Travel Intentions Study Report
Spring '05 Intentions

Michael Ennamorato

Presented to:

Ontario Ministry Of Tourism And Recreation

Ontario Tourism Marketing Partnership Corp.

April 4, 2005

tns canadian facts

the sixth sense of business™

Background

- This study is intended to measure intent to travel to Ontario and specific Ontario destinations within key US and domestic markets.
- Information will be used to:
  - gauge the impact of negative events on travel to Ontario;
  - forecast demand to assist with industry planning;
  - provide information to assist with messaging and targeting of promotional communications and other marketing initiatives.
- This presentation focuses on initial findings in two key areas:
  - understanding the factors placing pressure on spring and summer travel to Ontario in the main US source markets;
  - measuring the travel dynamic in the domestic market.

Methodology

- Interviewing was conducted by telephone among individuals 18 years or older.
- The survey for this third wave was essentially confined to the month of February, 2005. This follows four seasonal waves conducted in 2003/2004.
- The focus was on travel intentions for the coming season (March/May) and, secondarily the following season (June/August).
- A stringent methodology was used:
  - modified random digit dialing using a seed sample drawn from up-to-date telephone listings;
  - Multiple callbacks (up to 8 calls to achieve a completion once contact is made with the household);
  - One additional callback to “soft” refusals.

Methodology (Cont'd)

- The Trodahl-Carder methodology was used to select a single age-eligible respondent to interview in each household.
- The sample was assigned disproportionately by market as follows:

	Assigned	**Achieved In Wave 5**
Canada:		
Toronto CMA	400	398
Ottawa CMA	200	204
Hamilton CMA	80	77
Ontario 100 – 499M	180	184
Ontario 30 – 99M	80	89
Ontario 10 – 29M	60	63
Ontario under 10M	100	95
Montreal CMA	300	308
Quebec City CMA	200	216
Winnipeg CMA	300	287

Methodology (Cont'd)

	Assigned	Achieved In Wave 5
United States:		
Rochester MSA	300	329
Buffalo — Niagara Falls MSA	300	303
Syracuse MSA	200	193
New York City PMSA	181	178
Nassau — Suffolk PMSA	43	39
Other NY State	87	64
Chicago PMSA	230	215
Other Illinois	70	70
Indianapolis MSA	90	90
Other Indiana	55	57
Boston NECMA	150	147
Mass. Ex-Boston	31	30

Methodology (Cont'd)

	Assigned	Achieved In Wave 5
United States: (Cont'd)		
Detroit PMSA	300	259
Northern Michigan PMSAs/MSAs	84	88
Other Michigan	64	86
Minneapolis—St. Paul UA	200	201
Other Minnesota	41	41
Cleveland—Lorain—Elyria PMSA	200	165
Cincinnati PMSA	100	119
Columbus MSA	104	105
Other Ohio	60	67
Pittsburgh MSA	300	295
Philadelphia PMSA	150	142
Other Pennsylvania	77	81
Milwaukee—Waukesha PMSA	200	173
Other Wisconsin	67	72
Washington DC PMSA	100	89
Maryland Ex. Washington DC	118	118

Methodology (Cont'd)

- In total, 5,737 interviews were completed:
  - 1,921 in Canada;
  - 3,816 in the United States.
- As part of data processing, the sample was weighted in three stages using the most recently available census information from each country:
  - household size within market;
  - household conversion weight (to correct for differential selection probabilities within household due to variations in number of age-qualified individuals within each);
  - age within gender within market.

Presentation Outline

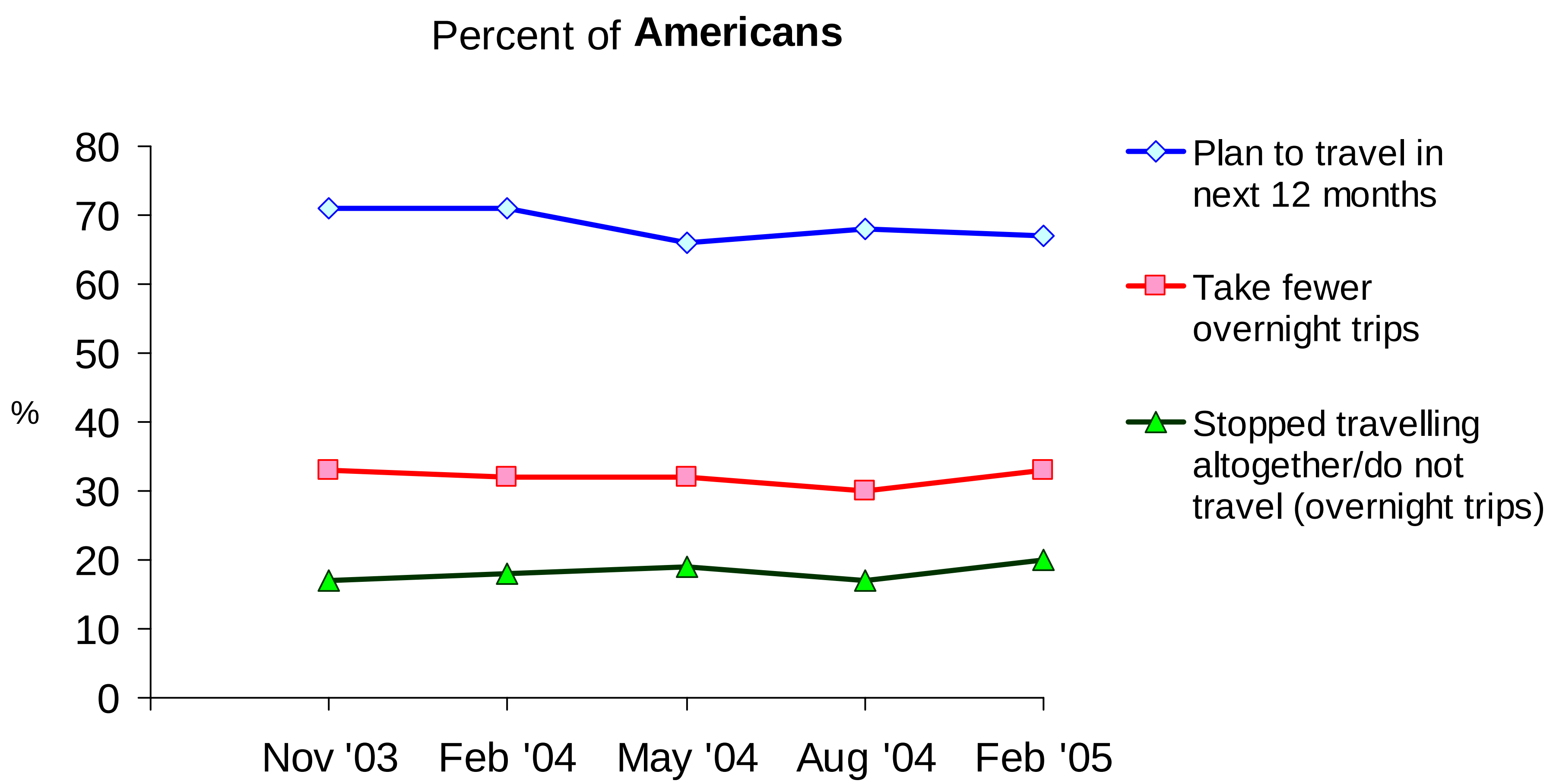
- Travel Incidence Trends
- General Travel Attitudes and Planning
- Travel Intentions
  - Next Season and Season After Next
  - By Specific Source Market
  - By Trip Purpose
  - Conferences and Conventions
- Ontario Experience and Interest
- Travel Motivations and Barriers
- Impressions Of Ontario

