

Fáilte Ireland Hotel Survey

October 2022 Summary Report



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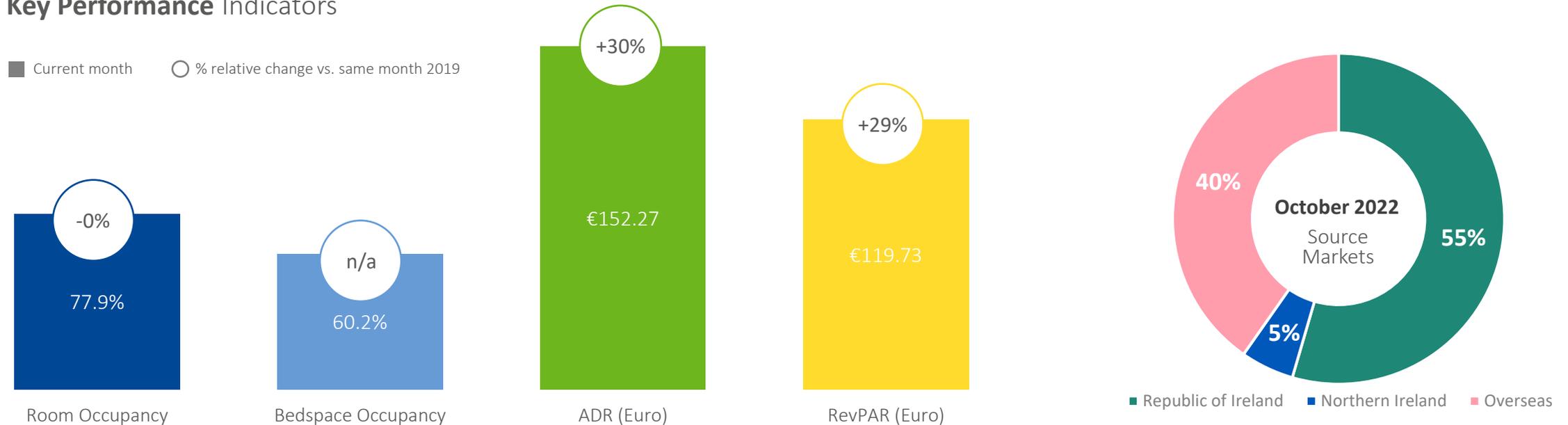


Executive Summary

Moving into the shoulder season hotel performance throughout Ireland experienced a slight slowdown during October 2022, a natural seasonal adjustment. Room occupancy levels saw a decline from 86.9% in September 2022 to 77.9% in the month of October. Bedspace occupancy witnessed a much smaller decline of just 1.6% from the previous month. Trends of this nature are to be expected as we move into a time of the year which typically sees less domestic and international travel.

With economies tightening in many countries, hoteliers face the challenge of optimising the rates achieved to cover at least some of their ever-increasing costs. This is a challenge given that travellers are now likely to be more cautious about their spending. Data from October 2022 highlighted these strains with ADR decreasing from €167.91 to €152.27, whilst RevPAR fell from €147 in September to €119.73 in October 2022. However, compared to 2019 levels both metrics were 29% percent ahead of the same time in 2019.

Key Performance Indicators



Note: Bedspace Occupancy for 2019 is not available.

Domestic visits from the Republic of Ireland have accounted for the highest number of bed nights for October 2022 at 54.5%. However, it was overseas visitors that accounted for the largest increase from the month prior, rising from 35.9% up to 40.3%, with many of them frequenting Dublin. In fact, most hotel guests (56.5%) in the capital came from abroad.

Dublin led the way with occupancy in October achieving an average of 86.9%, the highest of any reporting region. Moving into the winter months it is of little surprise to see the city leading the way in occupancy as city breaks become more popular. When examining occupancy levels against 2019 it was Clare that came out on top with a strong posting of a 19% percentage change. As for ADR it was Wexford that achieved the highest growth from September 2022 with an increase of €7.61.

