Canadian Tourism Commission | Commission canadienne du tourisme

Global Tourism Watch – Year 1

Mexico – Key Findings

Canadian Tourism Commission (CTC)

Canada

www.canada.travel

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introduction

Background

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

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

- Escalation of social media websites and their popularity across many age groups;
- Desire for healthier and more sustainable lifestyles;
- Climate change and related advocacy efforts by high-profile personalities; and
- Entry rules such as the Western Hemisphere Travel Initiative (WHTI).

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

Objectives

In 2007, the Canadian Tourism Commission, in conjunction with a partnership group that included Ontario, British Columbia, Manitoba, the Atlantic and the North, engaged Harris/Decima to conduct the Global Tourism Watch (GTW) tracking research. The program was implemented in eight global markets – the US, Mexico, the UK, France, Germany, Australia, Japan, and South Korea.

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

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

Methodology

The target population for the survey consisted of residents, aged 18 and older, who have taken a long-haul pleasure trip where they stayed at least one night in paid accommodations in the past three years or who plan to take such a trip in the next two years. For all markets, pleasure trips included vacation or holiday trips, trips to visit friends and relatives, and combined business-pleasure trips. To qualify, trips had to be one or more nights for the US and four or more nights for the other markets.

A total of 1,447 Mexican respondents completed the online survey. A quota was set to reach n=200 past travellers to Canada. Fieldwork was conducted in November 2007.

In Mexico, the sample was restricted to the three largest cities where most long-haul travellers reside – Mexico City, Guadalajara and Monterrey.

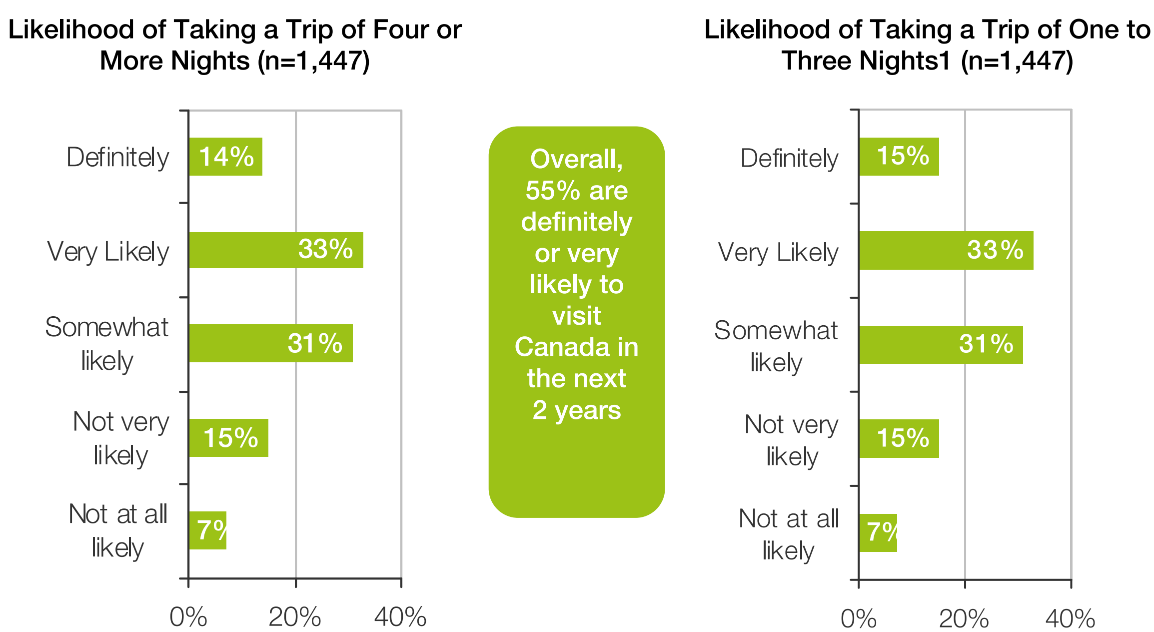
The online survey sample was weighted by region, age and gender to align it with the long-haul traveller population in each market based on data collected through a random telephone Omnibus (n=2,000).

what is the outlook for travel to canada and the regions in the next 2 years?

Likelihood of Visiting Canada

The likelihood of visiting Canada in the next two years was assessed for both shorter stays of one to three nights and longer stays of four or more nights (see Exhibit 1). In total, a remarkable 55% of Mexican long-haul pleasure travellers say they are either definitely or very likely to visit Canada in the next two years, providing an extremely solid base of receptivity for Canada's marketing efforts. In fact, Mexico ranks as the top CTC markets surveyed in terms of travel intentions. In most other markets, the likelihood of visiting lies in the 20% to 40% range, indicating that, by comparison, Mexico offers excellent potential for Canada.

Exhibit 1: likelihood of visiting Canada in the next 2 years



Base: Long-haul pleasure travellers.

Note: 1Including trips to other countries (e.g. the US) that involve a stay of one to three nights in Canada.

Size of the Potential Market to Canada

Exhibit 2 provides an estimate of the size of the potential market for Canada in two ways. The target market is a broader estimate of the market size based on expressed interest among travellers in Mexico's three largest metropolitan areas, more specifically those very or somewhat interested in visiting Canada in the next two years. This yields a target market of almost 2.4 million travellers who have some level of interest in Canada.

The immediate potential is a more conservative estimate based on those who say they will definitely or are very likely to visit Canada in the next two years. This translates into about 1.6 million travellers with immediate potential for conversion, indicating substantial opportunity to build on the tremendous growth seen in Mexican arrivals over the past few years. However, because this estimate is based on only three cities, Mexico represents the smallest of the eight markets for Canada in terms of absolute traveller volumes.

Exhibit 2: Size of the potential market to Canada (next 2 years)

	Size of Potential Market to Canada
Total potential long-haul pleasure travellers (aged 18 plus)	2,954,000
Target Market for Canada	
Very/somewhat interested in visiting Canada in the next 2 years	81%
Size of the target market	2,393,000
Immediate Potential for Canada	
Will definitely/very likely visit Canada in the next 2 years	55%
Size of the immediate potential	1,625,000
Base: Long-haul pleasure travellers (n=1,546)	

Canadian Destinations[1] Likely to Visit

Mexican travellers are almost universally interested in Ontario, and at 97%, Mexico is the market with the greatest interest in this province. Regional partner destinations are shown in Exhibit 3.

Mexican travellers are drawn to BC in very large numbers (90%), with interest levels as high as the Asian markets. However, Mexicans express a very strong desire to see some of the other western provinces, having the highest interest of all GTW markets Manitoba (43%). Interest in PEI (36%) and Northern Canada (46%) also exceeds the norm, indicating strong potential for some of these lesser-known regions.

1 Of CTC partner regions.

Among GTW partner destinations, Niagara Falls and Vancouver draw the most attention (at around 85% to 87%), followed by Toronto at 74%. There is also considerable interest in moving beyond the four largest cities to visit places like Ottawa (53%), Charlottetown (30%), and St. John's (29%). In fact, Mexico ranks as the number one market in terms of interest for many of these cities. There is also a good measure of interest in Victoria (27%), Halifax (26%) and Saint John (23%).

Exhibit 3: Destination Interest and Market Potential for the Regions

	BC	MB	ON	ATL	North
Likely to visit region	90%	43%	97%	53%	46%
Size of immediate potential for the regions	1,462,000	699,000	1,576,000	861,000	748,000
Most popular destinations within region	Vancouver (85%)	n/a	Niagara Falls (85%)	Charlottetown (30%)	Yukon (37%)
	Victoria (27%)		Toronto (74%)	St. John's NFLD (29%)	NWT (20%)
	Whistler (13%)		Ottawa (53%)	Halifax NS (26%)	Nunavut (13%)

what are mexican awareness levels of canada?

Unaided Performance Indicators

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

In terms of unaided destination awareness, Canada also ranked second with Mexicans, with 31% of long-haul respondents mentioning Canada as a destination which comes to mind for a long-haul vacation.

For top-of-mind Canadian travel advertising, Canada ranked 2nd, with 26% of long-haul respondents mentioning that they had seen or heard Canadian advertising relating to travel or holidays within three months of the survey.

Regarding unaided destination consideration, Canada is tied in second place, with 22% of long-haul respondents mentioning that they are seriously considering Canada and Canadian destinations for their holiday trips in the next 2 years.

2 All results include Canadian sub-destinations.

what do recent and potential mexican visitors look like?

Target Market for Canada

Exhibit 4 provides demographic profiles recent travellers to Canada and travellers interested in visiting Canada.

Results show that potential travellers to Canada are a fairly young group, with almost half of the market under the age of 35. These travellers tend to be well educated (over 70% are college or university graduates) and well positioned in the work force (over 60% are in managerial or professional positions). When it comes to income, however, over 80% have household incomes of less than 55,000 pesos per month (i.e., less than $63,000 per year), with more than 40% who earn less than $25,000 per year, a figure that is low by Western standards. This suggests that long-haul destination choices may be limited for a large portion of this market, and is one reason why trips by car to the US are so popular. However, these results also suggest that the strong price perceptions in this market will work to Canada's advantage.

Recent visitors to Canada differ from potential travellers to Canada in that they tend to be older (38% over the age of 45). Perhaps because of this, they are also less likely to be single, more advanced in their careers (i.e., 76% are managers/professionals) and more affluent, with over 30% who have incomes in excess of $63,000 per year. The more stable financial situation of these travellers undoubtedly helps to make travel to Canada and other long-haul destinations a more real possibility.

Notably, recent visitors to Canada are more likely than potential visitors to have friends and relatives in Canada (55%), which suggests that, as in most markets, VFR is a key driver of travel from Mexico. No doubt staying at the homes of friends and relatives helps to defray the costs of a trip to Canada.

Exhibit 4: Target market demographics for Canada

Gender	Recent Travellers to Canada (n=201)	Interested in Canada (n=736)
Female	54%	47%
Age		
18 to 24	11%	13%
25 to 34	24%	31%
35 to 44	28%	25%
45 to 54	15%	16%
55 or older	23%	15%
Close Friends or Relatives Living in Canada		
Yes	55%	41%
Have Children in Household Under 18		
Yes	44%	48%
Marital Status		
Married / partnered	57%	57%
Single / never married	28%	35%
Other (e.g. separated, divorced, widowed)	15%	8%
Education		
High school or less	19%	23%
Technical / vocational	6%	5%
Completed college / university	74%	72%
Employment Status		
Employed full-time / part-time	79%	82%
Housewife / homemaker	6%	5%
Retired / unemployed	5%	4%
Student	5%	7%
Occupation		
Managerial / Administrative / Business owner	39%	33%
Professional	37%	31%
Clerical / public servant	12%	16%
Sales / services	4%	10%
Technical / skilled	2%	3%
Farming / fishing / labourer / informal commerce	0%	1%
Other	6%	7%
Average Monthly Household Income		
Less than 7,000 pesos	1%	4%
7,000 to 21,999 pesos	28%	35%
22,000 to 54,999 pesos	39%	42%
More than 55,000 pesos	32%	19%

Target Market for Canadian Regions

Exhibit 5 shows the demographic profile of travellers who are likely to visit Canada (or are considering a trip there) in the near-term, as well as those who plan to visit each of the regions (only GTW regional partners are included). The profiles for BC and Ontario are based on those who say they are most likely to visit the region, while the profiles for Manitoba, the Atlantic and the North are based on those who express an interest in visiting these regions, given the relatively low proportion of travellers who say they are most likely to do so.

