Canadian Tourism Commission | Commission canadienne du tourisme

Quebec City

Global Tourism Watch

2012 South Korea Summary Report

Canada

Table of Contents

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, Switzerland, France, the UK, Australia, and New Zealand as the competitive set for Canada in the South Korean 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 East Asia (China, Taiwan, Hong Kong, Macau, South Korea, and Japan) 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 1,654 respondents in South Korea, including 227 recent visitors to Canada. Data was collected in July 2012.

2. Key Take-Aways

The South Korean travel market began to recover from the effects of the global economic crisis in 2010, with the long-haul market expanding substantially in 2011. Overall outbound trips are predicted to top 14.9 million in 2012, which exceeds the previous record set in 2007. Visitation to Canada has been on the decline since 2006 and estimates for 2013 show further erosion despite an expanding long-haul market and pent-up demand for travel. Australia and New Zealand have faced similar challenges in the South Korean market as changing travel preferences appear to favour European destinations. While some encouraging signs are evident in travel indicators in 2012, the GTW results continue to show Canada is facing numerous challenges in this market.

- The popularity of the US is predicted to continue as the destination tops the list for all aided and unaided destination awareness and consideration measures. The success the US is enjoying in the South Korean market is partially attributable to the relaxation of visa requirements in 2008, a large Korean population which drives VFR (visiting friends and relatives) traffic, and good air access. Given the dominance of the US in this market (1.1 million South Korean arrivals versus 140,000 for Canada in 2011), there is considerable potential for Canada to draw more South Korean travellers with dual country itineraries.

- Interestingly, Thailand does not fare so well on destination awareness and consideration measures, suggesting South Koreans may be looking beyond traditional Asian destinations for long-haul holidays. European destinations, such as Switzerland, France, the UK, and Italy, are growing in popularity as they appear to offer the breadth of experiences South Korean travellers are seeking.

- To attract more South Korean travellers, Canada must more effectively leverage its assets and tailor offerings to visitors' preferences. Seeing beautiful scenery remains the #1 product interest of South Korean travellers for which Canada receives top billing. Other top-ranking activities relate to historical / cultural, culinary, and urban experiences as well as opportunities to experience a country's uniqueness / authenticity. None of these experiences are strongly associated with Canada at this time. While Canada does offer these types of experiences, the perception is that it does not measure up relative to other countries in the competitive set, so focusing on product strengths is key to changing perceptions.

- While the expense of a Canadian vacation was the most-cited barrier that could prevent a trip to Canada – South Korea is identified as a price sensitive market – travellers seem prepared to pay for a quality experience as evidenced by Switzerland's strong performance on numerous value metrics. Itineraries emphasizing unique experiences relevant to South Koreans may boost visitation.

- There appears to be a lack of urgency to visit Canada, with the country receiving a last place assessment for "Intriguing". This is a difficult perception to change, but social media tools – networking, blogs and traveller review sites are popular in South Korea – may be effective, especially to encourage past visitors to share their impressions and experiences in Canada. Close to 90% of South Korean travellers are social media users, with Facebook, Cyberworld, YouTube, and Twitter being most popular.

- Canada currently draws a relatively homogenous market – the majority of visitors are middle-aged, well educated, and from high-income households or are students. Visiting friends and relatives (VFR) is a primary draw for both past and potential visitors to Canada. Strategies to continue to tap into the VFR market should prove effective.

- Travel agents play a key role in the South Korean market, with three-quarters of respondents consulting an agent about their most recent long-haul trip. More than half booked a trip through a travel agent, with a further 22% booking independently after seeking an agent's advice. Given the importance of the travel trade in the South Korean market, it is recommended that the Canadian tourism industry continues to educate agents on the merits of a Canadian vacation. However, it must also be noted that past South Korean visitors to Canada appear to rely less on travel agents than the general public. This tendency towards greater independence should be kept in mind when designing Canada's approach to planning and booking.

- There is some advocacy potential among past visitors to Canada, which the tourism industry needs to harness. Canada earned a Net Promoter Score of 24, 4th place behind Switzerland, Australia, and France. Interestingly, despite being the top long-haul destination of South Korean travellers, the US earns the lowest score of all competitors. Further research to understand how top destinations are outperforming Canada on this metric may be worthwhile.

- The majority of recent visitors to Canada shared their experiences with others both during and after their trip. Online channels dominated communication during the trip while in-person interactions were most common post-trip. South Korean travellers blog at a higher than average rate, both during and after their trips. Blogs are also an influential information source as 22% of South Korean travellers recalled learning about Canadian travel opportunities via this medium. Thus, the Canadian tourism industry is encouraged to explore opportunities to further engage influential Korean bloggers in their efforts to promote Canada.

3. Market Health and Outlook

South Korea Market Conditions & 2013 Outlook

South Korea represents a significant outbound travel market with 14.1 million trips recorded in 2011. The market peaked at 14.9 million trips in 2007 before contracting as a result of the global economic downturn. The travel market started to recover in 2010 and South Korea is on track to exceed 14.9 million outbound trips in 2012.

South Korea is an export-led economy. While GDP growth was modest in 2012, the 2013 forecasts predict growth of approximately 3% and low unemployment. Despite relatively buoyant economic forecasts, South Koreans remain concerned about economic prospects which is impacting travel patterns. Low interest rates to keep exports competitive caused the Korean *won* to depreciate against major world currencies between 2008-2012. The *won* is expected to appreciate against the Canadian dollar in 2013, which should make a Canadian vacation more affordable.

The volume of long-haul travel has grown 85% in the past decade and now encompasses about 50% of outbound travel. Out of region trips numbered approximately 7 million in 2011. Thailand and the US, which recently relaxed visa requirements for this market, each attract approximately 1.1 million South Korean visitors annually.

