

Embargoed until 10:45 am – 12 August 2009

Accommodation Survey: June 2009

Highlights

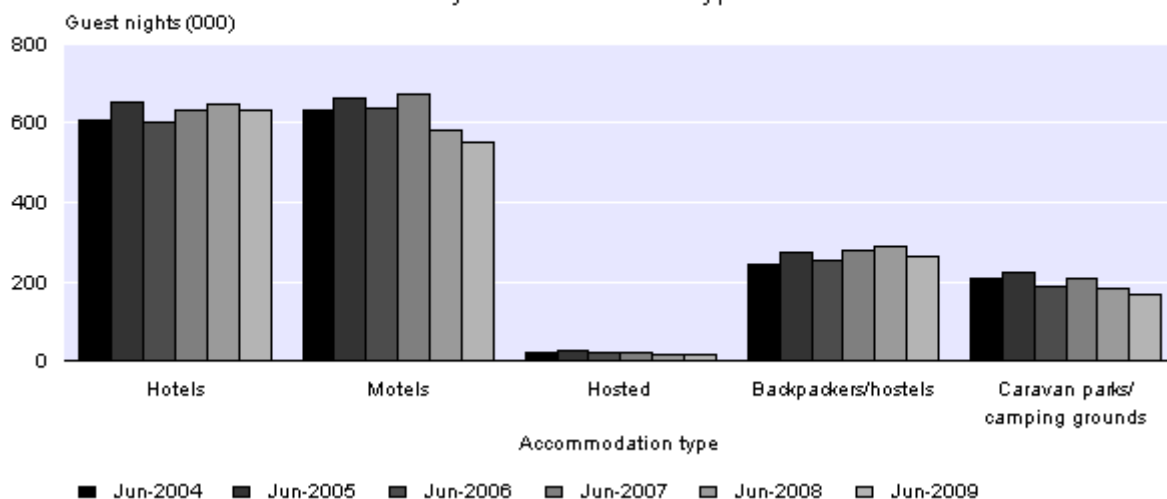
Compared with June 2008:

- Total guest nights were 5 percent lower.
- International guest nights were down 8 percent and domestic guest nights were down 3 percent.
- All five accommodation types had fewer guest nights.
- Eight of the 12 regions had fewer guest nights, with Auckland recording the largest decrease.
- Otago had the largest increase in guest nights.

Total guest nights were down 3 percent in the year ended June 2009.

Guest Nights

By accommodation type



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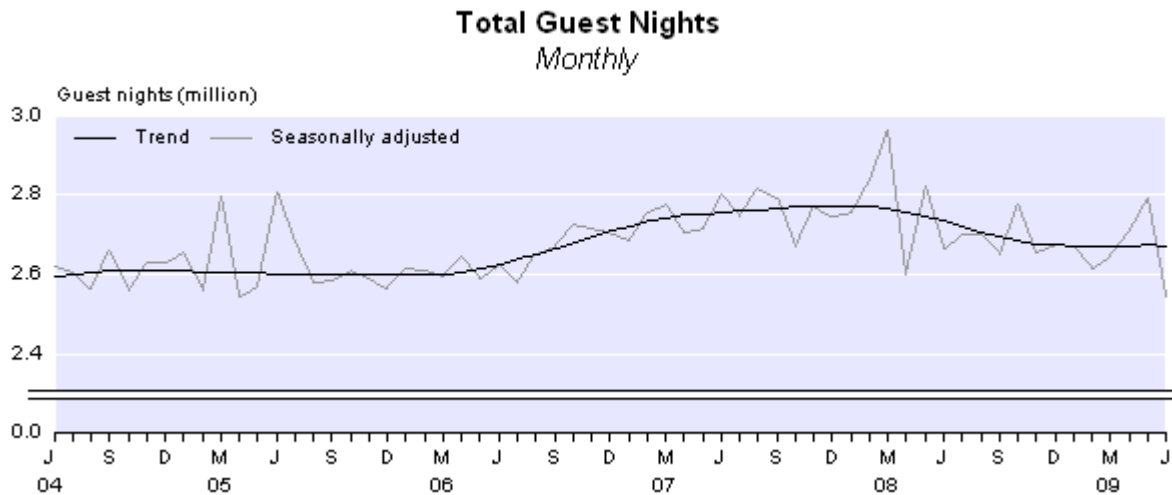
Commentary

Total guest nights

Total guest nights in short-term commercial accommodation were 1.6 million in June 2009, a 5 percent decrease compared with June 2008, and a 10 percent decrease compared with June 2007.

