Wales Accommodation Occupancy Survey 2022






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Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Method and Objectives

Why is this research conducted?

- Key insight into tourism performance across Wales
- Informs Welsh Government decision-making for tourism sector
- Informs local authority planning for tourism sector

How is this research conducted?

- Relaunched in Aug 2022 following hiatus during Covid years
- SRI appointed by Visit Wales to manage survey
- Data collected monthly by two methods:
    - Telephone
    - Online

- Data compiled on *Ribos* – bespoke occupancy software
- https://wales.ribos.co.uk/

Sampling and Composition

What data is included in this report?

- This report includes data from three sources:
  - The Wales Accommodation Occupancy Survey (WAOS) conducted by SRI, a research company based in Wales (Data was collected August – December, 2022) .
  - CoStar Ltd, a property management systems company that provide data on serviced hotels (Data was collected January – August, 2022), and
  - Transparent, a web-scraping company that provide data on Short Term Lets (Data was collected January to August, 2022).

How is this data comprised?

- Full details of the sample, selection criteria and limitations are provided on pages 4, 5, and 6.

Sampling – WAOS

Sector / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
Serviced	158	26	184	155	24	179	160	34	194	168	56	224	129	50	179
Self catering	880	10	890	880	5	885	857	8	865	844	84	928	816	111	927
Caravan & campsites	49	1	50	49	1	50	46	7	53		*n/a*			*n/a*	
Hostels	22	3	25	22	3	25	21	6	27	20	10	30	20	5	25

- Further breakdowns on sample size by region and property type are in the appendices

What is included in serviced?

- Independent hotels*
- Guesthouses / B&Bs

What is included in self catering?

- Agencies submitting data by block return
- Independent cottages / apartments

What is included in caravan & campsites?

- Large park groups submitting data by block return
- Independent caravan & campsites

What is included in hostels?

- Associations submitting data by block return
- Independent tourist hostels

** Larger chain hotels are covered in separate research by STR Global*

Third Party Data – Transparent and STR

Transparent

- Short term let data provided by Transparent is used to calculate occupancy for the short term let sector and is reported as part of the self-catering section of this report.
- This data differs from the other data presented in this report as it comprises web-scraped and independently verified data covering all advertised short-term lets on a pre-defined set of OTAs (AirBnB, Booking.com, Vrbo, and TripAdvisor), whereas the WAOS is based on a sampling methodology that estimates overall sector occupancy from a smaller sub-set of participants.
- For further information on this data please see Transparent's website or contact the author of this report.

Data from Transparent and STR cover the whole of 2022 and are reported as such. Wales Accommodation Occupancy Survey data only covers August – December, 2022.

STR Global

- Some serviced accommodation data (reported separately within the relevant section of the report) is drawn from STR Global
- This data is supplied by STR to Visit Wales and is based on a fixed panel of participants that report occupancy on a daily or monthly basis. This data is independently verified by STR.

Third Party Data – Transparent and STR

Transparent

Data provided via Transparent is delivered through an online dashboard with filtering options to define what data is included.

For the purposes of analysis in this report, data was filtered by the following criteria:

- Only whole properties were assessed; this excluded private and share rooms – this serves as the definition for a short term let for the purposes of analysis within this report.

- Only properties correctly identified with a specific region were included, as some properties were not given identifying data they could not properly be accounted for on a regional basis and as such were excluded.

	January	February	March	April	May	June	July	August	September	October	November	December
North	19,533	19,789	21,293	22,236	22,530	22,813	25,982	25,998	19,044	19,265	18,764	25,879
Mid	7,291	7,317	7,791	8,080	8,220	8,326	9,099	9,067	7,262	7,253	7,161	9,479
South East	6,075	6,230	6,241	6,324	6,423	6,535	6,798	6,513	6,150	6,174	6,250	7,414
South West	13,397	13,563	14,585	15,497	16,058	16,138	17,207	16,548	13,330	13,330	12,999	18,939

Third Party Data – Transparent and STR

STR Global

- Some serviced accommodation data (reported separately within the relevant section of the report) is drawn from STR Global

- This data is supplied by STR to Visit Wales and is based on a fixed panel of participants that report occupancy on a daily or monthly basis. This data is independently verified by STR.

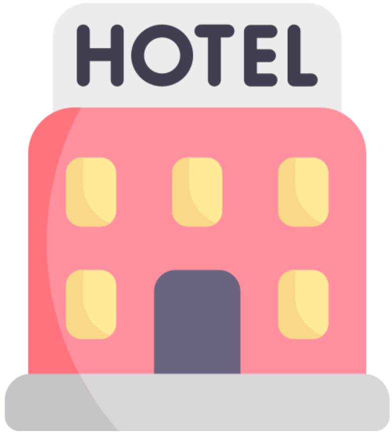
	January	February	March	April	May	June	July	August	September	October	November	December
Open	136	136	135	136	134	133	132	132	132	129	130	130
Closed	13	13	14	13	15	16	17	17	17	20	19	19

Weighting – WAOS

Weighting

- Results for each sector weighted by region (North / Mid / SW / SE Wales) on basis of estimated bed space capacity using Visit Wales' most recent bed stock survey
- Weighting therefore corrects any imbalances by region within each sector
- Results are naturally weighted by property size because occupancy is calculated by dividing overall rooms/beds sold by overall rooms/beds available in the sector

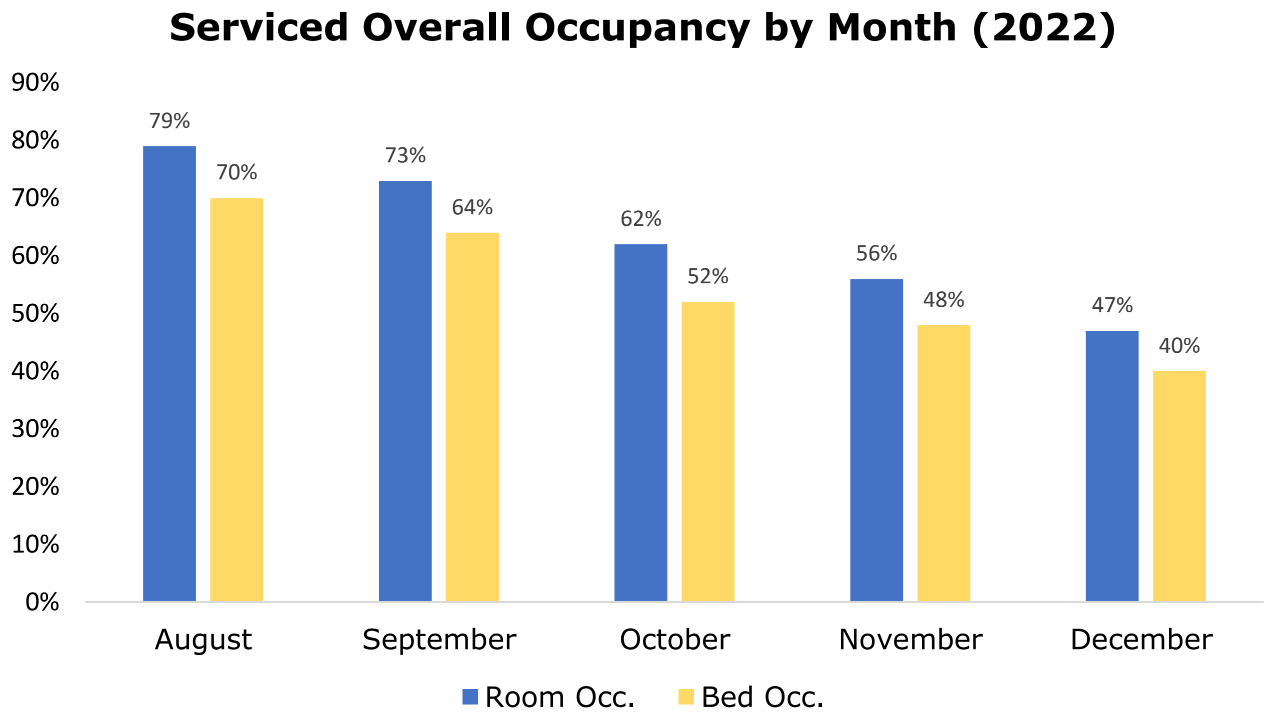
Serviced sector



Serviced Sector

Occupancy higher than pre-Covid

- In height of tourism season in August, serviced sector reached 79% room occupancy / 70% bed occupancy
- Figures are not fully comparable with pre-Covid due to changed sample (no chain hotels now)
- But indication is room occupancy was higher in August 2022 than August 2019 (which was 79% for hotels and 61% for B&Bs & guesthouses)
- Other months show similar picture
- Recent barometers reported more serviced businesses were down in summer and overall in 2022 than up compared to pre-Covid
- But barometer measures *% of businesses* rather than *occupied % of available rooms in sector* (see next slide)



