

Fáilte Ireland Hotel Survey

December 2021 Summary Report



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Executive Summary

National hotel occupancy stood at 40.7% in December 2021. Compared to the pre-pandemic rate of 55.8% in December 2019, this was a decline of -27% as rising COVID-19 case rates, due to the emergence of the Omicron variant, led to travel disruption, tightening restrictions and reduced accommodation demand. Bedspace occupancy was also lower than previous months at 32.8%.

Despite the overall contraction in demand, continuing the trend of previous months, ADR increased compared with 2019. National ADR was €136.10 in December 2021 which was +16% above December 2019.

The strong ADR performance was likely in part impacted by higher room rates achieved during the festive period, despite the negative impacts of Omicron. Those hotels that remained opened during the festive period were also more likely to be luxury operators which contributed to the high ADR growth.

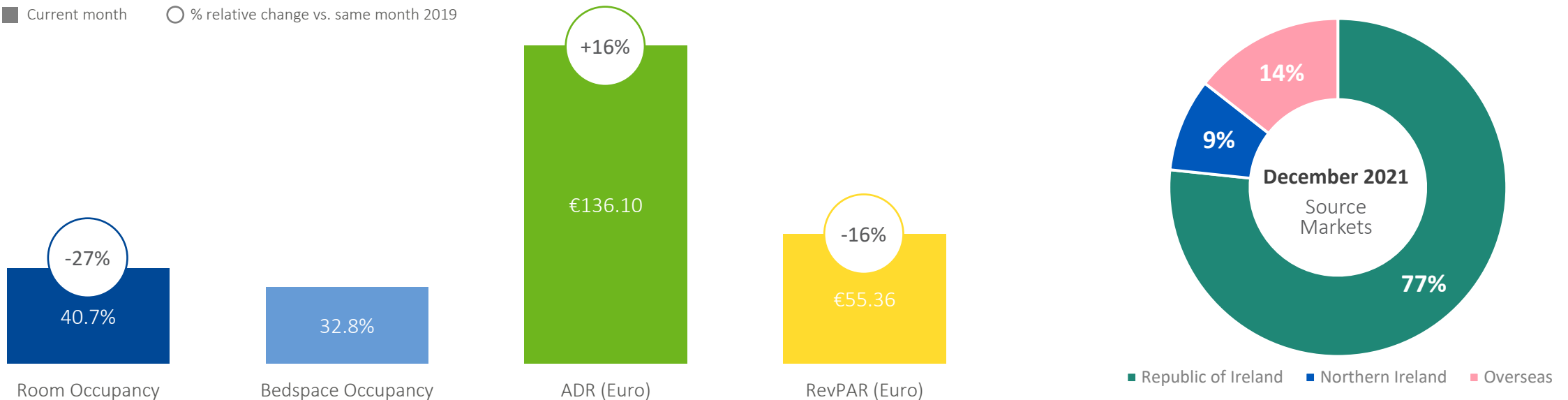
In addition, reduced corporate and tour operator business in 2021 compared with 2019 is also likely to have propped up rates. These aspects combined with other factors enabled hotels in each of the 14 counties with sufficient data to achieve ADR growth compared with 2019.

RevPAR for the month was €55.36. This was again below the pre-pandemic rate of €66.02 in December 2019 as the steep contraction in occupancy outstripped the gains hotels had made by growing rates. As a result, RevPAR fell by -16% overall compared with 2019.

Overseas visitors made up 14% of hotel guests during December, which was a smaller percentage than in previous months (18% in October and November). Northern Ireland guests continued to account for around 10% of hotel guests across the country. The lion's share of guests were from the Republic of Ireland (77%).

Key Performance Indicators

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



Note: Bedspace Occupancy for 2019 is not available.

