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Australian Consumer Research 2002: Part 1

CATI Quantitative Report

Market Research 2004-1-1

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Canadian Tourism Commission

Commission canadienne du tourisme

Canada

Australian Consumer Research 2002: Part 1 CATI Quantitative Report

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Roy Morgan Research

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Executive Summary

Long-haul travel from Australia to Canada has grown moderately since 1994, despite strong growth in the Australian outbound sector. Consequently, the Canadian Tourism Commission, in conjunction with Air Canada and several regional tourism organisations, commissioned Roy Morgan Research to undertake primary consumer research of the long-haul outbound travel market in Australia. As part of the broader Australian research program, a CATI survey of 1,501 Australian long-haul pleasure travellers was conducted in August 2002. The key findings of this study are summarised below.

Market Size And Composition

The incidence rate of long-haul pleasure travel for the Australian market was estimated at 18.8% of the adult population. 12.5 percent had travelled on a long-haul trip in the last 3 years, with a further 6.3% planning a trip in the next 3 years without having travelled in the last 3 years. This represents a market size of approximately 2.7 million long-haul pleasure travellers in Australia.

The Australian long-haul market encompasses all age brackets, although the largest proportion are aged between 25 and 34 (28%). The majority of the market lives in households without children, which has obvious implications for discretionary expenditure levels. The affluent nature of the long-haul travel market was reflected in the skew towards higher socio-economic status, occupational status, and educational attainment. Household income levels were also high among this market, with an average annual income of AUD$67,870 (CDN$57,927).

Travel Patterns And Trip Characteristics

The most frequented long-haul destinations were the United Kingdom and the United States. Following this, over 40 percent of travellers visited North-West Europe on their most recent long-haul trip, while approximately one-fifth visited North America. Canada was ranked ninth, and accounted for 4.9% of most recent trip travellers. South-East Asia was also prominent, accounting for almost a quarter of recent outbound trips. Despite the significant price advantage enjoyed by South-East Asian nations, many Australian travellers still favour holidays to the more expensive European and North American destinations.

Travel for pleasure or holiday purposes was the main reason for travel and accounted for half (50%) of trips. Visiting friends or relatives (VFR) was also a key driver, with 35% of travellers citing this as the main purpose for the most recent trip.

Touring trips accounted for almost a third of trip types (28%), indicating that Australian travellers favour travel to multiple destinations and itineraries offering a variety of experiences. In contrast, more specialised trip types, such as beach resort, cultural, big city and nature trips accounted for a small proportion of trips.

The average length of stay for Australian travellers was relatively high, averaging 35.2 nights, and approximately 12% of trips were reported to be over 2 months in duration. The considerable length of trips taken by Australian travellers may reflect the distance between Australia and major outbound destinations in Europe and North America.

Average per party expenditure by Australian long-haul travellers was AUD$8,646 (CDN$7379), with average per person per night expenditure valued at AUD$205 (CDN$175). An examination of itemised expenditure showed that packages and organised tours made up the largest proportion of costs.

Trip Planning And Decision-Making

The Australian long-haul market was relatively autonomous with the vast majority selecting the destination themselves or in collaboration with a partner or spouse. Travel agents were the number one information source, being used by over half of the market (51%). Word of mouth was also important, with 43% of travellers relying on advice from friends and family. Increasing Internet penetration in the Australian market was reflected in the use of on-line information by over a third of travellers (34%). Despite the wide variety of information sources used in selecting destinations and planning of trips, booking was usually undertaken via a travel agent (86%).

In comparison with other Asia-Pacific markets, the booking horizon for the Australian market was relatively long, with 21% of travellers booking less than a month in advance of departure, and 71% booking within 3 months of departure. Booking horizons for Canadian trips were substantially longer than average, with around one-third (32%) of respondents booking six months or more in advance.

Despite the popularity of the Internet as an information source, only 17% of respondents used the Internet to book any part of their most recent long haul pleasure trip. This further underlines the reliance on traditional retail outlets by Australian travellers. Those booking on-line tended to be male, aged between 25 and 44, working as a professional.

The Australian market was dominated by a preference for flexibility when travelling and a personal involvement in planning long-haul trips. As a result, guided tours and all-inclusive packages hold less appeal.

Recent Travel To Canada

Compared with general long-haul travellers, respondents who have visited Canada in the last 3 years represent a distinct segment. The Canadian market was typically older than general travellers, with 43% aged over 50 (compared to 36% of general travellers). As well, travellers to Canada were also less likely to live in domestic circumstances with children in the household. Although the lower spending capacity of those living with children appears to make Canada a less affordable destination, other factors were also apparent. For example, 18% of US visitors were aged between 18 and 24, and over a quarter (26%) lived in a household with children. This suggests that Canada had less intrinsic appeal to younger travellers and family groups relative to the US, despite the geographic proximity of the destinations.

Family groups comprised a smaller proportion of visitors to Canada, where travelling as a couple (42%) and travelling alone (28%) were the most common types of travel party on visits to Canada. However, family groups were more likely to have visited the US, comprising 27% of travel party types (compared to 21% for Canada). This again highlights underlining the relative appeal of Canada to those travelling without children.

Trip types to Canada also differed from the general pattern. Touring holidays were the most prevalent (40%), while nature / outdoors (8%) and winter sports (5%) trips accounted for higher levels of market share than average. Conversely, US visits were largely driven by VFR travel (46%).

Trips including Canada were longer than the market average, at 42.2 nights, of which an average of 22.6 nights (54%) were spent in Canada. Although per party and per person expenditure levels for Canadian trips were higher than the average for all trips, this largely resulted from the longer duration of visits. As a result, per person per night expenditure levels for Canadian trips were lower than the market average (AUD$205/CDN$175 cf AUD$222/CDN$189).

Vancouver attracted the largest number of Australian travellers, reflecting the city's position as the major point of entry into Canada. Destinations in the Western provinces of British Columbia and Alberta recorded higher levels of visitation than those observed for Ontario and Quebec. In the Eastern provinces, Toronto was the most popular destination, followed by Niagara Falls and Montreal. Notably, 71% of visitors to Canada included other destinations as part of their trip itinerary, with nearly half (48%) also visiting the US.

Visitors to Canada were more reliant on travel agents (72%) as information sources, but were less likely than general travellers to mention advertising, indicating that Canada has a relatively small share of marketing voice. Travel bookings to Canada were almost exclusively undertaken via a travel agent (95%).

Future Potential And Barriers For Canada

Approximately 37% of potential long-haul pleasure travellers expressed an interest in visiting Canada in the next 12 months, with this figure increasing to 71% over a 5-year horizon. This level is higher than those reported for other Asia-Pacific markets, suggesting that Canada is well positioned in the mindset of the Australian market. The high level of interest in visiting Canada in the next 5 years (71%) translates to an approximate market potential of 1.9 million Australian long-haul travellers.

Affluence appeared to be a major driver of the potential market, with 34 percent from the AB quintile. Those interested in visiting Canada also had an average annual household income level AUD$7,000 (CDN$5,975) higher than those not interested in visiting. Motivational factors were also associated with interest levels in Canada. Notably, the potential market were more likely than those not interested in visiting Canada to rate outdoor activities (25% cf 22%) and national parks / ecological sites (46% cf 35%) as important factors when selecting an international holiday destination.

Among those not intending to visit, over a quarter (29%) named other places they wish to see as the main reason for not wanting to visit Canada, emphasizing the strong competition in the Australian outbound market. Reasons related to climate and weather conditions emerged as an important barrier, particularly among younger respondents. 16 percent of those not interested in visiting cited expense-related reasons, including factors relating to general trip costs, airfares, accommodation, exchange rates, packages, and shopping prices.

Market Interests And Travel Motivations

The Australian market demands high levels of service and a friendly atmosphere. Destinations need to offer variety to Australian travellers, who are seeking new and different holiday products, as well as a range of activities. Price-related factors are also key drivers, with accommodation prices and airfares to and from Australia emerging as important issues. Australians also enjoy the opportunity to experience different cultures. Many see an international holiday as providing the chance to increase their knowledge of the world and to learn about different cultures.

Notably, a number of the key product strengths for Canada emerged as more important motivations for potential travellers, including nature-based tourism and cultural and historical attractions. Issues that are pertinent to the self-drive market, such as ease of driving and availability of low cost transport within the destination were also more important to the potential market.

Of the motivational segments, Nature Buffs were the most likely to be interested in visiting Canada in the next 12 months (45%), and also had the highest level of next trip intention for Canada. This segment is an excellent match with the Canadian tourism product, as scenery and the natural environment are of high importance when selecting holiday destinations.

Competitive Positioning

Canada was well positioned as a nature-based destination, providing opportunities to see wildlife, national parks and outstanding scenery. Over half (54%) of the market mentioned Canada in relation to offering a safe and clean environment, which is particularly desirable given current concerns regarding the threat of terrorism. Winter sports and outdoor activities were also strengths, but appeal only to specific market segments.

Canada performed poorly in relation to pricing perceptions, where South-East Asia was a clear leader, based on accessibility, cheap package deals and excellent exchange rates. However, the perceived difference between Canada and destinations in Europe was fairly small, suggesting that Canada’s cost competitiveness compared with Europe and the US needs reinforcement. Canada was ranked behind other destinations in terms of history and culture, and was not seen to offer packaged products, such as guided tours and package holidays. In areas related to cosmopolitan themes, such as modern cities, fine dining and nightlife, Canada was also poorly positioned.

In terms of price-value perceptions, the relative position of Canada is fairly weak, being rated second-last (ahead of Germany) for both price and value. Although Canada was seen to offer a safe environment and friendly people, attributes such as entertainment and opportunities to experience different cultures were not associated with Canada.

However, an analysis of actual price-value perceptions reported by recent visitors showed that Canada was well perceived in terms of value for money. The difference between perceived value among the general market and actual value rated by returning visitors again underlines the need for Canada to be marketed as a cost-competitive destination.

1. Introduction

1.1 Background

The Canadian Tourism Commission, in conjunction with Air Canada and several regional tourism organisations, commissioned Roy Morgan Research to undertake primary consumer research of the long-haul outbound travel market in Australia. The purpose of this research was to identify key elements of long-haul travel behaviour in this market, which findings could be used to develop advertising and marketing communication instruments (at the consumer and travel industry levels), as well as product packaging and development initiatives. The specific research objectives were to:

- Determine the incidence of long-haul pleasure travel from Australia and the size of the potential long-haul pleasure travel market to Canada;
- Determine the demographics, travel motivations and future travel interests of the potential Australian long-haul pleasure travel market to Canada;
- Analyse consumer perceptions of tour package cost components for Canada and other destinations;
- Examine perceptions of the overall price and value of Canadian tourism products;
- Review consumer purchase habits of travel packages (eg. packaged tours, skeleton packages, FIT, etc.);
- Analyse trip planning and booking patterns;
- Examine the type of trips undertaken;
- Develop both product-based and motivational segmentation analysis for the Australian long-haul travel market;
- Assess the brand image of Canada as a holiday destination;
- Analyse barriers to Canadian visitation from Australia, and identify consumer activity preferences in competitive destinations;
- Compare findings of the current research with previous research; and
- Analyse consumer perceptions of airlines, including awareness of airlines servicing North America, decision-makers influencing choice of airline and the relative importance of attributes when selecting an airline.

1.2 Methodology

A CATI survey of 1,501 Australian long-haul pleasure travellers aged 18 years and over was conducted in August 2002. The survey method was designed to determine accurate incidence rates for long-haul pleasure travel in a cost-effective manner.

Respondents eligible to be surveyed were recruited from the Roy Morgan Single Source database. The eligibility criteria were based on survey data collected as part of the Holiday Tracking Survey (HTS), and were:

- Travelled to a long haul destination in last 12 months for holiday or non-business purposes; or
- Intend to travel to a long-haul destination for holiday or non-business purposes in the next 3 years.

A total of 4,928 Single Source respondents were selected from the database for the purposes of conducting the CATI interviewing (refer to Table A1, Appendix 1 for a summary of fieldwork). The CATI questionnaire also contained relevant screening questions to ensure that qualified respondents had either travelled (last 3 years) or planned to travel (next 3 years) outside Australia, New Zealand and the South Pacific.

Age, gender and area quotas were implemented to ensure that the sample was representative of the total population within each Australian State and Territory. A multi-stage weighting procedure was used to ensure that survey data was representative of the total Australian long-haul pleasure traveller market. Incidence rates were based on HTS data, and respondents were weighted by area, age and sex to the latest Australian Bureau of Statistics population estimates.

1.3 Notations

In this report, the following notations are used:

- (-) denotes no response;
- (*) denotes less than 0.5% response; and
- (n/a) denotes not applicable.

1.4 Organisation of Report

This report is organized as follows:

- The section “Characteristics of the Australian Long-Haul Travel Market” examines the characteristics of Australian long-haul travellers;
- The section “Overview of Long-Haul Travel Behaviour” examines the long-haul trips taken by Australian travellers;
- The section “Trip Planning” details the decision-making, planning and booking of long-haul pleasure trips;
- The section “Travel Motivations” examines the attitudes and motivations of the Australian long-haul travel market, with an emphasis on identifying the marketing strengths and weaknesses of Canada;
- The section “Potential of the Australian Long-Haul Pleasure Market for Canada” examines the size of the potential long-haul pleasure travel market and profiles potential travellers to Canada;

- The section “Packaging Australian Travel to Canada” examines the proposed use of pre-purchased packages for travel to Canada, destination packaging combinations and seasonal intentions;
- The section “Competitive Analysis” examines the competitive position of Canada vis a vis other popular long-haul destinations;
- The section “Australian Market Potential for Canadian Regions” examines the potential market at the Canadian regional level in relation to awareness, previous visitation and estimated size of the potential market; and
- The section “Awareness and Perceptions of Airlines” provides information on awareness and usage of airlines servicing North America, and assesses the relative importance of various attributes that influence airline choice.
- Please note that the survey findings detailed within this report are limited to those obtained from the CATI Quantitative component of the Australian Consumer Research program. In addition, further information obtained from other elements of the broader research program are detailed in:
- Australian Consumer Research – Qualitative Report; and
- Australian Consumer Research – Results of the Holiday Tracking Survey.

2. Characteristics of the Australian Long-haul Travel Market

This section examines the characteristics of Australian long-haul travellers, including those who have visited Canada in the last 3 years, and those who intend to travel on a long-haul trip in the next 3 years.

2.1 Demographic Profile of Recent Travellers

The Australian long-haul travel market encompasses all age brackets, with the largest proportion in the 25-49 age group (52%). The majority of the market lives in households without children: 33% in mid-life households and 19% in young singles households, which has obvious implications for discretionary expenditure levels. Although no States were specifically over-represented, long-haul travellers were more likely to live in metropolitan areas (74%).

The affluent nature of the market was reflected in the skew towards higher socio-economic quintiles, with 34% from the most affluent AB segment, and a further 29% from the C quintile. In terms of occupation, 27% were white-collar workers, and 21% worked in professional occupations, underlining the spending power of the group. As expected, the educational attainment of the market was also high, with 47% holding a degree or diploma. Household income levels were also high among this market, with an average annual income of AUD$67,870 (CDN$57,927).

In comparisons based on the frequency of long-haul travel, those who had travelled outside Australia on multiple occasions in the last 3 years were more likely to be male (56% cf 44%) or single (44% cf 40%) when compared to those who had taken a single trip. Clearly, a higher level of discretionary expenditure is required to undertake frequent travel, and as expected those who had taken multiple trips were more affluent, with 41% from the AB quintile. Higher occupational status and household income levels were also evident for the multiple trip market.

Table 1: Demographic Characteristics of Single Trip and Multiple Trip Long Haul Travellers

	SINGLE TRIP IN LAST 3 YEARS	MULTIPLE TRIPS IN LAST 3 YEARS	ALL LONG-HAUL TRAVELLERS
SEX			
Men	44%	56%	49%
Women	56%	44%	51%
AGE			
18-24	13%	11%	12%
25-34	28%	27%	28%
35-49	24%	25%	24%
50-64	23%	25%	24%
65 and Over	12%	12%	12%
MARITAL STATUS			
Married/De Facto	60%	56%	58%
Single	40%	44%	42%
SOCIO-ECONOMIC SCALE			
AB Quintile	29%	41%	34%
C Quintile	29%	30%	29%
D Quintile	17%	14%	16%
E Quintile	17%	8%	13%
FG Quintile	8%	8%	8%
HOUSEHOLD LIFE-CYCLE			
Young Singles	17%	22%	19%
Young Couples	12%	8%	10%
Young Parents	18%	14%	16%
Mid-Life Families	7%	8%	8%
Mid-Life Households	31%	35%	33%
Older Households	14%	14%	14%

	SINGLE TRIP IN LAST 3 YEARS	MULTIPLE TRIPS IN LAST 3 YEARS	ALL LONG-HAUL TRAVELLERS
ROY MORGAN VALUES SEGMENTS*			
Basic Needs	2%	1%	2%
Fairer Deal	1%	2%	2%
Traditional Family Life	17%	16%	17%
Conventional Family Life	7%	6%	6%
'Look At Me'	5%	2%	4%
Something Better	6%	6%	6%
Real Conservatism	4%	4%	4%
Young Optimism	18%	17%	18%
Visible Achievement	19%	20%	19%
Socially Aware	21%	27%	23%
EDUCATION LEVEL			
Primary School	1%	2%	1%
Some Secondary/Tech.	10%	8%	9%
Intermediate/Form 4/Year 10	9%	7%	8%
5th form/Leaving/Year 11	8%	6%	7%
Finished Tech./Matric/HSC/Year 12	15%	11%	13%
Some/ Now at University	15%	12%	14%
Have Diploma or Degree	42%	55%	47%
OCCUPATION			
Professional/Manager	18%	27%	22%
Farm Owner	*	*	*
White Collar Workers	29%	24%	27%
Skilled Workers	8%	8%	8%
Others (incl. Semi/Unskilled)	10%	9%	10%
Home Duties	7%	4%	6%
Don't Work	3%	2%	2%
Looking for Full Time work	2%	1%	2%
Looking for Part Time Work	1%	1%	1%
Retired	17%	17%	17%
Students	6%	6%	6%

* Developed in conjunction with Colin Benjamin of The Horizons Network

	Single trip in last 3 years	Multiple trips in last 3 years	All long-haul travellers
REGION			
Capital Cities	74%	74%	74%
Country Areas	26%	26%	26%
STATE			
N.S.W.	37%	35%	36%
Victoria	25%	30%	28%
Queensland	15%	16%	16%
South Australia	9%	5%	7%
Western Australia	11%	14%	12%
Tasmania	2%	1%	2%
HOUSEHOLD INCOME			
Average per annum	AUD$64,220 CDN$54,810	AUD$72,970 CDN$62,280	AUD$67,870 CDN$57,930
Base	**(n=640)**	**(n=428)**	**(n=1,068)**

2.2 Recent Travellers to Canada

Compared to the average long-haul travellers, those who have visited Canada in the last 3 years represent a distinct segment: typically older, with 43% aged over 50 (compared to 36% of general travellers) and a greater proportion are retirees (25%).

The Canadian visitor is more affluent than the general outbound traveller, with 43% classified in the AB quintile. A slightly higher proportion worked as professionals (25%) compared to the overall market, and 54% have completed a degree or diploma. Household income levels were also higher than for the overall market (AUD$69,040 / CDN$58,926 cf AUD$67,870 / CDN$57,927).

The domestic circumstances of Canadian visitors differ markedly among the younger age brackets. More specifically, Young Singles were over-represented among Canadian visitors, whereas both Young Parents and Mid-Life Families were under-represented. The decreased spending capacity of those living in a household with children is underlined by the lower incidence of long-haul travel in the last 3 years by these two household segments. In terms of future travel, these two groups are also more likely to intend to visit destinations in South-East Asia, suggesting that more distant destinations such as Canada are less affordable for those living with children.

When comparing Canadian and US visitors, substantial demographic differences were also apparent despite the geographic proximity of the two markets. The Canadian market was clearly older, as US visitors were younger than the overall traveller average. Notably, nearly one-fifth (18%) of US visitors were aged between 18 and 24 and were far more likely than Canadian visitors to be students (13% cf 2%).

The US market was also less affluent, with lower levels of educational attainment and lower socio-economic classification than Canadian visitors. In terms of domestic circumstances, the US was more appealing to the family market. Over a quarter (26%) of US visitors lived in a household with children, as opposed to just 14% of Canadian visitors.

