

Fáilte Ireland Hotel Survey

February 2022 Summary Report



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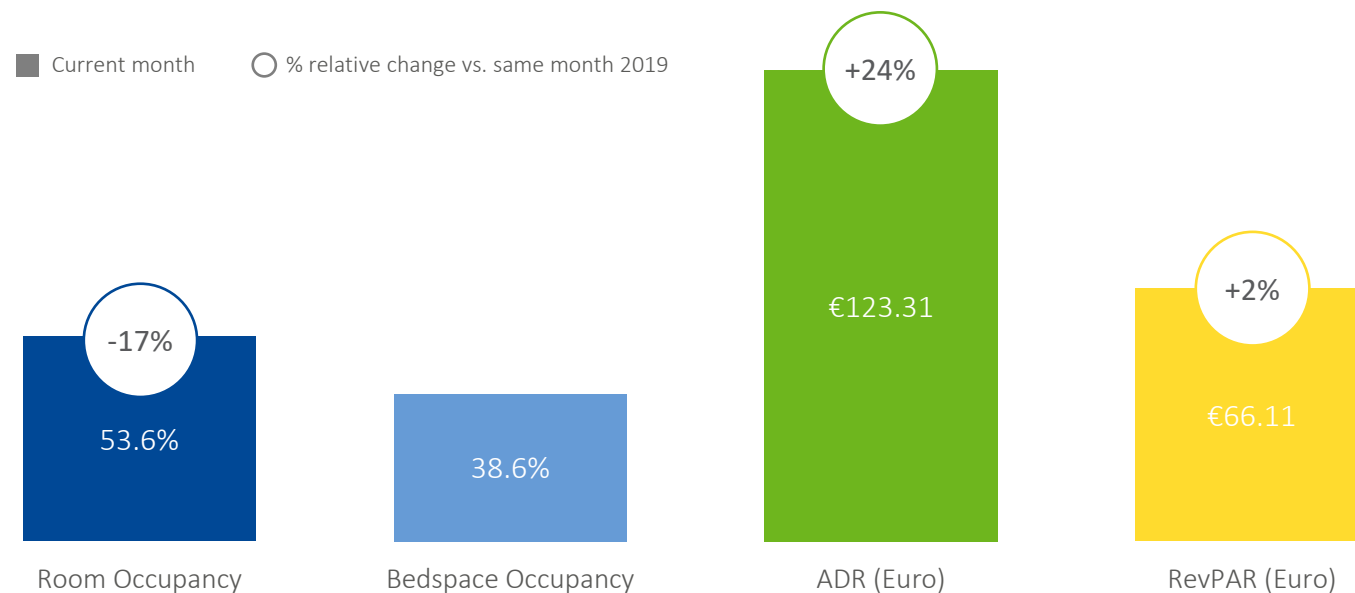
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Executive Summary

National hotel room occupancy jumped from 33.9% in January to 53.6% in February as demand picked up due to relaxing COVID-19 restrictions. Bedspace occupancy, the proportion of available bedspaces sold during the month, was also well above January (38.6% versus 24.3%). However, room occupancy continued to lag behind pre-pandemic levels. In relative terms, room occupancy was nearly -17% below February 2019.

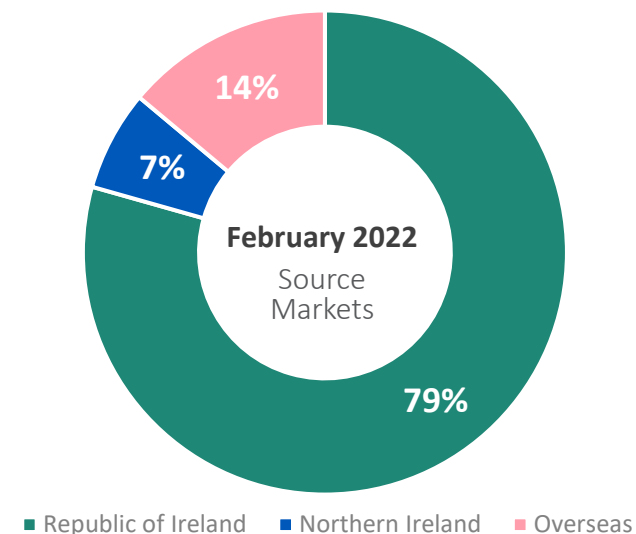
Nonetheless, as has been the recent trend, hotel room rates surpassed those recorded before COVID-19. National ADR stood at €123.31 during the month compared with €99.38 in February 2019. This equated to a growth of +24% compared with pre-pandemic rates as ADR was driven by less group and corporate business and strong leisure demand, among other factors.

