Canadian Tourism Commission

Commission canadienne du tourisme

Global Tourism Watch

2012 Germany 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 will be conducted in six countries - Japan, France, Mexico and India in addition to Canada and the US.

The overall objectives of the GTW study are to:

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

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

Methodology

In 2012, a web-based panel survey was conducted by TNS. The target population for the online survey was residents aged 18 years and older, who had taken a long-haul pleasure trip outside of Europe, North Africa, and the Mediterranean where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years or plan to take such a trip in the next 2 years.

Data was gathered from 1,515 respondents in Germany, including 300 recent visitors to Canada. Data was collected in July 2012.

2. Key Take-Aways

The German travel market, although the largest and most sustaining on the globe, continues to suffer lingering impacts of the global economic crisis which began in 2008. This market has modestly grown since 2011 and still has a large volume of long-haul travellers, making it an important market for Canada.

- On an unaided basis, just over one-in-five respondents mentioned Canada as a long-haul travel destination, behind the US and Australia. On an aided basis, less than 30% of German travellers claim to be knowledgeable about holiday opportunities in Canada (3rd behind the US and Australia).

- On an unaided basis for destinations under consideration for long-haul trips in the next 2 years, Canada ranks 2nd behind the US and just ahead of Australia. On the aided measure, Canada takes top spot, up from 3rd last year. Canada is marginally ahead of the US and Australia.

- In terms of personality trait association, Canada's top results were a 1st place finish for "Liberal" and a 2nd place rating for "Confident" (behind the US). Canada finds itself in 3rd place for "Beautiful", "Friendly", "Informal", and "Authentic" and "Intriguing" behind Australia and New Zealand in these categories. Given Canada's relatively strong association with these traits suggests they can be leveraged successfully in future marketing campaigns.

- In the minds of German travellers, Canada rates1st in two brand perception categories – "Inspired geography" and "Offering an authentic experience"; 1st in one value attribute – "Travel experiences I am specifically looking for". Canada generally outperforms the US on brand and value attributes, but lags on price measures. Still, Canada does well on price when compared to others in the competitive set.

- Given the dominance of the US in this market, there is an opportunity for Canada to draw more Germans by promoting dual itinerary trips.

- Nature and culture are the top vacation interests of German travellers. "Seeing beautiful scenery" is the number one interest and several cultural interests appear in the top-10 choices. Canada is strongly associated with scenic beauty, with a considerable lead on 2nd place New Zealand. Further, German travellers appear to appreciate experiences unique to the destination, revealing an opportunity for the Canadian tourism industry to use remarkable and unique experiences to attract German travellers (e.g., Canadian Signature Experiences).

- The 5th most sought after tourism experience among German travellers is aboriginal culture which Canada is ranked last on. As Australia outscored all other countries by a wide margin, the result may be partially attributed to the strong association of the word "aboriginal" with Australia. However, the fact Canada continues to be ranked behind countries such as China on this experience suggests the tourism industry needs to do more to educate German travellers on Canada's aboriginal offerings.

- Although summer is the peak travel season for German travellers, approximately 50% of visitation occurs in spring and fall. Therefore, advertising about Canada cannot be scheduled to focus entirely on the summer season; it needs to be visible throughout the year considering the relatively short trip-planning and booking cycle among German travellers.

- Also important to note is that travel agents play a role with trip-planners in this market and they end up booking close to half of all trips. This is a substantial percentage and illustrates the importance of this channel in the German market. Ongoing efforts to educate and engage travel agents are warranted.

- Over 40% of recent travellers to Canada have close friends or relatives here, suggesting VFR travel is an important market. Unlike other GTW markets which see a predominance of older visitors, German visitors to Canada tend to be middle aged. They are likely to be married, employed with higher than average incomes and have children under 18 years of age in the household. These demographics should be considered when designing marketing collateral for the German market.

- The majority of German travellers see the destination as paramount, while budget considerations are of primary concern to a smaller portion of the market. Therefore, getting Canada on German travellers' short list of destinations is key to achieving greater success in this market.

- Over three quarters of respondents recall information on travel opportunities in Canada within the past year. TV travel shows are the primary information source, followed by family and friends. Traditional print sources such as magazines, travel guides and brochures are also important, while online sources are secondary.

- Canada scored higher than average on the Net Promoter Score, placing 3rd narrowly ahead of the US and South Africa. Australia and New Zealand are noticeably ahead of the pack. These results suggest Canada has considerable advocacy potential in Germany. The challenge is to effectively harness that potential.

- Real sharing still takes place the old fashioned way – by send a postcard and talking to family and friends about experiences. E-mail is a popular post-voyage way to share experiences and scores much higher than social media sharing; therefore, traditional approaches along with social media may be required to increase advocacy in this market.

3. Market Health and Outlook

German Market Conditions & 2013 Outlook

Economic uncertainty about the near, and possibly distant future, has undermined the German consumers' confidence. This shows up in stagnant retail sales. The good news is that Germany has the fourth largest economy in the world (the largest in Europe), and the unemployment and projected inflation rates are low. The German travel market is predicted to remain the world's largest in terms of volume and expenditures, at least in the short-term.

The not so good news – the uncertainty of the economic performance of other countries in the Eurozone – creates the potential for a long-term economic turmoil throughout Europe. This may affect long-haul travel aspirations of German travellers. However, although German retail sales are sluggish, the travel market remains substantial. Of course, most Germans are travelling on short-haul trips to take advantage of their geographic location, but Canada is the beneficiary of considerable German long-haul travel volume.

