Travel Intentions Study

Wave 18

Survey Conducted: February, 2014

Presentation Date: April 4th, 2014

MINISTRY OF TOURISM, CULTURE AND SPORT

Toronto Convention & Visitors Association

1
Overview and Business Issues

TNS Growth Map

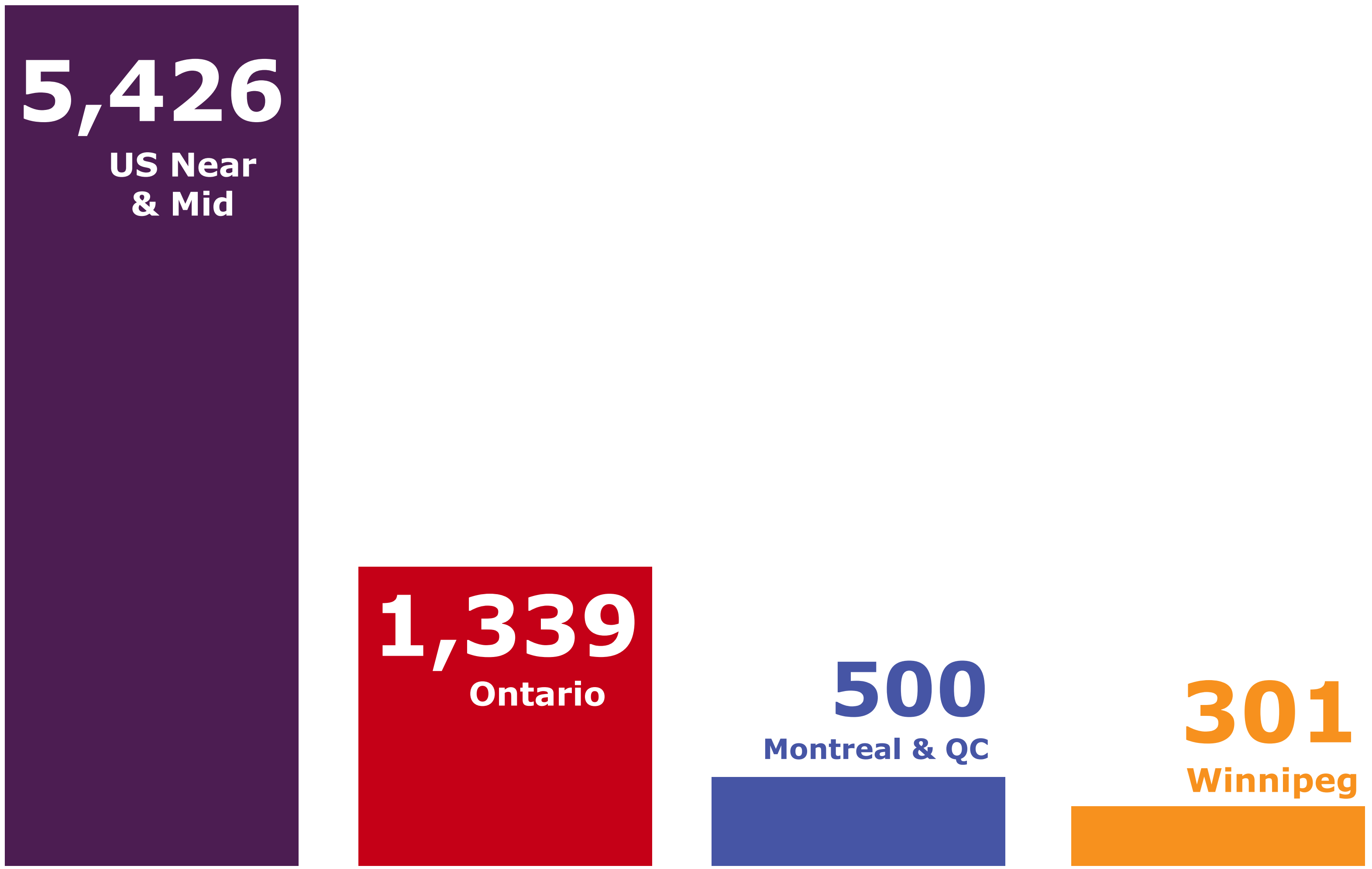
Your business issues

- The OTMPC is mandated to help grow the province's tourism industry.
- Substantial growth is planned and expected.
- The challenges are significant. (economy, traditional/emerging markets, border issues).
- The OTMPC's primary mandate is close to home – the domestic market, Quebec and the relatively nearby US.
- In these markets there is a need to:
  - increase loyalty and spend (especially domestically),
  - attract new customers (esp. in the US),
  - focus on key consumer segments (messaging and product bundling).
- It is critical to manage these priorities for the upcoming Spring and Summer seasons.

2

Study Background

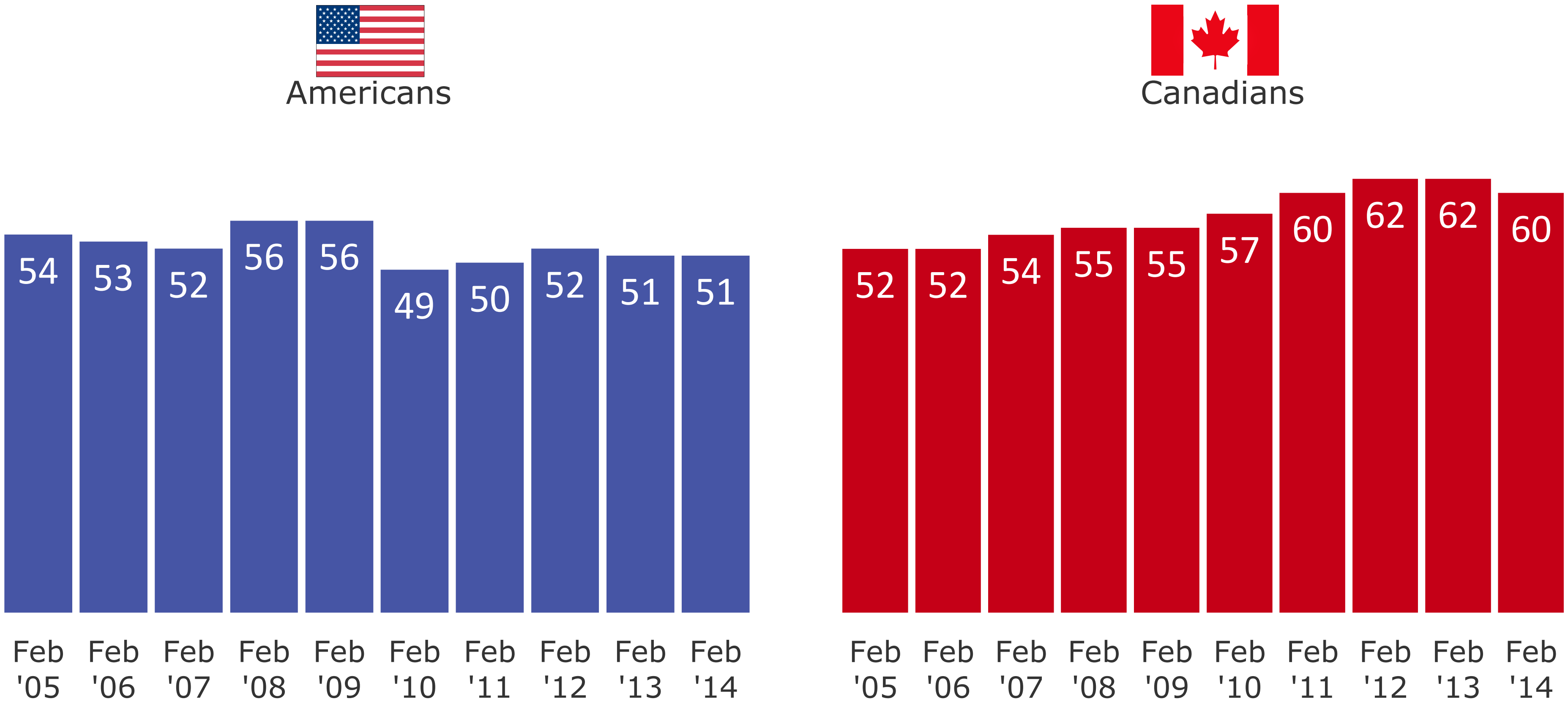
An online survey with large samples



3
Propensity To Travel & Trip Planning

Intent to take overnight trip in March/May to any destination

Percent of American and Canadian adults



Various aspects considered in planning process for pleasure travel

Percent of American adults who claim statement applies to them

	Americans	Change vs. Feb '13 %	Change vs. Feb '12 %	Change vs. Feb '11 %
In general I look for discounts on travel	69%	+2	+10	+10
Like to have all travel arrangements taken care of before I leave	66%	+3	+13	+12
Use the Internet to plan my pleasure travel and to access various choices	64%	+1	+6	+6
Use the Internet to book my pleasure trips	59%	+3	+11	+9
I am likely to make last minute bookings	18%	+2	+4	+3
I prefer to use a travel agent rather than research options on my own	14%	+1	+3	+1

Statistically significant increase vs. previous wave at 95%
Statistically significant decrease vs. previous wave at 95%
Q24. Next we have a few questions about travel in general. Which of the following statements would you say apply to you?

4
Travel Intention Details

Intended travel patterns of US residents this spring season

Percent of US adults stating intent to travel to specific destinations in March/May

Destinations:	Feb. '14	Change vs. Feb. '13 %	Change vs. Feb. '09 %
Within Own State	30%	+1	-2
Elsewhere In US	41%	±0	-2
Ontario	9%	+1	+2
Toronto	5%	+1	+2
Niagara Falls	7%	+2	+2
Ottawa	2%	NA	NA
Elsewhere In Ontario	3%	NA	NA
Other Canada	4%	±0	±0
Mexico/Caribbean	7%	+1	-1
Other Country	6%	+1	-1

Average number of trips per visitor increasing

Statistically significant increase vs. previous wave at 95% (Within Own State vs. Feb. '09: -2 is a significant decrease; Niagara Falls vs. Feb. '13, and Ontario, Toronto, Niagara Falls vs. Feb. '09: significant increases)

Statistically significant decrease vs. previous wave at 95%

Ontario travel intention incidence by specific US market

		Percent Of Adults In Each Market Stating Intent To Travel To Ontario				
		During March - May			During June - Aug	
		As Of Feb '14	Change Feb '11 to '14	Change Feb '13 to '14	As Of Feb. 14	Change Feb. '13 To '14
Buffalo	%	25	+2	+9	18	+5
Rochester	%	22	+1	+8	18	+6
Syracuse	%	12	+1	±0	10	+2
New York City	%	17	+9	+5	14	+5
Pittsburgh	%	14	+8	+11	11	+6
Detroit	%	16	+3	+6	12	+4
Cleveland	%	14	+5	+1	10	+2
Boston	%	9	+1	+2	7	+4
Washington	%	6	-1	-1	8	+1
Cincinnati	%	10	+6	+1	10	+3
Milwaukee	%	8	-3	±0	7	+1
Indianapolis	%	0	-8	-1	3	+2
Chicago	%	10	+4	+1	9	+3
Philadelphia	%	8	±0	+2	7	+2
Minneapolis	%	6	+3	-1	6	+1
Total US	%	9	+2	+1	8	+2

