Short Term Rentals trends from Lighthouse

January 2025

VisitBritain/VisitEngland Research

January 2025| Supply continues to grow, whilst nights reserved are flat; ADR has increased well above inflation

- In January 2025 we saw a 16% increase in ADR (Average Daily Rate), and an 8% increase in the supply of short-term rental properties compared to the same month in 2024. However, the revenue per property decreased by 6% and the number of nights reserved remained the same compared to January 2024.
- From December 2024 to January 2025, the most popular UK cities by nights reserved saw minimal ranking changes.
- Saudi Arabia led for reviews in December 2024*, with an 80% increase in reviews left compared to the same month in 2019. In contrast, the volume of reviews from China and Russia are down 75% and 72% respectively.
- The North East and North West have experienced the strongest growth in reserved nights vs. 2019, closely followed by the East and West Midlands. The West Midlands, East Midlands, and North East continue to show the strongest growth in supply vs. 2019, while Scotland is the only UK region where supply has fallen below 2019 levels, which was an ongoing trend seen throughout 2024. Owing to increasing supply (except Scotland), all regions experienced a decrease in occupancy rates compared to 2019.

*Note: Market level reviews are one month behind the data available in order to showcase a more robust trend due to delays in travellers leaving review

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:

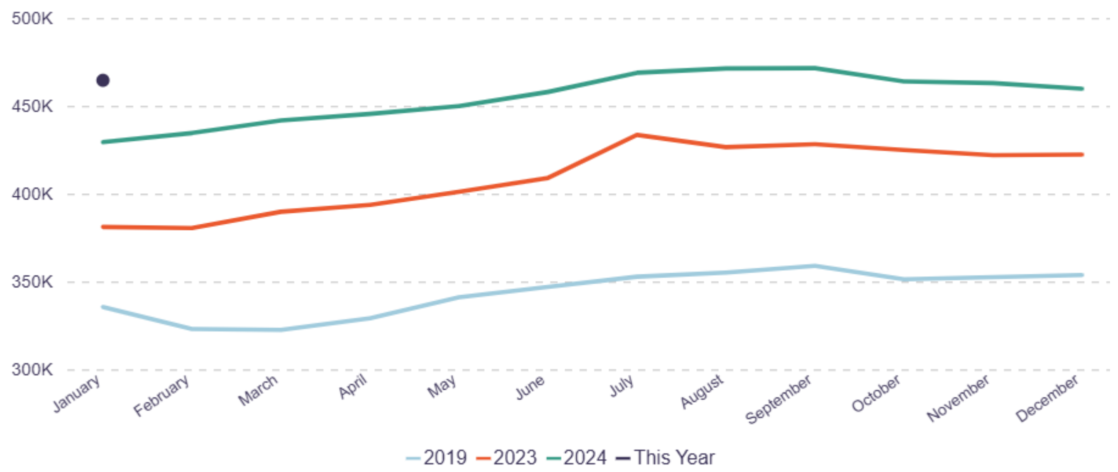
- Lighthouse estimates that roughly 20% of the global demand for accommodation in 2021 was driven by short-term rentals, meaning that the data in this report should ideally be considered in tandem with insights that VisitBritain/VisitEngland receives on the performance of serviced accommodation in England 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.

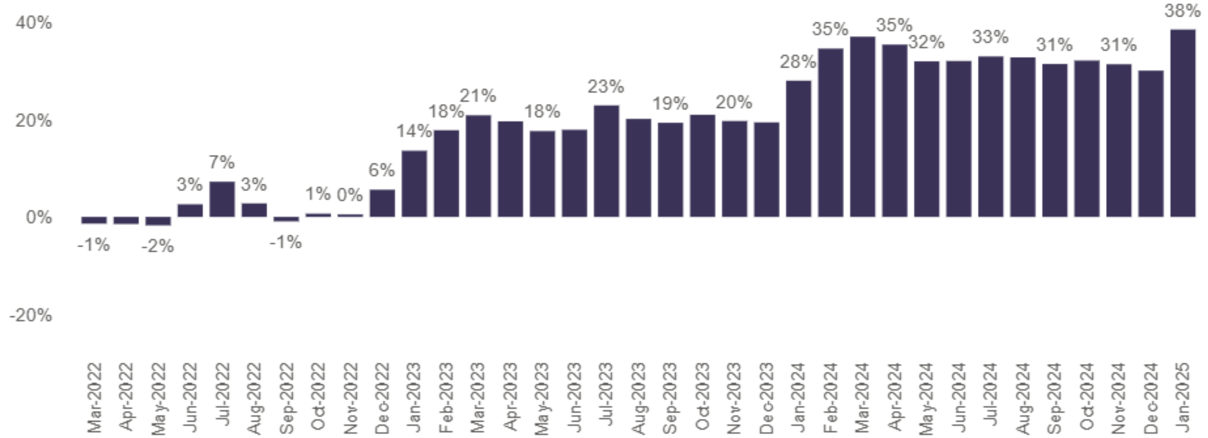
Latest trends

Supply | Overall volumes were higher in January 2025 than in past years, although lower than the summer 2024 peak

