates from 61% to 59%.
- Hotels with 21-49 rooms and large hotels (100+ rooms) had the highest proportion of overseas visitors (40% and 38% respectively), with Britain providing the largest source of business within these categories.

5 Location

Table 5.1 Capacity and Demand by Location (000's)

	MMA	Other Urban	Rural
Bed Capacity			
2007	20,774	7,240	16,838
2006	16,392	7,707	15,248
Year on Year Change	*27%*	*-6%*	*+10%*
Bed Nights Sold			
2007	9,913	3,226	7,332
2006	7,675	3,631	6,630
Year on Year Change	*+29%*	*-11%*	*+11%*
Room Capacity			
2007	8,853	3,056	7,364
2006	7,034	3,201	6,472
Year on Year Change	*+26%*	*-5%*	*+14%*
Room Nights Sold			
2007	6,155	1,908	4,321
2006	4,791	2,054	3,777
Year on Year Change	*+28%*	*-7%*	*+14%*

Table 5.2 Room Occupancy – by Location 2007 (%)

	Total	MMA	Other Urban	Rural
Year	64	70	62	59
Jan – Mar	52	57	50	47
April	65	69	65	59
May	66	75	70	55
June	77	83	77	70
July	76	81	76	71
August	79	81	77	78
September	76	82	73	70
Oct – Dec	57	64	51	51

Table 5.3 Distribution of Guest Nights by Market Area, by Location 2007 (%)

	All	MMA	Other Urban	Rural
Britain	15	18	10	12
Mainland Europe	8	11	6	6
North America	9	10	7	8
Rest of World	3	5	1	1
Total Overseas	**35**	**44**	**24**	**27**
Northern Ireland	4	3	4	6
Republic of Ireland	61	54	72	67
Total	**100**	**100**	**100**	**100**

Note: Not all totals add to 100% (or the equivalent overseas total) due to rounding.

Table 5.4 Room Occupancy (%) by Location

	2002	2003	2004	2005	2006	2007
MMA	65	65	65	68	68	70
Other Urban	63	62	61	64	64	62
Rural	50	53	53	53	58	59

- Hotels in Major Metropolitan Areas (MMAs) and Rural Areas both experienced slight increases in their room occupancy rates between 2006 and 2007. Both are now at their highest level in the past six years. This is due to demand increasing slightly faster than availability. Demand in MMAs increased by 28% while availability increased by 26%, demand in Rural Areas increased by a little over 14% (ie 14.4%) while availability increased by a little under 14% (ie 13.8%).
- Other Urban hotels, however, experienced a slight decline in their room occupancy levels. This was due to a faster decline in demand (-7%) than the decline in availability (-5%).
- Overseas visitors accounted for nearly half of all hotel nights in MMAs (44%). In Other Urban and Rural locations only around one quarter (24% in Other Urban areas and 27% in Rural Areas) of guest nights are attributable to overseas visitors.

6 Markets

Table 6.1 Hotel Guest Nights by Market Area (000's)

	2002	2003	2004	2005	2006	2007	% Change 2007/2006
Britain	3,030	2,842	2,856	2,817	2,975	3,120	+5
Mainland Europe	1,202	1,342	1,345	1,520	1,629	1,718	+5
North America	1,779	1,801	1,795	1,845	1,978	1,818	-8
Rest of World	557	697	784	827	545	634	+16
Total Overseas	**6,568**	**6,682**	**6,780**	**7,009**	**7,128**	**7,289**	**+2**
Northern Ireland	830	834	839	939	801	862	+8
Republic of Ireland	7,978	8,001	8,059	8,867	10,272	12,687	+24
Total	15,377	15,517	15,678	16,815	18,201	20,839	+14

Table 6.2 Share of Hotel Guest Nights by Market Area (%)

	2002	2003	2004	2005	2006	2007
Britain	20	18	18	17	16	15
Mainland Europe	8	9	8	9	9	8
North America	12	12	11	11	11	9
Rest of World	4	4	5	5	3	3
Total Overseas	**44**	**43**	**43**	**42**	**39**	**35**
Northern Ireland	5	5	5	6	4	4
Republic of Ireland	52	52	52	53	56	61

