Tourism trends quarterly bulletin
Serviced Accommodation Statistics: Autumn 2007

Introduction

This bulletin reports on the accommodation used in the autumn period 2007 (September 3rd to December 31st). It includes use of accommodation reported by visitors (taken from the ferry research) and occupancy levels in serviced and self catering accommodation on the Island together with comparisons with the mainland (from the occupancy survey amongst accommodation providers).

Sample sizes have declined this year, an issue that has affected occupancy surveys across the region. Serviced accommodation samples are down by 30 – 45% depending on the month and this may have affected the validity of comparisons over time.

Overview

The tourism monitor, issued recently, noted a small increase in domestic staying visits (+4%) but an estimated demand for bednights level with autumn 2006. The sample included in this occupancy report has experienced a mixed performance:

- Serviced sector: occupancy in larger serviced establishments has fallen quite significantly, whilst smaller and medium sized hotels/guesthouses/B&B's have performed on a par with last year.
- Self catering sector: reported occupancy was down in rented cottages/houses/flats. Conversely, the small sample of chalet/static caravan sites suggest that occupancy increased at these, in line with claimed usage by holidaymakers on the Island.

Use of accommodation reported by visitors

Since 2004 staying visitors have been asked about the type of accommodation they have used or intend to use whilst on the Island.

The type of accommodation used by different groups of visitors varies considerably:

- Most VFR visitors stayed with their friends or relatives (85%); however there was some use of serviced accommodation (hotels 8%; guesthouses 3%).
- Serviced accommodation was used by half the business visitors: most stayed in a hotel (36%) but some used guesthouses/B&B's (14%). A fifth rented a house/flat, up from 8% last autumn; these were most likely to be business visitors combining business and leisure. A further 8% used a second home, up slightly from last autumn.

The following chart focuses on accommodation used by those on holidays and short breaks, this year versus recent years.

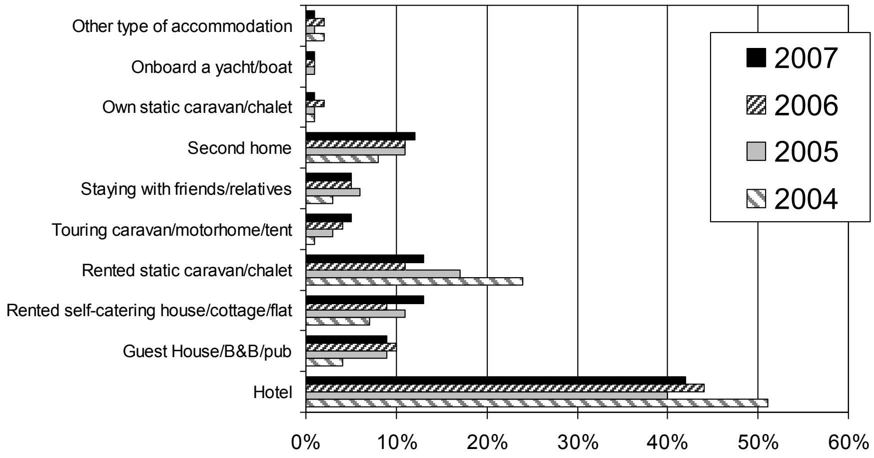
Serviced accommodation is the most popular type of accommodation amongst those on short breaks/holidays but use of this is down slightly versus last year and down significantly versus 2004.

- The majority in this sector chose a hotel, 42%, a slight decrease on last year and down considerably on 2004.
- Guesthouses were used by 9%, also down slightly over time.

Use of static sites (static caravans and chalets) and rented cottages/houses/flats were at a similar level, 13%, and were both up slightly versus last year. This is the highest level since 2004 for rented cottages/houses/flats. Use of rented caravans/chalets remains much lower than that seen in 2004, since when there have been closures of rental sites.

Use of second homes continues to creep upwards and, this autumn, accounted for 12% of short breaks/holidays.