Ireland Room & Bedspace Occupancy: October 2022



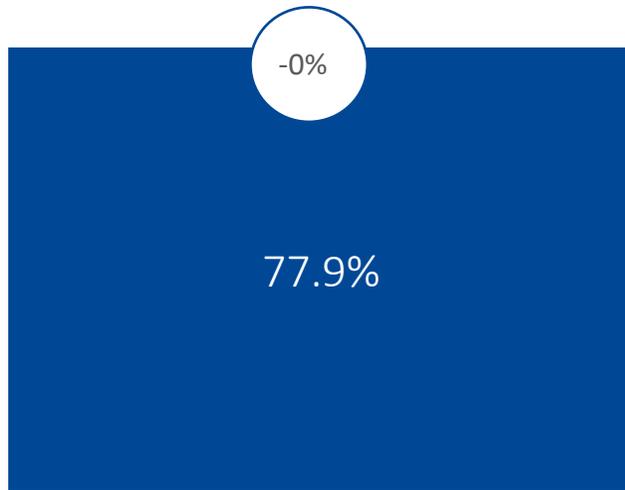
Despite the break in the trend of 80%+ room occupancy, levels remained strong across the country at 77.9%. Despite the seasonal decline in occupancy, there are positives when comparing to the spring of 2022. The month of October 2022 outpaced both March and April 2022 in relation to room occupancy.

As we review room occupancy in October 2022 versus 2019, performance has steadied somewhat. Despite seeing a small decline of -0.2% percent, the shortfall is significantly smaller than at the start of the year.

Bedspace occupancy, the proportion of available bedspaces sold, painted a much steadier picture with a very minimal drop from the previous month of -1.65%, taking levels to 60.2% for the month.

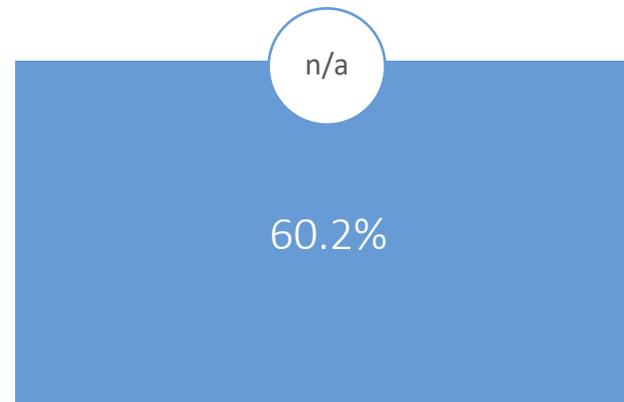
■ Current month ○ % relative change vs. same month 2019

Room Occupancy



Oct-22

Bedspace Occupancy



Oct-22

Highest room occupancy in October

92.8%

Saturday 29th October 2022

Highest / lowest performing days of the month

Saturdays (89.7%) / Sundays (70.1%)

Ireland ADR & RevPAR: October 2022

A combination of seasonal demand change and growing economic uncertainty has led to lower rates in October 2022, with ADR and RevPAR both falling from the previous month.

Average daily rates rolled back to €152.27. However as was the case with room occupancy this rate was ahead of both March and April 2022. Despite the more challenging environment, principally due to seasonality, hotel performance continues to be robust post Covid-19 recovery.

RevPAR, the gold standard metric in the industry, ended the month at €119.73. Unsurprisingly the KPI didn't grow against the prior month. Yet, similar to ADR levels when benchmarked to 2019 levels for the same month, RevPAR percentage change peaked for the year at 29.2%.

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



Highest RevPAR in October
€213.48
Saturday 29 October 2022

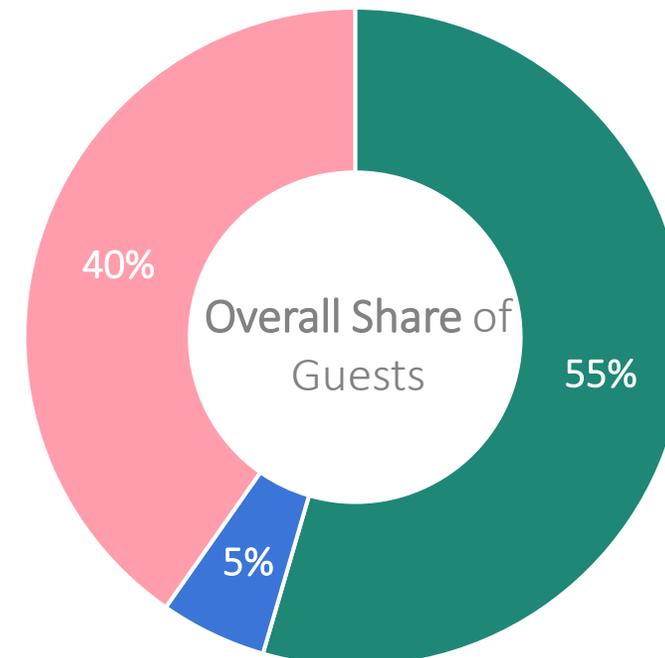
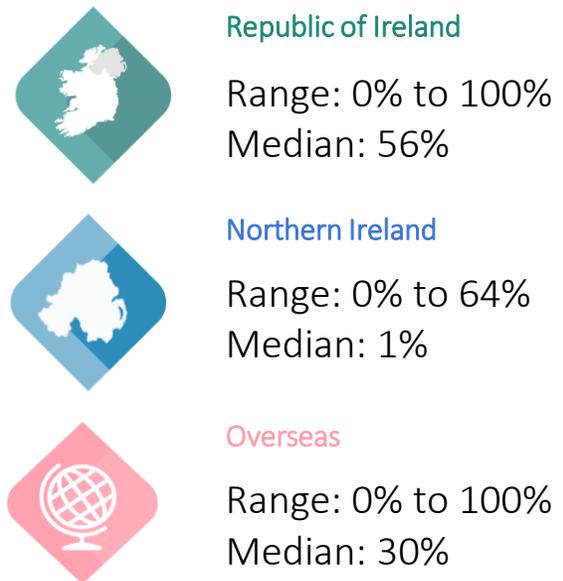
Highest / lowest (RevPAR) performing days of the month
Saturdays (€193.78) / Monday (€143.06)

