

## Tourism Activity

March 2012

### Tourism accommodation activity with declining results on main indicators

The tourism accommodation activity registered 2.5 million overnight stays in March 2012, 1.8% less than in the same period of the previous year. Overnight stays spent by residents decreased by 6.5%, while those of non residents recorded a very slight increase (+0.7%). As far as the main markets of origin are concerned, the performance of the German market (+2.8%) was positive while, on the contrary, the Brazilian (-13.6%) and the Spanish (-11.5%) markets declined.

The revenue trended negatively, with year-on-year decreases of 4.6% in total revenue and 4.3% in revenue from the accommodation.

**Table 1. Global provisional results from tourism activity**

GLOBAL RESULTS	Month		Accumulated	
	Mar 12	Change rate % 12/11	Jan to Mar 12	Change rate % 12/11
Guests (thousand)	949.5	0.2	2 316.6	-2.2
Overnight stays (thousand)	2 530.0	-1.8	5 988.7	-0.7
Residents in Portugal	827.6	-6.5	2 041.9	-7.2
Non residents	1 702.4	0.7	3 946.8	3.1
Average stay (no. of nights)	2.7	0.0	2.6	0.1
Net bed occupancy rate (%)	30.8	-1.1p.p.	25.5	-0.7
Total revenue (€Million)	112.7	-4.6	267.3	-2.8
Revenue from accommodation (€Million)	74.2	-4.3	176.4	-1.7
Rev Par (Average revenue per available room) (€)	19.8	-6.6	16.4	-4.4

### Overnight stays

In the **1<sup>st</sup> quarter of 2012**, the tourism accommodation activity hosted 2.3 million guests, 2.2% less than in the same period of the previous year. The number of overnight stays was close to 6 million, slightly lower (-0.7%) than in the 1<sup>st</sup> quarter of 2011.

The main results from **March 2012** also declined when compared with the same period of the previous year, partly because the 2012 Carnival festivities had already been celebrated in February, while in 2011 they occurred in March.

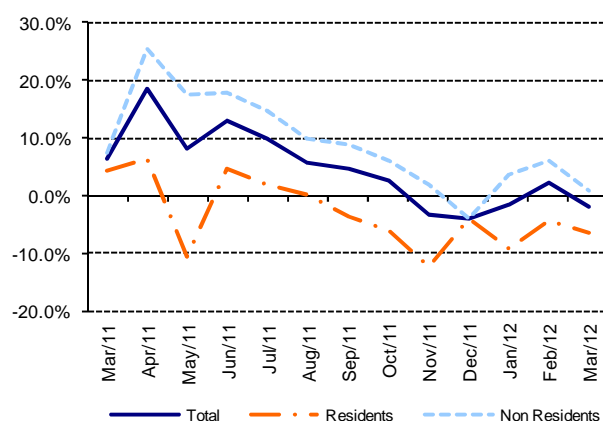
The number of guests was similar to the one from the same period of the previous year (+0.2%), standing at 949.5 thousand. Overnight stays (2.5 million) decreased by 1.8%.

The distribution of overnight stays per type of establishment reveals year-on-year growths in tourist villages (+31.9%) and in hotels (+1.5%). In the latter, there was the positive contribution of all categories, with the exception of three star units (-2%).

The remaining typologies accounted for decreases, namely in the "*pousadas*" (-18.3%). In apartment hotels (-4.1%), all the categories accounted for a declining trend.

Overnight stays spent by non residents recorded a slight increase (+0.7%) which stood at 1.7 million.

