Short Term Rentals trends from Lighthouse

October 2024

VisitBritain/VisitEngland Research

October 2024 | Growth continues across performance metrics, regional shifts in popularity, and shifting review trends

- In October 2024 we saw a 5% increase in ADR and a 9% increase in supply of short term rental properties compared to the same month in 2023. There was also a 5% increase in the number of nights reserved compared to October 2023. However, the revenue per property decreased by 19% compared to October 2023.

- From September to October, the most popular UK cities by nights reserved saw minimal ranking changes. However, Manchester swapped places with Birmingham becoming the third most popular UK city.

- The share of reviews by global regions shifted, with the Americas and APAC capturing a larger portion in October 2024 compared to September 2024. This mirrors a similar pattern seen in October 2023.

- The West Midlands, East Midlands, and North East continue to show the strongest growth in both supply and nights reserved compared to 2019, while Scotland is the only destination where supply has fallen below 2019 levels.

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 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.

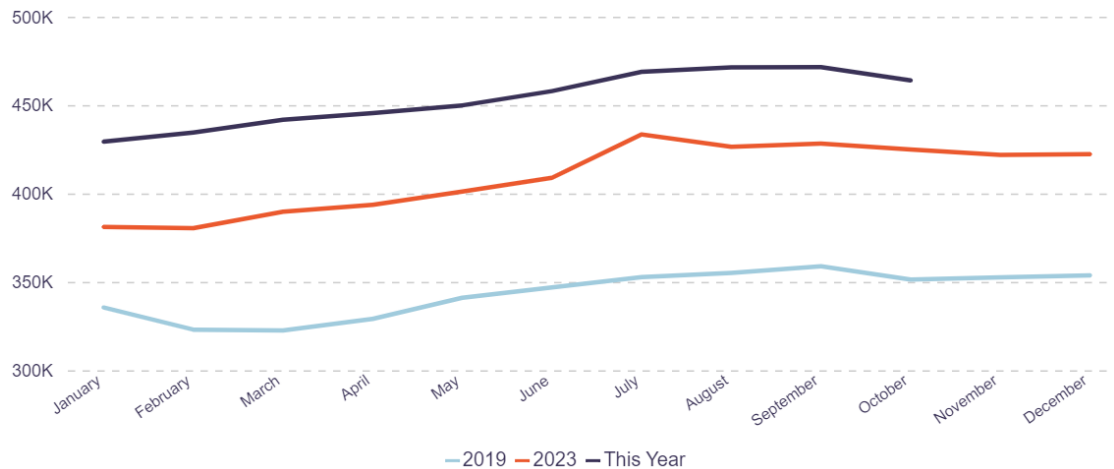This report can be freely shared, as long as Lighthouse is cited as the source.

This report is based on data which is up to date as of the end of August 2024.
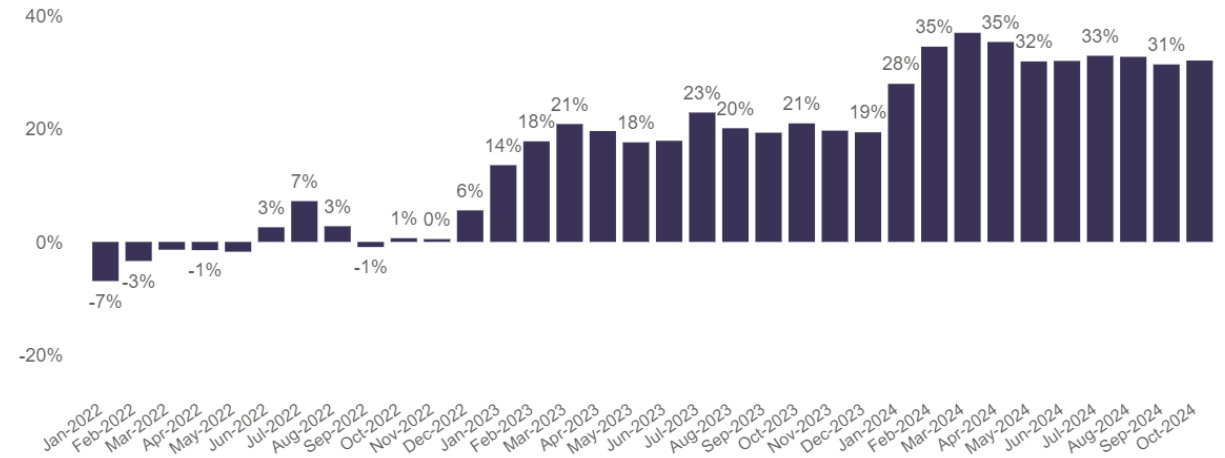
Latest trends

Supply | Overall volumes have increased throughout 2024

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

Legend: — 2019 — 2023 — This Year

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

- The total supply of short term rental properties across the UK continues to remain above 2019 levels and is increasing above 2023 levels, however supply has levelled off and across the summer and dropped slightly in October.
- Growth vs. 2019 grew to 32% in October, with over 463,000 short term rental properties across the UK. This is roughly a 9% increase in the supply of short term rental properties from October 2023 (424,910 in 2023 vs 463,960 in 2024).

