DESTINATION CANADA

Global Tourism Watch

2016 Mexico Summary Report

Canada

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

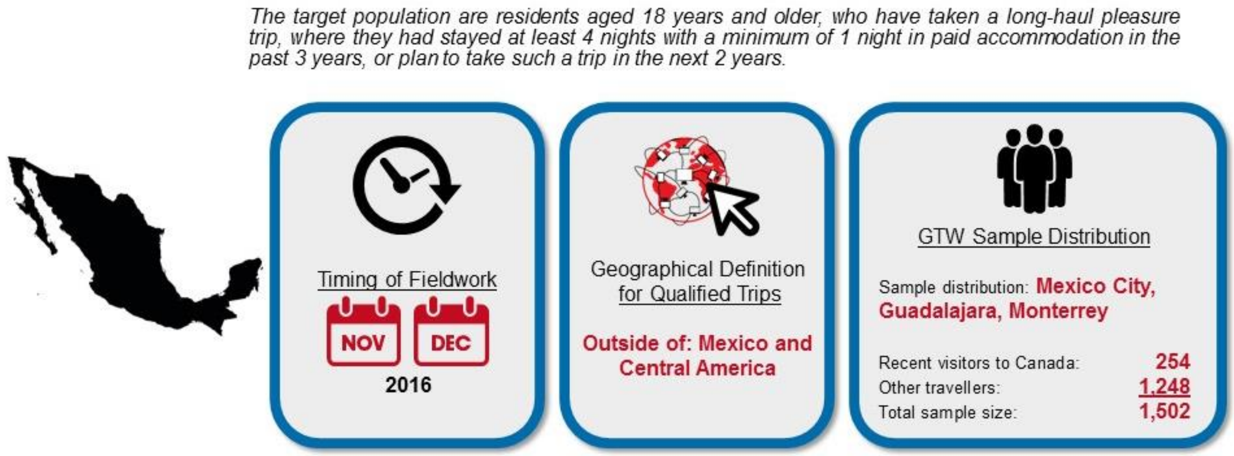
The GTW permits direct comparison of Canada to competing destinations in each market. Destination Canada has designated the following destinations as competitors in the Mexican market: US, Spain, France, Italy, Japan, Germany, the UK, China, and Belgium.

Methodology

Data was collected via an online survey in each market. The target population for the online survey in Mexico was residents aged 18 years and older, who have 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. The regions of Mexico City, Guadalajara and Monterrey were included in this survey and data has been weighted to represent the long-haul travel population within these regions.

Data was gathered from 1,502 respondents in Mexico, including 254 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: Mexico Market



Background

According to the IMF, Mexico is projected to be the 15th largest economy in the world in 2016 *(IMF World Economic Outlook, October 2016)*. While inflation rates over the last two years have remained steady (2.7% in 2015 and 2.8% in 2016) *(Inflation.eu, 2016)* and unemployment rates have been steadily decreasing since 2009, from 5.3% to 4.1% in 2016 *(Knoema, 2016),* preliminary data shows that the economy grew almost 2.3% in 2016, but with growth slowing in the second half of the year (1.0% in Q3 and 0.6% in Q6) *(Reuters, 2017)*.

As the 12th largest exporter worldwide, Mexico's economy is highly dependent on exports, and the majority of its exports goes to the United States *(The Balance, January 2017)*. The change in US administration will have important implications on the relationship between the US and Mexico, specifically regarding immigration and the North American Free Trade Agreement (NAFTA).

More immediately following the election result, the Mexican peso plunged 13% in trading, which is the biggest drop in 22 years *(Harvard Business Review, November 2016)*. The 2017 projection is that Mexico economy will continue to decelerate, with a 1.5% growth rate *(Reuters, 2017)*. In addition, with the hike in gasoline prices, inflation rate for 2017 is projected to be 4.7% *(Reuters, December 2016)* while the downward trend in unemployment is expected to continue in 2017, with a forecasted rate of 3.9% *(Statista)*.

Due to the depreciation of the Mexican currency against the US dollar, Mexicans are more likely to make domestic trips rather than travel abroad (232.3 million domestic trips vs. 20.4 million outbound trips in 2015). However, the volume of outbound tourists is expected to rise in the coming years to reach 24.6 million by 2020 *(PRNewswire, 2016)*. With a rise in outbound tourism, outbound travel expenditures have also been steadily increasing from $9.1 billion (USD) to $10.1 billion (USD) in 2015 *(Visit Britain, 2015)*. As of 2015, this growth was expected to continue over the next 10 years at an annualized rate of 4.6% *(Travel & Tourism Economic Impact 2015 Mexico, 2015)*.

While the vast majority of outbound Mexican tourists (90.3% in 2015) travel to the US *(Mexico News Network, May 2016)*, Canada has seen an increase in tourism from Mexico. Specifically, for the first seven months of 2016, there is a 17% increase in travel from Mexico to Canada *(CBC, December 2016)*. In addition, as of December 1, 2016, Canada has lifted visa requirements for citizens of Mexico which is only expected to further encourage more tourists from Mexico to visit Canada. On the other hand, the impact of the new US administration's policies toward Mexico on outbound travel is unknown at this point, but the talk of walls, job repatriation, and trade deal renegotiation may lead more Mexican tourists to look elsewhere for their vacation plans *(The Economist, 2017)*. Tourism experts predict a 7% decrease in visits from Mexico to the US, equivalent to a $1.6 billion (USD) loss in direct economic spending by 2018 *(Forbes, 2017)*.

Furthermore, the consumer confidence index declined slightly from 85 in October 2016 to 84.4 in November, following a downward trend in the index since the second quarter of the year. Such low figures have not been observed since the first quarter of 2014, reflecting Mexicans' negative outlook about the country's economic situation *(Focus Economics, December 2016)*.

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 Mexican 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 Mexican adult population. Note that the long-haul market size was last calculated in 2010 and has declined by 762,000. This decline is explained by an overall decrease in the incidence of long-haul travellers in the Mexican market from 27% in 2010 to 18% in 2016.

The proportion of GTW respondents who are in the dream to purchase stages for Canada (85%) is used to calculate a target market estimate of 2.7 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 1.74 million travellers with more immediate potential for conversion.