Key Performance Indicators



RevPAR, an important hotel performance metric based on rooms available and rooms revenue, was €66.11. This constituted an encouraging +2% increase compared with February 2019 and, in doing so, marked the first month of RevPAR growth against the pre-pandemic rate since the survey restarted in June 2021. The growth was stronger in regional Ireland as 10 counties outside of the capital achieved double-digit RevPAR growth compared with February 2019. All 16 counties with sufficient data, except Dublin, posted a RevPAR increase compared to 2019.

Consistent with previous months, hotel guests from the Republic of Ireland were by far the most common source market, accounting for just under 80% of guests in February 2022. Overseas visitors were the second most common segment making up 14% of guests. However, there were disproportionately more overseas visitors at hotels in Dublin (31%) and Limerick (21%). The remainder of guests (7%) were from Northern Ireland. As in previous months, these guests tended to be more heavily concentrated in hotels close to the border.



Ireland Room & Bedspace Occupancy: February 2022



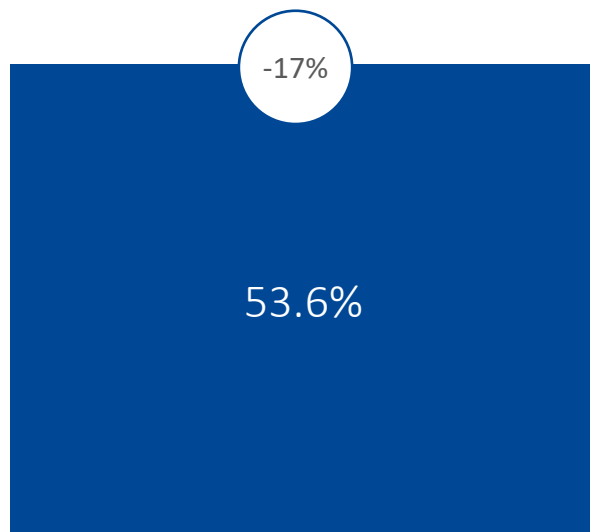
While some restrictions remained in place which impacted international travel such as the need for proof of vaccination, the month was characterised by softer restrictions and improving sentiment. Furthermore, Irish schools closed for a weeklong mid-term break and on 28th February face coverings became no longer mandatory, signalling a positive milestone in efforts to navigate COVID-19.

The improved picture was evident in hotel performance data as national room occupancy increased to 53.6%. This was well above January 2022 (33.9%) and outperformed November and December 2021. Bedspace occupancy, the proportion of available bedspaces sold during the month, also tracked positively compared with the previous three months at 38.6%.

However, accommodation demand continued to lag pre-pandemic levels as occupancy was -17% below February 2019. That said, this decline was softer than recent months which again suggests an improving situation.

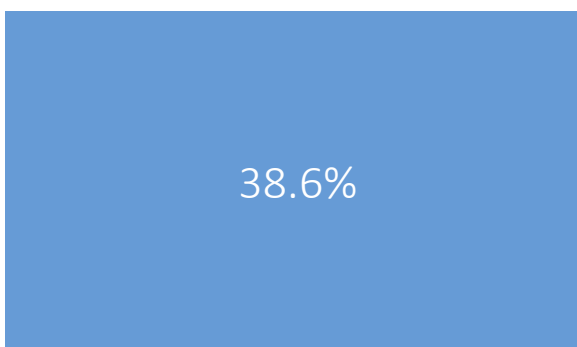
■ Current month ○ % relative change vs. same month 2019

Room Occupancy



Feb-22

Bedspace Occupancy



Feb-22

Highest room occupancy in February

78.4%

Saturday 26th February 2022

Highest / lowest

performing days of the month

Saturdays (75.9%) / Sundays (45.3%)

Ireland ADR & RevPAR: February 2022

Continuing the trend of previous months, national ADR was higher than the pre-pandemic rate. ADR during the month of February 2022 stood at €123.31 compared with €99.38 in February 2019. This was an increase of +24% which surpassed the growth seen in the four previous months.