**Figure 1. Overnight stays, month-to-month change rate**



**Table 2. Overnight stays by type and category of the establishment**

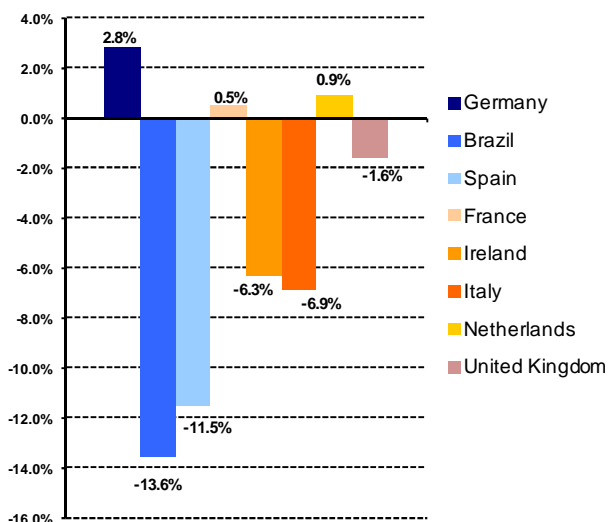
Type of establishment and category	Overnight stays		Year-on-year change rate
	Mar-11	Mar-12	%
<b>Total</b>	<b>2 576.7</b>	<b>2 530.0</b>	<b>-1.8</b>
<b>Hotels</b>	<b>1 587.7</b>	<b>1 612.0</b>	<b>1.5</b>
*****	261.4	264.4	1.2
****	776.4	786.2	1.3
***	413.3	405.1	-2.0
** / *	136.5	156.2	14.4
<b>Apartment hotels</b>	<b>421.5</b>	<b>404.0</b>	<b>-4.1</b>
*****	36.7	33.9	-7.7
****	282.2	277.7	-1.6
*** / **	102.5	92.5	-9.8
<b>Pousadas</b>	<b>30.3</b>	<b>24.8</b>	<b>-18.3</b>
<b>Tourist apartments</b>	<b>200.4</b>	<b>193.9</b>	<b>-3.2</b>
<b>Tourist villages</b>	<b>71.0</b>	<b>93.7</b>	<b>31.9</b>
<b>Other tourist establishments</b>	<b>265.8</b>	<b>201.6</b>	<b>-24.2</b>

Residents spent 827.6 thousand overnight stays, a lower number compared to the one from the same period of the previous year (-6.5%). This outcome confirms the declining trend for the seventh consecutive month.

The majority of countries within the group of the main markets of origin, representing 70% of the total of overnight stays spent by non residents, presented a declining trend in March 2012. The Brazilian market accounted for the highest year-on-year decrease (-13.6%), after growing for 12 consecutive months. The Spanish market followed declining by 11.5%, still on a downward trend since October 2011. Guests from Ireland and Italy also generated less overnight stays in year-on-year terms (-6.3% and -6.9% respectively).

On the positive side Germany stands out (+2.8%), followed by very small increases from the Netherlands (+0.9%) and France (+0.5%).

**Figure 2. Overnight stays, by main markets of origin – month-to-month change rate – March 2012**



The Azores recorded the highest year-on-year decrease in overnight stays (-13.7%), amongst the various regions, followed by the Alentejo (-11.2%) and Madeira (-9%).

There were no major changes in Algarve (-0.4%), while Lisbon and the North recorded increases (+2.1% and +1.9%, respectively).

**Table 3. Overnight stays by region (NUTS II)**

NUTS II	Overnight stays		Unit: Thousand
	Mar-11	Mar-12	Year-on-year change rate %
<b>Portugal</b>	<b>2 576.7</b>	<b>2 530.0</b>	<b>-1.8</b>
North	298.9	304.5	1.9
Centre	263.3	258.0	-2.0
Lisbon	649.6	663.3	2.1
Alentejo	84.3	74.8	-11.2
Algarve	773.7	770.7	-0.4
Azores	58.0	50.0	-13.7
Madeira	448.9	408.7	-9.0

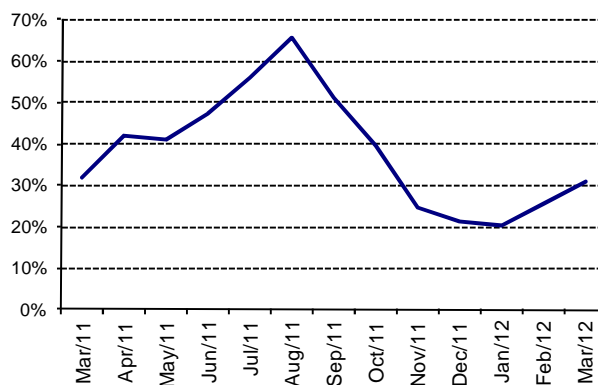
The results from the Azores had mainly the contribution of residents (-18.2%) but also from non residents (-5.7%).

In Lisbon, the positive results depended solely on the contribution of non residents (+4.8%), representing 60% of the total of overnight stays. The British (+9.9%) and the French (+6%) markets stood out from the main markets of origin for the region.

### Net bed occupancy rate and average stay

The occupancy rate was 30.8% in March 2012, lower by 1.1 p.p. when compared with March 2011.

**Figure 3. Net bed occupancy rate**



All regions had lower occupancy rates, more so in Madeira (-3.6 p.p.) and in Alentejo (-3.1 p.p.).

The best results from this indicator came from Madeira (48.2%) and Lisbon (38.5%).