Table 6.3 Distribution of Market Guest Nights (%) 2007

	Jan - Mar	April	May	June	July	Aug	Sept	Oct - Dec
Britain	16	16	17	15	13	14	16	14
Mainland Europe	7	8	11	11	10	10	8	6
North America	6	8	11	13	11	8	12	7
Rest of World	2	2	3	4	3	4	4	3
Total Overseas	**31**	**34**	**42**	**42**	**37**	**36**	**39**	**30**
Northern Ireland	5	5	4	3	4	4	4	4
Republic of Ireland	64	61	56	55	59	60	57	66
Total	100	100	100	100	100	100	100	100

Note: Not all totals add to 100% (or the equivalent overseas total) due to rounding.

- There has been a significant increase (+24%) in hotel guest nights from the domestic market.
- Despite an 8% increase in the number of bednights sold to the Northern Irish market, this has only been sufficient to maintain their market share at the same level as 2006, i.e. 4%.
- The overseas share of guest nights dropped from 39% in 2006 to 35% in 2007, its lowest level in the past six years. However, this average hides significant variations within this category, both by individual month and between the markets that make up this category.
  - There has been an 8% decline in the number of beds sold to the North American market, leading to a two percentage point decline in market share.
  - While guest nights from both Britain and Mainland Europe increased by 5%, there has been a one percentage point decline in market share.
  - While Mainland Europe's market share has fluctuated between 8% and 9% over the past six years, there has, however, been a steady decline in the share of the guest nights represented by British visitors from 2002 to 2007. Unlike Mainland Europe and North American markets, the British market represented a higher share of guest nights during the off-peak season, and declined during the summer months.
  - There has been an increase (+16%) in demand from the 'Rest of the World' category; however, as this was from a small base, this has only been enough to maintain market share at 3%.

7 Visitor Attitudes

Table 7.1 Rating of 4*/5* Hotels on Customer Service, Quality and Price

% very satisfied	2002	2003	2004	2005	2006	2007
Customer Service	75	73	71	68	69	71
Quality	73	71	71	68	68	69
Price	41	38	39	39	40	41

Table 7.2 Rating of 1*/2*/3* Hotels on Customer Service, Quality and Price

% very satisfied	2002	2003	2004	2005	2006	2007
Customer Service	57	52	56	54	53	52
Quality	47	41	43	39	43	43
Price	31	31	29	31	33	33

Table 7.3 Rating of Food in Hotels on Customer Service, Quality and Price

% very satisfied	2002	2003	2004	2005	2006	2007
Customer Service	63	60	63	57	58	61
Quality	57	54	53	48	51	53
Price	42	34	35	32	32	35

- Levels of satisfaction across the three criteria of customer service, quality and price improved for top grade hotels in 2007 and in terms of price have returned to 2002 levels.
- Among other hotels satisfaction levels with price and quality remain unchanged while there has been a slight drop in satisfaction with customer service.
- Satisfaction levels with food in hotels has improved across customer service, quality and price but still have some way to go to reach the levels achieved in 2002.

APPENDICES

Appendix A – Capacity

Table 1.1 Registered Bed Capacity in Peak Season (000's)

	2002	2003	2004	2005	2006	2007	2008	Growth Rate** (%)
Dublin	28.7	27.9	29.3	31.3	35.1	40.4	39.5	5.5
South East	9.5	9.8	9.8	10.4	11.0	12.9	13.7	6.3
South West	17.2*	17.6*	17.8*	20.5	20.9	22.5	24.3	5.9
Shannon	13.2*	13.5*	14.0*	10.8	10.5	10.8	13.0	-0.3
West	13.0	13.2	13.3	13.6	14.2	15.1	16.6	4.2
North West	8.8	9.0	9.0	10.0	11.2	11.2	11.9	5.2
East and Midlands	7.3	8.4	9.0	9.7	10.8	14.3	15.2	13.0
Total	97.7	99.3	102.2	106.2	113.6	127.2	134.2	5.4

* 2002-2004 data are not directly comparable with recent years due to boundary changes.

