



# Hot Off The Press

LATEST STATISTICS FROM STATISTICS NEW ZEALAND



Embargoed until 10:45am – 10 March 2006

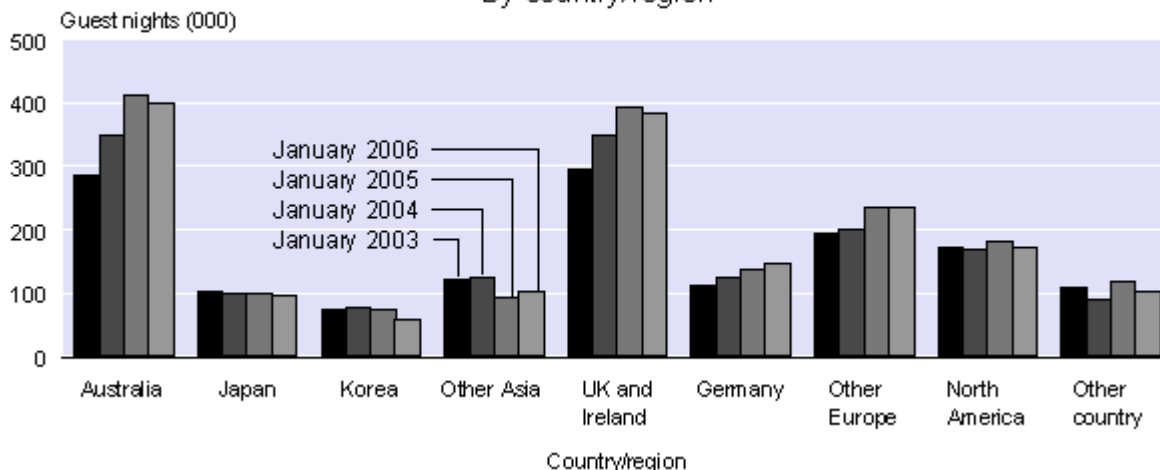
## Accommodation Survey January 2006

### Highlights

In January 2006:

- Total guest nights were 2 percent lower than in January 2005.
- Guest nights in the North Island were 4 percent lower than in January 2005.
- Guest nights in the South Island were 2 percent higher than in January 2005.
- Guest nights for international visitors were 2 percent lower than in January 2005.
- Domestic guest nights were 2 percent lower than in January 2005.
- Caravan parks/camping grounds and hotels were the only two accommodation types to record fewer guest nights than in January 2005.

International Guest Nights  
By country/region



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Government Statistician

10 March 2006  
Cat 70.905 Set 05/06 – 151

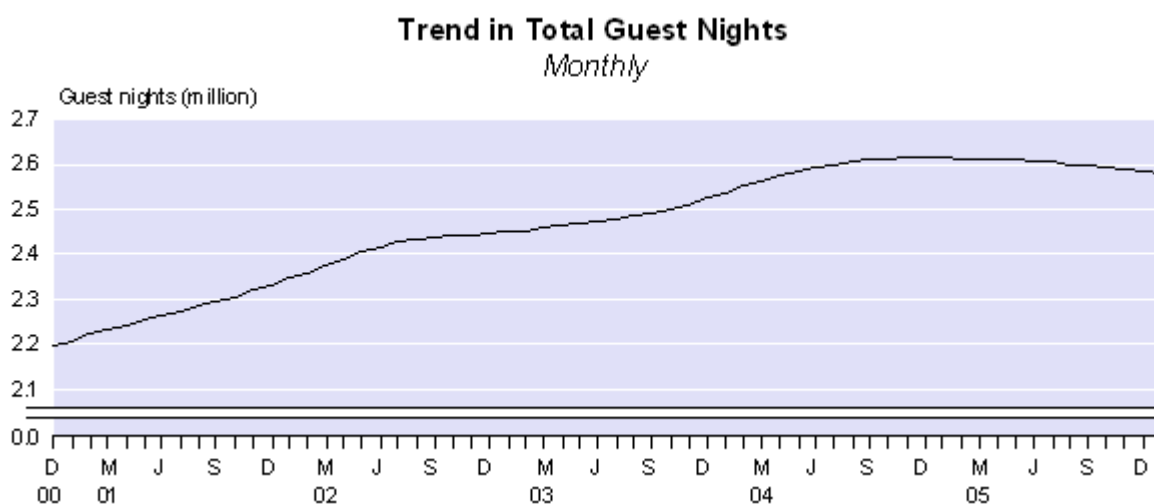
There is a companion Media Release published – [Accommodation Survey: January 2006](#).

