



2014

SUMMER TRAVEL SNAPSHOT



A Message from Visa Canada

In conjunction with the Tourism Industry Association of Canada (TIAC), Visa Canada is pleased to release the first semi-annual seasonal *Travel Snapshot*. We trust this concise summary provides TIAC's members, partners and stakeholders with valuable insights into spending patterns that can help inform their marketing and promotional efforts as they plan positive, innovative experiences and products to delight and attract travellers from around the world.

Visa sits at the intersection of thousands of financial institutions, tens of millions of merchants, and billions of account holders around the world. We are committed to doing our part to help ensure Canada's tourism sector remains vibrant. That role is anchored by the trust that cardholders and travellers place in the Visa brand everyday – from having confidence that their payment choice will be widely accepted to knowing that Visa transactions are protected by Visa's layers of security.

Electronic payments have added billions of dollars to the tourism sector, and we continue to work hard to deliver innovation that will harness the power of the Visa network to ensure that trend continues.

We look forward to continuing to work with TIAC and its members to enhance the experience of visitors to Canada.

Sincerely,



Rob Livingston
PRESIDENT
VISA CANADA

A Message from the Tourism Industry Association of Canada

TIAC and Visa Canada are pleased to present this detailed report on Canadian outbound and inbound Visa cardholder spending during the summer of 2014. Visa Canada's extensive data collection has allowed us to quickly drill down into unprecedented detail on the spending habits of both international and domestic visitors.

Tourism is an \$84 billion industry that directly employs over 600,000 Canadians in every region of the country. In 2013, foreign visitor spending contributed \$12.7 billion in exports to Canada's economy. However as tourism mainly sells "experiences" rather than goods and services, the sector's economic importance is often misunderstood. This report offers a unique look into the wide reaching impact of tourism – tourists are venturing beyond the traditional sights in search of new experiences and ideas stimulating the economy in communities in all areas of the country.

While Canada experienced a strong summer, we can do better – particularly in the US. In 2013, 79% of tourism revenue came from domestic travellers. However, with international travellers spending on average three times more than domestic travellers, TIAC is looking to boost international travel by 5% to match global growth rates and capitalize on this booming industry.

Sincerely,



Rob Taylor
PRESIDENT AND CEO (INTERIM)
TOURISM INDUSTRY
ASSOCIATION OF CANADA



OVERVIEW

According to 2014 VisaVue Travel Data*, Canadian inbound tourism during the peak summer season (May to September) produced a healthy 4.9% spending growth over the previous year, with flat growth for outbound. Of the top five inbound source countries, spend differed for various cities and spend categories.

INBOUND

Of the top ten inbound source countries, the United States contributed the most in total revenue, capturing 51.8% of summer spending, but the highest year-over-year increase came from China, with 47.2% spending growth and 8.2% of sales. Japan and South Korea saw a 10.4% and 7.8% growth each respectively. Other notable inbound spending increases from countries not in the top ten include India with 22.3% growth, Ireland with 11.1% growth, Saudi Arabia with 21.5% growth, and Spain with 20.2% growth.

OUTBOUND

While outbound growth was flat for the summer period, Canadians still spent \$6.6 billion internationally during the May to Sept period. The United States remains the Canadian favourite, with 63.1% of sales, while Greece and Ireland both saw year over year double digit growth: Greece 15.3% and Ireland 18.5%. Other destinations not in the outbound top ten that saw notable spending increases include Portugal at 21.4%, the Philippines at 10.2% and Japan at 10%.

