

Embargoed until 10:45am – 11 February 2010

Accommodation Survey: December 2009

Highlights

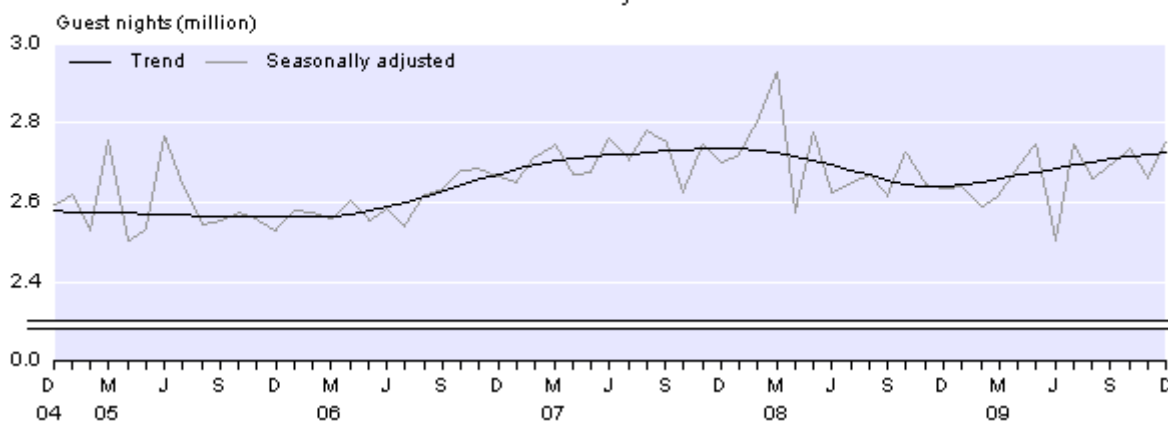
For the December 2009 month:

- Total guest nights were 4 percent higher than in December 2008.
- International guest nights were 7 percent higher and domestic guest nights were 3 percent higher.
- All four accommodation types had higher guest nights, led by hotels.
- Eleven of the 12 regions had higher guest nights, led by Otago and Canterbury.

For the 2009 year:

- Total guest nights were 1 percent lower than the 2008 year.
- International guest nights were down 3 percent and domestic guest nights were down less than 1 percent.
- Three of the four accommodation types had fewer guest nights than in 2008, led by motels.
- Auckland and Bay of Plenty had the largest falls in guest nights for the year while Otago and Waikato were the only regions with higher guest nights.

Total Guest Nights
Monthly



Geoff Bascand
Government Statistician

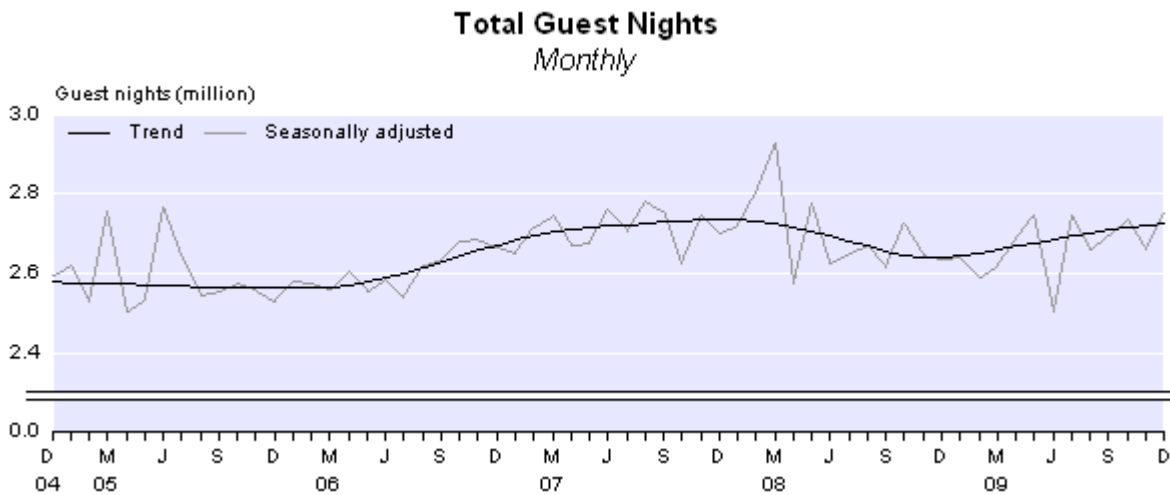
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Commentary

Total guest nights

Total guest nights in short-term commercial accommodation were 3.2 million in December 2009, a 4 percent increase compared with December 2008, and a 2 percent increase compared with December 2007.

