



Global Tourism Watch

2016 Germany Summary Report



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1. Introduction

Destination Canada began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to provide 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 German market: the US, India, Thailand, Australia, China, South Africa, Japan, Iceland, and South Korea.

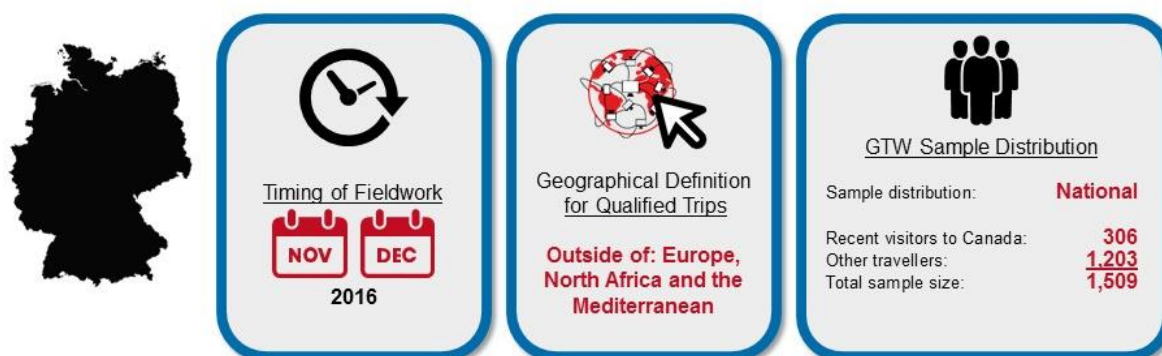
Methodology

Data was collected via an online survey and has been weighted to represent the German long-haul travel population. The target population for the online survey in Germany was residents aged 18 years and older, who have 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 1,509 respondents in Germany, including 306 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. It is believed the timing of data collection impacts results and the later field window this wave may be responsible for some shifts in Key Performance Indicators (KPIs).

Figure 1.1: Study Overview: Germany Market

The target population are residents aged 18 years and older, who have taken a long-haul pleasure trip, 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.



Background

The Germany economy is the 4th largest global economy according to the IMF GDP Nominal ranking (*International Monetary Fund, October 2016*).

Federal elections will be held in September 2017. Angela Merkel is seeking the Chancellor's seat for the fourth consecutive term. Although Merkel's Christian Democratic Party (CDU) is ahead in the polls, the Social Democratic Party's (SDP) new leader Martin Schulz is closing the gap. Schulz is a former European Parliament president (*Infratest dimap/ARD, February 2, 2017*).

Despite the upcoming election, the German economy is stable, thanks to growing domestic demand, both private and public. Record levels of employment, rising nominal and real wages and low energy prices are predicted to strengthen private consumption and will have a positive impact on numerous sectors, including tourism.

However, there are also many causes of uncertainty that could impact economic outlook, such as Brexit, immigration, US foreign policy, an aging population and interest rate hikes (*IMFC, Wolfgang Schäuble, Germany Federal Minister of Finance, 2017*). Additional risks include the sluggish recovery in the euro zone and the exposure of Germany's large export sector to the Chinese economy, where the risk of a hard landing has increased and where the changing profile of growth could reduce demand for German goods (*Economist Intelligence Unit, 2017*).

Germany's GDP increased by 1.9% year over year in 2016 when adjusted for inflation. This represents a continuation of the positive trend in recent years. GDP rose 1.7% in 2015 and 1.6% in 2014. Compared to other EU Member States, the increase in Germany's economic output was slightly above average.

The shrinking of Germany's population has been halted. With net migration of 300,000, combined with a birth rate of 1.6 and a more pronounced rise in life expectancy, it is expected that the population of Germany will remain stable at today's levels until 2060 (*DW Broadcaster, February 2017*).

At the close of 2016, Germany's unemployment rate was 3.9%, which is significantly lower than the Euro Area unemployment rate of 9.6% (*Trading Economics, 2017*). This was an improvement of 0.5% over the previous year (*Federal Statistical Office, 2017*). Germany has an inflation rate of 1.9%, on par with the Euro Area inflation rate of 1.8% (*Trading Economics, 2017*).

On largely positive economic news, the German Consumer Confidence Indicator (CCI) closed 2016 at +9.8, up from +9.3 at the end of 2015. Consumer confidence is forecasted to continue to improve into 2017 (GfK, January 2017), which bodes well for travel.

Germany is the 3rd largest global tourism market. Tourism spending was up 3% in 2016 and topped \$80 million US (*World Tourism Organization, 2017*).

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 German market for Canada in two ways – the macro target market and the immediate potential market.

The long-haul travel market size is derived from a 2016 omnibus study of the German adult population. Note that the long-haul market size was last calculated in 2010 and has increased by 1.8 million. This shift is explained by an overall increase in the incidence of long-haul travellers in the German market from 27% in 2010 to 29% in 2016. Long-haul travel incidence is comprised of travellers who indicate that they have travelled for a long-haul pleasure trip in the past three years, or intend to do so in the next two years. The incidence of past three year travel has increased since 2010 (from 18% to 24%) and the next two year outlook for long-haul travel has also increased (from 19% to 22%).

The proportion of German respondents who are in the dream to purchase stages for Canada (60%) is used to calculate a target market estimate of 11.9 million.

The immediate potential is a more conservative estimate based on German respondents who say they are definitely or very likely to visit Canada in the next two years. This translates into a market of 4.38 million travellers with more immediate potential for conversion.

Among DC's eleven international markets, Germany is ranked 6th in immediate potential market size (behind the US, China, South Korea, France and the UK). Actual visitation from Germany was also ranked 5th among DC's international markets in 2016¹.

¹ *Destination Canada, Tourism Snapshot, December 2016.*

For context, Canada attracted 369,000 visitors from Germany in 2016, an increase of 12% over 2015.² The 369,000 arrivals represent 8% of the immediate potential market.

