

District of Lillooet Value of Tourism Study 2009 / 2010

Conducted by
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Funded by
SERVICE CANADA

Supporting Partners
RESEARCH, PLANNING & EVALUATION,
TOURISM BRITISH COLUMBIA,
MINISTRY OF JOBS, TOURISM, & INNOVATION
&
THE DISTRICT OF LILLOOET



Executive Summary

The District of Lillooet's Value of Tourism research project is now complete. The study used Tourism BC's Value of Tourism model to survey the District's commercial accommodation sector. The questionnaire gathered data from businesses which were asked to provide a snapshot of their 2009 and 2010 performance data. Tourism BC then quantified the data and applied local indicators to generate an estimate of the visitor volume and direct expenditures on tourism in Lillooet.

The Value of Tourism results are significant because they quantify what has long been unknown for the District of Lillooet. The municipality has not always been as reliant on its tourism industry as it is today. Over the last decade, the number of natural resource-based industrial operations has decreased, placing a higher level of importance on the need to understand the local tourism industry. The results of this project provide a significant contribution to the level of understanding surrounding Lillooet's tourism industry.

2009 Results

Overall, results found that a total of 50,800 people visited the District of Lillooet in 2009. 29,600 visitors stayed in commercial accommodation during the study period, 3,200 people spent time visiting friends and relatives, and an additional 18,000 people passed through the community as day visitors. Based on the total visitation data, and factoring in average length of stay and average total spend per visitor per trip, the "Annual Direct Visitor Expenditures" in the District of Lillooet for the year 2009 is \$5,740,000.

2010 Results

Overall, results found that a total of 47,900 people visited the District of Lillooet in 2010. 27,700 visitors stayed in commercial accommodation during the study period, 3,200 people spent time visiting friends and relatives, and an additional 17,000 people passed through the community as day visitors. Based on the total visitation data, and factoring in average length of stay and average total spend per visitor per trip, the “Annual Direct Visitor Expenditures” in the District of Lillooet for the year 2010 is \$5,260,000.

It is gratefully acknowledged that this project was fully funded by Service Canada. The accommodation providers of Lillooet are also to thank as they have provided the necessary data. Ben Parnell administered the project with support from Tourism BC and the District of Lillooet.

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Understanding the Area of Study

The District of Lillooet (pop. 2,324) is a small municipality located in the northern portion of the Squamish Lillooet Regional District (SLRD) (BCMCP, 2006). Many tourists come to Lillooet to take advantage of the outdoor adventure opportunities that exist; however, the history of the region and the rich First Nations culture also draw a substantial number of visitors. The map below identifies Lillooet's location within the SLRD.



Competition for tourist dollars is fierce among municipalities within the SLRD. Whistler and Squamish are two well-known tourist destinations that are difficult for Lillooet to compete with. Despite competition, tourism development is still a priority for the District of Lillooet. Recent examples of tourism development efforts include: the launch of a new *Lillooet, Guaranteed Rugged* brand for the community; the development of a tourism-specific website; the installation of 3 new “Welcome” signs; and the construction of a new public washroom unit. For more information on Lillooet and its growing tourism industry, visit www.lillooetbc.ca.

Introduction

As a substantial contributor to the provincial economy, British Columbia's tourism industry provides an extremely important source of revenue for all residents. In 2010, tourism revenue in the province of BC was calculated to be \$13.4 billion (BCTIM, 2011). Although the majority of this tourism revenue is generated in large city centers in and around the lower mainland, smaller municipalities also contribute relatively large amounts to this total by utilizing their demand generators to strategically draw travelers from around the world.

As a small municipality located in the interior of British Columbia, Lillooet is currently focused on marketing and developing its tourism industry. As a result, Lillooet has done well generating substantial demand in past years for its tourism-related products and services. Lillooet has not always been as focused on its tourism industry as it is today. Just a decade ago, Lillooet heavily relied on its natural resource-based operations to maintain the community's economic wellbeing. Since then, many of the resource-based operations have either relocated or shut down for various reasons. As Lillooet currently looks to diversify its economy and build on the successes of existing industries, such as its tourism industry, a higher level of importance is placed on the need to better understand these existing industries in order to maximize the associated benefits. The Value of Tourism Research Project does just this for Lillooet's tourism industry, providing a conservative and credible estimate of visitation and annual direct expenditures for the District of Lillooet for the years 2009 and 2010.

