

Embargoed until 10:45am – 11 December 2008

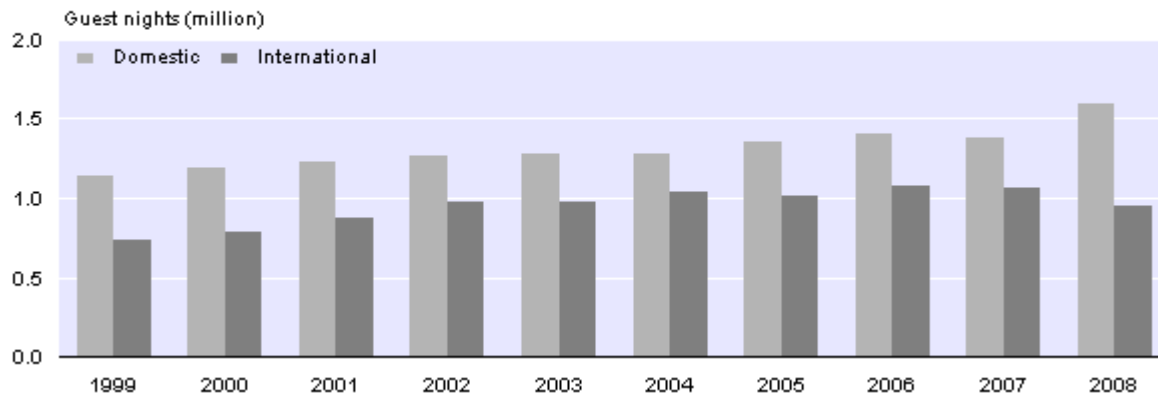
## Accommodation Survey: October 2008

### Highlights

In October 2008 compared with October 2007:

- Total guest nights increased 4 percent.
- Domestic guest nights increased 16 percent while international guest nights decreased 11 percent.
- Nine of the 12 regions recorded more guest nights, led by Wellington and Auckland.
- Four of the five accommodation types had more guest nights, led by hotels and caravan parks/camping grounds.

**Domestic and International Guest Nights**  
October 1999–2008



Geoff Bascand  
Government Statistician

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See also [Accommodation Survey: October 2008 – Media release](#).

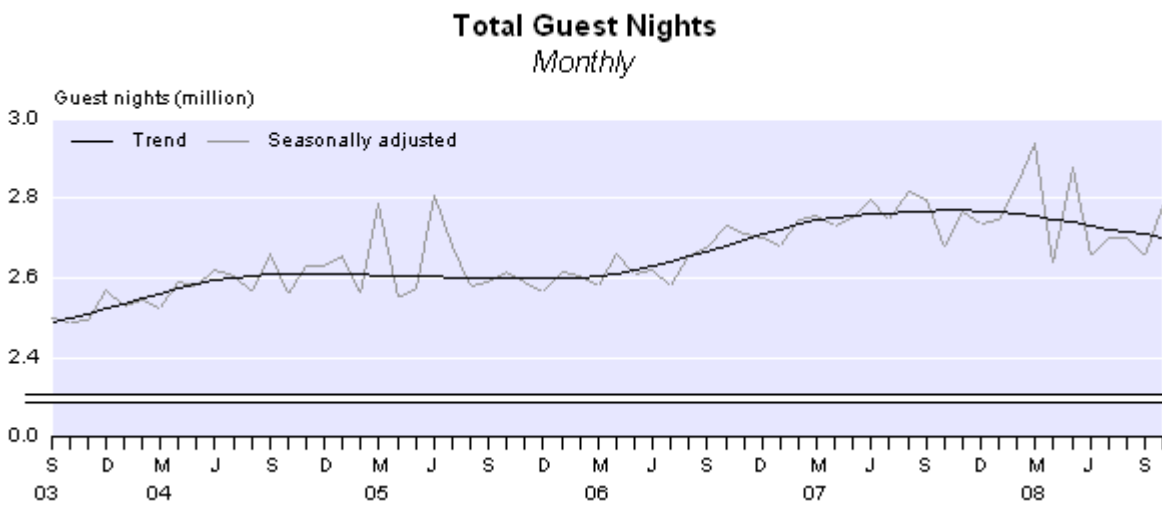
# Commentary

## Total guest nights

Total guest nights in short-term commercial accommodation were 2.5 million in October 2008, a 4 percent increase compared with October 2007 and a 3 percent increase compared with October 2006. This increase in guest nights follows decreases in five of the previous six months when compared with the same month the previous year.