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



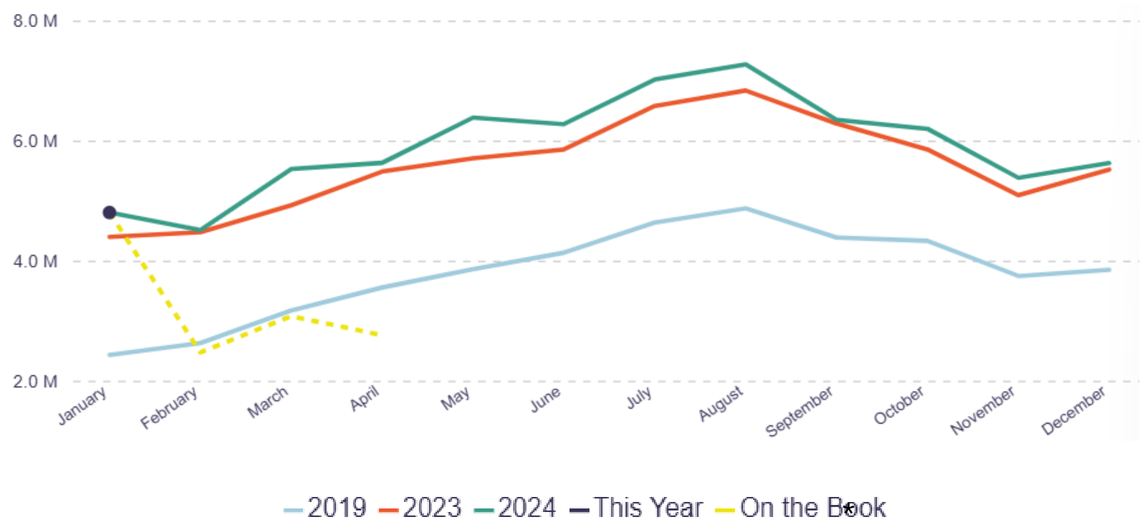
Percentage change in supply of short term rental properties vs. 2019



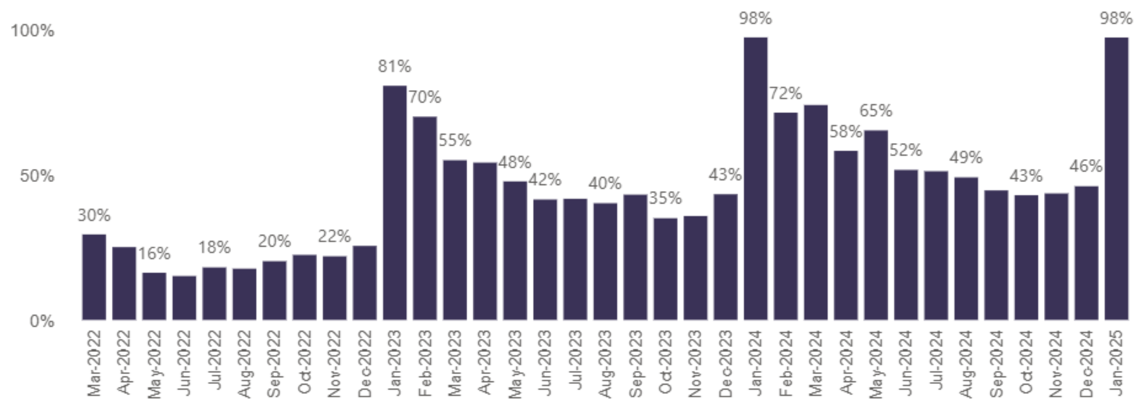
- The total supply of short term rental properties across the UK has increased in January 2025 and is up on January 2024. This follows the trend of increasing supply throughout 2024, which peaked across the summer months.
- Growth vs. 2019 grew to 38% in January, with over 464,000 short term rental properties across the UK. This is an 8% increase in the supply of short term rental properties from January 2024 (429,315 in 2024 vs 464,527 in 2025).

Reserved nights | Volume of nights is on par with January 2024

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



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



- In January 2025, 4.8 million nights were reserved in short term rental properties, the same as January 2024, both a 98% increase in 2019 levels.
- Looking forward to the next 3 months, 2.5 million nights have been reserved for February 2025, 3.1 million for March 2025, and 2.8 million for April 2025, as of the end of January 2025.

**Nights already reserved for future months as of January 2025. We can expect volumes to increase in the future as more bookings are made.*

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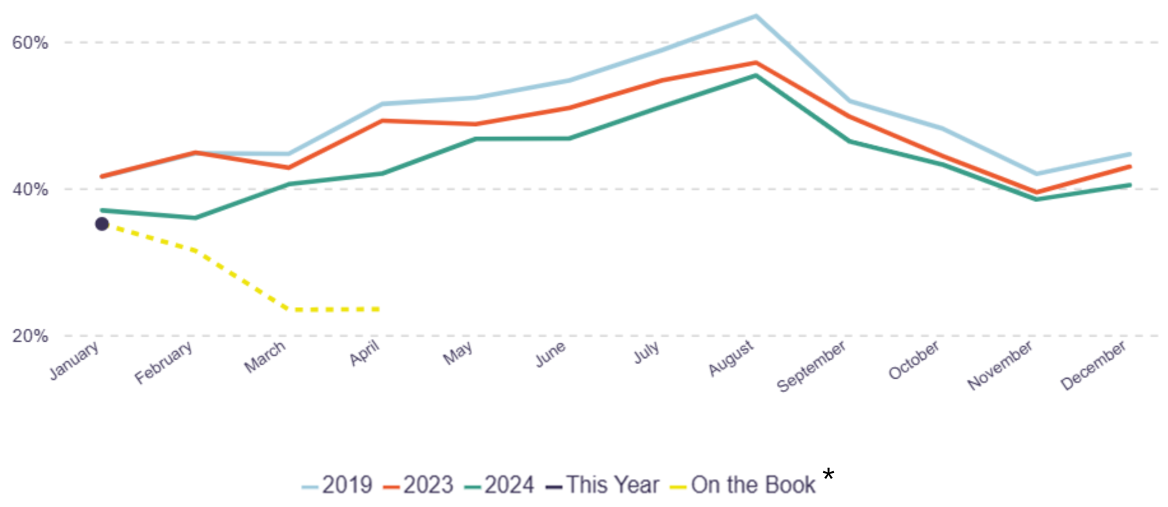
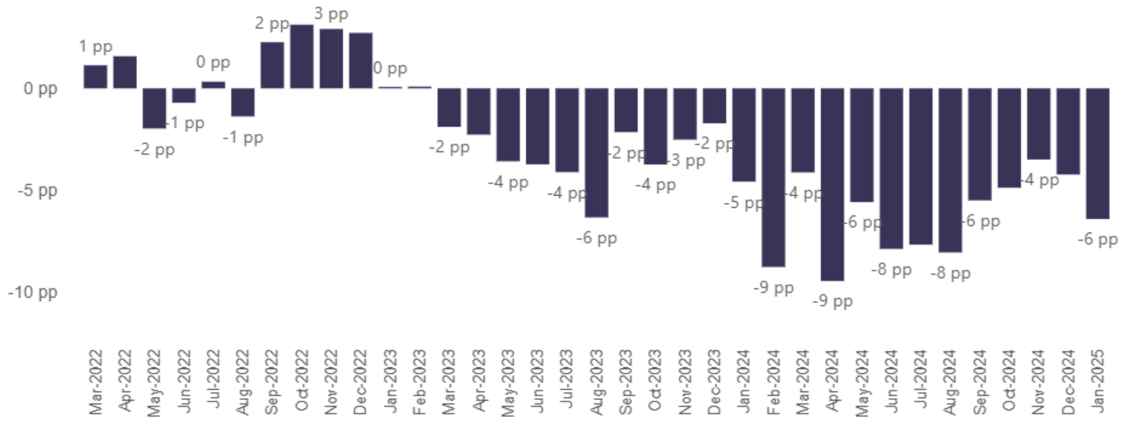
Occupancy | Occupancy rates remain lower than 2024 due to a supply increase and level reserved nights

