Canadian Tourism Commission
Commission canadienne du tourisme

Global Tourism Watch

2013 US Summary Report

Canada

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1. Introduction

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

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

The overall objectives of the GTW study are to:

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

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

Methodology

In 2013, a web-based panel survey was conducted by TNS. The US target population for the online survey was residents aged 18 years and older, who had taken an international pleasure trip where they had stayed at least 1 night in paid accommodation in the past 3 years or plan to take such a trip in the next 2 years.

Data was gathered from 3,036 respondents in the US, including 1,050 recent visitors to Canada. Regional quotas were also in place. Data was collected in June 2013.

2. Key Take-Aways

The economic challenges the US has experienced in recent years had a noticeable impact on international travel, which fell on average by 2% per year from 2007 to 2011. As the economy rebounded in 2012, recovery was evident in the tourism sector as well as international travel grew 3%. International travel continues to grow in 2013 (up 1.6% through November 2013). Over half of Americans' international trips are in within North America, with Mexico being the destination of one-third of all US travellers. Unfortunately, Canada's share has declined steadily over the past decade, falling from 28% of total international volume in 2002 to 20% in 2012. Despite the decline in visitation, the US remains Canada's top source market, with 11.9 million visits in 2012 and accounting for 72% of visitor volume.

- Recovery is evident in international travel incidence rates this year, with 76% of respondents reporting travel in the past 3 years, up from 73% in 2012. Volume appears to be picking up as well, with 22% of travellers taking 2 qualifying trips in the past 3 years, up from 20% in 2012. Frequent travellers (3+ trips) comprise 23% of the US traveller population, up marginally from 22% in 2012.
- American travellers are also cautiously optimistic about future international travel prospects. Slightly fewer believe they will travel less in the short-term, moving the market outlook indicator to +30 this year, up from +29 in 2012. While shifts are minor, the market outlook is now at its highest level since 2008.
- Further signs of recovery are evident in possible barriers to international travel. While affordability is still the top concern, the number of travellers mentioning this has declined from 47% to 42% in 2013. In addition, 25% raised the poor economy as a possible impediment, down from 31% in 2012. While other possible barriers are largely unchanged, the number of travellers saying nothing could prevent international travel rose from 9% in 2012 to 12% in 2013.
- European destinations, namely the UK, Italy, and France, continue to dominate unaided awareness and consideration measures. Mexico, the top international destination of US travellers, outranks Canada on unaided awareness and consideration. Canada continues to see strong results on aided awareness (ranked 1st) and consideration (in 3rd spot behind Italy and Australia).
- Well over half of US travellers (57%) have been to Canada during their lifetime, ahead of 2nd place Mexico by a considerable margin. High rates of past visitation are a challenge for Canada as US travellers may feel a lack of urgency to return. Communicating new experiences and promoting those products that align with US travellers' interests are key to drawing more American visitors.
- While the South region is the most populous and has considerable interest in Canada, realistically the Border states represent the best opportunity. Travellers residing in the Border states have an higher incidence of international travel, are considerably more likely to have been Canada previously, as well as higher than average awareness and consideration of Canada on both aided and unaided measures.
- In terms of personality trait association, Canada's rankings weakened somewhat in 2013. Canada's strengths now are "Friendly" (now in 1st place ahead of Australia); "Liberal" (2nd to France); and "Informal" (behind Mexico and Australia). These traits should be highlighted in marketing efforts. Canada slipped to 4th spot on "Beautiful"

and “Energetic”. Notably, once again, Canada came last in “Authentic” and “Intriguing” perhaps due to the familiarity that exists between neighbours.

- In the minds of US travellers, Australia and Italy continue to dominate on brand and value while Mexico and Canada are the clear leaders on price. Canada’s top brand result is a 3rd place for inspiring geography, but it does not fare well in the other brand categories and is ranked well below Australia and European competitors. The story is similar on value perceptions. Canada is 1st for affordable air travel and it is in 2nd place to Mexico for in-destination costs and overall value for money. These results suggest Canada can compete on price, but faces numerous challenges convincing US travellers that the country offers the types of experiences they seek.
- Nature, culture, unique / local experiences, and urban activities are the top vacation interests of US travellers. There is growing interest in cultural experiences evident in 2013 results.
- Canada captures 1st place in 3 categories associated with nature and winter activities. Canada has dropped to 2nd place on beautiful scenery, the #1 vacation interest of US travellers. Canada is ranked 2nd on 8 nature-based experiences, typically trailing Australia. Emphasizing the price advantages of a Canadian vacation relative to Australia should yield some positive results. Canada does not do well on highly sought after cultural experience which US travellers strongly associate with European destinations. Changing these perceptions will be more challenging.
- US travellers visiting Canada plan for 4.4 months on average and book 2.9 months out, which is shorter than the average cycle for travel to other destinations. This has marketing implications. Traditional US travel periods align with Canada’s, therefore promotional activity in the spring months to capture the peak summer market, and in the fall for the winter market are recommended.
- Canada draws a largely homogenous market – the majority are 55+ years, middle or high income and well educated, and married. Those interested in Canada are slightly more diverse.
- The allure of other destinations was the top barrier to a Canadian visit. No doubt a large part of this market has visited Canada before and does not see any urgency to return. Nearly a quarter of respondents also find Canada too expensive and high gas prices were raised as a concern by 17% of US travellers.
- 63% of respondents recall information on Canadian travel within the past year, down 2% from 2012. Friends and family were cited as the primary information source with traditional offline sources (TV travel shows, articles in newspapers and magazines, TV advertising, and guidebooks) emerging as secondary sources.
- Canada places 4th overall on the Net Promoter Score, suggesting there some advocacy potential in the US market. Mexico, the top destination of US travellers, has a score of -18 this year, down from -15 in 2012 suggesting the visitors have many concerns with the destination. There may be an opportunity for Canada to draw those who visited Mexico previously.
- During the trip, the most popular activity among all travellers was online trip research (42%), while 28% used a computer for social networking. US Travellers are more likely to share post-trip. Sharing is heavily focused on in-person interactions, although sharing via social networking is likely growing.

