Canadian Tourism Commission
Commission canadienne du tourisme

Global Tourism Watch

2012 Canada Summary Report

Halifax, Nova Scotia

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1. Introduction

The Canadian Tourism Commission (CTC) began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to expand the base of consumer-based intelligence in 12 key markets.

The study approach has changed slightly for 2012 and 2013, the sixth and seventh years of the program, with the GTW being conducted in approximately one half of the markets in one year and the other half in the next. This new cycle will allow the CTC and its partners to maintain an up to date pulse on all key markets, while, at the same time, focusing on fewer individual countries in any given year creating some cost efficiencies. Eight markets were included for 2012: Canada, the US, the UK, Germany, Australia, China, South Korea, and Brazil. In 2013, the study will be conducted in six countries – Japan, France, Mexico and India in addition to Canada and the US.

The overall objectives of the GTW study are to:

- Monitor awareness, travel intentions, and other key market indicators for Canada and the regions;
- Assess perceptions of Canada and track brand performance against the competitive set over time;
- Identify the general experiences sought by travellers, assess Canada's competitive positioning on key products and identify growth opportunities;
- Identify motivators and barriers for travel to Canada; and,
- New for 2012: Explore the role of social media and advocacy in the tourism context.

In response to a rapidly changing travel marketplace, the CTC and TNS worked together to substantially revise and update the questionnaire prior to the 2012 fieldwork. This was done to better reflect current travel realities and to gather more in-depth information on Canada's competitors in each market. The new GTW data permits direct comparison of Canada to those competitor countries unique to each market. The CTC has designated the US, the UK, France, Italy, Australia / New Zealand and China / Hong Kong as the competitive set for Canada.

Methodology

In 2012, a web-based panel survey was conducted by TNS. The target population was residents aged 18 years and older, who had taken a pleasure trip outside of their region / province where they had stayed at least 2 nights with a minimum of 1 night in paid accommodation in the past 3 years or plan to take such a trip in the next year.

Data was gathered from 4,227 respondents in Canada. Quotas were in place to ensure regional and linguistic representation (survey was conducted in French and English). Data was collected in September 2012.

2. Key Take-Aways

Canadians are intrepid travellers taking nearly 33 million trips outside of the country and spending $33 billion US in 2011. Spending on international travel has almost doubled since 2005 and Canada ranks 6th in international tourism expenditures globally. The US is the primary beneficiary of Canadian outbound travel, recording more than 21 million visits in 2011.

Domestic travel is also very important to the Canadian economy, with Canadians taking 229 million domestic trips in 2010, which accounted for 80% of the country's tourism receipts. Cautious optimism about the Canadian economy should translate into growth in the tourism industry in 2013. The ongoing challenge for the Canadian tourism industry is keeping Canadians travelling within the country rather than heading south of the border or abroad.

- The 2012 GTW results show that 42% of Canadians' recent trips beyond their home province were to the US, 36% were to domestic destinations, and 11% were to the Caribbean, illustrating the challenge the Canadian tourism industry faces.
- While economic indicators are improving, GTW results show Canadians are less optimistic about upcoming travel prospects as the market outlook (difference between those who say they will travel more in the coming 2-3 years versus the past 2-3 years and those who say they will travel less) has fallen from +32 in 2011 to +21 now.
- The dominance of the US is predicted to continue, with the country consistently recording top billing on unaided destination awareness and consideration measures. From a trending perspective, unaided consideration of Canada has been on the decline since 2009, yet the country remains in #2 spot. Canada does better on aided measures suggesting the tourism industry needs to do more to raise top-of-mind awareness of domestic tourism experiences.
- Asked specifically about their interest in visiting Canada and the competitive set of destinations, 91% said they would be definitely, very or somewhat interested in a Canadian vacation – compared to 85% for the US. However, this interest does not appear to translate to short-term travel plans with the US being the more popular choice.
- The biggest potential barrier to future travel is affordability, with close to half of respondents fearing they may not be able to afford a trip while 20% mentioned the economy as a possible limitation. These fears may actually help the domestic tourism industry as Canadians may opt for destinations close to home rather than pricier international trips.
- 85% of Canadians have travelled domestically beyond their own province during their lifetime, ahead of the US by a few percentage points. Mexico (35%) and the main EU countries are far behind.
- Canadians have high opinions of their country awarding it 1st place for "Friendly", "Beautiful", "Informal", "Liberal" and "Confident". Combined with 2nd place showings behind the US ("Energetic"), the UK ("Witty"), and Italy ("Inspirational"), the overall ratings put Canada well ahead of the pack on brand perceptions. The only disappointing result is "Intriguing", which Canada places second to last on.

- Canadians associate Canada with inspiring geography and engaging people, but see Italy as the leader on culture and authenticity. Italy also leads on value, uniqueness, and as a dream destination, but Canada is seen to dominate on offering relevant experiences. In addition, Canadians see Canada as affordable, although less so on air transportation where the US leads. To encourage more domestic travel, the Canadian tourism industry is encouraged to leverage these strengths.

- Nature, cultural activities, and unique and local experiences remain the top vacation interests of Canadian travellers. The challenge for the Canadian tourism industry is that many of these top-ranked activities can be found within their own province. So, when Canadians think about vacation destinations, their thoughts tend to turn to other experiences they enjoy, such as historical and cultural attractions, sampling local flavours, experiencing a country's unique character, and city activities which they do not feel are Canada's strengths. Instead, these experiences are more closely associated with international destinations, such as those in Europe. Fortunately for the Canadian tourism industry, Europe is an expensive place to visit and many Canadians will look for alternatives closer to home. The opportunity for the Canadian tourism industry lies in marketing domestic experiences tied to these top-ranked activities in an effort to change perceptions about what Canadians can experience closer to home.

- The top reason for not taking a domestic vacation was that respondents already lived in Canada, the third was that it was too expensive. This seems at odds with the price perception results, in which Canada was the top-ranked country for offering good value for money. Perhaps this is true when respondents do not plan to travel too far (e.g., to another province).

- Travel agents play a minor role in the Canadian marketplace with just one-quarter of trips being booking this way. Travel agent involvement in domestic trips is even lower (10%), so the Canadian tourism industry should focus on direct-to-consumer marketing to boost domestic travel.