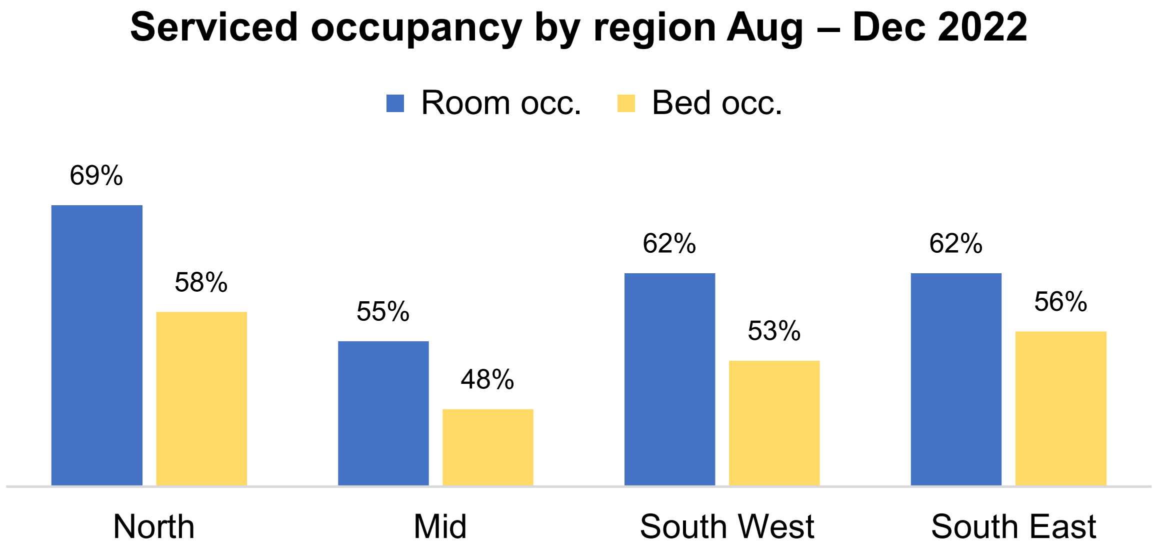
Serviced Sector

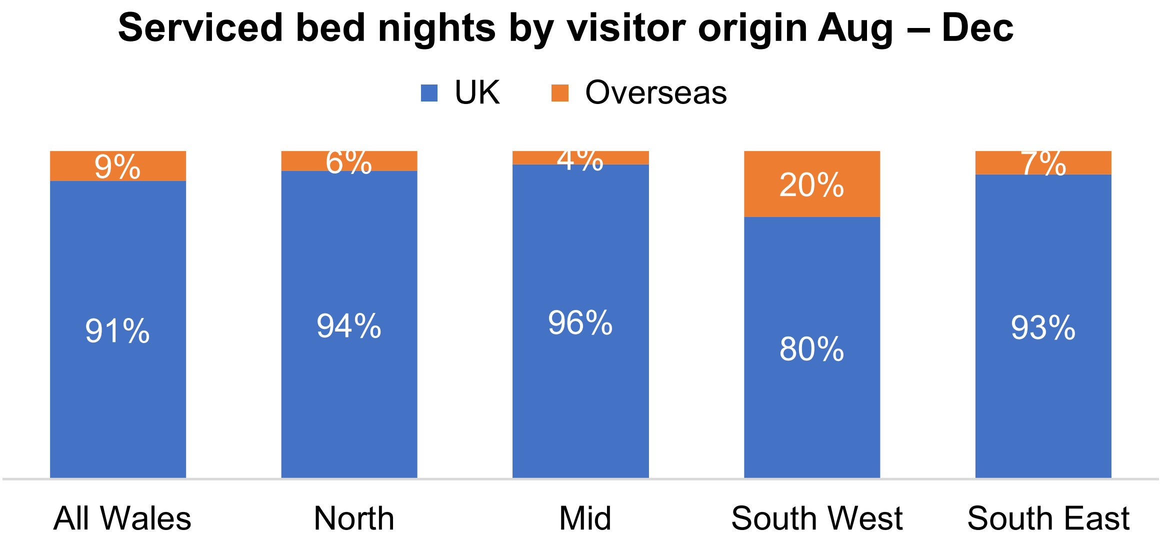
Some differentiation by region

- North Wales ahead on room occupancy (69%)
- Mid Wales behind other regions (55%)

Higher proportion of overseas visitors in SW Wales

- Profile of visitors to North, Mid and SE Wales very dominated by UK
- No chain hotels in sample may influence result for South East
- No pre-Covid data available for comparisons
- Barometer findings suggest level of overseas visitors in 2023 expected to be similar to 2022 for serviced



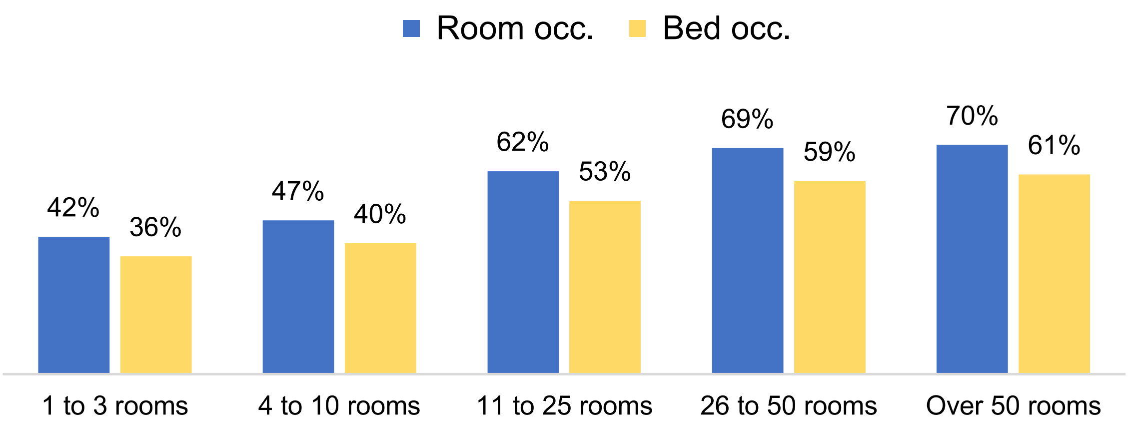


Serviced Sector

Larger properties fill the beds better

- Watershed above / below about 10 rooms
- Much lower occupancy in smaller properties explains why barometer reported more businesses down than up vs pre-Covid, but overall sector occupancy of rooms & beds is up on pre-Covid
- Serviced sector in Wales comprises many micro-businesses
- Visit Wales reports data from larger hotel chains gathered by STR Global separately to this report

