

Canada is having a global moment. Our brand reputation is strong, and our standing in highly respected global reputation rankings is soaring. Brand reputation directly influences whether travellers consider and choose Canada over other destinations. Canada's new *Canada, naturally.* brand platform sets the expectation that travel in Canada is real and authentic. Travellers can expect memorable experiences in nature, shaped by the openness of Canadians. That expectation builds trust when travellers experience that promise firsthand in Canada.

Against that backdrop, macroeconomic uncertainty persists and may contribute to rapid shifts in economic indicators and market sentiment.

Macro Trends

The US economy remains relatively strong, supporting continued outbound and cross-border travel. However, domestic consumer confidence in the US declined significantly in 2025, recovering slightly in early 2026.¹ Lower confidence typically leads travellers to delay or reduce discretionary spending on travel. Affluent households—particularly the top 10%—continue to account for a disproportionate share of travel demand from the US, helping sustain the market despite wider economic uncertainty.² Supporting this is the fact that the US dollar remains strong relative to the Canadian dollar, supporting consistent value for travel to Canada.

Mexico's economy is stable, with inflation moderating and interest rates declining gradually. The Mexican peso has remained relatively strong over the past year, including relative to the Canadian dollar, which supports outbound travel.

Travel trends

North America remains Canada's most important and accessible tourism region. The US continues to provide the largest volume of visitors and offers significant opportunities for short-haul trips. Mexico represents a growing opportunity, though travel dynamics have evolved following the introduction of visa requirements in 2024. The 2026 year-over-year forecast for Canada travel from both markets remains strong, with a 9.9% increase in volume expected from Mexico and 4.6% from the US.³

US travellers continue to prioritize convenience and short trips, making domestic destinations the easiest, most attractive option. Over the past year, a rise in perceived border complexity, including concerns around visas and entry processes, has caused some US outbound travellers to hesitate.⁴ However, Canada still has a strong opportunity to attract US travellers. Americans are increasingly seeking opportunities to disconnect from the digital world, which in turn is driving broader demand for nature-based and restorative travel experiences. Key traveller segments in the US also increasingly perceive Canada as a destination with strong arts, festivals and music scenes.⁴

The US and Mexico both play a vital role in supporting Canada's winter performance, providing much-needed travel volume that helps maintain occupancy levels across the country during the winter season. Overnight air arrivals from Mexico between December 2025 and February 2026 were up 14% year over year,⁵ signalling that winter demand is translating into strong visitation from this market.

Across both markets, travellers rely heavily on digital research tools and social media for inspiration when planning trips. The adoption of artificial intelligence (AI) tools for travel planning continues to increase rapidly, with usage currently skewing towards deciding where to go and itinerary creation.⁴

Implications for Canada

US citizens require only a valid passport to visit Canada, while Mexican travellers must meet visa or electronic travel authorization (eTA) eligibility requirements depending on their travel history and documentation.

Emerging from uneven US travel in 2025, the outlook projects a strong recovery and even stronger growth from 2026 onward. Within this rebound, how Americans travel matters as much as overall volume. The outlook points to air arrivals growing far faster than road travel. Between now and 2030, spending from US air arrivals is forecast to grow by an average of 6.7% per year, significantly outpacing the 4.1% growth projected for land and sea arrivals.³ However, continued weakness in Canadian travel to the US is driving lower cross-border air capacity. In 2025, air capacity from the US declined by 7%, driven primarily by a 14% reduction from Canadian carriers, while US carriers posted 4% growth. Compared to 2025, direct air capacity is forecast to decrease by a further 1%, with 2026 capacity expected to remain at 93% of 2019 levels.⁶

Mexican arrivals to Canada transiting through the US have declined materially over the past year by 15%.⁷ This increases the importance of direct air capacity amid reduced demand for connections through the US. In 2026, air capacity from Mexico has already expanded by 6% year over year and is forecast to reach 126% of 2019 levels by the end of the year, providing strong connectivity to Canada.⁶

For Canadian sellers, the immediate opportunity is to build on Canada's growing global appeal by showcasing the breadth and diversity of our experiences, from vibrant cultures to the natural landscapes that define them. Canada is capturing global attention, and this momentum is a key driver of destination choice among both US and Mexican travellers.

Distinctive, experience-led offerings that combine nature with Canada's diverse cities, arts, festivals and dining experiences can help move travellers from consideration to conversion. This is particularly true in winter for Mexican travellers, alongside a broader year-round offer for the US market.

