



Canadian Market Trend Overview

Will McAleer

VP Product Innovation, Marketing & CanAm Insurance



Travel Demand Snapshot

- ✓ **Heading into this year...
strong rebound to 2019 levels**
- ✓ **Then... "Elbows Up!" sentiment**
- ✓ **Lagging indicator was travel**
- ✓ **Summer saw impacts with increasing
growth for travelling within Canada**





Early 2025 Travel Intentions

Canadians Looking Elsewhere

- Early Year Data
- Significant Post Inauguration
- Travel Intentions Changing

What actions have you taken in response to recent developments in US-Canada relations?

ACTIONS TAKEN IN RESPONSE TO THE U.S. – CANADA RELATIONSHIP

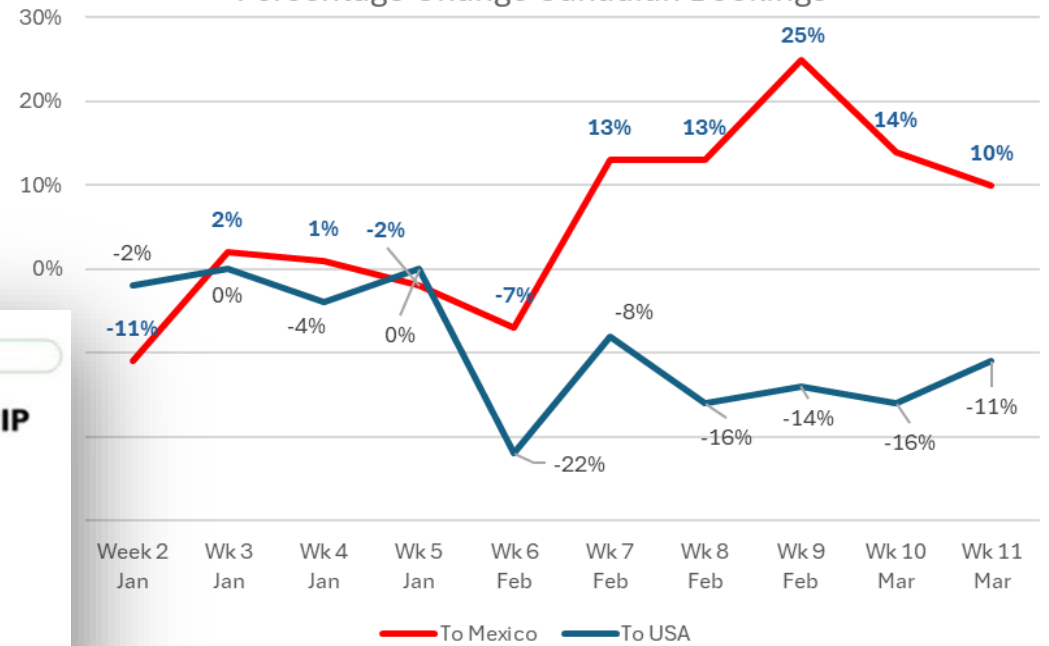


56%
Of those planning a trip to the US have change or canceled their trip

[Those planning on traveling to the U.S.] n=509

U.S. TRAVEL | ABACUS DATA

Percentage Change Canadian Bookings



Source: Sojern, data as of March 2025.



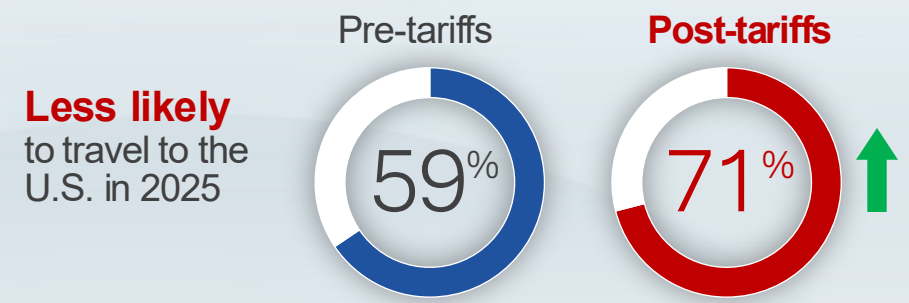
Continued Avoidance

May 2025 Leger Polling



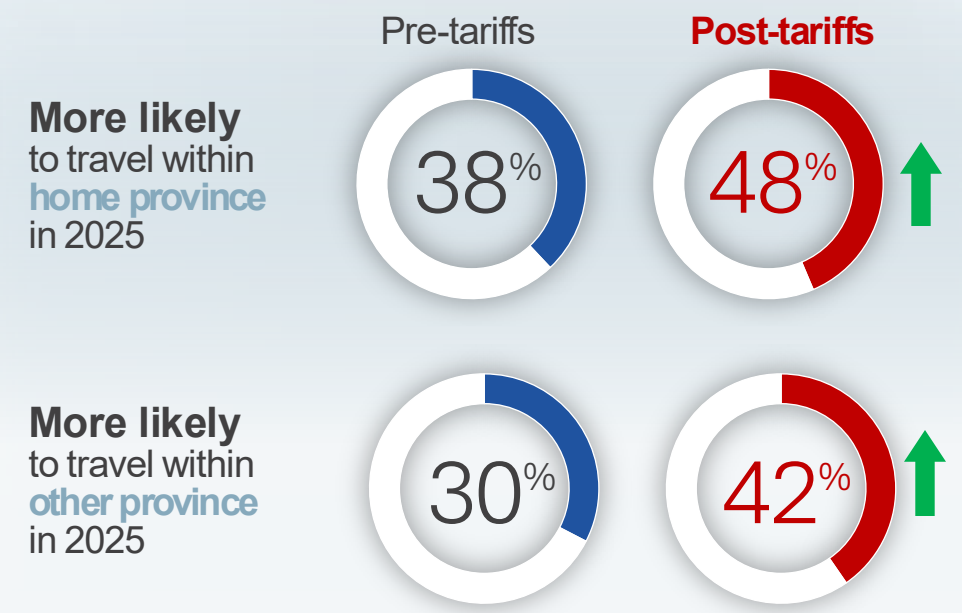
The U.S tariff backlash is real

Over seven-in-ten say they are **less likely** to visit the U.S. throughout 2025 compared to last year.



