Fáilte Ireland Hotel Survey

August 2024 Summary Report

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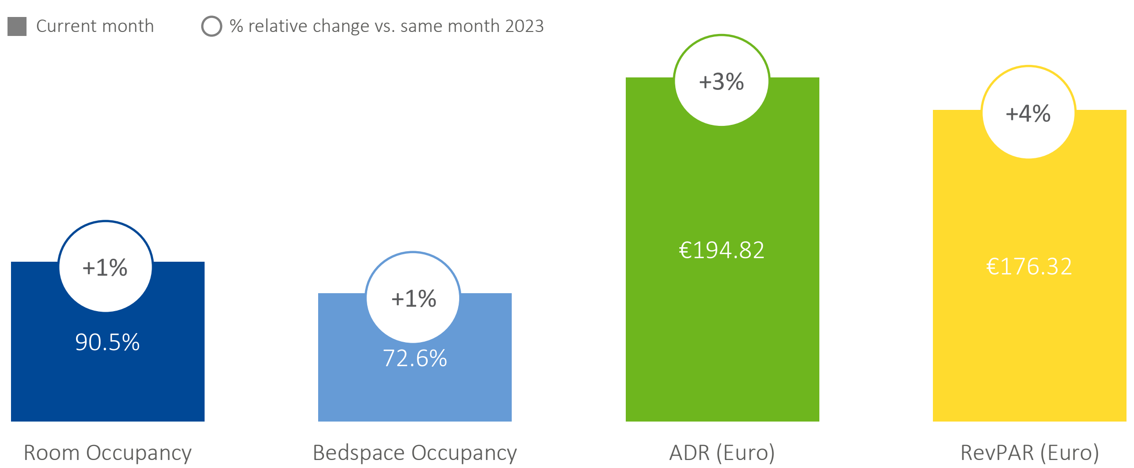
STR Fáilte Ireland

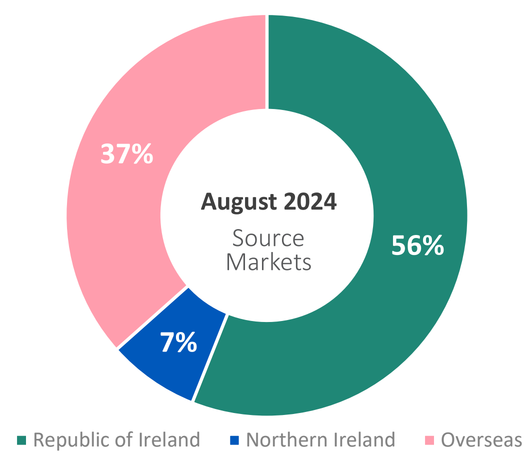
Executive Summary

In August 2024 room demand, and bedspace occupancy reached the highest level since the start of the pandemic. July was a particularly soft month, perhaps impacted in some way by the Aer Lingus pilots' strike so August posted a welcome boost to Dublin with several big-name concerts including Coldplay and AC/DC along with the Aer Lingus College Football Classic and the Dublin Horse Show. Indeed, performance across the country improved with all reporting counties posting occupancy above 80% for the first time since the pandemic indicating strong performance country-wide.

As travel patterns change across the globe, source market shifts took place with the share of overseas guests and guests from Northern Ireland increasing and the share of Irish guests decreasing compared to last year. Additionally, performance by county was varied with year-on-year room demand changes ranging from +16.0% in Wicklow to -11.3% in Wexford. August performance by grade deviated from the national trend with 5-star hotels posting healthy RevPAR increases lifted by occupancy whilst conversely 3-star hotels posted healthy RevPAR lifted by ADR. 4-star hotels split the difference with RevPAR increases resulting from gains in both occupancy and ADR.

