

Fáilte Ireland Hotel Survey

January 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

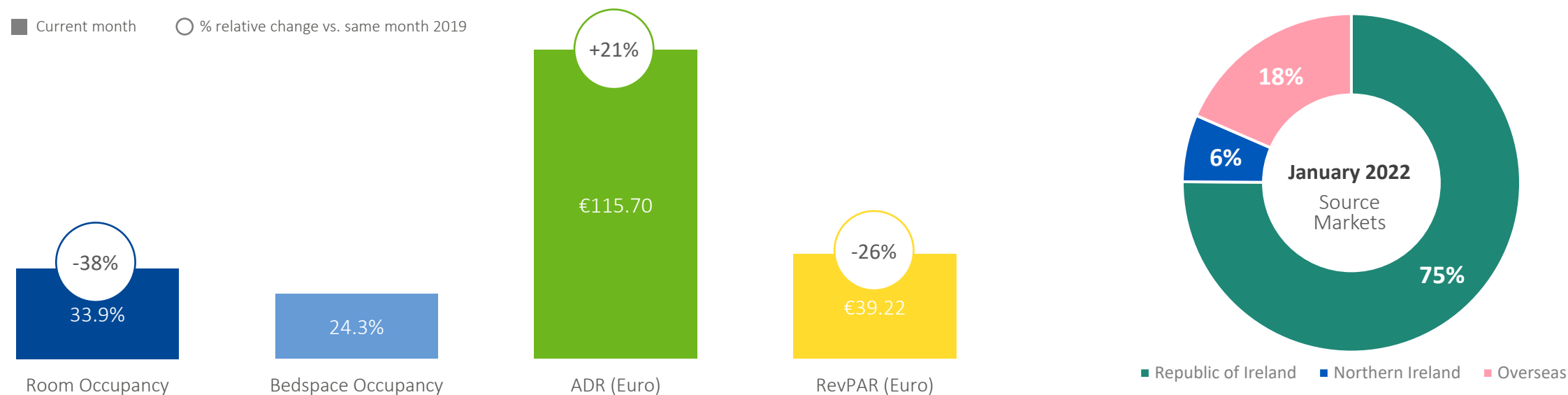
Continued COVID-19 restrictions led to a challenging start to the year for most Irish hoteliers as room occupancy stood at 33.9% in January 2022. Compared with January 2019, this constituted a decline of -38% in relative terms. Like room occupancy, bedspace occupancy, the proportion of available bedspaces sold during the month, was well below previous months at 24.3% during what is usually regarded as the quietest month of the year for Irish hotels.

Meanwhile, following the trend of previous months, hotels achieved strong room rate growth as ADR increased from €95.72 in January 2019 to €115.70 in January 2022. This marked a +21% increase in ADR which was likely impacted again by less corporate and group bookings in 2022 compared with 2019.

RevPAR, an important hotel performance metric based on rooms available and rooms sold, was €39.22 in January 2022. This was -26% below January 2019 as the steeper decrease in occupancy outstripped the growth in ADR. RevPAR declined for hotels in 12 out of the 15 counties with sufficient year-on-year data while hotels in Clare, Limerick and Mayo recorded growth.

Republic of Ireland guests continued to account for most (75%) hotel guests across the country. Following a decline last month, the proportion of overseas visitors increased to 18%, equalling the highest proportion since the survey began in June 2021.

Key Performance Indicators



Ireland Room & Bedspace Occupancy: January 2022



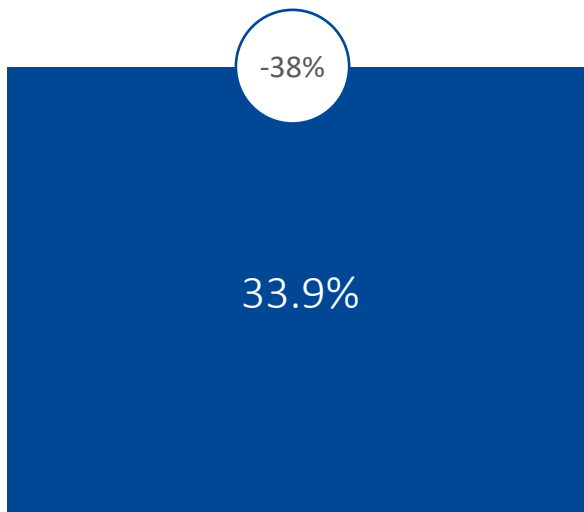
Government restrictions to limit the spread of the Omicron variant of COVID-19, including work from home guidance and reduced opening hours for pubs and restaurants, were in place for much of the month resulting in depressed demand for accommodation nationwide.

