

# Fáilte Ireland Hotel Survey

April 2023 Summary Report



# Table of Contents

- 1 Executive Summary
- 2 Ireland Room & Bedspace Occupancy
- 3 Ireland ADR & RevPAR
- 4 Ireland Source Markets
- 5 County Occupancy
- 6 County ADR & RevPAR
- 7 County Source Markets
- 8 Performance by Grade
- 9 Methodology Statement



# Executive Summary

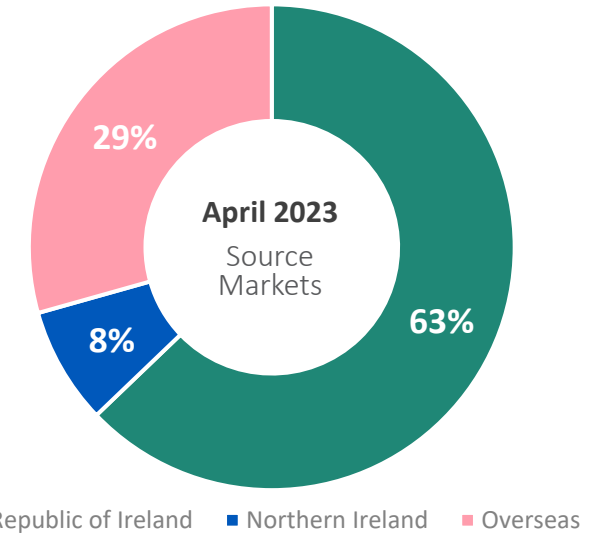
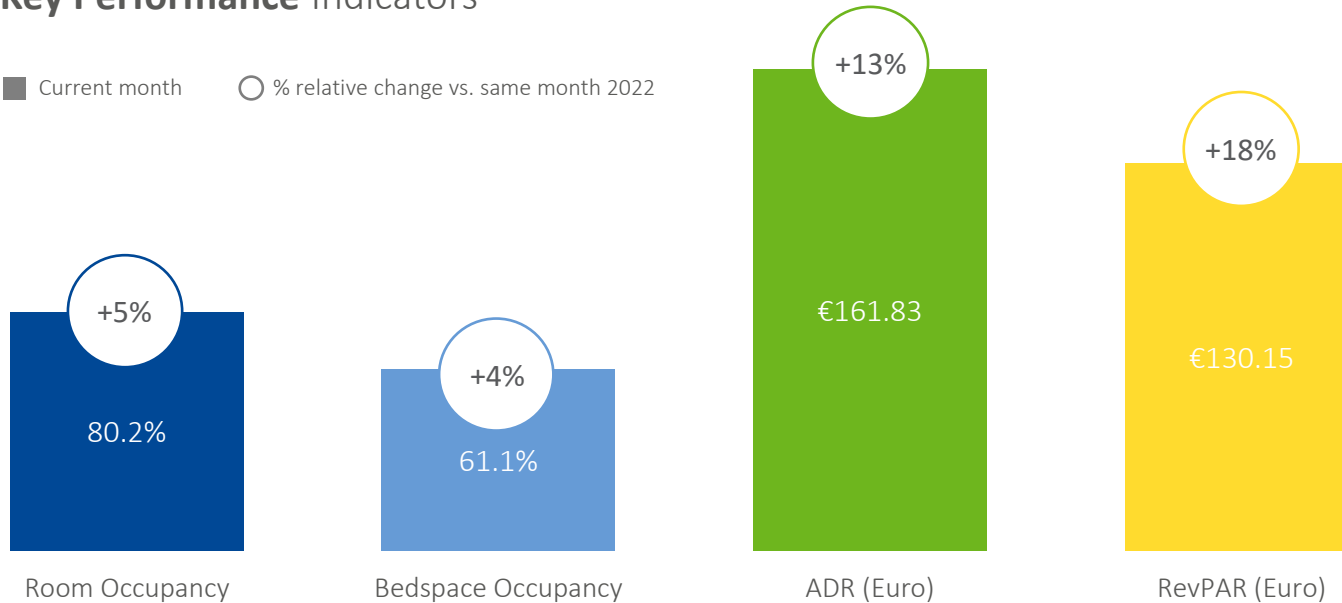
April 2023 represented another turning point for the Irish hotel sector as the impact of the pandemic over the last three years, continued to recede. Evidence of this shift is seen in the relatively modest year-on-year room demand growth in April 2023 of 4.9%, compared to the growth seen over the prior three months averaging 19.9%. It should be noted that in 2022, the country was still navigating lockdowns which impacted the Q1 2022 performance. April 2022 was the beginning of lockdowns being lifted as the Omicron wave of the pandemic waned. From April 2023 onwards, year-on-year demand comparisons will begin to reflect more normalised performance similar to those experienced pre-pandemic.

