

Embargoed until 10:45 am – 10 July 2009

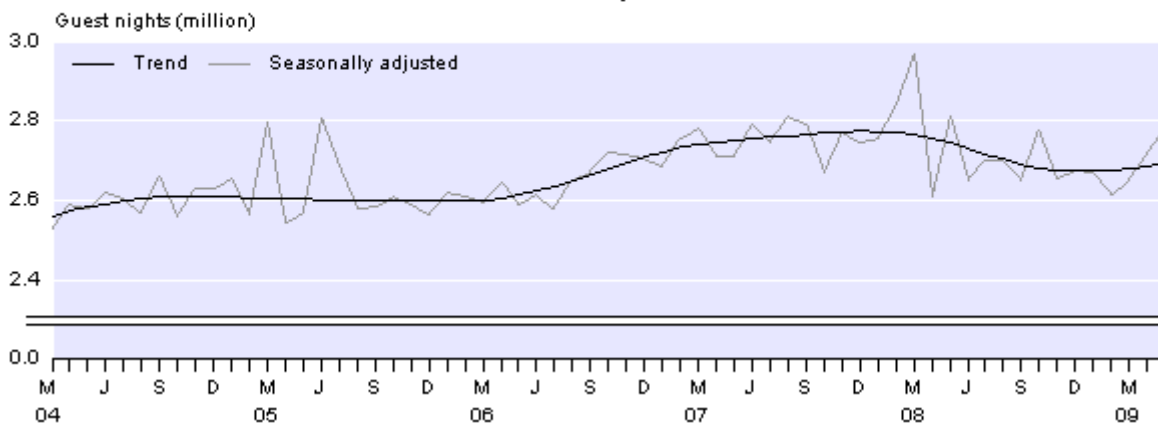
Accommodation Survey: May 2009

Highlights

Compared with May 2008:

- Total guest nights were 1 percent lower.
- Guest nights were down 2 percent in the North Island and up 2 percent in the South Island.
- International guest nights were down 6 percent in the North Island and up 5 percent in the South Island.
- Domestic guest nights were down 1 percent in the South Island.
- Domestic guest nights were down less than 1 percent in the North Island.

Total Guest Nights
Monthly



Geoff Bascand
Government Statistician

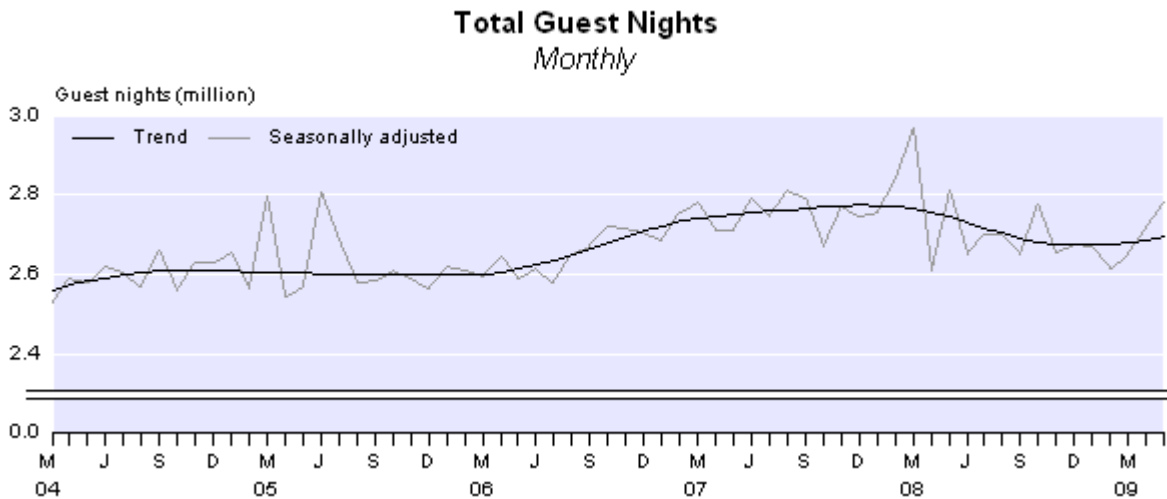
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Commentary

Total guest nights

Total guest nights in short-term commercial accommodation were 2.0 million in May 2009, a 1 percent decrease compared with May 2008, but a 4 percent increase compared with May 2007.

