



ECONOMIC IMPACT ASSESSMENT

MEETINGS, INCENTIVES, CONFERENCES, AND EXHIBITIONS

This report examines the economic impact of mice events in Penticton, showcasing key insights on spending, attendance, and the broader benefits to the local economy.

TRAVEL PENTICTON SOCIETY

March 2025

MEET IN
Penticton
BRITISH COLUMBIA

/ CONVENTION
BUREAU

Table of Contents

Executive Summary.....	3
Key Findings	3
Introduction: The MICE Industry and Its Role in Penticton.....	4
Defining the MICE Industry	4
MICE Industry Trends and Penticton’s Competitive Advantage	4
Methodology & Assumptions	5
Data Sources and Collection	6
Findings & Results.....	9
Conference Venue Data (2024)	9
Delegate Spending Analysis	9
Per Delegate Spending Per Day:.....	11
Conference Organizer Spending Analysis.....	12
Total Economic Impact Including Delegate & Organizer Spending	12
Sensitivity Analysis: Assessing Variability in Economic Impact	14
Additional Insights from Conference Organizers	16
Additional Insights from Delegates	18
Recommendations for Strengthening Penticton as a Conference Destination.....	21
Conclusion.....	25
Appendix A: Economic Impact Methodology & Calculations.....	27
Appendix B: Understanding the Sensitivity Analysis Scenarios	31

Economic Impact Assessment of the MICE Industry in Penticton

Executive Summary

The Meetings, Incentives, Conferences, and Exhibitions (MICE) industry plays a crucial role in Penticton's economy, driving significant revenue across various sectors, including accommodation, food services, retail, and transportation. This report evaluates the economic impact of MICE events in Penticton for 2024 using delegate and organizer spending data, venue-reported statistics, and industry-standard multipliers for British Columbia.

MICE events bring thousands of visitors to Penticton annually, generating substantial direct, indirect, and induced economic impacts. These visitors, including business professionals, industry experts, and organization representatives, contribute significantly to the local economy through hotel stays, event participation, dining, transportation, and discretionary spending. Additionally, the presence of a thriving MICE industry supports local businesses by creating jobs and fostering economic stability in tourism, hospitality, and event services.

Key Findings

The study evaluates MICE's financial impact using two models: the 100% non-local model, based on survey data, reflects higher spending as all attendees travel to Penticton and use paid accommodations. The 60/40 model is included as a standard industry benchmark for comparison, but does not fully capture Penticton's predominantly non-local delegate base. The 60/40 model is typically used for larger centres like Vancouver, Edmonton, Calgary and Toronto.

Using the 100% non-local model as the most accurate representation of economic impact, the following key findings were identified:

- **Total Direct Delegate Spending:** \$29.85 million
- **Total Direct Organizer Spending:** \$26.38 million
- **Average Delegate Spending Per Day:** \$797
- **Total MICE Events Hosted:** 485 events at Penticton's two largest conference venues
- **Total Delegates:** 18,495 across all events
- **Total Room Nights:** 37,468, indicating a strong reliance on local accommodations

The MICE industry is a significant economic driver for Penticton, with a total economic impact (with multipliers) of **\$98.23 million**. The 100% non-local model underscores the importance of attracting out-of-town delegates who bring new spending into the local economy. Maximizing this impact through continued investment in conference infrastructure and marketing will further strengthen Penticton's position as a premier business event destination.

Introduction: The MICE Industry and Its Role in Penticton

Defining the MICE Industry

The Meetings, Incentives, Conferences, and Exhibitions (MICE) industry is a major contributor to global and regional economies. It encompasses business-oriented events that attract corporate, government, and association delegates for networking, professional development, and knowledge exchange. MICE events are distinct from leisure tourism, focusing on business engagement, industry collaboration, and educational opportunities.

Key Sectors of the MICE Industry

The MICE industry consists of four primary segments, each with distinct characteristics and economic impacts:

1. **Meetings** – Structured gatherings for professional discussions, planning, and collaboration, such as board meetings, training sessions, and annual corporate gatherings.
2. **Incentives** – Corporate-sponsored reward trips for employees, sales teams, or business partners as part of incentive programs.
3. **Conferences** – Large-scale events designed for information exchange, often featuring keynote speakers, workshops, and panel discussions.
4. **Exhibitions & Trade Shows** – Events that allow businesses to showcase products, innovations, and services, attracting industry professionals and potential buyers.

With its scenic surroundings, modern conference facilities, and strong tourism industry, Penticton is an attractive destination for MICE events. These events generate direct revenue for the hospitality sector while creating indirect benefits such as increased brand awareness for the city and repeat visits from business travellers who return for leisure.

MICE Industry Trends and Penticton's Competitive Advantage

The MICE industry has experienced notable shifts in recent years, influenced by factors such as changing travel patterns, digital transformation, and sustainability priorities. Key trends impacting MICE include:

- **Growing Demand for Regional Conference Destinations:** Many organizations choose smaller cities over major metropolitan areas for lower costs, unique locations, and enhanced attendee experiences. Penticton benefits from this trend by offering high-quality venues at a competitive price.
- **Extended Stays & Tourism Benefits:** Business travellers frequently extend their trips for leisure, boosting revenue for local attractions, wineries, and outdoor activities.

- **Sustainability Considerations:** Many event planners prioritize eco-friendly venues, carbon-neutral conferences, and sustainable tourism, which aligns well with Penticton's natural surroundings and environmental initiatives.

By capitalizing on these trends, Penticton can strengthen its position as a premier regional MICE destination.

Methodology & Assumptions

Accurately assessing the economic impact of the MICE industry in Penticton requires a structured and widely accepted methodology. This report follows recognized economic impact assessment approaches, utilizing two models to estimate the city's financial contribution to conferences, meetings, and business events. The selection of these models ensures that the analysis is reliable and aligned with industry best practices. Appendix A provides additional information on methodologies and calculations used in this report.

Economic impact assessments typically measure direct, indirect, and induced effects where:

- **Direct impacts** come from initial spending by event organizers and attendees on accommodation, food, transportation, and related services.
- **Indirect impacts** reflect the secondary economic activity generated when businesses supplying goods and services to event participants make additional purchases.
- **Induced impacts** result from increased household income as employees in MICE-related industries spend their earnings locally.

