



Canadian Tourism
Commission

Commission canadienne
du tourisme

Travel Characteristics

Q1 2009



Canada

Travel Characteristics Q1 2009

This publication aims to provide an in-depth overview of the travel characteristics of the Canadian Tourism Commission's key international markets with a focus on the average spend of visitors to Canada. 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 the following website:

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

Key Highlights

Although overall all CTC key markets registered a drop (-8.8%) in overnight trips, yield is holding up, with the average spend per night moderately increasing (+3.2%).

With the exception of Asia/Pacific, all other key market program areas registered increases in average spend per night.

Brazil (+24.5%) followed by Mexico (+11.6%) registered the strongest gains in average spend per night, while South Korea was the only key market to register a drop (-6.5%).



Overview of Overnight Travel Characteristics from CTC Key Markets

Q1 2009

	Trips '000	09/08 Q1 %	Spending \$ M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Average Spend per Trip	09/08 Q1 %	Average Spend per Night	09/08 Q1 %
Americas	1,632	-8.1%	872.3	-9.8%	3.8	-5.0%	535	-1.9%	140	3.6%
European	203	-13.4%	282.0	-13.9%	13.6	-3.8%	1,391	-0.6%	102	3.3%
Asia/Pacific	122	-12.0%	202.7	-14.6%	22.4	-2.2%	1,661	-2.9%	74	-0.7%
Emerging	31	1.0%	40.3	1.4%	18.6	-10.7%	1,309	0.4%	70	12.5%
Total Key Markets	1,987	-8.8%	1,397.2	-11.1%	6.2	-5.6%	703	-2.6%	113	3.2%
Other Countries	222	-2.8%	336.0	11.6%	18.2	8.0%	1,517	14.8%	83	6.3%
Total Countries	2,209	-8.2%	1,733.3	-7.5%	7.4	-1.9%	785	0.8%	106	2.7%

Source: Statistics Canada, International Travel Survey, preliminary estimates

**Americas Key Markets include the U.S. and Mexico

*European Key Markets include the U.K., France and Germany

*Emerging Key Markets include Brazil and India

- In the first quarter of 2009, emerging markets saw a 12.5% increase in the average spend per night, largely influenced by a 10.7% decline in the average length of stay to 18.6 nights;
- The Americas posted the highest average spend per night at \$139.67, an increase of 3.6%. This was closely followed by European markets with an increase of 3.3% to \$101.89 per night over Q1 2008. Both increases were largely due to declines in trip duration, down 5.0% and 3.8% respectively;
- Despite registering the strongest spend per trip (\$1,661.23), Asia/Pacific markets had the most significant quarterly decline (-2.9%) over Q1 2008.

Travel Characteristics of Visitors from the Americas Q1 2009

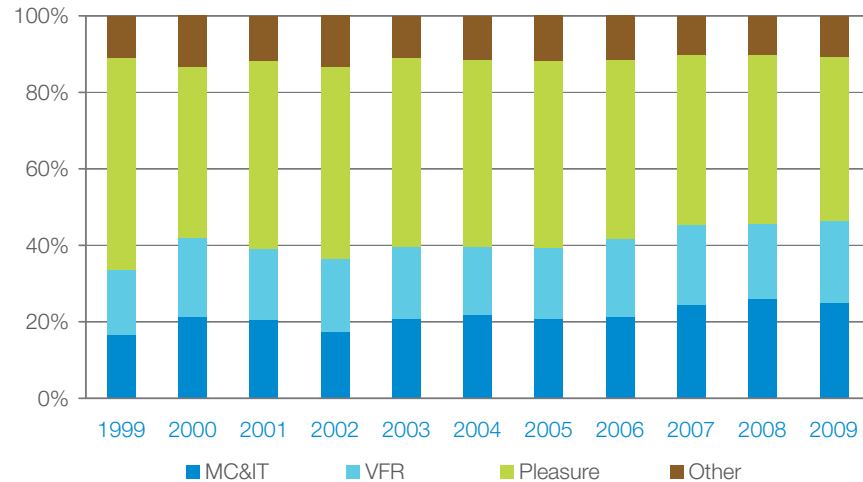
Travel Characteristics from Americas Overnight Visitors to Canada

