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2018 ARIZONA GOVERNOR'S CONFERENCE ON TOURISM

# ARIZONA OFFICE OF TOURISM CANADA

- Canada Overview
- July 2018

# CANADIAN MARKET OVERVIEW

## GENERAL COUNTRY PROFILE

**POPULATION:**  
35.6 million

**INFLATION RATE:**  
1.6%

**EXCHANGE RATES (CAD PER USD):**  
1.31

**GROSS DOMESTIC PRODUCT (GDP):**  
\$1.76 trillion (3% annual growth rate)

**EXPORTS:**  
\$433 billion

**UNEMPLOYMENT RATE:**  
6.5%



Source: The World Factbook, reporting 2017 estimates

# TRAVEL INTENTIONS

## TRAVEL MOTIVATION AND PLANNING



### Top Travel Motivators

**51%** Beach/Seaside Attractions

**50%** Cultural/Historical Attractions

**47%** Local Lifestyle



### Source used in Destination selection for last leisure trip

**62%** Websites via computer or laptop

**42%** Recommendation from family & friends

**25%** Websites or applications via tablet

**21%** Websites or applications via mobile phone



### Advance Decision Time

**15%** Less than a month

**21%** 1 to 2 months

**31%** 3 to 5 months

**23%** 6 to 12 months

**6%** More than 1 year



### Likelihood to Travel to USA

**47%** In the next six months

**23%** 6-12 months

**16%** 1-2 years

**7%** 2-5 years from now

**6%** Maybe some time in the distant future

**2%** Not likely to ever visit



### Expedited Travel Party Size (next trip)

**27%** 1 person

**45%** 2 people

**13%** 3 people

**14%** 4+

Source:  
Brand USA, reporting 2017 intercontinental traveler data

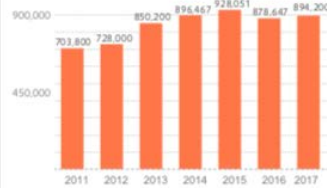


# VISITATION

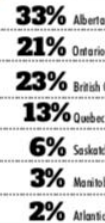
## CANADIAN VISITATION TO ARIZONA



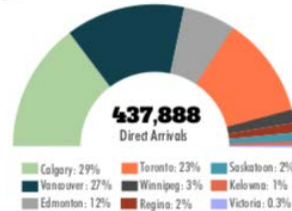
### Visitation Volume to Arizona



### Visitation by Province



### AZ Direct Arrivals from Canadian Cities



Source:  
 Tourism Economics, reporting 2011-2017 data  
 Visa/IE Travel, reporting 2017 data  
 Statistics Canada, 2016 data  
 The Conference Board of Canada, 2016 data



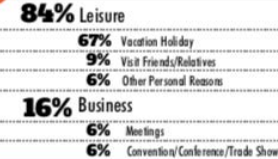
### Visitor Characteristics



### Mode of Entry



### Main Trip Reason



### Visa Credit Card Travel Spending

Canadian Visa Card Spending ranked #1 in 2017 with 45% of total International Travel Spending in Arizona.

#### By Quarter



#### By Arizona Region



Compiled by the Arizona Office of Tourism Research Division

# SNAPSHOT: CANADIAN TRAVEL

- Canadians take an average of 2.8 trips a year, compared to international average of 3.9
- Average vacation length is 8.7 days compared to international average of 7.9
- Types of vacation: 50% visiting family, 47% relax, 42% sight-see, 20% family play, 17% romantic getaway
- Method of travel: 65% by plane, 28% by car, 2% by train
- Accommodations: 55% hotel, 17% with family/friends, 14% resort, 7% alternative, 4% cruise, 3% other
- 74% of Canadians consider budget a primary factor in travel decision making
- Canadians heavily influenced by deals and special offers as well as recommendations from friends and family
- OTAs remains the number one tool for planning and booking travel followed by search engines, travel review sites, airline sites and social sites

