Canadian Tourism Commission | Commission canadienne du tourisme

Global Tourism Watch

2014 South Korea Summary Report

Canada

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1. Introduction

The Canadian Tourism Commission (CTC) began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to expand the base of consumer-based intelligence in twelve core markets around the world[1].

The overall objectives of the GTW study are to:

1. Monitor awareness, travel intentions, and other key market indicators for Canada and the regions;
2. Assess perceptions of Canada and track brand performance against the competitive set over time;
3. Identify the general experiences sought by travellers, assess Canada's competitive positioning on key products and identify growth opportunities;
4. Identify motivators and barriers for travel to Canada; and,
5. 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 2014 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 Switzerland, Australia, France, the US, the UK and Spain as the competitive set for Canada in the South Korean market, for 2014[2].

Methodology

In 2014, a web-based panel survey was conducted by TNS. The target population for the online survey was residents aged eighteen years and older, who had taken a long-haul pleasure trip outside of East Asia, where they had stayed at least four nights with a minimum of one night in paid accommodation in the past three years, or plan to take such a trip in the next two years.

Data was gathered from 1,499 respondents in South Korea, including 198 recent visitors to Canada, in October 2014.

[1] Identified by the CTC as the international 'long-haul' markets of: Australia, Brazil, China, the UK, Germany, France, India, Japan, Mexico and South Korea, as well as the US and the domestic Canadian market.
[2] The competitive set for the South Korean market was changed in 2014, with New Zealand being removed and being replaced by Spain.

2. Strategic Considerations

The key strategic considerations for Canada, arising from the 2014 results of South Korean long-haul travellers, can be summarised as:

1. South Korean long-haul travellers, and those most interested in visiting Canada, are predominantly older with higher disposable incomes. They have requirements quite different from younger travellers, who tend to travel shorter distances for vacations, mainly within Asia.

2. Canada is acknowledged as a destination that offers outstanding natural beauty, recognised particularly by the older, more experienced travellers. Beyond this, Korean travellers are not familiar with what Canada has to offer, and it impacts their perception of *value*. Given the considerable travel distance and associated cost, Canada has to be able to demonstrate it can offer more, particularly when it comes to their interest in historical and cultural attractions.

3. When it comes to natural beauty, Canada needs to be able to differentiate itself from destinations such as Australia, Thailand and many popular European destinations. Australia, in particular, is also perceived to offer stunning natural beauty, as well as *authentic* and *extraordinary* travel experiences. Canada should continue to focus on the experiences that can be enjoyed in the ‘great outdoors’, but should be mindful of the fact that those interested in coming to Canada may be older and restricted in which experiences they can enjoy.

4. The US has made significant gains when it comes to offering *value*, but on most *brand, value* and *price attributes,* is on a par with Canada. The perceived strength of the US is its cities, and the named attractions they provide. Relatively little is known about the attractions Canada can offer, and educating potential visitors on what they can *see and do* would enhance perceptions of *value*, and drive interest and consideration.

5. With advocacy being such an important means of generating awareness and interest in destinations, it is important to understand why some visitors from South Korea feel that they would be reluctant to recommend their experience here to others. This would help identify and address some of the negative perceptions around Canada.

6. There are marked differences in the interests and needs of South Korean travellers that can be attributed to their age. Equally, the touchpoints through which we can attempt to increase awareness and drive consideration, are very different. While the most immediate potential for Canada lies with the older, more experienced traveller, Canada needs to also position itself to align with the interests and needs of the next generation of travellers, and this will require a quite different approach.

3. Key Observations

The following section summarises the key points of interest from the 2014 survey of South Korean long-haul travellers.

Key findings:

- South Korean long-haul travellers most interested in visiting Canada are likely to be older, particularly over the age of fifty-five, with higher-than-average household income. This fits with the trend for long-haul travel among Koreans, with younger travellers opting to travel short-haul, while older, more experienced travellers, look farther afield.
- Awareness or familiarity with what Canada has to offer is relatively low, and tends to focus on Canada's outstanding natural beauty. Beyond that, Korean travellers are not very knowledgeable about Canadian destinations or attractions.
- This lack of familiarity leads to Canada's relatively weak position on all *brand attributes* with the exception of *a place that inspires me to explore its geography*, which is surpassed only by Australia, and placed some way ahead of the US. Where the US does have a significant advantage over Canada is on the perception that it is *a place that inspires me to explore its cities*, with the US topping the competitive set and Canada last.
- Given the relatively low appreciation of Canada's brand offer on all attributes other than natural geography, perceptions around *value* are also weak. The encouraging news is that Canada sits alongside both the US and UK, with the US being the most preferred vacation destination outside of Asia.
- The perceptions around *value* are, in part, driven by consideration of cost, though the competing long-haul destinations do not fare particularly well either, with all long-haul travel being considered relatively expensive[3].
- The US however has seen a notable improvement in perceptions around *value*, since the study was last conducted in 2012[4], and is now on-par with Canada. The US also tops the list on *a destination that is affordable to get to by air* and *a destination with reasonable prices for food, entertainment and accommodation*.
- Among those long-haul travellers interested in visiting Canada, the natural scenery (54%) was the aspect of their trip which most intrigued or excited them. Beyond that, there was very little they could point to specifically.
- The cost of long-haul travel is still prohibitive to many Koreans, and in considering Canada as a potential vacation destination, the belief that it was *too far* (29%) or *too*

[3] In terms of being *affordable to get to by air*, the best-placed destination was the US (59%), Australia (58%), France (55%) and Canada (53%), with the worst-placed destination being the UK (51%) – with only 8 percentage points covering all seven destinations.
[4] The average score across all *value attributes* for the US was 6.6 in 2012, increasingly to 7.0 in 2014. Over the same period, the average score for Canada increased from 6.9 to 7.0.

expensive (26%) were the main barriers that could discourage them from coming. With an ageing population of travellers, the travel distance to Canada may be seen as too much for them, although they are more likely to have the necessary budget compared to younger travellers[5]. Canada is perceived to be more expensive than the US when it comes to both airfare, and the cost of accommodation.

- Only around a third of Korean travellers who have visited Canada, would recommend it to their friends, family or colleagues. Although this may seem low, it is in fact on-par with the US. One-in-four would be considered 'detractors', while 40% would neither recommend or dissuade friends or family from travelling here. Switzerland has the highest number of 'advocates' (52%).

