



Canadian Tourism
Commission

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du tourisme

Travel Characteristics

Q2 2009



Travel Characteristics Q2 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 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 the following website:

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

Key Highlights

Although overall CTC key markets registered a drop (-7.3%) in overnight trips during the second quarter of 2009, yield is holding up, with the average spend per night remaining unchanged over 2008.

With a exception of the Americans (+0.9%), all other key market program areas registered drops in average spend per night in the second quarter of 2009.

Brazil (+51.7), France (+7.7%), China (+5.0%) and Australia (+4.5%) registered the best gains in average spend per night in the first six months of 2009, while South Korea (-7.2%) and Japan (-5.7%) registered the strongest declines.



Overview of Overnight Travel Characteristics from CTC Key Markets

Q2 2009

Table 1 Travel Characteristics from key international CTC program sector areas

	Trips '000	09/08 Q2 %	Spending \$ M	09/08 Q2 %	Average trip Duration (nights)	09/08 Q2 %	Average Spend per Trip	09/08 Q2 %	Average Spend per Night	09/08 Q2 %
Americas	3,188	-5.4%	1636.6	-10.4%	4.1	-6.2%	513	-5.3%	125	0.9%
European	355	-13.3%	468.2	-20.6%	13.1	-2.3%	1,319	-8.5%	101	-6.3%
Asia/Pacific	165	-23.8%	234.7	-23.2%	17.6	3.0%	1,422	0.7%	81	-2.2%
Emerging	56	-11.0%	59.1	-14.0%	19.8	-10.7%	1,049	-3.3%	53	8.2%
Total Key Markets	3,765	-7.3%	2398.7	-14.1%	5.8	-7.4%	637	-7.3%	110	0.0%
Other Countries	424	-9.7%	539.4	-16.3%	14.7	-5.6%	1,273	-7.3%	87	-1.8%
Total Countries	4,189	-7.5%	2938.2	-14.5%	6.7	-7.3%	701	-7.5%	105	-0.3%

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

- Total spending by key CTC markets declined 14.1% in Q2 2009, a further deterioration from the 7.5% drop in Q1;
- In the second quarter of 2009, CTC key markets experienced no change in average spend per night compared with Q2 2008;
- The average spend per trip by Asia-Pacific markets strengthened year-over-year rising 0.7% in Q2, in contrast to a -2.9% fall in Q1;
- Emerging key markets reported the most significant improvement in average spend per night in Q2, up 8.2% over the same period last year. This increase was driven mainly by Brazil;
- In the second quarter of 2009, Americas saw a 0.9% increase in the average spend per night reaching \$125.

Travel Characteristics of visitors from the Americas Q2 2009

Table 2 Travel Characteristics from Americas Overnight Visitors to Canada

	Trips '000	09/08 Q1 & Q2 %	Spend \$ M	09/08 Q1 & Q2 %	Average Trip Duration (nights)	09/08 Q1 & Q2 %	Average Spend per Trip	09/08 Q1 & Q2 %	Average Spend per Night	09/08 Q1 & Q2 %
United States Leisure										
Automobile	2,614	-2.3%	917.9	-4.7%	3.6	-5.9%	351	-2.5%	97	3.6%
Plane	773	-8.2%	569.3	-5.9%	5.3	4.5%	736	2.5%	138	-1.9%
Other	464	-9.3%	181.2	-9.2%	2.9	-0.7%	391	0.1%	136	0.7%
U.S. Leisure Total	3,851	-4.4%	1,668.4	-6.2%	3.9	-2.8%	433	-1.9%	112	1.0%
Total U.S. MC & IT	878	-12.4%	713.6	-15.3%	3.2	-1.7%	813	-3.4%	256	-1.7%
Total U.S.	4,728	-6.0%	2,382.0	-9.2%	3.7	-2.4%	504	-3.4%	135	-1.0%
Mexico	102	-10.0%	126.9	-26.2%	14.1	-40.4%	1052	-30.5%	75	16.7%
Americas Total	4,849	-5.7%	2,508.9	-10.2%	4.0	-6.4%	517	-4.7%	130	1.8%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- Spend per night by the Americas market softened from +3.6% in Q1 2009, to +0.9% in Q2 2009. Combined, the first six months of 2009 saw an 1.8% increase in the average spend per night (\$130) over the same period in 2008;
- U.S. average spend per trip continued its downward trend, contracting 3.4% in the first two quarters of 2009. Compared with the previous quarter, the average spend per night fell 20.9% from \$154 in Q1 to \$127 in Q2 2009;
- In the first six months of 2009, total trips from the U.S. shrank by 6.0% compared with the same period in 2008. The average length of stay in Canada also fell by 2.4% to 3.7 nights;
- In the first half of 2009, the average spend per trip by visitors from the Americas declined by \$24 to \$517 compared with the same period last year;
- In the second quarter of 2009, the number of U.S. pleasure travellers fell by 16.1%, while travellers visiting friends and family (VFR) and other purposes (includes travel by students and personal travel such as weddings), contracted by 1.6% and 13.4% respectively over the same period in 2005 (refer to Chart 1);
- From April to June 2009, accommodations accounted for 40.4% of U.S. spending in Canada (\$481.0 million), while food and beverage accounted for 23.8% (\$283.5 million) (refer to Chart 2).