3. Market Health and Outlook

US Market Conditions & Outlook

The US remains the world's largest economy despite being severely impacted by the economic crisis which started in 2008. While the recession officially ended in mid-2009, key economic indicators, such as employment rates and housing starts, have been slow to recover. As a consequence, consumer confidence has been low and discretionary purchases were curtailed. The economy finally started to pick up in 2012 with GDP growth of 2.8% recorded and unemployment rates starting to decline in August 2012. GDP is estimated at 1.9% in 2013 and forecast to rise to 3.0% in 2014 with inflation below 2%. Unemployment rates continue to ease and have been below 8% since August 2012.

Political and economic uncertainty have impacted the US travel industry in recent years. Outbound travel from the US declined on average by 2% per year during the economic downturn (falling from 64 million trips in 2007 to 58.7 million trips in 2011). Recovery was evident in the tourism sector in 2012 as international trips grew 3% to 60.7 million trips.

Over half of Americans' international trips are in within North America, with Mexico being the destination of one-third of all US travellers (20.4 million trips in 2012). Unfortunately, Canada's share has declined steadily over the past decade, falling from 28% of total international volume in 2002 to 20% in 2012. Despite the declines in visitation, the US remains Canada's largest source market, with 11.9 million visits in 2012 and accounting for 72% of visitor volume.

As the economy recovers and continues to stabilize, US international travel is expected to rebound. While growth was sporadic through the first half of 2013, year-to-date data from November 2013 shows a 1.6% rise in international travel.

There are encouraging signs in this study which indicate the US international travel market is on the rebound. The proportion of international travellers reporting a trip increased slightly from 73% to 76% over the past year (it is important to note that the 2013 study was conducted prior to the US government's service shutdowns in October which will likely impact international travel volume in the final quarter of the year). In addition, the proportion of travellers taking 2 international trips in the past 3 years rose 2% this year while the proportion taking 3 or more trips increased 1%.

There is cautious optimism about future international travel as well, with the market outlook indicator climbing one point in each of the last consecutive four years to stand at +30, up from a low of +20 in 2009. The primary challenge for Canada will be trying to rebuild market share lost over the past decade in the face of competition from Mexico and European destinations.

Further evidence of recovery is evident in possible barriers to international travel. While affordability concerns are still tops, 42% of travellers mentioned this issue, down from 47% in 2012. In addition, 25% raised the poor economy as a possible impediment, down from 31% in 2012. Safety concerns remain the 2nd most likely factor to limit international travel. Canada may be draw some US travellers by emphasizing the relative safety a Canadian vacation offers.

4. Market Potential

Exhibit 4.1 provides an estimate of the size of the potential market for Canada in two ways – the macro target market and immediate potential.

The target market is a broader estimate of the market size based on expressed interest among all US international travellers (market size estimate derived from the 2010 omnibus study of the US adult population). The proportion of GTW respondents who are definitely, very interested, or somewhat interested in Canada in the next 2 years is applied to broader traveller population to come up with an target market estimate of 63.3 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to visit Canada in the next 2 years. This translates into a market of 33.6 million travellers with more immediate potential for conversion. Those in the South and Mid-Haul states expressed less intention to visit Canada this year, leading to a reduction in market size of approximately 2 million from 2012.

Exhibit 4.1 – Size Of The Potential Market To Canada (Next 2 Years)

	Border (n=1,001)	Mid-Haul (n=1,007)	South (n=1,028)
Total potential international pleasure travellers (aged 18 plus)	13,169,000	22,453,000	45,287,000
Target Market for Canada			
Definitely / very / somewhat interested in visiting Canada in the next 2 years	83%	80%	76%
Size of the target market	10,930,000	18,000,000	34,400,000
TOTAL		**63,300,000**	
Immediate Potential for Canada			
Will definitely / very likely visit Canada in the next 2 years[1]	53%	44%	37%
Immediate potential	7,000,000	9,900,000	16,700,000
TOTAL		**33,600,000**	

Base: International pleasure travellers (n=3,036)

[1] Includes respondents likely to visit Canada on a trip of one to three nights or a trip of four nights or more.

Exhibit 4.2 shows the immediate potential for the regional partners of the GTW study based on stated levels of interest expressed by those intending to visit Canada in the next 2 years. The immediate potential for the most popular regions (Ontario, British Columbia, and Québec) is considerable, with each of these regions of interest to over 17 million travellers.

In terms of destination preferences, US travellers intending to visit Canada are most inclined to visit Vancouver, Niagara Falls, Toronto, and Montreal. Niagara Falls has maintained the #2 spot since 2011.

Exhibit 4.2 – Market Potential For The Regions

	ON	BC	QC	AB	ATL CAN	YK	MB	NWT	SK	NU
Immediate potential for Canada					33,600,000					
Likely to visit region	67%	64%	51%	33%	29%	11%	8%	8%	8%	2%
Immediate potential for the regions (000s)	22,502	21,500	17,200	11,100	9,700	3,700	2,700	2,700	2,700	672

Base for percentages is those likely to visit Canada on a trip of 1-3 nights or 4+ nights in the next 2 years trip there (n=2,247).

5. Competitive Environment

Exhibit 5.1 summarizes the 2013 Key Performance Indicators (KPIs) for Canada. On an unaided basis, 19% of US respondents mentioned Canada as a travel destination behind the UK, Italy, France, Australia, and Mexico. The UK surpassed Italy to take top billing on this measure this year, while Mexico fell from 3rd to 5th place. On an aided basis, 47% of US travellers claim to be knowledgeable about vacation opportunities north of the border. Canada remains in 1st place on this measure, considerably ahead of 2nd place Italy. From a trending perspective, Canada remains in 6th place on unaided awareness. On an aided basis, Canada consistently places first, which is likely a function of past visitation as 57% of US travellers have been to Canada during their lifetime. Canada is in 1st place on past visitation, with Mexico in 2nd spot. The vast majority of visits to Canada were more than 3 years ago, which suggests there is a need to highlight specific destinations, experiences, and attractions to encourage US travellers to visit again.

On unaided destination consideration, Canada places 4th behind Italy, the UK and Mexico. On an aided basis, Italy leads and Canada has fallen into 3rd place narrowly behind Australia. From a trending perspective, unaided consideration of Canada fell 2 points to 10% and the country is back in its traditional 4th place ranking. Aided destination interest also declined 2% in 2013 this year, while Australia held steady, relegating Canada to 3rd place overall, its traditional ranking.

