



Canadian Tourism
Commission

Commission canadienne
du tourisme

Global Tourism Watch Year 3

France - Key Findings

Canadian Tourism Commission (CTC)

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Introduction

Background

Driven by the launch of a new global brand and ongoing challenges in Canada's priority markets, the Canadian Tourism Commission (CTC) implemented an ongoing Global Tourism Watch (GTW) program in 2007 to expand consumer-based intelligence in its core markets.

In 2009, the third year of the program, the GTW was implemented in ten markets – Canada, the US, Mexico, the UK, France, Germany, Australia, Japan, China and South Korea¹. The Year 3 research was co-funded by a regional partner group that included British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Atlantic Canada, Yukon and Northwest Territories.

Objectives

The GTW program was designed to collect market intelligence across core markets in a consistent way. The specific study objectives were set around following four over-arching themes:

- Monitor key performance indicators;
- Track response to Brand Canada;
- Identify and track product opportunities; and
- Provide input into strategic market plans.

The primary focus of the 2009 reports is on identifying shifts in each market since 2007. The GTW is to continue to track the key indicators on an annual basis in order to develop trend lines, assess Canada's market performance and examine market shifts over time.

Ultimately, the GTW study will provide the CTC, its partners and the Canadian tourism industry with information to help enhance Canada's marketing strategies globally and draw international travellers to its shores.

¹ The 2009 program is the second year in which China was included and the first year in which Canada was included.

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.

A total of 1,513 French respondents (including 308 recent travellers to Canada) completed the online survey. Fieldwork was conducted in May 2009 to align with the CTC's campaign timing.

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

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

France Competitive Set

To assess Canada's positioning in the French market, a number of questions in the survey asked respondents to rate Canada against key competitors, as identified by the CTC. The competitive set for France was as follows: Brazil, Dominican Republic, Mexico, the US, Thailand and China.

France Study Partners

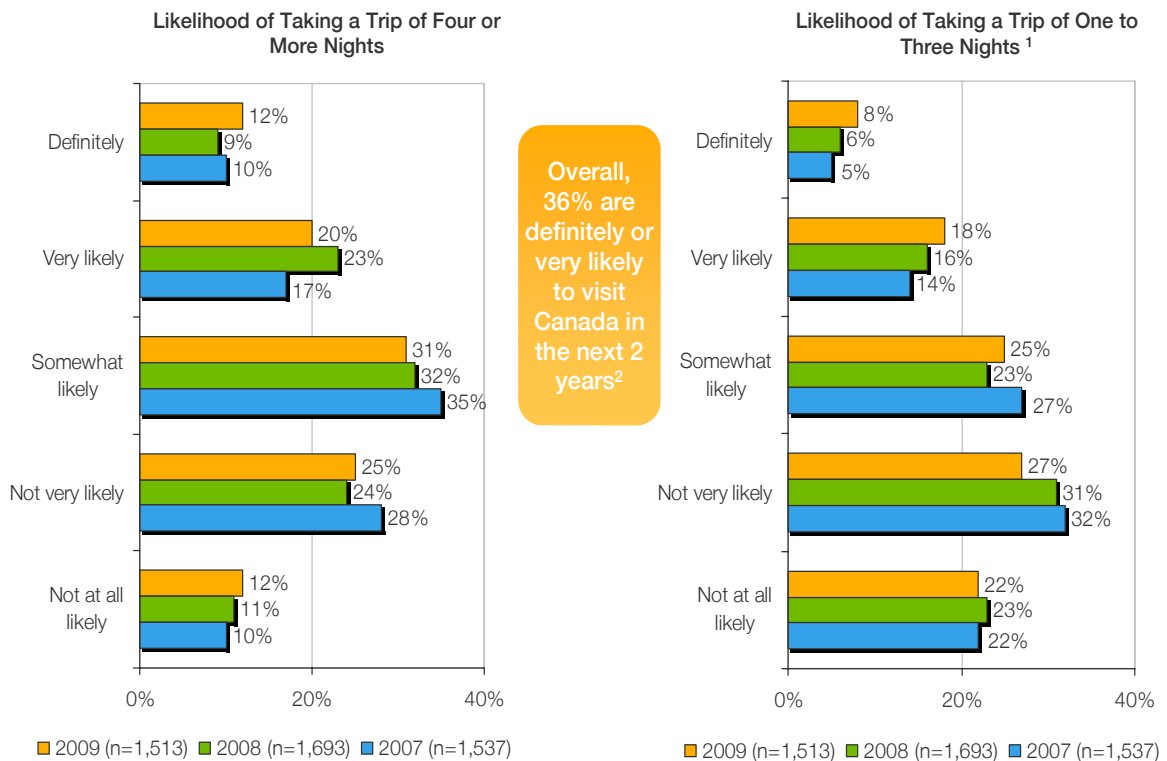
Regional partners for the Year 3 study in France include: Alberta, British Columbia, Manitoba, Northwest Territories, Ontario and Yukon.

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

Likelihood of Visiting Canada

While travel intentions for longer vacations of four or more nights remain flat in 2009, intentions of visiting Canada for one to three nights is up significantly this year (see [Exhibits 1](#)). At 26%, the potential for shorter getaways to Canada is now up seven percentage points over the 2007 baseline, likely because the burgeoning interest in the US is spilling over into potential add-on travel for Canada.

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



Base: Long-haul pleasure travellers.

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

² Includes trips of one to three nights or four nights or more.

Size of the Potential Market to Canada

Exhibit 2 provides an estimate of the size of the potential market for Canada in two ways.

The target market is a broader estimate of the market size based on expressed interest among French travellers, more specifically those very or somewhat interested in visiting Canada in the next two years. This yields a target market of more than 11.8 million travellers with some level of interest in Canada.

The immediate potential is a more conservative estimate of the potential market based on those who say they will definitely or are very likely to visit Canada in the next two years. At over 5.4 million travellers, France retains its standing as the overseas market with the greatest immediate potential for Canada.

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

	Size of Potential Market to Canada
Total potential long-haul pleasure travellers (aged 18 plus)	15,177,000
Target Market for Canada	
Very/somewhat interested in visiting Canada in the next 2 years	78%
Size of the target market	11,838,000
Immediate Potential for Canada	
Will definitely/very likely visit Canada in the next 2 years ¹	36%
Immediate potential	5,464,000

Base: Long-haul pleasure travellers (n=1,513).

Note: ¹ Includes respondents likely to visit Canada on a trip of one to three nights or a trip of four nights or more.

Canadian Destinations² Likely to Visit

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

Québec (91%) continues to be the top destination in Canada for French travellers in 2009, followed by Ontario (79%) and British Columbia (69%). However, Alberta has now usurped Newfoundland in fourth place, gaining a remarkable 11 percentage points since 2007. In fact, Alberta is the only province to see a significant increase in appeal this year, with most provinces headed in the opposite direction (e.g., Québec, Ontario, British Columbia, Newfoundland, Nova Scotia and Northwest Territories have all witnessed acute declines in 2009).

While Niagara Falls continues to be the most popular individual destination in Canada (among the regional partners of the GTW study), travel intentions have slipped this year, falling from 77% to 69%. With the French market now comprised of proportionately more repeat travellers, it is likely that many have seen this popular tourist attraction before. In contrast, Ottawa and Other Ontario have both seen healthy gains in appeal, although not enough to offset the losses for Niagara Falls. Vancouver is also down this year, driving most of the cooling trend for British Columbia.

Exhibit 3 shows the immediate potential for the regional partners of the GTW study based on current levels of interest. The potential market for Ontario is the largest at over 4.3 million, followed by British Columbia at close to 3.8 million, and Alberta at around 2.0 million. The French market also offers healthy potential for Northwest Territories at over a million.

Exhibit 3 - Destination Interest and Market Potential for the Regions

	BC	AB	MB	ON	YK	NT
Immediate potential for Canada	5,464,000					
Likely to visit region ¹	69%	38%	16%	79%	15%	19%
Immediate potential for the regions	3,770,000	2,076,000	874,000	4,317,000	820,000	1,038,000
Most popular destinations within region	Vancouver (57%) Victoria (25%) Whistler (6%)	Calgary (22%) Edmonton (9%) Jasper (6%)	n/a	Niagara (69%) Toronto (54%) Ottawa (43%)	n/a	n/a

Base: Long-haul pleasure travellers (n=1,513).

¹ *Base for percentages is 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=1,060).*

Note: Regional estimates are not additive since travellers may visit more than one region on a single trip.

² CTC partner regions only. (British Columbia, Alberta, Manitoba, Ontario, Yukon and Northwest Territories)

Awareness Levels of Canada

Unaided Performance Indicators

The Global Tourism Watch measured three unaided (or top-of-mind) indicators³ – unaided awareness of Canada, unaided awareness of Canadian travel advertising, and unaided destination consideration.

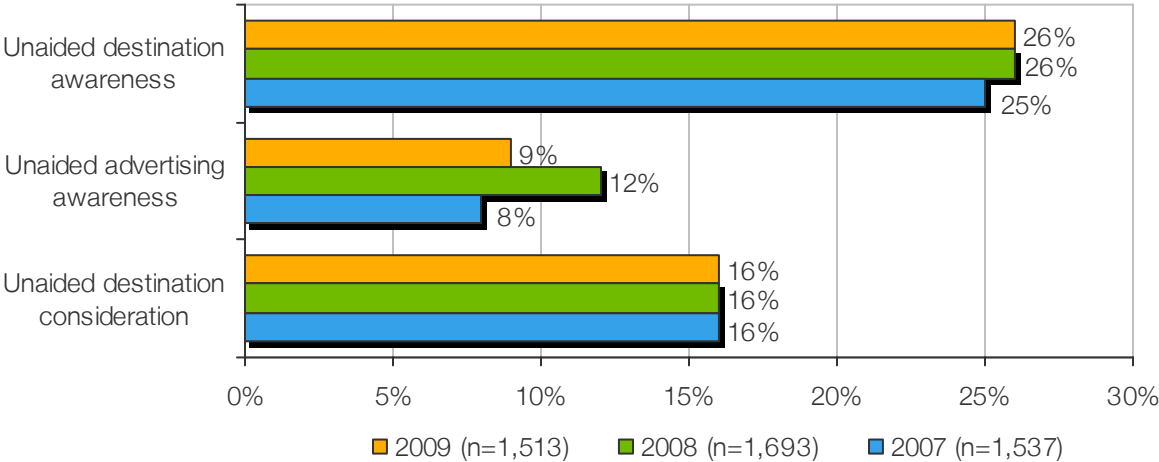
To measure brand awareness, respondents were asked to name destinations that come to mind for a long-haul vacation. **Exhibit 4** shows a roll-up of the awareness results for Canada. The country roll-up figure is the total awareness for a country, including all sub-destinations (i.e., total awareness for Canada includes mentions of “Canada” itself and all destinations within Canada). The US is enjoying renewed popularity this year after a slight dip in 2008, maintaining its number one position for three consecutive years. Awareness of Australia and Canada are both holding steady, with these destinations winning the number two and three spots, respectively. At 26%, unaided awareness of Canada remains remarkably high by GTW standards, second only to Mexico among the markets fielded to date.

As in most of the other GTW markets completed to date, awareness of Canada’s 2009 campaign is below that of last year’s initiative (falling three percentage points to 9%). This puts Canada in second place immediately behind the US, although the top three destinations are all very close in terms of their scores.

Exhibit 4 also shows the travel destinations being considered by French travellers for long-haul trips in the next two years. The top three destinations have remained stable since 2007, with the US uppermost on the radar of French travellers, followed by Canada and Australia. Consistent with the unaided awareness results, the US has sharpened its lead this year (from 22% to 27%), allowing it to pull even further ahead of Canada.

