

Fáilte Ireland Hotel Survey

March 2022 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 Methodology Statement



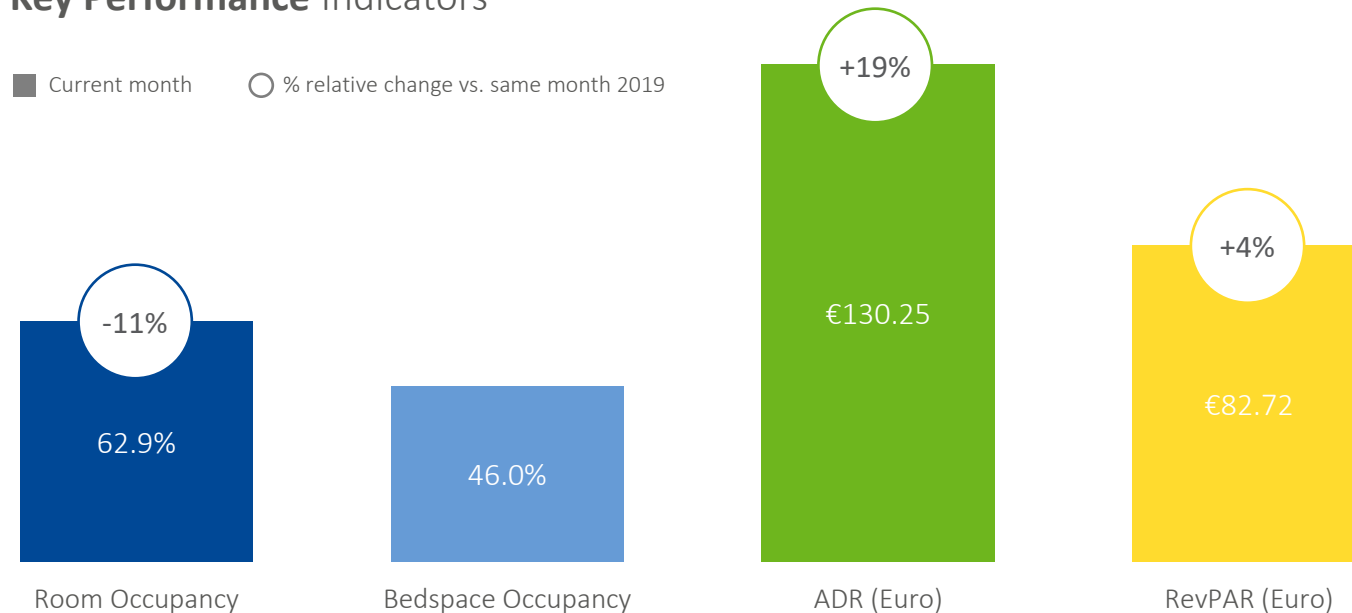
Executive Summary

An upward trend continued as national hotel room occupancy increased to 62.9% in March 2022. This level of performance remained below March 2019 (70.8%). However, the gap between pre-pandemic room occupancy was just -11% (in relative terms). This was the narrowest margin recorded since the survey restarted in June 2021. Bedspace occupancy also increased compared with recent months, finishing at 46.0% compared with 38.6% in February and just 24.3% in January.

ADR and RevPAR were also above previous months at €130.25 and €82.72, respectively. Indeed, March 2022 signalled the first month since August 2021 when hotels achieved RevPAR above €80.

Following the trend of previous months, ADR in March 2022 was well above (+19%) the pre-pandemic rate as less group and corporate business continued to drive up average rates.