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: October 2022

As has been the case since June 2021, visitors originating from the Republic of Ireland have been filling hotel rooms across the country. However, as international tourism to Ireland has opened up, the share of overseas guests has steadily increased over the year to an annual high of 40.3% in October 2022.

Kerry hotels experienced the largest increase in share of overseas visitors, posting its highest median since June 2021 at 49.5%.



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.

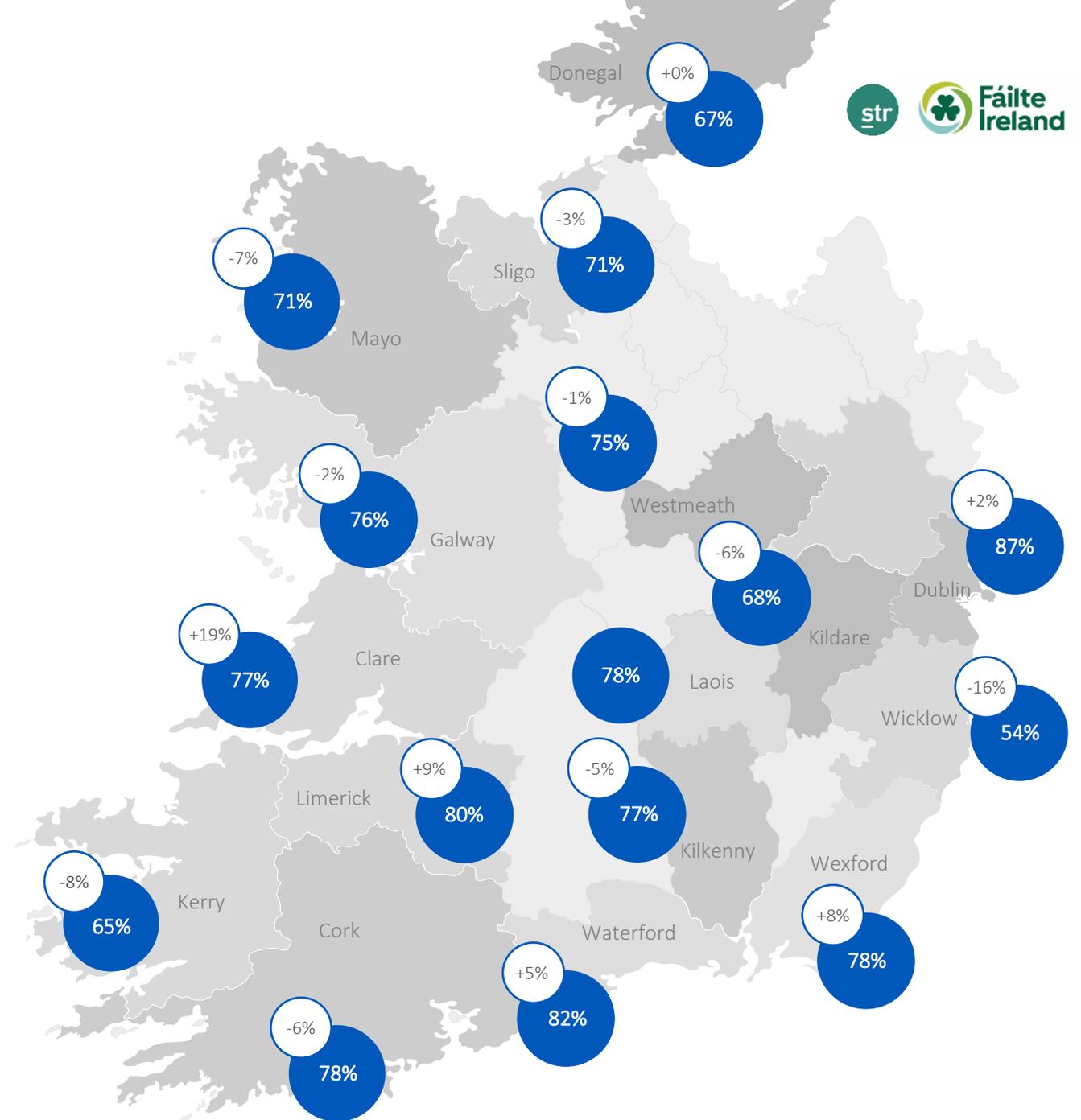
County Occupancy

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

The following analysis is based off a sample of 16 Irish counties, in which occupancy varied quite significantly from 54% to 87%. These 16 counties can be reported upon due to sufficient data collected.