# Commentary

## Total guest nights

Total guest nights in short-term commercial accommodation were 4.3 million in January 2006, a 2 percent decrease compared with January 2005 and a 3 percent increase compared with January 2004. The guest nights total for January 2006 was the second highest recorded for any month since the survey began in July 1996. January is traditionally the peak month for guest nights.

The trend in total guest nights has been decreasing since April 2005, following a period of increases that began in July 1998. Since April 2005, the trend has declined by 1 percent. In January 2006, the trend level was 1 percent lower than in January 2005 and 2 percent higher than in January 2004.



## Guest nights by island

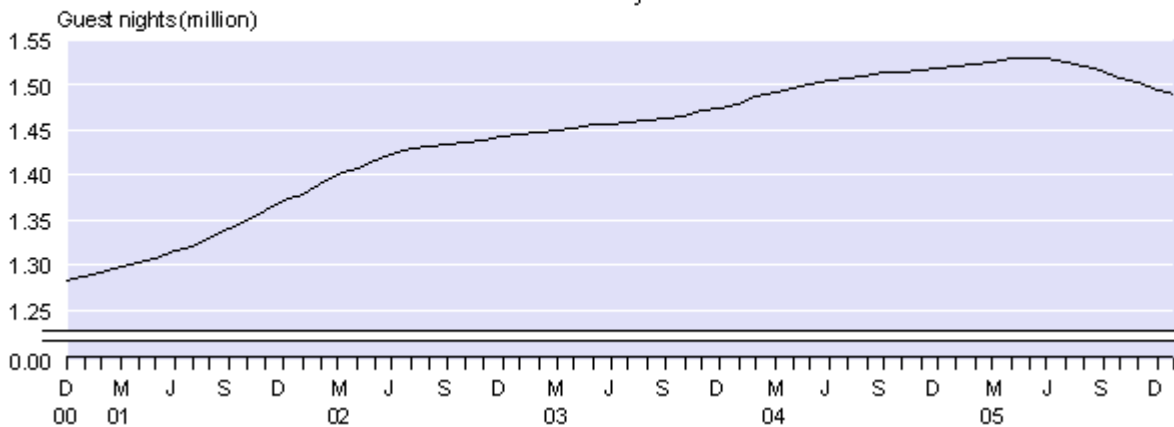
Guest nights in the North Island were 2.4 million in January 2006, a 4 percent decrease compared with January 2005. Guest nights in the South Island were 1.9 million, a 2 percent increase compared with January 2005.

In January 2006, the South Island recorded its highest monthly guest nights total since the survey began in July 1996, while the North Island recorded its third highest guest nights total.

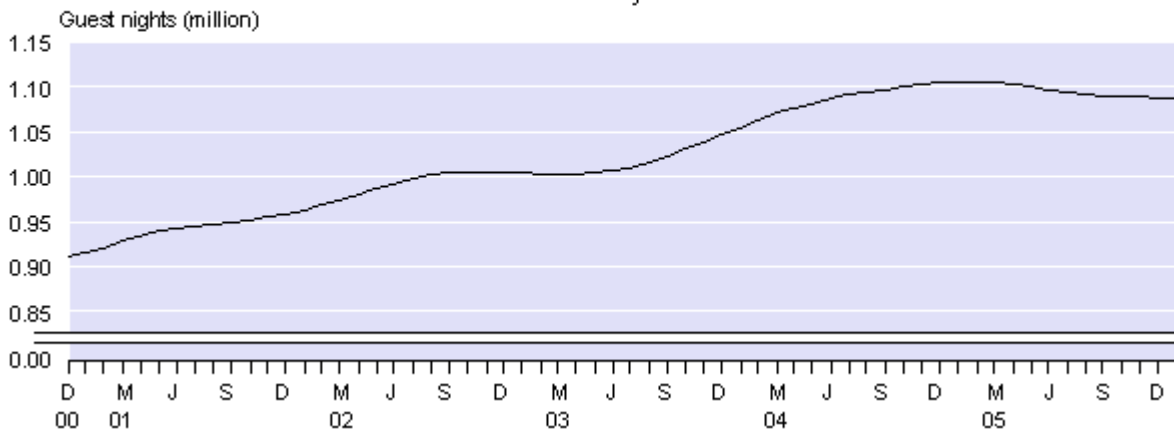
Until recently, the trend in North Island guest nights had been increasing since September 1998. An apparent change in direction of the trend since May 2005 should be treated with caution, as time series analysis suggests more data is required for the direction of the trend to be confirmed. In January 2006, the trend level was 2 percent lower than in January 2005 and 1 percent higher than in January 2004.

