# Global Tourism Watch

**2016 Australia Summary Report**

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# 1. Introduction

Destination Canada began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to provide consumer-based intelligence in 12 core markets around the world: Australia, Brazil, China, France, Germany, India, Japan, Mexico, South Korea, the United Kingdom, the United States, and the domestic Canadian market.

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 competitors over time;

- Identify the general experiences sought by travellers and identify growth opportunities;

- Identify motivators and barriers for travel to Canada; and,

- Determine the influence of various information sources on destination selection.

The GTW permits direct comparison of Canada to competing destinations in each market. Destination Canada has designated the following destinations as competitors in the Australian market: the US, United Kingdom, France, China, Japan, Italy, Germany, India, Netherlands, Greece, Ireland, Spain, Switzerland, and South Korea.

## Methodology

Data was collected via an online survey and has been weighted to represent the Australian long-haul travel population. The target population in Australia was residents aged 18 years and older, who have taken a long-haul pleasure trip outside of Australia, New Zealand and the Pacific Islands 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 1,506 respondents in Australia, including 202 recent visitors to Canada, in December 2016. In the past, data has been gathered earlier in the year (April through July), which is prime planning season for summer travel to destinations such as Canada. It is believed the timing of data collection impacts results and the later field window this wave may be responsible for some shifts in Key Performance Indicators (KPIs).

*Figure 1.1: Study Overview: Australia Market*



*The target population are residents aged 18 years and older, who have taken a long-haul pleasure trip, 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.*

Timing of Fieldwork

NOV | DEC

2016

Geographical Definition for Qualified Trips

**Outside of: Australia, New Zealand, and the Pacific Islands**

GTW Sample Distribution

| Sample distribution: | **National** |
| --- | --- |
| Recent visitors to Canada: | 202 |
| Other travellers: | 1,304 |
| Total sample size: | 1,506 |

# Background

Australia is the world's 13th largest economy according to the IMF GDP Nominal ranking, with 1.9% share of global GDP (*International Monetary Fund, October 2016*).

The Australian economy contracted slightly in Q3 2016, falling by 0.5% from Q2, due in part to political uncertainty globally, including the US election, and the prospect of a hike in interest rates. This was the sharpest fall experienced by the country's economy since 2008, and analysts feared the arrival of the first recession in 25 years and damage to the country's triple-A credit rating *(Reuters, December 2016)*. As a response to the contraction, businesses, consumers, and the government all reduced spending and the Australian dollar lost some value.

The economic contraction intensified concerns about Australia's over-reliance on commodity markets. In particular, as Australia is heavily dependent on trade with China, changes to the Chinese economy could have a significant effect on Australia's economic prospects. The possibility of an overheated housing market, the prospect of rising interest rates, and a sharp decline in house prices is the single largest domestic risk, as it would not only hurt the construction industry, but also reduce Australians' household wealth and consumption *(OECD, 2017)*.

Despite the economic contraction, predictions for 2017 are more optimistic. GDP is expected to rise modestly in 2017 by 2.6%, and reach 3.1% in 2018, driven by strong government and household consumption, as well as a recovery in mining investment. Unemployment is holding steady at 5.6% and is expected to dip marginally in 2017 *(OECD, December 2016)*.

Inflation hit a low of 1.3% in 2016 but is forecasted to increase moderately to 2.1% in 2017 and reach 2.4% by 2018, moving towards the central bank's 2-3% target *(International Monetary Fund, October 2016)*.

Consumer confidence stood at 97.3 in December 2016, down from 101.3 in November, its lowest level since April 2016.  The drop was attributed to concerns about the economic situation, stemming from the Australian economy's contraction in Q3 2016. News of increasing interest rates following the US election also contributed to consumers' more downbeat mood *(Focus Economics, January 2017)*.

Australia ranks 9th in the world for outbound tourism spending, which totaled US$27 billion in 2016 and is equivalent to 8% growth in expenditure over 2015 *(United Nations World Tourism Organization, April 2017)*.

# 2. Market Potential

GTW data is used to estimate the size of the potential market for Canada. The table below provides an estimate of the size of the potential Australian market for Canada in two ways – the macro target market and the immediate potential market.

The long-haul travel market size is derived from a 2016 omnibus study of the Australian adult population. Note that the long-haul market size was last calculated in 2010 and has declined by 715,000. This decline is explained by an overall decrease in the incidence of long-haul travellers in the Australian market from 50% in 2010 to 47% in 2016. Long-haul travel incidence is comprised of travellers who indicate that they have travelled for a long-haul pleasure trip in the past three years, or intend to do so in the next two years. While the incidence of past three year travel has increased since 2010 (from 33% to 37%), the next two year outlook for long-haul travel has decreased (from 40% to 33%).

The proportion of GTW respondents who are in the dream to purchase stages for Canada (72%) is used to calculate a target market estimate of 5.5 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to visit Canada in the next two years. This translates into a market of 1.95 million travellers with more immediate potential for conversion.

Among DC's eleven international markets, Australia is ranked 9th in immediate potential market size (ahead of Brazil and India). However, actual visitation from Australia was ranked 6th among DC's international markets in 2016[1]. This means that Canada is doing well at converting potential travellers to actual visitors in the Australian market.

For context, Canada attracted 333,000 visitors from Australia in 2016, an increase of 16% over 2015[2]. The 333,000 arrivals represent 17% of the immediate potential market.

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[1]  *Destination Canada, Tourism Snapshot, December 2016.*
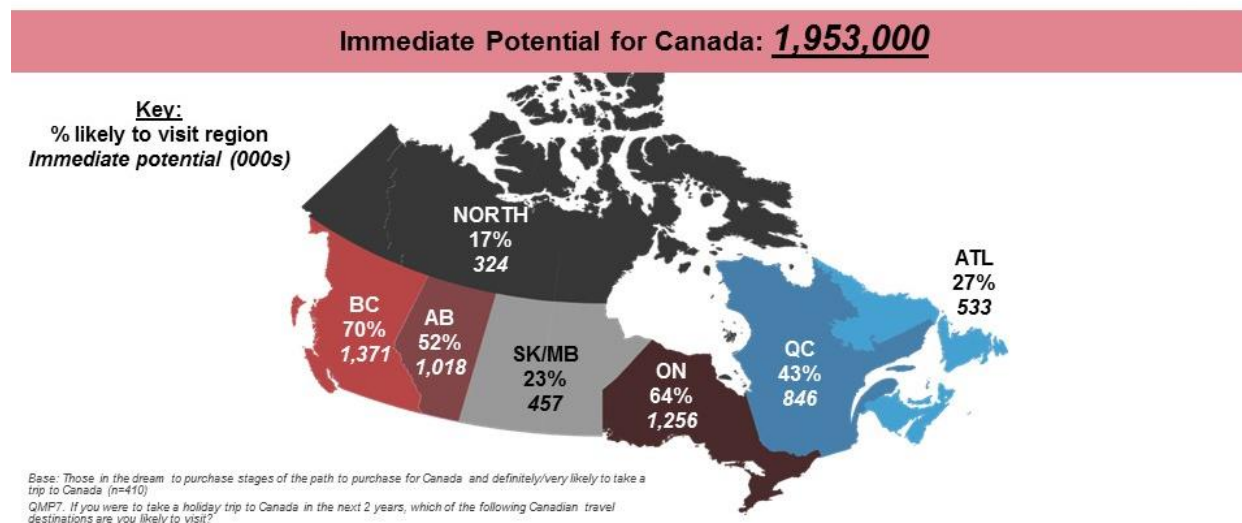
[2]  *Destination Canada, Tourism Snapshot, December 2016.*

