



Crowe

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# 2021 Irish Hotel Market Briefing

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# Crowe's Annual Hotel Industry Survey

The benchmarking report for revenue, profit & operational metrics



Ireland Annual  
Hotel Industry Survey  
**2020**



The Anniversary  
Edition

Audit / Tax / Advisory



# Summer 2021, the norm?

Room KPIs	Dublin	Regional Ireland
ARR	Down 20% - 35%.	Up 10% - 25%.
Occupancy	Down 40 – 50 ppt.	Down 6 – 25 ppt.
Result	Significant negative RevPAR outcomes.	Positive & negative RevPAR outcomes.

## Outbound



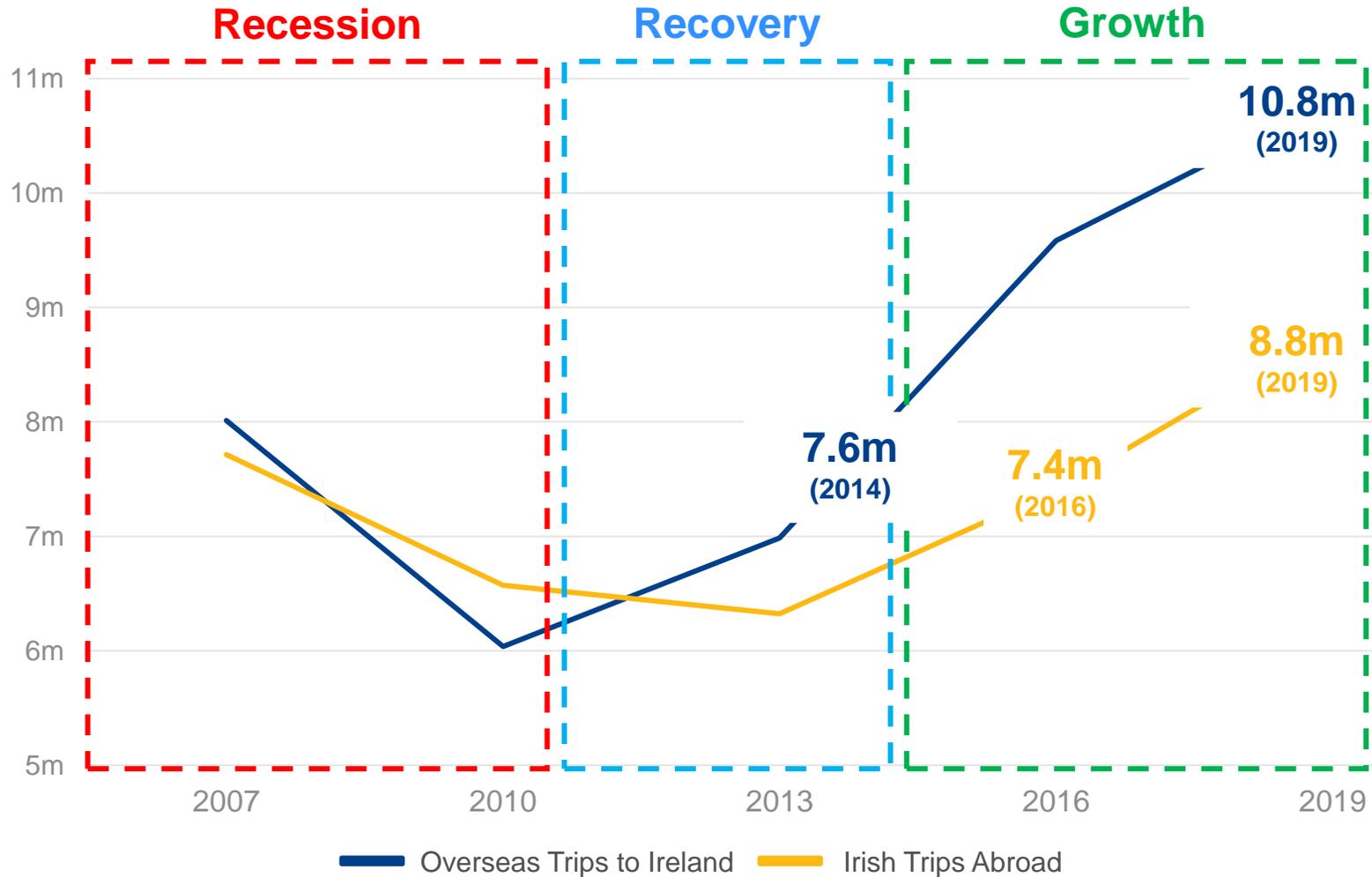
- Population +90% vaccinated
- EU Digital COVID Certificate
- US open from Nov 2021

## Inbound



- Tourism Ireland - Green Button
- Requirement to rebuild capacity on routes

# Trips to and from Ireland



What will 2022 visitor numbers be?

