



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 March 2018 Quick Facts¹

Visitor Expenditures: \$468.2 million
 Primary Purpose of Stay: Pleasure (197,375) vs. MCI (8,442)
 Average Length of Stay: 12.92 days
 First Time Visitors: 31.5%
 Repeat Visitors: 68.5%

	2016	2017P	% Change 2017P vs 2016	2018 Forecast (Feb. 2018)	% Change 2017P vs 2018 Forecast	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
CANADA MMA (by Air)								
Visitor Expenditures* (\$ Millions)	954.9	1,032.7	8.1%	1,086.9	5.3%	468.2	435.0	7.6%
Visitor Days	5,926,189	6,451,673	8.9%	6,639,023	2.9%	2,683,763	2,599,210	3.3%
Arrivals	469,314	518,051	10.4%	530,738	2.4%	207,686	195,309	6.3%
Per Person Per Day Spending* (\$)	161.1	160.1	-0.7%	163.7	2.3%	174.5	167.4	4.2%
Per Person Per Trip Spending* (\$)	2,034.7	1,993.4	-2.0%	2,047.9	2.7%	2,254.5	2,227.2	1.2%
Length of Stay (days)	12.63	12.45	-1.4%	12.51	0.4%	12.92	13.31	-2.9%

*Excludes supplemental business spending

Contact Information

Hawai'i Tourism Authority: Laci Goshi, Tourism Brand Manager
 Tel: (808) 973-2268
laci@gohta.net

Hawai'i Tourism Canada: Colin Wood, Account Director
 VoX International
 2 Bloor Street West, Suite 2601
 Toronto, ON M4W 3E2
 Telephone: (416) 935-1896 Ext 229
colin@voxinternational.com

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 three months of 2018, growth in visitor arrivals (+6.3% to 207,686) and higher daily spending (+4.2% to \$174 per person) led to a 7.6 percent increase in visitor expenditures to \$468.2 million.
- Airlift: In 2017, the number of scheduled seats (462,889) were virtually unchanged from the previous year. Through March 2018, scheduled seats from Canada increased (+2.9), with more seats from Vancouver (+3.9%) offsetting fewer seats from Edmonton (-3.8%) and Toronto (-7.7%).

Market Insights

- After a year of rapid growth, the Canadian economy is expected to slow in 2018 amid the prospect of rising interest rates and lower consumer spending, according to the latest RBC Economic Outlook. Gross domestic product (GDP) growth is forecasted to slow to 1.9 percent in 2018, followed by 1.6 percent in 2019, compared to 3.0 percent in 2017.
- March unemployment numbers remained strong, with the economy adding 32,000 net new jobs, helping to hold the unemployment rate at a record low of 5.8%, a very good sign.
- The national consumer confidence rating was 117.1 points in March 2018, a 5.4-point jump compared to last year. Increased confidence was registered in all regions, except for Atlantic Canada. While three-in-ten (30.1%) Canadians reported that March was a good time to make a major purchase, this sentiment was down from last year (-0.7%) with all regions except the Prairies more negative in their attitude towards large purchases.
- While the Canadian dollar appreciated throughout 2017, it is forecast to face uncertainty this year. Although an increase in oil prices and short-term interest rates spreads have favored the Canadian currency in the short run, RBC Economics expects the dollar to hover at 78 U.S cents early this year before strengthening to 82 cents by end of 2018. Overall the Canadian economy remains strong enough to believe that Canadians will continue to travel, but the key variable of the exchange rate is to be watched.
- 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.
- In March, HTCAN collaborated with TravelBrands/RedTag to execute a promotion with the NBA’s Toronto Raptors. The Air Canada Centre in Toronto seats 19,000 fans and the TV broadcasts are national within Canada.

Distribution by Island

	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
CANADA MMA (by Air)						
O'ahu	185,680	211,444	13.9%	76,394	71,580	6.7%
Maui County	244,851	264,612	8.1%	104,337	98,115	6.3%
...Maui	242,371	262,379	8.3%	103,268	97,025	6.4%
...Moloka'i	4,441	3,780	-14.9%	1,377	1,781	-22.7%
...Lāna'i	4,029	4,750	17.9%	1,931	1,662	16.2%
Kaua'i	66,873	73,090	9.3%	29,971	29,231	2.5%
Island of Hawai'i	89,287	103,418	15.8%	43,741	41,263	6.0%

Airlift

Departure City	2018					2017					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
CANADA	189,898	96,158	57,264	141,808	485,128	184,534	95,333	55,512	127,510	462,889	2.9	0.9	3.2	11.2	4.8
Calgary	31,152	8,382	0	17,615	57,149	30,884	9,031	0	11,424	51,339	0.9	-7.2	NA	54.2	11.3
Edmonton	6,550	2,096	0	1,834	10,480	6,812	1,834	0	1,834	10,480	-3.8	14.3	NA	0.0	0.0
Toronto	3,384	1,128	0	1,055	5,567	3,666	1,128	0	846	5,640	-7.7	0.0	NA	24.7	-1.3
Vancouver	148,812	84,552	57,264	121,304	411,932	143,172	83,340	55,512	113,406	395,430	3.9	1.5	3.2	7.0	4.2

Source: Diiio Mii airline schedules, updated March 2018.

Group vs. FIT; Leisure vs. Business

	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
CANADA MMA (by Air)						
Group vs FIT						
Group tour	9,020	7,938	-12.0%	3,098	2,694	15.0%
True Independent	369,705	414,359	12.1%	168,850	161,869	4.3%
Leisure vs business						
Pleasure (Net)	436,912	488,565	11.8%	197,375	185,985	6.1%
MCI (Net)	17,417	17,602	1.1%	8,442	7,113	18.7%
Convention/Conf.	11,297	12,125	7.3%	5,767	5,456	5.7%
Corp. Meetings	2,450	2,414	-1.5%	1,160	694	67.2%
Incentive	4,206	3,565	-15.2%	1,853	1,076	72.2%

First Timers vs. Repeat Visitors

	2016	2017P	Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
CANADA MMA (by Air)						
1st timers (%)	34.1	34.9	0.8	31.5	29.3	2.2
Repeaters (%)	65.9	65.1	-0.8	68.5	70.7	-2.2

Tax Revenue

	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
CANADA MMA (by Air)						
State tax revenue generated* (\$ Millions)	111.47	120.54	8.1%	54.65	50.78	7.6%

*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