

SCOTTISH ACCOMMODATION OCCUPANCY SURVEY REPORT:

March 2023/2022 Report – HOTELS - Revised

1.0 Introduction March 2023/2022

Welcome to the Visit Scotland Scottish Accommodation Occupancy Survey Report covering March 2023 and benchmarking against March 2022. The report reviews Accommodation performance throughout Scotland, highlighting trends across various industry sectors and categories. This report offers a snapshot of accommodation performance based on participating providers. Comments and feedback should be directed to Hugh (Shug) Sheridan (E-mail: hugh.sheridan@gcu.ac.uk).

Please note that this report was revised from a previous version published earlier in the year and therefore any previous versions should be discarded.

2.0 Executive Summary March 2023

The SOAS Report: March 2023/2022 Hotels report shows an increase in occupancy in the Hotels sector in Scotland when compared to the same period in 2022. Scottish Serviced Accommodation occupancy rates for March 2023 experienced an **12.58** percentage point increase when comparing percentage room occupancy rates with March 2022. Occupancy rates within the Hotels sector experienced an **10.20** percentage point increase in March 2023 compared to from the Scottish Retail Consortium showed that Scottish Retail Attractions footfall increased by 14.5% in March 2023 compared to March 2022. Both Edinburgh and Glasgow seeing noticeable increases (27.8% and 16.7% respectively). However, when comparing footfall in March 2023 with March 2019 there remained an 11.1% decrease. This was indicative of the continued pressures on consumer spending and the slower return to urban working for some.

Domestic consumer sentiment provided by the GB National Tourist Boards for March 2023 evidenced similar findings with 49% of respondents undertaking carefully planned purchasing decisions with caution in discretionary leisure expenditure. Notably, some 23% of respondents recorded reducing expenditure with concern expressed in respect of the state of the UK economy. Only, 29% of UK adults intended to take a domestic overnight trip in the second quarter of 2023 although that figure rose to 73% for the following 12 months. These figures have been consistent across the last three waves of the GB National Tourist Survey (VisitBritain 2023) and evidenced the importance attached to holiday expenditure even in such a challenging economic environment.

The recovery in international inbound visitation continues in 2023; however, the reduced availability of flights and routes when compared with 2019 continues to restrain growth. A highlight in air transport was from Scotlands Regional Carrier; Loganair, which saw a year-to-date growth of 29% in daily flights compared to 2019. However, more generally across the sector, Eurocontrol (European Air Traffic Agency) indicated that UK air connectivity had seen a -14% decrease in year-to-date flights compared to 2019.

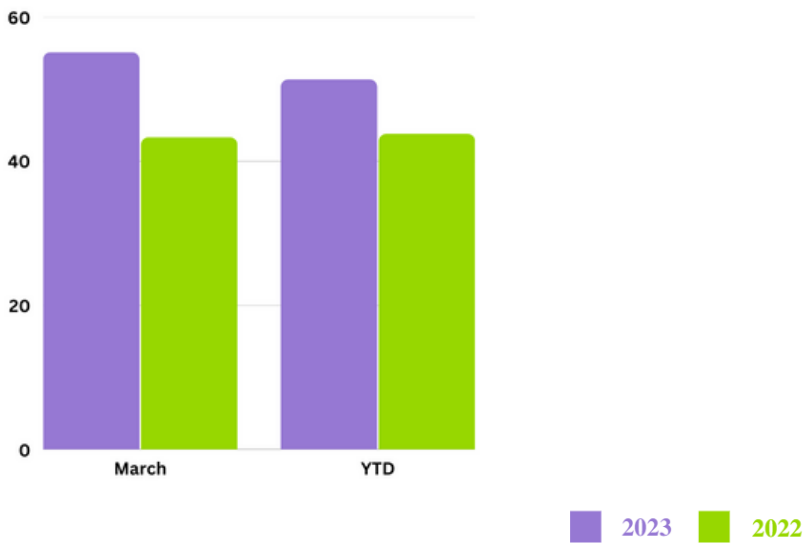
The United Nations World Tourism Organisations World Tourism Barometer found global international tourist arrivals reached 80% of pre-pandemic levels in the first quarter of 2023 (-20% compared to the same quarter of 2019) boosted by strong results in Europe and the Middle East, compared to a 66% recovery level for the year 2022 overall. An estimated 235 million tourists travelled internationally in the first three months, more than double those in the same period of 2022. Europe reached 90% of pre-pandemic levels in Q1 2023, supported by robust intra-regional demand.

