



2026 Vacation Rental Industry Outlook

Next Year's Trends Anticipated
By Short-Term Rental Professionals

Table of Contents

Methodology 3

Definitions 4

Key Insights 5

Questionnaire Breakdown

Market Forces 7

Performance Outlook 23

Owner and Strategy Levers 35

Distribution and Action 49

Closing Insights 65

Meet The Team 68



Methodology

The Vacation Rental Industry Outlook survey was distributed online to Key Data's professional property manager clients throughout the U.S. The survey consisted of fourteen multiple-choice and multiple-selection questions. To provide insights into demographic and regional impact, each respondent's name, email, location, and property inventory size were also collected. Key Data received 244 unique responses from property management professionals representing 43,000+ properties across the United States. The final sample represents a variety of regions, company sizes, and property inventory classifications.

240+
Respondents
Represent:

CEOs, Revenue Managers, Marketing Professionals, General Managers, Owners, and more.

Luxury, Middle of the Road, and Budget units.

43,000+
properties

142
markets

Definitions

Regional Breakdown

For the purposes of this survey, the regions were defined by the following states. To provide a deeper understanding of developing trends anticipated by property managers, the responses will be broken down by region and property management company size.

West Oregon, Alaska, California, Washington, or Nevada

Rocky Mountains Montana, Wyoming, Colorado, Idaho, or Utah

Southwest New Mexico, Oklahoma, Texas, or Arizona

Midwest Iowa, Indiana, Illinois, South Dakota, Minnesota, Missouri, Ohio, Kansas, North Dakota, Wisconsin, Nebraska, or Michigan

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

Mid-Atlantic New York, Delaware, Maryland, New Jersey or Pennsylvania

New England Vermont, Rhode Island, Maine, Massachusetts, Connecticut, or New Hampshire

Hawaiian Islands Hawaii

Company Size Breakdown

For the purposes of this survey, the property management company size was defined as the following.

0–29 units
Extra Small

250–499 units
Large

30–99 units
Small

500+ units
Extra Large

100–249 units
Medium



Industry Outlook:

Cautious Optimism Grounded in Reality

The 2026 Vacation Rental Survey reveals an industry marked by measured optimism grounded in reality. The majority of property managers across the United States anticipate stability or modest growth in ADR, demand, revenue, and occupancy rates in the coming year. Few expect declines, but confidence softens when managers reflect on their own portfolios compared to the broader market; underscoring the recognition that capturing growth will be difficult amid rising competition and regulatory pressures.

Operational and market pressures stand out as the most significant challenges, with 73% of respondents identifying each as a primary concern. Regulation and legal challenges also feature prominently, particularly in certain regions where local legislation continues to evolve.

To address these challenges, property managers are planning for an operational focus in 2026, prioritizing efficient staffing, guest service, and property care to ensure operational excellence. At the same time, marketing and distribution improvements are ranked highly as a priority, especially among smaller managers who depend on greater visibility to drive bookings.

Notably, expectations and strategies differ by company size and region. Smaller and larger property managers demonstrate distinct trends in demand expectations, technology adoption, and strategic priorities. Likewise, regional differences are evident in approaches to OTA usage, competition, revenue growth, and regulatory challenges. These nuances highlight the importance of tailoring strategies to both operational scale and local market context. See how these trends break down on a deeper level in the [Questionnaire Breakdown](#).

Market Forces

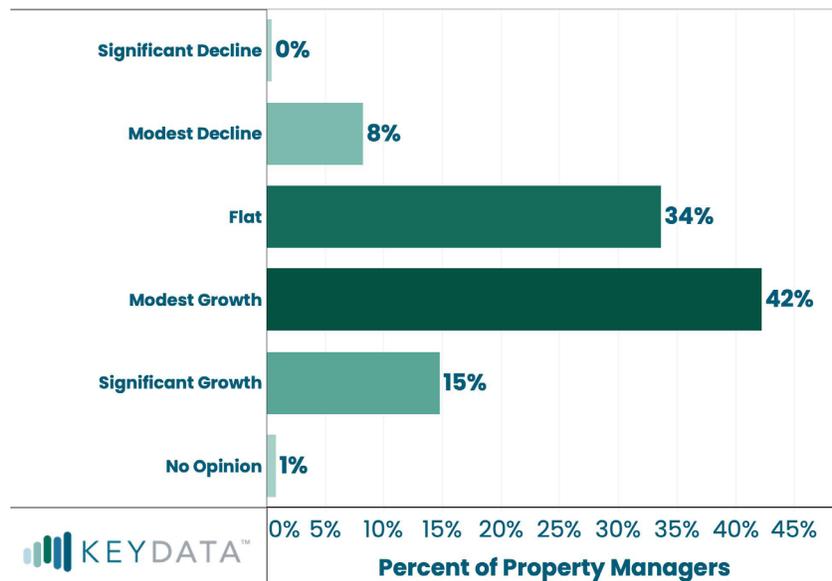
What are your expectations about the level of competition for guests in your market in 2026?

Overall Findings

Property managers broadly agree that competition in the short-term rental industry is already intense and will intensify further in 2026. In H1 2025, same-store supply for Key Data Property Managers was up 1% YoY, after an 8% YoY increase in H1 2024. Most describe their markets' outlook as "highly competitive", and when asked to quantify expectations, the vast majority anticipate increases in competitive pressure. Very few expect flat conditions, and anticipated declines are almost nonexistent.

This consensus reflects both continued supply growth from vacation rentals and expansion from traditional lodging. OTA visibility compounds the challenge by surfacing competing listings side-by-side, leaving managers with fewer opportunities to stand apart without discounting. Competition sentiment cross-links tightly with ADR Expectations and Demand Outlooks. Managers optimistic on traveler demand but wary of competition often signal that revenue growth will need to come from occupancy capture and efficiency gains rather than meaningful rate expansion.

What are your expectations about the level of competition for guests in your market in 2026?



By Company Size

Extra Small Operators

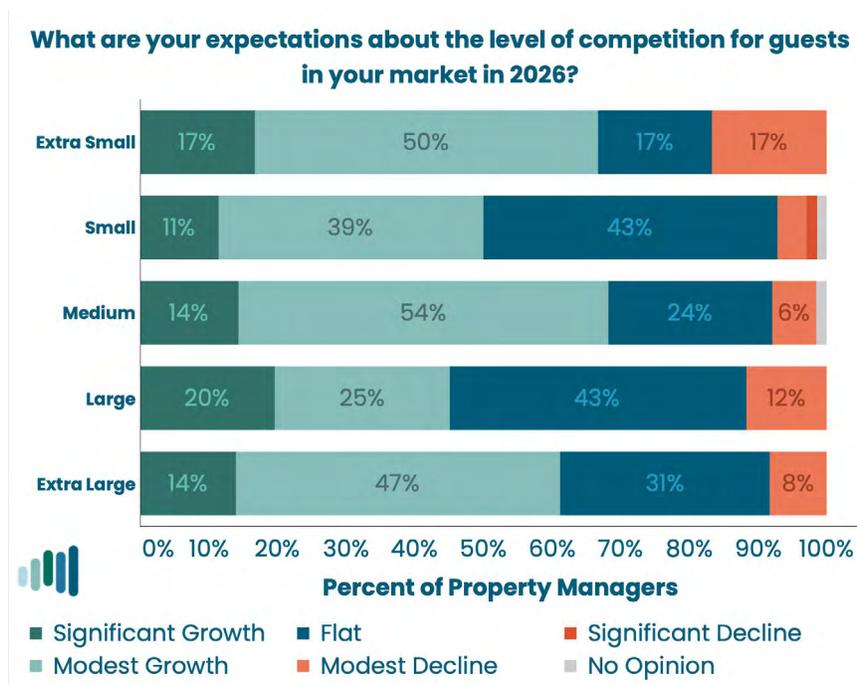
- Report competition as “very high” and expect further intensification.
- More vulnerable due to limited brand presence and smaller marketing budgets.
- Mirrors their flat ADR expectations and cautious demand outlooks.

Small & Medium Managers

- Anticipate rising competition but express more confidence in their ability to manage it.
- Lean on pricing tools, technology, and targeted marketing to differentiate.
- Consistent with their modest ADR growth optimism and Goal Prioritization around efficiency and growth.

Large & Extra Large Managers

- Recognize rising competition but frame it as “high but manageable.”
- Their insulation comes from scale, repeat guests, diversified OTA/direct strategies, and stronger owner relationships.
- For them, competition is less existential but still a brake on aggressive ADR gains.
- Aligns with their strategic focus on efficiency, owner retention, and stable revenue rather than outsized growth.



Regional Differences

Southeast & Southwest	Anticipate the steepest competition increases, fueled by vacation rental supply growth and traditional hospitality expansion. Coastal and resort hubs are particularly saturated.
Rocky Mountains	Competition is already acute in resort towns, especially during peak seasons when saturation forces rate compression. Many expect further intensification.
West	Competitive pressure rising sharply in urban hubs, where both hotel and short-term rental supply are expanding. Oversupply here maps directly to modest ADR decline expectations.
Hawaii & New England	Report high competition but tempered outlooks due to regulatory constraints that cap supply. While rules level the playing field, they also magnify competition for compliant operators.
Midwest & Mid-Atlantic	Moderate intensity and flatter expectations. Supply growth is slower, but urban nodes (Mid-Atlantic in particular) report a sharper competitive rise combined with weak ADR sentiment.

Key Insights

1.

Industry consensus: competition will rise. Declines are nearly absent, underscoring the expectation that oversupply will continue to define 2026.

2.

Scale shapes vulnerability. Extra-small managers feel most exposed, while large operators maintain some insulation, though not immune.

3.

Regional saturation varies. Growth-heavy Southeast and Rockies brace for the steepest increases, while regulation-heavy Hawaii and New England see partial insulation.

4.

Direct link to ADR/Demand. Where competition expectations rise fastest, managers project flat ADRs and muted demand capture.

5.

Dual pressure on mid-sized firms. They lack the scale efficiencies of large operators and the niche flexibility of independents, leaving them squeezed hardest by competitive creep.

Strategic Implications for Property Managers

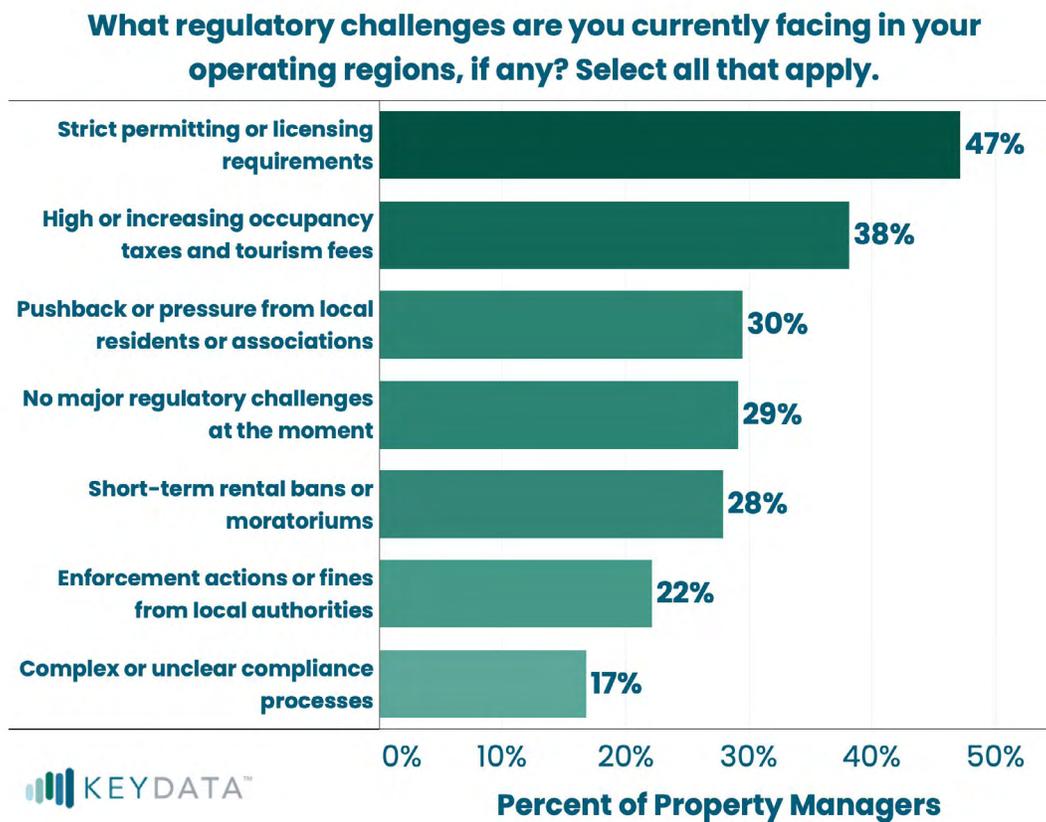
- Integrate competition tracking into routine KPIs. Benchmark competitor supply, ADR shifts, and OTA visibility weekly or daily in high-saturation markets.
- Avoid chasing ADR growth in competitive hubs. Prioritize occupancy stability, stay-mix optimization, and guest loyalty to sustain topline performance.
- Benchmark against hotel pipelines. In regions like the Southeast and West, new hotel supply amplifies competition beyond vacation rentals, demanding stronger positioning.
- Lean on non-price levers:
 - Guest experience and service differentiation to reduce churn and foster repeat bookings.
 - Owner communication to align expectations and reduce turnover in crowded markets.
 - Direct booking and brand marketing to reduce exposure to OTA-driven price wars.

What regulatory challenges are you currently facing in your operating regions, if any?

Select all that apply.