	Trips '000	09/08 Q1 %	Spend \$ M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Average Spend per Trip	09/08 Q1 %	Average Spend per Night	09/08 Q1 %
United States Leisure										
Automobile	859	-3.4%	281.4	1.5%	3.0	-3.2%	328	5.1%	108	6.2%
Plane	255	-9.5%	186.0	-16.2%	4.9	0.0%	731	-7.4%	150	-6.5%
Other	85	-21.1%	31.8	-18.9%	3.0	3.4%	375	2.8%	127	1.8%
U.S. Leisure Total	1,198	-6.3%	499.3	-7.3%	3.4	-1.2%	417	-1.1%	122	0.1%
Total U.S. MC & IT	397	-11.6%	308.1	-10.6%	2.9	-0.5%	777	1.2%	226	1.7%
Total U.S.	1,595	-7.7%	807.4	-8.6%	3.3	-0.9%	506	-1.0%	154	-0.1%
Mexico	37	-22.3%	64.9	-22.7%	26.6	-11.0%	1,753	-0.6%	66	11.6%
Americas Total	1,632	-8.1%	872.3	-9.8%	3.8	-5.0%	535	-1.9%	140	3.6%

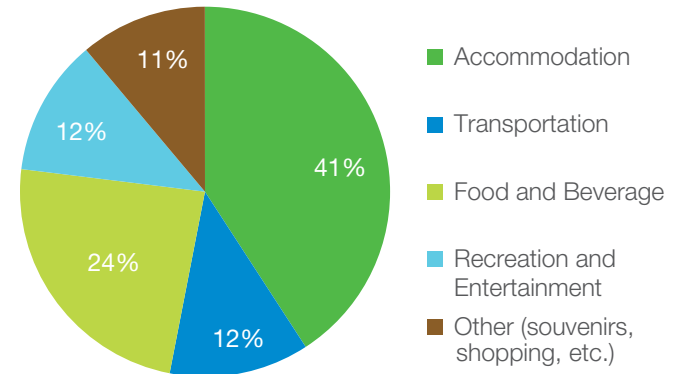
Source: Statistics Canada, International Travel Survey, preliminary estimates

- Visitors from the Americas stayed on average 3.8 nights in Canada, with the average spend per trip down 1.9% over the same period in 2008;
- Compared with Q1 2008, total traffic from the U.S. was down 7.7%, along with a 1.0% fall in the average spend per trip, from \$511.39 in Q1 2008 to \$506.32 in Q1 2009;
- U.S. pleasure travellers spent \$359.4 million, a drop of 11.2% over Q1 2008, while the average pleasure spend per trip declined by a more moderate 0.3% to \$525.71;
- In the first three months of 2009, the majority of U.S. receipts (40.7%) came from accommodations, a 9.7% decline over the same period in 2008.

U.S. Visitor Arrivals by Main Trip Purpose Q1 2009



U.S. Total Overnight Spend Q1 2009



U.S. Leisure Travel Characteristics

- U.S. leisure travel experienced a 6.3% decline (1.2 million visitors), while the average spend per trip fell 1.1% over Q1 2008;
- Despite auto leisure travel falling 3.4%, total spend grew by 1.5% to \$281.4 million, and the average spend per trip increased by 5.1% to \$327.74;
- Improvements in overnight auto leisure trip yields were offset by a 7.4% decline in overnight air leisure average spend per trip. While “other” leisure travel experienced a 21.1% decline in trip volume, their average spend per trip increased by 2.8% compared with Q1 2008.

U.S. MC&IT Travel Characteristics

- Spurred by a 0.5% decrease in trip duration for U.S. MC&IT, yield per night and yield per trip increased 1.7% and 1.2% respectively;
- 50.7% of MC&IT spending in Canada went to accommodations; despite 86.7% of MC&IT visitors staying at a hotel, there was a 31.4% increase in the use of motels in Q1 2009.