Table 2: Demographic Characteristics of Recent Visitors to Canada, the United States and All Destinations

	CANADA	UNITED STATES	ALL DESTINATIONS
SEX			
Men	47%	42%	49%
Women	53%	58%	51%
AGE			
18-24	11%	18%	12%
25-34	28%	25%	28%
35-49	19%	21%	24%
50-64	30%	25%	24%
65 and Over	14%	12%	12%
MARITAL STATUS			
Married/De Facto	57%	55%	58%
Single	43%	46%	42%
SOCIO-ECONOMIC SCALE			
AB Quintile	43%	34%	34%
C Quintile	31%	25%	29%
D Quintile	10%	23%	16%
E Quintile	12%	11%	13%
FG Quintile	4%	8%	8%
HOUSEHOLD LIFE-CYCLE			
Young Singles	25%	18%	19%
Young Couples	12%	7%	10%
Young Parents	10%	17%	16%
Mid-Life Families	4%	9%	8%
Mid-Life Households	35%	38%	33%
Older Households	14%	12%	14%

	CANADA	UNITED STATES	ALL DESTINATIONS
ROY MORGAN VALUES SEGMENTS*			
Basic Needs	*	1%	2%
Fairer Deal	1%	1%	2%
Traditional Family Life	20%	16%	17%
Conventional Family Life	2%	8%	6%
'Look At Me'	-	2%	4%
Something Better	6%	6%	6%
Real Conservatism	2%	2%	4%
Young Optimism	20%	22%	18%
Visible Achievement	23%	23%	19%
Socially Aware	25%	18%	23%
EDUCATION LEVEL			
Primary School	1%	1%	1%
Some Secondary/Tech.	12%	6%	9%
Intermediate/Form 4/Year 10	3%	9%	8%
5th form/Leaving/Year 11	5%	5%	7%
Finished Tech./Matric/HSC/Year 12	12%	15%	13%
Some/ Now at University	13%	20%	14%
Have Diploma or Degree	54%	44%	47%
OCCUPATION			
Professional/Manager	25%	19%	22%
Farm Owner	-	*	*
White Collar Workers	25%	27%	27%
Skilled Workers	2%	6%	8%
Others (incl. Semi/Unskilled)	8%	7%	10%
Home Duties	1%	10%	6%
Don't Work	6%	1%	2%
Looking for Full Time work	6%	2%	2%
Looking for Part Time Work	-	-	1%
Retired	25%	15%	17%
Students	2%	13%	6%
REGION			
Capital Cities	73%	72%	74%
Country Areas	27%	28%	26%

* Developed in conjunction with Colin Benjamin of The Horizons Network

	CANADA	UNITED STATES	ALL DESTINATIONS
STATES			
N.S.W.	38%	47%	36%
Victoria	32%	20%	28%
Queensland	16%	17%	16%
South Australia	5%	8%	7%
Western Australia	8%	8%	12%
Tasmania	2%	1%	2%
HOUSEHOLD INCOME			
Average per annum	AUD$69,040 CDN$58,925	AUD$68,680 CDN$58,618	AUD$67,870 CDN$57,927
BASE	**(N=89)**	**(N=183)**	**(N=1,068)**

2.3 Changes in the Demographic Profile of the Australian Long-Haul Travel Market – 1994 vs. 2002

Although the basis for comparisons between 1994 and 2002 is limited, it appears that the Australian long-haul market has changed significantly over the past 8 years. More specifically, the market tends to be younger, with an average age of 44 (compared to 48). As well, lower proportions of travellers are retirees in the 2002 study. The market has also become more affluent, with education levels and occupational status markedly higher than those observed in 1994. The shift towards a younger, more affluent market with greater levels of travel experience will have important implications for the strategic marketing of Canada within the Australian market.

Table 3: Comparison of Travellers to All Long-Haul Destinations on Selected Demographic Characteristics (1994 vs. 2002)

	1994	2002
SEX		
Men	42%	49%
Women	58%	51%
AGE		
18-24	7%	12%
25-34	14%	28%
35-44	20%	15%
45-54	25%	20%
55-64	18%	13%
65 or older	16%	12%
Mean	48	44
MARITAL STATUS		
Married/De Facto	70%	58%
Single	30%	42%
EDUCATION LEVEL		
Primary School	3%	1%
Some Secondary/Tech.	26%	17%
Completed Secondary/Tech.	36%	21%
Some/ Now at University	10%	14%
Have Diploma or Degree	25%	47%
OCCUPATION		
Blue-collar	17%	18%
White-collar	41%	49%
Students / Home duties / Looking for work	20%	17%
Retired	20%	17%
BASE	**(N=1,345)**	**(N=1,068)**

In the context of Canadian travel, similar trends to those observed for the general outbound market were apparent. The market was younger, with a lower proportion of travellers being retirees. Again, the current Canadian market is more educated and more likely to work in white-collar occupations relative to the findings of 1994.

Table 4: Comparison of Travellers to Canada on Selected Demographic Characteristics (1994 vs. 2002)

	1994	2002
AGE		
Mean age	49	45
EDUCATION LEVEL		
Some high school	23%	20%
Graduated from high school	26%	12%
Some / completed degree or diploma	38%	67%
OCCUPATION		
Blue-collar	12%	11%
White-collar	38%	49%
Students / Home duties / Looking for work	21%	16%
Retired	29%	25%
BASE	**(N=588)**	**(N=89)**

2.4 Planners

Planners were defined as those who have not taken a long-haul pleasure trip in the last three years, but plan to do so in the next three years. Major differences between planners and travellers have been documented in Table 5 below. Notably, planners were younger than travellers, indicating that a sizeable proportion are potential first-time travellers. Family circumstances also appear to play a role, as households with children were over-represented in the planner segment. In addition, the lower education levels and socio-economic classification of planners suggest that they are substantially less affluent than recent travellers.

Table 5: Key Differences Between Recent Travellers and Planners

RECENT TRAVELLERS ARE MORE LIKELY TO	PLANNERS ARE MORE LIKELY TO
Be aged over 50 (24% cf 18%)	Be aged 18 to 24 (22% cf 12%)
Live in an Older Household (14% cf 7%)	Live in a Young Parents (26% cf 16%) or Mid-Life Families (11% cf 8%)
Be classified in the AB or C socio-economic quintiles (63% cf 57%)	Be classified in the D, E or FG socio-economic quintiles (43% cf 37%)
Have completed a degree or diploma (47% cf 37%)	Have attained a highest education level of Year 12 (22% cf 13%)
Be employed as a skilled worker (8% cf 6%)	Be employed as semi-skilled or unskilled workers (13% cf 10%)
Be retired (17% cf 8%)	Be students (8% cf 6%)
(N=1,068)	**(N=433)**

In comparisons with research findings from 1994, the trend toward younger, more affluent traveller market was also reflected among the planners. More specifically, over half (53%) of the 2002 planners market were aged 34 or under, compared to 34% in 1994. Greater proportions had also completed tertiary education or were currently attending university in the current research.

Table 6: Comparison of Planners on Selected Demographic Characteristics (1994 vs. 2002)

	1994	2002
SEX		
Men	41%	53%
Women	59%	47%
AGE		
18-24	14%	22%
25-34	20%	31%
35-44	28%	14%
45-54	18%	20%
55-64	12%	8%
65 or older	8%	6%
MARITAL STATUS		
Married/De Facto	62%	55%
Single	38%	45%
EDUCATION LEVEL		
Primary School	5%	*
Some Secondary/Tech.	22%	19%
Completed Secondary/Tech.	31%	26%
Some/ Now at University	13%	18%
Have Diploma or Degree	29%	37%
OCCUPATION		
Blue-collar	20%	19%
White-collar	45%	51%
Students / Home duties / Looking for work	23%	23%
Retired	12%	7%
BASE	**(N=155)**	**(N=433)**

3. Overview of Long-haul Travel Behaviour

This chapter examines the long-haul trips of Australian travellers, with an emphasis on the differences between general outbound trips and those to Canada. General market results are based on the most recent long-haul trip taken, whereas detailed information on Canadian trips refers to the most recent trip taken to Canada in the last 3 years.

3.1 Characteristics of Most Recent Trip

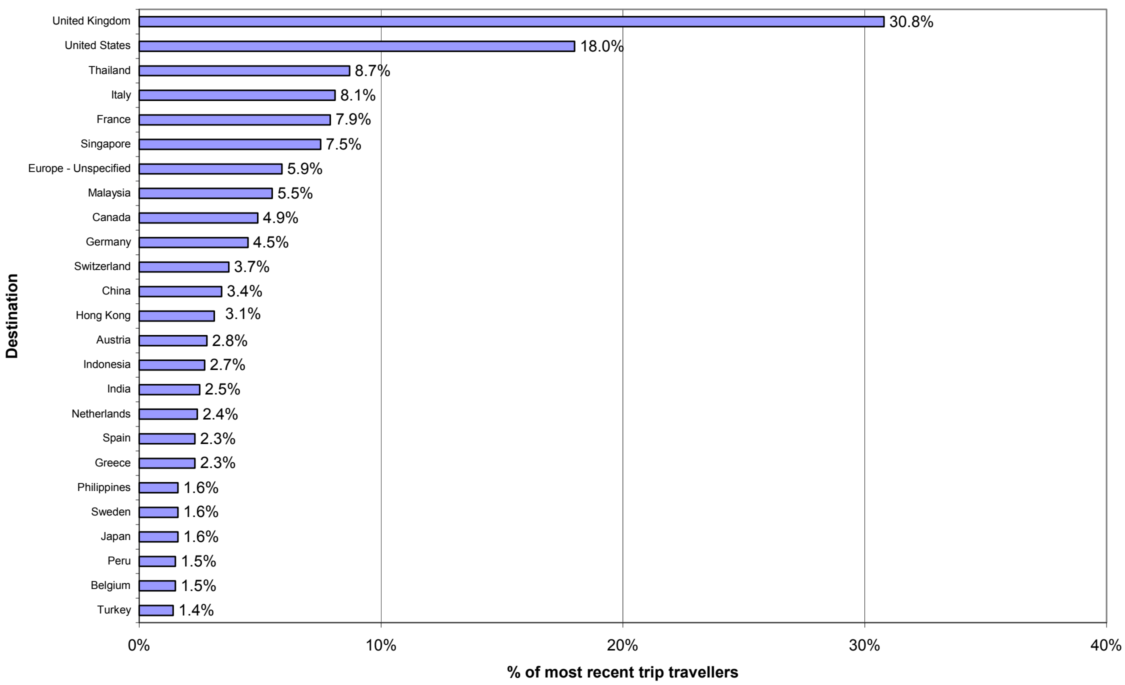
3.1.1 Destinations Visited

The most visited individual long-haul destination was the United Kingdom (30.8%), followed by the United States (18.0%). Thailand was visited by 8.7% of travellers, followed by Italy (8.1%) and France (7.9%). Canada was ranked ninth, and accounted for 4.9% of most recent trip travellers.

North-West Europe was the most visited region, capturing 42.5% of the market, as would be expected given the high levels of visitation to the United Kingdom. South-East Asia was visited by almost a quarter of travellers (24.6%), followed by North America with 20.6%. Despite the significant price advantage enjoyed by South-East Asian nations, many Australian travellers are still favouring holidays to the more expensive European and North American destinations.

Outside the three major regions of Europe, North America and South East Asia, China attracted the highest proportion of travellers (3.4%), followed by Hong Kong (3.1%). Visitation to destinations within South America and Africa was low, indicating the conservative nature of the long-haul holiday market in Australia.

Figure 1: Top 25 Individual Destinations Visited on Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040)
Note: percentages may sum to more than 100 percent due to multiple responses

In the context of Canadian visitation, it is important to note that over two-thirds (71%) of visitors travelled to other destinations as part of their most recent trip itinerary. Almost half (48%) included the United States in their itinerary, while nearly a third included the United Kingdom or other areas of Europe. This has important implications for the packaging of Canada as a destination.

Table 7: Other Destinations Visited on Trips to Canada

United States	48%
United Kingdom	31%
Other Europe (excluding UK)	31%
South East Asia	7%
Central America	5%
Only visited Canada on most recent trip	**29%**

Base: Visited Canada on most recent trip (n=61)
Note: percentages may sum to more than 100 percent due to multiple responses

3.1.2 Comparison of Destinations Visited – 1994 vs. 2002

Compared to 1994, visitation to the major long-haul destinations in Europe and North America has fallen substantially. This may be linked to the shorter duration of long-haul trips found in the present study, which would therefore reduce the likelihood of visiting multiple countries on a single itinerary. In addition, the market share of both Singapore / Malaysia and Hong Kong has decreased markedly since 1994. For Singapore, this may be attributed to the greater number of non-stop flights offered from Australia, reducing the number of stopover passengers. Although a similar trend may be linked with the decrease observed for Hong Kong, the change in governance is also likely to have reduced visitor numbers from Australia.

Table 8: Comparison of Destinations Visited (1994 vs. 2002)

	1994	2002
UK	38%	31%
Other Europe	35%	29%
US	24%	18%
Singapore / Malaysia	23%	12%
Hong Kong	10%	3%
Thailand	9%	9%
Canada	6%	5%
Other Asia	5%	11%
Africa	4%	5%
Japan	2%	2%
China	2%	3%

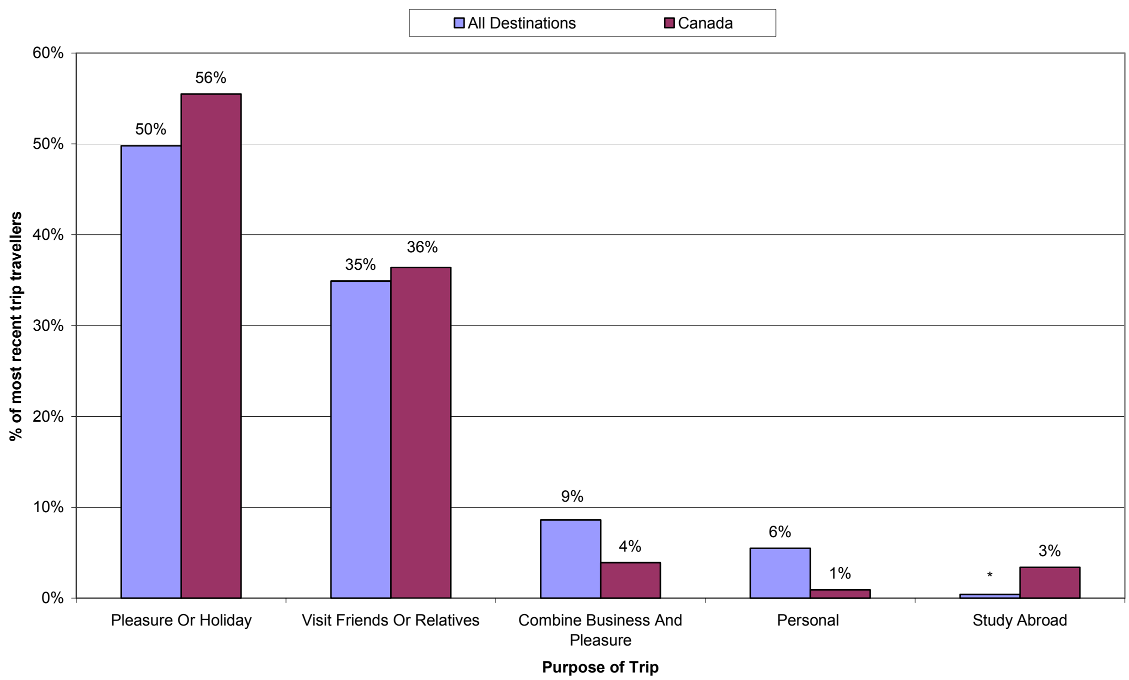
Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)
Note: percentages may sum to more than 100 percent due to multiple responses

3.1.3 Main Purpose of Trip

As evident in Figure 3.1.2.1 below, travel for pleasure or holiday purposes accounted for half (50%) of trips. Over one-third of travellers cited visiting friends and relatives (VFR) as the main purpose for their most recent trip (35%).

Trips to Canada followed a similar pattern, although pleasure or holiday purposes were more frequently mentioned compared to the average travellers (56%) and visits to Canada were far less likely to be as part of a combined business and pleasure trip.

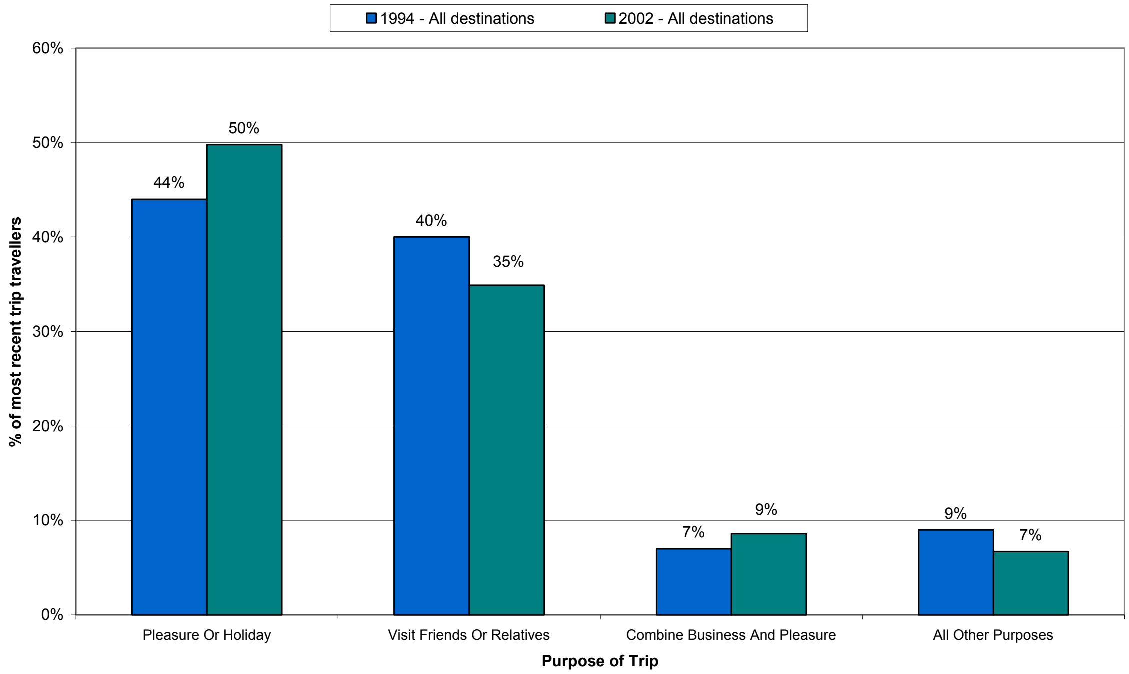
Figure 2: Main Purpose of Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

Compared to the 1994 results, the proportion of travellers visiting friends or relatives decreased in 2002, whereas the percentage of pleasure or holiday travels increased to 50% (cf 44% in 1994). Please note that the response categories for the trip purpose question differed across survey years, and the results presented in Figure 3 represent merged categories in some instances.