*Figure 2.1: Size of Potential Market to Canada (Next 2 Years)*

| Measure | Size of Potential Market to Canada |
|---|---|
| Long-haul pleasure travel market | **7.61 million** |
| Target market for Canada (dream to purchase stage) | **72%** |
| Size of the target market | **5.49 million** |
| Immediate potential for Canada (definitely/very likely to visit in next 2 years) | **36%** |
| Immediate potential | **1.95 million** |

*Base: Target market for Canada = long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=1,092)*
*QMP1. Which of the following best describes your current situation when thinking about each of the following destinations for a holiday trip?*
*QMP6. Realistically, how likely are you to take a holiday trip to Canada in the next 2 years?*
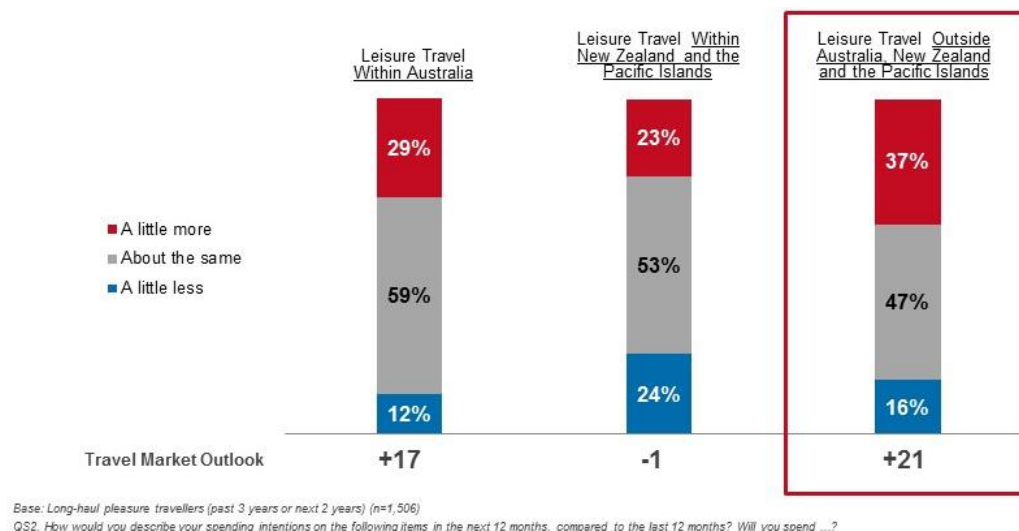
Also of interest is the demonstrated interest in specific regions of Canada among the Immediate Potential Market (1.95 million). Australian travellers expressed the most interest in visiting British Columbia (70% or 1.4 million potential visitors) and Ontario (64% or 1.3 million potential visitors). There is also notable interest in visiting Alberta (52% or 1.0 million potential visitors) and Quebec (43% or 850,000 potential visitors).

*Figure 2.2: Potential Market Size for the Regions*



Immediate Potential for Canada: 1,953,000

Key:
% likely to visit region
Immediate potential (000s)

NORTH 17% 324
ATL 27% 533
BC 70% 1,371
AB 52% 1,018
SK/MB 23% 457
ON 64% 1,256
QC 43% 846

*Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=410)*
*QMP7. If you were to take a holiday trip to Canada in the next 2 years, which of the following Canadian travel destinations are you likely to visit?*

Despite a softening of the Australian dollar (AUD) against the Canadian and US dollars, Euro and British pound, interest in long-haul travel among Australian travellers is increasing. Thirty seven percent said they plan to spend more on leisure travel outside of Australia, New Zealand and the Pacific Islands in the next 12 months. This is a considerably higher proportion than travellers who intend to spend less, resulting in a robust long-haul outlook (+21). Spending intentions for leisure travel within Australia are also strong (outlook of +17), whereas short-haul leisure travel plans to New Zealand and the Pacific Islands are soft (outlook of -1).

*Figure 2.3: Spending Intentions (in the Next 12 Months)*



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QS2. How would you describe your spending intentions on the following items in the next 12 months, compared to the last 12 months? Will you spend ...?

# 3. Competitive Environment – Key Performance Indicators Summary

The outlook for Canada in Australia is positive. Out of the 15 destinations that respondents were asked to evaluate, Canada is 3rd on aided consideration after the US and the UK and 6th on unaided consideration behind the US, UK, Japan, Singapore, and China. However, Canada ranks 12th on destination knowledge and 13th on past 3 year visitation.

The GTW tracks the following Key Performance Indicators (KPIs) for Canada: unaided and aided destination consideration, aided destination knowledge, and past visitation. Canada's performance is tracked against key competitors for the long-haul travel market. The competitive set was updated for 2016 to reflect actual travel patterns from each market. The countries included represent 95% of the outbound travel volume to long-haul destinations which are considered direct competitors to Canada (e.g., non-beach destinations). For Australia, these destinations are the US, United Kingdom, France, China, Japan, Italy, Germany, India, Netherlands, Greece, Ireland, Spain, Switzerland, and South Korea. The Netherlands, Spain, Switzerland, India, Japan, Germany, Ireland, Greece, and South Korea were not in the competitive set previously. It is also important to note that 2016 data was collected in December versus earlier in the year (April to July) in previous years. Seasonality may have impacted KPI results this year, although it is impossible to know how much the results might have been affected.

# Consideration

Unaided consideration represents top-of-mind presence of destinations in the consumer mindset and requires travellers to think of destinations without being prompted. Unaided consideration indicates that a strong impression has rooted in the mind of a traveller for a destination. From a marketing perspective, travellers who have Canada on their unaided consideration list may be easier to attract since they are actively thinking of Canada as a travel destination. On an unaided basis, 8% of Australian travellers mentioned Canada as a destination under serious consideration in the next 2 years, behind the US (27%), the UK (17%), Japan (11%) and Singapore (10%) and on par with China (8%). Older travellers aged 55+ were more likely to mention Canada on an unaided basis (12%) as were those who visited Canada recently (23%). Very few specific places in Canada were mentioned by Australian long-haul travellers, with the majority just saying Canada, suggesting knowledge of specific Canadian destinations is low.

Aided consideration represents the proportion of travellers who say they would seriously consider visiting a destination, but only after they are prompted with a list of competitive destinations. Travellers who have aided consideration for Canada may not be thinking of Canada top-of-mind, but they are considering a visit. Continued prompts and cues through marketing efforts could help move these considerers down the Path to Purchase. Canada fares better on an aided basis with 34% saying they are seriously considering Canada for a leisure trip in the next 2 years, placing third to the US (43%) and the UK (37%), but substantially ahead of 4th place Japan (28%) and European destinations such as Italy (26%) and France (25%). Of note, travellers under 55 express stronger than average interest in the US and Japan, while Canada does see not any significant differences among age groups. Both recent visitors to Canada and those considering a visit rank Canada first overall in aided consideration among all destinations in the competitive set. Knowing that past visitors are more interested in returning, it is important to attract new visitors, with younger travellers representing a greater opportunity.

# Knowledge

The aided destination knowledge KPI (previously called aided awareness, but changed for clarity purposes) measures knowledge of travel opportunities in each destination. Twenty-six percent of all Australian long-haul travellers rate their knowledge of travel opportunities in Canada as either excellent or very good. Among those considering Canada, 36% indicate they have a very good or excellent knowledge of Canadian travel opportunities, which puts Canada in 12th spot behind the US, all European destinations in the competitive set other than Germany, and all Asian destinations other than China and South Korea. Efforts to boost knowledge of Canadian travel opportunities could help to move potential visitors along the path-to-purchase. Among Explorer Quotient (EQ) segments, Social Samplers claim higher than average knowledge of Canadian travel opportunities (45%).

