



# Hot Off The Press

LATEST STATISTICS FROM STATISTICS NEW ZEALAND



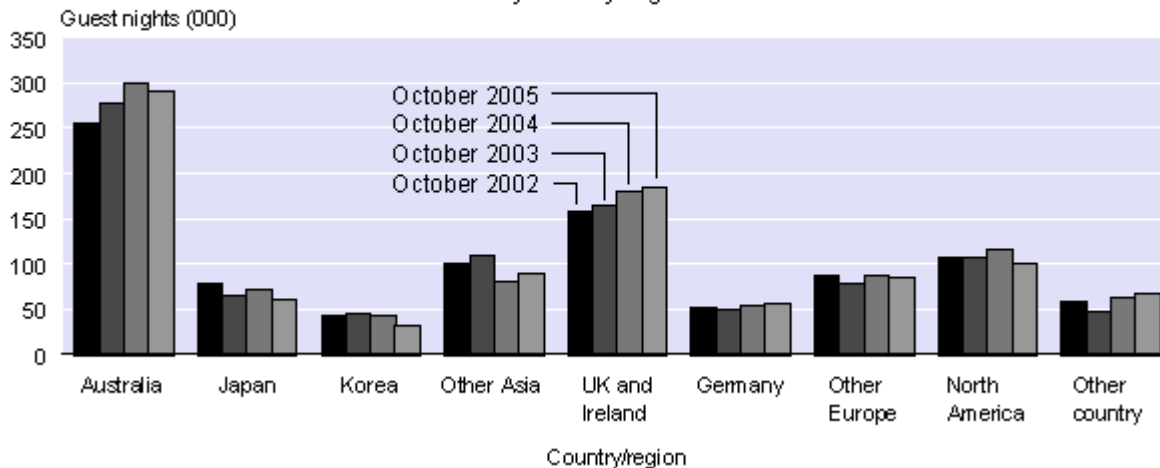
Embargoed until 10:45am – 9 December 2005

## Accommodation Survey October 2005

### Highlights

- The timing of the school holidays will have contributed to an increase in guest nights.
- Total guest nights were 2 percent higher in October 2005, compared with October 2004.
- Domestic guest nights were 6 percent higher in October 2005, compared with October 2004.
- Guest nights for international visitors were 2 percent lower in October 2005, compared with October 2004.
- Nine of the 12 regions recorded more guest nights in October 2005 than in October 2004.
- Four of the five accommodation types recorded more guest nights in October 2005, compared with October 2004.

**International Guest Nights**  
By country/region



Brian Pink  
Government Statistician

9 December 2005  
Cat 70.905 Set 05/06 – 096

There is a companion Media Release published – [Accommodation Survey: October 2005](#).

# Commentary

## Total guest nights

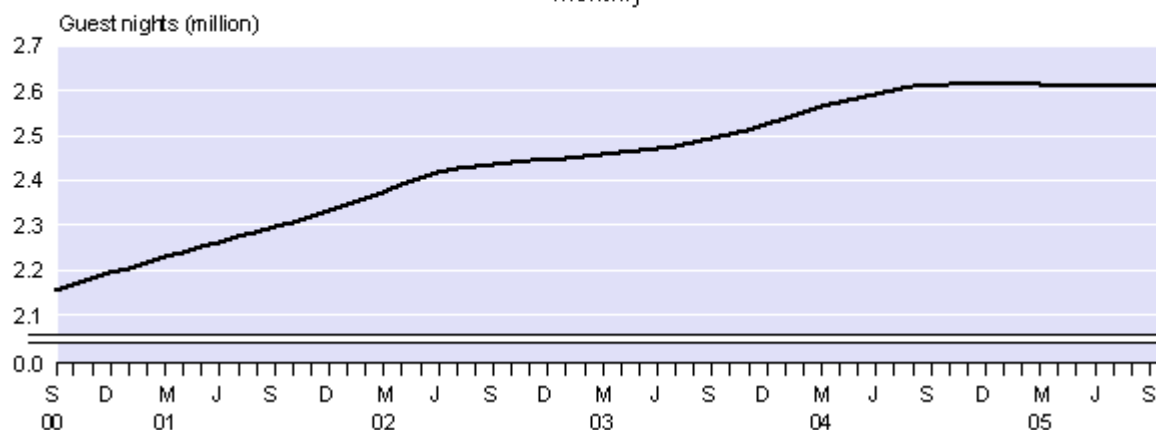
Total guest nights in short-term commercial accommodation were 2.4 million in October 2005, a 2 percent increase compared with October 2004 and a 5 percent increase compared with October 2003.