Figure 3: Comparison of Main Purpose of Most Recent Long-Haul Pleasure Trip (1994 vs. 2002)



Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)

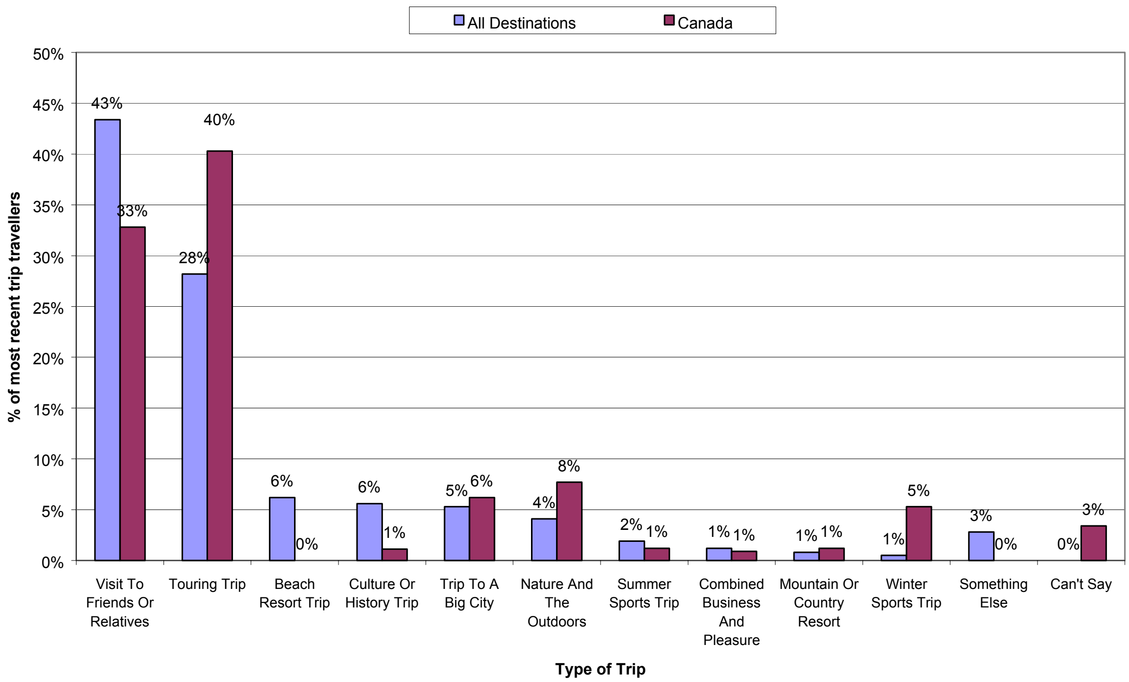
3.1.4 Type of Trip

VFR trips were the most commonly mentioned trip types (43%), followed by touring trips (28%). Beach resort, cultural, big city and nature trips all accounted for approximately 5% each, while sports (both summer and winter) and country resort trips were niche trip types endorsed by small proportions of the travelling market.

An examination of trip types by region of visitation provides some interesting insights into the relationship between destination and holiday types. Visits to North America were more likely to be big city trips, while almost a quarter (23%) of holidays to South East Asia were described as a beach holiday.

Trip types to Canada were distinctly different from the general pattern, with touring holidays being the most prevalent (40%). In addition, trips to Canada were more likely to be nature / outdoors (8%) and winter sports (5%) trips. Notably, trips to Canada were less likely to be categorised as a cultural or historic, despite relevant product offerings.

Figure 4: Type of Trip for Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

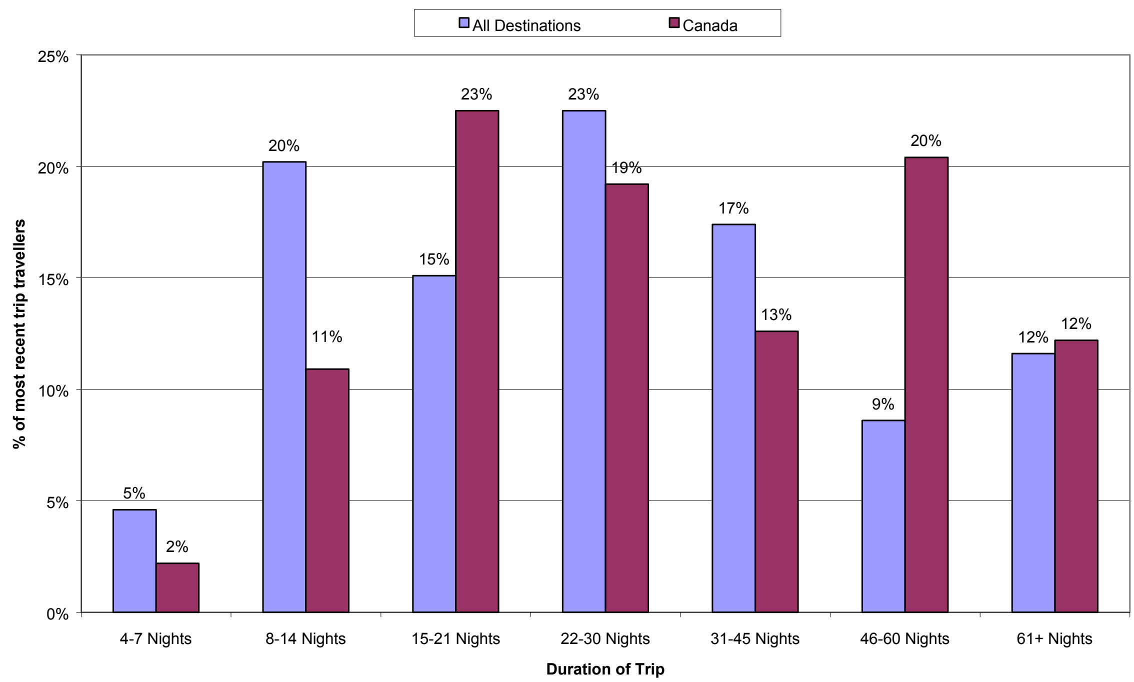
3.1.5 Duration of Trip

Given the distance between Australia and major outbound destinations, the average length of stay among the Australian market is relatively high, averaging 35.2 nights. Trips for VFR purposes tended to be slightly longer (38.4 nights), which is possibly related to the lower expenditure levels for these journeys.

Almost a quarter of trips were in the 22 to 30 nights bracket (23%), with trips of 8-14 nights the second most prevalent (20%). Around 12% of trips were reported to be over 2 months in duration, again emphasising the considerable length of trips taken by Australians.

Trips including Canada were longer than the market average, at 42.2 nights, which can largely be attributed to the distance between Australia and Canada. Notably, trips of between 46 and 60 nights were far more prevalent compared to the overall market, representing 20% of all trips to Canada. Of the total trip nights, an average of 22.6 (or 54%) were spent in Canada, suggesting that Canada forms a significant part of multiple country itineraries.

Figure 5: Duration of Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

As discussed in Section 3.1.1, reported trip duration was far lower in 2002 relative to the results obtained in 1994. The average number of nights away in 1994 was 46, compared to the 35 observed in 2002. Canadian trips were also substantially shorter, decreasing by 15 nights between 1994 and 2002, likely as a result of the decline in the VFR trip purpose.

Table 9: Comparison of Trip Duration (1994 vs. 2002)

	1994	2002
Mean number of nights – All destinations	46	35
Mean number of nights – Trips to Canada	57	42

Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)

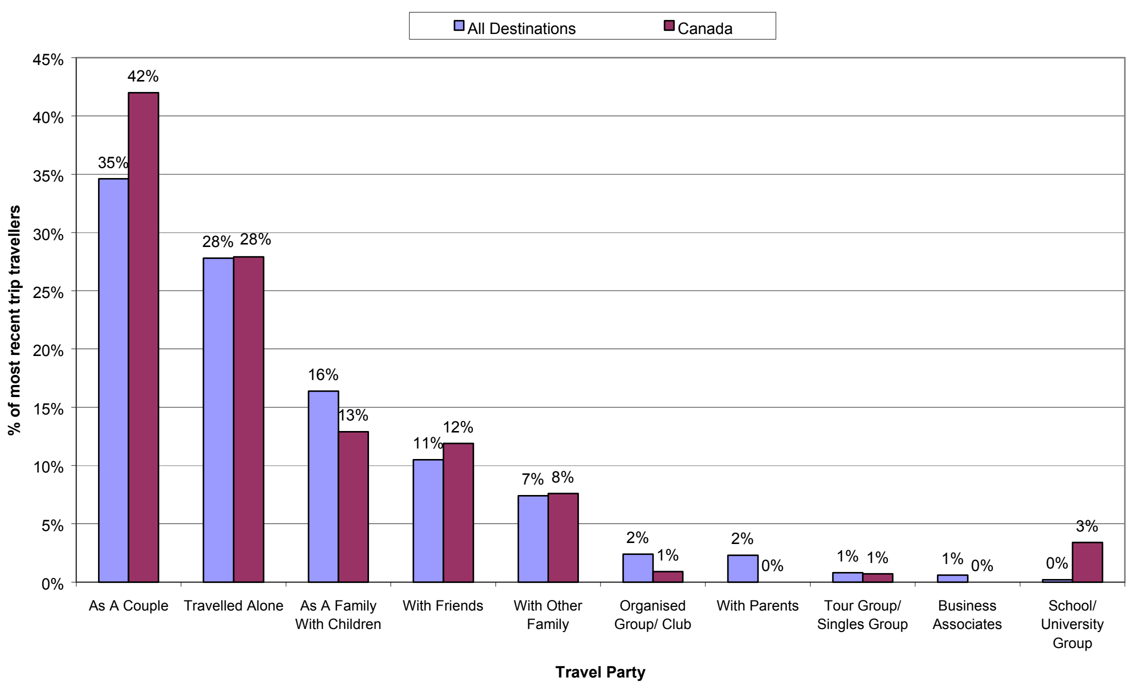
3.1.6 Travel Party

Travelling with as couples was the most common travel party composition (35%), while 28% of respondents travelled alone. Travelling as a family with children (16%) was the third most common type, and in conjunction with 'other family' (7%) and 'with parents' (2%), family travel accounted for just over a quarter of the market.

Not surprisingly, those travelling in a family group were more likely to have travelled for VFR purposes (47% cf 35%), and the duration of these trips (32.2 nights) was shorter than the market average. Due to the expense of long-haul travel from Australia, the added costs incurred to family groups may act as a disincentive to longer trips.

Among travellers to Canada, travelling as a couple was the most common travel party (42%) followed by travelling alone (28%). Family groups were less prevalent than for the overall market, comprising 21% of Canadian visitors. Those travelling to Canada in a family group represented a particularly affluent segment, with 56% from the AB quintile (compared to 37% for all family group long-haul travellers), again underlining the expense associated with trips to North America.

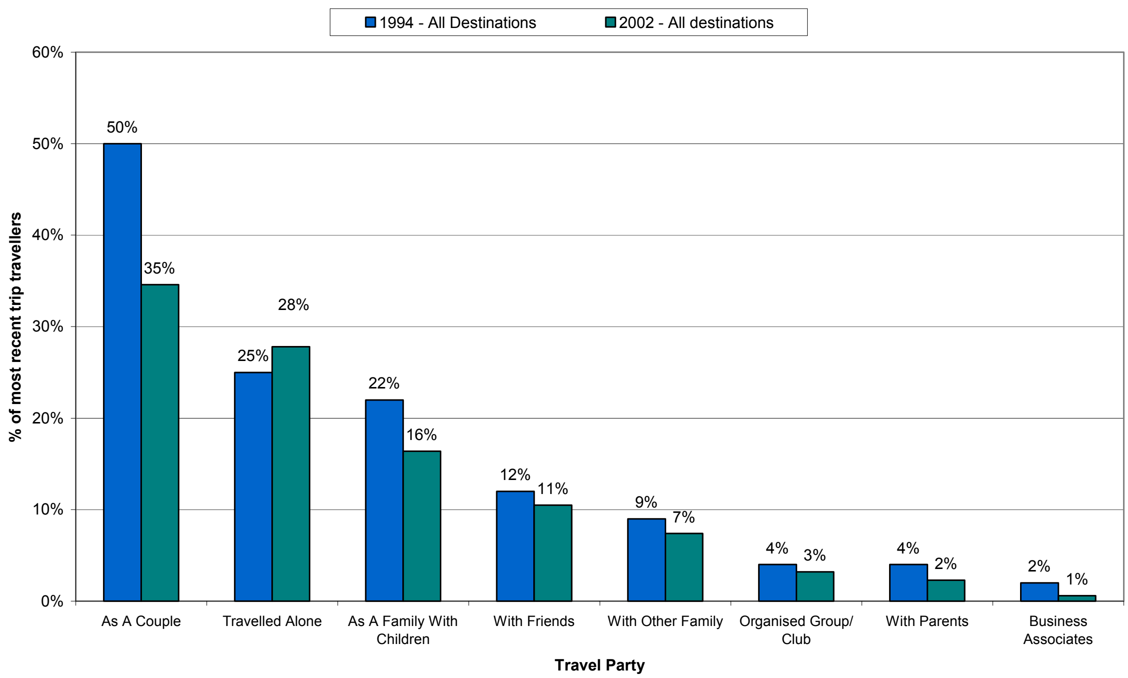
Figure 6: Travel Party on Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

Figure 7 below provides a comparison of travel party composition for both the 1994 and 2002 ACR projects. The proportion of the market travelling alone has increased (25% to 28%), while travel as a couple or in family groups has decreased markedly. However, the magnitude of the decrease is possibly inflated due to differences in item wording and presentation. Given differences in methodology, the increase in solo travel may be more marked than indicated by this comparison.

Figure 7: Travel Party on Most Recent Long-Haul Pleasure Trip (1994 vs. 2002)

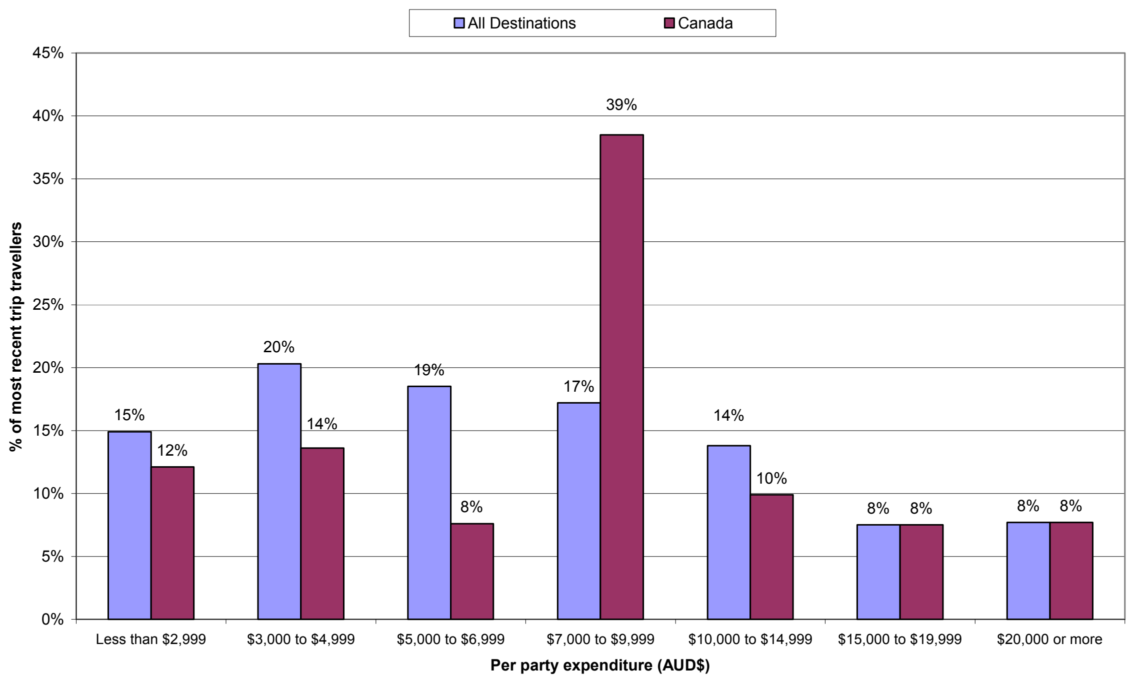


Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)

3.1.7 Trip Expenditure[1]

Figure 8 illustrates the per party expenditure distributions for both the overall market and for trips to Canada. For the general market, total expenditure was evenly distributed, with 20% of travellers spending between AUD$3,000 (CDN$2,560) and AUD$4,999 (CDN$4,266) during their trip. However, Canadian trips exhibited distinctively higher expenditures, with 39% of trip expenditures within the AUD$7,000 (CDN$5,975) to AUD$9,999 (CDN$8,534) bracket.

Figure 8: Approximate Per Party Expenditures on Most Recent Long-Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

[1] Exchange rate: 1AUS$ = 0.8535CDN$. Source: Bank of Canada Annual Average of Exchange Rates 2002

As detailed in Table 10 overleaf, average per party expenditure by Australian long-haul travellers was AUD$8,646 (CDN$7,379). Per party and per person expenditure levels for Canadian trips were higher than the average for all trips, as a result of the longer duration of visits to Canada. Consequently, per person per night expenditure levels for Canadian trips were lower than the market average (AUD$205/CDN$175 cf AUD$222/CDN$189). The favourable exchange rate may have influenced this result, as trips to the US had higher levels of per person per night expenditure (AUD$225/$CDN192), despite similarities in airfare prices.

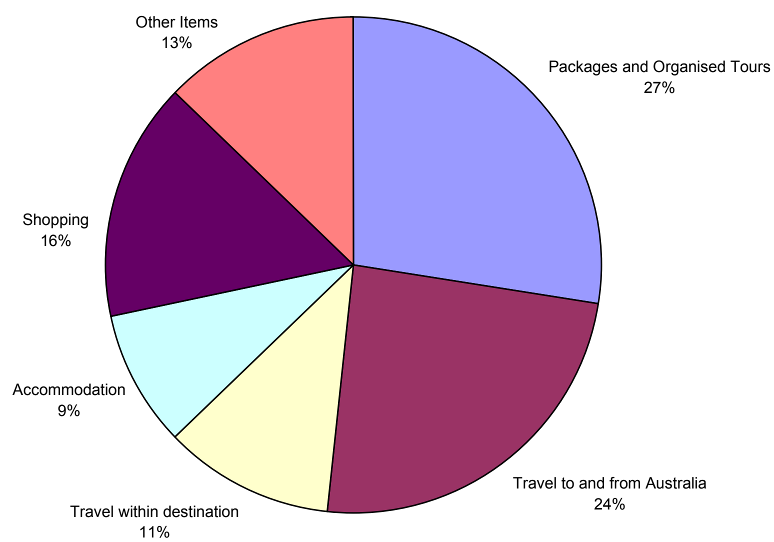
Table 10: Approximate Per Party Expenditures on Most Recent Long-Haul Pleasure Trip

	CANADA	ALL DESTINATIONS
Mean per party expenditure	AUD$9,851 CDN$8,408	AUD$8,646 CDN$7,379
Mean per person expenditure	AUD$6,538 CDN$5,580	AUD$5,602 CDN$4,781
Mean per person per night expenditure	AUD$205 CDN$175	AUD$222 CDN$189

Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

A comparison of itemised expenditure between visits to Canada and trips to all destinations also provides some insight into the characteristics of the Australian long-haul market. As detailed in Figure 9, expenditure on packages and organised tours made up the largest proportion of costs (27%), followed by travel to and from Australia (24%).

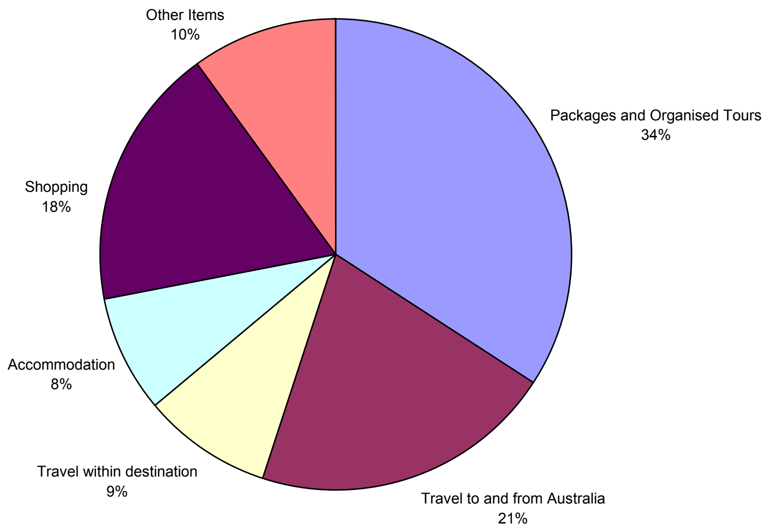
Figure 9: Itemised Per Person Expenditure for Most Recent Long-Haul Trip



Base: Most recent trip travellers (n=1,040)

Among visitors to Canada, itemised expenditure patterns reflected the trends observed for general trips. However, the proportion of expenditure spent on packages and organised tours was slightly higher at 34%.

Figure 10: Itemised Per Person Expenditure for Trips to Canada



Base: Visited Canada in last 3 years (n=89)

3.1.8 Comparison of Expenditure Patterns – 1994 vs. 2002

This section provides a brief overview and comparison of visitor expenditure patterns observed in 1994 and 2002. Original 1994 figures have been adjusted to an equivalent 2002 Australian dollar amount using Australian Consumer Price Index (CPI) to compensate for inflation.

