# Accommodation Occupancy Survey

**Strategic Research and Insight**

Q1 2022

Fáilte Ireland

# Summary and Background


Fáilte Ireland

# Summary

## Occupancy levels starting to resemble pre-Covid norms in some sectors

- **Self-catering** performed very well during Q1 (Jan – Mar 2022), with monthly occupancy levels continuing to be similar to or just above pre-Covid levels
    - Average self-catering bed occupancy for Q1 was 29% (compared to pre-Covid norm of 25%)
- **Guesthouses** (47% bed occupancy) were up on pre-Covid levels (41%) for Q1 – but March occupancy (44%) slipped from February (52%); it is normally on the up as spring arrives
- **B&B** bed occupancy (27%) for Q1 was also up on pre-Covid (15%) – but as most B&Bs were closed each month, net occupancy comparisons should be viewed with caution
- **Hostel** bed occupancy (45%) for Q1 was still behind pre-Covid norms (60%)

## International visitors wanted

- The balance between international and domestic visitors is getting back towards normal in some sectors, but the May barometer showed that operators are keen for this to happen more quickly as Irish holidaymakers are expected to start going abroad again

# Background

### What is the accommodation occupancy survey?

- Strategic Research and Insight (SRI) operates a monthly survey with (non-hotel) accommodation operators
- Data on room/unit occupancy, bed occupancy and split by domestic / international guests is gathered on an ongoing basis online and by telephone
- Table below shows number of monthly data forms completed by sector during Q1 2022
- Caravan & campsite analysis during Q1 is not reliable due to not enough operators being open

| Sector / Month | Population | Jan sample | | | Feb sample | | | Mar sample | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Open | Closed | Total | Open | Closed | Total | Open | Closed | Total |
| Guesthouses | 138 | 13 | 26 | 39 | 15 | 23 | 38 | 18 | 21 | 39 |
| B&Bs | 916 | 36 | 227 | 263 | 41 | 224 | 265 | 62 | 203 | 265 |
| Self-catering | 525 | 68 | 60 | 128 | 65 | 67 | 132 | 80 | 47 | 127 |
| Caravan & campsites | 130 | 2 | 12 | 14 | 0 | 15 | 15 | 4 | 13 | 17 |
| Hostels | 98 | 16 | 29 | 45 | 6 | 26 | 32 | 22 | 23 | 45 |

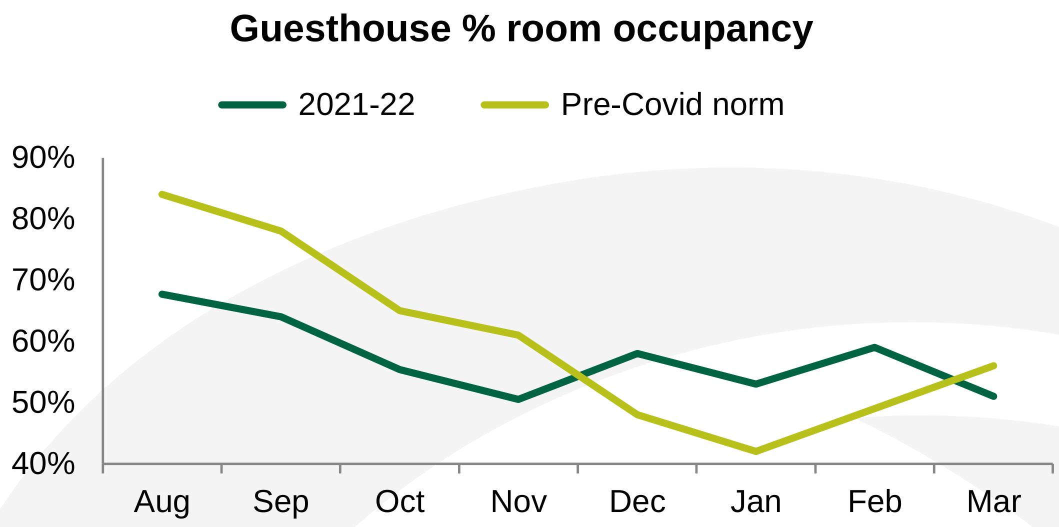
**Throughout this report, 'pre-Covid norms' are a two-year average of 2019 & 2018 for the month or period in question**