Exhibit 5.1 – Key Performance Indicators For Canada – Summary

Indicator	All International Travellers (n=3,036)
Destination Awareness	
Unaided awareness of Canada (roll-up)	19% (6th)
Aided awareness of travel opportunities in Canada	47% (1st)
Past Visitation	
Overall market penetration	57% (1st)
Intentions	
Unaided destination consideration	10% (4th)
Competitive positioning on destination consideration	4

Base: International pleasure travellers

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

In terms of personality trait association, some shifts are evident in 2013. Canada has moved ahead of Australia to take top billing on "Friendly", which is a competitive advantage for the destination. Canada remains 2nd to France on "Liberal" and 3rd on "Informal" – one of the strategic priorities of the CTC. These 3 attributes should be incorporated in Canada's marketing efforts in the US.

Canada's position on "Beautiful" and "Energetic" dropped from third to fourth in the past 12 months. On "Beautiful", Canada dropped 2% points and was overtaken by France in the rankings. Italy remains, by far, the top destination associated with beauty. Similarly, Canada was surpassed by France on "Energetic" with Australia remaining as the market leader on this attribute.

Canada remains in last spot on "Authentic" and "Intriguing", which is likely a symptom of the destination's challenges in the US market.

Exhibit 5.2 – Aided Brand Personality Perceptions

	1#	2#	3#	4#	5#	6#	7#	8#
Friendly[1]	CAN 50%	AUS 49%	ITA 33%	UK 28%	MEX 20%	GER 16%	FRA 14%	NONE 6%
Liberal[1]	FRA 35%	CAN 30%	AUS 24%	UK 24%	ITA 21%	NONE 20%	GER 15%	MEX 13%
Informal	MEX 43%	AUS 42%	CAN 39%	ITA 17%	UK 15%	NONE 13%	GER 12%	FRA 10%
Beautiful	ITA 54%	AUS 47%	FRA 38%	CAN 37%	GER 25%	UK 18%	MEX 16%	NONE 4%
Energetic[1]	AUS 39%	ITA 30%	FRA 22%	CAN 21%	UK 21%	MEX 21%	GER 21%	NONE 13%
Witty	UK 33%	NONE 29%	AUS 28%	ITA 19%	CAN 19%	FRA 16%	GER 13%	MEX 8%
Confident	UK 36%	GER 33%	FRA 31%	ITA 27%	AUS 26%	CAN 24%	NONE 15%	MEX 7%
Inspirational[1]	ITA 47%	FRA 33%	AUS 30%	UK 23%	GER 18%	CAN 17%	NONE 16%	MEX 10%
Authentic	ITA 50%	FRA 34%	AUS 30%	GER 29%	UK 28%	MEX 22%	CAN 19%	NONE 8%
Intriguing	ITA 43%	AUS 42%	FRA 33%	GER 27%	UK 23%	MEX 15%	CAN 14%	NONE 10%

Base: International pleasure travellers (2013 n=3,036)
Q10: We would like you to use your imagination for a moment. Consider the following words and pick up to 3 countries you associate with each word
Red text indicates CTC strategic priorities.
[1] New attributes added in 2012.

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

In the minds of US travellers, Australia and Italy predominate in the brand and value perceptions this year while nearby Mexico and Canada are the clear leaders on price. Identical to 2012, Canada's top brand result is a 3rd place for inspiring geography, but the destination does not fare well in the other 3 brand categories ranked well below Australia and European competitors. The story is similar on value perceptions, with Canada trailing Australia and European competitors.

Concerning price perceptions, Canada remains in 1st place for affordable air travel and it is in 2nd place to Mexico for in-destination costs and overall value for money. These results suggest Canada can compete on price, but faces numerous challenges convincing US travellers that the destination offers the types of experiences they seek.

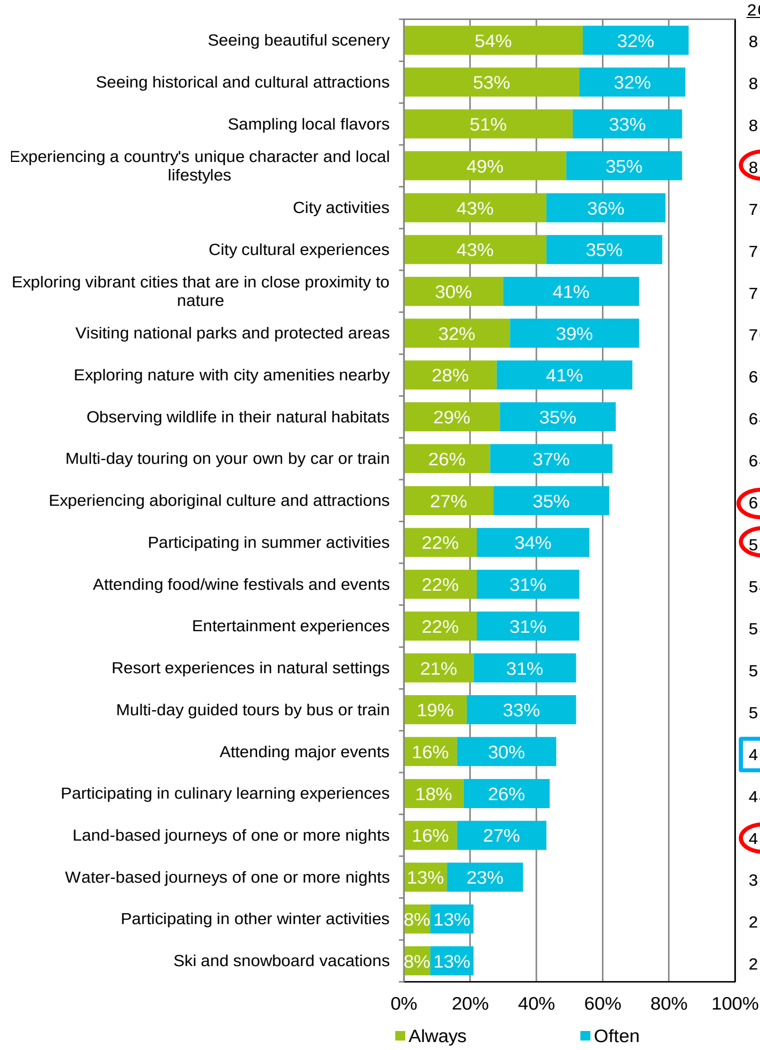
Exhibit 5.3 – Brand, Value, Price Perceptions