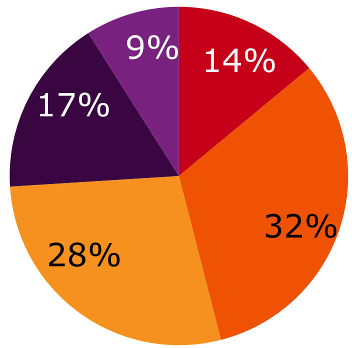
Statistically significant increase vs. previous wave at 95%
Statistically significant decrease vs. previous wave at 95%

Latent interest in visiting Toronto and Ottawa among Americans (Feb '14)

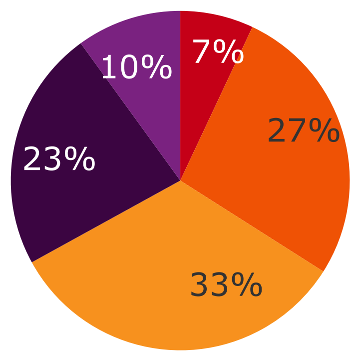
Percent of American adults

Interest in visiting in next 2 years	Change in interest vs. Feb. '13: Very	Change in interest vs. Feb. '13: Not At All
Toronto	+4%	-3%
Ottawa	N/A	N/A

Toronto



Ottawa



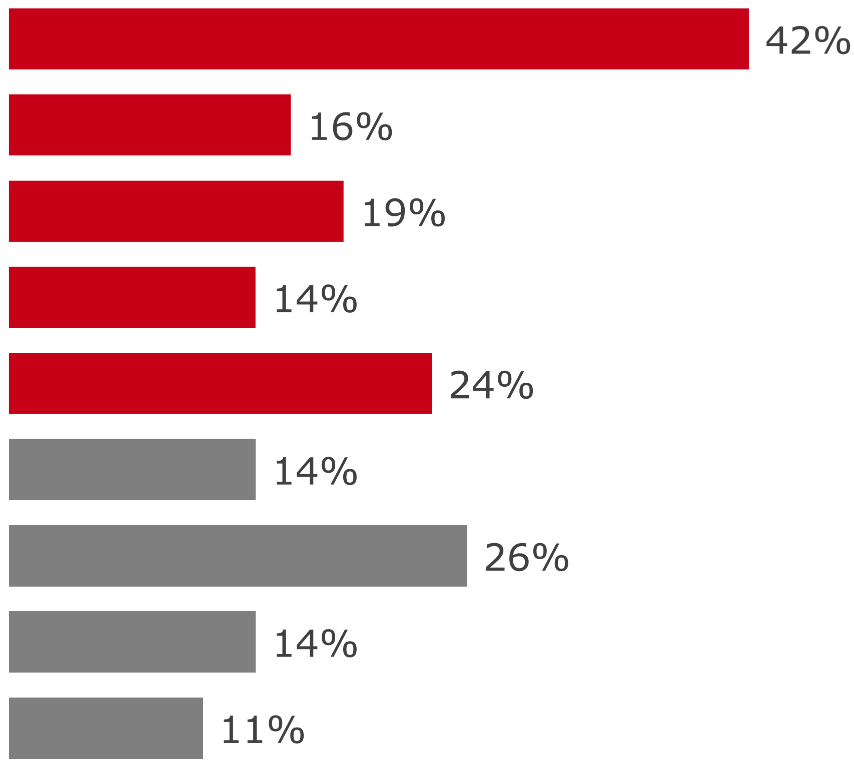
- Very
- Fairly
- Not very
- Not at all
- Don't know

Q18B. How much interest do you have in visiting (Toronto/ Toronto, Ontario) within the next two years or so?
Q19A. How much interest do you have in visiting Ottawa, Canada's Capital within the next two years or so?

Intended travel patterns of Canadians this spring season

Percent of Canadian adults stating intent to travel to specific destinations in March/May

Destinations: Feb. ‘14



Destinations	Change vs. Feb. ’13 %	Change vs. Feb. ’09 %
Ontario	+1	+7
Toronto	+1	+5
Niagara Falls	-1	+6
Ottawa	NA	NA
Elsewhere In Ontario	NA	NA
Other Canada	-4	+1
United States	-3	+6
Mexico/Caribbean	+1	+6
Other Country	-1	+4

Statistically significant increase vs. previous wave at 95%
Statistically significant decrease vs. previous wave at 95%

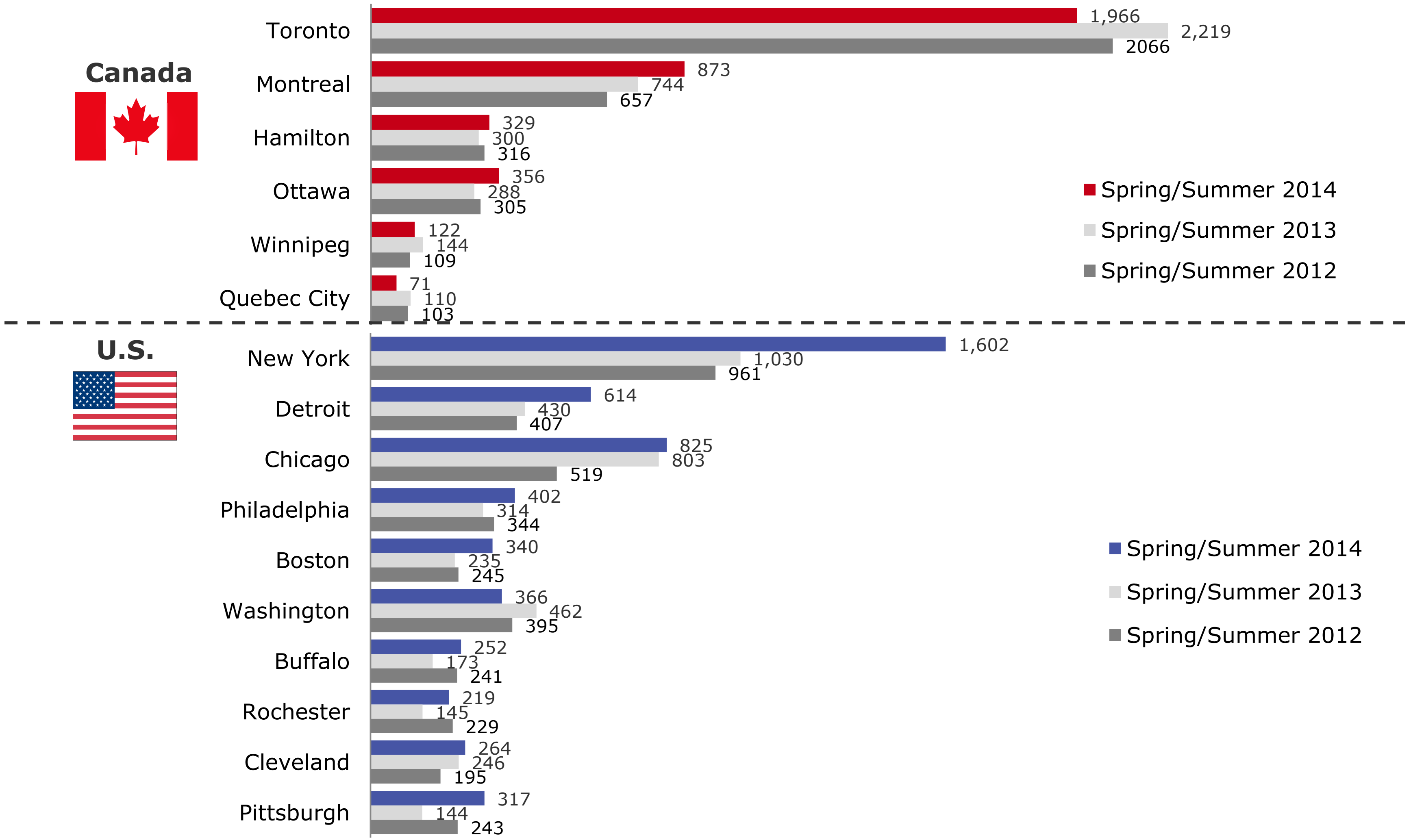
Ontario travel intention incidence by specific Canadian market

		Percent Of Adults In ….. Stating Intent To Travel Within Ontario				
		During March - May			During June - Aug	
		As Of Feb '14	Change Feb '11 to '14	Change Feb '13 to '14	As Of Feb. '14	Change Feb. '13 To '14
Quebec City	%	7	-5	-11	10	-3
Montreal	%	27	+5	+6	21	±0
Ottawa	%	50	+3	+5	48	+3
Toronto	%	49	-4	-4	41	-9
Other Ontario	%	52	+2	+5	49	±0
Winnipeg	%	16	-1	-3	14	-7
Total Canada	%	42	±0	+1	38	-3

Statistically significant increase vs. previous wave at 95%
Statistically significant decrease vs. previous wave at 95%

Potential volumetric impact of stated Spring/Summer intentions

Projected number of adults in each market intending to visit Ontario in the Spring and/or Summer (in '000s)