Propensity To Travel & Trip Planning

tns canadian facts

the sixth sense of business™

Trend in general travel intentions and propensity to travel

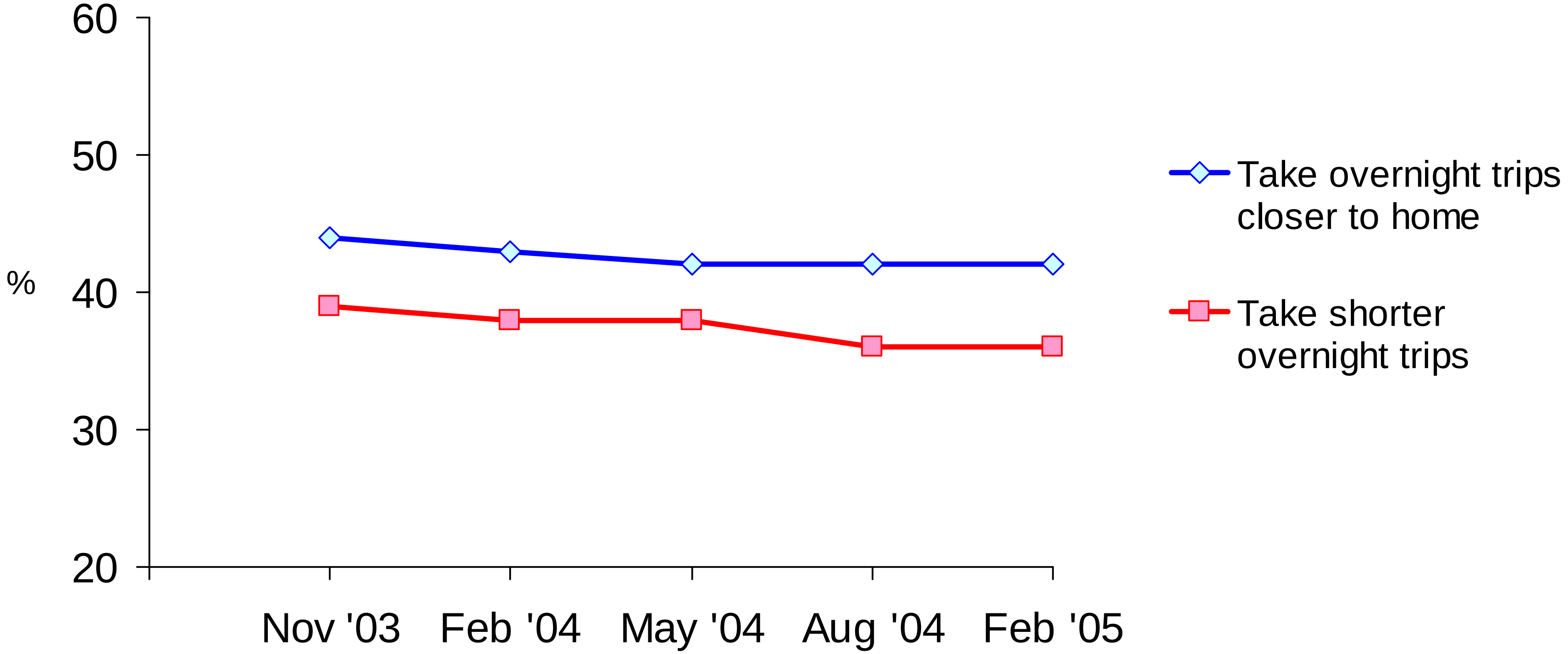


Q. Are you considering taking an out-of-town trip of one or more nights away from home in the next 12 months?

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

Trend in duration and distance of overnight trips

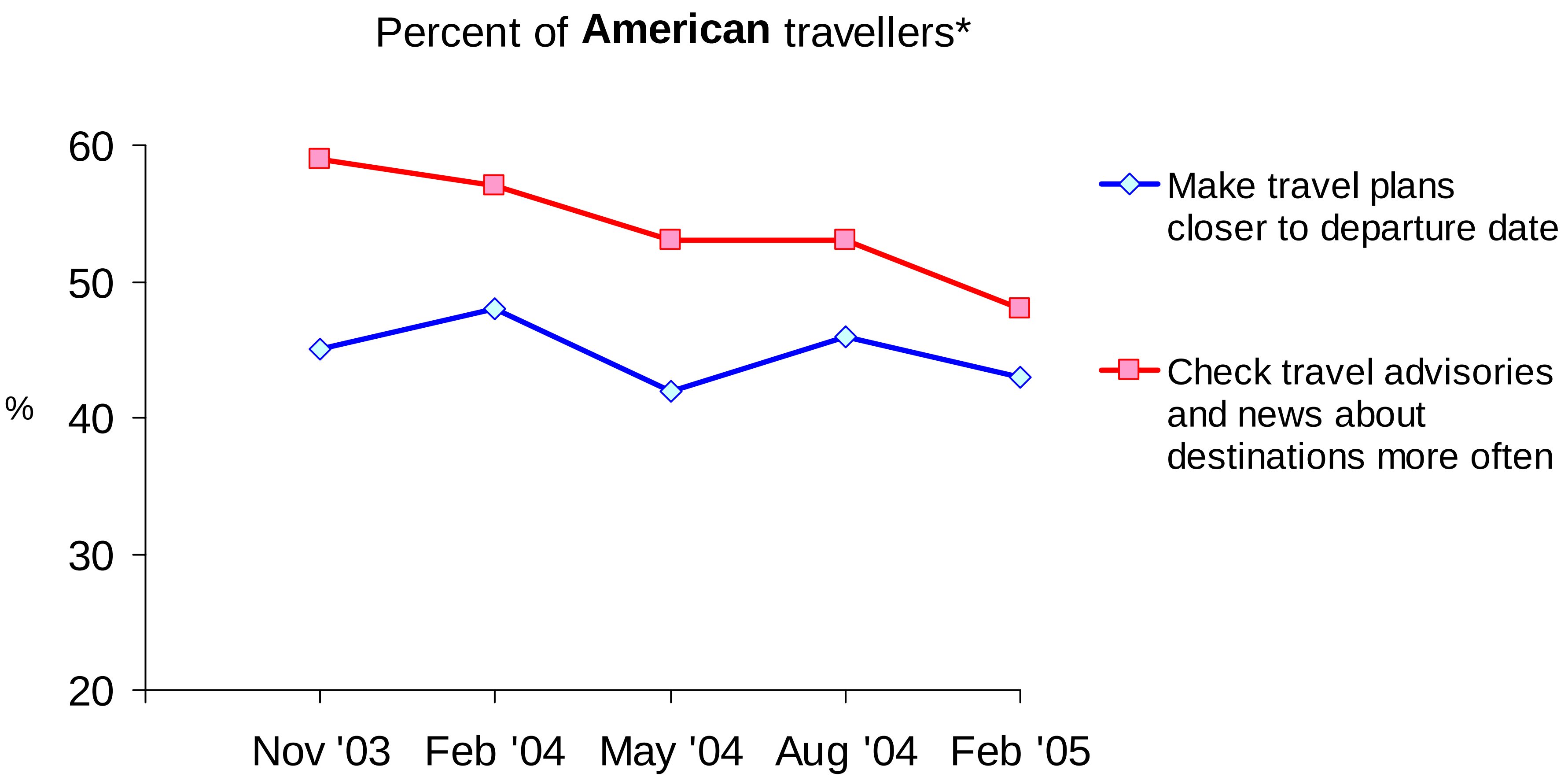
Percent of **American** travellers*



* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

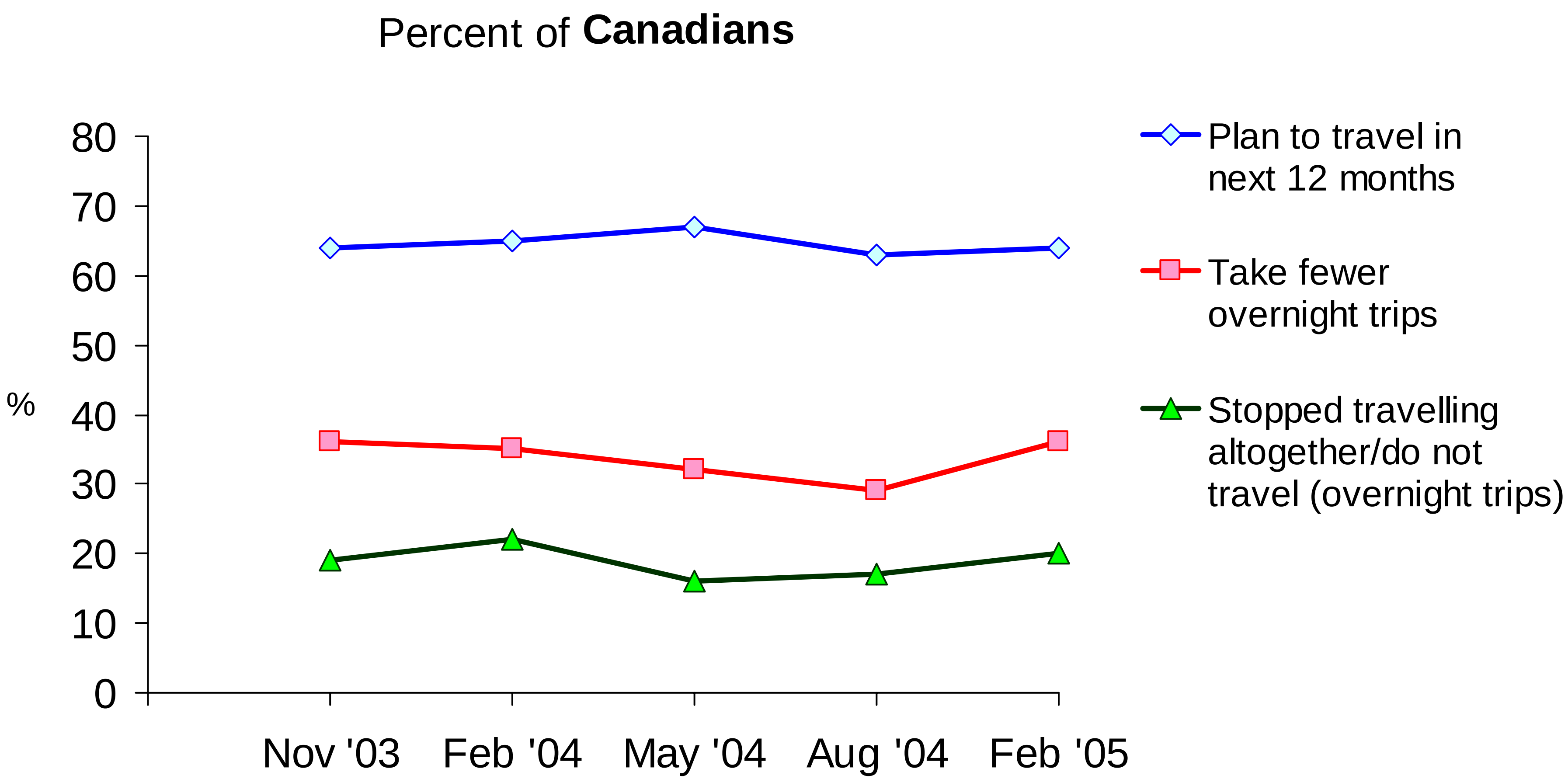
Trend in overnight trip planning



* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

Trend in general travel intentions and propensity to travel

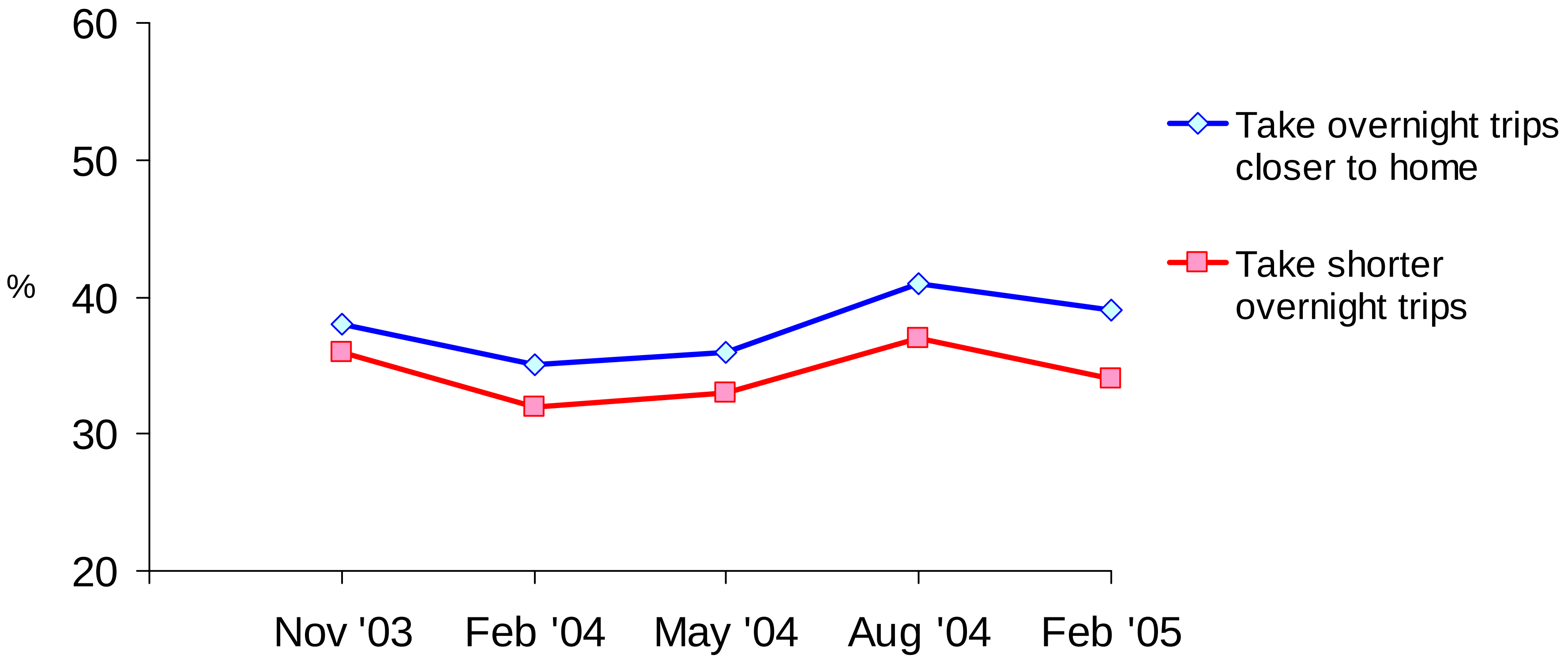


Q. Are you considering taking an out-of-town trip of one or more nights away from home in the next 12 months?

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

Trend in duration and distance of overnight trips

Percent of **Canadian** travellers*

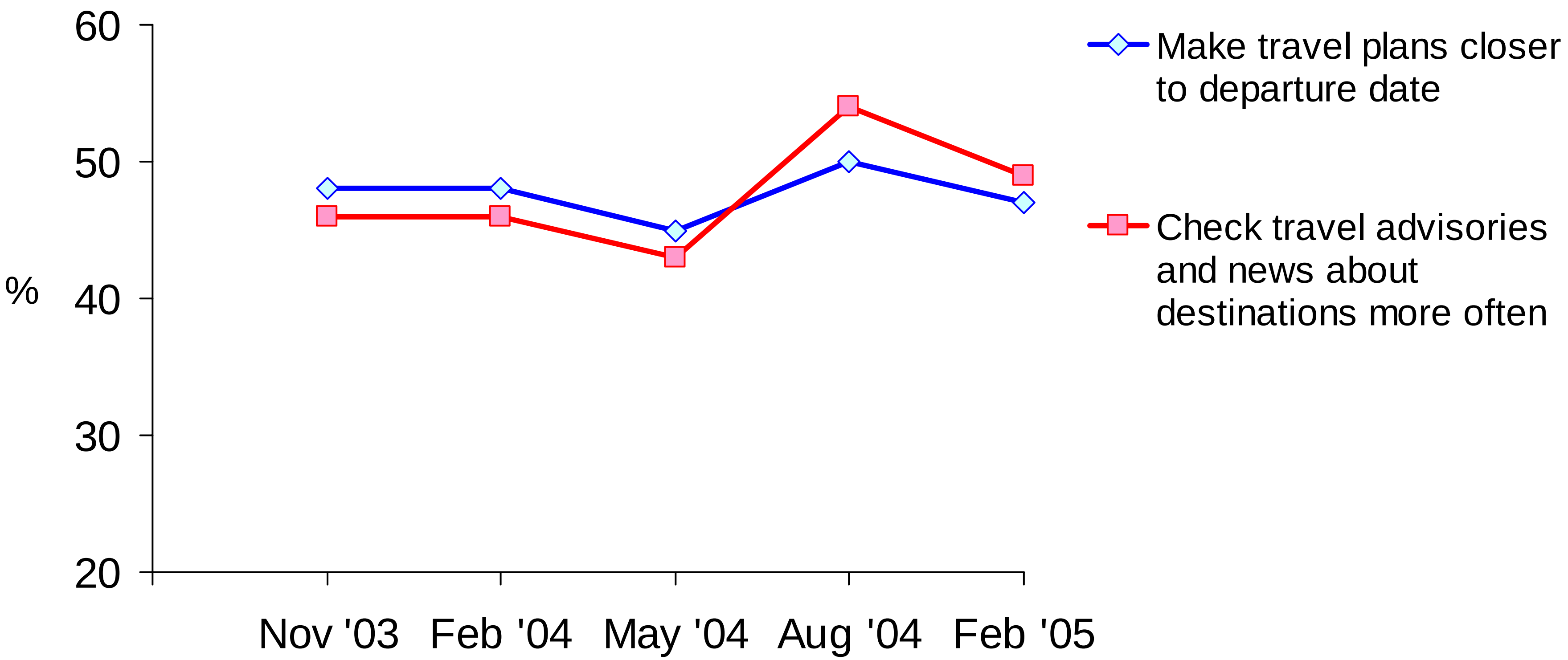


* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

Trend in overnight trip planning

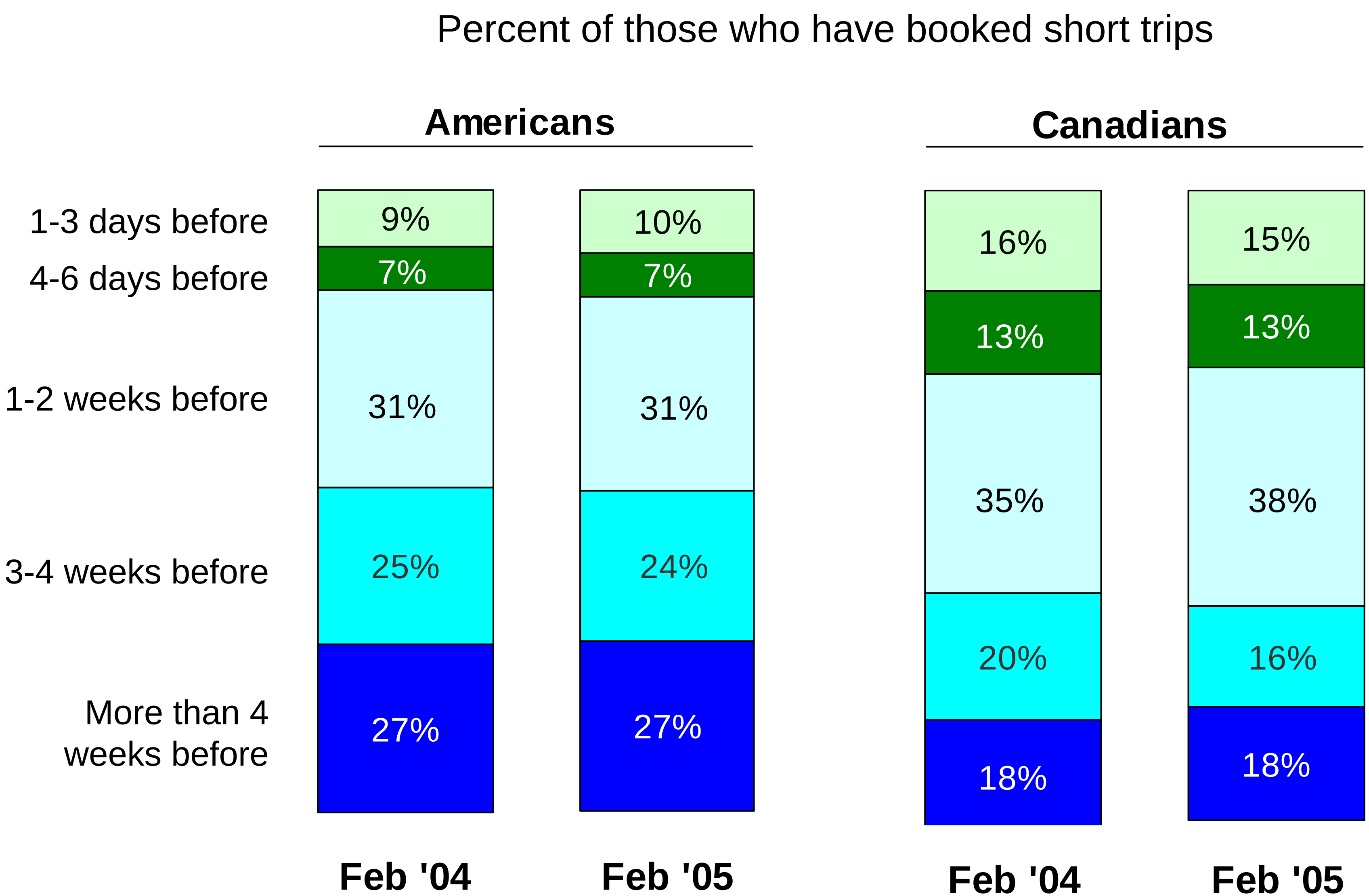
Percent of **Canadian** travellers*



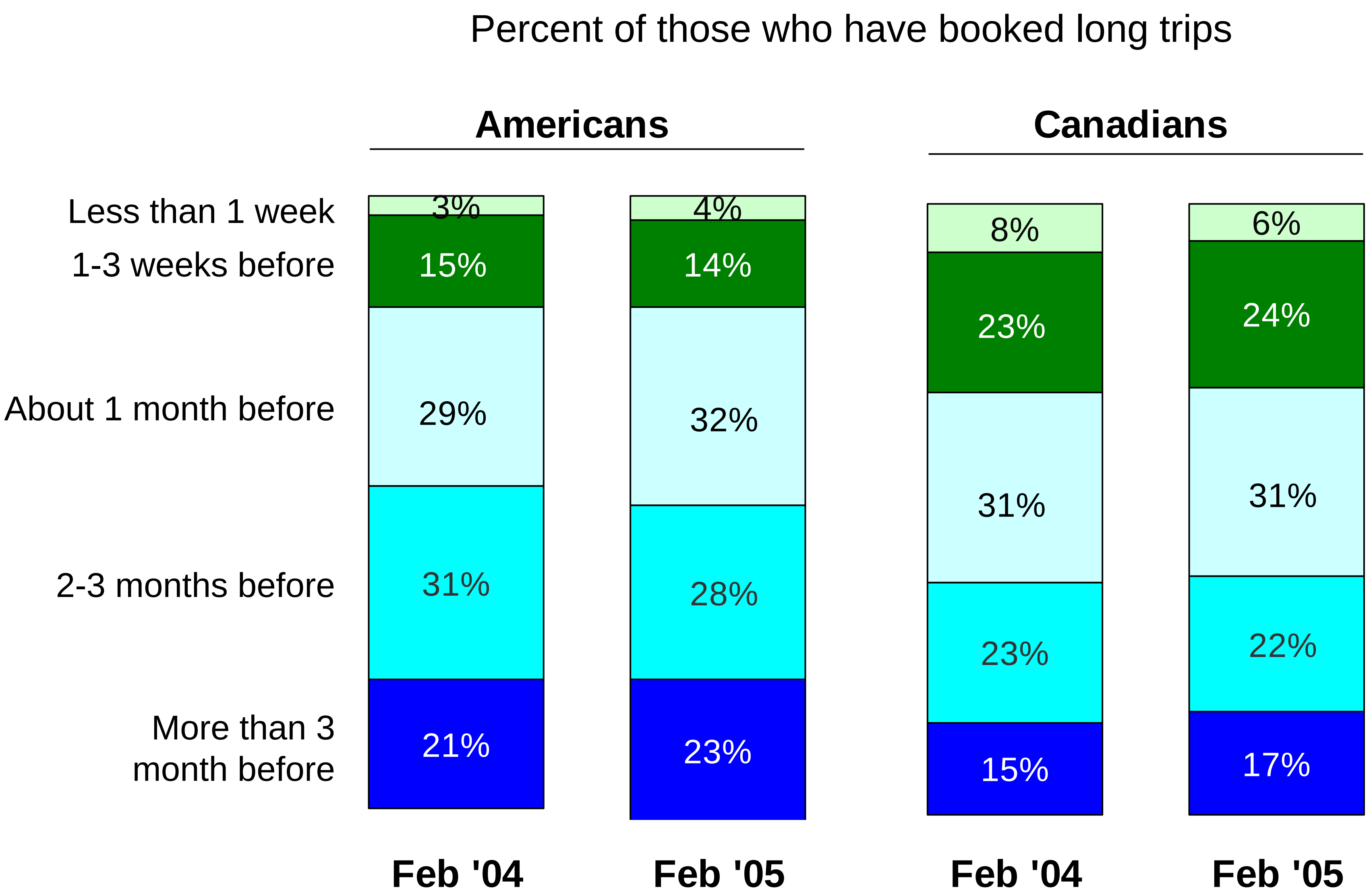
* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. How, if at all, have your travel plans changed over the past two years? Are you inclined to… ?

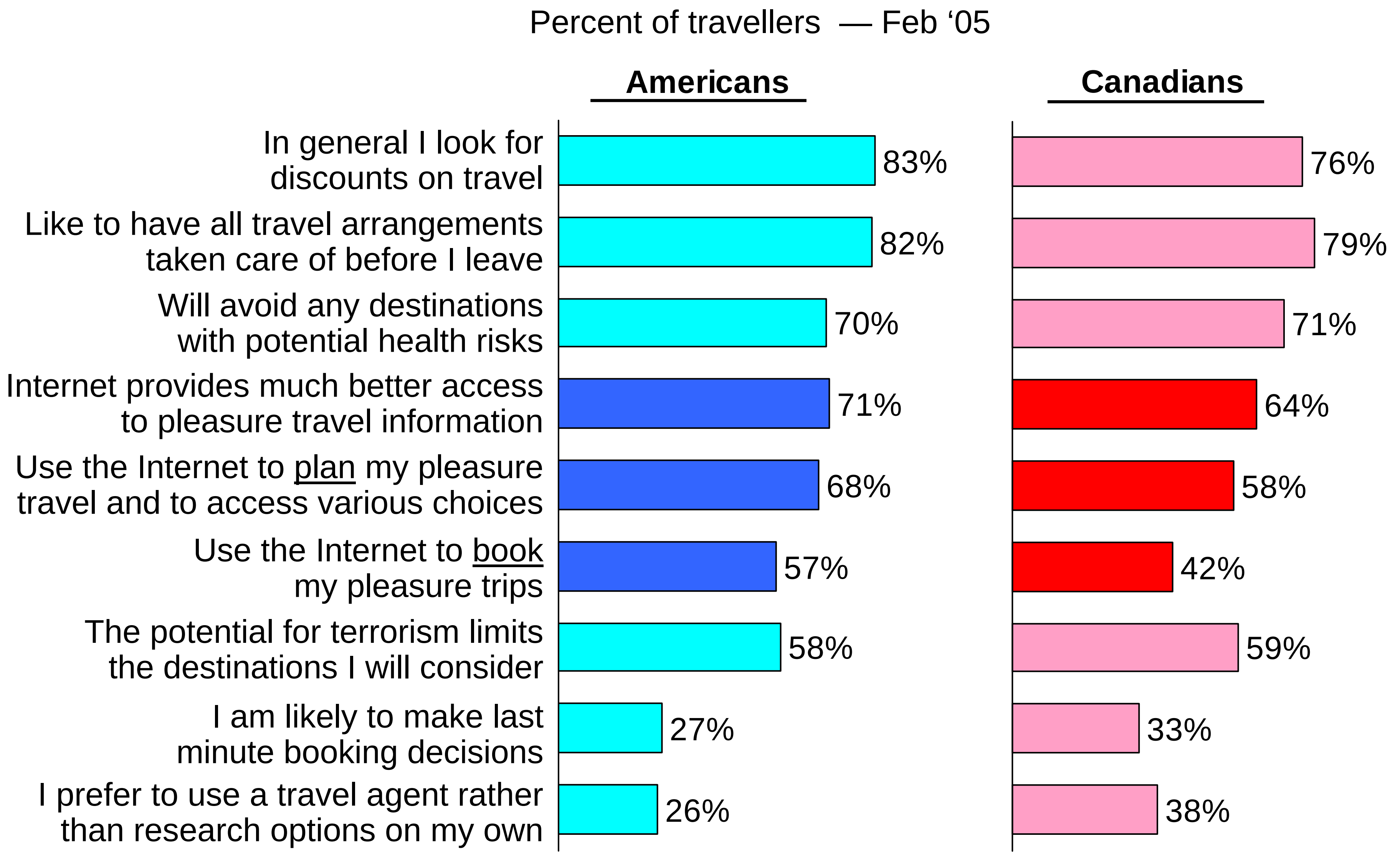
Planning cycle for overnight trips of short duration — 1 to 3 nights