In 2008, the third-term school holidays continued later into October than in 2007, but the exact effect cannot be measured.

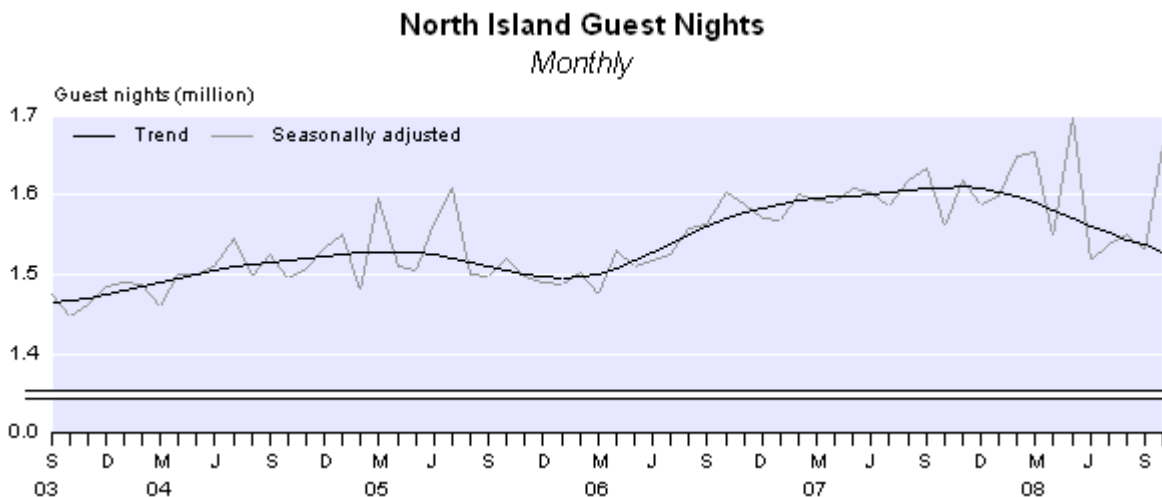
The trend in total guest nights has been decreasing since November 2007, after increasing from February 2006. The trend level is now 2 percent lower than the recent peak in November 2007, but is 4 percent higher than the most recent low point in January 2006.



## Guest nights by island

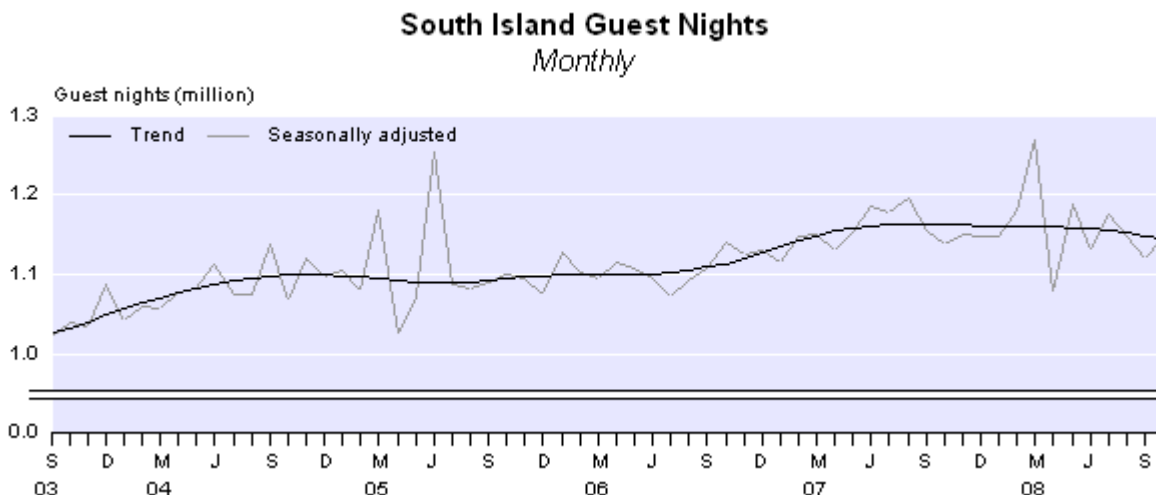
Guest nights in the North Island were 1.6 million in October 2008, a 7 percent increase compared with October 2007 and a 4 percent increase compared with October 2006.

