Fáilte Ireland
Hotel Review 2008

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Introduction

The Hotel Survey has been conducted by Bord Fáilte/Fáilte Ireland since 1963. In 2008, Fáilte Ireland commissioned Millward Brown Ulster 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 Millward Brown Ulster 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 2008, and also draws comparisons with recent years. The Review of Hotel Performance in 2008 also presents highlights of the Visitor Attitude Survey 2008 which are pertinent to the hotel industry. A capacity update for 2009 is also included in this report.

The following Summary highlights the key points emerging from the 2008 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.
- Prior to 2008 hotel classification included an "Other" category which included unclassified hotels, hotels awaiting registration, hotels under refurbishment etc.

Executive Summary

- Hotels experienced significant declines in both room and bed occupancy in 2008. This fall off in guestnight demand was driven by a weakness in overseas business and the current financial climate.

Capacity and Demand

- In absolute terms there have been increases in both room capacity (9%) and room nights sold (<1%) between 2007 and 2008. However, as demand has grown at a much slower rate than supply this has produced an overall decrease in room occupancy rates compared to 2007 (64% in 2007 and 58% in 2008).
- Bed capacity has also increased (8%), but bednights sold actually decreased by 1% between 2007 and 2008. This has produced an overall decrease in bed occupancy rates compared to 2007 (46% in 2007 and 43% in 2008).

Grade

- Grade 3* hotels experienced the highest occupancy rates throughout 2008.
- Over half (56%) of all bednight sales in Grade 5* hotels are attributable to overseas visitors, with North American (25%) and British (17%) guests being most prevalent.

Regions

- Room occupancy rates have declined across all the regions with East & Midlands and the South West suffering the greatest declines, both dropping 8 percentage points. The South East and West experienced very minimal changes in room occupancy (both falling by just one percentage point).
- Despite only accounting for 31% of the total market at a national level, overseas visitors account for almost half (47%) of all bednights sold in Dublin during 2008.
- The domestic market is very important in the South East and East & Midlands regions where it accounts for more than 80% of all bednights sold. Northern Ireland is also important to the North West where it accounts for 20% of all bednight sales.

Hotel Size

- Large hotels (100+ rooms) experienced an eleven percentage point decrease in occupancy rates, falling to their lowest level in six years. However, the smaller hotels (those with less than 20 rooms) have experienced slight increases in their annual room occupancy rates.
- Overseas visitors were most prevalent in large hotels (100+ rooms) accounting for more than one third (34%) of all guests in this category.

Location

- Hotels in all areas experienced decreases in their room occupancy rates between 2007 and 2008. With Major Metropolitan Areas (MMAs) and Other Urban Areas both now at their lowest level in the past six years.
- Overseas visitors accounted for 40% of all hotel nights in Major Metropolitan Areas (MMAs). In Other Urban and Rural locations only around one quarter (23% and 24% respectively) of guest nights are attributable to overseas visitors.

Markets

- Guestnight demand fell by 1% in 2008, however the number of beds sold is greater than those sold in any year prior to 2007.
- The drop in demand in 2008 was due to a decline in the overseas market, and particularly from Britain and North America.
- The Republic of Ireland's market share is now the highest it has been in six years (65%) due to a continued increase in demand from this market and declining overseas demand.
- Northern Ireland's overall market share of bednight sales has remained static at 4%, despite a 9% decrease in demand.
- Overseas market share has declined from 35% in 2007 to 31% in 2008, its lowest point in six years.

1 Capacity and Demand

Table 1.1 Number of Registered Hotels

	2004	2005	2006	2007	2008	2009	Growth Rate 2009 vs 2008 (%)
Dublin	143	143	137	151	154	160	+4
East & Midlands	109	108	108	118	124	130	+5
South East	100	106	102	108	112	112	n.c.
South West*	145	165	158	161	163	166	+2
Shannon*	109	85	77	85	90	92	+2
West	139	137	127	140	144	148	+3
North West	104	109	105	105	107	107	n.c.
Total	**849**	**853**	**814**	**868**	**894**	**915**	**+2**

*Note: 2005-2009 data are not directly comparable with 2004 data due to boundary changes.

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

	2004	2005	2006	2007	2008	2009	Growth Rate 2009 vs. 2008 (%)
Dublin	13.1	14.0	15.2	16.6	18.6	19.1	+3
East & Midlands	4.0	4.3	4.8	6.3	6.7	7.1	+6
South East	4.0	4.3	4.5	5.4	5.6	5.6	n.c.
South West*	7.5	8.7	8.9	9.6	10.6	10.4	-2
Shannon*	5.8	4.5	4.4	4.7	5.5	5.4	-2
West	5.6	5.7	5.8	6.5	6.8	7.1	+4
North West	3.8	4.2	4.7	5.0	5.2	5.3	+2
Total	**43.9**	**45.7**	**48.2**	**54.1**	**59.0**	**60.1**	**+2**

*Note: 2005-2009 data are not directly comparable with 2004 data due to boundary changes.