Overall Findings

Across the survey, property managers consistently identified regulation as one of the most pressing external threats to growth and profitability. Concerns span permitting restrictions, tax burdens, compliance costs, and uncertainty around enforcement. Unlike competition (which managers see as market-driven), regulation is perceived as an uncontrollable barrier that disproportionately impacts certain markets and company sizes. Some managers are explicitly linking regulation to portfolio contraction or owner exits.



By Company Size

Extra Small Managers

- Report the heaviest burden, with some operators struggling to absorb compliance costs or navigate legal complexities without in-house resources. For many, regulation directly threatens business viability.
-

Medium Managers

- Face significant challenges but have somewhat better capacity to adapt, often through technology or third-party compliance services. Still, they note that constant rule changes undermine operational stability.
-

Large & Extra Large Managers

- Though they can spread costs across larger portfolios, many highlight regulation as a growth ceiling. They often have the resources to comply, but frequent legislative battles limit expansion opportunities, especially in highly urban or politically sensitive markets.

Regional Differences

West & Hawaiian Islands	Among the most severely affected. Heavy taxation, caps on short-term rental nights, and outright bans in some submarkets create existential challenges.
New England	Strong regulation in coastal and historic towns adds operational hurdles, though enforcement varies by locality.
Mid-Atlantic	Also skew more regulated, with city-specific restrictions (e.g., New York, Philadelphia) cited as key pain points.
Southeast & Southwest	Comparatively more lenient regulatory environments, though managers still monitor increasing community pushback and localized ordinances.

Rocky Mountains:	A mixed picture; some ski towns enforce tight caps, while other areas remain relatively permissive.
Midwest	Reports fewer regulatory challenges overall, often citing a friendlier environment for STRs relative to coastal or resort markets.

What regulatory challenges are you currently facing in your operating regions, if any? Select all that apply.

	Hawaiian Islands	Mid-Atlantic	Midwest U.S.	New England	Rocky Mountains	Southeast	Southwest	West
Strict permitting or licensing requirements	46%	67%	50%	0%	67%	36%	62%	81%
High or increasing occupancy taxes and tourism fees	69%	33%	40%	50%	63%	26%	23%	63%
Pushback or pressure from local residents or associations	46%	67%	50%	0%	37%	24%	23%	38%
No major regulatory challenges at the moment	8%	33%	30%	0%	12%	40%	15%	6%
Short-term rental bans or moratoriums	77%	33%	20%	50%	44%	16%	23%	56%
Enforcement actions or fines from local authorities	0%	67%	10%	50%	28%	22%	8%	31%
Complex or unclear compliance processes	0%	67%	10%	50%	23%	14%	15%	31%

Key Insights

1.

Regulation as an existential threat: More than competition, regulation is seen as the single biggest barrier to sustainable growth.

2.

Disproportionate impact on small managers: Compliance costs and legal navigation push some smaller operators out of the market entirely.

3.

Regional bifurcation: Heavily tourist-dependent and politically sensitive regions (West, Hawaii, New England, Mid-Atlantic) are hardest hit, while Midwest and much of the Southeast remain more favorable.

4.

Owner impact: Regulation is also driving owner decisions to exit the market, aligning with insights from the Owner Decisions section.

Compliance ProTips

To better understand and communicate the financial strain of regulation, property managers should quantify legal and compliance costs as a share of total revenue. By consistently tracking this metric, managers can:

- Demonstrate impact to owners: Show how compliance expenses (permits, inspections, legal fees, registration costs) reduce net revenue and owner returns.
- Benchmark vs. peers: Compare compliance burdens across markets to evaluate competitive positioning.
- Support advocacy: Use data to engage with policymakers and industry groups, illustrating how regulation affects operational sustainability.
- Guide portfolio strategy: Factor compliance ratios into expansion or contraction decisions when evaluating new markets.

Which of the following challenges do you think could limit your ability to hit your 2026 targets? Choose all that apply.

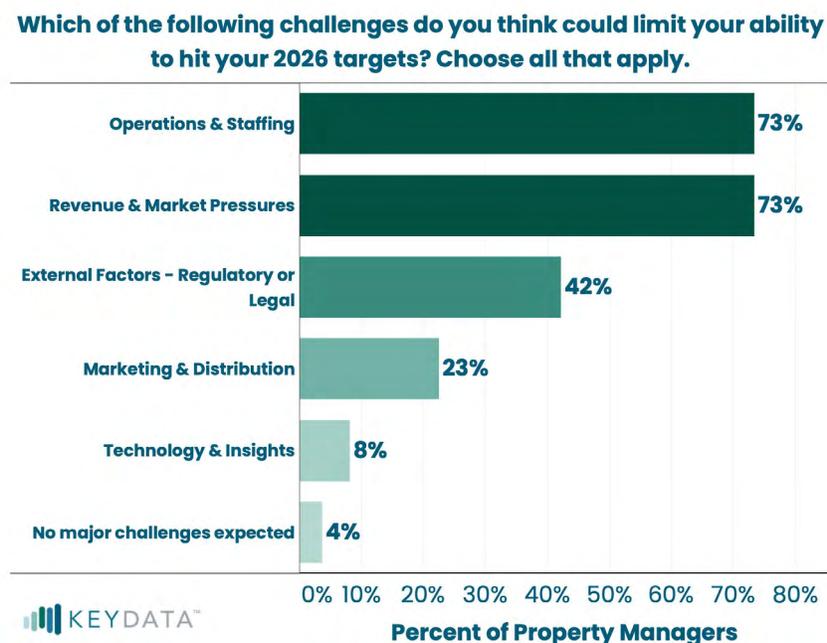
Overall Findings

The most immediate constraints for property managers in 2025 are operations and staffing (73 percent) and revenue and market pressures (73 percent). These two dominate across nearly every segment, showing that managers are squeezed both internally and externally.

Other current challenges include:

- Regulation and legal issues: 42 percent, with variation by market.
- Marketing and distribution pressures: 23 percent, often linked to OTA dependence and commission costs.
- Technology and insights: Only 8 percent, suggesting technology is more often an enabler than a barrier.

These findings tie directly to other survey results: managers expect flat ADRs and rising competition, yet many lack the staffing capacity to execute consistently at scale.



By Company Size

Extra Small Managers

- Cite marketing and distribution challenges more often than larger firms, reflecting their OTA reliance and sensitivity to commission costs. Staffing issues exist but are less acute.
-

Medium Managers

- Report the widest spread of challenges, including revenue pressures, staffing shortages, and regulatory burdens. They feel the impacts from regulations but lack the resources of larger firms.
-

Large & Extra Large Managers

- Operations and staffing dominate, amplified by the complexity of managing large teams and multiple markets. Regulatory compliance is a growing concern. These firms are least likely to cite technology as a barrier.

By Region

Hawaiian Islands and West	Regulatory and legal concerns dominate.
Rocky Mountains	Acute staffing shortages, tied to seasonal labor and housing constraints.
Southeast	Heavier emphasis on marketing and distribution pressure.
Mid-Atlantic	Tilt toward revenue and market pressures, aligned with weaker ADR expectations.
Midwest	Operations and staffing are the primary concerns, with less regulatory burden.
New England	Mixed, with staffing and regulation both featuring prominently.

Which of the following challenges do you think could limit your ability to hit your 2026 targets? Choose all that apply.

	Owner or Founder	Operations Team	Revenue Team	Marketing Team	Other
Operations & Staffing	77%	71%	71%	88%	66%
Revenue & Market Pressures	77%	71%	71%	88%	66%
External Factors - Regulatory or Legal	38%	42%	45%	38%	47%
Marketing & Distribution	26%	24%	23%	13%	16%
Technology & Insights	9%	8%	8%	25%	0%
No major challenges expected	4%	5%	4%	6%	0%



What strategies do you plan to implement to address your anticipated 2026 challenges?

Rank your answers, 1 being most important.

When asked which strategies they plan to prioritize in order to meet 2026 challenges, respondents consistently emphasized three core areas: marketing reach, pricing flexibility, and guest experience.

Overall Findings

Across the full sample, the top strategies were:

1. Increasing marketing and distribution efforts
2. Adjusting pricing strategies
3. Improving guest experience
4. Building stronger relationships with property owners
5. Hiring and training staff

Lower on the priority list were diversifying property/guest segments, expansion into new markets, technology adoption, and adapting to local regulations.



By Company Size

Extra Small Managers

- Leaned most heavily on marketing/distribution (ranked #1) and pricing strategies (#2), reflecting the need to maximize visibility and revenue efficiency with limited resources.

Medium Managers

- Placed slightly greater weight on guest experience (#3) while still ranking marketing and pricing at the top.

Large Managers

- Elevated guest experience (#1) above all other strategies, with marketing and pricing following. Their greater scale allows them to focus on service differentiation.

Extra Large Managers

- Made pricing (#1) their top priority, likely reflecting more complex revenue management structures across larger portfolios.

What strategies do you plan to implement to address your anticipated 2026 challenges? Rank your answers, 1 being most important.

KEYDATA™	Extra Small	Small	Medium	Large	Extra Large
Increasing marketing and distribution efforts	1	1	1	2	2
Adjusting pricing strategies	2	2	2	3	1
Improving guest experience	3	3	3	1	4
Building stronger relationships with property owners	6	4	4	4	3
Hiring and training staff	4	5	6	5	5
Diversifying property types or guest segments	5	6	5	6	6
Expanding into new markets or regions	8	8	7	8	8
Adopting new technology tools	7	7	8	7	7
Monitoring and adapting to local regulations	9	9	9	9	9

By Region

- Marketing/distribution was the leading strategy in nearly every region, particularly in the West, Southeast, Southwest, Midwest, and Hawaiian Islands.
- Adjusting pricing ranked high in the Mid-Atlantic and Midwest, but was a stronger focus in the Northeast and Rocky Mountains, where competitive dynamics vary.
- Improving guest experience stood out in New England and Rocky Mountains, signaling regions where service quality is critical.
- Building stronger owner relationships ranked first in New England, showing how owner alignment is central in that market.
- Diversification had relatively more emphasis in the Southwest, where market maturity may encourage testing new segments.
- Expansion into new markets surfaced as a top priority in the Mid-Atlantic, but was consistently low elsewhere.

Key Insights

1.

Marketing and visibility are universal imperatives. Regardless of size or region, increasing marketing and distribution was the most frequently cited top priority. This reflects persistent pressure to capture demand in a more competitive environment, where reaching new guests and maintaining strong brand awareness are essential.

2.

Pricing strategies grow in importance with scale. Extra large managers rank pricing as their number-one strategy, underscoring the complexity of revenue management at scale. Smaller companies also prioritize pricing, but as a secondary lever after visibility—suggesting that with fewer units, their first challenge is driving occupancy before optimizing yield.

3.

Guest experience is an emerging differentiator. While marketing and pricing dominate, large and medium managers increasingly lean on guest experience as a competitive edge. This may reflect resource capacity—larger operators can afford to invest in service enhancements that drive retention and brand loyalty.

4.

Owner relationships shape regional strategies. In New England, strengthening property owner relationships ranked as the most important strategy—indicating that supply-side alignment can be just as critical as guest-facing strategies in certain markets.

5.

Expansion strategies are market-specific. The Mid-Atlantic was the only region to rank expansion into new markets/regions as its top priority, diverging sharply from other geographies where expansion was among the lowest priorities. This suggests a more fragmented or opportunity-driven market landscape in the Mid-Atlantic compared to other regions.

6.

Diversification opportunities are not evenly distributed. The Southwest placed diversification into property types or guest segments as a top-two priority, likely reflecting both demographic shifts and the maturity of existing guest markets in the region.

7.

Technology adoption and regulatory adaptation remain low priorities. While both are necessary for long-term resilience, they consistently rank near the bottom, suggesting that managers view them as hygiene factors or reactive requirements rather than proactive strategies. This may indicate an industry still more focused on growth and performance levers than on operational modernization.

Recommendations for Property Managers

Double down on marketing reach

- Regardless of size or region, marketing and distribution remain the strongest levers for growth. Property managers should review channel mix, strengthen direct booking capabilities, and consider partnerships that expand brand visibility.
- **Recommendation:** Audit your current distribution strategy to identify gaps in reach (e.g., underserved international markets, underutilized OTAs, or weak direct conversion funnels).

Prioritize guest experience as a competitive edge

- Large and medium operators increasingly focus on guest experience, signaling it as a differentiator.
- **Recommendation:** Consider enhancements like contactless check-in, personalized communications, or value-added services that can boost satisfaction and retention without requiring heavy investment.

Strengthen property owner alignment

- Owner relationships are a critical factor in markets like New England, where owner influence drives strategy.
- **Recommendation:** Establish clear communication around revenue goals, pricing strategies, and investment in property upgrades to ensure alignment and minimize resistance to strategic changes.

Be selective about diversification and expansion

- Diversification (by property type or guest segment) and expansion into new markets ranked lower overall, but surfaced as higher priorities in certain regions.
- **Recommendation:** Evaluate these opportunities carefully. Expansion should be pursued in markets with proven demand gaps, while diversification should align with shifting traveler demographics rather than be adopted as a broad strategy.

