

November 2016

- Cost: \$2.8 million Tourism Kelowna is responsible for raising or borrowing all the funds required to build the project.
- The City of Kelowna is *not* contributing funds to construct the building.
- City of Kelowna retains ownership of the land and is supporting Tourism Kelowna through a lease, contingent on successful rezoning.
- The visitor centre has been realigned so it now sits entirely outside the Sawmill Community Trust Area commonly known as the Simpson Covenant.
- It will be 3,000 sq. ft. in size and completely dedicated to serving visitors and residents of Kelowna. The 2,000 sq. ft. second floor administration space *has been removed*, making it 40 per cent smaller than the March proposal. Tourism Kelowna will continue to rent separate space for its administrative offices.
- The building will be set back from the water's edge allowing for the expansion of the waterfront area between Stuart Park and Kerry Park with new, landscaped public space to more than twice the width (15 metres) of the one in front of the Yacht Club (7 metres).
- Its design will create a concept that attracts people and communicates Kelowna's sense of place and heritage.
- It will be designed for pedestrians and not vehicular traffic.
- **Features include:**
 - Interactive and storyboard displays to educate visitors about Kelowna's heritage, the scope of attractions and encourage discovery of the destination,
 - Personal trip counselling services,
 - Sales area supporting local Kelowna businesses and cultural community including souvenirs, branded merchandise, local artisan products, and ticket sales for entertainment, attractions, tours, and cultural events, and
 - Public washrooms.
- It will complement the new marina, yacht club, park and other downtown improvements adding a beautiful public amenity.

Benefit of Tourism to Kelowna* *Please note: updated economic impact data will be available early January 2017*

- 1.5 million visitors annually
- 7,100 direct jobs
- \$176 million in direct wages
- \$279 million in visitor spending annually
- \$335 million direct GDP
- \$653 million in total direct economic output
- \$100 million in tax revenues generated

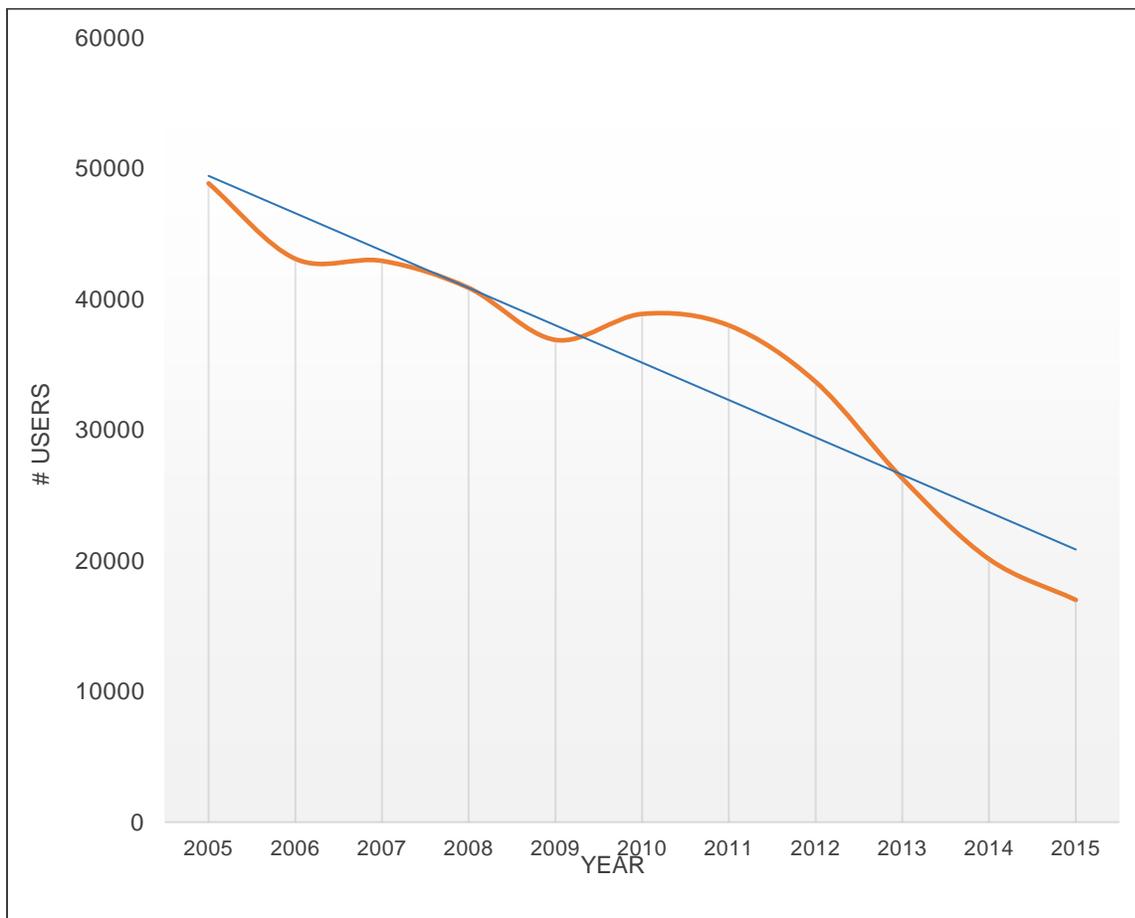
**Source: 2011 Economic Impact Study conducted by InterVistas Consulting Group*

