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MARKET INSIGHTS
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MARKET INTELLIGENCE GROUP

CANADA

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This Market Insight is one of an ongoing series of market profiles produced by the Market Intelligence Group [MIG] of the European Travel Commission [ETC]. New market profiles will be added to the series and updated at regular intervals.

The members of the MIG comprise the Research Directors of the 39 National Tourist Offices (NTOs) who are members of ETC. The group regularly commissions and publishes market intelligence studies, handbooks on methodologies and best practice, and facilitates the exchange of European tourism statistics on the 'TourMIS' web platform.

More information on ETC's programme of market intelligence activities - including links to studies and sources of European tourism statistics - can be found on the organisation's corporate website: http://www.etc-corporate.org.

OVERVIEW

- With an expenditure of US$27.0 bn in 2008, Canada is ranked eighth in the world in terms of spending on travel abroad (excluding transport) by the World Tourism Organization (UNWTO).
- With the help of a strong currency, outbound travel has been rising strongly in recent years. Trip volume reached 27.0 mn in 2008, 18.9 mn of which were to the USA and 8.1 mn (30%) were to overseas destinations. About one third of overseas trips were to Europe.
- Although Canada has not been immune to the downturn in world tourism in 2008-09, travel to overseas destinations has continued to rise: in the first five months of 2009, overnight trips to the USA were down 8.3%, but those to other countries were up 3.5%, compared with the same period in 2008.
- The leading European destinations are the UK and France, with about one million visits a year, followed by Germany and Italy, with a third of a million visits a year, and the Netherlands, with a quarter of a million.
- In April 2009, 18 airlines operated 312 scheduled weekly flights from Canada to Europe, with a capacity of 84,095 seats, serving 8 airports in Canada and 22 in Europe.
- It is believed that nearly half of all Canadians hold a passport. This proportion has been rising rapidly, partly as a result of the US Government's Western Hemisphere Travel Initiative, the last phase of which was implemented in June 2009.

COUNTRY PROFILE

Currency

- Canadian dollar (C$) €1 = C$1.56 (average 2008); €1 = C$1.59 (July 2009)
- The Canadian dollar rose steadily against the US dollar in 2002-07 – from an average of US$1 = C$1.57 in 2002 to C$1.06 in 2007. It reached parity with the US dollar at the end of 2007, and hovered there throughout the first half of 2008. It then fell to US$1 = C$1.20-1.25 in October 2008, remained about that level for the next six months, and then staged a partial recovery, reaching US$1 = 1.19 by the end of July.
- During the long slide of the US dollar in 2002-08, the Canadian dollar broadly kept pace with the euro. It weakened a little in the first four months of 2009, usually trading at around €1 = C$1.60-1.70.

Population

- 33.6 mn (2009) – just three people per km^2.
- The population is expected to increase by 10.5% to 37.1 mn in 2009-20, but the population is ageing fast. The number of people over 55 years old will increase by 16% in this period, while those aged 15-44 will decline slightly.
- The fertility rate (the average number of children per female) is estimated at 1.6 – well below the 'replacement rate' of 2.1 – but net immigration is strong (over 200,000 a year).
- More than 80% of Canada's population live in towns and cities within 250 km of the US border. 45% live in the largest metropolitan areas of Toronto (5.1 mn), Montreal (3.6 mn), Vancouver (2.1 mn), Ottawa (1.1 mn), Calgary (1.1 mn) and Edmonton (1.0 mn).

Age

Breakdown (%)	2009[e]	2020[f]
0-4 years	5.3	5.4
5-14	11.3	10.5
15-24	13.4	11.1
25-34	13.7	13.5
35-44	14.4	13.7
45-54	15.8	13.4
55-64	12.3	14.4
65-74	7.4	10.5
75-84	4.7	5.3
85+	1.8	2.3

- The population in 2009 can be broken down more simply as follows: 0-24 years: 30%; 25-59 years: 51%; over 60: 20%. The median age is 40 years, compared with 36.5 years in the USA and 29 years worldwide.