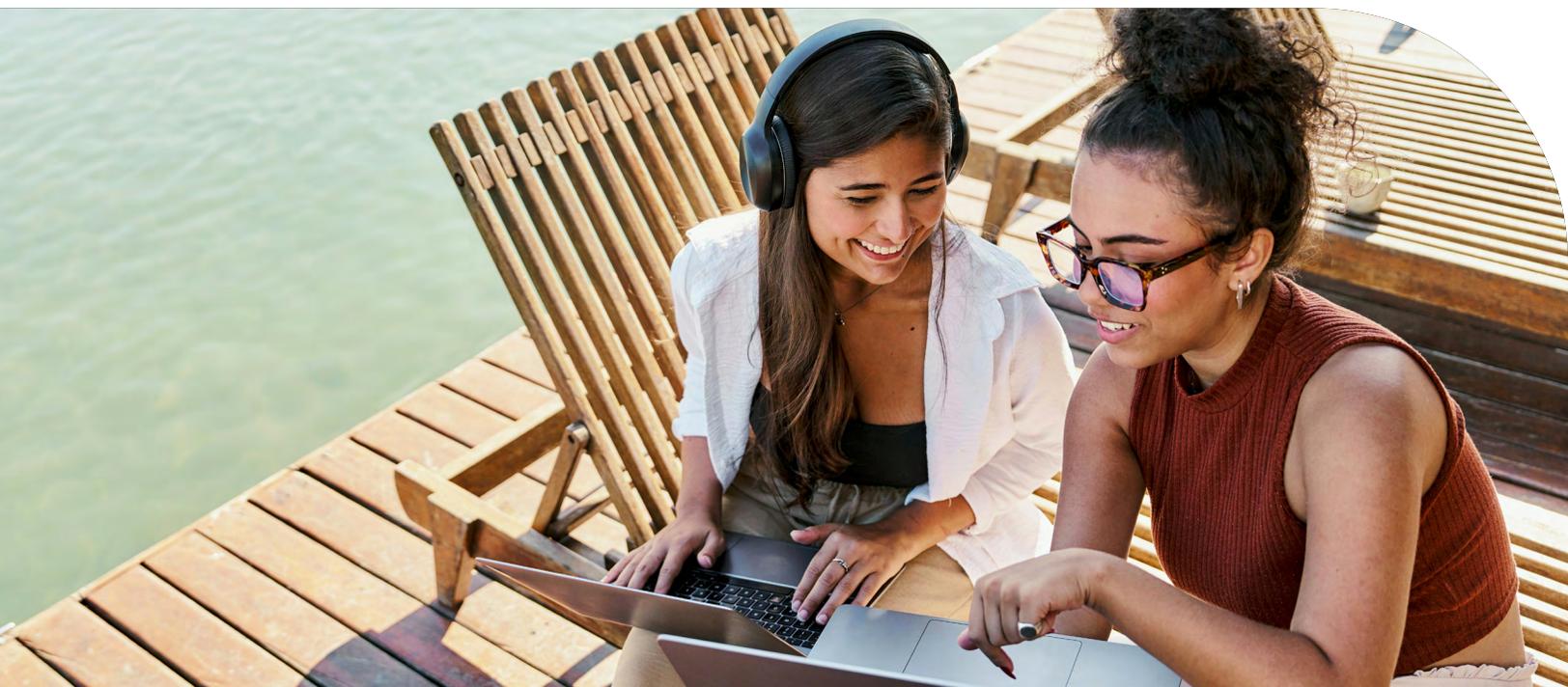


Performance Outlook: ADR, Demand, and Revenue in 2026

Overall Findings

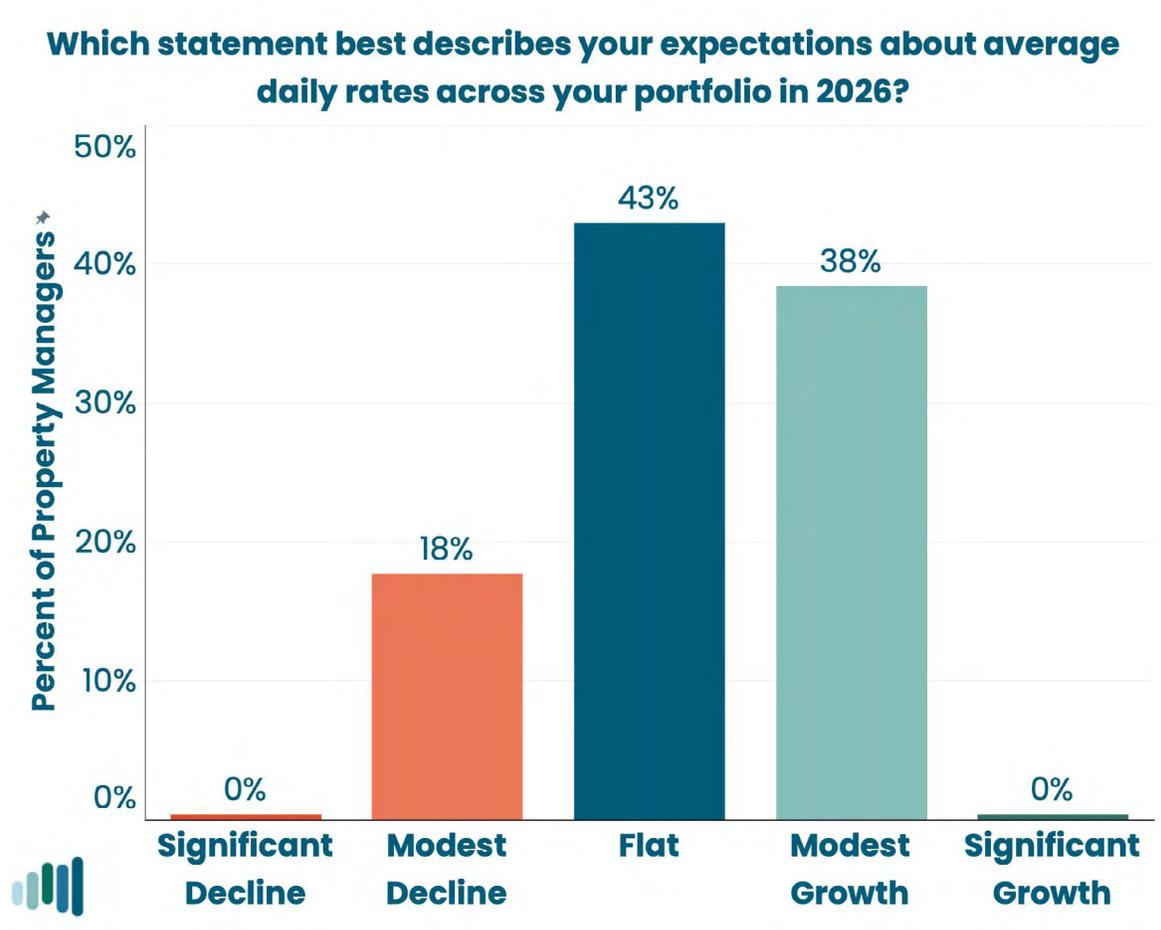
Property managers broadly agree that competition in the vacation rental industry is already intense and will intensify further in 2026. In H1 2025, same-store supply for Key Data Property Managers was up 1% YoY, after an 8% YoY increase in H1 2024. Most describe their markets' outlook as "highly competitive", and when asked to quantify expectations, the vast majority anticipate increases in competitive pressure. Very few expect flat conditions, and anticipated declines are almost nonexistent.

This consensus reflects both continued supply growth from vacation rentals and expansion from traditional lodging. OTA visibility compounds the challenge by surfacing competing listings side-by-side, leaving managers with fewer opportunities to stand apart without discounting. Competition sentiment cross-links tightly with ADR Expectations and Demand Outlooks. Managers optimistic on traveler demand but wary of competition often signal that revenue growth will need to come from occupancy capture and efficiency gains rather than meaningful rate expansion.



Which statement best describes your expectations about average daily rates across your portfolio in 2026?

Most managers expect ADRs to remain flat, with modest growth possible in select markets such as the Rockies and the Southeast. Historical data reflects this sentiment, as across the United States H1 2025 daily rates were \$321, the same as in H1 2024. Decline cohorts are concentrated in regions with the highest competition intensity (West, Mid-Atlantic, Hawaii), confirming that oversupply and discounting are capping pricing power.



By Company Size

Extra Small Managers

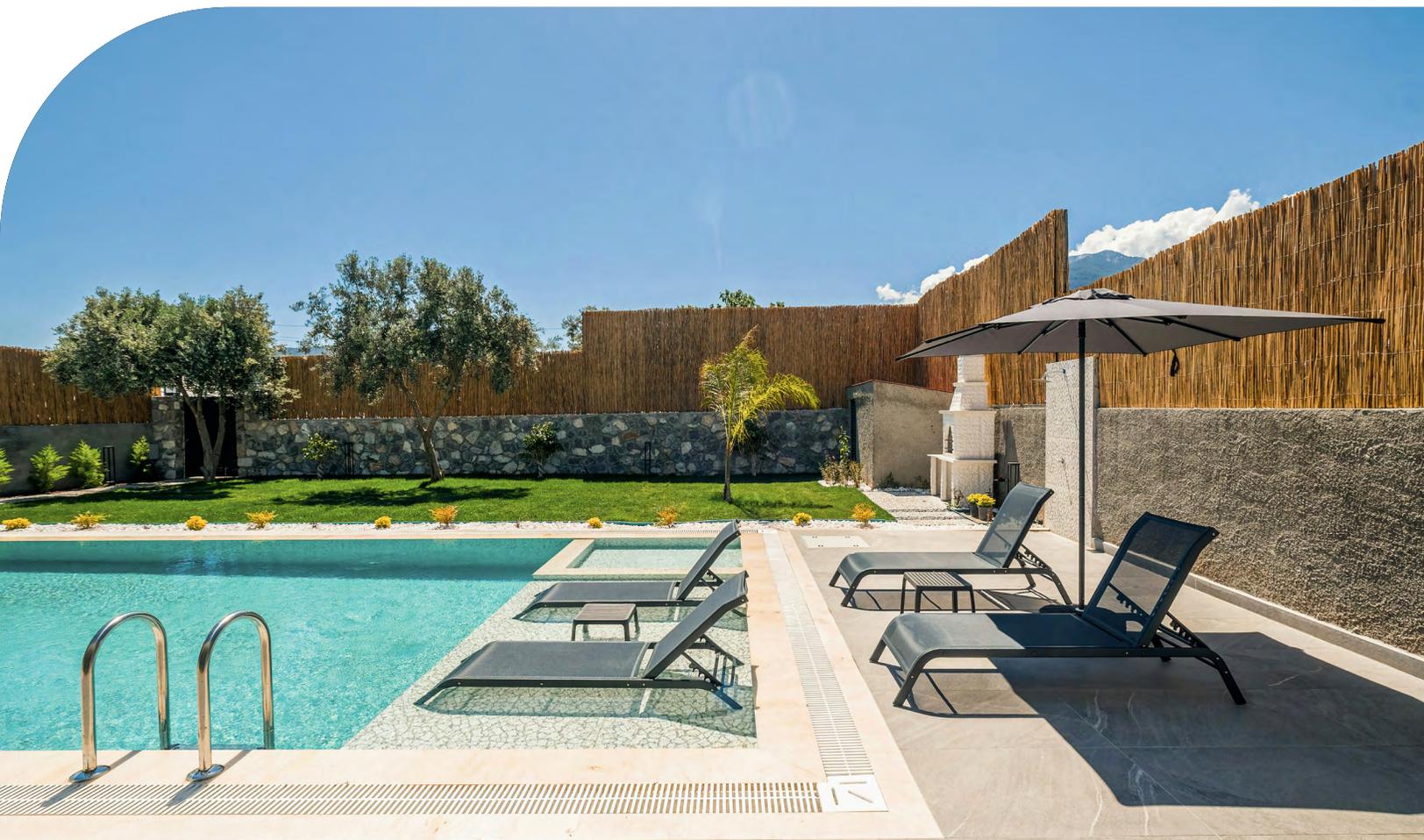
- Predominantly flat ADR outlook, with modest decline responses linked to OTA dependence and limited pricing flexibility.
-

Medium Managers

- The most confident in modest ADR growth, supported by adoption of pricing tools and stronger positioning.
-

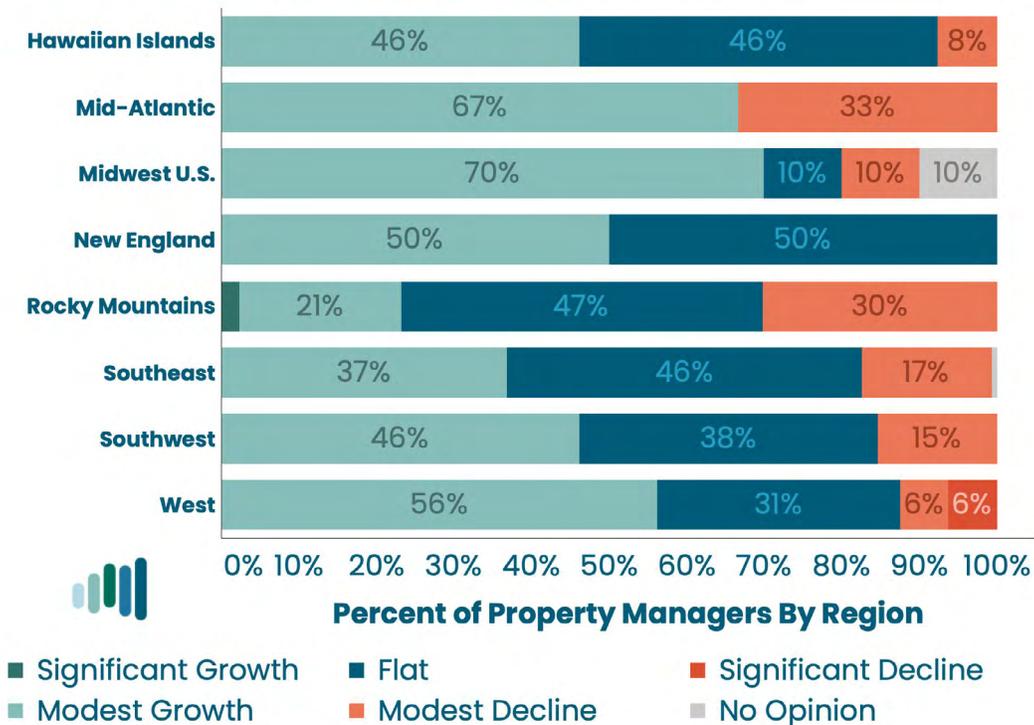
Large and Extra Large Managers:

- Stable outlooks with limited upside. Focus shifts to occupancy and owner satisfaction rather than rate expansion.