Chart 1 U.S. Visitor Arrivals by Main Trip Purpose Q2 2009

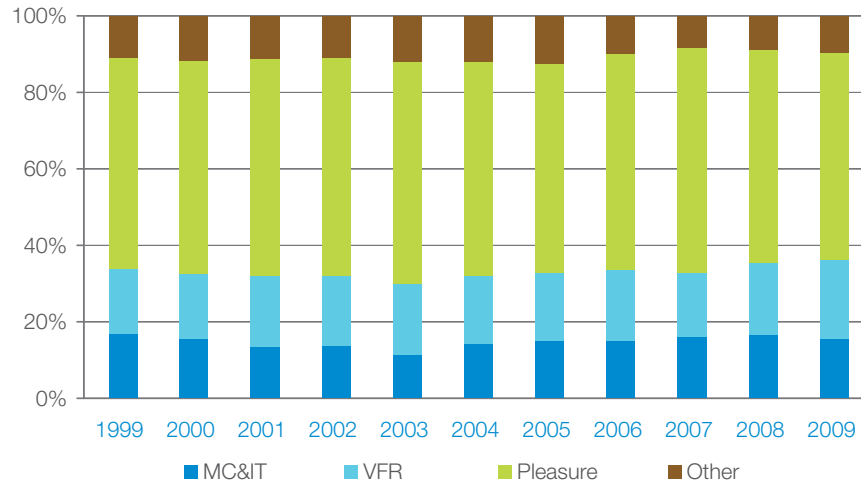
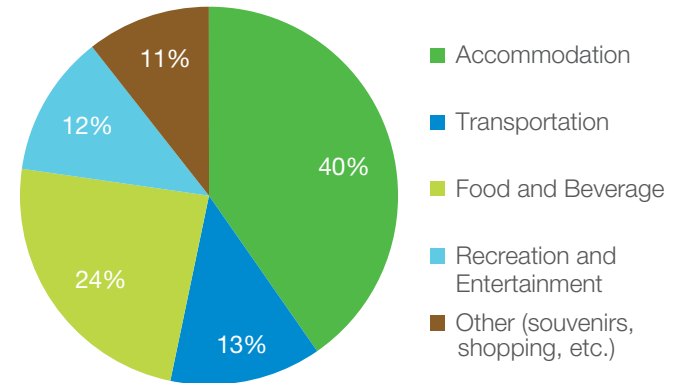


Chart 2 U.S. Total Overnight Spend Q2 2009



U.S. Leisure Travel Characteristics

- During the first two quarters of 2009, total overnight U.S. leisure travel declined 4.4% over the same period in 2008. Following this downward trend, spend per trip slipped by 1.9% to \$433, but spend per night grew by a moderate 1.0%;
- Overnight U.S. leisure air travel recorded a significant improvement in the average spend per trip, from -7.4% in Q1 to +8.3% in Q2. This resulted in a combined increase of 2.5% in the first six months of 2009. Over the previous six months, there was a 4.5% increase in the average length of stay in Canada to 5.3 nights contributing to 1.9% decline in average spend per night, totalling \$138;

- While, spring saw a doubling of overnight leisure auto travel to Canada, in comparison to winter, during the first six months of 2009 total leisure auto trips were down 2.3%, with the average spend per trip decreasing 2.5%.

