



Canadian Tourism  
Commission

Commission canadienne  
du tourisme

# Global marketing & sales plan 2012



Canada



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# Foreword

The Canadian Tourism Commission's 2012 Marketing and Sales Plan has been created as a guide to the opportunities we see for the next year to build more business for Canada's travel industry, and to achieve our ultimate goal of competing effectively for tourism dollars on the global stage.

In 2010, the Canadian Tourism Commission undertook an important review of our opportunities, investments and focus. The result is a strategic shift in marketing to focus on countries where Canada's tourism brand leads and yields the highest return on investment.

In 2011, we focused on streamlining the CTC to support this strategic shift, establishing a regional office in London, UK, to manage the well-established Europe and Australia markets, as well as a regional office in Vancouver, BC, to oversee the emerging and transitioning markets in Asia and Latin America.

Regardless of regional office assignment, all 11 CTC markets benefit from a consistent approach that starts with insight-based research to guide activities, takes full advantage of consumer, trade and media channels in a manner most appropriate for local markets, relies heavily on partnering with international and Canada-based travel trade, propagates Canada's tourism brand by marketing global creative, and measures results.

With clear strategy and a consistent approach to marketing and selling, the CTC is well poised to adapt to opportunities and challenges due to fast-moving changes in our competition and consumer behaviour. Further details on the CTC, market research and programs are available on the CTC's corporate website, **[www.corporate.canada.travel](http://www.corporate.canada.travel)**.

We look forward to working with you again in 2012 in compelling more travellers to explore Canada and in meeting our shared objectives of increasing international sales.

Yours truly,

**Charles D. McKee**

Vice President, International







# CTC 2012–2016 Corporate Plan Overview

## CTC Mandate

The Canadian Tourism Commission (CTC) is Canada's national tourism marketing organization. A federal Crown corporation, the CTC leads the Canadian tourism industry in marketing Canada as a premier four-season tourism destination. The CTC supports the Canadian economy by generating tourism export revenues. Through collaboration and partnerships with the private sector, plus the governments of Canada, the provinces and the territories, the CTC works with the tourism sector to maintain our competitiveness and reposition Canada as a destination where travellers can create extraordinary personal experiences.

## Marketing Canadian tourism globally

The CTC's approach focuses on those global markets where Canada's tourism brand leads and yields the highest return on investment. The CTC is active in 11 key geographic markets that include the emerging or transitioning markets of Brazil, China, India, Japan, Mexico and South Korea, as well as the core markets of Australia, France, Germany, United Kingdom and United States.

## Selecting Target Markets

The CTC develops and executes marketing strategies relevant to customers' individual needs in our chosen markets by using objective investment criteria and a disciplined and focused approach to marketing that maximizes the return on investment.

Market selection decisions are based on the CTC's performance evaluation tools: Market Portfolio Analysis (MPA) rating system; Market Investment Model (MIM); and Return on Investment Model (RIM). These tools also inform the optimal investment amount by market at a chosen risk threshold. These advanced decision-making tools have been developed by the CTC in conjunction with Tourism Economics, a subsidiary of Oxford Economics.



For more details on the Market Portfolio Analysis (MPA), please refer to Appendix A.

The 2012-2016 Corporate Plan lays out objectives and priorities for the next five years and reaffirms the strategic goal of growing tourism export revenues for Canada. By concentrating efforts on the following objectives, CTC will be in the best position possible to achieve our mandate for the benefit of Canada's tourism industry.

## Objectives

### **Increase demand for Canada's visitor economy**

- Generate wealth for Canadians by focusing on both short- and long-term potential for maximizing return on investment as markets mature and evolve.
- Engage in effective tourism marketing, promotions and market development activities supported by market research with the aim to support the achievement of Canada's national tourism revenue goal of \$100 billion by 2015.

### **Focus on markets where Canada's tourism brand leads and yield the highest return on investment**

- Concentrate on those geographic markets or consumer market segments where Canada's tourism brand leads and which hold the highest potential for return on investment.
- Convert high-yield customers by investing in appropriate communication channels based on insights from customer segmentation research and the path-to-purchase model.

## Priorities

The following priorities form the framework for how the CTC will achieve the objectives for the 2012-2016 period.

### **Ensure customer relevancy and differentiate Canada**

- Develop and maintain relevant communication with targeted potential travellers and ensure that the received marketing messaging addresses their interests and expectations as consumers.
- Position Canada's tourism brand as a leading experiential brand where travellers create extraordinary stories all their own.

### **Advance a culture of innovation and entrepreneurial development among tourism businesses**

- Work with the industry to foster the development and adoption of new tourism products and business practices
- Aim to be recognized as one of the most innovative tourism marketing organizations in the world by adopting new tools and technology, using world class research and cutting edge multi-media marketing to keep Canada front-of-mind internationally.

### **Lead industry in international brand alignment and consistency**

- Provide a unified voice internationally and drive alignment in export-ready efforts in key source markets.
- Facilitate international marketplace access for brand-aligned Canadian SMEs with export-ready consumer products.

### **Foster organizational excellence**

- Be a "strategy-focused organization" with the right tools, people and resources in place to deliver.
- Focus on continuing to be a lean and scalable organization.







# Global Marketing & Sales Plan

## Situational Analysis

The Canadian Tourism Commission developed a regional hub approach in 2011 to achieve greater consistency and effectiveness in marketing while remaining responsive to local market needs and opportunities. By taking a global approach to executional strategy and communications planning, the CTC strives to create a universal Canada travel brand, reflect the business practices for multinational sales and marketing and maximize available funding for important program activities. The CTC focuses on those markets and consumer segments where there is the highest potential for return on investment, promoting Canada's tourism brand in the emerging + transition markets of Brazil, China, India, Japan, Mexico and South Korea, as well as the core markets of France, Germany, Australia, United Kingdom and the United States.

This plan focuses on the need for Canada to stimulate international visitation. Over the past decade, there has been a dramatic shift in the profile of travellers. Currently, 80% of tourism revenue comes from domestic travellers, an increase from 65% in 2000. Relying on more than 80% of revenue from the domestic market reduces the large opportunity to generate international revenues as Canada's tourism industry becomes increasingly reliant on supporting regional and domestic tourism experiences at the expense of those experiences demanded by high yield international travellers. This will over time reduce Canada's competitive set in global markets.

## The Numbers

In 2010, international visitors made 16 million trips to Canada, up 2.3% from 2009 but down 17% from 2000.

Visitors from CTC's Core and Emerging + Transition Markets made 14.4 million trips to Canada, up 1.7% from 2009 but down 20% from 2000.

Supporting the CTC's mandate to provide information about Canadian tourism to the private sector and to the governments of Canada, the provinces and territories, CTC Research publishes statistics, research and analysis to assist the Canadian tourism industry. Among these documents is the Global Tourism Watch (GTW), which annually monitors awareness, travel intentions and other key indicators, providing useful assistance when determining market potential.

For more detailed performance analyses and results by country, refer to the "At a Glance" market reports in Appendix B.

For a summary of research documents available to the industry, refer to Appendix C.

## Regional Opportunities and Challenges

There are many unique local conditions associated with each country that are addressed in specific tactical plans. However, there are similar opportunities and challenges that the plan addresses.

### Emerging + Transition Markets

#### Opportunities:

- Favourable economic market conditions (milder in Japan)
- Robust long-haul market potential and international tourism growth
- Strong partnership and business development interest from Canada and local market travel trade
- Canada as a US "add-on" (many of our target travellers select the US as their leisure travel destination)
- Heightened interest in MCIT destinations in Canada
- High-yield consumers attracted to Canadian product
- Early new market entry creates competitive advantage for Canada
- Development of future traveller (e.g. student and youth markets)
- Internet use and use of social-media networks



**Challenges:**

- Low top-of-mind awareness and immediacy of travel intentions
- Fierce competition from short-haul and domestic destinations
- Visa requirements for visitors from Brazil, Mexico, China and India
- Lack of air capacity during peak seasons, limited direct flights
- Canada perceived to be expensive
- Low awareness of Canadian destinations and the vacation experience
- Misperceptions as to distance, weather and accessibility, plus cultural and authentic experiences
- Limited marketing and sales program dollars
- Competing sales programs from competitors that offer aggressive incentives
- Competitive destinations' outbound travel market shares are growing faster than Canada's; agents are more likely to sell these destinations
- Lack of awareness of Canadian urban and cultural experiences and four-season appeal

**Core Markets****Opportunities:**

- Favourable economic environment (milder in the UK), although unemployment remains high
- All markets rank as Tier 1 markets on the MPA (Market Portfolio Analysis) rating scale, suggesting excellent tourism market potential
- Strong interest and support by local trade and provincial partners
- Growing Internet use and interest in social-media networks
- Strong potential in attracting new visitation and repeat travel
- Long-haul travel intensity on the mend (except UK)
- Untapped long-haul travel market potential
- Growing regional appetite through repeat visitation
- Canada as a US "add-on" (many of our target travellers select the US as their leisure travel destination)

**Challenges:**

- Fierce competition from short-haul destinations and new, trendy destinations
- Lack of immediacy for Canada as a travel destination for many of our best-prospect customer segments
- Lack of awareness of Canadian urban and cultural experiences and four-season appeal (Canada ranks poorly for sampling local flavours, experiencing local lifestyles and seeing historical and cultural attractions)
- Canada is viewed as expensive, due to strong Canadian dollar and relatively high air fares v. US and other competitor destinations

Having identified the market specific opportunities and challenges, the CTC is poised to be proactive in efforts to remain competitive.

## State of Canada's Key Competitors

Overnight travel to Canada from CTC's Core Markets gained momentum in 2010. However, Canada was not alone with its main competitors experiencing increasing market shares mainly from traditional markets. In 2010, with the exception of the UK, all others have registered year-to-date growth. Of significance is the revival of inbound travel to the US, registering strong growth with most CTC core markets. The US has particularly benefited from a few years of ADS with China as well as the implementation of a visa waiver for South Korea, which has resulted in increases of more than 50% from both of these markets.

## International Travel, 2010 (in 000s)

Trips from:	Trips to:							
	Canada		United States*		Australia*		UK*	
	('000)	10/09%	('000)	10/09%	('000)	10/09%	('000)	10/09%
US	-	-	-	-	470	-2.1	2,599	-8.0
Mexico (air)	120.5	-28.6	1,644	+8.8	-	-	86	+7.5
UK	711.7	+0.2	3,870	-0.5	633	-4.7	-	-
France	435.5	+6.8	1,332	+10.6	97	+4.3	3,618	-5.0
Germany	332.1	+7.2	1,739	+3.1	161	-	2,978	+8.0
Japan	235.5	+19.1	3,429	+17.5	405	+14.1	219	-6.0
South Korea	164.3	+18.9	1,132	+52.2	217	+19.9	-	-
China	195.0	+21.2	995	+55.2	450	+23.0	157	+23.0
Australia	232.9	+13.9	908	+25.7	-	-	964	+7.0
Brazil	80.2	+29.7	1,206	+35.1	27	+3.8	174	+15.0
India	127.6	+18.2	651	+18.4	139	+12.1	366	+34.0
Total Travel	16,093	+2.3	52,941	+10.9	5,920	+6.0	29,418	-1.0

Source: Statistics Canada, Australian Bureau of Statistics, Office of National Statistics, UK, Travel Industry of America\* CTC estimates.

## Positioned to Compete: The CTC's regional Hub Structure

The CTC has two regional hub offices. The hub approach is aligned with the new business structure of the CTC, which focuses market investments where the Canada tourism brand leads. The first hub, based in Vancouver at CTC headquarters, is for Emerging + Transition Markets. The second, through a regional hub office in London, UK, is for Core Markets.

## Facilitating Growth

Led by regional managing directors, the purpose of the regional hubs is to facilitate growth via the following priorities:

- A leadership focus on business development with tourism and non-traditional business partners in the respective countries
- Sales education and training for both the in-market travel trade and Canadian tourism leaders on how to effectively operate in the respective markets
- Market development to build the appropriate infrastructure to support long-term opportunities for sustainable tourism results, including (but not limited to) communications and training programs, transportation negotiations and strategy workshops, sales incentive programs
- Non-traditional alliances with complementary sectors or partnerships with other federal entities, such as the Department of Foreign Affairs in support of visa issuance facilitation.
- Sharing assets and physical operations with Canadian partners (i.e. general sales agents) to maximize resources and reinvest in market expansion and programs
- Research and planning consultation, envisioning how best to work in these markets
- Advertising and integrated marketing co-operative program development.

In addition to strategic goal setting, the regional offices provide management in, and centralized support for, finance and administration.

