Accommodation Occupancy Survey

Strategic Research and Insight

Whole year – 2023

Fáilte Ireland

Summary and Background

Summary

Occupancy levels above 2022 in every sector

- **Guesthouse** room occupancy in 2023 (77%) easily exceeded 2022 (68%)
- **B&B** room occupancy (64%) in 2023 was also well above 2022 (54%) – but many B&Bs have not reopened, so net occupancy comparisons should be viewed with caution
- **Self-catering** unit occupancy in 2023 was 62% (compared to 58% in 2022) – the sector recovered faster than others after Covid and so there was less 'headroom' to improve significantly on an already good 2022
- **Caravan and campsite** pitch occupancy Apr – Sep was 60%, which compares to 56% in 2022 – growth could have been higher with better summer weather
- **Hostel** bed occupancy (65%) in 2023 was also up on 2022 (59%)

International tourists underpin the growth in 2023

- International tourists occupied the majority of bedspaces in the guesthouse, B&B and hostel sectors; the split between international and domestic Tourists in self catering and caravan & camping was close to 50/50
- The January Tourism Barometer showed that the overseas market performed strongly in 2023, especially North America

Background

What is the accommodation occupancy survey?

- Strategic Research and Insight (SRI) operates a monthly survey with (non-hotel) accommodation operators
- Data on room/unit occupancy, bed occupancy and split by domestic / international guests is gathered on an ongoing basis online and by telephone
- The table below shows the number of monthly data forms completed by sector during 2023

Sector / Month	Population	Total completions in 2023*			Average sample per month		
		Open	Closed	Total	Open	Closed	Total
Guesthouses	118	345	283	628	29	24	53
BandBs	820	1,384	2,923	4,307	115	244	359
Self-catering	450	1,725	817	2,542	144	68	212
Caravan and camping	124	317	77	394	53	13	66
Hostels	77	275	408	683	23	34	57

* The caravan and camping figures are for Apr – Sep

Individual Sectors

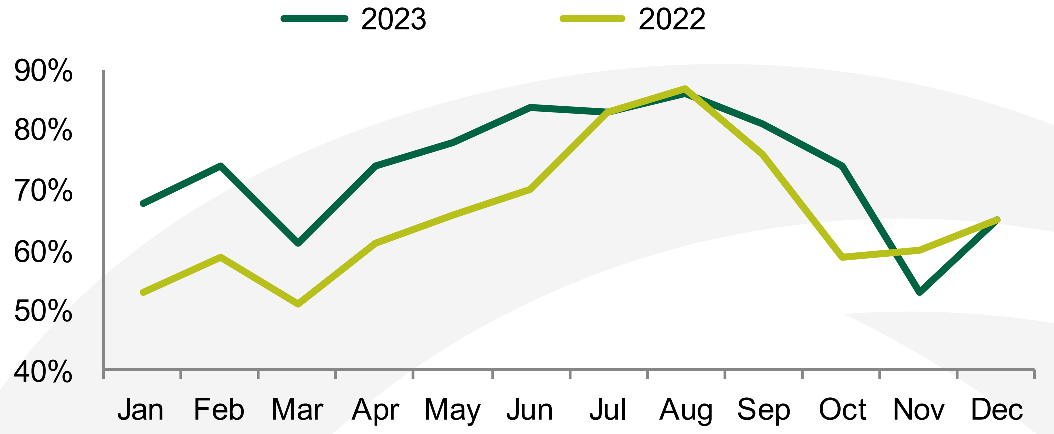
Fáilte Ireland

Guesthouses (1)

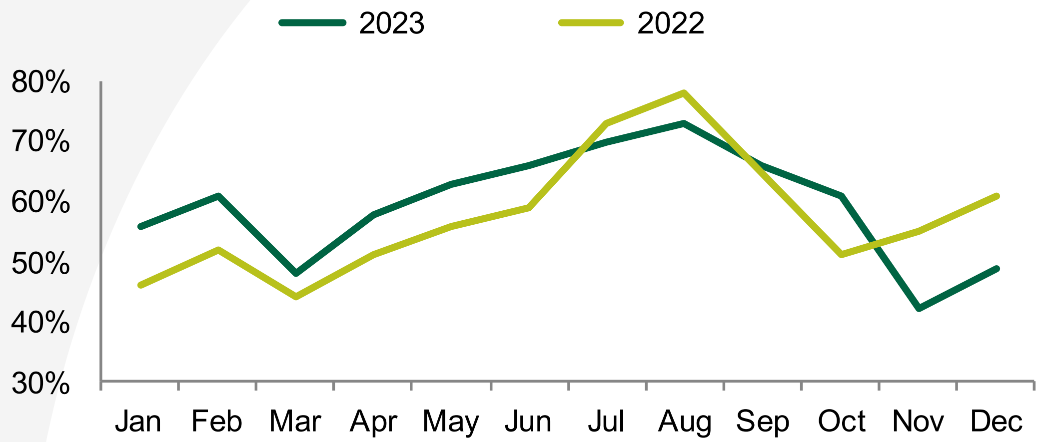
Excellent performance in shoulder seasons

