Introduction

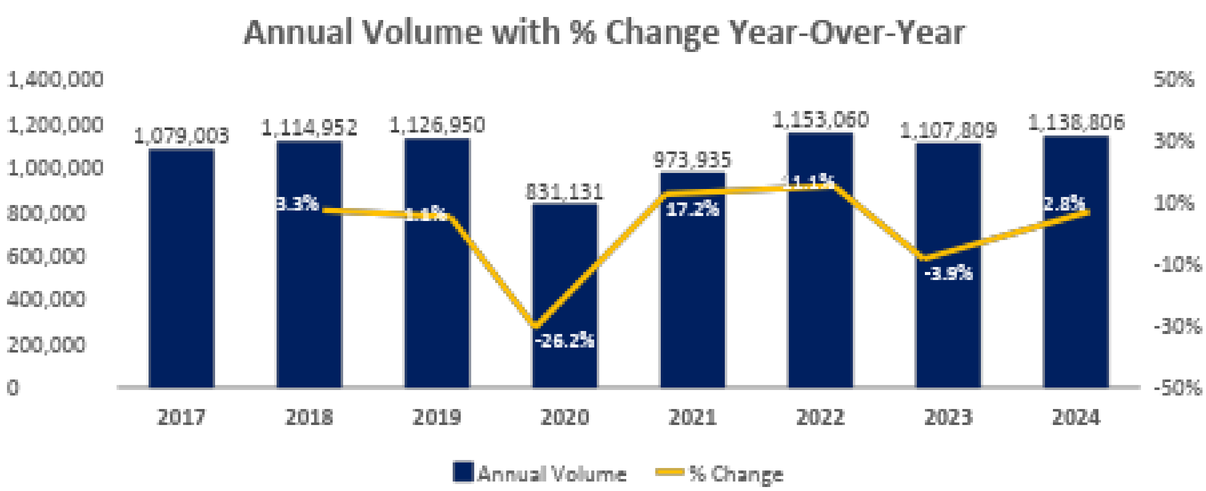
The Southern Gulf Islands Tourism partnership, formed in 2018/19, recently developed a new 5-year Strategic Plan. In preparation for that plan, SGITP did an impact assessment in the fall of 2023. Part of that assessment included the development of a visitor volume model based on the AirDNA data. The SGITP would like to track visitor volumes during different times of the year to better understand visitor trends and impact of marketing. Since the original model was developed, AirDNA switched reporting to an online tool that allows the user to do additional filtering as well as provides some more detailed information. Given the change, the model had to be reassessed. This new assessment is detailed in the summary below and will be the basis of impact assessments going forward. In addition, BC Ferries data has also been included in the review. One of the main drivers of this assessment is to look at data not only on a calendar year-basis but also by September-August annum showing the Peak (July and August) compared to Non-Peak (September – June) differences.

This report will start with the context of the BC Ferries Passenger Volume data then go into the AirDNA and visitor model.

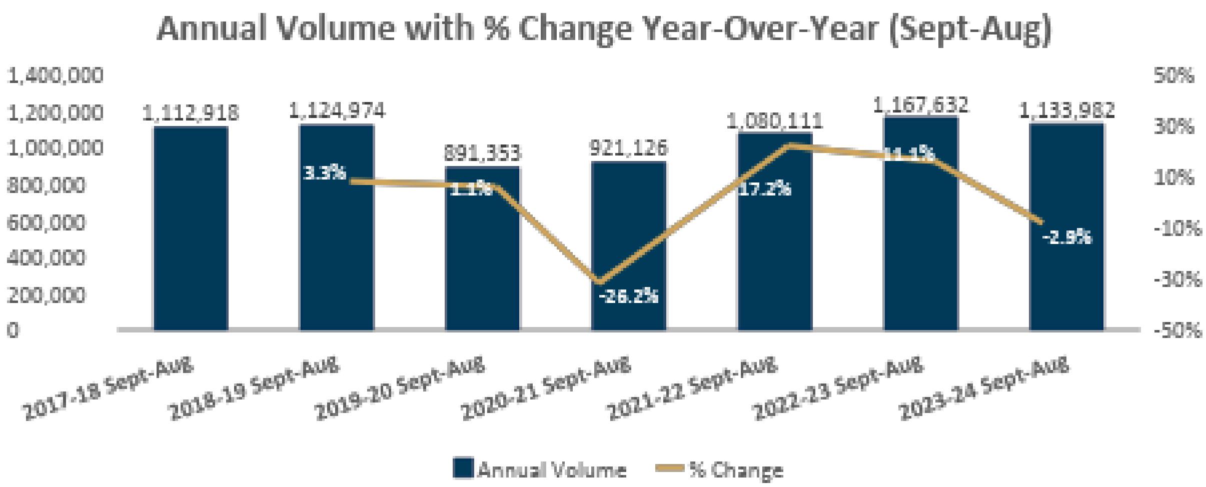
BC Ferries Passenger Volume

Annual Volume

The first step to assess the BC Ferries data was to collect the data for the departure volume to the Southern Gulf Islands. This included the volume for Swartz Bay Terminal for Route 4 and 5, Crofton Terminal for Route 6, and Tsawwassen Terminal for Route 9. Looking at the data on an Calendar year, as shown below, we see that 2024 was strong at 1,138,805 passengers which was up 2.8% from 2023 and surpassed pre-pandemic volumes. However, it lagging slightly from 2022's record volume of 1,153,060 passengers.