The timing of the school holidays will have contributed to some of the increase in guest nights. In 2005, one week of school holidays fell in October and one week in September, while in 2004 the majority of the school holidays fell in September.

Due to the impact of the change in timing of the school holidays, it is more appropriate to compare data for the two months ended October 2005 with data for the two months ended October 2004. Guest nights for the two months ended October 2005 were at a similar level to the two months ended October 2004.

While the trend in total guest nights has been increasing since June 1998, it has flattened since October 2004. In October 2005, the trend level was similar to that in October 2004, but 4 percent higher than in October 2003.

**Trend in Total Guest Nights**  
Monthly



## Guest nights by island

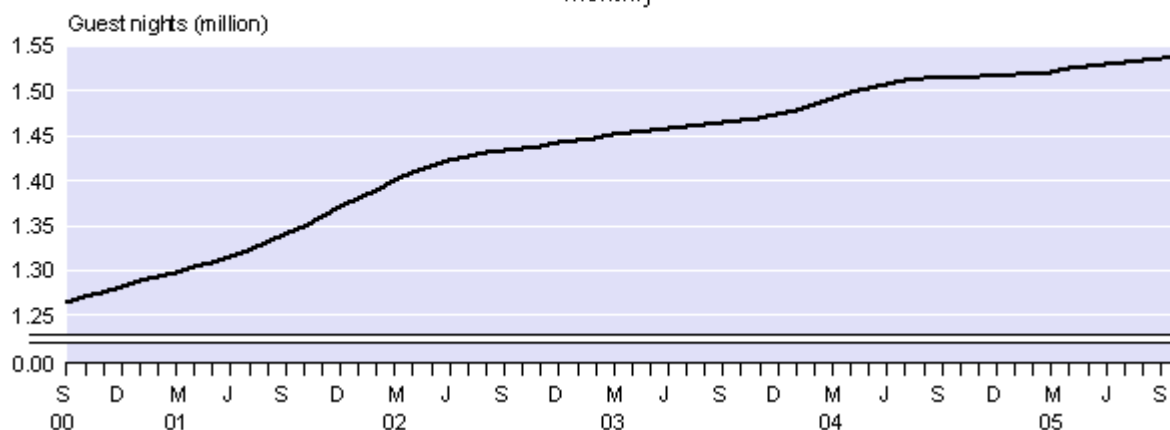
Guest nights in the North Island were 1.4 million in October 2005, a 2 percent increase compared with October 2004. Guest nights in the South Island were 1.0 million, a 3 percent increase compared with October 2004.

For the two months ended October 2005, guest nights were at a similar level in the North Island and down 1 percent in the South Island, compared with the two months ended October 2004.

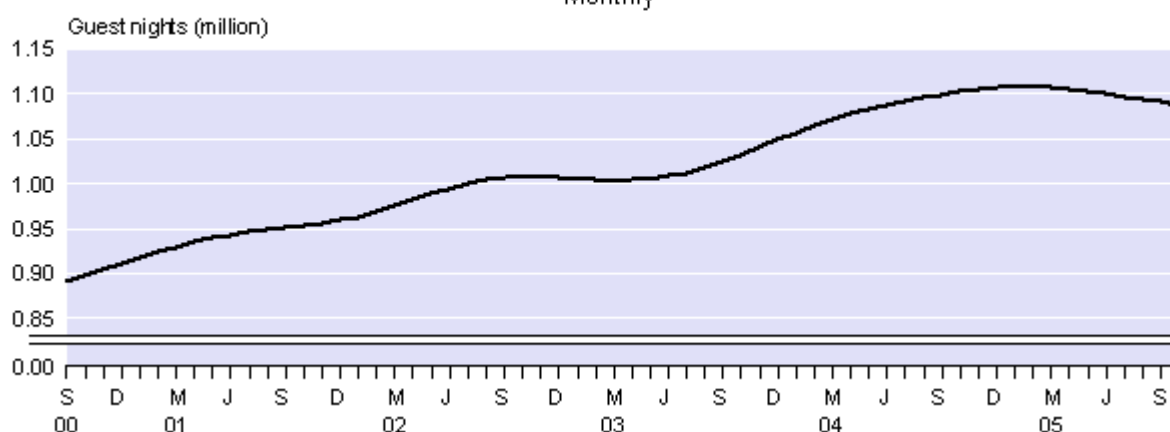
The trend in North Island guest nights has been increasing since September 1998. In October 2005, the trend level was 1 percent higher than in October 2004 and 5 percent higher than in October 2003.