- There is considerable advocacy potential in the domestic market, with Canadians awarding a Net Promoter Score of 47, just 1 point below top-ranked Australia/New Zealand. Canadians can be encouraged to promote the country's tourism assets to their fellow Canadians.

- Canadians follow the trend of all travellers when it comes to social network use during and after a trip. Facebook is the most popular social networking site, with almost three-quarters of Canadian travellers reporting use in the past 3 months, followed by YouTube (50%) and Twitter (18%).

- During their most recent trip, the most popular activity among all travellers was online trip planning research (41%), while almost three-in-ten used social networks to share photos or messages with an additional 20% sharing via a mobile phone. Post-trip sharing is heavily focused on in-person interactions through talking about the trip and sharing photos (the latter which may include emailing). Social networking also plays an important role at this stage too.

3. Market Health and Outlook

Canadian Market Conditions & 2013 Outlook

Canada is the world's 9th largest economy, despite having a population of less than 35 million. Canada was relatively insulated from the global economic crisis due to years of sound fiscal policy. Canada has benefitted from high commodity prices in recent years, yet GDP growth was modest at an estimated 2% in 2012. High household debt and worries about a possible housing bubble were also concerns during the year.

Despite the economic ups and downs of recent years, Canadians are intrepid travellers taking 32.7 million trips outside of the country and spending $33.1 billion US in 2011. Spending on international travel has almost doubled since 2005 and Canada ranks 6th in international tourism expenditures globally. The US is the primary beneficiary of Canadian travel, which recorded more than 21 million visits in 2011. With the launch of Brand US in 2012, the US has stepped up its national efforts to attract Canadians, which poses a further threat to domestic tourism.

Much of Canadians' pleasure travel is to sun destinations in the winter (specifically Cuba, Dominican Republic, Mexico, Jamaica in addition to the US) and Europe in the summer (specifically France, the UK, and Italy) in addition to China / Hong Kong.

Domestic tourism is also very important to Canada's tourism industry. Canadians took 229 million trips within Canada in 2010 and domestic travel accounted for just over 80% of total visitor spending, up from 67% in 2000.

The short-term outlook for the Canadian economy is somewhat mixed and Canadians appear cautiously optimistic. The economy expanded modestly in 2012 and 2013 estimates call for a similar level of growth as the US and European economies show some signs of life. While the inflation rate is predicted to remain under 2% in 2013, high personal debt loads and real estate prices remain threats to economic recovery. Cautious optimism should translate into growth in the tourism industry, but the challenge for the Canadian industry is keeping Canadians travelling within the country.

Some key trends related to economic uncertainty are evident in the 2012 GTW results. This year's result show a slight decline in out-of-region travel with 89% of respondents reporting a trip in the past 3 years, down from 92% in 2011. The proportion of frequent travellers (3+ long-haul trips in the past 3 years) dropped slightly to 52% (down from 54% in 2011).

The market outlook results (difference between those who say they will travel more in the coming 2-3 years versus the past 2-3 years) dropped considerably this year falling to +21, down from +32 in 2011.

In 2012, all respondents were asked what factors they could foresee curtailing future travel. Concerns over the economy predominate with almost half fearing they will not be able to afford a trip and 20% citing the poor economy as a possible reason not to travel. Related to this concern are the perceived lack of good deals (18%). The prevalence of these fears illustrate the impact of the slow economic recovery and perceived fragility of the economy on Canadians' psyche.

4. Market Potential

Exhibit 4.1 provides an estimate of the size of the potential out-of-region market in two ways – the macro target market and immediate potential.

The target market is a broader estimate of the market size based on expressed interest among all Canadian out-of-region travellers (market size estimate derived from the 2010 omnibus study of the Canadian adult population). The proportion of GTW respondents who are definitely, very interested, or somewhat interested in out-of-region travel in the next year is applied to broader traveller population to come up with an target market estimate of 14.3 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to travel within Canada in the next year. This translates into a market of 8.4 million travellers with more immediate potential for conversion. While the immediate market estimate is down by approximately 1.5 million from 2011, the result is not directly comparable to previous years due to a change in the question wording.

Exhibit 4.1 – Size Of The Potential Market To Canada (Next Year)

			Size of Potential Market			
	BC (n=715)	AB (n=715)	SK/MN (n=702)	ON (n=710)	QC (n=701)	ATL (n=684)
Total potential out-of-region pleasure travellers (aged 18 plus)	2,352	1,811	1,124	6,136	3,298	1,021
Target Market for Canada						
Definitely / very / somewhat interested in travelling within Canada in the next year	89%	94%	94%	92%	87%	95%
Size of the target market	2,093	1,702	1,057	5,645	2,869	970
TOTAL			**14,336,000**			
Immediate Potential for Canada						
Planning Canada trip next year[1]	49%	66%	67%	51%	45%	64%
Immediate potential	1,152	1,195	753	3,129	1,484	653
TOTAL			**8,366,000**			

Base: Out-of-region pleasure travellers
[1]Calculation is now based on Q11c: Which of the following countries do you plan to visit in the next year on a vacation trip which is two or more nights long with at least one night in paid accommodation? As a result of the question change (Canadian respondents are no longer asked about the likelihood of specifically travelling within Canada), 2012 results are not comparable to previous years.

Exhibit 4.2 shows the immediate potential for the regional partners of the GTW study based on current levels of interest from travellers resident in each of the regions. Note that in-province travel has been factored out this year, while it was included in previous years.

Exhibit 4.2 – Market Potential For The Regions[1]

Province / Territories	Canadian Provinces / Territories Most Likely to Visit BC (n=385)	AB (n=482)	SK/MN (n=475)	ON (n=388)	QC (n=342)	ATL (n=433)
British Columbia	-	59%	25%	22%	16%	9%
Alberta	48%	-	35%	17%	6%	17%
Saskatchewan / Manitoba	7%	11%	-	4%	2%	2%
Ontario	21%	12%	15%	-	46%	46%
Québec	9%	3%	2%	21%	-	17%
Atlantic Canada	8%	11%	9%	28%	25%	-
Northern Canada	3%	2%	1%	2%	<1%	2%
Don't know	4%	3%	6%	7%	5%	8%

Base: Those likely to travel within Canada in the next year (n=2,505)
Q11e: And, which region of Canada would you be most likely to visit?
Note: Red circles indicate a result that is significantly higher that at least 2 other markets.
[1]Data not comparable to previous years as earlier data included in-province travel, while 2012 data represents travel beyond home province only.