Type of accommodation used by visitors
on holidays and short breaks
Q4 2007 vs. previous years



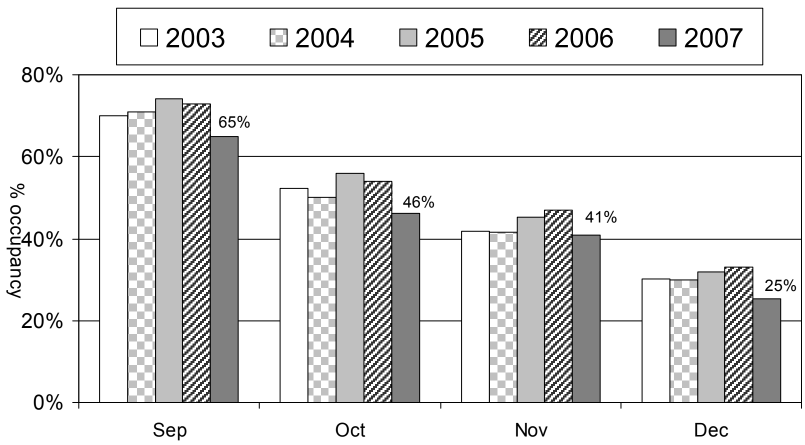
Room Occupancy in hotels/guesthouses/B&B's

During the autumn period, room occupancy averaged 45%. This ranged from a high of 65% in September down to 25% in December.

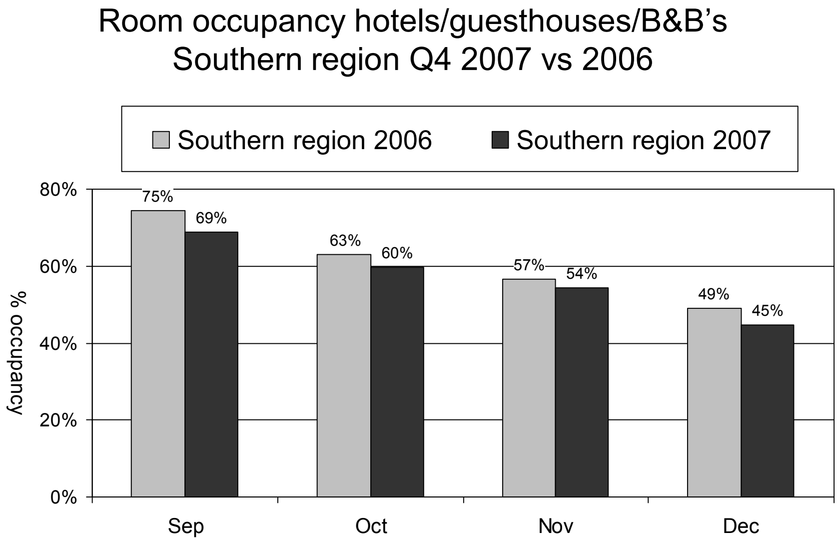
Looking at how these occupancy rates compare with previous years, room occupancy for the period was down 5 points from 50%. Occupancy was down each month and during September, October and December at its lowest level in the 5 year period illustrated.

This decline versus last year was in keeping with performance across the whole Southern region which is shown in the second of the following charts.

Isle of Wight hotels/guesthouses/B&B's
Room occupancy: Q4 2007 vs. previous years



The following chart shows room occupancy across the region versus autumn 2006.



The following table shows the wide variation in average room occupancy across the Island - the fall seen in the overall average is not typical of the whole Island. Sandown continued to perform very well and was on a par with last year (but the sample size reduced significantly). Occupancy in Newport/Ryde/Cowes increased an estimated 10 points to reach the same level as Sandown. These two areas outperformed Ventnor by 20 points. West Wight remained at a similar level to last year.

Shanklin occupancy dropped by 10 points and Ventnor dropped by 17 points, although the sample of participating establishments declined in Ventnor.