Of the 85 million trips Germans made in 2011, 10% of this travel is classified as long-haul. Canada is the fourth highest recipient of this travel at 290,000 visits, slightly more than Brazil at 242,000 visits. The US (1.8 million visits), China (637,000) and Thailand (600,000) take the first three spots. From a marketing and economies of scale perspective, capturing or sharing some of the German market destined for the US has considerable potential for Canada to boost visitation.

Some key trends related to economic uncertainty are evident in the 2012 results. This year's results show a decline in long-haul travel incidence with 72% reporting a trip in the past 3 years, down from 78% in 2011. This result represents the highest proportion of intenders (no long-haul travel in the past 3 years, but intend to travel in the next 2 years) in the German long-haul market in 6 years of monitoring (intender rate typically ranges between 22%-27%).

While recent long-haul travel appears to have been curtailed somewhat, Germans are optimistic about future travel. The market outlook (difference between those who say they will travel more in the next 2-3 years versus the past 2-3 years) for the German market stands at +23%, identical to the 2011 result and tied with the highest ever result recorded.

In 2012, all respondents were asked what factors they could foresee curtailing future long-haul travel. Results show that just over one-third of Germans fear "personal reasons" such as illness and family commitments could limit future travel, followed closely by fears of international conflicts. Related to this are safety concerns (#4) and health risks (#6). Economic concerns are also prevalent with one-third saying they may not be able to afford to travel and 23% mentioning the poor economy as a possible impediment. Canada may gain some traction in this market by emphasizing the relative safety and peacefulness a Canadian vacation offers. Further exploration of the health risks issue may be warranted so the tourism industry can better understand this perception.

4. Market Potential

Exhibit 4.1 provides an estimate of the size of the potential German 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 German long-haul travellers (market size estimate derived from the 2010 omnibus study of the German 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 a broader traveller population with a target market estimate of nearly 18.1 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 nearly 6 million travellers with more immediate potential for conversion. While the immediate market estimate is up by approximately 900,000 from 2011, the result is not directly comparable to previous years due to a change in the question wording.

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

	Size of Potential Market to Canada
Total potential long-haul pleasure travellers (aged 18 plus)	18,086,000
Target Market for Canada	
Definitely / very / somewhat interested in visiting Canada in the next 2 years	80%
Size of the target market	14,469,000
Immediate Potential for Canada	
Will definitely / very likely visit Canada in the next 2 years[1]	33%
Immediate potential	5,968,000

Base: Long-haul pleasure travellers (n=1,515)
[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 show 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 (British Columbia, Ontario, and Quebec) is obviously considerable, with each region of interest at over 3 million travellers.

In terms of destination preferences, German travellers intending to visit Canada are most inclined to visit Vancouver, Niagara Falls, and Toronto, which mirrors the 2011 result.

Exhibit 4.2 – Market Potential For The Regions

	BC	ON	QC	AB	ATL CAN	YK	NWT	SK	MB	NU
Immediate potential for Canada	5,968,000									
Likely to visit region	75%	70%	55%	43%	39%	27%	16%	12%	12%	9%
Immediate potential for the regions (000s)	4,476	4,178	3,282	2,566	2,328	1,611	955	716	716	537

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=1,002)

5. Competitive Environment

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

Exhibit 5.1 summarizes the 2012 KPIs for Canada. On an unaided basis, just over one-in-five respondents mentioned Canada as a long-haul travel destination, behind the US and Australia. On an aided basis, less than 30% of German travellers claim to be knowledgeable about holiday opportunities in Canada. The US at 45%, followed by Australia at 30% precede Canada in 3rd spot at 29%.

Canada comes 2nd on past visitation (19%), but it is far behind the US which 44% of German travellers have visited at least once in their lifetime.

On an unaided basis for destinations under consideration for long-haul trips in the next 2 years, Canada (11%) again ranks 2nd behind the US (29%) and just ahead of Australia (10%). On the aided measure, Canada takes top spot, just ahead of the US and Australia.

Exhibit 5.1 – Key Performance Indicators For Canada – Summary

Indicator	Definition	All L-H Travellers (n=1,515)
Destination Awareness		
Unaided awareness of Canada (roll-up)	% who said Canada or a destination in Canada	21% (3rd)
Aided awareness of travel opportunities in Canada	% with excellent / very good knowledge of travel opportunities in Canada	29% (3rd)
Past Visitation		
Overall market penetration	% who have ever visited Canada for pleasure	19% (2nd)
Intentions		
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list (for trips in next 2 years)	11% (2nd)
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	2nd

Base: Long-haul pleasure travellers

From a trending perspective, unaided awareness of Canada has plateaued, hovering around 20% since 2007. Aided awareness (29%) has trended downward since 2010 and is significantly lower than a high of 38% in 2008. Despite the decrease, Canada remains in 3rd place among other destinations on this measure.

In terms of intentions, unaided consideration of Canada has dropped 4 points since the previous reporting period. However, aided consideration is significantly up in 2012 after several years of relative stability. Canada has moved into top spot, up from 3rd place on the aided measure (note: some of the gains may be attributable to a change in question wording).

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

In terms of personality trait association, Canada's top results were a 1st place finish for "Liberal" and a 2nd place rating for "Confident" (far behind the US). Canada finds itself in 3rd place for "Beautiful", "Friendly", "Informal", and "Authentic" and "Intriguing" behind either Australia or New Zealand in these categories. Given Canada's relatively strong association with these traits suggests they can be leveraged successfully in future marketing campaigns. Canada receives lower assessments on the "Witty" (4th), "Inspirational" (5th), and "Energetic" (6th) measures.