SUMMER INBOUND



2013
\$3.5B

2014
\$3.7B

4.9%
Growth

SUMMER OUTBOUND



2013
\$6.6B

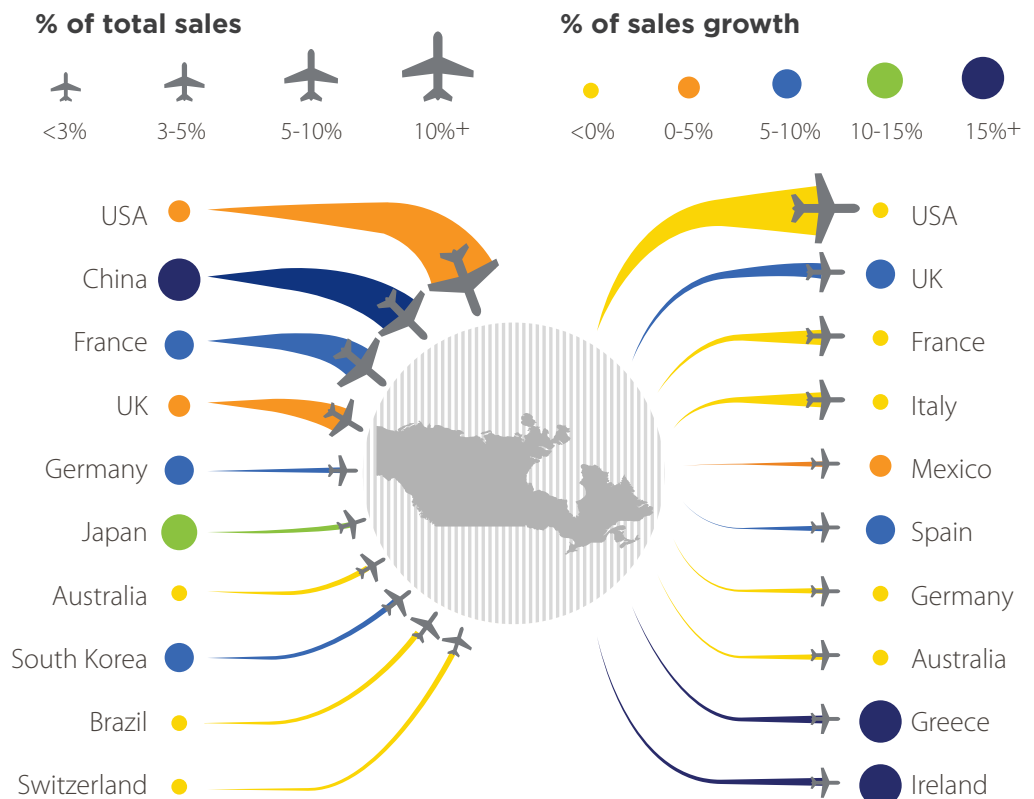
2014
\$6.6B

0%
Growth

*Travel related spending on Visa cards from May - September 2014.