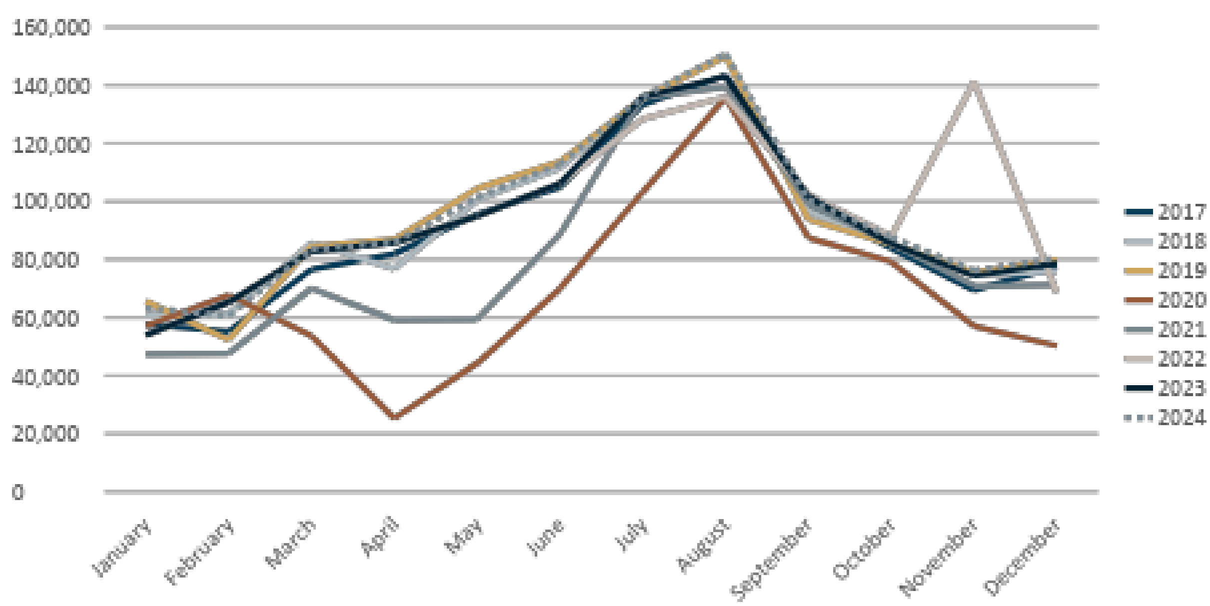


Looking at the September to August annum, volumes have also exceeded pre-pandemic levels with 2023-24 having 1,133,982 passengers. However, volume is down 2.9% from 2022-23 which had a record level of 1,167,632 passengers.

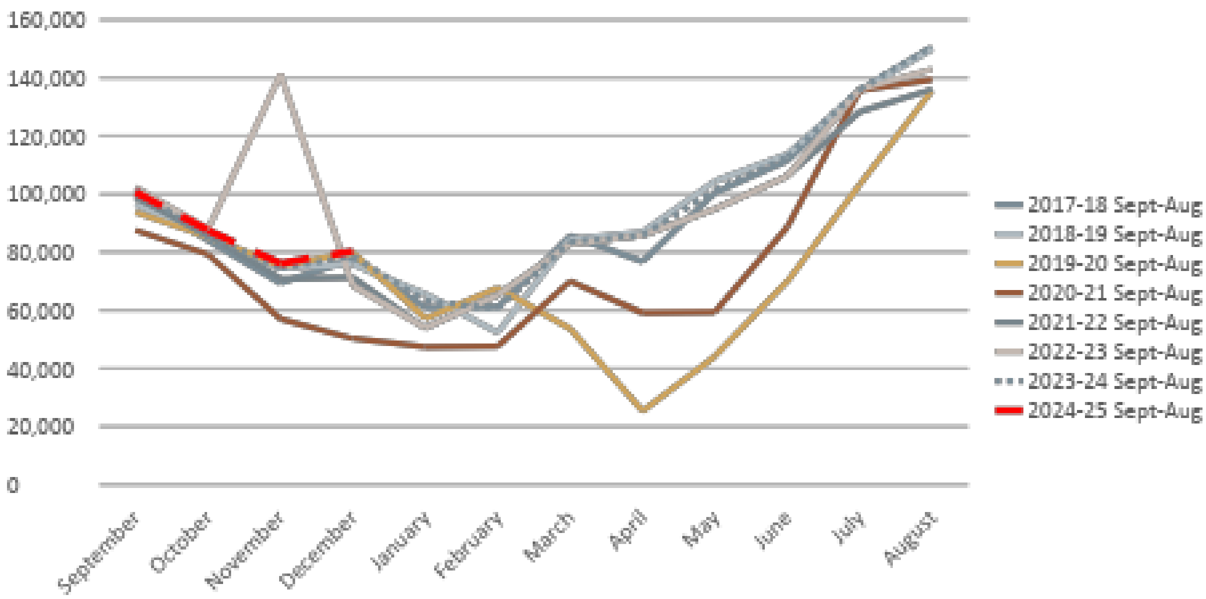


Monthly Volumes

Looking at the monthly data, we see that despite the small decline in volume, the pattern of July and August being peak months was consistent. The graph below also shows that 2024 appears to be very close to 2023 volumes. The insight to this, is that not only are volumes full recovered from the pandemic, but the pattern of travel has not dramatically shifted.



