

Bedroom economics – the story beyond the headline rate

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Things are changing!

HOTEL

1

The number of rooms sold in 2022 was below 2019 (~2012 levels)

2

2023 y-t-d is 1.45 million rooms vs 2022 y-t-d of 1.41 million rooms

3

The Corporate market hasn't returned (and possibly won't) – accounting for 4.1% of rooms sold in 2022 vs 22.2% in 2019 and 25.6% in 2014

4

Domestic tourists account for 59.2% of rooms sold in 2022 vs 50.8% in 2019 and 39.6% in 2014

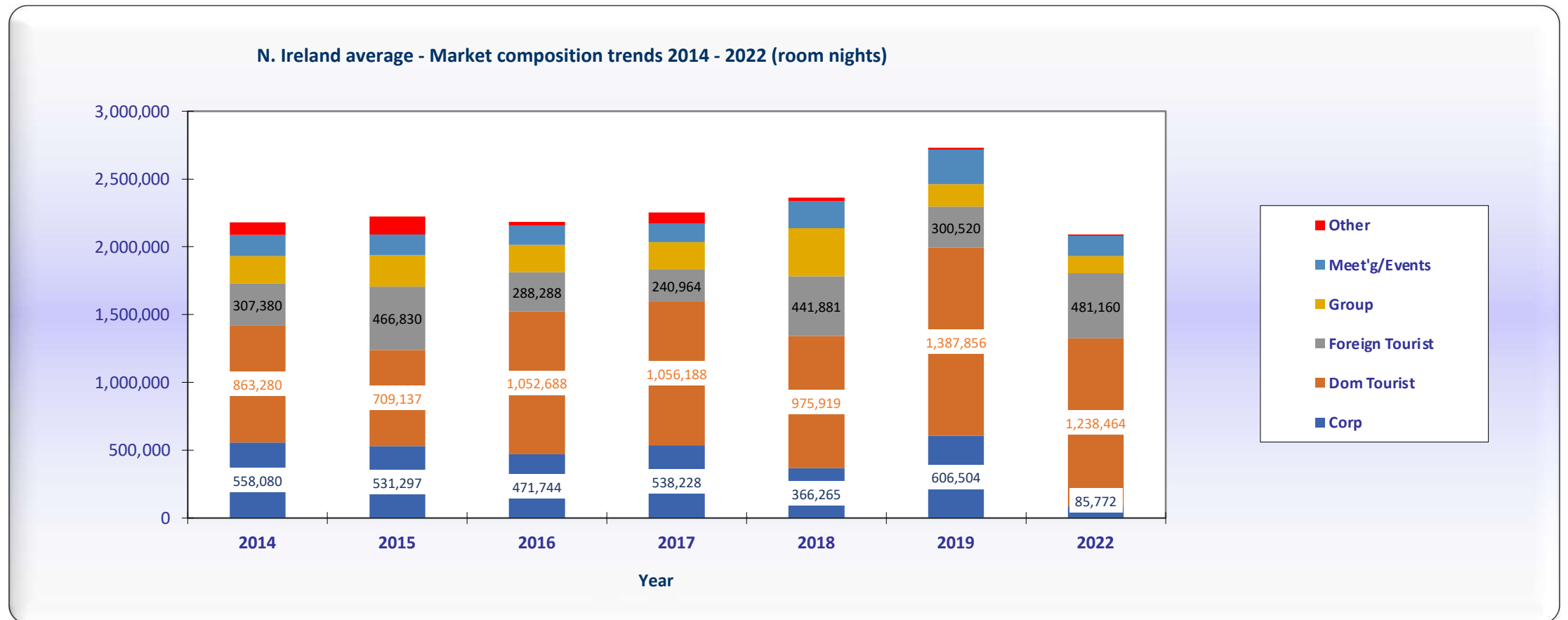
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Groups account for the lowest % since 2014

