

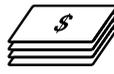


Nearly 3 million Japanese long-haul leisure travellers intend to visit Canada in the next two years.

2018 Performance



2018 Arrivals¹
251,240
(↓14.9%)



2018 Average Trip Spend²
\$1,810

Key Insights

- As concerns over slowing global growth and financial market turmoil weighed against consumer confidence, arrivals from Japan declined in 2018 (-15%), particularly air arrivals, as direct air capacity between Japan and Canada also retracted (-4%).^{1,3,6}
- Among all of Destination Canada's markets, Japan boasts the highest proportion of travellers visiting Canada between October and March when Aurora viewing is popular. Tour operators also increased new winter products including Canadian Rockies, Christmas in cities and festivals in Eastern Canada.¹

2019 Forecast



Visitor Forecast²
242,440
(↓3.5%)



Spend Forecast (CAD)²
\$416 M
(↑1.3%)



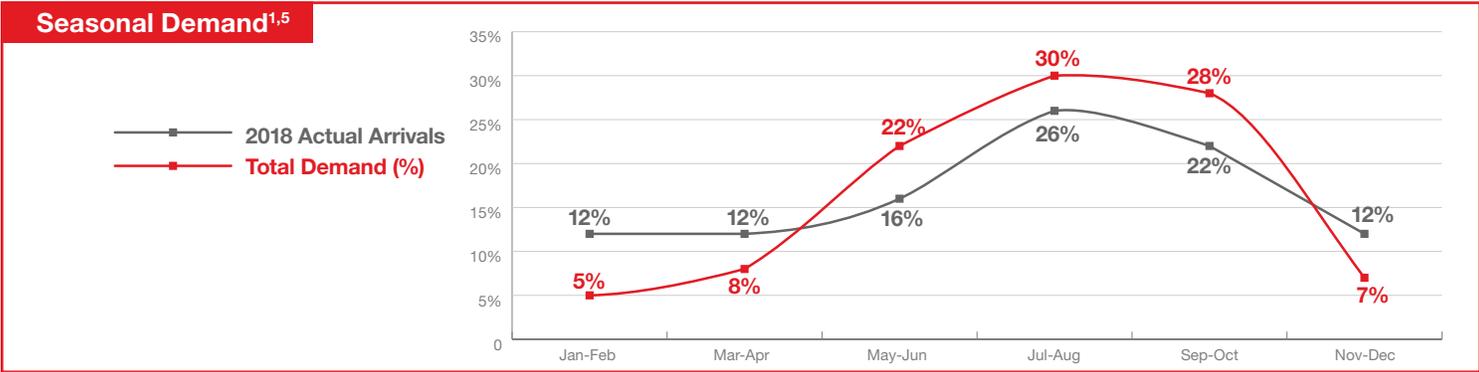
Air Seat Capacity Growth³
0.0%



Local Currency vs. CAD⁴
↓2.2%

Market Insights

- Japanese leisure travellers are most interested in visiting Canada between July and August (30% of travellers) and September-October (28%).⁵
- Japanese leisure travellers are most interested in participating in nature-based experiences – seeing mountains or waterfalls, witnessing the northern lights, visiting nature parks and immersing themselves in the fall colours. City, culinary and historical themes are also popular to combine with nature-based experiences.⁵
- 44% of recent Japanese leisure travellers to Canada booked their entire trip as part of an organized group travel package, via a travel agent/tour operator online or in-person.⁵



¹ Statistics Canada, Frontier Counts, 2018.

² Destination Canada Research estimates, using Statistics Canada preliminary 2018 Q1-Q3 VTS, 2017 ITS Q4, Frontier Counts, National Tourism Indicators, Bank of Canada and visitor forecasts from Destination Canada 2019 Forecast.

³ IATA SRS Analyzer Data, March 2018.

⁴ Bank of Canada.

⁵ Global Tourism Watch 2018.

⁶ OECD.



Market Potential⁵



Canada's target market
10,750,500



27%
are definitely/very likely to visit
Canada in the next 2 years

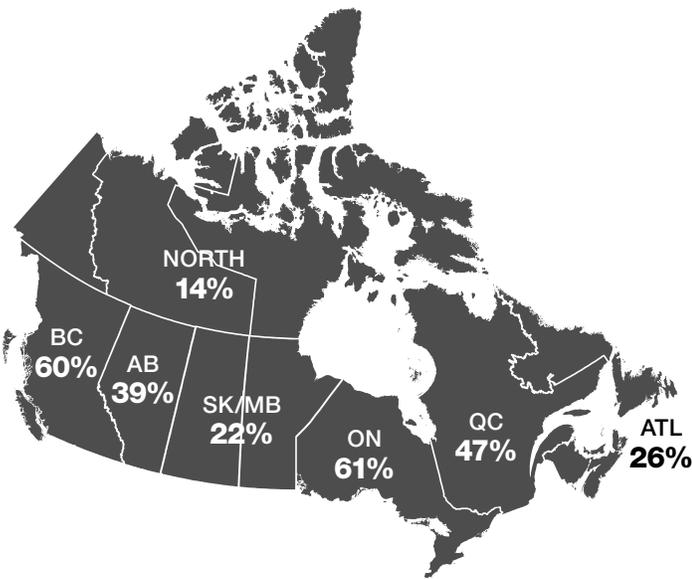


2,859,500
Canada's immediate potential

Top Drivers for Japanese Travellers to Any Destination⁵

- 1** Is a place that allows me to de-stress
- 2** Has great shopping
- 3** Has people that are friendly and welcoming
- 4** Its cities are great for exploring and soaking in the atmosphere
- 5** Has beautiful outdoor scenery and landscapes
- 6** Is a safe place to visit
- 7** Is a place where I can experience things that I can't experience at home
- 8** Offers distinctive experiences during all 4 seasons
- 9** Has great dining and food experiences
- 10** Its cities have a lot of great attractions to see and do

Travel Consideration by Province,
% Likely to Visit Region⁵



Travel Agent/Tour Operator Usage
For Recent Trip to Canada⁵

Used for either research <u>or</u> booking	72%
Used for both research <u>and</u> booking	29%
Used for research <u>only</u>	22%
Used for booking <u>only</u>	21%

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⁵ Global Tourism Watch 2018.