Residents of BC are more likely to vacation in Alberta (48%) and Ontario (21%) in the next year.

Albertans are likely to reciprocate with 59% likely to take a vacation of two nights or more in BC – by far their primary destination when it comes to Canadian trips.

Travellers in Ontario also appear keen on BC, but the close proximity of the Atlantic provinces consign both BC and Québec to second choice.

Likewise, Ontario is the most popular destination across the Atlantic region, with almost half (46%) of residents considering a trip to the province. A similar pattern is evident in Québec with 46% of Quebecers planning to visit Ontario.

Travel distance and the cost of travel no doubt influence vacation destination decisions, with the biggest cross-over occurring between neighbouring provinces (e.g., BC & Alberta, Québec & Ontario).

5. Competitive Environment

The GTW tracks Key Performance Indicators (KPIs) for Canada in areas such as unaided and aided destination awareness, unaided and aided destination consideration, market penetration and advertising awareness.

Exhibit 5.1 summarizes the 2012 KPIs for Canada. On an unaided basis, nearly one-third of respondents mentioned somewhere in Canada, a percentage significantly behind the US (59%), but well ahead of Mexico in 3rd spot (22%). Destinations in BC were mentioned most frequently. On an aided basis, more than two-thirds of Canadian travellers claim to be knowledgeable about domestic holiday opportunities, followed by the US (53%). From a trending perspective, unaided awareness of Canada is up 1% this year (32%), but remains lower than peak awareness levels (36%) set in 2009. Despite fluctuating awareness levels over the years, Canada is consistently in 2nd spot behind the US on this measure. Aided awareness is slightly down this year, but this metric has not varied much over the years, with Canada always in 1st place.

Canada (outside of the travellers' home province or region) comes 1st on past visitation (85%), leading the US by a few percentage points. Mexico (35%) and the main EU countries are far behind.

In terms of destinations under consideration in the next 2 years, Canada again ranks 2nd behind the US on an unaided basis. On the aided measure, Canada (91%) reverses places with the US (85%). In a virtual dead heat in 3rd place are Australia / New Zealand, Italy and the UK with approximately two-thirds of respondents considering them. From a trending perspective, unaided consideration of Canada has been on the decline since 2009, yet remains in #2 spot. Aided consideration has slightly trended upward, but some of this momentum may be attributable to a change in question wording this year.

Respondents were also asked about recall of advertising for Canadian destinations. Nearly two-thirds of out-of-region travellers could recall Canadian advertising (2nd behind the US).

Exhibit 5.1 – Key Performance Indicators For Canada By Traveller Type

Indicator	Definition	All Out-of-Region Travellers (n=4,227)
Destination Awareness		
Unaided awareness of Canada (roll-up)	% who said Canada or a destination in Canada	32% (2nd)
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	68% (1st)
Advertising Awareness		
Aided awareness of advertising for Canada	% who said they saw advertising for Canada or a destination in Canada	64% (2nd)
Past Visitation		
Overall market penetration	% who have ever travelled within Canada for pleasure	85% (1st)
Intentions		
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list (for trips in the next year)	22% (2nd)
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	2

One of the key objectives of the GTW study is to measure traveller response to Brand Canada across all key global markets. For 2012, the study focus changed somewhat to measure personality, value, brand, and price perceptions against key competitors rather than Canada in isolation as was done previously.

In terms of personality trait association, Canada recorded 1st place finishes for “Friendly”, “Beautiful”, “Informal”, “Liberal” and “Confident”. Combined with 2nd place showings behind the US (“Energetic”), the UK (“Witty”), and Italy (“Inspirational”), the overall ratings put Canada well ahead of the pack on branding perceptions, suggesting Canadians have a high opinion of their country. Canada only lacklustre result was a 6th result for “Intriguing” (one place ahead of the US).

The challenge for the tourism industry is translating Canadians’ high opinions of the country into more domestic visitation.

Exhibit 5.2 – Aided Brand Personality Perceptions

	1#	2#	3#	4#	5#	6#	7#	8#
Friendly[1]	CAN 80%	AUS/NZ 47%	US 27%	ITA 24%	UK 22%	FRA 13%	CH/HK 7%	NONE 3%
Beautiful	CAN 66%	AUS/NZ 52%	ITA 45%	FRA 32%	US 20%	UK 15%	CH/HK 14%	NONE 2%
Informal	CAN 61%	US 49%	AUS/NZ 40%	ITA 16%	UK 15%	FRA 10%	CH/HK 9%	NONE 8%
Liberal[1]	CAN 56%	US 33%	FRA 28%	AUS/NZ 25%	UK 24%	ITA 18%	NONE 12%	CH/HK 5%
Confident	CAN 51%	US 51%	UK 27%	FRA 23%	AUS/NZ 22%	ITA 17%	CH/HK 12%	NONE 9%
Energetic[1]	US 44%	CAN 42%	AUS/NZ 35%	CH/HK 29%	ITA 20%	UK 17%	FRA 16%	NONE 8%
Witty	UK 38%	CAN 36%	AUS/NZ 26%	US 21%	FRA 21%	NONE 19%	ITA 15%	CH/HK 9%
Inspirational[1]	ITA 42%	CAN 36%	FRA 34%	AUS/NZ 31%	UK 22%	CH/HK 20%	US 15%	NONE 10%
Authentic	ITA 47%	FRA 38%	CAN 38%	UK 29%	AUS/NZ 27%	CH/HK 26%	US 12%	NONE 6%
Intriguing	CH/HK 45%	AUS/NZ 42%	ITA 40%	FRA 29%	UK 22%	CAN 19%	US 10%	NONE 7%

Base: out-of-region pleasure travellers (2012 n=4,227)
Q10: We would like you to use your imagination for a moment. Consider the following words and pick up to 3 countries you associate with each word
Red text indicates CTC strategic priorities.
[1] New attributes added in 2012.

