

KEYDATA™

Report for Destination Marketing Organizations

U.S. Key Data Index

Q4 2026: Industry Performance Analysis

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

SUMMARY

The U.S. short-term rental market strengthened in Q3 2026, with improving demand and continued pricing growth supporting strong revenue performance. After relatively modest booking growth through much of the year, both the KeyData Demand and Revenue Indices accelerated sharply in September. Finalized results followed a similar pattern, with September delivering particularly strong gains in occupancy, ADR, and RevPAR. Regional performance remained varied, but most markets benefited from a combination of higher rates and improving demand, pointing to a healthier and more balanced growth environment entering Q4.

Demand accelerated late in the quarter, with the KeyData Demand Index reaching +0.17 in September, while the Revenue Index climbed even higher to +0.24, indicating strong momentum in both booking activity and revenue.

Q3 finished on a particularly strong note, with September paid occupancy increasing 13%, ADR rising 10%, and RevPAR growing 24% year over year. July also posted double-digit RevPAR growth (+11%), while August was more moderate at +2%.

Pricing remained an important driver, but growth was increasingly supported by occupancy. ADR increased across every finalized Q3 month, while several regions, including the Mid-Atlantic, Midwest, Southeast, Southwest, and Western U.S., also recorded positive occupancy growth.

Booking behavior remained relatively stable, with finalized booking windows ranging from flat to modestly longer year over year. Forward booking windows are also pacing slightly longer through Q4, suggesting no significant shift toward later booking behavior.

Regional RevPAR growth was widespread, ranging from +6% in the Hawaiian Islands to +16% in the Mid-Atlantic. Some markets achieved growth primarily through higher rates, while others benefited from a more balanced combination of occupancy and ADR gains.

Overall, Q3 reflects a strengthening market heading into year-end, with positive forward occupancy and RevPAR pacing through December. Operators that remain responsive to local demand, protect rate where appropriate, and optimize their distribution mix are well positioned to capitalize on continued momentum.



Market Overview

Demand Performance Analysis

Booking Demand Rebounds Sharply in September



KeyData Demand Index *= year-over-year change in reservations per property made in a given period*