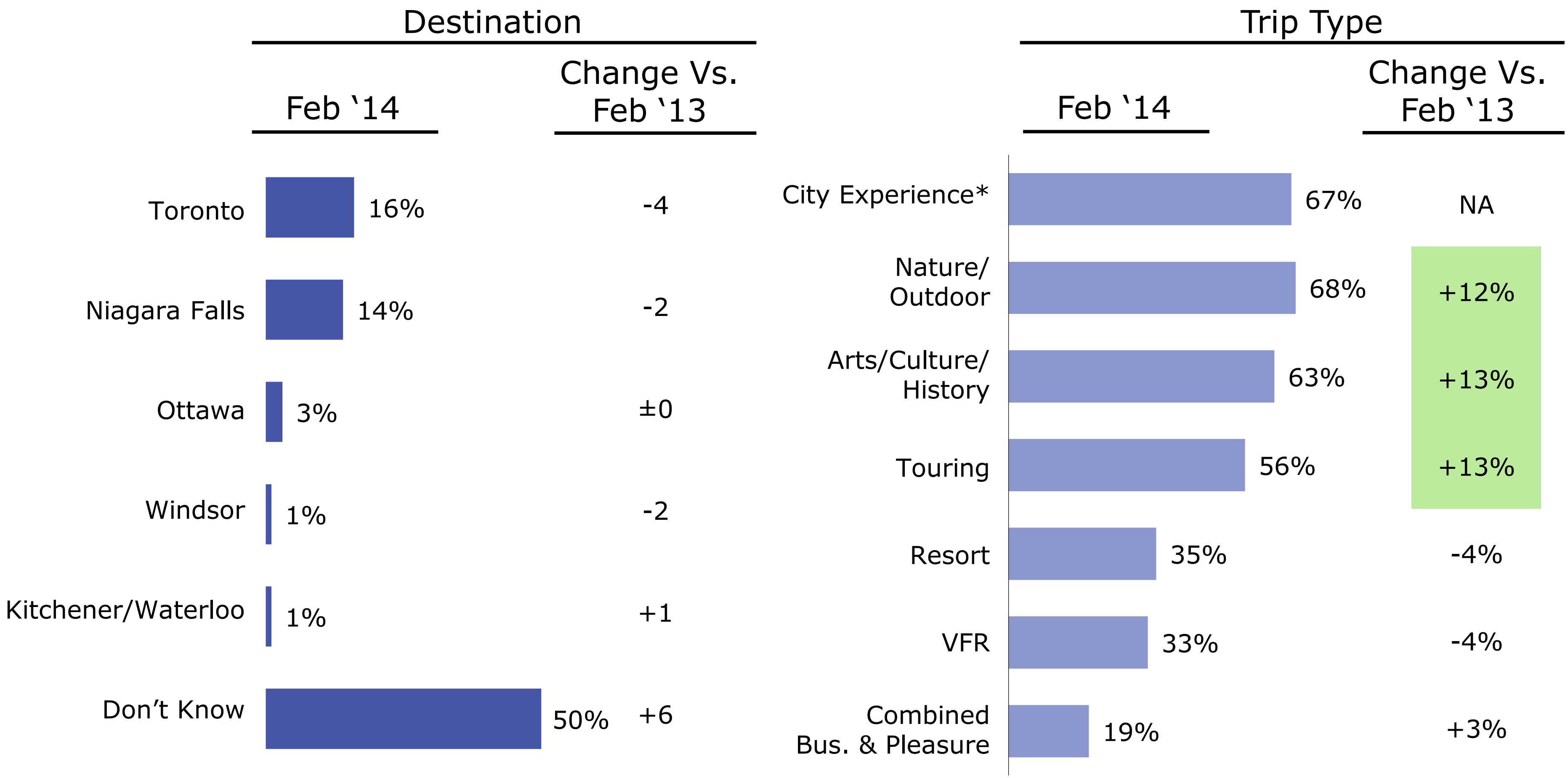


5
Next trip to Ontario

TNS

Details of next pleasure trip among Americans

Percent of Americans intending to visit Ontario for pleasure in March-May



Note: Only destination with at least 1% response in Feb '13 shown.
* Changed from "Big City" in 2014

Statistically significant increase vs. previous wave at 95%
Statistically significant decrease vs. previous wave at 95%

Details of next pleasure trip among Canadians

Percent of Canadians intending to visit Ontario as pleasure in March-May

Destination

	Feb '14	Change Vs. Feb '13
Toronto	12%	+1
Niagara Falls	11%	-1
Ottawa	10%	±0
Brampton	3%	+3
Hamilton	3%	+2
London	2%	±0
Kingston	2%	±0
Don't Know	28%	+1

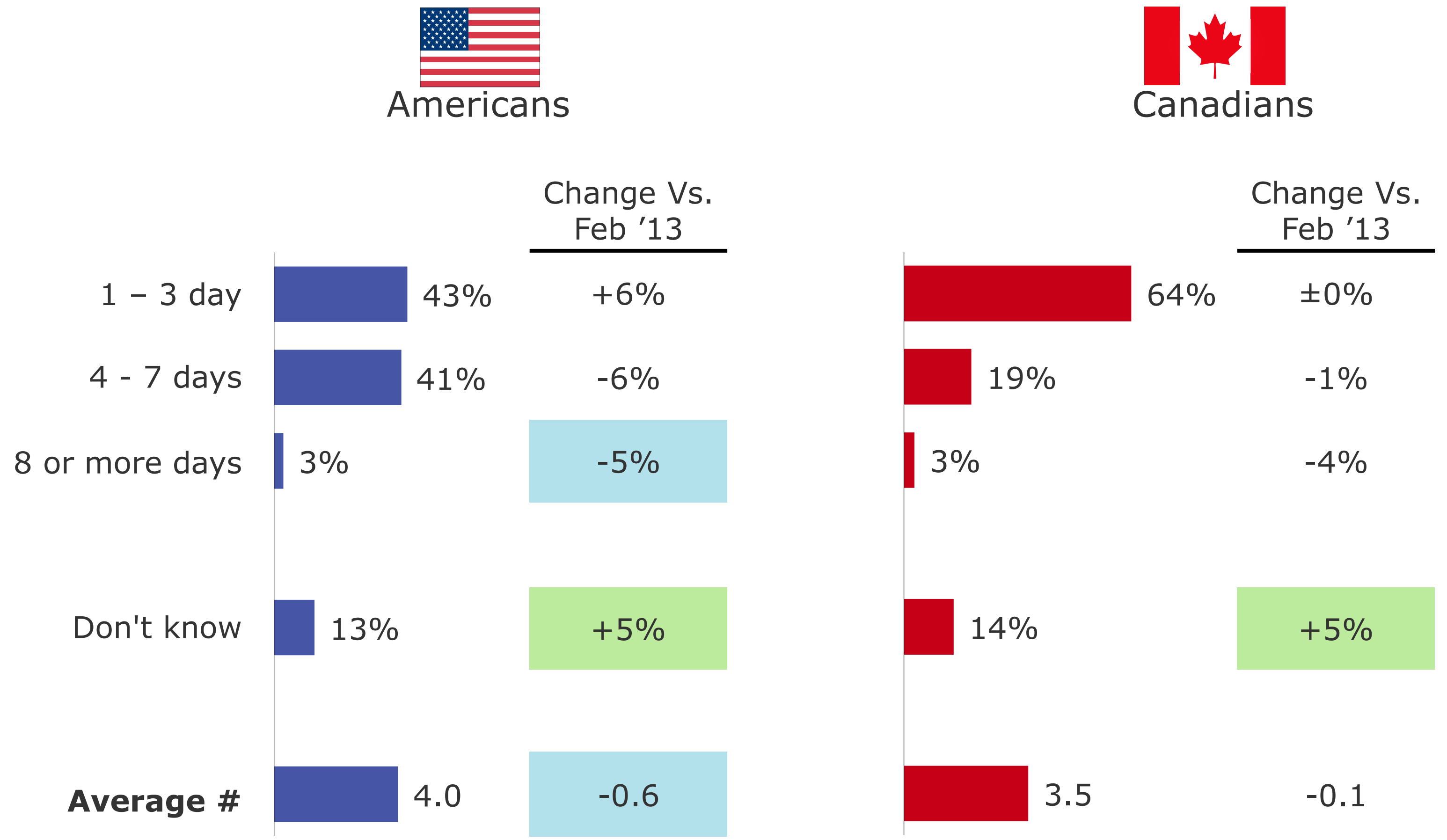
Trip Type

	Feb '14	Change Vs. Feb '13
VFR	62%	+5
City Experience*	49%	NA
Nature/Outdoor	47%	-5
Arts/Culture/History	41%	+1
Touring	30%	+2
Resort	18%	-6
Bus. & Pleasure	10%	+1

Statistically significant increase at 95% vs. Feb '13
Statistically significant decrease at 95% vs. Feb '13

Length of next pleasure trip to Ontario

Percent intending to visit Ontario on pleasure trip this spring (March-May)



Statistically significant increase at 95% vs. Feb ‘13
Statistically significant decrease at 95% vs. Feb ‘13
Q6A. How many days do you expect this pleasure trip of one or more nights (to/within) Ontario to take?

6
Perceptions of Ontario

Rating Ontario for specific imagery characteristics

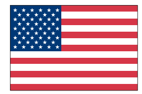
Average score* among travellers in each case

	U.S.						Canada					
					Change vs.						Change vs.	
	Feb '09 #	Feb '12 #	Feb '13 #	Feb '14 #	'09 To '14 #	'13 To '14 #	Feb '09 #	Feb '12 #	Feb '13 #	Feb '14 #	'09 To '14 #	'13 To '14 #
Safe from terrorists	7.5	7.5	7.7	7.6	+0.1	-0.1	7.8	8.2	8.2	8.4	+0.6	+0.2
Safe from crime	7.5	7.3	7.4	7.3	-0.2	-0.1	7.8	7.6	7.4	7.6	-0.2	+0.2
Familiar place	N/A	5.0	4.9	4.9	N/A	±0.0	N/A	7.9	7.8	7.8	N/A	±0.0
Good value for money	7.0	6.9	6.9	6.8	-0.2	-0.1	7.3	7.3	7.3	7.3	±0.0	±0.0
Lots to see and do	7.5	7.6	7.7	7.6	+0.1	-0.1	8.1	8.1	8.0	8.0	-0.1	±0.0
Friendly	7.6	7.6	7.7	7.6	±0.0	-0.1	8.0	8.1	8.1	8.1	+0.1	±0.0
Don't have to worry about health (issues)	7.6	7.5	7.6	7.5	-0.1	-0.1	8.1	8.3	8.3	8.4	+0.3	+0.1
Can drive there/Easy to get to	7.7	7.2	7.4	7.2	-0.5	-0.2	8.5	8.4	8.4	8.3	-0.2	-0.1
Offers interesting travel experiences	N/A	7.5	7.6	7.5	N/A	-0.1	N/A	7.9	7.8	7.8	N/A	±0.0
Offers different or unique experience	7.3	7.4	7.5	7.4	+0.1	-0.1	7.3	7.5	7.5	7.4	+0.1	-0.1
Having fun & being entertained	7.4	7.4	7.5	7.4	±0.0	-0.1	7.8	7.9	7.5	7.8	±0.0	+0.3
Would recommend visiting	7.1	7.1	7.3	7.1	±0.0	-0.2	8.0	8.0	7.9	7.8	-0.2	-0.1
Overall rating for pleasure travel	6.9	7.1	7.2	7.0	+0.1	-0.2	7.6	7.8	7.6	7.6	±0.0	±0.0

Statistically significant increase at 95%
Statistically significant decrease at 95%
* Average rating on 10-point scale.

