

# Short Term Rentals trends from Lighthouse

July 2024

VisitBritain/VisitEngland Research



## July 2024 | Month on month growth returns across performance metrics, with changes also seen in the most popular UK cities, and most prominent inbound markets

- In July we see **month on month growth** across all performance metrics, with supply, reserved nights, and ADR higher than the same month in 2023. However, occupancy rates and revenue per property **remain down** year on year.
- From June to July, the most popular UK cities by nights reserved saw some ranking changes, **with Bristol moving into third place**, and Manchester dropping from third to fifth. Birmingham, Brighton, and York also saw boosts in rank month on month.
- The share of reviews by global regions also changed, with **Europe gaining share** month on month, and the Americas and APAC losing share.
- We still see the **West Midlands, East Midlands, and North East** displaying the strongest growth vs. 2019 across supply and nights reserved, with Scotland the only destination dipping below 2019 levels when it comes to supply.

# About this data

Lighthouse (formerly Transparent Intelligence) track over 35 million vacation rental listings worldwide and maintain a proprietary database of hundreds of thousands of reservations tracked by month. Listings on the four major short term rental platforms are tracked: Airbnb, Booking.com, Vrbo and TripAdvisor. Listings data is deduplicated when the same property is being advertised on more than one platform.

The UK Government defines a short term rental property as *‘a dwelling, or part of a dwelling, provided by a host to a guest, for use as accommodation other than the guest’s only or principal residence, in return for payment, in the course of a trade or business carried on by the host’*.

VisitBritain/VisitEngland receives this data on a monthly level, with metrics covering the overall supply of short term rental properties across the UK, as well as a selection of performance metrics. We are also able to gather some learnings about the types of trips taking place. Historical data is available back to 2019, with future performance also available for up to 1 year in the future. We have limited future performance data shown in this report to three months in the future in order to ensure reliability, based on guidance from Lighthouse.

Caveats for Lighthouse data:

- Lighthouse estimates that roughly 20% of the global demand for accommodation in 2021 was driven by short-term rentals, meaning that the data in this report should ideally be considered in tandem with insights that VisitBritain/VisitEngland receives from STR on the [performance of serviced accommodation](#) in England in order to gain a fuller picture.
- Please note that all data in this report is based on listings from Airbnb, Booking.com, Vrbo, and TripAdvisor, apart from guest origin data from slides 16-19, which is from Airbnb only.
- Patterns in supply and performance may be impacted by existing regulations relevant to the short term rental sector which currently differ across the UK. Read more on regulations in [Scotland](#) and [London](#), and the soon to be established registration scheme [across England](#).

This report can be freely shared, as long as Lighthouse is cited as the source.

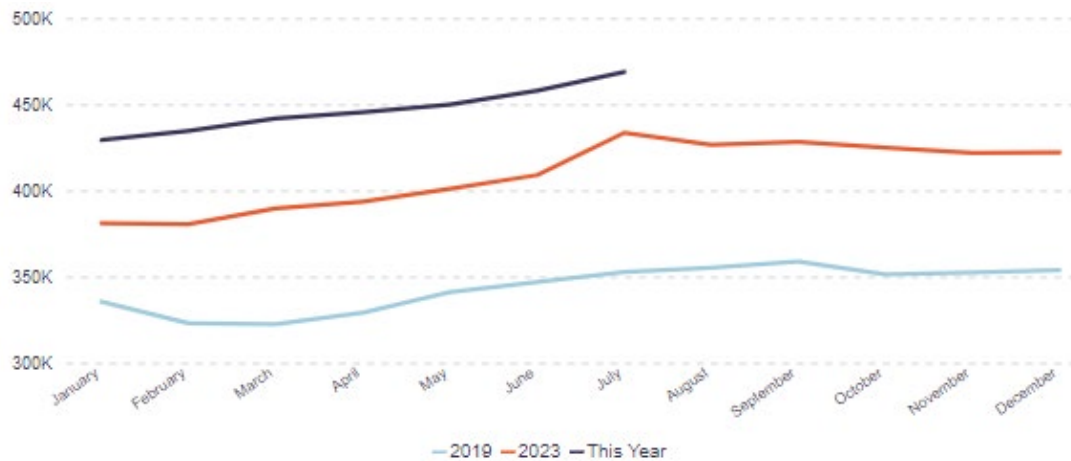
*This report is based on data which is up to date as of the end of July 2024.*

# Latest trends

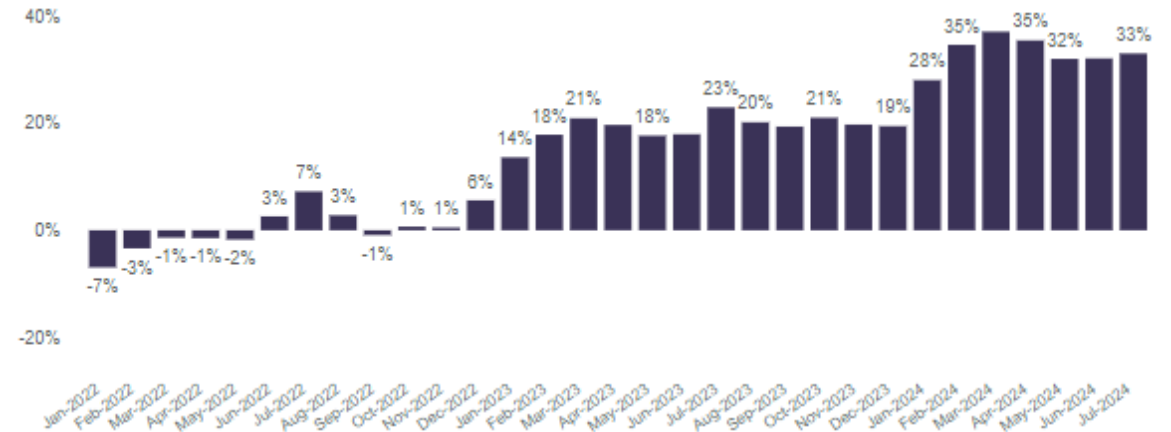


# Supply | Overall volumes have increased throughout 2024

Total supply of short term rental properties in the UK (000s)