The trend in total guest nights decreased over the 2008 year. Although the trend appears to have been increasing in 2009, this change 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 December 2008, but is still 3 percent lower than the peak in December 2007.

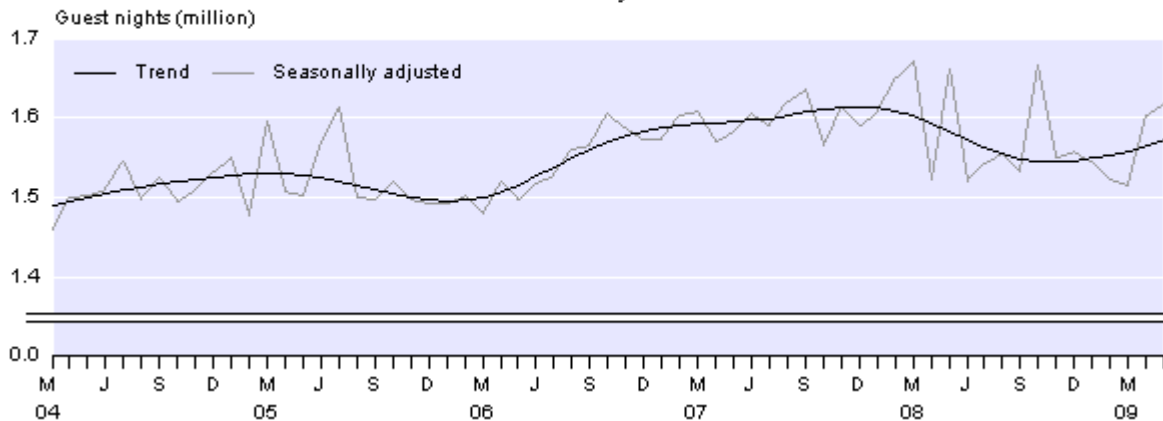


Guest nights by island

Guest nights in the North Island were 1.2 million in May 2009, a 2 percent decrease compared with May 2008, but a 3 percent increase compared with May 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 2 percent higher than the previous low in November 2008, but is still 3 percent lower than the peak in December 2007.

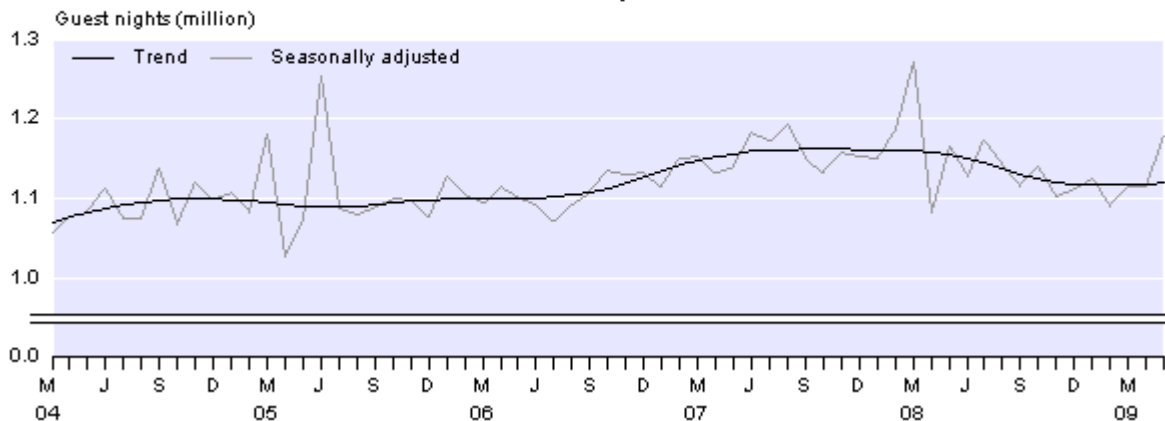
North Island Guest Nights Monthly



Guest nights in the South Island were 0.8 million in May 2009, a 2 percent increase compared with May 2008, and a 5 percent increase compared with May 2007.