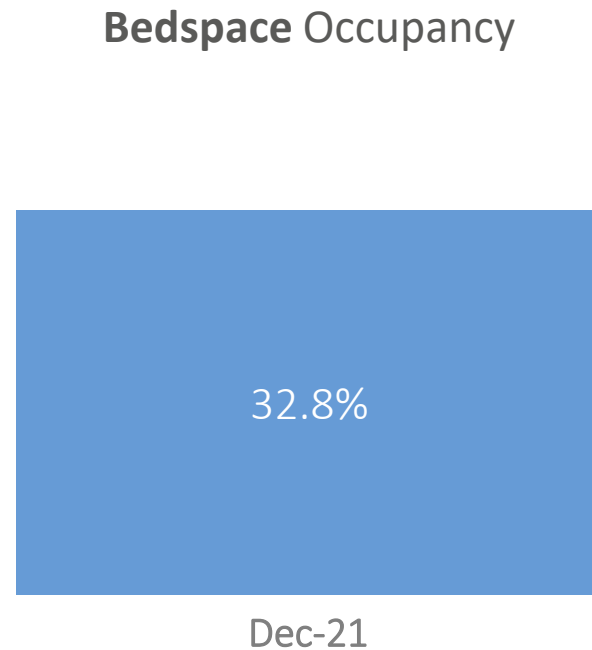
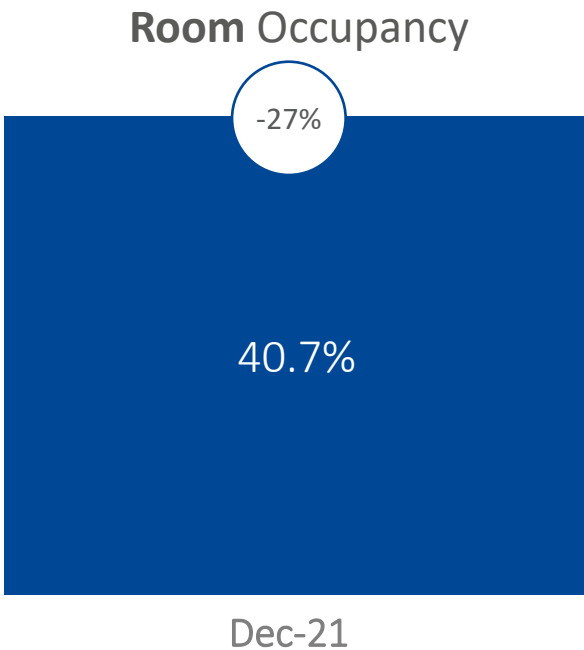
Ireland Room & Bedspace Occupancy: December 2021



In December 2021, increasing COVID-19 case rates, arising from the new Omicron variant, led to tightening restrictions, including reduced capacity for cultural and sporting events alongside reduced opening hours for pubs and restaurants. These factors contributed to an overall dampening of demand for accommodation, which was linked in part to a swathe of Christmas party cancellations. As a result, hotels achieved relatively low room occupancy of 40.7% during the month. Seasonality typically leads to reduced demand and, hence, occupancy in December. Therefore, it was not surprising that performance fell below recent months as occupancy hovered around 50-60% in October and November 2021. However, compared with December 2019, room occupancy declined by -27%.

Bedspace occupancy, the proportion of available bedspaces sold during the month, was also below recent months at 32.8%.

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



Highest room occupancy in December
70.2%
Saturday 4th December 2021

Highest / lowest performing days of the month
Saturdays (52.3%) / Sundays (36.2%)

Note: Bedspace Occupancy for 2019 is not available.

Ireland ADR & RevPAR: December 2021

National ADR in December 2021 was €136.10. This was higher than recent months as ADR in October and November 2021 was under €130. This rate was also above the pre-pandemic rate of €117.72 in December 2019. This equated to growth in ADR of +16% which outstripped the gains seen in November and October (+9% and +8%, respectively).

There are several factors which may drive up ADR in the short-term, such as continuing domestic demand, rising input costs stemming from underlying inflationary pressures, along with staff shortages and a higher cost of living fuelling stronger wage growth. 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, an important hotel yield metric based on room availability and room revenue, during the month was €55.36. This was -16% below December 2019 which was by-and-large a similar decline compared with previous months (October -16% and November 2019 -13%).