Key Performance Indicators



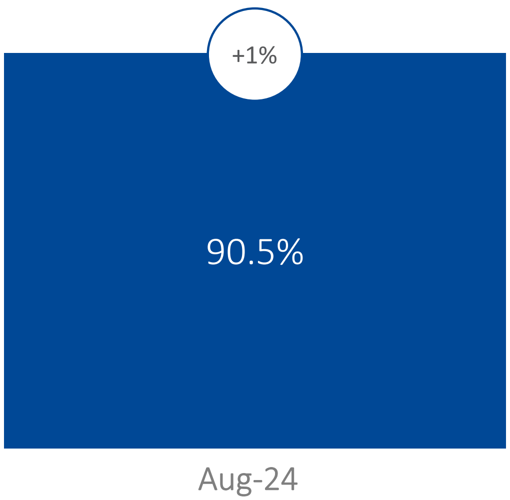


Ireland Room & Bedspace Occupancy: August 2024

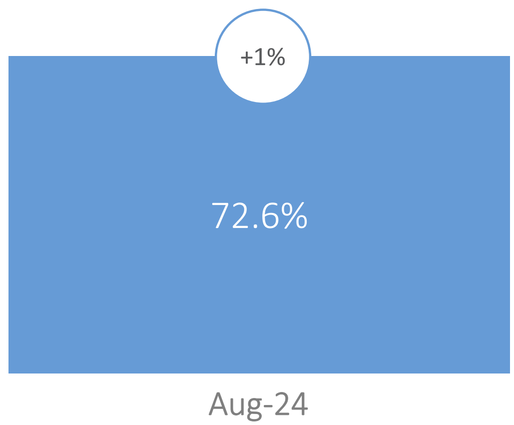
August 2024 room occupancy was at the highest level since the pandemic at 90.5%, increasing 0.7% compared to the previous August high. The 2nd highest post pandemic occupancy occurred last August (89.8%). Compared to last month occupancy increased 4.4% which is in line with the July to August increase posted last year (+4.5%). Bedspace occupancy also recorded the highest level since the pandemic (72.6%) increasing 0.9% over last August which sat at 71.9% and a 9.8% increase over last month. Occupancy and bedspace increasing at a similar rate is a sign that the balance between leisure and business/conference travel is stabilising. Following the national trends, room occupancy across all the 17 reporting counties exceeded 80% for the first time since the pandemic indicating strong performance across the country and not just in select counties. Bedspace occupancy exceeded 65% in all the 13 reporting counties for the second time since the pandemic, the first being in July 2023.