Among Destination Canada's eleven international markets, Mexico is ranked 11th in immediate potential market size. Actual visitation from Mexico was 9th among international markets in 2016[1]. This means Canada is performing ahead of expectation in the Mexican market.

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

For context, Canada attracted 243,000 visitors from Mexico in 2016, an increase of 24% over 2015[2]. The 243,000 arrivals represent 14% of the immediate potential market.

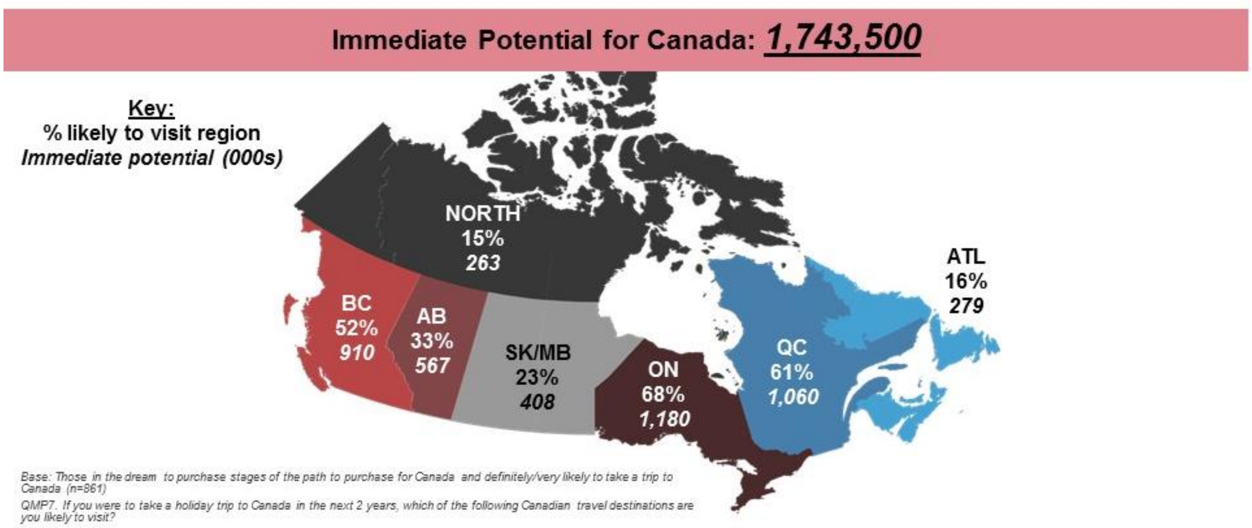
Figure 2.1: Size of Potential Market to Canada (Next 2 Years)

Measure	Size of Potential Market to Canada
Long-haul pleasure travel market	**3.19 million**
Target market for Canada (dream to purchase stage)	**85%**
Size of the target market	**2.72 million**
Immediate potential for Canada (definitely/very likely to visit in next 2 years)	**64%**
Immediate potential	**1.74 million**

Base: Target market for Canada = out-of-state pleasure travellers (past 3 years or next 2 years) (n=1,502); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=1,296)
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 significance is the demonstrated interest in Canada's regions among the Immediate Potential market (1.74 million). Ontario holds the greatest appeal (68% or just under 1.2 million potential visitors), followed by Quebec (1 million potential visitors) and BC (910,000 potential visitors).

Figure 2.2: Potential Market Size for the Regions

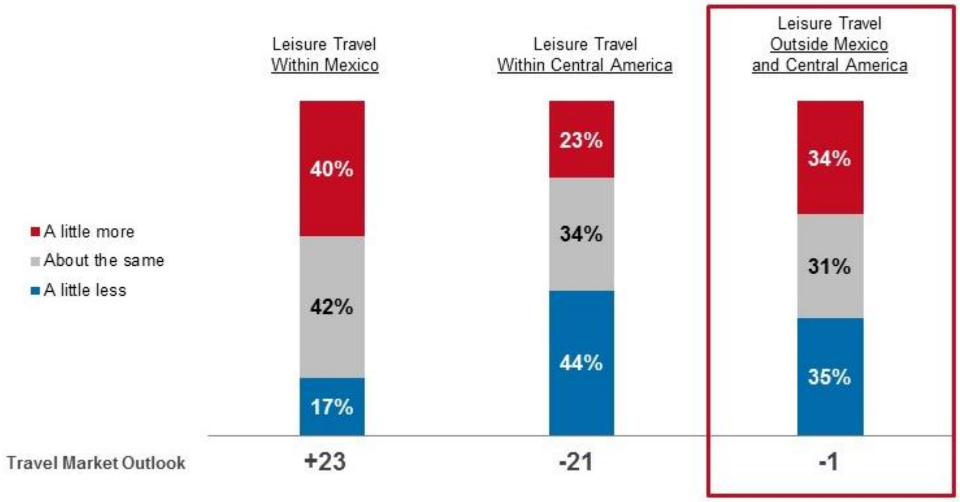


International travel intentions among Mexican travellers are fairly balanced. The proportion of Mexican travellers saying they will spend less on travel beyond Mexico and Central America in the next twelve months is almost on par with those saying they will spend more, resulting in only a slight negative outlook for international travel (-1).

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

By comparison, Mexican travellers appear more likely to travel within their country (outlook of +23) and less likely within Central America (-21).

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



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,502)
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 Mexico is favourable. Out of the 10 competitive destinations that respondents were asked to evaluate, Canada is 2nd to the US on both aided and unaided consideration, and 3rd on destination knowledge (behind the US and Spain).

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-sun destinations). For Mexico, these destinations are the US, Spain, France, Italy, Japan, Germany, the UK, China, and Belgium. Japan, China, and Belgium 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, 16% of Mexican travellers mentioned Canada as a destination under serious consideration in the next 2 years, trailing the US by a wide margin (32%). Those who have visited Canada recently were most likely to mention Canada on an unaided basis (33%). Very few specific places in Canada were mentioned by Mexican 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 46% saying they are seriously considering Canada for a leisure trip in the next 2 years, placing second to the US (50%), but substantially ahead of 3rd place Spain (36%). Of note, travellers aged 35+ express stronger interest in visiting Canada, with a similar response to the US. Spain is more attractive to younger travellers aged 18-34 and older travellers aged 55+. Both recent visitors to Canada and those considering a visit rank Canada first overall among all destinations in the competitive set. Knowing that past visitors are more interested in returning, it is important to attract middle-aged and older visitors.

