# Fáilte Ireland Hotel Survey

## January 2024 Summary Report
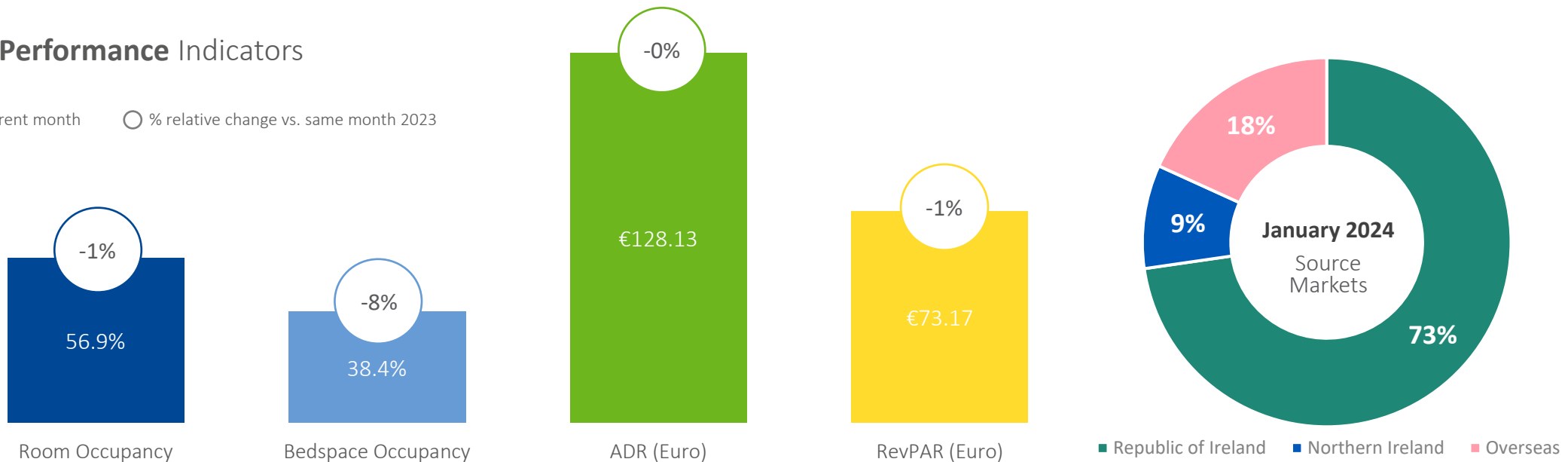
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# Executive Summary

The new year brought a noticeable slowing in hotel performance across the country with several metrics posting levels not seen since early 2022. Hotels experienced year on year ADR and RevPAR declines for the first time since the pandemic and, while the decline is slight, this may suggest a stabilisation in months to come. January occupancy at 56.9% recorded an expected seasonal drop on the previous month (60.7%) and fell 0.7% year on year. Average daily rate (ADR) at €128.13 also declined 0.4% resulting in Revenue per available room (RevPAR) down 1.4%. Bedspace demand recorded a year-on-year decrease.

Examining the country's source markets, January saw a smaller share of overseas guests than in December, following normal seasonal patterns. Across all counties, domestic guests were in the majority. Donegal welcomed just under half of its' guests, 46.7% from the ROI while 42.9% originated from Northern Ireland.

## Key Performance Indicators

■ Current month    ○ % relative change vs. same month 2023

| | |
|---|---|
| **Room Occupancy** | -1% / 56.9% |
| **Bedspace Occupancy** | -8% / 38.4% |
| **ADR (Euro)** | -0% / €128.13 |
| **RevPAR (Euro)** | -1% / €73.17 |