In addition to the Value of Tourism results, other local indicators for Lillooet's tourism industry, such as Visitor Center attendance data and tour bus data, are provided on page 12.

The information presented in this report is intended to benefit the private sector and all levels of government involved in tourism related planning, development, marketing and analysis.

Tourism British Columbia's Value of Tourism Project

Background:

Having defensible estimates of tourism's contribution to a community is central to developing an informed planning approach, strengthening the support of community stakeholders and local government, and encouraging an appreciation of tourism's economic development potential.

In 2005, Tourism British Columbia introduced the Community Tourism Foundations® (CTF) Program, which was designed to assist communities in developing their tourism potential. In order to track the performance of communities participating in the CTF Program a model was developed by Tourism British Columbia. The Value of Tourism model provides a structured, consistent approach to estimate the volume and value of tourism; specifically the objective of the model is:

“To provide a conservative and credible estimate of visitor volume and direct tourism expenditures within a community.”

The core data collection component of the model is an accommodation survey to gather the most recent annual performance data from commercial accommodation operators (including campgrounds and RV parks). This information is then combined with local, regional, provincial and national tourism indicators to provide an estimate of the total number of visitors (overnight, day and visiting friends & relatives) and their expenditures in the community.

The Value of Tourism model can be applied to communities throughout the province. As of November 2011, eight communities have successfully completed the value of Tourism model: Fort Nelson (Northern Rockies), Fort St. John (North Peace), Squamish, Dawson Creek (South Peace), Quadra Island, Smithers, Terrace, and Lillooet.

Methods

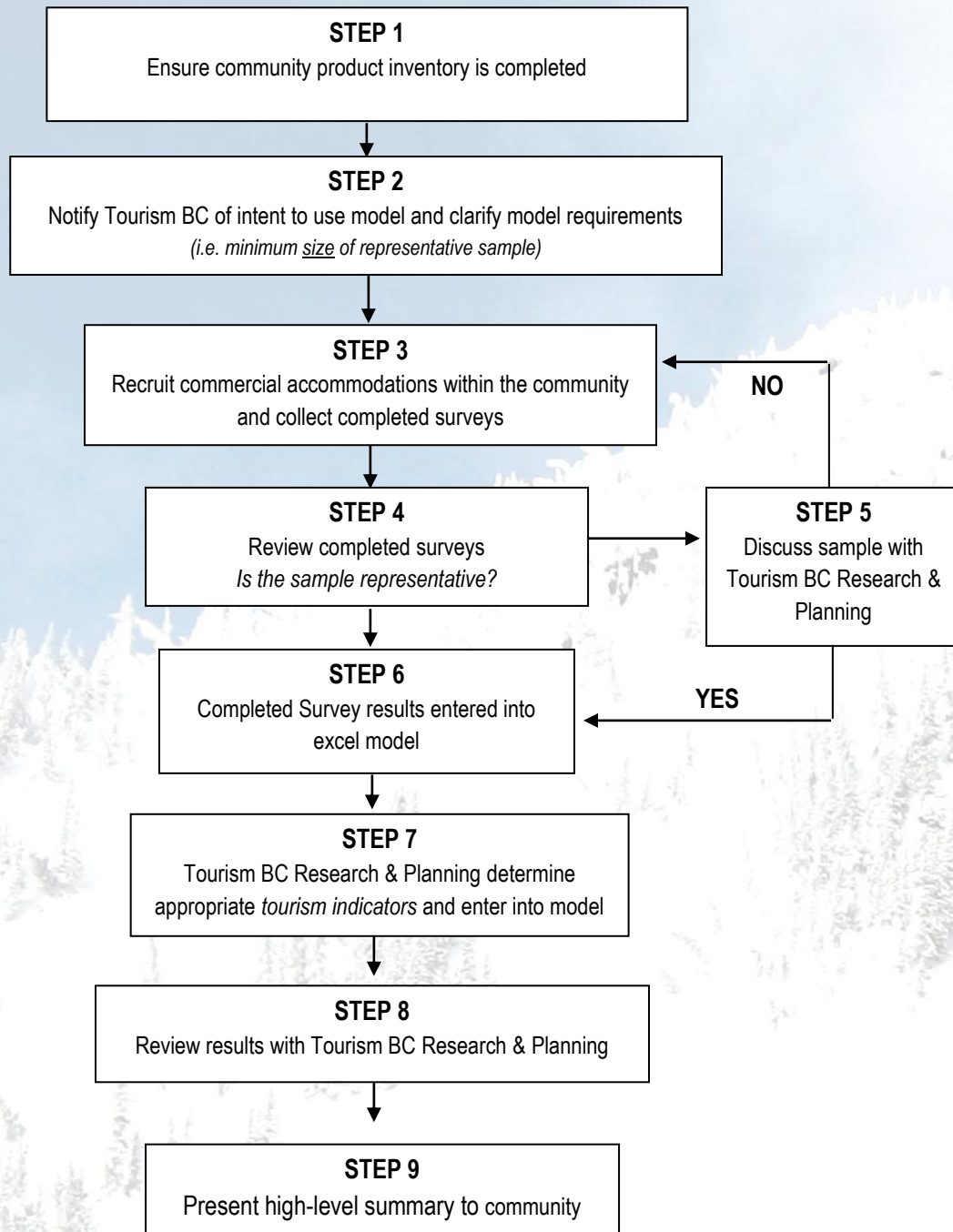
The Surveys used to are included as Appendix #1. A complete inventory of all commercial accommodations in the community (Fixed-Roof and RV/ Campgrounds) is required to proceed with the Value of Tourism model. Once the inventory is finalized, all commercial accommodations are approached to participate. Participating accommodation properties are asked to provide monthly information for the most recent year, which includes: Number of Rooms/Sites Available; Total Occupied Room/Site Nights; Average Achieved Daily Room/Site Rate; Average Length of Stay; and the Average Party Size.