Across the regions, there are very few meaningful significant differences, with the exception of BC. Potential travellers to BC are more affluent, being more likely to hold managerial/professional positions in the workforce.

Exhibit 5: Target market for Canada's regions

Gender	TOTAL (n=1,197)[1]	BC[3] (n=207)	MB[2] (n=484)	ON[3] (n=660)	ATL[2] (n=615)	North[2] (n=537)
Female	42%	46%	40%	42%	46%	40%
Age						
18 to 24	13%	13%	11%	12%	13%	11%
25 to 34	29%	31%	28%	30%	26%	23%
35 to 44	25%	21%	23%	27%	24%	26%
45 to 54	15%	15%	17%	16%	17%	18%
55 or older	18%	20%	21%	15%	20%	21%
Close Friends or Relatives Living in Canada						
Yes	38%	41%	40%	33%	40%	41%
Have Children in Household Under 18						
Yes	46%	43%	47%	49%	47%	48%
Marital Status						
Married / partnered	55%	57%	53%	57%	54%	56%
Single / never married	35%	36%	34%	33%	35%	31%
Other	10%	7%	12%	10%	12%	13%
Education						
High school or less	22%	25%	23%	23%	23%	23%
Technical / vocational	5%	3%	6%	5%	5%	5%
Completed college / university	73%	72%	70%	72%	71%	71%
Employment Status						
Employed full-time / part-time	79%	79%	77%	77%	78%	78%
Housewife / homemaker	5%	7%	7%	5%	6%	5%
Retired / unemployed	5%	3%	5%	8%	6%	6%
Student	7%	8%	6%	6%	6%	6%

Gender	TOTAL (n=1,197)[1]	BC[3] (n=207)	MB[2] (n=484)	ON[3] (n=660)	ATL[2] (n=615)	North[2] (n=537)
Occupation						
Managerial / Administrative / Business owner	33%	39%	31%	32%	32%	32%
Professional	30%	33%	29%	28%	28%	28%
Clerical / public servant	18%	18%	18%	19%	19%	19%
Sales / services	9%	4%	12%	9%	11%	11%
Technical / skilled	3%	2%	3%	4%	3%	4%
Other	6%	4%	7%	7%	6%	6%
Average Monthly Household Income						
Less than 7,000 pesos	4%	3%	4%	5%	5%	4%
7,000 to 21,999 pesos	37%	28%	37%	39%	40%	38%
22,000 to 54,999 pesos	41%	43%	40%	43%	39%	39%
More than 55,000 pesos	17%	26%	19%	14%	16%	19%

Notes:

[1] Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there.

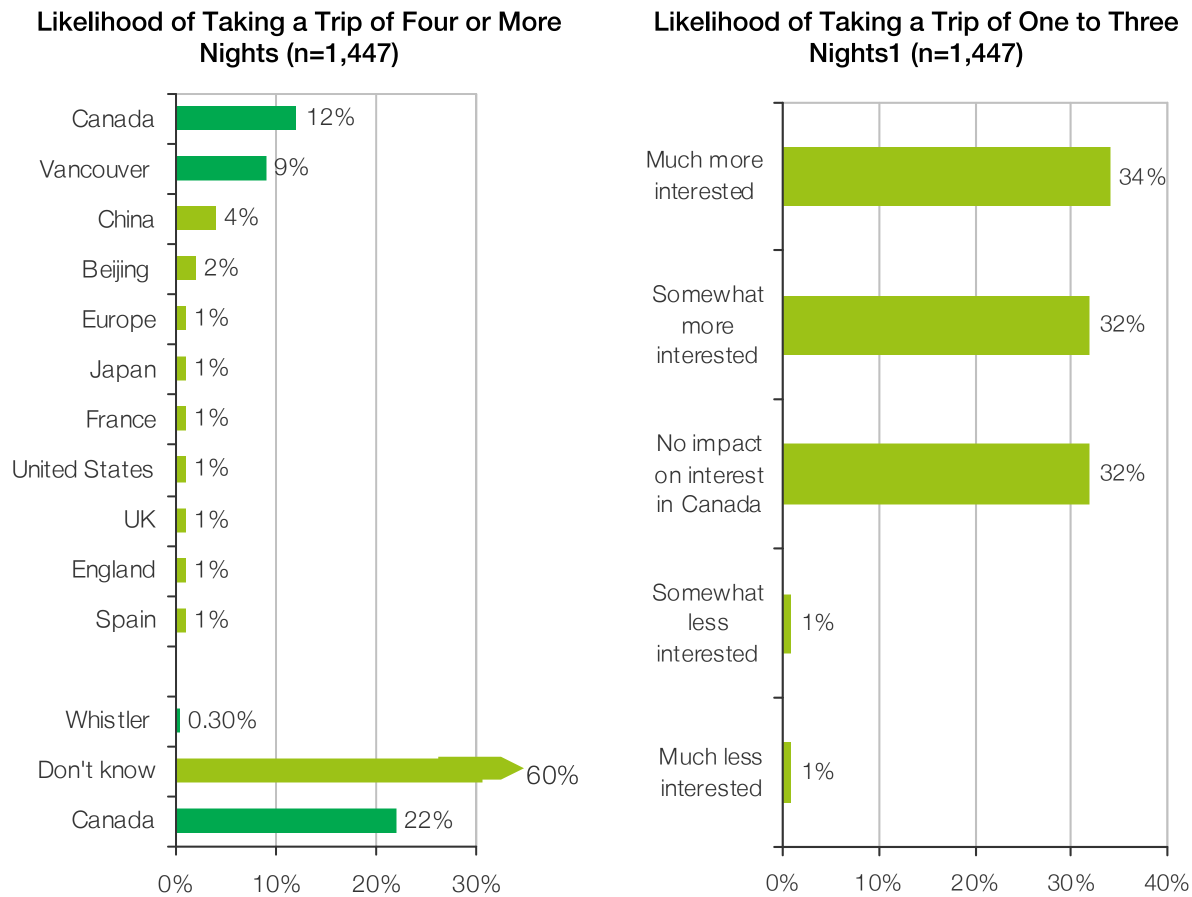
[2] Those likely to visit the region.

[3] Those most likely to visit the region.

what is the impact of the 2010 olympic games on travel to canada?

Exhibit 6 shows that, in total, 22% correctly identify Canada as the host of the 2010 Winter Olympic and Paralympic Games, mentioning Canada and, to a lesser extent, Vancouver. In addition, around two-thirds say that hosting the Olympics has enhanced Canada's desirability as a vacation destination. Both the overall awareness level, and the impact of the Games on interest, is fairly high compared with other GTW markets, indicating that the Olympics may provide a good opportunity to draw Mexican travellers to Canada, both during and after the Games.

Exhibit 6: Likelihood Of Visiting Canada In The Next 2 Years



Base: Long-haul pleasure travellers.

Note: [1]Including trips to other countries (e.g. the US) that involve a stay of one to three nights in Canada.

what are canada's product strengths and weaknesses?

Canada's Product Strengths and Weaknesses

Exhibit 7 presents a product strengths and weaknesses map for Canada in Mexico, which looks at impressions of Canada's product offerings vs. the importance of these products to Mexican travellers on their long-haul trips. The purpose is to identify products of importance to the Mexican market where Canada is either favourably or unfavourably perceived.

General product strengths for Canada are products that are both important in the minds of travellers in planning their long-haul trips and for which Canada is favourably viewed. As in most GTW markets, nature is Canada's key product strength, including beautiful landscapes, rivers/waterfalls, national/provincial parks and to a lesser extent, wildlife. Guided tours also edge in as a strength, but just barely, indicating room for improvement.

Niche product strengths appeal to smaller groups of travellers and represent potential niche markets to be developed or targeted. For Mexico, these primarily revolve around outdoor activities. Not surprisingly, skiing is Canada's strong suit, but hiking/trekking, fishing/hunting and canoeing/kayaking also emerge as niche strengths.

Interestingly, hands-on learning is also a key niche for Canada, and Mexico is the only market where this is the case. This is likely because Canada is a popular study destination and is generally seen as a place with high educational standards. This makes it ideal for learning English or taking special interest courses.

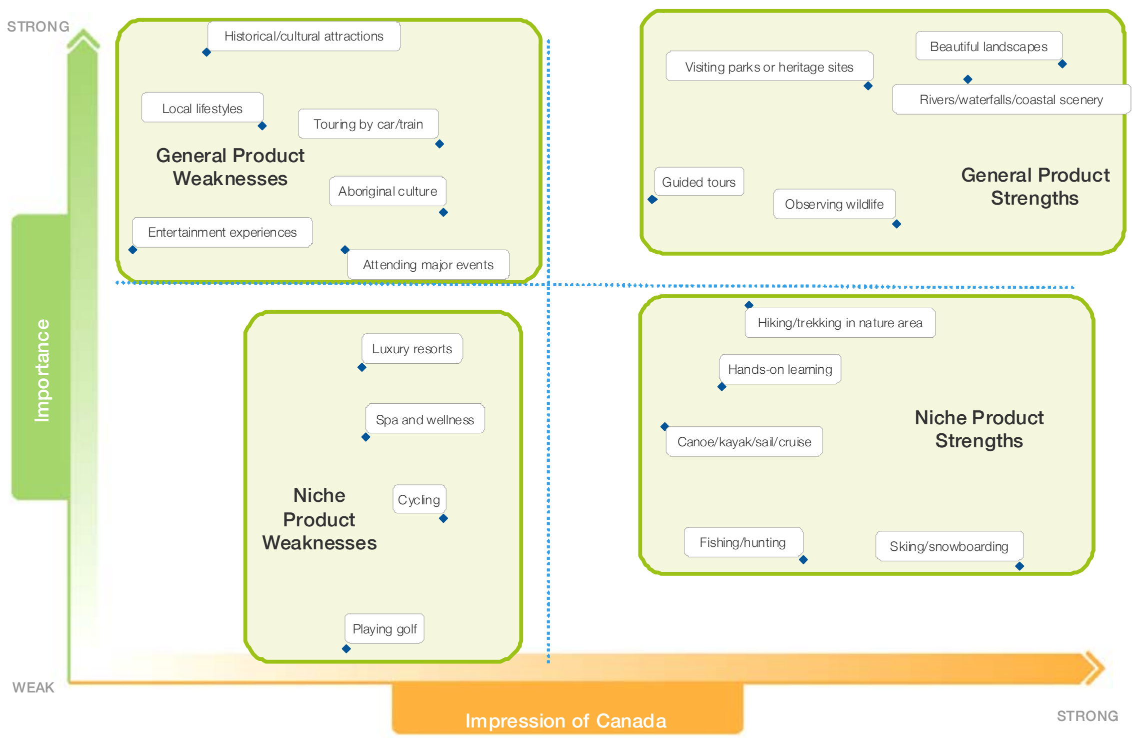
General product weaknesses are products that are important to travellers, but for which Canada is not favourably rated, pointing to possible issues (perceptual or actual) to be mitigated. As in most markets, the general weaknesses in Mexico include cultural products, indicating that Canada could do more – and likely far more – to promote these. Historical and cultural attractions are of critical importance to Mexicans indicating that an area of focus that could improve Canada's placements. However, Canada should also promote aboriginal culture, as this is the most favourably received of the cultural products and a stronger push could easily turn this into a product strength.