## Global Platform Tools

Regardless of being Core or Emerging + Transition, all markets benefit from a common set of sales and marketing tool. The Marketing Communications global platform is the most visible of these universally adapted tools.

## CTC Global Marketing Communications Platform

The CTC expresses the Canadian tourism brand through the Global Marketing Communications platform. It is the toolkit of assets that the markets use to create and enhance favourable perceptions of Canada by delivering our value propositions and unique selling points to target customer segments.

## Emerging + Transition vs Core Markets: What's the Difference?

	<b>Emerging + Transition Markets</b> India, Brazil: New Mexico: Re-emerging Korea, China: Emerging Japan: Re-emerging	<b>Core Markets</b> UK, France, Germany, Australia
<b>Characteristics</b>	New Markets for Canada Developmental/R&D driven Significantly higher risk profiles but with opportunities for significant upside Early development creates a competitive advantage for Canada New but lower partner investment	Well entrenched markets for Canada ROI driven traditional tourism markets (higher volume) Significantly lower risk profiles, with predictable gains Fiercely competitive markets High partner investment
<b>Channels and Activities</b>	Business development initiatives Relationship building with tour operators: developing key accounts with highest potential to sell Canada Training focus: travel agent education programs Canadian partner development through in-market B2B shows and meetings Develop relationships with embassy and visa facilitation programs Nurture relationships with airlines to influence air access to Canada Demand generation with brand advertising when other channels firmly in place at the top of path to purchase Co-op marketing programs with tour operators and agents Focus on research to understand market and customer needs	Market enhancement Expanding relationships with key sales accounts Canadian partner engagement/investment in market Nurture relationships with embassies/high commissions Relationships with airlines: influence access to Canada and specific regions in Canada Continue with investments in enhancing Canada's tourism brand at top of path to purchase Focus on brand advertising with tactical ads to move customers down path to purchase
<b>Messaging</b>	Create awareness, understanding and demand for Canada Early focus on iconic experiences, but quickly move to all four-season experiences Develop umbrella messaging platform for Canada	Reinforce positive perceptions of Canada while challenge status quo thinking on what to do in Canada Focus on adding context to Canada's tourism brand Focus on creating immediacy in demand
<b>ROI Expectations</b>	ROI expectations are to lay the groundwork for high potential for future five-year outlook	Immediate ROI; measures and investments made on near-term support of ROI



The platform leverages universal consumer insights, showcases relevant experiences and delivers consistent messages, ensuring efficient use of resources as the marketing strategy is brought to life through consumer, media and trade channels.

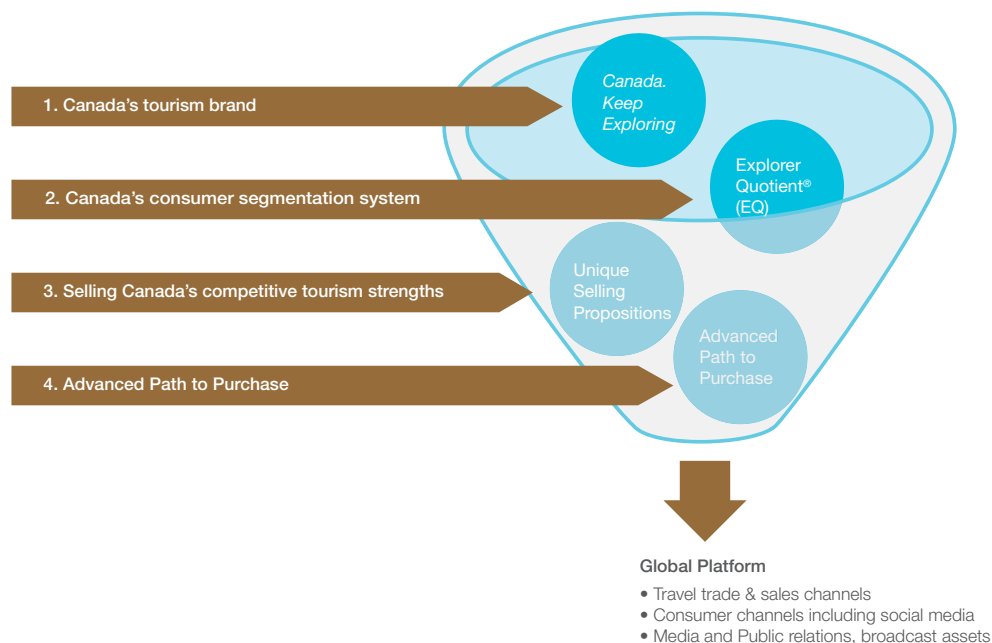
Expected outcomes of the Global Marketing Communications platform include:

- Improved brand relevance among target traveller in all CTC markets, making Canada a more compelling destination
- Improved campaign impact and influence, moving the traveller further down the path to purchase
- Stronger competitive positioning as our brand becomes more distinct and unique
- Improved partner satisfaction, alignment and understanding.

At its foundation are the following components:

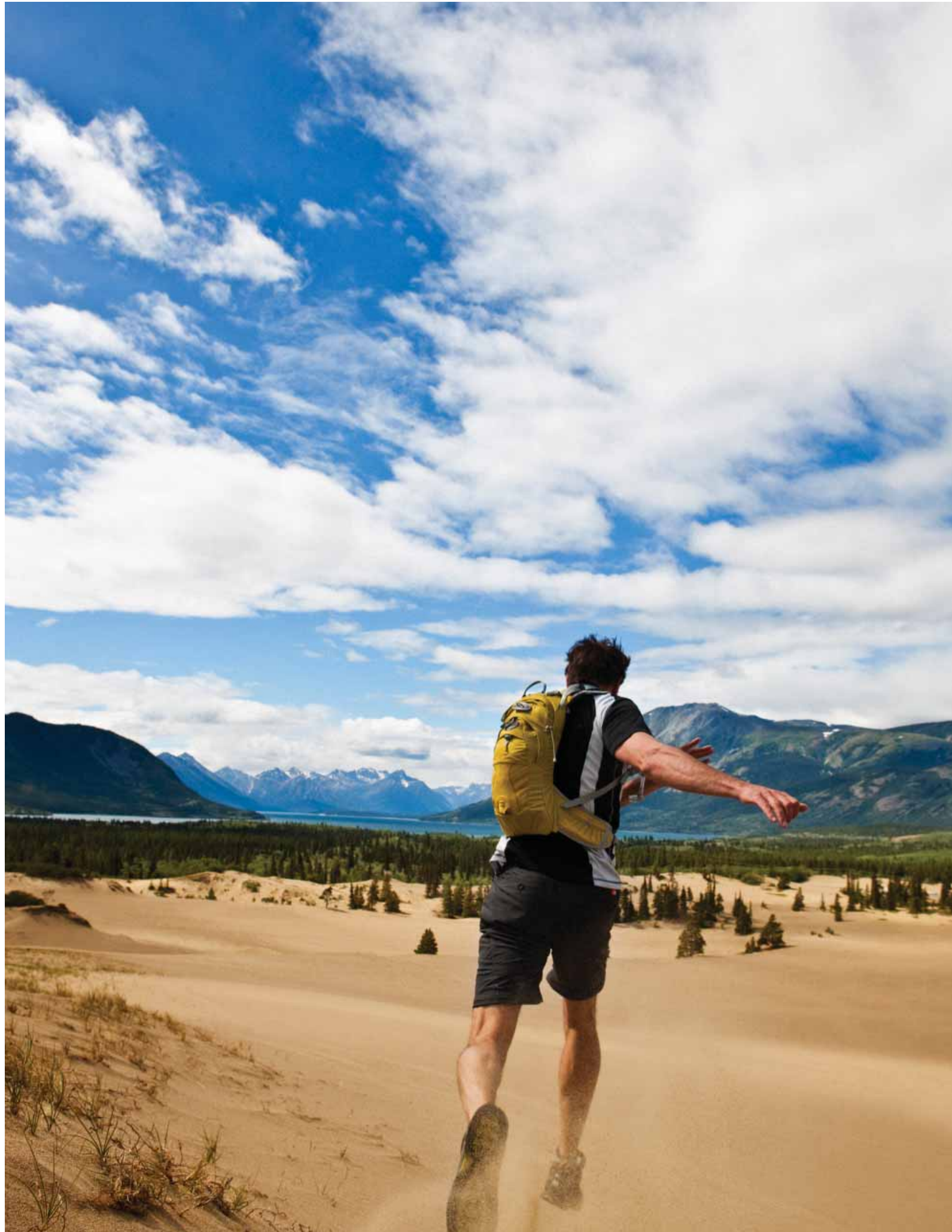
1. A well-developed brand: Canada. Keep Exploring
2. Advanced customer understanding: Explorer Quotient (EQ) segmentation
3. The Advanced Path to Purchase
4. Research-validated unique selling propositions for Canada

## Foundation to the CTC's Sales and Marketing Approach



### 1. Canada's Tourism Brand: Canada. Keep Exploring.

To achieve our marketing and sales objectives, our global strategy has three key elements at its foundation. These are Canada's tourism brand Canada. Keep Exploring; the Explorer Quotient, our proprietary consumer segmentation; and our unique selling propositions. With EQ and our USPs, our Brand creates a solid global platform, moving us down the path to purchase.



When you look at our traditional path to purchase model, our brand—that is our personality, our look, the way we present ourselves and what we promise —drives us towards conversion. We create destination awareness, encourage consumers to put us on their travel list, and get them creating a Canadian travel movie in their head; at this stage we're brand-building. Once the consumers start itinerary planning, finalizing arrangements and purchasing trips, we are actively influencing their decisions and are capitalizing on the brand awareness we promote in our campaigns.

Canada was named number 1 country brand by *FutureBrand* in 2010 (we were #2 in 2008 and 2009, #6 in 2007 and #12 in 2006).

2010 Top 25 Country Brands

01 CANADA	02 AUSTRALIA	03 NEW ZEALAND	04 UNITED STATES	05 SWITZERLAND	06 JAPAN	07 FRANCE	08 FINLAND	09 UNITED KINGDOM	10 SWEDEN	11 GERMANY	12 ITALY	13 NORWAY	14 SPAIN	15 SINGAPORE	16 MALDIVES	17 IRELAND	18 BERMUDA	19 DENMARK	20 AUSTRIA	21 MAURITIUS	22 GREECE	23 INDIA	24 ICELAND	25 NETHERLANDS
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Our brand is leading the CTC's drive to grow export revenue from all consumers; trade, MCIT and high-yield international travellers from our target markets. Our brand promises these consumers a life less ordinary, an opportunity to create their own extraordinary story. We promise them a fresh perspective on life and Canada; for a few examples, visit us on Facebook, Twitter, YouTube and all our consumer sites.



twitter.com/Keep\_Exploring



facebook.com/KeepExploring



youtube.com/canadiantourism



## 2. Customer Segmentation: Explorer Quotient®

Fundamental to CTC's global marketing and sales success is the CTC's proprietary research and segmentation tool, Explorer Quotient. EQ® goes beyond traditional demographics to access more relevant and actionable travel motivations and social values. These rich consumer insights enable the CTC to clearly define its best-prospect travellers, as well as the relevant communication channels, messages and experiences that motivate them to travel. These deep insights help the CTC develop marketing strategies and tactics that more effectively connect the consumer with Canada's tourism brand in meaningful ways, leading to increased customer acquisition and retention. The CTC's consumer targets fall into two overarching categories, Learners and Enthusiastic Indulgers, within which fall the CTC's primary target segments of Free Spirits, Authentic Experiencers, Cultural Explorers, Social Samplers and Cultural History Buffs.

*Note: Explorer Quotient® is a registered trademark of the Canadian Tourism Commission.*

*EQ® is a trademark of the Canadian Tourism Commission.*

### **Learners:**

**Authentic Experiencers:** Older and highly educated, they relish experiencing all their travel destination has to offer in a reserved, non-exorbitant way. They are drawn to history and prefer to travel independently.

**Cultural Explorers:** Avid, open-minded and socially engaged travellers who immerse themselves in all aspects of the travel experience. They seek spontaneous and authentic experiences on their own terms.

**Cultural History Buffs:** Highly educated and often single, they like to travel alone or with one other. Life-long learners, they seek the quiet discovery of the cultural and historical aspects of their destinations.

### **Enthusiastic Indulgers:**

**Free Spirits:** Young, experimentalist, committed travellers looking for thrills and frills. They seek some structure when they travel to engage in worry-free hedonistic activities.

**Social Samplers:** Well-educated, older, open-minded and often female travellers who prefer to focus on the "must-see" attractions. They are active planners and have an affinity for travelling in groups.

