Canadian Tourism Commission
Commission canadienne du tourisme

Travel Characteristics Q1 2010

Canada

Travel Characteristics Q1 2010

This publication provides an in-depth overview of the travel characteristics of the Canadian Tourism Commission's key international markets with, a focus on the average spend per night in Canada, CTC's yield performance metric. The report is primarily based on data and figures from Statistics Canada's International Travel Survey.

For more data and market information on CTC key markets visit:

www.canada.travel/research (Research & Intelligence)

Key Highlights

- In the first three months of 2010, there was a 1.0% increase in the total spending by all inbound travellers to Canada, with the average spend per trip growing 1.5% to $798.
- There were improvements in the US leisure travel market, with increases in the average spend per trip and per night of 6.3% and 4.9% respectively over the same period in 2009.
- In Q1 2010, China (+5.2%), Brazil (+3.0%), UK (+2.5%), France (+0.9%) and Germany (+0.2%) posted gains in the average spend per night. All other CTC markets registered declines.

Overview of overnight Travel Characteristics from CTC key markets

Q1 2010

Table 1 Travel Characteristics from key international CTC program sector areas

	Trips ‘000	10/09 Q1 %	Spending $ M	10/09 Q1 %	Average trip Duration (nights)	10/09 Q1 %	Average Spend per Trip	10/09 Q1 %	Average Spend per Night	10/09 Q1 %
Americas	1580.8	-3.1%	843.5	-2.6%	3.6	-6.0%	534	0.5%	147	7.0%
European	216	-6.4%	290.4	1.8%	13.4	-4.2%	1,346	-4.4%	100	-0.2%
Asia/Pacific	124	-1.6%	209.3	1.4%	23.4	-0.4%	1,690	-0.2%	72	0.2%
Emerging	35	-14.6%	51.1	14.9%	20.3	-1.6%	1,447	0.2%	71	1.9%
Total Key Markets	**1,956**	**-1.6%**	**1,394.3**	**-0.6%**	**6.3**	**-1.6%**	**713**	**1.0%**	**114**	**2.6%**
Other Countries	**241**	**8.8%**	**359.0**	**7.4%**	**17.2**	**-11.2%**	**1,490**	**-1.3%**	**87**	**11.2%**
Total Countries	**2,197**	**-0.5%**	**1,753.4**	**1.0%**	**7.5**	**-2.7%**	**798**	**1.5%**	**107**	**4.3%**

Source: Statistics Canada, International Travel Survey, preliminary estimates
*Americas Key Markets include the U.S. and Mexico
*Asia/Pacific Key Markets include Japan, South Korea, China and Australia
*European Key Markets include the U.K., France and Germany
*Emerging Key Markets include Brazil and India

- In the first quarter of 2010, Canada saw signs that inbound travel and travel-related spending were on the mend. Emerging markets (India and Brazil) led the pack in growth for both trip arrivals (+14.6%) and total spend (+14.9%) when compared with the first quarter of 2009;

- In the first three months of 2010, Europe ranked as the second highest, among CTC key regions, for visitor spending in Canada. On average, visitors from CTC European markets spent 13 nights in Canada, spending $100 per night, a moderate 0.2% decline compared with the same period in 2009;

- In Q1 2010, spending by Asia/Pacific markets in Canada improved by 1.4% to $209.3 million. This lift reflected the combined impact of more visitors from these markets coupled with an increase in the average visitor spend per night.

