Canadian Tourism Commission
Commission canadienne du tourisme

Global Tourism Watch

2013 Mexico Summary Report

Canada

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1. Introduction

The Canadian Tourism Commission (CTC) began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to expand the base of consumer-based intelligence in 12 key markets.

The study approach has changed slightly for 2012 and 2013, the sixth and seventh years of the program, with the GTW being conducted in approximately one half of the markets in one year and the other half in the next. This new cycle will allow the CTC and its partners to maintain an up-to-date pulse on all key markets, while, at the same time, focusing on fewer individual countries in any given year creating some cost efficiencies. Eight markets were included for 2012: Canada, the US, the UK, Germany, Australia, China, South Korea, and Brazil. In 2013, the study was conducted in six countries – Japan, France, Mexico and India in addition to Canada and the US.

The overall objectives of the GTW study are to:

- Monitor awareness, travel intentions, and other key market indicators for Canada and the regions;
- Assess perceptions of Canada and track brand performance against the competitive set over time;
- Identify the general experiences sought by travellers, assess Canada's competitive positioning on key products and identify growth opportunities;
- Identify motivators and barriers for travel to Canada; and,
- Explore the role of social media and advocacy in the tourism context.

In response to a rapidly changing travel marketplace, the CTC and TNS worked together to substantially revise and update the questionnaire prior to the 2012 fieldwork. This was done to better reflect current travel realities and to gather more in-depth information on Canada's competitors in each market. The new GTW data permits direct comparison of Canada to those competitor countries unique to each market. The CTC has designated the US, Argentina, Brazil, Spain, Italy, and France as the competitive set for Canada in the Mexican market.

Methodology

In 2013, a web-based panel survey was conducted by TNS. The target population for the online survey was residents aged 18 years and older, who had taken a long-haul pleasure trip outside of Mexico and Central America where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years, or plan to take such a trip in the next 2 years.

Data was gathered from 1,549 respondents in Mexico (Mexico City, Guadalajara and Monterrey), including 200 recent visitors to Canada. Data was collected in July 2013.

2. Key Take-Aways

The Mexican economy is export-driven and is heavily dependent on the US. As the US economy began to recover in 2011, the Mexican economy followed suit under the direction of a new president. However, an unexpected downturn in the first half of 2013 and a falling peso resulted in a downgraded growth forecast for 2013. Despite a more robust economic forecast for 2014, outbound travel has been impacted.

Mexicans take approximately 15 million international trips annually, but the bulk of travel is regional. Approximately 25% of Mexican travel (3.8 million trips) is considered long-haul, with the US, France, Spain, and Canada capturing the bulk of the market. The US captures the largest share of the market, drawing 2.1 million Mexican air travellers in 2012, up 9% over 2011. Canada is in 4th spot, attracting 132,000 Mexican visitors in 2012, down from a high of 257,000 arrivals in 2008 before the imposition of visa requirements. While visitation has been recovering in recent years, Mexico currently represents the country's 8th largest overseas market (excluding the US).

- The 2013 survey results show a modest decrease in incidence of long-haul travel, with 72% of respondents reporting a trip in the past 3 years, down from 78% in 2011. The bulk of travellers (25%) took a single qualifying trip, with frequent travellers (3+ trips in the past 3 years) dropping from 32% in 2011 to 27% at present. These results illustrate the fragility of the Mexican market.

- Despite recent economic challenges which have impacted travel patterns, Mexican travellers are relatively optimistic about their ability to take long-haul trips in the near future. Significantly fewer travellers believe they will travel less in coming years than they did in the recent past, with marginally more travellers foreseeing taking a similar number of trips or travelling more. This shift caused the market outlook indicator to rise to +38, up from +34 in 2011.   While this indicator is the highest result recorded in 6 years of monitoring, the 2013 results are very similar to those recorded in 2007 and 2008. This suggests the Mexican travel market may be stabilizing,

- As a consequence of recent economic woes, Mexican travellers see poor economic conditions and affordability concerns being the top reasons possibly curtailing future long-haul travel.

- The US continues to dominate destination awareness and consideration measures ranking 1st by a wide margin on aided and unaided awareness and unaided consideration. Canada traditionally takes 2nd spot to the US on several measures, but European competitors, namely France and Italy, are challenging Canada. France passed Canada to take 2nd spot on unaided awareness, with Spain in close pursuit. This is the first time Canada has ranked 3rd on this measure. The aided awareness results are more encouraging with Canada passing Spain to take 2nd spot. Canada retained its 2nd place rank on unaided destination consideration, with a slight lead over Spain, despite a 5% drop in mentions. On the aided consideration measure, interest in Spain held steady, but surged for all other destinations. As a result, Canada remains in 3rd place behind Italy and France this year.

- Canada's best results on brand personality perceptions are 2nd place finishes for "Friendly" (behind Brazil) and "Witty" (trailing the US). These traits can be capitalized on in future marketing campaigns. Canada generally places middle of the pack with the

US recording 4 top results (Witty, Confident, Liberal, and Informal) followed by Italy (Beautiful, Inspirational, Authentic) and Brazil (Friendly, Energetic, and Intriguing).

- Italy is a powerhouse in the Mexican market in terms of value and brand considerations taking top billing on 6 attributes. Canada's best result is for inspiring geography narrowly outperforming Italy to take 1^{st} place. Canada ranks lower on other value and brand metrics trailing a combination of Italy, France, and Brazil. Canada fairs better in the price realm, outperforming the US for overall value for money, and marginally behind for flight costs to reach the destination and in-destination costs. These results suggest Canada should emphasize overall value and its geographical assets in the Mexican market to see greater success.

- Canada is strongly associated with beautiful scenery, the 4^{th} most sought after experience of Mexican travellers. However, Canada does not perform well on other experiences valued by Mexican travellers such as historical and cultural attractions and city cultural experiences (Canada is ranked 5th for both), opportunities to experience a country's unique character (ranked 6^{th}) and local flavours (ranked 7^{th}). Canada is outperformed on these experiences by European competitors.

- Interest in nature-based experiences, particularly national parks (down from 5^{th} spot in 2011 to 6^{th} place at present), cities close to nature (from 6^{th} to 7^{th})) and wildlife observation (from 7^{th} to 11^{th}) appears to be waning as Mexican travellers' interest in cultural experiences grows. This is not good news for Canada as these experiences are strongly associated with European destinations. The Canadian tourism industry needs to emphasize the cost advantages of a Canadian vacation and the destination's cultural tourism products.

