Global Tourism Watch

2017 France Public Summary Report

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Introduction

Destination Canada began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to provide consumer-based intelligence in 11 core markets around the world: Australia, China, France, Germany, India, Japan, Mexico, South Korea, the United Kingdom, the United States, and the domestic Canadian market.

The overall objectives of the GTW study are to:

- Monitor awareness, travel intentions, and other key market indicators for Canada and the regions;
- Assess perceptions of Canada and track brand performance against competitors over time;
- Identify the general experiences sought by travellers, and identify growth opportunities;
- Identify motivators and barriers for travel to Canada; and,
- Determine the influence of various information sources on destination selection.

The GTW permits direct comparison of Canada to competing destinations in each market. Destination Canada has designated the following destinations as competitors in the French market: the US, Thailand, China, Australia, India, South Africa, Japan, Iceland, and South Korea. The countries included represent 95% of the outbound travel volume to long-haul destinations which are considered direct competitors to Canada (e.g., non-beach destinations).

Methodology

Data was collected via an online survey and has been weighted to represent the French long-haul travel population. The target population in France was residents aged 18 years and older, who have taken a long-haul pleasure trip outside of Europe, North Africa and the Mediterranean where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years, or plan to take such a trip in the next 2 years.

Data was gathered from 1,501 respondents in France, including 301 recent visitors to Canada, in July 2017. Results are compared against the previous GTW wave (data gathered in December 2016). In addition, select comparisons are made to the 2017 Pulse Check study conducted in November 2017. The Pulse Check is a shorter version of the GTW study, conducted to monitor movement of key metrics on a more frequent basis.

Throughout the report, statistically significant differences from one wave to the next are denoted by arrows in the charts: green arrows pointing up if the metric has increased and red arrows pointing down if the metric has decreased. Results were also analysed among different segments and demographic cohorts; throughout the report, references are made where there are statistically significant differences compared to the general traveller.

Study Overview: France Market

The target population are residents aged 18 years and older, who have taken a long-haul pleasure trip, where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years, or plan to take such a trip in the next 2 years.

Timing of Fieldwork

JUL

2017

Geographical Definition for Qualified Trips

Outside of: Europe, North Africa and the Mediterranean

GTW Sample Distribution

Sample distribution:	**National**
Recent visitors to Canada:	**301**
Other travellers:	**1,200**
Total sample size:	**1,501**

Seasonality

Fielding for the 2017 GTW study was conducted in July, which is different from 2016 timing (December), but consistent with timing for years before 2016. A Pulse Check study was conducted in November 2017, which allows comparison of key metrics across three waves to determine whether seasonality of survey fielding is a factor in results.

No metrics were seen to have significant variations, suggesting seasonality of survey fielding does not affect results for Canada in the French market.

Key Metrics Tracking

	Pulse Check 2017 (November 2017) *(n=500)*	**GTW 2017 (July 2017)** *(n=1501)*	**GTW 2016 (December 2016)** *(n=1501)*
Unaided Consideration of Canada	**12%**	**14%**	**14%**
Aided Consideration – Canada	**38%**	**36%**	**36%**
Destination Knowledge (Top2Box) – Canada *(Among those considering Canada)*	*(n=226)* **47%**	*(n=706)* **49%**	*(n=716)* **46%**
Actively Planning a Trip to Canada	**13%**	**11%**	**11%**
Past Visitation to Canada	**36%**	**37%**	**36%**

Significantly higher/lower than previous wave.

Background

As of October 2017, France's economy ranked as the 5th largest economy in the world with a 3.4% share of the global GDP, just slightly ahead of the UK (*International Monetary Fund, October 2017*). The country's GDP improved by 1.2% in 2016 and is expected to continue to increase by 1.6% in 2017 and 1.8% in 2018. While positive, this projected growth remains below that of most other European countries. Economic growth in France is expected to be bolstered by greater external demand, a rebound in tourism, robust business confidence and job creation. *(OECD, November 2017)*.

In a surprise win, Emmanuel Macron became president of France in May 2017. His centrist and liberal party, "La République En Marche!", also won a majority of seats in the National Assembly during the parliamentary election in June. With Macron coming into power, fears of France exiting the European Union and opting out of the Euro as its currency were alleviated.

In his first 100 days as president, Macron implemented a number of reforms, including political and parliamentary changes, new labour laws, updated fiscal policy, and budget cuts to social programs (*Deutsche Welle, August 2017*). While there have been protests and Macron's approval rates have dropped (*Le Monde, October 2017*), many of the reforms are designed to attract entrepreneurs and investment while making it easier for employers to hire (*Independent, August 2017*), all in an effort to reduce the unemployment rate. France's unemployment rate was 10.0% in 2016 and is projected to decline to 9.5% in 2017 and 9.0% in 2018 (*International Monetary Fund, October 2017*).

In addition, the state of emergency, imposed in November 2015 after the terrorist attacks in Paris, was extended by Macron one last time until November 1, 2017. In it's place, a broad counterterrorism law meant to give police more tools to fight violence was adopted (*Independent, October 2017*).

In July 2017, the Consumer Confidence Index reached 44.8, up from 41.0 six months prior and 38.9 twelve months earlier (*Thomson Reuters / Ipsos Primary Consumer Sentiment Index, July 2017*).

As of November 2017, the value of the Euro rose against the US dollar by nearly 11.5% year-to-date, and is expected to continue to perform well against the US dollar in 2018. This may bode well for some economic sectors, such as outbound tourism *(CNBC, November 2017)*.

France is the world's fifth largest outbound tourism market, growing by 7% year-over-year and reporting US$41 billion in tourism expenditure in 2016. It is the third largest market within Europe, behind Germany and the UK *(United Nations World Tourism Organization, April 2017).*

Market Potential

HIGHLIGHTS

- ✓ *The immediate potential market decreased significantly from the previous year: 4.16 million travellers are definitely or very likely to visit Canada in the next 2 years (versus 5.05 million in 2016).*
- ✓ *The proportion saying they will spend less on long-haul travel exceeds those who say they will spend more, resulting in a long-haul outlook of -12 in 2017, down significantly from -7 in 2016.*

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

The long-haul travel market size is derived from a 2016 omnibus study of the French adult population. Long-haul travel incidence is comprised of travellers who indicate that they have travelled for a long-haul pleasure trip in the past three years, or intend to do so in the next two years.

The proportion of GTW respondents who are in the dream to purchase stages for Canada (75%, versus 77% in 2016) is used to calculate a target market estimate of 10.40 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to visit Canada in the next two years (40%, down significantly from 47% in 2016). This translates into a market of 4.16 million travellers with more immediate potential for conversion, which has declined from 5.05 million in 2016.

Among Destination Canada's ten international markets, France was ranked 6th in immediate potential market size (behind the US, China, South Korea, Germany, and the UK). However, actual visitation from France was ranked 4th among Destination Canada's international markets in 2017[1]. This means that Canada is doing well at converting potential travellers to actual visitors in the French market.

For context, Canada attracted just under 571,000 visitors from France in 2017, up 5% from 546,000 visitors from France in 2016[2]. The 571,000 arrivals represent 14% of the immediate potential market.

Size of Potential Market to Canada (Next 2 Years)

Measure	Size of Potential Market to Canada
Long-haul pleasure travel market	**13.84 million**
Target market for Canada (dream to purchase stage)	**75%**
Size of the target market	**10.40 million**
Immediate potential for Canada (definitely/very likely to visit in next 2 years)	**40%** ▼
Immediate potential	**4.16 million**

▲ / ▼ *Significantly higher/lower than 2016.*

Base: Target market for Canada = long-haul pleasure travellers (past 3 years or next 2 years) (n=1501); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=1156)
QMP1. Which of the following best describes your current situation when thinking about each of the following destinations for a holiday trip?
QMP6. Realistically, how likely are you to take a holiday trip to Canada in the next 2 years?

Also of note is the demonstrated interest in Canada's regions among the Immediate Potential market (4.16 million). Quebec continues to hold the greatest appeal (82% or 3.41 million potential visitors), in spite of a significant decline in interest (down from 88% in 2016). Ontario is in 2nd spot (50% or 2.07 million potential visitors), followed by BC (29% or 1.20 million potential visitors) and the Atlantic provinces (28% or 1.16 million potential visitors).

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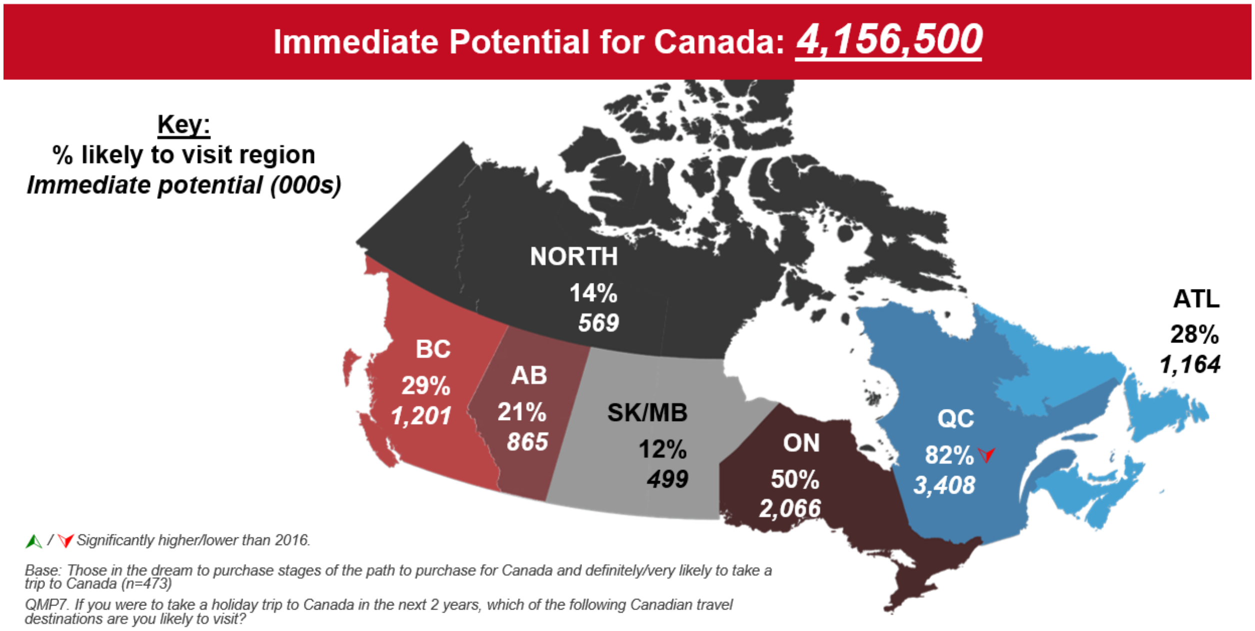
1 *Destination Canada, Tourism Snapshot, December 2017.*

