



**DESTINATION  
CANADA**

# Global Tourism Watch

**2016 United States Summary Report**



Canada

# Table of Contents

---

1. Introduction.....	1
Methodology.....	2
Background.....	2
2. Market Potential.....	3
3. Competitive Environment – Key Performance Indicators Summary.....	5
Consideration.....	6
Knowledge.....	6
Visitation.....	6
4. Path-to-Purchase.....	7
Destinations.....	10
5. Vacation Activities.....	12
6. Barriers.....	14
7. Recent Trip Profile.....	16
Trip Purpose.....	16
Motivators.....	16
Travel Party.....	17
Booking.....	17
Type of Accommodation.....	18
8. Marketing Tactics.....	18
Sources Used to Look for Information.....	18
Resources, Devices Used to Plan Recent Trip.....	19
9. Destination Canada’s US Target.....	20

# 1. Introduction

Destination Canada 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 core markets around the world: Australia, Brazil, China, France, Germany, India, Japan, Mexico, South Korea, the United Kingdom, the United States, and the domestic Canadian market.

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 competitors over time;
- Identify the general experiences sought by travellers and identify growth opportunities;
- Identify motivators and barriers for travel to Canada; and,
- Determine the influence of various information sources on destination selection.

The GTW permits direct comparison of Canada to competing destinations in each market. Destination Canada has designated the following destinations as competitors in the US market:

- Florida & the South (e.g. North Carolina, South Carolina, Georgia, Louisiana, Tennessee, Virginia)
- Mid-Atlantic (e.g. New York, Washington, DC, New Jersey, Pennsylvania)
- Texas & the Southwest (e.g. Arizona, Nevada, New Mexico, Utah)
- New England (e.g. Massachusetts, Maine, Vermont, New Hampshire, Connecticut)
- Rocky Mountains (e.g. Colorado, Idaho, Montana, Wyoming)
- Midwest (e.g. Illinois, Wisconsin, Minnesota, Ohio, Michigan)
- Pacific Northwest (e.g. Washington and Oregon)
- California
- Alaska
- Hawaii
- Mexico/Caribbean
- Europe

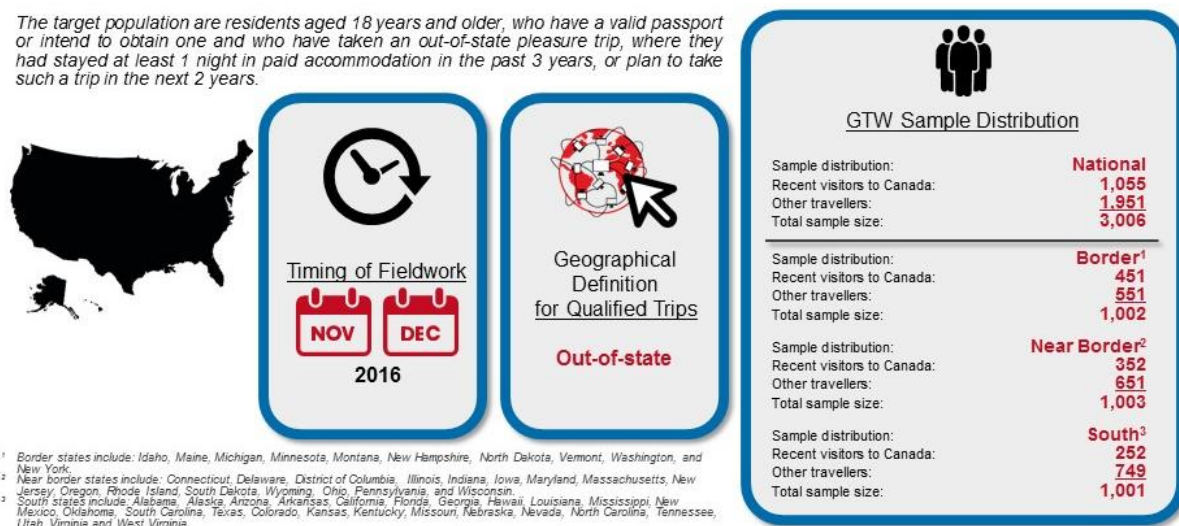
## Methodology

Data was collected via an online survey and has been weighted to represent the US out-of-state travel population. The target population in the US was residents aged 18 years and older, who have a valid passport or intend to obtain one and who have taken an out-of-state pleasure trip where they have 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 3,006 respondents in the US, including 1,055 recent visitors to Canada, in December 2016. In the past, data has been gathered earlier in the year (April through July), which is prime planning season for summer travel to destinations such as Canada.

Figure 1.1: Study Overview: United States Market

The target population are residents aged 18 years and older, who have a valid passport or intend to obtain one and who have taken an out-of-state 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.



<sup>1</sup> Border states include: Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, North Dakota, Vermont, Washington, and New York.  
<sup>2</sup> Near border states include: Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Maryland, Massachusetts, New Jersey, Oregon, Rhode Island, South Dakota, Wyoming, Ohio, Pennsylvania, and Wisconsin.  
<sup>3</sup> South states include: Alabama, Alaska, Arizona, Arkansas, California, Florida, Georgia, Hawaii, Louisiana, Mississippi, New Mexico, Oklahoma, South Carolina, Texas, Colorado, Kansas, Kentucky, Missouri, Nebraska, Nevada, North Carolina, Tennessee, Utah, Virginia and West Virginia.

## Background

The US economy is the world's largest economy according to the IMF GDP Nominal ranking, with 24.7% share of global GDP (*International Monetary Fund, October 2016*).

The US held their presidential election in November 2016. The Republican Party candidate, Donald Trump, was the surprise winner. At the time of data collection, President Trump had been elected, but not yet inaugurated. The economic projections that follow have been made amidst uncertainties in fiscal policy that are inevitable when there is a change in the US Administration.

Overall, the current and forecasted GDP growth and unemployment rates are expected to balance out inflationary pressures, interest rate increases, and lower wages. Real gross domestic product (GDP) increased at an annual rate of 1.9 percent in the fourth quarter of 2016 (*Bureau of Economic Analysis, January 2017*). The 2017 GDP is forecasted to be 2.3%, and 2018 GDP to be 3% (*OECD, November 2016*).

The US unemployment rate is expected to continue its positive trend of jobs growth over the next two years. Unemployment has dropped from 5.3% in 2015 to 4.9% in 2016. The unemployment rate forecasted for 2017 is 4.7%, and for 2018 is 4.5% (*OECD, November 2016*).

However, the cost of living in the United States climbed in November 2016 for a fourth month in a row, and the annual inflation for 2016 was the highest since 2011, closing the year with an inflation rate of 2.1% (*US Inflation Calculator, Bureau of Labor Statistics, January 2017*). According to OECD, the Consumer Price Index (CPI) is forecasted to continue its slight trend upward into 2018 (*OECD, November 2016*). In addition, average earnings grew by only 0.1 per cent in the month, down from the 0.2 per cent expansion in December and below analysts' expectations, suggesting there is inflationary pressure (*The Independent, February 2017*).

America's central bank has signalled three interest rate hikes in 2017. The Federal Reserve's Federal Open Market Committee (FOMC) said that risks to the economy remain roughly balanced between factors that could slow or increase growth (*The Independent, February 2017*).

Despite uncertainty surrounding what a Trump presidency might mean, US Consumer Confidence Index climbed to 114 in December 2016, the highest level since August 2001 (*The Conference Board, December 2016*). Rising consumer confidence is a good sign for the travel industry.

