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New Zealand Hotel Performance Focus

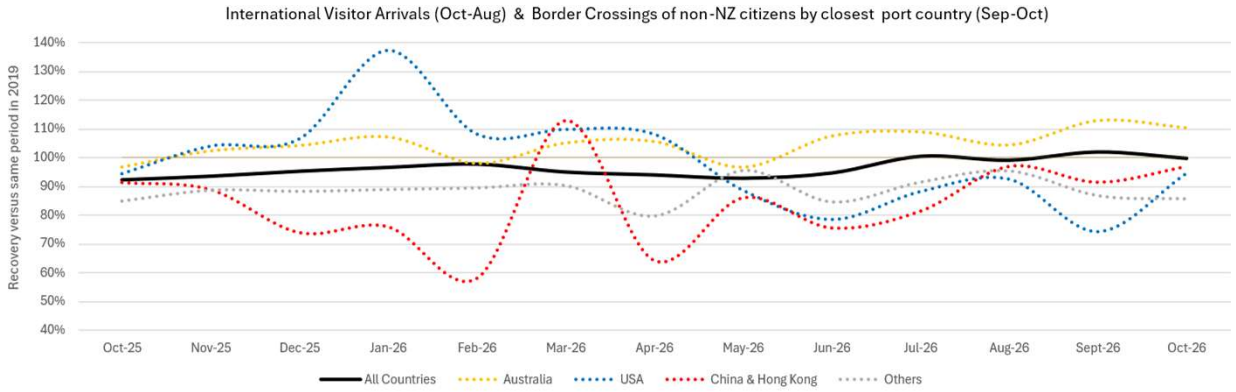
Auckland Leads Growth as Hotel Room Rates Lift Nationwide

October 2026

HOTEL COUNCIL AOTEAROA



New Zealand's hotel market recorded another strong performance in October, with a national year-on-year RevPAR growth of 16.3%. Performance remained uneven, with higher room rates supporting growth in several destinations despite softer occupancy, highlighting the distinction between demand-led recovery and rate-led improvement.

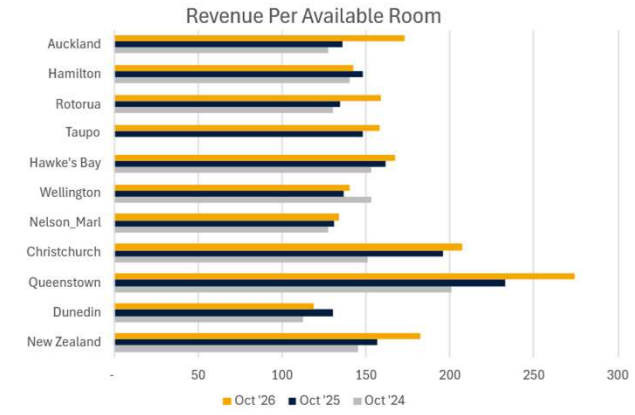


(Source: Statz NZ)

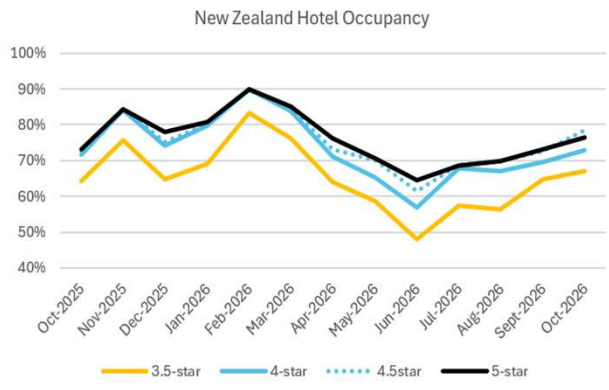
International arrivals, measured by border crossings of non-New Zealand citizens, increased 8.2% year on year to 311,328, maintaining the approximately 8% growth recorded in September. Total crossings were within 0.3% of October 2019 levels.

Arrivals from Australia continued to lead growth, increasing 13.7% to 175,743, approximately 10% above October 2019. Arrivals from Australia accounted for 56% of total international arrivals for the month and approximately 90% of the year-on-year increase. Arrivals from China and Hong Kong combined increased 4.5% year on year, reaching 93% of October 2019 levels.

