

Fáilte Ireland Hotel Survey

September 2021 Summary Report



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Executive Summary

Hotels across Ireland recorded declining room occupancy of 61.0% in September 2021 compared with 68.1% in August. This fall in demand was influenced by the normal shift in seasonality as September marked the end of the summer holidays coupled with continued COVID-19 challenges. Bedspace occupancy during the month stood at 44.9% which was again below previous months.

Highlighting the extent of the difficulties afflicting the sector, room occupancy was -30% (in relative terms) below the corresponding pre-pandemic figure of 87.1% in September 2019.

Following two successive months of ADR growth compared with 2019, in September 2021, national ADR was -6% below that of two years ago (€126.60 compared with €134.16 in September 2019). However, these results were heavily influenced by the performance of hotels in Dublin and Limerick with the former recording a significant ADR

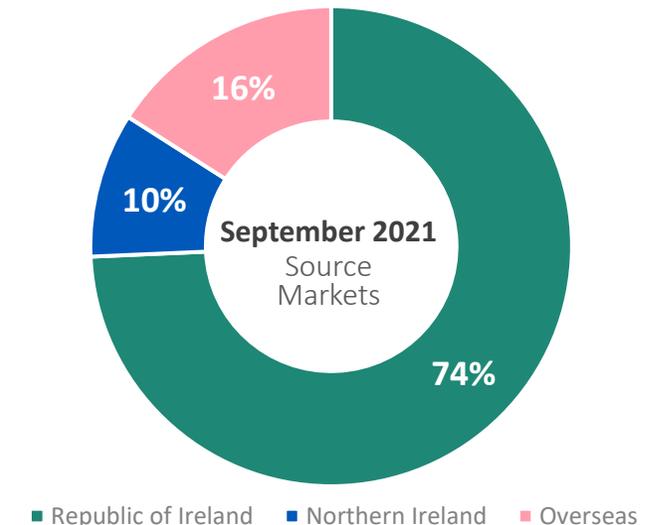
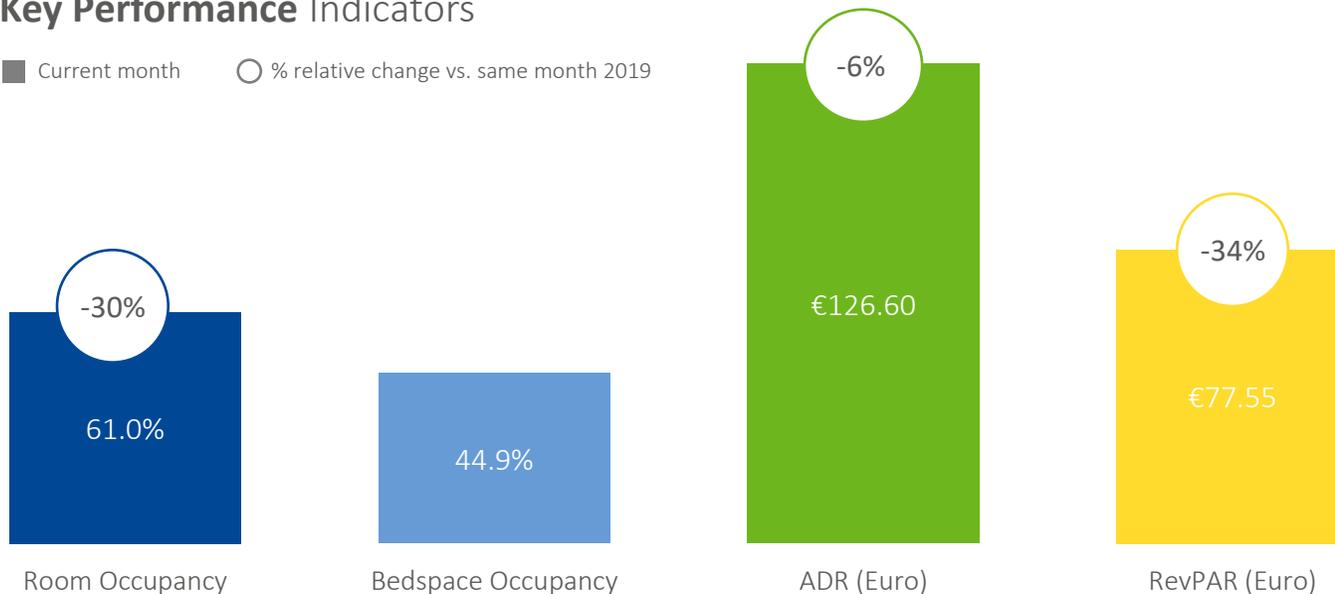
decline of nearly -30% compared with 2019. Meanwhile, other counties across Ireland fared better as they increased room rates. However, it should be noted that factors including stronger domestic demand and less group and corporate business generally contributed to drive up ADR in 2021.