Hotel room occupancy was 33.9% in January 2022 – a month which is generally considered to be the quietest of the year. This compares with 40.7% in December 2021 and, more tellingly, 54.3% in January 2019. For the latter, this marked a -38% decline in room occupancy highlighting the extent of the challenges for the sector during the month.

Meanwhile, bedspace occupancy, the proportion of available bedspaces sold during the month, was 24.3% which was again well below previous months.

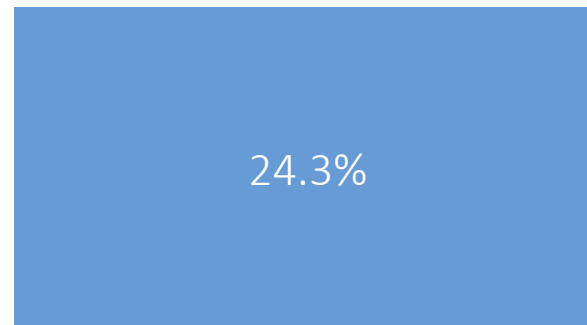
■ Current month ○ % relative change vs. same month 2019

Room Occupancy



Jan-22

Bedspace Occupancy



Jan-22

Highest room occupancy in January

60.6%

Saturday 29th January 2022

Highest / lowest room occupancy performing days of the month

Saturdays (45.7%) / Sundays (28.3%)

Ireland ADR & RevPAR: January 2022

In January 2022, national ADR was €115.70. While below December 2021 (€136.10) and previous months since the second half of 2021, this was +21% above the pre-pandemic rate recorded in January 2019 (€95.72).

There are several factors which may drive up ADR in the short-term, such as rising input costs stemming from underlying inflationary pressures, along with staff shortages and a higher cost of living. Conversely, domestic demand could moderate as international demand grows in line with 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 down.

RevPAR for the month overall was €39.22. As to be expected due to reduced seasonal demand, this was well below previous months. It was also significantly below the pre-pandemic level as the steep contraction in occupancy offset the growth in ADR and led to a -26% reduction in RevPAR compared with January 2019 (€53.29).