Dublin achieved the highest occupancy levels for the month of October at 86.9%. This is to be anticipated as we begin to experience seasonal changes, which leads to city breaks being more popular in the winter months. Following a close second was Waterford at 82.2%.

In relation to occupancy growth by county it was Clare that led the recovery in October 2022 when compared to the same month in 2019. The county experienced growth of 19%. Limerick also reported strong numbers seeing an increase of 9.2%. Meanwhile the steepest declines were observed in Wicklow (-16.1%), a trend which has continued for 4 consecutive months, as well as Kerry which sat at -7.7% against October 2019 as overseas leisure guests were less prevalent following the summer high season.



County ADR & RevPAR

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



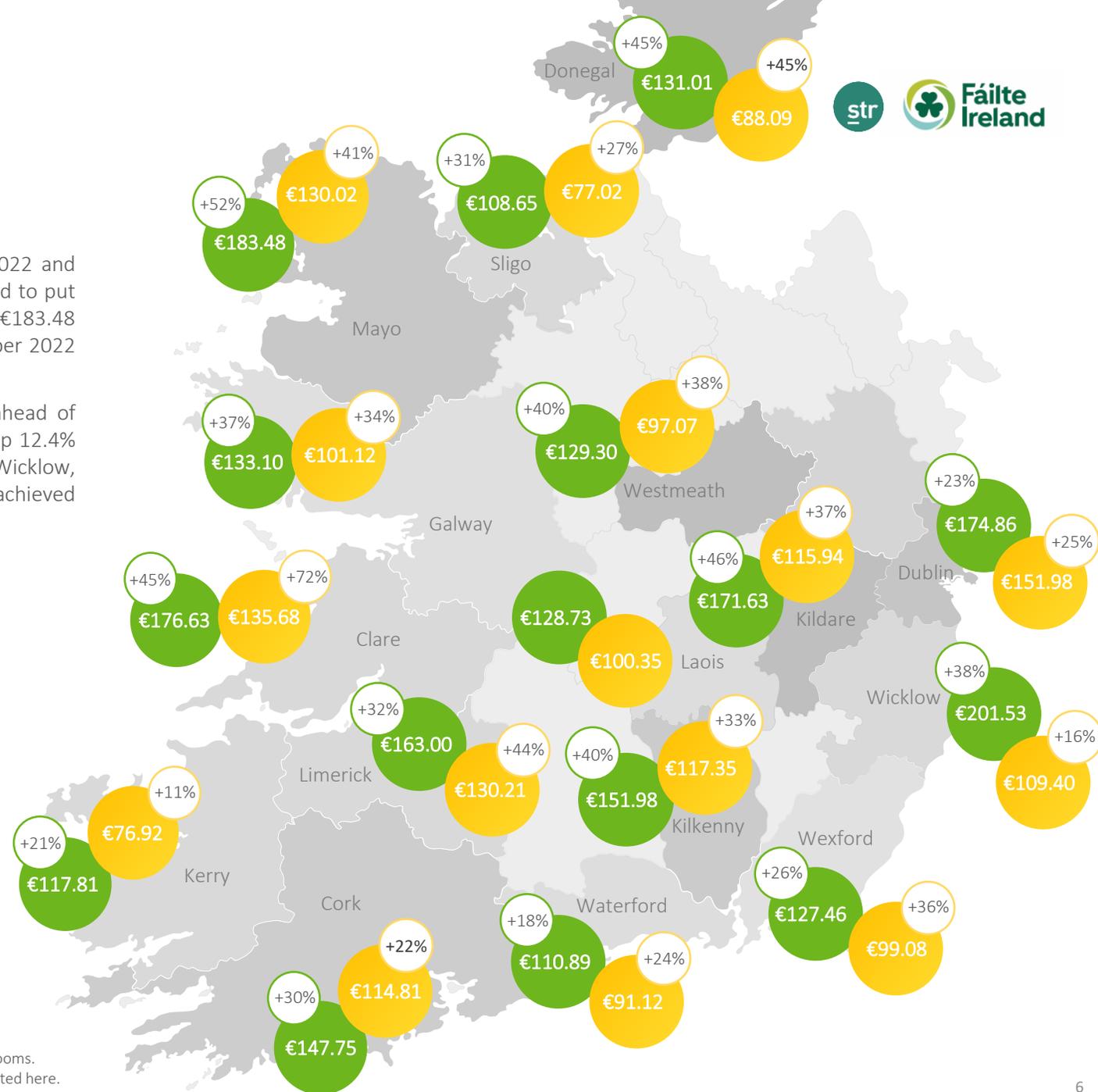
Average Daily Rate (ADR)