As evidenced in Table 11 below, expenditure levels (expressed in 2002 currency) have dropped substantially since 1994 on both a per party and per person basis. This decrease can largely be attributed to the decreased duration of international leisure trips, as documented in Section 3.1.4. However, it is noteworthy that the percentage decrease in trip nights (24%) is greater than the percentage decrease in per person expenditure (10%). A number of factors may be linked to this result, including the reduced purchasing power of the Australian dollar relative to foreign currencies and the relatively fixed cost of airfares (irrespective of trip duration).

Table 11: Approximate Per Party Expenditures on Most Recent Long-Haul Pleasure Trip (1994 vs. 2002)

	1994	2002
Mean per party expenditure – All destinations ($2002)	AUD$10,759* CDN$9,193*	AUD$8,646 CDN$7,379
Mean per person expenditure – All destinations ($2002)	AUD$6,204* CDN$5,295*	AUD$5,602 CDN$4,781

Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)
**: 1994 figures adjusted to 2002 using Consumer Price Index*

3.2 Comparison of Canadian and United States Visitors

Based on the geographic proximity of the two markets, a comparison between Canadian and US visitors was undertaken in order to identify the distinct travelling features of visitors to Canada. As detailed in Section 2.2, the Canadian market was distinct from the US market in terms of demographics, and a number of differences again emerge in terms of both trip planning and behaviour.

Key findings highlighted in Table 12 overleaf include:

- Touring holidays were the most endorsed holiday type for Canada (40%), while US visits were largely driven by VFR (46%);
- Family travel was more prevalent for the US, comprising 27% of travel party types (compared to 21% for Canada);
- Trips to Canada were longer than those to the US by approximately 4 nights (42.2 nights for Canada cf 37.7 nights for the US);
- Although per party and per person expenditure levels were very similar for the two markets, per person per night expenditure for the US was higher, which may be linked to the less favourable exchange rate;
- The booking horizon for trips to the US was substantially shorter than for Canada, which may be associated with the higher proportion of VFR travel;
- Similarly, US visitors were more likely to cite friends and family as an information source, whereas Canadian visitors were more reliant on travel agents; and
- Although similar proportions mentioned use of the Internet as an information source, Canadian visitors were more likely to have booked a trip component on-line (24% cf 17%).

Table 12: Overview of Trips Taken to Canada and the United States

	CANADA	UNITED STATES
TRIP CHARACTERISTICS		
Top 3 trip types	Touring (40%)	VFR (46%)
	VFR (33%)	Touring (29%)
	Nature / Outdoors (8%)	Big City (8%)
Travel party		
As a couple	42%	35%
Travelled alone	28%	28%
Family group[2]	21%	27%
Trip Duration	42.2 nights	37.7 nights
Trip expenditures (including airfare)		
Per party	AUD$9,851 CDN$8,408	AUD$9,938 CDN$8,482
Per person	AUD$6,538 CDN$5,580	AUD$6,389 CDN$5,453
Per person per night	AUD$205 CDN$175	AUD$225 CDN$192
TRIP DECISION MAKING		
Booking horizon (mean)	15.5 weeks	12.9 weeks
Information sources		
Travel Agent	72%	65%
Friends/ Family Members	45%	51%
Internet/ Website	39%	38%
Booked through Internet	24%	17%
BASE	**(N=89)**	**(N=183)**

[2] Includes 'Family with children', 'Other Family', and 'With Parents'

3.3 Product Based Segmentation

Respondents were asked to determine which one of nine statements best described their most recent long-haul trip. These categories provide the foundation for a mutually exclusive product-based segmentation, with respondents classified based on trip type. More specifically, the seven segments were:

- Culture / History trips;
- Touring trips;
- City trips;
- Resort trips;
- Nature / Outdoor trips
- VFR trips; and
- Sports trips.
- Brief profiles of each trip type have been provided in Tables 13 and 14 below, with an emphasis on the distinctive characteristics of each segment. Please note that profiling of the sports trip category was not undertaken, based on the low endorsement of both the winter sports and summer sports trip types (n=14).
- Key findings highlighted in Tables 13 and 14 include:
- Culture / history and touring trips tended to be the longest in duration, whereas city trips were the shortest;
- Per party expenditure levels were highest for touring trips;
- However, per person <u>per night</u> expenditure was highest for city trips;
- Culture / history trips were more likely to be taken to Greece and Egypt, reflecting the product offerings of these countries;
- Travellers who had taken city trips were more likely to have visited Singapore or Hong Kong, reflecting the shopping and accessibility from Australia offered these destinations;
- Nearly half (47%) of resort trips were taken to Thailand;
- 11 percent of nature trips were taken to Canada;
- Travel agents were the number one source of information for touring, city, resort and nature/outdoor trips;
- As expected, friends and family were the most frequently cited information source for VFR trips;
- Touring trips had the longest booking horizon, due to the large amount of planning required for these trips; and
- Those taking city trips were most likely to use the Internet as a booking method, which may be linked to the high proportion who named past experience as an information source.

Table 13: Overview of Product-based Segmentation – Culture/History, Touring and City Types

	CULTURE / HISTORY TRIPS	TOURING TRIPS	CITY TRIPS
	A Culture Or History Trip	A Touring Trip To A Number Of Destinations	A Trip To A Big City
TRIP CHARACTERISTICS			
Trip duration (mean)	41.5 nights	39.0 nights	23.9 nights
Number covered by cost*	1.3	1.7	1.6
Trip expenditures (including airfare)			
Per party	AUD$9,922 CDN$8,648	AUD$11,025 CDN$9,410	AUD$8,380 CDN$7,152
Per person	AUD$7,104 CDN$6,063	AUD$7,298 CDN$6,229	AUD$5,534 CDN$4,723
Per person per night	AUD$274 CDN$234	AUD$242 CDN$207	AUD$442 CDN$377
Visited Canada	2%	8%	6%
Trips were more likely to be	To Greece (11%)	To European destinations	To Singapore (15%)
	To Egypt (11%)		To Hong Kong (10%)
TRIP DECISION MAKING			
Booking horizon (mean)	10.3 weeks	14.6 weeks	11.3 weeks
Top 3 sources of information	Internet (48%)	Travel Agent (56%)	Travel Agent (42%)
	Friends/Family (47%)	Internet (42%)	Internet (39%)
	Travel Agent (40%)	Friends/Family (34%)	Visited Previously (25%)
Booked through Internet	24%	23%	32%
BASE	**(N=72)**	**(N=336)**	**(N=55)**

Table 14: Overview of Product-based Segmentation – Resort, Nature / Outdoor and VFR Types

	RESORT TRIPS	NATURE / OUTDOOR TRIPS	VFR TRIPS
	A Beach Resort Trip or A Mountain Or Country Resort	A Trip To Enjoy Nature And The Outdoors	Visit To Friends Or Relatives
TRIP CHARACTERISTICS			
Trip duration (mean)	14.4 nights	27.5 nights	36.2 nights
Number covered by cost*	1.8	1.8	1.8
	Trip expenditures (including airfare)		
Per party	AUD$5,907 CDN$5,042	AUD$9,213 CDN$7,863	AUD$7,381 CDN$6,300
Per person	AUD$3,558 CDN$3,037	AUD$6,084 CDN$5,192	AUD$4,606 CDN$3,931
Per person per night	AUD$278 CDN$237	AUD$236 CDN$201	AUD$165 CDN$141
Visited Canada	1%	11%	4%
Trips were more likely to be	To Thailand (47%)	To Canada (11%)	As a family with children
	To Indonesia (20%)	To Africa (10%)	
TRIP DECISION MAKING			
Booking horizon (mean)	12.1 weeks	12.1 weeks	11.4 weeks
Top 3 sources of information	Travel Agent (65%)	Travel Agent (46%)	Friends/Family (53%)
	Friends / Family (47%)	Internet (39%)	Travel Agent (49%)
	Internet (30%)	Friends/Family (34%)	Internet (28%)
Booked through Internet	13%	8%	12%
BASE	**(N=56)**	**(N=41)**	**(N=425)**

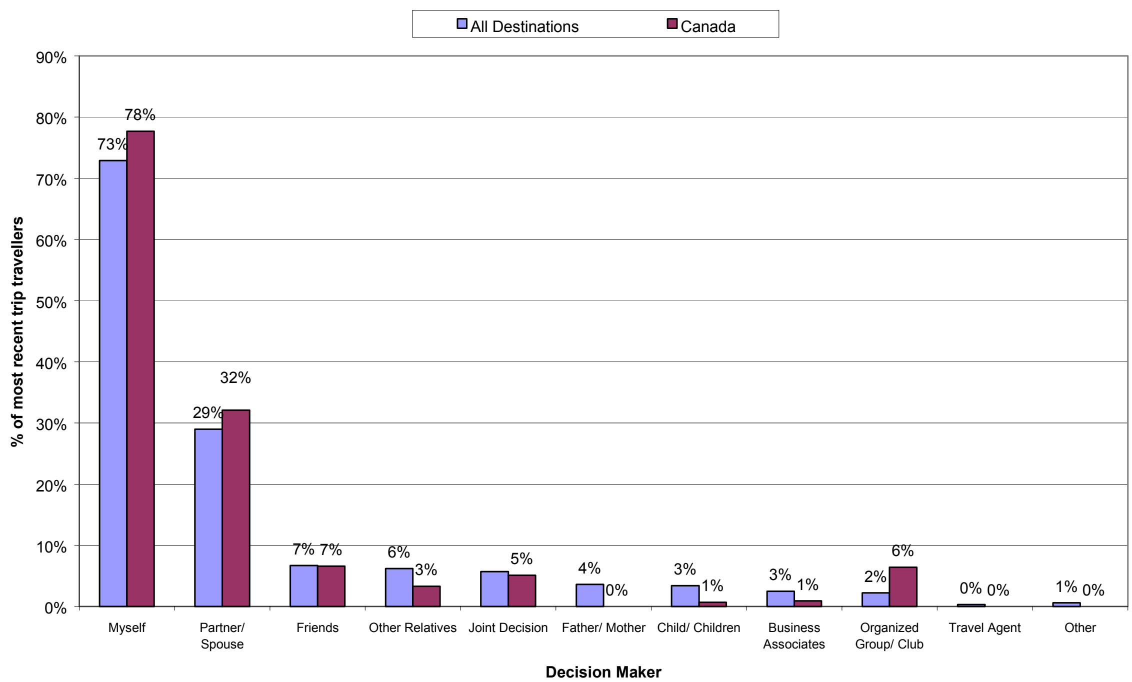
4. Trip planning

This section details the decision-making, planning and booking of Australian long-haul pleasure trips, and includes comparisons between trips to Canada and general outbound departures.

4.1 Decision-Maker

The destination(s) for the most recent long-haul trip were most frequently selected by the travellers themselves (73%) or by their partner / spouse (29%). It is important to note that the type of travel party appeared to be closely related to decision-making, as travellers accompanied by friends or social groups were less likely to have chosen the destination themselves.

Figure 11: Person Responsible for Selecting Destination of Most Recent Long Haul Pleasure Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)
Note: percentages may sum to more than 100 percent due to multiple responses

4.2 Information Sources Used

Travel agents were the number one information source, being used by over half of the market (51%). Word of mouth was also important, with 43% of travellers relying on advice from friends and family. Increasing Internet penetration in the Australian market was reflected in the use of on-line information by over a third of travellers (34%).

For trips to Canada the five most commonly used sources of information remained the same as general trips. However, references to advertising were far lower than for general travel, indicating that Canada has a relatively small share of marketing voice. Notably, visitors to Canada were also more reliant on travel agents as information sources.

Table 15: Information Sources Used When Planning Most Recent Long Haul Pleasure Trip

	CANADA	ALL DESTINATIONS
Travel Agent	72%	51%
Friends/ Family Members	45%	43%
Internet/ Website	39%	34%
Previously Visited/ Past Experience	25%	17%
Brochures/ Pamphlets	17%	16%
Travel Guides	9%	8%
Books/ Library	10%	8%
Airline	1%	5%
Newspaper Advertisements	*	5%
Tour Operator/ Holiday Company	1%	3%
Travel Magazines	1%	2%
Clubs/ Associations	1%	2%
Articles/ Features In Newspapers	1%	2%
Travel Programs On TV	2%	2%
Business Colleagues	1%	2%
Articles/ Features In Other Magazines	-	1%
Embassy/ Consulate	1%	1%
Magazine Advertisements	-	1%
Government Tourism Office/ Board	2%	1%
Movies Or TV Shows (Not TV Travel Programs)	-	1%
None	2%	3%
BASE	**(N=89)**	**(N=1,040)**

As respondents were asked to determine the three most important information sources used, a derived measure of most important was also considered relevant. Using this measure, friends and family members (33%) were considered the most important information source, followed by brochures and pamphlets (14%) and travel agents (13%).

On-line information was the second ranked information source for trips to Canada, indicating that travellers investigate the destination in detail using the Internet prior to booking the trip.

Table 16: Most Important Information Source Used When Planning Most Recent Long Haul Pleasure Trip

	CANADA	ALL DESTINATIONS
Friends/ Family Members	36%	33%
Brochures/ Pamphlets	13%	14%
Travel Agent	13%	13%
Internet/ Website	16%	10%
Books/ Library	10%	7%
Previously Visited/ Past Experience	4%	5%
Airline	1%	5%
Articles/ Features In Newspapers	-	2%
Clubs/ Associations	1%	2%
Business Colleagues	1%	2%
Articles/ Features In Other Magazines	1%	1%
Newspaper Advertisements	-	1%
Tour Operator/ Holiday Company	1%	1%
Embassy/ Consulate	-	1%
None	2%	3%
BASE	**(N=89)**	**(N=1,040)**

Since 1994, there has been a marked shift towards the independent planning of international holidays by Australian travellers. The use of traditional avenues of information, such as travel agents, airlines and tour operators was far lower in 2002, as illustrated in Table 17 below. The increased accessibility of information via the Internet may have played a role in this decrease. This comparison also indicates that the Australian market has matured in the last 8 years, with a greater proportion citing personal experience and previous travel as an information source.

Table 17: Comparison of Information Sources Used When Planning Most Recent Long Haul Pleasure Trip (1994 vs. 2002)

	1994	2002
Travel Agent	70%	51%
Friends/ Family Members	54%	43%
Internet/ Website	-	34%
Brochures/ Pamphlets[1]	44%	24%
Previously Visited/ Past Experience	10%	17%
Books/ Library	6%	8%
Advertisements[2]	4%	6%
Airline	13%	5%
Tour Operator/ Holiday Company	6%	3%
Clubs/ Associations	2%	2%
Travel Programs On TV	1%	2%
Business Colleagues	6%	2%
Embassy/ Consulate	2%	1%
Government Tourism Office/ Board	2%	1%
BASE	**(N=1,304)**	**(N=1,040)**

[1] includes both 'Brochures/Pamphlets' and 'Travel Guides' codes for 2002 results

[2] includes Direct mail, Newspaper advertising, TV advertising and Magazine advertising codes for 2002 results

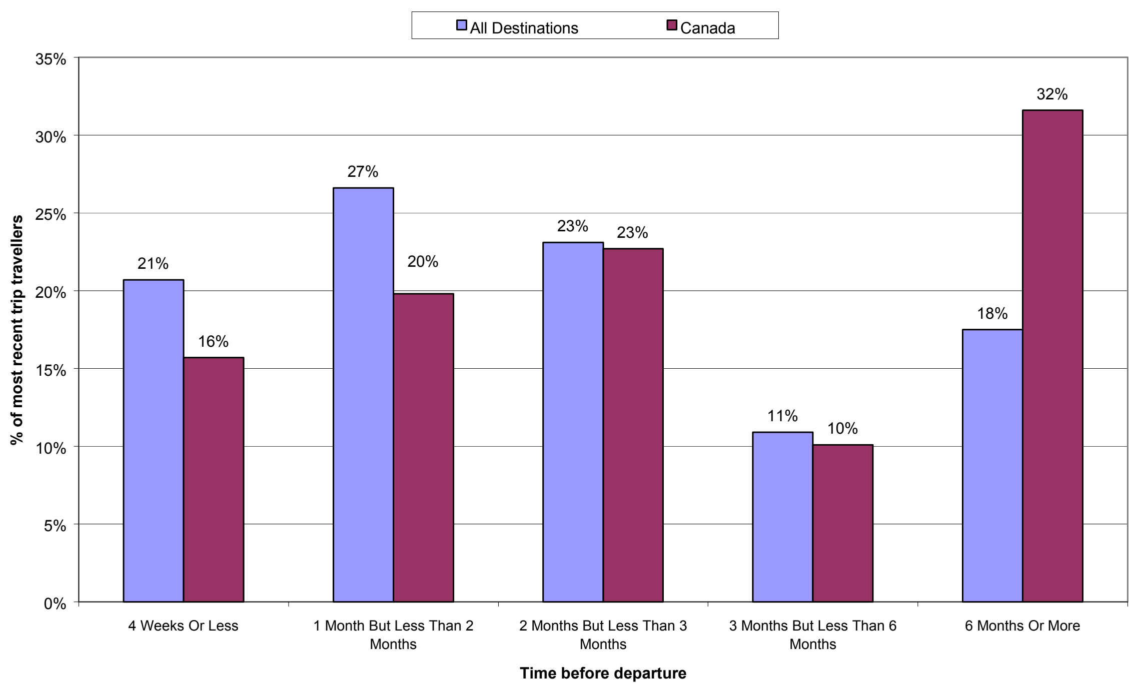
Base: 1994 - Most recent trip travellers (n=1,304); 2002 - Most recent trip travellers (n=1,040)

4.3 Booking Horizons

As demonstrated in Figure 12 below, the booking horizon for the Australian market was relatively long, with 21% of travellers booking less than a month in advance of departure, and 71% booking within 3 months of departure. By way of comparison, previous CTC-commissioned research found that for example, 74% of Hong Kong travellers booked less than a month prior to departure. 18 percent of respondents had booked the trip at least 6 months prior to departure, again underlining the extended booking horizons for this market. Notably, booking horizons increased with trip duration, suggesting that lengthy trips were booked well in advance of actual departure.

Booking horizons for Canadian trips were substantially longer than the market average, with around one-third (32%) of respondents booking six months or more in advance. This can be attributed to a variety of factors, including the longer duration of trips to Canada, and the higher incidence of touring holidays, which have particularly long booking horizons.

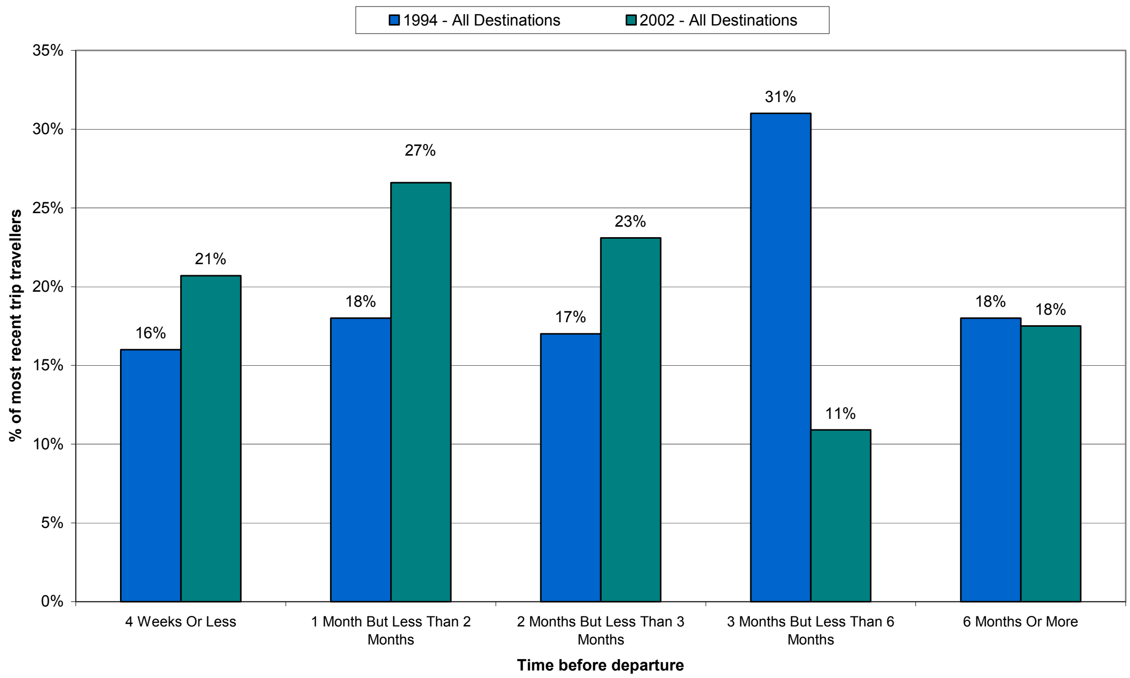
Figure 12: Length of Time Before Departure When Most Recent Long-Haul Pleasure Trip Was Booked



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

Although booking horizons for the Australian market were relatively long, they have decreased substantially since 1994. For the current research, 71% of travellers booked their trip within 3 months of departure, compared to 51% in 1994. This may be linked to the reduced reliance on traditional information sources and the increased independence of the Australian market.