³ Cumulative results including mentions of Canada and sub-destinations within Canada.

Exhibit 4 - Unaided Performance Indicators for Canada



Base: International pleasure travellers.

* Base : Those who are planning on taking a long-haul trip in the next two years 2009 (n=1,266) / 2008 (n=1,388) / 2007(n=1,158)

Notes: Roll-up of brand mentions by country, e.g., percentage who said Canada or any destination in Canada.

Recent and Potential Visitors from France

Target Market for Canada

Exhibit 5 provides demographic profiles of French long-haul travellers as a whole, recent travellers to Canada and travellers interested in visiting Canada. While, potential visitors remain similar to the market as a whole, recent visitors to Canada represent a distinctive segment of the long-haul market. Not only are they older and more likely to have children at home, they are generally more upscale, having higher incomes, better education and more senior positions in the workforce (i.e., business owners or middle to high-level professionals).

With many intenders and less committed travellers dropping out of the long-haul market this year, there has been a clear shift in the demographics of all three traveller groups since 2008. Reflecting a more hardcore travelling population, French travellers are now significantly more affluent and better educated, with higher-ranking occupations. For example, the proportion with household incomes of 42,000 Euro (i.e., CDN\$66,000⁴) per year or more has risen from 32% last year to 38% this year, while the owner/professional occupation segment has increased from 54% to 60%.

These trends are even more well-defined among recent visitors to Canada. The proportion of travellers earning 54,000 Euro (i.e., CDN \$85,000) per year or more escalated from 24% to 37% this year, while the size of the owner/professional segment rose from 58% to 70%. Accordingly, the CTC and its partners may want to focus their efforts on the more upscale segments of the market until the economy recovers and more skittish long-haul travellers begin travelling again.

⁴ Exchange rate (May 4, 2009): 1 Euro = CDN\$1.5745.

Exhibit 5 – Target Market Demographics

	All L-H Travellers (n=1,513)	Recent Travellers to Canada (n=308)	Interested in Canada (n=675)
Gender			
Female	47%	48%	47%
Age			
18 to 24	15%	10%	14%
25 to 34	25%	19%	27%
35 to 44	19%	23%	19%
45 to 54	14%	17%	15%
55 or older	27%	31%	26%
Close Friends or Relatives Living in Canada			
Yes	24%	38%	26%
Have Children in Household Under 18			
Yes	35%	42%	36%
Marital Status			
Married / partnered	68%	71%	69%
Single / never married	24%	22%	23%
Other (e.g. separated, divorced, widowed)	8%	7%	8%
Education			
High school or less	21%	17%	21%
Technical / vocational	12%	7%	11%
Completed college / university	63%	72%	64%
Employment Status			
Employed full-time/part-time	64%	71%	68%
Housewife / homemaker	4%	3%	4%
Retired	16%	14%	15%
Unemployed	3%	3%	1%
Student	9%	6%	8%
Occupation			
Self-employed / Business owner	10%	13%	8%
Professor / Scientific professional	4%	7%	5%
Manager / High-level professional	31%	32%	31%
Middle-level professional	15%	18%	18%
Salaried employees	26%	21%	26%
Service employees / workers	5%	3%	5%
Other	9%	7%	7%
Average Monthly Household Income			
Less than 1,500 Euro	14%	10%	13%
1,500 to under 2,500 Euro	22%	18%	25%
2,500 to under 3,500 Euro	26%	20%	27%
3,500 to under 4,500 Euro	17%	15%	18%
4,500 Euro or more	21%	37%	18%

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

Target Market for Canadian Regions⁵

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

There are very few meaningful significant differences between the groups. The most notable exceptions are with respect to income, with Alberta and Ontario typically appealing to less affluent travellers. Travellers interested in Manitoba also tend to be older (44% are 55 plus).

⁵ CTC partner regions only. (British Columbia, Alberta, Manitoba, Ontario, Yukon and Northwest Territories)

Exhibit 6 - Target market for Canada's regions

	Total ¹ (n=1,060)	BC ³ (n=109)	AB ² (n=397)	MB ² (n=163)	ON ³ (n=332)	North ² (n=323)
Gender						
Female	47%	46%	47%	49%	55%	41%
Age						
18 to 24	13%	20%	14%	8%	15%	9%
25 to 34	25%	23%	23%	16%	22%	20%
35 to 44	21%	24%	21%	20%	20%	22%
45 to 54	14%	13%	14%	12%	14%	17%
55 or older	27%	21%	28%	44%	29%	33%
Close Friends or Relatives Living in Canada						
Yes	28%	35%	27%	26%	20%	28%
Have Children in Household Under 18						
Yes	37%	37%	35%	32%	37%	35%
Marital Status						
Married / partnered	69%	62%	66%	69%	66%	67%
Single / never married	23%	25%	24%	20%	24%	21%
Other	9%	13%	10%	11%	10%	12%
Education						
High school or less	20%	15%	23%	25%	27%	25%
Technical / vocational	11%	9%	11%	13%	12%	11%
Completed college / university	64%	71%	62%	58%	57%	59%
Employment Status						
Employed full-time / part-time	66%	65%	65%	59%	63%	64%
Housewife / homemaker	4%	1%	4%	4%	6%	4%
Retired	16%	15%	15%	25%	14%	18%
Unemployed	2%	1%	2%	1%	3%	2%
Student	8%	17%	9%	7%	10%	7%
Occupation						
Self-employed / Business owner	10%	16%	13%	14%	11%	10%
Professor / Scientific professional	4%	5%	5%	3%	2%	5%
Manager / High-level professional	32%	32%	27%	35%	31%	35%
Middle-level professional	15%	13%	15%	14%	13%	14%
Salaried employees	26%	26%	27%	22%	30%	25%
Service employees / workers	4%	3%	5%	6%	4%	6%
Other	8%	4%	7%	7%	9%	4%
Average Monthly Household Income						
Less than 1,500 Euro	13%	14%	16%	9%	11%	12%
1,500 to under 2,500 Euro	23%	14%	25%	18%	28%	20%
2,500 to under 3,500 Euro	26%	24%	25%	26%	27%	22%
3,500 to under 4,500 Euro	17%	23%	15%	25%	10%	22%
4,500 Euro or more	21%	26%	18%	22%	23%	24%

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.

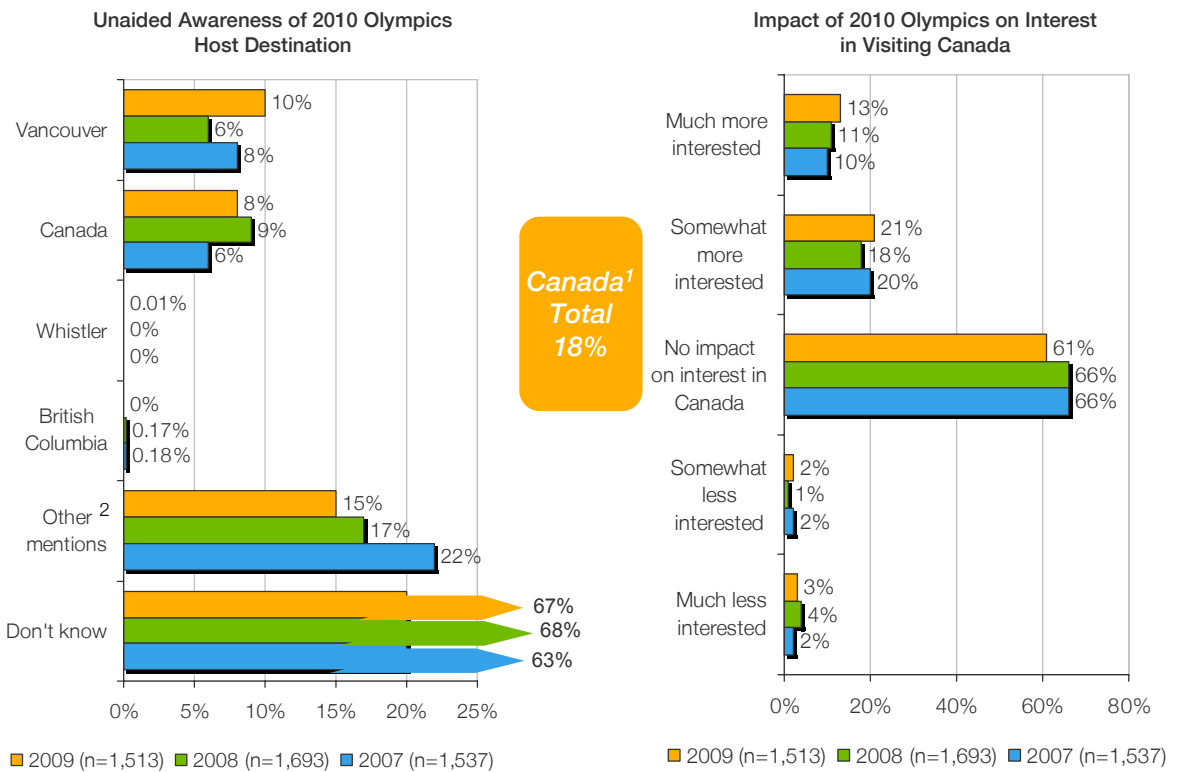
² Those likely to visit the region.

³ Those most likely to visit the region.

The Impact of the 2010 Winter Games on Travel to Canada

As in most other markets, awareness of Canada as the host of the 2010 Olympic Games has increased among French travellers this year (18%), driven primarily by enhanced recognition of “Vancouver” as the specific host city (see [Exhibits 7](#)). The influence of the Games on interest in visiting Canada has also risen from 29% to 34%. However, compared with other GTW markets, both the awareness and impact figures continue to be fairly low, indicating relatively poor opportunities to stimulate both event-related trips and post-Games travel.

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



Base: Long-haul pleasure travellers.

Note: ¹ Includes all mentions of Canada, British Columbia, Vancouver and Whistler.

² Includes all mentions of destinations of than Canada.

Canada's Product Strengths and Weaknesses

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

Product Strengths

General product strengths for Canada are products that are both important in the minds of travellers in planning their long-haul trips and for which Canada is favourably viewed. Like last year, most of Canada's product strengths in France revolve around nature, including beautiful scenery, national parks/protected areas and wildlife.

Encouragingly, both cities close to nature and nature close to cities are seen as general strengths, offering a strong foundation on which to market Canada's major cities and validating the Vibrant Cities on the Edge of Nature USP⁶. Marketing campaigns should ensure that Canada's city products are presented as immersive and authentic experiences, as French travellers shy away from more contrived or artificial offerings.

Niche product strengths appeal to smaller groups of French travellers and represent potential niche markets to be developed or targeted. Canada's niche strengths celebrate the great outdoors, ranging from skiing and other winter activities, to multi-day journeys by land and water, to summer activities like day hikes and fishing.

With the resorts item changed to reflect natural settings this year, this product has received a healthy boost, moving from a poorly-positioned niche weakness to a niche strength. Multi-day self-touring is also a strong niche, and a particularly important one for Canada, given the relatively high demand levels.