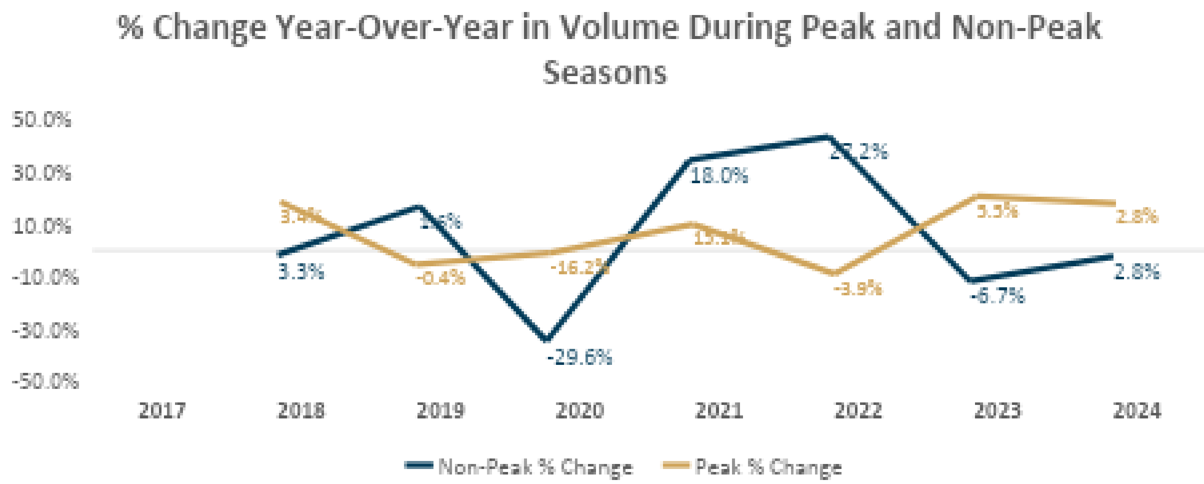
Looking at the September to August annum, the pattern looks different at first glance; however, we see that non-peak volumes remain relatively consistent. However, looking at the start to the 2024-25 volume, we see that it is currently tracking higher than 2023-24 suggesting that 2024-25 may be a record volume year – even for Non-Peak months.



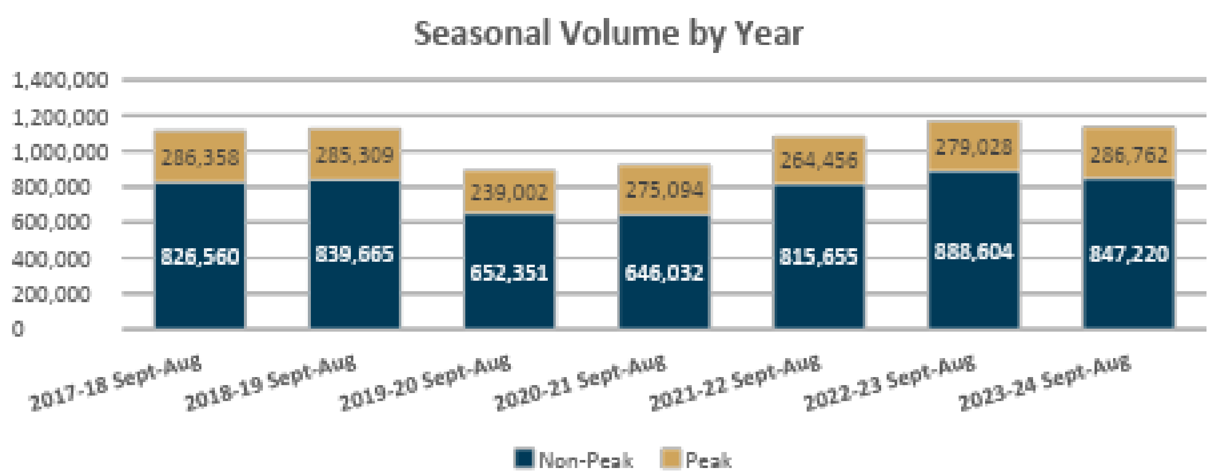
Seasonality

One key element for the partnership is to grow visitor volume in non-peak months (September through June). The graph below shows that the Non-Peak season has somewhat stabilized following a surge in the pandemic recovery (2022). In fact, 852,044 passengers took BC Ferries to the Southern Gulf Islands in 2024 which is up 2.8% from 2023.