+0.17 ↑

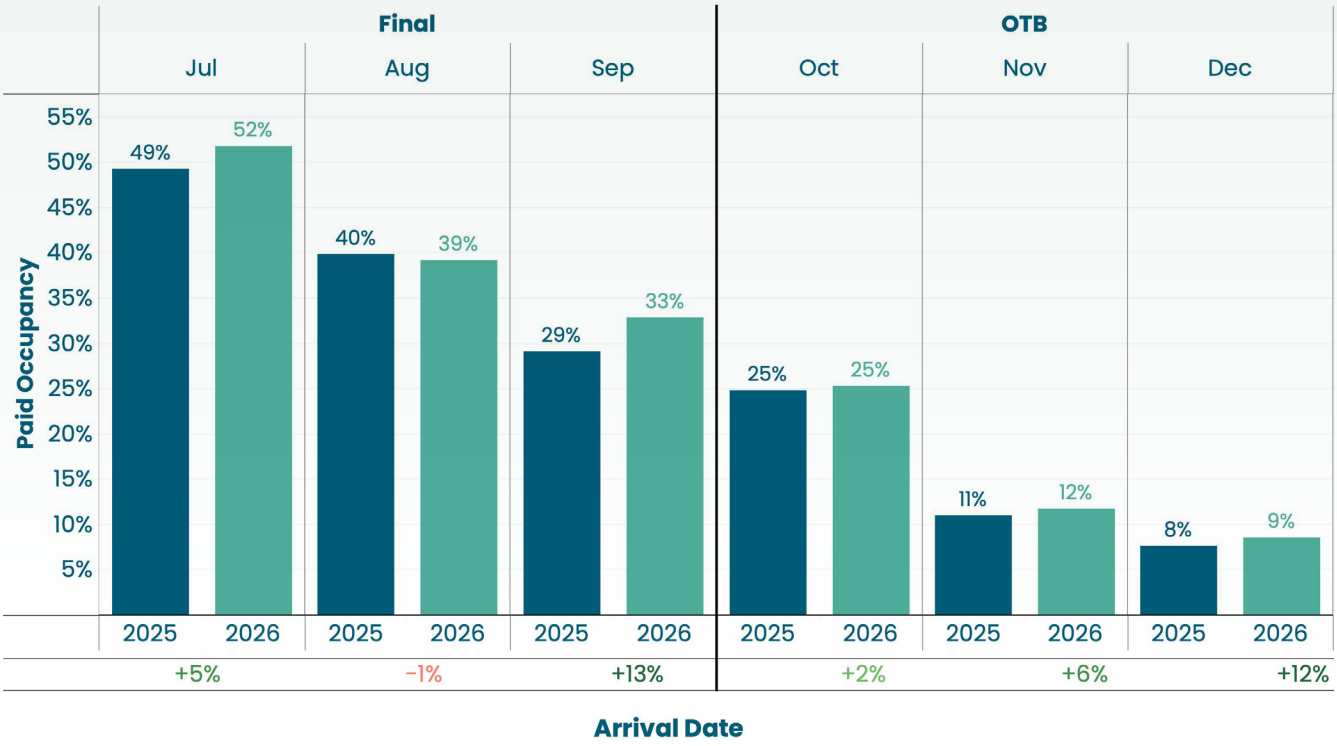
September
2026

In September 2026, the KeyData Demand Index registered +0.17, increasing +0.21 month over month. This marks a sharp rebound from August's negative reading and the strongest demand growth recorded during the period shown. The latest reading indicates a significant acceleration in booking activity following several months of relatively modest growth.

After a prolonged period of negative readings throughout much of 2024, demand improved considerably during 2025 and remained mostly positive through 2026. While August briefly interrupted that trend, September's rebound suggests that underlying booking demand remains healthy. Month-to-month volatility is still present, but the broader trend points to a stronger demand environment than in prior years.

