

Horry County Visitors Oct. 06 - Sept. 07

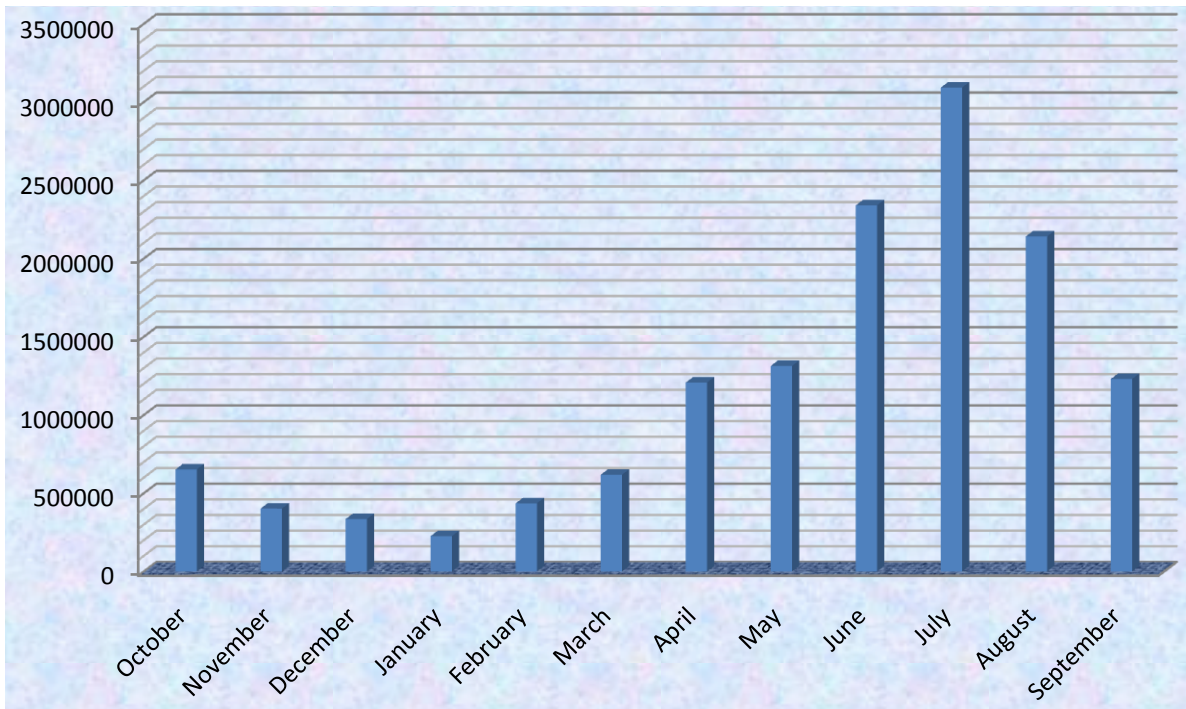


Figure 1 - Horry County visitors 2006-2007 (bar graph)

Method: Accommodations tax revenue for Horry County was provided by the Myrtle Beach Area Chamber of Commerce for the period October 2006 to September 2007. That data was used because it is old enough to be finalized for accuracy but new enough to be a reliable indicator of the present trend.

The data was entered into MSExcel with columns 'month' and 'tax revenue' (in dollars). An annual visitor count of 14 million was used as the generally accepted total visitor count as cited by the Chamber as well as local media. Column 3 was added to the spreadsheet as 'percent of total' with column 2 divided by 14 million to arrive at a percentage of total visitor count that each month represents. Column 4 was added as 'estimated visitors' and 14 million was multiplied by column 3 to arrive at an estimate of the number of tourists in Horry County each month.

Limitations: This method is based on accommodations tax revenue only and assumes that visitors paid accommodation tax. It also assumes that they each paid a proportional share of that accommodations tax. The data assumes that the Chamber of Commerce estimate of 14 million visitors per year is accurate. The trend presented should be reasonably accurate though the actual number of guests may vary. Present US economic conditions can be expected to impact future applicability of this information.

