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Perceptions Of Canadian Tourism Products - Product Implications - Background Document
Type of Study: Analysis/review
Date of Report: 1988
Author: Canada - Tourism Canada
Catalogue Number: 11-55-97

11-55-97

PERCEPTION OF CANADIAN TOURISM PRODUCTS

- PRODUCT IMPLICATIONS -

Background Document

Tourism Canada
Product Development Branch
February 1988

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OUTLINE

PAGE

Market research was conducted in the past years in an attempt to identify our markets' characteristics and needs l preferences.

The results of 6 of those surveys were analyzed to derive implications for product development in Canada. These surveys are:

. Pleasure Travel Markets to North America (Germany, France, U. K., Japan)

. U.S. Pleasure Travel Market Study

. Canadian Tourism Attitude and Motivation Study

These surveys were intended in part to measure the perception of Canada's tourism products held by potential travelers to Canada. In the absence of visitor satisfaction data and national industry standards, it is difficult to say whether these perceptions reflect true product quality or stem from a general awareness of a product which hasn't necessarily been tested. However, because to the consumers perceptions are their reality, survey results warrant further examination in terms of their product implications. Negative perceptions especially will merit closer investigation.

This report presents results on the basis of specific products, including various "product lines". The latter incorporate a series of discrete product items which, when brought together, provide the traveller with a distinct experience (e.g. city, outdoor). Perception, and indeed performance, of individual product items within a product line affect the entire line (e.g. badly perceived accommodation within a city has a negative impact on the perception of the city product as a whole). Individual product items are therefore working in synergy with the rest of the product line. In many instances, they are also part of other product lines, inter-relating this time with different product items. In these cases, operators are providing different types of experiences, depending on what other elements are sought by the client.

PLEASURE TRAVEL MARKETS TO NORTH AMERICA

OVERSEAS MARKETS

(France, Japan, West Germany, United Kingdom)

Source: Pleasure Travel Markets to North America, Market Facts of Canada Ltd., 1987

PERCEIVED STRENGTHS

- In general, Canada is fairly well perceived on most product items when compared to other long-haul destinations.

- Those products which constitute Canada's strengths are comfort, outdoors and people-related.

- Of these strengths, Canada's comparative advantages (where Canada was actually rated better than other countries), are mainly outdoors in nature.

Items Rated Better	Vis-à-Vis This Destination
Outstanding Scenery	All Long-Haul Destinations
National Parks / Forests	All Long-Haul Destinations
Seeing Wildlife	All Long-Haul Destinations
Fishing/ Hunting	All Long-Haul Destinations
Outdoor Activities	US.
Snow Skiing	US.
Personal Safety	US.
Interesting/ Friendly Locals	US.

- Important in the choice of a destination are the comfort and people- related items, as well as 2 of the comparative advantages:

  Outstanding Scenery
  National Parks / Forests

- Overseas travelers to Canada engaged in outdoor activities more so than on trips to other destinations. This further confirms Canada's perceived strengths.

CANADA'S STRENGTHS

COMFORT

Hygiene /cleanliness *
Personal safety"'
Public Transposition"

OUTDOORS

For all markets:

Outstanding scenery •"
National parks / forests•"
Seeing wildlife"

For specialized markets:

Outdoor activities (hiking/climbing)"
Snow skiing'
Fishing/ Hunting'

PEOPLE

Interesting / friendly local people •'
Cultural groups •

∘ Comparative advantage.
•Important in the choice of a destination.

Implications

Canada's strengths, particularly its comparative advantages, represent a competitive edge which should be maintained. In some instances, these advantages could be further capitalized on.

Hospitality

Already well rated for its interesting and friendly local people, Canada would perhaps do well to maintain current "hospitality'"-rel ated programming.

National Parks and Forests

Not only are Canadian national parks rated better than other countries', they are also an important factor in the choice of a destination. This **alone** should provide **sufficient** basis for particular attention to be paid to national parks as tourism generators. Further, survey results show that visiting national parks in Canada is a very popular activity among overseas travelers (63% of overseas travelers visiting Canada take advantage of national parks as opposed to only 44% of travelers visiting other long-haul destinations). This is a further indication of the need for the tourism potential of this product to be assessed with a view to:

- Better integrate this product to other tourism products through
  - better packaging
  - ease of access
  - quality amenities

- Better match this product to market demand.

Specialized Outdoor **Products**

These include a variety of outdoor sports (such **as** hiking/ climbing) as well as fishing/ hunting and snow skiing. The markets for Canada's outdoor vacations **focussing** on specialized activities are extremely small. Consequently, the survey could not capture this market's true image **of the** product, nor could it successfully identify gaps in the product's structure.

Canada seems to be well positioned in these markets for most specialized outdoor activities, which is encouraging for operators and developers of outdoor travel, including adventure travel.

Snow skiing in Canada seems to be appealing for those overseas travelers looking at a North American skiing holiday. It is to be noted that overseas travelers having visited Canada previously have a poorer image of snow skiing in Canada than the overall sample. However, Canada's image still remains better than that of the U.S.

The "Soft" Outdoors

Canada is better perceived than other long-haul destinations for its outstanding scenery, national parks and wildlife viewing.

Our "scenic''-outdoors touring experience seems to be a winner in the overseas markets and, considering the high demand for it*, should perhaps be looked at in terms of:

- its accessibility
- its integration with other touring experiences (such as small towns and villages, urban centres).

* It was already mentioned that visiting national parks is a popular activity for overseas travelers visiting Canada. Visiting scenic landmarks is also more popular in trips to Canada (66% participation rate) than in other long-haul destinations (57% participation rate).

PERCEIVED WEAKNESSES

- Many of Canada's perceived weaknesses are related to specific services and attractions.

- Of these weaknesses, Canada's comparative disadvantages (where Canada was actually rated worse than other countries) are most closely related to a city product line.

Items Rated Worse	Vis-à-Vis This Destination
Beaches	All Long-Haul Destinations
Historical Sites	All Long-Haul Destinations
Shopping	Us.
Budget Accommodation	Us.
Museums / Art Galleries	Us.
Live Theatre / Concerts	Us.
Nightlife	Us.

- Important in the choice of a destination are the following weak points for Canada: the weather, the cost, and cuisine.

- Overseas travelers to the U.S. participated in urban activities and general entertainment more so than on trips to other destinations. This further confirms the U.S.'s advantage over Canada on these products (Canada, as mentioned earlier was more popular for its outdoor experiences).

CANADA'S PERCEIVED WEAKNESSES

WEATHER *

BEACHES/ WATER SPORTS "

COST
- Value for Money •
- Cost of Travel to the Destination •

SERVICES
- Restaurants / cuisine •
- Shopping"
- Budget Accommodation •

CULTURAL ATTRACTIONS / ENTERTAINMENT
- Museums /Art Galleries"
- Historical Sites"
- Local Festivals'
- Live Theatre / Concerts •
- Nightlife"
- Spectator Sports

°Comparative disadvantage
* Important in the choice of a destination

Implications

Perceived weaknesses can be an indication of:

- an awareness problem
- a gap in the product line
- inferior quality to that which is required by the market

Many of the perceived weaknesses are related to product elements which are common to all vacation experiences: weather, cost, services. Due to their impact, it would be wise to determine whether the market perception indicates an awareness problem or touches on product development issues. (Nothing can be done, unfortunately, about changing the weather!)

Cost / Value for Money

Being an important element in the choice of a destination, it is essential that cost not become a deterrent to travel to Canada.

Those who had been to Canada before do have a better perception of the cost of travel to Canada and the value for money of Canadian holidays. This may indicate that the problem is one of awareness.

Services

Although Canada is not well perceived on some of its services, this perception comes mainly from 2 of the 4 overseas markets: Germany and France.

Restaurants / cuisine, because of its importance in the choice of a destination, can be singled out (over 75% of those interested in visiting Canada stated "trying new foods" as one of the reasons to take a long-haul trip). Effort should be made to assess the quality and value-for-money of our high quality restaurants. As well, local cuisine should be recognized as a key element in the travel experience and should be encouraged to reflect cultural differences and typify unique ways of life. Local cuisine should be better integrated in the travel "package" as a tourism product in its own right.

Cultural Attractions / Entertainment

Many of Canada's "cultural" products are perceived as lacking or as being of lower quality. European markets in particular have a poor perception of those products in Canada (only approximately 2570 of those who have been to Canada perceive Canada as being better than other countries on those items).

The role played by these cultural attractions in the tourism experience must be recognized. These elements could perhaps be better integrated with the city and I or touring vacation trip.

SPECIFIC CANADIAN DEST1NATIONS (Awareness and Interest)

- The most well-known destinations are:

  Ontario (including Toronto, Niagara Falls, Ottawa)
  Québec (including Montreal)
  British Columbia (including Vancouver)

- Interest in visiting Canadian destinations corresponds to the above (aside from Ottawa).

- Note that those who have visited Canada before have a lower interest in visiting

  Ontario
  Quebec (Province)
  Montreal
  Niagara Falls

- Interest in returning to the same Canadian destination is higher for:

	Germany	U.K.	Japan	France
Ontario	x		x	
British Columbia	x	x		
Québec				x
Alberta			X	

Implications

These geographical areas are the ones which cater to more market segments, due to the variety and quantity of products available.

As a result, we may find that development/packaging of products is concentrated in these areas. Other regions would no doubt benefit from heightened awareness of their particular appeal within these major markets.

U.S. PLEASURE TRAVEL MARKET STUDY

Source: U.S. Pleasure Travel Market Study (1986) [n the U.S. -Market Study, 8 trip types were identified a priori. Due to their significant impact on U.S. travel to Canada, 4 of these trip types will briefly be described with implications drawn for each. These are the touring, outdoors, city and resort trips. Those which will not be described here are the theme parks, cruise, close-to-home and visit friends and relatives trips. (Refer to the Appendix on page 71 for trip type definitions).

It should be noted that "trip types" as used in this study reflect ways of traveling. They do not correspond to the concept of "product line", but will be found to cross various product lines. (e.g. a traveller can state having been on a touring trip while having purchased a city product, a heritage product, etc.)

THE TOURING TRIP

This trip type accounts for 37% of all U.S. trip-nights to Canada.

- It consists of a longer trip (8 days), mostly by car, but also by plane or bus. The motel is the preferred accommodation, followed by the hotel. Over 1/5 are package deals.

- The most popular Canadian touring destinations (in rank order) are:

  Pacific Coast
  Quebec/Ontario
  Rockies
  Maritimes

. Canada's edge over the U. S.:

  Different
  Different cultures / way of life

- Canada's weaknesses:

  Less well-known
  Less exciting
  Fewer things to see and do
  Lack of first-class hotels
  Lack of high-quality restaurants
  Poorer climate

Specific Destinations' Competitive **Edge***

	Pacific Coast	Maritimes	Quebec	Rockies	Ontario
Viewing wildlife	x	x		x	
Beaches	x				
Beautiful scenery	x	x			
Natural, untouched area				x	
Few travelers go to	x	x		x	
Safe		x			
Affordable accommodation		x			
First-c[ass hotels			x		
Elegant restaurants			x		
Exciting nightlife			x		
Different culture (edge over the U.S. only)	x	x	x		x

* Areas compared to: Europe - Central Europe, southern Europe, Scandinavia, Great Britain

Us. - New England, California, U.S. Rockies

Implications

. The touring trip is the most popular trip type for Canada and the one with the largest economic impact.

. Canada's competitive edge is largely based on outdoor attributes. Only Québec stands out vis-à-vis some of the U.S. and European destinations for the more urban products.

. Canada would seem to have the need for awareness campaigns to reposition its major touring circuits as areas containing a variety of things to see and do as well as quality infrastructures. Myths about the climate should also be dispelled.

. In terms of product development, an assessment of our major touring circuits should be conducted to identify gaps in the product mix (e.g. attractions, amenities and services around attractions, high quality restaurants) as well as insufficient quality levels (e.g. of our budget accommodation or local cuisine).

Areas to consider which play an important role in touring trips are signage, availability of tourist information especially designed for touring trips (circuit suggestions, etc.) and an efficient travel trade distribution channel to service the significant portion of travelers (23%) opting for package deals.

Further, individual products (restaurants, hotels, attractions) should seek to better integrate their services in order to increase their appeal as part of a touring trip.

