







Darwin Monthly Accommodation Report

December 2023

	OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND ROOM NIGHTS	SUPPLY ROOM NIGHTS	PROPERTIES
						
HOTEL STYLE ACCOMMODATION	35% -4.7pp	\$145 -4.5%	\$51 -16%	62,000 -5.0%	177,000 +8.0%	52 +8.4%
	LISTING OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND LISTING NIGHTS	SUPPLY LISTING NIGHTS	AVAILABLE LISTED PROPERTIES
SHORT TERM LETTING ACCOMMODATION	43% +4.9pp	\$181 -1.4%	\$78 +11%	6,000 +19%	13,000 +5.9%	719 +17%

Percentage changes reflect data from December 2023 compared to December 2022

Indicators for the Darwin hotel sector were predominantly weak for the month of December 2023 compared to the previous year, on the back of soft demand and an increase in supply. Hotel supply was higher, increasing +8.0% to 177,000 room nights. An additional 422 hotel rooms came online when comparing December 2023 to the same period last year. Hotel demand decreased by -5.0% to 62,000 room nights. The short term letting sector were mainly positive, with the increase in demand, up +19% to 6,000 listing nights surpassing the increase in supply, up +5.9% to 13,000 listing nights compared to same period in December 2022.

The occupancy rate declined -4.7 percentage points (pp) to 35% for hotels, while occupancy increased slightly in the short term letting sector up +4.9pp to 43%. The average daily rate (ADR) was lower for the hotel sector in December 2023, down -4.5% (or -\$6.80) to \$145 and down -1.4% (or -\$2.60) to \$181 for the short term letting sector. Revenue per available room (RevPAR) figures were lower for both the hotel sector at \$51 (down -16% or -\$9.80) and the short term letting sector at \$78 (up +11% or +\$7.90).

The year ending (YE) December 2023 room occupancy rate for the hotel sector was lower, down -8.7pp at 54% compared to December 2022. This was due to an increase in supply, up +8.3% (to 2,043,000 room nights) outpacing hotel demand, which decreased -7.2% (to 1,105,000 room nights) over the same period. The yearly listing occupancy rate for the short term letting sector was down -6.7pp to 55%, with a increase in listing supply at +34% surpassing an increase in listing demand at +21%.

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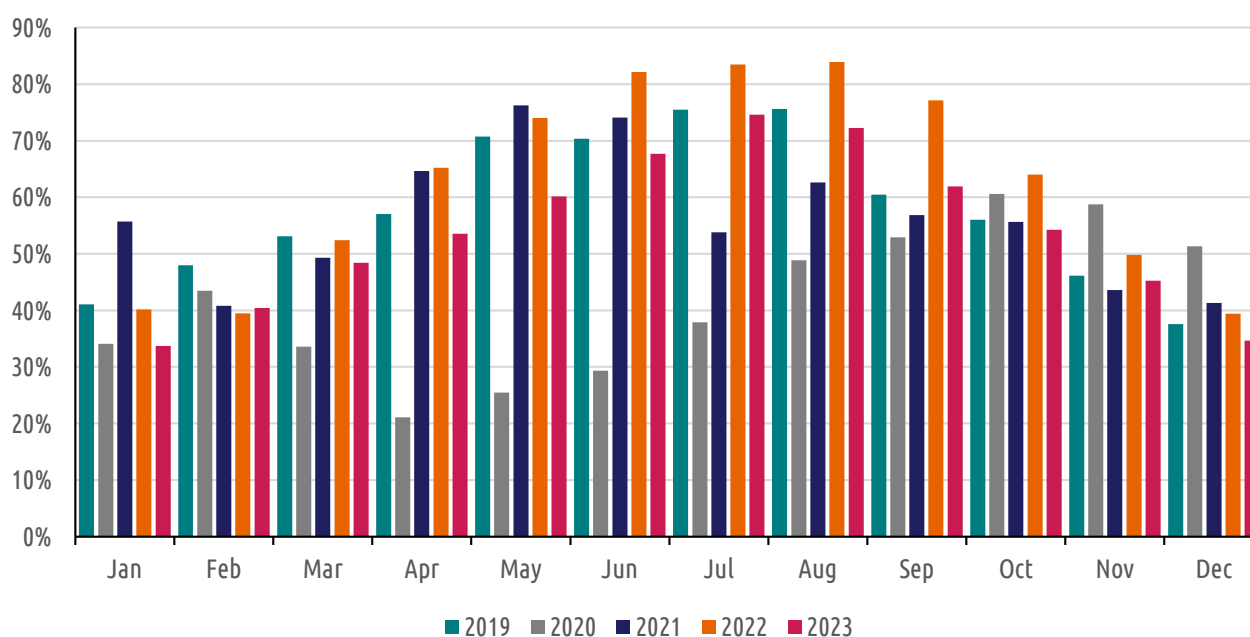
December 2023

The ADR and RevPAR for the YE December 2023 for the hotel sector were \$192 (down -4.7% or -\$9.40) and \$110 (down -19% or -\$26.10) respectively, as compared to the YE December 2022. The average daily rate and RevPAR for the YE December 2023 for short term letting were \$189 (down -13% or -\$29.20) and \$107 (down -24% or -\$34.50) respectively, as compared to the YE December 2022.

The short term letting sector in Darwin has grown significantly with +122% growth (from 324 to 719 listed properties) between December 2020 and December 2023.

The hotel sector occupancy rate in December 2023 was lower than in December 2019, 2020, 2021 and 2022.

