Darwin Monthly Accommodation Report
September 2023

	OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND ROOM NIGHTS	SUPPLY ROOM NIGHTS	PROPERTIES
HOTEL STYLE ACCOMMODATION	**62%** **-15pp**	**$221** **-11%**	**$138** **-28%**	**106,000** **-13%**	**172,000** **+8.0%**	**52** **+8.3%**

	LISTING OCCUPANCY RATE	AVERAGE ROOM RATE	REVPAR	DEMAND LISTING NIGHTS	SUPPLY LISTING NIGHTS	AVAILABLE LISTED PROPERTIES
SHORT TERM LETTING ACCOMMODATION	**62%** **-16pp**	**$185** **-19%**	**$116** **-36%**	**11,000** **+3.0%**	**18,000** **+30%**	**826** **+35%**

Percentage changes reflect data from September 2023 compared to September 2022

Accommodation indicators for Darwin for the month of September 2023 were mixed for the hotel accommodation sector and for the short term letting sector when compared to September 2022. Supply was higher in both markets, increasing +8.0% to 172,000 room nights for hotels, and +30% to 18,000 listing nights for short term letting. An additional 425 hotel rooms came online when comparing September 2023 to the same period last year due to the addition of Darwin Waterfront Short Stay Apartments, Ibis Airport, Darwin Esplande Central and DCH on Mitchell to the Darwin hotel accommodation market. In addition to this, Mindil Beach Casino Resort, Darwin City Hotel, Mercure Airport Resort, Argus Hotel Darwin, Discovery Park Darwin, Hotel Frontier Darwin and Oaks Darwin Elan Hotel added more rooms into circulation. Hotel demand decreased by -13% to 106,000 room nights, while short term letting demand increased by +3.0% to 11,000 listing nights.

The occupancy rates in both sectors experienced a decline, down -15 percentage points (pp) to 62% for hotels, and a decrease of -16pp to 62% for the short term letting sector. The average daily rate (ADR) was lower for the hotel sector in September 2023, down -11% (or -$28.10) to $221. Meanwhile, the surge in short term letting supply possibly also contributed to a drop in average daily rate compared to the same month last year, down -19% (or -$43.60) to $185. Revenue per available room (RevPAR) figures were lower for both the hotel sector at $138 (down -28% or -$54.70) and the short term letting sector at $116 (down -36% or -$64.70).

The year ending (YE) September 2023 room occupancy rate for the hotel sector was lower, down -6.1pp at 55% compared to September 2022. This was due to an increase in supply, up +8.6% (to 2,004,000 room nights) outpacing hotel demand, which decreased -2.8% (to 1,118,000 room nights) over the same period. The yearly listing occupancy rate for the short term letting sector was down -7.2pp to 56%, with a +27% increase in listing demand and a +45% increase in listing supply.

