

Embargoed until 10:45am – 9 April 2009

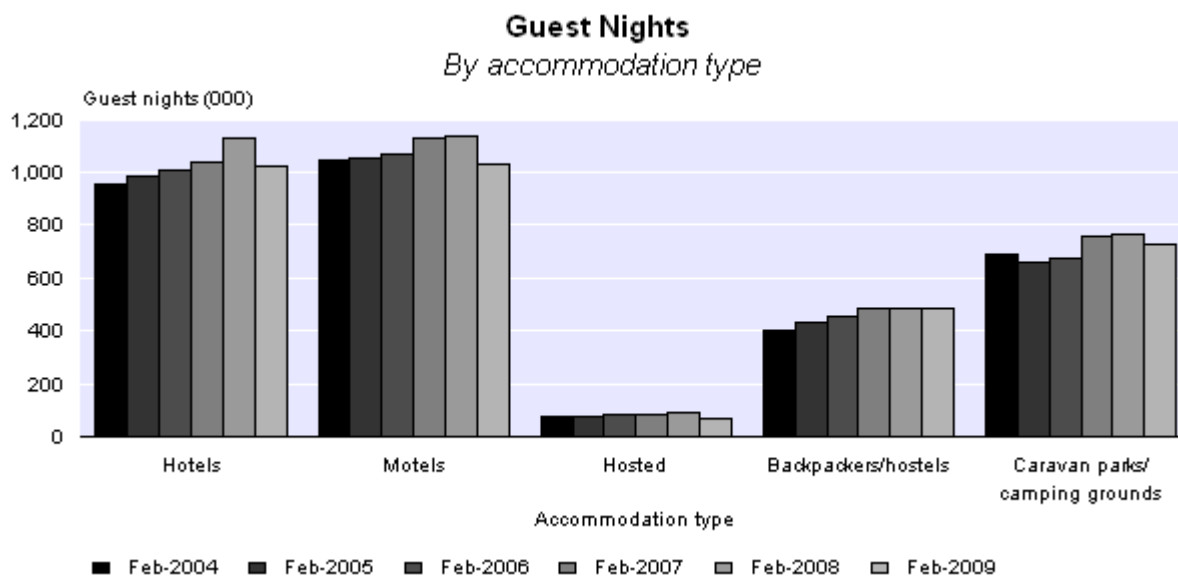
## Accommodation Survey: February 2009

### Highlights

In February 2009 compared with February 2008:

- Total guest nights were 8 percent lower.
- All 12 regions recorded fewer guest nights.
- All five accommodation types had fewer guest nights.
- International guest nights were 13 percent lower and domestic guest nights were 2 percent lower.

Occupancy rates were the lowest for a February month since February 1999.



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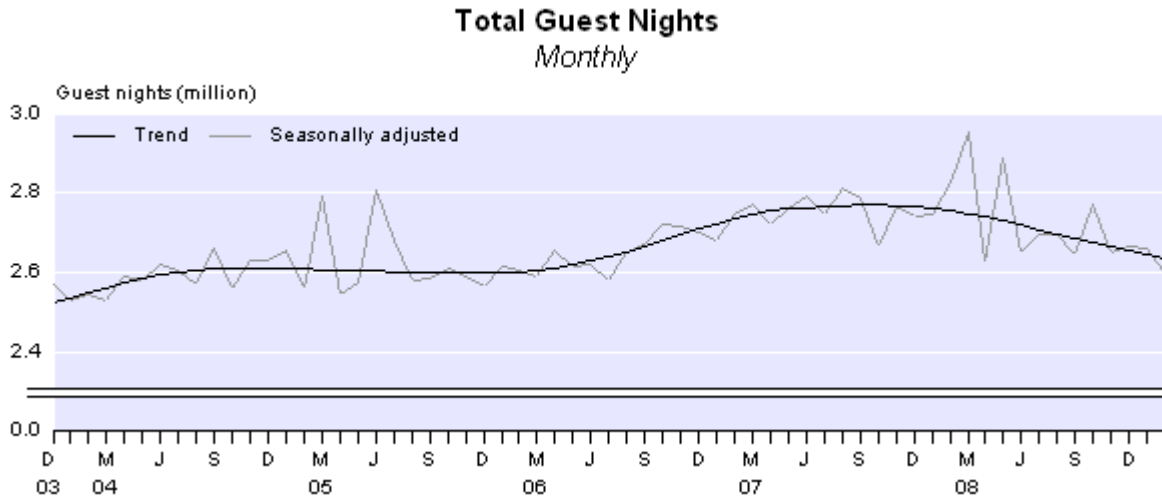
See also [Accommodation Survey: February 2009 – Media Release](#).