Reserved nights | Volume of nights has increased slightly from October 2023

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

— 2019 — 2023 — This Year — On the Book *
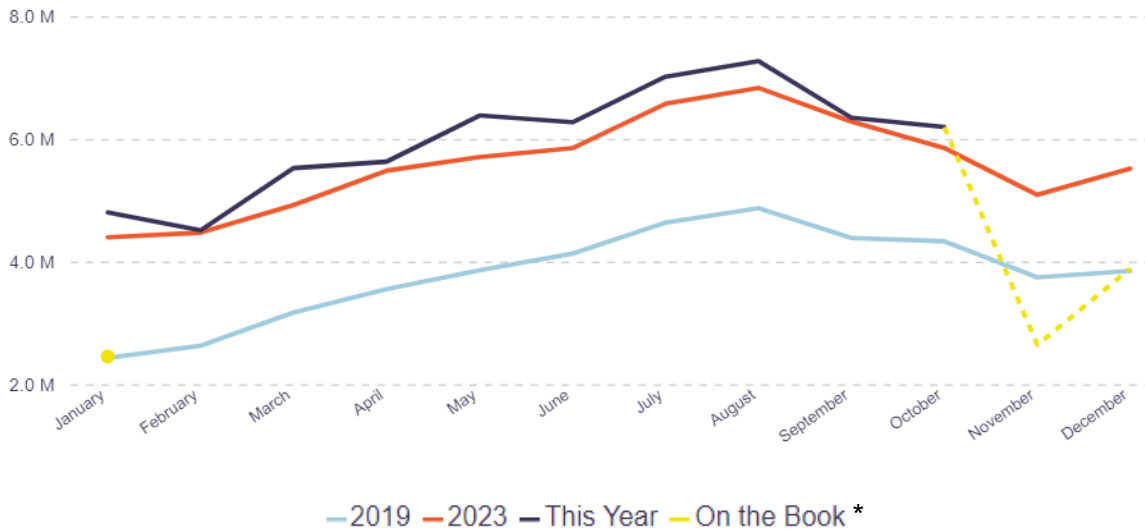
Growth in nights reserved in short term rental properties vs. 2019
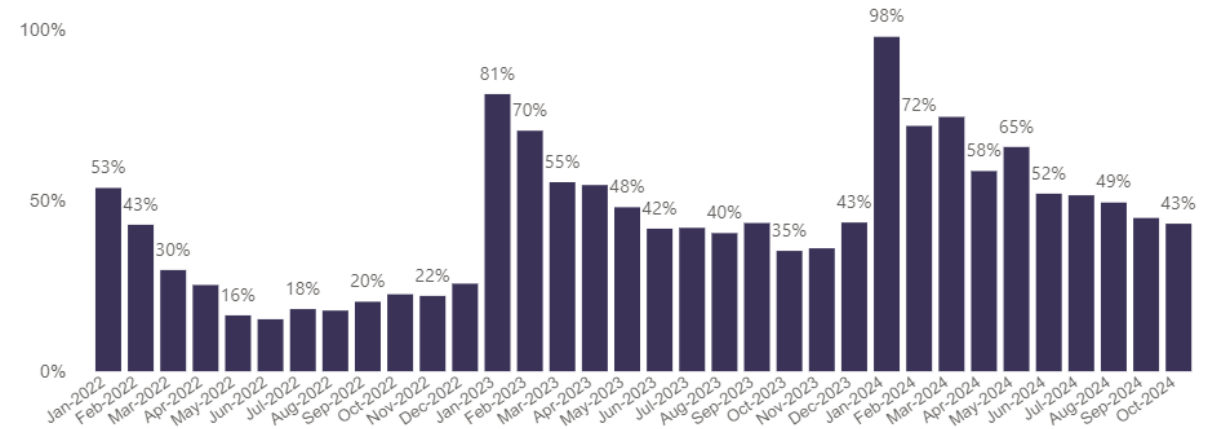
- January 2024 saw a particularly strong boost in the volume of nights reserved, at 98% growth vs. 2019, but slower growth has been seen in subsequent months within 2024.
- 6.2 million nights were reserved in short term rental properties in October 2024, a 5% increase in the number of nights reserved in October 2023. Looking forward to the next 3 months, 2.6 million nights have been reserved for November 2024, 3.9 million for December 2024 and 2.5 million for January 2025, as of the end of October 2024.

Occupancy | Occupancy rates lower than last year

Occupancy rates for short term rental properties

Legend: 2019 — 2023 — This Year — On the Book *
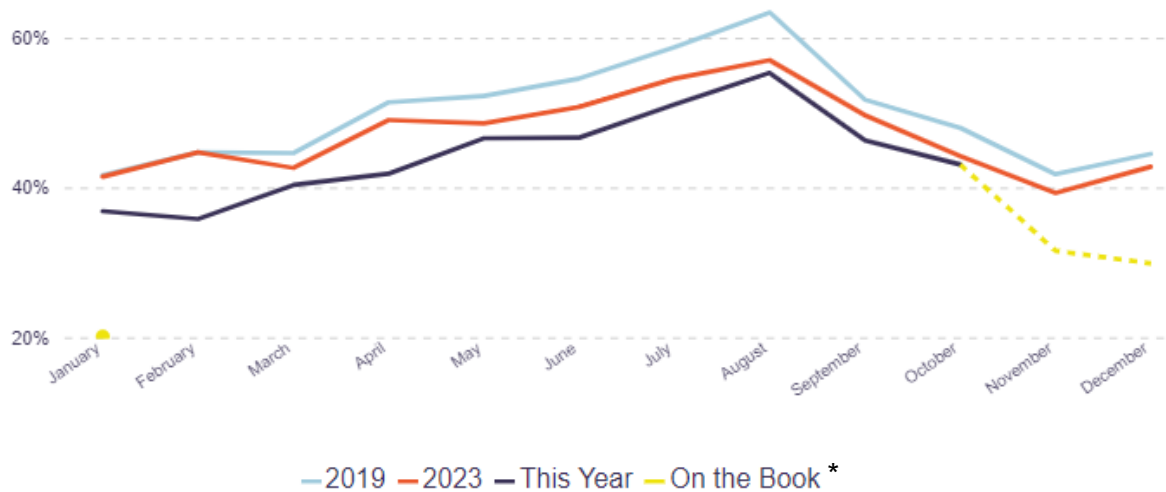
Percentage point change in occupancy rates for short term rental properties vs. 2019
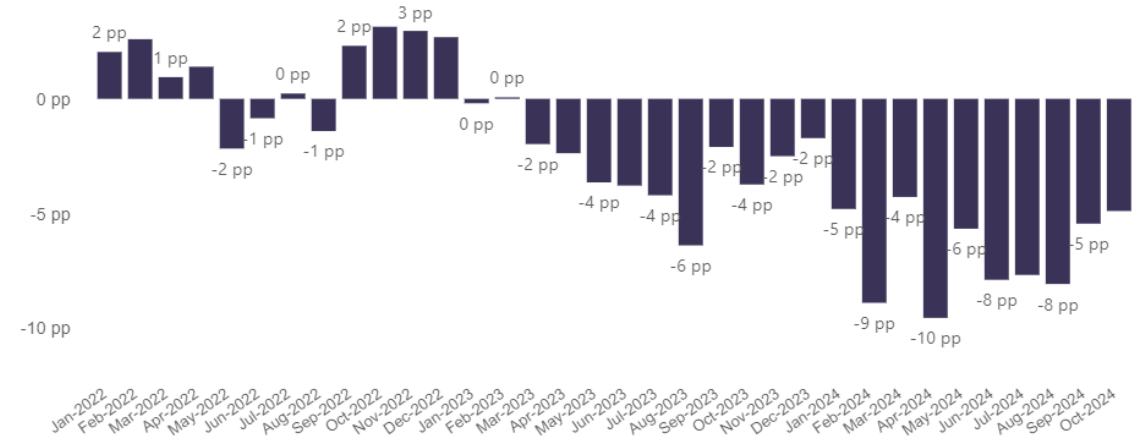

- Most of 2023 saw occupancy rates decline compared to 2019, with the largest decline was seen in August at -6 percentage points. This dip was exceeded in February 2024, and once again in April 2024 (-9 and -10 percentage points).
- Occupancy rates were 43% in October 2024, 1 percentage point below that of September 2024 (44%).
- From bookings made before the end of October 2024, 32% occupancy has been achieved for November 2024, 30% for December 2024, and 20% for January 2025.