** Annual average growth rate 2002 to 2008.

Table 1.2 Registered Hotel Premises – By Grade

	2002	2003	2004	2005	2006	2007	2008
Grade 5*	20	21	21	20	22	24	**30**
Grade 4*	78	84	87	90	100	125	**230**
Grade 3*	313	316	315	310	306	321	**402**
Grade 2*	196	188	185	180	154	144	**176**
Grade 1*	67	57	53	48	36	33	**50**
Other	183	186	188	205	196	221	**17**
Total	857	852	849	853	814	868	905

Notes:
A new classification system has been introduced in 2008 so direct comparisons with the years 2002-2007 are not advisable. Other hotels in 2008 included hotels awaiting registration, hotels under refurbishment and hotels for which classification is under review.

Table 1.3 Hotel Beds and Rooms by Grade 2008

	Rooms	Beds
Grade 5*	3,387	6,919
Grade 4*	21,207	47,851
Grade 3*	28,065	66,778
Grade 2*	3,981	8,836
Grade 1*	795	1,723
Other	1,032	2,100
Total	58,467	134,207

Appendix B – Demand

Table 2.1 Bednights (000's)

	2002	2003	2004	2005	2006	2007
Bednights Capacity	34,205	35,196	35,980	36,896	39,347	44,852
Bednights Sold	15,377	15,517	15,678	16,815	18,201	20,839
Bed Occupancy (%)	45	44	44	46	46	46

Table 2.2 Roomnights (000's)

	2002	2003	2004	2005	2006	2007
Roomnights Capacity	14,738	15,131	15,445	15,842	16,707	19,273
Roomnights Sold	8,698	9,051	9,243	9,795	10,685	12,284
Room Occupancy (%)	59	60	60	62	64	64

Table 2.3 Timing of Demand – Bednights Sold (000's)

	2002	2003	2004	2005	2006	2007
January – March	3,021	2,781	2,974	3,047	3,431	3,832
April	1,148	1,315	1,359	1,436	1,602	1,743
May	1,347	1,511	1,445	1,518	1,587	1,850
June	1,500	1,451	1,531	1,735	1,749	2,043
July	1,644	1,668	1,758	1,861	1,967	2,285
August	1,908	1,869	1,848	1,977	2,159	2,496
September	1,513	1,570	1,463	1,626	1,714	2,069
October – December	3,297	3,352	3,300	3,614	3,993	4,520
Total	15,377	15,517	15,678	16,815	18,201	20,839

Table 2.4 Timing of Demand – Roomnights Sold (000's)

	2002	2003	2004	2005	2006	2007
January – March	1,722	1,696	1,767	1,840	2,103	2,371
April	678	762	766	844	922	1,044
May	781	876	854	896	981	1,140
June	850	858	924	971	1,034	1,240
July	896	921	987	1,030	1,078	1,282
August	983	1,005	988	1,057	1,141	1,304
September	850	922	905	979	1,029	1,239
October – December	1,938	2,012	2,052	2,176	2,397	2,665
Total	**8,698**	**9,051**	**9,243**	**9,795**	**10,685**	**12,284**

Table 2.5 Monthly Room Occupancy Rates (%)

	2002	2003	2004	2005	2006	2007
January	41	36	40	41	46	44
February	54	51	51	53	55	54
March	55	55	52	55	59	56
April	54	60	59	62	67	65
May	60	66	63	64	67	67
June	67	66	70	72	73	76
July	69	69	73	73	73	76
August	75	75	73	75	77	77
September	67	71	69	72	74	76
October	61	62	64	63	64	66
November	57	54	54	56	57	55
December	42	47	45	48	51	47
Total	**59**	**60**	**60**	**62**	**64**	**64**

Table 2.6 Monthly Bed Occupancy Rates (%)