The collected information is additionally split between business and leisure guests for fixed-roof accommodation properties and tenting and RV guests for campground/RV parks. The completed form is either faxed or emailed to Tourism British Columbia or to the Project Coordinator in the community. All the data collected is kept strictly confidential and individual accommodation information is not published. The goals of the accommodation survey process include: to collect surveys from at least 50% of the total room/site base; to collect surveys from at least 50% of each accommodation type (i.e. hotel, motel, B&B, campground/RV parks); and within each accommodation type, to collect a representative sample (i.e. small/large establishments, and other community specific factors).

Once a representative sample of commercial accommodations is obtained the surveys can be entered into the Value of Tourism model. After data entry, Tourism British Columbia implements the Value of Tourism model, selecting appropriate regional, provincial and national tourism indicators to be used for estimating the visitor volume and direct tourism expenditures to the community. The Value of Tourism model provides an estimate of direct visitor spending only and does not estimate the economic impact (GDP, employment, etc.) of tourism within a community. On the next page, the TBC Value of Tourism survey methodology follows the path outlined on the flowchart.

Determining the Volume and Value of Tourism

Tourism BC's Value of Tourism Flowchart



2009 Results

A total of 72% of fixed roof accommodations room-base participated in the project. The total visitation was 50,800 people which resulted in Annual Direct Visitor Expenditures of \$5,740,000.¹ A total of 98 rooms and sites are in the inventory used to determine the Value of Tourism in the District of Lillooet. Across the District of Lillooet, 266 Fixed Roof rooms and RV/ Campsites were identified in the original inventory of properties to be surveyed. Accommodation providers who did not participate either chose not to, or were lacking the financial data due to changes in ownership. In order to protect the confidentiality of the original data collected, as well as the anonymity of the business owners, these numbers cannot be further broken down.