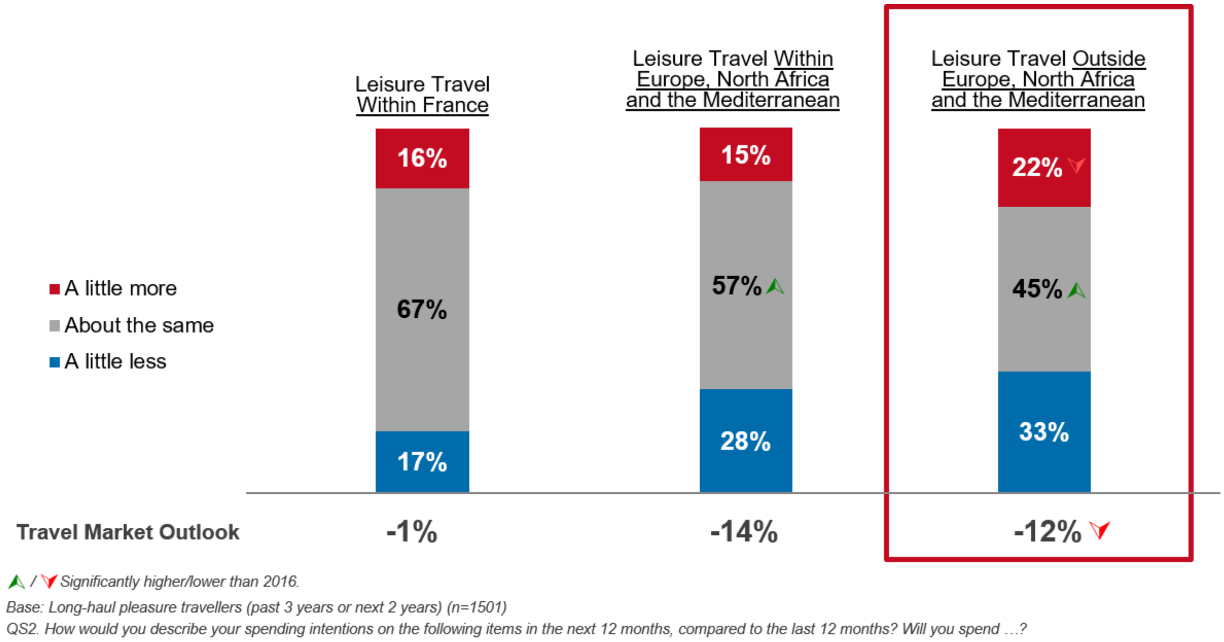
2 *Destination Canada, Tourism Snapshot, December 2016 & December 2017.*

Potential Market Size for the Regions



Travel intentions among French travellers continue to trend downward. The proportion of French travellers saying they will spend less on long-haul travel continues to exceed those who say they will spend more, resulting in a long-haul outlook of -12 in 2017, down significantly from -7 in 2016. The short-haul travel outlook is also skewed towards those who say they will spend less versus more (-14, unchanged from 2016). French travellers appear comparatively more inclined to travel within the country, although the outlook has waned slightly (-1, versus +1 in 2016).

Spending Intentions (in the Next 12 Months)



Competitive Environment – Key Performance Indicators Summary

HIGHLIGHTS

✓ *Canada has the highest Net Promoter Score result among French travellers.*

The GTW tracks the following Key Performance Indicators (KPIs) for Canada: unaided and aided destination consideration, aided destination knowledge, and past visitation. Canada's performance is tracked against key competitors for the long-haul travel market. For France, these destinations are the US, India, Thailand, Australia, China, South Africa, Japan, Iceland, and South Korea.

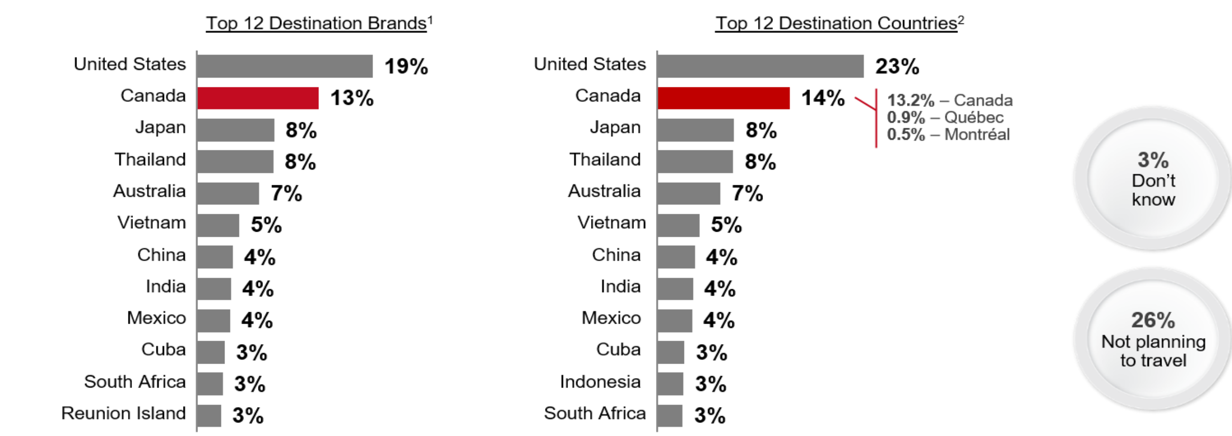
The outlook for Canada in France remains favourable. Out of the 10 competitive destinations that respondents were asked to evaluate, Canada is still 2nd to the US on aided and unaided consideration, still 3rd in terms of recent visitation (behind the US and Thailand), and is now tied for 1st with Thailand on destination knowledge.

Consideration

Unaided consideration represents top-of-mind presence of destinations in the consumer mindset and requires travellers to think of destinations without being prompted. Unaided consideration indicates that a strong impression has rooted in the mind of a traveller for a destination. From a marketing perspective, travellers who have Canada on their unaided consideration list may be easier to attract since they are actively thinking of Canada as a travel destination. On an unaided basis, 14% of French travellers mentioned Canada as a destination under serious consideration in the next 2 years, unchanged from 2016. Canada remains 2nd on this metric, behind the US (23%), but well ahead of the next most mentioned competitive destinations: Japan (8%), Thailand (8%), and Australia (7%).

Those who have visited Canada recently continue to be more likely to mention Canada on an unaided basis (27%, versus 23% in 2016). Very few specific places in Canada were mentioned by French long-haul travellers, with the majority just saying Canada, suggesting knowledge of specific Canadian destinations remains low.

Unaided Long-Haul Destination Consideration (Next 2 Years)



/ Significantly higher/lower than 2016.

Note: [1] Responses as mentioned by respondents (e.g., percentage who said "Canada" specifically).
[2] Roll-up of brand mentions by country (e.g., percentage who said "Canada" or any destination in Canada).

Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)

QS8. You mentioned that you are likely to take a long-haul holiday trip outside of Europe, North Africa and the Mediterranean in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)

Aided consideration represents the proportion of travellers who say they would seriously consider visiting a destination, but only after they are prompted with a list of competitive destinations. Travellers who have aided consideration for Canada may not be thinking of Canada top-of-mind, but they are considering a visit. Continued prompts and cues through marketing efforts could help move these considerers down the path-to-purchase. On an aided basis, 36% percent say they are seriously considering Canada for a leisure trip in the next 2 years, unchanged from 2016. Canada remains in 2nd place, marginally behind the US (38%), and substantially ahead of 3rd place Thailand (20%).

On an aided basis, travellers 18-54 express stronger interest in Canada than those 55+. However, interest in the US continues to be higher among those 18-54. While interest levels among older travellers aged 55+ are generally lower for all competitive set destinations, interest in visiting Canada exceeds interest in the US (33% versus 31%). Both recent visitors to Canada and those considering a visit rank Canada first overall in aided consideration among all destinations in the competitive set. Knowing that past visitors are more interested in returning, it is important to attract new visitors, with younger travellers continuing to represent a greater long-term opportunity.

Knowledge

Aided destination knowledge measures knowledge of travel opportunities in each destination among those with that destination in their consideration set. Thirty-five percent of all French long-haul travellers rate their knowledge of travel opportunities in Canada as either excellent or very good, unchanged from 2016 levels. Among those considering Canada, destination knowledge stands at 49% (versus 46% in 2016). Efforts to boost knowledge of Canadian travel opportunities could pay off by helping to move potential visitors along the path-to-purchase.

Visitation

In terms of past visitation, 37% of French long-haul travellers indicate that have visited Canada on a leisure trip at some point in their lifetime, consistent with 2016 levels.. Those considering a trip to Canada remain considerably more likely to have visited previously (46%, versus 42% in 2016). Messaging designed to encourage a repeat visit is recommended since past visitors to Canada voice considerably higher interest in returning.