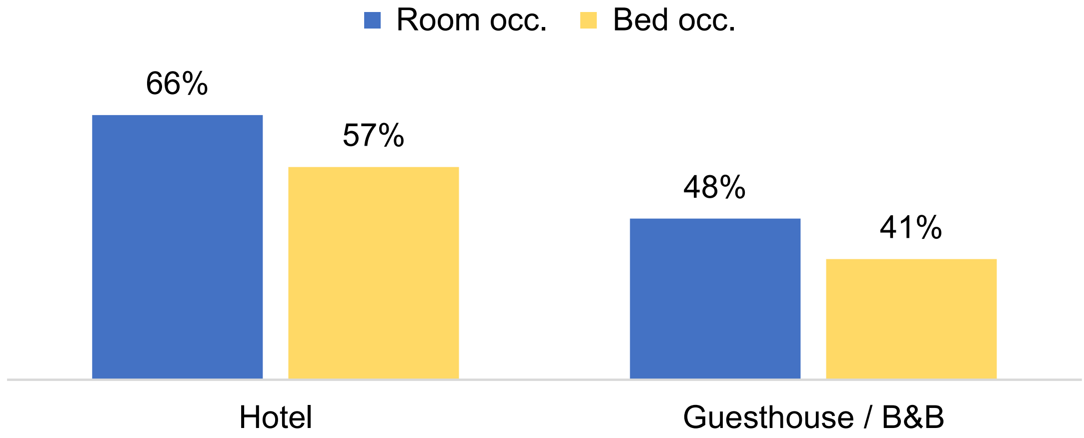
Serviced occupancy by property size Aug – Dec



Split by property type consistent with split by size

- Chart opposite shows split by property type, which is similar to splitting by size
- Results show clear differences in occupancy between the two property types

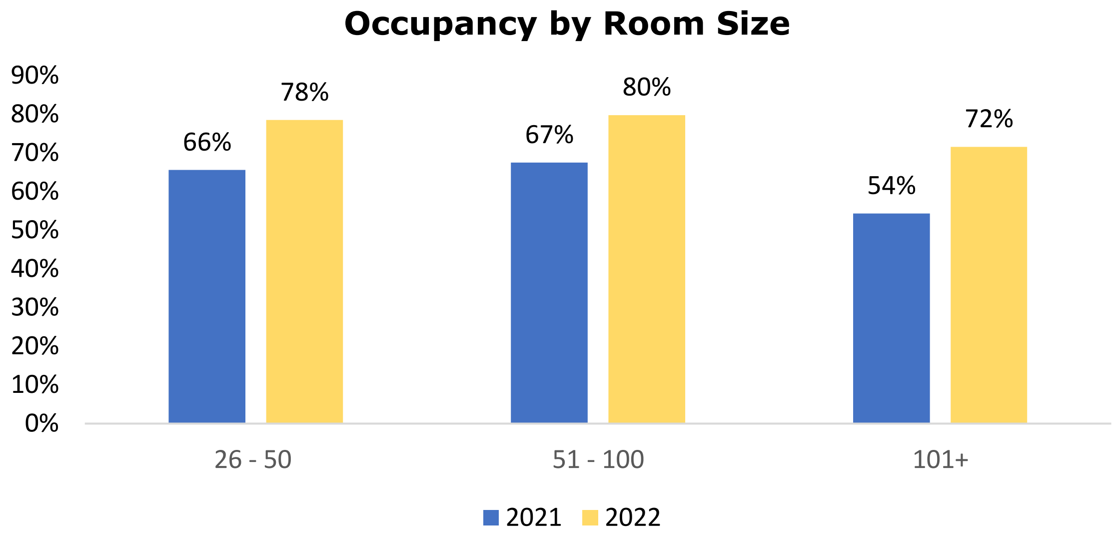
Serviced occupancy by property type Aug – Dec



STR Global – Hotel Data

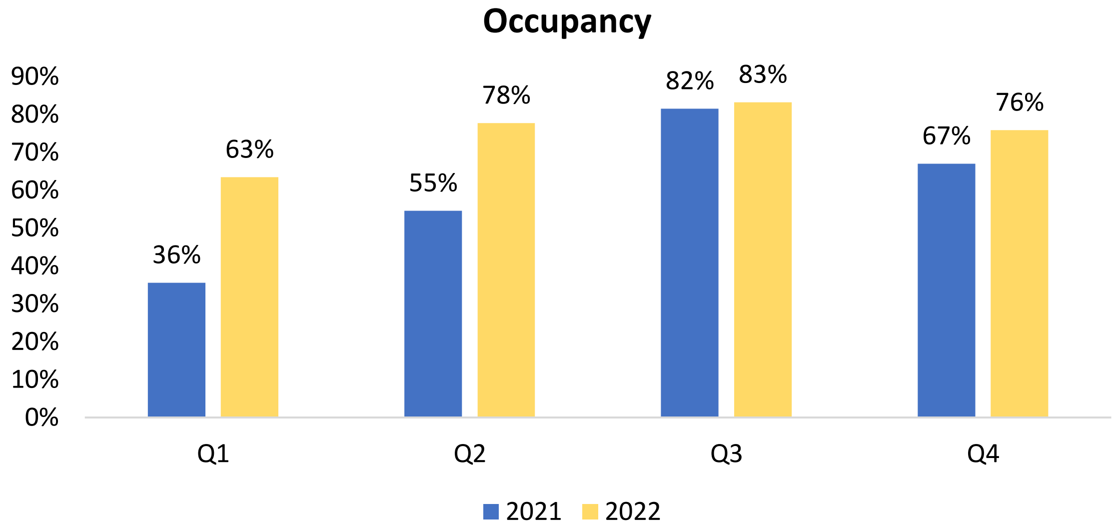
Larger hotels recovering

- STR Data shows larger hotels (most likely to be chain hotels) are recovering their occupancy levels from 2021 with the 51 – 100 room just marginally showing the top occupancy levels (80%).



Seasonal variation

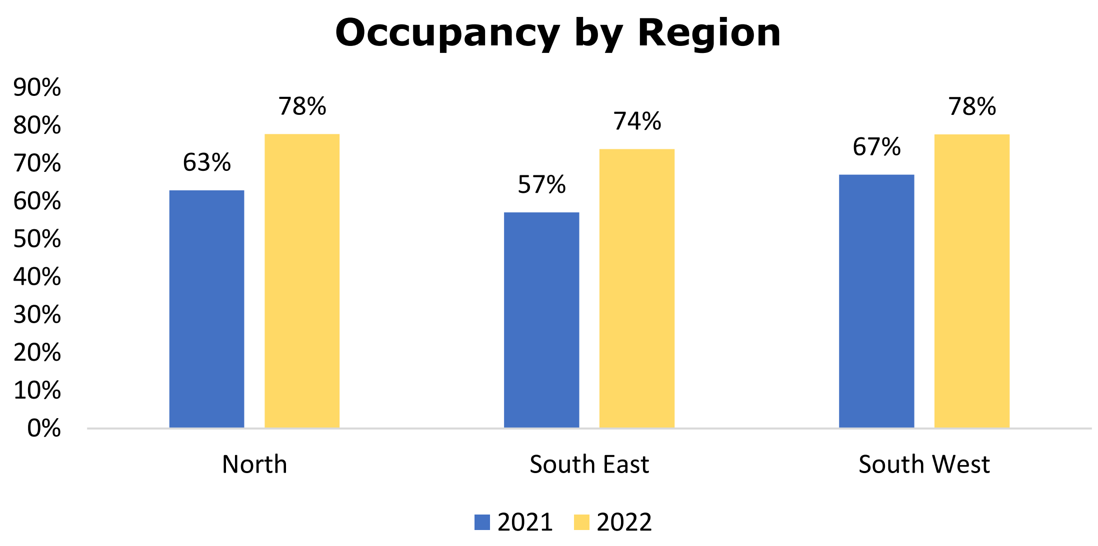
- There is a clear seasonal trend in occupancy levels with the summer (Q3) showing the highest overall levels, but (as shown later on) this is less pronounced than in self catering and short term let properties.



