



Canadian Tourism
Commission

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du tourisme

Travel Characteristics

Q4 2010

Canada





Travel Characteristics – Q4 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 2010, the US market stabilized with a 0.7% increase in overnight arrivals and a 2.8% increase in travel-related spending.
- This year, CTC's Emerging/ Transition Markets (Japan, South Korea, Mexico, Brazil, China and India) posted a 6.9% increase in spending and accounted for 15.5% of the total spending by overseas key markets.
- Among CTC's Core Markets (the UK, France, Germany and Australia) Australia reported strong growth in both trip arrivals (+7.5%) and spending (+9.3%) in 2010, registering a 1.7% increase in the average spend per trip, reaching \$1,687.

Overview of overnight Travel Characteristics from CTC key markets

Q4 2010

Table 1 Travel Characteristics from key international CTC program sector areas

	Trips '000	10/09 Q4 % Change	Spending \$ M	10/09 Q4 % Change	Average trip Duration (nights)	10/09 Q4 % Change	Average Spend per Trip	10/09 Q4 % Change	Average Spend per Night	10/09 Q4 % Change
United States	2,161	4.2	1,076.5	4.6	3.5	-3.5	498	0.4	141	4.0
Core Markets	255	-8.2	322.1	-10.4	16.4	-1.3	1,262	-2.4	77	-1.1
Emerging / Transition Markets	174	12.8	252.8	11.4	21.6	2.0	1,453	-1.3	67	-3.2
Total Key Markets	2,590	3.4	1,651.3	2.2	6.0	-2.6	638	-1.1	106	1.5
Other Countries	289	1.2	376.8	3.6	16.8	2.7	1,302	2.3	77	-0.4
Total Countries	2,880	3.1	2,028.1	2.4	7.1	-1.7	704	-0.7	99	1.0

Source: Statistics Canada, International Travel Survey, preliminary estimates

*Core Markets include the U.K., France, Germany and Australia

*Emerging/ Transition Markets include Japan, South Korea, Mexico, Brazil, China and India

*Emerging Key Markets include Brazil and India

- In the fourth quarter of 2010, CTC's Key Markets (Australia, Brazil, China, France, Germany, India, Japan, Mexico, South Korea, the UK and the US) posted gains in both overnight trips to Canada (+3.4%) and tourism-related spending (+2.2%). However, the overall average spend per trip among these markets declined by 1.1% to \$638;
- Both US spending (+4.6%) and arrivals (+4.2%) into Canada experienced gains, with the average nightly spend increasing by 4.0% to \$141;
- From October to December 2010, all combined CTC Core Markets posted declines. While total travel-related spending by these markets fell 10.4% over the previous year, the average spend per night only fell 1.1% to \$77.

Travel characteristics of overnight visitors from the US 2010

Table 2 Travel Characteristics from US overnight visitors to Canada

	Trips '000	10/09 % Change	Spend \$ M	10/09 % Change	Average Trip Duration (nights)	10/09 % Change	Average Spend per Trip	10/09 % Change	Average Spend per Night	10/09 % Change
United States Leisure										
Automobile	6,553	-0.4	2,553.4	1.1	3.8	-4.2	390	1.6	102	6.0
Plane	2,115	4.7	1,707.9	3.8	5.7	1.4	807	-0.9	141	-2.3
Other	1,340	1.5	578.3	7.4	3.1	4.6	432	5.9	139	1.2
U.S. Leisure Total	10,008	0.9	4,839.6	2.8	4.1	-1.5	484	1.9	117	3.4
Total U.S. MC & IT	1,741	-0.2	1,419.5	3.0	3.3	0.9	815	3.2	248	2.3
Total U.S.	11,749	0.7	6,259.1	2.8	4.0	-1.2	533	2.1	133	3.3

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In 2010, the US remains Canada's largest inbound travel markets, accounting for 74% of all overnight inbound arrivals into Canada. While this market registered declines in overnight arrivals during the first two quarters, the last two quarters of 2010 saw increases, resulting in the market stabilizing with a year end 0.7% increase in overnight arrivals and a 2.8% increase in travel related spending;
- On average, US visitors spent four nights in Canada and had a travel party size of two people;
- This year, the average spend per night by overnight US travellers grew by 3.3% to \$133, while the average spend per trip reached \$533 after a 2.1% increase;

U.S. leisure travel characteristics

(refer to Table 2)

- Total spending by US leisure travellers of one or more nights in Canada in 2010 climbed by 2.8% in 2010, reaching \$4.8 billion. The average nightly spend increased 3.4% to \$117.