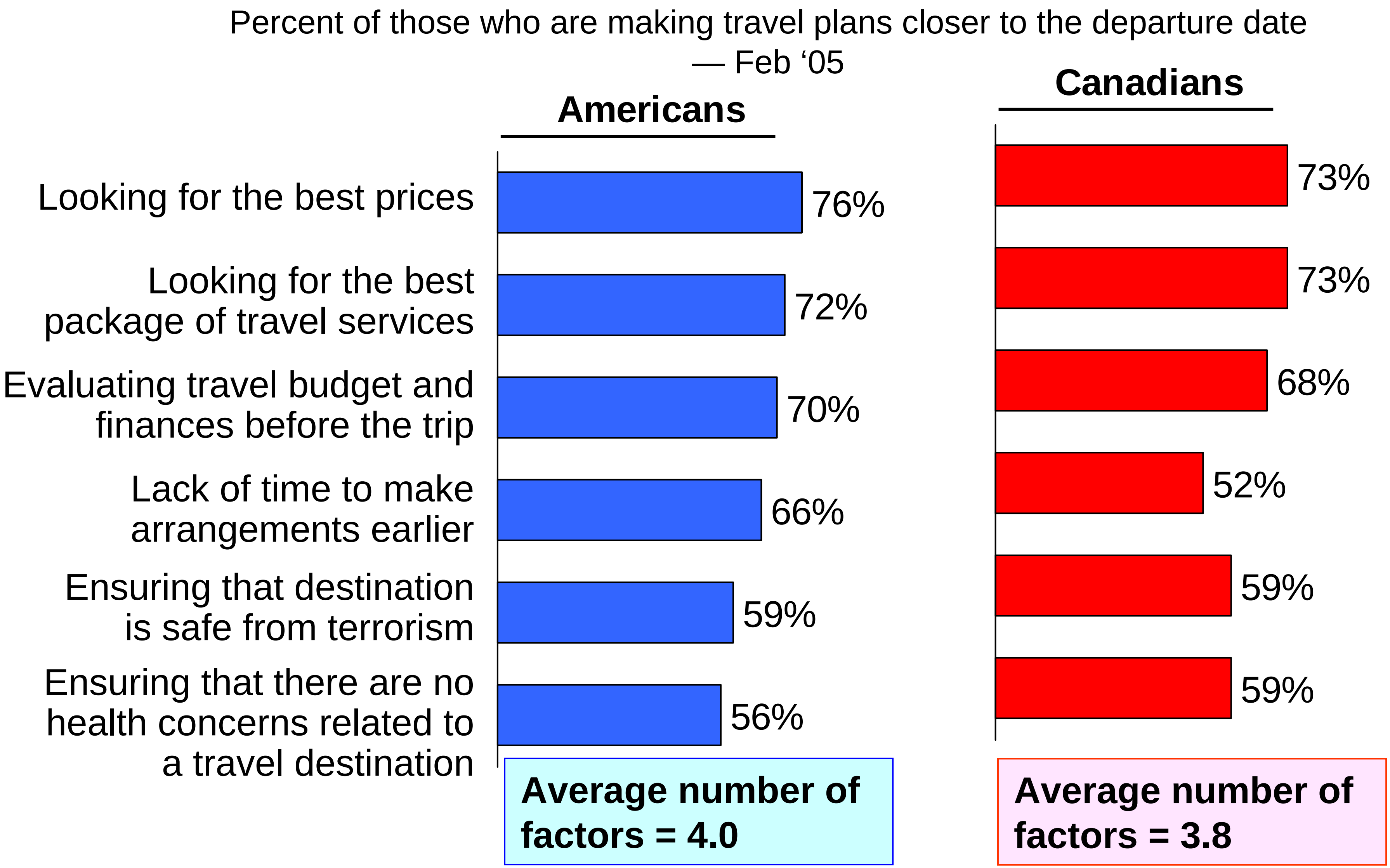
Planning cycle for overnight trips of long duration — 4 nights+



Various aspects considered in planning process for pleasure travel



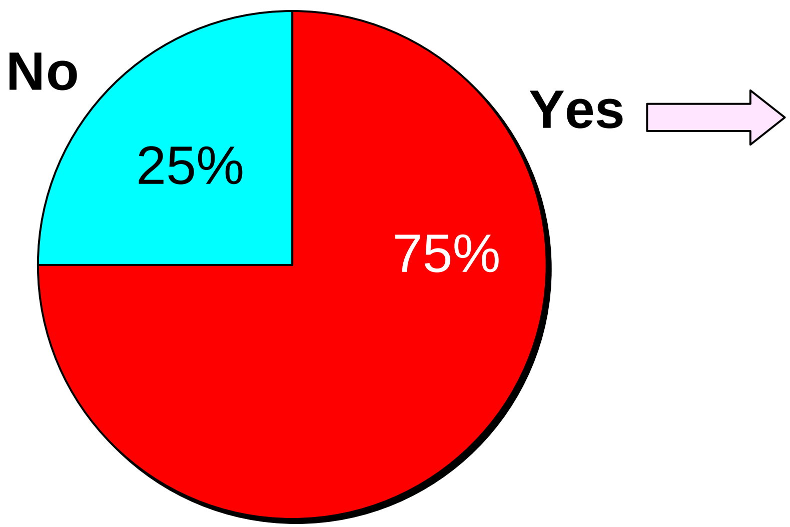
Various factors that may condense trip planning process



The Internet's Impact And Potential

American Internet Activity — Feb ‘05

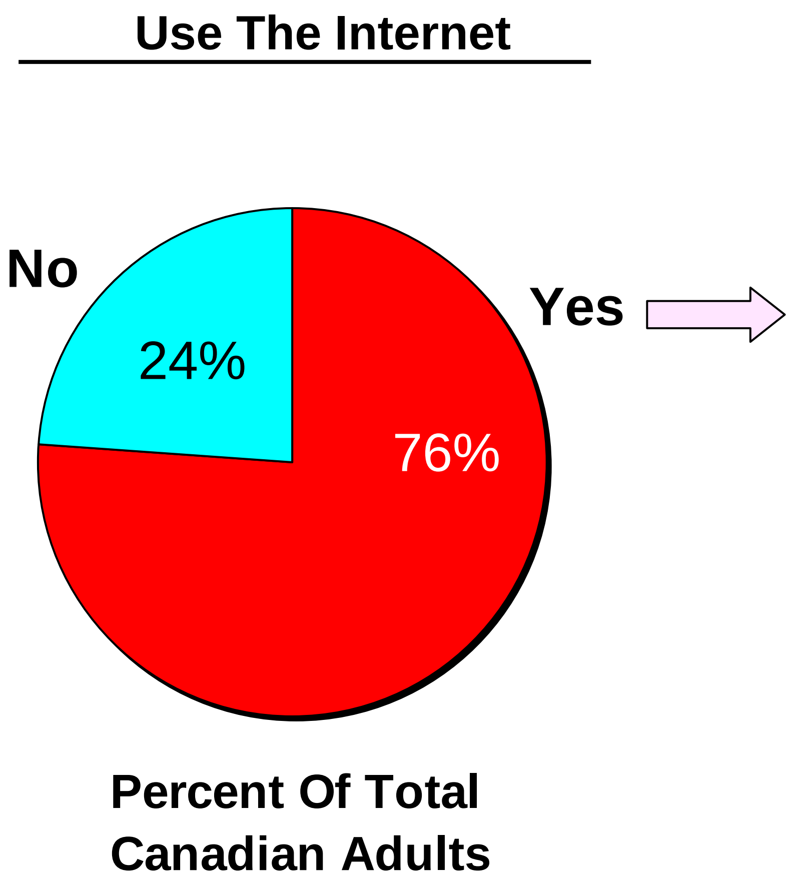
Use The Internet



Percent Of Total American Adults

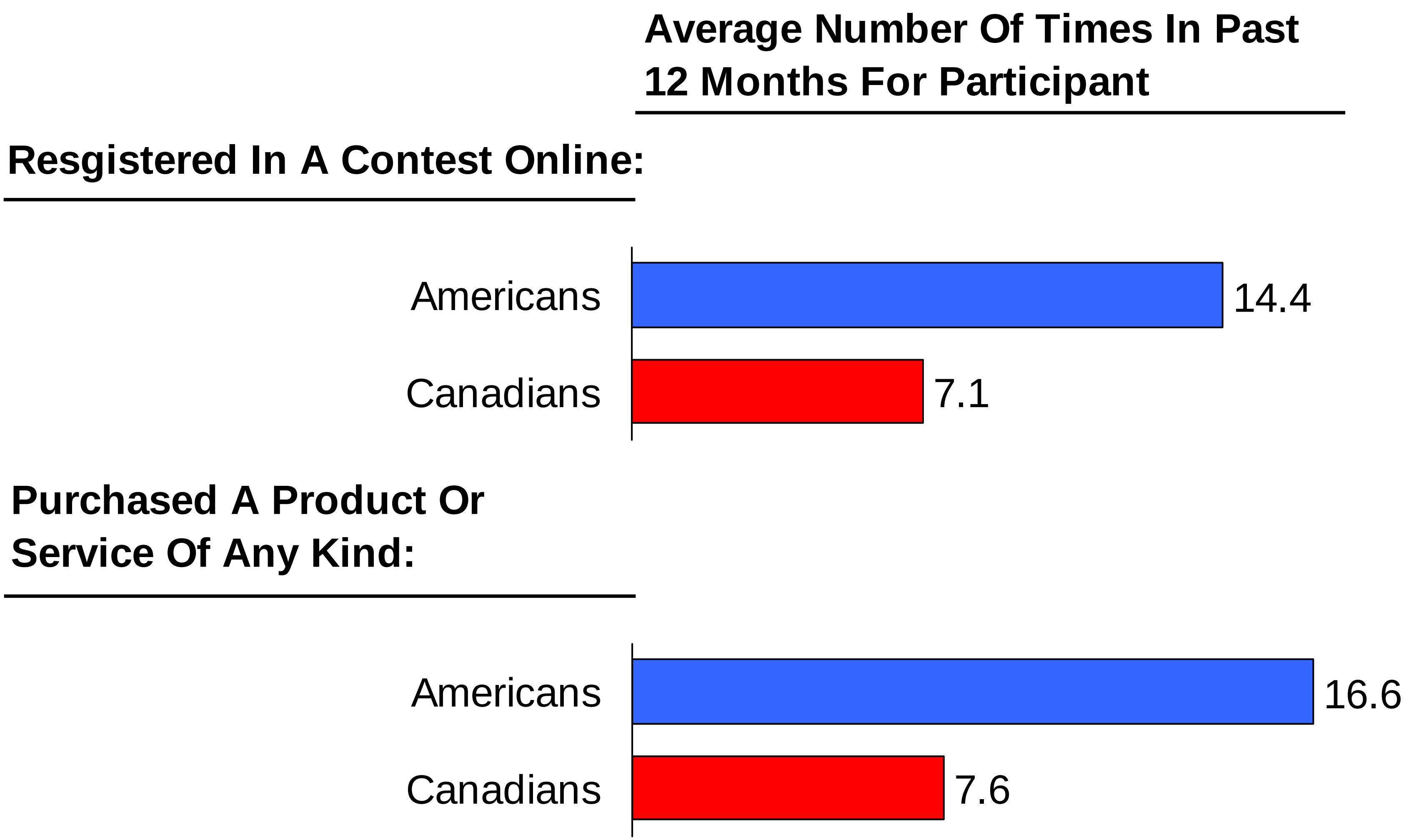
Internet Activities	Participation Rate %
Research travel destinations	74
Research any other aspect of a trip	66
Received travel-related information	62
Purchased or reserved any form of trip transportation	47
Made reservations for accommodation	45
Purchased any other aspect of trip	29
Purchased any non-travel product	65
Received non-travel online newsletter or magazine through subscription	43
Registered for contest	26

Canadian Internet Activity — Feb '05



Internet Activities	Participation Rate %
Research travel destinations	67
Research any other aspect of a trip	57
Received travel-related information	52
Purchased or reserved any form of trip transportation	34
Made reservations for accommodation	29
Purchased any other aspect of trip	37
Purchased any non-travel product	37
Received non-travel online newsletter or magazine through subscription	38
Registered for contest	25

Average Number Of Times Participate In Specific Internet Activities



Travel Intention Details

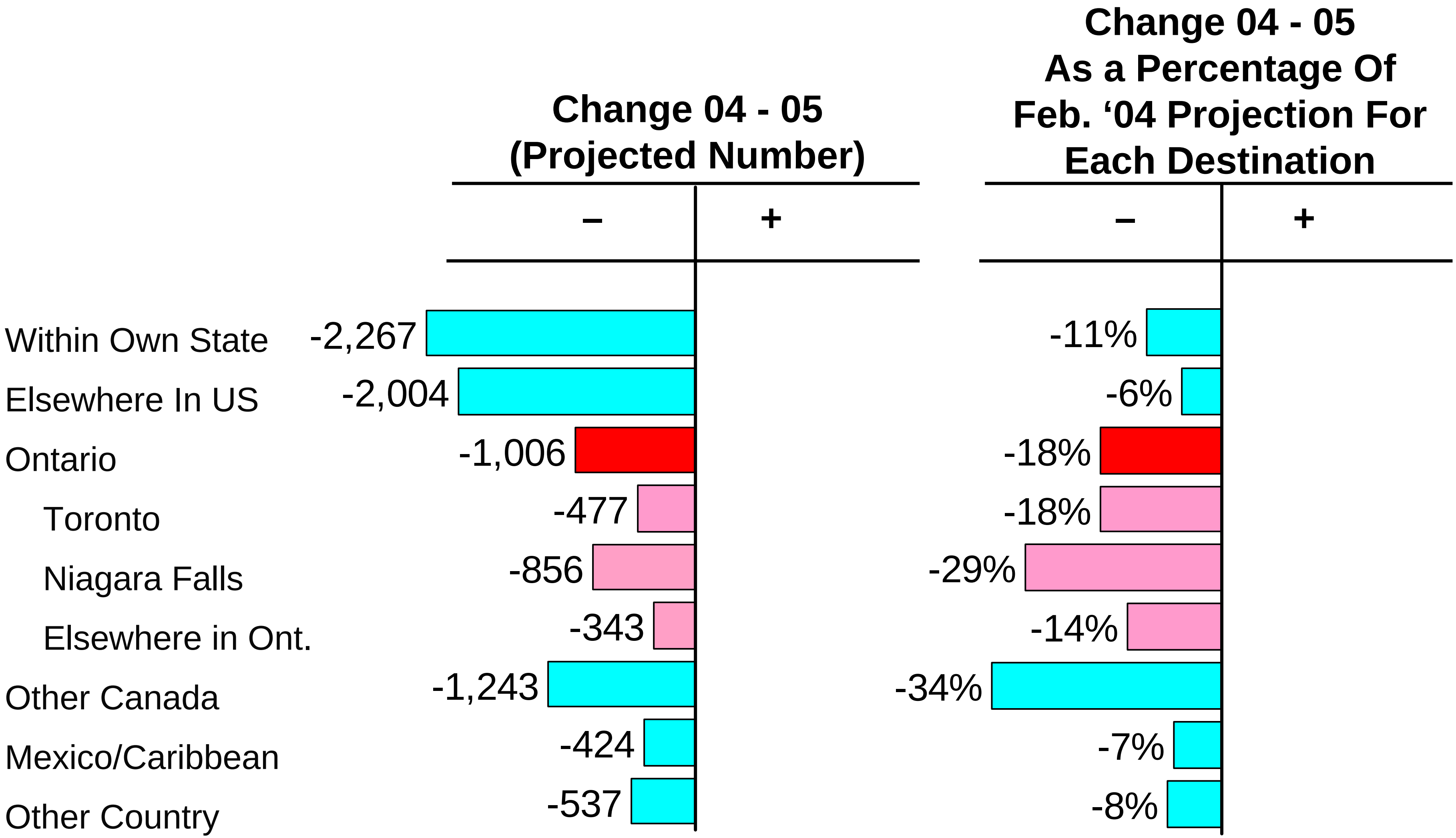
Intended Travel Patterns Of US Residents — **Next Season**

Number of adults claiming overnight trip (thousands)

	Feb. '04 Next Season (Mar/May)	Feb. '04 As % Of Total Adults	Feb. '05 Next Season (Mar/May)	Feb. '05 As % Of Total Adults	Change 04 - 05 (Projected Number) –	Change 04 - 05 (Projected Number) +
Within Own State	20,005	28	17,738	24	-2,267	
Elsewhere In US	32,357	44	30,353	42	-2,004	
Ontario	5,610	8	4,606	6	-1,006	
Toronto	2,642	4	2,165	3	-477	
Niagara Falls	2,951	4	2,095	3	-856	
Elsewhere in Ont.	2,379	3	2,036	3	-343	
Other Canada	3,671	5	2,428	3	-1,243	
Mexico/Caribbean	6,399	9	5,975	8	-424	
Other Country	6,410	9	5,873	8	-537	

Relative Shift In Travel Intent Among US Residents — **Next Season**

Change in number of adults claiming overnight trip (thousands)



Intended Travel Patterns Of US Residents — **Season After Next**

Number of adults claiming overnight trip (thousands)

	Feb. '04 Season After Next (June/Aug)	Feb. '04 As % Of Total Adults	Feb. '05 Season After Next (June/Aug)	Feb. '05 As % Of Total Adults	Change 04 - 05 (Projected Number) –	Change 04 - 05 (Projected Number) +
Within Own State	NA	NA	18,713	NA	NA	
Elsewhere In US	NA	NA	30,634	NA	NA	
Ontario	8,542	12%	5,842	8%	-2,700	
Toronto	4,109	6%	3,307	5%	-802	
Niagara Falls	4,295	6%	2,849	4%	-2,424	
Elsewhere in Ont.	3,201	4%	2,432	3%	-769	
Other Canada	NA	NA	3,881	NA	NA	
Mexico/Caribbean	NA	NA	3,249	NA	NA	
Other Country	NA	NA	5,271	NA	NA	

Ontario Travel Intention Incidence
By Specific US Market

		Percent Of Adults In Each Case Stating… Intend To Travel To Ontario					
		As Of Feb. '04		As Of Feb. '05		Mar/May Projection Change 04 To 05	June/Aug Projection Change 04 To 05
		During Mar/May	During June/Aug	During Mar/May	During June/Aug		
Buffalo	%	29	36	31	27	+2	-9
Rochester	%	23	37	20	19	-3	-18
Syracuse	%	17	26	8	14	-9	-12
New York City	%	9	14	10	9	+1	-5
Pittsburgh	%	8	18	8	9	±0	-9
Detroit	%	20	27	13	20	-7	-7
Cleveland	%	18	26	12	13	-6	-13
Boston	%	3	9	6	8	+3	-1
Washington DC	%	9	10	4	6	-5	-4
Cincinnati	%	6	14	5	6	-1	-8
Milwaukee	%	3	6	2	7	-1	+1
Indianapolis	%	6	14	2	5	-4	-9
Chicago	%	2	10	2	6	±0	-4
Philadelphia	%	9	11	2	9	-7	-2
Minneapolis	%	5	9	1	6	-4	-3
TOTAL US	**%**	**8**	**12**	**6**	**8**	**-2**	**-4**

