Caravan Industry Association of Australia

INDUSTRY HEARTBEAT

SEPTEMBER 2020 QTR

BDO

Welcome to Heartbeat, our quarterly update on tourist accommodation trends.

This Report provides comparative analysis on changes in Occupancy, Average Daily Rate (ADR) and RevPAR across all three tourist accommodation categories of Cabins, Powered Sites and Unpowered Sites. Our analysis compares the current quarter with the same period last year, over time displaying trends to reflect market changes by state and park size. We define park size by the number of available sites and summarise ADR, Occupancy and RevPAR results in the final tables of the Report.

Key Terms

Average Daily Rate (ADR)

This measure identifies the average tariff for a Cabin, Powered Site or Unpowered Site on a daily basis. It is calculated by dividing total revenue received during the quarter for each accommodation category by the number of nights occupied.

Average Occupancy

This measure expresses the occupancy in percentage terms of Cabins, Powered Sites and Unpowered Sites for the quarter. It is calculated by dividing the number of nights occupied by the number of total available nights during the period.

Revenue Per Available Room (RevPAR)

RevPAR is a tool used to measure the overall success of various categories of accommodation within caravan parks. It is calculated by dividing total revenue received for Cabins, Powered Sites and Unpowered Sites during the quarter by the number of nights available in each accommodation category.

Our Approach

Average Daily Rate (ADR)

Working in collaboration with the Caravan Industry Association of Australia, BDO has collected data on behalf of the Industry from participating parks since October 2015 through our CaravanStats.com.au initiative.

With several years of data now available, we are in a position to incorporate year-on-year changes within this Report relating to overall market changes.

Disclaimer

This Report has been prepared exclusively for the Caravan Industry Association of Australia. BDO does not accept responsibility to any person for the contents of the Report.

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SEP-19 v SEP-20

COVID-19 related trading and travel restrictions continued to have a major impact on tourism across Australia generally during the Sept-20 quarter.

In states where travel was restricted, there was expectedly a decline in occupancy which has had a direct impact on RevPAR. In jurisdictions where travel within the State was less restricted, such as South Australia and Western Australia, due to an absence of COVID-19 community transmission, there has been a surge in regional travel as people that have not been able to spend the Australian winter overseas have travelled more widely intrastate.

State border closures have continued to have a noticeable impact on Powered Sites in jurisdictions with strict border arrangements such as WA and QLD in particular.

When travellers are able to get away they tend to stay for longer which has resulted in a higher average booking spend compared with the same time last year.

While these COVID-19 related factors are still evident in each jurisdiction, and particularly in Victoria, we started to see stability return to national occupancy, ADR and RevPAR measures as identified in the table below.

CABINS

	% Occupancy	($ ADR)	($) RevPAR
Sep-19 QTR	47%	$143	$68
Sep-20 QTR	47%	$143	$67
Change	-	-	-$1

POWERED SITES

	% Occupancy	($ ADR)	($) RevPAR
Sep-19 QTR	43%	$42	$18
Sep-20 QTR	36%	$44	$16
Change	-7%	$2	-$2

UNPOWERED SITES

	% Occupancy	($ ADR)	($) RevPAR
Sep-19 QTR	9%	$36	$3
Sep-20 QTR	10%	$36	$3
Change	1%	-	-

CABINS

Sep Quarter - 2017 to 2020

The graphs below show the Year on Year change in RevPAR for Cabins over the past 3 years during the Sep Quarter.

RevPAR Change

SA

2017 $56 **2020** $59 3 Yr Diff: $3

2018	2019	2020
$1.7	$0.3	$1.1

WA

2017 $70 **2020** $101 3 Yr Diff: $31

2018	2019	2020
$6.4	$3.1	$22.2

NT

2017 $106 **2020** $51 3 Yr Diff: -$55

2018	2019	2020
-$41.2	$7.0	-$20.7

QLD

2017 $81 **2020** $85 3 Yr Diff: $4

2018	2019	2020
$5.2	$9.0	-$10.1

NSW

2017 $56 **2020** $65 3 Yr Diff: $9

2018	2019	2020
$7.2	-$3.4	$4.9

VIC

2017 $52 **2020** $34 3 Yr Diff: -$18

2018	2019	2020
$5.5	$2.8	-$26.2

TAS

2017 $45 **2020** $50 3 Yr Diff: $5

2018	2019	2020
-$2.7	$8.1	-$0.9

Booking Lead Time	**21.8 Days** 30.7 Days Last Year
Average Stay	**2.6 Nights** 2.4 Nights Last Year
Booking Value	**$389 Inc. GST** $331 Inc. GST Last Year

The Sept-20 quarter showed a significant variance between states in the performance of Cabins with VIC and NT being most negatively impacted

During the September 2020 quarter, Victoria entered stage four restrictions limiting any travel within the State. This has resulted in a RevPAR decrease of $26.20, when compared to the same quarter in 2019, the largest reduction across all states.

By comparison, states such as South Australia and Western Australia that have seen almost no community transmission, lifted restrictions early in the quarter and have seen an upsurge in regional travel. This has resulted in a particularly high RevPAR increase in WA of $22.20. Nationally the impact has been negligible, as increases in occupancy and ADR in some states have on average offset the reductions in other states.

Although there have been few travel restrictions within the Northern Territory, there has been a drop in RevPAR that exceeds the reduction in Victoria. This suggests that the reduction in interstate and international visitors has not been offset by residents travelling within the NT, which has happened in other states.

In the context of general uncertainty surrounding COVID-19 outbreaks and related trading restrictions, a reduction in booking lead time for cabins to 21.8 days is expected when compared with last year's lead time of 30.7 days. However, the easing of restrictions this quarter has seen the booking lead time increase from the June Quarter of 11.7 days as people begin to plan their next domestic get-away.

There has also been an increase in the average Booking Value compared with last year, which is a consistent trend noticed across a number of quarters in 2020. This is a positive trend that shows people are willing to travel again when permitted, perhaps for slightly longer than in previous years.