### **2010/2011 EQ Findings**

In late 2010, CTC's undertook an extensive reboot of EQ research in six markets: UK, France, Germany, Australia, US and Canada. This new research was undertaken to support the organization's objectives of converting high-yield customers, focusing on markets of highest return and responding to changing market dynamics. It also fulfilled obligations to CTC's EQ licensees to support their domestic marketing efforts.

Research objectives included assessing shifts in the six markets' social values and travel motivations, along with providing additional intelligence through an assessment of trip activity appeal, general media habits, past favourite and future dream destinations and detailed travel characteristics.

To align with CTC's global approach, reporting was combined for the six markets to provide a more global perspective of Canada's EQ types. This allowed the CTC to understand shifts among general international travellers between the original research conducted in 2007 and today. Moving forward, this global perspective will form the basis to assess individual market findings.

Compared to 2007, there is a clear sense of global post-recession weariness and anxiety. Travellers feel they have less control over their lives. There is greater concern for financial security and travellers feel the need to be more cautious and discriminating in their purchases. As they have become more self-focused, they have become less flexible, tolerant and charitable, exhibiting declines in support for many socially liberal values such as multiculturalism, social responsibility and flexible gender identity. Seeking comfort in the familiar, travellers want greater order and structure, and are less interested in spontaneity and experimentation in all aspects of their lives.

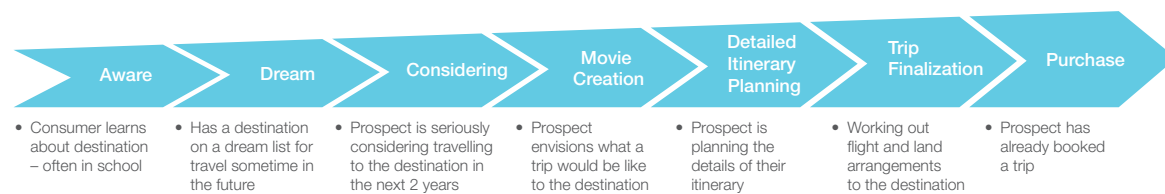
This evolution in social values undoubtedly helps explain some of the shifts in global travel motivations. Such weariness and anxiety has led to a significant increase in “reluctant travel” as travellers feel the need to pull back on discretionary expenses and justify any they do make. There is less of an interest in travelling to indulge such specific interests as hobbies, roots and history, as well as a broader decline in cultural immersion. There has also been a decrease in unstructured travel.

While this paints a bleak picture, a significant portion of this change is attributable to the fact that the Familiarity Seekers segment (a non-CTC target segment) has grown at the expense of the Learners segment. Although the Familiarity Seekers have dropped significantly on many travel motivations, the Learners and Enthusiastic Indulgers (who contain Canada’s core targets) are largely unchanged in their travel motivations. Consequently, the CTC’s core EQ targets continue to hold travel motivations that align best with Canada’s offerings and remain attractive targets.

### 3. The Advanced Path to Purchase Framework

A further tool that aids in the understanding of developing relevant communication is the Path to Purchase research and analysis. This framework aims to better understand and distinguish between prospective and non-prospective travellers and where they are along the path, as well as to provide the ability to better anticipate a prospective consumer’s needs, perceptions and behaviours at each stage.

#### Advanced Path to Purchase framework



Incorporated into major CTC studies, the path to purchase provides a clear representation of the consumer’s journey in making travel decisions and ultimately purchasing travel to Canada. The CTC facilitates the sales process by engaging consumers using the channel and messaging appropriate to their stage in the trip planning and purchasing process.

Research indicates that social media is emerging as having a strong influence on customers’ decisions. As such, it is an important element and must be aligned with the communications plans in a closed loop fashion. The CTC will use the power of this medium to create advocacy and referral to ultimately close the sale.

Refer to Appendix D for Influences and barriers along the Path to Purchase.

### 4. Selling Experiences: Canada’s Unique Selling Propositions

The CTC has identified five competitive strengths that resonate with the target customer:

1. Vibrant cities (on the edge of nature): Canadian cities are alive and inviting, offering experiences that engage all the senses and fill travellers with a sense of exploration, discovery and inspiration; nature is often the backdrop. The vibe and pace of Canadian city centres can also stand alone as a competitive strength.
2. Personal journeys by land, sea, air, rail: In Canada, the journey can be just as rewarding as the experience at the final destination.
3. Connecting with Canadians: This is where Canada’s brand personality comes to life; witty, fun, approachable and authentic. Travellers will understand where Canada comes from and where it’s going.
4. Award-winning local cuisine: Canadian cuisine acts as an introduction to the geography, people and culture that shape the country.
5. Active adventure among awe-inspiring natural wonders: Visitors don’t have to sacrifice comfort to be engaged in natural wonders, regardless of skill or experience in the outdoors.

By showcasing experiences that fall into one or more of these five areas, the CTC can effectively communicate experiences that are most relevant to its target customers. While these travel experiences may be found elsewhere, it is Canada's unique approach to and delivery of experiences that fall within the USPs that strengthen the global communications platform and the CTC's marketing programs.

### The Signature Experiences Collection

Our research tells us that today's travellers want to explore and live a life that's less ordinary. They are seeking experiences and destinations where they can fulfill this desire. The Signature Experiences Collection program aims to differentiate Canada from competitors by showcasing these types of travel experiences. Signature Experiences are those that best exemplify Canada's tourism brand – they are memorable, authentic and engage the targeted international traveller with Canada's people, geography and culture. With the customer insights and information provided by EQ and an inventory of Canadian experiences that match travellers' desires, we have an opportunity to deliver powerful marketing messages that position the right experiences in front of the right customers through the right channels.

The program aims to shift travellers' perceptions about Canada and inspire them to visit Canada now.



- The SEC members (selected from an application-driven process) are Canadian-based tourism suppliers who deliver experiences that deliver on Canada's brand promise. This inventory of experiences will become a priority pool from which the CTC chooses content for its marketing, media and trade activities. Signature Experiences must meet a variety of criteria including: sell a Canadian based 'experience' that's differentiated, immersive & authentic
- Matches one or more of Canada's 'unique selling propositions' & appeals to one or more of the CTC's target EQ types
- Practice a high standard of marketing
- Are export ready

For trade and media, it provides a fresh, new, provocative platform in the marketplace. And tourism suppliers in Canada have good incentive (and support) to evolve their product, further improving the customer experience.

### Expected outcomes:

- More international demand for Canadian experiences
- Improved customer experience as tourism suppliers evolve their experiences to meet shifting market demand
- Heightened awareness with trade of Canada's differentiating experiences
- Better industry alignment in international markets behind the Canada. Keep Exploring brand
- Increased traveller conversion along the path to purchase.

### Market Execution Strategy—A Three-Channel Approach

The sales and marketing outcomes in each country fall within three areas:

1. Consumer (includes social marketing)
2. Travel trade development
3. Media relations/PR activities.

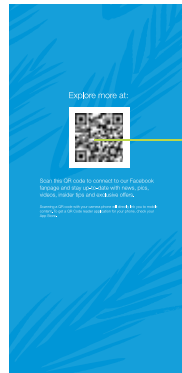
The level of emphasis in each channel is determined by the local market conditions, and each channel aligns to optimize the ROI from our overall program spend.



## 1. Consumer

The Core regional hubs and Emerging + Transition Markets offices will implement advertising programs, leveraging the CTC's global marketing assets. Media selection and social-media integration will be based on updated path-to-purchase research across our key customer segments in-market.

To ensure best ROI, the advertising programs will be timed to coincide with important decision-making periods in each market, respecting market differences and media habits. Consumer-direct advertising will typically take a two-phased approach: brand building followed by tactical, sales-oriented activities. Campaigns will be built through an optimal mix of traditional and new media.



Social media is emerging as an invaluable marketing tool. Embracing social media enables the CTC to engage influencers and consumers in the Canadian conversation in new and innovative ways. The CTC proactively identifies online audiences interested in Canadian travel experiences then distributes relevant content coordinated with other elements of the consumer, trade and media programs. This personalized communication gives travellers a richer picture of the experiences they can have in Canada, thereby inspiring them to visit.

## 2. Travel Trade Development

A proactive trade program is imperative to increase market share for Canada. There are several elements to the CTC approach. First, the Key Account Management (KAM) program identifies Canada's best-prospect tour operator partners and collaborates with them to develop the right experiences for the right customer.

We review the evaluation process each year to keep key assets timely and relevant to our global strategy. The CTC motivates operators through KAM to increase their rating on an annual basis, resulting in increased benefits to them in marketing Canada to their customers.

A priority has been placed on engaging the region's travel trade with CTC's global assets and activities. To convert potential visitors, we will work closely with tour operators and retail agents, utilizing CTC tools such as the Canada Specialist Program (CSP) and Brand Canada Creative Library, ensuring relevance to the sales process while differentiating Canada according to the core brand values.

### a) Canada Specialist Program

The Canada Specialist Program (CSP) is a comprehensive trade development and education program that is integrated with other components of our market-specific goal strategy and is implemented in all core and emerging + transition markets.

CSP encourages increased bookings to Canada by educating travel agents, tour operators' sales and reservations teams and other influencers about our country, helping to ensure customer relevancy and differentiating Canada through the channels of aided destination awareness and consideration. These CSP-trained agents are the CTC's strongest frontline sales network.

In the mature/core markets, the program builds on the travel trade's existing knowledge and experiences in selling Canada, moves basic knowledge of Canada to a more comprehensive level, and provides opportunities to the travel trade for maximizing travel experiences when travelling within Canada.

In the emerging + transition markets, the CSP introduces Canada to an eager travel-trade audience anxious to sell a newer and exciting destination of which they may previously had limited knowledge.

The CSP includes comprehensive modules of, and travel itineraries in, all of Canada's regions. In-market trade support offered to CSP graduates includes conference and training seminars, partner opportunities, familiarization (FAM) trips, Canada Specialist e-newsletters, and unique travel offers made available through Canada's tourism infrastructure. The in-market offices share global online CSP training tools, creating efficiencies and communicating consistent brand messaging.

For more information on the Canada Specialist program, go to <http://csp.canada.travel/>.



#### Activities Include:

- Partnering with private industry stakeholders in offering CSP to their data bases of travel
- Enhanced offers: Farm trips, hotel and attraction offers only available to CSP graduates
- Webinars: one hour webinars via travel organizations or trade media as “tickler” to enroll in full program and become a CSP
- Training: Conduct user training and tutorial for website function, customer support and TTM tools and resources
- CSP branding: Availability of tools for creation of CSP web badges, business card, and trade show branded collateral
- CSP modules: Updates to training modules in association with PMO's.
- New round of itineraries based on Signature Experiences
- Extensive social media integration for “likes” to itineraries, content and suggested experiences



#### Expected Outcomes:

- Increase in visitors to Canada based on expanded knowledge from travel counselors in selling Canada
- Incentives for travel agents to complete the course and become specialists

## b) Explorer Quotient

### Activities Include:

- Continued alignment of specific traveler types to tour operator Canada selling programs and packages they would be most inclined to purchase

### Expected Outcomes:

- Sales tracking of tour operator sales directly related to EQ

### Receptive Tour Operators

- Integrate RTO's into global sales activities of CTC-supported tour operators programs worldwide
- Cooperatively implement and promote Signature Experiences sold by RTO's to their client base

### Expected Outcomes:

- Sales tracking of RTO sales of CTC Signature Experiences

## 3. Media Relations and PR activities

Media relations and PR activities will target the media outlets and influencers that have the greatest ability to move prospective consumers along the path to purchase. The communications program is aligned with Canada's tourism brand, focusing on media outlets and influencers reaching high-yield customers with the greatest propensity to travel to Canada.

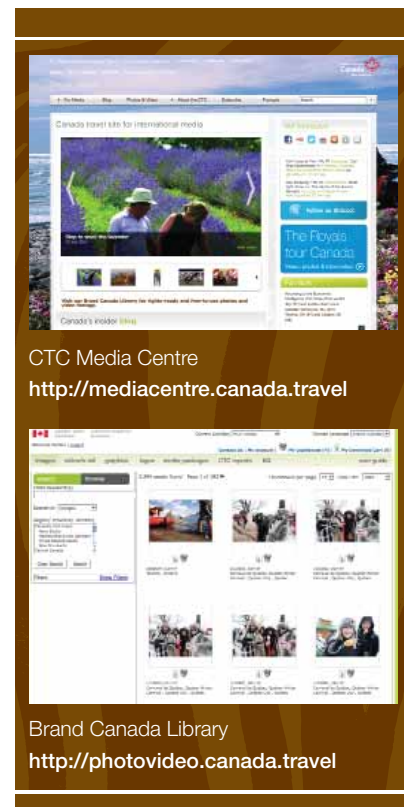
Knowledge from the EQ research will identify the media channels and influencers to target to ensure optimal coverage for Canada's unique selling points and Canada's signature experiences.