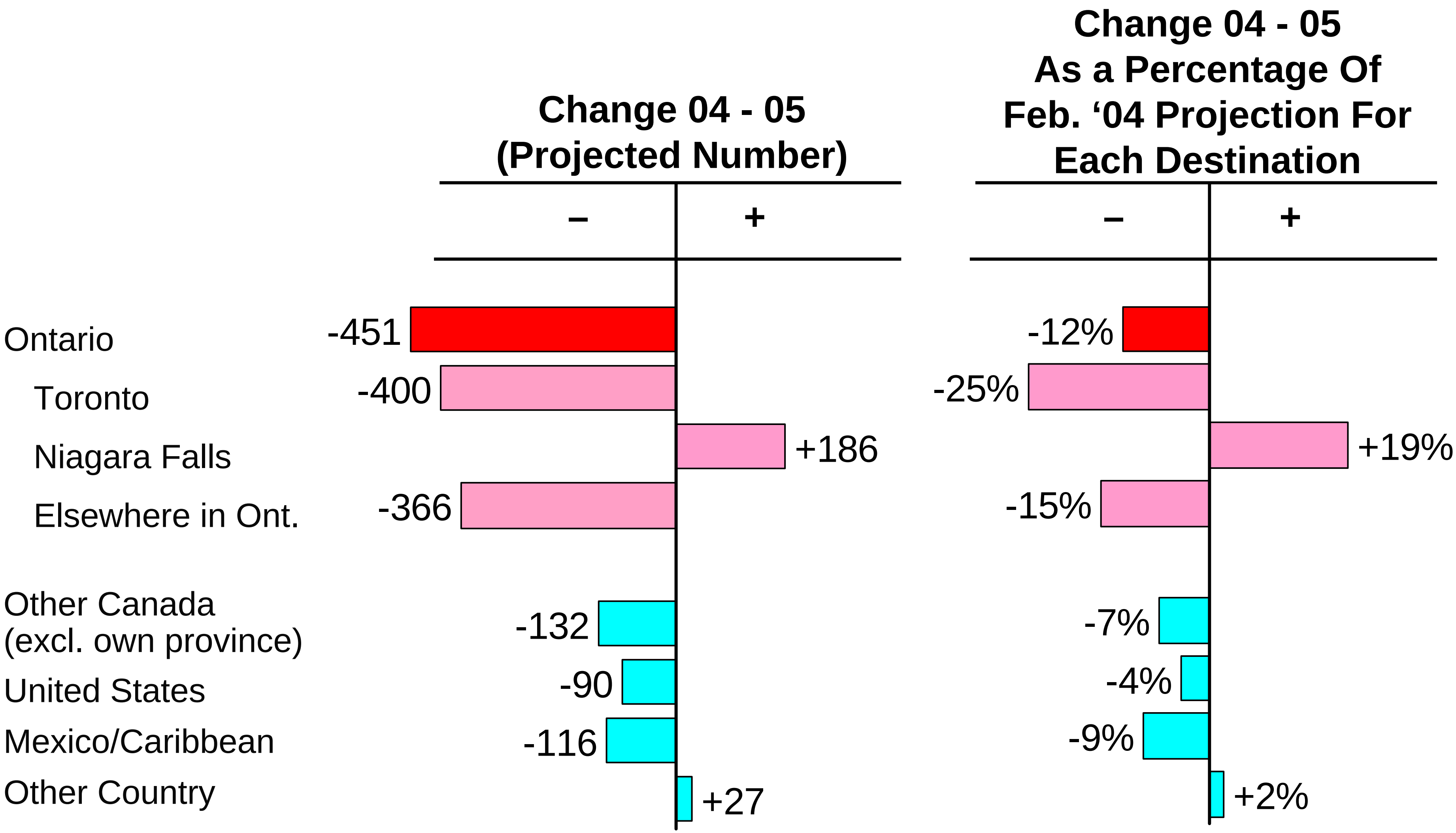
Intended Travel Patterns Of Canadian Residents — **Next Season**

Number of adults claiming overnight trip (thousands)

	Feb. '04 Next Season (Mar/May)	Feb. '04 As % Of Total Adults	Feb. '05 Next Season (Mar/May)	Feb. '05 As % Of Total Adults	Change 04 - 05 (Projected Number) –	Change 04 - 05 (Projected Number) +
Ontario	3,684	30	3,233	26	-451	
Toronto	1,601	13	1,201	10	-400	
Niagara Falls	965	8	1,151	9		+186
Elsewhere in Ont.	2,420	20	2,084	17	-366	
Other Canada (excl. own province)	1,963	16	1,831	15	-132	
United States	2,473	20	2,383	19	-90	
Mexico/Caribbean	1,295	11	1,179	10	-116	
Other Country	1,155	9	1,182	10		+27

Relative Shift In Travel Intent Among Canadians — **Next Season**

Change in number of adults claiming overnight trip (thousands)



Intended Travel Patterns Of Canadian Residents — **Season After Next**

Number of adults claiming overnight trip (thousands)

	Feb. '04 Season After Next (June/Aug)	Feb. '04 As % Of Total Adults	Feb. '05 Season After Next (June/Aug)	Feb. '05 As % Of Total Adults	Change 04 - 05 (Projected Number) –	Change 04 - 05 (Projected Number) +
Ontario	4,331	35%	3,138	26%	-1,193	
Toronto	1,489	12%	975	8%	-514	
Niagara Falls	1,116	9%	970	8%	-146	
Elsewhere in Ont.	3,364	27%	2,171	18%	-1,193	
Other Canada (excl. own province)	NA	NA	2,157	NA	NA	
United States	NA	NA	1,894	NA	NA	
Mexico/Caribbean	NA	NA	400	NA	NA	
Other Country	NA	NA	1,238	NA	NA	

Ontario Travel Intention Incidence
By Specific Canadian Market

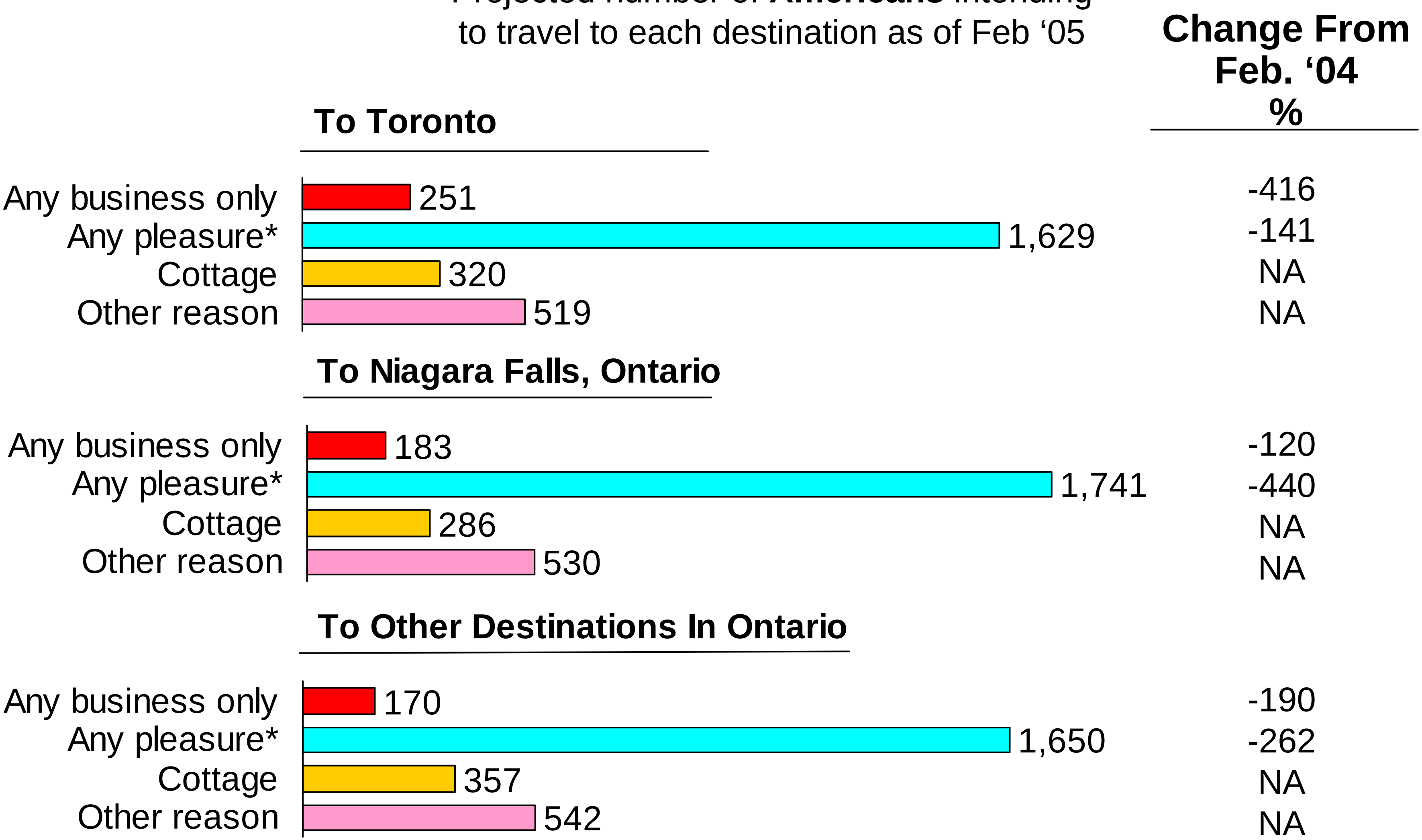
Percent Of Adults In Each Case Stating…
Intend To Travel To/Within Ontario

	As Of Feb. '04		As Of Feb. '05		Mar/May Projection Change 04 To 05	June/Aug Projection Change 04 To 05
	During Mar/May	During June/Aug	During Mar/May	During June/Aug		
Quebec City	9	14	11	14	+2	±0
Montreal	18	22	18	16	±0	-6
Ottawa	44	48	35	32	-9	-16
Toronto	28	37	28	26	±0	-11
Other Ontario	40	43	31	31	-9	-12
Winnipeg	17	29	18	21	+1	-8
TOTAL CANADA	**30**	**35**	**26**	**26**	**-4**	**-9**

Nature Of Upcoming Trips To/Within Ontario

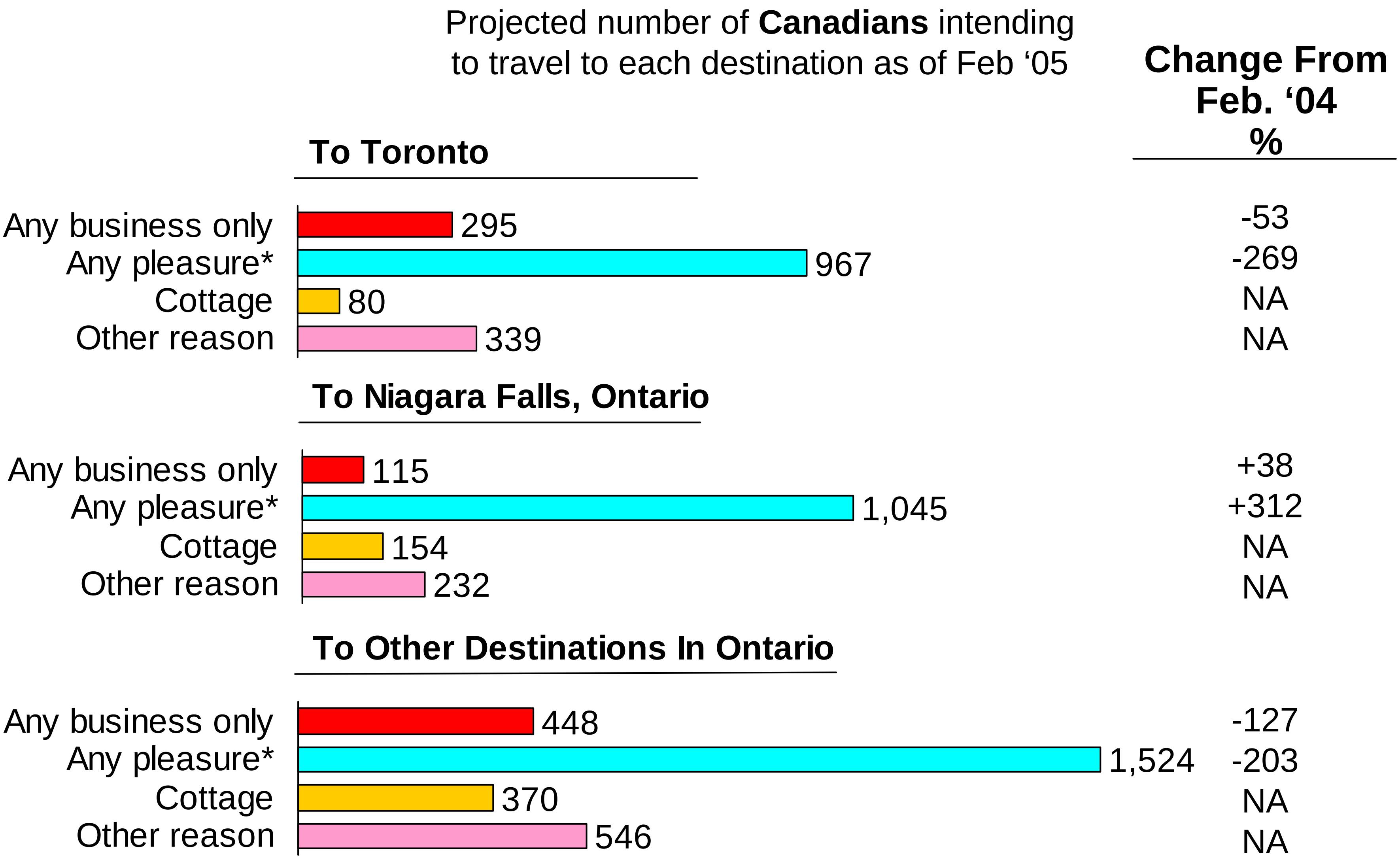
Main purpose of trips planned to Ontario In March/May — Americans

Projected number of **Americans** intending to travel to each destination as of Feb ‘05



* Excluding cottage/country home.

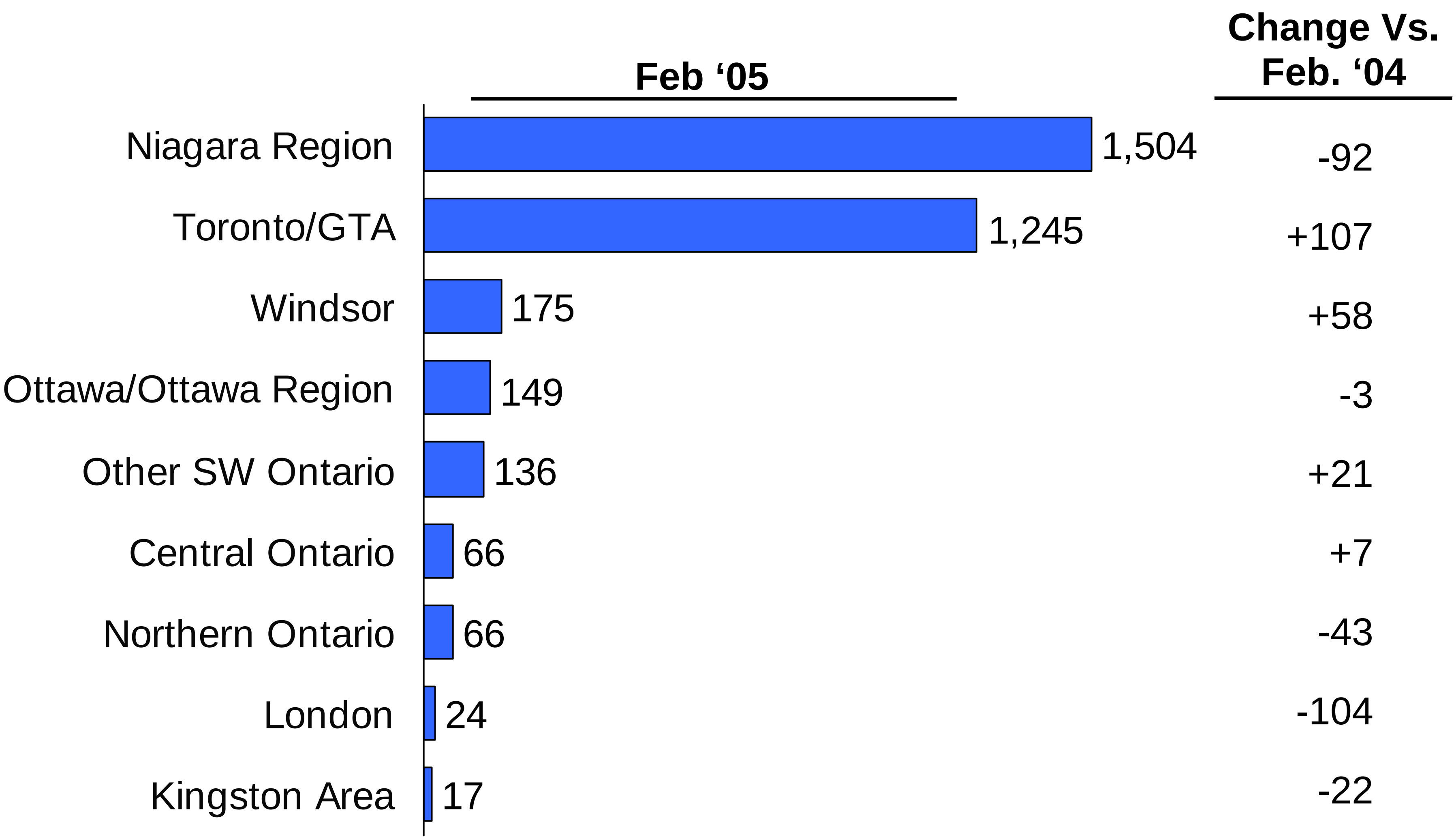
Main purpose of trips planned to Ontario In March/May — Canadians



* Excluding cottage/country home.

