



Canadian Tourism  
Commission

Commission canadienne  
du tourisme

# Global Tourism Watch Year 5

## Global Summary Report 2011



Canada



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## Introduction

- Driven by the launch of a new global brand and ongoing challenges in Canada's priority markets, the Canadian Tourism Commission (CTC) initiated a Global Tourism Watch (GTW) program in 2007 to expand consumer-based intelligence in its core markets.
- In 2011 (Year 5), the research program was implemented in 12 markets – Canada, the US, Mexico, Brazil, the UK, France, Germany, Japan, South Korea, China, India and Australia.
- The 2011 research was co-funded by a regional partner group that included Alberta, British Columbia, Manitoba, Ontario, Québec, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut and Yukon.
- The overall objectives of the GTW study are:
  - To monitor awareness, travel intentions and other key market indicators for Canada and the regions;
  - To assess perceptions of Canada and track brand performance over time;
  - To identify the general experiences sought by travellers, assess Canada's competitive positioning on key products and identify product growth opportunities; and
  - To provide input into strategic marketing plans by identifying motivators and barriers for travel to Canada and identify media sources that can be used to reach long-haul travellers.
- The individual market reports already submitted to the CTC provide detailed results for each of the 12 markets, including an in-depth discussion of the key trends over time. The primary focus of this Summary Report is a comparison of the 12 markets to identify broad differences and similarities among them.

## Methodology

- The target population for the survey was residents aged 18 and older, who have taken a pleasure trip where they stayed at least one night in paid accommodations in the past three years, or who plan to take such a trip in the next two years (or next year for the Canada study).
- To qualify, trips had to be one or more nights for the US, two or more nights for Canada and four or more nights for the other markets. The geographical definition for eligible trips also varied by market, as per the table on the following page. Essentially, the Canada study was based on inter-regional travellers, the US study on international travellers, and the remaining markets on long-haul travellers.

Market	Geographical Definition for Qualified Trips
Canada	Outside of their own province/region
US	Outside of the US
Mexico	Outside of Mexico and Central America
UK, Germany, France	Outside of Europe, North Africa and the Mediterranean
Japan, South Korea	Outside of Japan, South Korea and China
China	Outside of East Asia (China, Hong Kong, Macau, Japan and South Korea)
India	Outside of India, the Middle East and South Asia (Bangladesh, Nepal, Pakistan, Sri Lanka)
Australia	Outside of Australia, New Zealand and the Pacific Islands
Brazil	Outside of South America

- In Mexico and each of the nine overseas markets, a web-based panel survey was conducted with approximately 1,500 long-haul pleasure travellers, with a quota of 200 to 300 recent visitors to Canada (past three years) set for each market. In China, this methodology was modified to an in-person recruit with online completion to ensure a more representative sample of long-haul travellers. In India, an in-person survey was used due to the low Internet penetration in this market.
- The sample distribution was national in all markets, with the following exceptions:
  - In **Mexico**, the sample was limited to Mexico City, Guadalajara and Monterrey, with about half of the interviews conducted in Mexico City;
  - In **China**, the sample was evenly split between Beijing, Shanghai, Guangzhou and Shenzhen;
  - In **India**, the survey was conducted in Bangalore, Chennai, Delhi, Hyderabad, Kolkata and Mumbai, and
  - In **Brazil**, the sample was limited to Brasilia/Distrito Federal, Belo Horizonte, Curitiba, Fortaleza, Porto Alegre, Recife, Rio de Janeiro, Salvador and Sao Paulo (social classes ABC only).
- In **the US**, the sample size was 3,000 travellers, evenly split across three regions – Border, Mid-Haul and Long-Haul/South<sup>1</sup>, with quotas of 450, 350 and 250 travellers to Canada, respectively.

<sup>1</sup> **Border** States include: Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, North Dakota, Vermont, Washington, and New York.

**Mid-Haul** States include: Connecticut, Delaware, Dist. Of Columbia, Illinois, Indiana, Iowa, Maryland, Massachusetts, New Jersey, Oregon, Rhode Island, South Dakota, Wyoming, Ohio, Pennsylvania, and Wisconsin.

**South/Long-Haul** States include: Alabama, Alaska, Arizona, Arkansas, California, Florida, Georgia, Hawaii, Louisiana, Mississippi, New Mexico, Oklahoma, South Carolina, Texas, Colorado, Kansas, Kentucky, Missouri, Nebraska, Nevada, North Carolina, Tennessee, Utah, Virginia, and West Virginia.

- In **Canada**, the sample size was 4,000 travellers, split evenly across six regions – British Columbia, Alberta, Manitoba/Saskatchewan, Ontario, Québec and Atlantic Canada – with quotas of 2,500 outbound travellers, 1,200 inter-regional travellers and 300 intenders.
- The fieldwork for all markets was conducted in a staggered fashion between February and December of 2011

## Limitations

- The definition of long-haul travel is different for each market, and was established by the CTC based on geography, travel time, market maturity, comparability with past studies and other considerations relevant for each market. As a result, definitions for some markets may be less stringent than others. In particular, the US definition includes trips outside the US, which for border residents travelling to Canada or Mexico, would encompass short-haul trips. Similarly, the Mexico definition includes cross-border trips to the US.
- The results for the domestic market are not always comparable to the international markets as the Canada survey dealt with vacation travel in general (including domestic travel and inter-regional trips), rather than long-haul travel exclusively. In addition, the period for assessing future travel intentions is the next year rather than the next two years.
- To assess Canada’s positioning in each market, respondents were asked to rate Canada against a competitive set of six key long-haul destinations identified by the CTC. Because the destination set is different for each market, it may not offer the same degree of competitiveness across all markets.
- As in previous years, the fieldwork was launched following the peak marketing period in each market. This difference in timing should be taken into account when assessing the results, as external factors such as the Japan earthquake (March), Bin Laden’s death (May) and the sovereign debt crisis in the Eurozone (which intensified in the latter part of 2011) will vary in their impact depending on the timing of each market.

Month	Market
February 2011	Canada
March 2011	US
April 2011	Australia, China
May 2011	UK, Germany
June 2011	France, Japan, South Korea
July 2011	Mexico, Brazil
September to December 2011	India

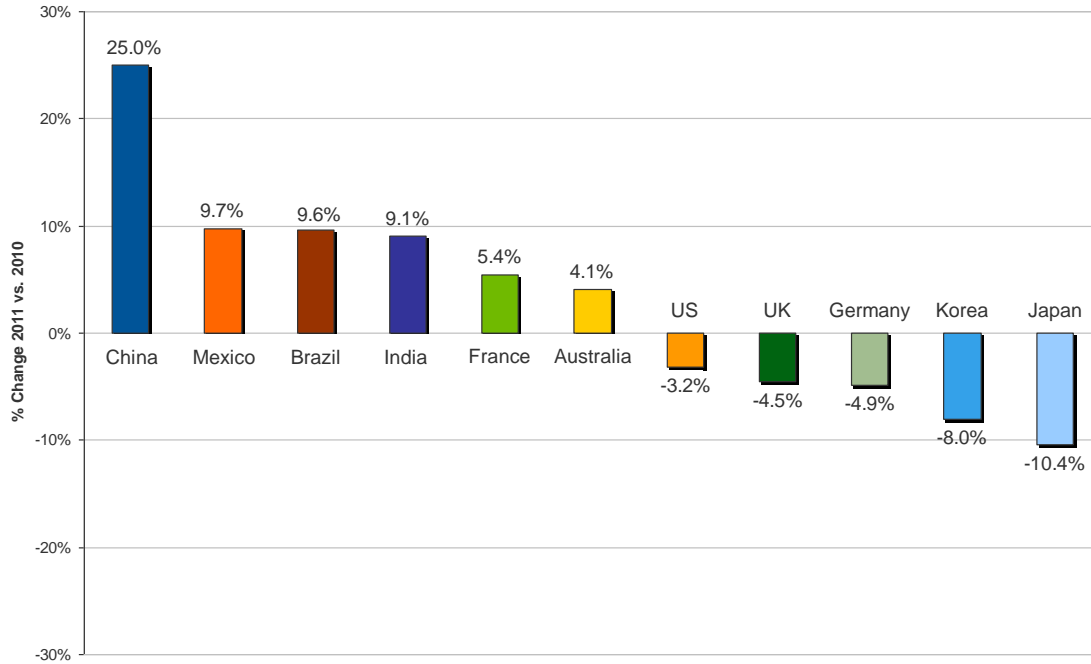
- Due to language differences and translation nuances in each market, some results may not be directly comparable across markets. Moreover, there may be cultural differences in the way people from different markets respond to surveys, for example, the number of open-ended responses volunteered, or the extent to which extreme scores are awarded.

- In particular, caution should be used in comparing the results for China and India to the other GTW markets. Chinese and Indian survey respondents have a known tendency to provide overly positive or socially desirable responses in surveys, which can yield over-stated results. This is particularly true of the aided indicators.
- Throughout the report, orange and blue circles have been used to denote results that are significantly higher or lower than other markets. These are meant to be guidelines only, as an Internet panel cannot be treated as a pure probability sample.



# Growth in Overnight Trips to Canada

## GROWTH IN OVERNIGHT TRIPS TO CANADA (2011 vs. 2010)



Source: Statistics Canada.

- 2011 brought with it a host of factors affecting the long-haul travel climate on a global basis from political unrest in the Middle East/North Africa and the Japan earthquake early in the year, to Bin Laden's death at the hands of US forces in the spring, to the intensification of the Eurozone crisis in the latter part of the year. Economic uncertainties, exchange rate fluctuations, soaring inflation and stubbornly high unemployment also affected travel sentiments in many of the GTW markets.
- Not surprisingly, Canada tended to fare best in the new or emerging markets in 2011. **China** heads the list with a remarkable 25% surge in visits to Canada's shores. In fact, most major long-haul destinations reported strong double-digit growth in their Chinese visitation last year, spurred by the strongest economic performance of any GTW market (GDP growth of 9.2%) and buoyant consumer confidence (averaging 106 on the Nielsen scale across the four quarters of the year). Canada is also benefiting from the fact that it has recently become an ADS destination, essentially opening it up to group travel.
- Canada also turned in a healthy performance in Mexico, Brazil and India, with a 9% to 10% increase in visitation from each of these new or emerging markets. **India** emerged as the second strongest economic performer after China (7.4% growth in the GDP) and the leader on consumer confidence (with an average score of 125). In addition, rising disposable incomes, a

rapidly developing culture of consumption and a growing desire for foreign brand name goods are all helping to drive a long-haul travel boom in this market, and Canada is clearly reaping the rewards.