### Activities include:

- Creation of universal story leads, social-media tools and other resources to foster industry leadership in all markets
- US communications plan and program for journalists
- Media asset development (b-roll, photographs, story ideas and packages)
- Market intelligence for traditional and social media trends.

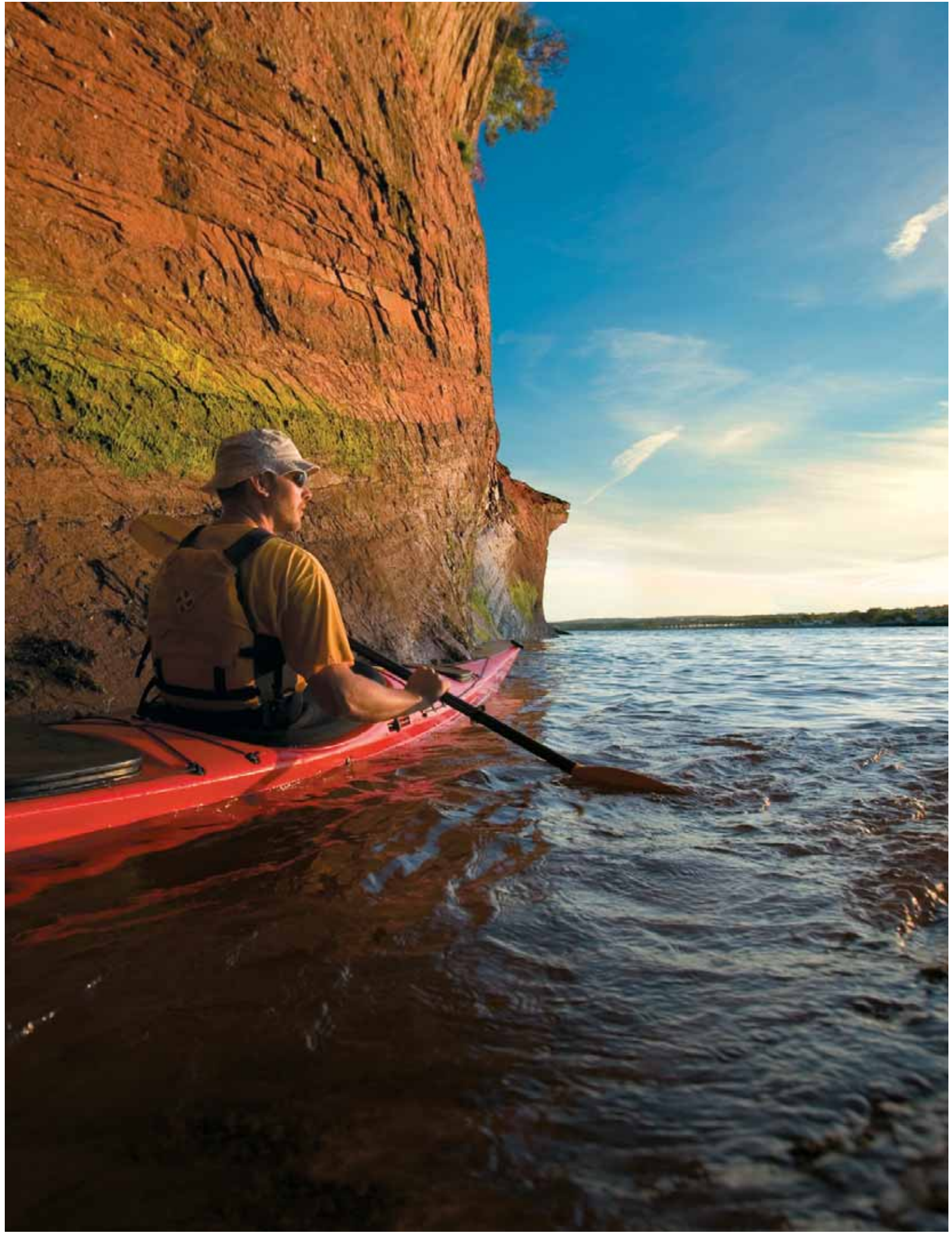
### Expected outcomes:

- Identify key influencers and media
- Change perceptions and positively predispose customers to the travel message
- Grow ad equivalency results
- Aid customers moving down the path to purchase to book and buy their vacation.



For access to the CTC's Media Centre and the Brand Canada Library for digital assets, go to <http://mediacentre.canada.travel/>





# Marketing and Sales Plan by Country

## Emerging + Transition Markets

The Emerging + Transition Markets, led from the regional office in the Vancouver, BC, consists of Brazil, Mexico, South Korea, Japan, India and China. Managing directors run the operations (except Brazil, which has a general sales agent).

As noted in the Opportunities and Challenges and Market Characteristics sections of the plan, these countries have much in common when it comes to selling Canada. Key to all markets is the customer target for Canadian tourism. The Global Tourism Watch study and EQ research have identified two primary targets of focus: Learners and Enthusiastic Indulgers.

The following overviews identify how relevant experiences and messaging will address our target visitors' travel desires and convert them from prospects to sales.

## MEXICO

### Situational Analysis

Mexico experienced unforeseeable shocks the past three years, firstly with the widespread outbreak of avian flu in spring 2008 and secondly with Canada's imposition of visas on Mexican travellers in July 2009. With improvement in performance during the past 12 months, Mexico is now a transition market on the rebound. This strong upturn is primarily due to the reduction in travel barriers as air capacity improves and Mexican travellers adjust to the new visa requirement as evidenced by only 17% of travellers now citing visas as a major impediment to travel.

Canada remains one of the top three travel markets of Mexico (the other two are the US and France). Mexicans are high-yield travellers, with an average per trip spend of \$1,363, a 13% increase over 2009. These visitors are also our greatest advocates, with 95% of past travellers recommending Canada as a place to vacation. Another positive trend is trip consideration. These levels are at par with 2007—the peak year for travel from Mexico to Canada. In 2011, Canada expects approximately 126,800 Mexican arrivals. The target visitor continues to be sophisticated and educated, while we are also seeing a shift to FIT (fully independent travel) vacations.

The importance of keeping a high profile for the Canada tourism brand remains a priority. Research on the imposition of the visa validates the need to showcase the range of travel experiences available. Since Mexico is a market poised for continued growth, the strategic focus will tap into education, awareness, influence and sales.

### Execution

The tactics executed throughout 2012 will align with the following marketing channels and budget allocations:

- Consumer direct/social marketing 50%
- Travel trade 25%
- Media and public relations/social media 25%

## Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

- Integrated consumer/trade/media/PR plans in Mexico City, Monterrey and Guadalajara
- Student/youth long-stay pilots projects
- Canada Specialist Program/agent training and events
- Conozca Canadá (B2B trade show and media event)
- FAM (familiarization) tours for media and key travel-trade accounts
- Rendez-Vous Canada
- GoMedia Canada.

## BRAZIL

### Situational Analysis

Brazil is a vibrant and top-performing market for the Canadian tourism industry. Thanks to a huge upper and burgeoning middle class (50 million people), a large customer base now travels internationally. Infrastructure changes and economic growth due to the country hosting the 2016 Summer Olympics and 2014 FIFA World Cup are assisting business development initiatives that support CTC goals. The market is ripe for continued expansion.

Brazil boasts a high average per trip spend of \$1,808. Visits increased a noteworthy 29% in 2010, and are forecast to reach 93,000 in 2011. Brazilians on average have 60 vacation days per year, and take long vacations.

While the majority of Brazilians plan their trips online or rely on referrals (almost 60% of past long-haul travellers' destination choices were influenced by a friend or relative), many use a travel agent for actual bookings. The CTC's continued investment in the travel trade supports these findings. Trade education and consumer demand generation will remain a focus.

The CTC will develop the market by engaging tour operators, travel agents, airlines, media, the Canadian Embassy and Canadian partners in all our programs. The Brazilian tourism trade's enthusiasm for Canada has resulted in a major increase in Canadian product offerings. Increased sales figures from tour operators and key accounts indicate confidence from the trade with immediate commitment to develop and sell Canada.

### Execution

The tactics executed throughout 2012 will align with the following marketing channels and budget allocations:

- |   |     |
|---|-----|
| • Consumer direct/social marketing        | 50% |
| • Travel trade                            | 35% |
| • Media and public relations/social media | 15% |

### Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

- Integrated consumer/trade/media/PR programs in São Paulo and Rio, and secondary cities such as Belo Horizonte, Recife and Curitiba
- Canada Specialist Program/agent training and events
- Student/youth long-stay programs
- Showcase Canada (B2B trade show and media event)
- FAM tours for media and key travel-trade accounts
- Rendez-Vous Canada
- Go Media Canada.





## SOUTH KOREA

### Situational Analysis

South Korea has emerged as a significant country for outbound tourism in the past decade. In 2010, there were 12.5 million outbound travellers (out of a total population of 48.6 million). Market arrivals to Canada reached 164,300 in 2010, an 18.9% increase, with an average per trip spend of \$1,620. Canada expects to welcome 182,800 South Koreans in 2011. An important note is the above trend level phenomenal economic growth of South Korea, which increased 6.2% in 2010, the fastest expansion in eight years. This positive momentum is expected to prevail in the 2011 – 12 period.

Canada remains one of the most aspirational countries in the world to South Koreans. They are adventurous travellers, searching out new experiences. The US, Hawaii and Australia are Canada's strongest competition in South Korea.

The opportunity remains to expand North American city pairings, given limited direct air capacity. South Koreans are resilient travellers, used to long journeys with connecting flights and trips of eight days. Extremely tech-savvy consumers, South Koreans are heavy embracers of technology and social media. These areas hold great potential in marketing Canada to the customer target.

### Execution

The tactics executed throughout 2012 will align with the following marketing channels and budget allocations:

- Consumer direct 35%
- Travel trade 45%
- Media and public relations 25%

### Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

- Integrated consumer/trade/media/PR programs in Seoul and secondary city Busan
- Canada Specialist Program/agent training and events
- Student/youth long-stay programs
- Showcase Canada Asia (B2B trade show and media event) in Tokyo 2012
- FAM tours for media key travel-trade accounts
- Rendez-Vous Canada
- Go Media Canada.

## JAPAN

### Situational Analysis

The Great Tohoku Earthquake in March 2011 had a significant impact on Japan. The cost to the world's third-largest economy is forecast to reach USD 235 billion, with five years of recovery. In comparison, the 1995 Kobe earthquake was forecast to cost USD 100 billion, and had a seven-year rebuilding process.

At the time of the disaster, Japan's economy had begun to recover from a 20-year deflationary period and severe recession. Tourism to Canada was on the upswing, expanding by 19.5% in 2010, its fastest growth in 20 years. While visitation numbers had been expected to increase in 2011, due to the earthquake these numbers have now been reforecast to 187,466 visitors, or a 20% decrease.

Tour operators and key accounts are cautiously optimistic for strengthening demand and sales on the back of growing consumer confidence. The strategic considerations and opportunities for how the CTC will recover the Japan market are based on post-quake research and are driven by the Japanese consumers' unique cultural needs and motivators as a result of the crisis. The CTC will address the need to advance prospects further down the path to purchase by tapping into the now pent-up demand and emotional desire to travel internationally.

The CTC's activities in Japan focus on the continued development of marketing partnerships with provincial and territorial partners (known as "Team Canada") and the Japanese travel trade. A marketing opportunity exists as a result of Japan's high Internet use and increase in social-media membership. Also, growth continues in FIT, luxury and niche tourism markets.

The goal of Team Canada, working under the CTC's guidance, is to reposition Canada within target segments. Collaborative work is being conducted to develop, promote and distribute new and repositioned products with partners in the travel trade and to elevate brand awareness through emerging technologies.

### Execution

CTC will integrate programs and leverage investment across CTC and provincial and destination marketing partners in Japan by continuing the Team Canada approach.