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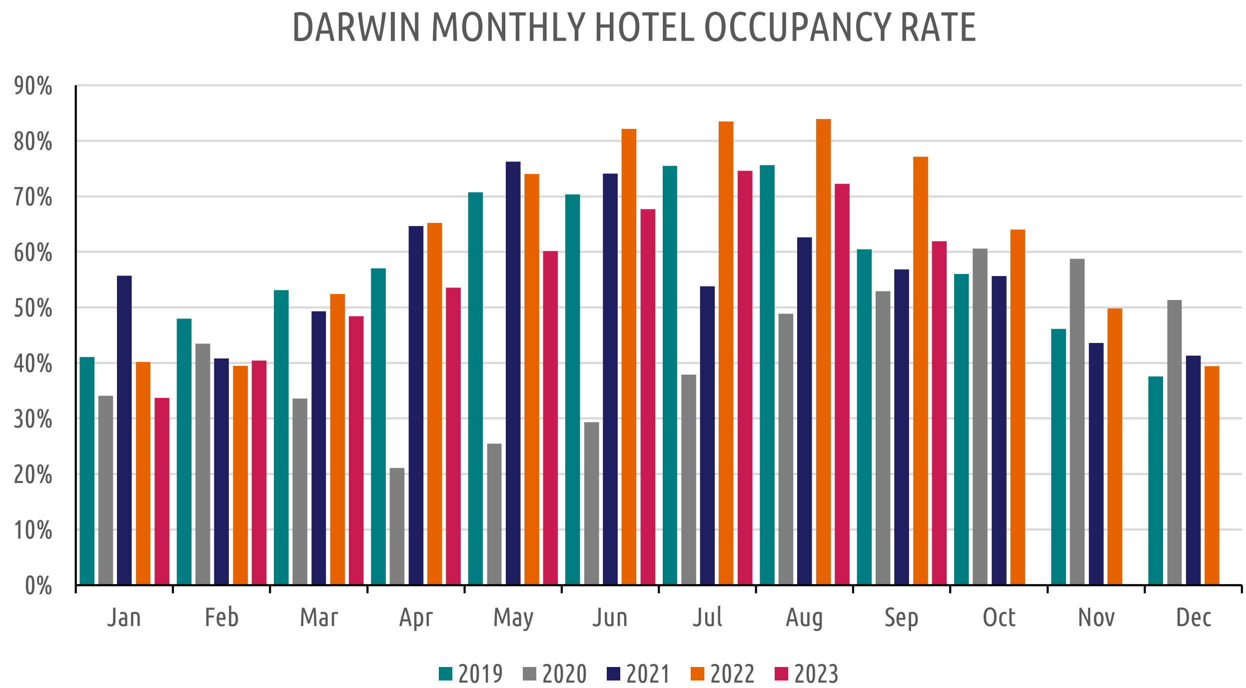
The ADR and RevPAR for the YE September 2023 for the hotel sector were $195 (down -2.6% or -$5.20) and $114 (down -15% or -$19.60) respectively, as compared to the YE September 2022. The average daily rate and RevPAR for the YE September 2023 for short term letting were $195 (down -11% or -$23.30) and $111 (down -23% or -$32.50) respectively, as compared to the YE September 2022.

The short term letting sector in Darwin has grown significantly with +189% growth (from 286 to 826 listed properties) between September 2020 and September 2023.

The hotel sector occupancy rate in September 2023 was higher than in September 2020 and 2021 and lower than in September 2022. When compared to pre-pandemic levels in Sepember 2019, the September 2023 occupancy rate was higher.