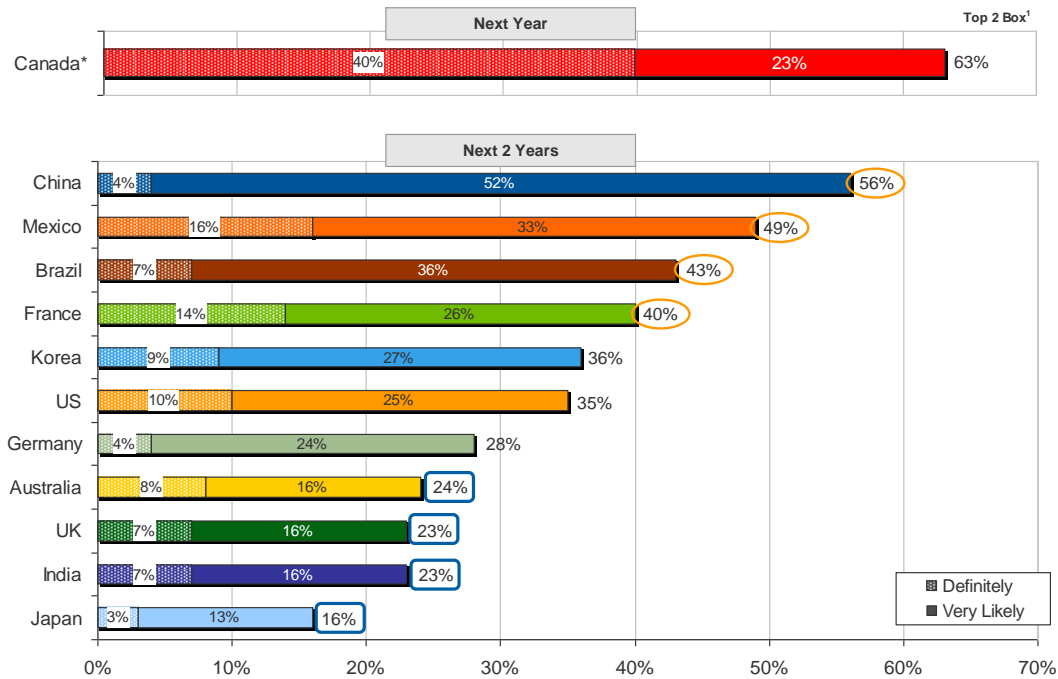
- As in India, Canada's stellar showing in **Brazil** is being driven by explosive growth in long-haul travel overall, with Brazilians now spending more per capita on international travel than travellers in any other market. While the economy grew only modestly in 2011 (2.9%), consumer confidence in the country is buoyant (104) as a result of soaring incomes, record low unemployment and national optimism around the upcoming World Cup and Olympic Games. An appreciating Real, easier accessibility to credit and a growing acquisitiveness among consumers are also contributing to the robust market growth.
- While the introduction of visa requirements for Mexican visitors severely dampened market growth for Canada in 2009 and 2010, the market appears to have at least partially recovered from this shock, with **Mexico** reclaiming its position as one of Canada's best performers in 2011. The strong gains were fuelled by solid GDP growth (4.1%, ranking Mexico third behind China and India), coupled with a strong peso for the better part of the year.
- Although **Korea** is also a relatively young long-haul market, it is an exception in terms of visitation to Canada, ranking alongside Japan as one of Canada's worst performing markets. While 2011 GDP growth was fairly strong by GTW standards (3.9%), the Korean economy cooled substantially as exports slowed during the year. Moreover, consumer spending faltered as market sentiments veered downward, driven by high inflation, a slump in the stock market and rising household debt. In fact, the Nielsen consumer confidence score of 50 was the lowest posting of any GTW market, leading to a downturn in Korean visits to more expensive destinations such as Canada.
- With a 10.4% drop in visitor arrivals in 2011, **Japan** is Canada's most challenging market. The triple disaster (i.e., earthquake, tsunami and nuclear crisis) understandably took its toll on long-haul travel from this market and contributed to three quarters of negative economic growth during the year. Averaging out at 56, consumer confidence in Japan was second only to Korea in its fragility, with a general mood of constraint pervading the marketplace. While a strong yen has encouraged a rebound in travel to nearby Asian destinations, far-flung vacation spots such as Canada are still enduring major declines.
- Among the European markets, Canada fared best in **France**, with a 5.4% increase in visitor arrivals in 2011 vs. a downturn in both the UK and **Germany**. This is despite a more robust economy in Germany (3.0% GDP growth vs. only 1.6% in France), as well as stronger market sentiments (89 in Germany vs. only 60 for France). Canada's more vigorous showing in France is likely because this market was in the midst of a long-haul travel boom prior to being hit by the global financial crisis, with the GTW outlook indicator being consistently higher than in Germany. Canada also tends to be a more popular destination for French travellers to begin with, so it isn't surprising that visitor flows from this market would be more tenacious.
- **The UK** was among the hardest hit by the global economic meltdown, and the country's economic woes continued into 2011 with GDP growth of just 0.9% for the year. A weak pound, high unemployment, a hike in the Value-Added Tax (VAT) and government austerity measures

that left consumers with less disposable income also contributed to Canada's negative results in this market in 2011.

- As in France, **Australia** has been witnessing a long-haul travel boom, fuelled by a growing sense of *ennuie* with domestic travel, rising wages, one of the lowest jobless rates among developed nations, solid consumer confidence (103) and a currency that has appreciated to levels not seen in 30 years. Combined, these factors helped to drive a 4.1% increase in arrivals to Canada, with many other long-haul destinations also enjoying moderate to strong growth from this market in 2011.
- While **the US** economy is finally pulling out of the doldrums, with GDP growth of 1.8% for 2011, the situation was touch and go until Q4. In fact, consumer confidence continued to drop as 2011 wore on, only rallying late in the year. In addition, high inflation through most of 2011, coupled with a weakening currency, continued to result in stalled out growth to many long-haul destinations, including Canada.

# Outlook on Travel to Canada

## Likelihood of Visiting Canada in the Next 2 Years



Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

Notes: Includes both longer vacations (of 4 or more nights) and shorter trips/add on travel (of 1 to 3 nights for international markets and 2 to 3 nights for the domestic market).

Orange circles indicate a result that is significantly higher than 7+ groups; Blue squares indicate a result that is significantly lower than 7+ groups.

<sup>1</sup> Top 2 Box refers to a rating of definitely or very likely on a 5-point scale.

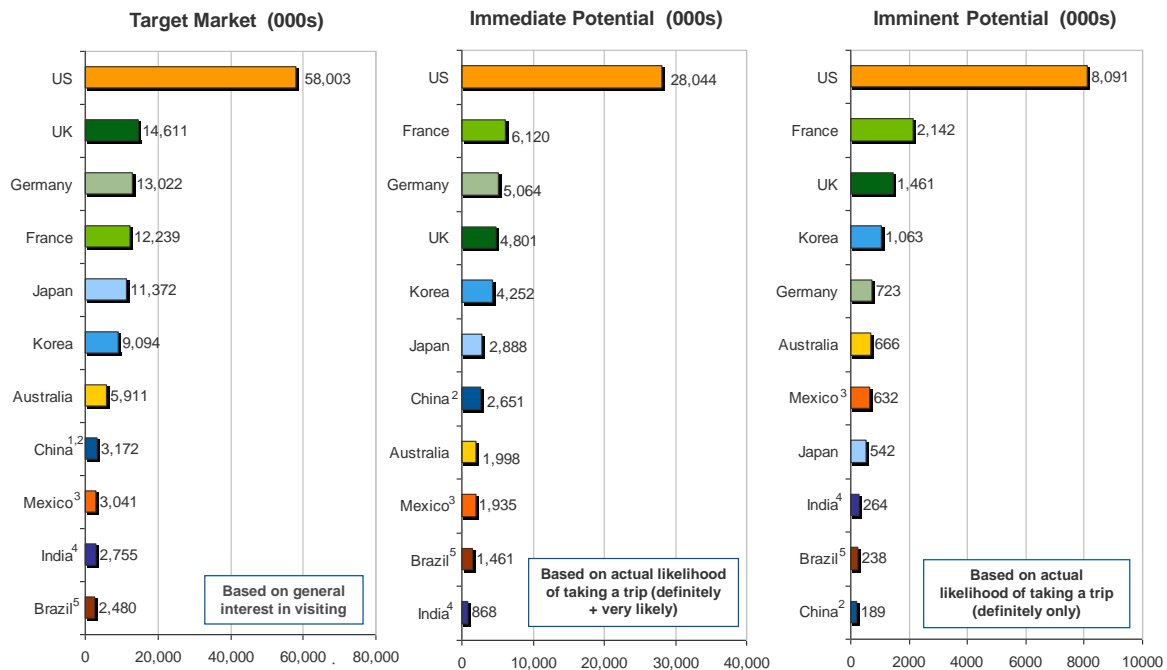
- Not surprisingly, there are some parallels between travel intentions and interest in Canada. Looking at the percentages for those who will definitely visit (a more stringent gauge of travel intentions), the top three markets in terms of potential visitation are also those with the greatest intensity of interest and consideration, i.e., the domestic market, Mexico and France. With the outlook indicator pointing to a full recovery of long-haul travel in France, and Mexico not that far behind it, both markets should be earmarked as having high conversion potential for Canada in the near-term.
- Based on the *definitely* figure, Japanese and Chinese travellers are among the least likely to visit Canada, which is consistent with the exceptionally poor interest and consideration levels in these markets. With the outlook indicator pointing to a lethargic recovery for the Japanese long-haul market, attempts to woo these travellers may be in vain until the country is back on track in terms of economic performance and market sentiments. However, China is a different story. Although the outlook indicator points to a cooling trend, Canada will likely remain unaffected by this, given that it only recently opened up as an ADS travel destination and is still benefitting from the initial volley of demand.
- India, the UK and Brazil also land towards the bottom of the list in terms of travel intentions, with 7% who say they will definitely visit. The lukewarm achievements in India and Brazil boil down

to Canada's weak presence in these markets, as underscored by the poor top-of-mind awareness. However, as emerging markets, both India and Brazil will no doubt continue to yield healthy growth for Canada over the next couple of years.

- On the other hand, the poor marks in the UK reflect the subdued appeal of Canada in a mature market. Together with the poor outlook for long-haul travel in general, this suggests that UK arrivals will remain sluggish in the near-term as the country continues to struggle with its economic recovery.

# Size of the Potential Market to Canada

## Size of the Potential Market to Canada (Next 2 Years)



Base: Long-haul pleasure travellers.  
 Notes: Target market is based on those very/somewhat interested in visiting Canada in the next 2 years; Immediate potential is based on those who will definitely/are very likely to visit Canada in the next 2 years; Imminent potential is based on those who will definitely visit Canada in the next 2 years. Canada results not comparable.  
<sup>1</sup> In assessing interest, respondents were asked to assume that they had an entry visa for Canada. <sup>2</sup> Market estimate is based on 4 cities: Beijing, Shanghai, Guangzhou and Shenzhen. <sup>3</sup> Market estimate is based on 3 cities: Mexico City, Guadalajara and Monterrey. <sup>4</sup> Market estimate is based on 6 cities: Mumbai, Bangalore, New Delhi, Kolkata, Chennai and Hyderabad. <sup>5</sup> Market estimate is based on 9 cities: Brasilia/Distrito Federal, Belo Horizonte, Curitiba, Fortaleza, Porto Alegre, Recife, Rio de Janeiro, Salvador and São Paulo.

- The US is obviously the largest target market for Canada (at close to 60 million potential travellers), with the three European markets and Japan making up the next tier of markets in terms of size (at 10 to 15 million). With the exception of Japan, these are also Canada’s largest markets in terms of actual visitor counts.
- With traveller estimates based on only a few key cities, China, Mexico, India and Brazil emerge as the smallest target markets for Canada (all at under 3.5 million potential travellers). Australia also offers a relatively small target market (around 6 million), but this is primarily due to the country’s small overall population.
- When looking at more imminent estimates of potential for Canada, there are some notable shifts. While Germany’s large population boosts it to third place in terms of target market size, poor travel intentions sink it to fifth spot in terms of imminent potential. The same is true of Japan (which is the fifth largest target market, but eighth in terms of imminent potential) and China (which drops from eighth to the bottom of the pack).
- On the other hand, robust travel intentions give both Mexico and Korea a lift of two notches in the rankings for imminent potential.

# Destination Preferences

## Canadian Destinations Likely to Visit

Destination	UK (n=971)	Germany (n=851)	France (n=1,043)	Japan (n=672)	China (n=1,260)	Korea (n=1,122)	India (n=331)	Australia (n=812)	Mexico (n=1,249)	US (n=2,054)	Brazil (n=1,148)	Canada* (n=3,089)
<b>Destinations Likely to Visit</b>												
Ontario	73%	80%	78%	73%	58%	81%	86%	80%	92%	66%	88%	
British Columbia	77%	82%	70%	77%	82%	88%	59%	93%	92%	70%	91%	
Québec	46%	63%	89%	45%	18%	61%	27%	64%	87%	53%	82%	
Alberta	44%	48%	35%	42%	20%	49%	24%	59%	69%	39%	53%	
Atlantic Canada	27%	42%	44%	25%	23%	35%	36%	43%	45%	34%	45%	
Northern Canada	20%	45%	30%	16%	8%	21%	17%	35%	38%	19%	36%	
Saskatchewan/Manitoba	16%	24%	20%	3%	6%	11%	6%	29%	31%	14%	35%	
<b>Destination Most Likely to Visit</b>												
Ontario	41%	47%	35%	42%	35%	53%	58%	34%	52%	34%	41%	14%
British Columbia	33%	26%	9%	31%	49%	31%	22%	41%	21%	31%	24%	36%
Québec	6%	10%	46%	7%	3%	7%	7%	7%	17%	15%	24%	10%
Alberta	11%	4%	2%	9%	5%	5%	4%	9%	5%	8%	5%	10%
Atlantic Canada	4%	4%	4%	6%	5%	2%	8%	4%	2%	7%	3%	24%
Northern Canada	3%	7%	3%	5%	2%	1%	0.3%	3%	2%	3%	1%	3%
Saskatchewan/Manitoba	2%	2%	1%	0%	1%	1%	0.3%	2%	1%	2%	2%	3%

Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there.

\* Base: Those likely to travel within Canada in the next year on a vacation trip of 4+ nights.