**January 2024 Source Markets**

73% — Republic of Ireland
9% — Northern Ireland
18% — Overseas

■ Republic of Ireland   ■ Northern Ireland   ■ Overseas

# Ireland Room & Bedspace Occupancy: January 2024

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January is typically the slowest month of the year, and this January looks likely to be no exception in 2024. Room occupancy of 56.9% was down from 60.7% in December while also posting a slight drop compared to January 2023 at 57.4%. Bedspace demand at 38.4% declined significantly (from 50.8%) since the previous month which is not surprising as December gets a boost from holiday travel which is much less pronounced in January. Compared to January last year, bedspace occupancy also declined 7.9% which is an indication that leisure travel is waning, given that leisure travellers tend to require multiple bedspaces.
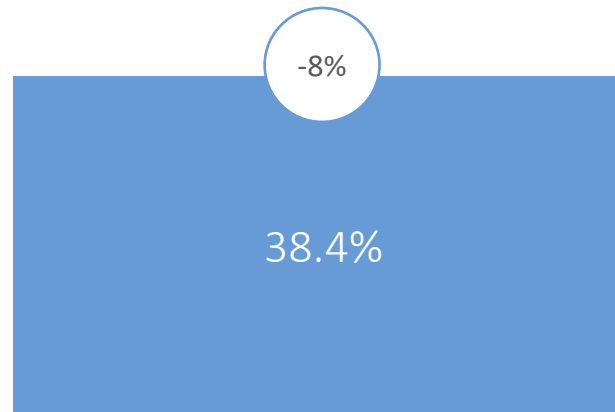
■ Current month          ○ % relative change vs. same month 2023

## Room Occupancy

-1%

56.9%
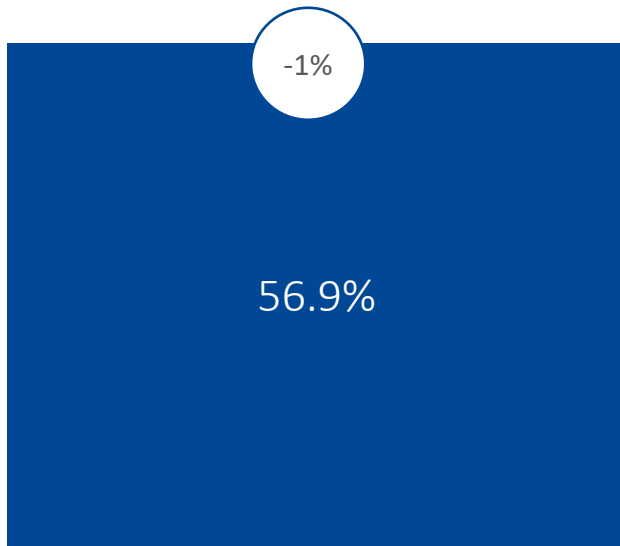
Jan-24

## Bedspace Occupancy

-8%

38.4%

Jan-24

Highest room occupancy in January

78.4 % on

Saturday 27th January 2024

Highest / lowest
performing days of the month

Saturday (69.0%) / Sunday (45.7%)

January's Average Daily Rate of €128.13 also declined 0.4% compared to the same month last year which is the first ADR reduction since the pandemic. Following seasonal patterns ADR fell significantly compared to December 2023 decreasing 19.3% or €30.63. Revenue per available room, a combination of occupancy and rate, declined 1.4% year-on-year, a result of drops in both room occupancy and ADR. As with ADR, RevPAR contracted for the first time since the pandemic.

