

Quadra Island

Value of Tourism Study
August 2009

Conducted by
Susan Wilson
of
Smart Move! services

Funded by Discovery Islands Chamber of Commerce

Supporting Partners
Tourism British Columbia, Research & Planning

Executive Summary

Quadra Island's Value of Tourism is now complete. The study used Tourism BC's Value of Tourism model to survey the region's commercial accommodation sector. The questionnaire gathered data from accommodation businesses which were asked to provide a snapshot of their 2008 performance data. Tourism BC Research & Planning then quantified the data and applied local indicators to generate an estimate of the visitor volume and direct expenditures on tourism in Quadra Island.

Overall results found that a total of 84,800 people visited Quadra Island in the study period, 2008. 37,800 visitors stayed in commercial accommodation during the study period, an additional 6,800 people spent time visiting friends and relatives, with an additional 40,200 people passing through the community as day visitors. (See #7, Limitations) Based on the total visitation and factoring in average length of stay and average total spend per visitor per trip, the "Annual Direct Visitor Expenditures" in Quadra Island is \$12,380,000. As well, a seasonal analysis shows the variation in visitors from summer season to shoulder season and low season (Appendix 1).

Quantifying the number of visitors staying at marinas was not possible and thus was not included in this analysis.

The Value of Tourism expenditure results are significant because they quantify what has long been an unknown for Quadra Island. A survey of this type has never been conducted before in this community. The Visitor's Info Centre is beginning to keep annual statistics, but that is a relatively new initiative. This new information provides a basis to support the significance of tourism planning, development and marketing for Quadra Island. The information will complement the Community Tourism Foundations report. The statistics can also be useful to the private sector investor and all levels of government to make future decisions about tourism for their jurisdictions individually, collectively and in the broader scope of the Discovery Islands jurisdiction.

We gratefully acknowledge that this project was fully funded by the Discovery Islands Chamber of Commerce. Susan Wilson of **Smart Move! services** administered the project. Tourism BC provided the model for which to run the analysis for this report.

Table of Contents

Executive Summary	1
Understanding the Area of Study	3
Discovery Islands Chamber of Commerce	5
Introduction	5
Tourism British Columbia's Value of Tourism Pilot Project	6
Determining the Volume and Value of Tourism	8
Results	9

Understanding Quadra Island

The Quadra Island Value of Tourism specifically surveyed accommodation providers on Quadra Island, BC. Located between Vancouver Island and the west coast of BC's mainland, Quadra Island is just a short 12 minute ferry ride from Campbell River, but it's "a world away". This phrase reflects the difference in the island's atmosphere, development, values, priorities, and lifestyle choices from a larger population centre.

For years, although part of the Discovery Islands, it feels as though Quadra was a well-kept secret that was "discovered" only by good fortune. Recently, several factors have been changing that:

- the building of the inland highway that reduces travel time from southern Vancouver Island
- the new Comox airport and Westjet services have facilitated access to the area by Albertans
- easy internet access has opened up information about this area world-wide

Quadra Island has a year round population of about 2500 people. The population increases dramatically 2 or 3 times over in the summer, with seasonal residents and summer visitors. Dating back many decades, the vast quantities of salmon in the local waters attracted many sports fishermen, providing work for resorts and sport fishing guides. Balancing the recent decline of the sport fishing industry in this area has been the growth of the kayaking and eco-adventure tour industry.

The Quadra Island economy has traditionally been diverse. Many island residents in the past have in been involved in fishing, logging, mining, or working at the mill in Campbell River, although these areas are currently downsizing. Currently, many islanders commute to Campbell River for work, including teachers, psychologists, social workers, health-care providers, bookkeepers, etc. On the island, people make their living by art, healing arts, retail, construction, and providing diverse small business services.

A fish processing plant on Quadra is the largest year-round employer, but the tourism industry employs the highest number of people on a seasonal basis. The tourism industry provides direct employment for staff at various resorts, accommodation providers, tour providers, and restaurant workers. As well, visitors access the goods and services of groups such as artists and healing arts practitioners. Lastly, visitors use and support other businesses such as vehicle repair shops, gas station, bookstore, and grocery stores. Tourism is a big contributor to the local island economy.

