DESTINATION CANADA

Global Tourism Watch

2015 France Summary Report

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1. Introduction

Destination Canada (formerly the Canadian Tourism Commission) 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 advocacy in the tourism context.

In response to a rapidly changing travel marketplace, Destination Canada 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 revised 2014 survey was used as the basis for the 2015 survey with minor modifications.

This particular report focuses on the French market. Destination Canada has designated the US, Australia, Mexico, Thailand, China, and South Africa as the primary competitor destinations when it comes to attracting French travellers. These destinations will represent the primary points of comparison for Canada throughout this report.

Methodology

In July and August 2015, 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 an international pleasure trip where they had stayed at least one night in paid accommodation in the past three years, or intended to take such a trip in the next two years. The survey consisted of 1,502 respondents nationally and included 300 recent visitors to Canada.

[1] Identified by Destination Canada 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. Strategic Considerations

The key strategic considerations for Canada arising from the 2015 study can be summarised as follows.

- While France's economy is stagnant and the outbound travel market is not exhibiting extensive growth, France is still a key market for Canada with a large (6 million) pool of immediately available travellers and a longer-term pool of more than double that (15 million).

- Canada has solid awareness vs competitors in this market. It is also seen as offering relatively good value, though perceptions here have declined since 2013. It is generally on par with the US on most attributes where it had previously held an advantage. On price too, there is parity with the US despite the weak dollar (Perceptions have declined here since 2013 as well, but the likely persistence of a significant exchange rate gap favouring the US could eventually give Canada some competitive edge on price and potentially on value). This is relevant given that the main barrier for visiting Canada focusses on the perceived expense. Despite this, French travellers most often went to the US or Caribbean on their last trip, suggesting that mitigation of these concerns will underscore value and accentuate Canada's competitive stance.

- However, the enhancement of desire and value perceptions also means focussing on the offer. Work is required in this area to differentiate Canada from the US and to make sure Canada is not just seen as US 'lite', but instead as an affordable and exciting destination that offers unique and rewarding experiences.

Results of this research provide us with some direction on marketing focal points that can improve growth opportunity for Canada in this environment..

- Leverage the 'vibrant cities on the edge of nature' USP. French travellers enjoy urban activities like city vacations, city tours, museums, and historic sites. However, they also look for excursions beyond the city, parks, hiking, and wildlife/marine viewing. Indeed, one of the core attractions of Canada is its abundance of scenery and nature and is key to stimulating initial aspiration. Demonstrate that not only is nature within easy reach of great city experiences, but also that there are experiences for all levels of adventurousness, from guided excursions to hiking, cycling and other forms of active experience. Indeed, younger travellers in particular would also be attracted to the 'active adventures among awe-inspiring natural wonders' USP as well, which reflects this higher level of active adventurousness.

- Also leverage the 'award winning Canadian local cuisine' USP in the French market. This is a key experience for French travellers on their vacations. Demonstrate to them that Canada offers the exciting, unique dining opportunities they are looking for to help build interest and excitement.

- Consider highlighting aboriginal culture and heritage, especially to older travellers as this is a strong area of differentiation for Canada within the fairly large segment of French long-haul travellers who are interested in exploring local aboriginal cultures.

- French travellers often vacation as couples or small groups, and often without children. Make sure that marketing content highlights experiences relevant to these types of trips rather than strongly focusing on more child-oriented activities or those geared to young families.

- Regional visitation interest is centred on Quebec, making it the obvious choice when choosing imagery and experiences to support the above USPs. However, French travellers are also interested in Ontario and BC. So while the connection to Quebec should be leveraged as a differentiating and compelling feature of Canada in terms of both heritage and current culture, curiosity about experiential opportunities available in these other provinces should be nurtured.

- Recommendations from friends and family are the most important source of information for French travellers, and direct experience with Canada has a strong impact on improving perceptions of value and price. Recent and future visitors to Canada should, therefore, be encouraged to communicate endorsement. While such advocacy could certainly involve traditional word-of-mouth there are more tools in the digital space to directly target individuals and incent the communication of positive experiences and endorsement.

- Look to present content from the perspective of those who have recently visited Canada. For example, while personal testimonials and user generated content around exciting new experiences in Canada are not as powerful as direct recommendation from friends and family, they can act in similar ways and build advocacy by adding a human element to marketing and making content more personally relevant to potential visitors. The key here is building credibility and trust by way of authenticity.

- When looking beyond personal endorsement, channels like search engines and travel review sites are important sources of information, so continue to leverage paid search and paid digital media. French travellers tend to make their own bookings and normally do so online indicating the need for Destination Canada and its partners to continue be active in this space as well, while empowering travel agents to act as knowledgeable gatekeepers for the uninformed and uncertain.

- Social media is a less important source in this market at the present time. It can be used to aggregate new content. However, its potential lies further down the road as a possible means of amplifying the impact of advocacy.

3. Key Observations

The following section summarises the key points of interest from the 2015 survey of French long-haul travellers.

Key findings:

- France's travel outlook is moderate. While the economy continues to stagnate and the impact of the recent terror attacks in Paris is unclear, the pool of French long-haul travellers has remained relatively stable since 2013. The immediate potential pool of French visitors to Canada is almost 6 million, many of whom are of relatively high value.

- Awareness of Canadian travel opportunities continues to improve and Canada's competitive position remains strong, in second place behind the United States.

- Recall of destination advertising for Canada is stronger than for any competitor as 20% remember seeing advertising for Canada. Destination Canada's strategy of focusing on the consideration phase of the purchase journey is supported as awareness is strongest in the middle portion of the journey, where impetus happens to be needed most.

- Canada is perceived to offer good value and is ranked second on all value attributes, behind Australia and just ahead of the US. However, value perceptions have declined since 2013 and the advantage relative to the US is narrower than it was. One could argue, then, that some work needs to be done here to shore up this aspect of Canada's offer and differentiate from the US.

- While Canada is seen as a destination that is affordable to get to by air, it is unable to compete on price with more resort based destinations such as Thailand and Mexico on price. Canada is generally on par with the US on perceptions of price, but has lost some ground since 2013 despite factors such as the weak Canadian dollar working in Canada's favour against the greenback. Again, some work needs to be done in these areas to advance consumer realization of price differentials and link price points to specific compelling elements of the offer.

- French travellers most often visited the US on their last vacation (25%) followed by the Caribbean (15%). By way of comparison, 8% visited Canada. This shows that they are willing to cross the Atlantic for vacations, but that Canada is not always their first choice despite widespread general aspirations.

- French travellers' most recent trip profiles work well with the 'vibrant cities on the edge of nature' USP in particular. Recent trips included city vacation, museums, historic sites and guided city tours from an urban perceptive, as well as excursions beyond the city, parks, hiking, wildlife viewing, and marine life viewing from a nature perspective. Younger travellers also went cycling/biking or camping which suggests a role for 'active adventures among awe-inspiring natural wonders' within this group.

- Trying unique local cuisine is a key vacation experience among French travellers (55% actively pursued this on their last trip) which obviously indicates an important role for the ‘award-winning Canadian local cuisine’ USP in the French market.