Regional Differences

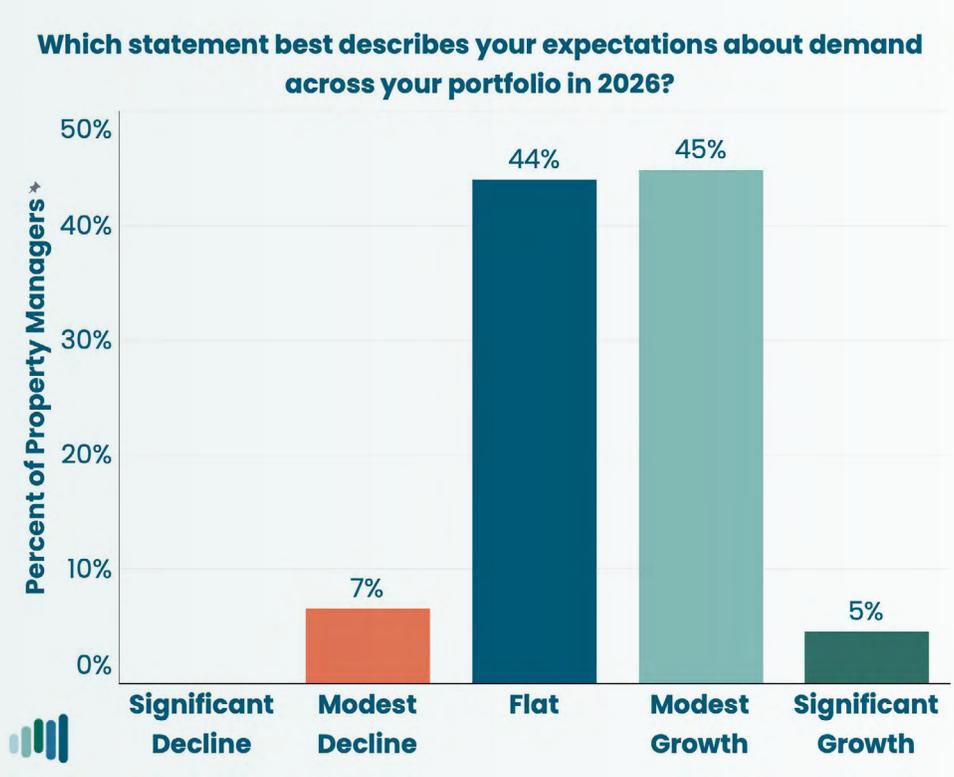
Which statement best describes your expectations about average daily rates across your portfolio in 2026?



Rocky Mountains	Among the most optimistic, with a higher share anticipating modest growth tied to luxury positioning and premium seasonal demand.
Southeast and Southwest	Cautiously optimistic, leaning toward flat or modest growth, supported by resilient leisure travel but tempered by supply inflows.
Mid-Atlantic and Midwest	Tilt strongly toward flat, with notable modest decline cohorts, reflecting competitive pressure and softer demand profiles.
West and Hawaiian Islands	Particularly cautious, with many expecting flat or modest decline, citing regulation, affordability, and heavy competition.
New England	Mixed, leaning flat to modest growth, consistent with seasonal dynamics and tighter regulatory environments.

Which statement best describes your expectations about demand across your portfolio in 2026?

Sentiment on demand is slightly more optimistic than ADR. Most managers forecast Flat to Modest Growth in traveler demand, with modest decline responses concentrated in oversupplied or regulated markets. In Q1 2026 across the United States, paid occupancy is currently pacing 1% behind Q1 2025 as of August 26, both years.



By Company Size

Extra Small Managers and Small Managers

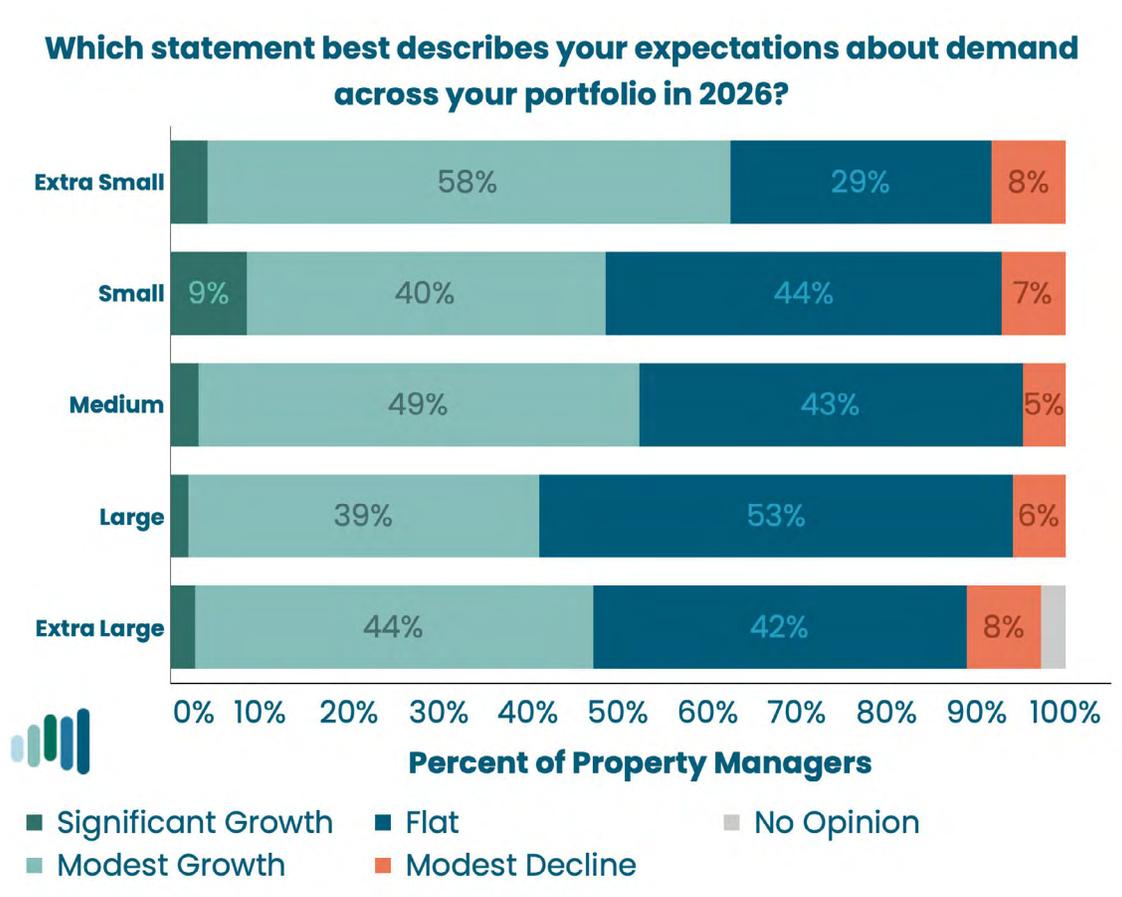
- Heavily skewed to flat expectations, with displacement risk in competitive markets.

Medium Managers

- More likely to anticipate modest growth, leveraging stronger marketing and direct booking strategies.

Large and Extra Large Managers:

- Expect flat to modest growth, cushioned by portfolio diversification but tempered by saturation.



Regional Differences

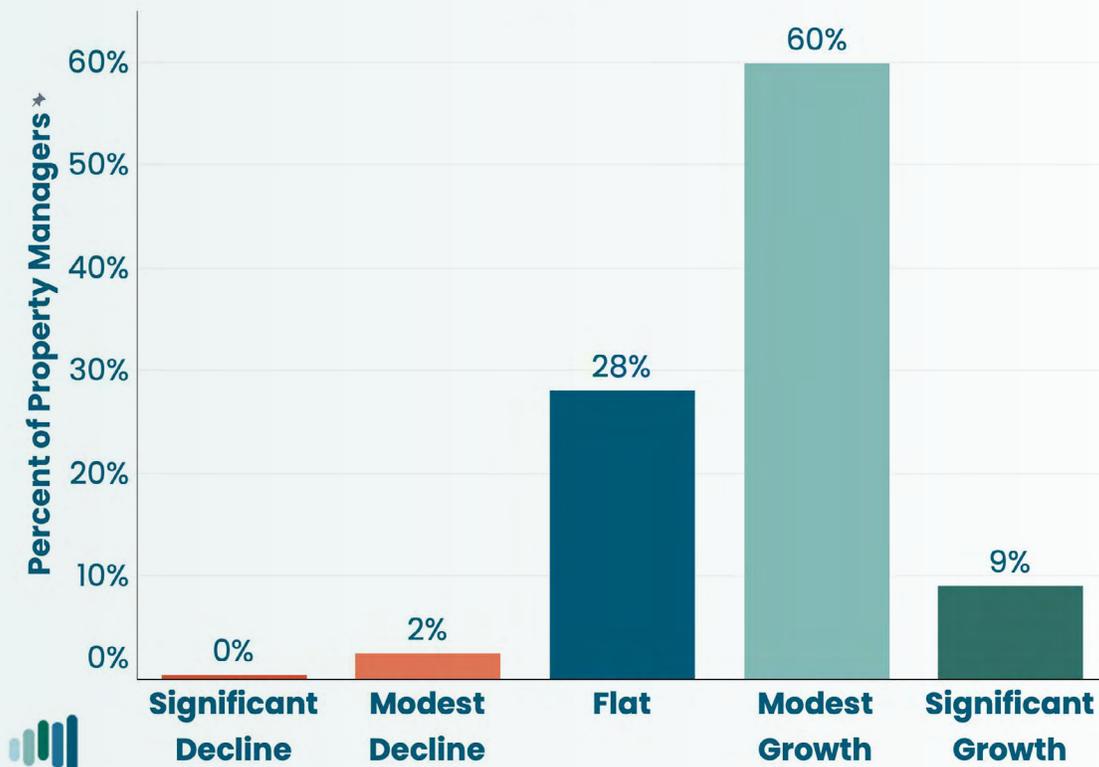
Rocky Mountains, Southeast, Southwest	Most optimistic, reflecting strong leisure pipelines.
West, Hawaii, Mid-Atlantic	More cautious, with flat or modest decline cohorts tied to regulatory headwinds and affordability concerns. These markets are also highly impacted by a decline in International Travel from Canada and overseas. The International Trade Administration reports that international travelers to the U.S. are down 3.8% in H1 2025 compared to H1 2024.
Midwest, New England	Mixed but generally conservative, with limited catalysts for demand acceleration.



Which statement best describes your revenue growth expectations in 2026?

Revenue expectations mirror ADR and demand: flat to modest growth dominates, with optimism tied to portfolio expansion and owner alignment. Significant revenue growth response is rare, underscoring the reality that topline expansion will be incremental.

Which statement best describes your revenue growth expectations in 2026?



By Company Size

Extra Small Managers and Small Managers

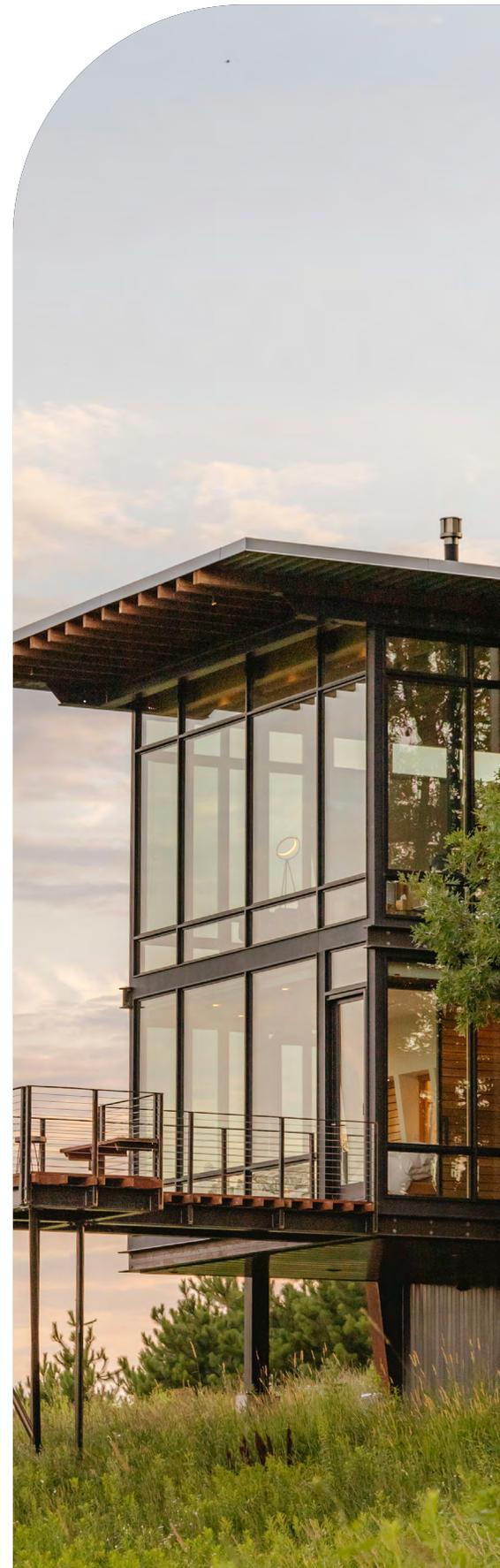
- Flat to modest decline, reflecting OTA costs, limited leverage, and owner constraints.
-