To be successful, a destination must be perceived as offering value, relevant experiences, and unique tourism products to travellers. To assess brand, value, and price perceptions, respondents were asked to evaluate Canada relative to competing destinations on four brand-, four value-, and three price-related statements.

In the minds of Canadian travellers, Canada holds its own on two critical brand elements – inspirational geography and engaging people. Italy is seen to dominate on culture and authenticity. Canadians see Canada as the best place for the experiences they seek (relevancy), yet ranked other destinations slightly ahead of Canada for other key value aspects. In terms of price, a domestic vacation is seen to offer good value for money, but the US is significantly ahead when air travel affordability is rated by Canadian travellers.

Exhibit 5.3 – Brand, Value, Price Perceptions

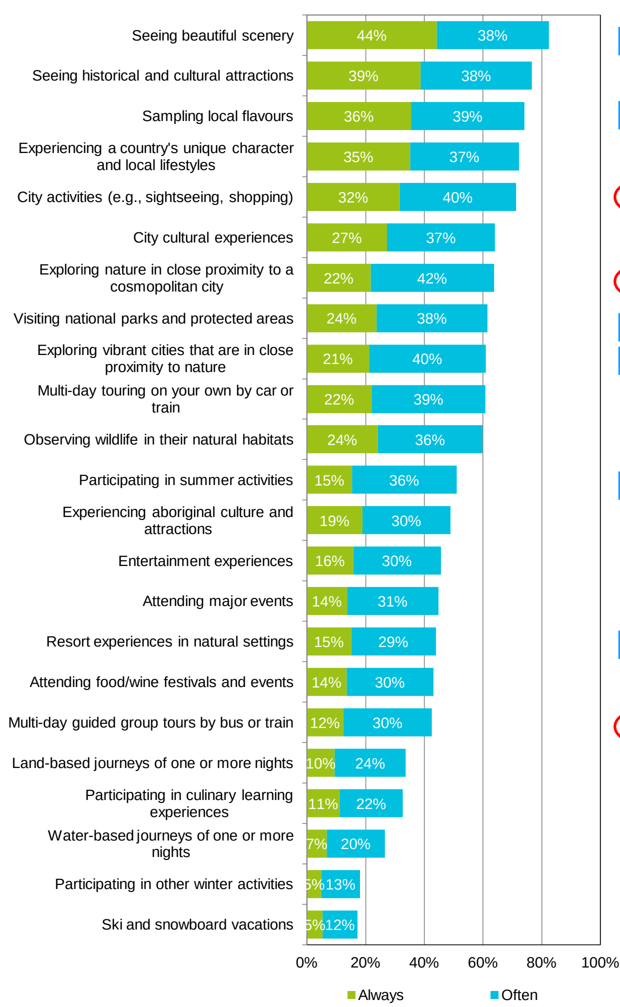
Top-3 Box	Canada	United States	Australia / New Zealand	Italy	United Kingdom	France	China / HK
Brand Perceptions							
A place that inspires me to explore its geography	76%	51%	69%	61%	47%	49%	43%
A place that inspires me to explore its culture	58%	34%	61%	69%	55%	58%	55%
A place that inspires me to meet and engage with its people	63%	38%	60%	58%	48%	43%	33%
A place that offers an authentic experience	66%	40%	67%	68%	55%	59%	57%
Value Perceptions							
A destination I would pay a little more for	42%	29%	48%	48%	35%	38%	25%
A destination with the travel experiences I am specifically looking for	58%	46%	54%	54%	42%	45%	29%
A place with unique features that other destinations don't offer	64%	44%	64%	66%	51%	57%	56%
A dream destination that I would visit if money were no object	60%	45%	59%	62%	47%	49%	34%
Price Perceptions							
A destination that is affordable to get to by air	50%	60%	20%	26%	27%	24%	17%
A destination with reasonable prices for food, entertainment and hotels	59%	61%	32%	32%	22%	23%	29%
A place that offers good value for money	60%	56%	32%	33%	23%	23%	28%

Base: Out-of-region pleasure travellers (n=4,227)
Q11: We are interested in your general impressions of <Insert country>, as a vacation destination<If country=Canada hide ", even if you have never been there">. On a scale of 1 to 10, where 1 is "strongly disagree" and 10 is "strongly agree," how would you rate <Insert country> on each of the following?
Blue shading represents top performers.

Exhibit 5.4 tracks the product interests of Canadian travellers. It is important to note that the question changed in 2012 to ask about the importance of experiences when choosing a destination rather than when planning a trip. Some of the shifts evident in the 2012 results are attributable to this change and thus, results are not comparable to previous years.

Nature and culture remain the top vacation interests of Canadian travellers, although they do seek out local / unique experiences. Interestingly, Canadians are significantly more likely to seek out city activities than they have in the past, and the nature they seek is desired to come with a large city nearby.

Exhibit 5.4 – Product Interests



Top 2	2012	2011	2010	2009
Seeing beautiful scenery	82%	85%	83%	85%
Seeing historical and cultural attractions	77%	79%	77%	79%
Sampling local flavours	74%	80%	78%	79%
Experiencing a country's unique character and local lifestyles	72%	73%	74%	74%
City activities (e.g., sightseeing, shopping)	71%	66%	67%	65%
City cultural experiences	64%	64%	62%	64%
Exploring nature in close proximity to a cosmopolitan city	64%	60%	60%	68%
Visiting national parks and protected areas	62%	72%	72%	69%
Exploring vibrant cities that are in close proximity to nature	61%	66%	65%	64%
Multi-day touring on your own by car or train	61%	61%	60%	60%
Observing wildlife in their natural habitats	60%	60%	69%	69%
Participating in summer activities	51%	54%	52%	49%
Experiencing aboriginal culture and attractions	49%	48%	48%	46%
Entertainment experiences	46%	46%	43%	43%
Attending major events	45%	45%	44%	42%
Resort experiences in natural settings	44%	50%	49%	48%
Attending food/wine festivals and events	43%	46%	46%	47%
Multi-day guided group tours by bus or train	43%	35%	33%	31%
Land-based journeys of one or more nights	34%	37%	36%	33%
Participating in culinary learning experiences	33%	32%	31%	29%
Water-based journeys of one or more nights	27%	29%	28%	25%
Participating in other winter activities	18%	20%	19%	17%
Ski and snowboard vacations	17%	18%	16%	16%

Base: Out-of-region pleasure travellers (2012 n= 4,227; 2011 n=4,023; 2010 n=4,054; 2009 n=4,023)

Q7: We are interested in knowing the types of activities and experiences you are looking for on your vacation. Please indicate how important each of the following activities is to you when choosing a destination.

