

Fáilte Ireland Hotel Survey

June 2021 Summary Report



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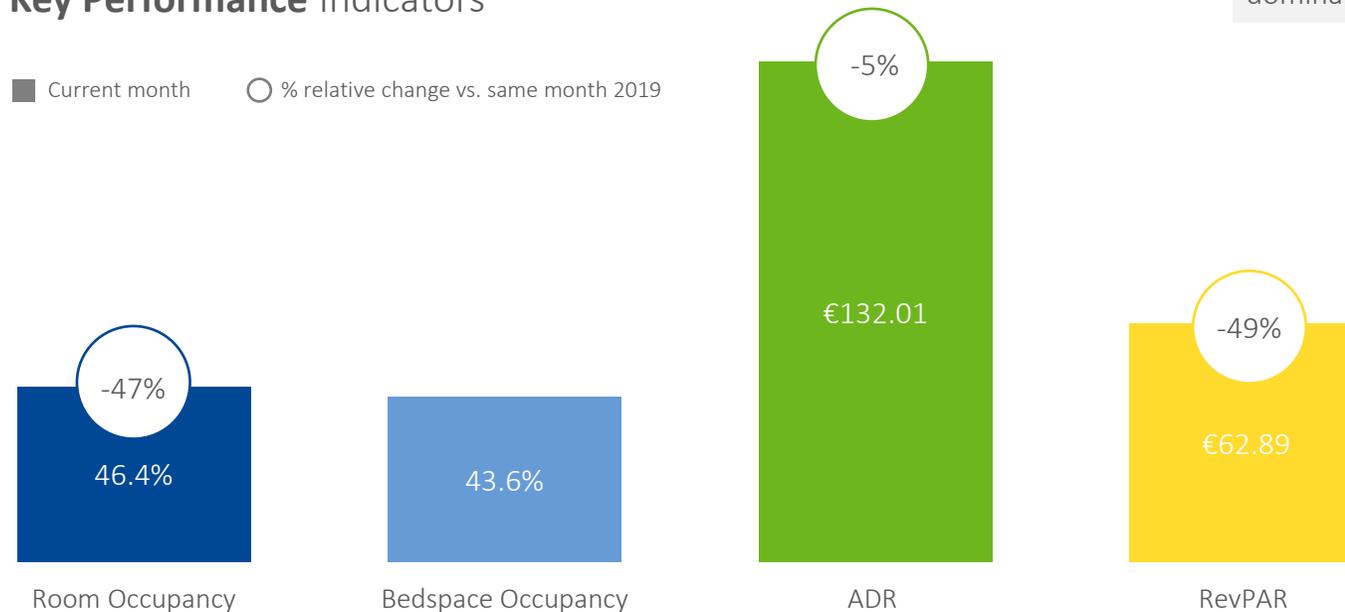


Executive Summary

Based on open and operating properties in June 2021, Irish hotels achieved room occupancy of 46.4% and bedspace occupancy of 43.6%. For the former, this was nearly 50% below June 2019 when room occupancy was just under 90%. The downward trend was largely due to fewer international tourists as a result of restrictions and weaker performance in Dublin as many consumers continued to avoid urban locations in response to the virus.

Revenue Per Available Room (RevPAR), a key hotel performance metric based on room occupancy and Average Daily Rate (ADR), stood at €62.89 in June 2021. This was well below 2019 due to the steep fall in room occupancy. Meanwhile, somewhat encouragingly for the industry, ADR was broadly comparable with 2019, being just 5% below June 2019 (€132.01 vs. €139.22).

Key Performance Indicators

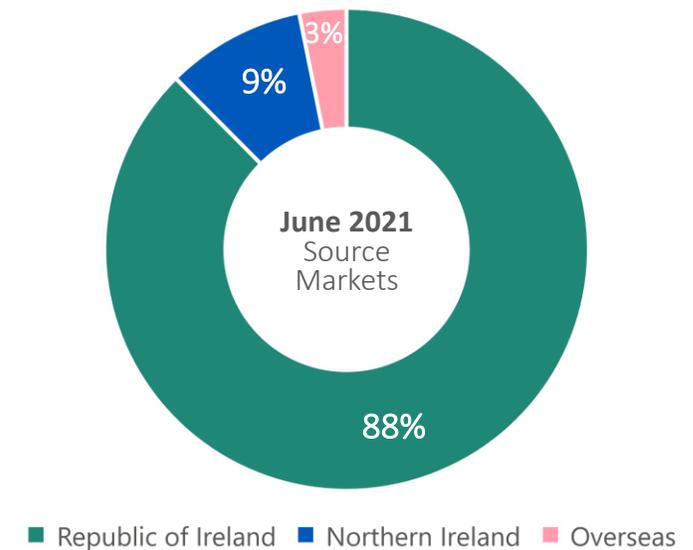


The vast majority (88%) of hotel guests in June 2021 were domestic customers from the Republic of Ireland. Meanwhile, Northern Ireland and overseas accounted for 9% and 3% of guests, respectively. Counties closest to the border attracted more guests from Northern Ireland. Dublin also welcomed comparatively more guests from Northern Ireland and overseas.

Fáilte Ireland Commentary

Restrictions on hotels were lifted on 2nd June 2021. However, while hotels could re-open and serve food indoors to guests, only outdoor dining was available for consumers from 6th June. This may have been a factor holding back the release of pent-up demand among domestic consumers in the month of June.