CABINS

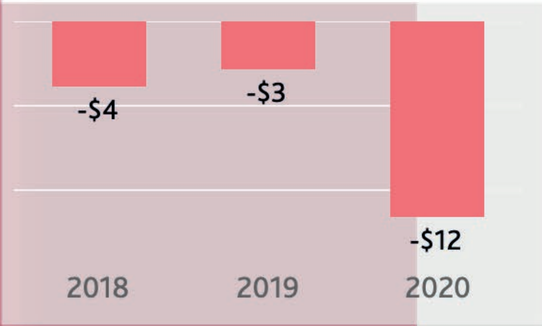
Sep Quarter - 2017 to 2020

The graphs below show the Year on Year change in Average Daily Rate ($ ADR) and Average Occupancy for Cabins over the past 3 years during the Sep Quarter.

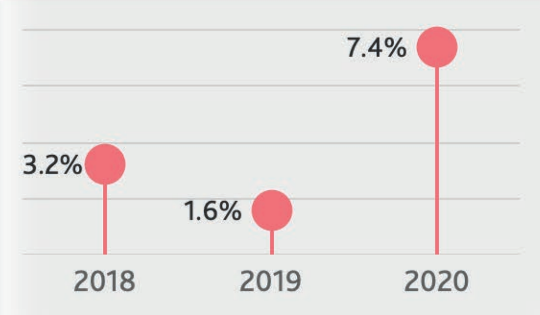
($) ADR Change | Occupancy Change

SA

2017 $116 **2020** $98 -$18



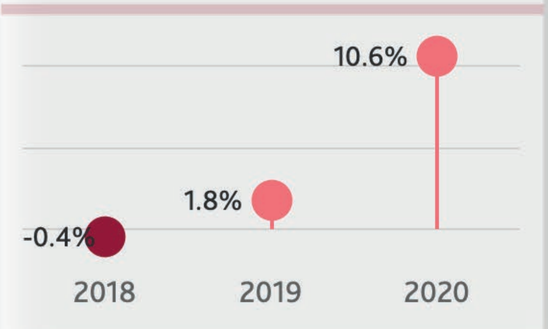
2017 48% **2020** 60% 12%



WA

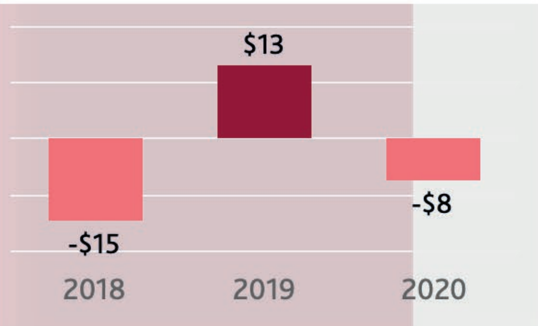
2017 $140 **2020** $164 $24

2017 50% **2020** 62% 12%

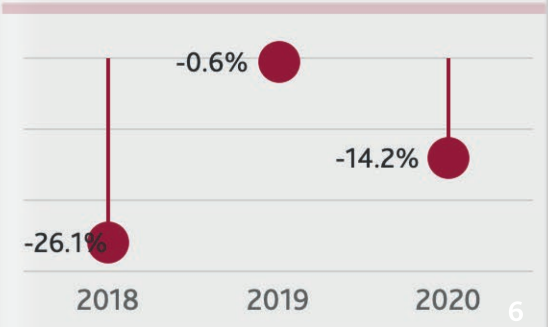


NT

2017 $124 **2020** $115 -$9



2017 85% **2020** 44% -41%

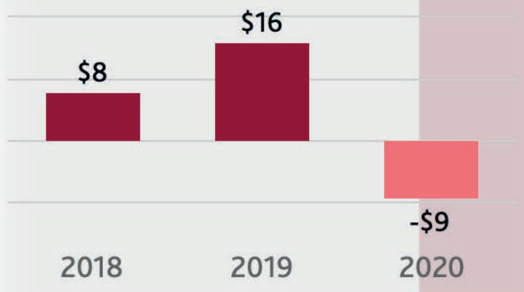


($) ADR Change

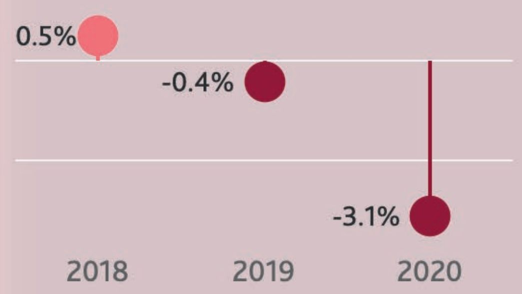
Occupancy Change

QLD

2017 $134 **2020** $148 $14

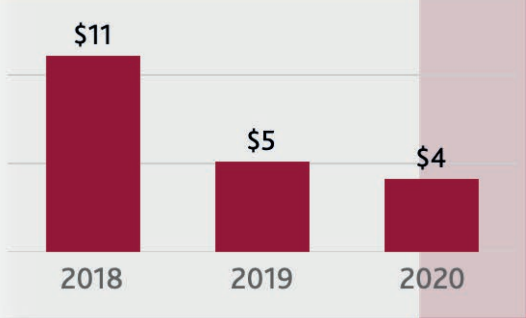


2017 60% **2020** 57% -3%

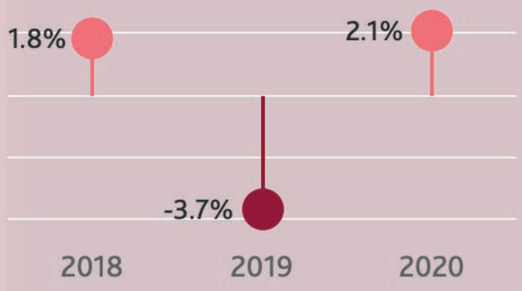


NSW

2017 $137 **2020** $157 $20

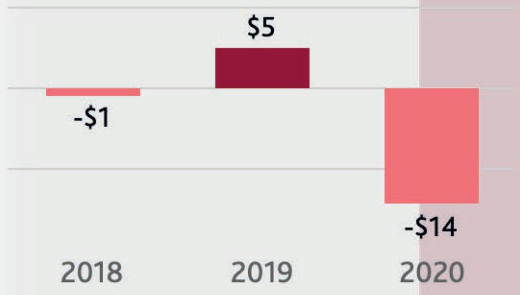


2017 41% **2020** 42% 1%

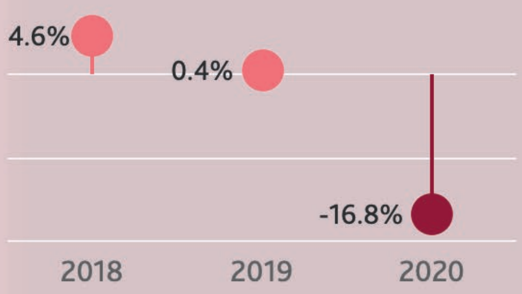


VIC

2017 $128 **2020** $118 -$10

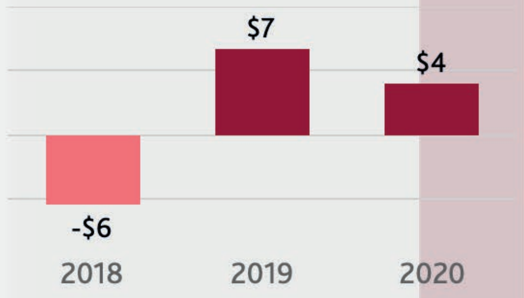


2017 41% **2020** 29% -12%

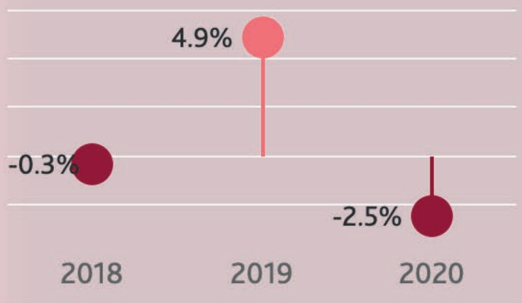


TAS

2017 $106 **2020** $111 $5



2017 43% **2020** 45% 2%



POWERED SITES

Sep Quarter - 2017 to 2020

The graphs below show the Year on Year change in RevPAR for Powered Sites over the past 3 years during the Sep Quarter.

RevPAR Change

SA

2017 $9 **2020** $9 3 Yr Diff: $0

2018	2019	2020
$0.9	$1.6	-$1.8

WA

2017 $23 **2020** $22 3 Yr Diff: -$1

2018	2019	2020
$0.6	$1.3	-$3.6

NT

2017 $30 **2020** $9 3 Yr Diff: -$21

2018	2019	2020