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



Highest RevPAR in December
€114.86
Saturday 4th December 2021

Highest / lowest (RevPAR) performing days of the month
Saturdays (€85.97) / Sundays (€45.09)

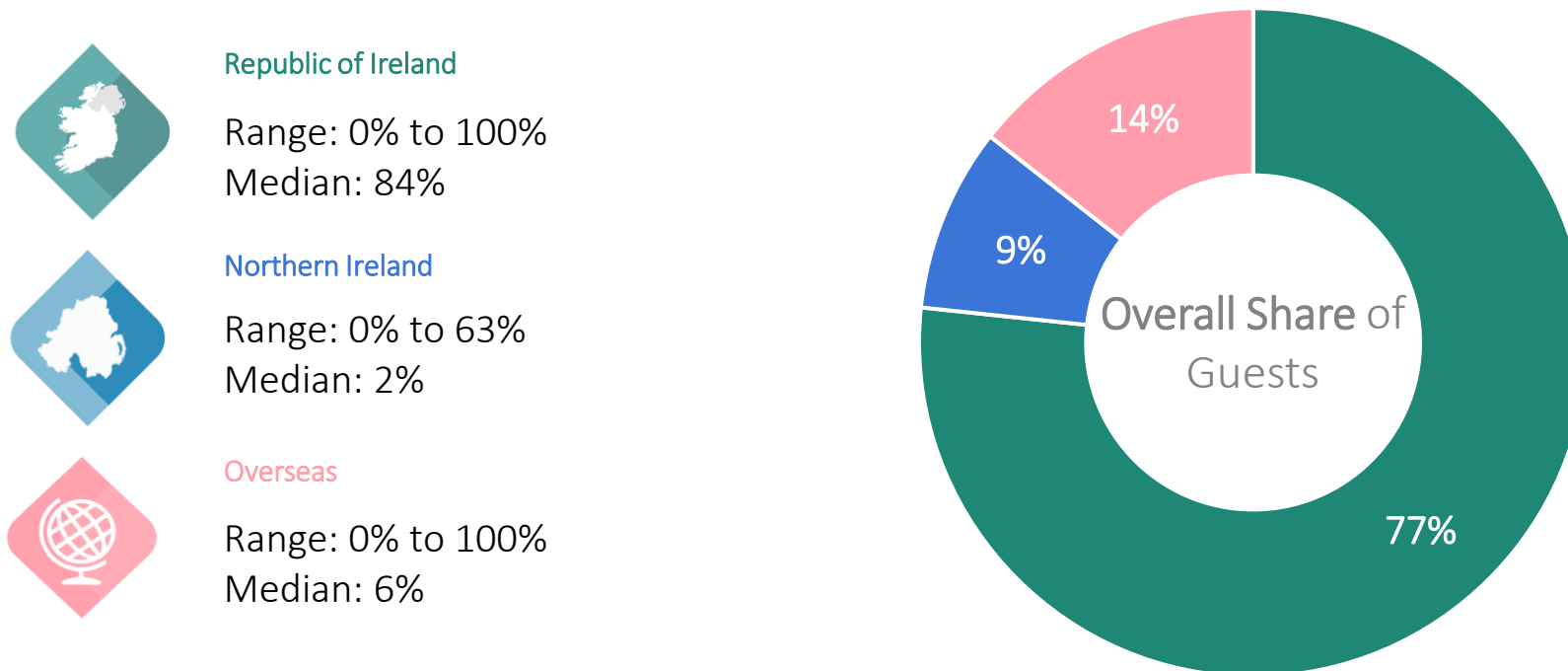
Note: Average Daily Rate (ADR) is the average room rate (excluding taxes) charged by hotels.
Note: Revenue Per Available Room (RevPAR) is the total room revenue divided by the total number of available rooms.

Ireland Source Markets: December 2021

In December 2021, there were fewer visitors from outside of the Republic of Ireland at hotels than in recent months. As a result, domestic guests from the Republic of Ireland were even more important accounting for 77% of all guests during the month compared with 74% in November and 72% in October.

Visitors from Northern Ireland again accounted for around 10% of hotel guests overall, although they were more heavily concentrated at hotels close to the Northern Ireland border, such as in Donegal.