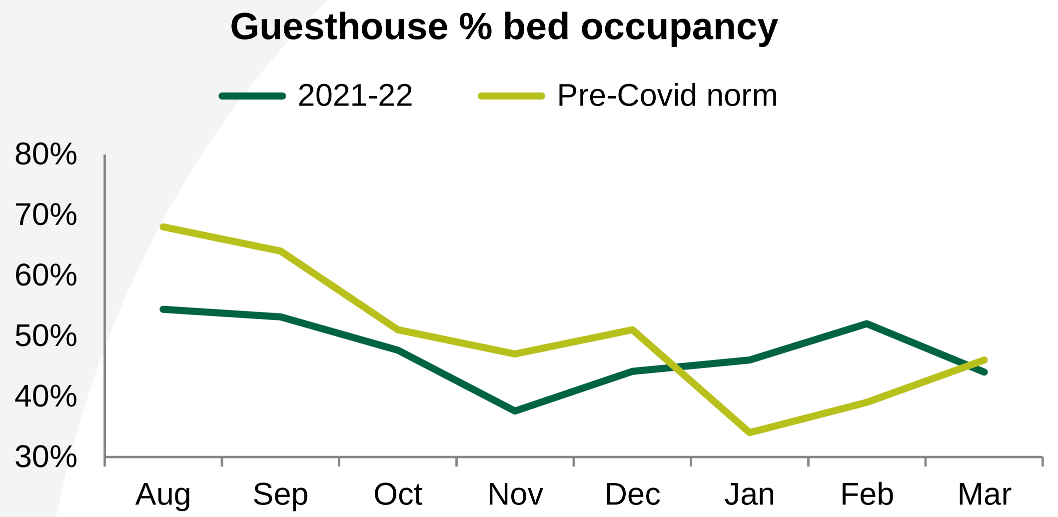
# Individual Sectors

# Guesthouses (1)

## Above normal during winter, but March slipped

- Guesthouses managed to catch up with and then overtake pre-Covid norms during the winter months
- But occupancy rates fell in March – they are normally on the up as spring arrives
- Overall net occupancy rates for January – March were:
  - 54% room occupancy in 2022 vs 50% pre-Covid
  - 47% bed occupancy in 2022 vs 41% pre-Covid
- The May barometer showed that forward bookings for guesthouses this summer are not looking especially healthy, but operators are trying to stay positive – at least they are open and trading again



# Guesthouses (2)

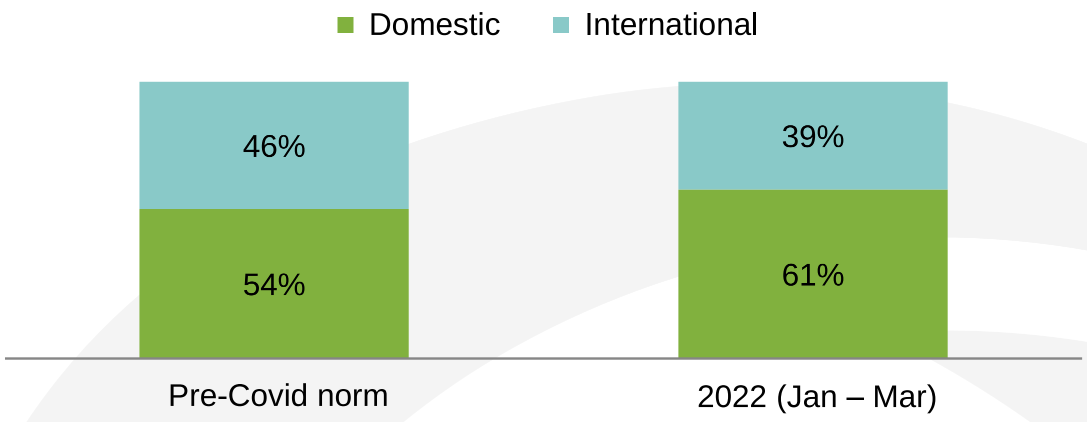
## International visitors starting to come back

- Operators had to rely heavily on the domestic market after reopening in 2021, as international travel was possible but awkward
- However, the proportion of international visitors staying in guesthouses is now getting close to pre-Covid levels