**Table 4. Net bed occupancy rate and average stay, by region**

NUTS II	Occupancy rate		Average stay	
	%		(No. of nights)	
	Mar-11	Mar-12	Mar-11	Mar-12
<b>Portugal</b>	<b>31.9</b>	<b>30.8</b>	<b>2.7</b>	<b>2.7</b>
North	25.4	24.9	1.6	1.6
Centre	22.8	21.9	1.8	1.8
Lisbon	38.8	38.5	2.2	2.2
Alentejo	23.9	20.8	1.7	1.6
Algarve	29.8	29.2	4.7	4.4
<b>Azores</b>	<b>23.0</b>	<b>20.7</b>	<b>2.8</b>	<b>2.7</b>
<b>Madeira</b>	<b>51.8</b>	<b>48.2</b>	<b>5.4</b>	<b>5.5</b>

The apartment hotels recorded the highest occupancy rate (35.3%), followed by hotels (33.3%) and "pousadas" (30.5%). However, in year-on-year terms, the "pousadas" presented the highest decrease (-6.4 p.p.).

There were also decreases on the occupancy rate of apartment hotels (-2.1 p.p.), tourist apartments (-2 p.p.) and hotels (-1.1 p.p.).

In apartment hotels as well as in hotels, the growth of occupancy rate in 5 star units was not enough to compensate to the losses in the remaining categories.

Tourist villages were the only typology to record an increase in the occupancy rate (+3.8 p.p.).

**Table 5. Net bed occupancy rate and average stay, by type and category of the establishment**

Type of establishment and category	Occupancy rate		Average stay	
	%		(No. of nights)	
	Mar-11	Mar-12	Mar-11	Mar-12
<b>Total</b>	<b>31.9</b>	<b>30.8</b>	<b>2.7</b>	<b>2.7</b>
<b>Hotels</b>	<b>34.4</b>	<b>33.3</b>	<b>2.4</b>	<b>2.3</b>
*****	35.4	35.9	2.7	2.5
****	36.7	35.2	2.6	2.6
***	32.8	31.9	2.2	2.1
** / *	27.3	25.8	1.7	1.7
<b>Apartment hotels</b>	<b>37.4</b>	<b>35.3</b>	<b>4.8</b>	<b>4.3</b>
*****	42.6	46.5	5.3	5.2
****	38.0	35.6	4.8	4.2
*** / **	34.3	31.4	4.6	4.2
<b>Pousadas</b>	<b>36.9</b>	<b>30.5</b>	<b>1.6</b>	<b>1.5</b>
<b>Tourist apartments</b>	<b>25.6</b>	<b>23.6</b>	<b>6.0</b>	<b>5.4</b>
<b>Tourist villages</b>	<b>18.3</b>	<b>22.1</b>	<b>5.5</b>	<b>5.2</b>
<b>Other tourist establishments</b>	<b>24.7</b>	<b>22.4</b>	<b>2.1</b>	<b>2.2</b>

The average stay was 2.7 nights, the same as in March 2011.

The regions that, on average, recorded the longest stays were Madeira (5.5 nights) and Algarve (4.4), in spite of a reversed change (+0.1 nights and -0.3 nights, respectively, towards the same period of the previous year).

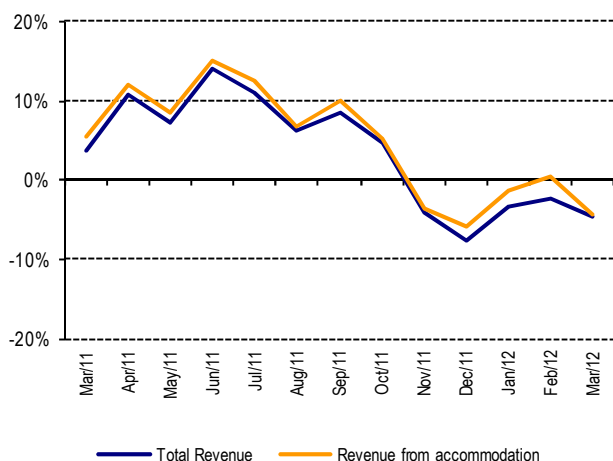
Tourist apartments recorded the highest average stay (5.4 nights) which was significantly lower than in the same period of the previous year (6 nights).

### Revenue and Average Revenue per Available Room (RevPAR)

In **March 2012**, tourist accommodation activity establishments accounted for EUR 112.7 million of total revenue, which stood for 4.6% less than in the same month of the previous year.

The revenue from accommodation also decreased (-4.3%), corresponding to EUR 74.2 million.

**Figure 4. Total revenue and total revenue from accommodation - month-to-month change rate**



All regions contributed for these declining results, with the Azores and the Alentejo recording the most significant decreases.