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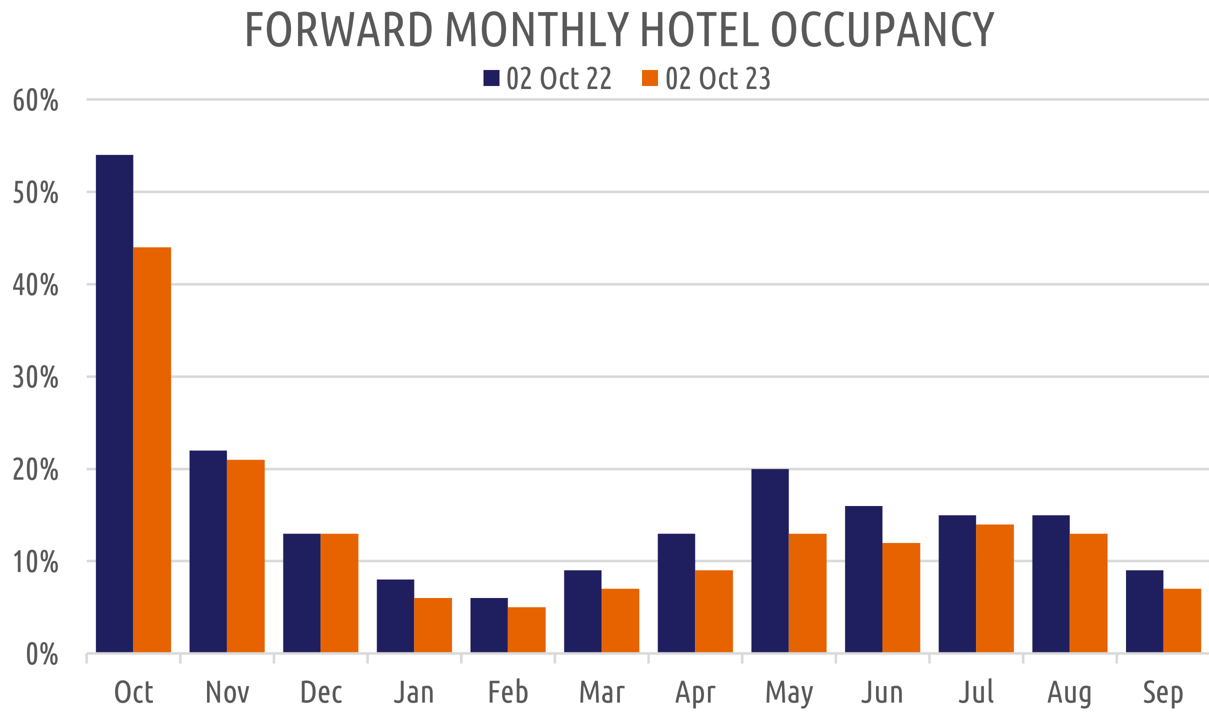
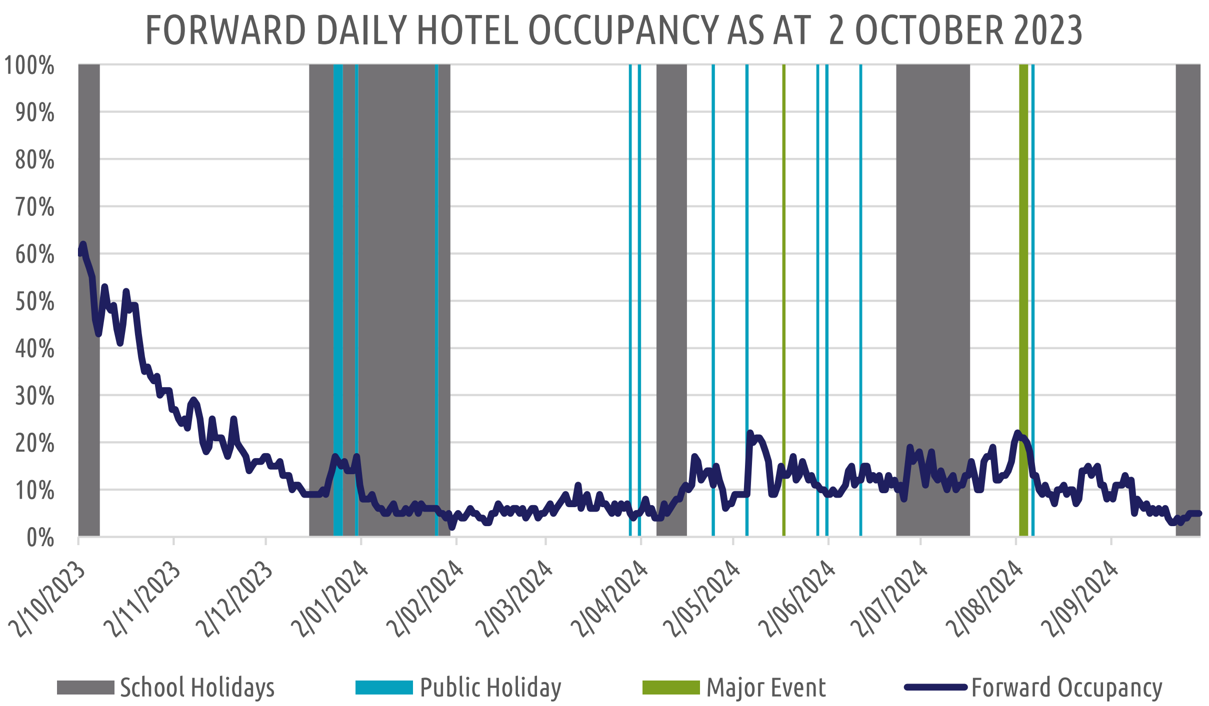
Forward occupancy measures are generally slower than at the same time last year. Anecdotally booking lead times are shortening and bookings are also being impacted by increasing average room rates, rising costs of living pressures and increasing competition for discretionary spend from within and outside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



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



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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 80% 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 826 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