The trend has been increasing in 2009, after a decline in 2008. The trend level is now 3 percent higher than the previous low in December 2008 but similar to the December 2007 high.



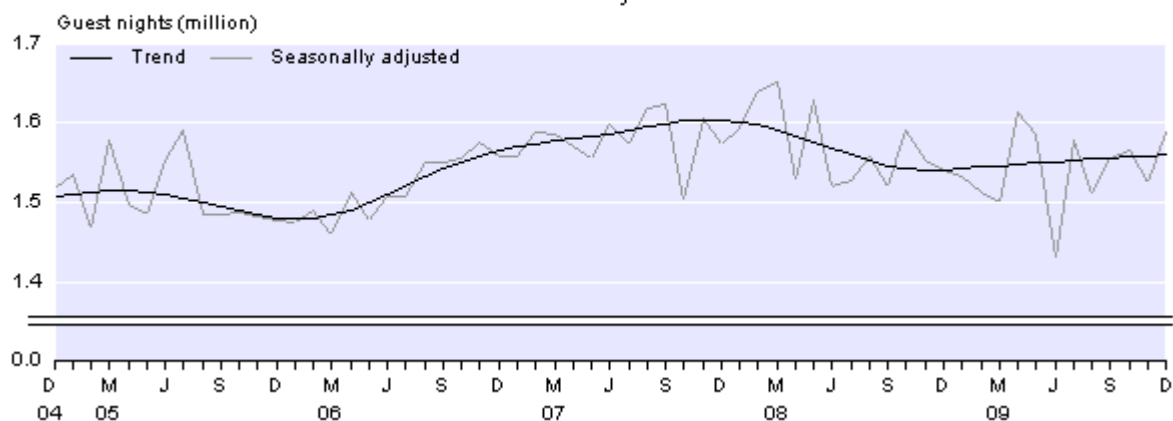
For the 2009 year, total guest nights were 32.0 million and were 1 percent lower than total guest nights in the 2008 year.

Guest nights by island

Guest nights in the North Island were 1.8 million in December 2009, a 3 percent increase compared with December 2008, and similar to December 2007.

The trend for North Island guest nights has increased slightly during 2009 and is now 1 percent higher than the previous low in November 2008 but still 3 percent lower than the previous high in November 2007.

North Island Guest Nights *Monthly*

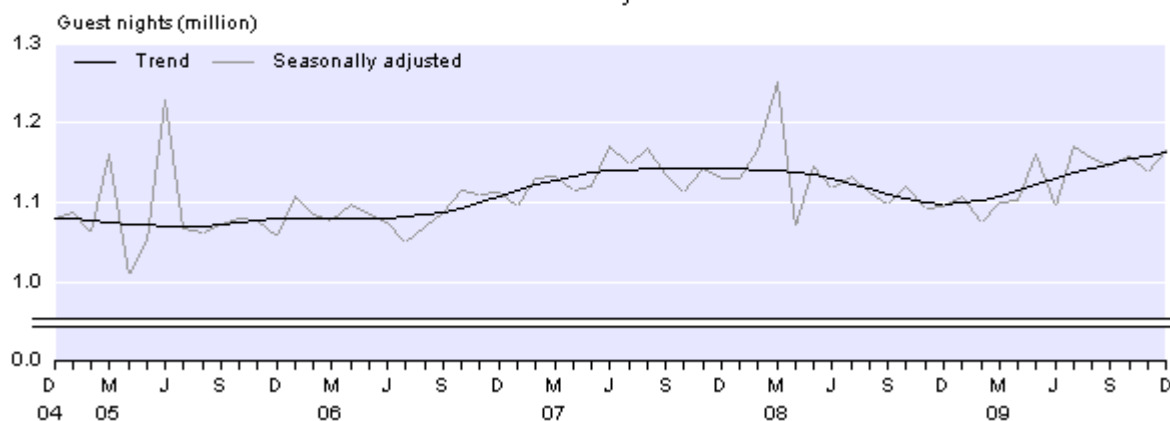


For the 2009 year, guest nights in the North Island were 18.5 million and were 2 percent lower than in 2008.