U.S. MC&IT Travel Characteristics

- During Q1 and Q2 2009, business overnight travel to Canada continued to be influenced by the global economic downturn, and contracted 12.4% over the same period in 2008 (refer to Table 2);
- The average MC&IT spend per night experienced a significant decline from +1.5% in Q1 to -4.1% in Q2, for a combined decline of 1.7%, reaching \$255.99;

Mexico

- From January to June 2009 there was a 10.0% decline in the total number of overnight visitors from Mexico. The total spend contracted by 26.2% to \$126.9 million over the same period in 2008 (refer to Table 2);
- Largely due to a 40.4% decline in average length of stay (down to 14.1 nights), the average spend per night increased by a notable 16.7%.

Table 3 Key U.S. States Travel Characteristics

Key U.S. Regions	Trips '000	09/08 Q1 & Q2 %	Spend \$ M	09/08 Q1 & Q2 %	Average Trip Duration (nights)	09/08 Q1 & Q2 %	Average Spend per Trip	09/08 Q1 & Q2 %	Average Spend per Night	09/08 Q1 & Q2 %
New York	688	8.7%	226.3	6.5%	2.9	2.3%	329	-2.0%	113	-4.2%
California	280	-13.4%	188.5	-16.8%	4.5	-4.3%	674	-4.0%	149	0.3%
Pennsylvania	200	-24.0%	83.8	-25.6%	3.8	-5.1%	419	-2.1%	112	3.2%
Massachusetts	178	-8.7%	84.5	-16.2%	3.7	-6.8%	475	-8.2%	129	-1.5%
Illinois	162	-5.8%	126.2	-6.4%	4.6	-8.8%	781	-0.7%	170	8.9%
New Jersey	154	-5.5%	91.5	-9.9%	5.3	11.1%	594	-4.6%	111	-14.2%
Texas	142	21.4%	72.9	5.7%	3.7	-0.4%	515	-12.9%	140	-12.6%
Connecticut	81	45.4%	36.9	28.8%	3.2	-12.7%	453	-11.4%	140	1.5%
District of Columbia	9	-10.8%	7.6	-19.0%	3.7	-6.4%	837	-9.3%	224	-3.1%
Total U.S. Key States	1,893	-2.0%	918.3	-7.8%	3.7	-3.6%	485	-6.0%	130	-2.5%
Total U.S.	4,728	-6.0%	2,382.0	-9.2%	3.7	-2.4%	504	-3.4%	135	-1.0%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- Key CTC U.S. states represented 40.0% of total U.S. trips to Canada, and 38.6% of total spending during the first six months of 2009;
- Total spend by key states from January to June 2009 contracted by 7.8%, with Pennsylvania experiencing the largest decline (-25.6%), followed by the District of Columbia and California, down 19.0% and 16.8% respectively;
- In the first half of 2009, U.S. states posted an average spend per night in Canada of \$135, with the District of Columbia, Texas, California, New Jersey and Connecticut all above the national average;
- The average spend per trip among key U.S. states continued its downward trend, contracting by 3.4%. New Jersey posted the most significant decline (-12.9%);
- New York, the largest market among key U.S. regions, recorded improvements in both total trips to Canada and total spend. However, the average spend per trip and average spend per night contracted by 2.0% and 4.2% respectively;
- Compared with the first six months of 2008, Texas average spend per night rose 8.9%, reaching \$170;
- Demand for travel to Canada from Connecticut increased by a notable 45.4%, reaching 81,000 trips in 2009; however, Connecticut posted an 11.4% decline in the average spend per trip, falling to \$453.