September Occupancy Posts Strong Summer Finish

***Paid Occupancy %** = Nights Sold / Total Nights*



Final Data

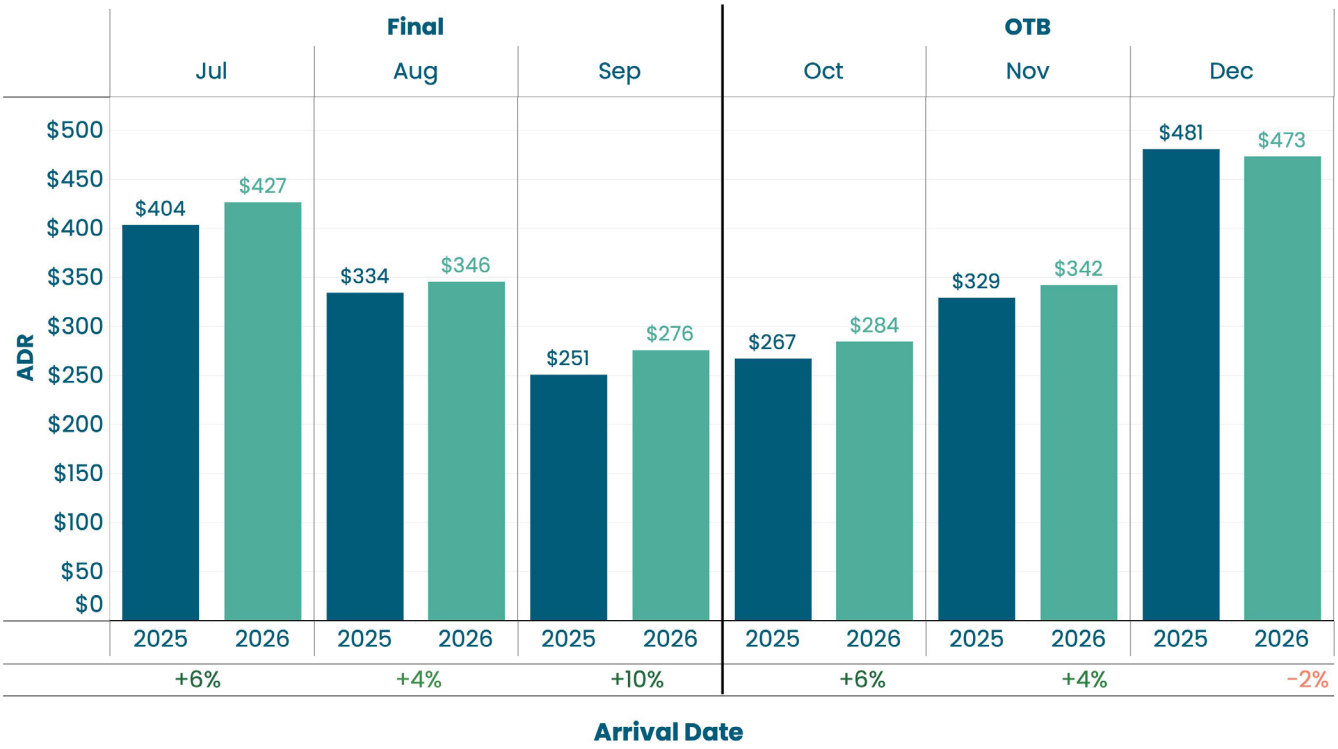
Paid occupancy showed mixed performance over the finalized summer months but strengthened considerably in September. July increased from 49% to 52% (+5%), August slipped from 40% to 39% (-1%), and September rose from 29% to 33% (+13%). September's double-digit growth represents the strongest year-over-year occupancy improvement of the period.

On The Books Data

Occupancy is pacing at or above last year's levels throughout the remainder of 2026. October is effectively in line with last year at 25% (+2%), while November is pacing 6% ahead at 12% and December 12% ahead at 9%. With booking windows still open, occupancy should continue to build as arrival dates approach.