Occupancy rates based on bookings in future months as of October 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 | Slight decline in both metrics between September and October 2024

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

— 2019 — 2023 — This Year — On the Book *
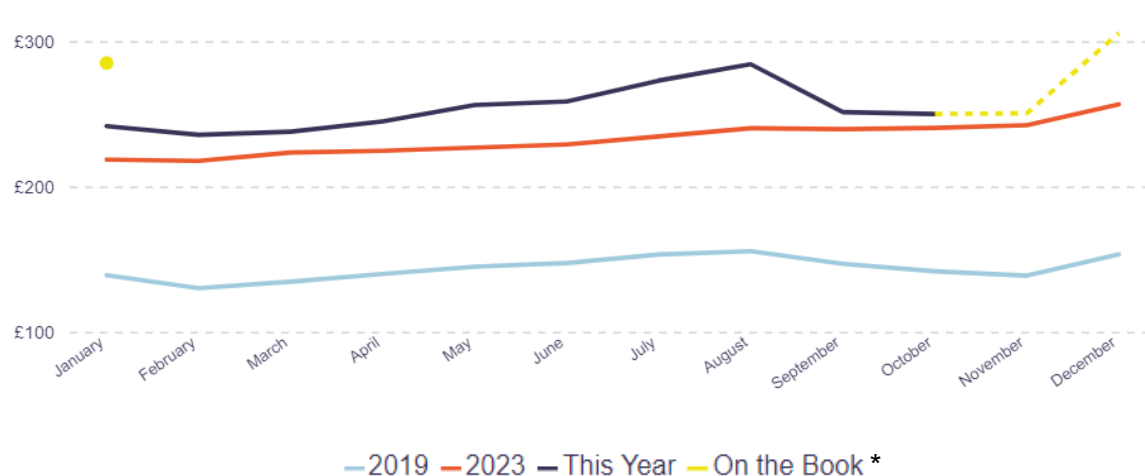
Average revenue per short term rental property in the UK (£)

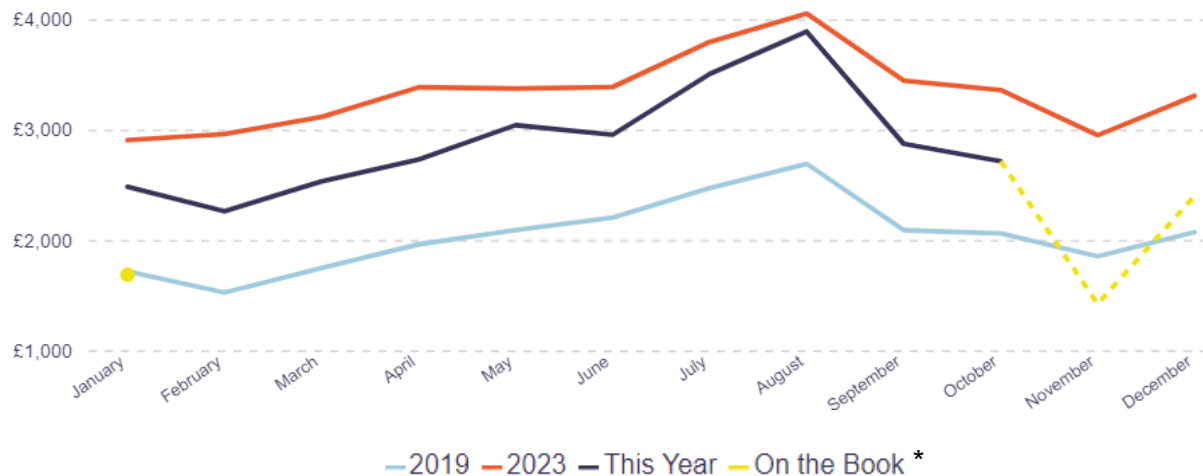— 2019 — 2023 — This Year — On the Book *

- ADR and average revenue for short term rental properties exceeded 2019 levels throughout 2023, and this has continued within 2024.
- ADR has grown by 76% since 2019. This growth outpaced the rate of inflation during the same period (24%).
- ADR in October 2024 was £250, an increase in 5% from October 2023 (ADR was £240). ADR associated with bookings in the next 3 months is set to stay the same in November 2024 but increase in December 2024 and January 2025.
- Average revenue per property in October 2024 was £2,710. This is a 19% decrease from October 2023 (£3,360).
- However, both metrics experienced a slight decline from September to October, with the greatest decline occurring in average revenue per property.
- The average revenue from bookings for the upcoming months, as of October 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 October 2024. Metrics may change in the future as more bookings are made.

Trip characteristics | Average length of stay increased from September to October

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

Average property capacity**

● 2019 ● 2023 ● 2024

	January	February	March	April	May	June	July	August	September	October	November	December
2019	10.3	6.3	5.7	5.2	4.9	4.8	4.9	5.0	5.8	6.0	6.7	5.1
2023	15.7	9.5	8.7	7.9	7.3	7.8	6.8	7.0	8.4	9.7	10.5	8.3
2024	15.5	10.1	8.2	7.9	6.5	6.9	6.7	6.7	8.5	9.0		

Average property capacity:

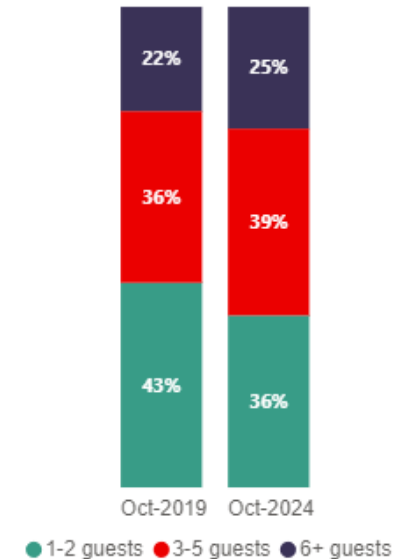|	Oct-2019	Oct-2024
6+ guests	22%	25%
3-5 guests	36%	39%
1-2 guests	43%	36%

● 1-2 guests ● 3-5 guests ● 6+ guests
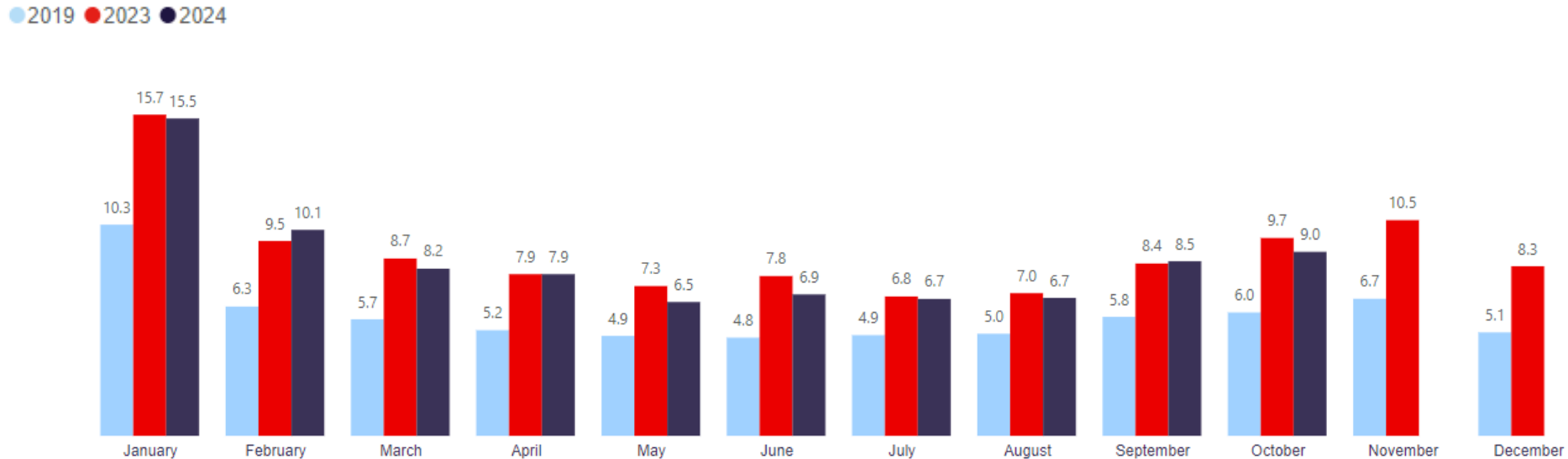
- The average length of stay in short term rental properties exceeded what was seen in 2019 throughout 2023, and this has continued in 2024, with an average stay of 9.0 nights in October. The longest length of stay each year tends to be seen in January, with declines over the summer and some growth again in the latter months.
- The average property capacity booked by guests in October 2024 is larger compared to the same month in 2019, which may suggest an increase in party size.
- The proportion of properties booked for 1-2 guests has decreased by 7 percentage points since 2019, while the percentage of bookings for larger groups, particularly those accommodating 6 or more guests, has risen.

**According to number of nights reserved.

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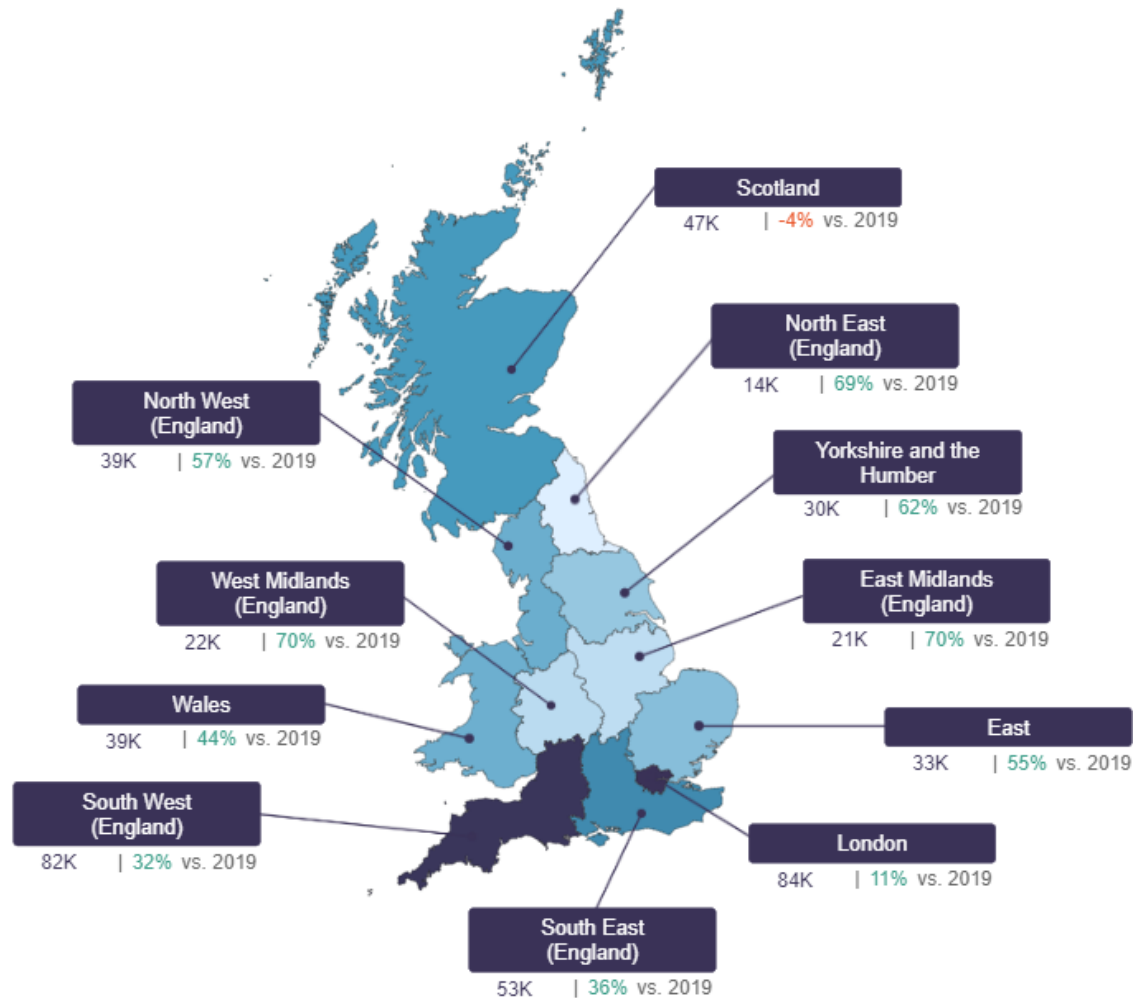
UK destination trends

