

The Conference
Board of Canada

Travel Exclusive



May 2020

With the unprecedented shutdown in international travel, we saw a massive uptick in the share of respondents who plan to vacation within Canada this year.



Summer travel intentions see dramatic decline

Every year, The Conference Board of Canada surveys Canadians on their travel intentions for the summer season, providing an insight into travel plans. But this year, with the COVID-19 outbreak dominating everything and with severe restrictions on personal movement, it goes without saying that travel and tourism will be hit hard. The survey results nonetheless offer a glimpse into the future facing Canada's tourism industry over the next six months.

Unsurprisingly, the results of the latest Travel Intentions Survey (conducted from April 9 to April 16, 2020) confirm that travel intentions have fallen significantly from last year. The share of respondents planning to take one or more overnight trips away from home for vacation or leisure purposes between May 1 and October 31 is 46.4 per cent, down significantly from the 79.3 per cent who intended to take a trip at the same time last year. The share of respondents who said they did not intend to take, or were unsure about taking, an overnight trip was 53.6 per cent, up from 20.7 per cent last year. (See Table 1.)

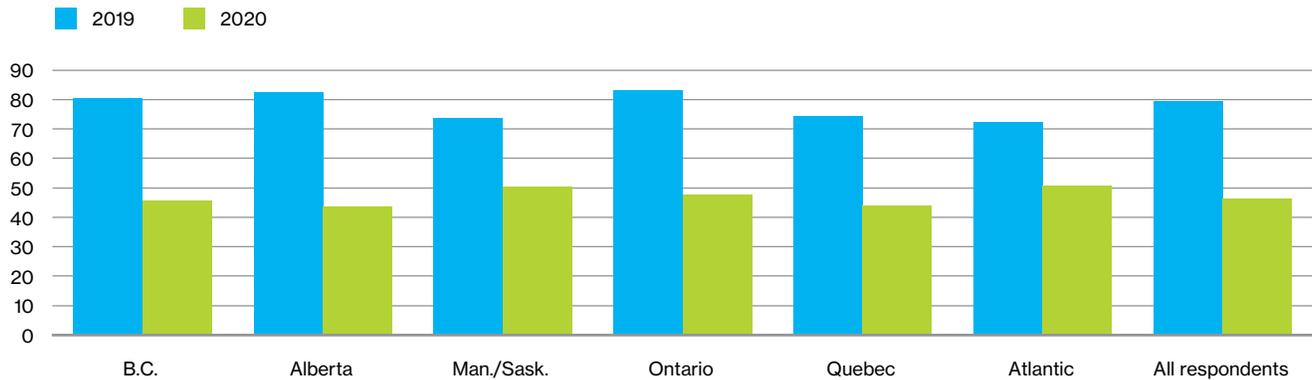
Table 1
Summer (May–October) travel intentions, overnight trips
(Canadian respondents, per cent)

	Mar 2018	Mar 2019	Mar 2020
Yes/probably	80.2	79.3	46.4
No	11.0	12.1	32.1
Don't know/not sure	8.8	8.6	21.5
Total	100.0	100.0	100.0

Source: The Conference Board of Canada.

An analysis of the results reveals that the drop in travel intentions is nationwide, but that some provinces have seen a bigger impact than others. The biggest drop was in Alberta, where travel intentions fell by 38.7 points. The least affected were the Atlantic provinces, where travel intentions declined by only 21.8 points. The Atlantic region remains the most positive, with 50.7 per cent of respondents still planning a trip, followed closely by Manitoba and Saskatchewan at 50.4 per cent. The weakest outlook is among respondents in Alberta (43.7 per cent), the province hit hardest by the falling price of oil, and in Quebec (44.1 per cent), the province most affected by COVID-19. (See Chart 1.)

Chart 1
Overall travel intentions, by region of residence
(Canadian respondents, per cent)



Source: The Conference Board of Canada.