- Room and bed occupancy in 2023 was significantly higher than 2022 in the shoulder seasons (spring and early autumn)
- This gave the sector quite a consistent level of occupancy over a 6 to 7-month period compared to the more spiked performance in 2022 – achieving seasonal spread is a key remit for Fáilte Ireland
- Overall net occupancy rates for 2023 were:
  - 77% room occupancy in 2023 vs 68% in 2022
  - 63% bed occupancy in 2023 vs 59% in 2022
- The January barometer showed that 14 out of the 20 guesthouses providing data were up in 2023

Guesthouse % room occupancy



Guesthouse % bed occupancy

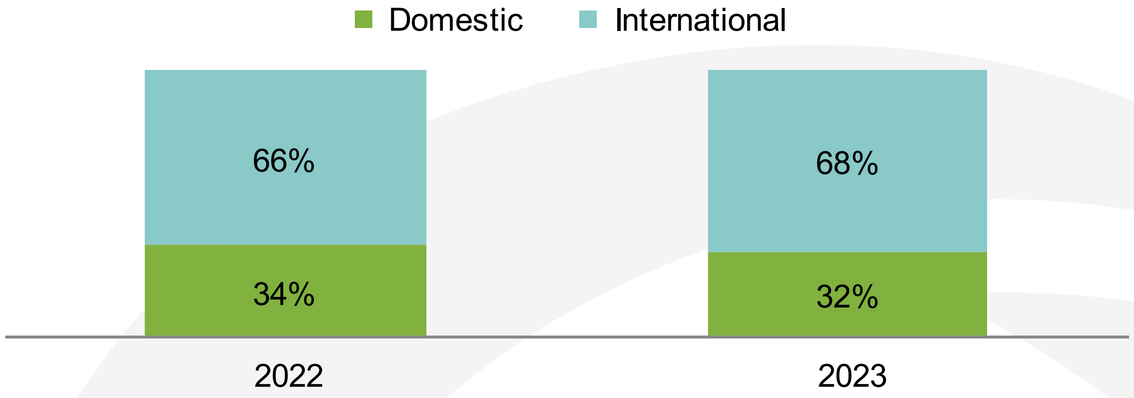


Guesthouses (2)

Strong international and domestic markets

- The international / domestic split in Tourists in 2023 was about the same as in 2022
- As overall occupancy levels were much higher in 2023 than in 2022, this implies that both the international and the domestic markets grew in volume

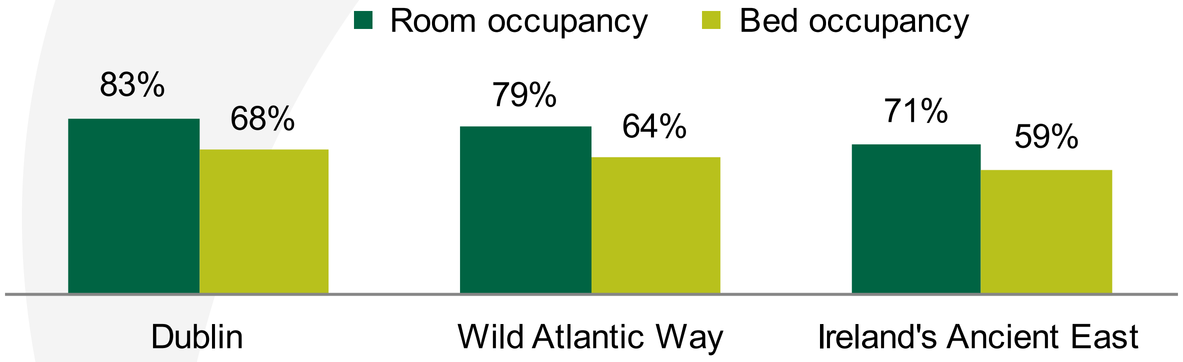
Guesthouse % split by domestic / international (Jan-Dec)



All regions performing well

- Dublin performed ahead of the other regions in the early part of the year.
- But overall, Wild Atlantic Way came close to matching Dublin's occupancy levels

Guesthouse % occupancy by destination (Jan-Dec)