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

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

UK Regions	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024
East	39%	38%	39%	51%	56%	60%	59%	56%	57%	57%	57%	54%	55%
East Midlands (England)	53%	51%	51%	67%	71%	74%	71%	68%	71%	71%	72%	70%	70%
London	-3%	-3%	-3%	3%	12%	18%	14%	5%	9%	13%	12%	11%	11%
North East (England)	50%	49%	48%	59%	67%	70%	71%	71%	65%	68%	68%	67%	69%
North West (England)	43%	42%	42%	49%	56%	57%	57%	56%	56%	59%	58%	57%	57%
Scotland	-4%	-8%	-9%	-6%	-1%	-0%	-0%	-2%	-5%	-4%	-5%	-6%	-4%
South East (England)	26%	26%	25%	32%	40%	40%	39%	37%	37%	38%	38%	36%	36%
South West (England)	25%	23%	23%	34%	39%	38%	36%	38%	34%	33%	33%	32%	32%
Wales	30%	29%	30%	38%	44%	48%	48%	44%	46%	43%	45%	46%	44%
West Midlands (England)	50%	48%	50%	74%	78%	81%	79%	70%	70%	72%	73%	70%	70%
Yorkshire and The Humber	45%	42%	44%	60%	60%	64%	62%	60%	65%	61%	62%	61%	62%

Scotland
47K | -4% vs. 2019

North East (England)
14K | 69% vs. 2019

North West (England)
39K | 57% vs. 2019

Yorkshire and the Humber
30K | 62% vs. 2019

West Midlands (England)
22K | 70% vs. 2019

East Midlands (England)
21K | 70% vs. 2019

Wales
39K | 44% vs. 2019

East
33K | 55% vs. 2019

South West (England)
82K | 32% vs. 2019

London
84K | 11% vs. 2019

South East (England)
53K | 36% vs. 2019

- Looking across the UK in October 2024, supply of short term rental properties is most likely to be clustered in the South West and London. These destinations hold 82,000 and 84,000 properties respectively.
- The North East, East Midlands, and West Midlands have the fewest short-term rental properties. These destinations hold 14,000, 21,000, and 22,000 properties respectively.
- In October 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 (+70%), East Midlands (+70%), and the North East (+69%).

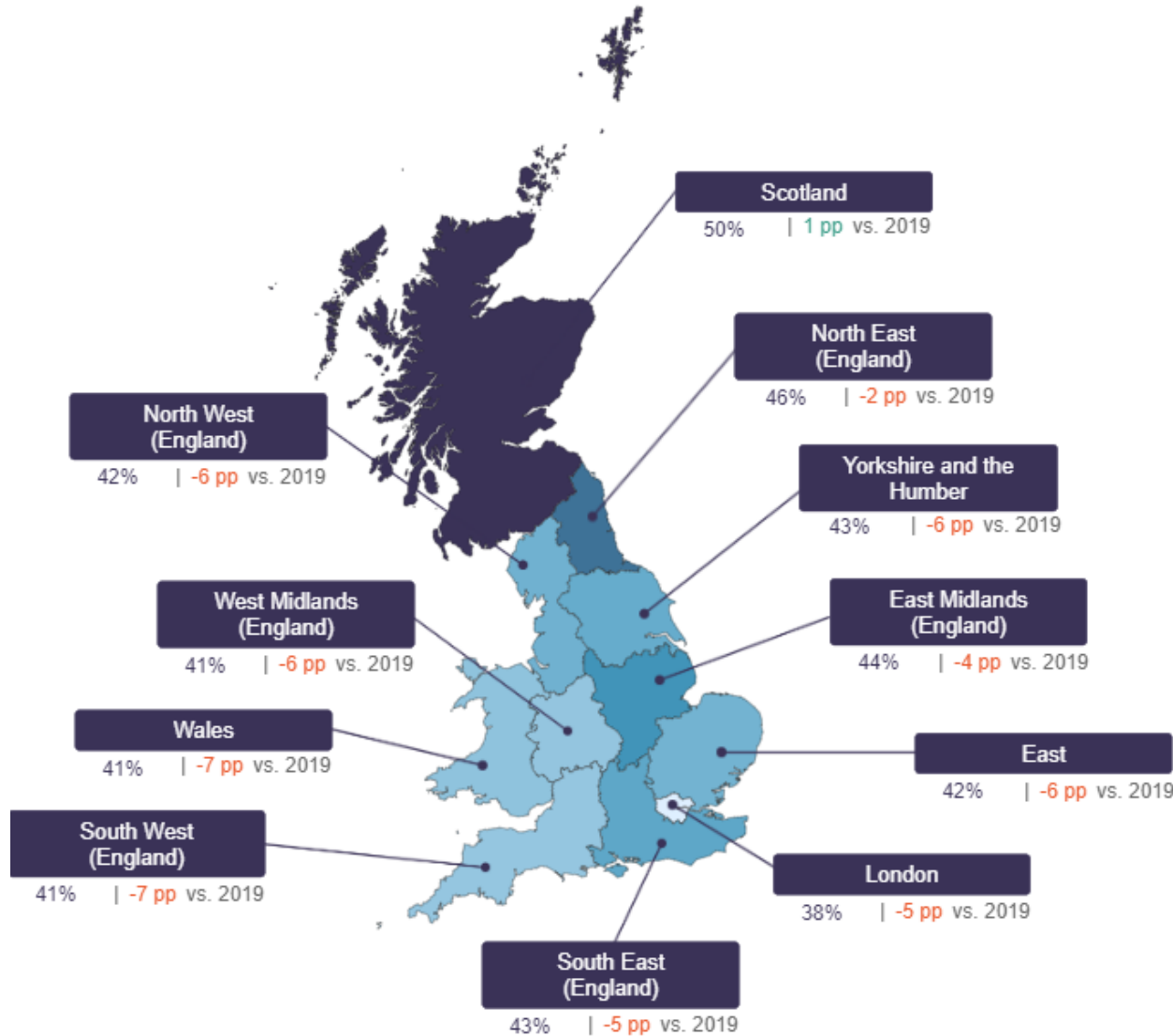Note: map colour coding is based on volumes of supply between regions