Travel Characteristics of overnight visitors from the Americas Q1 2010

Table 2 Travel Characteristics from Americas overnight visitors to Canada

	Trips '000	10/09 Q1%	Spend $ M	10/09 Q1%	Average Trip Duration (nights)	10/09 Q1%	Average Spend per Trip	10/09 Q1%	Average Spend per Night	10/09 Q1%
United States Leisure										
Automobile	795	-6.3%	262.1	-3.6%	2.9	-3.1%	330	2.9%	112	6.1%
Plane	274	7.2%	208.9	12.1%	5.2	7.3%	764	4.6%	147	-2.5%
Other	90	6.6%	37.2	16.7%	2.8	-4.6%	411	9.5%	145	14.7%
U.S. Leisure Total	1,159	-2.5%	508.1	3.7%	3.5	1.4%	439	6.3%	127	4.9%
Total U.S. MC & IT	402	-1.2%	304.7	-3.4%	3.1	5.5%	758	-2.2%	246	-7.3%
Total U.S.	1,560	-2.2%	812.8	0.9%	3.4	2.3%	521	3.1%	155	0.8%
Mexico	20	-44.6%	30.7	-49.3%	24.7	-15.4%	1,507	-8.6%	61	8.0%
Americas Total	**1,581**	**-3.1%**	**843.5**	**-2.6%**	**3.6**	**-6.0%**	**534**	**0.5%**	**147**	**7.0%**

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In Q1 2010, the overall downward trend in spend for the Americas (the U.S. and Mexico) subsided by 2.6% declining to $843.5 million. The average spend per trip also increased by 0.5% and spend per night was up 7.0% reaching $147;
- In the first quarter of 2010, US spending rebounded, increasing by 0.9% to $812.8 million when compared with the same period in 2009. This improvement was largely driven by improvements in the average spend of US leisure travellers. However, business-travel-related spend continued to weaken through the first quarter of 2010;
- From January to March 2010, the number of pleasure travellers remained constant, almost unchanged (-0.1%) over the same period in 2009. The decline in business travel slowed, falling by 1.9% and there was a slight growth in travellers visiting friends and family (VFR). There was a 20.2% decline among the relatively small number of "other" purpose travellers (138,800 in Q1 2010). This segment includes travel by students and personal travel such as weddings (refer to Chart 1).

Chart 1 U.S. visitor arrivals by main trip purpose Q1 2010

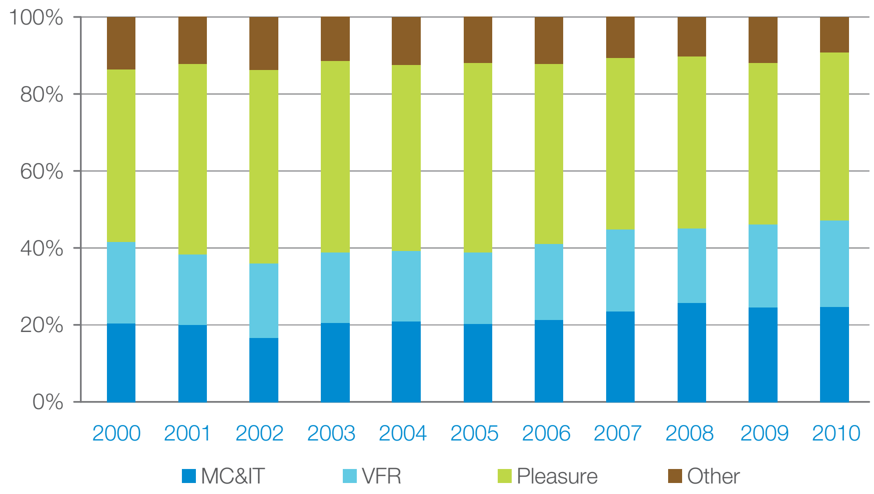
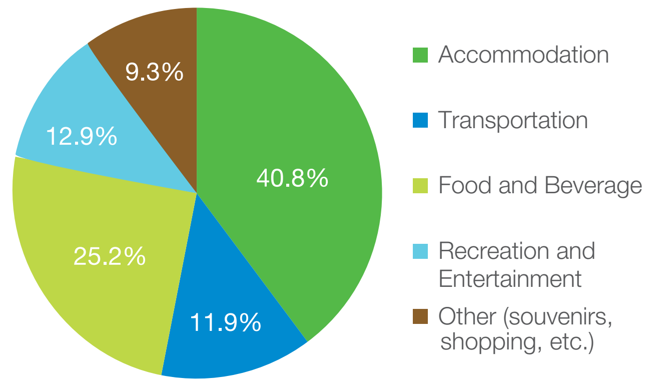


Chart 2 U.S. total overnight spend Q1 2010



U.S. leisure travel characteristics

(refer to Table 2)

- In the first three months, 74.3% of Americans visited Canada for leisure; within this segment of the US market, there were notable improvements in the average spend per trip (+6.3%) and spend per night (+4.9%), over 2009.