Figure 13: Comparison of Booking Horizons (1994 vs. 2002)



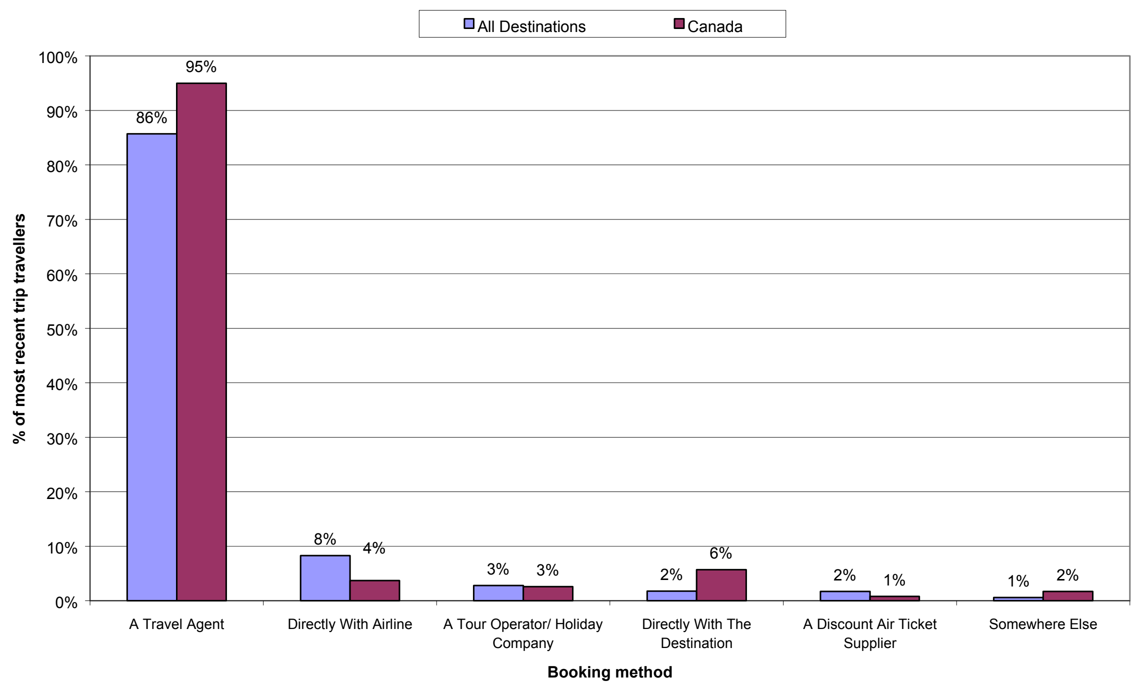
Base: 1994 - Most recent trip travellers (n=1,345); 2002 - Most recent trip travellers (n=1,040)

4.4 Booking Methods

4.4.1 Booking Methods Used

Despite the wide variety of information sources used in selecting destinations and planning of trips, booking was almost universally undertaken via a travel agent (86%). This trend was even stronger among visitors to Canada with 95% booking through a travel agent. Booking directly with an airline was the second most frequently used method, yet only accounted for 8% of the overall market.

Figure 14: Where Most Recent Long Haul Pleasure Trip Was Booked



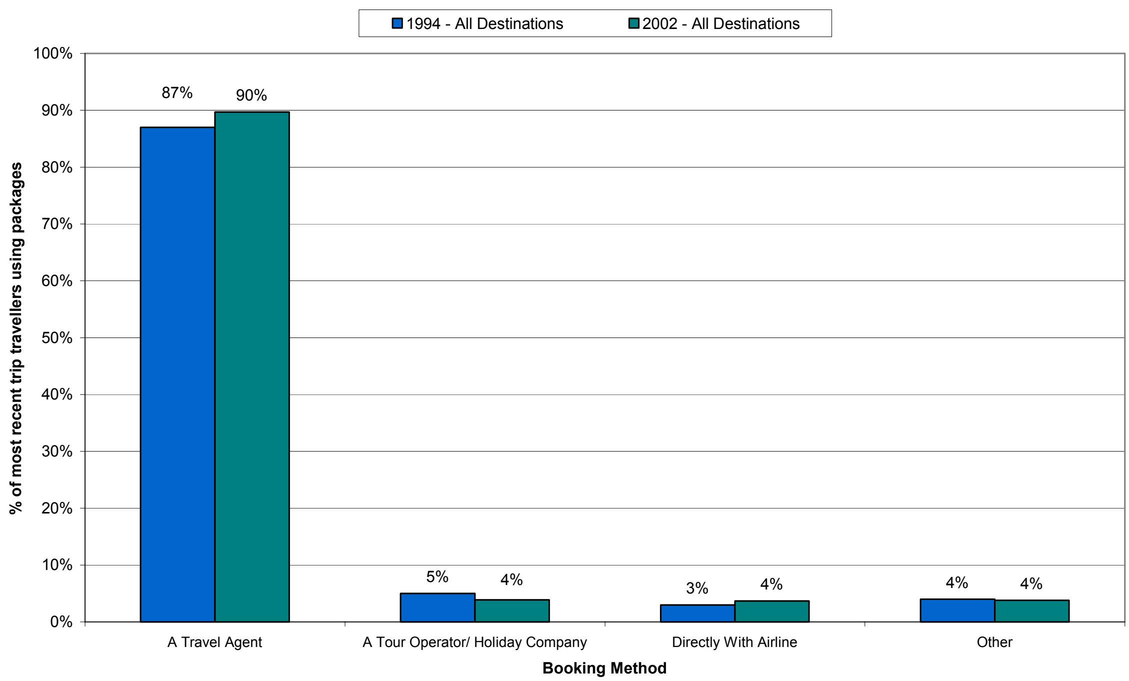
Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)
Note: percentages may sum to more than 100 percent due to multiple responses

4.4.2 Incidence and Booking Methods for Package Holidays

In terms of incidence rates, one-third (33%) of travellers reported purchasing accommodation or other trip components together with a flight prior to departure. In comparison, 46% of travellers reported using package holidays in 1994, again suggesting the shift towards independent travel in the Australian market.

Figure 15 below provides a comparison of the booking methods used by those purchasing packages in 1994 and 2002. Despite the decreased incidence of package use, booking avenues have remained relatively unchanged, with travel agents clearly the preferred source for package purchases.

Figure 15: Where Package Was Booked For Most Recent Long Haul Pleasure Trip (1994 vs. 2002)



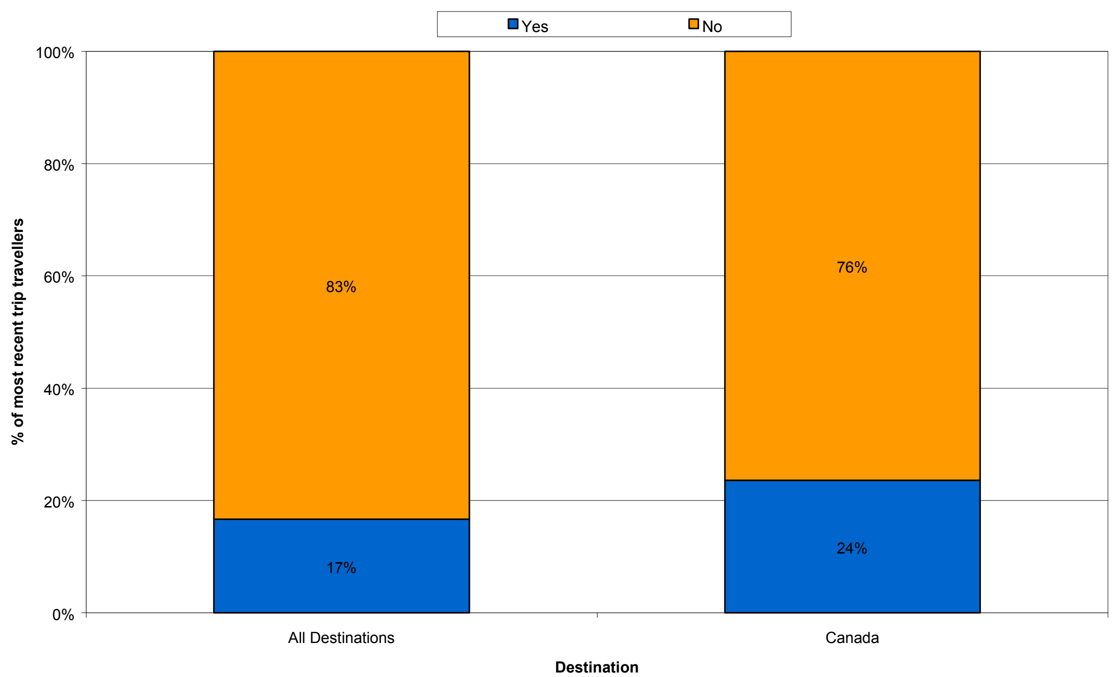
Base: 1994 - Most recent trip travellers who purchased package (n=587); 2002 - Most recent trip travellers who purchased package (n=414)
Note: percentages may sum to more than 100 percent due to multiple responses

4.5 Internet Usage for Booking

Despite the popularity of the Internet as an information source, as a medium for booking the Internet is still in its infancy. Only 17% of respondents used the Internet to book any part of their most recent long haul pleasure trip, again underlining the reliance on traditional retail outlets by Australian travellers. A slightly higher proportion of those who travelled to Canada used on-line booking for a component of the trip relative to general travellers (24% cf 17%). Overall, the proportion of Australians using on-line services was far higher than that observed in other CTC-commissioned market research findings in Japan and Hong Kong.

Following general trends regarding Internet usage, those booking on-line tended to be male (55%), aged between 25 and 44 (63%), or work as a professional (39%). Although it has been predicted that the use of the Internet for booking will rise rapidly during the next decade, on-line booking services remain a tool used primarily by young professionals in this market.

Figure 16: Use of Internet For Booking Most Recent Long Haul Pleasure Trip

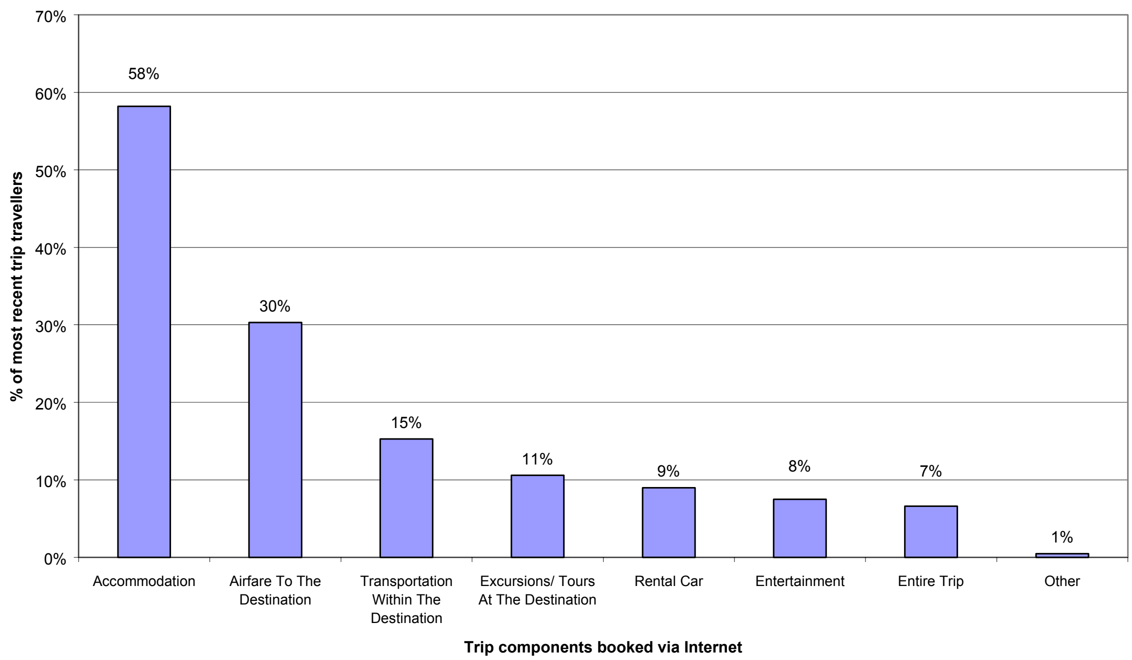


Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

4.5.1 Trip Components Booked On-Line

Among those who utilised on-line booking, 58% booked accommodation and 30% booked airfares to the destination. Noticeably lower proportions booked 'non-essential' services provided at the destination, such as entertainment, rental cars and excursions.

Figure 17: Part(s) of Trip Booked Through the Internet by Those Booking On-Line



Base: Most recent trip travellers who booked a trip component via Internet (n=155)

5. Travel Motivations

This chapter examines the attitudes and motivations of the Australian long haul travel market. The relative importance of various factors in selecting international holiday destinations was analysed, while the marketing strengths and weaknesses of Canada were also reviewed. The chapter concludes with an overview of a motivational segmentation based on the attitudinal characteristics of the long-haul market.

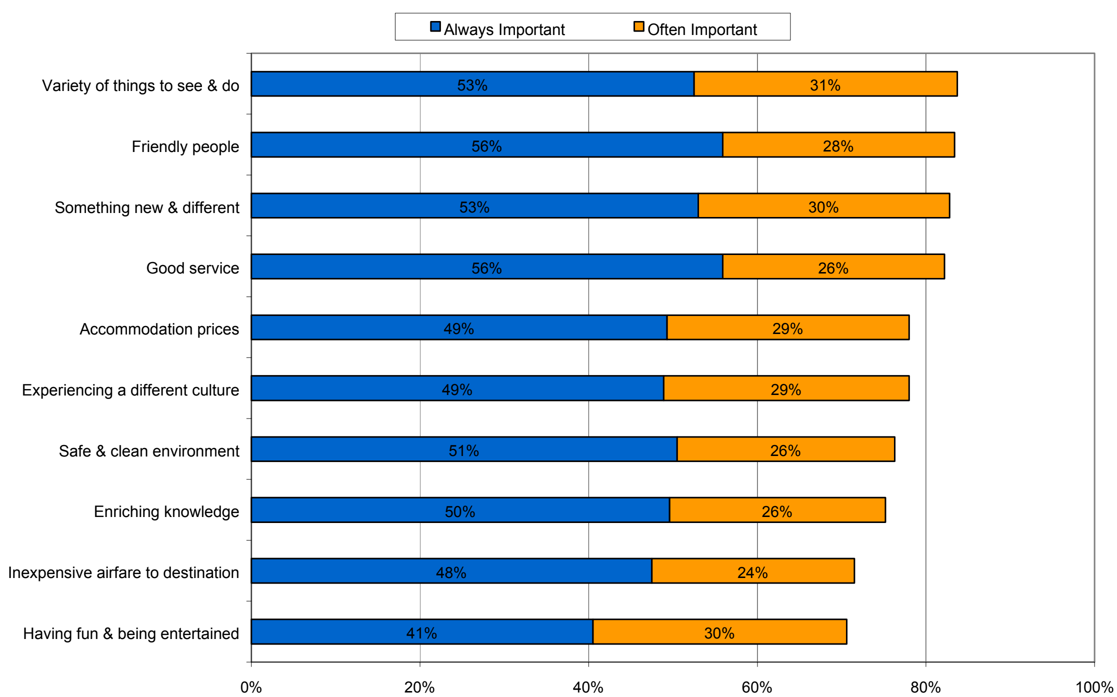
5.1 Overview of Travel Motivations

5.1.1 Travel Motivations for Australian Long Haul Travellers / Intenders

Respondents were asked to indicate the importance of various factors when selecting an international holiday destination. These factors were not linked to any specific destination or trip, and represented the general mind-set of the market.

Universal travel motivations were defined as those endorsed as important by at least 70% of the market. Consequently, these represent the most important factors among the general market in selecting long-haul destinations, and are detailed in Figure 18 below.

Figure 18: Universal Travel Motivations for Australian Long Haul Traveller / Intender Market



Base: All respondents (n=1,501)

The universal motivations of the Australian market suggest that:

- The Australian traveller demands high levels of service and a friendly atmosphere. These attributes were the most frequently mentioned as 'always important'.
- Destinations need to offer variety to Australian travellers, who are seeking new and different holiday products, as well as a range of activities.
- Price-related factors are key drivers of the market, with accommodation prices and airfares to and from Australia emerging as the most important areas.
- Australians also enjoy the opportunity to experience different cultures. Many see an international holiday as providing the chance to increase their knowledge of the world, and learn about the cultures of the destinations visited.
- Other factors, in descending order of importance have been detailed in Table 18 overleaf. Cost-related factors were of high importance, particularly in relation to the relative exchange of the Australian dollar and shopping prices. The weaker value of the Australian dollar relative to both the Euro and the American dollar may impact on choice of destination, especially for those with lower levels of disposable income.

Table 18: Other Travel Motivations for Australian Long Haul Traveller / Intender Market

Seeing historical sites	69%
Outstanding scenery	67%
Favourable exchange rate	67%
Prices for shopping & entertainment	66%
Escaping from the ordinary	65%
Seeing well known attractions	64%
Low cost transportation within the destination	58%
Inexpensive packages to destination	55%
Seeing arts & cultural attractions	53%
Chances to see wildlife & nature	50%
Family activities	47%
Opportunities to shop	44%
Variety of guided tours	44%
National parks & ecological sites	43%
Experiencing unique native groups	43%
Ease of driving	38%
Availability of package holidays	37%
Finding thrills & excitement	37%
Good nightlife & entertainment	35%
Exotic atmosphere	34%
Beaches	33%
Fine dining	30%
Outdoor activities	24%
Seeing big modern cities	22%
First-class hotels	19%
Water sports	19%
Staying at a resort	18%
Popular, trendy place	17%
Combine business with pleasure	17%
Opportunities for sports	16%
Winter sports	11%
Casinos & gambling	3%

Base: All respondents (n=1,501)

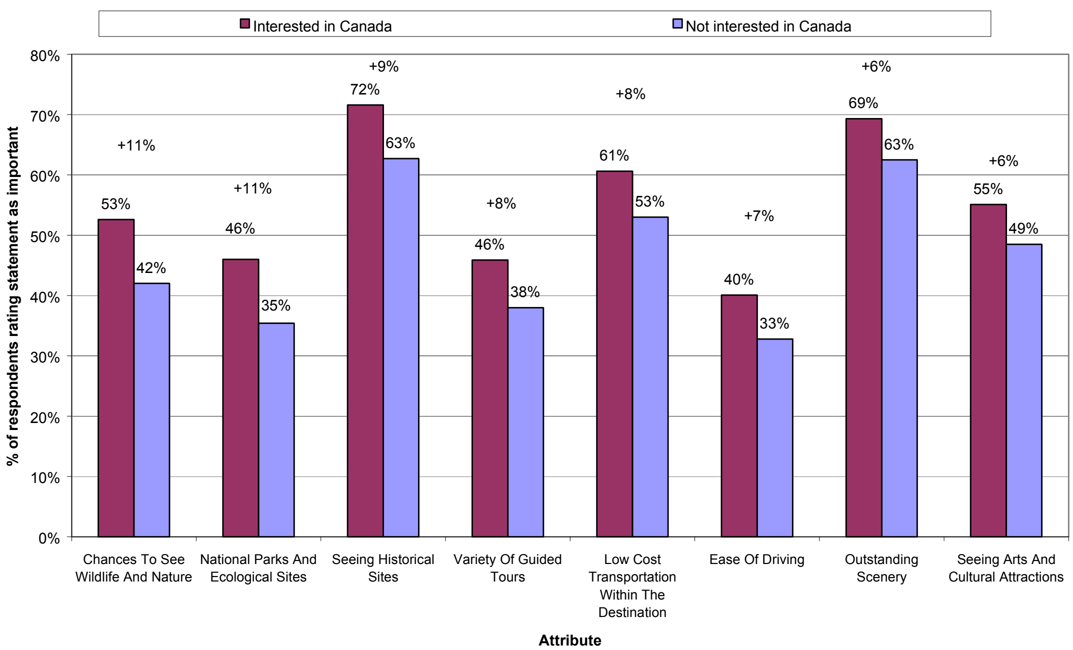
5.2 Motivations for Potential Travellers to Canada

5.2.1 Relative Importance of Motivations for Potential Travellers to Canada

Figures 19 and 20 provide an indication of the motivations that are more and less important among potential travellers to Canada[3] (compared with those not interested in visiting Canada). Notably, a number of the key product strengths for Canada emerged as more important motivations for potential travellers, including nature-based tourism and cultural and historical attractions. Issues that are pertinent to the self-drive market, such as ease of driving and availability of low cost transport were also more important to the potential market.

