

Fáilte Ireland Hotel Survey

August 2021 Summary Report



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Executive Summary

Easing COVID-19 restrictions coupled with strong seasonal summer demand led to an increase in room occupancy in Ireland in August 2021 compared with July 2021. Room occupancy for the month stood at 68.1% compared with 63.3% in July 2021. Meanwhile, bedspace occupancy was 60.3% which was also above July 2021 (58.0%).

However, performance was still well below pre-pandemic levels as occupancy was 89.4% in August 2019. This equated to a fall in occupancy of 24% (in relative terms) in August 2021 compared with two years ago.

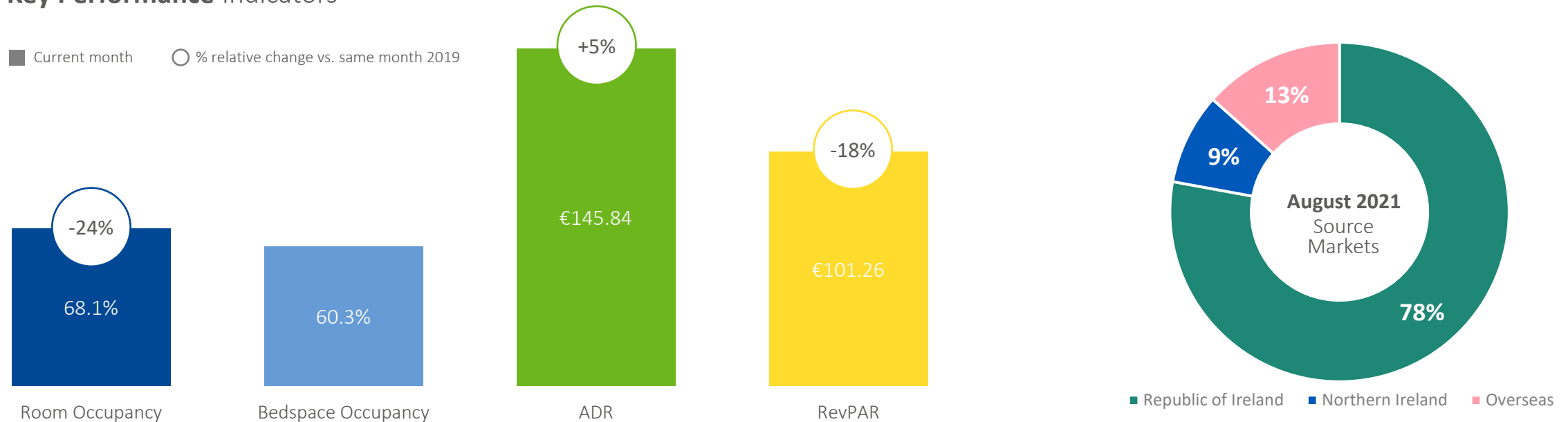
In August 2021, national ADR was €145.84. Encouragingly, this was 5% above the pre-pandemic rate of €138.51 in August 2019 as strong domestic demand and less group and corporate business helped to drive up rates in 2021.

Meanwhile, RevPAR stood at €101.26. This was again below the 2019 level of €123.94 as the steep contraction in occupancy outstripped the increase in ADR.

Influenced by the reopening of international travel, the mix of guests from overseas increased from 5% in July 2021 to 13% in August 2021. As a result, the proportion of hotel guests from the Republic of Ireland decreased compared with July (85% to 78%), while the proportion of visitors from Northern Ireland remained broadly the same (9% in August 2021).

Hotels in coastal and countryside locations continued to perform stronger than city-based operators. Donegal, Sligo and Wexford were the strongest performing counties posting RevPAR growth of circa 30% or above compared with August 2019. Meanwhile, Dublin suffered the most challenging trading conditions as RevPAR remained over -50% below 2019 levels.

Key Performance Indicators



Note: Bedspace Occupancy for 2019 is not available.

