Tourism trends quarterly bulletin
Accommodation Statistics: Peak season 2006

Introduction

This bulletin provides an assessment of accommodation used in the peak season 2006 (July 17th to September 3rd). It includes reported use of accommodation by visitors (taken from the ferry research amongst visitors); occupancy levels in serviced accommodation on the Island together with comparisons with the mainland; occupancy levels in self catering accommodation and touring sites. This data is taken from the occupancy survey amongst accommodation providers. A total of 160 Isle of Wight accommodation providers took part in this survey.

Type of accommodation used by staying visitors

For the last 3 years staying visitors have been asked what type of accommodation they have used/will use whilst on the island.

Inevitably there are considerable differences in the type of accommodation used by people travelling for different reasons:

- The majority (89%) of those on a VFR trip stayed with their friends or relatives whilst another 7% used hotels or guesthouses.
- Half of those on a business trip stayed in a hotel (39%) or guesthouse/B&B (11%). Other types of accommodation such as second homes, rented houses/flats or chalets and homes of friends and relatives were also used by a few.

The chart below shows accommodation used by those on holidays and short breaks this year versus 2004 and 2005 (data was not collected before 2004).

This shows the importance of hotels, which were used by a third of the sample, however the proportion using hotels has declined versus the last two years. Guesthouses were cited by a minority and use of these has declined significantly over the three years. Therefore the proportion of those on holidays/short breaks using serviced accommodation has declined as more have opted for the self catering sector.

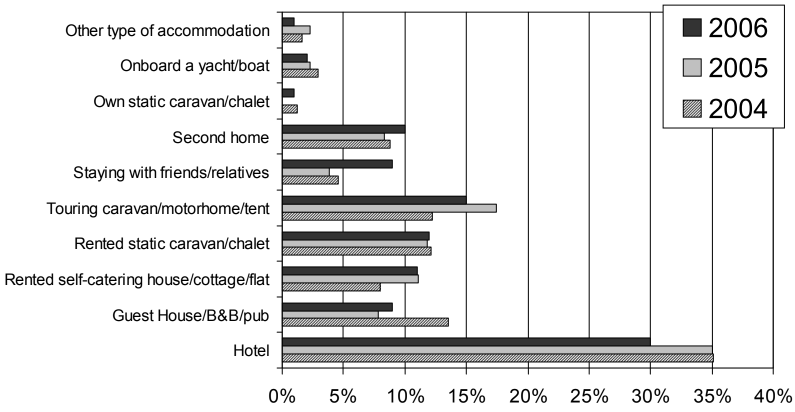
Touring caravan sites were the next most popular type of accommodation: 15% mentioned these sites. Whilst the percentage has fluctuated a little, it remains the second most popular option over the three year period.

Static sites (static caravans and chalets) and rented cottages/houses/flats were used by a similar proportion and use of these remains fairly consistent with previous years.

Use of second homes has increased in popularity, as has staying with friends/relatives (although these people have stated that the purpose of their visit was not primarily to visit their friends/relatives).

A wide range of accommodation was used: the remainder of this report goes on to examine occupancy in hotels, guesthouses/B&B's and the rented self catering sector plus pitch occupancy on touring sites. It is estimated that these sectors make up approximately 55% of the accommodation used on the Island.

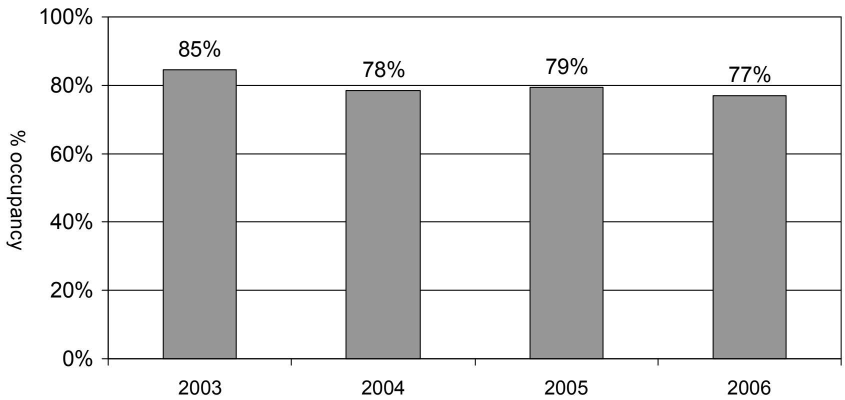
Type of accommodation used by visitors
on holidays and short breaks
Peak season 2006 vs. previous years



Room Occupancy in hotels/guesthouses/B&B's

Room occupancy averaged 77% through the peak season. This is in line with average occupancy over the last two years but down 8 points from 2003.

