

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 Aug 31, 2013

Executive Summary: Vail
Data based on a sample of up to 24 properties in the Vail destination, representing up to 2,369 Units ('MTRIP Census'*) and 59.9% of 3,954 total units in the Vail destination ('Destination Census'**)

MARKET OVERVIEW: Economic markets shifted in all sorts of interesting and disparate ways during the month of August as the Dow Jones declined sharply during the month, driven by lower consumer spending reports for July, while consumer confidence drifted back upwards. The national unemployment rate declined to 7.3 percent, but for all the wrong reasons as shrinking participation in the workforce moved the needle downward. And, at the same time, crude oil prices hit a 29 month high while gasoline prices stayed at their lowest level for the month of August since 2010. Add to the mix the new geopolitical situation in the Middle East and it's a wonder that the traveling consumer maintained the momentum they've now shown for many months. But maintain they did. Based on aggregate data from all DestiMetrics destinations, occupancy for August is up 5.3 percent versus the same time last year, while rate is also up 5.6 percent for the month. Bookings taken in August for arrival in August were up 6.0 percent (not shown). Locally, Vail Occupancy was up a slight 0.2 percent in August versus 2012, with an increase in rate of 3.0 percent. Vail's aggregate historic six month (March - August) occupancy (not shown) was up a moderate compared to 2012 increasing by 3.0 percent while rate also increased by 2.0 percent. Bookings taken in August for arrival in August were up 8.5 percent (not shown).

	2014	2013	Vail Year over Year % Diff	DestiMetrics Industry Wide Year over Year %	
a. Last Month Performance: Current YTD vs. Previous YTD					
Occupancy Rates during last month (August, 2013) were up (0.2%) compared to the same period last year (August, 2012) , while Average Daily Rate was also up (3.0%).	Occupancy (August) :	53.3%	53.2%	0.2%	5.3%
	ADR (August) :	\$197	\$191	3.0%	5.6%

b. Next Month Performance: Current YTD vs. Previous YTD					
Occupancy Rates for next month (September, 2013) are down (-1.9%) compared to the same period last year, while Average Daily Rate is up (3.7%).	Occupancy (September)	33.7%	34.4%	-1.9%	6.6%
	ADR (September) :	\$160	\$154	3.7%	6.0%

c. Future Months' On The Books Performance, October to February: Current YTD vs. Previous YTD					
On the Books Occupancy Rates for October are up (17.6%) compared to the same period last year, while Average Daily Rate for the same period is also up (8.5%).	Occupancy October	13.0%	11.0%	17.6%	2.7%
	ADR October	\$135	\$125	8.5%	9.4%
On the Books Occupancy Rates for November are up (30.7%) compared to the same period last year, while Average Daily Rate for the same period is also up (3.6%).	Occupancy November	12.0%	9.2%	30.7%	-0.9%
	ADR November	\$141	\$136	3.6%	0.1%
On the Books Occupancy Rates for December are up (11.1%) compared to the same period last year, while Average Daily Rate for the same period is also up (4.2%).	Occupancy December	23.1%	20.8%	11.1%	20.4%
	ADR December	\$503	\$483	4.2%	-0.1%
On the Books Occupancy Rates for January are up (11.6%) compared to the same period last year, while Average Daily Rate for the same period is also up (2.6%).	Occupancy January	31.1%	27.9%	11.6%	10.4%
	ADR January	\$446	\$435	2.6%	-0.9%
On the Books Occupancy Rates for February are up (22.0%) compared to the same period last year, while Average Daily Rate for the same period is also up (0.9%).	Occupancy February	36.5%	34.5%	22.0%	6.5%
	ADR February	\$282	\$274	0.9%	3.3%

d. Incremental Pacing - % Change in Rooms Booked last Calendar Month: Aug. 31, 2013 vs. Previous Year					
Rooms Booked during last month (August, 2013) compared to Rooms Booked during the same period last year (August, 2012) for all arrival dates is down by (-4.6%)	Booking Pace (August) :	6.5%	6.8%	-4.6%	-0.9%

LOOKING FORWARD: The economic marketplace faces a degree of uncertainty over the coming 4 weeks as budget and debt-ceiling issues move to the forefront. How smoothly negotiations on both topics proceed will have an impact on how employers and consumers will feel about hiring and spending (respectively) heading into the winter season. Potential U.S. engagement in the Middle East will also play a role in influencing the markets, though as of September 10th a non-conflict resolution appears to be on the table. Despite these potential pitfalls, the mountain travel industry is carrying great momentum into the shoulder season, with advance bookings for winter 2013/14 pacing ahead of this same time last year. New and creative initiatives related to seasons pass sales and winter marketing are already creating a buzz through the industry and, of course, our consumers continue to be the solid foundation we would hope for. Based on the aggregate of DestiMetrics industry-wide data, on-the-books aggregate occupancy for all destinations for the upcoming six months (September - February) is up 9.0 percent, while rate is also up somewhat 3.9 percent from the same period last year. Meanwhile, bookings made during August for arrival August - January are down a slight -0.9 percent compared to the same period in 2012/13. Locally, Vail on-the-books Occupancy for September is down -1.9 percent with an increase in rate of 3.7 percent compared to 2012. For the most part, economics 101 seems to be in play for the other five months on-the-books, with occupancy gaining in all five months while rates are also up in all five months. Occupancy gains are led by November (30.7 percent) and February (22.0 percent). Occupancy for six months on-the-books (September - February) in aggregate has increased 11.2 percent while rate has also increased by 3.5 percent. Bookings taken in August for arrival August through January are down -4.6 percent, with gains in two of the six months in scope.

For more information:

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