The Tourism Economy Study: CCU Lodging Update, May 15, 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 May 4-10, 2014, indicate that the midweek occupancy rate averaged 47.9 percent, up 6.7 occupancy points or 16.2 percent compared with the equivalent week of 2013. During the Friday-Saturday night period, the occupancy rate averaged 66.3 percent, up 1.3 occupancy points or 2.1 percent compared to last year. The average daily rate was up 1.1 percent during the midweek period and up 0.4 percent during the weekend period compared with last year. Consequently, HC-HC occupancy for the week overall was up 5.1 occupancy points or 10.7 percent, and revenue per available room (RevPAR) was up 11 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, 75.3 percent were reserved or blocked from nightly rentals during the nights of May 3-9. The percentage of VRPs reserved in Horry and Georgetown counties combined was up 25.7 occupancy points or 51.7 percent compared with the equivalent period last year. For the nights of May 10-16, 68 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 15.7 occupancy points or 29.9 percent compared with the equivalent week of 2013.

Six-Week Average Performance

During the nights of March 30-May 10, 57.9 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 5.3 occupancy points or 10 percent compared with the equivalent weeks last year. The average daily rate for these properties was up 1.2 percent compared with the equivalent weeks last year. Consequently, RevPAR was up 11.4 percent compared with the equivalent period of 2013. During the same period this year, 70.6 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from nightly rentals, up 16.7 occupancy points or 30.9 percent compared with the equivalent weeks last year. Advertised prices for this segment were down 1.1 percent compared with last year, leading to an increase in revenue per available bedroom of 29.4 percent.

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Forecast and Analysis

At the time of this writing, the forecast from weather.com for the weekend of May 17-18 calls for 10 percent chance of precipitation with a high of 75 on both days. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 85 percent during the nights of May 16-17. Based on this week’s observations by Center researchers of 338 websites of VRPs available to rent in Horry and Georgetown counties, 78.4 percent are reserved for the week of May 17-23. VRP reservations in Horry and Georgetown counties for that week are up 18.9 occupancy points or 31.7 percent compared with the same period of 2013.

Additional Research Notes

The Brittain Center’s preliminary sample of 26 HC-HC properties reporting for the week of May 4-10 consisted of 13 hotels (all but five are oceanfront/view, and five are brand affiliated), 12 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 8,124 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.