Occupancy rates for short term rental properties



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

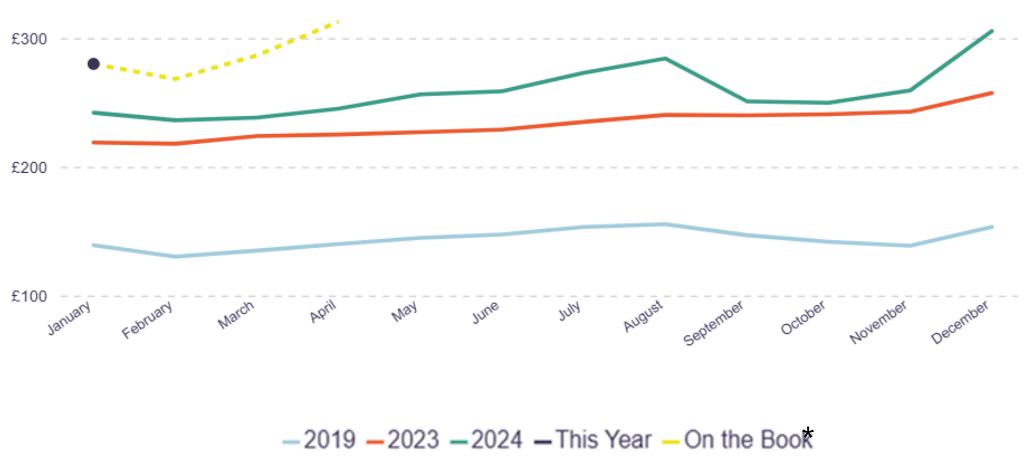


- As supply increases, often occupancy rates fall if reserved nights cannot keep up with supply.
- Due to increases in supply, most of 2024 saw occupancy rates decline compared to 2019. The largest declines were seen in January and April at -9 percentage points.
- Occupancy rates were 35% in January 2025, 2 percentage points lower than January 2024 (37%).
- From bookings made before the end of January 2025, 32% occupancy has been achieved for February 2025, 23% for March 2025, and 24% for April 2025.

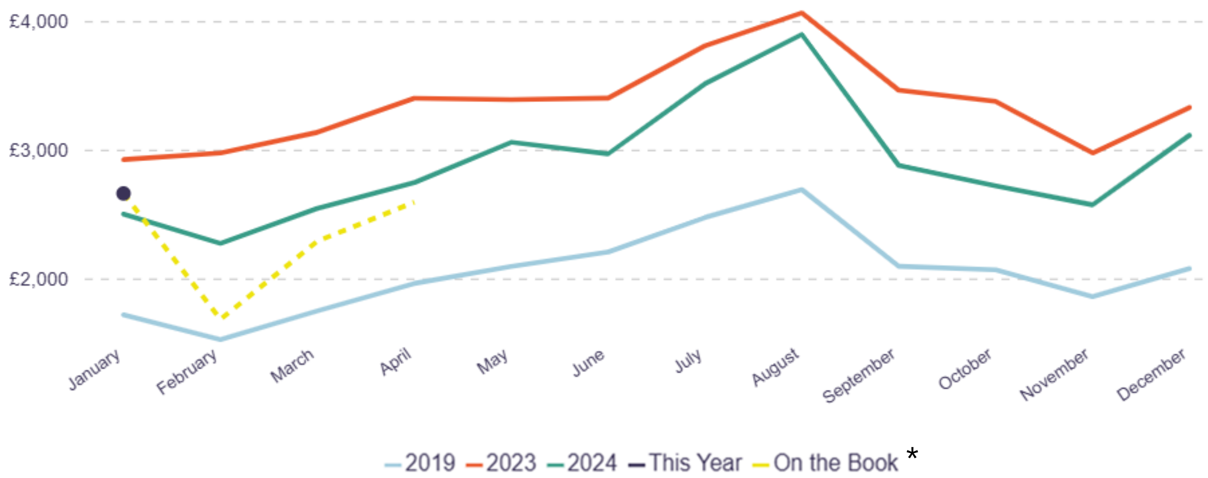
**Occupancy rates based on bookings in future months as of January 2025. We can expect occupancy to increase in the future as more bookings are made. Occupancy rates are calculated based on the sum of booked nights divided by the sum of available nights, accounting for nights which are not available for check in because of cleaning/maintenance/property owner occupying the property.*

Average daily rate and revenue per property | ADR continues to grow above and beyond the rate of inflation