Table 4 Travel Characteristics of U.S. Province Visits

	Province Visits	09/08 Q1 & Q2 %	Spending \$M	09/08 Q1 & Q2 %	Average Trip Duration (nights)	09/08 Q1 & Q2 %	Spend per Visit	09/08 Q1 & Q2 %	Spend per Night	09/08 Q1 & Q2 %
Newfoundland	11,400	4.6%	9.5	14.4%	8.1	69.5%	832	9.4%	103	-35.4%
Prince Edward Island	29,000	9.8%	12.3	-15.4%	3.6	-38.9%	423	-23.0%	118	26.1%
Nova Scotia	66,000	-7.6%	40.0	-7.3%	5.3	6.5%	606	0.3%	115	-5.8%
New Brunswick	83,400	5.4%	28.7	-2.8%	3.6	-2.1%	344	-7.8%	95	-5.9%
Québec	700,900	-7.9%	409.9	-6.1%	3.6	-1.4%	585	2.0%	160	3.4%
Ontario	2,370,400	-5.7%	973.3	-12.9%	3.4	-4.9%	411	-7.6%	122	-2.8%
Manitoba	82,600	-10.3%	45.4	-8.6%	4.1	-13.6%	549	2.0%	135	18.0%
Saskatchewan	53,200	32.3%	36.1	87.7%	4.1	18.8%	678	41.8%	167	19.4%
Alberta	322,500	-1.1%	209.5	1.1%	4.2	1.3%	650	2.3%	153	0.9%
British Columbia	1,213,000	-7.4%	596.2	-11.0%	3.4	-0.6%	492	-3.9%	144	-3.4%
Yukon	66,800	-2.5%	18.2	-10.6%	2.5	-2.3%	272	-8.3%	111	-6.1%
Northwest Territories	3,100	-50.8%	3.0	-55.9%	3.5	-37.6%	958	-10.4%	270	43.5%
Total	5,002,300	-5.7%	2,382.0	-9.2%	3.5	-2.7%	476	-3.6%	135	-1.0%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- During the first two quarters of 2009, overall U.S. visitors spend per night regional declined by 1.0%. Newfoundland experience the greatest decline with a drop of 35.4% to \$103 over the same period last year;
- The average spend per province visit contracted by 3.6%, with Saskatchewan, Newfoundland, Alberta, Québec, Manitoba and Nova Scotia offsetting this trend with increases of 41.8%, 9.4%, 2.3%, 2.0%, 2.0% and 0.3% respectively;
- The average trip duration for overnight travellers from the U.S. was approximately 3.5 days during Q1 and Q2 2009, ranging from 8.1 days in Newfoundland to 2.5 days in Yukon;
- When looking at the average spend per night, the NWT posted the strongest returns from U.S. visitors, with average spend per night dramatically increasing (+43.5%) over 2008;
- Saskatchewan posted a significant 19.4% increase in the average spend per night (\$167), along with an 87.7% increase in total spending in the province;
- Largely due to a 38.9% reduction in the length of stay, U.S. average spend per night in PEI increased by 26.1%;
- The average spend per night in Québec continued to improve through the first six months of 2009, with the average length of stay declining by 1.4% to 3.6 nights.