Rating Ontario for specific trip types

Average score* among travellers in each case




	U.S.					Canada				
				Change vs.					Change vs.	
	Feb '09 #	Feb '13 #	Feb '14 #	'09 To '14 #	'13 To '14 #	Feb '09 #	Feb '13 #	Feb '14 #	'09 To '14 #	'13 To '14 #
Enjoy nature/outdoors	7.3	7.4	7.3	±0.0	-0.1	8.0	7.9	7.9	-0.1	±0.0
Arts, culture and history	6.8	6.9	6.9	+0.1	±0.0	7.6	7.3	7.5	-0.1	+0.2
Resort trip	6.3	6.4	6.3	±0.0	-0.1	6.9	6.7	6.5	-0.4	-0.2
Touring trip	7.0	7.1	7.0	±0.0	-0.1	7.5	7.4	7.4	-0.1	±0.0
City experience+	6.9	7.1	7.0	+0.1	-0.1	7.7	7.6	7.6	-0.1	±0.0

Statistically significant increase at 95%
Statistically significant decrease at 95%
- Average rating on 10-point scale.
+ Changed from "big city trip" to "city experience" in Feb '14

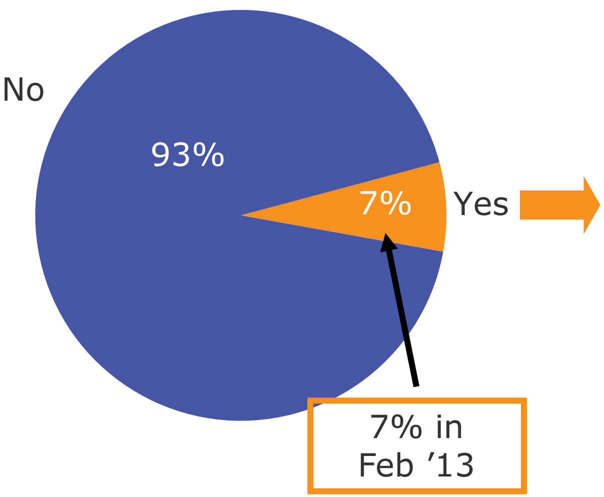
7

Reasons for Being Less Inclined to Visit Ontario Destinations

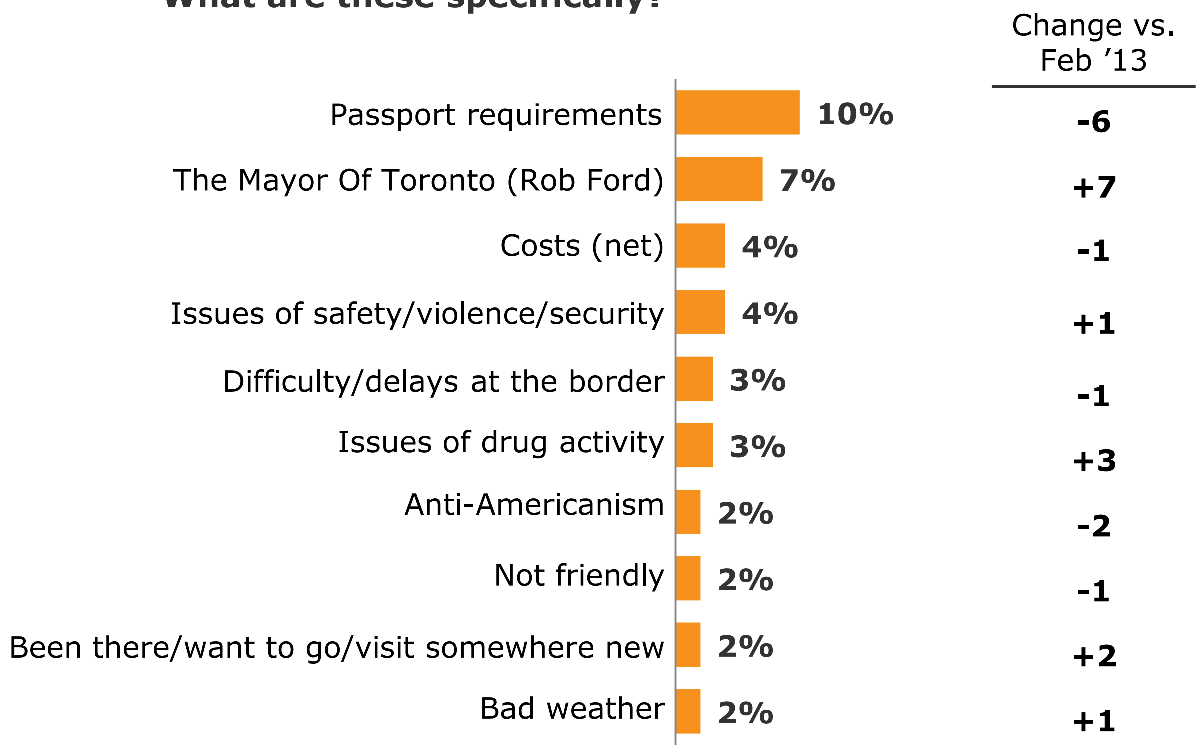
Based on unprompted answers to open-ended questionning

Are there any specific events or issues that you have heard about that make you less inclined to travel to Toronto, Ottawa, Niagara Falls or other places in Ontario?

Percent of Americans aware of Ontario



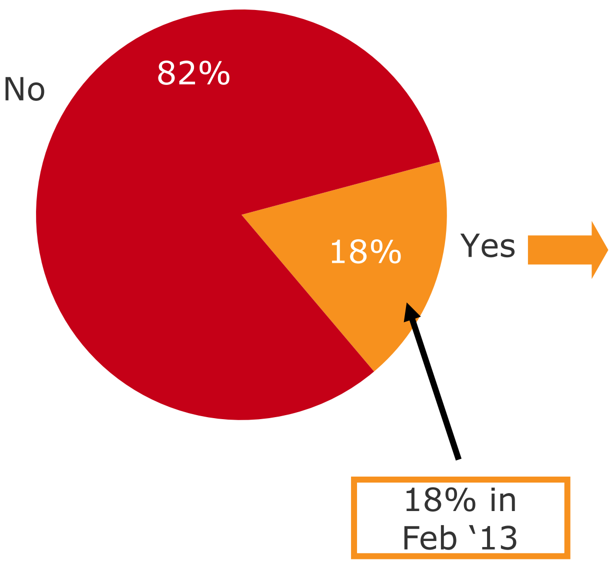
What are these specifically?*



*Open-ended question: No answer list was provided to the respondents.

Are there any specific events or issues that you have heard about that make you less inclined to travel to Toronto, Niagara Falls or other places in Ontario?

Percent of Canadians



What are these specifically?*

What are these specifically?*	%	Change vs. Feb '13
Issues of safety/violence/security	8%	-18
Costs (net)	7%	±0
Touristy/commercial/tourist trap	5%	+2
Boring - Nothing to do	2%	±0
Political corruptions/scandals	2%	+2
Too much traffic/traffic	2%	-2
Too many people	2%	-1
I already live there/I was born there	2%	+2
Not friendly	2%	-1
Hostile to francophone	2%	±0
Dirty	2%	+1
Shopping/difficulties in shopping	2%	+2
Been there/want to go/visit somewhere new	2%	±0
The Mayor Of Toronto (Rob Ford)	2%	+2
Gun ownership/having automatic weapons	2%	±0

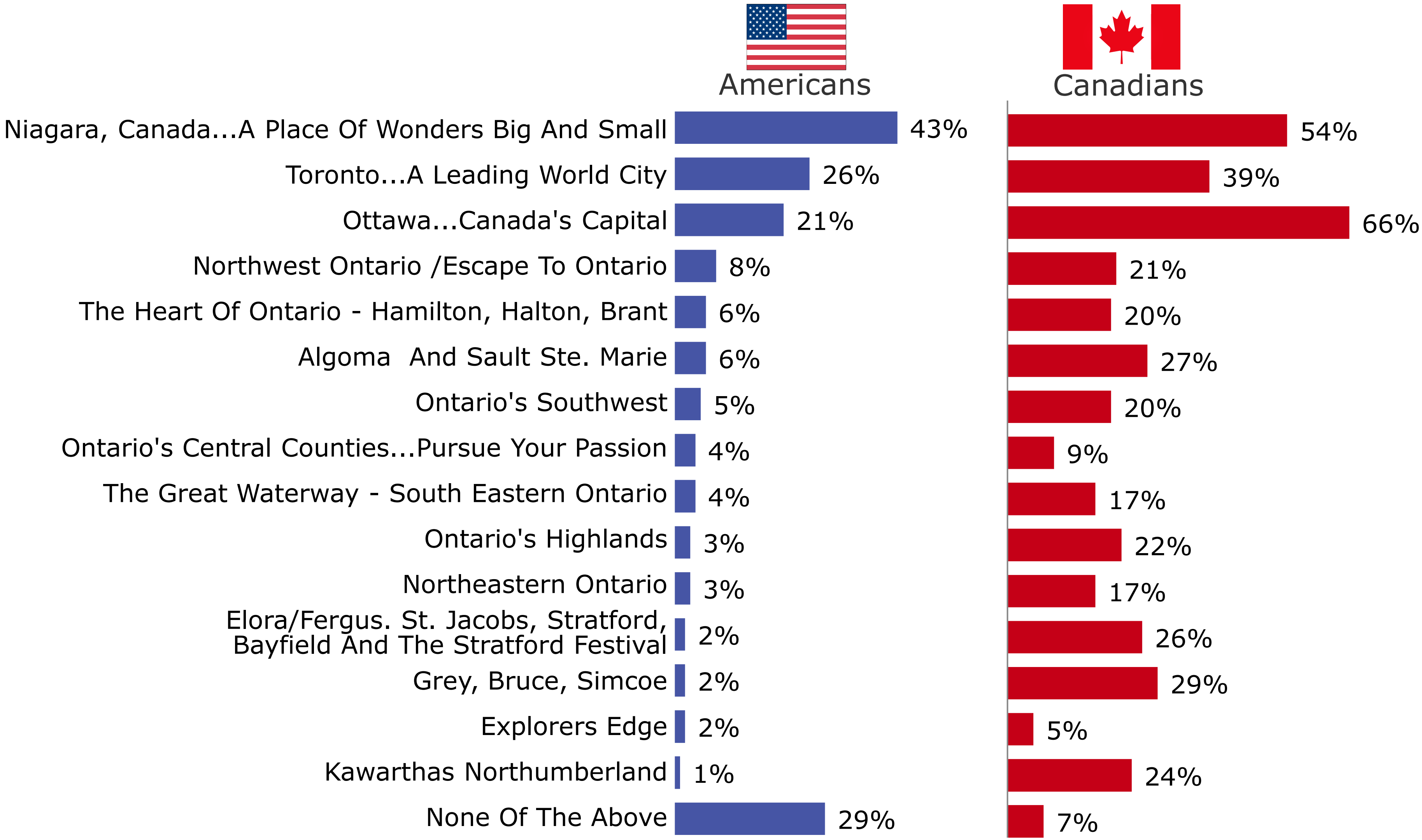
*Open-ended question: No answer list was provided to the respondents.