Visitation to Canada peaked at 189,000 visitors in 2006, but has been on the decline ever since. In 2011, Canada recorded 140,000 visits from South Korea and the 2013 forecast calls for numbers to decline further to 128,000. While this is a significant decline, South Korea still ranks as Canada's 7th largest overseas market. Other destinations such as Australia and New Zealand have seen similar declines as South Koreans travel preferences shift.

Some key trends related to economic uncertainty are evident in the 2012 GTW results. This year's result show a decline in long-haul travel incidence with 71% of respondents reporting a long-haul trip in the past 3 years, down from 88% in 2011. The proportion of frequent travellers (3+ long-haul trips in the past 3 years) dropped to 16% this year, down from a high of 32% in 2009.

In terms of future long-haul travel intentions, the market outlook (difference between those who say they will travel more in the coming 2-3 years versus the past 2-3 years) for the South Korean market remains steady at +48. This indicator has ranged from a high of +52 in 2007 to a low of +37 in 2009, when the effects of the global economic crisis were felt most acutely in the South Korean market.

In 2012, all respondents were asked what factors they could foresee curtailing future long-haul travel. Results show that close to one-third of respondents fear they may not be able to afford a long-haul trip in the next 2 years, while one-quarter cited the "poor economy", illustrating that economic uncertainty still weighs on South Koreans' minds. An equivalent number felt they might be "too busy / lack vacation time". South Koreans tend to have less vacation time than other major markets. Offering varied one-week itineraries to Western and Eastern Canada destinations may help to accommodate this situation. A further 16% cited "safety concerns" as a possible reason for not travelling. Canada may gain some traction in this market by emphasizing not only safety, but also opportunities for rest and rejuvenation.

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 South Korean travellers (market size estimate derived from the 2010 omnibus study of the South Korean 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 9.4 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 4.1 million travellers with more immediate potential for conversion. While the immediate market estimate is down by approximately 120,000 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)	11,810,000
Target Market for Canada	
Definitely / very / somewhat interested in visiting Canada in the next 2 years	80%
Size of the target market	9,448,000
Immediate Potential for Canada	
Will definitely / very likely visit Canada in the next 2 years [1]	35%
Immediate potential	4,134,000

Base: Long-haul pleasure travellers (n=1,678)

[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 to over 2.5 million travellers.

In terms of destination preferences, South Korean 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	NU	SK	MB
Immediate potential for Canada	4,134,000									
Likely to visit region	86%	76%	62%	47%	40%	14%	10%	8%	6%	5%
Immediate potential for the regions (000s)	3,555	3,142	2,563	1,943	1,654	579	413	331	248	207

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=1,230).

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, 20% of respondents mentioned Canada as a long-haul travel destination, behind the US, Australia, France, and the UK. On an aided basis, one-third of South Korean travellers claim to be knowledgeable about holiday opportunities in the US. Canada is in 2nd spot tied with Australia and France at 25%, with the remaining competitors close behind.

Canada comes 5th on past visitation (tied with Italy), but is far behind both the US and Thailand which one-third of South Korean travellers have visited at least once.

In terms of destinations under consideration for long-haul trips in the next 2 years, Canada again places 5th behind the US, Australia, France and the UK on the unaided measure. Results on the aided measure were very close with the US and Switzerland tied for 1st place, Australia and France tied for 2nd spot, with Canada bringing up the rear.

Exhibit 5.1 – Key Performance Indicators For Canada – Summary

Indicator	Definition	All L-H Travellers (n=1,678)
Destination Awareness		
Unaided awareness of Canada (roll-up)	% who said Canada or a destination in Canada	20% (5th)
Aided awareness of travel opportunities in Canada	% with excellent / very good knowledge of travel opportunities in Canada	25% (tied for 2nd)
Past Visitation		
Overall market penetration	% who have ever visited Canada for pleasure	14% (tied for 5th)
Intentions		
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list (for trips in next 2 yrs)	9% (5th)
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	7th

From a trending perspective, unaided awareness of Canada is unchanged this year, but remains lower than peak awareness levels (22%) set in 2008. Aided awareness is significantly up over 2011 and is at its highest level ever this year. The increase was sufficient to move Canada into a three-way tied for 2nd spot on this measure, up from 3rd place in 2011.

In terms of intentions, unaided consideration of Canada dropped 1% this year. Increased interest in other destinations this year caused Canada to fall from 3rd place to 5th, which is the lowest result recorded in 6 years of monitoring. While aided consideration is up this year, the last place result is a first for Canada.

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.

South Koreans do not appear to have a strong sense of Canada's personality. While Canada was second to the US on the "Friendly" measure, Canada placed middle of the pack on other important brand personality traits, typically falling behind the US and Australia and occasionally France, Switzerland, and New Zealand. Notably, Canada was ranked 6th on "Authentic" and last on the "Intriguing" trait suggesting South Korean travellers may not see a compelling reason to visit Canada in the short-term.

