Canadian Tourism Commission
Commission canadienne du tourisme

Global Tourism Watch
Year 2

France - Key Findings

Canadian Tourism Commission (CTC)

Canada

www.canada.travel

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Introduction

Background

The shocks of 2001 and 2003 were strong reminders for the tourism industry regarding the speed of which consumer perceptions and decision-making processes can change based on a single event.

While there has not been a major shock to the tourism industry since 2004, a myriad of technological, social, environmental, and policy changes have occurred, affecting consumer perceptions, attitudes, motivations and travel intentions. Such changes include:

- The escalation of social media websites and their popularity across many age groups;
- The desire for healthier and more sustainable lifestyles;
- Climate change and related advocacy efforts by high-profile personalities; and
- The global financial/economic crisis

To stay on top of and to adjust to the changes occurring in the marketplace, an annual research monitor was initiated to keep a pulse on consumer changes in CTC key markets.

Objectives

In 2008, the second year of the Global Tourism Watch (GTW) program was implemented in nine global markets – the US, Mexico, the UK, France, Germany, Australia, Japan, China and South Korea. The Year 2 research was co-funded by a partnership group including British Columbia, Alberta, Ontario, Manitoba, Yukon and the Northwest Territories.

The research objectives are to collect market intelligence (across all markets in a consistent way) related to four over-arching themes:

- Monitoring key performance indicators;
- Tracking response to Brand Canada;
- Identifying and tracking product opportunities; and
- Providing input into strategic market plans.

The primary focus of the 2008 reports is on identifying shifts in each market since 2007. The ultimate goal of the GTW is to continue to track the key indicators on an annual basis in order to develop trend lines, assess Canada's market performance and examine market shifts over time.

Methodology

The target population for the survey consisted of residents, aged 18 and older, who have taken a long-haul pleasure trip where they stayed at least one night in paid accommodations in the past three years or who plan to take such a trip in the next two years.

A total of 1,693 French respondents completed the online survey. A quota was set to reach n=300 past travellers to Canada. Fieldwork was conducted in June 2008 to align with the CTC's campaign timing.

The online survey sample was weighted by region, age and gender to align it with the long-haul traveller population in each market based on data collected through a random telephone Omnibus (2007).

Given the quota of recent travellers to Canada, the survey sample was also weighted to reflect the actual distribution of travellers to Canada vs. travellers to other long-haul destinations, based on the Omunibus survey. Because the sub-set of recent travellers to Canada in the Omnibus was too small to generate accurate age by gender weighting data, interntional Travel Survey (ITS) counts from Statistics Canada were used to weight this group.

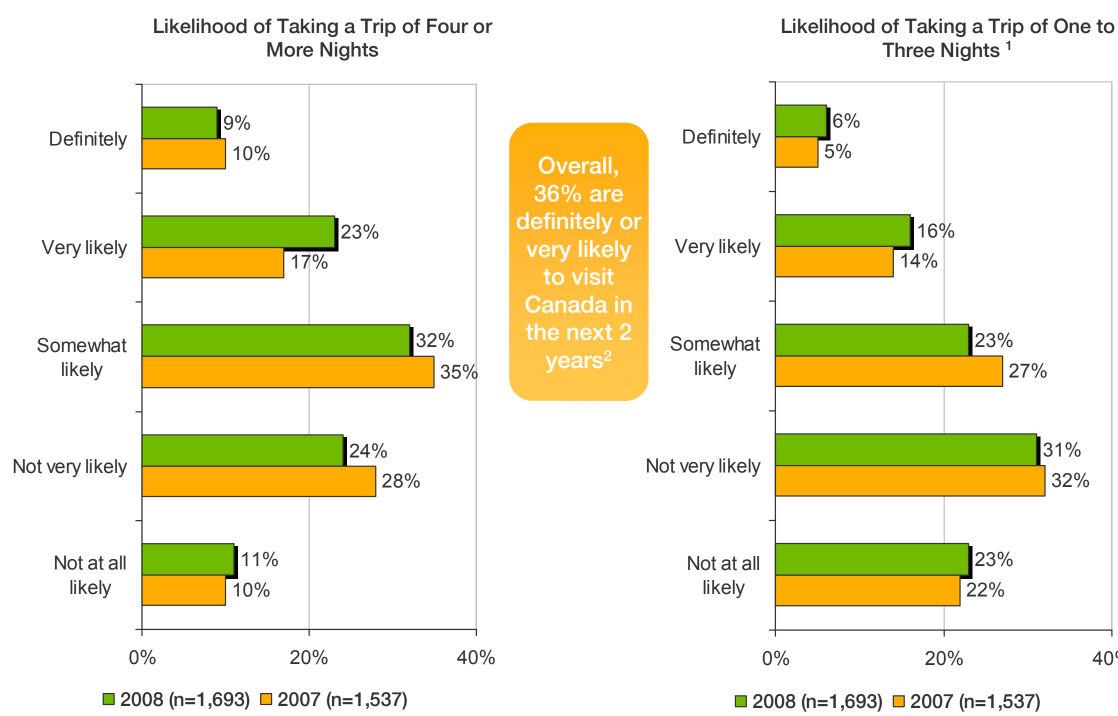
Outlook on Travel to Canada and the Regions in the Next 2 Years

Likelihood of Visiting Canada

The likelihood of visiting Canada in the next two years was assessed for both shorter stays of one to three nights and longer stays of four or more nights.

Exhibit 1 show that both intentions measures are up significantly this year, as is the total of 36% who say they are likely to visit Canada in the near-term. France is entirely unique in this respect – in no other GTW market did this critical indicator increase significantly in 2008. Moreover, this surge now makes France the strongest overseas GTW market for Canada in terms of travel intentions and market-readiness. This confirms the positive outlook for the French market at the time of the survey, although some of this optimism may have moderated in view of the downward slide in the economy since the 2008 GTW was conducted.

Exhibit 1 - Likelihood of Visiting Canada in the next 2 years



Base: Long-haul pleasure travellers.
Note: [1] Including trips to other countries (e.g. the US) that involve a stay of one to three nights in Canada.
[2] Overall score is a net calculation of the likelihood of travelling four or more nights and one to three nights.

Size of the Potential Market to Canada

Exhibit 2 provides an estimate of the size of the potential market for Canada in two ways. The target market is a broader estimate of the market size based on expressed interest among French travellers, more specifically those very or somewhat interested in visiting Canada in the next two years. This yields a target market of over 11.6 million travellers with some level of interest in Canada.

The immediate potential is a more conservative estimate of the potential market based on those who say they will definitely or are very likely to visit Canada in the next two years. With the likelihood of travel to Canada up significantly this year, the immediate market has grown dramatically from over 4.5 million in 2007 to more than 5.4 million in 2008, placing France ahead of the UK as the overseas market with the greatest immediate potential for Canada. In view of this positive shift and the enhanced market readiness in France, the CTC may want to consider enhancing marketing efforts in the region.

Exhibit 2 – 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)	15,177,000
Target Market for Canada	
Very/somewhat interested in visiting Canada in the next 2 years	77%
Size of the target market	11,686,000
Immediate Potential for Canada	
Will definitely/very likely visit Canada in the next 2 years	36%
Immediate potential	5,464,000

Base: Long-haul pleasure travellers (n=1,693)

Canadian Destinations[1] Likely to Visit

Exhibit 3 highlights the preferred destinations in Canada among French travellers who are considering visiting Canada. This includes those likely to visit in the next two years, those actively considering it, and those who have made a purchase decision.

While Ontario is the top destination of interest in most markets, Québec comes out ahead in France – not surprisingly – with near universal interest at 95%. That being said, there is still relatively strong interest in Ontario at 87%, with British Columbia the next most popular destination at 73%. The French market also holds stronger than average potential for the Atlantic region, with 55% who are interested in visiting eastern Canada, likely drawn by the large French-speaking population and historical/cultural ties. Interest in the North is also relatively robust at 36%.

Niagara Falls is the most popular individual destination (among regional partners participating in the GTW France study), with over three-quarters (77%) of travellers saying they would like to visit this world famous landmark while in Canada. Among Canada's large cities, Vancouver attracts the greatest attention (over 60%), followed by Toronto (50%) and Ottawa (36%).

Exhibit 3 shows the immediate potential for the regional partners on the GTW study based on current levels of interest. The potential market for Ontario is the largest at over 4.7 million, followed by British Columbia, at nearly 4 million. The French market also offers healthy potential for the North and Alberta, at between 1.7 and 2.0 million travellers.

Given the larger size of the immediate market in 2008, the market sizes for many of the regions have increased since 2007. Alberta, the North and British Columbia have seen the largest percentage growth over last year due to significantly enhanced travel intentions this year.

Exhibit 3 - Destination Interest and Market Potential for the Regions

	BC	AB	MB	ON	North
Immediate potential for Canada	5,464,000				
Likely to visit province	73%	32%	17%	87%	36%
Immediate potential for the provinces	3,989,000	1,748,000	929,000	4,754,000	1,967,000
Most popular destinations within province	Vancouver (62%) Victoria (27%) Whistler (3%)	Calgary (21%) Edmonton (8%) Jasper (6%)	n/a	Niagara (77%) Toronto (50%) Ottawa (36%)	NWT (23%) Yukon (18%) Nunavut (14%)

Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there (n=713).
Note: Provincial estimates are not additive since travellers may visit more than one region on a single trip.