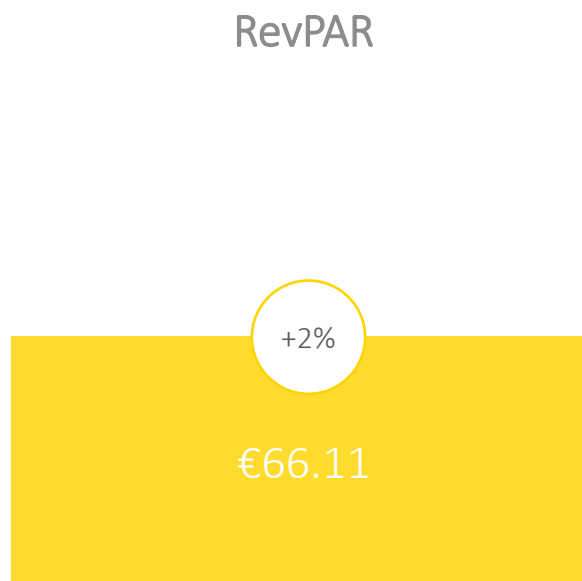
There are several factors which may continue to drive up ADR in the short-term, such as continuing domestic demand, rising input costs stemming from inflationary pressures and higher living costs, and a shift in business mix with hotels continuing to attract proportionally more, higher value leisure guests than in pre-COVID-19 times. Conversely, domestic demand could normalise to pre-pandemic levels as international demand grows alongside the lifting of COVID restrictions. This may result in increased competition with international markets and an expectation from tour operators and corporate clients for more competitive rates, ultimately driving rates closer to 2019 levels.

RevPAR, an important hotel performance metric based on rooms available and rooms revenue, for the month overall was €66.11. This was above the previous three months. Encouragingly, this was also above the pre-pandemic rate of €64.81 in February 2019. The strong ADR growth during the month outstripped the decline in room occupancy which led to the first month of RevPAR growth since the survey restarted in June 2021.

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



Feb-22



Feb-22

Highest RevPAR in February

€129.19

Saturday 5th February 2022

**Highest / lowest (RevPAR)
performing days of the month**

Saturdays (€122.68) / Tuesdays (€49.32)

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

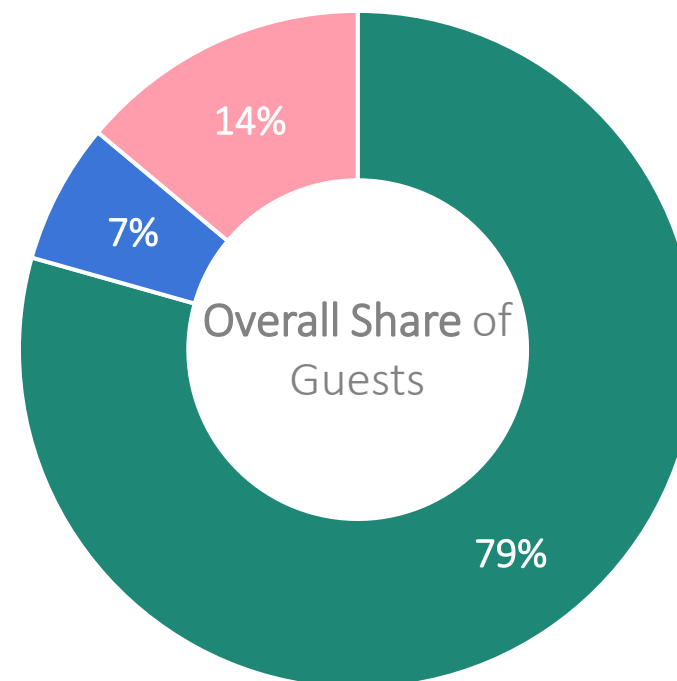
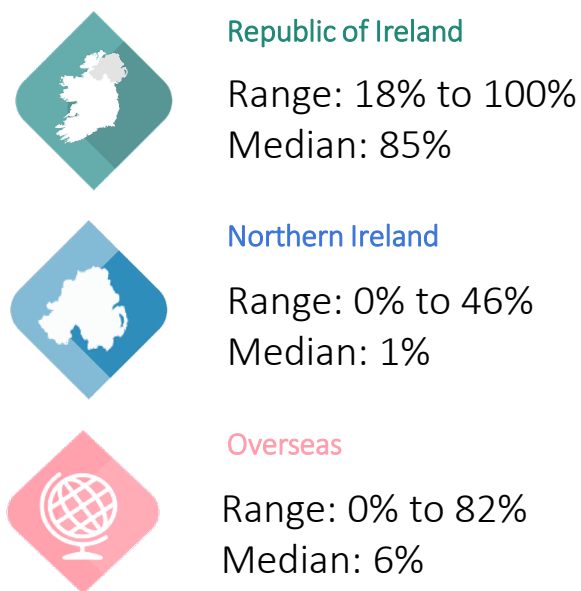
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.