Estimates of Visitors for the year 2009

Type of Visitor	Volume of Visitors
Fixed Roof (Hotels, Motels, B&B)	
Leisure	9,800
Business	4,500
RV & Campground	15,300
Total Visitors in Commercial Accommodations	29,600
Visiting Friends and Relatives	3,200
Day Visitors	18,000
Overall Visitation	50,800

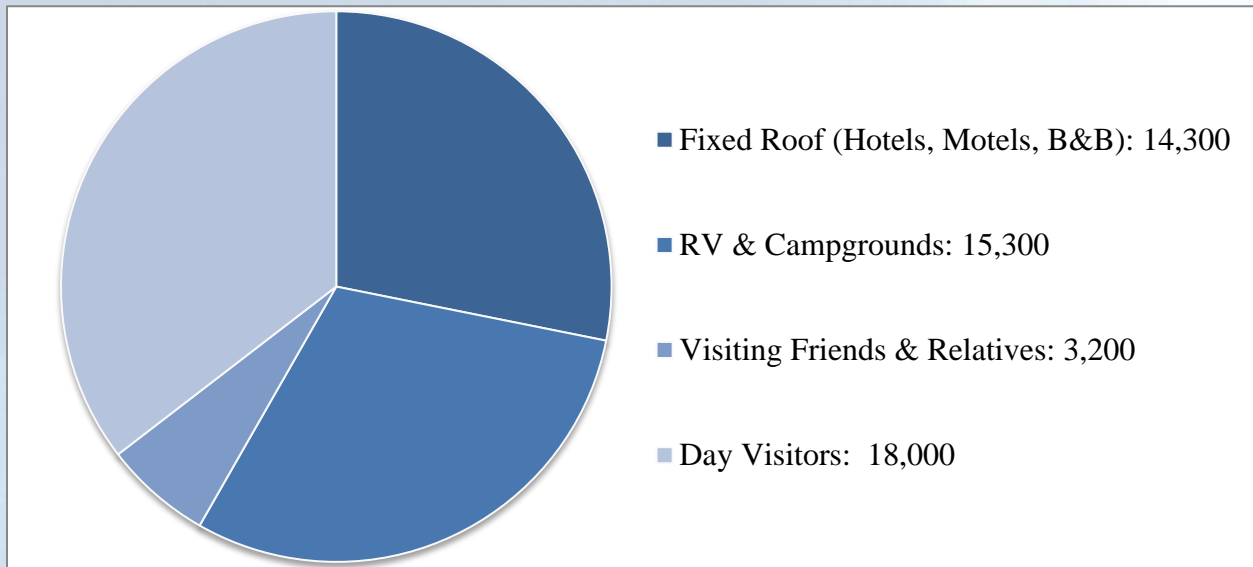
Estimates of Direct Visitor Expenditures for the year 2009

Type of Visitor	#Visitors	Average Length of Stay (Days)	Average Total Spend (\$ per Visitor per Trip)	Total (\$)
Leisure (Commercial Accommodation)	25,100	1.6	\$110	\$2,670,000
Business	4,500	2.0	\$320	\$1,460,000
Visiting Friends and Relatives	3,200	4.0	\$180	\$590,000
Day Visitors	18,000		\$60	\$1,020,000
Annual Direct Visitor Expenditures				\$5,740,000