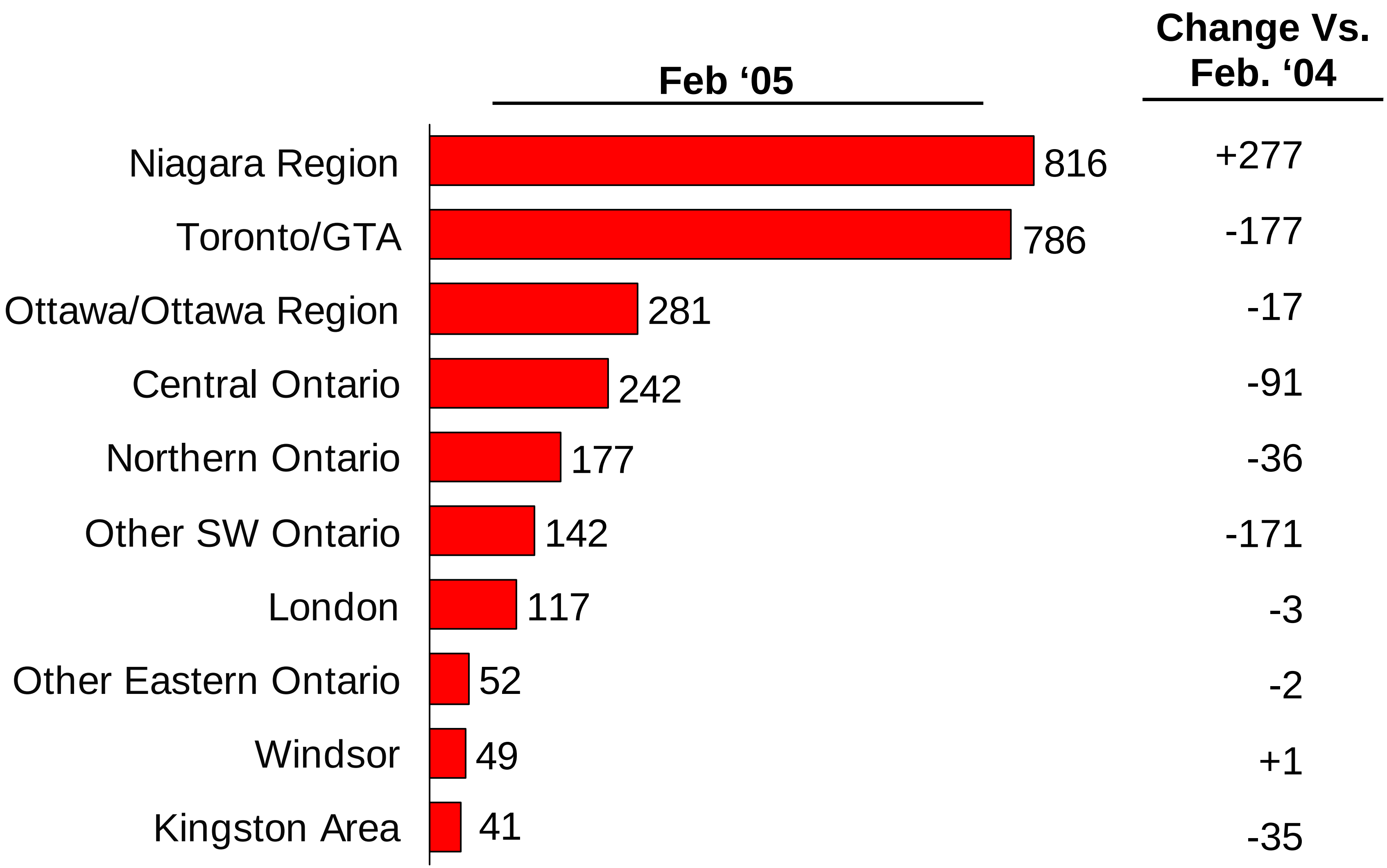
Destination Of Next Overnight Pleasure Trip To/Within Ontario (March/May ‘05) — Americans

Number of Americans who intend to travel to each destination (thousands)



Destination Of Next Overnight Pleasure Trip To/Within Ontario — Canadians

Number of Canadians who intend to travel to each destination (thousands)



Conference, Convention and Trade Show Attendance Next Season — US Residents

Location:	Feb '05 — Number of Americans (in thousands) planning to attend conference, convention or trade show in … next season	By Market — Near Market #	By Market — Mid Market #
Own State	2,216	851	1,365
Elsewhere In US	4,206	1,214	2,995
Ontario	88	59	29
Toronto	81	52	29
Niagara Falls	0	0	0
Other Ont.	19	19	0
Other Canada	52	41	10
Mexico/Caribbean	1	1	0
Other Country	429	105	324

Conference, Convention and Trade Show Attendance Next Season (March/May ‘05) — Canada

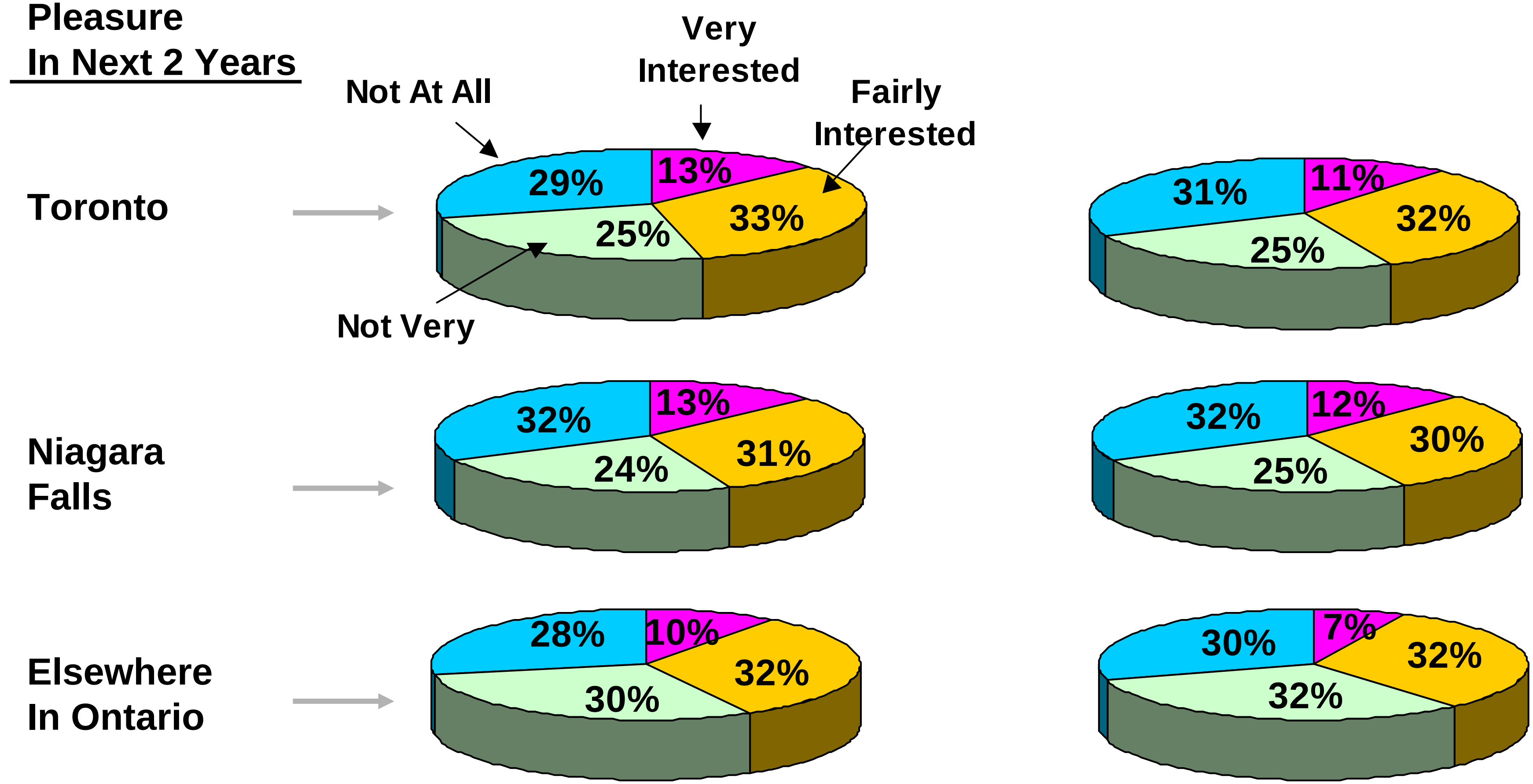
	Number of travellers (in thousands) from … planning to attend conference, convention or trade show next season — Feb. ‘05			
	Ontario #	**Montreal #**	**Quebec City #**	**Winnipeg #**
Location:				
Within Own Province	288	34	30	6
Ontario	288	44	7	8
Toronto	117	36	5	5
Niagara Falls	32	–	2	1
Other Ontario	181	13	4	4
Other Canada	127	23	2	16
United States	202	45	10	14
Mexico/Caribbean	–	–	–	3
Other Country	29	10	–	5

General Experience With And Interest In Ontario

Latent Interest In Ontario Destinations By Experience With The Province — Feb '05

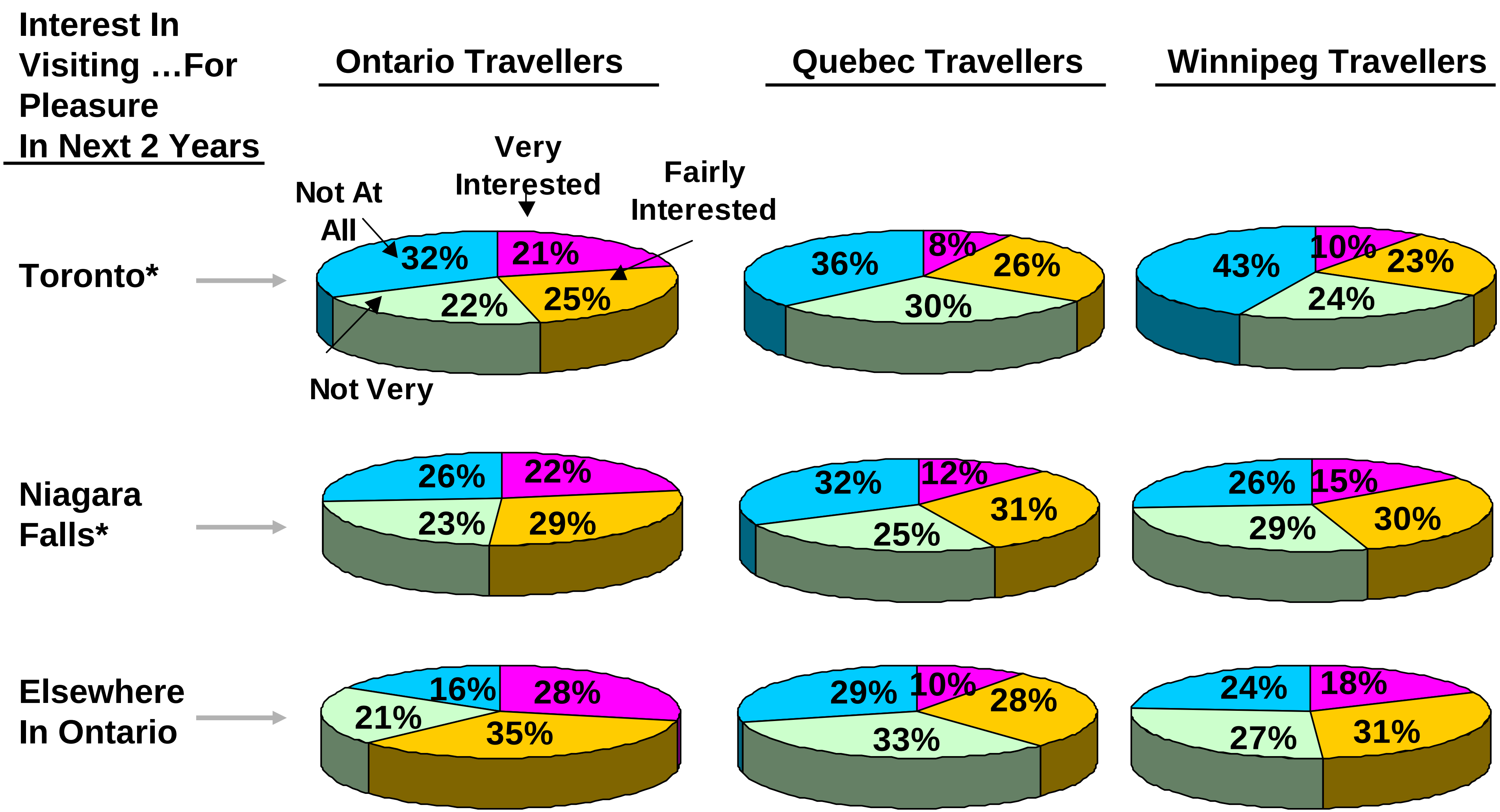
Among American travellers who do not plan to visit in next six months

	Approx. 65,000,000	**Approx. 58,000,000**
Interest In Visiting …For Pleasure In Next 2 Years	**Total Do Not Intend To Visit In Next 6 Months**	**Do Not Intend To Visit In Next 6 Months And Not Visited In Past 2 Years**



Latent Interest In Ontario Destinations — Feb ‘05

Among Canadian travellers who do not plan to visit in immediate future

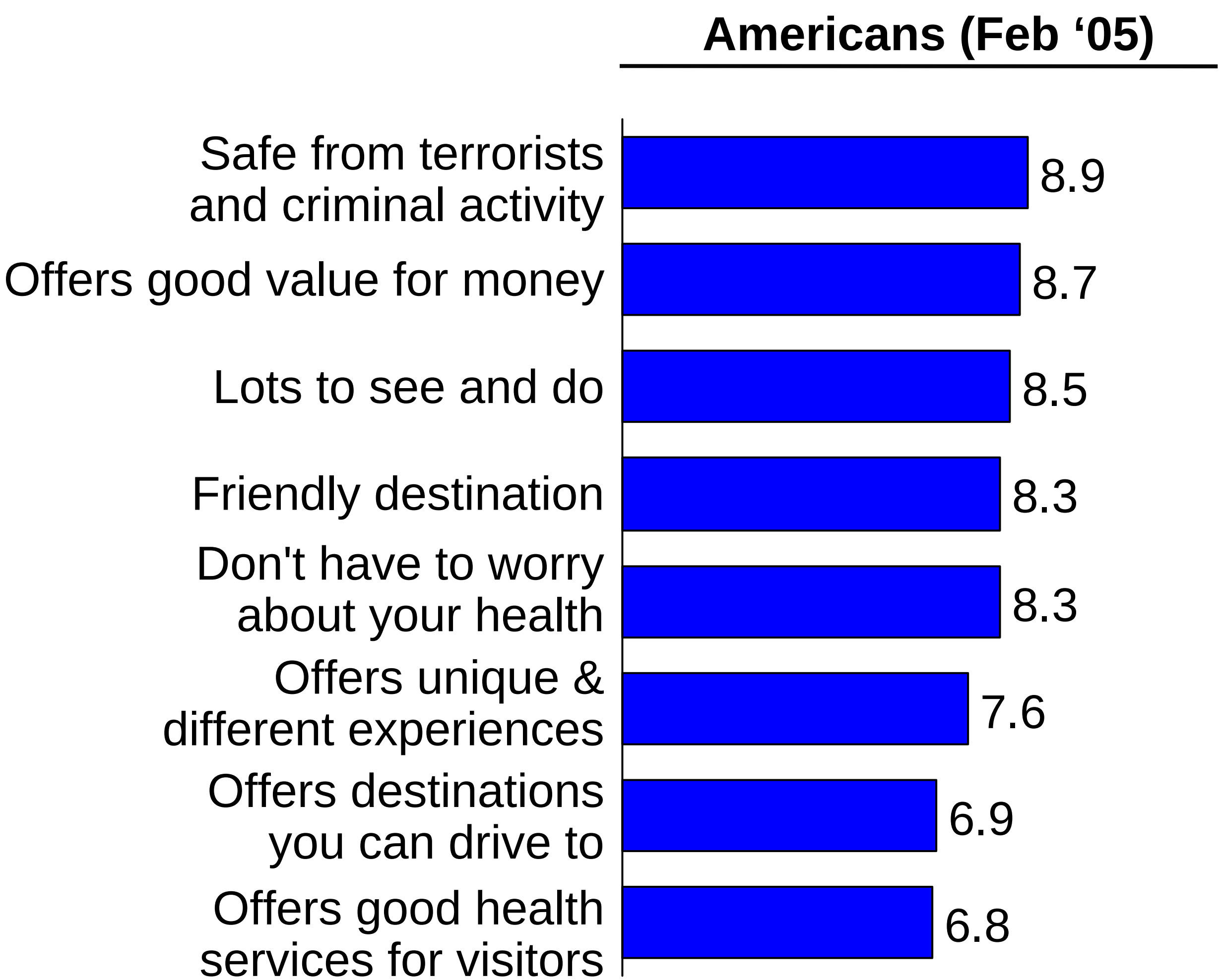


* Excluding residents of city in question.

Travel Motivations & Barriers

Importance Of Various Factors In Selecting A Pleasure Travel Destination

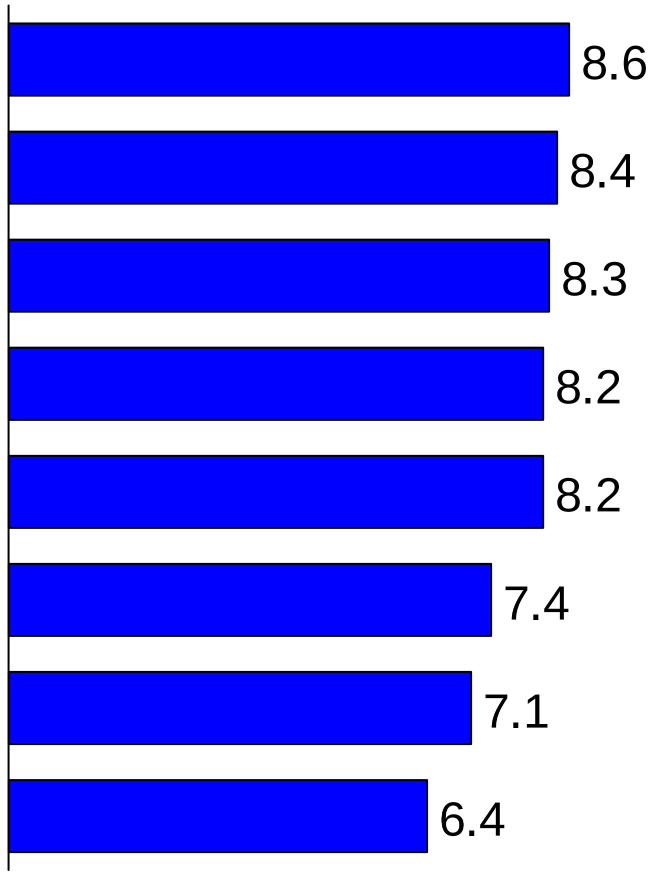
Average score on 10-point scale among past 2 year/next 12-month American travellers



"Very Important 10/10"	Change Since Feb. '04
69%	+7%
52%	+2%
46%	±0%
50%	+2%
53%	+2%
26%	NA
25%	-1%
25%	-2%

Importance Of Various Factors In Selecting A Pleasure Travel Destination

Average score on 10-point scale among past 2 year/next 12-month Canadian travellers



	Canadians (Feb ‘05)	“Very Important 10/10”	Change Since Feb. ‘04
Safe from terrorists and criminal activity	8.6	61%	+2%
Offers good value for money	8.4	43%	-1%
Friendly destination	8.3	39%	±0%
Lots to see and do	8.2	37%	-3%
Don't have to worry about your health	8.2	46%	+4%
Offers unique & different experiences	7.4	22%	NA
Offers good health services for visitors	7.1	26%	-4%
Offers destinations you can drive to	6.4	19%	-3%