THE OUTDOORS TRIP

- This trip type accounts for 20% of U.S. trip-nights to Canada.
- An outdoors trip consists of a short trip by car to campgrounds and trailer parks. The number of package deals is negligible.
- The most popular Canadian outdoors destinations (in rank order) are:

  Canadian Rockies
  Pacific Coast
  Ontario
  Québec
  Northern Manitoba, Saskatchewan
  Arctic
  Newfoundland

- Canada's edge over the U. S.:

  Natural/untouched
  Different
  Different culture / way of life

- **Canada's weaknesses**

  Less well-known
  Poorer climate
  Not as good for water sports and swimming
  Too far away
  Fewer points of interest
  Fewer things to see and do
  Too wild

Implications

- Although it involves a product mix made up of many of Canada's strengths, these do not constitute a comparative advantage over the U.S. outdoor areas.

- Canada's culture, although recognized as a competitive edge for the outdoor trip, is not an important element for the outdoors group. Its impact is therefore minimal.

- Aside from very **specific** outdoors products where we can differentiate ourselves from the U.S. (e.g. hunting / fishing, and some adventure travel), it is unlikely that major product development will result in much increased demand.

THE CITY TRIP

- This trip type accounts for only 8% of U.S. trip-nights to Canada.

- A city trip consists of a short trip by car to enjoy dining, shopping and sightseeing and to stay in hotels. There is minimal packaging (1 l%).

- Toronto, Montreal and Vancouver are in the top 20 North American cities spontaneously mentioned **as** a likely city destination.

- Canada's edge over the U. S.:

  Inexpensive
  Clean
  Uncrowded
  Safe
  Good for strolling about
  A city few **have seen**
  Offering a different culture/way of life

- Canada's **weaknesses:**

  Everything else

Specific Cities' Competitive Edge*

	Vancouver	Toronto	Montreal	Quebec City
City few have seen	x	x	x	x
Different culture		x	x	x
Not a dirty city	x	x	x	x
Different from the cities I know (edge over U.S. cities only)			x	x
Good for strolling about (edge over U.S. cities only)	x	x	x	x
Not a crowded city	x	x	x	x
Not an expensive city	x	x	x	x
Safe at night	x	x	x	x

* Cities compared to: Paris, London, Rome; Los Angeles, San Francisco, New Orleans, New York, Washington

Implications

. Canada is weak in terms of its city products when compared to top international cities. However, Canada is not necessarily as weak as it is perceived. Canada's major cities do have good dining, shopping and sightseeing.

- Some other attributes are perhaps weak and would need to be further developed (e.g. museums, theatre.. .).

THE RESORT TRIP

- This trip type accounts for merely 3% of U.S. tripnights to Canada.

. It consists of average length trips (5 days) by car or plane. The preferred accommodation is the hotel. Approximate y 1/5 of these trips are package deals.

- The most popular Canadian resort destinations (in rank order) are:

  Ontario
  Pacific Coast
  Rockies
  Quebec
  Maritime provinces

- Major competitors:

  U.S. resorts (mainly Hawaii, followed by Las Vegas, Myrtle Beach and Disneyland)
  Mexican resorts

- Canada's edge:

  Fishing/hunting (particularly in the Rockies)
  Less costly

  Quebec in particular has an edge for:

  Affordable accommodation
  Local cuisine
  Different culture/way of life
  Many points of interest within a short distance

- Canada's weaknesses:

  Poorer climate
  Beaches
  Infrastructure and amenities
  (hotels, restaurants, nightlife)

Implications

- **Americans do not perceive Canada as having resorts, according** to their definition **(sand, sun and sea in exotic locations).**

- Although improvements in our infrastructure would be beneficial, Canada still won't be in a position to offer the sun 'n' sand vacations sought by the U.S. resort market. Resort vacations should perhaps be packaged along with a touring trip.

- The hunting / fishing resort is an opportunity which Canada has, although it is targetted to a different and much smaller market. Infrastructure development is a requirement in this case as well.

TRIP TYPE CHAR

U.S. Mark

	TOURING	OUTDOORS	CITY
Length of Stay	8 days	3.5 days	3.5 da
Package Deals	23%	Negligible	11%
Transportation	Car: 60% also plane and bus	Car	Car, t pla
Accommodation	Motel, then hotel	Campground	Hotel, mot
Goals	Different culture	Fishing/ Hunting Physical Activity	Dinin Sho Sights and
Activities	Small towns Natural parks Museums/ galleries Big cities	Wilderness areas Lakeside Wildlife Natural parks Fishing (fresh-water)	Shopp Museu gall Conce the Sporti eve
Destination Attributes	Not dull Well-known landmarks	Not too wild Real adventure Accessible Hunting/Fishing	First-c hot Good rest (ele sop

CANADIAN TOURISM ATTITUDE AND MOTIVATION STUDY (CTAMS)

Source: Canadian Tourism Attitude and Motivation Study (1984)

Major Results

Very little product specific information can be extracted from the CTAMS. However, the following points can be made:

- Elements considered by Canadians in their choice of a vacation destination are mostly outdoor-related (e.g. climate, lakes/oceanside, national/ provincial parks, wilderness).

- When asked about their major source of complaint, most (66%) had nothing to complain about. Few (less than 4%) complained about specific products and services (such as accommodation, food, entertainment).

- U.S. destinations were preferred to Canadian ones for resort and city trips. Europe was also a favourite destination for city trips.

- The Province of Québec seemed to have a competitive edge for its heritage product (rural/culture elements).

- Likely destinations in the next 3 years are, in rank order:

  US.
  Ontario
  Other countries
  B.C.
  Quebec
  Prairies
  Atlantic provinces

Implications

- Canada seems to have a competitive edge within its domestic market for its outdoor/rural product.

- City/resort vacations are perceived to be more. attractive outside of Canada.

GENERAL

BASIC ATTRIBUTES OF A TOURISM DESTINATION

Environmental
- Outstanding scenery
- Warm sunny climate
- Reliable weather

Hospitality
- Hygiene /cleanliness
- Personal safety
- Friendly local people
- Different culture
- Warm welcome for tourists
- Opportunities to increase knowledge
- Local cuisine

Access
- Inexpensive travel to destination
- Sightseeing excursions
- Public tranportation

Conclusions

. Canada is well perceived by its major markets on approximately 60% of the attributes identified.

. Half of those can be considered part of Canada's competitive edge:
- Outstanding scenery
- Personal safety
- Friendly local people
- Different culture
- Inexpensive resort and city destinations (perception of U.S. market)

● Canada is not perceived as having:
- Sunny, reliable weather
- Fine local cuisine
- Better public transportation than the U.S.
- Inexpensive travel from overseas destinations

PRODUCT LINES

CITY PRODUCT LINE

Product elements included

Services: First-class hotels
Budget accommodation
High quality restaurants
Shopping

Cultural Attractions: Theatre / Concerts
Museums / Art galleries
Historic sites
Local festivals

Entertainment / Sports: Nighlife / Entertainment
Spectator sporting events
Amusement I Theme parks
Zoos / Wildlife exhibits
Golf /Tennis
Casinos / Gambling

Other: Resort areas
Exotic atmosphere
Easy to see

General awareness / interest

. High awareness of (clear city image):

	U.S. Market (1)	Overseas Markets (2)	Canada (3)
Toronto	x	x	x
Montreal	x	x	x
Vancouver	x	x	x
Quebec City	x		x
Niagara Falls		x	x
Ottawa		x	x

(1) Those 4 cities do not have as clear a city image as the American and European cities identified by the U.S. market. Vancouver has the lowest city image.

(2) Interest in visiting particular Canadian cities corresponds to these destinations, except for Ottawa. Overseas travelers who have visited Canada before have a lower interest in visiting Montreal and Niagara Falls.

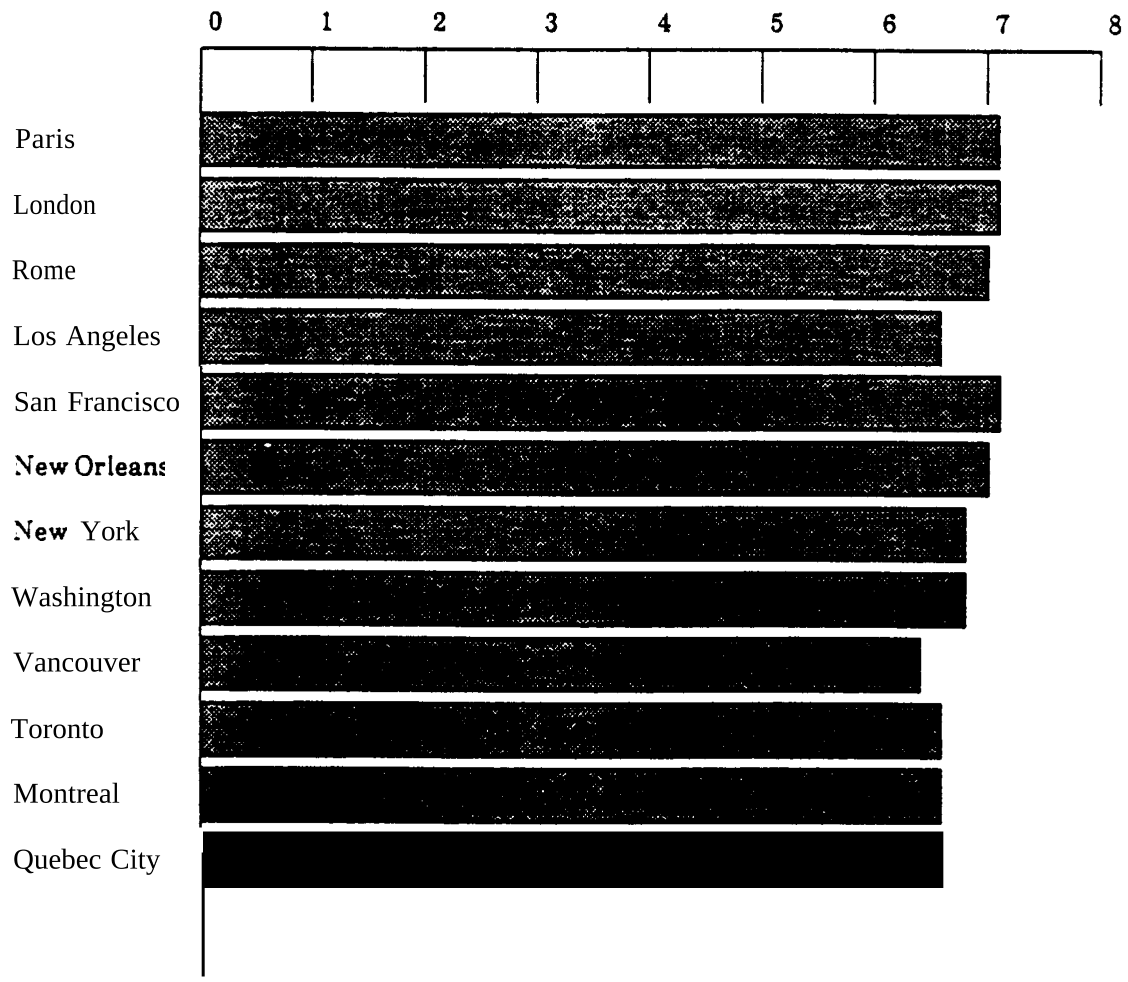
About 30% of overseas travelers who have visited Canada before consider our "city" products to be better than other countries (as opposed to about 50% of those who have visited the U.S. who rate the U.S. "tit y" products as better than other countries).

(3) Montreal has the clearest city image for Canadian travelers, offering the big city atmosphere, shopping and nightlife. Toronto is not perceived as strongly as offering a city experience.

For the domestic market, Quebec City, Niagara Falls and Ottawa are differentiated by live theatre, museums and art galleries.