To quantify these impacts, two approaches were selected:

The Survey-Based 100% Non-Local Model (Data-Driven Approach)

The 100% non-local delegate model is based on actual survey responses from event attendees. The primary survey conducted as part of this study found that 100% of respondents travelled to Penticton and stayed in paid accommodations. This differs from the industry standard assumption and suggests that:

- MICE events in Penticton attract more out-of-town attendees than previously estimated.
- The economic impact of the MICE industry may be higher than industry benchmarks suggest due to the absence of local attendees who would otherwise contribute less to spending.

This model reflects a higher total economic contribution because it uses real-world data instead of assumptions. All attendees are considered visitors who spend across all major categories.

This report will use the 100% non-local model as the primary model for assessing economic impact. The model's reliance on real-world survey data drives this decision, ensuring a more precise and reliable analysis of the MICE industry's economic contribution to Penticton.

The Standard 60/40 Model (Industry Benchmark Approach)

The 60/40 split model assumes that 60% of delegates are non-local travellers to Penticton, while 40% are local residents. This model is widely used in economic impact assessments for MICE events in mid-sized cities and aligns with provincial and national tourism studies. The logic behind this model is based on the assumption that:

- A significant portion of attendees at conferences and business events are local professionals, business owners, or students who do not require accommodation and have lower daily spending levels.
- Non-local attendees generate higher economic contributions because they require hotel stays, transportation, and more extensive discretionary spending.

While recognized as a standard approach, this 60/40 model has limitations, particularly for Penticton. It is included primarily for comparison purposes, as the 100% non-local model, derived from actual survey data, provides a more precise representation of the local economic impact.

Data Sources and Collection

This report follows recognized economic impact assessment methodologies and evaluates two models:

1. The Survey-Based 100% Non-Local Model (fully non-local attendees)
2. The Standard 60/40 Model (60% non-local / 40% local split)

To ensure the accuracy of economic impact estimates, data collection included:

- **Primary Data:** Surveys from conference delegates and organizers detailing spending patterns, length of stay and event participation.
- **Secondary Data:** Venue-reported statistics from Penticton Trade & Convention Centre (PTCC) and Penticton Lakeside Resort & Conference Centre, including total delegate counts, number of events, and room nights booked.
- **Economic Multipliers:** Standard BC tourism and event-sector multipliers were applied to estimate indirect and induced impacts, reflecting how initial spending circulates through the economy.

Key Assumptions

Economic impact assessments rely on multipliers to estimate the indirect and induced effects of spending. Multipliers reflect how initial expenditures generate additional economic activity as money circulates through local businesses and supply chains. The following table outlines the key assumptions used in this study:

Assumption	100% Non-Local Model	60/40 Non-Local Model
Delegate Origin	100% Non-Local	60% Non-Local, 40% Local
Accommodation Spending	All delegates included	Local delegates excluded
Food & Beverage, Transport, Shopping	All delegates included	Local delegates included
Multipliers	1.7 for delegates, 1.8 for organizers	1.7 for delegates, 1.8 for organizers

Choosing the Right Multipliers for Economic Impact Analysis

Economic multipliers are widely used in economic impact studies to measure how an initial direct expenditure leads to secondary economic benefits. The two primary types of multipliers used in this analysis are:

1. **Delegate Spending Multiplier (1.7):** This multiplier reflects the total economic activity generated for every dollar MICE attendees spend on hotels, food, transportation, and retail. It accounts for the direct, indirect, and induced impacts of delegate spending.
2. **Organizer Spending Multiplier (1.8):** Since event organizers spend on venue rental, catering, marketing, and A/V services, this multiplier accounts for these expenditures' broader supply chain impact. It accounts for the direct, indirect, and induced impacts of organizer spending.

Why These Multipliers Were Selected

Multipliers vary depending on factors such as the size of the local economy, the diversity of businesses, and the level of economic leakage (spending that leaves the region rather than recirculating locally). The multipliers used in this report were chosen based on:

- **Penticton's Economic Characteristics:** As a mid-sized city, Penticton has moderate economic leakage. Some spending (e.g., chain hotels, national A/V providers) exits the local economy, justifying a multiplier slightly below that of larger metropolitan areas.
- **Industry Standards in British Columbia:** Tourism-related multipliers in mid-sized cities typically range between 1.5 and 2.0, with event-related spending often at the higher end of this range due to the strong local business engagement in MICE activities.
- **Comparative City Analysis:** Larger cities such as Vancouver or Toronto often use multipliers in the range of 2.0 to 2.5 due to greater business diversity and higher levels of economic retention. In contrast, smaller cities with fewer local suppliers might use multipliers as low as 1.5.

Implications of Different Multipliers

The total economic impact estimate would be larger if a higher multiplier (e.g., 2.0) were used. However, this would risk overestimating the local economic benefit, particularly if a significant portion of spending is on goods and services sourced from outside Penticton.

To ensure a conservative yet accurate assessment, the chosen multipliers (1.7 for delegates and 1.8 for organizers) balance regional economic dynamics and industry benchmarks, making them the most appropriate for this study.

These assumptions ensure the assessment captures realistic spending behaviours while allowing for a comparison of standard benchmarks vs. actual survey data.

Assumption on Rounding Variations

Due to rounding, some totals may not add up precisely when summed from individual components. The calculations were performed using exact values before rounding, so minor differences in displayed totals are expected but do not impact overall conclusions.

Findings & Results

The following section outlines the detailed impact results of the MICE industry in Penticton, supported by both delegate and organizer spending data. Each table provides a breakdown of key spending categories and contextual analysis explaining how these expenditures contribute to the broader local economy.

Conference Venue Data (2024)

The following table presents the total number of delegates, events, and room nights recorded at the Penticton Trade & Convention Centre and Penticton Lakeside Resort and Conference Centre in 2024. The venues' data is a foundation for estimating the overall economic impact.

