

Press Release

TOURISM NOVA SCOTIA--Higher-spending Visitors Drive Nova Scotia's Tourism Revenue Growth

Last year was Nova Scotia's best tourism revenue year on record despite a modest decline in visitation.

Tourism revenues reached an estimated \$2.61 billion, a 0.3 per cent increase, compared to updated 2017 revenue estimates of \$2.60 billion.

About 2,413,000 non-resident overnight visitors came to Nova Scotia last year. This represented just 0.8 per cent or 19,500 fewer visitors than in 2017 which saw the highest visitation in Nova Scotia's history. Visitation has increased by 27 per cent or 500,000 more visitors compared with 2013.

2018 highlights, compared to 2017 include:

- an increase in air visitors, making 2018 the third consecutive year of growth in visitation by air. Air visitors are higher spending visitors
- visitation by road decreased three per cent, or by 49,900 visitors
- visitation from overseas markets grew 15 per cent, or by 13,900 visitors, which marked the fifth straight year of growth in visitation from overseas markets
- licensed room nights sold across the province reached 2.8 million, an increase of one per cent
- room nights booked through a sharing economy platform, including both licensed and unlicensed accommodations, reached approximately 426,000, an increase of 85 per cent

"These results reflect the fantastic work our entire tourism industry is doing to offer experiences that appeal to travellers," said Geoff MacLellan, Minister of Business. "As a result, people are coming from farther away and spending more money in our communities."

Nova Scotia's tourism industry is working to reach \$4 billion in tourism revenues by 2024, a goal identified by the Ivany Commission in 2014.

"To put it simply, we need to attract higher spending out-of-region visitors to achieve the \$4 billion goal," said Michele



Saran, CEO, Tourism Nova Scotia. "That's the focus of our tourism growth strategy and these results show we're on the right track."

Tourism Nova Scotia has identified strategic game changing opportunities that Nova Scotians will need to embrace to reach \$4 billion in tourism revenues.

Those opportunities include improving the supply and quality of accommodations, increasing air capacity from key markets, attracting more visitors from China, addressing labour challenges, extending the tourism season and continued strategic marketing.

For full 2018 tourism results and updated tourism revenue information, visit <https://tourismns.ca/research/visitor-statistics/tourism-performance>

FOR BROADCAST USE:

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About 2,413,000 non-resident overnight visitors came to Nova Scotia last year, just 0.8 per cent or 19-thousand fewer visitors than in 2017.

The tourism industry has a goal of reaching 4-billion dollars in tourism revenue by 2024.

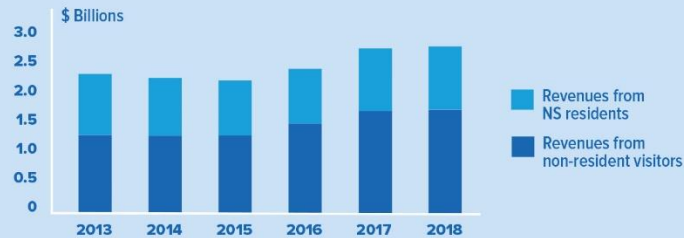
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2018 TOURISM PERFORMANCE

Higher-spending visitors drive tourism revenues growth

TOURISM REVENUES



Tourism revenues reached \$2.61 billion in 2018, an increase of 0.3% compared to updated revenues estimates for 2017. Growth in revenues was driven by non-resident visitor spending.



\$4 BILLION GOAL

Nova Scotia's tourism industry is working to reach the Ivany Report goal of \$4 billion in tourism revenues by 2024

VISITORS



2018 brought **2.4 MILLION** non-resident overnight VISITORS to Nova Scotia

A slight decline of 19,500 visitors compared to a record number of visitors in 2017

WHERE OUR VISITORS ARE COMING FROM



LICENSED ACCOMMODATIONS IN NOVA SCOTIA

2.8 MILLION ROOM NIGHTS SOLD

19,600 more room nights compared to 2017

+1%



ROOM NIGHTS BOOKED THROUGH A SHARING ECONOMY PLATFORM

426,000

bookings in 2018

+85%

over 2017

(Room nights booked through a sharing economy platform include both licensed and unlicensed accommodations)



HOW THEY GOT HERE

+4%

-3%



820,000 VISITORS
ARRIVED BY AIR
(30,300 more than 2017)

1,593,000 VISITORS
ARRIVED BY ROAD
(49,900 fewer than 2017)

STRATEGIC GAME CHANGERS

WHAT'S NEEDED TO REACH \$4 BILLION BY 2024

Nova Scotia has experienced strong tourism growth over the last several years. We've made great progress but there's more work to be done. Following are key opportunities that we must embrace to reach the \$4B goal.



ACCOMMODATIONS MORE QUANTITY, QUALITY, & VARIETY

Nova Scotia needs over 5,000 more rooms and it's important that we offer the quality and type of accommodations travellers want.

YEAR-ROUND OPERATIONS NOVA SCOTIA SHOULD ALWAYS BE IN SEASON

We need to develop, expand and improve our off-season offerings.