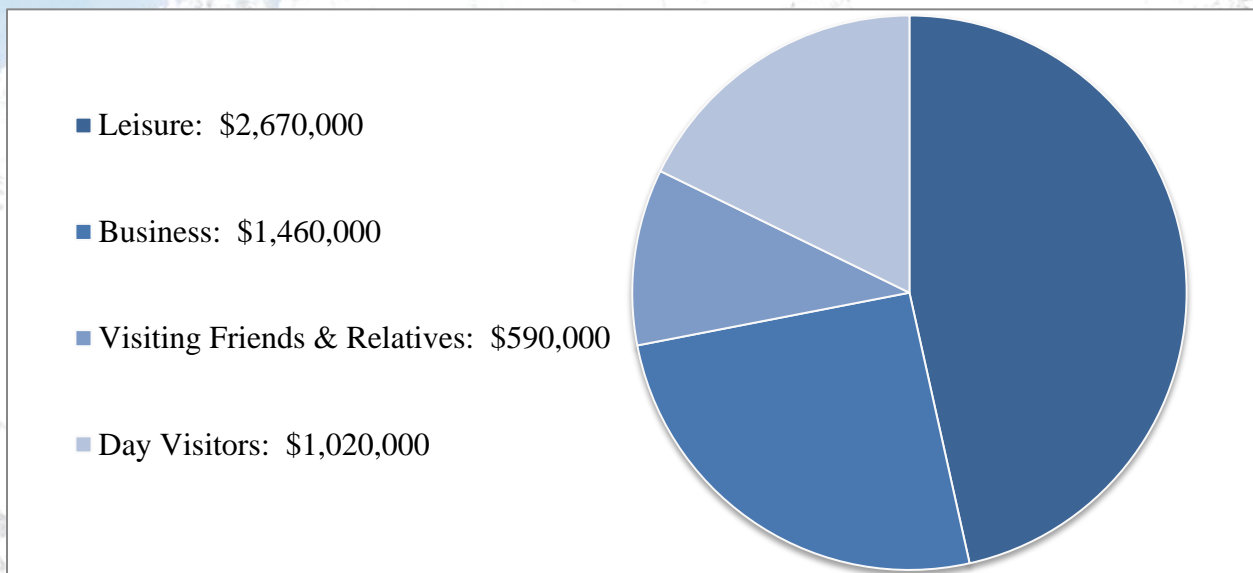
¹ The Estimates of Direct Visitor Expenditures are determined from information collected from commercial accommodation properties within the community and from indicators collected in visitor surveys including those conducted by Tourism British Columbia and Statistics Canada (Travel Survey of Residents of Canada (TSRC) and International Travel Survey (ITS)). Therefore, the data listed by type of visitor is not multiplied together to determine the total direct visitor expenditures by visitor type, but provides information regarding the characteristics of each traveler type.

2009 Results Charted

Estimates of Visitor Numbers by Accommodation Type for 2009



Estimates of Direct Visitor Expenditures by Visitor Type for 2009



2010 Results

An overall total of 99% of fixed roof accommodations room-base and 63% of RV/Campgrounds site-base participated in the project. The total visitation was 47,900 people which resulted in Annual Direct Visitor Expenditures of \$5,260,000.² A total of 216 rooms and sites are in the inventory used to determine the Value of Tourism in the District of Lillooet. Across the District of Lillooet, 266 Fixed Roof rooms and RV/ Campsites were identified in the original inventory of properties to be surveyed. Accommodation providers who did not participate either chose not to, or were lacking the financial data due to changes in ownership. In order to protect the confidentiality of the original data collected, as well as the anonymity of the business owners, these numbers cannot be further broken down.

Estimates of Visitors for the year 2010

Type of Visitor	Volume of Visitors
Fixed Roof (Hotels, Motels, B&B)	
Leisure	9,600
Business	3,500
RV & Campground	14,600
Total Visitors in Commercial Accommodations	27,700
Visiting Friends and Relatives	3,200
Day Visitors	17,000
Overall Visitation	47,900