Table 1.3 Current and Projected Room Capacity in 2009

	Registered Jan 2008 (000's)	Registered Jan 2009 (000's)	Open Awaiting Registration 2009 (000's)	Variance 2009 vs 2008 (000's)
Dublin	18.6	19.1	0.2	6%
East & Midlands	6.7	7.1	--	15%
South East	5.6	5.6	*	1%
South West	10.6	10.4	--	-2%
Shannon	5.5	5.4	--	-2%
West	6.8	7.1	*0.1*	6%
North West	5.2	5.3	*0.2*	6%
Total	**59.0**	**60.1**	***0.5***	**3%**

* = less than 50 rooms; -- = 0 rooms.

Table 1.4 Average Hotel Occupancy Rates (%)

	2003	2004	2005	2006	2007	2008
Bed Occupancy	44	44	46	46	46	43
Room Occupancy	60	60	62	64	64	58

2008

- Registered room capacity continued to increase across all regions between 2007 and 2008, by an average of 8%. There was a significant increase in the Shannon region where registered room capacity increased by 17%.
- The increases in capacity were not met by sufficient demand, resulting in falling room and bed occupancy rates.

2009

- After several years of expansion, growth in registered room capacity slowed between 2008 and 2009 to +2% nationally.
- The supply of registered rooms actually contracted in the South West and Shannon regions while East & Midlands saw above average growth in registered capacity between 2008 and 2009.

2 Grade

Table 2.1 Capacity and Demand (000's)

	5*	4*	3*	2* & 1* [1]
Bed Capacity	2,697	17,602	24,077	3,851
Bed Nights Sold	1,180	7,455	10,718	1,202
Room Capacity	1,235	7,804	10,158	1,822
Room Nights Sold	719	4,585	6,199	790

[1] Due to the small numbers of Grade 2* & 1* hotels, these Grades have been combined for analysis purposes.

[2] "Other" includes Unclassified hotels, hotels awaiting registration, hotels under refurbishment, etc. All hotels in the 2008 data received a classification.

Table 2.2 Market Guest Nights within Grade 2008 (%)

	5*	4*	3*	2* & 1*
Britain	17	10	15	17
Mainland Europe	9	5	9	12
North America	25	6	6	5
Rest of World	5	2	4	2
Total Overseas	**56**	**23**	**33**	**36**
Northern Ireland	2	4	4	6
Republic of Ireland	42	73	63	57
Total	**100**	**100**	**100**	**100**

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

2.3 Room Occupancy – By Grade 2008 (%)

	All	5*	4*	3*	2*&1*
Jan-Mar	48	55	46	50	38
April	58	60	59	60	43
May	63	67	61	66	50
June	65	63	65	70	48
July	71	61	71	77	50
August	74	63	76	78	57
September	66	65	68	69	44
Oct-Dec	52	51	55	53	37
Total	**58**	**58**	**59**	**61**	**43**

Due to changes in the classification system in 2008, it may not be suitable to compare occupancy rates with previous years. Changes in the figures would most likely be attributable to the reclassification of the previously unclassified hotels making an effective year on year comparison difficult.

- Grade 3* hotels experienced the highest occupancy rates throughout 2008.
- Grade 1* and 2* hotels performed poorly and did not achieve 50% occupancy in 2008.
- Over half (56%) of all bednight sales in Grade 5* hotels are attributable to overseas visitors, with North American (25%) and British (17%) guests being most prevalent.
- Domestic visitors made up the majority of bednights across all other grades, accounting for almost three quarters (73%) of bednights in Grade 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							
2008	14,747	5,476	4,852	8,747	4,672	5,653	4,298
2007	14,041	5,139	4,649	7,811	3,804	5,372	4,035
Year on Year Change	*+5%*	*+7%*	*+4%*	*+12%*	*+23%*	*+5%*	*+7%*
Bed Nights Sold							
2008	6,972	1,701	2,021	3,596	1,947	2,726	1,592
2007	7,435	1,861	1,929	3,783	1,567	2,485	1,779
Year on Year Change	*-6%*	*-9%*	*+5%*	*-5%*	*+24%*	*+10%*	*-11%*
Room Capacity							
2008	6,704	2,438	2,012	3,645	1,936	2,431	1,852
2007	5,987	2,291	1,946	3,300	1,676	2,284	1,789
Year on Year Change	*+12%*	*+6%*	*+3%*	*+10%*	*+16%*	*+6%*	*+4%*
Room Nights Sold							
2008	4,453	1,118	1,123	2,109	1,125	1,425	941
2007	4,330	1,238	1,115	2,192	1,018	1,379	1,012
Year on Year Change	*+3%*	*-10%*	*+1%*	*-4%*	*+11%*	*+3%*	*-7%*