What is the impact of lower staycations on demand?

# 2019 Business Mix

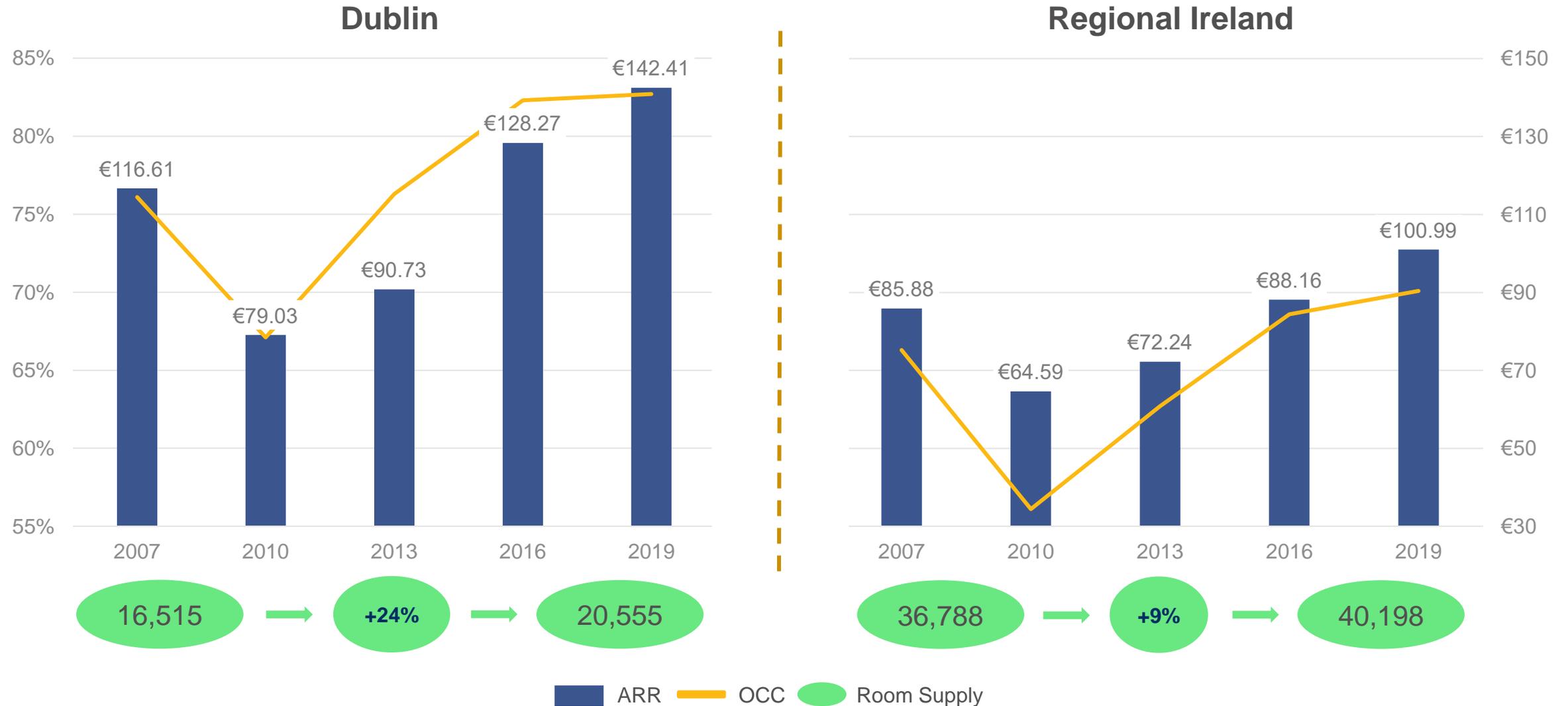
Composition of Market	Dublin	Regional Ireland
Best Available Rate (BAR)	23%	15%
Corporate/Meetings	23%	17%
Web & Internet	22%	22%
Leisure Grps. incld. Weddings	13%	25%
Promotions & Discounts	8%	11%
Tours	7%	9%
Other	4%	1%

Room nights sold to international visitors...