Note: Orange circles indicate a result that is significantly higher than 7+ groups.

- While the baseline wave of the GTW revealed that Ontario was the leading region of interest in virtually all of the GTW markets, the picture in 2011 is quite different. British Columbia is now the front-runner in all markets except France (where Québec leads), India (where Ontario leads) and Mexico (where it is tied with Ontario for the top spot). This suggests that the enhanced interest sparked by the 2010 Olympic Games could linger on well past the event.
- Mexican and Brazilian travellers express above average interest in visiting all regions of the country, with Australians also keen on seeing most parts of Canada. This extends to lesser-known destinations such as Northern Canada and the Prairies, with German travellers also fairly adventurous in this respect.
- When forced to choose the destination they are most likely to visit, Ontario still tends to win out over British Columbia as the region of choice, often by a large margin. Only in China, Australia and the domestic market does British Columbia trump Ontario as the must-see region in Canada.
- Chinese, Korean and Indian travellers are the most reluctant to wander off the beaten path, with only 16% to 20% choosing a destination other than Ontario or British Columbia as their

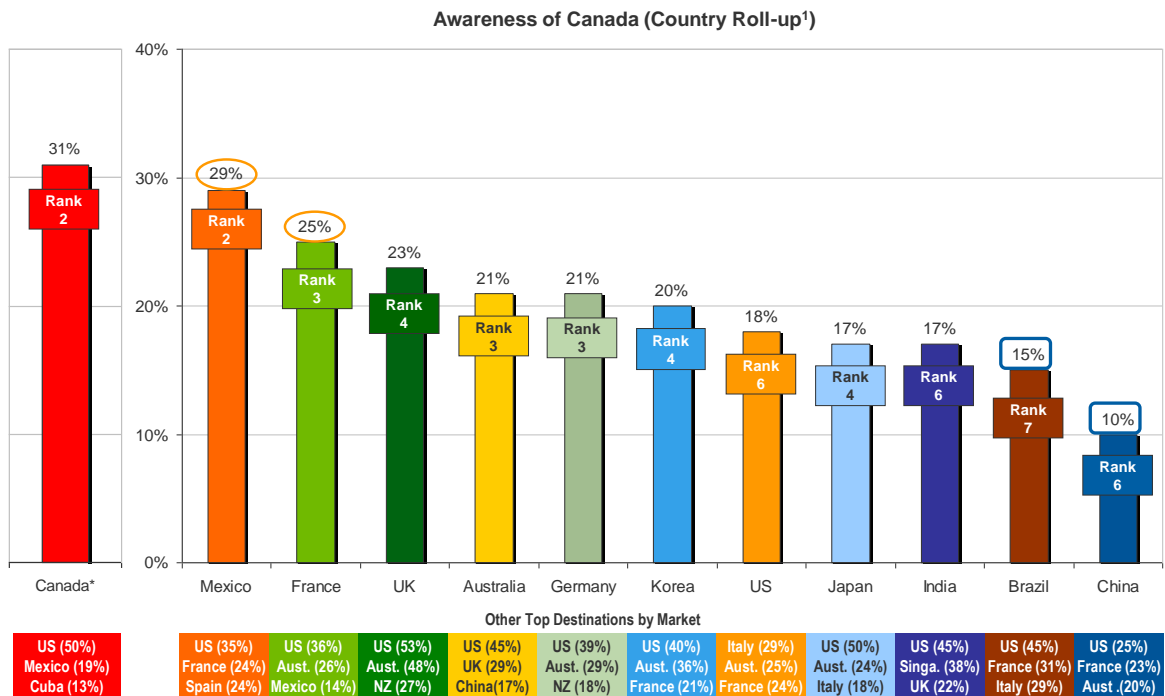
must-see vacation spot in Canada. Atlantic Canada is an exception for Indian travellers, however, with the potential in India being on par with that of the US.

- At 7%, proportionately more German travellers select the North as their destination of choice than Canadian travellers do. Japan is also a strong target market for the Northern region, no doubt due to the enduring appeal of aurora watching to the Japanese.
- France is obviously a pivotal market for Québec, with this region chosen as the destination of choice by nearly half of all long-haul travellers. However, Brazil, Mexico and the US also offer excellent potential for this region, perhaps due to greater familiarity with its offerings.
- Aside from the domestic market, the best potential for Alberta comes from mature markets like the UK, Japan, the US and Australia, possibly because more of these travellers have already visited Ontario and British Columbia on a previous trip.



# Awareness Levels of Canada

## Unaided Destination Awareness



Base: Long-haul pleasure travellers. \*Base: Out-of-region pleasure travellers.

Note: Orange circles indicate a result that is significantly higher than 7+ groups; Blue squares indicate a result that is significantly lower than 7+ groups.

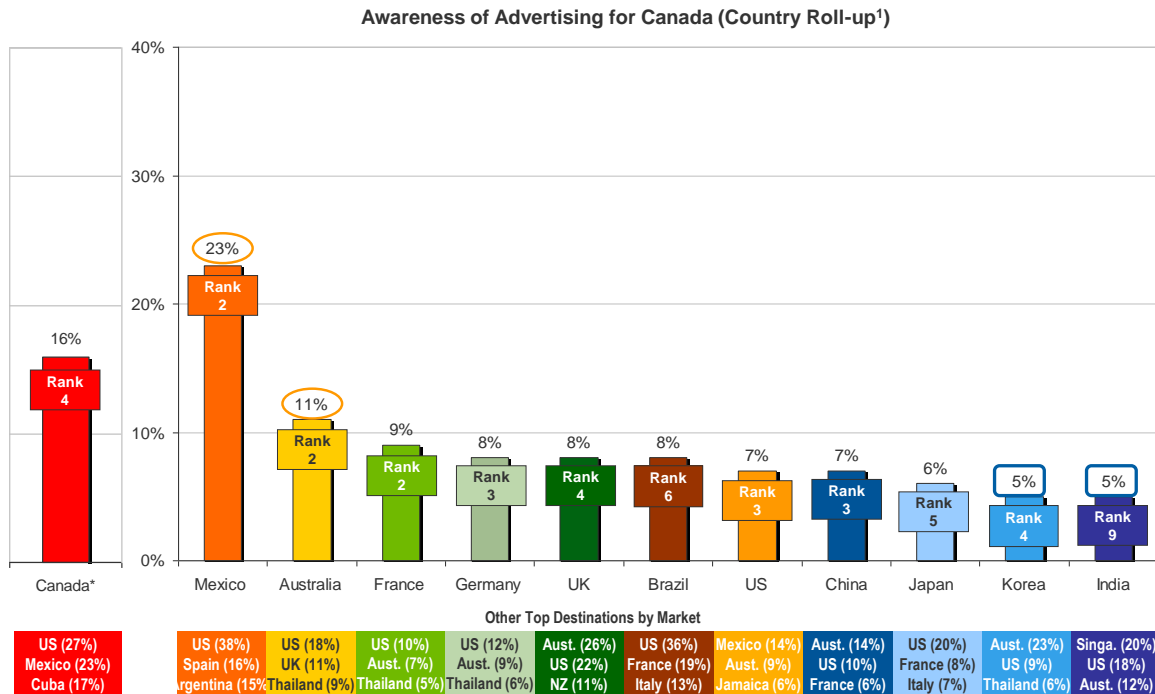
<sup>1</sup> Roll-up of brand mentions by country, e.g., percentage who said Canada or any destination in Canada.

- The domestic market naturally has the highest unaided awareness of Canada as a vacation destination among the GTW markets, however, the US remains the most desirable vacation spot for Canadian travellers. This points to a need to maintain and build Canadians' awareness and enthusiasm for domestic travel, particularly if the already strong Canadian dollar continues to appreciate.
- Incredibly, awareness of Canada in Mexico is almost as robust as in the domestic market, although its popularity has waned in recent years due to the introduction of visa requirements for Mexican visitors, as well as rising competition from ultra-cheap South American destinations (e.g., Argentina, Chile, Peru).
- Canada continues to command solid awareness in the European markets (i.e., 20% to 25%). Of the three, Canada tends to fare best in France, which is consistent with the 2011 arrivals data.
- Not surprisingly, given the CTC's recent entry into the BRIC markets, both Canada's awareness levels and its 6<sup>th</sup> or 7<sup>th</sup> place ranking against competitors leave much to be desired. Clearly, aggressive awareness building is called for in these markets to improve Canada's presence,

particularly in view of the stiff competition from countless other destinations who are actively wooing these travellers.

- Canada's results in Japan are no better than in the BRIC markets, but its difficulties here are more likely attributable to the current cautiousness among Japanese consumers, the focus on nearby Asian destinations and the maturity of this market for Canada travel.
- The US is a formidable competitor for Canada, being the number one vacation spot across all of the GTW markets, including the domestic one. Australia is also a major competitor, eclipsing Canada in every market except Mexico, Brazil and the domestic market.

## Unaided Advertising Awareness (Past 3 Months)



Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

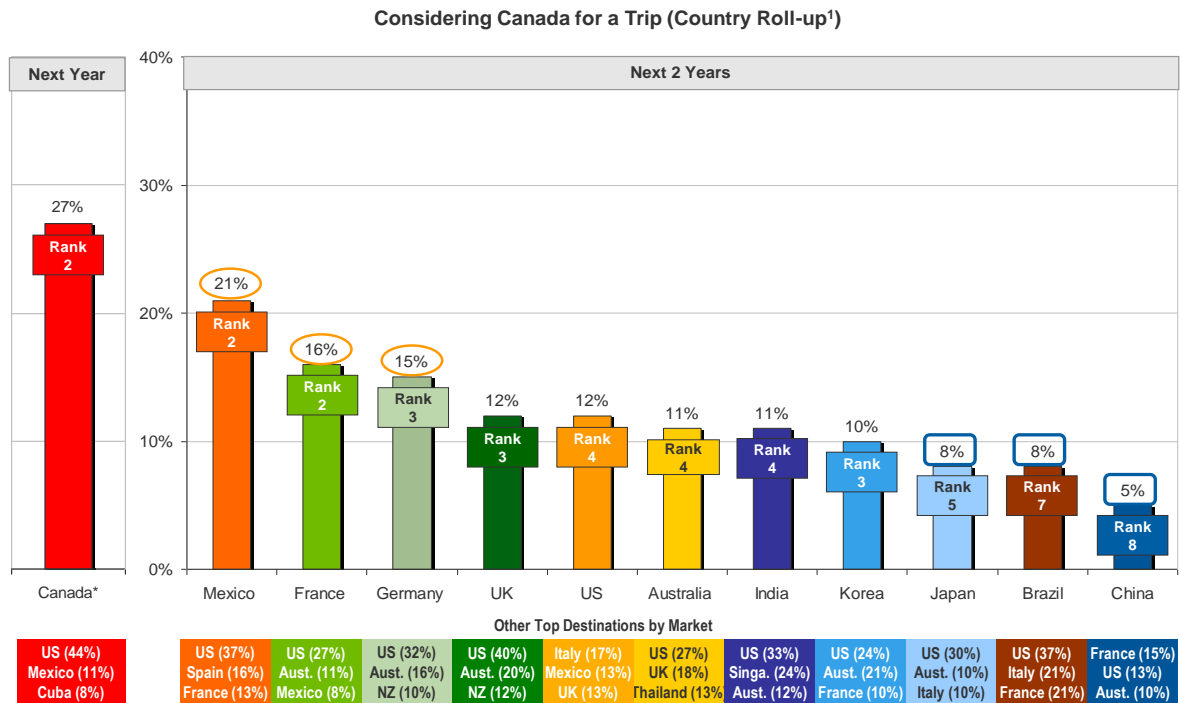
Note: Orange circles indicate a result that is significantly higher than 7+ groups; Blue squares indicate a result that is significantly lower than 7+ groups.

<sup>1</sup> Roll-up of brand mentions by country, e.g., percentage who said Canada or any destination in Canada.

- In the absence of a CTC domestic campaign in 2011, unaided awareness of travel-related advertising for Canada has suffered badly, tumbling from 27% in 2010 to just 16% this year, and from first to fourth place. Canadian destinations and attractions will need to pick up the slack if Canada is to counteract the threat from the US and ensure that domestic travel remains top-of-mind for Canadians.
- Among the international markets, Canada commands the highest unaided advertising awareness in Mexico. At 23%, awareness is substantially higher than in the domestic market and is more than double that of the other international markets. Australia is also ahead of the pack at 11%. Canada's second place positioning in both markets indicates that its advertising is making its mark and cutting through the competitive clutter.
- Advertising penetration is in the range of 8% to 9% for the European markets, with Canada in the best competitive position in France. While Brazil is also on par with the European markets in terms of the absolute score, Canada's distant sixth place ranking vs. competitors is more indicative of its performance here.