- Encouragingly, a relatively large proportion of long-haul travellers are *starting to gather information about a potential trip to Canada*, or are more advanced with their plans (i.e., further along the path-to-purchase). Only the US and Australia boast more travellers at these latter stages in the purchase cycle.

- While most Korean travellers are most likely to have heard about Canada through their *friends and family* (30%), those between the ages of 18 and 34 heard about Canada, or Canadian destinations, through *personal blogs* (33%). They were also the most likely not to have heard anything about Canada in the past twelve months (18%).

- They were almost as likely to have heard about Canada through a TV program or show (28%), while *films set in specific countries* were one of the top-three most *influential sources*, along with TV programs and *friends and family.*

[5] The distance was more of an issue for older travellers, while younger travellers were more likely to point to the cost of travel.

4. Market Health and Outlook

Background

The South Korean economy

Following the decline in private consumption in spring 2014, the economy is gradually rebounding, thanks in part to monetary policy easing, fiscal stimulus and measures to boost the housing market. Output is projected to grow at around 4% in 2015-16, helping to narrow Korea's large current account surplus and to lift inflation to the target range of 2.5% to 3.5% (OECD, 2014).

The South Korean economy is essentially export-led and took a huge hit during the global financial crisis, when foreign trade and industrial production plummeted for a few months; but quickly recovered. Growth remains modest by Asian standards, but the Korean economy is generally regarded as robust with a sound fiscal situation and a low level of public debt (European Travel Commission, 2013).

The country has a well-diversified industrial base, competitive in a range of growth sectors, which should benefit from the recently-signed free-trade agreements with the US and EU. Its capital markets are, however, very open – exposing South Korea to the vagaries of the world financial markets – something which is reflected in the volatility of the won's exchange rate (European Travel Commission, 2013).

The economy recovered very quickly from the global financial and economic crisis of 2008/09, but growth rates have since remained modest by Asian standard. GDP rose in real terms by 3.4% in 2014 and is forecasted to increase by 3.5% in 2015 (Oxford Economics, 2015)

However, in the long-run, the OECD believes that the potential growth rate for the South Korean economy will shrink to around 2.6% by 2030. A particular problem is the rapidly-ageing population which will require the country to raise labour participation rates among women and older people (OECD, 2014)

Travel outlook

South Korea is one of Asia's 'economic tigers', and per capita GDP has been rising rapidly. It is now around US$23,000 – comparable to that in Greece and Portugal, but still well short of the US$47,000 in Japan and the US$52,000 in the US, for example. At this level, international travel has become possible for large numbers of people, but a long-haul trip remains a major commitment for most Koreans (European Travel Commission, 2013).

After falling by 20% in the wake of the 2008/09 crisis, outbound trips finally set a new record of an estimated 15 million in 2014. This equates to an increase of 4% over 2013. Outbound trips have grown by an average of 7.5% a year, since 2000. Furthermore, outbound travel from South Korea is expected to continue growing by about 7% per year from 2014 to 2020 (Tourism Economics, 2015).

In 2014, 163,000 South Koreans travelled to Canada, up 12.8% compared to a year earlier (Statistics Canada, 2015).

South Koreans' positive perception of overseas travel and the abundance of information sharing through mass media and social media will continue to boost growth of outbound tourism in the coming years. Although the economic condition of the nation is threatened by the high rise of living costs and increasing proportion of household debt the outbound travel has not been affected negatively (Euromonitor, 2014).

On the demand side, the popularity of overseas travel is spreading across all age groups and the supply side is propelling the growth with diversified and more affordable products. The recent boom of social commerce is also contributing to such trends as they offer all types of travel products at unbeatable prices (Euromonitor, 2014).

Travel trends

- International travel expenditure (excluding transport) fell from a peak of US$16.9 billion in 2007 to just US$11 billion in 2009, but has since recovered with an estimated total of US19.4 billion in 2014. South Korea ranked 13th in the world on this basis in 2007, but has since dropped to the 17th position in 2014 (Tourism Economics, 2015)
- The great majority of trips are to Asian destinations – the top-twelve are all Asian, with the exception of the US. Europe is still regarded by most people as a 'once in a lifetime' destination and attracts fewer than 1 million Koreans per year. However, France, Germany, Italy, Switzerland, Turkey and the UK all rank among the top-25 destinations (European Travel Commission, 2013).
- Most first-time Korean travellers stay close to home, visiting popular Asian destinations such as China and Japan. These destinations are relatively cheap and easy to get to – important considerations for Korean travellers. The sorts of travel destinations that appeal to Koreans the most are those with a wide range of experiences. More experienced travellers aspire to travel further, to long-haul destinations such as Europe, the US and Canada (Visit Britain, 2010).
- There is a new emerging market of older consumers in South Korea, typically sixty years or older, who have unique physical and emotional needs. Travelling is a relatively new experience to many of them, mainly due to the economic hardships of the past (Visit Britain, 2010).
- Although many long-haul destinations regard high-spending young Koreans (24 to 44 years) as the key target segment, leisure travellers are usually over the age of forty, and affluent – typically retired with a great deal of travel experience. Koreans tend to begin with local and regional travel while they are in employment and have families, and only get around to long-haul travel in the latter part of middle-age (European Travel Commission, 2013).
- Up until the early part of this decade, international travel was out of reach for most South Koreans, largely due to time restrictions and cost. As short-haul travel becomes more common amongst consumers, long-haul destinations are becoming more attractive to the wealthier parts of Korean society (Visit Britain, 2010).

- International travel is bound up with the Korean’s desire for a well-balanced and healthy life. Travellers are more motivated by a concept of ‘refresh and invigorate’ than by one of ‘relax and unwind’, and look for plenty of activities and experiences which would not normally be available to them (European Travel Commission, 2013).

- As the Free Independent Traveller (FIT) market grows, more tourists are avoiding travel during the peak holiday seasons. Previously, European destinations have not been popular during the winter months, but as the airlines and travel agencies are now offering attractive packages out-of-season, more people are taking advantage of this (Visit Britain, 2010).

- Koreans are not confident English-speakers and need Korean content on the Internet. The younger generation generally speak better English, but would still prefer to see Korean-language content on the Internet (Visit Britain, 2010).

- Koreans have always enjoyed sporting activities, however, they are experiencing somewhat of a sports boom and many Koreans have become avid sports fans. This has been mainly attributed to the emergence of many Korean stars on the world sports scene, in particular, Korean footballers in the English Premier League.