Note: Results not comparable to previous years due to changes in the question wording and to the product list in 2011. Blue squares indicate a result that is significantly lower than 2011. Red circles indicate a result that is significantly higher than 2011

Exhibit 5.5 shows how Canada ranks against the competition on each product. Canadians rank their own country #1 on 13 of 23 tourism experiences suggesting they see many reasons to travel within Canada. Most notably, Canada receives top billing for scenery, the #1 vacation interest of Canadian travellers. They also rank Canada highly on sought after nature experiences such as parks and cities close to nature. They also find Canada no slouch in providing city, entertainment, festival and culinary experiences even if the country does not capture top spot (typically the US, France and Italy fared a bit better). Canadians ranked the country lower for sought-after experiences such as historical attractions, local flavours, and opportunities to experience unique character and lifestyles. This is conundrum for the Canadian tourism industry – Canadian travellers feel they need to travel beyond Canada to find these experiences.

Exhibit 5.5 – Product Interest Associations By Country

	1#	2#	3#	4#	5#	6#	7#	8#
Visiting national parks and protected areas	CAN 73%	USA 53%	AUS/NZ 42%	UK 9%	CHN/HK 8%	ITA 8%	FRA 8%	NONE 6%
Participating in other winter activities	CAN 71%	USA 39%	FRA 15%	ITA 11%	AUS/NZ 10%	NONE 10%	UK 9%	CHN/HK 5%
Seeing beautiful scenery	CAN 70%	AUS/NZ 48%	USA 42%	ITA 22%	FRA 16%	CHN/HK 12%	UK 12%	NONE 4%
Ski and snowboard vacations	CAN 69%	USA 40%	FRA 23%	ITA 15%	AUS/NZ 12%	NONE 10%	UK 8%	CHN/HK 5%
Observing wildlife in their natural habitats	CAN 69%	AUS/NZ 53%	USA 40%	CHN/HK 10%	ITA 8%	UK 7%	NONE 7%	FRA 7%
Participating in summer activities	CAN 65%	USA 44%	AUS/NZ 35%	ITA 17%	FRA 16%	UK 12%	NONE 10%	CHN/HK 5%
Water-based journeys of one or more nights	CAN 61%	USA 40%	AUS/NZ 37%	ITA 14%	NONE 11%	FRA 10%	UK 9%	CHN/HK 7%
Exploring nature with city amenities nearby	CAN 60%	USA 40%	AUS/NZ 39%	ITA 19%	FRA 15%	UK 14%	CHN/HK 10%	NONE 8%
Resort experiences in natural settings	CAN 60%	USA 50%	AUS/NZ 30%	ITA 14%	FRA 14%	UK 11%	NONE 11%	CHN/HK 6%
Land-based journeys of one or more nights	CAN 58%	USA 38%	AUS/NZ 34%	ITA 20%	FRA 19%	UK 14%	NONE 11%	CHN/HK 8%
Experiencing aboriginal culture and attractions	CAN 58%	AUS/NZ 49%	USA 27%	CHN/HK 16%	ITA 11%	NONE 10%	FRA 9%	UK 8%
Exploring vibrant cities that are in close proximity to nature	CAN 54%	AUS/NZ 38%	USA 37%	ITA 23%	FRA 18%	UK 16%	CHN/HK 11%	NONE 8%
Multi-day touring on your own by car or train	CAN 51%	USA 39%	ITA 31%	FRA 30%	UK 28%	AUS/NZ 25%	CHN/HK 9%	NONE 7%
Attending major events	USA 56%	CAN 49%	UK 24%	ITA 19%	FRA 16%	AUS/NZ 13%	NONE 12%	CHN/HK 8%
Entertainment experiences	USA 62%	CAN 41%	FRA 23%	UK 22%	ITA 18%	AUS/NZ 15%	CHN/HK 14%	NONE 9%
City activities	USA 47%	FRA 38%	CAN 37%	ITA 35%	UK 28%	AUS/NZ 19%	CHN/HK 18%	NONE 6%
Attending food/wine festivals and events	ITA 55%	FRA 54%	CAN 33%	USA 21%	AUS/NZ 19%	UK 12%	NONE 8%	CHN/HK 8%
Participating in culinary learning experiences	ITA 55%	FRA 52%	CAN 24%	USA 18%	CHN/HK 15%	AUS/NZ 15%	UK 12%	NONE 11%
Multi-day guided tours by bus or train	ITA 40%	FRA 37%	UK 35%	CAN 30%	AUS/NZ 24%	USA 24%	CHN/HK 21%	NONE 8%
City cultural experiences	FRA 53%	ITA 48%	UK 39%	CAN 29%	USA 28%	AUS/NZ 14%	CHN/HK 14%	NONE 5%
Seeing historical and cultural attractions	ITA 54%	FRA 49%	UK 44%	CAN 25%	CHN/HK 21%	USA 20%	AUS/NZ 15%	NONE 4%
Sampling local flavours	ITA 62%	FRA 53%	CHN/HK 28%	CAN 25%	AUS/NZ 20%	US 19%	UK 18%	NONE 5%
Experiencing a country's unique character and local lifestyles	ITA 46%	AUS/NZ 38%	FRA 35%	CHN/HK 29%	UK 28%	CAN 26%	USA 16%	NONE 6%

Base: Always, often, sometimes important in destination selection.
Q8: Thinking about the following destinations, please select up to three destinations that you personally feel would be the best places to go for each of the following. Your choices can be based on your impressions, or anything that you have seen, heard or read. Select one to three destinations ONLY that you feel are best for each item.