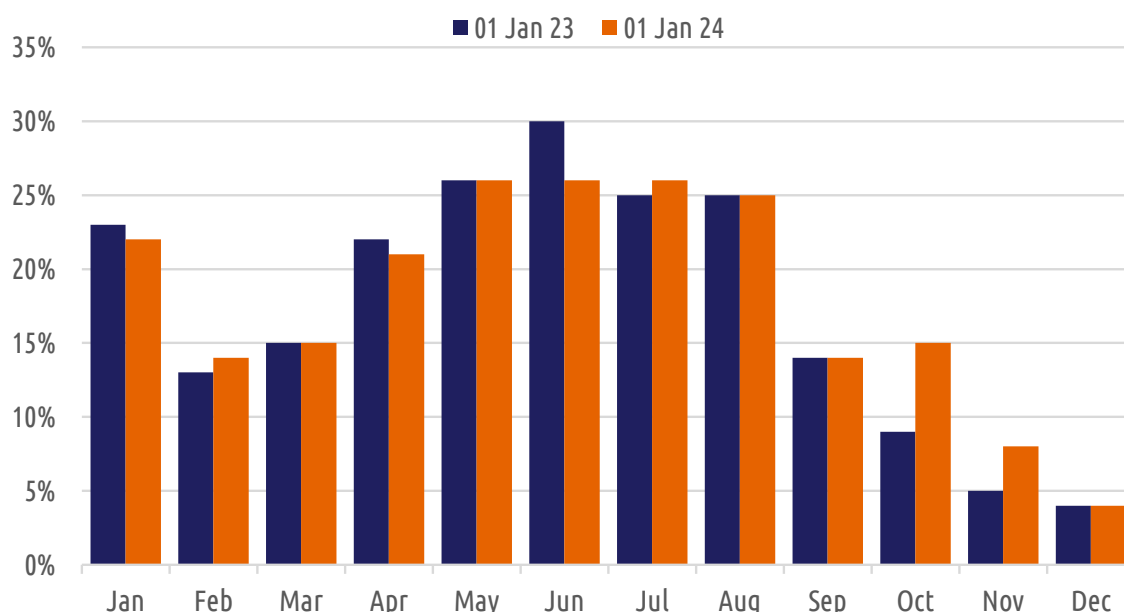
DARWIN MONTHLY HOTEL OCCUPANCY RATE



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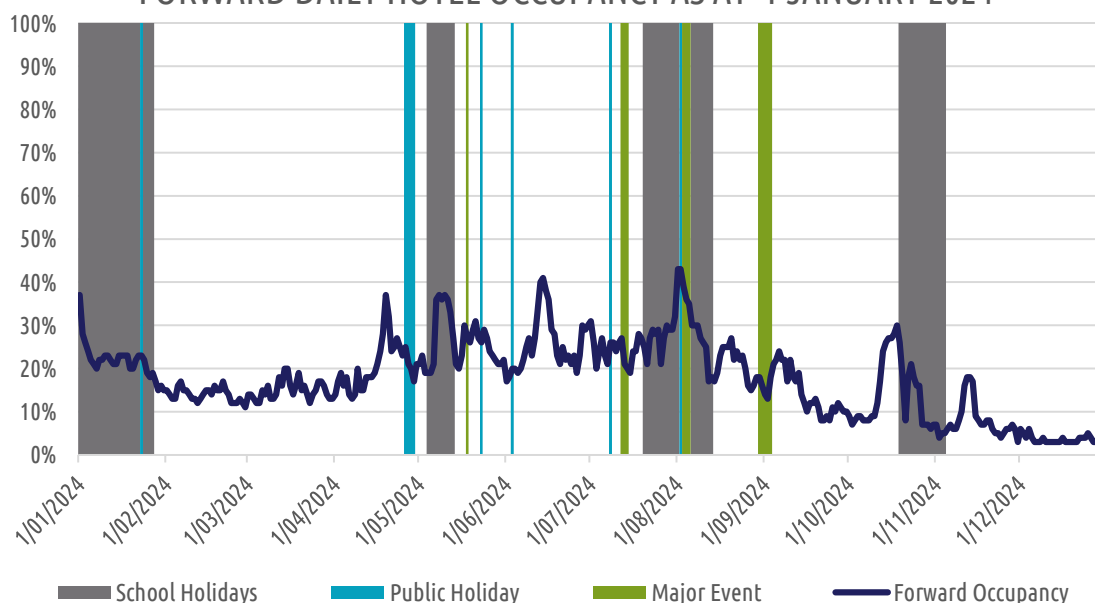
Forward occupancy measures are generally behind where they were at the same time last year. Anecdotally booking lead times are shortening and bookings are also being impacted by increasing average room rates, rising costs of living pressures and increasing competition for discretionary spend from within and outside of the travel category.

FORWARD MONTHLY HOTEL OCCUPANCY



Looking ahead, there is significant capacity available right through the coming year.

FORWARD DAILY HOTEL OCCUPANCY AS AT 1 JANUARY 2024



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METHODOLOGY

The data in the hotel accommodation report is sourced from STR and is collected from a sample of 32 hotels with 10 or more rooms in Darwin. Data is collected daily and collated to represent the industry and includes data for leisure, business and other purposes of travel. This sample represents 62% of the establishments in Darwin and 81% of the traditional accommodation room supply. STR defines a property (hotel) on the basis of three exclusionary criteria:

- 10 or more rooms;
- open to the public (excludes properties requiring membership, affiliation or club status);
- generates nightly revenue.

The short term letting data is sourced from the AirDNA platform. AirDNA collects data for 719 listed properties on either Airbnb and Vrbo in Darwin. Data from Airbnb and Vrbo is scraped daily and combined with data provided by partnered short term letting properties to provide a diversified data source and ensure an accurate representation of the short term letting market.

Tourism NT's research team collects detailed data on the accommodation metrics including demand, daily rates and RevPAR historical series for Darwin, Alice Springs and the Northern Territory. This information is available on request.

Email: Research.Tourismnt@nt.gov.au

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