Top-3 Box	1#	2#	3#	4#	5#	6#	7#
Brand Perceptions							
A place that inspires me to explore its geography	AUS 75%	ITA 66%	CAN 59%	GER 53%	UK 52%	FRA 51%	MEX 39%
A place that inspires me to meet and engage with its people	AUS 68%	ITA 63%	UK 56%	CAN 52%	GER 47%	FRA 44%	MEX 38%
A place that offers an authentic experience	ITA 75%	AUS 73%	FRA 62%	UK 61%	GER 58%	CAN 53%	MEX 51%
A place that inspires me to explore its culture	ITA 76%	AUS 68%	FRA 61%	UK 60%	GER 54%	CAN 45%	MEX 44%
Value Perceptions							
A destination with the travel experiences I am specifically looking for (Relevance)	ITA 63%	AUS 60%	UK 51%	FRA 47%	CAN 46%	GER 43%	MEX 36%
A place with unique features that other destinations don't offer (Uniqueness)	ITA 75%	AUS 74%	FRA 64%	UK 57%	GER 55%	CAN 49%	MEX 46%
A dream destination that I would visit if money were no object (Desirability)	ITA 71%	AUS 70%	FRA 57%	UK 55%	GER 45%	CAN 42%	MEX 29%
A destination I would pay a little more for (Quality)	AUS 56%	ITA 56%	FRA 45%	UK 43%	GER 34%	CAN 32%	MEX 25%
Price Perceptions							
A destination that is affordable to get to by air	CAN 61%	MEX 57%	UK 35%	ITA 31%	FRA 28%	GER 25%	AUS 24%
A destination with reasonable prices for food, entertainment and hotels	MEX 58%	CAN 53%	ITA 40%	AUS 39%	UK 37%	FRA 31%	GER 31%
A place that offers good value for money	MEX 56%	CAN 53%	AUS 39%	ITA 39%	UK 33%	GER 30%	FRA 30%

Base: International pleasure travellers (n=3,036)
Q11: We are interested in your general impressions of <Insert country>, as a holiday destination<If country=Canada hide ", even if you have never been there">. On a scale of 1 to 10, where 1 is "strongly disagree" and 10 is "strongly agree," how would you rate <Insert country> on each of the following?

Exhibit 5.4 tracks the product interests of US travellers. Nature, culture, unique / local experiences, and urban activities remain the top vacation interests of US travellers. The 2013 results show there is growing interest in unique / local experiences, aboriginal attractions, and summer activities.

Exhibit 5.4 – Product Interests



Top-2-Box	2013	2012	2011	2010	2009
Seeing beautiful scenery	86%	88%	88%	91%	89%
Seeing historical and cultural attractions	85%	85%	85%	87%	86%
Sampling local flavors	85%	85%	87%	88%	88%
Experiencing a country's unique character and local lifestyles	83%	80%	82%	83%	81%
City activities	79%	78%	75%	75%	73%
City cultural experiences	79%	79%	76%	77%	78%
Exploring vibrant cities that are in close proximity to nature	71%	69%	66%	66%	65%
Visiting national parks and protected areas	70%	68%	77%	78%	76%
Exploring nature with city amenities nearby	69%	69%	73%	73%	72%
Observing wildlife in their natural habitats	64%	63%	73%	73%	73%
Multi-day touring on your own by car or train	64%	65%	63%	64%	65%
Experiencing aboriginal culture and attractions	62%	59%	56%	55%	57%
Participating in summer activities	56%	50%	56%	56%	58%
Attending food/wine festivals and events	54%	55%	56%	54%	56%
Entertainment experiences	53%	55%	54%	54%	55%
Resort experiences in natural settings	52%	50%	54%	55%	55%
Multi-day guided tours by bus or train	52%	51%	43%	44%	42%
Attending major events	46%	49%	50%	50%	53%
Participating in culinary learning experiences	44%	45%	41%	37%	39%
Land-based journeys of one or more nights	43%	39%	43%	39%	41%
Water-based journeys of one or more nights	36%	34%	33%	31%	33%
Participating in other winter activities	21%	21%	22%	20%	20%
Ski and snowboard vacations	21%	21%	19%	20%	19%

Base: International pleasure travellers (2013 n= 3,036; 2012 n=3,062)

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

Note: Results not comparable to previous years due to changes in the question wording in 2012 and to the product list in 2011.

Blue squares indicate a result that is significantly lower than 2012. Red circles indicate a result that is significantly higher than 2012.

Exhibit 5.5 shows how Canada ranks against the competition on each product. Canada captures 1st place in 3 categories, down from four 1st place finishes in 2012. Canada's perceived strengths are national parks, winter activities, and ski/snowboard, with the latter two activities having niche market appeal. Canada has dropped to 2nd place on beautiful scenery, the top vacation interest of US travellers. Canada strongly places 2nd in 8 products, but sees Australia in top spot in all 8, suggesting that the two destinations are perceived in a similar light by US travellers. Canada does not fare well on activities that Americans can find readily at home, e.g., city activities, festivals, and major events. Nor does Canada do well on highly sought after cultural experiences, which US travellers strongly associate with European destinations, particularly Italy which recorded eight 1st place finishes.

Canada's best opportunity in the US market is capitalizing on top-ranking activities which are strongly linked with the country: namely scenery, parks, and nature experiences close to cities and emphasizing the price advantages a Canadian vacation offers.