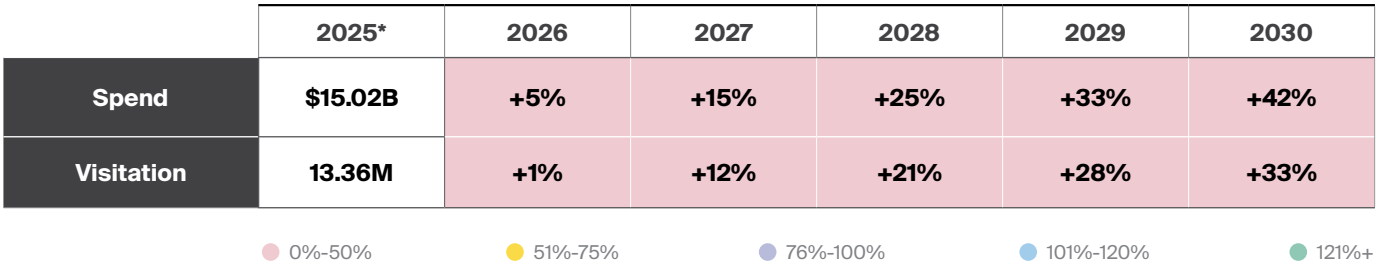
It is also important to recognize that cross-border discourse has led some American travellers to feel more conscious about how they may be received. This reinforces the need to clearly demonstrate that all guests are welcome and valued.

¹ The Conference Board, March 2026
² Resonance Future of Luxury Travel Report 2026
³ Destination Canada Tourism Outlook, 2026
⁴ Global Traveller Research Program, 2025
⁵ Statistics Canada. Leading Indicator of International Arrivals to Canada, 2026
⁶ OAG Traffic Analyzer, April 2026
⁷ Statistics Canada Frontier Counts (IPIL Air integration restated for 2024), 2025
Prepared by Destination Canada's Collective Intelligence team (May 2026)



- Leisure outbound travel volume is projected to grow +5% YoY in 2026.¹
- The US dollar is expected to remain relatively strong against the CAD, supporting cross-border travel and reinforcing Canada's value for American travellers.
- Destination choice among US travellers is driven by livability of destinations, culture and finding places to de-stress. When considering Canada specifically, value for money, meaningful experiences, and its growing popularity are key drivers.²
- US visitation recovered from early 2025 declines, with direct air arrivals returning to historical norms; however, continued weakness in Canadian travel to the US is sustaining reductions in cross-border air capacity.
- Compared to 2025, direct air capacity in 2026 is forecast to decrease -1% YOY, which translates to a loss of around 250,000 seats, bringing the total to just over 18 million available seats. Compared to 2019 levels, air capacity is at 93%.³

Canada spend and visitation levels (% increase relative to 2025)⁴



Spend and visitation are both forecast to grow by 2030, with spend expected to outpace visitor growth. Compared to 2025 levels, visitation is projected to increase by 24%, from 13.36M to 16.6M visitors, while spend is expected to grow by 42%, from \$15.02B to \$21.27B.

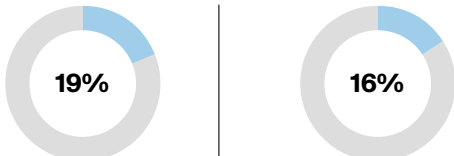
Explore the Canadian Tourism Outlook 2026-2035: www.tourismdatacollective.ca/tourism-outlook-2026-2035

Canada's Opportunity



Canada's total opportunity in next 2 years (definitely/very likely to visit)²

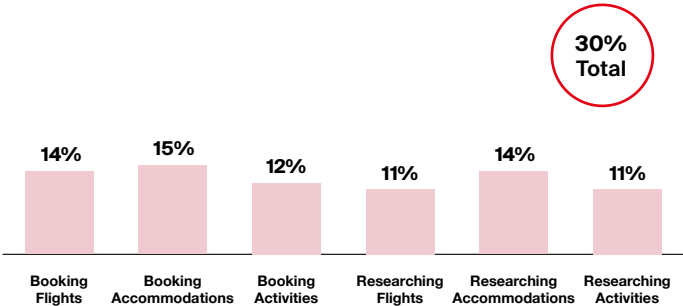
Organized group tour on Canada trip (past 3 years)²



Yes, whole trip | Yes, portion of trip

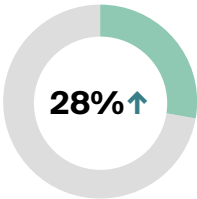
Organized group tours play a smaller role in this market, with travellers slightly more likely to join a group tour for their full trip (19%) than for part of their trip (16%).