Meanwhile, domestic tourism intentions are soaring

as more Canadians plan local or interprovincial trips.



Source: The Leger Poll - Canadian Travel Intentions & Emerging Trends- June 5, 2025

Summer Travel Demand

- ✓ Q3 Flight Search +25%
- ✓ Caribbean showing strong
- ✓ Even with more difficult Flight Options

Flight Searches Made for Travel From Canada to the Caribbean Between July and September 2025

	TOP DESTINATIONS	GROWTH OVER 2024	DIRECT CONNECTIVITY
1	U.S. Virgin Islands	+193%	✗
2	British Virgin Islands	+124%	✗
3	Puerto Rico	+121%	✗
4	Saint Kitts and Nevis	+92%	✗
5	Haiti	+70%	✓
6	Bermuda	+66%	✓
7	Cayman Islands	+51%	✓
8	Saint Lucia	+44%	✓
9	Saint Vincent and the Grenadines	+41%	✓
10	Antigua and Barbuda	+37%	✓

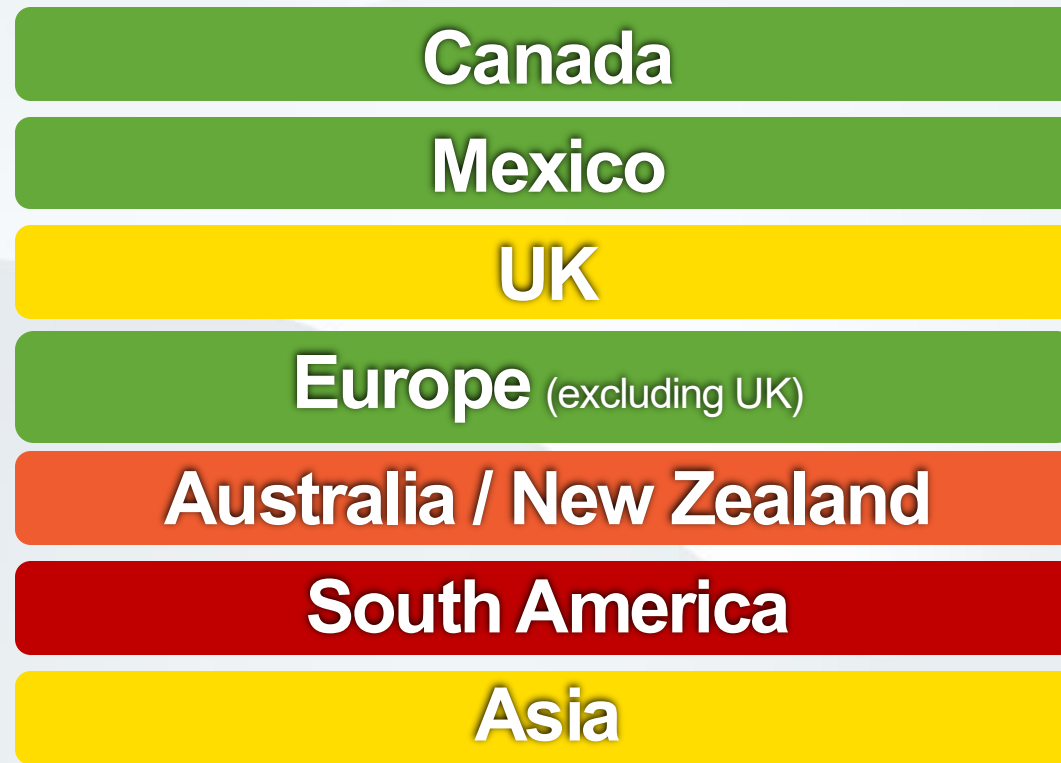
Source: ForwardKeys, Caribbean Travel Trends 2025, data as of June 2025.



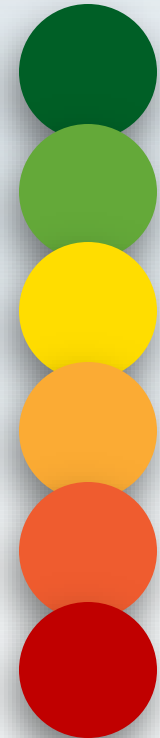


Trend Data

Top Choices For Canadians Reconsidering U.S. Travel



Very High



Very Low

Source: Proprietary Skift Research survey data. U.S. Inbound Tourism sentiment survey: Canada n = 250, Germany n = 241, India n = 252, Mexico n = 250, UK n = 250. Reproduced from: [How Trump and U.S. Politics Are Shaping Inbound Tourism Sentiment in 2025](#), data as of April 2025.



Trend Data

July saw implications to weak U.S. demand

Air Canada's quarterly profit falls on weak US travel demand

By Reuters

July 28, 2025 6:24 PM EDT · Updated July 28, 2025



Detail of Bombardier's C Series100 aircraft showing their logo and that of Air Canada seen prior to a news conference in Montreal, February 17, 2016. REUTERS/Christinne Muschi/File Photo [Purchase Licensing Rights](#)

July 28 (Reuters) - Air Canada ([AC.TO](#)) reported a drop in second-quarter profit on Monday, weighed down by weak passenger traffic to its key U.S. market amid strained trade relations between the two countries.