INBOUND / OUTBOUND

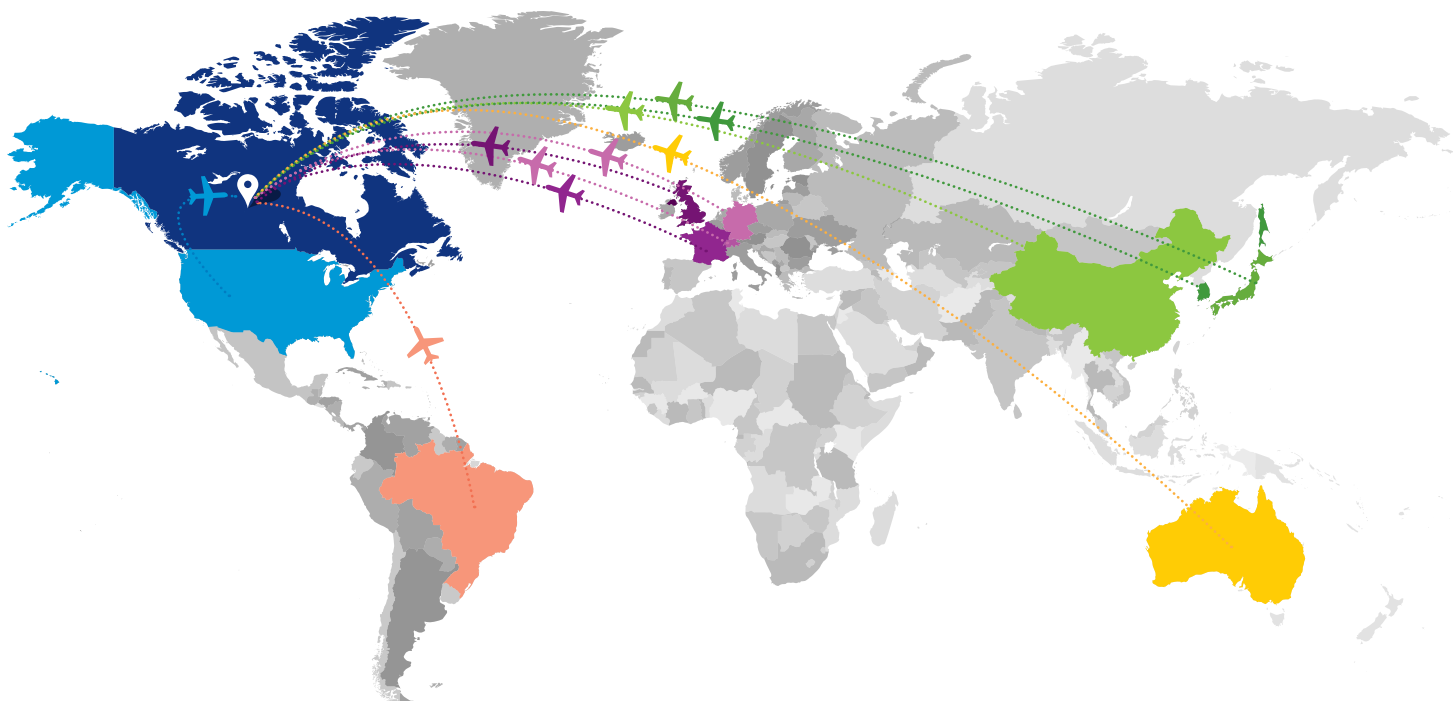
Visa card spend by visitors to Canada and Canadians abroad from May to Sept 2013 - 2014



