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Tourism Vancouver

Effects of Citywide Conventions on Vancouver Hotels in 2010

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Purpose

The purpose of this project was to analyze how citywide conventions affected both “large” and “small” hotels in Vancouver during 2010. 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 which host conventions as they are able to facilitate a larger number of convention attendees, have a greater total meeting space, and a greater total number of guest rooms than the small hotels. Specifically, the goals of this project were:

- measure the average change in hotel occupancy rates that occurred during a citywide convention at large hotels (>300 rooms)
- measure the average change in hotel occupancy rates at small hotels (<300 rooms) during a citywide convention.

Approach

There were a total of 23 citywide conventions in the city of Vancouver in 2010¹. During this 365 day period there were 100 days where there was one citywide event being held in the city, as well as five days where there were two events being held. There were no instances of days with three or more citywide events being held simultaneously. Thus, it is possible to separate the days during this time period into two classes: those days where there were no citywide conventions in the city, and those days where there were citywide conventions. (Because there are only a small number of days with two citywide conventions, we have simply combined these types of days into the one class.)

Table 1: Citywide Convention Days

| | |
|--|------------|
| Days with 1 or more citywide conventions | 105 |
| Days with 0 citywide conventions | 260 |
| Total | 365 |

¹ 2010 Vancouver Olympic Games were excluded from our analysis in order to keep annual reporting comparability



Using historical room sales figures from the Vancouver “On the Books” Project (OTB), we estimated two daily occupancy rates for large and small 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. The large hotels are:

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

The small hotels are:

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

Analysis

Using daily Vancouver OTB data and monthly occupancy rates we were able to estimate daily occupancy rates. 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 2010.

Figure 1: Occupancy Rates at Large Hotels

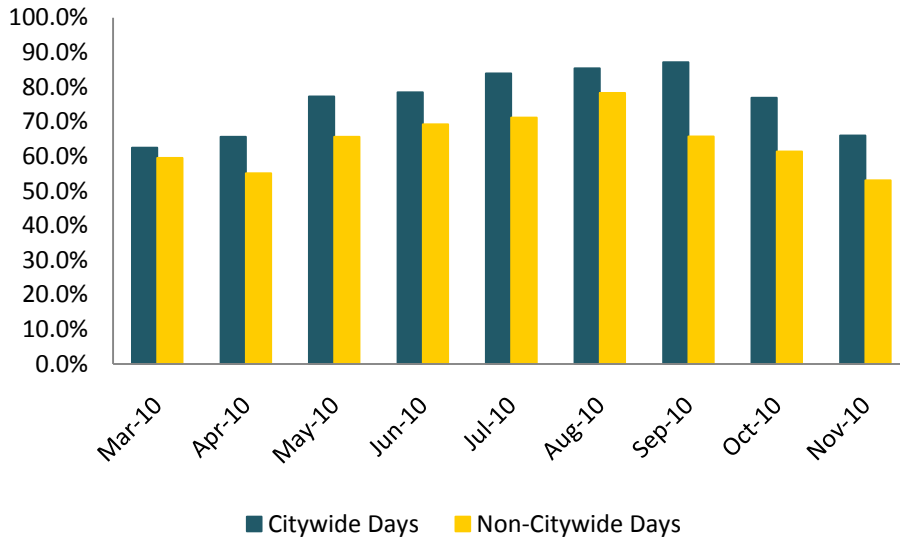
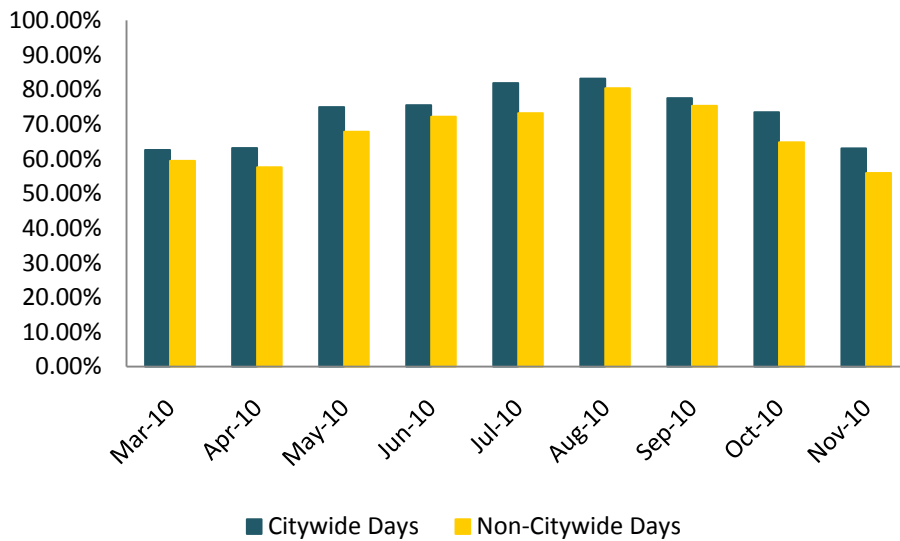