LABOUR A SKILLED TOURISM WORKFORCE

We must do everything we can to attract and retain more qualified workers.



CHINA WE CAN BECOME CANADA'S NEXT "HOTSPOT" FOR CHINESE VISITORS

We must offer and promote experiences that will inspire Chinese travellers to choose Nova Scotia.

AIR CAPACITY VISITORS ARRIVING BY AIR SPEND MORE

We need to increase access through more direct flights from priority markets.



INCREASED MARKETING SMART PARTNERSHIPS DRIVE VISITATION

We must continue to build awareness of Nova Scotia as a vacation destination.



2018 Nova Scotia Visitation

Approximately 2,413,000 non-resident overnight visitors came to Nova Scotia in 2018, a decline of 0.8% or 19,500 fewer visitors compared with 2017, which saw the highest visitation in Nova Scotia's history. Visitation by air rose by 4% (+30,300) making 2018 the third consecutive year of growth in air visitation. Visitation by road decreased by 3% (-49,900) from 2017, following four years of growth in visitation by road. Visitation from overseas markets grew 15% (+13,900) which marked the fifth straight year of growth in visitation from overseas markets.

| Visitor Origin | 2018 Non-resident Visitors | % Change vs. 2017 | | % Change vs. 2016 | |
|----------------------|----------------------------|-------------------|---------|-------------------|----------|
| CANADA | 2,074,000 | -1% | -25,200 | +7% | +139,900 |
| Atlantic Canada | 1,160,000 | +2% | +19,600 | +4% | +44,900 |
| Quebec | 120,000 | -9% | -12,300 | +11% | +11,400 |
| Ontario | 601,000 | -4% | -25,600 | +11% | +58,500 |
| Western Canada | 193,000 | -3% | -6,900 | +15% | +25,100 |
| UNITED STATES | 235,000 | -3% | -8,200 | +6% | +13,700 |
| OVERSEAS | 104,000 | +15% | +13,900 | +28% | +22,700 |
| TOTAL | 2,413,000 | -0.8% | -19,500 | +8% | +176,300 |

Nova Scotia Licensed Accommodations

In 2018, licensed room nights sold in Nova Scotia reached 2,773,000, an increase of 1% compared to 2017. The occupancy rate declined one percentage-point to 55%. Room nights sold increased in the Halifax and Yarmouth regions, while they decreased in the South Shore and Cape Breton regions. Room-nights sold in the Eastern Shore, Northumberland Shore and Fundy Shore/Annapolis Valley regions were stable compared with 2017.

| Region | 2018 Licensed Room Nights Sold | % Change vs. 2017 |
|---------------------------------|--------------------------------|-------------------|
| Halifax | 1,493,000 | +3% |
| South Shore | 182,000 | -1% |
| Eastern Shore | 20,000 | 0% |
| Cape Breton | 448,000 | -5% |
| Northumberland Shore | 199,000 | 0% |
| Bay of Fundy & Annapolis Valley | 359,000 | 0% |
| Yarmouth & Acadian Shores | 72,000 | +9% |

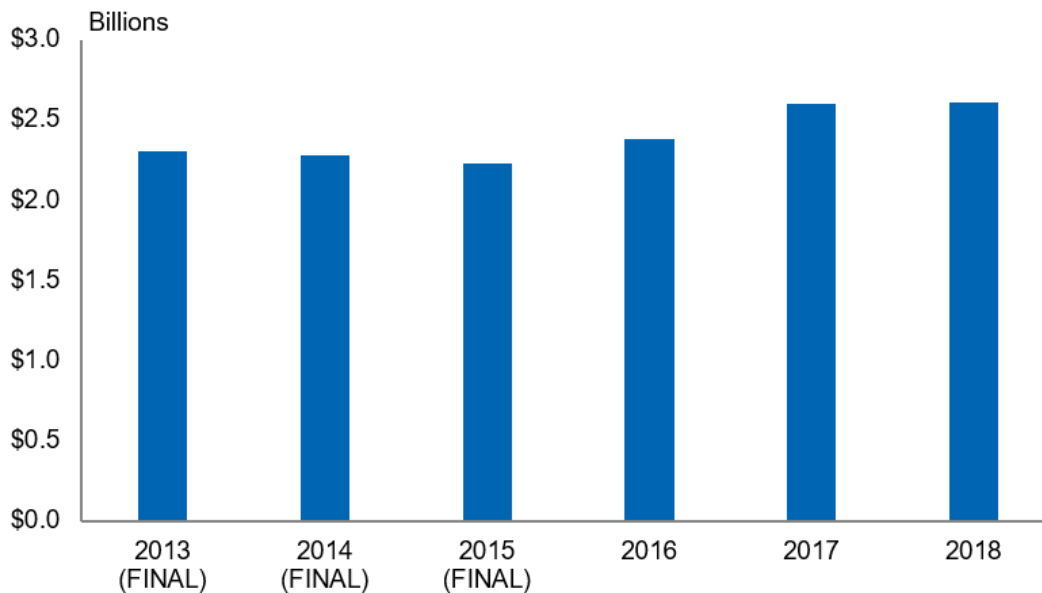
Tourism Revenues

Tourism revenues are a measure of the economic impact of tourism. They include all tourism-related spending within Nova Scotia by non-resident visitors and Nova Scotians travelling within the province, in categories such as accommodations, transportation, food and beverage, cultural services, recreation and entertainment, and travel agency and other reservation services.