Key Performance Indicators

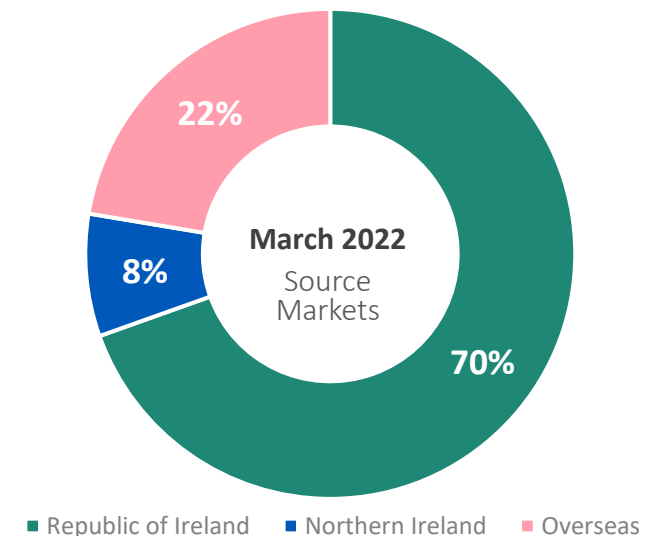


Note: Bedspace Occupancy for 2019 is not available.

Factoring in the occupancy performance, which was bolstered by extended St Patrick's Day celebrations, RevPAR finished the month +4% above March 2019. This was the second successive month of RevPAR growth.

Reflecting relaxed restrictions compared with previous months, the mix of international visitors staying at hotels in March 2022 was at its highest level since the survey restarted. Overall, international visitors accounted for 22% of guests and over half of those staying in the capital. Domestic guests continued to account for most guests (70%). The remainder (8%) were from Northern Ireland.

STR treats properties which have been fully assigned to accommodate beneficiaries of temporary protection as closed. Data from hotels welcoming tourists in parallel are included in reporting. For more information see 'Methodology Statement' (page 8).



Ireland Room & Bedspace Occupancy: March 2022

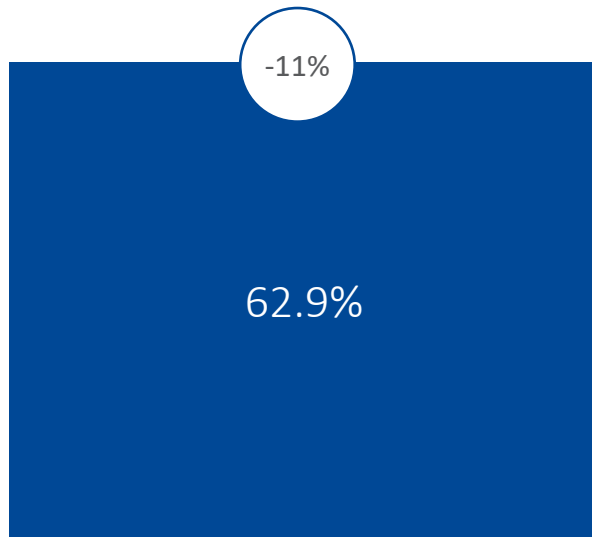
In March 2022, room occupancy stood at 62.9% compared with 53.6% in February and 33.9% in January. While this level of performance was below the pre-pandemic rate (70.8% in March 2019), it marked an improvement compared with previous months as the gap narrowed to -11% in relative terms.

Demand for accommodation was boosted as the industry benefitted from a full month of eased travel restrictions and the double bank holiday coinciding with St Patrick's Day. This led to the highest room occupancy recorded since August 2021.

The uptick in demand also led to an increase in bedspace occupancy, which is the proportion of available bedspaces sold. In March 2022, bedspace occupancy was 46.0% which was higher than all previous months since October 2021 and almost double that of January 2022 (24.3%).

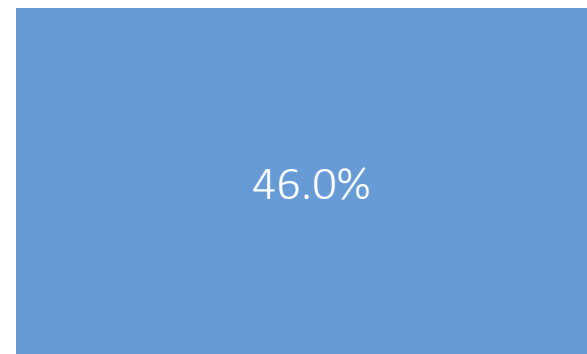
■ Current month ○ % relative change vs. same month 2019