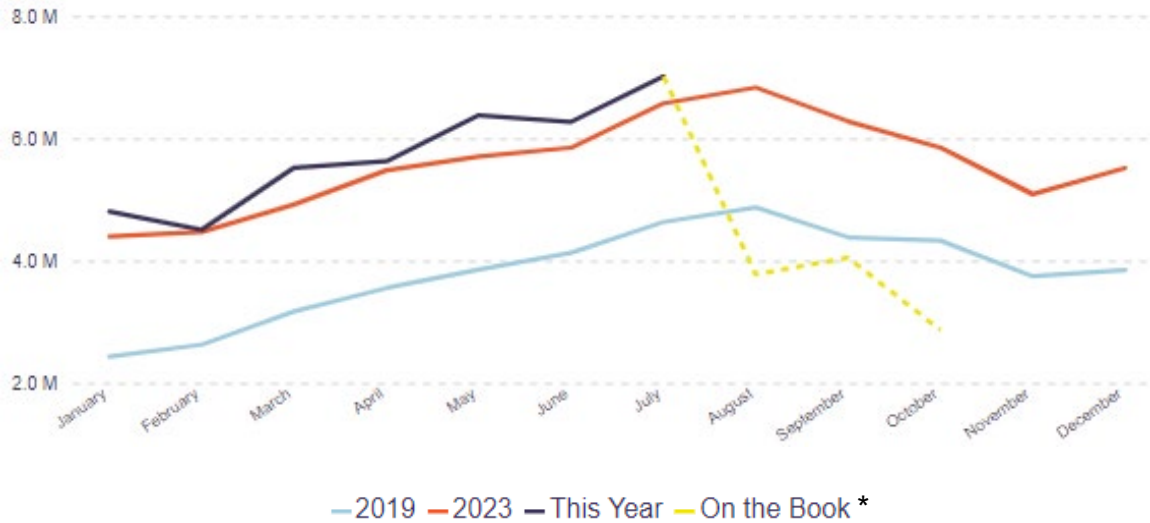
Percentage change in supply of short term rental properties vs. 2019



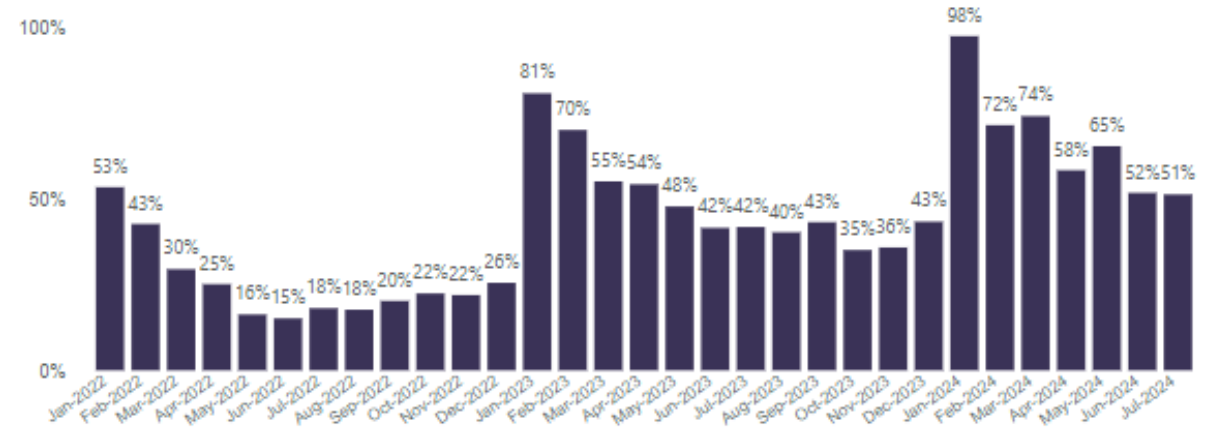
- The supply of short term rental properties across the UK continues to remain above 2019 levels, however May to July has seen a slight slowdown in growth compared to earlier in the year.
- Growth vs. 2019 grew to 33% in July, after 32% in the two months before, with over 468,000 short term rental properties across the UK in July.

# Reserved nights | Volume of nights grows from June to July

Total nights reserved in short term rental properties in the UK (millions)



Growth in nights reserved in short term rental properties vs. 2019

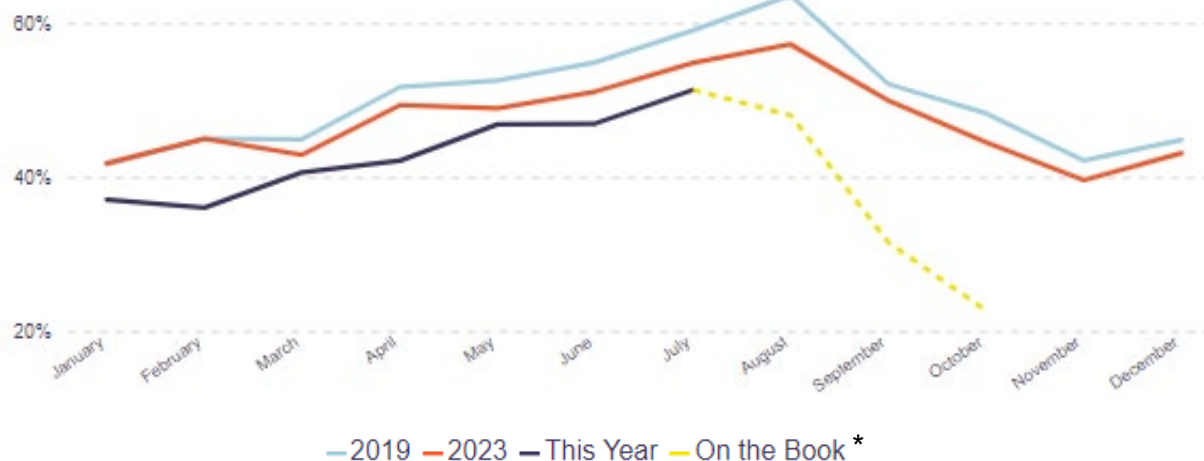


- January 2024 saw a particularly strong boost in the volume of nights reserved, at 98% growth vs. 2019, but slower growth has been seen in subsequent months within 2024.
- 7.0 million nights were reserved in short term rental properties in July. Looking to the months ahead, 2.9 million nights have been reserved for October 2024 as of the end of July 2024.