## Visitation

In terms of past visitation, 37% of Australian long-haul travellers have visited Canada on a leisure trip at some point in their lifetime. Younger travellers aged 18-34 are most likely to have visited Canada (41%), followed closely by older travellers aged 55+ (38%). Those considering a trip to Canada are more likely to have visited previously (47%). Messaging designed to encourage a repeat visit is recommended since past visitors to Canada voice considerably higher interest in returning.

*Figure 3.1: Key Performance Indicators*

**Key Performance Indicators (KPIs) for Canada – Summary**

| Indicator | Definition | All Long-Haul Travellers (n=1,506) | Recent Visitors to Canada[1] (n=202) | Considering Canada[2] (n=485) |
|---|---|---|---|---|
| **Intentions:** | | | | |
| Unaided destination consideration | % who mentioned Canada or a destination in Canada on their consideration list[3] | 8% | 23% | 21% |
| Competitive positioning on aided destination consideration | Rank on the consideration list among 15 destinations | 3 | 1 | 1 |
| **Destination knowledge:** | | | | |
| Aided awareness of travel opportunities in Canada | % with excellent/very good knowledge of travel opportunities in Canada | 26% | 57% | 40% |
| **Past visitation:** | | | | |
| Past visitation | % who have ever visited Canada for pleasure | 37% | 99% | 47% |

[1] Visited Canada in the past 3 years (pleasure trip of 4 or more nights, with at least 1 night in paid accommodations).
[2] Those in the consider to purchase stages of the path to purchase for Canada.
[3] For trips in the next 2 years.

Base: Long-haul pleasure travellers (past 3 years or next 2 years).
QS8. You mentioned that you are likely to take a long-haul holiday trip outside of Australia, New Zealand and the Pacific Islands in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)
QBVC1. You may have already mentioned this before, but which destinations would you seriously consider visiting in the next 2 years?
QMP3. How would you rate your level of knowledge of holiday opportunities in each of the following destinations (asked only for destinations in consideration set)?
QRT14a. Approximately, how many times have you been to Canada?
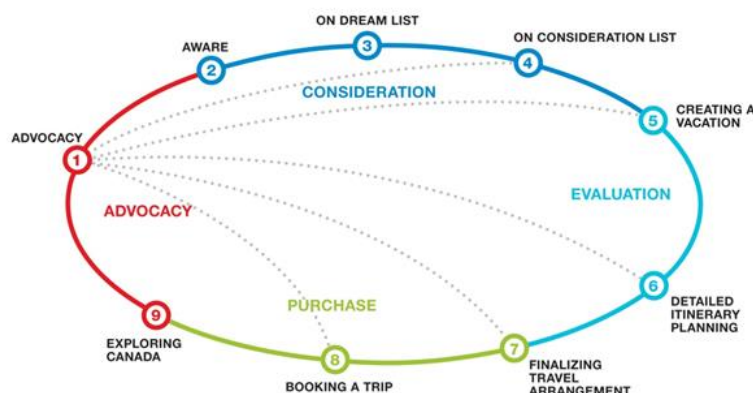
# 4. Path-to-Purchase

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

Through additional research, Destination Canada has developed a nine stage Path-to-Purchase (P2P) model for long-haul travel, starting with awareness of the opportunity and interest in a destination, through to planning an itinerary, and booking travel and accommodations. The final stage, advocacy, happens during and after the actual visit.

Destination Canada wants to understand where the organization can have the greatest influence in converting those with interest in Canada to actual visitors.

*Figure 4.1: DC's Path-to-Purchase Model*



In addition to looking at individual stages of the P2P, Destination Canada has identified phases travellers move through in the purchase cycle. Key phases are defined below and are referenced throughout this report.
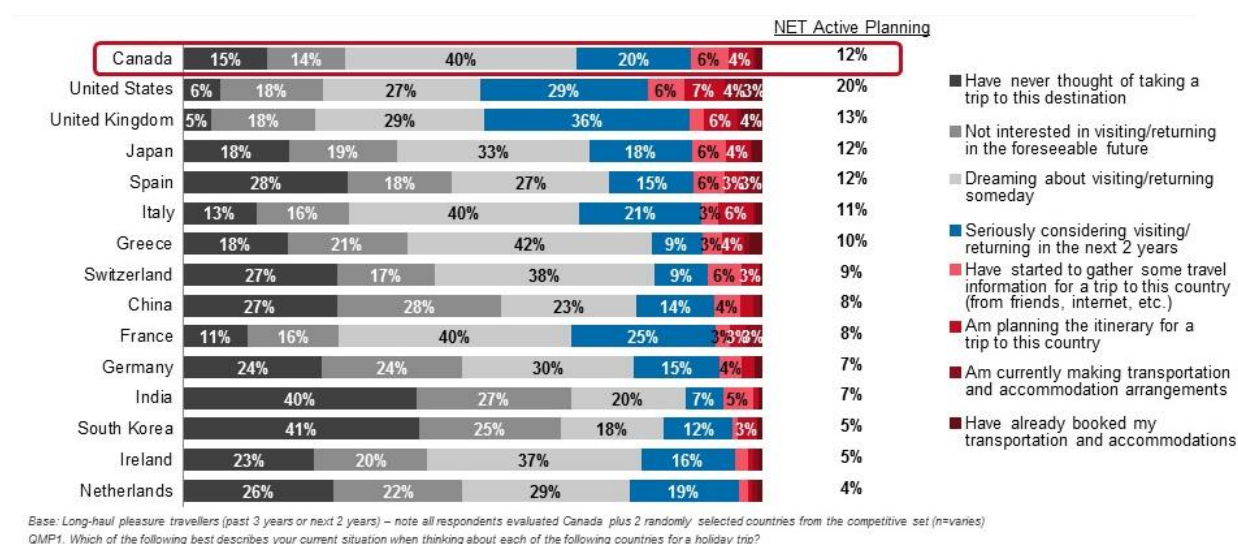
*Figure 4.2: DC's Path-to-Purchase Model*



In looking at results for Australia, the popularity of the US is evident, with 20% of Australian travellers actively planning a trip to the US and an additional 29% seriously considering a trip within the next two years. The UK is also of considerable interest among Australian travellers with 13% actively planning a visit and a 36% seriously considering a trip.

Canada is tied for third (along with Japan and Spain) with 12% of travellers actively planning a trip. Once again, results may be impacted by the timing of data collection in 2016 (respondents may be thinking of winter trips). For this reason, 2016 results should not be compared with previous years.

Slightly more encouraging for Canada is an additional 20% of Australian travellers are seriously considering a trip to Canada in the next two years, compared to 18% for Japan and 15% for Spain. Canada has a large portion of Australian travellers in the dream phase (40%) which is similar to the levels seen for Italy and France.

*Figure 4.3: Stage in the Purchase Cycle by Country*



Base: Long-haul pleasure travellers (past 3 years or next 2 years) – note all respondents evaluated Canada plus 2 randomly selected countries from the competitive set (n=varies)
QMP1. Which of the following best describes your current situation when thinking about each of the following countries for a holiday trip?

Getting travellers to move through the purchase cycle to booking a trip is critical. The charts below show Canada's progress converting travellers at crucial steps in the purchase cycle relative to top competitors (determined by past 3-year visitation) and other destinations in the competitive set. For reference, also shown is the average across the entire competitive set. 'Strong' and 'weak' conversion ratios were derived through statistical analysis, specifically if a conversion ratio is greater than one standard deviation from the average, then it is considered 'strong' and if a conversion ratio is lower than one standard deviation from the average, then it is marked as 'weak'.

