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, February 27, 2014

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 Feb. 16–22, 2014, indicate that the midweek occupancy rate averaged 36.4 percent, up 0.4 occupancy point, or 1.1 percent, compared with the equivalent week of 2013. During the Friday-Saturday night period, the occupancy rate averaged 53 percent, up 3.5 occupancy points, or 7.1 percent, compared to last year. The average daily rate was up 6.8 percent during the midweek period and up 4.1 percent during the weekend period compared with last year. Consequently, HC-HC occupancy for the week overall was up 1 occupancy point, or 2.5 percent, and revenue per available room (RevPAR) was up 8.4 percent compared with the equivalent week of 2013.

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 are publicly available, 34.7 percent were reserved or blocked from nightly rentals during the nights of Feb. 15-21. The percentage of VRPs reserved in Horry and Georgetown counties combined was down 16.1 occupancy points, or 34.7 percent, compared with the equivalent period last year. For the nights of Feb. 22-28, 47.3 percent of the VRPs were reserved or blocked from reservation. The level of reservations was down 2.3 occupancy points, or 4.6 percent, compared with the equivalent week of 2013.

Six-Week Average Performance

During the nights of Jan. 12-Feb. 22, 31.9 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 up 1.2 occupancy points, or 4 percent, compared with the equivalent weeks last year. The average daily rate for these properties was down 1.9 percent compared with the equivalent weeks last year. Consequently, RevPAR was up 2 percent compared with the equivalent period last year. During the same period, 40.1 percent of the vacation rental property bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from nightly rentals, down 2.2 occupancy points or 5.3 percent compared with the equivalent weeks last year. Advertised prices for this segment were up 2.3 percent compared with last year, leading to a decrease in revenue per available bedroom of 3.1 percent.

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Forecast and Analysis

At the time of this writing, the forecast from weather.com for the weekend of Mar. 1-2 called for a 30 and 10 percent chance of precipitation, respectively. The Brittain Center forecasts that average occupancy for its sample of hotel, condo-hotel and campsite properties may be near or above 55 percent during the nights of Feb. 28-Mar. 1, or within 3 occupancy points of the level last year at this time. Based on this week's observations by Center researchers of 338 websites of vacation rental properties available to rent in Horry and Georgetown counties for the week of Mar. 1-7, 46.1 percent are reserved. VRP reservations in Horry and Georgetown counties for that week are down 7.7 occupancy points, or 14.3 percent, compared with the same period of 2013.

Additional Research Notes

The Brittain Center's preliminary sample of 26 hotel, condo-hotel and campground properties reporting for the week of Feb. 16–22, consisted of 12 hotels (all but five are oceanfront/view, and five are brand affiliated), 13 condo-hotels (all are oceanfront/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 9,284 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.