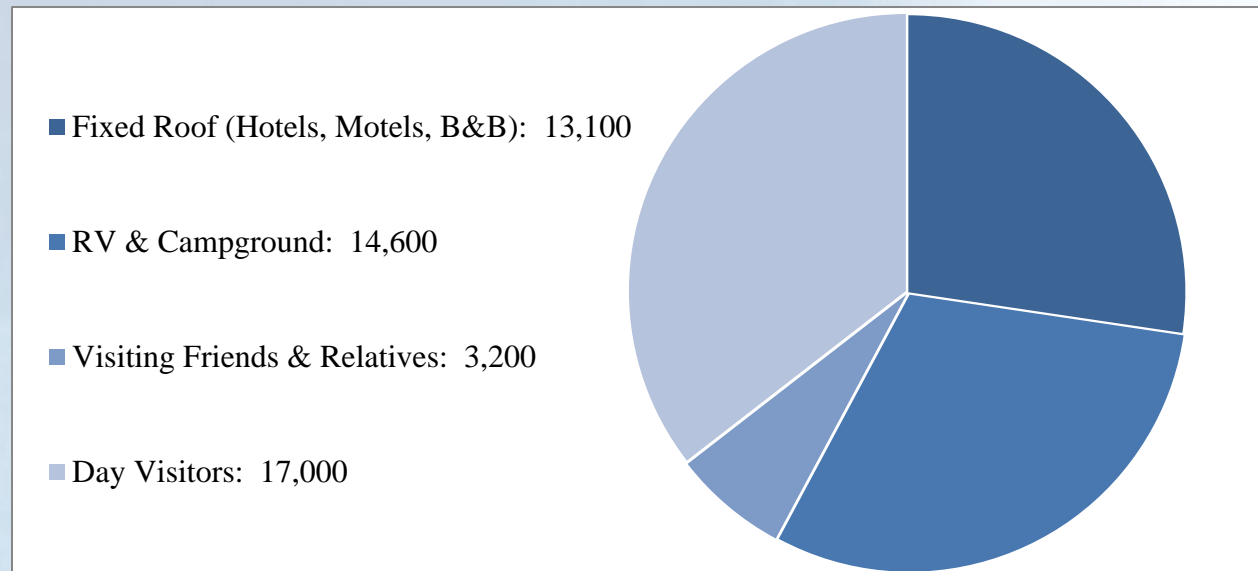
Estimates of Direct Visitor Expenditures for the year 2010

Type of Visitor	#Visitors	Average Length of Stay (Days)	Average Total Spend (\$) per Visitor per Trip	Total (\$)
Leisure (Commercial Accommodation)	24,200	1.7	\$110	\$2,640,000
Business	3,500	1.8	\$300	\$1,060,000
Visiting Friends and Relatives	3,200	4.0	\$180	\$590,000
Day Visitors	17,000		\$60	\$970,000
Annual Direct Visitor Expenditures				\$5,260,000

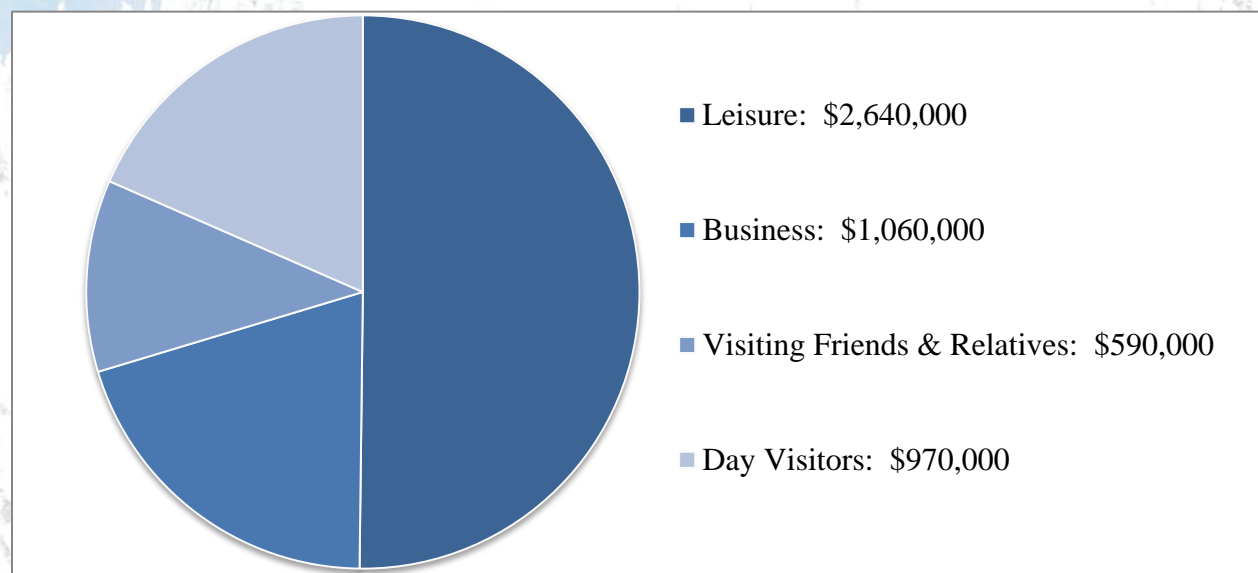
² The Estimates of Direct Visitor Expenditures are determined from information collected from commercial accommodation properties within the community and from indicators collected in visitor surveys including those conducted by Tourism British Columbia and Statistics Canada (Travel Survey of Residents of Canada (TSRC) and International Travel Survey (ITS)). Therefore, the data listed by type of visitor is not multiplied together to determine the total direct visitor expenditures by visitor type, but provides information regarding the characteristics of each traveler type.