[1] CTC partner regions only. (British Columbia, Alberta, Manitoba, Ontario and the North)

Awareness Levels of Canada

Unaided Performance Indicators

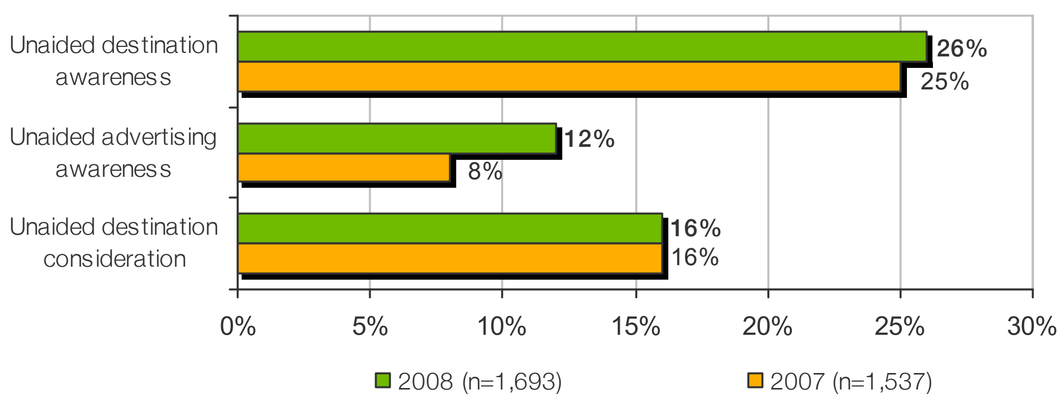
The Global Tourism Watch measured three unaided (or top-of-mind) indicators[2] – unaided awareness of Canada, unaided awareness of Canadian travel advertising, and unaided destination consideration.

To measure brand awareness, respondents were asked to name destinations that come to mind for a long-haul vacation At 26%, awareness of Canada is essentially unchanged in 2008, placing it once again in third spot behind Australia. The US continues to enjoy the greatest top of mind awareness among French travellers, although at 32%, mentions are down this year by five percentage points. Mexico witnessed a particularly strong boost in unaided awareness this year, with mentions increasing from 13% to 18%, usurping China from fourth spot. However, China's fifth place positioning means that the top five destinations for this market remain the same as last year.

Canada is one of only a handful of destinations to have experienced a boost in unaided advertising awareness in the French market this year. With awareness strengthening from 8% to 12%, Canada has now edged past the US to become the most widely recalled tourism destination advertised in France. This improvement may be partly due to moving the GTW fieldwork to immediately after the peak advertising period this year. However, this shift was made for all GTW markets, yet France is one of only three markets where unaided advertising awareness increased significantly, indicating that a strong 2008 campaign likely also contributed to the stellar results.

No shifts are apparent in unaided destination consideration in 2008, with top six destinations being identical to last year and in the same rank order. The US continues to be the top destination choice for future travel, at 22%, followed by Canada at 16%, with both destinations maintaining an even keel since last year. A decline in consideration for Australia (from 14% to 11%) is the most notable change in the results in 2008.

Exhibit 4 - Unaided Performance Indicators



Base: Long-haul pleasure travellers.

[2] Cumulative results including mentions of Canada and sub-destinations within Canada.

Recent and Potential Visitors from France

Target Market for Canada

Exhibit 5 provides demographic profiles of French long-haul travellers as a whole, recent travellers to Canada and travellers interested in visiting Canada. While potential visitors remain similar to the market as a whole, recent visitors to Canada continue to be the stand-out group, being older, more upscale and more likely to have friends and relatives in Canada.

Notably, within the long-haul market overall, the proportion of those in the highest income bracket (i.e., 54,000 Euro / CDN$84,000 or more) is up over last year (18%, vs. 15% in 2007). This could reflect the impact of both economic and inflationary pressures, i.e., less affluent travellers temporarily dropping out of the market. This trend was apparent in Germany as well.

Exhibit 5 – Target Market Demographics

Gender	All L-H Travellers (n=1,693)	Recent Travellers to Canada (n=299)	Interested in Canada (n=715)
Female	47%	48%	47%
Age			
18 to 24	15%	11%	14%
25 to 34	24%	18%	25%
35 to 44	19%	23%	19%
45 to 54	14%	18%	18%
55 or older	27%	31%	24%
Close Friends or Relatives Living in Canada			
Yes	20%	38%	23%
Have Children in Household Under 18			
Yes	34%	37%	33%
Marital Status			
Married / partnered	67%	68%	68%
Single / never married	24%	18%	23%
Other (e.g. separated, divorced, widowed)	9%	13%	9%
Education			
High school or less	28%	23%	28%
Technical / vocational	13%	14%	12%
Completed college / university	57%	59%	58%
Employment Status			
Employed full-time/part-time	63%	67%	68%
Housewife / homemaker	5%	4%	4%
Retired	16%	17%	14%
Unemployed	3%	2%	2%
Student	11%	7%	9%
Occupation			
Self-employed / Business owner	8%	11%	7%
Professor / Scientific professional	3%	3%	3%
Manager / High-level professional	29%	32%	25%
Middle-level professional	14%	12%	17%
Salaried employees	30%	28%	31%
Service employees / workers	6%	4%	5%
Other	11%	10%	11%
Average Monthly Household Income			
Less than 1,500 Euro	16%	13%	18%
1,500 to under 2,500 Euro	26%	19%	27%
2,500 to under 3,500 Euro	26%	27%	26%
3,500 to under 4,500 Euro	14%	17%	14%
4,500 Euro or more	18%	24%	16%

*Note: **Blue squares** indicate a result that is significantly lower than the total (all long-haul travellers); **orange circles** indicate a result that is significantly higher than the total.*

Target Market for Canadian Regions[3]

Exhibit 6 shows the demographic profile of travellers who are likely to visit Canada (or are considering a trip there) in the near-term, as well as those who plan to visit each of the regions (only GTW partner regions are included). The profiles for Ontario and British Columbia are based on those who say they are *most* likely to visit the region, while the other profiles are based on those who express an interest in visiting the region (very few said they are most likely to visit these regions).

There are very few meaningful significant differences between the groups. The exceptions are for British Columbia and the North. Those most likely to visit British Columbia tend to be affluent empty nesters. Like British Columbia travellers, those interested in the North are typically older, although they are more likely than British Columbia travellers to have children still living at home. Potential visitors to the North are also more likely than other travellers to be men, likely drawn by opportunities for outdoor adventure.

[3] CTC partner regions only. (British Columbia, Alberta, Manitoba, Ontario and the North)

Exhibit 6 - Target market for Canada's regions

	TOTAL (n=1,136)[1]	BC[3] (n=80)[4]	AB[2] (n=392)	MB[2] (n=129)	ON[3] (n=363)	North[2] (n=372)
Gender						
Female	45%	44%	45%	42%	51%	39%
Age						
18 to 24	15%	10%	13%	14%	16%	12%
25 to 34	25%	24%	28%	18%	28%	23%
35 to 44	18%	19%	19%	16%	19%	16%
45 to 54	15%	10%	17%	24%	15%	18%
55 or older	27%	37%	24%	27%	22%	31%
Close Friends or Relatives Living in Canada						
Yes	23%	18%	23%	20%	22%	17%
Have Children in Household Under 18						
Yes	34%	22%	37%	34%	37%	31%
Marital Status						
Married / partnered	65%	73%	65%	64%	67%	64%
Single / never married	25%	26%	22%	21%	24%	22%
Other	10%	1%	13%	16%	8%	14%
Education						
High school or less	30%	37%	38%	40%	36%	33%
Technical / vocational	13%	8%	11%	8%	18%	11%
Completed college / university	56%	54%	49%	50%	44%	55%
Employment Status						
Employed full-time/part-time	63%	69%	64%	64%	60%	62%
Housewife / homemaker	4%	1%	5%	5%	4%	4%
Retired	16%	25%	17%	21%	16%	19%
Unemployed	3%	0%	2%	1%	7%	3%
Student	11%	5%	9%	6%	11%	9%
Occupation						
Self-employed / Business owner	9%	9%	10%	7%	6%	9%
Professor / Scientific professional	3%	4%	3%	5%	3%	5%
Manager / High-level professional	28%	45%	26%	31%	23%	30%
Middle-level professional	14%	7%	11%	10%	13%	13%
Salaried employees	31%	26%	32%	30%	34%	28%
Service employees / workers	5%	1%	7%	13%	10%	6%
Other	9%	7%	11%	4%	10%	9%
Average Monthly Household Income						
Less than 1,500 Euro	16%	16%	16%	19%	14%	18%
1,500 to under 2,500 Euro	25%	20%	28%	26%	31%	29%
2,500 to under 3,500 Euro	26%	18%	27%	26%	29%	22%
3,500 to under 4,500 Euro	14%	23%	14%	11%	12%	13%
4,500 Euro or more	19%	23%	14%	18%	13%	18%

