



Report for Destination Marketing Organizations

U.S. Vacation Rental Market Report

Autumn 2025: Industry Performance Analysis

Comprehensive Analysis of Short-Term Rental Performance,
Regional Markets, and Strategic Outlook



SUMMARY

Market Resilience Emerges: Vacation Rental Industry Shows Strengthening Momentum in Autumn 2025

The U.S. vacation rental market shows encouraging signals of stabilization and recovery. After navigating volatility throughout the year, the industry demonstrated renewed strength heading into winter, with the Key Data Demand Index climbing to +0.04 in October 2025. This marks a significant turning point for the market after prolonged periods of uncertainty.

Key Autumn 2025 Findings:

Occupancy Trends

+0.04 ↑ **+0.05** ↑

Index
October 2025

MoM
Change

Forward Pacing Occupancy

-4% ↓ **+1%** ↑

YoY
November

YoY
December

Revenue Performance

+0.04 ↑ **+1%** ↑

Revenue Index
October

RevPAR Pacing
November

Key Changes

+5 to +6% **-2% to -9%**

ADR ↑
Growth

Stay ↓
Length

+7% ↑

RevPAR Pacing
December

0% to -5%

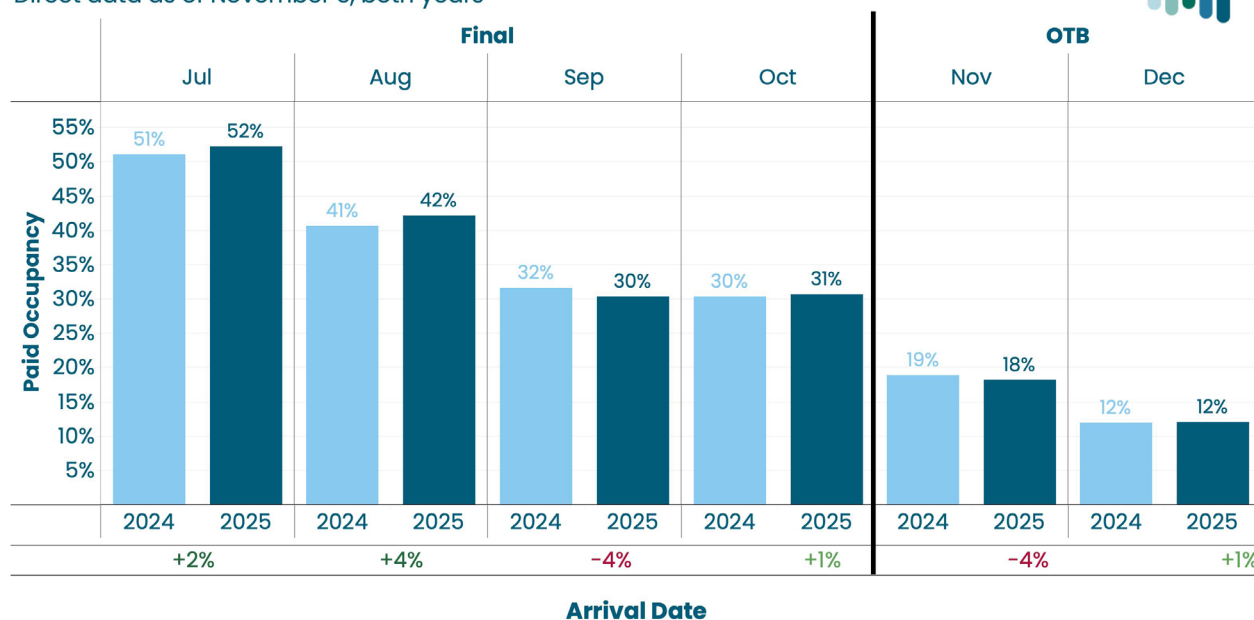
Booking ↓
Window
Shortening

Demand Seasonality Patterns

Winter booking patterns reflect evolving consumer behavior with opportunity in holiday travel

United States

Direct data as of November 3, both years



Peak Season Compression:

- Traditional winter holiday months showing strengthening forward momentum
- Shoulder season months (November) experiencing increased caution
- December emerging as a bright spot with +7% forward RevPAR growth

Regional Demand Variations:

Different regions continue experiencing distinct demand patterns, with winter performance increasingly influenced by:

- Drive-to accessibility for holiday gatherings
- Ski season timing and snow conditions
- Warm-weather escape demand to southern destinations
- Urban markets benefiting from year-end business travel recovery

Average Daily Rate (ADR) Analysis

Pricing power strengthens significantly for winter holiday season

Despite earlier year occupancy challenges, ADR performance has shown exceptional resilience through year-end, with forward bookings demonstrating the strongest pricing gains of 2025.

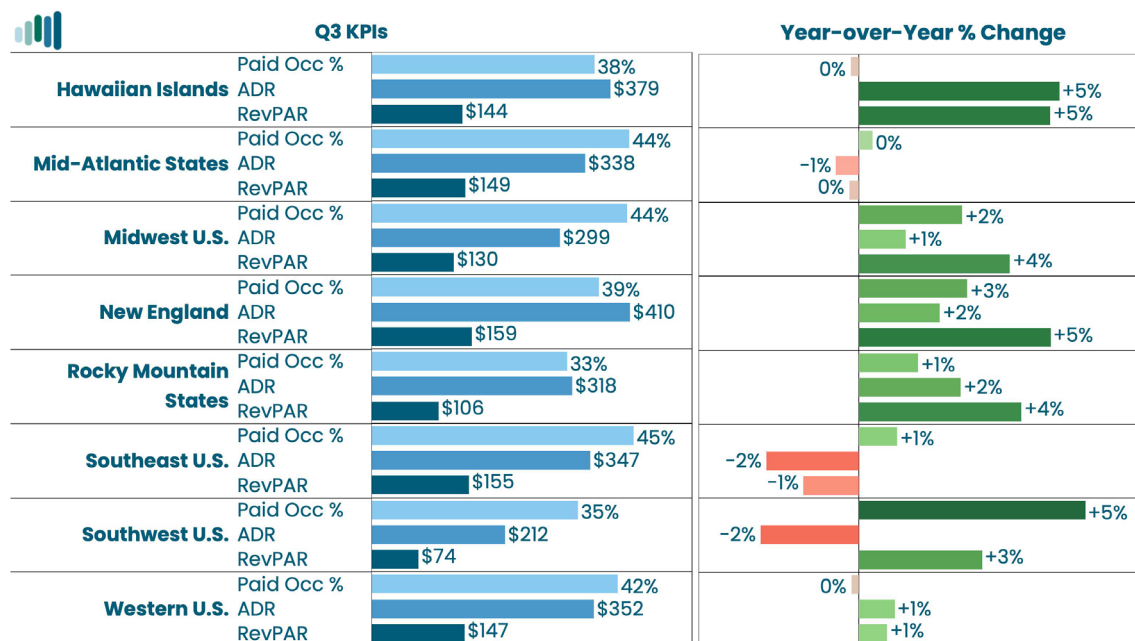
$ADR = \text{Total Unit Revenue} / \text{Nights Sold}$