Continued restrictions on international travel into Ireland led to demand being dominated by domestic travel.

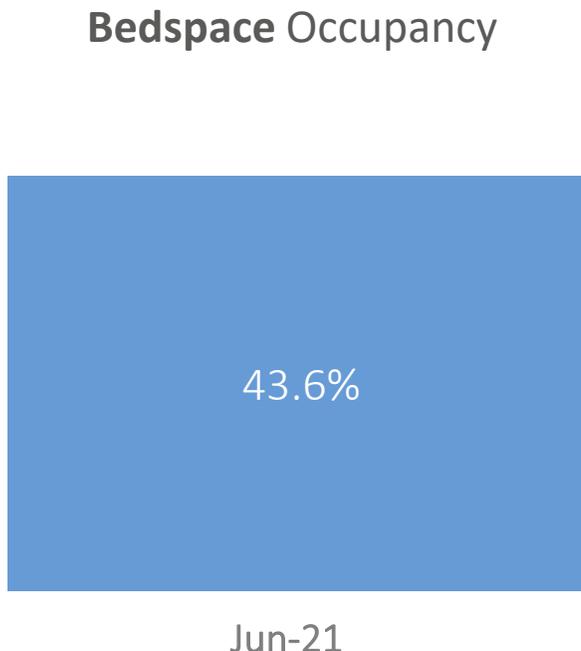
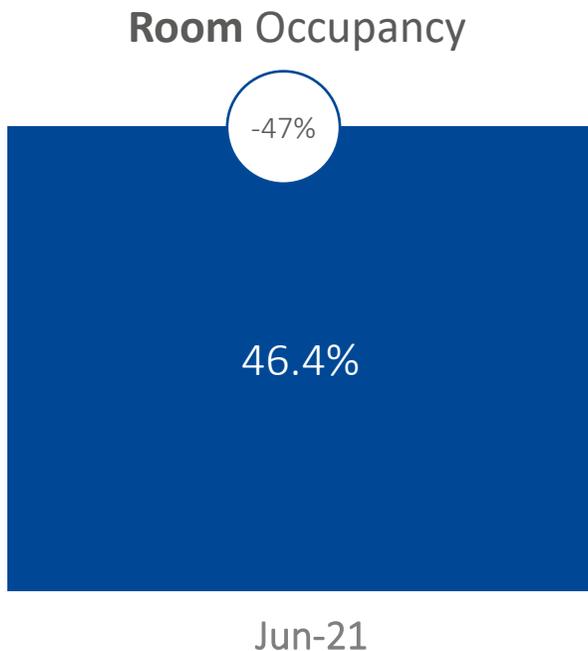


Ireland Room & Bedspace Occupancy: June 2021

On 2nd June 2021, hospitality businesses in Ireland were able to trade again after over five consecutive months of restrictions. Room occupancy for the month was 46.4%. Meanwhile, room occupancy in June 2019 – a more comparable month than June 2020 when the country was in lockdown due to COVID-19 – was 87.2%. Consequently, there was a 47% dip in room occupancy compared to 2019. This was mainly due to COVID-19 factors such as fewer international tourists as a result of travel restrictions and the public's avoidance of larger urban destinations, such as Dublin. Both of these factors contributed to especially weak performance in Dublin (room occupancy of 32.3% in June 2021 compared with 91.7% in June 2019).

Reflecting low room occupancy, bedspace occupancy was low too with just over 40% of the country's available bedspaces sold during the month. The similarity of room occupancy and bed space occupancy highlights that hotels mostly attracted leisure guests - customers that typically travel in groups of two or more people.

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



Highest room occupancy in June
62.3%
Saturday 26th June 2021

Highest / lowest performing days of the month
Saturdays / Tuesdays

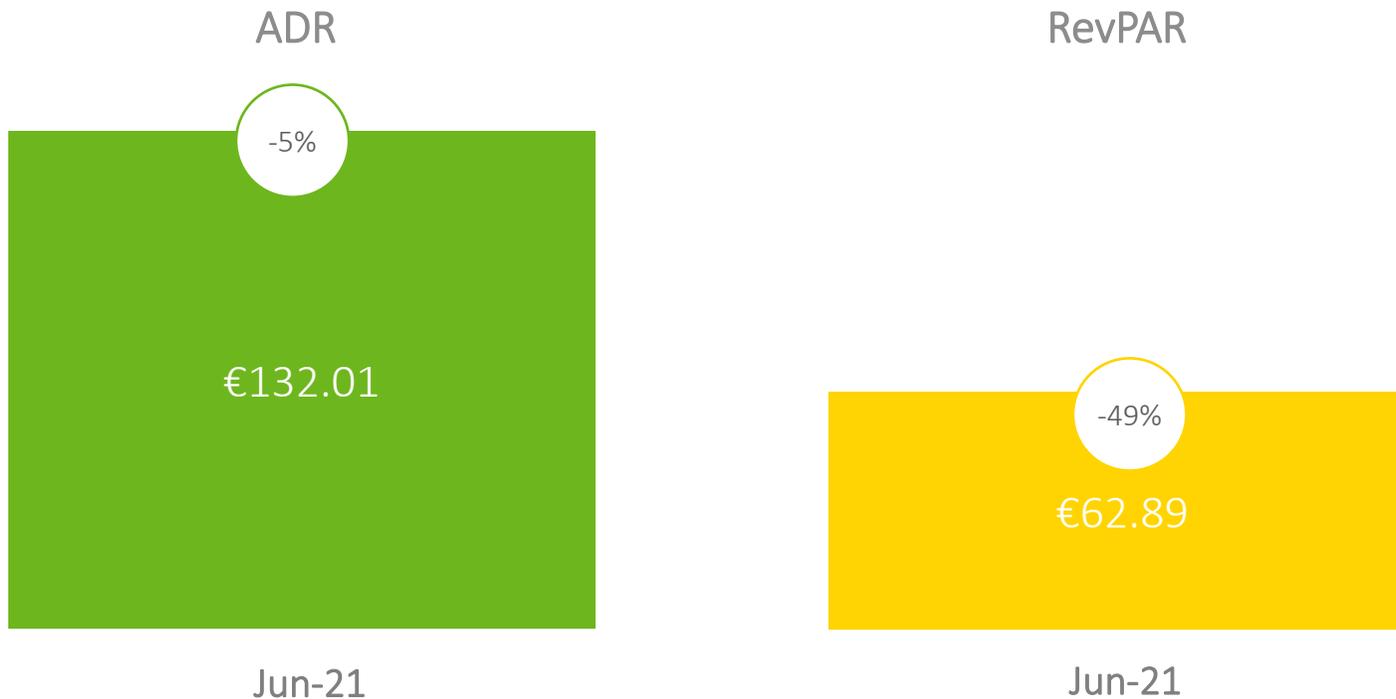
Note: Bedspace Occupancy for June 2019 is not available