Ancestry

The population is mainly of European origin, but with a growing Asian component. About 4% are of indigenous descent. The following figures come from the 2006 Census (% of respondents – note that 41% of respondents gave multiple responses, and that 18% responded simply that they were of Canadian origin):

English	21.0	French	15.8	Scottish	15.1
Irish	13.9	German	10.2	Italian	4.6
Ukrainian	3.9	Dutch	3.3	Polish	3.2
Welsh	1.4	Portuguese	1.4	Norwegian	1.3

The numbers of immigrants living in Canada are very high – 19.8% of the total population in 2006 (compared with 12.5% in the USA, for instance). Of the 6.2 mn immigrants in 2006, 2.3 mn (37.2%) were born in Europe (including 9.4% in the UK, 4.8% in Italy, 2.8% in Germany, 2.8% in Poland and 2.4% in Portugal. However, 56% of recent immigrants (those arriving in the five years 2001-06) have come from Asia; 16% came from Europe – mainly from the UK and Eastern Europe.

Languages

English and French are both official languages – French in Quebec, French and English in New Brunswick, and English in all other provinces and territories. In the 2006 Census, 17.9 mn people gave English as their mother tongue, 6.8 mn gave French (including 5.9 mn in Quebec), and 6.1 mn gave other languages; 0.4 mn gave several languages.

Economic Data

	2004	2005	2006	2007	2008
GDP (US$ bn)	994.0	1,133.4	1,279.0	1,436.1	1,511.0
Real GDP growth (%)	3.1	2.9	3.1	2.7	0.5
GDP per capita (US$)	31,159	35,195	39,314	43,674	45,428
Inflation (%)	1.8	2.2	2.0	2.1	2.4
Employment (mn)	15.9	16.2	16.5	16.9	17.1
Unemployment (%)	7.2	6.8	6.3	6.0	6.2

Canadian Economy 2008-09

- Canada, as an economy and market, is dwarfed by the USA (its population is little more than one tenth of its neighbour's) – but its affluence (in GDP per capita terms) is closely comparable and it is very much more outward looking: it generates three times as many international trips per capita as the USA.
- Economic growth has been robust in recent years – but the prosperity was unevenly distributed: high energy and commodities prices benefited the natural resources-based western provinces of British Columbia, Alberta and Saskatchewan, while the strength of the Canadian dollar damaged the industrial heartlands of Ontario and Quebec. However, recent uncertainties have caused many projects in the western provinces to be put on hold.
- Having very largely avoided the pitfalls in the housing and financial markets, Canada was expected to weather the economic downturn relatively easily. In April 2009 the IMF predicted that real GDP would fall by 2.5% in 2009 and rise by 1.2% in 2010. Other analysts, however, have more recently been revising their forecasts downwards, expecting a sharp fall in employment and consumer spending. In contrast, consumer confidence rose again in May, for the third month in succession.

TRAVEL PROFILE

Canadian Outbound Trips

Trips (000s)	2003	2004	2005	2006	2007	2008
Total	17,739	19,595	21,091	22,731	25,163	27,037
USA	12,666	13,856	14,862	15,992	17,760	18,915
Overseas	5,074	5,739	6,229	6,739	7,404	8,122
% share	28.6	29.3	29.5	29.6	29.4	30.1
% annual change	8.4	13.1	8.5	8.2	9.9	9.7
Europe	1,892	2,064	2,375	2,380	2,573	na
% share	10.7	10.5	11.3	10.5	10.2	na
% annual change	1.1	9.1	15.1	0.2	8.1	na

Note: These figures exclude same-day visits to the USA (24.7 mn in 2008)

- With the help of a strong currency, outbound travel rose by an average of 8.8% a year in 2003-08.

- Growth in overseas trips (i.e. to destinations other than the USA) has generally been higher than that for trips to the USA since 2000, but Europe's share of overseas trips has generally been falling in this period.
- In the first five months of 2009, outbound overnight trip volume fell by 4.2%. This included an 8.3% decline in trips to the USA and a 3.5% increase in trips to other countries.
- In 2007, Europe accounted for 35% of overseas trips, compared with 40% for Mexico, Central America and the Caribbean, 12% for Asia and 2% each for South America, Africa and Oceania. Cruises accounted for the remaining 7%.
- A significant proportion of Canadian travellers to overseas destinations travel via the USA (13% in 2008).