Travel Characteristics of Visitors from Overseas Key Markets Q2 2009

Table 5 Travel Characteristics from Overseas Overnight Visitors to Canada

Overseas Key Markets	Trips '000	09/08 Q1 & Q2 %	Spending \$ M	09/08 Q1 & Q2 %	Average Trip Duration (nights)	09/08 Q1 & Q2 %	Average Spend per Trip	09/08 Q1 & Q2 %	Average Spend per Night	09/08 Q1 & Q2 %
United Kingdom	301	-19.5%	403.6	-26.5%	11.8	-4.3%	1,342	-8.8%	114	-4.7%
France	146	-1.7%	181.3	-4.1%	14.8	-9.4%	1,246	-2.4%	84	7.7%
Germany	112	-8.5%	165.4	-7.6%	15.6	4.6%	1,482	1.0%	95	-3.5%
Japan	72	-34.5%	102.6	-30.3%	14.1	12.8%	1,435	6.4%	102	-5.7%
South Korea	60	-25.3%	93.5	-30.6%	25.4	0.0%	1,571	-7.2%	62	-7.2%
China	71	3.5%	106.4	-4.8%	30.1	-12.4%	1,503	-8.0%	50	5.0%
Australia	85	-13.1%	134.9	-9.6%	11.6	-0.5%	1,584	4.0%	137	4.5%
India	62	-2.8%	56.8	-6.2%	21.2	-3.3%	917	-3.5%	43	-0.2%
Brazil	25	-16.2%	42.7	-11.1%	15.0	-30.0%	1,688	6.2%	112	51.7%
Total Overseas Key Markets	684	-14.2%	968.8	-15.5%	16.5	-2.2%	1,417	-1.5%	86	0.7%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- In the second quarter of 2009, overnight pleasure travel represented 40.5% of travel to Canada from CTC key markets, despite experiencing a 21.0% decline over Q2 2008 (233,600 trips);
- In the first half of 2009, overnight trips from CTC key overseas markets declined 14.2% over 2008, totalling 684,000 trips;
- Total spending by key markets continued their downward slide, dropping by 18.1% in Q2 from -13.2% in Q1;
- From January to June 2009, overseas key markets experienced an improvement in the average spend per night, up 0.7% to \$86;
- Japan (+6.4%), Brazil (+6.2%), Australia (+4.0%) and Germany (+1.0%) helped offset the 1.5% decline in key markets average spend per trip during the first six months of 2009;
- Overseas spending on accommodations remained unchanged in Q2, representing 28% of total spending, while there was a 3.0% increase in the spending on transportation, reaching \$132.5 million (refer to Chart 4).

Chart 3 Overseas Visitor Arrivals by Main Purpose Q2 2009

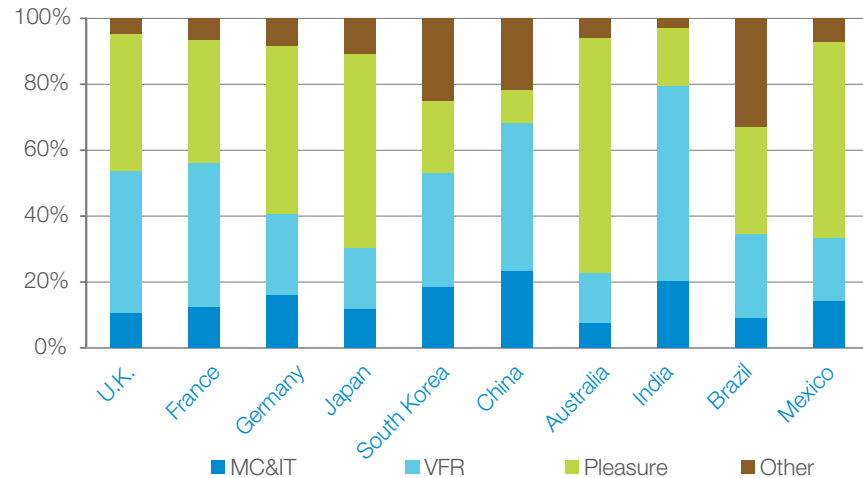
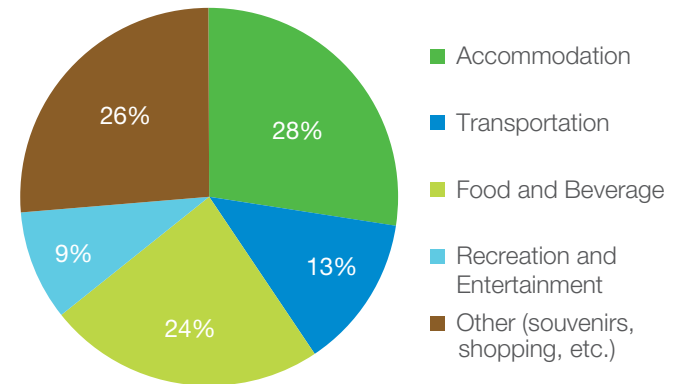


Chart 4 Overseas Overnight Total Spend Q2 2009



Europe (refer to Table 5)

- The U.K.'s average spend per trip deteriorated by -8.8% in the first half of 2009, aligning with a 9.6% depreciation of the pound against the Canadian dollar;
- France showed an improvement in spend per night up 7.7% (\$84), marginally offsetting declines experienced in both the U.K. and Germany;
- Germany was the only European market to show an increase (+4.6%) in the average length of stay in Canada reaching 15.6 nights, with the average spend per trip growing by 1.0%.