-$2.0	-$3.0	-$16.2

QLD

2017 $34 **2020** $28 3 Yr Diff: -$6

2018	2019	2020
-$0.7	$0.3	-$5.4

NSW

2017 $14 **2020** $13 3 Yr Diff: -$1

2018	2019	2020
$0.1	-$0.6	-$0.1

VIC

2017 $7 **2020** $5 3 Yr Diff: -$2

2018	2019	2020
$1.7	-$0.2	-$3.4

TAS

2017 $9 **2020** $7 3 Yr Diff: -$2

2018	2019	2020
-$1.2	$0.7	-$0.8

Booking Lead Time	**19.3 Days** 18.8 Days Last Year
Average Stay	**3.5 Nights** 3.1 Nights Last Year
Booking Value	**$153 Inc. GST** $130 Inc. GST Last Year

Powered Site performance (measured in RevPAR) was weaker during the Sept-20 quarter when compared both with last year and with 2017, suggesting overall growth from Powered Sites has stagnated in the past 3 years

A majority of states and territories have mostly held Powered Site ADR constant over the past 3 years. However, during the Sept-20 quarter, WA has noticeably increased its Rate while NT has similarly decreased its Rate.

The Powered Site market in WA did not experience the same strength as Cabins during the Quarter. This possibly shows a reliance on the grey nomad market that was unable to enter WA this year due to border restrictions.

From an ADR perspective, COVID-19 has not appeared to result in substantial discounting, with rates either remaining constant or increasing slightly across the jurisdictions, with the exception of SA that saw a modest ADR reduction.

However, as with Cabins, COVID-19 related restrictions have had a direct impact on occupancy with decreases ranging from 1.3% in NSW up to 32.2% in NT. This lower occupancy has been the main cause of reductions in RevPAR across all jurisdictions during the quarter.