Summer Travel Experience

Canadians stayed close to home

Planning vs. Travelling

Avoidance to USA in Summer

2024 Plans	25% to USA
2025 Plans	11% to USA

13% Travelled to the USA

International (Ex USA)

2024 Plans	23% Intl
2025 Plans	21% Intl

15% Travelled Internationally (Ex USA)

No Place Like Home

Summer Trips PLANNED

Home Province	37%
Extra-Provincial	47%

Summer Trips Taken

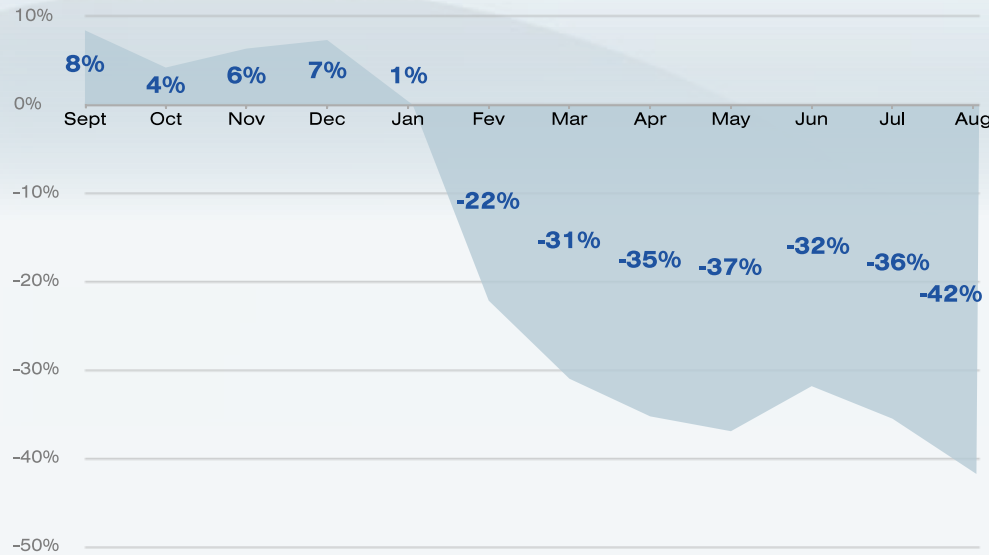
Home Province 52%	52%
Extra-Provincial 34%	34%



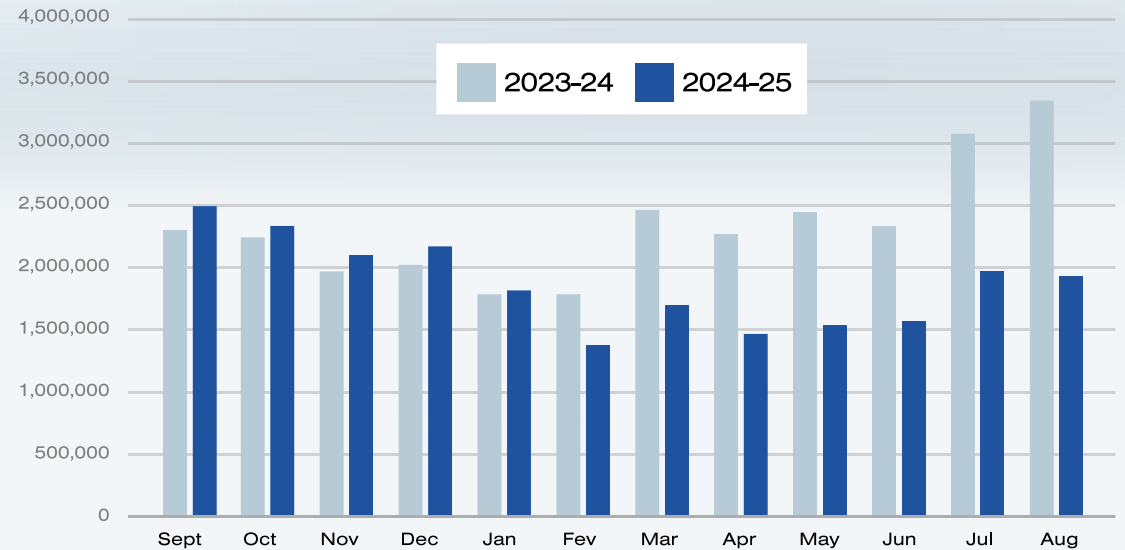
U.S. Travel Decline

- 42% Decline in August
- Summer was a Canadian Story
- Winter is a Reality in Canada