Ireland Room & Bedspace Occupancy: August 2021

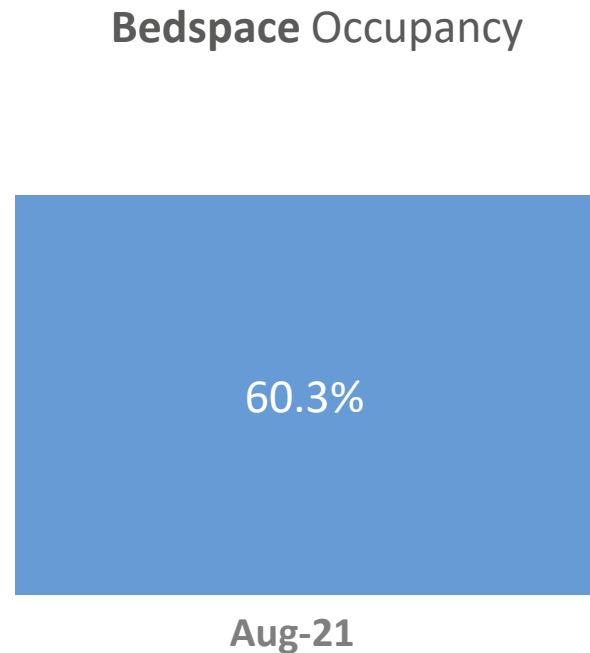
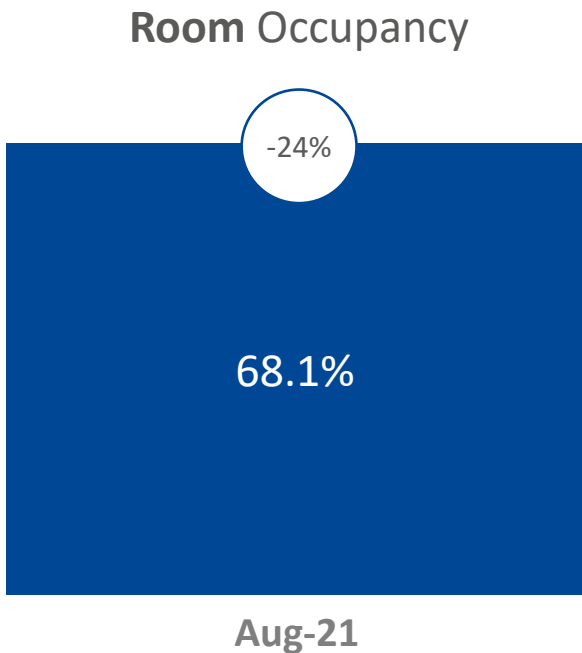


August 2021 was the first full month of the year when Ireland was open for international travellers. This combined with improved sentiment and seasonal demand helped to buoy overall demand for accommodation compared with June and July 2021.

That said, room occupancy in August at 68.1% was down 24% (in relative terms) on the 89.4% recorded in same month in 2019.

Bedspace occupancy, the proportion of available bedspaces sold during the month, was 60.3% compared with 58.0% in July 2021. As in previous months, the close correlation of room and bedspace occupancy highlights limited business travel activity as these guests tend to travel alone and, hence, drive down bedspace occupancy.

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



Highest room occupancy in August
74.1%
Saturday 21st August 2021

Highest / lowest performing days of the month
Saturdays (72.4%) / Sundays (59.3%)

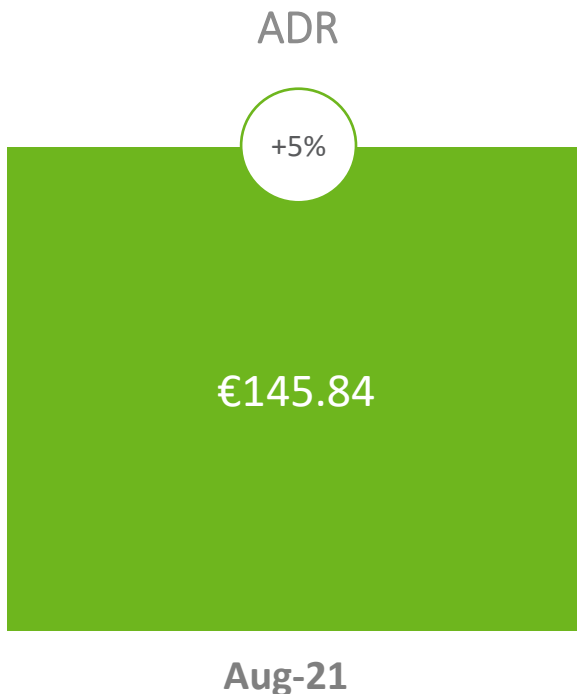
Note: Bedspace Occupancy for 2019 is not available.

