

Effects of Citywide Conventions on Vancouver Hotels in 2012

May 2013

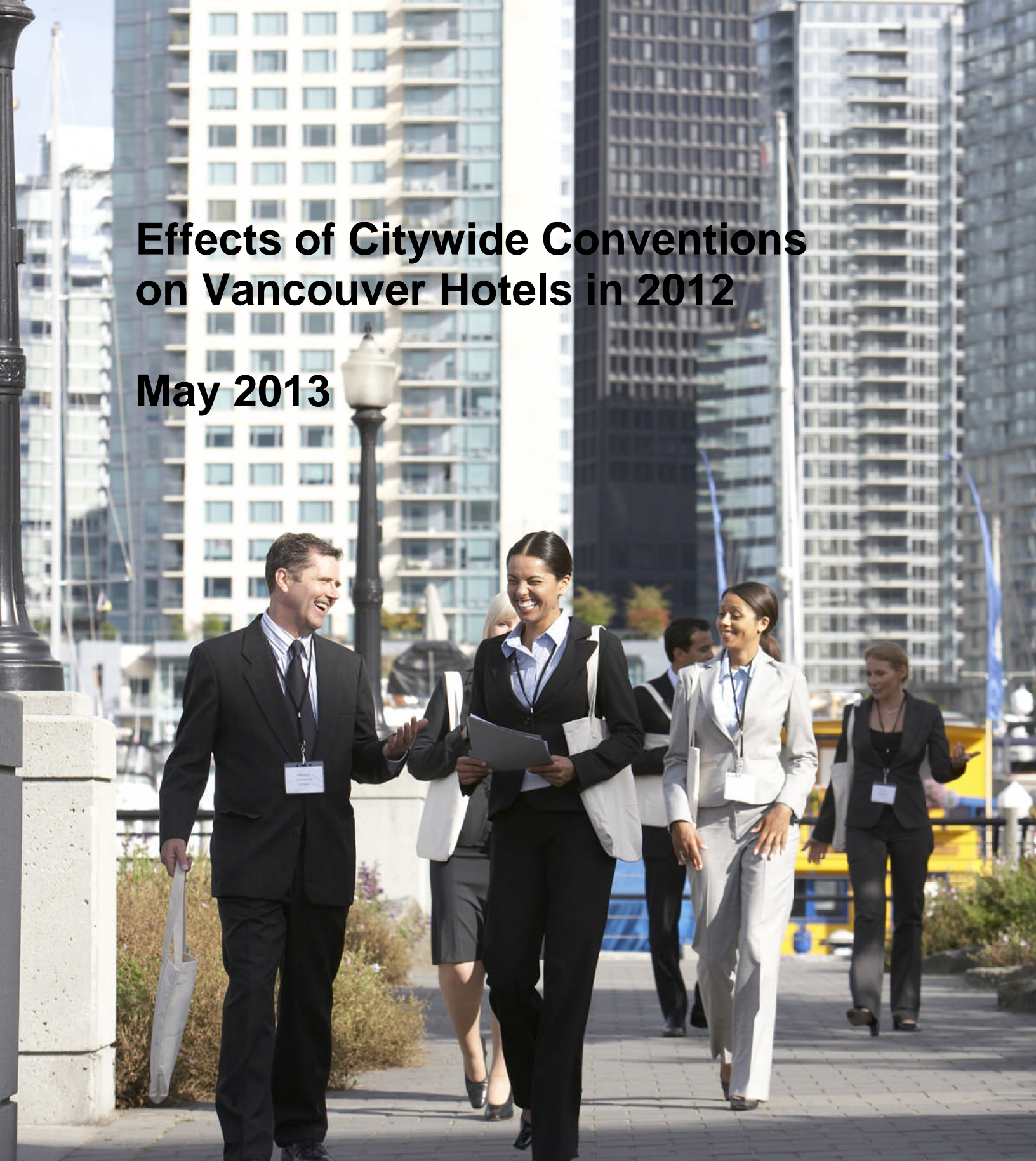


TABLE OF CONTENTS

Purpose	2
Approach	2
Analysis	3
Conclusion	5
Appendix A	6
Participating Hotels	6
Appendix B	7
2012 Citywide Conventions	7
Appendix C	9
About MNP	9

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 2012. 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 2012.

APPROACH

There were a total of 24 citywide conventions held in the city of Vancouver in 2012. During this period there were 97 days where at least one citywide convention was held, including 78 days with one citywide event and 19 days 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	97
Days with no citywide conventions	269
Total	366

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 2012.