Room Occupancy



Mar-22

Bedspace Occupancy



Mar-22

Highest room occupancy in March

89.2%

Friday 18th March 2022

Highest / lowest performing days of the month

Saturdays (82.9%) / Sundays (51.3%)

Ireland ADR & RevPAR: March 2022

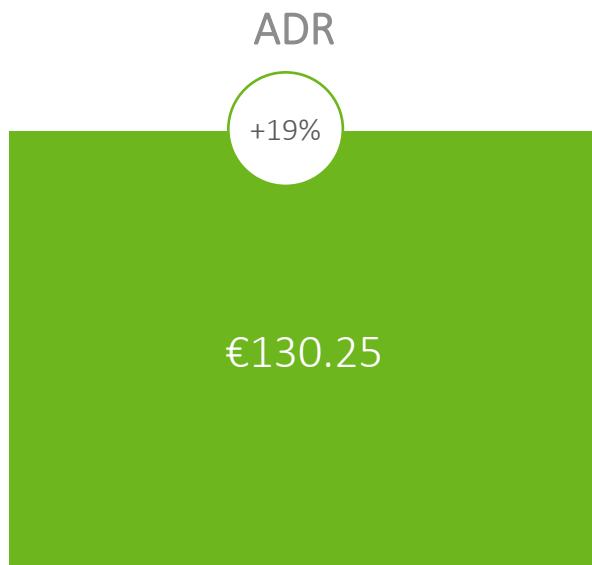


As in previous months, hotels continued to achieve rate growth compared with pre-pandemic levels. Nationally, Average Daily Rate (ADR) was €130.25, +19% increase compared with March 2019. While this was a softer increase than in January 2022 (+21%), this marked the fourth successive month of double-digit ADR growth compared with 2019.

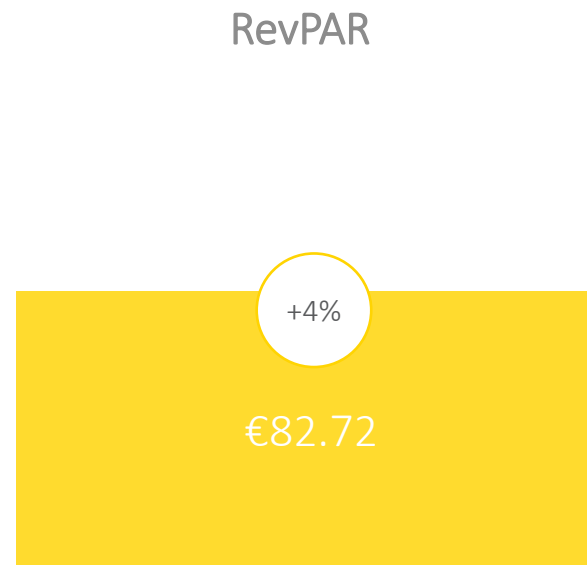
There is uncertainty regarding how ADR will perform in the short-term. Alongside the 'usual' seasonal increases in travel, the release of pent-up demand (both domestic and international), rising operational costs linked to economic pressures and the war in Ukraine as well as staffing challenges appear to be driving ADR up at the moment. These drivers of ADR are not unique to Dublin or Ireland and feature in other destinations globally. However, increased competition with international markets due to relaxing restrictions, a return to a more pre-pandemic business mix, as hotels secure more tour operator and corporate client contracts, alongside any increase in capacity may curtail this trend over time.

RevPAR overall was €82.72 in March 2022 compared with €79.22 in March 2019. This equated to RevPAR growth of 4% as the increase in ADR outweighed lower room occupancy. This was the second successive month of growth which signals an improving picture for hoteliers across the country. In addition, the March 2022 RevPAR of €82.72 outperformed previous months since August 2021 which further underlines market recovery.

