The Tourism Economy Study: CCU Lodging Update, April 24, 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 April 13-19, 2014, indicate that the midweek occupancy rate averaged 81.8 percent, up 40.2 occupancy points or 96.5 percent compared with the equivalent week of 2013, which in that year did not include the Good Friday holiday. During the Friday-Saturday night period, the occupancy rate averaged 76.8 percent, up 17.2 occupancy points or 28.8 percent compared to last year. The average daily rate was up 15.3 percent during the midweek period and up 8.9 percent during the weekend period compared with last year. Consequently, HC-HC occupancy for the week overall was up 33.7 occupancy points or 72.2 percent, and revenue per available room (RevPAR) was up 92.7 percent compared with the equivalent week of 2013.

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 (338 of the 3,135 units) for which complete data are publicly available, 82.2 percent were reserved or blocked from nightly rentals during the nights of April 12-18. The percentage of VRPs reserved in Horry and Georgetown counties combined was up 30 occupancy points or 57.1 percent compared with the equivalent period last year, which in that year did not include the Good Friday holiday. For the nights of April 19-25, 79.3 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 38 occupancy points or 92 percent compared with the equivalent week of 2013, which in that year did not include the Easter or Passover periods.

Six-Week Average Performance

During the nights of March 9-April 19, 56.8 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 1 occupancy point or 1.8 percent compared with the equivalent weeks last year. The average daily rate for these properties was down 7.3 percent compared with the equivalent weeks last year. Consequently, RevPAR was down 8.9 percent compared with the equivalent period of 2013. During the same period this year, 60.7 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from nightly rentals, down 2.4 occupancy points or 3.8 percent compared with the equivalent weeks last year. Advertised prices for this segment were down 1.1 percent compared with last year, leading to a decrease in revenue per available bedroom of 4.8 percent.

(CCU Lodging Update Continued page 2)
The Tourism Economy Study: CCU Lodging Update, April 24, 2014 (continued)

Forecast and Analysis

At the time of this writing, the forecast from weather.com for the weekend of April 26-27 calls for 0 percent chance of precipitation with a high of 75 degrees. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 80 percent during the nights of April 25-26. Based on this week’s observations by Center researchers of 338 websites of VRPs available to rent in Horry and Georgetown counties, 65.1 percent are reserved for the week of April 26-May 2. VRP reservations in Horry and Georgetown counties for that week are up 16 occupancy points or 32.2 percent compared with the same period of 2013.

Additional Research Notes

The Brittain Center’s preliminary sample of 20 HC-HC properties reporting for the week of April 13-19 consisted of 10 hotels (all but five are oceanfront/view, and five are brand affiliated), 9 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 8,435 units per week average.

Data collected and analysis created by:

The Clay Brittain Jr. Center for Resort Tourism

Taylor Damonte, Ph.D., Professor/Director

Brianna Brown, Brett Gallagher and Staci Willette, Research Assistants

In cooperation with:

The Center for Economic and Community Development

Gary Loftus, Director

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.