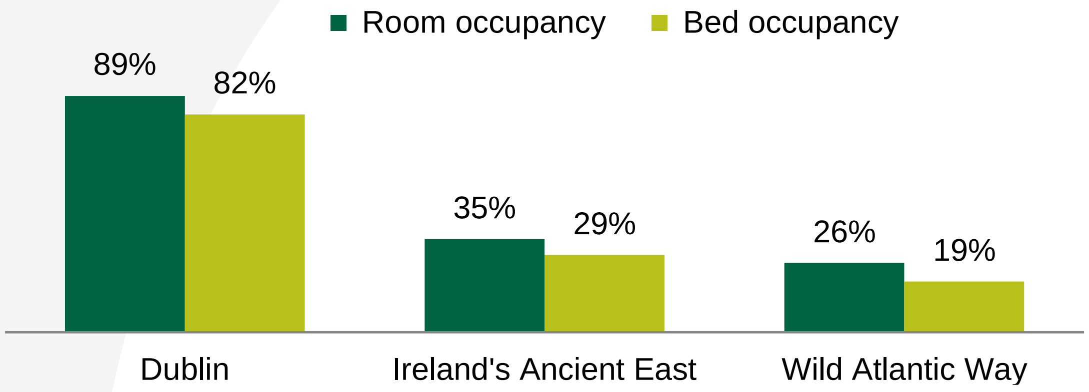
## Dublin very different to rest of Ireland

- Dublin guesthouses have enjoyed much fuller properties than other regions in Q1 – about half of Dublin's occupancy has come from international visitors