- There is also some interest in learning about aboriginal people (29% on last trip) suggesting that Canada can take advantage of its rich aboriginal heritage and culture to help differentiate itself from other destinations.

- Long-haul travellers often travel with a spouse or partner but children are less frequent companions. Only 41% of those with children travelled with them on their last trip. This indicates that marketing efforts should focus, in many cases, on experiences for couples or small groups rather than on family vacations with younger children.

- French travellers generally make their own arrangements, especially through online channels. This means that Destination Canada and its partners need to maintain a presence across these diverse online booking options.

- The most appealing aspect of a trip to Canada is, by far, its nature and scenery, followed by well-known locales that have piqued interest. This again speaks to the appeal of the ‘vibrant cities on the edge of nature’ USP, but also speaks to the role of nature as the initial catalyst of excitement. Quebec is the most likely region to be visited and should be a key focus of marketing, but BC and Ontario can also play a role. New direct Air France flights to Vancouver brings the west Coast experience within closer practical reach.

- The main stated barrier for travel to Canada is a perception that it is too expensive. As we have seen, however, French travellers frequently travel to the US and the Caribbean with similar attendant costs which suggests that this barrier can be mitigated by demonstrating the value Canada offers in terms of unique and fulfilling experiences.

- While there are many French citizens living in Canada (and especially in Quebec) VFR is not a huge driver of travel currently. There is an opportunity to encourage more of this type of travel, possibly, in part, by actively engaging potential hosts resident in Canada.

- Personal knowledge or recommendation from trusted sources is, unsurprisingly, a key way to boost interest in Canada. This suggests that advocacy via direct experience or anticipated experience among those who are about to take a trip should be vigorously encouraged.

- French long-haul travellers look to information from friends and family, as well as websites (internet searches and travel review sites) and television program content as influential sources of information that aid decision-making. Social media has not yet reached this level of impact in France, but offers longer-term potential as a support for widespread advocacy.

4. Market Health and Outlook

Background

The French economy

France is the fifth largest economy in the world and contributes about one fifth of the European Union's GDP. While the French economy survived the economic crisis of 2008 well compared to many of its neighbours, it has been slow to recover and high unemployment rates remain a concern, especially among the young. In 2014 GDP grew only 0.2% and 2015 growth has also been stagnant. The unemployment rate remains around 10% (Focus Economics).

It is still unclear what impact the recent terrorist attacks in Paris and the resulting state of emergency will have on the economy. In the short term, the 2016 budget is sure to be higher than previously anticipated due to increases in spending on the military campaign in Syria and defence and security spending more generally. Will the attacks also dampen consumer demand and spending which was previously experiencing growth in the first half of 2015? Furthermore, will fear of future attacks dampen the desire of the French to travel or will it spur travel overseas (Focus Economics)?

Travel Outlook

Despite a stagnant economy, overall French long-haul outbound travel increased 6.9% in 2014. This resulted in a 5% increase in arrivals to Canada, with 482,360 trips in total. Spending totaled $708 million, with an average spend per trip of $1,550 and an average stay of 18 days. Most visitors arrived in the summer and came for holiday purposes and VFR (Oxford Economics and Statistics Canada via Destination Canada).

Travel trends

The following section is a review of the key trends related to the French tourism market identified through secondary research conducted for this report.

According to EuroMonitor, Europeans in general took shorter trips in 2014. Spending per night went up by 4% and the average cost of a trip was 1% higher (ITB World Travel Trends Report 2014/15).

2014 saw above average growth for all overseas regions by European travellers, according to the World Travel Monitor. Major destinations such as Asia (+7%), North America and the Caribbean (both +6%), South America and the Pacific (both +5%) all experienced more arrivals from Europe in the first two-thirds of the year (ITB World Travel Trends Report 2014/15).

More specifically, 2014 was a record year for Canada with respect to visitation from France, with 482,000 travellers arriving. Visitation in 2015 is on track to be even greater (Destination Canada 2015).

Air capacity between the two countries grew by 8% in 2014 with the introduction of a new Air France direct flight from Paris to Vancouver five times a week. Air Canada also increased summer capacity from Montreal and Toronto (Destination Canada, 2015).

5. Market Potential

The French long-haul traveller target market and immediate potential for Canada are stable. 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 French long-haul travellers (market size estimate derived from the 2011 omnibus study of the French adult population). The proportion of GTW respondents who expressed interest in Canada in the next 2 years is applied to the broader traveller population, which results in a target market estimate of 13 million potential visitors, a decrease of 2.3 million from 2013.

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 6.0 million travellers with more immediate potential for conversion – up by approximately 2.6 percent from 2013 (153 thousand travellers),

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

Measure	Size Of Potential Market To Canada
Total potential international pleasure travellers (aged 18 plus)	15,299,000
Target market for Canada	
Definitely / very / somewhat interested in visiting Canada in the next two years	85%
Size of the target market	
Immediate potential for Canada	13,004,000
Will definitely / very likely visit Canada in the next two years[2]	39%
Immediate potential	5,967,000

Base: International pleasure travellers (n = 1,502). Notes: Interest and consideration numbers shown are from the 2015 GTW results. Potential market size are results from the random telephone omnibus survey undertaken in 2011 (n = 2,998), among the general population aged eighteen years or older.
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 vacation trip of four or more nights to Canada in the next two years? And, how likely are you to take a vacation trip of one to three nights to Canada in the next two years? Please include trips to other countries that would involve a stay of one to three nights in Canada.

[2] Includes respondents likely to visit Canada for a trip of one to three nights, or a trip of four nights or more.

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 summarizes the 2015 KPIs for Canada.

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

Measure	Definition	All International Travellers	Recent Visitors To Canada[3]	Interested In Canada[4]
		n = 1502	n = 300	n = 416
Destination awareness:				
Aided awareness of travel opportunities in Canada	% with excellent / very good knowledge of travel opportunities in Canada	46%	72%	71%
Past visitation:				
Overall market penetration	% who have ever visited Canada for pleasure	27%	92%	33%
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list[5]	15%	24%	33%
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	2nd	2nd	1st

Base: International pleasure travellers (n = 1502)

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).

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

Awareness of travel opportunities in Canada has increased slightly since 2013 (+3%) while overall market penetration is up 2 points. Unaided destination consideration is also up 2 points. Canada has maintained its second place position in relation to its competitors.

Exhibit 6-2 Key Performance Indicators (KPIs) versus 2013

Key Performance Indicator	2013 (n=1,517)	2015 (n=1,502)	YOY Change +/-
Aided awareness of travel opportunities in Canada	43%	46%	+3%
Overall market penetration	25%	27%	+2%
Unaided destination consideration	13%	15%	+2%
Competitive positioning on destination consideration	2nd	2nd	-

Base: International pleasure travellers. See table for base sizes related to sub-sets of travellers.

Awareness of travel opportunities

Awareness of Canadian travel opportunities has increased slightly and remains just behind the US.

Just under half (46%) of French long-haul travellers consider their knowledge of vacation opportunities in Canada to be 'excellent' or 'very good'. In this regard, Canada outranks all competitor destinations except the US, and is ten points ahead of Australia, the third ranked competitor.