What attracts visitors to Quadra Island? Residents and visitors alike enjoy a range of outdoor recreational opportunities, including hiking, biking, paddling, boating, fishing, with a golf course coming in the near future. Several kayak companies base day-trips and multi-day whale watching and kayak tours from Quadra Island. Annual community events include May Day celebrations, a Garden and Quilt Tour on even years, an Artists' Studio Tour the first weekend in June, and Canada Day Celebrations on July 1, and Hallowe'en Fun Night. Year-round, the Quadra Community Centre hosts diverse cultural events, workshops and classes. Tourism attractions also include places of historical and cultural interest of First Nations Heritage, such as Cape Mudge Village

and the Nuyumbalees Cultural Center. Other features are Rebecca Spit Provincial Park, the Lighthouse, several swimmable lakes, the Salmon Hatchery Eco-Centre, and the extreme natural beauty and peacefulness of the area.

The Discovery Islands Chamber of Commerce

The Discovery Islands Chamber of Commerce is open to membership from all Discovery Island businesses. The stated objectives of the DICC are "to promote and improve sustainable trade and commerce, and the economic, civic and social welfare of the district." As such, the DICC supports initiatives to improve the islands' economies.

In late 2005, the DICC was accepted into the Community Tourism Foundations program of Tourism BC. Working with a consultant over the next several years, the DICC conducted an in-depth community analysis around tourism. Completed in spring of 2009, the program final report laid out steps to take in the future to responsibly strengthen and develop tourism on the island.

Participation in the Value of Tourism project adds extra information that will supplement and complement previously identified factors affecting tourism in the community.

Introduction

Tourism in British Columbia is one of the largest and fastest growing sectors of the provincial economy generating \$13.8 billion in revenue and creating 131,000 jobs in 2008. The 2010 Winter Olympics in Vancouver will help to keep tourism statistics strong and the BC Government is committed to doubling tourism revenue to \$19.6 billion by 2015.

A major hurdle that island economies are experiencing recently is declining numbers of visitors due to increased ferry charges. Statistics from BC Ferries shows a consistent drop-off in ferry usage in all months from 2007 to 2009. (Appendix 2) Anecdotal reports show that visitors who used to come regularly with larger RV's or pulling boats, are now finding the increased fares prohibitive and they decide not to return. As well, consistent ferry overloads, especially in the summer months, resulting in wait times of one or more hours, discourage visitors. (It is not possible to reserve ahead on smaller ferries to avoid the wait.)

On the other hand, because of easier access to the north island via the Inland Island highway, more visitors from Vancouver Island are exploring "stay-cations" where they explore destinations closer to home. Westjet flights into Comox directly from Alberta have facilitated access to mid-Vancouver Island and areas.

The DICC has recognized the need to educate both the community and business about the "value of tourism". There is agreement that the benefits of tourism have been considered unclear, hard to measure and somewhat misunderstood by the local citizens.

Tourism British Columbia's Value of Tourism Pilot 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 Research & Planning, 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.

Methods (The Surveys 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:

- 1) Number of Rooms/Sites Available;
- 2) Total Occupied Room/Site Nights;
- 3) Average Achieved Daily Room/Site Rate;
- 4) Average Length of Stay; and the
- 5) 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 Research & Planning, 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.