- About 57% of Korean outbound travel is for vacation purposes, 25% for business and 12% for education and training, as well as 5% to visit friends and family (VFR). However, these numbers vary from one destination region and country to another, and over time, according to changing market conditions (European Travel Commission, 2013).

- In 2012, more than half (53%) of South Korean visitors to Canada involved a visit to see friends or family, although that figure was down on the 63% recorded in 2009 (Statistics Canada, 2012)

5. Market Potential

Exhibit 5-1 provides an estimate of the size of the potential market for Canada in two ways – the macro target market and the immediate potential.

The target market is a broader estimate of the market size based on expressed interest among all South Korean long-haul 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", or "somewhat" interested in Canada in the next two years is applied to the broader traveller population to come up with a target market estimate of 11.8 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 two years. This translates into a market of 4.0 million travellers with more immediate potential for conversion.

Exhibit 5-1 Size of the potential market to Canada (next two years)

Measure	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 two years	79%
Size of the target market	9,330,000
Immediate potential for Canada	
Will definitely / very likely visit Canada in the next two years[6]	34%
Immediate potential	4,015,000

Base: Long-haul pleasure travellers (n = 1,499)
Q5: How interested are you in taking a trip to Canada in the next two years?
Q14 / 15: Realistically, how likely are you to take a holiday trip of four or more nights to Canada in the next two years? And, how likely are you to take a holiday trip of one to three nights to Canada in the next two years? Please include trips to other countries (e.g., the United States) that would involve a stay of one to three nights in Canada.

Exhibit 5-2 shows the *immediate potential* for each of the regions, based on the estimate of South Korean long-haul travellers likely to visit Canada in the next two years, and the regions they said they were likely to visit[7].

Of the estimated 4 million travellers that might potentially visit Canada, 3.4 million have expressed an interest in British Columbia, with Ontario the next most-likely Canadian destination (2.8 million).

[6] Includes respondents likely to visit Canada for a trip of one to three nights, or a trip of four nights or more.
[7] Respondents could select more than one region they were interested in.

Exhibit 5-2 Market Potential for Each of the Regions

Measure	BC	ON	QC	AB	ATL	NWT	YK	NU	SK	MB
Immediate potential for Canada	4,015,000									
Likely to visit region	84%	70%	53%	38%	31%	11%	8%	5%	5%	4%
Immediate potential for the regions (000s)	3,373	2,811	2,128	1,526	1,245	442	321	201	201	161

Base: Those likely to visit Canada on a trip of one to three nights, or four or more nights, in the next two years (n = 574)
Q16: If you were to take a holiday trip to Canada in the next two years, which of the following Canadian travel destinations are you likely to visit?

6. Competitive Environment

The GTW tracks key performance indicators (KPIs) for Canada in areas such as aided destination awareness, unaided and aided destination consideration, and market penetration. Exhibit 6-1 summarises the 2014 KPIs for Canada[8].

Around a fifth (21%) of South Korean long-haul travellers rate their knowledge of vacation opportunities in Canada as either *excellent* or *very good,* the same as that of the UK, compared to 30% for US destinations. More than half (54%) of travellers under the age of thirty-five years believed their knowledge of Canada was *fair* or even *poor.*

Those travellers with friends and family in Canada rated their knowledge significantly higher (35%) than those who did not (17%).

The most popular long-haul destination, based on past visitation, is Thailand (31%), followed by the US (27%) and Australia (23%). The European destinations of France, Germany and Italy also place ahead of Canada (12%), which is on par with Switzerland and the UK. South Koreans over the age of fifty-five were more likely to have been to Canada already (19%), in fact twice as likely as those aged under thirty-five (9%).

Asked which long-haul destinations[9] they are seriously considering in the next two years, nearly a quarter (23%) mentioned the US, compared to just 8% for Canada, which signals a slight fall on the level of interest back in 2011 (10%)[10]. Consideration for Canada was also higher among the older traveller (55+ years), with 15% mentioning Canada (unaided), compared to just 5% of those under the age of thirty-five.

Asked specifically about interest in visiting Canada, and six other competing long-haul destinations[11], 79% were *definitely, very* or *somewhat interested* in taking a trip here, but there was little difference in the level of enthusiasm expressed for destinations presented to them – ranging from Switzerland (83%) to Spain (78%). More than a quarter (27%) of South Korean travellers under the age of thirty-five said they were *not very interested / not interested at all*, in taking a trip to Canada in the next two years. Younger travellers were more likely to be interested in the US or Australia.

Interest in Canada was significantly higher among those with higher household income (over ₩ 6 million[12]), and those over the age of fifty-five.

When pressed on the realistic expectations of visiting Canada in the next two years, around a third (34%) of long-haul travellers said it was *likely*, down a couple of percentage-points on 2011 (36%). Again, there was a significant age skew in the results, with considerable more interest shown by the older travellers.

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[8] Unaided destination awareness was dropped from the 2014 survey.
[9] Destinations outside of China, Hong Kong, Macau, Japan, South Korea and Taiwan.
[10] In 2011, Canada ranked 3rd for unaided awareness (10%), which fell to 5th in 2012 (9%) and now 7th (8%).
[11] The competitive set for Canada is defined as: Switzerland, Australia, France, the US, the UK and Spain.
[12] KRW (₩).

Exhibit 6-1 Key Performance Indicators (KPIs) for Canada – Summary

Key Performance Indicator	Definition	All Long-Haul Travellers n = 1,499	Recent Visitors to Canada[13] n = 198	Interested in Canada[14] n = 203
Destination awareness:				
Aided awareness of travel opportunities in Canada	% with excellent / very good knowledge of travel opportunities in Canada	21%	64%	51%
Past visitation:				
Overall market penetration	% who have ever visited Canada for pleasure	12%	100%	21%
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list[15]	8%	16%	32%
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	8th	3rd	1st

Base: Long-haul pleasure travellers (n = 1,499), Recent visitors to Canada (n = 198) and those interested in visiting Canada (n = 203)
Aided awareness (Q4) – "How would you rate your level of knowledge of vacation opportunities in each of the following destinations?" (Aided list of Canada plus six pre-defined long-haul competitors).
Market penetration (ever visited) (Q11b) – "Which of the following countries have you ever visited while on a vacation trip?" (Aided list of long-haul destinations).
Unaided destination consideration (Q2) – "Which destinations are you seriously considering for your trips in the next two years?" (Open-ended, coded responses).