The Business Case for a Relocated Visitor Centre

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- The City of Kelowna has identified a new visitor centre as a Council Priority.
- A visitor centre allows destinations to put their best foot forward encouraging discovery and a deeper connection with the destination. Visitor centres provide a human touch to travellers coming to a new place.
- By providing ideas and tips when visitors need help the most, visitor centres increase visitor enjoyment, encouraging return trips, longer trips and boost spending at local businesses.
- Over time, increased spending by visitors creates more jobs and higher tax revenues.
- Visitor centres are moving off highways and into busier pedestrian areas to provide better service to more visitors as the advent of GPS has made highway-based visitor centres obsolete.
- According to the benchmarking “2013 Visitor Information Centres Study” conducted by the Destination Marketing Association International, 78 per cent of visitor centres within Tourism Kelowna’s budget category have moved into downtown areas.
- Our visitor centre business model has to change. Usage in Kelowna is dropping rapidly (see chart below). This represents a large and growing missed economic opportunity.

Kelowna Highway Visitor Centre Users



- Victoria's visitor centre, which has a downtown location comparable to the one proposed by Tourism Kelowna, has 350,000 visitors annually. Kelowna's visitor centre has 20,000 visitors.
- Current pedestrian traffic along the Kelowna waterfront is measured at more than 440,000 people annually, more than 1,200 people per day.
- Visitor centres are not just for tourists. If well-located, they also become a resource for residents entertaining visiting friends and family.
- Research shows younger people utilized visitor centres because they don't trust online sources (see Study 1 below). This means visitor centres have a role now and into the future. They prefer self-contained standalone structures, not part of another building or in a mall.
- Location is critical (See study 2 below) and shows a doubling of visits by moving to high foot traffic locations. Those that visit a visitor centre stay twice as long and spend more (see Study 2 below).
- Visitor centres have a positive economic impact on a region or community (see Study 3 below).
- The Destination Marketing International Survey (see Study 4 below) showed strong growth in walk-ins to visitor centres in North America which are located in busier pedestrian areas.

Research Full documents available upon request

Study 1. 2014 - Preferences for tourist information centres in the ubiquitous information environment; Seong Ok Lyu & Hoon Lee, Division of Tourism, Dongseo University, Busan, Korea; School of Tourism, Hanyang University, Seoul, **Korea**

Key Findings: (note – Korea is a highly technologically-advanced and connected society)

- An important implication from our findings is that tourists are still open to visiting TICs (Tourist Information Centres) to obtain various types of travel information despite the wide dissemination of alternative information technologies.
- This finding provides empirical evidence that younger Korean domestic tourists likely accustomed to utilising diverse mobile devices showed greater preferences for TIC visits than older people.
- Respondents herein were most in favour of visiting TICs constructed as self-contained structures, whereas they were least interested in visiting booth-styled TICs inside larger buildings (shopping centres, museums).
- Our respondents were likely eager to visit TICs in order to check the quality and reliability of travel information already acquired.
- While there exists remarkable progress in the field of information communication technology, this finding suggests that the conventional tourism facilities are still important promotional components that play a key role in determining tourist behaviours.
- Despite the advent of the ubiquitous information era, Xiang and Gretzel (2010) noted that a sizeable number of tourists disclosed significant dissatisfaction and confusion over travel information gained from Internet sources. Accordingly, we can infer that our respondents were likely eager to visit TICs in order to check the quality and reliability of travel information already acquired.

Summary: Tourists, particularly younger, connected ones, do not fully trust the quality and reliability of online information and so look for independent confirmation from a trusted source – the Visitor Information Centre. They have an important role now and in the future, and have a positive impact on visitors.

Study 2. 2014 - The Future of Visitor Centres in **Western Australia**, 82 Western Australia Visitor Centre study participants

Key findings and implications for the future (those pertinent to Tourism Kelowna project listed):

- Visitors have very clear expectations about a visitor centre's role and the features they require.

- Visitor centres are an important engagement channel with a highly valuable segment of traveller.
- Location plays a key role in overall visitation.
- Whatever extended roles are defined for visitor centres, the foundation expectation of visitors – to provide unbiased information and a professional service – must be met at all times.
- Any visitor centre strategy must include location as an explicit consideration, along with an understanding of the potential uplift benefits of high-visibility, high-footfall locations.
- Technology is unlikely to render visitor centres redundant, but it does present opportunities for new attraction, engagement and information provision channels if resourced and managed correctly.