Overall Rating Of Ontario Relative To Ideal

TOP "IDEAL" TRAVEL DESTINATIONS

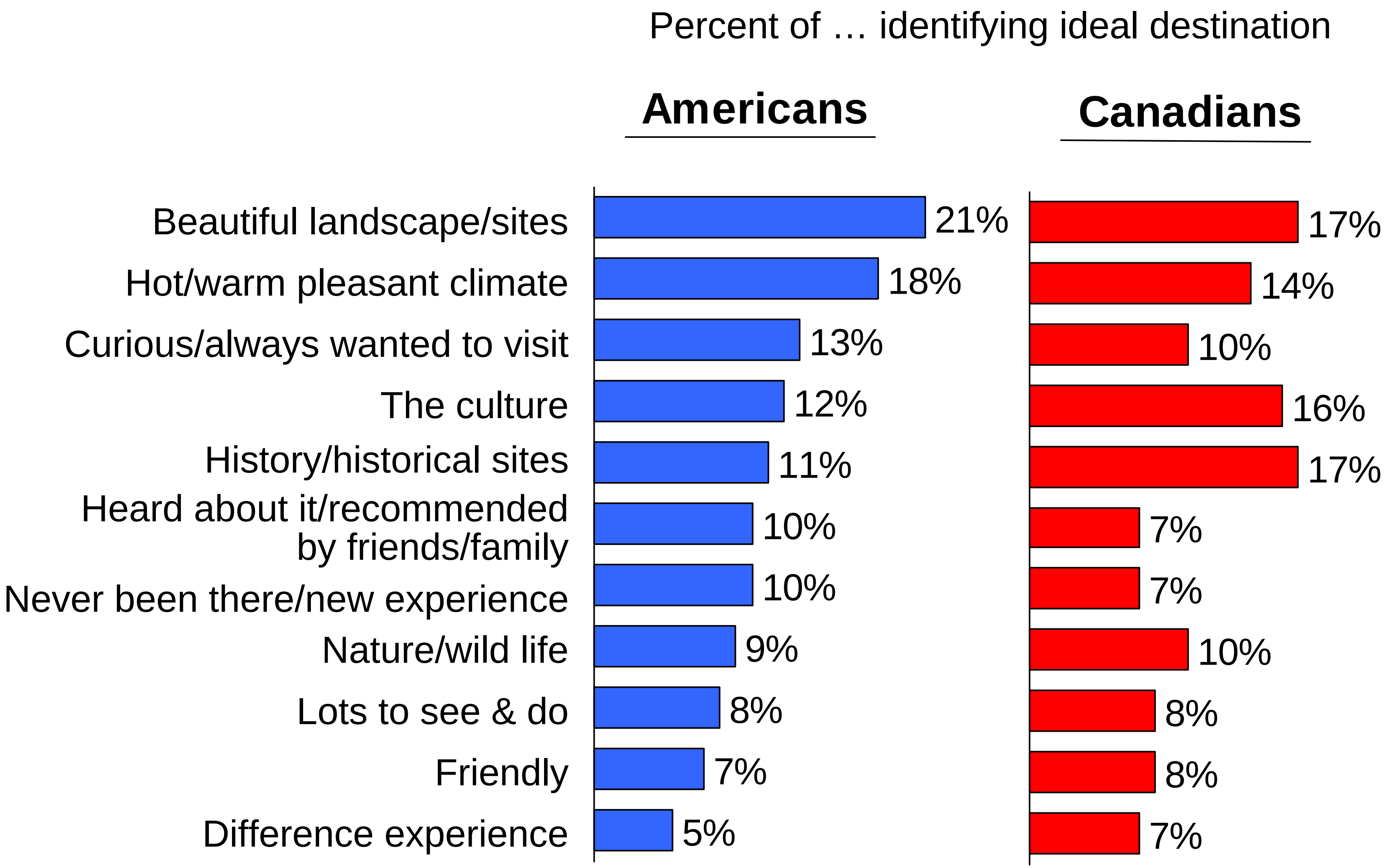
Among Ontarians		Among Quebecers		Among Americans	
Australia	11%	France	11%	Hawaii	13%
Hawaii	9%	Italy	11%	Any Caribbean	12%
Britain	8%	Australia	7%	Italy	8%
France	7%	Any Caribbean	7%	France	6%
Italy	7%	Greece	5%	Britain	6%
"Europe"	5%	Egypt	5%	Florida	6%
Any Carribean	5%	Hawaii	4%	Las Vegas	5%
Greece	3%	"Europe"	4%	Canada	5%
Any Canada	8%	Any Canada	5%		

Overall Rating Of Ontario (Average On 10-Point Scale)

	Comparison To Ideal "Must See" Destination*	Overall Rating For Pleasure Travel	
	Feb '05	Feb '05	△ Feb. '04
Among Past/ Intended Travellers:			
Americans	5.4	7.3	+0.1
Ontario Residents	6.1	8.0	-0.1
Quebec Residents	4.2	6.5	-0.4
Winnipeg Residents	4.8	7.1	+0.2

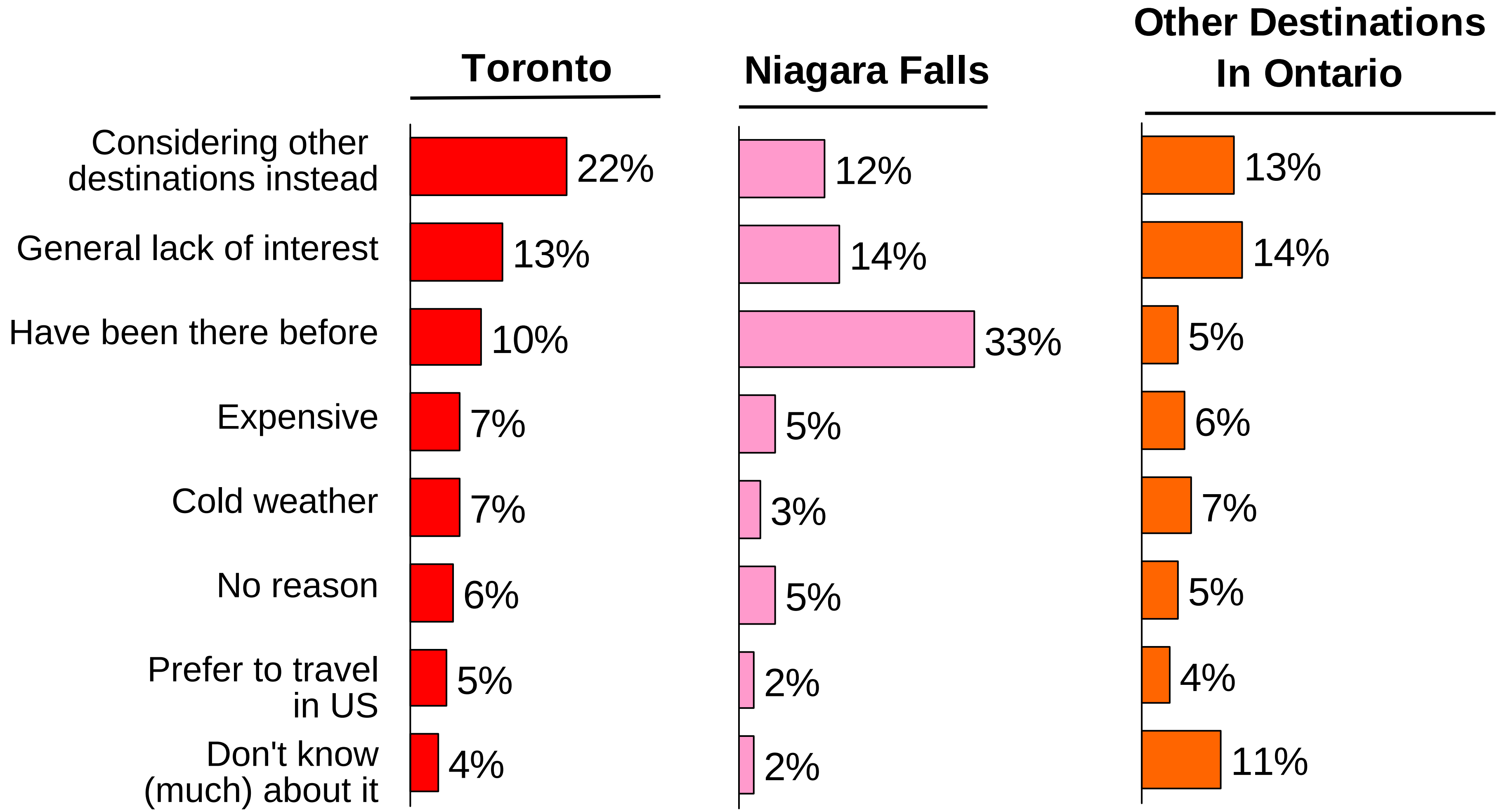
* Among those with an "ideal" destination

What Makes Ideal Destination “Ideal”



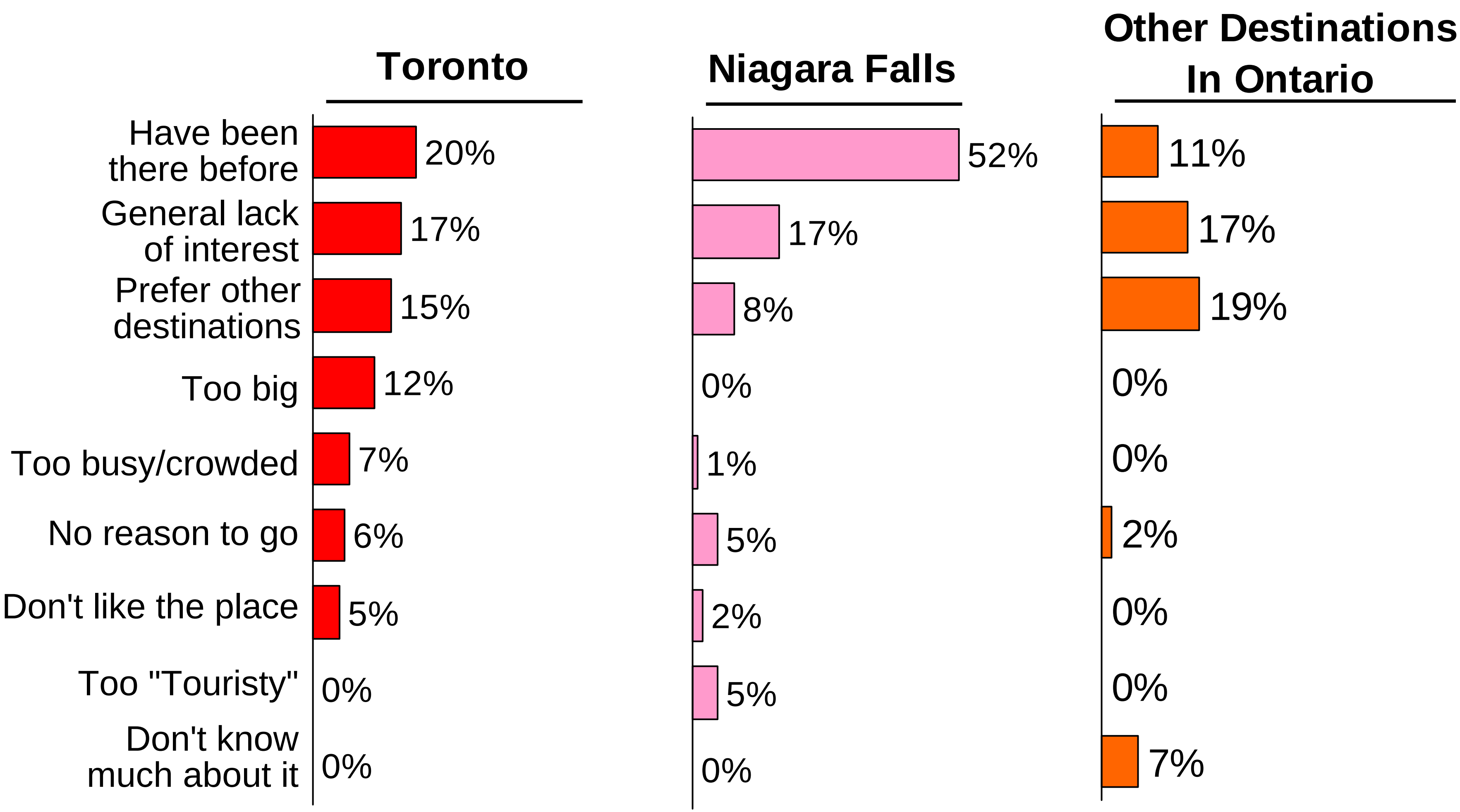
Reasons for lack of interest in visiting specific Canadian destinations — Among Americans (Feb '05)

Percent of Americans who are "not very/not at all interested" in visiting each destination within the next 2 years and have visited Ontario in the past



Reasons for lack of interest in visiting specific Canadian destinations — Among Canadians (Feb ‘05)

Percent of Canadians who are “not very/not at all interested” in visiting each destination within the next 2 years

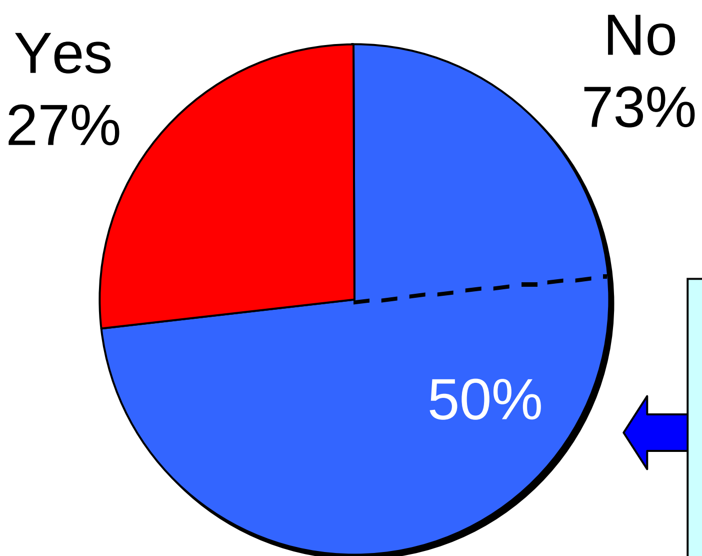


Barriers To Ontario Nature Travel

Impediments to Ontario nature travel among Americans

Among US travellers

Ever Visited Ontario For Nature Trip



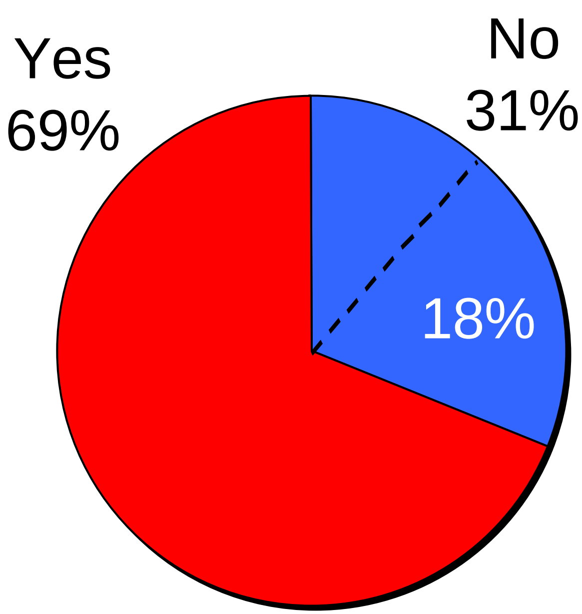
Never Visited And Give High Score For Nature (7+)

Reasons For Not Taking Ontario Nature Trip	
No time	17%
No money	13%
No opportunity	9%
Do not take such trips	6%
Not interested	5%
Have kids	4%
It's cold	4%
Too far	4%
Similar looking countryside here	2%

Impediments to Ontario nature travel among Canadians

Among Canadians travellers

Ever Visited Ontario For Nature Trip



Never Visited And Give High Score For Nature (7+)

Reasons For Not Taking Ontario Nature Trip

No time	21%
Do not take such trips	10%
No money	10%
No opportunity	7%
Not interested	6%
Similar looking countryside here	5%
Other plans	4%
Prefer other destinations	4%

Awareness Of Specific Ontario Outdoor Destinations Among Americans

	Total US Travellers	Near Markets %	Mid Markets %
Kingston/Thousand Islands	46%	56	40
Niagara Escarpment	39%	41	38
Georgian Bay	29%	39	23
Algonquin Park	24%	33	19
Muskoka	17%	21	14
Lake Nippising	17%	23	14
Grand Bend	15%	20	12
Wasaga Beach	13%	17	11
Sable Beach	12%	14	10
Quetico Park	11%	11	11
Collingwood	10%	12	9
Bruce Trail	10%	10	9
Temagami Park	6%	9	5
Average Number Aware	**2.5**	**3.1**	**2.1**

Awareness Of Specific Ontario Outdoor Destinations Among Canadians

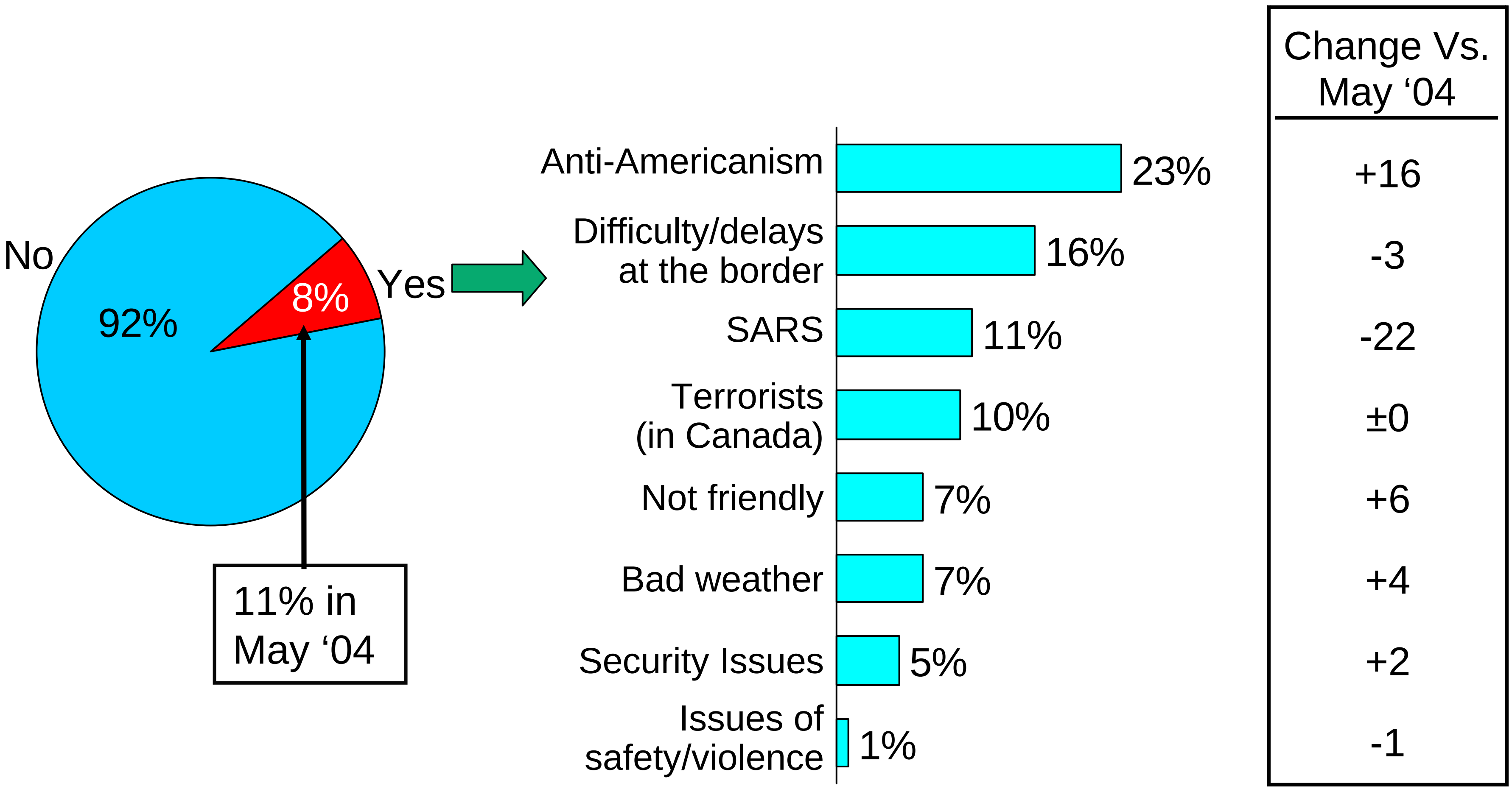
	Total Canadians Travellers	Ont. %	GTA %	Mon-treal %	QC %	Winni-peg %
Kingston/Thousand Islands	80%	88	86	61	65	53
Niagara Escarpment	79%	87	84	59	69	68
Georgian Bay	78%	93	89	37	53	65
Algonquin Park	77%	91	86	43	32	66
Muskoka	70%	92	89	16	10	56
Lake Nippising	63%	80	72	20	19	62
Grand Bend	50%	69	61	7	8	18
Wasaga Beach	69%	91	92	16	18	38
Sable Beach	56%	73	75	18	18	21
Quetico Park	22%	26	22	12	11	21
Collingwood	67%	89	87	13	14	39
Bruce Trial	48%	65	59	7	7	17
Temagami Park	30%	36	26	15	22	18
Average Number Aware	**7.9**	**9.8**	**9.3**	**3.2**	**3.5**	**5.2**

Impact Of Specific Negative Events

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?