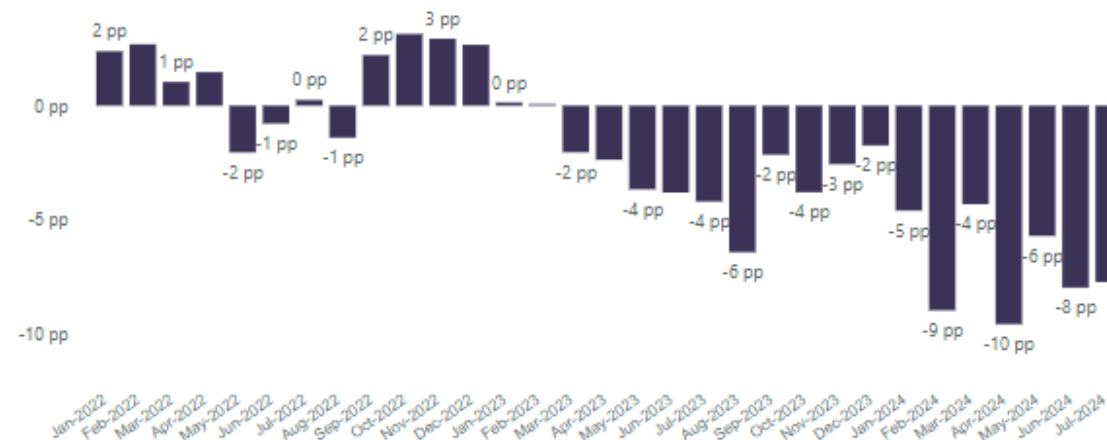
\*Nights already reserved for future months as of July 2024. We can expect volumes to increase in the future as more bookings are made.

# Occupancy | Occupancy rates still down year on year

## Occupancy rates for short term rental properties



## Percentage point change in occupancy rates for short term rental properties vs. 2019

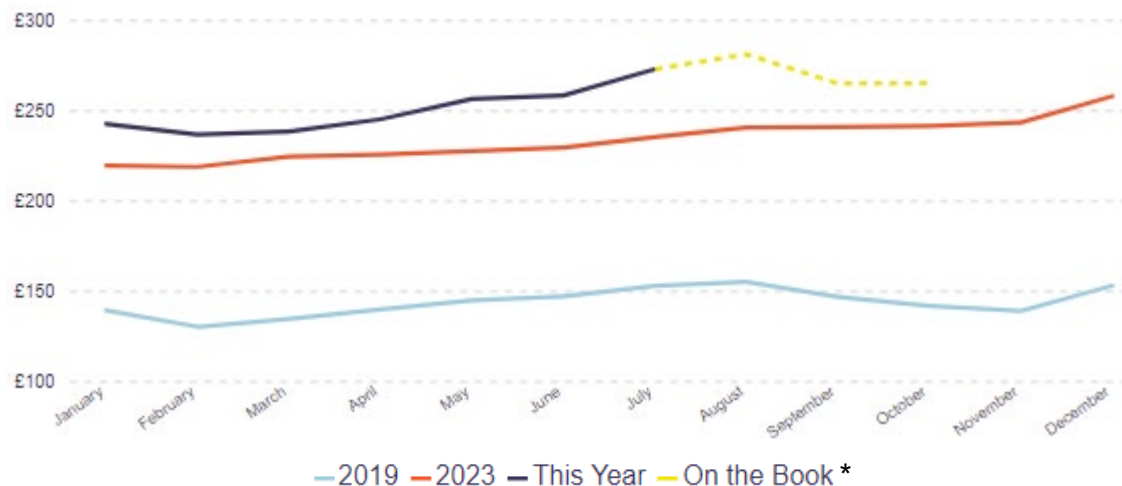


- Most of 2023 saw occupancy rates decline, with the largest decline was seen in August at -6 percentage points. This dip was exceeded in February 2024, and once again in April 2024 (-9 and -10 percentage points).
- Occupancy rates were lower in July 2024 compared with a year earlier, at 51% (vs. 55%), with 23% occupancy achieved so far for October 2024 from bookings made before the end of July 2024.

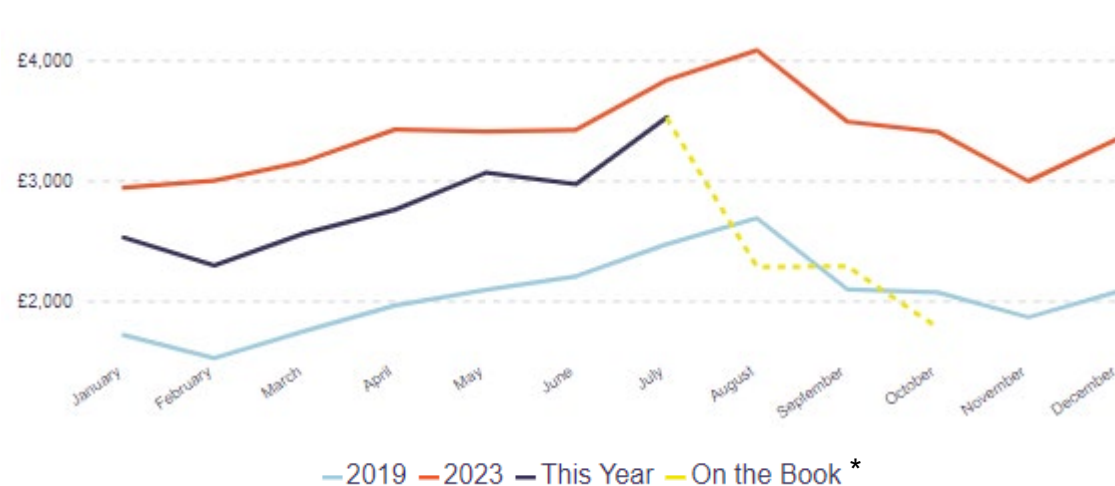
\*Occupancy rates based on bookings in future months as of July 2024. We can expect occupancy to increase in the future as more bookings are made. Occupancy rates are calculated based on the sum of booked nights divided by the sum of available nights, accounting for nights which are not available for check in because of cleaning/maintenance/property owner occupying the property.