Knowledge

The aided destination knowledge KPI (previously called aided awareness, but changed for clarity purposes) measures knowledge of travel opportunities in each destination. Thirty-eight percent of all Mexican long-haul travellers rate their knowledge of travel opportunities in Canada as either excellent or very good. Among those considering Canada, destination knowledge stands at 49%, which puts Canada in fifth spot behind the UK (54%), France (52%), Italy (51%), and the US (51%). Efforts to boost knowledge of Canadian travel opportunities could help to move potential visitors along the path to purchase.

Visitation

In terms of past visitation, 37% of Mexican travellers have visited Canada at some point in their lifetime. Older travellers aged 55+ are most likely to have visited Canada previously (47%). Past visitors to Canada also voice considerably higher interest in returning. Messaging designed to encourage a repeat visit is suggested.

Figure 3.1: Key Performance Indicators

Key Performance Indicators (KPIs) for Canada – Summary

Indicator	Definition	All Long-Haul Travellers (n=1,502)	Recent Visitors to Canada[1] (n=254)	Considering Canada[2] (n=820)
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list[3]	**16%**	**33%**	**26%**
Competitive positioning on aided destination consideration	Rank on the consideration list among 10 destinations	**2**	**1**	**1**
Destination knowledge:				
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	**38%**	**69%**	**47%**
Past visitation:				
Past visitation	% who have ever visited Canada for pleasure	**37%**	**100%**	**45%**

[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 Mexico and Central America 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?

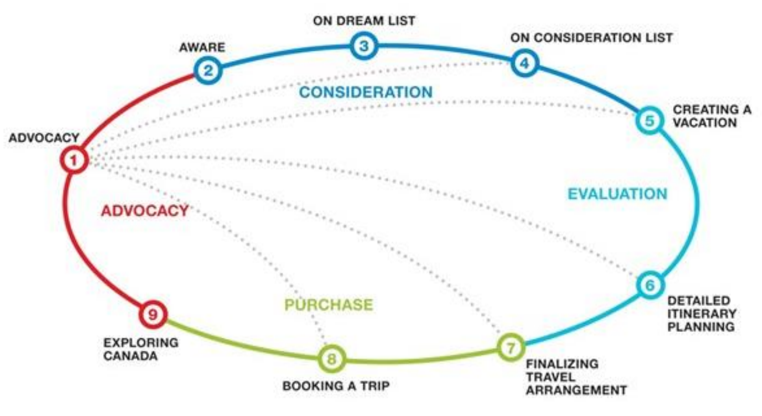
4. Path-to-Purchase

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 actually 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 actually booking travel and accommodations. The final stage, advocacy, happens during and after the actual visit.

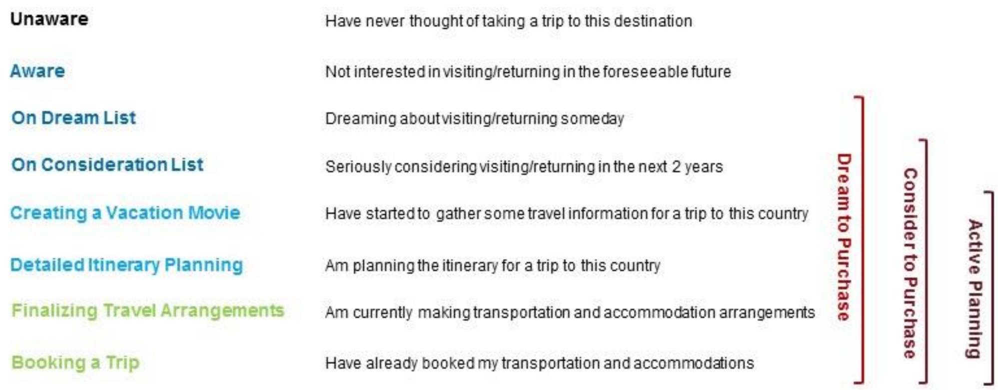
Destination Canada wants to understand where the organization can have the greatest influence in converting those with interest in Canada to actual visitors.

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.

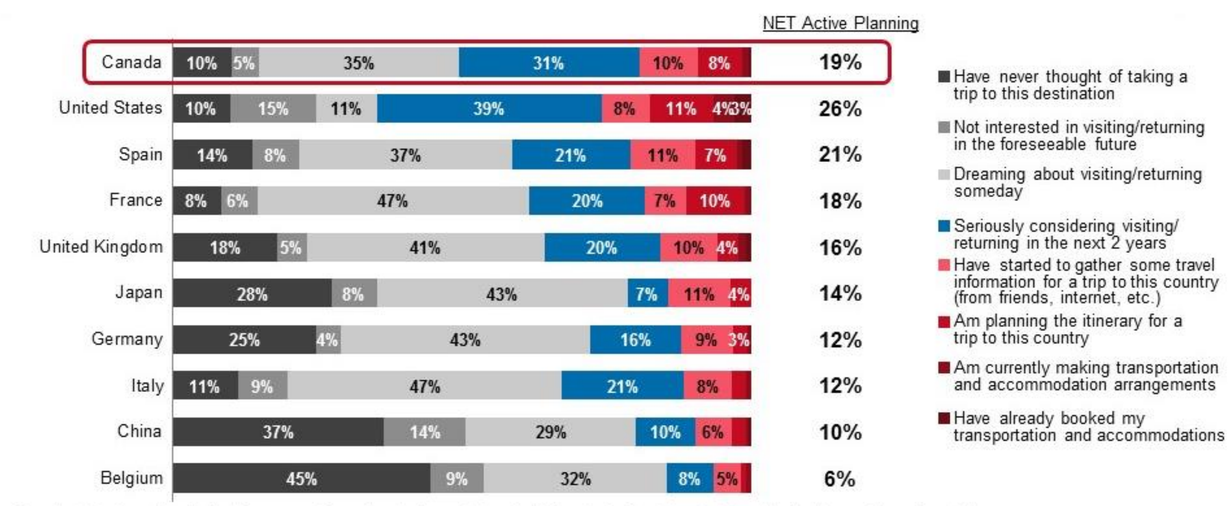
Figure 4.2: DC's Path-to-Purchase Model



In looking at results for Mexico, the dominance of the US is apparent, with 26% of Mexican long-haul travellers actively engaged in planning a visit to the country and an additional 39% seriously considering a trip. Spain is in second spot, with 21% actively planning a visit. Slightly fewer (19%) are actively planning a trip to Canada. 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.