Medium Managers

- Skew toward modest growth, supported by tools and agility.
-

Large and Extra Large Managers:

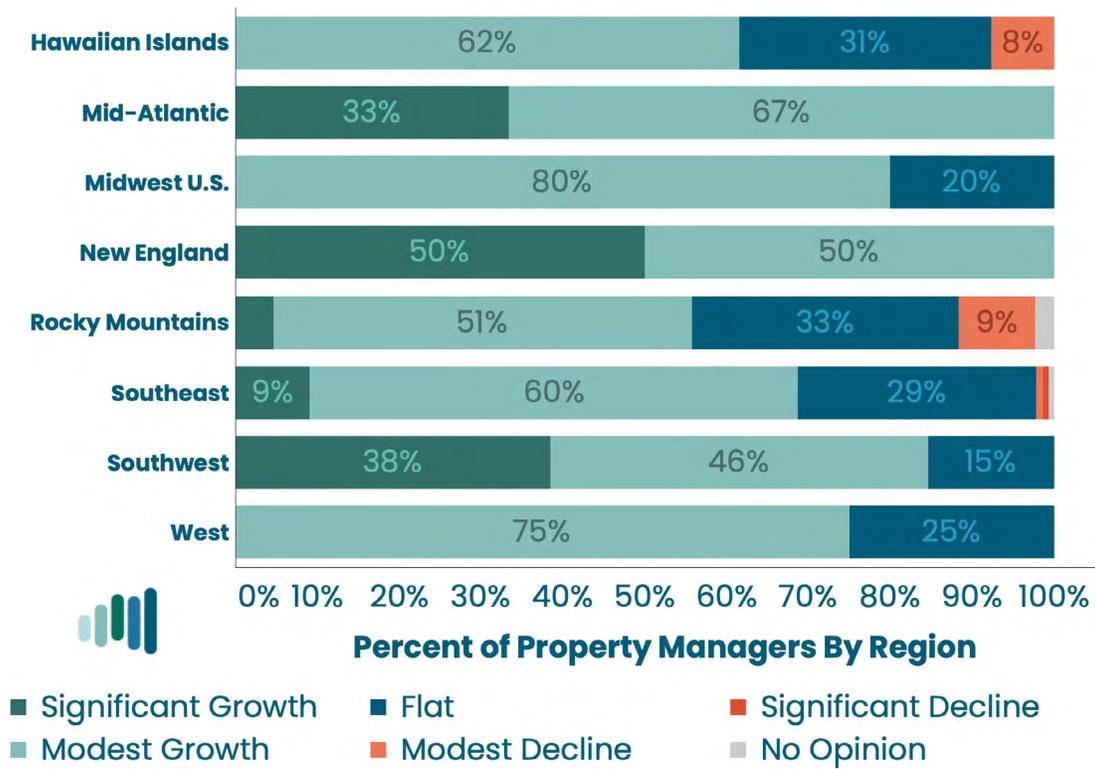
- Mostly flat to modest growth, with upside linked to new owner acquisition rather than organic yield.



Regional Differences

Rocky Mountains, Southeast, Southwest	Strongest optimism, supported by resilient leisure demand.
West, Hawaii, Mid-Atlantic	Heaviest concentration of flat or modest decline, tied to regulation, costs, and competition.
Midwest, New England	Cautious, leaning toward flat.

Which statement best describes your revenue growth expectations in 2026?



Key Insights

1.

Cautious optimism rules:

Few expect demand contraction, but equally few see breakout growth.

2.

Supply growth dilutes gains:

Even in optimistic regions, competition expectations suggest more players will be chasing the same demand pool.

3.

Scale advantages shine:

Larger managers expect to capture more of the modest demand growth, thanks to stronger marketing and direct booking capabilities. However, scale provides stability, not pricing power: Larger firms avoid steep declines but remain unable to drive outsized ADR growth.

4.

ADR ceiling is here:

After several years of strong gains post-covid, 2026 marks continued stabilization. The majority of managers anticipate flat or modest growth.

5.

Regulation compounds pressure:

In places like Hawaii and New England, even stable demand cannot offset policy and affordability headwinds.

6.

Occupancy and retention take priority:

With ADR growth limited, operators are turning to occupancy capture, guest experience, and owner service to defend revenue. Property managers can increase revenue without dropping rates by setting their properties apart. Offering smart home technology, providing sought-after amenities, making additional services available, and even partnering with local vendors can be a differentiator and attract higher-value guests.

A Cross-Analysis: Decline Sentiment vs. Competition Intensity

A clear relationship emerges between ADR decline expectations and markets reporting the highest competition intensity.

- High-Competition Regions (West, Mid-Atlantic, Midwest): Strongest modest decline cohorts. Oversupply and OTA-driven dynamics limit pricing power.
- Moderate-Competition Regions (Hawaii, New England): Even where demand remains steady, regulation and affordability concerns amplify conservative ADR expectations.
- Low-Competition / High-Demand Regions (Southeast, Southwest, Rockies): Decline cohorts are minimal, with most managers expecting flat or modest growth. Strong leisure pipelines and differentiated product positioning help sustain pricing confidence.



Owner and Strategy Levers

Which factor is most likely to impact your owners' decisions to remain in your program? Rank your answers, 1 being most important.

Overall Findings

Across every cut, Financial performance is the #1 driver of owner loyalty and retention. Owners next prioritize communication/support and relationship quality (#2), followed by property care & guest satisfaction (#3). Marketing visibility (#4) and owner reporting/access to performance data (#5) rank lower, implying these are expected, rather than differentiators.

It also reinforces Goal Prioritization (operators focusing on pricing, marketing, and guest experience) as the right levers to meet owner expectations.

Which factor is most likely to impact your owners' decisions to remain in your program? Rank your answers, 1 being most important.



By Company Size

Extra Small & Small PMs

- Prioritize financial performance (#1) and communication (#2), but place relatively more weight on owner reporting (#4) than larger peers. Transparency helps offset lighter brand power. Streamlined, outcome-first reporting and proactive check-ins can substitute for scale.
-

Medium PMs

- Closely mirror the overall ranking, with balanced emphasis on property care/guest satisfaction (#3) as a competitive wedge against both smaller and larger firms.
-

Large & Extra Large PMs

- Keep financial performance (#1) and communication (#2) on top but elevate marketing visibility (#4) over reporting. Scale gives them broader distribution; owners expect reach. Demonstrate channel mix quality (not just volume) and net revenue after commissions to show the value of scale.

Cross-links: This size pattern echoes OTA Reliance (smaller firms lean OTA-heavy; larger firms diversify) and Market Data Frequency/Pricing Frequency (larger firms operate at higher cadence to defend performance).



Regional Differences

Uniform core	Every region ranks financial performance #1 and communication #2.	
Nuance by market type	Luxury/experience regions (Rocky Mountains, parts of West):	Slightly higher emphasis on property care & guest satisfaction (#3).
	Domestic family markets (Southeast/Southwest):	Marketing visibility drops to #5, as occupancy is less about discovery and more about value and consistency.
	New England:	Owners weight communication and relationship heavily, reflecting fragmented ownership structures and tighter regulation.
	Cross-links:	These nuances align with Competition (Rockies/Southeast high intensity) and Regulatory Challenges (New England/West oversight), shaping what owners demand beyond pure revenue.

By Property Quality (Luxury vs. Budget)

Luxury

Elevates property care & guest satisfaction (#3)—owners expect white-glove standards and protection of asset value. These property managers prioritize “Experience” KPIs (review recency, premium amenity score, concierge utilization) alongside revenue.

Budget

Raises marketing visibility above guest care, reflecting price-sensitive demand where exposure and conversion matter most. Prove channel reach and conversion efficiency; highlight rate fences and length-of-stay tactics that keep occupancy high.

Maps to ADR/Demand Expectations bands—luxury markets lean modest ADR growth; budget segments depend on occupancy and channel mix.

Which factor is most likely to impact your owners' decisions to remain in your program? Rank your answers, 1 being most important.



	Luxury	Middle of the road	Budget	No opinion
Financial performance	1	1	1	1
Communication support and relationship	2	2	2	2
Property care and guest satisfaction	3	3	4	3
Marketing and listing visibility of their property	4	4	3	5
Owner reporting and access to performance data	5	5	5	4

Key Insights

1.

“Results + Relationship” wins retention:

Owners judge PMs on delivered net revenue and how clearly/consistently it’s communicated.

2.

Service is a tie-breaker: Guest experience and property care become decisive in luxury or highly competitive destinations.

3.

Visibility/reporting are requirements: They don’t win on their own; they support the core narrative of performance.

4.

Strategy fit matters: Regions and segments weight factors differently—match the owner narrative to local dynamics (e.g., regulation in Hawaii/West, competition in Rockies/Southeast).

5.

Cross-links: This mirrors Goal Prioritization (pricing, marketing, guest experience), Pricing Frequency/Market Data (cadence supports performance), and OTA Reliance (optimize mix to improve owner net).

Strategic Insight

This alignment suggests that property managers who invest in pricing, marketing, and guest experience are not only pursuing growth, but also addressing the precise levers that determine owner retention and acquisition. In markets where competition and OTA dependence are high, these levers become even more critical as owners scrutinize both net revenue outcomes and portfolio positioning. By tying goal execution directly to owner decision-making criteria, operators can pre-empt churn and differentiate in competitive owner acquisition environments.



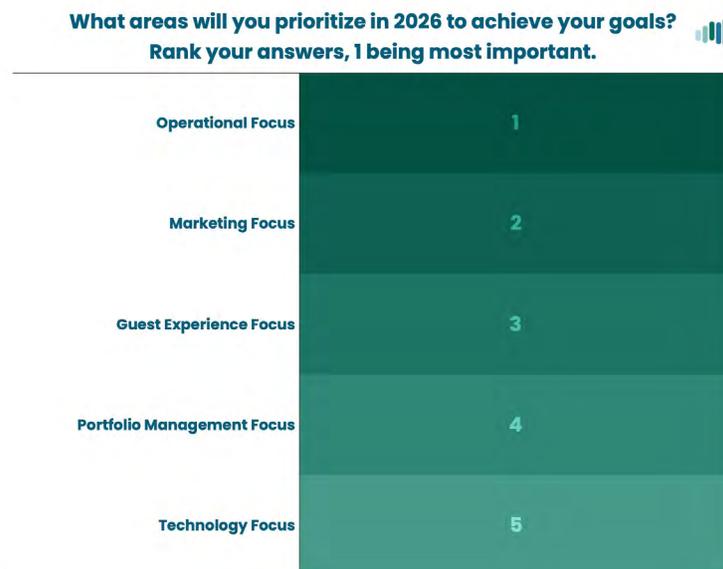
What areas will you prioritize in 2026 to achieve your goals? Rank your answers, 1 being most important.

Overall Findings

When asked to prioritize goals for 2026, property managers emphasized operational performance and revenue resilience over expansion or experimentation. The top-ranked goals include:

- 1. Operational focus.** Ensuring efficient staffing, guest service, and property care.
- 2. Marketing and distribution improvements.** Boosting visibility, managing OTA mix, and driving more direct bookings.
- 3. Guest experience.** Enhancing service quality as a differentiator in increasingly competitive markets.
- 4. Portfolio management.** Strengthening owner relationships and maintaining retention, rather than aggressive expansion.
- 5. Technology adoption.** Important but less urgent, viewed as a supporting tool rather than a standalone priority.

This prioritization aligns closely with anticipated challenges: operators are planning around staffing, revenue pressures, and competition rather than betting on outsized ADR growth.



By Company Size

Extra Small & Small Managers:

- Heavily weight marketing/distribution as their #1 or #2 goal, reflecting reliance on OTAs and the need to grow brand visibility. They also emphasize owner retention, since a single lost property can have outsized impact.

Medium Managers

- Balance goals across operations, guest experience, and marketing. They are large enough to manage staff complexity but still depend on growing visibility to compete with larger firms.

Large & Extra Large Managers

- Prioritize operations and guest experience as their top goals. These firms already have marketing systems in place and owner portfolios to manage; their challenge is ensuring service consistency and efficiency at scale.

What areas will you prioritize in 2026 to achieve your goals? Rank your answers, 1 being most important.

KEYDATA™	Extra Small	Small	Medium	Large	Extra Large
Operational Focus	2	1	1	1	1
Marketing Focus	1	2	3	3	3
Guest Experience Focus	3	3	1	2	4
Portfolio Management Focus	4	4	4	4	2
Technology Focus	5	5	5	5	5

Regional Differences

Hawaiian Islands, West, Southeast, Southwest	Put marketing/distribution first, reflecting reliance on inbound demand and competitive, high-volume markets.
Mid-Atlantic & Midwest	Prioritize pricing execution and revenue optimization, consistent with their higher concerns around ADR and revenue pressures.
New England	Distinctively prioritizes owner relationship management, aligning with more fragmented ownership structures in the region.
Rocky Mountains	Emphasize guest experience, consistent with luxury and experiential positioning in this market.

Key Insights

1.

Stability over expansion: Growth through acquisitions or diversification is a low priority for 2026, as managers focus on doing more with what they have.

2.