# Average daily rate and revenue per property | Growth in both metrics from June to July

Average daily rate of short term rental properties in the UK (£)



Average revenue per short term rental property in the UK (£)



- ADR and average revenue for short term rental properties exceeded 2019 levels throughout 2023, and this has continued within 2024. ADR grew by 78% in July 2024 vs. the same month in 2019, with average revenue growing by 43% in that time. This growth outpaced the rate of inflation during the same period (24%). Both metrics saw growth between June and July.
- ADR in July 2024 was £273, with ADR associated with bookings in future months set to decrease after a peak in August.
- Average revenue per property in July 2024 was £3,523. Average revenue associated with stays 'on the book' in the upcoming months as of July 2024 continues to be volatile.

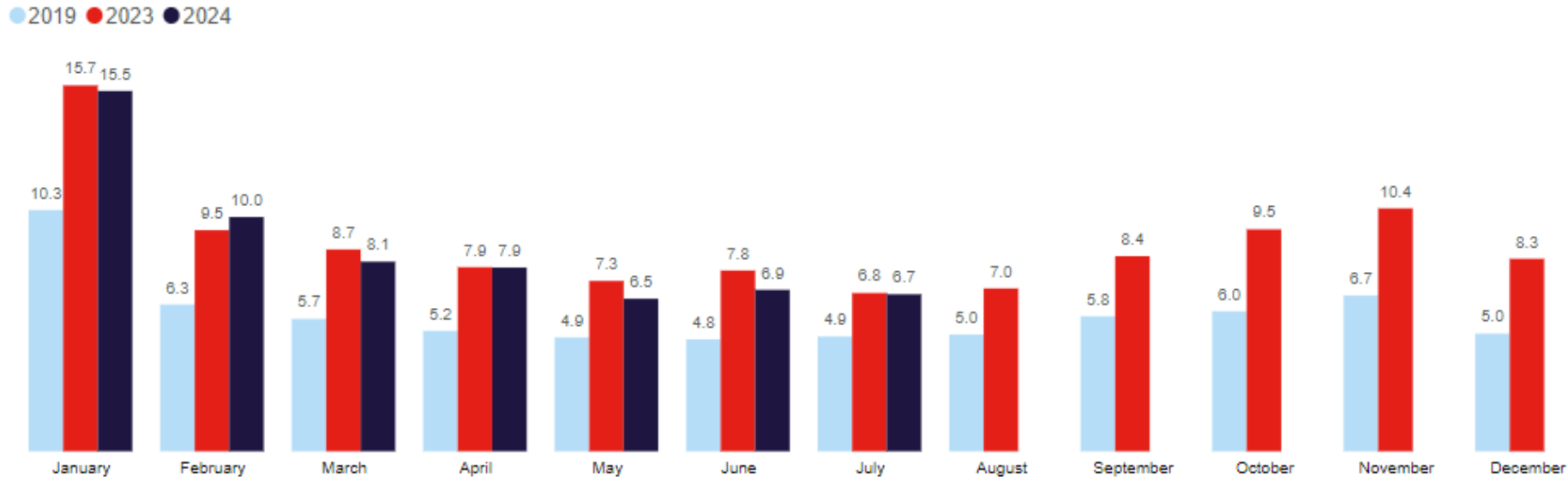
Note: ADR = average daily rate, representing the average nightly price when the data was flagged as booked, not including fees or discounts. Average revenue per property = the sum nightly price per property when booked, not including fees or discounts. Both metrics from Lighthouse data are in US dollars, which have been converted here using exchange rates from the Bank of England.

\*Average daily rate for bookings in future months as of July 2024. Metrics may change in the future as more bookings are made.

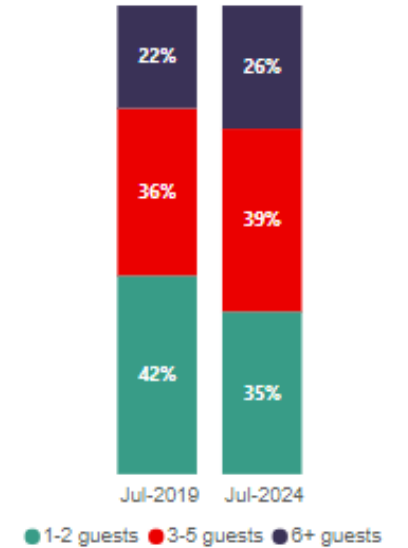


# Trip characteristics | Average length of stay stayed stable in July, following seasonal pattern

Average length of stay in short term rental properties in the UK (nights)



Average property capacity\*\*



- The average length of stay in short term rental properties exceeded what was seen in 2019 throughout 2023, and this has continued in 2024, with an average stay of 6.7 nights in July. The longest length of stay each year tends to be seen in January, with declines over the summer and some growth again in the latter months.
- The average property capacity booked by guests in July 2024 is larger compared to the same month in 2019, which may suggest a boost in party size. The proportion of properties booked which cater for 1-2 guests decreased by 7 percentage points compared to 2019.

\*\*According to number of nights reserved.