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



Mar-22



Mar-22

Highest RevPAR in March

€175.45

Saturday 19th March 2022

Highest / lowest (RevPAR)

performing days of the month

Saturdays (€142.95) / Sundays (€60.77)

Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels.

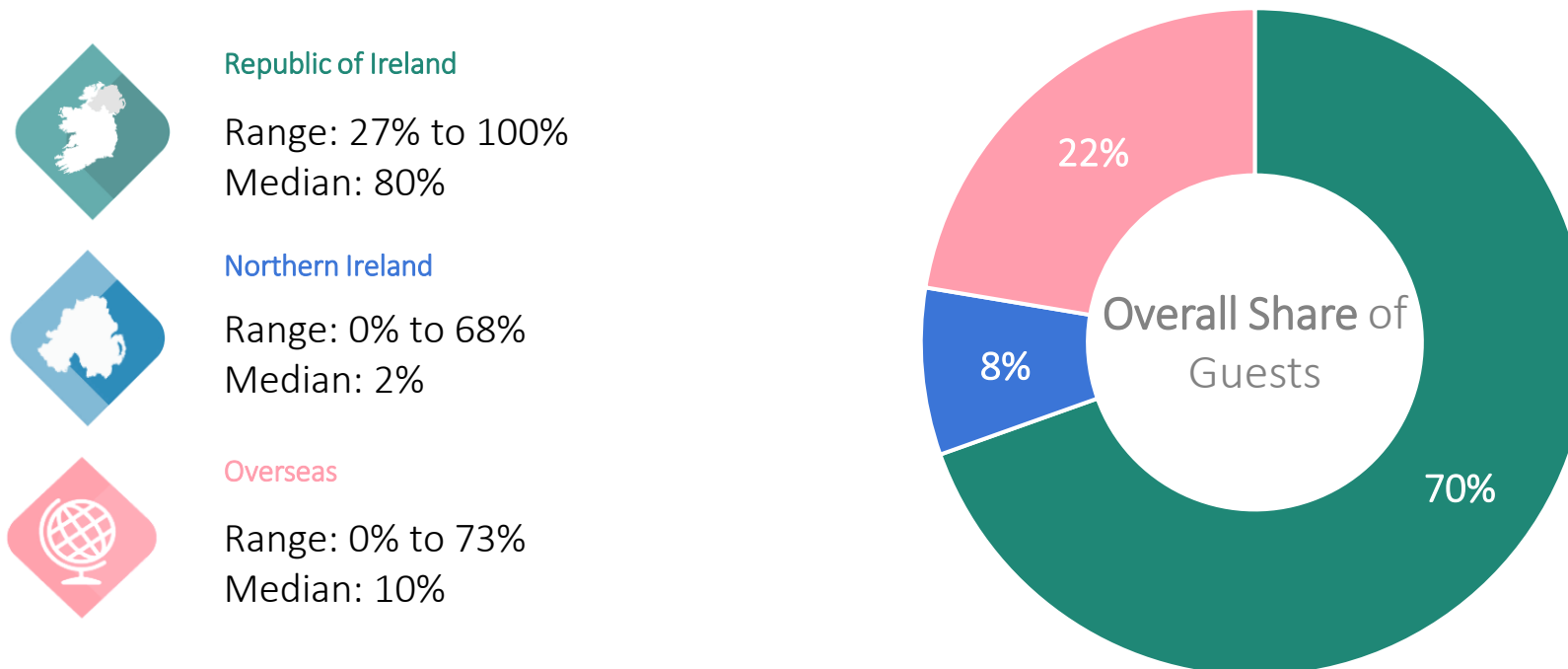
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.

Ireland Source Markets: March 2022

In March 2022, the survey recorded the highest incidence of overseas visitors since the research restarted in June 2021. This was likely due to eased travel restrictions and improved consumer sentiment. Overall, overseas visitors accounted for 22% of hotel guests during the month. As noted in previous months, overseas visitors were dispersed unevenly across the country. For hotels in Dublin, they accounted for just over half of guests. In Donegal and Cork they accounted for just 10% of guests and in Wexford under 5% of guests.