Guest nights in the South Island were 1.4 million in December 2009, a 6 percent increase compared with December 2008 and 3 percent higher than in December 2007.

The trend in South Island guest nights has been increasing strongly in 2009 after declining in 2008. The trend level is 6 percent higher than the previous low in December 2008, and is now 2 percent higher than the recent high in October 2007.

South Island Guest Nights *Monthly*



For the 2009 year, guest nights in the South Island were 13.5 million, similar to the 13.6 million guest nights recorded in 2008.

Guest nights by region

Eleven of the 12 regions recorded more guest nights in December 2009 than in December 2008. The regions showing the largest increases were:

- Otago, up 39,000 (10 percent)
- Canterbury, up 25,000 (5 percent)
- Bay of Plenty, up 23,000 (7 percent)
- Northland, up 16,000 (9 percent)

- Taranaki/Manawatu-Wanganui, up 11,000 (8 percent).

The only region with a decrease in guest nights was Hawke's Bay/Gisborne, down 12,000 (8 percent).

For the 2009 year, 10 of the 12 regions had fewer guest nights than in 2008, led by Auckland, down 221,000 (4 percent), and Bay of Plenty, down 91,000 (3 percent).

The only regions with more guest nights in 2009 than in 2008 were Otago, up 70,000 (2 percent), and Waikato, up 6,000 (less than 1 percent).

Origin of guests

International visitors contributed 1.4 million guest nights in December 2009, an increase of 90,000 (7 percent) from December 2008. These visitors provided 38 percent of total guest nights in the North Island and 54 percent of those in the South Island.

Ten of the twelve regions showed an increase in international guest nights, led by:

- Otago, up 23,000 (10 percent)
- Auckland, up 18,000 (8 percent).

The only two regions to show a decrease were Hawke's Bay/Gisborne, down 6,000 (14 percent) and Taranaki/Manawatu-Wanganui, down 3,000 (10 percent).

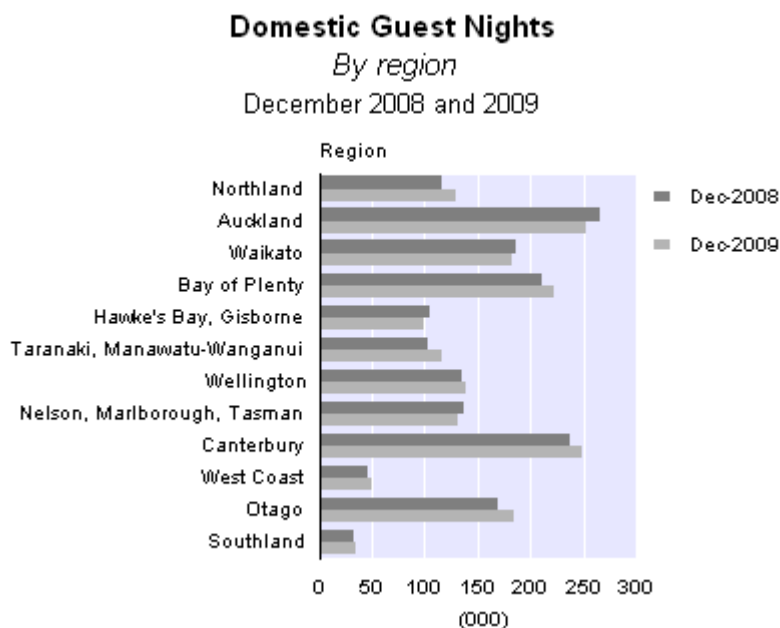


Domestic guest nights numbered 1.8 million, an increase of 47,000 (3 percent) from December 2008. Eight of the 12 regions recorded higher domestic guest nights in December 2009 than in December 2008.

The regions recording the largest increases in domestic guest nights were:

- Otago, up 16,000 (9 percent)
- Taranaki/Manawatu-Wanganui, up 14,000 (14 percent) .

The Auckland region had the largest decrease, down 13,000 guest nights (5 percent), followed by Hawke's Bay/Gisborne, down 6000 (6 percent).



