

New Zealand Hotel Performance Focus

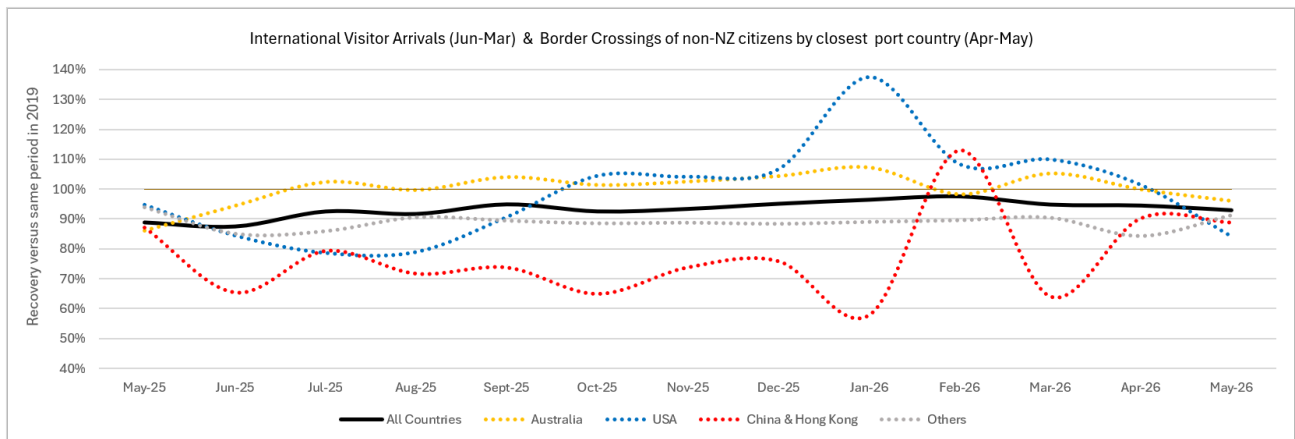
New Zealand Hotels Advance Amid Global Uncertainty

May 2026



New Zealand’s hotel sector delivered a solid month in May, with hotels reporting a 12.3% RevPAR growth compared to May last year, according to Hotel Data New Zealand (HDNZ). Results were positive overall, although uneven, with gateway markets strengthening while some regional centres faced softer domestic conditions.

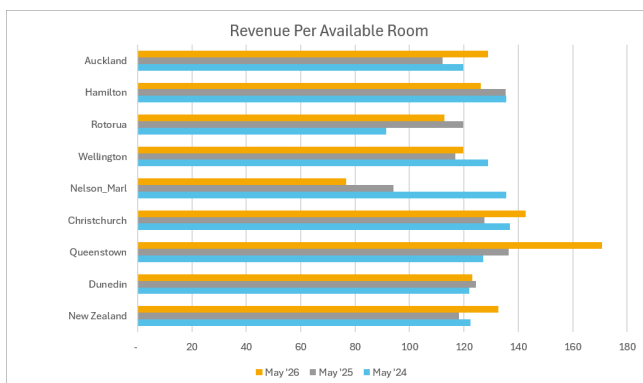
International visitor arrivals grew by about 5% in May compared with the same month last year, based on international border crossings of non-New Zealand citizens reported by Stats NZ. Growth was driven by a 12% increase in Australian visitors, supported by Tourism New Zealand promotional activities, strong airline capacity and a very favourable exchange rate. In contrast, visitors from the United States fell by 11%, and arrivals from other non-Australian markets also declined. China was a notable exception, with visitor numbers up by around 2%. Despite these gains, total non-resident border crossings remained about 7% below May 2019 levels.



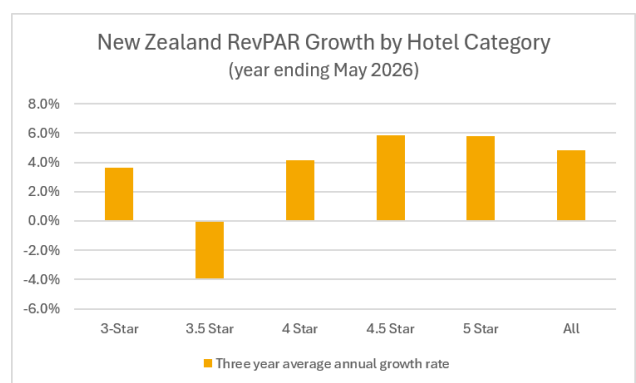
(Source: Stats NZ)

Gateway trends varied. International arrivals into Auckland Airport edged down by about 0.6% year on year, while Christchurch recorded growth of more than 20% and Queenstown was up 22%, both largely supported by stronger Australian traffic. Over the 12 months to May 2026, South Island airports increased their share of international arrivals from Australia from 36% in 2019 to 45%, reinforcing the growing importance of Christchurch and Queenstown as entry points.

Across **New Zealand**, hotels recorded a 12.3% increase in RevPAR compared with May 2025, supported by a 5.3-percentage-point rise in occupancy to 67.2% and a 3.4% increase in ADR. The premium end remained particularly strong, with 5-star hotels reporting RevPAR growth of 19.2% and ADR growth of 8.8% year on year. This continues a trend where 4.5-star and 5-star hotels have achieved above average RevPAR growth over the past three years as illustrated in the chart below.