- The US continues its dominance of the Mexican long-haul market capturing close to 60% of the recent trip market. Spain is a distant second, with the Caribbean, Italy and Canada tied for 3^{rd} spot with 8% of the market each. Given the dominance of the US in this market, it may be worthwhile to promote dual country itineraries.

- The top barrier for visiting Canada the perception that a Canadian trip is too expensive. This is closely followed by visa requirements. This suggests the destination must do more to convince Mexican travellers of the value of a Canadian vacation. As well, the industry is encouraged to continue to push for relaxation of visa requirements, which clearly continue to colour Mexicans' impression of Canada.

- 91% of Mexican travellers recalled information on travel to Canada within the past year. In-person interactions remain the primary information source on Canada, but information obtained via social networks and online advertising has overtaken traditional sources such as print articles and brochures. This shift impacts the way Canada should be marketed to Mexican travellers with greater emphasis placed on leveraging online sources, including impressions of past visitors shared on social media (almost all Mexican travellers are active on social networks).

- Canada placed 2^{nd} to France on the Net Promoter Score measure. High past visitation to Canada (28%) and the reliance on personal recommendation among Mexicans suggests there is a significant opportunity for Canada to have past Mexican visitors advocate on the destination's behalf. Strategies to harness the goodwill of past visitors such as contests, photo sharing, and online testimonials should be explored.

3. Market Health and Outlook

Mexico Market Conditions & Outlook

Mexico is the 8th largest economy in the world. The country is an export-driven economy with approximately 80% of goods destined for the US. While the economy performed fairly well during the mid-2000s, Mexico's economy was hard hit by the American economic downturn in 2008, which led to a sharp decline in living standards.

As the US economy began to turn around in 2011, Mexicans became more optimistic about their own economic prospects. Strong GDP growth of 3.6% was recorded in 2012 as a new president came into power. He promised reforms that aim to address the country's structural issues and plans open Mexico's vast untapped oil and gas reserves to foreign investors.

An unexpected slowdown in the Mexican economy in the first half of 2013 led to a downgraded forecast of 1.2% for the year (which may have impacted survey results as data was gathered in July 2013). And, while forecasts call for 2.7% growth in 2014 and a gradual appreciation of the peso, Mexicans are scarred by their recent economic past and nervous about future economic prospects. Coupled with economic uncertainty, there is the continuing concern about corruption and gang violence.

Despite recent economic woes and uncertainty about the future, Mexico remains an important tourism market. Mexicans took 15 million international trips in 2011, which includes trips within Central America and land entries into the US. Approximately 25% of Mexican travel (3.8 million trips) is considered long-haul, with the US, France, Spain, and Canada capturing the bulk of the market. The US captures the largest share of the long-haul market, attracting 2.1 million Mexican air travellers in 2012, up 9% over 2011.

Canada, with 132,000 arrivals in 2012, is in 4th spot overall, capturing an estimated 3% of the Mexican long-haul market. Mexico is Canada's 8th largest overseas market (excluding the US). This market was much larger (peaking at 257,000 arrivals in 2008) before the Canadian government unexpectedly introduced visa requirements for Mexican visitors in the summer of 2009. The imposition of visas had an immediate impact, with arrivals dropping by 55% that year. The tourism industry continues to push for streamlining the visa process through cooperative programs with the US and hopes for eventual removal of the visa requirement. There has been some improvement in visits from Mexicans in recent years, but numbers remain far below those recorded in 2008.

GTW survey results show incidence of long-haul travel among Mexicans dropped in 2013 (72%, down from 78% in 2011) and the proportion of frequent travellers (3+ trips in the past 3 years) dropped from 32% to 27%. Despite the drop, Mexican travellers appear slightly more optimistic about their ability to take long-haul trips in future with slightly fewer travellers expecting to travel less in the coming 2-3 years as they have in the recent past. This shift caused the market outlook indicator to rise from +34 in 2011 to +38 in 2013.

The economic turmoil of recent years has had a noticeable impact on Mexican travel habits with economic concerns being the primary factor possibly limiting future long-haul travel, closely followed by inability to afford a trip.

4. Market Potential

Exhibit 4.1 provides an estimate of the size of the potential market for Canada in two ways – the macro target market and immediate potential.

The target market is a broader estimate of the market size based on expressed interest among all Mexican long-haul travellers (market-size estimate derived from the 2010 omnibus study of the Mexican adult population). The proportion of GTW respondents who are definitely, very interested, or somewhat interested in Canada in the next 2 years is applied to broader traveller population to come up with an target market estimate of 3.4 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to visit Canada in the next 2 years. This translates into a market of 2.1 million travellers with more immediate potential for conversion. While the immediate market estimate is up by approximately 200,000 from 2011, the result is not directly comparable to previous years due to a change in the question wording.

Exhibit 4.1 – 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)	3,949,000
Target Market for Canada	
Definitely / very / somewhat interested in visiting Canada in the next 2 years	85%
Size of the target market	3,356,700
Immediate Potential for Canada	
Will definitely / very likely visit Canada in the next 2 years [1]	54%
Immediate potential	2,132,500

Base: Long-haul pleasure travellers (n=1,549)
[1] Includes respondents likely to visit Canada on a trip of one to three nights or a trip of four nights or more.

Exhibit 4.2 shows the immediate potential for the regional partners of the GTW study based on current levels of interest. The immediate potential for the most popular regions (Ontario, BC and Québec) is obviously considerable, with each of interest to over 1.7 million Mexican travellers.

Exhibit 4.2 – Market Potential For The Regions

	ON	BC	QC	AB	ATL CAN	YK	MB	NWT	SK	NU
Immediate potential for Canada	2,132,500									
Likely to visit region	88%	83%	80%	52%	36%	23%	19%	14%	10%	8%
Immediate potential for the regions (000s)	1,876	1,770	1,706	1,109	768	490	405	299	213	170

Base for percentages is those likely to visit Canada on a trip of 1-3 nights or 4+ nights in the next 2 years trip (n=1,261).

5. Competitive Environment

The GTW tracks Key Performance Indicators (KPIs) for Canada in areas such as unaided and aided destination awareness, unaided and aided destination consideration, and market penetration.

Exhibit 5.1 summarizes the 2013 KPIs for Canada. On an unaided basis, over one-in-four respondents mentioned Canada as a long-haul travel destination, well behind the US (47%). Growing interest in France catapulted the country into 2nd spot, just ahead of Canada. Spain, in 4th spot with 26% of mentions, is closing the gap on Canada. Aided awareness of all destinations in the competitive set rose between 2011 and 2013. The US remains the clear frontrunner on this metric, with 64% of Mexican travellers claiming to be knowledgeable about American holiday opportunities. Growing awareness of Canada caused the destination to surpass Spain to take 2nd spot in 2013, which falls to 5th overall behind France (+10%) and Italy (+11%).

