

Impact of COVID-19 on the Canadian Economy and Consumer Sentiment - as of OCTOBER 29, 2021

To better understand the impact of COVID-19 on the economy, the consumer mindset and to inform marketing recovery strategies, Destination Ontario has accessed various economic, public attitude and behavior studies.

EXECUTIVE SUMMARY AS OF OCTOBER 29, 2021:

According to Destination Canada's Resident Sentiment Towards Visitors Survey Report, Updated October 19, 2021

- Ontario's **overall positive sentiment** towards visitors from other parts of the province increased on all measures over the last month; therefore, promoting local/within Ontario travel when the time is right, would be the current best course of action:
 - 78% of Ontarians would welcome visitors from nearby communities
 - 76% of Ontarians would welcome visitors from other parts of Ontario
 - 65% of Ontarians would welcome visitors from other parts of Canada
 - 33% of Ontarians would welcome visitors from the U.S. and 29% from other international destinations

According to Destination Canada's Resident Sentiment Survey Report, Updated October 26, 2021

- Ontario's perception of travel safety increased on most measures towards all domestic destinations over the last month, likely due to safety protocols still in effect
 - 86% of Ontarians feel safe when thinking about travelling to nearby communities
 - 81% of Ontarians feel safe when thinking of travelling within Ontario
 - 60% of Ontarians feel safe when thinking of travelling to other parts of Canada
 - 32% of Ontarians perceived safety as much lower when thinking about travelling to the U.S. and 30% to other international destinations

DESTINATION ONTARIO

*According to Destination Canada's Sentiment Toward Tourism Advertisement Survey Report,
Updated October 26, 2021*

- Ontarians are receptive to the promotion of their community to other nearby communities, and to the rest of Canada and Ontario. Ontarians are unreceptive to the promotion of their community to the U.S. and international markets
- Provincial receptivity score is based on the net level of happiness Ontarians experience when seeing their community promoted to each target market. Net happiness level is calculated as the total "very happy" and "happy" responses minus total "very unhappy" and "unhappy" responses
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other nearby communities in Ontario is net positive of +39; therefore, timely and relevant hyperlocal travel will be well received
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Ontario increased from +30 in September 2021 to +35 in October 2021
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Canada increased from +12 in September 2021 to +18 in October 2021

According to Google Travel Intent Survey Online Poll Results Ending October 8, 2021

- Canadian overall travel intent decreased or remained stable on most measures since the last month
 - 15% of Canadians are looking to book a domestic trip in the next three months
 - 16% of Canadians are looking to book a domestic trip after a year from October 8, 2022
 - 14% of Canadians are interested in travelling within 20 miles of their home
 - 25% of Canadians are interested in a major city travel destination
 - 15% of Canadians are interested in a small-town travel destination

According to Google's InVITE Studio Tool Based on Search Query Data, data pulled on October 29, 2021

- Travel search interest within Canada is down 2% compared to the same period March 1, 2019 – October 29, 2020
- Travel search interest to Ontario is down 7% compared to the same period March 1, 2019 – October 29, 2020

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According to Google's Global Travel Intent Survey based on data as of October 8, 2021

- In the UK and France, less than 21% of the citizens polled in each country intended to book an international trip within the next year

ECONOMIC & TRAVEL OUTLOOK

COVID-19 has caused a significant negative impact leading to noticeable changes in public behaviour. Destination Canada is tracking public attitudes and behaviour in Canada to assist organizations in their strategic and tactical planning. The research also includes Google's monthly online polling of a random sample of Canadians and citizens from various countries. The latest data shows some key insights:

CANADIAN TRAVEL OUTLOOK

Destination Canada's Resident Sentiment Survey Study Results from October 19, 2021, reported¹:

- Ontario's **overall positive sentiment** towards visitors from other parts of the province increased on all measures over the last month; therefore, promoting local/within Ontario travel when the time is right, would be the current best course of action:
 - 78% of Ontarians would welcome visitors from nearby communities
 - 76% of Ontarians would welcome visitors from other parts of Ontario
 - 65% of Ontarians would welcome visitors from other parts of Canada
 - 33% of Ontarians would welcome visitors from the U.S. and 29% from other international destinations

Destination Canada's Resident Sentiment Survey Study Results from October 26, 2021, reported²:

- Ontario's perception of travel safety increased on most measures towards all domestic destinations over the last month, likely due to safety protocols still in effect
 - 86% of Ontarians feel safe when thinking about travelling to nearby communities
 - 81% of Ontarians feel safe when thinking of travelling within Ontario
 - 60% of Ontarians feel safe when thinking of travelling to other parts of Canada
 - 32% of Ontarians perceived safety as much lower when thinking about travelling to the U.S. and 30% to other international destinations

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Destination Canada's Resident Sentiment Toward Tourism Advertising Study results from October 26, 2021, reported²:

- Ontarians are receptive to the promotion of their community to other nearby communities, and to the rest of Canada and Ontario. Ontarians are unreceptive to the promotion of their community to the U.S. and international markets
- Provincial receptivity score is based on the net level of happiness Ontarians experience when seeing their community promoted to each target market. Net happiness level is calculated as the total "very happy" and "happy" responses minus total "very unhappy" and "unhappy" responses
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other nearby communities in Ontario is net positive of +39; therefore, timely and relevant hyperlocal travel will be well received
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Ontario increased from +30 in September 2021 to +35 in October 2021
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Canada increased from +12 in September 2021 to +18 in October 2021