In addition to cultural products, entertainment experiences and major events are also generalized weaknesses for Canada. In fact, Mexico is the only market where entertainment experiences are a general (rather than a niche) weakness, underscoring the importance of entertainment offerings as a pull factor for this market.

Self-touring by car or train is also a perceived weakness that may stem from a perception that Canada is too large to easily travel between the key tourist sites. Given the extreme popularity of this activity, it could be in Canada's best interest to better highlight its regional touring opportunities (e.g., rail tours through BC and Alberta, self-drive tours of Ontario and Québec), as well as the safe, clean and relaxing environment for those travelling on their own.

Niche marketing weaknesses are unfavourably rated activities that appeal to smaller groups of travellers. As such, a considerable investment may be required to improve product perceptions for a lower return. In essence, Canada is not viewed as a luxury travel destination, being weak on resorts, spas and golf.

Exhibit 7: Product strengths and weaknesses map



Base: Long-haul pleasure travellers (n=1,447).

Top-Rated Products for Canada

Harris/Decima conducted a competitive exercise that asked respondents to select the best places to visit for a variety of travel products from amongst six competitors – US, Brazil, France, Spain, Argentina and the UK.

The results show that Canada is viewed as being a leading nature and outdoors destination. In fact, all nature offerings and most outdoors products are included on the list, with landscapes, skiing and rivers/waterfalls being particularly well-rated. Hands-on learning and guided tours are other competitive strengths for Canada, and Mexico is the only global market where this is the case.

what are mexican views on environmentally-friendly travel products?

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

Like most other countries, Mexico has entered the green age, with environmentally-friendly food products, solar-powered homes, hybrid cars and sustainable communities becoming more common in the country. Not surprisingly then, survey results show that Mexican travellers are widely supportive of environmentally-friendly tourism. In fact, with more than 9 in 10 travellers agreeing that environmentally-friendly travel is important and almost two-thirds who are guided by environmental concerns when choosing a vacation destination, Mexico emerges as one of the more environmentally-conscious of the GTW markets.

Exhibit 8: Willingness to Pay a Premium for Environmentally-Friendly Travel Products

Travellers interested in visiting Canada are even more concerned about eco-friendly travel, with significantly higher ratings on most items. The fact that 88% consider Canada to be an environmentally-friendly destination and over 70% are swayed by environmental considerations in their destination choices suggests they would be receptive to messaging and products with an environmental theme. Exhibit 8 shows that 77% of potential travellers to Canada say that they are willing to pay a premium for environmentally-friendly travel products.

how is canada perceived?

Unaided Brand Personality Perceptions

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

As shown in Exhibit 9, the personality dimension that Mexican travellers associate most closely with Canada is Intriguing, which is defined by the CTC as fascinating, interesting, exciting, appealing, engaging, etc. With over 30% who mention that Canada is intriguing on an unaided basis, it is clear that Mexicans view Canada as a compelling and exciting vacation destination. In fact, none of the other markets come anywhere close to 30% on this attribute and no other market studied ranked it in first place.

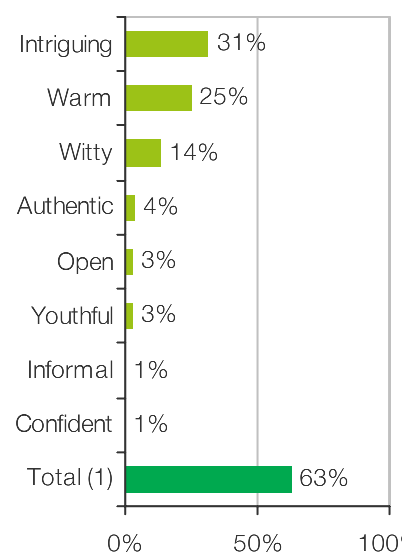
The second most strongly associated trait is Warm, which is defined as friendly, hospitable, welcoming, warm-hearted, kind, etc. About a quarter of the market thinks of Canada in this way, mentioning these or related words to describe Canada on an unaided basis. This is consistent with the high scores accorded to Canada as a place to explore its people, and with the unaided slogan mentions that revolve around human warmth.

Compared with other markets, Mexican travellers are far more likely to view Canada as Witty (e.g., humorous, quick, entertaining, clever, bright, intelligent), at 14%. This suggests that Mexicans view Canada as an enjoyable place, at least more so than other markets do. However, the fact that related traits receive relatively few mentions indicates that more can be done to cultivate Canada's image as a fun and exciting place and one that confidently leads all other destinations. In particular, just 3% of the market describes Canada as Youthful (e.g., energetic, lively, young at heart, vigorous, fun, vibrant, peppy), and even fewer (1%) describe it as Confident (e.g., self-assured, sure, secure, poised, positive).

The remaining traits received unaided mentions of between 1% and 4% of respondents, indicating that they are not top of mind impressions of Canada:

- Authentic (e.g., genuine, sincere, honest, down-to-earth, trustworthy);
- Open (e.g., accepting, liberal, open-minded, flexible, accessible); and
- Informal (e.g., casual, relaxed, easy-going, laid-back, approachable).

Exhibit 9: Unaided brand personality perceptions



Base: Long-haul pleasure travellers (n=1,447).
Note: (1) Percent who mentioned any of the 8 Brand Canada personality traits (or synonyms thereof).

All told, over 60% of Mexican travellers mention at least one of the eight Brand Canada personality traits on an unaided basis, indicating excellent alignment of market perceptions to the brand.

Exhibit 10 shows other personality traits associated with Canada in the Mexican market and indicates that Mexicans have quite varied views of Canada. While many aspects of the old image are still in evidence, there are also other traits that are more in keeping with the elements of the new brand image. When it comes to Canada's traditional image, the top three mentions indicate that many continue to view Canada as beautiful (25%), peaceful (17%) and cold (12%). A strong association with nature is also evident, not just in the widespread mentions of Canada as beautiful, but in the wide range of other nature-related descriptors on the list, like "nature/natural" (10%), "breathtaking/impressive/spectacular (9%), "expansive/large/vast" (5%) and "ecological/environmentally friendly" (2%).

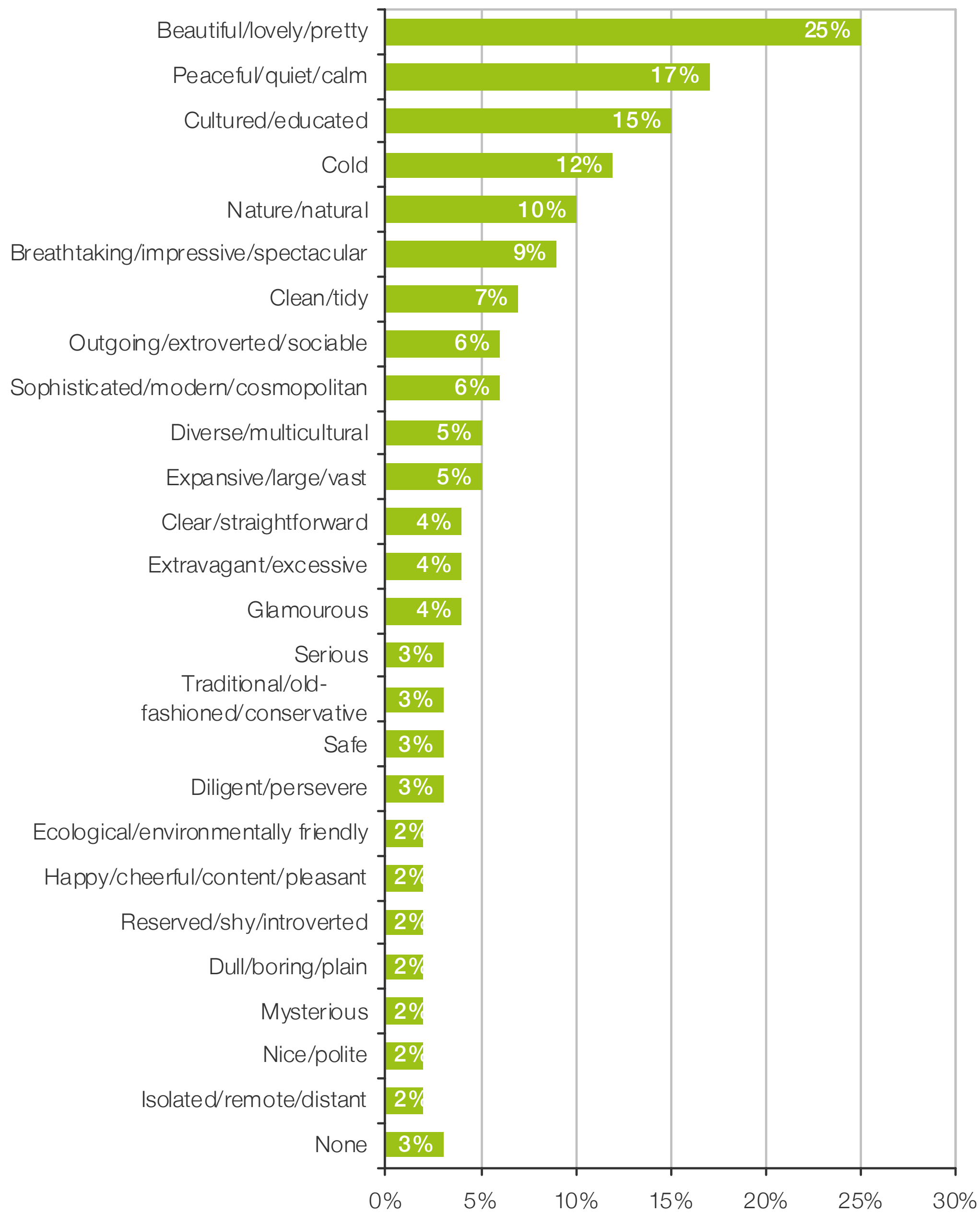
One of the most notable points in the exhibit is that "cultured/educated" emerges as one of the top five personality traits. At 15%, mentions are far stronger than in all other GTW markets, where the range is typically 1% to 4%. This again suggests that Mexicans have an aspirational view of Canada's culture and way of life. This is reinforced by relatively high mentions of traits that suggest high living standards, urbane lifestyles and prestige/wealth, e.g., "sophisticated/ modern/cosmopolitan" (6%), "glamorous" (4%) and "extravagant/excessive" (4%). Mentions of "diverse/multicultural" (5%) are also high, supporting the cultural elements of the new brand, while mentions of "outgoing/extroverted/sociable" (6%) further reinforce the positive people perceptions.