Key Performance Indicators

Indicator	Definition	All Long-Haul Travellers *(n=1501)*	Recent Visitors to Canada[1] *(n=301)*	Considering Canada[2] *(n=501)*
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list[3]	**14%**	**27%**	**31%**
Competitive positioning on destination consideration	Rank on the consideration list among 10 destinations	**2**	**1**	**1**
Destination knowledge:				
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	**35%**	**68%**	**48%**
Past visitation:				
Past visitation	% who have ever visited Canada for pleasure	**37%**	**99%**	**46%**

▲ / ▼ Significantly higher/lower than 2016.

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

Base: Long-haul pleasure travellers (past 3 years or next 2 years)

QS8. You mentioned that you are likely to take a long-haul holiday trip outside of Europe, North Africa and the Mediterranean in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)
QBVC1. You may have already mentioned this before, but which destinations would you seriously consider visiting in the next 2 years?
QMP3. How would you rate your level of knowledge of holiday opportunities in each of the following destinations (asked only for destinations in consideration set)?
QRT14a. Approximately, how many times have you been to Canada?

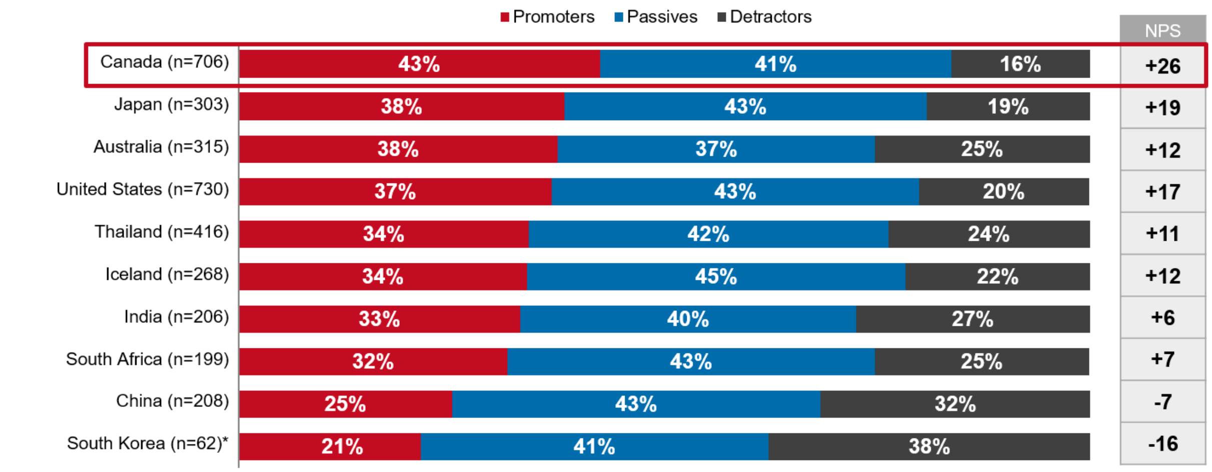
Net Promoter Score (NPS)

The Net Promoter Score (NPS) measure was added in 2017 (previously asked in 2015). NPS measures the likelihood of travellers to recommend a destination. Results are gathered among travellers for each destination in their consideration set (have visited previously and/or considering a visit). The measure has an 11pt scale (0-10). The score is calculated by subtracting Detractors (0-6 rating) from Promoters (9-10 rating). Passives are those who provided a rating of 7-8.

Canada achieves the highest NPS result among French travellers (+26), with the most Promoters (43%) and fewest Detractors (16%) of any destination in the competitive set. Japan, in 2nd spot with a NPS result of +19, has more Passives (43%) and fewer Detractors (19%) than the US, which sits in 3rd place with a NPS result of +17.

When the results for Canada are examined among recent visitors, the score rises to +31, underscoring the opportunity to capitalize on advocacy from recent visitors as well as encouraging them to return.

Net Promoter Score



+ New question added in 2017 – no trending.
** Small base size (<100), interpret with caution.*
Base: Long-haul pleasure travellers (past 3 years or next 2 years) considering visiting each country
+QMP11. Whether you have visited or not, how likely are you to recommend each of the following destinations to a friend, family member or colleague?

Path-to-Purchase

HIGHLIGHTS

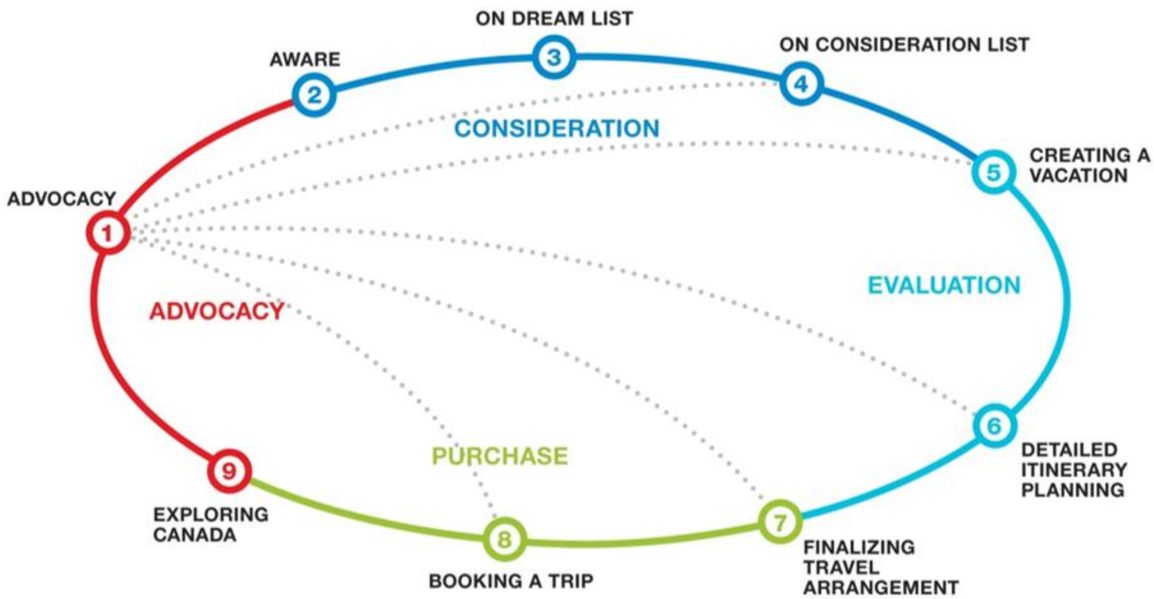
- ✓ *Canada's performance is above average at converting French travellers between awareness and dreaming stages.*
- ✓ *Additional focus could be placed on moving travellers from the consideration phase to creating a vacation movie, where conversion is weakest.*

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

The final stage, advocacy, happens during and after the actual visit.

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

Destination Canada's Path-to-Purchase Model



In addition to looking at individual stages of the P2P, Destination Canada has identified phases travellers move through in the purchase cycle. Key phases are defined below and are referenced throughout this report.

Destination Canada's Path-to-Purchase Model

Unaware	Have never thought of taking a trip to this destination
Aware	Not interested in visiting/returning in the foreseeable future
On Dream List	Dreaming about visiting/returning someday
On Consideration List	Seriously considering visiting/ returning in the next 2 years
Creating a Vacation Movie	Have started to gather some travel information for a trip to this country
Detailed Itinerary Planning	Am planning the itinerary for a trip to this country
Finalizing Travel Arrangements	Am currently making transportation and accommodation arrangements
Booking a Trip	Have already booked my transportation and accommodations

Dream to Purchase

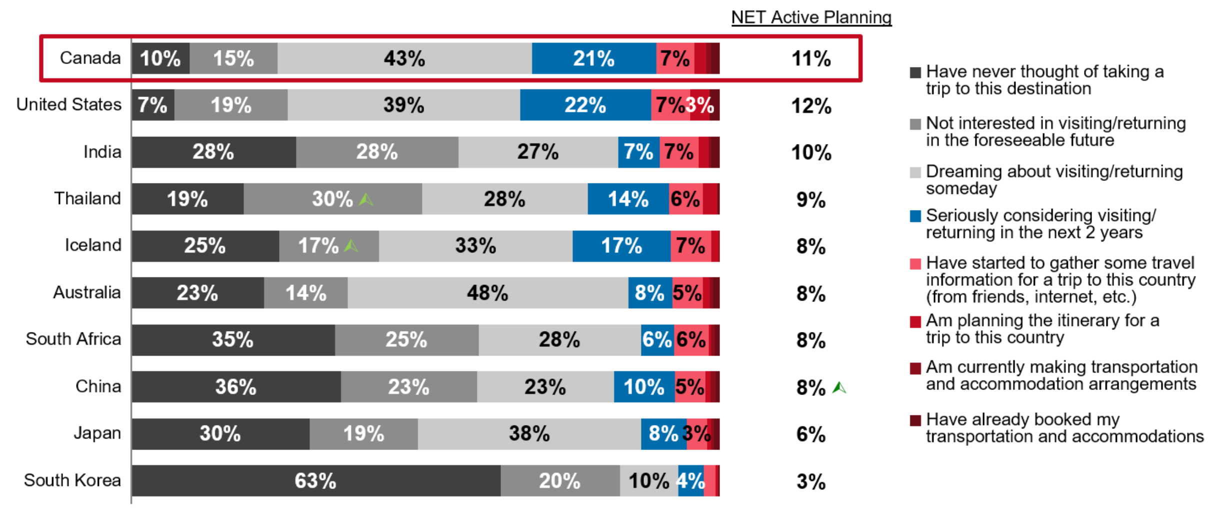
Consider to Purchase

Active Planning

The US continues to lead, with 12% of French long-haul travellers actively engaged in planning a visit (versus 16% in 2016). Unchanged from 2016, 11% are actively planning a trip to Canada. Older travellers aged 55+ are the most likely to have never thought of, or have no interest in visiting Canada.