Leger Research's National Pandemic Tracker study results reported on October 19, 2021³:

- Ontario's level of comfort with activities after protective measures are lifted:
 - **75%** dining in restaurants, **increased** from 67% reported on September 28
 - **45%** attending large gatherings such as sporting events, concerts or festivals, **increased** from 41% reported on September 28
 - **37%** going to bars, pubs, lounges, night clubs, **increased** from 29% reported on September 28
 - **48%** flying on an airplane, **increased** from 41% reported on September 28

DESTINATION ONTARIO

Google Travel Intent Canada Survey Online Poll Results ending October 8, 2021, reported⁴:

- **15%** of Canadians are looking to book a domestic trip in the next three months, **decreased** from 20% reported in the previous September 10 report
- **9%** of Canadians are looking to book a domestic trip in the next three to six months, **increased** from 7% reported in the previous September 10 report
- **16%** of Canadians are looking to book a domestic trip after October 8, 2022, **decreased** from 17% reported in the previous September 10 report
- **14%** of Canadians are interested in travelling within 20 miles of their home in the next three months, **remained stable** since the previous September 10 report
- **38%** of Canadians are interested in a travel destination anywhere in Canada in the next three months, **decreased** from 39% observed in the previous September 10 report
- **25%** of Canadians are interested in a major city travel destination, **remained stable** since the previous September 10 report
- **15%** of Canadians are interested in a small-town travel destination, **decreased** from **16%** reported in the previous September 10 report
- **16%** of Canadians are interested in a rural travel location, **increased** from 15% reported in the previous September 10 report
- **20%** of Canadians are interested in a beach destination, **increased** from 17% reported in the previous September 10 report.
- **10%** of Canadians are interested in a travel destination anywhere in their region in the next three months, **decreased** from 12% reported on September 10 report

Canada Travel Related Recovery Signals, as of October 29, 2021⁵:

Google's InVITE Studio Tool is based on travel search queries grouped into three categories:

1. Accommodation searches
2. Air searches
3. Destination Activities searches
 - Travel search interest within Canada is down 2% compared to the same period March 1, 2019 – October 29, 2020
 - Travel search interest to Ontario is down 7% compared to the same period March 1, 2019 – October 29, 2020

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U.S. TRAVEL OUTLOOK

Destination Analysts' U.S. Coronavirus Travel Index Report Key Findings results ending October 19, 2021, reported⁶:

- Concerns about travel activities as unsafe have greatly decreased since the start of the pandemic:
 - 66% of Americans are inclined to learn about new, exciting, travel experiences or destinations to visit
 - 21% of Americans believe that the coronavirus situation in the United States will worsen in the next month and 39% expect it to improve
 - 25% of Americans feel confident and 22% feel very confident when travelling during their current trips
 - 59% Americans would be unlikely to travel outside the US until the coronavirus situation is resolved
 - 54% of Americans would be unlikely to attend any conventions or conferences until the coronavirus situation is resolved
 - 31% of Americans have postponed their trips specifically due to the Delta variant

U.S. Travel Related Recovery Signals, as of October 29, 2021⁵:

Google's InVITE Studio Tool is based on travel search queries grouped into three categories:

1. Accommodation searches
2. Air searches
3. Destination Activities searches
 - Overall, the trend line for travel activity is **stable** but below 2019/2020 pre-pandemic levels. U.S. searches pertaining to Canadian travel search queries are down 32% for the same period March 1, 2019 – October 29, 2020, search level
 - Overall, the trend line for travel activity is **stable** but below 2019/2020 pre-pandemic levels. U.S. searches pertaining to Ontario travel search queries are down 34% of the same period March 1, 2019 – October 29, 2020, search level

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INTERNATIONAL TRAVEL OUTLOOK

Google Travel Intent Survey Online Poll Results ending October 8, 2021, reported⁴:

United Kingdom's international intent to travel plans⁴:

- **6%** of British residents are booking in the next three months, **decreased** from 7% as reported in the previous September 10 report
- **14%** of British residents are booking in 9 months to a year, **increased from** 10% as reported in the previous September 10 report
- **15%** of British residents are booking after September 10, 2022, **increased** from 14% observed in the September 10 report

France's international intent to travel plans⁴:

- **5%** of France's residents are booking in the next three months, **increased** from 4% since the September 10 report
- **7%** of France's residents are booking in 9 months to a year, **increased** from 5% as reported in the September 10 report
- **7%** of France's residents are booking after September 10, 2022, **remained stable** as reported in the September 10 report

Sources:

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1. Destination Canada Resident Sentiment Survey Report, October 19, 2021, N~1,800 adult Canadians, N= 605 for Ontario and each minimum N=200 for other provinces
2. Destination Canada Resident Sentiment Survey Report, October 26, 2021, N~1,800 adult Canadians, N= 611 for Ontario and each minimum N=200 for other provinces
3. Leger National Weekly Pandemic Tracker Report, October 19, 2021, N ~1,827 all respondents, N=695 for Ontario
4. Google Global Travel Intent Survey – online survey between October 8, 2020 – August 13, 2021, each N~1,000
5. Google inVITE Studio Tool, results pulled on October 29,2021, data from March 21, 2020, to October 29, 2021
6. Destination Analysts' Coronavirus Travel Sentiment Index Report – Key Findings, October 19, 2021, data as of October 15, 2021