Even among those who are still planning to travel this year, the latest survey results show that Canadians are at an earlier stage in their planning process compared with last year. Among domestic travellers, nearly half (47.7 per cent) said they were still dreaming about their longest trip this summer. (See Chart 2.) At the same point last year, just about one-third (34.0 per cent) were at this early stage. The share of respondents at the investigating or planning stages remained fairly similar to last year, but just 9.4 per cent of respondents are at the booking stage this year; at the same time last year, 16.8 per cent were already booking. These data points suggest that even the large drop in travel intentions may not be capturing the total decline in travel activity that will occur. With so many people not taking steps to plan their trip, there is a risk that many of these intended trips will not occur.

The survey results suggest that travel planning is holding up better among Canadians intending to travel outside Canada this summer. The share of respondents who are still just at the dreaming stage did increase, from 24.4 per cent last year to 31.7 per cent this year. Likewise, the share of respondents who are at the booking stage fell, from 24.1 per cent last year to 19.0 per cent this year. However, these changes are much smaller in magnitude than what we see on the domestic front.

With the unprecedented shutdown in international travel, and with no end in sight to the COVID-19 outbreaks in travel destinations around the world, we saw a massive uptick in the share of respondents who plan to vacation within Canada this year. Last year, 52.0 per cent of respondents planned to take their longest summer vacation within Canada; this year that share jumped to 65.6 per cent. (See Chart 3.) The share of respondents planning to vacation domestically was above two-thirds in every

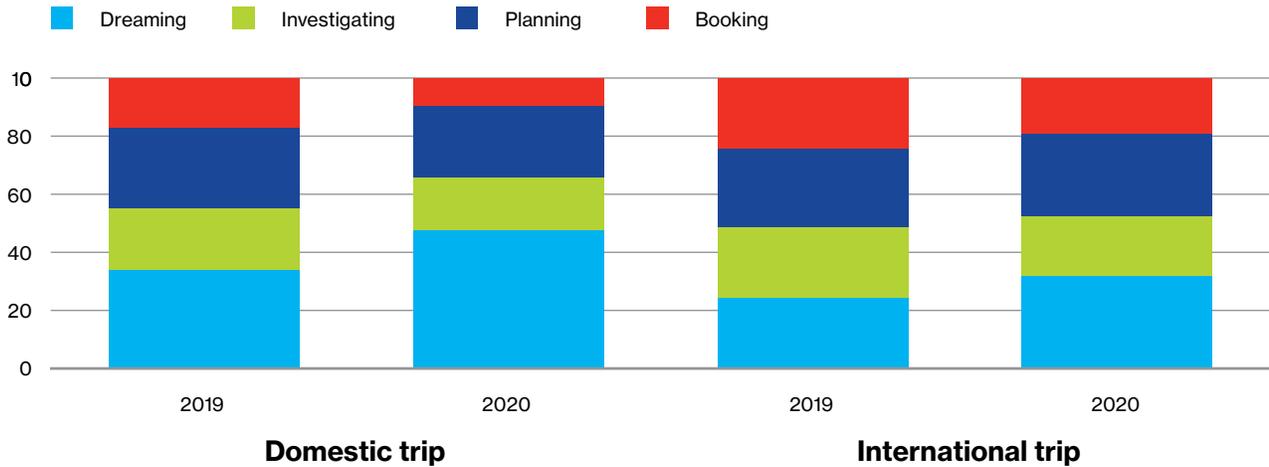
The declines in travel intentions may have been expected, but they are still sobering.



Chart 2

Which of the following stages best describes where you are with regard to arranging your longest trip this summer?

(Canadian respondents, per cent)

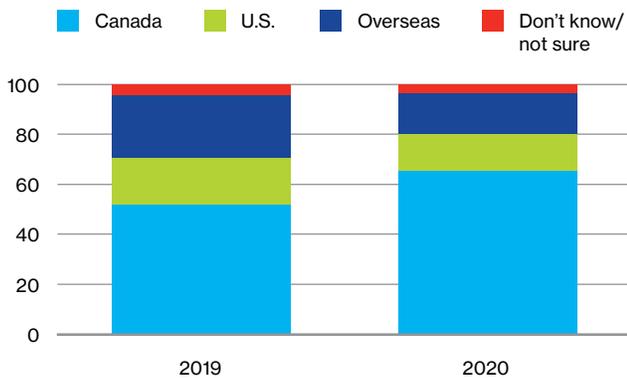


Source: The Conference Board of Canada.