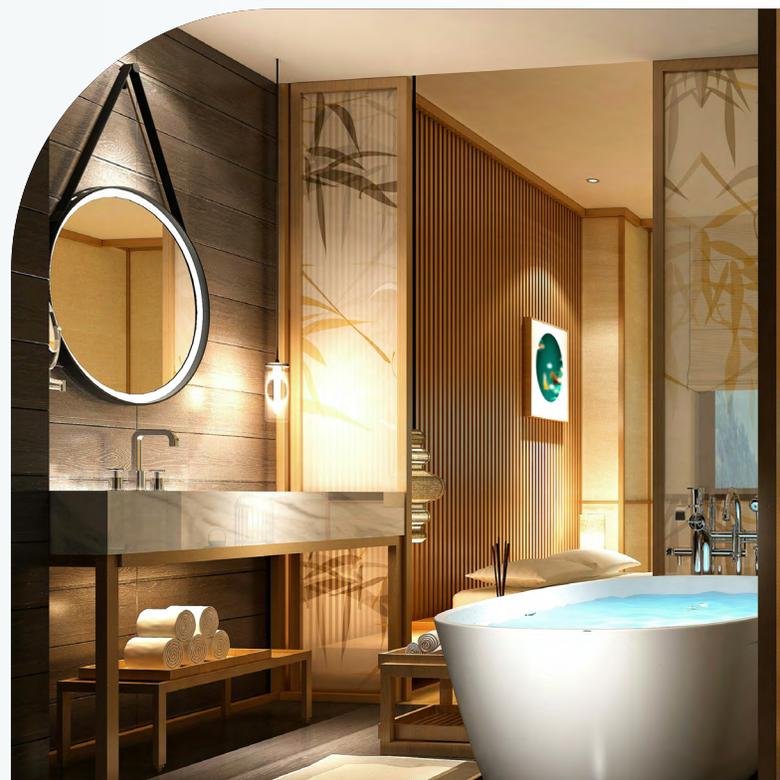
Direct alignment with challenges: Top goals (operations, marketing, guest experience) map directly to limiting challenges (staffing, revenue/market pressures, competition).

3.

Scale shifts priorities: Smaller PMs chase visibility and growth; larger PMs focus on service consistency and operational efficiency.

4.

Owner focus remains critical: In fragmented or highly regulated markets, strengthening relationships is a defensive strategy against churn.



A Cross-Analysis: Owner Decisions & Goal Prioritization

Alignment Between Owners and Operators

Survey data shows that owners' primary decision drivers—financial performance, occupancy consistency, and property care—directly intersect with the goals property managers are prioritizing: pricing optimization, marketing investment, and guest experience improvements.

Pricing as a Retention Lever:

Owners care most about income stability and growth. PMs who prioritize dynamic pricing and revenue management tools demonstrate the ability to protect ADR in competitive markets and reduce volatility in owner payouts, meeting this expectation head-on. Frame pricing optimization as “stable payouts,” marketing as “consistent occupancy,” and guest experience as “protecting asset value.”

Marketing as an Acquisition Lever:

Owner churn often stems from dissatisfaction with booking volumes. By focusing on channel diversification and direct booking strategies, operators not only sustain demand pipelines but also signal competence to owners, supporting both acquisition of new owners and retention of existing ones.

Guest Experience as a Differentiator:

Owners increasingly view property care and guest satisfaction as a proxy for long-term asset value. PMs prioritizing experience improvements (amenities, service quality, reviews) both safeguard repeat demand and reassure owners that their properties are being positioned competitively. Link guest experience investments to measurable outcomes such as repeat booking rates and RevPAR growth.

What technology do you currently use?

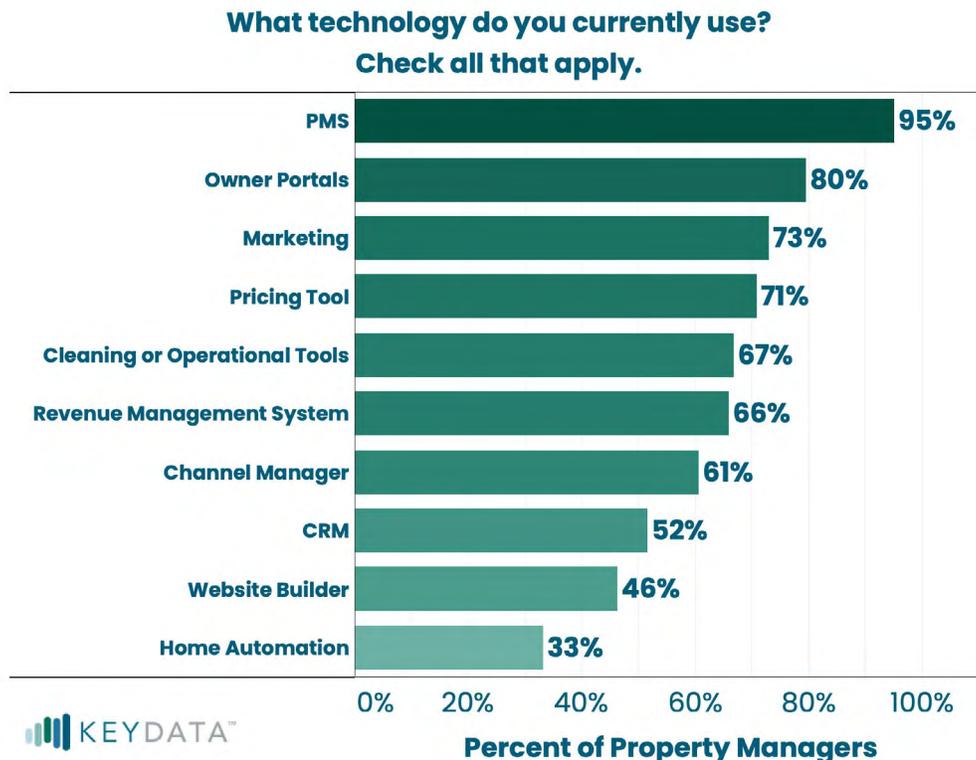
Overall Findings

Technology adoption across the vacation rental sector is widespread, though the depth of integration varies by category. Nearly all managers report using a Property Management System (PMS), confirming it as the non-negotiable backbone of operations.

Beyond PMS, the next most prevalent systems are Owner Portals, Marketing Tools, and Pricing Tools, each with adoption rates above 70%. These tools reflect two strategic imperatives:

1. Driving top-line performance (marketing, pricing)
2. Maintaining owner trust (reporting portals, transparency).

At the other end of the spectrum, Home Automation (smart locks, thermostats, sensors) and Customer Relationship Management (CRM) Systems remain far less common. This shows that while operators have largely standardized on revenue and communication tools, the industry is still in early innings of guest-facing tech adoption.



By Company Size

Extra Small Operators

- Strong adoption of core tools like PMS (100%) and Pricing Tools (~65%).
- Fewer Operational Tools and CRM, reflecting resource and bandwidth constraints.
- This adoption pattern aligns with their heavy OTA reliance, as small operators depend on basic systems to compete for distribution.

Medium Managers

- Most tech-forward cohort, with high adoption across nearly all categories.
- Stand out in Pricing Tools (85%+) and Marketing Systems, reflecting agility and willingness to invest to defend margins.
- Matches their role in Competition; mid-sized managers punch above their weight through smarter adoption.

Large & Extra Large Managers

- Broad adoption across most categories.
- Somewhat paradoxical: Home Automation adoption is lower (20–25%), likely due to logistical complexity of implementing hardware at scale.

What technology do you currently use?
Check all that apply.

	Extra Small	Small	Medium	Large	Extra Large
PMS	100%	93%	98%	90%	97%
Owner Portals	67%	76%	86%	86%	75%
Marketing	63%	66%	81%	76%	75%
Pricing Tool	67%	63%	86%	69%	67%
Cleaning or Operational Tools	46%	64%	73%	69%	72%
Revenue Management System	63%	54%	68%	75%	75%
Channel Manager	50%	57%	70%	57%	64%
CRM	42%	41%	62%	49%	64%
Website Builder	38%	41%	52%	51%	44%
Home Automation	54%	29%	48%	22%	19%

Regional Differences

New England	<ul style="list-style-type: none">• Outlier: Lower PMS penetration (~50%), possibly due to legacy operators or boutique independents.• Yet simultaneously lead in Revenue Management Systems (100%) and Home Automation — a case of advanced operators co-existing with older models.
Mid-Atlantic	<ul style="list-style-type: none">• Lag across multiple core systems, including RMS and Channel Managers. This suggests operational fragmentation and contributes to weaker performance sentiment.
Southeast & Southwest	<ul style="list-style-type: none">• Strong adoption of Marketing and Owner Portals — consistent with their emphasis on communication and visibility in the Owner Decisions section.
West & Hawaii	<ul style="list-style-type: none">• Regulation complicates adoption: managers often invest in compliance-enabling tools (e.g., data/reporting) but slow to roll out home automation due to political and HOA restrictions.
Rocky Mountains & Midwest	<ul style="list-style-type: none">• Solid across PMS and pricing. RMS adoption is strong in Midwest, while Rockies prioritize Marketing Tools to compete in a saturated luxury market.

Key Insights

1.

The PMS is non-negotiable: Its ubiquity confirms operational standardization.

2.

Pricing & marketing tech drive performance:

Adoption closely tracks revenue growth ambitions and competitive intensity.

3.

Mid-sized managers are leaders: Their relative agility allows faster uptake of new tools than the largest operators.

4.

Regional maturity diverges: New England's advanced RMS adoption contrasts with Mid-Atlantic's lag, pointing to uneven digital maturity across U.S. markets.

5.

Guest-facing tech remains untapped:

Low home automation adoption highlights opportunity for differentiation in guest experience and efficiency.

A Cross-Analysis: Technology as the Driver of Pricing Agility and Owner Confidence

Technology and Pricing & Market Data Cycles

Survey results make clear that tech-forward operators (those adopting PMS, revenue management systems, and pricing tools) are also those who update rates and monitor market data more frequently:

Pricing Frequency:

Operators with revenue management technology are far more likely to adjust rates daily or weekly, compared to manual operators who default to monthly or seasonal updates.

Market Data Frequency:

Access to integrated dashboards and benchmarking platforms encourages ongoing market monitoring, creating a feedback loop that supports faster, more confident rate adjustments.

Strategic Edge:

This agility not only protects ADR in competitive markets but also reduces exposure to demand volatility, aligning revenue practices with real-time market dynamics.

Technology and Owner Decision Alignment

Technology also enhances the very dimensions that owners prioritize in their decision-making:

Visibility & Transparency:

Owner portals and dashboards provide real-time visibility into bookings, pricing, and revenue performance, reinforcing trust.

Performance Delivery:

Tech-enabled dynamic pricing and data-driven marketing directly address owner expectations for income growth and occupancy stability.

Retention & Acquisition:

Managers who can demonstrate a clear tech-enabled performance story are more likely to retain owners and win new contracts in competitive environments.

Strategic Insight

Technology is not just an operational tool — it's the bridge between internal revenue practices and external owner expectations. Operators who invest in tech position themselves to:

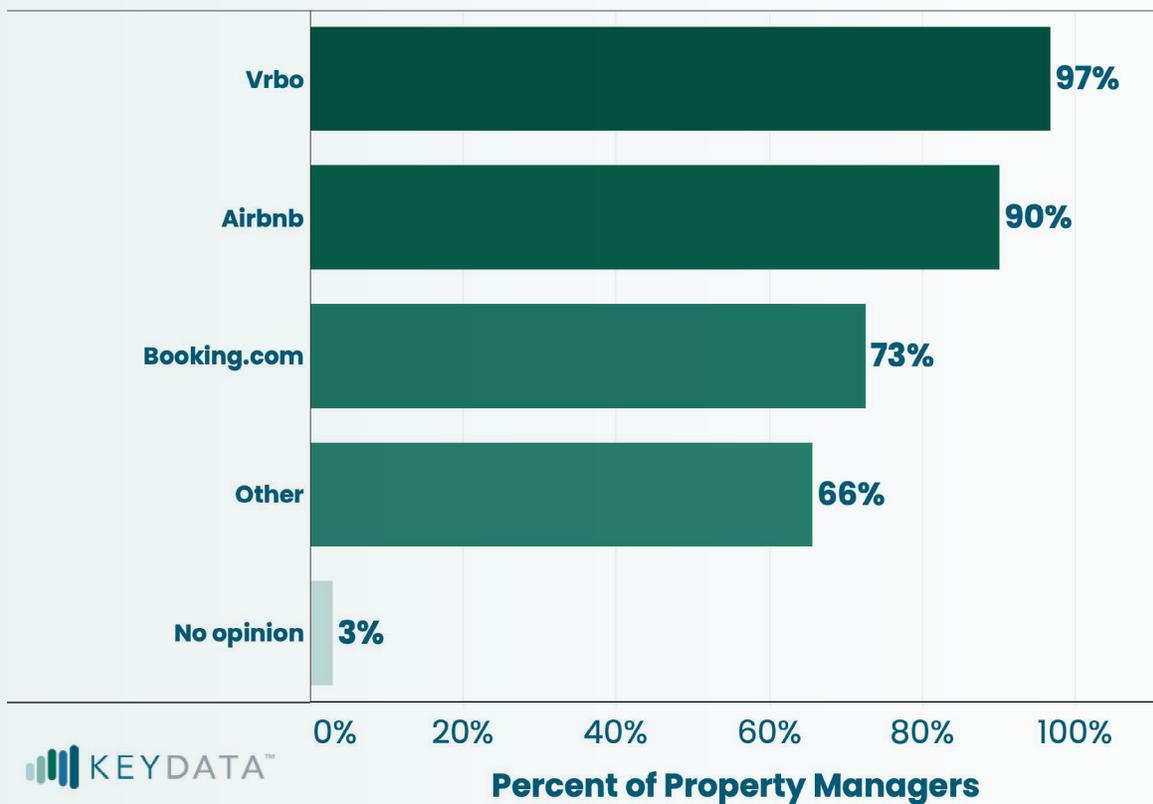
- Act with speed and confidence in pricing decisions.
- Leverage real-time market intelligence for competitive advantage.
- Reassure owners that revenue outcomes are backed by data, not guesswork.