Ireland Source Markets: February 2022

Consistent with previous months, guests from the Republic of Ireland accounted for the largest share, by some distance, of hotel guests. In February 2022, they made up just under 80% of guests. This was slightly above trending levels which was likely due to the February mid-term break and seasonality as fewer international visitors typically come to Ireland during the first quarter of the year.

The second most common source market was international visitors making up 14% of all guests during the month. This was below January 2022 and Q4 2021 levels.

The remainder (7% of hotel guests) were from Northern Ireland which was broadly comparable with previous months.



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.

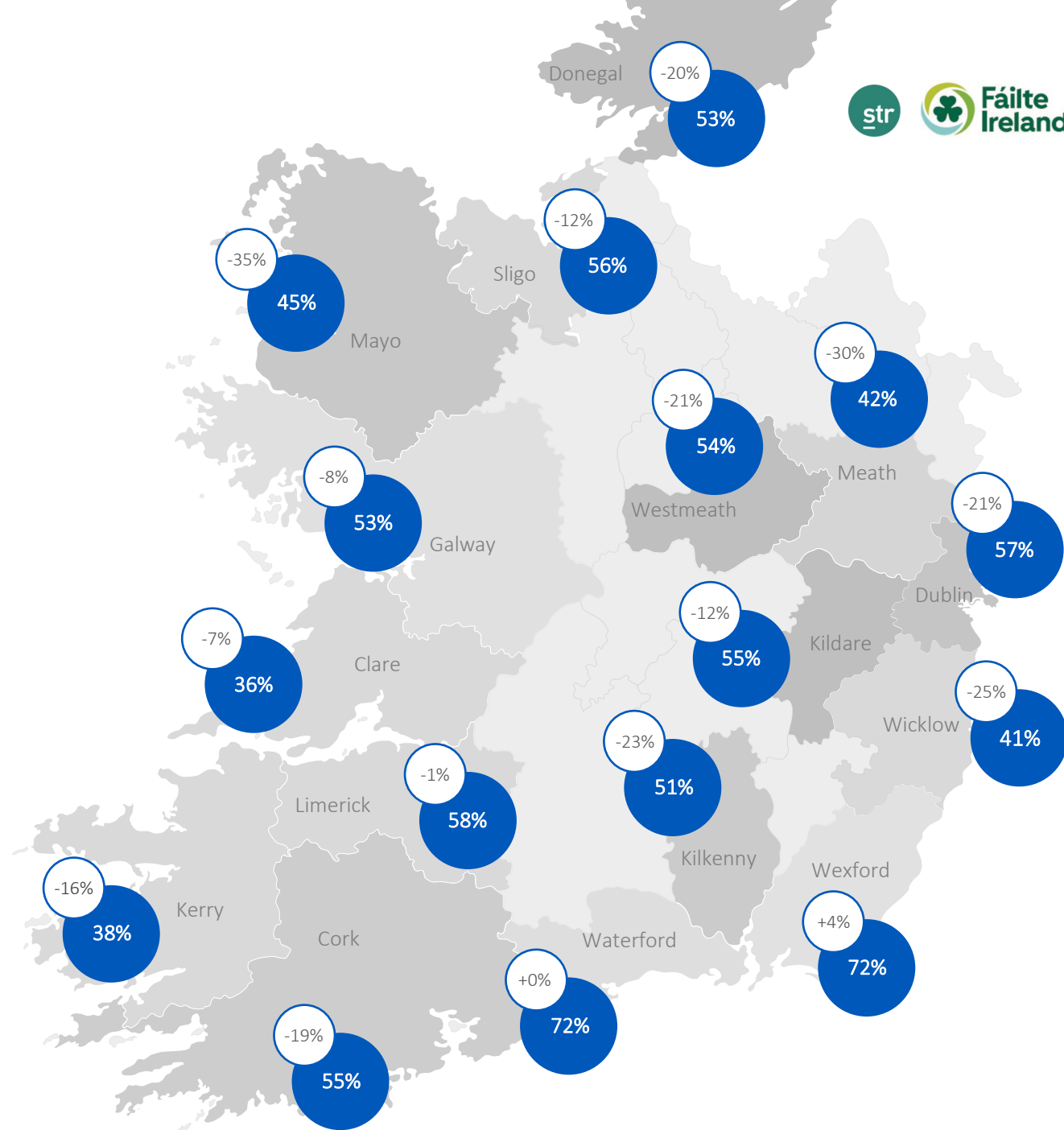
County Occupancy

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

Highlighting a variable picture across the country, occupancy ranged from under 40% to over 70% for hotels in the 16 counties with sufficient data to enable reporting.

Repeating the performance of last month, Waterford and Wexford hotels achieved the highest room occupancy (both 72%). Meanwhile, the lowest occupancy was recorded by Clare and Kerry hotels (36% and 38%, respectively). This also echoed the findings of January 2022 which highlights hotels in these two counties have undergone a sustained period of slow demand.

Hotels in only two of the 16 counties with sufficient data achieved room occupancy growth compared with February 2019. They were Waterford and Wexford, the counties with the highest room occupancy, as they increased room occupancy in relative terms by +4% and +1%, respectively. For the remaining 14 counties, room occupancy