## 2. Market Potential

GTW data is used to estimate the size of the potential market for Canada. The table below provides an estimate of the size of the potential US market for Canada in two ways – the macro target market and the immediate potential market.

The out-of-state travel market size is derived from a 2016 omnibus study of the US adult population. Note that previously, the US market size reflected the long-haul international travel market, making past market size estimates incomparable.

The proportion of GTW respondents who are in the dream to purchase stages for Canada is used to calculate a target market estimate of 102.6 million. In the table below, this figure is broken out by Destination Canada's three defined US regions:

- **Border:** Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, New York, North Dakota, Vermont and Washington.
- **Mid-Haul:** Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Maryland, Massachusetts, New Jersey, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Wisconsin, and Wyoming.
- **South:** Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, Nevada, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Utah, Virginia, and West Virginia.

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 two years. This translates into a market of 47.6 million travellers with more immediate potential for conversion.

Among Destination Canada’s eleven international markets, the US is 1<sup>st</sup> ranked in immediate potential market size. Actual visitation from the US was 1<sup>st</sup> among international markets in 2016<sup>1</sup>. For context, Canada attracted 13.9 million US overnight visitors in 2016, up 10% from 2015.<sup>2</sup> The 13.9 million arrivals represent 29% of the immediate potential market.

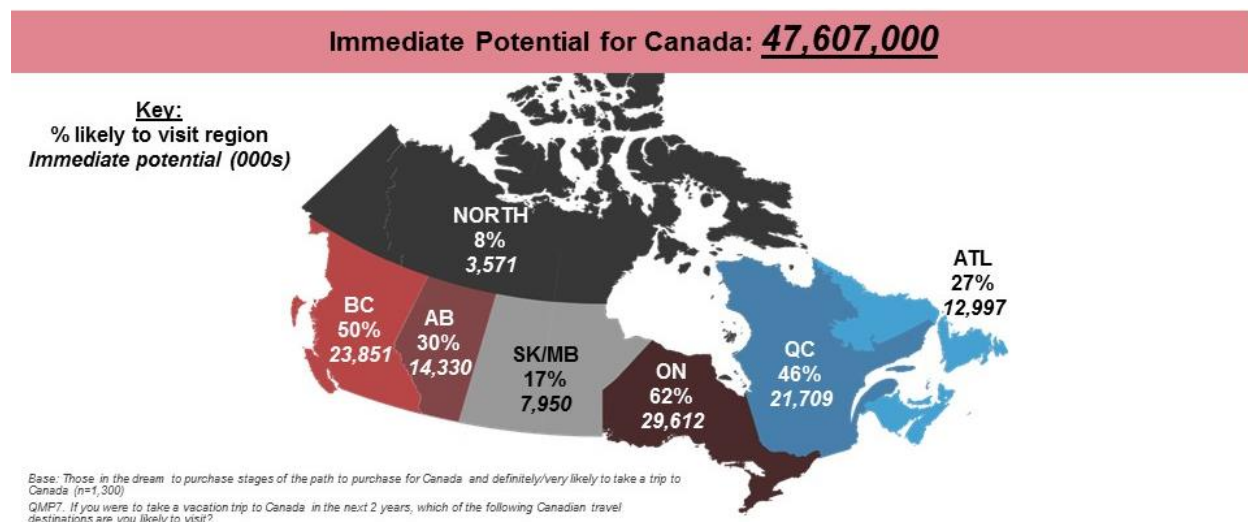
Figure 2.1: Size of Potential Market to Canada (Next 2 Years)

Measure	Size of Potential Market to Canada		
	Border	Mid-Haul	South
Out-of-state pleasure travel market	26.1 million	39.0 million	85.2 million
Target market for Canada (dream to purchase stage)	75%	69%	66%
Size of the target market	19.4 million	26.7 million	56.5 million
	102.6 million		
Immediate potential for Canada (definitely/very likely to visit in next 2 years)	58%	43%	44%
Immediate potential	11.2 million	11.4 million	25.0 million
	47.6 million		

Base: Target market for Canada = out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=2,260)  
 QMP1. Which of the following best describes your current situation when thinking about each of the following destinations for a holiday trip?  
 QMP6. Realistically, how likely are you to take a vacation trip to Canada in the next 2 years?

Also of interest is the demonstrated interest in Canada’s regions among the Immediate Potential Market (47.6 million). US travellers expressed the most interest in visiting Ontario (62% or 29.6 million potential visitors), followed by BC (23.9 million potential visitors) and Quebec (21.7 million potential visitors).

Figure 2.2: Potential Market Size for the Regions



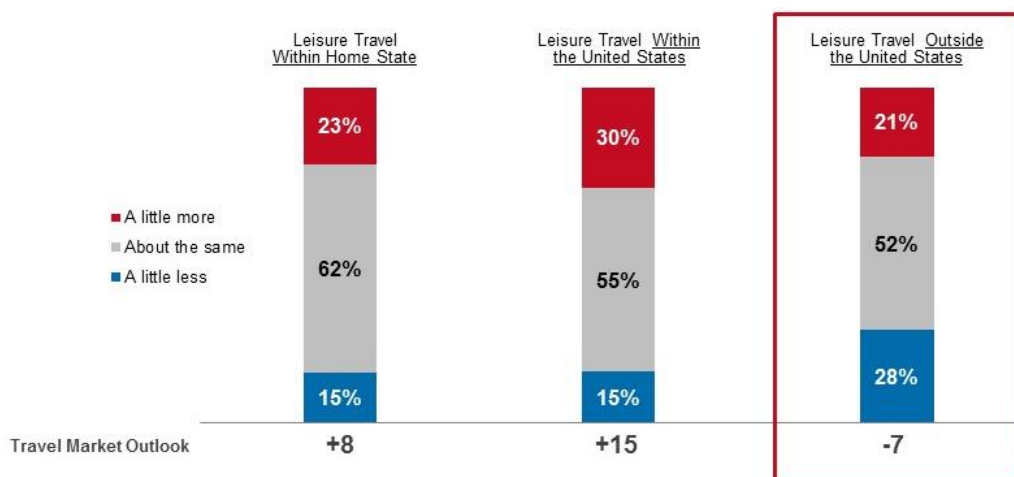
<sup>1</sup> Destination Canada, Tourism Snapshot, December 2016.  
<sup>2</sup> Destination Canada, Tourism Snapshot, December 2016.

Despite largely positive economic projections, international travel intentions among US travellers are trending downwards.

The proportion of US travellers saying they will spend less on travel beyond the US is higher than those saying they will spend more, resulting in a negative outlook for international travel (-7). Instead, US travellers appear more likely to travel domestically beyond their state (outlook of +15) or within their state (+8).

Note that the international travel intentions are slightly better among Border (-3) and South (-6) regions compared to those in the Near Border region (-12).

Figure 2.3: Spending Intentions (in the Next 12 Months)



Base: Out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006)  
 Q52. How would you describe your spending intentions on the following items in the next 12 months, compared to the last 12 months? Will you spend ...?

### 3. Competitive Environment – Key Performance Indicators Summary

The outlook for Canada in the US travel market is modest. Out of the 13 competitive destinations that respondents were asked to evaluate, Canada is ranked 9<sup>th</sup> on aided consideration, 11<sup>th</sup> on unaided consideration, and 12<sup>th</sup> on destination knowledge.

The GTW tracks the following Key Performance Indicators (KPIs) for Canada: unaided and aided destination consideration, aided destination knowledge, and past visitation. Canada’s performance is tracked against key competitors for the out-of-state market. As previously mentioned, 2016 marked a departure from previous screening criteria for the US GTW study. This change in the screening criteria to include out-of-state travellers rather than out-of-country long-haul travellers means that 2016 US GTW results are not comparable to historic GTW data.