Auckland Airport accounted for 44% of the increase in international arrivals by air, while Queenstown and Christchurch airports accounted for 26% and 33%, respectively.



(Source: HDNZ)



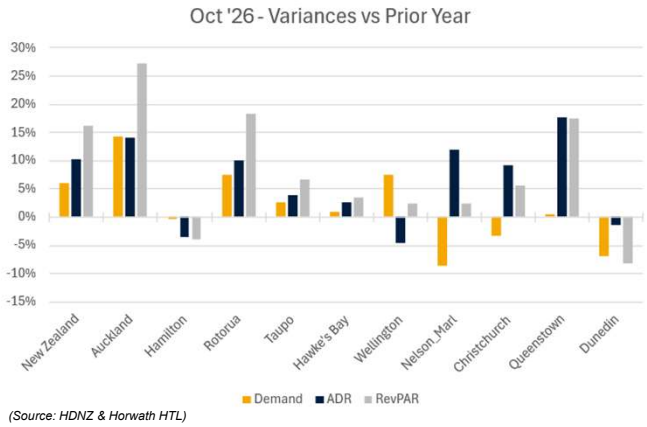
(Source HDNZ)

National occupancy among participating hotels increased 3.9 percentage points to 75.6%, while ADR rose 10.3% to $241. The RevPAR growth of 16.3% represents a marked acceleration from September's 5.5%, with higher room rates making a substantially greater contribution. The result highlights the potential for hotels to achieve further rate growth as demand strengthens heading into the summer season.

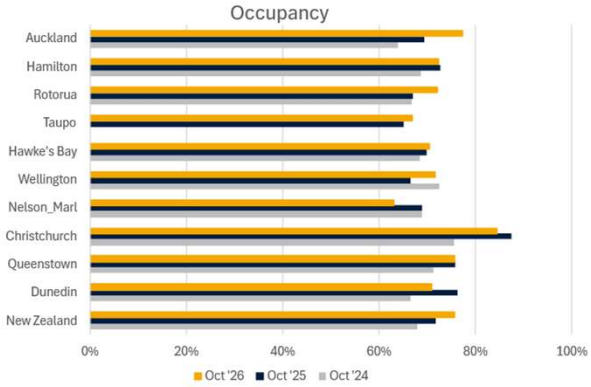
Hotel demand growth was primarily driven by international visitors, with participating hotels reporting an increase of approximately 12.5% in international room nights, compared with more modest domestic room-night growth of 2.3%.

Premium hotels continue to report the highest occupancy levels, reflecting stronger demand for higher quality accommodation relative to available supply.

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(Source: HDNZ & Horwath HTL)



(Source: HDNZ)

Auckland was the main driver of the improvement, accounting for approximately 81% of the national increase in occupied room nights and 24% of incremental RevPAR. Excluding Auckland, occupied room nights increased by a more modest 1.8%.

Eight of the 10 key markets recorded RevPAR growth, compared with five in September, indicating a broader improvement in revenue performance. However, higher revenue did not always reflect stronger demand: Queenstown, Christchurch and Nelson/Marlborough all achieved RevPAR growth without an increase in occupancy. The benefits of the national improvement were shared across hotel categories.

Auckland hotels recorded a 27% RevPAR growth, the strongest among the highlighted markets, with occupancy increasing 8 percentage points and ADR rising 14%.

The result coincided with a busy and varied event calendar. NZICC reported 15 major events during October: 10 with New Zealand as their delegate region, totaling 11,450 delegate days, and five with an international delegate region, totaling 14,650 delegate days.

Alongside this activity, hotels reported a 29% increase in conference- and event-related room nights. NZICC's program, together with the Bledisloe Cup Test, major concerts and other events held across Auckland, appears to have supported a substantial share of the approximately 14% increase in domestic room nights reported by hotels.

