Canadian Tourism Commission
Commission canadienne du tourisme

Global Tourism Watch – Year 1

France - Key Findings

Canadian Tourism Commission (CTC)

Canada

www.canada.travel

Table of Contents

introduction

Background

The shocks of 2001 and 2003 were strong reminders for the tourism industry regarding the speed of which consumer perceptions and decision-making processes can change based on a single event.

While there has not been a major shock to the tourism industry since 2004, a myriad of technological, social, environmental, and policy changes have occurred, affecting consumer perceptions, attitudes, motivations and travel intentions. Such changes include:

- Escalation of social media websites and their popularity across many age groups;
- Desire for healthier and more sustainable lifestyles;
- Climate change and related advocacy efforts by high-profile personalities; and
- Entry rules such as the Western Hemisphere Travel Initiative (WHTI).

To stay on top of and to adjust to the changes that are occurring, an annual research monitor was initiated to keep a pulse on consumer changes in eight of CTC's key markets.

Objectives

In 2007, the Canadian Tourism Commission, in conjunction with a partnership group that included Ontario, British Columbia, Manitoba, the Atlantic and the North regions, engaged Harris/Decima to conduct the Global Tourism Watch (GTW) tracking research. The program was implemented in eight global markets – the US, Mexico, the UK, France, Germany, Australia, Japan and South Korea .

The research objectives are to collect market intelligence (across all markets in a consistent way) related to four over-arching themes:

- Monitoring key performance indicators;
- Tracking response to Brand Canada;
- Identifying and tracking product opportunities; and
- Providing input into marketing activities and strategic plans.

Methodology

The target population for the survey consisted of residents, aged 18 and older, who have taken a long-haul 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.

A total of 1,537 French respondents completed the online survey. A quota was set to reach n=300 past travellers to Canada. Fieldwork was conducted in November 2007.

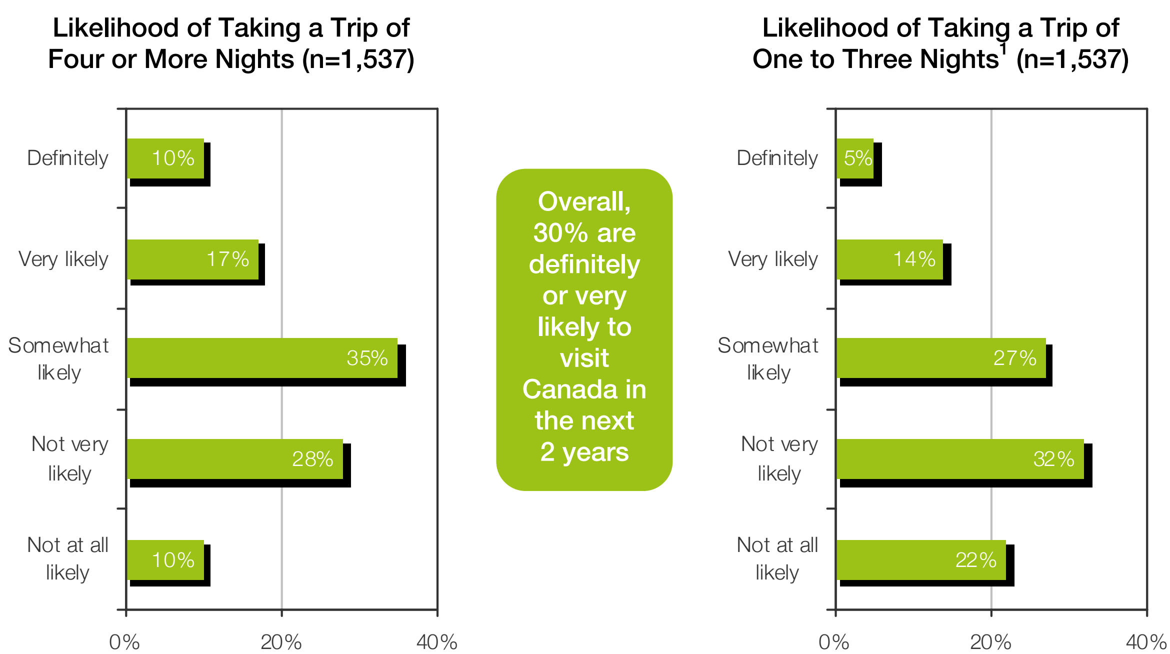
The online survey sample was weighted by region, age and gender to align it with the long-haul traveller population in each market based on data collected through a random telephone Omnibus (n=2,000).

what is the outlook for travel to canada and the regions in the next 2 years?

Likelihood of Visiting Canada

The likelihood of visiting Canada in the next two years was assessed for both shorter stays of one to three nights and longer stays of four or more nights (see Exhibit 1) The exhibit shows that 27% of French travellers say they are definitely or very likely to take a trip of four or more nights to Canada in the next two years, and about 19% say they are thinking about a shorter trip of between one and three nights. In total, 30% are likely to visit Canada in the near-term, which is the highest of the three European markets (but about average overall).

Exhibit 1– Likelihood of Visiting Canada in the next 2 years



Base: Long-haul pleasure travellers.

Note: [1] Including trips to other countries (e.g. the US) that involve a stay of one to three nights in Canada.

Size of the Potential Market to Canada

Exhibit 2 provides an estimate of the size of the potential market for Canada in two ways. The target market is a broader estimate of the market size based on expressed interest among French travellers, more specifically those very or somewhat interested in visiting Canada in the next two years. This yields a target market of more than 11.5 million travellers with some level of interest in Canada, and makes France the third largest overseas GTW market, after the UK and Japan.

The immediate market is a more conservative estimate based on those who say they will definitely or are very likely to visit Canada in the next two years. This translates into about 4.5 million travellers with immediate potential for conversion. Notably, the immediate market ranks second in terms of size, right behind the UK. This confirms that the French market is well-primed and that a more aggressive focus on conversion may pay off for Canada.

Exhibit 2 – Size of the potential market to Canada (next 2 years)

	Size of Potential Market to Canada
Total potential long-haul pleasure travellers (aged 18 plus)	15,177,000
Target Market for Canada	
Very/somewhat interested in visiting Canada in the next 2 years	76%
Size of the target market	11,535,000
Potential Market for Canada	
Will definitely/very likely visit Canada in the next 2 years	30%
Size of the potential market	4,553,000

Base: Long-haul pleasure travellers (n=1,537

Canadian Destinations Likely to Visit

Québec is the leading destination of interest among French travellers likely to visit Canada, with virtually universal interest in the province at 95%. Ontario also has widespread appeal (at 84%), although, notably France is the only market studied that it is not at the top of the popularity list, being trumped by Québec. British Columbia (at 67%) is also a popular region, although again there is less interest in British Columbia among French travellers when compared to other GTW markets.

French travellers show a relatively high degree of interest in the Atlantic region (50%), likely drawn by historical ties, Acadian culture and the large French-speaking populations there. Interestingly, Newfoundland – and Saint John's in particular – emerge as the must-see destinations in the region.

Interest in the North, Alberta and the Prairies is far lower, falling in the range of 25% to 30%.

Exhibit 3 shows the interest and market potential for each of the CTC partner regions.

With respect to specific cities, over three-quarters who say they are likely to visit Niagara Falls, this popular vacation spot while in Canada.

While Ontario is more popular than British Columbia overall, interest in Vancouver (close to 60%) is much higher than it is for Toronto (close to 50%). However, helping to drive the Ontario total upward, is a relatively high interest in Ottawa (almost 40%), perhaps driven by the city's proximity to Québec, as well as its large French-speaking population.

Exhibit 3: Destination Interest and Market Potential for the Regions[1]

<table>
<tr><th></th><th>BC</th><th>MB</th><th>ON</th><th>ATL</th><th>North</th></tr>
<tr><td>Likely to visit region</td><td>67%</td><td>21%</td><td>84%</td><td>50%</td><td>30%</td></tr>
<tr><td>Size of potential market for the regions*</td><td>3,051,000</td><td>956,000</td><td>3,825,000</td><td>2,277,000</td><td>1,366,000</td></tr>
<tr><td rowspan="3">Most popular destinations within region</td><td>Vancouver (58%)</td><td rowspan="3">n/a</td><td>Niagara Falls (78%)</td><td>St. John's, NFLD (32%)</td><td>NWT (18%)</td></tr>
<tr><td>Victoria (25%)</td><td>Toronto (48%)</td><td>Halifax NS (21%)</td><td>Yukon (17%)</td></tr>
<tr><td>Whistler (2%)</td><td>Ottawa (38%)</td><td>Charlottetown (15%)</td><td>Nunavut (13%)</td></tr>
</table>

[1] Of CTC partner regions.

what is awareness of canada?

Unaided Performance Indicators

The Global Tourism Watch measured three unaided (or top-of-mind) indicators[2] – unaided awareness of Canada, unaided awareness of Canadian travel advertising, and unaided destination consideration.

In terms of unaided destination awareness, Canada ranked third, with 25% of long-haul respondents mentioning Canada as a destination which comes to mind for a long-haul vacation.

For top-of-mind Canadian travel advertising, Canada ranked 2nd, with 8% of long-haul respondents mentioning that they had seen or heard Canadian advertising relating to travel or holidays within three months of the survey.

Regarding unaided destination consideration, Canada ranked 2nd, with 16% of long-haul respondents mentioning that they are seriously considering Canada and Canadian destinations for their holiday trips in the next 2 years.

[2] All results include Canadian sub-destinations.

what do recent and potential visitors from france look like?

Target Market for Canada

Exhibit 4 provides demographic profiles of recent French travellers to Canada and travellers interested in visiting Canada. The results show that demographically, potential travellers are in a good socio-economic position to support long-haul travel. Over 60% have post-secondary education, close to 60% hold middle to senior positions in the workforce, and roughly 30% have annual household incomes in excess of 65,800 CDN per year. However, it should be noted that these income levels are fairly low by North American standards (only 15% earn over $80,000 per year), which may explain why they perceive Canada as being expensive.

Recent visitors to Canada stand out from both potential travellers in that they tend to be older (almost half are 45 or older), better educated and considerably more affluent (25% with annual incomes of $80,000 or more). They are also far more likely to have friends and relatives living in Canada (40%). While interest in Canada is fairly broad, these results suggest that it is older and more upscale travellers who know people in Canada that actually end up making the trip.

Target Market for Canada's Regions

Exhibit 5 shows the demographic profile of travellers who are likely to visit Canada (or are considering a trip there) in the near-term, as well as those who plan to visit each of the regions (only GTW regional partners are included). The profiles for Ontario and British Columbia are based on those who say they are most likely to visit the region, while the other profiles are based on those who express an interest in visiting the region (as hardly anyone said they are most likely to visit these regions).