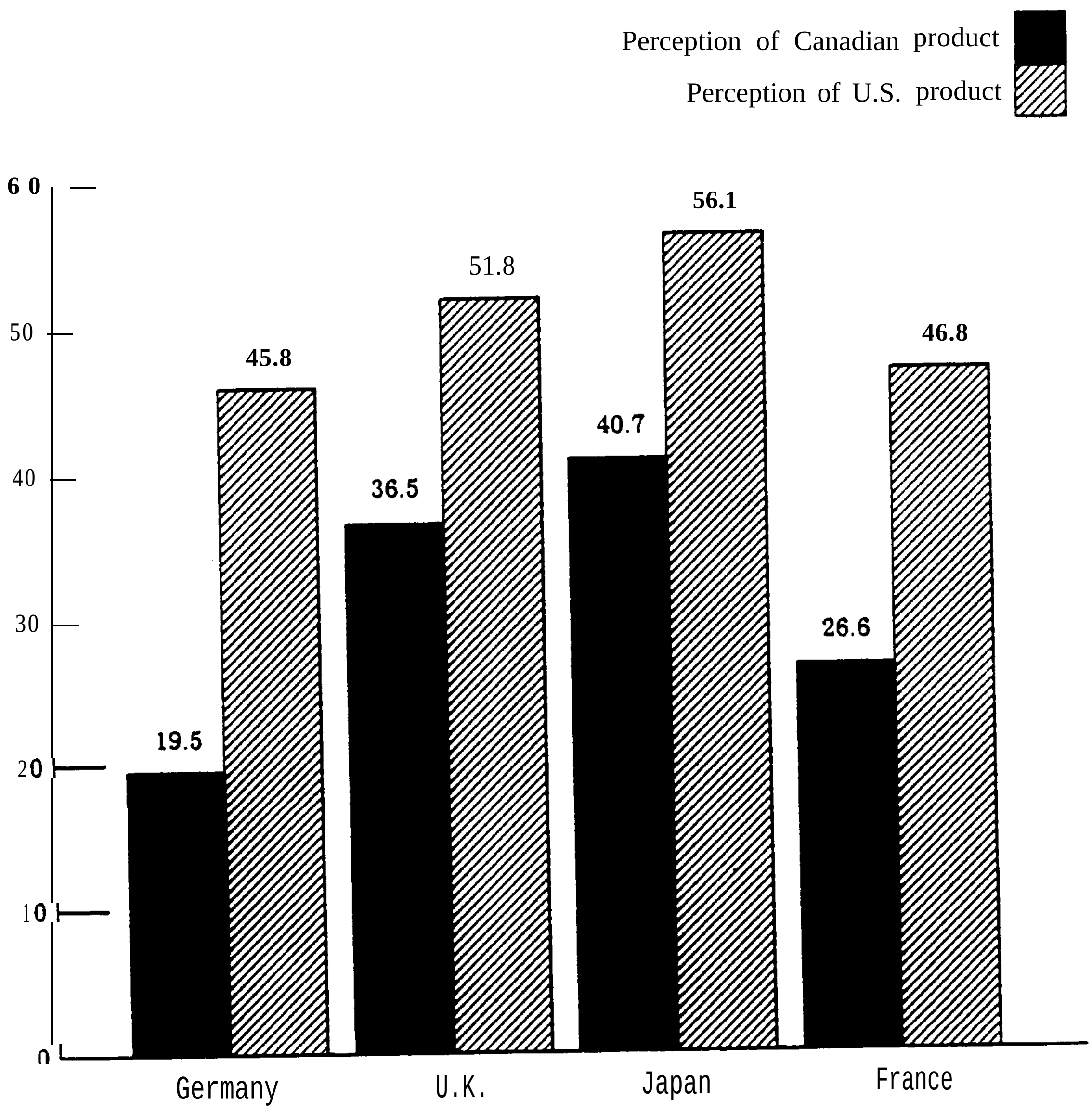
U.S. Market

CITY IMAGE



Overseas Markets

PERCEPTION OF CANADIAN CITY PRODUCTS
(% of those who have been to Canada who rate our city products better than other countries)



Perception of Specific Product Items

Services

- Canada is not well perceived by its international markets for its high-quality restaurants, nor is it perceived as being a good place to shop. (Perception is better among those overseas travelers who had visited Canada before.) For the U.S. market, Quebec (Quebec City particularly) has an image of offering good local cuisine.

- The U. S. generally fares better vis-à-vis other destinations than does Canada.

- Overseas markets* rate Canada's accommodation (first-class hotels and budget accommodation) as being worse than the U.S.

- On the other hand, the U.S. market perceives Canadian cities as having affordable accommodation, and first-class hotels (although the image of first-class hotels is stronger for U.S. and European destinations).

- Vancouver is particularly weak in the eyes of the U.S. market in terms of its services, especially its first-class hotels.

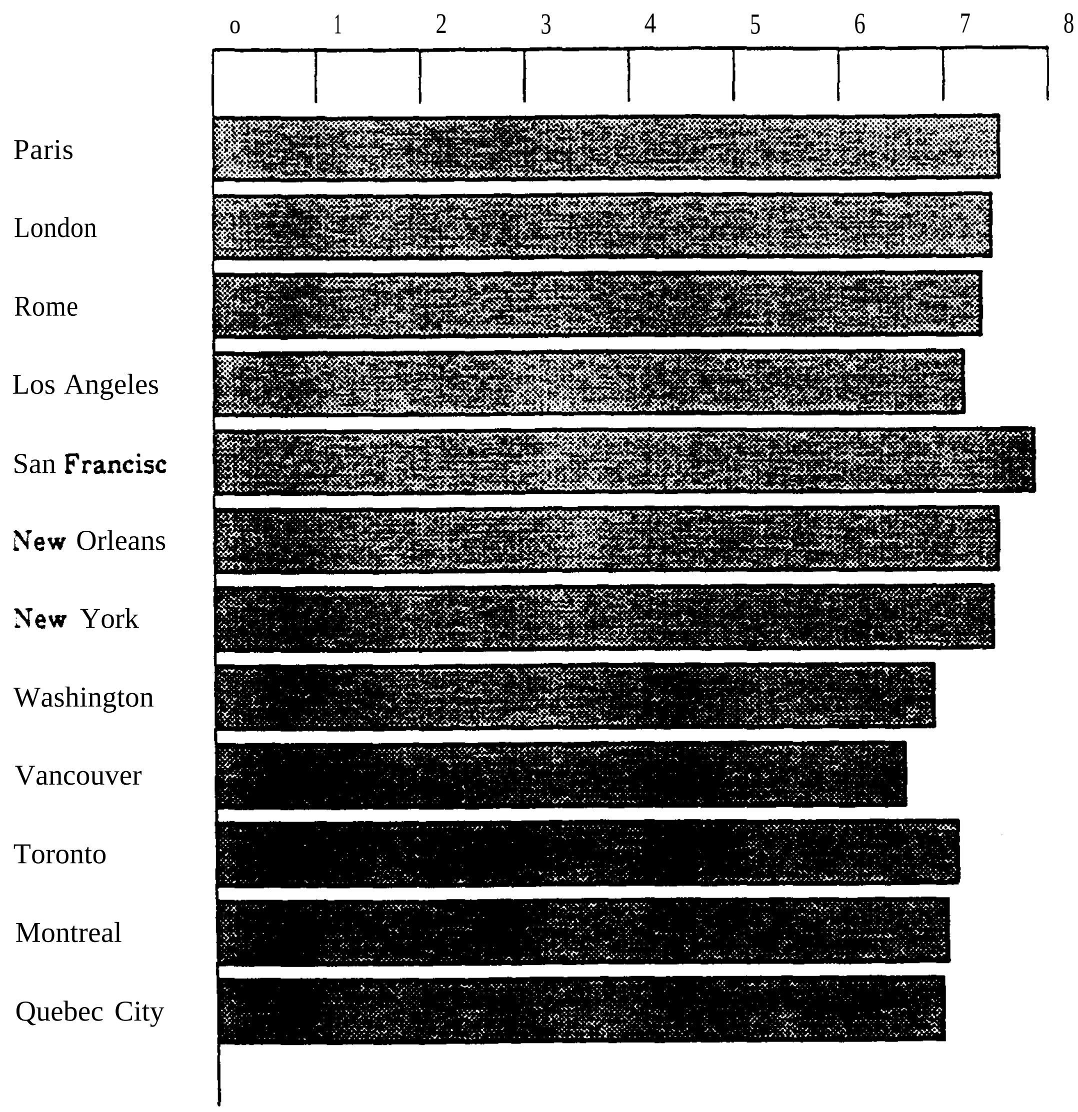
- Of all major Canadian cities, the Canadian market perceives Montreal as a destination offering good shopping.

- No Canadian city, according to the Canadian market, has an image of a destination offering first-class hotels and good restaurants.

* Based on travelers who have visited Canada and those who have been to the U.S.

U.S. Market

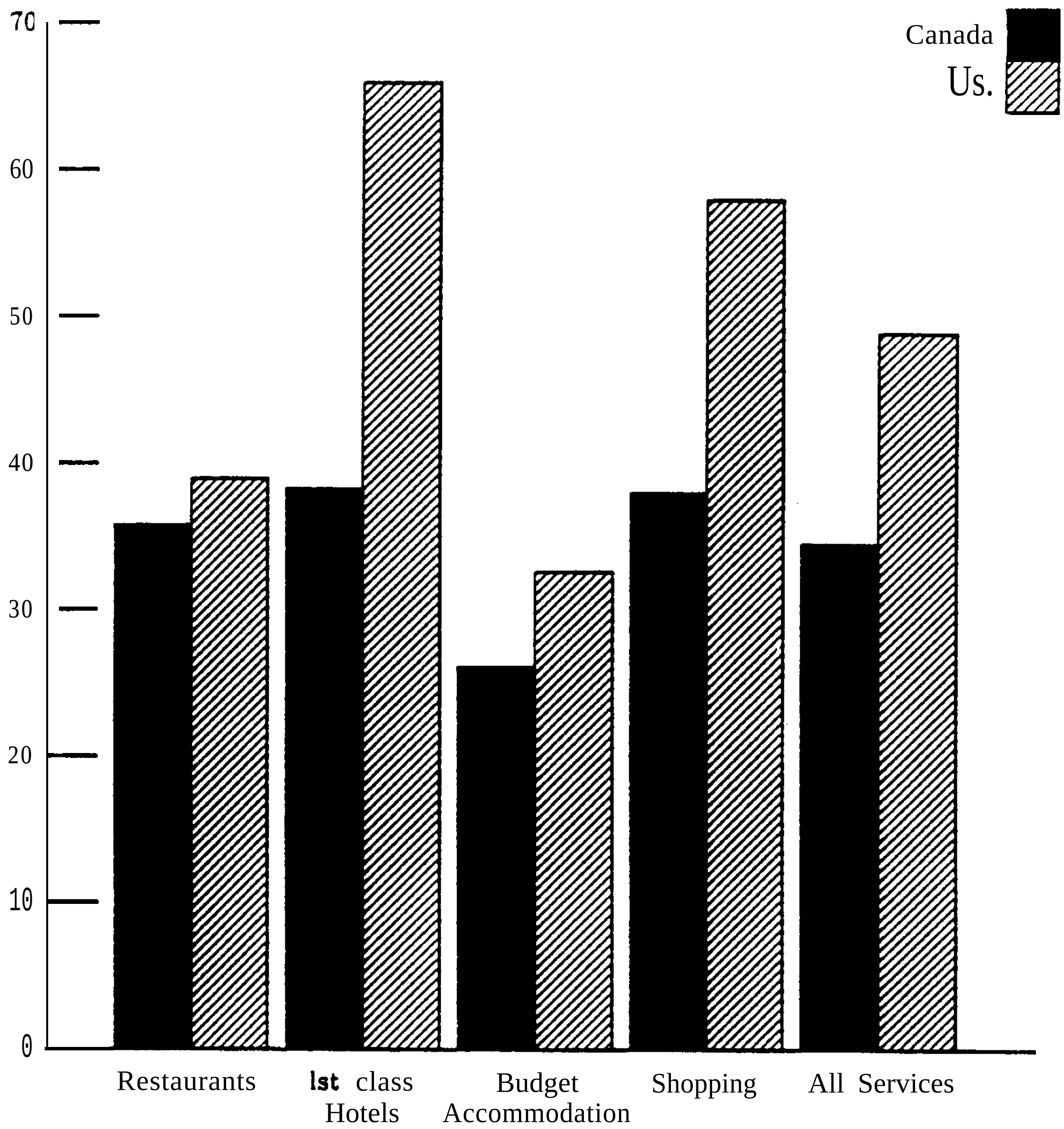
CITY IMAGE - SERVICES



Services include: First-class hotels
Excellent local cuisine
Elegant sophisticated restaurants
Good place to shop
Affordable accommodation

Overseas Markets

PERCEPTION OF CANADIAN SERVICES
(% of those who have visited Canada who perceive our services to be better than other countries)