Venue	Total Delegates	Total Events	Total Room Nights
Penticton Trade & Convention Centre (PTCC)	12,052	212	26,828
Lakeside Conference Centre	6,443	273	10,640
Total (All Venues)	18,495	485	37,468

- **Total Delegates (18,495):** This represents the total number of individuals attending MICE events at PTCC and Lakeside in 2024. While some attendees may have participated in multiple events, this figure is the best estimate for measuring overall event-related spending and economic impact.
- **Total Events (485):** These include conferences, conventions, trade shows, meetings, and other business events. The number of events helps determine total organizer spending, a significant economic activity driver.
- **Total Room Nights (37,468):** This figure represents the total number of nights booked at hotels associated with these conferences. Since not all delegates require overnight stays, this metric helps refine estimates of non-local vs. local attendee contributions to the economy.

This data is combined with delegate survey responses and industry multipliers to assess the direct, indirect, and induced economic impact of the MICE sector in Penticton.

Delegate Spending Analysis

100% Non-Local Model (Survey-Based)

This table reflects spending estimates based on survey responses, assuming all delegates are non-local.

Spending Category	Total Delegate Spending
Accommodation	\$13,253,427
Food & Beverage	\$7,785,364

Transportation	\$3,902,445
Shopping & Entertainment	\$4,911,902
Total Delegate Spending	\$29,853,139

How the Data is Structured

The table reflects the economic impact of delegates under the 100% non-local model, where all attendees are assumed to travel from outside Penticton. It incorporates the financial impact of extended stays, accounting for additional nights spent in the community. Spending estimates include accommodation, food and beverage, shopping, and entertainment expenses related to extra days.

1. **Accommodation** – Increases to \$13,253,427 as all attendees require lodging.
2. **Food & Beverage** – Rises to \$7,785,364 due to a higher number of restaurant visits by all attendees.
3. **Transportation** – Increases to \$3,902,445, as all participants travel from outside the area.
4. **Shopping & Entertainment** – Grows to \$4,911,902, reflecting spending by 100% non-local delegates.

Total delegate spending under this scenario reaches \$29,853,139, significantly higher than the 60/40 model.

What This Table Represents

The 100% non-local model is an alternative approach to economic impact analysis, typically based on surveys. This scenario assumes that every attendee is a visitor from outside the region, meaning all spending injects new money into the economy.

Why This Matters

This model provides a high-end estimate of economic impact. The 100% non-local model might better reflect actual spending patterns if an event attracts primarily out-of-town attendees. It helps justify investment in tourism and hospitality infrastructure, as higher visitor numbers can lead to increased revenue for hotels, restaurants, and transportation services. This model more accurately reflects the full economic benefits of MICE tourism in Penticton by including extended stay spending. Delegates who stay pre- or post-conference can significantly increase accommodation revenue, food sales and discretionary spending on entertainment and shopping.

60/40 Model (Standard Industry Benchmark)

This table presents the estimated spending breakdown of conference delegates based on a widely accepted 60/40 model. This model assumes that 60% of attendees are from out of town (non-locals), while 40% are local participants. This model is typically used for larger centres like Vancouver, Edmonton, Calgary and Toronto.

Spending Category	Non-Local Spending	Local Spending	Total Spending
Accommodation	\$8,035,551	\$0.00	\$8,035,551
Food & Beverage	\$4,714,004	\$890,133	\$5,604,137
Transportation	\$2,369,945	\$355,491	\$2,725,437
Shopping & Entertainment	\$2,974,135	\$269,567	\$3,243,702
Total Delegate Spending	\$18,093,635	\$1,515,192	\$19,608,828

Per Delegate Spending Per Day:

Understanding per-delegate spending is another factor in assessing the economic contributions of MICE events in Penticton. By analyzing the average amount each delegate spends per day, we can estimate the total financial impact of conferences on the local economy.

Model	Total Delegate Spending	Total Room Nights	Per Delegate Per Day Spending
100% Non-Local Model	\$29,853,139	37,468	\$797
60/40 Model	\$19,608,828	37,468	\$523

How the Data Was Used

This analysis relies on primary data collected from delegate surveys and secondary data from Penticton conference venues. Using total room nights as the denominator, we ensure an accurate measure of spending per-delegate per day, accounting for the length of stay rather than assuming all delegates stay the same number of days.

- The 100% Non-Local Model, derived from survey data, assumes all delegates travel from outside Penticton, leading to higher total spending.
- The 60/40 Model, based on industry benchmarks, assumes 60% of delegates are non-local and incur higher spending, while 40% are local attendees with lower spending.

Why Per-Delegate Spending Matters

Including per-delegate spending data is critical for multiple reasons:

1. **Economic Justification** – Helps policymakers, venue operators, and tourism organizations understand the financial return of hosting MICE events.
2. **Strategic Decision-Making** – Enables businesses to optimize pricing, services, and marketing efforts to attract high-value delegates.

3. **Benchmarking & Growth Tracking** – Allows for comparisons with other destinations and future event performance evaluations.
4. **Investment Planning** – Provides insights into how infrastructure improvements, such as increased accommodation or enhanced transport options, could boost overall spending.

By understanding how much each delegate contributes to the economy daily, stakeholders can make informed decisions to maximize the benefits of the MICE industry in Penticton.

Conference Organizer Spending Analysis

Organizer spending accounts for direct business expenditures related to hosting MICE events in Penticton. This includes venue rental, catering, and marketing services. Surveyed conference organizers reported average spending per event across key categories. Using 485 total events, we extrapolate total spending:

Spending Category	Avg. Spending per Event	Total Spending (485 Events)
Venue Rental & A/V	\$10,460	\$5,073,100
Catering & F&B	\$18,194	\$8,823,964
Marketing & Event Services	\$7,731	\$3,749,826
Offsite Services	\$18,000	\$8,730,000
Total Organizer Spending	\$54,384	\$26,376,890

Analysis of Organizer Spending:

- **Venue Rental & A/V:** A primary driver of direct event-related spending, totalling over \$5M across 485 events.
- **Catering & F&B:** Contributing nearly \$9M, this category highlights the significant role that event-related dining plays in supporting local food service providers.
- **Marketing & Event Services:** At \$3.7M, this spending supports local businesses involved in advertising, event planning, and promotional materials.
- **Offsite Services:** At \$8.7M, offsite services can include external event venues, transportation logistics and outsourced event coordination, reflecting the importance of services beyond the primary conference location.