Looking ahead, the UNWTO Panel of Experts survey indicates that almost 70% of experts expect better performance in May-August 2023. Yet, most continue to believe international tourism will not return to 2019 levels until 2024 or later. The UNWTO also suggest strong results are expected in the coming Northern Hemisphere summer season backed by robust pent-up demand, the sustained recovery of air connectivity, and the recent reopening of China and other major Asian markets and destinations.
(Source: <https://www.unwto.org/news/tourism-on-track-for-full-recovery-as-new-data-shows-strong-start-to-2023>)

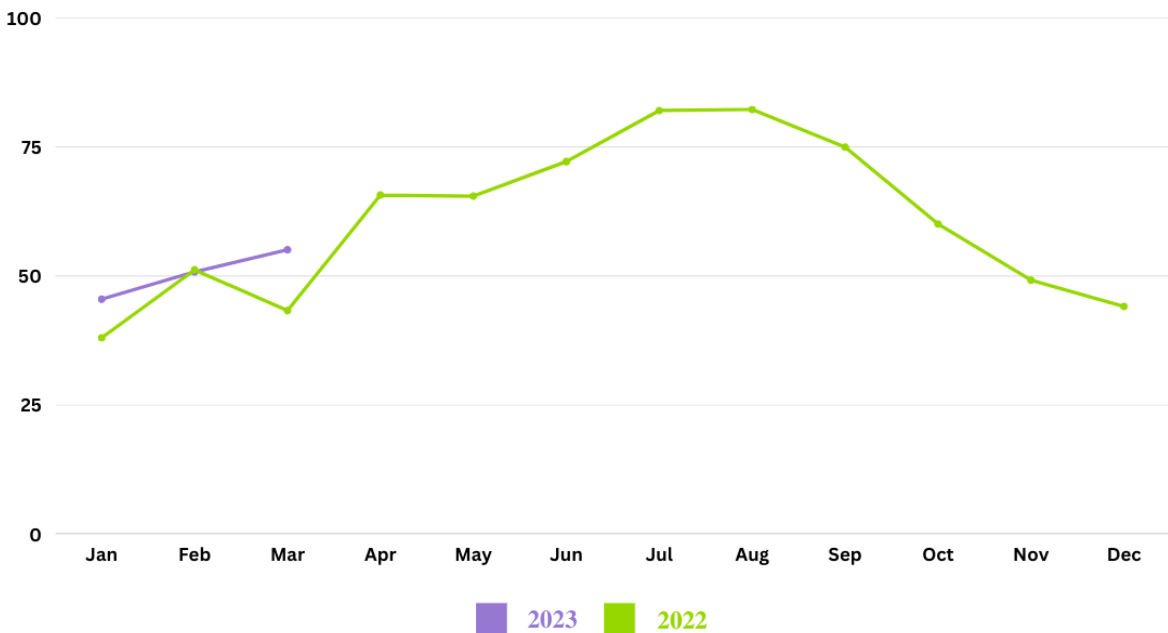
All Serviced Accommodation

Room Occupancy – March 2023/2022

Scottish Serviced Accommodation room occupancy rates for March 2023 experienced a 12.58 percentage point increase when comparing percentage room occupancy rates with March 2022.