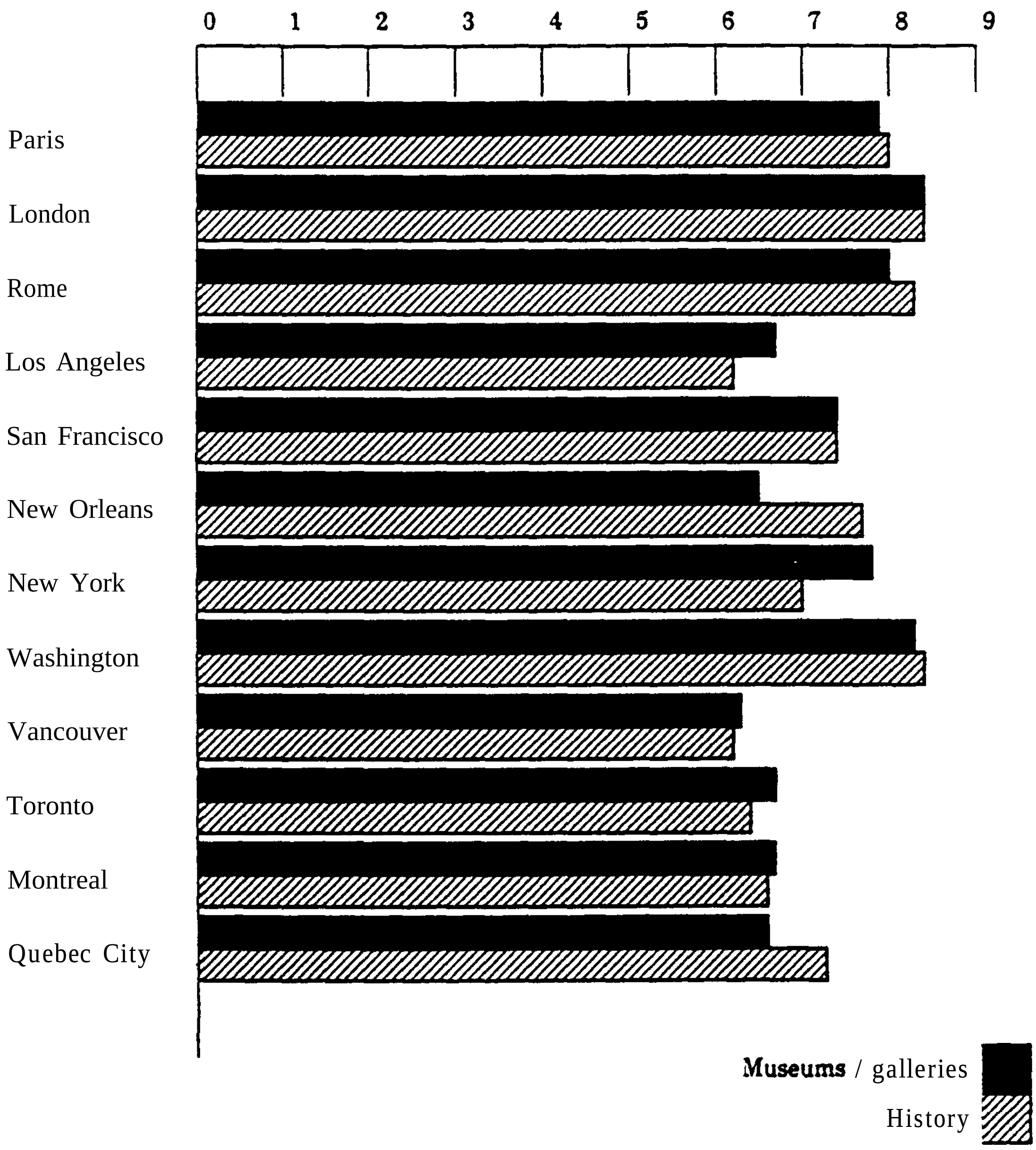
Cultural Attractions

- Canada does not have an edge over other destinations on these cultural attractions.
- [t is even perceived significantly worse than other destinations on its historical sites (with the exception of Quebec City according to the U.S. market).
- **Overseas** markets* rate Canada as being worse than the U.S. in its availability of museums and art galleries, as well as live theatre and concerts.
- The Canadian market di.iTerentiates **Québec** City, Niagara Falls and Ottawa from other Canadian, American and European cities by live theatre, museums and art galleries.

● Based on travelers who have visited Canada and those who have been to the U.S.

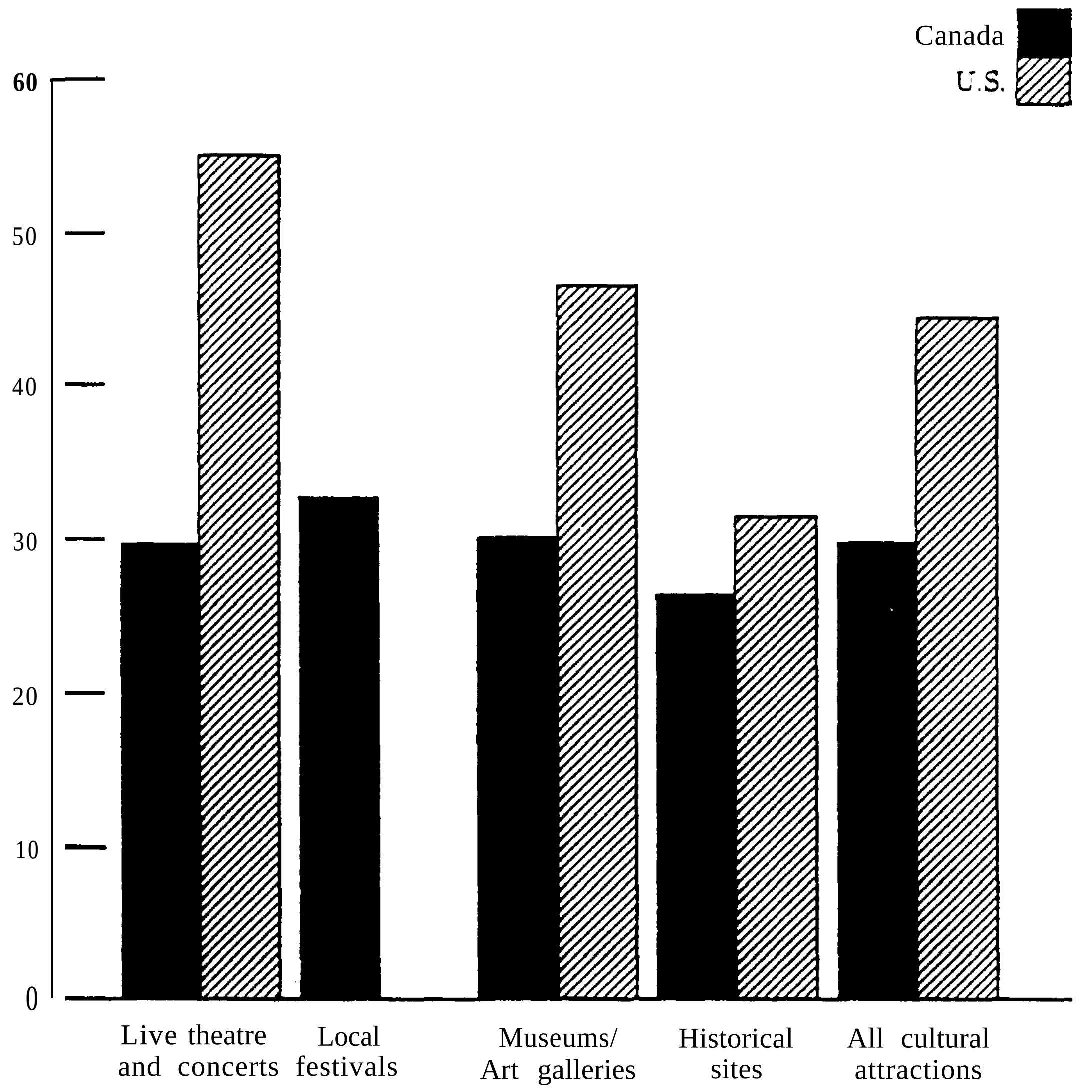
U.S. **Market**

CITY IMAGE - CULTURAL ATTRACTIONS



Overseas Markets

PERCEPTION OF CANADIAN CULTURAL ATTRACTIONS
(% of those who have visited **Canada** who perceive our cultural attractions to be better than other countries)



Entertainment / Sports

- Canada is perceived worse than other destinations (including the U. S.) for its :
  - nightlife
  - spectator sporting events

- The Canadian market perceives Montreal as a city capable of offering nightlife.

- The U.S. fares significantly better vis-à-vis other destinations on its nightlife than does Canada.

Resort Areas

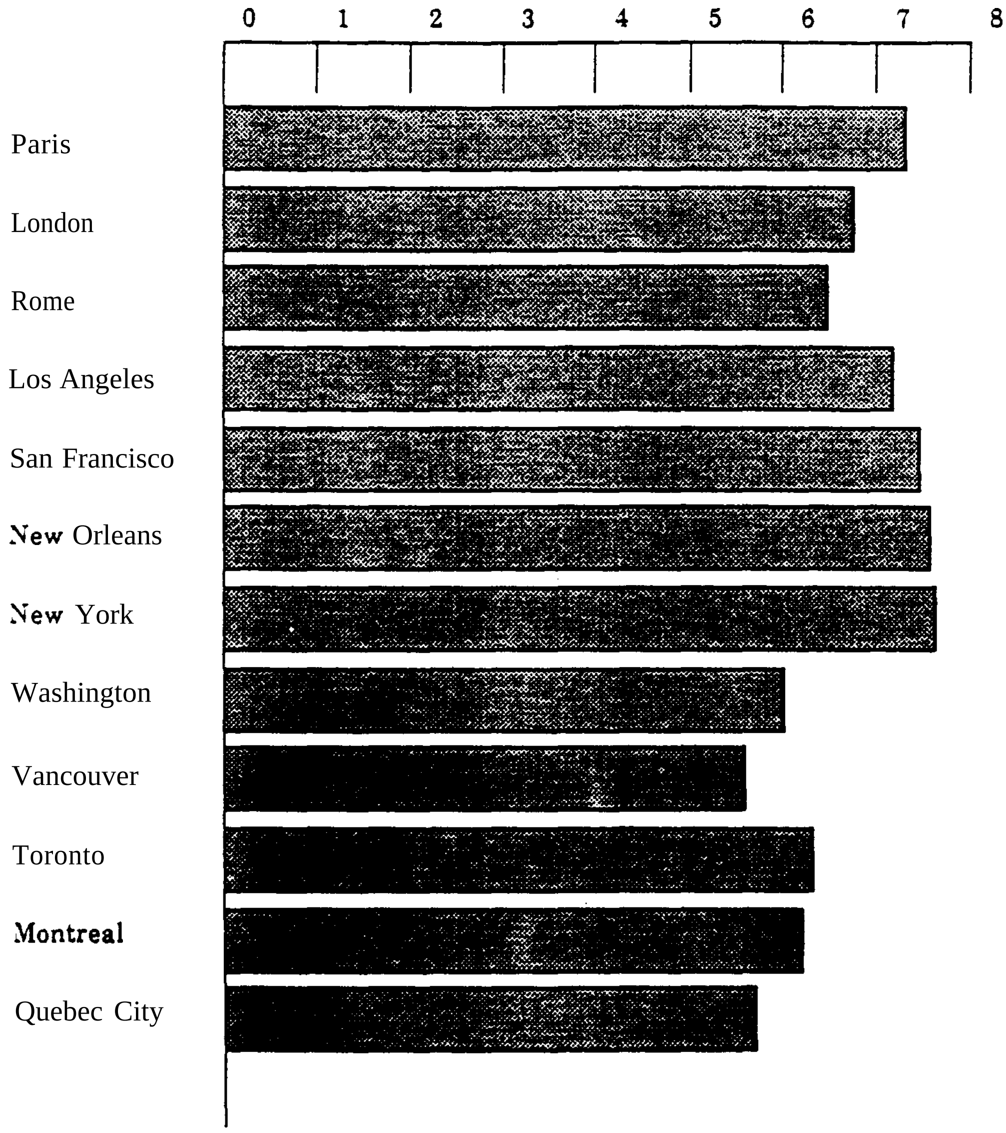
- According to the U.S. and the Canadian markets (the question wasn't asked in the overseas markets), no Canadian city is perceived as capable of offering a resort vacation.

- The U.S. market idenifies as a weakness (aside from the lack of sunny, reliable weather) the quality of the amenities (hotels, restaurants and nightlife).

- The resort image of Canada in the U.S. market is more outdoor than city-related (i.e. fishing lodges). The American market does not perceive Canada as having resorts (sand, sun and sea in exotic locations).