U.S. MC&IT travel characteristics

(refer to Table 2)

- In Q1 2010, the decline in business travellers spend softened, falling 3.4% to $304.7 million over the Q1 year 2009. The average length of stay for an MC&IT visitor in Q1 2010 increased by 5.5% to three nights, contributing to the average spend per trip contracting by 2.2% to $758.

Mexico

(refer to Table 2)

- Mexico continued to post declines in total visitor spending, down 44.6% in the first three months of 2010. The average trip duration of Mexican visitors to Canada during this period declined by 15.4% to 25 days, influencing an 8.0% lift in the average spends per night to $61.

Table 3 Key U.S. states travel characteristics

Key U.S. Regions	Trips '000	10/09 %Q1	Spend $ M	10/09 %Q1	Average Trip Duration (nights)	10/09 %Q1	Average Spend per Trip	10/09 %Q1	Average Spend per Night	10/09 %Q1
New York	235	-9.6%	78.3	-14.6%	2.4	-13.1%	332	-5.9%	139	8.0%
California	96	15.7%	68.9	13.7%	4.7	-1.1%	717	-1.5%	154	-0.4%
Pennsylvania	60	-9.1%	30.6	-3.5%	2.9	-4.6%	514	7.1%	176	12.2%
Massachusetts	66	1.5%	28.4	11.5%	3.7	9.9%	433	10.5%	118	0.4%
Illinois	54	8.0%	36.9	9.1%	3.6	-4.0%	679	0.3%	189	4.3%
New Jersey	44	-2.2%	31.7	26.1%	4.2	16.2%	716	27.4%	173	9.7%
Texas	27	-18.2%	26.7	-9.9%	6.0	57.3%	970	8.2%	163	-31.2%
Connecticut	28	21.7%	17.0	21.5%	3.5	3.6%	610	1.9%	174	-1.7%
District of Columbia	5	-16.7%	4.1	-10.9%	4.2	15.8%	878	12.0%	207	-3.4%
Total U.S. Key States	615	-2.5%	322.5	1.9%	3.4	2.2%	524	4.5%	155	2.3%
Total U.S.	**1,560**	**-2.2%**	**812.8**	**0.9%**	**3.4**	**2.1%**	**521**	**3.1%**	**155**	**0.8%**

Source: Statistics Canada, International Travel Survey, preliminary estimates

- Key US states represented 39.4% of total US trips to Canada, and 39.7% of total travel related spending during 2009. The average spend per night was $155 with the District of Columbia posting the highest average spend per night ($207) and Massachusetts the lowest ($118);
- After registering overall declines in trip volumes and spending in 2009, California saw growth in both of these areas in the first three months of 2010 with a 15.7% jump in trip arrivals and a 13.7% increase in spending;
- From January to March 2010, Illinois became the second highest US state for average spend per night after a 4.3% increase to $189. In addition, Illinois also posted gains in the number of trips and total spend in Canada up 8.0% and 9.1% respectively, compared with Q1 2009.