Travel opportunity awareness levels give Canada somewhat of a competitive advantage in the French market. While awareness can always be increased, Canada has a demonstrably stronger base to build from when compared with the large majority of its competitors.

Visitation to Canada

Interest in visiting Canada[6] has declined marginally since 2013 from 89% to 87%. Interest in Canada is on par with the US and slightly above Australia (81%). Other destinations do not fare as well. Interest in Canada is significantly higher among those who have friends and family here and among those who have visited in the past 3 years, as both groups are made up of travellers who are more knowledgeable about what Canada has to offer. Exposure obviously enhances the desire for future visitation, reflecting positively on the Canadian experience.

[6] Q5: How interested are you in taking a vacation trip to Canada in the next two years?

One-quarter (27%) of French long-haul travellers report that they have visited Canada before, up 2 points from 2013. Understandably, given greater opportunity in terms of either time or personal connectivity, visitation incidence is higher among older travellers and among those with friends and family here.

Overall, French long-haul travellers express high rates of intent and interest in Canada, but most fail to act. It is evident, then, that French long-haul travellers need to be moved further along the path to purchase, with particular emphasis placed on reducing barriers between aspiration and commitment . Results also suggest targeting travellers with family and social networks in Canada, given their elevated consideration and market penetration. The value of such an effort and the priority it is given in the marketing plan is, of course, highly dependent on the number of relatives and friends resident in Canada (approximately 93,000 French citizens live in Canada according to the 2011 household survey conducted by Statistics Canada). This is substantial, but pales in comparison to figures on immigration from places like India and China.

Advertising recall

Recall of Canadian advertising is stronger than recollection of communications for other long-haul destinations, suggesting solid breakthrough. Twenty percent of French travellers recall advertising for Canada. This increases to over 30% for both recent visitors and those interested in Canada. The closest competitive destination is the US with 18% awareness, followed by Australia (16%) and Thailand (15%).

Awareness of advertising for Canada varies across the purchase journey. Relatively few remember seeing advertising during the awareness or dream phases. Instead, awareness comes during the consideration and evaluation phases most prominently as well as during purchase when travellers have already tuned into Canada as a potential destination.

This is consistent with the reality that advertising attentiveness and content retention are positively correlated with serious consideration of a brand or destination. However, this is also consistent with the need to overcome barriers between dreaming and acting as mentioned above. Destination Canada's intended focus on driving the consideration phase of the path to purchase is, therefore, appropriate. The goal is to "drive aided destination interest and active consideration for travel to Canada through curation, creation and distribution of relevant, inspiring and exciting content". This is to be accomplished through a mix of channels including paid search, paid digital media, native advertising, content partnerships and social integration channels. Further support comes from other channels such as travel trade, PR/media relations and social media.

Exhibit 6-3 Advertising Awareness for Travel Destinations

Advertising Awareness	All International Travellers n = 1,502	Recent Visitors To Canada[7] n = 300	Interested In Canada[8] n = 416
Canada	20%	34%	32%
US	18%	25%	26%
Australia	16%	21%	19%
Thailand	15%	15%	18%
South Africa	9%	13%	11%
China	9%	12%	12%
Mexico	8%	17%	7%
None of the above	40%	27%	34%
Don't know	15%	20%	11%

Base: International pleasure travellers (n = 1,502), Recent visitors to Canada (n = 300) and those interested in visiting Canada (n = 416)
QB4: For which of the following travel or holiday destinations have you seen or heard an advertisement and / or a promotional article in the last three months? (Select all that apply)

[7] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[8] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

7. Perceptions of Canada

To be successful, a destination must be perceived as offering value, relevant experiences, and unique tourism opportunities to travellers. To assess value and price perceptions respondents were asked to evaluate Canada relative to competing destinations on a number of attributes.

Value perceptions

When it comes to French travellers' perceptions of value, Canada is in a positive position, coming second to Australia on all measures.

Exhibit 7-1 shows Canada's competitive position, based on French travellers' impressions of each of the competing international destinations on a number of value-related attributes. Perceptions are almost on par with Australia on several attributes, in particular for "a destination with the travel experiences I am specifically looking for" where Australia only has a one point advantage. However, Australia has a more pronounced advantage for offering unique features, suggesting that it is more differentiated than Canada as a destination in the minds of French travellers.

Canada generally has a small edge vs. the US when it comes to value perceptions, but the gap has shrunk since 2013. The fact that these neighbours rank so closely together suggests Canada is not seen as especially distinct from the US and needs to differentiate itself more as a destination.

Those with family in Canada or an interest in visiting have stronger perceptions of the value Canada offers as a destination. In addition, those who have visited Canada, especially recently, rate Canada significantly more highly on value attributes. This suggests that, unsurprisingly, first-hand knowledge can amplify understanding of the value a destination offers and that Canada is able to deliver on or exceed expectations, for the most part.

This demonstrates that an effective marketing campaign needs to focus on presenting Canada in a unique and distinctive way that differentiates it from the US and other destinations. The US is key, however, given that transition of intention from one to the other North American destination is relatively easy for French travellers, both perceptually and practically. Where possible, present content from the perspective of those who have recently visited to demonstrate increased value and uniqueness.

Exhibit 7.1– Canada's Ranking on Value Attributes

Value Perceptions	1#	2#	3#	4#	5#	6#	7#
A destination with the travel experiences I am specifically looking for	AUS 55%	CAN 54%	USA 51%	THA 44%	MEX 42%	SAF 40%	CHN 37%
A place with unique features that other destinations don't offer	AUS 62%	CAN 55%	USA 50%	THA 48%	MEX 47%	CHN 47%	SAF 44%
A dream destination that I would visit if money were no object	AUS 57%	CAN 54%	USA 51%	THA 44%	MEX 39%	SAF 38%	CHN 35%
A destination I would pay a little more for	AUS 43%	CAN 40%	USA 38%	MEX 30%	CHN 28%	SAF 28%	THA 28%

Base: International pleasure travellers (n = 1502)
Q11: We are interested in your general impressions on [country] as a vacation 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?

In 2015, average value perceptions for Canada declined and are now on par with the US (which increased slightly). This suggests a need to shore up the value perceptions of Canada as a destination. Other competitors also experienced small declines.

Exhibit 7-2 Year-on-year change in average rating for value attributes

Value	2013	2015	2013/2015 YOY change
Australia	7.5	7.3	-0.2
Canada	7.5	7.2	-0.3
US	7.0	7.1	+0.1
Mexico	6.9	6.7	-0.2
Thailand	6.8	6.6	-0.2
South Africa	6.5	6.3	-0.2
China	6.3	6.2	-0.1

Base: International pleasure travellers (n = 1,502)
Note: Average ratings for all *value* attributes, based on a ten-point scale on agreement with the statements presented to them.

Price perceptions

Canada's average on price perceptions has declined slightly from 2013 and it remains behind Thailand, on par with Mexico, and slightly ahead of the US overall. In particular, Canada, along with the US, is ranked highly for being affordable to get to by air due to its relative proximity to France. It is equal with the US for having reasonable prices for food, entertainment and accommodation, but is behind more resort based destinations like Thailand and Mexico. Canada is also behind these resort based destinations for offering good value for money, and is again on par with the US.