International Travel Expenditure (excl transport)

	2003	2004	2005	2006	2007	2008
Total (US$ mn)	13,362	15,549	18,046	20,635	24,807	27,041
% annual change	14.0	16.4	16.1	14.3	20.2	9.0
Spend per trip (US$)	753	794	856	908	986	1,000
Overseas ((US$ mn)	5,718	7,086	8,141	9,165	10,603	11,540
% annual change	19.3	23.9	14.9	12.6	15.7	8.8
Spend per trip (US$)	1,127	1,235	1,307	1,360	1,432	1,420

Note: Total spend per trip is the crude measure usually quoted: total international travel spending divided by number of trips of one night or more, although the figures for spending also include spending on same-day trips. However, there are no same-day trips to overseas destinations, so the distortion does not occur in spend per trip to overseas destinations.

- In US dollar terms, international travel expenditure rose by an average of 15% a year in 2003-08, but it declined, in Canadian dollar terms, by 5% in both the last quarter of 2008 and the first quarter of 2009.
- Total spending on trips to Europe reached US$4,371 mn in 2007 (US$1,372 per trip, US$1,046 per visit to an individual country and US$93 per night).

Leading International Destinations

Top 15 international destinations, 2008

Country	Visits ('000)	Nights ('000)	Spending (C$ mn)
USA	18,915	146,602	12,924
Mexico	1,125	11,518	1,186
UK	1,017	12,406	1,227
Cuba	932	7,806	791
France	809	9,779	1,057
Dominican Rep.	763	6,319	651
Germany	362	3,333	312
Italy	338	3,471	456
Netherlands	274	2,173	212
China	250	5,403	452
Spain	216	2,261	266
Hong Kong	186	3,034	221
Switzerland	173	1,277	130
Ireland	165	1,948	200
Greece	139	2,181	225

- Since 2000, China and Ireland have moved into the top 15 destinations, and Belgium and Japan have dropped out. Greece also edged out Austria in 2008. Mexico has moved up one place, Cuba three places and the Dominican Republic two places. Among the nine European countries listed, Spain has overtaken Switzerland since 2000.
- These figures come from Statistics Canada's International Travel Survey (ITS). Compared with 2007, they show increases in visits of 29% for Cuba, 17% for Switzerland, 15% for Spain, 10% for Mexico and the Dominican Republic, 9% for France, 8% for the UK, 7% for the USA and 6% for the Netherlands, but declines of 2% for Germany, 3% for China and 4% for Italy. Length of stay in most of these destinations declined, but there were increases for the USA, Hong Kong, Switzerland and Ireland. Spending per trip also declined in most (more markedly in Italy, Spain and the Netherlands), but there was an increase for Switzerland. All these figures include 'side trips' (i.e. secondary destinations). A more complete set of figures for European destinations (excluding same-day visits) is shown below.

Trips to European countries, including 'side trips', 2008 ('000)

UK	1,017	Portugal	121	Slovakia	26	Belarus	6
France	809	Czech Rep	88	Malta & Gozo	26	Lithuania	6
Germany	362	Turkey	65	Romania	20	Monaco	5
Italy	338	Sweden	62	Luxembourg	16	Iceland	5
Netherlands	274	Hungary	60	Ukraine	15	Azores	4
Spain	216	Croatia	52	Slovenia	14	Latvia	3
Switzerland	173	Russia	48	Serbia & Mont.	13	Albania	2
Ireland	165	Denmark	47	Bulgaria	11	Macedonia FYR	2
Greece	139	Poland	31	Estonia	9	Andorra	2
Austria	135	Norway	31	Canary is.	9		
Belgium	128	Finland	30	Bosnia-Herz.	8		

- Arrivals reported by individual European destinations, using a variety of measures, differ from the trips recorded by ITS, often by factors of up to 2 or ½. Countries claiming even larger numbers include Poland, Romania, Ukraine, Iceland and Albania; those claiming even fewer include Belgium, Hungary, Denmark, Slovakia and Belarus.