The trend in total guest nights decreased over 2008, and has been flattening over recent months. The trend level is now 4 percent lower than the peak in December 2007.

For the year ended June 2009, total guest nights were 3 percent lower than for the year ended June 2008.



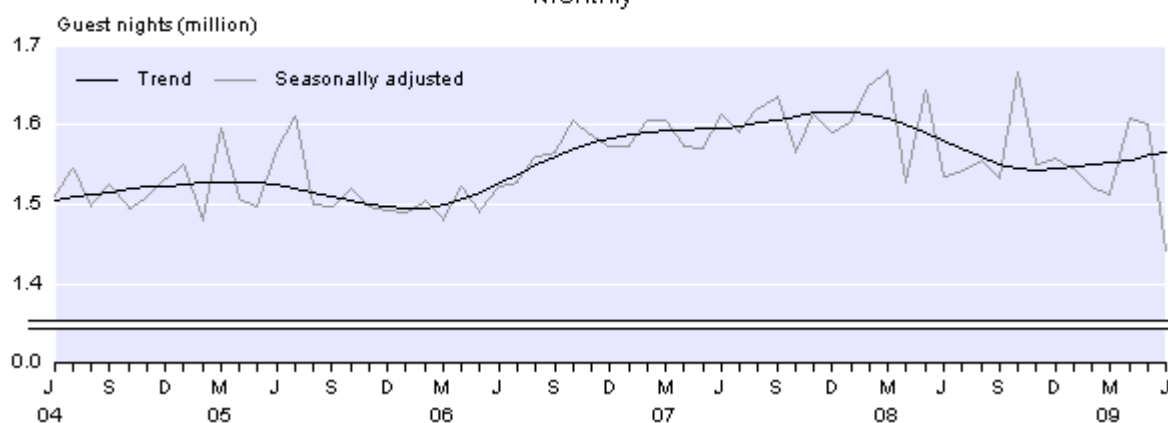
Guest nights by island

Guest nights in the North Island were 1.0 million in June 2009, a 6 percent decrease compared with June 2008, and a 12 percent decrease compared with June 2007.

After a period of decreases from January 2008, the trend for North Island guest nights appears to have been increasing since November 2008. This apparent increase in the trend in recent months should be treated with caution, as time series analysis suggests more data is required for the direction of the trend to be confirmed. The trend level is now 1 percent higher than the previous low in November 2008, but is still 3 percent lower than the peak in December 2007.

For the year ended June 2009, North Island guest nights were 3 percent lower than for the year ended June 2008.

North Island Guest Nights Monthly

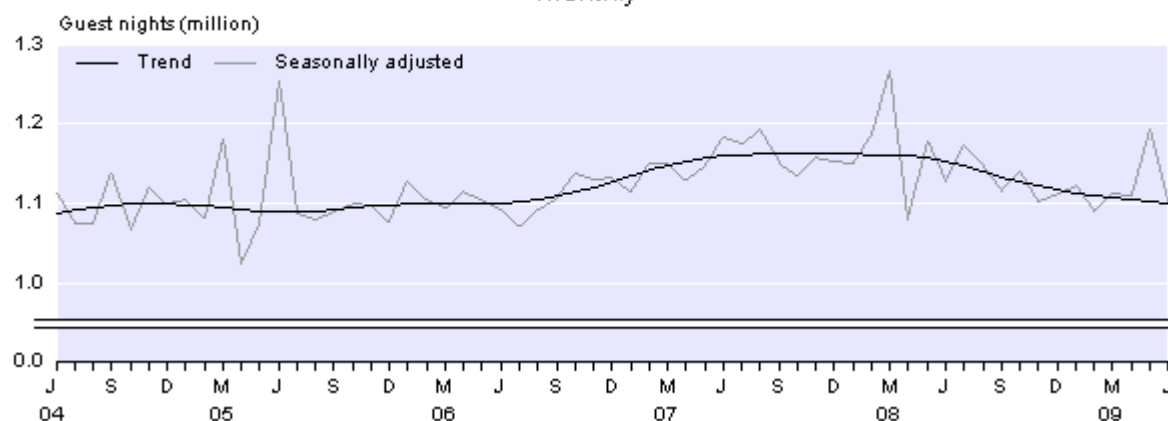


Guest nights in the South Island were 0.6 million in June 2009, a 2 percent decrease compared with June 2008, and a 7 percent decrease compared with June 2007.