From a trending perspective, unaided awareness of Canada as a destination has trended slightly downward since 2010 to reach an historic low in 2013 (28%). Canada is in 3rd spot in 2013, marking the first time the destination has recorded a result lower than 2nd place. In contrast, aided awareness in 2013 has reached levels last seen in 2007 and 2008, with Canada capturing 2nd spot for the first time.

Just over one-quarter of Mexican travellers have visited Canada at least once in their lifetime, which puts the country in 3rd spot on past visitation, far behind the US (72%), and just behind Spain (29%). Canada has a small lead on France (26%) and Italy (23%).

In terms of destinations under consideration for future haul trips, despite a drop of 5% in mentions, Canada, with 16% of mentions, retains its 2nd place ranking this year. The US, with 36% of mentions remains in firm command of 1st place on this measure. Spain, France, Brazil and Italy, all close behind Canada, should be considered as the main competition. On the aided interest measure, Canada remains in 3rd place behind Italy and France this year as Spain dropped from 1st place to 5th spot. Aided interest is the one measure that the US does not dominate (in 4th place this year, unchanged from 2011).

Unaided consideration of Canada has gradually slipped downward for several years with this year's result (16%) being the lowest recorded in 6 years of monitoring. Despite a 5% drop in mentions this year, Canada remains in 2nd spot overall , however, Spain, France, Brazil, and Italy are now close behind. Conversely, aided consideration reached a peak in 2013 after several years of relative stability, but some of the gains may be attributable to a change in the response scale.

Exhibit 5.1 – Key Performance Indicators For Canada – Summary

Indicator	Definition	All L-H Travellers (n=1,549)
Destination Awareness		
Unaided awareness of Canada (roll-up)	% who said Canada or a destination in Canada	28% (3rd)
Aided awareness of travel opportunities in Canada	% with excellent / very good knowledge of travel opportunities in Canada	48% (2nd)
Past Visitation		
Overall market penetration	% who have ever visited Canada for pleasure	28% (3rd)
Intentions		
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list (for trips in next 2 yrs)	16% (2nd)
Competitive positioning on destination consideration	Rank on the consideration list relative to competitors (roll-up)	2

One of the key objectives of the GTW study is to measure traveller response to Brand Canada across all key global markets. For 2013, the study focus changed somewhat to measure personality, value, brand, and price perceptions against key competitors rather than Canada in isolation, as was done previously.

In terms of personality trait association, Canada's best results were 2nd place finishes for "Friendly" and "Witty" (a CTC strategic priority). These attributes can be leveraged in future marketing campaigns. Canada placed a distant 3rd on "Beautiful", "Confident" and "Energetic". Following was a 4th place finishes for "Inspirational" and 5th place for "Authentic", "Liberal", "Intriguing" and "Informal".

The US recorded four 1st place finishes (Witty, Confident, Liberal, and Informal), while Brazil (Friendly, Energetic, Intriguing) and Italy (Beautiful, Inspirational, and Authentic) topped three measures each.

Exhibit 5.2 – Aided Brand Personality Perceptions

	1#	2#	3#	4#	5#	6#	7#	8#
Friendly[1]	BRZ 47%	CAN 39%	SPAIN 36%	ITA 35%	ARG 23%	FRA 21%	USA 15%	NONE 2%
Witty	USA 50%	CAN 35%	FRA 30%	ITA 29%	BRZ 27%	SPAIN 19%	ARG 14%	NONE 5%
Beautiful	ITA 57%	FRA 56%	CAN 43%	SPAIN 32%	BRZ 27%	USA 13%	ARG 12%	NONE 1%
Confident	USA 54%	FRA 44%	CAN 37%	ITA 30%	SPAIN 21%	ARG 15%	BRZ 13%	NONE 4%
Energetic[1]	BRZ 47%	USA 45%	CAN 28%	ITA 24%	SPAIN 23%	FRA 21%	ARG 18%	NONE 4%
Inspirational[1]	ITA 59%	FRA 58%	SPAIN 30%	CAN 28%	BRZ 18%	USA 15%	ARG 11%	NONE 3%
Authentic	ITA 48%	FRA 45%	BRZ 34%	SPAIN 33%	CAN 28%	ARG 16%	USA 15%	NONE 3%
Liberal[1]	USA 51%	FRA 40%	BRZ 33%	SPAIN 31%	CAN 24%	ITA 23%	ARG 14%	NONE 2%
Intriguing	BRZ 38%	ITA 35%	FRA 34%	ARG 25%	CAN 23%	SPAIN 22%	USA 15%	NONE 8%
Informal	USA 44%	BRZ 44%	ARG 36%	SPAIN 26%	CAN 18%	ITA 17%	FRA 10%	NONE 6%

Base: Long-haul pleasure travellers (2013 n=1,549)
Q10: We would like you to use your imagination for a moment. Consider the following words and pick up to 3 countries you associate with each word
Red text indicates CTC strategic priorities.
[1] New attributes added in 2012.

To be successful, a destination must be perceived as offering value, relevant experiences, and unique tourism products to travellers. To assess brand, value, and price perceptions, respondents were asked to evaluate Canada relative to competing destinations on four brand-, four value-, and three price-related statements.

Overall, Canada's primary competitors are Italy and France in terms of brand and value, and the US in the price category. More specifically, Canada is ranked 1st for inspiring geography; while Italy takes top billing for engaging people and authenticity and France is 1st for culture. Italy dominates on value perceptions, with Canada placing middle of the pack. However, Canada holds its own in the price category being 1st for overall value for money and 2nd to the US on air transportation to the destination and in-destination costs.

