Short Term Rentals trends from Lighthouse
(Formerly Transparent Intelligence)

January 2024

VisitBritain/VisitEngland Research

January 2024 | Mixed performance at the start of 2024, and normalisation in post COVID trends can be observed

- January 2024 saw **accelerated growth in the supply** of short term rental properties compared with 2019 and 2023, with London reaching and exceeding 2019 levels for the first time seen for at least the last two years.

- ADR also continues to grow at the start of 2024, however occupancy levels and average revenue per property were **lower than what was seen** in the same month in 2023.

- We can see further **normalisation in travel behaviour** after COVID recovery, with average length of stay, property capacity, and the share of inbound vs. domestic travellers very similar year on year.

- January saw an increase in demand for stays in **Bristol**, **Brighton** and **Norwich**, with **Saudi Arabia** once again being the inbound market which was the source of the strongest growth post-COVID.

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.

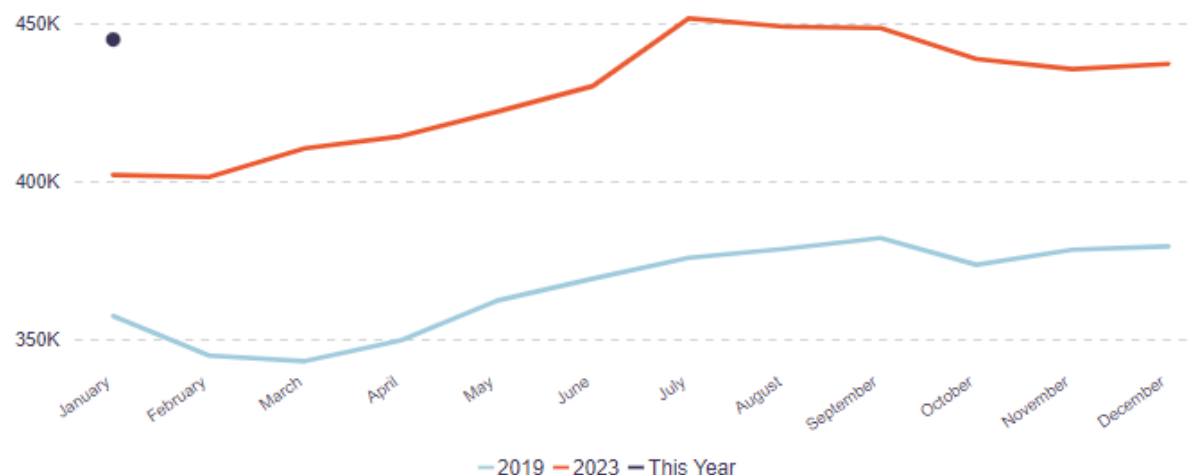This report can be freely shared, as long as Lighthouse is cited as the source.

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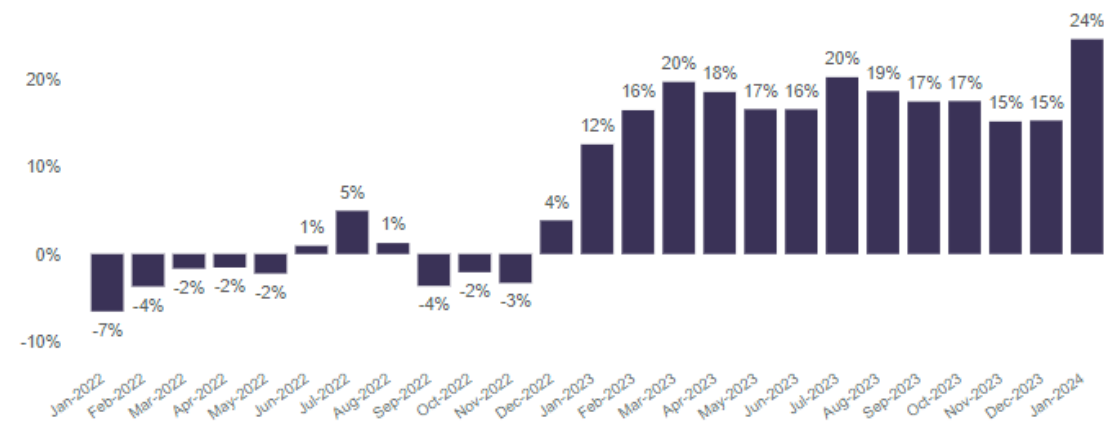
Latest trends

Supply | Growth in supply of short term rental properties accelerated in January

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

— 2019 — 2023 — This Year

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


- The supply of short term rental properties across the UK remained well above 2019 levels throughout 2023, and that trend has continued at the start of 2024.
- In January 2024, we see an acceleration of growth (24% vs. 15% in December) with over 444,000 short term rental properties across the UK.