At the dreaming stage, Canada is the sole strong performer, but drops to average on actual consideration, where the US and UK excel.

Canada's performance continues to be average at the creating a vacation movie stage, but is in line with other top competitors. At the detailed itinerary planning phases, the UK records above average performance. Since this stage is focussed on information gathering, Canada may want to look to the UK to see what is the destination is doing well for Australian travellers.

Canada sees weak results at the final booking a trip stage. Canada has converted 2% of Australian travellers into actual visitors, on par with Italy, Japan and China, but trailing top competitors, the US (7%) and the UK (4%) by a considerable margin and behind the average across the competitive set (3%).

For context, the US recorded 1.34 million arrivals from Australia in 2016, while the UK saw 982,000 Australian visitors, Japan logged 445,000 and China saw 637,000 (2015). Canada was well behind most countries in the competitive set drawing 333,000 Australian visitors.[3]

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[3] *US National Travel & Tourism Office, China National Tourism Organization, Visit Britain, Japan National Tourism Organization, Destination Canada.*

## Figure 4.4: Path-to-Purchase Conversion – Top Competitors
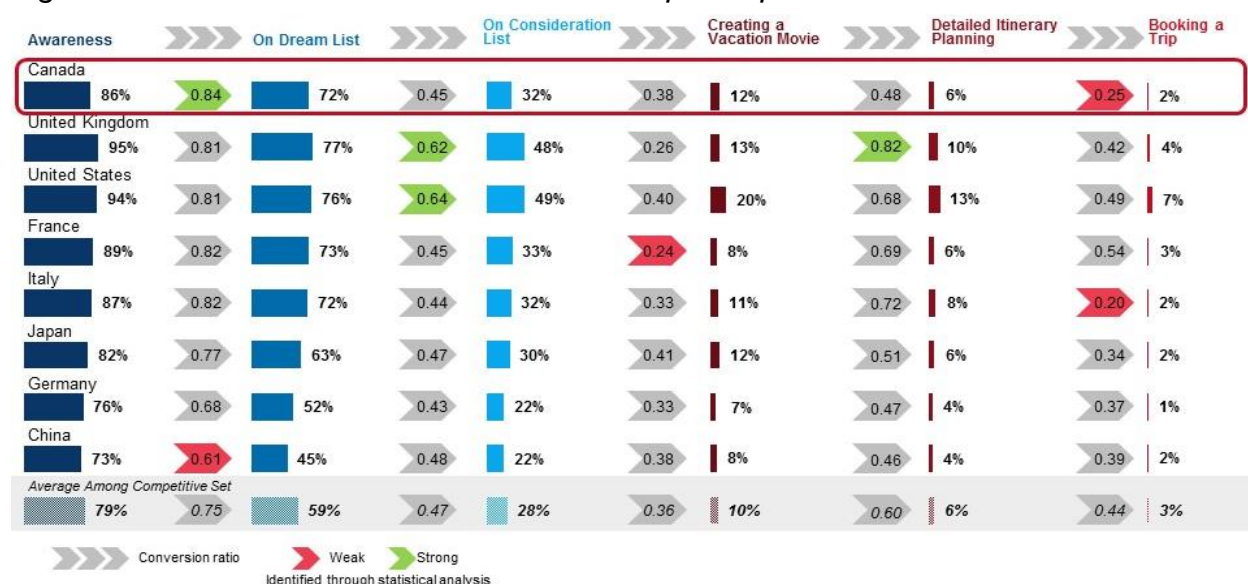


Examining purchase cycle results for destinations visited less frequently by Australian travellers is also illuminating. Most notably, Ireland and the Netherlands are strong performers at the final booking a trip stage.

While examining what Ireland and the Netherlands are doing to convince UK travellers to move from planning to booking is worthwhile, it is important to keep in mind the proportion booking is on par with Canada's result. Further, the relative size of the market is also important to keep in mind with Ireland attracting 204,000 Australian visitors in 2015 while the Netherlands saw 189,000 Australian arrivals[4].

## Figure 4.5: Path-to-Purchase Conversion – Rest of Competitors



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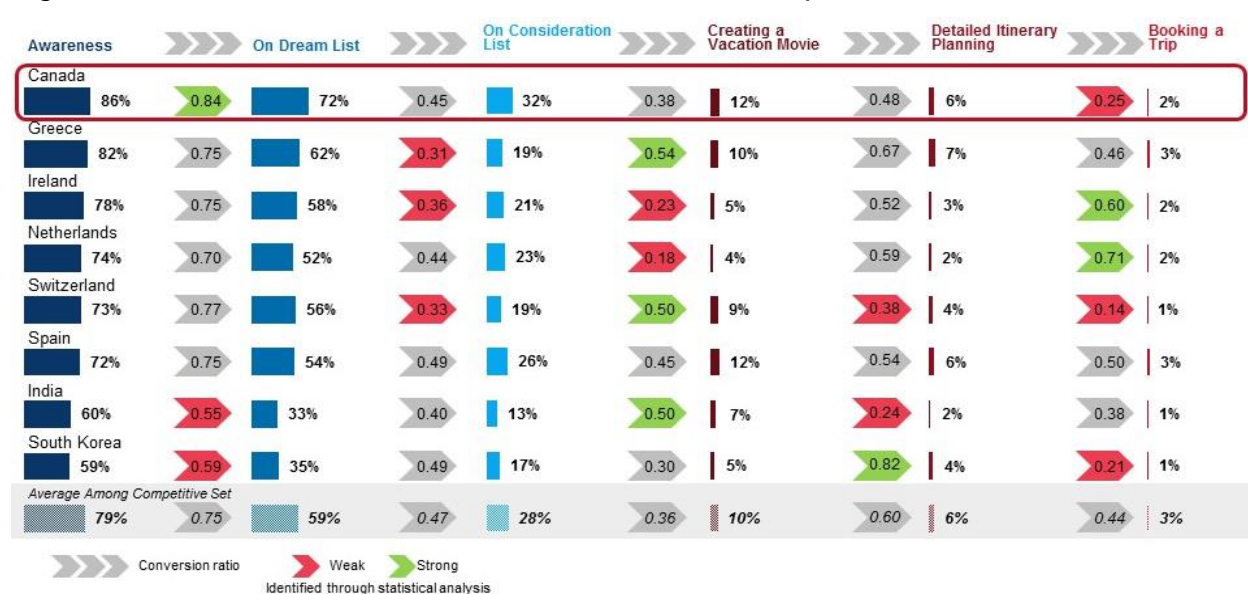
[4] *Ireland Tourism and NBTC Holland Marketing.*

# Destinations

Australian travellers in the dream-to-purchase stages and indicating they are definitely/very likely to visit Canada in the next 2 years were asked which parts of the country they would likely visit. Overall, Canada's major cities are top draws as are iconic Canadian natural attractions such as Niagara Falls and the Rocky Mountains.

British Columbia is the most popular province (cited by 70%), with Vancouver (59%), the Rocky Mountains (49%), and Whistler (34%) being specific sites of interest.  Ontario (64%) was the second most popular destination of interest, where Toronto (55%) and Niagara Falls (52%) garnered top mentions. Alberta is the third most popular destination, beating out Quebec by a considerable margin (52% versus 43%). The Rocky Mountains (41%) are the main attraction, followed by Calgary (30%) and the ski resorts of Banff (27%) and Jasper (25%).

