



Canada Fact Sheet

Canada Overview

Canada is Hawai'i's fourth largest source market for visitors to Hawai'i. Weakness in the Canadian economy and devaluation of the Canadian dollar have impacted travel demand for Hawai'i overall. The HTA works with VoX International, its marketing contractor for Canada, to reach aggressive targets set by the HTA and to retain market share.

Year-to-Date February 2018 Quick Facts¹

Visitor Expenditures:	\$320 million
Primary Purpose of Stay:	Pleasure (125,102) vs. MCI (6,802)
Average Length of Stay:	13.47 days
First Time Visitors:	32.5%
Repeat Visitors:	67.5%

	2016	2017P	% Change 2017P vs 2016	2018 Forecast (Feb. 2018)	% Change 2017P vs 2018 Forecast	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
CANADA MMA (by Air)								
Visitor Expenditures* (\$ Millions)	954.9	1,032.7	8.1%	1,086.9	5.3%	320.0	296.8	7.8%
Visitor Days	5,926,189	6,451,673	8.9%	6,639,023	2.9%	1,791,721	1,734,184	3.3%
Arrivals	469,314	518,051	10.4%	530,738	2.4%	133,026	125,840	5.7%
Per Person Per Day Spending* (\$)	161.1	160.1	-0.7%	163.7	2.3%	178.6	171.1	4.4%
Per Person Per Trip Spending* (\$)	2,034.7	1,993.4	-2.0%	2,047.9	2.7%	2,405.7	2,358.3	2.0%
Length of Stay (days)	12.63	12.45	-1.4%	12.51	0.4%	13.47	13.78	-2.3%

*Excludes supplemental business spending

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¹ 2016 visitor data are the final numbers and reflect data from the National Travel and Tourism Office and updated reports from airlines. 2017 and 2018 data are preliminary.

Market Summary

- In 2017, arrivals increased 10.4 percent to 518,051 visitors, and contributed to an 8.1 percent growth in visitor expenditures to \$1.03 billion. Daily spending (-0.7% to \$160 per person) decreased slightly compared to 2016. Through the first two months of 2018, growth in visitor arrivals (+5.7% to 133,026) and higher daily spending (+4.4% to \$179 per person) led to a 7.8 percent increase in visitor expenditures to \$320 million.
- Airlift: In 2017, the number of scheduled seats (462,889) were virtually unchanged from the previous year. Through February 2018, scheduled seats from Canada increased (+2.9), with more seats from Vancouver (+4.2%) offsetting fewer seats from Edmonton (-5.6%) and Toronto (-11.1%).

Market Insights

- According to the RBC Economic Outlook quarterly report, Canada's economy is performing well. RBC Economics expects real gross domestic product (GDP) to grow by 2.6 percent in 2017 and 2.1 percent in 2018. With business investment on the rise and government spending on infrastructure ramping up, RBC Economics projects the economy will grow at nearly double the average pace of the prior two years.
- Canada's labor market is strong with November & December showing the best back-to-back gains in 5 years. Overall, 2017 showed the highest annual increase in jobs since 2002. The unemployment rate is the lowest (5.7%) in 40 years.
- The national consumer confidence rating was 121.8 points in January 2018, a 20-point jump compared to last year. There was increased confidence in all regions, with the smallest year-over-year change recorded in the Prairies and the largest difference reported in Quebec. In addition to strong consumer confidence, close to one-third (31.7%) of Canadians reported that January was a good time to make a major purchase.
- The value of the Canadian Dollar vs. the USD is likely the most significant contributor to travel intentions. The exchange rate improved for Canadians by 5% in January alone, reaching \$0.81.
- Even though pricing remains a slight deterrent, the exchange rate is now less of a shock to US travelers. Travel prices are on the rise, but the year-over-year impact is not as significant as the past few years due to the stabilization of the dollar.
- Boomers and "zoomers" continue as the hottest outbound market. Canada's aging population will continue to be a positive contributor to growth in outbound leisure travel as the propensity to take outbound leisure trips increases with age. Baby boomers (those born between 1946 and 1964) will continue to drive the outbound leisure travel market during the next five years. In 2017 there are more seniors (65+) in Canada than children. Multi-generational travel, wellness tourism and long stay travel will increase.

Visitor Statistics

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*Excludes supplemental business spending

Distribution by Island

	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
CANADA MMA (by Air)						
O'ahu	185,680	211,444	13.9%	49,949	46,767	6.8%
Maui County	244,851	264,612	8.1%	67,100	62,654	7.1%
...Maui	242,371	262,379	8.3%	66,295	61,916	7.1%
...Moloka'i	4,441	3,780	-14.9%	984	1,130	-12.9%
...Lāna'i	4,029	4,750	17.9%	1,381	989	39.7%
Kaua'i	66,873	73,090	9.3%	19,926	19,779	0.7%
Island of Hawai'i	89,287	103,418	15.8%	28,835	27,640	4.3%

Airlift

DepCity	2018					2017					% CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
CANADA	189,898	95,796	55,478	126,260	467,432	184,534	95,333	55,512	127,510	462,889	2.9	0.5	-0.1	-1.0	1.0
Calgary	31,152	8,382	0	11,122	50,656	30,884	9,031	0	11,424	51,339	0.9	-7.2	0.0	-2.6	-1.3
Edmonton	6,550	2,096	0	1,834	10,480	6,812	1,834	0	1,834	10,480	-3.8	14.3	0.0	0.0	0.0
Toronto	3,384	1,128	0	846	5,358	3,666	1,128	0	846	5,640	-7.7	0.0	0.0	0.0	-5.0
Vancouver	148,812	84,190	55,478	112,458	400,938	143,172	83,340	55,512	113,406	395,430	3.9	1.0	-0.1	-0.8	1.4

Source: Diio Mii airline schedules, updated January 2018.

Group vs. FIT; Leisure vs. Business

	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
CANADA MMA (by Air)						
Group vs FIT						
Group tour	9,020	7,938	-12.0%	2,108	1,637	28.8%
True Independent	369,705	414,359	12.1%	108,227	105,639	2.4%
Leisure vs business						
Pleasure (Net)	436,912	488,565	11.8%	125,102	119,010	5.1%
MCI (Net)	17,417	17,602	1.1%	6,802	5,657	20.2%
Convention/Conf.	11,297	12,125	7.3%	4,481	4,439	0.9%
Corp. Meetings	2,450	2,414	-1.5%	1,040	523	98.7%
Incentive	4,206	3,565	-15.2%	1,603	788	103.5%

First Timers vs. Repeat Visitors

CANADA MMA (by Air)	2016	2017P	Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
1st timers (%)	34.1	34.9	0.8	32.5	31.4	1.1
Repeaters (%)	65.9	65.1	-0.8	67.5	68.6	-1.1

Tax Revenue

CANADA MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
State tax revenue generated* (\$ Millions)	111.47	120.54	8.1%	37.35	34.64	7.8%

*State government tax revenue generated (direct, indirect, and induced)

Industry

Major Tour Operators

Presently, the top 7 operators for The Hawaiian Islands, based on room night production reports and confirmation from in-market supplier partners, are:

- Expedia
- Costco Travel
- Pleasant Holidays
- Travelocity
- WestJet Vacations
- TravelBrands
- Air Canada Vacations