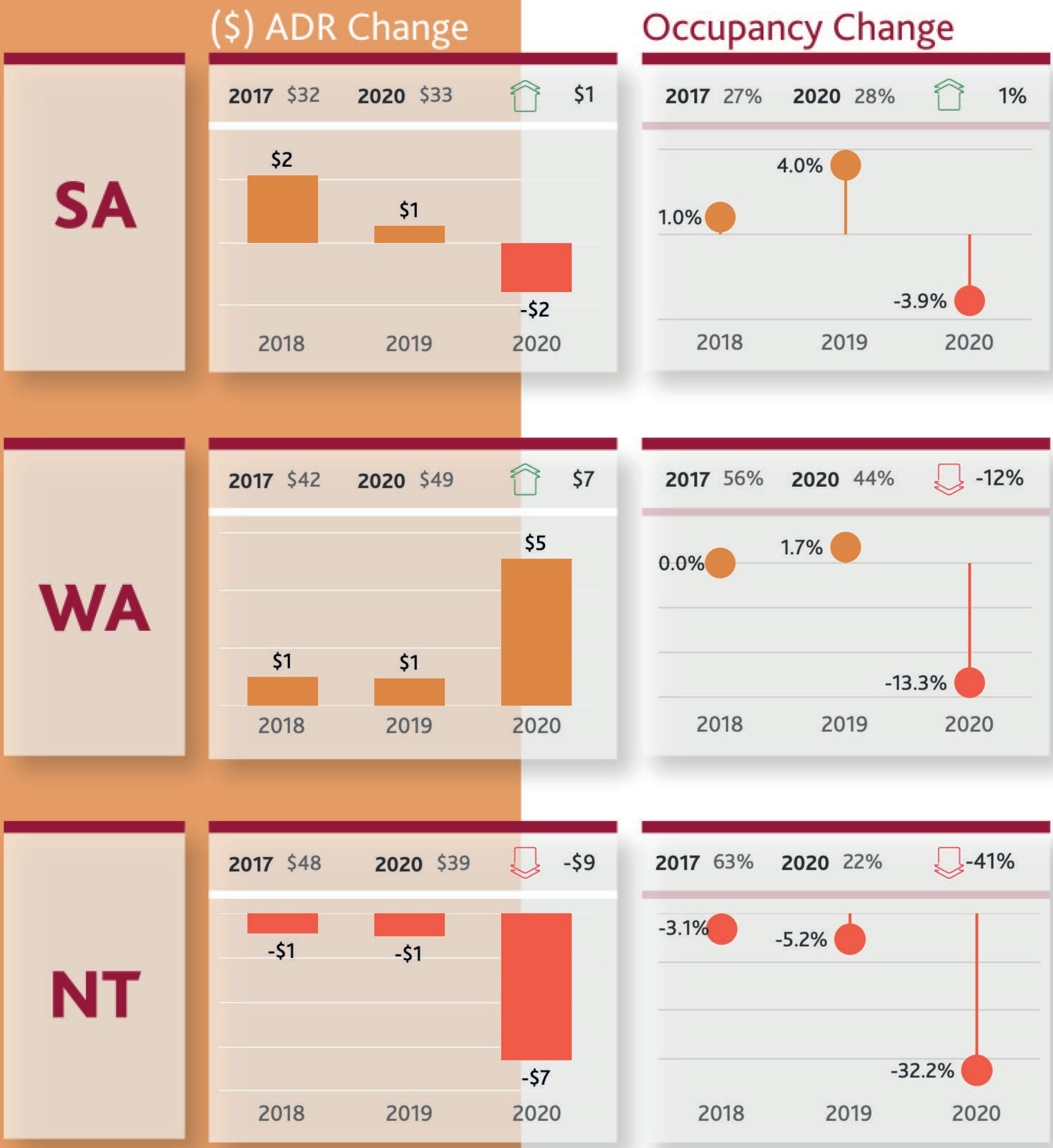
As Powered Sites are the preferred option for travellers with caravans and campervans, a majority of whom travel across state borders, it is unsurprising that border restrictions have had a significant impact on Powered Site occupancy. Particularly in states like Western Australia where border restrictions are significant, or QLD where south eastern state travellers have been unable to make their way up the coast during winter this year.

Although occupancy has been significantly reduced due to COVID-19, when guests are able to get away, they tend to stay for longer which results in a higher average booking spend. This is a consistent trend seen across tourist accommodation categories in 2020.

POWERED SITES

Sep Quarter - 2017 to 2020

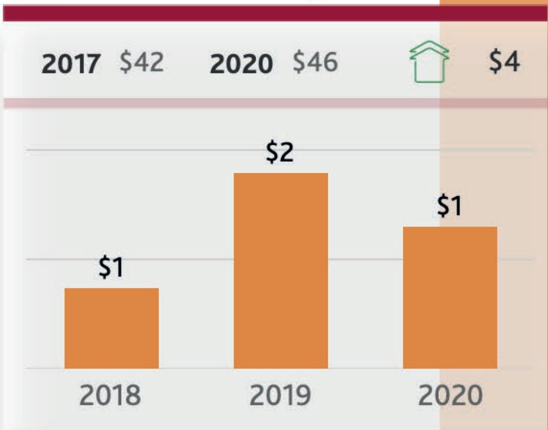
The graphs below show the Year on Year change in Average Daily Rate ($ ADR) and Average Occupancy for Powered Sites over the past 3 years during the Sep Quarter.