Exhibit 5.2 – Aided Brand Personality Perceptions

	1#	2#	3#	4#	5#	6#	7#	8#
Liberal[1]	CAN 38%	AUS 31%	USA 30%	NZ 27%	NONE 22%	BRZ 8%	SAF 7%	CHN 5%
Confident	USA 59%	CAN 30%	AUS 26%	CHN 16%	NZ 15%	NONE 14%	BRZ 10%	SAF 8%
Beautiful	NZ 46%	AUS 42%	CAN 40%	SAF 29%	USA 26%	BRZ 23%	CHN 13%	NONE 5%
Friendly[1]	AUS 39%	NZ 37%	CAN 34%	USA 27%	BRZ 23%	CHN 23%	SAF 19%	NONE 7%
Informal	AUS 40%	NZ 31%	CAN 31%	USA 31%	BRZ 24%	SAF 16%	NONE 10%	CHN 6%
Authentic	AUS 34%	NZ 32%	CAN 31%	USA 21%	SAF 21%	BRZ 19%	CHN 18%	NONE 14%
Intriguing	AUS 42%	NZ 38%	CAN 31%	SAF 29%	USA 29%	CHN 26%	BRZ 22%	NONE 5%
Witty	CHN 28%	NONE 25%	AUS 23%	CAN 21%	USA 21%	NZ 18%	BRZ 11%	SAF 11%
Inspirational[1]	AUS 36%	NZ 32%	USA 27%	SAF 27%	CAN 26%	CHN 23%	BRZ 22%	NONE 9%
Energetic[1]	USA 45%	BRZ 35%	CHN 22%	AUS 21%	SAF 18%	CAN 18%	NZ 13%	NONE 11%

Base: Long-haul pleasure travellers (2012 n=1,515)
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 German travellers, Canada rates 1st in two brand categories – inspiring geography and offering an authentic experience, with New Zealand capturing the other two. New Zealand also rates highest on two value attributes with Canada receiving top marks for relevancy (travel experiences I am specifically looking for) and the US earning top billing as a dream destination. The US also dominates the price category rated 1st by respondents in all three attributes. In sheer numbers, Canada performs well on all measures, just behind New Zealand and the US, which each recorded four 1st place finishes. Canada generally outperforms the US on brand and value attributes, but lags on price measures. Still, Canada does well on price when compared to the other destinations in the competitive set.

Exhibit 5.3 – Brand, Value, Price Perceptions

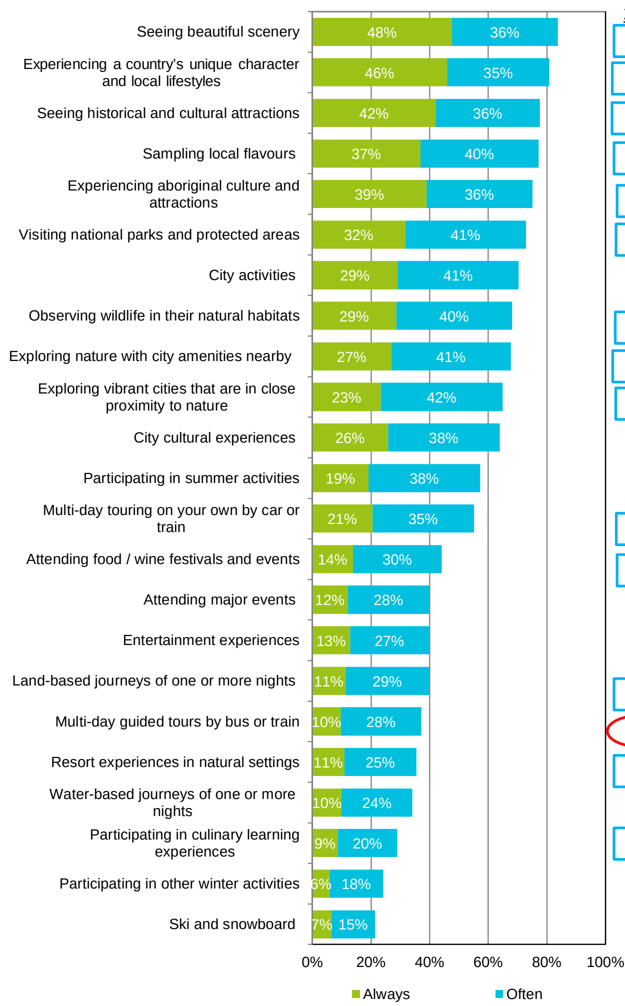
Top-3 Box	Canada	United States	South Africa	New Zealand	China	Brazil	Australia
Brand Perceptions							
A place that inspires me to explore its geography	72%	63%	63%	66%	49%	54%	62%
A place that inspires me to explore its culture	54%	39%	55%	57%	56%	53%	44%
A place that inspires me to meet and engage with its people	59%	45%	54%	62%	46%	52%	58%
A place that offers an authentic experience	65%	48%	56%	63%	46%	51%	55%
Value Perceptions							
A destination I would pay a little more for	50%	51%	40%	56%	30%	36%	39%
A destination with the travel experiences I am specifically looking for	56%	52%	44%	55%	30%	40%	46%
A place with unique features that other destinations don't offer	61%	58%	56%	63%	49%	50%	54%
A dream destination that I would visit if money were no object	59%	71%	53%	63%	38%	49%	60%
Price Perceptions							
A destination that is affordable to get to by air	35%	50%	28%	28%	24%	25%	26%
A destination with reasonable prices for food, entertainment and hotels	38%	44%	34%	31%	33%	35%	30%
A place that offers good value for money	35%	47%	34%	32%	32%	34%	31%

Base: Long-haul pleasure travellers (n=1,515)
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?
Blue shading represents top performers.