Ireland ADR & RevPAR: June 2021

Despite the ongoing challenges of COVID-19, hoteliers were able to capitalise on demand following the reopening of the economy on 2nd June 2021. As a result, ADR among Irish hotels in June 2021 was €132.01. This compares with €139.22 in June 2019. Therefore, ADR in June 2021 was 5% below the pre-pandemic level of June 2019.

RevPAR – considered the most important hotel room revenue performance metric – for the month stood at €62.89. Meanwhile, RevPAR in June 2019 was €122.13. This meant that RevPAR fell by 49% compared with June 2019. Although there was a relatively small decline in ADR compared with June 2019, the significant reduction in occupancy heavily contributed to this steep decline in RevPAR.

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



Highest RevPAR in June
€69.05
26th June 2021

Highest / lowest (RevPAR) performing days of the month
Saturdays / Tuesdays

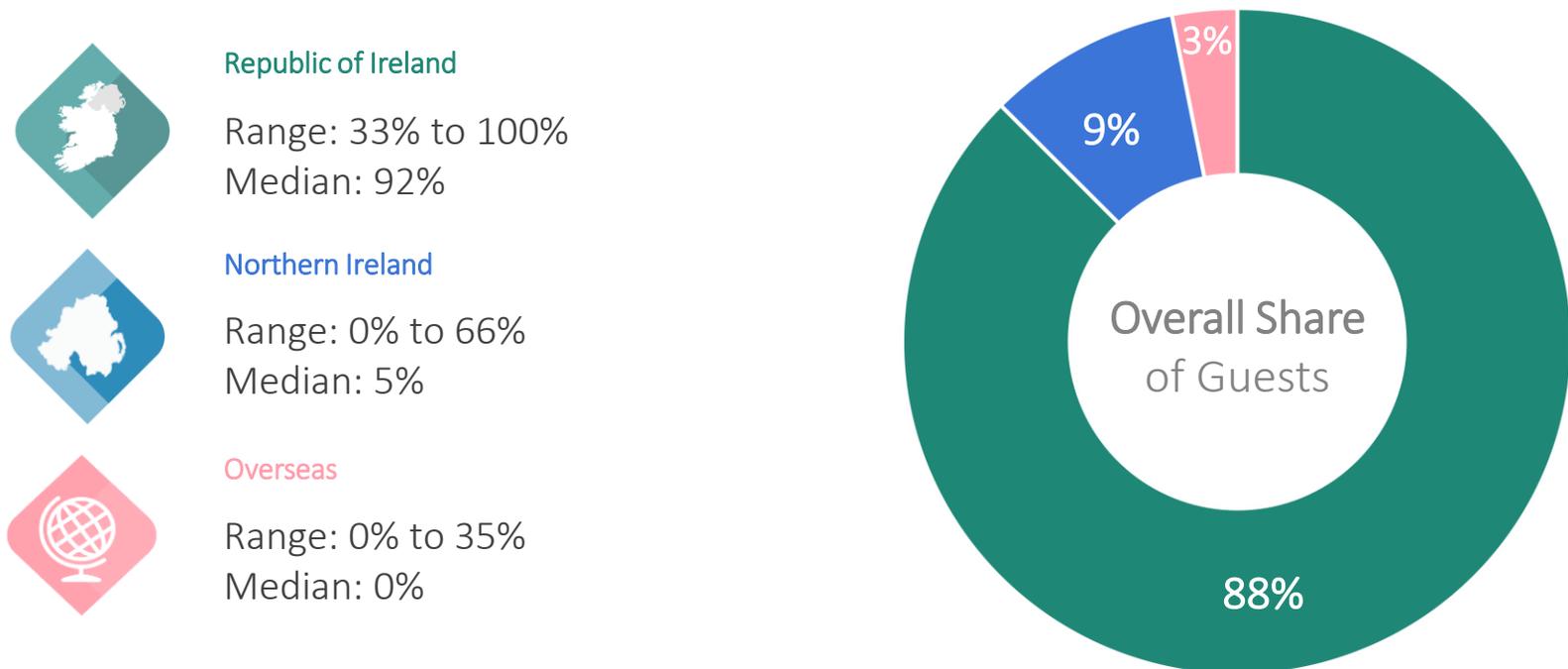
Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms

Ireland Source Markets: June 2021

The survey captures data from hotels about where their guests came from during the month. In June 2021, the key market – accounting for 88% of guests – was the Republic of Ireland. Meanwhile, Northern Ireland and overseas customers accounted for 9% and 3% of guests, respectively.