- Travel trade 70%
- Social media, MR and PR 30%

### Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

- Integrated consumer/trade/media/PR programs in Tokyo and Osaka
- Canada Specialist Program/agent training and events
- Student/youth long-stay programs
- Showcase Canada Asia (B2B trade show and media event) in Japan 2012
- FAM tours for media and key travel-trade accounts
- Rendez-Vous Canada
- Go Media Canada.
- Japan Influencer Program (Social Media)



## CHINA

### Situational Analysis

The strength of the Chinese economy continues to fuel outbound tourism growth, which grew to 57.4 million in 2010, a 20.4% increase over 2009. The forecast for 2011 is for 65 million outbound tourists; a similar year-on-year increase is expected in 2012.

Chinese visits to Canada have kept pace with overall outbound tourism growth, with a 21.4% increase in visitors in 2010 over 2009. Year-to-date figures for 2011 indicate similar growth. 2012 will be the second full year of Canada being an operational ADS country, thus allowing the Canadian tourism industry to benefit from the spending power of Chinese tourists—boosted by the appreciating Chinese currency, which saw close to USD 7 billion being spent overseas in 2010.

The acquisition of ADS has permitted a significant increase in air capacity between the two countries, with new Chinese carriers China Southern Airlines and Hainan Airlines entering the market. These carriers, combined with further capacity increases by Air Canada, Air China and China Eastern, has boosted the total number of weekly flights to 55 during the 2011 summer peak. As in all businesses, strong competition is resulting in a downward trend in pricing, making Canada a more affordable destination for consumers.

Two key strategies in 2012 will be to strengthen and reinforce the preferred agent program in conjunction with the Canadian Embassy to maintain a high level of visa acceptance, and to fully embrace, manage and maximize the cooperative efforts and opportunities offered by the co-location of three of our main provincial partners in the CTC Beijing office.

### Execution

Consumer advertising campaigns will be at the core of our marketing efforts in 2012. The following channel resource allocations will likely apply:

- Consumer direct 60%
- Travel trade 25%
- Media and public relations 15%



## 2012 Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

### Consumer

- Advertising campaigns heavily supported by social media and targeting the high-value independent traveller through the Signature Experience strategy
- Promotions leveraging social-media advocacy linked with EQ development
- E-CRM to CTC database of potential Canada travellers.

### Travel Trade

- Selected, qualified key account co-op advertising and promotional campaigns
- Incentive and promotional activities through the Canada Specialist Program
- Quarterly e-newsletters
- Road shows in conjunction with key wholesalers to regional and second-tier cities
- Showcase Asia, RVC, Showcase China
- FAM (familiarization) tours linked with independent travel experiences
- Educate and source specific agents to market, promote and sell FIT programs.

### Media/PR

- Media FAMs linked with independent travel experiences featured in consumer campaigns
- Go Media
- Partnered media events with key provincial stakeholders
- Media attendance at trade and consumer shows.

## INDIA

### Situational Analysis

India, with a population of 1.19 billion, ranks as the world's 11<sup>th</sup>-largest economy and fourth largest in purchasing power parity. The emerging affluent urban middle class is forecast to grow to over 500 million by 2025 and will command 60% of the country's spending power. India's retail sector is expected to grow 63% between 2008 and 2013 to become a USD 833 billion market.

The WTO estimates that outbound tourism will reach 50 million travellers by 2025, placing Indian travellers in the largest spending group globally.

The India outbound market stood at 14.9 million in 2010, with visitors to Canada increasing 18.2% over 2009, and a per person spend of \$968 in 2010. Similar growth is anticipated in 2012.

Travel agencies are highly influential in the market. Since the CTC opened an office in 2009, the majority of leading tour operators now carry Canada standalone tour programs, offering a mix of group, incentive and FIT travel options.

In addition to non-stop India/Canada service by Air India and through plane connections by Jet Airways, a variety of airlines offer over 70 one-stop services a week via Europe, Asia and the Middle East to a number of gateway cities across Canada.

The CTC has a robust key account marketing strategy and continues to work closely with the Canadian High Commission visa section to provide recommended agents with preferred status. We anticipate that 15 agents will be ratified by the beginning of 2012, thus facilitating increased visa acceptance rates.



### Execution

Co-op advertising print campaigns in conjunction with our key accounts and provincial partners will remain the key focus of our marketing efforts through 2012, supported by a consumer online campaign linked to the Signature Experiences strategy and targeting higher-value FIT travellers. The second year of the Akshay Kumar contract will be leveraged to support the online campaign. The following channel resource allocations apply:

- Consumer direct 25%
- Travel trade 60%
- Media and public relations 15%

### 2012 Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

#### Consumer

- Consumer online advertising campaign supported by social media and targeting the high-value independent traveller through the Signature Experience strategy
- Consumer promotions leveraging social media advocacy linked with EQ development
- E-CRM to CTC database of potential Canada travellers.

#### Travel Trade

- Extensive co-op advertising print campaign in conjunction with key account agencies
- Incentive and promotional activities through the Canada Specialist Program
- Quarterly e-newsletters
- Maintain strong relationship with agents in Delhi and Mumbai; expand influence through sales-call programs and training to Bangalore, Kolkata and Chennai
- Showcase Asia, RVC, Showcase India, Overseas Travel Mart in Delhi and Mumbai
- FAM tours linked with independent travel experiences and agency specific.

#### Media/PR

- Media FAMs linked with independent travel experiences featured in consumer campaigns
- Go Media
- Partnered media events with key provincial stakeholders
- Media attendance at trade and consumer shows.

## Core Markets

CTC's Core Markets—the UK, France, Germany and Australia—have performed consistently well for Canada over the long term. Less prone to environmental or economic shocks and waves, they remain vital to growing the value of Canada's tourism economy.

These markets are led by a regional hub office in London, UK, where key management, finance and administration services are centralized to ensure clear strategic direction and to drive operational efficiencies.

The CTC has appointed general sales agents (GSAs) to manage the France, Germany and Australia markets, (a CTC team manages the UK market). These agents run sales activities that focus on the travel trade and media/PR outreach. The regional hub team in the CTC London office manages consumer marketing.

As noted in the Opportunities and Challenges and Market Characteristics sections of the plan, there are key commonalities across the Core Markets that underpin their regional grouping. One such bond is the segmentation and resulting customer target for Canadian tourism across these markets. The Global Tourism Watch study and EQ research have identified two primary targets: Learners (Authentic Experiencers and Cultural Explorers) and Enthusiastic Indulgers (Free Spirits).

The following overviews identify the key opportunities for growth in each market and how CTC will promote relevant experiences to meet the needs of these best-prospect consumer segments.

## UNITED KINGDOM

### Situational Analysis

Despite the subdued economic climate, the UK is one of the largest and most resilient travel markets in the world. Awareness of Canada has been consistently high in recent years. According to Global Tourism Watch (2010), some 15 million UK travellers are interested in visiting Canada, making the UK the overseas market with the greatest potential for Canada in terms of travel volume. The challenge is to convert this high level of interest into action.

Our key EQ segments for consumer-direct activities will be Cultural Explorers, Free Sprits and Authentic Experiencers; our sales programs might also target the Gentle Explorer segment.

The following key insights from the Global Tourism Watch research will drive our sales and marketing to the UK traveller through 2012:

- UK travellers are lured by Canada's iconic scenery but somehow can't quite picture themselves exploring it.
- Local lifestyles and historical/cultural attractions are keen interests of UK travellers, but distinct weaknesses for Canada—a perceived gap that makes it difficult to compete with well-rounded destinations like Australia and the US, and culturally rich destinations like China and India.
- Canada should fortify and differentiate its products so that it is seen as the definitive destination for active adventure among awe-inspiring natural wonders.
- Canada should address top barriers for travel by highlighting unique and distinctly Canadian experiences, along with affordable travel options.

### Execution

Based on the strategic considerations outlined above and deploying our three-channel sales and marketing approach, the following are approximate resource allocations per channel for the UK market:

- Consumer direct 60%
- Travel trade 30%
- Media and public relations 10%



## 2012 Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

### Consumer

- Core advertising campaign supported by social media
- E-CRM to CTC database of potential Canada travellers
- Consumer promotions leveraging social-media advocacy.

### Travel Trade

- Participation at World Travel Market on CTC-managed Canada stand
- Participation in year-round travel-trade media advertorials: "Canada Features"
- Canada Specialist Program e.g. "Canada Calling" retail agents roadshow
- Quarterly e-newsletters to trade to showcase Canada's unique and accessible experiences
- FAM trips for Canada Specialist agents
- BACTAs: Canada Awards for the UK travel industry
- Joint marketing activities with key account tour operators and travel agency networks.

### Media/PR

- Visiting Journalist Program
- UK media attendance at Go Media and World Travel Market
- Ski media event
- Canada Day event for media and VIP trade.

## AUSTRALIA

### Situational Analysis

A favourable economic environment and a strengthening currency have made long-haul travel more attainable for many Australians. There are also marked improvements in this market's perception of Canada as a unique and desirable travel destination.

The CTC will focus on four identified EQ types: Free Spirits, Social Samplers, Personal History Explorers and Cultural Explorers. The following key insights from Global Tourism Watch (2010) research will drive our sales and marketing to the Australian traveller in 2012.



- While Australia is one of the CTC's smaller long-haul target markets, there has been a notable increase in the number of Australians with an immediate interest in visiting Canada.
- Though Canada is seen as a more affordable travel destination, there has been a decline in the perception of Canada offering affordable airfare packages.
- There is a growing opportunity to build on Australian's awareness of Canada as a place to explore vibrant cities in close proximity to nature and to explore nature close to cosmopolitan cities. Despite being a leader for both of these products, Australians' overall interest is far greater than their awareness of Canada's offerings.
- Australian travellers have a keen interest in experiencing new cultures by visiting historical and cultural attractions, as well as sampling local flavours. Unfortunately, there is a lack of awareness of these types of experiences in Canada, and this gap undermines Canada's ability to capitalize on this opportunity.
- Canada should address key barriers for travel by highlighting unique and distinctly Canadian experiences that are affordable and accessible via travel-trade packages.
- BC and Ontario hold the greatest appeal for Australians, followed by Quebec, Alberta, Nova Scotia and Yukon. The overall preference for potential visitors is to self-tour. There is a great need to educate the Australian travel trade and consumers on the ease of self-drive Canadian vacations as well the diverse experiences on offer in Canada.

### **Execution**

Based on the strategic considerations outlined above and deploying our three-channel sales and marketing approach, the following are approximate resource allocations per channel for the Australian market:

- Consumer direct                      60%
- Travel trade                              30%
- Media and public relations      10%

### **2012 Partnership Opportunities**

The CTC creates partnership programs to aid market expansion. Examples include:

#### **Consumer**

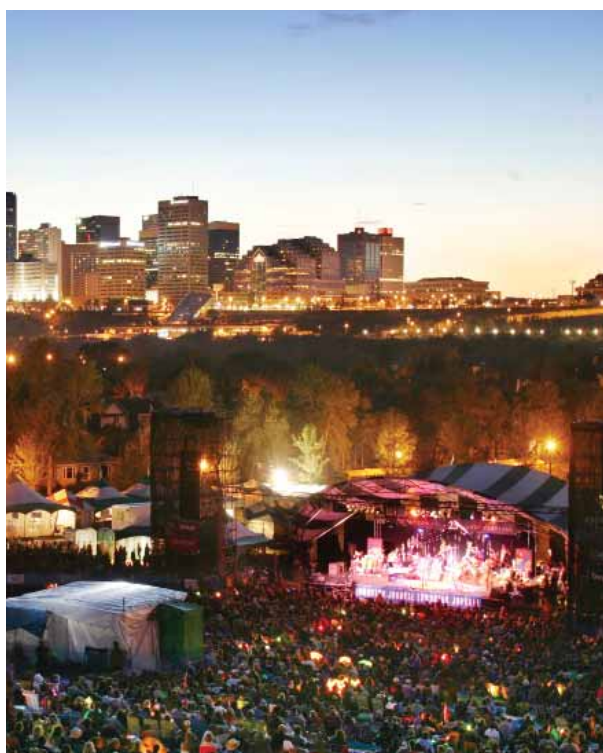
- Core advertising campaign supported by social media
- E-CRM to CTC database of potential Canada travellers
- Consumer promotions leveraging social-media advocacy.

#### **Travel Trade**

- Corroboree agent trade show and media events
- Canada Specialist Program agent training
- Quarterly e-newsletters to trade
- New product development FAM (familiarization) tours for trade, media and wholesale
- Joint marketing activities with traditional and online tour operators and travel agency networks.

#### **Media/PR**

- Visiting Journalist Program
- Australian media attendance at Go Media
- Canada Day event for media and VIP trade.



## FRANCE

### Situational Analysis

France suffered through the global recession like other European markets, but was quicker than most to recover. The economy appears back on track with steady growth since September 2010, albeit hampered by high levels of unemployment and rising inflation. While 2012 forecasts indicate slight drops in visitation to competitive countries, travel to Canada appears to be on par with 2010 levels.