Table 3.2 Room Occupancy – by Region 2008 (%)

	Total	Dublin	East & Midlands	South East	South West	Shannon	West	North West
Year	58	66	46	56	58	58	59	51
Jan-Mar	48	53	40	50	50	46	45	42
April	58	71	48	56	53	60	53	44
May	63	74	48	58	64	60	60	53
June	65	75	44	63	66	64	69	58
July	71	77	49	69	72	72	77	69
August	74	80	59	70	76	72	82	66
September	66	75	52	60	66	68	67	58
Oct-Dec	52	61	44	47	47	53	52	45

Table 3.3 Distribution of Regional Guest Nights by Market Area 2008 (%)

	Total	Dublin	East & Midlands	South East	South West	Shannon	West	North West
Britain	13	20	6	8	12	10	7	18
Mainland Europe	8	12	3	4	7	7	6	4
North America	7	8	4	5	7	11	6	3
Rest of World	3	6	2	1	2	2	2	1
Total Overseas	**31**	**47**	**15**	**18**	**28**	**30**	**21**	**26**
Northern Ireland	4	3	4	1	2	1	3	20
Republic of Ireland	65	50	81	81	70	69	76	55
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

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

Table 3.4 Regional Room Occupancy (%)

	2003	2004	2005	2006	2007	2008
Dublin	68	69	71	72	72	66
East & Midlands	52	50	53	54	54	46
South East	58	58	55	60	57	56
South West	61	62	63	67	66	58
Shannon	59	57	60	63	61	58
West	52	54	57	59	60	59
North West	54	51	54	56	57	51

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

- In the South East and West demand has grown at a slightly slower rate than supply. This has produced room occupancy rates at a similar level to 2007.
- The East & Midlands and the South West suffered the greatest declines in room occupancy rates, both dropping 8 percentage points.
- Dublin, East & Midlands, South West, and the North West all recorded their lowest occupancy levels in the last six years.
- Although the overseas market only accounts for 31% of total bednights sold, almost half (47%) of all bednights sold in Dublin were attributable to overseas visitors.
- Visitors from Northern Ireland accounted for between 1% and 4% of bednights sold in most regions, with the exception of the North West, where 20% of total bednight sales are attributable to this market.
- The domestic market accounted for more than 80% of bednights sold in the South East and East & Midlands regions. Dublin is the least dependent region on this market with just half (50%) of all 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				
2008	2,404	6,740	13,402	25,899
2007	2,347	6,198	13,013	23,293
Year on Year Change	*+2%*	*+9%*	*+3%*	*+11%*
Bed Nights Sold				
2008	803	2,701	5,719	11,331
2007	739	2,629	5,414	11,594
Year on Year Change	*+9%*	*+3%*	*+6%*	*-2%*
Room Capacity				
2008	1,090	2,924	5,680	11,325
2007	1,104	2,711	5,539	9,919
Year on Year Change	*-1%*	*+8%*	*+3%*	*+14%*
Room Nights Sold				
2008	504	1,616	3,290	6,885
2007	490	1,513	3,260	7,098
Year on Year Change	*+3%*	*+7%*	*+1%*	*-3%*

Table 4.2 Room Occupancy – by Room Size 2008 (%)

	Total	1 - 20 Rooms	21 – 49 Rooms	50 – 99 Rooms	100+ Rooms
Year	58	46	55	58	61
Jan – Mar	48	39	46	48	49
April	58	44	54	56	62
May	63	50	59	62	66
June	65	51	62	65	68
July	71	56	69	72	73
August	74	62	71	75	76
September	66	49	62	66	69
Oct - Dec	52	40	48	51	55

Table 4.3 Distribution of Guest Nights by Market Area, by Room Size 2008 (%)

	Total	1 - 20 Rooms	21 – 49 Rooms	50 – 99 Rooms	100+ Rooms
Britain	13	12	13	12	14
Mainland Europe	8	7	7	6	8
North America	7	4	6	6	8
Rest of World	3	2	3	3	4
Total Overseas	**31**	**26**	**28**	**27**	**34**
Northern Ireland	4	6	5	4	3
Republic of Ireland	65	68	67	69	62
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

	2003	2004	2005	2006	2007	2008
1 - 20 Rooms	39	39	39	46	44	46
21 – 49 Rooms	55	52	55	55	56	55
50 – 99 Rooms	61	62	63	61	59	58
100+ Rooms	66	66	68	70	72	61