After decreasing since October 2007, the trend for South Island guest nights has been showing a slight increase since February 2009. 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 still 4 percent lower than the October 2007 peak.

South Island Guest Nights Monthly



Guest nights by region

Although there was a drop of 13,000 in total guest nights, 8 of the 12 regions recorded more guest nights in May 2009 than in May 2008, with the following regions showing the largest increases:

- West Coast, up 7,000 (10 percent)
- Taranaki/Manawatu-Wanganui, up 4,000 (4 percent)
- Wellington, up 4,000 (2 percent).

The region showing the largest decrease was Auckland, down 34,000 (8 percent).

Comparison with short-term overseas visitor arrival statistics

International Travel and Migration: May 2009 shows that short-term overseas visitor arrivals to New Zealand in May 2009 were up 1,400 (1 percent) from May 2008. This follows an increase of 16,500 (9 percent) in April 2009 compared with April 2008.

In May 2009 compared with May 2008, there were more people visiting friends and relatives, up 5,600 (13 percent), and more visitors on holiday, up 2,100 (4 percent). By contrast, there were fewer visitors on business, down 4,500 (20 percent).

New Zealand resident short-term departures for May 2009 were down 10,300 (6 percent) from May 2008. This follows a decrease of 1,900 (1 percent) in April 2009 compared with April 2008.

Origin of guests

International visitors contributed 0.8 million guest nights in May 2009, down 7,000 (1 percent) from May 2008. These visitors provided 31 percent of total guest nights in the North Island and 46 percent of those in the South Island. Domestic guest nights numbered 1.3 million, down 6,000 (1 percent) from May 2008.

In the North Island, there were 385,000 international guest nights, down 23,000 (6 percent) from May 2008. International guest nights in the South Island were 366,000, up 16,000 (5 percent) over the same period. In the North Island, there were 4,000 (less than 1 percent) fewer domestic guest nights, and in the South Island there were 2,000 (1 percent) fewer in May 2009 compared with May 2008.

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

- Auckland, down 27,000 (14 percent)
- Taranaki/Manawatu-Wanganui, down 2,000 (10 percent)
- Northland, down 1,000 (4 percent)
- Bay of Plenty, down 1,000 (2 percent).

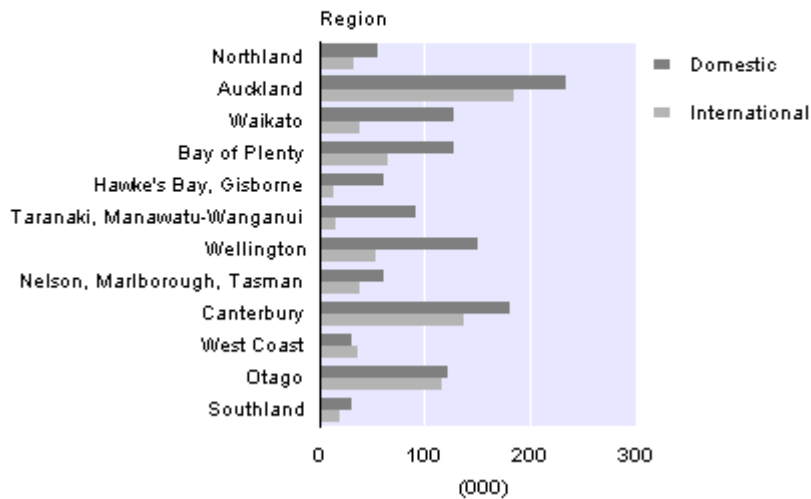
The regions recording the largest increases were:

- Canterbury, up 8,000 (6 percent)
- Otago, up 8,000 (7 percent)
- Wellington, up 4,000 (8 percent).