United States

Direct data as of November 3, both years



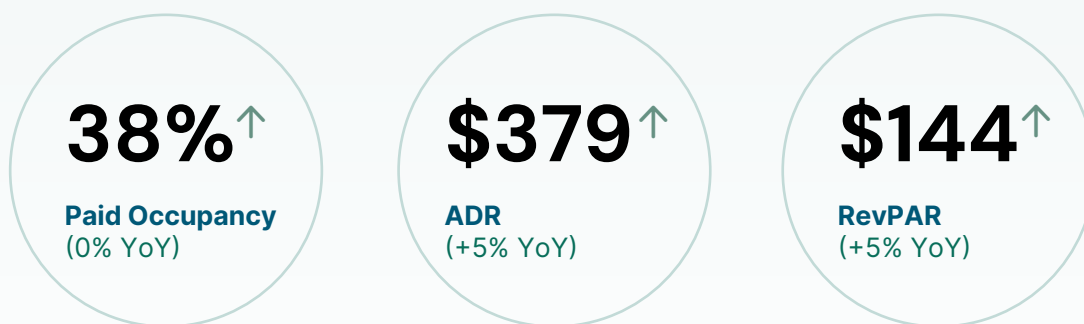
Regional Market Performance



U.S. Regional Short-Term Rental Performance

Calendar Year Q3, 2025

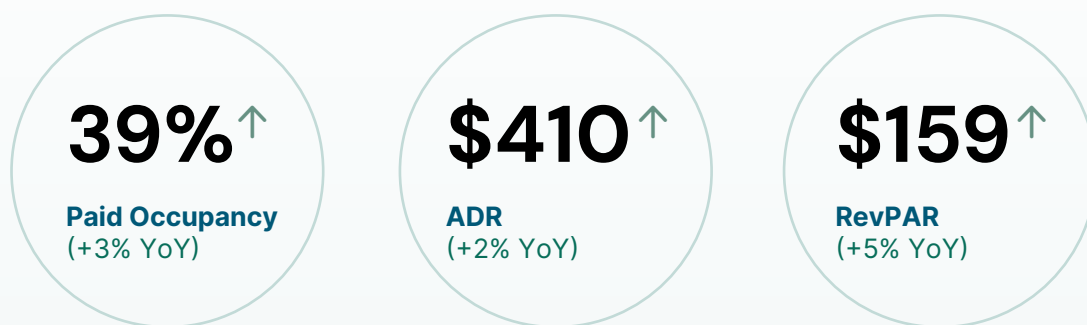
Hawaiian Islands: Rate-Driven Excellence



Hawaii demonstrates that premium positioning and pricing power can drive strong RevPAR performance even with flat occupancy. The region's +5% ADR growth reflects:

- Limited supply due to regulatory constraints
- High-income visitor demographics
- Strong destination brand recognition
- Unique seasonal appeal as winter escape destination

New England: Premium Winter Positioning Success



New England continues demonstrating that pricing power combined with occupancy growth drives superior RevPAR performance. The region benefits from:

- Unique winter seasonal attractions (skiing, holiday events)
- Limited new supply due to regulatory constraints
- High-income visitor demographics from major northeastern markets
- Strong destination brand for holiday travel

Stable Performing Markets

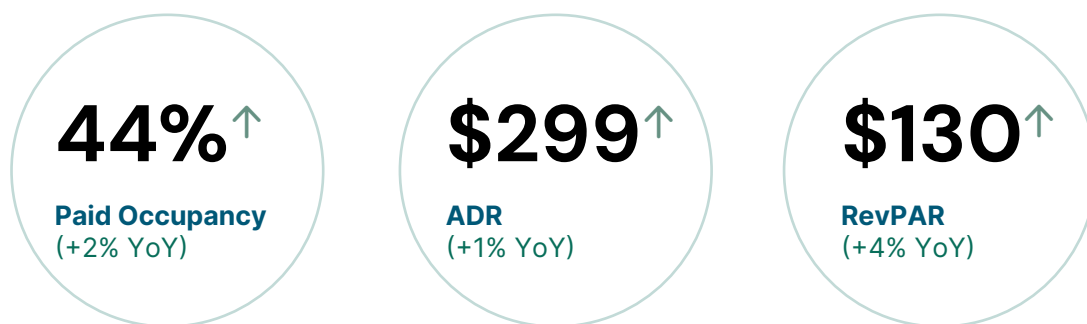
Rocky Mountain States: Winter Season Strength



The Rocky Mountain region demonstrates balanced winter performance across both occupancy and pricing, reflecting:

- Strong ski season positioning
- Consistent summer and winter demand patterns
- Drive-to accessibility from major western markets
- Growing remote work flexibility supporting extended stays

Midwest U.S.: Steady Growth Foundation



The Midwest demonstrates solid fundamentals with balanced occupancy and rate growth, supported by:

- Strong drive-to demand from major midwest cities
- Affordable positioning attracting price-conscious travelers
- Diverse property inventory serving multiple traveler segments
- Growing recognition as value alternative to coastal destinations