Nature of Trip

Length of international trips (%), 2008

	To USA	Overseas
1-6 nights	67	7
7-13 nights	22	47
14-20 nights	6	26
Over 20 nights	6	20

- The average length of overseas trips in 2008 was 15.7 nights, compared with 16.5 nights in 2007 (including, in 2007, 15 nights for business trips, 24 nights for VFR, 14 nights for other leisure trips, and 23 nights for other types of trip).
- Average length of a trip to Europe in 2007 was 18.2 nights. However, the length of stay in the leading individual destinations in Europe varied from 12.5 nights in France and 12.3 nights in the UK, through about 10.8 nights in Italy, Spain and Ireland, to 8.1 in the Netherlands, 7.1 in Switzerland and 5.6 in Austria.

Purpose of Trip

Main purpose of international trips (%), 2007

	Total	To USA	Overseas	To Europe
Holiday/vacation	59.9	56.9	67.1	51.5
Business	13.0	14.1	10.4	27.4
VFR	18.6	19.3	16.8	27.4
Other	8.5	9.7	5.7	6.5

Note: Trips of one night or more.

- VFR is particularly important for travel to the UK and Germany. In 2007, 41% of trips to the UK were VFR, 33% other leisure, 13% business and 13% other.
- British Columbia appears to generate a particularly high proportion of VFR travellers (27% of all overseas travellers in 2007).

Seasonality

Month of international trips, 2005-07 (average % of annual totals)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
All trips	6.1	5.4	7.9	7.8	10.6	12.3	10.7	9.0	9.5	7.4	6.2	7.2
Overseas	11.7	9.7	11.8	9.5	7.5	6.3	7.3	8.9	7.1	6.5	6.1	7.6

Note: Trips of one night or more.

Public holidays

2009: 1 Jan, 10-13 Apr, 18 May, 1 Jul, 4 Aug, 7 Sep, 12 Oct, 11 Nov, 25-26 Dec

2010: 1 Jan, 2-5 Apr, 24 May, 1 Jul, 3 Aug, 6 Sep, 11 Oct, 11 Nov, 25-26 Dec

Note: 24 June is also a holiday in Quebec, 9 July in Nunavut, 21 June in the Northwest Territories, and the third Monday in February in Alberta, Saskatchewan and Ontario. Newfoundland and Labrador have several additional holidays.

Holiday entitlement

Contractual entitlement to paid holidays is typically 10 days a year during the first five years of employment and 15 days thereafter. Many businesses also close for holidays between Christmas and New Year. But professionals and senior managers are very likely to enjoy 4 to 6 weeks' holiday a year.

School holidays

The school year begins at the beginning of September and finishes at the end of June. Some schools have two semesters, with a long holiday in January and short breaks over Easter and Thanksgiving, while others have three trimesters, with longer holidays in January and April and short half-term holidays. Generally secondary schools have two semesters and primary schools three trimesters, but there are many exceptions. Most universities run from early in September to early in May.

Accommodation

- Although the majority of Canadian holiday travellers – around 68%, according to the CTC Holiday Tracking Survey in 2004 – stay in hotels, a high share of Canadian visitors to Europe – and especially VFR travellers – stay with friends and family and/or in private accommodation.
- Thus, VisitBritain reports that in 2007 visitors to the UK from Canada spent 60% of their nights as the guests of friends or family, 23% in hotels and guest houses, 6% in rented houses, 6% in hostels, universities or schools, 4% in 'bed & breakfasts' 1% in their own homes, and 1% in other accommodation. Nevertheless, 66% of holiday visits and 83% of business visits involved a stay in a hotel or guesthouse. 53% of all visits involved a stay with friends or family.

Leisure / Recreational Activities

- The ETC/Menlo study on the image of Europe in North America shows that Europe is associated with history, culture, gastronomy and scenic beauty, although Canadians are less interested in icons than Americans. Young Canadians in particular want to understand local culture and even to 'live like a local'.
- VisitBritain reports that in 2006/07 Canadians were more likely than other visitors to 'socialise with the locals', including visiting a pub, to go shopping, to visit castles, churches, monuments, historic houses, gardens, museums and art galleries, to explore the country, including walking in the countryside and visiting the coast, to participate in sporting activities, and to research their ancestry.