Exhibit 5.3 – Brand, Value, Price Perceptions

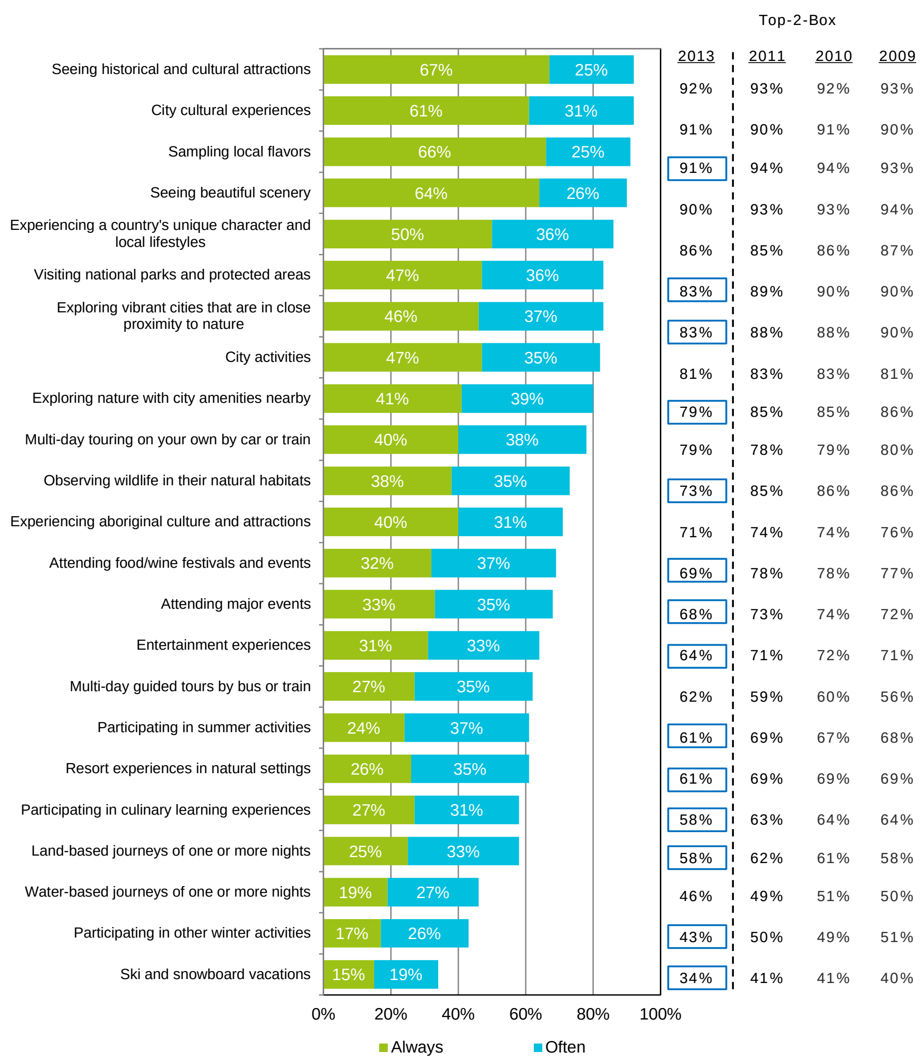
Top-3 Box	1#	2#	3#	4#	5#	6#	7#
Brand Perceptions							
A place that inspires me to explore its geography	CAN 82%	ITA 81%	FRA 80%	BRZ 79%	SPAIN 70%	ARG 59%	USA 52%
A place that inspires me to meet and engage with its people	ITA 82%	BRZ 76%	CAN 73%	FRA 73%	SPAIN 72%	ARG 52%	USA 41%
A place that offers an authentic experience	ITA 85%	FRA 83%	BRZ 80%	CAN 77%	SPAIN 71%	ARG 56%	USA 51%
A place that inspires me to explore its culture	FRA 86%	ITA 86%	SPAIN 74%	BRZ 74%	CAN 68%	ARG 53%	USA 42%
Value Perceptions							
A dream destination that I would visit if money were no object (Desirability)	ITA 81%	FRA 80%	CAN 71%	SPAIN 66%	BRZ 66%	USA 55%	ARG 48%
A destination with the travel experiences I am specifically looking for (Relevance)	ITA 76%	FRA 75%	CAN 69%	SPAIN 64%	BRZ 63%	USA 53%	ARG 44%
A destination I would pay a little more for (Quality)	ITA 67%	FRA 67%	CAN 59%	BRZ 56%	SPAIN 51%	USA 38%	ARG 36%
A place with unique features that other destinations don't offer (Uniqueness)	ITA 82%	FRA 80%	BRZ 77%	CAN 74%	SPAIN 67%	USA 57%	ARG 51%
Price Perceptions							
A place that offers good value for money	CAN 69%	USA 65%	ITA 63%	FRA 57%	BRZ 57%	SPAIN 54%	ARG 48%
A destination that is affordable to get to by air	USA 71%	CAN 65%	ITA 51%	BRZ 51%	SPAIN 49%	FRA 48%	ARG 43%
A destination with reasonable prices for food, entertainment and hotels	USA 62%	CAN 62%	ITA 59%	BRZ 59%	SPAIN 52%	ARG 51%	FRA 50%

Base: Long-haul pleasure travellers (n=1,549)
Q11: We are interested in your general impressions of <Insert country>, as a holiday destination<If country=Canada hide ", even if you have never been there">. On a scale of 1 to 10, where 1 is "strongly disagree" and 10 is "strongly agree," how would you rate <Insert country> on each of the following?

Exhibit 5.4 tracks the product interests of Mexican travellers. It is important to note that the question changed in 2013 to ask about the importance of experiences when choosing a destination rather than when planning a trip. Some of the shifts evident in the 2013 results are attributable to this change and thus, results are not comparable to previous years.

Results show Mexican travellers seek destinations that offer cultural and historical attractions, urban cultural experiences, local favours, beautiful scenery, and opportunities to experience a country's unique character. As interest in cultural experiences rises, nature-based experiences such as visiting parks (ranked 6th, down from 5th spot in 2011) and wildlife observation (ranked 11th, down from 7th previously) appear to be on the decline, which is not good news for Canada.

Exhibit 5.4 – Product Interests



Base: Long-haul pleasure travellers (2013 n= 1,549; 2011 n=1,492)
Q7: We are interested in knowing the types of activities and experiences you are looking for on your long-haul holidays. Please indicate how important each of the following activities is to you when choosing long-haul destinations.
Note: Results not comparable to previous years due to changes in the question wording in 2012 and to the product list in 2011.
Blue squares indicate a result that is significantly lower than 2011. Red circles indicate a result that is significantly higher than 2011.

Exhibit 5.5 shows how Canada ranks against the competition on each product. Canada is top ranked in 7 categories – most of which are associated with outdoor experiences. The country retains its strong 1st place showing on scenery, the 4th most important factor in destination selection. Highly sought after cultural experiences are typically associated with France and Italy, with Canada placing well back.