Markets Facing Challenges

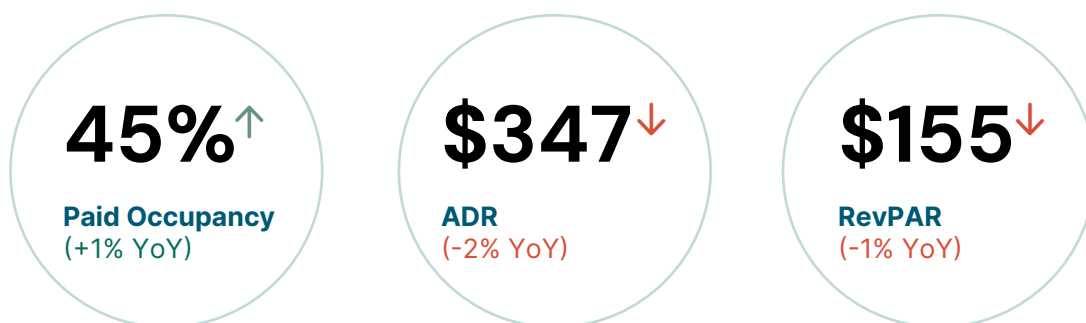
Southwest U.S.: Navigating Headwinds



The Southwest faces continued pricing pressure despite occupancy improvements:

- Significant new supply additions outpacing demand growth
- Increased competition from international destinations
- Economic sensitivity in key California and Texas source markets

Southeast U.S.: High-Volume with Rate Pressure



The Southeast maintains industry-leading occupancy but faces rate challenges:

- Intense competition in Florida and coastal markets
- Supply growth exceeding demand in several submarkets
- Shift toward value-conscious consumer behavior
- Need for differentiation beyond location alone

Mid-Atlantic States: Market Stabilization



Performance held steady year-over-year, reflecting:

- Mature market dynamics with balanced supply and demand
- Proximity to major metropolitan areas providing consistent demand
- Diverse property inventory from urban to mountain locations
- Strong corporate and extended-stay segments