## Consideration

Unaided consideration represents top-of-mind presence of destinations in the consumer mindset and requires travellers to think of destinations without being prompted. Unaided consideration indicates that a strong impression has rooted in the mind of a traveller for a destination. From a marketing perspective, travellers who have Canada on their unaided consideration list may be easier to attract since they are actively thinking of Canada as a travel destination. On an unaided basis, Canada ranks 11<sup>th</sup>, with 7% citing Canada as a destination they would visit over the next two years. The dominance of domestic destinations is very apparent, with 69% of US travellers mentioning a destination within the US. Destinations outside the US have similar unaided awareness levels as Canada: Europe (13%), the Caribbean (8%), and Mexico (6%). Those who live in Border States (9%), and those younger than 55 years (8%) are more likely to mention Canada on an unaided basis.

Aided consideration represents the proportion of travellers who say they would seriously consider visiting a destination, but only after they are prompted with a list of competitive destinations. Travellers who have aided consideration for Canada may not be thinking of Canada top-of-mind, but they are considering a visit. Continued prompts and cues through marketing efforts could help move these considerers down the Path to Purchase. Canada fares slightly better on an aided basis, with 30% saying they are seriously considering the country for a leisure trip in the next 2 years, well behind three US regions: Florida & the South (52%), Mid-Atlantic (40%), and Texas & the Southwest (36%). Several destinations including Mexico/Caribbean, California, Europe, and Hawaii saw similar results to Canada. Of note, younger travellers aged 18-34 express stronger than average consideration of most destinations, including Canada.

## Knowledge

The aided destination knowledge KPI (previously called aided awareness, but changed for clarity purposes) measures knowledge of travel opportunities in each destination. Thirty percent of all US long-haul travellers rate their knowledge of travel opportunities in Canada as either excellent or very good. Among those considering Canada, destination knowledge stands at 48%, but trails most US regions, Mexico/Caribbean, and Europe. It is not unexpected that knowledge of Canada is low within the US given that Destination Canada has only re-entered with marketing activities in 2016 after a long hiatus. Efforts to boost knowledge of Canadian travel opportunities could help to move potential visitors along the Path-to-Purchase.

## Visitation

In terms of past visitation, 68% of US out-of-state travellers have visited Canada at some point in their lifetime. Those 55+ years and older are most likely to have visited Canada previously (79%). Those considering a trip to Canada are also considerably more likely to have visited previously (80%). Messaging designed to encourage repeat visitation is suggested since past visitors to Canada voice considerably higher interest in returning.



Figure 3.1: Key Performance Indicators

**Key Performance Indicators (KPIs) for Canada – Summary**

Indicator	Definition	All Out-of-State Travellers (n=3,006)	Recent Visitors to Canada <sup>1</sup> (n=1,055)	Considering Canada <sup>2</sup> (n=1,481)
<b>Intentions:</b>				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list <sup>3</sup>	7%	27%	13%
Competitive positioning on aided destination consideration	Rank on the consideration list among 13 destinations	9	1	1
<b>Destination knowledge:</b>				
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	30%	66%	48%
<b>Past visitation:</b>				
Past visitation	% who have ever visited Canada for pleasure	68%	99%	80%

<sup>1</sup> Visited Canada in the past 3 years (pleasure trip of 1 or more nights, with at least 1 night in paid accommodations).  
<sup>2</sup> Those in the consider to purchase stages of the path to purchase for Canada.  
<sup>3</sup> For trips in the next 2 years.  
 Base: Out-of-state pleasure travellers (past 3 years or next 2 years)  
 Q58. You mentioned that you are likely to take an out-of-state vacation trip in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)  
 Q59. You may have already mentioned this before, but which destinations would you seriously consider visiting in the next 2 years?  
 Q165. How would you rate your level of knowledge of vacation opportunities in each of the following destinations (asked only for destinations in consideration set)?  
 QRT14a. Approximately, how many times have you been to Canada?

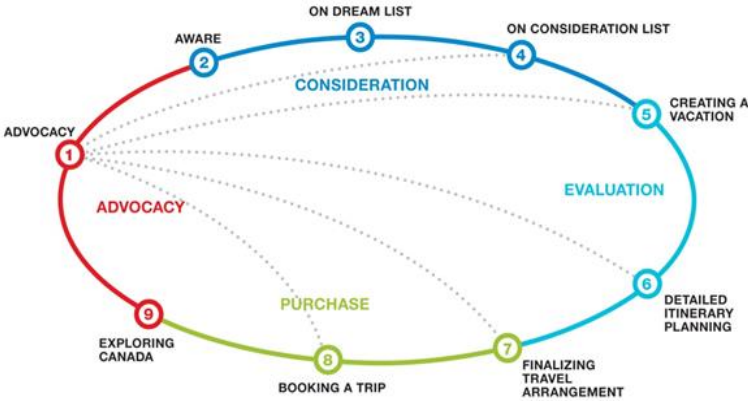
## 4. Path-to-Purchase

Like any other expensive and discretionary consumer product, there is a purchasing or decision-making cycle associated with travel: consumers move through progressive stages from not knowing anything about a destination to booking a trip.

Through additional research, Destination Canada has developed a nine stage Path-to-Purchase (P2P) model for long-haul travel, starting with awareness of the opportunity and interest in a destination, through to planning an itinerary, and booking travel and accommodations. The final stage, advocacy, happens during and after the actual visit.

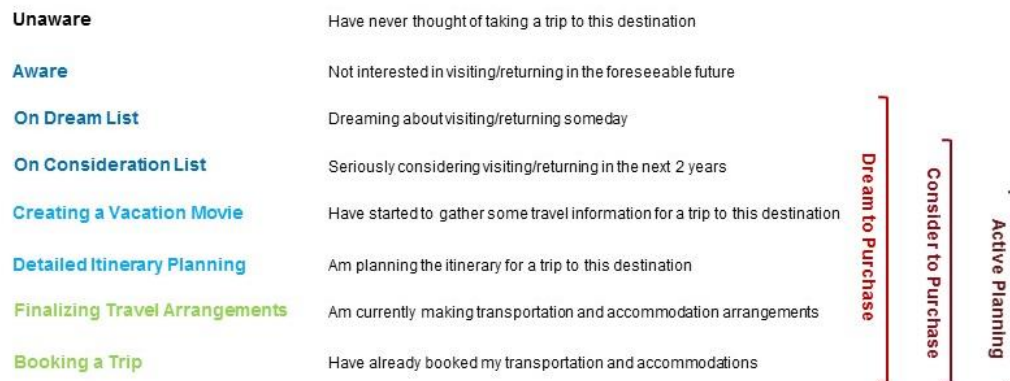
Destination Canada wants to understand where the organization can have the greatest influence in converting those with interest in Canada to actual visitors.