Domestic visitors again made up the bulk of hotel guests. This month they accounted for 70% compared with 79% in February and 75% in January.

Broadly consistent with previous months, the remainder of guests (8%) were from Northern Ireland.



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

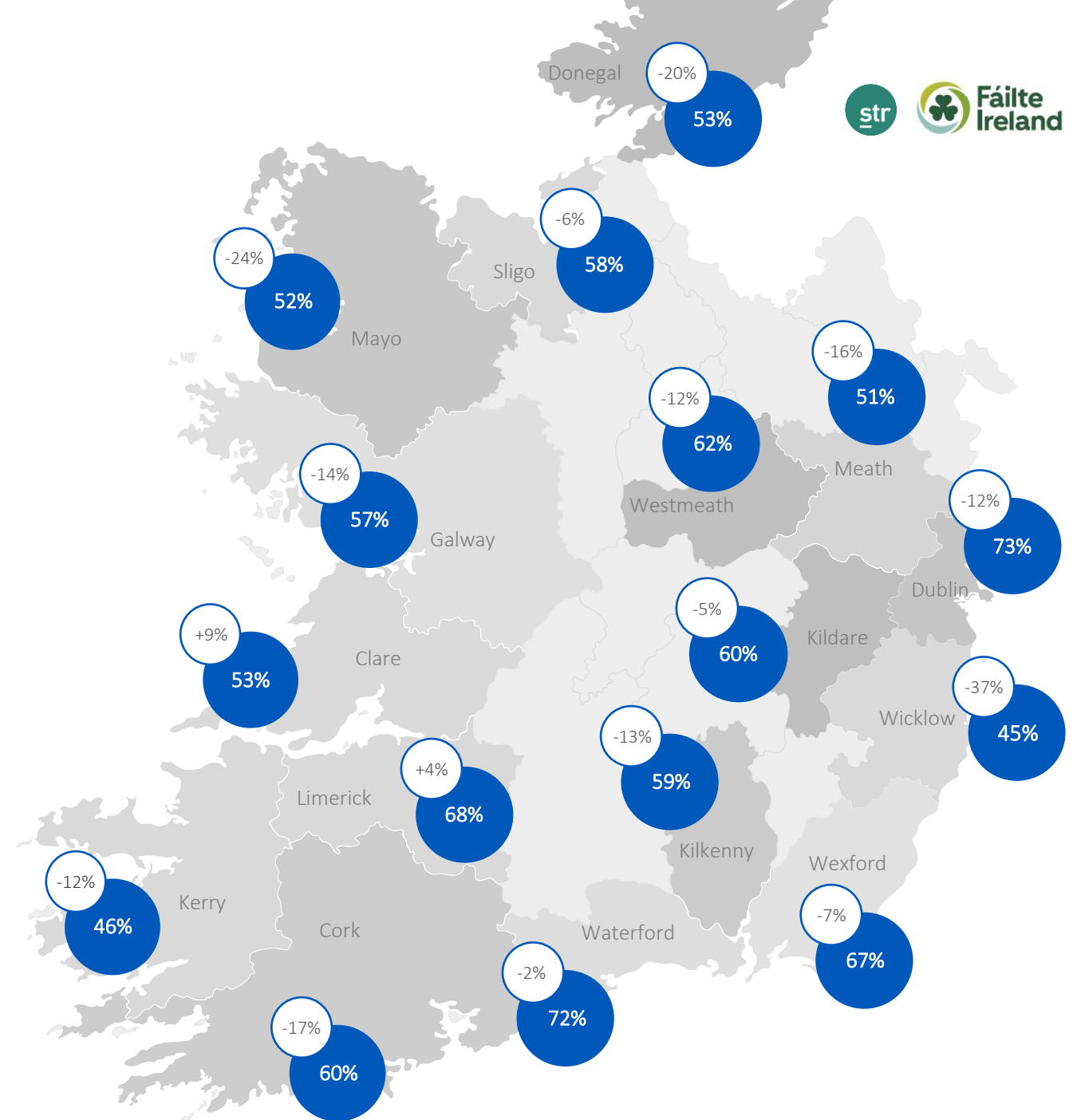
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the “middle” value. A median value can also be the lowest or highest value and so may also be represented in the range.