- Demand for rooms decreased by 3% in large hotels (100+ rooms) and the total number of rooms available increased by 14%. This resulted in an eleven percentage point decrease in occupancy rates, taking this to the lowest level in six years.
- There has, however, been a small decline in supply and an increase in demand for smaller hotels (1–20 rooms). The availability of rooms dropped 1%, while a 3% increase in demand resulted in the slight increase in occupancy rates from 44% in 2007 to 46% in 2008. This was the only room size category to show growth in occupancy rates.
- Room occupancy rates in hotels with 50-99 rooms peaked at 63% in 2005, but have continued to deteriorate since then and have now fallen to its lowest level in six years.
- In hotels with 21-49 rooms, occupancy rates decreased slightly (-1%) but remain at similar levels to those experienced over the last three years.
- The large hotels (100+ rooms) had the highest proportion of overseas visitors (31%), with Britain providing the largest source of business within this category.

5 Location

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

	MMA	Other Urban	Rural
Bed Capacity			
2008	21,377	8,243	18,825
2007	20,774	7,240	16,838
Year on Year Change	*+3%*	*+14%*	*+12%*
Bed Nights Sold			
2008	9,843	3,247	7,464
2007	9,913	3,226	7,332
Year on Year Change	*-1%*	*+1%*	*+2%*
Room Capacity			
2008	9,438	3,480	8,100
2007	8,853	3,056	7,364
Year on Year Change	*+7%*	*+14%*	*+10%*
Room Nights Sold			
2008	6,005	1,912	4,378
2007	6,155	1,908	4,321
Year on Year Change	*-2%*	*n.c.*	*+1%*

Table 5.2 Room Occupancy – by Location 2008 (%)

	Total	MMA	Other Urban	Rural
Year	58	64	55	54
Jan – Mar	48	51	46	45
April	58	66	53	53
May	63	70	59	57
June	65	72	60	61
July	71	76	67	67
August	74	79	72	70
September	66	73	63	61
Oct - Dec	52	58	47	47

Table 5.3 Distribution of Guest Nights by Market Area, by Location 2008 (%)

	All	MMA	Other Urban	Rural
Britain	13	17	10	11
Mainland Europe	8	10	6	5
North America	7	8	5	6
Rest of World	3	5	2	2
Total Overseas	**31**	**40**	**23**	**24**
Northern Ireland	4	3	4	5
Republic of Ireland	65	58	73	71
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

	2003	2004	2005	2006	2007	2008
MMA	65	65	68	68	70	64
Other Urban	62	61	64	64	62	55
Rural	53	53	53	58	59	54

- Hotels in all areas experienced decreases in their room occupancy rates between 2007 and 2008.
- Major Metropolitan Areas (MMAs) and Other Urban Areas both are now at their lowest level in the past six years. This is due to an increasing supply of rooms coupled with a negative (2% fall in MMAs) and neutral (no change in Other Urban) demand for rooms in these areas.
- Rural hotels experienced a sharp increase in their room occupancy levels in 2006 (jumping 5 percentage points) and this level was maintained in 2007; however this year room occupancy rates have dropped to similar levels achieved in 2003, 2004 and 2005.
- Overseas visitors accounted for 40% of all hotel nights in Major Metropolitan Areas (MMAs). In Other Urban and Rural locations only around one quarter (23% and 24% respectively) of guest nights are attributable to overseas visitors.

6 Markets

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

	2003	2004	2005	2006	2007	2008	% Change 2007/2008
Britain	2,842	2,856	2,817	2,975	3,120	2,753	-12
Mainland Europe	1,342	1,345	1,520	1,629	1,718	1,568	-9
North America	1,801	1,795	1,845	1,978	1,818	1,424	-22
Rest of World	697	784	827	545	634	679	+7
Total Overseas	**6,682**	**6,780**	**7,009**	**7,128**	**7,289**	**6,424**	**-12**
Northern Ireland	834	839	939	801	862	782	-9
Republic of Ireland	8,001	8,059	8,867	10,272	12,687	13,348	+5
Total	**15,517**	**15,678**	**16,815**	**18,201**	**20,839**	**20,554**	**-1**

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

	2003	2004	2005	2006	2007	2008
Britain	18	18	17	16	15	13
Mainland Europe	9	8	9	9	8	8
North America	12	11	11	11	9	7
Rest of World	4	5	5	3	3	3
Total Overseas	**43**	**43**	**42**	**39**	**35**	**31**
Northern Ireland	5	5	6	4	4	4
Republic of Ireland	52	52	53	56	61	65