Reserved nights | More nights reserved in January 2024 vs. January 2023

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

— 2019 — 2023 — This Year — On the Book *
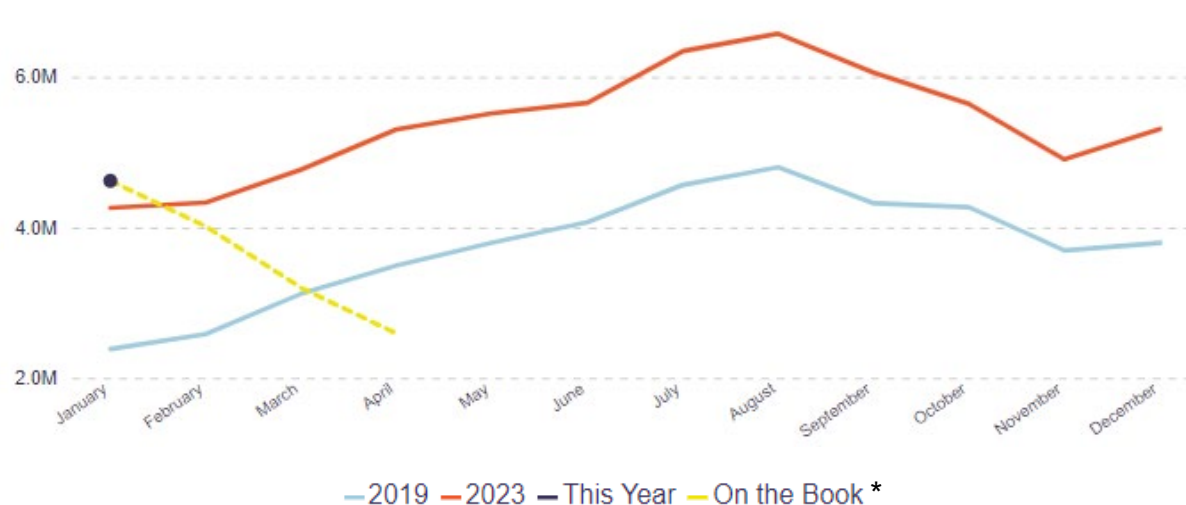
Growth in nights reserved in short term rental properties vs. 2019
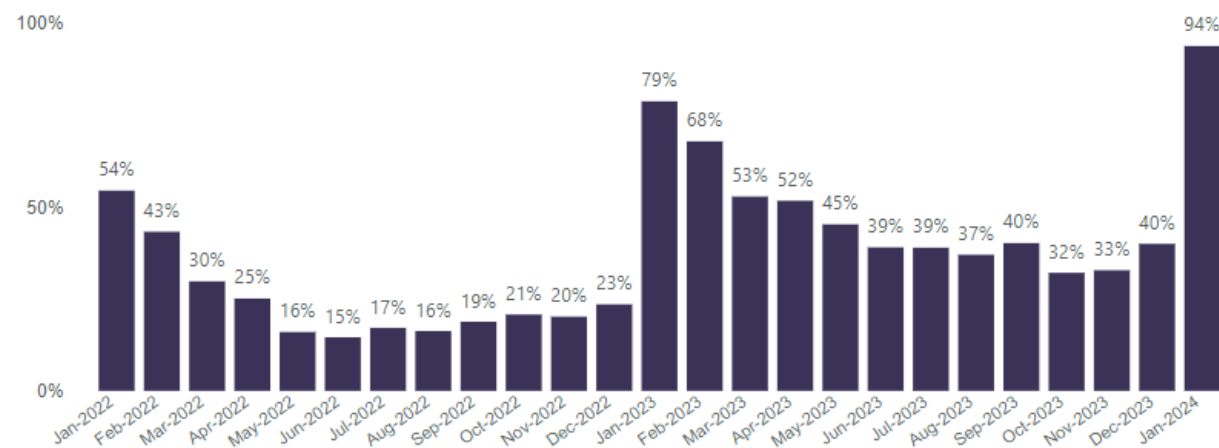
- Early 2023 saw a particularly strong boost in the volume of nights reserved: exceeding 2019 levels by 79% in January, and this pattern has been repeated in January 2024. That month saw a growth of 94% in nights reserved.
- 4.6 million nights were reserved in short term rental properties in January. Looking into the months ahead, 2.6 million nights have been reserved for April 2024 as of the end of January 2024.
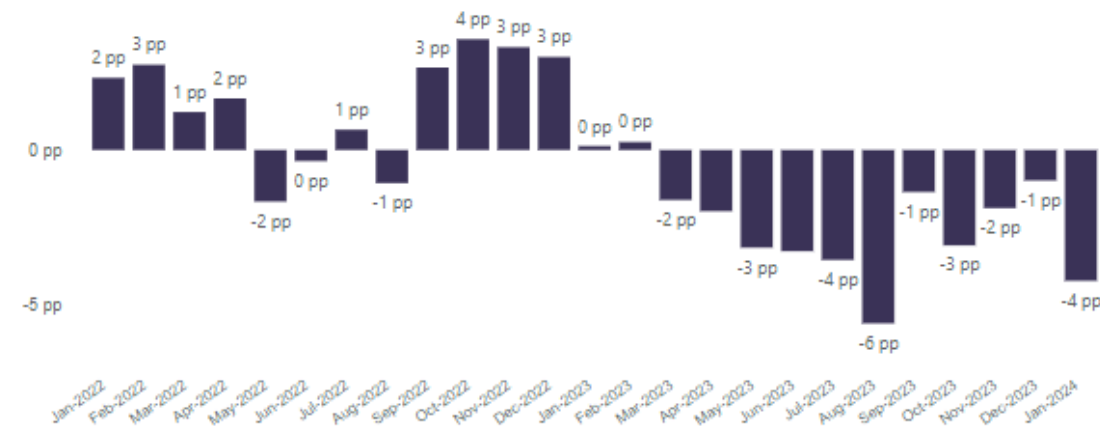
*Nights already reserved for future months as of January 2024. We can expect volumes to increase in the future as more bookings are made.

Occupancy | Occupancy rates below 2019 levels in January 2024

Occupancy rates for short term rental properties

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

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

- After most months in 2022 seeing the occupancy rate of short term rental properties exceed 2019 levels, most of 2023 saw occupancy rates decline. The largest decline was seen in August at -5 percentage points, and January 2024 also sees declines at -4 percentage points.
- Occupancy rates were lower in January 2024 compared with a year earlier, at 37% (vs. 42%), with 23% occupancy achieved so far for April 2024 from bookings made before the end of January 2024.

Average daily rate and revenue per property | Growth continues, but revenue lower than the same month in 2023