# Commentary

## Total guest nights

Total guest nights in short-term commercial accommodation were 3.3 million in February 2009, an 8 percent decrease compared with February 2008 and a 5 percent decrease compared with February 2007. The 2008 calendar year was a leap year with the extra day in February 2008 falling on a Friday.

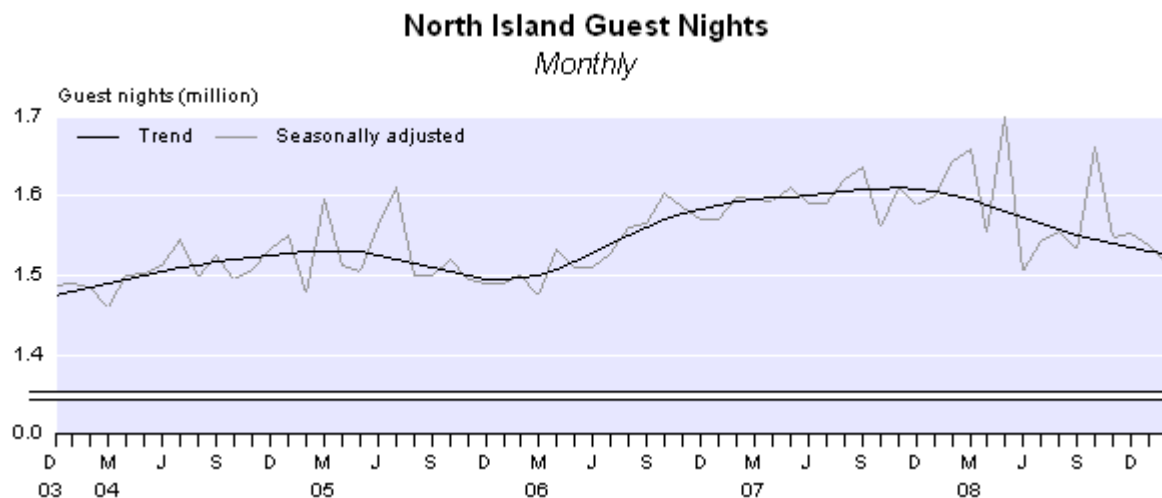
The trend in total guest nights has been decreasing since October 2007. The trend level is now 5 percent lower than the peak in October 2007, but is still 1 percent higher than in the previous low point in January 2006.