Domestic and International Guest Nights

By region

May 2008



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

- Auckland, down 8,000 (3 percent)
- Waikato, down 5,000 (4 percent)
- Otago, down 5,000 (4 percent)
- Canterbury, down 5,000 (3 percent).

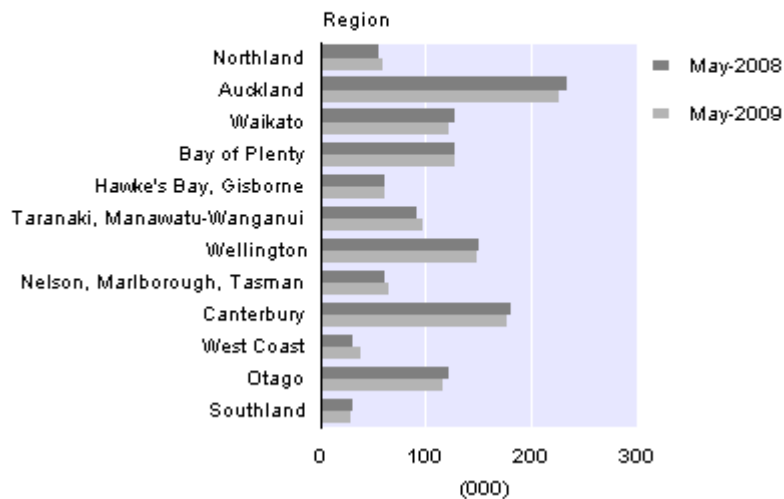
The regions recording the largest increases in domestic guest nights were:

- West Coast, up 6,000 (20 percent)
- Taranaki/Manawatu-Wanganui, up 6,000 (7 percent)
- Northland, up 4,000 (7 percent).

Domestic Guest Nights

By region

May 2008 and 2009



In May 2009, there was a response rate of 70 percent to the Accommodation Survey question on 'origin of guests'. In May 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

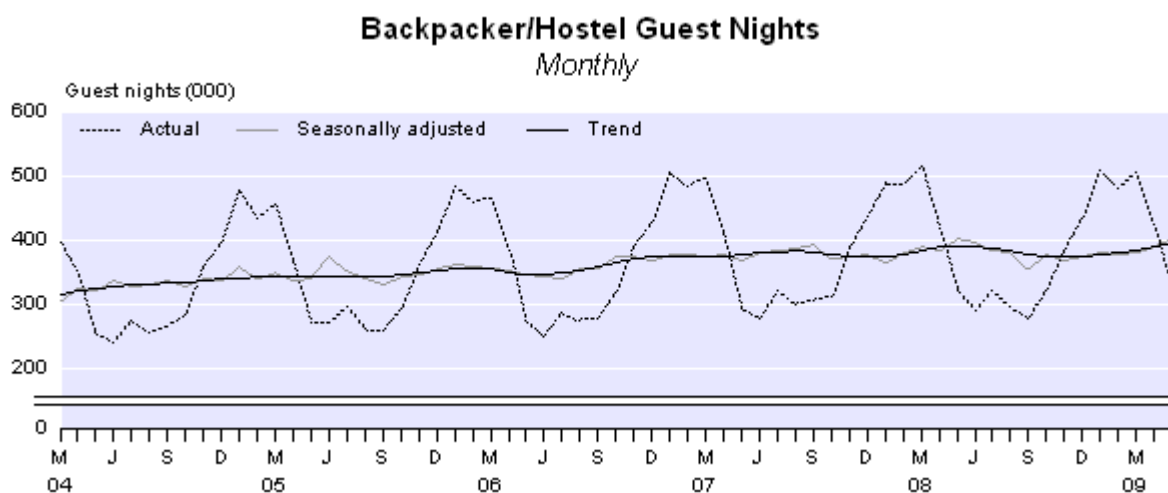
In May 2009, three of the five accommodation types had fewer guest nights than in May 2008:

- hotels, down 18,000 (2 percent)
- motels, down 8,000 (1 percent)
- hosted, down 3,000 (11 percent).