Current month   % relative change vs. same month 2023

Room Occupancy



Bedspace Occupancy



Highest room occupancy in August

96.6%

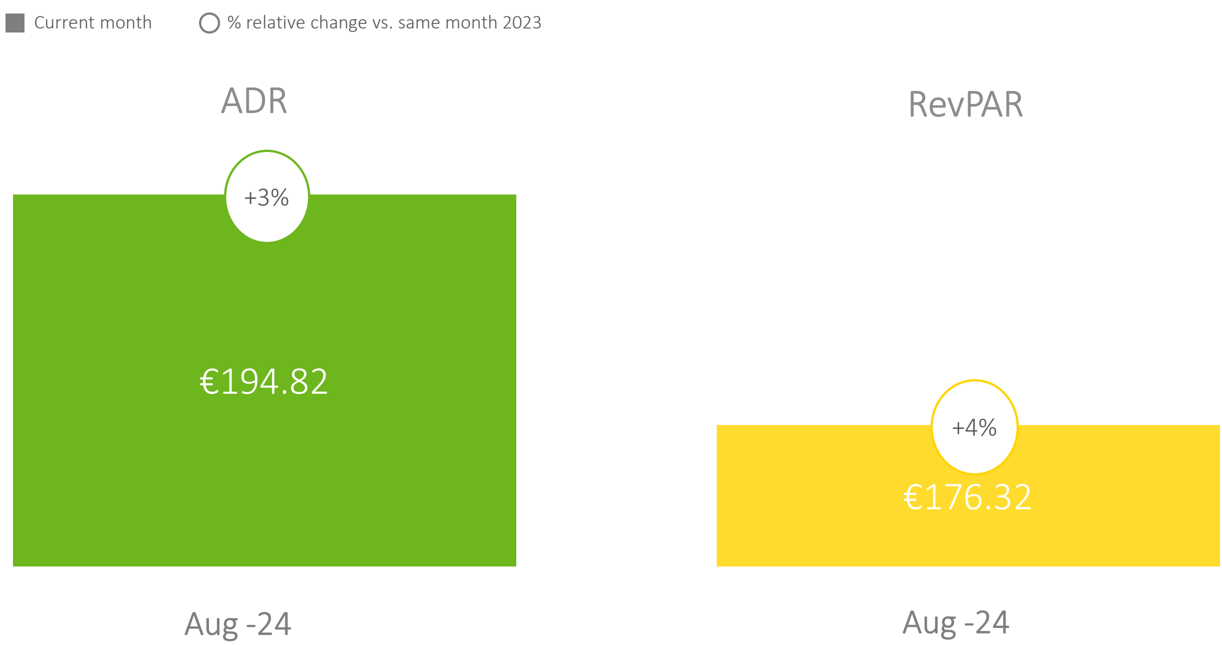
Saturday 17th August 2024

Highest / lowest
performing days of the month

Saturday (94.1%) / Sunday (86.3%)

Ireland ADR & RevPAR: August 2024

August's Average Daily Rate of €194.82 rose by 3.1% compared to last year and was up significantly, 9.5% (€16.82) compared to last month. A similar month-on-month increase occurred in 2023 however the increase was smaller (+6.0%) due to a stronger July in 2023. Revenue per available room, a combination of occupancy and rate, increased 3.8% year-on-year, primarily the result of an ADR increase with occupancy up a scant 0.7%. Most of the reporting counties (12 out of 17) posted year-on-year ADR and RevPAR increases and almost all (16 out of 17) counties experienced month-on-month RevPAR increases.



Highest RevPAR in August

€ 276.29

Saturday 24th August 2024

Highest / lowest (RevPAR)
performing days of the month

Saturday (€226.69) / Monday (€152.70)

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.

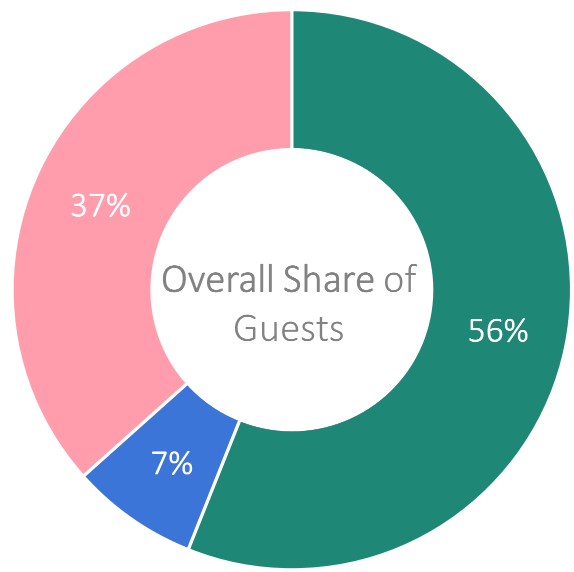
Ireland Source Markets: August 2024

For hoteliers to effectively engage and attract their desired guest type it is critical for sales and marketing teams to understand the origin of their visitors. Whilst overall occupancy in August increased for all visitor types there was a shift in the mix of travellers compared to the previous month with the share of Irish guests decreasing whilst overseas guests increased. Domestic visitors represented the majority (56.0%) of guests in Ireland in August while overseas guests made up just over one-third of guests (36.6%). The share of guests from Northern Ireland at 7.4% was higher than the average annualised measure (5.7%).