Isle of Wight hotels/guesthouses/B&B's
Room occupancy: Q3 2006 average vs. previous years



It was the resort towns on the East of the Island (Ventnor, Sandown and Shanklin) that achieved the highest average room occupancy. Ventnor was 7 points ahead of Newport/Ryde/Cowes.

Occupancy levels have changed slightly across the Island versus last year. Ventnor increased slightly but Sandown, West Wight and Newport/Cowes/Ryde dropped back a little.

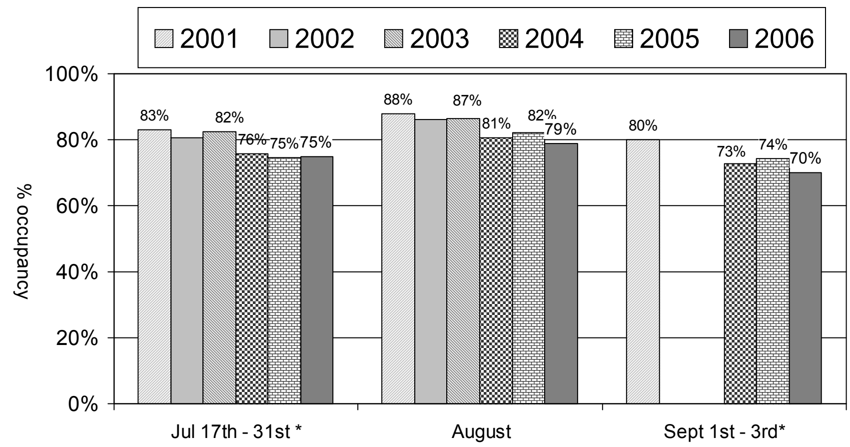
Area of Island	Room occupancy 2005	Room occupancy 2006
Ventnor	78%	81%
Shanklin	76%	77%
Sandown	83%	77%
West Wight	82%	76%
Newport/Ryde/Cowes	78%	74%

The usual pattern of occupancy according to the size of the establishment occurred with the larger establishments outperforming smaller establishments by 13 points. However, looking back at last year, the largest hotels have lost 4 points and small B&B's have reduced by 9 points.

Area of Island	Room occupancy 2005	Room occupancy 2006
26 or more rooms	85%	81%
11 – 25 rooms	76%	77%
4 – 10 rooms	67%	68%
1 – 3 rooms	77%	68%

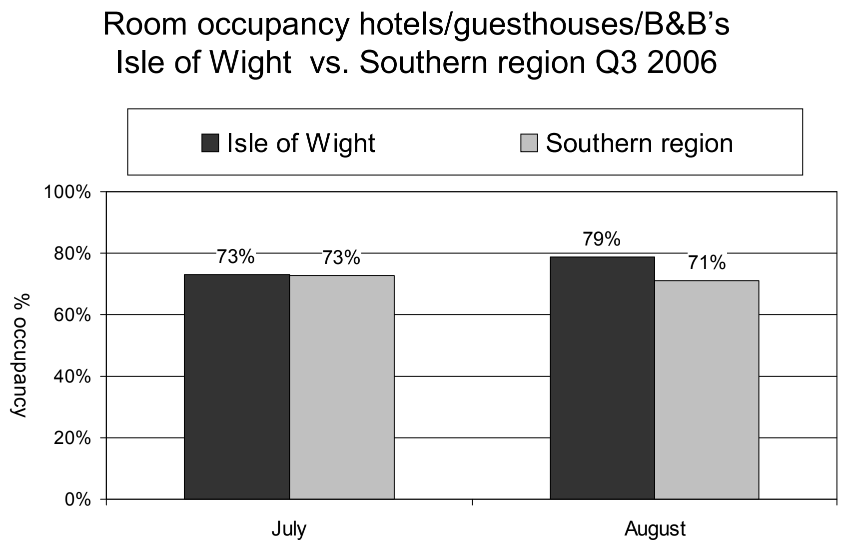
Monthly room occupancy was 75% during the second part of July, rising to 79% in August. It fell back to 70% in the first few days of September. Comparing monthly performance with recent years, July was level with the last couple of years but August was down slightly reflecting the differences in occupancy discussed above.