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

Scotland
616K | 3% vs. 2019

North East (England)
185K | 117% vs. 2019

North West (England)
493K | 81% vs. 2019

Yorkshire and the Humber
370K | 90% vs. 2019

West Midlands (England)
298K | 97% vs. 2019

East Midlands (England)
266K | 101% vs. 2019

Wales
418K | 54% vs. 2019

East
425K | 60% vs. 2019

South West (England)
955K | 46% vs. 2019

London
1M | 19% vs. 2019

South East (England)
743K | 46% vs. 2019
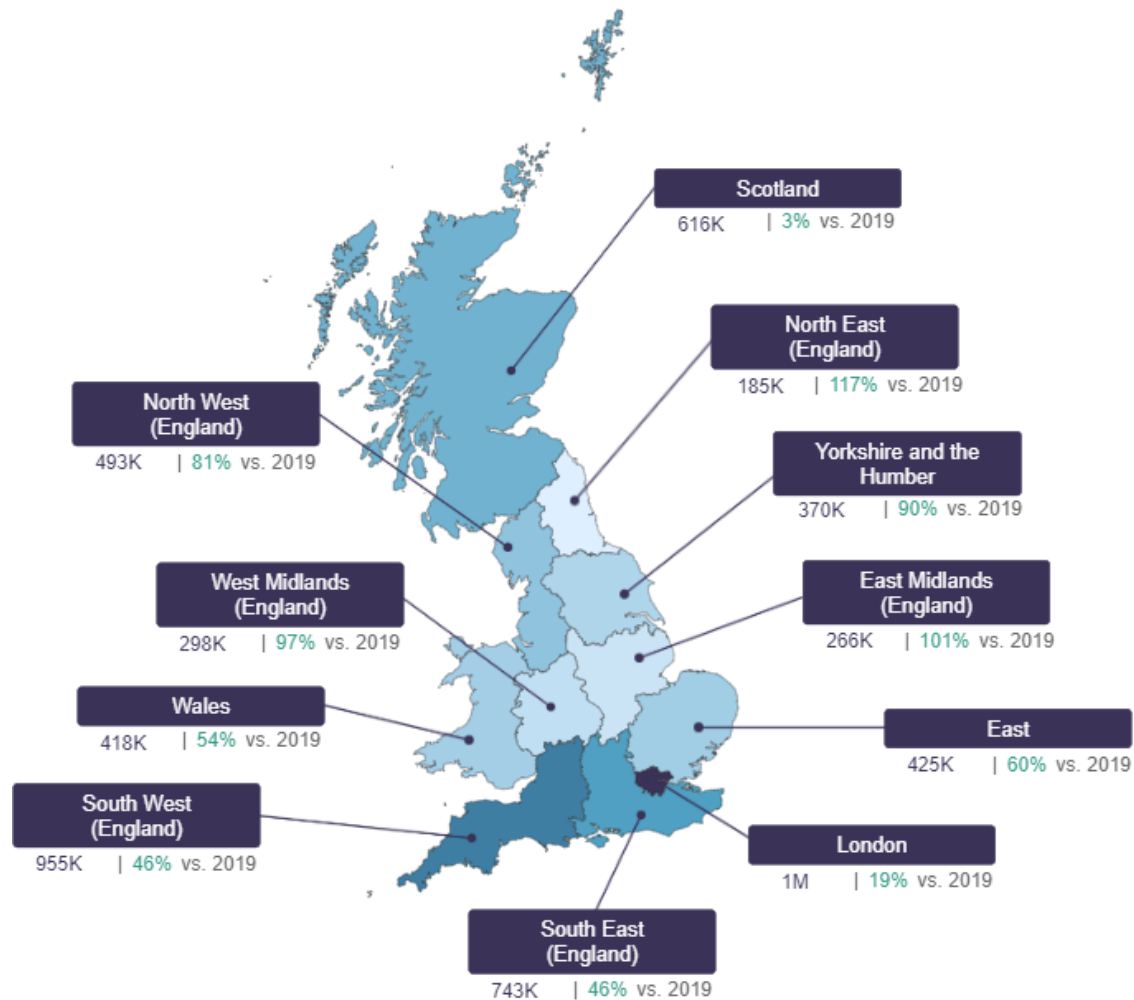
- The spread of nights reserved across the UK follows a similar trend to that of supply, with the most nights being reserved in London, the South West and the South East in August 2024 (1 million, 955k and 743k respectively).
- The lowest number of nights were reserved in the North East, East Midlands and West Midlands in September 2024 (185k, 266k, and 298k respectively).
- The volume of nights reserved was significantly higher across the UK in October 2024 compared to the same month in 2019, with the most growth being seen from the North East (117%), East Midlands (101%) and West Midlands (97%).