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



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

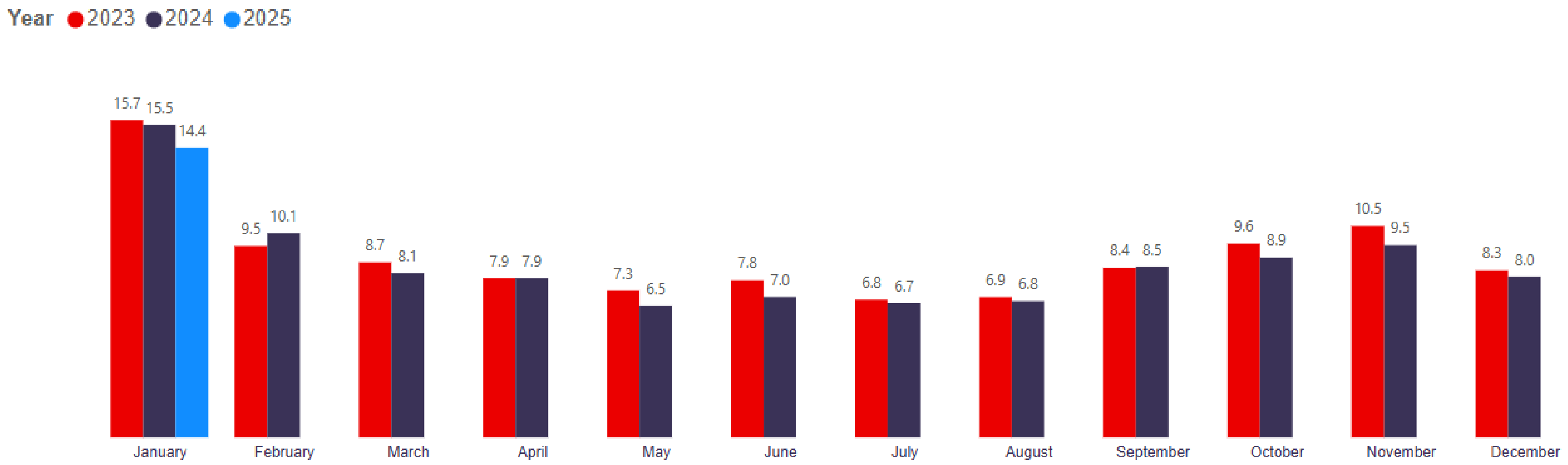


- ADR and average revenue for short term rental properties exceeded 2019 levels throughout 2024, and this has continued at the start of 2025.
- ADR for January 2025 has grown by 101% since January 2019. This growth outpaced the rate of inflation during the same period (27%).
- ADR in January 2025 was £280, an increase in 16% from January 2024 (ADR was £242). ADR associated with bookings in the next 3 months is set to be £268 in February 2025, £287 in March 2025, £313 in April 2025.
- Average revenue per property in January 2025 was £2,660. This is a 6% increase from January 2024 (£2,500).
- From December 2024 to January 2025, there has been a decrease in ADR and in average revenue per short term rental property.
- The average revenue from bookings for the upcoming months, as of January 2025, continues to shift.

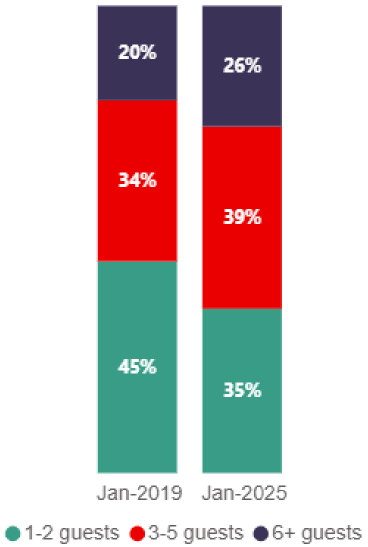
Note: ADR = average daily rate, representing the average nightly price when the data was flagged as booked, not including fees or discounts. Average revenue per property = the sum nightly price per property when booked, not including fees or discounts. Both metrics from Lighthouse data are in US dollars, which have been converted here using exchange rates from the Bank of England.
**Average daily rate for bookings in future months as of January 2025. Metrics may change in the future as more bookings are made.*

Trip characteristics | Average length of stay has declined in January 2025 compared to the past two year

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 has decreased to an average of 14.4 nights in January 2025. This is around a 1-night decrease compared to the same month in 2024, and even lower than January 2023. Average length of stay was lower than the previous year towards the end of 2024.
- 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 2025 is larger compared to the same month in 2019, which suggests an increase in party size compared to pre-pandemic.

