

Embargoed until 10:45 am – 11 July 2008

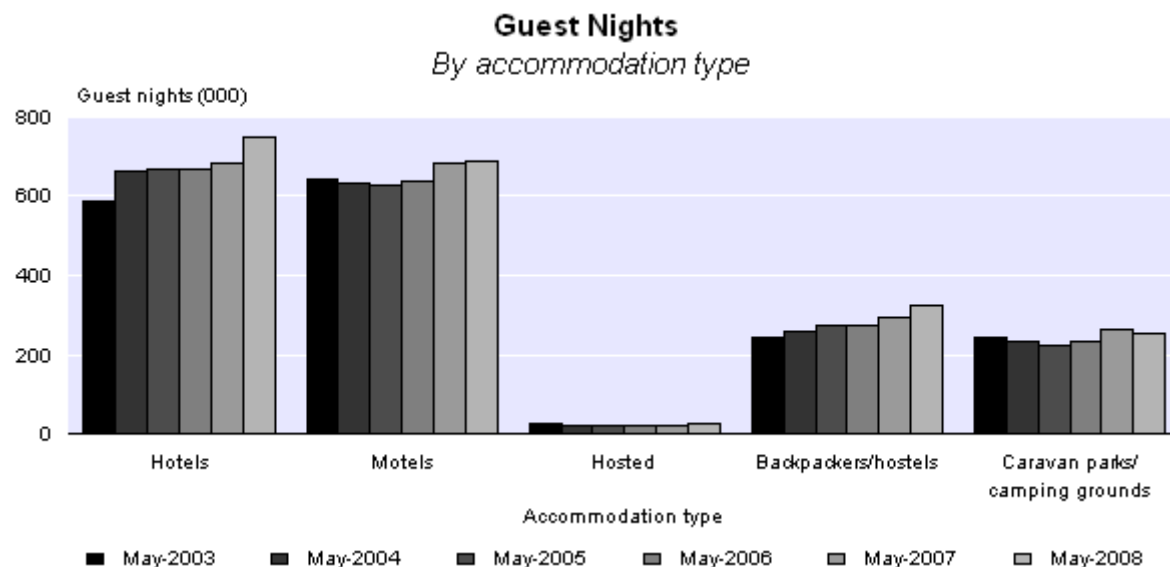
Accommodation Survey: May 2008

Highlights

In May 2008 compared with May 2007:

- Total guest nights increased 91,000 (5 percent) to 2.0 million.
- Four of the five accommodation types had more guest nights, with hotels and backpackers/hostels showing the largest increases.
- Eight of the 12 regions had more guest nights, led by Auckland, Wellington and Canterbury.

In May 2008, domestic guest nights were 1.3 million while international guest nights were 0.8 million.



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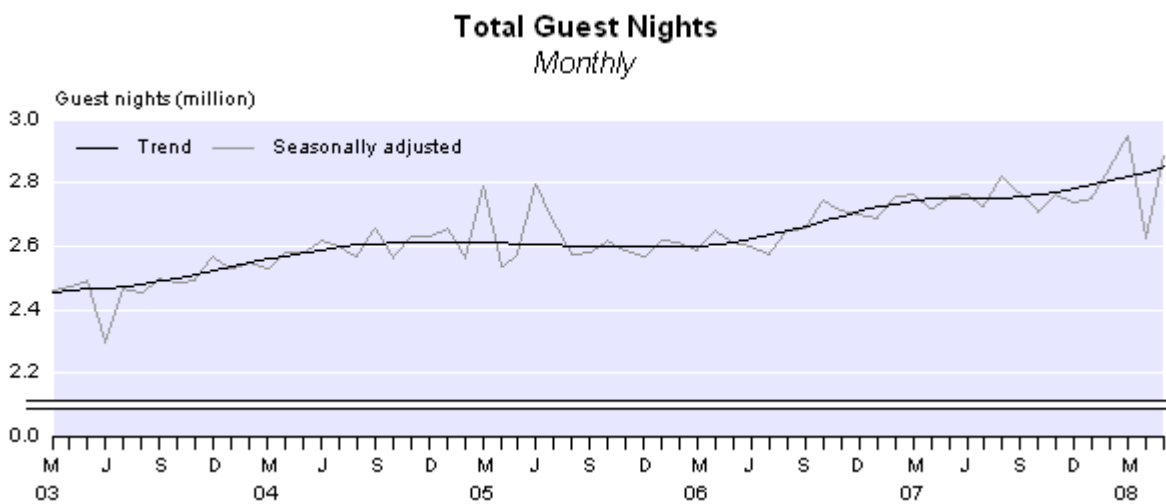
Commentary