Exhibit 5.2 – Aided Brand Personality Perceptions

	1#	2#	3#	4#	5#	6#	7#	8#
Friendly[1]	USA 50%	CAN 25%	UK 23%	AUS 22%	NZ 20%	FRA 19%	SWI 18%	NONE 7%
Beautiful	SWI 56%	NZ 44%	AUS 40%	CAN 31%	FRA 22%	UK 11%	USA 8%	NONE 2%
Informal[1]	SWI 40%	NZ 38%	AUS 32%	CAN 26%	USA 18%	UK 14%	FRA 13%	NONE 6%
Liberal[1]	USA 54%	FRA 30%	AUS 25%	CAN 24%	NZ 23%	SWI 20%	UK 16%	NONE 2%
Energetic[1]	USA 48%	FRA 29%	AUS 27%	CAN 23%	NZ 21%	UK 20%	SWI 17%	NONE 4%
Witty	USA 44%	FRA 30%	UK 26%	CAN 19%	AUS 16%	NONE 12%	NZ 12%	SWI 10%
Confident	USA 55%	UK 37%	FRA 34%	CAN 15%	SWI 14%	AUS 13%	NZ 9%	NONE 7%
Inspirational[1]	UK 32%	USA 24%	FRA 22%	CAN 19%	AUS 19%	NONE 18%	SWI 17%	NZ 15%
Authentic	SWI 35%	NZ 34%	FRA 30%	AUS 29%	UK 18%	CAN 13%	USA 11%	NONE 8%
Intriguing	FRA 34%	AUS 30%	NZ 29%	USA 28%	SWI 28%	UK 25%	CAN 20%	NONE 3%

Base: Long-haul pleasure travellers (2012 n=1,678)
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 South Korean travellers, Switzerland captures the Value category by placing first on all four measures. Clearly, Switzerland is as an aspirational destination for South Korean travellers who recognize it as an expensive destination, but place value on what it has to offer in terms of scenery, experiences and uniqueness. The Brand and Price categories do not have a distinct winner.

Canada did not record a single first place ranking, typically placing more than 10 points behind the leading destination. Canada's best results were 3rd place finishes for air travel costs to reach the destination and for reasonable prices for food and lodging. Interestingly, Canada scores on par with the US on both of these measures, identifying some possible points of relative strength for Canada.

Exhibit 5.3 – Brand, Value, Price Perceptions

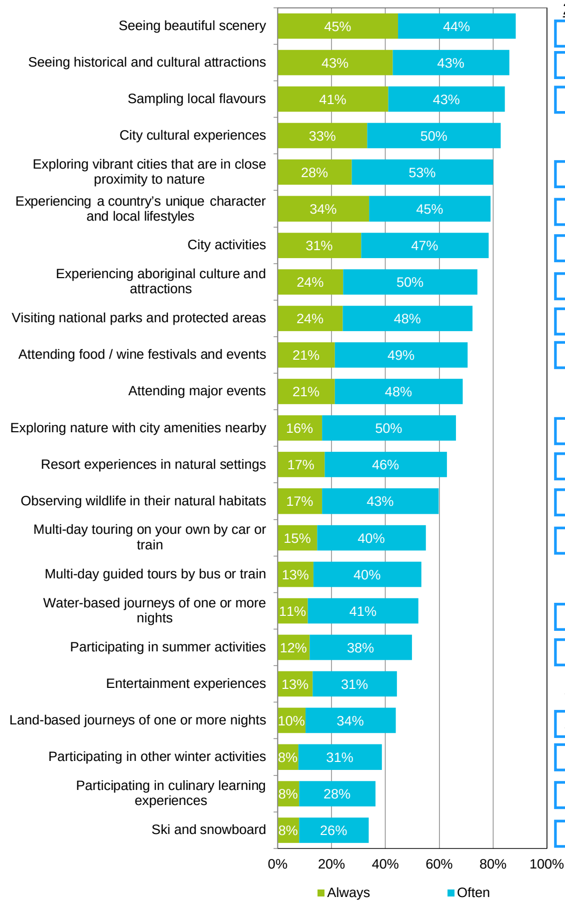
Top-3 Box	Canada	United States	United Kingdom	Switzer-land	New Zealand	France	Australia
Brand Perceptions							
A place that inspires me to explore its geography	62%	43%	29%	67%	66%	34%	67%
A place that inspires me to explore its culture	38%	35%	51%	47%	49%	57%	47%
A place that inspires me to meet and engage with its people	38%	32%	28%	44%	52%	29%	47%
A place that offers an authentic experience	39%	30%	30%	47%	47%	33%	50%
Value Perceptions							
A destination I would pay a little more for	39%	39%	37%	52%	45%	45%	46%
A destination with the travel experiences I am specifically looking for	43%	38%	38%	57%	52%	50%	53%
A place with unique features that other destinations don't offer	41%	34%	40%	61%	54%	52%	53%
A dream destination that I would visit if money were no object	48%	48%	47%	62%	56%	54%	56%
Price Perceptions							
A destination that is affordable to get to by air	26%	25%	18%	24%	27%	24%	29%
A destination with reasonable prices for food, entertainment and hotels	28%	28%	20%	25%	31%	22%	30%
A place that offers good value for money	34%	32%	29%	41%	39%	36%	36%

Base: Long-haul pleasure travellers (n=1,678)
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 South Korean 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.

Typically, South Korean travellers have voiced interest in a diverse range of tourism experiences such as nature pursuits, culinary experiences, city activities, and cultural attractions. While the 2012 results continue to follow this pattern to a degree, urban experiences appear to be growing in importance while nature-based experiences such as national parks and wildlife viewing appear less important in destination selection (both down 16 points). That said, “seeing beautiful scenery” remains the top experience sought by South Korean travellers. Marketing material must emphasize Canada’s beautiful scenery within close proximity to cosmopolitan urban centres. South Korean travellers appear to appreciate experiences unique to the destination, revealing an opportunity for the Canadian tourism industry to use remarkable and unique experiences (e.g., Signature Experiences collection) as a draw. Canada’s strongest perceived products - winter activities – continues to play a niche role given the smaller population participation rate.