While many of these impressions of Canada support the excitement, sense of fun and intrigue associated with the new brand, traditional impressions of the country as a somewhat bland and boring place still persist, as evidenced by mentions of "clean/tidy" (7%), traditional/old-fashioned/conservative" (3%), "dull/boring/plain" (2%), "reserved/shy/introverted" (2%), and "nice/polite" (2%).

Aside from "cultured/educated," there are several unique traits that are more prominently mentioned by Mexican travellers than by those in other markets studied:

- Serious (3%) again alludes to the old image of Canada as lacking in fun;
- Mentions of clear/straight-forward (4%) could refer to the fact that Canada has fewer of the barriers that complicate Mexican travel to the US (e.g., visas and other entry requirements, immigration and security checks at borders);
- Mentions of safe (3%) reflect perceptions of Canada as a place where tourists don't have to worry about their safety, especially when compared with the high crime rates in Mexico and in some of the key US destinations that are favoured by Mexicans (e.g., New York City, Los Angeles and Miami).

Exhibit 10: Unaided brand personality perceptions– other mentions



Base: Long-haul pleasure travellers (n=1,447).

Value Perceptions

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

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

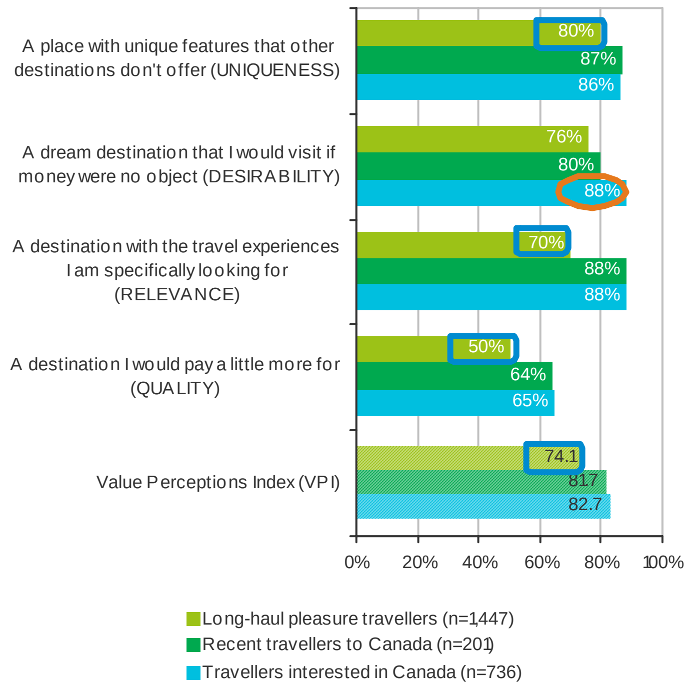
To assess value perceptions of Canada in Mexico, respondents were asked to rate Canada on four value-related statements that embody each of the above criteria.

As shown in Exhibit 12, Canada is seen as offering good value to Mexican travellers, suggesting that Mexican perceptions are not only well-aligned with Brand Canada, but that Brand Canada has high inherent value to Mexican consumers.

The exhibit also shows that Canada performs best on uniqueness and desirability. Notably, ratings for both dimensions are higher in Mexico than in any other surveyed market. About 7 in 10 also feel that Canada offers travel experiences that are relevant to them, which is again one of the top ratings across all eight markets. Quality is the weakest component of value in Mexico. At 50%, the rating for quality is above average, but could be improved to bring it in line with the ratings for the other three value dimensions. As discerning consumers, Mexicans expect high quality and value for money when they travel.

Recent visitors to Canada and those interested in visiting in the future have an even better appreciation of the value of the Canadian travel experience. Recent visitors give higher ratings than the market overall for uniqueness, relevance and quality, while potential visitors award higher ratings across the board.

Exhibit 11: Value perceptions



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale. ***Blue sqaures*** *indicate a result that is significantly lower than another group;* ***orange circles*** *indicate a result that is significantly higher than another group.*

Recent Travellers to Canada: those who have visited Canada in the past 3 years (pleasure trip, 4 or more nights, 1 or more nights in paid accommodations).

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

Price Perceptions

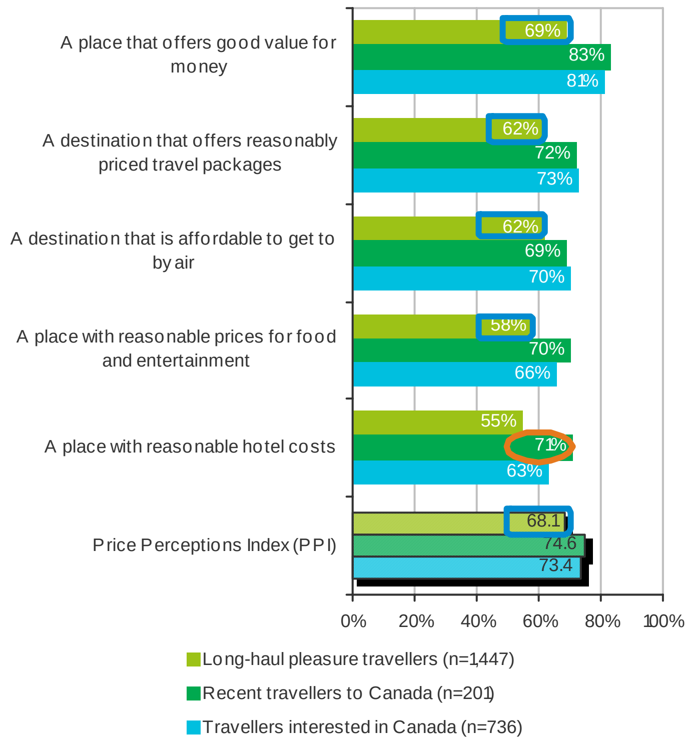
In addition to brand image and destination value, cost plays a major role when it comes to destination decision-making. Accordingly, Exhibit 12 shows how Canada is perceived by Mexican travellers on various travel cost components.

As with brand and value, price perceptions are relatively strong in Mexico, ranging from a high of 69% for value for money, down to 55% for hotel costs. These are among the highest ratings, if not the highest, across all markets. Still, price perceptions are lower than both brand and value, suggesting there is still some room for improvement.

The GTW study suggests that Mexico is a market where all factors align to provide exceptionally strong opportunities for Canada. Given these exceedingly positive results, it is no wonder that Mexico is currently Canada's fastest growing international market.

Both recent and potential visitors tend to view Canada more favourably on cost, with ratings in the range of 60% to 85%.

Exhibit 12: Price perceptions



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale. ***Blue sqaures*** *indicate a result that is significantly* **lower** *than another group;* ***orange circles*** *indicate a result that is significantly* **higher** *than another group.*

Recent Travellers to Canada: those who have visited Canada in the past 3 years (pleasure trip, 4 or more nights, 1 or more nights in paid accommodations).

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

why do mexicans visit canada and the regions?

Key Motivations for Visiting Canada

As Exhibit 13 shows, those likely to visit Canada (or are considering a trip there), are drawn to the country for many reasons. Of the wide range of attributes on the list, all but four are identified as motivators by the majority of travellers, with individual scores for most of them among the highest of any market. This again reflects the general enthusiasm that Mexican travellers have for Canada and their overwhelmingly positive views of the country.

Indeed, one of the most interesting points about the exhibit is the relatively low ranking of relaxing and rejuvenating as a travel motivation (in 12th spot). In no other country is this motivation so far down the list, generally ranking somewhere between 3rd and 6th place. This again shows that Mexicans like to be kept busy during their vacations, doing and seeing as much as possible, an attitude that is often observed in emerging long-haul markets.

As in all markets, nature/scenery and unique attractions/landmarks (e.g., Niagara Falls, Rocky Mountains) are firmly entrenched as the primary motivations for travelling to Canada, mentioned by over 90% of likely travellers to Canada.

Learning or exploring something new is also one of the top three motivators in this market, cited by 86%. This indicates that the main thrust of the new brand – Canada as a place for exploration and discovery – is a good match with why Mexicans travel and what they hope to get out of a trip to Canada. As in most markets, Mexicans are interested in exploring nature. However, they are distinctive in that they also have a strong interest in exploring Canada’s cities (84%), ranking this higher (6th place) than travellers in any other market studied. Accordingly, Canada could promote its cosmopolitan cities in Mexico, and particularly their proximity to nature for a combined city-nature trip. Canada could also consider boosting the urban imagery in its marketing campaigns to play up this aspect of its offerings and diversify its appeal.

The Mexican desire to explore extends beyond nature and big cities, to encompass Canada’s history (86%), culture (72%) and small towns (76%). In fact, Mexico is one of two markets to rank historical and heritage sites among the top five motivations, with the highest absolute. This is consistent with Mexican travellers’ penchant for historical and cultural attractions, an interest that no doubt stems from their own country’s rich history and culture.