In contrast, some motivations were identified as being less important to the potential market, such as fine dining and a popular destination. Beaches and finding thrills were also less influential as holiday motivators for the potential market.

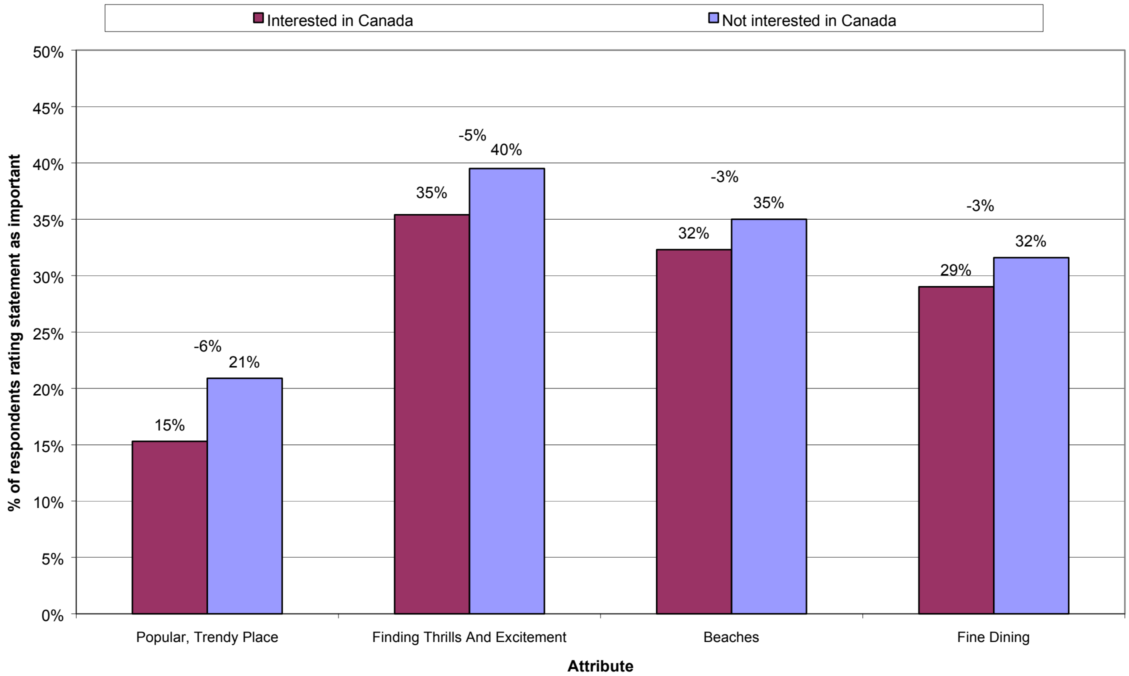
Figure 19: Motivations More Important for Potential Travellers to Canada



Base: All respondents (n=1,501)

[3] Interested in travelling to Canada in the next 5 years

Figure 20: Motivations Less Important for Potential Travellers to Canada

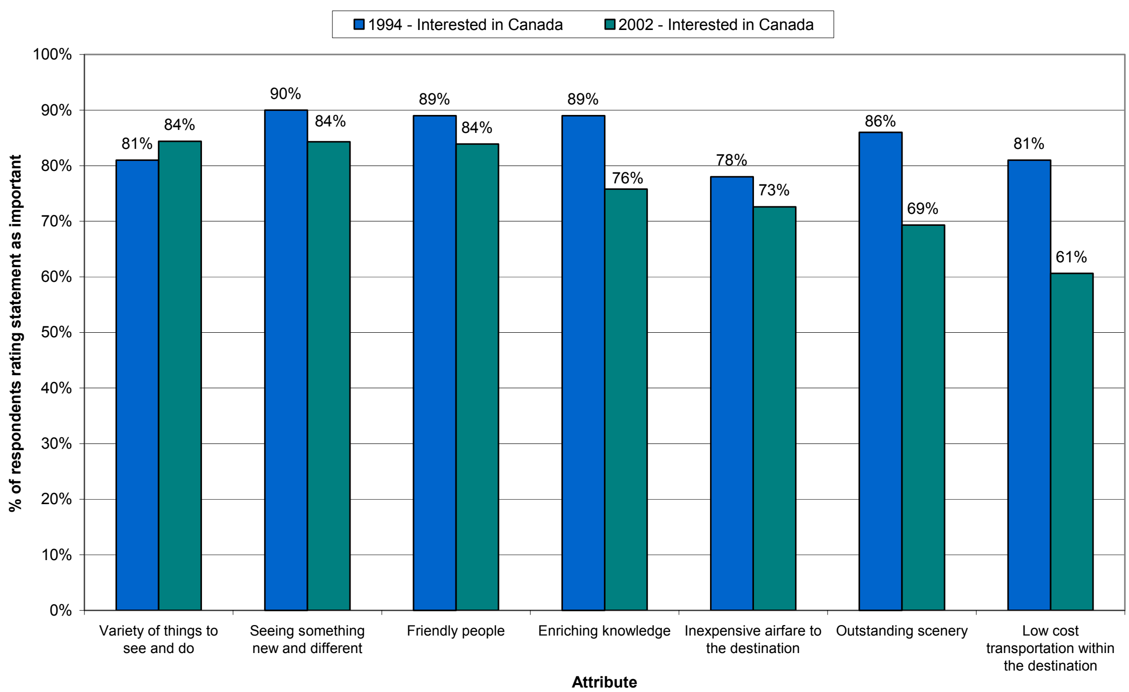


Base: All respondents (n=1,501)

5.2.2 Comparison of Travel Motivations for Potential Travellers to Canada – 1994 vs. 2002

Although substantial differences exist between the 1994 and 2002 motivational attributes, some limited comparisons can be drawn for the potential Canadian market on selected statements. In total, seven statements were considered analogous and used for comparative purposes. A variety of things to see and do was the most important of these statements in 2002, and appears to be of greater importance relative to the 1994 findings. In contrast, outstanding scenery, enriching knowledge, and transport prices within the destination all appear to be relatively less important in the current market.

Figure 21: Comparison of Universal Travel Motivations for Potential Travellers to Canada (1994 vs. 2002)



Base: 1994 - Interested in visiting Canada in next 5 years (n=967); 2002 - Interested in visiting Canada in next 5 years (n=1,082)

5.3 Marketing Strengths and Weaknesses for Canada

The concept of marketing strengths and weaknesses combines information on the relative importance of motivational factors and the impression ratings of Canada on these items. The marketing strengths and weaknesses documented in Figure 22 were based on potential visitors to Canada.

5.3.1 Marketing Strengths

General marketing strengths refer to those attributes that were rated as important by potential visitors and were also associated with Canada as a potential holiday destination. Consumer perceptions matched well with Canadian tourism products, such as a safe and clean environment, natural scenery, national parks and opportunities to see wildlife and nature. Friendly people also emerged as a general marketing strength for Canada.

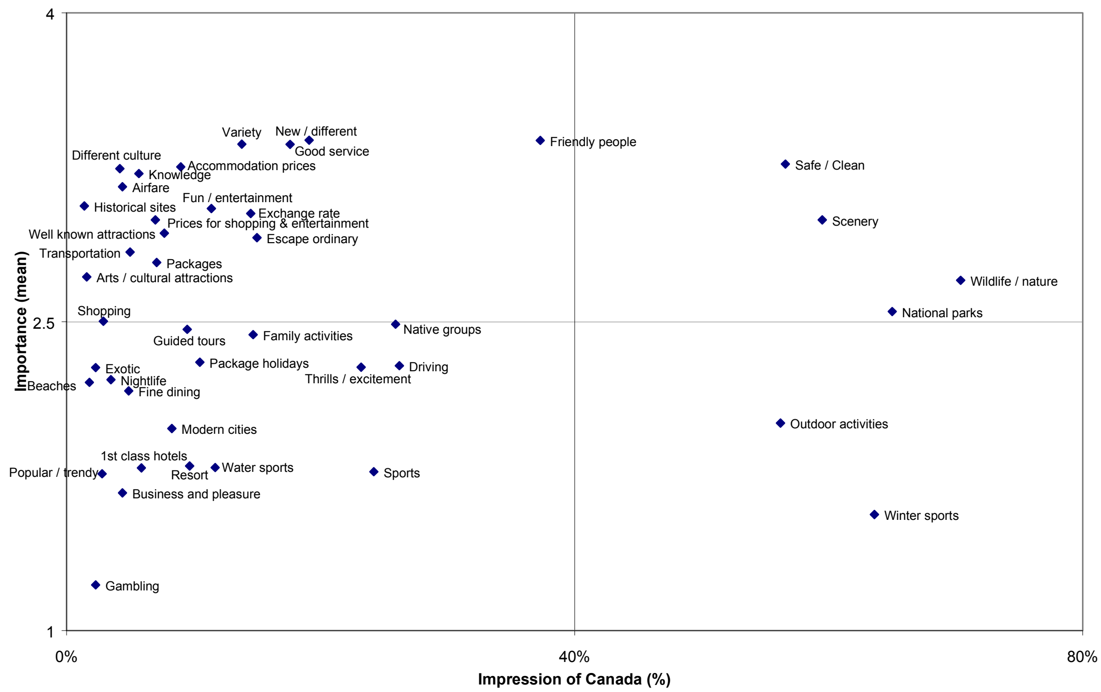
Specific marketing strengths refer to those attributes where Canada was rated highly, but were of importance to specific markets and segments. In particular, outdoor activities and winter sports emerged within this area. It is important to note that while Canada performed well as a destination offering winter sports, the ski market in Australia is relatively small but potentially lucrative.

5.3.2 Marketing Weaknesses

General marketing weaknesses refer to attributes rated as important by respondents that were not associated with Canada. For many price-related factors, South East Asia dominated the consumer mind-set. This would appear to be based on the relative proximity and excellent exchange rates for many of the countries in the region. Similarly, Canada was not associated with cultural attractions, which were generally associated with European destinations. In order to improve its positioning, Canada would need to heavily promote the historical and cultural products available. Canada's price competitiveness needs to be emphasised, as the poor exchange rate of the Australian dollar against the US dollar may be linked (erroneously) with Canada as a destination.

Specific marketing weaknesses were those attributes of less importance to the potential visitor and where Canada performed poorly in relation to key competitors. In some instances, these weaknesses reflect the product availability within Canada, such as beaches. However, in areas related to cosmopolitan themes, (such as modern cities, fine dining and nightlife), where Canada offers appropriate products, re-positioning may be a worthwhile consideration. Canada performed poorly in terms of offering packaged products, such as guided tours and package holidays. Any marketing designed to address the city and package tour options available in Canada would need to be targeted to specific segments, given the limited appeal of these products to the broader market.

Figure 22: Marketing Strengths and Weaknesses for Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

In conclusion, Canada is perceived as a destination with strong nature-based offerings, and the opportunity to participate in outdoor activities and winter sports. The perception of friendliness is also a key element for the Australian market. However, this is offset by perceived price barriers, and the lack of strong, readily identifiable historic and cultural products. Awareness of the city-based experiences offered by Canada is also low.

5.3.3 Changes in Marketing Strengths and Weaknesses – 1994 vs. 2002

Again, the extensive differences between the 1994 and 2002 studies limit the ability to draw comparisons regarding changes in marketing strengths and weaknesses. More specifically, the 1994 questionnaire asked respondents to rate Canada on a four-point scale (excellent to poor), whereas the 2002 questionnaire asked respondents to associate one or two of six destinations with each attribute. Consequently, some major changes in the marketing strengths and weaknesses of Canada can be attributed to the introduction of a competitive context, rather than any shifts in market perceptions per se.

Nonetheless, the key strengths observed in 1994 relating to friendly people and a safe and clean environment are reflected in the current results. Nature-based offerings such as wildlife, outstanding scenery and national parks were also consistent general strengths across both waves of research. Similarly, both outdoor activities and winter sports have continued to be recognised as a strength of Canada, albeit with appeal to specific niche markets.

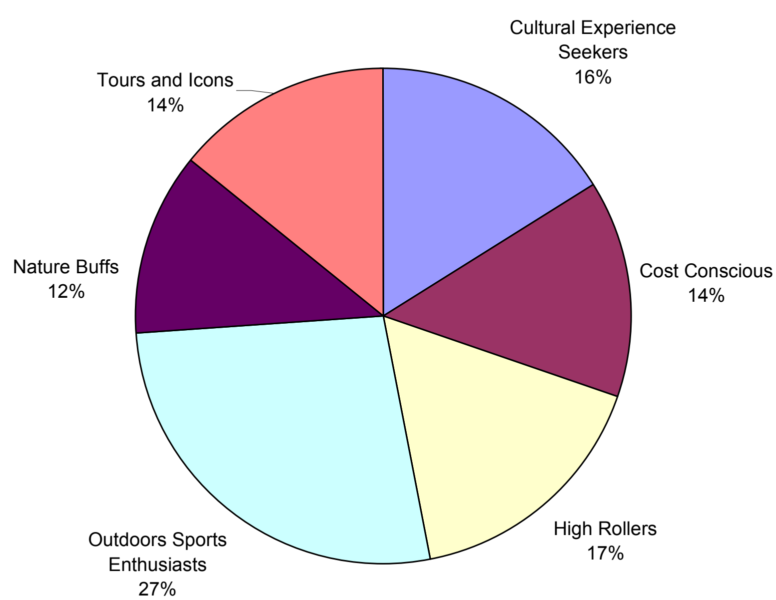
Price barriers, especially in terms of travel to and within the destination have remained a consistent weakness for Canada between 1994 and 2002. Historical and cultural attractions, as well as a variety of experiences and attractions are weaknesses for the market, and the negative shift since 1994 is almost certainly linked with the aforementioned measurement issues.

5.4 Motivational Segmentation

In contrast to the product-based segmentation documented in Section 3.2, the motivational segments presented within this section were based on the attitudes and motivations of the market (as opposed to behaviour on last trip). This segmentation is advantageous in many respects, as it is based on typical motivations in selecting destinations and products, whereas behaviour-based approaches utilise a single trip that may not represent usual travel behaviour. This approach provides a basis for product positioning and communications strategies founded on the key motivators of consumer travel behaviour.

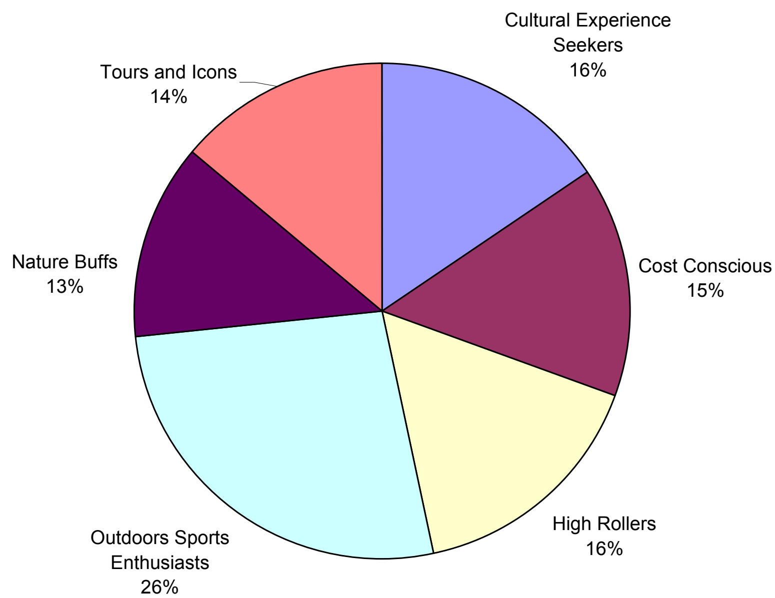
A factor analysis was used to identify the related motivational variables, where each factor reflect a general motivation for the destination selected. An algorithm was then used to categorise respondents into a mutually exclusive segmentation comprised of six categories. The proportion of the full market and potential Canadian market accounted for by each of the six segments has been documented in Figures 23 and 24 below.

Figure 23: Motivational Segments – Full Market



Base: All respondents (n=1,501)

Figure 24: Motivational Segments – Potential Market to Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

Outdoors Sports Enthusiasts were the largest segment, accounting for 27% of the overall market, followed by High Rollers (17%) and Cultural Experience Seekers (16%). A second tier of segments, namely Cost Conscious, Tours and Icons and Nature Buffs, accounted for approximately 14% of the market. The distribution of segments within the potential visitor market was very similar to the overall market.

A description of each segment, with an emphasis on defining attitudes and motivations, is detailed below. Profiles of each segment have also been provided in Table 19 at the end of the chapter.

Cultural Experience Seekers are frequent international travellers who expect to experience a different culture while on holidays. As a result, their travel often takes them to exotic destinations, such as South America and Africa. Variety is an essential part of the holiday experience, as is seeing new and different destinations and the learning experience offered by international holidays. Arts and historical attractions are also sought after while travelling internationally. This segment covered a diverse range of age, gender and domestic circumstances, but shared a high level of education, with 52% having a diploma or degree. Cultural Experience Seekers were the most affluent of the segments, with 47% falling within the AB quintile, and the segment had the highest average household income levels (AUD$78,320 / CDN$66,846 pa). International travel is a high priority, and based on their affluence, they appear resilient to economic factors that may deter other groups. This group was the least likely to use package holidays to Canada, and have a preference for a Nature / Outdoors or Culture / History experience as potential Canadian visitors.

The Cost Conscious group is chiefly motivated by price-related factors, particularly in relation to accommodation, airfares and exchange rates. Fine-dining and first-class hotels are of less importance to this group. However, high service standards and friendly people are still considered a requisite to an enjoyable holiday. Due to more restricted budgets, holidays tend to be of a shorter duration and expenditure levels are lower than the overall average. In terms of demographic profiles, cost conscious respondents were more likely to be classified in the lower E and FG quintiles, and had lower levels of income and education. Consequently, international travel was not a high priority for this group. However, this group had the second highest likelihood of visiting Canada in the next 5 years, with a particularly strong interest in visiting Quebec.

High Rollers seek fun and entertainment as part of an international holiday, with a preference for cosmopolitan destinations offering good nightlife, shopping experiences, fine dining and first class accommodation. Following this, large modern cities are sought after which offer a trendy holiday, while staying at a resort also represents an attractive alternative. High Rollers were more likely to be male, and the segment had a younger age skew, as evidenced by over-representation in the young single or young couples household types. In line with their desired holidays, the segment was an affluent one, with 38% from the AB quintile. Interestingly, this segment has a preference for guided tours and all-inclusive packages. In relation to the potential Canadian market, this segment was the most likely to be interested in visiting Ontario, possibly reflecting the offerings at key destinations such as Toronto and Ottawa.

Outdoors Sports Enthusiasts represent the largest proportion of the Australian market, and have a strong preference for outdoor and sporting holiday experiences. Key drivers of international travel include beaches, water and winter sports, which fulfil the segment's desire for finding thrills and entertainment. This segment was the youngest of the six, with 66% aged between 18 and 34, and many demographic characteristics reflect this age bias. A greater proportion were single, which may explain the relatively high importance of nightlife and casinos. Flexibility and a personal involvement in trip planning are also important when travelling overseas. Among the potential market, this group was the most likely of the segments to visit British Columbia, with over a quarter nominating a Winter Sports trip as the preferred trip type. However, competing destinations may pose a barrier to visitation, as 39% nominated 'other places I want to see' as the reason for being unlikely to visit.