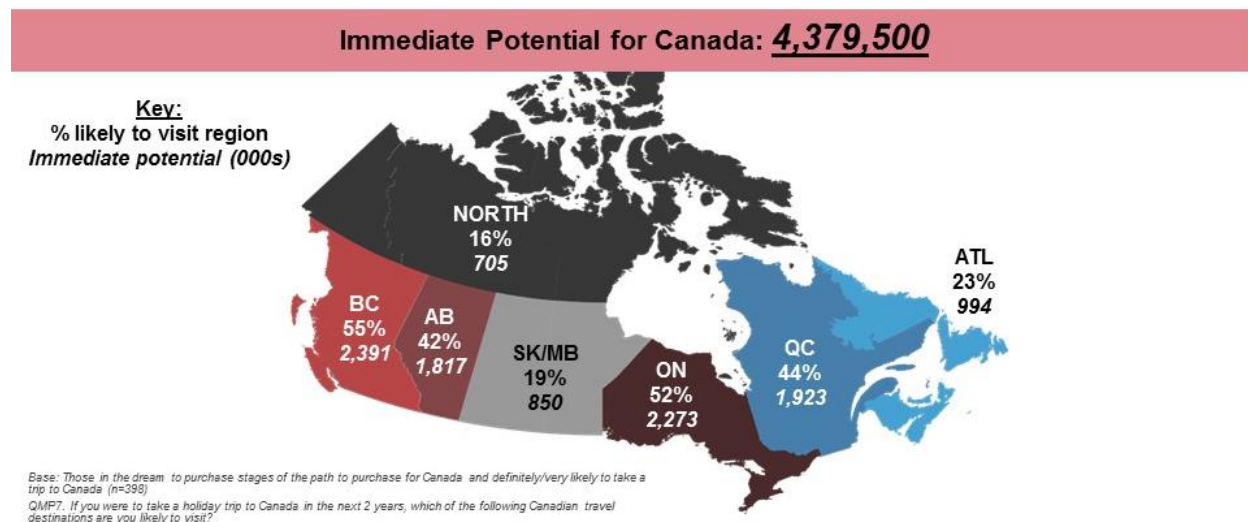
Figure 2.1: Size of Potential Market to Canada (Next 2 Years)

Measure	Size of Potential Market to Canada
Long-haul pleasure travel market	19.88 million
Target market for Canada (dream to purchase stage)	60%
Size of the target market	11.87 million
Immediate potential for Canada (definitely/very likely to visit in next 2 years)	37%
Immediate potential	4.38 million

Base: Target market for Canada = long-haul pleasure travellers (past 3 years or next 2 years) (n=1,505); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=948)
 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 holiday trip to Canada in the next 2 years?

Also of interest is the demonstrated interest in Canada’s regions among the Immediate Potential market (4.38 million). BC holds the greatest appeal (55% or 2.4 million potential visitors), followed closely by Ontario (2.3 million potential visitors), with Quebec and Alberta appealing to just over 40% of potential visitors each (between 1.8 million – 1.9 million potential visitors each).

Figure 2.2: Potential Market Size for the Regions



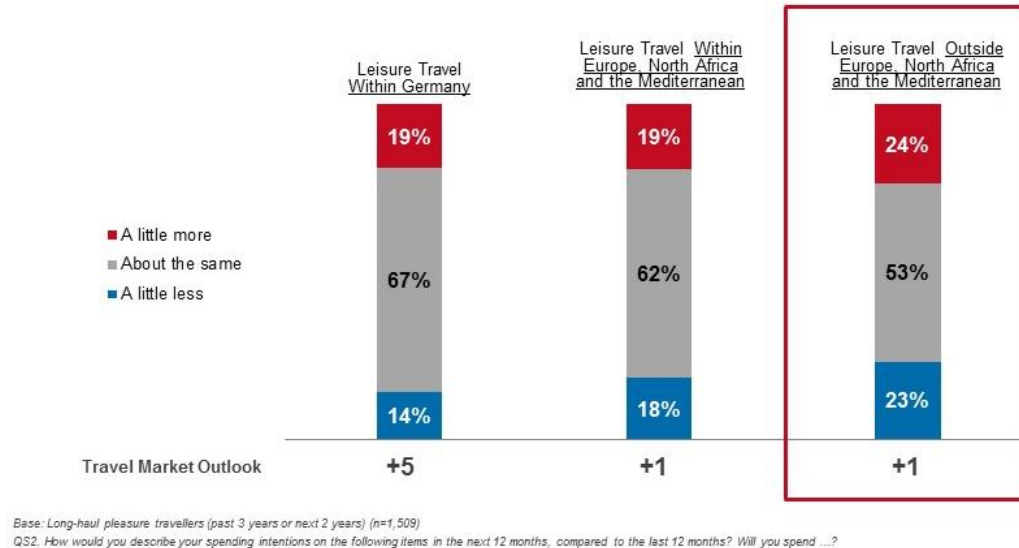
In terms of travel outlook, the bulk of German travellers feel their leisure travel spending will remain relatively constant in the next year.

² Destination Canada, Tourism Snapshot, December 2016.

The proportion of German travellers saying they will spend less on long-haul travel is almost as high as those saying they will spend more, resulting in a long-haul outlook of +1. The same pattern is evident for short-haul travel e.g. within Europe (+1). Instead, German travellers appear more likely to increase domestic travel within Germany (+5).

This may stem from the fact that 2017 is an election year for Germany. This political uncertainty may dampen economic optimism, despite Germany's largely positive economic indicators.

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



3. Competitive Environment – Key Performance Indicators Summary

The outlook for Canada in the German market is favourable. Out of the 10 competitive destinations that respondents were asked to evaluate, Canada is 2nd on aided consideration behind the US, 3rd on unaided consideration (trailing the US and Australia), and 3rd on destination knowledge (behind the US and Thailand).

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 long-haul travel market. The competitive set was updated for 2016 to reflect actual travel patterns from each market. The countries included represent 95% of the outbound travel volume to long-haul destinations which are considered direct competitors to Canada (e.g. non-beach destinations). For Germany, these destinations are the US, Thailand, South Africa, Australia, Iceland, China, Japan, India, and South Korea. Thailand, India, Iceland, Japan, and South Korea were not in the competitive set previously. It is also important to note that 2016 data was collected in December versus earlier in the year (April to July) in previous years. Seasonality may have impacted results this year, although it is impossible to know how much the results might have been affected.

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, 9% of German travellers mentioned Canada as a destination under serious consideration in the next 2 years. The US (21%) had the highest unaided consideration, while Thailand (10%) is in second spot and is essentially on par with Canada. Those who mentioned Canada were more likely to be travellers under 55, with significantly fewer older travellers aged 55+ mentioning Canada. Very few specific places in Canada were mentioned by German long-haul travellers, with the majority just saying Canada, suggesting knowledge of specific Canadian destinations is low.

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 better on an aided basis with 36% saying they are seriously considering Canada for a leisure trip in the next 2 years. The US (41%) slightly outpaces Canada, while Australia (26%) and Thailand (25%) are in a virtual tie for 3rd place. Once again, German travellers under the age of 55 are significantly more likely to consider Canada. This pattern is evident for competitive destinations as well, with younger travellers aged 18-34 generally more likely to consider a destination, followed by those 35-54 years. There are no instances of older travellers aged 55+ being significantly more likely to consider a destination.

Both recent visitors to Canada and those considering a visit rank Canada first overall in aided consideration among all destinations in the competitive set. Knowing that past visitors are more interested in returning, it is important to attract new visitors, with younger travellers representing a greater opportunity.