While it will be difficult to overcome price perceptions compared to resorts, Canada does have license to talk about the ease and affordability of getting here by air and to talk about affordability in general vs the US. Undoubtedly, this will be all the more credible and tangible in the coming months as currency exchange rate disparity between Canada and the US increasingly filters down to recognition of price point differences among French travellers actively exploring destination possibilities.

Exhibit 7.3 - Canada's Ranking on Price Attributes

Price Perceptions	1#	2#	3#	4#	5#	6#	7#
A destination that is affordable to get to by air	USA 38%	CAN 36%	THA 36%	MEX 31%	AUS 27%	SAF 25%	CHN 24%
A destination with reasonable prices for food, entertainment and accommodation	THA 52%	MEX 43%	CHN 39%	USA 36%	CAN 36%	SAF 31%	AUS 29%
A place that offers good value for money	THA 50%	MEX 41%	CAN 38%	USA 38%	CHN 36%	SAF 31%	AUS 30%

Base: International pleasure travellers (n = 1502)

Q11: We are interested in your general impressions on [country] as a vacation 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?

Exhibit 7-4 Year-on-year change in average rating for price attributes

Price	2013	2015	2013/2015 YOY change
Thailand	7.1	7.1	-
Mexico	6.9	6.7	-0.2
Canada	6.9	6.7	-0.2
US	6.7	6.6	-0.1
China	6.1	6.2	0.1
South Africa	6.1	6.1	-
Australia	6	5.9	-0.1

Base: International pleasure travellers (n = 1,500)
Note: Average ratings for all *value* attributes, based on a ten-point scale on agreement with the statements presented to them.

8. Trip Profiles

Most recent destination visited

Canada makes the top ten for most recent destination visited but lags behind the US and Caribbean which are the preferred long-haul destinations of French travellers. This does, however, demonstrate that French travellers are quite willing to cross the Atlantic for the right experience, suggesting that this is not a major barrier to future Canadian visitation.

Exhibit 8.1 – Most Recent Pleasure Trip Profile by Destination (Top 10)

	All International Travellers	Recent Visitors To Canada[9]	Interested In Canada[10]
Most Recent Destination Visited	n = 1155	n = 300	n = 322
United States (Excluding Hawaii)	25%	20%	34%
Caribbean	15%	9%	12%
Other Africa	8%	2%	6%
Thailand	8%	4%	5%
Canada	8%	67%	11%
Middle East	6%	3%	4%
Other Southeast Asia	6%	2%	3%
South Africa	4%	4%	7%
India	4%	3%	3%
Australia	4%	3%	6%

Base: Those who have taken an international pleasure trip in the past three years

Q26: Which of these destinations did you visit on your most recent trip?

[9] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[10] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

Type of vacation taken

French travellers take touring vacations, followed by spa and wellness vacations, vacations to visit their friends and family, and city vacations. Canada's unique selling propositions (USP) of "vibrant cities on the edge of nature" best speaks to these types of vacations.

Exhibit 8.2 – Type of Vacation Taken (Top 5)

	All International Travellers	Recent Visitors To Canada[11]	Interested In Canada[12]
Type of Vacation Taken	n = 1155	n = 300	n = 322
Touring vacation	25%	27%	25%
Spa / wellness vacation	16%	16%	15%
Visit to friends or relatives	14%	21%	16%
City vacation	13%	15%	13%
Resort vacation	9%	3%	7%

Base: Those who have taken an international pleasure trip in the past three years

QPT1: Which of the following best-describes your most recent vacation to [destination]? Please select just one.

Interest in vacation type is fairly homogeneous among French long-haul travellers with only a few exceptions. Those who most recently took a VFR trip to any destination are more likely to have friends and family in Canada as well. These people evidently have wide social networks and Canada competes for their interest even within the VFR space.

Older French travellers are more likely to have taken a touring or resort trip on their last vacation while younger travellers skew more towards spa/wellness trips. In other source markets, as well, wellness/spa vacations skew younger. While this may seem counter-intuitive in a certain sense, it is clearly a growing trend given its youthful genesis.

[11] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[12] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

Overall, these patterns of trip-type preference indicate that specific marketing content offered by Destination Canada and partner organizations should be developed with some sensitivity to age in the French market.

Activities participated in

French long-haul travellers look for a combination of urban and nature based activities which fits well with the ‘vibrant cities on the edge of nature’ USP. In particular, they took a guided city tour, a guided excursion beyond the city, or went hiking on their last trip.

Recent visitors to Canada were less likely to take a guided excursion beyond the city but were more interested in hiking and wildlife viewing. Those interested in Canada were more interested in a city tour and wildlife viewing. Younger travellers were more likely to have gone cycling/biking or camping while older travellers stuck more to guided tours and excursions. Among recent visitors to Canada, marine life viewing was also of interest. While there are differences, the basic finding remains that French travellers are looking for a combination of urban and nature experiences; it is the intensity of experience and degree of personal participation that distinguishes the various age groups.

These findings demonstrate the value of marketing Canada as a destination with ‘vibrant cities on the edge of nature’. In addition, an appeal to younger travellers might include references to active engagement with environments under the ‘active adventure among awe-inspiring natural wonders’ USP.

Exhibit 8-3 Most recent trip: Activities participated in (Top-ten)

Activity Participated In	All International Travellers n = 1155	Recent Visitors To Canada[13] n = 300	Interested In Canada[14] n = 322
Guided city tour	38%	39%	44%
Guided excursion beyond the city	30%	23%	27%
Hiking	30%	36%	31%
Wildlife viewing	23%	31%	26%
Day cruise	14%	11%	15%
Snorkeling	12%	4%	11%
Cycling or biking	10%	16%	14%
Marine life viewing (whale watching or other sea life)	10%	20%	11%
Flightseeing (by plane or helicopter)	7%	14%	9%
Fishing	6%	9%	7%

Base: Those who have taken an international pleasure trip in the past 3 years (n = 1,155)
QPT2: Did you participate in any of the following activities during your last vacation? Please select all that apply.

Attractions

The three most popular types of attractions visited on the last vacation include historical sites, museums, and national or state parks. World heritage sites are also popular as places to visit. This is consistent with other markets, and demonstrates the duality of expectations when it comes to Canada. Nature and culture/urban experiences both achieve prominence as motivators, and one must conclude that uniquely offering the two in combination on a single trip would be a compelling differentiator. In the case of France, Canadian ties to French heritage on the historical/cultural side are obviously relevant and differentiating.

Recent visitors to Canada and those interested in Canada were even more strongly aligned to museums, parks and, for those interested in Canada, world heritage sites. Botanical gardens, city parks, breweries, galleries, and amusement parks were also more frequently visited,

[13] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[14] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

suggesting these travellers have a wide range of interests and expect to visit many different places on their trip. While Canada needs to deliver on the basics around the top ranked attractions, it should also look to highlight all the other activities that can complement and round out a trip to Canada and distinguish it from other destinations that can also offer world class museums and historic sites. When one considers that Canada is by no means a nearby or economical trip for the French tourist, the prospect of a diversity of quality attractions reduces perceived risk and also encourages larger travel parties and longer stays.