Robust rates at both national and county level were recorded in April 2023. Across Ireland, hotels reported an average daily rate of €161.83 which equates to a 12.8% uplift from April 2022. When comparing this month to March 2023, the increase was €22.08. Such growth is to be expected as the industry moves into peak season.

At a regional level, five counties (Donegal, Kerry, Kildare, Mayo, and Sligo) observed double-digit year-on-year growth in demand. Dublin maintained its relatively high occupancy position at 84.9% although its year-on-year increase was only +1.5%.

## Key Performance Indicators

■ Current month    ○ % relative change vs. same month 2022



# Ireland Room & Bedspace Occupancy: April 2023

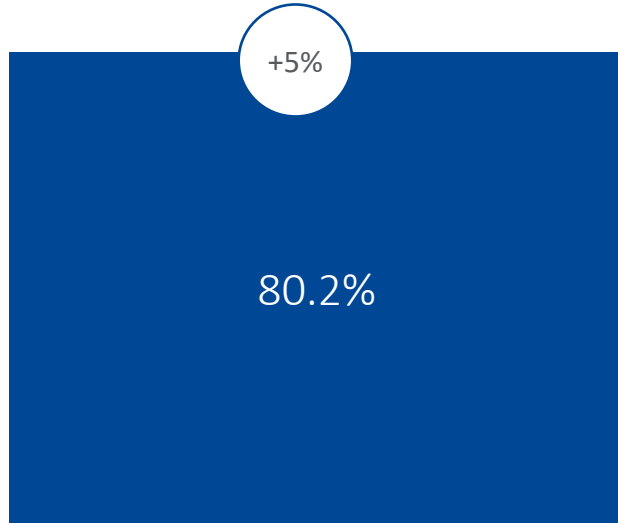


Demand across both rooms and bedspaces increased at a national level and for almost all counties. Bed space occupancy increased 4.2% when compared to April 2022. This relatively small increase (compared to the average increase of 19.3% over the prior three months) follows the pattern seen for room occupancy highlighted above as the industry moves to more normalised year over year comparisons.

Bedspace occupancy increased by 12.5% compared to last month, an expected increase as the high season starts in earnest. The number of occupied rooms also increased by 4.9% from April 2022 and grew by 23% from last month, achieving the highest occupancy figures of 2023 so far. Strong occupancy rates can be attributed to the return of business travel and the continued strength of leisure travel as summer approaches.

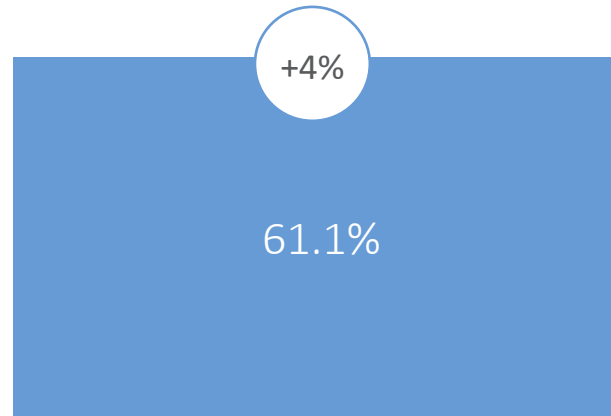
■ Current month    ○ % relative change vs. same month 2022

## Room Occupancy



Apr-23

## Bedspace Occupancy



Apr-23

Highest room occupancy in April

95.2%

Friday 29<sup>th</sup> Apr 2023

Highest / lowest performing days of the month

Saturdays (89.0%) / Sundays (73.1%)

# Ireland ADR & RevPAR: April 2023

Nationally, Average Daily Rates increased 12.8% in April compared to the same month in 2022, slightly below the growth experienced in March of 13.9%. April's ADR of €161.83, was €22.06 higher compared to last month's rate. The hotel sector's ability to maintain this strong ADR performance is uncertain. Economic factors such as rising costs due to inflationary pressures and the energy crisis appear to be driving up ADR. Meanwhile increased competition with international markets, a return to pre-pandemic business mix (as hotels secure more group and corporate contracts), among other factors, may curtail this trend over time. Furthermore, the current economic climate is prompting consumers to be more price conscious when travelling.