Total guest nights

Total guest nights in short-term commercial accommodation were 2.0 million in May 2008, an increase of 5 percent compared with May 2007, and 11 percent compared with May 2006.

The Autumn school holidays generally fall entirely in April but in 2008 these occurred later than usual, going into the first few days of May. This may have contributed to the increase, although the exact effect cannot be measured.

The trend for total guest nights has been increasing since January 2006. In May 2008, the trend level was 4 percent higher than in May 2007 and 9 percent higher than in May 2006.

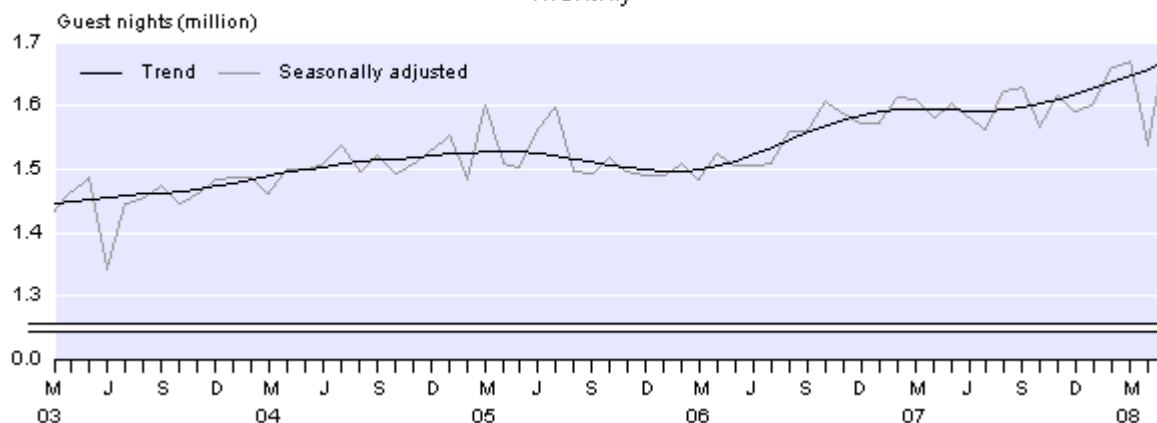


Guest nights by island

Guest nights in the North Island were 1.3 million in May 2008, an increase of 6 percent compared with May 2007, and 12 percent compared with May 2006.

The trend for North Island guest nights has been increasing since June 2007. In May 2008, the trend level was 5 percent higher than in May 2007 and 10 percent higher than in May 2006.