In France, Canada focuses on three key EQ types: Free Spirits, Cultural Explorers and Cultural History Buffs, which represent 35% (approximately 5.3 million) of all long-haul travellers. The following key insights from Global Tourism Watch (2010) research will drive our sales and marketing in France through 2012.

- Of CTC key markets, France has the second strongest immediate travel potential, with 5.8 million or 38% of its long-haul travellers definitely planning to or very likely to visit Canada in the next two years.
- Canada continues to be one of the top three preferred countries for the French as it is considered a safe and friendly destination, providing travellers with a wide variety of experiences.
- Canada sits in fourth place in terms of arrivals (behind the US, Thailand and China). Compared with 2005, all markets making up the CTC key competitive set have seen strong growth from France, in particular Thailand (up 70%), South Africa and Australia (up 60% each). While Canada is up 20% since 2005, this is nowhere near the growth levels of these other countries. It is also below levels achieved in 1996, when visitation reached a peak.
- While Canada is a leader among its competitors for seeing beautiful scenery and visiting national parks, French interest is significantly higher than their awareness of these experiences in Canada.
- There is also an opportunity to improve the perception of Canadian cultural experiences. Canada ranks poorly among the French for sampling local flavours, experiencing local lifestyles and seeing historical and cultural attractions.
- Canada should address key barriers for travel by highlighting unique and distinctly Canadian experiences that are affordable and easy to get to.

### Execution

Based on the strategic considerations outlined above and deploying our three-channel sales and marketing approach, the following are approximate resource allocations per channel for the French market:

- Consumer direct 60%
- Travel trade 30%
- Media and public relations 10%

## 2012 Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

### Consumer

- Core advertising campaign supported by social media
- E-CRM to CTC database of potential Canada travellers
- Consumer promotions embracing social-media advocacy.

### Travel Trade

- Canada Specialist Spring Roadshow
- Quarterly e-newsletters to trade
- Joint marketing activities with traditional and online tour operators and travel agency networks
- Monde à Paris
- IFTM – Top Resa
- America's Forum.

### Media/PR

- Visiting Journalist Program
- France media attendance at Go Media
- Partnered PR activities and media events

## GERMANY

### Situational analysis

Germany is without doubt the economic powerhouse within the EU, and the world's fourth-largest economy. Fuelled by its industrial complex and export sector, Germany led the advanced economies in 2010 with a GDP growth of 3.5%, its fastest rate since 1990.

In Germany, Canada focuses on three key EQ types: Free Spirits, Cultural Explorers and Authentic Experiencers. These segments continue to offer the strongest potential for conversion. The following key insights from Global Tourism Watch (2010) research will drive our sales and marketing in Germany through 2012.

- With 4.7 million long-haul travellers expressing an immediate interest in visiting Canada in the next two years, Germany represents an excellent opportunity, but we face challenges. Canada is firmly in the consideration set, but many Germans have no immediate plans to travel to Canada.
- The tougher market conditions of 2009 have resulted in more affluent long-haul travellers that are still price-conscious. Canada is perceived as a relatively expensive destination by Germans, suggesting that it will become even more important to focus on the upscale segments, as well as considering budget-conscious offers and promoting value-for-money messages.
- Competition has intensified, with destinations like New Zealand, South Africa and China all seeing strong gains in awareness.
- One big advantage for Canada in the German market is its clout in the nature and outdoors arena. Canada is viewed as the destination for outdoor activities as well as a market leader for natural scenery.
- Local lifestyles and historical/cultural attractions are also keen interests of German travellers, but a distinct weakness for Canada. This perceived gap makes it difficult to compete with well-rounded destinations like Australia and the US, and culturally rich destinations like China.
- Canada should address top barriers for travel by highlighting unique and distinctly Canadian experiences, along with affordable travel options. The strong positive emotions that Germans associate with Canada's nature and outdoor offerings suggest that they can be used to add distinctiveness and excitement to other product offerings, such as nature-culture combinations (small towns, aboriginal culture and rural lifestyles), nature-urban (cities as a gateway to nature) and nature-luxury (world-class resorts and spa holidays in spectacular natural settings).

## Execution

Based on the strategic considerations outlined above and deploying our three-channel sales and marketing approach, the following are approximate resource allocations per channel for the German market:

- Consumer direct 60%
- Travel trade 30%
- Media and public relations 10%

## 2012 Partnership Opportunities

The CTC creates partnership programs to aid market expansion. Examples include:

### Consumer

- Core advertising campaign supported by social media
- E-CRM to CTC database of potential Canada travellers
- Consumer promotions embracing social-media advocacy.

### Travel Trade

- Participation at ITB on the CTC-managed Canada stand
- Participation in the Canada event at the Canadian Embassy during ITB
- Canada Specialist Program incentives (airline tickets, ground arrangements for FAM trips, industry rates, production of co-branded sales tools)
- Canada Specialist Agents' event
- Quarterly e-newsletters to trade
- Joint marketing activities with key account tour operators and travel agency networks.

### Media/PR

- Visiting Journalist Program
- German media attendance at Go Media
- German media attendance at ITB/Canada event at Embassy
- Partnered PR activities and media events.

## UNITED STATES

### Situational analysis

The US market represents a vast source of international visits: 10million leisure travellers (up 0.9%) from the US spent \$4.84 billion (up 3.1%) in 2010. Spurred by the staging of the Winter Olympics in Vancouver, US leisure travel rebounded in 2010. The uptick was primarily led by US air leisure travellers, which saw a gain of 4.7% over 2009. Although a series of factors have contributed to a declining trend between 2002 and 2009—including health scares such as SARS and H1N1, the weakening economy, easy access for Americans to new and competing travel destinations and tightened passport and border security requirements—US pent-up demand for Canada has been building and travel interest for Canada is on the mend. Based on CTC's 2010 Global Tourism Watch, the likelihood for Americans to visit Canada in the next two years gained three points over 2009. Still, there are potential risks: the US economy still lags momentum, unemployment remains high, fuel costs are rising and credit is tight. This is further challenged by fierce advertising competition in expensive feeder markets.

### Execution

A targeted and revitalized media-relations strategy will highlight Canada's competitive strengths, tapping into top-selling products and unique and unexpected travel stories. Influencers will be sought to deliver the experience message to ensure both new and repeat visitation is achieved. Social media channels will also play an important role. The marketing channels break down as follows:

- Media and public relations 50 %
- Social marketing 50%



## 2012 Partnership Opportunities

The CTC creates programs to aid market expansion. Examples include:

- Canada Specialist Program
- Canada Media Marketplace, New York
- MCIT program
- Research and competitive analysis for market adaptations and strategy development.

Country specific tactical plans are available on request from the Regional Offices. See Appendix E for contact details.

## Global Marketing and Sales Partnership Programs: All Countries

Creating and leveraging strategic relationships with tourism industry partners is a foundation of the CTC's marketing programs. The CTC will continue to create multi-market vertical alliances and specific partnering opportunities. These programs are customized to each country and filtered through guidelines to ensure that they:

- Are consistent with the high-yield potential requirement of the strategy
- Position Canada in accordance with Canada's tourism brand, "Canada. Keep Exploring"
- Lead consumers down the path to purchase
- Create a compelling platform for initial and future partner opportunities
- Develop database and customer intelligence for one-to-one marketing communications.

## Measuring Marketing and Sales Program Performance

Key initiatives will be tracked according to the CTC Balanced Scorecard, using performance measures such as Aided Destination Awareness for brand building and awareness, travel-trade sales figures for conversion on tactical initiatives and advertising equivalency value for media-relations activities. The CTC's Balanced Scorecard approach ensures a results-oriented program development ethos and a consistent set of ROI metrics between CTC and partners. This process also ensures a robust commitment to delivering results to the shareholder.

Examples of key performance measures at a macro-strategic level include:

### Consumer

- Ad tracking and conversion studies
- Aided destination awareness (GTW)
- Aided destination consideration (GTW)
- Aided brand awareness (GTW)
- Social Marketing Engagement
- Web Analytics
- Return on monetary investment

### Travel Trade

- Agents completed CSP Explorer Level
- Key Account campaign ROI
- Canada Bookings
- Web Analytics
- Campaign Results

### MR/PR

- Advertising Equivalency and Impressions

## International Meetings, Convention & Incentive Travel (MC & IT)

The mandate of MCIT is to develop a comprehensive and fully integrated program in the US and key European markets to maximize the sales impact on Canadian meeting and incentive destinations. We accomplish this through direct solicitation, in-market promotions and incorporation of the brand positioning. The program should elevate and expand core partnership opportunities and allow each component to support the attainment of overall sales lead targets for meeting and incentive markets.

The CTC's MCIT program positions Canada as an attractive alternative to international meeting and incentive destinations, providing the cachet of a foreign experience with the familiarity and ease of being at home. Canada's state-of-the-art facilities, high service levels, diverse destinations and distinctive niche product experiences are promoted in key geographic and segment-specific markets to generate new business opportunities away from competitive US and overseas destinations.

More information on the CTC's International 2011-2016 MCIT Strategic Plan is available at the CTC corporate website, <http://bit.ly/nTOVMM>.



### Canada's MCIT Market Performance

In 2009 the global value of business travel was estimated at \$130.2 billion. Canada's share of this market was estimated at 1.7%, suggesting unprecedented room for expansion. In 2010, Canada's MCIT market represented 15.1% (2.4 million trips) of overall travellers and 20.2% (\$2.4 billion) of its overall travel receipts. On average, MCIT travellers to Canada spent an estimated \$248 per night. These high-yield travellers tend to generate greater economic impact in related services, making this segment very lucrative for Canada. Many first-time MCIT travellers to Canada who may not have considered the country as a vacation destination also become future repeat leisure travellers.

	Receipts (\$M)			Overnight Trips ('000s)		
	2000	2010	10/00	2000	2010	10/00
<b>US MC&amp;IT</b>	1,606.6	1,419.5	-11.6	2,159.8	1,740.8	-19.4
<b>UK</b>	128.1	137.6	+7.4	91.1	81.7	-10.3
<b>France</b>	71.5	60.6	-15.2	51.4	52.1	+1.4
<b>Germany</b>	73.8	109.9	+48.9	49.5	61.2	+23.6
<b>Mexico</b>	36.9	50.7	+37.4	26.7	27.2	+1.9
<b>Australia</b>	24.4	52.8	+116.4	16.7	26.3	+57.5
<b>Japan</b>	79.1	31.5	-60.2	72.9	22.7	-68.9
<b>S Korea</b>	43.5	33.5	-23.0	29.1	27.6	-5.2
<b>China</b>	47.1	88.1	+87.0	24.0	47.1	+96.3
<b>Total International</b>	2,636.7	2,351.1	-10.8	2,843.4	2,412.9	-15.1

Source: International Travel Survey (ITS), Statistics Canada

Business travel in general has been down over the last several years but is now seeing resurgence both on the short- and long-haul destinations. The sluggish worldwide economy has forced the MCIT market to retool itself not only to bear the brunt of cutbacks but also to prepare for the future.

MPI's Futurewatch 2011 report indicates that planners are optimistic about the future of MCIT business. Overall numbers show that 58% of planners surveyed state that more meetings will take place in 2011 and 18% indicate larger budgets will be allocated. The number of locations being evaluated by planners is up 6% over 2010 and the number of delegates per meeting is up by 2% over 2010.

Key MCIT trends through 2012 include:

- Group business travel is on the mend, although clients remain highly rate- and value-conscious
- Business continues to book very short-term
- Meetings are increasing in quantity but not size
- Social-media usage is beginning to take hold
- A return to more recreation/entertainment in meetings
- Insurance, financial, consulting, high-tech, healthcare and education industries are all back hosting conferences/training meetings
- "Green" meetings are an expectation
- Luxury meetings/incentives are gradually returning
- Planners need to show ROI and ROO (Return on Objectives) for all meetings.