Revenue per available room, a combination of occupancy and rate, grew from €92.02 in March to €130.15 in April, driven by growth in occupancy combined with increased ADR. Revenue per available room is likely to continue to rise as we move out of the shoulder season and into the high demand summer period when visitors arrive in abundance to occupy hotels across the country.

■ Current month    ○ % relative change vs. same month 2022



**Highest RevPAR in April**  
**€ 202.52**  
Saturday 18<sup>th</sup> April 2023

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**Highest / lowest (RevPAR) performing days of the month**  
Saturdays (€177.46) / Sundays (€109.79)

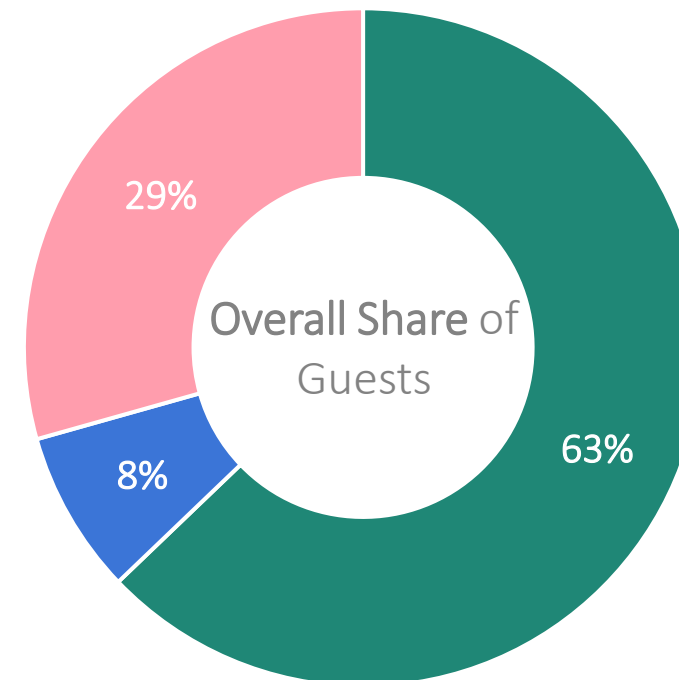
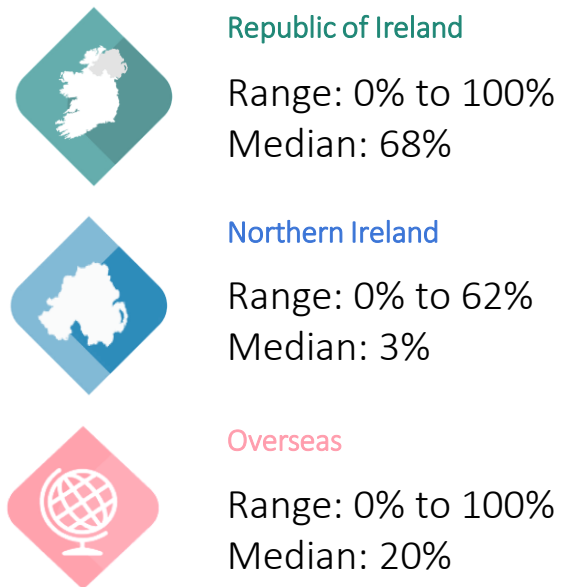
Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels.  
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.

# Ireland Source Markets: April 2023

The return to normal travel patterns across the globe further highlights the importance of understanding where guests are coming from. The domestic guest who helped many hoteliers survive the pandemic are now going further afield while their international counterparts who may be considering Ireland as a destination have other international destinations to consider. Understanding shifting visitor source markets is key to the success of sales and marketing teams.

In Ireland, overall demand in April was strong for all guest types however there was a slight shift in the mix of travellers. Domestic guests represented almost two-thirds of guests in Ireland in April at 62.8% whilst guests from Northern Ireland made up 7.8% and overseas guests made up the balance of 29.4%.

In April overseas guests were more likely to choose 5-star (36.0%) properties, matching a similar behaviour observed last month. Northern Ireland guests are more likely to select 4-star and 3-star properties.



Note: Range is the lowest and highest share of guests stated by hotels.