- The importance of scenic beauty to Canadians is reflected in their top ten aspirational destinations Wave 3 of the 2008 Anholt-GfK-Roper (formerly Anholt-GMI) Nation Brands Index):
  1 Australia
  2 Italy
  3 Switzerland
  4 New Zealand
  5 Sweden
  6 Scotland
  7 Greece
  8 France
  9 Spain
  10 UK

PROFILE OF TRAVELLERS

Nature of Overseas Travellers

- In 2008, 48% of overseas travellers came from Ontario, 22% from Quebec, 14% from British Columbia (including small numbers from Yukon, the Northwest Territories and Nunavut), 10% from Alberta, 2% from Manitoba, 1% from Saskatchewan and 3% from the Atlantic Provinces (Newfoundland, Labrador, New Brunswick, Nova Scotia and Prince Edward Island).
- Female travellers slightly outnumber male travellers. Figures from Statistics Canada suggest that in 2007 about 46% of overseas travellers were male (including 68% of business travellers, 41% of VFR travellers and 44% of other leisure travellers), and 54% female.
- Travellers aged 45-65 have the highest propensity for foreign travel (see below). Those over 50 are said to be the most enthusiastic about travel to Europe.
- Few Canadians travel as part of a tour group. As independent (FIT) travellers, they are good customers for ancillary tourism services such as car hire, rail and coach travel, and need to be pursued individually by attractions.
- Repeat travellers account for more than 50% of total trips.
- The wealthiest Canadians (earning a minimum of C$200,000 a year) often take three vacations annually.
- Menlo suggests that some 42% of Canadian overseas travellers have completed university or college education.

Overseas Travellers by Age

Breakdown of overseas travellers by age (%), 2007

	Business	VFR	Leisure	Total
Under 12 years	2	7	4	4
12-19	3	4	5	4
20-24	5	4	4	4
25-34	13	12	12	12
35-44	22	10	13	13
45-54	25	16	21	20
55-64	24	20	21	22
Over 65	6	16	14	13
Not stated	9	11	7	8
Total	100	100	100	100

Travel Companions

- CTC's International Travel Survey found that in 2008 15% of overseas travellers were travelling alone, 41% as two adults, 22% in a group of three or more adults, 8% as adult(s) with children, and 6% were children travelling alone.

- VisitBritain reports that in 2007 38% of Canadian visitors to the UK were travelling alone, 39% with their spouse or partner, 16% with children, 10% with adult family members, 8% with friends, 3% with business colleagues and 2% in tour groups (these categories are not exclusive; multiple responses are possible). Canadians are much more likely than other visitors in general to be travelling as a couple, and much less likely to be travelling with business colleagues or as part of a group.
- However, young Canadians are more likely than their elders to travel in groups – often informally rather than in organised tours.

AIR TRANSPORT

Airports

- The major Canadian departure airports for Europe are Toronto (YYZ), Montreal (YUL), Vancouver (YVR) and Calgary (YYC). Small numbers of flights also originate in Edmonton (YEG), Halifax (YHZ), Ottawa (YOW) and Quebec (YQB).
- In April 2009, 22 airports in Europe are served by direct scheduled flights from Canada: London Heathrow LHR), Frankfurt (FRA), Paris (CDG), Amsterdam (AMS), Zurich (ZRH), Munich (MUC), Rome Fiumicino (FCO), Manchester (MAN), London Gatwick (LGW), Brussels (BRU), Vienna (VIE), Glasgow (GLA), Warsaw (WAW), Athens (ATH), Kiev (KBP), Keflavik (KEF), Oporto (OPO), Nordela (PDL), Moscow Domodedovo (DME), Malaga (AGP), Lyon (LYS) and Nice (NCE). These airports are listed in order of their seat capacity from Canada. Heathrow accounts for 33% of capacity, followed by Frankfurt and Paris with 17%, Amsterdam with 9% and Zurich with 4%.
- In October 2008 there were also flights from Canada to 12 other airports in Europe: Barcelona (BCN), Birmingham (BHX), Bordeaux (BOD), Dublin (DUB), Düsseldorf (DUS), Lisbon (LIS), Madrid (MAD), Marseilles (MRS), Nantes (NTE), Paris Orly (ORY), Moscow Sheremetyevo (SVO) and Toulouse (TLS).