[13] Visited Canada in the past three years for a pleasure trip of four or more nights with one or more nights in paid accommodations.
[14] Definitely interested in visiting Canada in the next two years.
[15] For trips in the next two years.

7. Perceptions of Canada

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 a number of attributes.

Brand perceptions

Exhibit 7-1 shows Canada's competitive position based on South Korean travellers' perceptions around a number of brand-related attributes, whether they had been to Canada or not[16].

Canada's most competitively-placed offer is its natural geography, which is recognised by 60% of long-haul travellers, placing it on-par with Switzerland (61%), but a little way behind Australia (68%).

Exhibit 7-1 Brand perceptions

Brand Perceptions	1#	2#	3#	4#	5#	6#	7#
A place that inspires me to explore its geography	AUS 68%	SWI 61%	CAN 60%	SPAIN 52%	USA 51%	FRA 42%	UK 38%
A place that inspires me to meet and engage with its people	SWI 44%	AUS 43%	SPAIN 42%	CAN 39%	FRA 37%	UK 35%	USA 34%
A place that offers an authentic experience	AUS 50%	SWI 44%	SPAIN 44%	FRA 42%	CAN 41%	USA 40%	UK 37%
A place where I can create extraordinary personal travel experiences	AUS 56%	SWI 54%	FRA 51%	SPAIN 51%	USA 50%	CAN 47%	UK 43%
A place that inspires me to sample local flavour and cuisine*	FRA 56%	SPAIN 53%	AUS 46%	SWI 45%	USA 42%	CAN 40%	UK 39%
A place that inspires me to explore its culture*	FRA 61%	UK 56%	SPAIN 54%	SWI 47%	AUS 47%	USA 39%	CAN 39%
A place that inspires me to explore its cities*	USA 52%	FRA 47%	UK 47%	SPAIN 43%	AUS 40%	SWI 38%	CAN 37%

Base: Long-haul pleasure travellers (n = 1,499)
Q11: We are interested in your general impressions on [country] as a holiday destination, 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 [country] on each of the following?
Note: Scores shown are the 'top-three-box scores' i.e., the percentage of respondents who provided the destination with a rating of 8, 9 or 10, on a 1 to 10 scale of agreement with each statement.
*Note: New attribute added for the 2014 survey.

[16] The base consists of all long-haul travellers, regardless of whether they have been to Canada or not, and is based on their *perceptions* of what Canada has to offer, regardless of their familiarity with Canada's offer.

Canada's weakest attributes are city experiences and cultural attractions: *a place that inspires me to explore its culture* (39%) and *a place that inspires me to explore its cities* (37%).

Value perceptions

Exhibit 7-2 reveals that Canada's position on *value* attributes is relatively weak, although more than half (54%) would visit Canada *if money were no object*. Canada, the UK and the US are not viewed as offering the same level of value as Australia, France, Switzerland and Spain.

Exhibit 7-2 Value perceptions

Value Perceptions	1#	2#	3#	4#	5#	6#	7#
A dream destination that I would visit if money were no object	AUS 60%	FRA 58%	USA 57%	SWI 57%	CAN 54%	SPAIN 53%	UK 51%
A destination with the travel experiences I am specifically looking for	AUS 54%	SPAIN 52%	FRA 51%	SWI 50%	USA 47%	CAN 44%	UK 41%
A place with unique features that other destinations don't offer	AUS 57%	SWI 54%	SPAIN 54%	FRA 53%	UK 47%	CAN 43%	USA 41%
A destination I would pay a little more for	FRA 51%	SWI 47%	AUS 46%	SPAIN 44%	USA 44%	CAN 40%	UK 40%

Base: Long-haul pleasure travellers (n = 1,499)
Q11: We are interested in your general impressions on [country] as a holiday destination, 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 [country] on each of the following?
Note: Scores shown are the 'top-three-box scores' i.e., the percentage of respondents who provided the destination with a rating of 8, 9 or 10, on a 1 to 10 scale of agreement with each statement.

The US actually closed the gap on Canada in 2014, with the average score for all *value attributes* increasing from 6.6 to 7.0 – now level with Canada, as shown in Exhibit 7-3.

Exhibit 7-3 Year-on-year change in average rating for *value* attributes

Destination	2012	2014	YOY change
Australia	7.3	7.4	+0.1
Switzerland	7.6	7.4	-0.2
France	7.2	7.3	+0.1
Spain[17]	N/A	7.2	N/A
Canada	6.9	7.0	+0.1
US	6.6	7.0	+0.4
UK	6.8	7.0	+0.2

Base Long-haul pleasure travellers: 2012 n = 1,678, 2014 n = 1,499
Note: Average ratings for all *value* attributes, based on a ten-point scale on agreement with the statements presented to them.

Price perceptions

While the US does not perform particularly well on *brand* or *value* attributes, it is viewed as a destination *which is affordable to get to by air*, and offers *reasonable pricing for food, entertainment and accommodation*. Australia, in addition to being highly-regarded, is also affordable to reach.

Exhibit 7-4 Price perceptions

Price Perceptions	1#	2#	3#	4#	5#	6#	7#
A destination that is affordable to get to by air	USA 59%	AUS 58%	FRA 55%	CAN 53%	SWI 53%	SPAIN 52%	UK 51%
A destination with reasonable prices for food, entertainment and accommodation	USA 44%	AUS 41%	FRA 37%	SPAIN 36%	CAN 36%	SWI 33%	UK 32%
A place that offers good value for money	FRA 46%	SPAIN 46%	AUS 45%	SWI 45%	USA 44%	CAN 41%	UK 39%

Base: Long-haul pleasure travellers (n = 1,499)
Q11: We are interested in your general impressions on [country] as a holiday destination, 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 [country] on each of the following?
Note: Scores shown are the ‘top-three-box scores’ i.e., the percentage of respondents who provided the destination with a rating of 8, 9 or 10, on a 1 to 10 scale of agreement with each statement.

[17] Spain replaced New Zealand in the competitive set of destinations in 2014, so no historical comparison is available for Spain.

8. Trip Profiles

The following section describes the most recent long-haul trip taken by South Korean travellers[18,] in the past three years. Where that trip might have included more than one destination, the results refer to the destination they *spent the most time in*.