County Occupancy

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

County room occupancy ranged from around 45% to nearly 75% during the month. The highest occupancy was achieved in Dublin (73%) as the capital particularly benefitted from increased demand linked to St Patrick's Day. This was the highest monthly occupancy recorded in the city and the first time Dublin outperformed all other Irish counties since the survey restarted. Waterford was the only other county to achieve occupancy above 70%. Meanwhile, the lowest occupancy was posted by hotels in Wicklow and Kerry (45% and 46%, respectively).

Only two out of the 16 counties with sufficient data for reporting achieved occupancy growth compared with 2019. They were Clare (+9%) and Limerick (+4%). Among the 14 counties with lower room occupancy than in March 2019, the steepest declines were in Wicklow (-37%) and Mayo (-24%).



County ADR & RevPAR

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



Average Daily Rate (ADR)

Room rates were above €100 in 15 of the 16 counties with sufficient data. For comparison, only 5 out of the 16 counties achieved ADR of €100 or more in March 2019. Repeating the trend of previous months, Wicklow and Mayo hotels achieved the highest ADR of €186.22 and €160.22, respectively. Meanwhile, the lowest rates were posted in Waterford (€94.85) and Sligo (€103.27).

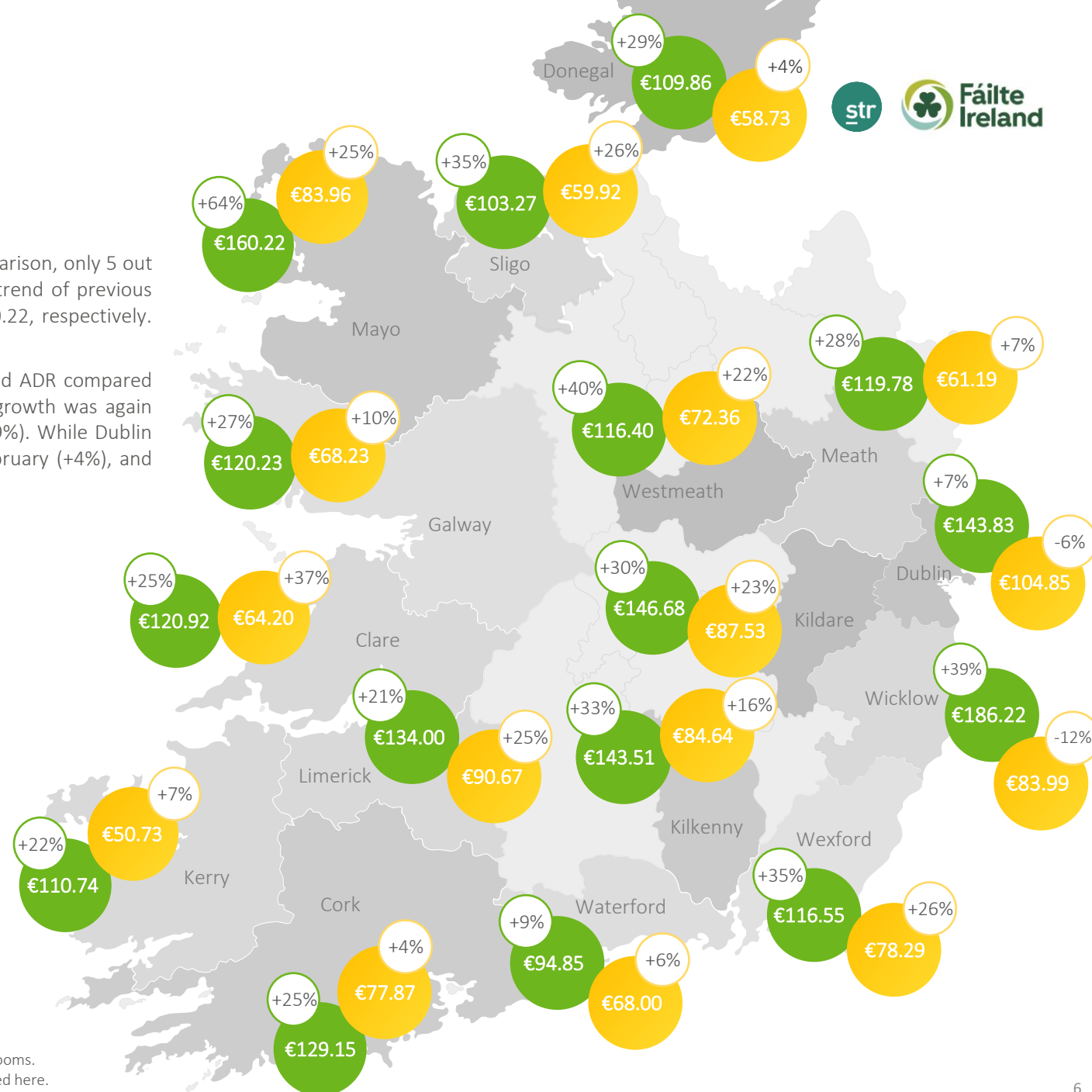
Highlighting continued growth in the market, hotels across all 16 counties increased ADR compared with the pre-pandemic rate for the second consecutive month. The highest ADR growth was again achieved by Mayo hotels (+64%) followed by Westmeath (+40%) and Wicklow (+39%). While Dublin hotels registered the lowest ADR growth of +7%, this was an improvement on February (+4%), and signals a positive turn for the capital.

