







Darwin Monthly Accommodation Report

March 2023

	OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND ROOM NIGHTS	SUPPLY ROOM NIGHTS	PROPERTIES
						
HOTEL STYLE ACCOMMODATION	48% -4.1pp	\$149 +5.6%	\$72 -2.5%	82,000 +4.5%	170,000 +13%	49 +14%
	LISTING OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND LISTING NIGHTS	SUPPLY LISTING NIGHTS	AVAILABLE LISTED PROPERTIES
SHORT TERM LETTING ACCOMMODATION	45% -0.9pp	\$160 -10%	\$71 -12%	6,000 +55%	13,000 +58%	628 +50%

Percentage changes reflect data from March 2023 compared to March 2022

Accommodation indicators for Darwin for the month of March 2023 were mixed for both the hotel accommodation sector and the short term letting sector when compared to March 2022. Supply was higher in both markets, increasing by +13% to 170,000 room nights for hotels, and up +58% to 13,000 listing nights for short term letting. An additional 643 rooms came online when comparing March 2023 to the same period last year due to the addition of Capitanos, MOM Darwin YHA, Darwin FreeSpirit Resort, Darwin Resort and Hudson Parap to the Darwin hotel accommodation market. Hotel demand increased by +4.5% to 82,000 room nights. Short term letting demand also increased by +55% to 6,000 listing nights.

The occupancy rates in both sectors experienced a drop which is attributable to the increased supply. The listing occupancy rate for the hotel sector was down -4.1 percentage points (pp) to 48%, while this figure also decreased by -0.9pp to 45% for the short term letting sector. The average daily rate was higher for the hotel sector in March 2023, up +5.6% (or +\$8.00) to \$149. Meanwhile, the surge in short term letting supply contributed to a drop in average daily rate compared to the same month last year, down -10% (or -\$18.70) to \$160. Revenue per available room night (RevPAR) figures were lower for both the hotel sector at \$72 (down -2.5% or -\$1.90) and the short term letting sector at \$71 (down -12% or -\$9.90).

The yearly room occupancy rate for the hotel sector was up +6.7pp at 62%. This was due to an increase in demand, up +22% (to 1,198,000 room nights) as COVID-19 restrictions eased for the year ending (YE) March 2023 compared to the YE March 2022. Hotel supply rose +8.8% (to 1,939,000 room nights) over the same period. The yearly listing occupancy rate for the short term letting sector was also up +2.3pp to 61%, with a +41% increase in demand and a +36% increase in supply.

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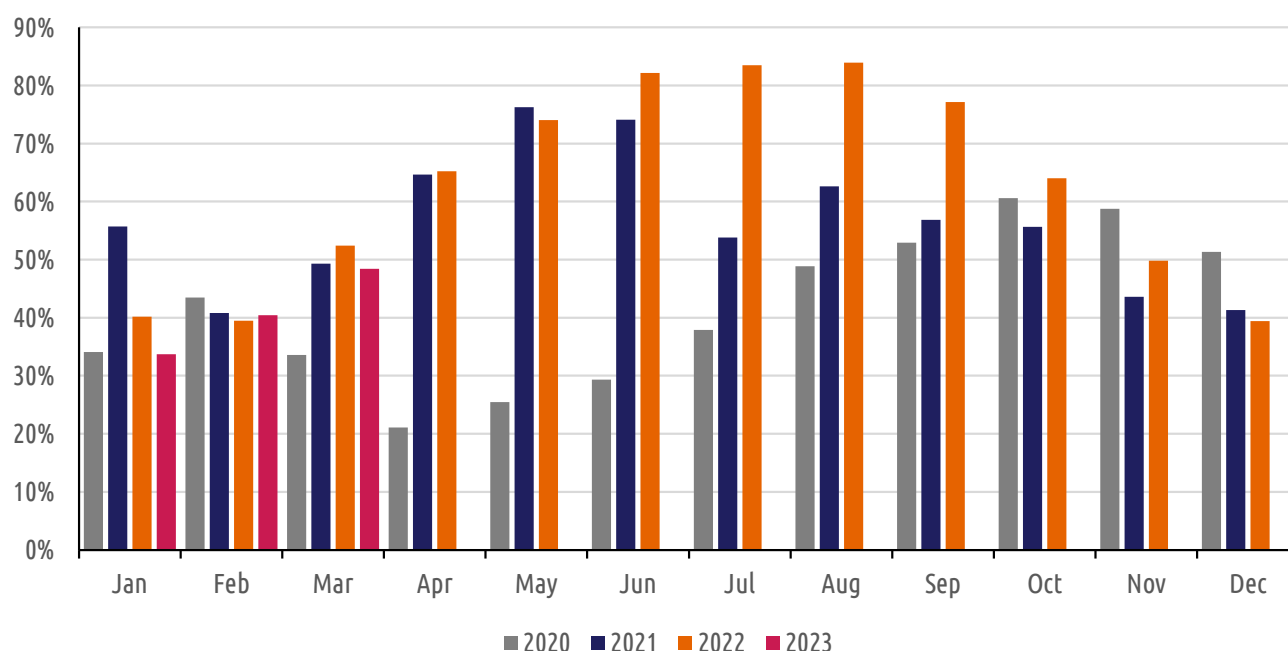
March 2023

For the hotel sector, the average daily rate and RevPAR for the YE March 2023 were \$203 (up +18% or +\$31.40) and \$135 (up +39% or +\$38.20) respectively, compared to YE March 2022. Similarly, for the short term letting sector, the average daily rate and RevPAR for the YE March 2023 were at \$217 (up +13% or +\$25.40) and \$141 (up +24% or +\$27.00) respectively, compared to the YE March 2022.