- Canada suffers from the most anaemic unaided advertising recall in India, Korea and Japan (5% to 6%). Of the three, India is the most challenging market, with Canada emerging in 9<sup>th</sup> place vs. its competitors. However, this is to be expected, given the CTC's recent entry into the market and the fact that it is competing with some very well-established players.
- The US again dominates the advertising stakes, being the first or second-ranked competitor across all of the GTW markets. Australia is also a powerhouse competitor, emerging as the market leader in many of the markets where the US does not.

## Unaided Destination Consideration (Next 2 Years)



Base: Those who are planning on taking a long-haul trip in the next two years. \* Base: Those who are planning on taking a pleasure trip in the next year.  
 Note: **Orange circles** indicate a result that is significantly higher than 7+ groups; **Blue squares** indicate a result that is significantly lower than 7+ groups.  
<sup>1</sup> Roll-up of brand mentions by country, e.g., percentage who said Canada or any destination in Canada.

- Compared with the other GTW markets, Canadian travellers are the most likely to be considering a vacation in Canada at 27%. Unfortunately, however, Canadians are far more likely to have the US on their radar for upcoming trips (44%). This again points to the need to shore up enthusiasm for domestic travel, particularly in view of the softer consideration levels that have prevailed since the CTC pulled its domestic campaigns.
- On a broad brush, the results for consideration are similar to those for unaided destination awareness. Canada and Mexico top the list, followed by the European markets, with the Asian and emerging markets at the rear of the pack. However, there are a couple of notable shifts in the rank order of the 12 markets when it comes to consideration for actual travel vs. awareness. Australia shifts downward in the ranks, pointing to Canada's status as more of an aspirational destination, as does Korea, where the focus is now on closer holiday spots.
- Unfortunately, a prevailing downward trend is apparent across the GTW markets on this key indicator, with Mexico, the UK, Australia, China and the domestic market all seeing slippages vs. previous years. In fact, all of these markets have now hit record lows, except Australia. A similar trend was seen in Germany and Korea over the past few years, however, 2011 brought an uptick in these markets, offering hope that the other markets will follow suit in 2012.

- Again, the popularity of the US is readily apparent, with this destination being the hands-down favourite across all GTW markets except China (where it is eclipsed by France). Australia also makes its mark, landing among the top three destinations in seven of eleven markets.

# Demographics of Long-haul Travellers and Canada Travellers

## Demographics of Long-Haul Travellers

	UK (n=2,011)	Germany (n=1,511)	France (n=1,514)	Japan (n=1,516)	China (n=1,538)	Korea (n=1,533)	India (n=1,528)	Australia (n=1,517)	Mexico (n=1,542)	US (n=3,028)	Brazil (n=1,506)	Canada* (n=4,066)
<b>Gender</b>												
Men	49%	49%	50%	44%	57%	51%	54%	50%	55%	49%	53%	49%
Women	51%	51%	50%	56%	43%	49%	46%	50%	45%	51%	47%	51%
<b>Age</b>												
18-34	30%	33%	35%	27%	51%	41%	47%	36%	50%	30%	49%	28%
35-54	37%	36%	33%	30%	35%	40%	32%	36%	33%	40%	31%	40%
55+	33%	31%	32%	43%	14%	19%	21%	28%	17%	31%	20%	31%
<b>Friends and relatives in Canada</b>												
% Yes	28%	15%	23%	9%	16%	23%	20%	26%	39%	20%	23%	-
<b>Children in household</b>												
% Yes	28%	26%	34%	21%	39%	43%	54%	32%	49%	32%	40%	32%
<b>Marital status</b>												
Married / partnered	67%	64%	67%	67%	64%	64%	66%	65%	57%	65%	52%	68%
Single / never married	23%	23%	22%	27%	34%	33%	27%	24%	34%	22%	37%	21%
Other	10%	13%	11%	6%	2%	3%	7%	11%	9%	12%	11%	11%
<b>Education</b>												
High school or less	38%	36%	24%	24%	16%	29%	41%	30%	28%	33%	42%	19%
Technical / vocational	10%	14%	11%	21%	6%	-	-	7%	6%	11%	-	33%
Completed college / university	49%	48%	59%	55%	78%	71%	59%	63%	66%	56%	58%	48%

Base: Long-haul pleasure travellers. \*Base: Out-of-region pleasure travellers.  
 Notes: Orange circles indicate a result that is significantly higher than 7+ groups.  
 Education may not be 100% comparable across markets.  
 Canada results not comparable due to different base of travellers.

- In many of the new or emerging markets (e.g., China, Mexico, India and Brazil), there is a gender skew in favour of male travellers, which is particularly notable in China (57%). This may be related to more men taking combined business/pleasure trips. In Japan, the opposite is true, perhaps indicating the resurgence of women travelling together.
- Reflecting the relatively youthful population overall, travellers in China, Mexico, Brazil, India, and to a lesser extent, Korea, tend to be the youngest of the GTW markets, with roughly 40% to 50% of the market between the ages of 18 and 34. On the other hand, Japanese travellers are the oldest, with over 40% who are aged 55 or older.
- Given their youth, it isn't surprising that the same five markets tend to have the greatest preponderance of singles. Despite this, they are also more likely to have children at home (39% to 54%).
- As in past years, Mexico has the highest proportion of travellers with friends or family in Canada by far (close to 40%), while Japan has the lowest proportion (just under 10%).

## Demographics of Recent Travellers to Canada

	UK (n=303)	Germany (n=300)	France (n=308)	Japan (n=209)	China (n=220)	Korea (n=215)	India (n=115)	Australia (n=302)	Mexico (n=213)	US (n=1,063)	Brazil (n=204)
<b>Gender</b>											
Men	47%	54%	51%	37%	51%	54%	43%	46%	49%	49%	47%
Women	53%	46%	49%	63%	49%	46%	57%	54%	51%	51%	53%
<b>Age</b>											
18-34	19%	27%	28%	40%	22%	36%	18%	22%	35%	15%	36%
35-54	34%	44%	38%	25%	43%	49%	39%	26%	45%	35%	39%
55+	47%	29%	34%	35%	35%	15%	43%	52%	20%	51%	25%
<b>Friends and relatives in Canada</b>											
% Yes	59%	40%	40%	33%	45%	47%	45%	51%	47%	32%	43%
<b>Children in household</b>											
% Yes	27%	38%	40%	24%	40%	48%	50%	28%	56%	29%	51%
<b>Marital status</b>											
Married / partnered	72%	73%	75%	68%	83%	66%	77%	75%	62%	71%	60%
Single / never married	18%	19%	17%	27%	15%	31%	16%	15%	27%	15%	25%
Other	10%	8%	8%	5%	2%	3%	17%	10%	11%	14%	15%
<b>Education</b>											
High school or less	41%	31%	18%	13%	21%	19%	19%	22%	19%	30%	18%
Technical / vocational	9%	11%	8%	22%	6%	-	-	6%	6%	10%	-
Completed college / university	49%	57%	66%	65%	72%	80%	81%	72%	75%	60%	82%

Base: Recent pleasure travellers to Canada.

Notes: Orange circles indicate a result that is significantly higher than 7+ groups.

Education may not be 100% comparable across markets.

Canada results not comparable.

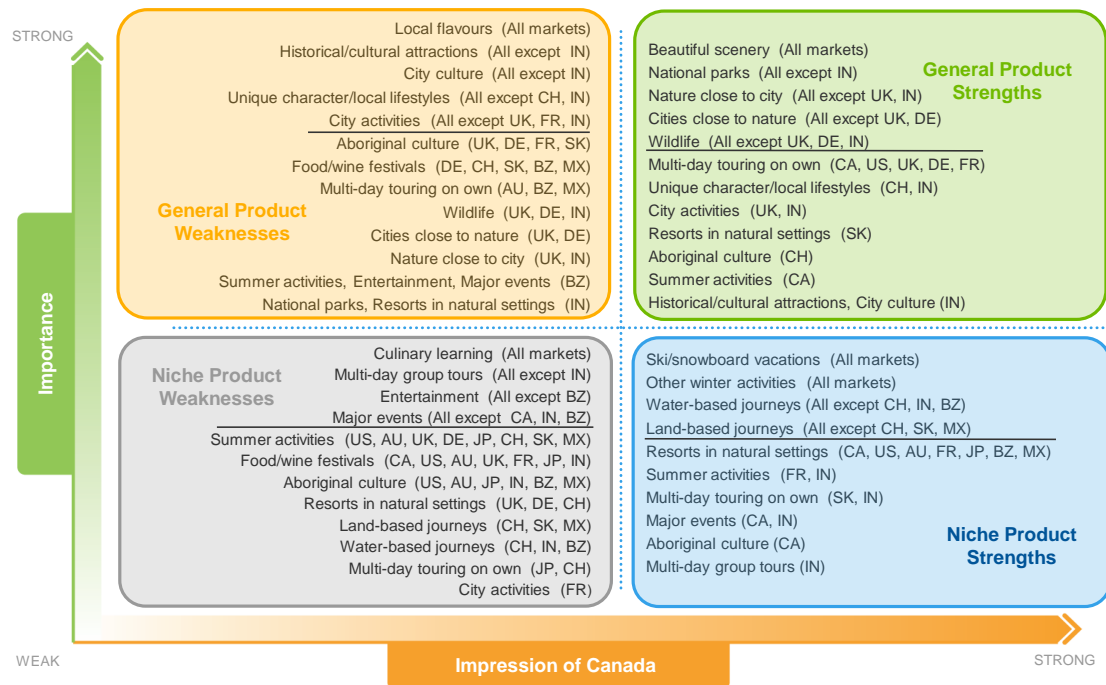
- Visiting friends and relatives (VFR) plays a seminal role in bringing travellers to Canada from every GTW market, as evidenced by the consistently greater proportion of recent visitors with friends/family there. VFR tends to have the greatest relative impact on visitation from the UK, German and Asian markets, with the proportion of travellers who have Canadian friends/relatives more than doubling among recent visitors vs. long-haul travellers as a whole. Travel from Japan and China, in particular, is heavily driven by VFR, with percentages virtually tripling among recent visitors. This points to an ongoing need to enhance Canada's image and products so that travellers decide to visit on its own merits rather than on the basis of visiting people they know.
- Canada continues to tap into the older segments of its core markets, with recent visitors to Canada being older than long-haul travellers as a whole in virtually every market. Visitors from Australia, the US and the UK are the oldest, with more than 45% who are aged 55 or older. This suggests that Canada still has a long way to go in fostering a more dynamic image that is appealing to the younger set. Japan is a notable exception to the rule, with Canada typically appealing to younger Japanese (40% are 18 to 34). This may be due to the maturity of the Japanese market, with many older travellers having already visited in the past.



- Canada attracts a proportionately greater percentage of travellers with children in Germany and Mexico (compared with the long-haul market as a whole), which suggests that it is more likely to be viewed as a family travel destination in these markets.
- Recent visitors to Canada also tend to be among the elite when it comes to socio-economic status. In most markets, those who have recently visited Canada are more affluent and better educated than travellers at large, with the UK a notable exception on both counts. The greatest income gaps are seen in the new/emerging markets of Korea, Mexico, China and India, while the largest education differentials emerge in India and Brazil. These results underscore the need to target the upper class in these markets, as Canada is clearly a high-end destination. On the other hand, the smallest gaps for both income and education are in the US, indicating a much broader target market here.

# Canada's Product Strengths and Weaknesses

## Product Strengths and Weaknesses Map



Base: Long-haul pleasure travellers.  
 Base for Canada: Out-of-region pleasure travellers.

- The summary of the product strengths and weaknesses analysis in each market reveals some clear patterns in the way that Canada's products are perceived by potential travellers. While there are some differences in terms of what constitutes a "general" vs. "niche" interest, the strengths and weaknesses for Canada are fairly consistent across most markets.
- With respect to **product strengths**:
  - Product perceptions are healthiest in the domestic market, with 14 products classified as strengths. This is not surprising given the high awareness and familiarity on the home front, particularly with the *Locals Know* campaign having introduced new travel destinations and hidden gems to Canadians over the last few years. In fact, the domestic market is the only one in which summer activities is regarded as a general strength and aboriginal culture as a niche strength.
  - All of the nature products (e.g., scenery, national parks, wildlife, nature close to cities, resorts in natural settings) emerge as universal strengths for Canada (i.e., categorized as general or niche strengths in at least eight of the 12 markets).