Republic of Ireland
Range: 1% to 100%
Median: 59%

Northern Ireland
Range: 0% to 58%
Median: 4%

Overseas
Range: 0% to 94%
Median: 29%

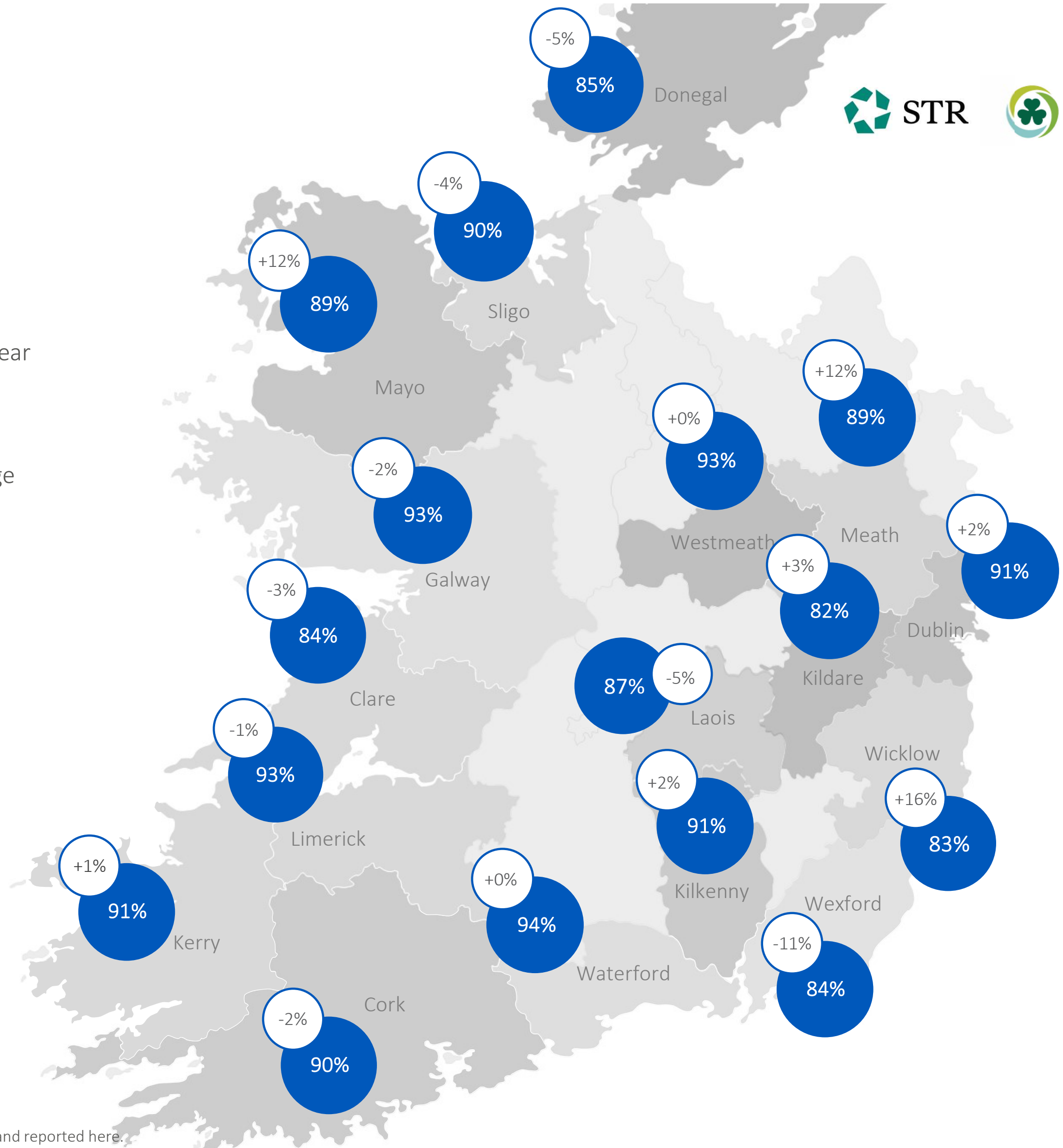


Note: Range is the lowest and highest share of guests stated by hotels.
Note: Median is the value separating the higher half from the lower half of the data, sometimes referred to as the “middle” value. A median value can also be the lowest or highest value and so August also be represented in the range.