Table 4 Travel Characteristics of U.S. provincial visits

	Province Visits	10/09 %Q1	Spending $M	10/09 %Q1	Average Trip Duration (nights)	10/09 %Q1	Spend per Visit	10/09 %Q1	Spend per Night	10/09 %Q1
Newfoundland	6,200	106.7%	7.9	210.5%	8.3	148.7%	1271	50.2%	153	-39.6%
Prince Edward Island	2,500	-7.4%	1.6	-20.5%	9.1	50.1%	634	-14.1%	69	-42.8%
Nova Scotia	11,000	5.8%	6.4	12.2%	4.7	10.8%	580	6.1%	123	-4.2
New Brunswick	13,000	-8.5%	3.4	-43.0%	3.6	-19.2%	258	2.7%	71	-22.9%
Québec	268,600	-0.1%	166.3	2.5%	3.6	4.0	619	2.7%	170	-1.3%
Ontario	696,700	-10.5%	264.7	-12.4%	2.6	-4.4%	380	-2.1%	146	2.4%
Manitoba	29,300	12.3%	13.1	-0.7%	2.7	-29.1%	449	-11.6%	169	24.7%
Saskatchewan	13,200	10.0%	7.5	56.2%	4.1	-13.5%	565	42.0%	137	64.2%
Alberta	95,600	-13.3%	68.6	-13.3%	4.0	6.1%	717	0.1%	177	-5.7%
British Columbia	450,800	10.5%	269.8	19.3%	3.9	7.8%	599	7.9%	154	0.1%
Yukon	7,500	38.9%	1.6	71.7%	1.5	-22.6%	211	23.7%	138	59.8%
Northwest Territories	1,300	-48.0%	2.0	-24.9%	3.0	0.0	1550	44.4%	517	44.4%
Total	**1,595,700**	**-2.8%**	**812.8**	**0.7%**	**3.3**	**2.7%**	**509**	**3.6%**	**155**	**0.8%**

Source: Statistics Canada, International Travel Survey, preliminary estimates

- The average spend per night by US province visitors improved by 0.8% in Q1 2010, with Saskatchewan, Yukon and the Northwest Territories seeing significant increases of 64.2%, 59.8% and 44.4% respectively over the same period in 2009;
- During the first quarter of 2010, British Columbia posted a notable 19.3% jump in the total spending by US visitors, accounting for 33.2% of the total US overnight traveller spend in Canada. The average spend per trip grew by 7.9% to $599 with the average trip duration also growing by 7.8% to approximately four nights;
- From January to March 2010, US visitors spent $5.4 million more during their visits to Newfoundland and Labrador than they did during the same period last year. This increase contributed to a 50.2% jump in the average spend per trip and ranked second highest among Canadian provinces/territories for average spend per trip by US overnight visitors.

Travel Characteristics of visitors from overseas key markets Q1 2010

Table 5 Travel Characteristics from overseas overnight visitors to Canada

Overseas Key Markets	Trips '000	10/09 %Q1	Spending $ M	10/09 %Q1	Average Trip Duration (nights)	10/09 %Q1	Average Spend per Trip	10/09 %Q1	Average Spend per Night	10/09 %Q1
United Kingdom	106.6	-1.9%	134.8	-8.2%	10.5	-8.7%	1,264	-6.4%	120	2.5%
France	67.1	17.7%	90.4	14.7%	15.9	-3.4%	1,325	-4.2%	85	0.9%
Germany	42.1	13.5%	65.2	9.1%	16.8	-4.1%	1,520	-5.6%	92	0.2%
Japan	35.3	7.3%	49.3	3.7%	15.5	2.7%	1,491	3.2%	90	-5.9%
South Korea	28.0	3.3%	50.4	3.3%	33.3	1.2%	1,800	0.0%	54	-1.1%
China	30.4	-0.3%	55.3	-0.3%	27.9	-21.8%	1,634	-10.1%	54	5.2%
Australia	30.2	-4.1%	54.3	-0.6%	13.0	4.2%	1,799	3.6%	139	-0.6%
India	21.7	10.2%	25.6	9.0%	18.7	-0.9%	1,179	-1.0%	63	-0.1%
Brazil	13.6	22.5%	25.5	21.4%	22.8	-3.8%	1,719	-9.2%	82	3.0%
Total Overseas Key Markets	**375.0**	**5.5%**	**550.8**	**2.7%**	**17.4**	**2.6%**	**1,469**	**-2.6%**	**85**	**0.0%**