Exhibit 5.5 – Product Interest Associations By Country

	1#	2#	3#	4#	5#	6#	7#	8#
Visiting national parks and protected areas	CAN 51%	AUS 49%	UK 16%	ITA 15%	MEX 15%	GER 15%	FRA 13%	NONE 12%
Participating in other winter activities	CAN 49%	GER 27%	FRA 19%	ITA 18%	NONE 17%	UK 14%	AUS 11%	MEX 6%
Ski and snowboard	CAN 48%	GER 28%	FRA 24%	ITA 20%	NONE 17%	UK 14%	AUS 10%	MEX 6%
Seeing beautiful scenery	AUS 52%	CAN 50%	ITA 33%	GER 23%	FRA 22%	MEX 18%	UK 15%	NONE 5%
Observing wildlife in their natural habitats	AUS 60%	CAN 46%	MEX 19%	GER 11%	ITA 11%	NONE 11%	UK 10%	FRA 8%
Participating in summer activities	AUS 43%	CAN 37%	ITA 27%	MEX 21%	FRA 20%	GER 19%	UK 17%	NONE 13%
Exploring nature with city amenities nearby	AUS 46%	CAN 37%	ITA 26%	FRA 20%	MEX 19%	GER 18%	UK 18%	NONE 11%
Exploring vibrant cities in close proximity to nature	AUS 43%	CAN 33%	ITA 32%	FRA 24%	GER 23%	UK 20%	MEX 18%	NONE 10%
Land-based journeys of one or more nights	AUS 40%	CAN 33%	ITA 26%	FRA 21%	GER 21%	UK 19%	MEX 16%	NONE 15%
Resort experiences in natural settings	AUS 33%	CAN 32%	MEX 25%	ITA 20%	NONE 19%	UK 18%	FRA 18%	GER 13%
Water-based journeys of one or more nights	AUS 39%	CAN 28%	MEX 25%	ITA 21%	NONE 18%	FRA 14%	UK 13%	GER 13%
Multi-day touring on your own by car or train	ITA 39%	UK 34%	FRA 33%	CAN 31%	GER 30%	AUS 26%	NONE 10%	MEX 9%
Attending major events	UK 32%	ITA 30%	GER 28%	FRA 25%	CAN 23%	NONE 20%	AUS 20%	MEX 17%
Experiencing aboriginal culture and attractions	AUS 59%	MEX 26%	ITA 21%	FRA 16%	CAN 15%	GER 13%	UK 12%	NONE 9%
City activities	ITA 51%	FRA 49%	UK 40%	GER 25%	AUS 23%	CAN 20%	MEX 12%	NONE 7%
Multi-day guided tours by bus or train	ITA 47%	FRA 40%	UK 32%	GER 31%	AUS 26%	CAN 18%	MEX 11%	NONE 10%
City cultural experiences	ITA 57%	FRA 55%	UK 44%	GER 30%	AUS 16%	CAN 14%	MEX 9%	NONE 6%
Experiencing a country's unique character/lifestyle	ITA 51%	AUS 37%	FRA 35%	UK 32%	GER 31%	MEX 22%	CAN 19%	NONE 5%
Entertainment experiences	FRA 34%	ITA 32%	UK 30%	NONE 20%	AUS 20%	GER 19%	CAN 19%	MEX 18%
Seeing historical and cultural attractions	ITA 59%	FRA 51%	UK 43%	GER 39%	MEX 15%	AUS 14%	CAN 12%	NONE 4%
Sampling local flavours	ITA 64%	FRA 55%	GER 34%	MEX 26%	AUS 18%	UK 17%	CAN 12%	NONE 5%
Attending food / wine festivals and events	ITA 60%	FRA 54%	GER 33%	AUS 16%	UK 14%	MEX 12%	CAN 11%	NONE 9%
Participating in culinary learning experiences	ITA 59%	FRA 57%	GER 23%	MEX 16%	AUS 13%	UK 12%	NONE 11%	CAN 10%

Base: Always, often and sometimes important in destination selection (Q7)

6. Strategic Marketing

US travellers have taken more recent trips to the Caribbean (22%) than to Canadian destinations (19%). Cumulatively, Canada leads coastal Mexico (14%) and other Mexico (3%) for being the 2nd most visited destination. Within Canada, the top-3 most destinations visits on recent trips were Ontario (9%), British Columbia (5%) and Quebec (3%). The other most visited destinations are in Europe. Interestingly, Australia, which seems to captivate US travellers, places 16th in recent visitation results suggesting that the country represents a dream destination for many Americans.

US travellers have a moderately long trip-planning process (5.3 months) and booking cycle (3.8 months) for international travel, yet the cycle for Canadian trips is considerably shorter (4.4 months for planning and 2.9 months for booking). Traditional US travel periods more or less are the same as occur in Canada, therefore promotional activity in the spring months to capture the peak summer market and in the fall for the winter market are warranted. Travel agent consultation is low (32%) and is particularly so among recent visitors to Canada (22%) suggesting that the Canadian tourism industry does not need to concentrate on trade relationships. Roughly half of US travellers travel independently, with 21% on a partially or fully guided trip, 16% went on a cruise and a further 14% went to an all-inclusive resort. Holiday travel predominates, and less than one-in-five travellers are visiting friends or family.

Exhibit 6.1 – Most Recent Pleasure Trip Profile

	All International Travellers (n=2,421)
Destination(s) Visited	
Caribbean	22%
Canada	19%
Mexico - Coastal Resort Areas (e.g., Acapulco, Cancun, Puerto Vallarta, Los Cabos, Mazatlan, Huatulco, Ixtapa, etc.)	14%
United Kingdom	9%
Other Europe	8%
France	8%
Italy	7%
Germany	5%
Central America (e.g., Costa Rica, El Salvador, Guatemala, Nicaragua, Panama, etc.)	4%
Mexico – Other Regions (e.g.), Mexico City, Monterey, Guadalajara	3%
Amount of Time Before Departure When Trip Planning was Started	
Average Months	5.3
Amount of Time Before Departure When Trip Planning was Booked	
Average Months	3.8
Trip Type	
Travel independently	49%
Combine independent travel with some guided tours for parts of the trip	14%
A fully escorted or guided tour	7%
All inclusive or semi-inclusive resort stay	14%
A cruise	16%
Trip Purpose	
Holiday	67%
Visited friends or relatives	17%
Personal reasons (e.g., wedding, reunion, etc.)	9%
Business	5%
Study	3%
Travel agent involvement	32%

Base: Those who have taken an international pleasure trip in the past three years