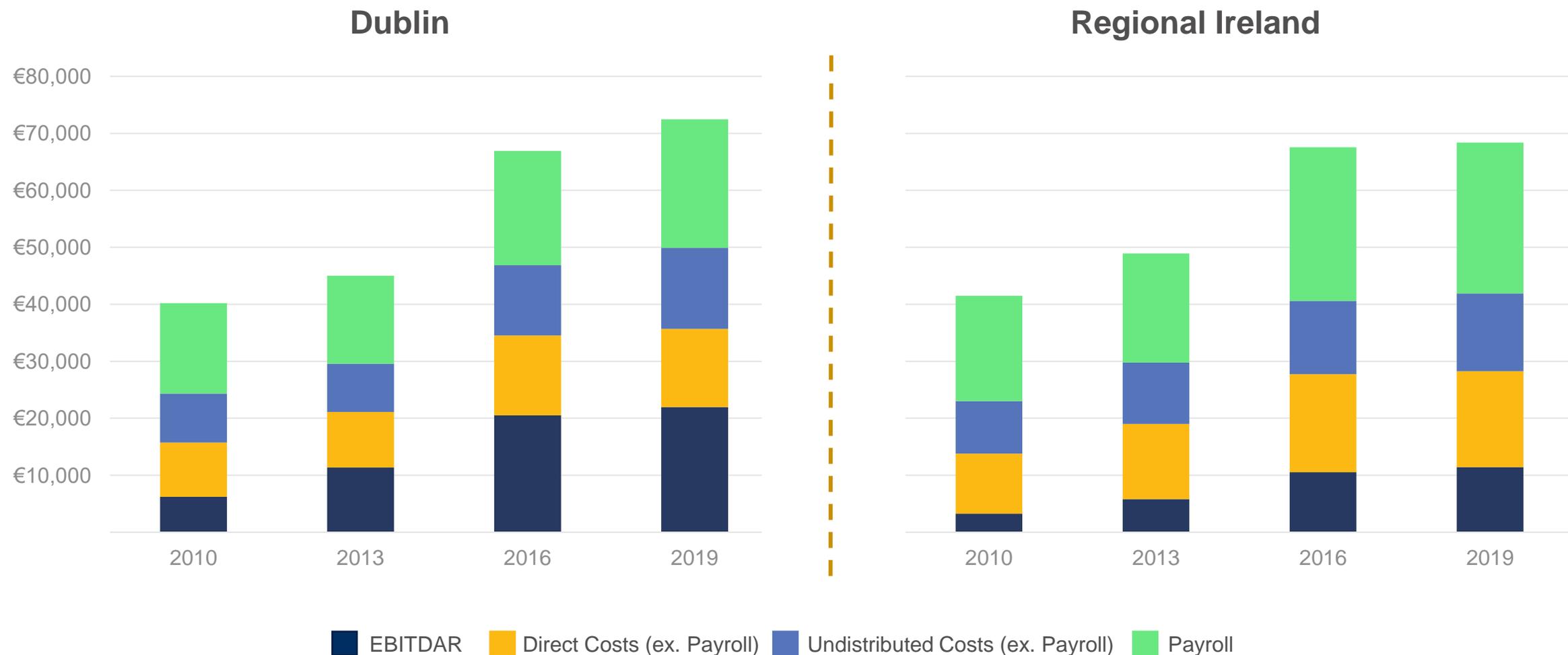


Prevalence of BAR for Regional Ireland will reduce as segments return to normal patterns of demand.

# Historical Performance for Room Sales



# Analysis of revenue to cost & profit elements



# Implications of Reducing Supports



EWSS tapering and availability in 2022.



Any further rates remissions.

VAT

9% VAT rate post 31st of August 2022.



Tax warehousing repayment obligations.



Return to full interest & capital repayments on bank loans.

**EBITDAR Profit  
and Business  
Cashflow can be  
quite different!**

# Outlook

In 2022 hotel **revenues** may be down 30% on 2019.

Costs are continuing to increase and will erode **profitability** margin.

Does this suggest the continued need for EWSS and or other government **supports**?

**Cashflow management** will continue to be paramount as businesses face repayment obligations of tax warehousing and both deferred creditor and loan repayments.

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