North Island Guest Nights *Monthly*

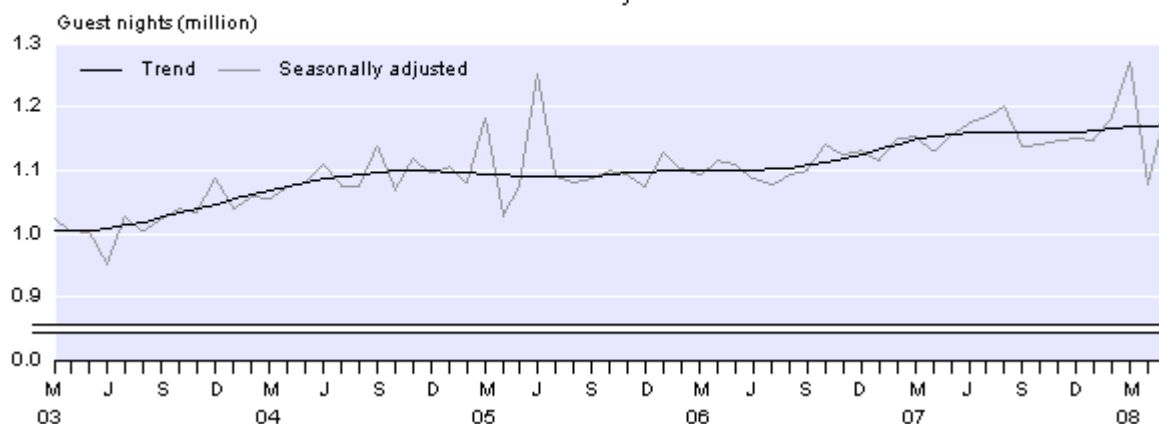


Guest nights in the South Island were 0.8 million in May 2008, an increase of 3 percent compared with May 2007, and 8 percent compared with May 2006.

The trend for South Island guest nights has been relatively flat since mid-2007. An 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.

In May 2008, the trend level was 1 percent higher than in May 2007 and 7 percent higher than in May 2006.

South Island Guest Nights *Monthly*



Guest nights by region

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

- Auckland (up 40,000 or 10 percent)
- Wellington (up 22,000 or 12 percent)
- Canterbury (up 22,000 or 7 percent).

Guest nights for all the other regions had absolute changes of less than 4,500 guest nights.

Comparison with short-term overseas visitor arrival statistics

The *External Migration: May 2008* release shows that short-term overseas visitor arrivals to New Zealand in May 2008 were down 300 (less than 1 percent) from May 2007. This followed a decrease of 13,800 (7 percent) in April 2008 compared with April 2007.

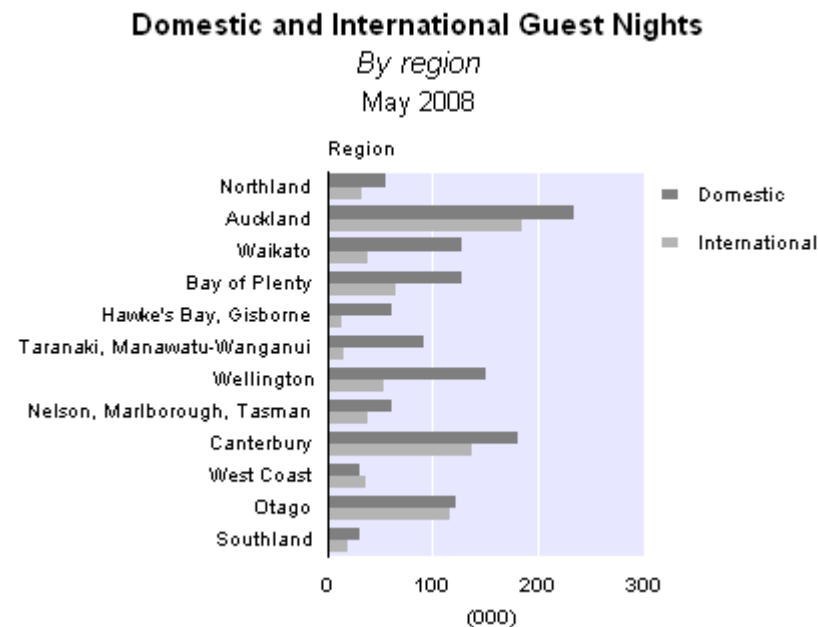
The estimated average number of visitors who were in New Zealand during May 2008 was up 7 percent from May 2007.

New Zealand resident short-term departures for May 2008 were up 2,600 (2 percent) from May 2007. This followed an increase of 600 (less than 1 percent) in April 2008 compared with April 2007.

Origin of guests

In May 2008, domestic guest nights were 1.3 million while international guest nights were 0.8 million. Auckland and Canterbury were the top two regions for both domestic and international guest nights.