**Guesthouse % split by domestic / international**



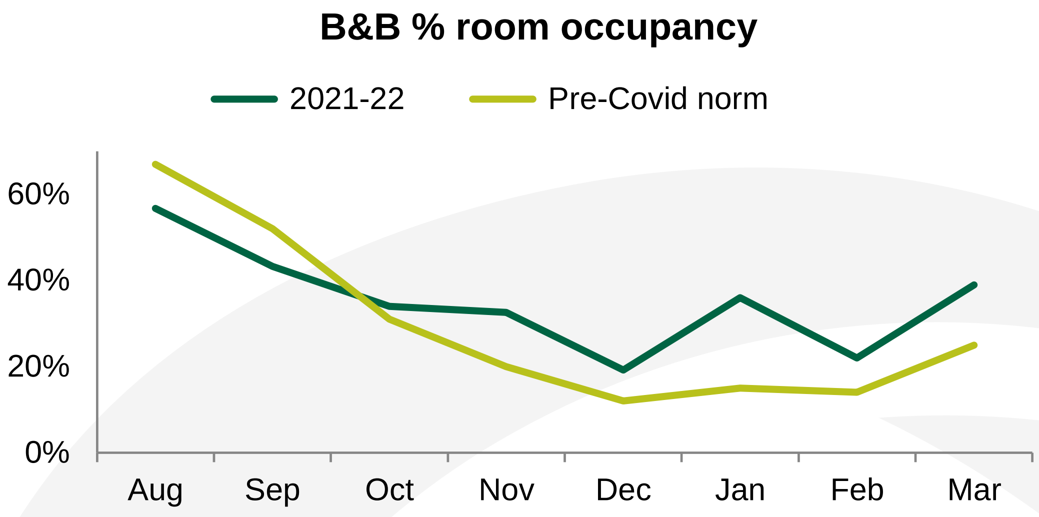

**Guesthouse % occupancy by destination**

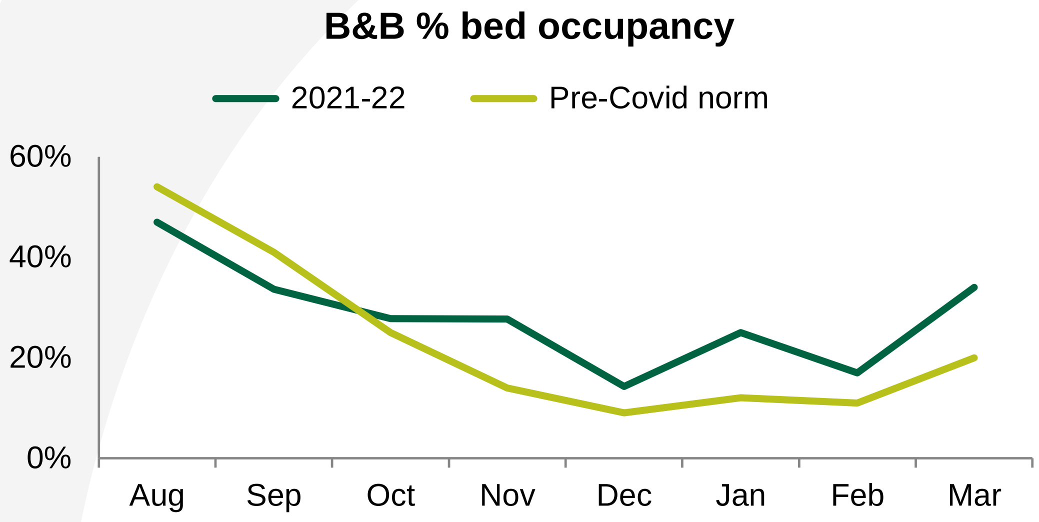


# B&Bs (1)

## Net occupancy higher than pre-Covid

- B&B *net* occupancy levels have consistently been above pre-Covid norms since October
- But to say that the sector as a whole is busy would be misleading – most B&Bs have been closed each month since October *(see earlier background for details)*
- Overall net occupancy rates for Jan – Mar were:
  - 34% room occupancy in 2022 vs 19% pre-Covid
  - 27% bed occupancy in 2022 vs 15% pre-Covid



# B&Bs (2)

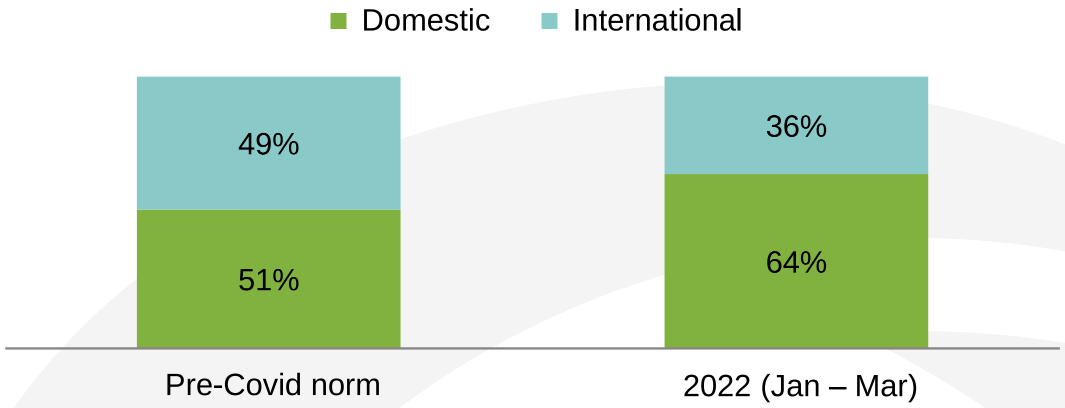
## International visitors quite slow to return

- Pre-pandemic, B&Bs were reliant on international guests
- The international market is taking time to recover for B&Bs – also reported in the May barometer survey
- But the barometer also showed that 'return of overseas visitors' was the most frequently cited positive factor affecting business this year (by two thirds of B&Bs)
- This is because any hint of international recovery is welcomed

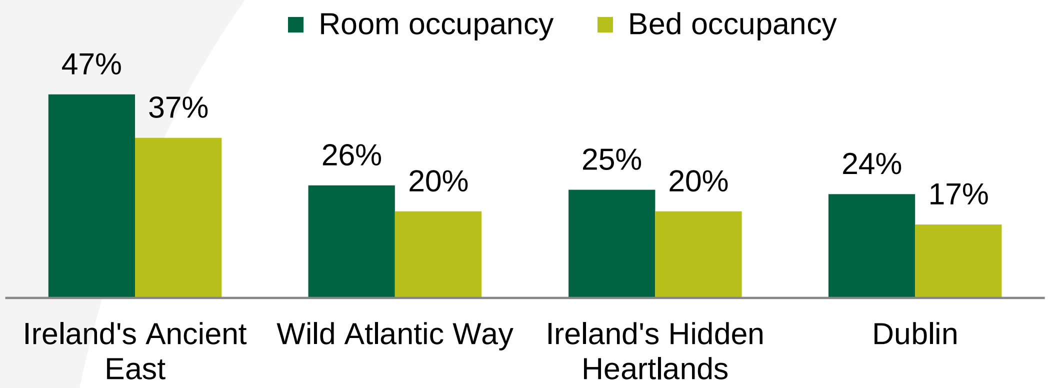
## Ireland's Ancient East above other regions

- B&Bs in Ireland's Ancient East (IAE) have reported healthy occupancy levels in Q1 – well above the other regions