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



Highest RevPAR in January

€85.11

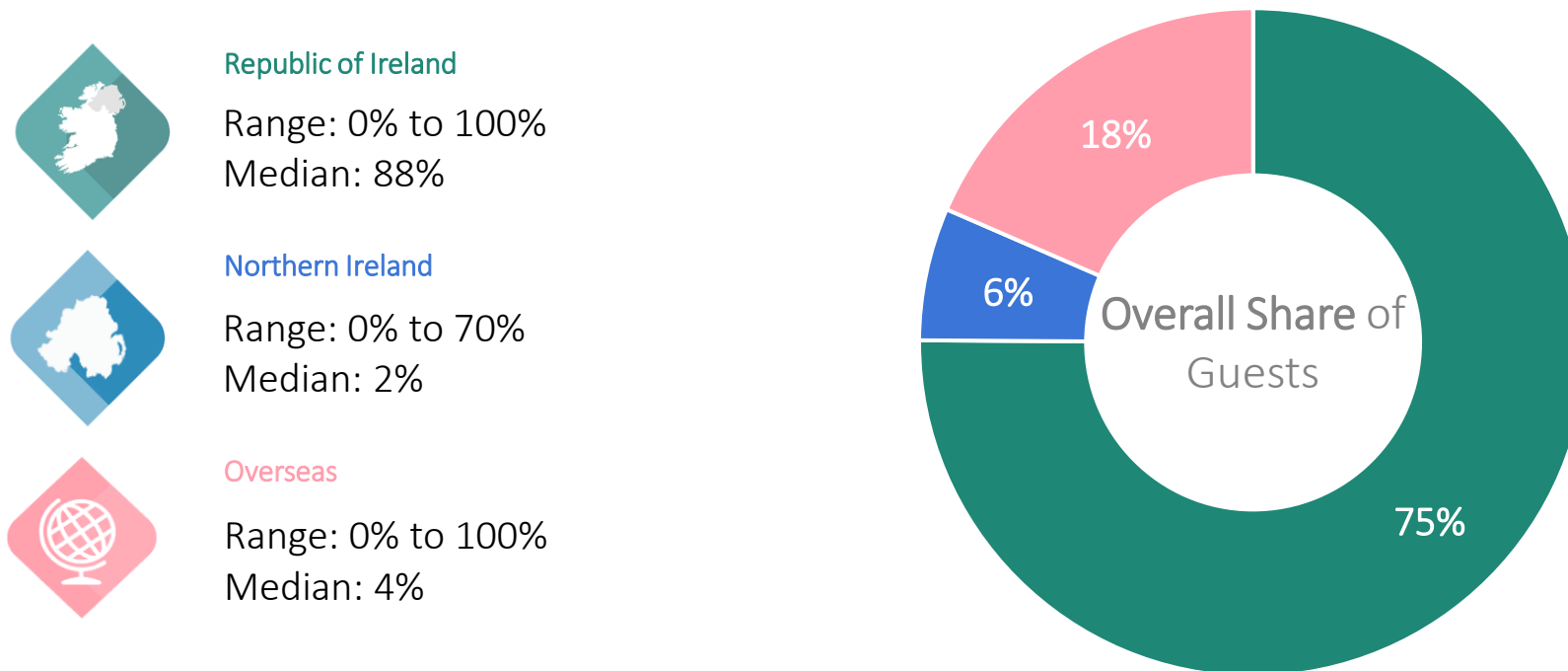
Saturday 29th January 2022

Highest / lowest (RevPAR)
performing days of the month

Saturdays (€65.64) / Mondays (€31.31)

Ireland Source Markets: January 2022

Consistent with previous months, Republic of Ireland consumers accounted for most guests staying at hotels across the country (75%). Overseas visitors were the second largest source market making up 18% of all guests in January. This equals the highest proportion recorded in October and November 2021, following a decline to 14% in December 2021. Meanwhile, 6% of guests were from Northern Ireland which was a decline compared 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



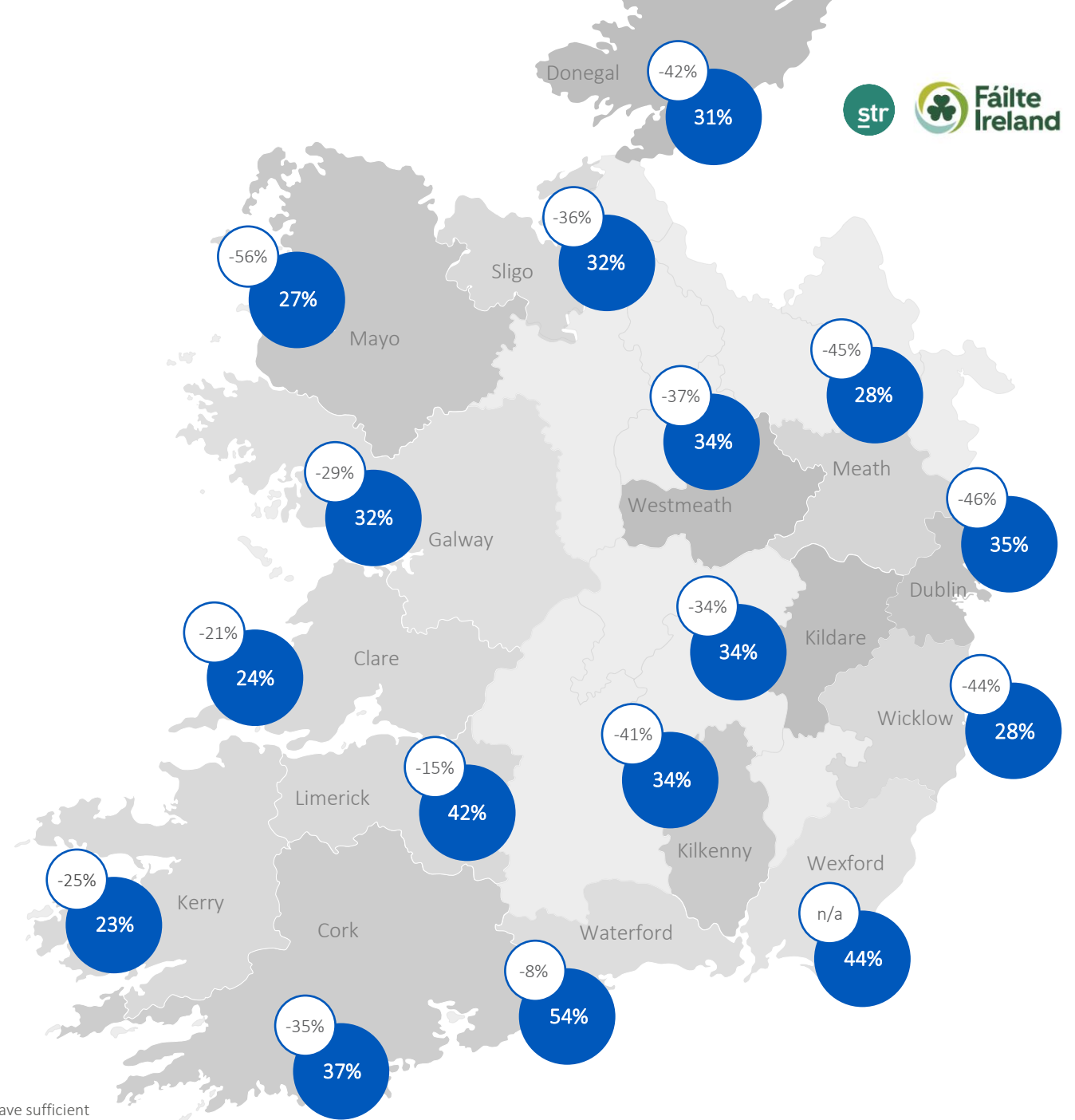
● Current month room occupancy ○ % relative change vs. same month 2019