*Expedia Multi National Travel Trends 2017*

# TOP TRAVEL TRENDS FOR 2018

- **Bucket list travel** (45% of Canadians have a travel bucket list and 82% plan to check one destination off that list in 2018) Popular bucket list destinations include: Wonders of the World, destinations boasting iconic food/cuisine, an island paradise, theme parks, an epic road trip or rail journey
- Canadian travelers love **vintage vacations** (According to booking.com 34% of Canadians are planning to return to a previously loved destination – this is not just older generations, but millennials are also planning to revisit a beloved family vacation site)
- Wellness vacations: opportunities for hiking and walking, spa and beauty, cycling and water sports are all a draw for health-conscious Canadian travelers
- Canadian travelers want the biggest bang for their buck – **this is not new but a consistent and critical factor in travel decision making**
- **Group getaways** – the great mate escape 25% of Canadians surveyed said they would be travelling with a group of friends
- **Going local:** stay in an AirBnB style home or apartment rental over a convention hotel – desire for authentic experience

*Readers Digest, December 2017*

# OUTBOUND CANADA: 2017-2018

## Global Outbound

- In Q1 2018, Canadians made more than **8.9M** overnight trips globally, up **9.6%**
- **Overseas** leisure trips have **increased 3.6%** from 2017
- **U.S.** leisure trips have **grown 6.1%** from 2017
- Canadian outbound travel trends globally:
  - Mexico record high visitation, up 12.6% in Q1 2018
  - Visitation to European countries, up 9.8%
  - Asia/Pacific up 7%
  - Cuba down -5.8%
  - Dominican Republic up 5.7%

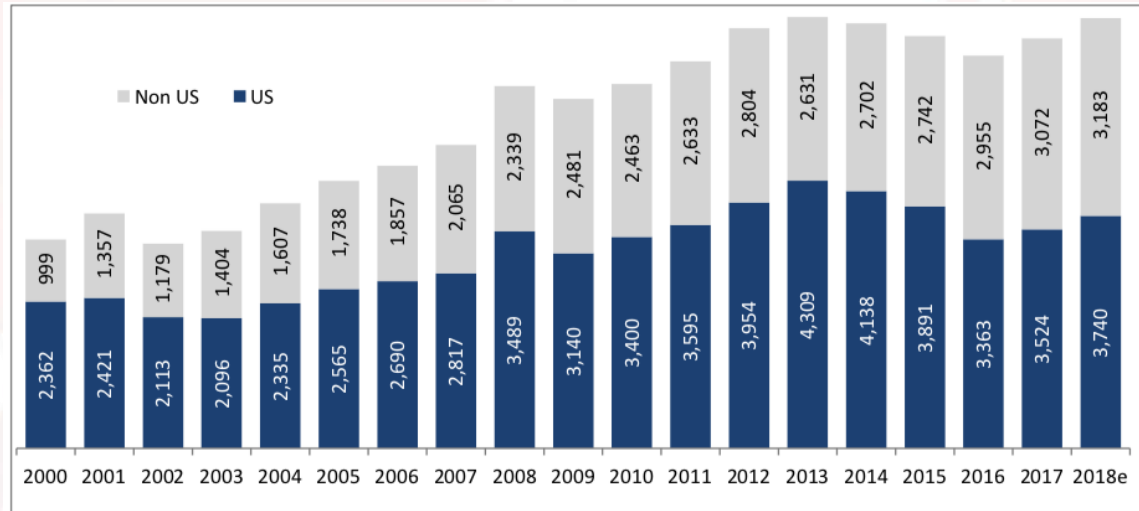
*CBoC Outbound Report, April 2018*



# CANADA OUTBOUND LEISURE TRAVEL

(ooo's of trips)

- January – March each year



Source: CBoC estimates of leisure trips from total outbound trips as reported by Statistics Canada.