There are have been some shifts of note with other destinations in the competitive set. While not a significant shift, the increase in travellers actively planning a trip to India (10%, versus 7% previously) has moved its ranking to 3rd place. China experienced a significant increase in travellers in the actively planning stage (8%, up from 4% in 2016), while Thailand and Iceland saw significant increases in the proportion saying they are not interested in visiting in the foreseeable future. Results from the November 2017 Pulse Check indicate that all of these competitive shifts may be affected by seasonality since proportions tend to return to 2016 levels.

Stage in the Purchase Cycle by Country



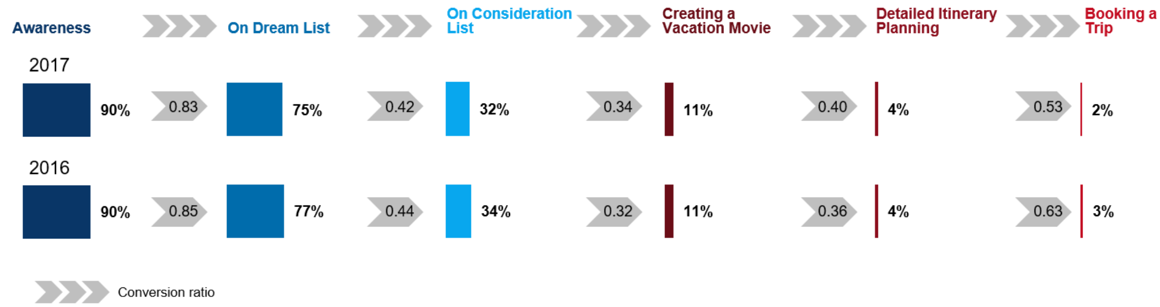
/ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) – note all respondents evaluated Canada plus 2 randomly selected countries from the competitive set (n=varies)
QMP1. Which of the following best describes your current situation when thinking about each of the following countries for a holiday trip?

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

At the dreaming stage, Canada's performance is above average in 2017 (compared to average in 2016). Although the proportion (0.83) remains similar year-over-year, Canada's performance at this stage is 'strong' compared to the competitive average in 2017. Canada's performance is weakest at converting travellers from the consideration phase to creating a vacation movie – this could be a potential area of focus for Canada. Travellers at this stage are seeking to put some type of framework around a trip concept and are looking for guidance on what the best itinerary might be. Travellers need to have an idea of the core concept of their trip before they can move ahead.

French travellers who are currently in the creating a vacation movie stage for Canada cite the following as the top sources that helped them gather information: friends and family, in person (44%), travel guidebooks (39%), general search engines (34%), TV programs (29%), and brochures from a travel agency/tour operator (28%).

Path-to-Purchase Conversion – Canada

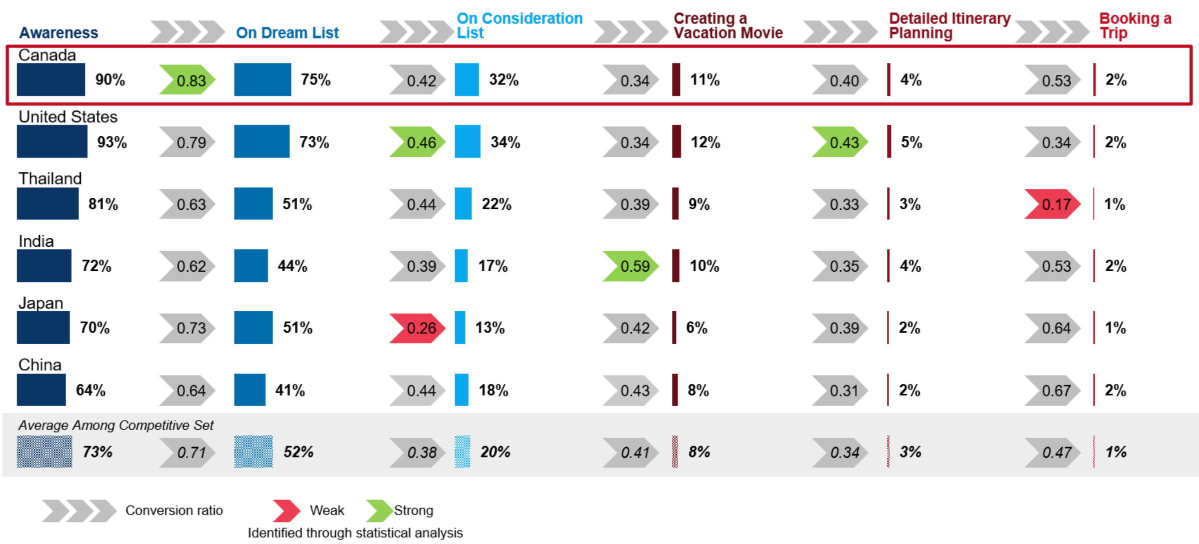


The US excels at getting on travellers' consideration list and moving travellers from the vacation movie stage to the detailed itinerary stage. India recorded above average results at the creating a movie stage. Given the increase seen in the ranking for actively planning a trip to India, this positive movement could be something to watch out for. Conversely, Thailand is below average at the booking a trip stage (possibly due to seasonality), while Japan is weak at getting on travellers' consideration list.

At the final stage, booking a trip, Canada has converted 2% of French travellers into actual visitors, on par with the US, India, and China. Of note, the US has lost its lead from 2016, when it was converting 4% of French travellers. While this shift could be related to seasonality or the political climate in 2017, it could be a positive sign for Canada, especially in light of fewer French travellers actively planning a trip to the US.

For context, the US recorded 1.63 million arrivals from France in 2016, while in 2017, Thailand saw 740,000, Canada welcomed 571,000, and Japan logged 269,000[3].

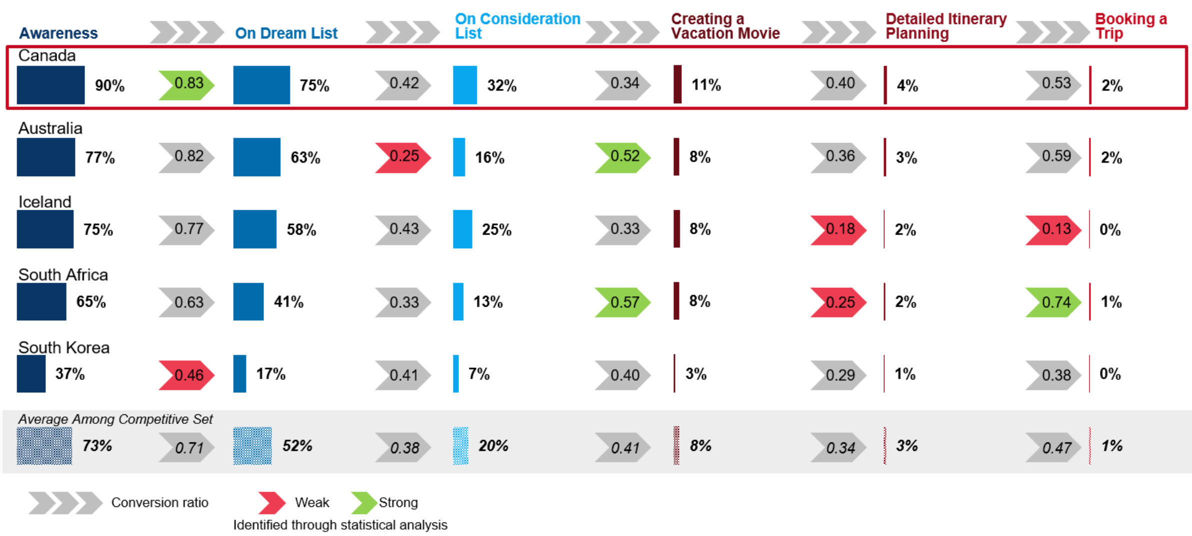
Path-to-Purchase Conversion – Top Competitors



3 *Destination Canada, US National Travel & Tourism Office, Japan National Tourism Organization, Department of Tourism Thailand.*

Examining purchase cycle results for destinations visited less frequently by French travellers is also illuminating. Most notably, South Africa is a strong performer at the final stage this year, seeing an above average conversion ratio between detailed itinerary planning and actual booking. The country also shows above average results at the creating a vacation movie stage.