County Occupancy

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

Unlike the national trend showing a modest year-on-year increase in occupancy (+0.7%), individual counties varied greatly with year-on-year changes ranging from +16.0% in Wicklow to -11.3% in Wexford. Conversely, following the national trend, almost all (15 of the 17 reporting counties) counties noted an occupancy increase from last month. Seven counties posted occupancy above the national average of 90.5% which include Dublin, Galway, Kerry, Kilkenny, Limerick, Waterford and Westmeath.



Note: There are 17 counties with sufficient room occupancy data in August 2024. These are displayed and reported here.

County ADR & RevPAR

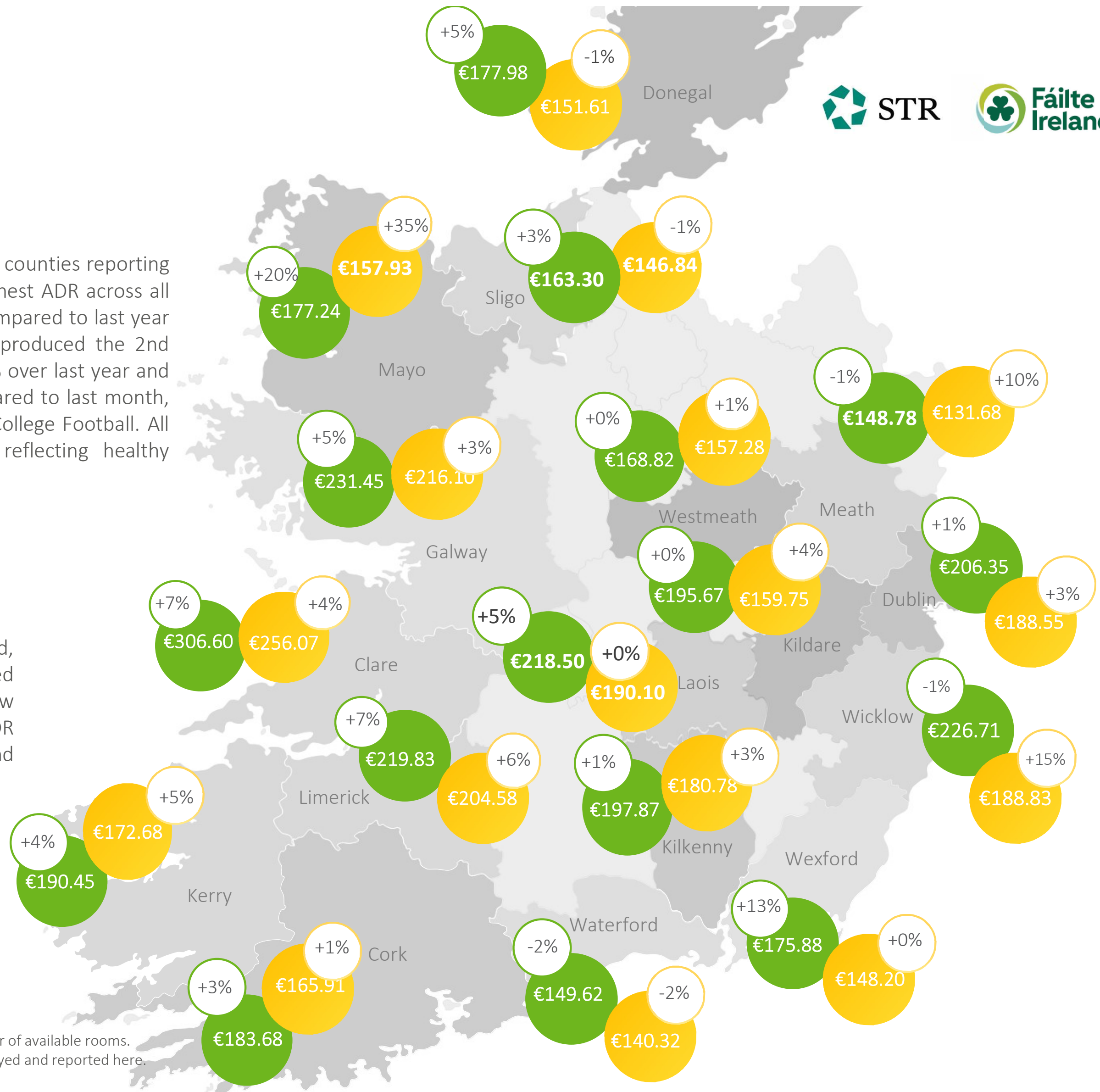
ADR RevPAR % relative change vs. same month 2019