Mexico

- Mexican spend per night grew by 11.6% to \$65.83, along with an 11.0% decrease in the average length of stay (reaching an average of 26.6 nights per trip).

Key U.S. States Travel Characteristics

Key U.S. Regions	Trips '000	09/08 Q1 %	Spend \$M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Average Spend per Trip	09/08 Q1 %	Average Spend per Night	09/08 Q1 %
New York	251	3.2%	86.5	13.1%	2.7	9.9%	344	9.6%	125	-0.3%
California	88	-16.0%	63.6	-22.9%	4.7	-4.3%	724	-8.3%	154	-4.2%
Pennsylvania	71	-9.2%	33.0	-7.7%	3.2	-3.9%	462	1.6%	143	5.8%
Massachusetts	62	-6.8%	26.2	-1.0%	3.4	5.8%	423	6.2%	125	0.5%
Illinois	53	-8.9%	34.9	-7.8%	3.7	7.5%	664	1.2%	178	-5.8%
New Jersey	38	-7.6%	20.9	-3.5%	3.4	2.9%	556	4.4%	161	1.5%
Texas	33	-12.5%	27.2	-16.2%	3.6	4.3%	830	-4.2%	229	-8.2%
Connecticut	24	37.4%	16.9	48.3%	3.8	8.1%	708	8.0%	187	-0.2%
District of Columbia	6	-4.7%	4.7	-14.9%	3.6	-6.9%	766	-10.7%	211	-4.1%
Total U.S. Key States	625	-4.2%	313.9	-4.9%	3.4	2.1%	502	-0.8%	150	-2.6%
Total U.S.	1,595	-7.7%	807.4	-8.6%	3.3	-0.9%	506	-1.0%	154	-0.1%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- Key CTC U.S. states represented 39.2% of total U.S. trips to Canada and 38.9% of total spending in Q1 of 2009;
- The majority of key U.S. states saw declines in spend per night with Texas, Illinois, and California showing the strongest drops of 8.2%, 5.8% and 4.2% respectively over Q1 2008;
- In the first three months of 2009, New York represented 40.2% of visitors to Canada from key U.S. markets. The region helped to offset the overall decline in average spend per trip with an increase of 9.6% to \$344.30. Pleasure travel accounted for 54.1% of New York overnight travel, despite experiencing a 0.8% decrease over Q1 2008, while there was a 18.7% increase in visiting friends and relatives (VFR) travel and a 10.0% gain in “other” travel;
- Texas contributed mostly to the decline in average spend per night among key U.S. states with a drop of 8.2% to \$228.85 compared to Q1 2008; however, the average trip length was up 4.3% reaching an average of 3.6 nights per trip;
- With an increase of 5.8%, Pennsylvania had the strongest growth in average spend per night among key U.S. states, as a result of a 3.9% fall in the number of nights spent in Canada, over the first quarter of 2008;
- California, the second largest market among key regions, saw an 8.3% contraction in the average spend per trip, accompanied by a 4.2% drop in average spend per night. Both VFR and pleasure travel from California represented 30.2% of travel to Canada, with pleasure travel down 17.4%, and VFR seeing a slight decline of 2.1%, over Q1 2008.