For the 2009 year, international guest nights fell 3 percent compared with 2008 and contributed 81 percent of the fall in total guest nights. Eight of the 12 regions had lower international guest nights, led by Auckland, down 216,000 (8 percent), and Bay of Plenty, down 77,000 (7 percent).

The Waikato region had the biggest increase in international guest nights, up 37,000 (5 percent), followed by Otago, up 19,000 (1 percent).

In 2009, domestic guest nights fell less than 1 percent from 2008 with 7 of the 12 regions showing fewer domestic guest nights than the previous year. The following regions had the largest decreases:

- Nelson/Marlborough/Tasman, down 61,000 (5 percent)
- Canterbury, down 49,000 (2 percent)
- Waikato, down 31,000 (2 percent).

The Otago region had the largest increase in domestic guest nights, up 51,000 (3 percent), followed by the West Coast, up 28,000 (6 percent).

Comparison with short-term overseas visitor arrival statistics

International Travel and Migration: December 2009 shows that short-term overseas visitor arrivals to New Zealand in December 2009 were up 19,100 (6 percent) from December 2008. This follows an increase of 600 (less than 1 percent) in November 2009 compared with November 2008.

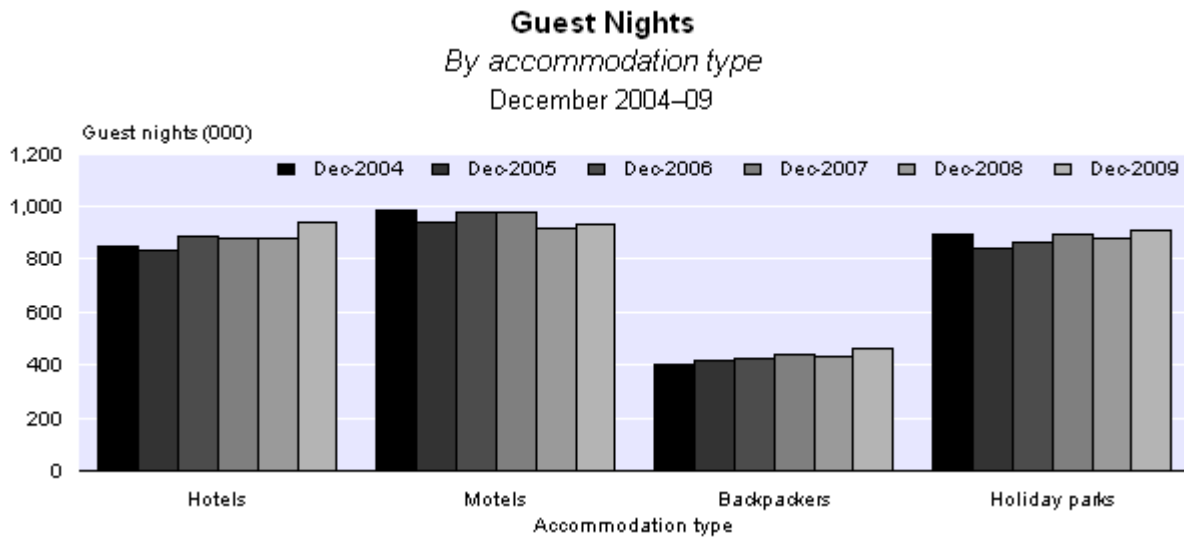
In December 2009 compared with December 2008, there were more people visiting friends and relatives, up 9,600 (7 percent), more visitors on holiday, up 9,400 (6 percent), and more here on business, up 1,600 (11 percent).

New Zealand resident short-term departures for December 2009 were down 2,800 (1 percent) from December 2008.