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

For the year ended June 2009, South Island guest nights were 4 percent lower than for the year ended June 2008.

South Island Guest Nights Monthly



Guest nights by region

In June 2009, 8 of the 12 regions recorded fewer guest nights than in June 2008, with the following regions showing the largest decreases:

- Auckland, down 39,000 (11 percent)
- Bay of Plenty, down 19,000 (11 percent)
- Canterbury, down 17,000 (6 percent).

The region showing the largest increase was Otago, up 17,000 (9 percent), assisted by a higher number of guest nights in Queenstown.

For the year ended June 2009, 11 of the 12 regions recorded fewer guest nights than in the year ended June 2008. The regions showing the largest decreases were:

- Auckland, down 242,000 (4 percent)
- Bay of Plenty, down 212,000 (6 percent)
- Otago, down 188,000 (4 percent)

The only region showing an increase was Taranaki/Manawatu-Wanganui, up 5,000 (less than 1 percent).

Comparison with short-term overseas visitor arrival statistics

International Travel and Migration: June 2009 shows that short-term overseas visitor arrivals to New Zealand in June 2009 were down 7,300 (5 percent) from June 2008. This follows an increase of 1,400 (1 percent) in May 2009 compared with May 2008.

In June 2009 compared with June 2008, there were more people visiting friends and relatives, up 3,000 (7 percent), but fewer visitors on holiday, down 5,200 (9 percent), or on business, down 3,200 (15 percent).

New Zealand resident short-term departures for June 2009 were down 9,700 (5 percent) from June 2008. This follows a decrease of 10,300 (6 percent) in May 2009 compared with May 2008.

Origin of guests

International visitors contributed 0.6 million guest nights in June 2009, down 49,000 (8 percent) from June 2008. These visitors provided 31 percent of total guest nights in the North Island and 45 percent of those in the South Island. Domestic guest nights numbered 1.0 million, down 34,000 (3 percent) from June 2008.

Eight of the 12 regions showed decreases in international guest nights, with the largest decreases recorded in:

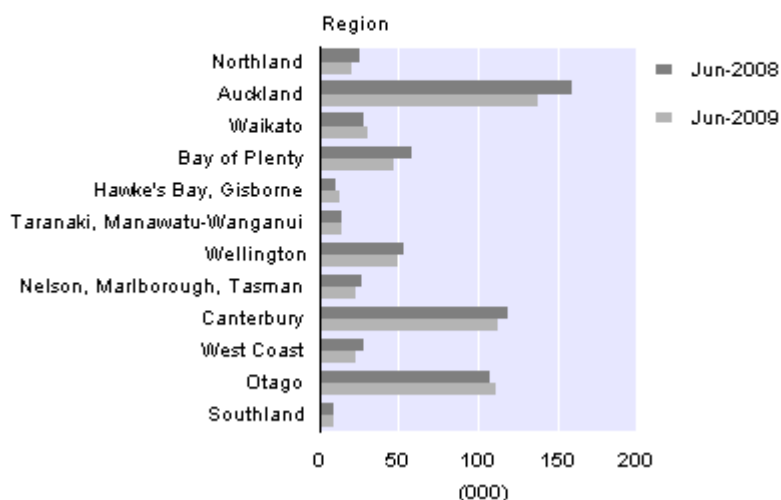
- Auckland, down 22,000 (14 percent)
- Bay of Plenty, down 12,000 (21 percent)

The region recording the largest increase was Otago, up 4,000 (3 percent).

International Guest Nights

By region

June 2008 and 2009



Nine of the 12 regions showed decreases in domestic guest nights, led by:

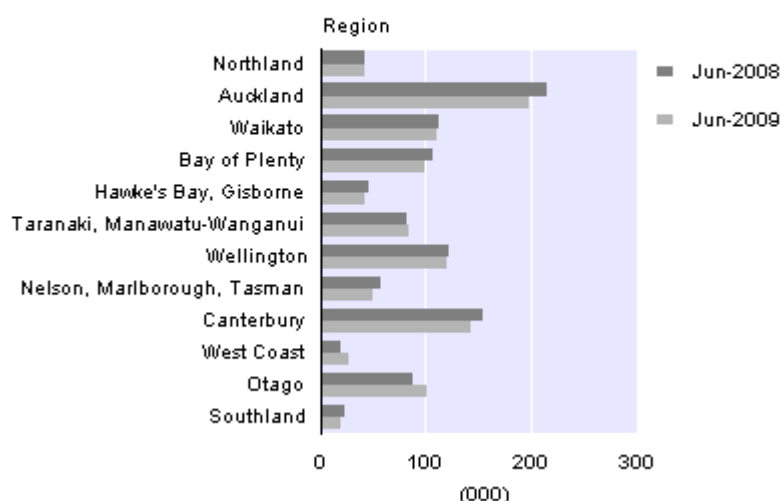
- Auckland, down 17,000 (8 percent)
- Canterbury, down 11,000 (7 percent)
- Nelson/Marlborough/Tasman, down 9,000 (15 percent).