Exhibit 5.4 – Product Interests



	Always	Often	Top 2 2012	2011	2010	2009
Seeing beautiful scenery	45%	44%	88%	94%	93%	93%
Seeing historical and cultural attractions	43%	43%	86%	92%	91%	92%
Sampling local flavours	41%	43%	84%	93%	91%	92%
City cultural experiences	33%	50%	83%	84%	83%	86%
Exploring vibrant cities that are in close proximity to nature	28%	53%	80%	89%	91%	91%
Experiencing a country's unique character and local lifestyles	34%	45%	79%	87%	86%	87%
City activities	31%	47%	78%	84%	81%	83%
Experiencing aboriginal culture and attractions	24%	50%	74%	83%	82%	84%
Visiting national parks and protected areas	24%	48%	72%	88%	85%	87%
Attending food / wine festivals and events	21%	49%	71%	84%	85%	87%
Attending major events	21%	48%	69%	72%	74%	77%
Exploring nature with city amenities nearby	16%	50%	66%	85%	84%	85%
Resort experiences in natural settings	17%	46%	63%	78%	78%	78%
Observing wildlife in their natural habitats	17%	43%	60%	82%	79%	80%
Multi-day touring on your own by car or train	15%	40%	55%	67%	66%	68%
Multi-day guided tours by bus or train	13%	40%	53%	54%	52%	48%
Water-based journeys of one or more nights	11%	41%	52%	70%	72%	72%
Participating in summer activities	12%	38%	50%	66%	65%	66%
Entertainment experiences	13%	31%	44%	47%	46%	48%
Land-based journeys of one or more nights	10%	34%	44%	63%	64%	61%
Participating in other winter activities	8%	31%	39%	54%	54%	55%
Participating in culinary learning experiences	8%	28%	36%	53%	51%	53%
Ski and snowboard	8%	26%	34%	47%	44%	49%

Base: Long-haul pleasure travellers (2012 n= 1,678; 2011 n=1,523; 2010 n=1,491; 2009 n=1,501)

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 product. Most importantly, Canada has a commanding lead on New Zealand and Australia for scenery, the #1 interest of South Korean travellers. On other experiences important to South Korean travellers, Canada records a 3rd place finish for "vibrant cities close to nature" and a 4th place result for "city activities". Australia and New Zealand generally outperform Canada on nature experiences, while European competitors are strongly associated with cultural experiences and urban activities (where the US also excels). Notably, Canada recorded last place finishes for sampling local flavours and cultural / historical experiences, the 2nd and 3rd most important experiences sought by South Korean travellers. Canada needs to leverage its scenic attributes and work to convince South Koreans that the destination offers vibrant urban and cultural experiences.

Exhibit 5.5 – Product Interest Associations By Country

	1#	2#	3#	4#	5#	6#	7#	8#
Participating in other winter activities	CAN 44%	SWI 42%	USA 17%	NONE 16%	NZ 16%	AUS 13%	UK 9%	FRA 9%
Seeing beautiful scenery	CAN 43%	NZ 38%	AUS 36%	USA 34%	SWI 33%	UK 9%	FRA 9%	NONE 4%
Ski and snowboard	SWI 45%	CAN 41%	USA 18%	NZ 16%	NONE 14%	AUS 13%	FRA 10%	UK 8%
Visiting national parks and protected areas	AUS 39%	CAN 36%	NZ 36%	USA 34%	SWI 19%	UK 11%	FRA 9%	NONE 8%
Land-based journeys of one or more nights	AUS 28%	CAN 25%	NZ 24%	SWI 24%	USA 21%	NONE 18%	FRA 15%	UK 15%
Observing wildlife in their natural habitats	AUS 47%	NZ 44%	CAN 35%	USA 19%	SWI 15%	NONE 9%	UK 8%	FRA 8%
Exploring vibrant cities that are in close proximity to nature	AUS 35%	NZ 34%	CAN 31%	SWI 30%	USA 26%	FRA 16%	UK 15%	UK
Resort experiences in natural settings	NZ 37%	AUS 35%	CAN 30%	SWI 23%	USA 20%	NONE 15%	FRA 11%	UK
Water-based journeys of one or more nights	NZ 33%	AUS 31%	CAN 27%	NONE 19%	USA 17%	SWI 14%	UK 13%	FRA 12%
Participating in summer activities	AUS 34%	NZ 31%	CAN 25%	USA 24%	NONE 19%	SWI 16%	FRA 12%	UK 12%
Exploring nature with city amenities nearby	USA 28%	AUS 28%	CAN 24%	NZ 23%	UK 19%	SWI 19%	FRA 19%	NONE 16%
Experiencing aboriginal culture and attractions	NZ 50%	AUS 38%	CAN 22%	USA 20%	NONE 13%	SWI 13%	UK 10%	FRA 9%
City activities	USA 52%	FRA 40%	UK 36%	CAN 18%	SWI 16%	AUS 15%	NZ 13%	NONE 7%
Attending major events	UK 38%	USA 36%	FRA 29%	CAN 17%	AUS 15%	NONE 15%	SWI 15%	NZ 11%
Entertainment experiences	USA 59%	FRA 25%	UK 23%	CAN 14%	NONE 13%	AUS 11%	SWI 11%	NZ 9%
Multi-day guided tours by bus or train	USA 32%	SWI 25%	UK 24%	FRA 24%	CAN 24%	AUS 24%	NZ 17%	NONE 14%
Multi-day touring on your own by car or train	USA 35%	SWI 24%	FRA 24%	UK 23%	CAN 23%	AUS 22%	NZ 16%	NONE 13%
City cultural experiences	FRA 55%	UK 49%	USA 39%	SWI 16%	CAN 13%	AUS 13%	NZ 9%	NONE 5%
Experiencing a country's unique character and local lifestyles	NZ 30%	AUS 30%	SWI 28%	FRA 28%	UK 22%	USA 21%	CAN 20%	NONE 10%
Sampling local flavours	FRA 54%	SWI 26%	UK 24%	AUS 22%	USA 21%	NZ 21%	CAN 15%	NONE 8%
Seeing historical and cultural attractions	FRA 51%	UK 46%	USA 24%	SWI 19%	AUS 18%	NZ 17%	CAN 13%	NONE 7%
Attending food / wine festivals and events	FRA 60%	UK 21%	AUS 20%	SWI 19%	USA 19%	NZ 14%	CAN 13%	NONE 9%
Participating in culinary learning experiences	FRA 43%	NONE 24%	UK 18%	USA 18%	SWI 17%	AUS 15%	NZ 13%	CAN 13%

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 South Korean market with 23% of all recent trips being to the US (including Hawaii). Thailand and other Southeast Asian countries were the destinations of another third of recent travellers. Canada is in 11th spot, behind Australia, New Zealand, and several European countries. 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.