Guest nights by accommodation type

In December 2009, all four accommodation types had more guest nights than in December 2008:

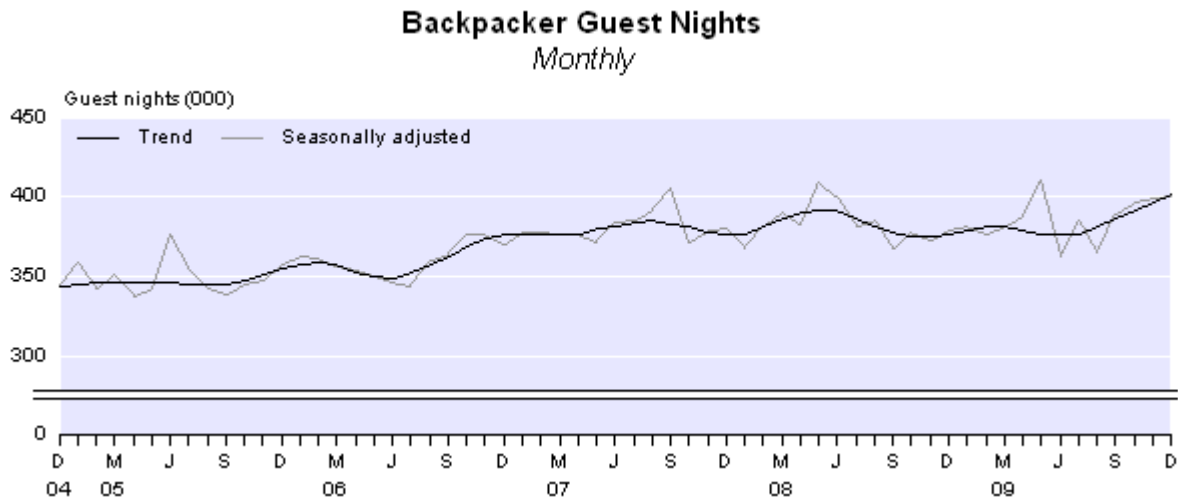
- hotels, up 66,000 (8 percent)
- holiday parks, up 28,000 (3 percent)
- backpackers, up 24,000 (5 percent)
- motels, up 19,000 (2 percent).



In December 2009, hotels had the largest share of total guest nights (29.0 percent), followed by motels (28.8 percent), and holiday parks (28.0 percent).

For the December 2009 year, three of the four accommodation types recorded fewer guest nights than in 2008. Motels had the largest decrease, down 304,000 (3 percent), followed by hotels, down 111,000 (1 percent), and holiday parks, down 105,000 (2 percent).

Backpackers had the only increase in guest nights over the year, up 53,000 (1 percent). The trend in backpacker guest nights is now 6 percent higher than a year ago.



Hotels had the largest share of total guest nights (33 percent) for the 2009 year, followed by motels (32 percent).

Occupancy rate

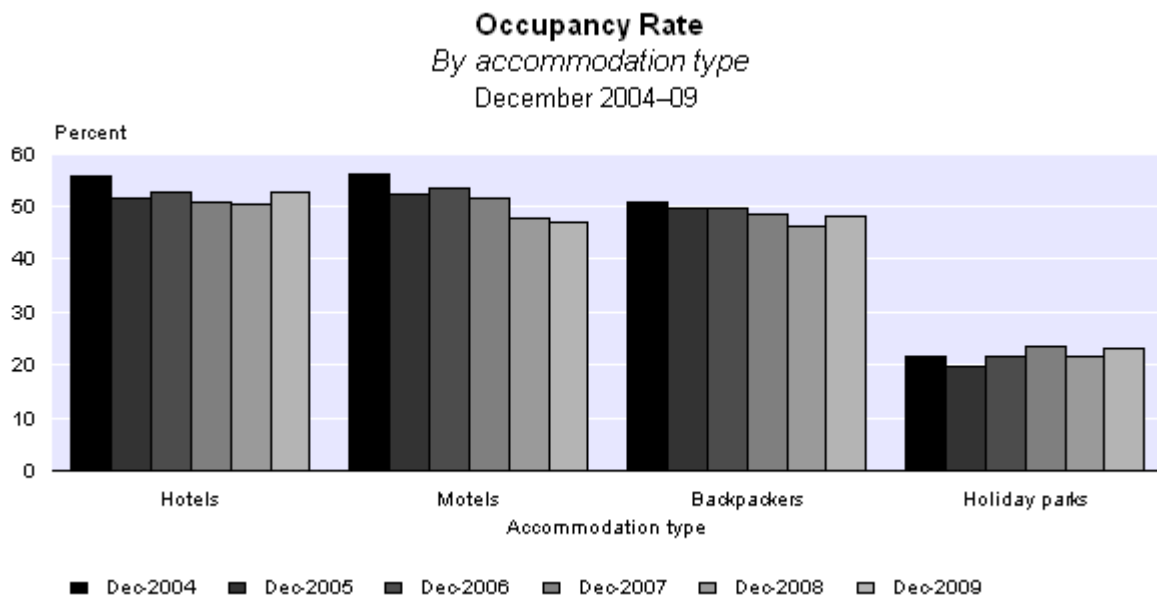
Excluding holiday parks, the occupancy rate in December 2009 was 49 percent, compared with 48 percent in December 2008. Accommodation capacity, excluding holiday parks, was 2 percent above the December 2008 level.