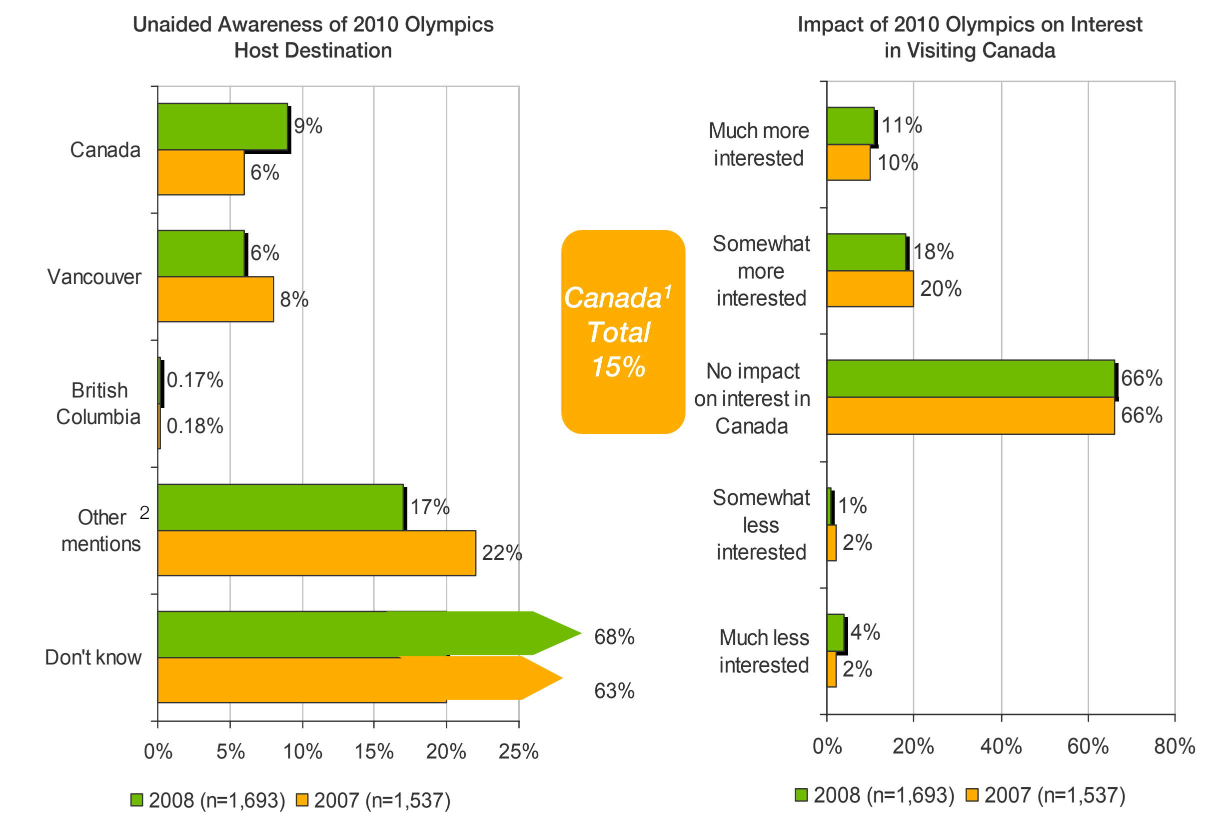
Notes:
[1] *Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there.*
[2] *Those likely to visit the region.*
[3] *Those most likely to visit the region.*
[4] *Results should be interpreted with caution due to the small sample size.*

The Impact of the 2010 Winter Games on Travel to Canada

Exhibit 7 shows that, in total, 15% correctly identify Canada as the host of the Vancouver 2010 Olympic and Paralympic Winter Games, which is unchanged since last year. While those mentioning "Canada" as the host has increased, this has been almost entirely offset by a decline in those mentioning "Vancouver" specifically.

The influence of the Games on interest in visiting Canada has also held steady this year, with close to 30% who say that their interest has been heightened by the Games.

Exhibit 7 – Impact of 2010 Winter Games on General Interest in Canada



Base: Long-haul pleasure travellers.

Note: [1] Includes all mentions of Canada, British Columbia, Vancouver.

[2] Includes all mentions of China, Russia, France, U.S., London, Moscow, Japan for 2008 plus Beijing, Brazil, Sweden and Italy for 2007.

Canada's Product Strengths and Weaknesses

Exhibit 8 presents a map showing product strengths and weaknesses for Canada in France. This looks at impressions of Canada's product offerings vs. the importance of these products to French travellers on their long-haul trips. The purpose is to identify products of importance to the French market where Canada is perceived favourably or where perceptions are a problem.

Product Strengths

General product strengths for Canada are products that are both important in the minds of travellers in planning their long-haul trips and for which Canada is favourably viewed. Like last year, most of Canada's product strengths in France revolve around nature, including beautiful landscapes, rivers/waterfalls/coastal scenery, national parks/heritage sites and wildlife. Self-touring and vibrant cities close to nature also emerge as strengths, although both could stand some improvement.

Niche product strengths appeal to smaller groups of French travellers and represent potential niche markets to be developed or targeted. Once again, all of the niche strengths are outdoor activities, including skiing, fishing/hunting, canoeing/kayaking and, in greatest demand, hiking/trekking.

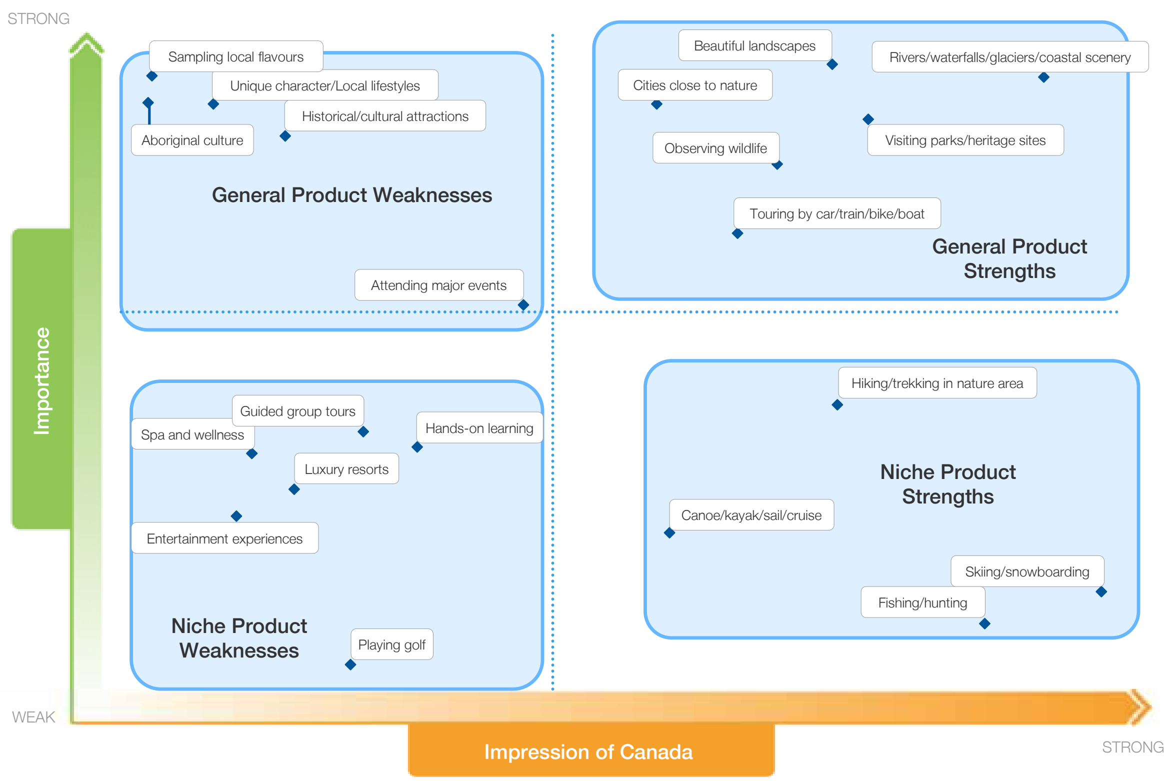
Product Weaknesses

General product weaknesses are products that are important to travellers, but for which Canada is not favourably rated, pointing to possible issues (perceptual or actual) to be mitigated. Although the cultural dimension of the brand is quite strong in France relative to other markets, the related product offerings continue to be perceived as weaknesses for Canada, including the new cultural products added this year (local flavours, unique character/local lifestyles).

With the rising interest in event travel, this product now qualifies as a general, rather than a niche, weakness for Canada. In fact, Canada performs fairly well here, and a small push may be all that is needed to convert this from a weak spot to a strong suit.

Niche marketing weaknesses are unfavourably rated activities that appeal to smaller groups of travellers. Once again, the entire group of luxury products are classified as niche weaknesses. Hands-on learning experiences are also a niche weakness, although a surge in interest has it edging upward this year. On the other hand, guided group tours have lost some relevance to the French market with the addition of "group" to the product description, resulting in its reclassification to a niche (rather than a general) weakness.

Exhibit 8 – Product Strengths and Weaknesses Map



Base: Long-haul pleasure travellers (n=1,693).

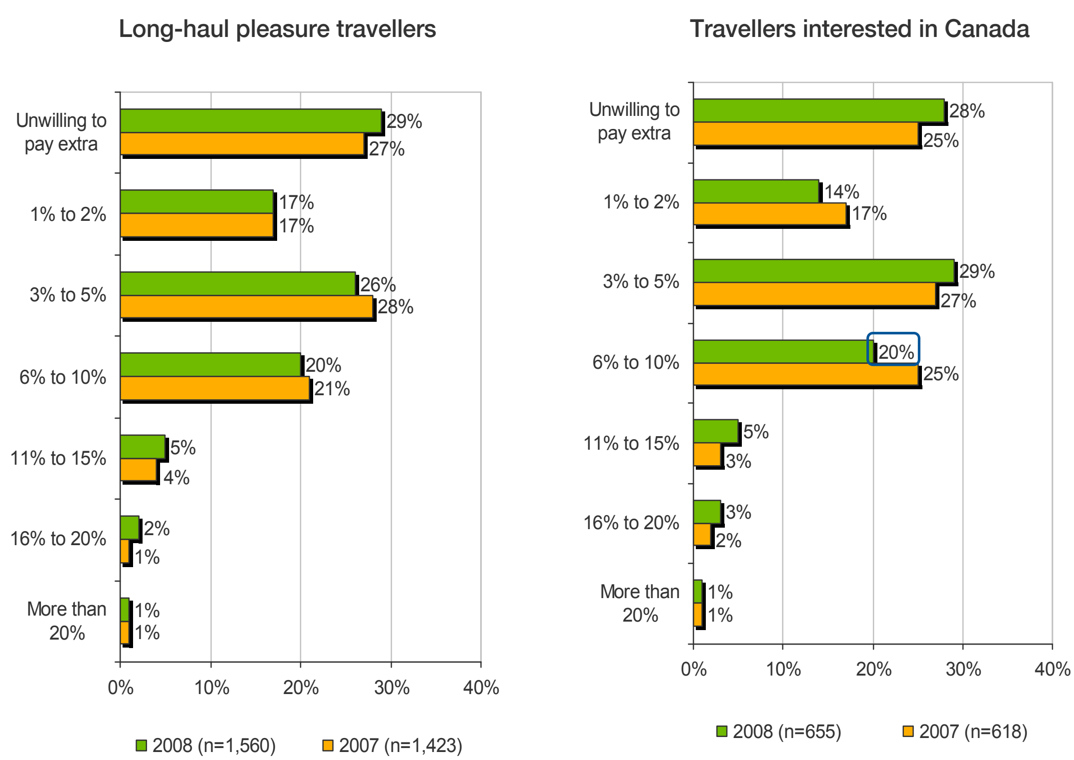
French Views on Environmentally-friendly Travel Products

Prompted by growing public awareness of the environmental impact of travel and an increasing focus on responsible tourism in many countries, the GTW survey examined the attitudes of travellers towards eco-friendly tourism and travel products.