Exhibit 5.5 – Product Interest Associations By Country

	1#	2#	3#	4#	5#	6#	7#	8#
Participating in other winter activities	CAN 73%	USA 56%	FRA 21%	ARG 17%	ITA 14%	SPAIN 9%	BRZ 6%	NONE 5%
Ski and snowboard	CAN 70%	USA 58%	FRA 22%	ARG 15%	ITA 13%	BRZ 8%	SPAIN 7%	NONE 5%
Seeing beautiful scenery	CAN 68%	BRZ 40%	USA 34%	ARG 31%	FRA 22%	ITA 21%	SPAIN 14%	NONE 1%
Visiting national parks and protected areas	CAN 55%	USA 54%	BRZ 40%	ARG 21%	FRA 18%	SPAIN 14%	ITA 14%	NONE 4%
Exploring nature with city amenities nearby	CAN 50%	BRZ 39%	USA 32%	FRA 26%	ITA 25%	ARG 25%	SPAIN 19%	NONE 4%
Exploring vibrant cities that are in close proximity to nature	CAN 47%	BRZ 47%	USA 27%	ARG 25%	FRA 24%	ITA 24%	SPAIN 20%	NONE 3%
Water-based journeys of one or more nights	CAN 44%	BRZ 41%	USA 34%	ARG 21%	ITA 19%	FRA 14%	SPAIN 12%	NONE 10%
Observing wildlife in their natural habitats	BRZ 55%	CAN 51%	USA 32%	ARG 26%	FRA 13%	ITA 12%	SPAIN 11%	NONE 5%
Resort experiences in natural settings	USA 51%	CAN 38%	BRZ 24%	FRA 22%	SPAIN 20%	ARG 20%	ITA 19%	NONE 9%
Participating in summer activities	USA 36%	SPAIN 30%	CAN 30%	BRZ 30%	ITA 28%	FRA 28%	ARG 22%	NONE 8%
Experiencing aboriginal culture and attractions	BRZ 58%	ARG 28%	CAN 27%	USA 22%	ITA 15%	FRA 13%	NONE 13%	SPAIN 12%
Land-based journeys of one or more nights	ITA 37%	FRA 36%	SPAIN 33%	CAN 32%	USA 26%	BRZ 24%	ARG 19%	NONE 8%
Multi-day guided tours by bus or train	FRA 49%	ITA 48%	SPAIN 39%	CAN 27%	USA 20%	BRZ 20%	ARG 15%	NONE 7%
Multi-day touring on your own by car or train	FRA 46%	ITA 44%	SPAIN 42%	USA 33%	CAN 30%	BRZ 16%	ARG 15%	NONE 4%
City activities	USA 60%	FRA 46%	ITA 38%	SPAIN 29%	CAN 24%	ARG 13%	BRZ 12%	NONE 3%
City cultural experiences	FRA 68%	ITA 60%	SPAIN 48%	USA 32%	CAN 15%	ARG 10%	BRZ 9%	NONE 2%
Seeing historical and cultural attractions	FRA 68%	ITA 65%	SPAIN 56%	USA 22%	CAN 14%	BRZ 12%	ARG 9%	NONE 1%
Experiencing a country's unique character and local lifestyles	ITA 43%	SPAIN 43%	BRZ 37%	FRA 35%	ARG 27%	CAN 26%	USA 21%	NONE 3%
Attending major events	USA 48%	BRZ 39%	FRA 33%	SPAIN 32%	ITA 28%	CAN 20%	ARG 15%	NONE 5%
Entertainment experiences	USA 65%	FRA 38%	SPAIN 30%	BRZ 28%	ITA 24%	CAN 18%	ARG 13%	NONE 4%
Sampling local flavours	ITA 62%	FRA 57%	SPAIN 44%	ARG 31%	BRZ 27%	USA 12%	CAN 11%	NONE 1%
Participating in culinary learning experiences	FRA 57%	ITA 57%	SPAIN 40%	ARG 25%	BRZ 17%	USA 12%	CAN 11%	NONE 6%
Attending food / wine festivals and events	FRA 64%	ITA 56%	SPAIN 46%	ARG 26%	USA 13%	BRZ 13%	CAN 9%	NONE 3%

Base: Always, often and sometimes important in destination selection (Q7)
Q8: Thinking about the following destinations, please select up to three destinations that you personally feel would be the best places to go for each of the following. Your choices can be based on your impressions, or anything that you have seen, heard or read. Select one to three destinations ONLY that you feel are best for each item.

6. Strategic Marketing

Exhibit 6.1 shows the dominance of US in the Mexican market, capturing almost 60% of the most recent trip market. Spain is in 2nd place, but well back of the US. Canada is tied with the Caribbean and Italy for 3rd spot. The dominance of the US makes it difficult for competitors, including Canada, to make inroads into the Mexican market.

Trip planning cycles are relatively lengthy in Mexico (4.8 months), yet booking times is considerably shorter (2.7 months), underscoring the importance for Canada to be active in the marketplace throughout key times during the year. About half of Mexican travellers seek travel agent advice on their long-haul trips, with about one-third booking this way. Those who visited Canada recently are more likely to book with an agent, illustrating the importance of this channel for the Canadian tourism industry. The majority are travelling independently and for pleasure purposes. VFR is the primary motivation for about one-fifth of Mexican travellers with visitors to Canada being slightly more likely to cite VFR as the primary purpose of their trip.

Exhibit 6.1 – Most Recent Pleasure Trip Profile By Destination

	All L-H Travellers (n=1,118)
Destination(s) Visited	
United States (excluding Hawaii)	58%
Spain	10%
Caribbean (e.g., Bahamas, British Virgin Islands, Cuba, Dominican Republic, Jamaica, Netherlands Antilles, Puerto Rico, US Virgin Islands, etc.)	8%
Italy	8%
Canada	8%
France	7%
Other South America	7%
Argentina	5%
United Kingdom	5%
Germany	5%
Amount of Time Before Departure When Trip Planning was Started	
Average months	4.8
Amount of Time Before Departure When Trip was Booked	
Average months	2.7
Trip Type	
Travel independently	58%
Combine independent travel with some guided tours for parts of the trip	22%
A fully escorted or guided tour	4%
All inclusive or semi-inclusive resort stay	12%
A cruise	4%
Trip Purpose	
Holiday	60%
Visited friends or relatives	21%
Business	9%
Study	2%
Personal reasons (e.g., wedding, reunion, etc.)	7%
Travel agent involvement	45%

Base: Those who have taken a long-haul pleasure trip in the past three years.