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

Nature and cultural activities are the top interests of German travellers. “Seeing beautiful scenery” is the #1 interest and several cultural interests appear in the top-10. While Canada may have a harder time competing on historical and cultural elements, German travellers appear to appreciate experiences unique to the destination, revealing an opportunity for the Canadian tourism industry to promote remarkable and unique experiences (e.g., Signature Experiences collection). There is also a stronger than average interest in aboriginal culture, which is an opportunity for Canada. A continuing challenge is the lack of interest in Canada’s strongest products: winter activities and ski & snowboard.

Exhibit 5.4 – Product Interests



Top-2	2012	2011	2010	2009
Seeing beautiful scenery	84%	88%	88%	88%
Experiencing a country's unique character and local lifestyles	81%	85%	86%	86%
Seeing historical and cultural attractions	78%	84%	85%	84%
Sampling local flavours	77%	85%	86%	84%
Experiencing aboriginal culture and attractions	75%	85%	87%	86%
Visiting national parks and protected areas	73%	83%	82%	82%
City activities	71%	72%	72%	73%
Observing wildlife in their natural habitats	68%	76%	76%	73%
Exploring nature with city amenities nearby	68%	75%	73%	75%
Exploring vibrant cities that are in close proximity to nature	65%	82%	83%	80%
City cultural experiences	64%	64%	64%	63%
Participating in summer activities	57%	59%	54%	55%
Multi-day touring on your own by car or train	55%	64%	64%	62%
Attending food / wine festivals and events	44%	62%	61%	60%
Attending major events	40%	43%	40%	41%
Entertainment experiences	40%	39%	38%	37%
Land-based journeys of one or more nights	40%	51%	47%	49%
Multi-day guided tours by bus or train	37%	26%	27%	27%
Resort experiences in natural settings	36%	44%	40%	39%
Water-based journeys of one or more nights	34%	37%	33%	35%
Participating in culinary learning experiences	29%	40%	38%	40%
Participating in other winter activities	24%	25%	23%	21%
Ski and snowboard	21%	22%	21%	22%

Base: Long-haul pleasure travellers (2012 n= 1,515)
Q7: We are interested in knowing the types of activities and experiences you are looking for on your long-haul holidays. Please indicate how important each of the following activities is to you when choosing long-haul destinations.
Note: Results not comparable to previous years due to changes in the question wording and to the product list in 2011.
Blue squares indicate a result that is significantly lower than 2011. Red circles indicate a result that is significantly higher than 2011.

Exhibit 5.5 shows how Canada ranks against the competition on each tourism product. Canada remains strongly associated with winter activities, which only appeal to a small portion of the market. More importantly, Canada has strengthened its lead over New Zealand and the US on scenery, the #1 interest of German travellers. Canada records 2nd or 3rd place finishes for several of the top experiences sought by German travellers, with the US and Australia being the primary competition. Notably, Canada recorded last place finishes for opportunities to experience uniqueness, aboriginal culture, historical and cultural attractions and sampling local flavours. These are perceptions the industry needs to work to change (e.g., by promoting Canadian Signature Experiences).