Ireland ADR & RevPAR: August 2021

Repeating the trend of last month (July 2021), ADR increased nationally compared with the pre-pandemic rate. Overall, ADR among hotels in Ireland stood at €145.84 during the month compared with €138.51 in August 2019. This increase of 5% was likely driven by stronger domestic demand due to COVID-19 which coincided with the summer holidays and less tour operator and corporate business due to a lack of international and business travel.

RevPAR, an important hotel performance metric based on rooms available and room revenue, was €101.26 in August 2021. While above July 2021 (€94.56), this rate of performance was still well below pre-pandemic levels as RevPAR was €123.94 in August 2019. This equated to an -18% reduction in RevPAR compared with 2019.

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



Highest RevPAR in August

€127.89

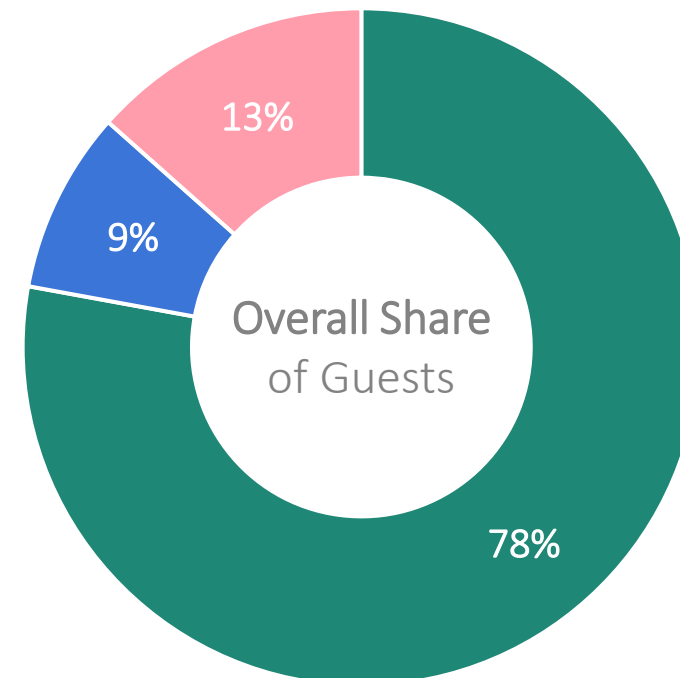
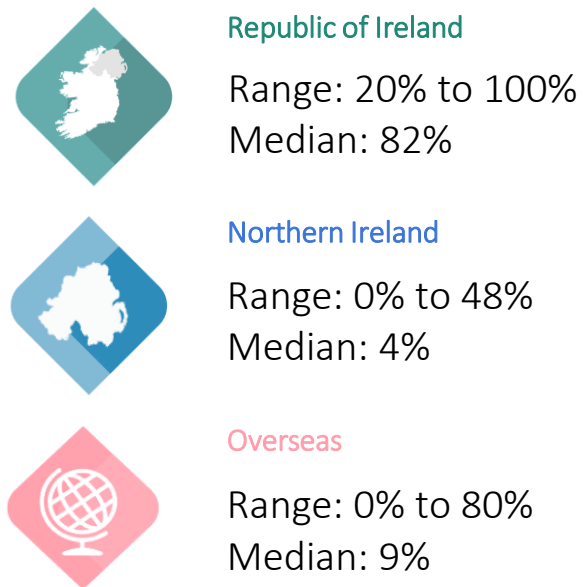
Saturday 21st August 2021

Highest / lowest (RevPAR)
performing days of the month

Saturdays (€122.65) / Mondays (€78.23)

Ireland Source Markets: August 2021

The impact of the re-opening of international travel was evident as international arrivals accounted for 13% of hotel guests in Ireland in August 2021, compared with 5% in July 2021. As a result of this shift, the proportion of guests from the Republic of Ireland decreased from 85% in July 2021 to 78% in August. Meanwhile, guests from Northern Ireland continued to account for around 10% of hotel guests. This figure has remained constant in recent months which highlights stability in how visitors from Northern Ireland currently engage with the hotel market in the Republic.