Room Occupancy – Year to Date



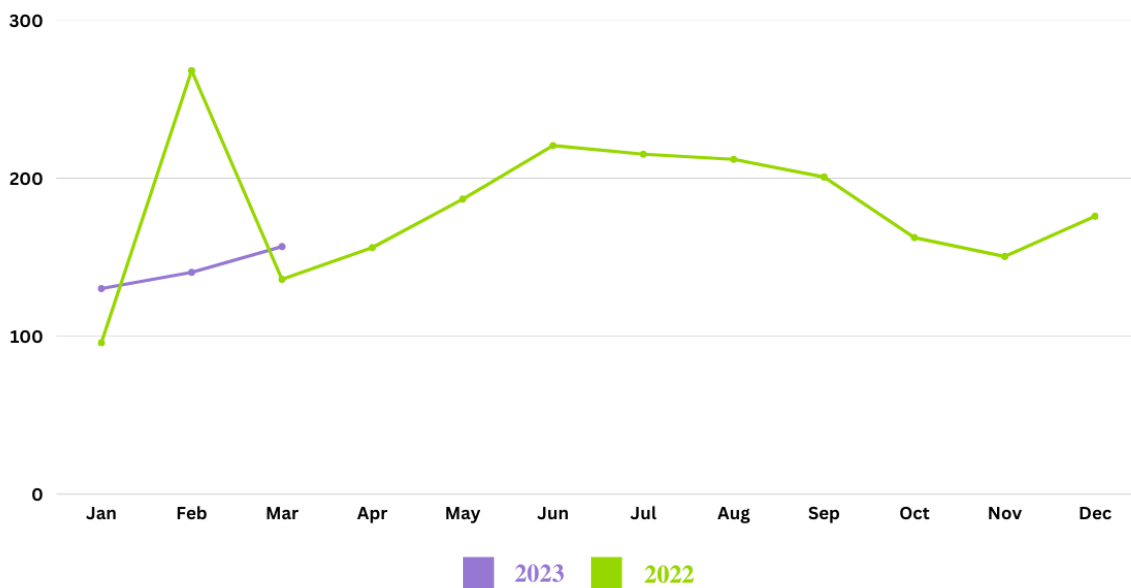
In 2022, serviced room occupancy reached at peak in August at 83.70%.

Room Occupancy	March 23	March 22	23/22 Diff ¹	Change ²	YTD 23	YTD 22	23/22 Diff	Change
All Serviced Accommodation	55.84%	43.26%	12.58	113	51.81%	43.78%	8.03	108

Bed Occupancy	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
All Serviced Accommodation	47.53%	47.16%	0.37	100	41.82%	40.02%	1.80	102

RevPAR

The Revenue per available occupied room for March 2023 was **£154.16** compared with **£136.05** in March 2022. This figure is based solely on accommodation providers who provided financial information for either March 2023 and/or 2022.



RevPAR – Year to Date 2023/2022

Room – Average RevPAR (£)	March 23	March 22
All Serviced Accommodation	£154.16	£136.05

RevPAR by Grading- March 2023/21

Grading – Average RevPAR (£)	March 23	March 22
2 Stars	£118.34	£93.69
3 Stars	£116.74	£113.54
4 Stars	£204.69	£202.11

¹ 23/22 Diff throughout this report is expressed by % Point Change

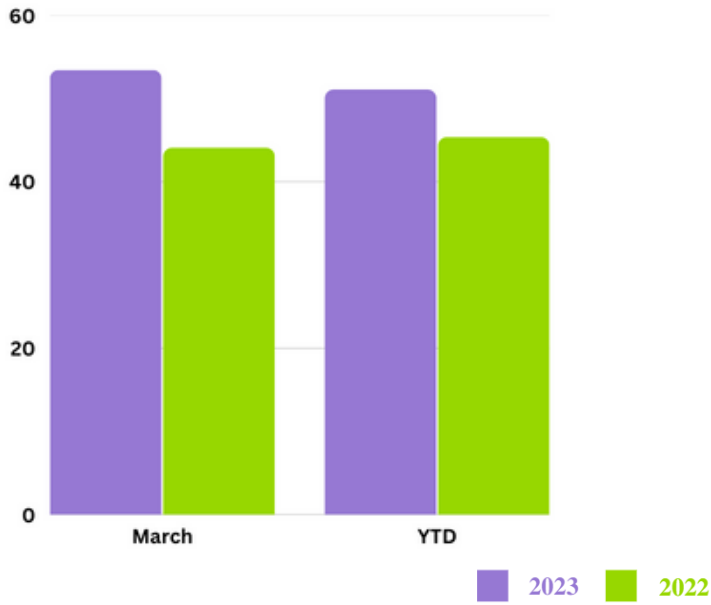
² Change is Expressed by % Index Value; e.g. if the value has a Change increase of 15%, the index is 115; if it has fallen 5%, the index is 95. No change is expressed by 100 Index value.