Nature Buffs place great importance on scenery and the natural environment when selecting holiday destinations, making them an excellent match with the Canadian tourism product. Of the segments, Nature Buffs were the most likely to visit Canada in the next 12 months (45%), and also had the highest level of next trip intention for Canada. National parks offering wildlife and other nature-based experiences hold great appeal, as do destinations offering outdoor activities. British Columbia was the region most likely to be visited by this group, and preference for Alberta was the highest of the six segments. A well-educated group, Nature Buffs were also an older segment (50% aged over 50, 28% retirees). Lower levels of household income make the segment more sensitive to economic factors, with relatively high numbers indicating that they will postpone travel until the economy improves. Interestingly, among Nature Buffs who do not plan to visit Canada, the leading reason was climate-related issues.

The Tours and Icons segment are the oldest of the six segments, and more likely to be women, which may explain the appeal of packaged tours. Variety, high service levels and well-known attractions are of great importance, and the ability of package holidays and guided tours to provide this experience is well recognised by this segment. In contrast, outdoor and sporting activities hold little appeal. A preference for guided tours and inclusive packages takes priority over flexibility and personal planning in relation to international travel. A significant proportion of this segment do not work (being on home duties or retirees), and this was reflected in lower affluence in terms of household income. Among potential Tours and Icons visitors to Canada, over half would take a touring trip (58%), and as expected, they were the segment most likely to use a package on a holiday to Canada (91%).

Table 19: Profile of Motivational Segments

	Cultural Experience Seekers	Cost Conscious	High Rollers	Outdoors Sports Enthusiasts	Nature Buffs	Tours and Icons
POTENTIAL MARKET						
Potential travellers to Canada in next 5 years ('000)	286	276	296	490	230	257
INTEREST IN VISITING CANADA						
Next 12 months	38%	34%	34%	34%	45%	37%
Next 5 years	69%	74%	69%	70%	76%	70%
DEMOGRAPHIC CHARACTERISTICS						
SEX						
Men	45%	46%	54%	58%	50%	42%
Women	55%	54%	46%	42%	50%	58%
AGE						
18-24	12%	16%	12%	27%	3%	11%
25-34	29%	24%	38%	39%	17%	18%
35-49	28%	22%	21%	22%	31%	19%
50-64	25%	26%	21%	9%	32%	34%
65 and Over	5%	13%	8%	2%	18%	19%
MARITAL STATUS						
Married/De Facto	56%	54%	61%	49%	71%	63%
Single	44%	46%	39%	51%	29%	37%
SOCIO-ECONOMIC SCALE						
AB Quintile	47%	26%	38%	33%	32%	26%
C Quintile	23%	27%	23%	32%	25%	36%
D Quintile	17%	17%	16%	17%	21%	16%
E Quintile	9%	20%	13%	9%	14%	14%
FG Quintile	4%	11%	10%	9%	7%	9%
HOUSEHOLD LIFE-CYCLE						
Young Singles	17%	21%	22%	24%	8%	9%
Young Couples	13%	7%	16%	12%	6%	4%
Young Parents	19%	17%	13%	28%	22%	19%
Mid-Life Families	8%	7%	10%	9%	8%	8%
Mid-Life Households	35%	35%	31%	23%	37%	39%
Older Households	8%	13%	9%	4%	19%	21%

	Cultural Experience Seekers	Cost Conscious	High Rollers	Outdoors Sports Enthusiasts	Nature Buffs	Tours and Icons
DEMOGRAPHIC CHARACTERISTICS (CONT.)						
ROY MORGAN VALUES SEGMENTS*						
Basic Needs	1%	2%	2%	*	2%	3%
Fairer Deal	*	3%	2%	3%	4%	*
Traditional Family Life	9%	19%	12%	5%	25%	25%
Conventional Family Life	5%	8%	11%	6%	10%	6%
'Look At Me'	4%	8%	7%	11%	1%	3%
Something Better	3%	5%	6%	9%	6%	7%
Real Conservatism	1%	4%	4%	2%	5%	6%
Young Optimism	17%	19%	14%	25%	3%	9%
Visible Achievement	25%	19%	26%	15%	18%	23%
Socially Aware	35%	14%	16%	24%	26%	17%
EDUCATION LEVEL						
Primary School	-	1%	1%	-	1%	1%
Some Secondary/Tech.	7%	10%	13%	6%	11%	13%
Intermediate/Form 4/Year 10	7%	13%	9%	5%	8%	11%
5th form/Leaving/Year 11	5%	7%	2%	7%	5%	9%
Finished Tech./Matric/HSC/Year 12	10%	17%	18%	21%	15%	14%
Some/ Now at University	20%	17%	16%	17%	9%	11%
Have Diploma or Degree	52%	34%	42%	44%	49%	42%
OCCUPATION						
Professional/Manager	28%	15%	27%	26%	21%	15%
Farm Owners	*	-	-	1%	-	-
White Collar Workers	28%	32%	32%	23%	24%	26%
Skilled Workers	6%	4%	8%	9%	4%	10%
Others (incl. Semi/Unskilled)	13%	12%	5%	13%	8%	7%
Home Duties	6%	6%	8%	3%	4%	10%
Don't Work	2%	2%	1%	2%	5%	2%
Looking for Full Time work	*	2%	1%	6%	3%	3%
Looking for Part Time Work	1%	3%	*	2%	2%	1%
Retired	10%	18%	10%	3%	28%	23%
Students	4%	5%	8%	11%	1%	3%

* Developed in conjunction with Colin Benjamin of The Horizons Network

	Cultural Experience Seekers	Cost Conscious	High Rollers	Outdoors Sports Enthusiasts	Nature Buffs	Tours and Icons
DEMOGRAPHIC CHARACTERISTICS (CONT.)						
REGION						
Capital Cities	77%	70%	75%	79%	72%	73%
Country Areas	23%	30%	25%	21%	28%	27%
STATES						
N.S.W.	33%	36%	41%	35%	44%	40%
Victoria	29%	22%	19%	29%	18%	27%
Queensland	18%	22%	13%	13%	18%	13%
South Australia	8%	7%	9%	8%	9%	7%
Western Australia	9%	10%	16%	13%	10%	12%
Tasmania	2%	2%	2%	1%	1%	1%
HOUSEHOLD INCOME						
Average per annum	AUD$78,320 CDN$66,846	AUD$61,000 CDN$52,064	AUD$70,630 CDN$60,283	AUD$71,000 CDN$60,599	AUD$62,550 CDN$53,386	AUD$64,720 CDN$55,239
ATTITUDES TOWARDS INTERNATIONAL TRAVEL						
International travel is a high priority	71%	50%	66%	64%	53%	53%
Waiting until the economy improves before I take an international holiday	33%	43%	38%	40%	45%	42%
International travel is money well spent	96%	92%	92%	86%	83%	84%
Waiting until the economy improves before I travel outside Australia	32%	44%	36%	37%	48%	39%
Prefer to go on guided tours	23%	27%	45%	35%	33%	66%
Like to be flexible on my international holidays	94%	94%	94%	98%	95%	77%
Enjoy making my own arrangements	93%	88%	89%	93%	91%	68%
Usually travel on all-inclusive packages	17%	34%	46%	26%	26%	61%

	CULTURAL EXPERIENCE SEEKERS	COST CONSCIOUS	HIGH ROLLERS	OUTDOORS SPORTS ENTHUSIASTS	NATURE BUFFS	TOURS AND ICONS
FUTURE TRIP DESTINATIONS						
United Kingdom	35%	32%	39%	30%	38%	30%
United States	18%	25%	27%	20%	17%	14%
Europe - Unspecified	17%	13%	8%	12%	16%	13%
Canada	9%	10%	7%	6%	13%	12%
France	11%	5%	8%	12%	5%	5%
Thailand	4%	9%	7%	6%	5%	5%
Italy	12%	3%	8%	5%	6%	3%
Germany	4%	8%	4%	6%	1%	3%
Asia Or South East Asia – Unspecified	3%	1%	4%	2%	6%	5%
Greece	5%	4%	4%	3%	1%	2%
Spain	5%	3%	1%	4%	3%	2%
Singapore	2%	3%	4%	1%	3%	3%
FUTURE TRAVEL TO CANADA						
REGION MOST LIKELY TO VISIT						
BC	38%	40%	42%	47%	41%	41%
Vancouver-Victoria-Whistler	24%	25%	33%	33%	28%	25%
Other BC	14%	15%	9%	14%	13%	17%
Alberta	10%	7%	5%	11%	13%	10%
Ontario	19%	24%	36%	24%	20%	21%
Quebec	13%	17%	7%	9%	6%	9%
Atlantic Canada	3%	1%	0%	1%	5%	3%
Northern Canada	8%	4%	2%	1%	6%	4%
Other / Can't Say	9%	7%	8%	8%	8%	12%
TYPE OF TRIP MOST LIKELY TO TAKE						
Big City	3%	10%	18%	9%	4%	13%
Touring	34%	38%	38%	25%	41%	58%
Nature / Outdoors	28%	22%	11%	22%	27%	13%
Mountain / Country Resort	3%	8%	11%	9%	10%	8%
Culture / History	20%	11%	8%	8%	13%	4%
Indigenous Culture	7%	3%	5%	1%	2%	3%
Winter Sports	6%	7%	8%	26%	1%	*
Can't Say	*	*	*	*	2%	1%

	Cultural Experience Seekers	Cost Conscious	High Rollers	Outdoors Sports Enthusiasts	Nature Buffs	Tours and Icons
FUTURE TRAVEL TO CANADA (CONT.)						
SEASON4 MOST LIKELY TO TAKE TRIP						
Winter	19%	19%	25%	35%	14%	6%
Spring	21%	13%	14%	8%	20%	16%
Summer	39%	53%	38%	37%	48%	51%
Fall	19%	13%	20%	17%	17%	25%
Can't Say	2%	3%	3%	3%	1%	2%
Likelihood of Using Package	60%	80%	75%	71%	69%	91%
TRAVEL BARRIERS						
Other Places I Want To See	35%	16%	31%	39%	12%	29%
Simply Not Interested In Going	7%	6%	13%	19%	11%	10%
Poor Weather	2%	27%	12%	13%	26%	2%
Too Expensive	10%	9%	11%	11%	12%	11%
Been There Before / Want To Go Some Place New	8%	5%	2%	1%	15%	17%
Not An Exciting Place To Visit/ Too Boring	3%	18%	6%	7%	2%	-
Flight To Canada Too Long/ Too Far Away	6%	3%	2%	8%	8%	2%
Other Priorities	4%	-	9%	7%	1%	4%
No Friends Or Relatives In Canada	1%	4%	10%	3%	10%	4%
Canada Is Too Similar To Europe/ New Zealand	11%	12%	-	1%	-	1%
Airfare To Canada Is Too Expensive	*	5%	6%	4%	1%	2%
Prefer To Go Elsewhere/ Have Planned To Go Somewhere Else	8%	1%	2%	-	1%	7%
Base	**(n=239)**	**(n=236)**	**(n=214)**	**(n=273)**	**(n=210)**	**(n=246)**

4Northern hemisphere

6. Potential of the Australian Long-haul Pleasure Market for Canada

This chapter examines the size of the potential long-haul pleasure travel market in Australia, with specific reference to Canada. Potential travellers to Canada are profiled and compared against those not interested in visiting Canada. Finally, the chapter concludes with an examination of perceived barriers to visiting Canada.

6.1 Estimation of Market Size and Potential

6.1.1 Size of the Potential Long-Haul Pleasure Travel Market

The incidence rate of long-haul pleasure travel in Australia was determined from the Holiday Tracking Survey (HTS) results, an ongoing survey of holiday preferences, intentions and behaviour collected as part of Roy Morgan Single Source. For further details of the HTS, please refer to the Australian Consumer Research – Holiday Tracking Survey Report.

The incidence rate of long-haul pleasure travel for the Australian market was estimated at 18.8% of the adult (18 years or older) population. 12.5 percent had travelled on a long-haul trip in the last 3 years, with a further 6.3% planning such a trip in the next 3 years without having travelled in the last 3 years. This represents a market size of approximately 2.7 million adult Australians.

In comparisons with the findings of the 1994 research, this represented a 38% decrease in the size of the market. A number of factors may be linked to this decrease, including the decline in the value of the Australian dollar, significant domestic tourism marketing and increased working hours among full and part-time workers. It is also important to note that this survey was conducted following the events of September 11.

Table 20: Incidence Rates for Long-Haul Pleasure Travel and Potential Market Size (includes comparisons with 1994)

	1994	2002
Total Australian Population (18 years or older)	13,158,000	14,548,000
INCIDENCE RATES		
Travellers to Long-Haul Destinations (last 3 years)	17%	12.5%
Planners (next 2 years)	16%	6.3%
Total Long-Haul Pleasure Travel Incidence	33%	18.8%
POTENTIAL MARKET SIZE		
Total Adult Long-Haul Pleasure Travellers	4,404,000	2,731,000

Compared to the incidence rates obtained from CTC commissioned research in other countries in the Asia-Pacific region, the Australian market has a low propensity to travel, particularly given the high standard of living. Again, it is important to note that this research was conducted following the events of September 11 and the Ansett airline collapse which have had a negative impact on the travel intentions of the Australian market. Further analysis is provided as part of the Holiday Tracking Survey Report.

Table 21: Comparison of Incidence Rates in Asia-Pacific Markets

MARKET	INCIDENCE OF LONG-HAUL TRAVEL	YEAR
Hong Kong	44.6%	2001
Singapore	42.7%	2001
Malaysia	32.6%	2001
Japan	25.5%	2000
Taiwan	23.3%	1993
South Korea	20.5%	1996
Australia	18.8%	2002
China	6.4%	2001
Thailand	4.4%	2001
Philippines	3.9%	2001

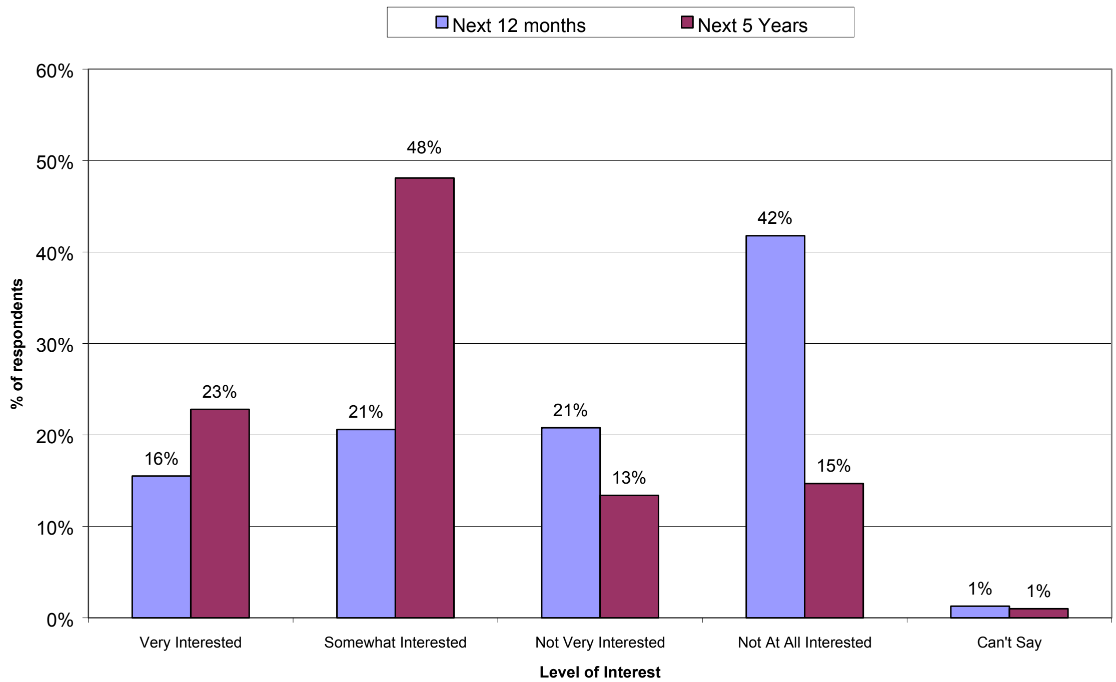
6.1.2 Interest in Visiting and Size of Potential Market For Canada

Approximately 37% of potential long-haul pleasure travellers expressed an interest in visiting Canada in the next 12 months, with this figure increasing to 71% for a 5-year horizon. This figure is higher than those reported from other Asia-Pacific markets, and indicates that Canada is well positioned in the mindset of the Australian market.

The high level of interest in visiting Canada in the next 5 years (71%) translates to an approximate potential market of 1.9 million Australians. However, conversion will remain an important obstacle to overcome, due to competing destinations and other barriers, including distance and cost.

Relative to the size of the potential market identified in 1994, the market for Canada has decreased markedly over the last 8 years. However, it is important to note that this is a function of the market in general, as actual interest in visiting Canada has increased by 7 percentage points.

Figure 25: Interest in Visiting Canada in the Next 12 Months and Next Five Years



Base: All respondents (n=1,501)

Table 22: Size of the Potential Market to Canada (includes comparison with 1994)

	1994	2002
Total Adult Long-Haul Pleasure Travellers	4,404,000	2,731,000
POTENTIAL MARKET TO CANADA (NEXT 5 YEARS)		
Interest in Visiting Canada in Next 5 Years (very + somewhat)	64%	71%
Potential Pleasure Visitors to Canada in Next 5 Years	2,819,000	1,938,000

6.2 Demographics of the Potential Market to Canada

A comparison between the demographic characteristics of those who are interested in visiting Canada relative to those who are not is provided in Table 23 overleaf. More specifically, the potential market were:

- More likely to be aged between 35 and 64, and less likely to be aged 18-24 or over 65;
- More affluent, with 34% from the AB quintile, and an average annual household income AUD$7,000 (CDN$5,975) higher than those not interested in visiting Canada;
- More likely to live in a Mid-Life Households, where domestic circumstances (no children under 16 in household) are associated with higher propensity to travel; and
- Less likely to be retirees, reflecting the age composition of the market.

Age appeared to be a factor for the potential market, with the middle-aged traveller over-represented. 76% of those aged 50-64 and 74% of those aged 35-49 indicated that they were interested in visiting Canada. This figure decreased markedly for those aged 65 and over (62%), reflecting the lower likelihood of outbound travel for this age bracket. However, those aged 18-24 age were typical in terms of likelihood of outbound travel in the next 3 years, indicating that Canada may have lower appeal for this group relative to competing destinations.

The affluent nature of the potential market was underlined by higher occupational status, socio-economic classification and household income levels relative to those not interested in visiting Canada.

Motivational factors were also associated with interest levels in visiting Canada. Notably, the potential market were more likely than those not interested in visiting Canada to rate outdoor activities (25% cf 22%) and national parks / ecological sites (46% cf 35%) as important factors when selecting an international holiday destination. In contrast, the potential market was less likely to indicate that a popular, trendy place (15% cf 21%) was an important consideration.

