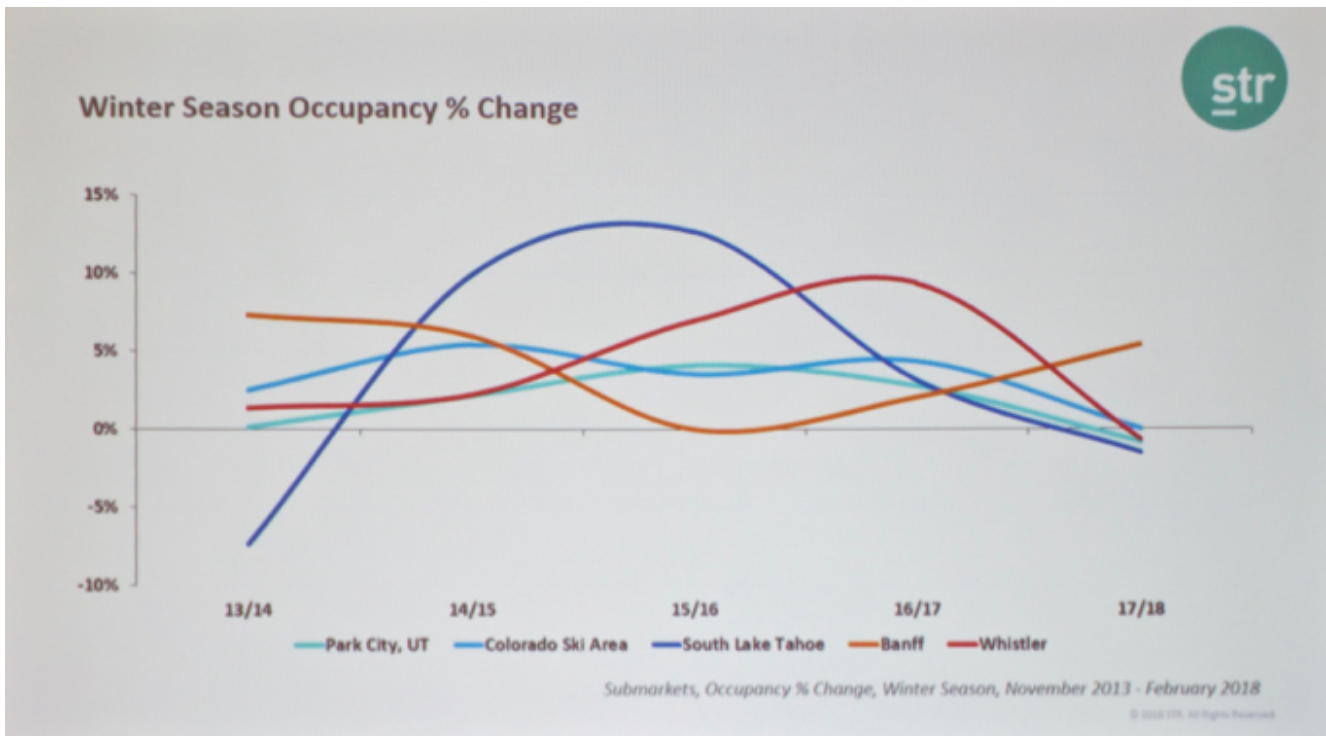


# Expert: Hotel occupancy at record high



Data from STR analytics firm shows hotel occupancy changes for five winter destinations. Photo/LTN

**By Kathryn Reed**

STATELINE – Hotel occupancy in the United States is at the highest level it has ever achieved – 66 percent.

Ali Hoyt, senior director of consulting analytics for Denver based STR, was one of the presenters this week at the annual Mountain Travel Symposium. She provided a wealth of information about the hotel industry in the U.S., while briefly touching on metrics for ski towns. The firm studies 647 markets in the U.S., with properties divided into different classes. STR covers more than 70 percent of the hotels in the country, which is about 5 million rooms.

The symposium, now in its 43rd year, is the largest trade show of its kind. This is the first time the South Shore has hosted

the weeklong event. It has been on the North Shore before and will return to Squaw Valley in 2020.

Hotel occupancy records have been breaking since 2016, with 2018 continuing in that direction.

“Demand is still outpacing supply. We expect that to level off,” Hoyt said during her April 12 talk.

The growth rate is about 2 percent year-over-year, which is about half of what it was in 2014 and 2015.

What her company does not track is vacation rentals. STR is only collecting data on hotels.

The hotel industry has experienced eight consecutive years of revPAR growth. This is the revenue per available room. Hotels will multiply their average daily rate by the occupancy rate to get the revPAR number.

What Hoyt and her colleagues are finding is the revPAR growth will be driven by rate growth.

The lackluster snowfall this winter has caused the local revPAR and occupancy numbers to be all over the map.

While it's obvious the only way hotels will make money is if heads are in beds, it also matters what price they get per night. Much like the airline industry, it's not a consistent price. The same bed on the same floor of a hotel could have a different price based on when it was booked and where it was booked. And it could be more expensive based on the day of week, events going on as well as holidays.

The money collected then has a huge impact on the city or county it resides because of the hotel taxes that are levied. The transient occupancy tax in a tourist area like Lake Tahoe is a huge revenue source for the city and counties in the basin.

When comparing the South Shore to Park City, Utah, Colorado ski areas, and the Canadian towns of Banff and Whistler, locally the occupancy rate had the wildest swing from 2013 to now.

While the whole Lake Tahoe basin, including Truckee, is busier in summer than winter, that is not true of most ski towns.

Hoyt's data, though, is showing occupancy rates are growing in other destinations. Average daily rates and revPAR are going up, but it's a bit of a roller coaster for all locations. Still, she sees summer bookings as an opportunity for hotels in terms of increasing occupancy and revenue.