

Impact of COVID-19 on the Canadian Economy and Consumer Sentiment - as of SEPTEMBER 28, 2021

To better understand the impact of COVID-19 on the economy, the consumer mindset and to inform marketing recovery strategies, Destination Ontario has accessed various economic, public attitude and behaviour studies.

EXECUTIVE SUMMARY AS OF SEPTEMBER 28, 2021:

According to Destination Canada's Resident Sentiment Towards Visitors Survey Report, Updated September 21, 2021

- Ontario's **overall positive sentiment** towards visitors increased while welcoming visitors from nearby communities and other international destinations except the U.S.; therefore, promoting local/within Ontario travel when the time is right, would be the current best course of action:
 - 72% of Ontarians would welcome visitors from nearby communities
 - 67% of Ontarians would welcome visitors from other parts of Ontario
 - 56% of Ontarians would welcome visitors from other parts of Canada
 - 26% of Ontarians would welcome visitors from the U.S. and other international destinations

According to Destination Canada's Resident Sentiment Survey Report, Updated September 28, 2021

- Ontario's perception of travel safety decreased while thinking about travelling within Canada, likely due to safety protocols still in effect
 - 86% of Ontarians feel safe when thinking about travelling to nearby communities
 - 80% of Ontarians feel safe when thinking of travelling within Ontario
 - 56% of Ontarians feel safe when thinking of travelling to other parts of Canada
 - 28% of Ontarians perceived safety as much lower when thinking about travelling to

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the U.S. and 26% to other international destinations

According to Destination Canada's Sentiment Toward Tourism Advertisement Survey Report, Updated September 28, 2021

- Ontarians are receptive to the promotion of their community to other nearby communities, and to the rest of Canada and Ontario. Ontarians are unreceptive to the promotion of their community to the U.S. and international markets
- Provincial receptivity score is based on the net level of happiness Ontarians experience when seeing their community promoted to each target market. Net happiness level is calculated as the total “very happy” and “happy” responses minus total “very unhappy” and “unhappy” responses
 - Ontarians’ overall receptivity of promoting their communities as a travel destination in other nearby communities in Ontario is net positive of +36; therefore, timely and relevant hyperlocal travel will be well received
 - Ontarians’ overall receptivity of promoting their communities as a travel destination in other parts of Ontario increased from +22 in August 2021 to +30 in September 2021
 - Ontarians’ overall receptivity of promoting their communities as a travel destination in other parts of Canada decreased from +14 in August 2021 to +12 in September 2021.

According to Google Travel Intent Survey Online Poll Results Ending September 10, 2021

- Canadian overall travel intent decreased or remained stable on most measures since the last month
 - 20% of Canadians are looking to book a domestic trip in the next three months
 - 17% of Canadians are looking to book a domestic trip after a year from September 10, 2022
 - 14% of Canadians are interested in travelling within 20 miles of their home
 - 25% of Canadians are interested in a major city travel destination
 - 16% of Canadians are interested in a small-town travel destination

According to Google's Recovery Signal Dashboard Based on Search Query Data, as of September 27, 2021

Overall travel search is down likely due to safety protocols still in effect

- Travel search interest within Canada is down 4% and search queries for local attraction

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are down 25%, compared to the same period March 1, 2019 – September 27, 2020

- Travel search interest within Ontario is down 13% and search queries for local attraction are down 33%, compared to the same period March 1, 2019 – September 27, 2020

According to Google's Global Travel Intent Survey based on data as of September 10, 2021

- In the UK, Germany and France, less than 23% of the citizens polled in each country intended to book an international trip within the next year

ECONOMIC & TRAVEL OUTLOOK

COVID-19 has caused a significant negative impact leading to noticeable changes in public behaviour. Destination Canada is tracking public attitudes and behaviour in Canada to assist organizations in their strategic and tactical planning. The research also includes Google's monthly online polling of a random sample of Canadians and citizens from various countries. The latest data shows some key insights:

CANADIAN TRAVEL OUTLOOK

Destination Canada's Resident Sentiment Survey Study Results from September 21, 2021, reported¹:

- Ontario's **overall positive sentiment** towards visitors increased while welcoming visitors from nearby communities and other international destinations except the U.S.; therefore, promoting local/within Ontario travel when the time is right, would be the current best course of action:
 - 72% of Ontarians would welcome visitors from nearby communities
 - 67% of Ontarians would welcome visitors from other parts of Ontario
 - 56% of Ontarians would welcome visitors from other parts of Canada
 - 26% of Ontarians would welcome visitors from the U.S. and other international destinations

Destination Canada's Resident Sentiment Survey Study Results from September 28, 2021, reported²:

- Ontario's perception of travel safety decreased while thinking about travelling within Canada, likely due to safety protocols still in effect
 - 86% of Ontarians feel safe when thinking about travelling to nearby communities
 - 80% of Ontarians feel safe when thinking of travelling within Ontario

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- 56% of Ontarians feel safe when thinking of travelling to other parts of Canada
- 28% of Ontarians perceived safety as much lower when thinking about travelling to the U.S. and 26% to other international destinations

Destination Canada's Resident Sentiment Toward Tourism Advertising Study results from September 28, 2021, reported²:

- Ontarians are receptive to the promotion of their community to other nearby communities, and to the rest of Canada and Ontario. Ontarians are unreceptive to the promotion of their community to the U.S. and international markets
- Provincial receptivity score is based on the net level of happiness Ontarians experience when seeing their community promoted to each target market. Net happiness level is calculated as the total "very happy" and "happy" responses minus total "very unhappy" and "unhappy" responses
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other nearby communities in Ontario is net positive of +36; therefore, timely and relevant hyperlocal travel will be well received
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Ontario increased from +22 in August 2021 to +30 in September 2021
 - Ontarians' overall receptivity of promoting their communities as a travel destination in other parts of Canada decreased from +14 in August 2021 to +12 in September 2021.

Leger Research's National Pandemic Tracker study results reported on September 28, 2021³:

- Ontario's level of comfort with activities after protective measures are lifted:
 - **67%** dining in restaurants, **increased** from 66% reported on August 17
 - **41%** attending large gatherings such as sporting events, concerts or festivals, **increased** from 36% reported on August 17
 - **29%** going to bars, pubs, lounges, night clubs, **decreased** from 31% reported on August 17
 - **41%** flying on an airplane, **increased** from 40% reported on August 17

Google Travel Intent Canada Survey Online Poll Results ending September 10, 2021, reported⁴:

- **20%** of Canadians are looking to book a domestic trip in the next three months, **decreased** from 25% reported in the previous August 13 report

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- **7%** of Canadians are looking to book a domestic trip in the next three to six months, **decreased** from 8% reported in the previous August 13 report
- **17%** of Canadians are looking to book a domestic trip after September 10, 2022, **increased** from 16% reported in the previous August 13 report
- **14%** of Canadians are interested in travelling within 20 miles of their home in the next three months, **remained stable** since the previous August 13 report
- **39%** of Canadians are interested in a travel destination anywhere in Canada in the next three months, **decreased** from 42% observed in the previous August 13 report
- **25%** of Canadians are interested in a major city travel destination, **remained stable** since the previous August 13 report
- **16%** of Canadians are interested in a small-town travel destination, **decreased** from 17% reported in the previous August 13 report
- **15%** of Canadians are interested in a rural travel location, **decreased** from 17% reported in the previous August 13 report
- **17%** of Canadians are interested in a beach destination, **remained stable** since the previous August 13 report
- **12%** of Canadians are interested in a travel destination anywhere in their region in the next three months, **increased** from 11% reported on August 13 report

Canada Travel Related Recovery Signals, as of September 27, 2021⁵:

Google's Recovery Signal dashboard is based on search queries grouped into three categories:

1. Dining (interested in/going to restaurants) searches
2. Travel activity (museums, wineries, camping, etc.) searches
3. Travel (flight, hotel/accommodations) searches reported:
 - Overall travel search is down likely due to safety protocols still in effect
 - Travel search interest within Canada is down 4% and search queries for local attraction are down 25%, compared to the same period March 1, 2019 – September 27, 2020
 - Travel search interest within Ontario is down 13% and search queries for local attraction are down 33%, compared to the same period March 1, 2019 – September 27, 2020

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U.S. TRAVEL OUTLOOK

Destination Analysts' U.S. Coronavirus Travel Index Report Key Findings results ending September 21, 2021, reported⁶:

- Concerns about travel activities as unsafe have greatly decreased since the start of the pandemic:
 - 65% of Americans are inclined to learn about new, exciting, travel experiences or destinations to visit
 - 45% of Americans do not want travelers visiting their communities at the moment
 - 39% of Americans believe that the coronavirus situation in the United States will worsen in the next month and 30% expect it to improve
 - 24% of Americans feel confident and 19% feel very confident when travelling during their current trips
 - 64% Americans would be unlikely to travel outside the US until the coronavirus situation is resolved
 - 56% of Americans would be unlikely to attend any conventions or conferences until the coronavirus situation is resolved
 - 30% of Americans have postponed their trips specifically due to the Delta variant

U.S. Travel Related Recovery Signals, as of September 27, 2021⁵:

Google's Recovery Signal Dashboard is based on search queries grouped into three categories:

1. Dining out searches
2. Travel activity searches
3. Travel (flight, hotel/accommodations) searches reported:
 - Overall, the trend line for travel activity is **stable** but below 2019/2020 pre-pandemic levels. U.S. searches pertaining to Canadian travel search queries are down 47% for the same period March 1, 2019 – September 27, 2020, search level
 - Overall, the trend line for travel activity is **stable** but below 2019/2020 pre-pandemic levels. U.S. searches pertaining to Ontario travel search queries are down 47% of the same period March 1, 2019 – September 27, 2020, search level

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INTERNATIONAL TRAVEL OUTLOOK

Google Travel Intent Survey Online Poll Results ending September 10, 2021, reported⁴:

United Kingdom's international intent to travel plans⁴:

- **7%** of British residents are booking in the next three months, **decreased** from 9% as reported in the previous August 13 report
- **10%** of British residents are booking in 9 months to a year, **remained stable** at 10% as reported in the previous August 13 report
- **14%** of British residents are booking after September 10, 2022, **decreased** from 17% observed in the August 13 report

Germany's international intent to travel plans⁴:

- **9%** of Germany's residents are booking in the next three months, **remained stable** at 9% as reported in the August 13 report
- **7%** of Germany's residents are booking in 9 months to a year, **increased** from 6% as reported in the August 13 report
- **9%** of Germany's residents are booking after September 10, 2022, **decreased** from 10% as reported in the August 13 report

France's international intent to travel plans⁴:

- **4%** of France's residents are booking in the next three months, **decreased** from 5% since the August 13 report
- **5%** of France's residents are booking in 9 months to a year, **increased** from 3% as reported in the August 13 report
- **7%** of France's residents are booking after September 10, 2022, **increased** from 8% as reported in the August 13 report

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Sources:

1. Destination Canada Resident Sentiment Survey Report, September 21, 2021, N~1,800 adult Canadians, N= 605 for Ontario and each minimum N=200 for other provinces
2. Destination Canada Resident Sentiment Survey Report, September 28, 2021, N~1,800 adult Canadians, N= 611 for Ontario and each minimum N=200 for other provinces
3. Leger National Weekly Pandemic Tracker Report, September 28, 2021, N ~1,827 all respondents, N=695 for Ontario
4. Google Global Travel Intent Survey – online survey between September 10, 2020 – August 13, 2021, each N~1,000
5. Google Recovery Signals Dashboard, data updated until September 27, 2021
6. Destination Analysts' Coronavirus Travel Sentiment Index Report – Key Findings, September 21, 2021, data as of September 17, 2021