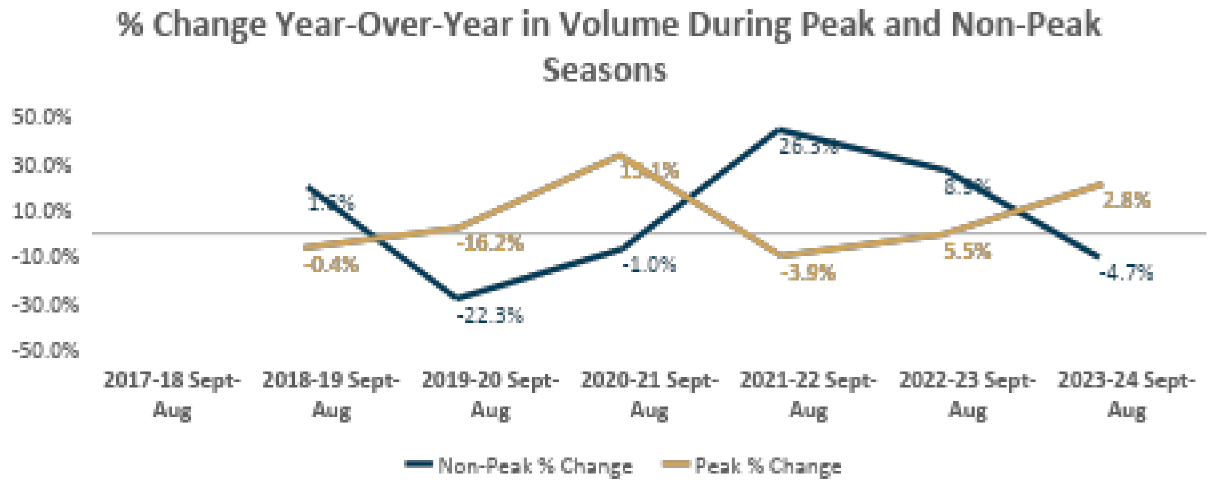
The graph below shows the percentage change in volume during Non-Peak and Peak seasons. We see that Non-Peak months saw a 2.8% increase in 2024 compared to 2023 following a -6.7% correction in 2023 which followed two surge years during the pandemic recovery period (+18.0% in 2021, and +27.2% in 2022). Non-Peak volumes over time have increased suggesting Non-Peak growth. That said, Peak volumes have also increased. In fact, 74.8% of all passengers travelled during Non-Peak months in 2024 and 2023 which is consistent with 2019 (74.7%) as a baseline year. Non-Peak volume is up 1.2% from 2019 while Peak volume is up 0.5%.



Looking at the volume data by September-August annum, we see a slightly different pattern. The graph below shows that although the Non-Peak season in 2023-24 is down from the previous year, volume is strong at 847,220 passengers which is up 0.9% from the baseline of 2018-19 (839,665). At 286,762, Peak season passenger volume is record setting and up 0.5% from 2018-19 baseline year.



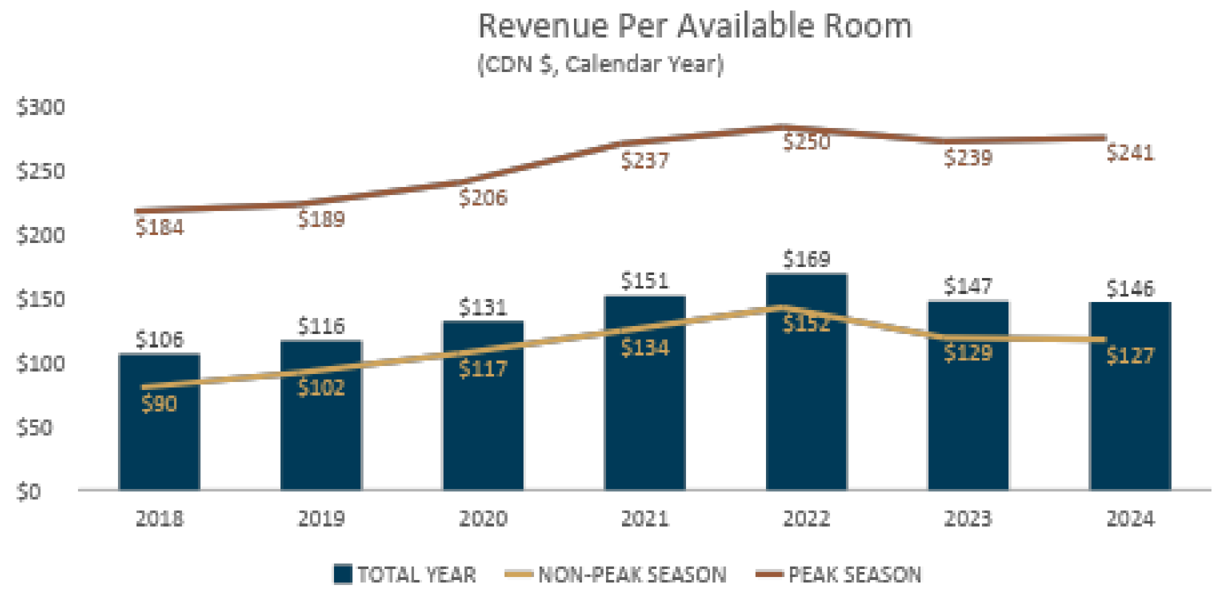
The graph below shows the percentage change in volume during Non-Peak and Peak seasons for the September-August annum. We see that Non-Peak months saw a -4.7% decrease in 2023-24 compared to 2022-23 following a +26.3% surge in 2021-22 and 8.9% growth in 2022-23. Non-Peak volumes over time have increased suggesting Non-Peak growth. That said, Peak volumes have also increased. In fact, 74.7% of all passengers travelled during Non-Peak months in 2023-24 which is consistent with 2018-19 (74.6%) as a baseline year. Non-Peak volume is up 0.9% from 2018-19 while Peak volume is up 0.5%.