Exhibit 8.4 – Places Visited

	All International Travellers	Recent Visitors To Canada[15]	Interested In Canada[16]
Places Visited on Vacation	n = 1155	n = 300	n = 322
Historic site or building	49%	50%	54%
Museum	43%	46%	49%
National or state park	43%	52%	51%
World heritage site	38%	38%	46%
Botanical garden	31%	37%	37%
City park	28%	38%	38%
Brewery	21%	32%	28%
Art gallery	17%	22%	24%
Amusement or theme park	16%	23%	21%
Casino	10%	10%	11%
Winery	7%	10%	9%

Base: International pleasure travellers (n = 1502). Those who have taken an international pleasure trip in the past three years (n=1155)

QPT3: Did you visit any of the following types of places during your last vacation? Please select all that apply.

[15] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[16] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

Vacation experiences

Trying local cuisine is by far the most common vacation experience among French long-haul travellers. This fits well with the ‘award-winning Canadian local cuisine’ USP (and is supported by many travellers also dining at a highly-regarded restaurants). Those interested in Canada are also the most likely to have tried local cuisine or dined at popular restaurants. This points to the importance of highlighting these types of experiences when marketing to French travellers.

Other prominent experiences include learning about aboriginal people, renting a car (presumably to support independent touring), and, to a lesser extent, attending a live show. Canada is well placed to capitalize, in particular, on its rich aboriginal heritage and culture in order to distinguish itself from other destinations. This is especially the case when talking to older travellers who are most interested in this type of experience.

Exhibit 8.5 – Experiences

Experience	All International Travellers n = 1155	Recent Visitors To Canada n = 300	Interested In Canada n = 322
Tried local cuisine	55%	49%	56%
Took a tour or visited a museum to learn about aboriginal people	29%	31%	32%
Rented a car	28%	37%	33%
Dined at a highly-regarded restaurant	27%	29%	34%
Attended a live show (e.g. comedy musical or theatre show)	15%	20%	19%
Tried agri-tourism (e.g. visited a farm)	10%	13%	13%
Attended a music festival	10%	16%	13%
Visited a spa or wellness centre	9%	9%	11%
Participated in a guided tour by train	8%	12%	10%
Northern (or southern) lights	5%	11%	7%

Base: International pleasure travellers (n = 1502). Those who have taken an international pleasure trip in the past three years (n=1155)

QPT4: Did you see or experience any of the following during your last vacation? Please select all that apply.

Type of accommodation

French long-haul travellers stay most often in mid-priced hotels, although one-quarter also stayed in a more luxurious accommodation during their last trip. This indicates the relative affluence of these travellers and their potential value. Stemming from this, it would seem important to provide easy access to the tools and information required to book these accommodations. Unsurprisingly, older travellers are more likely to have stayed in higherpriced accommodations, while younger travellers are more attracted to more affordable options like dorms, camping, and cottages.

Many have also stayed with friends and family. This is especially the case among recent visitors to Canada and incidence is, in fact, quite high among those who currently do have friends or family here. As previously mentioned, the importance of these social and familial connections offers some opportunity to leverage them in creative and direct marketing to convert interest.

Exhibit 8.6 – Type of Accommodation Stayed-in

	All International Travellers	Recent Visitors To Canada[17]	Interested In Canada[18]
Accommodation	n = 1155	n = 300	n = 322
Mid-priced hotel / motel	39%	40%	39%
Luxury urban hotel	25%	29%	25%
Home of friends or relatives	20%	31%	22%
Budget hotel / motel	18%	21%	16%
Rented house apartment or condominium	14%	16%	16%
Other	7%	5%	7%
Resort hotel	6%	6%	9%
Camping or trailer park	5%	9%	5%
Hostel university or school dormitory	4%	6%	6%
Own cottage or second home	3%	5%	4%

Base: International pleasure travellers (n = 1502). Those who have taken an international pleasure trip in the past three years (n=1155)

QPT5: Which type of accommodation dud you stay in? Please select all that apply.

[17] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[18] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

Travel party

French long-haul travellers most often travel with their spouse or partner. Other companions like children and friends less frequently accompany them on trips. Unsurprisingly, older travellers are more often accompanied by partners and children while younger ones are more likely to travel with friends. Even among households with children, only 41% travelled with children on their last long-haul trip, suggesting that trips are often taken without them. This indicates that communications with French travellers might be best directed at experiences for couples/small groups rather than at vacations geared to young families.

Exhibit 8.7 – Travel Party

	All International Travellers	Recent Visitors To Canada	Interested In Canada
Travel Party	n = 1155	n = 300	n = 322
Spouse or partner	61%	65%	60%
Friend(s)	18%	12%	16%
Child (under 18 years old)	16%	16%	17%
Travelling alone	12%	15%	13%
Child (18 years old or older)	7%	10%	7%
Parent(s)	7%	5%	8%
Other family members	7%	5%	7%
Business associates or colleagues	3%	2%	2%
Grandparent(s)	1%	2%	1%

Base: International pleasure travellers (n = 1502). Those who have taken an international pleasure trip in the past three years (n=1155)

QPT6: With whom did you travel on your most recent trip? Please select all that apply.

Booking travel

Just over half (54%)of French long-haul travellers did not use a travel agent when booking their last trip. A further 11% only used a travel agent only for information rather than for booking flights and accommodation. In other words, about two thirds of French travellers do their own booking. This trend does not differ significantly among recent visitors or those who are interested in visiting. As a consequence, in this market, the travel agent channel plays a less significant role and more emphasis should be placed on reaching travellers through online booking channels. In the case of travel agents, their role as experienced and trusted sources of information for the ill-informed or undecided should be a point of focus in engaging them to support Canada.

Those who booked their fights online did so predominantly with the airline itself. This does not imply that they did not do any research through an online travel agency first but that they ultimately preferred to book directly. When it comes to booking accommodation, the channels are more fragmented. A quarter booked through an online travel agent while a further quarter booked with the establishment directly. Destination Canada and partners need to ensure they are active across multiple channels in order to be effective.

Exhibit 8.8 – Travel Agent Assistance

Travel Agent Involvement	All International Travellers	Recent Visitors To Canada[19]	Interested In Canada[20]
	n = 1155	n = 300	n = 322
No, a travel agent did not help me	54%	53%	49%
Yes, a travel agent booked my flights and / or my accommodations	35%	29%	39%
Yes, a travel agent helped me with information on the destination, but I booked my flights and accommodation myself	11%	18%	13%

Base: International pleasure travellers (n = 1502). Those who have taken an international pleasure trip in the past three years (n=1155)

Q34: Did a travel agent help you with your trip to [destination]? Please select one.