was below February 2019. The steepest declines were recorded for hotels in Mayo (-35%) and Meath (-30%). Signalling a challenging month to fill hotel rooms in many parts of the country, there were five other counties which posted an occupancy decline of -20% or more in relative terms compared with February 2019.



County ADR & RevPAR

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

Average Daily Rate (ADR)

ADR exceeded €100 in 15 of the 16 counties with sufficient data. This compares with 14 out of 16 counties in January 2022. Mirroring January 2022, the highest ADR was recorded by Wicklow hotels (€189.09). Kilkenny (€158.35) and Mayo (€149.22) hotels also achieved well above-average ADR which was again a repeat of previous findings. Meanwhile, the lowest ADR was posted by hotels in Waterford (€92.22) and Sligo (€103.11). These counties have regularly recorded below-average ADRs in previous months.

Reflecting the strong growth in ADR performance, hotels in all counties achieved higher ADR than in February 2019. Consistent with previous months, the highest growth was noted by Mayo hotels (+87%) with strong growth of over 50% also achieved by hotels in Kilkenny (+56%), Donegal and Westmeath (both 52%). Whereas the lowest ADR growth was achieved by Dublin (+4%) and Waterford (+8%) hotels which again reflected an ongoing trend.

Revenue Per Available Room (RevPAR)

Uneven room occupancy across the country influenced RevPAR as it varied in the 16 counties. The highest achievers were hotels in Limerick, Wexford, and Kilkenny as they posted RevPAR of around €80. Meanwhile, achieving around half of the maximum rate, Clare and Kerry hotels recorded the lowest RevPARs of €41.15 and €41.07, respectively.