STR Global – Hotel Data

Regional Variation

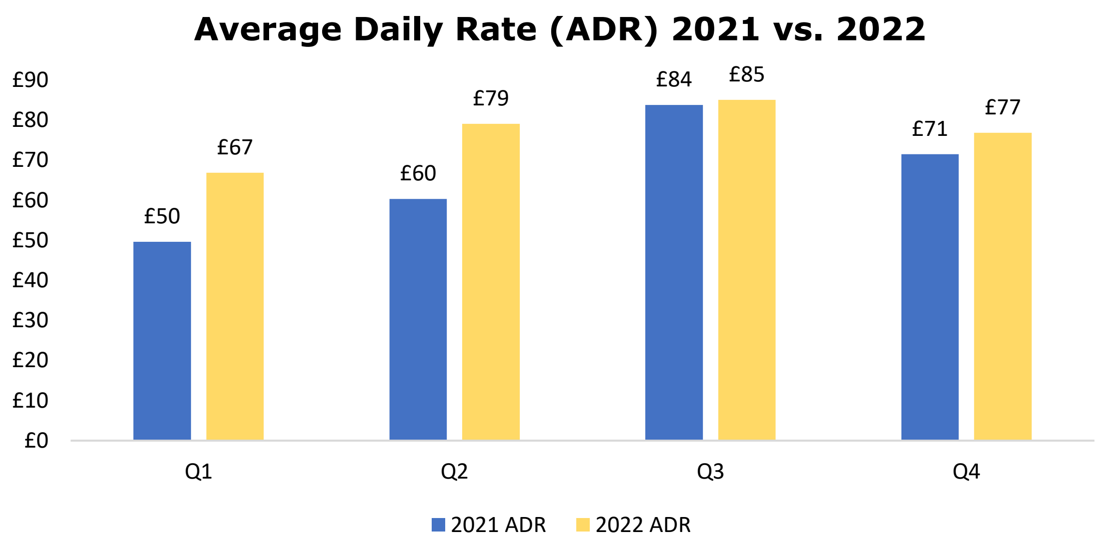
- Low levels of regional variation can be seen, with the South East only marginally under-performing.



STR Global – Hotel Data

ADR up on last year

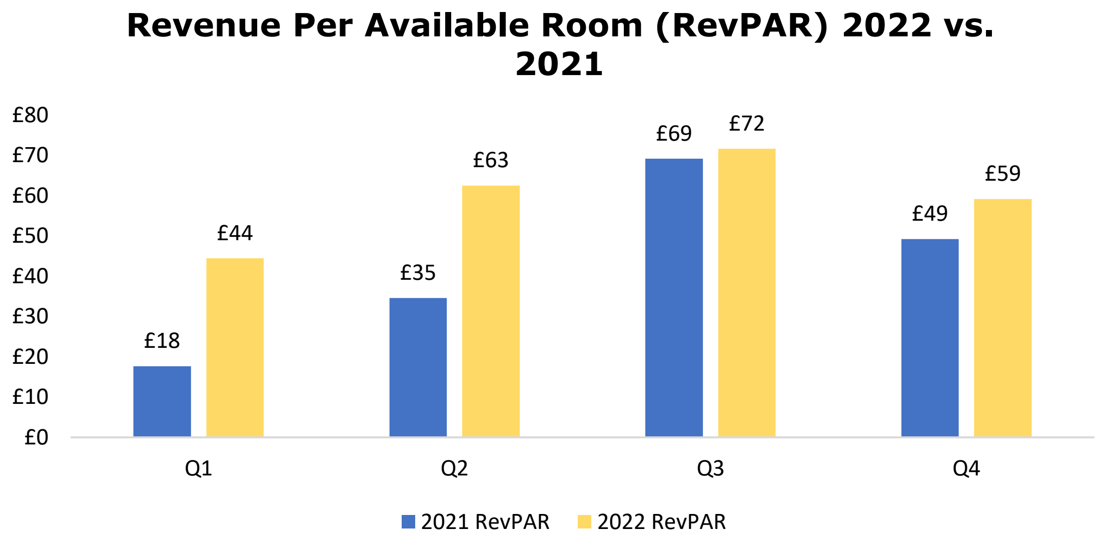
- Average Daily rate for 2022 is higher overall when compared to 2021, with a peak in Q3 matching the occupancy levels reported for this period.



RevPAR also up

- Revenue per available room (the measurement is calculated by multiplying a hotel's average daily rate (ADR) by its occupancy rate) shows a slightly greater different for 2022 compared to 2021 but shows a similar pattern of seasonality.

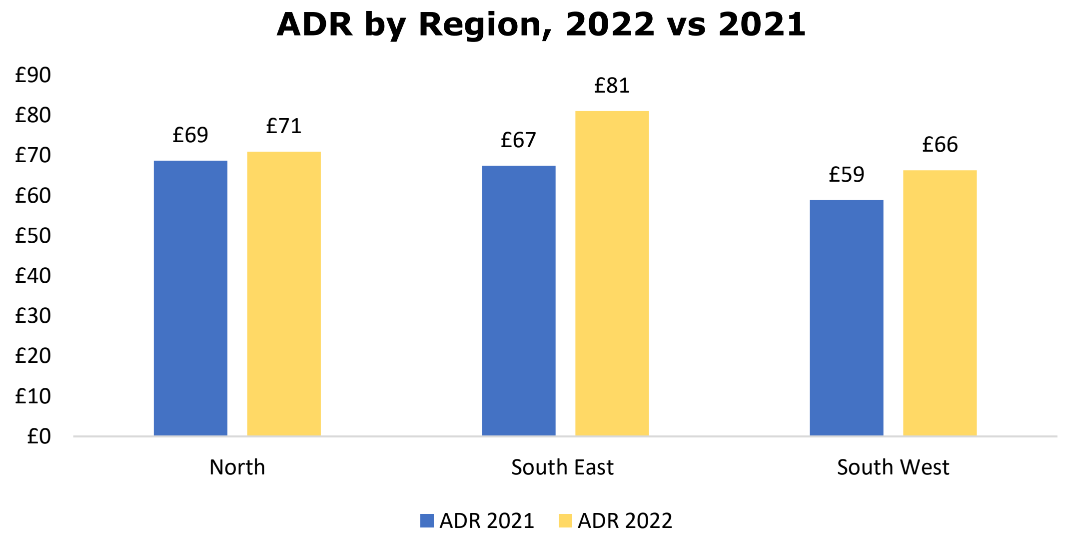
- Q1 and Q2 in 2021 are low as a result of COVID restrictions and should not be interpreted as indicative of any substantial other difference.

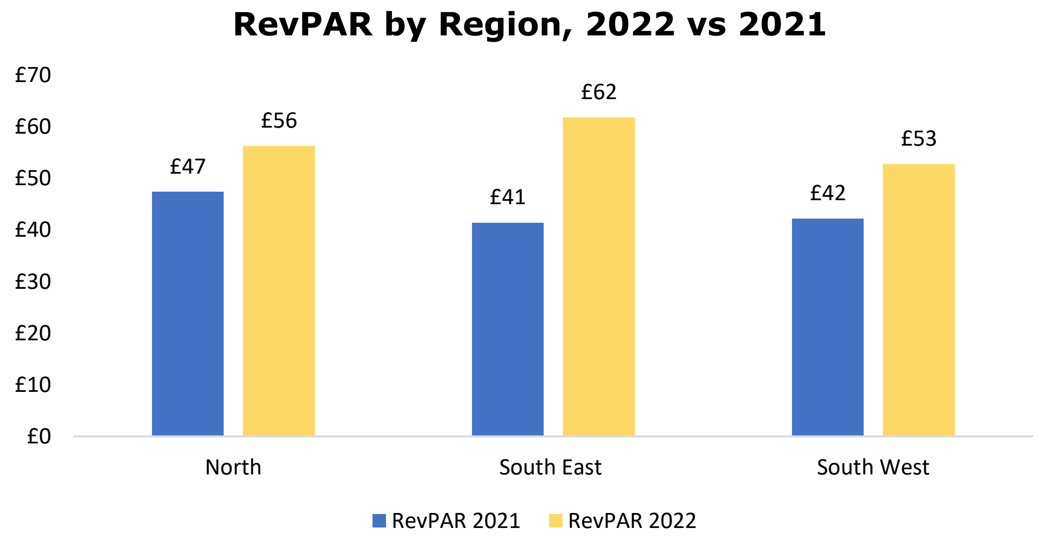


STR Global – Hotel Data

Regional Variation

- Analysis at the regional level shows some variation across regions and between years.
- The South East outperforms the North and South West, while also showing the biggest change year on year of both ADR and RevPAR.