Western U.S.: Moderate Performance

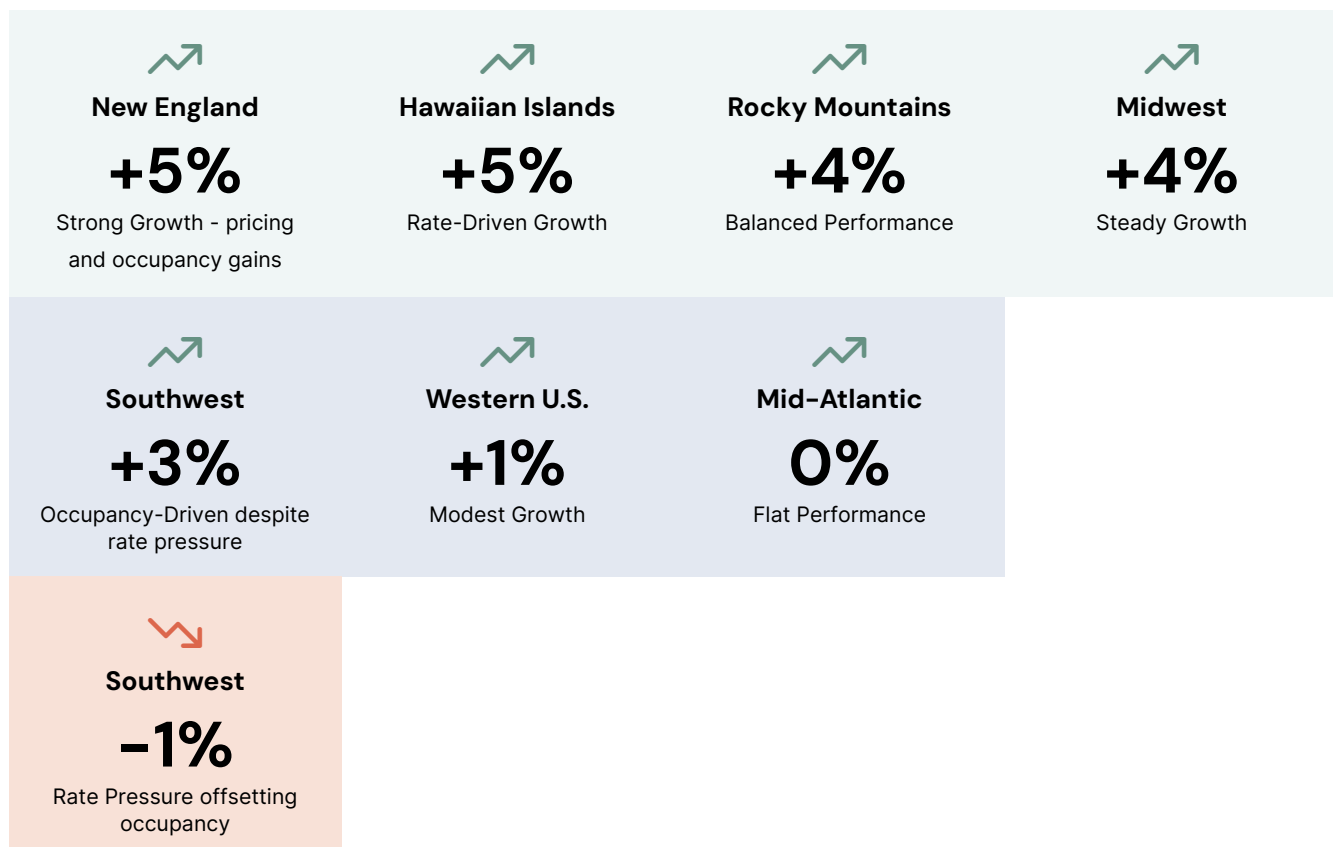


The Western region shows stable but modest performance, reflecting:

- Mature market with intense competition
- Pacific Northwest maintaining stronger positioning
- Desert markets showing seasonal variation

