



Both spending and visitation by South Korean travellers are expected to recover to 2019 levels by 2026.

Market Insights

Travel is a Priority

South Korean household savings are at an all-time high compared to pre-pandemic average levels, with High Value Guests (HVGs) indicating travel as priority for spending these extra savings. Canada is perceived as a safe place to visit with plenty of outdoor experiences and ranks first among HVGs in net promoter score versus other competitive destinations.

Factors to Choose Canada

South Korean High Value Guests (HVGs) are more likely than general travellers to choose Canada for outdoor experiences, opportunities to relax/unwind/decompress, safety, being a great family destination, having eco-friendly travel activities and perusing personal passions. Experiences, itineraries, and storytelling should be aligned with these factors.

Changes in Types of Travel

Three out of four South Korea travellers are likely to take a fully independent trip or an independent touring trip with some guided day or overnight excursions. They are also highly likely to use a travel agent or tour operator to help research or book a trip. Canada can look to extend partnerships to work with platforms where these travellers spend time.

Market Forecast (as of Fall 2022)<sup>1</sup>

Spending and visitation levels (% relative to 2019)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Spend	100	15	19	27	55	78	97	117	134	142	149	156
Visitation	100	13	6	25	49	68	84	100	113	119	123	127

● 0%-50%      ● 50%-75%      ● 75%-100%      ● 100%-120%      ● 120%+

The following are the context and assumptions used to develop the Fall 2022 Market Forecast:<sup>1</sup>



Travel sentiment and covid restrictions

- Since travel restrictions have lifted in Oct 2022, interest in international travel has begun to return. However, short-haul destinations' recovery is returning at quicker rate than long-haul.
- South Korea was the 6th largest source of eTA applications over the first eleven months of 2022.



International travel conditions

- Some restrictions remain in place. Although none affect outbound travel as of mid-December 2022, COVID-19 remains a downside risk in South Korea.



Economy

- The purchasing power of the South Korean won has depreciated against the Canadian dollar.
- Service consumption will benefit from reopening, but inflation, increasing interest rates and weak consumer sentiment will weaken the boost from reopening.
- The slowing of global economic growth and weakening demand from advanced economies will act as a drag on South Korea's economy.

<sup>1</sup> Tourism Outlook Forecast Highlights, Fall 2022.



## Total Long-Haul Travellers

South Koreans aged 18 and older who have taken a long-haul leisure trip outside of East Asia (e.g., China, Hong Kong, Macau, Japan, South Korea, and Taiwan) in the past three years, or plan to take such a trip in the next two years.

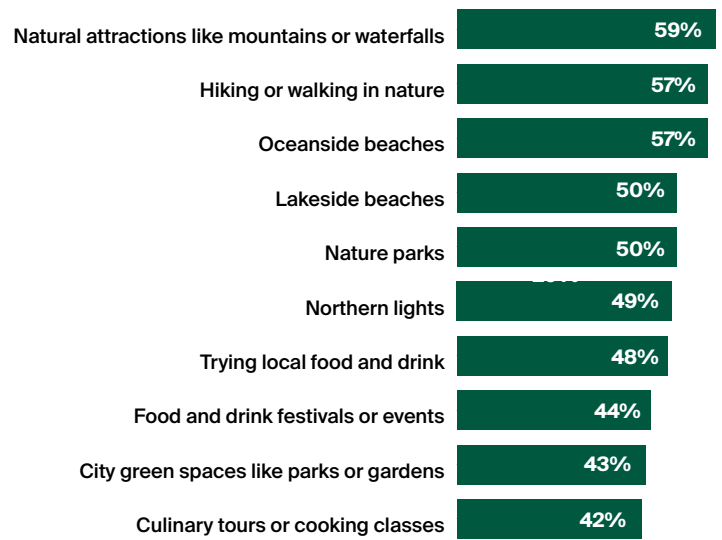
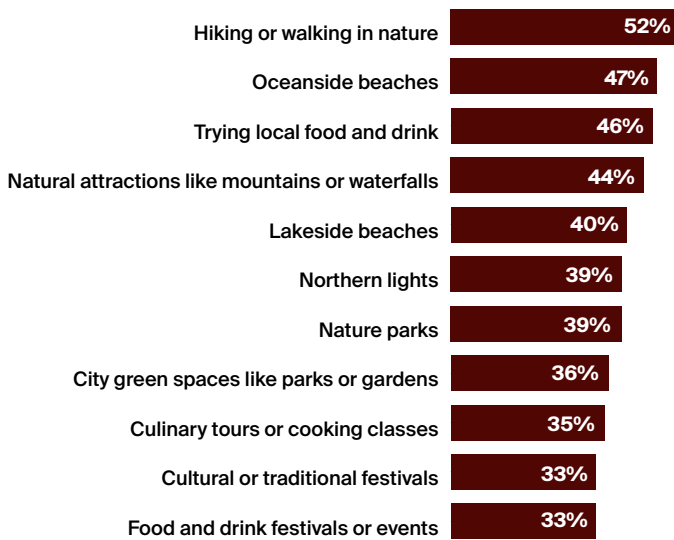
## High Value Guests