On a positive note, 31% of Mexican travellers have advanced from dreaming to seriously considering travel to Canada.

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?

Mexican travellers under 55 have progressed farther along the path-to-purchase than their older counterparts. Twenty percent of younger travellers aged 18-34 and 20% of travellers aged 35-54 have started to gather some travel information or are planning a Canadian itinerary, compared to 11% of older travellers aged 55+. No regional differences were found.

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'.

Relative to top competitors, Canada sees average performance through the path-to-purchase conversion.

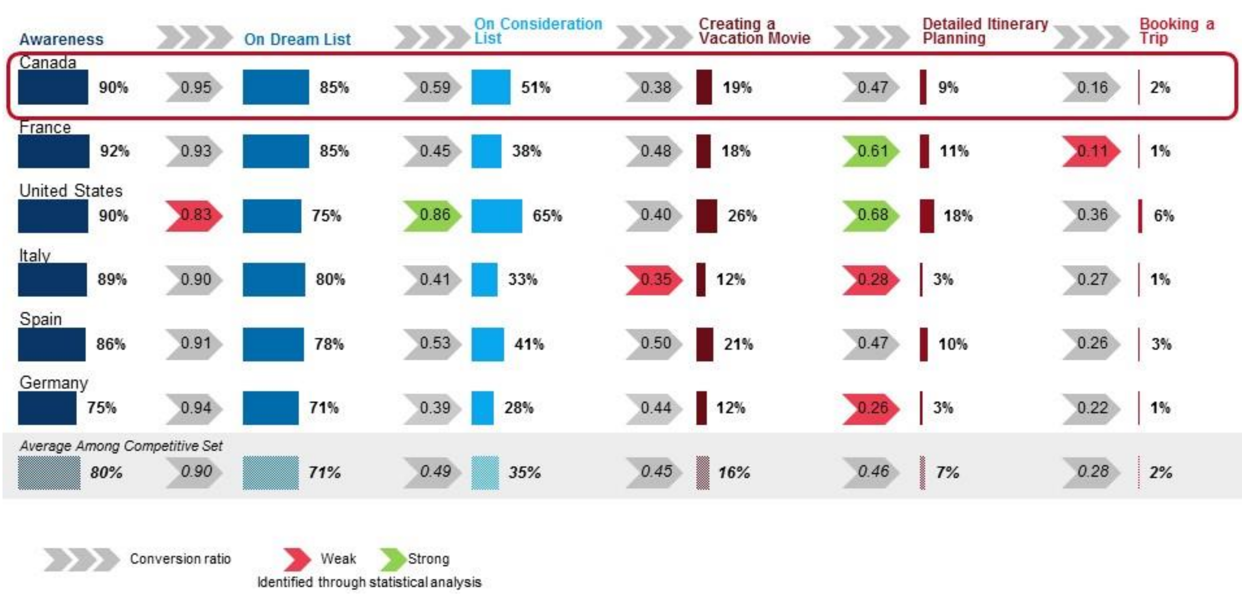
At the dreaming stage, Canada's performance is average as are all of the other top competitors with the exception of the US, which is the strongest performer.

Canada's performance continues to be average at the creating a vacation movie stage (where the US and France excel). Since this stage is focussed on information gathering, ensuring prospective visitors can find the information they seek is paramount. The key to helping prospective visitors move further along in the purchase cycle is to provide information which presents a full picture of what a trip to Canada could look like e.g., a focal point to anchor a trip or itinerary suggestions.

At the final stage, booking a trip, Canada has converted 2% of Mexican travellers into actual visitors. The US is far ahead of the all other destinations, converting 6% of prospective visitors to actual visitors.

For context, the US recorded 18.7 million arrivals from Mexico in 2016, while Spain saw 366,000 and Canada welcomed 243,000 in 2016.[3]

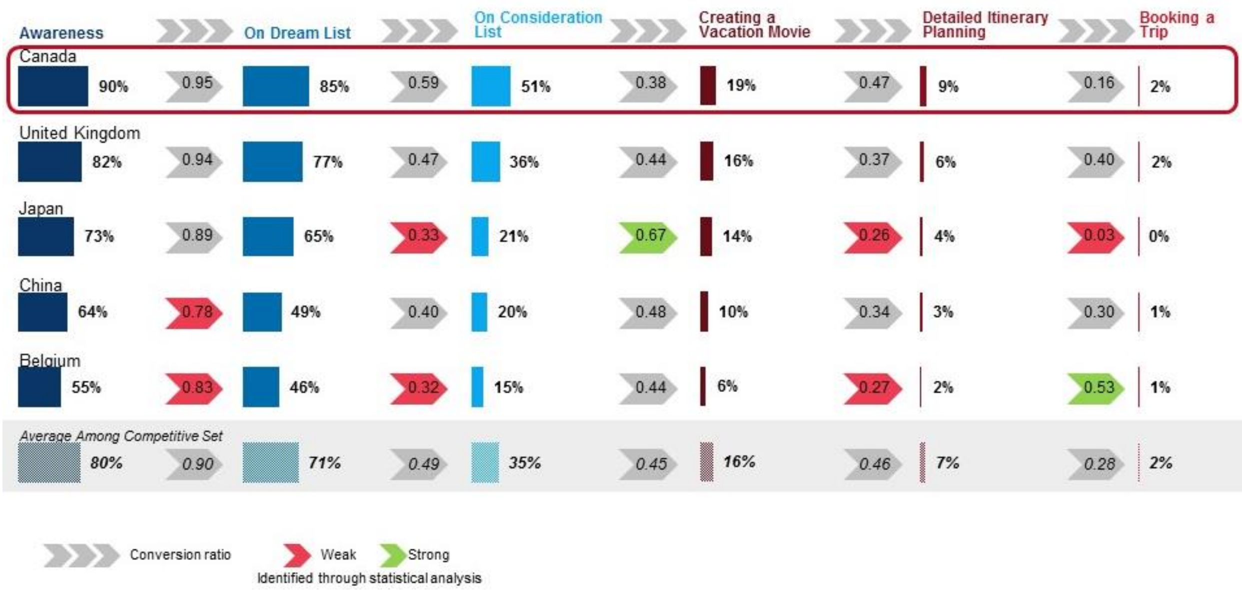
Figure 4.4: Path-to-Purchase Conversion – Top Competitors



[3] *Destination Canada, US National Travel & Tourism Office, Instituto Nacional de Estadística.*

Examining purchase cycle results for destinations visited less frequently by Mexican travellers is also insightful. Notably, despite lower awareness, Belgium is a strong performer at the final booking stage, with conversion ratios above average, and outperforming all of the top competitors.

