COASTAL CAROLINA UNIVERSITY

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

Accredited by AACSB International THE ASSOCIATION TO ADVANCE COLLEGIATE SCHOOLS OF BUSINESS

The Tourism Economy Study: CCU Lodging Update, November 29, 2012

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 Nov. 18 - 24 indicate that the midweek occupancy rate averaged 31.1 percent, up 1.9 occupancy points or 6.6 percent compared with the equivalent week of 2011. During the Friday–Saturday night period, the occupancy rate averaged 48.8 percent, down 1.8 occupancy points or 3.6 percent compared to the equivalent weekend of 2011. The average daily rate was down 1.1 percent during the midweek period and down 3.7 percent during the weekend period compared with the equivalent week of 2011. Consequently, occupancy for HC-HCs for the week overall was up 0.8 occupancy point or 2.2 percent, but revenue per available room (RevPAR) was down 1.6 percent compared to the equivalent week of 2011.

Vacation Rental Properties

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 (338 of the 3,135 units) for which complete data is publicly available, during the nights of Nov. 17 - 23, 65.2 percent were reserved or blocked from nightly rentals. The percentage of VRPs reserved in Horry and Georgetown counties combined was up 12.6 occupancy points or 23.9 percent compared with the equivalent period last year. For the nights of Nov. 24 – 30, 38.6 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 1.7 occupancy points or 4.6 percent compared with the equivalent period of 2011.

Six-Week Average Performance

During the nights of Oct. 14 – Nov. 24, 2012, 35.4 percent of the lodging properties in the Brittain Center's voluntary sample of hotel, condo-hotel and campsite properties located along the Grand Strand were occupied, which was down 0.4 occupancy point or 1.3 percent compared with the equivalent weeks of 2011. The average daily rate for these properties was down 0.6 percent compared with the equivalent weeks last year. Consequently, RevPAR was down 1.9 percent compared with the equivalent period of 2011. During the same period of 2012, 48.6 percent of the vacation rental property bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from nightly rentals, which was up 3.6 occupancy points or 7.9 percent compared with the equivalent weeks of last year. Advertised prices for this segment were up 13.5 percent compared with last year, which would lead to an increase in revenue per available bedroom (RevPAB) of 22.5 percent.

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Forecast and Analysis

At the time of this writing, the forecast from *weather.com* for the weekend of Dec. 1 – 2 called for a 20 percent chance of precipitation on both days. The Brittain Center forecasts that average occupancy for its sample of hotel, condo-hotel and campsite properties may be near or above 30 percent during the nights of Nov. 30 – Dec. 1. Based on this week's observations by Center researchers of 338 websites of vacation rental properties available to rent in Horry or Georgetown counties for the week of Dec. 1 – 7, 30.8 percent are reserved. VRP reservations in Horry and Georgetown counties for that week are up 5.9 occupancy points or 23.5 percent compared with the equivalent period of 2011.

Additional Research Notes

The Brittain Center's preliminary sample of 25 hotel, condo-hotel and campground properties reporting for the week of Nov. 18 - 24 consisted of 10 hotels (all but four are ocean front/view, and five are brand affiliated), 14 condo-hotels (all are ocean front/view and one brand-affiliated) and one campground resort property. The results for the current moving six-week period are based on an average sample size of 9,192 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.