- By the same token, most outdoor offerings (e.g., ski/snowboard vacations, other winter activities, water-based journeys and land-based journeys) are also universal strengths.
- With a more limited knowledge of Canada, Indian travellers' impressions of Canada as a nature/outdoor destination could stand to be improved, with many of these products falling out as liabilities rather than strengths. Bringing Indian travellers' views in line with those of other markets should be a key priority for the CTC over the next few years as this potentially lucrative market has a greater than average penchant for nature, as well as strong growth potential for Canada.
- On the bright side, Indian travellers are more likely to view Canada as having strengths beyond nature/outdoors, for example, city activities, city culture, local lifestyles, historical/cultural attractions and group tours.
- The concept of vibrant cities close to nature offers an excellent opportunity for Canada to leverage its strengths to foster interest in its weaker city products. This is true in all markets except Germany and the UK.
- Self-touring is a strong suit for Canada in the domestic market, the US, Europe and selected Asian markets, offering an excellent way to diversify its product portfolio in these markets.
- With respect to **product weaknesses**:
  - UK and German travellers emerge as the most critical of Canadian travel experiences, with 15 products classified as weaknesses. This no doubt contributes to some of Canada's recent difficulties in these markets.
  - Most cultural products emerge as universal weaknesses for Canada (i.e., classified as a general or niche weakness in at least eight out of 12 markets). This signals a need to improve marketplace perceptions, particularly for historical/cultural attractions, which is a favoured vacation pursuit in virtually all of the GTW markets. More generally, enhancing Canada's cultural presence would help to boost traveller interest, convert "fence-sitters" and substantially enrich Canada's brand in its global markets.
  - Cuisine-related products also emerge as ubiquitous weaknesses, with local flavours, culinary learning and food/wine festivals being negatives for Canada in every market. Of the three, addressing poor perceptions of local flavours is the most urgent, as this is a top three vacation activity in all but one market. Generally, international travellers need to be given a better sense of gastronomical experiences that are quintessentially Canadian, as "Canadian food" doesn't tend to conjure up distinctive specialties and flavours in the minds of most travellers.
  - Most stand-alone city products (e.g., city culture, city activities, entertainment, major events) also do not impress on a global basis. Again, strengthening travellers' perceptions of Canada's exciting and cosmopolitan cities would help to add to its diversity as a vacation spot. This is particularly crucial in some of the new/emerging markets (e.g., India, Brazil, Mexico), where the bright lights and exciting ambience of modern cities are a major draw.
  - Unfortunately, Canada's weaknesses on culture, cuisine and city products tend to pigeon-hole it as a nature/outdoor destination and undermine its ability to entice tourists who want a more diverse vacation experience. Broadening perceptions of its travel

experiences is likely number one on the agenda if Canada wants to grow its tourism revenues from international markets, attract repeat visitation in mature markets and better compete with multi-faceted destinations like the US.

- While independent touring tends to be viewed as a strength for Canada, guided group tours are predominantly seen as a drawback. Although a niche weakness in Japan and China, these markets warrant special attention from the CTC, given the importance of guided tour products to travellers.
- Summer activities also emerges as a product weakness in the majority of markets. While generally a niche weakness, enhancing impressions of Canada's incomparable portfolio of warm-weather offerings would help it to be recognized as a premier destination for summer activities as well as winter ones.

# Attitudes Toward Environmentally-friendly Travel

## Attitudes Towards Environmentally-Friendly Travel

	UK n=2,011	Germany n=1,511	France n=1,514	Japan n=1,516	China n=1,538	Korea n=1,533	India n=1,523	Australia n=1,517	Mexico n=1,542	US n=3,028	Brazil n=1,506	Canada* n=4,066
I always take EF tourism considerations into account when making a decision about where to travel to.	24%	33%	58%	31%	74%	59%	89%	34%	61%	32%	69%	30%
I consider Canada to be a EF travel destination compared to my own country.	38%	41%	70%	47%	73%	74%	63%	43%	77%	51%	68%	N/A <sup>2</sup>
I consider Canada to be a EF travel destination compared to other destinations.	39%	52%	71%	39%	73%	69%	67%	52%	79%	56%	67%	55%
For an equivalent experience, I am more likely to choose an EF travel option over one that is not.	30%	39%	62%	46%	72%	71%	75%	38%	62%	41%	62%	40%
For an equivalent experience, I am willing to pay a higher price for an EF travel option over one that is not.	21%	27%	41%	25%	61%	50%	70%	25%	49%	25%	48%	24%
As part of an authentic experience that explores a destination's natural and cultural heritage, I am willing to pay a higher price for an EF travel option over one that is not.	27%	38%	48%	38%	61%	58%	73%	31%	53%	31%	50%	28%
As part of an authentic experience that explores a destination's natural and cultural heritage, I am willing to pay a higher price for a certified EF travel option over one that is not.	26%	34%	47%	36%	59%	58%	76%	29%	54%	30%	53%	28%

Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

Notes: Orange circles indicate a result that is significantly higher than 7+ groups.

<sup>1</sup> Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

<sup>2</sup> Item not asked in Canada.

- Travellers in the BRIC and newer markets are typically the most environmentally conscious of the GTW markets, although some results may be overstated. India, China and Brazil lead the way, with roughly 70% to 90% of travellers taking environmentally friendly principles into account when selecting a travel destination. Mexican, Korean and French travellers are also very likely to weigh environmentally considerations in their destination decision-making.
- These same six markets are more likely to choose an eco-friendly travel option over one that is not, and more importantly, show a willingness to pay a premium for such experiences. Of the six, the Asian travellers are the most aggressive in their views, indicating that they are the best bet for high-end eco-friendly products. French travellers trail the other markets, particularly when it comes to reaching for their pocketbooks, with only 40% who are willing to pay extra for green travel products vs. almost 50% to 70% in the other markets.
- As in past years, the UK emerges as the GTW market that is the least environmentally aware and the one that is most reluctant to pay a surcharge for green travel products (just over 20%).

- For authentic eco-friendly experiences that provide insights into a destination's natural and cultural heritage, the willingness to pay a surcharge increases in most markets. This surge is greatest in Germany and Japan, indicating that these markets are the most likely to value authenticity in their green travel experiences. However, travellers do not generally perceive any additional value in a certified experience, and this is true across the board.
- Mexico, Korea, China and France are the most likely to view Canada as an environmentally-friendly travel destination, both compared to their own country and to others. This suggests that they would be receptive to Canadian eco-tourism products and messages with an environmental theme.

# How Canada is Perceived

## Aided Brand Personality Perceptions

Personality Traits (Top 2 Box) <sup>1</sup>	UK (n=2,011)	Germany (n=1,511)	France (n=1,514)	Japan (n=1,516)	China (n=1,538)	Korea (n=1,533)	India (n=1,528)	Australia (n=1,517)	Mexico (n=1,542)	US (n=3,028)	Brazil (n=1,506)	Canada* (n=4,066)
Beautiful	84%	83%	85%	83%	72%	73%	82%	86%	90%	82%	79%	90%
Open	71%	71%	82%	62%	69%	70%	69%	71%	75%	72%	54%	81%
Authentic	63%	70%	82%	53%	72%	37%	74%	67%	77%	66%	65%	73%
Polite	65%	58%	75%	34%	69%	32%	80%	63%	77%	65%	61%	81%
Confident	59%	59%	60%	31%	66%	44%	77%	59%	78%	53%	75%	62%
Intriguing	57%	80%	81%	67%	73%	61%	40%	58%	43%	53%	45%	62%
Informal	52%	65%	72%	36%	56%	56%	30%	48%	35%	54%	34%	64%
Warm	47%	30%	83%	56%	70%	41%	71%	43%	43%	40%	63%	61%
Cold	43%	40%	57%	9%	24%	25%	45%	62%	72%	53%	75%	42%
Youthful	37%	33%	55%	32%	68%	50%	76%	43%	54%	37%	44%	53%
Conservative	34%	26%	45%	29%	30%	27%	42%	35%	51%	37%	47%	46%
Witty	26%	39%	55%	24%	66%	29%	58%	30%	60%	32%	74%	48%
Ordinary	15%	11%	13%	13%	30%	26%	24%	14%	24%	21%	20%	20%
Dull	11%	9%	7%	8%	19%	15%	10%	10%	11%	13%	14%	11%
<b>Average of 8 Brand Canada Traits</b>	<b>52%</b>	<b>56%</b>	<b>71%</b>	<b>45%</b>	<b>68%</b>	<b>49%</b>	<b>62%</b>	<b>52%</b>	<b>58%</b>	<b>51%</b>	<b>57%</b>	<b>63%</b>

Base: Long-haul pleasure travellers. \*Base: Out-of-region pleasure travellers.

Notes: Orange circles indicate a result that is significantly higher than 8+ groups.

Shaded rows represent Brand Canada Traits.

<sup>1</sup>Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "doesn't describe Canada at all" and 5 is "describes Canada to a great extent".

- Perceptions of Canada as a beautiful country are clearly well-entrenched, as this attribute ranks number one in every market except China. Open and Authentic also tend to garner high ratings, being ranked among the top five traits in most markets. This comes as no surprise as these traits are largely carry-overs from Canada's old brand and have been pushed by the CTC in its global markets for years.
- Looking at the more dynamic characteristics that signify true acceptance of the new brand (e.g., Confident, Intriguing, Youthful and Witty), France, Mexico and Brazil fall out as the most progressive markets (excluding China and India who tend to be high on all traits), while Japan is again the market laggard.
- Not surprisingly, travellers from the newer or emerging markets (China, Korea, Mexico, India and Brazil) are more likely to view Canada as Dull and Ordinary, which is no doubt attributable to lack of awareness and a scarcity of travel specifics in these markets. The US also belongs in this group, which may again be due to stereotyped attitudes among travellers. The CTC may want to focus special attention on dispelling these aspects of its image in these markets by hammering home the message that it is an engaging, exciting and vibrant vacation destination.
- Canada may also want to highlight its warm and sunny summers in both Mexico and Brazil, as these warm-weather markets are more inclined to characterize Canada as Cold.

## Value Perceptions

Value Attributes (Top 2 Box) <sup>1</sup>	UK (n=2,011)	Germany (n=1,511)	France (n=1,514)	Japan (n=1,516)	China (n=1,538)	Korea (n=1,533)	India (n=1,528)	Australia (n=1,517)	Mexico (n=1,542)	US (n=3,028)	Brazil (n=1,506)	Canada* (n=4,066)
A place with unique features that other destinations don't offer ( <b>UNIQUENESS</b> )	61%	67%	65%	51%	60%	49%	61%	69%	73%	55%	57%	65%
A dream destination that I would visit if money were no object ( <b>DESIRABILITY</b> )	56%	61%	69%	38%	63%	55%	61%	68%	73%	42%	59%	56%
A destination with the travel experiences I am specifically looking for ( <b>RELEVANCE</b> )	50%	55%	61%	47%	63%	52%	61%	56%	65%	48%	48%	58%
A destination I would pay a little more for ( <b>QUALITY</b> )	44%	49%	47%	43%	60%	47%	67%	44%	53%	31%	42%	39%

Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

Notes: **Orange circles** indicate a result that is significantly higher than 8+ groups. **Blue squares** indicate a result that is significantly lower than 8+ groups.

<sup>1</sup> Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

<sup>2</sup> Statement reworded for Canada: A destination with places I have always dreamed of visiting.

- Mexican and Chinese travellers are the most likely to view Canada as a high value vacation destination, with French, Indian, German and Australian travellers also awarding healthy scores. Many of these markets also recorded strong Brand Perceptions, which suggests that strong brand perceptions can translate into solid assessments of value. Of the six, Mexico posts the strongest individual ratings, with Quality being the only attribute on which it doesn't lead all other markets.
- Conversely, Canada suffers from the weakest value perceptions in Japan and the US, which is consistent with its unimpressive brand image ratings in these markets. Together, these perceptions are likely at the heart of Canada's troubles in both markets – troubles that have resulted in a more than 50% drop in visitation over the last decade. While Desirability is the most problematic area in Japan, Quality is the most critical issue for Canada to address in the US. Being next door, Canada is likely too familiar to be considered a premier vacation spot for US travellers.