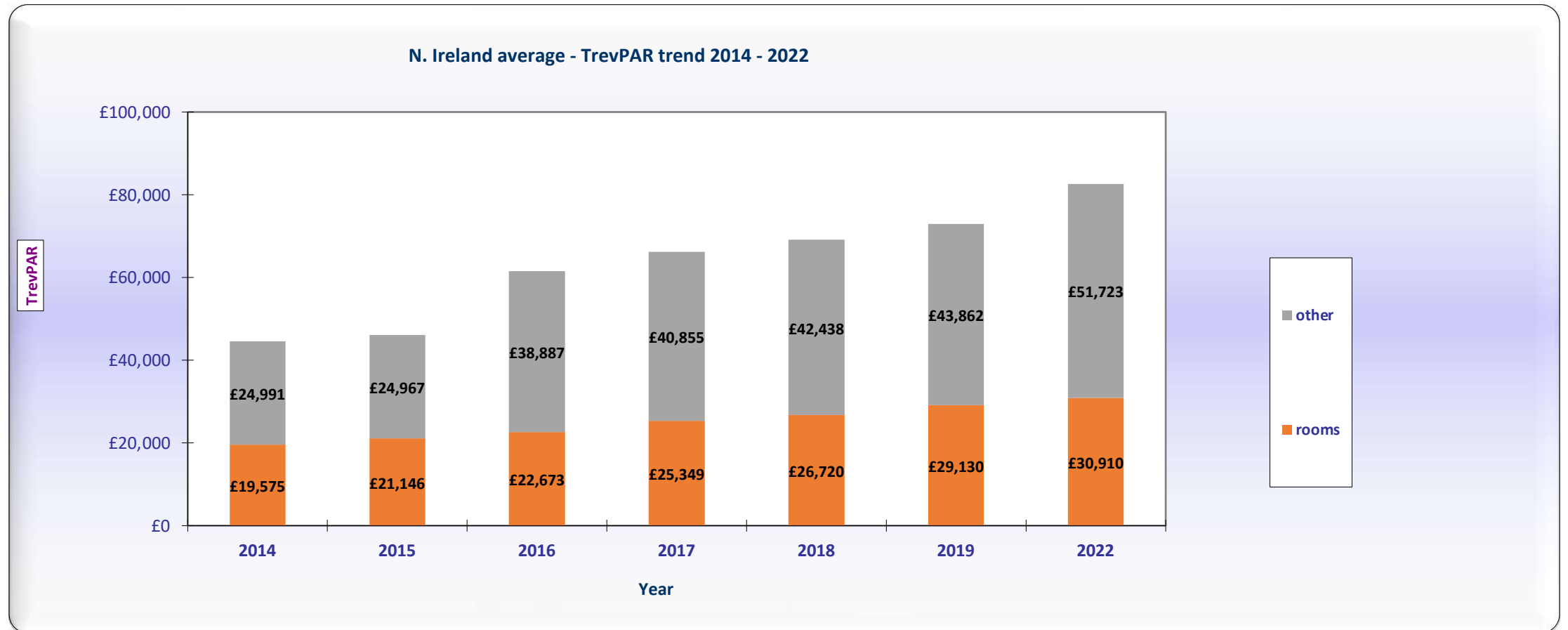
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M&E room sales are still below pre-Covid levels

Mixing it up! What is driving room sales?