**Table 6. Revenue by region (NUTS II)**

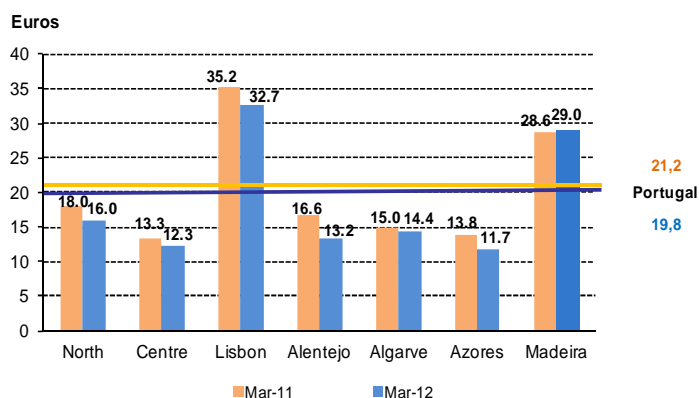
Unit: Million Euros

NUTS II	Total revenue	Year-on-year change rate	Revenue from accommodation	Year-on-year change rate
	Mar-12	%	Mar-12	%
<b>Portugal</b>	<b>112.7</b>	<b>-4.6</b>	<b>74.2</b>	<b>-4.3</b>
North	13.7	-6.3	9.5	-5.9
Centre	11.4	-6.9	7.1	-6.0
Lisbon	38.3	-4.0	26.7	-4.7
Alentejo	3.5	-15.6	2.3	-12.0
Algarve	24.9	-0.7	15.3	-0.9
<b>Azores</b>	<b>1.9</b>	<b>-17.9</b>	<b>1.4</b>	<b>-18.9</b>
<b>Madeira</b>	<b>18.9</b>	<b>-4.0</b>	<b>11.9</b>	<b>-1.9</b>

The RevPAR from tourist accommodation activity was EUR 19.8, lower by 6.6% when compared with March 2011.

There was an overall lower average revenue, more so in the Alentejo (-20.5%) and in the Azores (-15.2%), a trend also present in the total revenue from these regions.

**Figure 5. Average revenue per room**



The tourist apartments presented the least favorable results (-23.1%) for this indicator, followed by the "pousadas" (-15.4%).

All categories contributed for the decrease recorded in hotels (-7.5%).

In apartment hotels (-2%), only four star units recorded improvements.

In terms of RevPAR, the tourist villages were the only typology that recorded an increase (+13.4%).

The highest values for this indicator came from the "pousadas" (EUR 26.4) and hotels (EUR 23.3). In this latter typology, 5 star units recorded a 90.8% higher RevPAR than 4 star units.

**Table 7. Average revenue per room,  
by type and category of the establishment**

Unit:€

Type of establishment and category	RevPar		Year-on-year change rate
	Mar-11	Mar-12	%
<b>Total</b>	<b>21.2</b>	<b>19.8</b>	<b>-6.6</b>
<b>Hotels</b>	<b>25.2</b>	<b>23.3</b>	<b>-7.5</b>
*****	45.1	43.5	-3.5
****	24.7	22.8	-7.7
***	17.6	16.2	-8.0
** / *	16.3	14.3	-12.3
<b>Apartment hotels</b>	<b>19.7</b>	<b>19.3</b>	<b>-2.0</b>
*****	22.6	18.8	-16.8
****	21.0	21.5	2.4
*** / **	16.0	13.6	-15.0
<b>Pousadas</b>	<b>31.2</b>	<b>26.4</b>	<b>-15.4</b>
<b>Tourist apartments</b>	<b>10.4</b>	<b>8.0</b>	<b>-23.1</b>
<b>Tourist villages</b>	<b>11.2</b>	<b>12.7</b>	<b>13.4</b>
<b>Other tourist establishments</b>	<b>13.5</b>	<b>12.4</b>	<b>-8.1</b>

In the **first quarter of 2012**, hotel accommodation activity establishments accounted for EUR 267.3 million of total revenue, corresponding to a year-on-year decrease of 2.8%. Revenue from accommodation reached EUR 176.4 million, also corresponding to a year-on-year decrease (-1.7%).

In the **first quarter of 2012**, the RevPAR was EUR 16.4, lower by 4.4% when compared with the same period of 2011.

#### Methodology notes

**Net bed occupancy rate** – the relation between the number of overnight stays and the number of available beds, in the reference period, accounting two beds for each double bed.

**RevPAR (Revenue per Available Room)** – Revenue per available room, measured by the relation between the revenues from accommodation and the number of available rooms, in the reference period.

**Year-on-year change rates** – the calculation of year-on-year change rates for the main indicators is based on values in units, although in this press release they are visible only in thousands.

Date of next press release: 15<sup>th</sup> of June 2012