Isle of Wight hotels/guesthouses/B&B's
Room occupancy: Peak season 2006 vs. previous years



*Dates included in July and September vary slightly according to peak season timing

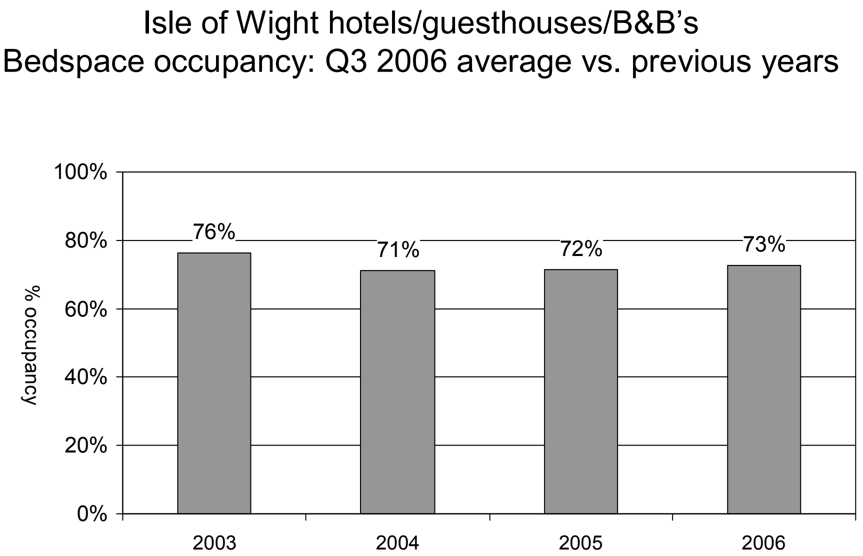
The following chart compares monthly room occupancy on the Island with the Southern region. Previous reports have shown that during winter and early spring the region exceeded the Island on room occupancy but by June the Island had risen ahead of the region by 3 points. In July the Island was level with the region and in August it exceeded the region by 8 points.



Whole months illustrated

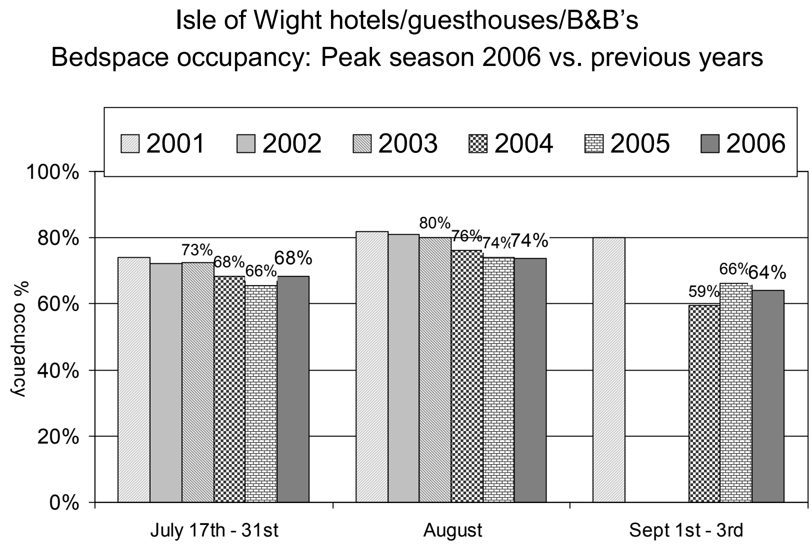
Bedspace Occupancy in hotels/guesthouses/B&B's

Bedspace occupancy averaged 73% across the peak season; this is down slightly on 2003 but more or less in line with the last two years. In fact there is some evidence of the start of an upwards trend.