There is clear interest in visiting the Rocky Mountains, with 49% of probable visitors heading to BC for this experience and 41% sayin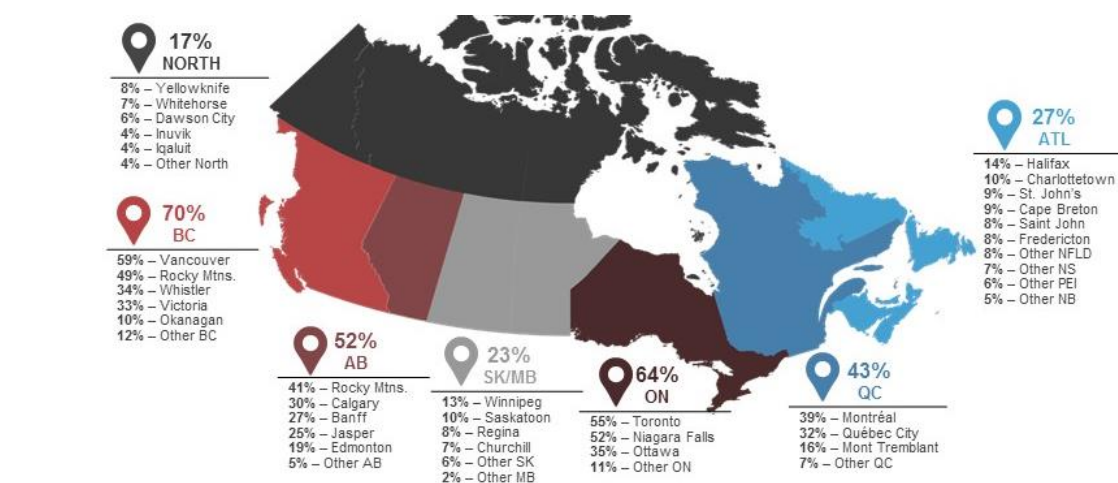g they would go to Alberta for this. The relatively high level of interest in ski destinations (Whistler, Banff, Jasper) may be in part linked to the timing of data collection, which occurred in December 2016.

*Figure 4.6: Canadian Destinations Likely to Visit (Among those definitely/very likely to visit)*



**17% NORTH**
8% – Yellowknife
7% – Whitehorse
6% – Dawson City
4% – Inuvik
4% – Iqaluit
4% – Other North

**70% BC**
59% – Vancouver
49% – Rocky Mtns.
34% – Whistler
33% – Victoria
10% – Okanagan
12% – Other BC

**52% AB**
41% – Rocky Mtns.
30% – Calgary
27% – Banff
25% – Jasper
19% – Edmonton
5% – Other AB

**23% SK/MB**
13% – Winnipeg
10% – Saskatoon
8% – Regina
7% – Churchill
6% – Other SK
2% – Other MB

**64% ON**
55% – Toronto
52% – Niagara Falls
35% – Ottawa
11% – Other ON

**43% QC**
39% – Montréal
32% – Québec City
16% – Mont Tremblant
7% – Other QC

**27% ATL**
14% – Halifax
10% – Charlottetown
9% – St. John's
9% – Cape Breton
8% – Saint John
8% – Fredericton
8% – Other NFLD
7% – Other NS
6% – Other PEI
5% – Other NB

Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=410)
QMP7. If you were to take a holiday trip to Canada in the next 2 years, which of the following Canadian travel destinations are you likely to visit?
QMP7a-g. Within [province/region], which travel destinations are you likely to visit?

An additional question asked potential visitors to identify the one Canadian destination that holds the greatest appeal. Niagara Falls (23%) and the Rocky Mountains (17%) are top draws. Vancouver (13%) is the city of greatest interest followed by Montreal (7%) and Toronto (6%). This would suggest Canada's landscape-based icons (Niagara Falls and Rocky Mountains) clearly hold greater appeal for Australian travellers than Canada's city destinations. There is an opportunity to use well known natural landscapes as anchors and highlight their proximity to cities and lesser known/desirable destinations to attract Australian travellers.
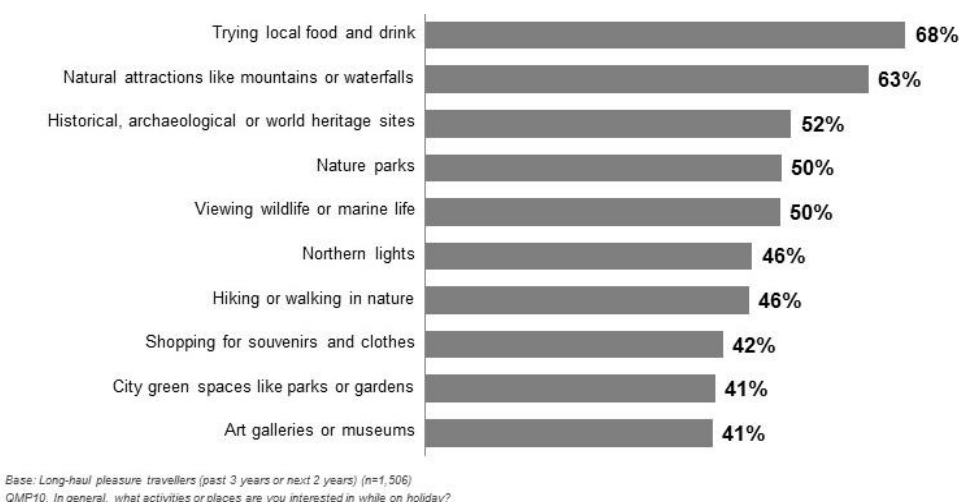
*Figure 4.7: Most Appealing Canadian Destination – Top 10 Mentions*



| | | | |
|---|---|---|---|
| Quebec City | 2.1% | Other PEI | 1.4% |
| Whistler | 1.8% | Other North | 1.4% |
| Okanagan | 1.3% | Other BC | 0.8% |
| Mont Tremblant | 1.3% | Other SK | 0.3% |
| Winnipeg | 1.1% | Other NB | 0.3% |
| Saint John | 0.9% | Other QC | 0.1% |
| Edmonton | 0.8% | | |
| Regina | 0.4% | | |
| Fredericton | 0.4% | | |
| Cape Breton | 0.4% | | |
| Churchill | 0.4% | | |
| Inuvik | 0.3% | | |
| Saskatoon | 0.3% | | |
| Halifax | 0.3% | | |
| Yellowknife | 0.3% | | |
| Whitehorse | 0.2% | | |

Map labels:
3% Jasper
17% Rocky Mountains
13% Vancouver
Victoria 2%
5% Banff
2% Calgary
Montréal 7%
2% Ottawa
6% Toronto
23% Niagara Falls

*Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=410)*
*QMP8. And, which place in Canada most appeals to you?*
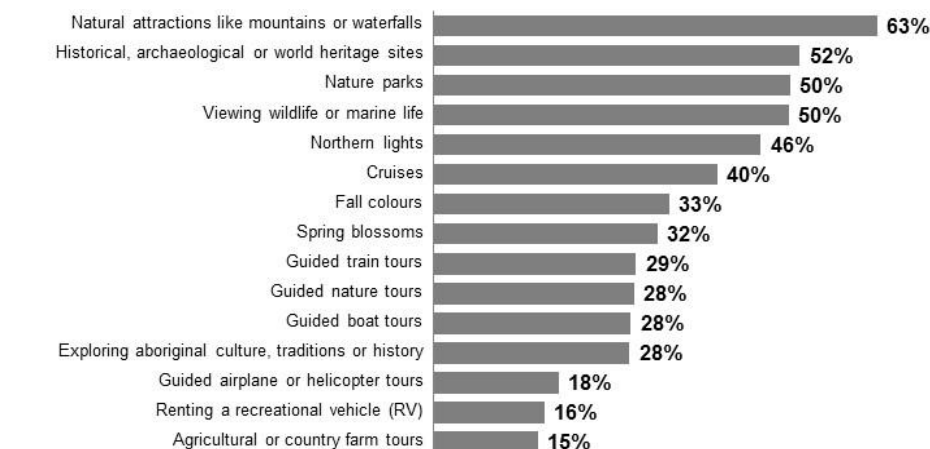
# 5. Vacation Activities

Australians were asked about which activities and experiences they seek while on holidays in general, regardless of destination. Immersion into the culture by sampling local food and drink is the most common activity Australian travellers seek out. This is followed by seeing natural attractions such as mountains and waterfalls, visiting historical sites of cultural significance, nature parks, viewing wildlife and marine life, and the Northern lights. Aside from hiking or walking in nature which holds appeal to all age groups, the top activities all hold stronger appeal for older travellers aged 55+.