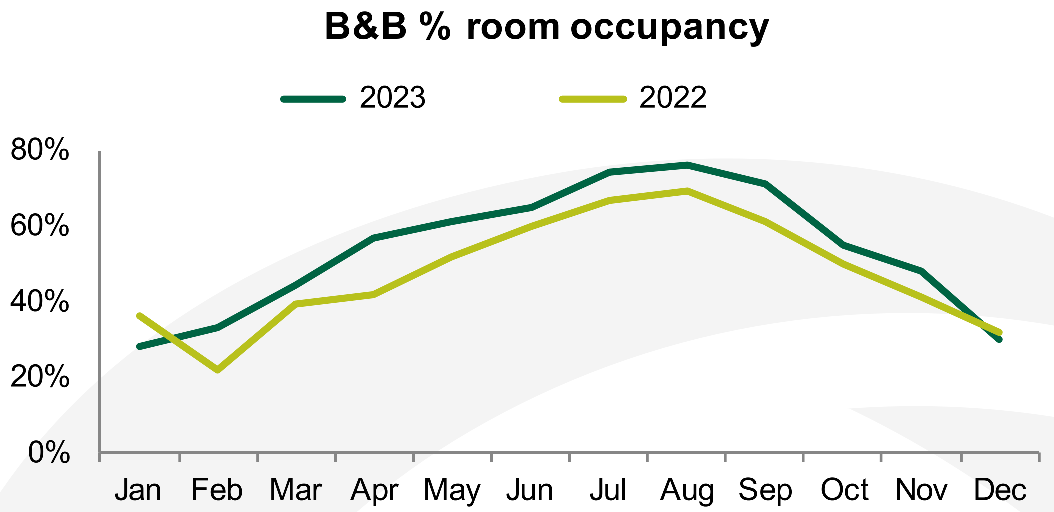


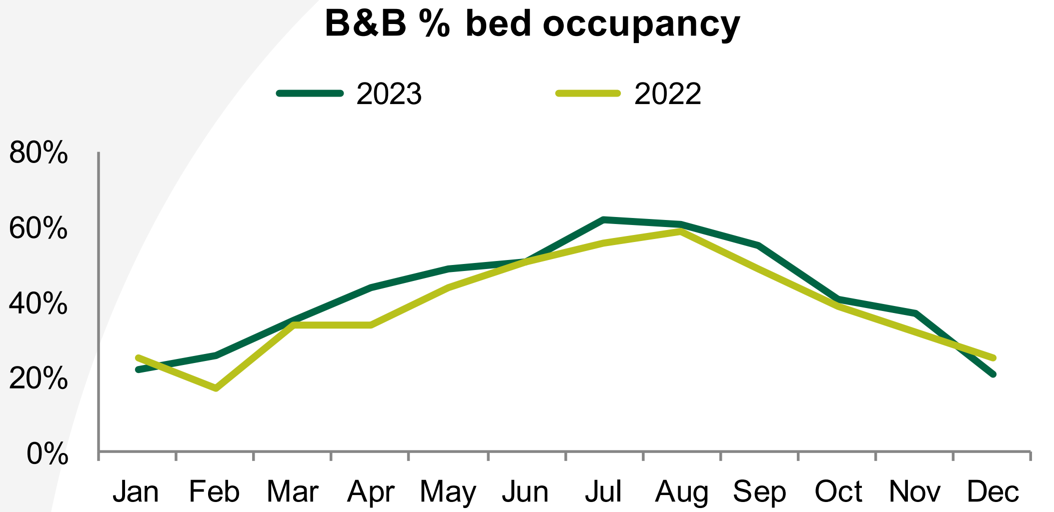
Note: Insufficient sample size in IHH for analysis

Bed and Breakfasts (1)

Net occupancy consistently higher in 2023

- B&B *net* occupancy levels were above 2022 throughout nearly all of 2023
- But many B&Bs have remained closed each month *(see earlier background, slide 4 for details)*
- Overall net occupancy rates for 2023 were:
  - 64% room occupancy in 2023 vs 54% in 2022
  - 51% bed occupancy in 2023 vs 45% in 2022
- The January barometer showed that 58% of B&Bs had more Tourists in 2023 compared to 2022; only 9% were down





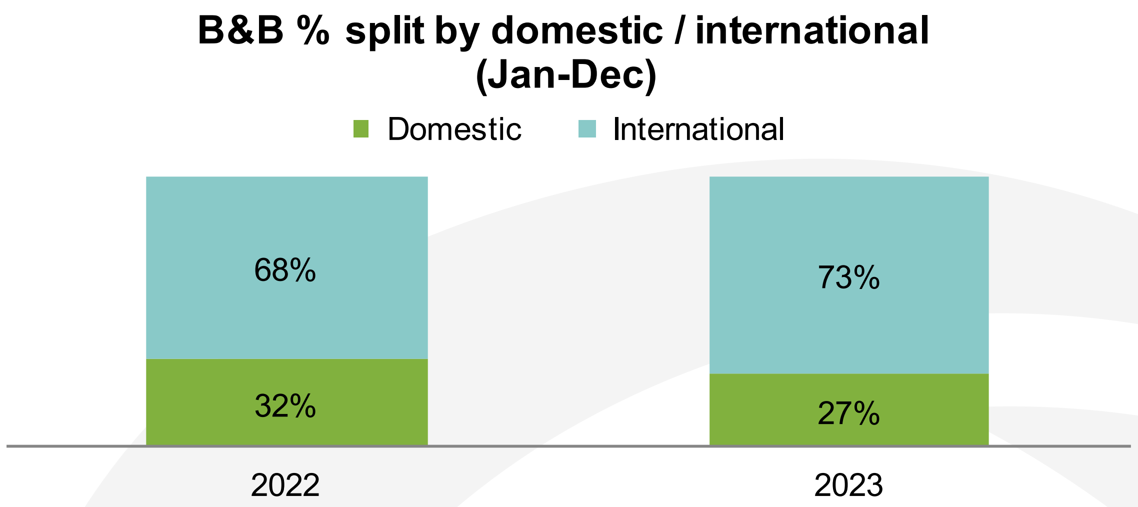
Bed and Breakfasts (2)