The remainder (14% of hotel guests) were from overseas. Increased barriers to international travel such as pre-arrival and pre-departure testing and seasonality likely contributed to a reduction in international travellers in December 2021 compared with previous months (October and November 18%).



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.

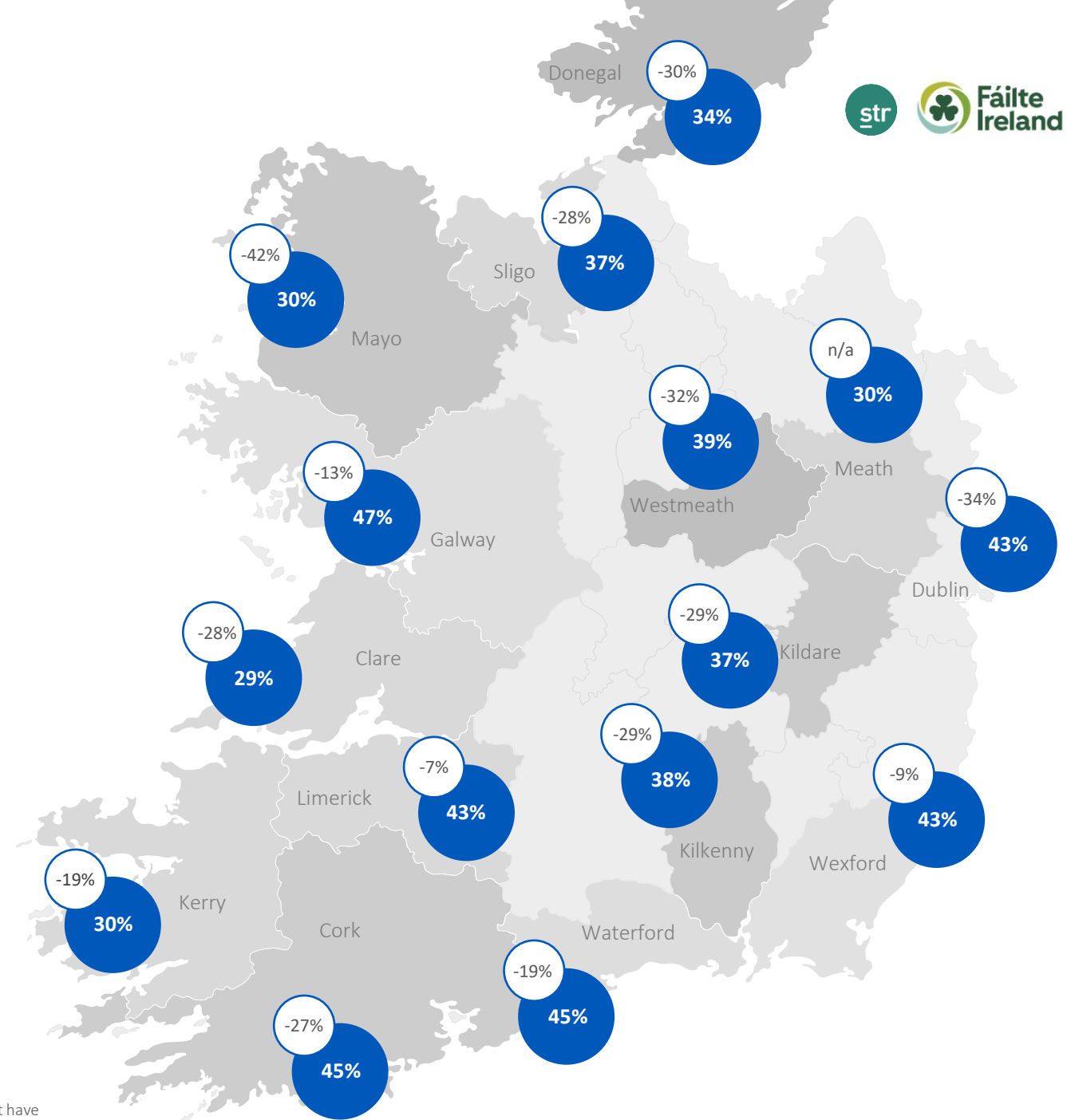
County Occupancy

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

Highlighting generally low demand and challenging trading conditions across the country during the month, room occupancy was in the region of 30-50% for all hotels.