RevPAR, which combines occupancy and ADR performance, across Ireland in September 2021 was €77.55. This was again below previous months and was -34% behind the pre-pandemic rate achieved in September 2019 of €117.90.

Guests from the Republic of Ireland continued to be the most important source market for hotels in the country accounting for nearly three-quarters of all hotel guests. There was a small increase in the proportion of overseas guests compared with August as they accounted for 16% versus 13% in August 2021. Visitors from Northern Ireland continued to account for around 10% of all hotel guests, although there was a higher prevalence in hotels close to the border.

Key Performance Indicators

■ Current month ○ % relative change vs. same month 2019



Note: Bedspace Occupancy for 2019 is not available.

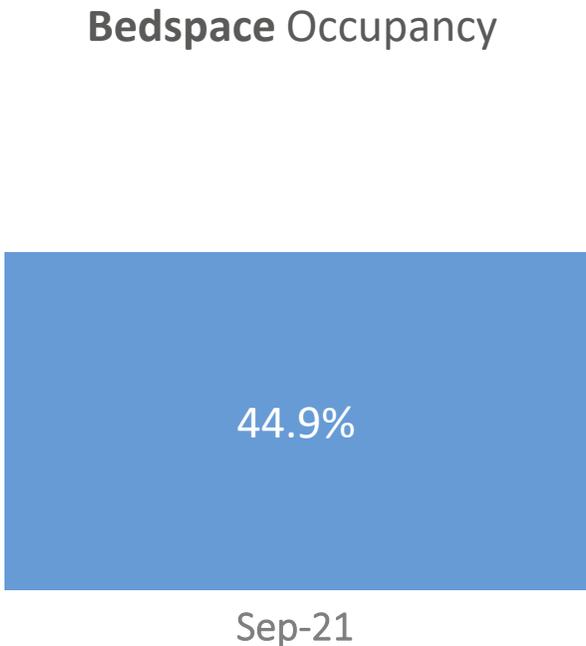
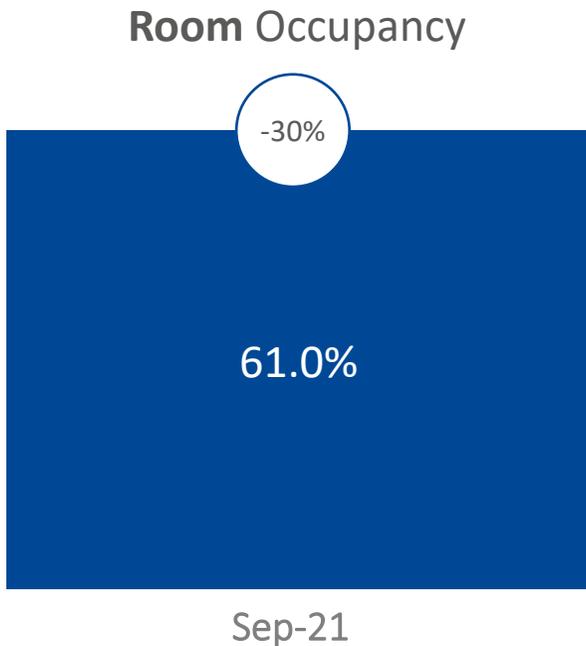
Ireland Room & Bedspace Occupancy: September 2021



There were no COVID-19 travel restrictions in September 2021. However, the industry continued to grapple with supply and labour force challenges which negatively impacted operations for some hotels and uncertainty regarding international travel remained. These issues, along with the end of the summer school holidays, likely contributed to the overall performance as occupancy fell below recent months to 61.0%. Compared with September 2019 – a more comparable month than September 2020 when the industry was severely impacted by COVID-19 – this constituted a decline of -30% (in relative terms) in room occupancy for hoteliers across the country.

