THE 2016 FRANCHISE REPORT

THE MAGAZINE FOR HOTEL EXECUTIVES TO ANUARY FEBRUARY 2016 \$20

AHEAD OF

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DOUBLE STANDARD

The dual-branded model becomes an attractive option

DIGITAL

Marketing mavens show how to optimize social-media channels

Weathering the STORM

e Nita Lake Lodge braves the new economic climate by catering to U.S. travellers

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SWEET RE

THE LOW DOLLAR IS DRIVING TOURISM TO THE



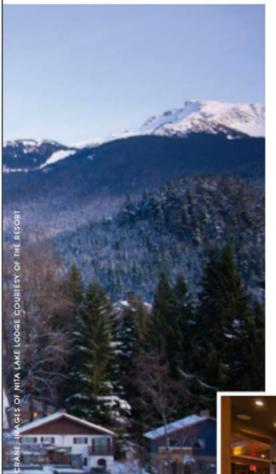
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TREATS

STORY BY DENISE DEVEAL

CANADIAN RESORT-AND-LODGE SECTOR



hatever the competitive landscape, resorts and lodges continue to hold their own as a go-to option for corporate and group events, as well as coveted retreats for tourists seeking a full-service, one-of-a-kind experience.

"The nature of the business is that it has a very strong leisure focus and seasonality," says Brian Stanford, senior managing director at CBRE Hotels in Toronto. But, the sector only accounts for 30,000 of the 400,000 available rooms in Canada. "There are more rooms in Toronto alone than all the resorts in Canada combined," he adds.

Occupancy tends to skew lower than the overall average, largely because of the seasonality of the industry. For example, resort occupancy has grown from 54 per cent in 2013 to 59 per cent

in 2015, compared to a relatively steady 64-per-cent rate across all segments. Stanford believes occupancy could reach the low 60-per-cent range in 2016. "That's probably as healthy as it can be."

On the plus side, visitors are spending more. ADR has increased from \$192 to \$210 over the past three years, a stronger rate of growth than the overall market, whose ADR increased from \$133 to \$143 during the same period.

Resorts in Western Canada have shown the most significant growth from both an occupancy and rate standpoint, Stanford notes. "This year, higher-end destinations like Banff and Lake Louise have experienced one of their best years over the past decade."

The drop in the Canadian dollar has attracted international travellers to the resort-and-lodge sector, as





FULL HOUSE It's not just amenities such as basalt gas fireplaces and bathrooms with soaker tubs driving record-breaking occupancy at the Nita Lake Lodge (pictured), it's also the low loonie and increased exposure in U.S. markets