South Korean travellers have a lengthy trip planning (7 months) and booking cycle (4.5 months) illustrating the importance for Canada to be active in the marketplace year-round. More than half of recent South Korean travellers booked their trip through a travel agent, while almost one-quarter consulted an agent, but booked independently which illustrates the importance of the travel trade in the Korean market. Just 41% of Korean travellers travel completely independently, with close to half reporting a full or semi-guided tour. The majority are travelling for pleasure purposes, with relatively few (13%) visiting friends or relatives.

Exhibit 6.1 – Most Recent Pleasure Trip Profile By Destination

	All L-H Travellers (n=1,192)
Destination (s) Visited	
United States (excluding Hawaii)	19%
Thailand	16%
Other Southeast Asia (e.g., Cambodia, Indonesia, Malaysia, Philippines, Vietnam)	16%
Australia	7%
France	7%
United Kingdom	6%
Singapore	5%
Italy	5%
New Zealand	5%
Germany	5%
Canada	4%
Hawaii	4%
Switzerland	3%
Amount of Time Before Departure When Trip Planning was Started	
Average months	7.0
Amount of Time Before Departure When Trip was Booked	
Average months	4.5
Trip Type	
Travel independently	41%
Combine independent travel with some guided tours for parts of the trip	27%
A fully escorted or guided tour	21%
All inclusive or semi-inclusive resort stay	10%
A cruise	1%
Trip Purpose	
Holiday	60%
Visited friends or relatives	13%
Business	12%
Study	8%
Personal reasons (e.g., wedding, reunion, etc.)	8%
Travel agent involvement	75%

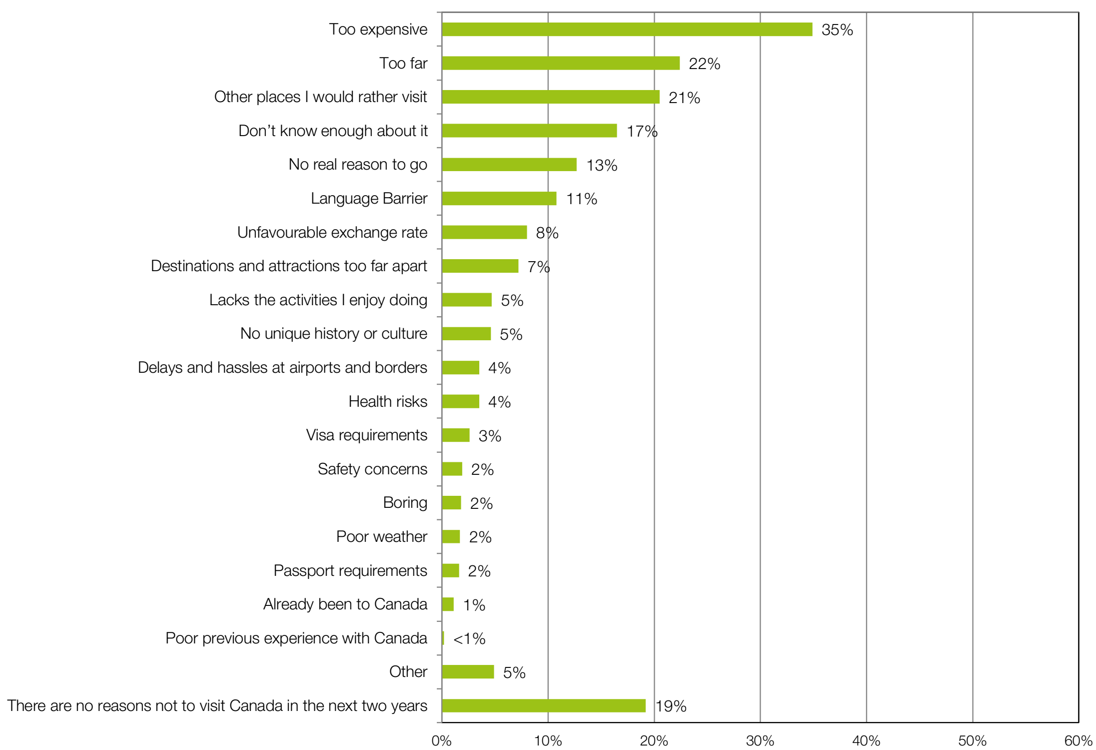
Base: Those who have taken a long-haul pleasure trip in the past three years

Recent visitors to Canada are a relatively homogeneous group – the majority are 35-54 years, well-educated, and from high-income households or are students. Those considering Canada are more diverse demographically (mix of ages and slightly less wealthy). Having friends and relatives in Canada is a big draw both for recent visitors and those considering Canada, which the tourism industry is encouraged to leverage.