As in previous months Wicklow achieved a significant ADR again in October 2022 and experienced its 7th consecutive month of €200+ ADR at €201.53. Mayo continued to put the West of Ireland on the map taking the 2nd best ADR position with an ADR of €183.48 for the month. Completing the trio was Clare, €6.85 behind Mayo with an October 2022 ADR of €176.63.

Compared to the same month in 2019, Cork's ADR was over €18 or 14.2% ahead of October 2019. Limerick also achieved a double digit increase on October 2019 up 12.4% and so too did Kildare with a gain of 11.3% ADR increase. YTD October 2022, Wicklow, Mayo, and Clare with ADRs of €206.32, €191.21, and €178.75 respectively, have achieved the highest ADR.

Revenue Per Available Room (RevPAR)

ADR more so than occupancy is the key driver for RevPAR performance across all counties with sufficient data to report, some however stand out more than others. October 2022 was the 6th consecutive month that Dublin had a RevPAR more than €150 with October 2022 clearing €151.98. YTD October 2022 Dublin's RevPAR was also the highest across the country at €134.04 for the 10-month period. By contrast Sligo's RevPAR for the month of October was €77.02, a decline of €57.76 compared to the peak month of August 2022 when RevPAR hit €134.78. Wexford, Westmeath, and Clare all experienced significant YTD October 2022 RevPAR growth of 37.6%, 35.8% and 35.7% respectively compared to same time in 2019. Meanwhile Dublin, Kerry & Wicklow experienced single digit RevPAR YTD October 2022 increases of 4.7%, 7.1% and 8.6% 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 October 2022. These are displayed and reported here.
 Note: -/+0% indicates decline/growth of less than 1%.

County Source Markets

Over three quarters of all guests to Cork in the month of October 2022 were from the Republic of Ireland, slightly behind the YTD October 2022 average domestic share of 82.3%. Domestic guests in Mayo took the 2nd spot with over 70% coming from the Republic of Ireland. Meanwhile at least 50% of all arrivals to Clare and Galway were also domestic.

Given its geographical proximity to the North/South border, Donegal continues to attract the largest portion of Northern Irish arrivals compared to any other county. In October 2022 Donegal welcomed 27.1% of its guests from Northern Ireland, slightly behind the YTD October 2022 average of 31.2% over the 10-month period. By contrast, in counties further from Northern Ireland such as Kerry and Clare Northern Irish guests only accounted for 0.5% and 1.2% respectively of total arrivals in the month of October 2022.

With international air access on the doorstep, it is no shock to see Dublin take the top spot for the largest percentage of overseas travellers in October 2022 at 56.5% of all guests. Overseas travellers are not afraid to wander further afield though with half of guests in Kerry being from overseas and international tourists accounting for 45.8% and 45.2% of arrivals in Galway and Clare respectively.



County	Republic of Ireland	Northern Ireland	Overseas
Clare	54%	1%	45%
Cork	78%	6%	15%
Donegal	41%	27%	32%
Dublin	40%	4%	57%
Galway	53%	1%	46%
Kerry	50%	1%	50%
Mayo	71%	4%	25%

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 July 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=243, Bedspace / Source Market Data n=193, 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](#).

For more information please contact:

Website: www.str.com
Telephone: (+44) (0) 207 922 1930
Email: industrydata@str.com