Figure 1: Occupancy rates at large hotels

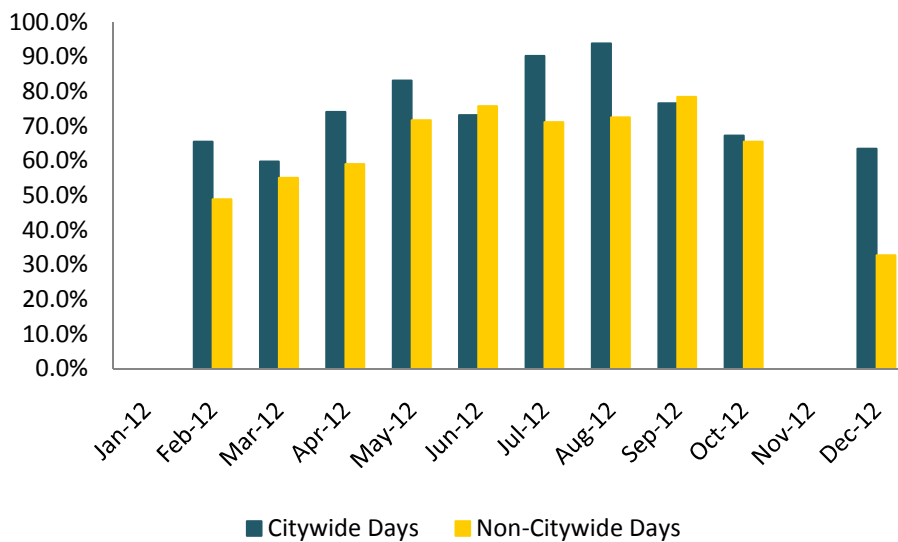
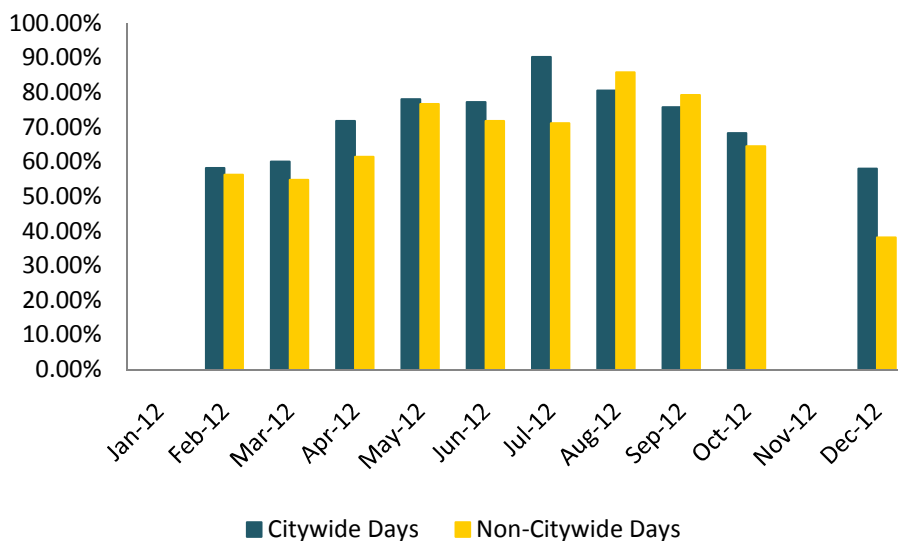


Figure 2: Occupancy rates at small hotels



Occupancy rates at large hotels for days with a citywide convention were higher than on days without a citywide convention during 8 out of 10 months. Occupancy rates at small hotels for days with a citywide convention were also higher in 8 out of 10 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	74.7%
Average occupancy for days with no citywide conventions	63.1%
Difference	11.6 percentage points

Table 3: Average occupancy for small hotels

Average occupancy for days with a citywide convention	71.8%
Average occupancy for days with no citywide conventions	66.0%
Difference	5.8 percentage points

Table 2 shows that the occupancy at large hotels was higher by approximately 12 percentage points on days in which there was a citywide convention. Table 3 shows that occupancy rates were approximately 6 percentage points higher on average in small hotels 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 2012, there was an average increase in occupancy at large hotels of approximately 12 percentage points and an average increase in occupancy at small hotels of approximately 6 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
- Four Seasons
- 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

2012 CITYWIDE CONVENTIONS

Organization Name	Conference Dates	Meeting Name
American Association For The Advancement of Science	Feb 16 - 20	Annual Meeting
BC Dental Association	Mar 8 - 10	2012 Pacific Dental Conference
Society for Research on Adolescence	Mar 8 - 10	2012 Biennial Meeting
World Model United Nations	Mar 11 - 15	WorldMUN Congress
Globe Foundation of Canada	Mar 14 - 16	2012 GLOBE Conference
United States & Canadian Academy of Pathology, Inc	Mar 17 - 23	Annual Meeting
Association of Fundraising Professionals	Apr 1 - 3	International Conference on Fundraising
American Educational Research Association	Apr 13 - 17	Annual Meeting
American Roentgen Ray Society	Apr 29 - May 4	Annual Meeting - 106th
American Society for Aesthetic Plastic Surgery	May 3 - May 7	Annual Meeting
Vancouver International Marathon Society	May 6	2012 BMO Vancouver Marathon
IEEE Magnetics Society	May 7 - 11	IEEE International Magnetics Conference
American Society for Mass Spectrometry	May 20 - 24	Annual Meeting
Federation of Clinical Immunology Societies	June 20 - 24	Annual Meeting
Alzheimer's Association	July 14 - 19	International Conference on Alzheimer's Disease
World Congress of Veterinary Dermatology Association	July 24 - 28	World Congress of Veterinary Dermatology
Maritz	July 28 - Aug 4	2012 Mass Mutual Leaders Conference
Standing Committee of the International Congress on Animal Reproduction	July 29 - Aug 2	International Congress on Animal Reproduction
National Society For Histotechnology	Sept 29 - Oct 4	NSH Annual Symposium/Convention
Canadian Diabetes Association	Oct 10 - 13	2012 CDA/CSEM Professional Conference
International Gynecologic Cancer Society	Oct 13 - 16	International Gynecologic Cancer Society Congress

Project Management Institute	Oct 20 - 23	Global Congress
New York Life Insurance	Oct 21 - 31	New York Life Insurance
Public Health Agency of Canada	Dec 3 - 5	2012 Canadian National Immunization Conference

APPENDIX C

ABOUT MNP

MNP is the fastest growing chartered accountancy and business advisory firm in Canada. Founded in 1945, MNP has grown from a single office in Manitoba to more than 50 offices and 2,600 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