Chart 3

Where will you be spending the most nights during your longest vacation trip this summer (May 1 October 31, 2020)?

(Canadian respondents, per cent)



Source: The Conference Board of Canada.

province except Ontario and British Columbia. As usual, domestic travel intentions were highest in Atlantic Canada, with 85.1 per cent of respondents there planning to travel within Canada.

Among those who are not taking, or are unsure about taking, an overnight trip this year, fully two-thirds (65.2 per cent) pointed to COVID-19 as the reason. An additional 11.3 per cent said that travel was too expensive, or that they could not afford it. That makes sense, given that many Canadians are losing their jobs or seeing reduced incomes as a result of the pandemic. Among respondents to our survey, 21.8 per cent felt that their financial situation was better than a year ago, but 36.7 per cent felt that they were worse off. The remaining 41.6 per cent said there had been no change in their financial situation. (See Table 2.)

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Table 2
How do you feel your financial situation has changed compared with one year ago?

(Canadian respondents, per cent)

	Mar 2018	Mar 2019
Much better	7.5	4.3
Somewhat better	25.2	17.5
No change	47.3	41.6
Somewhat worse	16.2	28.0
Much worse	3.8	8.7

Source: The Conference Board of Canada.

Survey respondents were also asked to identify activities they planned to participate in during their longest summer trip. Among those intending to stay within Canada, the most popular activity was visiting friends and relatives (61 per cent), followed by swimming, beach activities, and water sports (40 per cent), and shopping (35 per cent). These responses are generally the same ones that top the list every

year. However, looking further down the list, we do see an uptick in the share of respondents planning activities that do not require close physical proximity to others. That meant a boost in the popularity of visiting parks and nature reserves, hiking, backpacking, camping, boating, wildlife viewing, and fishing or hunting. By the same token, there was a decline in the popularity of activities involving dense concentrations of people, such as sporting events, festivals, concerts, and plays. (See Chart 4.)

Overall, the results of the latest Travel Intentions Survey confirm that we are entering uncharted waters for the tourism sector in Canada. The declines in travel intentions and trip planning activities may have been expected, but they are still sobering. Many businesses in this sector rely on the busy summer and early fall season for the majority of their revenues. The possibility of potentially losing so much activity in this key season therefore puts many operators' future at risk.