	2002	2003	2004	2005	2006	2007
January	29	25	29	27	31	30
February	41	37	37	36	39	38
March	42	39	38	42	40	40
April	40	44	45	45	49	46
May	45	49	46	47	46	47
June	51	48	50	55	52	54
July	54	54	56	57	57	58
August	63	60	58	60	62	63
September	52	52	48	51	53	54
October	45	44	45	45	46	46
November	41	38	36	40	39	41
December	31	34	31	35	38	34
Total	**45**	**44**	**44**	**46**	**46**	**46**

Appendix C – Grade

Table 3.1 Room Occupancy – By Grade (%)

	2002	2003	2004	2005	2006	2007
Grade 5*	61	65	65	62	73	70
Grade 4*	67	67	66	65	63	66
Grade 3*	59	60	62	63	65	65
Grade 2* and 1*	47	46	45	46	54	53
Other	60	58	56	64	65	60
Total	**59**	**60**	**60**	**62**	**64**	**64**

Table 3.2 Bed Occupancy – By Grade (%)

	2002	2003	2004	2005	2006	2007
Grade 5*	47	49	43	42	53	49
Grade 4*	50	48	47	49	43	47
Grade 3*	45	45	45	47	47	48
Grade 2* and 1*	36	33	34	35	41	38
Other	45	42	41	45	47	45
Total	**45**	**44**	**44**	**46**	**46**	**46**

Table 3.3 Monthly Bed Occupancy (%) – By Grade 2007

	All	Grade 5*	Grade 4*	Grade 3*	Grade 2* and 1*	Other
January – March	36	41	38	37	32	33
April	46	49	47	49	38	43
May	47	49	50	47	40	45
June	54	53	55	56	44	52
July	58	52	60	61	47	56
August	63	64	61	63	52	67
September	54	55	51	57	42	55
October – December	41	45	40	43	30	39
Total	**46**	**49**	**47**	**48**	**38**	**45**

Table 3.4 Monthly Room Occupancy (%) – By Grade 2007

	All	Grade 5*	Grade 4*	Grade 3*	Grade 2* and 1*	Other
January – March	52	59	56	51	47	48
April	65	68	67	68	52	59
May	67	74	71	66	58	65
June	76	79	80	78	59	73
July	76	75	79	78	59	74
August	77	83	77	81	69	71
September	76	85	79	77	53	74
October – December	56	64	56	59	48	53
Total	**64**	**70**	**66**	**65**	**53**	**60**

Table 3.5 Distribution of Market Guestnights (%) – By Grade 2007

	Grade 5*	Grade 4*	Grade 3*	Grade 2* and 1*	Other	Total
Britain	9	20	50	7	15	**100**
Mainland Europe	7	17	46	9	21	**100**
North America	21	27	32	3	17	**100**
Rest of World	10	23	47	6	14	**100**
Northern Ireland	4	29	49	7	11	**100**
Republic of Ireland	4	23	45	5	23	**100**

Appendix D – Regions

Table 4.1 Room Occupancy – By Region (%)

	2002	2003	2004	2005	2006	2007
Dublin	66	68	69	71	72	72
South East	59	58	58	55	60	57
South West	60	61	62	63*	67*	66*
Shannon	60	59	57	60*	63*	61*
West	47	52	54	57	59	60
North West	51	54	51	54	56	57
East and Midlands	54	52	50	53	54	54
Total	59	60	60	62	64	64

* 2007, 2006 and 2005 data are not directly comparable with previous years due to boundary changes.

Table 4.2 Bed Occupancy – By Region (%)

	2002	2003	2004	2005	2006	2007
Dublin	49	48	49	51	51	53
South East	47	45	42	40	42	41
South West	47	47	46	49*	52*	48*
Shannon	46	43	42	43*	44*	41*
West	37	37	39	44	43	46
North West	41	41	39	39	41	44
East and Midlands	41	38	36	37	38	36
Total	45	44	44	46	46	46

* 2007, 2006 and 2005 data are not directly comparable with previous years due to boundary changes.

Appendix D – Regions (cont.)