ADR Growth Remains Strong Through November

Average Daily Rate (ADR) = *Total Unit Revenue / Nights Sold*



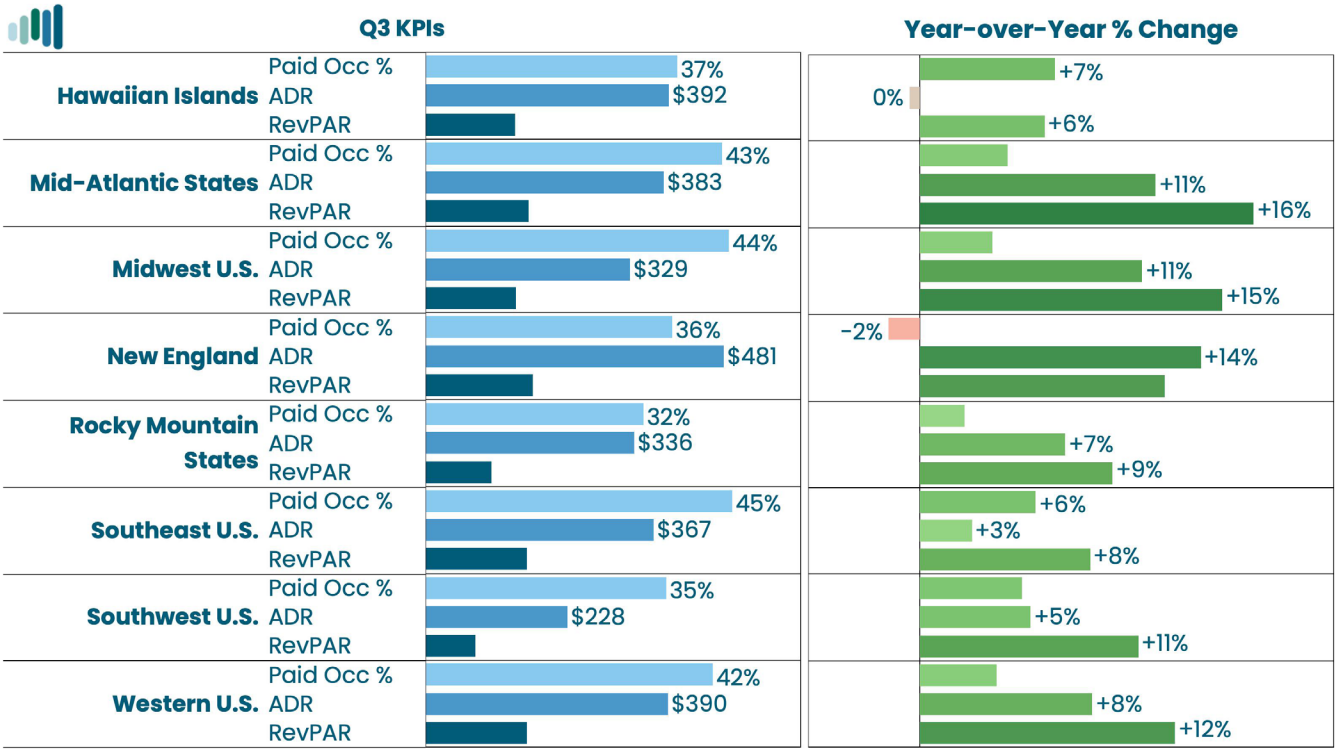
Final Data

ADR finished above last year across all finalized summer months, with growth accelerating into September. July increased from $404 to $427 (+6%), August rose from $334 to $346 (+4%), and September climbed from $251 to $276 (+10%). September's double-digit increase marks the strongest finalized ADR growth of the three months.