Asia (refer to Table 5)

- Japan reported a 12.8% increase in trip duration to 14.1 nights in the first six months of 2009. This contributed to a 5.7% decline in the average spend per night to \$102;
- Largely due to a strengthening yuan and a 12.4% decline in the average length of stay, China's average spend per night increased 5.0% compared with the first two quarters of 2008;
- South Korea's spend per trip improved from a decline of 12.2% in Q1 to a more moderate decline of 3.1% in Q2, resulting in a combined decline of 7.2%.

Emerging (refer to Table 5)

- From January to June 2009, Brazil showed the highest average spend per trip among CTC key overseas markets, reaching \$1,688 after an 6.2% increase over 2008;
- Travel from India during the first half of 2009 remained 3.5% below 2008 levels; however, Canada experienced a 110% influx in Indian travels in Q2 compared with Q1 2009. In addition, India reported the lowest average spend per night (\$43) among the CTC key markets.

Table 6 Travel Characteristics of Overseas Province Visits

	Province Visits	09/08 Q1 & Q2 %	Spending \$M	09/08 Q1 & Q2 %	Average Trip Duration (nights)	09/08 Q1 & Q2 %	Spend per Visit	09/08 Q1 & Q2 %	Spend per Night	09/08 Q1 & Q2 %
Newfoundland	8,900	30.9%	7.2	6.1%	9.2	-31.7%	814	-18.9%	88	18.6%
Prince Edward Island	9,500	-37.5%	6.4	58.4%	6.3	123.1%	678	153.4%	107	13.6%
Nova Scotia	48,000	-24.3%	43.4	-32.2%	10.2	-14.8%	905	-10.5%	89	5.1%
New Brunswick	17,300	-30.0%	12.4	-27.7%	19.6	22.8%	715	3.2%	37	-16.0%
Quebec	382,900	-13.6%	406.5	-12.1%	10.7	-6.9%	1,062	1.8%	99	9.3%
Ontario	731,100	-13.6%	684.1	-19.5%	12.2	-6.5%	936	-6.8%	77	-0.3%
Manitoba	26,000	21.5%	15.7	7.9%	9.1	-21.4%	605	-11.2%	67	13.0%
Saskatchewan	22,300	-11.2%	14.7	-37.5%	16.0	31.7%	659	-29.7%	41	-46.6%
Alberta	320,500	-8.1%	332.5	-15.4%	11.5	2.2%	1,037	-8.0%	90	-9.9%
British Columbia	565,500	-14.6%	741.2	-13.7%	14.6	1.4%	1,311	1.0%	90	-0.4%
Yukon	19,200	38.1%	19.1	152.7%	6.3	38.5%	995	82.9%	158	32.1%
Northwest Territories	5,700	-34.5%	6.2	-9.5%	4.9	32.0%	1,080	38.1%	218	4.6%
Total	2,156,900	-13.0%	2,289.4	-15.5%	12.4	-2.8%	1,061	-2.8%	86	-0.1%

Source: Statistics Canada, International Travel Survey, preliminary estimates

- From January to June 2009, the average spend per visit by overseas markets decreased by 2.8% to \$1,061; British Columbia (\$1,311), NWT (\$1,080) and Québec (\$1,062) were the only provinces to exceed the national average;
- Yukon posted the most notable increase in average spend per night, up 32.1%, to reach \$158; next came Newfoundland and PEI, up 18.6% and 13.6% respectively;
- Receipts increased 152.7% over the first six months of 2008 from overnight overseas visitors to Yukon, this increase aligned with Yukon's markets share increasing from 0.3% in the first half of 2008 to 0.8% in the first half of 2009;
- After experiencing a 31.7% decline in the average length of stay, Saskatchewan recorded the largest decline in the average spend per night of 46.6% compared with Q1 and Q2 2008;
- New Brunswick posted the longest average number of nights, up 3.6 nights compared to the same period last year;
- Manitoba saw overseas overnight travel increase 21.5% and total spend grow by 7.9%, over the first six months of 2008.

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