2010 Results Charted

Estimates of Visitor Numbers by Accommodation Type for 2010



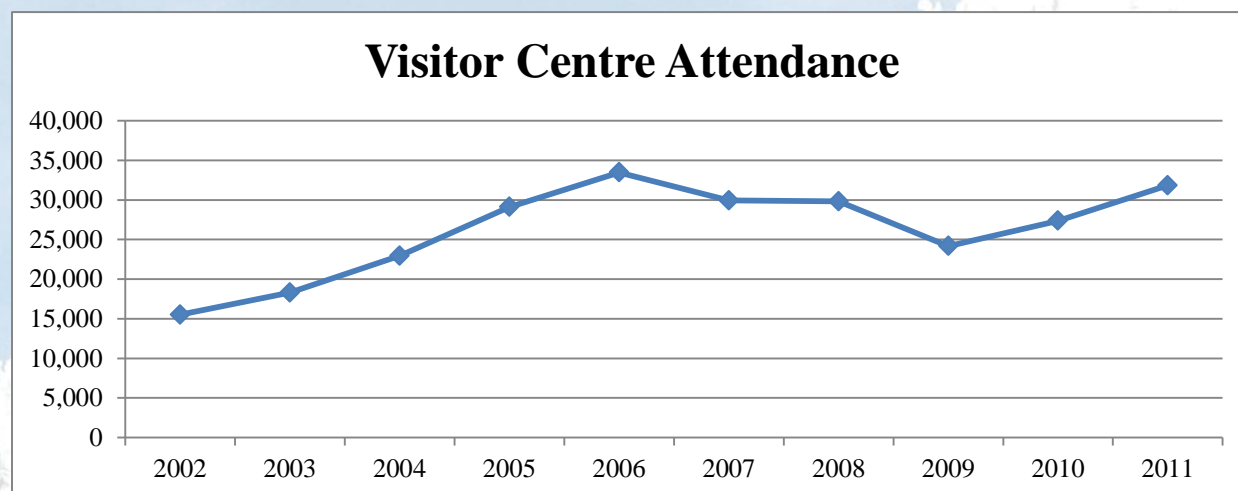
Estimates of Direct Visitor Expenditures by Visitor Type for 2010



Additional Local Indicators

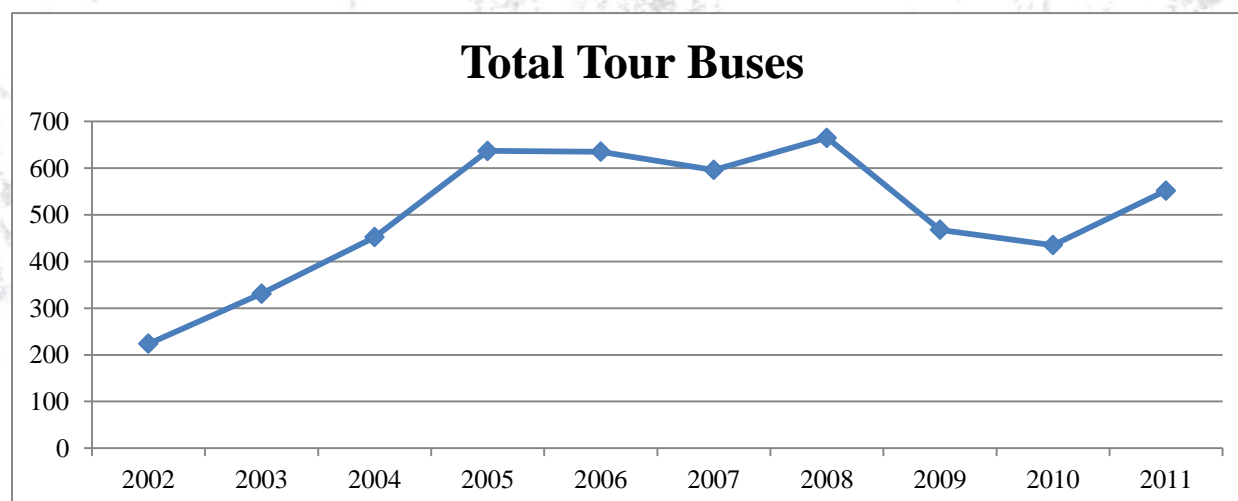
In addition to the 2009 and 2010 Value of Tourism results presented in this document, there is other local data that can be used as indicators for Lillooet's tourism industry. Visitor Centre attendance data and tour bus data are two useful indicators that can help one determine industry trends as well as the overall state of the local tourism industry. The first chart below depicts Lillooet's Visitor Centre annual attendance data for the years 2002 through 2011. The second chart depicts Lillooet's total annual tour buses for the years 2002 through 2011.