8

RTO Name Awareness

RTO brand name awareness

Percent of stating they are aware of the brand name



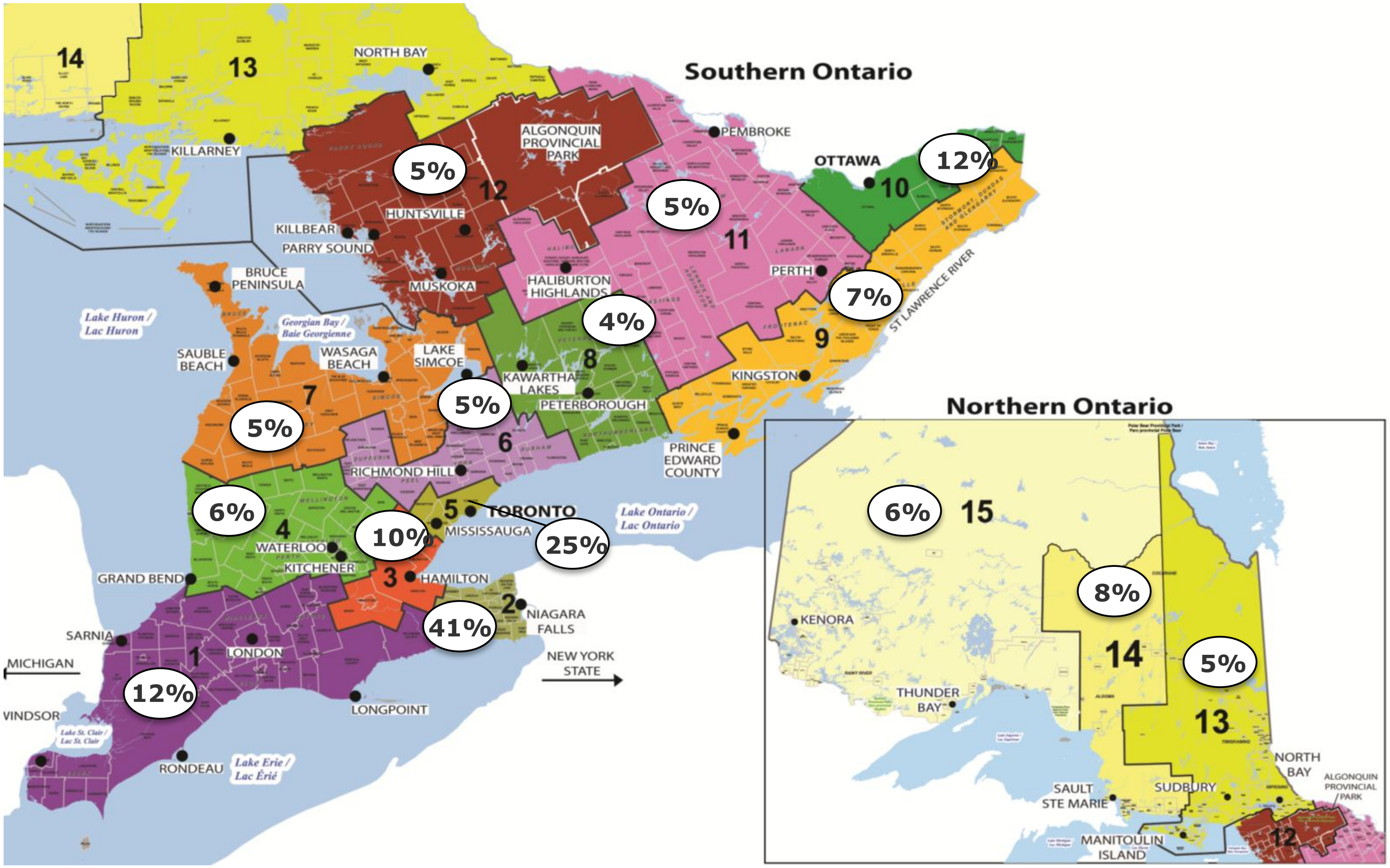
9

RTO Familiarity with Interest Brand Map and Description

TNS

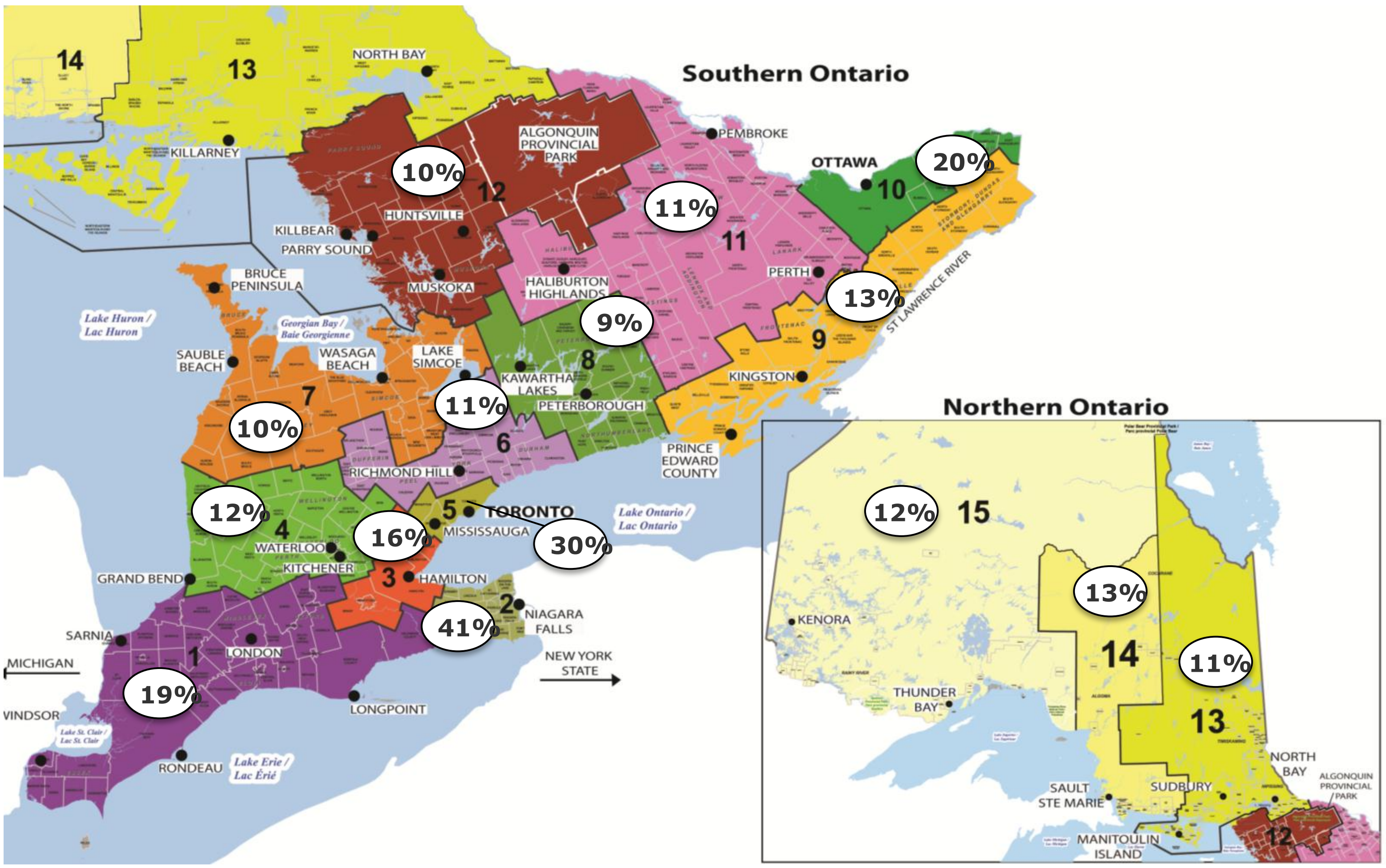
Level of familiarity with regions

Percent of Americans stating very/somewhat familiar



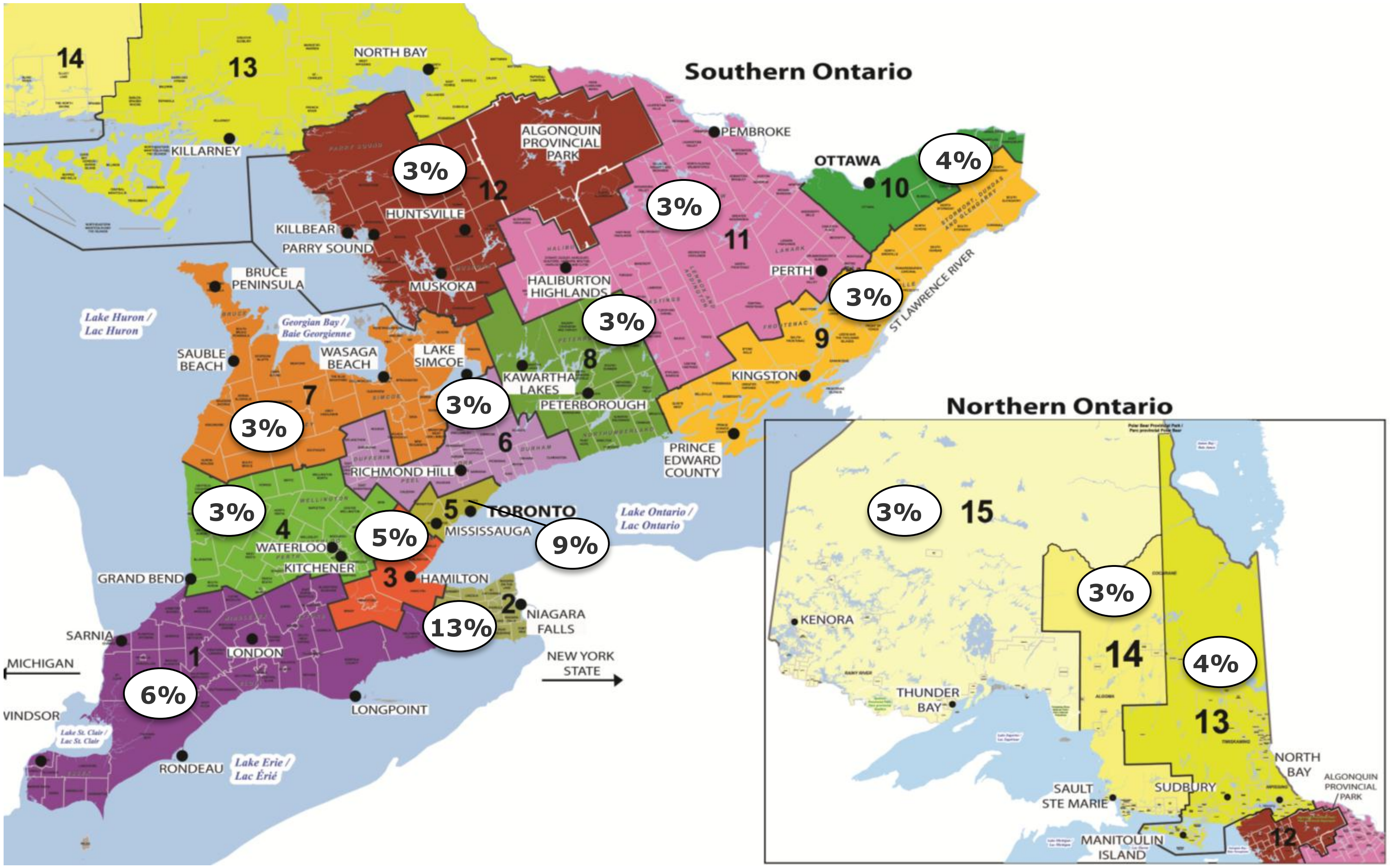
Interest in visiting region in next two years