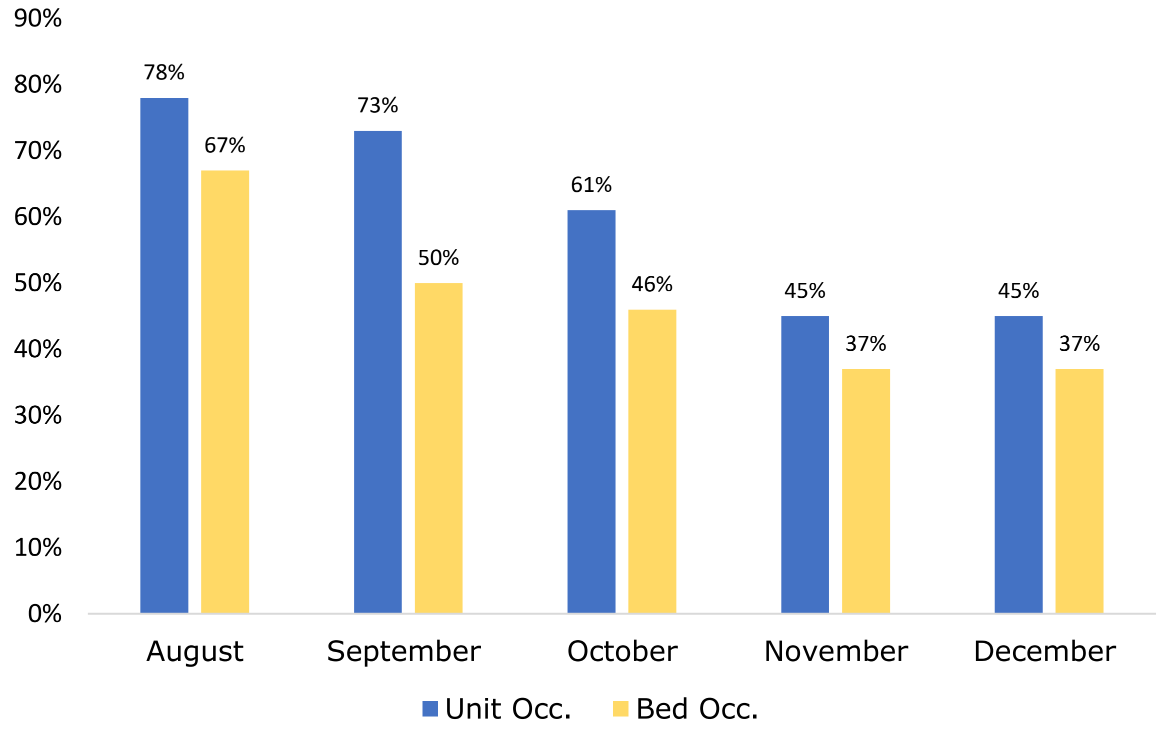
Self catering sector

Self Catering Sector

Below pre-Covid in August but then recovery

- Self catering unit occupancy reached 78% in August – down on August 2019 (88%)
- The 2022 Summer Barometer confirms this
- But September occupancy (73%) was above pre-Covid (68%)
- As were October (61% in 2022 vs 54% in 2019), November (45% vs 38%) and December (45% vs 40%)
- Sharp drop in occupancy going from October to November, but levels then maintained in December.

Self Catering Overall Occupancy by Month (2022)

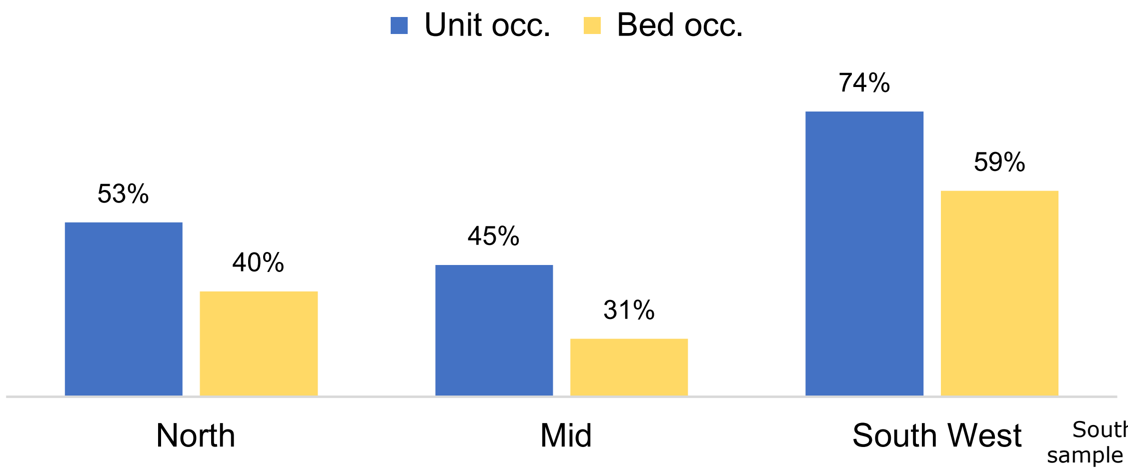


Self Catering Sector

Strong performance in South West

- South West Wales occupancy (74%) August – December well ahead of North (53%) and Mid (45%) Wales

Self catering occupancy by region Aug – Dec

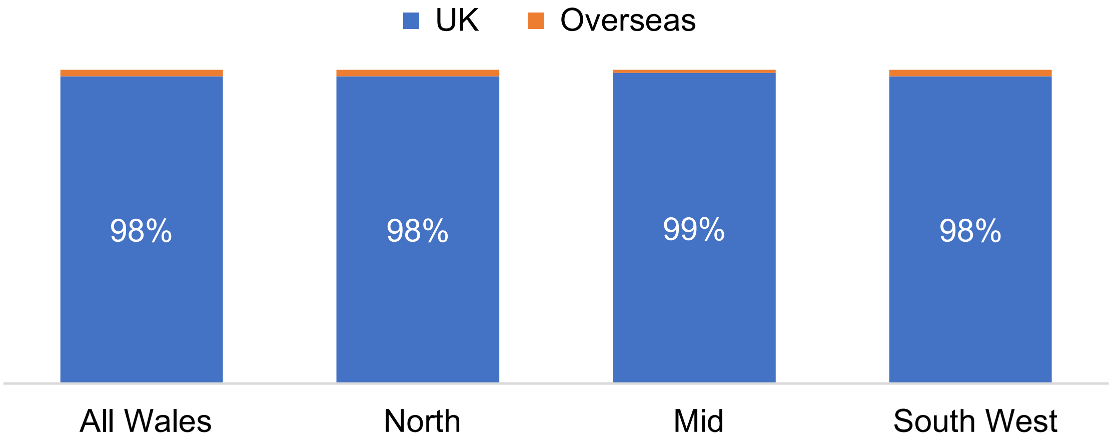


South East sample size too small to show

Nearly all domestic visitors for self catering

- Highest proportion (98%) of UK guests of any sector

Self catering bed nights by origin Aug – Dec



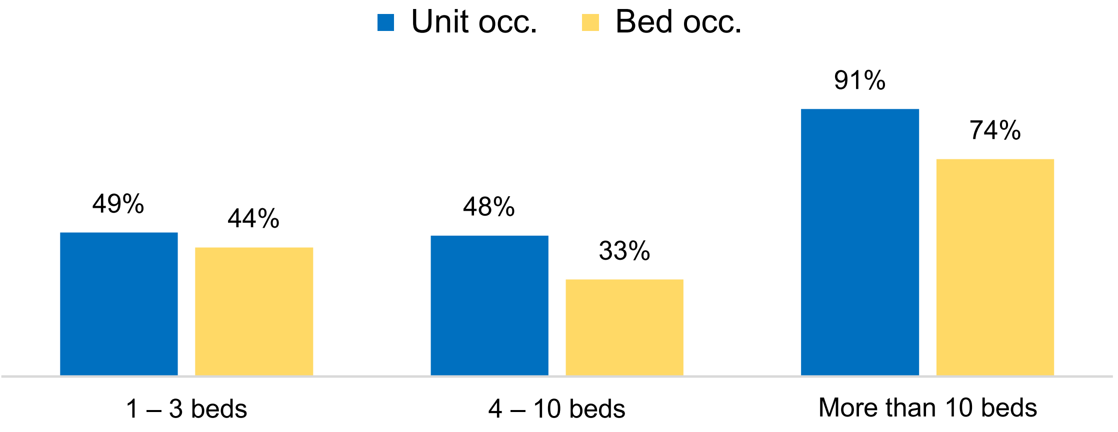
South East sample size too small to show