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



Guest nights in the South Island were 1.0 million in October 2008, a 1 percent increase compared with both October 2007 and 2006.

The trend for South Island guest nights has been gradually decreasing since the series peaked in August 2007 and is now 2 percent lower than this high point.



## Guest nights by region

In October 2008, nine of the 12 regions recorded more guest nights than in October 2007, with the following regions showing the largest increases:

- Wellington (up 33,000 or 16 percent)
- Auckland (up 25,000 or 6 percent)
- Taranaki, Manawatu-Wanganui (up 21,000 or 16 percent)
- Waikato (up 17,000 or 8 percent).

## Comparison with short-term overseas visitor arrival statistics

*International Travel and Migration: October 2008* shows that short-term overseas visitor arrivals to New Zealand in October 2008 were down 6,000 (3 percent) from October 2007. This fall followed a decrease of 11,100 (7 percent) in September 2008 compared with September 2007.

More visitors came to visit friends and relatives (up 3,800 or 8 percent) in October 2008 compared with October 2007, while fewer visitors were on holiday (down 8,300 or 9 percent) and on business (down 2,100 or 9 percent).

New Zealand resident short-term departures for October 2008 were up 7,800 (5 percent) from October 2007. This fall followed a decrease of 16,400 (8 percent) in September 2008 compared with September 2007.

## Origin of guests

International visitors contributed 0.9 million guest nights in October 2008, down 114,000 or 11 percent from October 2007. The regions with the largest decreases in international guest nights were:

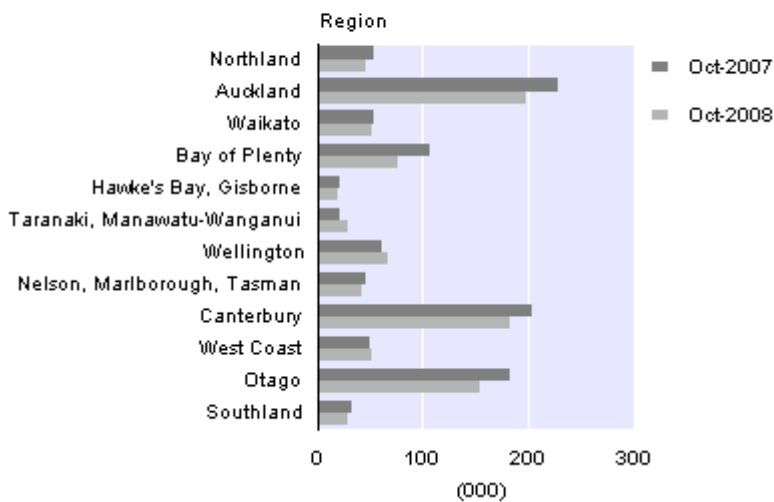
- Auckland (down 32,000 or 14 percent)
- Bay of Plenty (down 30,000 or 28 percent).

International guest nights were down 11 percent in the North Island and down 10 percent in the South Island.

### International Guest Nights

*By region*

October 2007 and October 2008



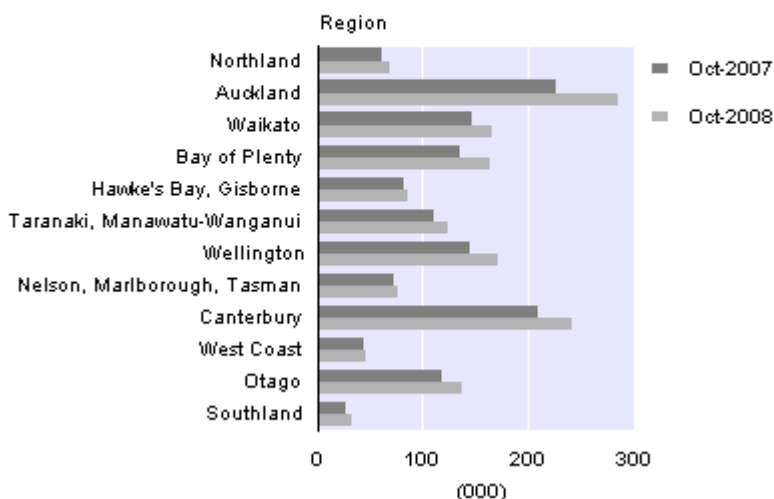
In October 2008, domestic guest nights were 1.6 million, up 217,000 or 16 percent from October 2007. The regions showing the largest increases were:

- Auckland (up 57,000 or 25 percent)
- Canterbury (up 32,000 or 15 percent).