Knowledge

The aided destination knowledge KPI (previously called aided awareness, but changed for clarity purposes) measures knowledge of travel opportunities in each destination. Overall, 23% of German long-haul travellers rate their knowledge of Canada as excellent or very good. Among those considering Canada, destination knowledge stands at 39%, which puts Canada in third spot tied with Australia, but behind the US (52%) and Thailand (46%). As expected, knowledge of Canada is higher among those considering a visit to Canada (47%). 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, 29% of German long-haul travellers have visited Canada on a leisure trip at some point in their lifetime. Past visitation rates are higher among those currently considering a trip to Canada (49%). There are no visitation differences by demographics. Messaging designed to encourage a repeat visit is recommended 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 Long-Haul Travellers (n=1,509)	Recent Visitors to Canada ¹ (n=306)	Considering Canada ² (n=474)
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list ³	9%	28%	24%
Competitive positioning on aided destination consideration	Rank on the consideration list among 10 destinations	2	1	1
Destination knowledge:				
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	23%	62%	41%
Past visitation:				
Past visitation	% who have ever visited Canada for pleasure	29%	98%	51%

¹ Visited Canada in the past 3 years (pleasure trip of 4 or more nights, with at least 1 night in paid accommodations).

² Those in the consider to purchase stages of the path to purchase for Canada.

³ For trips in the next 2 years.

Base: Long-haul pleasure travellers (past 3 years or next 2 years)

Q38. You mentioned that you are likely to take a long-haul holiday trip outside of Europe, North Africa and the Mediterranean in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)

Q39. You may have already mentioned this before, but which destinations would you seriously consider visiting in the next 2 years?

Q40. How would you rate your level of knowledge of holiday opportunities in each of the following destinations (asked only for destinations in consideration set)?

Q41. Approximately, how many times have you been to Canada?

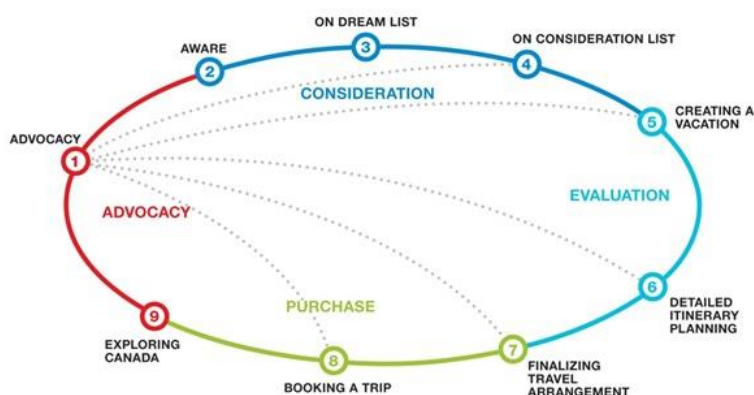
4. Path-to-Purchase

Like any other expensive and discretionary consumer product, there is a purchasing or decision-making cycle associated with long-haul 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 visiting Canada into 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

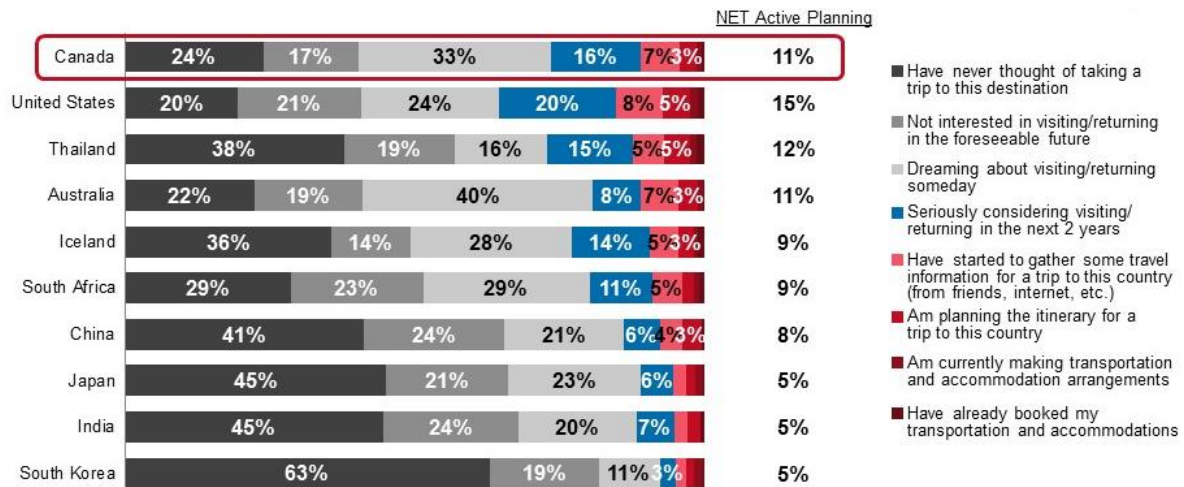
Unaware	Have never thought of taking a trip to this destination	
Aware	Not interested in visiting/returning in the foreseeable future	
On Dream List	Dreaming about visiting/returning someday] Dream to Purchase
On Consideration List	Seriously considering visiting/returning in the next 2 years	
Creating a Vacation Movie	Have started to gather some travel information for a trip to this country	
Detailed Itinerary Planning	Am planning the itinerary for a trip to this country] Consider to Purchase
Finalizing Travel Arrangements	Am currently making transportation and accommodation arrangements	
Booking a Trip	Have already booked my transportation and accommodations] Active Planning

In looking at results for Germany, the US is the leader, with 15% of German long-haul travellers actively engaged in planning a visit to the country and an additional 20% seriously considering a trip. Thailand is in second spot, with 12% actively planning a visit, although 38% say they have never thought of visiting. Canada is tied with Australia, with 11% in the active planning phase for each country. Once again, results may be impacted by the timing of data collection in 2016 (respondents may be thinking of winter trips). For this reason, 2016 results should not be compared with previous years.

Slightly more encouraging for Canada is an additional 16% are seriously considering a visit compared to 8% for Australia. Both Canada and Australia have a large portion of the potential market in the dream phase.

The only significant demographic differences in the purchasing cycle stages are that those actively planning a trip to Canada are more likely to be younger travellers aged 18-34, while travellers 35-54 are overrepresented in the dreaming phase. Older travellers aged 55+ are most likely to say they have never thought of visiting Canada.

Figure 4.3: Stage in the Purchase Cycle by Country



Base: Long-haul 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 holiday trip?