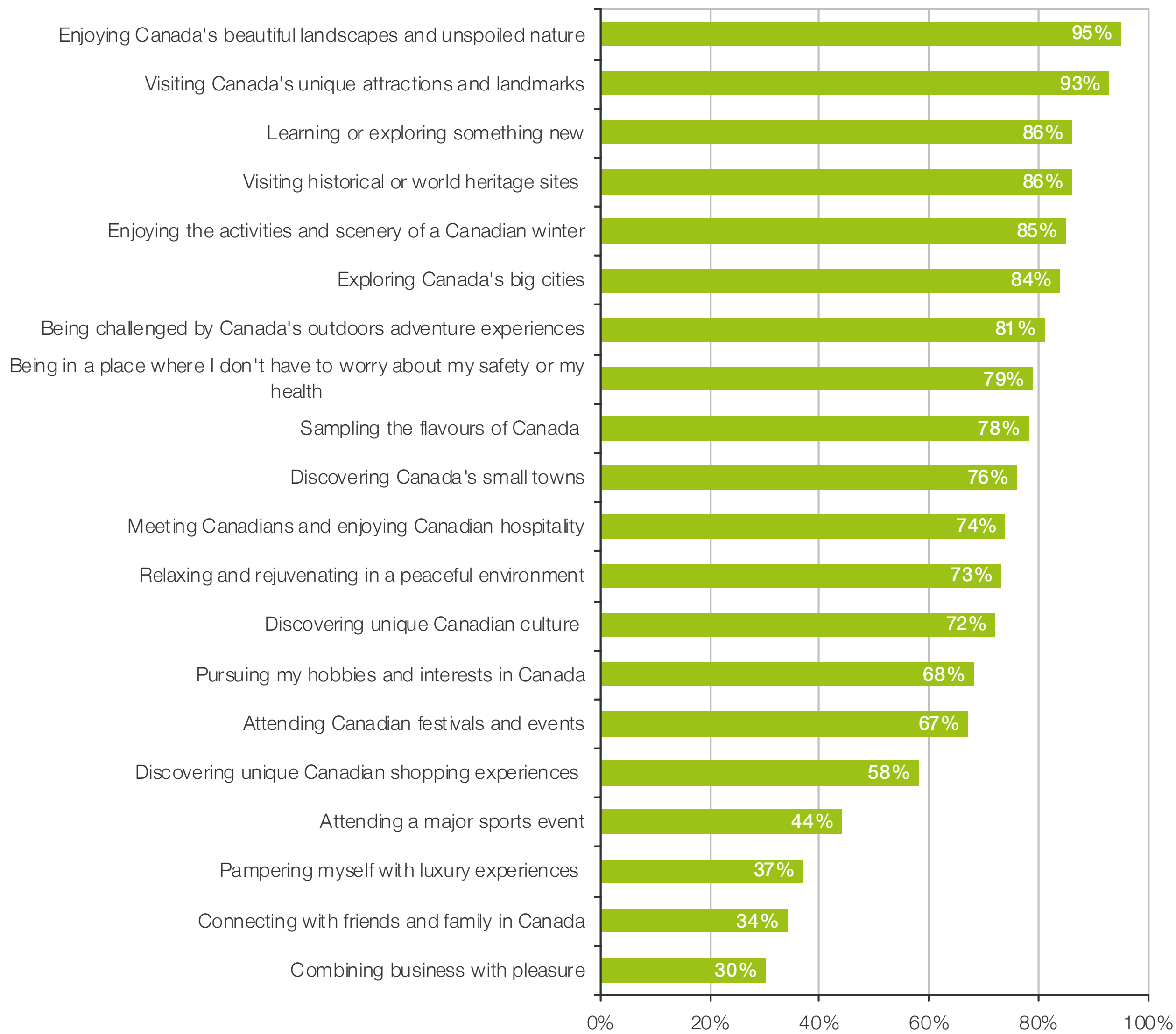
Also among the top five motivations is the desire to experience a Canadian winter (85%). About a quarter of Mexican travellers say they enjoy skiing while on vacation, and as mentioned, many of them currently go to the US for this pursuit. So there is clearly some potential to draw avid skiers as well as other travellers to Canada for a winter trip.

Over 80% of travellers say they want to be challenged by Canada’s outdoors adventure experiences. While hard adventure is decidedly a niche interest, many Mexicans do enjoy tamer activities such as hiking and kayaking/canoeing. Canada’s brand and product strengths in this area will serve it well in attracting these segments of the market.

Many Mexicans travel to escape the crime, traffic and pollution of their own cities, and, as the findings from the CTC groups in Mexico City suggest, Canadian cities are perceived to provide a much better escape than American ones in this regard. Perhaps as a result, almost 8 in 10 look to Canada to provide a trouble-free vacation where they don’t have to worry about their safety or their health.

There are several motivations that are noteworthy in the bottom half of the list. Roughly 7 in 10 likely travellers say they want to attend festivals and events or pursue their hobbies in Canada, and around 6 in 10 are interested in Canadian shopping experiences, all of which are very high relative to other markets. Mexicans love a good festival (there are over 5,000 such events in their own country each year), and this could be an ideal way for Canada to satisfy their craving for culture. Shopping is a major driver for more affluent segments of the market, and Canada could ensure that shopping opportunities are highlighted in its marketing and informational materials.

Exhibit 13: Key motivations for visiting Canada



Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there (n=1,210).

Note: Top 2 Box refers to a rating of 4 or 5 on a 5-point importance scale.

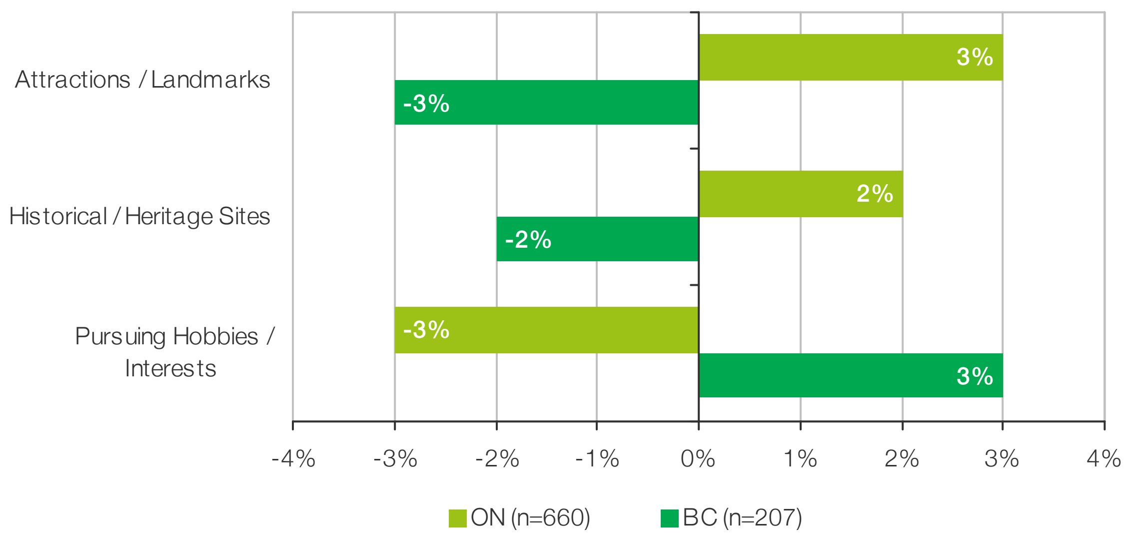
Regional Motivations

Exhibit 14 shows how travellers that are likely to visit two of the GTW partner regions are differentiated from each other in their motivations for visiting Canada. Note that motivational scores have been re-calibrated to remove "group and attribute" effects to better emphasize the differences between the regions. In essence, this involves a two-way normalization of scores across both regions and attributes to pull out the differentiating motivations for travellers likely to visit each of the regions. Due to a small sample size, other regions were not included.

In the exhibit, high positive values indicate motivations that are of greater relative importance for a region, while high negative values represent motivations that are of lesser relative importance.

Overall, there are very few differences by region. The main exception is that potential travellers to Ontario are more likely to be motivated by seeing Canada's unique attractions and landmarks (e.g., Niagara Falls) as well as historical and heritage sites, while those interested in BC are more likely to want to pursue their hobbies and interests.

Exhibit 14: Regional motivations



Base: Travellers most likely to visit Ontario or British Columbia. Sample sizes for other regions were too small to be included.

Note: High positive values represent motivations that are of greater relative importance for a region; High negative values represent motivations that are of lesser relative importance for a region.

what barriers does canada face in attracting visitors from mexico?

Barriers for Travel to Canada

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

Competition from other destinations is the top barrier to Canadian travel among those unlikely to visit in the near future. Over 8 in 10 say there are other places they want to see more (likely Europe or the US), and almost 60% cite this as a major barrier.

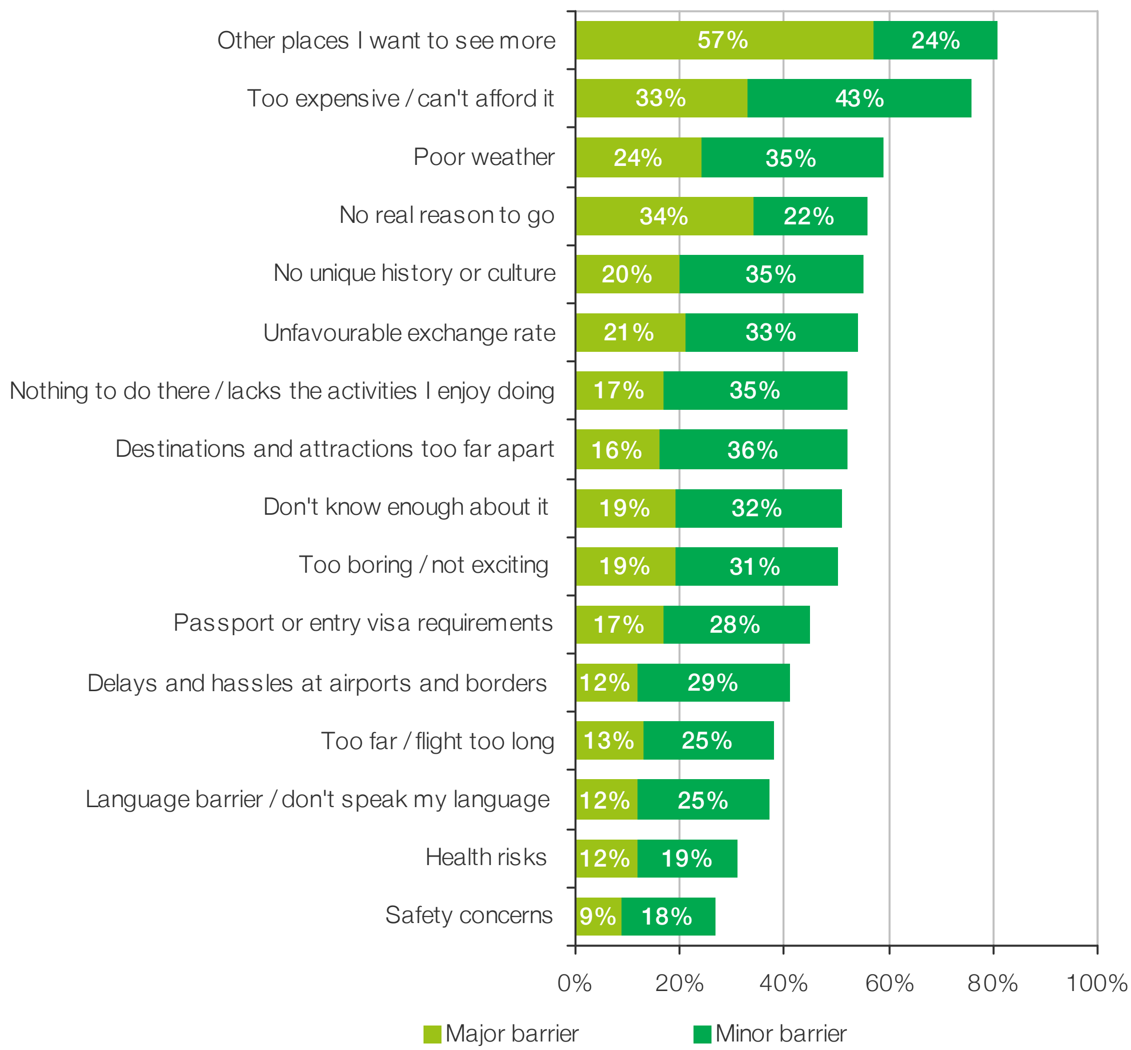
Affordability is the next most common reason for ruling out Canada in the near-term, with many favouring less costly trips (e.g., quick jaunts across the border to the US). A related barrier is the unfavourable exchange rate (mentioned by 54%), reflecting the sharp rise of the Canadian dollar against the peso in the months prior to the survey (e.g., an increase of almost 20% between January and November 2007).