**B&B % split by domestic / international**




**B&B % occupancy by destination**

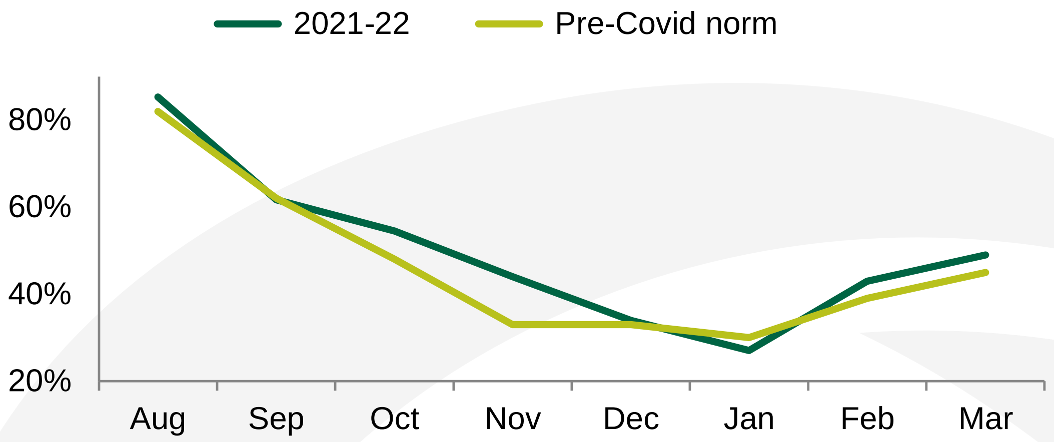


# Self-catering (1)

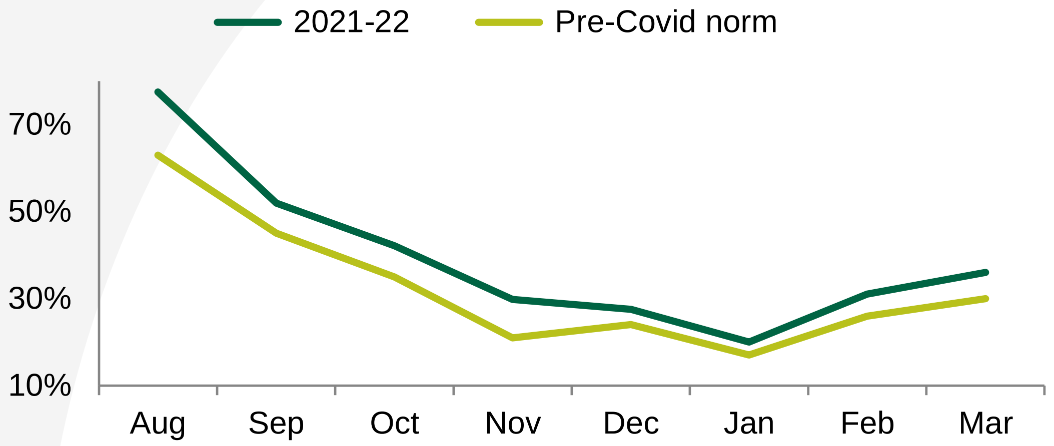
## Occupancy just above pre-pandemic levels

- Self-catering occupancy levels in Q1 remain similar to or just above pre-Covid norms
- Overall occupancy rates for January – March were:
  - 40% unit occupancy in 2022 vs 39% pre-Covid
  - 29% bed occupancy in 2022 vs 25% pre-Covid
- Going forward however, the self-catering sector needs international visitors to return – highlighted in the May barometer and discussed next