There are very few meaningful significant differences between the groups. The exceptions are for British Columbia and Manitoba. Those likely to visit British Columbia are more likely to have friends and relatives there, and are generally higher income (50% with an income of 42,000 euro or more), without young children at home. There may be some perceptual issues for British Columbia with respect to distance and/or cost that makes VFR more necessary as a lure, and dissuades those with children or lower incomes from making the trip. For Manitoba, interested travellers tend to skew older (almost half are 55 plus), and they also tend to be on the more affluent side.

Exhibit 4 – Target market demographics for Canada

Gender	Recent Travellers to Canada (n=310)	Interested in Canada (n=662)
Female	48%	47%
Age		
18 to 24	9%	15%
25 to 34	20%	26%
35 to 44	22%	24%
45 to 54	18%	12%
55 or older	31%	24%
Close Friends or Relatives Living in Canada		
Yes	40%	31%
Have Children in Household Under 18		
Yes	33%	38%
Marital Status		
Married / partnered	70%	68%
Single / never married	20%	24%
Other (e.g. separated, divorced, widowed)	10%	8%
Education		
High school or less	14%	26%
Technical / vocational	11%	8%
Completed college / university	69%	62%
Employment Status		
Employed full-time/part-time	65%	67%
Housewife / homemaker	4%	4%
Retired	15%	10%
Unemployed	3%	4%
Student	6%	10%
Occupation		
Self-employed / Business owner	14%	12%
Professor / Scientific professional	5%	5%
Manager / High-level professional	30%	27%
Middle-level professional	17%	14%
Salaried employees	23%	31%
Service employees / workers	2%	4%
Other	9%	8%
Average Monthly Household Income		
Less than 1,500 Euro	10%	16%
1,500 to under 2,500 Euro	20%	27%
2,500 to under 3,500 Euro	30%	28%
3,500 to under 4,500 Euro	15%	15%
4,500 Euro or more	25%	14%

Exhibit 5 – Target market for Canada's regions

	TOTAL (n=1,011)[1]	BC[3] (n=70)4	MB[2] (n=191)	ON[3] (n=316)	ATL[2] (n=496)	North[2] (n=286)
Gender						
Female	44%	41%	47%	52%	46%	42%
Age						
18 to 24	12%	7%	7%	14%	10%	10%
25 to 34	26%	34%	15%	27%	21%	18%
35 to 44	21%	11%	19%	23%	24%	22%
45 to 54	12%	14%	11%	10%	12%	11%
55 or older	28%	33%	48%	27%	32%	38%
Close Friends or Relatives Living in Canada						
Yes	28%	41%	30%	28%	31%	32%
Have Children in Household Under 18						
Yes	34%	19%	28%	37%	34%	30%
Marital Status						
Married / partnered	69%	72%	72%	72%	68%	68%
Single / never married	22%	18%	17%	20%	23%	21%
Other	9%	10%	11%	8%	10%	11%
Education						
High school or less	23%	29%	23%	20%	26%	26%
Technical / vocational	10%	2%	9%	14%	12%	10%
Completed college / university	64%	65%	64%	63%	59%	61%
Employment Status						
Employed full-time/part-time	65%	63%	56%	59%	62%	63%
Housewife / homemaker	4%	<1%	3%	6%	5%	4%
Retired	14%	25%	25%	19%	16%	17%
Unemployed	4%	1%	5%	2%	4%	2%
Student	8%	9%	5%	9%	6%	7%
Occupation						
Self-employed / Business owner	11%	10%	20%	10%	11%	12%
Professor / Scientific professional	4%	2%	3%	4%	4%	4%
Manager / High-level professional	33%	40%	32%	28%	30%	33%
Middle-level professional	12%	12%	11%	12%	12%	10%
Salaried employees	27%	22%	20%	30%	28%	26%
Service employees / workers	4%	6%	4%	7%	5%	5%
Other	9%	8%	10%	10%	9%	9%
Average Monthly Household Income						
Less than 1,500 Euro	14%	5%	11%	16%	15%	16%
1,500 to under 2,500 Euro	25%	26%	19%	25%	27%	25%
2,500 to under 3,500 Euro	32%	20%	32%	37%	32%	34%
3,500 to under 4,500 Euro	15%	23%	18%	10%	13%	15%
4,500 Euro or more	15%	27%	20%	12%	12%	10%

Notes:

[1] *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.*

[2] *Those likely to visit the region.*

[3] *Those most likely to visit the region.*

[4] *Results should be interpreted with caution due to the small sample size.*

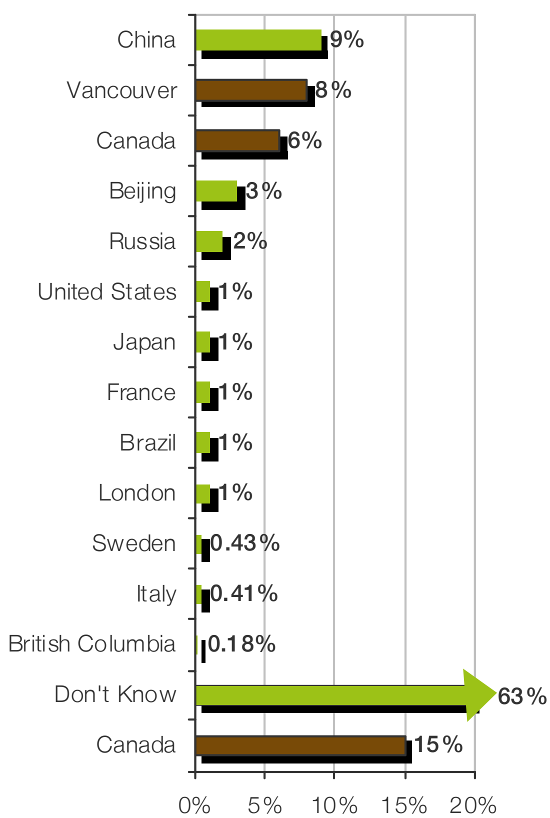
what is the impact of the 2010 Olympic Games on travel to canada?

Exhibit 6 shows that, in total, 15% correctly identify Canada as the host of the 2010 Winter Olympic and Paralympic Games, mentioning Vancouver, Canada, or to a lesser extent, British Columbia. However, there is obviously some confusion around the host cities as almost as many people mention Beijing/China (12%), the host of the 2008 Summer Olympics.

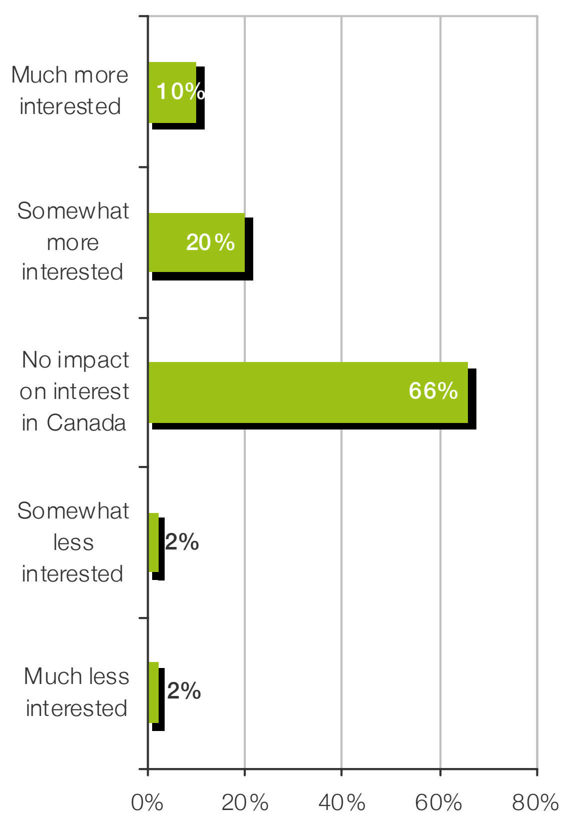
While the vast majority say that hosting the Olympics has no impact on their interest in visiting Canada, 30% say that it has enhanced their desire to visit the country, which is significantly higher than in the UK or Germany. Moreover, interest will likely continue to heat up as the Olympics draw near.

Exhibit 6 – Impact of 2010 Winter Olympics on General Interest in Canada

Unaided Awareness of 2010 Olympics Host Destination (n=1,537)



Impact of 2010 Olympics on Interest in Visiting Canada (n=1,537)



Base: Long-haul pleasure travellers.
Note: [1] Includes all mentions of Canada, British Columbia, Vancouver and Whistler.

what are canada's product strengths and weaknesses?

Canada's Product Strengths and Weaknesses

Exhibit 7 presents a product strengths and weaknesses map for Canada in France. Essentially, this looks at impressions of Canada's product offerings vs. the importance of these products to French travellers on their long-haul trips. The purpose is to identify products of importance to the French market where Canada is perceived favourably or where perceptions are a problem.

General product strengths for Canada are products that are both important in the minds of travellers in planning their long-haul trips and for which Canada is favourably viewed. Unsurprisingly, most of Canada's product strengths in France revolve around nature, including beautiful landscapes, rivers/waterfalls/coastal scenery, national parks/heritage sites and wildlife. Perhaps because of its scenic beauty, touring by car or train is viewed as good way of seeing Canada, although car/train tours are generally less important to French travellers than the other products.

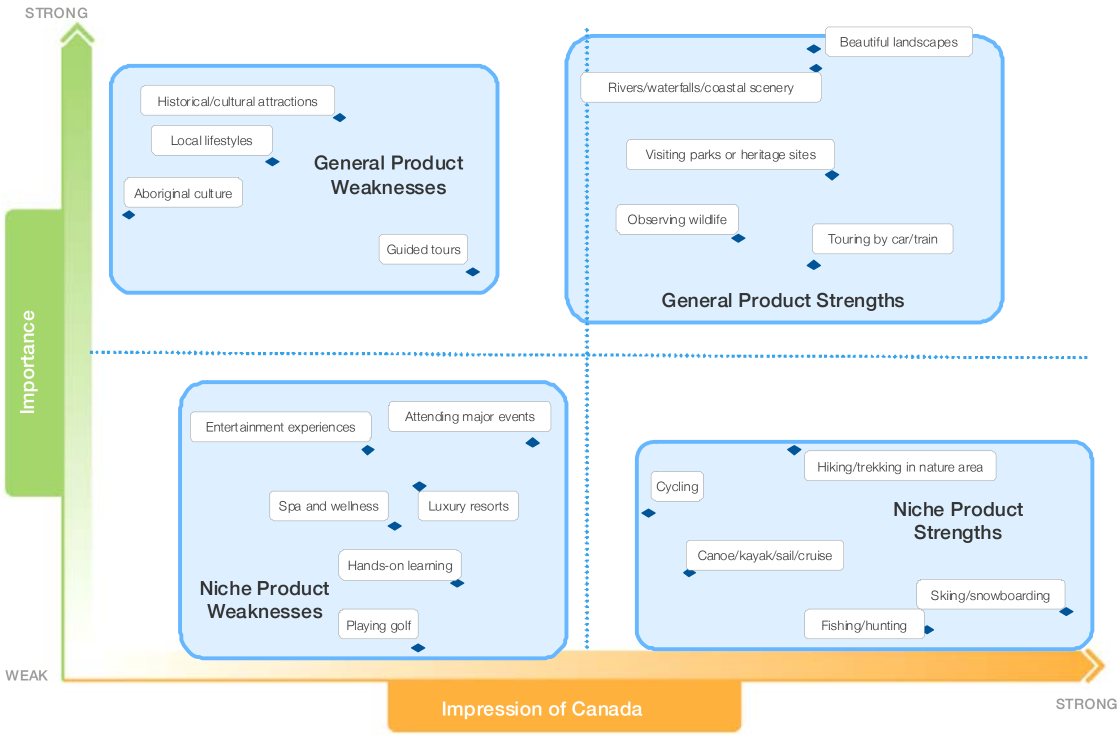
Niche product strengths appeal to smaller groups of French travellers and represent potential niche markets to be developed or targeted. As in the other European markets, these are primarily outdoor activities. Skiing is Canada's obvious strong suit, but may be difficult to develop given the quality skiing available on their home turf (e.g., the Alps). Hiking is in much greater demand and viewed favourably for Canada, pointing to an excellent area for further development.