- Broadly speaking, Quality is the value attribute that is in most need of attention, ranking last in all markets except India and Japan. In fact, China, India and Mexico are the only markets where more than half of all travellers feel that Canada commands a premium (and the results for China and India are likely overstated). This makes it challenging for Canada to compete effectively against more affordable destinations on the basis of higher quality products and experiences.
- On the bright side, value perceptions are seeing an overarching upward trend. In France, Australia and the US, Value Perceptions have been rising over the last few years to hit a record high in all three markets. In addition, Germany, Mexico, and to a lesser extent Japan, are all enjoying an uptick after three years of steady declines, which may well signal a turnaround in these markets. The domestic market is the only one to experience a setback, likely due to the lack of a domestic advertising campaign in 2011.

## Price Perceptions

Price Attributes (Top 2 Box) <sup>1</sup>	UK (n=2,011)	Germany (n=1,511)	France (n=1,514)	Japan (n=1,516)	China (n=1,538)	Korea (n=1,533)	India (n=1,528)	Australia (n=1,517)	Mexico (n=1,542)	US (n=3,028)	Brazil (n=1,506)	Canada* (n=4,066)
A place with reasonable prices for food and entertainment	47%	39%	45%	30%	51%	29%	64%	42%	56%	57%	42%	58%
A destination that is affordable to get to by air	39%	27%	49%	19%	50%	26%	69%	32%	53%	58%	41%	37%
A place that offers good value for money	44%	33%	46%	55%	51%	39%	62%	41%	65%	56%	51%	57%
A place with reasonable hotel costs	41%	32%	39%	23%	53%	25%	57%	34%	53%	53%	38%	50%
A destination that offers reasonably priced travel packages	38%	28%	40%	27%	52%	32%	63%	38%	57%	53%	39%	47%

Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

Notes: Orange circles indicate a result that is significantly higher than 8+ groups. Blue squares indicate a result that is significantly lower than 8+ groups.

<sup>1</sup> Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

<sup>2</sup> Statement reworded for Canada: A destination where it is affordable to travel by air.

- Not surprisingly, proximity tends to dictate perceptions of cost, with US and Mexican travellers awarding Canada the highest Price Perceptions. In the US, this is driven primarily by perceptions of affordable airfare and in Mexico, by package costs, with reasonable food/entertainment prices contributing to the healthy Price Perceptions in both markets. While the ratings in China and India also seem to be in the range of the US and Mexico figures, they are likely overly positive, given the steep cost of airfare and packages to Canada in these markets.
- Being more distant, the other Asia-Pacific markets (i.e., Japan, Korea and Australia) have the lowest Price Perceptions, which again suggests that the China and India figures should be taken with a grain of salt. Looking at the relative ranks, affordable airfare and hotel costs tend to be the key concerns for the Asia-Pacific region as a whole.
- Outside of the Asia-Pacific markets, Canada fares worst in Germany, with airfare and package costs pulling the Price Perceptions down. In fact, package costs appear to be the most critical issue for the European markets as a whole, ranking 4<sup>th</sup> or 5<sup>th</sup> in every market.

- Surprisingly, the Price Perceptions in the domestic market are fairly weak, being well below that of either the US or Mexico. While food/entertainment prices are viewed quite favourably, the Price Perceptions are sunk by anaemic perceptions of airfare and package costs. In fact, both have taken a tumble this year, likely due to rising travel costs in Canada, as highlighted by the media in the months leading up to the survey. This suggests that airfare/package promotions could be effective in terms of persuading Canadians to travel closer to home.
- Globally, perceptions of Canada as an expensive destination is a major obstacle to its success as a vacation destination. This is worrisome at a time when travellers in many markets are cutting back their travel budgets or taking shorter/closer trips in response to the lingering economic uncertainties. Reassuringly, there is some recognition that Canada provides value for money, with this attribute ranked first or second in nine of the 12 markets. This presents a good tactical focus for Canada in markets where price-points are already as low as they can go.

# Motivation for Visiting Canada

## Key Motivations for Visiting Canada

Motivation (Top 2 Box) <sup>1</sup>	UK (n=886)	Germany (n=881)	France (n=1,104)	Japan (n=852)	China (n=1,155)	Korea (n=1,126)	Australia (n=787)	Mexico (n=1,232)	US (n=2,211)	Canada* (n=3,602)
Seeing beautiful scenery	84%	84%	90%	86%	90%	81%	85%	92%	81%	84%
Visiting national parks and protected areas	82%	84%	87%	84%	88%	77%	80%	90%	74%	75%
Observing wildlife in their natural habitats	73%	75%	85%	67%	88%	69%	76%	84%	70%	70%
Experiencing a country's unique character and local lifestyles	71%	76%	82%	52%	79%	62%	69%	75%	67%	61%
Exploring vibrant cities that are in close proximity to nature	69%	68%	84%	71%	89%	70%	68%	85%	63%	60%
Seeing historical and cultural attractions	69%	69%	80%	66%	84%	62%	70%	81%	65%	67%
Exploring nature in close proximity to a cosmopolitan city	68%	77%	81%	71%	87%	60%	70%	82%	65%	60%
City activities (e.g., sightseeing, shopping)	64%	55%	50%	50%	83%	52%	57%	71%	65%	61%
Sampling local flavours	64%	57%	72%	62%	86%	56%	64%	73%	67%	65%
Multi-day touring on your own by car or train	60%	66%	68%	33%	48%	46%	60%	69%	62%	65%
City cultural experiences	57%	52%	67%	48%	77%	54%	54%	80%	62%	56%
Experiencing aboriginal culture and attractions	42%	74%	78%	51%	86%	56%	43%	61%	42%	39%
Multi-day guided group tours by bus or train	41%	33%	48%	42%	70%	36%	40%	57%	38%	29%
Participating in summer activities	36%	54%	60%	42%	72%	36%	39%	57%	47%	50%
Land-based journeys of one or more nights	35%	54%	57%	39%	55%	40%	38%	58%	43%	39%
Resort experiences in natural settings	34%	36%	48%	47%	71%	58%	41%	59%	44%	45%
Attending food/wine festivals and events	33%	41%	37%	38%	68%	49%	39%	57%	44%	43%
Entertainment experiences	31%	28%	27%	20%	61%	28%	36%	55%	45%	38%
Attending major events	29%	33%	45%	25%	66%	41%	33%	59%	43%	42%
Water-based journeys of one or more nights	25%	51%	51%	34%	52%	43%	32%	51%	30%	30%
Participating in culinary learning experiences	25%	31%	38%	34%	38%	29%	30%	49%	31%	29%
Ski and snowboard vacations	23%	23%	38%	33%	73%	41%	34%	55%	27%	20%
Participating in other winter activities	22%	33%	53%	33%	74%	47%	34%	64%	27%	21%

Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there. \* Base: Those likely to travel within Canada in the next year and/or those who are considering, have decided to visit or have booked a dream vacation experience here.

Notes: Orange circles indicate a result that is significantly higher than 7+ groups. Blue squares indicate a result that is significantly lower than 7+ groups.

<sup>1</sup>Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Very Unimportant" and 5 is "Very Important".

Consistent with their overall product interests and enthusiasm for trying all manner of vacation activities, Indian, Mexican and Chinese travellers award high marks to most of the Canada motivators. With Canada a much sought-after destination among French travellers, the motivation scores are also very high in France, particularly on the nature and cultural drivers.

- Japanese and Canadian travellers tend to assign the lowest ratings to the Canada motivators, which again dovetails with their dampened interest in travel products as a whole. UK travellers are also fairly negative in their ratings, particularly for outdoor activities and niche culinary products.
- Looking at the relative ranks of the motivations, it is clear that **nature** is still the most compelling reason to visit Canada world-wide. Beautiful scenery and national parks are the top two motivators in virtually every market, with wildlife generally placing in the top five and nature close to cities in the top ten. So while product interests for long-haul travel in general included a good mix of nature and culture among the top five, motivations for Canada tend to reflect its strengths, with nature accounting for three or four of the top five motivations in every market except India and Brazil.

- While Indian travellers are generally highly attuned to nature on their long-haul travels, nature is notably less important in their motivations for visiting Canada, most likely attributable to lack of awareness in this emerging market.
- Wildlife is generally less of a draw for Brazilians, with a 10<sup>th</sup> place rank and the lowest absolute score of any market.
- The concept of exploring nature in the environs of major Canadian cities is very appealing to Germans, and Germany is in fact the only market where this motivation ranks among the top three.

## RANKING OF MOTIVATIONS FOR VISITING CANADA

Rankings of Motivations Within Each Market

Motivation	UK (n=1,046)	Germany (n=888)	France (n=1,090)	Japan (n=729)	China (n=1,283)	Korea (n=1,150)	India (n=541)	Australia (n=857)	Mexico (n=1,256)	US (n=2,118)	Brazil (n=1,187)	Canada* (n=3,601)
Beautiful scenery	1	1	1	1	1	1	2	1	1	1	1	1
National parks	2	2	2	2	2	2	6	2	2	2	2	2
Observing wildlife	3	4	3	5	5	4	9	3	5	3	10	3
Local lifestyles	4	5	4	8	7	8	5	4	8	5	7	9
Cities close to nature	7	8	5	3	4	3	3	6	3	8	6	8
Historical/cultural attractions	6	7	7	6	9	5	4	7	6	7	5	5
Nature close to cities	5	3	6	4	8	6	7	5	4	6	8	7
City activities	9	13	14	11	12	11	8	11	10	9	9	10
Local flavours	8	11	9	7	6	7	1	9	9	4	4	6
Multi-day touring on own	10	9	11	17	20	14	12	8	11	10	16	4
City culture	11	14	10	14	11	12	13	10	7	11	3	11
Aboriginal culture	12	6	8	9	3	9	11	15	14	17	22	15
Multi-day group tours	14	21	17	12	16	20	15	13	13	19	17	21
Summer activities	13	12	12	13	17	21	19	17	22	12	20	12
Land-based journeys	15	10	13	15	21	17	21	12	15	16	18	17
Resorts in natural settings	16	16	16	10	14	10	10	14	16	13	15	13
Food/wine festivals	17	17	20	16	10	13	22	16	18	14	11	16
Entertainment	18	22	23	23	23	23	18	19	20	15	14	18
Major events	20	19	19	22	18	19	17	20	17	18	12	14
Water-based journeys	19	15	18	19	22	16	14	18	21	21	23	19
Culinary learning	22	20	21	18	19	22	20	23	23	20	21	20
Ski/snowboard vacations	21	23	22	21	13	18	16	22	19	23	19	23
Other winter activities	23	18	15	20	15	15	23	21	12	22	13	22

Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there. \* Base: Those likely to travel within Canada in the next year and/or those who are considering, have decided to visit or have booked a dream vacation experience here.  
 Note: Orange circles indicate a result that is ranked higher than other markets. Blue squares indicate a result that is ranked lower than other markets.

- While Canada’s competitive standing on **cultural products** is admittedly weak, the broad interest of travellers around the world in experiencing the culture and lifestyles of the destinations they visit makes this important for trips to Canada as well. Accordingly, local lifestyles, historical/cultural attractions and sampling local flavours are among the ten leading drivers of travel to Canada virtually across the board. However, in every market except India, historical/cultural attractions and local flavours are ranked far lower for Canada than for long-haul travel overall due to Canada’s perceived weaknesses on these products.
  - Cultural pursuits are more likely to incent Indian travellers to visit Canada, with local flavours, historical attractions and local lifestyles all in their top five. India is the only market where three of the top five reasons for visiting Canada are related to culture, which is

consistent with the fact that cultural products are more likely to be viewed as strengths for Canada in this market.