All respondents were asked what factors may prevent them from visiting Canada in the short-term. The top reason by a considerable margin was the perception that a trip to Canada was cost prohibitive. Marketing efforts should highlight the value of a Canadian vacation (rather than price) and experiences unique to the destination. Approximately one-quarter of responses related to distance to travel, which likely ties to the lack of vacation time Koreans have and the tendency to take short trips. The Canadian tourism industry must continue to develop and market compelling short itineraries for South Korean visitors. The addition of more air capacity via Toronto may help make short Eastern Canada itineraries more compelling. The 3rd most cited reason was a preference for other destinations and lack of knowledge was 4th. This may be an awareness issue – the Canadian tourism industry needs to make Canadian vacation experiences more relevant to South Korean travellers thereby making Canada a priority destination for them.

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

Exhibit 6.2 – Key Barriers For Visiting Canada

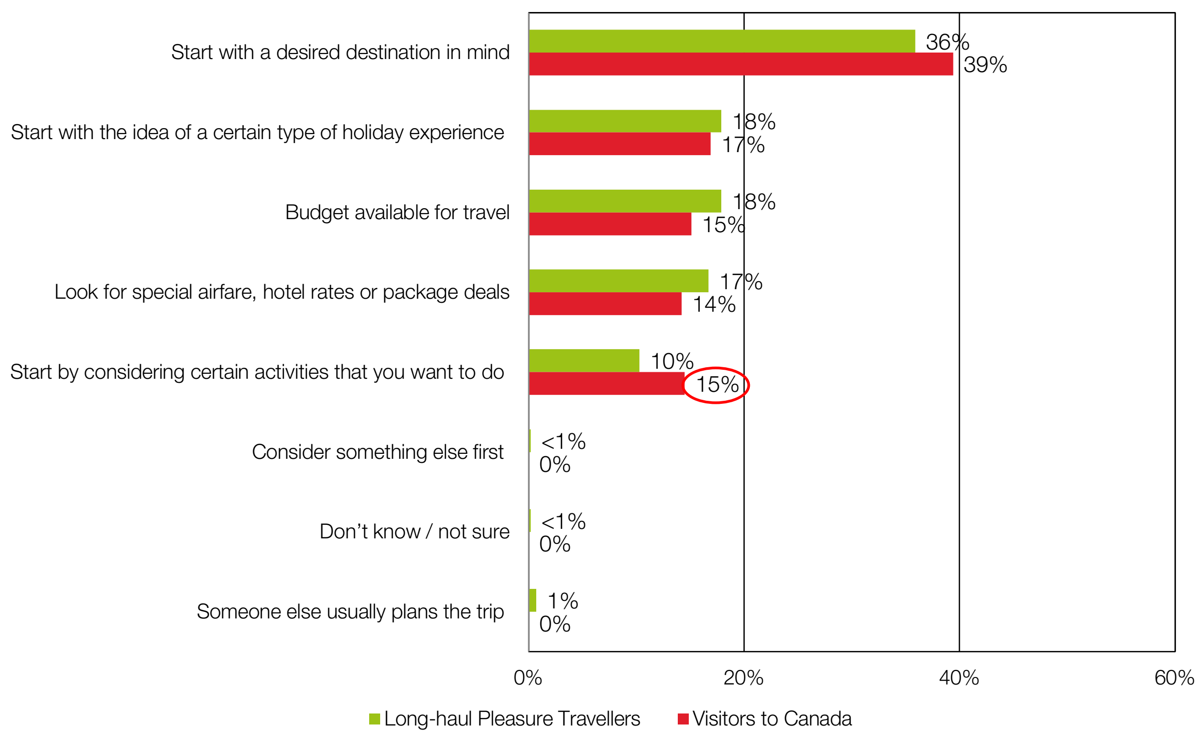


Base: Long-haul pleasure travellers (n= 1,678)

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

While other data suggests the South Korean 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 South Korean travellers see the destination as paramount, followed by the experience sought. Budget considerations are of primary concern to a smaller portion of the market. This result suggests once a South Korean resident has decided they have the means to travel and are seeking a particular type of experience, cost is a secondary concern. Therefore, getting Canada on South Korean travellers' short list of destinations by offering the types of experiences they seek is key to achieving greater success in this market.

