



Effects of Citywide Conventions on Vancouver Hotels in 2013

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PURPOSE

The purpose of this project was to analyze the effects of citywide conventions on the occupancy of both “large” and “small” hotels in Vancouver during 2013. We have defined large hotels to be hotels with a capacity exceeding 300 rooms, and small hotels to be hotels with a capacity of less than 300 rooms. The large hotels are typically the hotels that host conventions as they are able to facilitate a larger number of convention attendees, have a greater total meeting space, and have a greater total number of guest rooms than the small hotels.

The specific goal of the project was to quantify the average change in hotel occupancy rates at large hotels and small hotels during citywide conventions held in Vancouver in 2013.

APPROACH

There were a total of 17 citywide conventions held in the city of Vancouver in 2013. During this period there were 69 days where at least one citywide convention was held, including 68 days with one citywide event and one day with two citywide events. We have separated the days during this time period into two categories: those days where there were citywide conventions in the city, and those days where there were no citywide conventions.

Table 1: Citywide Convention Days

Days with one or more citywide convention	69
Days with no citywide conventions	296
Total	365

Using historical room sales figures from the Vancouver “On the Books” Project (OTB), we estimated daily occupancy rates for large and small hotels on days with and without citywide conventions.

ANALYSIS

The following two figures show the average occupancies for large and small hotels for the two classes of days (i.e., days with a citywide convention and days without a citywide convention) for each month in which there was a citywide convention during 2013.

Figure 1: Occupancy Rates at Large Hotels

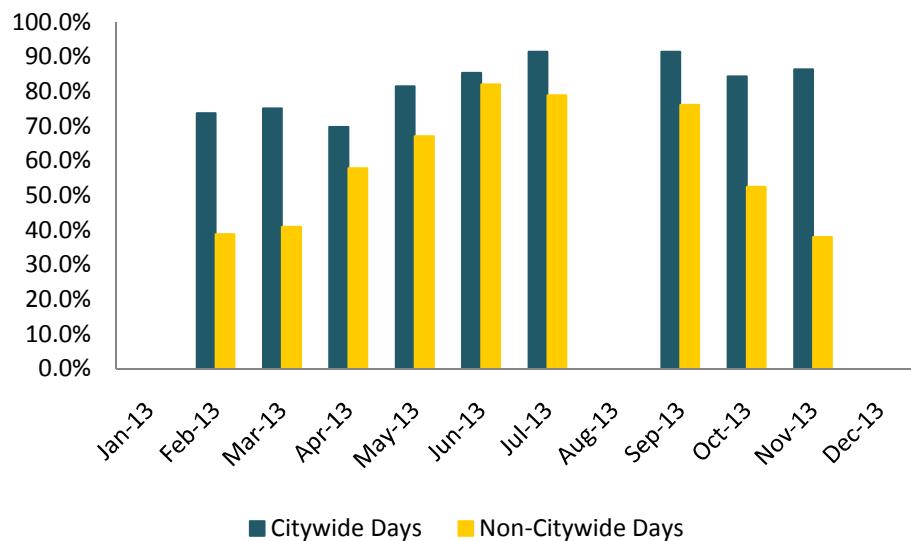
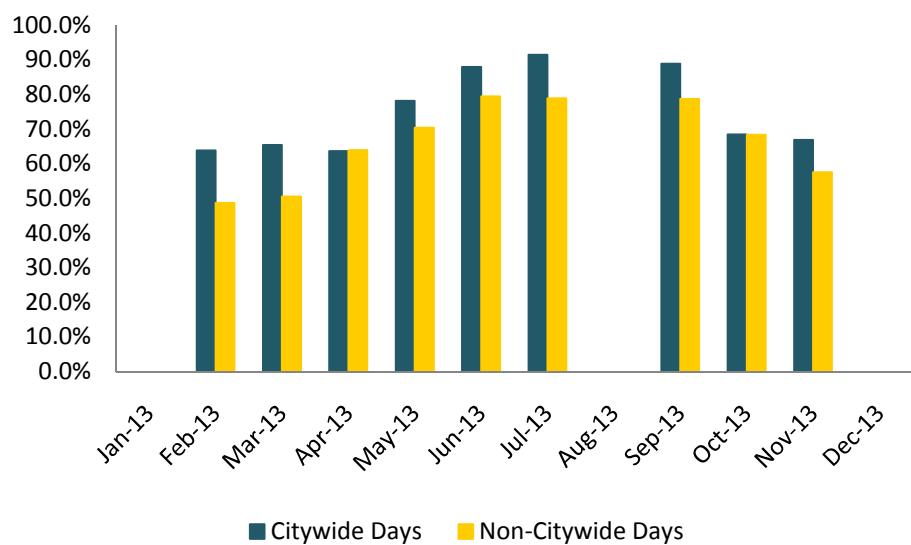


Figure 2: Occupancy Rates at Small Hotels



Occupancy rates at large hotels for days with a citywide convention were higher than on days without a citywide convention for every month that a citywide convention was held. Occupancy rates at small hotels for days with a citywide convention were higher in eight out of nine months. The following two tables summarize the average occupancies for large and small hotels for the two classes of days.