■ Current month    ◯ % relative change vs. same month 2023

## ADR

-0%

€128.13

Jan -24

## RevPAR

-1%

€73.17

Jan -24
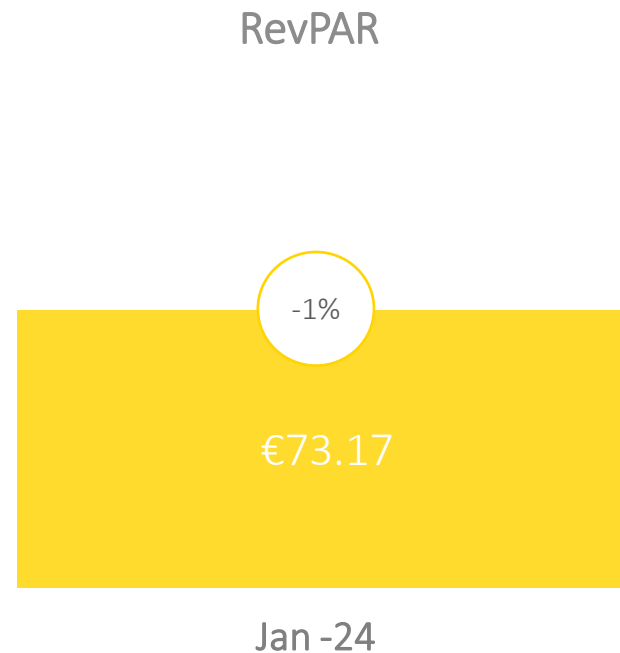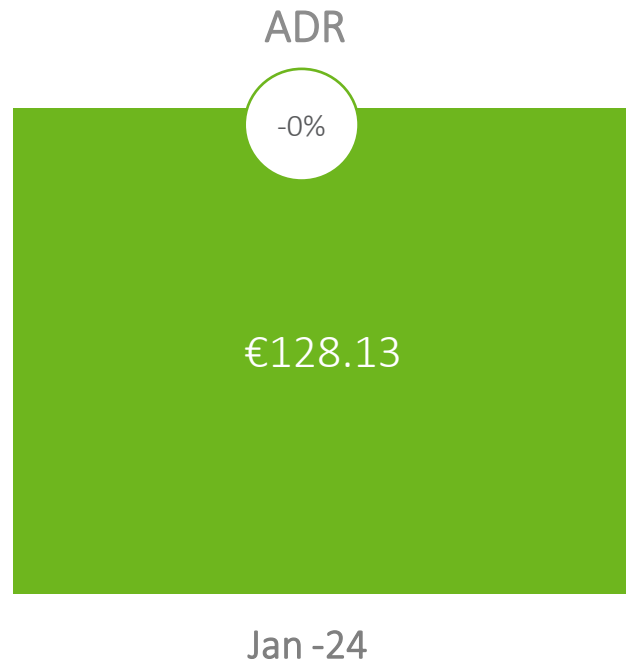
**Highest RevPAR in January**

€121.08 on
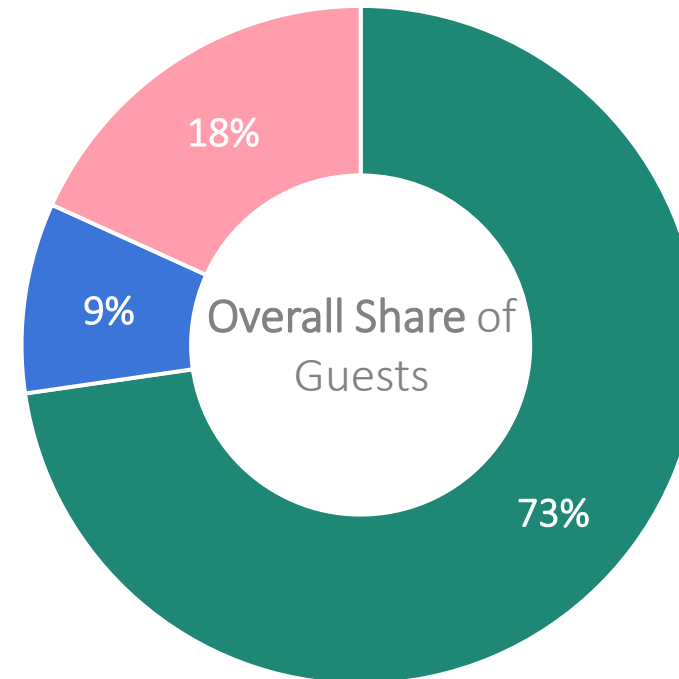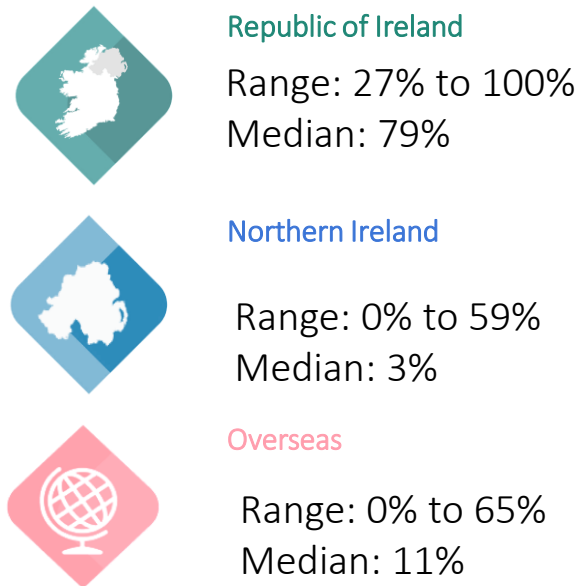
Saturday 27th January 2024