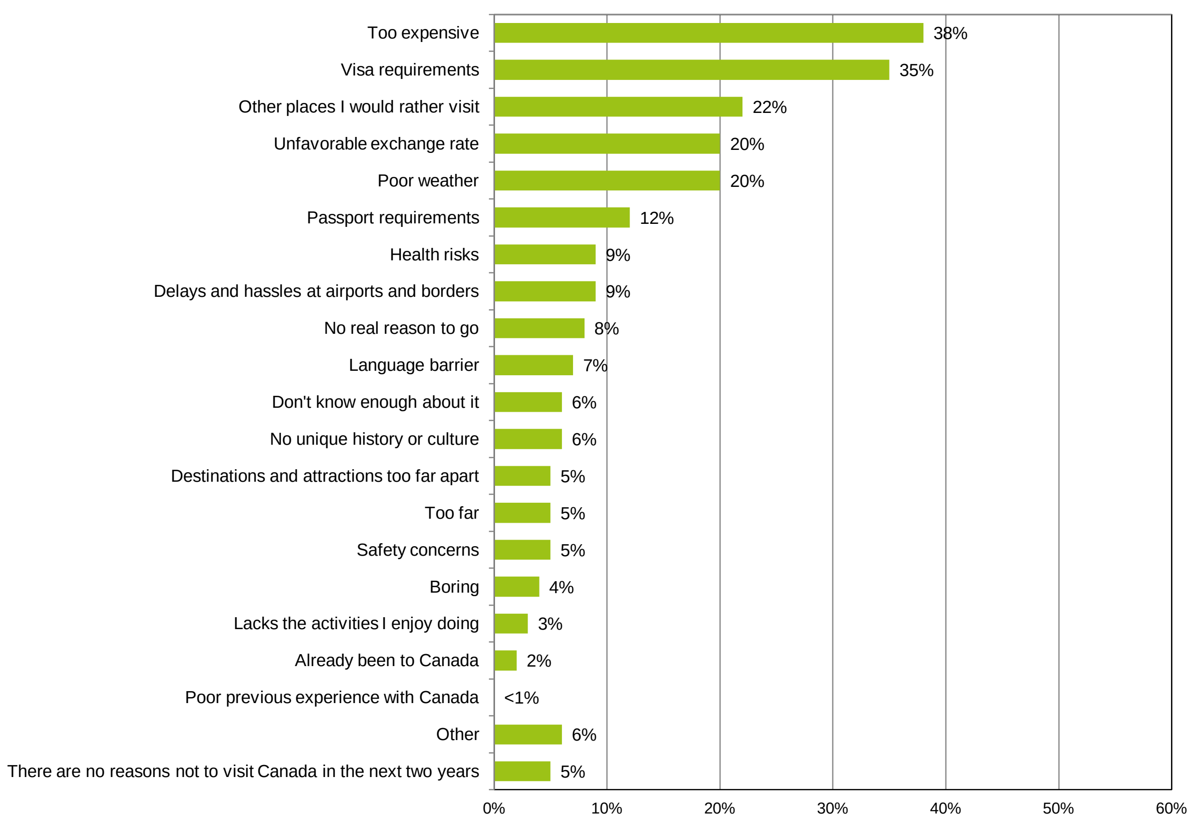
Recent visitors to Canada tend to be middle aged (45% are between 35-54 years), well educated, wealthy, and half have friends and relatives in the country.

Mexican visitation to Canada is concentrated in summer and winter, with minimal traffic in the shoulder season. Almost 60% of visitors to Canada also went to the US, suggesting that dual country itineraries will have strong appeal in the Mexican market. Mexican travellers rely heavily on personal recommendations when selecting a destination. This is particularly true for recent visitors to Canada.

All respondents were asked what factors may prevent them from visiting Canada in the short-term. The top reason by a narrow margin was the perception that a trip to Canada was cost prohibitive. Related to this concern is the worry about currency fluctuations which make international travel unaffordable. Visa requirements are cited almost as often as cost concerns suggesting they are a major impediment for potential Mexican visitors. Tied to this barrier are passport requirements (mentioned by 12% of potential visitors). Less than a quarter of responses related to a preference for other destinations and an equal number mentioned the weather as a deterrent.

Almost all Mexican travellers had least one reason that could prevent a visit to Canada

Exhibit 6.2 –Key Barriers For Visiting Canada

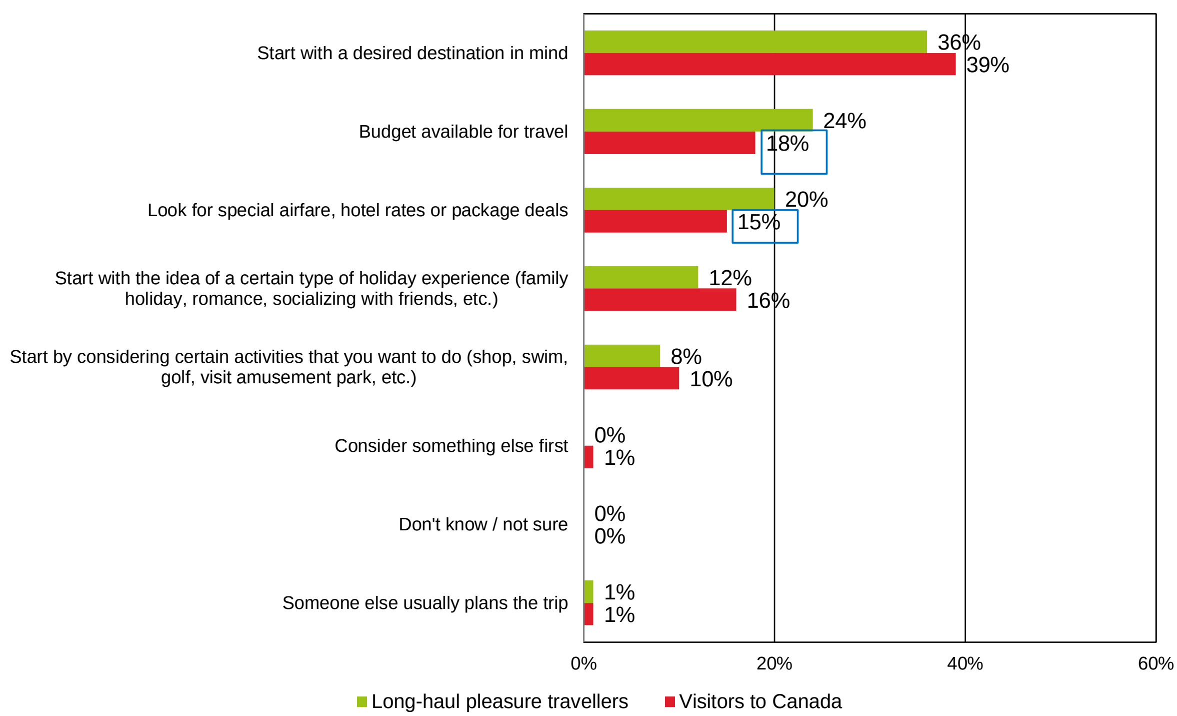


Base: Long-haul pleasure travellers (n= 1,549)

Q18: Please indicate which of the following reasons could prevent you from visiting Canada in the next two years.