Return Auto Trip - Change



Return Auto Trip - Canadians

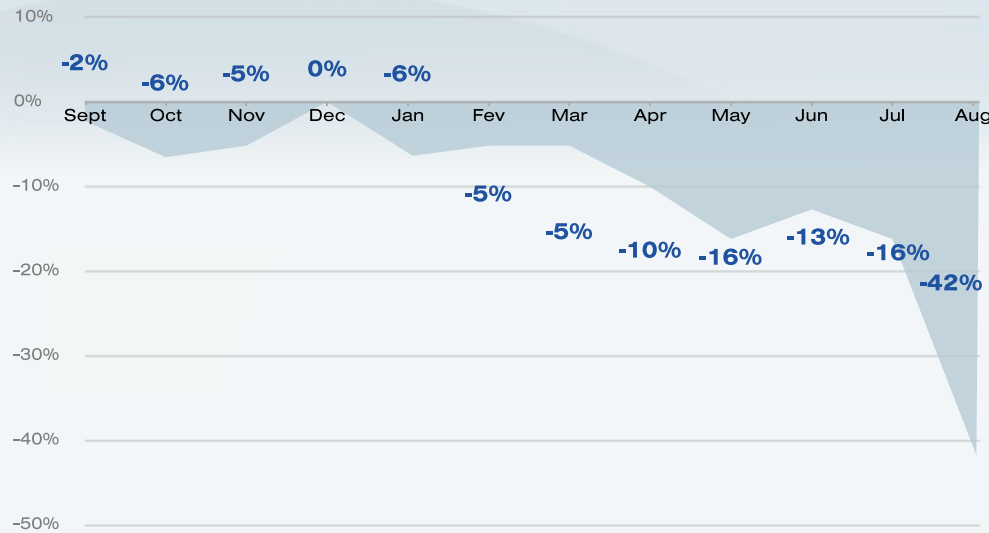




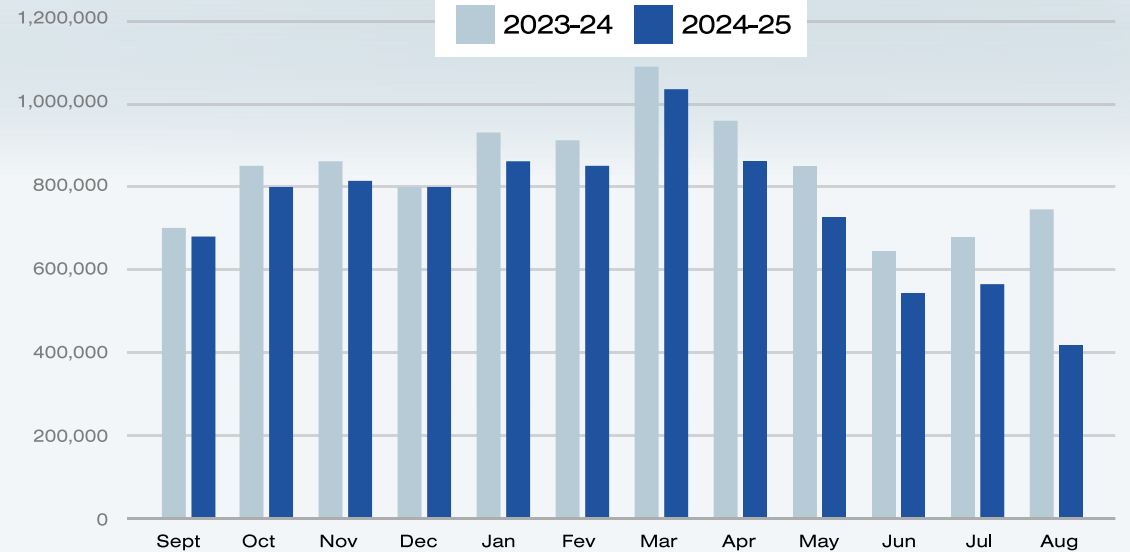
U.S. Travel Decline

- 42% Decline in August
- Partial AC Strike
- Air Impacted

Return Air Trip - Change



Return Air Trip - Canadians





gem Edge Roadshows



What about this Fall & Winter?

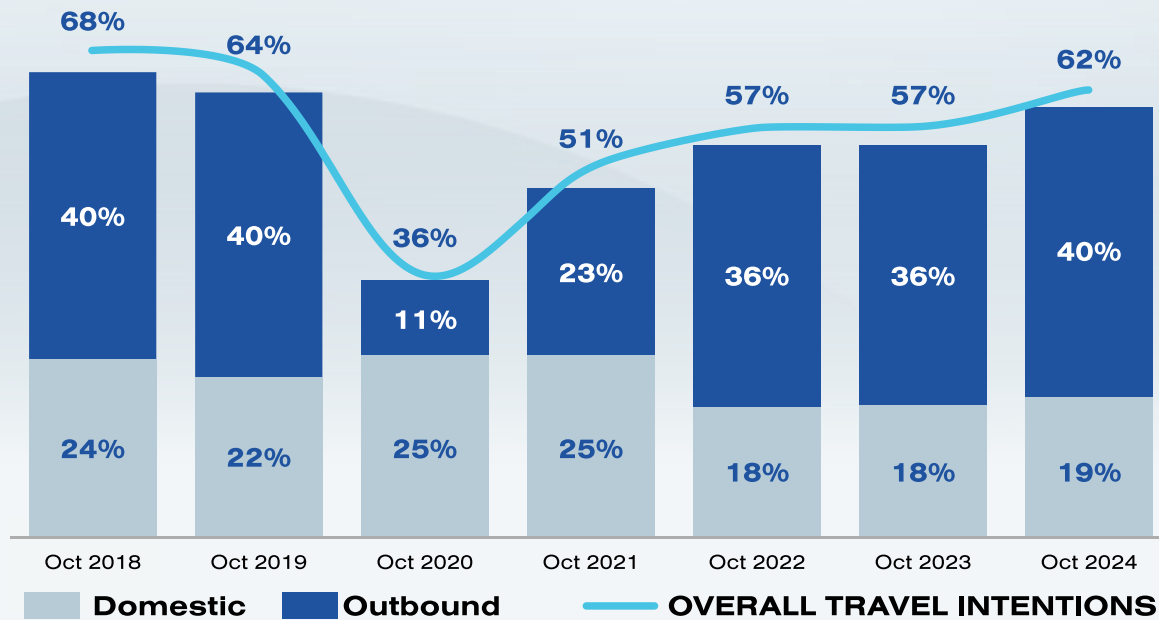


GEM Fall / Winter Travel Intentions Survey Data

- **New GEM Survey**
(1,040 Canadians across all provinces, as of end of September 2025)
- **Higher than Last Year**
- **41.9% plan to leave the country versus 40% in 2024 according to the CBAC survey last year**