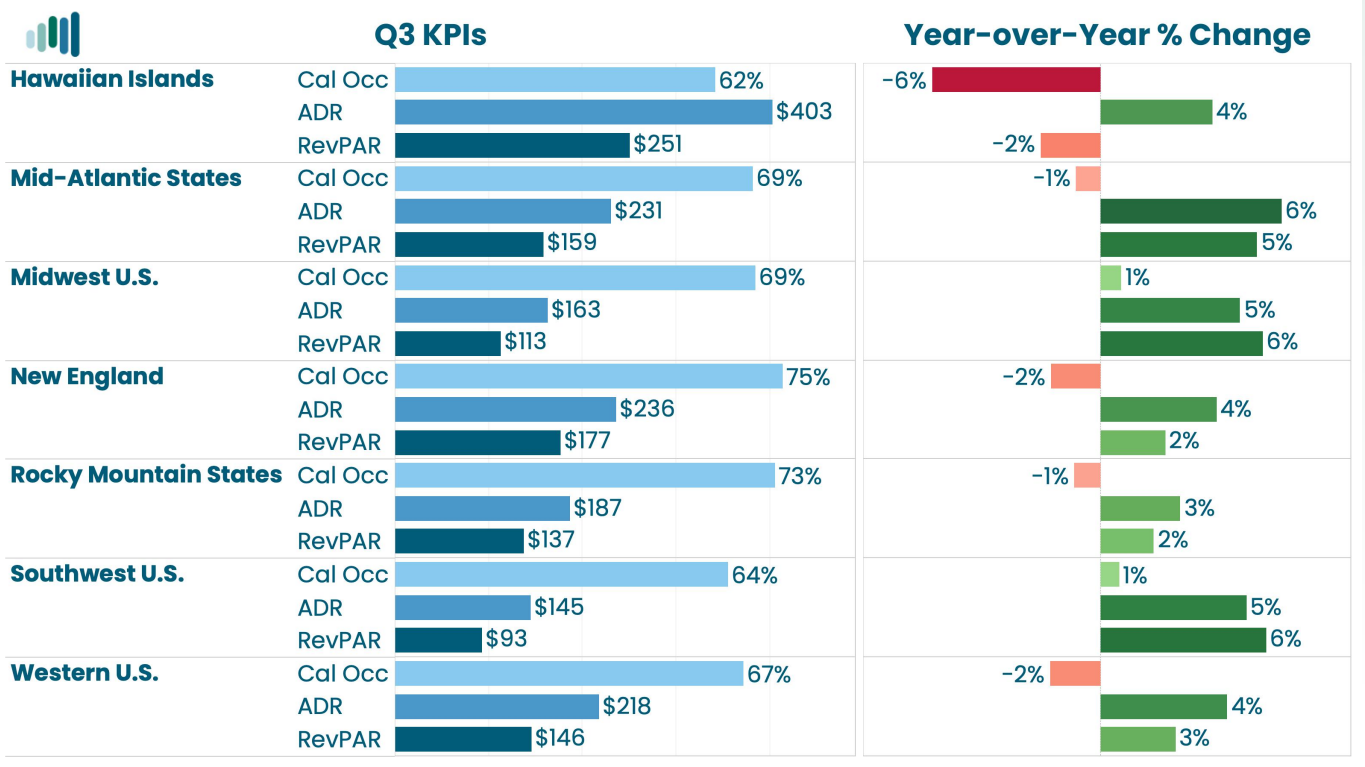
On The Books Data

ADR continues to pace ahead through November, with October increasing from $267 to $284 (+6%) and November from $329 to $342 (+4%). December is the exception, currently pacing 2% behind last year at $473 compared with $481, suggesting rate growth may soften heading into year-end.