Exhibit 5.5 – Product Interest Associations By Country

	1#	2#	3#	4#	5#	6#	7#	8#
Participating in other winter activities	CAN 52%	USA 30%	NONE 20%	NZ 13%	AUS 10%	CHN 8%	BRZ 7%	SAF 6%
Seeing beautiful scenery	CAN 49%	NZ 38%	USA 35%	AUS 34%	SAF 24%	BRZ 18%	CHN 11%	NONE 6%
Ski and snowboard	CAN 49%	USA 31%	NONE 23%	NZ 13%	AUS 9%	CHN 7%	SAF 6%	BRZ 5%
Water-based journeys of one or more nights	CAN 41%	USA 31%	NZ 29%	AUS 26%	BRZ 17%	NONE 14%	SAF 12%	CHN 8%
Participating in summer activities	CAN 36%	USA 35%	NZ 33%	AUS 29%	SAF 17%	NONE 15%	BRZ 14%	CHN 9%
Multi-day touring on your own by car or train	USA 48%	CAN 38%	AUS 33%	NZ 26%	SAF 15%	NONE 13%	BRZ 11%	CHN 9%
Visiting national parks and protected areas	USA 43%	CAN 37%	SAF 36%	AUS 35%	NZ 27%	BRZ 14%	CHN 7%	NONE 6%
Resort experiences in natural settings	USA 36%	CAN 30%	AUS 23%	NZ 22%	NONE 22%	SAF 18%	BRZ 10%	CHN 8%
City cultural experiences	USA 49%	CAN 27%	AUS 25%	CHN 21%	NZ 16%	SAF 13%	BRZ 13%	NONE 13%
Observing wildlife in their natural habitats	SAF 48%	AUS 40%	CAN 33%	NZ 22%	USA 20%	BRZ 17%	CHN 7%	NONE 7%
Exploring nature with city amenities nearby	USA 37%	AUS 33%	CAN 33%	NZ 25%	SAF 20%	BRZ 19%	CHN 11%	NONE 11%
Exploring vibrant cities that are in close proximity to nature	USA 48%	AUS 31%	CAN 29%	BRZ 22%	SAF 17%	CHN 17%	NZ 17%	NONE 10%
City activities	USA 58%	AUS 28%	CAN 27%	CHN 20%	BRZ 17%	NZ 15%	SAF 14%	NONE 11%
Multi-day guided tours by bus or train	USA 37%	AUS 29%	CAN 26%	SAF 21%	CHN 21%	NZ 19%	BRZ 16%	NONE 14%
Attending major events	USA 46%	AUS 22%	CAN 22%	NONE 21%	BRZ 20%	CHN 12%	NZ 11%	SAF 9%
Land-based journeys of one or more nights	AUS 35%	USA 34%	NZ 33%	CAN 33%	SAF 16%	NONE 15%	BRZ 11%	CHN 11%
Entertainment experiences	USA 55%	AUS 22%	BRZ 22%	CAN 21%	NONE 16%	NZ 12%	CHN 11%	SAF 9%
Seeing historical and cultural attractions	CHN 39%	USA 38%	AUS 27%	BRZ 21%	CAN 19%	NZ 19%	SAF 17%	NONE 10%
Experiencing a country's unique character and local lifestyles	AUS 37%	NZ 31%	SAF 28%	CHN 26%	BRZ 25%	USA 25%	CAN 23%	NONE 8%
Experiencing aboriginal culture and attractions	AUS 47%	NZ 31%	SAF 29%	BRZ 24%	USA 23%	CHN 18%	CAN 17%	NONE 8%
Sampling local flavours	CHN 37%	BRZ 32%	SAF 29%	AUS 26%	NZ 21%	USA 20%	CAN 17%	NONE 11%
Attending food / wine festivals and events	AUS 27%	USA 25%	SAF 25%	NONE 21%	BRZ 21%	NZ 20%	CAN 16%	CHN 13%
Participating in culinary learning experiences	NONE 25%	AUS 24%	SAF 22%	USA 21%	CHN 20%	NZ 17%	CAN 16%	BRZ 16%

Base: Always, often and sometimes important in destination selection (Q7)
Q8: Thinking about the following destinations, please select up to three destinations that you personally feel would be the best places to go for each of the following. Your choices can be based on your impressions, or anything that you have seen, heard or read. Select one to three destinations ONLY that you feel are best for each item.

6. Strategic Marketing

Exhibit 6.1 shows the dominance of the US in the German market with nearly 3-in-10 of all recent trips being to the US. This is more than twice the number of visits than the second most popular spot, the Caribbean (13%). Canada is well down the list of recently visited destinations at 5%. Given the dominance of the US in this market, there is an opportunity for Canada to promote dual country itineraries to capture a portion of the US-bound market.

German travellers have a relatively short trip-planning and booking cycle: 57% of these travellers plan their trip 3 months or less before travel and 63% book in the same time frame. Certainly it is important for Canada to be active in the marketplace in the late winter and spring months to capture the peak summer market, but approximately half of visitation occurs in spring and fall. Therefore, Canadian advertising cannot be scheduled to focus entirely on the summer season; it needs to be visible throughout the year. Also important to note is that travel agents play an important role with trip-planners in this market and they end up booking close to half of all trips. This is a substantial percentage and illustrates the importance of this channel in the German market. Half of travellers travel independently and two-thirds go for pleasure purposes, although VFR is the primary influence for 16% of German travellers.

Recent visitors to Canada are more likely to travel independently, be middle aged, married, employed with higher incomes and have children under 18 years of age in the household. Close to half have friends or family in Canada.