Area of Island	Room occupancy 2005	Room occupancy 2006	Room occupancy 2007
Sandown*	61%	54%	54%
Newport/Ryde/Cowes	44%	44%	54%
Shanklin	52%	52%	42%
West Wight	48%	42%	45%
Ventnor*	42%	47%	34%

* N.B. Sample size in Ventnor is very small and has reduced since 2006; sample declined in Sandown

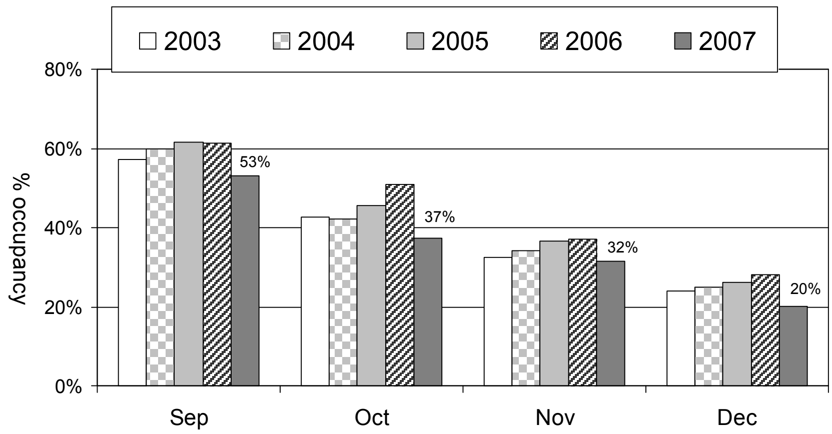
Looking at occupancy according to the size of the establishment indicates that the decline in room occupancy seen this autumn is due almost entirely to the largest establishments experiencing lower occupancy. These still outperformed the smaller establishments but occupancy in the small establishments was similar to the last two years.

Size of establishment	Room occupancy 2005	Room occupancy 2006	Room occupancy 2007
26 or more rooms	66%	63%	52%
11 – 25 rooms	41%	42%	41%
4 - 10 rooms	27%	30%	30%
1 – 3 rooms	35%	35%	37%

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

Bedspace occupancy averaged 36% during the autumn period, this is down by 7 points on last year. This ranged from 53% in September down to 20% in December, and, in line with room occupancy, was down each month.

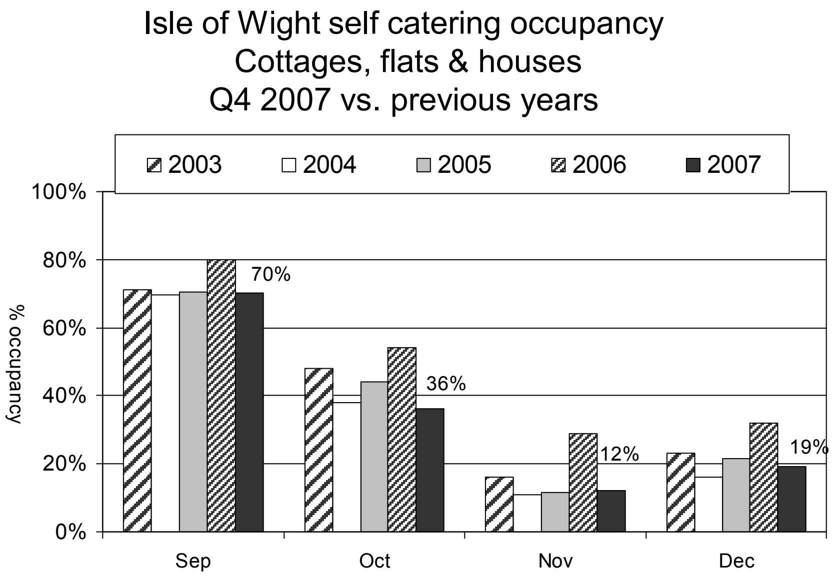
Isle of Wight hotels/guesthouses/B&B's
Bedspace occupancy: Q4 2007 vs. previous years



Occupancy in self catering cottages, houses and flats

Occupancy started at 70% in September, and declined to a low of 12% in November, recovering slightly to 19% in December.

Occupancy was down significantly on last year but in line with earlier years in September, November and December.



Occupancy in self catering chalets and static caravans

The sample is very small: 4 -5 operators took part in the survey but in November and December only 3 were open, hence occupancy figures must be taken as a guideline only. Fluctuations in data can be caused by small samples.

Occupancy figures suggest that this was a good autumn for static sites: this ranged from 80% in September down to a low point of 18% in November, rising 11 points to 29% in December. Each month, occupancy at this sample of sites was ahead of 2006.