U.S. Regional Short-Term Rental Performance

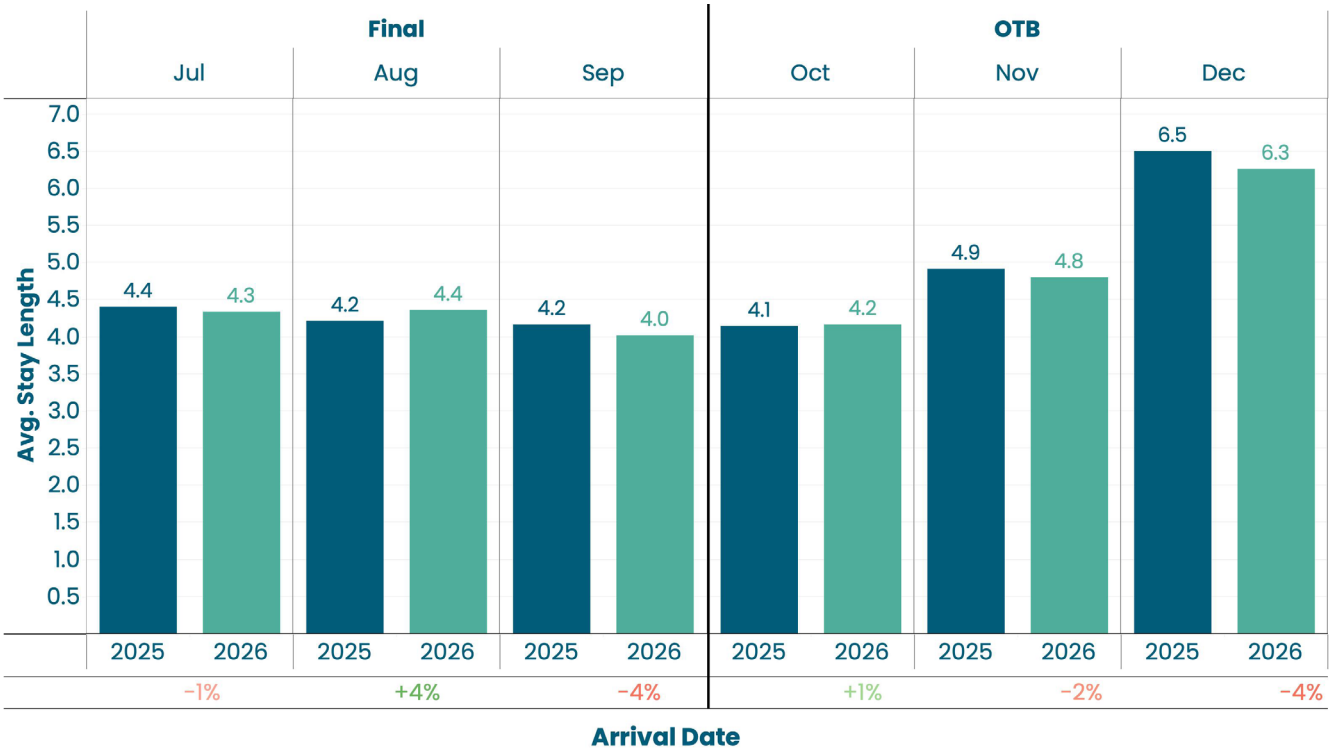


Hotel Performance



Guest Behavior Trends

Stay Length Remains Largely Stable



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

Final Data

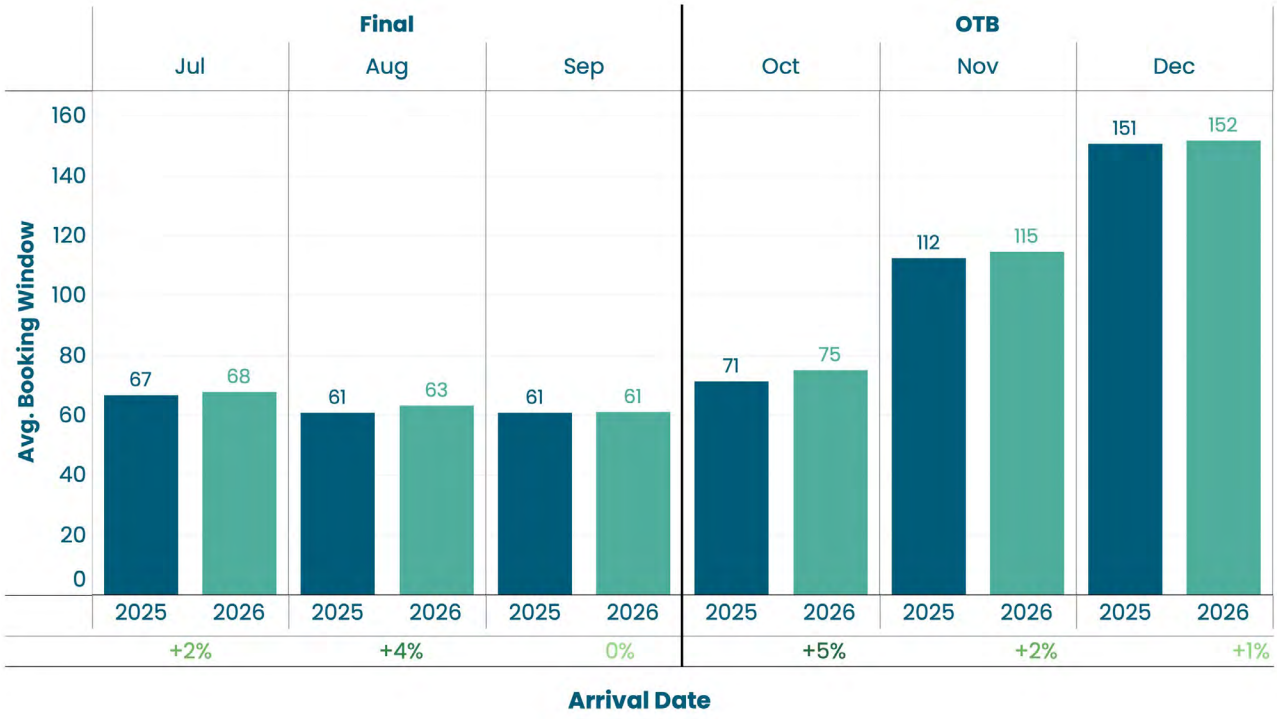
Average length of stay remained close to last year's levels throughout the finalized summer months. July decreased from 4.4 to 4.3 nights (-1%), August increased from 4.2 to 4.4 nights (+4%), and September declined from 4.2 to 4.0 nights (-4%). Overall, changes remain relatively modest, with no sustained movement toward longer or shorter stays.