While Mexican travellers say they are interested in experiencing a Canadian winter, the prospect of poor weather is a definite barrier for some. Almost 6 in 10 cite poor weather as a disincentive for visiting Canada, echoing some of the sentiments heard in CTC focus groups conducted in Mexico City as part of the Harris/Decima in October 2007 for the Global Creative Platform study. It could be made clear to these travellers that they have the option of travelling to Canada in the Spring, Summer or Fall when the weather is perfectly comfortable.

Perceptual issues and/or information gaps are also impediments to travel in this market, with well over half of all travellers saying there is no real reason to go to Canada and no unique history or culture there. In addition, about half say that there is nothing to do in Canada, they don't know enough about it or that it is too boring. Combined, this represents a sizeable segment of close to 80% of uninterested travellers that the CTC may be able to sway through marketing and awareness building. Specific objectives could be to stir up excitement, engage travellers emotionally and make them more aware of things to see and do in Canada. Certainly the new brand and associated marketing messages are a step in the right direction.

Practical issues like passport/visa requirements and delays at borders are mentioned by less than half of travellers. By comparison, Canada has less stringent entry requirements than the US (e.g., no visa required), and this is a definite advantage in the Mexican market. Health and safety are relatively minor concerns in this market, which is consistent with earlier perceptions of Canada as a worry-free travel destination.

Exhibit 15: Key barriers for visiting Canada



Base: Long-haul pleasure travellers who are unlikely to visit Canada in the near future (n=237).

where do mexican travellers see or hear information about canada?

Sources of Information on Canada

In total, over 90% of Mexican travellers recall seeing or hearing information on Canada over the past three months. This is an exceptionally high level of recall which indicates that the CTC's marketing efforts are being widely noticed. This is also consistent with the strong advertising awareness results, which showed not only high recall of advertising for Canada, but that Mexicans are highly attuned to travel-related information in general.

Looking at the findings in more detail, Exhibit 16 shows that specialized travel media are a good way to reach travellers in this market. Articles in travel magazines (58%) and travel shows on television (46%) are among the top three sources of information on Canada, along with word of mouth.

Due to the fact that many Mexicans are recent entrants to the long-haul market, travel agents still play an influential role in destination selection, trip planning and booking. Not surprisingly then, close to 40% of travellers obtained information on Canada through travel guides/agents in the past three months.

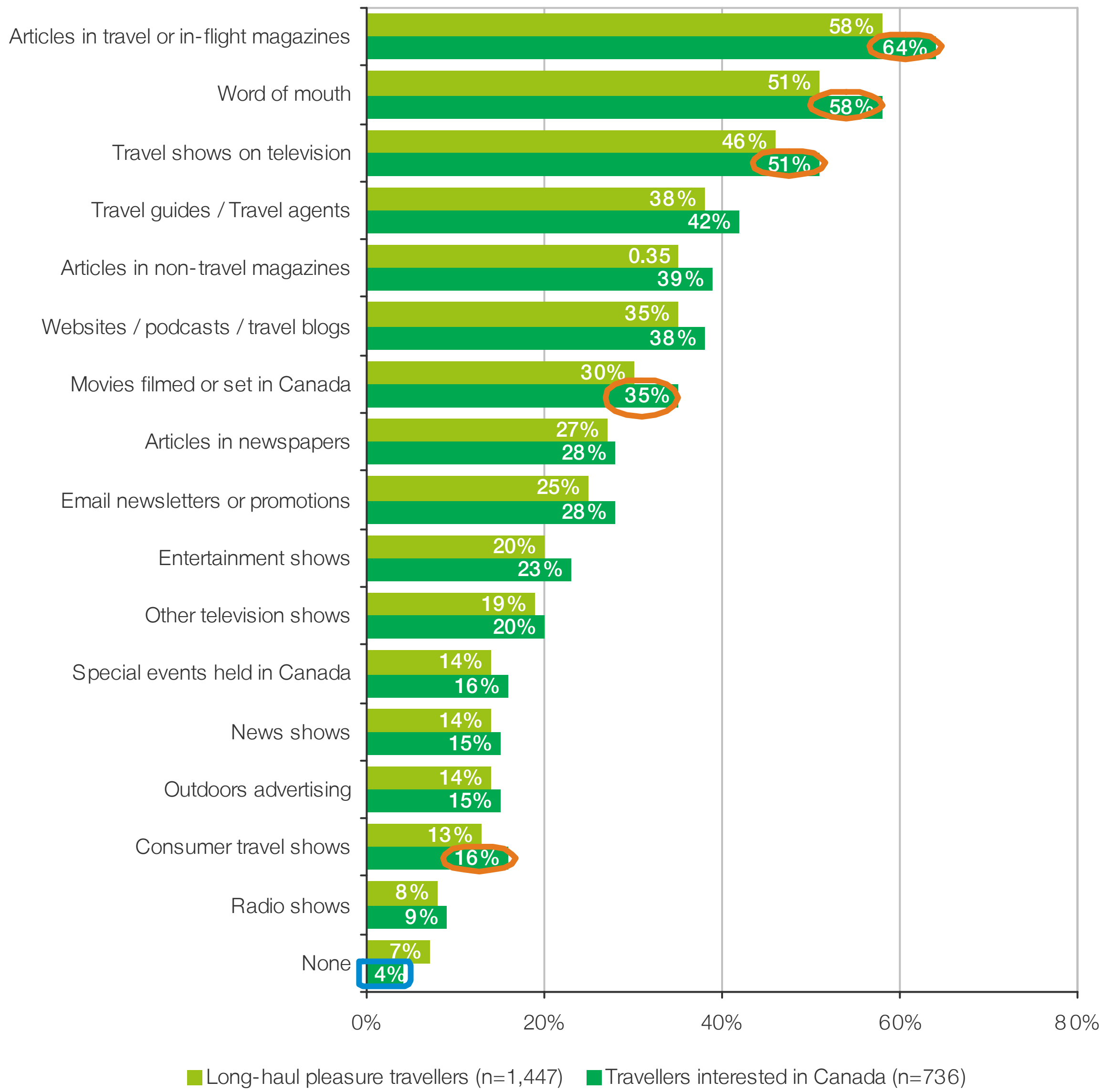
Articles in non-travel magazines round out the top five information sources at 35%, with aspirational and lifestyle magazines being a particularly good way for Canada to reach the Mexican elite. Roughly equal numbers of travellers obtain information on Canada through websites/podcasts/travel blogs. Although Internet penetration in Mexico is still relatively low, the number of Mexicans online is growing rapidly, and the importance of this channel will increase over the next few years, especially among younger and more independent travellers.

These channels are also the best bets for the CTC to reach potential travellers to Canada. In fact, travellers interested in Canada are even more likely to have seen information in many of these sources – not surprising given the higher salience of the information to them.

Top Information Sources for Increasing Canada's Appeal

Potential travellers to Canada feel that the best sources for increasing Canada's appeal are: word of mouth, travel shows on television, articles in travel or in-flight magazines, websites / podcasts / travel blogs, and movies filmed or set in Canada (see Exhibit 17).

Exhibit 16: Sources of information on Canada in the past 3 months

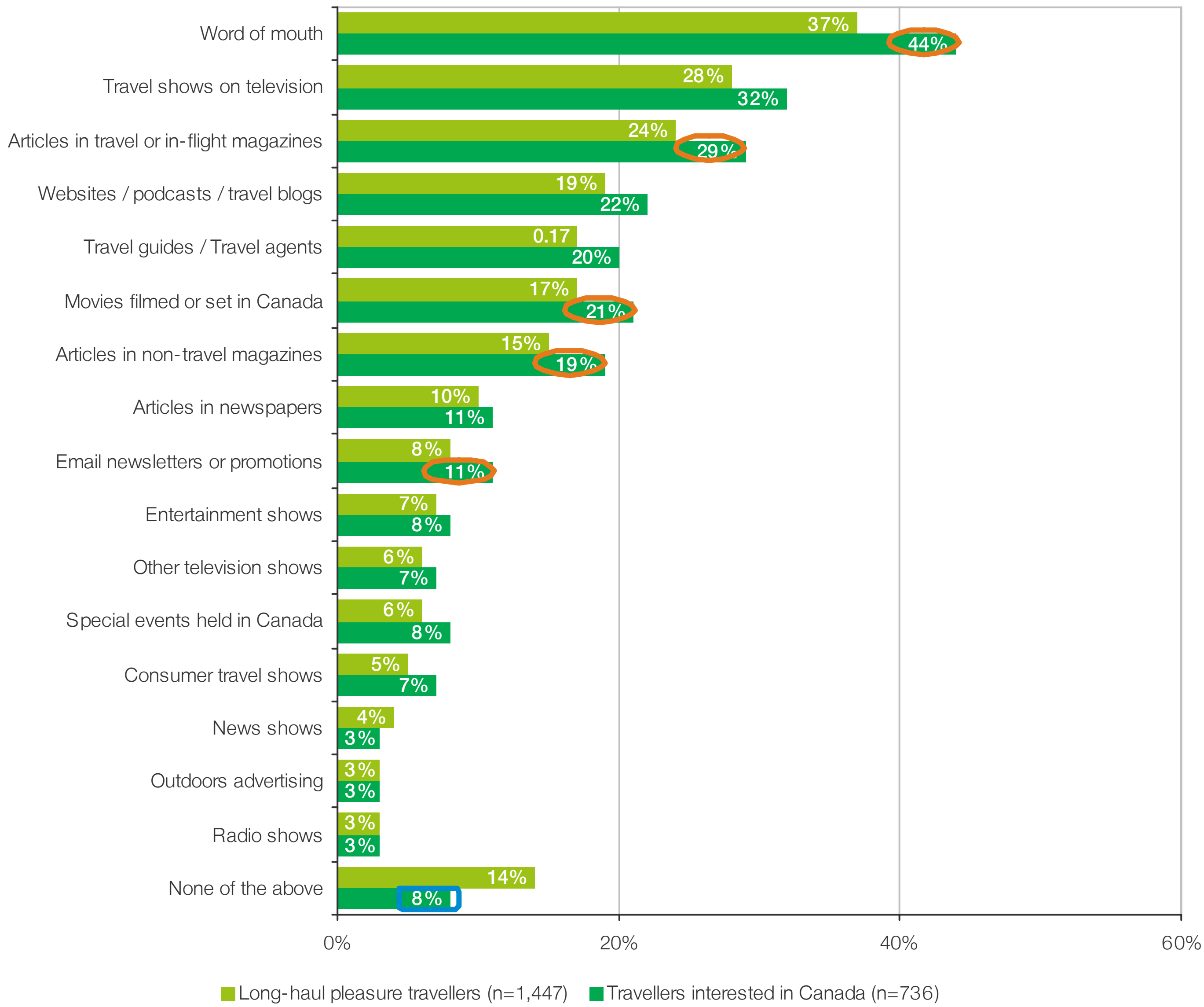


Base: Long-haul pleasure travellers.

