COASTAL CAROLINA UNIVERSITY
Clay Brittain Jr. Center for Resort Tourism
E. Craig Wall Sr. College of Business Administration

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The Tourism Economy Study: CCU Lodging Update, April 21, 2016

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 10-16, 2016, indicate that the midweek occupancy rate averaged 34.4 percent, down 2.1 occupancy points or 5.7 percent compared to the equivalent week of 2015. During the Friday-Saturday night period, the occupancy rate averaged 79.6 percent, up 7.6 occupancy points or 10.6 percent compared to the equivalent weekend last year. The average daily rate (ADR) was down 0.5 percent during the midweek period but up 8.8 percent during the weekend compared with last year. Consequently, HC-HC occupancy for the week overall was up 2.3 occupancy points or 5.3 percent, and revenue per available room (RevPAR) was up 12.4 percent compared with the equivalent week of 2015.

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, 47.7 percent were reserved or blocked from nightly rentals during the nights of April 9-15, 2016. The percentage of VRPs reserved in Horry and Georgetown counties combined was up 0.3 occupancy point or 0.7 percent compared with the equivalent week of 2015. For the nights of April 16-22, 2016, 53.3 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 2.9 occupancy points or 5.7 percent compared with the equivalent week of 2015.

Six-Week Average Performance

During the nights of March 6-April 16, 2016, 61.5 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 up 1.6 occupancy points or 2.7 percent compared with the equivalent weeks of 2015. The average daily rate for these properties was up 3 percent compared with the equivalent weeks last year, leading to a 5.8 percent increase in average RevPAR compared with the equivalent period last year. During the same period in 2016, 60.5 percent of the VRP bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from nightly rentals, up 2.3 occupancy points or 4 percent compared with the equivalent weeks last year. Advertised prices for this segment were down 3.6 percent compared with the equivalent weeks last year, which would leave revenue per available bedroom up 0.3 percent compared with the equivalent period last year.

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Forecast and Analysis

According to weather.com at the time of this writing, the forecast for the weekend of April 23-24, 2016, calls for a high temperature of 82 degrees and 79 degrees, respectively, and a 10 percent chance of rain both days. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be as high as 88 percent for the weekend nights of April 22-23, up 2-5 occupancy points compared with the equivalent weekend of 2015. Based on this week's observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 56.2 percent are reserved for the week of April 23-29, 2016. VRP reservations in Horry and Georgetown counties for that week are up 12.1 occupancy points or 27.4 percent compared with the same week of 2015, which in that year did not include the Passover period.

Additional Research Notes

The Brittain Center's preliminary sample of 28 HC-HC properties reporting for the week of April 10-16, 2016, consisted of 12 hotels (all but five are oceanfront/view, and five are brand affiliated), and 15 condo-hotels (all are oceanfront/view, one is brand affiliated), and one campground resort property. The results for the current moving six-week period are based on an average sample size of 9,069 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.