## In Conclusion

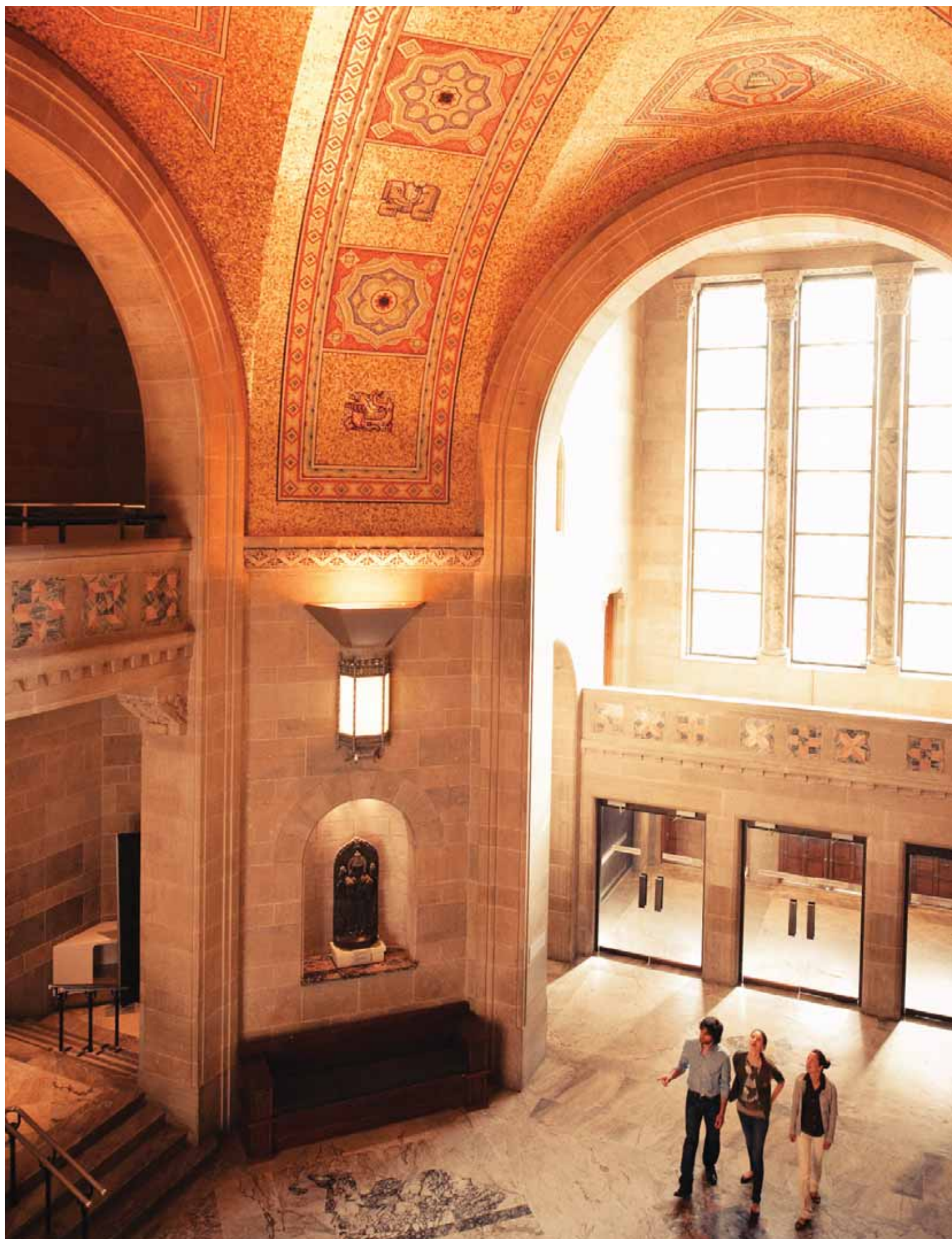
As a result of the strategic shift undertaken in 2010, and implemented in 2011, the Canadian Tourism Commission is poised to be increasingly focused in the markets where Canada's tourism brand leads and yields the highest returns.

In the spirit of partnership, the CTC will continue to collaborate with Canadian tourism industry partners and the country key accounts, critical to the success of ensuring the long-term growth strategy.

By engaging in effective research, customer segmentation, tourism marketing and sales promotions, and market development activities, the CTC will reach the goal of growing Canada's national tourism revenue to CAD\$100 billion by 2015.

Further details on the CTC market research and programs are available at the CTC's corporate website <http://www.corporate.canada.travel>.









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## Appendix A

### The Market Portfolio Analysis (MPA) Rating System

The MPA is designed to objectively assess and prioritize the potential of selected markets. Using a well-defined and structured framework, MPA ratings are based on three frames of reference: size, performance and potential.

Ratings from the 2010 overseas MPA confirms CTC's marketing efforts are directed in markets that demonstrate excellent tourism market potential. In comparison to 2009, results confirm Canada's tourism strength in its European core developed/traditional markets. Following a period of disturbances, Japan has regained some momentum while China's tourism potential surged ahead. These results also suggest the resilience in growth markets such as Australia and South Korea, as they remain in the top ten rankings.

The key strength of the growth markets relative to traditional markets is based on performance, whereas size is the more important factor in traditional markets.

The model is particularly helpful in identifying emerging markets, mainly India and Brazil, rankings that was held by China ten years ago.

**Table 1: Market Portfolio Analysis (MPA) Results**

	2009r	2010p		2009r	2010p
1	UK	UK	12	Spain	Mexico
2	France	China	13	SE Asia	Hong Kong
3	Germany	France	14	Switzerland	Netherlands
4	China	Germany	15	Scandinavia	Scandinavia
5	Australia	Australia	16	Brazil	Spain
6	Mexico	S Korea	17	Hong Kong	Belgium
7	India	Brazil	18	N Zealand	Switzerland
8	S Korea	Japan	19	Russia	N Zealand
9	Japan	India	20	Belgium	Austria
10	Netherlands	SE Asia	21	Austria	Russia
11	Italy	Italy	22	Taiwan	Taiwan

r: revised; p: preliminary

## Appendix B

### Market reports “At a glance”

#### SUMMARY: THE CHINA MARKET AT A GLANCE

- China continued to rally in 2010 with GDP and private consumption strengthening to 10.3% and 11.3% respectively
- In 2010, China reported inflation of 3.3%, while the CNY value against the Canadian dollar fell by 9.0%
- Canada had a market share of 3.2%, as total long-haul travel by the Chinese market grew by 14.5%
- Ranked #2 in 2010 overseas Market Portfolio Analysis up from 4<sup>th</sup> place in 2009

##### **2010 all visitor characteristics**

- \$317.1M in receipts (up 21.5% over 2009)
- 193.3K overnight trips to Canada (up 21.2%)
- Direct air capacity increased by 34% in 2010 to 525.7K seats
- Average spend per trip: \$1,640
- Average spend per night: \$60
- Average trip duration: 27.6 nights

##### **2010 leisure travel characteristics**

- \$229.0M overnight leisure receipts (up 10.3% over 2009)
- 146.2K overnight leisure visitors (up 15.4%)
- Leisure travellers represented approximately 76% of total overnight visitation and 72% of receipts
- Average spend per trip: \$1,566
- Average spend per night: \$48
- Average trip duration: 32.5 nights

#### SUMMARY: THE JAPAN MARKET AT A GLANCE

- In 2010, Japan reported a swift recovery with GDP growth of 4.0% and private consumption improving by 1.9%
- Japan saw deflationary pressures of 0.7%, as the yen depreciated 3.6% against the Canadian dollar
- Ranked #8 by 2010 overseas MPA, up from 9th place in 2009

##### **2010 all visitor characteristics**

- \$330.1M in receipts, (up 21.9% over 2009)
- 215.4 overnight trips to Canada (up 19.5%)
- Direct air capacity increased by 15% in 2010 to 367K seats
- Average spend per trip: \$1,532
- Average spend per night: \$110
- Average trip duration: 14.0 nights
- 42% of overnight visitors to Canada were under the age of 35 and one third were 55 or over

##### **2010 Leisure travel characteristics**

- \$298.5M overnight leisure receipts (up 23.4% over 2009)
- 192.7K overnight leisure visitors (up 21.7%)
- Leisure travellers represented approximately 89% of visitation and 90% of receipts
- Average spend per trip: \$1,549
- Average spend per night: \$105
- Average trip duration: 14.8 nights

## SUMMARY: THE MEXICO MARKET AT A GLANCE

- In 2010, Mexico economy rebounded with GDP growth of 5.5% and while private consumption increased 5.0%, unemployment remained largely unchanged at 5.4%
- Mexico's GDP is expected to slow going into 2011 with growth of 4.5% and household expenditures growing by 4.8%
- Ranked #12 in 2010 overseas MPA, down from 6th place in 2009

### 2010 all visitor characteristics

- \$158.0M in receipts in 2010 (down 31.7%)
- 115.9 overnight trips to Canada (down 28.1%)
- Direct air capacity contracted by 41% in 2010 to 216.8K seats
- Average spend per trip: \$1,363
- Average spend per night: \$61
- Average trip duration: 22.3 nights

### 2010 leisure travel characteristics

- \$116.2M overnight leisure receipts (down 36.1%)
- 88.7K overnight leisure visitors (down 33.7%)
- Leisure travellers represented approximately 77% of visitation and 74% of receipts
- Average spend per trip: \$1,310
- Average spend per night: \$67
- Average trip duration: 19.6 nights

## SUMMARY: THE SOUTH KOREA MARKET AT A GLANCE

- South Korea was one of the few established markets to avoid a recession in 2009, and experienced robust growth in 2010 with GDP reaching 6.2%
- Inflation and unemployment remained relatively constant at 3.0% and 3.7% respectively
- Ranked #6 by 2010 overseas MPA, up from 8th place in 2009

### 2010 all visitor characteristics

- \$255.0M in receipts (up 18.1% over 2009)
- 157.5K overnight trips to Canada (up 20.0%)
- Direct air capacity increased by 12% in 2010 to 273.2K seats
- Average spend per trip: \$1,620
- Average spend per night: \$61
- Average trip duration: 26.4 nights
- Over a quarter (31%) of travellers to Canada were 24 years of age or younger

### 2010 Leisure travel characteristics

- \$221.5M overnight leisure receipts (up 29.2% over 2009)
- 129.9K overnight leisure visitors (up 21.2%)
- Leisure travellers represented approximately 82% of visitation and 87% of receipts
- Average spend per trip: \$1,706
- Average spend per night: \$57
- Average trip duration: 30.2 nights

## SUMMARY: THE AUSTRALIA MARKET AT A GLANCE

- In 2010, Australia reported GDP growth of 2.7% with household consumption increasing 2.7% and unemployment remaining relatively unchanged at 5.2%
- Australia's GDP growth is expected to remain unchanged in 2011
- Ranked #5 in 2010 overseas MPA, unchanged from 2009

### 2010 all visitor characteristics

- \$341.2M in receipts (up 9.3% over 2009)
- 202.2K overnight trips to Canada (up 7.5%)
- Direct air capacity increased by 4% in 2010 to 98.3K seats
- Average spend per trip: \$1,687
- Average spend per night: \$117
- Average trip duration: 14.5 nights
- Approximately 50% of all overnight visitors to Canada from Australia were 55 years of age or older

### 2010 Leisure travel characteristics

- \$288.4M overnight leisure receipts (up 4.5% over 2009)
- 175.9K overnight leisure visitors (up 3.5%)
- Leisure travellers represented approximately 87% of visitation and 85% of receipts
- Average spend per trip: \$1,639
- Average spend per night: \$113
- Average trip duration: 14.5 nights

## SUMMARY: THE FRANCE MARKET AT A GLANCE

- France's economy strengthened moderately in 2010 with GDP growth of 1.4%, after being hit hard by the economic recession in 2009
- In 2010, France continued to report high unemployment rates (9.3%) along with a currency that depreciated 13.8% against the Canadian dollar
- Ranked #3 in the 2010 overseas Market Portfolio Analysis down from 2nd place in 2009

### 2010 all visitor characteristics

- \$520.8M in receipts (up 1.6% over 2009)
- 408.1K overnight trips to Canada (up 5.1%)
- Direct air capacity increased by 4% in 2010 to 1,032K seats
- Average spend per trip: \$1,277
- Average spend per night: \$79
- Average trip duration: 16.2 nights
- 45% of French overnight visitors visited Canada during the summer (July to September)

### 2010 leisure travel characteristics

- \$460.2M overnight leisure receipts (up 2.6% over 2009)
- 356.0K overnight leisure visitors (up 4.4%)
- Leisure travellers represented approximately 87% of total overnight visitation and 88% of receipts
- Average spend per trip: \$1,293
- Average spend per night: \$75
- Average trip duration: 17.3 nights



## SUMMARY: THE GERMANY MARKET AT A GLANCE

- After experiencing a 4.7% decline in GDP in 2009, Germany had stronger than expected growth of 3.5% in 2010
- In 2010, inflation crept up by 1.1%, while household expenditures saw a moderate 0.4% increase
- Ranked #4 by the 2010 overseas MPA, down from 3rd place in 2009