5 Stars	£122.14	£99.95
Unclassified	£4.47	£151.36

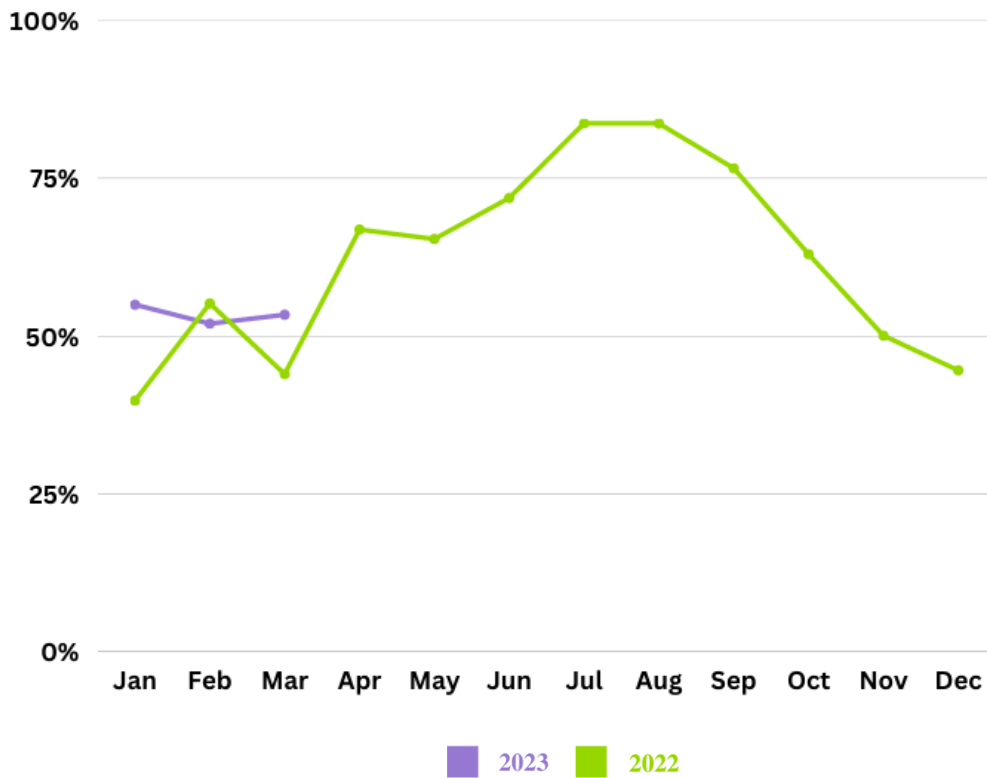
3.0 Serviced Accommodation – Hotel Sector

3.1 Performance by Hotel Category

Hotel Room Occupancy – March 2023/2022



Hotel Room Occupancy – Year to Date



In the **Hotel sector**, the **room** occupancy rate for the period March 2023 was **54.24%** when compared to data from the previous year of **44.04%** occupancy rate; this shows an overall Percentage Point increase of **10.20**.

The table below shows the **Room Occupancy** rate recorded for March 2023/2022 as well as the 23/22 Diff calculation for the **Hotel Sector**.

Room Occupancy	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
Hotel	54.24%	44.04%	10.20	110	51.75%	46.07%	5.68	106

In the **Hotel sector**, the **bed** occupancy rate for the period March 2023 was **46.46%** when compared to data from the previous year of **51.17%** occupancy rate; this shows an overall percentage point decrease of **4.71**.