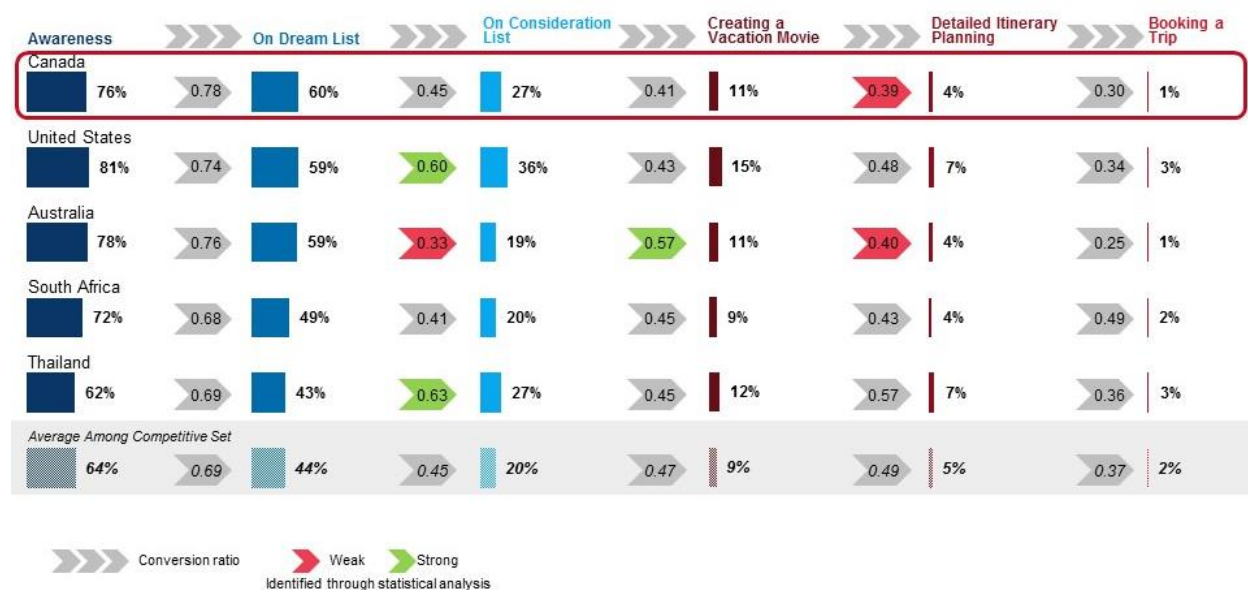
Getting travellers to move through the purchase cycle to booking a trip is critical. The charts below show Canada’s progress converting travellers at crucial steps in the purchase cycle relative to top competitors (determined by past 3-year visitation) and other destinations in the competitive set. For 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’.

At the dreaming stage, Canada is in top spot, marginally ahead of the US and Australia. Moving along the purchasing path, the US and Thailand see above average performance at the consideration list phase, while Canada’s is average. Australia is a weak performer here, but excels at the next stage, creating a vacation movie. Both Canada and Australia recorded weak results at the detailed itinerary planning stage. At this stage, travellers are seeking information to plan a trip and are looking for detailed information such as sample itineraries. While no destinations are seen to have a strength at this stage, Canada’s performance is the lowest among its primary competition which suggests improvements are warranted.

At the final stage, booking a trip, Canada has converted 1% of German travellers into actual visitors, on par with Australia, but lagging behind the US and Thailand.

For context, the US recorded 2 million arrivals from Germany in 2016, while Thailand saw 836,000, Canada welcomed 369,000 and Australia logged 192,000.³

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



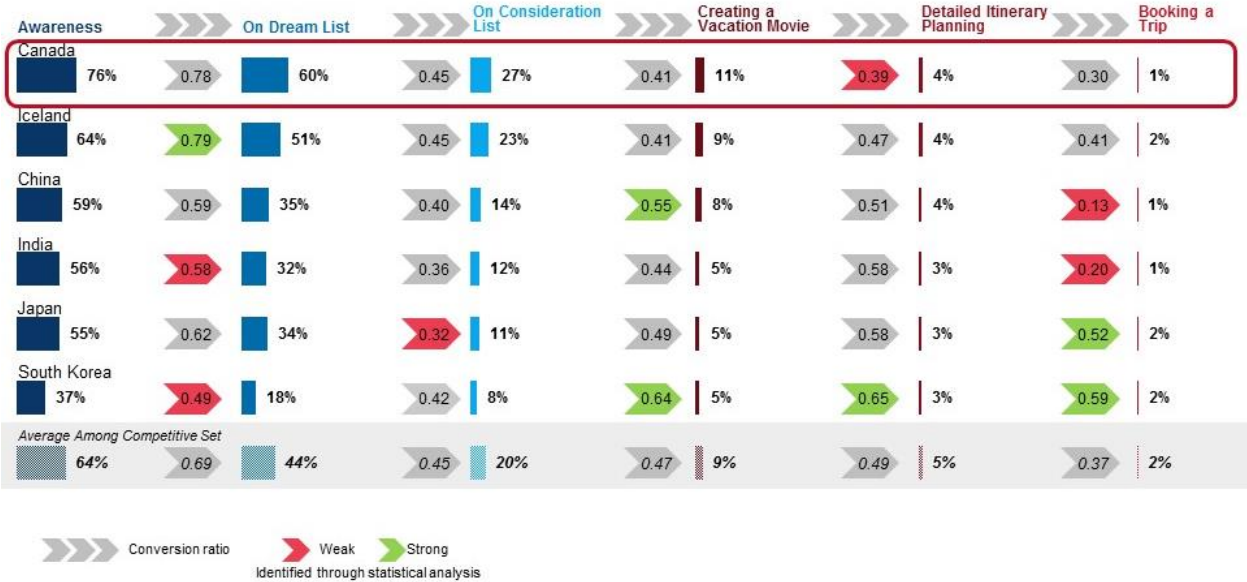
Examining purchase cycle results for destinations visited less frequently by German travellers is also insightful. Most notably, Japan and South Korea are strong performers at the final stage, seeing conversion ratios between detailed itinerary planning and actual booking far above average, outperforming all destinations at this stage.

While examining what Japan and South Korea are doing to convince German travellers to move from planning to booking is worthwhile, it is important to keep in mind the proportion booking is marginally ahead of Canada’s result. Further, the relative size of the market is also important to keep in mind with South Korea attracting 110,000 German visitors in 2016 while Japan saw 183,000 German arrivals⁴.

³ Destination Canada, US National Travel & Tourism Office, Tourism Australia, Department of Tourism Thailand.

⁴ Korea Tourism Organization and Japan National Tourism Organization.