Bedspace occupancy, the proportion of available bedspaces sold during the month, also fell from previous months to 44.9%. It was interesting to see more divergence between room and bedspace occupancy this month compared with last month (61.0% and 44.9% this month compared with 68.1% and 60.3% last month). This implies there was a shift in the traveller mix with proportionately fewer leisure travellers and an increase in business travellers in September 2021.

■ Current month ○ % relative change vs. same month 2019



Highest room occupancy in September
77.2%
Saturday 11th September 2021

Highest / lowest performing days of the month
Saturdays (73.9%) / Sundays (47.4%)

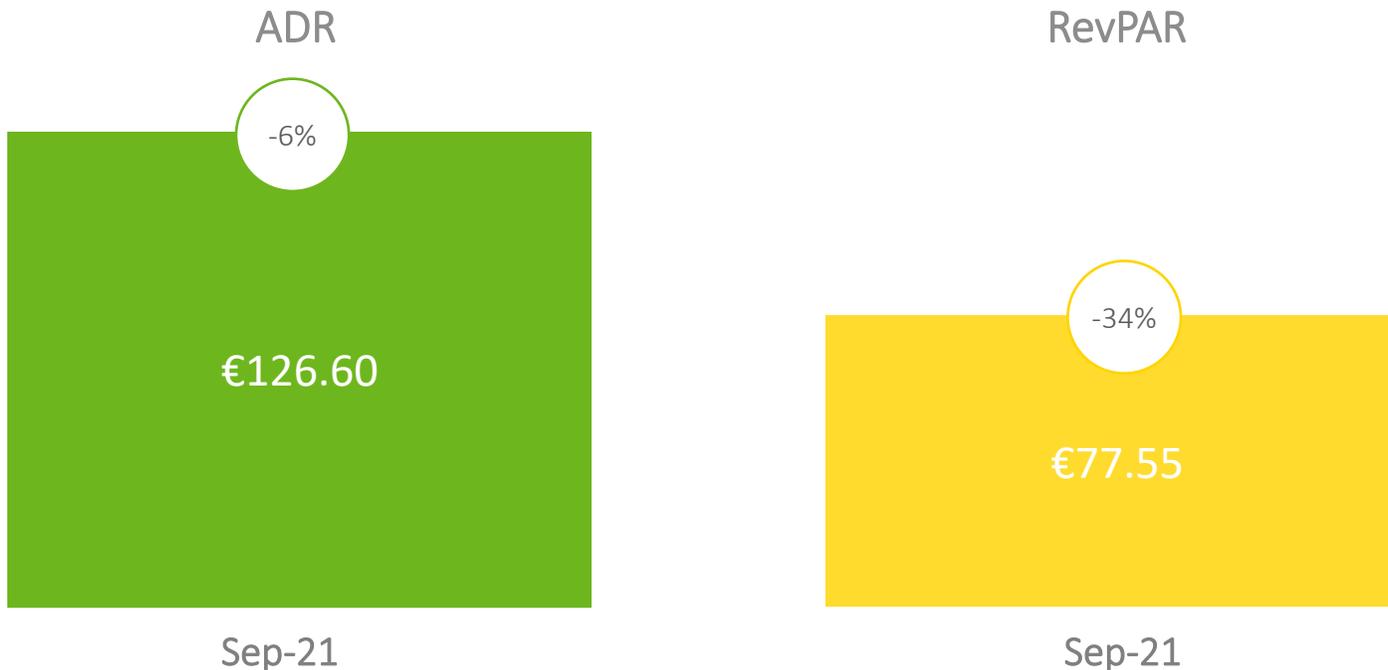
Note: Bedspace Occupancy for 2019 is not available.

Ireland ADR & RevPAR: September 2021

Reflecting the weaker demand in September 2021 compared with previous months, ADR was €126.60 which was below August and July 2021. This marked a -6% reduction compared with September 2019 when ADR was €134.16. However, while the country posted an overall decline, the result was skewed by the performance of hotels in Dublin and Limerick. In Dublin, ADR was -29% behind the rate achieved in September 2019 which heavily impacted the overall result for Ireland. Meanwhile, hotels outside these urban areas tended to grow ADR during the month compared with pre-pandemic levels.