Travel Characteristics of U.S. Province Visits

	Province Visits '000	09/08 Q1 %	Spending \$M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Spend per Visit	09/08 Q1 %	Spend per Night	09/08 Q1 %
Newfoundland	3,000	-11.8%	2.5	-12.3%	3.3	3.0%	846	-0.6%	254	-3.5%
Prince Edward Island	2,700	-18.2%	2.0	40.3%	6.1	11.4%	738	71.5%	122	54.0%
Nova Scotia	10,400	3.0%	5.7	-3.1%	4.3	7.8%	547	-5.9%	128	-12.7%
New Brunswick	14,200	2.2%	5.9	99.8%	4.5	21.5%	414	95.6%	92	60.9%
Québec	268,900	-9.7%	162.1	-7.3%	3.5	-0.5%	603	2.7%	173	3.2%
Ontario	778,500	-4.9%	302.3	-8.0%	2.7	-1.4%	388	-3.3%	142	-1.9%
Manitoba	26,100	0.0%	13.2	32.1%	3.7	-13.9%	507	32.1%	136	53.4%
Saskatchewan	12,000	36.4%	4.8	16.8%	4.8	52.5%	398	-14.3%	83	-43.8%
Alberta	110,300	6.0%	79.1	-0.8%	3.8	-11.6%	717	-6.4%	188	5.8%
British Columbia	407,900	-11.4%	226.2	-16.3%	3.6	-3.0%	555	-5.5%	154	-2.5%
Yukon	5,400	-1.8%	0.9	7.2%	2.0	0.9%	171	9.2%	86	8.2%
Northwest Territories	2,500	4.2%	2.7	58.8%	3.0	30.9%	1,073	52.4%	358	16.4%
Total	1,641,900	-6.4%	807.4	-8.6%	3.2	-2.2%	492	-2.3%	154	-0.1%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In Q1 2009, overall U.S. spend per province visit was down 2.3% (\$491.73), over Q1 2008; with the exception of Ontario, Saskatchewan, New Brunswick and Yukon, all other regions, average spend per visits was above the national average;
- The NWT posted the highest spend per visit from U.S. visitors at \$1,073.32 (+52.4%), followed by Newfoundland, PEI, and Alberta;
- The average spend per night in New Brunswick, increased by 60.9% to \$92.22 in Q1 2009 compared with \$57.30 in Q1 2008;
- Quebec saw a 2.7% improvement in spend per visit (\$603.00), despite a 9.7% fall in the total number of overnight U.S. visitors;
- Largely due to a 13.9% reduction in the length of stay, the U.S. average spend per night in Manitoba increased by 53.4%.

Travel Characteristics of Visitors from Overseas Key Markets Q1 2009

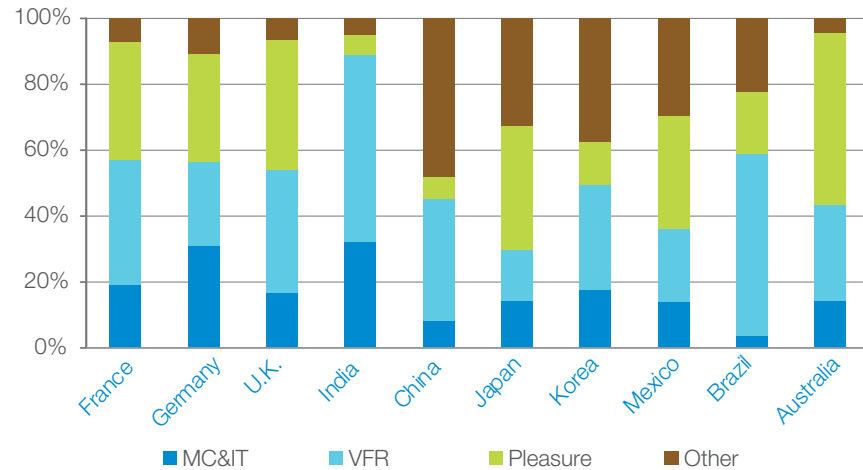
Travel Characteristics from Overseas Overnight Visitors to Canada

Overseas Key Markets	Trips '000	09/08 Q1 %	Spending \$ M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Average Spend per Trip	09/08 Q1 %	Average Spend per Night	09/08 Q1 %
United Kingdom	109	-23.1%	144.5	-26.3%	10.6	-10.4%	1,329	-4.1%	125	7.0%
France	57	-2.6%	80.8	0.2%	17.4	-5.1%	1,417	2.8%	82	8.3%
Germany	37	8.5%	56.7	11.3%	16.8	-0.2%	1,529	2.6%	91	2.8%
Japan	33	-23.3%	46.3	-19.2%	13.9	-1.6%	1,407	5.3%	101	7.1%
South Korea	27	-20.5%	46.6	-30.2%	30.2	-6.0%	1,720	-12.2%	57	-6.5%
China	31	14.7%	55.4	9.1%	35.1	-7.1%	1,818	-4.9%	52	2.5%
Australia	32	-10.3%	54.3	-13.0%	12.2	-8.3%	1,725	-3.0%	142	5.8%
India	20	9.4%	20.6	18.8%	17.6	0.4%	1,045	8.5%	59	8.1%
Brazil	11	-11.2%	19.7	-12.0%	20.4	-20.4%	1,779	-1.0%	87	24.5%
Total Overseas Key Markets	356	-11.8%	525.0	-13.2%	17.1	-3.5%	1,476	-1.5%	86	2.0%