General product weaknesses are products that are important to travellers, but for which Canada is not favourably rated, pointing to possible issues (perceptual or actual) to be mitigated. Although French travellers have relatively good perceptions of Canada's people and culture, when benchmarked against other products, Canada is still felt to be lacking on the cultural front, with less to offer in the way of cultural attractions, local lifestyles and aboriginal culture. Guided tours are another area where perceptions could stand some improvement.

Niche marketing weaknesses are unfavourably rated activities that appeal to smaller groups of travellers. As such, a considerable investment may be required to improve product perceptions for a lower return.

As in many other markets, Canada is seen to be lacking as a luxury travel destination (e.g., it is weak on entertainment, luxury resorts and spas/wellness). Major events (e.g., exhibitions, festivals and sports) are also felt to be weak, but less so compared to some of the other product weaknesses. The fact that event travel is also a relatively popular niche in France suggests that investments to strengthen this area could pay off in the form of a product strength that is not nature/outdoors oriented. In fact, the 2010 Winter Olympics and associated events provide an ideal opportunity to raise Canada's profile for event travel.

Exhibit 7 – Product Strengths and Weaknesses Map



Base: Long-haul pleasure travellers (n=1,537).

Top-Rated Products for Canada

Decima conducted a competitive exercise that asked respondents to select the best places to visit for a variety of travel products from amongst seven long-haul destinations – Canada, USA, Brazil, China, Dominican Republic, Thailand and Mexico.

As one might expect, each destination has its own set of strengths. Canada's list of strengths is a lengthy one, and as in most GTW markets, revolve almost exclusively around nature and the outdoors. It is seen as the long-haul destination for skiing and fishing/hunting, but also has unique competitive advantages with respect to rivers/waterfalls, scenery/landscapes, hiking/trekking and kayaking/canoeing.

what are french views on environmentally-friendly travel products?

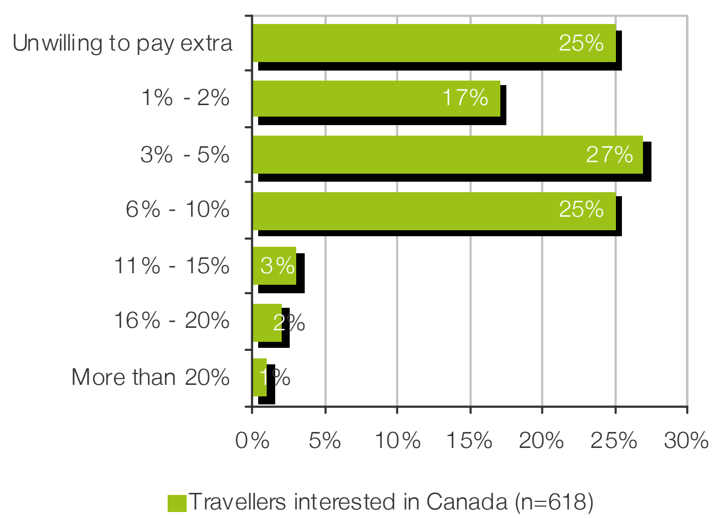
Prompted by growing public awareness of the environmental impact of travel and an increasing focus on responsible tourism in many countries, the GTW survey examined the attitudes of travellers towards eco-friendly tourism and travel products.

Survey results show that French travellers are widely supportive of "tourisme vert" or green travel. There is almost universal agreement that environmentally-friendly travel is important, and at 92%, French travellers emerge as one of the most environmentally-conscious of the CTC's markets studied. Certainly, the French have more of an ecological conscience than their UK or German counterparts, exhibiting stronger agreement (often 15 to 30 percentage points higher) on all items.

Travellers interested in visiting Canada are even more concerned about eco-friendly travel, with higher ratings on all counts. The fact that 88% consider Canada to be an environmentally friendly destination, and two-thirds are swayed by environmental concerns in their destination choices, suggests they would be receptive to messaging and products around a "tourisme vert" theme.

Exhibit 8 shows that three-quarters (73%) of those interested in Canada are willing to pay a premium for environmentally-friendly travel products, most commonly between 3% and 10%.

Exhibit 8 – Willingness to Pay a Premium for Environmentally-Friendly Travel Products



how is canada perceived?

Unaided Brand Personality Perceptions

Brand personality often serves as a good metaphor for understanding travellers' perceptions of a destination. As such, respondents were asked to indicate three personality traits or characteristics that come to mind when they think of Canada as a person. The responses were coded into a number of personality dimensions, each comprised of a group of related personality traits. These included the eight dimensions encompassed by Brand Canada: Authentic, Confident, Informal, Intriguing, Open, Warm, Witty and Youthful, as defined by the CTC.

As shown in Exhibit 9, the personality dimension that French travellers associate most closely with Canada is warm, which is defined by the CTC as being friendly, hospitable, welcoming, warm-hearted, kind, etc. With over 40% describing Canada as warm, there is very strong top of mind association with Canada on this dimension, in fact, one of the strongest across the CTC markets surveyed. Again, this suggests a high degree of emotional engagement with the brand among French travellers, and a strong sense of affection for the people, in particular.

- Although none of the other Brand Canada personality dimensions come anywhere close to "warm," two dimensions were mentioned by 6% to 7% of respondents:
- Authentic (e.g., genuine, sincere, honest, down-to-earth, trustworthy); and
- Open (e.g., accepting, liberal, open-minded, flexible, accessible).

Canada is clearly viewed as a place that is "real," where visitors are made to feel welcome and accepted. To a large extent, however, the three top personality attributes are all carry-overs from Canada's traditional image.

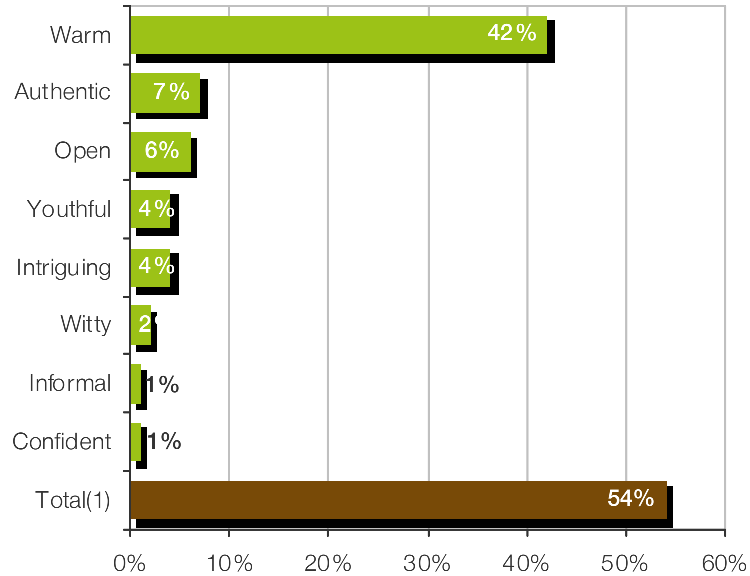
Components of the brand that have lower top of mind awareness (i.e., dimensions mentioned by 4% of travellers or less on an unaided basis) include:

- Youthful (e.g., energetic, lively, young at heart, vigorous, fun, vibrant, peppy);
- Intriguing (e.g., fascinating, interesting, exciting, appealing, engaging);
- Witty (e.g., humorous, quick, entertaining, clever, bright, intelligent);
- Informal (e.g., casual, relaxed, easy-going, laid-back, approachable); and
- Confident (e.g., self-assured, sure, secure, poised, positive).

With the exception of "informal," these attributes are primarily reflective of the new brand, and have yet to fully penetrate the psyche of French travellers.

All told, over 50% of travellers mention one of the eight Brand Canada personality traits, although much of this is driven by mentions of friendly and welcoming.