The short term letting sector in Darwin has grown significantly with +66% growth (from 379 to 628 listed properties) between March 2020 and March 2023.

The hotel sector's occupancy rate in March 2023 was lower compared to March 2022 and on par with March 2021.

DARWIN MONTHLY HOTEL OCCUPANCY RATE



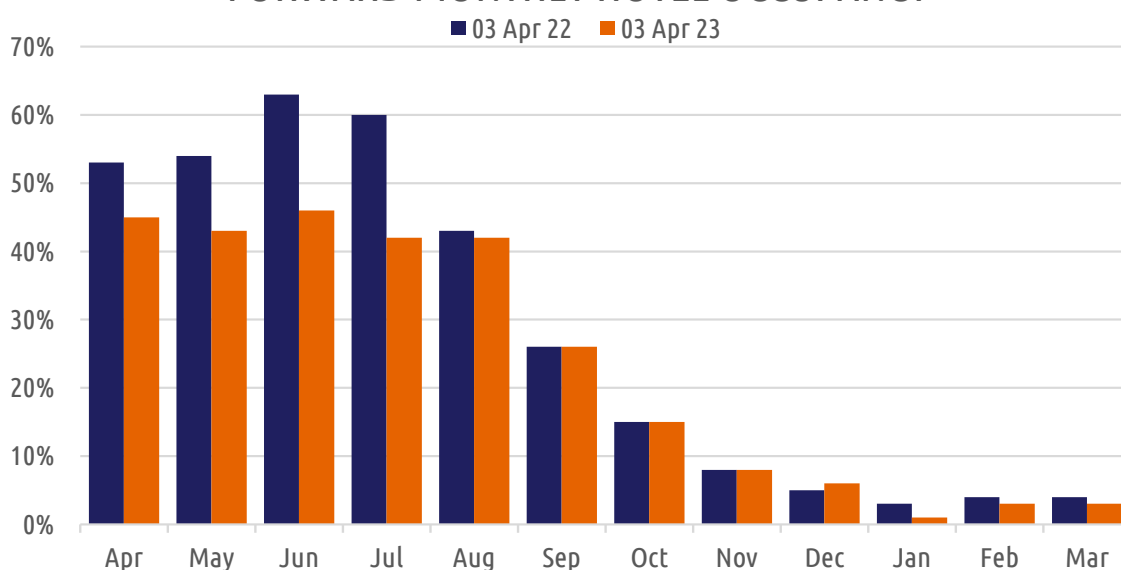
Historically, capacity is constrained around major events including the Darwin Festival, Darwin Cup, Supercars and scheduled defence exercises.

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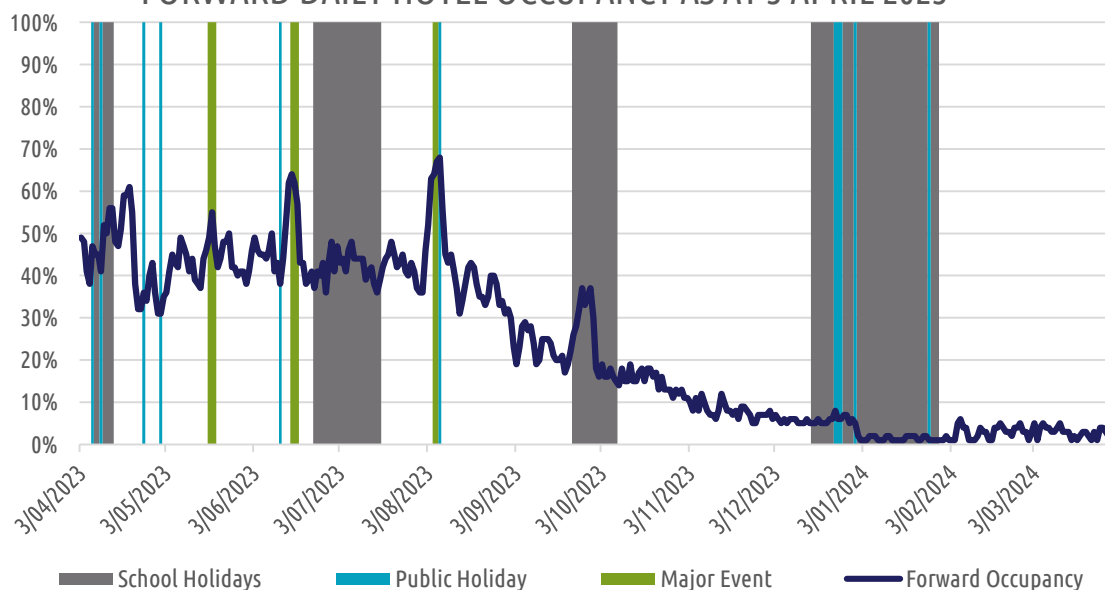
Forward occupancy measures are slower than at the same time last year. Anecdotally booking lead times are shortening and bookings are also being impacted by increasing average room rates, rising costs of living pressures and increasing competition for discretionary spend from within and outside of the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

FORWARD MONTHLY HOTEL OCCUPANCY



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

FORWARD DAILY HOTEL OCCUPANCY AS AT 3 APRIL 2023



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METHODOLOGY

The data in the hotel accommodation report is sourced from STR and is collected from a sample of 30 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 61% 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 628 listed properties on both 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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**From February 2023, STR included Darwin Esplanade Central to its inventory which has less than 10 rooms. This is due to the existing Mantra Esplanade property now running as two properties, including Darwin Esplanade Central under the management of Central Apartment Group.*