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In the first quarter of 2010, there was a 2.7% improvement in total spending by CTC key markets, totalling $551 million;
- In Q1 2010, overnight pleasure travel represented 21.7% of travel to Canada from overseas markets (excluding the US), a 1.4 point increase over Q1 2009. During this period, travel for the main purpose of visiting friends and relatives (VFR) represented 36.7% of all travel from overseas destinations, this segment saw 11,400 additional visitors in Q1 2010 then in Q1 2009 (refer to Chart 3);
- From January to March 2010, overseas markets spent $200.9 million on accommodation and $160.7 million on food and beverages, up 2.2% and down 3.9% respectively over Q1 2009. Spending on transportation by overseas visitors increased by $2.9 million to reach a total of $72.6 (refer to Chart 4).

Chart 3 Overseas visitor arrivals by main purpose Q1 2010

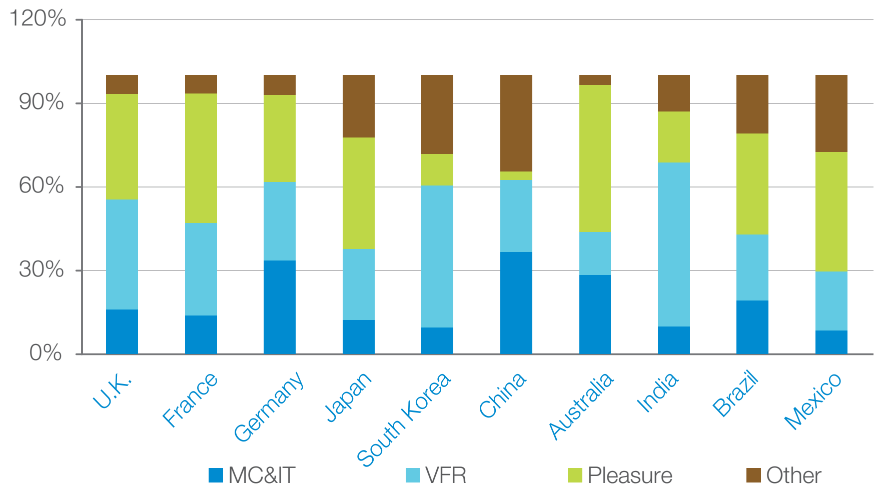
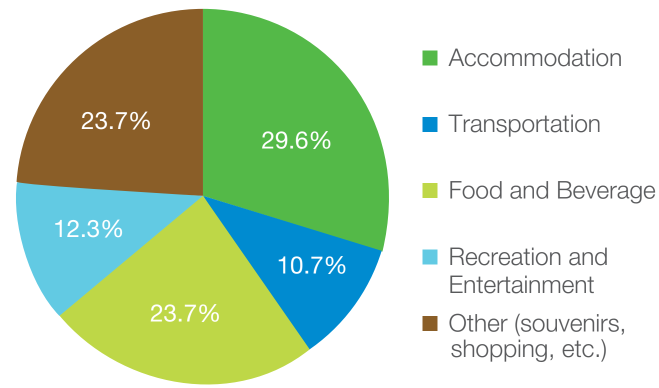


Chart 4 Overseas overnight total spend Q1 2010



Europe

(refer to Table 5)

- In the first quarter of 2010, UK's decline in spending slowed to $134.5 million, down 8.2%. Largely due to a decline in the average length of a trip to 11 nights, the UK market posted a 2.5% increase in the average spend per night compared with Q1 2009. This market is ranked as having the second highest average spend per night at $120 among overseas key markets;
- Among CTC's European markets, France reported the strongest increase in total spending in Q1 2010 with visitors spending an additional $11.6 compared with the same period in 2009;
- In the first three months of 2010, Germany posted strong growth in total spending up 9.1%, recording the third highest average spend per night ($92) after a moderate 0.2% increase over Q1 2009.

