The Tourism Economy Study: CCU Lodging Update, Nov. 22, 2017

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. 12-18, 2017, indicates that the midweek occupancy rate averaged 28.7 percent, up 1.1 occupancy points or 4 percent compared to the equivalent week of 2016. During the Friday-Saturday night period, the occupancy rate averaged 38.6 percent, up 2.4 occupancy points or 6.7 percent compared to the equivalent weekend last year. The average daily rate (ADR) was down 2.6 percent during the midweek period and even compared with the equivalent weekend period last year. Consequently, HC-HC occupancy for the week overall was up 1.4 occupancy points or 4.8 percent, and ADR was down 1.7 percent, leaving revenue per available room (RevPAR) up 3 percent compared with the equivalent week of 2016.

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, 37.1 percent were reserved or blocked from rental during the week of Nov. 11-17, 2017. The level of reservations was down 20.2 occupancy points or 35.2 percent compared with the equivalent week of 2016. For the nights of Nov. 18-24, 2017, 58.3 percent of the VRPs were reserved or blocked from reservation. The level of reservations was down 2.3 occupancy points or 3.9 percent compared with the equivalent week of 2016.

Six-Week Average Performance

Preliminary results indicate that during the nights of Oct. 8-Nov. 18, 2017, 45.6 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 9.2 occupancy points or 25.3 percent compared with the equivalent weeks of 2016. The average daily rate for these properties was up 1.1 percent compared with the equivalent weeks of 2016, raising average RevPAR up 26.7 percent compared with the equivalent period of 2016. During the same period in 2017, 44.1 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from weekly rentals, down 9.8 occupancy points or 18.2 percent compared with the equivalent weeks of 2016. Average advertised price for this segment was down 4 percent compared with last year, which would leave revenue per available bedroom down 21.4 percent compared with the equivalent weeks of 2016.

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Forecast and Analysis

According to weather.com at the time of this writing, the forecast for the weekend of Nov. 24-25, 2017, calls for a high temperature of 61 degrees and 67 degrees, respectively, and a 10 percent chance of precipitation on 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. 23-24, 2017, which include the Black Friday retail promotion period. Based on this week’s observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 33.6 percent are reserved for the week of Nov. 25-Dec. 1, 2017, down 28.1 occupancy points or 45.5 percent compared with the equivalent week of 2016.

Additional Research Notes

The Brittain Center’s preliminary sample of 22 HC-HC properties reporting for the week of Nov. 12-18, 2017, consisted of nine hotels (all but five are oceanfront/view, and four are brand affiliated), 12 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 8,098 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.