U.S. Market

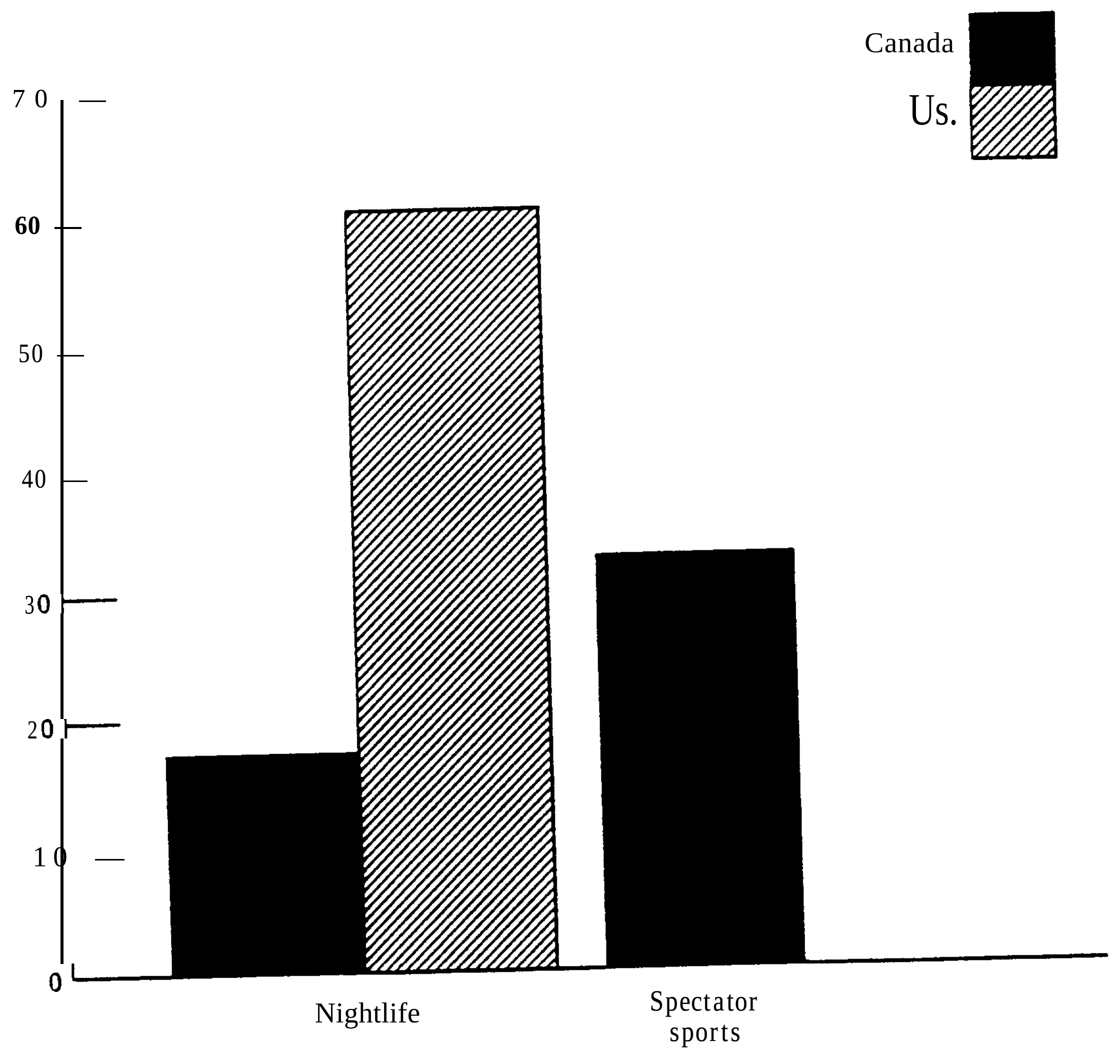
CITY IMAGE - ENTERTAINMENT



Entertainment includes: Not a dull city
Good place to live it up
A swinging city
Exciting nightlife and entertainment

Overseas Markets

PERCEPTION OF ENTERTAINMENT/ SPORTS
(% of those who have visited Canada who perceive our entertainment and sports to be better than other destinations)



Competitive Edge

Canada's Competitive Edge

Canada's competitive edge relies on comparative advantages which are *not related* to specific "city'* products:

- Safe
- Not crowded*
- Clean"
- Cities few have seen*
- Friendly local people
- Different cultures/ ways of life
- Inexpensive (especially its accommodation)*

* Vancouver has the top image among U. S., Canadian and European cities on these items, according to the U .S. market

Our Competition's Edge

U.S. and European cities have a comparative advantage over Canadian cities on specific "city" products:

- Cultural attractions (art and history)
- Entertainment/ nightlife
- Restaurants
- First-class hotels
- Shopping

Implications

- Although not a comparative advantage for Canada vis-à-vis other destinations, the city product line still constitutes a major tourism attraction for our domestic and international markets.

- Man y of Canada's perceived weaknesses reflect awareness problems within our markets. Others, however, would merit closer examination from a product development perspective.

- The quality of our restaurants and local cuisine is one which should be addressed due to its importance in the choice of a destination. A wide range of products with good value for money is essential. Further, local cuisine should be encouraged to reflect cultural differences.

- Nightlife is also a gap which has been recognized by our major markets.

- Our different culture and way of life should also be more closely linked to our city product line due to the importance attached to it by all markets and the comparative advantage it constitutes for us. It could serve to better package our city product and provide our cities with a clearer image.

OUTDOOR PRODUCT LINE

Product Elements Included

Accommodation: Campgrounds, Trailer parks

Outdoor Locations: Beaches
Wide open spaces
Seaside
Lakes and Rivers
Mountainous area
National Parks and Forests

Outdoor Sports: Viewing wildlife, birds
Water sports
Outdoor activities
Skiing
Fishing
Hunting
Golf, Tennis

Culture (Ethnic): Different culture
Different cultural groups

General Awareness / Interest

. The most attractive Canadian outdoor destinations for the U.S. market are:
Canadian Rockies
Pacific Coast
Ontario
Québec
Northern Manitoba, Saskatchewan
Arctic
Newfoundland

. All areas of Canada are recognized by overseas market segments as offering an outdoor product.

Perception of the Outdoor Product Line

- Canada is well perceived on all of its outdoor attributes except beaches. [t also fares very well as a good place to experience a different culture/ways of life.

- Canada even has a comparative advantage (perceived better than other destinations) on the following items:

  Outstanding scenery
  National parks/forests
  Seeing wildlife/birds
  Fishing/hunting

- When compared specifically to the U. S., Canada is rated better by Overseas Markets on all of the above as well as:

  Outdoor activities (hiking/climbing)
  Snow skiing*

- The Canadian market believes Alberta and British Columbia to have the clearest outdoor/wilderness image.

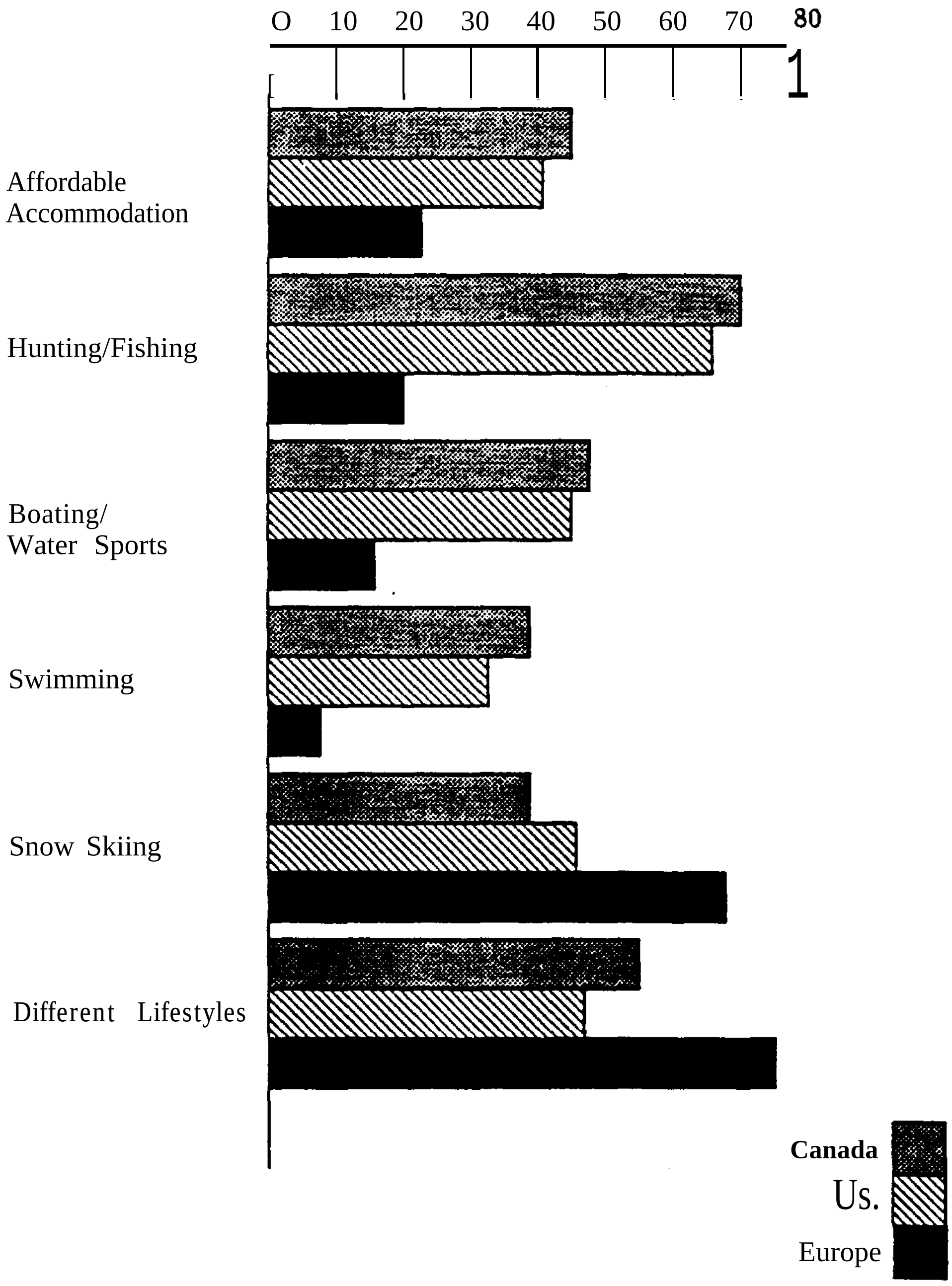
- In the domestic market, Maine competes strongly for oceanside vacation experiences alongside Newfoundland, which is also perceived as having lakes, streams and oceanside.

  (Note that the Canadian outdoor market prefers traveling within Canada.)

* Snow skiing is perceived worse in Canada by the U.S. market (only 30% agree that Canada offers good skiing as opposed to 46% for the U.S. and 68% for Europe).