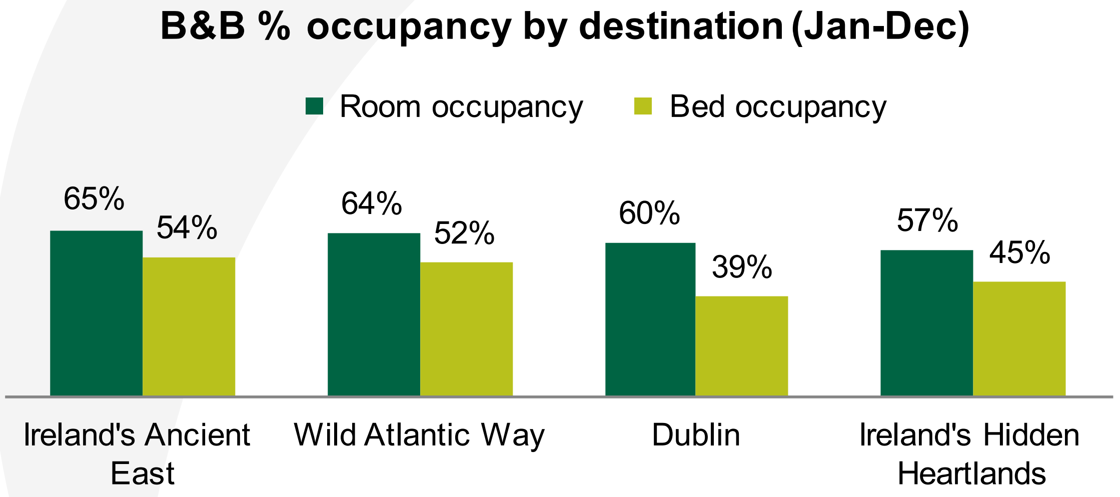
Strong level of international tourists

- International tourists made up about three quarters of the business in 2023
- The January barometer showed that 66% of B&Bs were up on international tourists in 2023, compared to just 7% reporting to be down

Fairly consistent performance by region

- The positive performance of the sector is seen across all regions – all performed significantly better in 2023 compared to last year

