

Canada

Market Summary

The outlook for the Canadian travel market is mixed. Two separate surveys have shown consumers were less optimistic in the month of January; however- consumer confidence leapt to a 23 month high. Economic recovery is anticipated to improve slowly.

Canadian arrivals for 2009 finished down on 2008 figures but better than forecast by the Tourism Forecasting Committee in July 2009. Leisure visitor arrivals performance continued to perform well for Australia, largely driven by airline discounting. Severe winter conditions, also a strong motivator to get Canadians to book their vacations, were absent from Eastern Canada through December. For a key Australian source market like Ontario, bookings were relatively soft through December.

Major Canadian/US wholesaler, Goway Travel has commenced a year-long campaign around its 40th Anniversary that will involve a mega-famil for agents, advertising and direct mail.

1. Market News

- Tourism Australia marketing activity kicked off for Canada with the launch of two key campaigns as follows:
 - The Youth campaign officially launched on 5 January 2010 with 100 per cent online media. This followed a soft launch in October with a Dine Alone Records promotion featuring a “trip for two” sweepstakes in conjunction with Adventure Tours Australia and Goway Travel.
 - “*It’s time for Australia*” campaign in conjunction with Goway Travel launched January 5, 2010 with integrated media buy on Food Network featuring TV and online.
- The recently released TFC Forecasts has forecast international visitor arrivals from Canada to show a rebounding in 2010 to 4.3 per cent (to reach 130,000).
- Canadian consumers were less optimistic about the economy in January, according to a survey by the country's biggest bank, while another poll showed overall consumer confidence leapt to a 23-month high. The contradictory results partly reflect different questions asked in the surveys by Royal Bank of Canada

and the Conference Board of Canada, but also reveal a high degree of uncertainty surrounding economic recovery. *Source: reported by www.reuters.com*

- As reported by X-rates.com, as at 30 January 2010 the Canadian dollar exchange rate was at CAD\$ 0.94412 to AUD\$1.
- Canada's employment increased last month by 15,000 jobs. *Source: www.bloomberg.com*

2. Consumer Insights

- Air New Zealand (ANZ) has put Facebook users in charge of their own flight by launching a new interactive game, "Jump Seat," that tasks Facebook players with various missions and fast-paced adventures.
- "Jump Seat" players can upload pictures to create their very own avatars as Air New Zealand Flight Attendants or First Officers. Air New Zealand is offering Facebook fans the chance to book a real flight at a reduced fare, with round trip tickets starting at \$CAD1,249 from Vancouver to Auckland. *Source: www.travelpress.com*

For the latest in visitor arrivals, please visit 'Research and Statistics' at www.tourism.australia.com

3. Trade Update

- *Topdeck*, a large Canadian tour operator has just launched its first ever Australia and New Zealand brochure. The brochure outlines the company's full range of itineraries throughout both countries which it promotes as tailor-made for adventurous 18-30 'somethings'.
- Following Topdeck's acquisition of Connections Adventures in October, the company invested in extensive itinerary development to ensure that Topdeck's Australia and New Zealand trips offer the best possible experience on the market. With Topdeck's entry into the Australian market, they represent a very good partner to engage the youth demographic.
- *Boomerang Tours* recently hosted 18 agents from across Canada to experience the "Land Downunder" Famil, where agents had the opportunity to get an in-depth look at five Australian cities, including Sydney, Melbourne, Cairns, Port Douglas and Brisbane. The two-week trip was designed to showcase *Boomerang Tours'* preferred products and to better educate agents on how to package Australia for their clients.
- *Goway Travel* has launched a special early bird booking incentive for travellers bound for Australia and New Zealand. Goway is offering savings of up to 10 per cent on select motorcoach tours representing savings of up to \$CAD1,200 per couple. New Zealand offers include the 21-day "Great New Zealand Experience" and the 14-day "New Zealand Highlighter." In Australia, travellers can save on the 13-day "Barrier Reef Island Wanderer" tour. *Source: www.goway.com*

- As at December 2009, there were 1,053 Canadian based Aussie Specialist agents, of which 66 per cent are fully qualified (678 agents).