U.S. MC&IT travel characteristics

(refer to Table 2)

- In 2010, growth in business travel to Canada was staggered, with gains seen in the second and fourth quarter, helping to offset declines seen in the first and third quarters. For the year, total spending by this market grew by 3.0% to reach \$1.4 billion, with the average spend per business trip growing by 3.2% to \$815.

Chart 1 U.S. visitor arrivals by main trip purpose 1999-2010

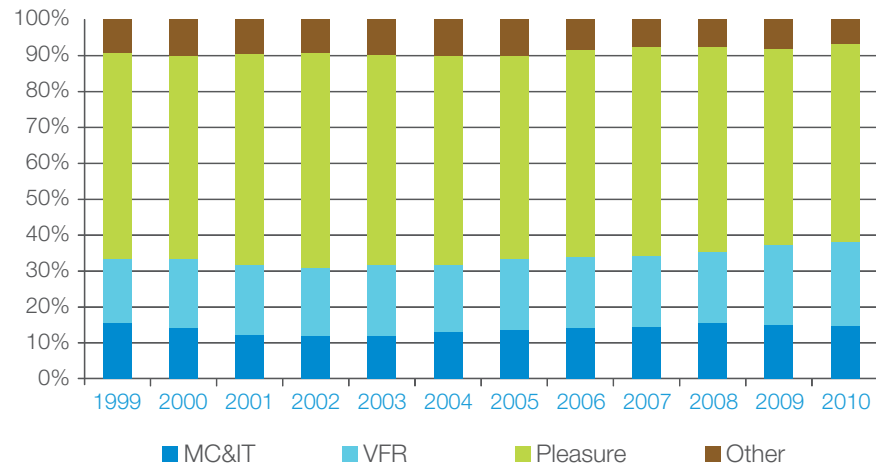
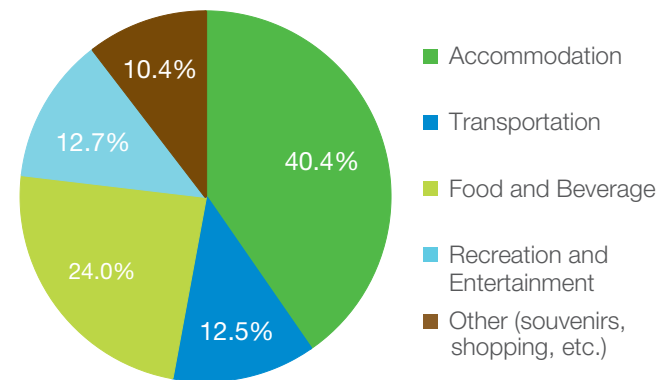


Chart 2 U.S. total overnight spend 2010



- In 2010, US overnight travel for the main purpose of pleasure represented 55% of US visitors to Canada and rose 2.2%. Business-related travel represented 15% of US overnight travellers to Canada and saw a 0.2% decline over 2009 (refer to Chart 1);

- This year, Canadian accommodations (45%) accounted for the largest proportion of total travel-related spending by the US market, followed by spending on food and beverages (27%) (refer to Chart 2).

Table 3 Key U.S. states travel characteristics

Key U.S. Regions	Trips '000	10/09 % Change	Spend \$ M	10/09 % Change	Average Trip Duration (nights)	10/09 % Change	Average Spend per Trip	10/09 % Change	Average Spend per Night	10/09 % Change
New York	1,624	-1.9	586.1	-3.4	3.1	-7.1	361	-1.4	115	5.9
California	834	9.4	596.9	10.0	5.5	6.0	716	0.5	131	-5.1
Massachusetts	581	4.5	269.1	13.2	3.8	9.8	463	8.4	121	-1.4
Pennsylvania	461	-4.2	230.5	-4.2	4.0	-4.6	500	-0.1	126	4.8
Illinois	431	2.9	291.2	11.0	5.0	2.9	676	8.0	135	5.0
New Jersey	435	4.8	262.8	11.1	4.0	-4.0	604	6.0	149	10.4
Texas	359	-8.9	312.4	0.1	5.3	6.4	870	9.8	164	3.2
Connecticut	195	0.5	88.7	0.5	3.7	-4.2	455	0.0	124	4.6
District of Columbia	27	-6.9	20.6	3.5	4.1	-13.8	763	11.2	186	26.8
Total U.S. Key States	4,947	0.8	2,658.4	4.4	4.1	0.5	537	3.5	131	3.0
Total U.S.	11,749	0.7	6,259.1	2.8	4.0	-1.2	533	2.1	133	3.3