Average Daily Rate (ADR)

Following the healthy ADR increase for the country overall, nine of 17 counties reporting recorded positive ADR above the national level. Clare posted the highest ADR across all counties for the fourth month in a row at €306.60 increasing 7.4% compared to last year whilst decreasing slightly (-0.3%) compared to last month. Galway produced the 2nd highest ADR (€231.45) for the second month in a row increasing 4.7% over last year and 5.7% over last month. Dublin ADR at €206.35 increased 14.5% compared to last month, impacted by concerts and events including Coldplay, AC/DC and US College Football. All counties except Clare and Donegal increased from last month reflecting healthy performance during Ireland's peak season.

Revenue Per Available Room (RevPAR)

RevPAR increased year-on-year for all but three counties (Waterford, Sligo & Donegal). Three counties, Mayo, Meath and Wicklow posted RevPAR increases of over 10%. For the 2nd month in a row, Wicklow recorded positive RevPAR lifted entirely by occupancy whilst ADR declined. Meath followed a similar pattern with rising occupancy and declining ADR. Mayo was lifted by both occupancy and ADR gains.



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 17 counties with sufficient ADR and RevPAR data in August 2024. These are displayed and reported here.
Note: -/+0% indicates decline/growth of less than 1%.

County Source Markets

Domestic guests accounted for the most hotel guests across 6 of the 9 reporting counties. Dublin and Cork received the most visitors from overseas at 55.5% and 47.5% respectively. Donegal represented the most diverse distribution of guests with 37.9% of guests coming from the Republic, 35.8% from overseas, and 26.3% from Northern Ireland.

	Republic of Ireland	Northern Ireland	Overseas
Cork	46%	7%	47%
Donegal	38%	26%	36%
Dublin	36%	8%	55%
Galway	60%	2%	38%
Kerry	60%	2%	38%
Kilkenny	65%	2%	33%
Limerick	81%	3%	16%
Mayo	67%	13%	19%
Wexford	91%	6%	3%

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

Performance By Grade

Similar to July, August performance by grade deviated from the national trend. Occupancy growth was split with 5-star hotels producing the greatest year-on-year increase (+1.7%), followed by 4-star (+1.1%) and 3-star hotels essentially unchanged (0.3%). Compared to last year, ADR was flat at 5-star hotels (0.2%). Pricing power at 5-star hotels has been weak for 10 of the past 12 months. ADR at 4-star and 3-star hotels increased 3.0% and 1.7% respectively which was a reversal of the decrease posted last month.

	5 Star	4 Star	3 Star
Occupancy	83.1%	91.2%	92.5%
ADR	€ 420.45	€ 181.66	€ 160.80
RevPAR	€ 349.46	€ 165.62	€ 148.78

Note: There are 3 property class types with sufficient source market data in August 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 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 January 2021 report.

  The sample for this month's report: (Rooms Data n=272, Bedspace / Source Market Data n=184, 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.

STR Fáilte Ireland

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