Most recent destination visited

Based on the countries visited *on their most recent trip*, Thailand (20%) is the most popular vacation destination, followed by the Southeast Asia countries of Cambodia, Indonesia, Malaysia, the Philippines and Vietnam (17% collectively).

Further afield, the US (excluding Hawaii) was visited by 13% of long-haul travellers – the same number as those visiting Australia. Both Thailand and the US are popular among South Korean travellers of all ages, although Thailand proved to be even more popular among those who had children (25%).

Just 3% had been to Canada, with European destinations proving only slightly more popular[19]. Visitors to the UK were more likely to be between the ages of 18 and 34 years, while those taking a trip to Switzerland were likely to be older (55+ years).

Type of vacation taken

The most popular type of vacation, based again on their most recent trip, consisted of a *touring vacation* (26%), followed by *city vacation* (14%) and *resort vacations* (13%). While touring vacations were the most popular type of trip among all age groups, they accounted for a significantly higher proportion of travellers aged over fifty-five (37%), while those under thirty-five were more likely to take a city vacation (19%)

Activities participated in

Almost half (45%) of long-haul travellers participated in a *guided tour of the city*, while 38% took a *guided excursion beyond the city*, but this was largely driven by travellers over the age of fifty-five – almost two-thirds (62%) took a tour of the city, while 58% took an excursion outside of the city.

Younger travellers were more likely to have participated in activity-based experiences, such as: *snorkeling* (18%), *scuba diving* (14%), *hiking* (12%), *surfing* (10%) or *kayaking* (10%) – predominantly water-based activities. Both *wildlife viewing* (21%) and *marine-life viewing* (19%) were also popular activities, especially among those over the age of thirty-five.

Exhibit 8-1 shows the top-ten most popular activities enjoyed by long-haul travellers, on their most recent vacation, as well as those who have recently visited Canada.

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[18] Based on Q26: *'Which of these destinations [in the past three years] did you visit on your most recent trip?'* and Q27: *'Which* destination *did you spend the most time in?'*
[19] France (7%), Italy (7%), the UK (5%), Germany (4%) and Switzerland (4%).

Exhibit 8-1 Most recent trip: Activity participated in (Top-ten)

Activity Participated in	All Long-Haul Travellers n = 1,131	Recent Visitors to Canada[20] n = 198
Guided city tour	45%	35%
Guided excursion beyond the city	38%	35%
Wildlife viewing	21%	34%
Marine life viewing (whale-watching or other sea life)	19%	22%
Snorkeling	16%	8%
Scuba diving	11%	9%
Hiking	10%	25%
Camping	10%	21%
Golfing	9%	17%
Flightseeing (by plane or helicopter)	9%	14%

Base: Long-haul pleasure travellers (n = 1,499). Those who have taken a long-haul pleasure trip in the past 3 years (n = 1,131).
QPT2: Did you participate in any of the following activities during your last holiday? Please select all that apply.

Places visited

Around half (51%) of South Korean travellers visited an *historic site or building*, while *city parks* (39%), *national or state parks* (38%), *museums* (35%) and *world heritage sites* (32%) were also popular. Recent visitors to Canada were far more likely to have visited a state or national park (54%) or city park (48%).

While the majority of those *interested in Canada* enjoy historic buildings (56%), only 39% of those who had visited Canada had actually visited one, and a similar trend was observed for *museums* and *world heritage sites*.

Exhibit 8-2 details the most popular places and attractions visited on their most recent long-haul vacation.

[20] Visited Canada in the past three years for a pleasure trip of four or more nights with one or more nights in paid accommodations.

Exhibit 8-2 Most recent trip: Places visited (Top-ten)

Places Visited on Vacation	All Long-Haul Travellers n = 1,131	Recent Visitors to Canada[21] n = 198
Historic site or building	51%	39%
City park	39%	48%
National or State park	38%	54%
Museum	35%	35%
World heritage site	32%	32%
Amusement or theme park	26%	26%
Botanical garden	20%	23%
Art gallery	19%	20%
Casino	10%	14%
Winery	9%	16%

Base: Those who have taken a long-haul pleasure trip in the past 3 years (n = 1,131)
QPT3: Did you visit any of the following types of places during your last holiday? Please select all that apply.
Note: New question added for 2014.

Vacation experiences

Almost three-quarters of long-haul travellers (74%) tried the local cuisine on their last trip, while almost half (47%) *dined at a highly-regarded restaurant*. While *visiting a spa or wellness centre* was also popular (24%), those visiting Canada were less likely to have done so (16%).

They were, however, more likely to have *rented a car* (33%), *participated in a guided tour by train* (29%) and *attended a music festival* (29%), compared to all long-haul travellers.

[21] Visited Canada in the past three years for a pleasure trip of four or more nights with one or more nights in paid accommodations.

Exhibit 8-3 Most recent trip: Experiences enjoyed

Experience	All Long-Haul Travellers n = 1,131	Recent Visitors to Canada n = 198
Tried local cuisine	74%	63%
Dined at a highly-regarded restaurant	47%	52%
Took a tour or visited a museum to learn about aboriginal people	32%	31%
Visited a spa or wellness centre	24%	16%
Attended a live show (e.g., comedy, musical or theatre show)	22%	20%
Rented a car	20%	33%
Participated in a guided tour by train	19%	29%
Attended a music festival	13%	29%
Tried agritourism (e.g., visited a farm)	12%	17%
Northern (or Southern) lights	5%	7%

Base: Those who have taken a long-haul pleasure trip in the past 3 years (n = 1,131)
QPT4: Did you see or experience any of the following? Please select all that apply.
Note: New question added for 2014.

Type of accommodation

The most popular choices for accommodation were *mid-priced hotel or motels* (38%) and *resort hotels* (33%). Those who had recently visited Canada were more likely to have stayed in a mid-priced hotel (42%) than a resort hotel (29%).

Travellers under the age of thirty-five were more likely to have stayed in a budget hotel, motel or hostel, while older travellers were more inclined to stay at a resort hotel.

Travel party

Half of long-haul travellers went on vacation with their spouse or partner, while just over a fifth (22%) travelled with a friend(s). Almost a third (32%) of those who had already been to Canada travelled with at least one child under the age of eighteen, significantly higher than that for all long-haul travel (15%).

Sharing experiences *during* the trip

Less than a third (31%) shared photos or videos through social media *while still on their trip*, although those aged 18 to 54 years were far more likely to post or share media than those over the age of fifty-five (18%).