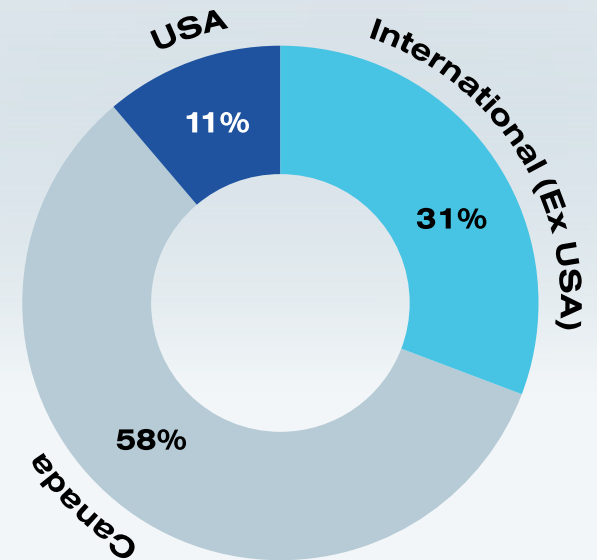
71% Respondents Planning to Travel this Fall / Winter

Winter Trip Intentions, by quarter



Source: CBoC quarterly travel intentions survey of Canadians 18+. Total includes trips with an unreported/unknown destination. October and January surveys reference overnight leisure travel activity occurring between November 1 - April 30, each year.

Fall/Winter Travel Planning



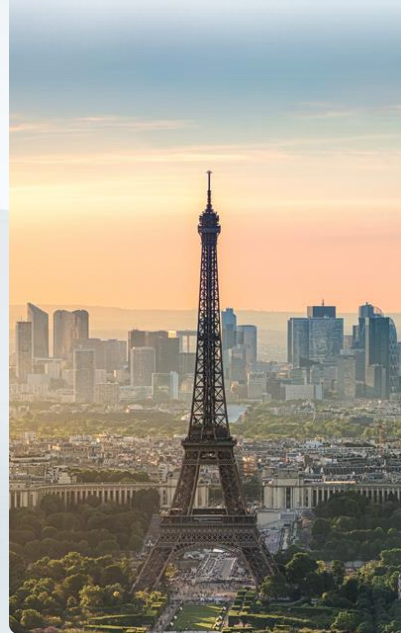
What type of travel can we expect?

24.1%



Sun /
Beach vacation

24.1%



City /
Cultural Trip

9.7%



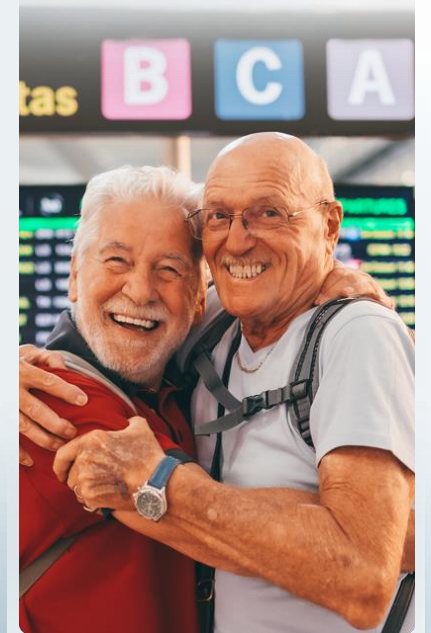
Adventure /
Active Trip
(skiing, hiking, etc.)