Visitor centres are an important engagement channel with a highly valuable segment of traveller

Although currently only 10 per cent of domestic visitors use a visitor centre, those who do visit stay more than twice as long as those who don't. Based on average spend data, this group of visitor centre users represents nearly one quarter of the total spend in WA for domestic travellers.

Table 1 – Visitor Centre Users versus Non-Users Spend and Stay

User of VC	Non-user of VC
Average spend \$1,766	Average spend \$774
Average length of stay 14	Average length of stay 6

Location plays a key role in overall visitation

Through face-to-face interviews at visitor centres across the State, the observed variance in physical location was distinct, ranging from:

1. Major highway
2. Main street
3. Off main street, with approach signage
4. Off main street, without approach signage
5. Co-located with attraction
6. Co-located with community service – (e.g. library, CRC)

The location is critical to visitation. Anecdotal feedback based on visitor centres that have moved from off-main street to main street locations points to an almost immediate doubling of visitation. In this way, location selection and signage are equally powerful in driving visitation and must be considered as part of the strategic focus of each centre.

“Any visitor centre strategy must include location as an explicit consideration, along with an understanding of the potential uplift benefits of high-visibility, high-footfall locations.”

Study 3. 2015 - Economic Impact Analysis of the i-SITE Network in New Zealand, Auckland Tourism, Events and Economic Development, **New Zealand** (Note: i-SITE is the branded name for New Zealand's Information Centres)

Concluding Remarks:

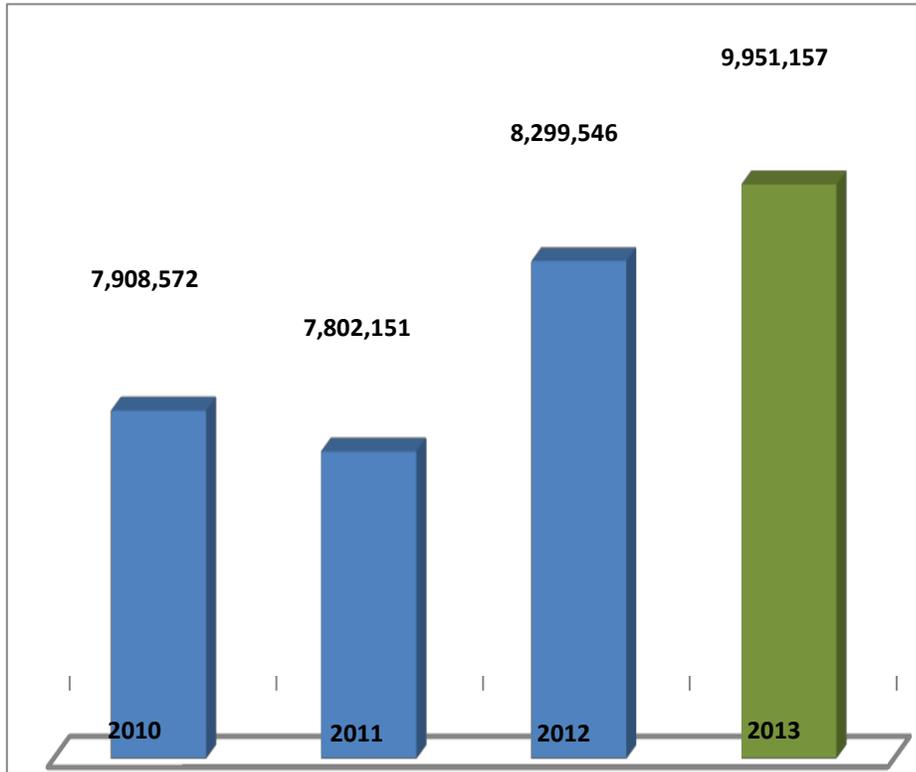
“Tourism is one of New Zealand's key sectors and the i-SITE network is an important component in this industry. ***The core benefit of i-SITEs is that they improve the visitor experience thereby unlocking spending.*** This spending creates a series flow on effects. Most of these effects are felt within at a regional level but due to interregional trade patterns, some effects and benefits are felt in other regions.

Despite the constraints of the modelling techniques used in this study and the issues encountered during the primary research phase, it is clear that the i-SITE network is making a positive economic contribution.

This research did not consider the non-monetary impacts of the i-SITES and the network. These impacts may be substantial and could create wider economic effects arising from the social value of an i-SITE in a small community as it can be viewed as an important community facility. Other effects not included in this assessment include: the effects of future, return visits and the potential marketing value of i-SITES. If these effects were to be included in the assessment it would, in all likelihood, increase the economic value of the i-SITE network.”

Study 4. 2013 DMO Visitor Information Centers Study, Destination Marketing Association International, 284 **USA and Canada** respondent tourism organizations

User Trends: Walk-ins to Visitor Centres



**Source: 2013 DMO Visitor Information Centers Study, Destination Marketing Association International, 284 Visitor Centre respondents*