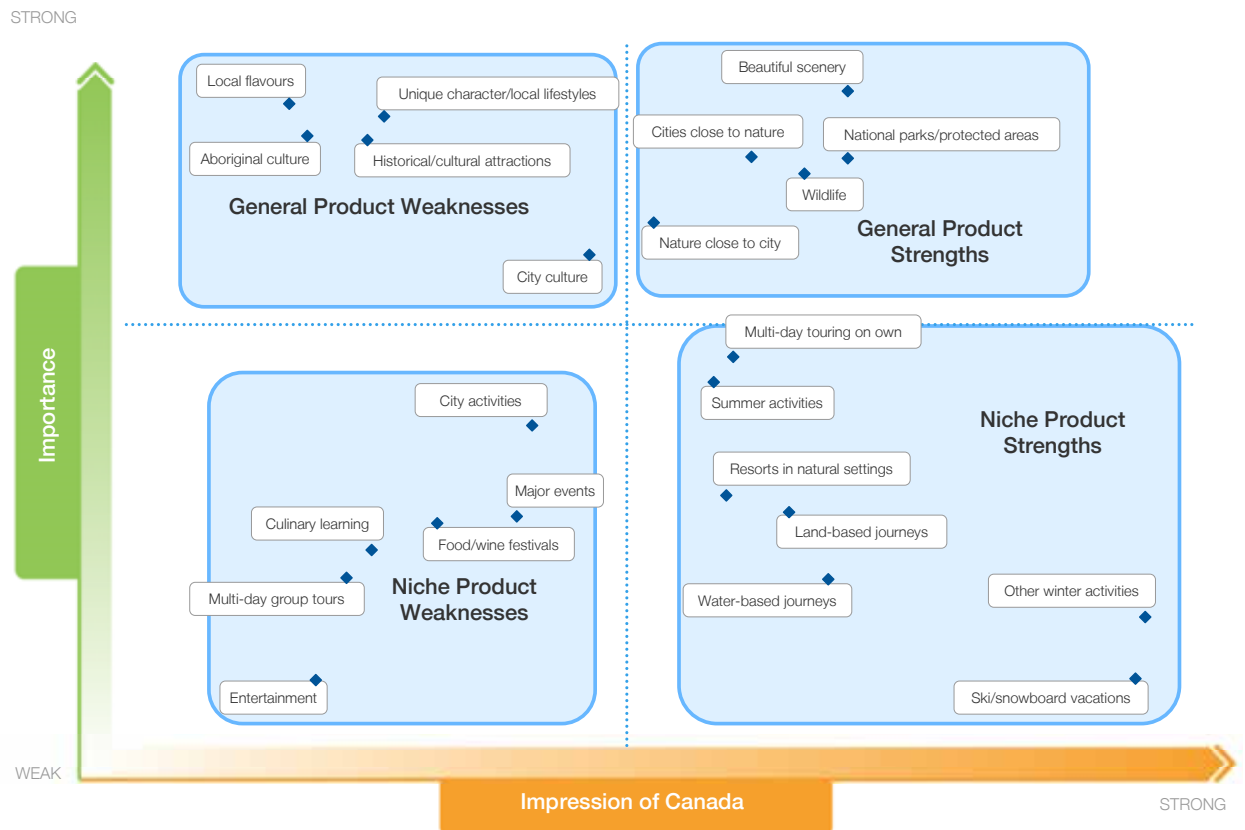
Product Weaknesses

General product weaknesses are products that are important to travellers, but for which Canada is not favourably rated, pointing to possible issues (perceptual or actual) to be mitigated. Although French travellers have reasonably strong perceptions of the cultural dimension of Canada's brand, the related product offerings (e.g., local flavours, local lifestyles, aboriginal culture, historical/cultural attractions) continue to be perceived as weaknesses for Canada relative to other products. City culture is also a weakness for Canada, but a borderline one that could easily be turned into a strength with appropriate marketing. Again, this advantageous positioning suggests that France may yield better prospects for Canada's city products than many other markets.

⁶ USP: The CTC identified five Unique Selling Propositions (USPs) for Canada. They are 1) Vibrant cities on the edge of nature; 2) Personal journeys by land, water, and air; 3) Active adventure among awe-inspiring natural wonders 4) Award-winning Canadian local cuisine 5) Connecting with Canadians.

Niche marketing weaknesses are unfavourably rated activities that appeal to smaller groups of travellers. While city activities (e.g., sightseeing, shopping) are a general weakness for Canada in many markets, in France, the tendency to shun more mundane tourist activities makes this a niche weakness. Coupled with this are major events, entertainment and guided group tours. Canada is also perceived as lacking on the culinary front, with food/wine festivals and culinary learning seen as shortcomings for the destination.

Exhibit 8 – Product Strengths and Weaknesses Map



Base: Long-haul pleasure travellers (n=1,513).

French Views on Environmentally-friendly Travel Products⁷

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.

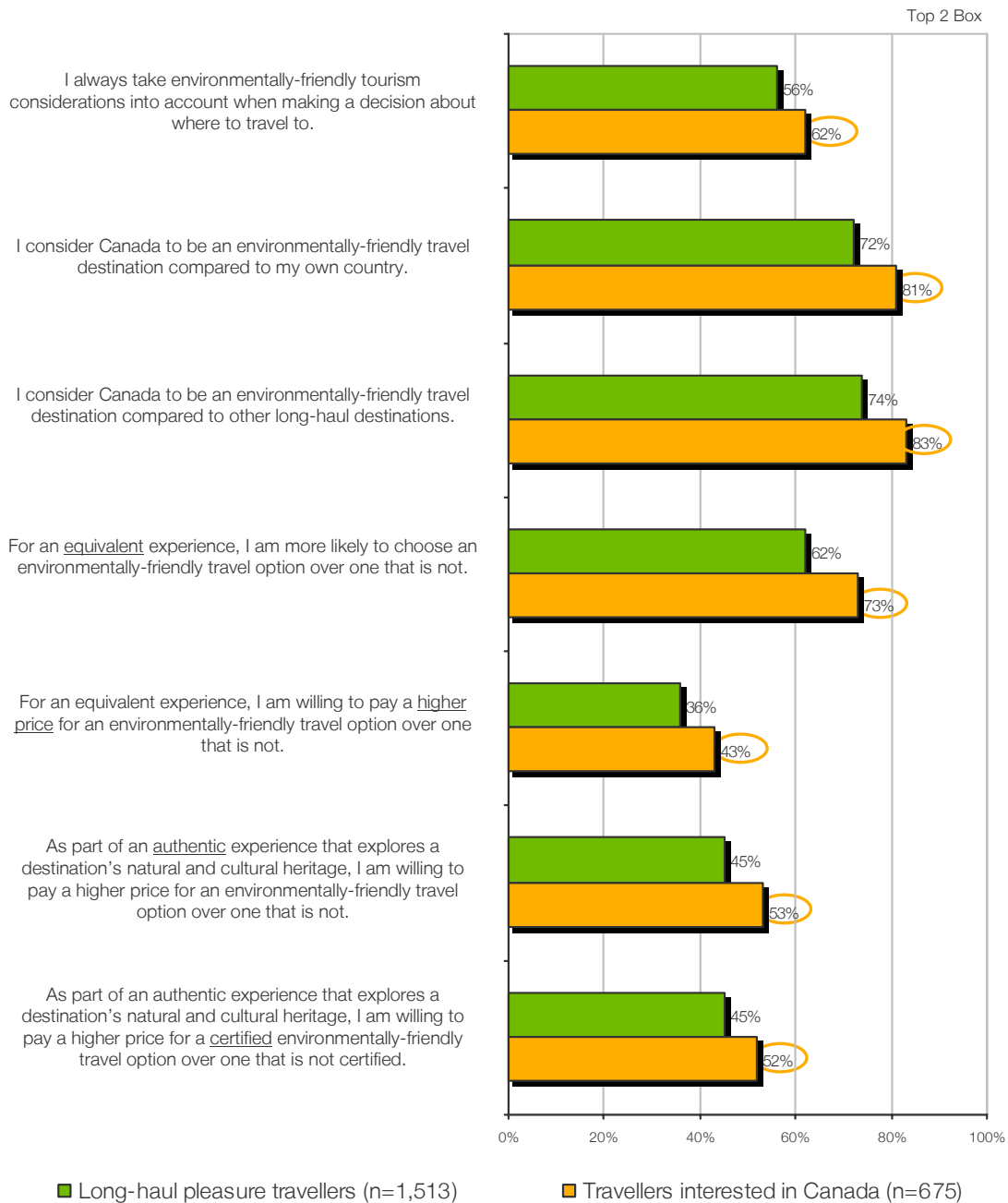
French travellers are unquestionably the most environmentally-conscious of the European markets, awarding substantially higher ratings than their German or UK counterparts across the board. As shown in [Exhibit 9](#) over half take environmental considerations into account when choosing a travel destination, and over 60% are more likely to choose an eco-friendly travel option over one that is not.

While only 36% are willing to pay a premium for an environmentally-friendly travel option, this is still higher than the proportion in either Germany or the UK. When considering an authentic travel experience that provides insights into a destination's natural or cultural heritage, this figure jumps to 45%. However, a certified eco-friendly experience has no additional impact on the willingness to pay extra.

Over 70% of French travellers consider Canada to be an environmentally-friendly travel destination, both in comparison to their own country and to other long-haul destinations. Potential travellers to Canada are over the 80% mark on these attributes, and are generally more environmentally-conscious than long-haul travellers at large.

⁷ Question changed in 2009, therefore results are not comparable to past years.

Exhibit 9 – Attitudes Toward Environmentally-Friendly Travel



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

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

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

How Canada is Perceived by French Travellers

Unaided Brand Personality Perceptions

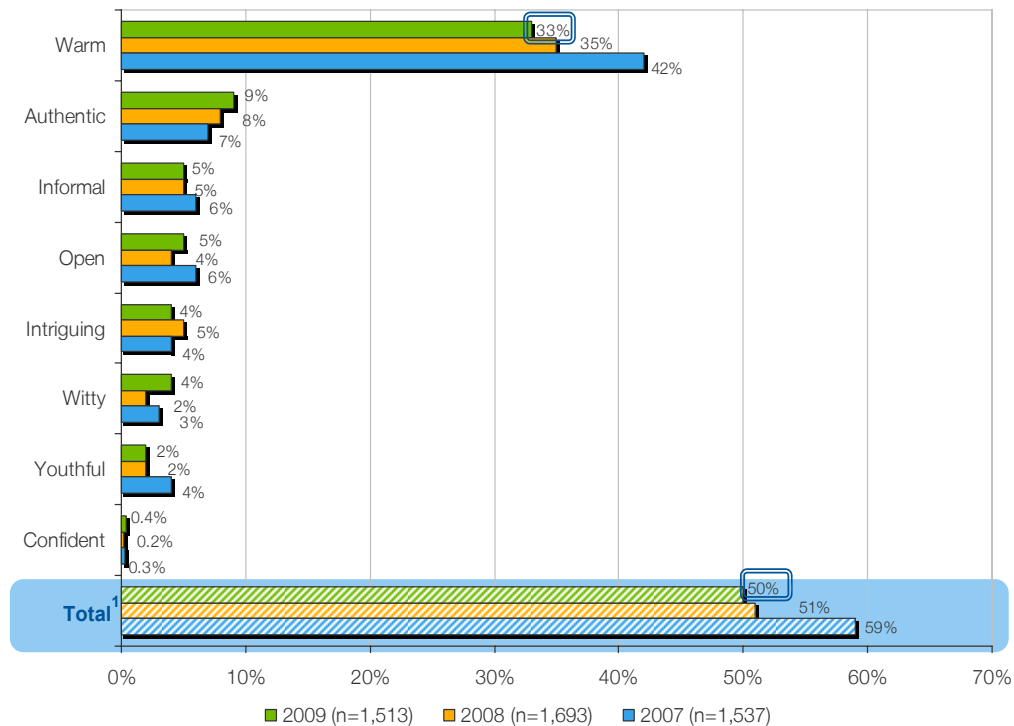
Brand personality often serves as a good metaphor for understanding travellers' perceptions of a destination. As such, respondents were asked to indicate three personality traits or characteristics that come to mind when they think of Canada as a person. The responses were coded into a number of personality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

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

Deepening a downward trend that emerged in 2008, the proportion of travellers who view Canada as Warm has dropped to 33% this year, driving the overall figure (i.e., the proportion who name at least one brand Canada trait) down to 50% (see [Exhibit 10](#)). This trend was seen in virtually every GTW market in 2008, and likely reflects the globalized efforts of the CTC and its partners to take Canada's image beyond warm and friendly. Still, the 33% score for Warm is high by GTW standards, again pointing to the kinship and camaraderie that French travellers feel for Canadians.