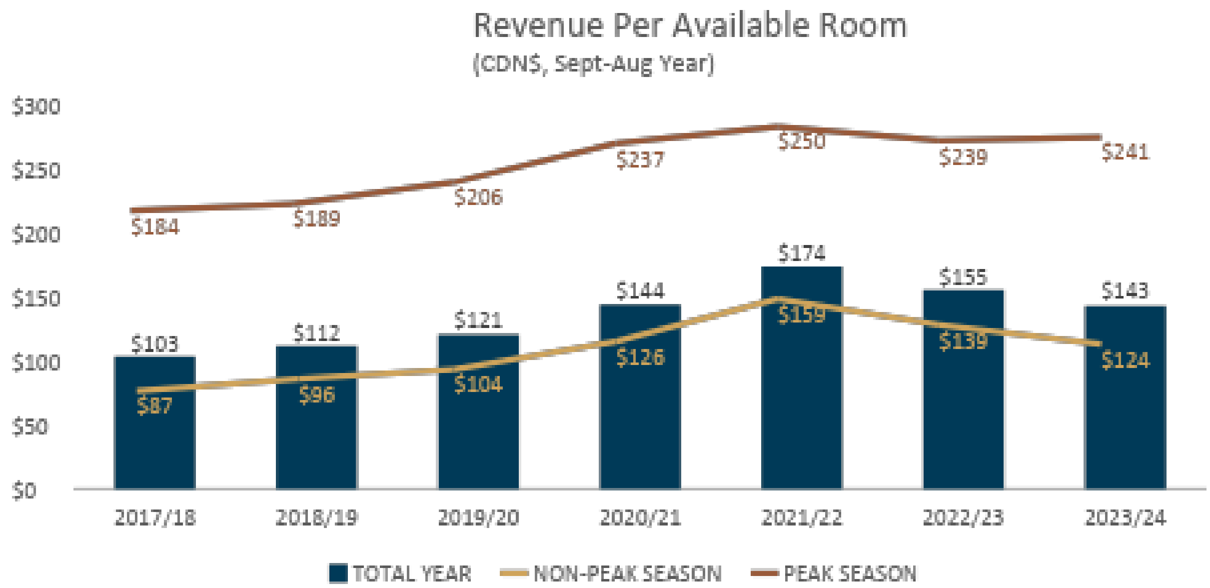
Air DNA Data

Revenue Per Available Room

The revenue per available room, rather than overall revenue, is the most reliable revenue indicator as it controls for changes in inventory. The graph below shows that the average revenue per available room in 2024 was $146 which is consistent with 2023 and up dramatically up from pre-pandemic levels; however has decreased from the peak of $169 in 2022.