Figure 4.1: DC’s Path-to-Purchase Model



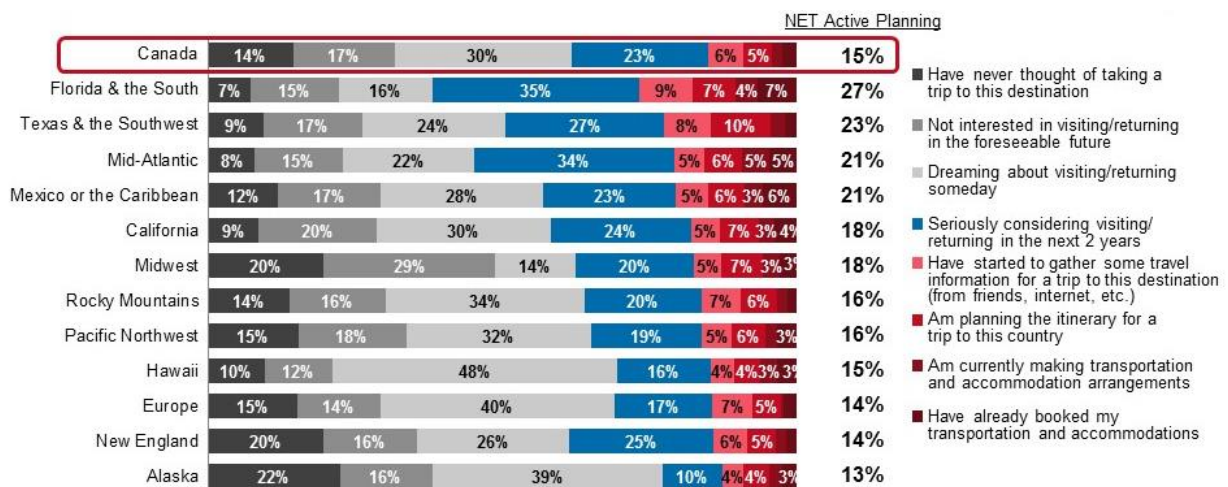
In addition to looking at individual stages of the P2P, Destination Canada has identified phases travellers move through in the purchase cycle. Key phases are defined below and are referenced throughout this report.

Figure 4.2: DC's Path-to-Purchase Model



US out-of-state travellers are most likely to be actively planning a trip to Florida & the South (27%) or Texas & the Southwest (23%). In contrast, just 15% are actively planning a trip to Canada.

Figure 4.3: Stage in the Purchase Cycle by Country



Base: Out-of-state pleasure travellers (past 3 years or next 2 years) – note all respondents evaluated Canada plus 2 randomly selected countries from the competitive set (n=varies)  
QMP1. Which of the following best describes your current situation when thinking about each of the following countries for a vacation trip?

Those who live in the Mid-haul and South regions are more likely to be in the Dream phase for Canada. Those in the Border region have progressed farther along the path-to-purchase, with 28% saying they would seriously consider visiting or returning to Canada for a vacation, and a further 22% saying they are actively planning or have booked such a trip.

Getting travellers to move through the purchase cycle to booking a trip to Canada is critical. The charts below show Canada's progress converting travellers at crucial steps in the purchase cycle relative to top competitors (determined by past 3-year visitation) and other destinations in the competitive set. For reference, also shown is the average across the entire competitive set. 'Strong' and 'weak' conversion ratios were derived through statistical analysis, specifically if a conversion ratio is greater than one standard deviation from the average, then it is considered 'strong' and if a conversion ratio is lower than one standard deviation from the average, then it is marked as 'weak'.

Relative to top competitors, which are all domestic destinations, Canada sees average performance through the creating a vacation movie phase, but is weak at the itinerary planning stage.

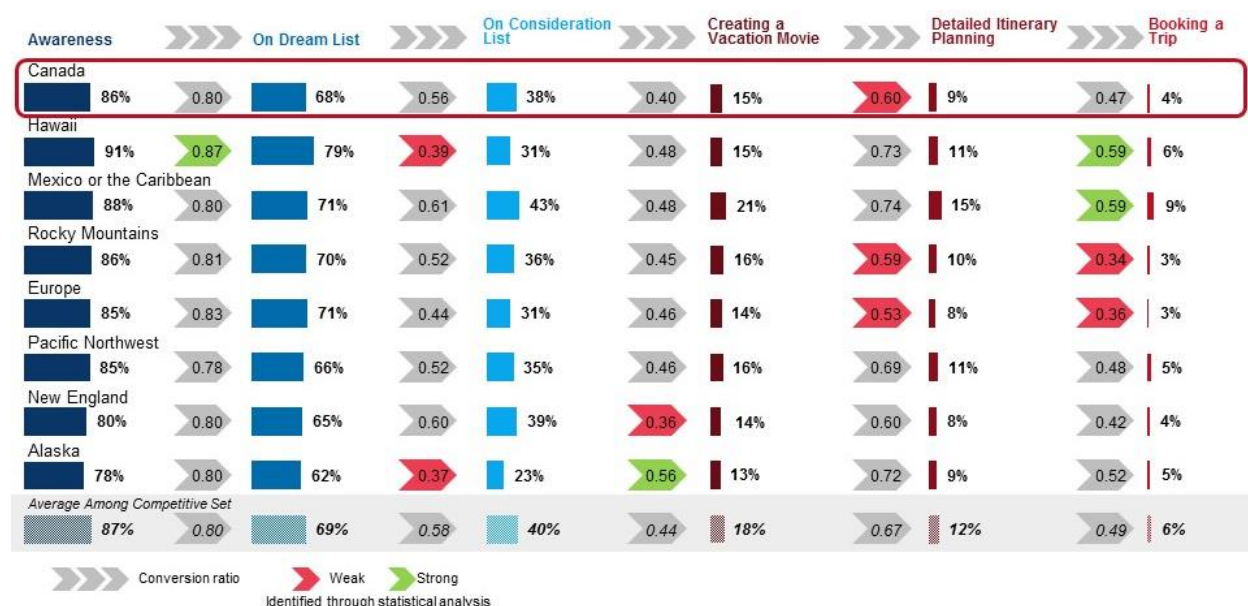
At the final stage, booking a trip, Canada has converted 4% of US travellers into actual visitors, which is below the average conversion rate among top competitors (Mid-Atlantic is the leader converting 9% of prospective visitors). Along the purchase cycle, travellers in the awareness and dream phases for Canada are more likely to be 35-54. Younger travellers aged 18-34 are more likely to enter the evaluation and purchase phases. Those 55+ are least likely to advance through the purchasing cycle and are most likely to say they are not interested in visiting. Residents of the Border region are more likely to advance through every phase along the path, culminating in booking a trip.

Figure 4.4: Path-to-Purchase Conversion – Top Competitors



Examining purchase cycle results for destinations visited less frequently by US travellers is also insightful. Notably, Mexico/Caribbean and Hawaii are strong performers at the final booking stage, with conversion ratios above average, and outperform most of the top competitors. Alaska is a strong performer at the creating a vacation movie stage, but momentum drops and itinerary planning and trip booking results are average.

Figure 4.5: Path-to-Purchase Conversion – Rest of Competitors



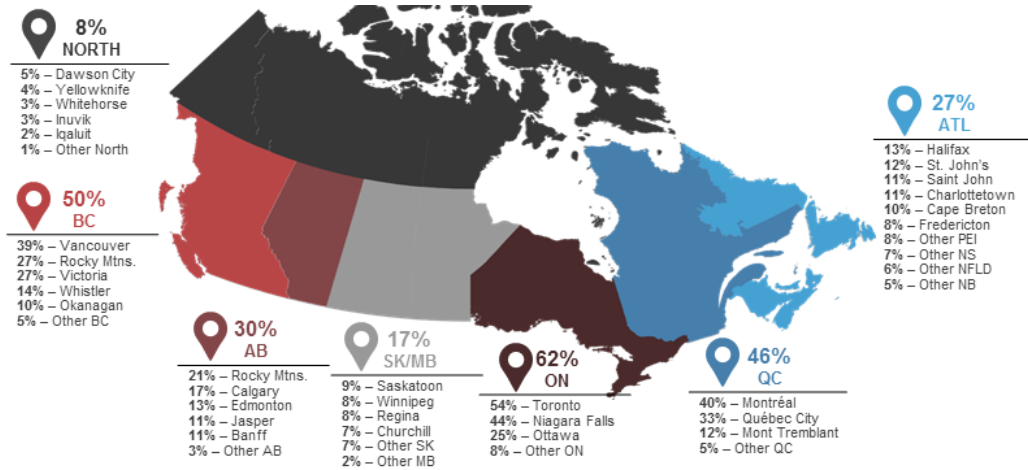
## Destinations

US travellers in the dream-to-purchase stages and indicating they are definitely/very likely to visit Canada in the next 2 years were asked which parts of the country they would likely visit. Overall, Canada’s major cities are top draws as are iconic Canadian natural attractions such as Niagara Falls and the Rocky Mountains.