Total Economic Impact Including Delegate & Organizer Spending

The total economic impact of MICE (Meetings, Incentives, Conferences, and Exhibitions) events in Penticton combines delegate and organizer spending. Delegate spending directly supports the tourism and hospitality sector through accommodations, food and beverage, transportation, and entertainment. Organizer spending includes venue rentals, event services, catering, and marketing, further stimulating local business activity. Applying standard industry multipliers to both categories comprehensively estimates the total economic impact generated by conferences and events.

Total Economic Impact Analysis

Model	Delegate Spending	Delegate Economic Impact (Multiplier 1.7)	Organizer Spending	Organizer Economic Impact (Multiplier 1.8)	Total Economic Impact
100% Non-Local Model	\$29.85M	\$50.75M	\$26.38M	\$47.48M	\$98.23M
60/40 Model	\$19.60M	\$33.33M	\$26.38M	\$47.48M	\$80.81M

How the Data is Structured

This table breaks down the total economic impact into two major categories: delegate spending and organizer spending. Each category is then multiplied by standard economic impact multipliers to estimate the total effect on the local economy.

- **Delegate Spending:** Represents direct expenditures by attendees on accommodations, dining, transportation, and entertainment.
- **Delegate Economic Impact:** To account for indirect and induced effects (such as business-to-business transactions and employee wages), a 1.7 multiplier is applied to delegate spending.
- **Organizer Economic Impact:** To reflect its broader impact on suppliers, contractors, and service providers, a 1.8 multiplier is applied to organizer spending.
- **Total Economic Impact:** The final column sums both categories to provide a full picture of how conferences contribute to the regional economy.

What This Table Represents

This table provides a detailed and realistic estimate of the full economic impact of MICE events in Penticton. The 100% non-local model (\$98.23M total impact) represents a high-impact scenario where all attendees travel from outside the region, representative of Penticton, while the 60/40 model (\$80.81M total impact) reflects the industry standard.

These figures help decision-makers understand how different attendee compositions influence economic outcomes. Events with a higher share of non-local delegates generate significantly more new money for the local economy, whereas local attendees redistribute existing dollars rather than bringing in new spending.

Why This Matters

Accurately assessing the total economic impact of MICE events is essential for policy development, investment decisions, and marketing strategies. Understanding the breakdown between delegate and organizer spending allows event planners, tourism boards, and local governments to:

- Advocate for continued investment in conference infrastructure.

- Develop targeted strategies to attract more non-local attendees.
- Estimate the potential return on investment for supporting large-scale events.

This data helps stakeholders make informed decisions about growing and sustaining the conference and events industry in Penticton by distinguishing between the baseline 60/40 model and the higher-impact 100% non-local model.

Sensitivity Analysis: Assessing Variability in Economic Impact

Economic impact projections rely on assumptions about how spending circulates through the local economy. Since real-world conditions can vary, sensitivity analysis helps account for potential fluctuations in delegate and organizer spending multipliers. By testing different economic scenarios, this analysis provides a range of possible total economic impacts, allowing for more informed decision-making.

The table below presents three scenarios—Conservative, Baseline, and Optimistic—each applying different multipliers to delegate and organizer spending. The Conservative scenario assumes a weaker economic effect, resulting in a lower total impact. In comparison, the Optimistic scenario reflects a stronger ripple effect through business-to-business transactions and wage-driven spending. The Baseline scenario used in the main report represents a standard estimate based on industry benchmarks.

This analysis helps event planners, policymakers, and tourism officials understand the potential range of financial contributions from conferences and events, ensuring better risk assessment and strategic planning for Penticton’s MICE industry.

Sensitivity Analysis (Total Economic Impact Based on Direct Spending)

Scenario	Delegate Spending Multiplier	Organizer Spending Multiplier	Total Economic Impact (100% Non-Local Model)	Total Economic Impact (60/40 Model)
Conservative (Lower Bound)	1.5	1.6	\$86.98M	\$71.61M
Baseline (Used in Report)	1.7	1.8	\$98.23M	\$80.81
Optimistic (Higher Bound)	2.0	2.2	\$117.74M	\$97.24M

How the Data is Structured

- Direct spending from Table 3, which includes both delegate and organizer spending, is used as the foundation.

- Three scenarios are analyzed using different multipliers:
 - **Conservative (Lower Bound):** Lower economic activity assumptions (1.5 and 1.6).
 - **Baseline (Used in Report):** Standard economic multipliers (1.7 and 1.8).
 - **Optimistic (Higher Bound):** Assumes a stronger economic ripple effect (2.0 and 2.2).
- This sensitivity analysis helps account for uncertainty in economic estimates by showing a range of possible outcomes based on different spending patterns.

What This Table Represents

This table refines the total economic impact by adjusting for different conditions and accounting for delegate and organizer spending. The baseline estimate (\$98.23M for the 100% non-local model and \$80.81M for the 60/40 model) provides a realistic view of how these events contribute to Penticton's economy.

- If economic conditions are weaker (Conservative scenario), the impact is lower (\$71.61M and \$86.98M).
- If conditions are stronger (Optimistic scenario), the impact is higher (\$97.24M and \$117.74M).

This analysis helps stakeholders understand potential fluctuations in event-driven economic contributions.

Why This Matters

- Provides a realistic range of economic impact estimates based on different levels of spending activity.
- Helps event planners and policymakers assess risk and plan for best-case and worst-case scenarios.
- Demonstrates the importance of attracting more non-local delegates, as seen in the large difference between the 60/40 and 100% non-local models.

Appendix B Provides additional information on Understanding the Sensitivity Analysis Scenarios.

Additional Insights from Conference Organizers

To better understand Penticton's strengths and challenges as a Meetings, Incentives, Conferences, and Exhibitions (MICE) destination, conference organizers were surveyed about their experiences hosting events in the city.