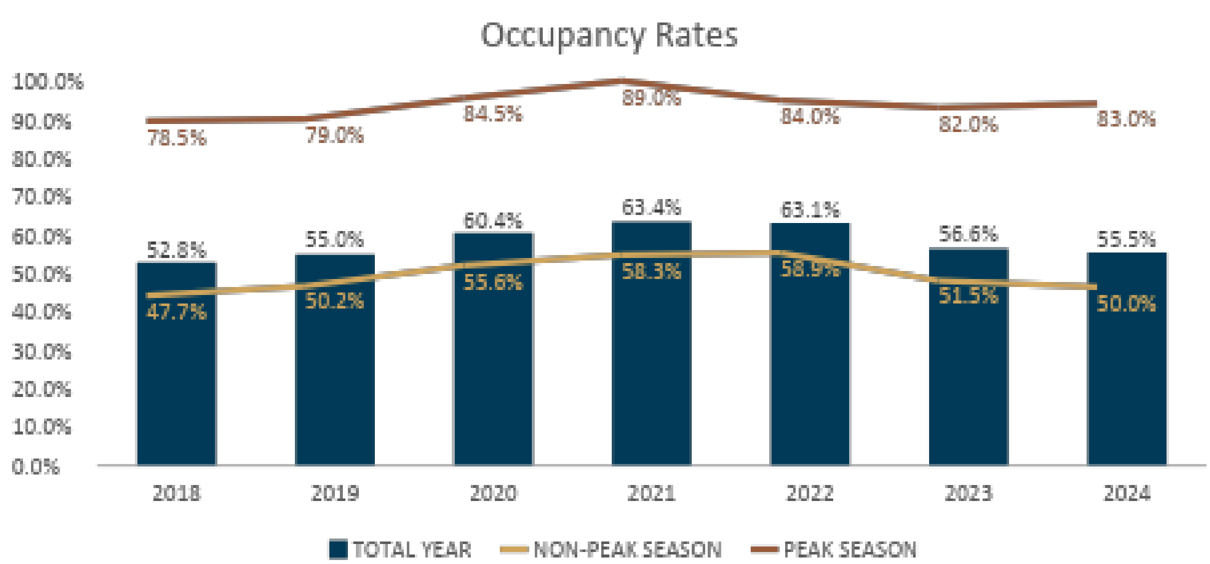


Shifting our view to a September-August Annum, we see that the annual average revenue per available room was $143 in 2023-2024 which is down 7.9% from the previous twelve months. As the graph shows, the peak season remained relatively steady with a 1.0% increase therefore the decrease in revenue per available room has been driven by the decline (-11.0%) in Non-Peak Season RevPAR. This metric has seen two years of Non-Peak Season declines from a high of $159 in 2021/22. This suggest that the destination is still feeling the hangover from the boom during the pandemic.

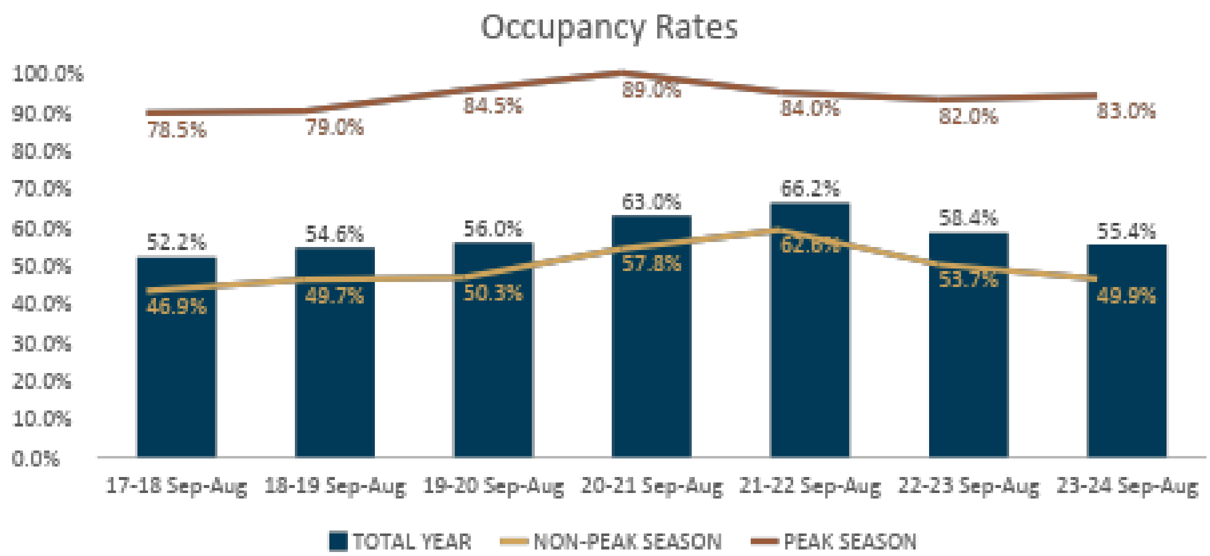


Occupancy Rates

The average monthly occupancy rate for 2024 was 55.5% which is slightly down from the 56.6% in 2023 but slightly up from the 55.0% pre-pandemic (2019). Looking at the seasonality, we see that peak season occupancy rates had a monthly average of 83.0% – a 1.0 percentage point increase from 2023 and 4.0 percentage point increase since pre-pandemic (2019). Non-Peak season occupancy rates continued to decrease to 50.0% down 1.5 percentage points from 2023. Despite these unremarkable results for occupancy rates, it should be noted that the average number of listings per month has increased notably. In fact, 2024 is the third year in a row of increases in the average monthly listings with 6.6% growth following 13.0% in 2023 and 14.9% in 2021.



