

This document provides a summary of market signals and leading indicators assessing the readiness of key source markets for Toronto’s visitor economy. This assessment – and the underlying data that powers it – enables informed decisions on the timing and approach to sales and marketing in key markets.

3 READINESS LEVELS

RESTRICTIVE
Significant challenges to business

CAUTIOUS
Regression in some factors

STABLE
Market stable/growing

ONTARIO

Ontario traveller demand stays steady even as consumer confidence had the biggest drop since 2021.



- Air capacity has grown 3% YOY but remains 34% below 2019 levels.
- Consumer confidence fell 11.4 points in December, the biggest drop since 2021, as financial and job prospects worsened.
- Intraprovincial arrivals grew by 4%. Searches for activities in Toronto remained stable, while accommodation searches declined by 6%.

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CANADA

Despite lower rates, consumer confidence fell to 60, down 10 points from November, the biggest drop in a year.



- Q1 2025 air capacity has grown by 2% YOY, yet remains 10% below 2019 levels.
- Canadian domestic arrivals grew steadily 3% YOY between Jul & Dec 2024, a slightly lower pace than in 2019 (-2%).
- Searches for activities in Toronto increased by 2.4% YOY, while flights (-4%) and accommodations (-6%) searches declined.

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UNITED STATES

US arrivals continued to increase, rising 9% YOY but remaining 13% below 2019 levels.



- Q1 2025 air capacity remained on par with 2024, 11% below 2019 levels.
- A stronger U.S. dollar against the Canadian dollar creates favorable conditions for American travellers visiting Canada.
- Searches for activities increased 16% YOY, and accommodation searches rose 20%. November saw the strongest YOY growth with arrivals surging 37% and exceeding 2019 figures by 19%.

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MEXICO

Mexican visa restrictions impact arrivals, falling in the second half of 2024—down 46% YOY and 39% below 2019.



- Air capacity growth declined 3% YOY, yet remains 13% above 2019 driven by Canadian outbound demand during winter season.
- Accommodation searches have dropped by 36% YOY, while searches for activities in Toronto have fallen by 57%.

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UNITED KINGDOM

UK arrivals continue to rise, up 4% YOY in the second half, yet remain 11% below pre-pandemic levels.



- Air travel capacity declined 4% YOY, placing it 19% below 2019 levels.
- Searches for activities grew 15% YOY, while searches for accommodations declined by 4%.

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GERMANY

German arrivals showed strong growth in the second half of 2024, up 10% YOY but remaining 15% below 2019 level.



- Air capacity has grown by 11% YOY, surpassing 2019 figures by 1%.
- Based on preliminary reports, Q3 2024 real GDP growth dipped slightly below zero, settling at -0.3%.

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CHINA

Despite YOY growth in 2024, China’s tourism rebound remains hindered by geopolitical and economic challenges.



- Q1 2025 air Capacity remains at the same level as last year, and 94% below the 2019 level.
- Arrivals rose 40% from in the second half of 2024, yet remain 60% shy of pre-pandemic figures, keeping China the slowest to recover.

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JAPAN

Despite slight YOY gains, the Yen remains weak against the Canadian dollar, straining Japanese travelers’ finances.



- Air travel capacity slipped 1% YOY yet remains 50% above 2019 levels, indicating sustained recovery momentum.
- Searches for activities and accommodations increased 16% and 7% year-over-year, while Japanese arrivals rose 20% but remain 43% below 2019.

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