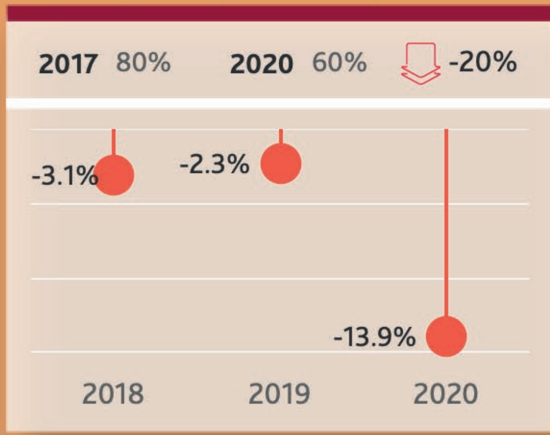


($) ADR Change

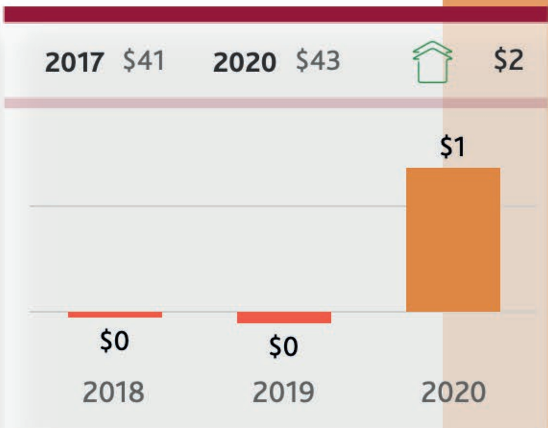
Occupancy Change

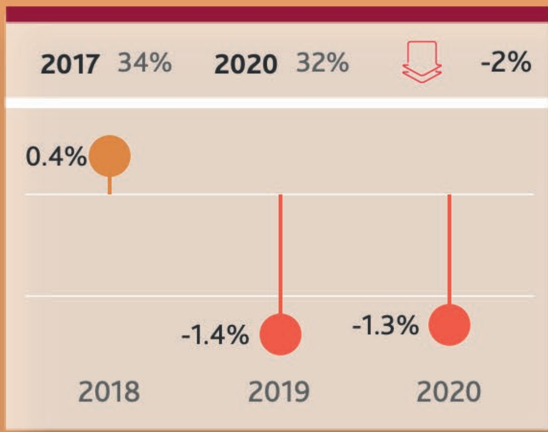
QLD



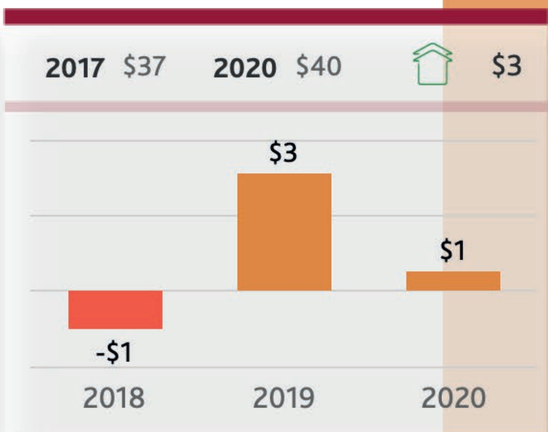


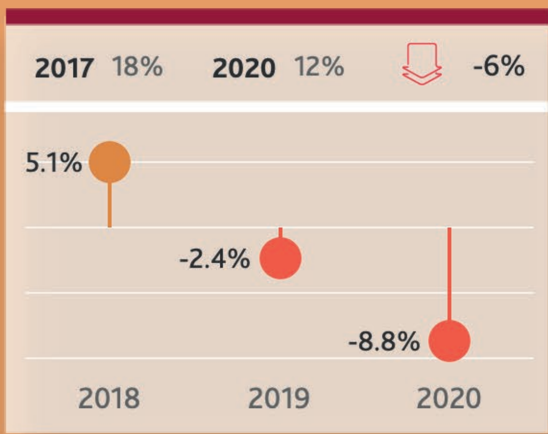
NSW



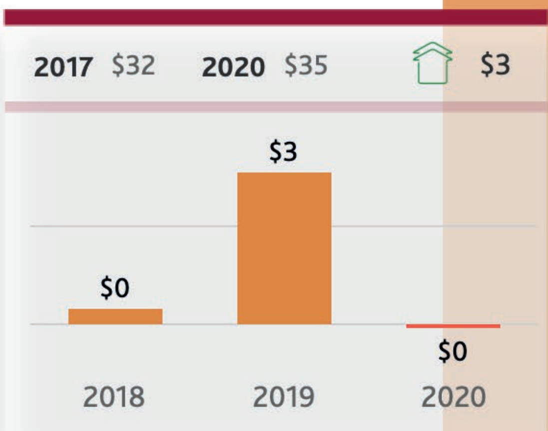


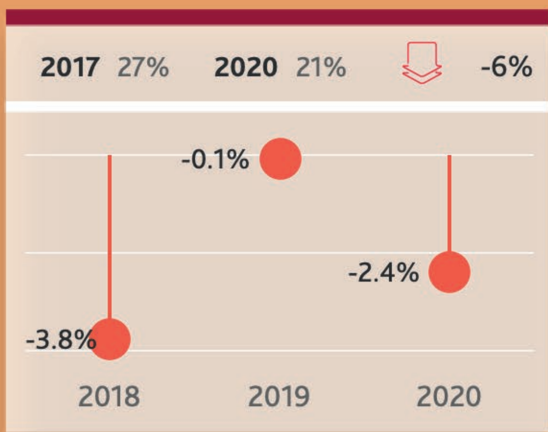
VIC





TAS





UNPOWERED SITES

Sep Quarter - 2017 to 2020

The graphs below show the Year on Year change in RevPAR for Unpowered Sites over the past 3 years during the Sep Quarter.

RevPAR Change

SA

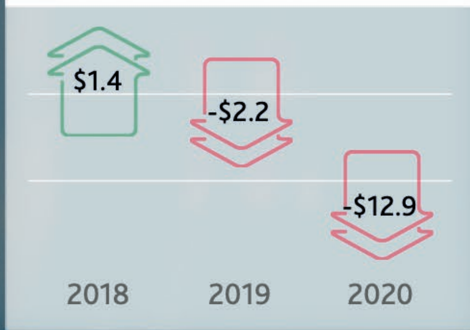
2017 $2 **2020** $1 3 Yr Diff: -$1

WA

2017 $12 **2020** $9 3 Yr Diff: -$3

NT

2017 $17 **2020** $3 3 Yr Diff: -$14



QLD

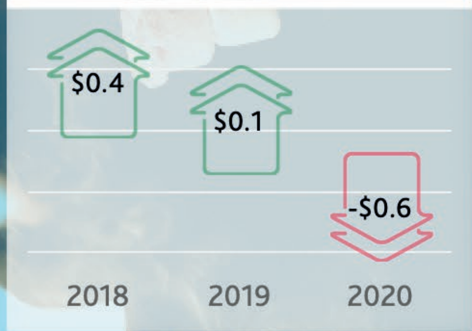
2017 $7 **2020** $9 3 Yr Diff: $2

NSW

2017 $2 **2020** $2 3 Yr Diff: $0

VIC

2017 $1 **2020** $0 3 Yr Diff: -$1



TAS

2017 $1 **2020** $1 3 Yr Diff: $0

Booking Lead Time	**7.1 Days** 8.1 Days Last Year
Average Stay	**2.1 Nights** 1.9 Nights Last Year
Booking Value	**$73 Inc. GST** $67 Inc. GST Last Year

The overall performance of Unpowered Sites Nationally was largely unchanged during the Sept-20 quarter when compared with last year

Occupancy of Unpowered Sites has been gradually declining across Australia, and the impact of COVID has accelerated this trend in some states like South Australia and Western Australia, probably influenced by border restrictions. However the Sept-20 Qtr has also seen an improvement in occupancy in states like QLD and NSW, where Unpowered Sites in large parks have particularly seen an increase in popularity.

This improvement in occupancy for QLD and NSW has had a small positive effect on RevPAR. In all other states the RevPAR has reduced due to lower occupancy and flat or negative ADR.

