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The Tourism Economy Study: CCU Lodging Update, April 13, 2017

Current Performance Estimates

Hotel, Condo-Hotel and Campsite Properties

Preliminary results from Coastal Carolina University's voluntary sample of hotel, condo-hotel and campsite (HC-HC) properties along the Grand Strand during the week of April 2-8, 2017, indicates that the midweek occupancy rate averaged 56.7 percent, up 7.1 occupancy points or 14.4 percent compared to the equivalent week of 2016. During the Friday-Saturday night period, the occupancy rate averaged 78.5 percent, up 6.3 occupancy points or 8.7 percent compared to the equivalent weekend last year. The average daily rate (ADR) was up 10 percent during the midweek period and up 26.8 percent during the weekend compared with last year. Consequently, HC-HC occupancy for the week overall was up 6.5 occupancy points or 11.6 percent, and revenue per available room (RevPAR) was up 29 percent.

VRPs

Based on the Brittain Center's observations of random samples of internet websites of vacation rental properties (VRPs) in the coastal sections of Horry and Georgetown counties (318 of the 3,135 units) for which complete data are publicly available, 41.5 percent were reserved or blocked from nightly rentals during the nights of April 1-7, 2017. The level of reservations was down 15 occupancy points or 26.5 percent compared with the equivalent week of 2016. For the nights of April 8-14, 2017, 61.2 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 7.9 occupancy points or 14.8 percent compared with the equivalent week of 2016.

Six-Week Average Performance

Preliminary results indicate that during the nights of Feb. 26-April 8, 2017, 55.6 percent of the lodging properties in the Brittain Center's voluntary sample of HC-HC properties located along the Grand Strand were occupied, which was down 5.7 occupancy points or 9.3 percent compared with the equivalent weeks of 2016, which in that year included Easter. The average daily rate for these properties was up 6 percent compared with the equivalent weeks of 2016, driving average RevPAR down 3.8 percent compared with the equivalent period of 2016. During the same period in 2017, 51 percent of the VRP bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from nightly rentals, down 10.3 occupancy points or 16.9 percent compared with the equivalent weeks of 2016. Advertised prices for this segment were up 0.2 percent compared with the equivalent weeks of 2016, which would drive revenue per available bedroom down 16.7 percent compared with the equivalent weeks of 2016, which again in that year included Easter.

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Forecast and Analysis

According to weather.com at the time of this writing, the forecast for the weekend of April 15-16, 2017, calls for a high temperature of 77 degrees and 80 degrees, and a 10 chance of precipitation on both days. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 95 percent for the nights of April 14-15, 2017. Based on this week's observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 59.6 percent are reserved for the week of April 8-14, 2017. VRP reservations in Horry and Georgetown counties for that week are up 11.9 occupancy points or 25 percent compared with the same week of 2016.

Additional Research Notes

The Brittain Center's preliminary sample of 26 HC-HC properties reporting for the week of April 2-8, 2017, consisted of 13 hotels (all but five are oceanfront/view, and five are brand affiliated), 12 condo-hotels (all are oceanfront/view), and one campground resort property. The results for the current moving six-week period are based on an average sample size of 9,098 units per week average.

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Note: The above analysis is based on sample estimates. Actual business performance results may vary greatly. Therefore, neither the above centers nor Coastal Carolina University warrant the use of the above data or analysis for specific business application.