Self Catering Sector

Larger businesses achieve better % occupancy

- Businesses with more than 10 beds (across one or more units) were much fuller during August – December
- Same finding as in serviced sector

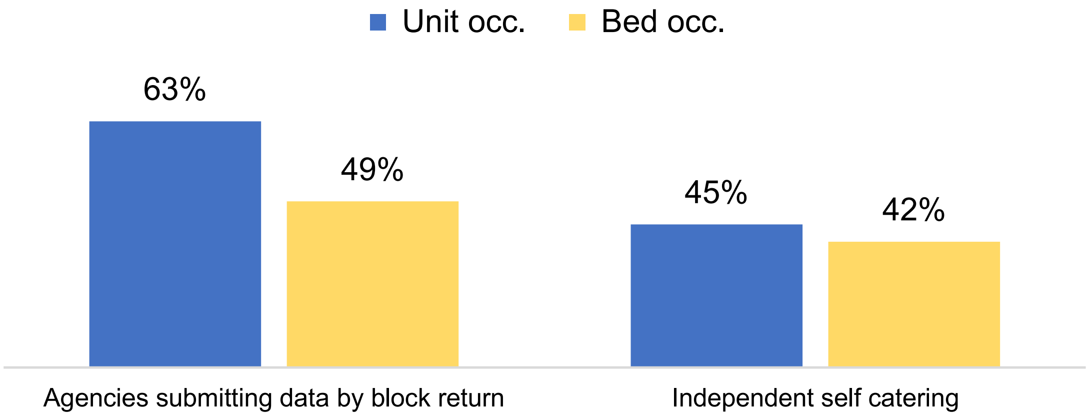
Self catering occupancy by size Aug – Dec



Agency businesses achieve better % occupancy

- Businesses which are part of an agency or collective group achieved 63% unit occupancy – significantly higher than independent businesses (45%)

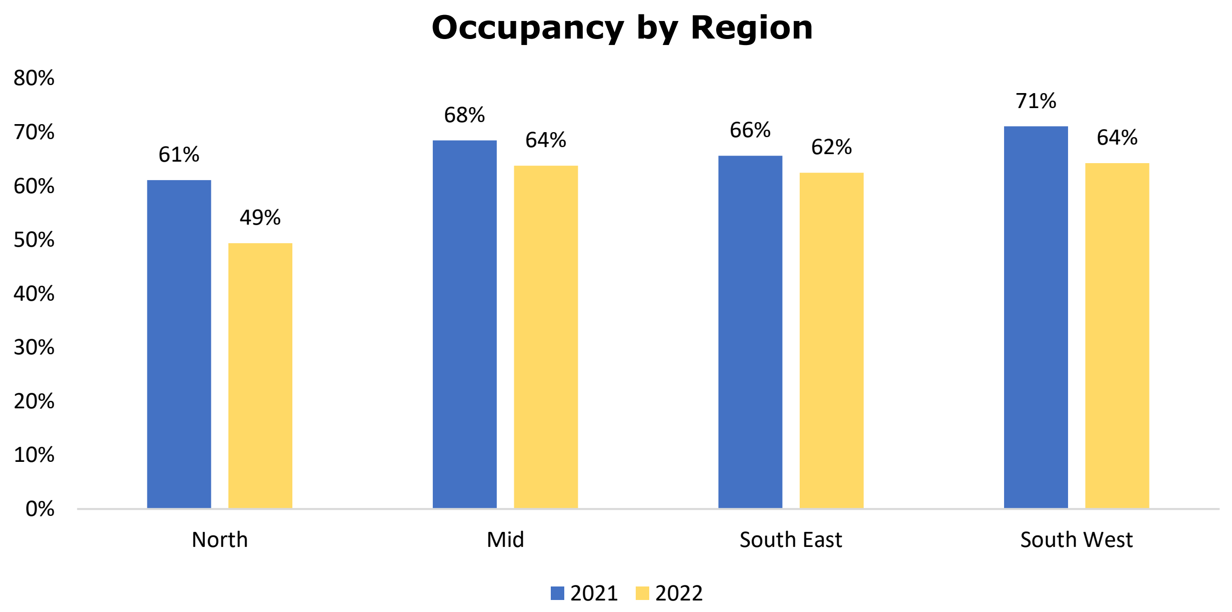
Self catering occupancy by type Aug – Dec



Transparent Intelligence – Short Term Let Data

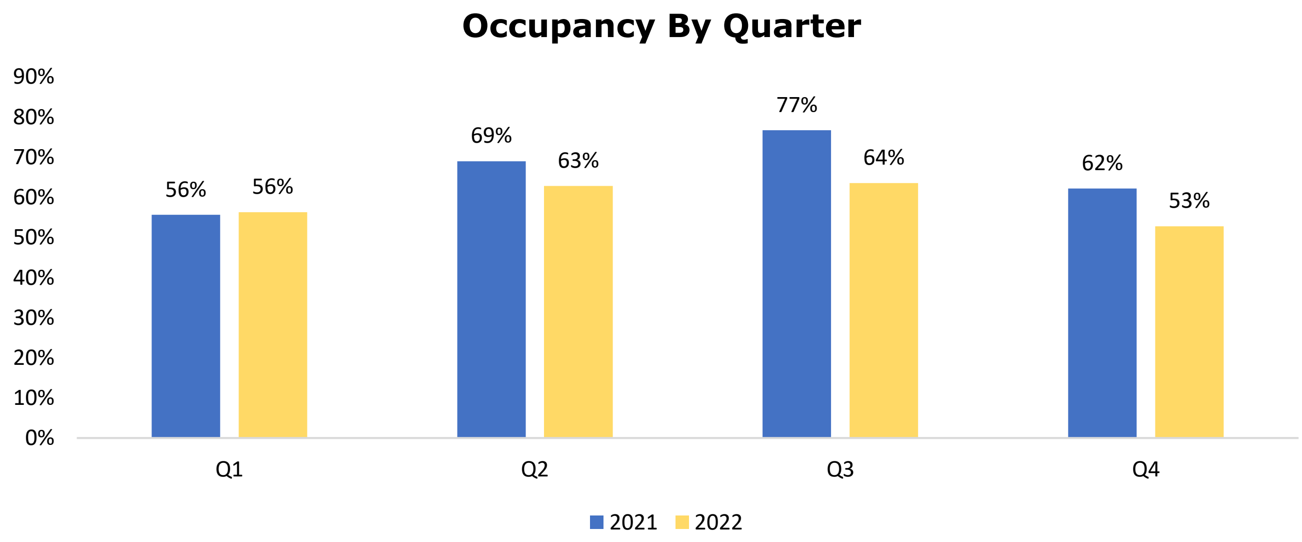
Regional Differences

- Higher levels of occupancy can be seen in 2021 compared to 2022 across all regions, with the biggest negative change occurring in the North (-12% change).