Regional Winners and Losers

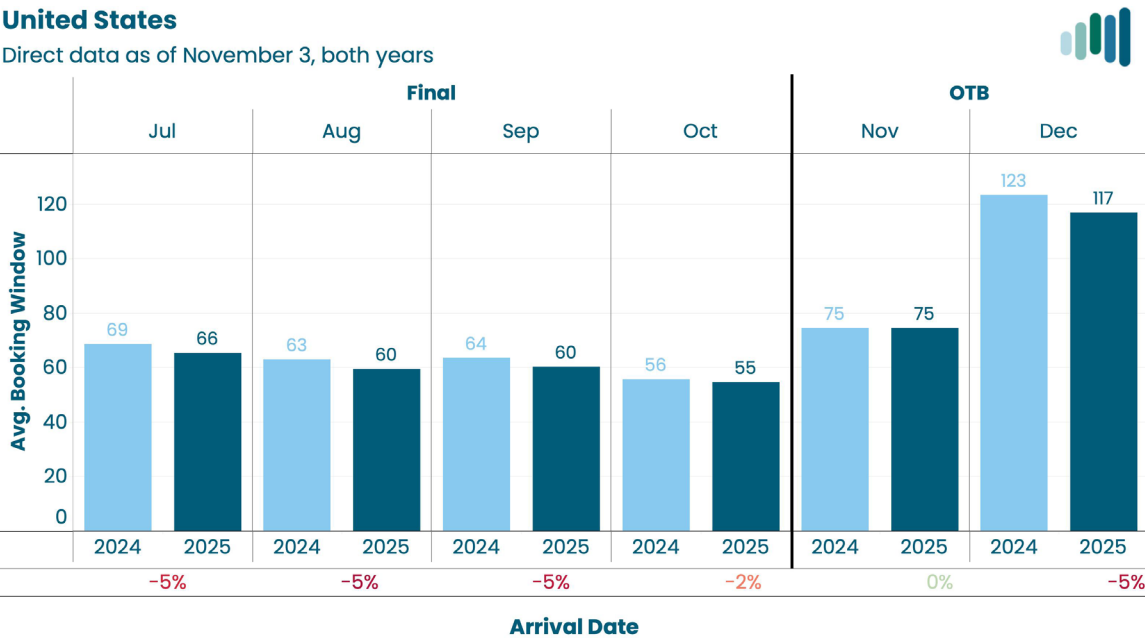
RevPAR Performance Ranking



Guest Behavior Trends

Booking window analysis

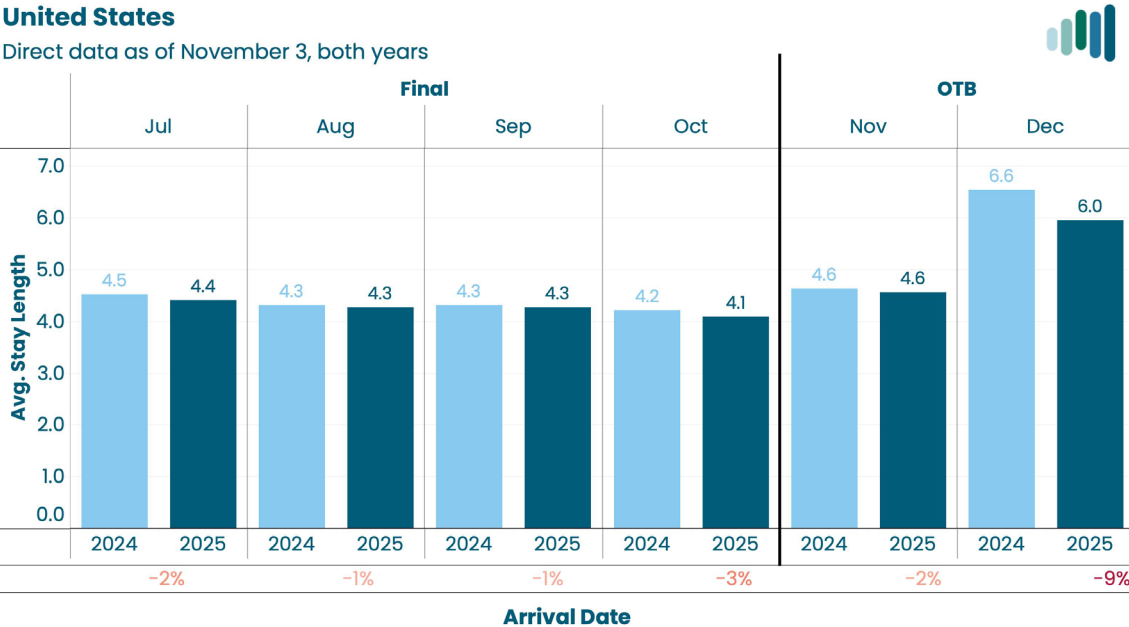
Booking windows compress while stay lengths shorten—travelers prioritize flexibility and spontaneity