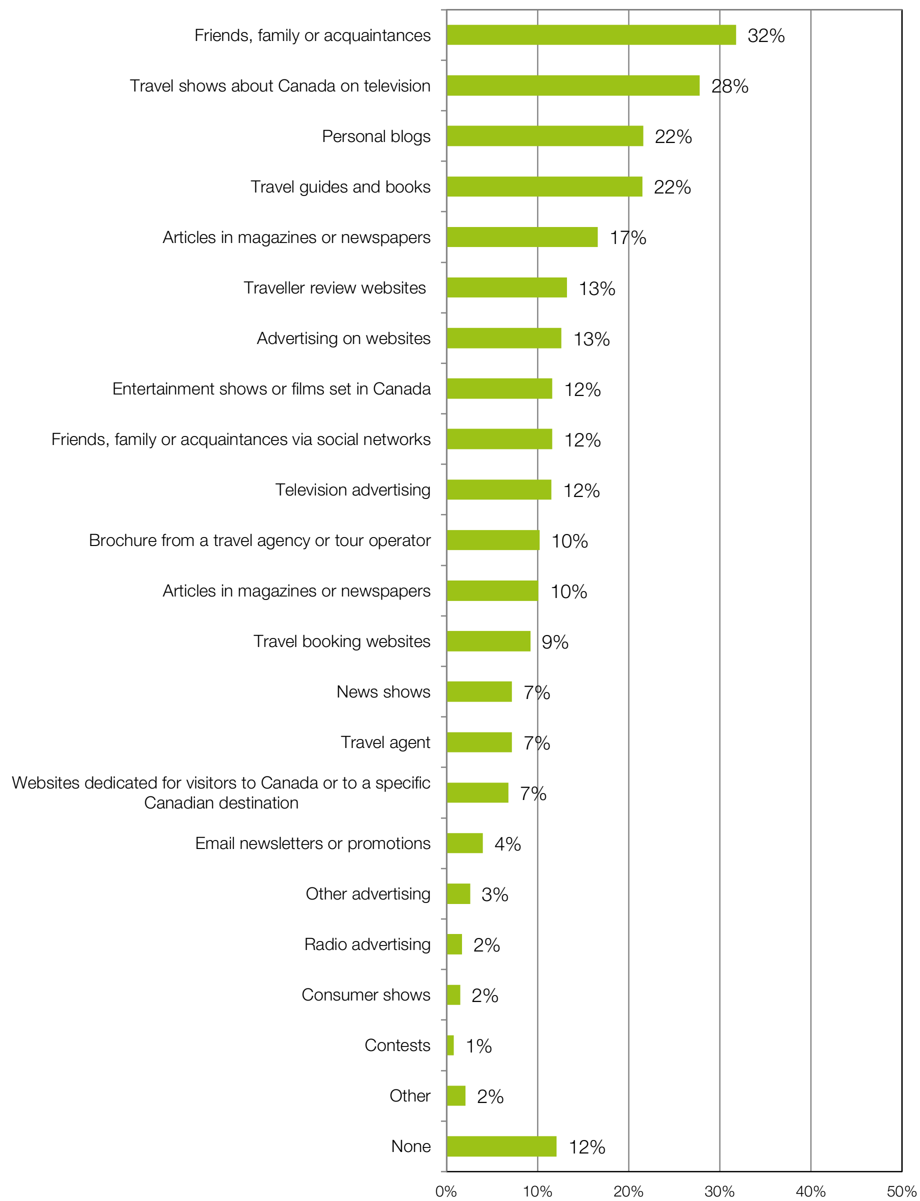
Exhibit 6.3 – One Factor Typically Considered First When Planning A Trip



Base: Long-haul pleasure travellers (n=1,678). Long-haul pleasure travellers who visited Canada in the past three years (n=227)
QS9: What one factor do you typically consider first when planning a long-haul trip?

More than three-quarters of respondents recall information on travel opportunities in Canada within the past year. As in past years, in-person interactions remains the primary information source, followed by TV shows. Other off-line media sources such as travel guides and print articles are also important sources. Online sources, particularly blogs, traveller review sites and online advertising, are influential in the Korean market, underscoring the importance of digital media in the South Korean marketplace, a trend that Canada needs to capitalize on.

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



Base: Long-haul pleasure travellers (2012 n= 1,678)

Q20: In which of the following sources, if any, did you see or hear information about travelling to Canada during the past year?

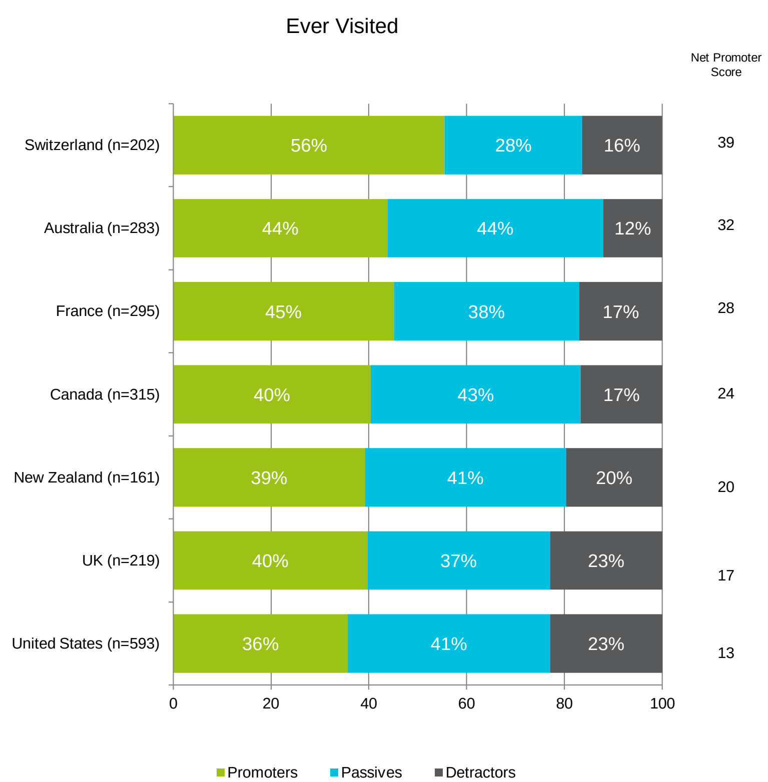
Note: Results not comparable to previous years due to changes to the statement list in 2012.

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 performed moderately well on this measure, placing 4th behind Switzerland, Australia, and France and noticeably ahead of the #1 destination of South Korean travellers, the US.

These results suggest Canada has some advocacy potential in the South Korean market. Further research to understand the higher scores achieved by Switzerland and Australia may be warranted.