[19] Visited Canada in the past three years for a pleasure trip of one or more nights with one or more nights in paid accommodations.
[20] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

Exhibit 8.9 – Booking the Flight

Booking Method	All International Travellers n = 748	Recent Visitors To Canada n = 207	Interested In Canada n = 208
Booked flight(s) directly with the airline(s)	55%	63%	51%
Booked on the internet through a travel agency or online retailer	37%	32%	38%
Did not need to book any flights	5%	4%	7%
Other means	3%	1%	4%

Base: International pleasure travellers (n = 748). Those who booked flight with no help from a travel agent (n= 185).

Q35: What was your primary method for booking your flight to [destination]? Please select one.

Exhibit 8.10 – Booking the Accommodation

Booking Method	All International Travellers n = 748	Recent Visitors To Canada[21] n = 207	Interested In Canada[22] n = 208
Booked using an online travel agency or booking service (e.g. Hotels.com)	26%	26%	23%
Booked directly with a travel agent	11%	8%	10%
Booked directly with the lodging/accommodation establishment	24%	22%	25%
Booked through a visitors information centre at the destination	3%	3%	2%
Booked through accommodation sharing services website (eg, AirBnB, couchsurfing)	11%	12%	15%
Did not need to book any accommodation	19%	19%	17%
Other means	7%	11%	7%

Base: International pleasure travellers (n = 748). Those who booked flight with no help from a travel agent (n= 185).

Q36: What was your primary method for booking your accommodation for your trip to [destination]? Please select one.

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

[22] Definitely interested in visiting Canada in the next two years. Data represents destination of most recent trip, not all trips within the past 3 years. Thus, the percentage for Canada will not be 100%.

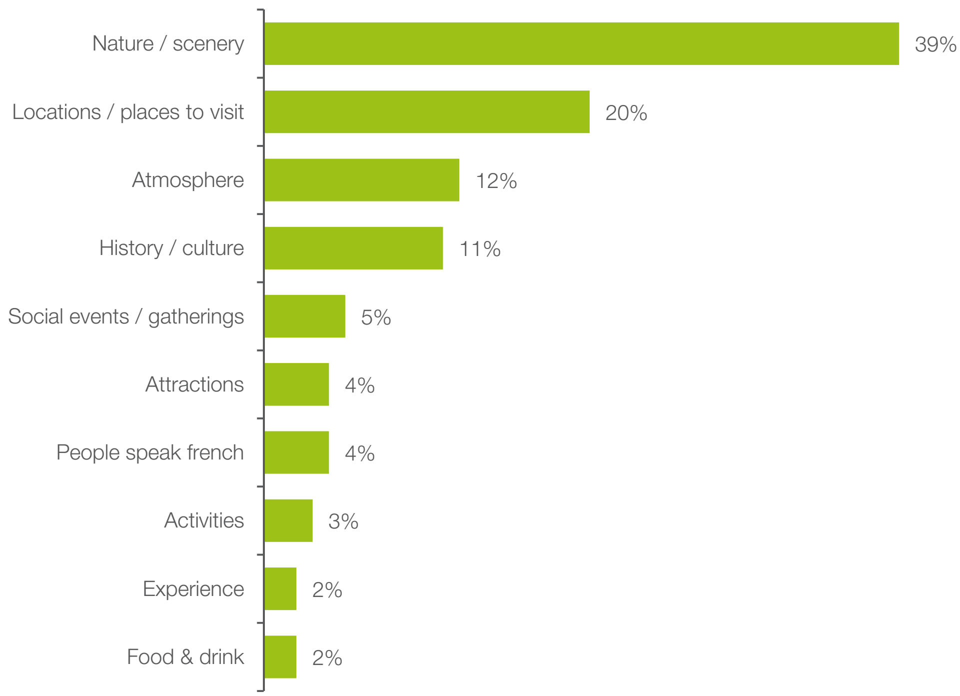
9. Attraction of Canada

Most appealing aspects of a trip to Canada

French long-haul travellers are most attracted to Canada's natural beauty and scenery, with the implication that this aspect of the Canadian experience should have a place of prominence in marketing efforts. Other often-mentioned attractions include specific places to visit (rather than Canada as a whole), the overall atmosphere and the history and culture. A small proportion (4%) mention the fact people speak French as an attraction, although the cultural connection undoubtedly underlies favourable dispositions much more widely on a subliminal level.

Taking all of these focal points of appeal into consideration, it is again quite clear that the 'vibrant cities on the edge of nature' USP is particularly relevant to French travellers as it allows Destination Canada to highlight both Canada's natural beauty as well as specific urban localities and historical/cultural sites.

Exhibit 9-1 What intrigues or excites you most about a potential trip to Canada? – Top-ten mentions by French travellers

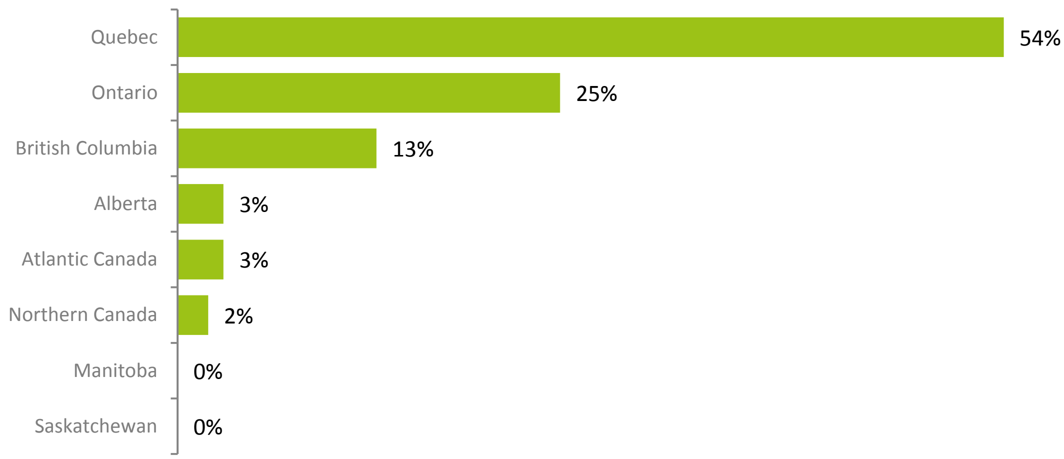


Base: Respondents considering a trip to Canada (n = 692)
QTI1: "What intrigues or excites you most about a potential visit to Canada?"
Note: New question for 2014
Note: Open-ended question – results shown are the coded (grouped) responses)

Canadian regions of interest

As might be expected, French long-haul travellers are most interested in visiting Quebec with its common language and cultural resonance. Indeed, more than half of French travellers interested in visiting Canada would be likely to visit Quebec. VFR also no doubt plays a role in this as the vast majority (82%) of French citizens in Canada live in Quebec (Statistics Canada NHS 2011). Ontario and British Columbia are also of some interest as destination regions. This suggests marketing activities that strongly feature Quebec will be effective in the French market but that trips that feature Ontario and BC can also be in the mix.