The trend in South Island guest nights has been decreasing since February 2005, following a period of increases that began in September 1997. Since February 2005, the trend has declined by 2 percent. In January 2006, the trend level was 2 percent lower than in January 2005 and 3 percent higher than in January 2004.

### Trend in North Island Guest Nights *Monthly*



### Trend in South Island Guest Nights *Monthly*



## Guest nights by region

Seven of the 12 regions recorded fewer guest nights in January 2006 than in January 2005. The Bay of Plenty region (down 47,000 or 9 percent) recorded the largest absolute decrease in guest nights, followed by Auckland (down 45,000 or 8 percent).

The Otago region (up 33,000 or 6 percent) recorded the largest absolute increase in guest nights, followed by Nelson/Marlborough/Tasman (up 20,000 or 5 percent). Other regions to record an increase in guest nights were Wellington, Taranaki/Manawatu-Wanganui and the West Coast.

The Otago, Nelson/Marlborough/Tasman, Taranaki/Manawatu-Wanganui and West Coast regions all recorded their highest monthly guest nights totals since the survey began in July 1996.

## Origin of guests

International visitors spent 1.8 million guest nights in short-term commercial accommodation in January 2006, a 2 percent decrease compared with January 2005. Visitors from Korea (down 16,000 or 22 percent) and the Other Country grouping (down 16,000 or 13 percent) recorded the largest absolute decreases in international guest nights, followed by Australia (down 13,000 or 3 percent).

Visitors from Germany (up 11,000 or 8 percent) recorded the largest absolute increase in international guest nights, followed by the Other Asian grouping (up 9,000 or 10 percent). The Other Asian grouping includes all Asian countries, with the exceptions of Japan and Korea.

Ten of the 12 regions showed fewer international guest nights in January 2006 than in January 2005. Auckland (down 19,000 or 6 percent) had the largest decrease in international guest nights. Nelson/Marlborough/Tasman (up 9,000 or 9 percent) and Otago (up 9,000 or 3 percent) were the only two regions to show more international guest nights.

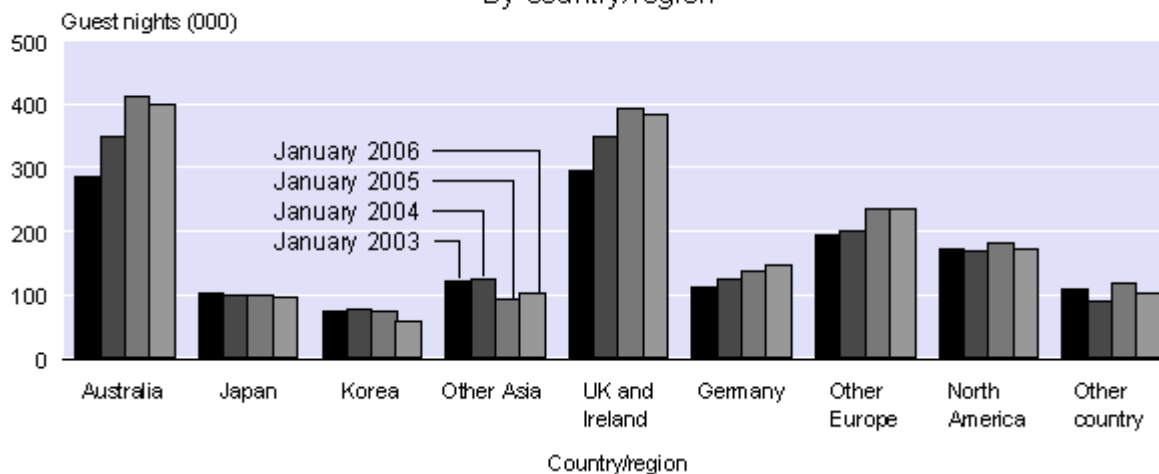
International guest nights were 5 percent lower in the North Island and 1 percent higher in the South Island.