How Conference Organizers Discovered Penticton

Conference organizers became aware of Penticton as a potential host city through several key channels:

- Referrals from colleagues and industry contacts (40%)
- Previous experience as a client (40%)
- Word of mouth (20%)

This data suggests firsthand experience and positive recommendations are critical in attracting new and repeat business to Penticton's conference venues. The strong reliance on referrals and word-of-mouth indicates high satisfaction among past organizers and attendees.

Factors Influencing the Decision to Choose Penticton

When selecting a conference destination, organizers consider various factors to ensure the location meets both the needs of their organization and the expectations of their delegates. Organizers who selected Penticton highlighted the following as key deciding factors:

Decision Factor	Percentage of Organizers Selecting This Factor
Local attractions and amenities	100%
Venue availability and quality	100%
Affordability	80%
Previous experience in the destination	80%
Accommodation options	60%
Concierge services	40%
Reputation as a conference destination	40%
Support from local organizations	0%

The survey results confirm that venue quality, availability, and local attractions and amenities are the top drivers in the decision-making process. Affordability and past positive experiences were also significant, and organizers indicated interest in expanded concierge services and local organizational support.

Event Venue Satisfaction

One of the most crucial factors in determining whether a conference organizer will return to a location is whether the primary event venue met their expectations. Survey respondents gave both the Penticton Lakeside Resort and the Penticton Trade and Convention Centre a perfect score of 5/5, indicating that these venues fully satisfied the needs of event planners and attendees.

Challenges in Transportation and Accessibility

While Penticton's walkable downtown and proximity between hotels, restaurants, and event venues were well received, external transportation access remains an ongoing challenge. The survey indicated:

- Satisfaction with transportation to and from Penticton: 3.4/5
- Satisfaction with local transportation within the community: 4.4/5

Organizers expressed concerns about limited direct flight options, particularly the ongoing need to restore Air Canada service and expand WestJet offerings. Until these enhancements are secured, some conferences may be impacted by accessibility constraints. However, once in Penticton, the city's compact layout and walkability help mitigate transportation concerns, allowing attendees to move conveniently between venues.

Accommodation Satisfaction and Market Positioning

The introduction of new accommodations, including the Four Points Hotel and Fairfield Inn, and the modernization of the Penticton Lakeside Resort have played a significant role in attracting and securing conferences. Overall, satisfaction with accommodations was rated at 4.8/5, reflecting a strong positive experience among conference delegates.

To put this into perspective, the 2024 J.D. Power North America Hotel Guest Satisfaction Index Study reported an average satisfaction score of 647 out of 1,000 across various hotel segments. In contrast, if converted to this scale, Penticton's accommodation satisfaction score would equate to 960 out of 1,000, significantly surpassing industry benchmarks and highlighting the city's competitive edge in hospitality quality.

Likelihood of Future Conferences in Penticton

100% of conference organizers surveyed indicated that they would consider hosting future conferences in Penticton and would recommend the city to other organizers. This unanimous positive response underscores the city's strong reputation as a MICE destination and its ability to deliver high-quality conference experiences.

Additional Insights from Delegates

While conference organizers ultimately decide where an event is hosted, they strongly consider feedback from delegates when evaluating a destination's overall appeal. A positive delegate experience enhances the likelihood of event retention and future recommendations. To better understand delegate perspectives, a survey was conducted among attendees of various conferences held in Penticton, focusing on accommodations, transportation, extended stays, and leisure activities.

Accommodation Preferences and Stay Patterns

Delegates strongly preferred staying at the same property for their visit, including pre-and post-conference stays. The survey revealed the following trends:

- 100% of delegates stayed at one of the hotels in Penticton during the conference.
- Pre-conference stays: Only 2.5% of delegates chose short-term rentals or stayed with friends and family before the conference.
- Post-conference stays: A slightly higher percentage (4.55%) extended their visit, either staying with friends and family or at the same conference hotel.

These findings highlight the importance of high-quality, conference-affiliated accommodations catering to delegates' extended stays. The preference for staying in designated conference hotels suggests that convenience, accessibility, and integration with conference events are key priorities for attendees.

Transportation and Accessibility

Ease of travel is a significant factor in a conference delegate's experience, and Penticton sees a mix of both drive-in and fly-in visitors:

- Over 60% of delegates drove to Penticton for their conference.
- 27% flew into Penticton Airport (YYF) or Kelowna International Airport (YLW).
 - Of those who flew, 46% landed in Penticton, and 46% landed in Kelowna.

Among those who travelled by air, the choice of airline was as follows:

- WestJet: 76%
- Air Canada: 20%
- Pacific Coastal Airlines and other carriers: 12%

The split in arrival airports underscores the impact of limited direct flight options to Penticton. While Kelowna serves as an alternative gateway, additional flight capacity and improved airline services at Penticton Airport remain crucial for increasing conference accessibility. The strong preference for WestJet suggests that maintaining and expanding this carrier's offerings could further support conference travel demand.

Economic Impact: Extended Stays and Tourism Spending

A major benefit of hosting conferences in Penticton is the economic boost from extended stays and additional visitors. The survey indicated:

- 33.79% of delegates stayed an average of 1.8 extra days in Penticton before or after the conference.
- 41% of delegates brought, on average, two additional guests (family members or friends) with them.

This extended presence in the community increases spending in the local tourism, hospitality, and retail sectors, reinforcing the broader economic value of attracting conferences.

Leisure Activities: Enhancing the Delegate Experience

Beyond attending conference sessions, delegates and guests actively explore Penticton's local attractions. Popular activities ranked as follows:

1. Time spent at Okanagan Lake
2. Wine tours
3. Golf
4. Boat and bike rentals

Other notable activities included:

- Biking and hiking along the Kettle Valley Rail Trail and surrounding nature paths
- Floating the Penticton Channel, a well-loved summer experience
- Casino visits, particularly among those looking for evening entertainment

Seasonal factors naturally influence activity choices. Summer conferences see higher participation in outdoor recreation, while fall and winter events may attract more interest in indoor activities such as wine tastings, dining experiences, and casino entertainment.