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

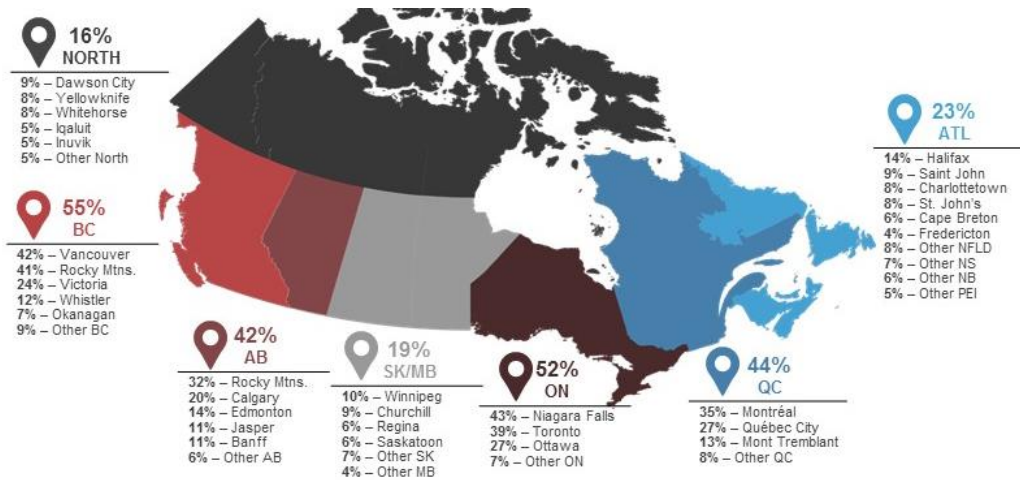


Destinations

German travellers who were in the dream-to-purchase stage and indicated they are definitely/very likely to visit Canada in the next 2 years were asked which parts of the country they would likely visit. BC is the most popular province (cited by 55%), with Vancouver (42%) and the Rocky Mountains (41%) being the top two BC destinations. Ontario is close behind BC in appeal (52%), with Niagara Falls (43%) and Toronto (39%) being the top draws. Quebec is the third most popular province (44%), where its two urban centers Montreal (35%) and Quebec City (27%) are the main attractions. Close behind is Alberta (42%) where the Rocky Mountains hold the greatest appeal.

The Rocky Mountains are clearly a compelling attraction, with 41% of probable visitors heading to BC for this experience and 32% saying they would go to Alberta for this. The relatively high level of interest in ski destinations (Whistler, Banff, Jasper and Mont Tremblant) may be in part linked to the timing of data collection, which occurred in December 2016.

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=398)
 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 holding the greatest appeal. The Rocky Mountains, selected by 20% of potential visitors, is clearly the top attraction followed closely by Niagara Falls (19%), while the top cities are Vancouver (13%), Montreal (9%) and Toronto (6%). This result suggests German long-haul travellers are likely more familiar with, and perhaps more enamoured with, Canadian landscapes than its cities.

Figure 4.7: Most Appealing Canadian Destination – Top 10 Mentions

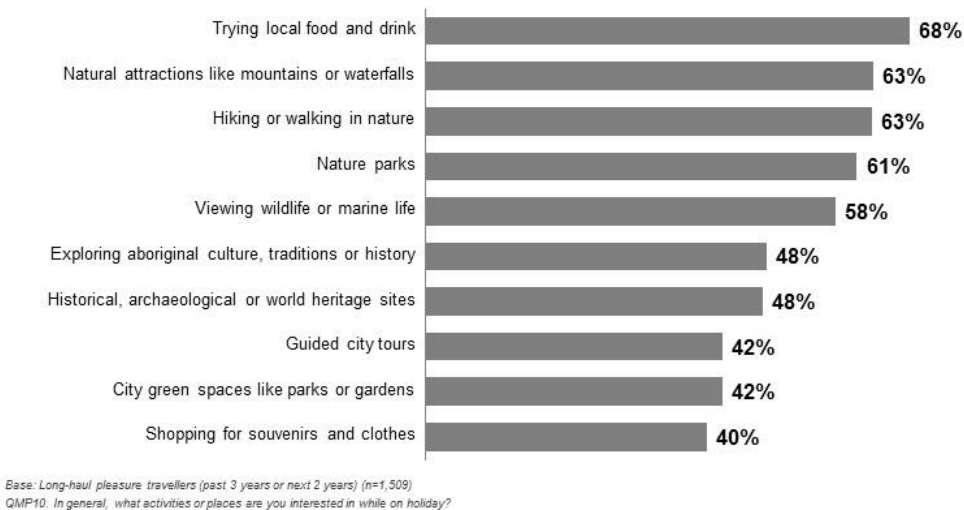


Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=398)
 QMP8. And, which place in Canada most appeals to you?

5. Vacation Activities

German travellers were asked about which activities and experiences they seek while on vacation, regardless of destination. The chance to sample local cuisine and drink is the most sought-after holiday experience (68%), followed by seeing natural attractions such as mountains and waterfalls (63%), and nature-based activities such as hiking (63%), visiting nature parks (61%), and viewing wildlife and marine life (58%). These results bode well for Canada, which can offer a range of culinary and nature experiences German travellers say they seek.

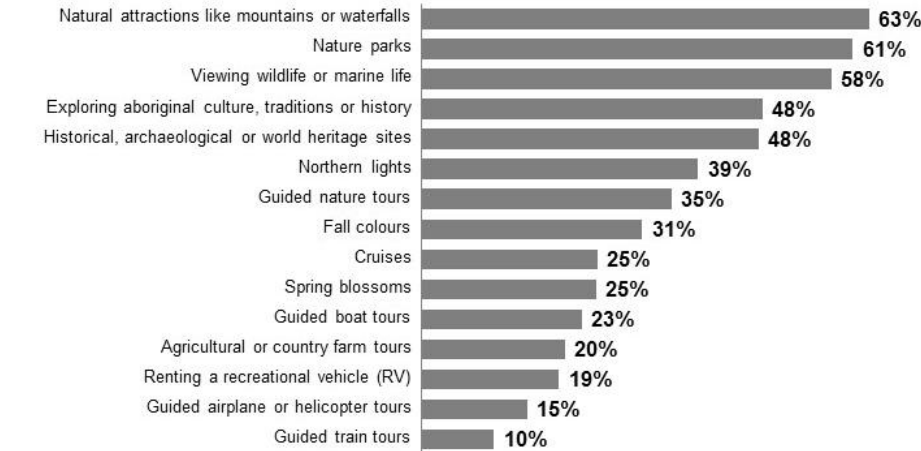
Figure 5.1: General Activities/Places Interested In – Top 10



In terms of things to see & do, German travellers are most interested in natural attractions like mountains or waterfalls (63%) and nature parks (61%). They also show strong interest in viewing wildlife or marine life (58%), exploring aboriginal culture, traditions or history (48%), and archaeological or world heritage sites (48%). The Northern lights are mentioned by 39% of German travellers, while 35% are interested in guided nature tours and 31% are interested in fall colours.

Interest levels tend to fluctuate by age: younger travellers aged 18-34 are more interested in several activities ranging from spring blossoms to guided boats and viewing the Northern lights. Travellers aged 35-54 favour nature parks and guided nature tours, while cruises hold appeal for older travellers aged 55+.