Airline Traffic / Capacity

Weekly scheduled flight/seat capacity from Canada to Europe (eastbound only):

		October 2008		April 2009	
Airline	**Alliance**	**Flights**	**Seats**	**Flights**	**Seats**
Air Canada	Star	132	33,378	119	32,102
British Airways	OneWorld	38	9,706	35	9,254
Lufthansa	Star	31	8,521	28	8,210
Air France	Sky Team	26	8,322	26	8,150
KLM	Sky Team	26	8,147	25	7,664
Air Transat	—	41	9,987	24	5,499
Thomas Cook	—	22	4,950	12	2,660
Swiss	Star	7	1,890	7	1,869
Jet Airways	—	7	1,540	7	1,540
Alitalia	Sky Team	6	1,410	6	1,410
Air India	—	3	945	4	1,292
Austrian	Star	4	856	5	1,086
LOT Polish	Star	4	914	4	972
Olympic	—	4	1,180	3	885
Aerosvit	—	2	460	2	460
SATA International	—	3	666	2	444
Icelandair	—	3	567	2	378
Transaero	—	0	0	1	220
Aeroflot	Sky Team	4	912	0	0
Martinair	—	3	816	0	0
Corsair	—	2	700	0	0
Total		368	95,867	312	84,095

- In April 2009, according to SRS Analyser, 18 airlines operated 312 weekly flights from Canada to Europe (eastbound only), with a capacity of 84,095 seats. This was 12% fewer seats than were available in October 2008, 1% fewer than in April 2008, and 28% fewer than in June 2006.
- Air Canada is the leading operator, with about 9 flights a day to London (3 from Toronto, one each from Montreal, Vancouver and Calgary, and one on most days from Ottawa, Edmonton and Halifax), 4 to Frankfurt (from Toronto, Calgary, Montreal and Ottawa), 2 to Paris (one each from Toronto and Montreal), and several flights a week from Toronto to Zurich, Munich and Rome.
- The main foreign carriers generally fly between Toronto and their home capitals. Exceptions include British Airways and Lufthansa (which also serve Montreal, Vancouver and Calgary), Air France (also Montreal), KLM (also Montreal and Vancouver), Swiss (also Vancouver and Calgary) and Olympic (only Montreal).
- The minor airlines serve a wider variety of originating and destination airports. Air Transat operates mainly between Montreal and Paris, and between Toronto and London Gatwick and Manchester, but it also serves six other points in Europe. Thomas Cook Airlines, a newcomer since 2006, operates between Toronto, Calgary and Vancouver and Manchester, Glasgow and London Gatwick. But the Canadian low-cost carrier Zoom, which was operating between half a dozen points in Canada and half a dozen in Europe, among other routes, ceased operations in August 2008.
- Some fights are seasonal. For instance, CSA Czech Airlines operated four flights a week between Toronto and Prague in summer 2008 and 2009 (but are reported to have no plans to do so in 2010).

TRAVEL PLANNING & BOOKING

Travel Formalities

- Canadians do not require visas for any EU countries, or for most other European countries, for tourist stays (business and leisure) of up to 90 days (counted from entry to the Schengen area). Exceptions include Russia and Belarus. Turkey issues visas on arrival for a fee. Most countries require passports to be valid for six months after completion of the trip.
- In June 2009 the final phase of the USA's Western Hemisphere Travel Initiative (WHTI) was implemented, requiring travellers returning to the USA by land or sea from Canada, Mexico and the Caribbean to show a passport, passport card, 'enhanced driver's license' or 'trusted traveler card'. The WHTI (which had already been implemented for air travellers) is leading to large increases in the numbers of US and Canadian citizens owning passports. In 2007 the Canadian passport authority reported that 41% of Canadians held a passport, and forecast that this would rise to nearly 50% in 2009.

Travel Decisions

- Canadians are tending to make their travel decisions and bookings later – a trend which has been facilitated by the increasing sophistication of travel industry websites and which has been encouraged by global uncertainties in recent years. In 2006, CTRI found that 42% of international travellers now make their booking decisions 1-6 weeks before departure, instead of the more conventional 2-3 months.
- VisitBritain reports that "in Canada, women influence 75% of all purchases; ... in the luxury market, 90% say they manage the household finances for major purchases including travel, and 55% say they are the prime decision makers."