International arrivals from many countries were subject to travel restrictions and other challenges, such as quarantine, during the month. These barriers will have contributed to the low proportion of overseas customers at hotels in Ireland in June 2021. In 2019, overseas tourists accounted for almost half of guest nights in June.

The mix of customers from the three source markets varied significantly with some hotels attracting a much higher share of guests from Northern Ireland and/or overseas and, consequently, a much lower proportion of customers from the Republic of Ireland. This was evident among hotels in Dublin as 16% and 7% of their guests were from Northern Ireland and overseas, respectively. Meanwhile, hotels in border counties attracted higher proportions of guests from Northern Ireland.



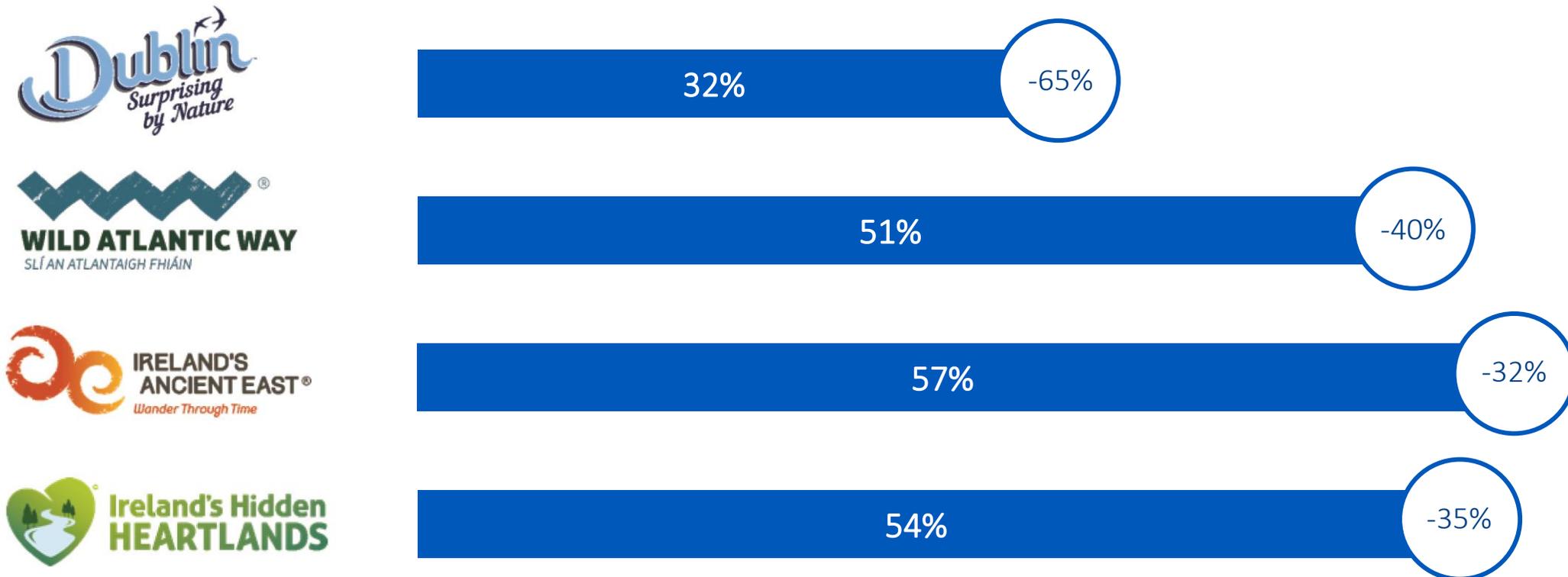
Note: Range is the lowest and highest share of guests stated by hotels

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.

Region Occupancy

Looking at performance across the four branded regions, room occupancy was highest in Ireland's Ancient East (57%) followed by Ireland's Hidden Heartlands (54%), Wild Atlantic Way (51%) and, lastly, Dublin (32%). Dublin hotels saw steeper occupancy declines than other areas of Ireland as they tend to rely more on business and international tourists – two segments which have largely disappeared during the pandemic. Furthermore, a trend of the pandemic has seen consumers avoiding large destinations and opting for more rural or coastal locations for their overnight trips. This factor may also have contributed to Ireland's Ancient East slightly outperforming the two other regions.