Exhibit 6.1 – Most Recent Pleasure Trip Profile

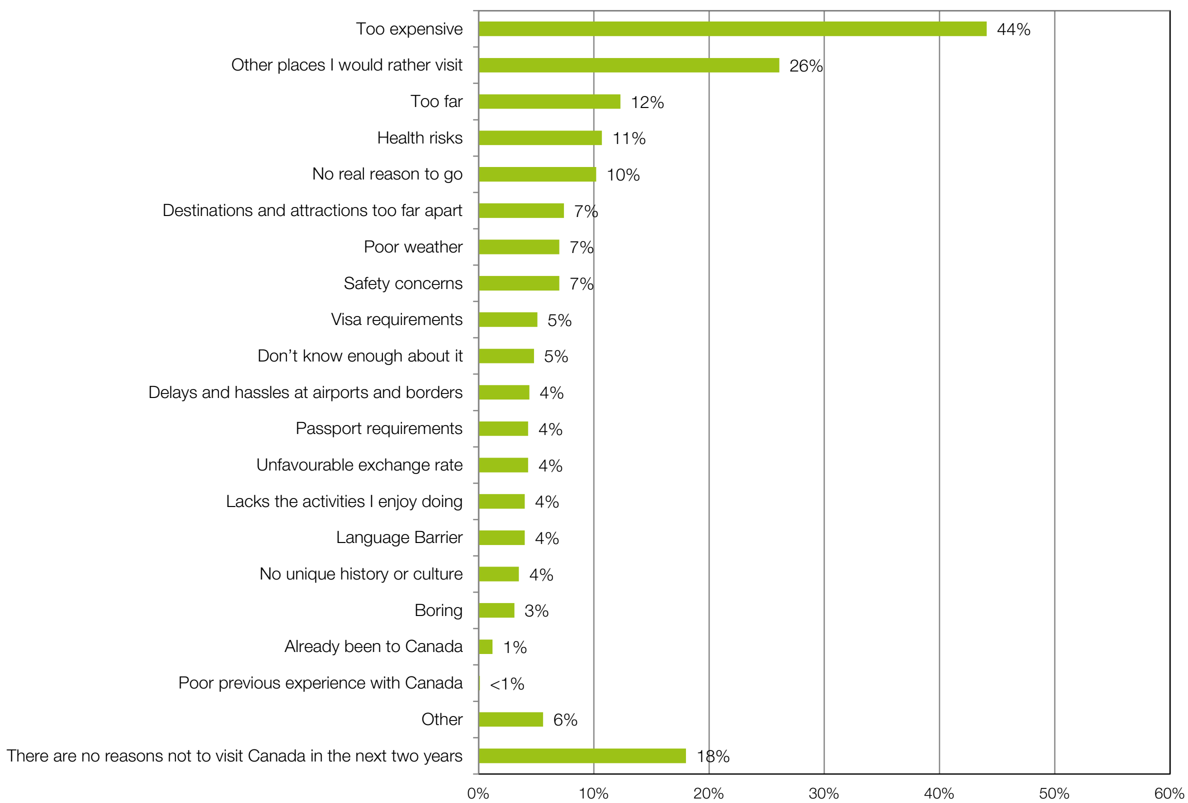
	All L-H Travellers (n=1,120)
Top Destination(s) Visited	
United States (excluding Hawaii)	27%
Caribbean (e.g., Bahamas, British Virgin Islands, Cuba, Dominican Republic, Jamaica, Netherlands Antilles, Puerto Rico, US Virgin Islands, etc.)	13%
Thailand	9%
South Africa	7%
Australia	7%
Other Africa Excluding North Africa	6%
Middle East (e.g., Bahrain, Cyprus, Dubai, Israel, Jordan, Iran, Lebanon, Qatar, UAE, etc.)	5%
Canada	5%
Other Southeast Asia (e.g., Cambodia, Indonesia, Malaysia, Philippines, Vietnam)	5%
Russia	4%
Amount of Time Before Departure When Trip Planning Started	
Average months	4.7
Amount of Time Before Departure When Trip was Booked	
Average months	3.3
Trip Type	
Travel independently	53%
Combine independent travel with some guided tours for parts of the trip	15%
A fully escorted or guided tour	11%
All inclusive or semi-inclusive resort stay	17%
A cruise	4%
Trip Purpose	
Holiday	66%
Visited friends or relatives	16%
Business	4%
Study	3%
Personal reasons (e.g., wedding, reunion, etc.)	11%
Travel agent involvement	56%

Base: Those who have taken a long-haul pleasure trip in the past three years

All respondents were asked what factors may prevent them from visiting Canada in the short-term. The top reason for not visiting Canada relates to cost despite earlier results that showed Canada was perceived as the second most affordable destination in the competitive set. If travellers mention cost as a barrier, then this would also be an issue for the other destinations in the competitive set (with the possible exception of the US). However, not all visitors to Canada are price sensitive, so one needs to look beyond budget as the only barrier to travelling to Canada. The results show that 26% of travellers prefer to visit other destinations over Canada, which suggests the tourism industry needs to step up efforts to make Canadian experiences more relevant to German travellers. A further 12% cite distance and 11% are concerned about health risks, which is somewhat curious as there is no recent reason for this perception.

Approximately 1-in-5 respondents said there was no reason not to visit Canada.