The trend in South Island guest nights has been increasing since August 1997. An apparent change in the direction of this trend series in recent months should be treated with caution, as time series analysis suggests more data is required for this change in direction to be confirmed. In October 2005, the trend level was 1 percent lower than in October 2004 and 5 percent higher than in October 2003.

**Trend in North Island Guest Nights**  
Monthly



**Trend in South Island Guest Nights**  
Monthly



## Guest nights by region

Nine of the 12 regions recorded more guest nights in October 2005 than in October 2004. Wellington (up 16,000 or 10 percent) recorded the largest absolute increase, followed by Hawke's Bay/Gisborne (up 13,000 or 15 percent). Auckland (down 23,000 or 5 percent) recorded the largest absolute decrease in guest nights.

For the two months ended October 2005, six of the 12 regions recorded more guest nights than for the two months ended October 2004. Wellington (up 21,000 or 6 percent) and Otago (up 19,000 or 3 percent) recorded the largest absolute increases. Canterbury (down 28,000 or 4 percent) recorded the largest absolute decrease, followed by Auckland (down 20,000 or 2 percent) and Bay of Plenty (down 18,000 or 4 percent).

## Origin of guests

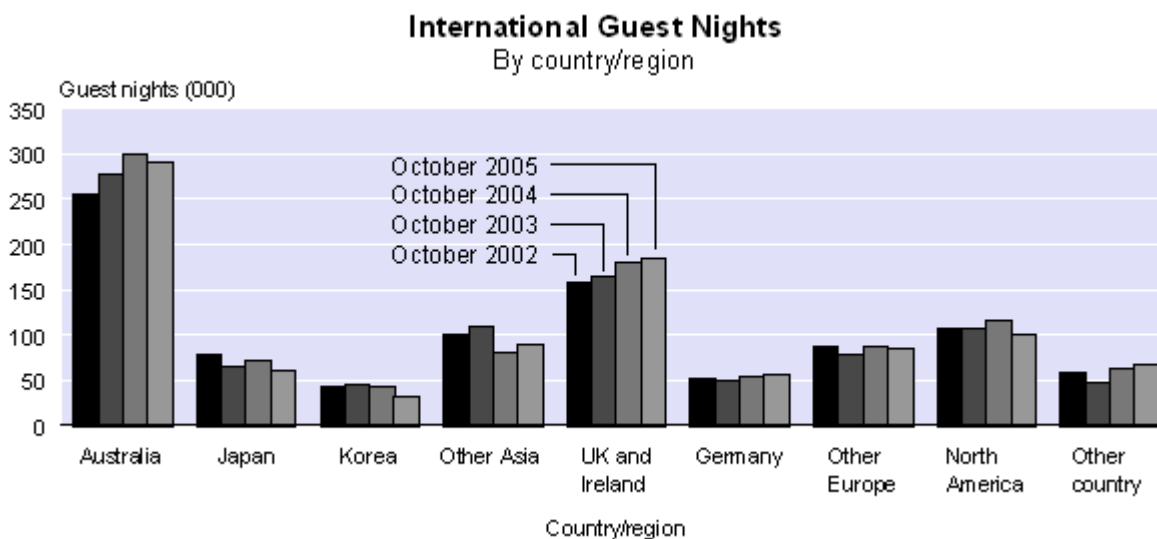
International visitors spent 1.0 million guest nights in short-term commercial accommodation in October 2005, a 2 percent decrease compared with October 2004. Visitors from North America (down 15,000 or 13 percent) recorded the largest absolute decrease in international guest nights, followed by Korea (down 11,000 or 26 percent), Australia (down 10,000 or 3 percent) and Japan (down 9,000 or 13 percent).