Table 6.3 Distribution of Market Guest Nights (%) 2008

	Jan - Mar	April	May	June	July	Aug	Sept	Oct - Dec
Britain	15	16	14	15	13	12	14	11
Mainland Europe	5	8	9	10	9	9	8	6
North America	5	8	9	9	8	6	9	5
Rest of World	2	4	4	4	4	4	4	2
Total Overseas	**27**	**35**	**37**	**38**	**34**	**31**	**35**	**25**
Northern Ireland	4	4	3	3	4	4	4	4
Republic of Ireland	68	61	60	59	62	65	61	71
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

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

- Guestnight demand fell by 1% in 2008, however the number of beds sold is greater than those sold in any year prior to 2007.
- The drop in demand in 2008 was due to a decline in the overseas market, and particularly from Britain and North America.
- There has been a decrease in hotel guest nights across all markets with the exception of the Rest of the World and the domestic market areas. This has resulted in a four percentage point drop in the Total Overseas market share offset by a similar increase in the domestic market share.
- There has been a significant decrease (-22%) in the absolute number of hotel guest nights from the North American market. This has resulted in a two percentage point drop in the share accounted for by this market.
- Despite a 9% decrease in the number of bednights sold to the Northern Irish market, market share has been maintained at 4%, the same level as 2006 and 2007.
- The overseas share of guest nights dropped from 35% in 2007 to 31% in 2008, its lowest level in the past six years and part of a continued deterioration since 2003.
- 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 and North American visitors from 2003 to 2008.
- Unlike the other markets, the domestic market represented a higher share of guest nights during the off-peak months of January to March and October through to December, and declined particularly during the summer months.
- There has been an increase (+7%) 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)	2003	2004	2005	2006	2007	2008
Customer Service	73	71	68	69	71	71
Quality	71	71	68	68	69	67
Price	38	39	39	40	41	36

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

(% very satisfied)	2003	2004	2005	2006	2007	2008
Customer Service	52	56	54	53	52	54
Quality	41	43	39	43	43	42
Price	31	29	31	33	33	29

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

(% very satisfied)	2003	2004	2005	2006	2007	2008
Customer Service	60	63	57	58	61	60
Quality	54	53	48	51	53	51
Price	34	35	32	32	35	30

- Levels of satisfaction for customer service in top grade hotels remained unchanged in 2008 while satisfaction with quality declined slightly. However, satisfaction with price is at its lowest level in the period under review. It should be borne in mind that more than two in five nights in Grade 5* hotels are represented by British and North American guests, markets which were adversely affected by a strong euro in 2008.
- Among other hotels satisfaction levels with price and quality fell while there has been a slight improvement in satisfaction levels with customer service.
- Satisfaction levels with food in hotels has fallen across customer service, quality and price with a five percentage point drop in satisfaction with price between 2007 and 2008.

APPENDICES

Appendix A – Capacity

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

	2003	2004	2005	2006	2007	2008	2009	Growth Rate** (%)
Dublin	27.9	29.3	31.3	35.1	40.4	39.5	41.1	6.7
South East	9.8	9.8	10.4	11.0	12.9	13.7	12.3	3.9
South West	17.6*	17.8*	20.5	20.9	22.5	24.3	22.7	4.3
Shannon	13.5*	14.0*	10.8	10.5	10.8	13.0	11.6	-2.5
West	13.2	13.3	13.6	14.2	15.1	16.6	15.7	2.9
North West	9.0	9.0	10.0	11.2	11.2	11.9	11.5	4.2
East and Midlands	8.4	9.0	9.7	10.8	14.3	15.2	15.6	10.9
Total	**99.3**	**102.2**	**106.2**	**113.6**	**127.2**	**134.2**	**130.3**	**4.6**

* 2003 and 2004 data are not directly comparable with recent years due to boundary changes.

** Annual average growth rate 2003 to 2009.

Table 1.2 Registered Hotel Premises – By Grade

	2003	2004	2005	2006	2007	2008	2009
Grade 5*	21	21	20	22	24	**30**	**32**
Grade 4*	84	87	90	100	125	**230**	**246**
Grade 3*	316	315	310	306	321	**402**	**407**
Grade 2*	188	185	180	154	144	**176**	**168**
Grade 1*	57	53	48	36	33	**50**	**43**
Other	186	188	205	196	221	**17**	**19**
Total	**852**	**849**	**853**	**814**	**868**	**905**	**915**

NOTES:

A new classification system has been introduced in 2008 so direct comparisons with the years 2003-2007 are not advisable. Other hotels include hotels awaiting registration, hotels under refurbishment and hotels for which classification is under review.