Path-to-Purchase Conversion – Rest of Competitors



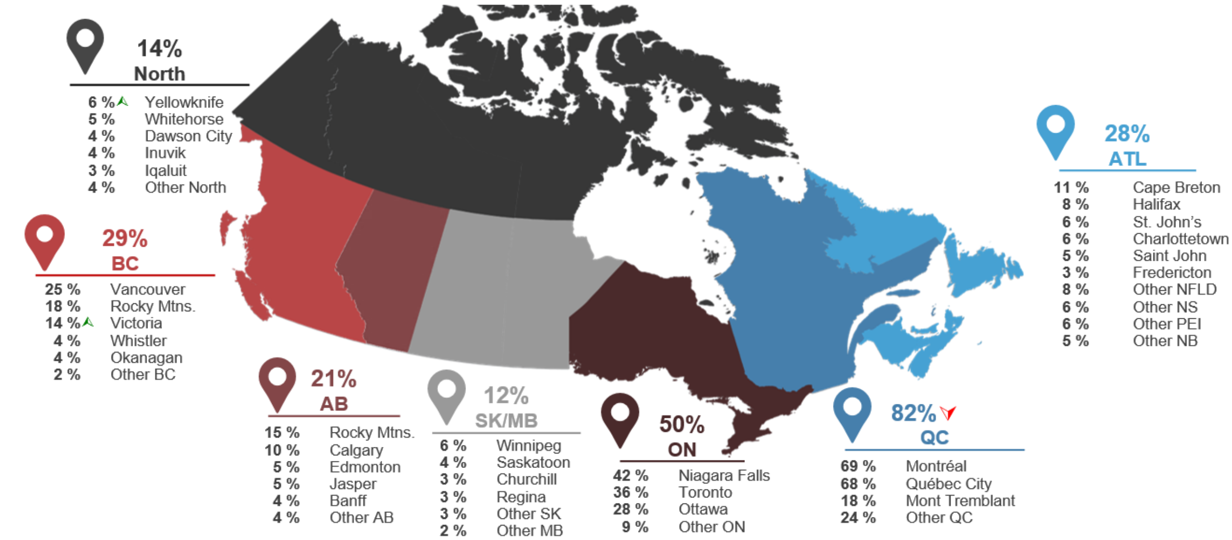
Destinations

HIGHLIGHTS

- ✓ *Quebec saw a significant decline in likelihood to visit in 2017, but remains the most popular province by a wide margin.*
- ✓ *Victoria and Yellowknife had significant increases in 2017 for likelihood to visit.*

French travellers in the dream-to-purchase stages and indicating they are definitely/very likely to visit Canada in the next 2 years were asked which parts of the country they would likely visit. Results are similar to 2016, with Quebec continuing to be the most popular province by a wide margin despite a significant decline in mentions (82%, down from 88%); Montreal (69%) and Quebec City (68%) are the top destinations. Ontario is mentioned considerably less often (50%), with Niagara Falls (42%) and Toronto (36%) being the primary draws. British Columbia (29%) and Atlantic Canada (28%) are the next most popular provinces for French travellers. Victoria and Yellowknife also had significant shifts upwards year-over-year.

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



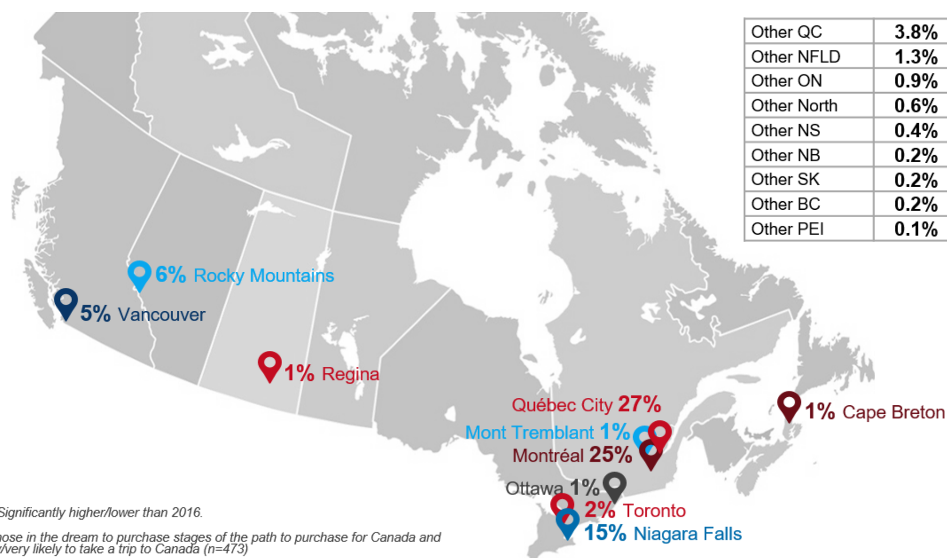
/ Significantly higher/lower than 2016.

Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=473)

QMP7. If you were to take a holiday trip to Canada in the next 2 years, which of the following Canadian travel destinations are you likely to visit?
QMP7a-g. Within [province/region], which travel destinations are you likely to visit?

An additional question asked potential visitors to identify the one Canadian destination holding the greatest appeal. French travellers are clearly drawn to Canada's French speaking cities, with Quebec City (27%) and Montreal (25%) ahead by a large margin. Niagara Falls continues to stand in 3rd place (15%). There is an opportunity to use Montreal and Quebec City as anchors and highlight their proximity to lesser known destinations to attract French travellers.

Most Appealing Canadian Destination – Top 10 Mentions



Other QC	**3.8%**
Other NFLD	**1.3%**
Other ON	**0.9%**
Other North	**0.6%**
Other NS	**0.4%**
Other NB	**0.2%**
Other SK	**0.2%**
Other BC	**0.2%**
Other PEI	**0.1%**

Halifax	**0.5%**
Edmonton	**0.5%**
Victoria	**0.4%**
Okanagan	**0.4%**
Jasper	**0.3%**
Charlottetown	**0.3%**
Banff	**0.2%**
Iqaluit	**0.2%**
Yellowknife	**0.2%**
Saint John	**0.2%**
Calgary	**0.2%**
St. John's	**0.2%**
Whitehorse	**0.2%**
Dawson City	**0.2%**
Inuvik	**0.1%**
Winnipeg	**0.1%**
Churchill	**0.1%**

/ Significantly higher/lower than 2016.

Base: Those in the dream to purchase stages of the path to purchase for Canada and definitely/very likely to take a trip to Canada (n=473)

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

Vacation Activities

HIGHLIGHTS

- ✓ *Aboriginal culture and traditions, exploring off-the-beaten-path places, historical sites, and natural attractions are the top trip anchor activities for French travellers.*
- ✓ *Aboriginal culture and traditions, natural attractions, and historical sites have each seen significant declines as sought-after holiday experiences.*
- ✓ *Popular activities that Canada could better promote to French travellers: Northern lights, historical sites, Aboriginal culture and traditions, fall colours, exploring places most tourists won't go, natural attractions and guided boat tours.*

French travellers were asked about which activities and experiences they seek while on holidays in general, regardless of the destination. The top ten remain almost the same as 2016, with the exception that exploring places most tourists won't go to, a new activity added in 2017, makes it into the top ten, moving wildlife viewing into 11th spot. However, the ranking among the top 10 activities has shifted since 2016 with 3 activities seeing significant declines. Hiking or walking in nature is now the most sought-after holiday experience, followed by trying local food and drink. Exploring Aboriginal culture has dropped to 3rd place (was 1st in 2016) and natural attractions such as mountains and waterfalls has dropped to 4th (from 3rd in 2016). Apart from nature parks, fine dining, and hiking, which hold the greatest appeal for travellers aged 35-54, and the Northern Lights, which appeal equally to travellers of all ages, the top activities all hold stronger than average appeal for older travellers aged 55+.

These results bode well for Canada, which can offer the full range of experiences French travellers say they seek.

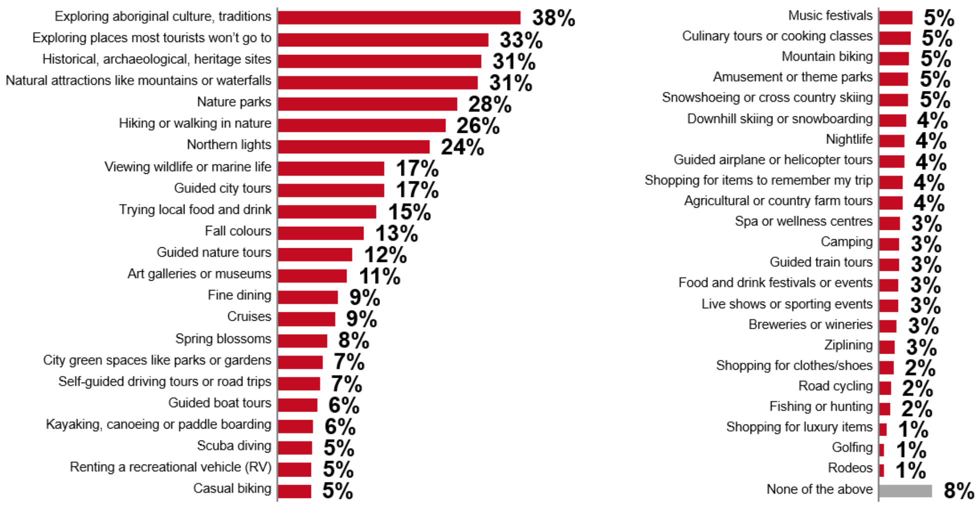
General Activities/Places Interested In – Top 10

+ New response option added in 2017 – no trending.
▲/▼ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
QMP10. In general, what activities or places are you interested in while on holiday?

Trip Anchor Activities

A new question added in 2017 asked French travellers which vacation activities are important enough that they would base an entire trip around them. Aboriginal culture and traditions (38%), exploring places most tourists won't go (33%), historical sites (31%), and natural attractions (31%) are the top trip anchor activities. All of these are also among the top activities of interest among French travellers. Given that French travellers are willing to anchor a trip around these activities, focus could be placed on messaging about their availability in Canada. These anchors are particularly important to highlight at the creating a vacation movie stage of the path-to-purchase since travellers are looking to build a framework around what their trip could look like.

Trip Anchor Activities



+ New question added in 2017 – no trending.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) answering (n=1485)
+QMP12. Among these activities, are there any that are important enough that you would base an entire trip around that activity?

Activities of Interest & Participation in Canada

Another new question added in 2017 looks at participation in activities among recent visitors to Canada. Actual participation data is presented in tandem with general vacation interests to identify any gaps. The activities are grouped into "Popular" activities (those with above average interest among all activities) and "Niche" activities (those with below average interest.) Gaps in participation are identified by calculating the proportion of recent visitors who participated in an activity versus general interest in an activity. Activities with below average participation are highlighted to indicate the largest gaps. In France's case, actual participation is higher than general interest for several activities – to account for this, the average is calculated only among those activities with actual participation gaps (participation rates under 1.0).

Activities where participation is higher than general interest (participation rates over 1.0), indicate that Canada is doing well at delivering on the activity. Travellers could be fulfilling their stated activity interests, or travellers could be opportunistic when coming across activities in destination – either way, the activities are accessible to visitors from this market.