Exhibit 6.2 – Key Barriers For Visiting Canada

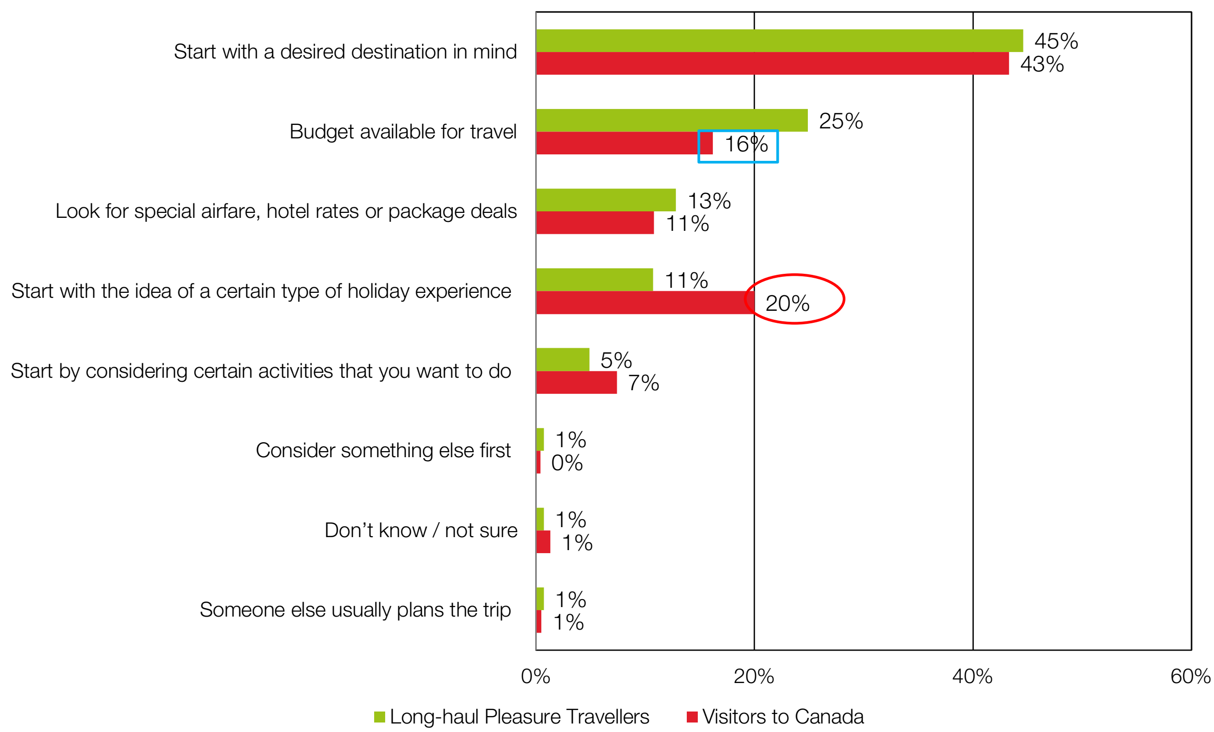


Base: Long-haul pleasure travellers (n= 1,515)
Q18: Please indicate which of the following reasons could prevent you from visiting Canada in the next two years.

While other data suggests the German market is price sensitive, a new question asked travellers what one factor is the first consideration in trip planning. Results show that the majority of German travellers see the destination as paramount, while budget considerations are of primary concern to a smaller portion of the market. This result suggests once a German resident has decided to travel, cost is secondary. Interestingly, those who visited Canada recently cited the type of experience they were seeking as being more important than budgetary constraints.

It would seem getting Canada on German travellers' short list of destinations through promoting the experiences they are seeking is key to achieving greater success in this market.

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

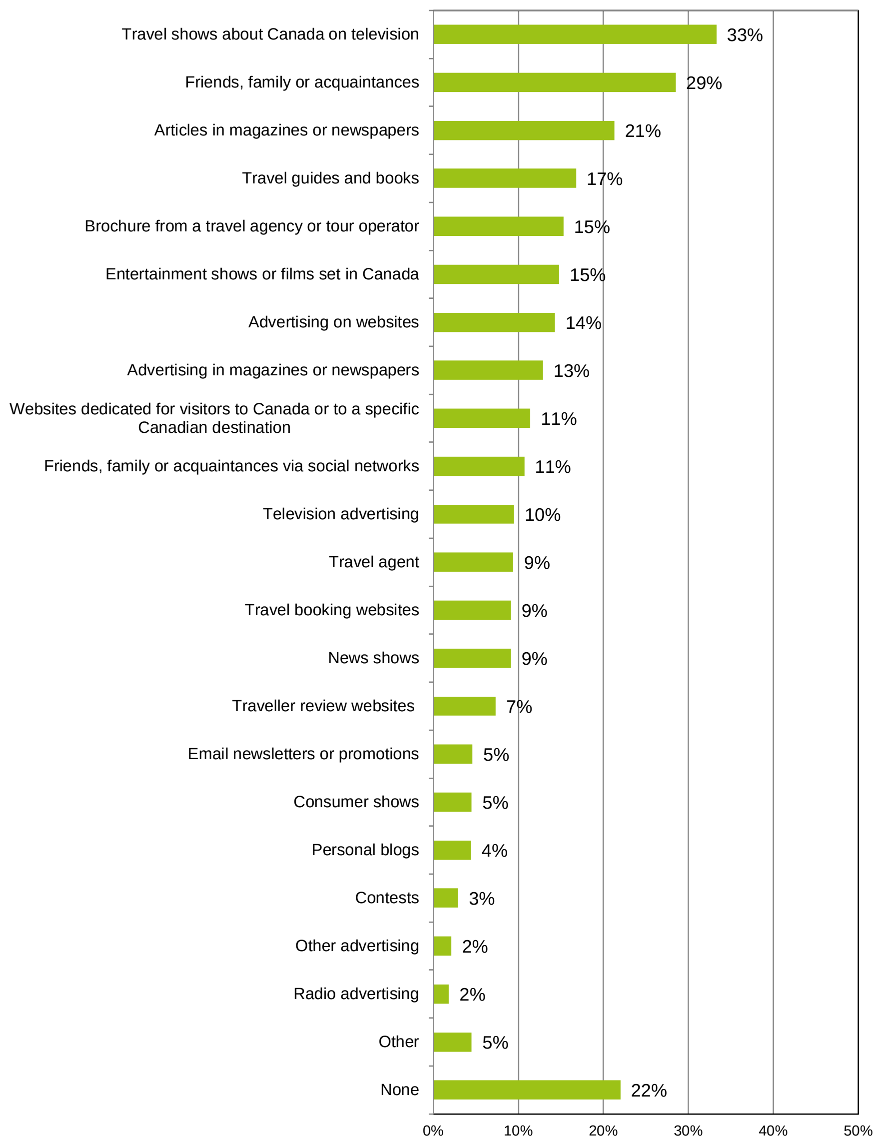


Base: Long-haul pleasure travellers (n=1,515). Long-haul pleasure travellers who visited Canada in the past three years (n=300)
QS9: What one factor do you typically consider first when planning a long-haul trip?

