The Tourism Economy Study: CCU Lodging Update, Feb. 22, 2018

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. 11-17, 2018, indicates that the midweek occupancy rate averaged 29.1 percent, down 3.3 occupancy points or 10.3 percent compared to the equivalent week of 2017. During the Friday-Saturday night period, the occupancy rate averaged 62.9 percent, down 10.2 occupancy points or 14 percent compared to the equivalent weekend in 2017. The average daily rate (ADR) was down 2.2 percent during the midweek period and down 3.3 percent compared with the equivalent weekend period in 2017. Consequently, HC-HC occupancy for the week overall was down 5.5 occupancy points or 12.6 percent, and ADR was down 3.5 percent, bringing revenue per available room (RevPAR) down 15.7 percent compared with the equivalent week of 2017.

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, 51.9 percent were reserved or blocked from rental during the week of Feb. 10-16, 2018. The level of reservations was up 22.6 occupancy points or 77.3 percent compared with the equivalent week of 2017. For the nights of Feb. 17-23, 2018, 56.5 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 25.1 occupancy points or 79.7 percent compared with the equivalent week in 2017.

Six-Week Average Performance

Preliminary results indicate that during the nights of Jan. 7-Feb. 17, 2018, 29.1 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 2.1 occupancy points or 6.6 percent compared with the equivalent weeks of 2017. The average daily rate for these properties was up 1.4 percent compared with the equivalent weeks of 2017, bringing average RevPAR down 5.3 percent compared with the equivalent period of 2017. During the same period, 44.4 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from weekly rentals, up 7.6 occupancy points or 20.8 percent compared with the equivalent weeks in 2017. Average advertised price for this segment was down 8.1 percent compared with 2017, which would leave revenue per available bedroom up 11.1 percent compared with the equivalent weeks in 2017.

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Forecast and Analysis

According to weather.com at the time of this writing, the forecast for the weekend of Feb. 24-25, 2018, calls for a high temperature of 78 degrees and 80 degrees, respectively, and a 20 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 70 percent for the nights of Feb. 23-24, 2018. Based on this week’s observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 51.9 percent are reserved for the week of Feb. 24-March 2, 2018, up 16 occupancy points or 44.5 percent compared with the equivalent week of 2017. The forecasts for Feb. 24-March 2, 2018, and for March 17-23, 2018, can be found in the CCU Lodging Update for Feb. 15, 2018.

Additional Research Notes

The Brittain Center’s preliminary sample of 24 HC-HC properties reporting for the week of Feb. 11-17, 2018, consisted of 11 hotels (all but four are oceanfront/view, and three 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 8,013 units per week average.

Data collected and analysis created by:

The Clay Brittain Jr. Center for Resort Tourism

L. Taylor Damonte, Ph.D., professor/director

Olivia Barnhardt and Christopher Durand, research assistants

In cooperation with:

The Grant Center for Real Estate and Economic 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.