***According to number of nights reserved.*

UK destination trends

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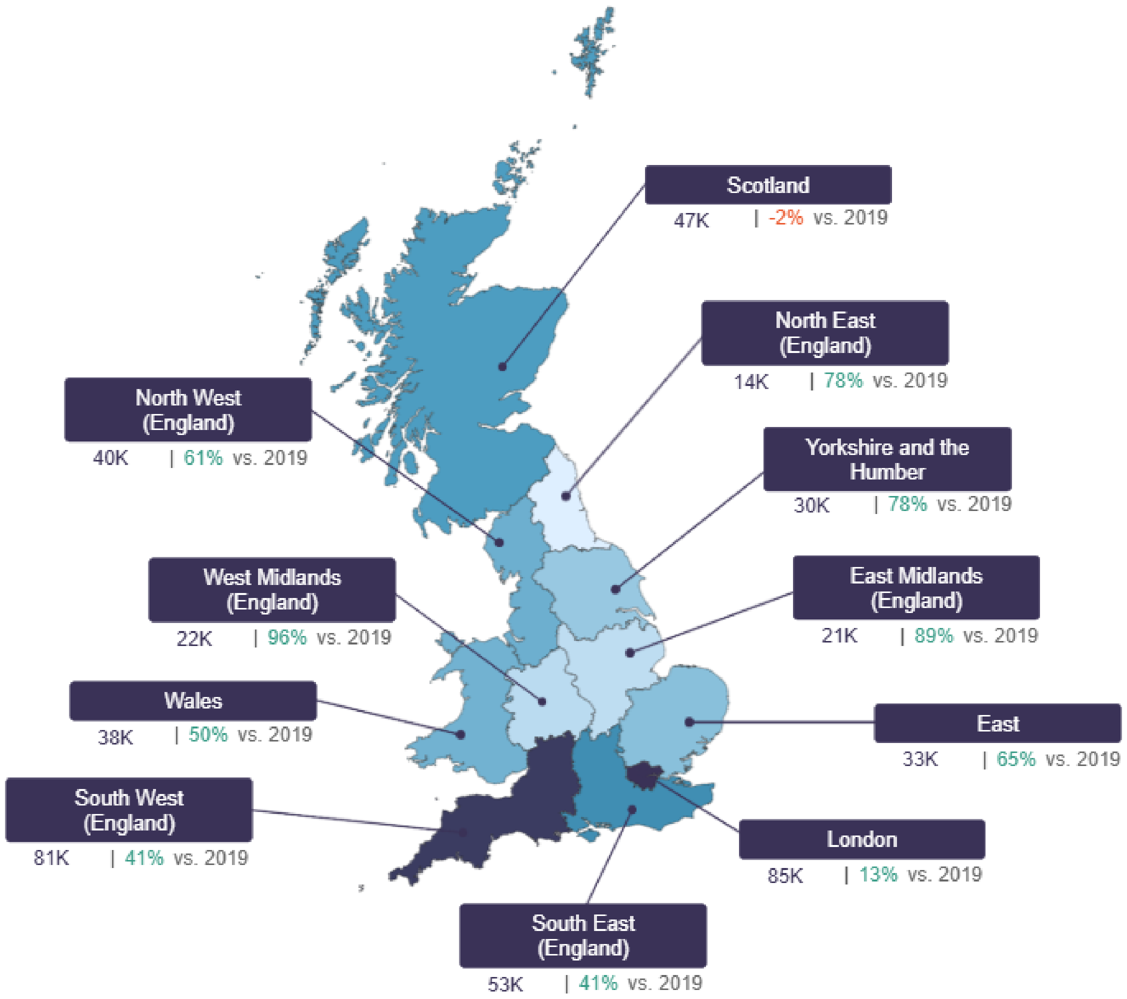
Supply | Growth vs. 2019 seen across UK regions apart from Scotland

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

UK Regions	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024	Dec-2024	Jan-2025
East	51%	56%	60%	59%	56%	57%	57%	57%	54%	56%	55%	54%	65%
East Midlands (England)	67%	71%	73%	71%	68%	71%	71%	72%	70%	70%	71%	72%	89%
London	3%	12%	18%	14%	5%	9%	13%	12%	11%	11%	9%	7%	13%
North East (England)	59%	67%	70%	71%	71%	65%	68%	69%	67%	69%	67%	67%	78%
North West (England)	49%	56%	57%	57%	56%	56%	59%	58%	57%	57%	56%	54%	61%
Scotland	-6%	-1%	-0%	-0%	-2%	-5%	-4%	-5%	-6%	-4%	-4%	-5%	-2%
South East (England)	32%	40%	40%	39%	37%	36%	38%	38%	36%	36%	36%	34%	41%
South West (England)	34%	39%	38%	36%	38%	34%	33%	33%	32%	32%	31%	29%	41%
Wales	38%	44%	48%	48%	44%	46%	43%	45%	46%	44%	44%	42%	50%
West Midlands (England)	74%	78%	81%	79%	70%	70%	72%	73%	70%	70%	69%	70%	96%
Yorkshire and The Humber	60%	60%	64%	62%	60%	65%	61%	62%	61%	62%	60%	61%	78%

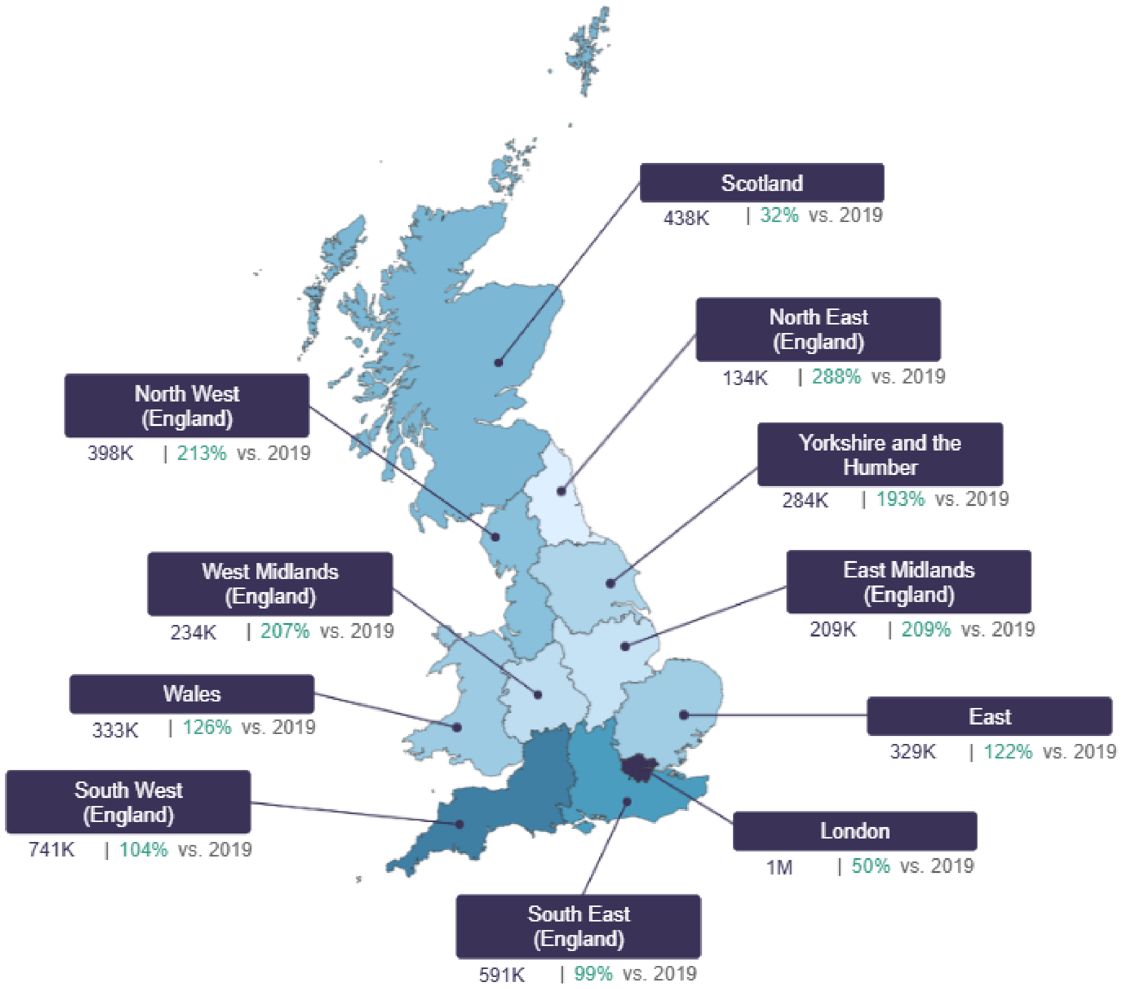
Supply in January 25| Strongest growth in supply vs. 2019 seen from the West Midlands and East Midlands