*Notes: **Blue sqaures** indicate a result that is significantly lower than another group; **orange circles** indicate a result that is significantly higher than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

Exhibit 17: Top information sources for increasing Canada's appeal



Base: Long-haul pleasure travellers.

*Notes: **Blue sqaures** indicate a result that is significantly lower than another group; **orange circles** indicate a result that is significantly higher than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

what icons or images inspire interest in canada?

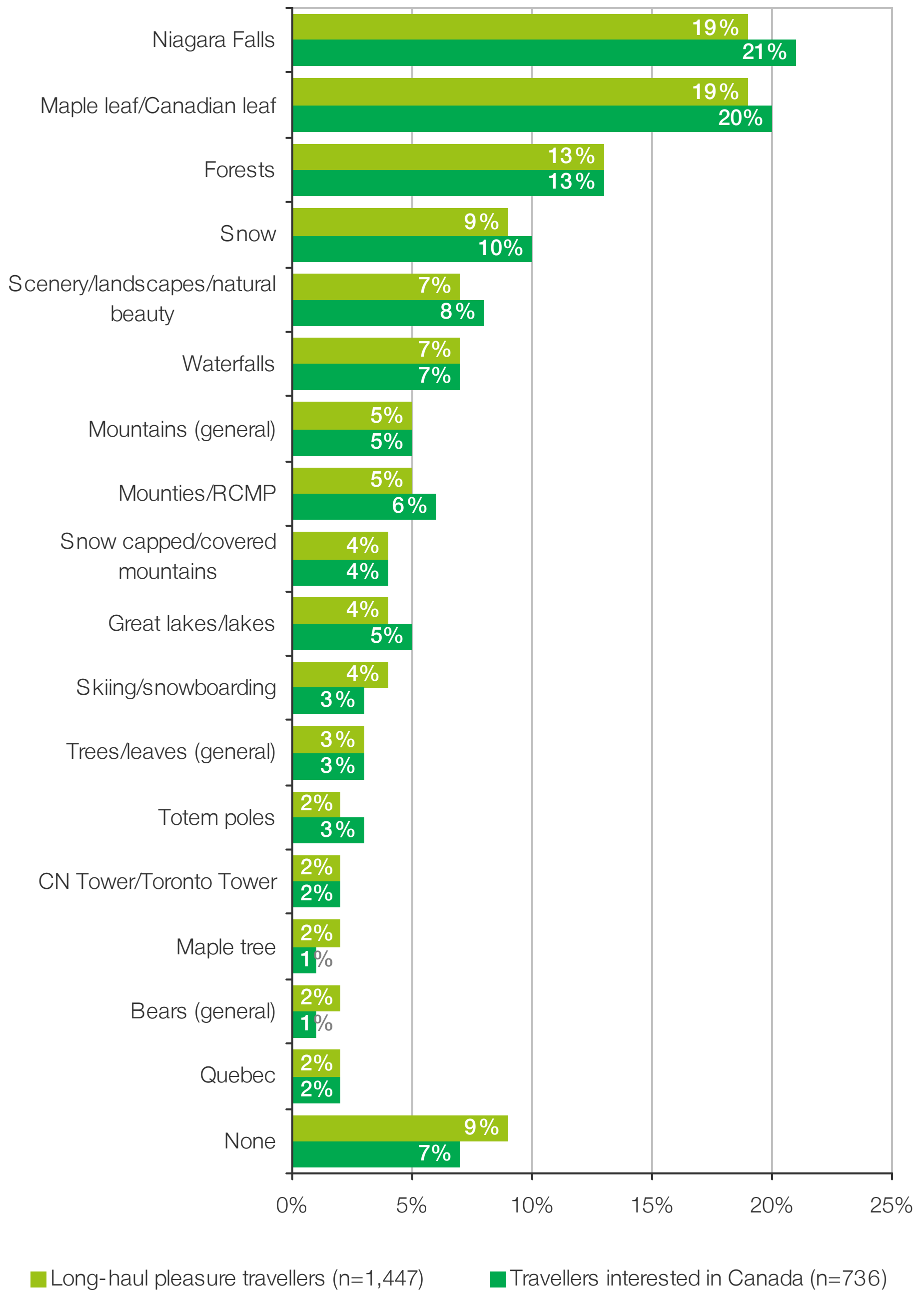
Exhibit 18 shows that Mexican travellers are largely inspired by nature imagery when thinking about Canada. Niagara Falls and the maple leaf are the top two icons, each identified by 19% of travellers, which is higher than in any other market. Mexicans appear to have a partiality to waterfalls, as more general mentions of waterfalls, at 7%, are also above the norm.

Forest imagery is also very appealing to Mexican travellers, and at 13%, has a relatively strong association with Canada. In fact, Mexico is virtually on par with the European markets (specifically Germany and France) in terms of the inspirational value of this imagery. More generally, mentions of trees/leaves (3%) are also more prominent in Mexico than in other markets.

Notable mentions of snow (9%), snow-capped mountains (4%) and skiing/snowboarding (4%) suggest that winter imagery is iconic for Canada and appealing to some. Most of the remaining images are also nature related, including scenery/landscapes, mountain and lakes.

The only images not relating to nature are Mounties (5%), totem poles (2%), the CN Tower (2%) and Québec (2%).

Exhibit 18: Icons or images that inspire interest in Canada



Base: Long-haul pleasure travellers.

*Notes: **Blue sqaures** indicate a result that is significantly lower than another group; **orange circles** indicate a result that is significantly higher than another group.*

Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years.

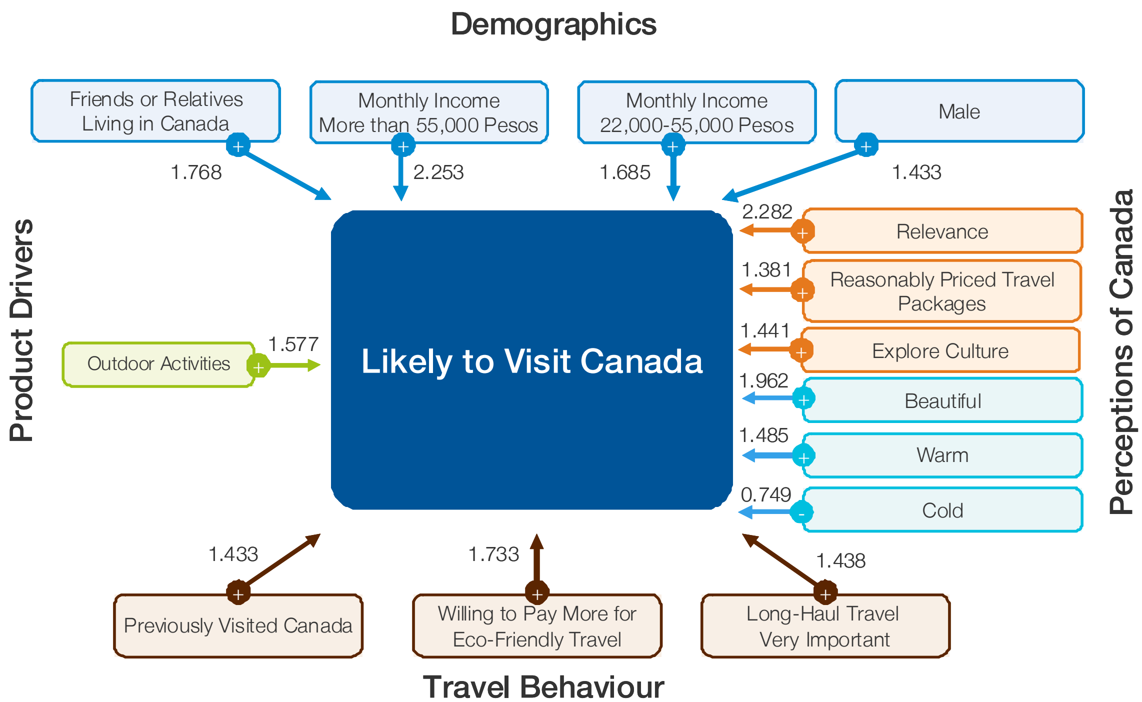
what are mexican's key drivers for visiting canada?

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

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

- One of the strongest predictors of future travel to Canada among Mexican travellers is income, which is consistent with previous results. In fact, the higher the income, the more likely they are to visit. Those earning 22,000 to 55,000 pesos per month are almost 1.7 times more likely to visit Canada than travellers earning less than this amount, while more affluent travellers with incomes greater than 55,000 pesos per month are more than twice as likely to visit.
- Travellers with close friends or relatives living in Canada have better chances of paying a visit to Canada. This is good news for Canada, as close to 40% of Mexicans know someone there.
- As in other markets, past travel to Canada is an important influence on travel intentions. All things being equal, those who have visited Canada in the past are about 1.5 times as likely to say they will visit Canada in the next two years as those who have never been.
- In terms of product drivers, outdoor activities are a strong pull factor, as they are in almost every market.
- Perceptions of Canada also have a strong influence on the purchase decision, with relevance having the greatest impact. In other words, those who view Canada as offering the kind of experiences they are specifically looking for have a greater potential to visit than travellers who do not share these sentiments.
- Mexicans are discerning travellers and concerned about value, so it is not surprising that those who feel that Canada offers reasonably-priced travel packages are more likely to visit. This suggests that having affordable packages and promoting their value will be important for attracting Mexican visitors.
- Those who see Canada as a place rich in culture and having beautiful nature/scenery have a higher propensity to visit, again stressing the importance of having a duality of strengths.
- Presenting Canada as warm, welcoming and friendly towards Mexicans will be important in drawing travellers, particularly since they are often viewed in a negative or stereotypical fashion in places like the US.
- As is the case in most markets, those for whom long-haul travel is highly important are more likely to visit Canada. This is, in fact, consistent with the attitudes of those who have actually visited Canada, as recent visitors tend to have a higher level of enthusiasm for long-haul travel.