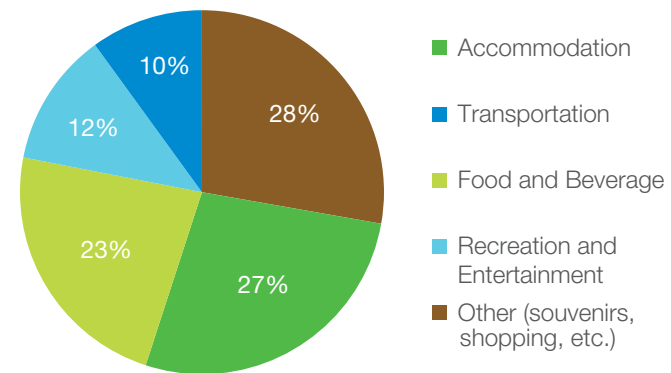
Source: Statistics Canada, International Travel Survey, preliminary estimates

- In the first quarter of 2009 there were 355,600 overnight trips from CTC key overseas markets, a decline of 11.8%. This drop was coupled with a 13.2% fall in spending to \$525.0 million;
- However, the average spend per night grew by 2.0%, with the largest gains seen in Brazil (+24.5%), France (+8.3%), India (+8.1%), Japan (+7.1%) and the U.K. (+7.0%);
- In Q1 2009, pleasure travel represented the largest share (165,600) of CTC overseas markets; despite a decline (-29.9%) in overnight trips, they spent \$1,884.67 (+15.6%) per trip and \$155.02 (+16.3%) per night;
- 27.4% of total overseas spending within Canada went on accommodations, with the majority of visitors staying with friends or relatives (38.3%), followed by at a hotel (29.5%) in Q1 2009.

Overseas Visitor Arrivals by Main Purpose Q1 2009



Overseas Overnight Total Spend Q1 2009



Europe

- Among European key markets, the average spent per night edged up in all markets, with France registering the largest gain (+8.3%);
- Germany was the only European key market to register a gain in overnight trips (+8.5%), which partially offsetting the declines in France and the U.K.;
- The global turbulent economic environment coupled with a depreciating currency has hit hard the mindset of Brits and their propensity for long-haul travel.

Asia

- Japan showed the greatest improvement in yield per night up 7.1% (\$101.46). This upturn aligned with a 39.4% strengthening of the yen against the Canadian dollar in Q1 2009 over Q1 2008;
- While the yuan strengthened by 29.9%, China recorded increases in both yield per night (+2.5%) and total spend (+9.1%); however, there was a 4.9% decline in the average spend per trip falling to \$1,817.64, compared to Q1 2008;
- South Korea was the only market among CTC key markets to have a decline in the average spend per night. While the won depreciated by 16.2% against the Canadian dollar, the average spend per night dropped by 6.5% to \$56.90.

Emerging

- Brazil registered the second highest yield per trip (\$1,778.79) among CTC overseas core markets, despite a 1.0% decline over Q1 2008 and a weakening currency, compared with Q1 2008;
- In the first three months of 2009, India, saw a 8.1% gain in spend per night along with a 0.4% improvement in the average length of stay increasing to 17.3 nights, over Q1 2008.