## Guest nights by island

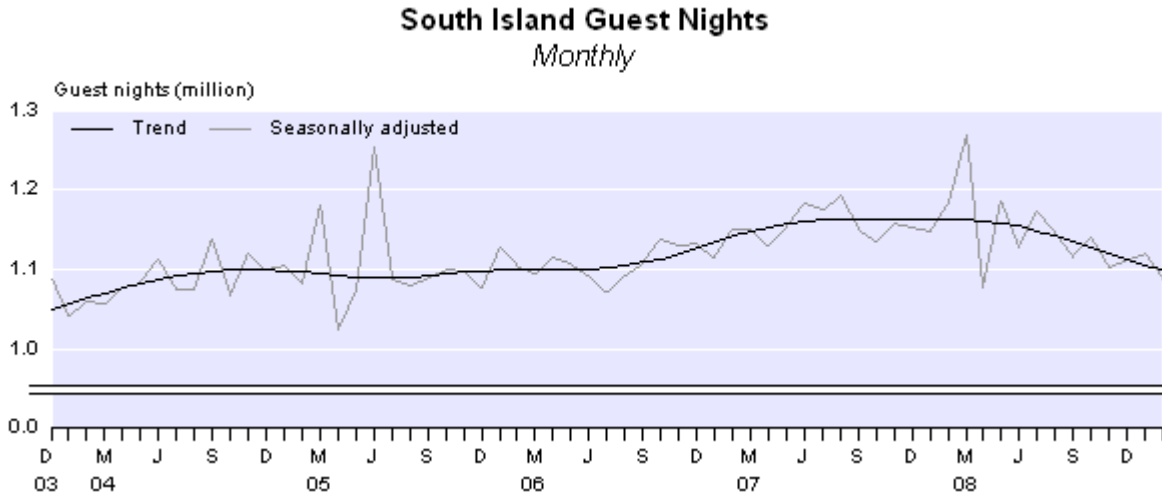
Guest nights in the North Island were 1.8 million in February 2009, a 7 percent decrease compared with February 2008 and a 4 percent decrease compared with February 2007.

The trend for North Island guest nights has been decreasing since November 2007. The trend level is now 5 percent lower than the November 2007 peak, but is still 2 percent higher than the previous low point in January 2006.



Guest nights in the South Island were 1.5 million in February 2009, an 8 percent decrease compared with February 2008 and a 5 percent decrease compared with February 2007.

The trend for South Island guest nights has been decreasing since September 2007. The trend level is now 5 percent lower than the September 2007 peak.



## Guest nights by region

In February 2009, all 12 regions recorded fewer guest nights than in February 2008, with the following regions showing the largest decreases:

- Otago (down 49,000 or 10 percent)
- Auckland (down 43,000 or 8 percent)
- Bay of Plenty (down 36,000 or 11 percent).

This is the first month since June 2006 in which all 12 regions have recorded fewer guest nights than in the same month of the previous year. On that occasion, the June 2005 figures had been boosted by the British and Irish Lions rugby tour.

## Comparison with short-term overseas visitor arrival statistics

*International Travel and Migration: February 2009* shows that short-term overseas visitor arrivals to New Zealand in February 2009 were down 24,000 (9 percent) from February 2008. This follows a decrease of 9,500 (4 percent) in January 2009 compared with January 2008.

There were fewer visitors on holiday (down 18,300 or 12 percent) in February 2009 compared with February 2008, and there were fewer visiting friends and relatives (down 2,300 or 3 percent). There were also fewer visitors on business (down 2,700 or 11 percent).

New Zealand resident short-term departures for February 2009 were down 11,200 (10 percent) from February 2008. This follows a decrease of 6,100 (5 percent) in January 2009 compared with January 2008.

## Origin of guests

International visitors contributed 1.6 million guest nights in February 2009, down 236,000 or 13 percent from February 2008. Eleven of the 12 regions showed decreases in international guest nights, led by:

- Otago (down 56,000 or 18 percent)
- Auckland (down 51,000 or 16 percent)
- Bay of Plenty (down 33,000 or 21 percent).