While other survey data suggests the Mexican market is price sensitive, a new question asked travellers what one factor is the first consideration in trip planning. Results show that the majority of Mexican travellers see the destination as paramount, while budgetary considerations are of primary concern to a smaller portion of the market (this is particularly true for recent visitors to Canada). The ability of a destination to offer a certain type of experience ranks 4th overall, but is 3rd most important consideration for those who visited Canada. This results suggest once Mexican residents have decided they have the means to travel, cost is secondary. Therefore, getting Canada on Mexican travellers' short list of destinations is key to achieving greater success in this market.

Exhibit 6.3 – One Factor Typically Considered First When Planning A Trip



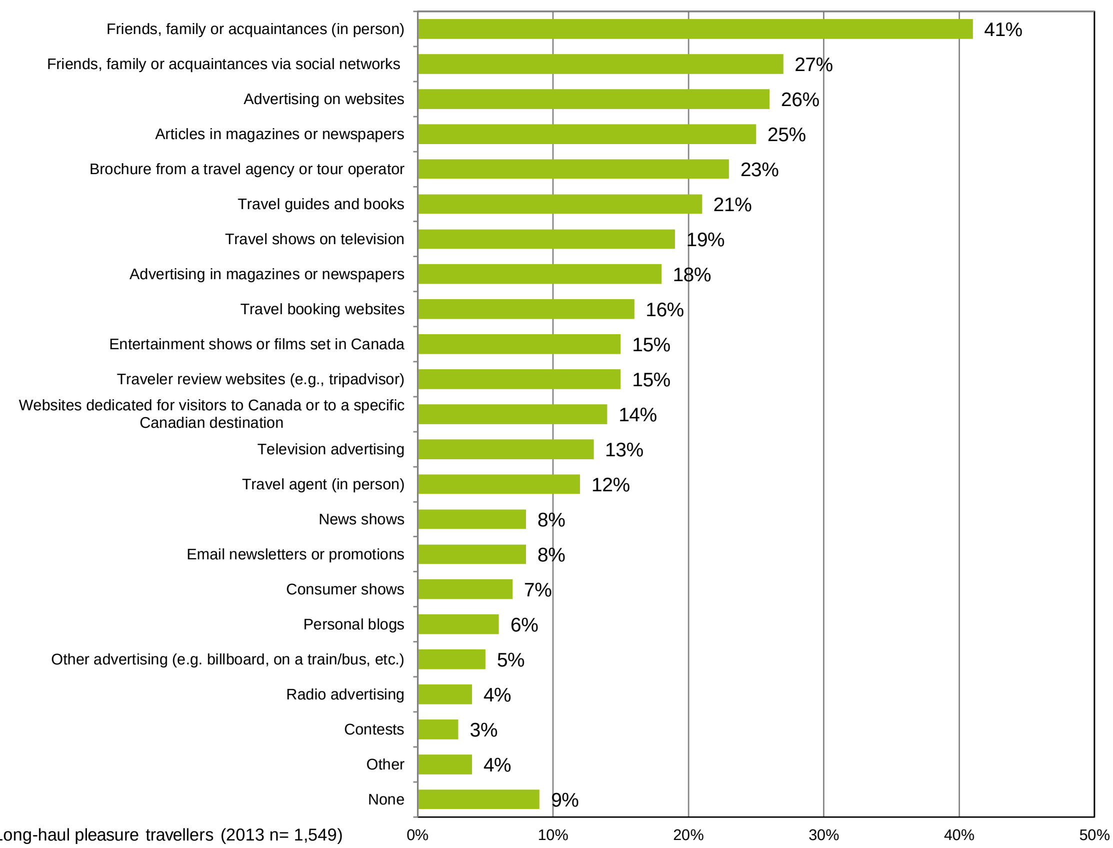
Base: Long-haul pleasure travellers (n=1,549). Long-haul pleasure travellers who visited Canada in the past three years (n=200)

QS9: What one factor do you typically consider first when planning a long-haul trip?

Blue squares indicate a result that is significantly lower than at least one other group; Red circles indicate a result that is significantly higher than at least one other group.

An impressive 91% of Mexican travellers recalled information on travel to Canada within the past year. In-person interactions remain the primary information source on Canada, followed by information obtained through friends and family via social networking, online advertising, and then more traditional off-line sources such as print articles, and travel agent brochures. This marks a distinct change from 2011 when print articles in travel publications and TV travel shows predominated. Clearly, personal recommendations are a key influencer in the Mexico market. The Canadian tourism industry needs to encourage past visitors to Canada to share experiences with friends and family. Over 90% of Mexican travellers use social media, with Facebook, YouTube, Twitter, and Instagram being the most popular.

Exhibit 6.4 – Sources Of Information On Canada In The Past Year



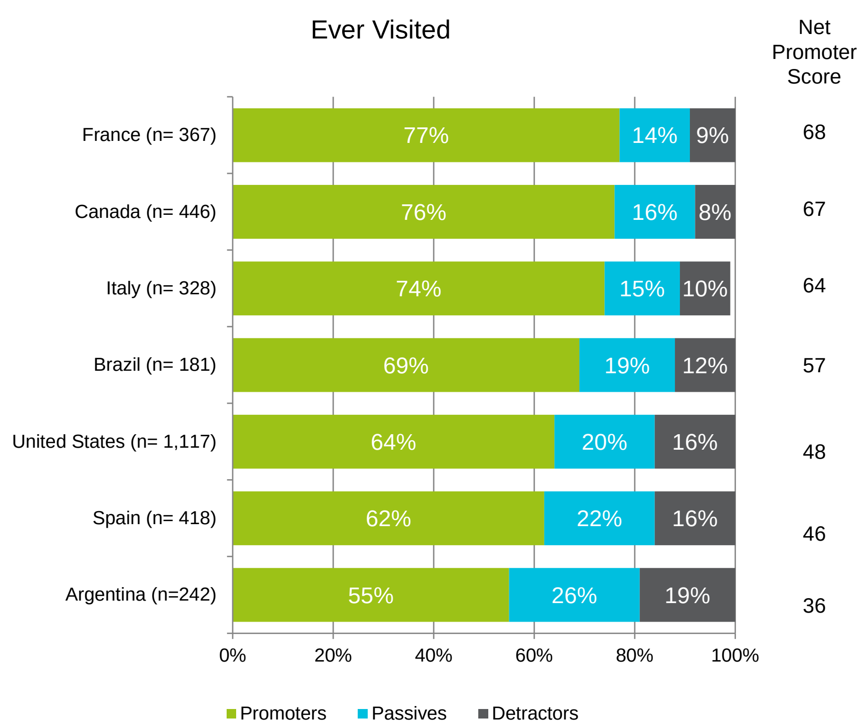
Base: Long-haul pleasure travellers (2013 n= 1,549)
Q20: In which of the following sources, if any, did you see or hear information about travelling to Canada during the past year?
Note: Results not comparable to previous years due to changes to the statement list in 2012.