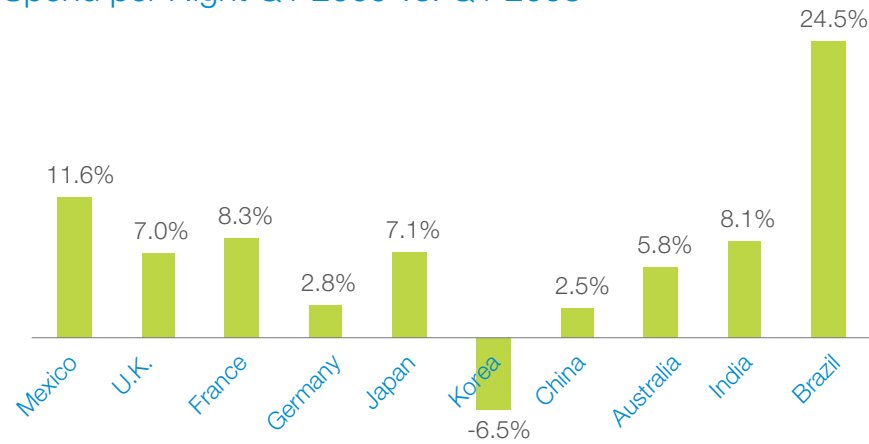
Travel Characteristics of Overseas Province Visits

	Province Visits	09/08 Q1 %	Spending \$M	09/08 Q1 %	Average Trip Duration (days)	09/08 Q1 %	Average Spend per Visit	09/08 Q1 %	Average Spend per Night	09/08 Q1 %
Newfoundland	1,600	100.0%	0.9	131.0%	5.8	1.1%	564	15.5%	97	14.2%
Prince Edward Island	700	40.0%	0.5	86.8%	9.0	55.2%	770	33.4%	86	-14.0%
Nova Scotia	13,400	-18.3%	15.4	-27.5%	16.8	-24.0%	1,150	-11.2%	69	16.9%
New Brunswick	5,700	18.8%	5.7	36.2%	28.0	59.9%	1,007	14.7%	36	-28.2%
Quebec	127,000	-12.8%	173.1	0.6%	13.2	-5.2%	1,363	15.4%	103	21.7%
Ontario	238,000	-10.2%	251.9	-14.3%	14.6	-1.2%	1,059	-4.5%	73	-3.4%
Manitoba	8,300	59.6%	5.3	13.8%	6.5	-45.0%	633	-28.7%	97	29.6%
Saskatchewan	6,100	5.2%	4.1	-6.0%	23.2	20.1%	668	-10.6%	29	-25.5%
Alberta	83,600	-13.6%	111.2	-11.3%	15.3	18.6%	1,331	2.8%	87	-13.3%
British Columbia	215,200	-12.4%	349.2	-8.0%	18.7	0.8%	1,623	5.1%	87	4.3%
Yukon	3,300	1,000.0%	3.6	646.8%	10.2	38.4%	1,097	-32.1%	108	-51.0%
Northwest Territories	3,200	-47.5%	4.8	-12.0%	3.6	-9.4%	1,515	67.7%	421	85.1%
Total	706,100	-11.0%	925.9	-8.5%	15.7	0.5%	1,311	2.8%	84	2.3%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- British Columbia (\$1,622.61), NWT (\$1,514.50), Quebec (\$1,363.23) and Alberta (\$1,330.70) outperformed Canada's national average spend per visit, as a result of increases of 5.1%, 67.7%, 15.4% and 2.8% respectively, over Q1 2008;
- The NWT saw the largest increase in overseas spend per night, up 85.1% reaching \$421.43, while the Yukon had the largest decline with the average spend per night falling 51.0% to \$108.10, in Q1 2009.

Spend per Night Q1 2009 vs. Q1 2008



Source: Statistics Canada, International Travel Survey, preliminary estimates

Exchange Rate Q1 2009 vs. Q1 2008

CTC Core Markets	Value in CAN. \$	09/08 Q1%
United States	1.24532	24.0%
Mexico	0.08664	-6.8%
U.K.	1.78604	-10.1%
France	1.62170	7.7%
Germany	1.62170	7.7%
Japan	0.01331	39.4%
South Korea	0.00088	-16.2%
China	0.18217	29.9%
Australia	0.82623	-9.1%
India	0.02506	-0.9%
Brazil	0.53780	-6.9%

Source: Bank of Canada, January to March

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