Booking Methods

- Although the great majority of trips now involve some use of the internet, Canadians have been slow to adopt the internet for actual travel purchases. As CTC points out, "the internet remains more of a research tool than a virtual travel agent". Online bookings are predominantly used for airline, hotel and car-hire arrangements for domestic and US destinations; long-haul travel may be researched, and preliminary arrangements made, online, but the final bookings are usually made through a travel agent – often with a visit to a retail outlet.
- Nevertheless, the market share of travel agents is falling: CTRI reports that 51% of all trips were booked through travel agents in 2004, down from 62% in 2002.
- CTRI also reports that 73% of consumers planning to visit Europe say they will research their trip online and 48% say they intend to book at least part of their trip online.

Information Sources

- An NBI survey for VisitBritain in 2008 found that conversations with friends and relatives were the most important source of holiday information (47% of respondents) – and were seen as by far the most reliable source. Also widely used were travel brochures (33%), articles in magazines (29%) and newspapers (28%), and advertisements on television, in print and on the internet (about 25% each), but their reliability was often questioned. Travel guidebooks (used by as many as 30% of respondents), national and city tourism organisations, tourist information centres and travel agents (all used less often) were seen as more reliable. A wide variety of other sources were also used, but few were regarded as reliable. Travel blogs – much touted by other sources as an increasingly important source of information for younger travellers – were used by about 12% of respondents, but were seen as no more reliable than advertisements.

Internet & Media

- Internet World Statistics reports 24mn internet users in Canada (72.3% of the population) in March 2009. Two thirds of households have broadband connections (a higher proportion than in most other countries, including the USA). A collection of information on the use of the internet and e-travel in Canada is available in ETC's *New Media Trend Watch* at http://www.newmediatrendwatch.com.
- The main search engines used in Canada in June 2009 (according to Hitwise) were Google and Google Canada (79% of all searches), Yahoo! and Yahoo! Canada (8%) and Live.com (5%).
- TV viewing of specialist channels is rising quickly.
- Three quarters of Canadians aged 18 and over read the printed or on-line editions of a daily newspaper. There were 98 paid and 37 free daily newspapers in Canada in 2008. Most are provincial rather than national. Those with the highest paid circulations include the *Toronto Star*, *National Post* and *Ottawa Citizen* in Ontario, *La Presse* and *Le Journal de Montréal* in Quebec, the *Calgary Herald* and *Edmonton Journal* in Alberta, *The Province* and *Vancouver Sun* in British Columbia, and the *Winnipeg Free Press* in Manitoba.
- There are numerous specialist travel magazines and travel supplements or sections in non-specialist magazines – many of them international. Upmarket lifestyle magazines are reported to be booming.

TRAVEL TRADE PROFILE

Tour Operators

- Well over 100 Canadian tour operators, in addition to the airlines, sell Europe. Many are the Canadian operations of British and continental European operators, such as Contiki Holidays, Cosmos, Globus, Insight Vacations, MyTravel, Rail Europe, Signature Travel/First Choice Canada and Trafalgar Tours.
- Leading Canadian operators include Air Canada Vacations, Conquest Vacations, Nolitours, Transat Holidays, Canadian Travel Abroad, Canadian Affair (now owned by Transat) and JM Vacations (for long-stay winter holidays in Europe).
- The leading cruise operator is MyTravel Canada Cruise Escapes, which acquired the former number one, Encore Cruises, from First Choice Canada in mid-2006.
- Many tour operators are vertically integrated with their own retail operations, airline fleets, etc.

Retail Travel Agencies

- There are 5,000 or so travel agents in Canada, of which 3,000 are IATA approved (a reduction of 25% over the past few years as a result of consolidation) and 65% members of ACTA.
- Major national retail chains include Advantage Travel, American Express, CAA Travel, Carlson Wagonlit, Giants, Goliger's, MyTravel, T-Comm, Thomas Cook, Sears, Uniglobe and Vacation.com. Most are based in Toronto.
- Given the nature of the market (see above, under Booking Methods), travel agencies are developing their websites to make contact with, and provide information to, prospective customers, but their retail shops remain essential. However, there has been a good deal of consolidation in recent years, with increasing use of franchises and consortiums.