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

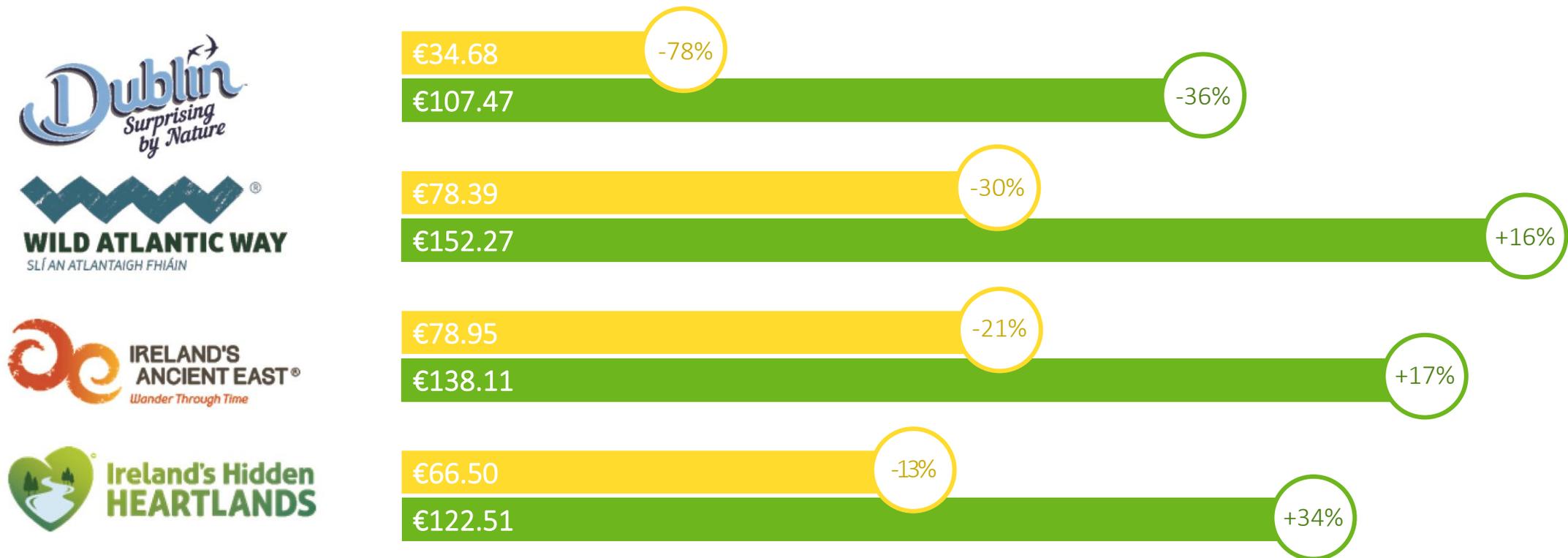


Region ADR & RevPAR

Assessing room revenue performance across the four branded regions, ADR was highest in Wild Atlantic Way (€152.27) followed by Ireland's Ancient East (€138.11), Ireland's Hidden Heartlands (€122.51) and, lastly, Dublin (€107.47). Encouragingly, three out of the four regions recorded ADR growth compared with June 2019. The steepest was in Ireland's Hidden Heartlands (+34%). Meanwhile, again highlighting the challenging situation for hoteliers in the capital, Dublin was the only region to post negative ADR growth.

RevPAR did not differ hugely in the three rural regions outside Dublin, hovering between €65 and €80. All regions recorded negative RevPAR growth compared with June 2019 as the steep decline in occupancy outstripped any increases in ADR. Ireland's Hidden Heartlands achieved the least steep decline in RevPAR (-13%) which was due to achieving the strongest ADR growth.