Use travel agent/tour operator on Canada trip (past 3 years)²



The US shows lower reliance on travel agents and tour operators, with 30% of travellers using them for their Canada trip. Their role is relatively balanced across accommodations, flights, and activities, with slightly higher use for booking accommodations and booking flights.

Use AI tools to research, plan and book trips²



Explore the Global Traveller Research Program Highlights Report: www.tourismdatacollective.ca/global-traveller-research-program/highlight-reports

¹ Oxford Economics Global Traveller Services, 2026
² Global Traveller Research Program, 2025
³ OAG Traffic Analyzer, April 2026
⁴ Destination Canada Tourism Outlook, 2026

*2025 figures are Destination Canada forecasts and may differ slightly from final arrival and spend data.
↑/↓ significant increase/decrease vs. previous year



REFINED GLOBETROTTERS

We prioritize travel above all, indulging in world-class destinations, gourmet dining, and exclusive experiences. We are experienced travellers who are always on the lookout for new, unique places to cross of our list.

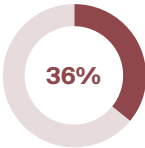
Refined Globetrotters segment size²



Canada's Refined Globetrotters opportunity in next 2 years (definitely/very likely to visit)²



Use travel agent/tour operator on Canada trip (past 3 years)⁵



Organized group tour on Canada trip (past 3 years)⁵

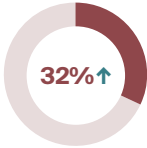


Yes, whole trip



Yes, portion of trip

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OUTDOOR EXPLORERS

We are nature explorers who crave the thrill of unknown landscapes and overcoming challenges. Adventure travel allows us to grow, learn new skills, and establish personal traditions.

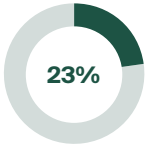
Outdoor Explorers segment size²



Canada's Outdoor Explorers opportunity in next 2 years (definitely/very likely to visit)²



Use travel agent/tour operator on Canada trip (past 3 years)⁵



Organized group tour on recent Canada trip (past 3 years)⁵



Yes, whole trip



Yes, portion of trip

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CULTURE SEEKERS

We are sociable, free-spirited individuals who seek unique, authentic experiences and vibrant city life. We thrive on immersing ourselves in new perspectives, local culture & arts, and making connections, which boosts our energy and confidence.

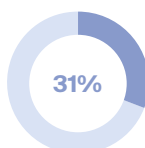
Culture Seekers segment size²



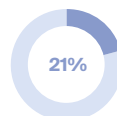
Canada's Culture Seekers opportunity in next 2 years (definitely/very likely to visit)²



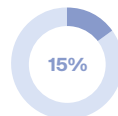
Use travel agent/tour operator on Canada trip (past 3 years)⁵



Organized group tour on Canada trip (past 3 years)⁵

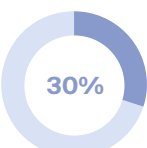


Yes, whole trip



Yes, portion of trip

Use AI tools to research, plan and book trips²



² Global Traveller Research Program, 2025

⁵ Global Traveller Research Program, 2024 & 2025

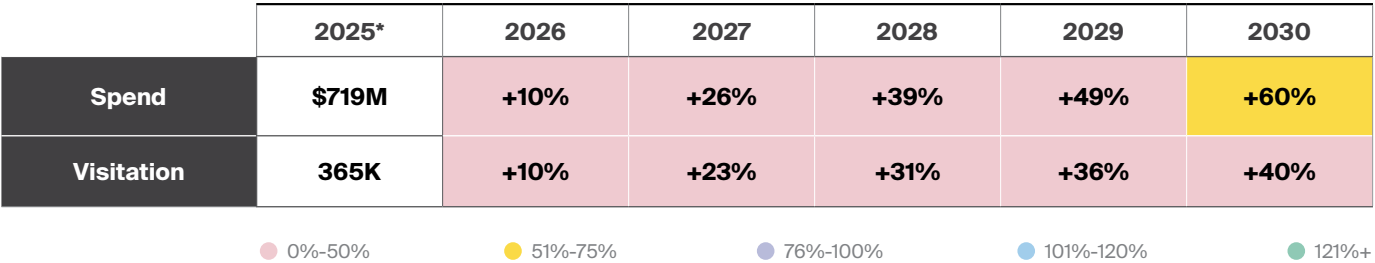
↑/↓ significant increase/decrease vs. previous year

