



Both spending and visitation by UK travellers are expected to recover to 2019 levels by 2025.

Market Insights

Desire and Ability to Travel

Holidays remain a priority spending area for British consumers. More demand is being seen at the premium end of the market than the value end. British travellers are treating themselves on their next break, such as upgrading from a four-star to a five-star hotel, extending their stay from 14 to 18 nights, or travelling in premium class flights.

Planning for the Future

Travellers have increasingly turned to travel agents and tour operators for expert help, advice, and peace of mind on the financial security of their booking, especially for long-haul destinations. Nearly three-quarters of High Value Guests (HVGs) would use a travel agent or tour operator to help research or book a trip to Canada.

Wellness / Conscious Travel

There is increasing awareness and attention among the British toward travelling with purpose. UK travellers prioritize trips that have a positive impact on both people and the planet, are drawn to meaningful/sustainable travel experiences, seek connections with local and Indigenous residents, and pursue regenerative experiences that give back to the communities.

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	13	13	60	78	95	118	124	129	136	142	148
Visitation	100	11	13	59	72	85	105	109	112	117	121	125

● 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

- The United Kingdom was the top source for eTA applications during the first eleven months of 2022, slightly ahead of applications from France.
- The UK shows strong signs of pent-up demand for travel, but a subdued economy, inflation and reduced value of the pound will weaken the resurgence of travel.



International travel conditions

- UK travellers are “catching-up” on missed travel by indulging on upgrades or extending their stay relative to pre-pandemic travel patterns.
- Real consumer spending is expected to decline in 2023 due to high inflation.

- The pound has weakened against the Canadian dollar, although faster inflation in the UK has partially offset this. Overall, the purchasing power of UK travellers will be 1.6% weaker in 2023 than in 2019.



Economy

- The outlook for GDP expects a decline of 0.9% in 2023, although a two-year energy price guarantee has helped reduce the risk of a deep recession.

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



Total Long-Haul Travellers

British aged 18 and older who have taken a long-haul leisure trip outside of Europe, North Africa and the Mediterranean in the past three years, or plan to take such a trip in the next two years.

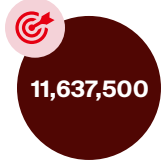
High Value Guests

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>



Total potential long-haul travellers



Canada's target market



Canada's immediate potential in the next 2 years



Total potential HVG travellers

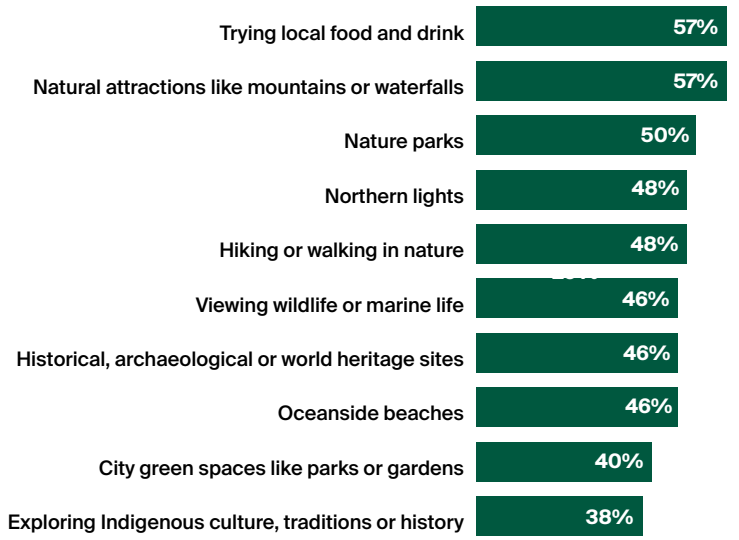
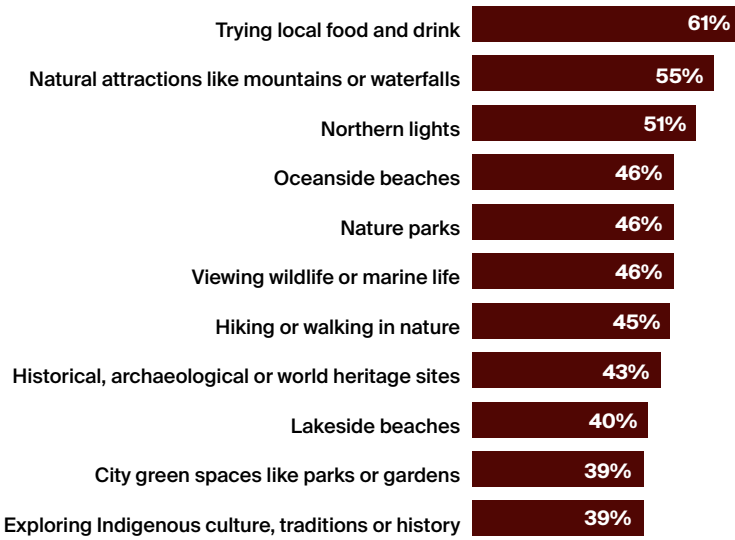