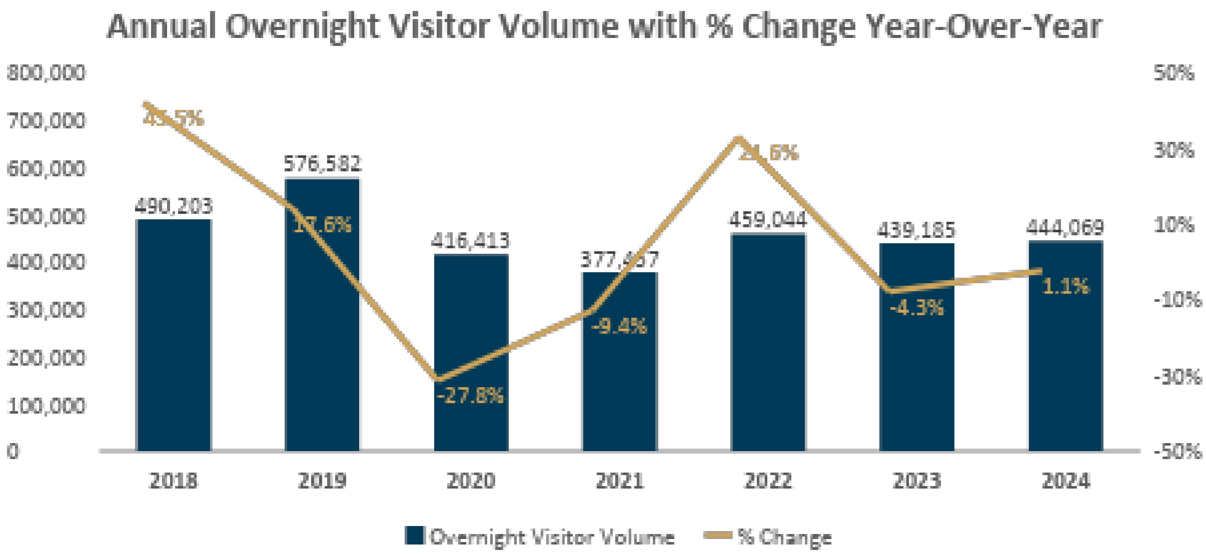
Looking at the September-August annum, we see that the average monthly occupancy rate was 55.4% between September 2023 and August 2024 with Peak Season (July and August of 2024) seeing an 83.0% occupancy rate while the Non-Peak month averaged only 49.9% - the lowest since pre-pandemic. This shows that post-pandemic the occupancy rate appears to have returned to 'normal' levels; however, Peak season has increased. Again, the occupancy rates are impacted by the number of listings which has increased notably.



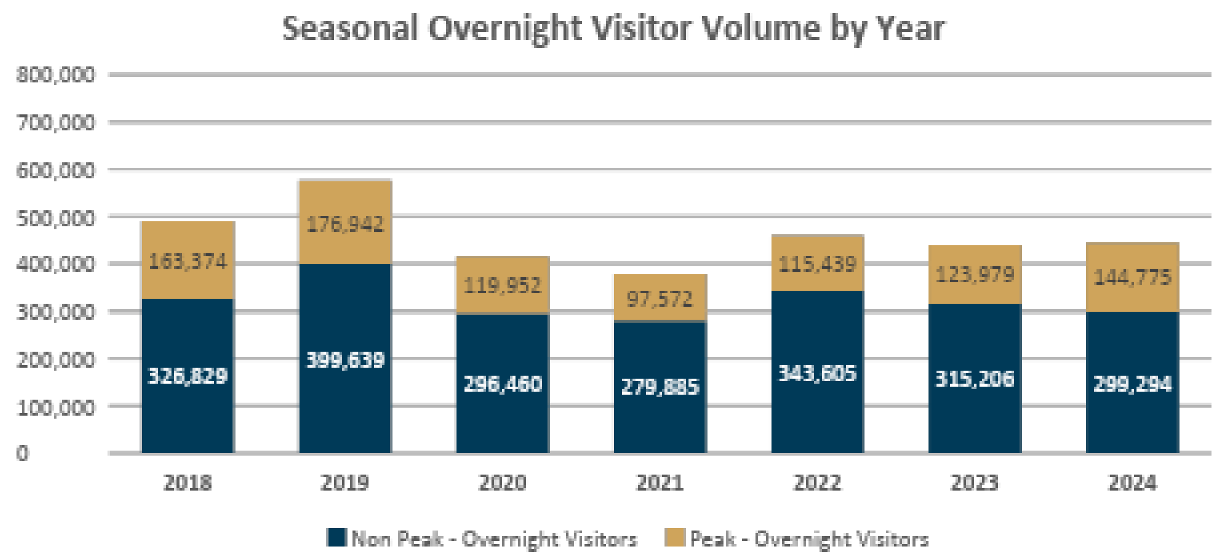
Overnight Visitor Volume Imputation

Previously, we developed a model that was tested against the BC Ferries Intercept Survey of the Summer of 2019. Based on the comparison between the survey data being applied to BC Ferries volume during that time and the AirDNA models, it was determined that the conservative model of 1 person per room be used to estimate visitor volume from the AirDNA data. We have also adjusted the proportion of overnight visitors using AirBnB-like accommodations to 14.8% and will use this for 2022 through 2024 data in this report.

We estimate that 2024 saw approximately 444,000 overnight visitors to the Southern Gulf Island – a 1.1% increase from 2023.

