

A Comparative Analysis on Business Sustainability in Kelowna and Abbotsford

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Introduction



Business sustainability refers to conducting operations in a way that is economically profitable while also being socially conscious. It emphasizes a long-term approach, ensuring community development as well as building local resiliency.

Objective

This poster compares the economic aspects of business sustainability of Kelowna and Abbotsford and suggests key areas for growth.

Why is Business Sustainability Important?

Business Sustainability is a critical factor in ensuring regional economic development. In order to build resilient communities, businesses need to operate in ways that ensures future generations can continue to be economically sustainable.



Key Metrics to Measure Business Sustainability

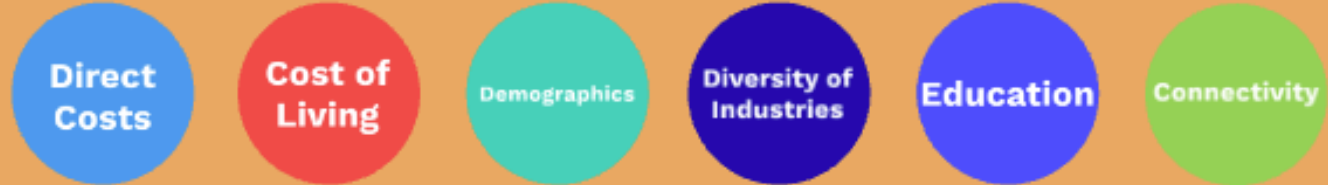
Critical metrics for assessing the business sustainability of a city include an assessment of:

- Factors impacting businesses such as labour statistics and transportation.
- Costs of living for business owners and employees

Along with taking a holistic view of:

- Demographics and their preferences
- Availability of education and training
- The diversity of businesses and industries
- Connectivity, networking and funding oppourtunities etc.

All of these indicators together give insight into the business sustainability of individual cities and can help decision makers identify areas for improvement and plan for progress toward business sustainability.

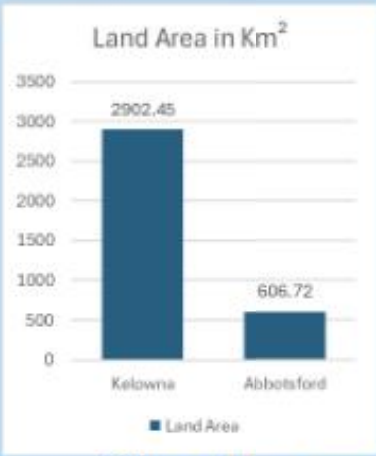


Kelowna (MPA): Context

Located on the traditional lands of the syilx (Okanagan) people

The city of orchards and wineries is located in British Columbia, is Canada's fastest growing and most entrepreneurial region according to the Central Okanagan Economic Development Commission ([COEDC], 2023). Kelowna boasts 1,949 hours of annual sunshine and proximity to 200 freshwater lakes (COEDC, 2023), making it the home of choice for many retirees. The area is also home to an international airport, award-winning wineries, and is within 3 hours of 5 ski resorts attracting residents for its ability to offer a balanced lifestyle.