Key Takeaways

The feedback from delegates highlights several critical factors that contribute to Penticton's success as a conference destination:

- Accommodation satisfaction is high, with a preference for staying at the same hotel throughout the trip.
- Drive-in access remains the most common mode of transportation, but improving flight options to Penticton could significantly enhance conference attendance.

- Extended stays and additional visitors provide a significant economic boost, reinforcing the broader value of hosting conferences in Penticton.
- A strong mix of outdoor recreation, cultural experiences, and entertainment options makes Penticton an attractive destination for delegates and guests.

By leveraging these strengths and addressing challenges such as air travel accessibility, Penticton can continue to build its reputation as a premier MICE destination in British Columbia.

Recommendations for Strengthening Penticton as a Conference Destination

Our comprehensive survey of conference organizers and event delegates and interviews with accommodation providers provided valuable insights into enhancing Penticton's appeal as a premier conference destination. The recommendations highlight key opportunities to improve infrastructure, services, and the overall event experience, ensuring that Penticton remains a competitive and attractive location for business events. By incorporating feedback from those who plan, host, and attend conferences, these strategic actions will help reinforce Penticton's reputation as a top-tier location for meetings, conferences, and events.

1. Strengthen Support for Meet in Penticton

The Meet in Penticton program received strong endorsement from conference organizers and venues for its role in promoting the city as a business event destination. Continued investment in this initiative will further enhance its impact by:

- **Increasing bookings** through dedicated efforts to attract conferences, conventions, and events, leading to higher occupancy rates and greater demand for accommodation.
- **Expanding networking opportunities** by connecting event planners with local venues, accommodation providers, associations, and businesses to generate new partnerships.
- **Providing essential marketing support** through trade shows, industry publications, and promotional campaigns that position Penticton as a desirable event location.
- **Facilitating resource pooling** by offering centralized information on local vendors, attractions, and transportation, making it easier for organizers to plan successful events.
- **Enhancing destination appeal** by elevating Penticton's reputation as a premier conference city, driving repeat visitation.
- **Maximizing economic impact** by increasing spending on accommodations, dining, and local services, benefiting the broader community.
- **Leveraging industry expertise and data** to help venues and accommodations tailor their offerings based on trends and delegate preferences.

It is recommended that a committee comprised of representatives from hospitality, tourism, and local government be formed to regularly discuss challenges and opportunities, ensuring aligned strategic efforts to advance Penticton as a competitive MICE destination.

2. Continue Supporting the Penticton Trade and Convention Centre (PTCC)

As one of the city's two primary conference venues, PTCC is critical in hosting large-scale events, working with Lakeside Resort to provide high-quality facilities. Given the growing demand for conference space,

ongoing and increased support for PTCC will ensure that Penticton remains equipped to accommodate major events that Lakeside Resort alone could not host.

3. Partner with the Penticton Indian Band:

Recognizing and actively engaging with the Penticton Indian Band (PIB) is a meaningful step toward economic reconciliation and fostering stronger partnerships within the community. Indigenous culture, history, and perspectives enrich the local identity and can add significant value to conferences held in Penticton. By collaborating with PIB, local event organizers can enhance conference programming through cultural experiences, traditional welcomes, land acknowledgments, and opportunities for Indigenous businesses and speakers to participate. This collaboration demonstrates a commitment to reconciliation, strengthens relationships, supports Indigenous economic development, and provides conference attendees with authentic and educational experiences that reflect the region's deep history and cultural significance.

4. Develop Custom Packages for Event Planners

Partnering with accommodation providers and local businesses to create tailored event packages will offer organizers and attendees customized experiences. These packages could include bundled accommodation rates, dining discounts, and unique add-ons such as adventure or wellness activities, making Penticton a more attractive choice for conference planners.

5. Launch Co-Branded Marketing Initiatives

A collaborative marketing approach between Penticton's venues, hotels, and tourism operators can amplify the city's visibility. Joint campaigns highlighting conference capabilities, accommodations, and unique attractions can influence organizers' venue selection, reinforcing Penticton's value proposition.

6. Implement a Virtual Reality (VR) Marketing Program

A VR marketing initiative showcasing Penticton's event venues, accommodations, and scenic beauty will give potential organizers and delegates an immersive preview of what the city offers. This can be integrated into the Meet in Penticton website, presented at trade shows, and used in direct marketing campaigns.

7. Integrate Start Here Penticton into the Delegate Experience

The Start Here Penticton program, which highlights the advantages of living, working, and investing in the city, can be integrated into conference venues. Strategic placement of promotional materials, digital screens, or video presentations can encourage delegates to consider future visits, relocation, and business investment in Penticton.

8. Target High-Potential Conferences

With rising costs in major conference hubs like Vancouver, Kelowna, and Calgary, Penticton is well-positioned to attract events seeking affordable, high-quality alternatives. A targeted approach should be

developed to pursue conferences and trade shows in industries that align with Penticton's strengths. Potential events to target include:

- **Hospitality and food industry events** include the *Canadian Hotel Industry Conference*, *Canadian Produce Marketing Association (CPMA) Convention & Trade Show*, *Grocery Innovations Canada*, and the *Restaurants Canada Show*.
- **Government and association gatherings**, including the *Southern Interior Local Government Association* and *BC Honey Producers Association*.
- **Health and wellness conferences** include *Doctors of BC*, the *West Coast Environmental Health Conference*, the *BC Mental Health and Addictions Conference*, the *Interior Health Symposium*, and the *Canada West Health Leaders Conference*.

9. Expand Local Experience Offerings

Delegates increasingly seek authentic local experiences that allow them to engage with the community beyond the conference setting. Partnerships with local businesses, cultural organizations, and tourism operators can provide:

- **Guided tours** showcasing Penticton's history, wineries, and outdoor attractions.
- **Cultural activities** include Indigenous cultural experiences, art exhibitions, and performances.
- **Exclusive networking events** hosted at unique venues like wineries, breweries, or the waterfront.