■ ADR ■ RevPAR ○ % relative change vs. same month 2019

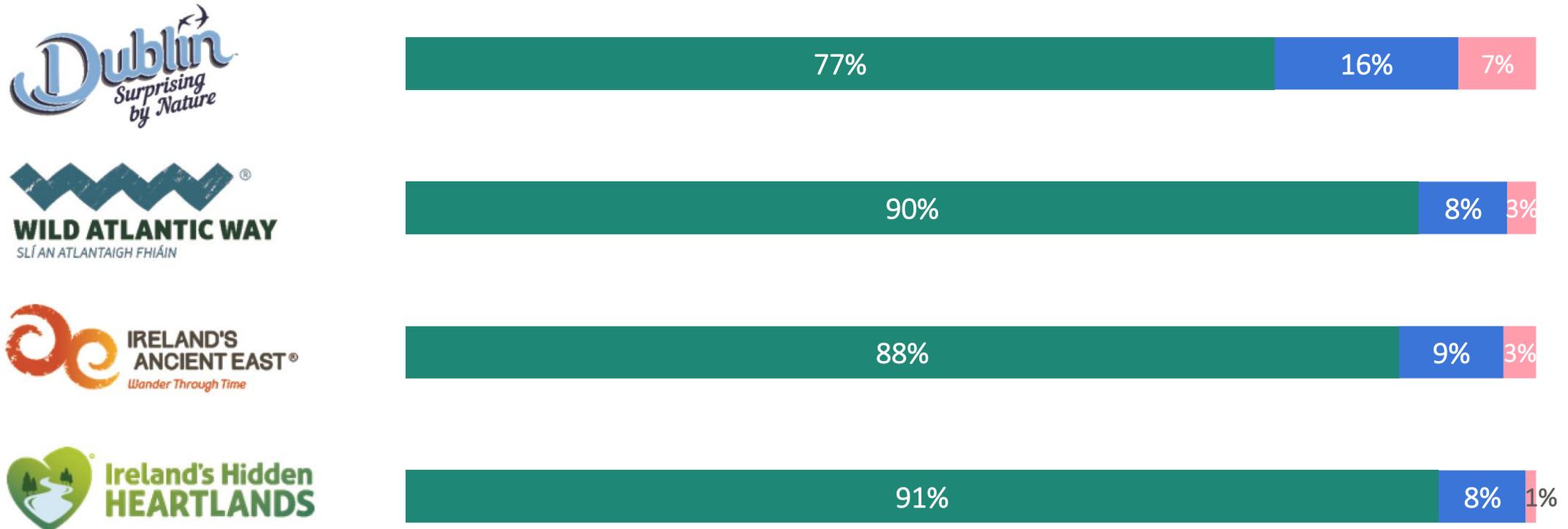


Region Source Markets

Evaluating the share of guests across the four branded regions, hotels in Ireland's Hidden Heartlands achieved the highest proportion of guests from the Republic of Ireland (91%) while Dublin hotels achieved the lowest proportion (77%).

Hotels in Dublin achieved the highest proportion of guests from Northern Ireland (16%) and overseas (7%) compared with the other branded regions.

● Republic of Ireland ● Northern Ireland ● Overseas



County Occupancy

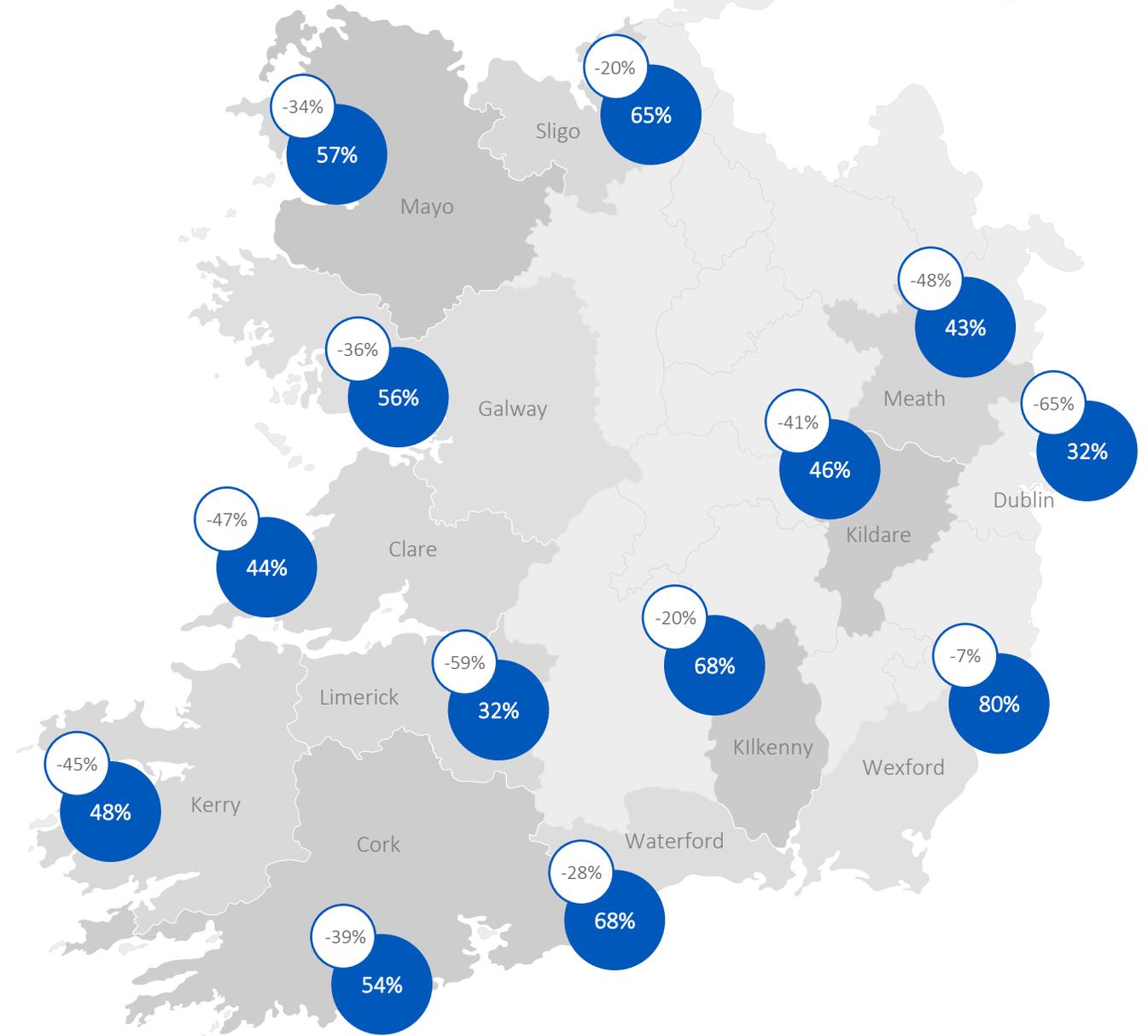
● Current month room occupancy ○ % relative change vs. same month 2019

There were significant variations in room occupancy by county in June 2021.

Based on the 13 counties where there is sufficient data to enable reporting, room occupancy was highest in Wexford (80%) followed by Kilkenny and Waterford (both 68%), all traditionally popular holiday spots for Dubliners. Meanwhile, the lowest room occupancy was in Dublin and Limerick (both 32%).

All counties noted reductions in occupancy compared with June 2019. The lowest reduction was seen in Wexford (-7%). Meanwhile, Limerick and Dublin hotels achieved the steepest decline in occupancy (-59% and -65%, respectively).