RevPAR, an important hotel performance metric, in September 2021 was €77.55. This was also well below preceding months (August 2021 RevPAR €101.26 and July 2021 RevPAR €94.56) and was notably below September 2019 (€117.90). Indeed, RevPAR in September 2021 was over -30% below the pre-pandemic level which equated to a steeper fall compared with July and August 2021.

■ Current month ○ % relative change vs. same month 2019



Highest RevPAR in September
€130.29
Saturday 11th September 2021

Highest / lowest (RevPAR) performing days of the month
Saturdays (€117.73) / Sundays (€55.28)

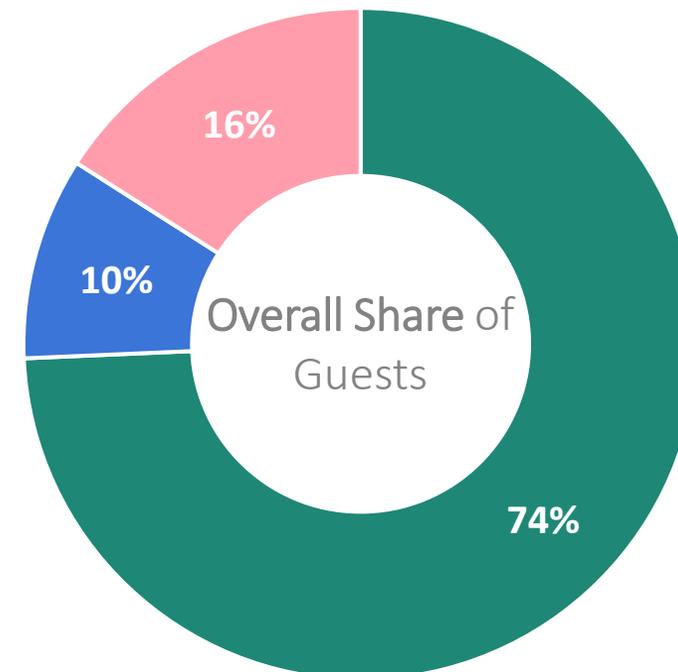
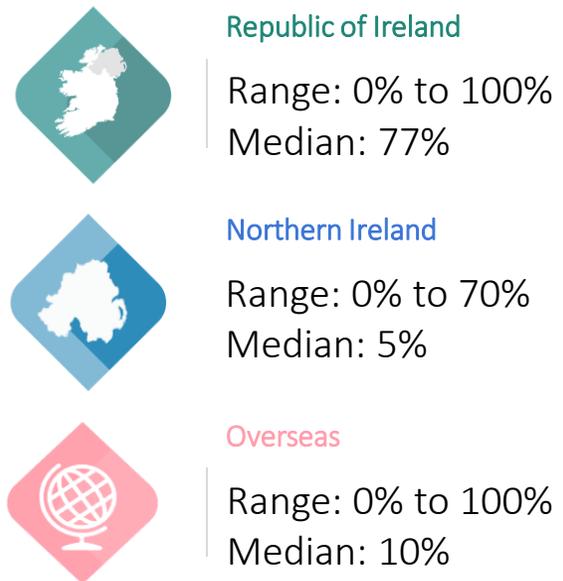
Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels.
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.

Ireland Source Markets: September 2021

Visitors from across the Republic of Ireland again accounted for the lion's share of hotel guests in the country. However, the incidence of domestic guests fell again this month to 74% (compared with 78% in August and 85% in July) as growth in international arrivals continued in September 2021.

As a result, international visitors made up 16% of hotel guests overall, although they were dispersed unevenly across the country with notably more staying at hotels in Clare, Dublin and Kerry and far fewer staying in Kildare, Mayo and Limerick.

Guests from Northern Ireland continued the trend of making up around 10% of all hotel guests.



