



High booking rates anticipate solid growth for Q4

In the first seven months of the year, lodging demand increased by 3% for hotels and 15% for rentals.

San Juan, Puerto Rico, August 22, 2024 — The booking rate for the last quarter of the year anticipates growing lodging demand, especially for short-term rentals that register year-on-year increases of between 10% and 24%.

Hotels, meanwhile, are booking between 2% and 12% more than last year, according to a market analysis by Discover Puerto Rico published in the most recent Industry Update. Discover Puerto Rico is monitoring the data regarding the possible effects of Storm Ernesto on the booking rate.

"The forecast on August 2 is positive for both hotels and rentals. Hotels are currently showing a flat rate for September, slight improvement for October and November, and we see 11.5% more rooms on the books for December. Rentals also have more bookings than last year, and we see a strengthened demand in this sector for the remainder of 2024," said Laressa Morales, Director of Research and Analytics at Discover Puerto Rico.

This growth in reservations will add to the increase recorded in the first seven months of the year, with hotels performing 3% better than in 2023 and rentals 15%.

The high level of bookings is recorded despite changes in travelers' behavior. According to surveys by the firm Future Partners, travelers are now more inclined to take advantage of offers and discounts and find more value for the money they invest. This change comes with increasing competition from Asian and Latin American markets.

"As new challenges loom, Discover Puerto Rico and the industry adjust to continue growth in tourism, an industry that now employs over 100,500 professionals," said Brad Dean, CEO of Discover Puerto Rico, citing data from the U.S. Labor Statistics Bureau.

Lodging revenue between January and July reached \$1.28 million for a year-over-year growth of 8%. The increase, in part, is sustained by historical accommodation rates. Between January and July, the average daily rate was \$310 for hotels and \$243 for rentals, according to data analyzed from the STR and AirDNA platforms. This implies year-on-year growth of 2% and 0.4%, respectively.

The increases compensate, in part, for the slowdown in hotel demand in July, which resulted from fewer group and business travel for that month when compared to 2023. The meetings, conventions, and sports travel sectors closed the 2023-24 fiscal year with a 22% increase in hotel nights sales and generated over \$192 million for the local economy.



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