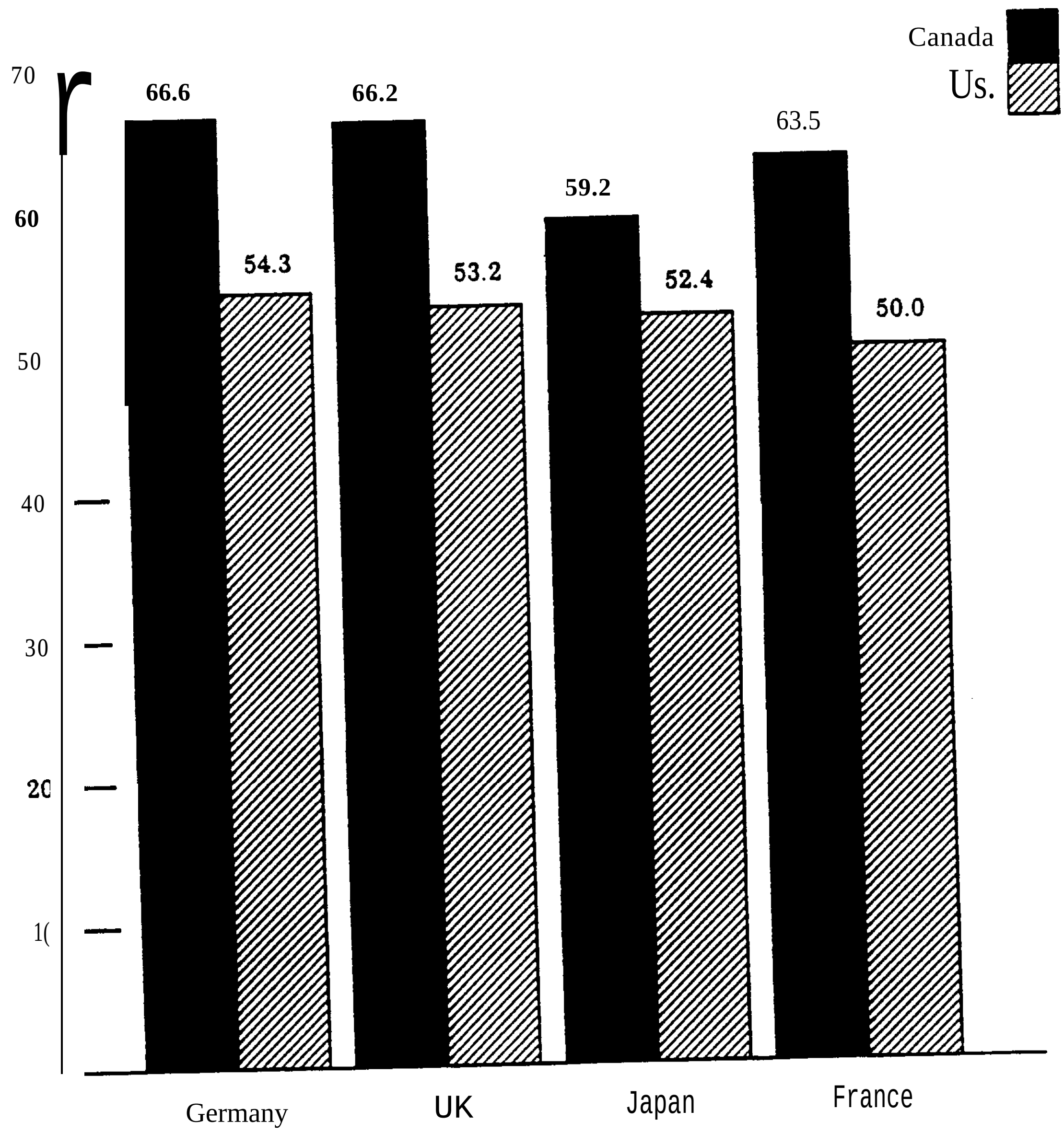
U.S. Market

IMAGE
(High Potential Outdoor Travelers to Canada)
-% agreeing strongly-



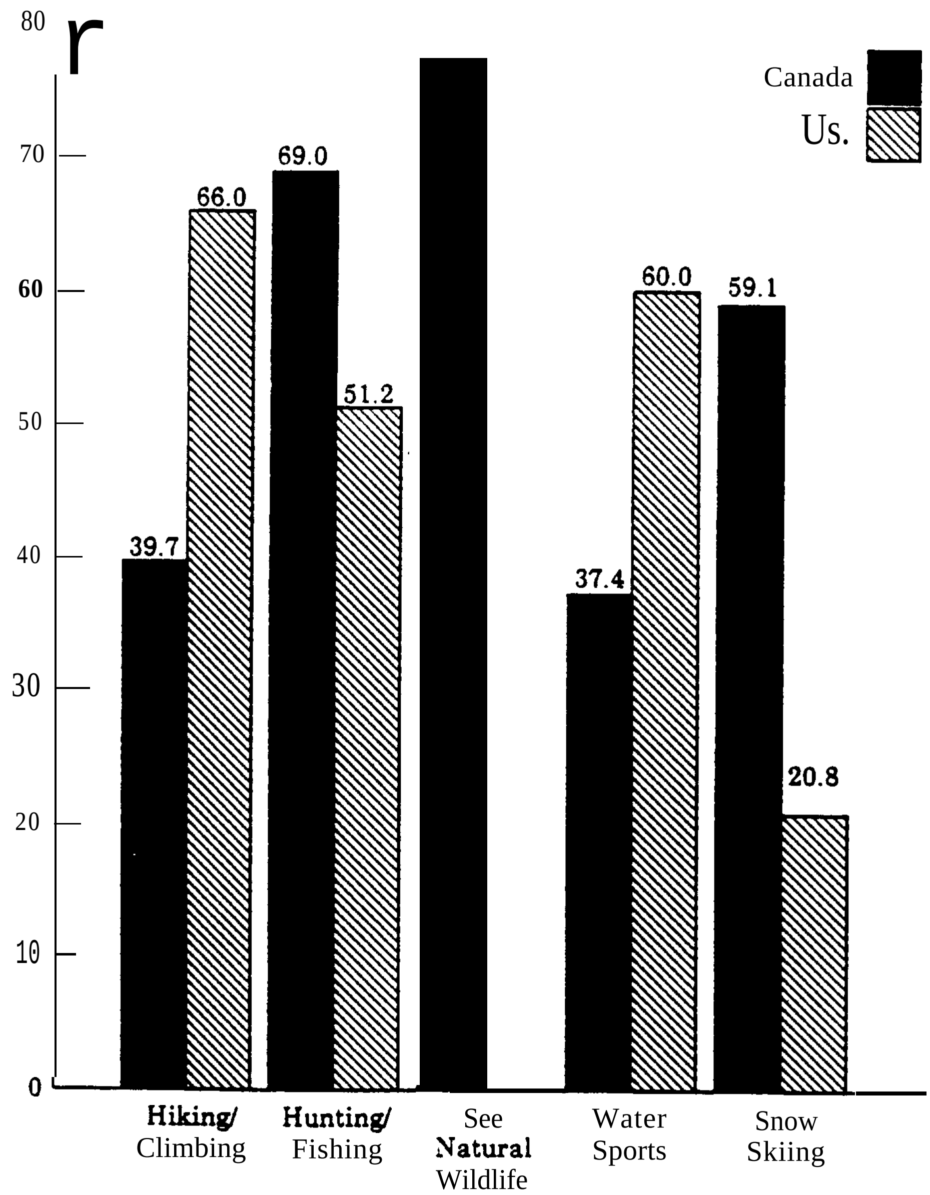
Overseas Markets

PERCEPTION OF CANADIAN OUTDOOR PRODUCTS
(% of those who have visited Canada who perceive our outdoor product to better than other countries)



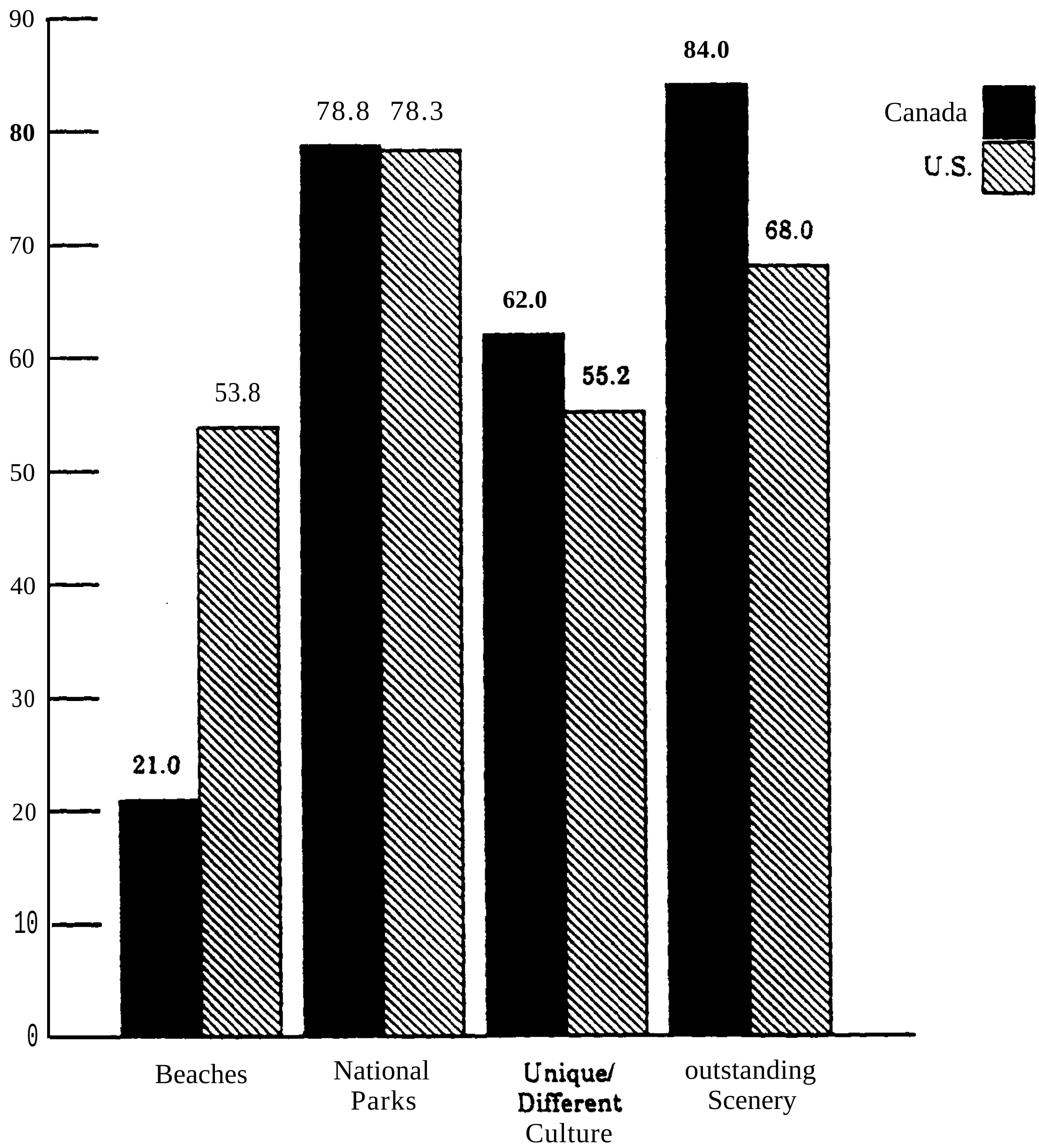
Overseas Markets

PERCEPTION OF OUTDOOR PRODUCT LINE
(% of those who have visited Canada who perceive our outdoor products to be better than other countries)



PERCEPTION OF OUTDOOR PRODUCT LINE
(% of those who have been to Canada who rate our outdoor products to be better than other countries)

Other Products



Implications

“Soft” outdoor /scenic vacations

. Canada certainly is well perceived on its scenic product attributes.

. Budget accommodation was not perceived as a strength. It is not known whether campgrounds suffer from the same perception. The implication would be that a closer look be taken to ensure that quality accommodation be offered through an easily accessible and "packageable" network.

. National parks are certainly a key component of this type of holiday. They should be examined with a view to better match this product to market demand and to better integrate this product to other tourism products.

Specialized Activities

. Canada is in a position to offer high quality outdoor activities, such as hiking/climbing, hunting/fishing, and even more specialized adventure products. These, however, appeal to smaller vertical markets and should not be developed/packaged to meet the needs of the general outdoor traveller.

. Skiing does not offer as clear a picture. Although overseas markets perceive Canadian skiing to be internationally competitive (about 60% feel that we offer a better product than other destinations, while only about 20% feel the U.S. to do the same), the U.S. market prefers to ski in Europe or at home.

Information on resort perceptions in the U.S. market pointed to the fact that Canadian resorts are perceived as lacking basic infrastructure and amenities (quality accommodation, restaurants and nightlife). This further worsens the positioning of Canadian ski resorts within the U.S. market.

HERITAGE AREAS PRODUCT LINE

Product Elements Included

Accommodation: First-class hotels
Budget accommodation
Campgrounds, Trailer parks

Outdoor-Related Items: National parks and forests
Lakes and rivers
Mountainous areas
Wide open spaces
Wildlife and birds
Outdoor activities

Culture-Related Items: a. History: Historic cities
Historic sites
b. Arts: Theatre/concerts
Museum/art galleries
Local festivals
Local crafts
c. Ethnic: Interesting small towns/villages
Different cultural groups

Other: Amusement/ theme parks
Easy to see

General Awareness / Interest

- Perception of heritage areas is regional (not city specific). In fact, the U.S. market to be matched to this product line is the touring market.

- U.S. market perception of Canadian touring destinations (in rank order):

  Pacific Coast
  Ontario
  Quebec
  Maritime Provinces
  Rockies

- According to Canadian travelers, Quebec City is perceived more as a heritage destination than any other Canadian city.

- Overseas visitors perceive Canadian national parks, Ontario and Quebec, as offering a heritage product line more so than other Canadian destinations.

Perception of Specific Product Items

Accommodation

- The heritage product line has the widest range of accommodation of all product lines. It is a product line which can be purchased as a "rural/outdoors" holiday or as a more comfort/urban holiday.

- Overseas markets* rate Canada's fixed-roof accommodation worse than the U.S.

- The U.S. market rates the province of Quebec 4th out of the 12 touring destinations for 1st class hotels. The other Canadian touring destinations are rated relatively low (particularly the Rockies).

- In terms of affordable accommodation, the U.S. market rates the Maritime provinces 2nd out of the 12 touring destinations. The other Canadian touring destinations are rated relatively low (particularly the Rockies).

Outdoor-Related Items

- Canada definitely has an edge over other destinations on its outdoor attributes. National parks and outdoor activities are perceived better than the U.S.

- The U.S. market perceives the Canadian touring destinations first as having beautiful scenery.

- Canadian touring destinations are more clearly perceived as being areas where one can vie w wildlife than are the European and American destinations.

Cultural Attractions

a. History

- Canada is perceived worse than other destinations for its historical sites.

* Based on travelers who have visited Canada and those who have been to the U.S.