*Figure 5.1: General Activities/Places Interested In – Top 10*



Trying local food and drink — 68%
Natural attractions like mountains or waterfalls — 63%
Historical, archaeological or world heritage sites — 52%
Nature parks — 50%
Viewing wildlife or marine life — 50%
Northern lights — 46%
Hiking or walking in nature — 46%
Shopping for souvenirs and clothes — 42%
City green spaces like parks or gardens — 41%
Art galleries or museums — 41%

*Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)*
*QMP10. In general, what activities or places are you interested in while on holiday?*

In terms of things to see & do, Australian travellers prefer natural attractions such as mountains or waterfalls (63%), visiting historical, archaeological or world heritage sites (52%), nature parks (50%), and viewing wildlife/marine life (50%). Several of the activities are of more interest to older travellers 55+ than those under 55, including nature parks, wild and marine life, Northern lights, cruises, and a variety of guided tours.
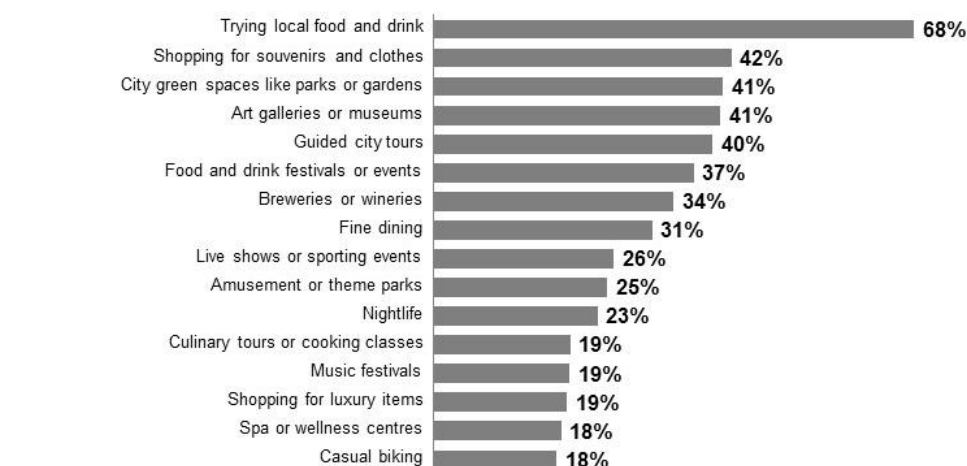
*Figure 5.2: General Activities/Places Interested In – Things to See & Do*



| Activity | % |
|---|---|
| Natural attractions like mountains or waterfalls | 63% |
| Historical, archaeological or world heritage sites | 52% |
| Nature parks | 50% |
| Viewing wildlife or marine life | 50% |
| Northern lights | 46% |
| Cruises | 40% |
| Fall colours | 33% |
| Spring blossoms | 32% |
| Guided train tours | 29% |
| Guided nature tours | 28% |
| Guided boat tours | 28% |
| Exploring aboriginal culture, traditions or history | 28% |
| Guided airplane or helicopter tours | 18% |
| Renting a recreational vehicle (RV) | 16% |
| Agricultural or country farm tours | 15% |

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

Among city activities specifically, trying local food and drink holds the greatest appeal by far for Australian travellers (68%). The next most frequently selected city activities are shopping for souvenirs and clothes (42%), visiting city green spaces like parks and gardens (41%), and visiting art galleries or museums (41%). Some city activities, such as local food and drink, parks and gardens, museums and galleries, and guided city tours, are of more interest to older travellers 55+ while others are of more interest to younger travellers aged 18-34, such as nightlife, music festivals, and shopping for luxury items.

*Figure 5.3: General Activities/Places Interested In – City Activities*



| Activity | % |
|---|---|
| Trying local food and drink | 68% |
| Shopping for souvenirs and clothes | 42% |
| City green spaces like parks or gardens | 41% |
| Art galleries or museums | 41% |
| Guided city tours | 40% |
| Food and drink festivals or events | 37% |
| Breweries or wineries | 34% |
| Fine dining | 31% |
| Live shows or sporting events | 26% |
| Amusement or theme parks | 25% |
| Nightlife | 23% |
| Culinary tours or cooking classes | 19% |
| Music festivals | 19% |
| Shopping for luxury items | 19% |
| Spa or wellness centres | 18% |
| Casual biking | 18% |

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

In terms of outdoor activities, Australian travellers are most interested in hiking or walking in nature (46%), followed by kayaking, canoeing or paddle boarding (24%), camping (21%), fishing or hunting (16%) and downhill skiing or snowboarding (15%). Generally, older travellers aged 55+ are least interested in outdoor activities while younger travellers aged 18-34 are more interested.

*Figure 5.4: General Activities/Places Interested In – Outdoor Activities*



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

# 6. Barriers

All Australian long-haul travellers were asked what could prevent them from visiting Canada. Cost is the primary deterrent (43%), followed by length of flight (29%) and a preference for other places (18%). Younger travellers aged 18-34 are more likely to cite vacation time limitations, express a lack of awareness of what Canada has to offer, and concerns about visas and health risks. In contrast, the 55+ group are more likely to be concerned with as delays and hassles at borders/airports, feel there is no compelling reason to visit in the short-term, and believe they have already seen everywhere of interest to them in Canada. They are also the most likely group to say nothing would prevent them from visiting Canada.

While the cost barrier is challenging to address, it can be indirectly dispelled through messaging about the value a Canadian vacation experience offers and Canada's ability to deliver vacation experiences Australian travellers seek. Given that air capacity from Australia increased 48% in 2016[5], the easiest way to overcome the flight length obstacle is to promote the increasing availability of direct flights between Australia and Canada.

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[5] Destination Canada Tourism Snapshot, 2016

Younger travellers represent the best immediate opportunity. From a lifetime value standpoint, younger travellers may require more efforts to attract, but the pay-off can be greater. Attracting younger travellers will take more effort as travellers need to be informed about what Canada can offer.

While cost remains the top barrier among those who have visited Canada recently (31%), recent visitors are much less likely to cite it as a barrier compared to those who have never been (48%). Also, those who have visited Canada recently are less likely to see flight length as a barrier (22% vs. 28%).