On The Books Data

Stay lengths are similarly stable for upcoming arrivals. October is pacing slightly ahead at 4.2 nights (+1%), while November is down to 4.8 nights (-2%) and December to 6.3 nights (-4%). The year-over-year differences remain small, although later-year bookings are currently skewing slightly shorter.

Guest Behavior Trends

Booking Windows Lengthen Heading Into Q4



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

Final Data

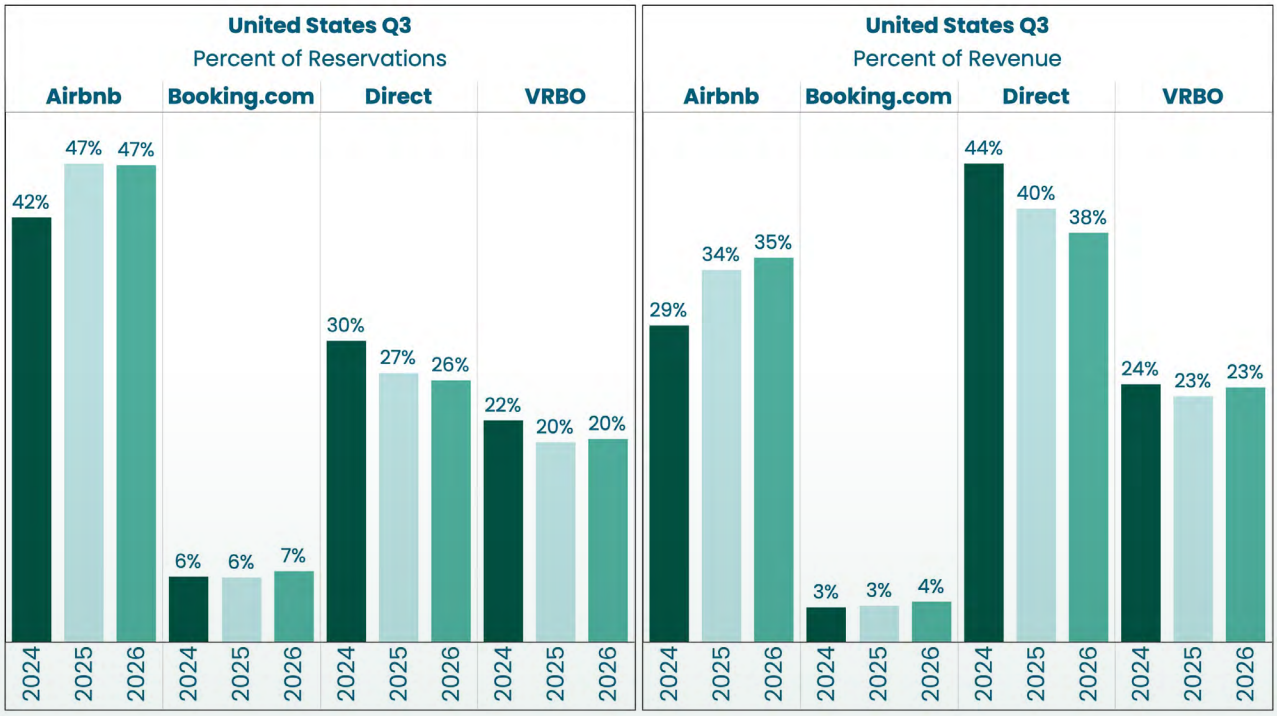
Average booking windows were slightly longer year over year in July and August before leveling off in September. July increased from 67 to 68 days (+2%), August rose from 61 to 63 days (+4%), and September remained unchanged at 61 days (0%). Overall, finalized data points to relatively stable booking behavior with modest lengthening during the summer.