Domestic guest nights were 63 percent of total guest nights. In the North Island, domestic guest nights contributed 68 percent of the North Island's total. In the South Island, domestic guest nights were 55 percent of its total. Eleven of the 12 regions had more domestic than international guest nights, with the West Coast being the exception.



Survey change

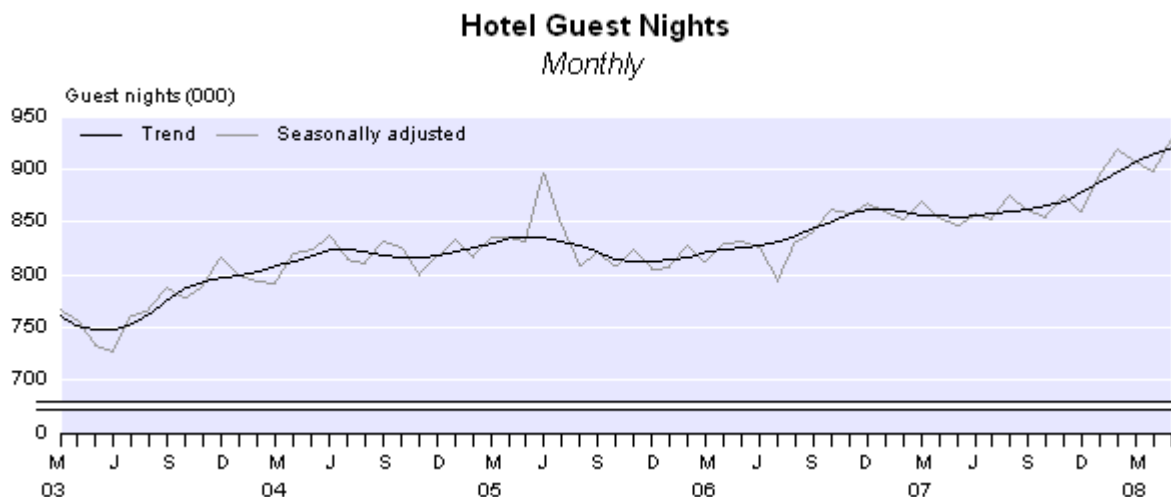
From the November 2007 survey month, information on domestic and international guest nights is available on a monthly basis. Previous information on 'origin of guest by country' is no longer available. This is the first stage of changes being made, following a review of the Accommodation Survey, which aim to balance the need for high-quality information against the need to reduce respondent load.

In May 2008, there was a response rate of 66 percent to the Accommodation Survey question on 'origin of guests'. Prior to the survey change, the response rate for this question ranged between 55 and 60 percent. Figures for those establishments that failed to respond have been imputed. Such high levels of imputation can affect data quality, especially for regional statistics and those for accommodation type.

Guest nights by accommodation type

In May 2008, guest nights for four of the five accommodation types increased when compared with May 2007. Hotels had the largest increase, up 67,000 (10 percent), followed by backpackers/hostels, up 30,000 (10 percent).

The trend for hotel guest nights has been increasing since May 2007. The trend level in May 2008 was 8 percent higher than in May 2007.



Occupancy rate

In May 2008, the occupancy rate, excluding caravan parks/camping grounds, was 42 percent, the same as in May 2007.

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

Hotels had the highest occupancy rate (49 percent) of all the accommodation types in May 2008, followed by motels (43 percent) and backpackers/hostels (37 percent).

Excluding the caravan parks/camping grounds category, the Wellington region had the highest occupancy rate (56 percent) in May 2008, followed by Auckland (55 percent).

Response rates

Response rates by accommodation type for May 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	91	69
Motels	80	83	67
Hosted	83	86	69
Backpackers/hostels	79	79	54
Caravan parks/ camping grounds	82	80	72
Total	81	87	66

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.

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Next release ...

Accommodation Survey: June 2008 will be released on 12 August 2008.

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'.