In January 2022, the highest room occupancy was achieved by hotels in Waterford (54%). Indeed, this was the only county to post over 50% occupancy during the month. Wexford and Limerick hotels also performed notably above average recording occupancy of 44% and 42%, respectively.

Meanwhile, hotels in Clare and Kerry achieved the lowest room occupancy of 24% and 23%, respectively.

None of the 15 counties with sufficient data achieved room occupancy growth compared with January 2019. Waterford was the only county not to post a double-digit decline as occupancy fell by -8% compared with January 2019. Limerick hotels also fared better than others noting a -15% decline in room occupancy.

Meanwhile, the steepest declines were experienced by hotels in Mayo and Dublin as occupancy fell by -56% and -46%, respectively. Four other counties achieved -40% or greater declines in room occupancy. They were Meath (-45%), Wicklow (-44%), Donegal (-42%) and Kilkenny (-41%).



Note: There are 16 counties with sufficient room occupancy data in January 2022. However, one county does not have sufficient data in January 2019 so year-on-year comparisons are based on 15 counties. These are displayed and reported here.

County ADR & RevPAR

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



Average Daily Rate (ADR)

The highest ADR during the month was achieved by hotels in Wicklow (€195.80) followed by hotels in Mayo (€176.35) and Kilkenny (€150.17). Meanwhile, repeating a trend of previous months, the lowest ADRs were recorded by hotels in Sligo (€92.84) and Waterford (€84.65).

Hotels in 14 of the 15 counties with sufficient data to enable comparisons with January 2019, achieved ADR growth. Dublin was the exception as hoteliers in the capital noted a -5% decline in ADR. Waterford hotels also performed significantly below average achieving ADR growth of +5% which contrasted with their occupancy performance.

Conversely, hotels in Mayo and Kilkenny achieved the highest ADR growth of +133% and +66%, respectively. For the former, this meant that ADR had more than doubled to €176.35 from €75.58 in January 2019. Hotels in Westmeath, Clare and Meath also posted particularly strong ADR growth of over 50%.