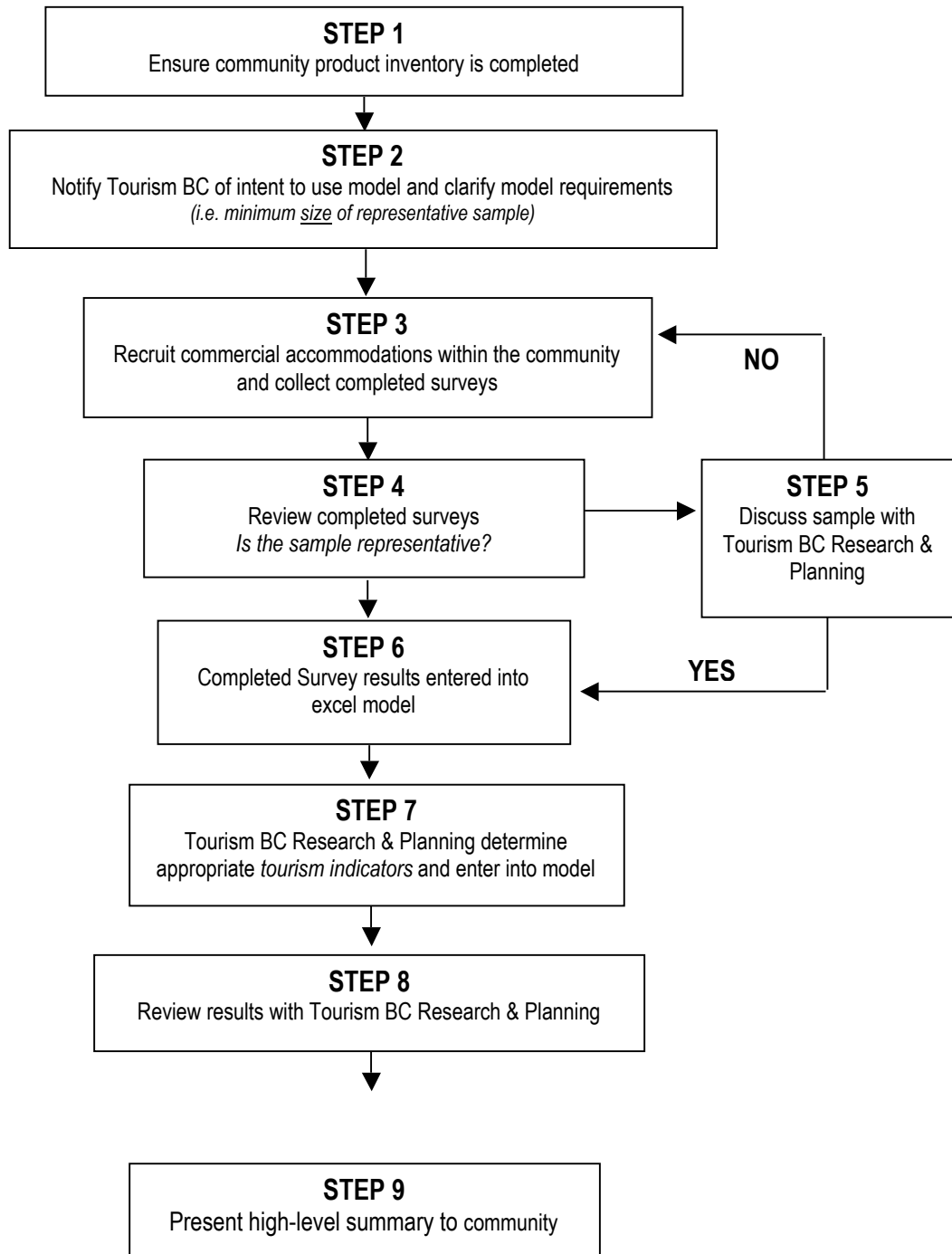
The goals of the accommodation survey process include:

- 1) To collect surveys from at least 50% of the total room/site base;
- 2) To collect surveys from at least 50% of each accommodation type (i.e. hotel, motel, B&B, campground/RV parks); and
- 3) 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, Research & Planning, 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. In the case of Quadra Island, indicators for the Comox/Strathcona area from the International Travel Survey and the Travel Survey of Residents of Canada as well as indicators from the Value of the Campbell River Visitor Centre were used . 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.

The TBC Value of Tourism survey methodology follows the path outlined on the flowchart below.

Determining the Volume and Value of Tourism



Results

An overall total of 62% of fixed roof accommodations room base and 100% of RV/Campgrounds site base participated in the project. The total visitation was calculated to be 84,800 people and resulted in Annual Direct Visitor Expenditures of \$12,380,000.¹

A total of 515 rooms and sites are in the inventory used to determine the Value of Tourism in Quadra Island. Across Quadra Island, 71 Fixed Roof Providers and RV/Campsites were identified in the original inventory of properties to be surveyed. Of these 53 participated in the project.

The two most common reasons for not participating in the survey were; simply choosing not to, and too busy, as the survey was conducted during high (summer) season).

Limitations:

- 1) This Value of Tourism model is only relevant for the 12 month period from January to December 2008. The results should not be applied to any other time frame.
- 2) The accuracy of the model depends on how well the tourism characteristics and expenditure data represent actual spending and behavior patterns in Quadra Island during the time of the study.
- 3) The model is dependent upon the data provided by local commercial accommodations and therefore is based on the quality of this data.
- 4) The model results for Quadra Island should not be applied to other areas.
- 5) 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.
- 6) Results from the Value of Tourism model are to be used with caution, due to the stated limitations of the model.
- 7) Because the model is based on statistics from larger communities on Vancouver Island, the model does not transfer with total accuracy. For example, although numbers may indicate a certain percentage of day visitors proportionately in Campbell River, we cannot assume the same proportion holds true for Quadra Island, where the time and cost of ferry travel prohibit visitors to come for just a day.

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 traveller type."