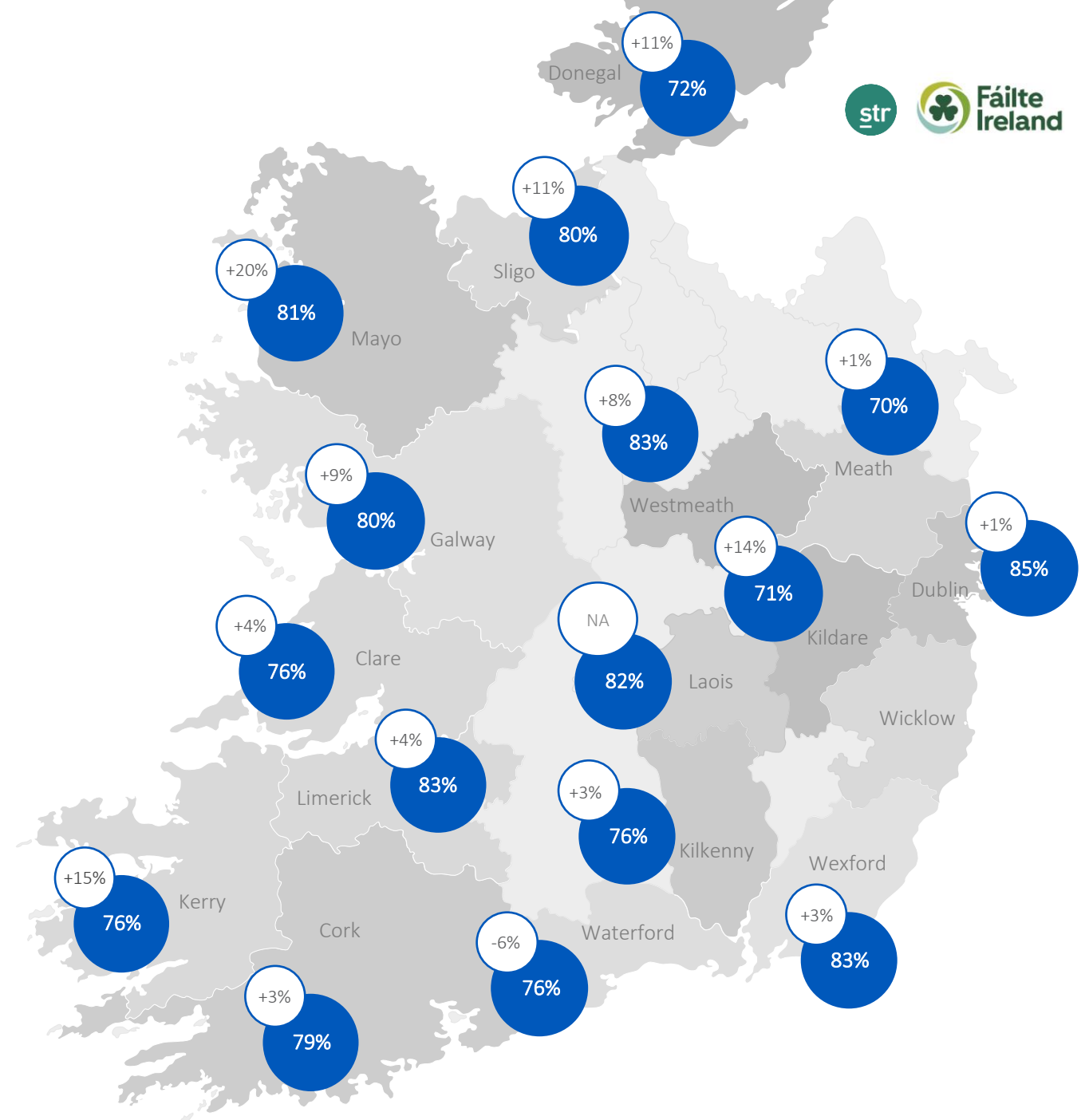
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the "middle" value. A median value can also be the lowest or highest value and so may also be represented in the range.

# County Occupancy

● Current month room occupancy    ○ % relative change vs. same month 2022

In April 2023, almost every county in Ireland, where data is available, posted an increase in occupancy compared to the previous April and compared to last month. Fourteen of the 15 counties with comparable year-on-year data, recorded higher occupancy than the same month in 2022 and last month.

Seven counties reported occupancy levels above the 80.2% national average - Dublin, Laois, Limerick, Mayo, Sligo, Westmeath, and Wexford. Waterford at 76.4% room occupancy was the only county to report year-on-year decline, however, occupancy was up by 5.2% from last month, slightly ahead of the national average of 4.9%. Limerick declined slightly month-on-month in April.



Note: There are 16 counties with sufficient room occupancy data in April 2023. These are displayed and reported here.