Exhibit 9-2 Region likely to visit in Canada

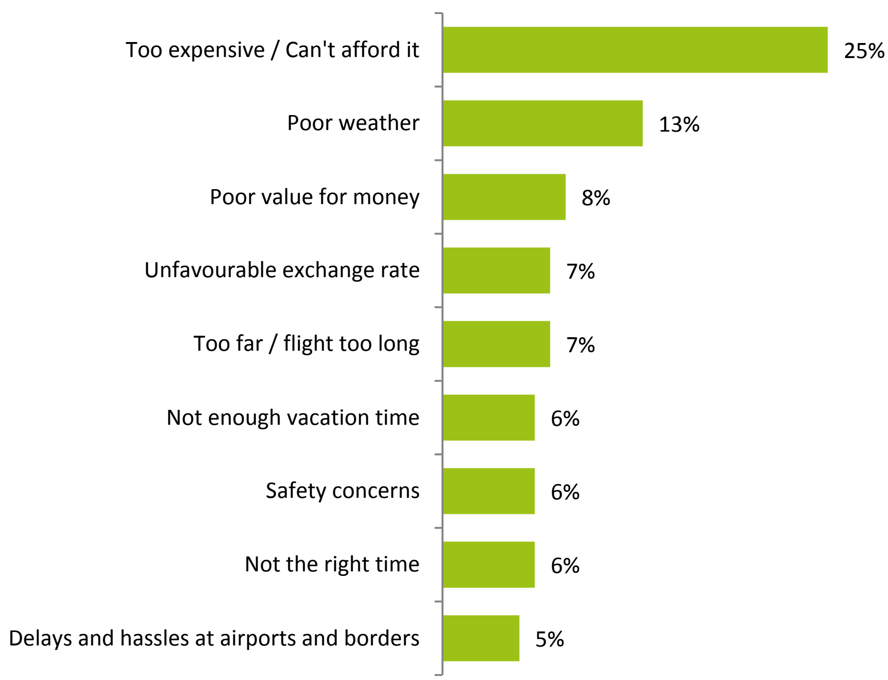


Base: Q16 Those likely to visit Canada in the next 2 years and / or those who are considering, have decided to visit or have booked a trip there, Q17 Long-haul pleasure travellers with an interest in visiting Canada (n = 973)
Q17: "And, which region of Canada would you be most likely to visit?"

10. Barriers to Visiting Canada

The main barrier to visiting Canada is that it is too expensive. There is no difference in this regard among those who have friends or family in Canada who would have lower accommodation costs or among those with higher incomes who would have more to spend on this kind of trip. We have seen however that French long-haul travellers are quite willing to cross the Atlantic to visit the US or the Caribbean which often have similar attendant costs. All of this suggests 'too expensive' is actually a proxy for a lack of perceived value or differentiation from other North American destinations. To address this barrier, it will be necessary to promote the value and relative affordability of a Canadian vacation (especially with the current weak Canadian dollar) and continue to positively differentiate Canada versus its immediate competitors (especially the US) in the minds of French travellers.

Exhibit 10-1 Top-ten barriers to visiting Canada



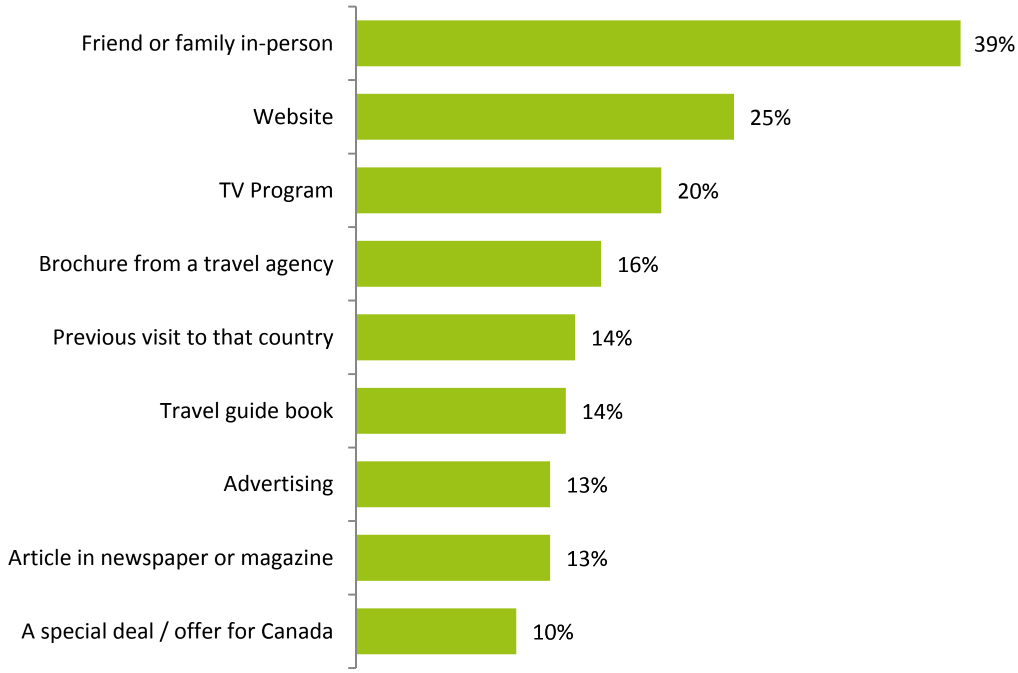
Base: International pleasure travellers considering a trip to Canada (n = 692) QTI3: Which of the following factors might discourage you from visiting Canada?

The question wording and answer list related to barriers to visiting Canada changed slightly from 2013 and as such direct comparisons should not be undertaken. That said, many of the top barriers such as expense, and poor weather have remained the same.

11. Sources of Information on Canada

Source of awareness

Exhibit 11-1 Top-ten sources of information about Canada



Base: International pleasure travellers considering a trip to Canada (n = 692) QTI2: Where did you see, read or hear the information that encouraged you to seriously consider visiting or returning to Canada in the next two years?

French long-haul travellers were most likely to find out about Canada from friends or family in person, illustrating the importance of word of mouth and recommendation from trusted sources. This is especially the case for older travellers as well as those with friends and family in Canada. Anything Destination Canada can do here (including encouraging VFR connectivity) will help. Websites also play a role, in particular, general internet searches and travel review sites as well as destination and travel guide sites. These sources are influential and will grow in importance over time and therefore should be part of long-term planning to engage French travellers through these sites. TV programs are also a top three source of information. The focus here is on content rather than advertising. While both can stimulate awareness, the former carries with it a stronger ability to elicit trust.