The lowest occupancy was achieved in Clare (29%) followed by Kerry, Mayo and Meath (all 30%). Meanwhile, hotels in Galway (47%), Cork and Waterford (both 45%) posted the highest room occupancy.

Hotels in each of the 14 counties with sufficient data to enable year-on-year reporting registered a decline in occupancy compared with December 2019. The steepest decline was recorded by Mayo hotels (-42%) followed by Dublin (-34%) and Westmeath (-32%). Meanwhile, the softest declines were evident among Limerick (-7%) and Wexford (-9%) hotels. Indeed, hotels in these two counties were the only ones to not record a double-digit decline in room occupancy compared with December 2019.



Note: There are 15 counties with sufficient room occupancy data in December 2021. However, one county does not have sufficient data in December 2019 so year-on-year comparisons are based on 14 counties. These are displayed and reported here.

County ADR & RevPAR

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



Average Daily Rate (ADR)

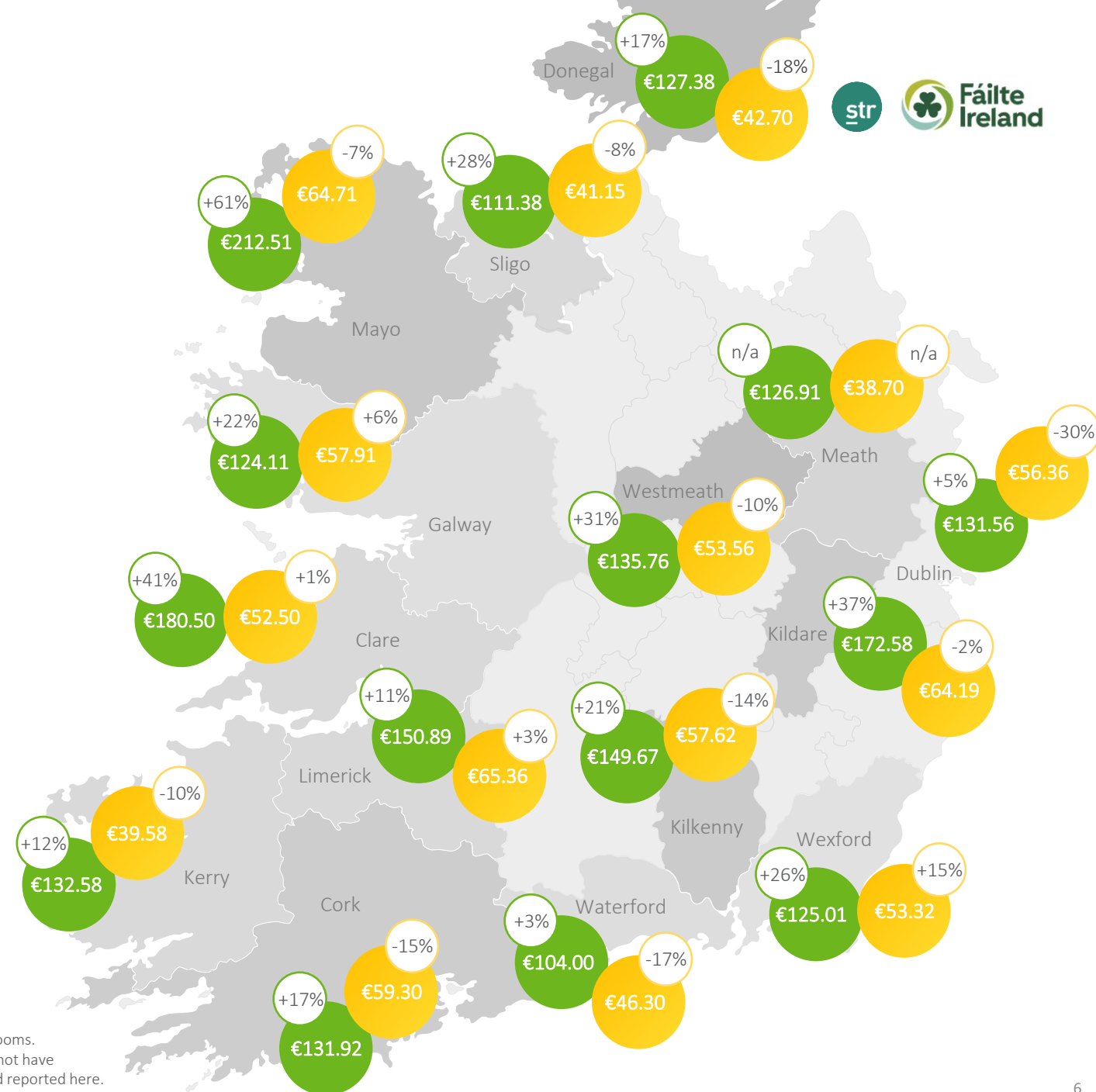
Continuing the trend of previous months, the highest ADRs were achieved by hotels in Mayo (€212.51), Clare (€180.50) and Kildare (€172.58). Meanwhile, the lowest ADRs were recorded among hotels in Sligo (€111.38) and Waterford (€104.00), consistent with previous months.