Distribution and Action

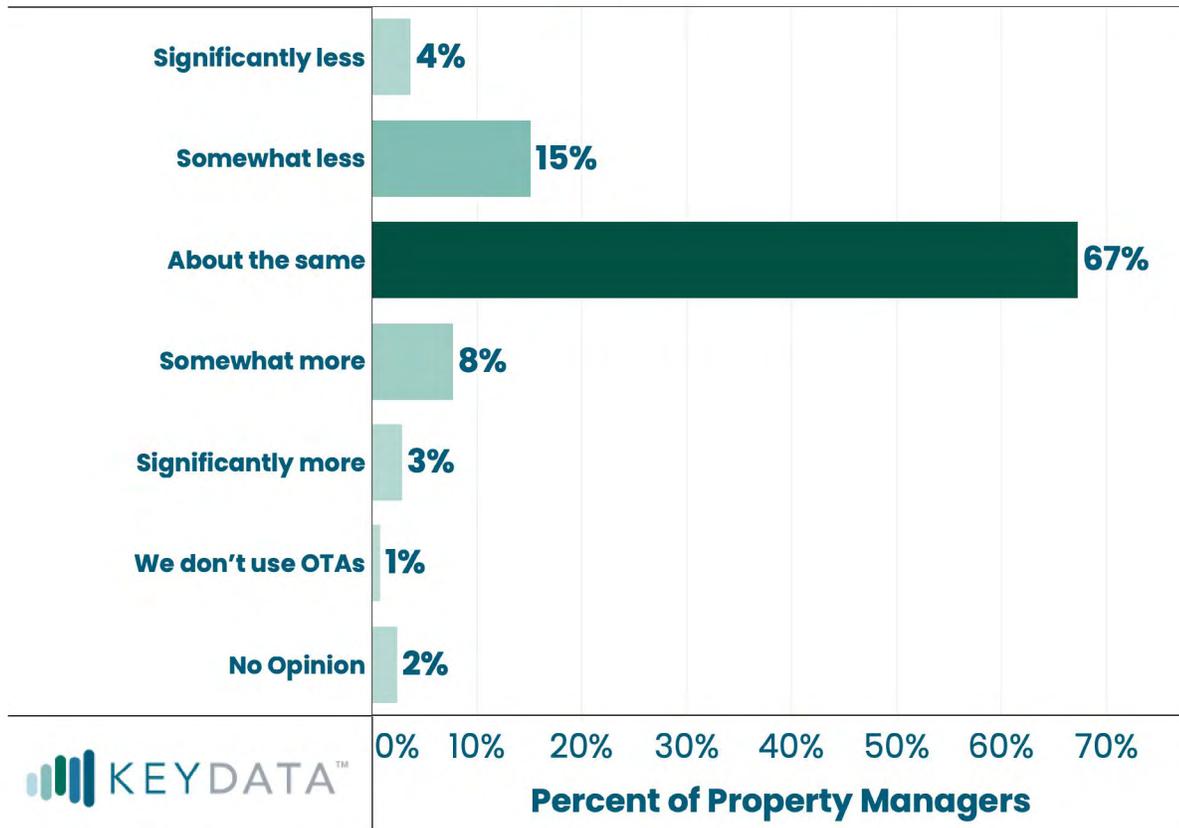
What OTAs do you currently use or plan to implement in 2026. Select all that apply.

What OTAs do you currently use or plan to implement in 2026?
Select all that apply.



In 2026, do you plan on relying more on OTAs than you did in previous years?

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Overall Findings

Online Travel Agencies (OTAs) remain a critical distribution channel in the vacation rental industry, providing visibility and demand across all company sizes and regions. Nearly every property manager lists at least one OTA as a primary partner. Airbnb and Vrbo dominate, while Booking.com plays a growing role in international and urban markets. A long tail of "other OTAs" (TripAdvisor, Hopper, Trip.com, Vacasa's network distribution, regional/tourism-board sites) provides supplemental but niche demand.

However, reliance on OTAs is a double-edged dependency. Direct bookings tend to be longer, booked further in advance, and at higher rates. In H1 2025, 26% of bookings were made directly, driving 38% of revenue. Conversely, 45% of bookings were made through Airbnb, driving only 34% of revenue. This is not to say Airbnb drives travelers toward cheaper, shorter bookings, but more about the type of traveler booking on these OTAs.

- Benefits of OTAs: consistent booking flow, wide exposure, and international reach.
- Risks of OTAs: compressed margins, reduced control of guest relationships, and exposure to shifting OTA algorithms and fees.

Looking ahead to 2026, 67% of managers expect to rely on OTAs about the same, while 19% plan to reduce reliance and 11% expect to increase. This balance shows OTAs are deeply entrenched but not expanding, with diversification into direct booking slowly gaining traction.



By Company Size

Extra Small & Small Managers

- Most reliant on OTAs, especially Airbnb, often driving the majority of bookings.
 - Limited brand recognition and marketing budgets keep them OTA-dependent.
 - Vrbo is important in traditional family travel markets; “other OTAs” are marginal.
 - Forward-looking: 30% expect to reduce reliance, though infrastructure and owner resistance make this shift challenging.
-

Medium Managers

- More balanced reliance: Airbnb remains strong, Vrbo is gaining share, and experimentation with Booking.com and niche OTAs is more common.
 - Their goal prioritization around revenue growth and efficiency aligns with reducing reliance through stronger direct booking programs.
 - Reliance outlook: 22–27% expect to reduce reliance, though most remain steady.
-

Large & Extra Large Managers

- Lowest relative dependence on OTAs, supported by brand equity and direct booking funnels.
- Strategically use OTAs as funnel builders while converting repeat guests through direct channels.
- Technology (PMS + channel managers) enables them to balance exposure while limiting risk.
- Outlook: 67–73% expect the same reliance, with some extra-large managers modestly increasing reliance as they expand into new geographies.

Regional Differences

Southeast & Southwest	Airbnb and Vrbo dominate, with Vrbo particularly strong in family/leisure segments. Outlook: 65–77% same reliance.
Rocky Mountains & West	More diversified OTA mix (Booking.com + niche luxury OTAs) due to international demand. 25% of Western operators expect to reduce reliance.
New England	Split reliance — 50% plan to reduce significantly, often shifting toward regional platforms or direct.
Hawaiian Islands	High reliance on OTAs for global traveler access; regulatory volatility adds complexity. 85% expect same, 8% significantly more.
Midwest & Mid-Atlantic	Primarily Airbnb/Vrbo. Mid-Atlantic shows 100% “same reliance”, while Midwest shows 40% planning to reduce reliance.

What OTAs do you currently use or plan to implement in 2026? Select all that apply.



	Hawaiian Islands	Mid-Atlantic	Midwest U.S.	New England	Rocky Mountains	Southeast	Southwest	West
Vrbo	100%	100%	100%	100%	93%	97%	100%	100%
Airbnb	100%	100%	100%	100%	95%	85%	100%	100%
Booking.com	100%	67%	60%	50%	63%	74%	85%	69%
Other	62%	67%	80%	100%	65%	63%	100%	56%
No opinion	0%	0%	0%	0%	5%	3%	0%	0%

Key Insights

1.

Airbnb & Vrbo dominate across sizes and regions; Booking.com is gaining ground in urban/international markets.

2.

Two-thirds of managers will hold reliance steady in 2026, underscoring OTAs as a permanent fixture.

3.

Small managers remain most exposed, with limited resources to develop direct strategies.

4.

Larger operators diversify, using OTAs as lead generators while shifting conversion to direct channels.

5.

Regional strategies diverge: Hawaii sustains heavy reliance, New England pivots away, Rockies/West diversify, Southeast/Southwest remain Airbnb–Vrbo strongholds.

Strategic Cross-Links

- **Owner Decisions:** Owners equate OTAs with guaranteed visibility. To reduce reliance, managers must prove that direct strategies deliver equal or better occupancy and revenue. For example, H1 2025 reservations made directly saw nightly booked rates of \$351, stay lengths of 5.4 days, and 76 day booking windows. In comparison, Vrbo saw nightly rates of \$335, stay lengths of 4.6 days, and 62 day booking windows, and Airbnb saw nightly rates of \$248, 4 day stay lengths, and 36 day booking windows.
- **Goal Prioritization:** PM goals around pricing, marketing, and guest experience are the levers to replace OTA-driven demand with sustainable direct bookings.
- **Pricing & Market Data Frequency:** OTA algorithms reward dynamic action. Cutting OTA reliance requires higher pricing cadence and market responsiveness to avoid losing share.
- **Revenue Growth Expectations:** The portfolios forecasting modest growth overlap with managers who diversify distribution and act frequently, showing that balanced strategies and frequency drive growth more than OTA dependence alone.

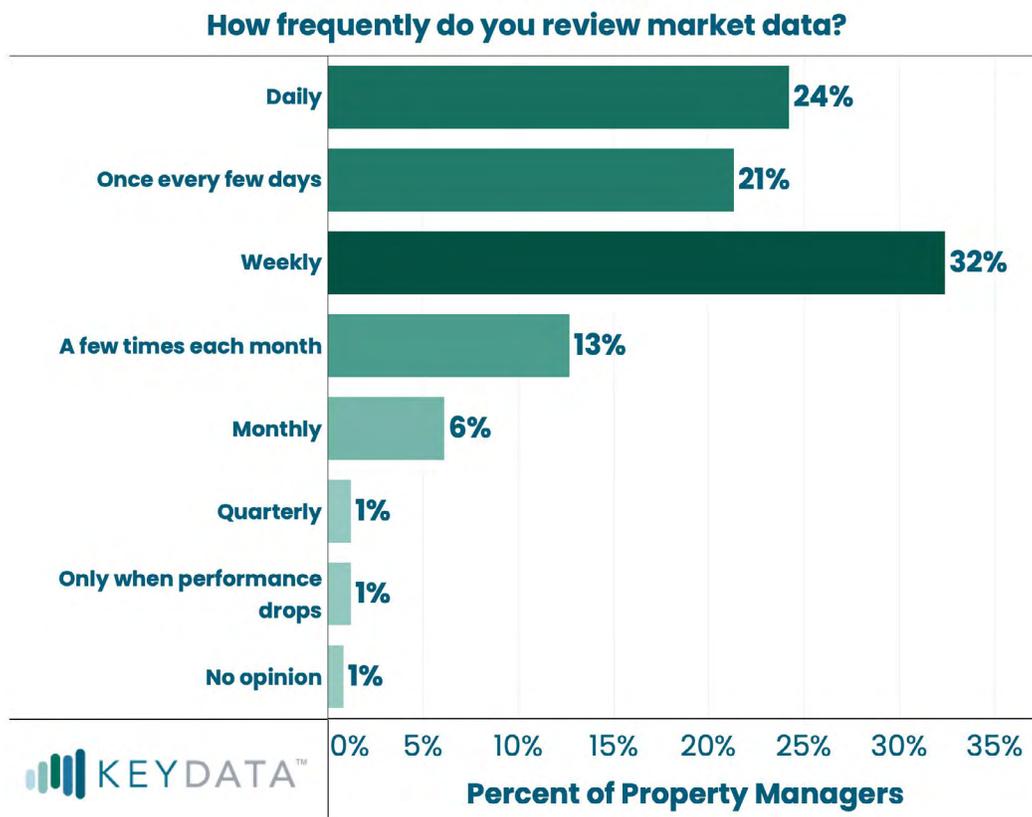
How frequently do you review market data?

Overall Findings

Property managers have embraced data-driven decision-making as core to their operations. A majority review market data at least weekly, with a growing share (about one in four) checking daily. This reflects the industry's maturity in adopting pricing tools, RMS platforms, and benchmarking dashboards that enable responsiveness to shifting demand.

Very few managers now rely on monthly or ad hoc checks. Instead, data engagement has become a tactical necessity, particularly in competitive markets where visibility into rates, occupancy, and demand signals is critical.

Importantly, data cadence aligns directly with pricing cadence: those who monitor more frequently also adjust more often. This positions frequent reviewers as better equipped to protect ADR, capture demand, and forecast revenue growth with confidence.



By Company Size

Extra Small Operators

- Many still review data monthly or ad hoc, relying on anecdotal inputs.
 - Those who adopt RMS or dashboards behave more like larger peers, but adoption remains inconsistent.
 - Heavy OTA reliance makes infrequent reviewers particularly vulnerable to being undercut in algorithm-driven marketplaces.
-

Small to Medium Managers

- Among the most data-engaged cohorts, with frequent (weekly to daily) monitoring.
 - Their scale gives them both the motivation and capability to act quickly, reinforcing stronger Revenue Growth optimism and proactive Goal Prioritization.
-

Large & Extra Large Managers

- Most data-intensive, with 40–50% reviewing daily.
- Often supported by dedicated revenue teams and integrated RMS systems that feed real-time insights into PMS and pricing platforms.
- Their structured cadence underpins their ability to balance OTA and direct strategies at scale.



How frequently do you review market data?