Seasonal Trend

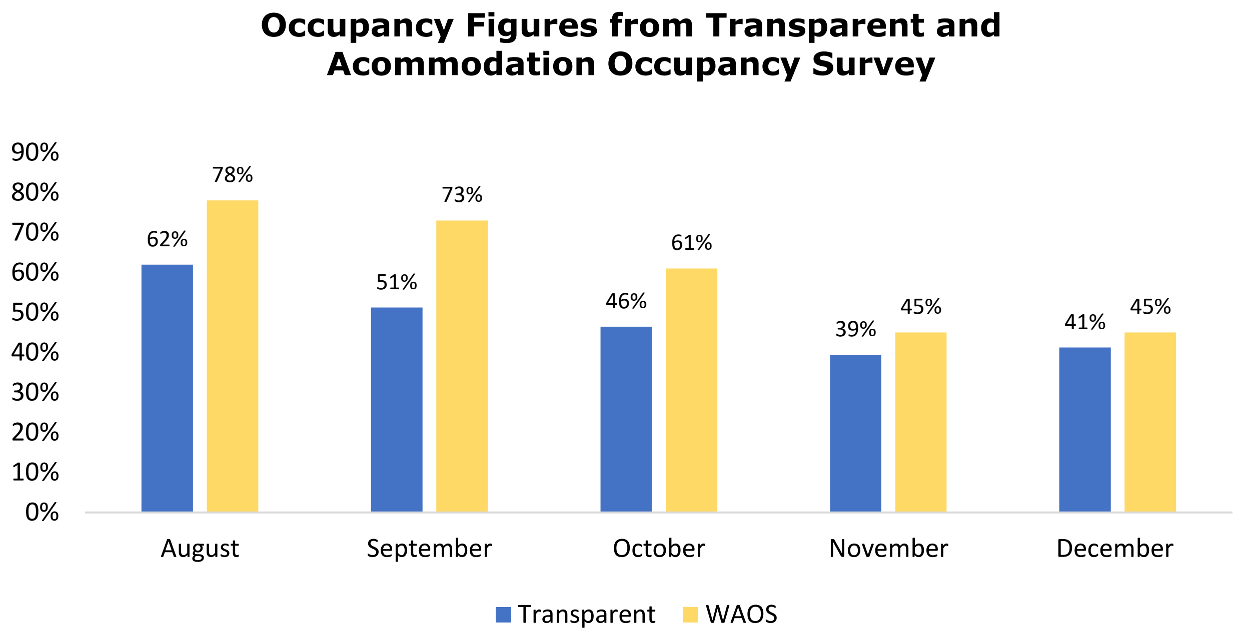
- Both years show a peak in occupancy around Q3 (Jul-Sep), with a distinct seasonal trend identifiable, though greater differences are noted between regions as opposed to between seasons.



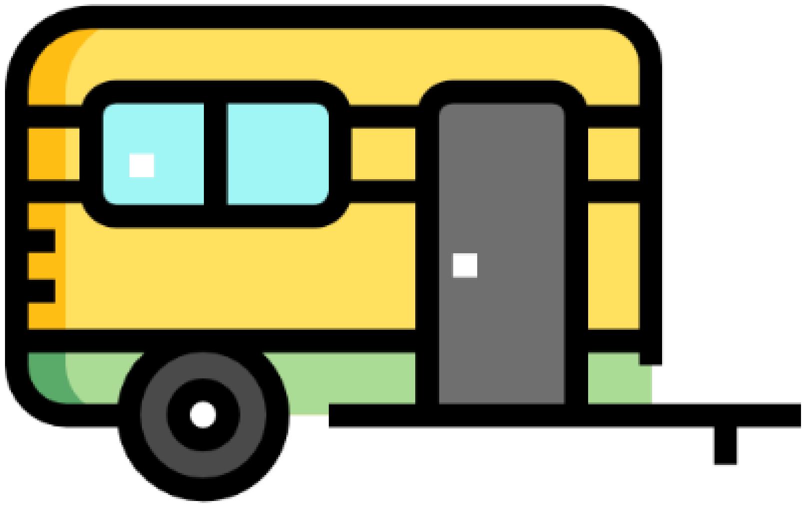
Transparent Intelligence – Short Term Let Data

Comparison

- Like for like comparison for the August to December period between Transparent and the Wales Accommodation Occupancy Survey shows a much more pronounced difference in August to October, with the difference growing smaller between November and December.



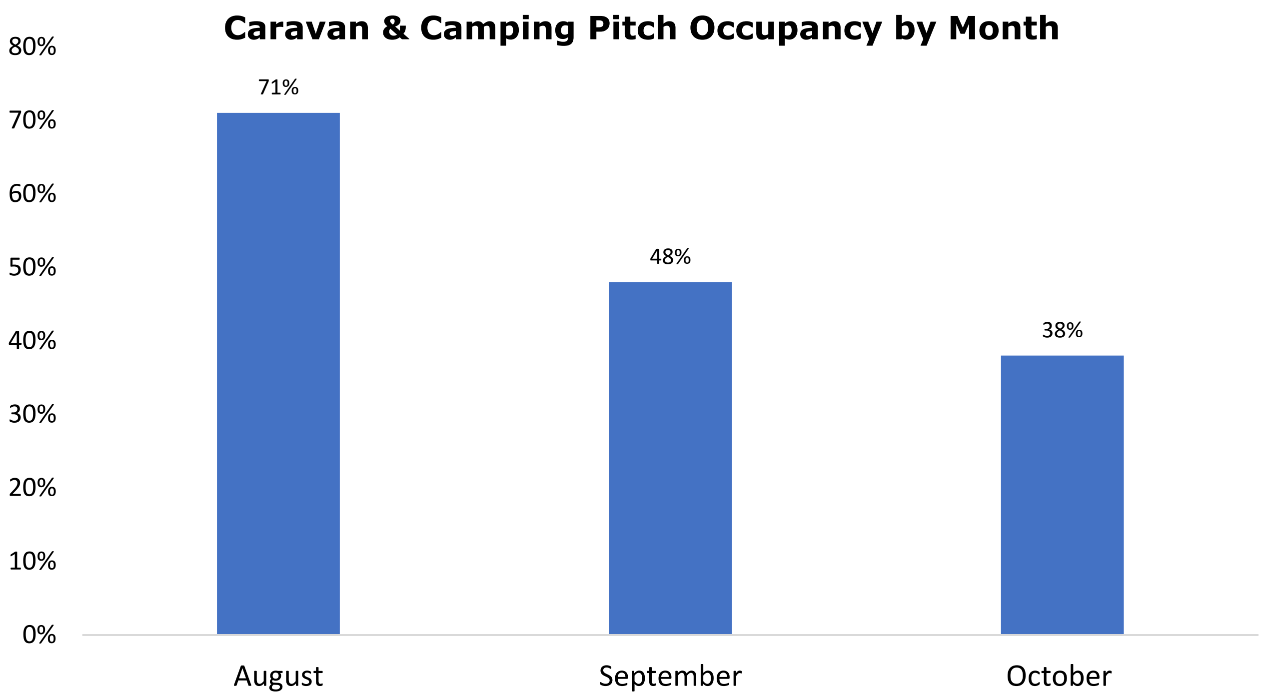
Caravan & camping sector



Caravan & Camping Sector

Seasonal, but still receiving guests in October

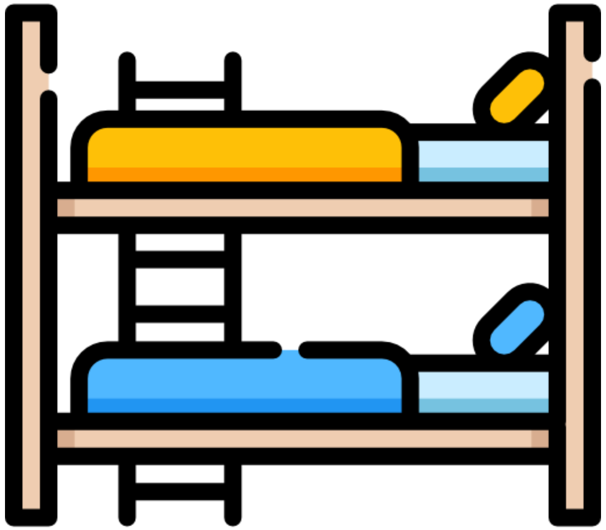
- Pitch occupancy peaked at 71% in August
- Weather-dependent sector, but still some activity in October (38% overall occupancy)
- Comparisons with pre-Covid occupancy not possible due to difference in sample make-up
- Summer barometer suggested caravan & campsites performed better than other sectors vs pre-Covid