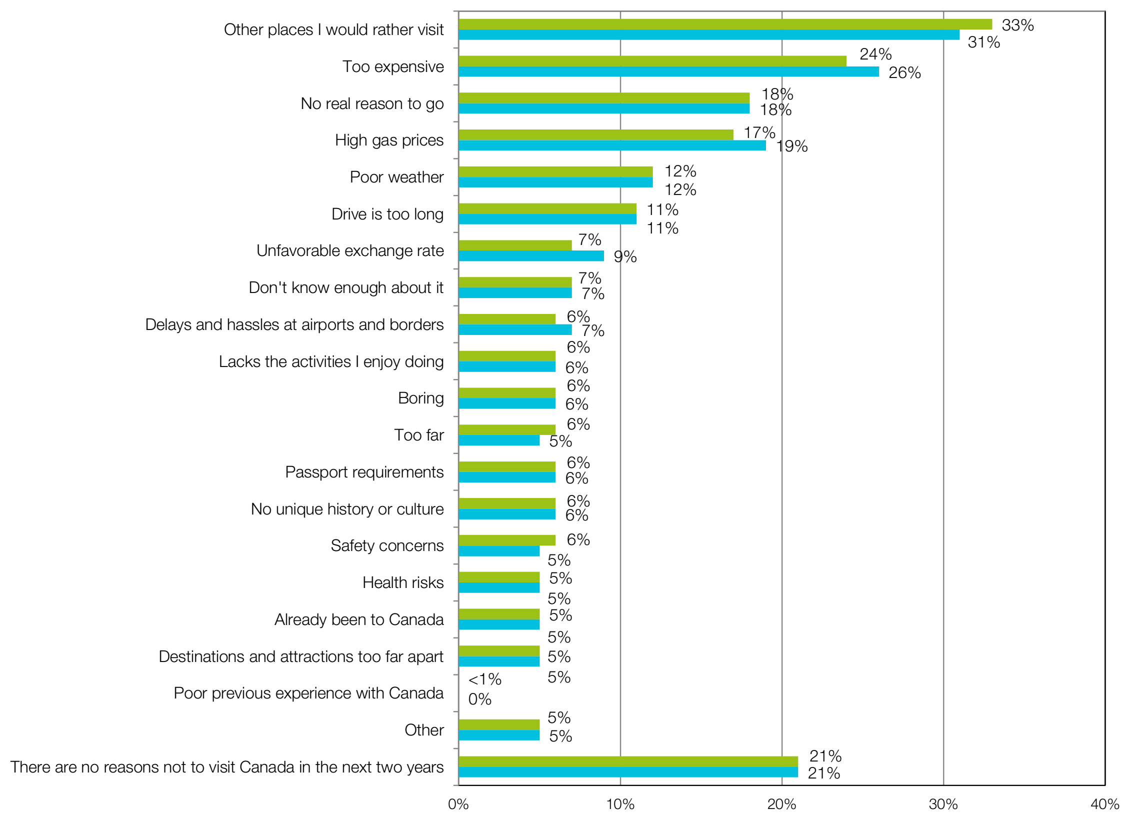
Recent visitors to Canada tend to be older, married, well educated, and middle or high income, with approximately one-quarter being retired. Almost three-quarters of recent visitors were on vacation, while a small percentage are visiting friends and relatives. Those interested in visiting Canada more closely resemble the broader US traveller population.

All respondents were asked what factors may prevent them from visiting Canada in the short-term. The top reason was that there were other destinations that had more appeal. This sentiment is on the rise (up 2% over 2012). Additionally, about one-in-five respondents just do not feel compelled to visit. The prevalence of these sentiments suggests that the Canadian tourism industry has to do more to convey relevant experiences to US travellers and encourage them to come back (57% have visited in their lifetime).

Nearly a quarter of respondents also find Canada too expensive, although mentions are down 2% this year. Related to this barrier are high gas prices which 17% of US travellers noted this year, also down 2% from 2012.

About one-fifth of respondents said there was no reason not to visit Canada.

Exhibit 6.2 – Key Barriers For Visiting Canada



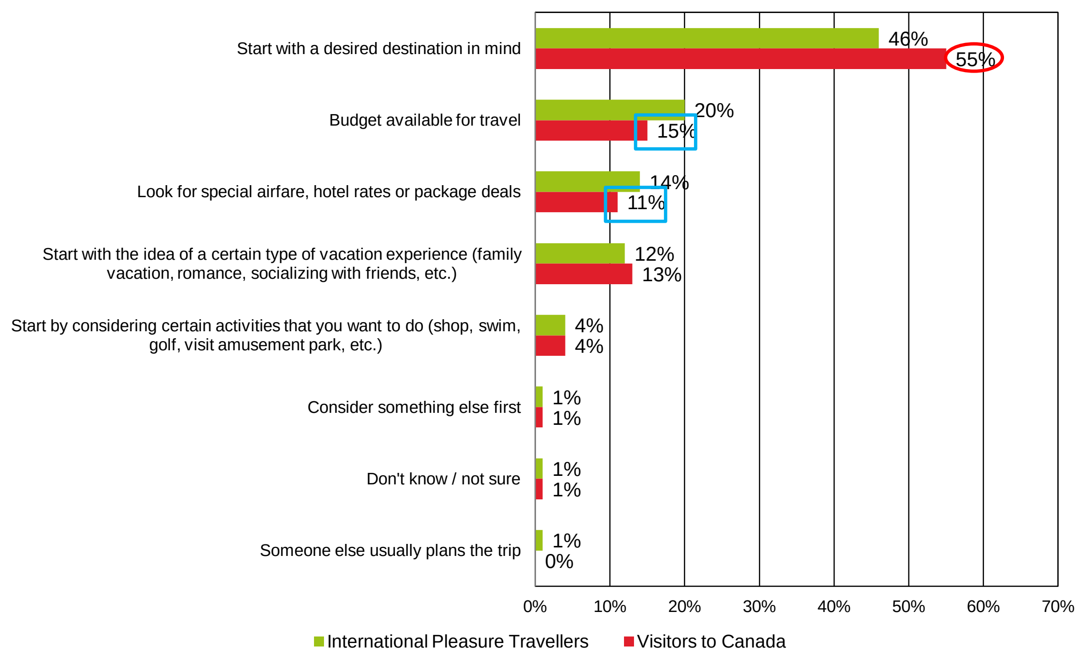
Base: International pleasure travellers (2013 n= 3,036; 2012 n=3,062)

Q18: Please indicate which of the following reasons could prevent you from visiting Canada in the next two years.