# UK destination trends

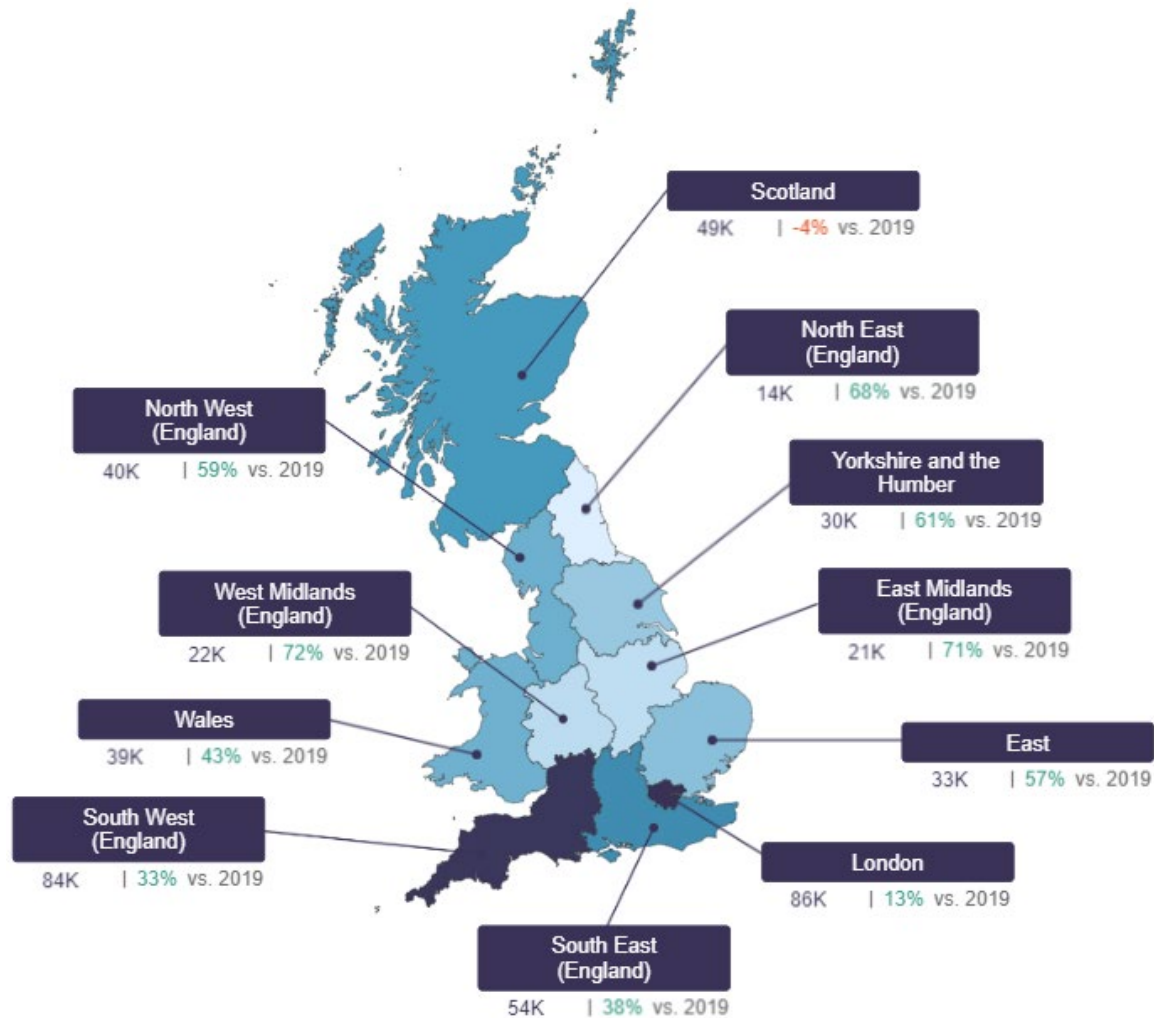


# Supply | Growth vs. 2019 seen across UK regions apart from Scotland

Change in total volumes of properties vs. the same months in 2019

Region	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024
East Midlands	42%	39%	37%	39%	38%	39%	51%	56%	60%	59%	58%	57%	57%
East of England	55%	52%	51%	53%	51%	51%	67%	71%	74%	71%	68%	71%	71%
London	-5%	-4%	-6%	-3%	-3%	-3%	3%	12%	18%	14%	5%	9%	13%
North East	57%	48%	47%	50%	49%	48%	59%	67%	70%	71%	71%	65%	68%
North West	46%	42%	42%	43%	42%	42%	49%	56%	57%	57%	58%	56%	59%
Scotland	-1%	-3%	-5%	-4%	-8%	-9%	-8%	-1%	-0%	-0%	-2%	-5%	-4%
South East	29%	26%	24%	26%	26%	25%	32%	40%	40%	39%	37%	37%	38%
South West	27%	24%	24%	25%	23%	23%	34%	39%	38%	38%	38%	34%	33%
Wales	33%	30%	32%	30%	29%	30%	38%	44%	48%	48%	44%	46%	43%
West Midlands	52%	49%	48%	50%	46%	50%	74%	78%	81%	79%	70%	70%	72%
Yorkshire and The Humber	50%	43%	43%	45%	42%	44%	60%	60%	64%	62%	60%	65%	61%