Over three quarters of respondents recall information on travel opportunities in Canada within the past year. TV travel shows are the primary information source, followed by family, friends or acquaintances. Traditional hard copy sources such as magazine articles, travel guides and brochures are next most important sources.

Social network sites are growing in importance and will take on more presence in the future. At present, approximately three-quarters of German travellers have used social networking sites in the past 3 months, with Facebook being most popular, followed by YouTube and Twitter.

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



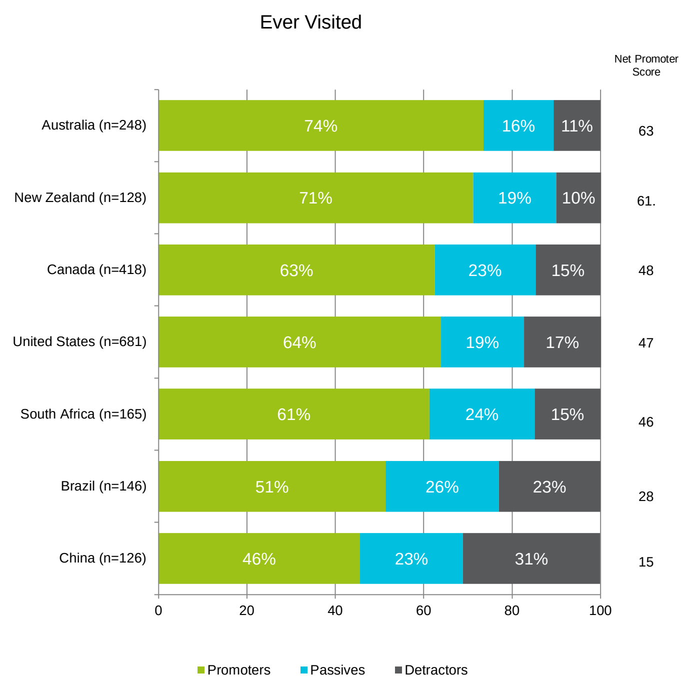
Base: Long-haul pleasure travellers (2012 n = 1,515)
Q20: In which of the following sources, if any, did you see or hear information about travelling to Canada during the past year?
Note: Results not comparable to previous years due to changes to the statement list in 2012.

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 higher than average on this measure, placing 3rd narrowly ahead of the US and South Africa. Australia and New Zealand are noticeably ahead of the rest of the pack. Further research to understand the strong performance of Australia and New Zealand in the German market may be worthwhile.

These results suggest Canada has considerable advocacy potential in Germany. The challenge is to effectively harness that potential.

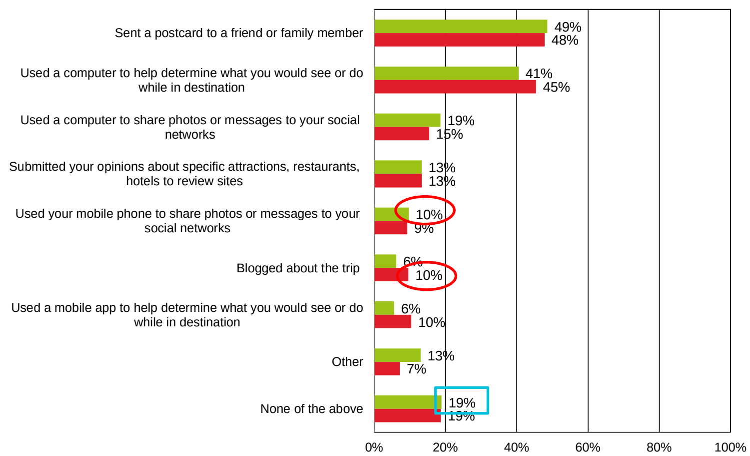
Exhibit 6.5 – Net Promoter Results



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

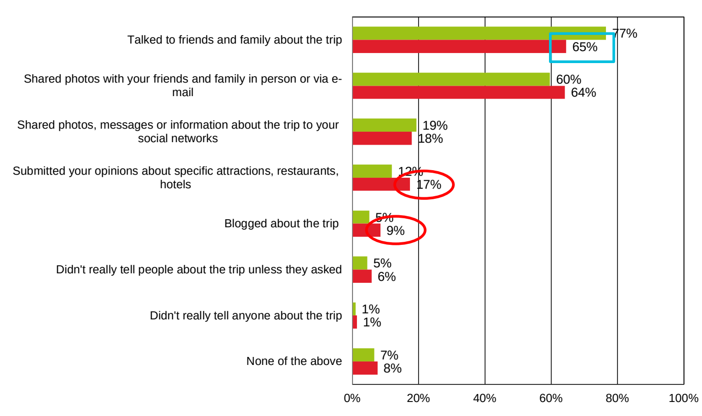
Two new questions asked German travellers about sharing behaviour during and after their trip. During the trip, the most popular activity among all travellers was sending a postcard back home, just ahead of online trip-planning research. This "postcard" behaviour – usually associated with the older demographic – is likely cultural in origin as most German visitors to Canada are middle-aged.

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



Post-trip sharing is equally accomplished through in-person and electronic interactions. Visitors to Canada were less likely to share experiences in-person, but more likely to share opinions on review sites and through blogs.

Exhibit 6.7 – After The Trip: Sharing Experiences



Base: Recent travellers to other destinations in the past 3 years (n=820). Recent travellers to Canada in the past three years (n=300)

Q31: During your trip, did you share our trip experiences with anyone or seek advice?

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.