# County Source Markets

For most areas, the share of guests originating from the Republic of Ireland was lower in April compared to the same time the previous year, similar to March. Dublin was the outlier as it welcomed a larger share of visitors from the Republic of Ireland at 44.5% compared to the same month in 2022.

Donegal remains the destination of choice for Northern Irish visitors (41.3%) due to the county's proximity to the border. The next two most visited counties for guests from Northern Ireland were Dublin (9.2%) and Mayo (9.5%).

Among guests travelling from overseas, Dublin and Clare remained the most attractive location with a share of 46.3% and 44.0% respectively.



	Republic of Ireland	Northern Ireland	Overseas
Clare	52%	4%	44%
Cork	75%	4%	21%
Donegal	45%	41%	14%
Dublin	45%	9%	46%
Galway	69%	2%	29%
Kerry	68%	3%	30%
Limerick	72%	4%	24%
Mayo	75%	9%	16%
Meath	81%	6%	13%
Wexford	97%	0%	3%

# Performance By Grade



In April occupancy was highest in 3-star hotels at 85.5%, following the trend seen over the past couple months. This popularity is possibly influenced by the fact that 3-star properties are the most economical at €135.76. Almost as popular are the higher rated 4-star hotels with April occupancy of 82.9% and an average rate of €154.79.

While recording the lowest occupancy of 66.9%, 5-star hotels posted the highest rate (€331.43) in April 2023 which is not surprising given their higher level of service offerings. What is surprising is when evaluating rate change compared to last year, the lower the grade, the greater ADR increase. 3-star properties increased the most followed by 4-star and 5-star. 5-star properties are more popular in Dublin compared to the rest of the country.

Evaluation of the revenue per available room metric demonstrates that the RevPAR is increasing at the same rate among 3-star (+20.6%) and 4-star (+20.7%) properties and growth is slower (13.6%) among 5-star properties.

	5 Star	4 Star	3 Star
Occupancy	66.9%	82.9%	85.5%
ADR	€ 331.43	€154.79	€135.76
RevPAR	€221.58	€128.29	€116.03

# Methodology Statement

In June 2021, Fáilte Ireland re-launched its Hotel Survey in partnership with STR, a leading global hospitality data benchmarking, analytics and insights provider.

The new survey collects the following information per month based on two data collection systems:

## ***Rooms Data (collected on an ongoing basis using STR's proprietary systems)***

- Total number of available rooms
- Number of sold occupied rooms
- Net rooms revenue

This data is used to calculate the three most relevant metrics within the accommodation industry namely: Room Occupancy, Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR).

## ***Bedspaces Data (collected by monthly online survey administered by STR)***

- Bedspaces sold to key markets (Republic of Ireland, Northern Ireland and Overseas)
- Total number of available bedspaces

This data is used to calculate bedspace occupancy, which is the proportion of available bedspaces sold each month, and share of guests by the key markets.

## **Additional Notes**

- Where applicable in this report, data is compared with the same data of 2022.
- Ireland room occupancy, bedspace occupancy, ADR and RevPAR for the current month and for the same month in 2022 are calculated using a weighted average methodology to reflect the supply of hotel accommodation in the regions of Ireland. No other data points in this report are based on weighted averages.
- The classification system referred to in this report is [Fáilte Ireland's hotel classification](#) as prescribed under Section 39 of the Tourist Traffic Act.
- The samples of participants in the two data collection systems are different. Therefore, some data points may not appear consistently throughout the report.
- All units given throughout this report represent a positive number, unless stated otherwise.
- Percentage change figures are expressed in relative terms (not in absolute terms), unless stated otherwise.
- "n/a" or blank spaces in this report indicate insufficient data to enable reporting of a data point. This is done to protect the anonymity of responses and ensure full data confidentiality.

- Data in these reports is not consistent with previous reports published by Fáilte Ireland prior to the July 2021 report.

The sample for this month's report: (Rooms Data n=259, Bedspace / Source Market Data n=212, Overall Universe of Hotels n=832).

- STR methodology provides for humanitarian use of hotel rooms in the following ways:
  - Data from hotels that are exclusively accommodating beneficiaries of temporary protection are excluded from STR reporting. The hotel is marked as temporarily closed in our system.
  - Data from hotels that continue to operate their business while accommodating beneficiaries of temporary protection is included in our reporting. For these hotels, our reporting includes data relating to the rooms 'sold' for both purposes unless accommodation for beneficiaries of temporary protection has been donated by the hotel, in which case the room is treated as 'complimentary' and, thus, excluded.
- Further details about STR's hotel data methodology can be found [here](#).