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



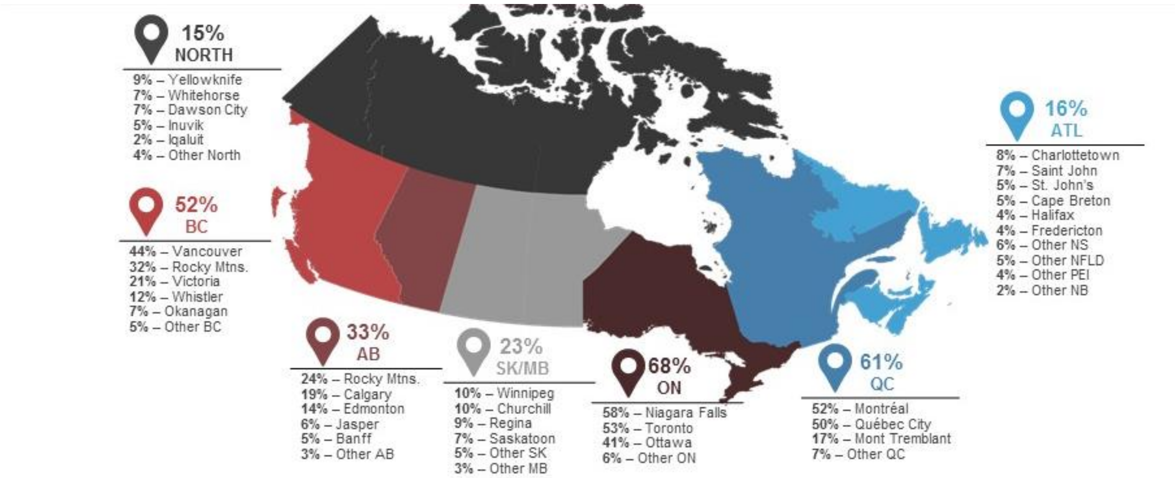
Destinations

Mexican 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.

Ontario is the most popular province (cited by 68%), with Niagara Falls (58%), Toronto (53%), and Ottawa (41%) of interest. Quebec also holds strong appeal among Mexican travellers (61%), with Montreal (52%) and Quebec City (50%) as top draws. Among those who say they would like to vacation in British Columbia (52%), Vancouver (44%), Rocky Mountains (32%), and Victoria (21%) are the primary interests.

Older travellers aged 55+ show above interest in Ontario – particularly Niagara Falls and Ottawa; they also voice stronger interest in Quebec – particularly Montreal and Quebec City.

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



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=861)
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, selected by 33% of potential visitors, is the top draw by a considerable margin, followed by Montreal (12%), Quebec City (11%), and Vancouver (11%). Niagara Falls is mentioned more often by travellers aged 35+ and those who have never visited Canada before.

Figure 4.7: Most Appealing Canadian Destination – Top 10 Mentions

Winnipeg	0.9%
Mont Tremblant	0.8%
Yellowknife	0.6%
Churchill	0.6%
Edmonton	0.5%
Whistler	0.4%
Okanagan	0.4%
Banff	0.4%
Saskatoon	0.3%
Charlottetown	0.2%
Inuvik	0.2%
Dawson City	0.1%
Fredericton	0.1%
Whitehorse	0.1%
Cape Breton	0.1%
Halifax	0.1%
Jasper	0.1%

Other North	0.5%
Other NS	0.4%
Other NFLD	0.4%
Other SK	0.3%
Other PEI	0.2%
Other ON	0.2%
Other BC	0.1%
Other MB	0.1%
Other QC	0.1%

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=861)
QMP8. And, which place in Canada most appeals to you?

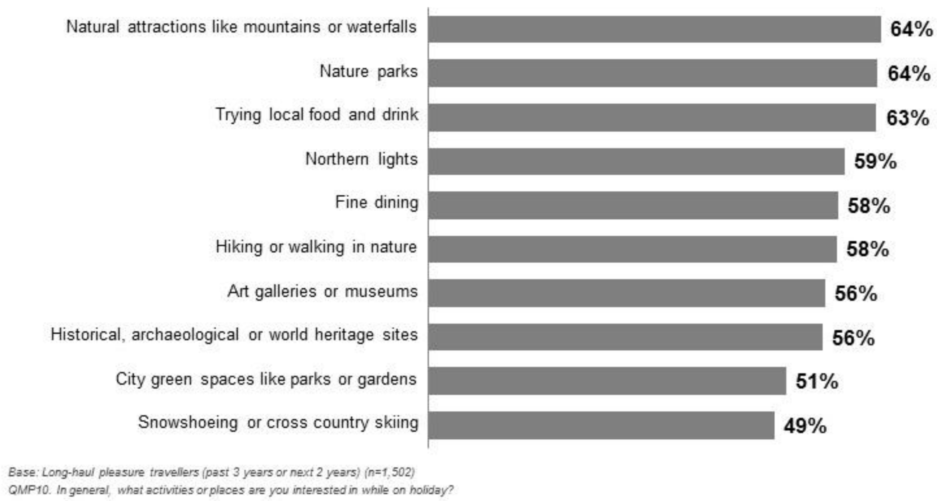
5. Vacation Activities

Mexican travellers were asked about which activities and experiences they seek while on holidays in general, regardless of destination. The opportunity to view natural scenic attractions like mountains and waterfalls ranks first along with experiencing nature parks. Sampling local cuisine and drink holds almost equal appeal.