	Extra Small	Small	Medium	Large	Extra Large
Daily	13%	10%	21%	35%	50%
Once every few days	13%	20%	29%	25%	11%
Weekly	25%	40%	33%	27%	28%
A few times each month	21%	14%	14%	8%	8%
Monthly	17%	10%	3%	4%	
Quarterly	8%	1%			
Only when performance drops	4%	3%			
No opinion		1%			3%

Regional Differences

Rocky Mountains	Among the most aggressive. Daily or near-daily monitoring is common due to competitive, seasonal, and luxury-driven dynamics.
West & Southeast U.S.	High shares of daily reviewers, reflecting high competition and ADR pressure in volume-heavy markets.
Southwest:	Strong weekly/daily adoption, balancing heavy demand with operator resource constraints.
Hawaiian Islands	Mixed. Sophisticated operators monitor daily, but smaller, traditional firms often remain on weekly to monthly cadences.
Midwest & Mid-Atlantic	More conservative; higher shares of weekly or monthly reviewers, consistent with flatter demand curves and lower volatility.
New England:	Diverse. Boutique operators lean toward weekly reviews, while larger multi-market players often run daily cadences.

Key Insights

1.

Data frequency is rising industry-wide:

Weekly or daily has become the new standard, replacing ad hoc reviews.

2.

Scale drives sophistication: Larger operators lead in daily monitoring, while smaller players risk falling behind if they lack tools.

3.

Competition accelerates cadence: Rocky Mountains, West, and Southeast show the fastest monitoring cycles, reflecting competitive intensity.

4.

Confidence follows cadence: Managers reviewing data daily are also those most optimistic on revenue growth and most aggressive on pricing adjustments.

5.

Data + Pricing = Competitive edge: Frequent data monitoring isn't just operational discipline — it's a predictor of outperformers.

Strategic Cross-Links

- **Pricing Frequency:** Managers who monitor more frequently also adjust more frequently — reinforcing agility as a revenue lever.
- **Revenue Growth Expectations:** Data-led managers are disproportionately represented in the modest growth cohorts.
- **Competition:** Frequent monitoring is most common in competitive or seasonal markets where visibility and speed matter most.
- **Owner Decisions:** Owners who value transparency and performance gain confidence from managers who can demonstrate data-led decisions.

Suggestions for Property Managers

Benchmark against your competitors to track market trends in real time. With Key Data's Enhanced Benchmarking, you can identify where guests are coming from, which OTAs are driving bookings, and gain a 360° view of your market.

Review your data daily in competitive or seasonal markets. Weekly reviews in stable markets, with automation help to surface key shifts.

Automate reporting to save time. From a weekly snapshot to individualized owner reports delivered right to your email, 83% of respondents reported that Key Data saved their business up to 30 hours per week.

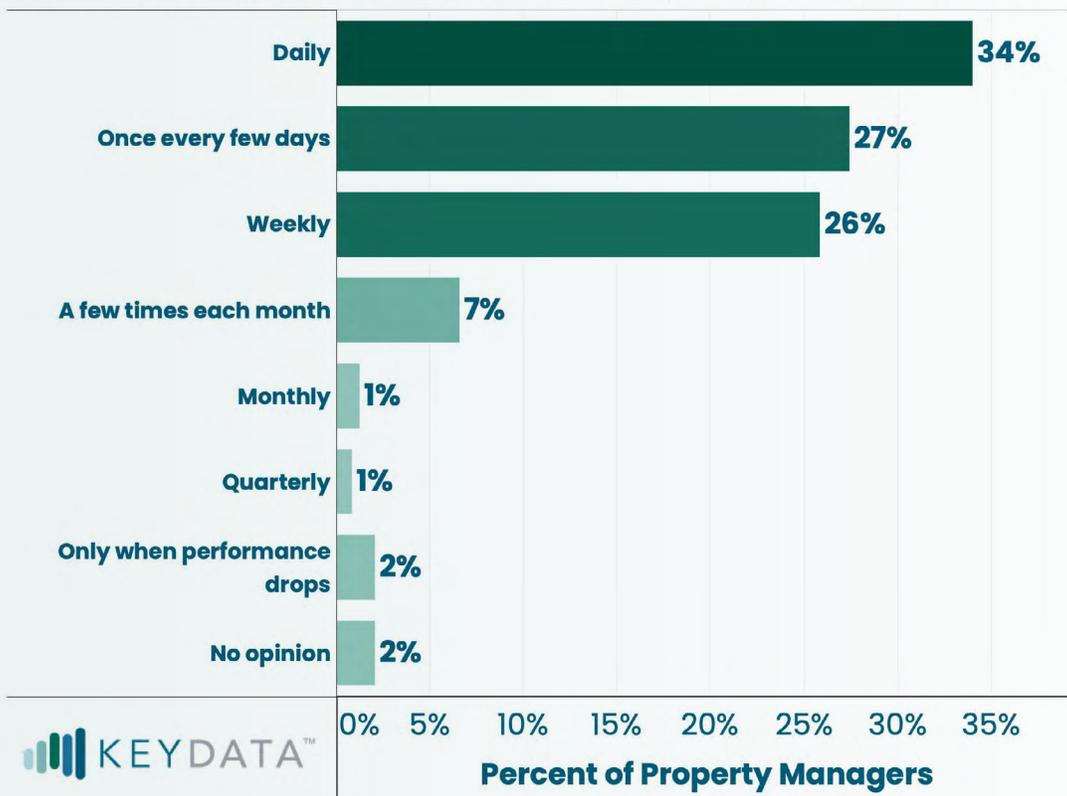


How frequently do you examine or adjust pricing on any given unit?

Overall Findings

Most property managers update pricing weekly or more frequently, with a large cohort adjusting daily; a strong sign that revenue management has become a core discipline across the industry. Very few update monthly or less, suggesting those practices are now outdated and limited to only the smallest or least competitive operators.

How frequently do you examine or adjust pricing on any given unit?



By Company Size

Extra Small Operators

- Heavily split: many still price monthly or ad hoc, reflecting resource constraints.
 - However, a subset leverages pricing tools to stay competitive, aligning them with their larger peers.
 - Matches their OTA dependence; infrequent pricing risks revenue dilution when channels dynamically adjust rates.
-

Small to Medium Managers

- The most active: high proportions updating daily or multiple times per week.
 - Their size allows them to be both nimble and disciplined, supported by adoption of pricing/revenue management tools.
 - This agility aligns with their stronger expectations in Revenue Growth and Demand.
-

Large & Extra Large Managers

- Tend to stabilize at weekly adjustments, with some moving to daily.
- Less extreme at either end — rarely “set-and-forget,” but also less likely to micro-adjust daily due to scale complexity.
- Reflects their Goal Prioritization on operational efficiency and balanced growth.

Regional Differences

Rocky Mountains	The most aggressive. Daily adjustments dominate. High competition and luxury positioning require constant optimization.
Southeast & Southwest	Broadly weekly or multiple times per week, balancing volume-driven demand with resource efficiency.
Midwest & Mid-Atlantic	More conservative. Heavier reliance on weekly or less frequent adjustments. Matches their flat Demand/ADR expectations.

West & Hawaii	Mixed. While competitive markets price frequently, regulatory challenges and seasonality create more static structures in some submarkets.
New England	Diverse spread: boutique operators sometimes lag (monthly), but sophisticated adopters leverage daily RMS-driven pricing.

How frequently do you examine or adjust pricing on any given unit?

KEYDATA™	Hawaiian Islands	Mid-Atlantic	Midwest U.S.	New England	Rocky Mountains	Southeast	Southwest	West
Daily	23%		30%		47%	32%	31%	44%
Once every few days	23%	67%	40%		16%	31%	23%	25%
Weekly	54%	33%	10%	50%	19%	25%	38%	25%
A few times each month			10%	50%	7%	7%	8%	
Monthly					2%	1%		
Quarterly					2%	1%		
Only when performance drops			10%		2%	1%		6%
No opinion					5%	2%		

Key Insights

1.

Dynamic pricing is standard:

Monthly updates are disappearing, replaced by weekly or daily adjustments.

2.

Tools drive frequency:

Adoption of pricing software is the primary enabler of daily or near-daily updates.

3.

Competition dictates cadence:

Markets like the Rockies demand daily action; Midwest/Atlantic can afford slower cycles.

4.

Size is not destiny:

Smaller operators who adopt tools behave like larger, more advanced firms; those who don't are most vulnerable.

A Cross-Analysis: Pricing Frequency and Revenue Growth Outlooks

Pricing Frequency and Revenue Growth Outlook

There is a direct link between how often managers adjust rates and their expectations for revenue growth:

Frequent Actors

(Daily/Weekly Adjusters):

More likely to forecast modest revenue growth, even in the face of flat ADR expectations. These managers use frequency to capture micro-opportunities (short booking windows, event surges, competitor gaps) that aggregate into topline growth.

Infrequent Actors

(Monthly/Seasonal Adjusters):

More likely to report flat revenue expectations, reflecting a reactive rather than proactive posture in competitive markets.

Why This Matters for Owners

For owners, this means that frequency of action is as important as average rate:

- A manager who updates rates daily may deliver higher revenue stability and better demand capture, even if headline ADR is flat.
- In contrast, infrequent updates risk leaving money on the table and missing compression windows — outcomes owners quickly notice.

This suggests that the path to growth is behavioral (acting often) as much as market-driven.

Suggestions for Property Managers

When communicating with owners, frame frequency of pricing action as a value driver:

- “Our daily rate adjustments help us capture revenue even when market ADR is flat.”
- “Frequent market scans ensure your property stays competitive in shifting demand conditions.”
- “While the market sets ADR ceilings, our frequency creates revenue growth opportunities.”



Closing Insights

Mid-Sized Managers as the Industry's Growth Engine

- Extra Small Operators remain cautious across nearly all metrics, projecting flat ADR, demand, and revenue. Their heavy reliance on OTAs, limited access to technology, and vulnerability to competition constrain their outlook.
- Small and Medium Managers are consistently the most bullish. They expect demand growth, stronger ADRs, and meaningful revenue increases. Their agility, higher tech adoption, and ability to differentiate position them as the industry's innovators and outperformers.
- Large & Extra Large Managers balance optimism with caution, generally projecting stability rather than aggressive growth. Their focus on scale efficiencies, retention, and regulatory compliance reflects a more defensive but sustainable strategy.

This dynamic reflects technology usage patterns. Mid-sized managers are often more advanced adopters than both the smallest and largest peers, helping explain their confidence.

Divergence Between Strong Leisure Markets and Slower Growth Areas

- Southeast & Southwest stand out as the most optimistic regions, with managers projecting both ADR and revenue growth. These markets benefit from resilient traveler demand and continued in-migration of leisure visitors.
- Rocky Mountains show seasonal-driven optimism, with strong peak-season growth expectations tempered by off-season flatness.
- Hawaii & New England reveal cautious projections, as regulation, affordability, and supply constraints limit growth despite strong demand fundamentals.

- Midwest & Mid-Atlantic managers are the most conservative, generally expecting flat performance. These regions lag in demand momentum and face stiffer competition from other domestic leisure markets.
- West shows split sentiment: highly competitive urban markets drag expectations down, while certain leisure destinations remain strong.

Cross Analyses:

<p>ADR vs. Demand vs. Revenue</p>	<ul style="list-style-type: none"> • Managers believe market-wide ADR and demand will grow, but translate this optimism more cautiously when assessing their own portfolios. • Revenue growth projections mirror this, showing a broad expectation of modest gains but little room for outperformance.
<p>Competition and Regulation as Headwinds</p>	<ul style="list-style-type: none"> • Rising competition levels and regulatory pressures feature prominently in both anticipated and limiting challenges. • These pressures explain why managers hesitate to project aggressive portfolio growth even while acknowledging industry demand strength.
<p>OTA Dependence and Channel Strategy</p>	<ul style="list-style-type: none"> • Reliance on OTAs remains high, particularly for smaller operators. While OTAs drive exposure, managers also recognize the margin pressures they create. • Larger and mid-sized operators increasingly seek balance via direct booking growth, signaling a slow strategic shift.
<p>Technology as a Differentiator</p>	<ul style="list-style-type: none"> • Technology adoption continues to define competitive advantage. • Mid-sized managers — who most consistently expect growth — also show higher adoption of pricing, marketing, and operational tools. • Extra small operators lag in tool adoption, reinforcing their flat outlook.

Owner Influence

- Owner perspectives remain an important factor in shaping manager strategies, particularly around pricing and operations. In many cases, differing views on rate setting contribute to a more conservative ADR posture.
- This theme links directly with portfolio ADR conservatism: managers may believe the market can bear higher rates, but owners' resistance to pricing changes dampens realized performance.

Conclusion

The industry is entering 2026 with measured confidence. Managers overwhelmingly expect stability, with modest upside concentrated in mid-sized companies and growth-focused leisure markets. At the same time, competitive intensity, regulation, and owner constraints limit the extent to which optimism converts into realized performance.

The strongest performers are likely to be those who:

- Leverage technology for pricing, marketing, and efficiency.
- Diversify distribution to reduce OTA reliance.
- Navigate owner dynamics by demonstrating data-driven ROI.
- Operate in or strategically expand into demand-resilient markets such as the Southeast and Southwest.

The narrative that emerges is one of a maturing industry: optimistic but disciplined, competitive but innovative, and increasingly defined by the balance between scale, agility, and market conditions.

Meet The Team



Quinn Monescalchi

Senior Marketing Data & Insights Analyst

Quinn has been a valued member of the Key Data Analytics team for over six years, during which time her data insights have been featured by Skift, VRMA, and Key Data's seasonal reports. She provides presentations and data visualizations to help property managers and destinations understand and react to changing industry trends.



Stephanie Zopp

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With over fifteen years in the tourism industry, Stephanie's data analysis has been featured by organizations including Eviivo, VRMA, and PASC. Stephanie contributes useful insights and analysis regarding emerging data trends worldwide for property managers and industry professionals.



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