Source: Statistics Canada, International Travel Survey, preliminary estimates

- Key US states represented 42.1% of total US overnight trips to Canada and 42.5% of total travel-related spending in 2010. The average spend per night for visitors from key US states was \$131, a 3.0% increase over 2009;
- The strongest gains in travel-related spending in Canada by US states was seen on the east coast with Massachusetts (+13.2%), New Jersey (+11.1%) and Illinois (+11.0%) all posting double-digit increases over 2009. New Jersey saw across-the-board gains in arrivals (+4.8%), and the average spend per night \$149 (+10.4%) and average spend per trip up 6.0% to \$604;
- Among key US states, visitors from California spent the most during their stay in Canada in 2010, spending approximately \$596.9 million, a 10.0% increase over 2009. The average trip length increased by 6.0% to six nights, with the average spend per trip remaining stable after a 0.5% year-over-year increase to \$716.

Table 4 Travel Characteristics of U.S. provincial visits

	Province Visits	10/09 % Change	Spending \$M	10/09 % Change	Average Trip Duration (nights)	10/09 % Change	Spend per Visit	10/09 % Change	Spend per Night	10/09 % Change
Newfoundland	57,200	17.0	68.2	48.7	9.3	4.6	1,192	27.1	129	21.6
Prince Edward Island	116,600	6.2	44.1	0.8	3.3	-6.6	378	-5.1	113	1.6
Nova Scotia	307,900	13.7	194.3	6.1	5.3	-2.0	631	-6.7	118	-4.8
New Brunswick	381,900	4.0	89.0	-0.2	2.9	-4.6	233	-4.1	82	0.5
Quebec	1,804,800	4.5	1,027.2	4.4	3.7	-0.5	569	-0.1	153	0.3
Ontario	5,630,600	-2.4	2,429.4	0.4	3.6	-3.1	431	2.9	120	6.2
Manitoba	212,800	-0.7	120.1	-6.1	3.7	-14.4	564	-5.5	152	10.4
Saskatchewan	145,100	-4.7	98.4	-0.9	4.5	15.4	678	3.9	151	-9.9
Alberta	811,700	0.0	570.5	0.9	5.0	9.2	703	0.9	140	-7.6
British Columbia	2,954,200	1.9	1,517.7	6.6	3.5	-0.8	514	4.6	146	5.5
Yukon	187,100	7.9	59.4	-4.1	2.6	0.5	317	-11.1	124	-11.6
Northwest Territories	15,000	-6.3	40.8	-5.9	10.7	14.8	2,723	0.4	254	-12.5
Total	12,624,900	0.5	6,259.1	2.8	3.7	-1.0	496	2.3	133	3.3

Source: Statistics Canada, International Travel Survey, preliminary estimates

- During 2010, total US overnight province visits (including visits to one or more provinces/ territories) remained stable, increasing by 0.5% to 12.6 million. While the average visit duration fell slightly to four nights, the average spend per visit increased by 2.3% to \$496;
- British Columbia welcomed approximately 3.0 million US overnight visitors in 2010. They spent approximately \$1.5 billion during their stay in the province, a healthy 6.6% increase over the previous year. Gains were also posted for the average spend per night (+5.5%) and the average spend per trip (+4.6%). This strong performance was largely influenced by the hosting of the 2010 Winter Olympic Games.
- For 2010, the Northwest Territories reported the highest average spend per trip by US visitors of \$2,723 after a moderate increase of 0.4%, followed by Alberta at \$703 and Saskatchewan at \$678.