On The Books Data

Booking windows are pacing ahead of last year across the remainder of 2026. October increased from 71 to 75 days (+5%), November from 112 to 115 days (+2%), and December from 151 to 152 days (+1%). The largest difference is concentrated in October, while November and December remain much closer to last year's booking patterns.

Distribution Channel Analysis

United States Q3 Booking Sources



Airbnb maintained its position as the leading source of reservations in Q3 2026, accounting for 47% of reservations, unchanged from Q3 2025 and up from 42% in 2024. Its share of revenue continued to increase, rising from 34% to 35%, suggesting Airbnb maintained its booking share while capturing a slightly larger portion of total revenue.

Direct bookings continued to lose share, accounting for 26% of reservations and 38% of revenue, down from 27% and 40%, respectively, in Q3 2025. Despite the continued decline, direct bookings still generate a disproportionately large share of revenue relative to reservation volume, reinforcing their importance as a higher-value distribution channel.

VRBO remained stable, representing 20% of reservations and 23% of revenue, unchanged from Q3 2025. Its consistent share indicates a relatively steady position within the distribution mix, while Airbnb has captured more of the gains seen over the past two years.

Booking.com remained the smallest of the major channels but continued to gain modest share, increasing from 6% to 7% of reservations and from 3% to 4% of revenue. While still a relatively small contributor in the U.S., the platform has gradually expanded its presence since 2024.

Insights for Destination Marketing Organizations:



Q3 2026 shows a travel market with strengthening demand, but the sources of growth vary considerably by destination. The KeyData Demand Index climbed to +0.17 in September, while the Revenue Index reached +0.24, indicating particularly strong momentum late in the quarter. For DMOs, the national improvement is encouraging, but regional results reinforce that destination-level performance should guide marketing decisions rather than broader U.S. trends.

Regional performance provides a useful distinction between destinations gaining visitation and those relying more heavily on pricing. Short-term rental occupancy increased 7% in the Hawaiian Islands, approximately 4% in the Mid-Atlantic and Midwest, and 6% in the Southeast. New England moved in the opposite direction, with occupancy down 2% but ADR up 14%, allowing RevPAR to grow 12%. Understanding whether growth is demand-led or rate-led can help DMOs identify where campaigns should focus on stimulating visitation versus reinforcing destination value and attracting higher-spend travelers.

Comparing short-term rental and hotel trends can also reveal important differences in accommodation performance. The Hawaiian Islands provide the clearest example: short-term rental paid occupancy increased 7%, while hotel calendar occupancy declined 6%. In the Western U.S., STR occupancy increased approximately 4% while hotel occupancy declined 2%. Because the occupancy metrics are calculated differently, their absolute levels should not be compared directly, but differences in year-over-year direction can signal where traveler behavior may be shifting between lodging types and where DMOs should investigate further.

Booking behavior suggests DMOs should remain active throughout the booking cycle. Q3 booking windows were broadly stable, while October through December are currently booking slightly further in advance than last year and on-the-books occupancy is ahead through year-end. Rather than relying exclusively on fixed seasonal campaigns, destinations can use real-time pacing and booking-window data to identify softer need periods and shift paid media, regional promotions, and messaging toward the dates where incremental demand is most valuable.



Definitions

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 behaviour.

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 behaviour.

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, New Jersey, Delaware, Maryland, and Pennsylvania

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

Hawaiian Islands: Hawaii

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Don’t let market volatility catch you unprepared.