Table 2: Average Occupancy for Large Hotels

Average occupancy for days with a citywide convention	82.1%
Average occupancy for days with no citywide conventions	59.1%
Difference	23.0 percentage points

Table 3: Average Occupancy for Small Hotels

Average occupancy for days with a citywide convention	75.0%
Average occupancy for days with no citywide conventions	66.3%
Difference	8.7 percentage points

Table 2 shows that hotel occupancy at large hotels was higher, on average, by 23 percentage points on days in which there was a citywide convention. Table 3 shows that for small hotels, occupancy rates were approximately nine percentage points higher on average on days in which there was a citywide convention.

Statistical t-tests were performed for both the large and small hotel groups to test whether the differences in average occupancy were statistically significant. The results showed that for both large and small hotels, there was a statistically significant increase in occupancy rates between the days in which there was a citywide convention versus those days in which there was no citywide convention¹.

¹ The outcomes for large and small hotels are statistically significant at the 5% significance level, meaning there is less than a 5% probability the outcomes occurred by chance.

CONCLUSION

On days in which there was a citywide convention in 2013, there was an average increase in occupancy at large hotels of 23 percentage points and an average increase in occupancy at small hotels of approximately nine percentage points.

APPENDIX A

PARTICIPATING HOTELS

The hotels that participate in the Vancouver OTB Project were divided into the two classes based on the amount of meeting space that each hotel possesses, and whether or not they are able to host a large convention. We have defined large hotels to be hotels with a capacity exceeding 300 rooms, and small hotels to be hotels with a capacity of less than 300 rooms.

The hotels classified as large hotels include:

- Fairmont Hotel Vancouver
- Fairmont Pacific Rim
- Hyatt Regency Vancouver
- Pan Pacific
- Sheraton Vancouver Wall Centre
- Fairmont Waterfront Centre
- Westin Bayshore
- Marriott Pinnacle
- Renaissance

The hotels classified as small hotels include:

- Metropolitan
- Loden
- Listel Vancouver
- Coast Coal Harbour
- Delta Suites Vancouver
- Coast Plaza
- Ramada Downtown Vancouver
- Opus Hotel
- Wedgewood Hotel
- Westin Grand

APPENDIX B

2013 CITYWIDE CONVENTIONS

Organization Name	Conference Dates	Meeting Name
Polycom Inc.	Feb 4 - 7	Sales and Partner Conference
BC Dental Association	Mar 7 - 9	2013 Pacific Dental Conference
Spine Arthroplasty Society / International Society for the Advancement of Spine Surgery	April 3 - 5	2013 International Society for the Advancement of Spine Surgery
AXA Equitable	April 13 - 18	2013 National Leaders Forum & Retirement Group Benefits
Vancouver International Marathon Society	May 3 - 5	2013 BMO Vancouver Marathon
Society for Information Display	May 21 - 24	2013 DisplayWeek
IEEE Signal Processing Society	May 26 - 31	2013 ICASSP International Conference on Acoustics, Speech and Signal Processing
Federation Of Canadian Municipalities	May 31 - June 3	2013 Annual Conference and Municipal Expo
Society of Nuclear Medicine and Molecular Imaging	June 8 - 12	2013 Annual Meeting
Cruise Lines International Association	June 19 - 23	2013 cruise3sixty
Kiwanis International	June 27 - 30	2013 International Convention
Al-Anon Family Groups	July 5 - 7	2013 International Convention
World Glaucoma Association	July 17 - 20	2013 World Glaucoma Congress
Societe Internationale d'Urologie	Sept 8 - 12	2013 SIU Congress
American Academy of Otolaryngology-Head & Neck Surgery Foundation	Sept 29 - Oct 2	2013 AAO-HNSF Annual and OTO Expo
International Association of Movers	Oct 7 - 10	2013 Annual Meeting
College Of Family Physicians Of Canada	Nov 7 - 9	2013 Family Medicine Forum

APPENDIX C

ABOUT MNP

MNP is the fastest growing major chartered accountancy and business advisory firm in Canada. Founded in 1945, MNP has grown from a single office in Manitoba to more than 75 offices and 3,000 team members across Canada. In British Columbia MNP has more than 450 staff located in 15 offices across the province.

MNP is a member of Praxity AISBL, a global alliance of independent firms, which enables us to access a broad range of industry specific expertise worldwide.

At MNP, our professionals are the driving force behind our success. They continue to demonstrate our culture and values which is integral to the way we conduct business, both internally and externally. As such, MNP is proud to be recognized for the third year in a row as one of the *50 Best Employers in Canada* by *Maclean's* magazine.



MNP provides a wide range of accounting, finance and business advisory services to clients. These include:

- Assurance
- Corporate Finance
- Enterprise Risk Services
- Consulting
- Succession
- Taxation
- Mergers and Acquisitions
- Forensic Accounting
- Insolvency and Corporate Recovery
- Valuations and Litigation Support