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

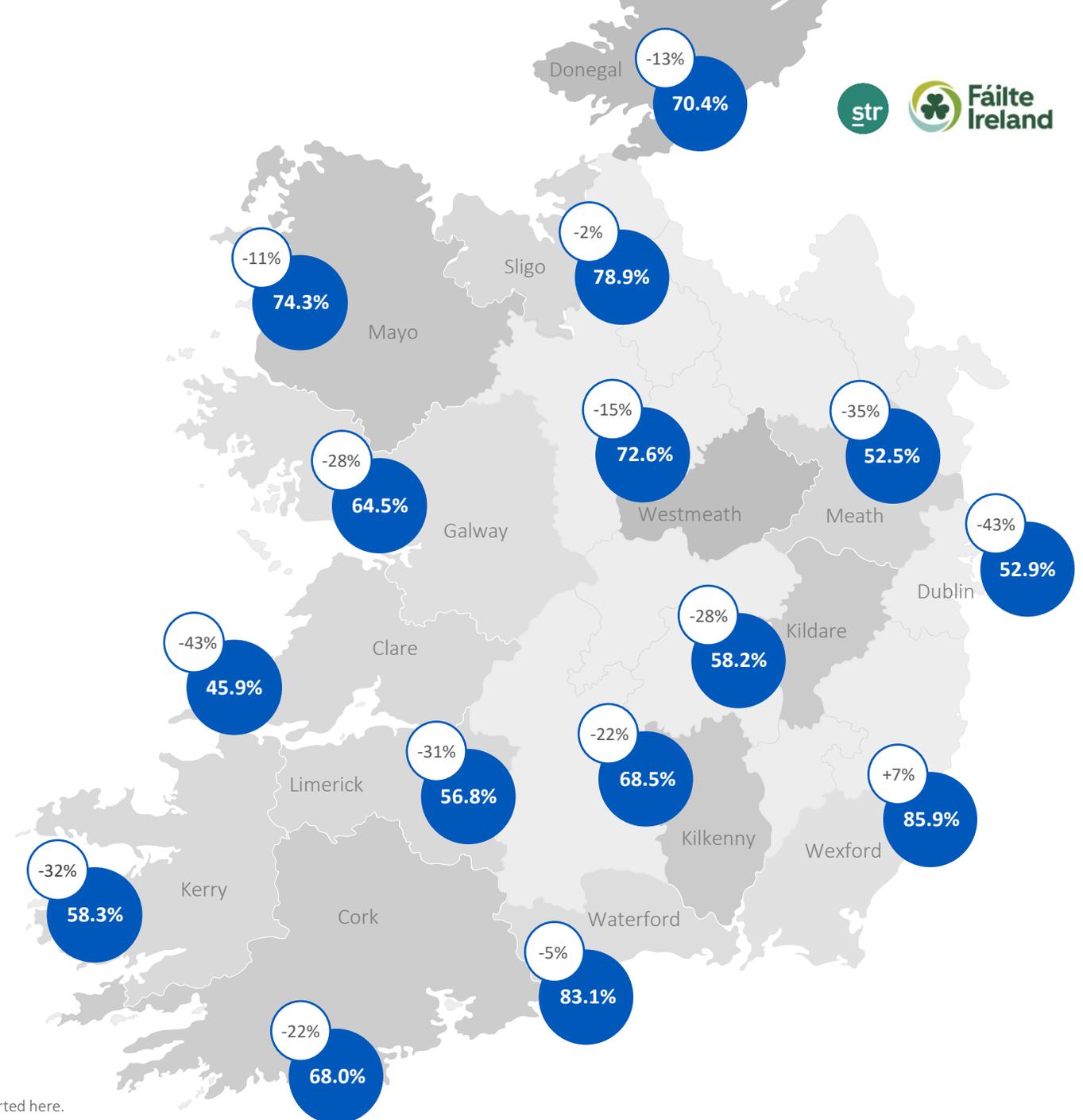
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the "middle" value. A median value can also be the lowest or highest value and so may also be represented in the range.

County Occupancy

● Current month room occupancy ○ % relative change vs. same month 2019

In September 2021, the highest performing counties in terms of room occupancy were Wexford and Waterford with hotels in both areas surpassing 80% occupancy. Hotels in Sligo, Mayo and Donegal performed robustly too, achieving occupancy of 70% or above during the month. Conversely, room occupancy was lowest in Clare (46%), Dublin and Meath (both 53%),

Following a trend of previous months as the impact of staycations continued to benefit the area, Wexford hotels again outperformed those elsewhere as they posted occupancy growth of +7% (in relative terms) compared with September 2019. Meanwhile, hotels in the remaining 14 counties where there is sufficient data to enable reporting noted a decline in occupancy compared to the pre-pandemic rate. Softer declines were recorded by hotels in Sligo and Waterford (each seeing occupancy shrink by -5% or below). Meanwhile, the harshest contractions in demand were felt by hotels in Clare, Dublin (both -43%) and Meath (-35%).