Generally, younger travellers aged 18-34 are interested in engaging in as many activities as possible on vacation. This group is more likely to be interested in all types of outdoor activities, from camping to kayaking to snowshoeing and skiing. They are also interested in nightlife, attending music festivals, food and drink festivals or events, and visiting breweries or wineries.

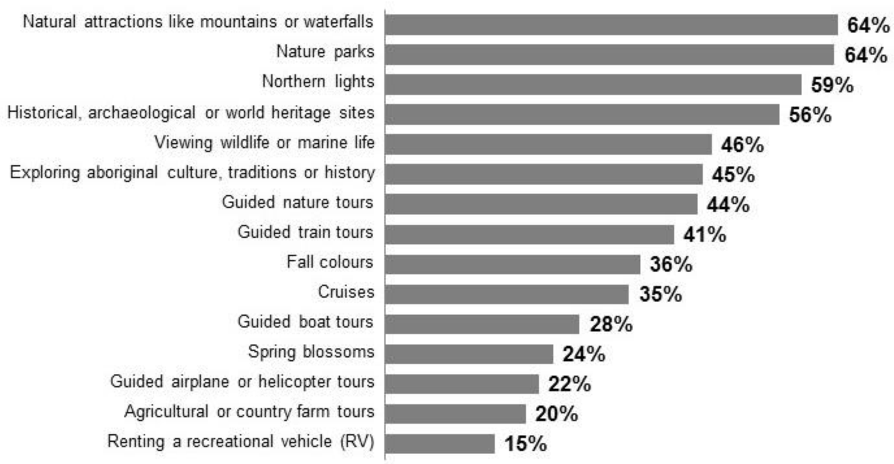
Older travellers aged 55+ are more interested in local food, fine dining, visiting art galleries or museums, historical/archaeological sites, guided city tours, train tours, and shopping for souvenirs and clothes.

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



In terms of things to see & do, Mexican travellers are most interested in natural attractions like mountains or waterfalls (64%) and nature parks (64%). They also show strong interest in the Northern lights (59%) and historical, archaeological or world heritage sites (56%). Viewing wildlife or marine life is mentioned by 46% of Mexican travellers, while 44% are interested in guided nature tours, and 41% are interested in guided train tours.

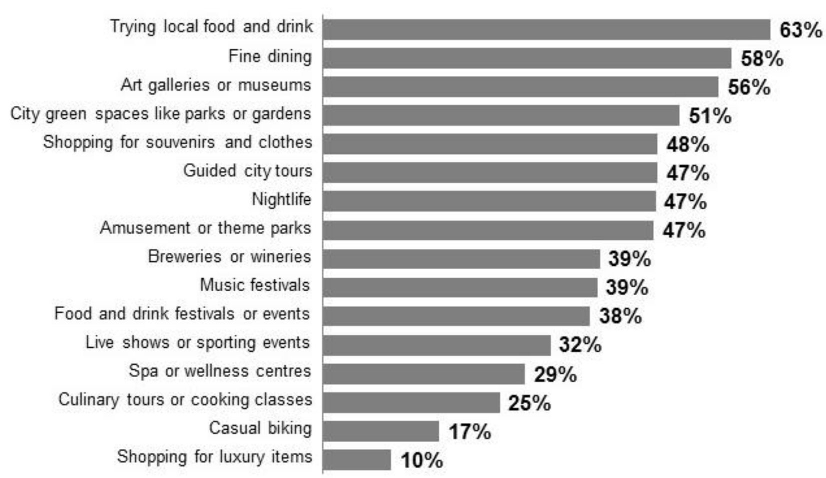
Figure 5.2: General Activities/Places Interested In – Things to See & Do



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,502)
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 for Mexican travellers (63%). Fine dining (58%), visiting art galleries or museums (56%), and experiencing city green spaces like parks or gardens (51%) are the next most frequently mentioned city activities.

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



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,502)
QMP10. In general, what activities or places are you interested in while on holiday?

Hiking or walking in nature is the most frequently mentioned outdoor activity among Mexican travellers (58%), followed by snowshoeing or cross country skiing (49%) and camping (40%).

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

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,502)
QMP10. In general, what activities or places are you interested in while on holiday?

6. Barriers

All Mexican long-haul travellers were asked what could prevent them from visiting Canada. Cost is the primary deterrent, and is especially prevalent among those in the Dream to Purchase stage. In addition, perceptions of poor weather, an unfavourable exchange rate, and visa requirements round out the top reasons to forego a trip to Canada. Younger travellers aged 18-34 are most likely to mention visa requirements, other places they would rather visit, poor value for money, destinations being too far apart, and not enough time to take vacation. Older travellers aged 55+ are most likely to say that nothing will prevent them from visiting Canada.

While the cost and exchange rate barriers are challenging to address, they can be indirectly dispelled through messaging about the value a Canadian trip offers through the variety of possible destinations, city experiences and outdoor activities available.

Visa requirements is an issue for the Canadian government to address. However, it is notable that perceptions around this barrier may decline over time as the visa requirement for Mexican travellers was lifted on December 1, 2016 and replaced with the Electronic Travel Authorization (eTA). The announcement of this entry requirement change was made just before the survey was fielded, so knowledge of it may not have been wide-spread yet at the time of fielding.

Secondary barriers such as don't know enough about it and lack of a compelling reason to visit can be addressed through advertising.

Older travellers represent the best immediate opportunity as they have stronger desire to visit Canada, and are most likely to say that nothing will prevent them from visiting the country. From a lifetime value standpoint, younger travellers may require more efforts to attract, but they are farther down the path-to-purchase and the pay-off can be greater. Attracting younger travellers will take more effort as travellers need greater convincing that Canada is a destination they want to visit more than other places. From a strategic marketing viewpoint, Destination Canada could consider focusing branding awareness efforts on younger travellers and split tactical efforts in collaboration with partners between the younger and older generation.