The 2007 study revealed that French travellers are among the most environmentally-conscious of the GTW markets, and certainly compared to their counterparts in the UK and Germany. In 2008, French travellers are more likely than ever to put the principles of environmentally-friendly travel or "tourisme vert" into action. The proportion of travellers who take environmental issues into account when deciding where to travel has grown to nearly 70%, while over half the market now claims to make environmentally-friendly choices when travelling.

Although increases are minimal, more French travellers are unwilling to pay extra for eco-friendly travel products. Among those travellers interested in Canada, the number of travellers who are willing to pay a premimum of 6% to 10% is down by 5% to 20%.

Exhibit 9 – Willingness to Pay a Premium for Environmentally-Friendly Travel Products



Notes: Blue squares indicate a result that is significantly lower than 2007; orange circles indicate a result that is significantly higher than 2007.

How Canada is Perceived by French Travellers

Unaided Brand Personality Perceptions

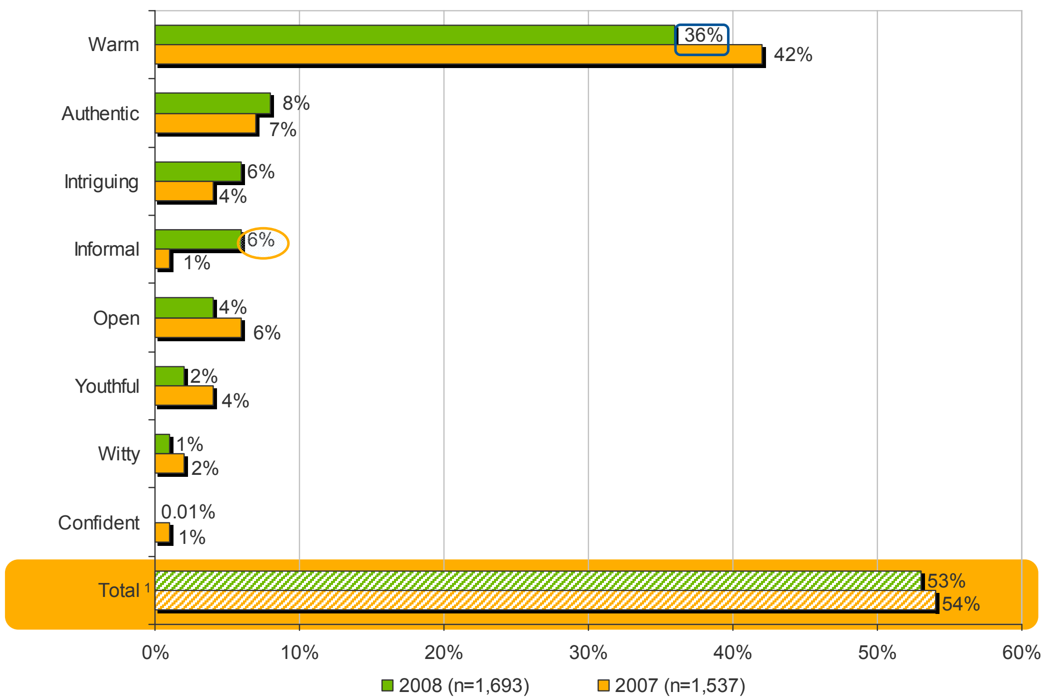
Brand personality often serves as a good metaphor for understanding travellers' perceptions of a destination. As such, respondents were asked to indicate three personality traits or characteristics that come to mind when they think of Canada as a person. The responses were coded into a number of personality dimensions, each comprised of a group of related personality traits. These included the eight dimensions encompassed by Brand Canada, as defined by the CTC:

- **Warm** (e.g., friendly, hospitable, welcoming, warm-hearted, kind);
- **Intriguing** (e.g., fascinating, interesting, exciting, appealing, engaging);
- **Informal** (e.g., casual, relaxed, easy-going, laid-back, approachable);
- **Open** (e.g., accepting, liberal, open-minded, flexible, accessible);
- **Authentic** (e.g., genuine, sincere, honest, down-to-earth, trustworthy);
- **Youthful** (e.g., energetic, lively, young at heart, vigorous, fun, vibrant, peppy);
- **Confident** (e.g., self-assured, sure, secure, poised, positive); and
- **Witty** (e.g., humourous, quick, entertaining, clever, bright, intelligent).

As **Exhibit 10** shows, the proportion of travellers who view Canada as Warm is down this year, a trend that has been observed in virtually every GTW market, perhaps reflecting the CTC's globalized efforts to take Canada's image beyond warm and friendly. Despite this, unaided perceptions of Canada as a warm and friendly place are still commonplace in France, and will likely always be that way, given that the French identify with Canada on the basis of a shared language, history and culture. Accordingly, the 36% for Warm is one of the highest scores of any GTW market.

The other notable change this year is an increase in traveller perceptions of Canada as Informal, which is up from 1% to 6%, but like Warm, this is largely a carry-over from Canada's traditional image. Although Intriguing gets its fair share of mentions at 6%, the other more dynamic aspects of brand personality (i.e., Youthful, Witty and Confident) are still not readily associated with Canada, garnering minimal mentions on an unaided basis.

Exhibit 10 – Unaided Brand Personality Perceptions



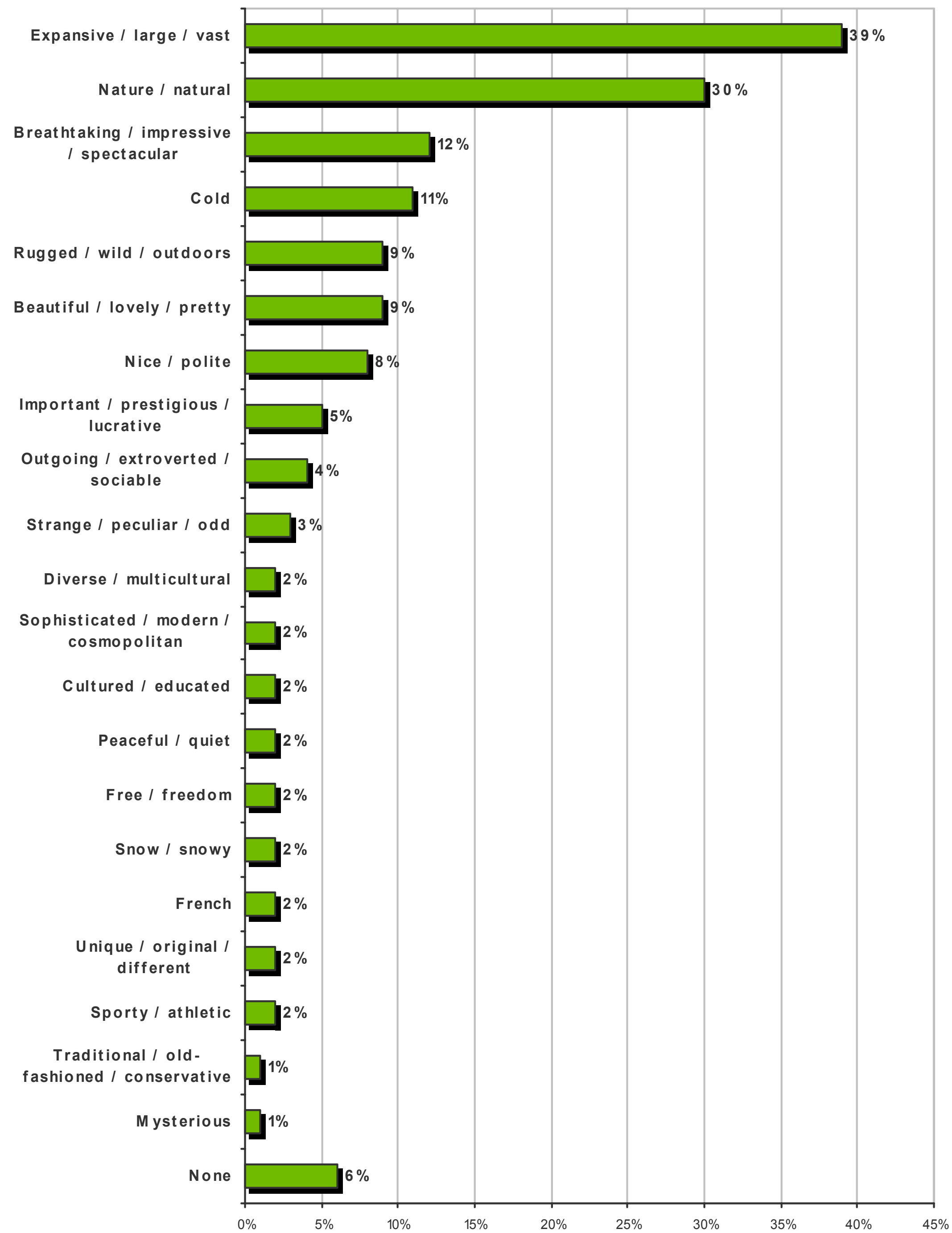
Base: Long-haul pleasure travellers

Notes: [1] Percent who mentioned any of the 8 Brand Canada personality traits (or synonyms thereof).

Blue squares indicate a result that is significantly lower than 2007; orange circles indicate a result that is significantly higher than 2007.