# ARRIVALS FROM CANADA

## Last year's arrivals into PHX

- **10.1% increase in arrivals** YOY
- Passenger total 498K

*CBoC, Phoenix Deplanement Report April 2018*

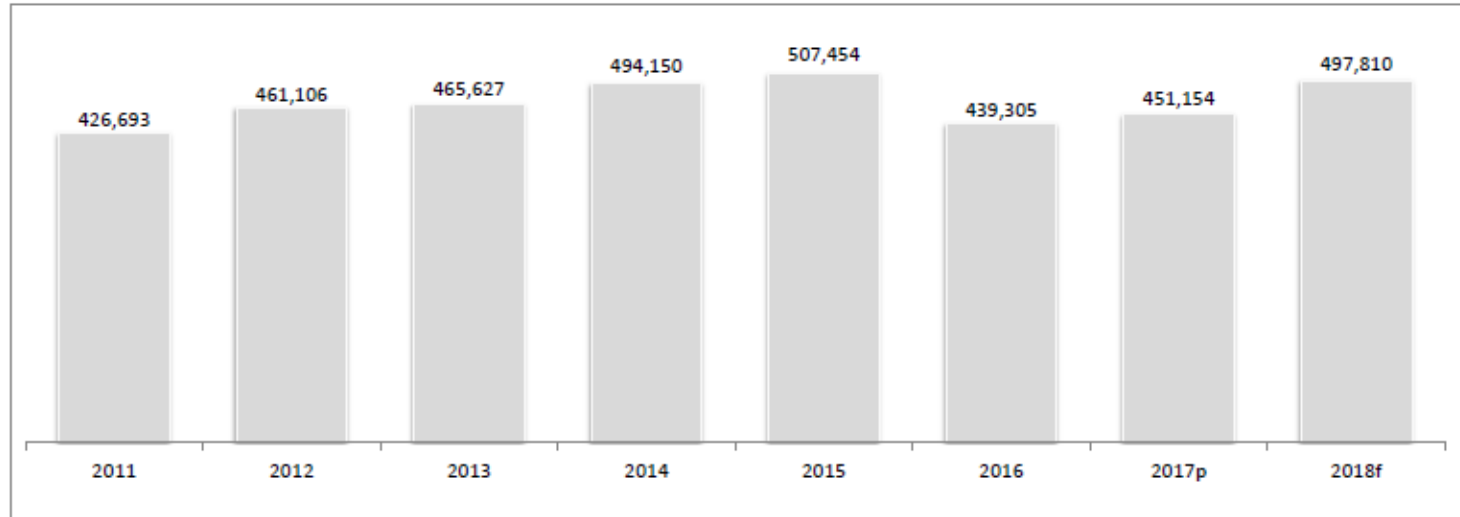
## Future arrivals into PHX

- After declining in 2017, direct capacity is poised to grow by 8.0% throughout 2018 as American Airlines reinstates 20 thousand seats and Air Canada expands service by 25 thousand seats. This change in capacity is estimated to result in close to 498 thousand arrivals at PHX, while WestJet's service to Phoenix-Mesa (AZA) airport is estimated to add an additional 10 thousand deplanements during the year.

*Conference Board of Canada. April 2018*

# FORECASTED 2018 DIRECT AIR ARRIVALS

Direct Air Arrivals from Canada to Phoenix



Source: Sky Harbor Airport, US BTS, CBoC estimates

# % CHANGE IN SEAT CAPACITY BY CARRIER

(2018 vs 2017)

	Air Canada	American*	WestJet	Total Seats
January	-2.1%	49.1%	-3.1%	4.3%
February	-7.5%	72.2%	0.3%	6.3%
March	12.5%	73.8%	0.6%	12.2%
April	10.8%	44.6%	-4.4%	4.1%
May	13.6%	-8.0%	9.2%	5.5%
June	-17.7%	-1.5%	13.1%	-5.6%
July	-17.7%	0.0%	11.5%	-5.6%
August	-17.7%	0.0%	7.4%	-6.4%
September	13.8%	12.0%	-6.0%	8.7%
October	30.5%	92.4%	-30.4%	9.1%
November	109.2%	2.9%	1.3%	22.9%
December	69.1%	-15.9%	3.7%	15.6%
<b>% Change</b>	<b>16.1%</b>	<b>21.3%</b>	<b>-1.4%</b>	<b>8.0%</b>
<b>+/- 2017</b>	<b>25,129</b>	<b>19,587</b>	<b>-3,763</b>	<b>40,953</b>

# CANADA MEDIA LANDSCAPE

## **Disappearing local news**

- Ownership of Canadian media only includes 4 major corporations: Bell, Rogers, Telus and Shaw which now controls 70 per cent of the country's mediascape
- Torstar and Postmedia made a deal this past year that resulted in the closure of 41 community newspapers (included several 24 hour free local commuter papers)