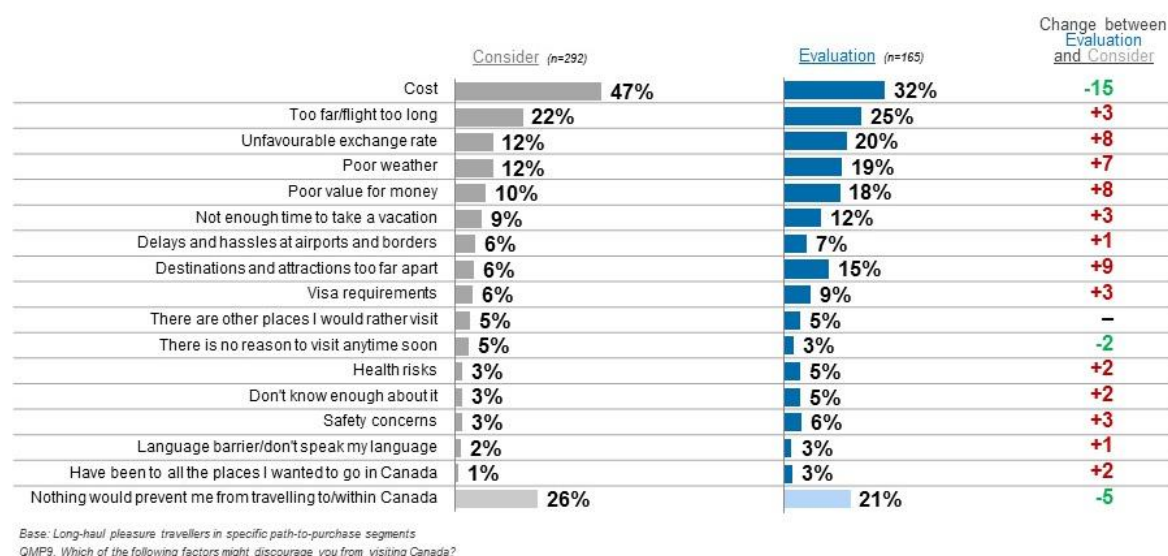*Figure 6.1: Key Barriers for Visiting Canada*
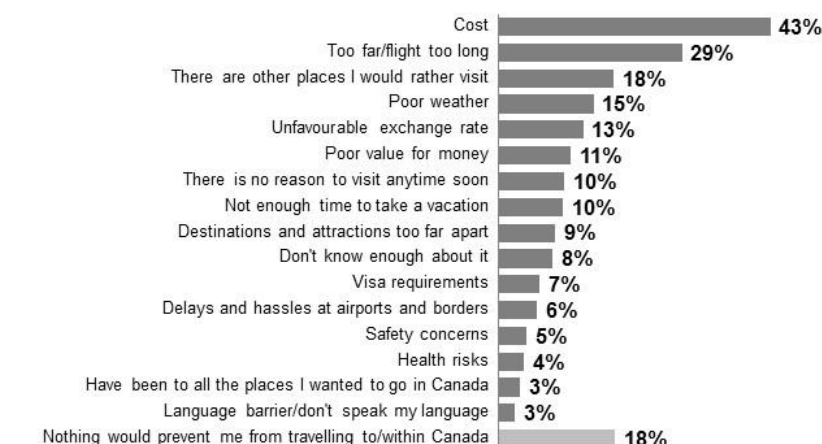


Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP9. Which of the following factors might discourage you from visiting Canada?

Examining barriers at key path-to-purchase stages provides additional insight. For those considering a visit, cost is an acute barrier when combined with secondary concerns about the exchange rate and value for money.

While flight time remains the second-most mentioned concern overall, once Australian travellers reach the evaluation phase, concerns about general costs drop substantially, yet concerns about the exchange rate and value for money rise. These are challenging issues to address. Also, of note, concerns about distance to travel within Canada and weather also increase. Emphasizing the ability to anchor a trip to specific regions/experiences rather than having to see the whole country, or that you don't have to see the whole country all at once, could help counter the notion that Canadian destinations are too far apart. Notably, the proportion saying nothing would prevent them from visiting Canada is lower among those in the evaluation stage than in the consider stage. This suggests the cumulative effect of increased barriers are putting some Australian travellers at risk of changing their minds about visiting Canada as they proceed along the purchase path.

*Figure 6.2: Key Barriers for Visiting Canada – by Path-to-Purchase Segments*



Base: Long-haul pleasure travellers in specific path-to-purchase segments
QMP9. Which of the following factors might discourage you from visiting Canada?

# 7. Recent Trip Profile

The following section provides details on the most recent long-haul trip taken by Australian travellers to competitive set destinations in the past 3 years (70% took such a trip). If the most recent trip encompassed more than one destination, the data reflects where the most time was spent.
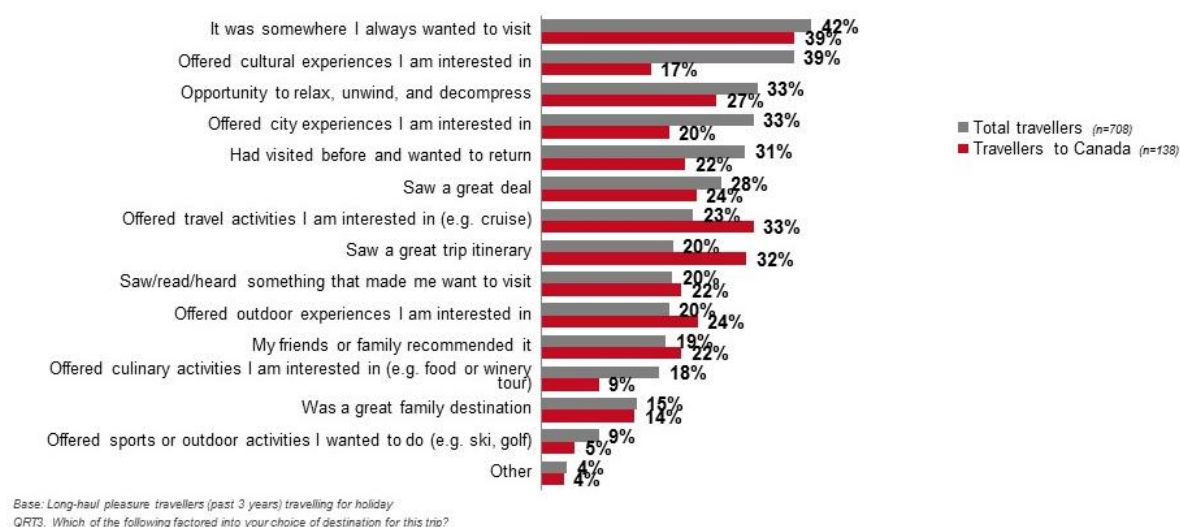
## Trip Purpose

The primary reason for travelling among all Australian long-haul travellers was for holiday purposes (cited by 63% of all travellers). In Canada's case, 63% also cited holiday as the primary purpose, while almost a quarter (23%) of visitors from Australia mentioned visiting friends and relatives as their primary purpose.

## Motivators

Those travelling for holiday purposes were asked about factors which influenced their choice of destination.

A longstanding desire to visit was the primary reason for choosing the destination, both among travellers generally and visitors to Canada. Travellers who visited Canada were more highly motivated by a specific travel activity (e.g., cruise) and by seeing great trip itineraries. Also important to Australian travellers is the opportunity the destination offered for relaxation. However, relaxation opportunities were relatively less important as a motivation to choose Canada. Instead, those who visited were more likely to cite interesting travel activities and itineraries as important reasons for their trip to Canada.

*Figure 7.1: Factors Influencing Destination Selection*



Base: Long-haul pleasure travellers (past 3 years) travelling for holiday
QRT3. Which of the following factored into your choice of destination for this trip?

# Travel Party

Regardless of destination, Australian travellers were most likely to be accompanied by their spouse (60%) This is particularly common among older travellers, especially those aged 55+. Fourteen percent of Australian travel parties contained children under the age of 18 (most common among those aged 18-34), which suggests the family market is small. Younger travellers aged 18-34 were the most likely group to have travelled alone, with their parents, or other family members.