They were more likely to use the internet to *check out what to see and do* (38%), although again, this was less likely among the older travellers (26%). Younger travellers were more inclined to use mobile applications to do the same (18%).

Almost a quarter (23%) of 18 to 34 year-olds blogged about their vacation while on their trip, while this was not uncommon for all South Korean travellers, regardless of age (20%).

Sharing experiences *after* the trip

On returning from their vacation, 61% talked to their friends and family about their experience, while 30% shared photos, videos or opinions via social media.

Those between the ages of 35 and 54 years were more likely to submit opinions to an online travel-review website (16%) than those either older or younger.

Booking travel

Over half (54%) of long-haul travellers employed a travel agent to book their flights and / or accommodation, while just over a quarter (27%) sought advice from a travel agent, but then made the arrangements themselves.

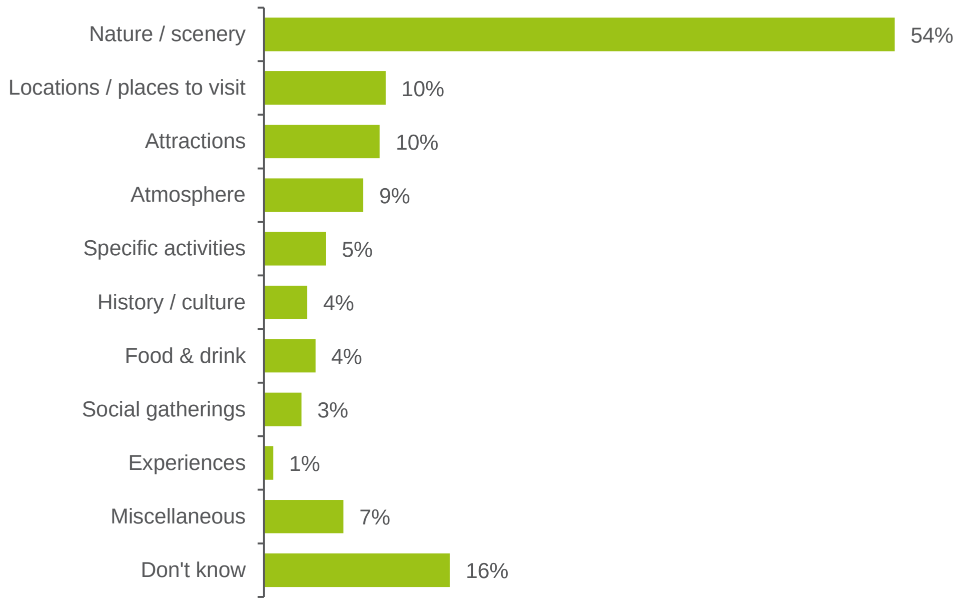
Those choosing to book their own flights used either an online travel agency (52%) or booked directly with the airline (42%).

9. Attraction of Canada

A new question for 2014[22] asked those travellers *considering a trip to Canada* what intrigued or excited them most about a potential visit to Canada?[23]

Exhibit 9-1 shows the coded results, grouped by common themes, revealing those aspects of a potential trip to Canada which South Korean travellers were most enthused about.

Exhibit 9-1 What intrigues or excites you most about a potential trip to Canada? – Top mentions by South Korean travellers *considering a trip to Canada*



Base: Respondents considering a trip to Canada (n = 686)
QTI1: "What intrigues or excites you most about a potential visit to Canada?"
Note: New question for 2014
Note: Open-ended question – results shown are the coded (grouped) responses)

More than half (54%) of those considering a trip to Canada pointed to the beautiful scenery or landscapes as the aspect of their potential trip which excited them the most. This was especially true of those aged thirty-five years or older.

One-in-ten (10%) mentioned particular locations, such as Vancouver (2%) or the fact that there were *many places to visit* (2%). Specific *attractions* mentioned were Niagara Falls (4%), as well as other miscellaneous 'named' places or attractions (3%).

Canada's natural geography is clearly acknowledged by South Korean travellers, as we saw when they were asked to rate Canada alongside competing destinations, but beyond that, there is very little consensus about what in particular attracts them.

[22] QTI1 – "What intrigues or excites you most about a potential visit to Canada?"
[23] Asked as an open-ended question, without prompt

10. Barriers to visiting Canada

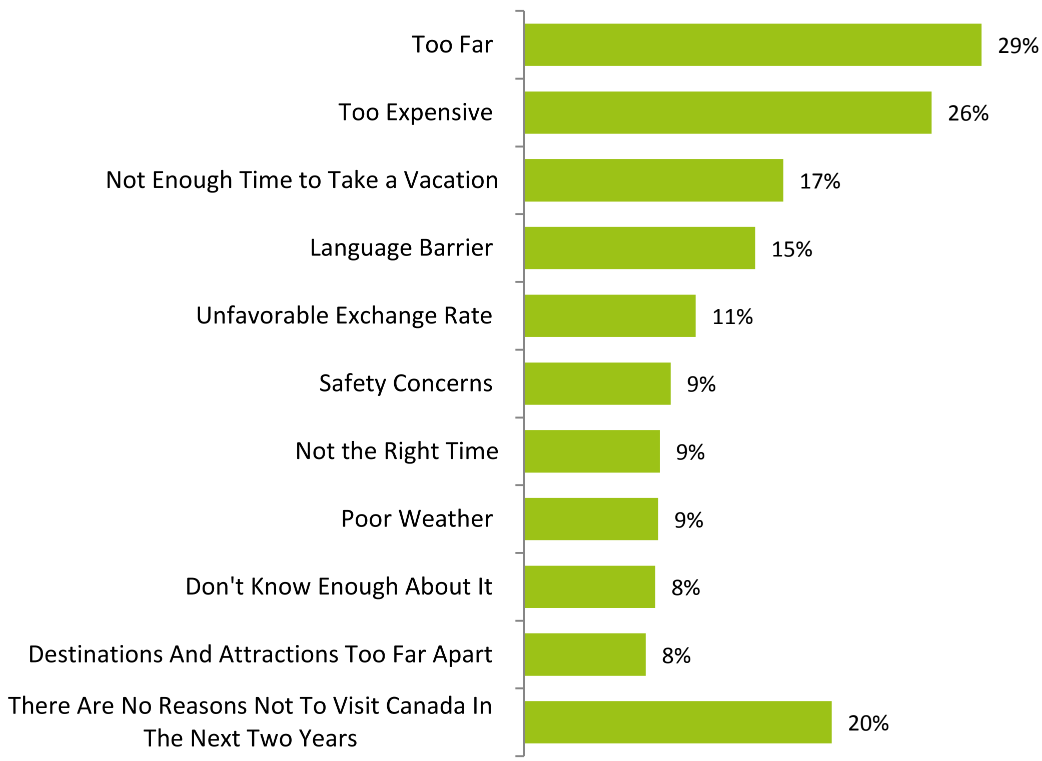
While one-in-five of those considering a trip to Canada do not believe there are any factors which might discourage them from coming here, a large majority said it was *too far* (29%) or *too expensive* (26%).