10. Introduce Unique Collaboration and Incentive Programs

To further differentiate Penticton as a conference destination, innovative collaboration and incentive programs can enhance the delegate experience, including:

- **Exclusive wellness programs** featuring morning yoga, meditation workshops, or guided jogging tours.
- **A craft brewery and restaurant passport**, encouraging delegates to explore Penticton's seven breweries and diverse restaurant scene while earning rewards.
- **Farmers market cooking classes** in collaboration with the Penticton Farmers Market and local chefs, highlighting fresh, locally sourced ingredients—an ideal offering for agricultural and food-related events.
- **Interactive destination challenges**, such as app-based scavenger hunts, fitness challenges, or culinary trails, with rewards redeemable at local businesses.
- **Themed event suites**, tailored to match conference themes, enhance attendees' overall experience.

- **Pop-up hotel amenities**, such as juice bars for health and fitness expos, adding a unique touch to event hospitality.

By implementing these strategic recommendations, Penticton can further solidify its status as a leading conference destination, attract a diverse range of business events, and increase the economic benefits to the local community.

Conclusion

The findings of this economic impact assessment demonstrate the substantial contribution of the MICE industry to Penticton's economy, reinforcing the importance of conferences, conventions, trade shows, and business events as key drivers of local economic activity. The analysis primarily relies on the 100% Non-Local Model, based on actual survey data, as it best reflects the reality that nearly all MICE attendees travel to Penticton and require accommodations, dining and transportation.

This model estimates a total economic impact of \$98.23 million, significantly higher than the \$80.81 million projects by the 60/40 model, which is included only as an industry benchmark for comparison. The \$17.42 variance between the two models underscores the importance of attracting non-local delegates, who contribute more extensively to accommodation, food and beverage, transportation, and entertainment sectors.

Understanding the Broader Economic Influence

Beyond the numerical impact, the MICE industry fosters long-term benefits for Penticton. Events and conferences help:

- Increase year-round tourism, reducing reliance on peak-season visitors.
- Support local businesses by bringing in attendees who dine, shop, and explore outside event hours.
- Enhance Penticton's reputation as a business-friendly destination, which can lead to repeat visits and word-of-mouth promotion.
- Generate hospitality, transportation, catering, event management, and retail employment opportunities.

As a mid-sized city, Penticton is well-positioned to expand its MICE industry. Leveraging its scenic appeal, modern conference infrastructure, and competitive pricing, Penticton will attract a greater number of high-value business events. While larger cities such as Vancouver may host larger-scale international conventions, Penticton's strength lies in its ability to offer a unique and cost-effective alternative for regional and national conferences.

Implications for Future Growth

The findings in this report emphasize the need for continuous investment in the MICE sector to maintain and enhance its economic contributions. The high percentage of non-local delegates in the survey data suggests an opportunity to capitalize further on out-of-town visitor spending. Additionally, by refining data collection processes—such as tracking delegate length of stay, extended tourism visits, and repeat attendance—future economic impact assessments can be even more precise and actionable.

Penticton's MICE industry is a high-value economic engine that generates substantial direct and indirect financial benefits and plays a critical role in shaping the city's economic resilience. Strengthening MICE-related infrastructure, enhancing marketing efforts, and ensuring a seamless visitor experience will

further solidify Penticton as a premier conference destination, ensuring continued growth and long-term sustainability.

The findings highlight the economic significance of the MICE industry in Penticton. Direct spending (delegate + organizer) ranges between \$45.98 million and \$56.23 million, leading to a total economic impact of up to \$98.23 million.

Key Takeaways

- **Higher Non-Local Attendance Yields Greater Impact:** The 100% non-local model generates a \$17.42M higher impact than the 60/40 model, reinforcing the importance of attracting out-of-town delegates. Given that nearly all MICE attendees in Penticton are non-local, this higher impact is the most accurate representation of the city's conference economy.
- **Hotels and Restaurants Are the Largest Beneficiaries:** The hospitality sector sees the greatest economic gains, with accommodations generating over \$13M in the 100% non-local model.
- **Strategic Investments Can Enhance Economic Returns:** Expanding marketing efforts, improving infrastructure, and offering travel incentives can further strengthen the MICE industry.

Appendix A: Economic Impact Methodology & Calculations

1. Overview of Economic Impact Models

This report evaluates the economic impact of MICE (Meetings, Incentives, Conferences, and Exhibitions) events in Penticton using two models:

A. 60/40 Model (Standard Industry Benchmark)

- Assumes 60% of delegates are non-local and 40% are local
- Non-local delegates generate significant economic impact through accommodation, food, transportation, and shopping.
- Local delegates contribute to spending but do not require accommodations and spend less in other categories.
- This model is widely used in economic impact studies for mid-sized cities and provides a conservative estimate.

B. 100% Non-Local Model (Survey-Based Approach)

- Based on survey data indicating all respondents travelled to Penticton and required accommodations.
- Assumes all attendees contribute across all spending categories.
- This model provides a higher economic impact estimate as all spending is considered new money entering the economy.

2. Breakdown of Delegate Spending Calculations

A. Accommodation Spending

- **60/40 Model:**
 - Total accommodation spending formula: $\text{Total Delegate Count} \times 0.60 \times \text{Average Hotel Nightly Rate} \times \text{Average Length of Stay}$
- **100% Non-Local Model:**
 - Same formula but assumes 100% of delegates require accommodation.
- Extended stays were incorporated using: $\text{Additional Nights Stayed} \times \text{Average Hotel Nightly Rate} \times \text{Percentage of Delegates Staying Longer}$

B. Food & Beverage Spending

- **60/40 Model:**

- Non-local spending: $\text{Total Non-Local Delegates} \times \text{Average Daily F\&B Spend} \times \text{Days Attending}$
- Local spending: $\text{Non-Local F\&B Spend} \times 0.25$ (assumes local spending is 25% of non-local).
- Extended stay food spending included for non-local delegates using: $\text{Additional Days} \times \text{Average Daily F\&B Spend}$

- **100% Non-Local Model:**

- Same formula as non-local spending in 60/40 but applied to **all** delegates.

C. Transportation Spending

- **60/40 Model:**

- Non-local transportation: $\text{Total Non-Delegates} \times \text{Average Transportation Spend}$
- Local spending: $\text{Non-Local Transportation Spend} \times 0.15$
- Extended stay transportation costs: $\text{Additional Days} \times \text{Average Transportation Spend per Day}$

- **100% Non-Local Model:**

- Same as 60/40 non-local transportation, applied to all delegates.