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

Occupancy in October 24 | Highest occupancy rates in Scotland and the North East

Scotland
50% | 1 pp vs. 2019

North East (England)
46% | -2 pp vs. 2019

North West (England)
42% | -6 pp vs. 2019

Yorkshire and the Humber
43% | -6 pp vs. 2019

West Midlands (England)
41% | -6 pp vs. 2019

East Midlands (England)
44% | -4 pp vs. 2019

Wales
41% | -7 pp vs. 2019

East
42% | -6 pp vs. 2019

South West (England)
41% | -7 pp vs. 2019

London
38% | -5 pp vs. 2019
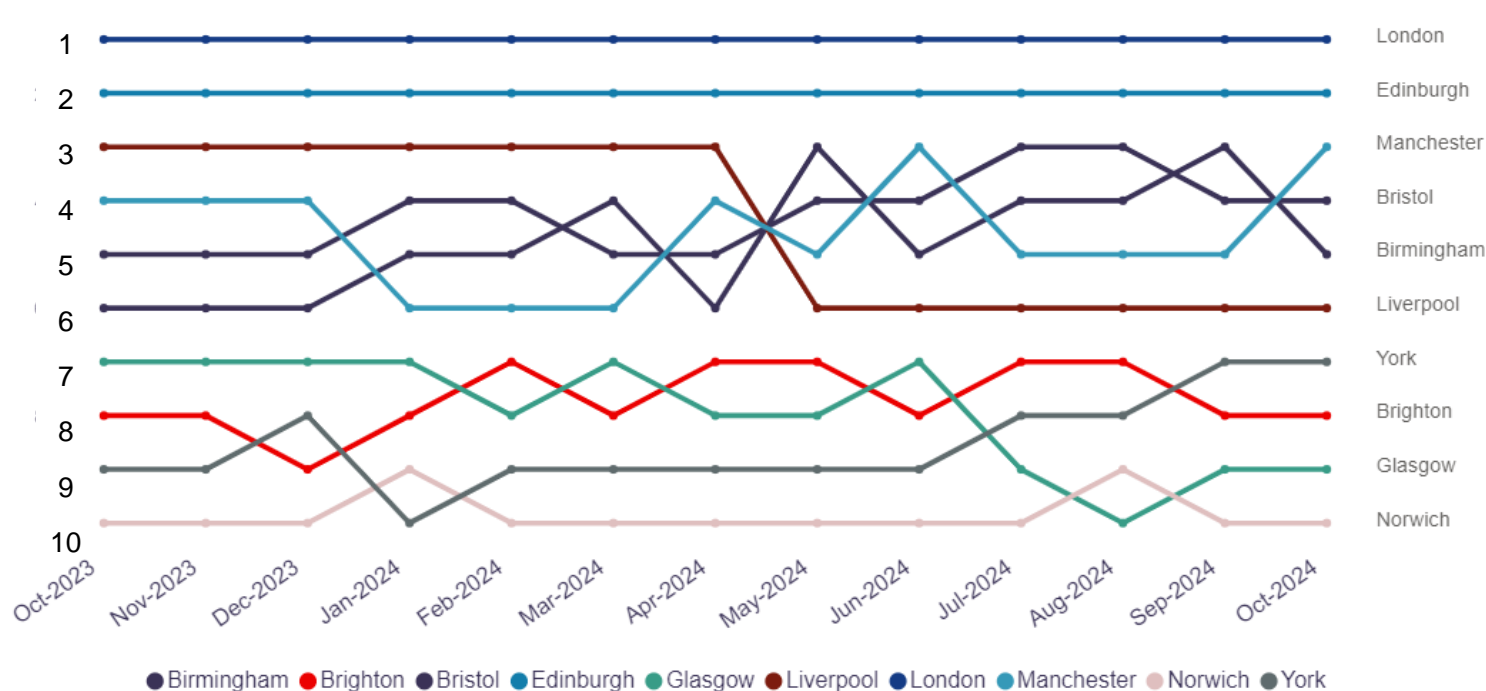
South East (England)
43% | -5 pp vs. 2019

- Trends in occupancy rates across UK destinations in October 2024 differ compared to those seen for supply and nights reserved.
- The highest rates of occupancy are seen in Scotland (50%), followed by the North East (46%), and the East Midlands (44%).
- The lowest rates of occupancy are seen in London (38%) , the West Midlands, Wales, and the South West (all 41%).
- Scotland was the only region to experience an increase in occupancy rates vs 2019, with occupancy rates increasing by 1 percentage points. The South West and Wales seeing the steepest decline at -7 percentage points.
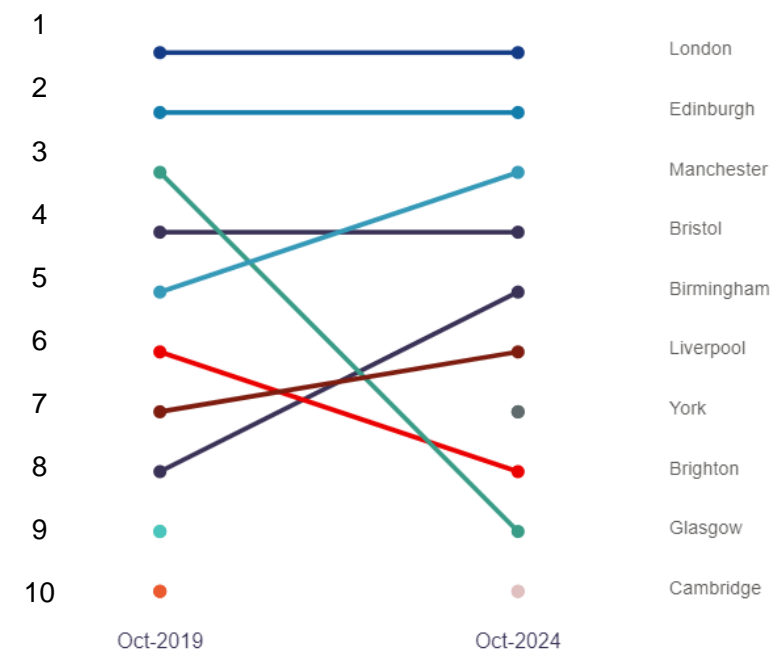
pp = percentage point change

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

Top cities | City ranking changed between September and October 2024

Ranking of cities by nights reserved

Top ranked by year

Legend: Birmingham, Brighton, Bristol, Edinburgh, Glasgow, Liverpool, London, Manchester, Norwich, York

- In October 2024, the most popular UK cities when it comes to nights reserved in short term rental properties were London, Edinburgh, and Manchester.
- From September to October 2024, the top 10 cities remained relatively stable, though their popularity shifted. Birmingham and Manchester swapped places. Manchester rose from the 5th to the 3rd most popular city in terms of nights reserved, while Birmingham dropped from 3rd to 5th.
- When comparing the top 10 UK cities in October 2024 with the same month pre-COVID, Manchester, Birmingham, and Liverpool all gained ranks. York entered the top 10, while Oxford dropped out, and Glasgow fell from 3rd to 9th. Brighton slipped from 6th to 8th, while London, Edinburgh, Bristol, and Cambridge held their positions.

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.