### Domestic Guest Nights

*By region*

October 2007 and October 2008

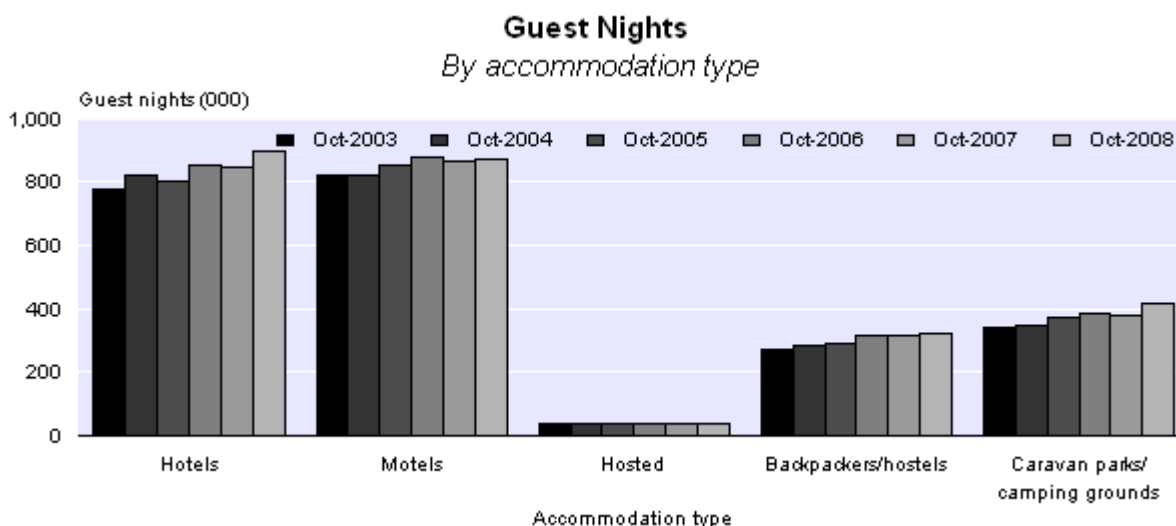


Domestic guest nights were 63 percent of total guest nights in October 2008. In the North Island, domestic guest nights contributed 69 percent of its total. In the South Island, domestic guest nights were 54 percent of its total. Ten of the 12 regions had more domestic than international guest nights, with the West Coast and Otago being the exceptions.

In October 2008, there was a response rate of 71 percent to the Accommodation Survey question on 'origin of guests'. In October 2007, there was a response rate of 54 percent to the question on 'origin of guests'. 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 October 2008, guest nights for four of the five accommodation types increased compared with October 2007. Hotels had the largest increase, up 48,000 (6 percent), followed by caravan parks/camping grounds, up 40,000 (11 percent). Motels increased 10,000 (1 percent), following four consecutive months in which motel guest nights decreased compared with the same month of the previous year.



In October 2008, hotels had the largest share of total guest nights (35 percent), followed by motels (34 percent) and caravan parks/camping grounds (16 percent).

## Occupancy rate

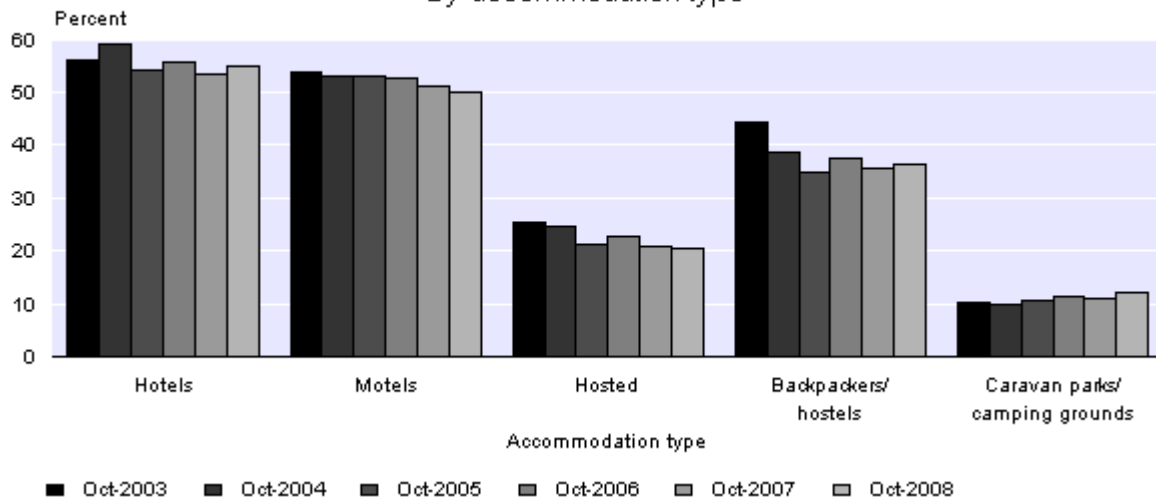
In October 2008, the occupancy rate, excluding caravan parks/camping grounds, was 47 percent, compared with 46 percent in October 2007.

