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Media Release

Tourism boom pays off for NZ hotels

2015 was an exceptional year for New Zealand hotels which collectively recorded their best results in five years, according to new Tourism Industry Aotearoa research.

TIA has almost 140 member hotels which enjoyed an average 78.8% occupancy in 2015, up 3.1 points on 2014, TIA Hotel Sector Manager Sally Attfield says. This was the highest occupancy rate in five years.

The average daily rate (across all star grades) rose to \$157, up \$12 on the previous year, and also a five year high. This generated total revenue of \$1.17 billion, up from \$1.05 billion in 2014.

The strong performance is a result of improvements in the New Zealand economy and an increase in international visitor arrivals. New Zealand welcomed more than 3.1 million visitors in 2015 – 9.6% more than in 2014, Ms Attfield says.

The results were boosted by strong events calendars around the country, including ICC Cricket World Cup, the FIFA U-20 tournament, and a range of concerts and other events.

“Every region saw record results last year. Summer 2015/16 and the months of March, April and May 2016 have provided further increases in both occupancy and average rates,” Ms Attfield says.

“The increased revenue performances are allowing for reinvestment in both properties and people. We are also seeing investors responding to demand with more hotel developments around the country than we have seen for quite some time.”

The hotel sector is contributing strongly to the [Tourism 2025](#) goal of growing total annual tourism revenue to \$41 billion.

TOURISM INDUSTRY AOTEAROA

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Highlights from the TIA Hotels Annual Operating Survey 2015:

- The national annual occupancy rate was 78.8%, up 3.1 points on 2014, and the highest in the last five years. Auckland achieved the highest annual occupancy rate of 84%, followed by Queenstown (78.6%) and Wellington (77.9%).
- The national average daily rate across all star grades was \$157, up \$12 on 2014, and the highest daily rate in the last five years. Queenstown has the highest average daily rate of \$166 followed by Auckland and the Central Park region (Taupo, Tongariro, Napier and Gisborne) on \$164.
- Total room capacity was static at 17,900, with increases in Christchurch offset by the temporary closure of an Auckland property for refurbishment.
- TIA hotel members generated \$1.17 billion in revenue, up from \$1.05 billion in 2014. They contributed \$815 million (up \$41 million) to the economy through wages and salaries (over \$360 million), food and beverage purchases, council rates (over \$19 million) and other expenditure.
- TIA hotels employ 10,800 staff nationally, up from 10,500 in 2014.

TIA Hotel Sector

TIA's hotel sector represents the interests of almost 140 members throughout New Zealand, including international chain, large independent and privately owned hotels. TIA hotel sector members employ 10,800 staff nationally, with annual revenues of more than \$1.17 billion.

TIA's hotel members contribute to a monthly performance survey conducted by The Fresh Information Company.

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KEY FACTS

- Tourism in New Zealand is an \$81.6 million per day industry. Tourism delivers around \$32 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$49 million in economic activity every day
- Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015)
- 12.1% of the total number of people employed in New Zealand work directly or indirectly in tourism. That means 295,908 people are working in the visitor economy
- The [Tourism 2025](#) growth framework has a goal of growing total tourism revenue to \$41 billion a year by 2025.

Visit www.tia.org.nz for more information

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