Figure 2: Occupancy Rates at Small Hotels



Occupancy rates at both large and small hotels for days with a citywide convention were consistently higher in all months than on than days without a citywide convention in 2010. 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 | 75.87% |
| Average occupancy for days with no citywide conventions | 64.31% |
| Difference | 11.56 percentage points |

Table 3: Average occupancy for small hotels

| | |
|---|------------------------|
| Average occupancy for days with a citywide convention | 72.79% |
| Average occupancy for days with no citywide conventions | 67.39% |
| Difference | 5.40 percentage points |

Table 2 shows that the occupancy at large hotels were higher by approximately 12 percentage points on days in which there was a citywide convention. Table 3 shows

that occupancy rates rose by approximately 5 percentage points in small hotels on days in which there was a citywide convention.

To confirm that these differences were statistically significant, we performed statistical t-tests for both the large and small hotel groups. The results of these tests showed that, for both large and small hotels, there was a significant difference in occupancy rates between the days in which there is was citywide convention versus those days in which there was no citywide convention.

Conclusion

On days in which there was a citywide convention, there was an average increase in occupancy at large hotels of approximately 12 percentage points. On days in which there was a citywide convention, there was an average increase in occupancy rate at small hotels of approximately 5 percentage points.

Appendix: 2010 Citywide Conventions

| Organization Name | Conference Dates | Meeting Name |
|---|------------------|---|
| Globe Foundation of Canada | March 23-25 | GLOBE CONFERENCE |
| Pediatric Academic Societies | April 30- May 4 | Annual Meeting |
| Vancouver International Marathon Society | May 2 | BMO Vancouver Marathon |
| Canadian Institute of Mining, Metallurgy and Petroleum | May 9-12 | Annual Conference & Exhibition |
| International Tunneling Association | May 14-20 | General Assembly & Congress |
| Cruise Lines International Association | June 2-6 | Cruise3sixty |
| Million Dollar Round Table | June 13-17 | Annual Meeting |
| International Trade Union Confederation | June 21-25 | World Congress of the International Trade Union Confederation |
| International Lupus Congress Past Presidents Steering Committee | June 24-27 | International Conference on Systemic Lupus Erthematosus |
| American Association for Justice | July 8-15 | Annual Convention |
| International Pig Veterinary Society | July 18-21 | IPVS World Congress |
| Meeting Professionals International | July 24-26 | World Education Congress |
| American Statistical Association | Aug 1-5 | Joint Statistical Meeting |
| Institute of Transportation Engineers | Aug 8-11 | Annual Meeting |
| The Transportation Society | Aug 15-19 | International Conference of The Transplantation Society |
| Routes | Sept 19-21 | The World Route Development Forum |
| International Society of Hypertension | Sept 26-30 | Scientific Meeting of the International Society of Hypertension |
| International Bar Association | Oct 3-8 | Conference of the International Bar Association |
| College of Family Physicians of Canada | Oct 14-16 | Family Medicine Forum |
| Infectious Disease Society of America | Oct 19-24 | Annual Meeting |
| American College of Chest Physicians | Oct 31-Nov 4 | Annual Scientific Assembly & Exhibition |
| Best Western International Inc | Nov 8-11 | Annual North America Convention |
| American Society of Mechanical Engineers | Nov 10-18 | International Engineering Congress and Exposition (IMECE) |