High value guests (HVGs) immerse themselves in a destination, embrace heritage and culture, and genuinely seek to leave the destination better than they found it. They tend to be more affluent and educated than the average traveller. They share a curiosity for deeper, richer experiences.

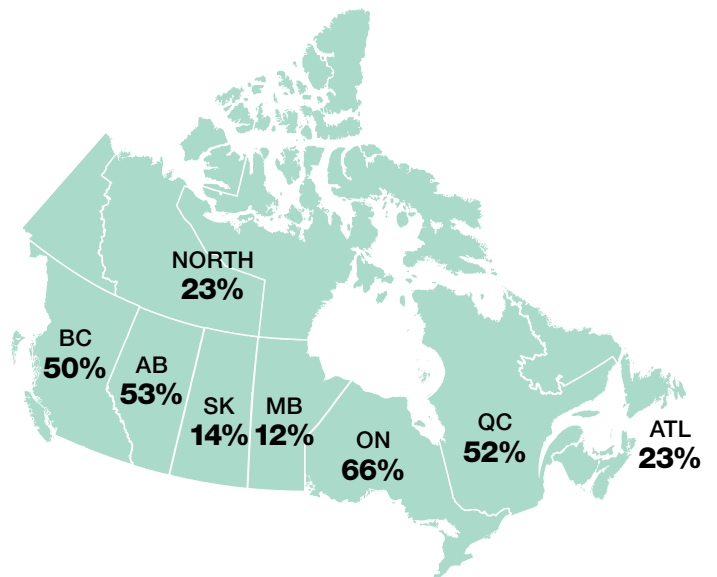
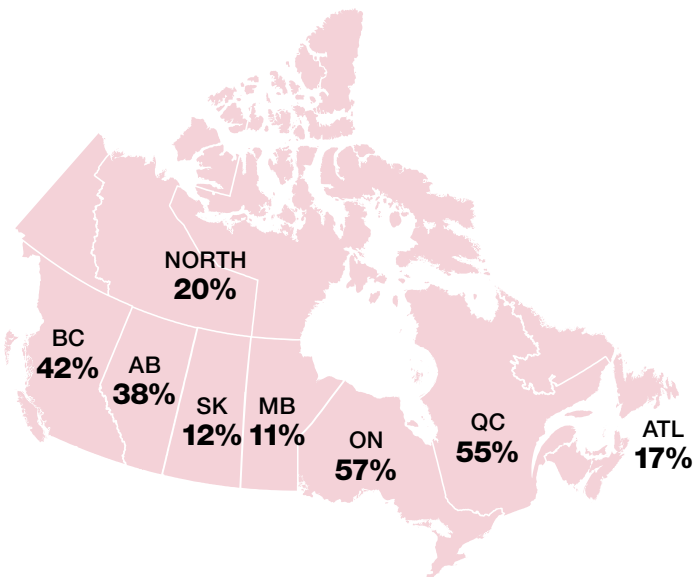
### Potential Market Size<sup>2</sup>



### Top Activities of Interest While on Vacation<sup>3</sup>



### Likelihood to Visit Canadian Regions (Next 2 Years)<sup>3</sup>



### Travel Agent Usage for Future Trip to Canada<sup>3</sup>

NET Definitely / Very / Somewhat Likely  
**86%**

NET Definitely / Very / Somewhat Likely  
**83%**

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<sup>2</sup> Global Market Sizing 2022.  
<sup>3</sup> Global Tourism Watch 2021.