Organized group travel is not that common among Australian travellers (22%), although more popular for trips to Canada (27%).

# Booking

Australian long-haul travellers generally book their flights either with a local travel agent (43%) or book directly with the airline (39%). Travel agent use is more common among older travellers aged 55+ while booking through an online travel agency is more common among younger travellers aged 18-34.

For accommodation, travellers preferring to use an online travel agency (31%) followed by booking direct with the accommodation provider (27%) and a travel agent (27%).

The flight and accommodation data suggests that Australians rely on several different channels for booking, so it is important to ensure accessibility across channels.

# Type of Accommodation

Regardless of destination, Australian travellers show a preference for mid-priced hotels (45%) followed by luxury hotels (29%). The same pattern is true among recent visitors to Canada (47% opted for a mid-price hotel and 35% for a luxury property).
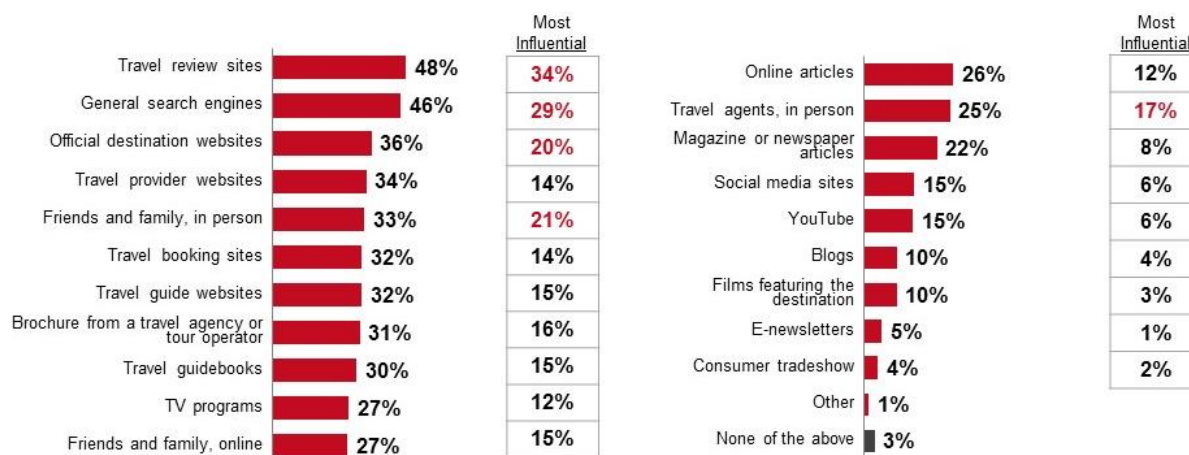
# 8. Marketing Tactics

## Sources Used to Look for Information

Australian long-haul travellers rely heavily on travel review sites (48%), general search engines (46%), official destination websites (36%) and travel provider websites (34%) for finding information on potential vacation destinations. The top ten most popular information sources are almost exclusively online sources, apart from personal interactions with friends and family (33%) and travel guidebooks (30%).

Travel review sites were deemed the most influential information source by the largest number of Australian long-haul travellers (34%), followed by general search engines (29%), and official destination websites (20%). Official destination websites are more likely to be considered an influential source by older travellers (36%) as are travel guidebooks (28%). Ensuring these two sources have content which meets the needs of older travellers 55+ is important.

In-person advice from friends and family and travel agents is also deemed influential.

*Figure 8.1: General Source of Destination Information / Most Influential Source*



| Source | | Most Influential | | Source | | Most Influential |
|---|---|---|---|---|---|---|
| Travel review sites | 48% | 34% | | Online articles | 26% | 12% |
| General search engines | 46% | 29% | | Travel agents, in person | 25% | 17% |
| Official destination websites | 36% | 20% | | Magazine or newspaper articles | 22% | 8% |
| Travel provider websites | 34% | 14% | | Social media sites | 15% | 6% |
| Friends and family, in person | 33% | 21% | | YouTube | 15% | 6% |
| Travel booking sites | 32% | 14% | | Blogs | 10% | 4% |
| Travel guide websites | 32% | 15% | | Films featuring the destination | 10% | 3% |
| Brochure from a travel agency or tour operator | 31% | 16% | | E-newsletters | 5% | 1% |
| Travel guidebooks | 30% | 15% | | Consumer tradeshow | 4% | 2% |
| TV programs | 27% | 12% | | Other | 1% | |
| Friends and family, online | 27% | 15% | | None of the above | 3% | |

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMT1. When you research possible vacation destinations for your next trip, what sources do you use to look for information?
Base: Long-haul pleasure travellers (past 3 years or next 2 years) who mentioned an information source (n=1,463)
QMT2. Please select the 3 most influential information sources.

# Resources, Devices Used to Plan Recent Trip

The majority of Australian travellers use online tools to plan trips. Among these travellers, the preference is for larger screen devices, such as laptops (59%) and desktop computers (51%) rather than mobile devices (phones 27% and tablets 27%). However, younger travellers aged 18-34 use their mobile phones to plan travel at a much higher rate.

Friends and relatives are also a primary planning source for trips to Canada (40%). Travel agents are also a popular resource for travel to Canada (38%), ahead of guidebooks/magazines.

*Figure 8.2: Resources and Devices Used to Plan Trip*
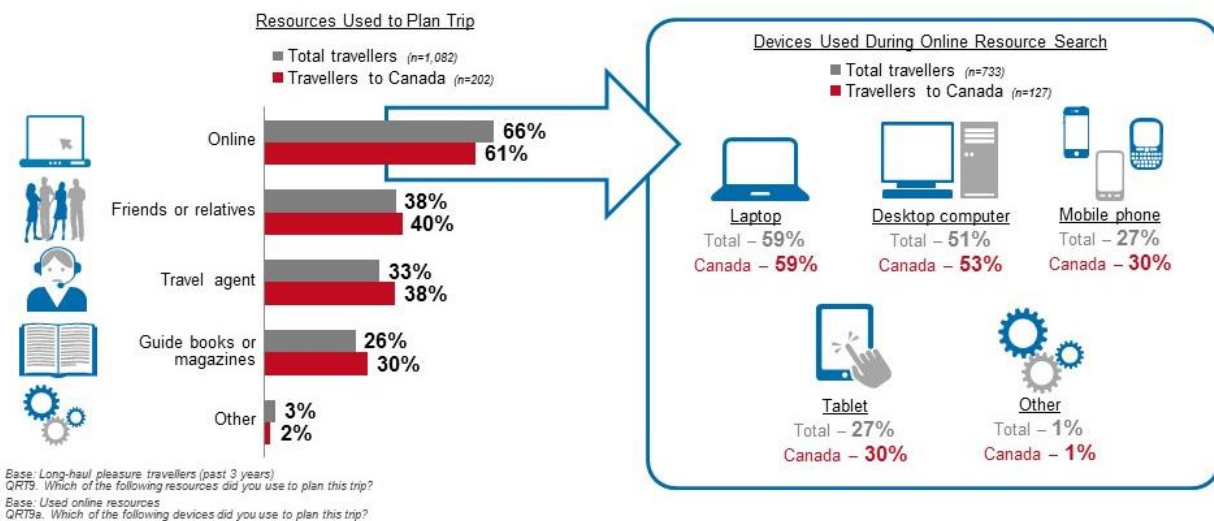


# 9. Destination Canada's Australian Target

Destination Canada has identified a more defined target for marketing efforts in Australia. Analysis and findings on this target are available to Destination Canada's marketing partners; for more information, please contact Destination Canada to become a marketing partner.