5.2%



Cruise

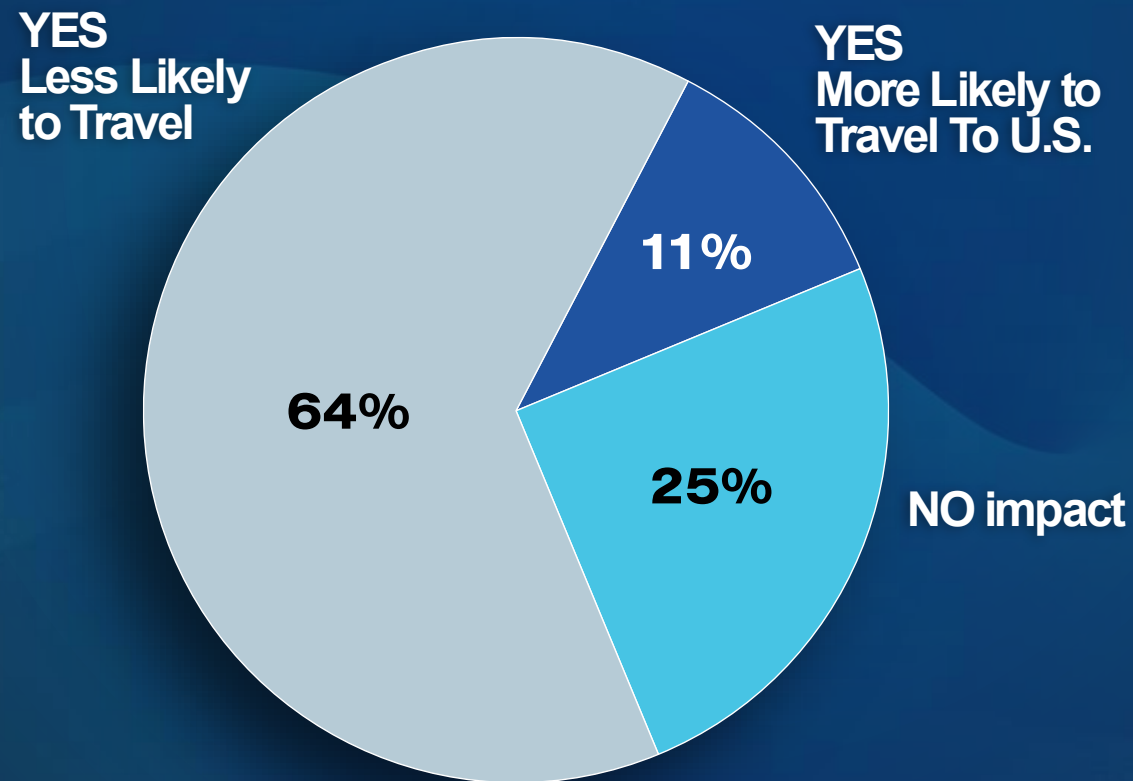
33.6%



Visiting
Friends / Family

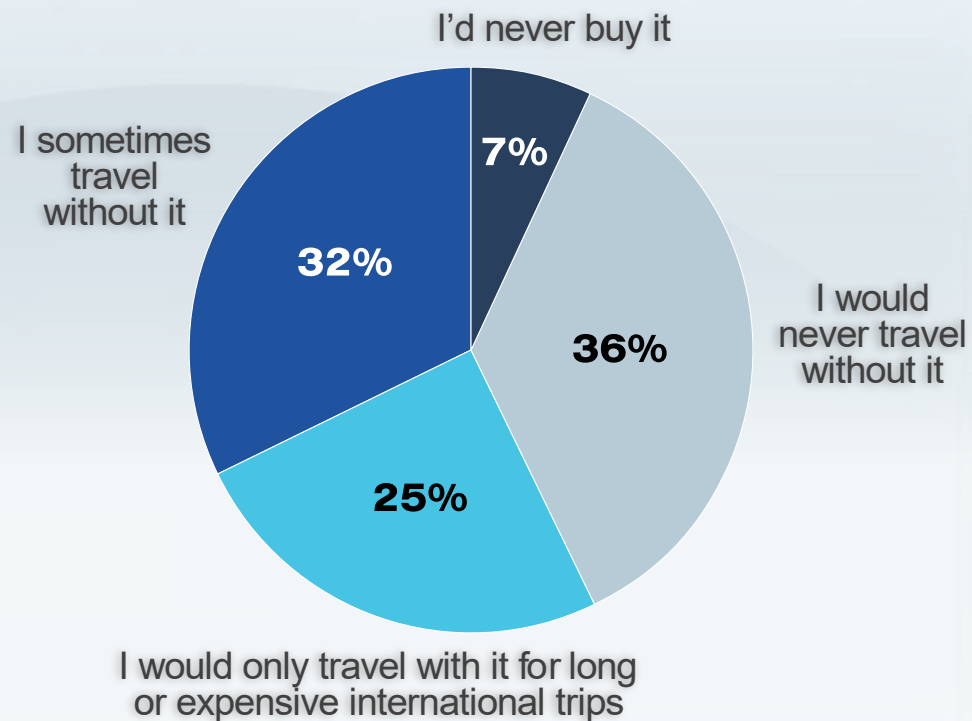


Do current U.S. Relationships (political, economic, border trade issues) affect your decision to travel to the U.S.?

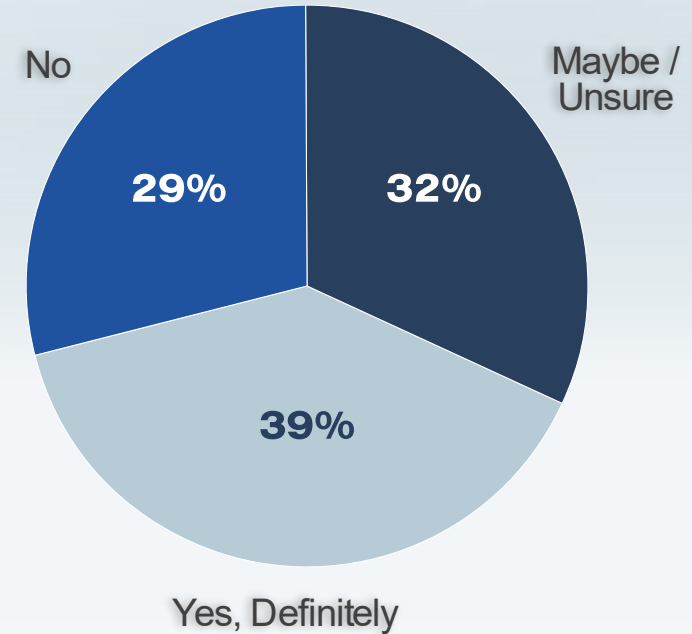


What are consumers thinking about travel insurance?

Travel Without Travel Insurance?