Domestic guests accounted for 2.5 million guest nights in January 2006, a 2 percent decrease compared with January 2005.

Six of the 12 regions showed fewer domestic guest nights in January 2006 than in January 2005, with Bay of Plenty (down 45,000 or 12 percent) and Auckland (down 26,000 or 10 percent) showing the largest decreases. Otago (up 23,000 or 10 percent) showed the largest increase in domestic guest nights followed by Wellington (up 11,000 or 9 percent), Taranaki/Manawatu-Wanganui (up 11,000 or 7 percent) and Nelson/Marlborough/Tasman (up 10,000 or 4 percent).

Domestic guest nights were 4 percent lower in the North Island and 3 percent higher in the South Island.

**International Guest Nights**  
*By country/region*



There was a response rate of 57 percent to the Accommodation Survey question on origin of guests this month. The response rate for this question normally ranges between 55 and 60 percent. Figures for those establishments that failed to respond have been imputed (see Non-response imputation, below). Such high levels of imputation can affect data quality, especially for regional statistics and/or statistics by accommodation type.

## **Comparison with short-term overseas visitor arrival statistics**

The Hot Off The Press release *External Migration: January 2006* shows that short-term overseas visitor arrivals in New Zealand for January 2006 were up 600 (less than 1 percent) on January 2005. This follows a decrease of 6,000 (2 percent) in December 2005 compared with December 2004.

In contrast, the number of stay days for all visitor arrivals in January 2006 was down 3 percent from January 2005. This follows an increase of 1 percent in December 2005 compared with December 2004.

The average length of stay for visitor arrivals in January 2006 was 23 days, compared with 24 days in January 2005. In December 2005, the average length of stay was 22 days, the same as in December 2004.

New Zealand resident short-term departures for January 2006 were up 9,900 (10 percent) on January 2005. This follows an increase of 14,800 (8 percent) in December 2005 compared with December 2004.

## **Guest nights by accommodation type**

Caravan parks/camping grounds (down 63,000 or 4 percent) and hotels (down 29,000 or 3 percent) were the only two accommodation types to record fewer guest nights in January 2006 than in January 2005. The other three accommodation types (motels, hosted and backpackers/hostels) all recorded absolute increases of less than 8,000 guest nights.

In January 2006, motels, hosted and backpackers/hostels all recorded their highest monthly guest nights total since the survey began in July 1996.