6. Strategic Marketing

Exhibit 6.1 shows the dominance of the US in the Canadian market with 42% of all recent trips being to the US. Canada captures 36% of the recent trip market, followed by the Caribbean (11%) and Coastal Mexico pulling in 6% of the traffic. The ongoing marketing challenge for the industry is to persuade a greater proportion of Canadians to travel domestically.

Canadian travellers do not take long in their trip planning – a relatively short 3.2 months while booking occurs an average of 2.2 months before the trip. This is likely related to the trip length definition – most out-of-region trips of 2 or more nights do not need to be planned with a great deal of lead time. Since most travel is to the US, travel agents are availed of by only about a quarter of all travellers. The majority of respondents travel independently, with a vacation being the primary motivation. Another 27% are visiting family and friends.

Older Canadians are more likely to visit the US, while those under 35 go overseas at an above average rate. Domestic destinations tend to draw lower income Canadians while those with greater means head to the US or Mexico/Caribbean.

Exhibit 6.1 – Most Recent Pleasure Trip Profile

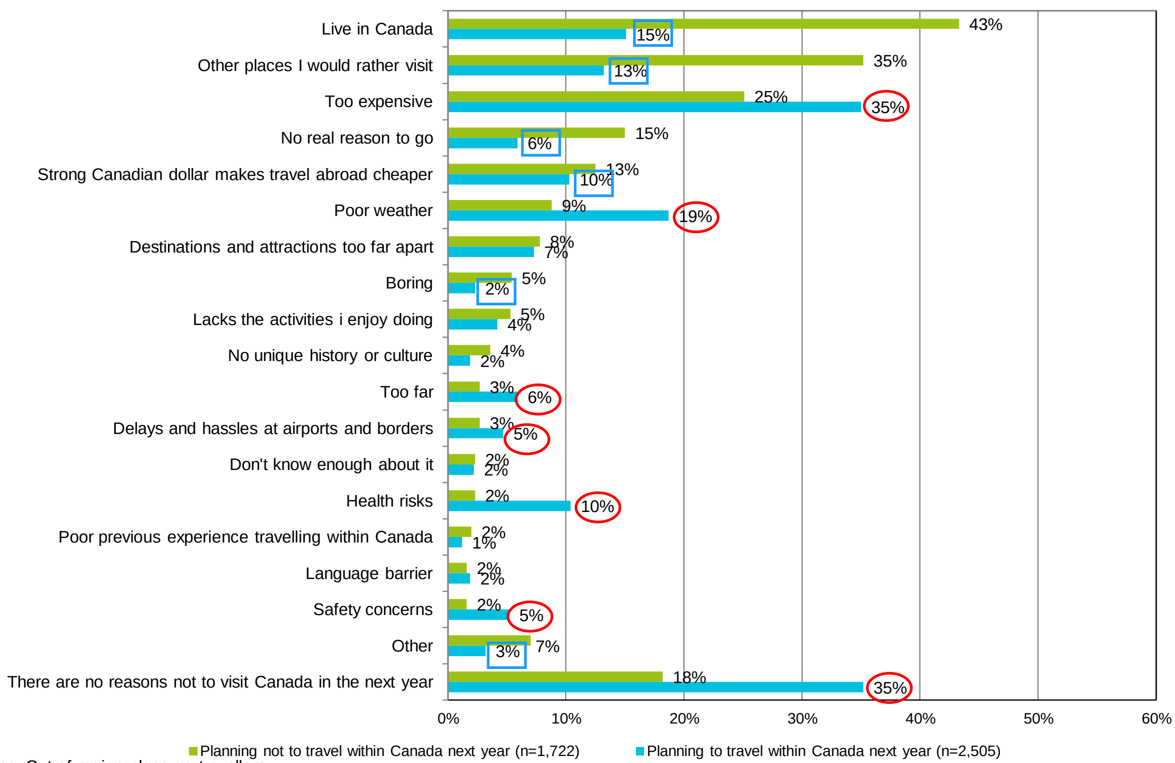
	All Out-of-Region Travellers (n=2,054)
Top Destination(s) Visited	
US (net)	42%
Canada (net)	36%
Caribbean	11%
Mexico - Coastal Resort Areas e.g. Acapulco, Cancun, Puerto Vallarta, Los Cabos, Mazatlan, Huatulco, Ixtapa, etc.	6%
France	4%
Other Europe	4%
Italy	3%
Central America e.g. Costa Rica, El Salvador, Guatemala, Nicaragua, Panama, etc.	2%
United Kingdom	2%
Germany	2%
Amount of Time Before Departure When Trip Planning was Started	
Average months	3.2
Amount of Time Before Departure When Trip was Booked	
Average months	2.2
Trip Type	
Travel independently	73%
Combine independent travel with some guided tours for parts of the trip	7%
A fully escorted or guided tour	3%
All inclusive or semi-inclusive resort stay	13%
A cruise	3%
Trip Purpose	
Vacation	57%
Visited friends or relatives	27%
Personal reasons (e.g. wedding, reunion, etc.)	11%
Business	4%
Study	1%
Travel Agent Involvement	26%

Base: Out-of-region pleasure travellers

All respondents were asked what could prevent them from travelling within Canada. The reasons are quite varied depending on respondents' intentions to travel domestically in the next year. The top reason cited by those not planning to travel domestically is that they live in Canada, which is probably related to the second most cited reason among this group – there are other places they would rather visit. It may be that these individuals have already taken a vacation to the regions of interest within Canada, or that these regions are not perceived to offer anything new (or of interest to them).

Interestingly, over a third of respondents planning to travel within Canada cited the expense of a domestic vacation as a disincentive. This perception, combined with the strong Canadian dollar, may discourage these travellers from choosing Canada and instead opting to vacation in the US or abroad. Poor weather was the 2nd most cited reason for possibly not taking a domestic trip by those planning a domestic vacation.