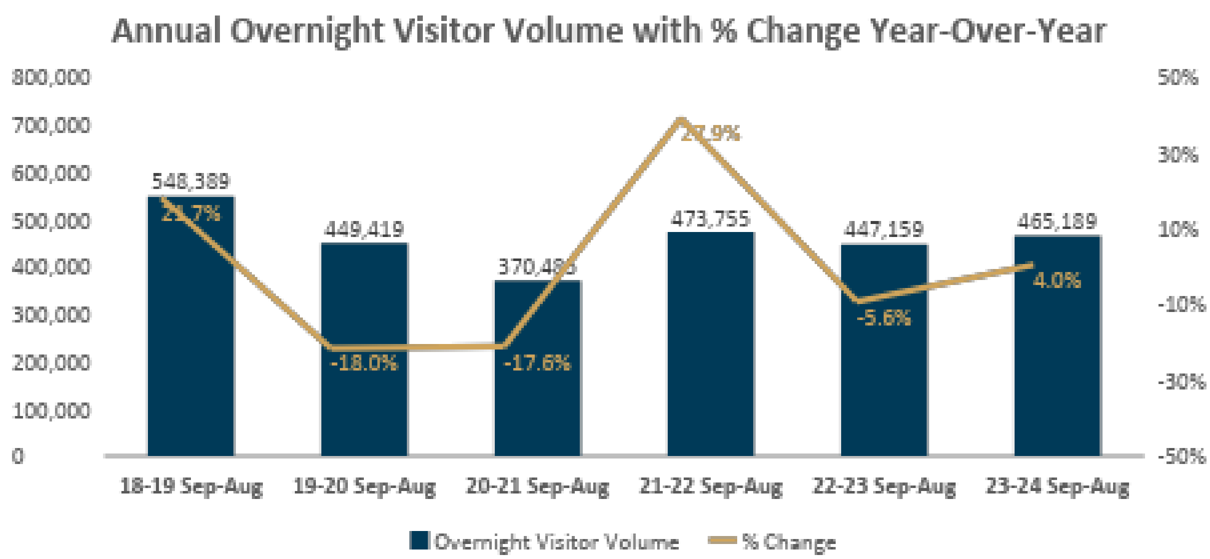


Looking at the seasonality, we see that Non-Peak months saw just shy of 300,000 overnight visitors while the Peak months saw nearly 145,000 overnight visitors.

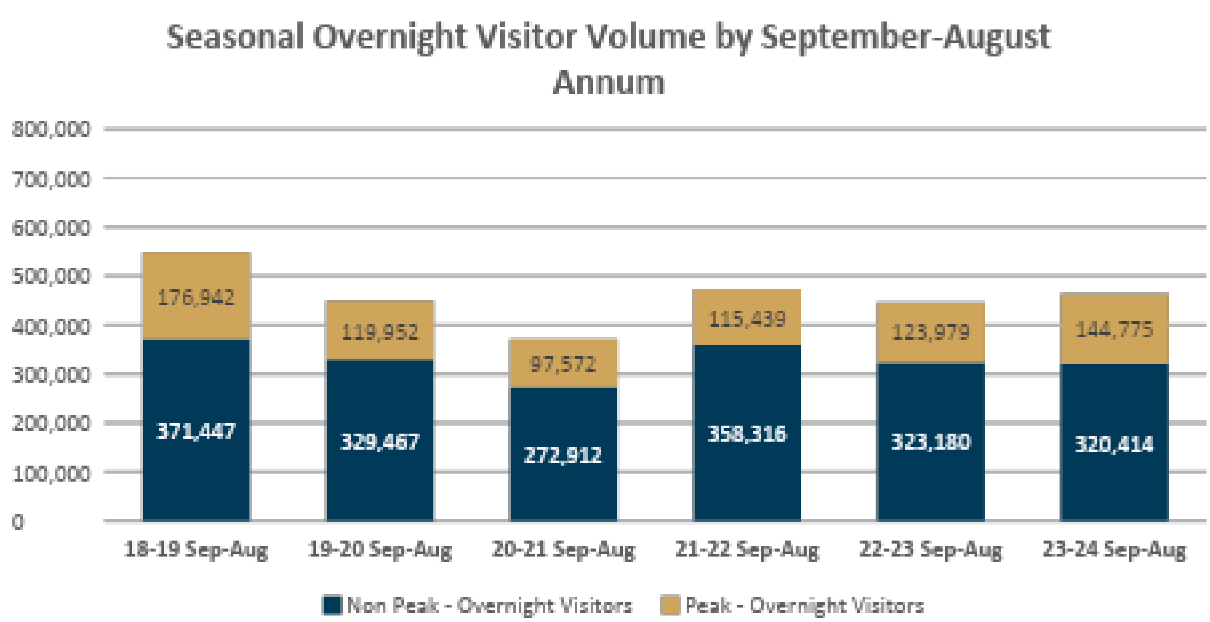


2024 saw a 5% decline in Non-Peak Overnight Visitors while Peak Overnight Visitors increased 17% building upon a 7% increase in 2023 and an 18% jump in 2022. This is a continued recovery from the pandemic; however, Non-Peak Overnight Visitors saw a bump of 23% in 2022 but since have decreased for the following two years. This suggest that there is a large opportunity to bring more overnight visitors during Non-Peak months.

Looking at the September-August annum, the magnitude is different but the general trend is similar. 2021-22 saw a large increase (27.9%) in Overnight Visitor Volume followed by a decline (-5.6%) the next year then a slight recovery (4.0%) in 2023-24. 2023-24 saw an estimated 465,189 overnight visitors to the Southern Gulf Islands.



Non-Peak Overnight Visitors reached 320,414 in 2023-24 while Peak Overnight Visitors was just shy of 145,000. Peak Overnight Visitation appears to be the highest since prior to the pandemic while Non-Peak Overnight Visitors continue to lag in terms of a full recovery.



In fact, Non-Peak Overnight Visitors declined 1% in 2023-24 following a 10% drop in 2022-23. 2021-22 saw some recovery with a 31% in Non-Peak Overnight Visitors to 358,316 but since, overnight visitation appears to have softened in Non-Peak months.