Table 1.3 Hotel Beds and Rooms by Grade 2009

	Rooms	Beds
Grade 5*	3,760	8,151
Grade 4*	23,274	50,912
Grade 3*	28,293	61,181
Grade 2*	3,632	7,563
Grade 1*	636	1,303
Other	553	1,167
Total	60,148	130,277

Appendix B – Demand

Table 2.1 Bednights (000's)

	2003	2004	2005	2006	2007	2008
Bednights Capacity	35,196	35,980	36,896	39,347	44,852	48,227
Bednights Sold	15,517	15,678	16,815	18,201	20,839	20,554
Bed Occupancy (%)	44	44	46	46	46	43

Table 2.2 Roomnights (000's)

	2003	2004	2005	2006	2007	2008
Roomnights Capacity	15,131	15,445	15,842	16,707	19,273	21,019
Roomnights Sold	9,051	9,243	9,795	10,685	12,284	12,294
Room Occupancy (%)	60	60	62	64	64	58

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

	2003	2004	2005	2006	2007	2008
January – March	2,781	2,974	3,047	3,431	3,832	4,001
April	1,315	1,359	1,436	1,602	1,743	1,617
May	1,511	1,445	1,518	1,587	1,850	1,937
June	1,451	1,531	1,735	1,749	2,043	1,928
July	1,668	1,758	1,861	1,967	2,285	2,308
August	1,869	1,848	1,977	2,159	2,496	2,450
September	1,570	1,463	1,626	1,714	2,069	1,885
October – December	3,352	3,300	3,614	3,993	4,520	4,427
Total	**15,517**	**15,678**	**16,815**	**18,201**	**20,839**	**20,554**

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

	2003	2004	2005	2006	2007	2008
January – March	1,696	1,767	1,840	2,103	2,371	2,462
April	762	766	844	922	1,044	1,021
May	876	854	896	981	1,140	1,146
June	858	924	971	1,034	1,240	1,158
July	921	987	1,030	1,078	1,282	1,302
August	1,005	988	1,057	1,141	1,304	1,356
September	922	905	979	1,029	1,239	1,172
October – December	2,012	2,052	2,176	2,397	2,665	2,677
Total	**9,051**	**9,243**	**9,795**	**10,685**	**12,284**	**12,294**

Table 2.5 Monthly Room Occupancy Rates (%)

	2003	2004	2005	2006	2007	2008
January	36	40	41	46	44	43
February	51	51	53	55	54	48
March	55	52	55	59	56	53
April	60	59	62	67	65	58
May	66	63	64	67	67	63
June	66	70	72	73	76	65
July	69	73	73	73	76	71
August	75	73	75	77	77	74
September	71	69	72	74	76	66
October	62	64	63	64	66	61
November	54	54	56	57	55	49
December	47	45	48	51	47	46
Total	**60**	**60**	**62**	**64**	**64**	**58**

Table 2.6 Monthly Bed Occupancy Rates (%)

	2003	2004	2005	2006	2007	2008
January	25	29	27	31	30	29
February	37	37	36	39	38	34
March	39	38	42	40	40	39
April	44	45	45	49	46	40
May	49	46	47	46	47	46
June	48	50	55	52	54	47
July	54	56	57	57	58	55
August	60	58	60	62	63	58
September	52	48	51	53	54	46
October	44	45	45	46	46	43
November	38	36	40	39	41	34
December	34	31	35	38	34	36
Total	**44**	**44**	**46**	**46**	**46**	**43**

Appendix C - Grade

Table 3.1 Bed Occupancy – By Grade 2008 (%)

	All	Grade 5*	Grade 4*	Grade 3*	Grade 2* and 1*
Jan – Mar	34	39	34	35	25
April	40	41	40	42	29
May	46	50	44	49	35
June	47	49	45	51	34
July	55	48	53	60	36
August	58	53	58	62	41
September	46	47	48	48	29
Oct – Dec	38	38	39	38	31
Total	**43**	**44**	**42**	**45**	**31**

Table 3.2 Distribution of Market Guestnights by Grade 2008 (%)

	Grade 5*	Grade 4*	Grade 3*	Grade 2* and 1*	Total
Britain	7	26	59	8	**100**
Mainland Europe	7	26	58	9	**100**
North America	21	34	42	4	**100**
Rest of World	8	20	67	4	**100**
Northern Ireland	2	38	50	10	**100**
Republic of Ireland	4	41	51	5	**100**

Appendix D – Regions

Table 4.1 Room Occupancy – By Region (%)

	2003	2004	2005	2006	2007	2008
Dublin	68	69	71	72	72	66
South East	58	58	55	60	57	56
South West	61*	62*	63	67	66	58
Shannon	59*	57*	60	63	61	58
West	52	54	57	59	60	59
North West	54	51	54	56	57	51
East and Midlands	52	50	53	54	54	46
Total	**60**	**60**	**62**	**64**	**64**	**58**

* 2003 and 2004 data are not directly comparable with recent years due to boundary changes.