Data Source: Central Okanagan Economic Development Commission, 2023



Population Density
Kelowna: 76.5
Population Density
Abbotsford: 322.6

Data Source: Statistics Canada, 2021 Census

Kelowna Labor Force - December 2024

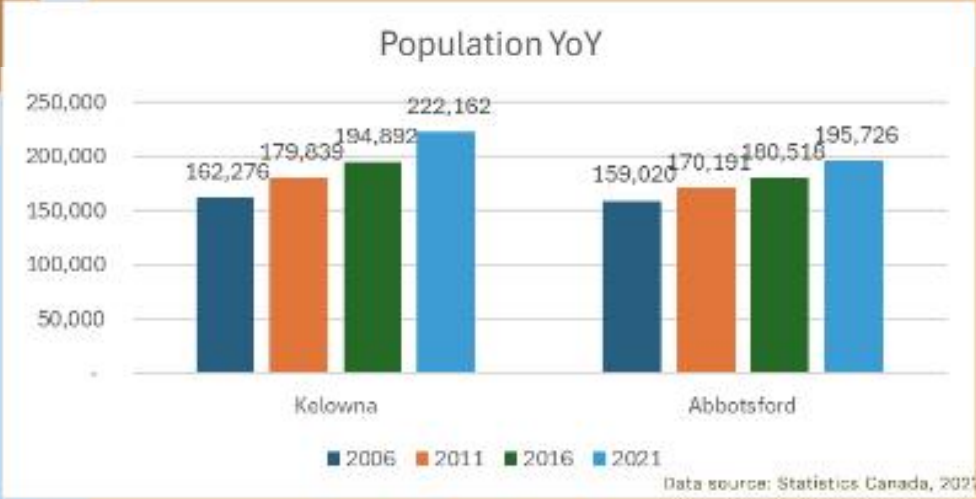


Data Source: Statistics Canada, 2024

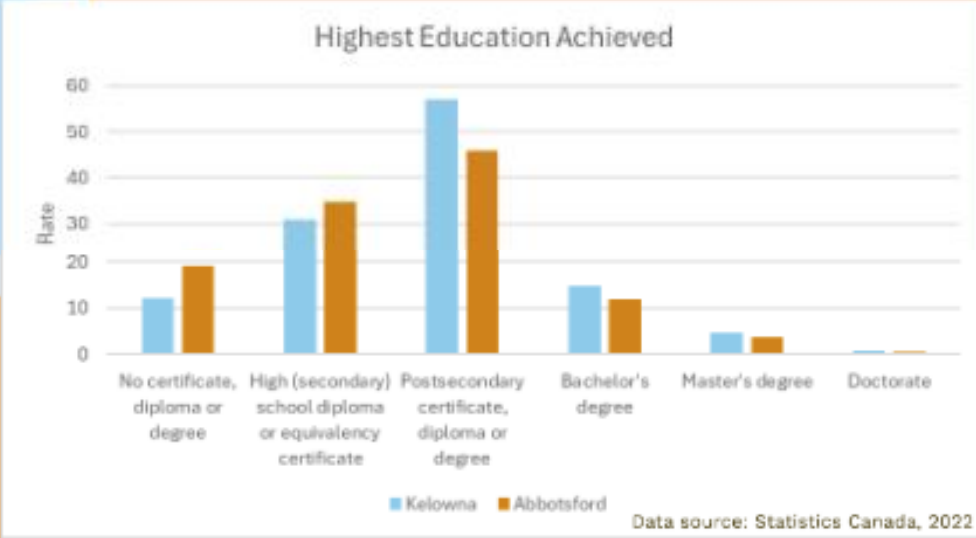
Feature	Kelowna	Abbotsford
Airport	(YLW) - 2M+ passengers annually	(YXX) - 1M passengers annually
Major Transportation Routes	4 major transportation routes connecting major cities	3 major highway connections
Education	UBC - 11,913 students	UFV - 15,116 students + 5 Trades training centers
Median Income	\$48,800	\$44,600
Median Household Income	\$82,500	\$78,300
Libraries	Headquarters of Okanagan Regional Library (30 branches)	2 public library branches
Parks & Recreation	200+ parks, 30 public beaches	157 parks, 12 public recreational areas

Data from Kelowna International Airport and Abbotsford International Airport 2023, Statistics Canada 2021, BC Ministry of Transportation 2023, UBC Okanagan Institutional Report 2022, UFV Institutional Report 2022, Okanagan Regional Library System 2023, Fraser Valley Regional Library 2023, City of Abbotsford Parks Department 2023, City of Kelowna Parks Department 2023