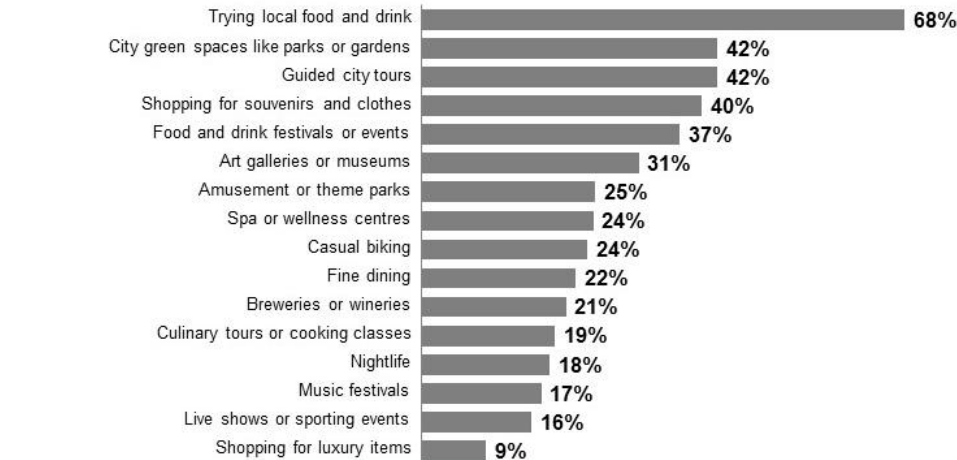
Figure 5.2: General Activities/Places Interested In – Things to See & Do



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,509)
 QMP10. In general, what activities or places are you interested in while on holiday?

Among city activities specifically, trying local food and drink holds the greatest appeal for German travellers (68%). This activity is particularly appealing to older travellers aged 55+. City green spaces like parks or gardens (42%) and guided city tours (42%) are also appealing, with city tours being particularly appealing to older travellers aged 55+. Shopping for souvenirs and clothes (40%) and food and drink festivals or events (37%) are the next most frequently mentioned city activities. Younger Germans express greater interest in several city activities including music festivals, theme parks, spa experiences, nightlife, casual biking, and shopping.

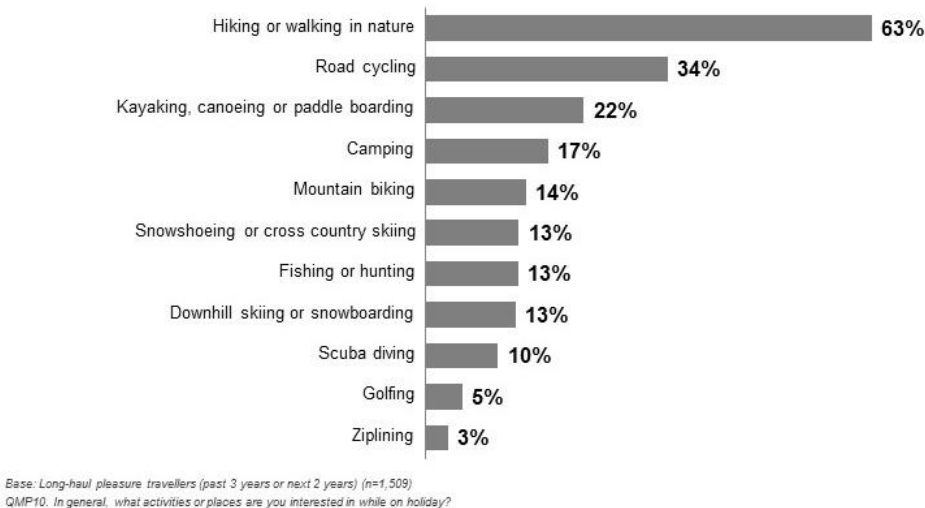
Figure 5.3: General Activities/Places Interested In – City Activities



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,509)
 QMP10. In general, what activities or places are you interested in while on holiday?

Hiking or walking in nature is the most frequently mentioned outdoor activity among German travellers (63%), with substantially more mentions than any other outdoor activity. Road cycling (34%) and kayaking, canoeing or paddle boarding (22%) are the next most frequently cited outdoor activities, followed by camping (17%). Interest levels in outdoor activities is considerably higher among younger travellers aged 18-34, particularly kayaking/canoeing, camping, and ziplining.

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



6. Barriers

All German long-haul travellers were asked what could prevent them from visiting Canada. Cost is the primary deterrent (42%), cited almost twice as often as the next closest impediments – length of the flight (26%) and the desire to visit other places (20%). Not enough time to take a vacation (17%) and poor value for money (15%) round out the top barriers for visiting Canada.

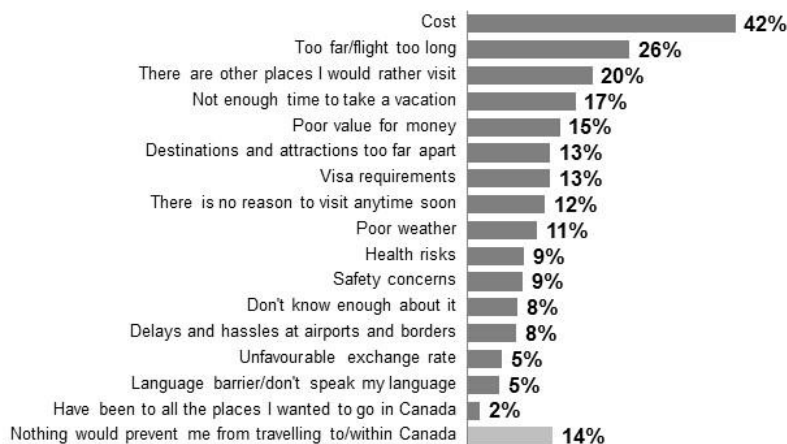
Travellers under 55 are most likely to cite cost and lack of time to take a vacation as barriers. In addition, younger travellers aged 18-34 are more likely to voice concerns about visa requirements. Older travellers aged 55+ are more likely to feel that there is no compelling reason to visit in the short-term and be concerned with a language barrier, but they are also more likely to say nothing would prevent them from visiting.

While the cost barrier and related value for money concern are challenging to address, they can be indirectly dispelled through messaging about the value offered by a Canadian vacation experience and Canada’s ability to deliver on the product experiences Germans seek. Highlighting the increasing availability of direct flights between Germany and Canada (up 6% over 2015⁵) and shorter travel times relative to other popular long-haul destinations, such as Thailand and Australia, may help address issues around distance to travel to Canada.

⁵ Destination Canada, Tourism Snapshot, December 2016.