District of Lillooet Visitor Centre Attendance 2002 to 2011



Source: Tourism BC. (2011). *Visitor Network Statistics Program Year Over Year Report 2011*.

District of Lillooet Total Tour Buses 2002 to 2011



Source: Tourism BC. (2011). *Visitor Network Statistics Program Year Over Year Report 2011*.

Limitations

- 1) The 2009 Value of Tourism model is only relevant for the 12-month period from January to December 2009. The results should not be applied to any other time frame.
- 2) The 2010 Value of Tourism model is only relevant for the 12-month period from January to December 2010. The results should not be applied to any other time frame.
- 3) The accuracy of the model depends on how well the tourism characteristics and expenditure data represent actual spending and behavior patterns in the District of Lillooet during the time of the study.
- 4) The model is dependent upon the data provided by local commercial accommodations and therefore is based on the quality of this data.
- 5) The model results for the District of Lillooet should not be applied to other areas.
- 6) The Value of Tourism model provides an estimate of direct visitor spending only and does not estimate the economic impact (GDP, employment, etc.) of tourism within a community.
- 7) Results from the Value of Tourism model are to be used with caution, due to the stated limitations of the model.

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Stats website http://www.bcstats.gov.bc.ca/data/bus_stat/busind/tourism/timdata.pdf

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Tourism BC. (2011). *Visitor Network Statistics Program (VNSP) Year Over Year Report 2011*.

Retrieved from the Tourism BC's Network Stats website


<https://www.networkstats.tourismbc.com/reportdefinition.aspx>

Appendix #1

The following surveys were used to complete the study:

- 2009 Fixed Roof Accommodations Form (displayed below)
- 2009 RV Parks & Campgrounds Form
- 2010 Fixed Roof Accommodations Form
- 2010 RV Parks & Campgrounds Form

Survey Example: Value of Tourism in Lillooet, Fixed Roof Accommodations Form





The Value of Tourism in Lillooet
Fixed Roof Accommodations Form

Please complete the following information on your property for all months of 2009 and return the completed form to:

Erin O'Brien, Tourism British Columbia	OR	Ben Parnell, The District of Lillooet
Email: erin.obrien@gov.bc.ca Fax: 604-660-3688		Email: bparnell@lillooetbc.ca Fax: 250-256-4288

The information provided will be kept CONFIDENTIAL and only used by Tourism BC and the project coordinator for this project. Data will only be reported in aggregate and where one cannot infer from the data that performance of individual properties.

Property Name												
Property Type												
All Guests	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Number of Available Rooms												
Total Occupied Room Nights												
Average Achieved Daily Rate												
Business Guests												
Total Occupied Room Nights												
Average Length of Stay												
Average Party Size												
Leisure Guests												
Total Occupied Room Nights												
Average Length of Stay												
Average Party Size												

Note: If your business includes more than one type of accommodation (e.g. Motel & RV sites), please complete a separate form for each "type" of accommodation.