

Oct. 1, 2013

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WCU study predicts WNC fall tourism growth; government impasse may have impact

CULLOWHEE – Hotels, motels and inns across 21 counties of Western North Carolina can look for an increase in overnight stays during October’s annual fall leaf season, a study conducted by students and faculty in Western Carolina University’s Hospitality and Tourism Program indicates.

Student and faculty researchers from WCU caution that their rosy forecast could be affected by the shuttering of some government services because of an ongoing debate over the federal budget.

Students in a class taught by Steve Morse, an economist specializing in tracking business trends in the hotel, restaurant and tourism sectors of the Southeast and U.S. economies, are predicting that counties from Cherokee in the far western corner to the high mountains of Alleghany and Wilkes will see an upswing in occupancy rates this October.

Using hotel performance data from 21 counties supplied by Smith Travel Research, students in a course titled “Strategic Management in the Hospitality and Tourism Industry” analyzed accommodation industry trends to develop the inaugural “October Tourism Forecast for Western North Carolina.”

In addition to data from previous years, the students’ forecast also is based on steady or slightly falling gasoline prices, stable hotel rates, favorable weather conditions, and a number of popular events and festivals across the mountain region during the month ahead, said Morse, who joined WCU’s College of Business on July 1.

One factor that could dampen the positive outlook for the WNC travel industry, however, is the threat of a federal government shutdown and the possible impact on such popular tourist destinations as Great Smoky Mountains National Park, Morse said.

“We found that hotel occupancy rates are highest in October – more than any other month of the year – mainly because of the fall foliage travel season in Western North Carolina,” he said. “The economic impact of the important October travel month could be jeopardized by public perception of the shutdown of Great Smoky Mountains National Park and possibly the Blue Ridge Parkway.”

Although visitor centers and campgrounds will be affected, U.S. Highway 441 through the national park and the Blue Ridge Parkway will remain open despite the government impasse.

In the study, students divided 21 WNC counties into five groups, examined the total number of hotel rooms sold and the overall occupancy rates for October 2012; compared weekday and weekend occupancy rates from last October; and determined the average change in the number of hotel nights sold for October during the previous three years. The students' findings, by region:

* Region 1 (Cherokee, Clay, Graham and Macon counties), a 2.1 percent increase in the number of hotel rooms expected to be sold this October compared to last October. The weekend occupancy rate for Region 1 last October was 89.6 percent, compared to a 59.6 weekday occupancy rate. The region experienced 3.5 percent growth in the number of hotel room nights sold in October over the last three years.

* Region 2 (Haywood, Jackson and Transylvania counties), a 3.5 percent increase in the number of hotel rooms expected to be sold this October compared to last October. The weekend occupancy rate for Region 2 last October was 91.9 percent, compared to a 60.4 percent weekday occupancy rate. The region experienced 4 percent growth in the number of hotel room nights sold in October over the last three years.

* Region 3 (Alleghany, Ashe, Avery, Caldwell, Watauga and Wilkes counties), a 1.8 percent increase in the number of hotel rooms expected to be sold this October compared to last October. The weekend occupancy rate for Region 3 last October was 83.5 percent, compared to a 54.3 percent weekday occupancy rate. The region experienced 2.4 percent growth in the number of hotel room nights sold in October over the last three years.

* Region 4 (Burke, Madison, McDowell, Mitchell and Yancey counties), a 3 percent increase in the number of hotel rooms expected to be sold this October compared to last October. The weekend occupancy rate for Region 4 last October was 83.6 percent, compared to a 55.8 percent weekday occupancy rate. The region experienced 4.4 percent growth in the number of hotel room nights sold in October over the last three years.

* Region 5 (Buncombe and Henderson counties), a 3.5 percent increase in the number of hotel rooms expected to be sold this October compared to last October. The weekend occupancy rate for Region 5 last October was 96 percent, compared to a 72.4 percent weekday occupancy rate. The region experienced 3.6 percent growth in the number of hotel room nights sold in October over the last three years.

The "October Tourism Forecast for Western North Carolina" is the first in what is expected to become a series of reports about travel trends in the mountain region to be provided by Morse and his students. Morse is the former director of the Tourism Institute at the University of Tennessee.

For more information about WCU's Hospitality and Tourism Program, visit the website hospitalityandtourism.wcu.edu. For a copy of the tourism forecast report, call 828-227-2731.

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