- Looking across the UK in January 2025, supply of short term rental properties is most likely to be clustered in the South West and London. These destinations hold 81,000 and 85,000 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 January 2025, all UK destinations apart from Scotland (-2%) are seeing growth in supply vs. the same month in 2019. The most growth is seen in the West Midlands (+96%) and the East Midlands (+89%).

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

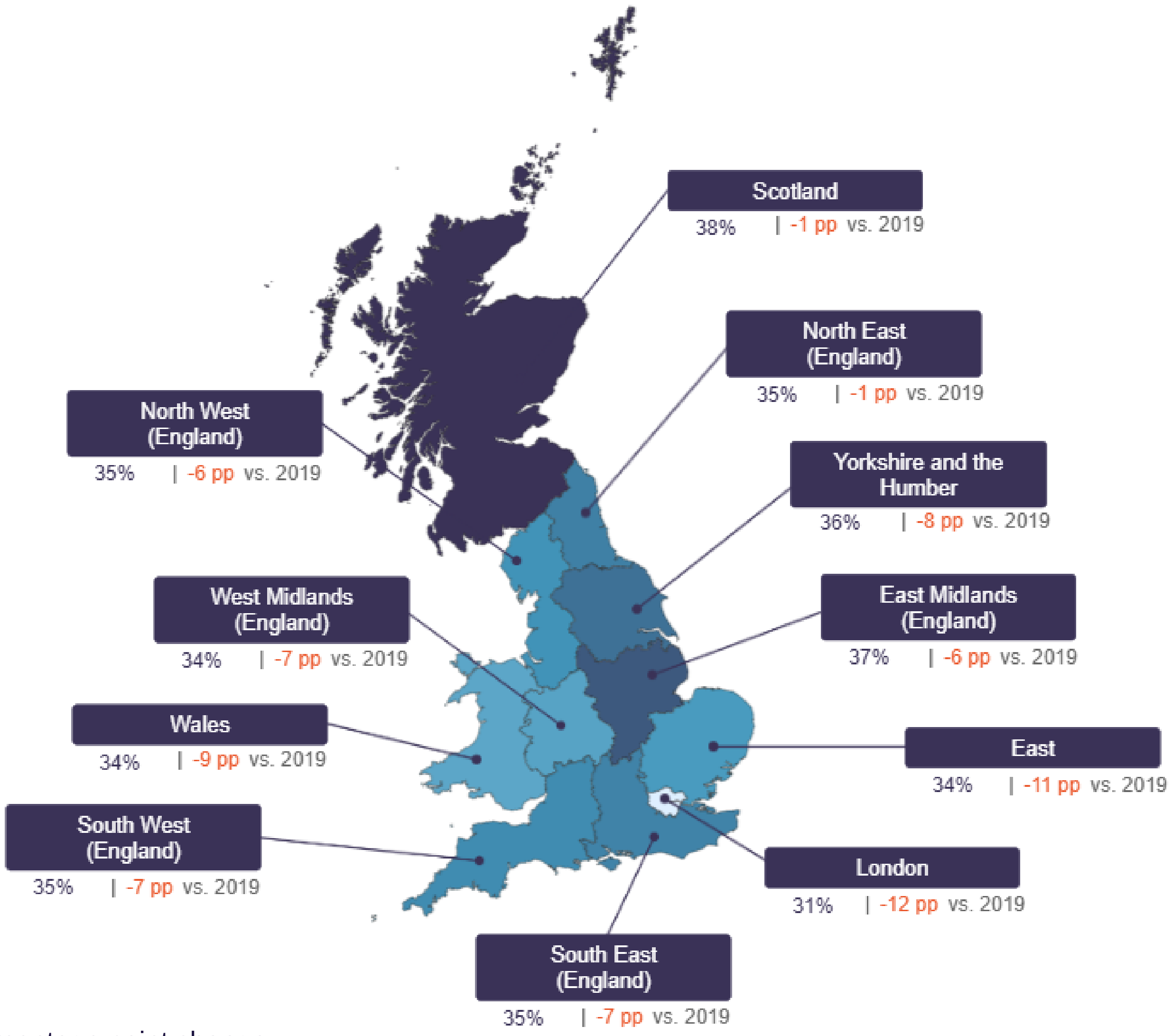
Reserved nights in January 2025 | North East and North West are seeing strongest growth in reserved nights vs. 2019



- The spread of nights reserved across the UK follows a similar trend to that of supply, with the most nights being reserved in London, the South West and the South East in January 2025 (1 million, 741k and 591k respectively).
- The lowest number of nights were reserved in the North East, East Midlands and West Midlands in January 2025 (134k, 209k, and 234k respectively).
- The volume of nights reserved was significantly higher across the UK in January 2025 compared to the same month in 2019, with the most growth being seen from the North East (288%), North West (213%), and East Midlands (209%).