### 2010 all visitor characteristics

- \$470.8M in receipts (up 5.8% over 2009)
- 315.4K overnight trips to Canada (up 8.1%)
- Direct air capacity increased by 3% in 2010 to 991K seats
- Average spend per trip \$1,493
- Average spend per night: \$87
- Average trip duration: 17.1 nights
- Over 50% of travellers to Canada from Germany were 45 years of age or older

### 2010 Leisure travel characteristics

- \$360.9M overnight leisure receipts (down 4.1% from 2009)
- 254.2K overnight leisure visitors (up 3.6%)
- Leisure travellers represented approximately 81% of visitation and 77% of receipts
- Average spend per trip: \$1,420
- Average spend per night: \$77
- Average trip duration: 18.4 nights

## SUMMARY: THE UK MARKET AT A GLANCE

- In 2010, the UK had moderate GDP growth of 1.3%, as the economy continued to struggle with increasing unemployment and inflationary pressures
- It is expected that in 2011 the UK economy will continue to see slow growth with GDP growth of 1.5%
- In 2010, UK maintains its #1 position in the overseas MPA

### 2010 all visitor characteristics

- Canada's largest overseas inbound markets with \$808.9M in receipts (down 9.5%)
- 659.4K overnight trips to Canada (down 3.8%)
- Direct air capacity increased by 5% in 2010 to 1,839K seats after experiencing a 15% contraction in 2009
- Average spend per trip: \$1,227
- Average spend per night: \$92
- Average trip duration: 13.4 nights

### 2010 Leisure travel characteristics

- \$671.4M overnight leisure receipts (down 12.3% from 2009)
- 577.7K overnight leisure visitors (down 4.3%)
- Leisure travellers represented approximately 88% of visitation and 83% of receipts
- Average spend per trip: \$1,162
- Average spend per night: \$84
- Average trip duration: 13.8 nights

## SUMMARY: THE US MARKET AT A GLANCE

- The US saw a slower than expected economic recovery in 2010 with GDP growth only of 2.9%, unemployment rates rising to 9.6% and household consumption improving by 1.7%
- In 2011, the US economy is expecting to recover further with GDP growth of 3.2%
- Canada's largest source of visitors (11.8M overnight trips) and expenditures (\$6.3B)
- US long-haul air capacity increased by 6%
- Estimated travel to Mexico: 19.9M in 2010 (up 4% over 2009)

### 2010 Leisure Travel Characteristics

- \$4.8B in receipts, a 2.8% increase over 2009
- 10.0M overnight trips to Canada (up 0.9%)
- Average spend per trip: \$484
- Average spend per night: \$117
- Average trip duration: 4.1 nights
- Summer (July to September) was the most popular time of year for US leisure visitors with 45% visiting during this time
- Approximately 47% of leisure travellers to Canada were over the age of 54

### Auto

- Overnight auto leisure travel to Canada declined by 0.4% in 2010 to 6.6M and represented 65% of total overnight leisure trips
- Overnight auto leisure receipts grew by 1.1% to \$2.6B
- Average spend per trip: \$390

### Air

- Overnight air leisure travel to Canada increased by 4.7% in 2010 to 2.1M trips
- Overnight air leisure receipts grew by 3.8% to \$1.7B
- Average spend per trip: \$807

## SUMMARY: THE BRAZIL MARKET AT A GLANCE

- In 2010, Brazil's economy out performed most projections with GDP growth of 7.5% following a 0.6% decline in 2009
- Brazil reported moderate inflation of 5.0%, while the real's value against the Canadian dollar improved by 2.0%
- Ranked #7 in the 2010 overseas Market Portfolio Analysis, up from 16th place in 2009

### 2010 all visitor characteristics

- \$128.9M in receipts (up 32.2% over 2009)
- 71.3K overnight trips to Canada (up 25.5%)
- Direct air capacity increased by 5% in 2010 to 92K seats
- Average spend per trip: \$1,808
- Average spend per night: \$85
- Average trip duration: 21 nights

### 2010 leisure travel characteristics

- \$112.2M overnight leisure receipts (up 39.4% over 2009)
- 65.9K overnight leisure visitors (up 32.3%)
- Leisure travellers represented approximately 92% of total overnight visitation and 87% of receipts
- Average spend per trip: \$1,701
- Average spend per night: \$78
- Average trip duration: 22 nights

## SUMMARY: THE INDIA MARKET AT A GLANCE

- In 2010, India saw GDP grow by 8.6%, while unemployment and household expenditures remained constant at 8.0% and 6.9% respectively
- India's GDP growth is expected to cool slightly in 2011 to 7.6%
- Ranked #9 in the 2010 overseas MPA, down from 7th in 2009

### 2010 all visitor characteristics

- \$145.2M in receipts (up 22.2% over 2009)
- 149.9K overnight trips to Canada (up 19%)
- Direct air capacity increased by 14% in 2010 to 201K seats
- Average spend per trip: \$968
- Average spend per night: \$45
- Average trip duration: 22 nights

### 2010 Leisure travel characteristics

- \$73.2M overnight leisure receipts (down 1.6% from 2009)
- 115.6K overnight leisure visitors (up 16.5%)
- Leisure travellers represented approximately 77% of visitation and 50% of receipts
- Average spend per trip: \$633
- Average spend per night: \$30
- Average trip duration: 21 nights

## Appendix C

### CTC's 2011 Research Products

As a world-class leader in tourism research and intelligence, the CTC research unit lets facts do the talking, offering data, market intelligence and industry analysis to support strategic and operational decisions. Supporting the CTC's mandate to provide information about Canadian tourism to the private sector and to the governments of Canada, the provinces and the territories, CTC Research publishes statistics, research and analysis to assist the Canadian tourism industry. These publications are yours to explore at: <http://en-corporate.canada.travel/>

#### Publications:

##### 1. Stats & Figures

- a. International Visitor Arrivals:** These monthly reports let you know who is arriving to Canada and where they are visiting.
  - i. Tourism Monthly Snapshot
  - ii. International trips bulletin
  - iii. Overseas trips
- b. Tourism Performance:** Find out about the evolution of tourism's contribution to the economy and jobs in Canada.
  - i. Quarterly National Tourism Indicators
  - ii. Quarterly International Travel Account
  - iii. Canadian Tourism Satellite Account (TSA)
  - iv. TSA Handbook
  - v. Government Revenues Attributable to Tourism
- c. Quarterly Travel Characteristics Review:** An in-depth overview of the travel characteristics of international visitors to Canada. Find out how long they are staying, how much they are spending, and where.
- d. Year-in Review Stats & Figures:** A snapshot of the tourism industry that includes market highlights travellers' characteristics, trip purposes, activities, accommodations and more.

##### 2. Market Knowledge

Discover valuable market intelligence to help you find and reach consumers in Australia, Brazil, Canada, China, France, Germany, India, Japan, Mexico, South Korea, United Kingdom and the United States.

- a. Global Tourism Watch:** Stay on top of current developments in the tourism industry with this annual research monitor that keeps a pulse on shifts in consumer attitudes/motivations in the CTC's markets.
- b. Consumer & Travel Trade research:** In depth research revealing consumer attitudes and motivations toward travel and their perception of Canada.
- c. Market Profiles:** Learn more about CTC core inbound travel markets with economic and market highlights, travellers' characteristics, air capacity, preferred activities and more.

##### 3. Product Knowledge

An ongoing challenge for Canada's tourism industry is matching new travel experiences with future market demand and changing demographics. Product demand plus customer segment research help us stay in tune with the travelling public-the more we know about our customers, the more we can speak directly to them and deliver the travel experiences they want.

- a. Aboriginal Tourism**
- b. Travel Activities and Motivation Survey**



#### 4. Industry Research

How does the exchange rate impact your bottom line? What are the factors influencing visitor's choices to visit urban destinations? Discover which big issues are affecting tourism businesses.

##### a. Canadian Tourism Industry Benchmark Study

#### 5. Trends & Outlook

**a. Tourism Intelligence Bulletin:** These helpful biannual reports summarize key information to give you a clearer idea of what's happening in the Canadian tourism industry

**b. Short Term Competitive Outlook:** This report provides a helpful summary of price competitiveness, air capacity and other practical information on key international markets

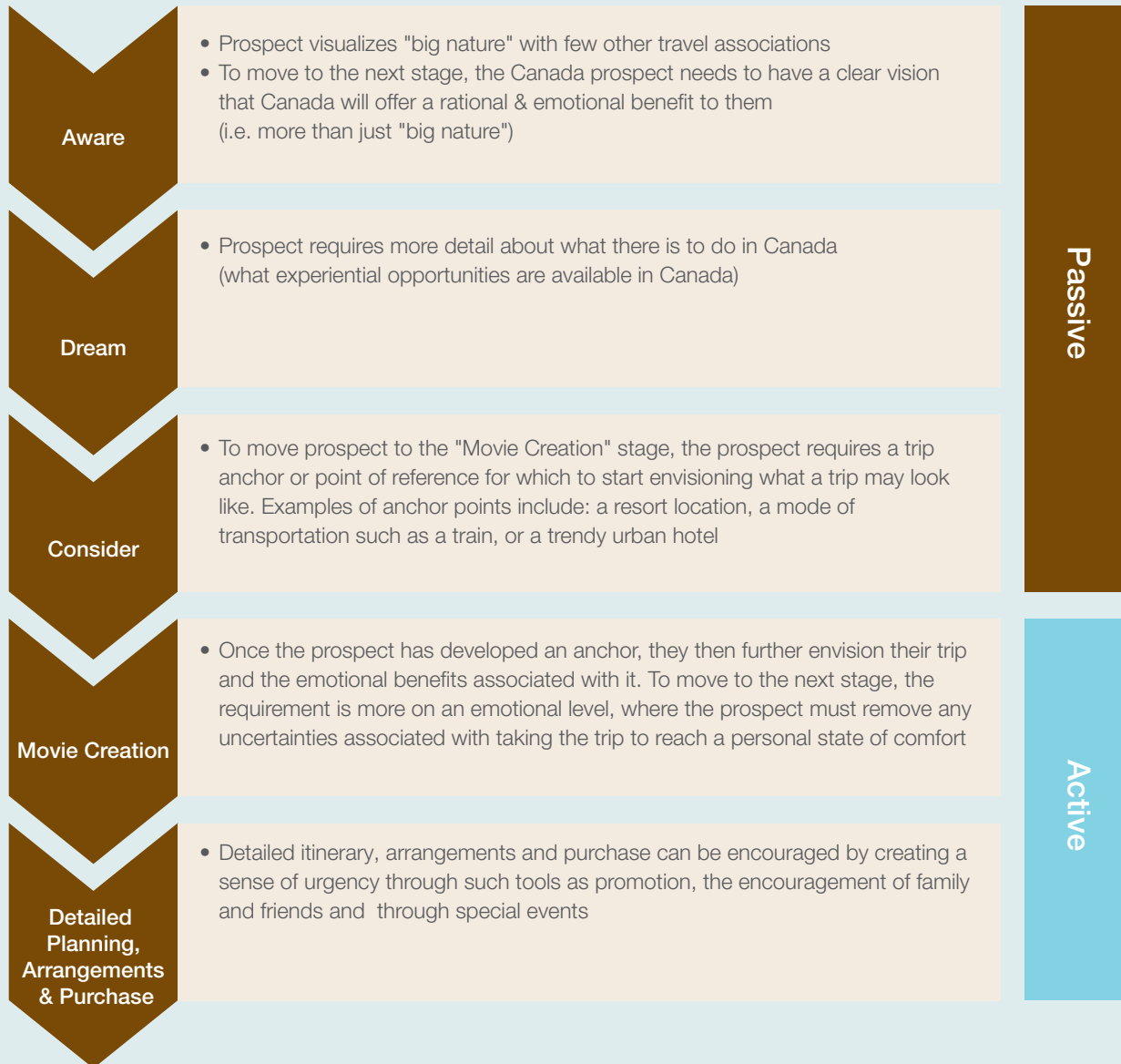
#### 6. Explorer Quotient

As Canada's national tourism marketing organization, our job is to learn everything we can about travellers to Canada. That's why we've gone beyond traditional market research to find out exactly why people travel and why different types of travellers seek out entirely different travel experiences. The result, after years of research, is the Explorer Quotient® (EQ).

If you need more information or you have a particular question, please contact us at: [research@ctc-cct.ca](mailto:research@ctc-cct.ca)

## Appendix D

### Influences and barriers along the Path to Purchase



## Appendix E – CTC Market contact details

### **CTC Emerging Markets**

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### **CTC Germany**

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