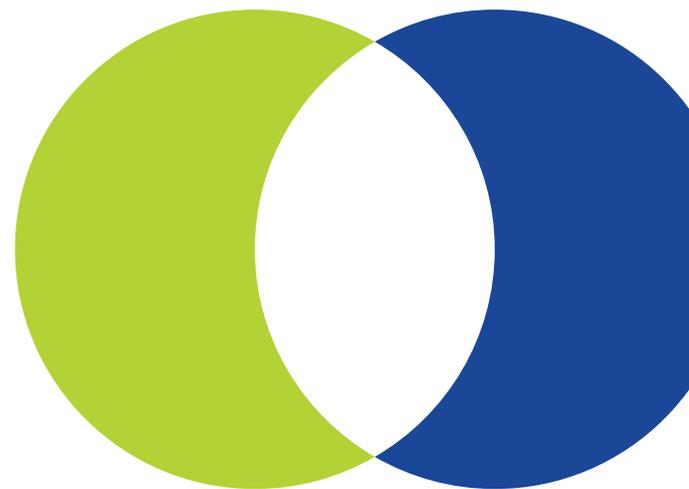
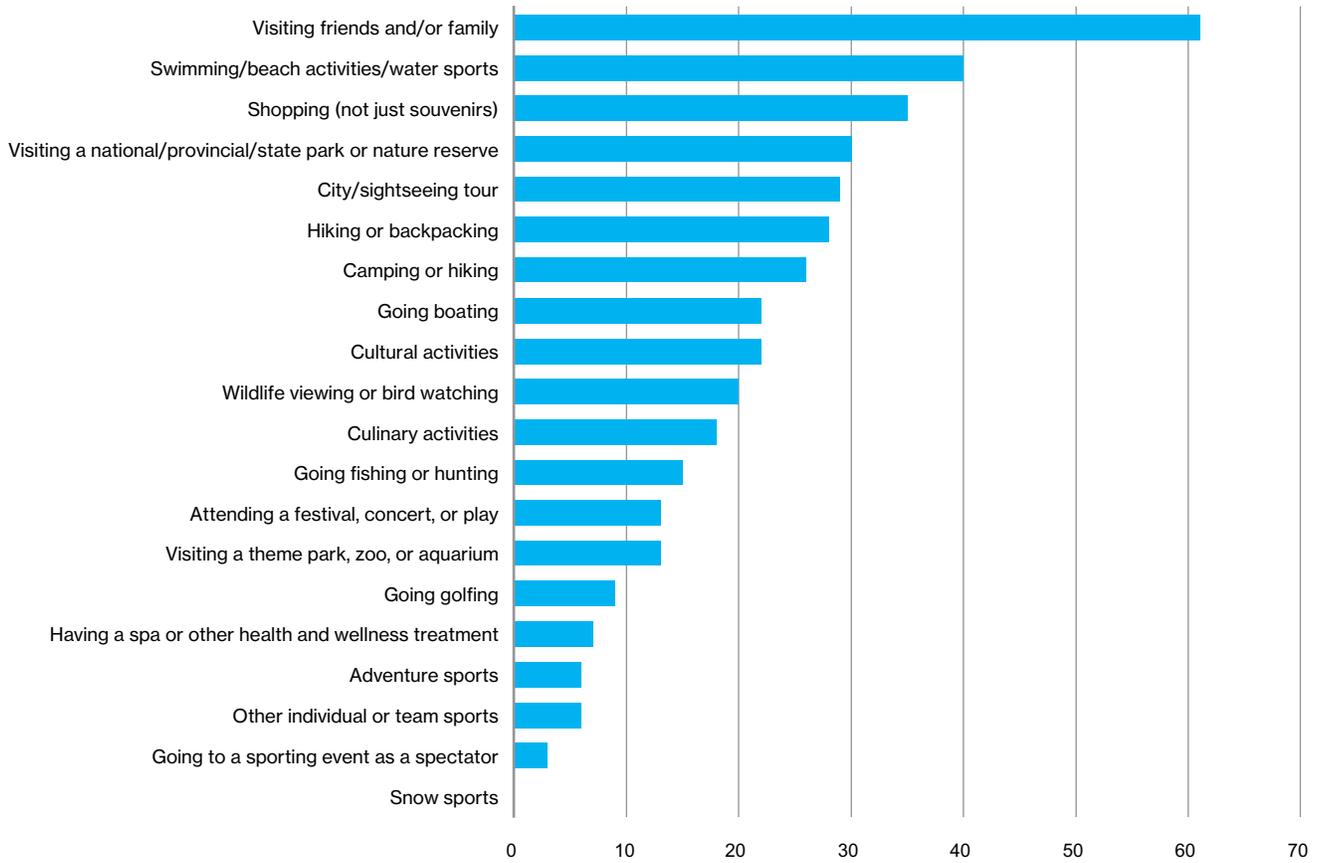
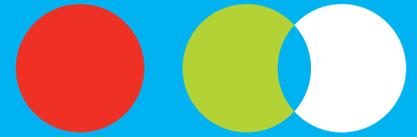


Chart 4

Popular activities planned for domestic summer trips, 2020 (Canadian respondents, per cent)



Source: The Conference Board of Canada.



Where insights meet impact

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Accessibility Officer, The Conference Board of Canada

Tel.: 613-526-3280 or 1-866-711-2262 E-mail: accessibility@conferenceboard.ca

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