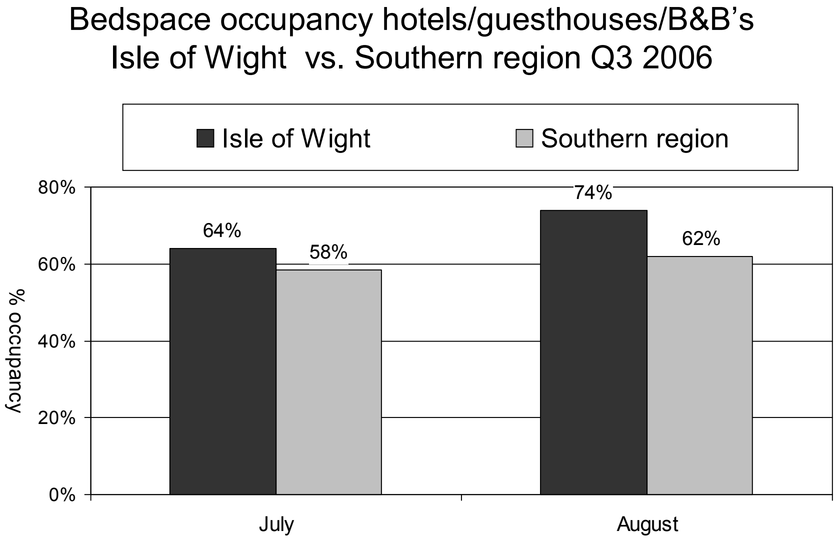
Looking at the ratio of bedspace occupancy to room occupancy over this four year period shows that party size has increased this year.

Analysis of monthly bedspace occupancy shows this was 68% in the second half of July, which is up 2 points on last year. It rose to a high of 74% in August, level with last year.



Dates included in July and September vary according to peak season timing

A comparison of Isle of Wight room occupancy with the Southern region shows that the Island continues to achieve higher levels, as is the norm at this time of year. This started in June and continued through July and August. In the month of July occupancy was ahead by 6 points but in August this lead had doubled to 12 points. This is due to larger party sizes as a result of more leisure travel and less business travel than across the region. A higher incidence of family holidays also contributes to the lead in August.



Whole months illustrated

Self catering occupancy

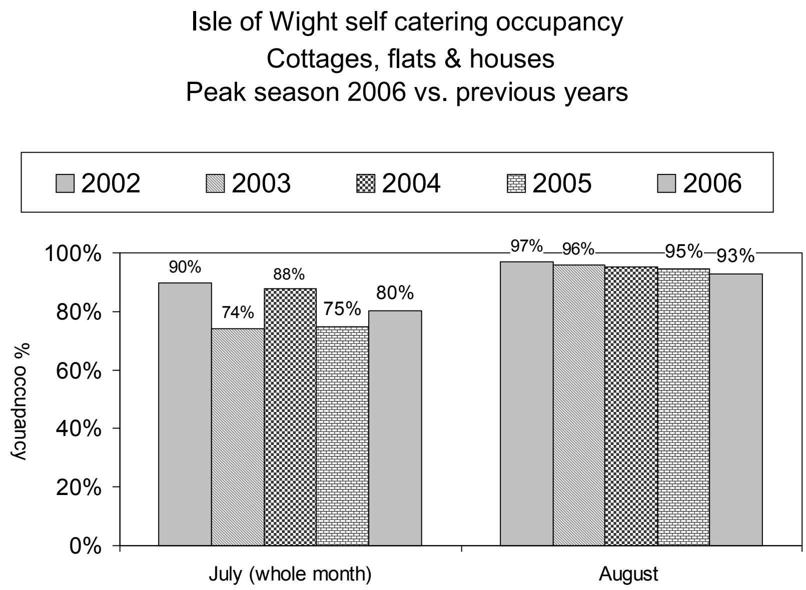
Self catering occupancy is given for the months of July and August. Period data is not available for this sector at the present time.