Travel Characteristics of visitors from overseas key markets 2010

Table 5 Travel Characteristics from overseas overnight visitors to Canada

	Trips '000	10/09 % Change	Spending \$ M	10/09 % Change	Average Trip Duration (nights)	10/09 % Change	Average Spend per Trip	10/09 % Change	Average Spend per Night	10/09 % Change
Core Markets'										
United Kingdom	659.4	-3.8	808.9	-9.5	13.4	-2.1	1,227	-5.9	92	-3.9
France	408.1	4.9	520.8	1.5	16.2	-0.9	1,325	0.4	79	-2.4
Germany	315.4	8.1	470.8	5.8	17.1	-3.4	1,520	-0.4	87	1.3
Australia	202.2	7.5	341.2	9.3	14.4	2.8	1,687	1.7	117	-1.1
Total Core Markets	1,585.1	2.0	2,141.7	-1.1	15.0	-1.1	1,351	-3.0	90	-1.9
Emerging/ Transition Markets										
Japan	215.4	19.5	330.1	21.9	14.0	1.9	1,491	-0.7	110	0.1
South Korea	157.5	20.0	255.0	18.1	26.4	0.3	1,619	-1.6	61	-1.9
Mexico	115.9	-28.1	158.0	-31.7	22.3	-0.9	1,363	-5.0	61	-4.2
Brazil	71.3	25.5	128.9	32.2	21.4	23.9	1,719	0.1	85	-15.0
China	193.5	21.2	317.1	21.5	27.9	-0.4	1,634	-0.1	60	1.9
India	149.9	19.0	145.2	22.1	21.6	1.9	968	2.6	45	0.7
Total Emerging/ Transition Markets	903.5	10.8	872.0	6.9	22.0	1.3	965	-3.6	44	-4.8
Total Overseas Key Markets'	4,074	3.8	5,617.7	1.7	16.5	0.2	1,379	-2.1	84	-2.2

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In 2010, spending by key markets remained relatively stable, increasing by 1.7% to \$5.6 billion. With an average trip length of 17 nights, the average spend per trip was \$1,379, a 2.1% decline over the previous year (refer to Table 5);
- This year, spending was largely driven by CTC's Emerging/ Transition markets who posted a 6.9% increase and accounted for 15.5% of the total spending by overseas key markets. However, arrivals from these markets grew at a faster rate than spending, contributing to declines in the average spend per night (-4.8%) and the average spend per trip (-3.6%);

Core Markets

(refer to Table 5)

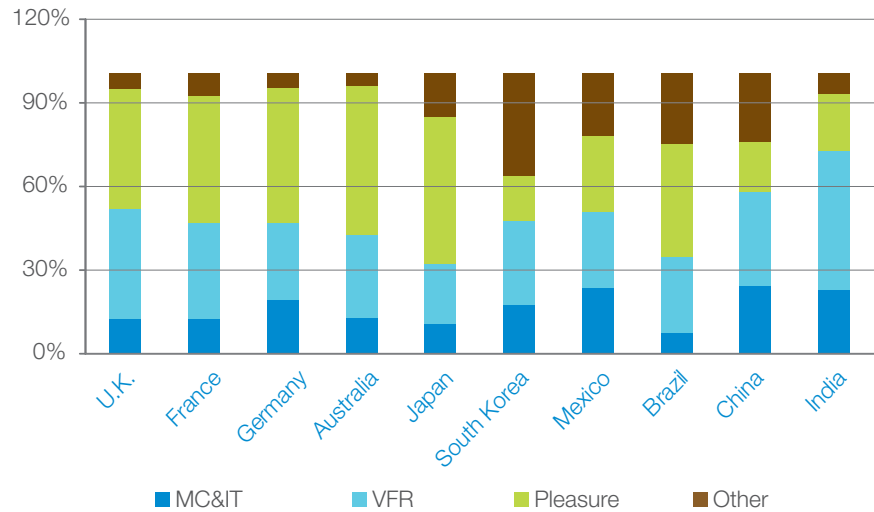
- This year, Australia reported the strongest growth among core markets with gains in both trip arrivals (+7.5%) and spending (+9.3%). In addition, after a 1.7% increase, Australia posted the highest average spend per trip (\$1,687 among CTC Core Markets;
- The UK represented Canada's largest inbound overseas market in 2010 and was also the only Core Market to post across-the-board declines, with total arrivals falling 3.8% to approximately 659,400. This year, total overnight spending contracted 9.5% to \$808.9 million, with the average nightly spend declining 3.9% to \$92;
- While total overnight arrivals from France picked up (+5.1%) in 2010, travel-related spending remained fairly constant with a moderate increase of 1.5%. This contributed to a 2.4% decline in nightly spend to \$79;

Emerging/ transition markets

(refer to Table 5)