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Overview | 47% of inbound travellers came from Europe in September 2024

International origin region by month (excludes domestic origin)
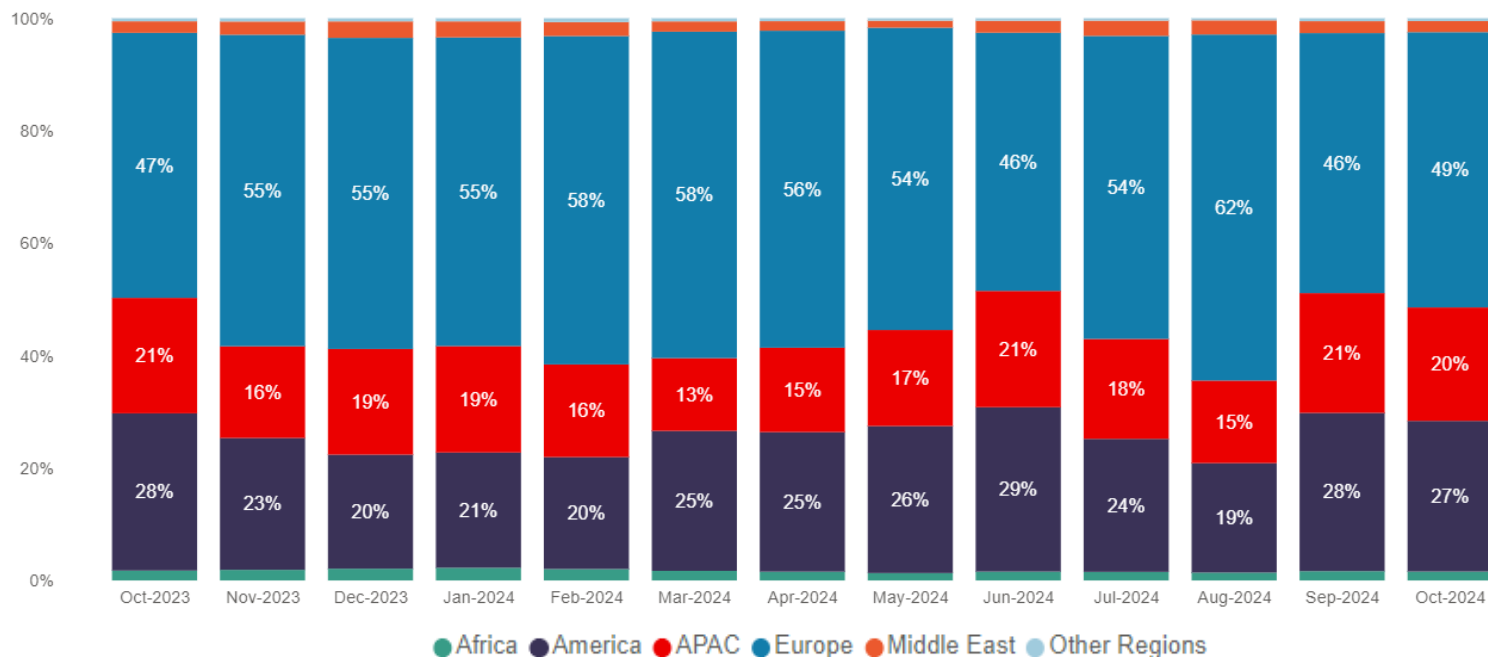
Top origin markets (Oct 24)*

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 September and October 2024 (46% vs. 49%), but the Americas and APAC losing share.
- When comparing origin trends in October 2024 with the same month in 2023, we can see very similar trends, with 49% of inbound travellers coming from Europe (compared to 47% in October 2023), and similar proportions originating from APAC and the Americas.
- In October 2024, the top five international origin markets who left reviews for short term rental properties were the United States, Germany, France, Australia and Spain.

*Ranking according to reserved nights

In detail | In October, Saudi Arabia led for reviews

Number of reviews vs. same period in 2019

- The number of reviews left by domestic travellers decreased between September and October 2024 (2% vs. -8%).
- In October 2024, the inbound market seeing the strongest growth in the volume of reviews left was Saudi Arabia (23%).
- Many markets saw declines vs. 2019, with this being most marked from Russia (-80%), and China (-62%).

Market	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024
Australia	-4%	7%	-3%	6%	-5%	-12%	-12%	-5%	3%
Austria	-11%	14%	-21%	27%	-13%	-3%	-6%	-9%	-8%
Belgium	-6%	-27%	-12%	54%	-25%	-0%	-8%	-23%	-19%
Brazil	41%	27%	33%	35%	9%	12%	20%	2%	6%
Canada	-23%	-18%	-11%	-11%	-16%	-21%	-22%	-17%	-15%
China	-55%	-51%	-64%	-44%	-61%	-54%	-62%	-72%	-62%
Denmark	-28%	-16%	-38%	-16%	-23%	-15%	-18%	-25%	-22%
France	-16%	-11%	-5%	15%	-23%	-11%	-19%	-19%	-27%
Germany	-27%	-21%	-15%	27%	-11%	-8%	2%	-26%	-29%
Hong Kong	-19%	11%	-5%	11%	2%	-13%	13%	-19%	-23%
India	20%	24%	20%	17%	-6%	-6%	13%	-1%	-11%
Italy	-17%	-20%	-11%	-8%	-14%	-6%	-7%	-11%	-14%
Japan	-35%	-33%	-28%	-32%	-27%	-24%	-31%	-41%	-35%
Netherlands	-2%	-22%	-12%	32%	4%	1%	-4%	1%	-22%
New Zealand	10%	8%	-2%	5%	-9%	-3%	-8%	6%	4%
Norway	-33%	-20%	-20%	14%	-12%	12%	-1%	-6%	-23%
Qatar	22%	2%	-26%	40%	5%	0%	-6%	-12%	-45%
Russia	-70%	-66%	-60%	-75%	-67%	-74%	-69%	-75%	-80%
Saudi Arabia	57%	14%	-3%	142%	62%	54%	2%	0%	23%
South Korea	-47%	-44%	-31%	-18%	-44%	-43%	-40%	-34%	-36%
Spain	-4%	-5%	-23%	-13%	-11%	-15%	-22%	-25%	-22%
Sweden	-34%	-36%	-23%	-16%	-26%	-22%	-30%	-25%	-28%
Switzerland	-14%	-17%	0%	7%	-14%	5%	-13%	-6%	-16%
United Arab Emirates	11%	3%	6%	23%	-5%	12%	-7%	-8%	-4%
United Kingdom	8%	7%	4%	6%	7%	10%	6%	2%	-8%
United States	-24%	-24%	-7%	-19%	-12%	-12%	-18%	-12%	-24%

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