Exhibit 11 shows other personality traits that are associated with Canada in the French market. The picture continues to be dominated by geographic attributes, with the top six traits all relating to nature and the environment. Among them, descriptions of Canada as "expansive/large/vast" are the most widespread, at nearly 40%. In fact, this is more than twice the number of mentions in any other GTW market, indicating that Canada's sheer size and vast open spaces are particularly striking to the French. Perceptions of Canada as a "cold" country continue to be relatively common, although mentions are understandably down from last year when the survey was conducted in the Fall instead of the Summer.

Exhibit 11 – Unaided Brand Personality Perceptions – Other Mentions



Base: Long-haul pleasure travellers (n=1,693).

Value Perceptions

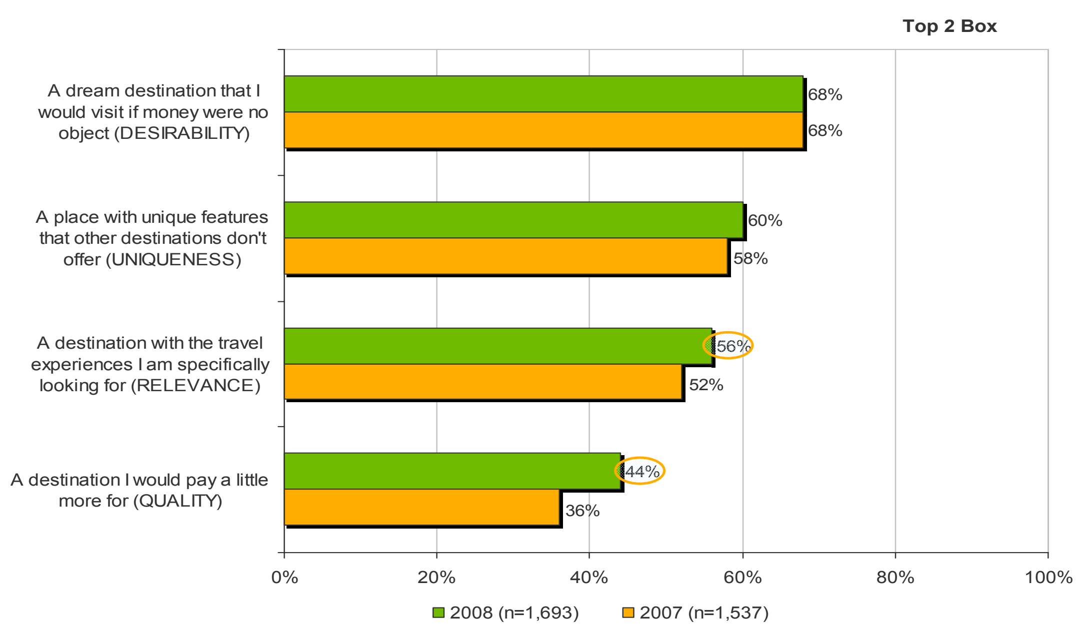
Destination success cannot be measured only by the degree to which the brand has established itself in the marketplace. Even if brand awareness is high, it is important for a destination or brand to be perceived as offering value to travellers. For a destination to have value, it should:

- Have an inherent desirability or appeal;
- Offer high quality experiences and travel products;
- Be relevant to travellers, with the experiences they are specifically looking for; and
- Offer a unique product relative to other destinations.

To assess value perceptions of Canada in France, respondents were asked to rate Canada on four value-related statements that embody each of the above criteria.

Exhibit 12 reveals more encouraging results. Canada has improved its performance on the two lowest-rated value attributes – Relevance and Quality -- by between four and eight percentage points. At 56%, a more solid majority of French travellers now agree that Canada offers the kind of experiences they are specifically looking for, and at 44%, quality perceptions are now more in line with the other GTW markets. Clearly, improving value assessments in France would help Canada to realize the true potential of this well-primed, but value conscious market.

Exhibit 12 – Value Perceptions



Base: Long-haul pleasure travellers.
Notes: Top 2 Box refers to a rating of 4 or 5 with 1 being "strongly disagree" and 5 being "strongly agree" on a 5-point scale.
Orange circles indicate a result that is significantly higher than 2007.

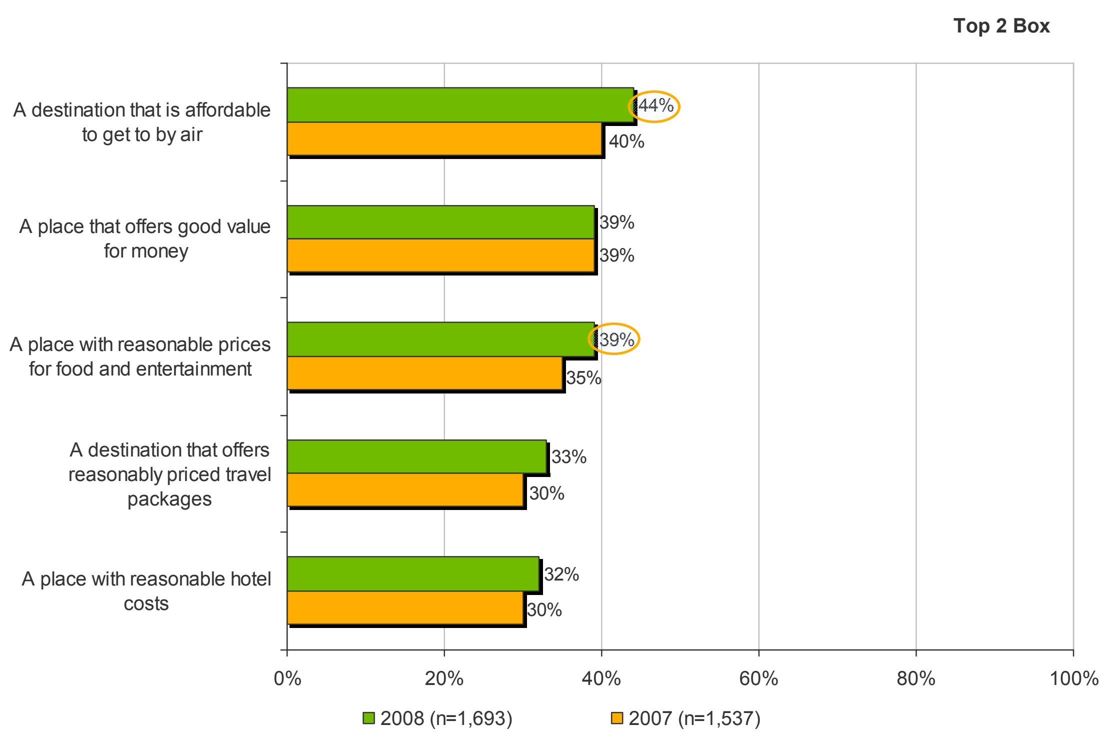
Price Perceptions

In addition to brand image and destination value, cost obviously plays a major role when it comes to destination decision-making. Exhibit 13 shows how Canada is perceived by French travellers on various travel cost components.

More good news is evident in terms of cost perceptions, with significantly better scores for Canada this year on airfare and food/entertainment prices. In addition, perceptions of both package costs and hotel prices are trending upward. These results no doubt reflect the 13.5% gain of the Euro against the Canadian dollar in the months between the 2007 and 2008 surveys.

Notably, since the survey was conducted, the US dollar has appreciated almost 20% against the Euro, while the loonie has remained stable. If this trend is sustained, it may provide new ground on which to market the affordability of travel to Canada and its price competitiveness against the US.

Exhibit 13 – Price Perceptions



Base: Long-haul pleasure travellers.
Notes: Top 2 Box refers to a rating of 4 or 5 with 1 being "strongly disagree" and 5 being "strongly agree" on a 5-point scale.
*Orange circles indicate a result that is significantly **higher** than 2007.*

Motivation for Visiting Canada

Key Motivations for Visiting Canada

The enthusiasm that French travellers have for Canada is evident in the overwhelming interest they show in most of the motivators listed in **Exhibit 14**. Of the 21 items, 11 of them are identified by 80% of travellers or more as a major reason to visit Canada. With the exception of Mexico, most other markets have less than 5 motivators with such a high rating.