Revenue Per Available Room (RevPAR)

Above average occupancy and ADR resulted in Dublin hotels achieving the highest RevPAR (€104.85) among the 16 counties with sufficient data. Indeed, the capital was the only county to record RevPAR of more than €100 during the month. That said, in most of the remaining counties RevPAR hovered around €80-€90, a generally healthy performance. There were only three counties that achieved RevPAR under €60. They were Kerry (€50.73), Donegal (€58.73), and Sligo (€59.92). This compares with 5 counties in February 2022, an indication of improving performance.

Hotels in 14 out of the 16 counties managed to grow RevPAR compared to the pre-pandemic rate in March 2019. The steepest increase was achieved by hotels in Clare (+37%). Hotels in six other counties posted robust growth of +20% or more.

Wicklow (-12%) and Dublin (-6%) were the only two counties to see negative growth compared to March 2019. For Dublin, this was an improvement compared with February and, more so, January when RevPAR tracked even further behind the pre-pandemic rates (-18% and -49%, respectively).



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 16 counties with sufficient ADR and RevPAR data in March 2022. These are displayed and reported here.
 Note: -/+0% indicates decline/growth of less than 1%.

County Source Markets

Among the seven counties with sufficient source market data, the highest concentration of domestic visitors was recorded at hotels in Wexford and Cork. Around 90% of guests in these counties were from the Republic of Ireland. These findings were similar to previous months which highlights a reliance on domestic markets in these areas.

Conversely, the lowest proportion of domestic guests was recorded in Dublin and Donegal. For Dublin in March 2022, overseas visitors encouragingly accounted for just over half of hotel guests (55%). This was due in part to an influx of international visitors for the St Patrick's Day celebrations. Continuing the trend of previous months, Galway hotels also attracted above-average international visitors during the month. Hotels in Donegal continued to attract a disproportionately high number of Northern Ireland visitors (41%) due to their proximity to the border.



Republic of Ireland



Northern Ireland



Overseas

	Republic of Ireland	Northern Ireland	Overseas
Cork	89%	1%	11%
Donegal	49%	41%	9%
Dublin	40%	5%	55%
Galway	67%	3%	30%
Kerry	80%	4%	15%
Limerick	77%	1%	22%
Wexford	91%	5%	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=175, Overall Universe of Hotels n=819).
- 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](#).

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