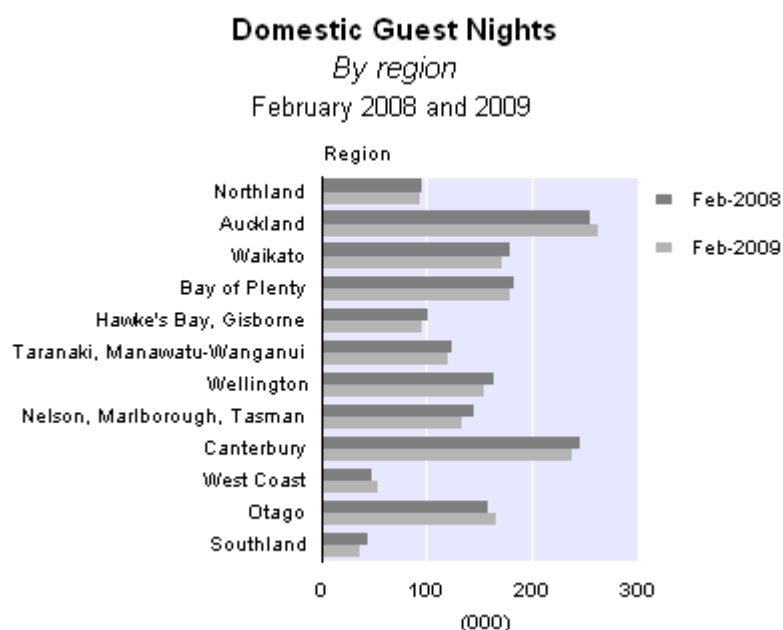
Hawke's Bay/Gisborne was the only region to show an increase in international guest nights, up 1,000 (3 percent).



In February 2009, domestic guest nights were 1.7 million, down 40,000 (2 percent) from February 2008. Nine of the 12 regions showed decreases in domestic guest nights, led by:

- Nelson/Marlborough/Tasman (down 12,000 or 8 percent)
- Wellington (down 10,000 or 6 percent)
- Canterbury (down 8,000 or 3 percent)
- Waikato (down 8,000 or 5 percent).

The Auckland region showed the largest increase in domestic guest nights, up 8,000 (3 percent).



In February 2009, there was a response rate of 71 percent to the Accommodation Survey question on 'origin of guests'. In February 2008, the response rate was 66 percent. Figures for those establishments that failed to respond have been imputed and such high levels of imputation can affect data quality, including comparisons between different months.

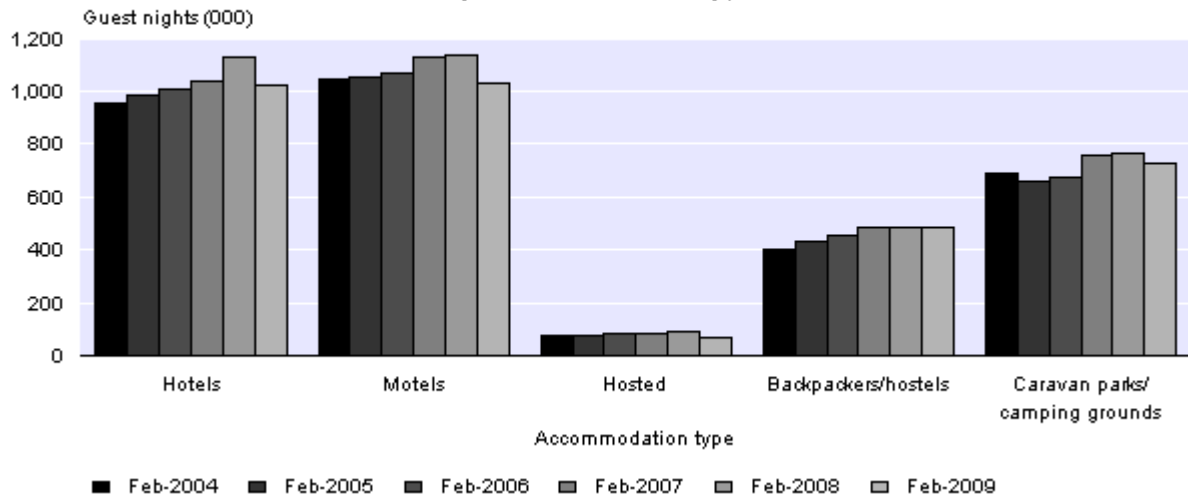
## Guest nights by accommodation type

In February 2009, guest nights decreased for all five accommodation types compared with February 2008. The accommodation types showing the largest decreases were:

- Motels, down 109,000 (10 percent)
- Hotels, down 102,000 (9 percent)
- Caravan parks/camping grounds, down 42,000 (5 percent).

In February 2009, motels and hotels had the largest share of total guest nights (each with 31 percent), followed by caravan parks/camping grounds (22 percent).