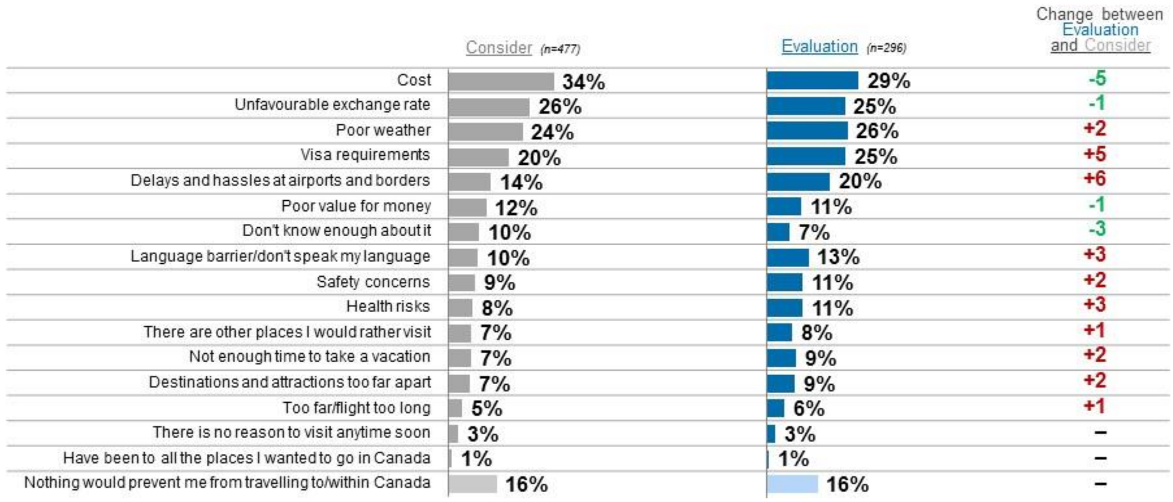
Figure 6.1: Key Barriers for Visiting Canada

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,502)
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 seriously considering a visit, cost and an unfavourable exchange rate are acute barriers with poor weather in 3rd spot. Canada struggles moving travellers from the consideration phase to latter stages in the purchase cycle, so finding ways to emphasize where Canada can offer value is paramount. The focus could be on the value of unique experiences that a Canadian vacation offers over competing destinations, and the recently lifted visa requirements for Mexican citizens travelling to Canada.

Those at the evaluation stage (gathering information or planning a visit) also cite cost, an unfavourable exchange rate, and poor weather as primary barriers. Visa requirements become stronger barriers for those evaluating travel. However, the lifting of visa requirements for Mexican citizens visiting Canada, in place since December 1, 2016, is expected to have favourable consequences and ease the path-to-purchase. At the time this study was conducted during December 2016, participants might not have been aware of changes to visa requirements as they had been recently implemented. Effective public campaigns to raise awareness around the lifting of visa requirements will likely encourage Mexican tourism into Canada over the coming years. Further communications about the recently introduced Electronic Travel Authorization (eTA) requirement will also likely help alleviate concerns about entry requirements and perceptions of delays and hassles at the airports or border.

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 Mexican travellers to competitive set destinations in the past 3 years (58% 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 Mexican long-haul travellers was to enjoy a holiday (55%) – more than twice as often as to visit with friends and family (23%). In Canada's case, 65% cited holiday as the primary purpose, a wide margin ahead of the next two reasons – combined business/personal reasons (15%) and visiting family and friends (13%).

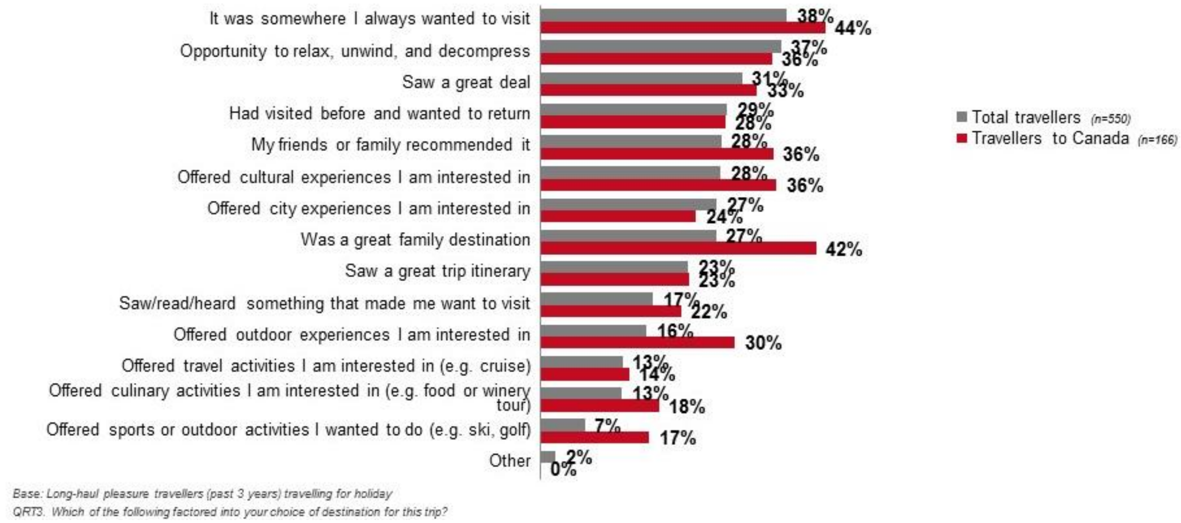
Motivators

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. Almost as important to Mexican travellers is the opportunity the destination offered for relaxation. The next factor influencing destination selection in general are great deals.

Those who visited were more likely to cite a great family destination as one of the most important reasons for their trip to Canada. Recommendations from family/friends, cultural experiences, great family destination, and outdoor experiences are also of higher important to those who travelled to Canada than travellers in general.

Figure 7.1: Factors Influencing Destination Selection



Travel Party

Regardless of destination, Mexican travellers were most likely to be accompanied by their spouse (49%). This is particularly common among travellers age 35-54 (60% travelled with their spouse). Twenty-one percent travelled alone, and another 20% travelled with children under 18 (also most common among those 35-54). Mexican travellers visiting Canada are even more likely to travel with children under 18 years (32%), suggesting that there is some opportunity in the family market. Younger travellers aged 18-34 were the most likely group to have travelled with their parents.

Booking

The most popular way for Mexican travellers to book flights is directly with a travel agent (35%), followed by directly with the airline (31%), and by use of an online travel agency (28%). For trips to Canada, use of both a traditional travel agent (46%) and an online travel agency (36%) is higher than booking directly with the airline (28%).