Coming out of the depths of winter and into spring, the September quarter generally is not a busy period for Unpowered Sites. In all jurisdictions excluding WA and QLD, occupancy rates for unpowered sites have been reliably under 10% over the past 3 years.

When looking at Unpowered Sites performance since 2017 during the Sept quarter, with the exception of the Northern Territory, results across individual jurisdictions are largely unchanged.

While NT has seen a significant drop in occupancy of 39.1% during the Sept-20 Qtr, in context the Northern Territory has relatively few parks, so a small change in the absolute number can result in an abnormally high percentage reduction.

As with Cabins and Powered Sites, booking lead time is shorter than in the same period last year. However, once guests arrive they are staying longer and spending more.

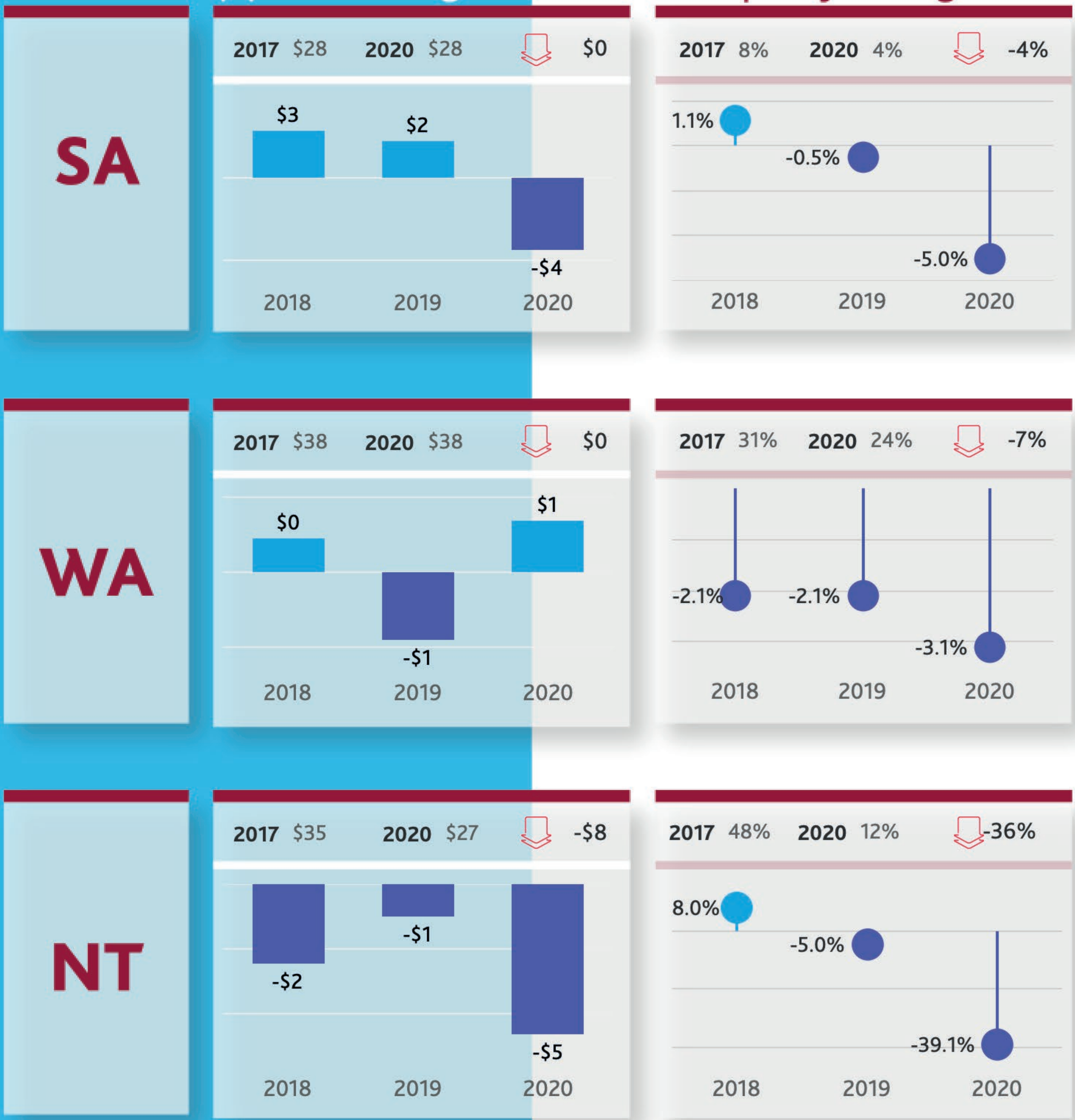
UNPOWERED SITES

Sep Quarter - 2017 to 2020

The graphs below show the Year on Year change in Average Daily Rate ($ ADR) and Average Occupancy for Unpowered Sites over the past 3 years during the Sep Quarter.