Average daily rate of short term rental properties in the UK (£)
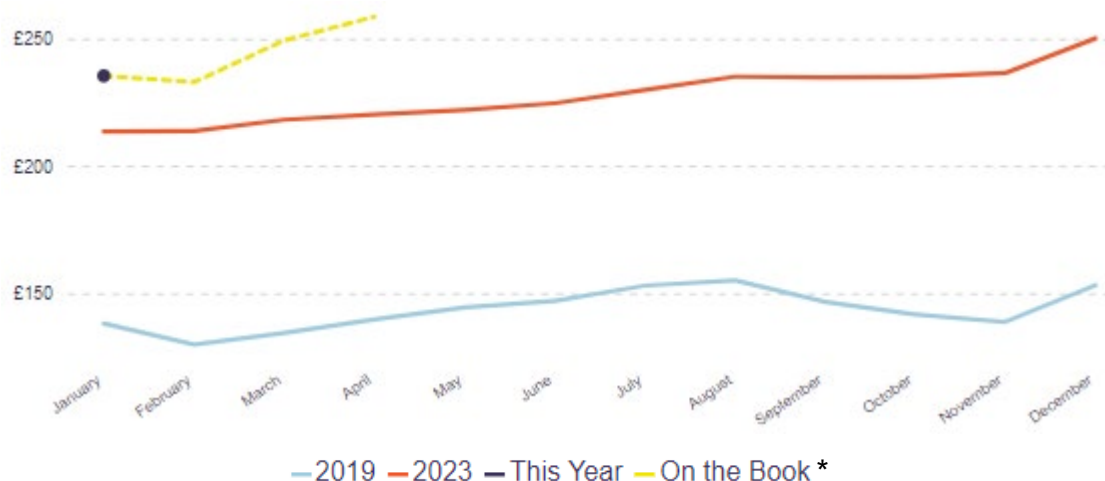
Average revenue per short term rental property in the UK (£)
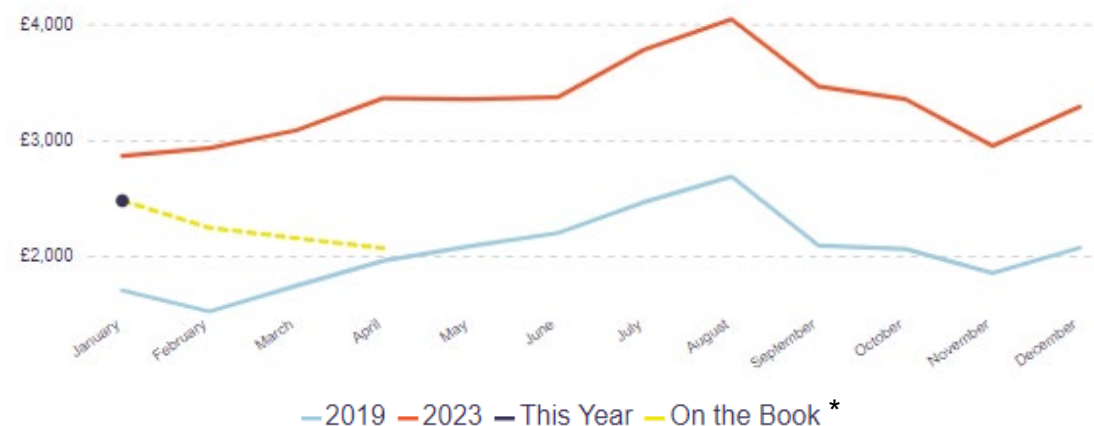
- ADR and average revenue for short term rental properties exceeded 2019 levels throughout 2023, and this continued into January 2024. ADR grew by 70% in January 2024 vs. the same month in 2019, with average revenue growing by 45% in that time. This growth outpaced the rate of inflation during the same period (24%). However, revenue was lower than what was seen climb further.
- Average revenue per property in January 2024 was £2,477. Average revenue associated with stays 'on the book' in the upcoming months as of January 2024 is lower than in previous months, however this is likely to change as more bookings are made.

Trip characteristics | Average length of stay in January similar to a year before

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

● 2019 ● 2023 ● 2024 **On the book***

January: 10.4, 15.8, 15.9
February: 6.3, 9.5, 10.2
March: 5.6, 8.5, 9.3
April: 5.1, 7.9, 8.9
May: 4.9, 7.0
June: 4.8, 7.7
July: 4.9, 6.8
August: 5.0, 7.0
September: 5.8, 8.4
October: 6.0, 9.5
November: 6.7, 10.5
December: 5.1, 8.4

Average property capacity*

Jan-2019: 20%, 34%, 45%
Jan-2024: 24%, 38%, 38%

● 1-2 guests ● 3-5 guests ● 6+ guests
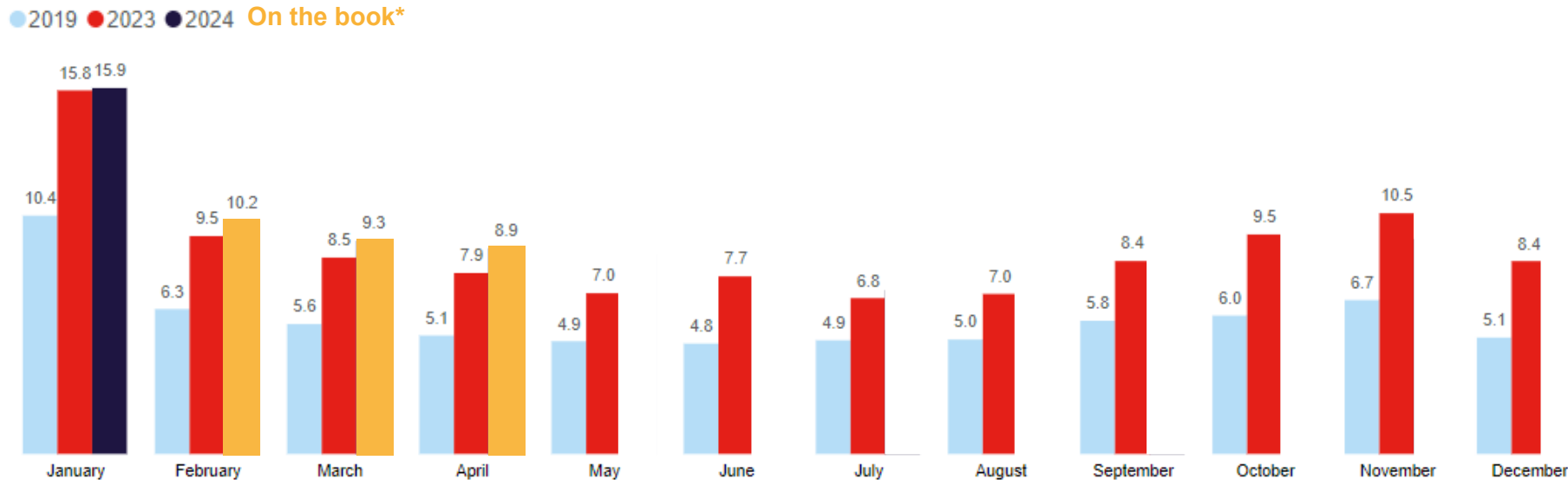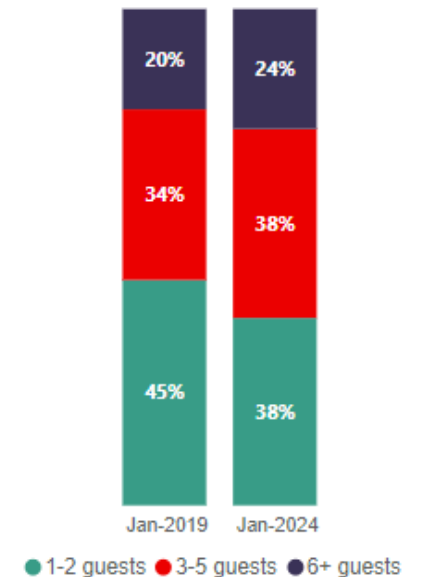
- The average length of stay in short term rental properties exceeded what was seen in 2019 throughout 2023, and this continued in January 2024, with an average stay of 15.9 nights. The longest length of stay each year tends to be seen in January, with declines over the summer and some growth again in the latter months.
- The average property capacity booked by guests in January 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.