The other brand Canada traits are essentially in a holding pattern, with no major shifts since the tracking study began. Aside from Warm, Authentic (9%) is the only trait to be mentioned by more than 5% of respondents on an unaided basis, and is again on the high side in comparison to other markets.

Exhibit 10 – Unaided Brand Personality Perceptions



Base: Long-haul pleasure travellers.

Notes: Blue squares indicate a result that is significantly lower than 2008; Double blue squares indicate a significant downward trend since 2007.

Orange circles indicate a result that is significantly higher than 2008; Double orange circles indicate a significant upward trend since 2007.

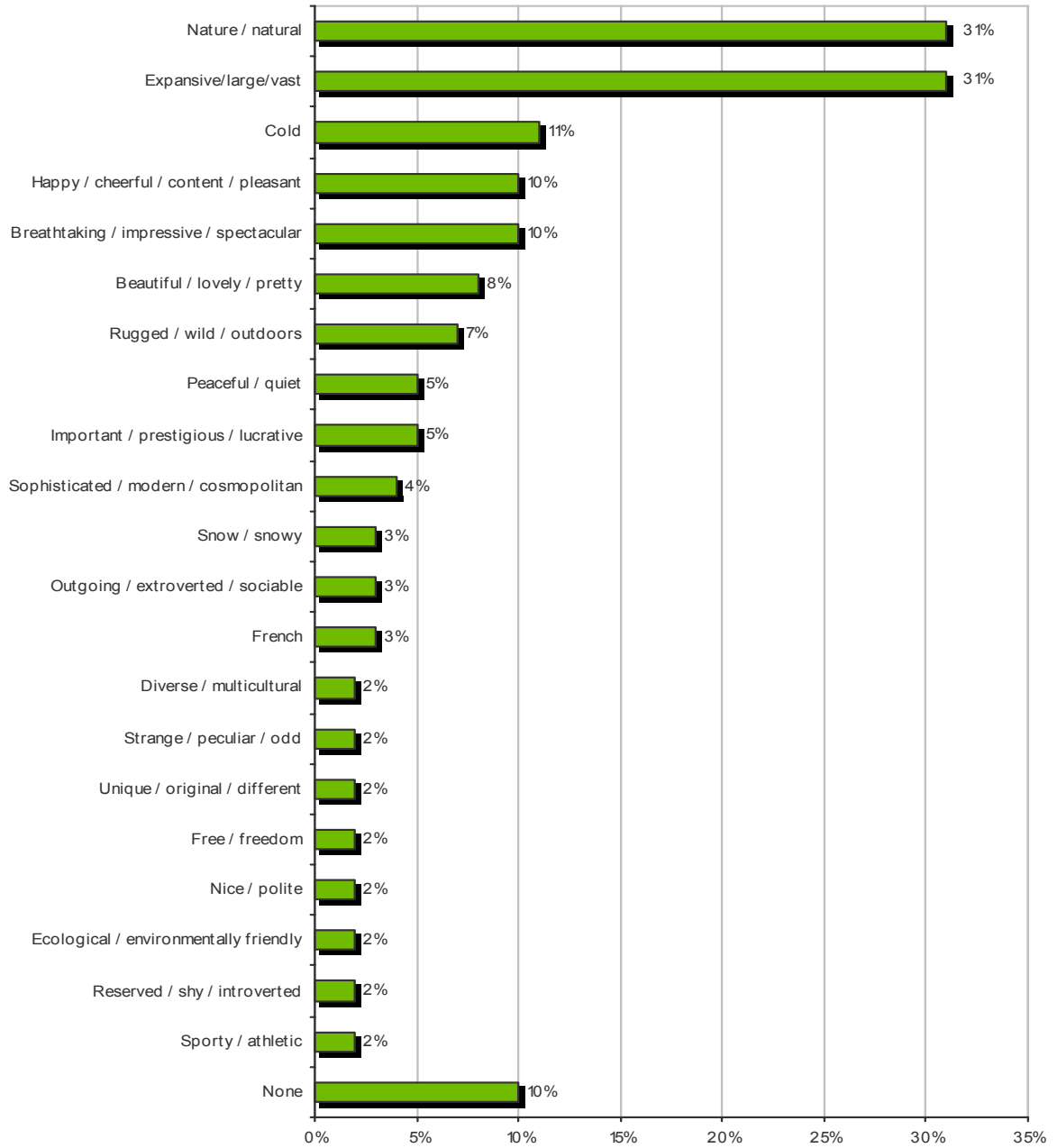
¹ Percent who mentioned any of the 8 Brand Canada personality traits (or synonyms thereof).

Exhibit 11 shows that Canada’s incredible nature and vast size continue to dominate the mindset of French travellers in 2009, each mentioned by over 30% of respondents on an unaided basis (i.e., about the same number that describe Canada as Warm). Many continue to characterize Canada as “breathtaking/impressive/spectacular” (10%), implying that its grand nature stands above what others may have to offer. While some feel that the country’s unspoiled nature lends itself to active outdoor activities (e.g., “rugged/wild/outdoors,” “sporty/athletic”), others view it as providing a “peaceful/quiet” place to relax and get away from it all. As in most other markets, perceptions of Canada as “cold” and “snowy” also spring readily to mind in France.

The frequent mentions of “happy/cheerful/content/pleasant” (10%) reflect French travellers’ impressions of Canadians as friendly and hospitable – a view that is reinforced by “outgoing/extroverted/sociable” and “nice/polite” further down the list. As was the case last year, France is one of the few markets to mention “important/prestigious/lucrative,” indicating that they view Canada as an aspirational vacation spot.

There are generally very few negative associations with Canada, with “reserved/shy/introverted” and “strange/peculiar” being the only mention with possible negative connotations.

Exhibit 11 – Unaided Brand Personality Perceptions – Other Mentions



Base: Long-haul pleasure travellers (n=1,513).

Value Perceptions

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

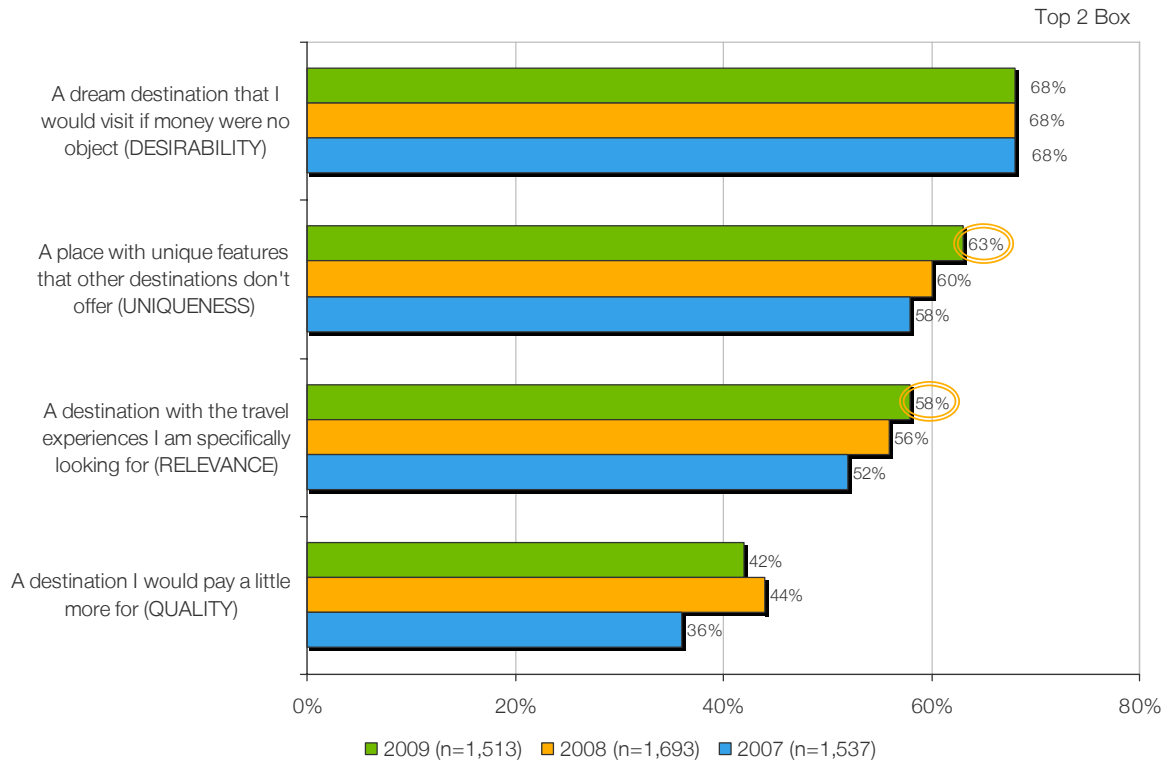
- Have an inherent desirability or appeal;
- Offer high quality experiences and travel products;
- Be relevant to travellers, with the experiences they are specifically looking for; and
- Offer a unique product relative to other destinations.

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

Exhibit 12 shows that Canada continues to make excellent progress on the value perceptions front, with strong gains over the past two years placing Uniqueness, Relevance and Quality all significantly above baseline levels.

While impressions of the brand are strong in this market, value assessments are only about average and could be strengthened, with Quality being the single area in most need of improvement. Although French travellers hold Canada in high regard, and it is a dream destination for them (68%), at this point, only 4 in 10 are willing to “pay a little more” for the experience.

Exhibit 12 – Value Perceptions



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

Double orange circles indicate a significant upward trend since 2007.

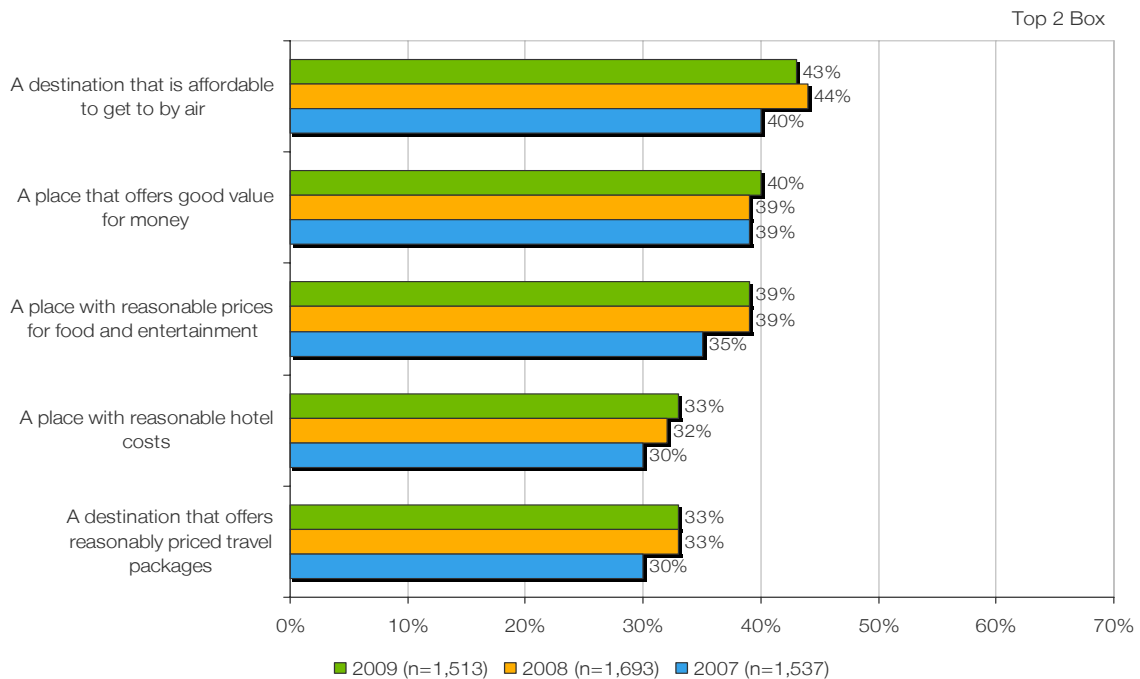
Price Perceptions

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

No material shifts in price perceptions have occurred since last year, That Canada has been able to maintain the status quo in France is encouraging in view of the fact that this measure is on a downward slide in many of the GTW markets conducted to date.