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

Occupancy in January 2025| All occupancy rates were lower in January 2025 compared to the same month in 2019.



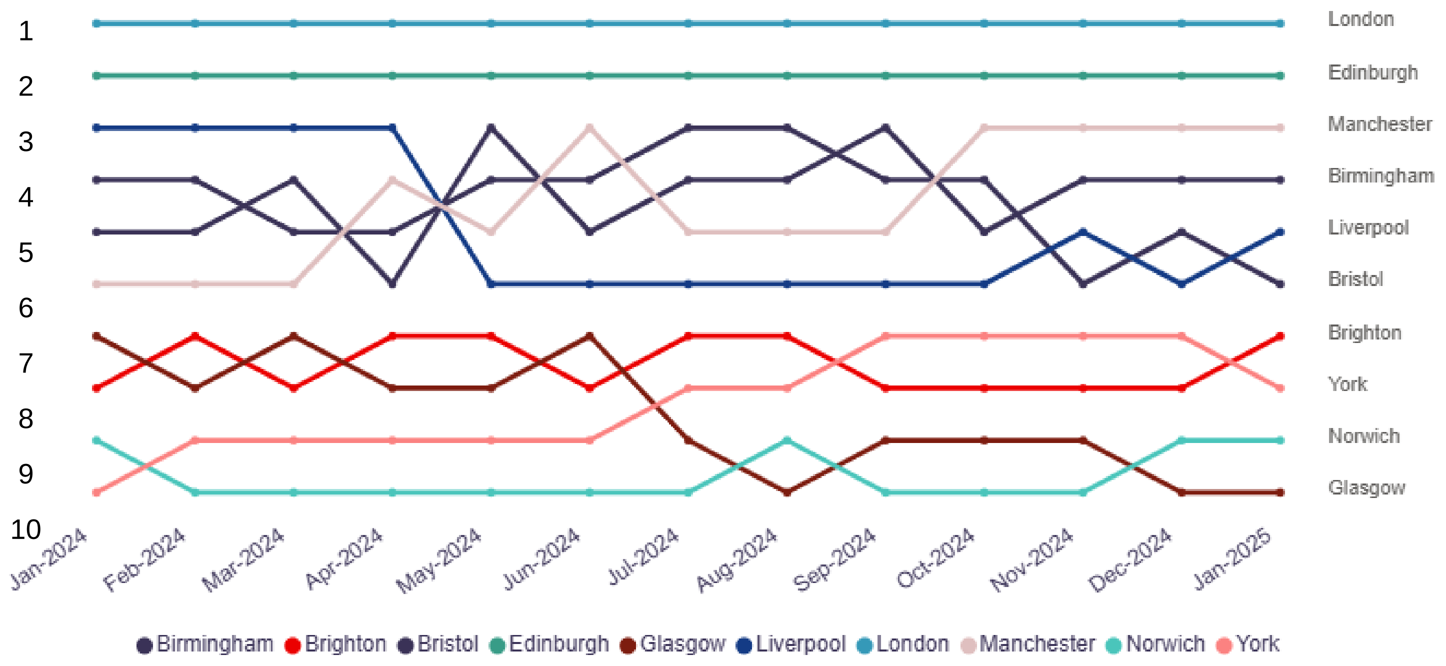
- Trends in occupancy rates across UK destinations in January 2025 differ compared to those seen for supply and nights reserved.
- The highest rates of occupancy are seen in Scotland (38%) and the East Midlands (37%), followed by Yorkshire and the Humber (36%).
- The lowest rates of occupancy are seen in London (31%), Wales and the East of England (both with 34% occupancy).
- All regions experienced a decrease in occupancy rates vs 2019 due to increasing supply. London and the East of England seeing the steepest decline (-12pp and -11pp respectively).

