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The Tourism Economy Study: CCU Lodging Update, June 29, 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 June 18-24, 2017, indicates that the midweek occupancy rate averaged 80.1 percent, down 0.5 occupancy point or 0.6 percent compared to the equivalent week of 2016. During the Friday-Saturday night period, the occupancy rate averaged 94.4 percent, down 0.6 occupancy point or 0.6 percent compared to the equivalent weekend last year. The average daily rate (ADR) was up 1.5 percent during the midweek period and up 3.1 percent during the weekend compared with last year. Consequently, HC-HC occupancy for the week overall was down 0.7 occupancy point or 0.8 percent, but revenue per available room (RevPAR) was up 1 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, 81.9 percent were reserved or blocked from rental during the week of June 17-23, 2017. The level of reservations was down 8.5 occupancy points or 9.5 percent compared with the equivalent week of 2016. For the nights of June 24-30, 2017, 86.4 percent of the VRPs were reserved or blocked from reservation. The level of reservations was up 1.7 occupancy points or 2 percent compared with the equivalent week of 2016.

Six-Week Average Performance

Preliminary results indicate that during the nights of May 14-June 24, 2017, 70.3 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 1.5 occupancy points or 2 percent compared with the equivalent weeks of 2016. The average daily rate for these properties was up 1.4 percent compared with the equivalent weeks of 2016, leaving average RevPAR down 0.6 percent compared with the equivalent period of 2016. During the same period in 2017, 75.7 percent of the VRP bedrooms in the Center's random sample of Horry County VRPs were reserved or blocked from weekly rentals, up 0.7 occupancy point or 1 percent compared with the equivalent weeks of 2016. Advertised prices for this segment were up 3.9 percent, which would drive revenue per available bedroom up 4.9 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 July 1-2, 2017, calls for a high temperature of 86 degrees and 89 degrees, and a chance of precipitation of 90 percent and 60 percent, respectively. The Brittain Center predicts that average occupancy for its sample of HC-HC properties may be near or above 91 percent for the nights of June 30-July 1, 2017. Based on this week's observations by Center researchers of 318 websites of VRPs available to rent in Horry and Georgetown counties, 97.9 percent are reserved for the week of July 1-7, 2017. VRP reservations in Horry and Georgetown counties for that week are up by 1.7 occupancy points or 1.7 percent compared with the same week of 2016.

Additional Research Notes

The Brittain Center's preliminary sample of 26 HC-HC properties reporting for the week of June 18-24, 2017, consisted of 12 hotels (all but five are oceanfront/view, and five are brand affiliated), 13 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 8,875 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.