However, relative to other markets, Canada is perceived as an expensive destination by French travellers. This is a major concern in a market where travellers are becoming increasingly price-conscious, combing the internet for travel bargains and cutting costs by taking shorter and more basic trips. In view of this, Canada may want to consider developing and promoting more cost-effective travel packages in France (e.g., shorter durations, cheaper accommodations, inclusion of vouchers for food and entertainment). Canada may also want to better communicate its exchange rate advantages and price competitiveness against destinations like the US. While the Euro depreciated 9% against the US dollar between the 2007 and 2008 surveys, it rose 3% against the Canadian dollar during the same period, providing new territory for Canada to mine in competing against the US.

Exhibit 13 – Price Perceptions



Base: Long-haul pleasure travellers.

Notes: Top 2 Box refers to a rating of 4 or 5 on a 5-point scale where 1 is "Strongly Disagree" and 5 is "Strongly Agree".

Motivation for Visiting Canada and the Regions

Key Motivations for Visiting Canada

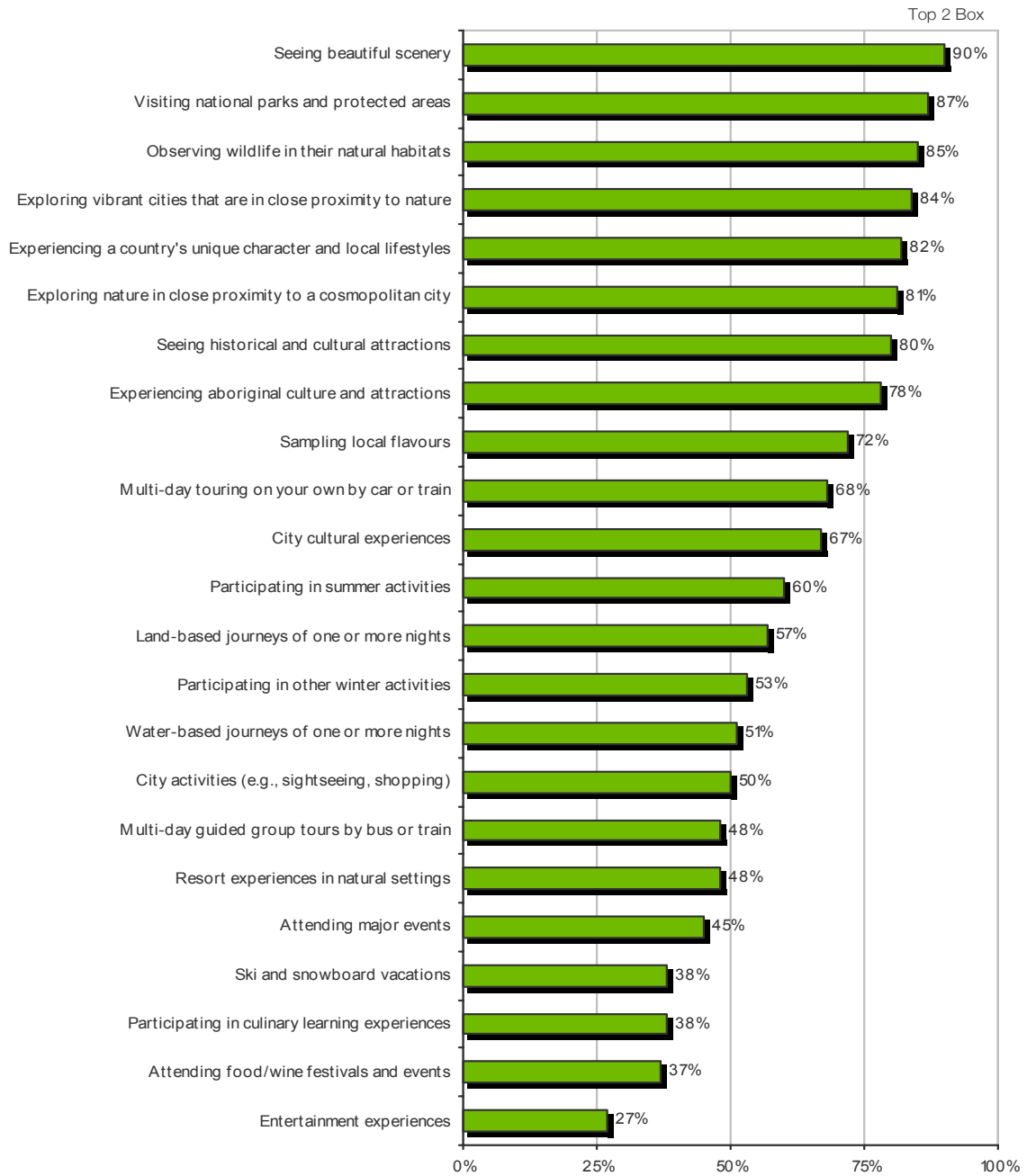
Exhibit 14 shows the key motivations for visiting Canada among French travellers likely to visit the country or who are considering a trip there in the next two years. With nature being Canada's strong suit, it is understandable that beautiful scenery, national parks and wildlife are the top three reasons for visiting Canada, each rated at between 85% and 90%. However, cultural motivations are also fairly high on the list, carried by the ubiquitous importance of culture to French travellers regardless of the specific destination visited. Local lifestyles, historical/cultural attractions, aboriginal culture and local flavours all rank among the top ten reasons to visit Canada, despite some inherent weaknesses in the way these products are viewed by French travellers.

Cities close to nature and nature close to cities also rank in the top ten, confirming the benefits of twinning Canada's urban offerings with its majestic nature. Multi-day self-touring rounds out the top ten (at close to 70%), being far more important than multi-day guided tours (just under 50%) for driving travel to Canada.

Mid-range motivations for Canada include outdoor pursuits such as summer activities (60%), land-based journeys (57%), winter activities (53%) and water-based journeys (51%). The latter two, in particular, are fairly hefty scores for products that tend to be small niches in the French long-haul market as a whole, no doubt buoyed by Canada's strong reputation and incomparable competitive positioning on these offerings.

Travellers don't usually flock to Canada for the food, with culinary learning and food/wine festivals having minimal impact as pull factors. Reflecting this market's general disinterest in entertainment experiences, not to mention Canada's lukewarm competitive rating, this also ranks at the bottom of the list.

Exhibit 14 – Key Motivations for Visiting Canada

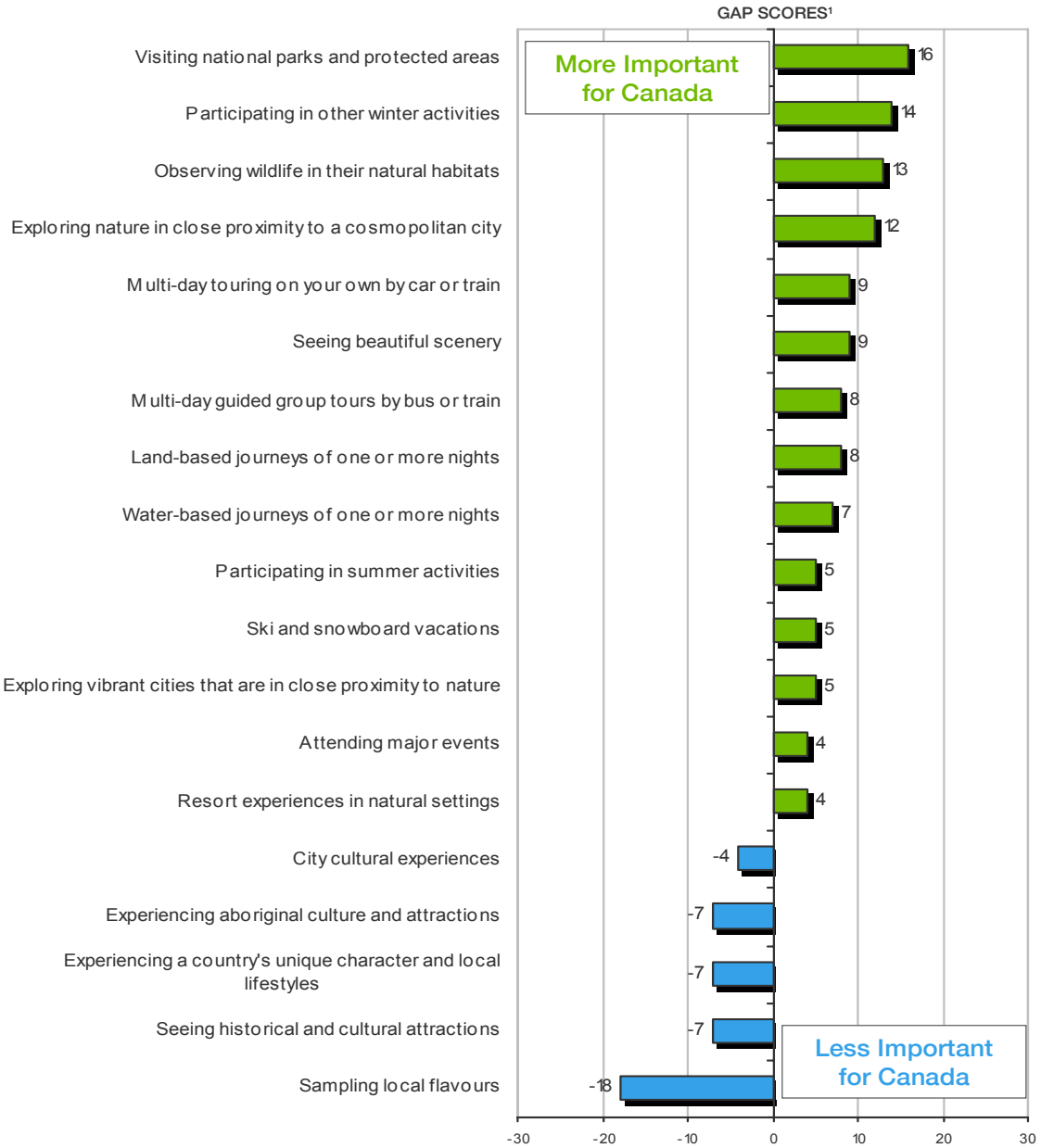


Base: Those likely to visit Canada in the next 2 years and/or those who are considering, have decided to visit or have booked a trip there (n=1,104).

Note: Top 2 Box refers to a rating of 4 or 5 on a 5-point importance scale where 1 is "Very Unimportant" and 5 is "Very Important".

Exhibit 15 summarizes how the motivations for visiting Canada differ from those for long-haul travel as a whole. Unsurprisingly, likely travellers to Canada are more likely to be seeking nature and outdoor experiences. However, they are also more likely to be drawn by touring, nature-city hybrid products, major events and resorts in natural settings. On the other hand, cultural motivations are typically less pivotal in driving travel to Canada.