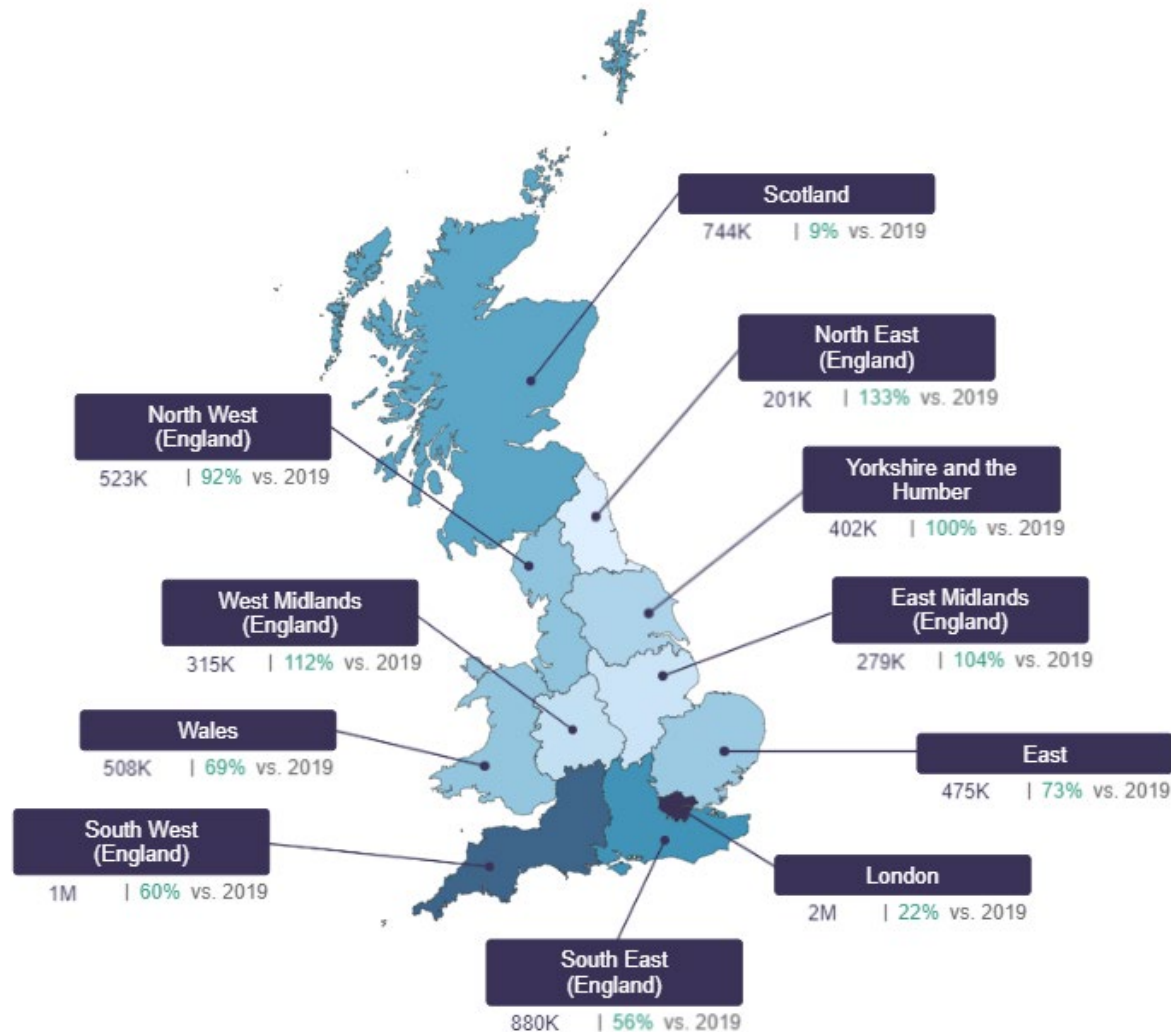
# Supply in July 24 | Strongest growth in supply vs. 2019 seen from the West Midlands, East Midlands, and North East



- Looking across the UK in July 2024, supply of short term rental properties is most likely to be clustered in the South West and London. These destinations hold 84,000 and 86,000 properties respectively.
- The lowest number of short term rental properties are found in the North East, East Midlands, and West Midlands.
- In July 2024, all UK destinations apart from Scotland (-4%) are seeing growth in supply vs. the same month in 2019. The most growth is seen in the West Midlands (+72%), East Midlands (+71%), and the North East (both +68%).

Note: map colour coding is based on volumes of supply between regions

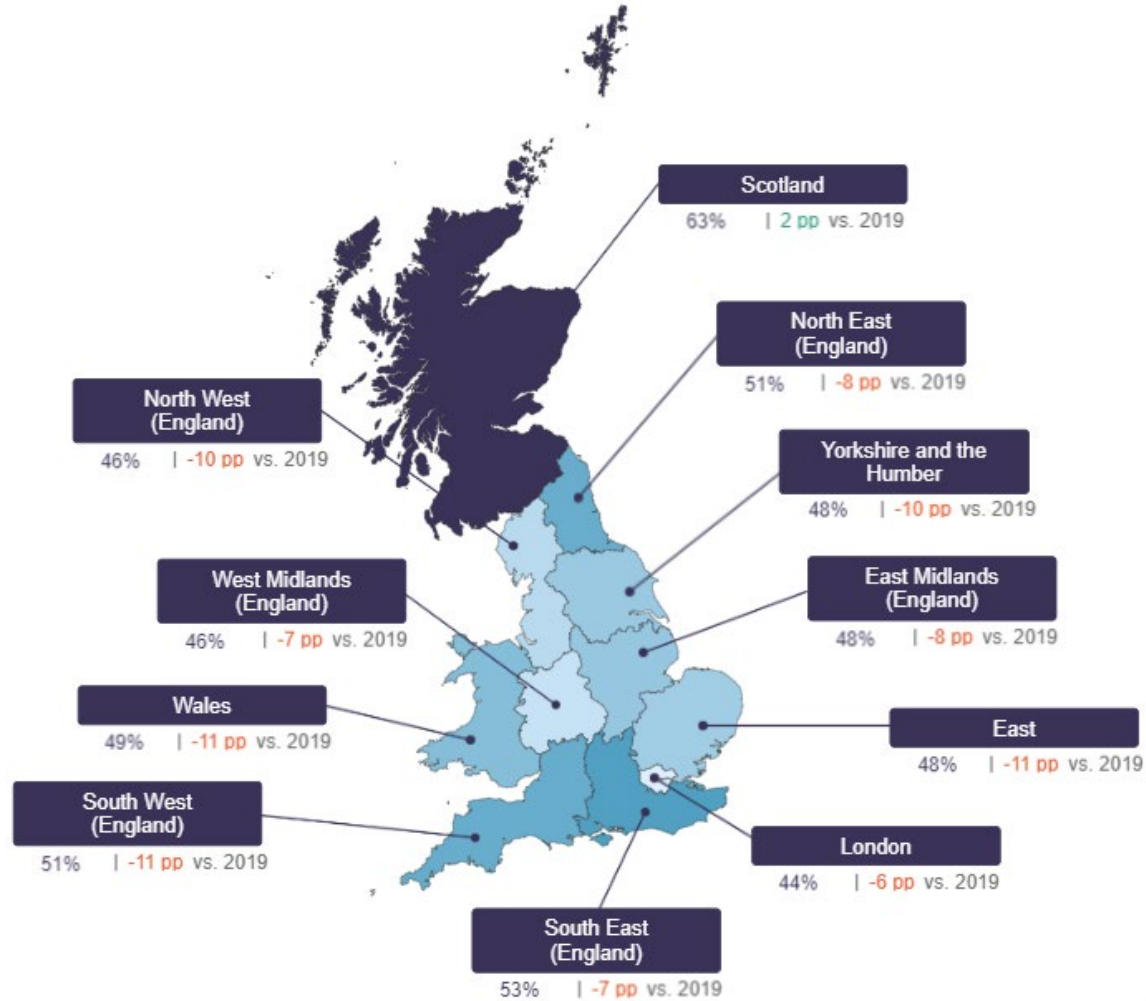
# Reserved nights in July 24 | North East and East Midlands seeing strongest growth in reserved nights vs. 2019