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

Saturday (€102.33) / Sunday (€55.35)

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: January 2024

Understanding the source markets, where guests are travelling from, remains an essential part of hotel sales and marketing strategy. Domestic customers accounted for the most bedspaces sold at 72.7%. This is the greatest proportion of domestic guests recorded since early 2022. Guests from Northern Ireland at 9.1% held its highest share since early 2022.

**Republic of Ireland**
Range: 27% to 100%
Median: 79%

**Northern Ireland**

Range: 0% to 59%
Median: 3%

**Overseas**

Range: 0% to 65%
Median: 11%

Overall Share of Guests

18%
9%
73%

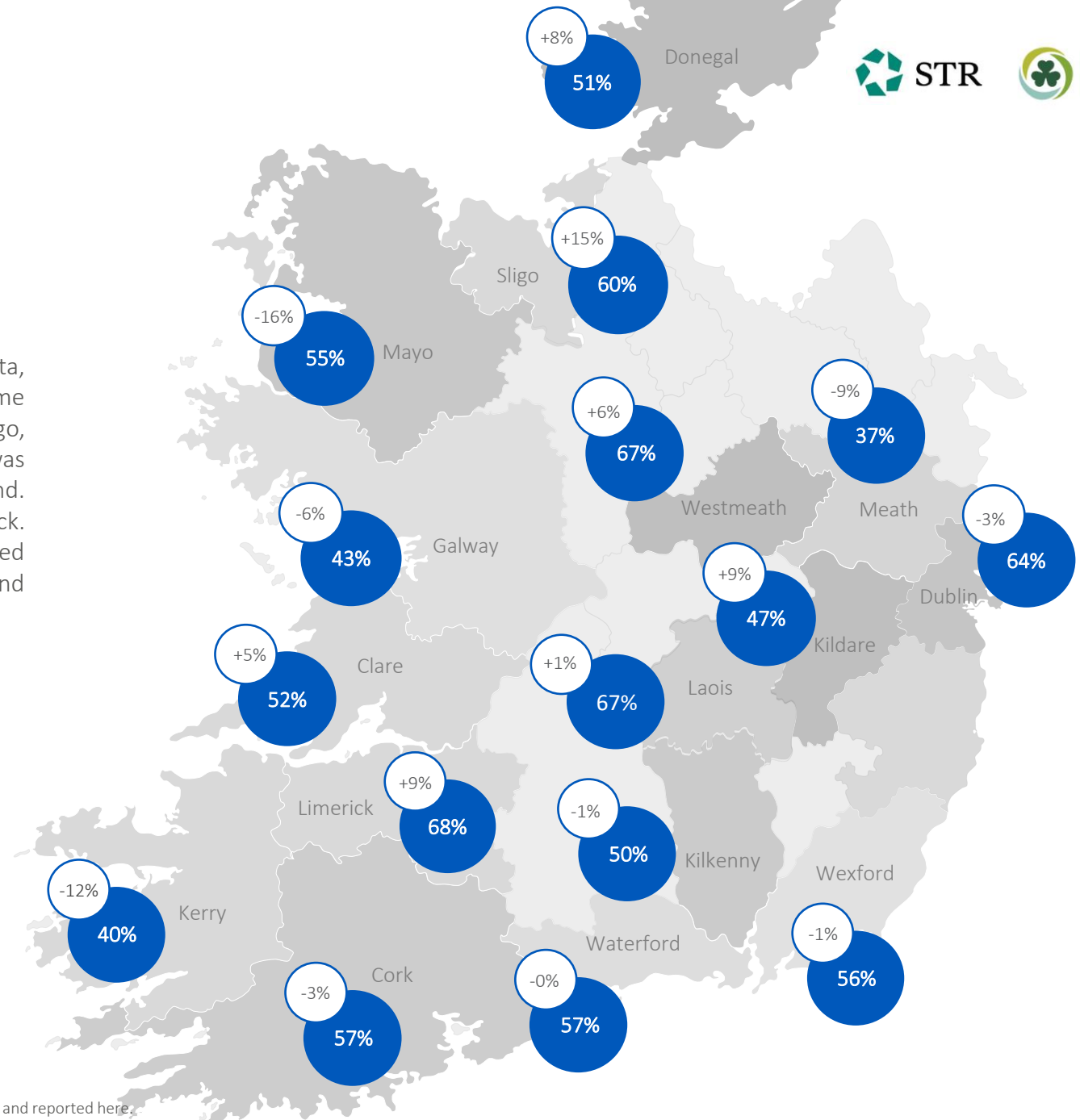Note: Range is the lowest and highest share of guests stated by hotels.
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the "middle" value. A median value can also be the lowest or highest value and so January also be represented in the range.