Exhibit 9 – Unaided Brand Personality Perceptions



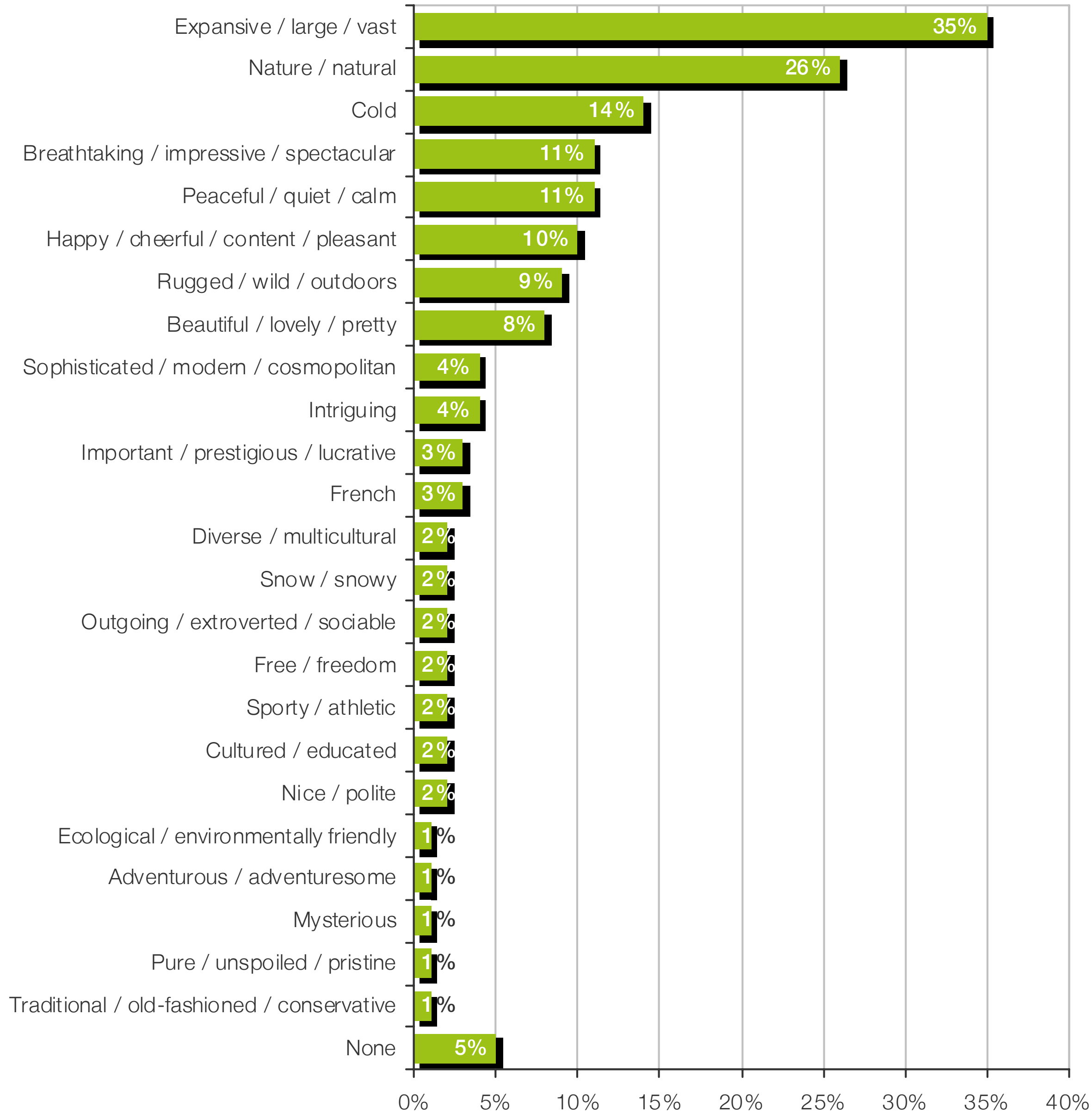
Base: Long-haul pleasure travellers (n=1,537).
Note: [1] Percent who mentioned any of the 8 Brand Canada personality traits (or synonyms thereof).

Exhibit 10 shows other personality traits that are associated with Canada in the French market. While none rates as highly as warm (at 42%), Canada's geographic strengths are clearly strong associations with the brand, as over a third describe the country as "expansive/large/vast," and about a quarter make general references to "nature/natural." Allusions to Canada's natural offerings are also present in the widespread references to "breathtaking/impressive/spectacular" (11%), "rugged/wild/outdoors" (9%) and "beautiful/lovely/ pretty" (8%), as well as lesser mentions of "pure/unspoiled/pristine" and "ecological/ environmentally-friendly."

Also top of mind are perceptions of Canada as a cold country. With "cold" mentioned by 14%, and "snow/snowy" by an additional 2%, winter emerges as a strong association with Canada in this market. This is consistent with recent focus groups conducted in France by Harris/Decima, where many travellers described Canada as being covered in ice and snow.

Rounding out the top five mentions is "peaceful/quiet/calm" (at 11%), indicating that Canada is seen as a relaxing and tranquil place to visit. The fact that the top five attributes all relate to Canada's traditional brand attributes suggests that the old image is still very much in evidence. However, mentions of "sophisticated/modern/ cosmopolitan" and "outgoing/extroverted" further down the list suggests that Canada's new image has at least started to imprint itself on the marketplace. Cultural associations also dot the lower part of the list, with mentions of "French," "diverse/multicultural" and "cultured/educated" at between 2% and 4%.

Exhibit 10– Unaided Brand Personality Perception – other mentions



Base: Long-haul pleasure travellers (n=1,537).

There are several unique traits that are more prominently mentioned by French travellers than by those in other GTW markets:

- "Happy/cheerful/pleasant" is mentioned by 10%, and obviously ties into perceptions of Canada as a warm and friendly place.
- "Important/prestigious/lucrative" (3%) implies that Canada is seen as a highly desirable vacation spot or perhaps even a bit of a status symbol when it comes to travel, albeit one that is on the expensive side.

Value Perceptions

Destination success cannot be measured only by the degree to which the brand has established itself in the marketplace. Even if brand awareness is high, it is important for a destination or brand to be perceived as offering value to travellers. For a destination to have value, it should:

- Have an inherent desirability or appeal;
- Offer high quality experiences and travel products;
- Be relevant to travellers, with the experiences they are specifically looking for; and
- Offer a unique product relative to other destinations.

To assess value perceptions of Canada in France, respondents were asked to rate Canada on four value-related statements that embody each of the above criteria. Exhibit 11 shows that, of the four, Canada performs best on desirability (68%). Although this is one of the highest ratings across the CTC markets studied, one might expect it to be a bit stronger given Canada's standing as the number one dream destination in the French market (as per the Anholt-GMI brands index).

Despite the reasonably healthy desirability rating, only around 60% view Canada as being unique and only around half feel that Canada offers travel experiences that are relevant to them. More alarmingly, only 36% feel that Canada offers a high quality experience that they would pay a little more for. This is not only low in absolute terms, but very low compared to the other GTW markets. This suggests that Canada will need to be cautious in terms of pricing its offers. Although the French are highly interested in Canada as a destination, they are unwilling to pay more for it.

Price Perceptions

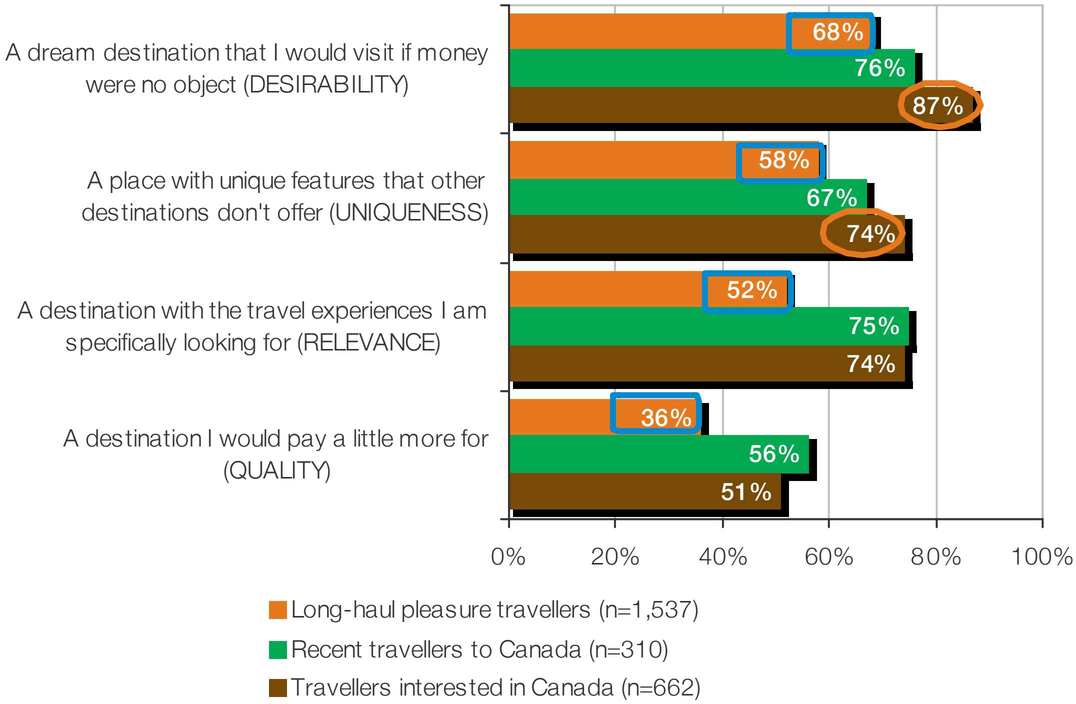
In addition to brand image and destination value, cost obviously plays a major role when it comes to destination decision-making. Exhibit 12 shows how Canada is perceived by French travellers on various travel cost components. The ratings are quite low across the board, ranging from a high of 40% for airfare down to 30% for packages and hotel costs.

Cost perceptions have recently been exacerbated by the strong Canadian dollar, with the euro having declined by 5% against the dollar since last year at this time. Meanwhile, travel prices to many other destinations are falling, reducing Canada's price competitiveness. Given this backdrop, it is not surprising that Canada tends to be viewed as an expensive destination.

Although travellers interested in visiting Canada award somewhat higher ratings than the market as a whole, cost is still a real constraint for this critical segment of potential travellers

Recent visitors tend to have much better cost perceptions, but with ratings in the range of 56% to 62%, price would still be a barrier for those wishing to return.

Exhibit 11 –Value Perceptions



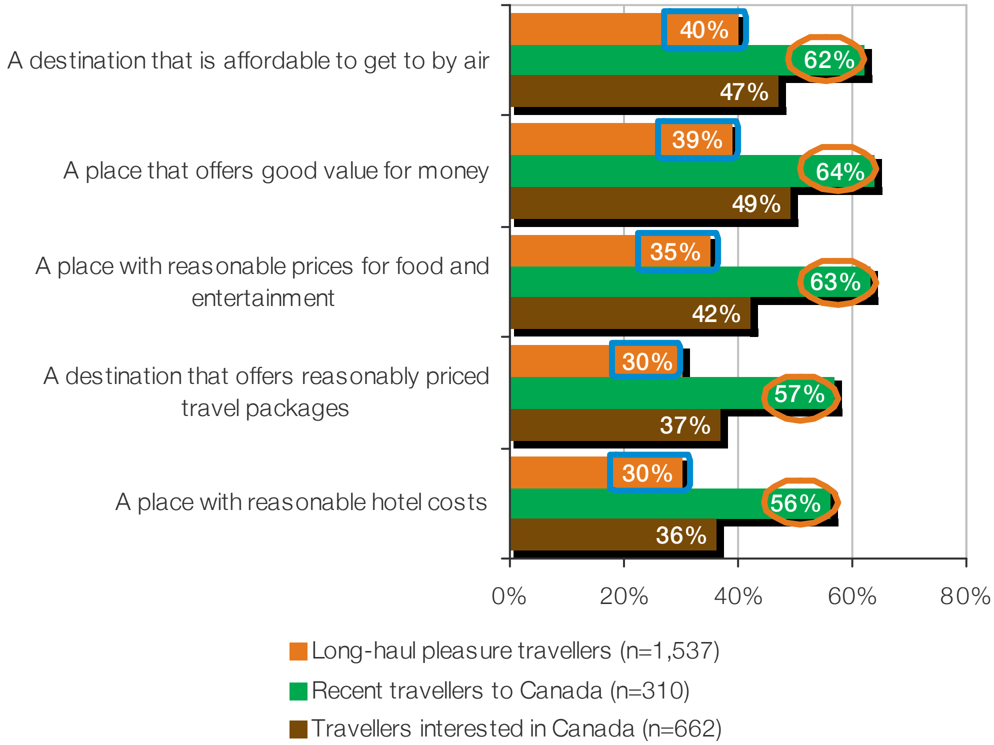
Base: Long-haul pleasure travellers.

*Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale. **Blue squares** indicate a result that is significantly **lower** than another group; **orange circles** indicate a result that is significantly **higher** than another group.*

Recent Travellers to Canada: those who have visited Canada in the past 3 years (pleasure trip, 4 or more nights, 1 or more nights in paid accommodations).

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

Exhibit 12 –Price Perceptions



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale. **Blue squares** *indicate a result that is significantly* ***lower*** *than another group;* **orange circles** *indicate a result that is significantly* ***higher*** *than another group.*

Recent Travellers to Canada: those who have visited Canada in the past 3 years (pleasure trip, 4 or more nights, 1 or more nights in paid accommodations).

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

why do the french visit canada?

Key Motivations for Visiting Canada

Among those likely to visit Canada (or are considering a trip there), landscapes/nature and unique attractions/landmarks (e.g., Niagara Falls) are firmly entrenched as the primary motivations for travelling to Canada, mentioned by 94% and 90%, respectively (see Exhibit 13).

What really stands out in the French market, however, is the degree of interest in getting to know the people, as 86% of likely travellers cite meeting Canadians and Canadian hospitality as a key motivator for visiting the country. This is by far the highest of any CTC GTW market, and dovetails with earlier results that identified warmth and friendliness as key "personality" traits of Canada in the minds of French travellers. It also underscores the strong sense of connection that French travellers have with Canadians and their interest in exploring both the people and culture of Canada.

Around 82% are looking to be challenged by Canada's outdoor adventure experiences, which is again very high and suggests that the majority of likely travellers want to go beyond a passive nature experience. Consistent with the prevailing image of Canada in this market, winter activities and scenery are also among the top motivators for a trip to Canada. In fact, a score of over 80% makes France one of the two top markets that Canada can target for winter travel.

Learning or exploring something new is also a leading motivator in this market, again cited by over 80% of likely travellers to Canada. This suggests that the main thrust of the new brand – Canada as a place for exploration and discovery – will go over well in the French market. Interestingly, they appear to be equally interested in exploring both big cities (75%) and small towns (73%). This is good news for Canada as the transposition of big modern cities alongside quaint towns and villages is one of its unique strengths.

The GTW research has shown that the French are inordinately interested in absorbing the culture and lifestyles of the places that they visit, and Canada is no different. In addition to getting to know Canadians, between 75% and 80% are motivated by visiting historical sites, sampling the flavours of Canada and discovering Canada's unique cultural identity (e.g., Aboriginal and Francophone culture). In fact, the French market is the top market in the study when it comes to these types of motivations.

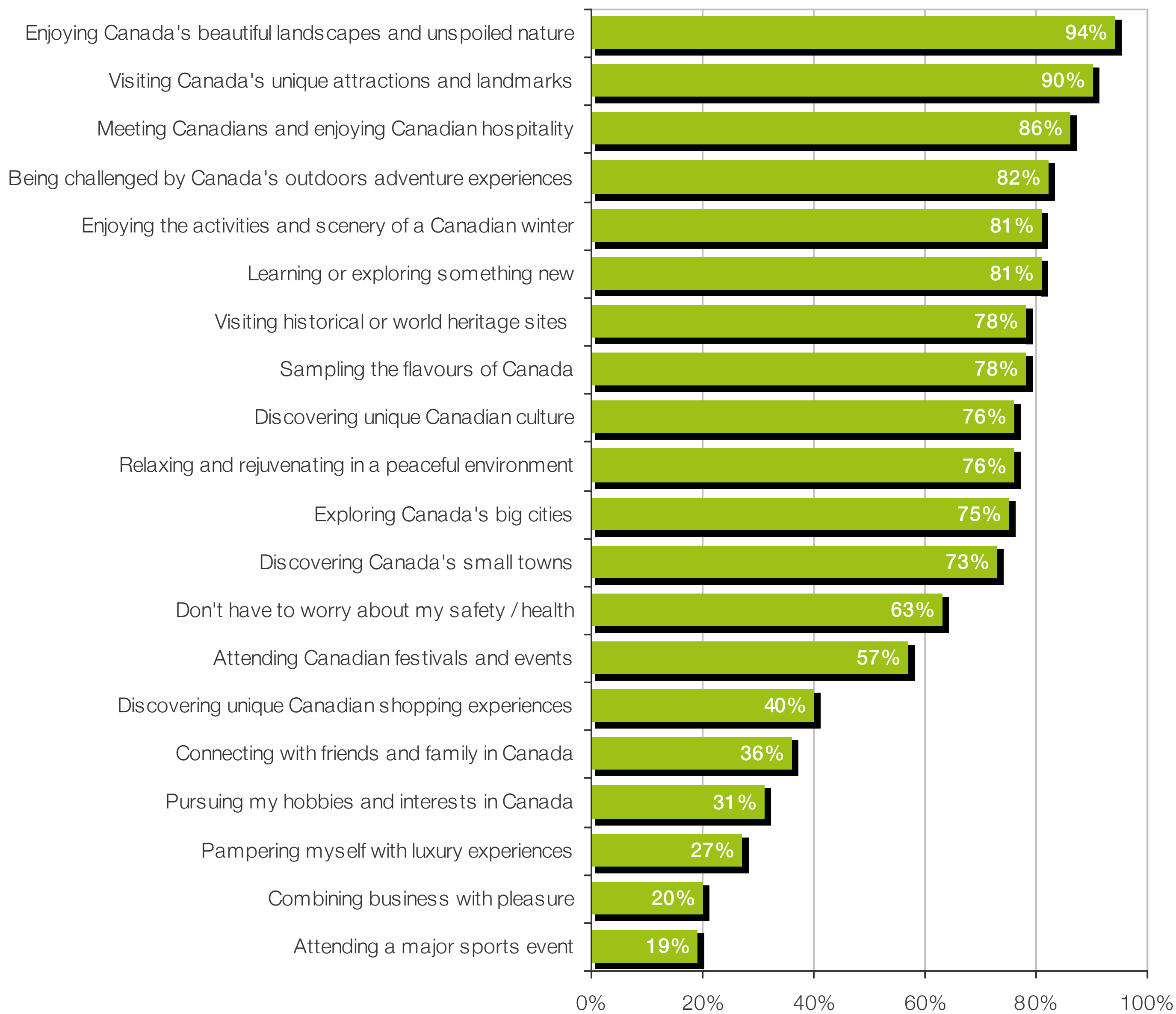
Travellers also want to go to Canada to relax and rejuvenate in a peaceful environment (76%), and experience a worry-free vacation in a place where they don't have to worry about their safety or health (63%). As mentioned, bien-être is becoming more important to French travellers given the social unrest that has swept the country in the last few years (e.g., transportation strikes, street protests, riots, car-burnings). As a result, French travellers are looking to Canada to provide a respite from their day-to-day troubles and environment.

Attending Canadian festivals and events is also a key motivator for close to 60%, which is consistent with previous findings that suggest there are opportunities to enhance Canada's positioning here. Indeed, it would be in Canada's best interest to do so.

Overall, the widespread relevance of most of these motivators suggests that Canada is viewed as a fairly well-rounded destination among French travellers, providing lots of reasons to visit, and offering a diversity of experiences.

Note that there were no meaningful significant differences between the motivations of travellers interested in the various regions of Canada.

Exhibit 13 – Key Motivations for Visiting Canada



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 (n=1,082).

Note: Top 2 Box refers to a rating of 4 or 5 on a 5-point importance scale.

what barriers does canada face in attracting visitors from france?

Barriers for Travel to Canada

Exhibit 14 shows why French long-haul pleasure travellers are unlikely to visit Canada in the near-term. These results are important because, more likely than not, travellers that are likely to visit may have similar concerns that could ultimately lead them to select alternate destinations.

Affordability and expense are by far the most notable barriers for travel to Canada. This isn't particularly surprising given perceptions of Canada as a pricey destination and the degree to which financial concerns are a barrier to long-haul travel in general in this market. In fact, at 87%, cost is more of a barrier for French travellers than for those in most other market studied, including the budget-conscious Germans. The unfavourable exchange rate is a related barrier, mentioned by more than half of travellers, and reinforces cost as an issue for many when deciding not to travel to Canada.

Competition from other destinations is the second most frequently mentioned barrier (at 77%). For both cost and competition, over half cite these as "major" barriers for visiting Canada, indicating that these are deal-breakers.

Perceptions of poor weather are also a barrier for many (close to 60%), although only about a fifth feel this is a major issue. While winter imagery may be appealing to many, not all French travellers want to experience a Canadian winter first-hand. It should be made clear to these travellers that they have the option of travelling in the Spring, Summer or Fall when the weather is perfectly comfortable.

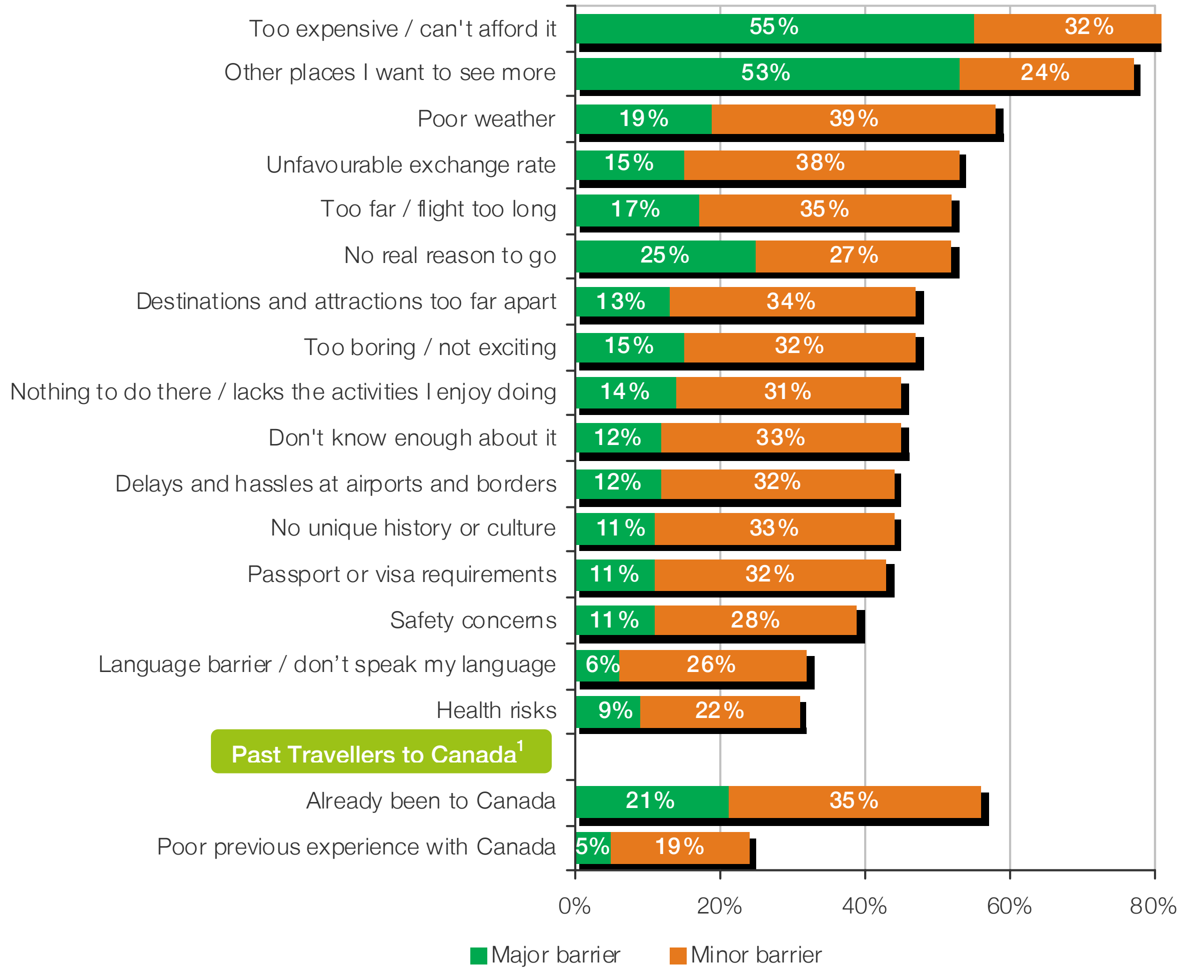
Geographical distances also serve as a barrier to many: either that Canada is too far from France (52%) or that attractions within Canada are too spread out (47%).