pp = percentage point change

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

Top cities | Small shifts in city rankings over the past year

Ranking of cities by nights reserved



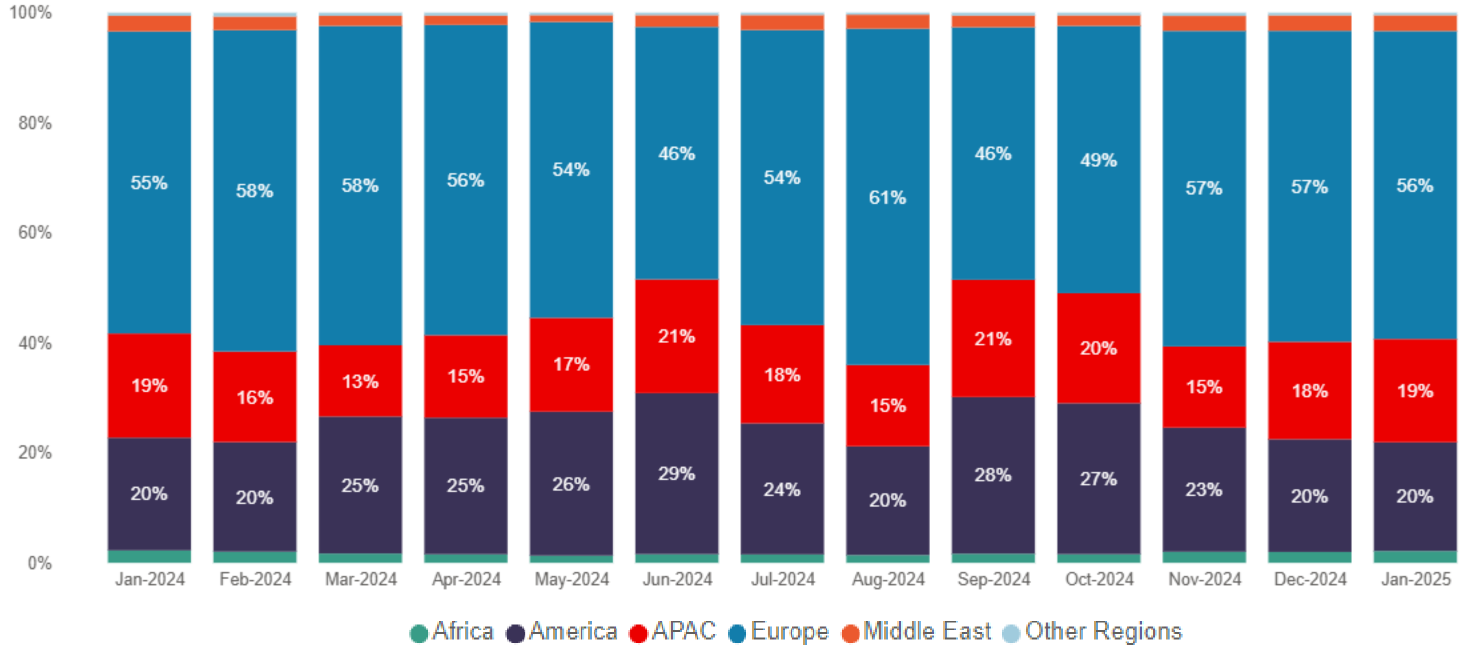
- In January 2025, the most popular UK cities when it comes to nights reserved were London, Edinburgh, and Manchester.
- From December 2024 to January 2025, the rankings of the top 10 cities remained largely unchanged, except for Bristol which dropped one place in the rankings, swapping positions with Liverpool. Liverpool became the 5th most popular city, while Bristol moved to 6th place. Similarly, Brighton and York exchanged rankings, with Brighton rising to 7th most popular and York moving down to 8th.
- When comparing the top 10 UK cities between January 2024 and January 2025, several shifts occurred in the rankings of the most popular cities. Liverpool dropped from 3rd to 5th place, while Bristol also declined, moving from 4th to 6th place. In contrast, Birmingham gained popularity, climbing from 5th to 4th place, and Manchester saw a significant rise, jumping from 6th to 3rd place. Glasgow experienced the largest decline, falling from 7th to 10th place.

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 | 56% of inbound travellers came from Europe in January 2025

International origin region by month (excludes domestic origin)



Top origin markets (Jan 25)*

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

- Information from guest reviews suggests that inbound travellers from Europe (excluding the UK) were the most dominant in 2024 and in 2025 so far, with this region holding the highest share in January 2025 (56%).
- The share of travellers from America remained the same in December 2024 and January 2025, but the percentage of inbound visitors from Europe decreased in January 2025 by 1 percentage point, and those from APAC increased slightly.
- When comparing origin trends between January 2024 and January 2025, the patterns are quite similar. In January 2025, 56% of inbound travelers came from Europe, up from 55% in January 2024, with the same proportions from APAC and the Americas.
- In January 2025, 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 December, Saudi Arabia led for growth in reviews left

Number of reviews vs. same period in 2019

- The number of reviews left by domestic travellers was lower in December 2024 (247k) than November 2024 (263k).
- In December 2024, the inbound market with the strongest growth in the volume of reviews left was Saudi Arabia (80%).
- Many markets saw declines vs. 2019, with this being most marked from China (-75%) and Russia (-72%).

Market	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024	Dec-2024
Australia	6%	-4%	-11%	-9%	-2%	9%	4%	11%
Austria	27%	-13%	-3%	-4%	-7%	-1%	-1%	37%
Belgium	55%	-25%	0%	-6%	-21%	-12%	-12%	8%
Brazil	35%	10%	15%	27%	9%	22%	28%	39%
Canada	-10%	-16%	-20%	-20%	-13%	-7%	-22%	-13%
China	-44%	-61%	-52%	-60%	-69%	-57%	-60%	-75%
Denmark	-16%	-23%	-13%	-16%	-23%	-15%	-18%	9%
France	15%	-23%	-10%	-16%	-16%	-16%	-15%	20%
Germany	27%	-11%	-7%	4%	-24%	-24%	-21%	3%
Hong Kong	11%	2%	-10%	19%	-14%	-9%	-24%	-23%
India	18%	-5%	-3%	19%	5%	0%	-12%	16%
Italy	-8%	-14%	-5%	-5%	-9%	-9%	-14%	17%
Japan	-32%	-27%	-23%	-29%	-39%	-29%	-35%	-22%
Netherlands	32%	4%	2%	-2%	3%	-17%	6%	14%
New Zealand	5%	-9%	-1%	-6%	9%	11%	6%	6%
Norway	14%	-12%	14%	2%	-3%	-16%	-7%	2%
Qatar	40%	5%	2%	-4%	-8%	-39%	-20%	-2%
Russia	-75%	-67%	-73%	-67%	-73%	-77%	-81%	-72%
Saudi Arabia	143%	63%	57%	6%	5%	30%	79%	80%
South Korea	-18%	-44%	-41%	-36%	-30%	-27%	-36%	-40%
Spain	-13%	-11%	-14%	-20%	-23%	-18%	-8%	23%
Sweden	-16%	-26%	-21%	-28%	-23%	-22%	-25%	-4%
Switzerland	7%	-14%	6%	-11%	-3%	-11%	-23%	1%
United Arab Emirates	23%	-4%	14%	-2%	-2%	4%	0%	5%
United Kingdom	6%	7%	12%	10%	6%	0%	-0%	15%
United States	-19%	-11%	-10%	-14%	-7%	-14%	-19%	-8%

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