# County Occupancy



**Legend:** ● Current month room occupancy ○ % relative change vs. same month 2023

Across the 16 counties where there is sufficient performance data, seven counties recorded occupancy gains compared to the same month last year. The greatest increases (above +7.8%) were in Sligo, Kildare, Limerick, and Donegal. The boost in Donegal and Sligo was undoubtably impacted by their proximity to Northern Ireland. Occupancy levels ranged from 36.9% in Meath to 67.9% in Limerick. Dublin, the country's largest county in terms of rooms, posted occupancy of 63.7% which was the lowest level since early 2022 and a 3.1% drop compared to January 2023.

**Donegal:** +8% / 51%
**Sligo:** +15% / 60%
**Mayo:** -16% / 55%
**Westmeath:** +6% / 67%
**Meath:** -9% / 37%
**Galway:** -6% / 43%
**Dublin:** -3% / 64%
**Kildare:** +9% / 47%
**Clare:** +5% / 52%
**Laois:** +1% / 67%
**Limerick:** +9% / 68%
**Kilkenny:** -1% / 50%
**Kerry:** -12% / 40%
**Wexford:** -1% / 56%
**Cork:** -3% / 57%
**Waterford:** -0% / 57%

Note: There are 16 counties with sufficient room occupancy data in January 2024. These are displayed and reported here.

# County ADR & RevPAR

● ADR   ● RevPAR   ○ % relative change vs. same month 2023

**Average Daily Rate (ADR)**

Most counties (10 out of 16 reporting) noted an ADR increase above the country average for the month of January. Average daily rate growth was highest in Clare (+9.0%), averaging €140.10 and Waterford (+7.3%), averaging €110.71. Of the four counties posting the greatest occupancy growth, two counties, Donegal and Sligo also saw notable ADR gains of +6.2% and +3.8% respectively for January.