Ontario is the most popular province (cited by 62%), with Toronto (54%), Niagara Falls (44%), and Ottawa (25%) of interest. Among those who say they would like to vacation in British Columbia (50%), Vancouver (39%), Rocky Mountains (27%), and Victoria (27%) are the top draws. Almost as many travellers say they would like to visit Quebec (46%), with Montreal (40%) and Quebec City (33%) being the primary interests.

Residents of the South region voice stronger interest in BC, Alberta, and the North (Yukon, Northwest Territories, Nunavut). This suggests that a highly contrasting environment is appealing. Also of note, the proportion indicating no interest in visiting Canada is highest among residents of the South (34%). Residents of the Border region voice higher interest in British Columbia and the Prairies. Those in the Near Border region are more drawn to Atlantic Canada, but the proportion indicating no interest in Canada is also higher at 31%. Younger travellers aged 18-34 show greater interest in all areas of Canada relative to those 35+ years, with the most pronounced interest gaps evident for Ontario, Alberta, the Prairies, and the North. Those 55+ years are most likely to indicate no interest in visiting (40%).

Figure 4.6: Canadian Destinations Likely to Visit (Among those definitely/very likely to visit)

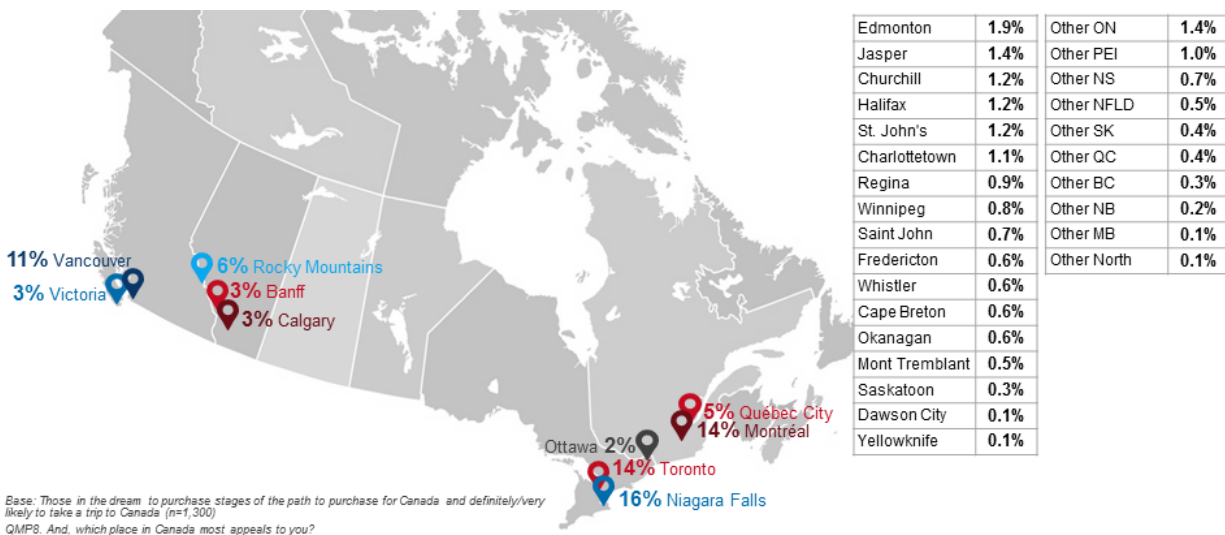


Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=1,300)  
 QMP7. If you were to take a holiday trip to Canada in the next 2 years, which of the following Canadian travel destinations are you likely to visit?  
 QMP7a-g. Within [province/region], which travel destinations are you likely to visit?

An additional question asked potential visitors to identify the one Canadian destination that holds the greatest appeal. Niagara Falls, selected by 16% of potential visitors, is the top draw followed by Toronto (14%), Montreal (14%) and Vancouver (11%). Victoria is more appealing to those 55+. Younger travellers aged 18-34 are more interested in visiting Calgary than are other age groups.

With the exception of Niagara Falls, Americans seem to be drawn more to Canada’s major cities than its landscapes.

Figure 4.7: Most Appealing Canadian Destination – Top 10 Mentions



## 5. Vacation Activities

US travellers were asked about which activities and experiences they seek while on vacation, regardless of the destination. The opportunity to view natural scenic attractions like mountains and waterfalls ranks first along with sampling local cuisine and drink. At least half of US travellers are interested in attractions that are centered around nature, which bodes well for Canada. They include: nature parks, hiking/walking in nature, and viewing wildlife or marine life. Also appealing are activities typically associated with urban centres, such as food and drink festivals, shopping, art galleries and museums.

Generally, those under 35 are interested in engaging in as many activities as possible on vacation. This group is more likely to be interested in all types of outdoor activities, from camping to kayaking to skiing. They are also interested in nightlife, attending music festivals and other live shows/events, amusement and theme parks. They are more drawn to urban activities, such as casual cycling, culinary tours/classes, spas, and shopping.

Older travellers (55+ years) are more interested in local food, guided city tours, train tours, cruises, viewing wildlife and marine life, historical/archaeological sites, and natural attractions.

Residents from the South region are interested in a wide range of vacation activities, particularly viewing the Northern lights, scuba diving, skiing, guided city tours, guided train tours, art galleries/museums, cruises, and Aboriginal culture. Camping is the only activity that residents of the Border region display stronger than average interest in while those in the Near Border region favour breweries/wineries.

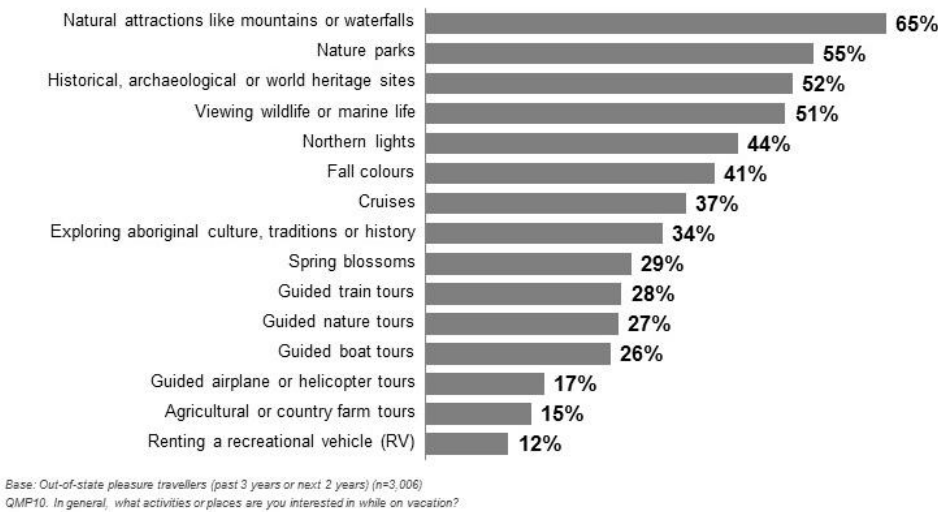
Figure 5.1: General Activities/Places Interested In – Top 10



Base: Out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006)  
QMP10. In general, what activities or places are you interested in while on vacation?