- The U.S. market perceives Quebec City as being noted for its history, although not nearly as much as European cities, and several American cities. In terms of touring destinations, Ontario and Quebec have the edge over other Canadian regions, as well as over California and the U.S. Rockies.

b. Arts

- Canada does not have an edge over other destinations on these products.

- Overseas markets* rate Canada as being worse than the U.S in its availability of museums and art galleries, as well as live theatre and concerts.

- The Canadian market differentiates Quebec City, Niagara Falls and Ottawa from other Canadian, American and European cities by live theatre, museums and art galleries.

c. Ethnic

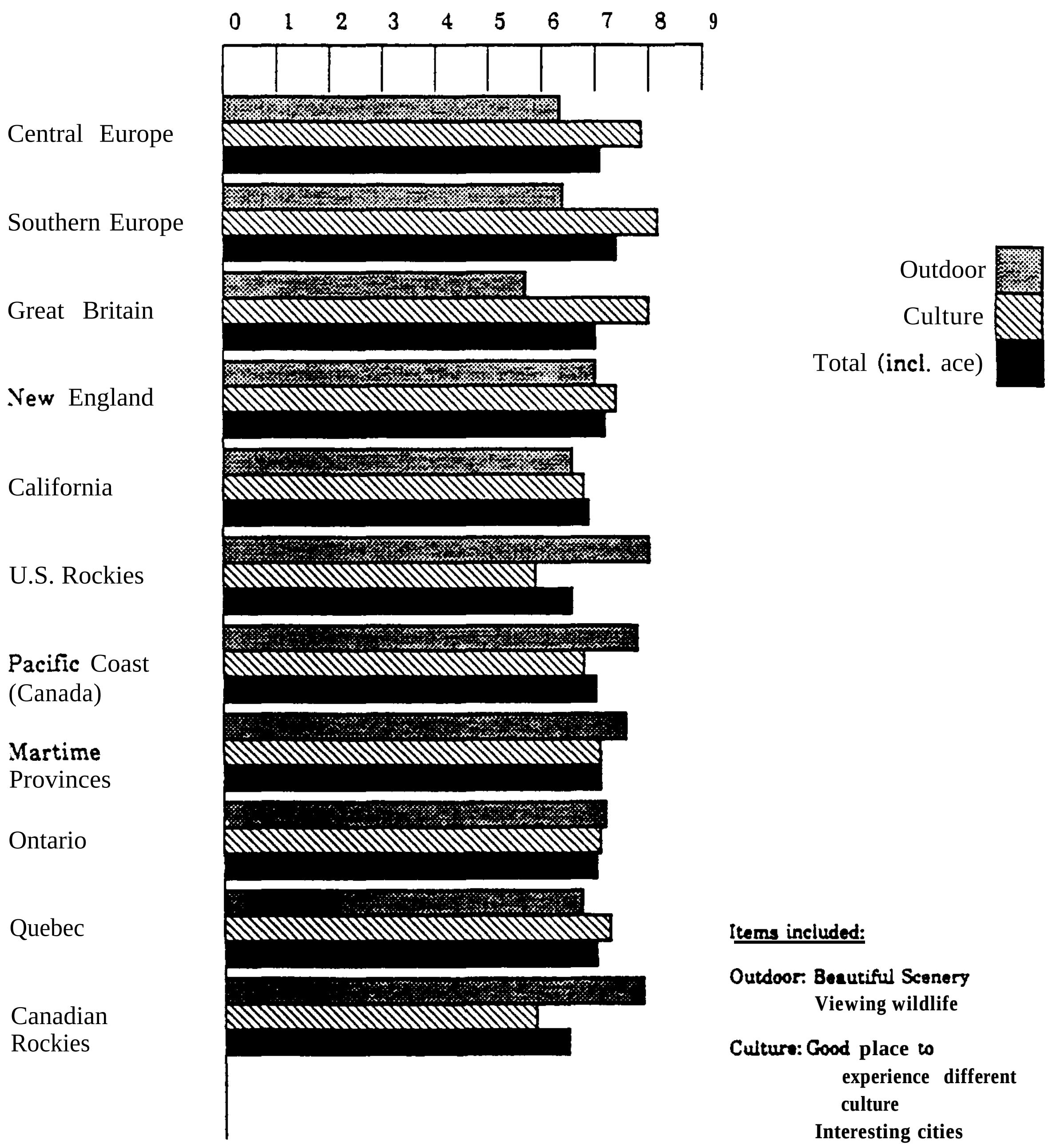
- The U.S. market recognizes Canada as a good place to experience a different culture (except for the Rockies).

- Except for the Rockies, Canada is perceived as having interesting cities and towns, but less so than European and American destinations.

* Based on travelers who have visited Canada and those who have been to the U.S.

U.S. Market

HERITAGE AREAS IMAGE



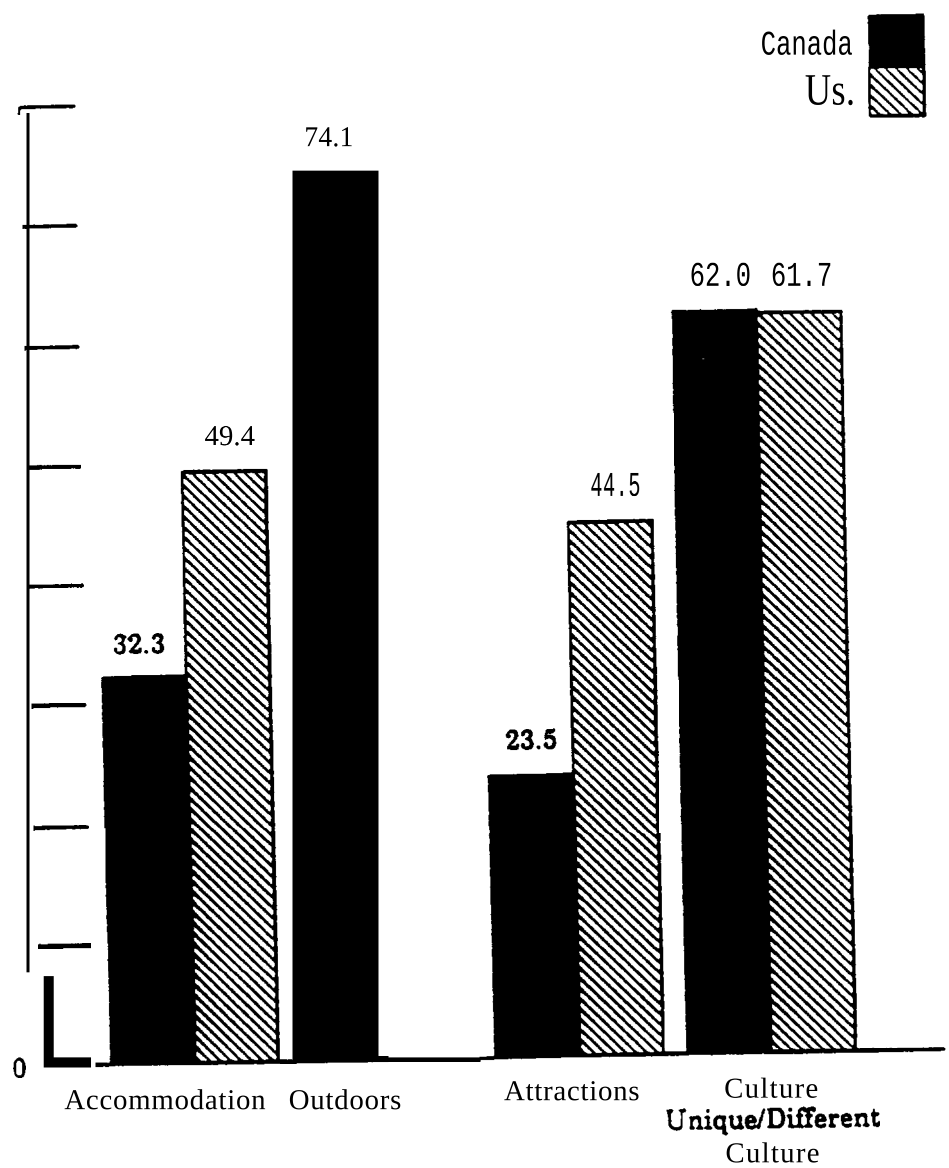
Items included:

Outdoor: Beautiful Scenery
Viewing wildlife

Culture: Good place to experience different culture
Interesting cities and towns
Noted for its history

Overseas Markets

PERCEPTION OF HERITAGE AREAS PRODUCT LINE
(% of those who have been to Canada who rate our heritage products better than other countries)



[replications

- According to the U.S. market, in terms of its heritage areas, Canada fares relatively well. The outdoor component is the strongest, except in the case of Quebec. Canada's major competitor in terms of the culture component is of course Europe.

- Still according to the U.S. market, New England and the Maritimes have a comparable overall Heritage image although the Maritimes are slightly stronger on the outdoors and New England on culture.

- The Canadian and U.S. Rockies have similar Heritage images, perceived to offer similar outdoor and culture products within their heritage areas.

- The same overall trend would seem to be followed by the overseas markets, perceiving Canada better on its outdoors, but the U.S. better on its services and cultural items.

- In terms of comparative advantages, then, it does not seem that Canada could effectively position itself as a destination offering Heritage areas *different from other countries*, aside from the fact that these would be perceived to be set in perhaps a more rural environment.

- Should Canada's cultural attractions improve in terms of their quality and/or diversity (or in terms of the markets' awareness of them), then the Heritage areas product line is one which should show marked improvement in its market positioning.

RURAL PRODUCT LINE

Product Elements Included

Accommodation: Budget accommodation
Campgrounds and Trailer parks

Outdoor-Related Items: National parks and forests
Lakes and rivers
Mountainous areas
Wide open spaces
Wildlife and birds
Outdoor activities

Culture-Related Items: a. History: Historic sites
b. Arts: Museum/art galleries
Local festivals
Local crafts
c. Ethnic: Interesting small towns and villages
Different cultural groups
Different culture

Other: Opportunities to increase knowledge

General Awareness /Interest

. The rural product line seems to be a sub-set of the Heritage Areas product line as it contains the same elements except for:

First-class hotels
Historical cities
Theatres/concerts
Amusement/theme parks
Easy to see

The 'comfort" and more "urban"-related items are therefore less important to the segments looking for a rural product.

. For the Overseas markets, not very many Canadian destinations are perceived mainly as rural. Those that are, are also perceived as Heritage areas. These are the Yukon, Newfoundland and Klondike National Park for the UK market and Jasper for the Japanese market.

- The Canadian market perceives the Maritime provinces and Ontario (outside of major urban centres) as offering a rural product.

Perception of Specific Product Items

The rural product is slightly better perceived by overseas and U.S. markets than the Heritage areas product (due to the elimination of items on which Canada was not perceived well).

Implications

Canada's ability to compete effectively against other destinations is probably satisfactory. Differences between such areas as the Maritimes and New England would prove to be to the advantage of the Canadian destination.

It is not a product line which appeals to a very large market (international travelers seem to be looking for a Heritage area rather than a rural area).

In the Canadian market, we see travelers looking for a short trip to visit relatives or to stay in campgrounds/cottage.

This information would indicate that the rural product line is not one which constitutes one of Canada's opportunities for tourism development.

BEACH PRODUCT LINE

Product Elements Included

Services: First-class hotels
Budget accommodation
High-quality restaurants
Shopping

Water-Related: Seaside
Beaches
Water sports

Entertainment: Nightlife/entertainment
Casinos/gambling
Golf/tennis

Other: Resort areas
Exotic atmosphere
Wide open spaces

General Awareness / Interest

- The overseas markets perceive British Columbia as having, along with its outdoor image, a "beach" image.

  Also, they perceive Toronto, Montreal, Vancouver and Niagara Falls as having the elements which form the beach product line.

- If we can equate "beach" with "resort", then we can note that for the U.S. market, 4 Canadans regions are perceived as resort areas (in rank order):

  - Québec
  - Pacific Coast .
  - Ontario
  - Canadian Rockies

  None of these regions, however, have as clear a perception of resort areas as do the U.S. and Mexican destinations identified by the U.S. market.

- The city which is closest to being associated with a resort area by the Canadian Market is Vancouver.

Perception of Specific Product Items

- Perception of items included in this product line is lower for Canada than for other countries (except for wide open spaces).

- It is clear that Canada is not positioned within the markets as a supplier of the beach/resort holiday.

- The U.S. market perceives Quebec slightly more clearly as a resort area than the other Canadian destinations identified. It has a distinct advantage over other destinations on its affordable accommodation, its local cuisine, its different culture and the many points of interest it offers within a short distance.

  All Canadian resort destinations are perceived by the U.S. market as being less expensive and as having beautiful scenery.