Percent of Americans stating very/fairly interested



Next-six-month visitation

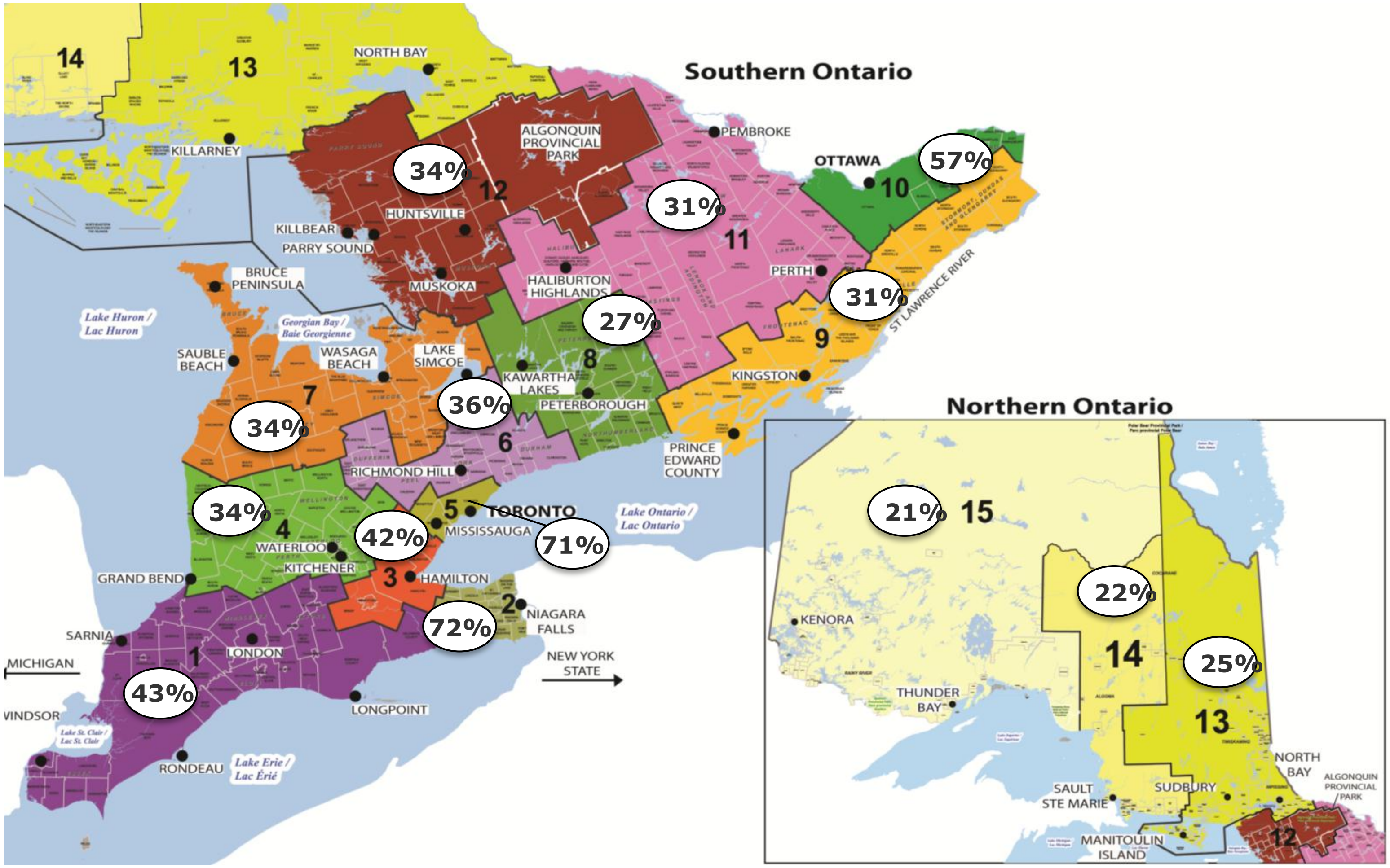
Percent of Americans stating they intend to visit region in the next six months



QRT03: And which of these regions do you intend to visit within the next six months?

Level of familiarity with regions

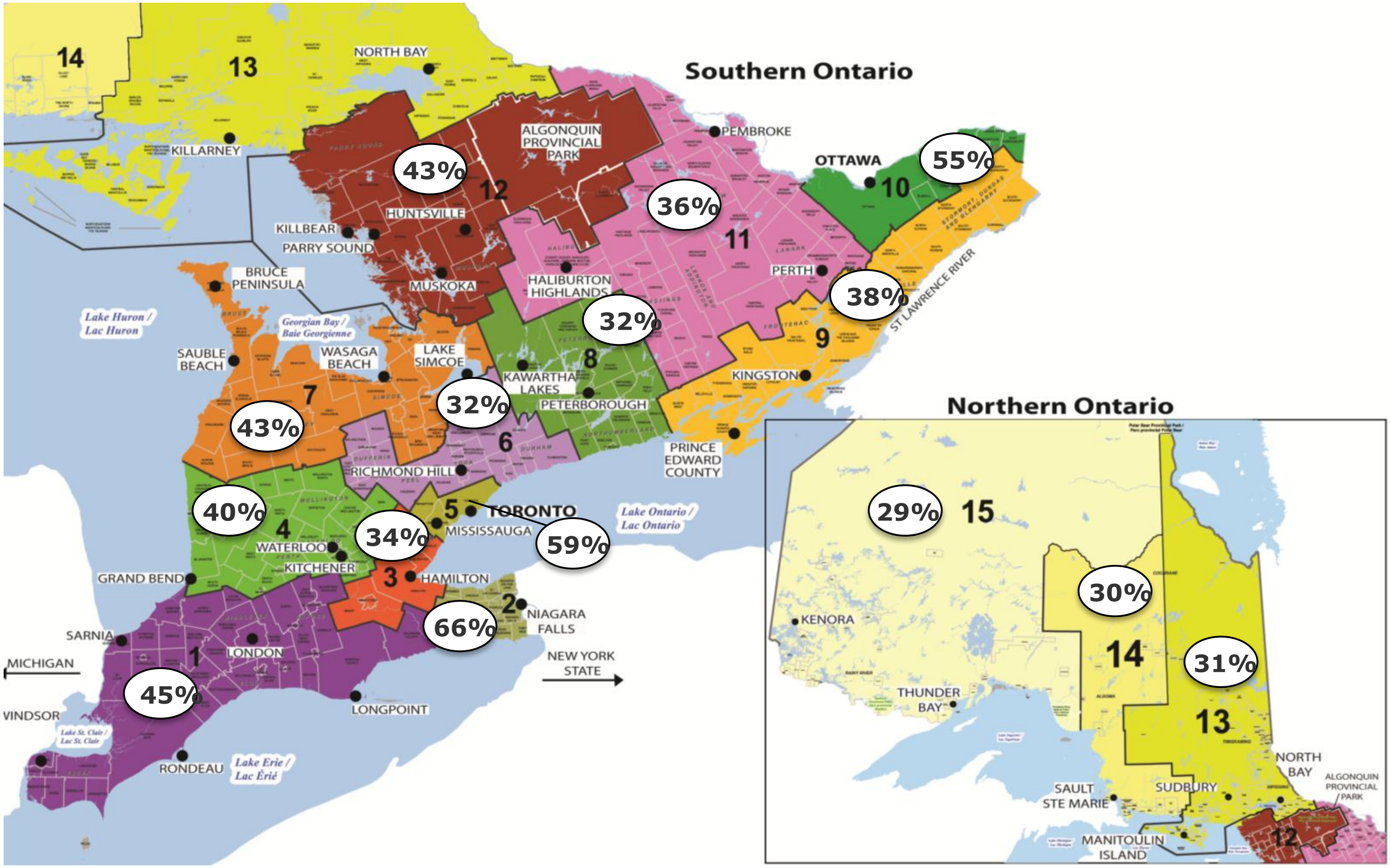
Percent of Canadians stating very/somewhat familiar



Note: RTO 2 residents are excluded from RTO 2 results. RTO 3 residents are excluded from RTO 3 results. RTO 5 residents are excluded from RTO 5 results. RTO 10 residents are excluded from RTO 10 results.

Interest in visiting region in next two years

Percent of Canadians stating very/fairly interested



QRT02: How much interest do you have in visiting each of these regions in Ontario within the next two years or so?

Note: RTO 2 residents are excluded from RTO 2 results. RTO 3 residents are excluded from RTO 3 results. RTO 5 residents are excluded from RTO 5 results. RTO 10 residents are excluded from RTO 10 results.

Change in claimed familiarity with the regions over time

Percent stating very/somewhat familiar

	Percent Of...Travellers In Each Case					
	American			Canadian*		
	As of Feb '14	Change '12 vs. '14	Change '13 vs. '14	As of Feb '14	Change '12 vs. '14	Change '13 vs. '14
RTO 1	12	-3	-1	43	-6	-9
RTO 2	41	+1	+1	73	+4	+1
RTO 3	10	+1	+1	45	-2	-3
RTO 4	6	±0	±0	34	-1	+1
RTO 5	25	±0	+1	76	+1	+3
RTO 6	5	+1	±0	36	-3	-3
RTO 7	5	+1	+1	34	-4	-1
RTO 8	4	±0	+1	27	±0	+2
RTO 9	7	-1	+1	31	-6	-5
RTO 10	12	+2	+4	61	+15	+12
RTO 11	5	±0	+2	31	+4	+5
RTO 12	5	+1	+1	34	-7	-4
RTO 13a	5	-2	-1	25	+2	+3
RTO 13b	8	+1	+2	22	+1	+2
RTO 13c	6	-1	+1	21	+1	±0

Statistically significant increase at 95%
Statistically significant decrease at 95%
* Data is shown on a base of all Canadian respondents.