VISIT BRITAIN VisitEngland

UK destination trends

Supply | London exceeding 2019 levels for the first time throughout 2022 and 2023

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

Region	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023	Jan-2024
East Midlands	30%	33%	38%	37%	36%	38%	39%	38%	36%	37%	35%	35%	50%
East of England	45%	46%	48%	47%	44%	47%	50%	49%	48%	48%	44%	44%	62%
London	-25%	-20%	-13%	-12%	-16%	-12%	-4%	-3%	-5%	-4%	-3%	-3%	1%
North East	42%	47%	48%	48%	50%	45%	55%	46%	47%	49%	46%	46%	60%
North West	30%	35%	40%	43%	42%	40%	46%	42%	42%	41%	37%	37%	49%
Scotland	-3%	0%	1%	0%	-2%	-5%	-4%	-6%	-8%	-9%	-13%	-14%	-11%
South East	19%	24%	25%	24%	24%	23%	26%	25%	23%	23%	22%	22%	30%
South West	24%	27%	27%	23%	25%	21%	22%	20%	19%	19%	16%	16%	29%
Wales	24%	26%	29%	27%	23%	24%	24%	23%	23%	21%	18%	19%	29%
West Midlands	47%	46%	49%	48%	44%	44%	48%	47%	45%	45%	42%	43%	68%
Yorkshire and The Humber	44%	41%	44%	43%	42%	46%	47%	43%	43%	43%	38%	40%	58%

Supply in Jan 24 | Strongest growth in supply vs. 2019 seen from the West and East Midlands

Scotland
45K | -11% vs. 2019

North East (England)
13K | 60% vs. 2019

North West (England)
39K | 49% vs. 2019

Yorkshire and the Humber
28K | 58% vs. 2019

West Midlands (England)
20K | 68% vs. 2019

East Midlands (England)
19K | 62% vs. 2019

Wales
35K | 29% vs. 2019

East
32K | 50% vs. 2019

South West (England)
80K | 29% vs. 2019

London
81K | 1% vs. 2019

South East (England)
52K | 30% vs. 2019
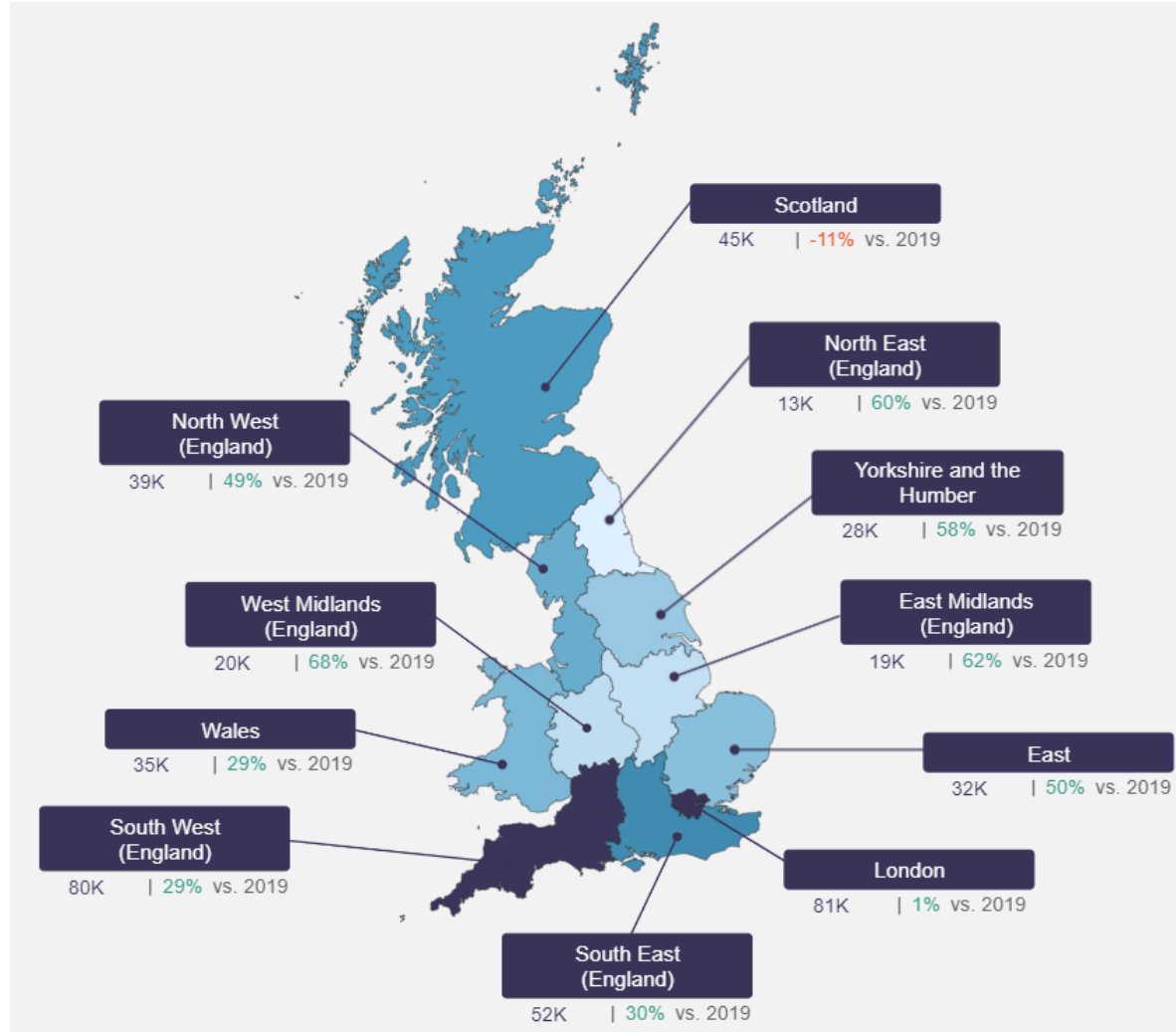
- Looking across the UK in January 2024, supply of short term rental properties is most likely to be clustered in the South West and London. These destinations hold 80,000 and 81,000 properties respectively.
- The lowest number of short term rental properties are found in the North East, East Midlands, and West Midlands.
- In January 2024, most UK destinations are seeing growth in supply vs. the same month in 2019. The most growth is seen in the West Midlands (68%), East Midlands (62%), and North East (60%).
- London is now exceeding pre-COVID levels by 1%, but Scotland remains behind by 11%.