**Revenue Per Available Room (RevPAR)**

County RevPAR changes generally followed ADR for all but two of the 16 reporting counties. The exceptions were Kilkenny and Limerick. In Limerick RevPAR gains were due entirely to occupancy growth while in Kilkenny, despite growth in ADR a faster decline in occupancy drove a drop in RevPAR. Once again, Donegal and Sligo are notable with the highest RevPAR increases across reporting counties, driven by growth in occupancy and ADR. Mayo (-19.6%) and Kerry (-16.8%) posted the greatest declines. Dublin's decline resulted in RevPAR of €84.31, the lowest posting for the capital city since early 2022.
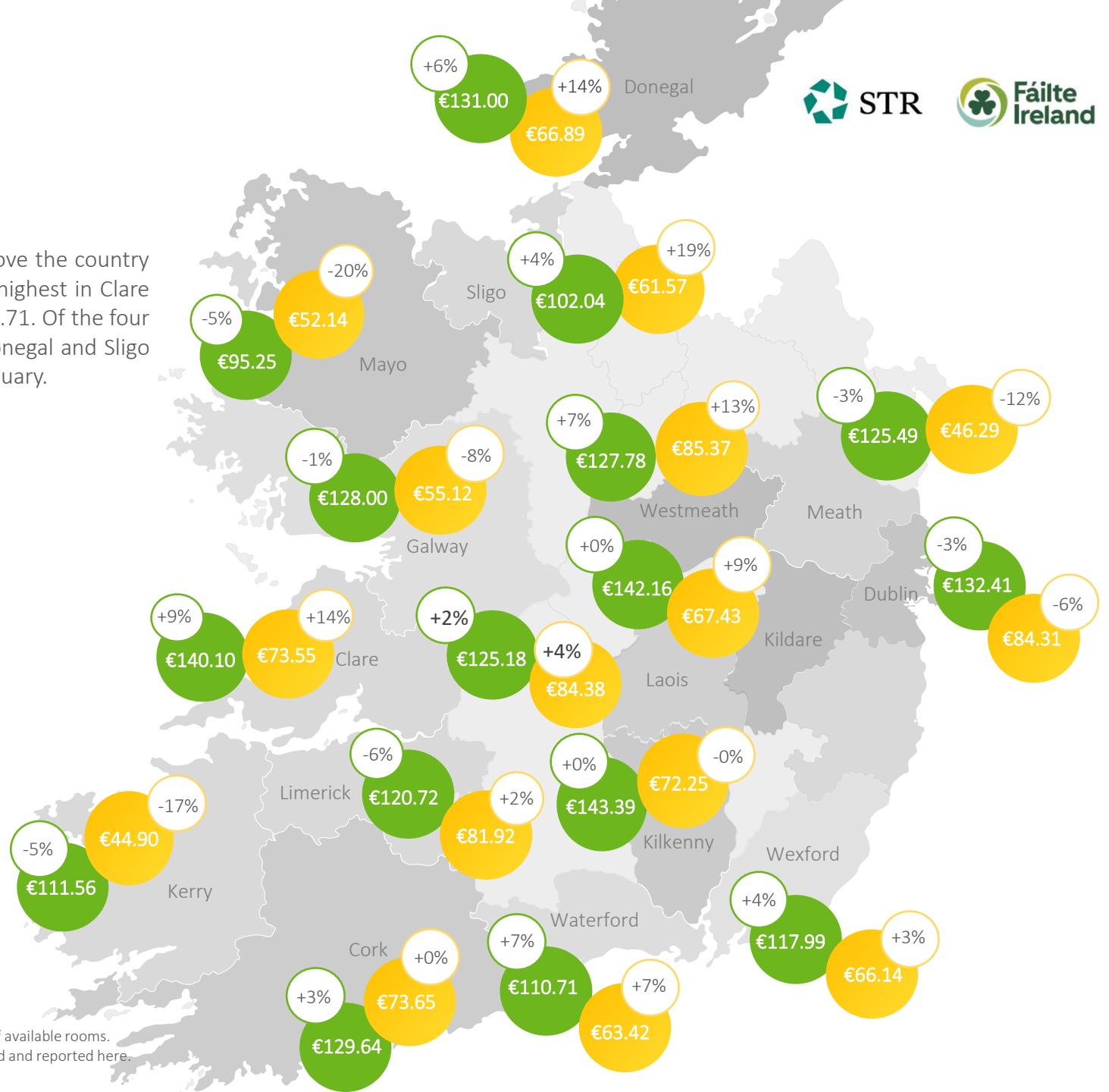
Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels.
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.
Note: There are 16 counties with sufficient ADR and RevPAR data in January 2024. These are displayed and reported here.
Note: -/+0% indicates decline/growth of less than 1%.