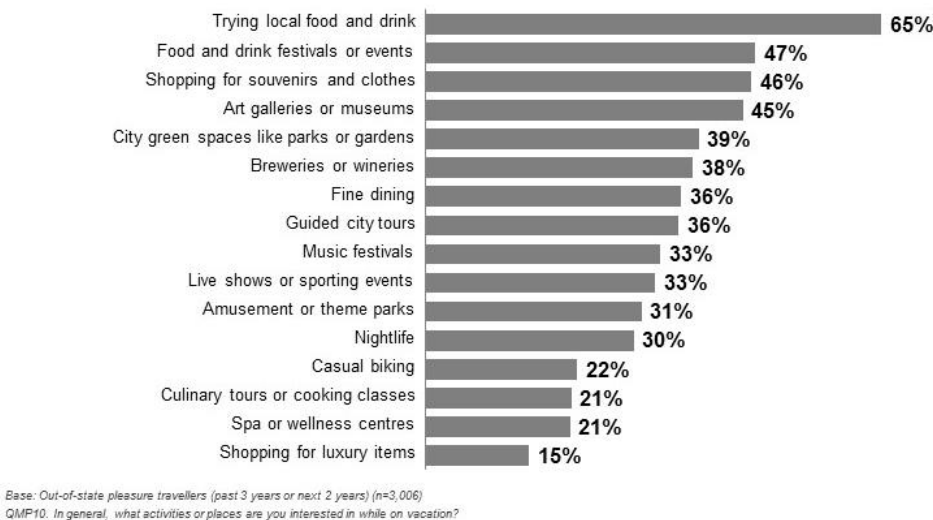
In terms of things to see & do, US travellers are most interested in natural attractions like mountains or waterfalls (65%). They also show strong interest in nature parks (55%), historical, archaeological or world heritage sites (52%), and viewing wildlife or marine life (51%). The Northern lights are mentioned by 44% of US travellers, while 41% are interested in seeing fall colours.

*Figure 5.2: General Activities/Places Interested In – Things to See & Do*



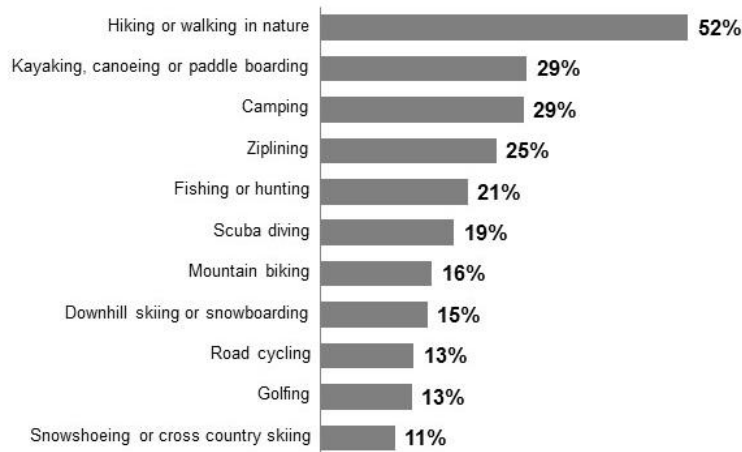
Among city activities specifically, trying local food and drink holds the greatest appeal for US travellers (65%). Food and drink festivals or events (47%), shopping for souvenirs and clothes (46%), and visiting art galleries or museums (45%) are the next most frequently mentioned city activities.

*Figure 5.3: General Activities/Places Interested In – City Activities*



Hiking or walking in nature is the most frequently mentioned outdoor activity among US travellers (52%), with significantly more mentions than any other outdoor activity. Kayaking, canoeing or paddle boarding (29%) and camping (29%) are the next most frequently cited activities, followed by ziplining (25%).

Figure 5.4: General Activities/Places Interested In – Outdoor Activities



Base: Out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006)  
QMP10. In general, what activities or places are you interested in while on vacation?

## 6. Barriers

All US out-of-state travellers were asked what could prevent them from visiting Canada. Cost is the primary deterrent (33%), and is especially prevalent among especially among those under 35 years. Price aside, there are other places that are considered more desirable (25%). In addition, Canada is perceived to have inclement weather (20%). Driving time is another concern (18%), especially among those under 35 years. Lack of urgency to visit, lack of vacation time, not knowing enough about the destination, and high gas prices round out the top reasons to forego a trip to Canada. With the exception of gas prices, all are more pronounced among young travellers. While younger US travellers represent an opportunity for Canada, there are several disparate barriers to overcome.

Older travellers are a more challenging group for Canada to incite to travel now. Those 55+ years are most likely to cite a lack of urgency to visit and a desire to visit other places. However, they are also the most likely to say nothing could prevent them from visiting Canada. This suggests promoting products and experiences unique to Canada could lure older travellers.

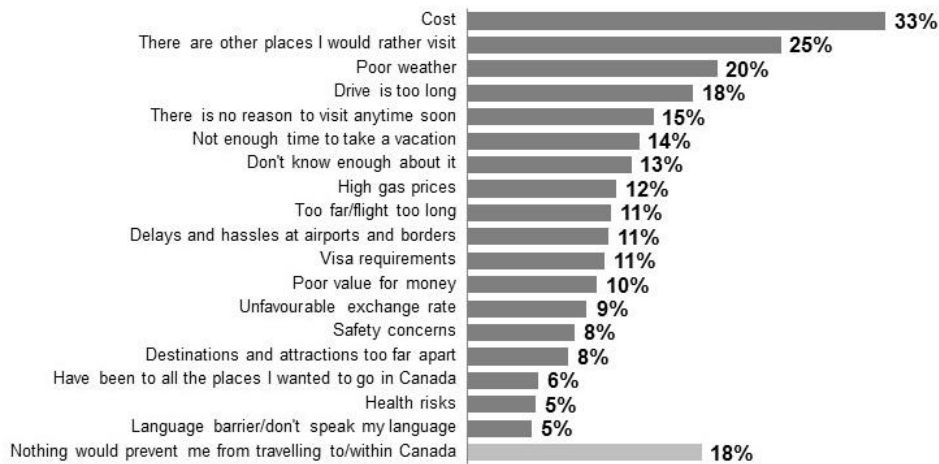
Those who have visited Canada in the past are much more likely than those who have never been to say that there is nothing that would prevent them from travelling to Canada. Although cost is the top barrier for past visitors (28%), they are much less likely to cite it as a barrier compared to those who have never been (43%).



Looking at barriers by region, those in the South are more likely to cite cost, lengthy driving times, and not knowing enough about the destination as reasons not to visit. Similarly, those in the Near Border region are more likely to mention driving time and lack of knowledge as deterrents. Those in the Border region cite safety concerns and having been to all the places they want to see in Canada at a higher rate.

Several of the top barriers relate to a lack of a compelling reason to visit Canada in the short-term (lack of urgency to visit, desire for other places, coupled with a lack of knowledge about the destination). Many of these issues can be addressed through advertising and marketing.