Source throughout: VisaVue Travel for relevant periods



SUMMER INBOUND FIVE YEAR TREND

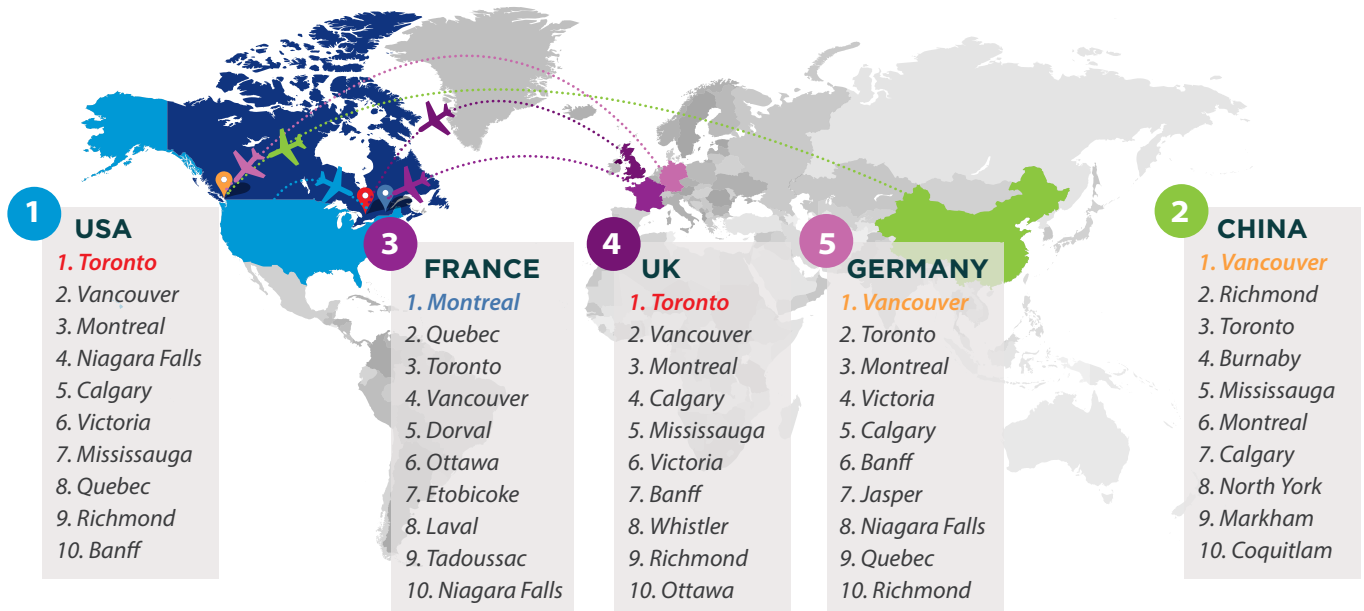


INBOUND FIVE YEAR TREND

	2010	2011	2012	2013	2014
1	USA \$1.9B	USA \$1.9B	USA \$1.8B	USA \$1.9B	USA \$1.9B
2	UK \$181M	France \$190M	France \$180M	China \$205M	China \$302M
3	France \$162M	UK \$181M	UK \$178M	France \$191M	France \$203M
4	China \$97M	China \$140M	China \$163M	UK \$176M	UK \$180M
5	Australia \$79M	Australia \$92M	Australia \$81M	Germany \$80M	Germany \$86M
6	Germany \$69M	Germany \$80M	Germany \$77M	Australia \$71M	Japan \$71M
7	Japan \$68M	Japan \$72M	Japan \$71M	Brazil \$67M	Australia \$70M
8	South Korea \$61M	Brazil \$67M	Brazil \$65M	Japan \$64M	South Korea \$57M
9	Brazil \$54M	South Korea \$63M	South Korea \$54M	Switzerland \$55M	Brazil \$55M
10	Hong Kong \$50M	Switzerland \$52M	Switzerland \$53M	South Korea \$53M	Switzerland \$52M

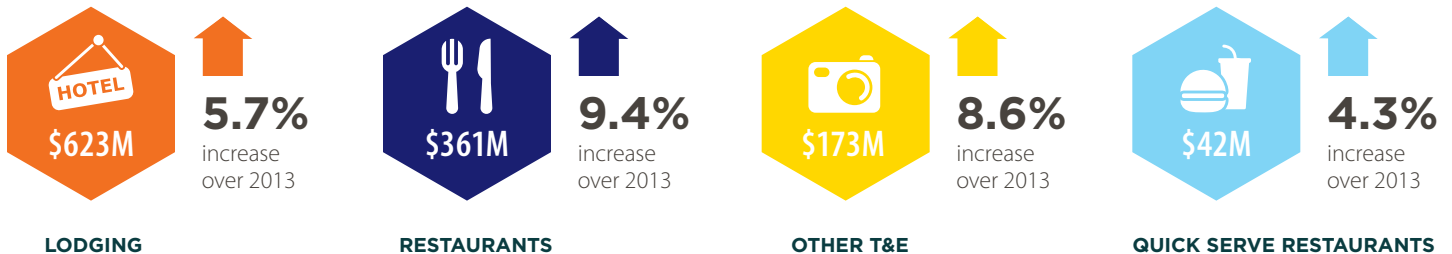


TOP 5 INBOUND COUNTRIES TOP CITIES VISITED



INBOUND SPENDING PATTERNS

General retail purchases captured the largest share of tourism spending on Visa accounts by international travellers visiting Canada during the 2014 summer period spending a combined **\$878M, an 8.9% increase over 2013**. Other popular spending categories included:



TOP 5 INBOUND COUNTRIES SPENDING PATTERNS