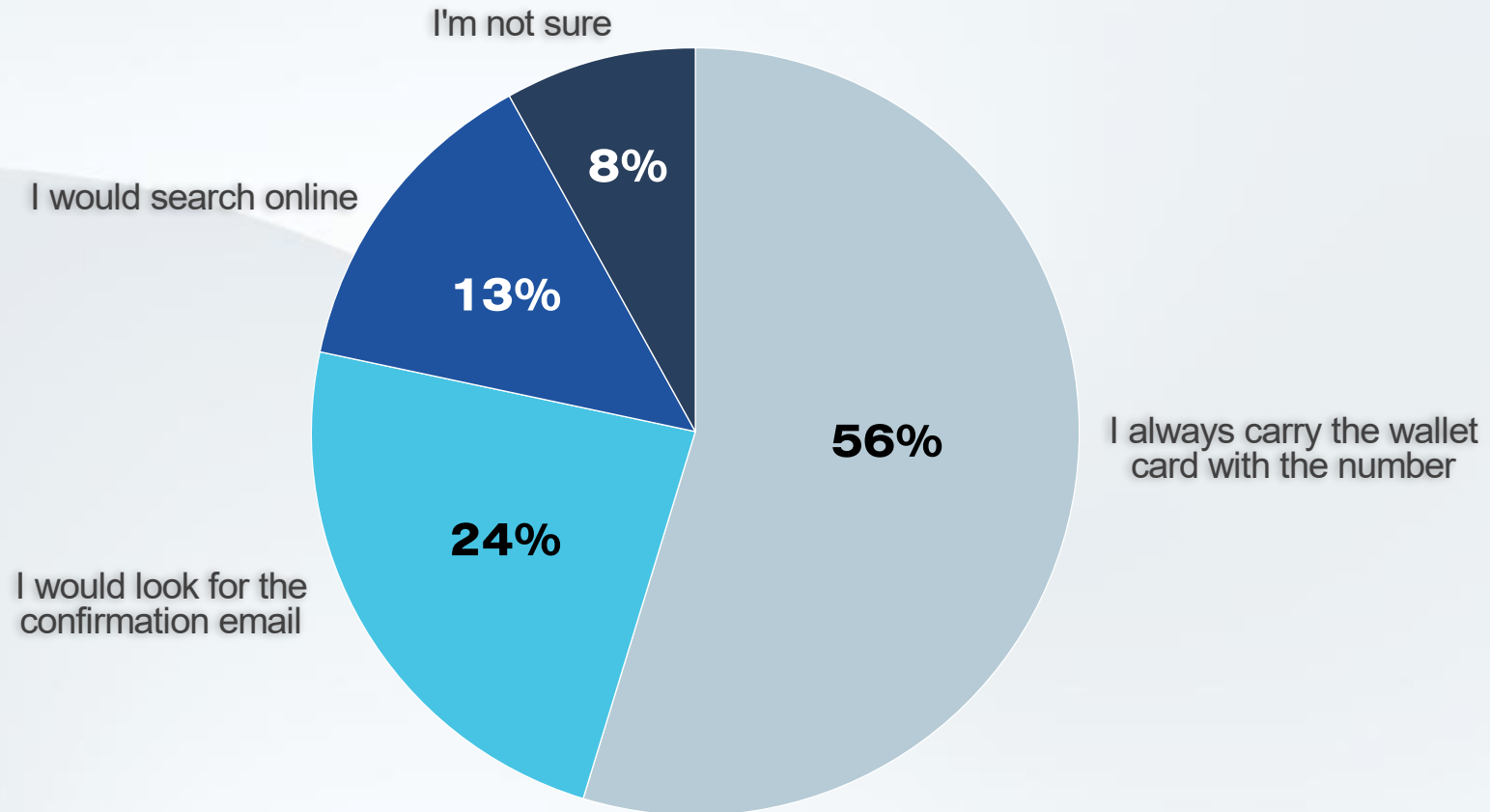


Insurance Purchase Intentions



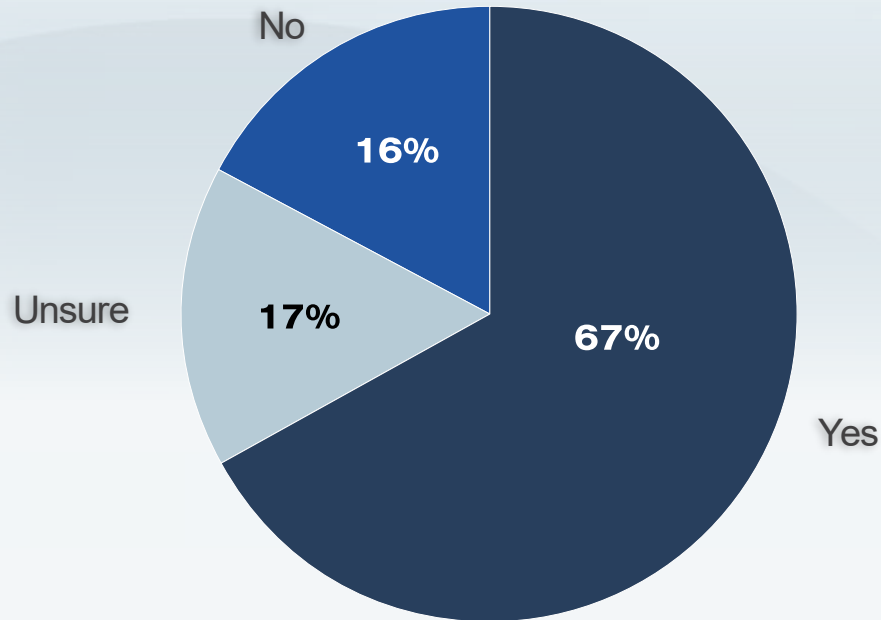
What about Understanding coverage?

In a Medical Emergency, would you know how and when to contact your Assistance Team?