Table 4.3 Bed Occupancy – By Region 2007 (%)

	Total	Dublin	South East	South West	Shannon	West	North West	East and Midlands
Year	**46**	**53**	**41**	**48**	**41**	**46**	**44**	**36**
January – March	36	43	33	35	31	34	34	27
April	46	55	42	46	41	44	45	36
May	47	55	34	47	42	49	48	40
June	54	59	42	58	50	60	55	42
July	58	62	55	64	49	60	60	43
August	63	61	61	70	54	67	69	53
September	54	60	45	59	52	57	49	41
October – December	41	51	40	40	35	36	31	32

Appendix E – Grade within Region

Table 5.1 Bed Occupancy Rates (%) – Grade within Region 2007

	Total	Grade 5* and 4*	Grade 3*	Grade 2* and 1*	Other
Dublin	53	48	58	58	50
East and Midlands	36	35	38	25	38
South East	41	54	34	29	46
South West	48	47	51	38	48
Shannon	41	49	43	44	31
West	46	61	44	30	44
North West	44	41	46	27	52

Table 5.2 Room Occupancy Rates (%) – Grade within Region 2007

	Total	Grade 5* and 4*	3*	2* & 1*	Other
Dublin	72	73	73	79	67
East & Midlands	54	57	54	32	56
South East	57	59	55	40	63
South West	66	64	68	56	70
Shannon	61	68	63	58	49
West	60	67	61	46	60
North West	57	60	61	39	52

Appendix F – Room Size

Table 6.1 Room Occupancy – By Room Size (%)

	2002	2003	2004	2005	2006	2007
1-20 Rooms	38	39	39	39	46	44
21-49 Rooms	53	54	52	55	55	56
50-99 Rooms	60	61	62	63	61	59
100+ Rooms	67	66	66	68	70	72
Total	59	60	60	62	64	64

Table 6.2 Bed Occupancy – By Room Size (%)

	2002	2003	2004	2005	2006	2007
1-20 Rooms	29	29	29	29	32	31
21-49 Rooms	42	41	40	41	41	42
50-99 Rooms	48	46	45	46	45	42
100+ Rooms	48	48	47	50	49	50
Total	45	44	44	46	46	46

Table 6.3 Bed Occupancy – By Room Size 2007 (%)

	All	1-20 Rooms	21-49 Rooms	50-99 Rooms	100+ Rooms
January – March	36	25	31	31	41
April	46	29	42	42	51
May	46	32	35	43	52
June	54	35	50	51	59
July	57	39	56	54	60
August	61	48	63	57	65
September	52	30	54	51	55
October – December	39	28	37	35	43
Total	46	31	42	42	50

Table 6.4 Distribution of Guestnights by Market Area by Room Size 2007 (%)

	1-20 Rooms	21-49 Rooms	50-99 Rooms	100+ Rooms
Britain	11	17	14	16
Mainland Europe	7	11	7	8
North America	4	9	7	10
Rest of World	1	3	2	4
Northern Ireland	8	7	5	3
Republic of Ireland	69	54	65	60
Total	100	100	100	100

Appendix G – Location

Table 7.1 Room Occupancy – By Location (%)

	2002	2003	2004	2005	2006	2007
MMA	65	65	65	68	68	70
Other Urban	63	62	61	64	64	62
Rural	50	53	53	53	58	59
Total	**59**	**60**	**60**	**62**	**64**	**64**

Table 7.2 Bed Occupancy – By Location (%)

	2002	2003	2004	2005	2006	2007
MMA	46	45	45	49	47	48
Other Urban	50	50	47	49	47	45
Rural	41	41	40	40	43	44
Total	**45**	**44**	**44**	**46**	**46**	**46**

Table 7.3 Bed Occupancy – By Location 2007 (%)

	MMA	Other Urban	Rural
January – March	39	33	33
April	47	47	44
May	49	51	41
June	56	54	53
July	58	56	58
August	60	62	63
September	56	50	51
October – December	43	36	36
Total	**48**	**45**	**44**

Appendix H – Markets

Table 8.1 Seasonality of Guestnights within Market Area 2007 (%)