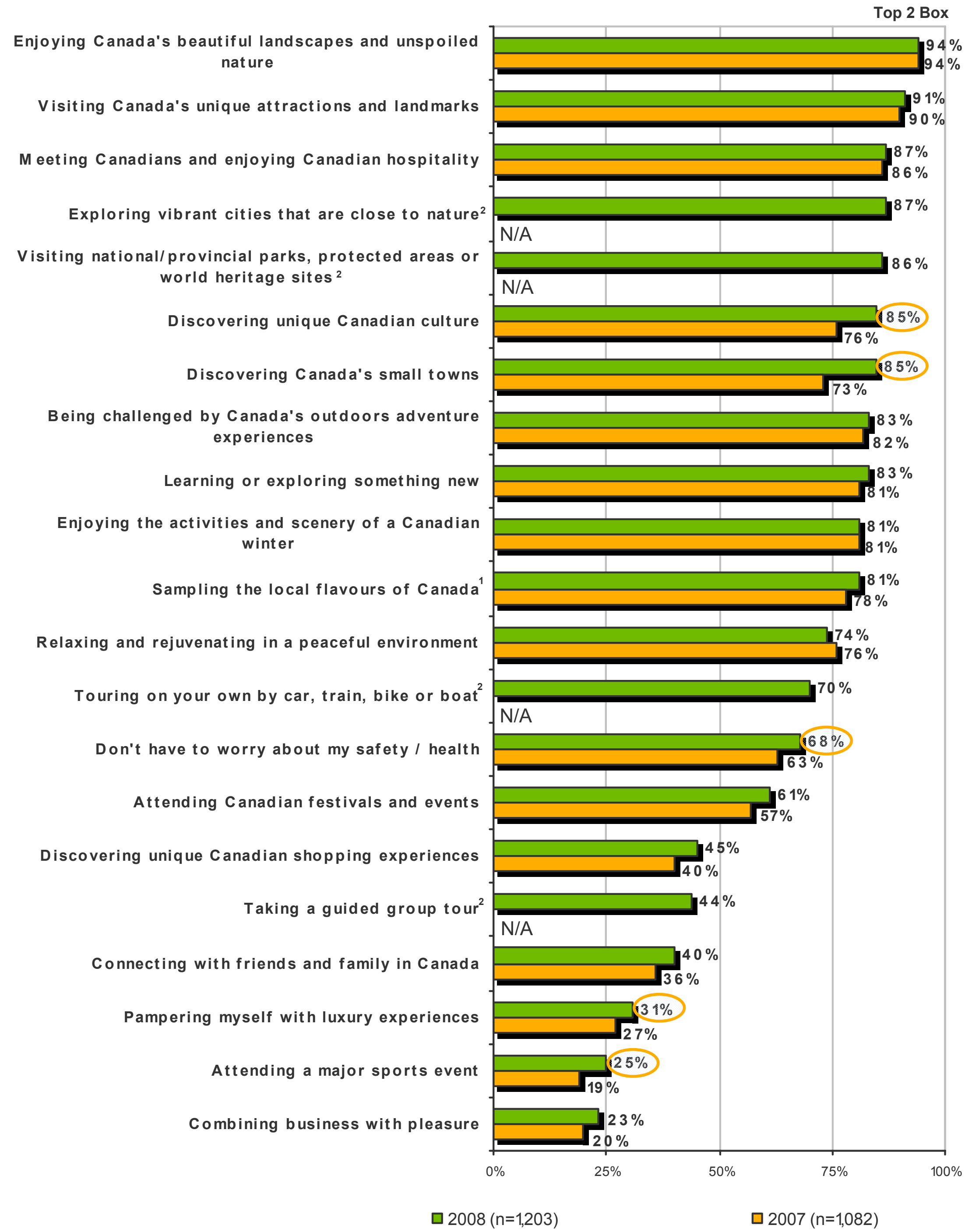
Canada's landscapes/nature and landmarks are at the top of the list, and in this respect, French travellers are similar to those in other GTW markets. However, the French are unique in the extent to which the people and culture are motivators for travel to Canada, with Canadian culture, small towns and meeting Canadians having notably high scores. At 85% to 87%, these are more vital motivators in France than in any other GTW market, and in fact, both culture and small towns increased notably this year, dovetailing with Canada's improved performance on the cultural dimension of the brand. Clearly, France is setting the bar for the other markets when it comes to exemplary performance on culture, although admittedly Canada has inherent advantages in this market in terms of strong historical and cultural ties with France.

Further down the list, a larger proportion of travellers cite Canada's safe and worry-free environment, its luxury offerings and its sports events as reasons to visit this year than last.

Among the new products added this year, vibrant cities close to nature and parks/heritage sites round out the top five motivators in this market, with scores in the range of 86% to 87%. Given that nature and culture are both major travel catalysts for French travellers, it is not surprising that France is one of the two markets where cities close to nature is most likely to spur travel to Canada, again confirming the strong potential of this "Unique Selling Propositions" (USP[4]).

[4] USP: The CTC identified five Unique Selling Propositions (USPs) for Canada. They are 1) Vibrant cities on the edge of nature; 2) Personal journeys by land, water, and air; 3) Active adventure among awe-inspiring natural wonders 4) Award-winning Canadian local cuisine 5) Connecting with Canadians.

Exhibit 14 – Key Motivations for Visiting Canada



Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there . Notes: Top 2 Box refers to a rating of always or often important on a 5-point scale. Blue squares indicate a result that is significantly lower than 2007; orange circles indicate a result that is significantly higher than 2007. 1 Item changed slightly in 2008. 2 Not asked in 2007.

Barriers in Attracting Visitors from France

Barriers for Travel to Canada

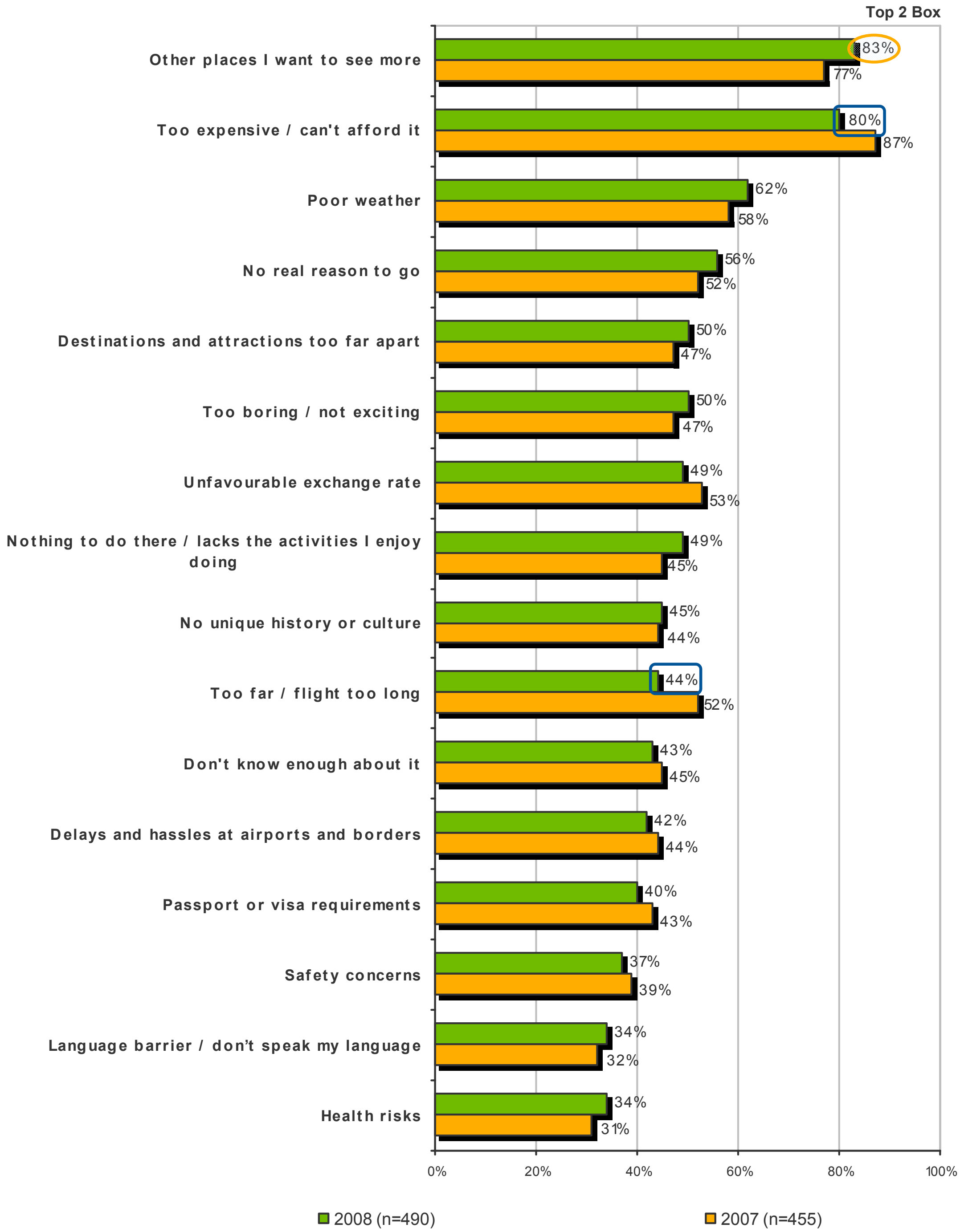
Exhibit 15 shows why French long-haul pleasure travellers are unlikely to visit Canada in the near-term. These results are important because, more likely than not, travellers that *are* likely to visit may have similar concerns that could ultimately lead them to select alternate destinations.

Affordability and competition continue to be the top barriers for travel to Canada. Affordability as an issue, however, has eased over the past year, dropping by seven percentage points and down a rank to second place. This is consistent with the decline of affordability issues as a barrier to long-haul travel in general, as well as with the improved price perceptions of Canada, all of which are likely tied into the ongoing buoyancy of the Euro.

At the same time, the desire to see other destinations is becoming more of a reason to forgo a trip to Canada, rising to the number one barrier in 2008. This is consistent with the KPI results, which point to a distinct loss of awareness and interest against warm-weather competitors like Mexico, Brazil, Thailand and the Dominican Republic.

Another significant shift this year is a decline in the proportion of those citing distance as a barrier (from 52% in 2007 to 44% in 2008), which is consistent with the growing affinity of French travellers for long-haul travel.

Exhibit 15 – Key Barriers for Visiting Canada



Base: Long-haul pleasure travellers who are unlikely to visit Canada in the near future.
Notes: Percentage represents the sum of major barrier and minor barrier responses.
Blue squares indicate a result that is significantly lower than 2007; orange circles indicate a result that is significantly higher than 2007.