Implications

Canada is not perceived as being able to offer sun ‘n’ sand vacations. The quality of our amenities also appears to be lacking (hotels, restaurants, nightlife).

The Beach product line is not one in which Canada can compete successfully.

SPECIFIC PRODUCTS

SKI

- The Overseas markets have a better perception of Canadian skiing vacations than does the U.S. market.

- **60%** of overseas travelers feel that Canada offers a better ski product than other destinations, including the U.S.

- In the overseas study, it is interesting to note that a variety of activities are highly correlated with skiing (from other outdoor activities, to cultural/historical). Also, about **50%** of those who reported skiing also reported visiting friends and relatives.

- Only **1%** to **9%** of the sample of overseas travelers reported skiing on their trip to Canada. The % was **significantly** lower for trips to other destinations in the case of the Japanese and the French markets.

- The U.S. market prefers to ski in Europe or at home.

implications

- The Canadian ski product does not seem to be positioned favorably within the U. S., Canada's major international market.

- When taking into consideration the poor perception of Canadian resorts which the U.S. market has, we can assume that the Canadian ski resort experience is not one that is well appreciated by this market. The poor opinion of our resorts' infrastructure and amenities probably extends to our ski product.

- A lot of investment has been channeled into the ski industry in the past years. If perception remains bad, **it may be** a problem of awareness.

- The number of skiers in the sample is too small, however, to enable us to draw more specific conclusions.

FISHING/HUNTING

. The U.S. market perceives the resorts in the Canadian Rockies as having a competitive edge over all other resort destinations for their quality hunting and fishing product. experience.

. The other Canadian resorts areas (Ontario, Pacific Coast and Quebec) are also better perceived than U.S. and Mexican resorts areas in terms of their hunting and fishing

● Germany, the U.K. and France perceive Canada as offering a better hunting/ fishing experience than other destinations, including the U.S.

. Of the total geographic samples, only about 12% fished during their last trip in Canada (as opposed to 9% anywhere else). Hunting is, obviously, a less popular activity (3.5% hunted in Canada, as opposed to 1.8% anywhere else).

implications

. The numbers are too small to enable us to draw specific conclusions on the hunting and fishing product in Canada.

CRUISE/ MARINE TOURISM

. Only the U.S. market study reveals how the Canadian cruise product is perceived. It is, however, a trip type which does not account for a large portion of trips to Canada (1% of U.S. all trip-nights to Canada). The small sample size must be taken into "account when discussing results pertaining to this trip type.

. Canada is not well-known as a cruise destination. When asked to pick a Canadian destination for a cruise trip, the Pacific Coast was mentioned the most often.

. Our Canadian cruise destinations (Pacific Coast, Atlantic Coast and Thousand Islands) are perceived as:

- offering scenic beauty
- being inexpensive
- offering interesting ports of call

. However, Canada is not perceived as having a competitive edge vis-à-vis other destinations.

Implications

. If packaged similarly to other cruise experiences in other destinations, the Canadian cruise industry. cannot compete.

. Quality cruise vacations could be packaged with touring or city vacations to offer a different experience. Some could also be positionned as an adventure product.

NATIONAL PARKS

- Overseas markets rate Canadian National Parks better than other destinations (close to 90% of the European markets, and 50% of the Japanese market, perceive Canada as being better).

- National parks are also important in the choice of a destination for our Overseas markets.

- Travelers showing an interest in visiting National Parks belong to segments which are seeking mostly “Heritage” areas. - a mixture of rural and culture elements.

implications

. National Parks should be perceived as tourism generators, as well as one of Canada’s major competitive edge.

. As mentioned before, National Parks should be assessed with a view to:

Better integrate this product to other tourism experiences
- better packaging
- better access
- improved quality of amenities
- efficient distribution channe 1 - operators/wholesalers.

Better match this product to market demand (perhaps by providing the mix of rural/outdoor and culture which the market seems to be looking for).

AMUSEMENT/THEME PARKS

- Although Canada is not better perceived than the U.S. by most of its Overseas markets on **amusement/theme** parks, about 504’0 of those surveyed believed Canada to be better than other destinations.

  An interesting note is that nearly 50% of overseas visitors having visited these parks also reported visiting friends and relatives.

  Further, more overseas visitors reported visiting these parks while on a trip to Canada than on a trip anywhere else.

- In the U.S. market, our major competitor is the U.S. itself. Canada was a first choice in only **5%** of the cases, with the U.S. having an overwhelming 90% of the votes. (Note that perception of the U.S. market pertained to special events as well as parks.)

  In Canada, B.C. and Ontario have the most frequent mentions, with Niagara Falls being the most popular Canadian “Park”, followed by Expo ’86, Canada’s Wonderland and the Calgary Olympics.

  In terms of the advantages looked for in a **park,** Canada has the advantage only on the fact that the experience is perceived as being **"different"**. The U.S. market has a negative image of our infrastructure and amenities, which weakens our appeal.

implications

- Canadian **amusement/theme** parks seem to have a conflicting image in our markets, the U.S. market appearing to be less attracted by this Canadian product than are the overseas markets.

OTHER

THE TOURING TRIP

- The touring trip is the most popular trip type of Americans traveling to Canada (over 1/3 of trip-nights in Canada).
- As for overseas markets, most prefer traveling from place to place, rather than staying put in one location. Again, this indicates the popularity of the touring trip.
- The touring trip is of interest not only because of its popularity within the markets, but also because of its larger economic impact and of the wide variety of product attributes which it encompasses.
- During a touring trip, which lasts longer than other trip types, travelers stay at commercial accommodations, About 40% of them use a commercial means of transportation (primarily air carrier, but also bus). Almost 25% of all touring trips are package deals.
- The touring trip incorporates outdoor, rural and urban products. Small towns and big cities alike are part of the itinerary, together with natural parks on the one hand and museums on the other.
- Although Canada is well perceived for its outdoor attributes, Canada's edge in the touring market centres around its different culture/way of life.
- Canada's weaknesses in the eyes of the U.S. touring market are major: less excitement and things to see and do, poorer climate and poorer infrastructure.
- Touring circuits known to the U.S. traveller are located in the Maritimes, in the Rockies and in Ontario/Québec. The Pacific Coast has also been identified.

Implications

- Canada would seem to have the need for awareness campaigns to reposition its major touring circuits as areas containing a variety of things to see and do as well as quality infrastructures. Myths about the climate should also be dispelled.

- In terms of product development, an assessment of our major touring circuits should be conducted to identify gaps in the product mix (e.g. attractions, amenities and services around attractions, high quality restaurants) as well as insufficient quality levels (e.g of our budget accommodation or local cuisine).

  Other areas to consider which play an important role in touring trips are signage, availability of tourist information (e.g. circuit suggestions, etc.) and an efficient travel trade distribution channel to service the large portion of travelers opting for package deals.

  Further, individual products (restaurants, hotels, attractions) should seek to better integrate their services in order to increase their appeal as part of a touring trip.

SERVICES - ACCOMMODATION

- Overseas markets rate Canada's accommodation (first class hotels and budget accommodation) as being worse than the U.S. Further, about one third perceive Canada as being better than other destinations as opposed to 50% who perceive the U.S. as being better than other destinations, which indicates that the U.S. is more internationally competitive.

- Germany and France especially have a more negative perception. This is particularly so for budget accommodation.

- The U.S. market perceives Canadian destinations as offering affordable accommodation. Although Canada also has an image of first-class hotels, this image is stronger for U.S. and European destinations. Vancouver is particularly weak in the U.S. market in terms of its first-class hotels.

- Accommodation in our resort areas is also perceived negatively by the U.S. market.

Implications

- A good look has to be taken at our accommodation sector to ensure that it caters well to all our major markets (wide range of product and good value-for-money at all levels of quality within the range).

- Further, good quality accommodation should be available within all major touring circuits, i.e. outside of urban centres.

- The accommodation sector should be working closely with other suppliers of tourism products (i.e. carrier, attractions), in order to offer high quality packages. These would provide the accommodation sector with a clearer image and a better positioning.

SERVICES - RESTAURANTS

- In the eyes of our overseas markets, the Canadian food and beverage sector is not of quality. Both high-quality restaurants and local cuisine rate poorly.

- For the U.S. market, only Quebec City has an edge for its local cuisine.

implications

- Restaurants and cuisine are important elements in the choice of a destination. They are also a major vehicle for any country's culture and way of life, two attributes which are also important in the choice of a destination.

- The key role which our restaurants and cuisine play in travel habits and vacation experiences is enough to justify that more attention be paid to them.

- Like the accommodation sector, a wide range of food and beverage establishments with good value-for-money at each level is essential.

- Further, local cuisine should be encouraged to reflect cultural differences and typify unique ways of life. Local cuisine, whether it be offered in an urban or a touring/rural setting, should be better integrated in the travel "package" as a tourism product in its own right.

HOSPITALITY

. It has already been noted that Canada is well perceived in its overseas markets for its friendly local people. (It is perceived better, in fact, than the U. S.) It should also be noted that those who have been to Canada before have a better perception of this than those who have never been here (60% say we fare better than other destinations as opposed to 50%).

The friendliness of the people as well as a warm welcome for tourists are also considered *extremely* important in the choice of a destination (over 85% feel that they are important factors).

. Other factors related to hospitality on which the overseas markets were questioned are:

- simple entry formalities
- easy to find tourist information.

Both these factors were rated important in the choice of a destination (over 76% rated them important).

Implications

. Due to their importance in the choice of a destination, it is worthwhile to consider all of these factors. in the development or implementation of a hospitality "program".

COST / VALUE FOR MONEY

. Overseas markets do not perceive Canada well in terms of "value for money" and the "cost of traveling to the destination", although Canada is not necessarily perceived worse than other destinations (perception is better for those who have been in Canada).

- The U.S. market perceives our 4 Canadian resort areas as being less expensive than US. and Mexican resort areas (especially the Canadian Rockies).

  Our cities are also perceived as being less expensive than U.S. and overseas cities, particular Vancouver and Quebec City.

  Again, Canada comes out strongly as inexpensive touring destinations vis-à-vis European touring areas and California. (Canada is perceived as being comparable to New England, but more expensive than the U.S. Rockies.)

[replications

. These market results indicate that in most of our markets, the cost of a Canadian vacation is not perceived too negativeI y, and is often perceived favourabl y. Cost, therefore, would not constitute a deterrent to travel to Canada.

PACKAGED VACATIONS

- All-inclusive package trips (with accommodation and airfare included) are generally not too popular with the European markets:

	% of all-inclusive trips
U.K.	26%
France	24%
Germany	39%

  Japan favours this type of trip, however, with 65% of all trips being ail-inclusive in nature.

- In all cases, the proportion of all-inclusive trips was lower for trips to NorthAmerica than anywhere else, Canada often having the lowest proportion.

- Fly-drive is a type of package which is significantly more popular for Canada and the U.S. than for any other destination.

- Of the total pleasure travelers in the U. S., approximately 10% use package trips as their primary means of enjoying a vacation.

- Travel agents play an important role in booking all-inclusive trips as well as the commercial transportation portion of other package trips.

- In the U. S., most packaged travelers are fret-time visitors to Canada and are found enjoying a touring trip.

Implications

. The types of packages to be developed are not of the all-inclusive type.

. Actually, the propensity for travelers (including the Japanese) to travel independently to Canada **would suggest that ways** to make travelers more "comfortable" should be an important area of consideration:

- language **spoken**
- **availability of travel information within the markets and in Canada**
- **ease of access to major** tourism areas (circuits **and destinations)**
- **interesting packaged deals to be tied to a flydrive package or to an independent travel** experience (accommodation/attraction combination, for instance, available to the independent **traveller)**

Trip Type Definitions as per the U.S. Pleasure Market Study

1. A visit to friends and relatives is a trip whose primary purpose is to visit and spend time with friends or relatives.

2. A close-to-home leisure trip is a trip to a place close to home where you can enjoy facilities related to a beach, lake, seashore or park.

3. A touring trip is one by car, bus or train through areas of scenic beauty, cultural or general interest.

4. A city trip is a journey to a city where you may shop, visit museums, enjoy entertainment, dine, attend plays or concerts, or just stroll around and enjoy the city.

5. An outdoors trip occurs in a natural area where you may engage in activities such as camping, hunting, fishing, hiking or rafting.

6. A resort trip is a journey to a resort or resort area where a wide variety of activities such as beaches, skiing, golfing, tennis and so on, are available nearby or on the premises.

7. A cruise is a trip on a cruise ship where you enjoy all the on-board activities and planned stops at points of interest along the way.

8. A trip to a theme park, exhibition or special event is taken primarily for the purpose of visiting a major theme park or exhibition or special event such as a Super Bowl, World's Fair or Olympic Games.