MARKET READINESS INDEX JULY 2021

(*DATA AS OF JULY 15, 2021)

DESTINATION TORONTO

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 power it – enables informed decisions on the timing and approach to reactivate sales and marketing in key markets. The full Index – with explanations of key terms and evaluation factors – is available in the Research & Insights Terminal at DestinationToronto.com

3 READINESS LEVELS

HOLD AND MONITOR: Closed, unavailable, low demand

PLAN AND PREPARE: Clear shift, increased demand for reengagement

ACTIVE SALES AND MARKETING: Meaningful demand, imminently open and fully open

HYPER-LOCAL (Toronto + GTA)

The hyper-local market is quickly gaining momentum with Step 3 reopening. Residents increasingly comfortable with activities. Event experiences yet to resume.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **Significant opening with return to indoor dining, attractions, meetings**
- **Customer readiness increasing particularly for restaurants (63%), shopping (74%)**
- **Some hesitancy persists with bars (36%), live events (39%)**

REGIONAL DRIVE (2-hour drive)

Strong rebound in comfort in core travel activities. Interest in urban travel and Toronto specfically lags but is gaining momentum.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **Residents comfortable (77%) with regional travellers**
- **Increasing levels of comfort for key activities like restaurants (63%), shopping (72%)**
- **Search interest in travel strong, interest in Toronto rebuilding but still below 2019 (-43%)**

INTRA-PROVINCIAL (Rest of Ontario)

Travel comfort and interest rebounding steadily. Urban travel demand lagging but trending upward.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **Residents increasingly comfortable (74%) with provincial travellers**
- **Strong levels of comfort for key activities like restaurants (78%), shopping (81%)**
- **Search interest in travel strong, interest in Toronto rebuilding but still below 2019 (-43%)**

INTER-PROVINCIAL (Rest of Canada)

Canadians' travel interest is high but is currently focused on local and home province travel.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **Welcoming sentiment among residents is increasing (64%)**
- **Available flight capacity still substantially reduced (76%) from domestic markets**
- **43% of Canadians are comfortable flying on an airplane**

UNITED STATES

An August 9th target to reopen the border to fully vaccinated Americans and a strong return of U.S. domestic travel opens the door to the resumption of U.S. inbound travel.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **August 9th target for border reopen to fully vaccinated visitors**
- **Strong return of domestic travel (75% feel safe to travel)**
- **With borders closed search interest for Toronto remains low (-77%)**

INTERNATIONAL

Virus control varies from country to country. Borders remain closed to non-essential traffic and quarantine requirements still in force.

- Virus control
- Destination readiness
- Access readiness
- Partner readiness
- Customer readiness

- **Low levels of welcome sentiment among residents (24%)**
- **September 7th target for border reopen to fully vaccinated visitors**
- **Most partner sales and marketing activity to resume in 2022**