- The spread of nights reserved across the UK follows a similar trend to that of supply, with the most nights being reserved in London and the South West in July 2024 (2 million and 1 million respectively).
- The lowest number of nights were reserved in the North East, East Midlands and West Midlands in that month.
- The volume of nights reserved was significantly higher across the UK in July 2024 compared to the same month in 2019, with the most growth being seen from the North East (133%) and East Midlands (104%).

Note: map colour coding is based on volumes of reserved nights between regions

# Occupancy in July 24 | Highest occupancy rates in Scotland and the South East



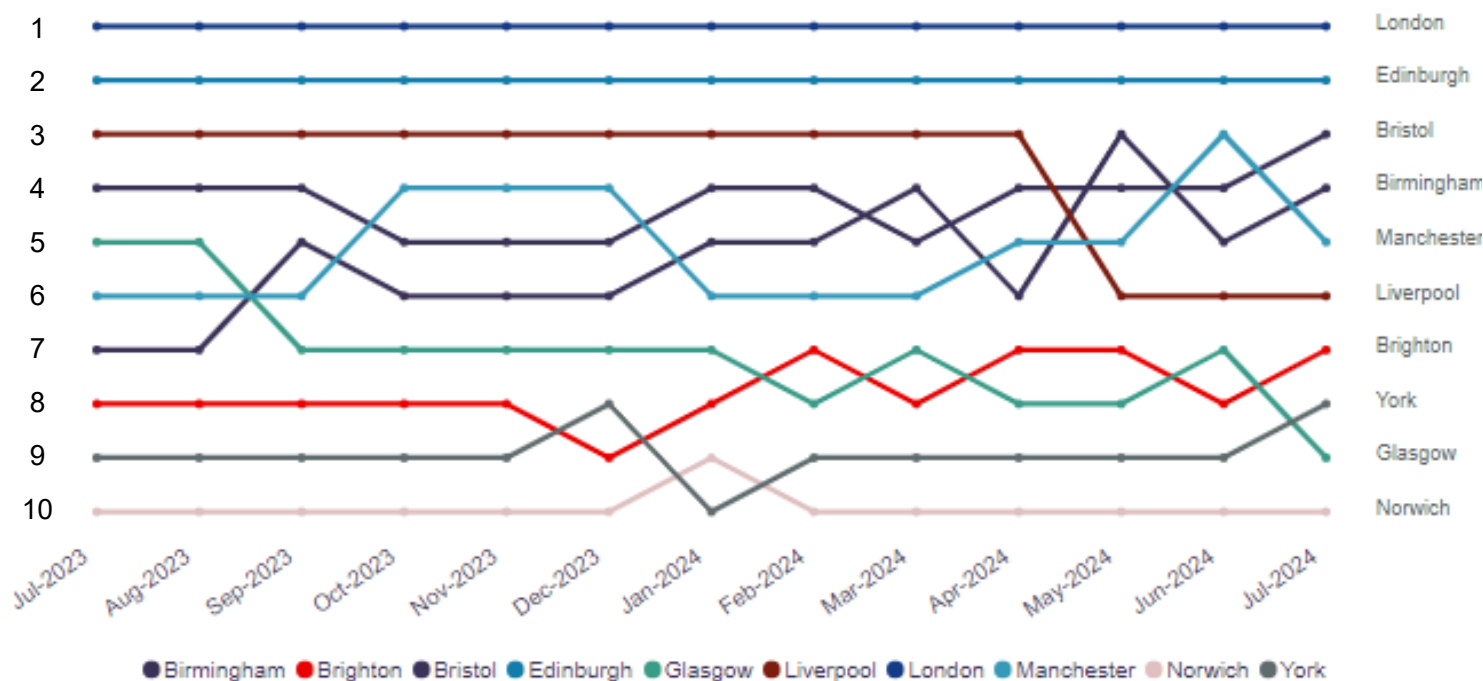
- Trends in occupancy rates across UK destinations in July differ compared to those seen for supply and nights reserved.
- The highest rates of occupancy are seen in Scotland, followed by the South East and South West.
- The lowest rates of occupancy are seen in London and the West Midlands.
- Only Scotland saw an increase in occupancy rates vs. 2019 at +2 percentage points, with the East of England, the South West, and Wales seeing the steepest declines and -11 percentage points.

pp = percentage point change

Note: map colour coding is based on occupancy rates between regions

# Top cities | Bristol, Birmingham, Brighton and York gaining popularity between June and July

Ranking of cities by nights reserved



Top ranked by year



- In July 2024, the most popular UK cities when it comes to nights reserved in short term rental properties were London, Edinburgh, and Bristol. From June to July, Bristol, Birmingham, Brighton, and York gained ranks, with Manchester and Glasgow losing ranks in kind.
- When comparing the top 10 UK cities in July 2024 with the same month pre-COVID, Bristol, Liverpool and Oxford all gained ranks.