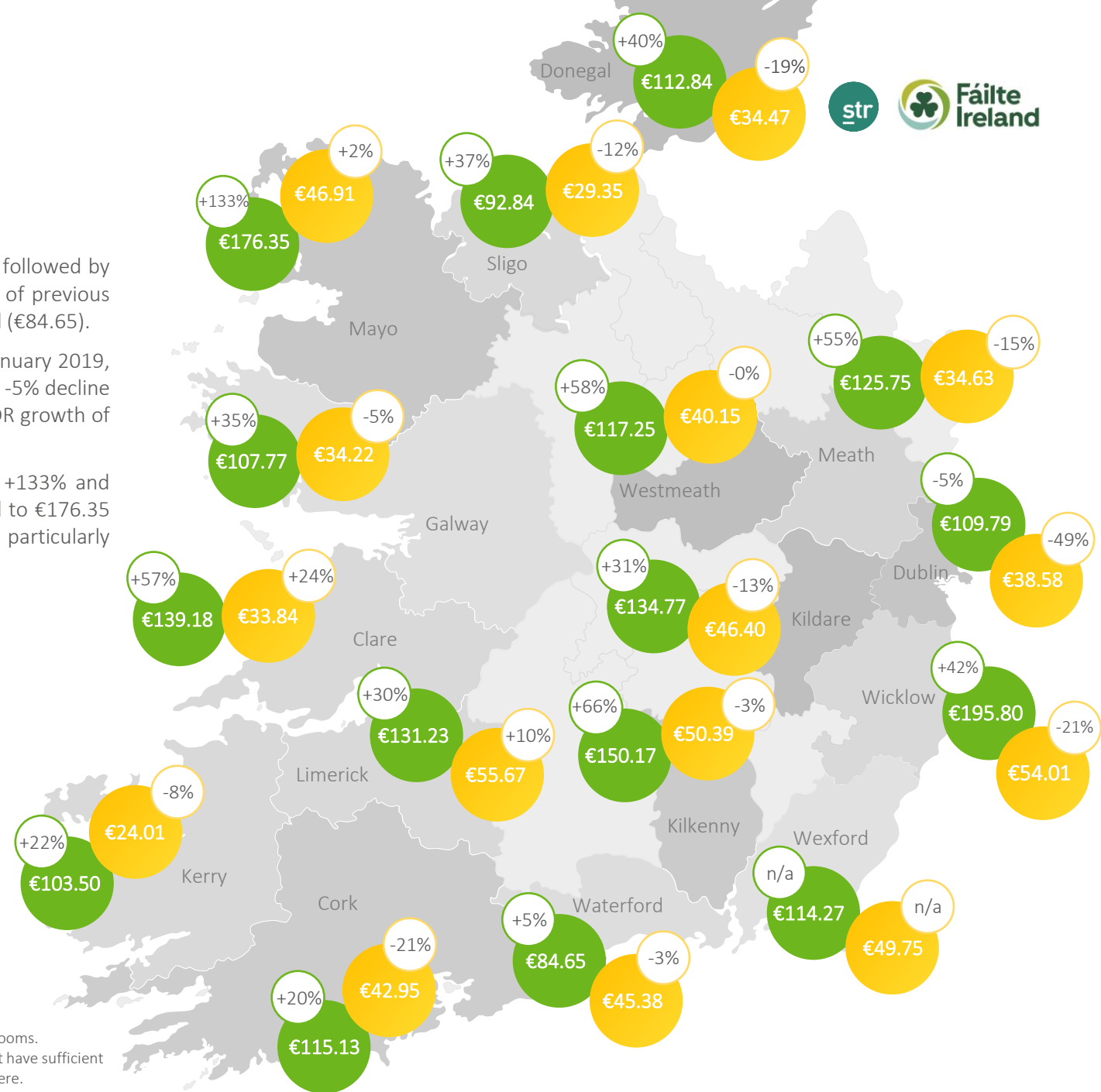
Revenue Per Available Room (RevPAR)

Hotels in only three out of the 16 counties were able to achieve RevPAR of €50 or above. This compares with 10 counties out of 15 in December 2021. These were Limerick (€55.67), Wicklow (€54.01) and Kilkenny (€50.39). Whereas the lowest RevPARs were achieved by hotels in Sligo (€29.35) and Kerry (€24.01).

Heavily impacted by much reduced occupancy, RevPAR was below the pre-pandemic level of January 2019 for hotels in 13 of the 15 counties with sufficient year-on-year data. The steepest contraction was recorded by hotels in Dublin (-49%). This was a starker fall than in December 2021 and reversed a trend of narrowing declines in previous months. Significant RevPAR declines of -20% or more were also posted by hotels in Cork and Wicklow (-21%).

The three counties which achieved RevPAR growth were Clare (+24%), Limerick (+10%) and Mayo (+2%).

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 2022. However, one county does not have sufficient data in January 2019 so year-on-year comparisons are based on 15 counties. These are displayed and reported here.
 Note: -/+0% indicates decline/growth of less than 1%.



County Source Markets



Republic of Ireland



Northern Ireland



Overseas

Hotels across Ireland continued to rely heavily on domestic visitors, accounting for 75% of all guests. The highest proportion of domestic guests were among hotels in Clare (98%), Kerry (94%), Wexford (94%) and Cork (93%).

Meanwhile, hotels in Dublin and Donegal welcomed notably fewer domestic visitors (50% and 53%, respectively). For Donegal, consistent with previous months, visitors from Northern Ireland made up a considerable share of hotel guests (42%). Dublin hotels attracted the largest share by far of international visitors (45%). In addition to Dublin, only two other counties out of the eight with sufficient source market data, recorded 10% or more overseas guests. They were Galway (15%) and Limerick (10%).

	Republic of Ireland	Northern Ireland	Overseas
Clare	98%	2%	0%
Cork	93%	1%	6%
Donegal	53%	42%	5%
Dublin	50%	5%	45%
Galway	80%	5%	15%
Kerry	94%	5%	1%
Limerick	88%	2%	10%
Wexford	94%	0%	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=239, Bedspace / Source Market Data n=182, Overall Universe of Hotels n=819).
- 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