10

Toronto Detail

Toronto Spring travel intention incidence

	American		
	As of Feb '14	Change '11 vs. '14	Change '13 vs. '14
Total US	5	+1	+1
New York City	12	+8	+3
Pittsburgh	8	+5	+7
Buffalo/Rochester	13	+1	+6

	Canadian		
	As of Feb '14	Change '11 vs. '14	Change '13 vs. '14
Total Canada	16	+1	-4
Ottawa	28	+3	-3
Other Ontario	30	+15	+3
Montreal	14	±0	±0
Quebec City	3	-3	-5
Winnipeg	10	+5	+2

Toronto’s perceived strengths & weaknesses

Among Americans		Change ’13 vs. ’14
Lots for adults to see and do	7.8	+0.1
Restaurants	7.7	+0.1
Friendly People	7.7	+0.1
Pro Sports	7.1	+0.2
Lots for kids to see and do	7.1	+0.1

Average Of All Attributes =

7.5

Overall Score As Pleasure Travel Destination =

7.3

Among Canadians		Change ’13 vs. ’14
Lots for adults to see and do	8.0	±0.0
Restaurants	8.1	+0.1
Theatre/Performances	8.0	±0.0
Shopping	8.0	+0.1
Pro Sports	8.0	+0.1
Friendly People	7.0	-0.1

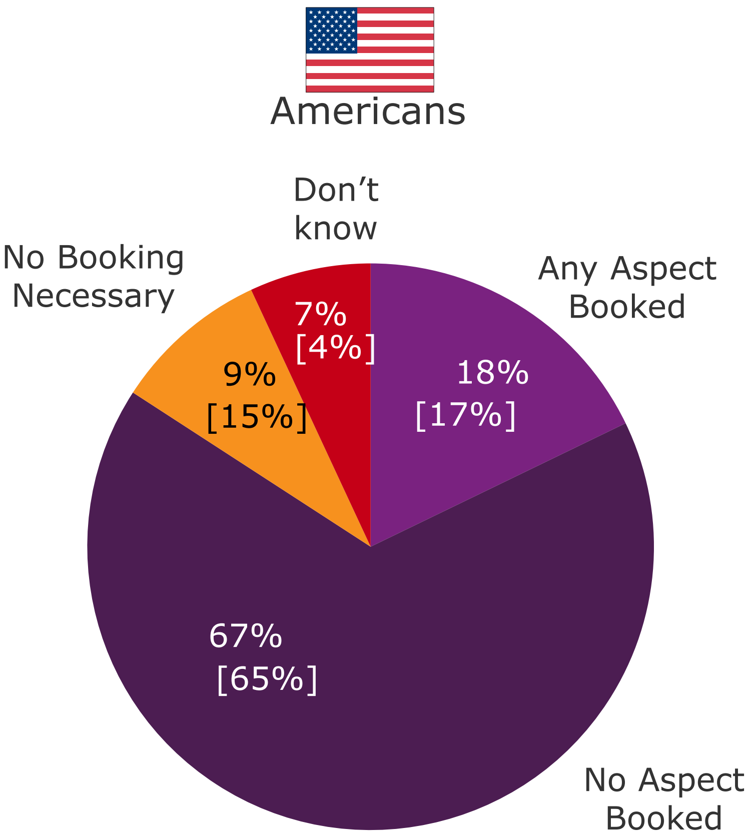
Average Of All Attributes =

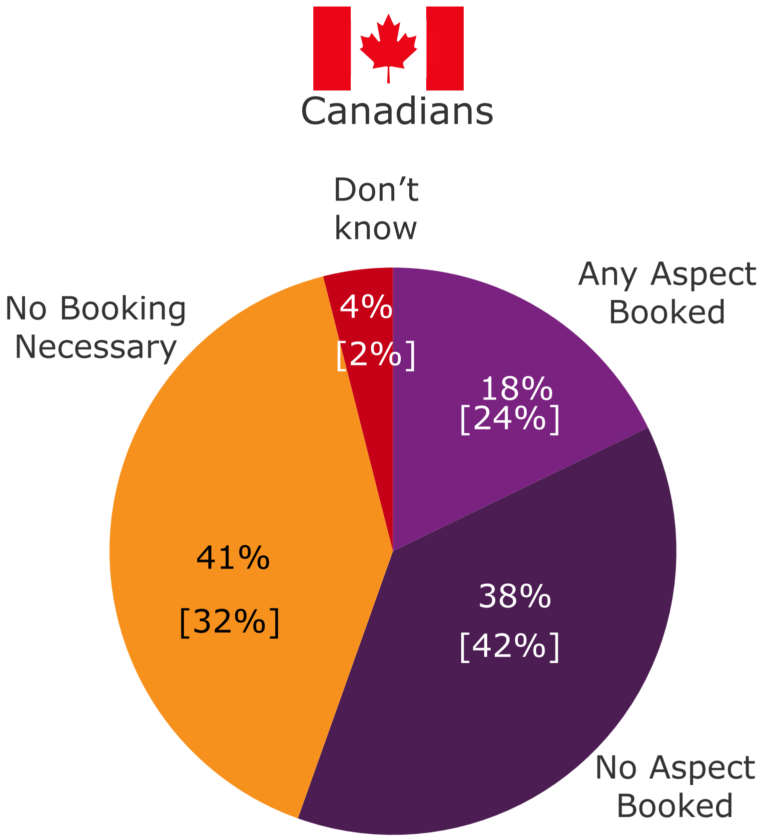
7.8

Overall Score As Pleasure Travel Destination =

7.2

Booking activity for planned Toronto Spring trip
Percent of those planning pleasure trip to Toronto – March/May ‘14





* Excluding those from Toronto
[ ] February ‘13 figures in brackets
Q3F. Have you already booked any aspect of a pleasure trip (pleasure trips) you are considering taking during the coming months of March, April, or May?

11

Ottawa Detail

Ottawa Spring travel intention incidence

American Markets	
Cincinnati	5%
New York City	4%
Pittsburgh	4%
Rochester	4%

Canadian Markets	
Toronto	20%
Other Ontario	10%
Montreal	16%
Quebec City	4%
Winnipeg	4%

What is Ottawa known for?

Americans	
Friendly people	7.5

Canadians	
Appreciating history	8.0
Galleries and museums	8.0
Architecture	7.7
Lots for adults	7.7
Great restaurants	7.6
Friendly people	7.5

Overall Score As Pleasure Travel Destination =
6.7

Overall Score As Pleasure Travel Destination =
7.4

…and less know for

Americans	
Pro sports	6.4
Lots for children	6.8
Festivals	6.9
Shopping	6.9
Unique urban experience	7.0
Urban getaway	7.0
Cultural performance	7.0

Canadians	
Pro sports	6.8
Shopping	7.1
Unique urban experience	7.3

12

Traveller Segments

Introducing the 12 travel segments

Pampered Relaxers

This segment is defined by an orientation toward pampering and resort life experiences. This very often involves beach experiences, water and sun destinations in winter.

For this segment, vacations are a time to relax and re-energize often through high-end sophisticated activities.

Sports Lovers

This group, skews more male, and is driven by a love of sports, either watching or participating. By the nature of their passion these people describe themselves as more active and energetic than most. In reality their sports are not necessarily extreme more in keeping with what is readily available, and more likely to be organized team sports and golf.

Knowledge Seekers

Travellers in this segment are looking to appreciate and understand the places they visit. Their trips are typically about expanding their knowledge and stimulating their minds rather than resting and relaxing. They are driven by a desire to explore culture, history, architecture and natural landmarks and often focus on sight-seeing, museums, galleries and historical sites.

Up & Coming Explorers

This is a youth-oriented group that is on its way up in the world. These travellers are emerging into a new life-stage, often characterized by greater affluence and new opportunities. Visible minorities and immigrants often fall into this segment. Travel is not about connecting with family or friends. While these people often want to be adventurous and energetic their travel experiences often start with what is nearby and typically with core tourist attractions. Ontario is popular with this group and visitation is typically very recent.

Connected Explorers

This segment has a psychological need to take a break from the everyday and be exposed to new experiences and knowledge. They are committed to expanding their horizons through travel. Interestingly, the Internet and new technologies are key instruments in facilitating these travel interests & experiences. They research, book and share travel experiences through new technologies – before, during and after trips.

Aces

Predominantly driven by a love of gaming and gambling, this segment loves casinos and the related ambiance that provides them with a sense of escape. For this group, the casino resort environment provides them with a sense of indulgence and escape as everything to have ‘fun’ is located close at hand.

Introducing the 12 travel segments (cont'd)

Outgoing Mature Couples

Skewing strongly toward seniors and those in retirement, these travellers are driven by a desire to maintain their vitality and connection with the world. They are not particularly adventurous, rather they want to maintain their vitality often by interacting with new people (travellers and locals alike). It is important to them to feel competent and vital.

Family Memory Builders

This is a segment driven by families with children <18. They want a playful vacation that is centred around building family memories and strengthening the bonds. Activities such as theme parks allow the family to have fun and build these lasting memories.

Mellow Vacationers

This segment wants to unwind on vacation, and relaxed and low key experiences are their preference. This group doesn't want itineraries or to do anything new or unusual. They want travel experiences that set them at ease. They aren't activity-oriented and often travel as a couple.

Nature Lovers

This is a consumer segment attracted to outdoor experiences aligned to Ontario's quintessential parks & lakes offering. Camping and associated activities, e.g., hiking, canoeing, fishing are key interests for this group. The majority classify as "nature lovers". Activities align with the recreational aspects of the outdoors and not necessarily the extreme aspects of the outdoors, e.g., avid angling or hunting.

Not surprisingly, the travel style is basic with camping prevalent.

Solitaires

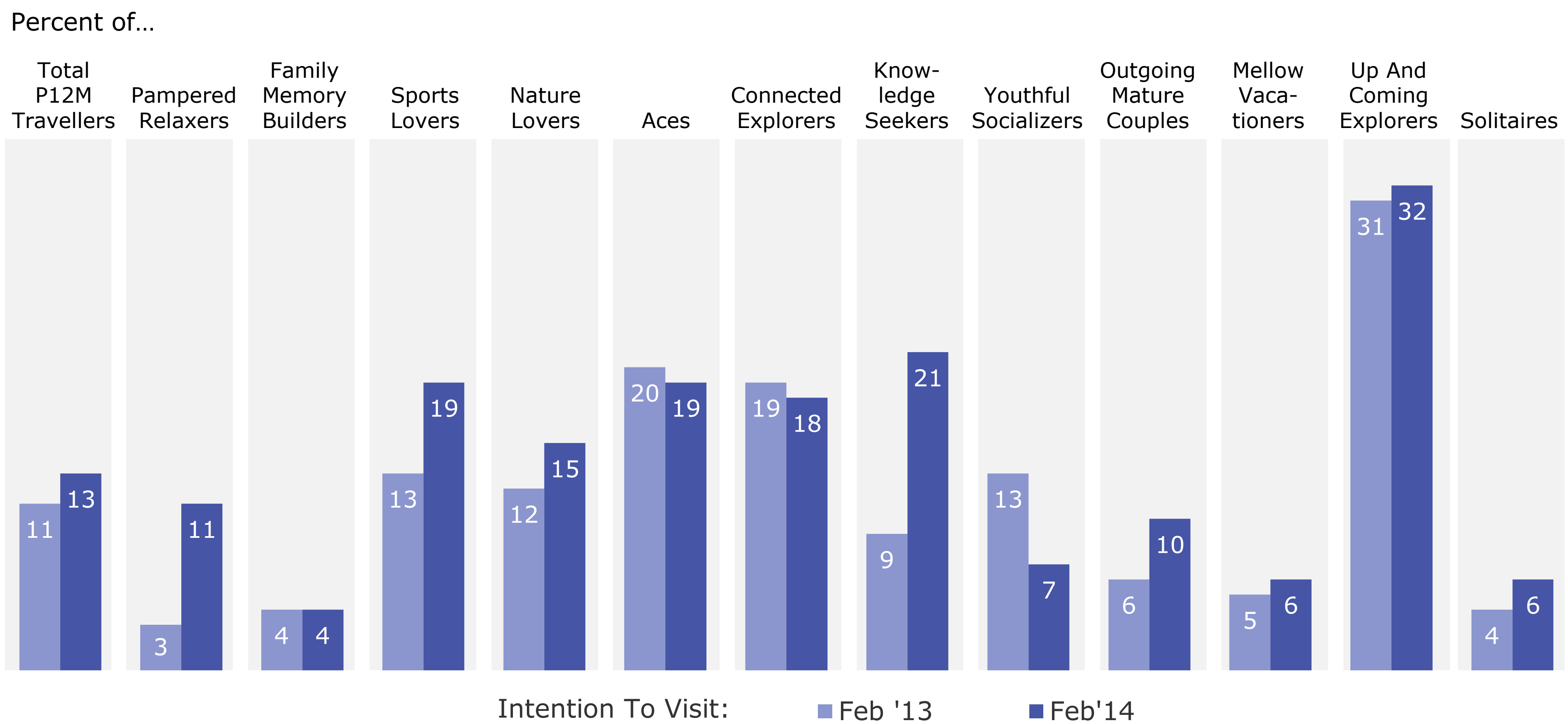
This group of largely single people often travel alone. They are quiet and reserved people, whose travel experiences and budgets are often quite basic. While they often connect with acquaintances or family at the destinations they choose, they are introspective people. If they gravitate to any forms of activity, they tend to be those that can be enjoyed in isolation and align with inward thinking (museum, galleries).