# Guest origin trends

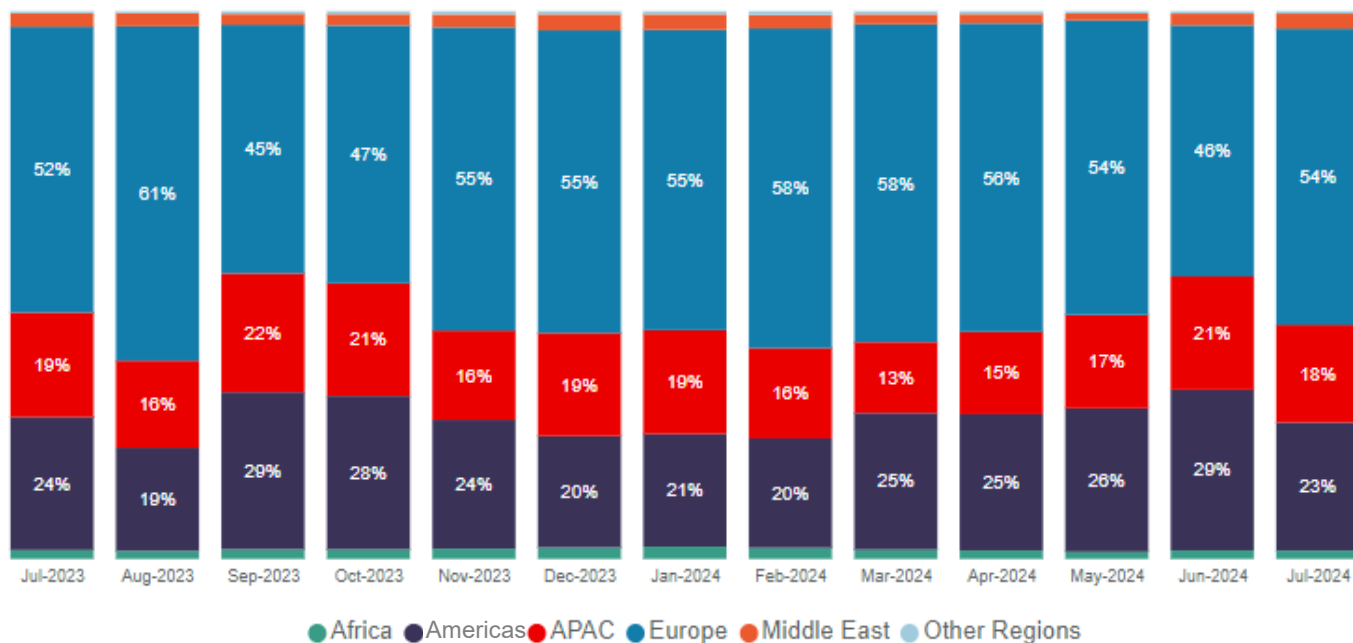
**Note:** Guest origin data is extracted from information on the public profile of guests who review their stays on Airbnb. The dates included in the data are relevant to the dates of the stay being reviewed. This data can help us estimate the prominence of different origin markets among those booking short term rental properties. Airbnb estimates that two thirds of guests leave reviews, however there is no data available on whether certain origin markets are more likely to leave reviews than others. We also cannot control whether origin information included on a guest's profile is inaccurate or out of date.





# Overview | Americas and APAC lose share as we move into July

International origin region by month (excludes domestic origin)



Top origin markets (July 24)\*

Rank	Country
1	United Kingdom
2	United States
3	Germany
4	France
5	Australia
6	Spain
7	Netherlands
8	Italy
9	Canada
10	Switzerland

- Information from guest reviews suggests that inbound travellers from Europe (excluding the UK) were the most dominant in 2023 and in 2024 so far, with this region holding a higher share when comparing June and July (40% vs. 54%), but the Americas and APAC losing share.
- When comparing origin trends in July 2024 with the same month in 2023, we can see very similar trends.
- In July 2024, the top five international origin markets who left reviews for short term rental properties were the United States, Germany, France, and Australia.

\*Ranking according to reserved nights

# In detail | In May, Saudi Arabia and Belgium led for reviews

## Number of reviews vs. same period in 2019

- The growth seen in the number of reviews left by domestic travellers stayed quite stable between May and June (6% vs. 7%).
- In June 2024, the inbound markets seeing the strongest growth in the volume of reviews left were Saudi Arabia, Brazil, and Qatar.
- Many markets saw declines vs. 2019, with this being most marked from Russia (-67%), and China (-61%).

Please note: due to an expected lag in travellers leaving reviews after their trips are over, this report will show market level reviews one month behind the data available in order to showcase a more robust trend

Market	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024
Australia	1%	-13%	-4%	7%	-3%	5%	-5%
Austria	29%	-4%	-11%	13%	-22%	26%	-13%
Belgium	-2%	-4%	-6%	-28%	-12%	54%	-26%
Brazil	28%	25%	41%	26%	32%	34%	9%
Canada	-15%	-16%	-24%	-18%	-11%	-11%	-17%
China	-69%	-59%	-55%	-51%	-64%	-44%	-61%
Denmark	0%	-34%	-28%	-17%	-39%	-17%	-24%
France	1%	-12%	-17%	-11%	-5%	15%	-23%
Germany	5%	-11%	-28%	-22%	-15%	27%	-12%
Hong Kong	-16%	-17%	-19%	11%	-5%	11%	2%
India	6%	35%	20%	23%	20%	17%	-6%
Italy	-5%	-7%	-18%	-20%	-12%	-9%	-15%
Japan	-40%	-27%	-36%	-33%	-29%	-32%	-27%
Netherlands	4%	2%	-3%	-22%	-13%	32%	4%
New Zealand	5%	12%	9%	8%	-2%	5%	-10%
Norway	-20%	-35%	-33%	-21%	-20%	13%	-12%
Qatar	-18%	34%	21%	-1%	-26%	40%	6%
Russia	-75%	-70%	-70%	-66%	-60%	-75%	-67%
Saudi Arabia	63%	30%	56%	14%	-3%	141%	61%
South Korea	-40%	-56%	-48%	-44%	-31%	-18%	-45%
Spain	12%	-4%	-5%	-5%	-24%	-13%	-10%
Sweden	-11%	-31%	-34%	-36%	-24%	-17%	-26%
Switzerland	-5%	-11%	-15%	-17%	-0%	6%	-14%
United Arab Emirates	6%	-1%	11%	2%	6%	23%	-5%
United Kingdom	2%	11%	8%	7%	4%	6%	7%
United States	-18%	-27%	-24%	-24%	-8%	-19%	-12%