Exhibit 15 – Differences in Motivations for Travel to Canada vs. Long-haul Destinations in General



Base: Motivations for travel to long-haul destinations in general: Long-haul pleasure travellers (n=1,492).

Base: Motivations for travel to Canada: 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=1,104).

Notes: Only significant differences are shown.

¹A positive gap score indicates a motivation that is stronger for Canada relative to long-haul destinations in general. A negative gap score indicates a motivation that is weaker for Canada relative to long-haul destinations in general.

Regional Motivations⁸

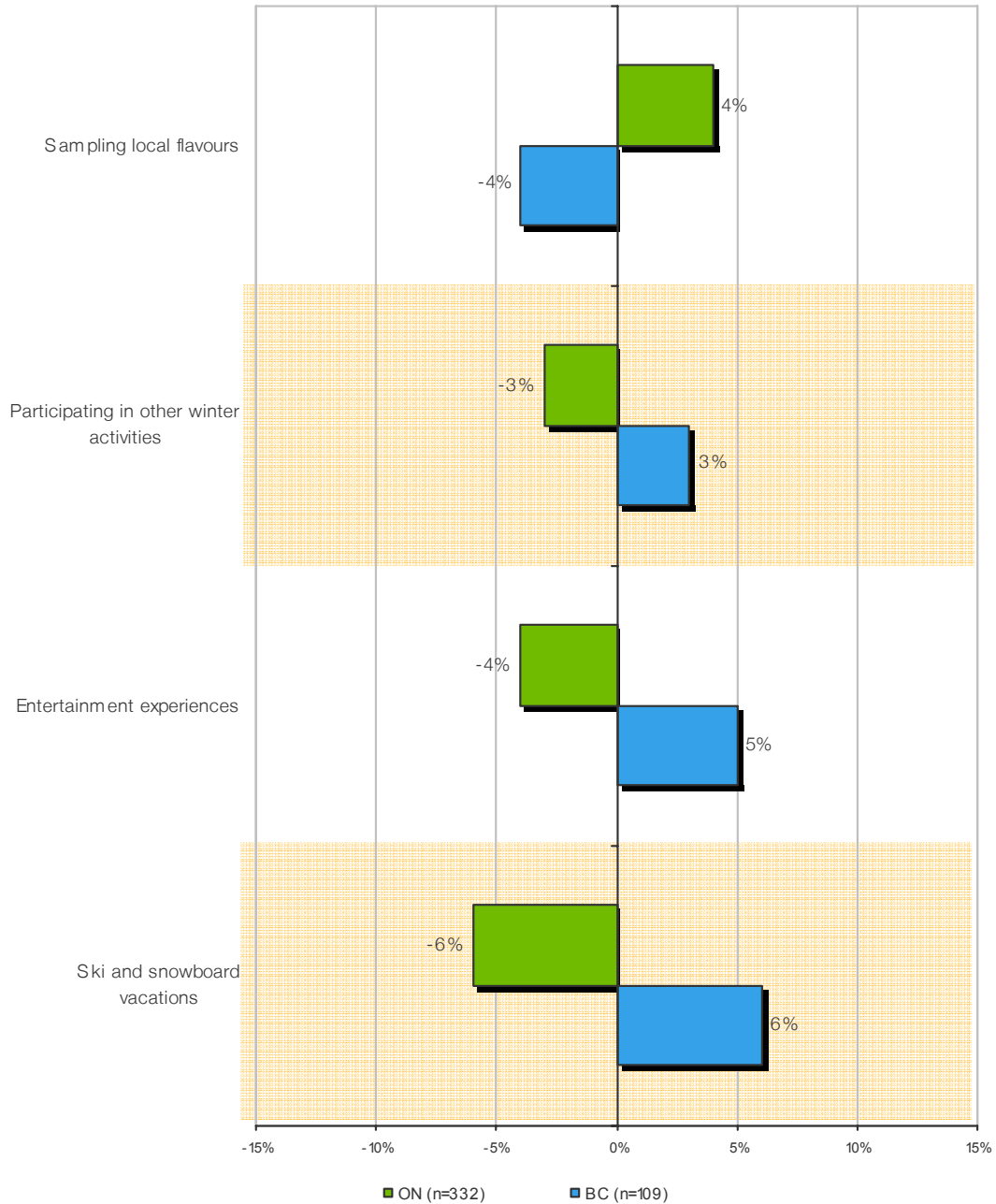
Exhibit 16 shows how travellers that are likely to visit each of the GTW partner regions are differentiated from each other in their motivations for visiting Canada. Note that motivational scores have been re-calibrated to remove “group and attribute” effects to better emphasize the differences between 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.

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. The exhibit shows that:

- Potential travellers to **Ontario** are more likely to be motivated by sampling local flavours, indicating good opportunities to promote the exceptional food and wine of the Niagara region, as well as food and wine tours, festivals and events throughout the province.
- **British Columbia** is viewed as an exceptional region for ski vacations and other winter activities, an impression that will only be enhanced by the upcoming Olympics. This region is also viewed as having superior entertainment experiences.

⁸ Motivations of GTW regional partners with sufficient sample size.

Exhibit 16 - Regional Motivations



Base: Travellers most likely to visit British Columbia or Ontario. Sample sizes for other regions were too small to be included.
 Notes: Solid bars with high positive values represent motivations that are of greater relative importance for a region, while solid bars with high negative values represent motivations that are of lesser relative importance for a region. Hatched bars represent low values that are not differentiating motivations.

Barriers in Attracting Visitors from France

Barriers for Travel to Canada

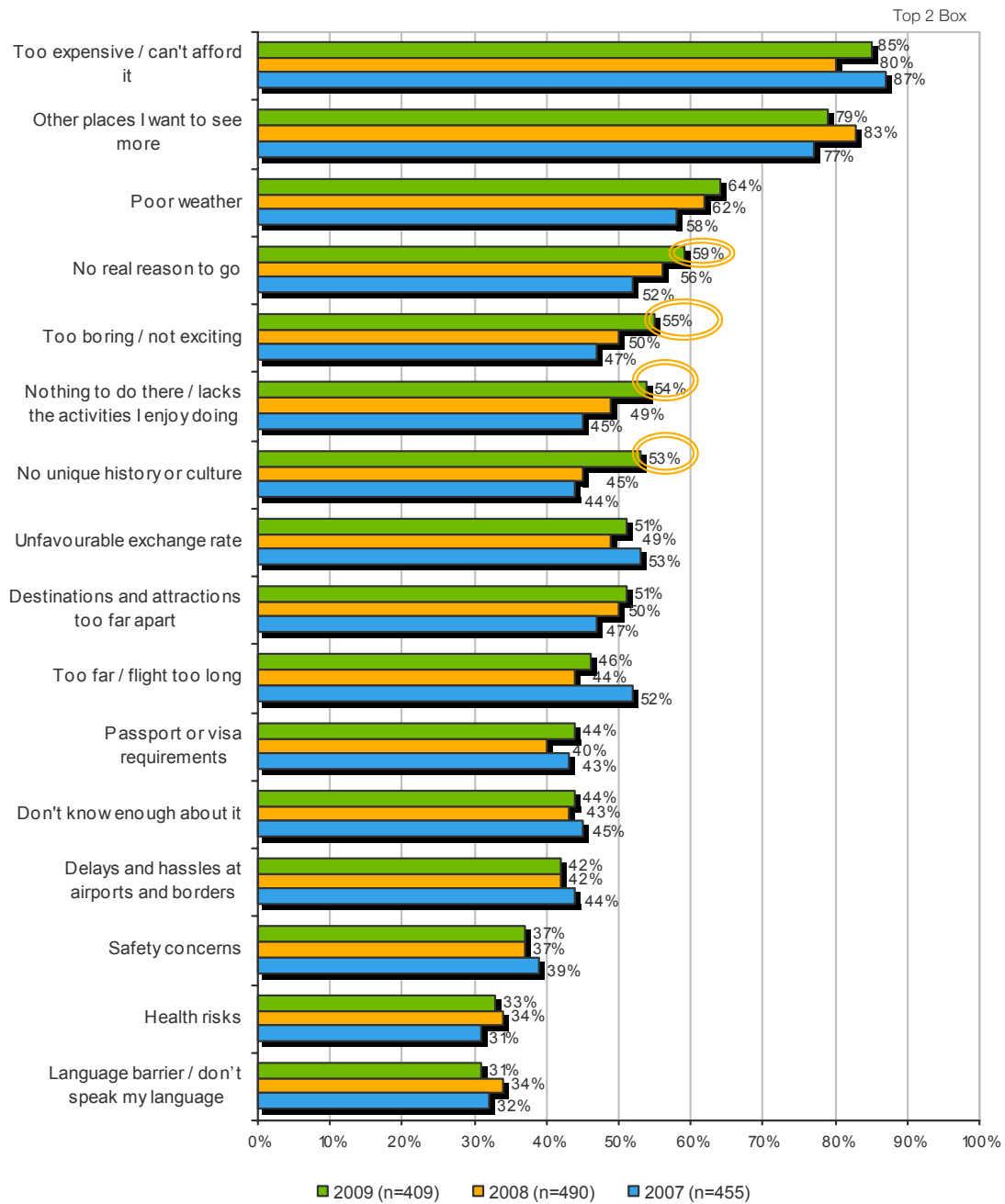
Exhibit 17 shows why French long-haul pleasure travellers are unlikely to visit Canada in the near-term. These results are important because, more likely than not, travellers that *are* likely to visit may have similar concerns that could ultimately lead them to select alternate destinations.

As in past years, affordability, competition from other destinations and poor weather continue to be the top three travel barriers for Canada, with no substantial changes in the ratings since 2008.

The most striking thing about the exhibit, however, is a dramatic increase in those who mention a general sense of *ennui* around Canada as a vacation destination. Between 50% and 60% of unlikely travellers mention no real reason to go, too boring, nothing to do and no unique history/culture as disincentives to visit in 2009, with all items seven to nine percentage points above 2007 levels. This trend is worrisome in view of the key role that intrigue and excitement play in driving travel to Canada, supporting the need to ratchet up Canada's excitement value and more fully engage travellers.

With over half who mention the unfavourable exchange rate, this is a far more notable barrier for travel to Canada than for long-haul travel as a whole. This is interesting as the exchange rate situation is actually more favourable for Canada than for the US, Japan and other destinations, pointing to the need to convey this advantage to French travellers.

Exhibit 17 – Key Barriers for Visiting Canada



Base: Long-haul pleasure travellers who are unlikely to visit Canada in the near future.

Notes: Percentage is the sum of major barrier and minor barrier responses.

Double orange circles indicate a significant upward trend since 2007.

Results for past travellers to Canada who are unlikely to re-visit in the near future are not shown due to small sample size.