Among popular activities for French travellers, participation gaps are most pronounced for:

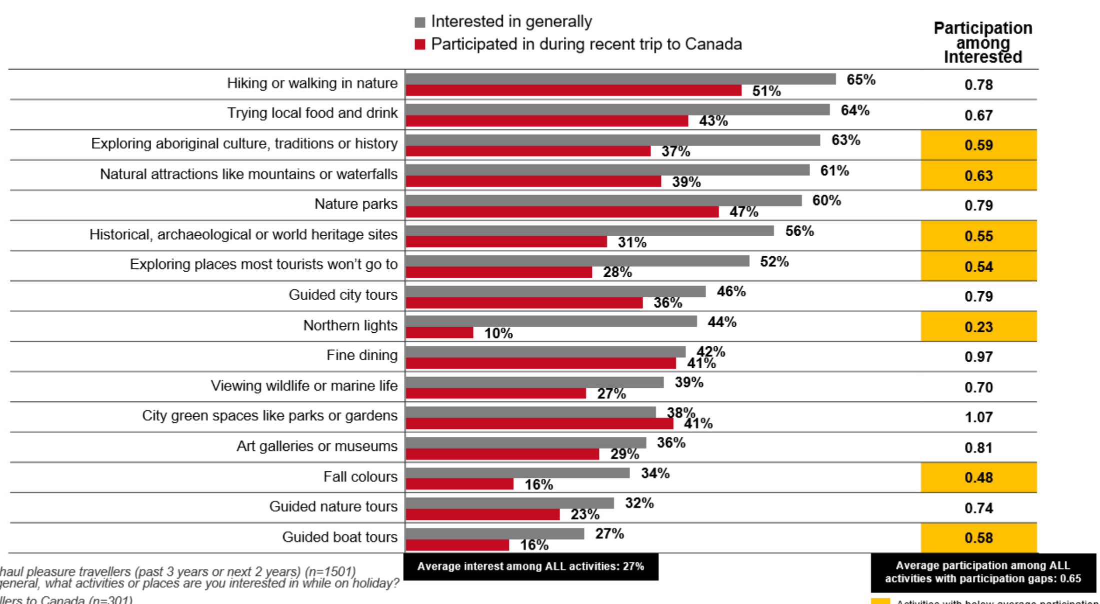
- Northern lights
- Fall colours
- Exploring places most tourists won’t go
- Historical, archaeological or world heritage sites
- Guided boat tours
- Exploring Aboriginal culture, traditions or history
- Natural attractions like mountains or waterfalls

There is an opportunity for the Canadian tourism industry to either further develop or more clearly communicate offerings in these areas since there is evident interest that is going unmet.

Northern lights, the activity with the largest gap, is also one of the top 10 activities that French travellers would anchor a trip around. Several communication points could be addressed to increase participation in Northern lights activities among French travellers, including improved messaging on accessibility and differentiation of the Canadian experience compared to European offerings.

French travellers also express that they would anchor a trip around exploring Aboriginal culture, seeing historical sites, and seeing natural attractions. With the wide availability of marketable products, these are all well positioned to attract French travellers through improved communication and marketing. In addition, product development for fall colours could assist in generating increased demand for shoulder season travel. Communication about off-the-beaten-path locales could promote further exploration to lesser-known areas and enhance the perception of exploring places most tourists won’t go, while improved communication and marketing for guided boat tours could increase participation.

Popular Activities with Above Average Interest



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
QMP10. In general, what activities or places are you interested in while on holiday?
Base: Travellers to Canada (n=301)
+QRT16. What activities did you participate in during your recent trip to Canada? + New question added in 2017.

Among the less popular or niche activities, there are many large gaps in participation among recent visitors to Canada and general interest. Most notable are niche activities with large gaps in participation and wide availability of marketable products. These activities fall into two groups, soft and active activities; there is opportunity to better position these activities as add-ons for different types of French travellers.

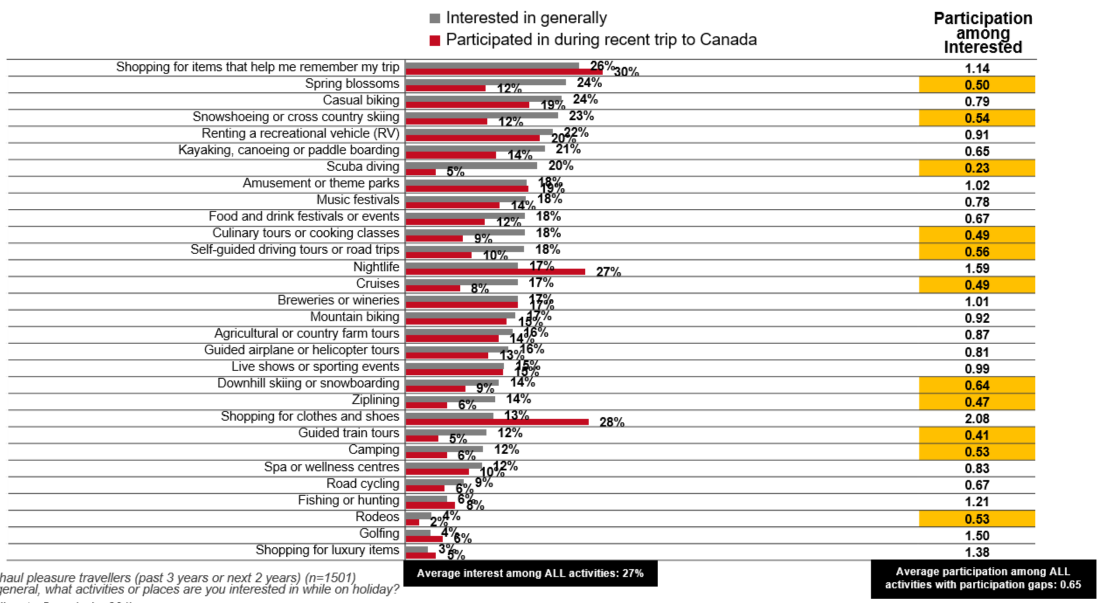
Soft Activities:

- Guided train tours
- Culinary tours or cooking classes
- Cruises

Active Activities:

- Ziplining
- Snowshoeing or cross country skiing
- Downhill skiing or snowboarding

Niche Activities with Below Average Interest



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
QMP10. In general, what activities or places are you interested in while on holiday?

Base: Travellers to Canada (n=301)
+QRT16. What activities did you participate in during your recent trip to Canada? *+ New question added in 2017.*

Barriers

HIGHLIGHTS

- ✓ *Cost remains the primary deterrent to visiting Canada, cited more than twice as often as the next closest impediments – a desire to visit other places, poor weather, and length of the flight.*
- ✓ *Mentions of distance between destinations and an unfavourable exchange rate have both dropped significantly since 2016.*
- ✓ *Those further along at the evaluation stage (gathering information or planning a visit) are now significantly more likely than those at the consideration stage to cite poor weather.*

All French long-haul travellers were asked what could prevent them from visiting Canada. Cost remains the primary deterrent (37%), cited more than twice as often as the next closest impediments – the desire to visit other places (14%), poor weather (13%), and length of flight (11%). Mentions of destinations being too far apart (6%) and an unfavourable exchange rate (5%) have both dropped significantly since 2016 (down significantly from 8% and 7%, respectively). Younger travellers aged 18-34 are the most likely to say they do not have enough time to take a vacation, while older travellers aged 55+ remain the most likely to say nothing will prevent them from visiting Canada. Those with children living at home cite length of flight and visa requirements more often than those without children living at home.

While the cost barrier is challenging to address, it can be indirectly dispelled through messaging about the value offered by a Canadian vacation experience. Highlighting the increasing availability of direct flights between France and Canada (up 3% over 2016[4]) and shorter travel times relative to other competitive long-haul destinations such as India, Thailand, and Australia, may help address issues around distance to travel to Canada. Secondary barriers such as the lack of compelling reasons to visit can also be addressed through advertising and marketing key activities and drivers.

It is notable that even though there are no formal visa requirements for French citizens to enter Canada (99% of respondents said they were French citizens), 9% of respondents listed visa requirements as a barrier to visiting. The Electronic Travel Authorization (eTA) requirement was included as a response option for 2017, yet only 7% saw it as a possible barrier. Continued efforts to clarify entry requirements through education and messaging could help alleviate these barriers moving forward.

An additional question asked respondents about the impact of entry requirements on booking. It appears this is an important consideration for French travellers, with 90% saying securing an entry visa before booking is important. Note this question is not destination specific.

While older travellers are less concerned with cost and cite fewer barriers for visiting Canada, the pay-off of focusing on younger travellers can be greater from a lifetime value standpoint. Attracting younger travellers will take more effort as travellers need to be informed about what Canada can offer as well as dispel perceptions about distance to travel. From a strategic marketing viewpoint, Destination Canada could consider focusing branding awareness efforts on younger travellers and split tactical efforts in collaboration with partners between the younger and older generation.

While cost remains the top barrier among those who visited Canada in the past (30%), they are much less likely to cite it as a barrier compared to those who have never been (42%). They are also less likely to mention poor weather, distance to Canada, poor value for money, other places they would prefer to visit, and lack of knowledge. While previous visitors are more likely to indicate that they have been to all the other places they want to go in Canada; however, they are also more likely to say that nothing would prevent them from going to Canada, which indicates that there are not as many barriers among those who have previously visited.