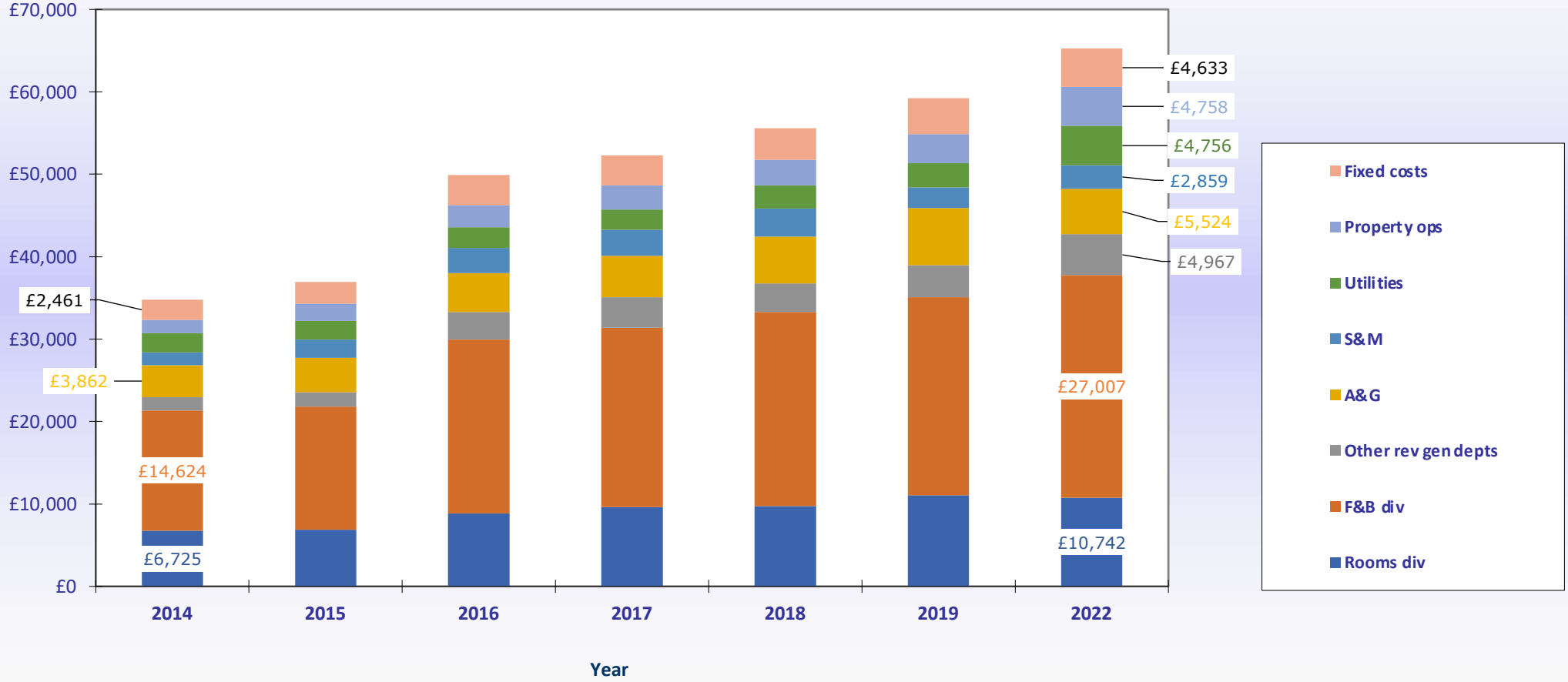
Growth in TrevPAR not lead by rooms



Costs are rising

- Staff costs – inflationary uplifts, shortages in supply, cost of living increases
- Utilities – heat light & power
- F&B costs – ingredient costs and supply costs are increasing
- Rates
- Commissions
- Repairs and renewals
- Professional fees

