







Alice Springs Monthly Accommodation Report

October 2022

	OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND ROOM NIGHTS	SUPPLY ROOM NIGHTS	AVAILABLE LISTED PROPERTIES
						
HOTEL STYLE ACCOMMODATION	66% +8.8pp	\$198 +20%	\$131 +38%	20,000 +34%	31,000 +16%	8 +14%
	LISTING OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND LISTING NIGHTS	SUPPLY LISTING NIGHTS	AVAILABLE LISTED PROPERTIES
SHORT TERM LETTING ACCOMMODATION	65% +4.0pp	\$143 +3.4%	\$93 +10%	1,100 +176%	1,700 +159%	79 +114%

Percentage changes reflect data from October 2022 compared to October 2021

The year on year results for October 2022 for Alice Springs reflect the opening of international borders to Australia on 21 February 2022 and easing of travel restrictions within Australia, with Northern Territory border controls lifted from 20 December 2021.

Accommodation indicators for Alice Springs for October 2022 were positive for the hotel sector and the short term letting market compared to October 2021. The listing occupancy rate for short term letting in October 2022 was up +4.0 percentage points (pp) to 65% compared to the previous year due to an increase in demand (up +176%), which exceeded the growth in supply (up +159%). Properties listed for short term letting rose +114% in October 2022 compared to October 2021. The occupancy rate was also higher in the hotel sector, up +8.8pp to 66%. This was due to higher demand, up +34% to 20,000 room nights with room supply up +16% to 31,000 room nights in October 2022 compared to October 2021.

Room supply in Alice Springs was positively impacted in October 2022 due to the Mercure Alice Springs Resort returning to the hotel accommodation market from August. In addition, over the past year more properties came online in the short term letting sector, possibly driven by the unmet demand for hotel rooms.

In October 2022 compared to October 2021, room rates and revenue per available room night (RevPAR) were higher for the hotel sector, up +20% (or +\$33.20) to \$198 and up +38% (or +\$36.20) to \$131 respectively. For short term letting room rates increased +3.4% to \$143 and RevPAR increased +10% to \$93 in October 2022 compared to October 2021.

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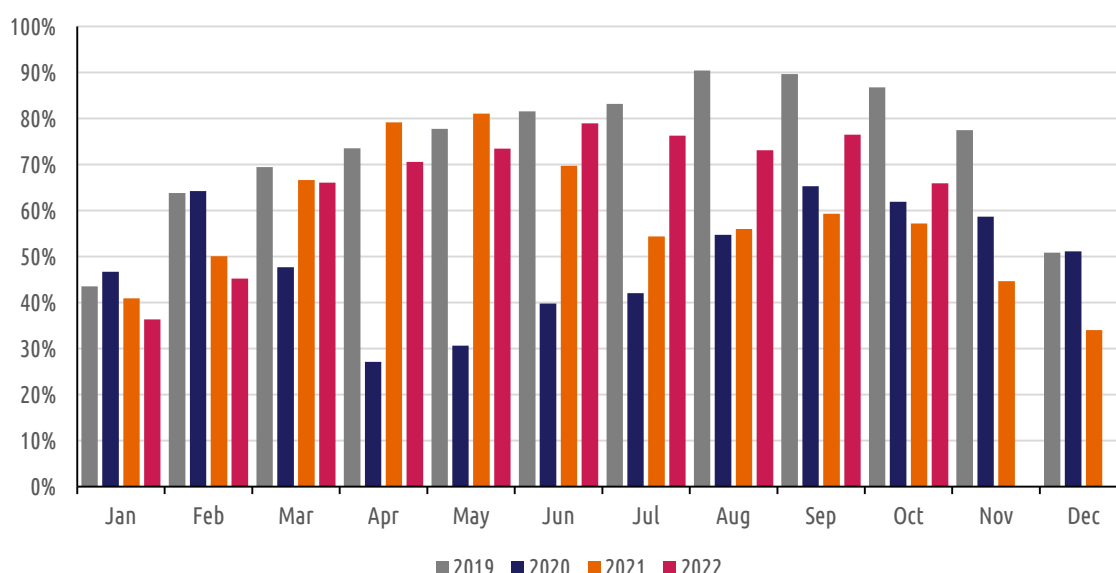
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For the year ending (YE) October 2022, the average annual room occupancy rate for the hotel sector was up +1.4pp at 62% compared to the same period last year. For the short term letting sector, the annual listing occupancy was lower -2.2pp to 63%. The average daily rate and RevPAR for the YE October 2022 were lower for short term letting at \$150 and \$97 respectively, compared to the hotel sector at \$177 and \$115.

The short term letting sector in Alice Springs has grown significantly over the past five years, with a 216% increase (from 25 to 79) in the number of listed properties between October 2017 and October 2022, and 72% growth (from 46 to 79) from October 2019 to October 2022. The supply of listing nights available for short term letting in Alice Springs during October 2022 has adjusted downwards to 1,700 room nights as the peak tourist season comes to a close. Listing nights available peaked at 2,000 in July 2022.

Trends show the hotel sector occupancy rate has seen improvements with the opening of international borders and easing of travel restrictions domestically. The occupancy rate in October 2022 was still lower than in October 2019, yet higher than in October 2020 and 2021.

ALICE SPRINGS MONTHLY HOTEL OCCUPANCY RATE



Historically, capacity is constrained around major event periods including Parrtjima, Finke Desert Race, AFL fixtures and the Red Centre NATS. COVID-19 has also placed pressure on hotel capacity, with some hotels operating with restricted capacity due to challenges associated with obtaining skilled staff.

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METHODOLOGY

The data in the hotel accommodation report is sourced from STR and is collected from a sample of five hotels with 10 or more rooms in Alice Springs. Data is collected daily and collated to represent the industry and includes data for leisure, business and other purposes of travel. This sample represents 63% of the establishments in Alice Springs and 73% 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 79 listed properties on both Airbnb and Vrbo in Alice Springs. 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.

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