Sources of Information for French Travellers

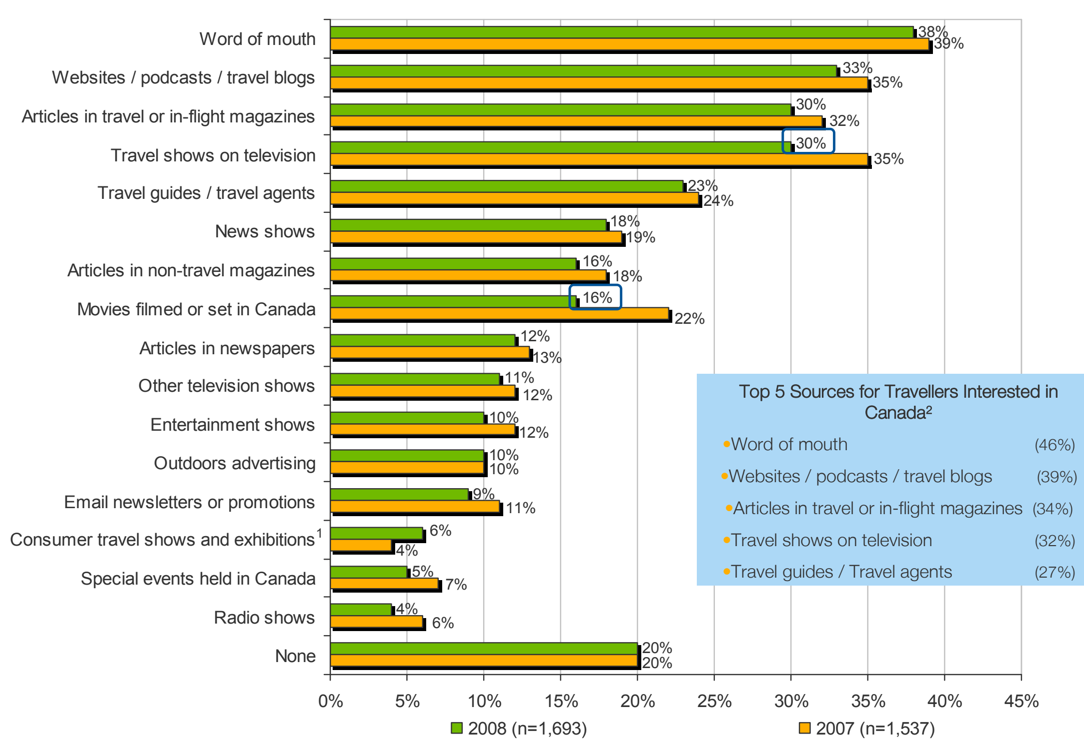
Sources of Information on Canada

As **Exhibit 16** shows, 8 in 10 travellers have seen information on Canada in the past three months, which is unchanged from 2007. However, the 2008 results reveal a general downward trend across most of the individual information sources (with significant drops for television travel shows and movies set in Canada). This suggests that, although the same proportion of travellers saw information on Canada in 2008, they tended to see it in fewer sources than last year.

Word of mouth and online media remain the top two information sources, and both continue to be more prominent in France than in other GTW markets (Mexico excepted). As was the case last year, articles in travel or in-flight magazines, travel shows on television and travel guides/agents round out the top five.

For potential visitors to Canada, the top five sources are the same as those identified by the market as a whole. Here again, downward movement is evident, with a significant drop for television travel shows.

Exhibit 16 – Sources of Information on Canada (past 3 months)

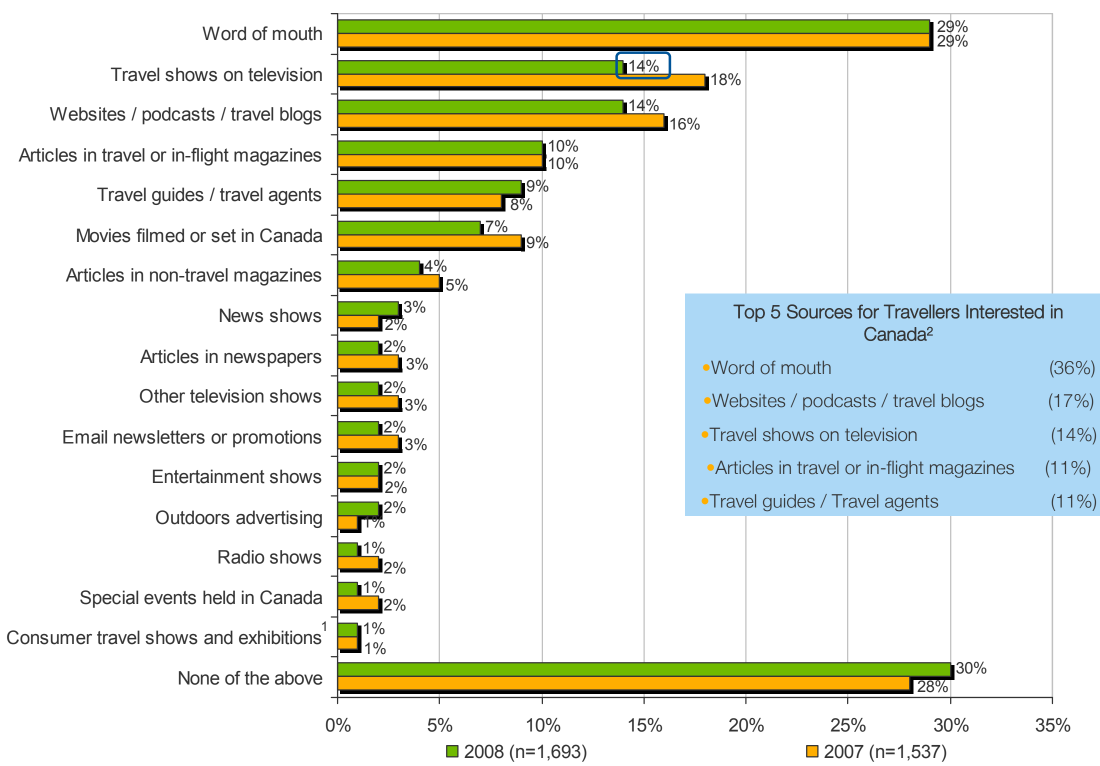


Base: Long-haul pleasure travellers.
*Notes: Blue squares indicate a result that is significantly **lower** than 2007; orange circles indicate a result that is significantly **higher** than 2007.*
Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.
[1] Item changed slightly in 2008. [2] Travellers interested in Canada: those who are very interested in visiting Canada in the next 2 years.

Top Information Sources for Increasing Canada's Appeal

As shown in **Exhibit 17**, the best overall communications strategies for increasing Canada's appeal remain unchanged in 2008, although television travel shows have dropped here as well. Like the market as a whole, potential travellers to Canada also feel that word of mouth is by far the best way to increase Canada's appeal, followed by websites/blogs and travel shows. This suggests that harnessing word of mouth and generating positive buzz, particularly through online media (e.g., encouraging past visitors to post personal stories, testimonials, recommendations, reviews, etc. on travel blogs and websites) might benefit Canada in this market.

Exhibit 17 – Top Information Sources for Increasing Canada's Appeal



Base: Long-haul pleasure travellers.
*Notes: Blue squares indicate a result that is significantly **lower** than 2007; orange circles indicate a result that is significantly **higher** than 2007.*
[1] Item changed slightly in 2008. [2] Travellers interested in Canada: those who are very interested in visiting Canada in the next 2 years.

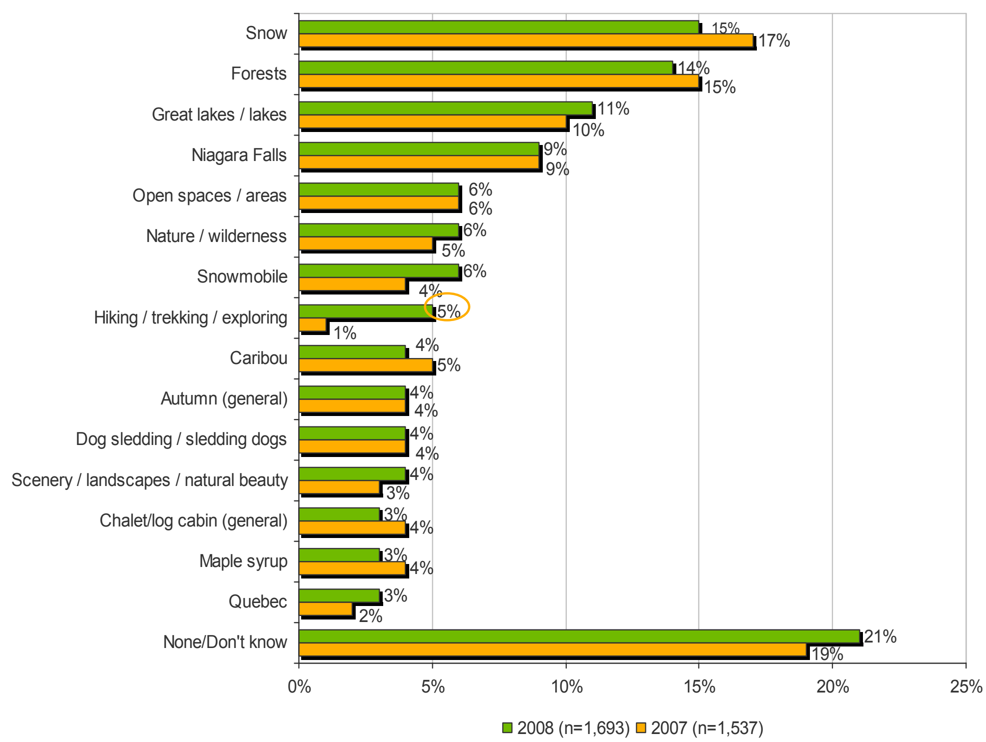
Icons or Images that Inspire Interest in Canada

As **Exhibit 18** shows, there is little change this year in the imagery that inspires interest in Canada among French travellers. Despite the timing of the survey in June, winter imagery continues to abound, with references to snow, snowmobiles, caribou, dog sledding, chalets and maple syrup. In no other market is snow and winter imagery so strongly associated with Canada, although curiously, skiing is not within the top mentions.

After winter scenery, nature images are most prevalent, including specific mentions of forests, lakes and Niagara Falls. Harking back to the unaided slogan and brand personality mentions, open spaces is also a top five mention. With mountains conspicuously absent from the list, this appears to confirm French perceptions of Canada as vast expanses of flat terrain and wilderness. It would likely be in Canada's best interest to broaden out this image by depicting Canada's bustling cities, trendy restaurants, fashionable people and vibrant urban experiences in its marketing initiatives.

The only change of note this year is an increase in the proportion of travellers mentioning hiking/trekking/exploring, which may indicate that the *Keep Exploring* message is getting through.