The distance (*too far / flight too long*) was a particular concern for those over the age of fifty-five (37%), while younger travellers were more concerned about the cost[24]. The lack of vacation time was also a factor (17%), perhaps given the longer duration of a vacation that is farther from home.

The cost of travel was also dependent on the *unfavourable exchange rate*, which was mentioned by more than one-in-ten (11%) travellers.

While the cost of a flight is not perceived to be much less affordable than that of a flight to France, Switzerland, Spain or the UK, both the flight and cost of accommodation are seen to be more expensive than the US or Australia (see Exhibit 7-4).

Exhibit 10-1 Top-ten barriers to visiting Canada, among those *considering a trip to Canada*



Base: Those who are considering a trip to Canada (n = 686)
QTI3: Which of the following factors might discourage you from visiting Canada?

[24] 31% of those aged 18 to 34 years and 27% of those aged 35 to 54 years.

11. Sources of information on Canada

Source of awareness

Exhibit 11-1 reveals that one-in-five South Korean travellers under the age of thirty-five have not heard about Canada in the past year, and when they have, it is most likely to have come from reading personal blogs (33%).

Generally, family and friends (in-person) is the most likely means by which they have heard about vacation opportunities in Canada (30%), followed by TV programs (28%) and personal blogs (26%). The importance of friends and family is, in fact, even higher when taking into account the number who heard from them via social media (23%).

Exhibit 11-1 Source of awareness for Canada (Top-ten)

		18 to 34 years	35 to 54 years	55 + years
Source of awareness for Canada	Total	n = 679	n = 619	n = 201
Friends and family (in-person)	30%	23%	31%	43%
TV program	28%	21%	32%	35%
Personal blogs	26%	33%	22%	17%
Friends and family (via social media)	23%	20%	25%	29%
Travel guide or books	21%	17%	21%	26%
TV advertising	17%	14%	19%	22%
Online articles in magazines or newspapers	13%	8%	15%	18%
Traveller review websites	13%	12%	15%	9%
Magazine or newspaper articles	11%	9%	13%	13%
Brochure from a travel agency or tour operator	10%	8%	9%	17%
None	11%	18%	8%	4%

Base: All long-haul pleasure travellers (n = 1,499)
Q20C: Through which of the following sources, if any, have you seen or heard about travel to Canada / Canadian destinations, in the past year?
Note: New question added for 2014.
Note: Results highlighted are statistically significantly greater than at least one other result for that activity i.e., significantly higher than at least one other age group.

Most influential sources

Friends and family are also the most *influential* source of information when it comes to choosing *where to take a vacation*, whether in person (72%) or via social media (62%). *Films set in [country]* (68%) were second only to friends and family, followed by TV programs (64%).

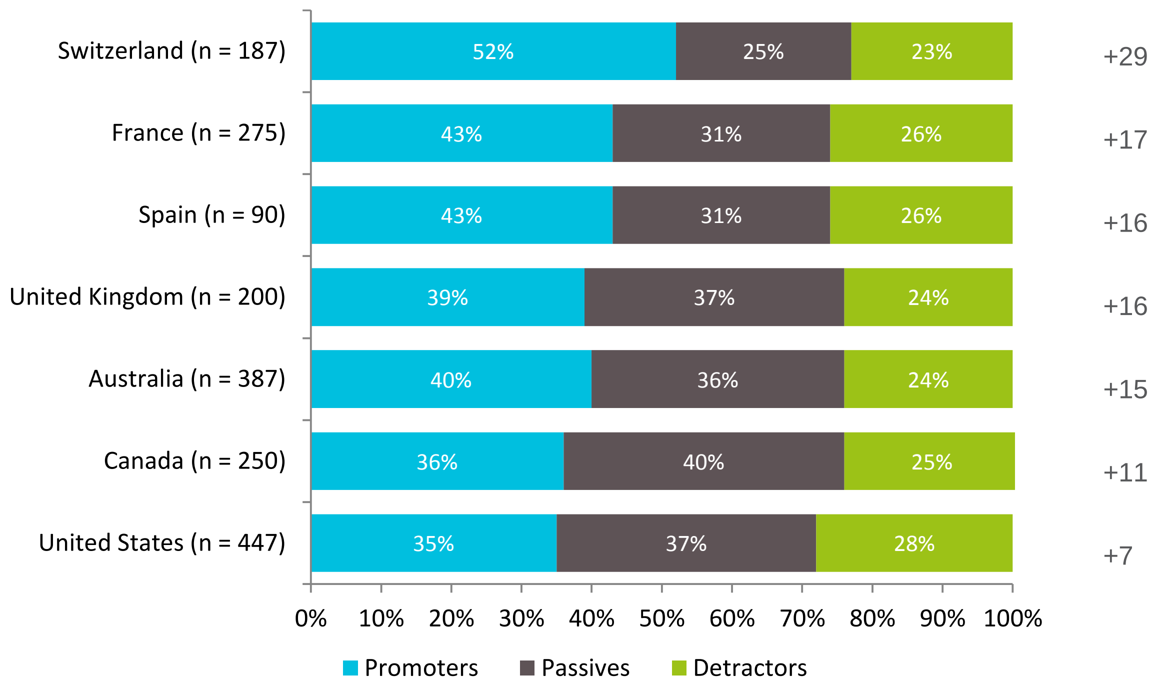
As we have seen in Canada's other long-haul markets, *trusted* and *independent* sources of information are usually the most *influential*, at least in the minds of the traveller. Only half of these travellers rated TV advertising, which was the most influential of paid-for media.

12. Net Promoter Score (NPS)

The Net Promoter Score (NPS) 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.