Table 4.2 Bed Occupancy – By Region (%)

	2003	2004	2005	2006	2007	2008
Dublin	48	49	51	51	53	47
South East	45	42	40	42	41	42
South West	47*	46*	49	52	48	41
Shannon	43*	42*	43	44	41	42
West	37	39	44	43	46	48
North West	41	39	39	41	44	37
East and Midlands	38	36	37	38	36	31
Total	**44**	**44**	**46**	**46**	**46**	**43**

* 2003 and 2004 data are not directly comparable with recent years due to boundary changes.

Table 4.3 Bed Occupancy – By Region 2008 (%)

	Total	Dublin	South East	South West	Shannon	West	North West	East and Midlands
Year	**43**	**47**	**42**	**41**	**42**	**48**	**37**	**31**
Jan – Mar	34	36	35	35	30	38	31	27
April	40	49	41	37	39	40	30	31
May	46	54	45	44	44	49	38	35
June	47	54	48	47	44	55	40	31
July	55	59	54	55	55	67	50	35
August	58	61	57	60	59	70	49	43
September	46	53	46	44	45	52	43	33
Oct – Dec	38	43	34	33	41	43	33	28

Appendix E – Grade within Region

Table 5.1 Bed Occupancy Rates – Grade within Region 2008 (%)

	Total	Grade 4* and 5*	Grade 3*	Grade 2* and 1*
Dublin	**47**	44	50	46
East & Midlands	**31**	32	35	17
South East	**42**	48	38	33
South West	**41**	42	42	31
Shannon	**42**	46	43	25
West	**48**	50	51	31
North West	**37**	40	38	21

Table 5.2 Room Occupancy Rates – Grade within Region 2008 (%)

	Total	Grade 4* and 5*	Grade 3*	Grade 2* and 1*
Dublin	66	63	70	69
East & Midlands	46	48	50	26
South East	56	62	53	40
South West	58	57	61	50
Shannon	58	57	63	40
West	59	61	60	44
North West	51	60	49	27

Appendix F – Room Size

Table 6.1 Room Occupancy – By Room Size (%)

	2003	2004	2005	2006	2007	2008
1-20 Rooms	39	39	39	46	44	46
21-49 Rooms	54	52	55	55	56	55
50-99 Rooms	61	62	63	61	59	58
100+ Rooms	66	66	68	70	72	61
Total	**60**	**60**	**62**	**63**	**64**	**58**

Table 6.2 Bed Occupancy – By Room Size (%)

	2003	2004	2005	2006	2007	2008
1-20 Rooms	29	29	29	32	31	33
21-49 Rooms	41	40	41	41	42	40
50-99 Rooms	46	45	46	45	42	43
100+ Rooms	48	47	50	49	50	44
Total	**44**	**44**	**46**	**45**	**46**	**43**

Table 6.3 Bed Occupancy – By Room Size 2008 (%)

	Total	1-20 Rooms	21-49 Rooms	50-99 Rooms	100+ Rooms
Jan – March	34	27	32	35	34
April	40	30	37	39	42
May	46	37	43	45	48
June	47	37	45	47	49
July	55	43	53	56	56
August	58	48	56	60	59
September	46	34	43	47	48
Oct – Dec	38	29	34	37	39
Total	**43**	**33**	**40**	**43**	**44**

Table 6.4 Distribution of Guestnights by Market Area by Room Size 2008 (%)

	1-20 Rooms	21-49 Rooms	50-99 Rooms	100+ Rooms
Britain	12	13	12	14
Mainland Europe	7	7	6	8
North America	4	6	6	8
Rest of World	2	3	3	4
Northern Ireland	6	5	4	3
Republic of Ireland	68	67	69	62
Total	**100**	**100**	**100**	**100**

Appendix G – Location

Table 7.1 Room Occupancy – By Location (%)

	2003	2004	2005	2006	2007	2008
MMA	65	65	68	68	70	64
Other Urban	62	61	64	64	62	55
Rural	53	53	53	58	59	54
Total	**60**	**60**	**62**	**64**	**64**	**58**

Table 7.2 Bed Occupancy – By Location (%)

	2003	2004	2005	2006	2007	2008
MMA	45	45	49	47	48	46
Other Urban	50	47	49	47	45	39
Rural	41	40	40	43	44	40
Total	**44**	**44**	**46**	**46**	**46**	**43**

Table 7.3 Bed Occupancy – By Location 2008 (%)

	MMA	Other Urban	Rural
January – March	36	32	32
April	45	36	37
May	51	42	42
June	52	43	44
July	59	51	52
August	61	57	55
September	51	42	43
October – December	42	33	35
Total	**46**	**39**	**40**

Appendix H – Markets

Table 8.1 Seasonality of Guestnights within Market Area 2008 (%)