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

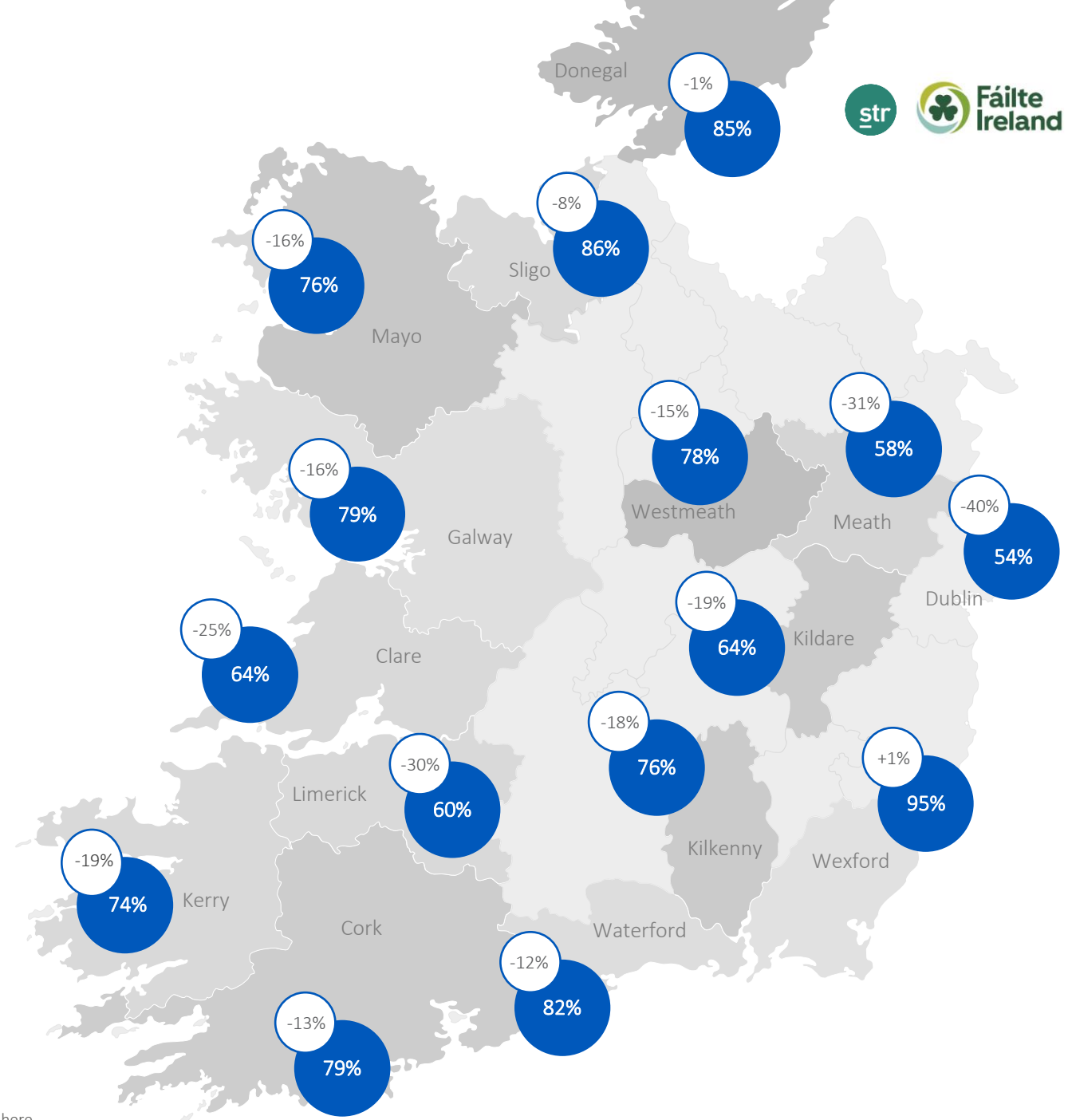
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the “middle” value. A median value can also be the lowest or highest value and so may also be represented in the range.