	Jan-Mar	April	May	June	July	Aug	Sept	Oct-Dec	Total
Britain	20	9	10	10	9	11	10	21	**100**
Mainland Europe	15	8	11	13	13	15	9	16	**100**
North America	12	8	11	14	14	11	14	17	**100**
Rest of World	13	6	8	12	11	17	13	21	**100**
Northern Ireland	21	10	8	8	11	13	10	19	**100**
Republic of Ireland	19	8	8	9	11	12	9	24	**100**

Appendix I – Hotel Stock by Region 2008

A new classification system has been introduced in 2008 so direct comparisons with the years 2002-2007 are not advisable. Other hotels in 2008 included hotels awaiting registration, hotels under refurbishment and hotels for which classification is under review.

Table 9.1 Dublin

	Premises	Rooms	Beds
Grade 5*	10	1,541	3,091
Grade 4*	34	6,265	13,886
Grade 3*	81	9,105	20,296
Grade 2*	23	861	1,832
Grade 1*	6	150	326
Other	1	25	55
Total	155	17,947	39,486

Table 9.2 South East

	Premises	Rooms	Beds
Grade 5*	2	207	492
Grade 4*	31	2,182	5,103
Grade 3*	48	2,756	6,975
Grade 2*	18	280	633
Grade 1*	13	179	380
Other	1	59	118
Total	113	5,663	13,701

Table 9.3 South West

	Premises	Rooms	Beds
Grade 5*	10	939	1,913
Grade 4*	49	4,005	9,195
Grade 3*	67	4,562	11,281
Grade 2*	28	527	1,181
Grade 1*	7	161	379
Other	3	169	343
Total	164	10,363	24,292

Table 9.4 Shannon

	Premises	Rooms	Beds
Grade 5*	2	161	342
Grade 4*	23	1,364	3,163
Grade 3*	42	3,034	7,503
Grade 2*	19	647	1,416
Grade 1*	3	32	61
Other	2	278	563
Total	91	5,516	13,048

Appendix I – Hotel Stock by Region 2008 (cont.)

Table 9.5 West

	Premises	Rooms	Beds
Grade 5*	3	227	454
Grade 4*	30	2,154	4,930
Grade 3*	67	3,757	9,354
Grade 2*	34	620	1,478
Grade 1*	10	132	274
Other	1	50	100
Total	145	6,940	16,590

Table 9.6 North West

	Premises	Rooms	Beds
Grade 5*	--	--	--
Grade 4*	27	2,127	4,708
Grade 3*	47	2,458	5,793
Grade 2*	25	479	1,108
Grade 1*	8	105	224
Other	2	30	63
Total	109	5,199	11,896

Table 9.7 East and Midlands

	Premises	Rooms	Beds
Grade 5*	3	312	627
Grade 4*	36	3,110	6,865
Grade 3*	50	2,393	5,575
Grade 2*	29	567	1,187
Grade 1*	3	36	79
Other	7	421	858
Total	128	6,839	15,191

Appendix J – Hotel Stock by County 2008

A new classification system has been introduced in 2008 so direct comparisons with the years 2002-2007 are not advisable. Other hotels in 2008 included hotels awaiting registration, hotels under refurbishment and hotels for which classification is under review.

Table 10.1 Hotel Stock by County 2008

County	Premises	Room
Carlow	10	544
Cavan	16	823
Clare	49	2,650
Cork	83	4,715
Donegal	59	2,789
Dublin	157	18,014
Galway	88	4,528
Kerry	81	5,648
Kildare	28	1,375
Kilkenny	18	1,375
Laois	10	515
Leitrim	7	265
Limerick	29	2,382
Longford	3	101
Louth	15	914
Mayo	51	2,277
Meath	22	1,305
Monaghan	7	290
Offaly	9	395
Roscommon	6	135
Sligo	20	1,032
Tipperary	28	933
Waterford	29	1,631
Westmeath	16	1,024
Wexford	36	1,734
Wicklow	28	1,341
Total	905	58,467

Appendix K – Methodology

Methodology of Hotel Survey

The panel was constructed to be as representative as possible of the hotel sector by grade and region. During 2007 the panel size fluctuated, with an average of 241 hotels participating in any given month (maximum of 249 and minimum of 236). Each hotel undertook to provide monthly information as to the number of room and bed nights sold. We achieved an annual response rate of 89% of all possible returns (taking into account that some hotels are closed at certain times of the year). The maximum response rate achieved in any given month was 94%, while the minimum response rate achieved was 76%. The current weighting is three dimensional; by month, grade, and region.