Travel Trade Media

- Important trade publications include Canadian Travel Press, Travel Courier, Canadian Traveller, Travelweek and (online) www.openjaw.com.

KEY TRENDS AND FORECASTS

Key Characteristics of Canadian Outbound Travellers

- Canadians are experienced and demanding travellers. Those with the highest propensity to travel overseas are aged 45-65.
- Many retired people, known in the travel trade as 'Snowbirds', travel south to escape the harsh Canadian winters. Some own second homes in Florida or the Caribbean, but there is also said to be a growing interest in winter travel to European destinations like Portugal.
- VisitBritain notes "the impending retirement of a generation of wealthy baby boomers". In a study on its behalf by Decima Research, 56% of working baby boomers said they intend to get away for some or part of the winter after they retire, while only 27% of the current generation of retirees do so now.
- Canadians have a wide range of interests in terms of holiday activities – the favourite include visiting places of historical and cultural interest, and tours around a cultural theme (e.g. art and architecture) are increasingly popular.
- Travel decisions and booking are tending to be made later and later.
- Canadians are used to high standards of living and service. If something is amiss, they will complain very politely – but expect an immediate remedy.
- In many ways Canadians are socially conservative, and reserved but friendly. Social conventions include punctuality, queuing politely, not smoking in private houses, and shaking hands on first acquaintance but using first names subsequently. Many Canadians are sensitive to being mistaken for US citizens – a maple-leaf pin or similar symbol will often help to identify them as Canadians.

Short-term Prospects

- Prosperity and a strong currency encouraged the 'travel habit' in recent years, and this habit is helping to sustain growth in overseas travel in the current recession.
- Although the world economic outlook remains uncertain, the Canadian economy is expected to weather this recession relatively easily, which should help to sustain outbound travel. Indeed, prospects for the Canadian market seem to be better than those in most other developed economies.
- However, since prosperity and the effects of the recession are unevenly distributed throughout Canada, it is more difficult to forecast the prospects for travel out of individual provinces.
- There is also the possibility that the recovery in international oil prices will cause further increases in long-haul flight prices, and cause further damage to airlines and their scheduled frequencies.
- Europe remains high on the destination wish list of Canadians, despite growing travel to South America and Asia, with Australia and New Zealand the main competitors in terms of aspirations.
- It is nevertheless likely that, in line with trends in other markets, demand will change following the economic recovery, and destinations and suppliers will need to adapt their products and services to meet this changing market. A positive aspect of this change is that Canada's ageing population will probably favour Europe.

NOTES

[a] Multiple responses possible/percentages add up to more than 100%

[e] Estimates

[f] Forecasts

SOURCES OF INFORMATION

Principal statistical sources (by section):

- **Country Profile:** Statistics Canada; International Monetary Fund; United Nations Department of Economic & Social Affairs Population Division; O&A.com
- **Travel Profile:** International Travel Survey (ITS), Statistics Canada; Canadian Tourism Commission (CTC); World Tourism Organization (UNWTO); Canadian Tourism Research Institute (CTRI), Conference Board of Canada; Anholt-GfK-Roper Nation Brands Index; VisitBritain
- **Profile of Travellers:** Statistics Canada; VisitBritain, The Travel Business Partnership (TBP) from various industry sources
- **Air transport/Airlines:** SRS Analyser, OAG
- **Travel Planning and Booking**: CTRI; VisitBritain; *ETC New Media Trends Watch;* TBP
- **Travel Trade Profile:** Association of Canadian Travel Agents (ACTA); Statistics Canada; CTRI; *ETC New Media Trends Watch*; VisitBritain

FURTHER INFORMATION

Association of Canadian Travel Agents (ACTA):	www.acta.ca
Canadian Tourism Research Institute (CTRI):	www.ctri@conferenceboard.ca
Conference Board of Canada:	www.conferenceboard.ca
Canadian Tourism Commission (CTC):	www.canadatourism.com
Statistics Canada:	www.statcan.gc.ca

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