Tourism Nova Scotia produces annual estimates of overall tourism revenues, which are updated as new information becomes available. As of April 2019, final estimates are available for 2014 and 2015, updated estimates are available for 2016 and 2017, and a preliminary estimate is available for 2018. Tourism revenues estimates for 2014-2017 have been updated based on the most recent information from Statistics Canada and Tourism Nova Scotia's Visitor Exit Survey.

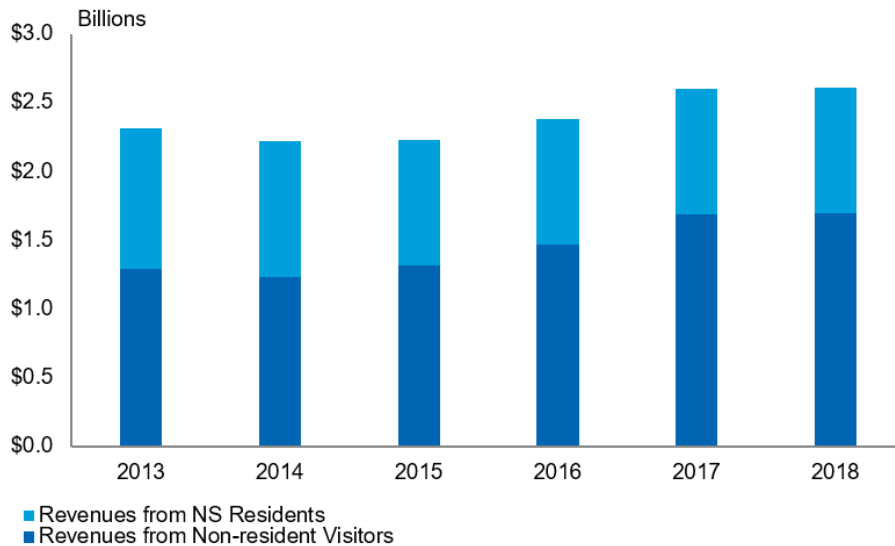
To develop tourism revenues estimates, Tourism Nova Scotia uses information from several surveys, including the Travel Survey of Residents of Canada, the International Travel Survey, the Economic Contribution of the Cruise Industry in Canada, and the Tourism Nova Scotia Visitor Exit Survey. In addition, Tourism Nova Scotia develops an estimate of the number of non-resident visitors to the province through air passenger information, vehicle enumeration, cruise visitor information, and ferry passenger information.

Nova Scotia Tourism Revenues (as of April 2019)



Tourism revenues reached \$2.61 billion in 2018, an increase of 0.3% compared to updated estimates for 2017 of \$2.60 billion.

Tourism Revenues – Nova Scotia Residents vs. Non-Resident Visitors (as of April 2019)



Depending on the year, spending by Nova Scotians has accounted for about 40-45% of overall tourism revenues for Nova Scotia. However, Tourism Nova Scotia’s research shows that growth in tourism revenues in the last several years has come from spending by non-resident visitors. For example, in 2015 non-resident visitors accounted for 59% of overall spending, and in 2018, non-resident visitors accounted for 65% of overall spending. Spending by non-resident visitors will become increasingly important for revenue growth as Nova Scotia works toward the \$4 billion tourism revenues goal.

Higher-spending visitors are driving Nova Scotia’s tourism revenue growth

In recent years, reflective of Nova Scotia’s strategy, growth in revenues from non-resident visitors has outpaced growth in non-resident visitation, demonstrating that Nova Scotia is attracting higher-spending visitors.

| Year | Non-resident Visitation Growth | Non-resident Tourism Revenue Growth |
|------|--------------------------------|-------------------------------------|
| 2015 | +5.6% | +2.6% |
| 2016 | +8.2% | +11.2% |
| 2017 | +8.8% | +15.1% |
| 2018 | -0.8% | +0.5% |

Tourism Nova Scotia Overview

Tourism Nova Scotia is a private sector-led provincial Crown corporation with a mandate to grow Nova Scotia's tourism industry and maximize the value of tourism to Nova Scotia's economy.

Established in April 2015, Tourism Nova Scotia is focused on attracting non-resident overnight visitors to the province and increasing tourism revenues through experience and sector development, marketing and visitor servicing.

Nova Scotia's tourism industry is working to reach \$4 billion in tourism revenues by 2024. This goal was identified for the industry in the *Now or Never Report*, released in 2014 by the Nova Scotia Commission on Building Our New Economy.

Tourism Nova Scotia has an export-focused strategy to help lead the industry toward the \$4 billion goal. The four key pillars of the strategy are:

- Attract more first-time visitors
- Invest in markets of highest return
- Focus on world-class experiences
- Build tourism confidence

Tourism Nova Scotia Images



High resolution images available by request.