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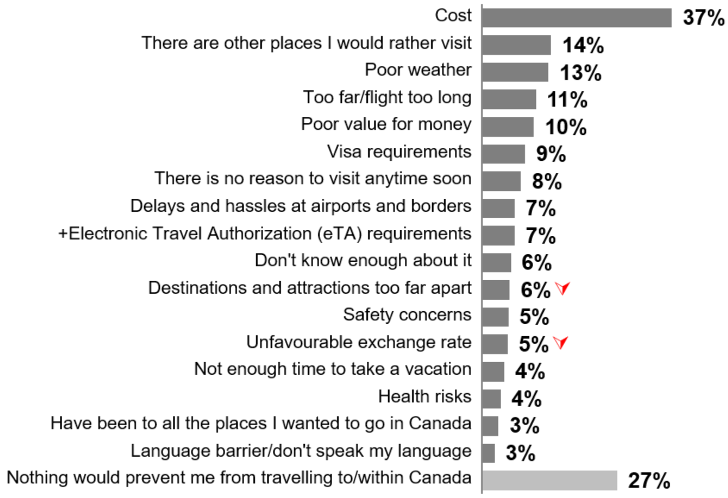
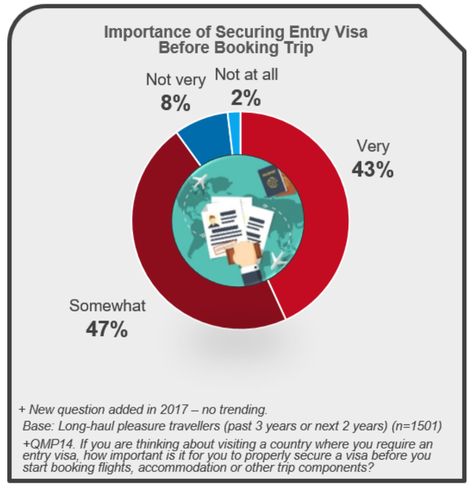
4 *Destination Canada, Tourism Snapshot, December 2017.*

Key Barriers for Visiting Canada



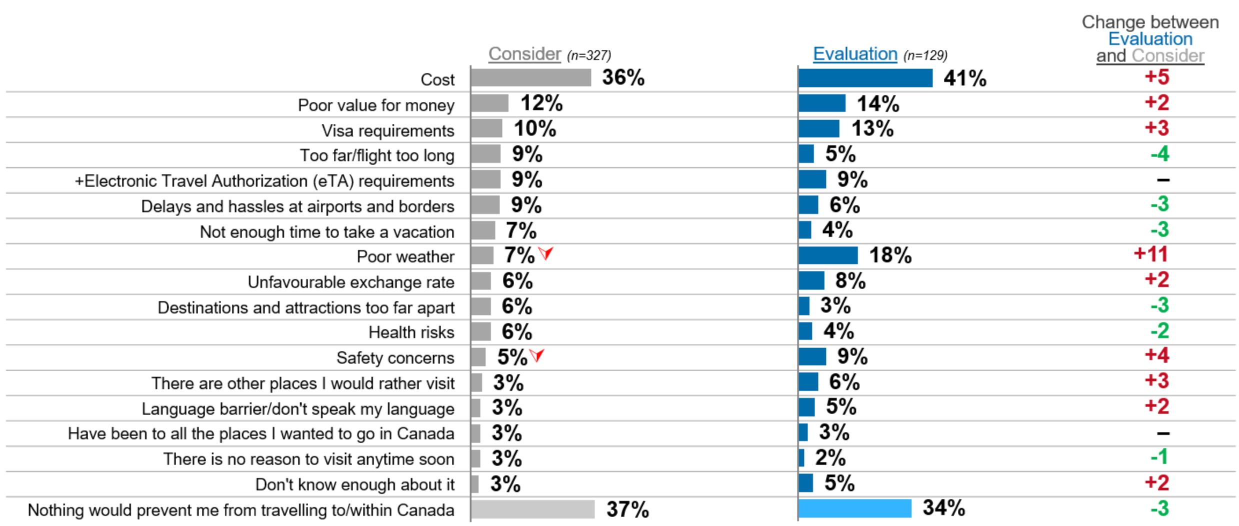


+ New response option added in 2017 – no trending.
/ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
QMP9. Which of the following factors might discourage you from visiting Canada?

Examining barriers at key path-to-purchase stages provides additional insight. Those in the evaluation stage (gathering information or planning a visit) are further along the path-to-purchase than those in the consideration stage. For both those considering a visit and those at the evaluation stage, cost remains the top barrier.

In a change from 2016, those at the evaluation stage are now significantly more likely to cite poor weather as a potential barrier than those at the consideration phase. Poor weather is the 2nd most cited barrier among those at the evaluation stage, however has dropped significantly among those in the consideration stage.

Key Barriers for Visiting Canada – by Path-to-Purchase Segments



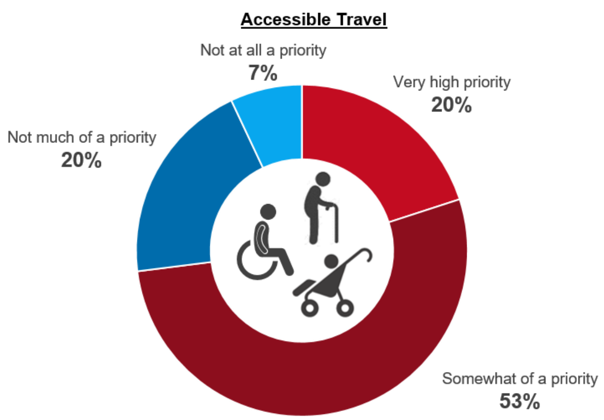
+ New response option added in 2017 – no trending.
/ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers in specific path-to-purchase segments
QMP9. Which of the following factors might discourage you from visiting Canada?

Niche Markets

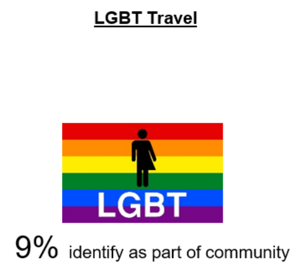
Additional questions were added for 2017 to size particular niche markets. Accessible tourism, which strives to make a destination accessible to everyone, regardless of physical limits, disability, or age, is relevant for 73% of French travellers, with 20% seeing it as a very high priority. Older travellers aged 55+ are more likely to see accessibility as a priority. Those in the evaluation stage for Canada are more likely to see accessibility as a very high priority, which suggests communicating Canada's commitment to accessible tourism could be a draw for French travellers.

Another niche market of interest is the LGBT market. Nine percent of French travellers self-identify as being a member of the LGBT community. They are more likely than the general French traveller to be aged 18-54 and are more likely to have visited Canada previously. Those in the evaluation stage for Canada are more likely to identify as LGBT, which suggests communicating Canada's offerings for LGBT travellers may prove compelling to move these travellers down the path-to-purchase.

Niche Market Sizing



+ New question added in 2017 – no trending.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
+QMP13. Accessible tourism strives to make tourist destinations, products and services accessible to everyone regardless of physical limits, disability or age. How much of a priority is having accessible travel options for you and your companions?



+ New question added in 2017 – no trending.
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1501)
+QD7. We recognize these are personal questions, but many of our clients are interested in supporting a diversity of lifestyles, and it is for this reason that we are interested in the opinions of people of all sexual orientations and gender identities. We would also like to remind you that all of your responses will be kept strictly confidential. Do you identify as part of the LGBT community?

Recent Trip Profile

HIGHLIGHTS

- ✓ *While a longstanding desire to visit is the primary reason for choosing a destination, it is not as strong of a reason for visitors to Canada.*
- ✓ *Travel agent/tour operator use is more common for trips to Canada than for trips in general, with 64% of recent French travellers to Canada consulting a travel agent/tour operator. For trips to Canada, flight and accommodation bookings are most often done though a travel agent/tour operator online.*

The following section provides details on the most recent long-haul trip taken by French travellers to competitive set destinations in the past 3 years (55% took such a trip). If the most recent trip encompassed more than one destination, the data reflects where the most time was spent.

Trip Purpose

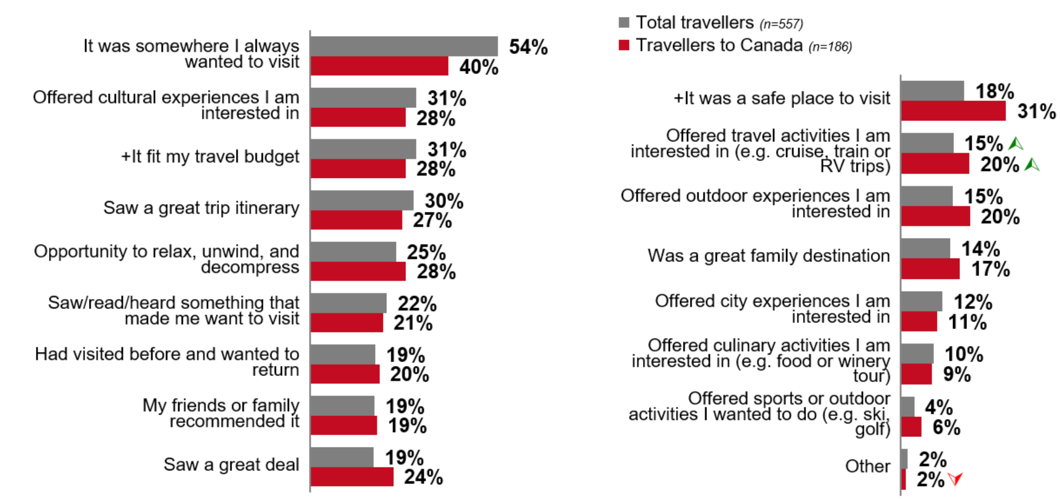
Unchanged from 2016, the primary reason for travelling was for holiday purposes among all French long-haul travellers (68%) as well as travellers to Canada (61%). A disproportionate number (22%) mentioned visiting friends and relatives as their primary purpose to visit Canada, underscoring the importance of VFR travel (Visiting Friends and Relatives).