Caravan parks/camping grounds had the largest increase, up 13,000 (5 percent), followed by backpackers/hostels, up 3,000 (1 percent).

In May 2009, hotels had the largest share of total guest nights (36 percent), followed by motels (33 percent) and backpackers/hostels (16 percent).

After a period of decreases in the second half of 2008, the trend level for backpackers/hostels has been increasing since November 2008. The rate of the increase in the trend has been accelerating, and in May 2009, the trend level was 6 percent higher than in November 2008.



Occupancy rate

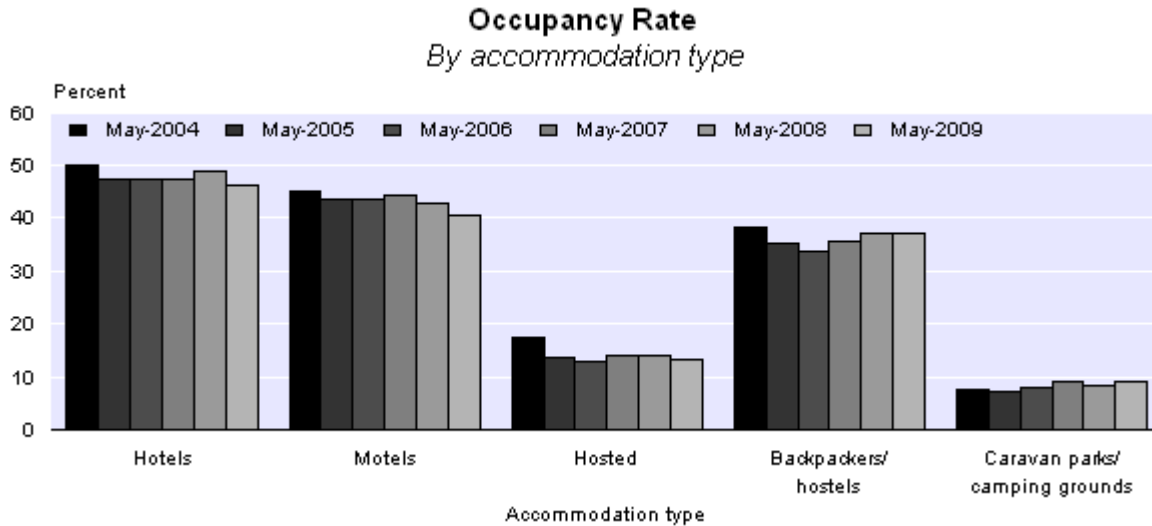
In May 2009, the occupancy rate, excluding caravan parks/camping grounds, was 41 percent, compared with 42 percent in May 2008. This is the lowest May occupancy rate since 2000.

Hotels had the highest occupancy rate (46 percent) of all the accommodation types in May 2009, followed by motels (41 percent) and backpackers/hostels (37 percent).

Excluding the caravan parks/camping grounds category, 10 of the 12 regions had lower occupancy rates in May 2009 than in May 2008. The leading occupancy rates were:

- Wellington (55 percent)

- Auckland (49 percent)
- Bay of Plenty (43 percent).



Response rates

Response rates by accommodation type for May 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	82	95	79
Motels	75	80	63
Hosted	78	80	61
Backpackers/hostels	77	83	61
Caravan parks/camping grounds	80	84	72
Total	77	86	70

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: June 2009 will be released on 12 August 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.