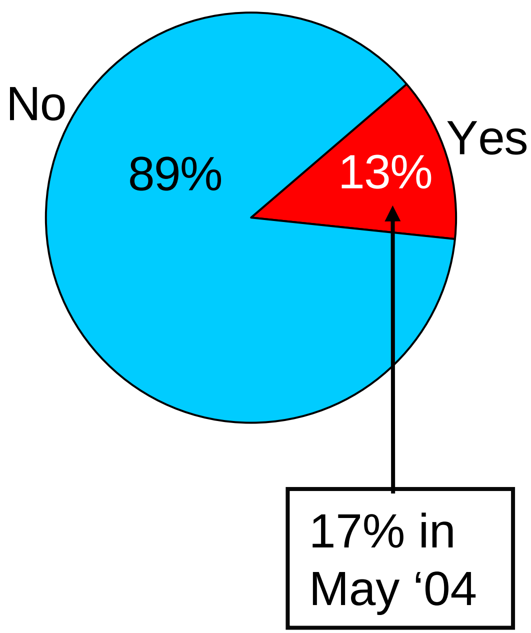
Percent of **Americans** aware of Ontario

What are these specifically?

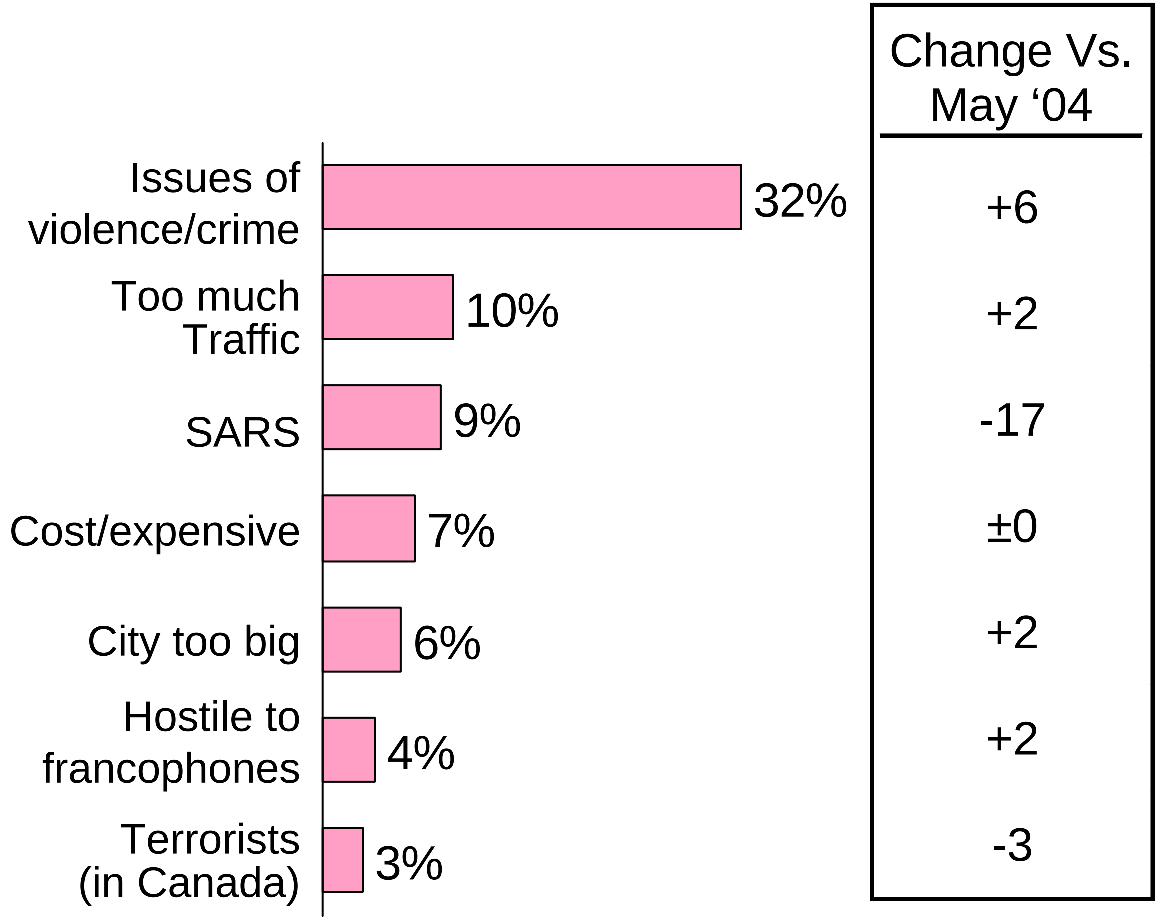


Are there any specific events or issues that you have heard about that make you less inclined to travel to Toronto, Niagara Falls or other places in Ontario?

Percent of **Canadians**

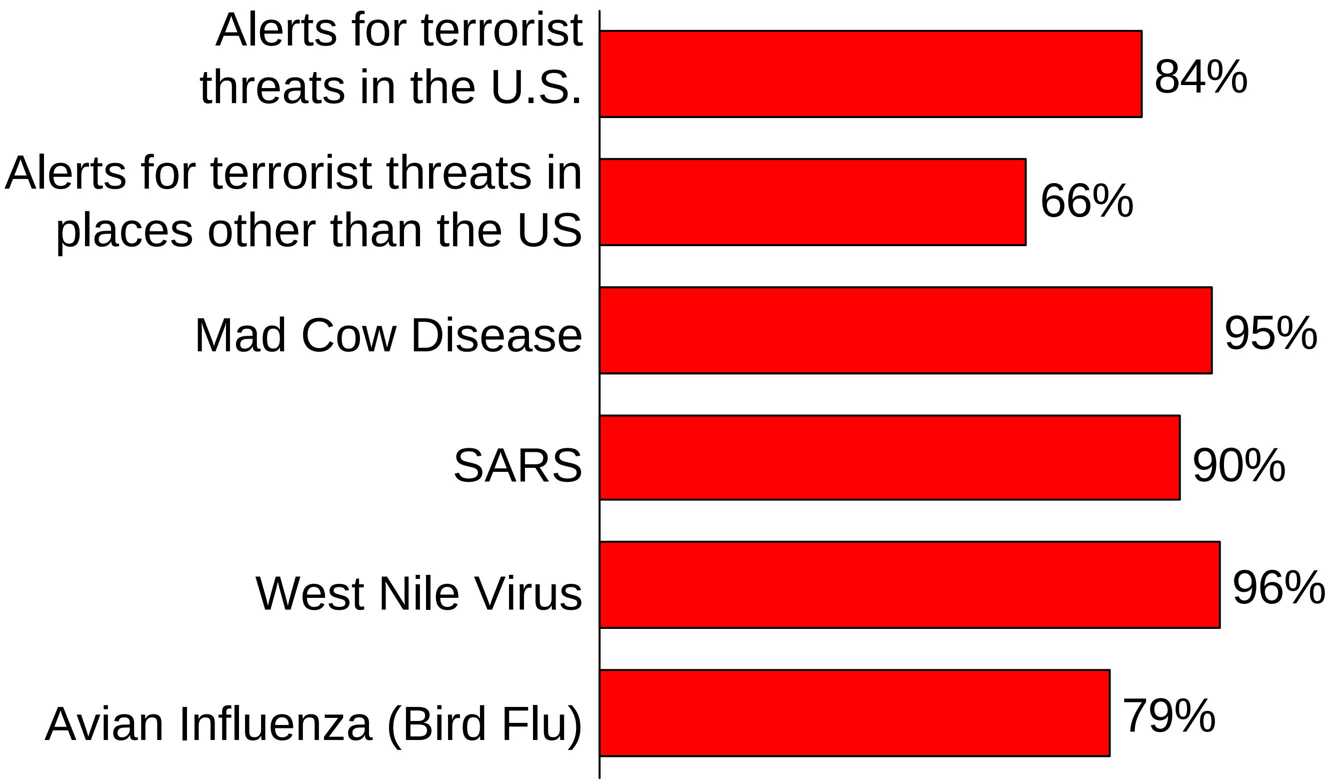


What are these specifically?



Prompted awareness of negative events (as of Feb ‘05)

Percent of **American** travellers*

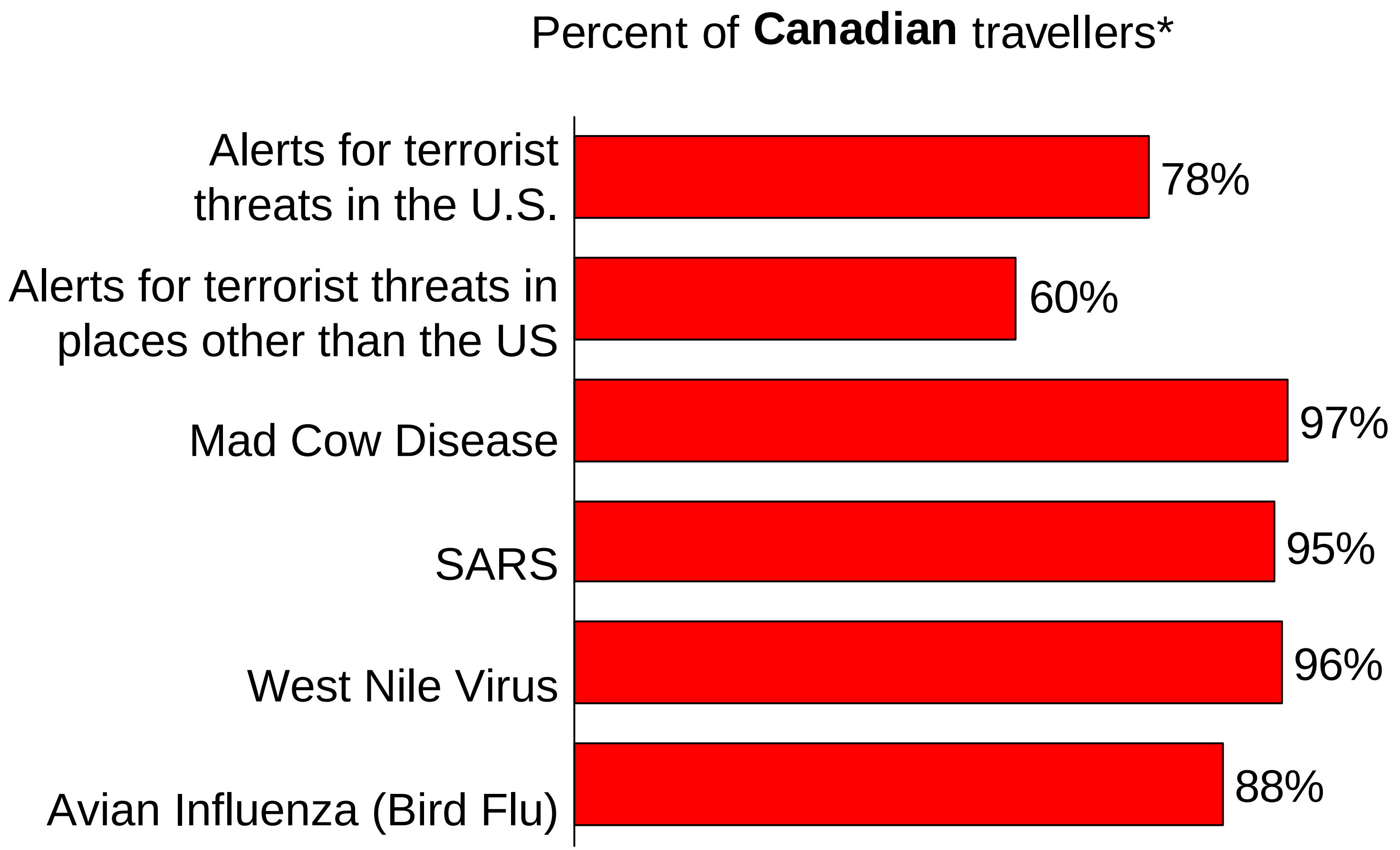


Change Vs. Feb ‘04
-4%
N/A
-1%
-5%
-1%
N/A

* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. Now I’d like to ask you about some specific events that have taken place in the recent past. Have you heard of… ?

Prompted awareness of negative events (as of Feb ‘05)



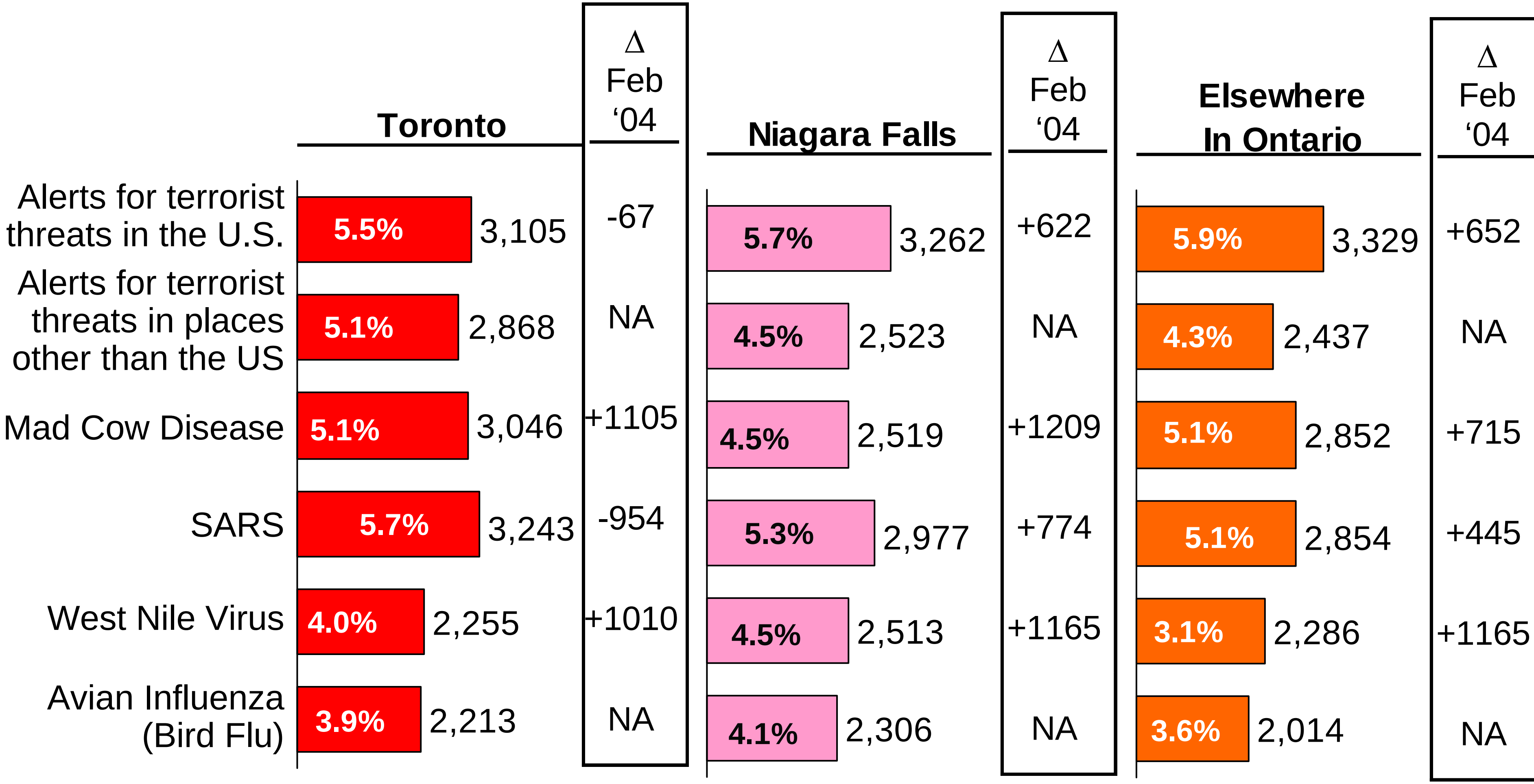
Change Vs. Feb ‘04
-8%
N/A
-1%
-3%
-1%
N/A

* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Q. Now I’d like to ask you about some specific events that have taken place in the recent past. Have you heard of… ?