Asia

(refer to Table 5)

- In Q1 2010, China reported the highest total spend among CTC Asia/Pacific markets despite a moderate decline of 0.3% over the same period in 2009. This market posted the second longest average trip duration of 28 nights and was ranked has having the third highest average spend per trip $1,634, among CTC key markets;
- During the first three months of 2010, Australia and Japan posted increases in the average spend per trip to Canada, up 3.6% and 3.2% respectively over Q1 2009. These gains were in largely due to increases in the average length of stay in Canada for each of these markets.

Emerging

(refer to Table 5)

- From January to March, Brazil showed the strongest increase in total spend (+21.4%) among CTC key markets. The average trip duration fell 3.8% to 23 nights, contributing to a 3.0% increase in the average spend per night to $82;
- In Q1 2010, despite seeing gains in both overnight trip volume and total spending by Indian travellers of 10.2% and 9.0% respectively, the average spend per night was largely unaffected, declining 0.1% to $63.

Table 6 Travel Characteristics of overseas province visits

	Province Visits	10/09 %Q1	Spending $M	10/09 %Q1	Average Trip Duration (nights)	10/09 %Q1	Spend per Visit	10/09 %Q1	Spend per Night	10/09 %Q1
Newfoundland	3,300	106.3%	3.6	311.2%	9.5	68.6%	1,090	95.4%	114	18.9%
Prince Edward Island	1,500	114.3%	1.5	186.1%	22.9	158.9%	966	35.9%	43	-48.4%
Nova Scotia	18,500	28.5%	22.7	41.4%	13.5	-24.6%	1,227	9.8%	91	45.9%
New Brunswick	7,900	43.6%	11.1	87.1%	22.8	-17.9%	1,402	29.0%	62	58.8%
Quebec	130,500	3.0%	158.9	-9.2%	13.5	-5.2%	1,217	-11.9%	90	-7.0%
Ontario	235,900	-1.4%	240.8	-0.3%	13.6	-3.7%	1,021	1.1%	75	5.0%
Manitoba	9,100	4.6%	4.2	-25.9%	5.8	-10.6%	458	-29.3%	78	-20.6%
Saskatchewan	11,300	91.5%	7.6	45.6%	14.2	-38.1%	671	-24.2%	47	22.9%
Alberta	83,600	-3.5%	90.8	-22.0%	10.3	-36.3%	1,086	-19.1%	105	26.9%
British Columbia	232,400	8.0%	396.3	11.0%	19.7	-4.7%	1,705	2.7%	86	7.8%
Yukon	1,800	-45.5%	1.6	-55.9%	9.8	-3.1%	900	-18.1%	90	-16.6%
Northwest Territories	3,000	-6.3%	1.7	-51.5%	3.6	-1.5%	570	-47.5%	158	47.4%
Total	**738,700**	**3.9%**	**940.6**	**1.0%**	**15.1**	**-8.3%**	**1,273**	**-2.8%**	**84**	**6.0%**

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In Q1 2010, the average spend per night by all overseas markets improved by 6.0% to $84; influenced by an 8.3% decrease in the average trip duration. New Brunswick posted the strongest increase in the average spend per night (+58.8%), followed by Nova Scotia (+45.9%) and Alberta (+26.9%);
- Following the trend seen in US inbound travel, British Columbia registered the highest total spending by overseas visitors reaching $396.3 million after a 11.0% increase over Q1 2009; This lift was likely linked to the hosting of the 2010 Winter Olympic Games; Ontario posted the second highest spend despite a moderate 0.3% decline in total receipts over Q1 2009;
- Nova Scotia posted the second highest average spend per province visit compared to the other provinces and territories after experiencing a 9.8% increase over Q1 2009. Conversely, Manitoba reported the lowest average spend per overseas visit at $458 after a 29.3% decline over 2009.

CTC Marketing Research