- Echoing the results for product interests as a whole, opportunities to experience aboriginal culture are more of a draw for German, French and Chinese travellers, with scores of 74% to 78% lifting this motivator to 8<sup>th</sup> place or better. In China, experiencing the culture of indigenous peoples is the third most important motivator for trips to Canada, outranking both local lifestyles and historical/cultural attractions.
- The local lifestyles of Canadians are understandably of less interest in the domestic market.
- After nature and culture, **cities** are the next most important catalyst of travel to Canada on a widespread basis, particularly when teamed with nature. In fact, seeing cities close to nature is ranked among the top ten motivators in every market, faring even better in Asia where they emerge in the top five. This provides affirmation for the Cities on the Edge of Nature concept as a marketing thrust across all of the CTC's core markets, although typically, the stand-alone city products require some improvement.
  - Consistent with their overall product preferences, travellers in Mexico and Brazil tend to gravitate to Canada's cosmopolitan cities. Cities close to nature are among the top three motivators in Mexico, while entertainment and major events achieve better standings in Brazil than in any other market. In addition, getting a taste of city culture while in Canada is far more important to these travellers than to those in any other market (ranked 7<sup>th</sup> or better).
  - Also in step with the overall product drivers is the popularity of city activities such as shopping and sightseeing for trips to Canada among Indian travellers. Again, French travellers are more likely to shun such touristy pursuits, but so are their German counterparts.
  - While entertainment is more likely to tempt US travellers, major events does it for domestic ones.
- **Self-touring** emerges ahead of guided tours in most GTW markets (with a point spread of as high as 38 ppt in the domestic market), reflecting the overall market preference for independent travel. Chinese and Japanese travellers are notable exceptions, being less comfortable with travelling in Canada on their own.
- Aside from local flavours, **culinary-related experiences** generally do not tend to spur travel to Canada. China is an exception, with both food/wine festivals and culinary learning ranked far above average as motivators. Brazilians also tend to be motivated by food/wine festivals, while the Japanese prefer the more hands-on approach of cooking courses and similar learning activities. On the other hand, Indian and French travellers are less likely to be drawn by food/wine events, a reflection of their overall vacation preferences.
- While **outdoor pursuits** typically have limited impact as pull factors for long-haul travel in general, land-based journeys, water-based journeys, ski vacations and other winter activities enjoy elevated rankings for travel to Canada across many markets, showing recognition of Canada's unrivalled outdoor and winter products.

- The new/emerging markets typically represent the best targets for Canada's ski and winter products with China, India, Korea, Mexico and Brazil having the highest rankings for ski vacations, and all but India high on other winter activities as well. However, it should be kept in mind that these travellers may be overly positive towards these niche activities in their enthusiasm to try everything. Likely the first trip to Canada will not be a multi-day ski vacation, although certainly a day at the slopes may be reasonable if travelling in the winter.
- French travellers are also very keen on winter experiences in Canada, but lean towards activities like snowmobiling, dog sledding, sleigh rides and winter scenery over skiing.
- France and Germany are among the premier markets for Canada's summer activities, including land- and water-based journeys. Korea and India also offer potential for water-based journeys, and Australia for trips by land.

# Barriers for Visiting Canada

## Key Barriers for Visiting Canada

Barrier	UK (n=619)	Germany (n=640)	France (n=409)	Japan (n=678)	China (n=358)	Korea (n=390)	Australia (n=735)	Mexico (n=304)	US (n=812)	Canada* (n=447)
Other places I want to see more	82%	75%	79%	79%	72%	79%	78%	71%	86%	65%
Too expensive / can't afford it	72%	79%	85%	78%	87%	90%	78%	74%	55%	73%
No real reason to go	56%	54%	59%	68%	73%	79%	54%	52%	70%	46%
Unfavourable exchange rate	48%	38%	51%	54%	59%	77%	41%	66%	42%	N/A <sup>2</sup>
Destinations and attractions too far apart	43%	53%	51%	63%	70%	71%	44%	49%	53%	49%
Don't know enough about it	43%	44%	44%	64%	85%	75%	42%	45%	42%	23%
Poor weather	41%	51%	64%	53%	74%	59%	41%	52%	54%	38%
Too far / flight too long	37%	53%	46%	72%	69%	82%	52%	39%	29%	N/A <sup>2</sup>
Nothing to do there / lacks the activities I enjoy doing	36%	42%	54%	61%	65%	68%	34%	41%	53%	34%
Too boring / not exciting	36%	42%	55%	55%	64%	61%	31%	41%	54%	38%
No unique history or culture	34%	42%	53%	56%	68%	67%	30%	40%	44%	31%
Delays and hassles at airports and borders	25%	31%	42%	51%	63%	54%	25%	37%	36%	30%
Passport or entry visa requirements	22%	31%	44%	44%	68%	58%	18%	46%	27%	N/A <sup>2</sup>
Safety concerns	15%	27%	37%	53%	63%	48%	16%	25%	23%	14%
Health risks	14%	30%	33%	47%	62%	42%	15%	30%	22%	16%
Language barrier	N/A <sup>1</sup>	30%	31%	58%	63%	60%	N/A <sup>1</sup>	42%	N/A <sup>1</sup>	19%

Base: Long-haul pleasure travellers who are unlikely to visit Canada in the near future. \* Base: Out-of-region pleasure travellers who are unlikely to travel in Canada in the next year.

Notes: Orange circles indicate a result that is significantly higher than 6+ groups.

Percentages are the sum of major barrier and minor barrier responses.

<sup>1</sup> Item was not asked in UK, Australia and US markets. <sup>2</sup> Item was not asked in Canadian market.

- Affordability and competition from other destinations are the major disincentives for travel to Canada, landing among the top three barriers in virtually every market. Not having a compelling reason to go, the distance between major attractions/destinations and a perceived lack of things to see and do are other universal deterrents, ranking among the top ten barriers in at least 10 of the 12 markets. This highlights an ongoing need to build awareness of specific Canadian travel experiences and improve immediacy in all of Canada's global markets so that it can adequately compete with better known and/or more economical destinations.
- Canada faces the fewest challenges in the UK and Australia, possibly because the shared language and culture/history give potential travellers a sense of comfort. Despite feeling comfortable with Canada, UK and Australian travellers are the least likely to feel that Canada is boring, that there is nothing to do there or that it has no unique history/culture. Travel is also less likely to be hampered by practical concerns such as the distance between destinations, long flights (UK), poor weather, airport hassles, entry requirements, etc.
- Not surprisingly, Canada faces considerably more roadblocks in the Asian markets, with higher scores across most travel barriers. In fact, the only barriers where Asian travellers are not substantially higher than their counterparts in other markets are affordability, the desire to see



other destinations and poor weather. Of the four markets, Canada generally faces the steepest hurdles in China and Korea.

- Within the Asian region, Koreans are more likely to be concerned about the cost of a trip to Canada and about exchange rates, both of which may reflect the high inflation and heavy household debt loads currently faced by consumers in this market.
- Chinese travellers are the most apprehensive about the practical aspects of travelling, including passport/visa requirements and hassles at airports and borders. They are also more likely to be put off by safety and health risks, so it will be important for Canada to emphasize the fact that it is one of the safest countries in the world to travel in.
- Outside of the Asian markets, lack of immediacy creates challenges for Canada in converting travellers in the US and Brazil, with over 60% of travellers in these markets citing no real reason to visit. For the US, this no doubt stems from the maturity of the market, with 60% of travellers having been there before. In the case of Brazil, the issue is one of poor awareness, with over 60% of travellers who say they don't know enough about Canada to prompt a visit (again, the highest posting of any non-Asian market).
- After China (83%), Mexico (74%) and Brazil (59%) are the markets where entry requirements are most likely to discourage travel to Canada, with close to half of all Brazilians citing airport/border hassles as deterrents as well. For Mexico, the recent and sudden introduction of visa requirements for visitors to Canada is obviously taking its toll on the marketplace and stifling this market's full potential. Brazilian visitors also require visas for entry into Canada. With the US recently streamlining its visa application process for Brazilians, Canada's procedures may seem cumbersome by comparison. In both cases, Canada needs to do all it can to ensure that procedures, turnaround times and acceptance rates are reasonable by global standards.

# Information Sources

## Sources of Information on Canada (Past 3 Months)

Information Source	UK (n=1,505)	Germany (n=1,524)	France (n=1,513)	Japan (n=1,530)	China (n=1,513)	Korea (n=1,516)	Australia (n=1,522)	Mexico (n=1,536)	US (n=3,023)	Canada* (n=4,049)
Travel shows on television	24%	34%	36%	41%	51%	46%	32%	48%	26%	67%
Word of mouth	22%	21%	37%	11%	41%	28%	23%	48%	18%	28%
Articles in travel or in-flight magazines	18%	16%	31%	21%	15%	25%	20%	50%	15%	24%
Articles in newspapers	16%	14%	13%	10%	15%	14%	18%	25%	8%	29%
Articles in non-travel magazines	15%	13%	17%	8%	12%	14%	15%	34%	14%	24%
Travel guides and books	12%	14%	23%	18%	14%	22%	15%	22%	13%	19%
Websites / podcasts / travel blogs	10%	8%	31%	10%	35%	22%	11%	30%	10%	18%
Movies filmed or set in Canada	10%	20%	19%	5%	3%	9%	10%	26%	10%	N/A <sup>1</sup>
Travel agents	9%	10%	15%	10%	16%	6%	13%	24%	5%	8%
Email newsletters or promotions	7%	8%	10%	6%	15%	9%	11%	22%	7%	17%
Other television shows	6%	16%	10%	8%	34%	11%	9%	21%	8%	16%
Entertainment shows	5%	9%	11%	9%	27%	5%	6%	21%	7%	N/A <sup>1</sup>
News shows	5%	9%	17%	12%	58%	14%	5%	14%	9%	22%
Outdoor advertising	4%	3%	8%	6%	4%	4%	3%	15%	4%	11%
Consumer travel shows and exhibitions	4%	6%	6%	3%	4%	3%	5%	11%	4%	N/A <sup>1</sup>
Special events held in Canada	3%	4%	9%	2%	11%	3%	5%	11%	6%	19%
Radio shows	2%	3%	6%	2%	7%	2%	2%	9%	3%	8%
None	40%	32%	19%	31%	4%	17%	36%	7%	42%	18%

Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.

Notes: Orange circles indicate a result that is significantly higher than 6+ groups.

Up arrow indicates a result that is significantly higher than 2008; Double up arrows indicate a significant upward trend since 2007.

Down arrow indicates a result that is significantly lower than 2008; Double down arrows indicate a significant downward trend since 2007.

<sup>1</sup> Item not asked in Canada.

- Mexican, Brazilian and Canadian travellers have considerably higher recall of Canada travel information across a wide range of sources, which is in line with the strong advertising awareness levels in these markets (although again, the results for Brazil may be over-stated). China, France and Korea also exhibit above average penetration levels for specific sources. On the other hand, Canada's travel information generally reaches fewer travellers in the UK, India and the US.
- Comparing the relative ranks for the information sources (on the next page) reveals that television travel shows are generally the most effective way for the CTC to connect with travellers in its core markets. Television travel shows are one of the top two information sources in every market, attaining the greatest penetration in Korea and Mexico, where they reach a remarkable one out of every two long-haul travellers.

## RANKING OF SOURCES OF INFORMATION ON CANADA (PAST 3 MONTHS)

Information Source	UK (n=2,011)	Germany (n=1,511)	France (n=1,514)	Japan (n=1,516)	China (n=1,538)	Korea (n=1,533)	India (n=1,528)	Australia (n=1,517)	Mexico (n=1,542)	US (n=3,028)	Brazil (n=1,506)	Canada* (n=4,066)
Television advertising	3	9	6	17	8	10	3	5	7	2	17	1
Travel shows on television	2	1	1	1	1	1	1	1	2	1	1	2
Word of mouth	1	2	2	4	6	4	2	2	4	3	5	6
Articles in travel magazines	5	3	3	2	10	5	17	3	1	4	3	5
Travel or destination websites	4	4	4	5	7	3	13	4	3	5	2	4
Articles in newspapers	6	10	12	9	9	13	4	6	9	11	15	3
Articles in other magazines	7	6	8	11	13	8	6	7	5	6	6	7
Ads in magazines/newspapers	9	11	10	8	11	12	10	10	6	7	12	9
Travel guides and books	8	7	5	3	12	6	12	8	12	8	9	12
Travel blogs / podcasts	21	19	23	15	15	2	19	19	19	21	19	24
Movies filmed or set in Canada	11	5	7	14	19	14	5	11	8	9	10	13
Travel agents	10	12	9	6	4	20	11	9	10	18	7	21
Email newsletters or promotions	14	16	18	13	18	16	18	12	14	14	14	11
Other television shows	13	8	13	12	14	11	8	13	17	10	11	10
Online advertising	12	14	17	18	22	9	15	15	13	15	13	15
Entertainment shows	16	15	14	10	5	19	7	14	11	13	8	17
News shows	15	13	11	7	2	7	9	18	18	12	4	8
Outdoor advertising	18	22	16	16	16	21	16	21	15	22	22	16
Consumer travel shows	19	18	19	22	23	23	21	20	22	20	23	23
Special events held in Canada	20	20	15	23	25	25	23	17	20	16	18	14
Radio advertising	22	24	22	24	20	24	24	25	24	23	25	18
Radio shows	23	23	21	21	21	22	22	23	21	19	24	19
Contests	25	25	25	25	24	18	25	24	25	25	21	20
Social networking websites	17	17	20	19	3	17	14	16	16	17	16	22
Photo/video-sharing websites	24	21	24	20	17	15	20	22	23	24	20	25

Base: Long-haul pleasure travellers. \* Base: Out-of-region pleasure travellers.  
Note: Orange circles indicate a result that is significantly higher than 8+ groups.