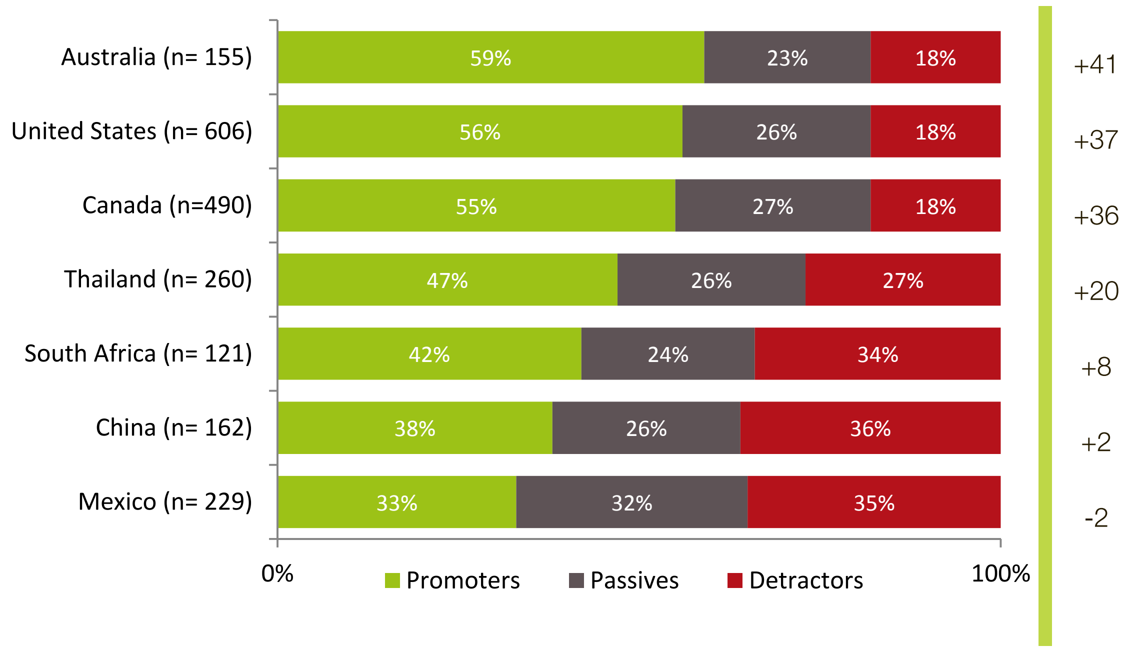
While Facebook is by far the most important social network site, social networks in general are not even in the top ten sources of information about Canada in this market at the present time (though they do make it into the top ten among younger travellers). While this might suggest that less emphasis should be placed on social networks here compared with other markets, it should be kept in mind that social media will eventually gain importance in France as it has elsewhere and offers real opportunity to accelerate word-of-mouth endorsement. Consequently, there should be some sensitivity to its potential when developing marketing strategies longer term.

12. Net Promoter Score (NPS)

The Net Promoter Score (NPS) is an established tool to measure consumers' 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 French long-haul travellers who have ever travelled to Canada, 55% would recommend Canada to friends, family and colleagues, while 18% would not – resulting in an NPS score of +36. This ranks Canada in third behind Australia and almost on par with the US. NPS scores have declined for all countries since 2013.

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.

13. Path to purchase

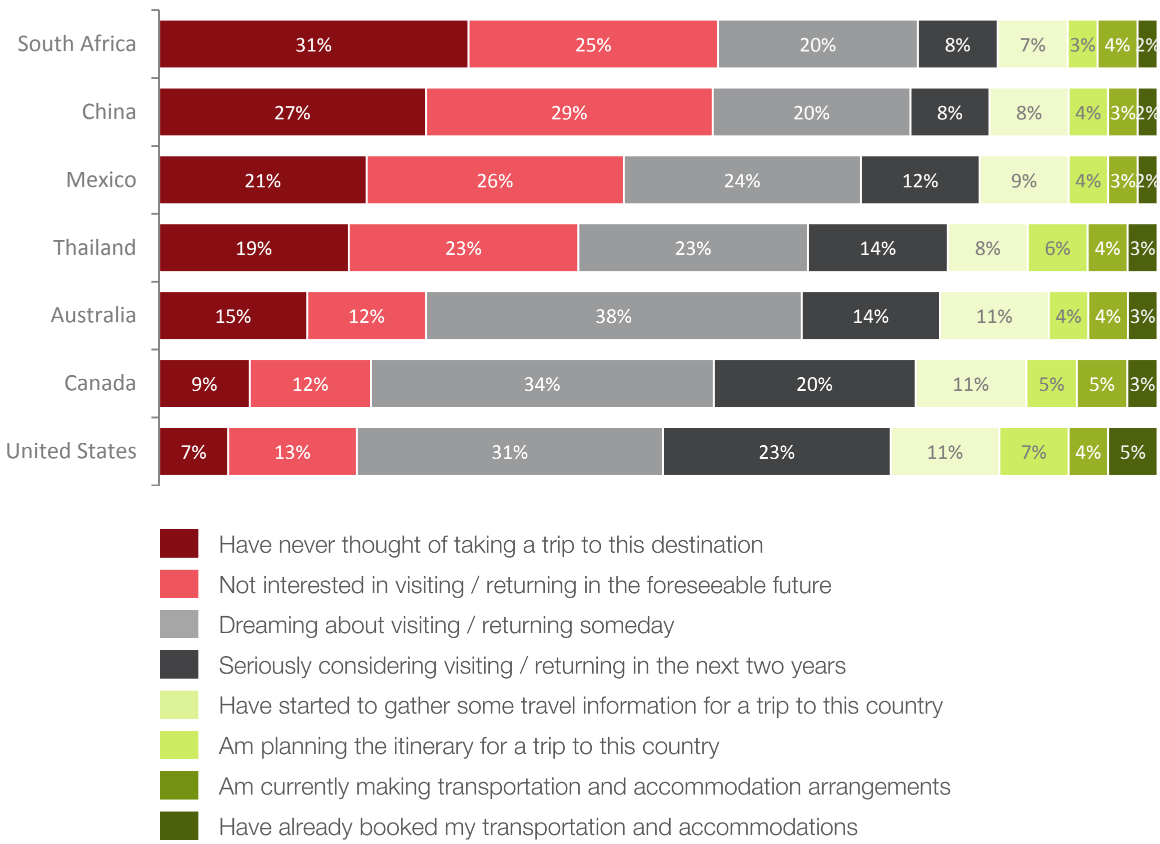
Like any other expensive and discretionary consumer product, there is a purchasing or decision-making cycle associated with travel: consumers move through various stages from not knowing anything about a destination to actually booking a trip.

Through additional research, Destination Canada has developed a Path to Purchase (P2P) model for long-haul travel and has 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 one's itinerary, travel and accommodations.

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

Exhibit 13-1 Stage in the path to purchase



Base: International pleasure travellers (n = 1,502).
Q6: Which of the following best describes your current situation when thinking about each of the following countries for a holiday trip?
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*.

One quarter (24%) of French international pleasure travellers have started gathering information, are planning an itinerary, or have booked/are booking their travel and accommodation for a trip to Canada. This puts Canada in second place just behind the US.

A further 20% are seriously considering visiting/returning in the next two years and fully 34% are at the dreaming stage. This indicates a large pool of positive sentiment to spur future volume growth. As previously mentioned, the main hurdle to be surmounted on the path to purchase involves converting general positive sentiment to more committed interest. This means positively differentiating Canada from its competitors in ways that are meaningful to key consumer groups, with specific emphasis on targeting the message to enhance impact within budget. Canada's positioning should be supported by both aspiration and detail to initiate active planning (neither is sufficient on its own). Once that process is generated, offering opportunities and tools to move quickly from exploration to booking will provide a competitive edge on the final steps of the purchase pathway.

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