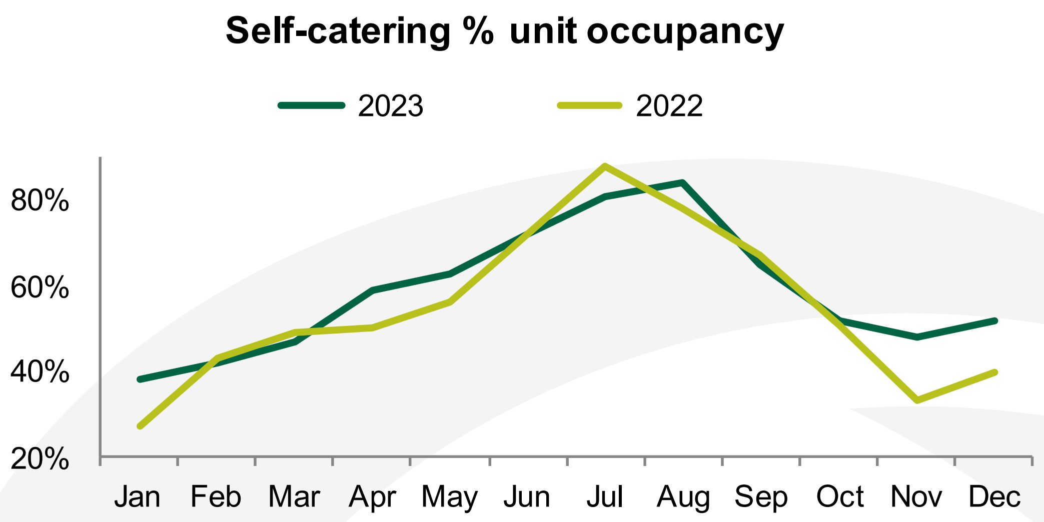


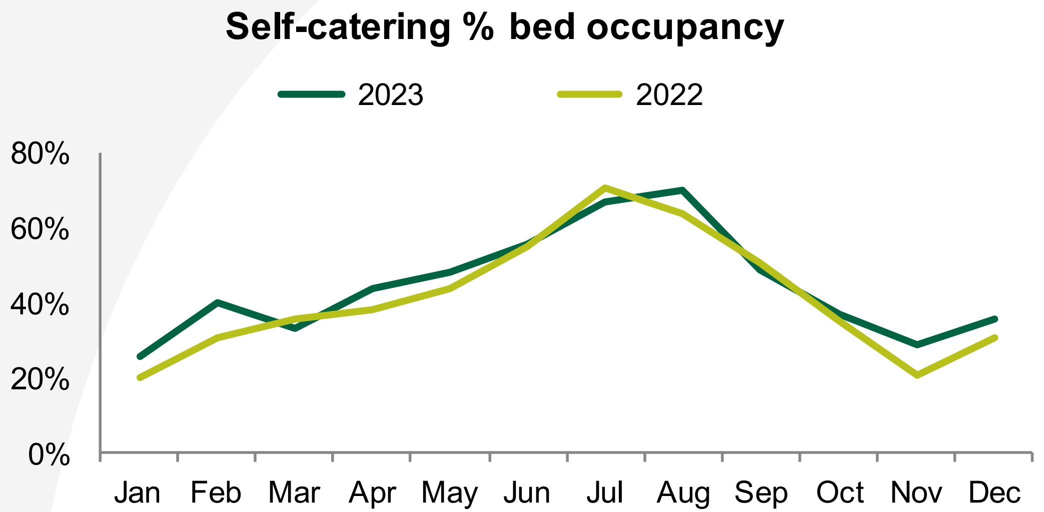


Self-catering (1)

‘See-saw’ performance against 2022

- Self-catering occupancy levels fluctuated under and over 2022 levels throughout 2023
- In the end, overall occupancy for 2023 slightly exceeded 2022 performance:
    - 62% unit occupancy in 2023 vs 58% in 2022
    - 47% bed occupancy in 2023 vs 44% in 2022
- The sector recovered faster than other sectors after Covid and so there was less ‘headroom’ to improve significantly on an already good 2022
- The January barometer showed 48% of self-catering operators had more Tourists in 2023 compared to 2022 vs 19% reporting to be down





Self-catering (2)

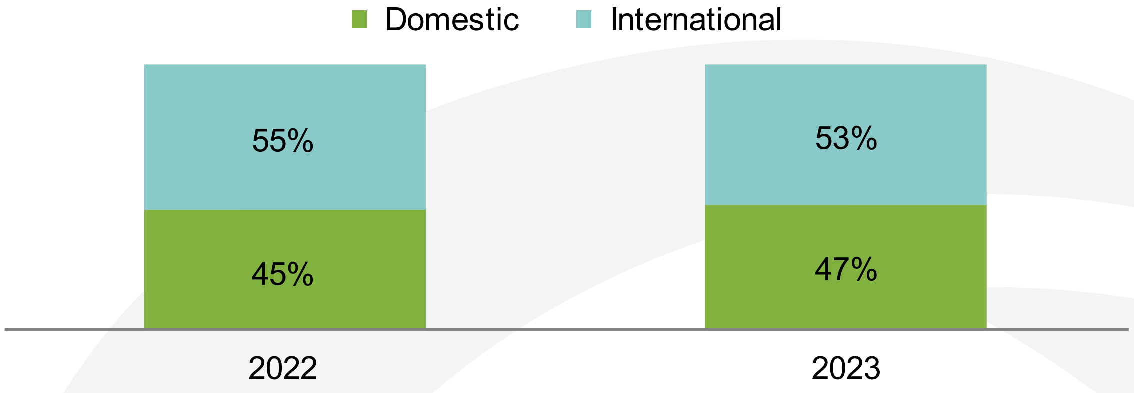
The two markets are equally important for this sector

- The balance of international vs domestic Tourists is much closer to 50/50 in self-catering compared to the serviced sectors, where the international market is more dominant
- In self-catering, the domestic market plays an important role by contributing many repeat Tourists – in the January barometer, 61% cited repeat Tourists as a positive factor on performance

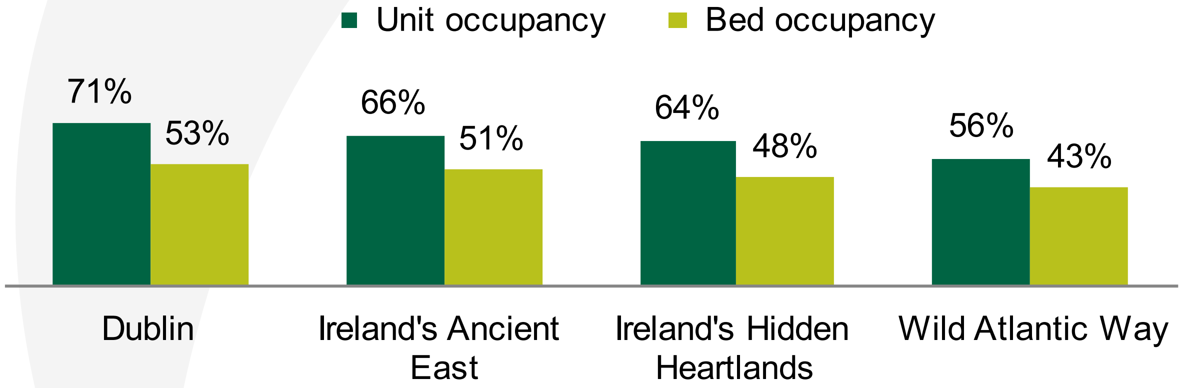
Varied year-on-year changes by region

- Occupancy levels in 2023 were quite high across all regions
- All regions saw increased unit occupancy in 2023 compared to 2022 except for Ireland's Hidden Heartlands (-3% pts)