## **Editorial Staff – major changes continue to take place at top publications and news outlets**

- Toronto Star travel editor was let go – The Star is currently working with a pool of staff writers (unpaid) They will be hiring 20 new reporters in Western Canada and will rebrand and upgrade the digital offerings of five free daily Metro urban newspapers across Canada. As of April 2018, Metros will now be called Star Metro
- Metro News travel editor has transitioned to travel editor of WestJet Magazine. The travel section is now being managed under the executive editor for the outlet



# CANADIAN PR RESULTS: 2017-2018

## Strategy

- Diversify media outreach in include fashion, art and photography outlets in order to reach a wider audience.
- Formed a multi-tier marketing Air Canada to support high-value media opportunities, including the Marilyn Denis Show.

**Total generated impressions:** 65M reaching over \$650K in publicity value.

## Media activities included:

- 1 Group FAM "Photo-worthy Arizona"
- 1 Global FAM
- 15 individual press trips

# CANADIAN PR RESULTS: BROADCAST



**Global Morning National:**  
Hidden Gems in Arizona



**Marilyn Denis National:**  
10 Days of Giveaways

# CANADIAN PR RESULTS: PRINT & ONLINE

## Vivre sur un ranch en Arizona

f PARTAGEZ SUR FACEBOOK t PARTAGEZ SUR TWITTER ✉ AUTRES



PHOTO AGENCY GHL SA

**SARAH BERGERON-DUJELLET**  
Journaliste, @sbergeronduj  
MILK & JUMP, @milkandjump

TUCSON, Arizona | Vous avez envie d'un séjour au soleil complètement différent cet hiver ? Pourquoi ne pas aller passer quelques jours, comme nous, dans un *dude ranch* dans le sud de l'Arizona ?



DESERT  
ROSE

Journaliste | @sbergeronduj  
MILK & JUMP | @milkandjump  
PHOTO AGENCY GHL SA



REACH GLOBAL

TRAVEL

## Why Phoenix should be your next food destination



Restaurants such as Pizzeria Bianco - whose chef, Chris Bianco, won the James Beard Award - are putting Phoenix on the foodie map.

VISIT PHOENIX

Phoenix, a desert city in the southwest U.S., reminds **Olivia Stren** of Italy's Amalfi Coast, and it all comes down to a group of chefs turning the town into a foodie hot spot.

**OLIVIA STREN**  
PROFESSOR  
SPECIAL TO THE GLOBE AND MAIL  
PUBLISHED APRIL 4, 2019



# CANADIAN PR RESULTS: SOCIAL



mcglobetrotteuse • Following  
Western Spirit Scottsdale's Museum of ...

mcglobetrotteuse Officially in Arizona with all these cacti! 🌵 #visitarizona #usa #travel #travelblogger #absolutelyscottsdale #phoenix #flora #wild #nature #arizona #museum #igersphx  
juliemasgermonde 🌵  
refusetohiberner Profitez bien les filles @mcglobetrotteuse @moimessouliers !! 🇺🇸  
elaineschoch Very cool line up!



lovesey • Following  
Cholla Trailhead - Camelback Mountains

lovesey #Throwback to when I hiked up Camelback at sunrise, carrying a bag of treats from @the\_phoenician, all to snap some photos of my picnic. Thanks for the shot, @thomas.j.powell!

View all 26 comments

lovesey @heyitshuy, 🥰🥰🥰  
lovesey @heyitshuy, I'll be sharing a snap of my picnic later today! Stay tuned.  
lovesey @heyitshuy, 🥰  
heyitshuy\_ @lovesey you know I'll. 🥰  
lovesey @heyitshuy, 🥰🥰🥰  
cangeotravel Views  
daniellefinest 🥰🥰🥰🥰🥰🥰🥰  
lovesey @cangeotravel Such incredible views

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lovesey • Following  
The Phoenician Resort, Scottsdale

lovesey 📸 • Photo: @muffindahl #cangeotravel

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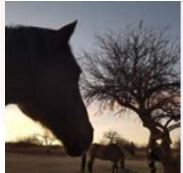
thebergg @lovesey i wish!  
markella\_markella\_ not a stitch of envy here 🥰  
lovesey @markella\_markella\_ LOLLLLLL  
lovesey @markella\_markella\_ 🥰🥰  
chris\_mir94 Hammer  
damn\_jan\_ Were you at daily dose the other day??  
adaynajanelle Sexy  
lovesey 🥰🥰  
iammelondon 🌴🌴  
solsoxy wow, top Foto 🌴  
mrdavididuran 🌴