Youth Socializers

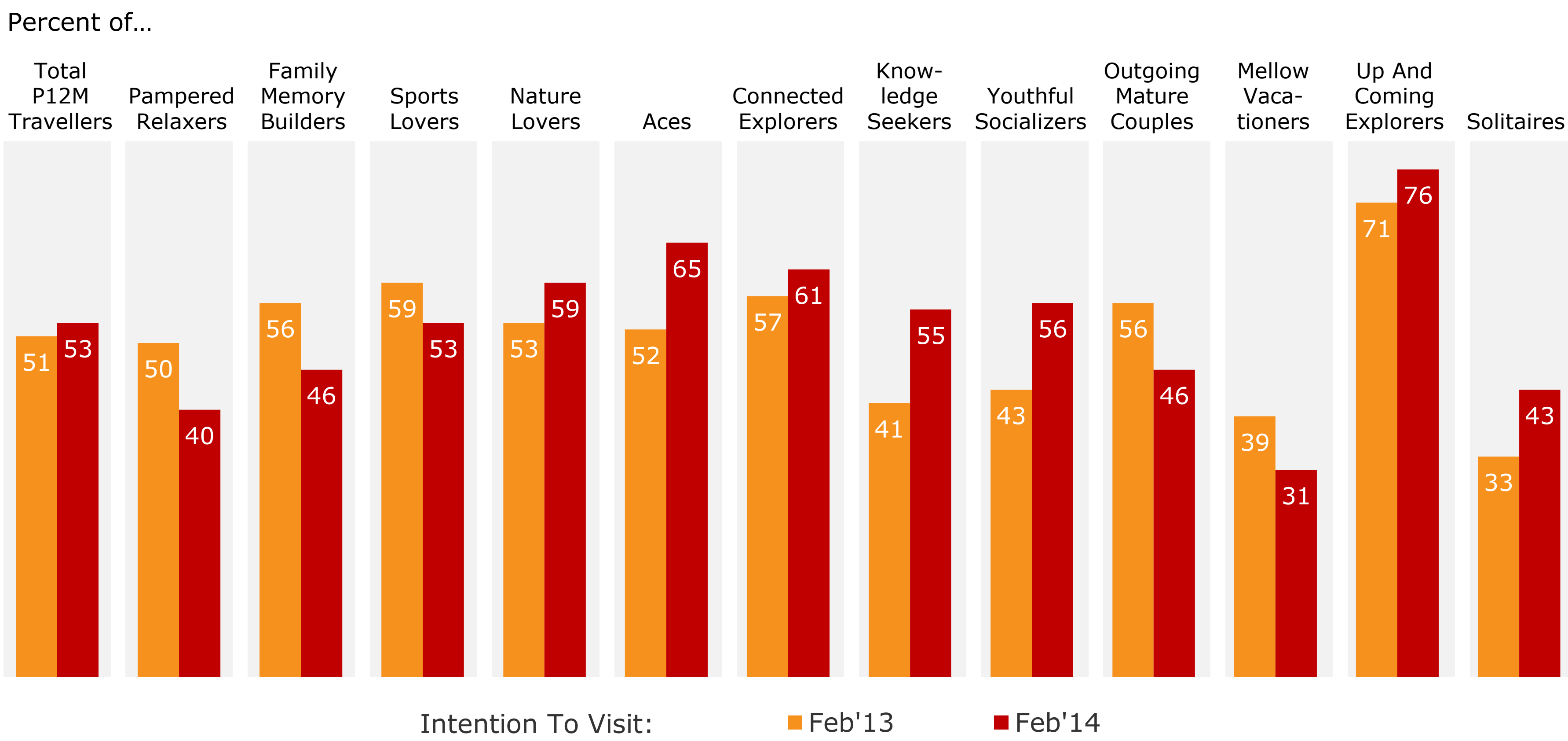
This is a typical youth segment driven by a love of socializing with friends on vacations, often on a limited budget.

This is a group that wants to have fun and unwind on vacation and this is best achieved by spending time in a group and sharing experiences with others.

Ontario Spring travel intention incidence by segment: US trending among American travellers

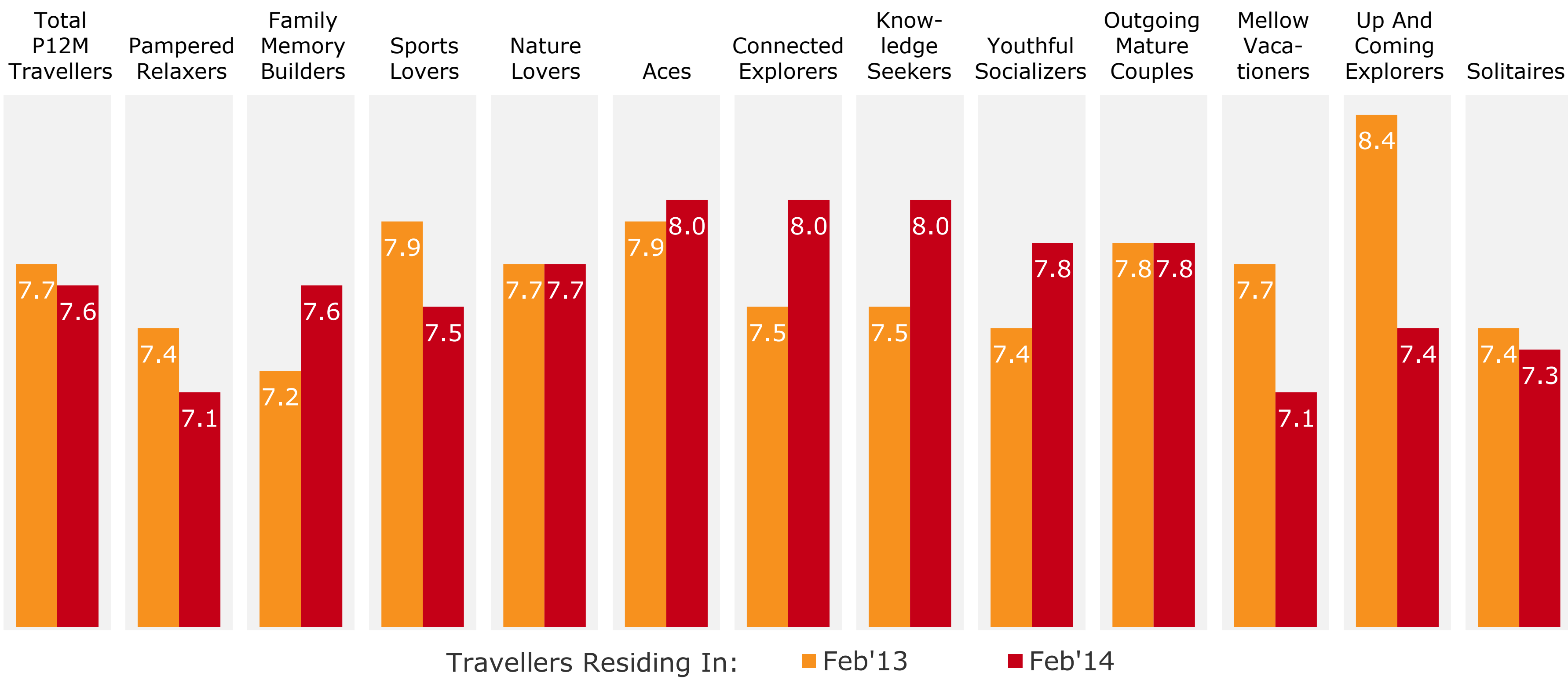


Ontario Spring travel intention incidence by segment: Canada trending among Canadian travellers



Overall rating of Ontario for pleasure travel: Canada

Average score on 10-point scale among travellers in each case



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Growth Summary

Growth summary

Growth insights

- Key North American source markets for Ontario remain stable, but fragile.
- Proximity has played a stronger role in stimulating interest, overall.
- There are exceptions, however - residents of major cities.
    - Interest in Ontario has softened slightly among Torontonians,
    - But, continues to grow in NYC.
- There has been little change in Ontario brand image recently.
    - There remains a gap in appreciation of the diversity of the offer beyond nature.
    - Unique/different remains a second tier attribute.

Precise plans for growth

- Adopt tactical inducements to leverage immediate opportunity domestically and in nearby markets.
- Continue to direct attention to NYC as a key Mid Market target.
    - Toronto is a main focal point
    - Ties to other regions will deepen the offer and underscore uniqueness.
- Revitalize brand image by building on perceived diversity around cultural, urban, touring and resort assets.
- Unique & different needs to be reinforced to build curiosity and excitement.
- Use the consumer segments as focal points for developing the tone for image building.
- Use the tourism regions as tangible and specific manifestations of the promise.

Growth summary (cont'd)

Growth insights

- Toronto and Niagara are well developed as tourism brands.
- Toronto is positioned to grow in the US longer term.
- The remaining regions lack solid and consistent brand equity.
- Ottawa exhibits strength as a tourism brand domestically.
  - But appreciation of assets beyond those tied to its capital status are weaker.
- The regional portfolio is intriguing to both Americans and Canadians.
  - But familiarity is often insufficient to action latent interest in the near term.
- These findings support the targeting strategy applied to consumer segments.
- Enthusiasm for Ontario may have lost some edge among Up and Coming Explorers.

Precise plans for growth

- Invest significantly in the regional brands to develop deep appreciation rather than just curiosity.
  - They represent tangible experiences that can be directed to specific consumer segments.
- Consider the regions collectively rather than individually to maximize overall impact short-term.
- Continue to focus on the segments identified as key to the strategy.
  - Connected Explorers, Knowledge Seekers, Up and Coming Explorers and Family Memory Builders.
- Ensure that the overall tone is inclusive of all backgrounds.
  - An urban experience issue?

Thank you!