Sources of Information for French Travellers

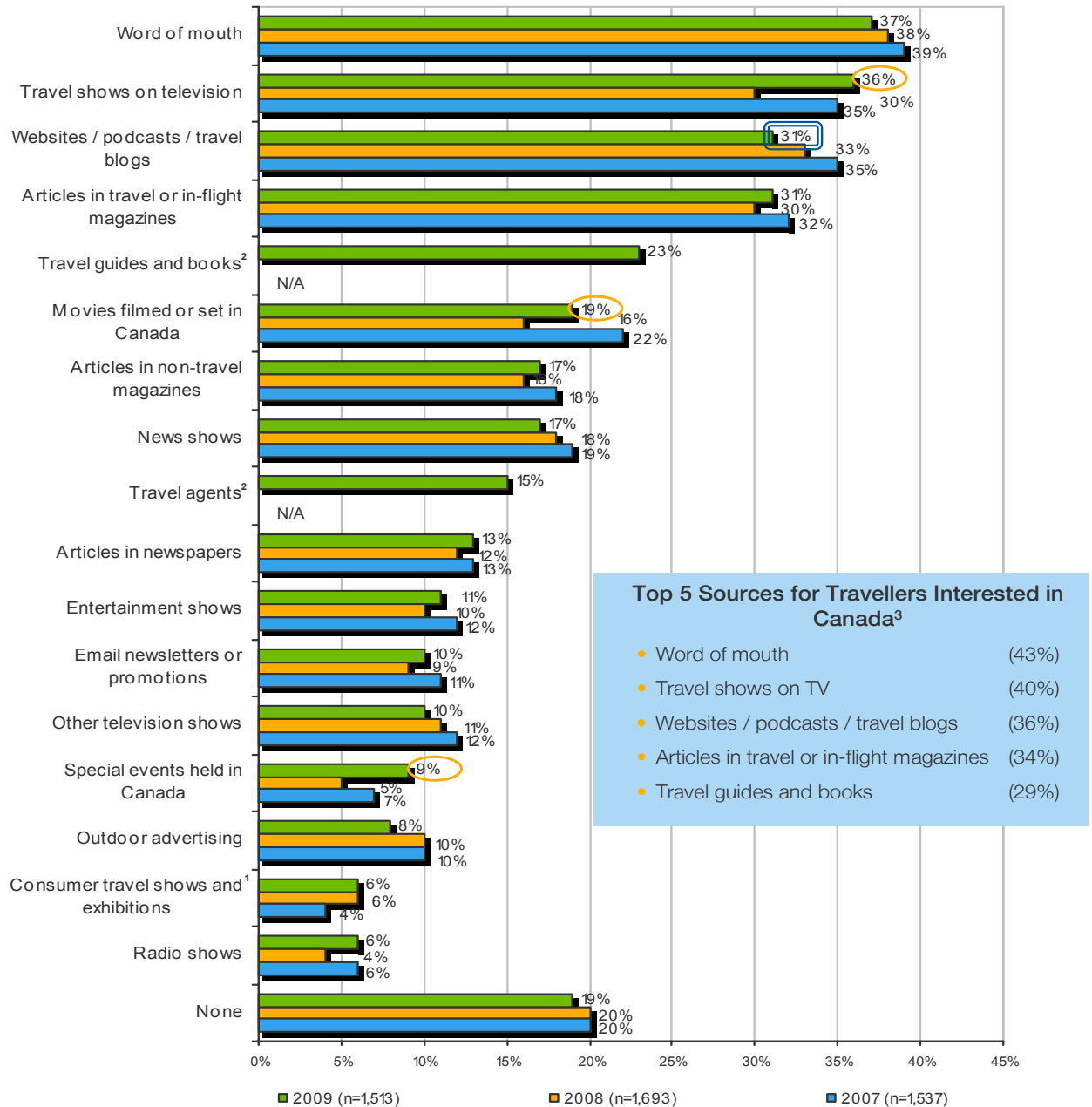
Sources of Information on Canada

As **Exhibit 18** shows, 8 in 10 French travellers have seen promotional information on Canada in the past three months, which is unchanged from past years. In fact, most information sources have remained fairly stable in terms of penetration since 2007, and even more so now that the two sources with significant drops last year – television travel shows and movies set in Canada – have rebounded back to 2007 levels.

The only significant drop is for websites/podcasts/travel blogs, which has been declining steadily as an information source since 2007, a trend that has emerged in several markets to date (e.g., Mexico, Korea, Germany and the US). However, at 31%, France still ranks as one of the two most receptive GTW markets to online marketing (Mexico being the other).

Although these shifts have resulted in some reshuffling in the ranks, the top information sources in France have remained the same for the past three years, namely word of mouth, television travel shows, online media and travel magazines, all with a very high penetration of over 30%. These same sources are tops for potential visitors to Canada, and here again, television travel shows have surged since last year to hit 40%.

Exhibit 18 – Sources of Information on Canada (past 3 months)



Base: Long-haul pleasure travellers.

Notes: Double blue squares indicate a significant downward trend since 2007. Orange circles indicate a result that is significantly higher than 2008;

¹ Item changed in 2008.

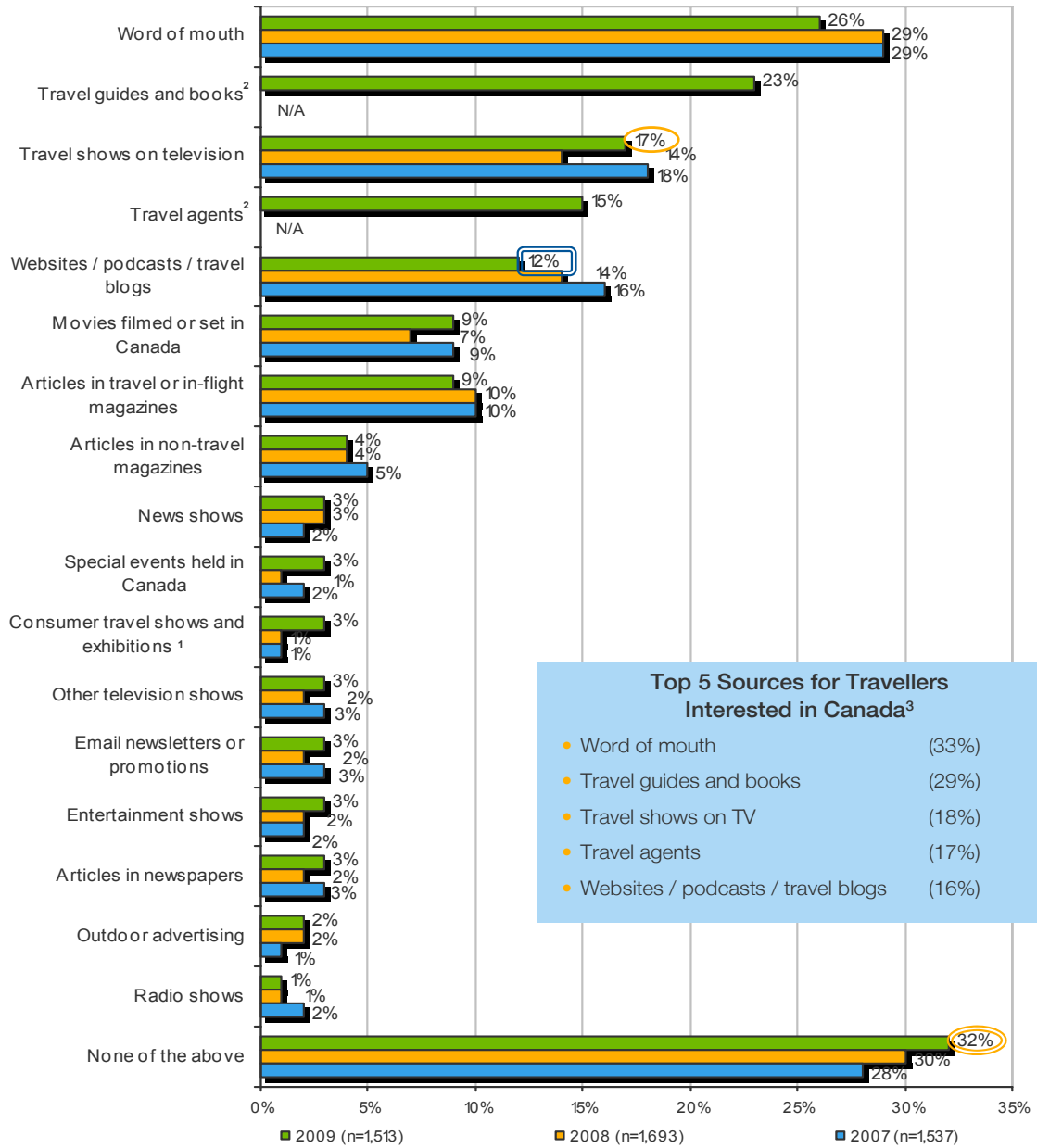
² Item changed in 2009.

³ Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years (n=675).

Top Information Sources for Increasing Canada's Appeal

Similar shifts are apparent this year for information sources that raise Canada's appeal, with television travel shows bouncing back to 2007 levels and online media becoming progressively more ineffective (see [Exhibit 19](#)). Although both remain among the top five sources, generating and harnessing positive word of mouth continues to be the best overall strategy for lifting Canada's appeal in France. Travel guides/books and travel agents round out the top five, indicating a preference for more traditional and trusted information sources among many French travellers.

Exhibit 19 – Top Information Sources for Increasing Canada’s Appeal



Base: Long-haul pleasure travellers.

Notes: Blue squares indicate a result that is significantly lower than 2008; Double blue squares indicate a significant downward trend since 2007. Orange circles indicate a result that is significantly higher than 2008; Double orange circles indicate a significant upward trend since 2007.

¹ Item changed in 2008. ² Item changed in 2009.

³ Travellers Interested in Canada: those who are very interested in visiting Canada in the next 2 years (n=675).

Icons or Images that Inspire Interest in Canada

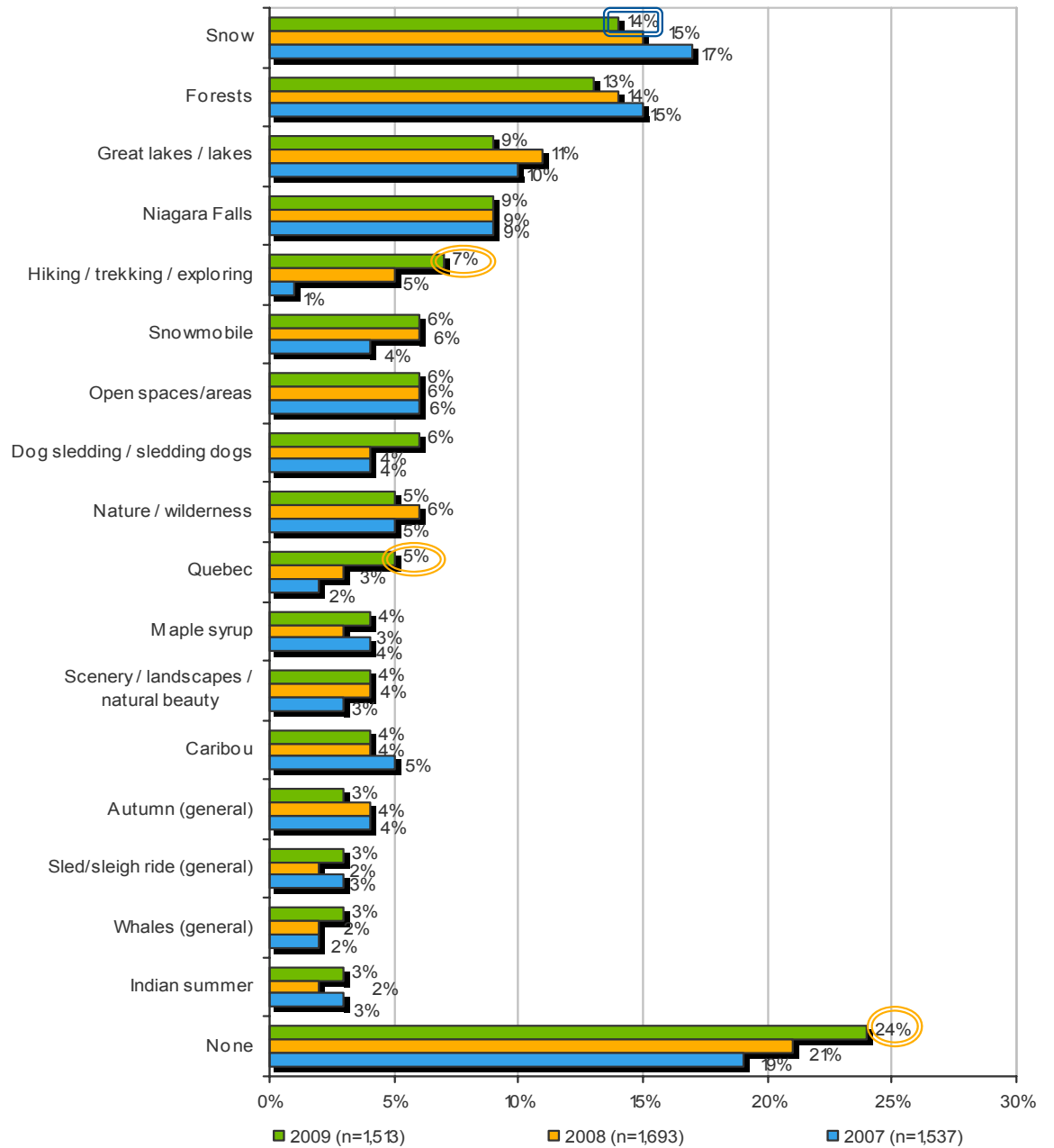
Although snow continues to top the list of icons and images that inspire interest in Canada (see [Exhibit 20](#)), a downward trend is clearly apparent. However, other winter imagery (e.g., dog sledding, snowmobiling, maple syrup, caribou and sleigh rides) continues to be firmly entrenched in French travellers' vision of Canada, despite the timing of the survey in May. Although much less prominent, mentions of autumn and Indian Summer toward the bottom of the list suggest that it is not only winter, but the beauty of Canada's changing seasons in general that appeals to French travellers.