The only other issue to be raised by more than half of travellers is that there is no real impetus to go to Canada – in other words, nothing in particular to draw them there. The CTC may want to focus on giving these travellers an immediate reason to go, whether this is a one-time exhibition or event, an exciting must-see attraction, or a best-in-class experience to stir up excitement and emotions.

The perception that Canada is unexciting and boring, with nothing to do there, is more prevalent in France than in the other European markets. This indicates that perhaps more could be done in marketing specific things to see and do in Canada, particularly those that are exciting and relevant to French travellers. Impressions of excitement may also improve as the new brand proliferates.

Among past visitors to Canada who say they are unlikely to return, 56% cite the fact that they have already been there as a reason for not wanting to visit in the near-term, while a quarter (24%) cite poor previous experience with Canada.

Exhibit 14 – Key Barriers for Visiting Canada



Base: Long-haul pleasure travellers who are unlikely to visit Canada in the near future (n=455).

Notes: [1] Base is long-haul pleasure travellers who have previously visited Canada and are unlikely to re-visit in the near future (n=68). Results should be interpreted with caution due to small sample size.

where do french travellers see or hear information about canada?

Sources of Information on Canada

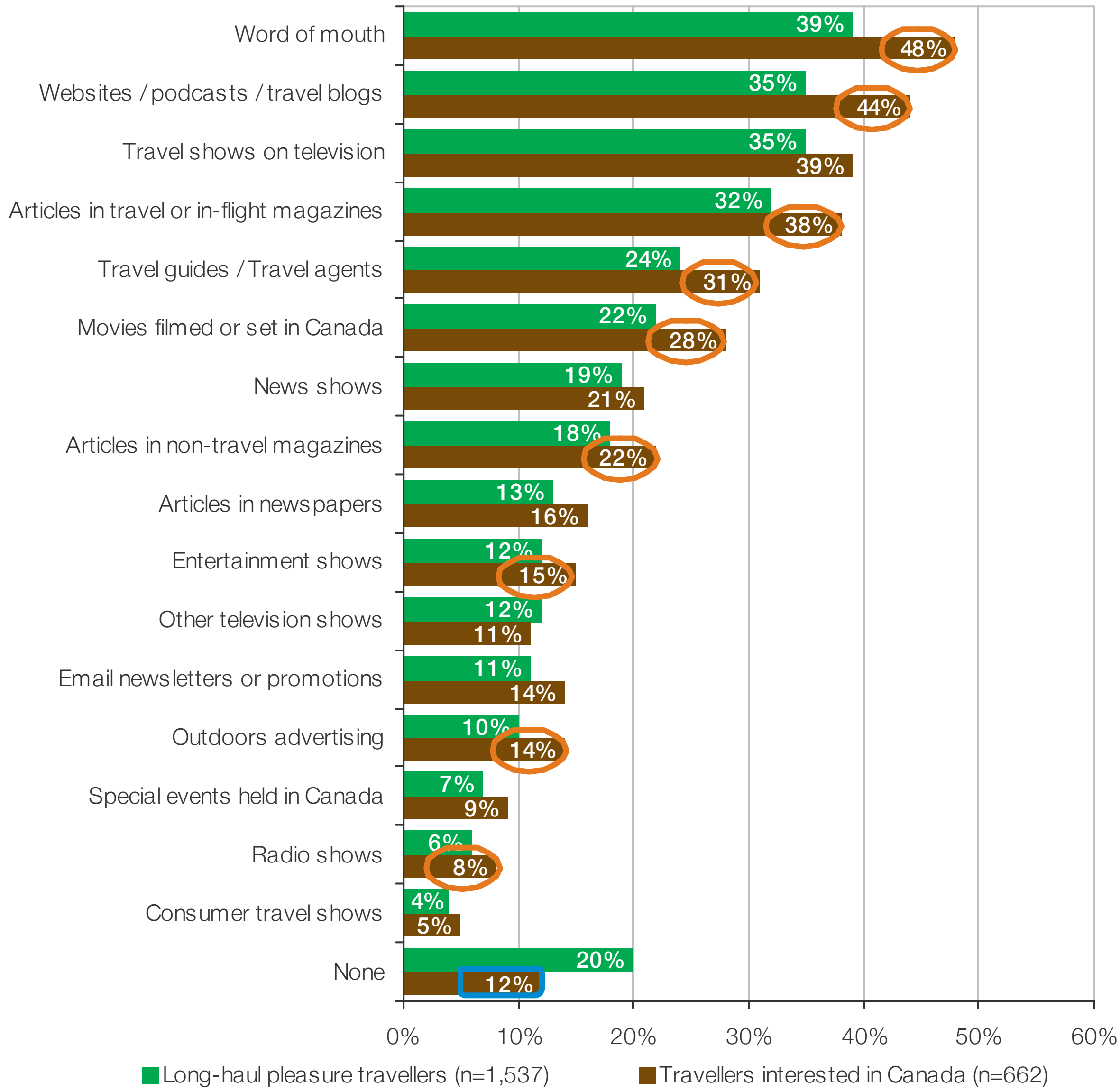
Approximately 80% of all French long-haul pleasure travellers and 88% of potential travellers to Canada recall seeing or hearing information on travel to Canada in the past three months. This is quite high compared to the other European markets, and certainly suggests that Canada has the attention of French travellers.

France represents one of two markets studied where word of mouth is critical for relaying information about Canada, with 40% of French travellers who cite this as a key information source. Aside from personal accounts, Exhibit 15 shows that online media are a leading source of information on Canada, with France being one of the few markets where websites, podcasts, and travel blogs play such a prominent role (35%). The French travel press reports that the Internet has become a highly important tool for researching travel, and that French Internet users are strongly influenced by online advertising and marketing.

Among more traditional media, travel shows on television (at 35%, on par with online media) and articles in travel magazines (32%) are the most prevalent sources of information on Canada. Travel guides/agents are cited by about a quarter of French travellers, while movies, news shows and articles in non-travel magazines are mentioned by around a fifth of long-haul travellers.

These same channels are the best bets for the CTC to reach potential travellers to Canada. In fact, travellers interested in Canada are even more likely to have seen information in these sources – not surprising given the higher salience of the information to them. Online media are an especially good way to reach the potential market, with 44% having seen information on websites, podcasts or travel blogs in the last three months. In fact, online media may be a good way to harness word of mouth (48%), by providing a channel for first-person travel accounts, testimonials, travel recommendations and other user-generated content.

Exhibit 15 – Sources of Information on Canada in the Past 3 months



Base: Long-haul pleasure travellers.

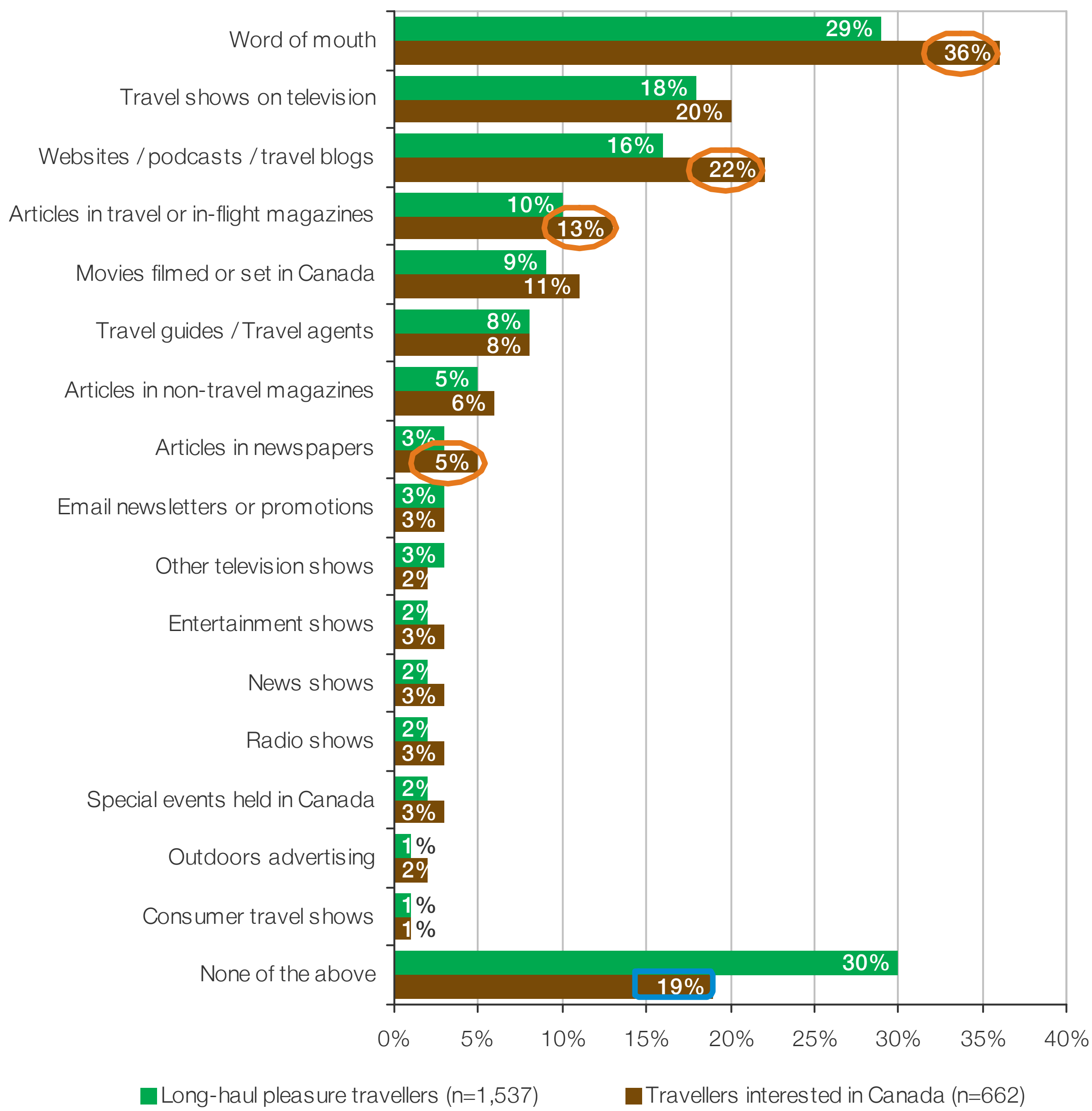
Notes: **Blue squares** *indicate a result that is significantly* ***lower*** *than another group;* **orange circles** *indicate a result that is significantly* ***higher*** *than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

