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, Nov. 24, 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 Nov. 13-19, 2016, indicates that the midweek occupancy rate averaged 31.5 percent, up 5.2 occupancy points or 19.9 percent compared to the equivalent week of 2015. During the Friday-Saturday night period, the occupancy rate averaged 34 percent, down 3.9 occupancy points or 10.2 percent compared to the equivalent weekend last year. The average daily rate (ADR) was up 1.9 percent during the midweek period and down 0.6 percent during the weekend compared with last year. Consequently, HC-HC occupancy for the week overall was up 2.7 occupancy points or 9.1 percent, and revenue per available room (RevPAR) was up 7.1 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, 56 percent were reserved or blocked from nightly rentals during the nights of Nov. 12-18, 2016. The level of reservations was up 23.1 occupancy points or 72.7 percent compared with the equivalent week of 2015. For the nights of Nov. 19-25, 2016, 70.7 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 14 occupancy points or 24.6 percent compared with the equivalent week of 2015.

Six-Week Average Performance

Preliminary results indicate that during the nights of Oct. 9-Nov. 19, 2016, 37.7 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 0.4 occupancy point or 1 percent compared with the equivalent weeks of 2015. The average daily rate for these properties was up 7.5 percent compared with the equivalent weeks last year, leaving average RevPAR up 6.4 percent compared with the equivalent period last year. During the same period in 2016, 56.9 percent of the VRP bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from nightly rentals, up 18.4 occupancy points or 47.6 percent compared with the equivalent weeks last year. Advertised prices for this segment were up 1.9 percent compared with the equivalent weeks last year, which would drive revenue per available bedroom up 50.5 percent compared with the equivalent period last year. Again, it should be noted that this estimate assumes that actual occupancy for VRPs was near zero during the four nights of the evacuation due to Hurricane Matthew.

(*CCU Lodging Update continued page 2)*

The Tourism Economy Study: CCU Lodging Update, Nov. 24, 2016 (continued)

Forecast and Analysis

According to weather.com at the time of this writing, the forecast for the weekend of Nov. 26-27, 2016, calls for a temperature of 66 degrees and 65 degrees, respectively, and a 0 percent chance of precipitation both days. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 60 percent for the nights of Nov. 25-26. Based on this week's observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 59.9 percent are reserved for the week of Nov. 26-Dec. 2, 2016. VRP reservations in Horry and Georgetown counties for that week are up 19.8 occupancy points or 49.2 percent compared with the same week of 2015.

Additional Research Notes

The Brittain Center's preliminary sample of 18 HC-HC properties reporting for the week of Nov. 13-19, 2016, consisted of 11 hotels (all but five are oceanfront/view, and five are brand affiliated), 6 condo-hotels (all are oceanfront/view), and one campground resort property. The results for the current moving six-week period are based on an average sample size of 7,943 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.