Average Booking Window = (Arrival Date - Booked Date) / # of Guest Check-ins



Trip durations continue shortening, particularly for winter holiday travel



Average Length of Stay = Total Nights Sold / # of Guest Check-ins

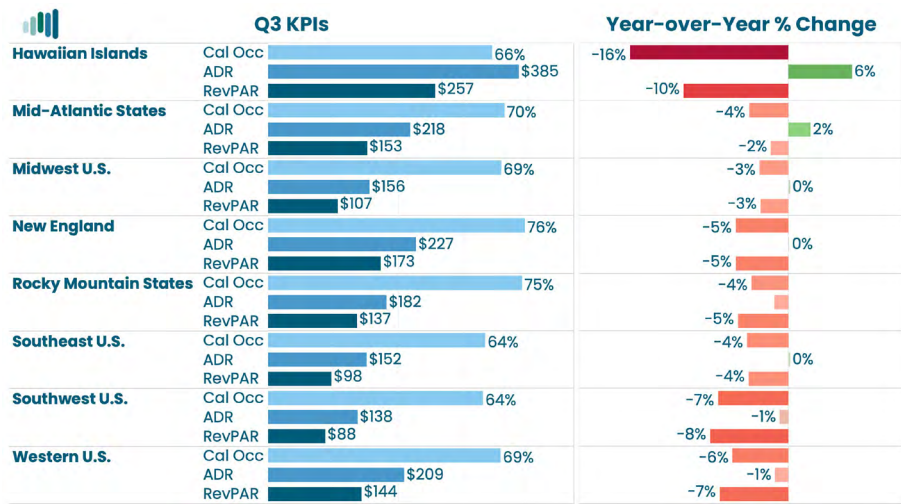


Channel Strategy Implications

Hotel Market Comparison

Understanding hotel market performance provides important competitive context for vacation rental positioning and strategic decision-making.

U.S. Hotel Performance - Q3 2025



Regional Hotel Performance Analysis

Region	Hotel RevPAR Change	VR RevPAR Change	Performance Gap
Hawaiian Islands	-10%	+5%	VR +15 points
Mid-Atlantic States	-2%	0%	VR +2 points
Midwest U.S.	-3%	+4%	VR +7 points
New England	-5%	+5%	VR +10 points
Rocky Mountain States	-5%	+4%	VR +9 points
Southeast U.S.	-4%	-1%	VR +3 points
Southwest U.S.	-8%	+3%	VR +11 points
Western U.S.	-7%	+1%	VR +8 points

Strategic Insights for Destination Marketing Organizations

Destination Marketing Organizations face a complex landscape in late 2025, where traditional metrics may not tell the complete story of destination health. While some markets are experiencing strong RevPAR growth (Hawaiian Islands +5%, New England +5%), the underlying dynamics reveal a more nuanced reality that requires strategic recalibration.

The Compressed Booking Window Challenge

The data shows a consistent shortening of booking windows across all months, with travelers now booking 55-75 days in advance (down from 60-80+ days previously). This compression—ranging from -2% to -5% year-over-year—requires a fundamental shift in marketing strategy. Traditional long-lead campaigns become less effective when travelers are making decisions closer to arrival.



Critical Market Intelligence Insight:

Short-term rental booking windows are historically longer than hotel booking windows, making STR data a leading indicator for hotel market performance. When STR booking windows compress, hotel booking windows typically follow the same pattern 2-4 weeks later. DMOs should monitor STR booking trends closely as an early warning system—changes in STR demand velocity, booking pace, and rate pressure will signal how hotel markets should perform in the near term. This correlation provides DMOs with actionable foresight to adjust marketing timing, promotional calendars, and partnership strategies before hotel performance data confirms the trend.

DMOs must develop dual-track approaches:

Early Inspiration Phase:

Build awareness and consideration 90+ days out through content marketing, social media, and partnerships

Late Conversion Phase:

Deploy urgent, value-driven messaging in the 30-60 day window when bookings actually occur

The Length of Stay Challenge

Average stay lengths have declined 1-3% for most months, with December showing a dramatic 9% decrease (from 6.6 to 6.0 days). This means that even when destinations maintain visitor numbers, the total nights sold (and therefore total economic impact) decreases.

For example, if a destination historically welcomed 1,000 visitors staying 4 nights each (4,000 total nights), and now welcomes the same 1,000 visitors staying 3.8 nights each (3,800 total nights), the destination has lost 200 nights of economic activity despite maintaining visitor volume.

This shift creates opportunities to position destinations for **weekend getaways, special occasions, and spontaneous escapes** rather than traditional week-long stays.

Regional Performance and Strategic Implications

High-Growth Markets

(Hawaiian Islands +5% RevPAR, New England +5%, Rocky Mountains +4%, Mid-west +4%)

These markets demonstrate that strong performance is still achievable but requires deliberate strategy execution:

- Focus on premium positioning emphasizing unique value propositions
- Invest in shoulder season marketing to extend peak periods
- Develop partnerships with property managers capturing high-value direct booking guests
- Create content showcasing authentic experiences and local culture

Challenged Markets

(Southeast -1% RevPAR)

These regions require fundamental demand generation and value proposition reconstruction:

- Reposition away from commodity destinations toward unique experience differentiation
- Develop off-peak season programming with events driving shoulder season demand
- Implement aggressive off-season campaigns with compelling promotions
- Target underserved source markets less sensitive to competition

Value-Based Marketing Over Discount Strategies

Despite occupancy pressures, ADR has remained relatively stable across most markets, with some regions showing growth. This indicates that travelers are still willing to pay premium rates when they perceive value, suggesting that discount-heavy marketing may be counterproductive.