**Self-catering % unit occupancy**




**Self-catering % bed occupancy**



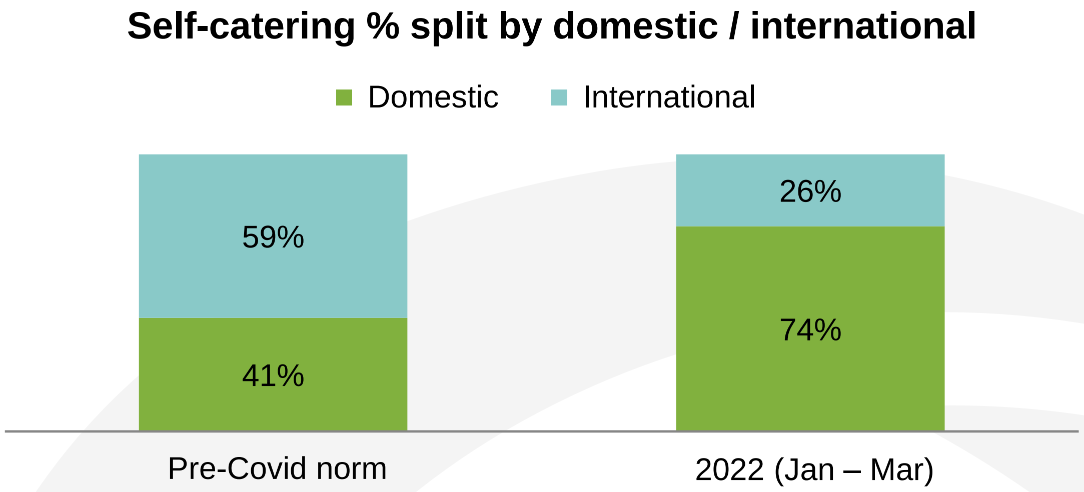
# Self-catering (2)

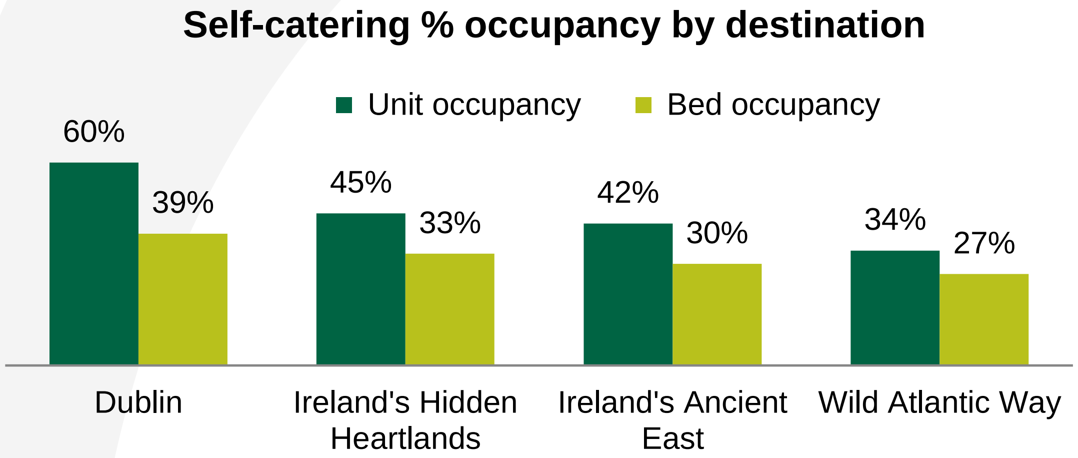
## Strong domestic market, but need international visitors back

- The self-catering sector had to switch from relying on international guests to domestic during the pandemic
- This market has performed very well for them
- But the May barometer showed that time is going to be called on the domestic market for this sector – repeat domestic bookings for this summer do not look strong and many operators are keen for the return of their former market

## Good unit occupancy in Dublin

- Dublin has performed ahead of the other regions in Q1, whilst Wild Atlantic Way has lagged behind somewhat