For accommodation, the reverse is true, with online travel agencies being most popular (30%), followed by booking with a traditional travel agent (21%), and booking directly with the provider (20%). The pattern is similar for those who visited Canada; in fact, 43% used an online travel agency to book their accommodation. However, younger travellers aged 18-34 and under are more likely to book their accommodation directly with the provider than travellers aged 35+.

Type of Accommodation

Regardless of destination, Mexican travellers are more than twice as likely to stay in a mid-priced hotel (40%) than they are to stay in a luxury hotel (18%), a Bed & Breakfast (17%), with friends or relatives (16%), or at a budget hotel/motel (15%). The use of mid-priced hotels is even higher among Mexicans coming to Canada (51%).

8. Marketing Tactics

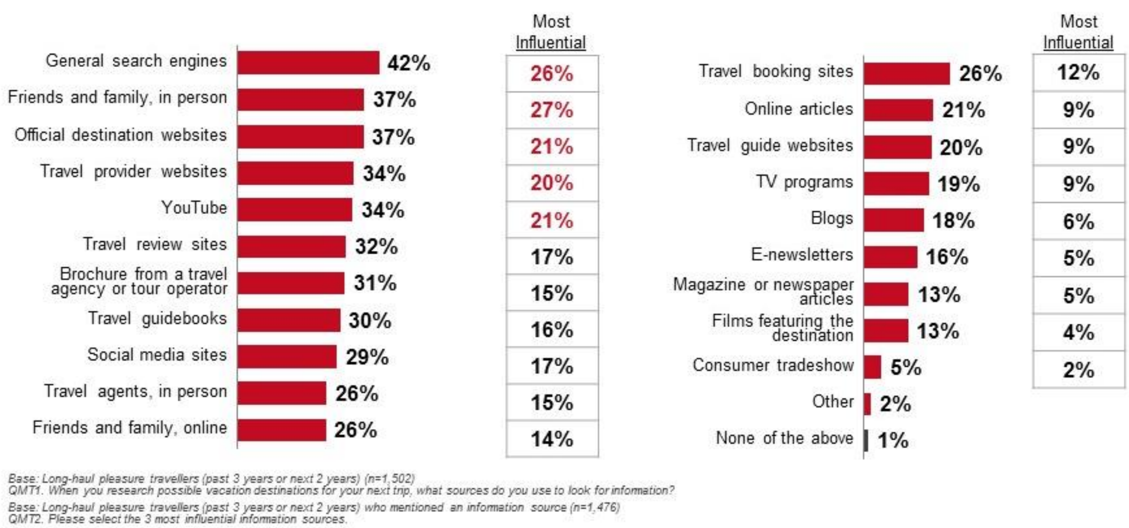
Sources Used to Look for Information

Mexican travellers rely heavily on general search engines (42%), personal interactions with friends and family (37%), and official destination websites (37%) for finding information on potential vacation destinations. Other important sources are travel provider websites (34%), YouTube (34%), and travel review sites (32%). The most popular information sources used by Mexican travellers are almost exclusively online sources, apart from personal recommendations from friends and family.

Personal interactions with friends and family and general search engines were deemed the most influential information sources by the largest number of Mexican travellers (27% and 26%, respectively).

Travellers of all ages are equally likely to look for information on general search engines, travel review sites, and travel provider websites. Younger travellers aged 18-34 are more likely to draw on multiple online sources, including YouTube, social media, and online articles. Older travellers are significantly less likely to say they will use multiple online sources, but they rely on specific online sources such as official destination websites. Older travellers aged 55+ are more likely to rely on personal recommendations from family and friends and consult travel agents.

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

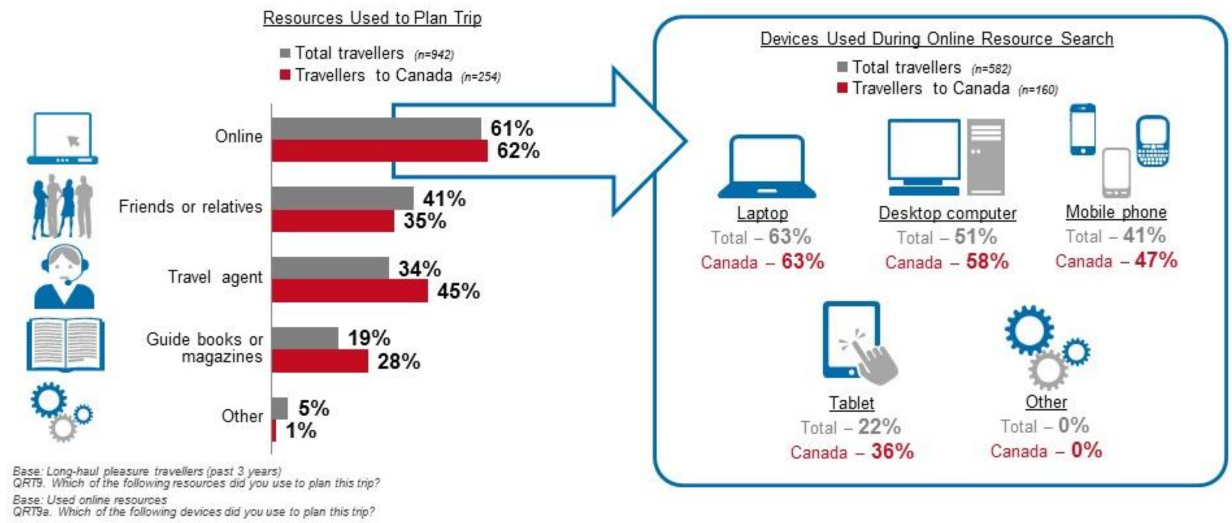


Resources, Devices Used to Plan Recent Trip

As noted above, Mexican travellers, particularly younger travellers aged 18-34, rely heavily on online research for information gathering and trip planning, with laptops, desktops, and mobile phones being the most prevalent devices. Desktops and mobile phones are relied on for planning a trip to Canada more often than for general travel.

Friends and family were cited by a resource for trip planning by a substantial number of Mexican travellers. Of note, those visiting Canada rely less on personal recommendations. Instead, travellers to Canada are more likely to have relied on travel agents.

Figure 8.2: Resources and Devices Used to Plan Trip



9. Destination Canada's Mexican Target

Destination Canada has identified a more defined target for marketing efforts in Mexico. 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.