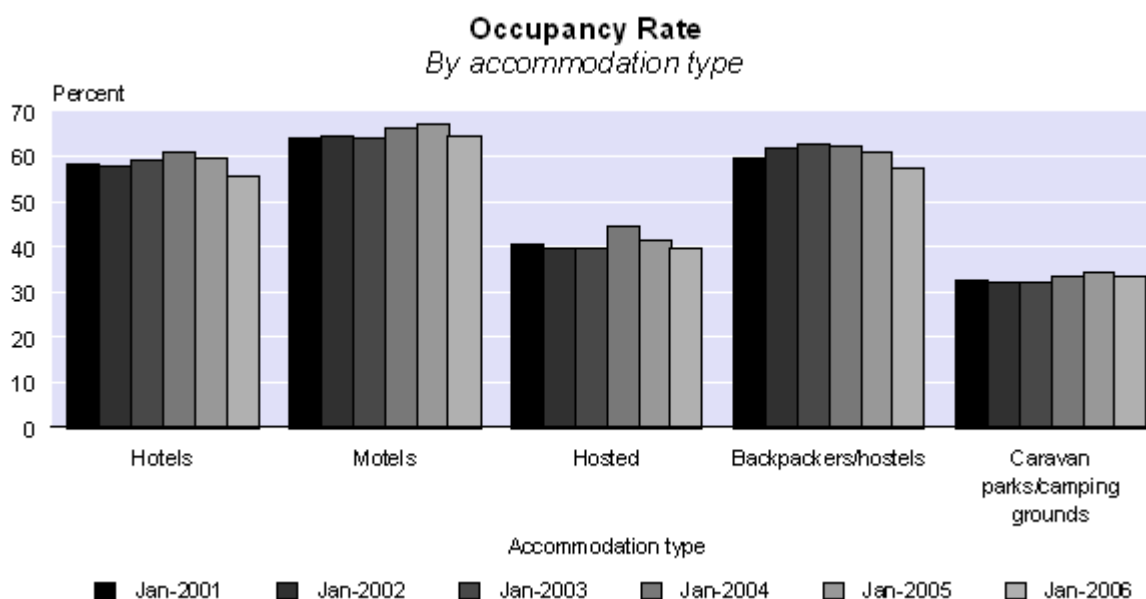
Caravan parks/camping grounds (36 percent) had the largest share of total guest nights in January 2006, followed by motels (29 percent) and hotels (22 percent). Caravan parks/camping grounds traditionally record the largest share of total guest nights in a January month. In January 2005, the caravan parks/camping grounds share of total guest nights was 37 percent.

## **Occupancy rate**

The January 2006 occupancy rate, excluding caravan parks/camping grounds, was 58.2 percent, compared with 61.7 percent in January 2005.

Accommodation capacity for January 2006, excluding caravan parks/camping grounds, was 6 percent above the January 2005 level.

Motels (65 percent) had the highest occupancy rate of all the accommodation types in January 2006, followed by backpackers/hostels (57 percent) and hotels (55 percent). All five accommodation types recorded lower occupancy rates in January 2006 than in January 2005.



In January 2006, the highest occupancy rate, excluding caravan parks/camping grounds, was recorded by the Nelson/Marlborough/Tasman region (67 percent), followed by Otago (65 percent), Bay of Plenty (63 percent) and Northland (62 percent).

## Non-response imputation

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 or contact Statistics New Zealand.

## Response rates by accommodation type for January 2006

Accommodation type	Percentage of establishments responding to questions on guest nights, guest arrivals and stay unit nights	Percentage of the guest night estimate from establishments that responded to the question on guest nights	Percentage of the origin of guest estimate from establishments that responded to the questions on the origin of guests
Hotel	79 percent	92 percent	62 percent
Motel	78 percent	81 percent	56 percent
Hosted	84 percent	83 percent	61 percent
Backpackers/hostels	81 percent	80 percent	42 percent
Caravan parks/camping grounds	82 percent	88 percent	59 percent
<b>Total New Zealand</b>	<b>80 percent</b>	<b>86 percent</b>	<b>57 percent</b>

## **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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# 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 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 (ie 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 this should be borne in mind by users of the data. 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 types of error, 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 US Bureau of the Census.

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.

## Classification of residence of guest

Every third month (January, April, July and October), the survey asks all respondents to classify their guests as coming from the following regions:

### Domestic

Auckland  
Wellington  
Rest of North Island  
Canterbury  
Otago  
Rest of South Island  
Don't know

### International

Australia  
Japan  
Korea  
Other Asia  
UK and Ireland  
Germany  
Other Europe  
North America  
Other  
Don't know

## Other definitions

### Business Frame

A register (maintained by Statistics New Zealand) 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 New Zealand 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 (eg 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 New Zealand 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 New Zealand. Statistics New Zealand accepts no responsibility for any such delays.

### **Next release ...**

*Accommodation Survey: February 2006* will be released on 12 April 2006.

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## Tables

The following tables can be downloaded from the Statistics New Zealand website in Excel 97 format. If you do not have access to Excel 97 or higher, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

### List of tables

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

### Accommodation pivot tables

The Accommodation Pivot Tables provide more detailed information, breaking the survey variables down by regional tourism organisations areas and territorial authority areas.

- **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 out 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'.