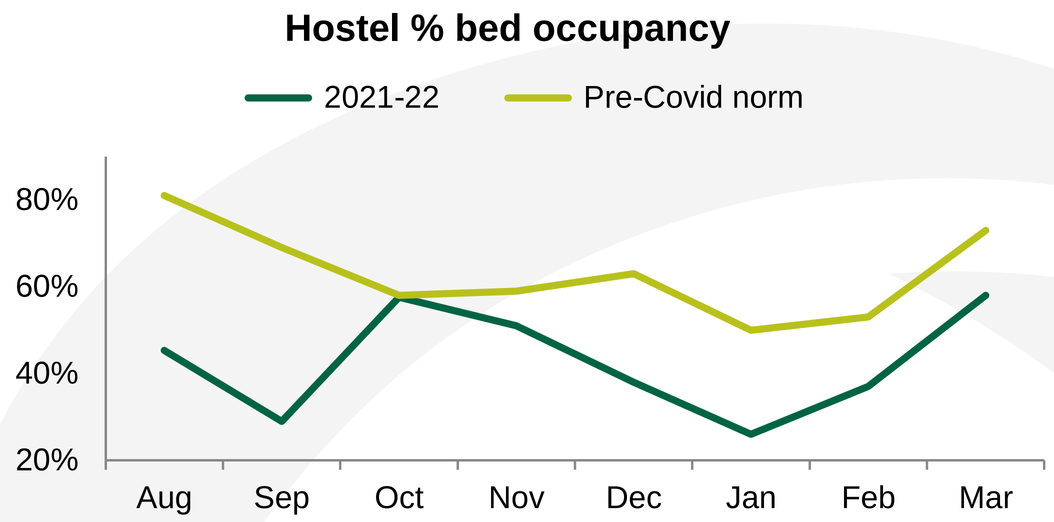


# Hostels (1)

## Below pre-Covid norms

- Hostel occupancy levels have remained below pre-Covid norms in Q1, although the gap has started to narrow with time
- Overall bed occupancy rates for January – March were:
  - 45% in 2022 vs 60% pre-Covid
- The nature of hostel accommodation together with its usual reliance on the international market meant that the sector was always likely to struggle during times of Covid restrictions



# Hostels (2)

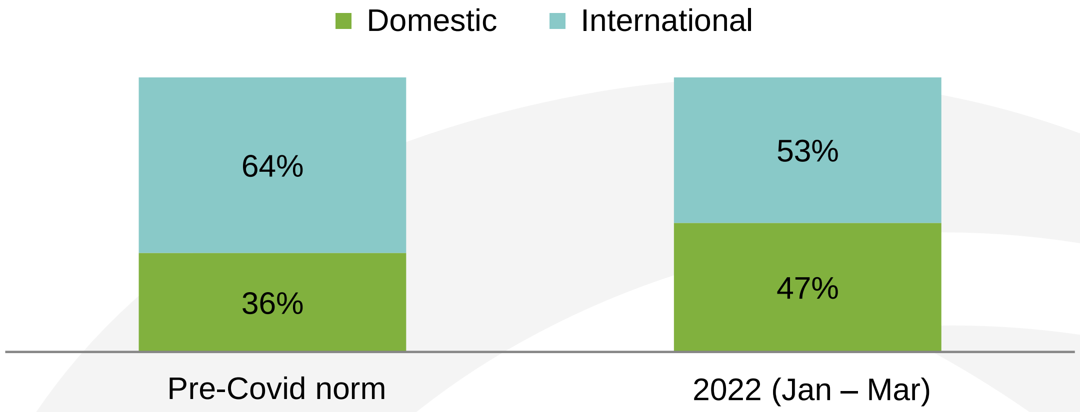
## International visitors starting to come back

- Domestic tourists did not warm to the idea of staying in hostels during the pandemic
- But occupancy rates might now start to close the gap on pre-Covid norms as the international market returns
- Hostels are the only sector to report more international visitors than domestic visitors in Q1

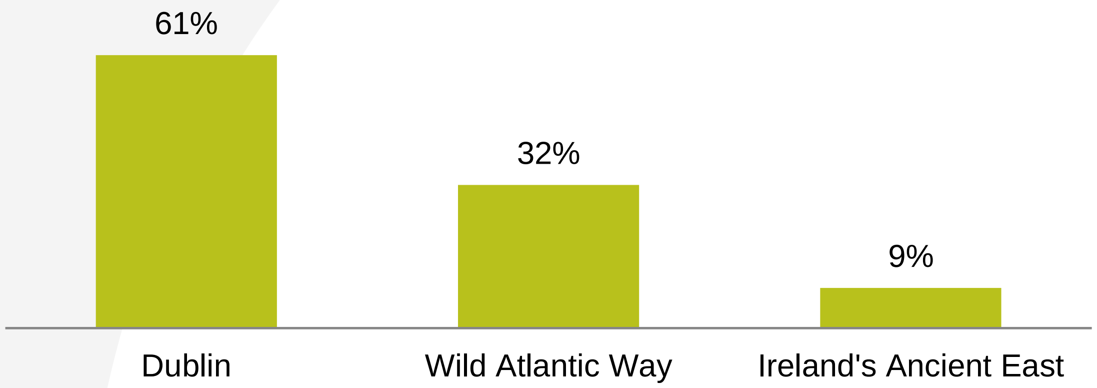
## Vast differences by region

- As the international market picks up, Dublin hostels are becoming busy again
- The same cannot be said for hostels in Ireland's Ancient East

**Hostel % split by domestic / international**




**Hostel % bed occupancy by destination**



# Thank you

**Strategic Research and Insight**

June 2022