Hotels had the highest occupancy rate (53 percent) of all the accommodation types in December 2009, followed by backpackers (48 percent), and motels (47 percent).

Excluding the holiday parks category, ten of the twelve regions had higher occupancy rates in December 2009 than in December 2008.

The regions with the highest occupancy rates were:

- Auckland (57 percent)
- Otago (52 percent)
- Bay of Plenty (51 percent).



Response rates

Response rates by accommodation type for December 2009			
Accommodation type	Establishments responding to questions on guest nights, guest arrivals, and stay unit nights	Proportion of guest-night estimate from actual data	Proportion of origin-of-guest estimate from actual data
	Percentage		
Hotels	88	96	84
Motels	80	83	71
Backpackers	85	84	65
Holiday parks	88	94	81
Total	83	90	77

When respondents do not answer questions in this survey, Statistics New Zealand estimates the missing information based on data from similar establishments in the same or similar regions. For more information, please see the 'Technical notes' section or contact Statistics NZ.

Survey change

From the September 2009 survey month, the following changes have been implemented for the Accommodation Survey:

- the 'hosted' accommodation group has been removed from the survey
- regional boundaries have been updated.

We have also updated data for the previous months based on the new regional boundaries and with the 'hosted' accommodation type removed. These updates will allow for continued time series comparison.

Two classifications have been renamed:

- 'backpackers/hostels' has been renamed 'backpackers'
- 'caravan parks/camping grounds' has been renamed 'holiday parks'.

However, the coverage remains unchanged.

These changes are the result of a joint review conducted by Statistics NZ and the Ministry of Tourism, which aimed to balance the need for high quality information against the need to reduce respondent load.

Statistics NZ would like to thank all respondents for participating in the Accommodation Survey. Their commitment and support enables us to produce an accurate picture of the evolving New Zealand economy.

Survey sponsorship

The Accommodation Survey is a monthly survey undertaken by Statistics NZ and sponsored by the Ministry of Tourism.

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Next release ...

Accommodation Survey: January 2010 will be released on 12 March 2010.

Technical notes

Population

The target population for this survey is all 'geographic units' (called 'establishments' in this publication) that are classified as short-term (less than one month) commercial accommodation providers operating in New Zealand. In terms of the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06), the target population is taken from class 4400 (accommodation), and the part of class 4520 (pubs, taverns, and bars) that also provides accommodation.

The survey frame is all short-term commercial accommodation-providing geographic units belonging to an economically significant 'enterprise'. Economic significance is generally determined by the enterprise being GST registered and having a turnover of at least \$30,000 per annum.

From the September 2009 survey month onwards, the 'hosted' accommodation group was removed from the survey and the regional boundaries updated. Data for the previous months has been updated based on the new regional boundaries and with the 'hosted' accommodation type removed. These updates allow for continued time series comparison.

Survey errors

This survey aims for 100 percent coverage of the population (a full census). In practice, however, an overall response rate of between 76 and 80 percent is usually achieved. The remaining units are given imputed values based upon the characteristics of similar establishments in the same or similar regions. Imputation introduces unknown errors into the estimates, and users of the data should bear this in mind. The size of these unknown errors is difficult to quantify.

Other errors occur for reasons such as respondent error, frame quality, and errors in processing. While every effort is made to minimise these errors, they will still occur. It is not possible to quantify their effect.

Trend estimates

For any series, the survey estimates can be broken down into three components: trend, seasonal, and irregular. While seasonally adjusted series have had the seasonal component removed, the trend series have had both the seasonal and the irregular components removed. Trend estimates reveal the underlying direction of movement in a series, and are likely to indicate turning points more accurately than seasonally adjusted estimates.