Exhibit 18 – Icons or Images that Inspire Interest in Canada



Base: Long-haul pleasure travellers.
Notes: Blue squares indicate a result that is significantly lower than 2007; orange circles indicate a result that is significantly higher than 2007.

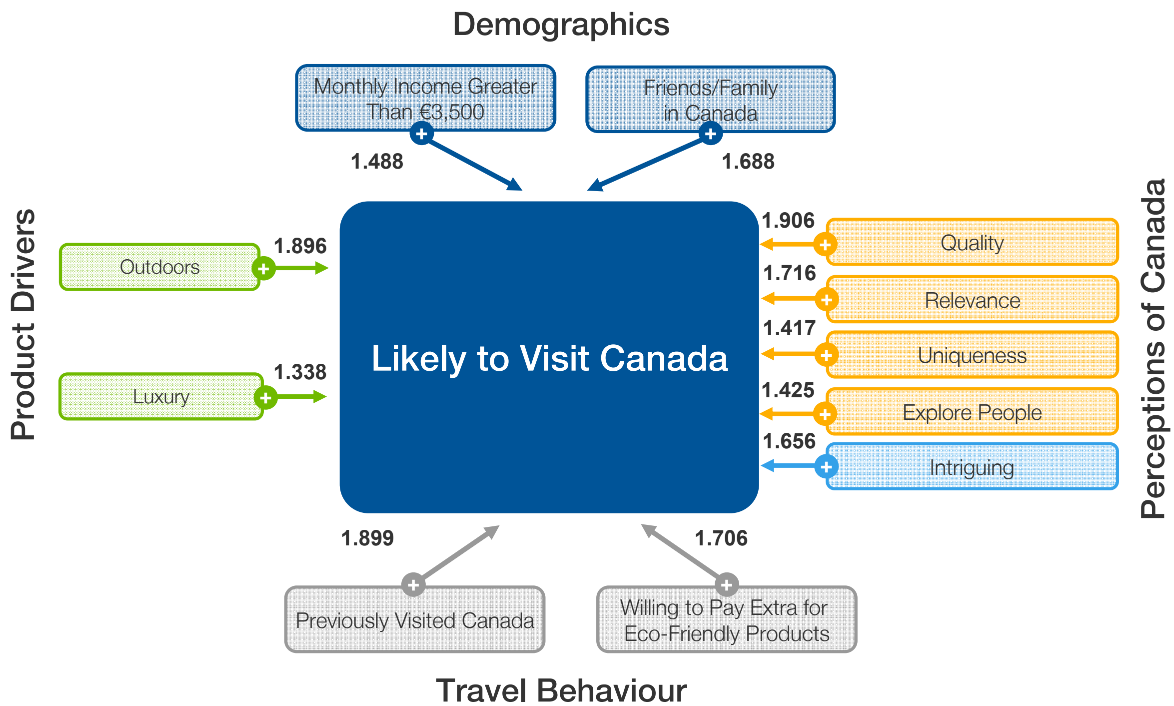
The Key Drivers for Visiting Canada

A key drivers model was developed with the dependent variable being whether or not travellers are likely to take a pleasure trip of four or more nights to Canada in the next two years. The independent variables that were modelled against likelihood of visiting included demographics, travel attitudes and motivations, perceptions of Canada, product interests and travel behaviour (previous visitation of Canada, importance of long-haul travel, etc).

Exhibit 19 summarizes the results of the key drivers model, with key findings discussed below:

- Consistent with both the 2007 study and many of the other GTW markets, having visited Canada before, having close friends and relatives living there and having a general willingness to pay for environmentally-friendly travel products continue to be strong predictors of future travel to Canada.
- In addition, income is a strong driver of travel to Canada, with those earning higher household incomes (e.g., 42,000 Euros or more equivalent conversion) being more likely to visit. This is not surprising given perceptions of Canada as a rather expensive destination in France.
- Being an outdoor enthusiast virtually doubles the likelihood of visiting Canada, which is no surprise, but those looking for a luxury experience are also more likely to visit, underlining the importance of having multiple product drivers and a broad appeal.
- Like last year, the key drivers model shows that Value is of the utmost importance in driving travel to Canada. Quality, Relevance and, to a lesser extent, Uniqueness, all factor in strongly to the purchase decision, underscoring the continued need to strengthen value impressions. In terms of brand image, those who view Canada as being a good place to explore people and those who see it as intriguing and exciting are more likely to want to visit.

Exhibit 19 – Key Drivers for Likelihood to visit Canada



Base: Long-haul pleasure travellers. (n=1,693)
Notes: Numbers are odds ratios. Odds ratio is the exponentiated value of B. If >1, the odds ratio is the factor by which the odds of being likely to visit Canada increase as the independent variable increases; if <1, it is the factor by which the odds of being likely to visit Canada decrease.

Conclusion and Considerations

In 2008, France emerges with one of the most vigorous long-haul travel markets of the nine countries included in the GTW. Driven by a strong Euro that substantially boosts French purchasing power abroad, an increasing penchant for seeing destinations further afield and one of the highest paid holiday entitlements in the world, long-haul travel has been growing at a faster clip in France than in many other European markets. In fact, at the time of the 2008 survey, a mini-travel boom appeared to be in full swing, with arrivals to many long-haul destinations exhibiting remarkable double-digit growth rates at a time when long-haul travel from many other major markets has stalled. A clear sign of this market growth is that more planners, who have not travelled recently, are preparing to jump on the long-haul bandwagon.

Not surprisingly then, the 2008 GTW reveals a very robust market outlook in France, with almost half of the market planning to travel more in the next three years than they did in the past three years. This is one of the highest levels seen across the GTW markets, indicating strong momentum in the French market, especially when compared with Germany and the UK.

However, since the survey was conducted, the French economy posted a negative second quarter, fanning fears that France is headed for a recession, while the fallout from the global economic crisis has increased economic uncertainty and eroded consumer confidence. With unemployment set to soar above the current level of 8% and the Euro anticipated to deteriorate in 2009, the high degree of optimism in this market will be subject to some intense downward pressures in the coming year. Already there are signs that less affluent travellers may be temporarily dropping out of the long-haul market.

Canada's performance in France has been nothing short of remarkable and leaves it well-positioned to weather the tougher market conditions. Led by a strong 2008 advertising campaign, Canada emerges as second to none in terms of top-of-mind presence in the French advertising stakes. Canada has also seen solid gains in aided awareness and travel intentions in 2008, with France now overtaking the UK as the overseas market with the greatest immediate potential for Canada. Moreover, Canada has been successful at pushing French travellers along the decision-making cycle, with the proportion of decided travellers increasing from 9% to 13%. With a more committed market for Canada than even the US or Mexico, as well as a large segment of hot prospects, Canada may want to enhance marketing efforts.

Having said this, it is important to note that the competition is getting tougher, with many of Canada's key competitors (e.g., Mexico, Brazil, Thailand, Dominican Republic) gaining ground in terms of awareness and interest this year. With the desire to see other destinations mounting as a barrier for visiting Canada, the CTC has increasing reason to remain vigilant in safeguarding its position as a destination of choice for French travellers.

Brand perceptions in France continue to be stronger and more closely aligned with Brand Canada than in most other GTW markets. French enthusiasm for both the people and culture of Canada continues to top all other markets, giving Canada the advantage of a well-rounded brand in this market. Still, opportunities remain to create more underlying excitement around Canada and to promote the more dynamic and vital elements of the new brand.

Perhaps the greatest challenge with respect to overall brand health, however, continues to be lukewarm perceptions of value and price, although Canada has made some notable gains in 2008 on specific components of value (relevance and quality) and price (airfare and food/entertainment costs). Strengthening these key measures could help the CTC to better realize the potential that France holds for Canada, as well as to withstand the changing market forces and growing value consciousness in the marketplace. Moreover, with the US dollar strengthening against the Euro, there is new ground on which to market the affordability of Canada and its price competitiveness against the US in the coming year.

On the product front, Canada's positioning in France is again among the strongest of the GTW markets. Canada continues to be the unchallenged leader in the Nature and Outdoor area, leading its competitors by a wide margin, and confirming that *Active Adventure Among Awe-Inspiring Natural Wonders* is indeed a unique selling proposition (USP) that sets it apart from other destinations. *Vibrant Cities on the Edge of Nature* is also a powerful USP for Canada in France; in no other market is this product so well-positioned against competitors.

Rounding out the product portfolio continues to be a priority, however, as Canada has few competitive strengths beyond nature/outdoors. Its standing on the Luxury dimension has waned this year in the wake of strong gains by the Dominican Republic, and Canada is still relatively undistinguished on the Culture dimension compared with exotic places like Mexico, China, Thailand and Brazil. The good news is that, along with Mexico, France offers perhaps the best potential to improve the credibility of the *Connections to Canadians* USP, given Canada's perceived brand strengths in culture, and the strong role that unique culture, small towns and Canadian hospitality have to play in fuelling travel from France. In fact, 2008 has seen gains for Canada in all of these areas, as well as improvements in the competitiveness of Canada's aboriginal culture products. To build on these gains, Canada could better leverage its cultural and historical ties with France and the feeling of kinship with Canadians in its marketing efforts, as well as making French travellers more aware of its distinctive cultural offerings.

Although the people/culture/nature elements of the brand are nicely balanced in France relative to most other markets, strategically, there remains a need to broaden the mental picture that French travellers have of Canada. The current view, even in Summer, is a somewhat stereotypical image of the country as a large, open expanse of snow-covered terrain, complete with log cabins and sled dogs. To steer French travellers away from this stereotype, and in keeping with the need to round out its product offerings, creative imagery could showcase "the other side of Canada," depicting trendy and fashionable people, bustling cities and urban offerings like restaurants, nightclubs and shopping. The 2008 GTW shows that urban offerings (particularly in a nature setting) hold tremendous appeal to French travellers, and are widely perceived as motivators for Canadian travel among those considering a visit.