

Japan Market Highlights – Facts at a Glance

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

2017 Performance



Arrivals¹

304K (→ 0%)



Average Trip Spend²

\$2,055

- Despite gradual growth in Japan's GDP and consumer expenditures, the decreasing value of the Yen relative to the Canadian dollar may have contributed to 2017's muted arrivals performance.

2018 Forecast



Visitor Forecast²

314K (↑ 3%)



Spend Forecast²

\$623M (↑ 4%)



Airline Seat Capacity³

↓ **3%**



Local Currency vs CAD⁴

↓ **2.5%**

Market Insights



Japanese residents are high yield travellers to Canada, spending an estimated \$2,055 per trip in 2017.²



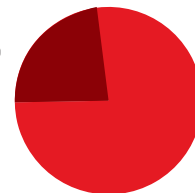
In 2017, Japanese tourists were more likely than the average overseas traveller to visit Canada in late Winter and Fall months⁷, with natural experiences such as the Northern Lights and fall colours motivating travel.⁵



Three-quarters of recent Japanese visitors consulted a travel agent for their trip to Canada, with the majority using them to book flights and accommodation.⁵

Channel Investment Mix

21%
Travel Trade

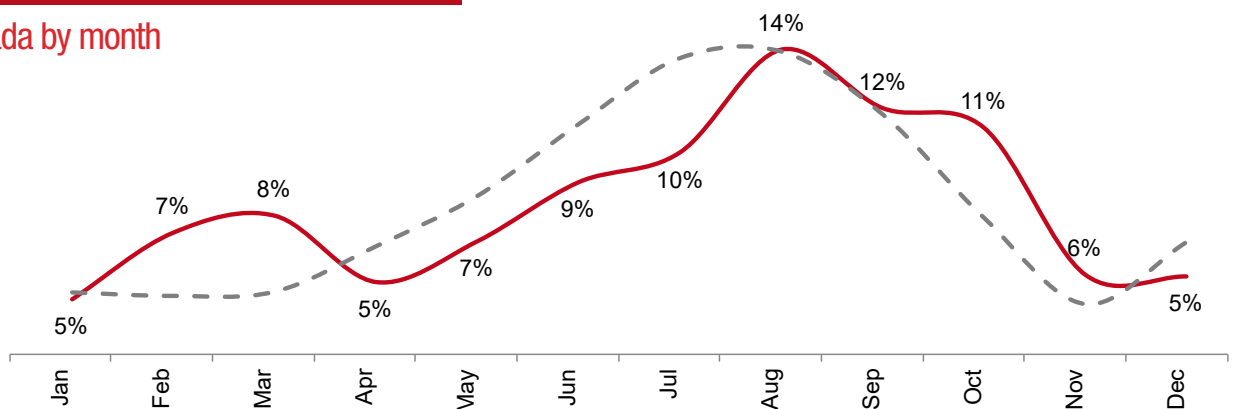


79%
Consumer Direct
& Earned Media

Travel Seasons¹

% of arrivals to Canada by month

— Japan
- - Destination Canada Market Average



Market Potential⁵



10,328,000

Canada's target market



25%

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



2,551,000

Canada's immediate potential

Top Drivers⁵

The main features that Japanese travellers desire in a destination are...

- 1** Allows me to de-stress
- 2** Beautiful outdoor scenery and landscapes
- 3** Cities are great for exploring and soaking in the atmosphere
- 4** Spend quality time with friends and/or family
- 5** People are friendly and welcoming
- 6** Summer outdoor activities I would participate in
- 7** Great shopping
- 8** Combines both outdoor activities and city experiences
- 9** Experience things that I can't experience at home
- 10** Great dining/food experiences

Target Audiences



Free Spirits 25-34

They are defined by the places they have travelled to and their experiences there. They want to visit cool places and have experiences that they can't at home.

Key themes

Educate and inspire through unique Canadian experiences aligned to passion points, and showcase simple itineraries that are easy to action.



Experiencing unique Canadiana

Experiencing Canadian culture through iconic natural and urban attractions that are unique to the country.



Fulfilling passions through the Canadian experience

Generate excitement about Canada through experiences and destinations that are aligned to traveller passions.



Experiencing vibrant cities

Discovering the unique shopping, culinary, and cultural icons that make Canada's cities so remarkable.



Cultural History Buffs 55+

They seek out activities that align with their passions, and want to find new and unique things in their travels that they can share with friends and family.

Key themes

Build awareness and drive conversion of off-peak travel featuring a combination of iconic and lesser-known experiences.

Canada

For further information, please contact:

Ms. Masayo Hando

Managing Director

Destination Canada

Tokyo, Japan

hando.masayo@destinationcanada.com

¹ Statistics Canada, Frontier Counts, 2017

² Destination Canada Research estimates, using Statistics Canada preliminary Q1-Q3 ITS, Frontier Counts and e311 adjusted data (April 2018)

³ IATA SRS Analyzer Data, March 2018

⁴ Tourism Economics, March 2018

⁵ Global Tourism Watch 2017