Visitors from the Other Asia grouping (up 10,000 or 12 percent) recorded the largest absolute increase in international guest nights. This grouping includes all Asian countries, with the exceptions of Japan and Korea.

Six of the 12 regions showed more international guest nights in October 2005 than in October 2004. Waikato (up 6,000 or 12 percent) had the largest increase in international guest nights, while Auckland (down 25,000 or 10 percent) had the largest decrease.

Domestic guests accounted for 1.3 million guest nights in October 2005, a 6 percent increase compared with October 2004. The timing of the school holidays will have contributed to this increase in domestic guest nights.

All 12 regions showed more domestic guest nights in October 2005 than in October 2004. Hawke's Bay/Gisborne (up 15,000 or 22 percent) and Wellington (up 14,000 or 12 percent) showed the largest increases in domestic guest nights.



There was a response rate of 60 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: October 2005* shows that short-term overseas visitor arrivals in New Zealand for October 2005 were down 5,200 (3 percent) from October 2004. This follows an increase of 2,600 (2 percent) in September 2005 compared with September 2004.

In contrast, the number of stay days for all visitor arrivals in October 2005 was up 5 percent on October 2004. This follows an increase of less than 1 percent in September 2005 compared with September 2004.

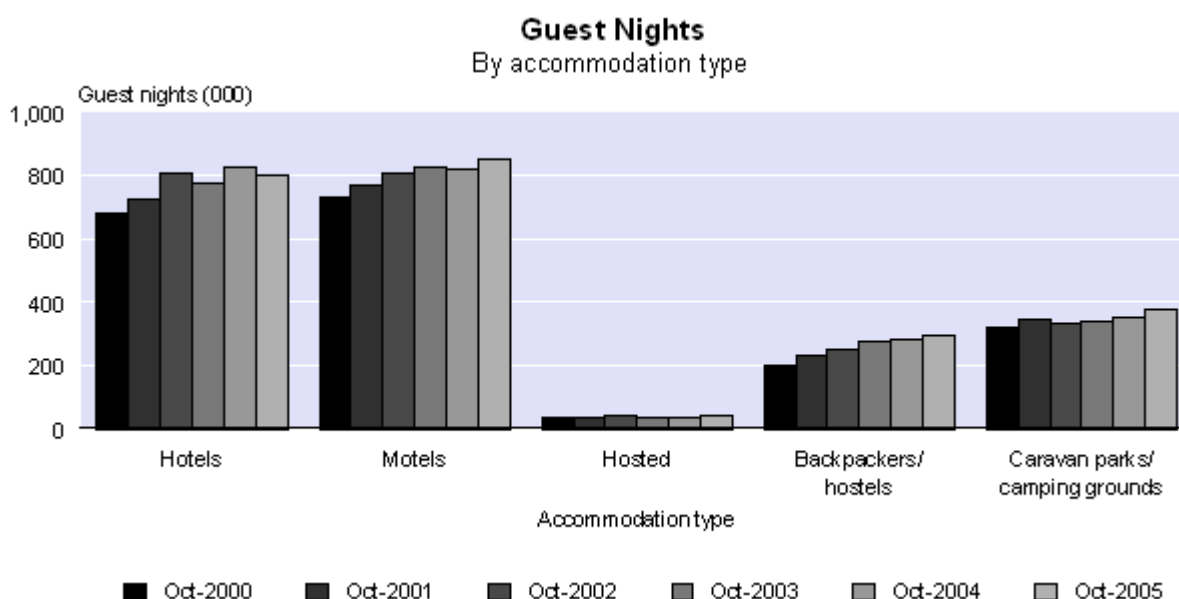
The average length of stay for visitor arrivals in October 2005 was 21 days, compared with 19 days in October 2004. In September 2005, the average length of stay was 19 days, the same as in September 2004.