4. Airline News

- *Air Canada* reported a 3.4 per cent in December traffic and a system load factor of 81.2 per cent on a consolidated basis with Jazz (contract carrier for Air Canada for regional flights)
- *Cathay Pacific Airways* has announced it will further build on its services to and from North America. From 28 March, three flights per week will be added to the existing daily non-stop service between Toronto and Hong Kong. The additional services will depart Toronto at 09:35 every Wednesday, Friday and Sunday while the existing daily flights will depart at 01:30 from Toronto.
- *Air Canada* announced it will introduce daily non-stop seasonal service between St. John's (eastern Canada) and London Heathrow, U.K. offering connecting flights throughout Europe with its Star Alliance partner carriers. Air Canada will operate the only daily non-stop service between Newfoundland and Labrador and London Heathrow between 27 May and 26 September 2010.

5. Competitor News

- *Tourcan Vacations* has launched their new Worldwide Vacations brochure. In the past, the tour operator offered a brochure for each continent where they operated tours and safaris. Now they have all their destinations combined into one Worldwide brochure. The new brochure offers a number of itineraries in each of the company's destinations, such as Africa, Asia and the Indian sub-continent, The Middle East, South and Central America and the South Pacific.
- *Marlin Travel* has announced an exclusive group departure to South Africa with Collette Vacations departing 10 November 2010. This 14-day tour is fully escorted by a Marlin Travel representative from Toronto and hosted by Celebrity Chef and Grill Master Rob Rainford – as seen on Canada's Food Network, celebrity entertainer at the Gourmet Wine and Food Expo and currently working on his latest cookbook featuring "The Rainford Method". This tour offers a limited number of available seats, providing a personalized travel experience and a chance to get to know Chef Rainford. Source: www.travepress.com
- *Visit Britain* hosted their annual holiday gathering at the Windsor Arms hotel in downtown Toronto. Visit Britain's new CEO, Sandie Dawe, reiterated the fact that Canada is one of the UK's top 10 key markets, with Canadians travelling more widely throughout the country and staying longer. Dawe also stated that clients travelling to Britain "can enjoy 25 per cent more value in the UK this year, with the devaluation of the British pound". Source: www.travelhotnews.com

6. Key Campaigns and Activities in Market

December / January campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
01 January 2010	30 January 2010	<i>Flight Centre:</i> Massive 'Australia on Sale' campaign across 150+ retail stores nationwide. Flight Centre has agreed to provide 150 fully qualified Aussie Specialists to take Australia bookings.	Retail Agents – National	Flight Centre, Qantas
22 January 2010	30 April 2010	<i>Viral Wine Challenge</i> Launched in partnership with Wine Australia in support of the Australia Now campaign. Promotes the many wine regions of Australia including opportunity for consumer to win a trip to Australia.	First Time Experience Seekers – with interest in food and wine adventures in Australia	Wine Australia
5 January 2010	30 June 2010	<i>Australia Now</i> Includes digital, print and television. Focused on Food and Wine Experiences. Includes digital, print and television - focus on Nature and Adventure and Food and Wine Experiences.	First Time Experience Seekers - Americans with household income higher than \$100K and who are predisposed to travel to Australia in the next 12 months.	Goway Travel, Tourism Victoria, Tourism Queensland and Tasmania.

1 November 2009	June 30 2010	<p><i>Youth Campaign CANADA</i> Focused on digital activities, including Facebook, media activity in early 2010.</p> <p><i>Dine Alone Records Partnership:</i> Dine Alone Records have signed two Aussie bands, The Living End and Children Collide, and have offered Tourism Australia the opportunity to leverage off the Canadian release of their CD, tour and media trip in the next six months. In addition, Dine Alone Records' top selling Canadian band – Alexisonfire - are touring Australia next February. Tourism Australia will leverage this opportunity with a contest trip and public relations activity. Contest closed early January.</p>	First Time Experience Seekers - Youth / Working Holiday Maker (WHM)	Goway Travel, Tourism Victoria, Tourism Queensland and Tourism NT
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Upcoming campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
February 2010		<i>Merit Travel:</i> CIBC statement insert on Australia going to 60,000 Aventura card members with an average household income CAD\$120,000. Packages being developed by Boomerang. Split direct mail – Journey Beyond Familiar	First Time Canadian Experience Seekers	Merit Travel, CIBC (Canadian bank).
April 2010	30 June 2010	<i>Goway Travel 40 years anniversary:</i> Tourism Australia is partnering with Qantas Airways and STO's in North America to support Goway Travel's 40 th year of selling Australia. A co-op marketing plan is currently under construction, and will consist of extensive trade and consumer activities across the USA and Canada	First Time Canadian and USA Experience Seekers	Goway, STO's, Qantas