

DESTINATION LEVEL RESERVATIONS ACTIVITY SUMMARY
Presented as a community service by the Vail DestiMetrics participants and subscribers



Destination: Vail

TOWN OF VAIL

Period: Bookings as of February 28, 2017

Executive Summary: Vail

Data based on a sample of up to 25 properties in the Vail destination, representing up to 2,321 Units ('DestiMetrics Census'*) and 58.7% of 3,954 total units in the Vail destination ('Destination Census'**)

MARKET OVERVIEW: February was a mixed bag with respect to our two traditional wildcard forces of weather and the economy. On the weather front, many mountain destinations experienced warmer and drier conditions during the month, while several had more snow than they could deal with at times. Meanwhile, on the economic front, things boomed yet again during the month as the Dow Jones added a strong 948 points in February and closed at an all-time monthly record, and employers added 235,000 new jobs, exceeding expectations. Consumers, meanwhile, threw their hat into the ring and increased confidence to just under 115 points, the highest level since July 2001. For the most part, the strong market forces at-play are reflected consistently in bookings, as booking pace slows, but rate remains very strong. Based on an aggregate data from all DestiMetrics destinations, occupancy for February was up 1.2 percent versus the same time last year, while rate was up 6.0 percent for the month. Bookings taken in February for arrival in February were down -28.7 percent (not shown). Locally, Vail Occupancy was up 2.7 percent in February versus 2016, while rate increased 15.0 percent. Vail's aggregate historic six month (September - February) occupancy (not shown) was up 6.5 percent compared to the same period last year while rate increased by 10.7 percent. Bookings taken in February for arrival in February was down -46.7 percent (not shown).

		2016/17	2015/16	Vail Year over Year % Diff	DestiMetrics Industry Wide Year over Year % Diff
a. Last Month Performance: Current YTD vs. Previous YTD					
Occupancy Rates during last month (February, 2017) were up (2.7%) compared to the same period last year (February, 2016), while Average Daily Rate was also up (15.0%).	Occupancy (February) :	76.0%	74.1%	2.7%	1.2%
	ADR (February) :	\$660	\$574	15.0%	6.0%
b. Next Month Performance: Current YTD vs. Previous YTD					
Occupancy Rates for next month (March, 2017) are down (-7.2%) compared to the same period last year, while Average Daily Rate is up (6.9%).	Occupancy (March) :	62.4%	67.2%	-7.2%	-0.6%
	ADR (March) :	\$622	\$582	6.9%	3.8%
c. Future Months' On The Books Performance, April to August: Current YTD vs. Previous YTD					
On the Books Occupancy Rates for April are up (57.6%) compared to the same period last year, while Average Daily Rate for the same period is also up (17.1%).	Occupancy April	24.6%	15.6%	57.6%	6.1%
	ADR April	\$289	\$247	17.1%	9.9%
On the Books Occupancy Rates for May are down (-16.7%) compared to the same period last year, while Average Daily Rate for the same period is up (7.2%).	Occupancy May	7.8%	9.4%	-16.7%	-1.1%
	ADR May	\$159	\$148	7.2%	7.2%
On the Books Occupancy Rates for June are down (-6.3%) compared to the same period last year, while Average Daily Rate for the same period is up (9.1%).	Occupancy June	24.3%	26.0%	-6.3%	-0.4%
	ADR June	\$217	\$199	9.1%	8.3%
On the Books Occupancy Rates for July are up (20.1%) compared to the same period last year, while Average Daily Rate for the same period is also up (7.8%).	Occupancy July	25.9%	21.5%	20.1%	-0.2%
	ADR July	\$263	\$244	7.8%	9.5%
On the Books Occupancy Rates for August are down (-8.7%) compared to the same period last year, while Average Daily Rate for the same period is up (1.5%).	Occupancy August	16.6%	18.2%	-8.7%	10.4%
	ADR August	\$273	\$269	1.5%	13.2%
d. Incremental Pacing - % Change in Rooms Booked last Calendar Month: Feb. 28, 2017 vs. Previous Year					
Rooms Booked during last month (February, 2017) compared to Rooms Booked during the same period last year (February, 2016) for all arrival dates is down by (-4.9%)	Booking Pace (February):	4.9%	5.2%	-4.9%	-12.1%

LOOKING FORWARD: Wall Street continues to take queues from the new administration and is anticipating an easing of regulatory oversight in the coming months, which can be expected to continue driving financial markets upward for the time being. At the same time, consumers are experiencing the highest confidence rates they've had in 16 years, and as long as wages keep pace with inflation, consumer spending is likely to continue within the travel market segment for the foreseeable future. However, there are a few things to watch for in the economy as a whole and the travel market specifically: a) a likely increase in interest rates in mid-march as the Federal Reserve Bank takes steps to control inflation; b) higher consumer prices as inflation naturally results from positive economic growth; c) challenges to destination inventory as towns and resorts work to manage changes in how transient inventory units are managed and sold. But with all that in mind, travel is looking strong overall for the coming months. Based on the aggregate of DestiMetrics industry-wide data, on-the-books aggregate occupancy for all destinations for the upcoming six months (March - August) is slightly up 0.7 percent, while rate is up 6.0 percent from the same period last year. Meanwhile, bookings made during February for arrival February - July were down -12.1 percent compared to the same period last year. Locally, Vail on-the-books for March is down -7.2 percent with an increase in rate of 6.9 percent compared to this time last year. For the most part, economics 101 seems to be in play for the other five months on-the-books, with occupancy gaining in two of the five months while rates are up in all five months. Occupancy gains are led by April (57.6 percent) and July (20.1 percent). Occupancy for six months on-the-books (March - August) in aggregate has decreased -3.4 percent while rate has also slightly decreased by -0.7 percent. Bookings taken in February for arrival February - July was down -4.9 percent.

For more information:

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Vail Calendar of Events

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