New Zealand resident short-term departures for October 2005 were up 11,100 (7 percent) on October 2004. This follows an increase of 9,500 (5 percent) in September 2005 compared with September 2004.

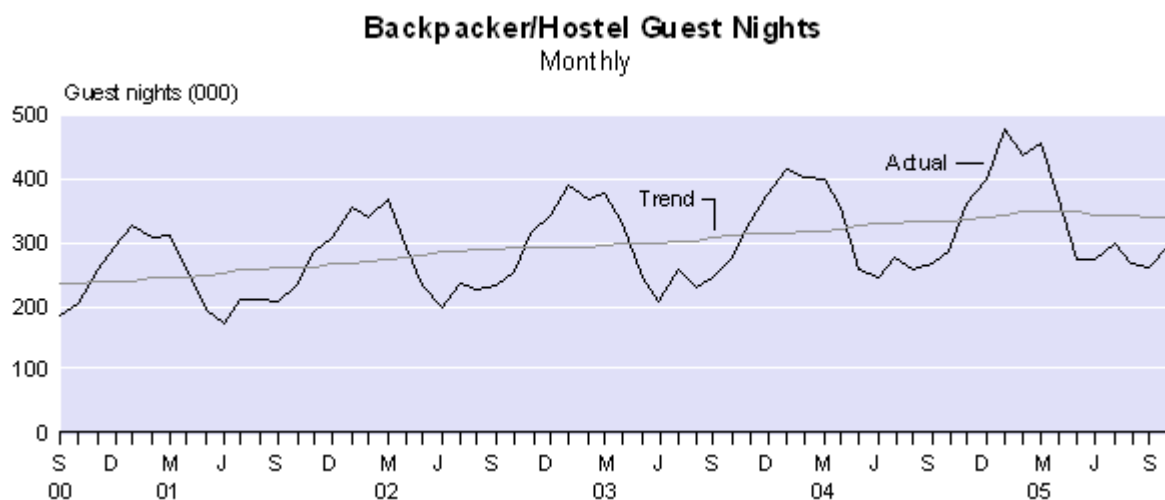
## Guest nights by accommodation type

Four of the five accommodation types recorded more guest nights in October 2005 than in October 2004. Motels (up 31,000 or 4 percent) recorded the largest absolute increase, followed by caravan parks/camping grounds (up 27,000 or 8 percent). Comparing the two October months, hotels (down 20,000 or 2 percent) were the only accommodation type not to record an increase.

For the two months ended October 2005, caravan parks/camping grounds (up 15,000 or 2 percent) and backpackers/hostels (up 5,000 or 1 percent) were the only two accommodation types to record an increase compared with the two months ended October 2004. Hotels (down 28,000 or 2 percent) recorded the largest decrease.



The trend in backpacker/hostel guest nights has been decreasing since April 2005, after a period of increases that began in July 1997. In October 2005, the trend level was 2 percent lower than in April 2005.



## Occupancy rate

The October 2005 occupancy rate, excluding caravan parks/camping grounds, was 47 percent, compared with 50 percent in October 2004.

Accommodation capacity for October 2005, excluding caravan parks/camping grounds, was 8 percent above the October 2004 level.

Hotels (54 percent) had the highest occupancy rate of all the accommodation types in October 2005, followed by motels (53 percent) and backpackers/hostels (35 percent).

In October 2005, the highest occupancy rate, excluding caravan parks/camping grounds, was recorded by the Auckland region (56 percent), followed by Wellington (55 percent) and Bay of Plenty (52 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 October 2005

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	81 percent	89 percent	61 percent
Motel	81 percent	82 percent	58 percent
Hosted	86 percent	83 percent	56 percent
Backpackers/hostels	84 percent	88 percent	48 percent
Caravan parks/camping grounds	85 percent	91 percent	68 percent
<b>Total New Zealand</b>	83 percent	87 percent	60 percent

### 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.

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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: November 2005* will be released on 19 January 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