Emphasizing the ability to anchor a trip to specific regions/experiences rather than having to see the whole country, or that you don't have to see the whole country all at once, could help counter the notion that Canadian destinations are too far apart. Secondary barriers such as don't know enough about it and lack of a compelling reason to visit can be addressed through advertising. Other peripheral reasons including visa requirements and hassles at borders and airports are issues for the Canadian government to address. It is notable that even though there are no formal visa requirements for German citizens to enter Canada, respondents likely included the recently introduced Electronic Travel Authorization (eTA) as a proxy for the visa requirements response option. In fact, a similar is pattern was observed in other markets where no visas are required for Canada. Although not explored in this survey given timing, the new eTA requirement is a potential barrier. Collaboration with key accounts in Germany could assist in identifying whether more clarity is needed about this new entry requirement.

Figure 6.1: Key Barriers for Visiting Canada



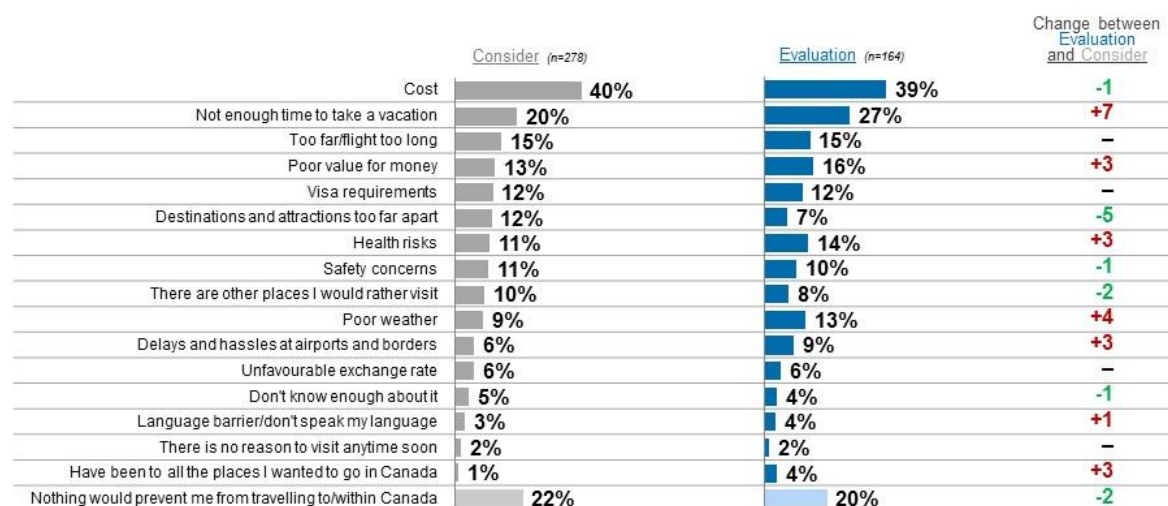
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,509)
 QMP9. Which of the following factors might discourage you from visiting Canada?

Examining barriers at key path-to-purchase stages provides additional insight. For those seriously considering a visit, cost is an acute barrier. Canada struggles moving travellers from the consideration phase to latter stages in the purchase cycle, so finding ways to emphasize where Canada can offer value is paramount.

Cost concerns are still very pertinent at the evaluation phase (gathering information or planning a visit). Also of note, the perception of poor value for money is more pronounced (+3) in the evaluation phase; this suggests that Canada needs to do more to emphasize the value a Canadian vacation offers as German travellers explore information about a potential trip to Canada. In addition, the concern about not having enough time to take a vacation rises in the evaluation stage (+7). At the same time, concerns about Canadian destinations being too far apart drops (-5), which suggests that lack of vacation time is not connected to the perceived ability to see desired sights in Canada within the time available.

Secondary concerns such as poor weather (+4), border and airport delays (+3), and health risks (+3) become more pronounced further along the purchase cycle.

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



Base: Long-haul 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 long-haul trip taken by German travellers to competitive set destinations in the past 3 years (52% 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

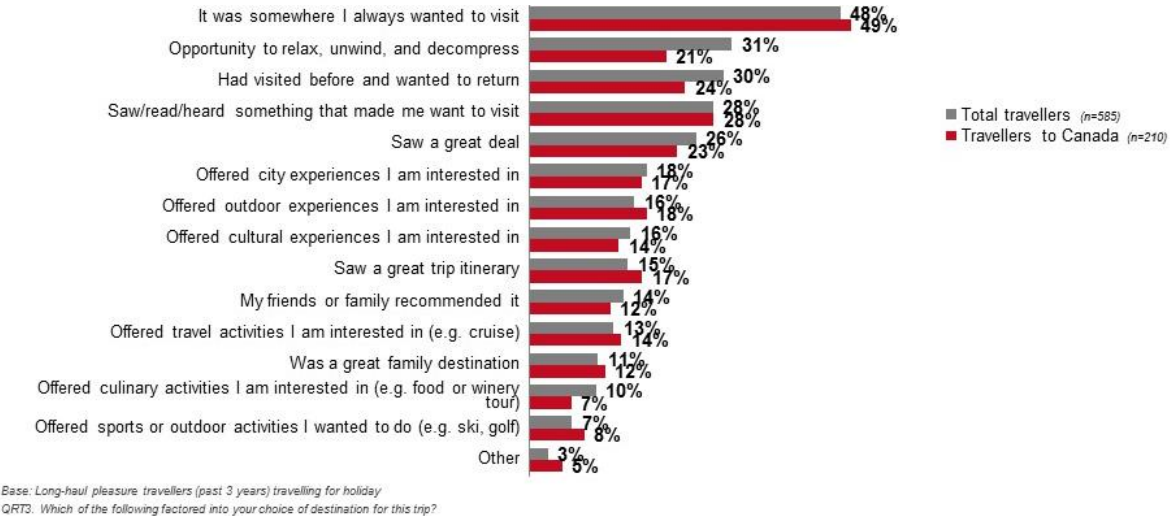
The primary reason for travelling among all German long-haul travellers was for holiday purposes. Those visiting Canada mainly did so for pleasure (68%), with visiting friends and family a distant second (16%).

Motivators

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

A longstanding desire to visit was the primary reason for choosing the destination, both among travellers generally and visitors to Canada. The opportunity to de-stress was an important factor in destination choice, but less so for Canada. In Canada's case, German travellers were more apt to have seen or heard something that made them want to visit Canada (28%). Repeat visitation is also important determinant of destination choice, but less so for travellers to Canada (24%).

Figure 7.1: Factors Influencing Destination Selection



Travel Party

Regardless of destination, German travellers were most likely to be accompanied by their spouse (58%); this is more common among travellers aged 35+. Solo travellers (17%) and friends (16%) were the next most common travel groups. Fewer travelled with children under 18 years (10%), but parties with children were slightly more common on trips to Canada (14%).

Overall, 18% of Germans travelled with an organized group, with 19% visiting Canada on a group tour.

Booking

Overall, German long-haul travellers continue to use travel agents, but online booking of flights surpasses use of travel agents for this task. The pattern for trips to Canada is slightly different, with travel agents being used to book flights slightly more often (40% vs 39% who booked using an online travel agency).