Motivators

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

Consistent with 2016, a longstanding desire to visit was the primary reason for choosing the destination, both among travellers generally and visitors to Canada, although it was mentioned significantly more often by travellers in general than those who visited Canada (54% vs 40%). Next most important to French travellers were the cultural experiences offered by the destination and whether the destination fit one's travel budget. Interestingly, those who visited Canada were considerably more likely than travellers overall to cite safety as an important factor in their choice of destination (31% vs 18% overall). Also of note, there was a significant increase among travellers generally and visitors to Canada for choosing a destination because it offered travel activities of interest

Factors Influencing Destination Selection



+ New response option added in 2017 – no trending.
/ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers (past 3 years) travelling for holiday
QRT3. Which of the following factored into your choice of destination for this trip?

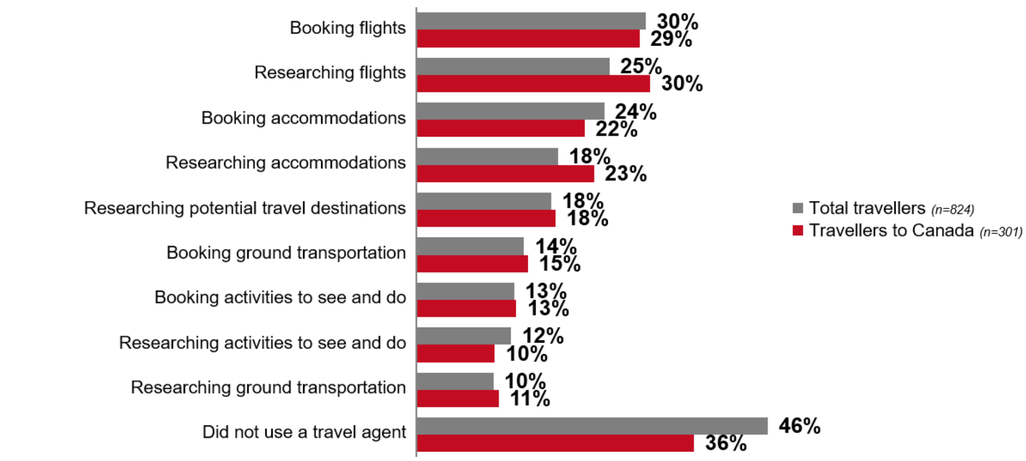
Travel Party

Regardless of destination, French travellers were most likely to be accompanied by their spouse (64%) which is in line with 2016. This is particularly common among travellers aged 55+. Fifteen percent of French travellers went with friends (also most common among travellers aged 55+), while 14% travelled alone (most common among those 18-34 years). Thirteen percent of travel parties contained children under the age of 18 (most common among those 35-54 years), which suggests the family market is small for travel in general. Travel party composition was similar among those who visited Canada, although significantly more travel parties contained children in 2017 (19%, up from 11%).

Booking

Fifty-four percent of all French travellers report consulting a travel agent/tour operator on their most recent long-haul trip for either planning or booking purposes. Travel agent/tour operator use is higher among visitors to Canada (64%). An additional question added in 2017 shows that travel agents/tour operators are used for both booking and planning various trip elements.

Travel Agent/Tour Operator Usage

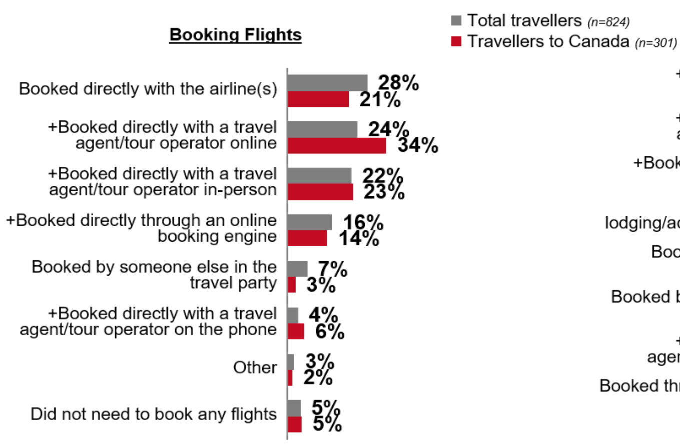


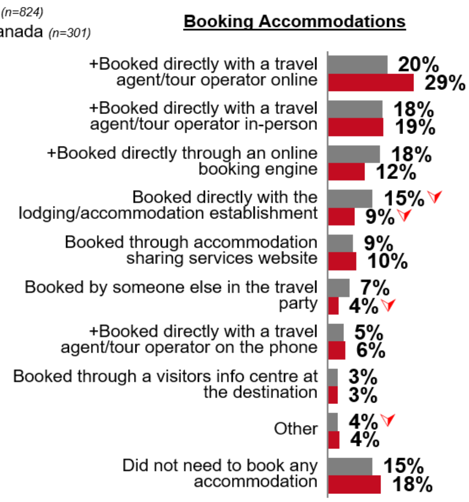
+ New question added in 2017 – no trending.
Base: Long-haul pleasure travellers (past 3 years)
+QRT15. Did you use a travel agent or tour operator to help you with any of the following for this trip?

In terms of flights, the most popular way to book is directly with the airline (28%), followed by the use of travel agents/tour operators online (24%) and travel agents/tour operators in-person (22%). For trips to Canada, booking flights with a travel agent/tour operators online (34%) is more common than with a travel agent/tour operator in-person (23%) or directly with the airline (21%).

When booking accommodations, French travellers are almost equally likely to use travel agents/tour operators online (20%), travel agents/tour operators in-person (18%), and online booking engines (18%). For trips to Canada, travel agents/tour operators online are the most popular for booking accommodations (29%).

Booking of Flights and Accommodations





+ New response option added / wording change in 2017 – no trending.
▲/▼ Significantly higher/lower than 2016.
Base: Long-haul pleasure travellers (past 3 years)
QRT6. How did you book your flight for this trip?
QRT7. How did you book your accommodation for this trip?

Regardless of the destination, organized group travel is fairly common among French travellers (43% indicated at least a portion of their trip was part of an organized group) Organized group travel is even more prevalent among those who visited Canada (48%). Booking group travel with a travel agent/tour operator, either in-person (39%) or online (38%), is the most common way to arrange organized group tours. For trips to Canada, the use of travel agents/tour operators online is the most popular way to book organized group tours (43%).

Type of Accommodation

Similar to 2016, regardless of destination, French travellers show a preference for mid-priced hotels (44%), followed by budget (25%) and luxury (22%) hotels. Recent visitors to Canada were also most likely to opt for a mid-price hotel (42%), but were equally as likely to choose a rental apartment (19%) as a budget hotel (19%). Although VFR is a primary reason for taking a trip to Canada (22%), only 11% of French travellers stay with friends and family; this indicates that some VFR travellers stay in paid accommodation.

Information Sources

HIGHLIGHTS

- ✓ *Personal recommendation from friends and family, particularly in-person, are cited among the top information sources throughout the purchasing cycle. Encouraging past visitors to Canada to advocate and share their experiences with their personal networks is key.*
- ✓ *Guidebooks and TV programs also play an important role for French travellers to Canada.*

Examining information sources by path-to-purchase stages is informative. Personal interactions with friends and family are the most influential source at all stages prior to booking, except within the planning stage. Online information from friends and family is also influential at the seriously considering and making arrangements stages of the purchase cycle. This underscores the need to encourage past visitors to Canada to advocate and share their experiences, both in-person and online, with their personal networks. Guidebooks also play an important role throughout the entire path-to-purchase process and are the most influential at the planning and booking stages. TV programs are a top 5 source up until the planning stage, and re-appear at the final stage, underscoring the importance of this medium, particularly in awareness building. Similarly, films featuring destinations are influential in both the dreaming and seriously considering stages. In the latter stages, official destination websites emerge as an influential source French travellers find travel agents/tour operator to be influential at the booking stage.

Top Information Sources for Canada – by P2P Stage

Information sources that…	**Dreaming** …inspired you to think about a trip to Canada	**Seriously Considering** …encouraged you to seriously consider visiting Canada	**Started Gathering** …helped you gather some information for a trip to Canada	**Planning Itinerary** …helped you plan your itinerary for a trip to Canada	**Making Arrangements** …helped you make transport and / or accom arrangements for a trip to Canada	**Already Booked** …helped you book your transportation and / or accom for a trip to Canada
	(n=655)	(n=327)	(n=93)*	(n=36)**	(n=16)***	(n=29)***
Top 5 Sources	Friends/family, in person **42%**	Friends/family, in person **37%**	Friends/family, in person **44%**	Travel guidebooks **44%**	Friends/family, in person **38%**	Travel guidebooks **20%**
	TV programs **23%**	Travel guidebooks **19%**	Travel guidebooks **39%**	Friends/family, in person **40%**	Travel guidebooks **34%**	TV programs **16%**
	Films featuring destination **20%**	Friends and family online **16%**	General search engines **34%**	Brochure from travel agency/tour operator **32%**	Official destination websites **33%**	Friends/family, in person **14%**
	Travel guidebooks **17%**	TV programs **15%**	TV programs **29%**	Official destination websites **24%**	Friends/family, online **18%**	Travel agents, in person **13%**
	Magazine or newspaper articles **16%**	Films featuring destination **13%**	Brochure from travel agency/tour operator **28%**	E-newsletters **21%**	Travel provider websites **13%**	Official destination websites **12%**

+ New question added in 2017 – no trending.
** Small base size (<100), interpret with caution.* *** Very small base size (<50), interpret with extreme caution.* **** Extremely small base size (<30), directional finding only.*
Base: Those in the dream to purchase stages of the path to purchase for Canada (n=1156)
+QMT3. Earlier you mentioned that you [insert P2P stage for Canada]. Where did you see, read or hear information that [inspired/encouraged/helped in P2P stage for Canada]?