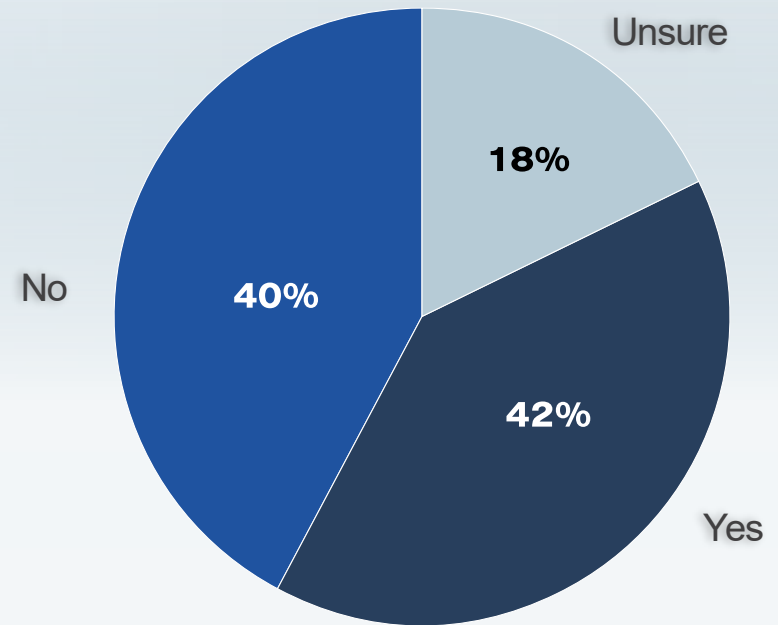


What about understanding coverage?

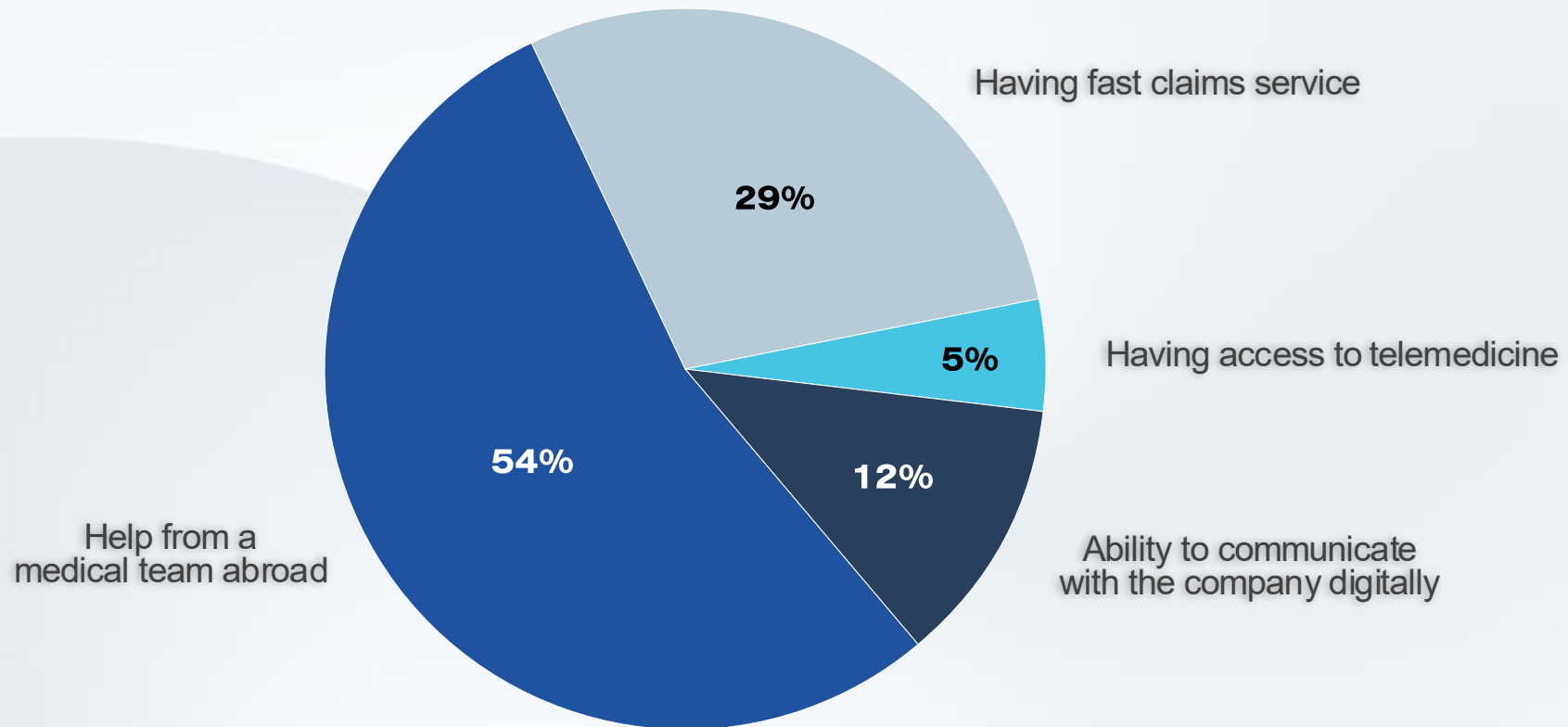
Individual Travel Insurance?



How About Your Credit Card Coverage?



Aside from payment for medical bills, what do you believe is the most valuable part of a travel insurance plan in a medical emergency?





RISKY BEHAVIOUR...

Have you done
anything **risky**
while travelling?



8%

Jumped
Off a Cliff





10%

Slept in a
Public Space



11%

Broke a
Local Law





11%

Skinny
Dipped



Edge Roadshows

gem

8.5%

Got a Tattoo





31%

Had more than
4-5 alcoholic
drinks in 2 hours
(Binge Drinking Definition)

Implications?

✓ There is a significant travel intention this Fall / Winter

✓ Risky activities...

✓ Canadians may still look further afield than the US, but then again...

✓ Service vital at time of emergency

✓ Policy – Do we educate enough as an industry?

✓ Can we make it easier to access help when needed?