Figure 6.1: Key Barriers for Visiting Canada

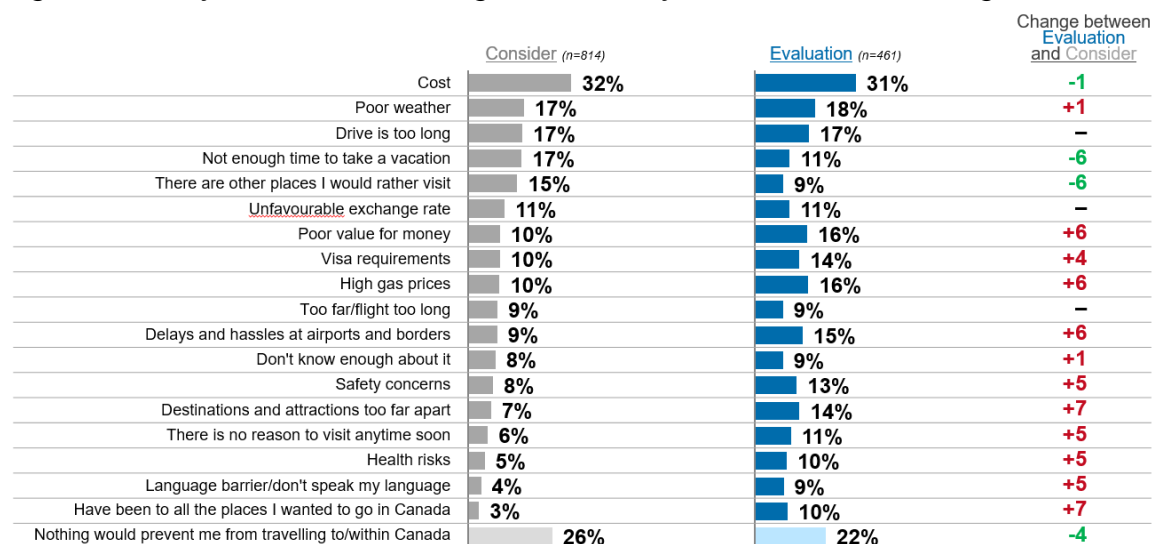


Base: Out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006)  
 QMP9. Which of the following factors might discourage you from visiting Canada?

Examining barriers by key path-to-purchase stages offers additional insight. Cost, including the exchange rate and value for money and gas prices, increase in importance at both the Consider and Evaluation phases. Inclement weather and travel distance also factor more prominently into both phases.

Those in the evaluation stage (gathering information or planning a visit) switch their focus to practical considerations. They are more likely to cite delays and hassles at borders and airports, entry requirements, safety concerns, and to distance to travel within the country as impediments. There are also more focussed on cost-related concerns such as value for money and gas prices. They are also more likely to say that they have been to all the places in Canada they want to visit. The proportion saying nothing would prevent them from visiting Canada is lower among those in the evaluation stage than in the consider stage. Several other barriers such as poor value for money, high gas prices and destinations are too far apart also increase as Americans move from consider to evaluation; this suggests some US travellers are at risk of changing their minds about visiting Canada as they proceed along the purchase path.

Figure 6.2: Key Barriers for Visiting Canada – by Path-to-Purchase Segments



Base: Out-of-state pleasure travellers in specific path-to-purchase segments  
QMP9. Which of the following factors might discourage you from visiting Canada?

## 7. Recent Trip Profile

The following section provides details on the most recent out-of-state trip taken by US travellers to competitive set destinations in the past 3 years (94% took such a trip). If the most recent trip encompassed more than one destination, the data reflects where the most time was spent.

### Trip Purpose

The two primary reasons for travelling among all US out-of-state travellers was to enjoy a holiday (49%), and to visit with friends and family (33%). Those residing in the South region are more likely to cite visiting friends/family as the primary reason for their trip. Not surprisingly, travel outside of the US is less likely to include visiting friends and family.

Travel to Canada is far more likely to be for holiday purposes (64%) than to visit friends and family (19%). Almost all travel to Mexico/Caribbean is for vacation purposes (85%), while travel to Europe is for vacation (48%), but more likely to include visiting friends and family (23%).

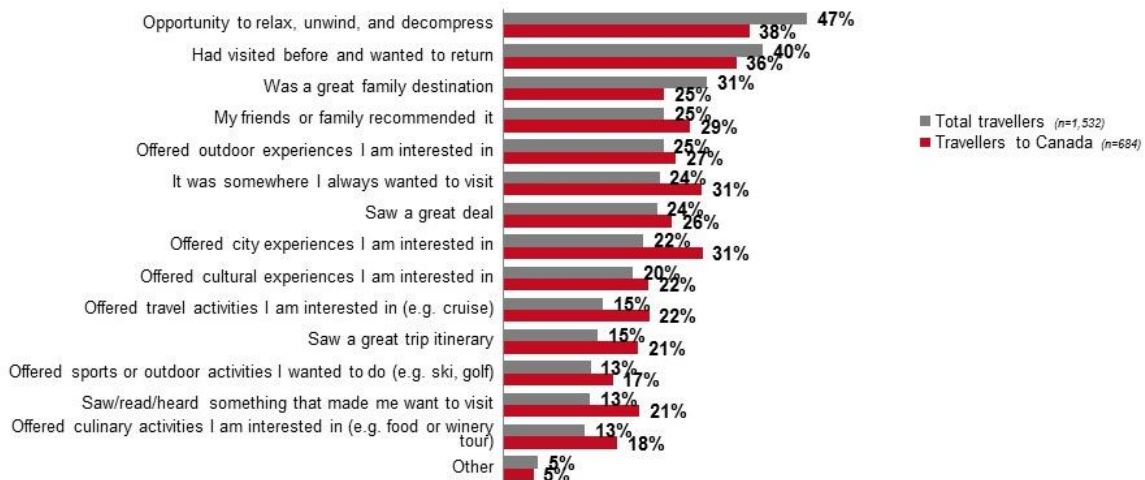
### Motivators

Those travelling for holiday purposes were asked about factors which influenced their choice of destination.

The desire to relax and decompress topped the list both among travellers generally and visitors to Canada. Repeat visitation is also important to US travellers, as 40% said they had visited the destination previously and wanted to return. The fact that it was a family friendly destination (31%), or was recommended by friends and family (25%), also inspired the choice of destination.

In comparison, those who travelled to Canada were less likely to come for relaxation purposes. Instead, they were more likely to choose to visit Canada because it was somewhere they always wanted to visit, someone recommended it, they saw/heard something that made them want to visit, the destination offered appealing city experiences, travel activities (such as a cruise) or sporting activities (e.g. ski), appealing itineraries, or they were attracted to a culinary experience such as a food or wine tour.

Figure 7.1: Factors Influencing Destination Selection



Base: Out-of-state pleasure travellers (past 3 years) travelling for vacation  
 QRT3. Which of the following factored into your choice of destination for this trip?

## Travel Party

Regardless of destination, three in five (61%) US travellers were accompanied by their spouse or partner. Twenty-seven percent of US travel parties contained children under 18 years (most common among those aged 35-54 years). Travellers to Canada were more likely to travel with their spouse (72%) and to travel with children (38%), this suggests that there is some potential in the family market.

## Booking

The most popular way for US travellers to book flights is directly with the airline (28%), followed by use of an online travel agency (24%). Interestingly, for trips to Canada, use of a traditional travel agent (31%) is on par with use of an online travel agency (30%). Younger travellers aged 18-34 were the most likely to book flights to Canada via a travel agent. Note that 38% of all trips did not include a flight and 30% of trips of Canada did not include flying, suggesting that a substantial proportion of US travellers drive to their destination. Those 55+ years are most likely to not require flights, regardless of destination.