The panel results were grossed up to the national hotel room and bed stock to provide national results. In recent years, capacity information has been drawn from the Gulliver System between January and March. During 2007 capacity information was updated/amended for panel hotels, where anomalies occurred, to make the information as accurate as possible. It was not feasible however to do this for all hotels in the Universe, therefore the majority of capacity information has remained static throughout the year and does not take account of changing capacity. During years of considerable development, this will result in an underestimate for room and bed capacity, with the knock-on effect that the number of rooms and beds sold will be under-estimated. As occupancy rates are calculated from complete information collected from the panel, this underestimation of capacity should not affect the estimation of occupancy rates.

Fáilte Ireland has attempted to ensure the accuracy of this report, but we cannot accept responsibility for errors or omissions. Where these are brought to our attention, we will amend future publications. There will be margins of error associated with survey results, but this should not interfere with the interpretation of the results. Some caution should be exercised in drawing conclusions on the performance of hotels at sub-sector level.

Other Sources

Fáilte Ireland's Visitor Attitudes Survey provides information on holidaymakers' experiences regarding their usage of hotels.

Definition of Terms

Throughout the report certain terms are used constantly which may necessitate some explanation. These include:

- A Hotel – A premises with a minimum of ten bedrooms, registered in the register of hotels kept by Fáilte Ireland in accordance with the Tourist Traffic Acts 1935-1979.
- A Guestnight or Bednight – Defined as one person staying one night in a hotel. Thus, one person staying three nights in a hotel is counted as three guestnights or bednights.
- Room Capacity – This is the number of rooms declared at the beginning of the year. In assessing occupancy rates, allowance is made for seasonality and varying capacity during the year. Annual capacity can thus be affected by the length of time premises are open during the year.
- Room Occupancy – This refers to the number of rooms occupied in relation to the number of rooms available.
- Bed Capacity – This denotes the capacity declared at the beginning of the year. For capacity purposes, twin beds or double beds are counted as two beds. As mentioned for room capacity, allowance is made for seasonality and varying bed capacity throughout the year.
- Bed Occupancy – This means the number of guestnights taken up in relation to the number of beds available. For example, if a room with a double or twin beds is occupied by one person it has a 50% bed occupancy rate.
- Market Area- This relates to the country where the guest normally resides.

Interpreting the Results

Much of the analysis groups hotels by region or by grade to ensure the accuracy of results. It should be noted that North Kerry now forms part of the South West, commencing 2005, and therefore 2005, 2006 and 2007 data relating to Shannon and the South West are not comparable with previous years.

Dublin

- Dublin County.

South East

- Carlow;
- Kilkenny;
- South Tipperary;
- Waterford;
- Wexford.

South West

- Cork;
- Kerry.

Shannon

- Clare;
- Limerick;
- Tipperary (North);
- Offaly (West).

West

- Galway;
- Mayo;
- Roscommon.

North West

- Cavan;
- Donegal;
- Leitrim;
- Monaghan;
- Sligo.

Appendix K – Methodology (cont.)

East & Midlands

- Kildare;
- Laois;
- Longford;
- Louth;
- Meath;
- Wicklow;
- Offaly (East);
- Westmeath.

Classification

A new classification system has been introduced in 2008 so direct comparisons with the years 2002-2007 are not advisable.

Other hotels in 2008 included hotels awaiting registration, hotels under refurbishment and hotels for which classification is under review.

Location

The location of hotels comprises three categories, according to the 2006 Census:

- Major Metropolitan Areas (MMAs) – population greater than 40,000;
- Other Urban Areas – population between 10,000 and 40,000; and
- Rural – population less than 10,000.