Impact of negative events on intent to travel to specific destinations during coming season (as of Feb ‘05)

Projected number of **American** travellers* (in thousands) who are less likely to visit each destination in March/May

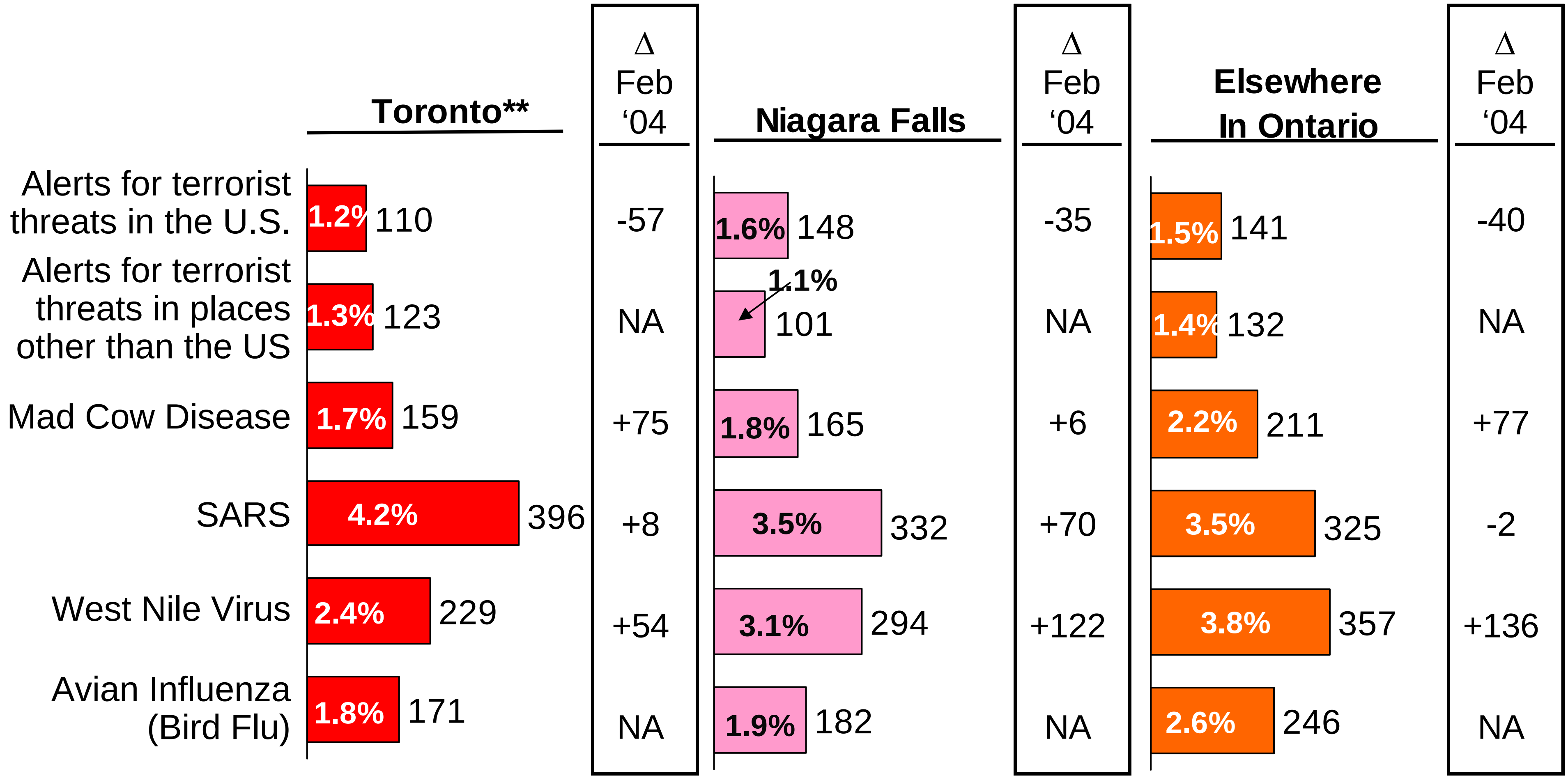


* Have taken an overnight trip in the past two years or will take one in the next 12 months.

% As percent of US travellers.

Impact of negative events on intent to travel to specific destinations during coming season (as of Feb ‘05)

Projected number of **Canadians** travellers* (in thousands) who are less likely to visit each destination in March/May



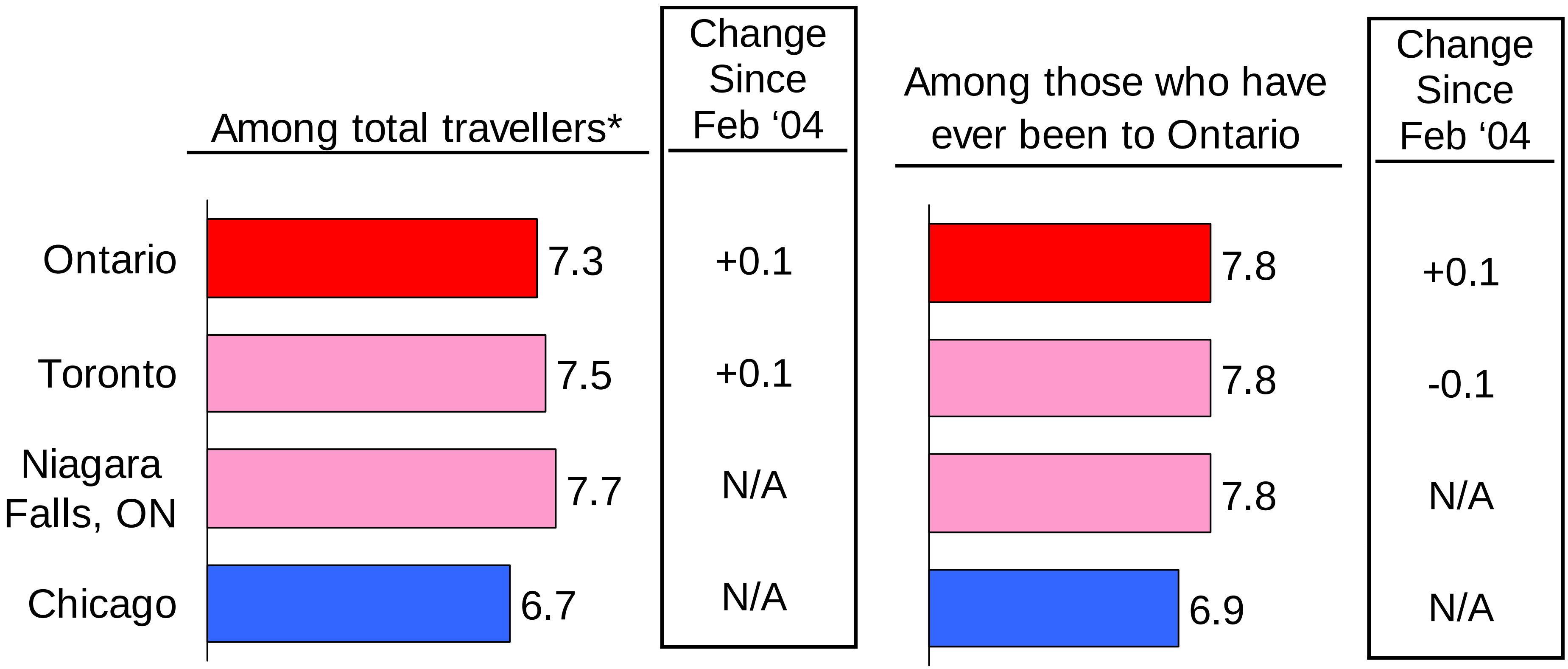
* Have taken an overnight trip in the past two years or will take one in the next 12 months. ** Excluding Toronto residents

% As percent of Canadian travellers.

Perceptions Of Ontario

Overall rating as travel destination (as of Feb ‘05)

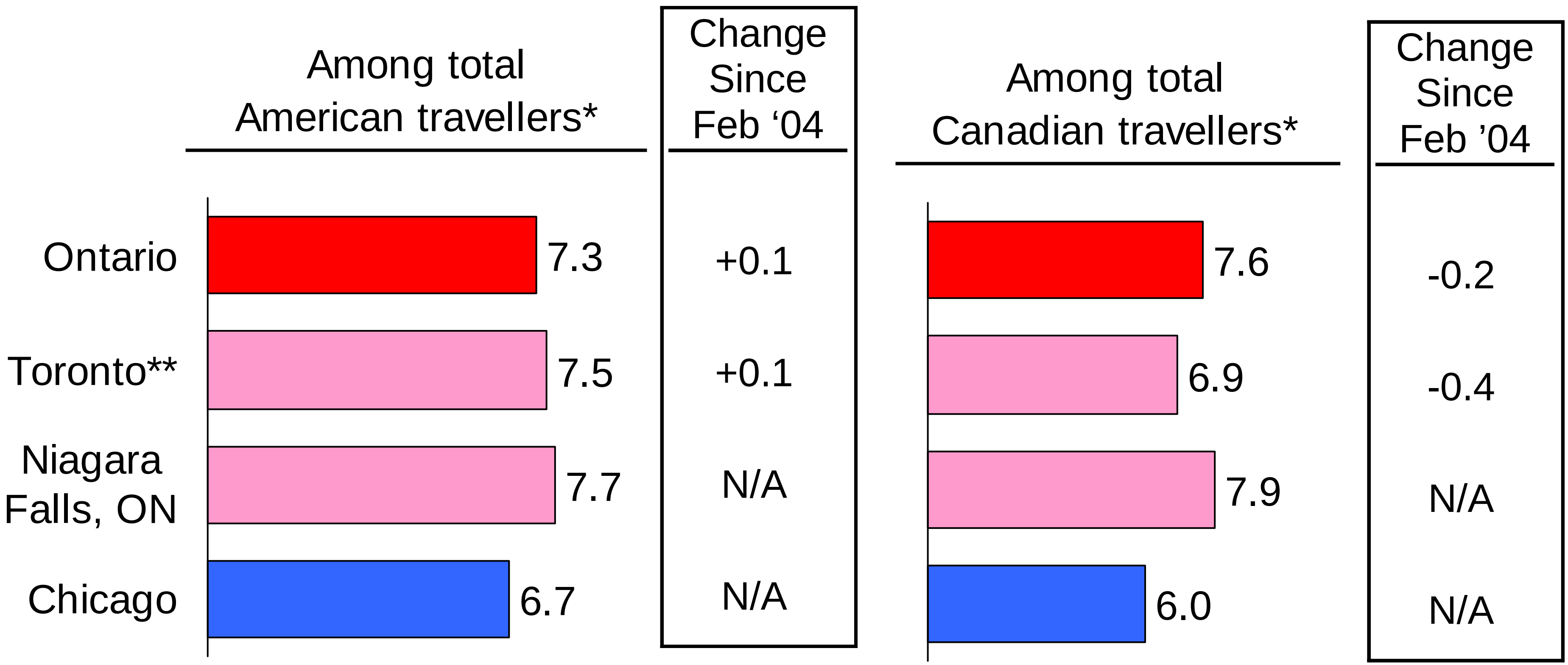
Average on 10-point scale among Americans



* Have taken an overnight trip in the past two years or will take one in the next 12 months.

Overall rating as travel destination (as of Feb ‘05)

Average on 10-point scale



* Have taken an overnight trip in the past two years or will take one in the next 12 months.
** Excluding Toronto residents

Ontario Imagery Ratings

Average on 10-point scale among American travellers

Attributes In Order Of Importance:	Among Americans Feb. '04	Among Americans Feb '05	Change Since Feb '04 (– / +)
Safe from terrorists & criminals	7.9	8.3	+0.4
Good value for the money	7.4	7.3	-0.1
Lots to see and do	7.8	7.9	+0.1
Friendly destination	7.9	7.9	±0.0
Don't have to worry about your health	7.8	8.1	+0.3
Offers unique & different experiences	NA	7.4	NA
Offers destinations you can drive to	7.5	7.4	-0.1
Good health services for visitors	7.2	7.3	+0.1

Ontario Imagery Ratings

Average on 10-point scale among Canadian travellers

	Among Canadians		Change Since Feb '04
	Feb. '04	Feb '05	– / +
Attributes In Order Of Importance:			
Safe from terrorists & criminals	8.5	8.5	±0.0
Good value for the money	7.5	7.2	-0.3
Friendly destination	8.2	7.9	-0.3
Don't have to worry about your health	8.5	8.5	±0.0
Lots to see and do	8.3	8.0	-0.3
Offers unique & different experiences	NA	6.8	NA
Good health services for visitors	8.0	8.1	+0.1
Offers destinations you can drive to	8.6	8.4	-0.2

Ontario Ratings For Trip Types

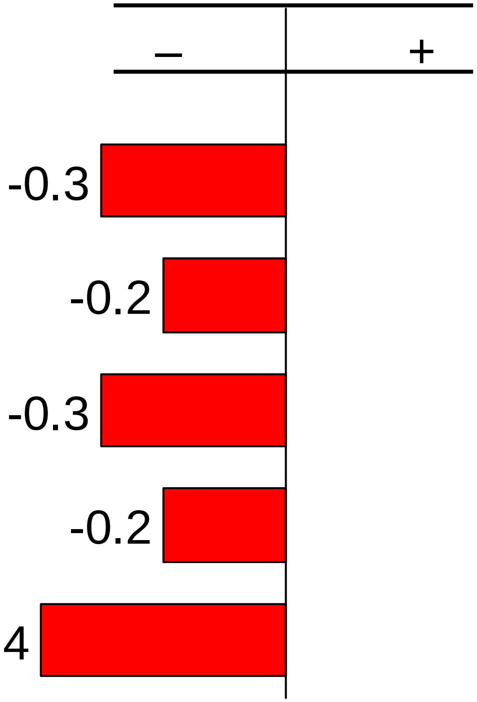
Average on 10-point scale among American travellers

	Among Americans Feb. '04	Among Americans Feb '05	Change Since Feb '04
Nature & outdoors	7.6	7.7	+0.1
Touring trip	7.1	7.0	-0.1
Arts, culture & history	6.8	6.8	±0.0
Big city trip	6.7	6.7	±0.0
Resort trip	6.7	6.5	-0.2

Ontario Ratings For Trip Types

Average on 10-point scale among Canadians travellers

	Among Canadians Feb. '04	Among Canadians Feb '05	Change Since Feb '04
Nature & outdoors	8.1	7.8	-0.3
Touring trip	7.4	7.2	-0.2
Big city trip	7.4	7.1	-0.3
Arts, culture & history	7.3	7.1	-0.2
Resort trip	6.9	6.5	-0.4



Toronto Ratings For Trip Types

Average on 10-point scale among American travellers aware of Toronto

	Among Americans Feb. '04	Among Americans Feb '05	Change Since Feb '04
Shopping, restaurants, nightlife	7.6	7.5	-0.1
Arts, culture & history	7.4	7.3	-0.1
Strolling around to see buildings/sights	7.2	7.2	±0.0
Family vacation	7.1	7.0	-0.1
Overall rating	7.5	7.5	±0.0
"Must See" destination	6.9	6.9	±0.0

Toronto Ratings For Trip Types

Average on 10-point scale among Canadian travellers

	Among Canadians		Change Since Feb '04
	Feb. '04	Feb '05	– / +
Shopping, restaurants, nightlife	8.1	7.7	-0.4
Arts, culture & history	7.8	7.5	-0.3
Strolling around to see buildings/sights	7.4	7.1	-0.3
Family vacation	6.9	6.3	-0.6
Overall rating	7.5	7.2	-0.3
"Must See" destination	7.5	7.0	-0.5

Summary And Implications

Summary

- Results of the February 2005 wave of Travel Intentions Tracking suggest a soft market and limited momentum for Ontario going into the Spring and Summer tourism seasons.
- Intent to travel to the province is generally flat relative to the same time last year. Given that the Spring 2004 season lacked buoyancy, this is not an encouraging sign.
- Moreover, there is some indication that Ontario travel intentions have actually eroded in a few key markets – namely, Syracuse, Detroit, Philadelphia, Minneapolis and all areas of Ontario outside of the GTA.
- There also remains relatively little enthusiasm for taking a pleasure trip to Ontario among residents of Quebec.

Summary (Cont'd)

- Indeed, Niagara Falls is the only destination within the province that exhibits a capacity to grow.
  - And, this appears to be largely a function of greater interest among Ontario residents than among potential visitors from external source markets.
- These lackluster results seem to be, in part, a function of general market trends, as well as an outcome of factors specific to Ontario.
- There has been a gradual trend on both sides of the border to restrict the number of trips undertaken during the course of the year (frequency, not necessarily length), as well as an ongoing desire to put off finalizing trip details until just before the trip itself.

Summary (Cont'd)

- The latter seems to be a function of:
  - **Uncertainty** – personal finances, terrorism/security, health events and the availability of time from work;
  - **Significant discounting** – The industry, in responding to a significant downturn, may have trained consumers to wait for value-added packages and "deals";
  - **Technology** – The Internet has empowered consumers, releasing them from previous, timing and planning constraints. They are less dependent on travel agents and can quickly conduct broad searches for the best deals and packages.
- These trends have served to intensify competition for consumer attention during that brief window of time when decisions are actually made. The timeframe is shorter and the list of realistic competitors is longer.

Summary (Cont'd)

- This environment has made it more difficult for Ontario to compete…
  - especially since the province has neither the cache value of a "must see" tourism icon,
  - nor the inherent advantages of a domestic destination for the American tourist (perceived border crossing difficulties, a less "patriotic" choice, etc.)
- It must also be said that, beyond the province and the very near US source markets, Ontario has a fairly nebulous profile, is not strongly differentiated as a unique tourism offering and simply does not command a great deal of consumer attention.
- Certainly, the breadth of product is not appreciated.

Summary (Cont'd)

- As a consequence, Ontario…
  - is positioned to suffer to a disproportionately great degree in a soft pleasure travel market,
  - and will likely continue to underperform in the business travel segment. (Immediate travel intentions indicate that the province does not currently attract its fair share of North American convention and conference activity.)
- Many of the difficulties currently faced by the province seem to be a function of weak perceptions and incomplete knowledge rather than poor product delivery.
- Ratings data provide some perspectives on the state of current consumer perceptions of the province.

Summary (Cont'd)

- In the US, there is evidence of improvement in the area of safety (crime, terrorism **and** health). However, this might be deemed quite predictable given the distance in time from negative health events, such as SARS, and the absence of significant North American terrorism activity in the recent past. These effects are still felt, but they are less impactful than they have been in the past.
- In other respects, Ontario's image among Americans is static.
- It should be underlined, though, that there is a growing sentiment in the US that anti-Americanism is on the rise in Canada. This perception may, in fact, have supplanted SARS as the main impediment to growth in the US source markets.

Summary (Cont'd)

- In Canada, findings suggest that perceptions of Ontario may have undergone mild deterioration. The pattern of response leads one to suspect that more domestic travelers are questioning the quality of the tourism product and, related to this, the value offered for the money.
  - Toronto seems to be a focal point for much of this criticism.

Implications

- There is sufficient good will and latent demand for the Ontario product to support short term growth. The challenge, especially now, is to be more successful at converting general interest into specific action.
- To compete more effectively in a soft market, and particularly to stimulate growth during the coming Summer season, Ontario should seek to:
  - make some immediate “noise” to attract attention;
  - engage in tightly targeted, but intense communications and promotional activities to get the most out of its marketing dollar over the near-term;
  - define geographic and lifestage targets that are most likely to deliver immediate success;

Implications (Cont'd)

- devise tactical promotional programs to reduce the effect of existing barriers to choosing Ontario;
- place some emphasis on convincing Americans that Ontario is welcoming, and promoting the idea that Ontario is a safe choice, but distinctive from other North American alternatives;
- also place some emphasis on rekindling interest in travelling within Ontario this Spring and Summer among current residents;
- take full advantage of web-based marketing opportunities as a means of influencing decision-making when it matters most.

Implications (Cont'd)

- While taking short-term action, it is important to remain consistent with the long-term strategic marketing and brand positioning goals. Continue to promote better appreciation of the Ontario product's diversity and ensure that specific destinations and products benefit from a consistently articulated Ontario umbrella brand.

tns™ canadian facts

the sixth sense of business™