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

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

Scotland
473K | 44% vs. 2019

North East (England)
130K | 295% vs. 2019

North West (England)
372K | 198% vs. 2019

Yorkshire and the Humber
257K | 168% vs. 2019

West Midlands (England)
219K | 194% vs. 2019

East Midlands (England)
198K | 196% vs. 2019

Wales
301K | 109% vs. 2019

East
309K | 111% vs. 2019

South West (England)
716K | 101% vs. 2019

London
1M | 48% vs. 2019

South East (England)
576K | 97% vs. 2019
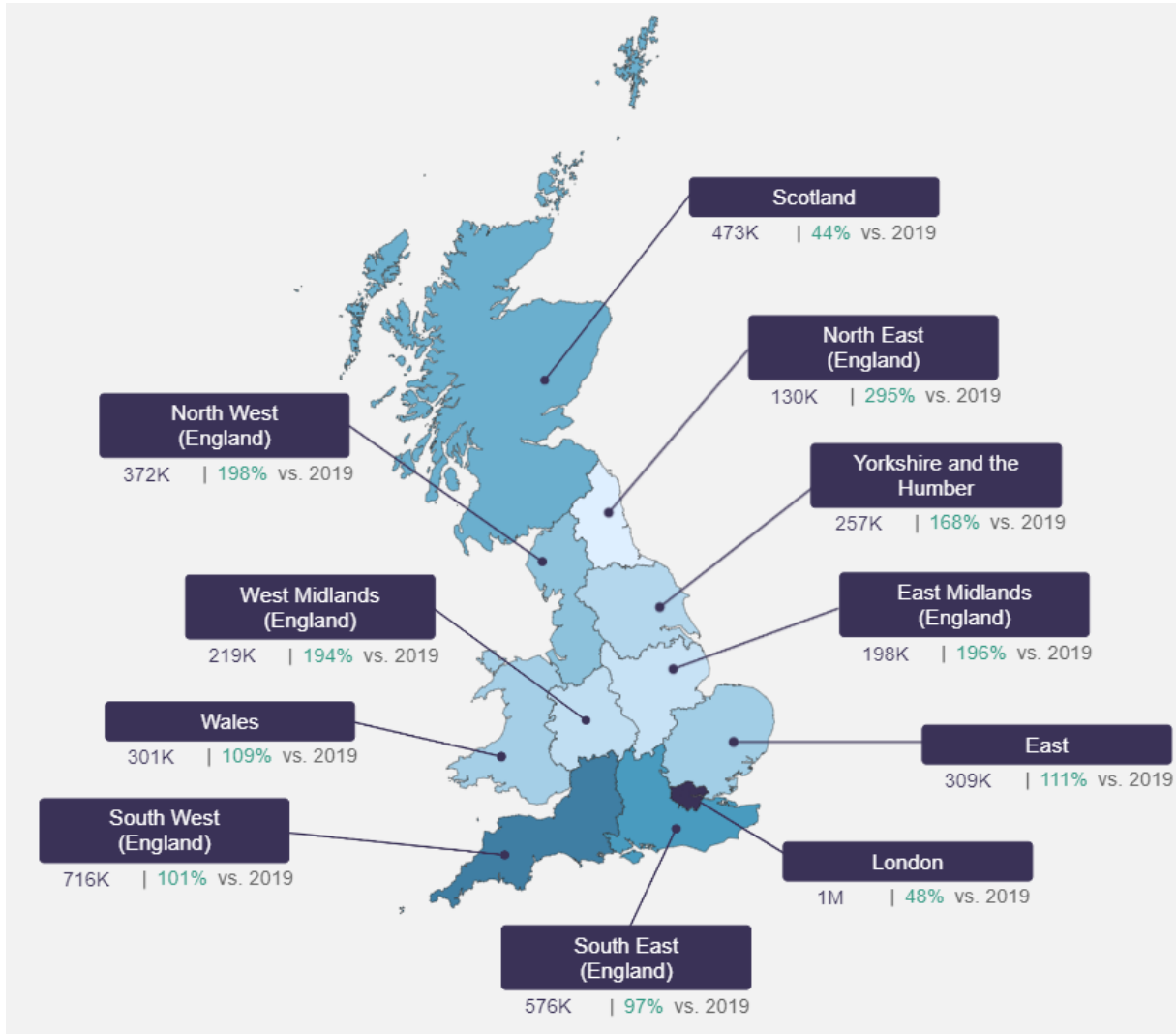
- The spread of nights reserved across the UK follows a similar trend to that of supply, with the most nights being reserved in London and the South West in January 2024 (1 million and 716,000 respectively).
- The lowest number of nights were reserved in the North East, East Midlands and West Midlands in that month.
- The volume of nights reserved was significantly higher across the UK in January 2024 compared to the same month in 2019, with the most growth being seen from the North East (295%) and East Midlands (196%).