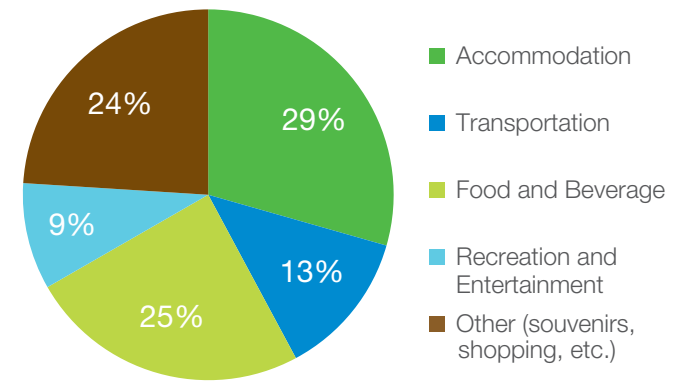
- In 2010, Brazil reported the strongest growth in both trip arrivals (+25.5%) and spending (+32.2%) in Canada among key overseas markets. This growth contributed to Brazil reporting the heights average spend per trip \$1,719;
- Japanese visitors spent \$330.1 million during their stay in Canada in 2010 (+21.9%), the highest total travel-related spending among CTC's Emerging/ Transition markets. While remaining unchanged over 2009, Japan also reported the highest average nightly spend of \$110;
- After Japan, China reported the second highest total spend among CTC's Emerging/Transition markets of \$317.1 million, a 21.5% increase over the previous year. China also represents the longest average trip duration of 28 nights in Canada;
- This year, India posted gains in the average spend per trip (+2.6%) and per night (+0.7%), reaching \$968 and \$45 respectively while visiting Canada.

Chart 3 Overseas visitor arrivals by main purpose Q4 2010



- In 2010, business travel rebounded in many of the overseas key markets, with notable year-over-year increases seen from India (+58.1%), Australia (+44.5%), China (43.6%), Germany (+32.5%) and South Korea (+14.5%). Growth in pleasure-related travel was more selective with China reporting the strongest growth (+82.3%), followed by Brazil (+62.1%), Japan (+40.8%) and South Korea (+17.5%) over 2009 (refer to Chart 3);

Chart 4 Overseas overnight total spend Q4 2010



- In 2010, spend by all overnight overseas visitors (all markets excluding the US) was pretty evenly distributed between accommodations (29%), food and beverage (25%), and “other” areas such as shopping and souvenirs (24%) (refer to Chart 4).

Table 6 Travel Characteristics of overseas province visits

	Province Visits	10/09 % Change	Spending \$M	10/09 % Change	Average Trip Duration (nights)	10/09 % Change	Spend per Visit	10/09 % Change	Spend per Night	10/09 % Change
Newfoundland	34,400	-7.8	44.8	16.0	16.2	34.6	1,301	25.8	80	-6.5
Prince Edward Island	43,500	54.3	31.5	45.1	6.6	4.3	725	-5.9	110	-9.8
Nova Scotia	157,500	0.1	179.5	9.3	14.7	24.7	1,139	9.2	78	-12.5
New Brunswick	64,600	27.4	54.2	46.7	10.7	-7.1	839	15.2	78	23.9
Quebec	1,040,700	4.8	1,097.2	1.5	12.6	-1.9	1,054	-3.2	84	-1.3
Ontario	1,771,700	0.5	1,679.3	7.1	13.2	11.5	948	6.6	72	-4.4
Manitoba	64,200	-16.0	52.8	2.1	18.2	30.6	822	21.6	45	-6.9
Saskatchewan	57,900	-0.7	45.6	1.4	17.0	49.0	788	2.1	46	-31.5
Alberta	704,000	-0.6	711.0	-5.5	11.8	-3.0	1,010	-4.9	86	-2.0
British Columbia	1,405,000	10.1	1,702.4	4.7	14.5	-8.1	1,212	-4.9	83	3.4
Yukon	39,200	-2.7	29.0	-27.3	10.3	59.1	741	-25.2	72	-53.0
Northwest Territories	11,200	19.1	15.4	80.7	7.7	51.4	1,373	51.6	178	0.2
Total	5,393,900	3.8	5,642.7	3.8	13.3	2.4	1,046	0.1	79	-2.3

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In 2010, tourism-related spending by overseas visitors (excluding the US) improved by 3.8% to \$5.6 billion. The average spend per night by overseas province visitors (including visits to more than one province/territory) fell 2.3% to \$79 and the average spend per visit remained stable at \$1,046;
- British Columbia reported the highest total travel spending by overseas visitors, reaching \$1.7 billion after a 4.7% increase over 2009. Despite a 4.9% decline, the province reported the third strongest average spend per trip of \$1,212, with an average trip duration of 15 nights;
- After experiencing a 54.2% increase in spending by overseas markets, New Brunswick saw gains in the average spend per night (+23.9%) and the average spend per trip (+15.2%) over 2009.