Self-catering % split by domestic / international (Jan-Dec)



Self-catering % occupancy by destination (Jan-Dec)

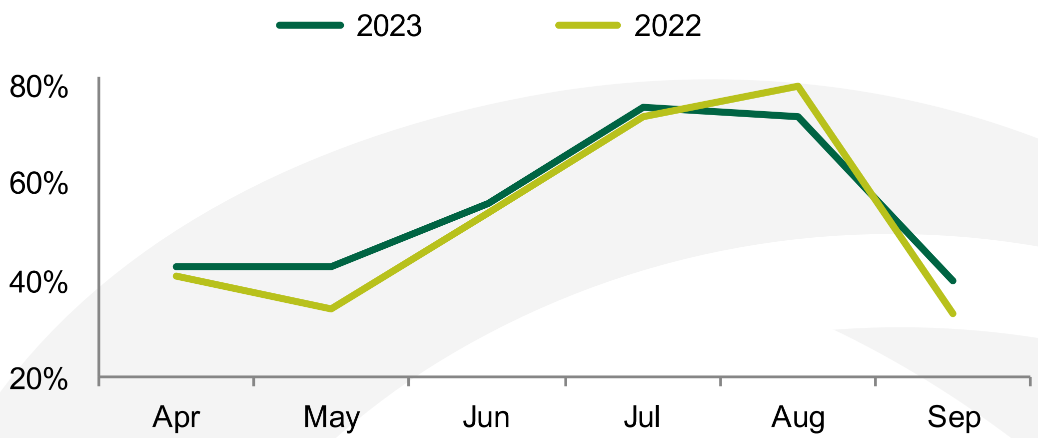


Caravan and Camping (1)

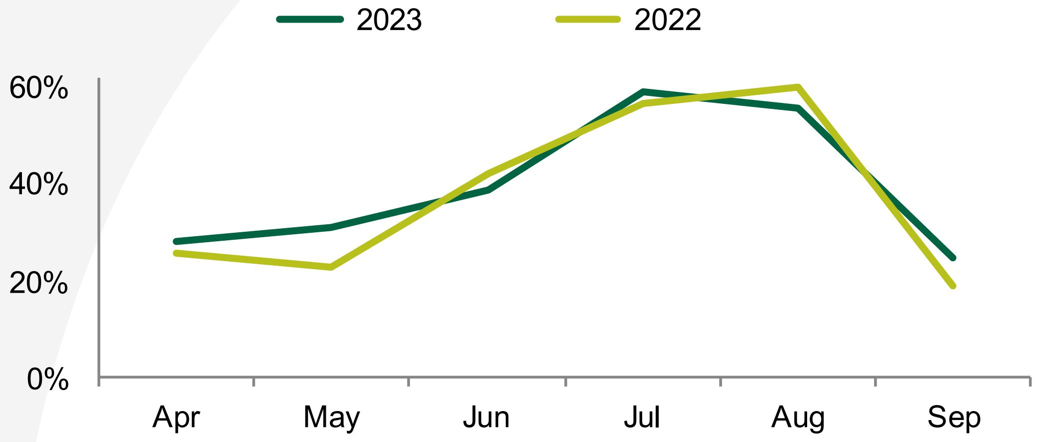
Good occupancy – but unfortunate summer rain

- Overall occupancy rates for Apr – Sep were:
  - 60% pitch occupancy in 2023 vs 56% in 2022
  - 44% guest occupancy in 2023 vs 41% in 2022
- Whilst occupancy rates showed continued year-on-year growth in the sector, rates could have been higher still had it not been for persistent bad weather in late July and the first half of August – a key holiday period
- The summer weather has not been forgotten because the January Barometer highlighted the weather as the highest concern in the sector for 2024

Caravan & camping % pitch occupancy



Caravan & camping % guest occupancy



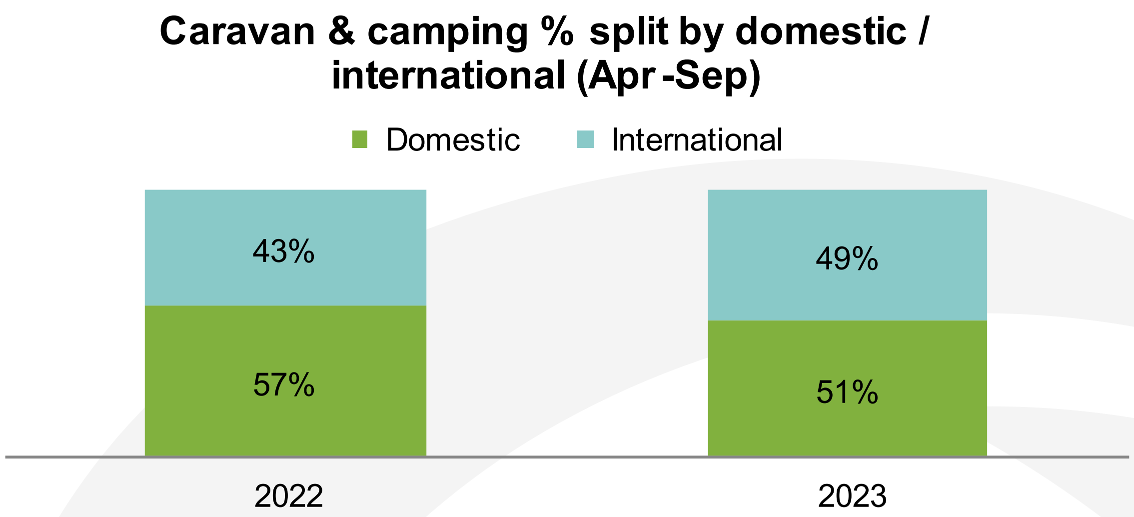
Caravan and Camping (2)