	Jan-Mar	April	May	June	July	Aug	Sept	Oct-Dec	Total
Britain	22	9	10	10	11	10	9	18	**100**
Mainland Europe	13	8	12	13	13	15	10	17	**100**
North America	13	9	13	12	14	11	12	16	**100**
Rest of World	14	9	12	11	13	14	12	16	**100**
Northern Ireland	21	9	8	7	12	12	9	22	**100**
Republic of Ireland	21	7	9	9	11	12	9	24	**100**

Appendix I – Hotel Stock by Region 2009

Table 9.1 Dublin

	Premises	Rooms	Beds
Grade 5*	9	1,492	3,392
Grade 4*	38	7,162	15,586
Grade 3*	80	9,349	19,845
Grade 2*	25	914	1,831
Grade 1*	5	140	300
Other	3	54	117
Total	**160**	**19,111**	**41,071**

Table 9.2 South East

	Premises	Rooms	Beds
Grade 5*	2	207	424
Grade 4*	32	2,254	4,844
Grade 3*	47	2,688	6,056
Grade 2*	19	284	595
Grade 1*	12	167	334
Total	**112**	**5,600**	**12,253**

Table 9.3 South West

	Premises	Rooms	Beds
Grade 5*	11	1,068	2,188
Grade 4*	51	4,145	9,068
Grade 3*	69	4,592	10,051
Grade 2*	27	505	1,085
Grade 1*	5	67	146
Other	3	63	121
Total	**166**	**10,440**	**22,659**

Table 9.4 Shannon

	Premises	Rooms	Beds
Grade 5*	3	254	573
Grade 4*	22	1,418	2,945
Grade 3*	45	3,165	6,765
Grade 2*	18	533	1,173
Grade 1*	3	32	62
Other	1	22	44
Total	**92**	**5,424**	**11,562**

Table 9.5 West

	Premises	Rooms	Beds
Grade 5*	3	227	454
Grade 4*	35	2,505	5,768
Grade 3*	67	3,597	7,774
Grade 2*	31	540	1,115
Grade 1*	9	117	237
Other	3	157	356
Total	**148**	**7,143**	**15,704**

Table 9.6 North West

	Premises	Rooms	Beds
Grade 5*	-	-	-
Grade 4*	29	2,244	4,864
Grade 3*	46	2,406	5,270
Grade 2*	22	413	890
Grade 1*	6	77	148
Other	4	147	294
Total	**107**	**5,287**	**11,466**

Table 9.7 East and Midlands

	Premises	Rooms	Beds
Grade 5*	4	512	1,120
Grade 4*	39	3,546	7,837
Grade 3*	53	2,496	5,420
Grade 2*	26	443	874
Grade 1*	3	36	76
Other	5	110	235
Total	**130**	**7,143**	**15,562**

Appendix J–Hotel Stock by County 2009

Table 10.1 Hotel Stock by County 2009

County	Premises	Room
Carlow	10	544
Cavan	16	823
Clare	49	2,556
Cork	84	4,783
Donegal	59	2,874
Dublin	160	19,111
Galway	91	4,646
Kerry	82	5,657
Kildare	29	1,423
Kilkenny	18	1,169
Laois	10	525
Leitrim	7	265
Limerick	29	2,344
Longford	4	111
Louth	15	908
Mayo	53	2,327
Meath	21	1,267
Monaghan	8	316
Offaly	9	395
Roscommon	4	170
Sligo	17	1,009
Tipperary	30	942
Waterford	29	1,631
Westmeath	18	1,222
Wexford	35	1,699
Wicklow	28	1,431
Total	**915**	**60,148**

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 2008 the panel size fluctuated, with an average of 241 hotels participating in any given month (maximum of 244 and minimum of 239). Each hotel undertook to provide monthly information as to the number of room and bed nights sold. We achieved an annual response rate of 75% 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 83%, while the minimum response rate achieved was 70%. The current weighting is three dimensional; by month, grade, and region.

The panel results were grossed up to the national hotel room and stock to provide national results. Capacity information has been drawn from the Gulliver System and, more recently, TAMS between January and March. During 2008 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. Likewise, during years of considerable hotel closures, this will result in an overestimate for room and bed capacity, with the knock-on effect that the number of rooms and beds sold will be over-estimated. However, as occupancy rates are calculated from complete information collected from the panel, this underestimation or overestimation 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 while in Ireland.

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. Regions correspond to the Regional Tourism Authority for that area. It should be noted that North Kerry now forms part of the South West, commencing 2005, and therefore 2005, 2006, 2007 and 2008 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.

East & Midlands

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

A new classification system was introduced in 2008 so direct comparisons with the years 2003-2007 are not advisable.

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.