($) ADR Change

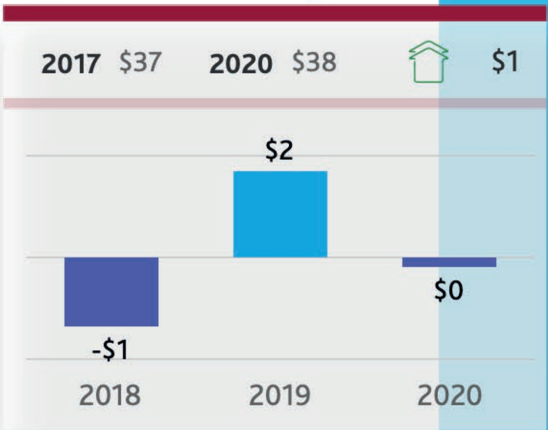
Occupancy Change

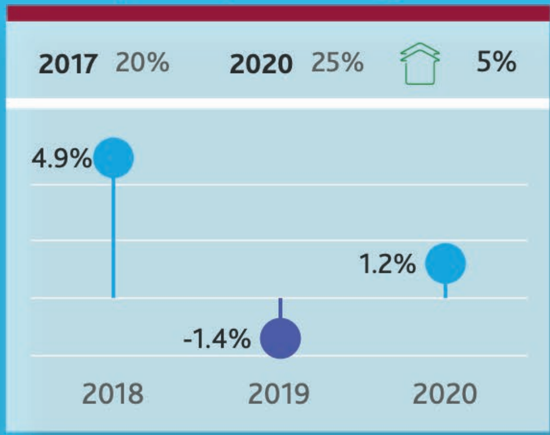


($) ADR Change

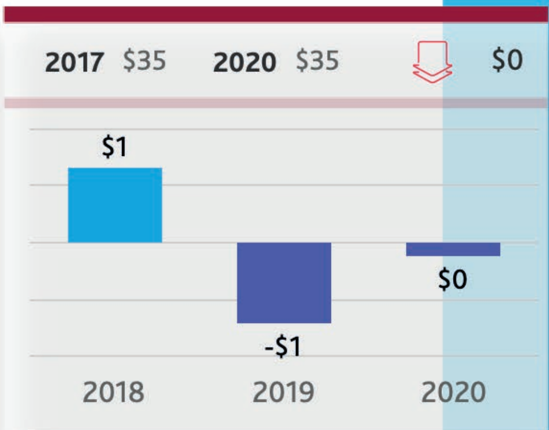
Occupancy Change

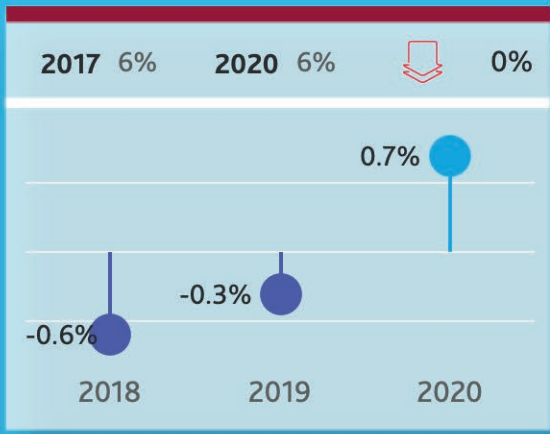
QLD



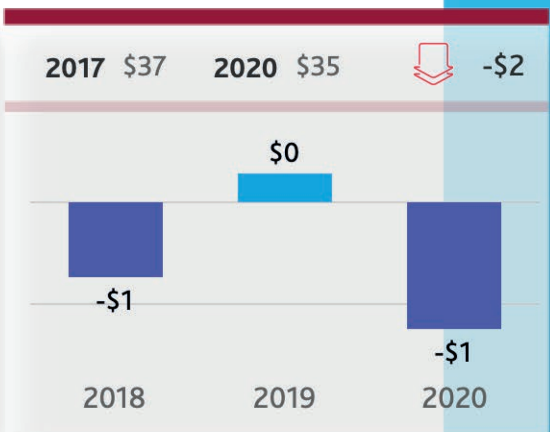


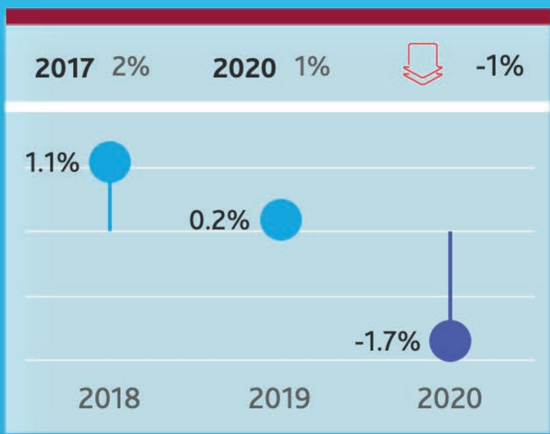
NSW



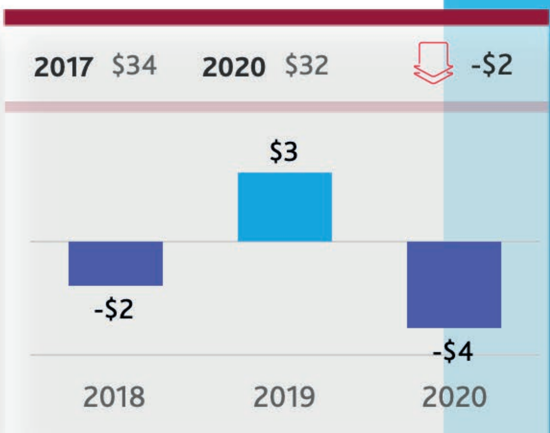


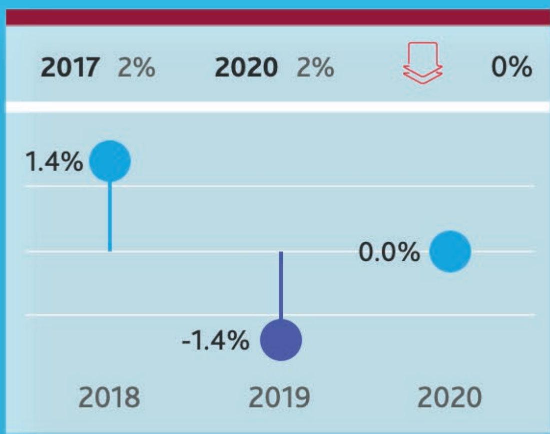
VIC





TAS





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DATA TABLES

Detailed quarterly accommodation performance measures based on Park Size (number of sites), State and Category Type are provided in the following pages.