(Source: HDNZ)

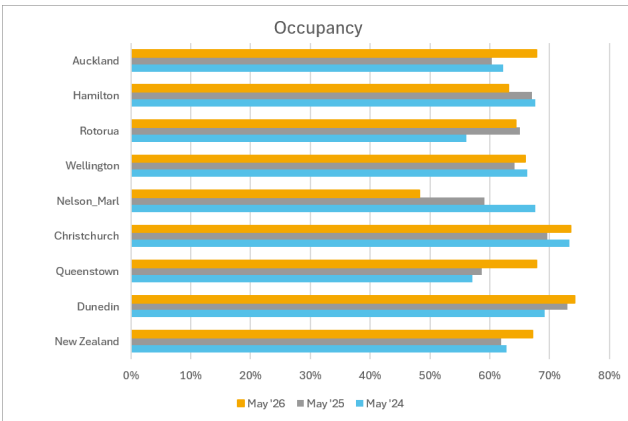


(Source: HDNZ)

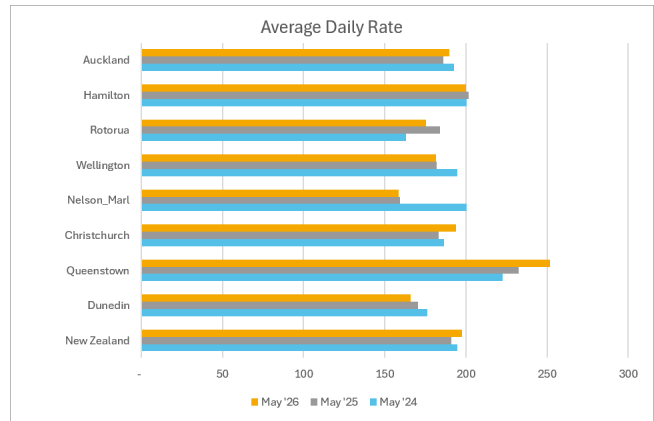
Demand growth came from both domestic and international sources. Hotels estimate that domestic room nights increased by around 6%, while international room nights rose by about 17%, led by visitors from Australia, China and other Asian markets. Tour group travel also strengthened, contributing roughly 45% of the growth in room nights sold and accounting for about 13% of total business.

New Zealand Music Month also supported several urban markets. While it tends to drive same-day visits more than overnight stays, the concentration of events in key cities did support hotel demand in markets such as Auckland and Wellington.

Auckland delivered another strong result, with occupancy increasing by 7.5 percentage points to 67.9% and RevPAR rising by 14.9% year on year. Growth came from domestic and international segments, including corporate, FIT, conference and tour group business. Major events at the New Zealand



(Source: HDNZ)



(Source: HDNZ)

International Convention Centre contributed around 6,800 delegate days. The market has tracked strongly through 2026 so far. Over the first five months of the year, Auckland hotels recorded an 8-percentage-point rise in occupancy and a 16% increase in RevPAR, even with an estimated 2.6% uplift in room supply.

Queenstown again recorded the strongest RevPAR growth among the main markets at 25.1%, driven by a 9.2-percentage-point lift in occupancy to 67.9% and an 8.2% rise in ADR. Growth was balanced across domestic and international markets, with Chinese visitors identified as the largest international growth segment. The three-day, high-profile Electricity Queenstown Conference, which brought around 400 delegates to the resort, provided a welcome boost to demand.

Christchurch strengthened on the back of higher international visitation, even as domestic demand softened slightly. Hotels reported almost double the number of visitors from China compared with May last year, along with stronger group tour business, helping lift occupancy to 73.6% and RevPAR by 11.8%.

Wellington recorded its fifth consecutive period of RevPAR growth, supported by improved occupancies and a stronger conference calendar. Tākina hosted eight large conferences totalling about 2,900 delegate days, and the city also welcomed New Zealand’s largest board-gaming convention, reportedly attracting around 3,000 attendees from New Zealand and overseas. For the first five months of 2026, Wellington hotels reported RevPAR growth of 10.5%, bringing performance back to 2024 levels after a similar decline last year.

Outside the main hubs, results were more mixed. Dunedin maintained one of the highest occupancy levels in the country at 74.2%, although softer ADR led to a small decline in RevPAR. Rotorua and Hamilton both reported modest declines in occupancy, ADR and RevPAR.

Nelson and Marlborough recorded the weakest result, with occupancy falling from 59.1% to 48.3% and RevPAR down 18.6% year on year. Feedback from operators points to fewer domestic visitors, fewer larger domestic conferences and more local events with limited overnight demand. Reduced air capacity into the region is also likely to have reinforced weaker demand during the month.



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About Hotel Council Aotearoa (HCA)

Hotel Council Aotearoa (HCA) is New Zealand’s dedicated industry body for hotels and hoteliers. HCA currently represents 255 New Zealand hotels; comprising almost 27,350 guest rooms or 9.98 million available room-nights per annum. Alongside airlines, airports and transport infrastructure, hotels are key tourism infrastructure without which New Zealand would be unable to attract high value international travellers. www.hotelcouncilaotearoa.com

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