Exhibit 19: Key Drivers For Likelihood To Visit Canada



Base: Long-haul pleasure travellers.

Notes: Numbers are odds ratios. Odds ratio is the exponentiated value of B. If >1, the odds ratio is the factor by which the odds of being likely to visit Canada increase as the independent variable increases; if <1, it is the factor by which the odds of being likely to visit Canada decrease.

conclusion and considerations

Demand for long-haul travel in Mexico has been growing steadily over the last decade in parallel with the country's economic growth and burgeoning middle class. While the incidence of long-haul travel remains lower than in most of the CTC's other markets studied, the potential for long-term growth is very high.

Even in a more challenging environment, Canada is very well positioned as a destination of choice in Mexico. It has a strong presence in the Mexican market, high top of mind awareness and consideration levels, a positive and well-rounded brand image, clear product strengths, and a wide range of perceived selling points. Canada is also perfectly pitched as both a high value, and an affordable, destination for Mexican travellers. It is no wonder that Mexico is one of Canada's fastest growing markets, sustaining an average growth of 17% per year since 2004.

Specific marketing implications arising from the GTW study that the CTC may wish to consider, depending on its mandate, priorities and budgets are as follows:

Key Performance Indicators

Give potential travellers compelling reasons to book. Canada enjoys strong top of mind awareness and destination consideration in the Mexican market; at 31% and 22%, respectively, both postings are the highest of any GTW CTC market. Moreover, Mexican travellers are extremely enthusiastic about Canada and among the most travel-ready of any market. In fact, Mexico is the only market where over 50% of travellers say they are likely to travel to Canada over the next two years. Although Mexican travellers do not need to be sold on Canada, they do need to be moved along the purchase cycle. In particular, there is a large segment of hot prospects (23%) that could be persuaded to commit through compelling calls to action, including attractively-priced offers and quick response promotions.

Consider increasing the level of investment. Mexicans entering the travel market typically start with domestic trips, moving to US travel as they become more sophisticated. Canada is the next step in the natural evolution of the market (along with South America), as travellers look further afield. To take advantage of the fact that the market has now entered the growth phase in the life cycle for travel to Canada, with high receptivity and conversion potential, the CTC may want to consider increasing its investment in Mexico, as there is a good chance this would produce solid returns (barring any temporary economic setbacks).

Target repeat travellers. Recent visitors to Canada offer very good opportunities for repeat travel, as having visited in the past is a key driver of future travel to Canada. In fact, fully 84% of recent visitors say they will definitely or are very likely to visit again in the next two years, with a remarkable 43% having already made a firm purchase decision. In targeting this segment, however, Canada could look at opportunities to promote new travel experiences, including lesser-known destinations, more specialized product interests, unique new attractions and popular events, as a way of luring repeat travellers and ensuring they are engaged once they get here.

Brand Performance

Improve quality perceptions of Canada. Mexico is a good news story for Canada when it comes to perceptions of the country, with brand, value and cost perceptions all relatively strong. If there is a weakness, it is perceptions of quality, with a fairly weak agreement of just 50%. Because Mexicans are discerning travellers that demand high quality products and value for money, Canada may wish to improve quality perceptions. Accordingly, marketing and promotions in Mexico could focus primarily on Canada's best-in-class offerings to add to the overall lustre of the Canadian travel experience.

Craft a more energetic and youthful image. While Canada has a number of strengths to build on in terms of brand personality (e.g., "intriguing" and "warm"), more could be done to bring greater energy and vitality to the brand. In particular, Canada may wish to improve perceptions of its "youthfulness" as Mexican travellers tend to be a fairly young crowd (46% are 18 to 34). Although a good portion of current travel to Canada may be generated by older Mexicans visiting people they know in Canada, the young represent the vanguard of Mexican travel. Given that the 18 to 34 segment represents around 44% of potential visitors in the next two years, the CTC may want to ensure that Canada's campaigns appeal to the younger set (e.g., highlighting nightlife, fashion, shopping, etc).

Turn the potential economic downturn into an advantage for Canada. Mexican travellers have among the best cost perceptions of Canada of any CTC market. Moreover, Canada will likely always be perceived as inexpensive when compared with destinations like Europe and Asia. Obviously, this is a strong competitive advantage for Canada, particularly when coupled with the fact that it is also seen as an intriguing and compelling vacation spot, with high perceived value. The potential economic downturn ahead could produce some new opportunities for Canada in the short-term, causing Mexican travellers to become more price-conscious and substitute Canada travel for overseas holidays.

Product Opportunities

Fortify Canada's positioning on outdoors products. Although Canada is well-positioned when it comes to outdoor products, the US is slightly ahead and presents some tough competition. Canada could do more to enhance impressions of its outdoor offerings as a way of building clear leadership and capturing the growing segment of Mexican travellers looking for more active holidays. In particular, Canada could try to put more distance between itself and the US on skiing, as it does not enjoy the strong lead that it has in most other markets. The 2010 Winter Olympics is, of course, an ideal opportunity to achieve this.

Enhance awareness of cultural products. Diversification is the key to unlocking the Mexican market, and nature/outdoors products alone will not be enough to cause Mexican travellers to come knocking. While Canada is generally viewed as a place for cultural exploration, Canada's cultural products are not top of mind for Mexican travellers and don't stand up well to powerhouse competitors like France and Spain. This undermines opportunities to appeal to Mexican travellers, for whom culture/history is a vacation priority. Marketing efforts in Mexico could focus on boosting awareness of Canada's aboriginal culture products (which is perceived as the strongest of Canada's cultural offerings) and historical/cultural attractions (e.g., museums, historical/heritage sites), as these are at the very top of Mexican travellers' to do lists.

Promote individualized and guided tour itineraries. Mexican travellers have a higher than average interest in touring – both guided and self touring – perhaps because of their desire for a diverse travel experience. As such, the industry could develop tour itineraries that allow travellers to do a bit of everything, including city experiences, cultural/historical attractions, and a taste of wondrous scenery and nature. Mexicans generally don't like to relax while on vacation, so itineraries should ensure that they are kept busy. While guided tours are regarded as a strength, Mexico is one of the few markets to identify independent touring as a weakness for Canada. The CTC could emphasize the wealth of scenic and historic tours available in Canada, including rail tours that compete well with the best that France and Spain have to offer.

Develop city break packages for Toronto and Vancouver. Nowhere is the interest in exploring Canada's cities stronger than it is in Mexico. At 84%, interest in Canadian city experiences is not only the highest absolute rating across the GTW markets, but its importance relative to other vacation activities is higher as well. As such, city break packages that include airfare, upscale hotel accommodations, tickets for high-profile shows or other entertainment, and admissions to museums, cultural attractions and historical sites might prove popular, particularly for affluent Mexicans that are too busy to take extended trips.

Develop and market products around eco-tourism. Mexican travellers emerge as one of the most environmentally-conscious of the GTW markets, and their widespread view of Canada as an environmentally-friendly destination indicates a general receptivity to messaging and products around an eco-tourism theme. As a result, Canada could market its best-in-class eco-tours, wildlife reserves, eco-lodges/resorts and other green products to Mexican travellers. Like Koreans, Mexicans are willing to pay a fairly high premium for eco-tourism products, and such offerings have the added benefit of helping to shore up Canada's quality ratings.

Target Mexican travellers for winter travel. Approximately 85% of Mexican travellers identify winter activities and scenery as a motivation for visiting Canada, and 25% say that skiing/snowboarding is always or often important as a vacation pursuit. This makes Mexico one of the top markets to target for winter travel and ski products, likely because they can't experience these things at home. Mexicans typically take ski trips during Semana Santa, a one-week national holiday period right before Easter, so Canada's communications could be timed appropriately. In addition to skiing, there may be potential for other winter activities such as cross-country skiing and sledding, as well as less active products such as winter festivals.

Promote Canada as a place for learning products and personal enrichment. Unique to Mexico is the fact that hands-on learning is a niche product strength for Canada, and one that merits active pursuit, given that almost half of all travellers enjoy these types of activities. While the US currently leads Canada on hands-on learning by a small margin, Canada's advantage is that it is seen as having aspirational living and educational standards, as well as a safe and relaxing environment to foster learning. Learning English represents a particularly good opportunity for Canada in terms of product potential, but so are ski camps, nature photography and similar products that play to Canada's strengths.

Strategic Marketing

Use specialized travel media to reach potential travellers to Canada. Results suggest that Mexican travellers are predominantly getting their information on Canada through specialized travel media, such as travel magazines and travel shows on television. These same sources are felt to have the most impact in enhancing Canada's appeal, suggesting that they may be a good choice for the CTC to reach potential travellers in Mexico.

Enlist and engage past visitors to Canada. Word of mouth carries considerable weight in relaying information about Canada to potential visitors in this market. Given the high degree of satisfaction with the Canadian trip experience among past visitors, the CTC and its regional partners could use tactical marketing techniques to keep these travellers engaged and acting as advocates for Canada through relationship marketing, travel clubs, networks and contests, and reward and referral programs. User-generated online content (e.g., visitor testimonials, photo galleries, traveller reviews of attractions) could also be incorporated, as online channels are one of the top five sources for increasing Canada's appeal, and are growing rapidly in importance.

Use nature imagery in marketing initiatives. The CTC could use nature imagery in its marketing initiatives as Mexican travellers find this imagery very inspiring. The focus could be on Niagara Falls and the maple leaf, as these are highly iconic in the Mexican market, as well as images of forests, mountains, and skiers/winter imagery. However, given the appeal of history/culture, cosmopolitan cities, shopping and entertainment to Mexicans, urban images should be featured as well to hone a more well-rounded image of Canada and appeal to this market's desire for diversity.

Leverage the 2010 Olympic Games. The fact that Canada is hosting the Olympic Games is highly influential in encouraging Mexican interest in Canada. Moreover, Mexican travellers are highly interested in attending major events (including sports events). The CTC could continue to work together with Tourism BC and Games sponsors to promote "trip of a lifetime" opportunities for Mexican travellers to come and see a world-class sports event, experience the City of Vancouver and explore some of the province's wondrous nature offerings and premier ski areas after the Games. More generally, there are opportunities to leverage the Games to enhance Canada's positioning in Mexico and further enrich the country's image perceptions.