ADR, OCCUPANCY & REVPAR TABLES

Category	State	Sites in Park	($) ADR 2019	($) ADR 2020	($) ADR Diff.	(%) Occupancy 2019	(%) Occupancy 2020	(%) Occupancy Diff.	($) RevPAR 2019	($) RevPAR 2020	($) RevPAR Diff.	Parks In Sample
Cabins Sep Quarter	NSW	< 15 Sites	$129	$129	$0	55%	59%	4%	$71	$76	$5	45
		16-35 Sites	$140	$149	$9	42%	46%	4%	$58	$68	$10	58
		36-55 Sites	$146	$173	$27	49%	53%	4%	$71	$92	$21	16
		> 55 Sites	$197	$177	-$20	27%	26%	-1%	$54	$46	-$8	11
	NT	36-55 Sites	$130		-$130	59%		-59%	$76		-$76	3
	QLD	< 15 Sites	$125	$147	$22	59%	59%	0%	$74	$87	$13	20
		16-35 Sites	$141	$135	-$6	68%	64%	-4%	$95	$86	-$9	20
		36-55 Sites	$116	$96	-$20	68%	67%	-1%	$79	$64	-$15	4
		> 55 Sites	$195	$177	-$18	54%	49%	-5%	$105	$87	-$18	7
	SA	< 15 Sites	$105	$101	-$4	46%	50%	4%	$48	$51	$3	8
		16-35 Sites	$134	$128	-$6	57%	60%	3%	$76	$77	$1	7
		36-55 Sites	$118	$104	-$14	48%	60%	12%	$56	$63	$7	7
		> 55 Sites	$97	$85	-$12	57%	63%	6%	$56	$53	-$3	5
	TAS	16-35 Sites	$105	$102	-$3	51%	55%	4%	$54	$56	$2	6
	VIC	< 15 Sites	$103	$101	-$2	46%	29%	-17%	$48	$29	-$19	20
		16-35 Sites	$123	$106	-$17	47%	29%	-18%	$57	$30	-$27	25
		36-55 Sites	$155	$135	-$20	43%	32%	-11%	$67	$43	-$24	10
		> 55 Sites	$137	$125	-$12	48%	24%	-24%	$66	$30	-$36	3
	WA	< 15 Sites	$163	$168	$5	48%	48%	0%	$78	$81	$3	6
		16-35 Sites	$160	$169	$9	52%	63%	11%	$83	$106	$23	18
		36-55 Sites		$126			51%			$65		3
		> 55 Sites	$152	$166	$14	52%	64%	12%	$78	$107	$29	9

ADR, OCCUPANCY & REVPAR TABLES

Category	State	Sites in Park	($) ADR 2019	($) ADR 2020	($) ADR Diff.	(%) Occupancy 2019	(%) Occupancy 2020	(%) Occupancy Diff.	($) RevPAR 2019	($) RevPAR 2020	($) RevPAR Diff.	Parks In Sample
Powered Sites Sep Quarter	NSW	< 15 Sites	$32	$34	$2	39%	36%	-3%	$13	$12	-$1	7
		16-35 Sites	$40	$36	-$4	37%	29%	-8%	$14	$10	-$4	24
		36-55 Sites	$39	$40	$1	43%	37%	-6%	$17	$15	-$2	20
		> 55 Sites	$42	$43	$1	32%	31%	-1%	$13	$13	$0	74
	NT	> 55 Sites	$46	$41	-$5	54%	22%	-32%	$25	$9	-$16	4
	QLD	36-55 Sites	$36	$35	-$1	53%	61%	8%	$19	$22	$3	9
		> 55 Sites	$45	$47	$2	77%	61%	-16%	$35	$29	-$6	39
	SA	36-55 Sites	$39	$34	-$5	37%	32%	-5%	$15	$11	-$4	6
		> 55 Sites	$34	$33	-$1	32%	27%	-5%	$11	$9	-$2	20
	TAS	16-35 Sites	$38	$32	-$6	20%	15%	-5%	$8	$5	-$3	4
		36-55 Sites	$34	$36	$2	23%	24%	1%	$8	$8	$0	5
	VIC	< 15 Sites	$40	$33	-$7	19%	37%	18%	$8	$12	$4	5
		16-35 Sites	$35	$33	-$2	24%	12%	-12%	$9	$4	-$5	15
		36-55 Sites	$39	$40	$1	23%	14%	-9%	$9	$6	-$3	14
		> 55 Sites	$41	$42	$1	19%	10%	-9%	$8	$4	-$4	21
	WA	36-55 Sites	$37	$33	-$4	42%	29%	-13%	$15	$10	-$5	7
		> 55 Sites	$45	$50	$5	60%	47%	-13%	$27	$24	-$3	23

ADR, OCCUPANCY & REVPAR TABLES

			($) ADR			(%) Occupancy			($) RevPAR			
Category	State	Sites in Park	2019	2020	Diff.	2019	2020	Diff.	2019	2020	Diff.	Parks In Sample
Unpowered Sites Sep Quarter	NSW	< 15 Sites	$37	$37	$0	17%	16%	-1%	$6	$6	$0	26
		16-35 Sites	$37	$33	-$4	13%	13%	0%	$5	$4	-$1	25
		36-55 Sites	$38	$39	$1	12%	13%	1%	$5	$5	$0	5
		> 55 Sites	$34	$35	$1	4%	5%	1%	$1	$2	$1	19
	QLD	< 15 Sites	$35	$35	$0	30%	27%	-3%	$10	$9	-$1	12
		16-35 Sites	$39	$32	-$7	43%	38%	-5%	$17	$12	-$5	12
		> 55 Sites	$37	$41	$4	17%	20%	3%	$6	$8	$2	5
	SA	< 15 Sites	$27	$28	$1	8%	5%	-3%	$2	$1	-$1	5
		16-35 Sites	$31	$31	$0	11%	6%	-5%	$3	$2	-$1	5
		> 55 Sites	$35	$26	-$9	9%	3%	-6%	$3	$1	-$2	4
	TAS	< 15 Sites	$28			3%			$1		-$1	3
	VIC	< 15 Sites	$39	$36	-$3	6%	10%	4%	$3	$4	$1	7
		16-35 Sites	$24	$25	$1	4%	2%	-2%	$1	$1	$0	5
		> 55 Sites	$39	$41	$2	3%	1%	-2%	$1	$0	-$1	7
	WA	< 15 Sites	$33	$24	-$9	23%	28%	5%	$7	$7	$0	10
		16-35 Sites	$35	$42	$7	32%	21%	-11%	$11	$9	-$2	5

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