County Occupancy

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

Room occupancy performance varied significantly during the month across the 15 counties where there is sufficient data to enable reporting. As in July 2021, the highest room occupancy was posted by hotels in Wexford (95% in August 2021). Other high performing counties which achieved occupancy of 80% or above were Sligo (86%), Donegal (85%) and Waterford (82%). Meanwhile, the lowest occupancy was recorded by hotels in Dublin (54%) and Meath (58%). They were the only two counties to post sub-60% occupancy, compared to three counties in July 2021.

Reflecting strong demand for holidays in the “Sunny South East”, Wexford hotels bucked the national trend by growing occupancy – by 1% in relative terms – compared with August 2019. Meanwhile, the remaining 14 counties all noted a decline in occupancy compared with the pre-pandemic level. The decrease was less profound for hotels in Donegal (-1%) and Sligo (-8%) while, conversely, hotels in Dublin (-40%), Meath (-31%) and Limerick (-30%) suffered the heaviest reductions in occupancy.



County ADR & RevPAR

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

Average Daily Rate (ADR)

Similar to July 2021, the highest ADR was achieved by hotels in Clare (€214.94), Mayo (€210.34) and Kilkenny (€189.62). For hotels in Mayo, this was the second successive month of ADR above €200, influenced by robust demand and high-quality accommodation in the area. Meanwhile, the lowest ADR was registered among hotels in Dublin (€120.78), Westmeath (€135.60) and Meath (€139.73).

Continued challenges and impacts of the pandemic, such as reduced international travel and fewer business and corporate travellers, have disproportionately impacted Ireland's capital. As a result, among the 15 counties, Dublin was the only one to note a significant decline in ADR compared with August 2019 (-20%). The remaining 14 counties either broadly retained ADR, as was the case for Limerick, or achieved growth. The highest ADR growth was seen in Sligo (+47% compared with August 2019) and Kilkenny (+43%).

Revenue Per Available Room (RevPAR)

Eleven of the 15 counties achieved RevPAR of €100 or above during August 2021. The highest RevPAR performance was posted by hotels in Mayo (€158.88) as they profited from above average occupancy and the highest ADR. Hotels in Kilkenny (€144.62), Wexford (€140.64) and Clare (€137.57) also significantly outstripped the national average of €101.26. Meanwhile, the lowest RevPAR, each below €100, was recorded in Dublin (€65.00), Meath (€81.13) and Limerick (€96.42).