UK vs overseas split

- Sector is dominated by domestic visitors – 95% of visitors came from UK

Hostel sector



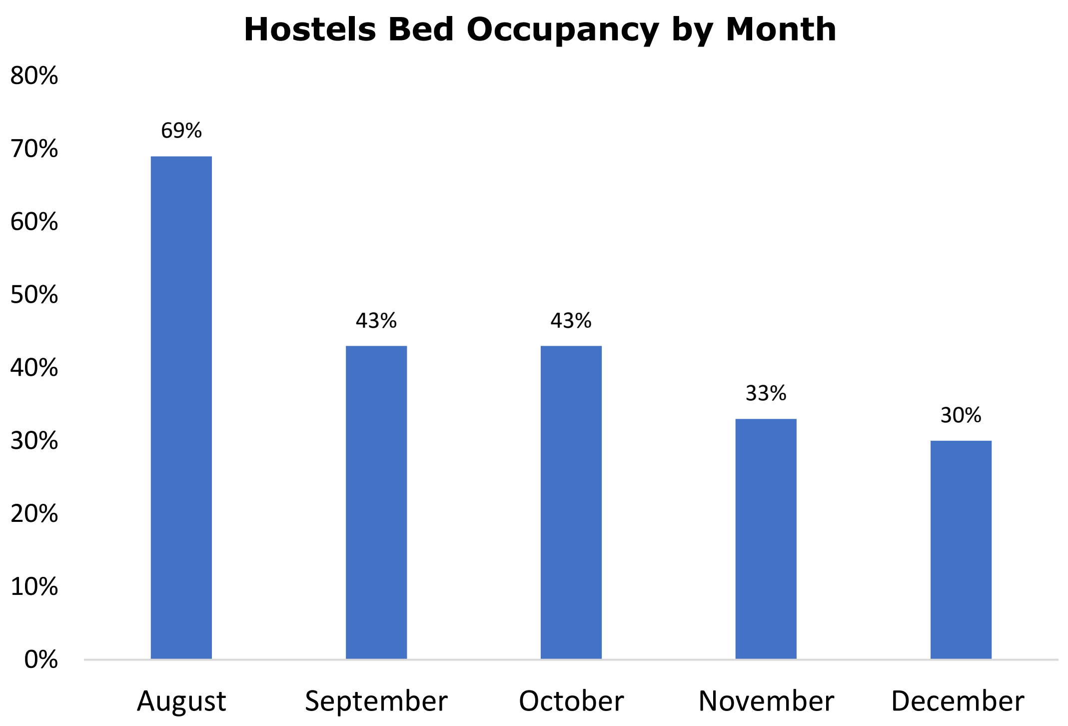
Hostel Sector

Still down on pre-Covid

- Hostel sector was impacted particularly hard by Covid because of lack of self-contained rooms
- Bed occupancy reached 69% in August – compares to 75% in August 2019
- Similar picture for September 2022 (43% vs 54% in 2019), October (43% vs 51%), November (33% vs 46%) and December (30% vs 42%)

UK vs overseas split

- 92% of visitors August – December came from UK; 8% from overseas
- Comparable to split to serviced sector



Implications

Implications for Visit Wales and Partners

Consistency in results will improve over time

- Comparisons with previous years could be subject to differences in method and sample make-up, as such caution should be taken when comparing to previous data

Mid Wales and caravan & campsites more in need of seasonal support

- Promoting year-round tourism is an important remit for Visit Wales
- Caravan & campsite occupancy understandably drops when weather deteriorates – but early autumn can still be pleasant and there is much spare capacity
- Occupancy levels in Mid Wales are behind other regions

Self catering in more need of support to attract overseas visitors

- Serviced and hostel sectors play their part in attracting overseas visitors
- Self catering does not – perhaps because of how accommodation is promoted

Smaller serviced and self catering operators more in need of support

- Clear divide in % occupancy levels between larger and smaller operators
- Smaller operators need help – if they want it, as many are 'lifestyle' businesses

Implications for Visit Wales and Partners

Third Party Data (STR and Transparent) show interesting results

- Data from STR on larger serviced accommodation shows a stronger overall performance compared to smaller serviced and some other sectors.
- These properties tend to be large chain hotels, which might explain this high performance
- Data from Transparent on Short Term Let properties show lower levels of performance than those captured in the Accommodation Occupancy survey

Overall

- Data from 2022 show an accommodation sector broadly managing to maintain performance in the post-COVID economic environment.
- However as noted in the Tourism Barometer from the Summer, 2022 period, many businesses are struggling with higher costs and reduced margins so lower overall occupancy levels have a much large economic impact on businesses.
- There is considerable difference between sectors in terms of performance, and often there is strong regional and seasonal variation as well.

Appendices

Sampling – Serviced Sector

Serviced sector by region and type

Type / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
Overall	158	26	184	155	24	179	160	34	194	168	56	224	129	50	179
Hotel	72	5	77	70	4	74	77	4	81	79	7	86	58	8	66
Guesthouse / B&B	86	21	107	85	20	105	83	30	113	89	49	138	71	42	113

Region / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
North	51	6	57	56	7	63	55	10	65	49	21	70	36	22	58
Mid	36	7	43	31	4	35	33	7	40	44	10	54	34	10	44
South West	53	10	63	50	9	59	53	11	64	55	18	73	42	15	57
South East	18	3	21	18	4	22	19	6	25	20	7	27	17	3	20

Sampling – Self Catering Sector

Self catering sector by region and type

Type / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
Overall	880	10	890	880	5	885	857	8	865	844	84	928	816	111	927
Block return	833	0	833	835	0	835	822	0	822	784	70	853	766	93	859
Independent	47	10	57	45	5	50	35	8	43	60	14	75	50	18	68

Region / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
North	114	7	121	116	4	120	101	5	106	118	10	128	119	8	127
Mid	372	1	373	372	1	373	373	2	375	358	34	392	350	44	394
South West	391	2	393	389	0	389	380	1	381	363	40	403	342	59	401
South East	3	0	3	3	0	3	3	0	3	5	0	5	5	0	5

Sampling – Caravan & Camping Sector

Caravan & camping sector by region and type

Type / Month	Aug sample			Sep sample			Oct sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
Overall	49	1	50	49	1	50	46	7	53
Block return	5	0	5	5	0	5	5	0	5
Independent	44	1	45	44	1	45	41	7	48

Region / Month	Aug sample			Sep sample			Oct sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
North	19	0	19	19	0	19	18	4	22
Mid	9	1	10	9	1	10	9	1	10
South West	10	0	10	10	0	10	8	2	10
South East	11	0	11	11	0	11	11	0	11

Sampling – Hostel Sector

Hostel sector by region and type

Type / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
Overall	22	3	25	22	3	25	21	6	27	20	10	30	20	5	25
Block return	11	0	11	11	0	11	11	0	11	2	0	2	2	0	2
Independent	11	3	14	11	3	14	10	6	16	18	10	28	18	5	23

Region / Month	Aug sample			Sep sample			Oct sample			Nov sample			Dec sample		
	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total	Open	Closed	Total
North	9	0	9	9	0	9	9	1	10	7	3	10	6	0	6
Mid	4	1	5	4	1	5	3	2	5	4	2	6	4	2	6
South West	8	0	8	8	0	8	8	1	9	5	3	8	6	1	7
South East	1	2	3	1	2	3	1	2	3	4	2	6	4	2	6