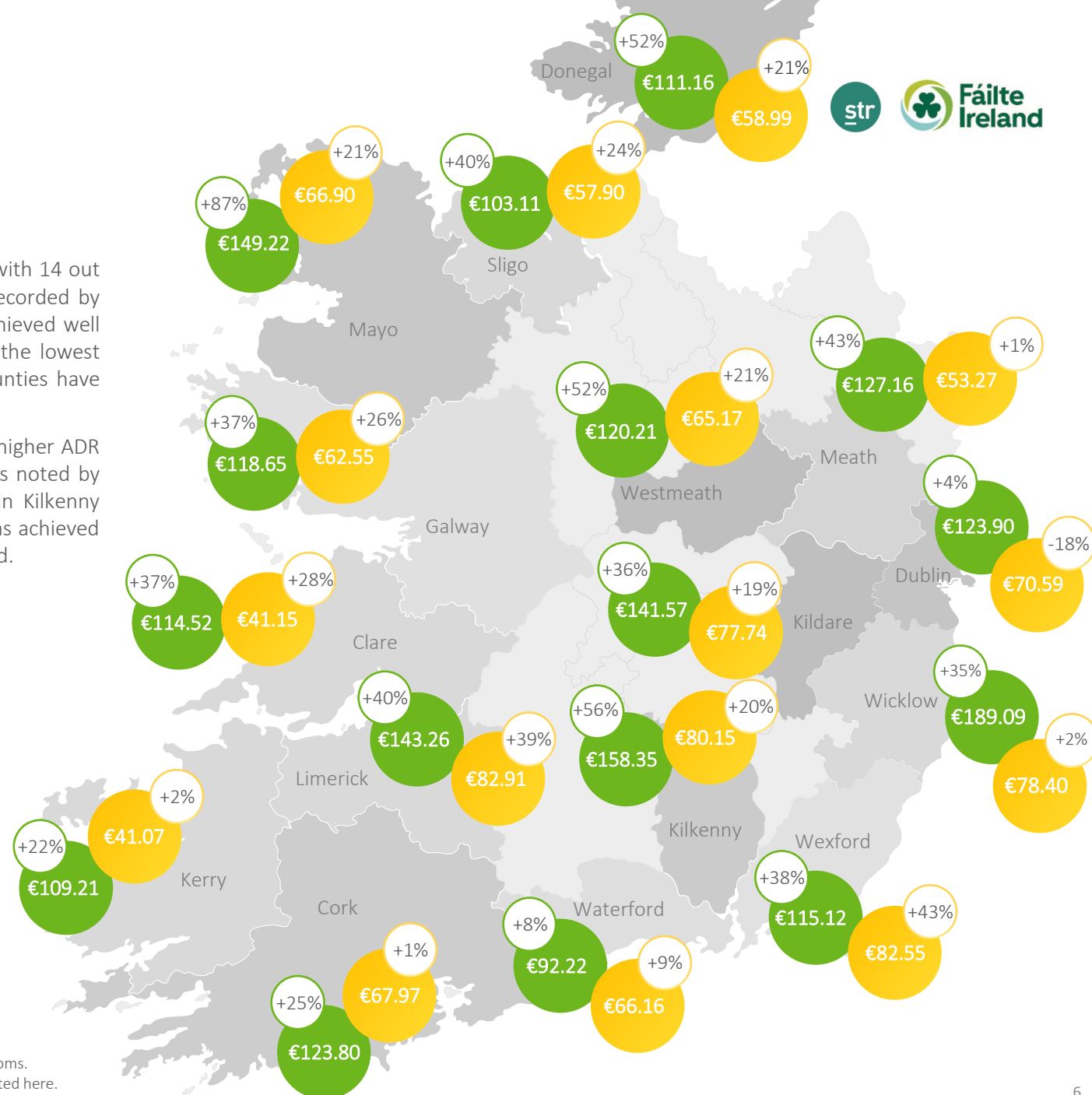
However, the strong ADR growth led to hotels in most parts of the country achieving RevPAR growth compared with February 2019. Indeed, hotels in 15 out of 16 counties posted higher RevPAR than the pre-pandemic rate. This compares with 3 out of 15 counties in January 2022. The strongest RevPAR growth was among Wexford (+43%) and Limerick (39%) hotels. Encouragingly, hotels in 8 other counties posted double-digit RevPAR growth. Meanwhile, Dublin saw a continued decline in RevPAR as it fell by -18% to €70.59. However, the decline was softer than previous months, suggesting an improving situation as business and international travellers continue returning to the city.

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 February 2022. These are displayed and reported here.

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



County Source Markets

Based on the six counties with sufficient source market data to enable reporting, the highest share of guests from the Republic of Ireland was among hotels in Kerry, Cork, and Wexford (all above 90%). Meanwhile, Donegal and Dublin hotels welcomed the lowest share of domestic guests. Donegal welcomed a high proportion of guests from Northern Ireland, owing to its location close to the border. While in the capital overseas visitors made up 31% of hotel guests. Although this was below the domestic guest proportion (58%), it was notably higher than the proportion of international visitors recorded elsewhere.

	 Republic of Ireland	 Northern Ireland	 Overseas
Cork	93.1%	0.4%	6.6%
Donegal	55.4%	37.3%	7.2%
Dublin	58.1%	10.7%	31.2%
Kerry	94.0%	1.2%	4.8%
Limerick	74.5%	5.0%	20.5%
Wexford	91.2%	2.1%	6.6%

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=178, Overall Universe of Hotels n=819).
- Further details about STR's hotel data methodology can be found [here](#).

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