The Tourism Economy Study: CCU Lodging Update, April 19, 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 April 8-14, 2018, indicate that the midweek occupancy rate averaged 43.1 percent, down 31.2 occupancy points or 42 percent compared to the equivalent week of 2017. During the Friday-Saturday night period, the occupancy rate averaged 70.3 percent, down 20.6 occupancy points or 22.7 percent compared to the equivalent weekend in 2017, which during that year included the Easter Friday religious observance. The average daily rate (ADR) was down 21.4 percent during the midweek period and down 21.7 percent compared with the equivalent weekend period in 2017. Consequently, HC-HC occupancy for the week overall was down 28.4 occupancy points or 35.9 percent, and ADR was down 20.5 percent, bringing revenue per available room (RevPAR) down 49 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, 56 percent were reserved or blocked from rental during the week of April 7-13, 2018. The level of reservations was up 11.7 occupancy points or 26.6 percent compared with the equivalent week of 2017, which again in that year included the Easter Friday religious observance. For the nights of April 14-20, 2018, 59 percent of the VRPs were reserved or blocked from reservation. The level of reservations was down 1.1 occupancy points or 1.8 percent compared with the equivalent week in 2017, which in that year included the Easter and Passover religious observances.

Six-Week Average Performance

Preliminary results indicate that during the nights of March 4-April 14, 2018, 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 4.4 occupancy points or 7.2 percent compared with the equivalent weeks of 2017. The average daily rate for these properties was up 0.7 percent compared with the equivalent weeks of 2017, leaving average RevPAR down 6.5 percent compared with the equivalent period of 2017. During the same period, 60.6 percent of the VRP bedrooms in the Center’s random sample of Horry County VRPs were reserved or blocked from weekly rentals, up 5.1 occupancy points or 9.1 percent compared with the equivalent weeks in 2017. Average advertised price for this segment was down 5.6 percent, which would leave revenue per available bedroom up 3 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 April 21-22, 2018, calls for a high temperature of 67 degrees and 68 degrees, respectively, and a 0 percent chance of precipitation on both days. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near 75 percent for the nights of April 20-21, 2018. Based on this week’s observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 56.1 percent are reserved for the week of April 21-27, 2018, down 6.4 occupancy points or 10.3 percent compared with the equivalent week of 2017.

Additional Research Notes

The Brittain Center’s preliminary sample of 22 HC-HC properties reporting for the week of April 8-14, 2018, consisted of 11 hotels (all but four are oceanfront/view, and three are brand affiliated), 10 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 7,829 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.