The accommodation trend series are calculated using the X-12-ARIMA seasonal adjustment package. They are based on optimal moving averages of the seasonally adjusted series, with an adjustment for outlying values. The X-12-ARIMA package is an updated version of X-11-ARIMA, developed by the U.S. Census Bureau.

The trend estimates towards the end of the series incorporate new data as it becomes available, and can therefore change as more observations are added to the series. Revisions can be particularly large if an observation is treated as an outlier in one month, but is found to be part of the underlying trend as further observations are added to the series. All trend estimates are subject to revisions each month, but normally only the last two or three estimates are likely to be substantially altered.

Trend estimates versus month-on-month comparisons

Trend estimates reveal the underlying direction of the movement in a series. In contrast, comparisons between one month and the same month in the previous year(s) do not take account of data recorded in between these periods, and are subject to one-off fluctuations. Reasons for fluctuations include changes in the timing of holidays, international crises, and large sporting and cultural events.

Seasonally adjusted estimates

The X-12-ARIMA package has been used to produce the seasonally adjusted estimates referred to in the Commentary text. Seasonal adjustment aims to eliminate the impact of regular seasonal events. These may be due to climatic effects (such as more guests staying in camping grounds during the summer) or calendar effects (such as holidays). This makes the data for adjacent months more comparable. All seasonally adjusted figures are subject to revision each month.

Further information about [seasonal adjustment](#) is available on the Statistics New Zealand website.

Classification of accommodation type

The predominant capacity provided determines the accommodation type. For instance, if a business provides both motel and camping ground accommodation, but the majority of its stay units are motel rooms, then it would be classified as a motel. The classification system used is the New Zealand Accommodation Classification, broadly defined below:

- Hotels: includes both hotels and resorts
- Motels: includes motor inns, apartments, and motels
- Backpackers: includes hostels
- Holiday parks: includes caravan parks and camping grounds.

From September 2009, the hosted accommodation type is no longer included in the survey.

Further information on the classification system is available on request.

Origin of guests

From November 2007, information on total domestic and international guest nights has been available on a monthly basis. Previously this was available only three-monthly.

Other definitions

Business frame

A register (maintained by Statistics NZ) of all economically significant businesses operating in New Zealand from which the survey population is drawn.

Establishment

The smallest statistical unit operating within a single physical location and owned by a single enterprise. The term is used to represent what is usually called the 'geographic unit' in other Statistics NZ publications.

Guest night

A guest night is equivalent to one guest spending one night at an establishment. For example, a motel with 15 guests spending two nights would report provision of 30 guest nights of accommodation.

Stay unit

The term used to describe the unit of accommodation that is available to be charged out to guests (for example a powered site in a caravan park, a bed in a backpackers, a room in a hotel or motel).

Capacity (stay unit nights available)

This is the basic measure of an establishment's accommodation capacity. It is defined as one stay unit multiplied by one night. For example, 10 units in a motel available for guest use (whether occupied or not) for the full 31 days in July would have an accommodation capacity of 310 stay unit nights.

Occupancy rate

This derived variable is calculated by dividing stay unit nights occupied by stay unit nights available. In the case of the motel above, if six of its 10 units were occupied every night in July, it would have $6 \times 31 = 186$ stay unit nights occupied, and its occupancy rate would be 60 percent.

Average length of stay

This derived variable is calculated by dividing total guest nights by total guest first nights.

More information

For more information, follow the [link](#) from the Technical notes of this release on the Statistics NZ website.

Confidentiality

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Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

Tables

The following tables are printed with this Hot Off the Press and can also be downloaded from the Statistics NZ website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print, and export the contents of the file.

1. Establishments, capacity, guest nights, occupancy rate, and average stay, by accommodation type
2. Occupancy rate excluding holiday parks, by region
3. Total guest nights
4. Seasonally adjusted and trend guest nights, by accommodation type
5. North Island guest nights
6. South Island guest nights
7. Regional guest nights
8. Domestic and international guest nights

Accommodation pivot tables

The [Accommodation pivot tables](#) provide more detailed information, breaking the survey variables down by regional tourism organisation areas and territorial authority areas. These tables can be downloaded from the Statistics NZ website (www.stats.govt.nz).