Dublin's relatively poor performance reflects its pre-COVID dependence on overseas tourism, which accounted for around three quarters of guest nights in June 2019, and on corporate and events business.



Note: There are 13 counties with sufficient room occupancy data (i.e. responses) in June 2021. These are displayed and reported here

County ADR & RevPAR

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

Average Daily Rate (ADR)

Hotels in Mayo achieved the highest ADR (€239.62) followed by those in Clare (€182.50) and Limerick (€172.39). Meanwhile, ADR was lowest in Dublin (€107.47) and Wexford (€119.22).

12 of the 13 counties with sufficient data to enable reporting achieved ADR growth compared with June 2019.

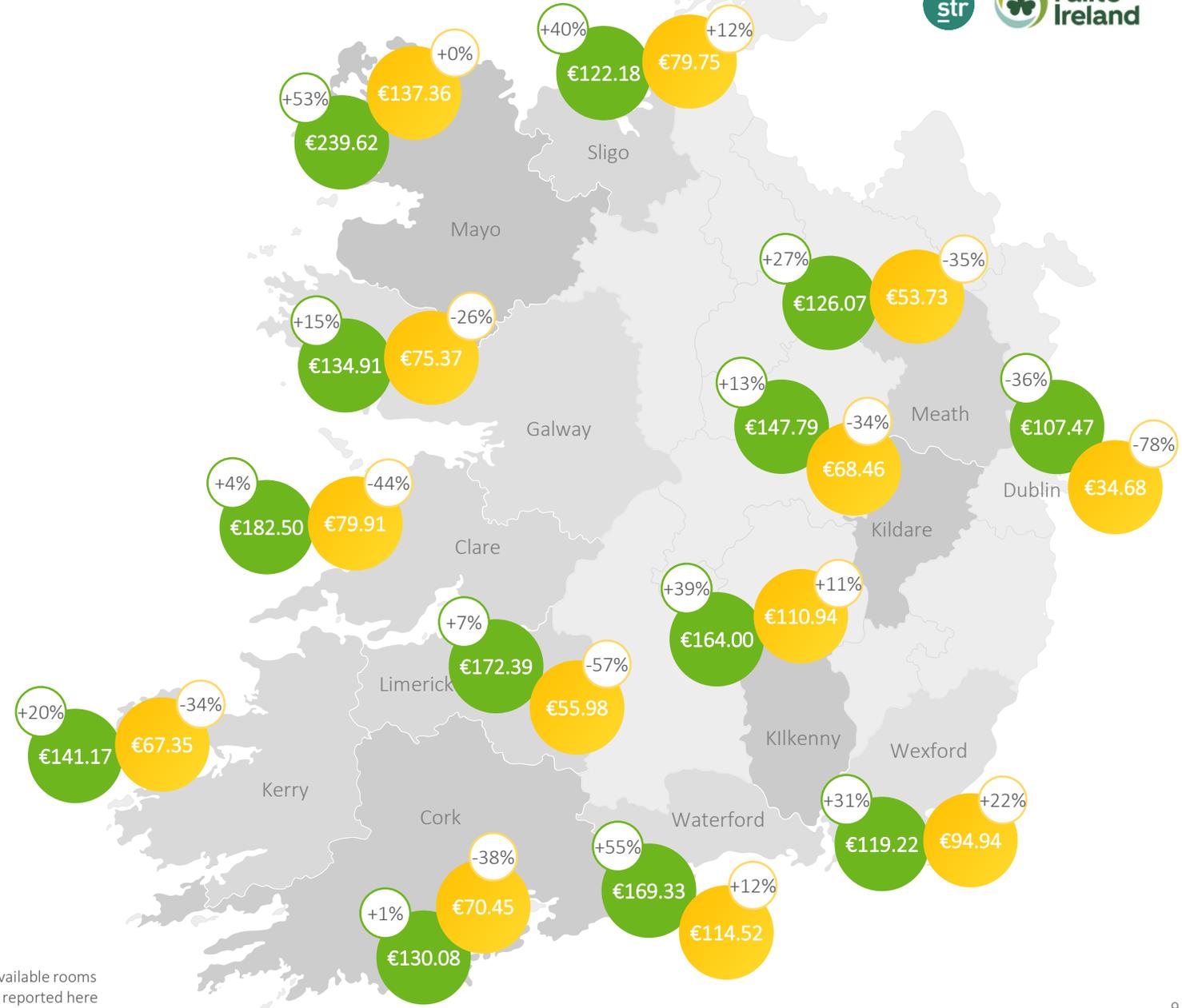
The strongest growth was in Waterford (+55%) and Mayo (+53%). Dublin was the only county to achieve reduced ADR compared with June 2019 (-36%).

Revenue Per Available Room (RevPAR)

Reflecting room occupancy and ADR performance, the highest RevPAR was in Mayo (€137.36) followed by Waterford (€114.52) and Kilkenny (€110.94). Conversely, RevPAR was lowest in Dublin (€34.68), Meath (€53.73) and Limerick (€55.98).

Five counties achieved RevPAR growth compared with June 2019 with four of them posting double digit growth: Wexford (+22%), Sligo (+12%), Waterford (+12%) and Kilkenny (+11%). The proximity of Dublin to Wexford, Waterford and Kilkenny is likely to have contributed to this positive performance while Sligo may have benefitted from its proximity to Northern Ireland.