Exhibit 6.2 – Key Barriers For Travelling Within Canada



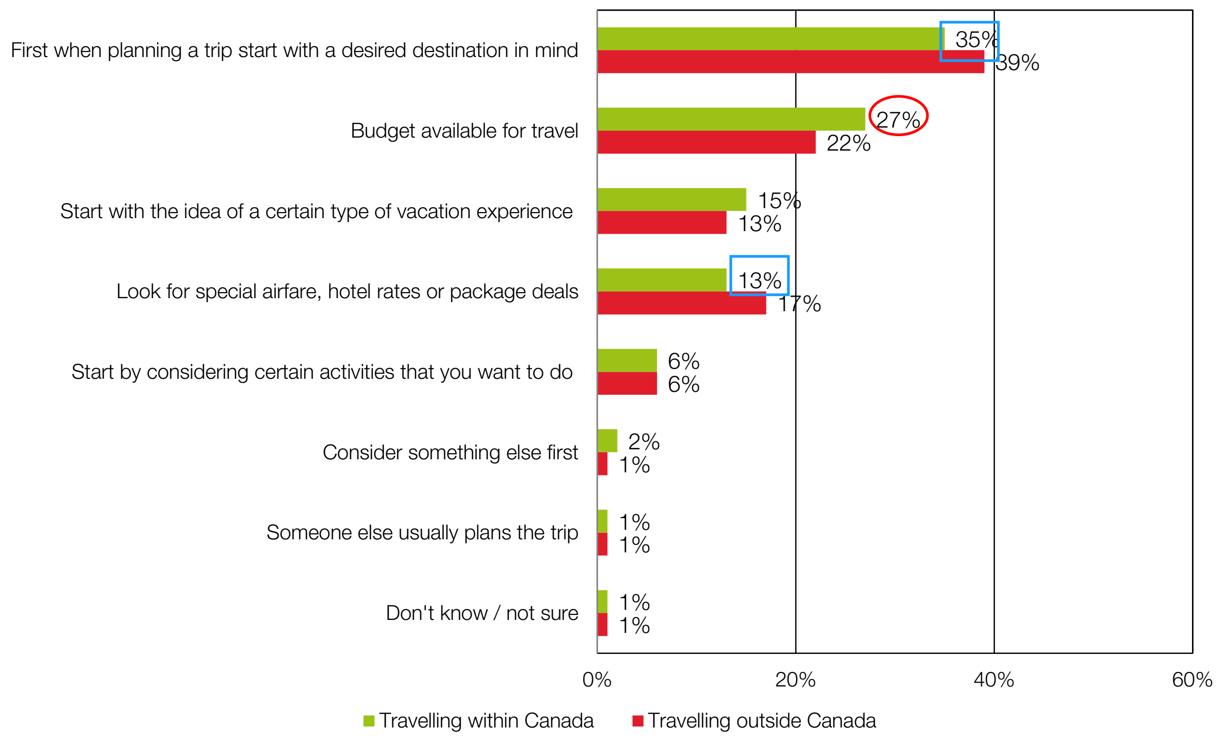
Base: Out-of-region pleasure travellers

Q11H1: Earlier you indicated you were not planning to travel within Canada beyond your province in the next year. Please indicate which of the following reasons will prevent you from travelling within Canada.

Q11H2: Earlier you indicated you were planning to travel within Canada beyond your province in the next year. Please indicate which of the following reasons could prevent you from travelling within Canada.

While other data suggests the Canadian market is price sensitive, a new question asked travellers what one factor is the first consideration in trip planning. Results show that the nearly four-in-ten travellers see the destination as paramount, while budget considerations are of primary concern to a smaller portion of the market. This is less true for those considering a domestic trip, with budget available being almost as important as the destination.

Exhibit 6.3– One Factor Typically Considered First When Planning A Trip



Base: Out-of-region pleasure travellers who travelled within Canada in the past three years (n=2,054).Out-of-region pleasure travellers who travelled outside of Canada in the past three years (n=1,836)

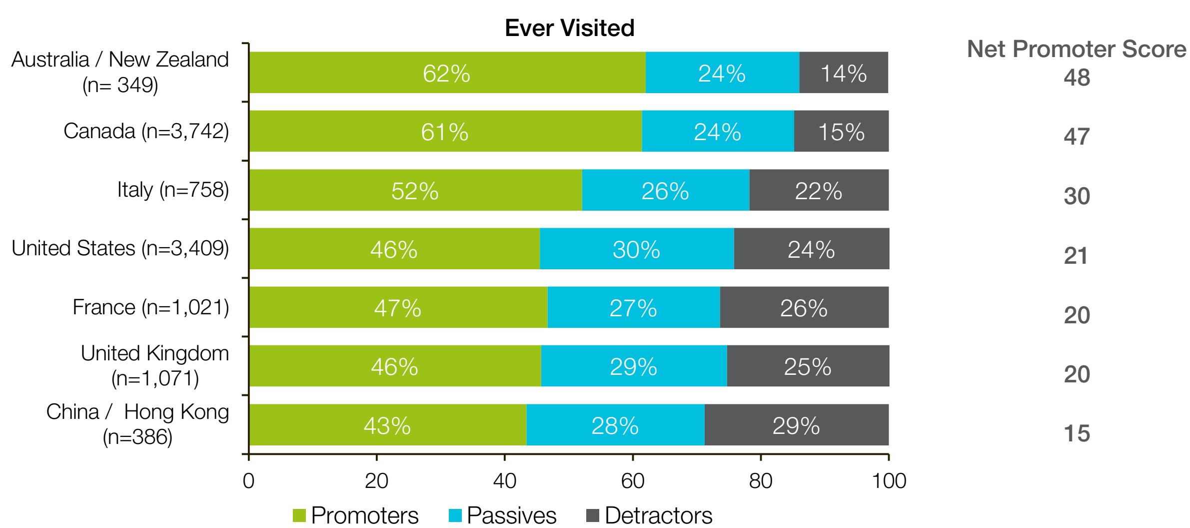
QS9: What one factor do you typically consider first when planning a vacation?

A series of questions on advocacy and social media usage were added in 2012 to understand the evolving role these channels are playing in the tourism sphere and uncover ways the CTC and partners can effectively have influence.

The Net Promoter Score is an established tool to measure a respondent's likelihood to recommend a product or service to friends and family. Data was gathered among all respondents, but results from past visitors to each destination are the most telling and are presented below. Canada scored extremely well on this measure, placing 2nd narrowly behind Australia / New Zealand and well ahead of the #3 destination, Italy and noticeably ahead of the US, the top destination for Canadian travellers.