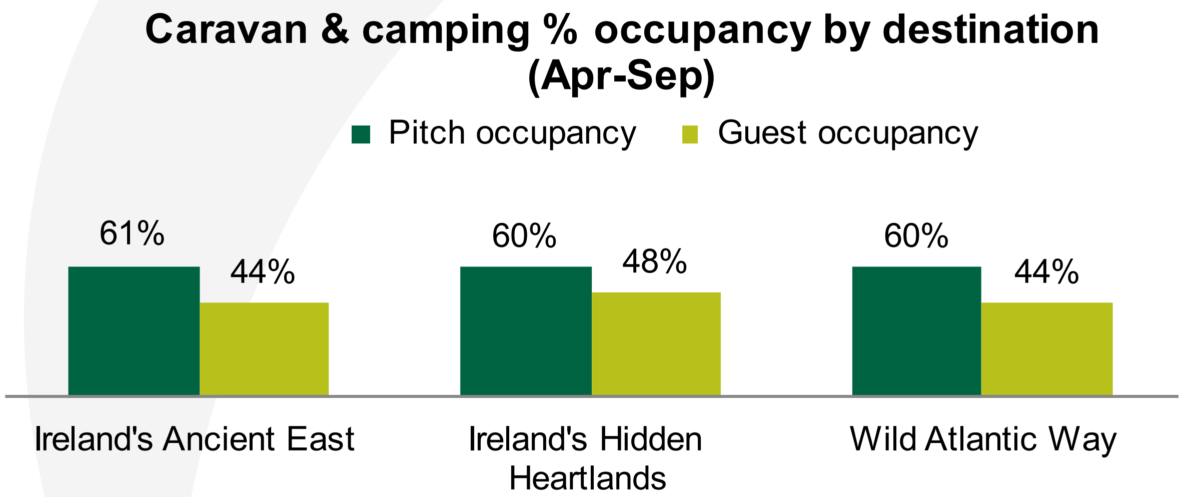
Rise in international share of guests

- In 2022, domestic Tourists still made up more than half of the sector’s occupancy but 2023 saw the balance with international tourists return to around 50/50
- The January barometer showed that the overseas market performed strongly in 2023, with 66% citing it to be up, compared to just 13% down
- The domestic market was down though for 40% of operators, compared to 27% reporting it to be up

Negligible differences by region

- The caravan and camping sector saw the most consistent performance by region of any sector in 2023

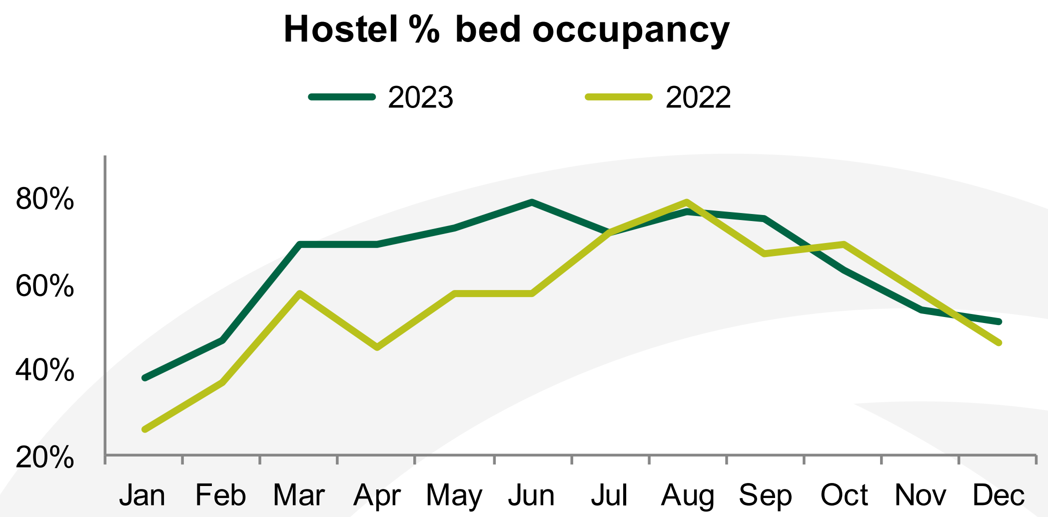




Hostels (1)