N. Ireland averages: departmental costs PAR



AVERAGE GROSS
NORTHERN
IRELAND ROOM
RATE FOR 2014

£84.93



AVERAGE GROSS
NORTHERN
IRELAND ROOM
RATE FOR 2022

£118.80



AVERAGE GROSS
NORTHERN
IRELAND ROOM
RATE

£100

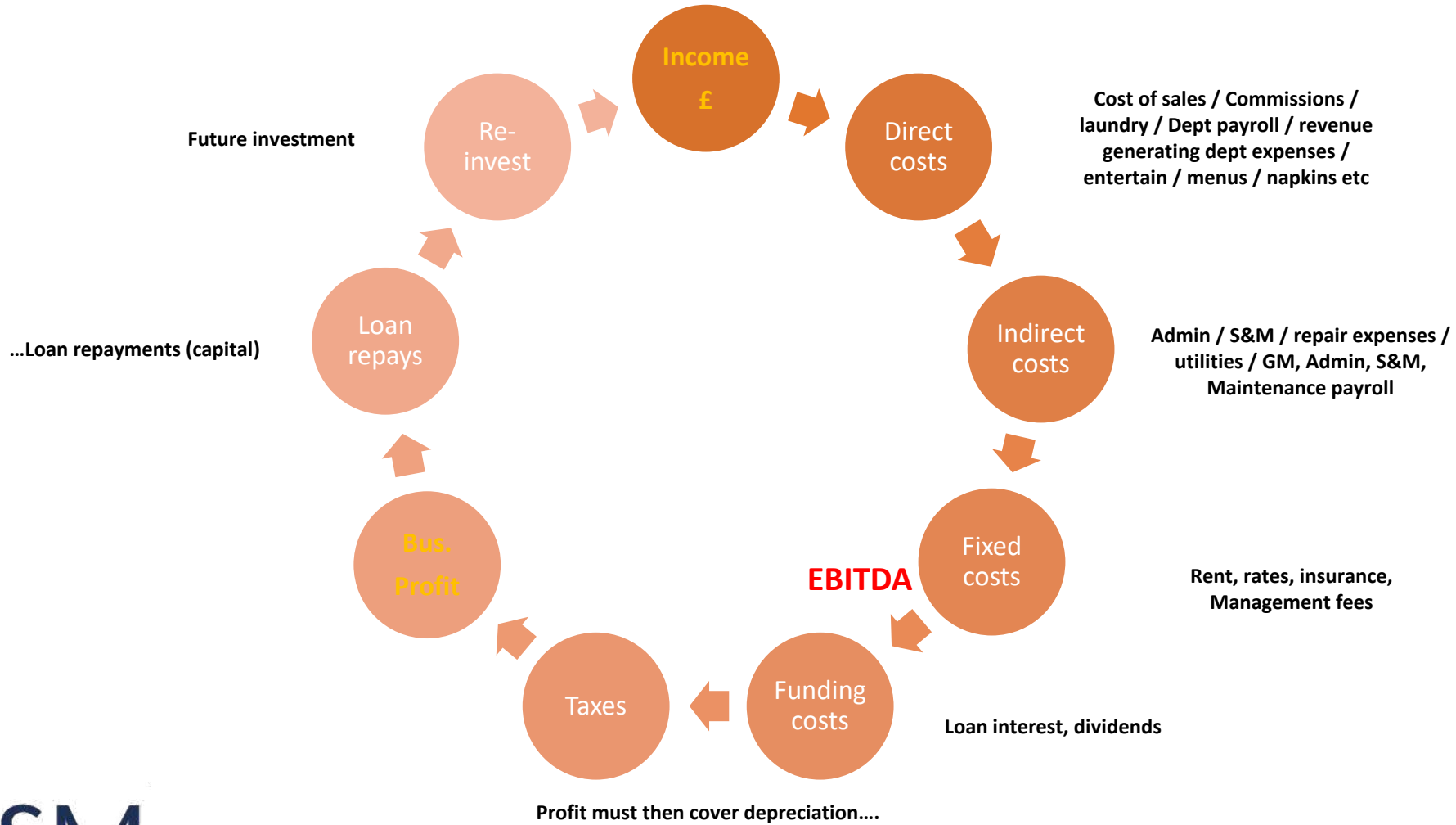




What you can do

- Ensure you have timely and accurate information
- Develop a strong understanding of your cost base and keep up-to-date with changes
- Take steps to reduce costs where possible
- Set departmental budgets and prepare forecasts
- Monitor progress against budget and take action as required

The revenue journey – beyond EBITDA



Thank you

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