Top Information Sources for Increasing Canada's Appeal

As shown in Exhibit 16 potential travellers to Canada feel that word of mouth is the best way to increase their knowledge on Canada (29%), followed by travel shows on television (18%) and websites/podcasts/travel blogs (16%), articles in travel-related magazines (10%), movies filmed or set in Canada (9%), and travel guides/travel agents (8%).

Exhibit 16 – Top Information Sources for Increasing Canada's Appeal



Base: Long-haul pleasure travellers.

*Notes: Blue squares indicate a result that is significantly **lower** than another group; orange circles indicate a result that is significantly **higher** than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

what icons or images inspire interest in canada?

While the myth of a Canada that is buried under ice and snow might be a deterrent to some, for many French travellers, images of Canada's North and winter climate inspire interest. As Exhibit 17 shows, snow is at the top of the list of Canadian icons, mentioned by 17%. In fact, with caribou, snowmobiles, dog sledding, maple syrup and sleigh rides each mentioned by 3% to 5%, winter imagery abounds among French travellers when thinking about Canada. This is consistent with the focus groups conducted in Paris by Harris/Decima last year.

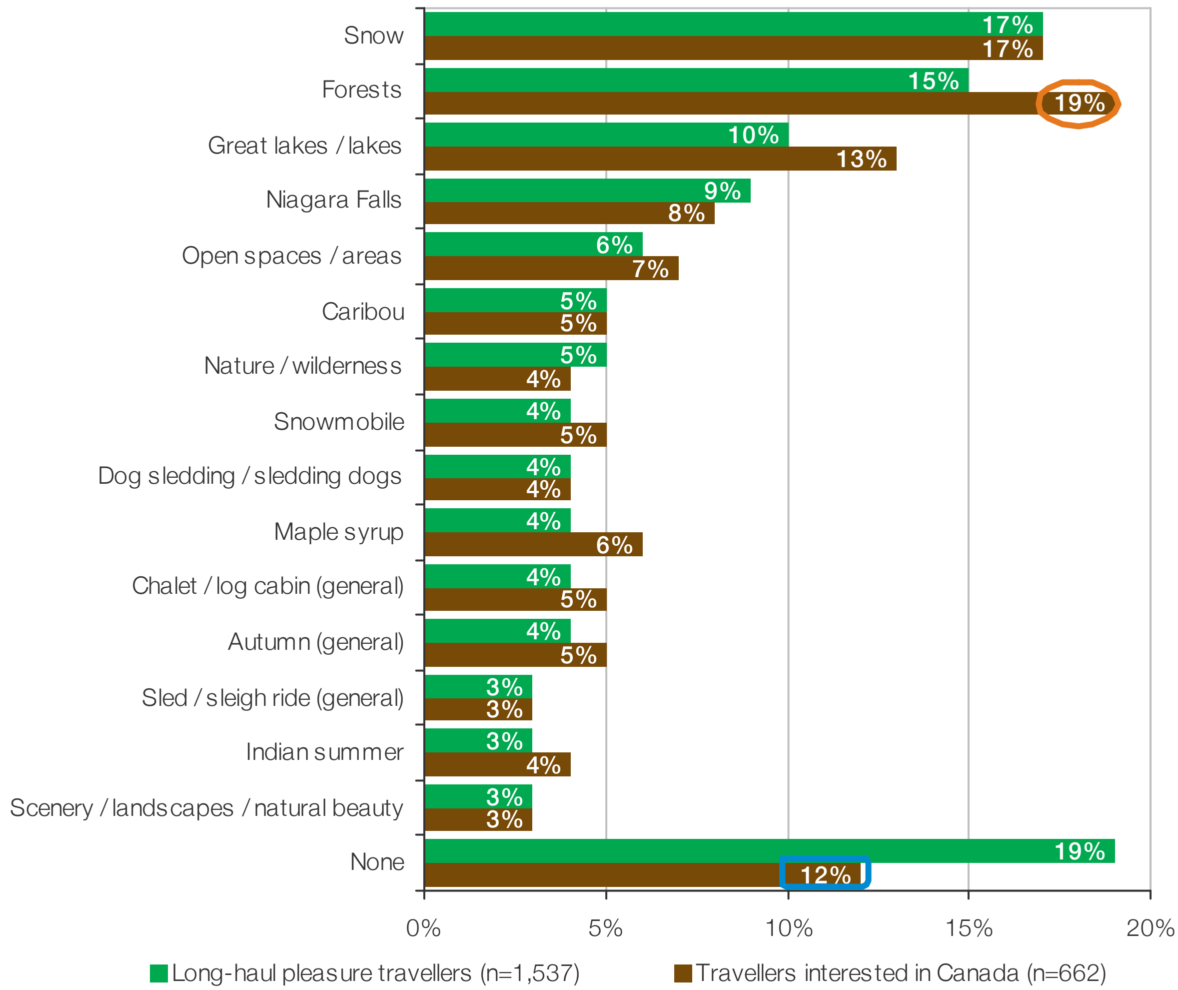
Notably, France is the only GTW market where winter imagery is so heavily associated with Canada. For example, the highest mention of snow in any other market was 9%, while mentions of caribou, snowmobiles and sleigh rides were just about nil.

Forests (15%) and lakes (10%) are also common mentions, and are especially strong associations among potential travellers to Canada. In fact, for potential visitors, forests are the number one icon inspiring interest in Canada (19%). Also related to nature, Niagara Falls is the fourth most commonly mentioned icon, cited by about 1 in 10.

Open spaces are also viewed as iconic Canadian imagery (6%). Again, no other market comes close to French travellers in their imagining of Canada as a vast, open expanse. The focus group participants also pictured Canada as a place where, unlike Europe, everything is "spread out." Notably, "vast" also factored in as one of the top unaided brand personality mentions for Canada, while "open spaces" emerged as a top unaided slogan mention.

Most of the other images are related to nature in some way, including nature/wilderness, log cabins and scenery, as well as autumn and Indian summer. Notably, there is not a single image or icon on this list that does not somehow relate to nature and the outdoors.

Exhibit 17- Icons or Images that Inspire Interest in Canada



Base: Long-haul pleasure travellers.

Notes: **Blue squares** *indicate a result that is significantly* ***lower*** *than another group;* **orange circles** *indicate a result that is significantly* ***higher*** *than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

what are the key drivers for visiting canada?

A logistic regression analysis was conducted to examine the key drivers of intentions to visit Canada in the next two years. Logistic regression analysis is a statistical modelling technique that assesses the relationship between a single dichotomous dependent variable and several independent or explanatory variables to determine which factors drive the dependent variable.

A model was developed with the dependent variable being whether or not travellers are likely to take a pleasure trip of four or more nights to Canada in the next two years. The independent variables that were modelled against likelihood of visiting included:

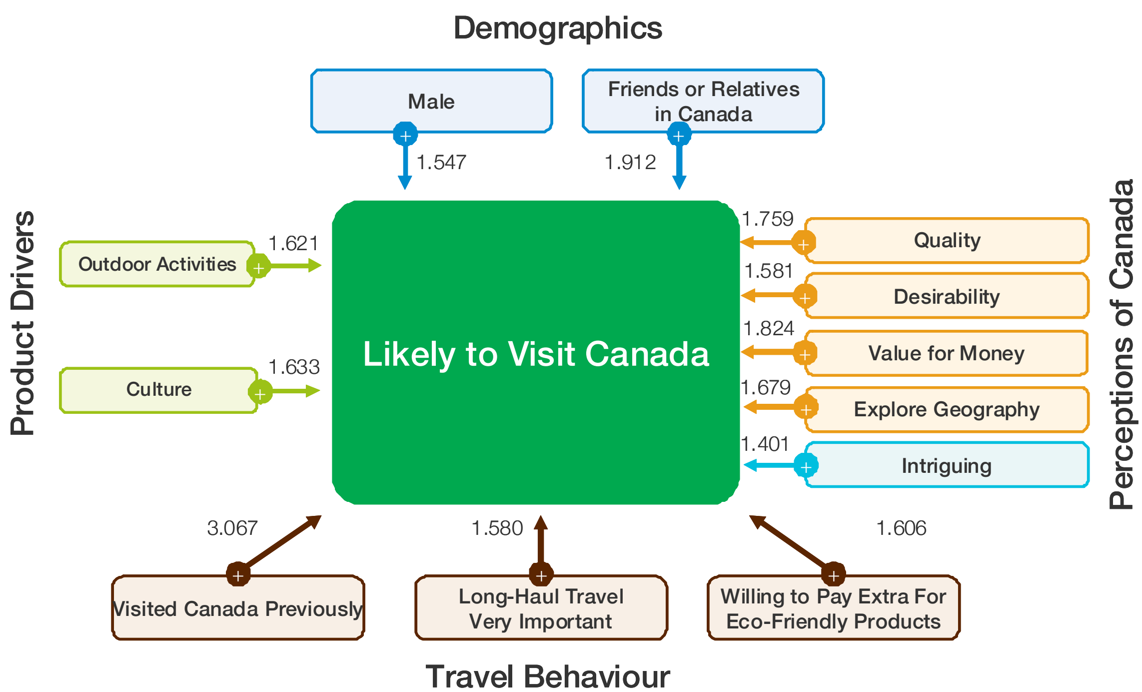
- Demographics – including region, age, gender, education, household income, children in the household and friends/relatives living in Canada;
- Perceptions of Canada – including price, value and brand image ratings, as well as brand personality perceptions;
- Product Interests – including nature, outdoors, culture and luxury/pampering (activity factors); and
- Travel Behaviour – including previous visitation of Canada, importance of long-haul travel, and willingness to pay for environmentally-friendly tourism products.