Hotels in each of the fourteen counties with sufficient data to enable year-on-year reporting achieved ADR growth compared with December 2019. The steepest growth was achieved by hotels in the three counties with the highest ADR: Mayo (+61%), Clare (+41%) and Kildare (+37%). Whereas the softest ADR growth was among hotels in Waterford (+3%) and Dublin (+5%). Hotels in 12 counties posted double-digit ADR growth.

Revenue Per Available Room (RevPAR)

Hotels in Limerick (€65.36), Mayo (€64.71) and Kildare (€64.19) achieved the highest RevPAR. These were the only three counties out of the 15 counties to post RevPAR of €60 or above during the month which compares with ten out of 15 in November 2021. Meanwhile, the lowest RevPAR, both below €40, was achieved by hotels in Meath (€38.70) and Kerry (€39.58).

Benefitting from a slower contraction in occupancy and strong ADR growth of over 25%, hotels in Wexford achieved the highest RevPAR growth of 15% compared with December 2019. Hotels in Galway and Limerick also performed strongly notching RevPAR growth of 6% and 3%, respectively. Meanwhile, the steepest contractions in RevPAR were recorded by hotels in Dublin (-30%), Donegal (-18%) and Waterford (-17%). For the former, this marked a reversal of fortunes compared with previous months as October and November had recorded shrinking RevPAR declines compared with 2019.



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 December 2021. However, one county does not have sufficient data in December 2019 so year-on-year comparisons are based on 14 counties. These are displayed and reported here.
 Note: -/+0% indicates decline/growth of less than 1%.

County Source Markets

Among the seven counties with sufficient data to enable source market analysis and reporting, the highest concentration of domestic guests was recorded at hotels in Kerry (94%) and Kildare (91%). Meanwhile, domestic visitors accounted for the lowest share of the overall guest mix at hotels in Donegal (56%) and Dublin (69%). For the former, there was once again a high prevalence of visitors from Northern Ireland as they accounted for 38% of hotel guests during the month. Meanwhile, the capital again attracted a disproportionately high number of overseas visitors as they made up 24% of the overall guest mix. Other counties which also welcomed more visitors from overseas than average were Galway (19%) and Limerick (16%).



County	Republic of Ireland	Northern Ireland	Overseas
Cork	87.6%	2.8%	9.6%
Donegal	56.4%	38.1%	5.5%
Dublin	69.4%	7.0%	23.6%
Galway	76.3%	4.8%	18.9%
Kerry	94.2%	1.1%	4.7%
Kildare	90.6%	8.3%	1.2%
Limerick	83.2%	0.8%	16.1%

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=235, Bedspace / Source Market Data n=195, Overall Universe of Hotels n=819).
- Further details about STR's hotel data methodology can be found [here](#).

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