Note: There are 15 counties with sufficient room occupancy data in September 2021. These are displayed and reported here.

County ADR & RevPAR

● ADR ● RevPAR ● % relative change vs. same month 2019

Average Daily Rate (ADR)

Mirroring the August 2021 trend, the highest ADRs were recorded by hotels in Clare (€182.91), Mayo (€172.91) and Kilkenny (€147.72). Meanwhile, the lowest ADRs were in Waterford (€107.63), Sligo (€107.92) and Westmeath (€108.56).

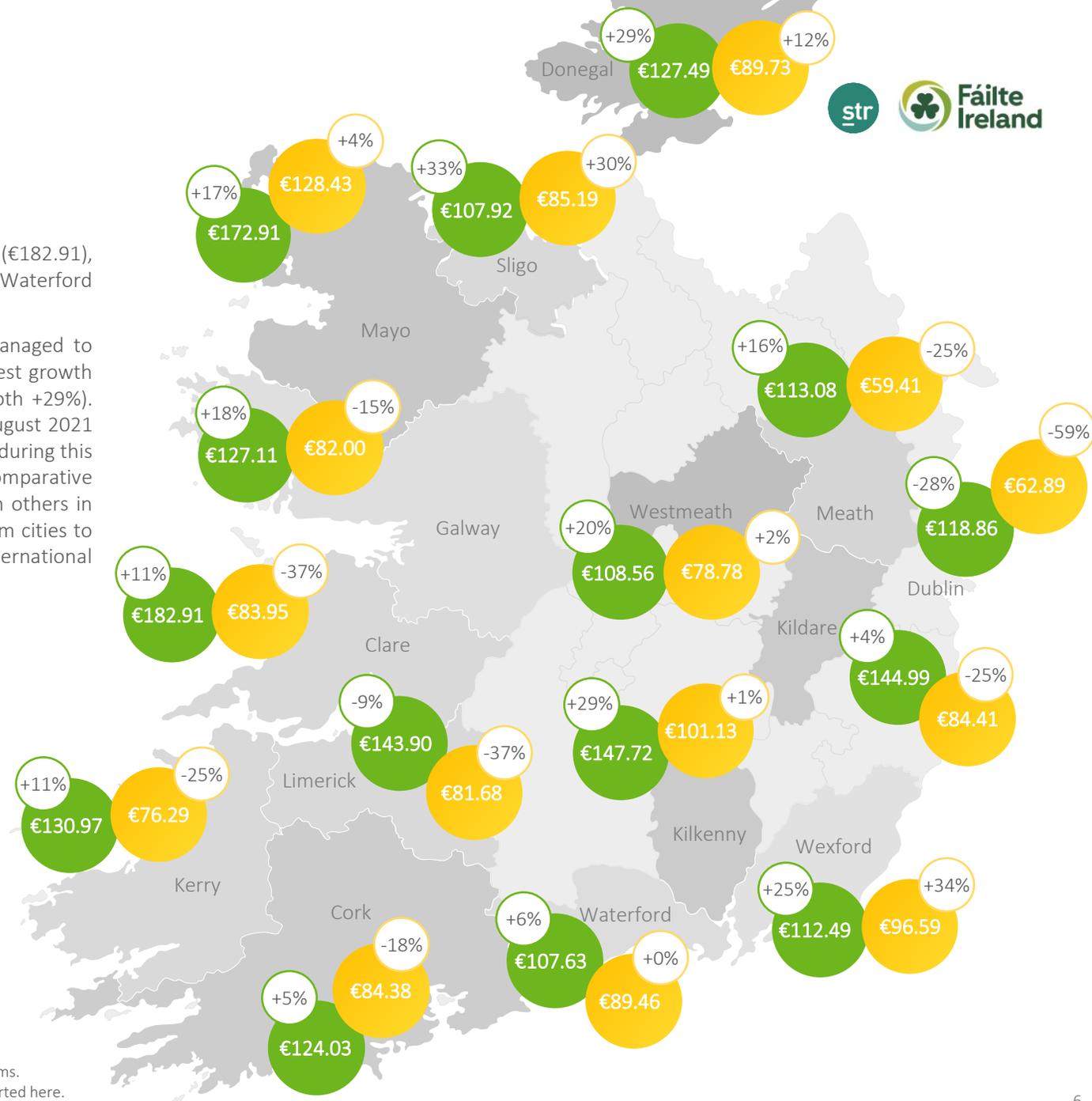
Hotels in 13 out of the 15 counties, the exceptions being Dublin and Limerick, managed to increase rates compared with the pre-pandemic level of September 2019. The steepest growth was achieved by Sligo hotels (+33%), followed by those in Donegal and Kilkenny (both +29%). Hotels in these areas, especially Sligo, also achieved strong rate growth in July and August 2021 which implies that they have effectively adapted their revenue management practices during this recovery phase of the pandemic. Meanwhile, hotels in Dublin and Limerick saw comparative rates decrease by -28% and -9%, respectively. These counties have fared worse than others in recent months which is due, at least in part, to a shift in consumer demand away from cities to more rural and coastal destinations during the pandemic and continued limited international demand, on which Dublin especially is heavily reliant.