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

Occupancy in Jan 24 | Highest occupancy rates in Scotland, with multiple destinations seeing growth vs. 2019

Scotland
42% | 4 pp vs. 2019

North East (England)
38% | 1 pp vs. 2019

North West (England)
36% | -4 pp vs. 2019

Yorkshire and the Humber
36% | -8 pp vs. 2019

West Midlands (England)
36% | -5 pp vs. 2019

East Midlands (England)
39% | -3 pp vs. 2019

Wales
36% | -7 pp vs. 2019

East
36% | -10 pp vs. 2019

South West (England)
37% | -5 pp vs. 2019

London
33% | -10 pp vs. 2019

South East (England)
38% | -4 pp vs. 2019
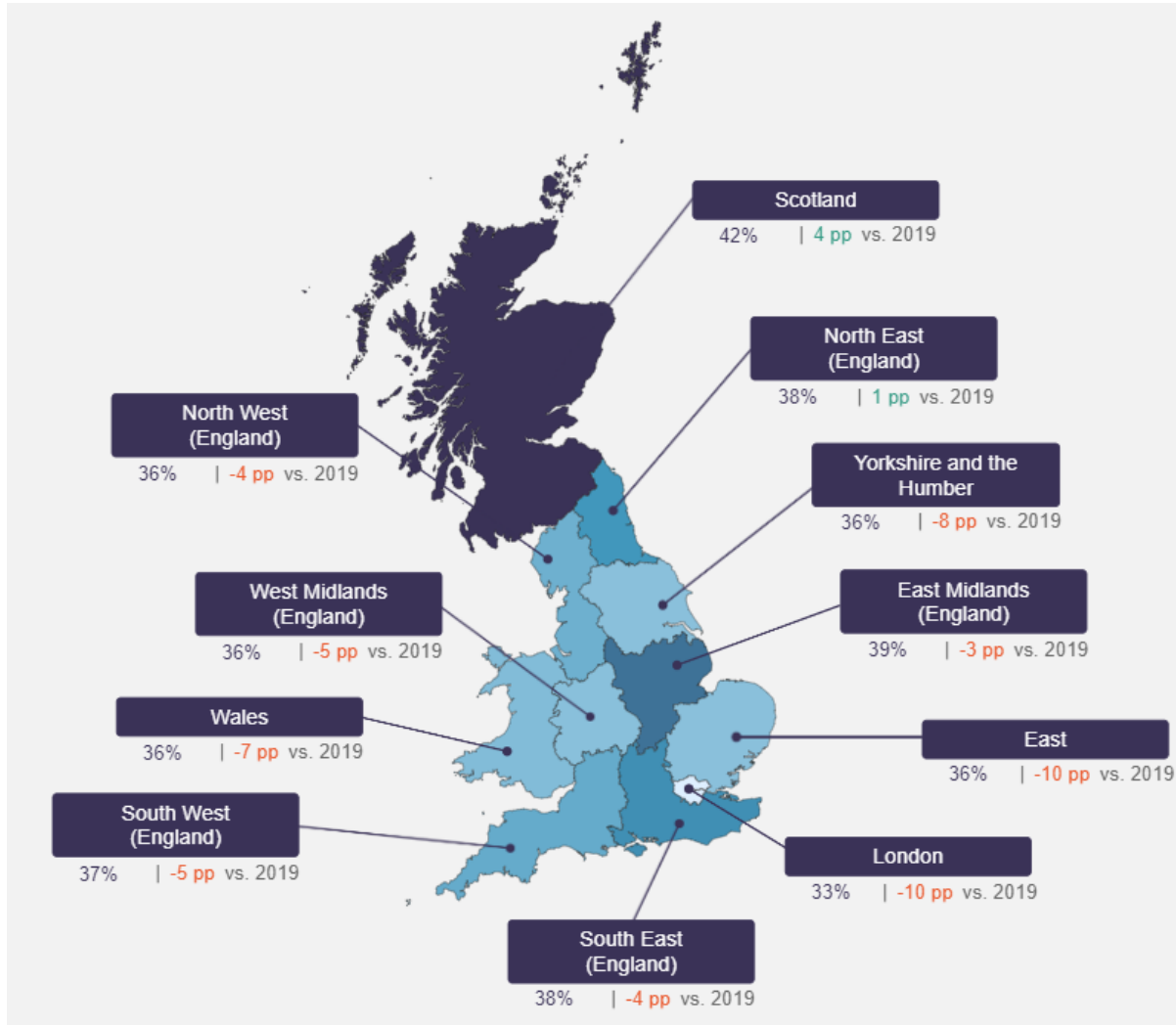
- Trends in occupancy rates across UK destinations in January differ compared to those seen for supply and nights reserved.
- The highest rates of occupancy are seen in Scotland, followed by the East Midlands and South East.
- The lowest rates of occupancy are seen in London and Yorkshire and the Humber.
- Two UK destinations saw an increase in occupancy rates when comparing January 2024 with the same month in 2019: Scotland (+4 percentage points), and the North East (+1 percentage point).

pp = percentage point change

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

Top cities | Bristol, Brighton and Norwich gaining popularity between December and January