A similar pattern is evident for accommodation bookings. Overall, Germans are slightly more likely to book accommodations with an OTA, but for trips to Canada, Germans are more likely to work with a travel agent to book this piece of the trip (35% for Canada vs 29% for overall). Booking directly with airlines and accommodations is less common.

Type of Accommodation

German visitors to Canada are most likely to stay in mid-priced hotels (54%). A variety of other accommodation types are used: Bed & Breakfast (16%), budget hotels (15%), luxury hotels (14%), private rental such as Airbnb (12%), friends and relatives (12%), and camping (9%) are most popular. German accommodation behaviours in Canada are similar to overall travel behaviours.

8. Marketing Tactics

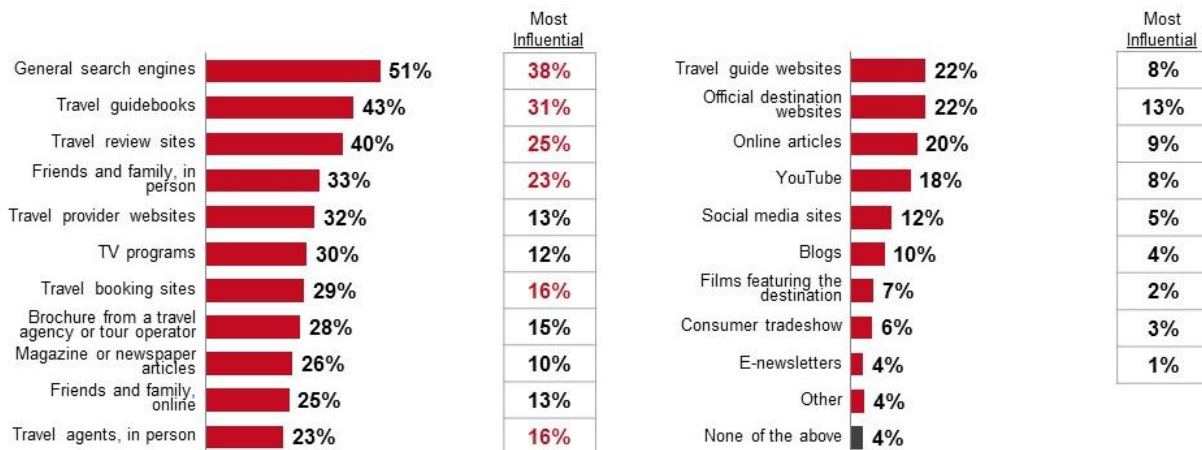
Sources Used to Look for Information

German long-haul travellers rely on a variety of travel information sources, both online and offline, for finding information on prospective destinations. General search engines are most popular (51%) followed by travel guidebooks (43%) and travel review sites (40%). In-person recommendations from friends and family (33%), travel provider websites (32%), and TV programs (30%) are also frequently used to find information on potential holiday destinations.

The most influential information sources are primarily the most popular sources: search engines (38%), travel guidebooks (31%), travel review sites (25%), and friends and family (23%). Interestingly, although 32% of German travellers rely on travel providers' websites for information, only 13% rate this source as very influential. Conversely, travel agents are not seen as a top information source, yet they rank 5th (tied with travel booking sites) as an influential source.

Travellers of all ages are equally likely to rely on search engines and personal recommendations from friends and family for information. Younger travellers aged 18-34 are more likely to use YouTube, social media, and blogs. Travellers aged 35+ are more likely to consult a mix of offline and online sources – travel guidebooks, brochures from travel agencies and tour operators, TV shows, magazine articles as well as travel review sites and travel provider sites. Older travellers are the more likely to consider travel agents as an important information source.

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



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,509)
 QMT1. When you research possible vacation destinations for your next trip, what sources do you use to look for information?
 Base: Long-haul pleasure travellers (past 3 years or next 2 years) who mentioned an information source (n=1,457)
 QMT2. Please select the 3 most influential information sources.

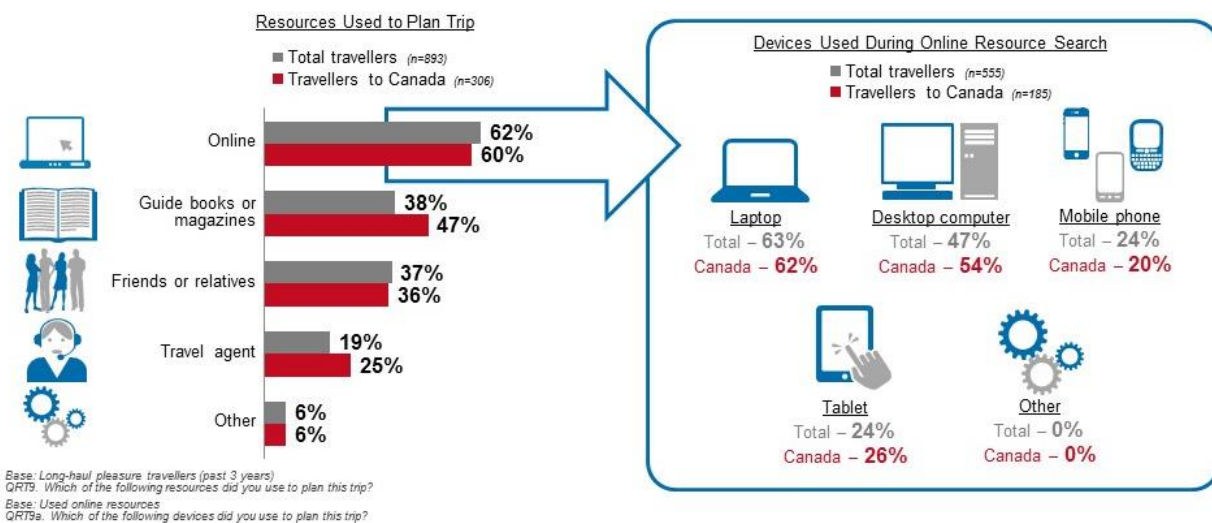
Resources, Devices Used to Plan Recent Trip

German long-haul travellers rely quite heavily on online sources for trip planning. However, traditional guidebooks and/or magazines (47%) are an important planning tool, especially for trips to Canada (47%). As noted previously, friends and family are also seen as valuable and influential in the planning process. Travel agents are used less often for trip planning, but are consulted more commonly for trips to Canada (25%).

For those using online resources to plan, German travellers prefer a screen larger than a Smartphone. Laptops (62%) and desktops (54%) are the most prevalent devices, with 26% using a tablet and only 20% relying on their Smartphone.

Older travellers aged 55+ are more likely to use a desktop computer. Younger travellers aged 18-34 are more likely to use multiple devices, including their Smartphone.

Figure 8.2: Resources and Devices Used to Plan Trip



9. Destination Canada's German Target

Destination Canada has identified a more defined target for marketing efforts in Germany. 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.