The table below shows the **Bed Occupancy** rate recorded for March 2023/2022 as well as the 23/22 Diff calculation for the **Hotel sector**

Bed Occupancy	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
Hotel	46.46%	51.17%	-4.71	95	41.74%	44.32%	-2.58	52

Room Occupancy by Former VisitScotland Area

Hotel Room Occupancy by Former VisitScotland Area – March 2023/2022

Inland	55.75%	43.03%	12.72	113	54.66%	46.20%	8.46	108
Island	47.02%	55.61%	-8.59	91	51.75%	44.70%	7.05	107
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Bed Occupancy by Location (Geographic) – March 2023/2022

Location (Geographic)	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
Coastal	48.58%	36.66%	11.92	112	34.89%	36.78%	-1.89	98
Inland	44.83%	56.06%	-11.23	89	44.71%	46.44%	-1.73	98
Island	58.31%	57.47%	0.84	101	53.51%	50.91%	2.60	103
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Room Occupancy by size– March 2023/2022

Size	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
1 to 3	-	-	-	-	-	-	-	-
4 to 10	28.95%	42.85%	-13.90	86	34.46%	30.38%	4.08	104
11 to 25	47.13%	50.96%	-3.83	96	42.24%	39.30%	2.94	103
26 to 50	69.35%	69.72%	-0.37	100	66.05%	62.90%	3.15	103
51 to 100	65.16%	75.72%	-10.56	89	65.03%	67.56%	-2.53	97
Over 100	49.88%	26.45%	23.43	123	44.74%	33.50%	11.24	111
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Bed Occupancy by size – March 2023/2022

Size	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
1 to 3	-	-	-	-	-	-	-	-
4 to 10	21.92%	25.49%	-3.57	96	21.25%	21.29%	-0.04	100
11 to 25	49.58%	44.48%	5.10	105	42.95%	38.84%	4.11	104
26 to 50	56.31%	51.97%	4.34	104	54.34%	44.17%	10.17	110
51 to 100	56.51%	60.81%	-4.30	96	56.06%	54.31%	1.75	102
Over 100	42.26%	54.50%	-12.24	88	31.23%	46.41%	-15.18	85
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Room Occupancy by tariff – March 2023/2022

Tariff	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
£21 - £29.99	-	-	-	-	-	-	-	-
£30 - £39.99	-	-	-	-	-	-	-	-
£40 - £49.99	-	*	*	*	*	23.96%	-3.64	96
£50 - £59.99	*	51.69%	2.92	103	50.79%	47.55%	3.24	103
£60 - £69.99	*	69.73%	-33.30	67	39.08%	60.15%	-21.07	79
£70 +	55.77%	41.81%	13.96	114	52.98%	44.23%	7.75%	108
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Bed Occupancy by tariff – March 2023/2022

Tariff	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
£21 - £29.99	-	-	-	-	-	-	-	-
£30 - £39.99	-	-	-	-	-	-	-	-
£40 - £49.99	-	*	*	*	*	14.28%	-4.33	96
£50 - £59.99	*	33.24%	17.27	117	53.02%	33.17%	19.85	120
£60 - £69.99	*	54.73%	-22.39	78	33.62%	44.00%	-10.38	90
£70 +	47.28%	51.75%	-4.47	96	42.05%	46.22%	-4.17	96
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Room Occupancy by grading – March 2023/2022

Grading	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
2 Stars	*	*	*	*	61.18%	65.33%	-4.15	96
3 Stars	49.21%	59.61%	-10.40	90	47.20%	45.07%	2.13	102
4 Stars	52.34%	29.40%	22.94	123	50.24%	40.43%	9.81	110
5 Stars	*	*	*	*	40.19%	35.96%	4.23	104
Unclassified	61.65%	59.64%	2.01	102	56.59%	54.82%	1.77	102
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

Bed Occupancy by grading – March 2023/2022

Grading	March 23	March 22	23/22 Diff	Change	YTD 23	YTD 22	23/22 Diff	Change
2 Stars	*	*	*	*	52.50%	45.08%	7.42	107
3 Stars	44.60%	46.90%	-2.30	98	40.45%	37.78%	2.67	103
4 Stars	44.27%	60.71%	-16.44	84	38.52%	57.58%	-19.06	81
5 Stars	*	*	*	*	32.14%	31.54%	0.60	101
Unclassified	38.96%	36.74%	2.22	102	36.72%	36.99%	-0.27	100
- Sample Size = Nil		*Sample Size (between 1 and 4) too small to be included						

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