Ranking of cities by nights reserved

Top ranked by year
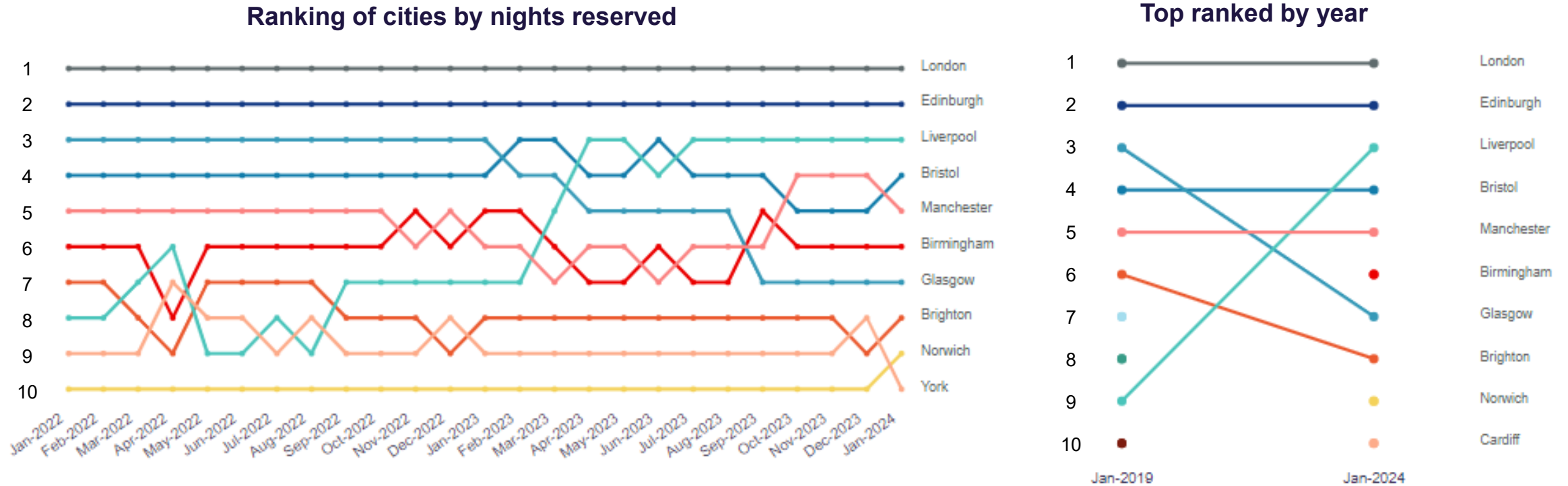
- In January 2024, the most popular UK cities when it comes to nights reserved in short term rental properties were London, Edinburgh, and Liverpool. From December to January, Bristol, Brighton and Norwich all gained 1 rank each.
- When comparing the top 10 UK cities in January 2024 with the same month pre-COVID, Liverpool gained 6 ranks, with Glasgow and Brighton losing ranks, and Birmingham, Norwich and Cardiff being new entries in the top 10.

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 | Share of inbound traveller reviews dictated by seasonality as post-COVID trends normalise

Domestic vs. international origin by month

	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023	Jan-2024
International	28%	22%	26%	28%	34%	33%	35%	34%	32%	31%	28%	30%	29%
Domestic	72%	78%	74%	72%	66%	67%	65%	66%	68%	69%	72%	70%	71%

● Domestic ● International
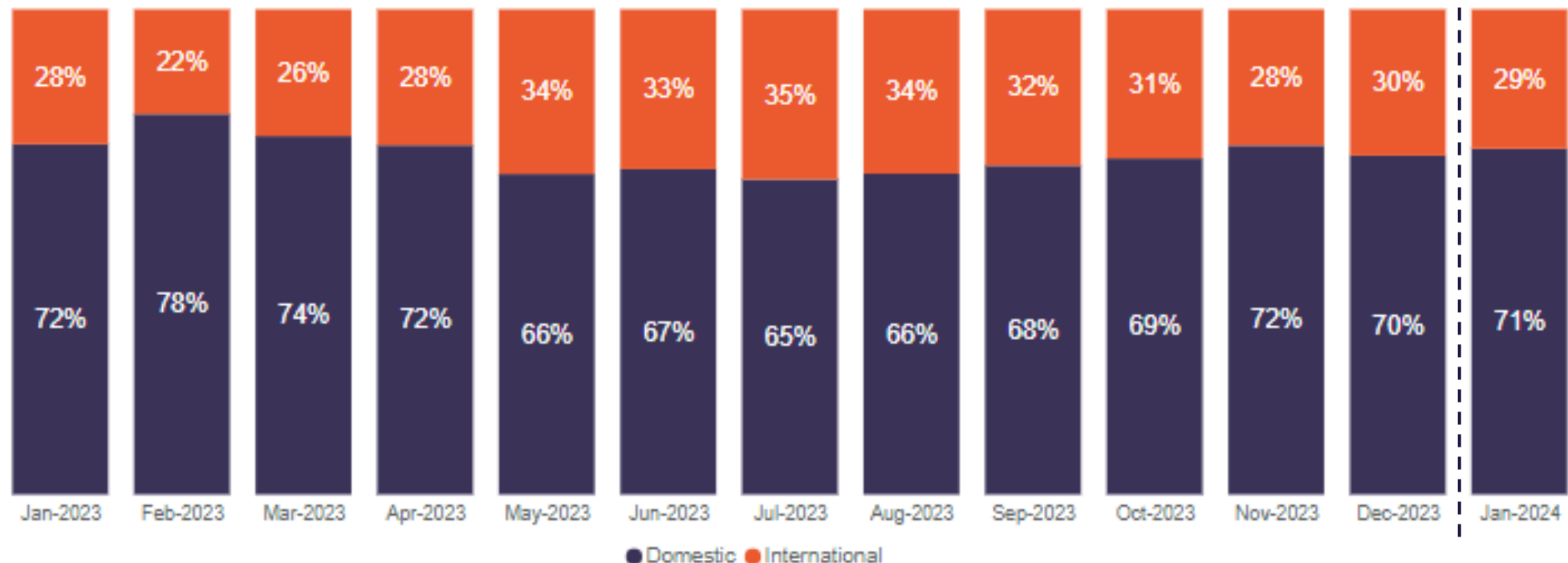
- After seeing the proportion of domestic travellers staying in UK short term rental properties reduce throughout 2022 in favour of inbound travellers, these shares have increased once again in the latter parts of 2023, and the start of 2024.
- Seasonal trends may now be holding larger sway compared with post-COVID recovery.