In addition to seasonal imagery, Canada's natural and geographical features also stir enthusiasm in this market, with Niagara Falls, forests and lakes among the top five images for three years running. Remarkably, hiking/trekking/exploring has vaulted into the top five this year on the strength of a six percentage point gain since 2007, possibly driven by the *Keep Exploring* branding and associated campaigns.

The only other major trend to emerge is an upward one for Québec, which has risen from 2% in 2007 to 5% in 2009, possibly sparked by the province's 400th birthday celebrations, which were widely promoted in France throughout 2007.

On the downside, the proportion of travellers who feel that there are no images that inspire interest in Canada is climbing, gaining five percentage points since 2007 to hit 24%.

Exhibit 20 – Icons or Images that Inspire Interest in Canada



Base: Long-haul pleasure travellers.

Notes: Double blue squares indicate a significant downward trend since 2007.

Double orange circles indicate a significant upward trend since 2007.

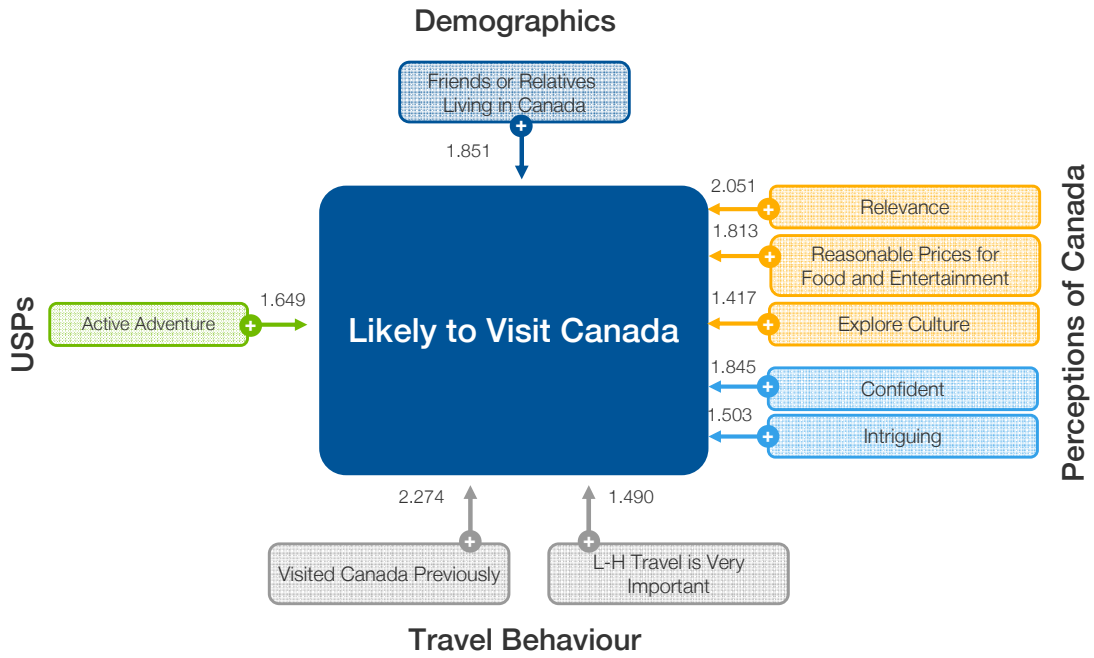
The Key Drivers for Visiting Canada

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

Exhibit 21 summarizes the results of the key drivers model, with key findings discussed below:

- Consistent with previous years, those who have visited Canada before, have close friends and relatives in the country and have made long-haul travel a priority in their lives are more likely to be predisposed to visiting Canada.
- Travellers who favour active adventure are more likely to say they will visit, obviously recognizing Canada's undisputed leadership on this USP.
- In terms of perceptions of Canada, exploring culture emerges as a key driver in the model, again underscoring the vital role that culture, communities and lifestyles play in driving long-haul travel to Canada. Like last year, perceptions of having relevant products factor in strongly to the purchase decision, as do impressions of reasonable food and entertainment prices.
- Those who view Canada as intriguing and confident are also more likely to make the trip, again stressing the need to craft a bolder destination image and propagate the more dynamic elements of the brand.

Exhibit 21 – Key Drivers for Likelihood to visit Canada



Base: Long-haul pleasure travellers (n=1,513).

Note: 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

Like most major economies around the world, France's economy is severely distressed, with the country in the midst of the worst recession since World War II. However, high unemployment notwithstanding, France is better off than many other GTW markets, backed by an economic model that is designed to withstand volatility and prop up demand during hard times. The French are also sheltered by generous social programs and are consummate savers who tend to avoid high levels of personal debt, helping them to weather the global economic slowdown better than most. In fact, at the time of the 2009 GTW survey, consumer confidence was at a 14-month high, indicating renewed optimism in the marketplace. This may help to explain why proportionately fewer French travellers cite the economy as a barrier to travel than any other GTW market completed to date.

Driven by record highs for the Euro and an awakening desire to see distant lands, 2008 was a boom year for long-haul travel from France, with arrivals to many long-haul destinations exhibiting double-digit growth at a time when many other major travel markets stalled out. While the market outlook indicator dropped this year from +39 to +30, France is the only one of six GTW markets completed to date where this measure has not dropped below 2007 levels. With 42% who plan to travel more in the next three years, French travellers have clearly caught the long-haul travel bug, with strong visitor flows likely to re-emerge once the economy is back on track.

Worthy of note is the downward slide of the Euro against major currencies like the US and the yen, which could have a cooling effect on the recovery of the long-haul market if this trend deepens into 2010. For now, the Euro is still riding high compared with past years, and has largely maintained its strength in many key long-haul destinations for the French, including Canada, Australia, Brazil and Thailand.

Not surprisingly, the ailing economy has changed the face of the French long-haul travel market, at least temporarily, with some major shifts apparent in the traveller profile. With new market entrants and intenders temporarily putting long-haul travel on the back-burner, what remains is a group of hardcore travellers that have not only made long-haul travel a priority, but have the incomes and job security to support it. This market is also well-travelled, worldly and less likely to let ongoing concerns about the economy and exchange rates deter them from travelling.

France continues to be a highly receptive and exceptionally well-primed market for Canada, with 14% who have already made a firm purchase decision – the highest of any international GTW market. Aside from a significant drop in unaided advertising awareness, Canada has, for the most part, maintained the status quo in terms of its scores on the Key Performance Indicators (KPIs⁹) this year. Moreover, these scores remain fairly strong by GTW standards, with France typically placing among the top markets on every measure except top-of-mind advertising recall.

⁹ KPI: destination awareness, advertising awareness, visitation and market penetration, travel interests and intentions.

However, these positive findings mask the fact that Canada is losing ground to its competitors on several fronts. First, the US is enjoying a popularity surge this year, ousting Canada from first place on aided destination awareness for the first time since the tracking study began and posing a major threat to Canada's top-seated position on interest as a result of a 12 percentage point gain in a mere two years. Canada is also seeing tougher competition from newer destinations that promise exotic and unique experiences at a budget-conscious price. Destinations like Thailand, Brazil, Peru, Argentina and Vietnam are all seeing strong gains in awareness, consideration and/or interest in the French market. Without a strong marketing platform in 2010, Canada may well encounter difficulties protecting both its leadership position and its market share.

Although the Brand Perception has eroded somewhat this year, with a drop on two of Canada's three brand pillars – geography and culture – France still boasts one of the highest Brand Perception of any market, pulling ahead of Germany this year. French travellers continue to view Canada as a welcoming place, with travel experiences that are both real and deep. This image of authenticity is one that Canada should continue to foster, as the French tend to shy away from more shallow tourist activities such as city sightseeing, shopping and entertainment. If there is an area for improvement, it is the need to propagate the more dynamic brand traits (e.g., Intriguing, Confident, Youthful), and to up Canada's excitement value in view of the growing sense of *ennui* around it as a vacation destination.

While the Brand Perception is robust, the Value Perception and Price Perception are only lukewarm, with no visible signs of progression since the tracking study began. Despite a high Desirability score, and steady increases on Uniqueness and Relevance over the past two years, the overall Value Perception is mired by a poor Quality rating. Strengthening the Value Perception is particularly important for Canada given this market's known sensitivities to product and service quality, as well as value for money. French travellers also have a reputation for being price-conscious, a trait that has only been exacerbated by the country's economic woes. This calls for Canada to shore up its struggling Price Perception by introducing budget-friendly products, as well as communicating its current exchange rate advantages over destinations like the US.

The results are better on the product front. Canada has an extensive portfolio of competitive strengths in France, ranging from nature and the outdoors, to self touring to city-nature hybrid products. In fact, with 12 number one products, Canada looks set to repeat last year's feat of achieving a better competitive position in France than in any other international market. Moreover, Canada is the undisputed leader on most of these products, leading other destinations by anywhere from 15 to 60 percentage points, with national parks and self-touring being the only products where there is an immediate threat from another competitor.

France also yields Canada's best positioning on the CTC's USPs. While topping the Active Adventure USP comes as no surprise, Canada is also number one on Personal Journeys, buoyed by unmatched scores on both land and water-based journeys. As in Germany, Canada is second on Vibrant Cities, however, in France, the top spot is well within Canada's grasp, with a push on city cultural experiences being one way to achieve this.

Even on Local Cuisine and Connecting with Locals, Canada performs better in France than in any GTW market completed to date (fourth and fifth place, respectively). Still, enhancing

Canada's positioning on Connecting with Locals is one of the most important steps that Canada could take to enhance its overall popularity in France. French travellers have a voracious appetite for culture, with cultural products accounting for four of their top five vacation pursuits, and exploring culture is a key driver of travel to Canada. To this end, Canada may want to further leverage its cultural and historical ties with France and the feeling of kinship with Canadians in its marketing efforts, as well as making French travellers more aware of its distinctive cultural offerings.