1,203 likes  
FEBRUARY 8

Christine Elizabeth Laprade  
June 16 at 1:22 AM

My ticket

See original · Rate this translation



LEMUST.CA

**Rusticité et plaisirs de la table dans le désert américain | LE MUST**

Peu connu du grand public, le sud de l'Arizona nous réserve plusieurs grandes surprises, pourvu qu'on s'éloigne de ses centres urbains. Voici un carnet...

Like Comment Share

The Marilyn Denis Show on CTV  
December 22 at 3:30pm

You have everyday until December 29 to win items from Marilyn's gift guide! This 10 Days of Giveaways haul is worth over \$4,500 and includes goodies from Vitamix, Fitbit, RYU Apparel Inc., Vaughan Mills, Scene, Pursed Boutique - Designer handbags & purses, Vanilla Prepaid, H&M, iHeartRadio Canada, GUESS, PANDORA, Tiffany & Co., Visit Arizona, and Fairmont Scottsdale!



chance to win a some of Marilyn's favourite

Comment Share

Top Comments

# CANADIAN TRADE ACTIVITIES & RESULTS

(2017 - 2018)

## Strategy:

**Educate and excite Canadian travel trade to book Arizona through the following activities:**

### Newsletter E-blasts customized by season (4)

- Distributed to over 20,000 travel professionals (each quarter)
- Total opens: **12,163**
- Total Click throughs: **628**

### Toronto & Montreal Sales Mission

- Combination of agency trainings, networking events and product meetings
- Total trade reached: 298
- Total leads: 115

### Western Canada FAM

- 5 attendees from top agencies & tour companies in Western Canada participated in the Arizona FAM, September 2017

### Air Canada Flight Launch event – Montreal

- Planned an Arizona training and virtual reality experience for 82 travel trade professionals to support/promote the new Air Canada flight from Montreal to Phoenix

### IPW 2018

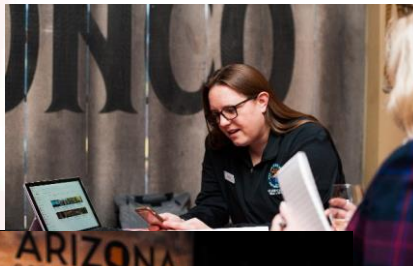
- Secured 9 Canadian appointments at IPW on behalf of the state. Ongoing follow up in summer 2018 for product development/partner leads

### Key Performance Indicators

- Trade leads
- Goal 2017-2018: 134
- Total achieved: 222



# TRADE RESULTS



# IN-MARKET ACTIVITIES

## **Air Canada Flight Launch and Montreal Media Mission**

- **October 9-11, 2017:**
  - 1 day in Montreal
  - 6 media deskside appointments
  - Activation at AC flight launch event attended by over 100 partners and trade media
  - AC Partnership agreement was conceptualized

## **Discover America Day**

- **September 25, 2017**
  - 11 media meetings
  - 3 leads
  - 1 FAM

## **Toronto Media Mission**

- **February 5-7, 2018:**
  - 6 partners attended
  - 6 deskside appointments
  - Evening media event with 30 top-tier attendees

## **Travel Media Association of Canada**

- **TMAC – Annual conference, Victoria May 30- June 3:**
  - 24 media meetings
  - 1 group FAM confirmed
  - 3 press trips

# PLAN FOR SUCCESS: PR & TRADE

- Prioritize consumer facing initiatives with a call to action through trade
- Partner with niche associations and like minded brands that reach millions of consumers
- Partner with key airlines that have direct access to Arizona and leverage assets to extend our reach with minimal financial investment
- We will expand on our existing partnership with Air Canada through group and individual FAMs, joint events and additional broadcast opportunities
- Engage Arizona state partners with affordable cooperative opportunities to grow our brand presence and extend our marketing efforts
- Strike a balance between promoting both iconic Arizona and hidden gems