VISIT BRITAIN   VisitEngland

Overview | January 2024 more likely to see European travellers vs. the same month in 2023

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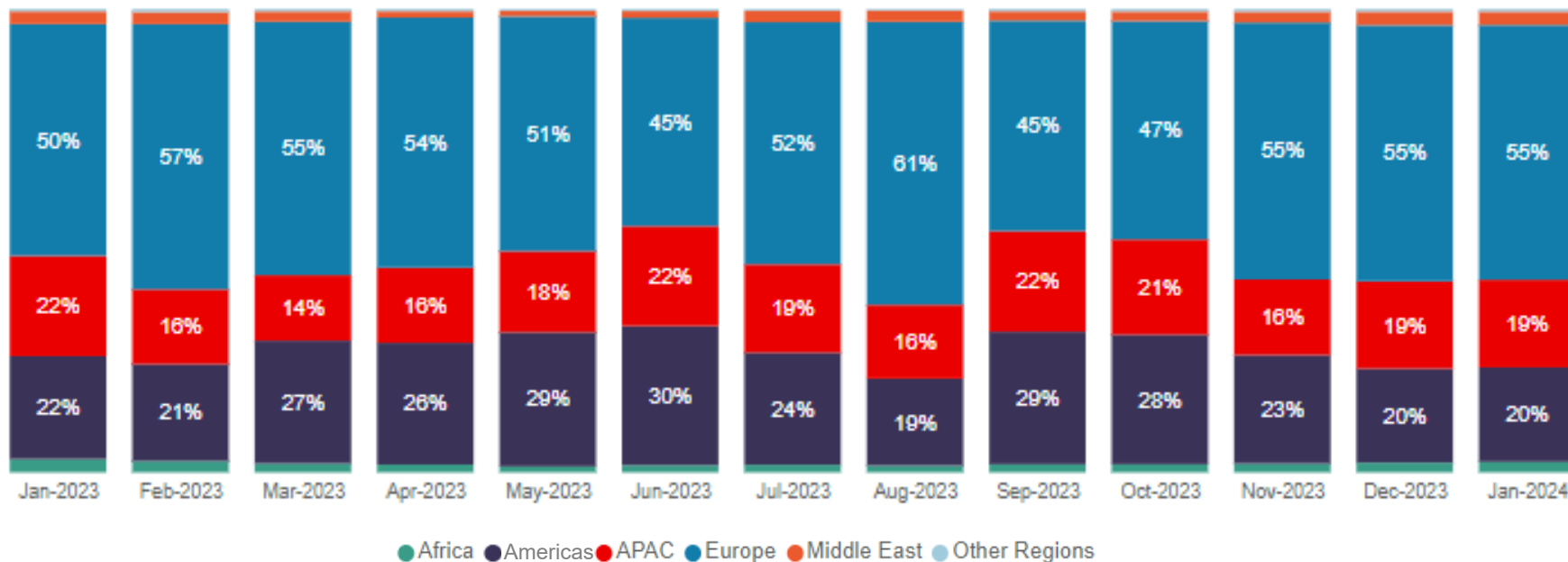
Top origin markets (Jan 24)*

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

	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023	Jan-2024
Europe	50%	57%	55%	54%	51%	45%	52%	61%	45%	47%	55%	55%	55%
APAC	22%	16%	14%	16%	18%	22%	19%	16%	22%	21%	16%	19%	19%
Americas	22%	21%	27%	26%	29%	30%	24%	19%	29%	28%	23%	20%	20%

● Africa ● Americas ● APAC ● Europe ● Middle East ● Other Regions

- Information from guest reviews suggests that inbound travellers from Europe (excluding the UK) were the most dominant in 2023 and into 2024, with this region maintaining share when comparing December and January (55%).
- When comparing origin trends in January 2024 with the same month in 2023, we can see Europe gaining 5 percentage points, APAC losing 3 percentage points, and the Americas losing 2 percentage points.
- In January 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

VISIT BRITAIN VisitEngland

In detail | In December, Saudi Arabia once again saw the most growth vs. 2019

Number of reviews vs. same period in 2019

- The growth seen in the number of reviews left by domestic travellers was regained in December vs. November (2% vs. -5%).
- In December 2023, the inbound markets seeing the strongest growth in the volume of reviews left were Saudi Arabia, Austria, Brazil, and Spain.
- Many markets saw declines vs. 2019, with this being most marked from Russia (-75%), and China (-69%).

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	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023
Australia	10%	5%	5%	1%	-4%	7%	10%	0%
Austria	17%	-12%	-15%	-4%	-13%	-11%	-5%	28%
Belgium	52%	-27%	-2%	-0%	-28%	-22%	-10%	-2%
Brazil	31%	9%	-1%	10%	4%	15%	17%	26%
Canada	-14%	-19%	-17%	-22%	-13%	-1%	-17%	-16%
China	-51%	-65%	-58%	-63%	-64%	-51%	-52%	-69%
Denmark	-5%	-25%	-11%	-9%	-20%	-13%	-23%	-1%
France	-1%	-28%	-11%	-12%	-21%	-26%	-18%	0%
Germany	16%	-7%	-4%	4%	-9%	-13%	-10%	4%
Hong Kong	11%	1%	-3%	39%	-1%	25%	5%	-16%
India	14%	-9%	-1%	22%	10%	10%	-10%	5%
Italy	-30%	-22%	-20%	-25%	-28%	-30%	-25%	-6%
Japan	-35%	-32%	-29%	-30%	-37%	-18%	-38%	-40%
Netherlands	29%	1%	5%	8%	6%	-4%	-9%	4%
New Zealand	-8%	-13%	-2%	1%	0%	14%	9%	5%
Norway	23%	-15%	1%	5%	-13%	-12%	-23%	-21%
Qatar	70%	-17%	23%	-12%	-2%	-6%	-19%	-19%
Russia	-78%	-68%	-72%	-70%	-72%	-78%	-83%	-75%
Saudi Arabia	124%	-16%	17%	2%	-19%	24%	37%	62%
South Korea	-16%	-39%	-45%	-48%	-32%	-8%	-39%	-41%
Spain	-20%	-29%	-25%	-25%	-30%	-15%	-17%	12%
Sweden	-14%	-33%	-22%	-28%	-29%	-22%	-25%	-11%
Switzerland	20%	-10%	1%	-4%	-5%	-7%	-18%	-6%
United Arab Emirates	22%	-15%	15%	-12%	9%	23%	-14%	5%
United Kingdom	9%	9%	13%	6%	2%	7%	-5%	2%
United States	-7%	-8%	-7%	-20%	-6%	-6%	-15%	-19%