Similarly, accommodation booking preferences favour booking direct with the accommodation provider (34%) followed by an online travel agency (OTA) (26%). There is still a role for traditional travel agents here too, with 26% using a travel agency. Fourteen percent booked their accommodation through an accommodation sharing service such as Airbnb. Those 18 to 54 years are more likely to use book their accommodation using an OTA or to use a sharing service, than are those 55+ years.

## Type of Accommodation

US out-of-state travellers are almost twice as likely to stay in a mid-priced hotel (42%) than they are to stay in a luxury (22%) hotel. While use of mid-priced hotels is consistent, Americans coming to Canada are more likely to stay in a luxury hotel (34%). Other forms of accommodation, such as budget hotels/motels (19%), Airbnb (16%), B&Bs (16%), and staying with friends and relatives (15%), are also popular. Near Border residents visiting Canada are more likely to stay in a mid-priced accommodation, while those in the Border and South regions are more likely to opt for luxury hotels. Those who are 55 years+ are also most likely to stay in mid-priced accommodation (56%), while young travellers (under 35 years) use a range of accommodations, from budget to luxury.

## 8. Marketing Tactics

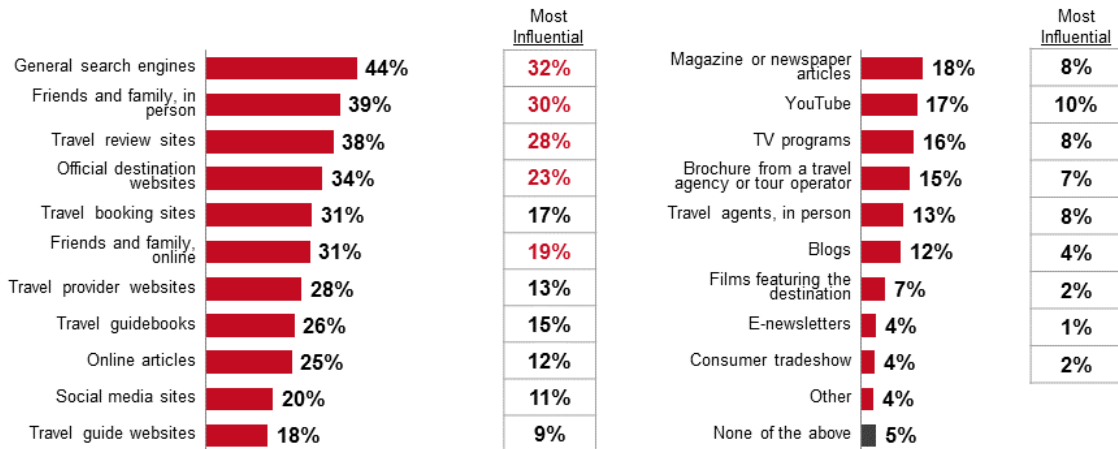
### Sources Used to Look for Information

US out-of-state travellers rely heavily on general search engines (44%), personal interactions with friends and family (39%), and travel review sites (38%) for finding information on potential vacation destinations. Other important sources are official destination websites (34%), travel booking sites (31%), and friends and family, online (31%). The most popular information sources used by US out-of-state travellers are almost exclusively online sources, apart from personal recommendations with friends and family.

General search engines (32%) were also deemed the most influential information source by the largest number of US out-of-state travellers, followed by personal interactions with friends and family (30%), and travel review sites (28%).

Travellers of all ages are equally likely to look for information on general search engines, travel review sites, and via friends and family. Travellers under 35 years are more likely to draw on multiple online sources, including online articles, social media, YouTube and online travel guides. Middle age travellers (35 to 54 years) also rely on these online sources, but to a slightly lesser degree. They are the most likely to rely on personal recommendations from family and friends. Older travellers 55+ years are significantly less likely to say they will use multiple online sources, but they rely on specific online sources such as official destination websites, and travel booking sites. In addition to online resources, those 55+ years are more likely to consult print sources (e.g., travel guidebooks and magazine articles and brochures).

Figure 8.1: General Source of Destination Information / Most Influential Source



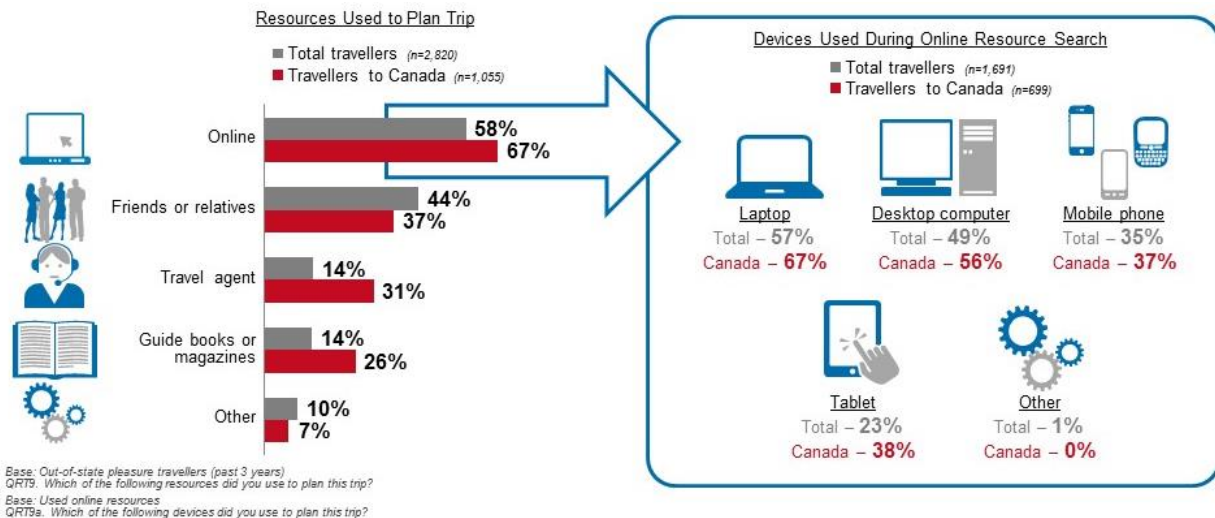
Base: Out-of-state pleasure travellers (past 3 years or next 2 years) (n=3,006)  
 QMT1. When you research possible vacation destinations for your next trip, what sources do you use to look for information?  
 Base: Out-of-state pleasure travellers (past 3 years or next 2 years) who mentioned an information source (n=2,874)  
 QMT2. Please select the 3 most influential information sources.

## Resources, Devices Used to Plan Recent Trip

As noted above, US out-of-state travellers rely heavily on online research for information gathering and trip planning, with laptops and desktops being most prevalent.

Friends and family were cited as a resource for trip planning by a substantial number of US travellers. Of note, those visiting Canada rely less on personal recommendations. Instead, travellers to Canada are twice as likely to have relied on travel agents and print sources (e.g., guidebooks, magazines, brochures). Those who travelled to Canada from the South are more likely to have used a travel agent. Travellers under 35 years consult more sources than other age groups.

Figure 8.2: Resources and Devices Used to Plan Trip



Base: Out-of-state pleasure travellers (past 3 years)  
 QRT9. Which of the following resources did you use to plan this trip?  
 Base: Used online resources  
 QRT9a. Which of the following devices did you use to plan this trip?

## 9. Destination Canada's US Target

Destination Canada has identified a more defined target for marketing efforts in the US. Analysis and findings on this target are available to Destination Canada's marketing partners; for more information, please contact Destination Canada to become a marketing partner.