Figure 2 - Horry County tourism by month 2006-2007

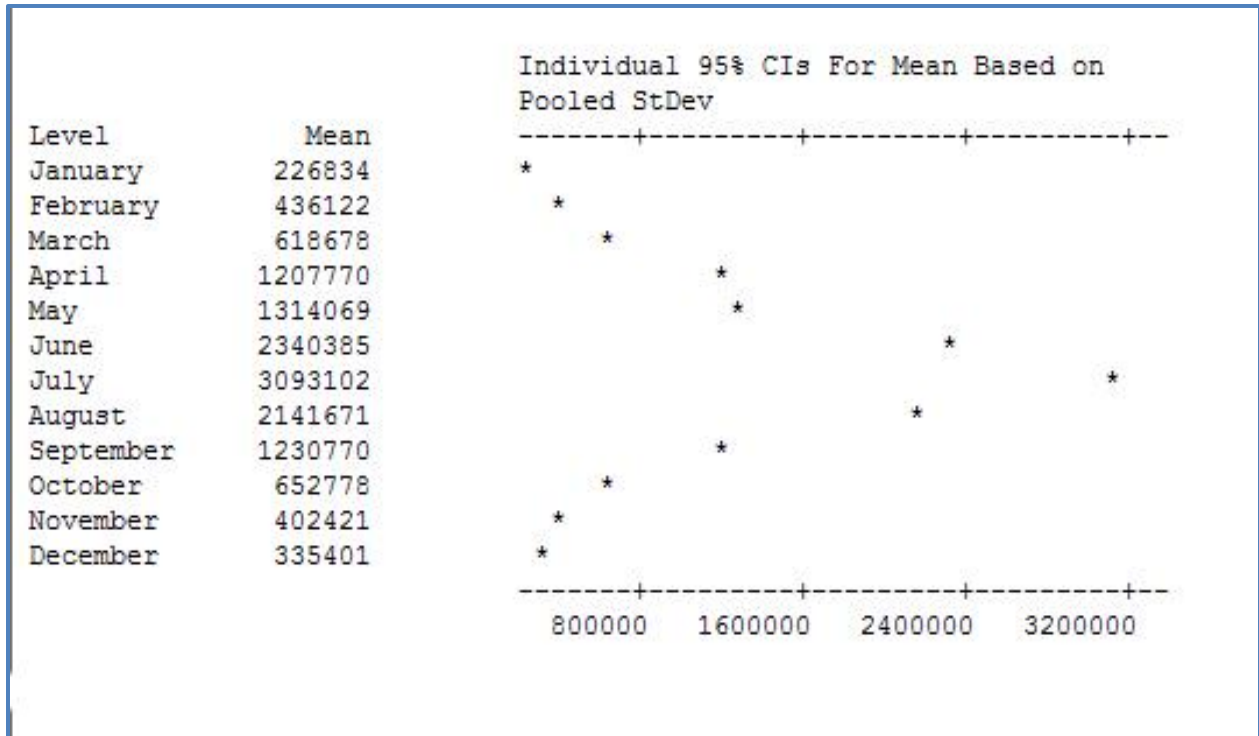


Figure 2 illustrates that there are four distinct visitor ‘seasons’ in Horry County which can be described by total visitor count and which are clearly observable. Oct-Mar (under 1 million), Apr, May, Sept (under 2 million), Jun and Aug (under 3 million), and July (over 3 million). Only the period of Oct-Mar is contiguous and is generally referred to locally as the “off-season”.

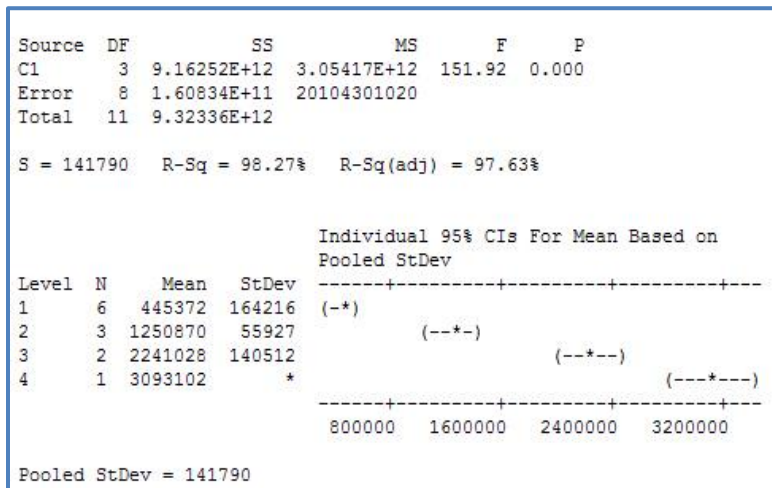


Figure 3 - separation of season

Figure 3 simply supports (with 98% assurance) that these separations of seasonal period in Horry County are valid for the period in comparison. Each level represents the separation of period presented in the paragraph above.

Implications: For planning and comparison purposes, tourism in Horry County South Carolina can be divided by period as:

- October to March – Off-season; under 1 million visitors per month
- April, May, and September – pre and post season; 1 – 2 million visitors per month
- June and August – season; 2-3 million visitors per month
- July – peak season; over 3 million visitors per month

Six months of the calendar year are considered “off season” but when considered together with pre/post season represents 46% of visitor count. That is, the nine months that are not June, July, and August cumulatively represent slightly less than half of all accommodations tax revenue while the months of June through August represent over half.

While shifting the entire curve (all months) to the right would be beneficial, that is probably not likely considering that visiting the beach is a summer intensive activity. Given limited resources to expend and seeking maximum economic benefit, it would appear that concentrating efforts on moving June and August closer to July counts would be most beneficial and least demanding.

The visitor count gap between pre/post season and season is such that a full doubling of count would be required to achieve a significant benefit. Expecting to double that count is not realistic. Whereas, increasing the visitor count in June or August only twenty-five percent would have an equal financial impact, as those months are 75% of July while the pre/post season months are about 40% of July.

Figure 2 seems to imply that the months of March and October can be increased and developed into a separate season (3/4 – 1 million) higher than ‘off season’ but lower than ‘pre/post season’.