Canada's HVG target market

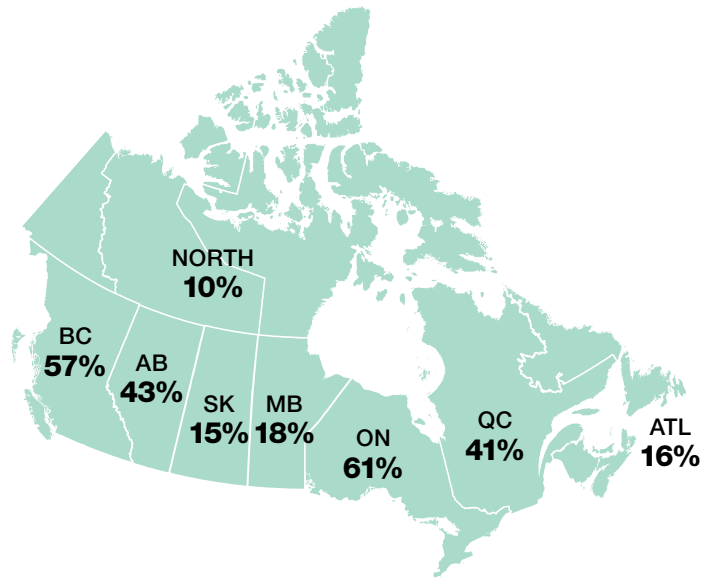
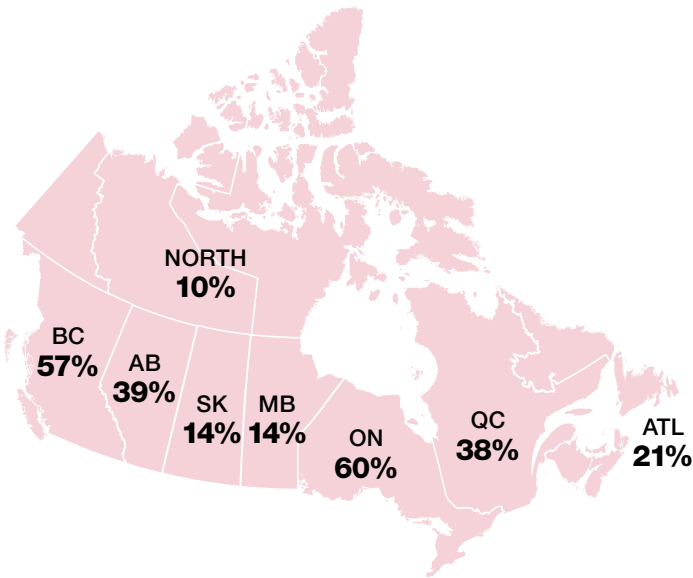


Canada's HVG immediate potential in the next 2 years

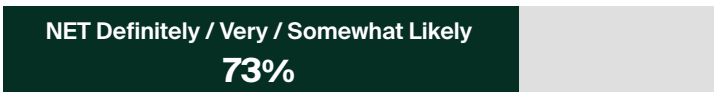
Top Activities of Interest While on Vacation<sup>3</sup>



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



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



For further information, please contact:

Maureen Riley | Vice President, International | T +1-604-638-8327 | [riley.maureen@destinationcanada.com](mailto:riley.maureen@destinationcanada.com)

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