- Other channels that the CTC might harness to promote Canada on a global basis are word of mouth (e.g., user-generated content, travel ambassadors), travel magazine articles and travel/destination websites, all of which rank among the top five sources in 10 of the 12 markets.
- Other print media also offer excellent opportunities for the CTC to get the message out on Canada across most markets. Articles in non-travel magazines, print advertisements, newspaper articles and travel guides/books rank among the top ten information sources in at least eight of the 12 markets. Print media are particularly effective in Mexico, where travel magazine articles, non-travel magazine articles and magazine/newspaper ads out-perform any other market in terms of both absolute ratings and relative rankings. Newspaper articles, on the other hand, have a notable efficacy in the domestic market (again topping all other markets in terms of its penetration and ranking).
- Korea emerges as the market that is most receptive to online marketing, with travel blogs and travel websites both ranking among the top five sources, and online advertising and photo/video sharing websites both positioned higher than in any other market. Social networking and photo/video sharing also merit consideration for marketing initiatives in China, with higher than average ratings and rankings. On the other hand, email newsletters/promotions typically perform best in the domestic market (ranked 11<sup>th</sup>), perhaps because of greater relevance and easier targeting.

- France is arguably the market that is least accessible via online marketing, with travel blogs, email newsletters, online ads, photo/video sharing and social networking all positioned relatively poorly vis a vis most other GTW markets.
- Other notable results are highlighted below:
  - Television is an excellent way to reach Chinese travellers, with travel shows, news shows and entertainment shows all placing among the top five information sources in terms of visibility. News shows are also a good bet for targeting Brazilians (again in the top five).
  - Movies filmed/set in Canada is a good way to enhance the country's image and repute in Germany and India, placing among the top five information sources in both cases. In fact, Canada might consider following in the footsteps of Switzerland Tourism, which has met with mainstream success in India by encouraging Bollywood film productions to use the country as film locations.
  - With China being a new market of relatively cautious travellers, and ADS group travel being regulated and booked through travel agencies, it isn't surprising to find that travel agents emerge as a top five source in this market.
  - Japanese travellers are still fairly traditional in their preference for travel guides and books (with Japan being the only market where this is a top three information source).

## Conclusions and Considerations

- The focus of the Summary Report is on broader conclusions across the GTW markets as a whole. Detailed conclusions and considerations for individual markets are contained in the individual reports.
- 2011 saw mixed results in the CTC's core markets, triggered by economic uncertainties such as the sluggish US recovery early in the year and the intensification of the Eurozone crisis as the year wore on. Exchange rate fluctuations, soaring inflation and high unemployment also affected long-haul travel sentiments in many GTW markets, in some cases prompting travellers to seek out closer and/or more economical destinations (e.g., Korea, Japan).
- In terms of actual visitation, Canada generally fared best in the newer and emerging markets (e.g., China, Mexico, Brazil and India), with arrivals growth in excess of 9%. China was by far the best performing market in 2011, with a 25% surge in visits to Canada's shores, spurred largely by the recent opening of the destination to group travel under ADS.
- Of the more traditional markets, France and Australia were the best performers in 2011, with an underlying long-haul travel boom yielding reasonable growth levels of 4% to 5% despite qualms about the economy. In all of the other mature markets, Canada suffered losses, faring worst in Japan where the triple disaster took its toll. These results point to the new, emerging and boom markets as the key to sustaining Canada's revenues from tourism, at least until the travel climate regains its momentum.
- The GTW market outlook indicator also points to a more buoyant travel environment in the new, emerging and boom markets (e.g., Brazil, Korea, China and France) and to a more subdued one in the mature markets (e.g., Japan, the UK and Germany). Regardless of the absolute scores, this measure is on the mend across all markets after bottoming out in response to the global financial crisis and recession in 2009. In fact, France, Australia and Germany have already regained their former highs, with the recovery also going strong in Mexico and Korea.
- With disposable incomes being increasingly taxed and travel costs steepening around the world, affordability continues to be the foremost barrier for long-haul travel across most markets. The struggling economy is also a material roadblock across the board, but in Mexico and the US most of all. On the bright side, the preference for shorter trips and closer destinations that has prevailed in the past is fading in some markets, signalling a partial recovery and/or pent-up demand for long-haul travel. In addition, unfavourable exchange rates has also waned as an obstacle in many of the non-US markets, with most of the major GTW currencies having strengthened against the US dollar since 2010.
- Canada's performance on the **KPI results** is fairly consistent across the various markets. Not surprisingly, the domestic market tops all others, posting solid unaided awareness, consideration, interest and likelihood (top box) scores. And, as the top two international

markets on all of these measures, Mexico and France are also success stories for Canada, with the stellar showing on the KPIs no doubt contributing to their standing as the top two non-BRIC markets in terms of growth in overnight arrivals. Canada typically records the poorest KPI scores in China, Brazil, India and Japan, with Korea also stumbling on consideration and intensity of interest. Not only are the absolute scores in the doldrums, but Canada's competitive position is singularly unimpressive, ranking 4<sup>th</sup> to 8<sup>th</sup> among competitors on most indicators. In Japan, the current consumer cautiousness and focus on nearby Asian destinations will likely make it tough for Canada to make any real headway in the near-term. However, as a path for future growth, the new/emerging markets are worthy of a push, with aggressive awareness building called for to improve Canada's presence and establish it as a serious contender among these much sought-after travellers.

- Somewhat worrisome is the fact that Canada is now less prevalent on the radars of potential travellers, with a prevailing downward trend on destination consideration over the last few years, and several core markets hitting record lows. Although there are some signs of a turnaround, Canada will need to up the ante to adequately compete with heavy hitters like the US, which eclipses it on unaided awareness and consideration in virtually all markets, including the domestic one. To this end, marketing initiatives might focus on improving Canada's visibility, building its excitement value and enhancing its overall cachet as a tourism destination.
- Strong advertising campaigns no doubt contributed materially to Canada's successes in Mexico, France and Australia in 2011. At close to 60%, total advertising recall in Mexico topped that of the domestic market, with a strong reach in Australia and France as well (i.e., over 30%). In all three markets, advertising awareness for Canada was second only to the US on an unaided basis.
- In the absence of a CTC domestic campaign in 2011, awareness of travel-related advertising for Canada suffered badly, tumbling by a steep 10 ppt on both the unaided and total measures. In terms of unprompted recall, Canada now ranks fourth behind the US, Mexico and Cuba, compared to its previous positioning at the head of the pack. Canada continues to struggle to make itself heard in the Asian markets, with total penetration rates of 20% or less. Although these results are forgivable in India and China, where the CTC has only recently begun to mount consumer campaigns, the postings in Japan and Korea are disappointing. While there were extenuating circumstances in Japan this year, awareness of Canada's advertising has been dropping since 2008, pointing to fundamental issues with its marketing approach. In Korea, Canada's initiatives may have been hampered to some extent by the current market focus on Asian destinations, making the CTC's campaigns less salient to travellers. Both markets may warrant a different line of attack if Canada wants to improve its standing in the advertising sweepstakes and encourage stronger visitor flows in the future.
- Robust **perceptions of Canada's** brand image and value as a vacation destination clearly factor into its strong showing on the KPIs and healthy visitor growth in Mexico and France. Canada has the best standing in Mexico, by far, topping all other markets on both the Brand Perceptions and the Value Perceptions, and claiming a top three rank on the Price Perceptions. Canada also benefits from largely favourable impressions in France and Germany, although the

CTC may want to focus on improving perceptions of cost in these traditionally price-sensitive markets.

- Canada generally wins strong ratings from Chinese and Indian travellers as well, with notably healthy value and cost perceptions, however, results may be somewhat overstated. And although Canada performs reasonably well on home turf, the lack of stand-out ratings is symptomatic of domestic travel's ho-hum image among Canadians.
- At the other end of the spectrum is Japan, where Canada's dismal showing on all three indices is one of the underlying reasons behind the fragile KPIs in this market and the plummeting visitation levels over the last decade. Korea and the US are also trouble spots for Canada. While Korea ranks among the three poorest markets on all three indices, the US is rescued from the same fate by strong impressions of affordability, an advantage that Canada should press at every opportunity.
- Across its core markets, Canada continues to be seen as a destination that encompasses incredible natural wonders and landmarks, with authentic and personal travel experiences that drive emotional engagement. However, in most markets, the culture and people aspects of the brand elicit tepid perceptions that have not improved materially over the duration of the GTW study. An enhanced marketing focus on Canada's unique character, history, lifestyles, cultures and communities would better convey the heart and soul of the destination to international travellers and result in more balanced brand perceptions globally.
- In fact, France and Mexico are living proof that a more well-rounded image can help to drive success in the marketplace for Canada. Not only are views of the brand more balanced in these markets, but they are more closely aligned to Canada's desired brand personality traits, particularly in terms of acceptance of the more dynamic characteristics (e.g., Confident, Intriguing, Youthful and Witty). A focus on conveying fun, energy and excitement would help the newer brand traits to take root in the other GTW markets and significantly ratchet up Canada's brand image in a highly positive way.
- The recent and protracted economic uncertainties in most of Canada's core markets have given way to a new breed of travellers that have value, quality and service embedded in their psyche. Although an overarching upward trend is a promising sign, the Value Perceptions remain well under the Brand Perceptions in virtually every market, pointing to the bolstering of value perceptions as a key priority for the CTC. Broadly speaking, Quality is the attribute that is in most need of attention, so the CTC may want to focus on promoting premier travel products, prestigious events and one-of-a-kind experiences, while delivering messages of best-in-class quality.
- Outside of the US and Mexico, Canada tends to be viewed as an expensive vacation spot, substantially weakening its overall brand health. This is particularly worrisome at a time when travellers around the world are showing restraint in their travel budgets. In fact, in many markets, less affluent travellers who had put their long-haul travel plans on hold during the recession have not yet returned to the fold. As such, managing cost perceptions, promoting short-stay and budget offerings and delivering compelling value for money messages continue to be of critical importance for Canada. In addition, a focus on more upscale travellers might be

prudent in emerging markets and in those markets where budget-conscious travellers have retreated to closer destinations (e.g., Korea, Japan).

- Underscoring the cost issues is the fact that affordability is one of the top three disincentives for travel to Canada in all but one of its core markets. In addition, no reason to go and the perceived lack of things to see and do are secondary roadblocks, again emphasizing the need for Canada to step up awareness-building efforts, heighten knowledge of travel specifics and deliver compelling reasons to visit (e.g., one-time events, once-in-lifetime experiences and quintessentially Canadian offerings).
- In terms of **product preferences and potential**, travellers in the newer/emerging markets (e.g., China, Korea, India and Mexico) are relatively inexperienced and want to see and do everything on their long-haul trips, indicating that varied and well-packed itineraries are bound to appeal. The opposite is true in the mature markets (e.g., the UK, Japan and Canada) making them excellent targets for specialty vacations in Canada and “deep” or immersive experiences.
- Not surprisingly, Canadians tend to hold domestic travel products in the highest esteem, with Canada trumping all other competitors on more than half of the products tested in the survey. Canada is also well-positioned in France and Australia, with the buoyant perceptions no doubt doing their part to drive the strong visitor numbers from these markets.
- Competition from other destinations is arguably the greatest roadblock to market growth for Canada. While Canada has clear competitive strengths on nature and outdoor offerings in most markets, its product portfolio is perceived as being largely one-dimensional, with few real strengths beyond this. Travellers in virtually all markets seek a duality of nature and culture when they travel, and other destinations are seen as far better in delivering on the cultural aspects. Cities are also a shared passion across most GTW markets, and, outside of Europe, Canada again fails to measure up. The keynote message that Canada has more to offer than scenic views and ski vacations should probably be an integral part of its advertising campaigns in every market.
- To sum up, the GTW results suggest that the CTC may want to focus on the new/emerging/boom markets (i.e., China, Mexico, Korea, Brazil, India, France and Australia), as they are the linchpins of future growth. However, competition from better known and/or more economical destinations is fierce, and more aggressive marketing will be necessary to cut through the noise and build interest and immediacy. In the mature markets, the CTC may need to consider innovative and/or radical new approaches to get its brand and product diversity messages across to travellers and renew interest from these largely stagnant or decaying markets.