Exhibit 18 summarizes the results of the key drivers model, with key findings discussed below:

- Past travel to Canada is unquestionably the strongest predictor of future travel intentions. In fact, everything else being equal, those who have visited Canada in the past are about three times more likely to say they will visit Canada in the next two years than those who have never been.
- Not surprisingly, having close friends and relatives in Canada is another key driver of travel intentions, which is consistent with previous findings relating to VFR.
- In terms of other demographics, Canada tends to appeal to men more than women, which was the case in the UK as well.
- Outdoor activities and culture are the key product drivers for Canada, which is really no surprise, as both are keen interests of this market. Canada is perceived as by far the best long-haul destination for outdoor activities, and although it is less competitive on the cultural front, it still enjoys relatively healthy ratings in France vs. other markets.

- Perceptions of Canada also have a strong influence on the purchase decision, with quality and value for money having the greatest impact. In other words, those who view Canada as delivering quality products that they would pay more for, and those who see Canada as offering value for the perceived expense, are more likely to visit than travellers who do not share these sentiments. This reinforces the need for Canada to focus on quality and value messages in the French market.
- Those for whom long-haul travel is very important are more likely to visit Canada. This is consistent with the attitudes of those who have actually visited Canada in terms of their high commitment and general enthusiasm for long-haul travel.

Exhibit 18 – Key Drivers for Likelihood to Visit Canada



Base: Long-haul pleasure travellers.

Notes: Numbers are odds ratios. Odds ratio is the exponentiated value of B. If >1, the odds ratio is the factor by which the odds of being likely to visit Canada increase as the independent variable increases; if <1, it is the factor by which the odds of being likely to visit Canada decrease.

conclusion and considerations

Although the French have traditionally been focused on domestic and short-haul travel, long-haul travel has seen strong growth over the last few years, catalyzed by France's emergence from its economic slump and the rise of low-cost airlines.

Currently, there is widespread confidence among French long-haul travellers, with good prospects for continued market growth. The French presently exhibit one of the highest long-haul travel intensities of any CTC market studied, and over 40% say they will travel even more in the next three years.

However, financial barriers are paramount in this market, and a forecasted slowdown in the French economy could affect this optimistic outlook. At the very least, French travellers will likely continue to be prudent about their vacation expenditures and more inclined to shop around to find value for money.

Canada is well-positioned as a destination of choice in the French market. There are over 11.5 million long-haul travellers interested in Canada, making France the third largest overseas market for Canada, after the UK and Japan. However, focusing on those with more immediate travel potential puts France in second place, right behind the UK. In fact, France is one of the most well-primed and conversion-ready of the CTC's eight markets studied. Moreover, the CTC is in the advantageous position of having many clear product strengths, a unique feeling of kinship between France and Canada, and a well-rounded brand image.

Specific marketing implications arising from this study that the CTC may wish to consider, depending on its mandate, priorities and budgets are as follows:

Key Performance Indicators

Get French travellers to think of Canada first. The competitive situation for Canada in France is better than in the other European markets, with less competition from powerhouse destinations like the US. Moreover, France is the only market where Canada outperforms all of its key competitors in terms of stated interest. However, the US is still ahead of Canada when it comes to unaided awareness and consideration, which suggests that the CTC may need to push a little harder to increase its visibility and get travellers to think of Canada first.

Woo hot prospects with compelling calls to action. With almost 10% of travellers having already made a purchase decision, and another quarter of the market actively considering a trip to Canada, French travellers are much further along in the purchase cycle than most other markets. The high state of receptivity and strong potential for conversion suggests that the CTC may wish to consider upping investment in this market to maximize its potential. Moreover, increased benefits could be generated if marketing efforts were focused on calls-to-action rather than general awareness building, using attractively-priced offers to get these budget-conscious travellers to commit.

Position Ontario and the Atlantic regions as add-ons to Québec. Québec is likely to be the primary driver of French travel to Canada, with an almost universal interest in this province and well over half of likely visitors choosing it as their single most preferred destination. Although interest in surrounding regions (e.g., Ontario, the Atlantic provinces) is fairly strong, to realize their full potential, they will likely need to be packaged together with Québec or positioned as add-ons or stop-overs. These regions may also benefit from making French travellers more aware of their Francophone communities and French heritage/history to heighten interest and encourage visitation.

Target repeat travellers. Recent visitors to Canada offer good opportunities for repeat travel as they are already sold on Canada. In fact, having visited in the past is the single biggest determinant of future travel to Canada, and 65% of recent visitors say they are definitely or very likely to visit again in the next two years. However, in targeting this segment, Canada will need to promote new travel experiences (i.e., lesser-known destinations, niche product interests, unique new attractions and popular events) to persuade travellers to return.

Brand Performance

Improve value and cost perceptions of Canada. Canada benefits from a strong and well-rounded brand image in France. The three brand pillars – geography, culture and people – are relatively well-balanced. However, both value and price heavily influence the decision to visit Canada in this market (impact of 58% and 26%, respectively), and these indices are at or below average. In its drive to promote the brand, it should be a consideration of the CTC to not overlook the need to enhance impressions of both value (specifically, positioning Canada as a quality destination) and price (which needs work across the board).

Position people as the heart of the brand. The warm and friendly people of Canada clearly play a strong positive role in defining French perceptions of the country. In fact, French travellers have an almost familial connection or kinship with Canadians, which helps to set Canada apart from other destinations and adds strongly to the country's allure. Moreover, at 86%, the desire to get to know Canadians and experience their warmth and hospitality is unparalleled amongst the CTC's eight markets studied. Canada would most likely benefit by actively cultivating these feelings and developing campaigns that play on them to engage travellers emotionally.

Take Canada's image beyond warm and friendly. Although France exhibits the highest alignment with the Brand Canada personality traits, this is driven primarily by impressions of Canada as warm, authentic and open. On an unaided basis, warmth is really the only trait to emerge in any strength. Canada could benefit by promoting the other elements of the new brand (e.g., intrigue, confidence, youthfulness) to take the image of Canada beyond that of friendly and warm.

Product Opportunities

Maintain Canada's position of strength on nature and the outdoors. One of the key advantages for Canada in the French market is its clout in the nature/outdoor arena. Canada is viewed as the destination for outdoor activities like skiing, hiking, fishing/hunting, kayaking and cycling, as well as the clear market leader for nature products such as landscapes, rivers/waterfalls and wildlife. In fact, national/provincial parks / heritage sites is just about the only area for improvement. Canada could also leverage these strengths to shore up some of its weaker products, e.g., incorporating nature experiences into guided tours, promoting resorts in a nature setting, etc.

Develop and market products around "tourisme vert." French travellers emerge as one of the most environmentally-conscious of the CTC's markets studied, and their widespread view of Canada as an environmentally-friendly destination indicates a general receptivity to messaging and products around an eco-tourism theme. As a result, Canada could benefit from marketing its best-in-class eco-tours and adventures, eco-lodges and resorts, wildlife preserves and conservation areas to French travellers. This would not only enrich the perceived value of Canada's product offerings, but help to build relevance in the French market. However, Canada should be aware that the French are unwilling to pay anything but a small premium for specialty products such as this.

Enhance awareness of cultural products. While Canada is generally viewed as a place for cultural exploration, it fares poorly with respect to cultural product offerings, particularly in relation to competitors. This perceived gap undermines opportunities to appeal to French travellers, for whom culture is a key driver of travel to Canada. As a result, a key focus of marketing efforts in France could be boosting the awareness of cultural products, for example, by showcasing cultural events/exhibitions in Montreal and Québec City, promoting historical/cultural attractions throughout Québec, and profiling distinctive local lifestyles in other parts of the country (e.g., Aboriginal, Acadian, Maritime, Northern, etc).

Target French travellers for winter travel. Over 80% of French travellers want to experience winter activities and scenery when they come to Canada, making France one of the two top markets that Canada can target for winter travel and products. In addition to skiing, there is potentially a market for other winter activities such as snowmobiling, snowshoeing, winter hiking, ice fishing and skating, as well as less active products such as winter festivals, sleigh rides, Christmas markets, sugar bush visits, and stays at the ice hotel in Québec.

Aggressively market attractively-priced offers. At present, Canada tends to attract a more affluent segment of the market, which is no doubt linked to the prevailing perception of Canada as an expensive place to visit. With cost as the major barrier to Canadian travel, there may be opportunities to open up the market with low-priced introductory packages and budget-conscious offers.

Strategic Marketing

Enlist and engage past visitors to Canada. France is one of the two markets where word of mouth carries the most weight in relaying information about Canada to potential travellers. This suggests that past visitors are not merely a high potential market for future travel, but can have a major influence on others by recommending Canada to family and friends. The CTC could consider using tactical marketing techniques to keep these travellers engaged and acting as advocates for Canada, including relationship marketing, travel clubs, networks and contests, and reward and referral programs.

Use online channels to reach potential travellers to Canada. In addition to advertising in traditional media, the CTC would most likely benefit by making heavy use of online media, as websites and podcasts are a top information source for increasing both awareness and appeal of Canada among potential visitors. Travel blogs and user-generated online content (e.g., visitor testimonials, photo galleries, reviews of attractions and hotels) could be a particularly effective way of maximizing online channels to harness the powerful influence of word of mouth.

Use nature and winter imagery in marketing initiatives. The CTC could use both nature and winter imagery in its marketing initiatives as French travellers find this imagery very appealing. With respect to nature, the focus should be on images of forests and lakes, wide-open spaces, and the ever-popular shots of Niagara Falls. Winter imagery should include northern and snowy landscapes, caribou and huskies, and winter activities such as snowmobiling and sleigh rides. However, the CTC may wish to emphasize other seasons as well, to address any misconceptions about Canada's climate among those who find winter inhospitable.

Use images that emphasize the people connection. In keeping with the new brand, static images should be avoided and nature/winter imagery used in combination with people and activities to get across the concepts of exploration, discovery and the creation of personal stories. In fact, smiling, warm and friendly people should figure prominently in images used to depict Canada, given the importance of the familial connection and the desire to experience Canadian hospitality.

Leverage the 2010 Olympic Games. That 3 in 10 French travellers say their desire to visit is enhanced by Canada's hosting of the Olympics suggests there are already some opportunities to leverage the Games to enhance Canada's positioning in the international arena and enrich image perceptions globally. According to the Australian Tourist Commission, hosting the 2000 Games was the single most beneficial event in the history of Australian tourism, and accelerated the development of Brand Australia by 10 years. The CTC should continue to work together with Tourism British Columbia, Olympic sponsors and the international media to build excitement in the years leading up to the Games and ensure that everything is ready for the few weeks in 2010 when the eyes of the world will be on Canada.