For further information, please contact:

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- Leisure outbound travel volume is projected to grow +9% YoY in 2026.¹
- As of February 29, 2024, Mexican citizens require a visa to enter Canada, making early planning and clear documentation critical for conversion. An Electronic Travel Authorization (eTA) is eligible by air only for those who hold a valid U.S. non-immigrant visa or have held a Canadian visa in the past 10 years.
- The Mexican peso is expected to remain relatively strong versus the CAD, supporting outbound travel demand despite visa friction.
- While certainty and predictability are the strongest overall drivers of destination choice, Mexican travellers also seek meaningful, authentic experiences. For Canada, pride of visitation and its growing popularity are key drivers.²
- Compared to 2025, direct air capacity in 2026 is forecast to increase +6% YOY, which translates to just under 3.8 million available seats. Compared to 2019 levels, air capacity is at 126%.³

Canada spend and visitation levels (% increase relative to 2025)⁴



Spend and visitation are both forecast to grow by 2030, with spend expected to outpace visitor growth. Compared to 2025 levels, visitation is projected to increase by 40%, from 365.5k to 512.5k visitors, while spend is expected to grow by 60%, from \$719M to \$1.15B.

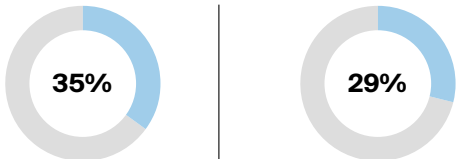
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Canada’s total opportunity in next 2 years
(definitely/very likely to visit)²

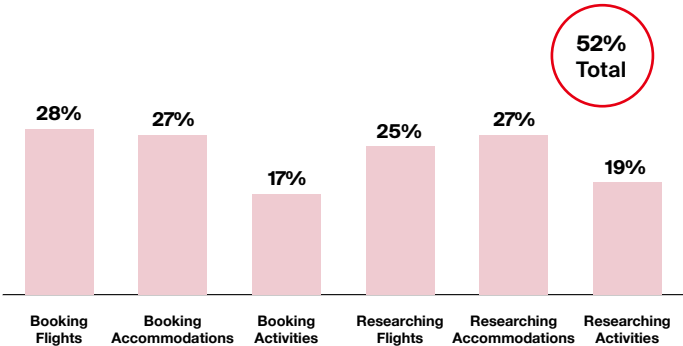
Organized group tour on Canada trip (past 3 years)²



Yes, whole trip | Yes, portion of trip

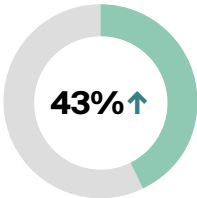
Organized group tours also play a role in this market, with travellers more likely to join a group tour for their full trip (35%) than for part of their trip (29%).

Use travel agent/tour operator on Canada trip (past 3 years)²



This shows notable reliance on travel agents and tour operators, with over half of travellers using them for their Canada trip (52%). Their role is important across both research and booking, particularly for accommodations and flights.

Use AI tools to research, plan and book trips²



Explore the Global Traveller Research Program Highlights Report: www.tourismdatacollective.ca/global-traveller-research-program/highlight-reports

¹ Oxford Economics Global Traveller Services, 2026
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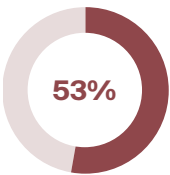
Refined Globetrotters
segment size²



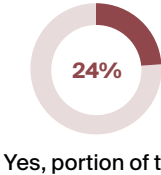
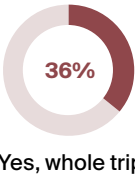
Canada’s Refined Globetrotters opportunity in next 2 years
(definitely/very likely to visit)²



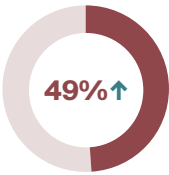
Use travel agent/tour operator on
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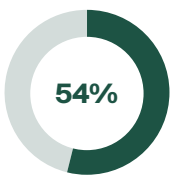
Outdoor Explorers
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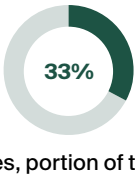
Canada’s Outdoor Explorers opportunity in next 2 years
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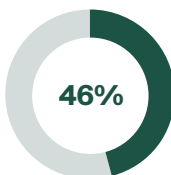
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For further information, please contact:

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