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Donegal: +6% €131.00 / +14% €66.89
Sligo: +4% €102.04 / +19% €61.57
Mayo: -5% €95.25 / -20% €52.14
Galway: -1% €128.00 / -8% €55.12
Westmeath: +7% €127.78 / +13% €85.37
Meath: -3% €125.49 / -12% €46.29
Dublin: -3% €132.41 / -6% €84.31
Laois: +0% €142.16 / +9% €67.43
Clare: +9% €140.10 / +14% €73.55
+2% €125.18 / +4% €84.38
Kildare
Limerick: -6% €120.72 / +2% €81.92
Kilkenny: +0% €143.39 / -0% €72.25
Kerry: -5% €111.56 / -17% €44.90
Cork: +3% €129.64 / +0% €73.65
Waterford: +7% €110.71 / +7% €63.42
Wexford: +4% €117.99 / +3% €66.14

# **County** Source Markets

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As seen across the country, domestic travellers made up the majority of guests across all nine reporting counties in January.  Donegal hosted 46.7% of domestic guests followed by 42.9% of visitors from Northern Ireland, and 10.4% of guests from overseas. Dublin saw the highest proportion of guests from overseas at 37.1%. Meath and Limerick hosted the most domestic guests at over 90%.

| | Republic of Ireland | Northern Ireland | Overseas |
|---|---|---|---|
| Cork | 69% | 10% | 21% |
| Donegal | 47% | 43% | 10% |
| Dublin | 53% | 10% | 37% |
| Galway | 89% | 1% | 10% |
| Kerry | 78% | 1% | 21% |
| Kildare | 82% | 8% | 10% |
| Limerick | 92% | 3% | 5% |
| Mayo | 81% | 17% | 3% |
| Meath | 92% | 3% | 5% |

Note: There are 9 counties with sufficient source market data in January 2024. These are displayed and reported here.

# Performance By Grade

January occupancy by grade continued to follow the pattern seen for 2023 with lower star hotels posting the highest occupancy as evidenced this month by 3-star and 4-star hotels recording occupancy close to 60% which is over thirteen percentage points above 5-star hotels at 46.9%. However, for the 4th consecutive month, occupancy declined year-on-year in 3-star and 4-star hotels while 5-star hotels continue to see occupancy increases. Whilst 3-star and 4-star hotels posted similar room occupancy in January, this is as a result of a steep decline of almost 10% year on year for 3-star hotels with a marginal drop of just 0.3% in 4-star properties.

Three-star and 5-star hotels posted a more significant reduction in ADR year-on-year while 4-star hotels' ADR fell only slightly.

RevPAR in 3-star hotels declined the most (-13.0%), a trend seen for the past four months while 4-star hotels posted the 2nd decrease of the year and 5-star hotels RevPAR improved slightly with occupancy gains offsetting ADR declines.

| | 5 Star | 4 Star | 3 Star |
|---|---|---|---|
| Occupancy | 46.9% | 58.8% | 60.0% |
| ADR | € 262.91 | €122.85 | €103.18 |
| RevPAR | €123.37 | €72.26 | €61.94 |

Note: There are 3 property class types with sufficient source market data in January 2024. These are displayed and reported here.

# **Methodology** Statement

In January 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 2023.
- Ireland room occupancy, bedspace occupancy, ADR and RevPAR for the current month and for the same month in 2023 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 classification system referred to in this report is Fáilte Ireland's hotel classification as prescribed under Section 39 of the Tourist Traffic Act.
- The samples of participants in the two data collection systems are different. Therefore, some data points January 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 January 2021 report.

  The sample for this month's report: (Rooms Data n=265, Bedspace / Source Market Data n=182, Overall Universe of Hotels n=833).

- 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.