D. Shopping & Entertainment Spending

- **60/40 Model:**

- Non-local shopping & entertainment: $\text{Total Non-Delegates} \times \text{Average Shopping \& Entertainment Spend}$
- Local spending: $\text{Non-Local Shopping Spend} \times 0.12$
- Extended stay spending: $\text{Additional Days} \times \text{Average Shopping \& Entertainment Spend Per Day}$

- **100% Non-Local Model:**

- Same as non-local spending in 60/40, applied to all delegates.

3. Per Delegate Per Day Spending

The calculation of per delegate spending follows a straightforward equation:

Per Delegate Per Day Spending = $\frac{\text{Total Delegate Spending}}{\text{Total Room Nights}}$

Where:

- **Total Delegate Spending** includes expenditures on accommodation, food and beverage, transportation, shopping, and entertainment.
- **Total Room Nights** represents the total number of nights booked by delegates, serving as a proxy for total delegate-days in Penticton.

4. Conference Organizer Spending & Economic Impact

- Due to rounding, some totals may not add up precisely when summed from individual components. The calculations were performed using exact values before rounding, so minor differences in displayed totals are expected but do not impact overall conclusions. For example, conference organizer spending for catering and food & beverage was originally calculated at \$8,823,964.50, with the average per event being \$18,193.74 based on 485 events. However, rounding the average cost per event to \$18,194 results in a slightly different total that does not match exactly. This shows how rounding small numbers can create minor discrepancies in overall calculations without impacting overall conclusions.
- Organizer spending formula: Total Events x (Venue Rental + Catering + Marketing + Offsite Services)
- Unlike delegate spending, organizer spending remains the same in both models.
- The variability of rotating conventions is considered in the analysis to ensure that economic impact estimates do not double-count or misattribute spending between venues over multiple years.

5. Applying Economic Multipliers

Economic multipliers estimate the total economic impact, including direct, indirect, and induced effects.

- **Delegate Spending Multiplier: 1.7** (For every \$1 spent, \$1.70 circulates in the economy.)
- **Organizer Spending Multiplier: 1.8** (For every \$1 event organizers spend, \$1.80 circulates.)

Example Calculation (60/40 Model):

- **Total Delegate Spending:** 19,608,828 x 1.7 = 33,335,007
- **Total Organizer Spending:** 26,376,890 x 1.8 = 47,478,402
- **Total Economic Impact:** 33,335,007 + 47,478,402 = 80,813,409

Example Calculation (100% Non-Local Model):

- **Total Delegate Spending:** $29,853,139 \times 1.7 = 50,750,336$
- **Total Organizer Spending:** $26,376,890 \times 1.8 = 47,478,402$
- **Total Economic Impact:** $50,750,336 + 47,478,402 = 98,228,738$

6. How Extended Stays Were Incorporated

Extended stays significantly increase the total economic impact by:

- Raising accommodation revenue with additional room nights.
- Increasing food & beverage spending beyond conference days.
- Boosting shopping and entertainment expenditures.
- Extended stays were only applied to non-local delegates in both models, as local attendees are assumed to return home after the event.
- The extended stay effect was incorporated into each category (Accommodation, Food & Beverage, Transportation, Shopping & Entertainment) but was excluded from local spending.

Appendix B: Understanding the Sensitivity Analysis Scenarios

The total economic impact of conferences and events depends on how spending circulates through the economy, but multiple factors influence this circulation. Sensitivity analysis accounts for different economic conditions by applying different multipliers to delegate spending and organizer spending to model possible variations in impact.

In general, higher multipliers indicate stronger economic activity, meaning that each dollar spent by delegates and organizers leads to greater secondary spending in the local economy. Conversely, lower multipliers indicate weaker economic activity, meaning that a smaller proportion of spending remains in the region or generates additional business activity.

The three scenarios in the sensitivity analysis represent different economic conditions:

1. Conservative Scenario (Lower Bound) – Weaker Economic Conditions

- Total impact: \$86.98M (100% non-local model), \$71.61M (60/40 model),
- This scenario assumes that spending does not circulate as strongly through the economy.
- Potential reasons for this lower impact:
 - More spending "leaks out" of the local economy (e.g., event suppliers purchase goods/services from outside Penticton).
 - Limited job creation from event-related spending.
 - Reduced visitor spending beyond the event (fewer extended stays, lower discretionary spending on shopping/dining).
 - A weaker local business network that cannot fully capture event-driven demand.

2. Baseline Scenario – Standard Economic Conditions (Used in Report)

- Total impact: \$98.23M (100% non-local model), \$80.81M (60/40 model),
- This is the most likely scenario, based on average economic conditions and standard industry multipliers.
- It assumes moderate local business participation, typical visitor spending behaviour, and a well-functioning supply chain where local businesses benefit from both direct and indirect event spending.

3. Optimistic Scenario (Higher Bound) – Stronger Economic Conditions

- Total impact: \$117.74M (100% non-local model), \$97.24M (60/40 model)
- This scenario assumes high local business engagement and strong secondary economic effects.

- Potential reasons for this higher impact:
 - Local businesses fully absorb event-related demand (e.g., hotels, restaurants, retailers see strong revenue increases).
 - Conference attendees spend beyond the event itself—extending their stay, visiting additional attractions, and spending more per day.
 - Local suppliers are well-integrated into the economy, spending more within Penticton rather than "leaking" to outside vendors.
 - Higher employment levels in tourism, hospitality, and event services, leading to more induced spending as employees reinvest their wages locally.

Why This Matters

This sensitivity analysis helps stakeholders prepare for different economic scenarios by showing the range of possible outcomes.

- If economic conditions weaken, event-driven spending might not circulate as widely, reducing the overall impact.
- If conditions strengthen, the economic benefits could be even greater than expected.

This analysis provides data-driven insight into how economic conditions can shape the financial return from conferences and business events in Penticton for event organizers, policymakers, and tourism officials.