Revenue Per Available Room (RevPAR)

Two counties achieved RevPAR of €100 or more during September 2021 compared with 11 counties in August 2021. They were Mayo (€128.43) and Kilkenny (€101.13). Meanwhile, hotels in Meath (€59.41) and Dublin (€62.89) achieved the lowest RevPAR.

Benefitting from an uplift in occupancy and strong ADR growth compared with September 2019, Wexford hotels achieved the highest RevPAR growth (+34%). They were followed closely by Sligo hotels (+30%). Donegal was the only other county to achieve double digit RevPAR growth (+11.9%) compared with 2019.

Eight of the 15 counties recorded a contraction in RevPAR compared with September 2019. The steepest fall was recorded by Dublin hotels as RevPAR stalled at -59% behind pre-pandemic levels. This result was again impacted by COVID-19 related challenges which have disproportionately impacted the city such as a decline in business and international travellers. Other counties which noted a large decline in RevPAR were Limerick and Clare (both -37%).



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.
 Note: There are 15 counties with sufficient ADR and RevPAR data in September 2021. These are displayed and reported here.
 Note: -/+0% indicates decline/growth of less than 1%.

County Source Markets

There was sufficient source market data for nine counties in September 2021. Among these, there were five counties in which domestic guests accounted for 80% or more of the client base: Mayo (86%), Limerick (85%), Cork (84%), Kildare (84%) and Galway (80%).

Hotels in the remaining four counties achieved quite a different customer mix. Hotels in Donegal attracted the highest proportion of guests from Northern Ireland (37%) and also noted an above-average mix of overseas guests (22%). Meanwhile, hotels in Kerry, Dublin and more so Clare benefitted from a disproportionately high proportion of overseas customers (21%, 28% and 30%, respectively).



Republic of Ireland



Northern Ireland



Overseas

County	Republic of Ireland	Northern Ireland	Overseas
Clare	67.6%	2.1%	30.3%
Cork	83.9%	4.1%	12.0%
Donegal	41.3%	36.8%	21.9%
Dublin	62.5%	9.3%	28.2%
Galway	80.4%	6.0%	13.6%
Kerry	75.4%	4.1%	20.5%
Kildare	84.2%	11.9%	3.9%
Limerick	85.2%	5.3%	9.5%
Mayo	86.1%	4.5%	9.4%

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 2019 as comparisons with 2020 are less meaningful due to the impact of COVID-19.
- Ireland room occupancy, bedspace occupancy, ADR and RevPAR for the current month and for the same month in 2019 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 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 June 2021 report.
- Throughout the pandemic, STR has continued to collect performance data from hotels that remained open. The data in this month's report is therefore only based on those hotels that were open and reported data to STR (Rooms Data n=237, Bedspace / Source Market Data n=241, Overall Universe of Hotels n=819).
- Further details about STR's hotel data methodology can be found [here](#).

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