These results suggest Canada has considerable advocacy potential within the domestic market. The challenge now is effectively harnessing that potential when Canadians are so conditioned to travel outside the country.

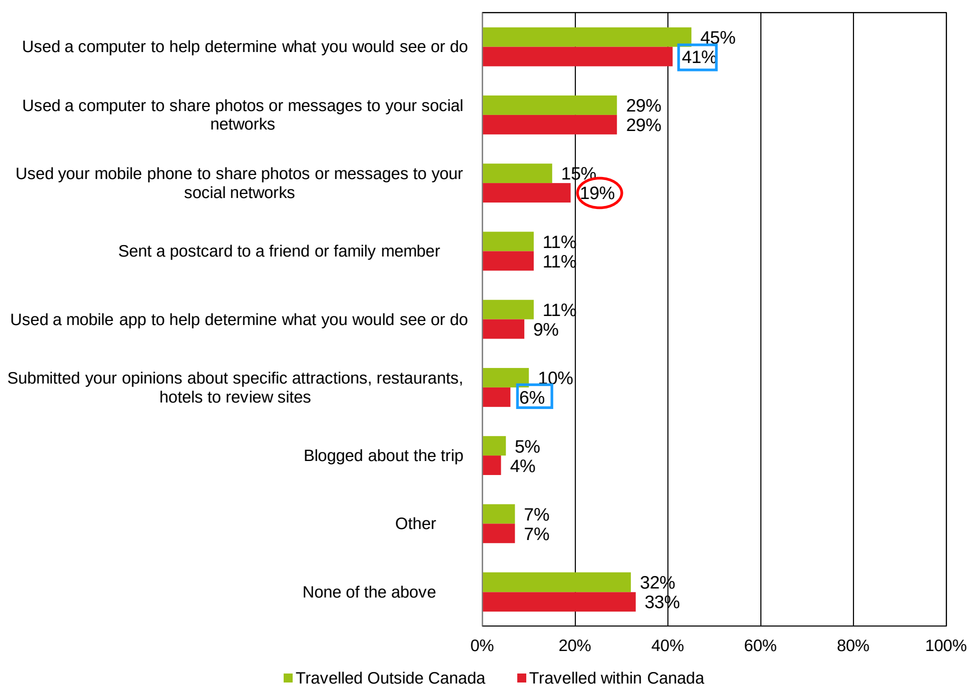
Exhibit 6.4 – Net Promoter Results



Q3: Whether you have visited or not, how likely are you to recommend each of the following holiday destinations to a friend, family member or colleague?

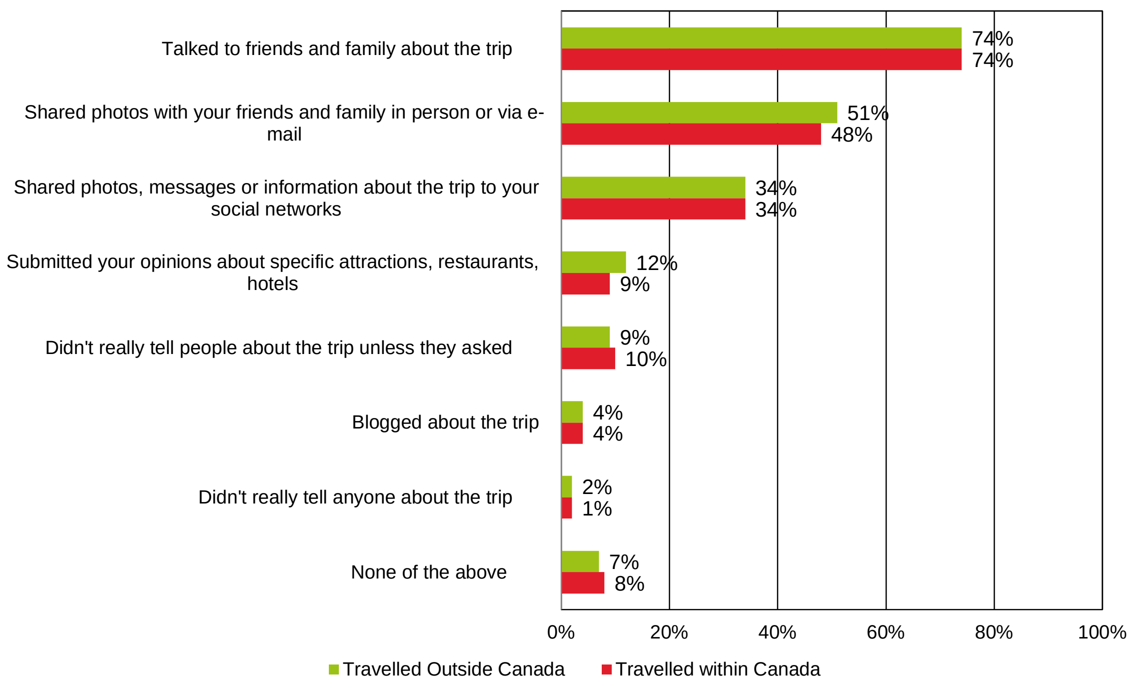
Two new questions asked Canadian travellers about sharing behaviour during and after their trip. During the trip, the most popular activity among all travellers was online trip planning research, while almost three-in-ten respondents used social networks to share photos or messages with an additional two-in-ten sharing via mobile phone. Canadians pretty well follow the trend of all travellers when it comes to social network use during and after a trip. Facebook is the most popular social networking site, with almost three-quarters of Canadian travellers reporting use in the past 3 months, followed by YouTube (50%) and Twitter (18%).

Exhibit 6.5 – During The Trip: Sharing Experiences / Seeking Advice



Post-trip sharing is heavily focused on in-person interactions through taking about the trip and sharing photos (the latter which may include emailing). One-third share via social networks.

Exhibit 6.6 – After The Trip: Sharing Experiences



Base: Recent travellers to other destinations in the past 3 years (n=2,054). Travelled within Canada in the past three years (n=1,836)
Q32: After coming back from your trip did you share experiences with anyone?
Note: Blue squares indicate a result that is significantly lower than the other group; Red circles indicate a result that is significantly higher than the other group.