Comparison of Demographics



Data source: Statistics Canada, 2022



Data source: Statistics Canada, 2022

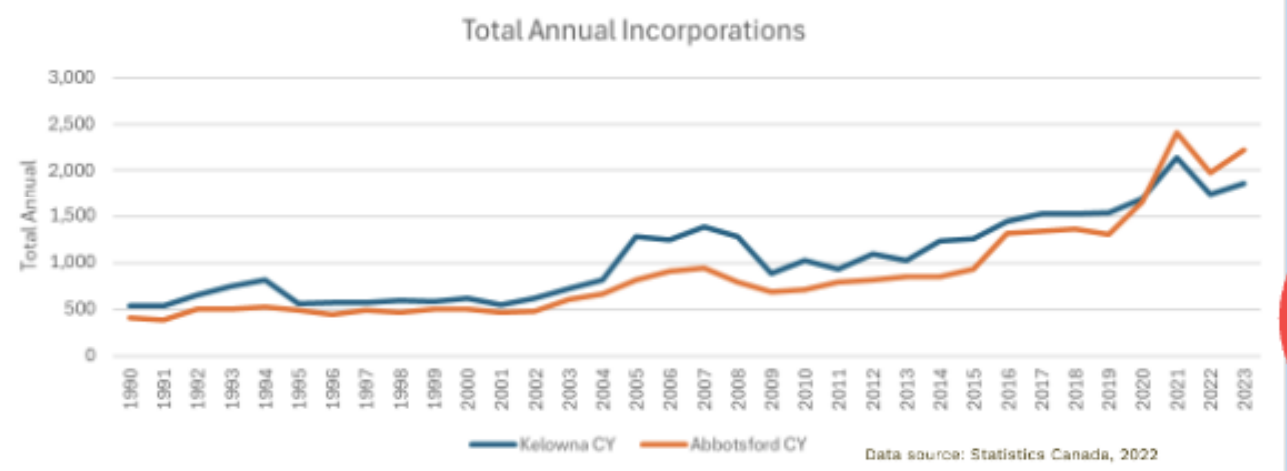
Kelowna and Abbotsford have similar sized populations but the education levels and relative distribution of ages have variations. Kelowna, has a relatively larger retired population and a larger proportion of people with post-secondary eduation. Both cities have experienced significant population growth since 2006 which is indicative of their robust economies and business environments.



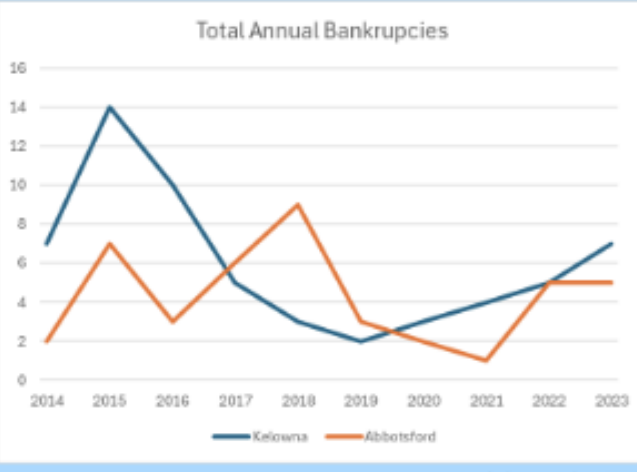
Data source: Numbeo, n.d.

Bankruptcies and Incorporations

Looking at relative incorporations and bankruptcies, Abbotsford shows a more resilient economy over the 2008 recession and a larger boom in incorporations post COVID19. Bankruptcy data, available from 2014 to 2023 show a max annual bankruptcies of 14 in 2015 in Kelowna and 9 in 2018 in Abbotsford. Given large amounts of incorporations in these years (1,271 in Kelowna in 2015 and 1,366 in Abbotsford in 2018) there are no concerns pertaining to the bankruptcy spikes.



Data source: Statistics Canada, 2022



Data source: Statistics Canada, 2022

2021 Small Business Walk Kelowna Survey of 2011 Businesses



Key Takeaways

- Both cities have a diversity of industries and are experiencing growth.
- Kelowna is growing marginally faster and has a more educated and older average population.
- However, in contrast to land area, population density in Abbotsford is much more than Kelowna.
- Abbotsford has slightly better connectivity to outside markets.
- They both have similar economic development initiatives in place prpbably due to provincial regulations.
- Both the locations were predisposed to fast growth according to locations theory.

Recommendations/ Areas to Focus

Given the data presented here, both cities demonstrate business sustainability. Abbotsford could increase its business sustainability and self reliance through further diversifying it's economy and future development initiatives. Abbotsford should assess the business challenges, change in the business sustainability requirements in the key industres.



Trends in Industry

Top Industries in Kelowna 2021	Rate	Top Industries in Abbotsford 2021	Rate
Health care and social assistance	14.0%	Health care and social assistance	11.2%
Retail trade	12.7%	Retail trade	11.4%
Construction	11.5%	Construction	11.4%
Professional, scientific and technical services	8.0%	Manufacturing	9.2%
Accommodation and food services	7.4%	Transportation and warehousing	8.3%

Data source: Statistics Canada, 2022

Both cites have a diverse set of industries with healthcare and social assistance, retail trade, and construction with the largest precentages of employees. Kelowna's 4th and 5th largest industries however, are in professional services and in accomodation/food services whereas Abbotsford's 4th and 5th largest industries are in manufacturing and transportation/warehousing. These trends are consistent from 2011 to 2021 (Statistics Canada, 2022).

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