Accommodation capacity, excluding caravan parks/camping grounds, was 3 percent above the October 2007 level.

Hotels had the highest occupancy rate (55 percent) of all the accommodation types in October 2008, followed by motels (50 percent) and backpackers/hostels (36 percent). Hotels generally have the highest occupancy rate in October months.

Excluding the caravan parks/camping grounds category, the Auckland region had the highest occupancy rate (61 percent) in October 2008, followed by Wellington (60 percent), and Bay of Plenty (52 percent). The occupancy rate, excluding caravan parks/camping grounds, was below 50 percent for all other regions.

### Occupancy Rate By accommodation type



## Revision to September 2008 'Origin of guest' data

An error in the split of international and domestic guest nights for September 2008 has been corrected. The total guest nights number is not affected. The revision affects domestic and international guest nights.

| <b>Changes to September 2008 Data</b>                    |  |  |                      |
|--|--|--|----------------------|
|  | <b>Published on 12<br/>November 2008</b> | <b>Published on 11<br/>December 2008</b> | <b>Change</b>        |
| Total domestic guest nights                              | 1,281,850                                | 1,388,480                                | +106,630             |
| Total international guest nights                         | 885,050                                  | 778,410                                  | -106,640             |
| Domestic guest nights share of total guest nights        | 59%                                      | 64%                                      | +5 percentage points |
| Domestic guest nights share of North Island guest nights | 65%                                      | 71%                                      | +6 percentage points |
| Domestic guest nights share of South Island guest nights | 50%                                      | 54%                                      | +4 percentage points |

Origin of guest data in the pivot tables has also been revised for some regional tourism organisations (RTOs). The Ministry of Tourism and affected RTOs have been advised. A notice was also placed on the Statistics New Zealand website. We apologise for any inconvenience this revision may cause.

## Response rates

| Response rates by accommodation type for October 2008 |   |   |   |
|---|---|---|---|
| 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  | 80  | 92  | 82  |
| Motels  | 78  | 82  | 66  |
| Hosted  | 83  | 86  | 72  |
| Backpackers/hostels                                   | 79  | 80  | 58  |
| Caravan parks/<br>camping grounds                     | 81  | 84  | 70  |
| <b>Total</b>  | 79  | 86  | 71  |

When respondents do not answer questions in the Accommodation 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 refer to the Technical notes of this release or contact Statistics NZ.

## Survey sponsorship

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

For technical information contact:  
Brylee Wayman or Tehseen Islam  
Christchurch 03 964 8700

**Email:** [info@stats.govt.nz](mailto:info@stats.govt.nz)

### Next release ...

*Accommodation Survey: November 2008* will be released on 21 January 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 New Zealand 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.

- **Regional Tourism Organisation (RTO) Area by Accommodation Type (Type)**  
Contains number of establishments, capacity, occupancy rates, guest nights, guest arrivals, length of stay and some ratios of these variables. The graph on the first worksheet will change to display the RTO and Type you select on the second worksheet. When printing the graph, select a cell rather than the graph so the heading will print.
- **Total Accommodation by Territorial Authority (TA)**  
Contains number of establishments, capacity, occupancy rates, guest nights, guest arrivals, length of stay and some ratios of these variables.
- **Origin of Guests and Employment Information by Regional Tourism Organisation (RTO)**  
Contains domestic and international guest night variables and employees.

## Printing a selection of data in a spreadsheet

If you only want to print some of the information in a spreadsheet, either select the pages you want in the print box, or hide the data you don't want to print by highlighting the columns or rows of data you don't want, then right click the mouse and select 'Hide'.