A series of questions on advocacy and social media usage were added to understand the evolving role these channels are playing in the tourism sphere and uncover ways the CTC and partners can effectively have influence.

The Net Promoter Score is an established tool to measure a respondent's likelihood to recommend a product or service to friends and family. Data was gathered among all respondents, but results from past visitors to each destination are the most telling and are presented below. Canada scored well on this measure, placing 2nd just behind France and ahead of Italy and Brazil.

These results suggest Canada has considerable advocacy potential in Mexico and a large pool of past visitors to draw from (28% of Mexican travellers have been to Canada in their lifetime). Harnessing this potential is particularly key in the Mexican market owing to the importance of personal recommendation in this market.

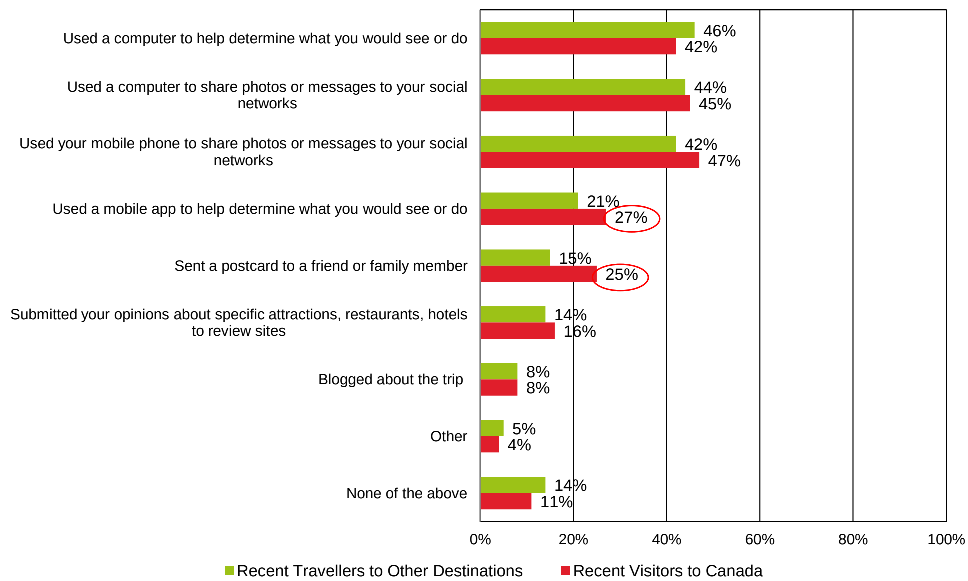
Exhibit 6.5 – Net Promoter Score Results



Q3: Whether you have visited or not, how likely are you to recommend each of the following holiday destinations to a friend, family member or colleague?

Two new questions asked Mexican travellers about sharing behaviour during and after their trip. During the trip, a popular activity among all travellers was online trip planning research at the destination. Equally popular was sharing photos and messages through social networks. And, again, as popular was the use of mobile phones for this same purpose, particularly among visitors to Canada who used their phones more than a computer.

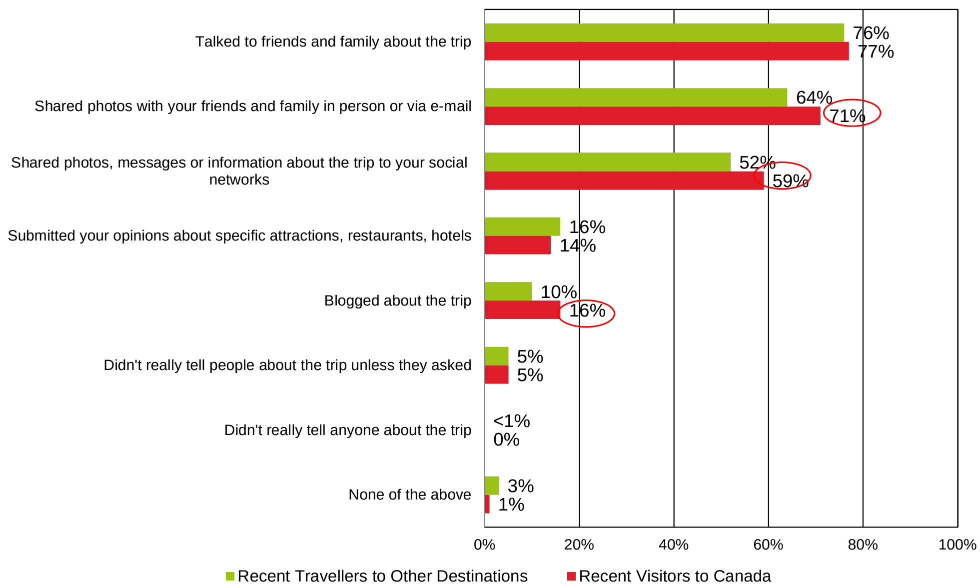
Exhibit 6.6 – During The Trip: Sharing Experiences / Seeking Advice



Q31: During your recent trip to , did you share your trip experiences with anyone or seek advice? (Select all that apply)

Almost all Mexicans engage in post-trip sharing, with in-person interactions most popular. Photo sharing, either in-person or by email, is also common. Post-trip sharing via social networks is more common than in other GTW markets. Blogging, a niche activity among Mexican travellers, is more popular post-trip, especially among recent visitors to Canada.

Exhibit 6.7 – After The Trip: Sharing Experiences



Base: Recent travellers to other destinations in the past 3 years (n=918). Recent travellers to Canada in the past three years (n=200)

Q32: After coming back from your trip did you share experiences with anyone?

Note: Blue squares indicate a result that is significantly lower than the other group; Red circles indicate a result that is significantly higher than the other group.