Meanwhile, hotels in Dublin recorded the steepest reduction in RevPAR (-78%).



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 13 counties with sufficient ADR and RevPAR data in June 2021. These are displayed and reported here
 Note: +0% indicates growth of less than 1%

County Source Markets



Republic of Ireland



Northern Ireland



Overseas

There were interesting differences in the mix of guests by source markets across the counties in June 2021.

Based on the ten counties with sufficient data, the county which recorded the highest proportion of domestic visitors from the Republic of Ireland was Clare (99%) followed by Mayo (98%). Meanwhile, the counties which recorded the lowest proportion of domestic visitors were Louth (63%) and Donegal (70%).

The highest proportions of guests from Northern Ireland were among hotels in Louth and Donegal accounting for 34% and 29% of their guests, respectively. Both counties are historically popular for Northern Irish holidaymakers due to their proximity to population centres such as Belfast and Derry.

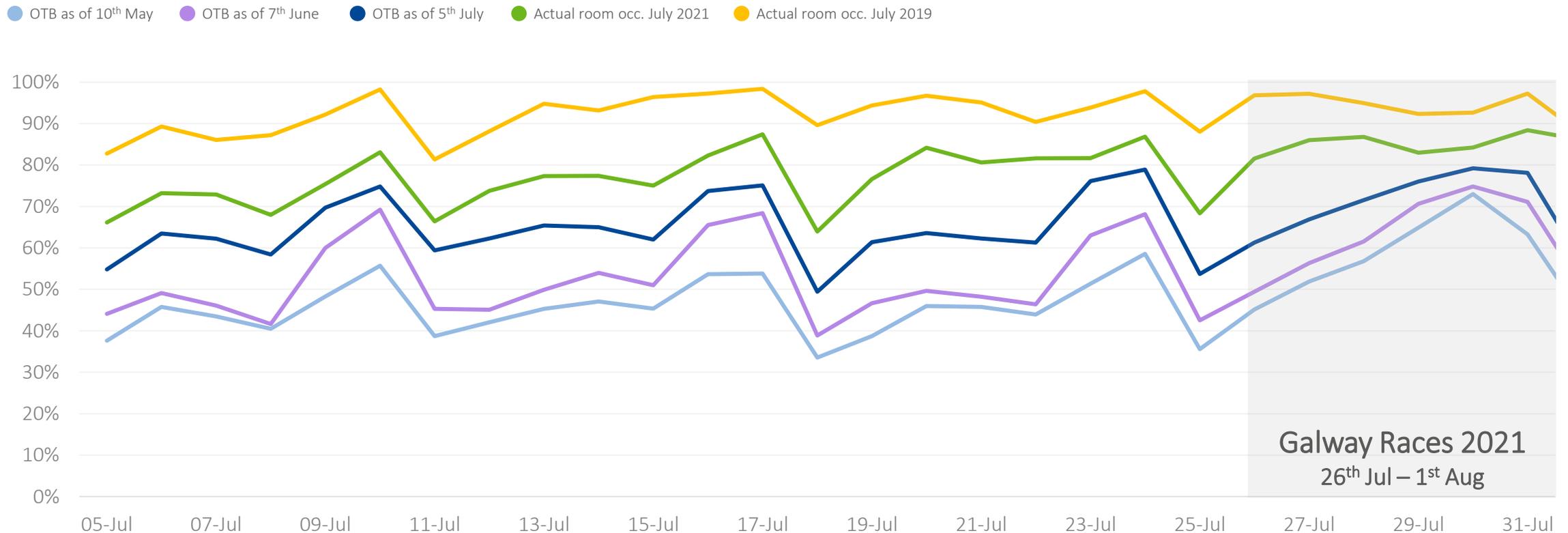
Meanwhile, the highest proportions of guests from overseas were recorded among hotels in Limerick (20%) and Dublin (7%), both of which are home to significant airports.

County	Republic of Ireland	Northern Ireland	Overseas
Clare	98.5%	1.1%	0.4%
Cork	96.2%	3.2%	0.6%
Donegal	69.8%	29.4%	0.7%
Dublin	76.9%	16.3%	6.9%
Galway	93.9%	4.4%	1.7%
Kerry	94.0%	4.0%	2.0%
Kildare	92.1%	7.8%	0.1%
Limerick	76.9%	3.6%	19.5%
Louth	62.6%	34.4%	2.9%
Mayo	97.9%	0.4%	1.7%

Spotlight Analysis: Galway Occupancy On The Books



July 2021 occupancy on the books for the Galway market was already fairly strong by mid-May 2021 with almost half of all rooms sold two months in advance. By early June, COVID-19 restrictions lifted allowing hotels to re-open. Confidence continued to build with guests seeking to escape the confines of their own homes. By 5th July occupancy on the books for the month of July overall sat at 58%. Despite the announcement on 14th July that the Galway Races would be restricted to 1,000 spectators per day, the week-long horse racing festival contributed to a further push in performance for hoteliers. As a result, overall July 2021 (actual) room occupancy was a healthy 76%, although this was still 18% below July 2019 performance of 93%.



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 may not be consistent with previous reports published by Fáilte Ireland prior to the June 2021 report due to changes in methodology.
- 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=203, Bedspace / Source Market Data n=127, Overall Universe of Hotels n=805).
- Further details about STR's hotel data methodology can be found [here](#).

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