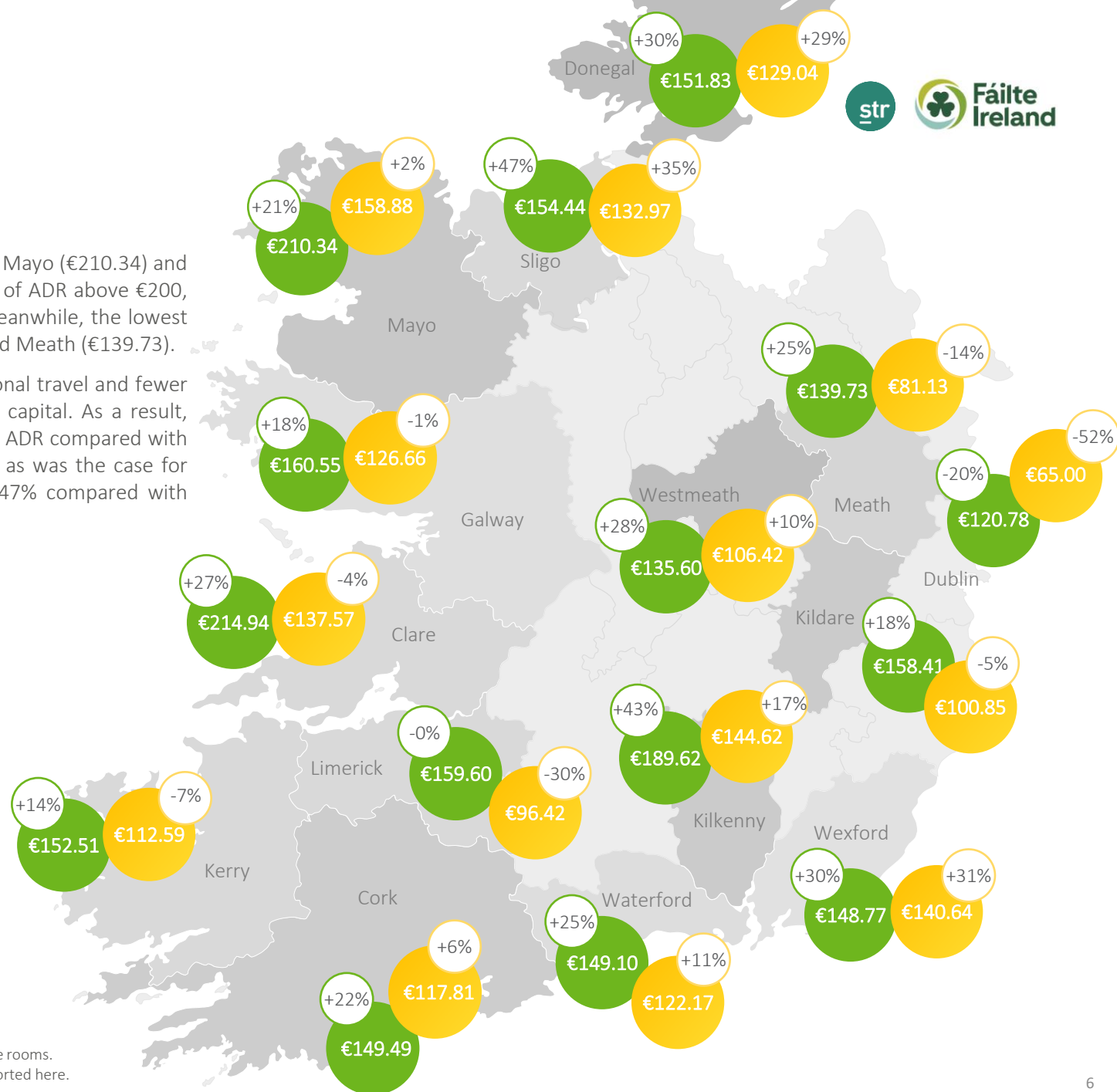
Largely driven by the exceptionally strong growth in ADR, hotels in Sligo achieved the highest RevPAR growth compared with August 2019 (+35%). There was also buoyant RevPAR growth in Wexford (+32%) and Donegal (+29%). Overall, eight of the 15 counties posted RevPAR growth compared with the pre-pandemic rate. Suffering from the steepest decline in occupancy and a significant reduction in ADR, Dublin hotels recorded the steepest contraction in RevPAR compared with August 2019 (-52%). Hotels in Limerick (-30%) and Meath (-14%) also posted notable declines in RevPAR.

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 August 2021. These are displayed and reported here.

Note: -/+0% indicates decline/growth of less than 1%.



County Source Markets

As also seen in July 2021, Limerick hotels attracted the highest proportion of domestic guests from the Republic of Ireland (91%). There was also a strong prevalence of domestic guests at hotels in Galway (87%) and Cork (85%).

Hotels in Dublin, Clare and Kerry appear to have been the main beneficiaries of the increase in international arrivals in August 2021. This segment accounted for around 20% of the guest mix among hotels in these areas compared with circa 10% or below in July 2021. While they achieved the highest proportion of international travellers during the month, it was interesting to observe an increase in overseas guests in all seven counties with sufficient data to enable reporting in August 2021 compared with July 2021. This encouragingly implies that international visitors engaged with different parts of the country and did not restrict their travels to arrival destinations.

Similar to July 2021, the incidence of guests from Northern Ireland was highest among Donegal hotels (29%). This result is heavily influenced by its proximity to the Northern Ireland border. Meanwhile, Dublin attracted the second highest proportion of Northern Ireland guests (12%).



Clare	78.4%	1.0%	20.6%
Cork	84.8%	2.4%	12.8%
Donegal	65.0%	29.1%	6.0%
Dublin	65.7%	12.1%	22.1%
Galway	86.9%	2.5%	10.6%
Kerry	79.9%	3.5%	16.6%
Limerick	90.6%	2.4%	7.0%

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=234, Overall Universe of Hotels n=819).
- Further details about STR's hotel data methodology can be found [here](#).

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