A new question asked travellers what one factor is the first consideration in trip planning. Results show that the majority of US travellers pick the destination first, while budget considerations are of primary concern to a smaller portion of the market. This result suggest once a US resident has decided they have the means to travel, cost is secondary. This is particularly true for recent visitors to Canada, more than half of whom indicated their first concern was the destination they want to visit.

This result suggests getting Canada on the short list of destinations US travellers are considering is key to seeing greater success in the market.

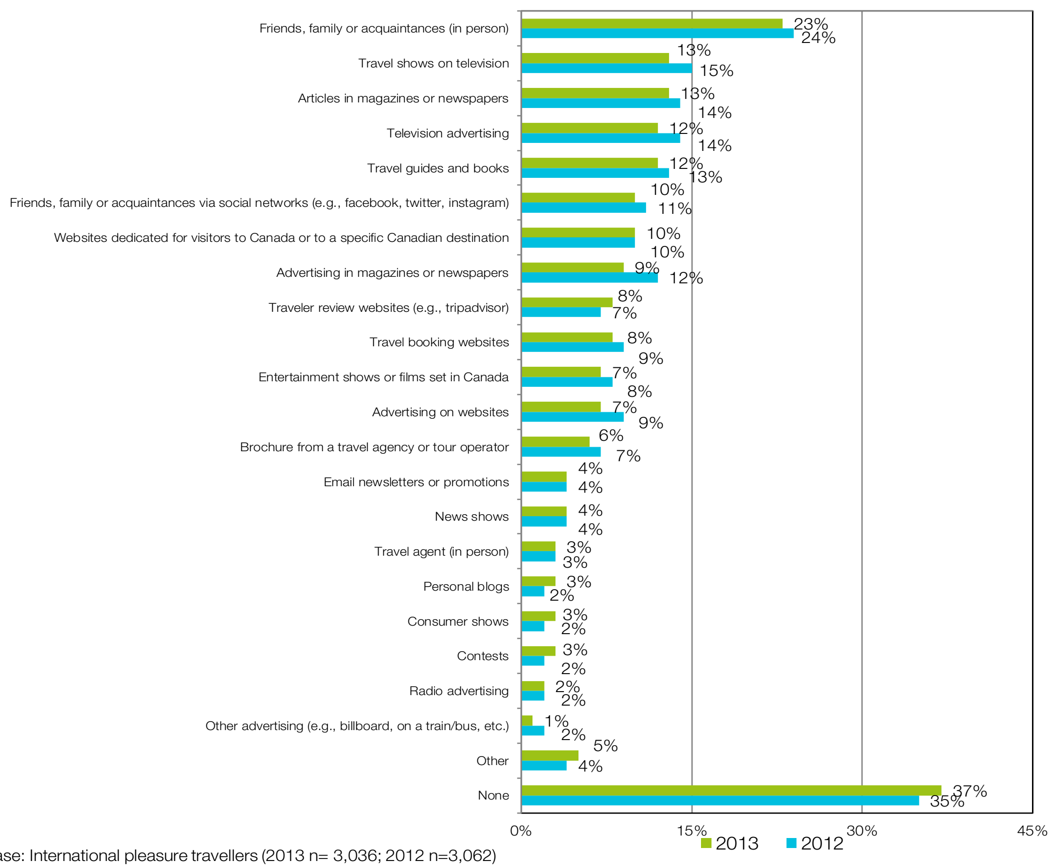
Exhibit 6.3– One Factor Typically Considered First When Planning A Trip



Base: International pleasure travellers (n=3,036). International pleasure travellers who visited Canada in the past three years (n=1,050)
QS9: What one factor do you typically consider first when planning an international trip?

Sixty-three percent of respondents recall information on travel opportunities to Canada within the past year, which is down 2% from 2012. Friends and family were cited as the primary information source with traditional sources (travel shows on TV, print articles, TV advertising, and guidebooks) serving as secondary sources. Recall of online sources for travel information on Canada remains lower (just 10% cited information from social networks or destination-specific websites). Despite low reliance on social networks for information on travel to Canada, over 80% of US travellers are active on social media. Facebook is the most popular social networking site, with over three-quarters of US travellers reporting use in the past 3 months, followed by YouTube (48%) and Twitter (26%).

Exhibit 6.4 – Sources Of Information On Canada In The Past Year

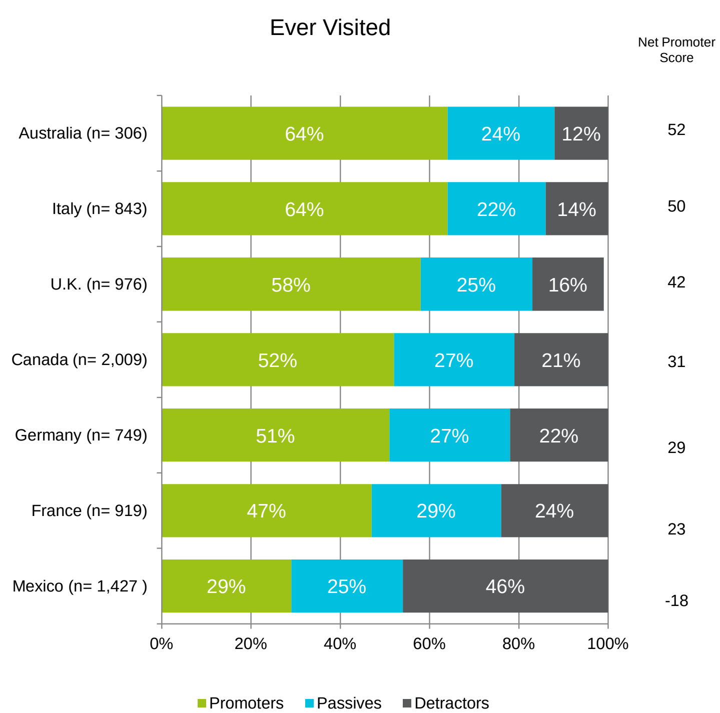


Base: International pleasure travellers (2013 n= 3,036; 2012 n=3,062)
Q20: In which of the following sources, if any, did you see or hear information about travelling to Canada during the past year?
Note: Results not comparable to previous years due to changes to the statement list in 2012.