All three sectors of the self catering market indicate that there is very little availability during the month of August.

Cottages/houses /flats

Occupancy in this sector was 80% in July rising to 93% in August. This is 7 points ahead of the serviced sector room occupancy for July and 14 points ahead for August.

Looking at how this compares with previous years, the chart below shows that in July the average occupancy went up 5 points from last year and was ahead of 2003, however it was below 2002 and 2004. In August occupancy remained at a similar level to previous years.



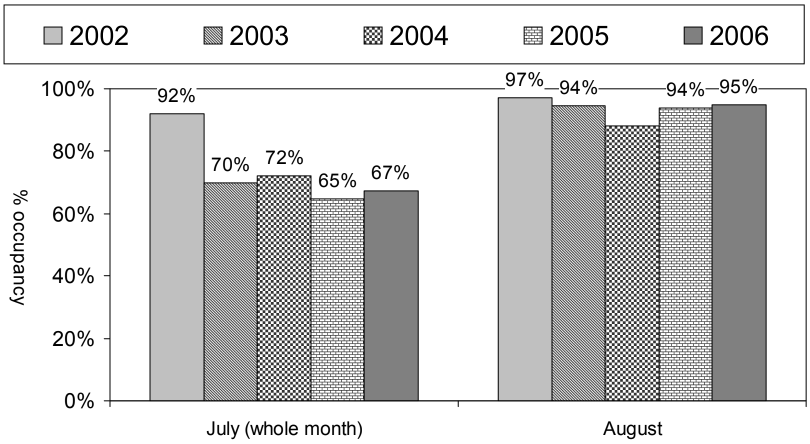
Static chalet/caravan sites

Sample sizes are much smaller for static sites than for houses cottages and flats (10 sites in July; 6 sites in August), hence the results must be treated with caution.

Occupancy on static caravan/chalet sites was at 67% in July rising to 95% in August. As with houses, cottages and flats, this is well ahead of the serviced sector in August (+16 points) but below the serviced sector in July (-6 points).

Occupancy in both months was at a similar level to recent years.

Isle of Wight self catering occupancy
Static caravans and chalets
Peak season 2006 vs. previous years



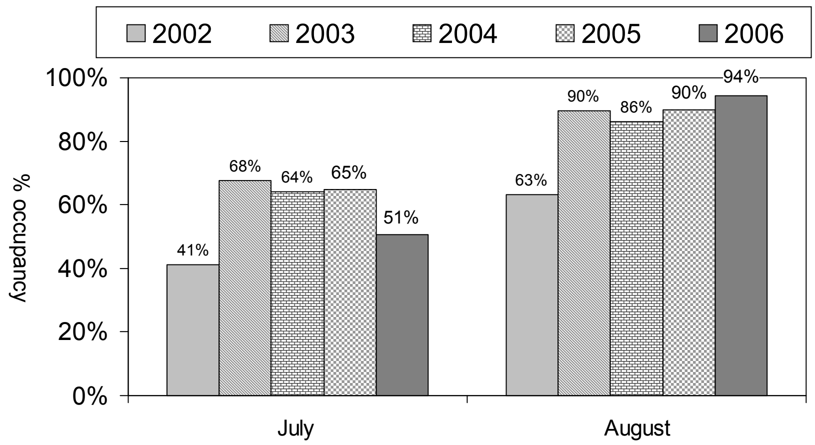
N.B. Small sample sizes which create large fluctuations in data

Touring caravan/camping sites

N.B. The small sample (6 sites in July, 4 sites in August) representing all sites for touring caravans and tents means data should be interpreted with caution; small samples can cause fluctuations which do not reflect reality.

Pitch occupancy varied widely across these two important months. In July the average pitch occupancy was at 51%, which is below recent years but ahead of 2002. In August it rose up to 94%, which is the highest level, recorded. This was up 4 points on last year, which was itself up on the previous year.

Isle of Wight self catering occupancy
Touring caravan and camping sites
Peak season 2006 vs. previous years



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