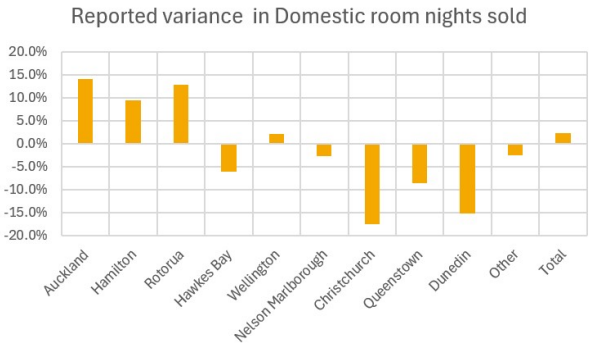
The results indicate the importance of NZICC and the wider major-events calendar in generating accommodation demand. RevPar growth was equally strong across the different hotel categories.

Christchurch recorded an approximately 3% decline in room nights sold, as an 18% increase in international room nights was outweighed by an 18% decline in domestic room nights. This marked a second consecutive month of softer demand, although Christchurch retained the highest occupancy among the key markets at 84.6%.

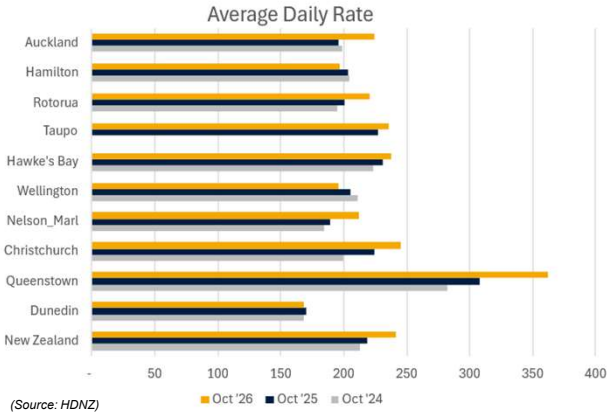
High occupancies in both October last year and this year supported strong ADR growth of approximately 9%. International netball and two India cricket fixtures provided a concentrated event window over 21–24 October, followed by business-events conferencing and international rugby later in the month.

Queenstown's RevPAR growth was entirely rate-led, with higher ADR achieved across all hotel categories. An increase in international room nights offset an approximately 9% decline in domestic room nights.

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(Source: HDNZ & Horwath HTL)



(Source: HDNZ)

Wellington's occupancy improvement coincided with a reported 27% increase in international room nights and growth in conference- and event-related room nights. This occurred despite Tākina reporting a similar number of major events to October last year.

ADR declined 4.6%, marking the sixth month of year-on-year rate declines over the past 12 months and absorbing much of the benefit from stronger occupancy. Annual ADR growth was just 0.9%, placing Wellington among the three lowest-growth key markets.

Dunedin's occupancy declined 5.1 percentage points, following a particularly strong October last year, when an active conference and events schedule helped the city achieve its highest occupancy in a decade.

Rotorua recorded a notable turnaround following five consecutive months of year-on-year occupancy declines, with occupancy increasing 5.1 percentage points to 72.1%. Conference and event demand, including the SuperLocal local-government conference and Whaka100 mountain-bike event, contributed to the improvement. The return of Chinese visitors and an increase in tour groups also supported demand, alongside solid rate increases in the conference and tour-group segments.

HDNZ collects monthly data from ~62% of all hotel and serviced apartment rooms in New Zealand, including ~77% of all rooms in Auckland, ~85% of all rooms in Queenstown, ~70% of all rooms in Christchurch, and ~75% of all rooms in Wellington.

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Horwath HTL New Zealand
PO Box 628
Shortland Street
Auckland 1140
New Zealand

Contact:
Wim Ruepert
+64 21 371 653
wruepert@horwathhtl.com

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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At Horwath HTL, our focus is one hundred percent on hospitality, tourism and leisure consulting. Our services cover every aspect of hotel real estate, tourism and leisure development.

Our clients choose us because we have earned a reputation for impartial advice that will often mean the difference between failure and success. Each project we help is different, so we need all of the experience we have gained over our 100-year history.

We are a global brand with 52 offices in 38 countries, who have successfully carried out over 50,000 assignments for private and public clients.

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We are Horwath HTL, the global leader in hospitality, tourism and leisure consulting.

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