Of the 250 South Korean travellers who had actually visited Canada, only 36% would recommend it to friends, family and colleagues, while 25% would not – resulting in an NPS score of +11[25].

Exhibit 12-1 Net Promoter Score (NPS) results (Ever Visited)



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?
Base for each country is filtered to only those respondents who had actually visited *that* country.
Note: Results ranked in descending order according to the overall NPS score.

The fact that only around a third (36%) of visitors to Canada would recommend it to friends and family is of some concern, although the US does not fare any better. Even Australia, so highly coveted on *brand* and *value* attributes, performs marginally better.

Overall, it must be said that advocacy among South Korean travellers is not particularly strong for any of the long-haul destinations presented to them, with only Switzerland receiving a recommendation from more than half (52%) of visitors.

[25] That is 36% minus 25% = 11%, or +11 as we report it. Note that negative NPS scores are possible.

Whether this is due to a cultural perspective, or whether these destinations are simply not applauded to the same degree as other vacation destinations they may visit, South Korean travellers are quite critical of their experience of these destinations.

Given that personal blogs are so widely used and consulted when choosing a vacation destination, this poses somewhat of a challenge when trying to encourage advocacy as a means of marketing Canada.

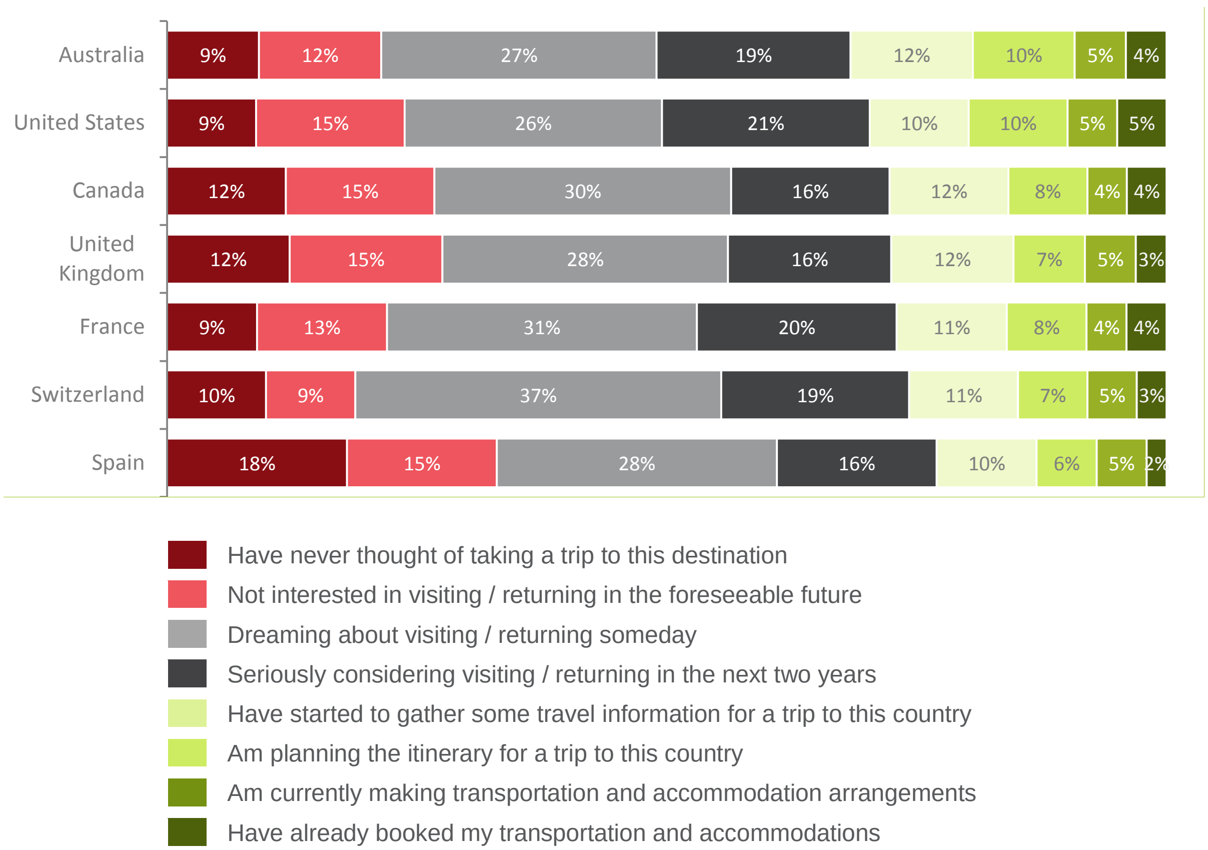
13. Path to purchase

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

Through additional research, the CTC has developed a *path-to-purchase* (P2P) model for long-haul travel and identified where the organization can have the greatest influence in converting those with potential interest in Canada to actual visitors.

These include the consideration, evaluation and purchase stages of the P2P cycle, starting with awareness of the opportunity and interest in a destination, through to booking their itinerary, travel and accommodations.

Exhibit 13-1 Stage in the path-to-purchase



Base: Long-haul pleasure travellers (n = 1,499).
Q3: Which of the following best describes your current situation when thinking about each of the following countries for a holiday trip?
Note: Additional stage on the ‘path to purchase model’ was added for 2014 – ‘Have never thought of taking a trip to this destination’. Results not directly comparable to previous years.
Note: Results ranked in descending order according to the number of travellers who: *are planning the itinerary for their trip, making transportation and / or accommodation arrangements for their trip,* or *have already booked transportation and accommodations*.

Exhibit 13-1 shows the percentage of South Korean travellers at each stage of the P2P, for both Canada and the competitive set of long-haul destinations.

Just over a quarter (28%) of long-haul travellers have *started to gather some travel information for a trip to Canada*, or are more advanced in their plans and on the path-to-purchase. Only Australia (31%) and the US (30%) are more further-advanced, but the margin is small.

While little separates the results when looking at the *evaluation stage* of the path, there are some noticeable trends elsewhere.

- Switzerland has the highest number of travellers who are *dreaming about visiting / returning in the foreseeable future*, suggesting high aspirational motivations; and,
- Spain, the UK and Canada have the highest number of travellers who have either *never thought of taking a trip to this destination* or *are not interested in visiting or returning in the foreseeable future*.

Sources[26]:

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[26] Sources are documented according to the guidelines described in the fifth edition of the APA's 'Publication manual', a recognised international standard for social and behavioural sciences.