



Transit Trends

with hometime

Welcome to 2024

from the CEO

Hi there,

I'm excited to kick off this year by introducing our new quarterly series **'Transit Trends with Hometime'** where we'll share the latest market conditions, booking and tourism trends to help you understand what you could expect from your bookings in each season, and the factors that affect this.

To briefly reflect on 2023, we saw things normalise after coming out of the post-pandemic travel boom. Together, along with our guests, we weathered 12 interest rate rises while delivering above market performance. Thankfully, this year's outlook is more stable.

While cost of living has been a concern here in Australia, travel and entertainment spend were noted as the only discretionary categories to record above-inflation growth in the [CommBank iQ's Cost of Living Insights report.](#), reinforcing the high value Australians place on travelling.

International arrivals are expected to surpass 2019 levels for the first time since the pandemic, and importantly, China is yet to return as an inbound source market. The weaker Australian dollar should encourage both international and domestic travel in 2024.

So, we're expecting a stronger year that will see nightly rates hover around similar levels to 2023. Occupancy may be higher given the macro drivers towards domestic travel over outbound international travel, and increasing international visitation.

Again, thank you for your business and I look forward to partnering with you to deliver exceptional experiences to our guests over the months ahead.

With thanks,



Billy Crock
CEO & Co-founder
hometime

The Market Outlook

Read the latest update on booking and tourism trends from our in-house revenue management experts

Domestic travel is staying constant

The Deloitte Tourism Outlook report has incredible insights on macro conditions, allowing us to forecast overall STR performance. Even

among tightening economic conditions, **domestic travel stayed constant in 2023**, with the yearly average spend of an individual rising by 30%, indicative of higher travel costs. Deloitte predicts **domestic overnight travel to increase by 5.5%** in 2024 after a 3.7% growth in 2022. This is good news for destinations close to capital cities, as they see most of this demand in public, school holidays and other events.

International travel numbers look promising

International visitors in the holiday segment had yet to fully bounce back, with 2023 at 60% of pre-pandemic levels. A popular segment last year was visits from family (VFR), this was at 115% of pre-pandemic levels. Education and business are also lagging behind at 73% and 85%, respectively. The **forecast for international arrivals** is for this to **continue building strongly in the next 12 months**, with an increase expected, likely surpassing 2019 levels. This is promising for our internationally connected destinations, such as capital cities and some destinations in far north Queensland.

How December performed

Looking back at our December results, we saw great results in our capital cities **outpacing our previous year's occupancy** in our **urban markets** (Melbourne, Sydney, Adelaide, Brisbane). Our combined performance in these markets of **78%**, was above the combined market occupancy of **69%**. There were great results in some of our vacation destinations, such as Wollongong, Newcastle, Central Coast, Gold Coast and Sunshine Coast. Our properties in these destinations (**76%**) outperformed the market occupancy (**68%**) in December.

January was a stellar month

January is one of the **peak months** for most of our **eastern markets**, and this was seen in our results for the month. Our urban markets (Melbourne, Sydney, Adelaide, Perth, Brisbane) finished up at a combined **79%**, which was above the market average of **69%**. There were some great results in vacation areas in QLD, NSW, and VIC as

our properties in these destinations (**78%**) again outperformed market occupancy (**69%**), and areas such as Gold Coast and Sunshine Coast hit **80%**.



How the first quarter of 2024 is looking

We're expecting higher demand/occupancy in February thanks to Taylor Swift concerts in Melbourne and Sydney. **Melbourne is sitting at 90% occupancy** for that weekend, which is an incredible result given how much supply exists within that market. There is also the Australian Grand Prix (Melbourne) and Mardi Gras (Sydney) towards the end of February, which will contribute to higher nightly rates. Other capital cities, such as Perth, are seeing a good pick up for February, with good forward occupancy despite higher premiums. Adelaide has the Fringe Festival at the end of February and early March, so we should see good occupancy across those weeks.

Addressing the slower season in vacation markets

February tends to be a shoulder month in vacation markets due to the end of school holidays and no public holidays/events across that period. However, as Easter is towards the end of March this year, we

are seeing a **good pick up in bookings** for this period. We're keeping a close eye on market pricing and adjusting our rates accordingly to stay competitive. For our northern markets (Darwin/Cairns/Palm Cove/Port Douglas) we are running targeted promotions across Airbnb and Booking.com to encourage occupancy and to maximise last-minute travel during the wet season.

Don't forget to check out...

What you can do in the Homeowner Portal

We all need reminders from time to time. Here's your reminder of what you can do in your Homeowner Portal:

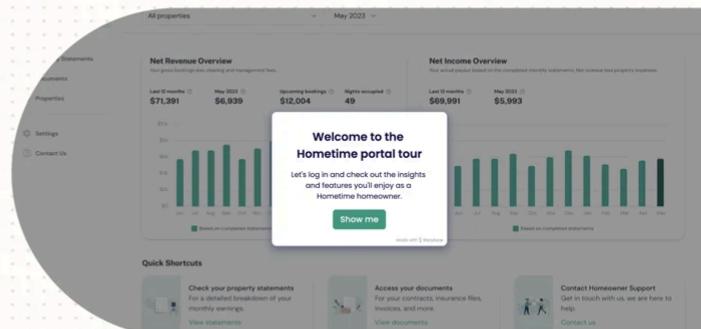
- ✓ Update bank details in the **Settings** tab.
- ✓ Block out dates for your property anytime in the **Calendar** tab.
- ✓ Access your statements in the **Property Statements** tab. You can check out the changes to your statement [here](#).
- ✓ Turn on booking notifications in the **Settings** tab simply by switching the notifications toggle to on.

Need a visual refresher? Get a walk through of everything you can do in the [Homeowner Portal tour](#).

Log in to the portal

Have an opinion on the Homeowner Portal?

Tell us what you think



Did you miss the end of year Homeowner Portal update?

Hometime's product team were incredibly busy releasing features to improve not only your experience with the Hometime, but our guests as well. Check out the list of highlights released in 2023 [here](#).

[See the new features released](#)

Thanks for reading,

The Hometime Team

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