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

The Net Promoter Score is an established tool to measure a respondent's likelihood to recommend a product or service to friends and family. Data was gathered among all respondents, but results from past visitors to each destination are the most telling and are presented below. Canada scored in the middle of the pack (4th of 7 countries) well behind Australia, Italy and the UK. Mexico, the top destination of US travellers, sits at the bottom with a score of -18 this year, down from -15 in 2012. Growing dissatisfaction with Mexico may be an opportunity Canada can capitalize on.

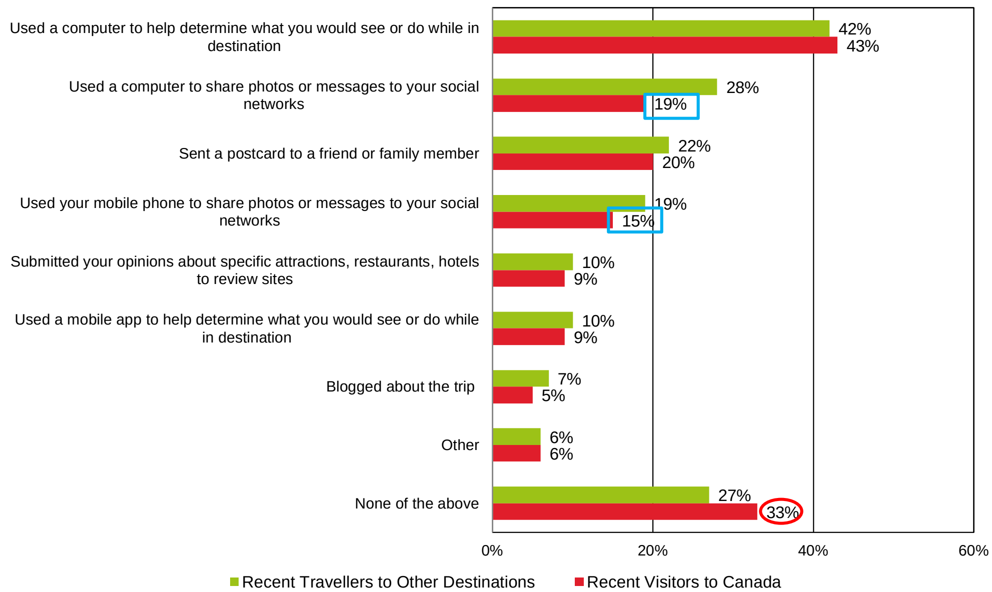
Exhibit 6.5 – Net Promoter Score Results



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

Two new questions asked US travellers about sharing behaviour during and after international trips. During the trip, the most popular activity among all travellers was online trip planning research (42%), while 28% used a computer for social networking. Nearly a quarter sent postcards. A trend to watch is use of mobile phones to share experiences via social networks. Visitors to Canada are much less likely to report social networking use, which is likely age-related. Also noteworthy is that more than one-quarter of respondents did not participate in any sharing behaviour on their recent trip, with this behaviour more prevalent among recent visitors to Canada.

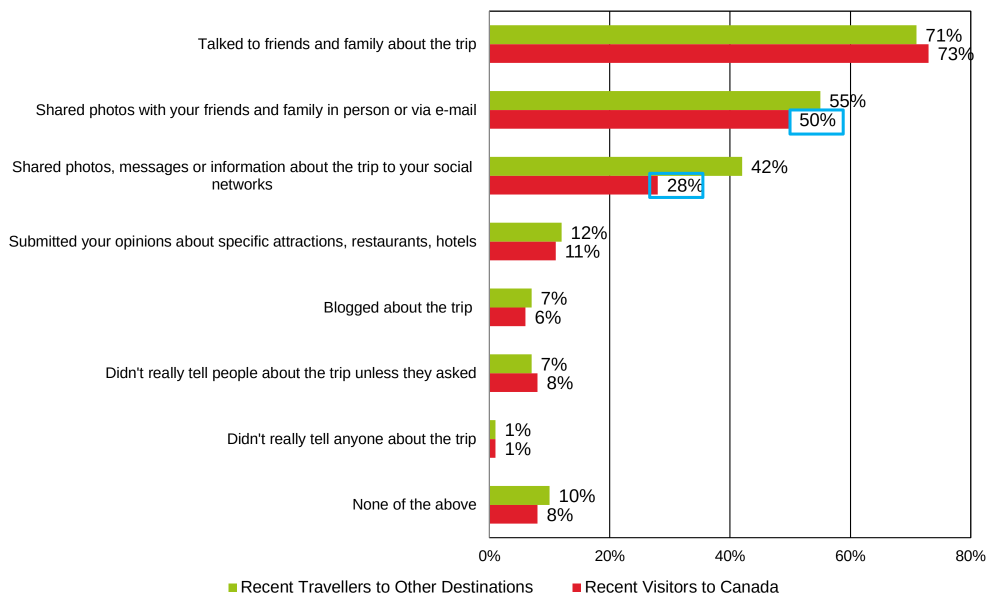
Exhibit 6.6 – During The Trip: Sharing Experiences / Seeking Advice



Q31: During your recent trip to <destination> , did you share your trip experiences with anyone or seek advice? (Select all that apply)

US travellers are more likely to share experiences post-trip. Sharing is heavily focused on in-person interactions, although sharing via social networking is likely growing and will be monitored over time. Once again, recent visitors to Canada are less inclined to share through social networking.

Exhibit 6.7 – After The Trip: Sharing Experiences



Base: Recent travellers to other destinations in the past 3 years (n=1,371). Recent travellers to Canada in the past three years (n=1,050)

Q32: After coming back from your trip did you share experiences with anyone?

Note: Blue squares indicate a result that is significantly lower than the other group; Red circles indicate a result that is significantly higher than the other group.