The Otago region recorded the largest increase in domestic guest nights, up 13,000 (15 percent).

Domestic Guest Nights

By region

June 2008 and 2009



In June 2009, there was a response rate of 73 percent to the Accommodation Survey question on 'origin of guests'. In June 2008, the response rate was 68 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 June 2009, all five accommodation types had fewer guest nights than in June 2008. The largest decreases were recorded by:

- motels, down 28,000 (5 percent)
- backpackers/hostels, down 27,000 (9 percent).

In June 2009, hotels had the largest share of total guest nights (39 percent), followed by motels (34 percent), and backpackers/hostels (16 percent).

For the year ended June 2009, all five accommodation types recorded decreases compared with the previous June year, with the largest decrease recorded by motels, down 669,000 (6 percent).

Hotels had the largest share of total guest nights (33 percent) in the June 2009 year, followed by motels (32 percent), and caravan parks/camping grounds (20 percent).

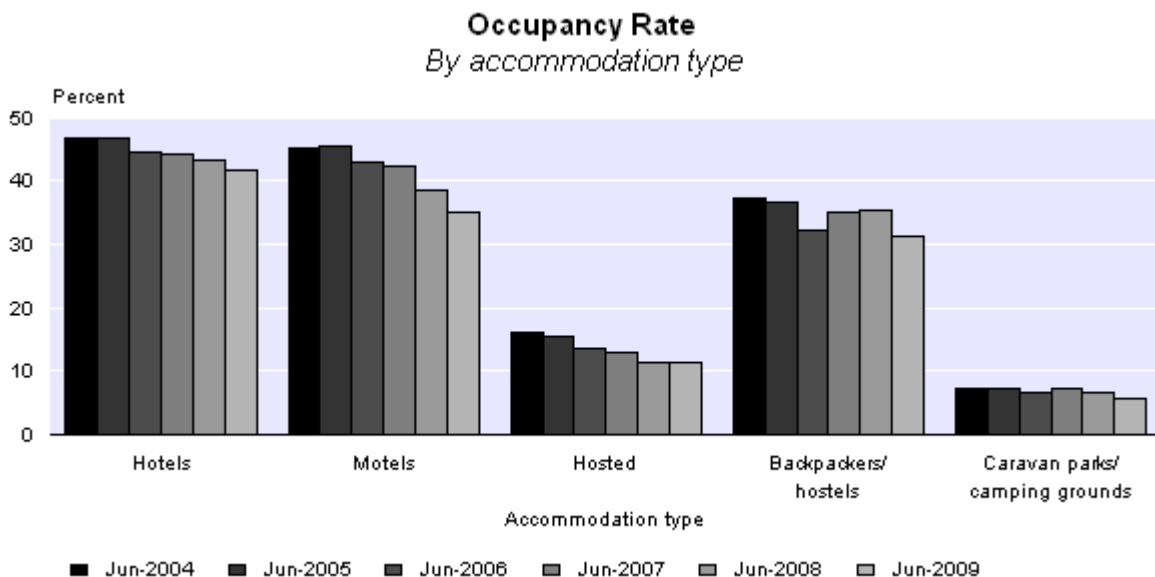
Occupancy rate

Excluding caravan parks/camping grounds, the occupancy rate in June 2009 was 35 percent, compared with 38 percent in June 2008. This is the lowest occupancy rate in any month since June 1998.

Hotels had the highest occupancy rate (41 percent) of all the accommodation types in June 2009, followed by motels (35 percent), and backpackers/hostels (31 percent).

Excluding the caravan parks/camping grounds category, all 12 regions had lower occupancy rates in June 2009 than in June 2008. The leading occupancy rates were:

- Wellington (48 percent)
- Auckland (46 percent).



Response rates

Response rates by accommodation type for June 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	80	93	81
Motels	79	81	66
Hosted	82	83	74
Backpackers/hostels	78	81	65
Caravan parks/camping grounds	82	86	74
Total	80	86	73

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: July 2009 will be released on 11 September 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 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 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.