### Guest Nights By accommodation type



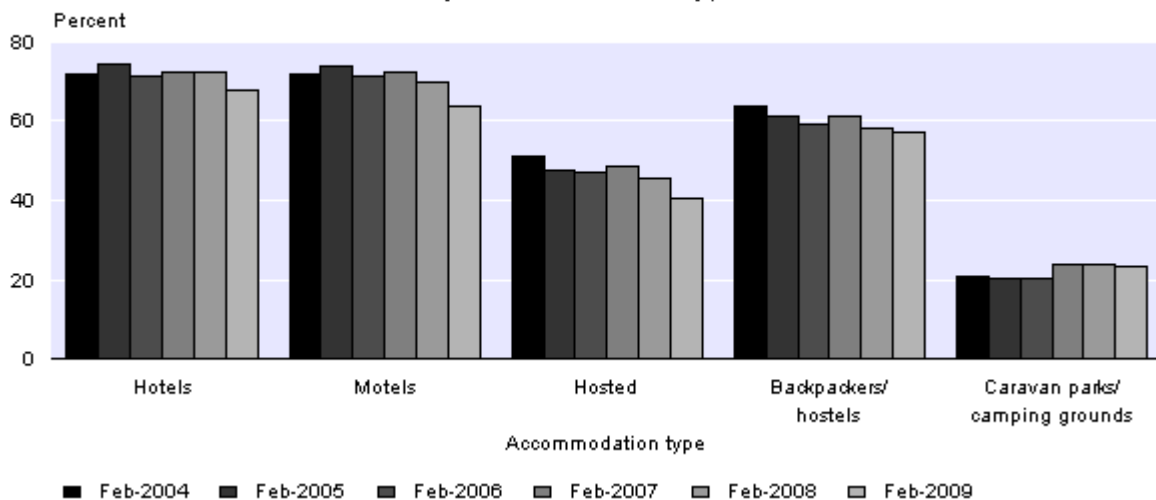
### Occupancy rate

February is traditionally the peak month for occupancy rates each year. In February 2009, the occupancy rate, excluding caravan parks/camping grounds, was 62 percent, compared with 66 percent in February 2008. This is the lowest occupancy rate in a February month since February 1999.

Hotels had the highest occupancy rate (68 percent) of all the accommodation types in February 2009, followed by motels (64 percent) and backpackers/hostels (57 percent).

Excluding the caravan parks/camping grounds category, all 12 regions had lower occupancy rates in February 2009 than in February 2008. Auckland had the highest occupancy rate (71 percent), followed by Wellington (68 percent) and Nelson/Marlborough/Tasman (67 percent).

### Occupancy Rate By accommodation type



## Response rates

Response rates by accommodation type for February 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	77	92	80
Motels	77	79	66
Hosted	84	89	76
Backpackers/hostels	78	83	63
Caravan parks/ camping grounds	82	87	72
<b>Total</b>	79	86	71

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 and/or similar areas. For more information, please see the technical notes of this release or contact Statistics New Zealand.

## Survey sponsorship

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

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### Next release ...

*Accommodation Survey: March 2009* will be released on 12 May 2009.

## **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 (ANZSIC), the target population is taken from class 5710 (accommodation), and the part of class 5720 (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 as being GST registered and having a turnover of at least \$30,000 per annum.

### **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
- Hosted: includes private hotels, guest houses, bed and breakfasts, and holiday farm (farmstay) accommodation
- Backpackers/hostels
- Caravan parks/camping grounds.

Further information on the classification system is available on request.

## Origin of guests

From November 2007, information on total domestic and international guest nights will be available on a monthly basis but the breakdown by region or country will no longer be available.

## 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**

Data collected and information contained in this publication must conform to the provisions of the Statistics Act 1975. This requires that published information maintains the confidentiality of individual respondents.

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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 caravan parks/camping grounds, 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

## 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.

<http://www.stats.govt.nz/tables/accommodation-pivot-tables>