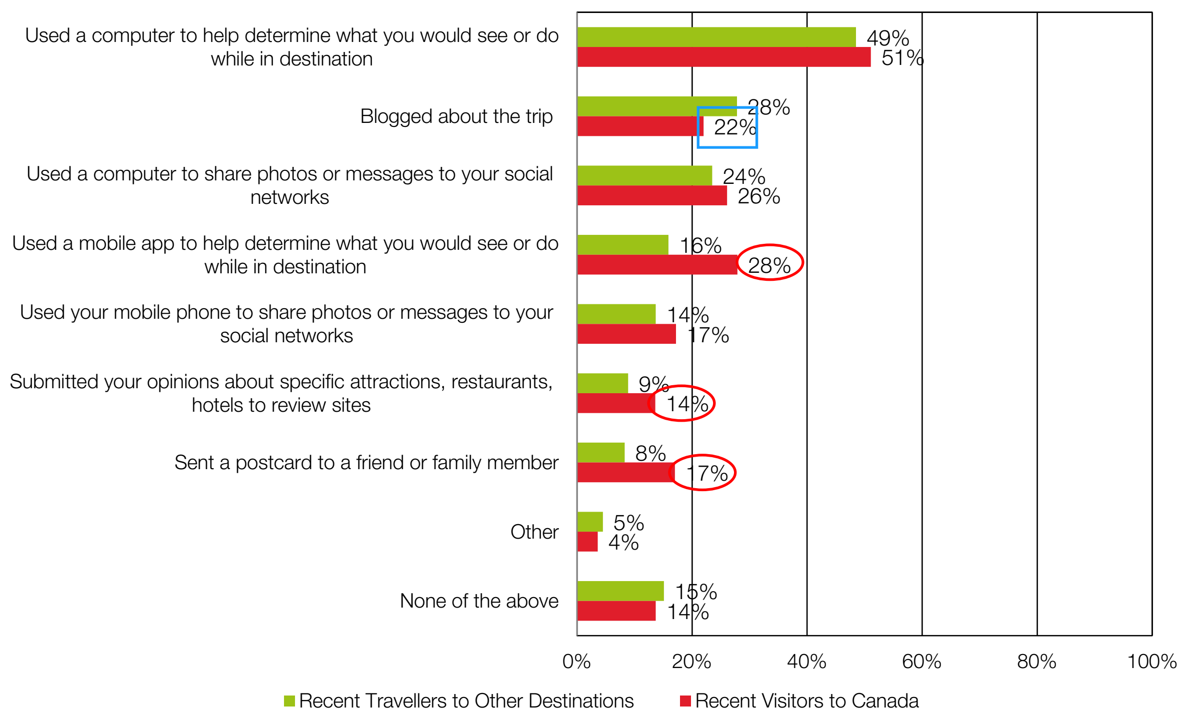
Exhibit 6.5 – Net Promoter Results



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 South Korean travellers about sharing behaviour during and after their trip. During the trip, the most popular activity among all travellers was online trip planning research. Approximately one-quarter blogged about the trip and an equivalent number shared via social networks. Interestingly, visitors to Canada were almost twice as likely as other travellers to use mobile apps which may be an opportunity for the Canadian tourism industry. Approximately 10% submitted reviews to traveller review sites, with visitors to Canada more apt to participate.

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



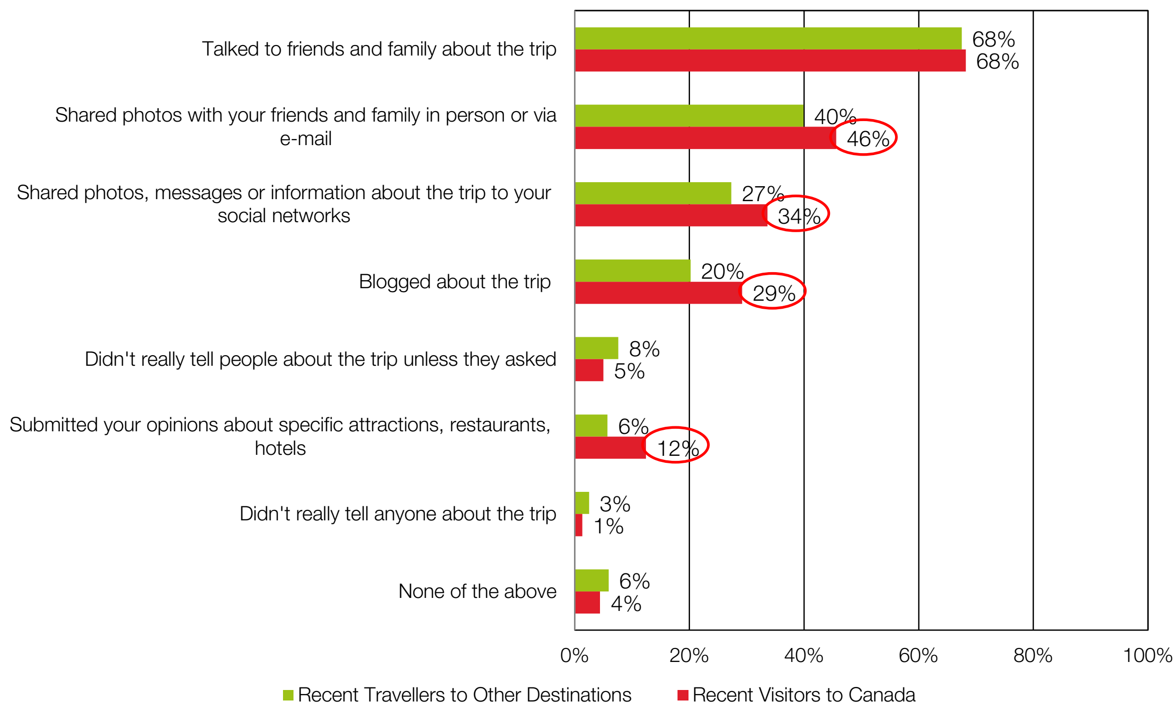
Base: Recent travellers to other destinations in the past 3 years (n=965). Recent travellers to Canada in the past three years (n=227)

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

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.

Post-trip sharing is heavily focused on in-person interactions, both conversational and photo-sharing. Approximately one-third shared their experiences via social networking.

Exhibit 6.7 – After The Trip: Sharing Experiences



Base: Recent travellers to other destinations in the past 3 years (n=965). Recent travellers to Canada in the past three years (n=227)

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.