DMOs should focus on value amplification strategies:

Experience Bundling: Partner with local attractions, restaurants, and activity providers to create packages that justify higher rates

Off-Peak Positioning: Market November and late-year periods as "Local's Secret Season" with fewer crowds, better availability, and authentic experiences

Micro-Season Creation: Develop compelling reasons to visit during traditionally slower periods through festivals, events, or seasonal highlights



This report is published quarterly by Key Data (keydatadashboard.com), the leading provider of lodging market intelligence and analytics. For more information about our data platform and custom analysis capabilities, visit our website or contact our research team.

Next Report: Q1 2026 data and analysis will be available in January 2026, featuring expanded regional coverage, enhanced forward-booking analytics, and early spring travel season performance insights.

Glossary

Paid Occupancy %

Formula: Nights Sold / Total Nights

Definition: Percentage of available nights that were booked. A core measure of demand and property utilization.

ADR (Average Daily Rate)

Formula: Total Unit Revenue / Nights Sold

Definition: Average income earned per sold night. Indicates pricing strength and rate management effectiveness.

RevPAR (Revenue per Available Room)

Formula: Occupancy x ADR or Total Unit Revenue / Total Nights

Definition: Blends occupancy and pricing to assess revenue efficiency across all available nights.

Average Length of Stay (ALOS)

Formula: Total Nights Sold / # of Guest Check-ins

Definition: Shows the average duration of guest stays. Helps assess trip type and market behavior.

Average Booking Window (ABW)

Formula: (Arrival Date - Booked Date) / # of Guest Check-ins

Definition: Average number of days between booking and arrival. A leading indicator of guest planning behavior.

Key Data Demand Index

Formula: Reservations per property (year-over-year indexed)

Definition: Tracks demand strength across properties. Positive index growth signals higher reservation activity.

Key Data Revenue Index

Formula: Year-over-year revenue per property (indexed)

Definition: Measures changes in revenue performance per unit over time.

Direct Bookings

Definition: Bookings made directly through a manager's own channels (e.g., website). Typically yield longer stays, higher ADR, and more lead time.

OTA (Online Travel Agency)

Examples: Airbnb, Vrbo, Booking.com

Definition: Third-party platforms facilitating short-term rental bookings. Useful for guest acquisition but include commission costs.

Orphan Nights

Definition: Single nights stranded between two bookings that are hard to fill due to stay restrictions or unattractive timing.

Pacing / On the Books (OTB)

Definition: A performance comparison between future bookings and prior-year benchmarks. Helps forecast trends and identify early signals.

Defined Regions

West: Oregon, Alaska, California, Washington, and Nevada

Rocky Mountains: Montana, Wyoming, Colorado, Idaho, and Utah

Southwest: New Mexico, Oklahoma, Texas, and Arizona

Midwest: Montana, Iowa, Indiana, Illinois, South Dakota, Minnesota, Ohio, Kansas, North Dakota, Wisconsin, Nebraska, and Michigan

Southeast: North Carolina, West Virginia, Mississippi, Tennessee, Kentucky, Louisiana, Georgia, Florida, Alabama, Virginia, Arkansas, and South Carolina

Mid-Atlantic: New York, Delaware, Maryland, and Pennsylvania

New England: Vermont, Rhode Island, Maine, Massachusetts, Connecticut, and New Hampshire

Hawaiian Islands: Hawaii

Ready to Get Started?

Contact us to see your customized destination insights

sales@keydatadashboard.com
media@keydatadashboard.com



keydatadashboard.com/demo

Don't let market volatility catch you unprepared.