Growth tailed off after June

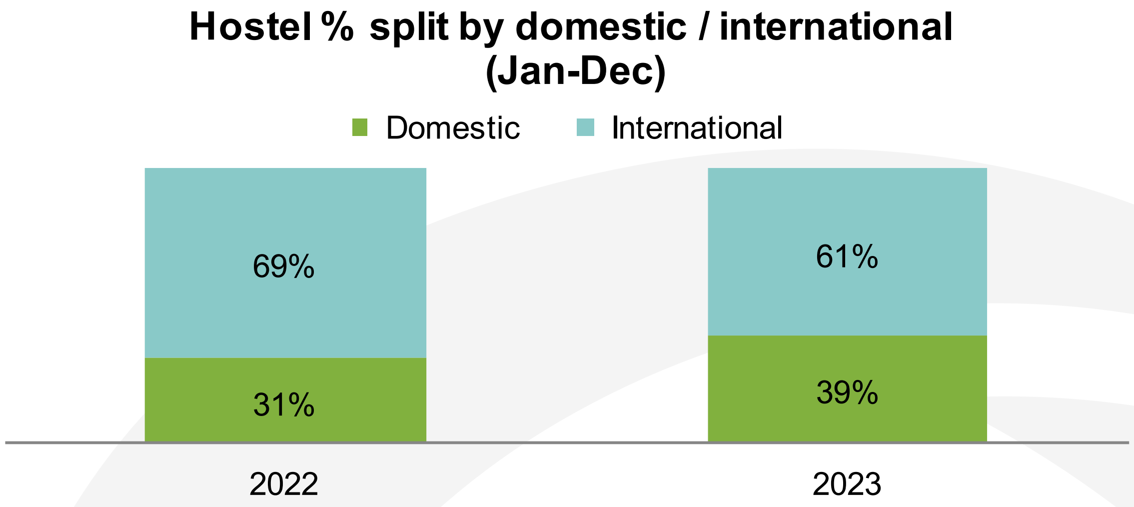
- The hostel sector was hit particularly hard during the pandemic due to the nature of the accommodation (not easily segregated) and its reliance on international tourists
- Following many months of high year-on-year increases, occupancy levelled off to 2022 rates in the second half of the year
- Overall bed occupancy rates for 2023 were:
  - 65% in 2023 vs 59% in 2022



Hostels (2)

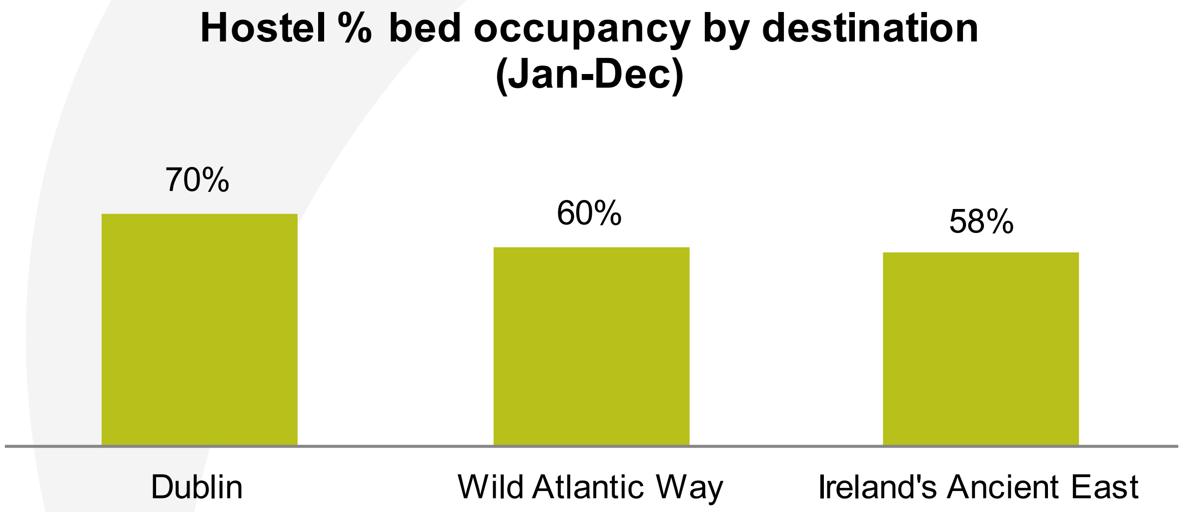
Increase in proportion of domestic tourists

- The proportion (39%) of domestic tourists in 2023 was higher than in 2022 (31%)
- Barometer findings in 2023 and 2024 suggested that this does not necessarily mean the international market weakened; rather, the domestic market performed well also



Dublin on top, but other regions catching up

- Dublin hostels saw significantly higher occupancy levels than other regions
- However, whereas Dublin’s occupancy was very similar to 2022, Ireland’s Ancient East saw growth of 18% pts and Wild Atlantic Way saw growth of 5% pts



Thank you

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March 2024