Table 23: Demographic Characteristics of Potential Australian Travellers to Canada

	INTERESTED IN VISITING CANADA	NOT INTERESTED IN VISITING CANADA
SEX		
Men	50%	51%
Women	50%	49%
AGE		
18-24	15%	18%
25-34	28%	30%
35-49	25%	21%
50-64	24%	18%
65 and Over	9%	13%
MARITAL STATUS		
Married/De Facto	58%	54%
Single	42%	46%
SOCIO-ECONOMIC SCALE		
AB Quintile	34%	30%
C Quintile	27%	30%
D Quintile	18%	17%
E Quintile	13%	13%
FG Quintile	8%	11%
HOUSEHOLD LIFE-CYCLE		
Young Singles	19%	18%
Young Couples	10%	11%
Young Parents	20%	19%
Mid-Life Families	9%	8%
Mid-Life Households	33%	28%
Older Households	10%	17%

	INTERESTED IN VISITING CANADA	NOT INTERESTED IN VISITING CANADA
ROY MORGAN VALUES SEGMENTS*		
Basic Needs	1%	2%
Fairer Deal	3%	1%
Traditional Family Life	13%	16%
Conventional Family Life	7%	8%
'Look At Me'	7%	5%
Something Better	7%	5%
Real Conservatism	4%	3%
Young Optimism	15%	20%
Visible Achievement	21%	21%
Socially Aware	23%	19%
EDUCATION LEVEL		
Primary School	1%	*
Some Secondary/Tech.	10%	8%
Intermediate/Form 4/Year 10	8%	7%
5th form/Leaving/Year 11	5%	8%
Finished Tech./Matric/HSC/Year 12	18%	13%
Some/ Now at University	14%	20%
Have Diploma or Degree	44%	44%
OCCUPATION		
Professional/Manager	23%	20%
Farm Owner	*	1%
White Collar Workers	27%	28%
Skilled Workers	7%	7%
Others (incl. Semi/Unskilled)	10%	11%
Home Duties	6%	5%
Don't Work	3%	2%
Looking for Full Time work	3%	2%
Looking for Part Time Work	2%	1%
Retired	13%	16%
Students	6%	7%

* Developed in conjunction with Colin Benjamin of The Horizons Network

	INTERESTED IN VISITING CANADA	NOT INTERESTED IN VISITING CANADA
REGION		
Capital Cities	75%	77%
Country Areas	25%	23%
STATES		
N.S.W.	36%	41%
Victoria	25%	28%
Queensland	18%	10%
South Australia	8%	7%
Western Australia	11%	13%
Tasmania	2%	1%
HOUSEHOLD INCOME		
Average per annum	AUD$69,920 CDN$59,677	AUD$62,750 CDN$53,557
BASE	**(N=1,082)**	**(N=419)**

Table 24 below provides a comparison of key differences between the potential market for Canada and actual visitors to Canada in the last 3 years. Actual visitors were more affluent than the potential market (43% from the AB quintile cf 34%), suggesting that while Canada is an appealing destination for a broad section of the Australian market, wealthier travellers are more likely to actually visit.

Other key differences included age, with actual travellers more likely to be aged over 50 or retired. Given the extended duration of trips to Canada (relative to all outbound trips), the ability to take extended holidays without work commitments may play a role in conversion from interest to actual travel. Domestic circumstances may also contribute to the decision to undertake travel to Canada, as a lower proportion of actual travellers lived in a household with children compared to the potential market (22% cf 30%). Those living with children may be less likely to travel to long-haul destinations because of lower levels of discretionary income and the need to attend to parenting responsibilities.

Table 24: Key Differences Between Those Interested in Canada and Recent Travellers to Canada

	INTERESTED IN VISITING CANADA	VISITED CANADA IN THE LAST 3 YEARS
Aged 50 years or over	33%	44%
AB quintile	34%	43%
Live in domestic circumstances with children	30%	22%
Have Diploma or Degree	44%	54%
Blue Collar Workers	17%	10%
Retired	13%	25%
BASE	**(N=1,082)**	**(N=89)**

Following the trends observed for both previous travellers and intenders (refer Chapter 2), the potential market appears to be younger and more affluent relative to the findings from 1994. In both 1994 and 2002, those interested in visiting Canada were younger than the traveller market, and the average age of those interested in visiting Canada has decreased from 45 in 1994 to 42 in 2002. In 2002, greater proportions of the potential market work in white-collar occupations, or have complete a degree or diploma compared with the 1994 findings.

Table 25: Comparison of Potential Australian Travellers to Canada on Selected Demographic Characteristics (1994 vs. 2002)

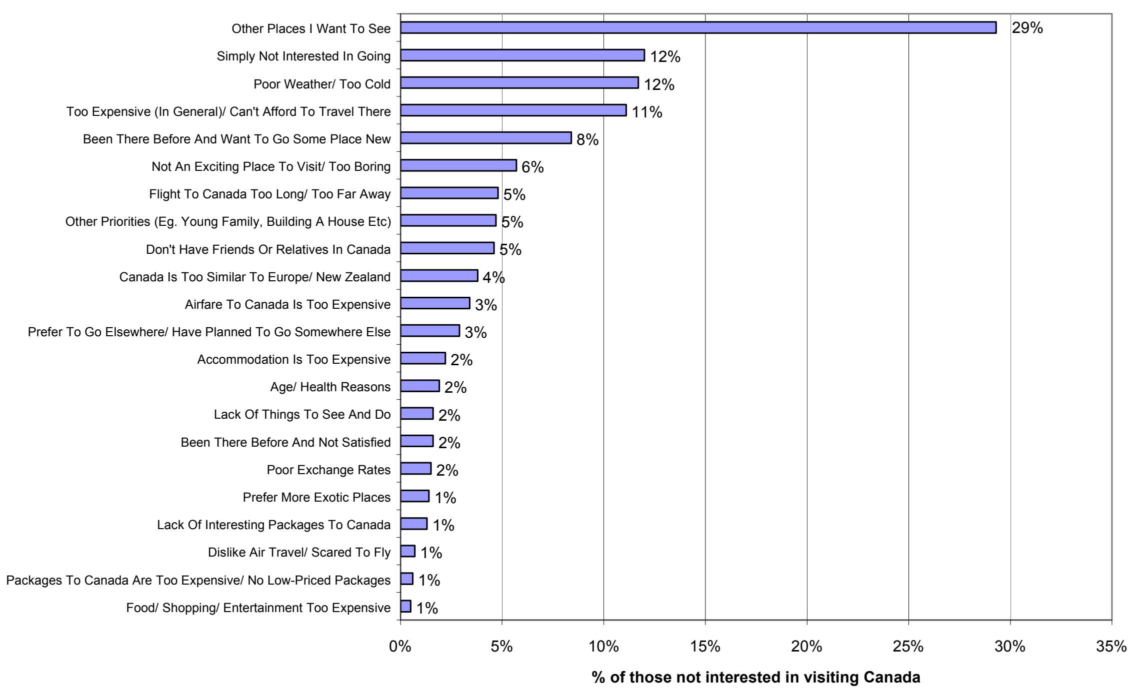
	1994	2002
SEX		
Men	41%	50%
Women	59%	50%
AGE		
Mean	45	42
MARITAL STATUS		
Married/De Facto	67%	58%
Single	33%	42%
EDUCATION LEVEL		
Primary School	2%	1%
Some Secondary/Tech.	23%	19%
Completed Secondary/Tech.	35%	23%
Some/ Now at University	14%	14%
Have Diploma or Degree	26%	44%
OCCUPATION		
Blue-collar	19%	18%
White-collar	44%	50%
Students / Home duties / Looking for work	20%	19%
Retired	16%	13%
BASE	**(N=972)**	**(N=1,082)**

6.3 Barriers for Australian Travel to Canada

In order to identify barriers to visitation, respondents were asked about particular reasons for not being interested in visiting Canada, which are detailed in Figure 26. Over a quarter of this group (29%) said that there are other places they wish to see, underlining the strong competition in the Australian outbound market. The second most frequently given reason was 'simply not interested in going' (12%), which as a generic reason makes the identification of specific barriers for Canada difficult. Notably, reasons related to climate and weather conditions emerged as the third most frequently nominated reason. Younger travellers in particular were more likely to provide this reason.

Although the general 'too expensive' rationale was specifically stated by 11%, other cost factors relating to airfares, accommodation, exchange rates, packages and shopping prices were also mentioned. In total, 16% provided expense-related reasons, indicating that competing destinations pose a greater obstacle to conversion than pricing issues.

Figure 26: Reasons Not Interested in Visiting Canada



Base: Not interested in visiting Canada (n=419)
Note: percentages may sum to more than 100 percent due to multiple responses

7. Packaging Australian Travel to Canada

This chapter examines the proposed use of pre-purchased packages for travel to Canada, destination packaging combinations and seasonal intentions among the potential travel market from Australia.

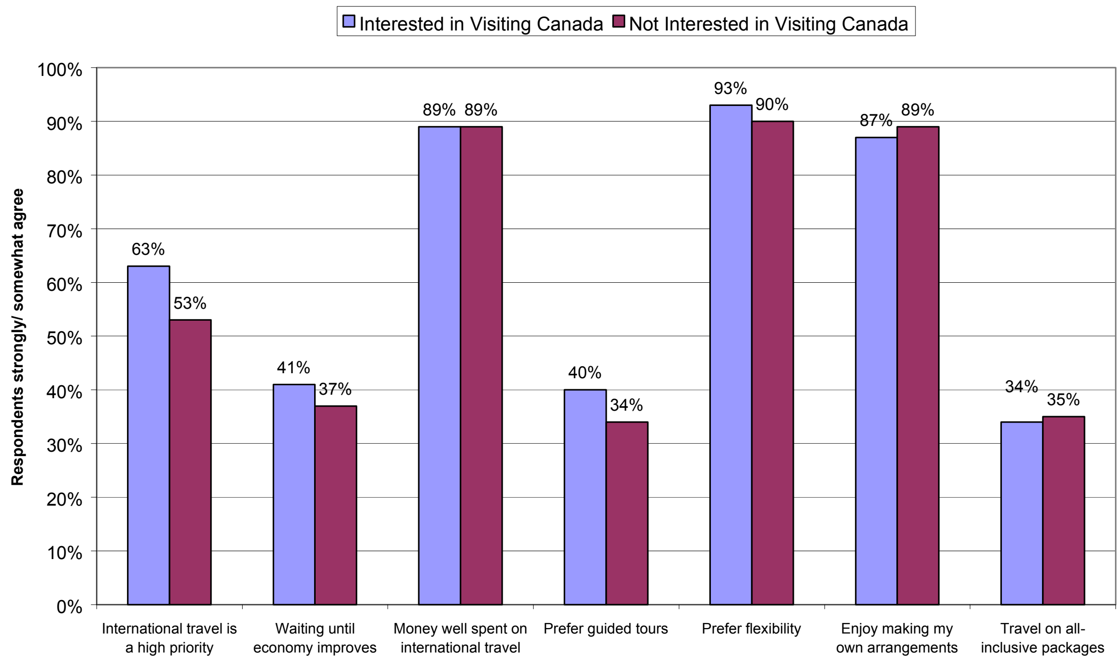
7.1 Travel Styles

In terms of travel style, the Australian market was dominated by a preference for flexibility when travelling and a personal involvement in planning long-haul trips. Nearly two-thirds of the market (65%) strongly agreed with the statement ‘I like to be flexible on my international holidays going where and when it suits me’. Similarly, 54% strongly agreed that they enjoy making their own travelling arrangements.

Converselty, contrast, guided tours and all-inclusive packages hold less appeal to the market, with 38% agreeing that they prefer guided tours and 34% preferring to travel on all-inclusive packages. However, the appeal of packaged products had a bimodal distribution, as both younger (18-24 year-old) and older (over 50 years) age groups were the most likely to indicate a preference for these products. 49 percent of 18-24 year-olds and 42% of those aged over 50 (compared to 38% of the overall market) endorsed the statement ‘I prefer to go on guided tours’. Similarly, 40% of 18-24 year-olds and 39% of those aged over 50 agreed that they usually travel on all-inclusive packages (versus 34% of the overall market). However, the underlying reasons for using packaged products are likely to differ across these two groups. Younger respondents may use packages due to restricted budgets and a lack of previous experience in travelling, whereas this type of holiday may offer security and limit problems relating to language among older respondents.

In relation to the potential market for Canada, those interested in visiting were more likely to indicate that international travel was a high priority. The potential market also exhibited a stronger preference for guided tours, which may be linked to the older nature of the potential market.

Figure 27: Long Haul Travel Styles



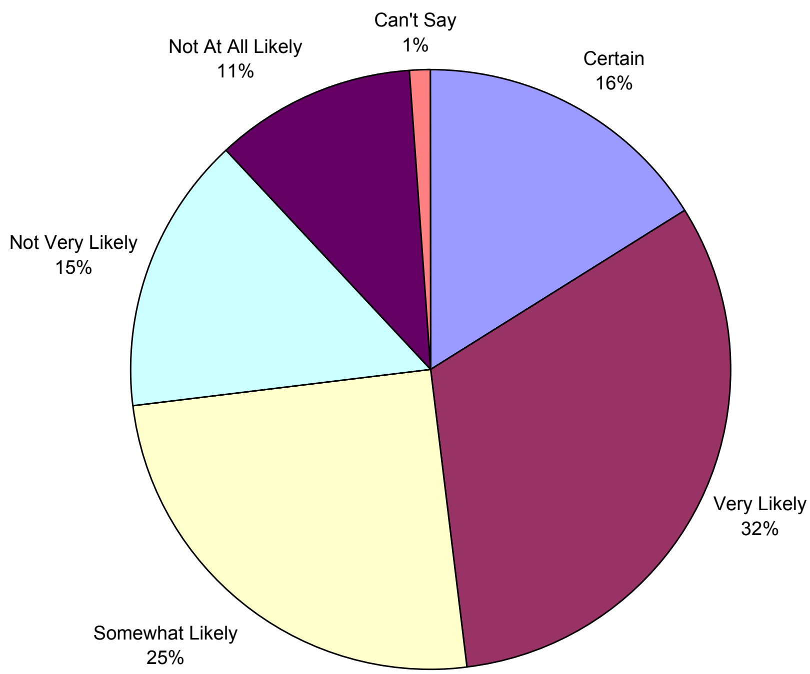
Base: All respondents (n=1,501)

7.2 Package Use and Composition Among Potential Market For Canada

7.2.1 Package Use

Almost half (48%) of potential visitors to Canada indicated that they were certain or very likely to use a package where accommodation or another trip component was purchased in conjunction with airfares prior to departure. A further 25% indicated that they were somewhat likely to use a package, underlining the importance of these products for the Australian market.

Figure 28: Likelihood of Using a Package for Future Pleasure Trips to Canada



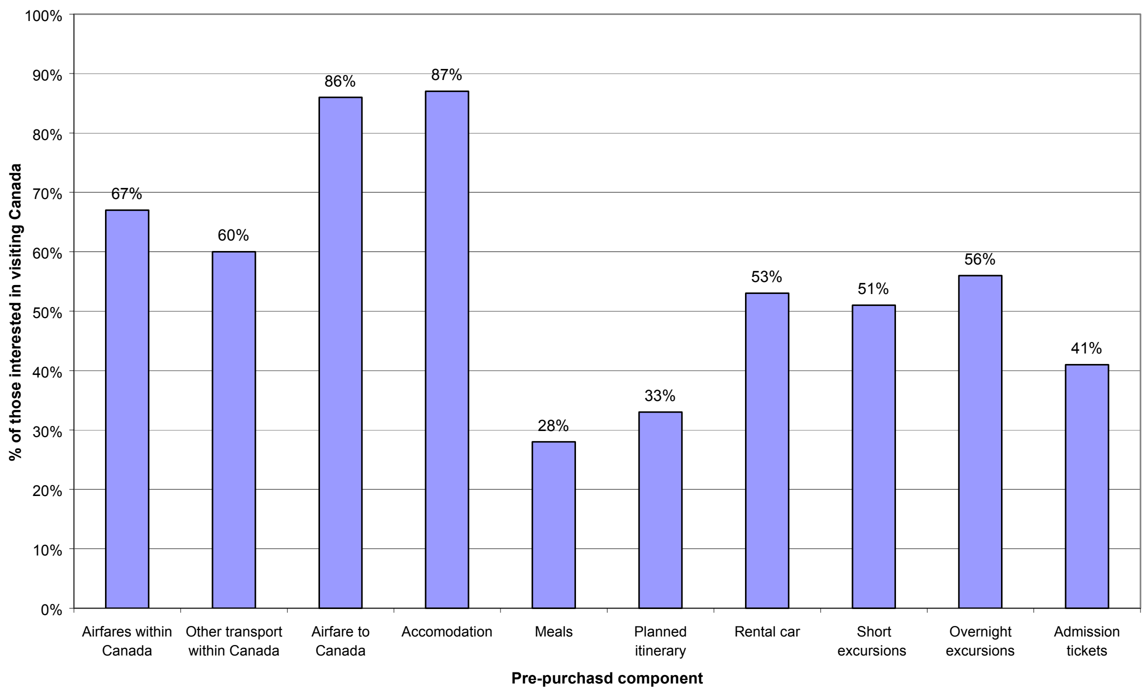
Base: Interested in visiting Canada in next 5 years (n=1,082)

7.2.2 Package Composition for Future Travel to Canada

As detailed in Figure 29 below, accommodation (87%) and airfares to Canada (86%) were the most frequently mentioned components for purchase prior to departure. Transportation within Canada was another important pre-departure purchase, including both airfares within Canada (67%) and other transport (60%). Rental cars and excursions (both short and overnight) were also mentioned by over half of the potential market that would use packaged products.

In contrast, admission tickets to attractions, planned itineraries and meals were more likely to be purchased at the destination.

Figure 29: Preferred Pre-Purchased Package Components for Future Pleasure Trips to Canada



Base: Those interested in visiting Canada in the next 5 years and certain/very likely/somewhat likely to use a package (n=809)

Table 30 below details the top package component combinations that the potential market would purchase prior to departure. Notably, all-inclusive packages were the most frequently mentioned, with 5.2% indicating they would purchase all components prior to leaving Australia. A further five of the top 8 component combinations included at least 6 components, suggesting that comprehensive packages are of strong interest among those intending to pre-purchase.

In contrast, 5.1% of respondents who would purchase a package preferred skeletal packages, which would be of particular relevance for those seeking flexibility in their travelling arrangements. It is also important to note that airfares to Canada and accommodation were core components of each of the top 8 package combinations. In contrast, guides and meals were only included in the two most comprehensive combinations.

Table 30: Pre-Purchased Component Combinations for Future Pleasure Trips to Canada

PACKAGE COMPONENTS	1	2	3	4	5	6	7	8
Airfares within Canada	✓	✓		✓		✓	✓	✓
Other transportation within Canada	✓	✓		✓		✓	✓	✓
Airfare or other transportation to Canada	✓	✓	✓	✓	✓	✓	✓	✓
Accommodation	✓	✓	✓	✓	✓	✓	✓	✓
Meals	✓			✓				
A guide to take you on a planned itinerary	✓			✓				
A rental car	✓	✓	✓			✓	✓	✓
Short excursions/sightseeing	✓	✓		✓		✓		
2/3 day excursion with overnight accommodation	✓	✓		✓				✓
Admission tickets to attractions/ entertainment	✓	✓		✓			✓	
PERCENTAGE OF MARKET WHO WOULD SELECT THIS COMBINATION:	**5.2%**	**2.7%**	**2.6%**	**2.6%**	**2.5%**	**2.3%**	**2.3%**	**2.1%**

Base: Those interested in visiting Canada in the next 5 years and certain/very likely/somewhat likely to use a package (n=809)

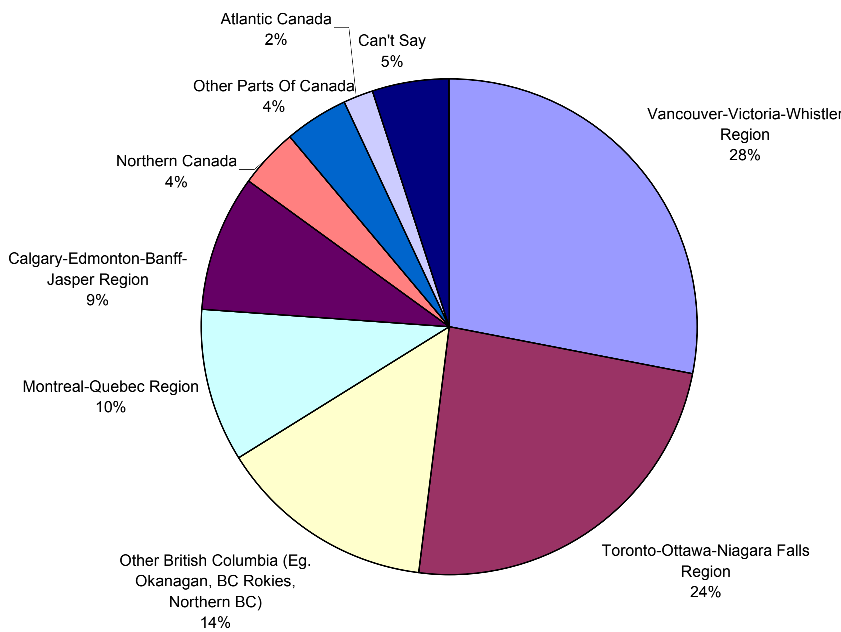
7.3 Destination Packaging

This section details the Canadian regions that potential travellers from Australia are more likely to visit, and the combination of destinations that best match the interests of this market.

7.3.1 Region Most Likely to Visit

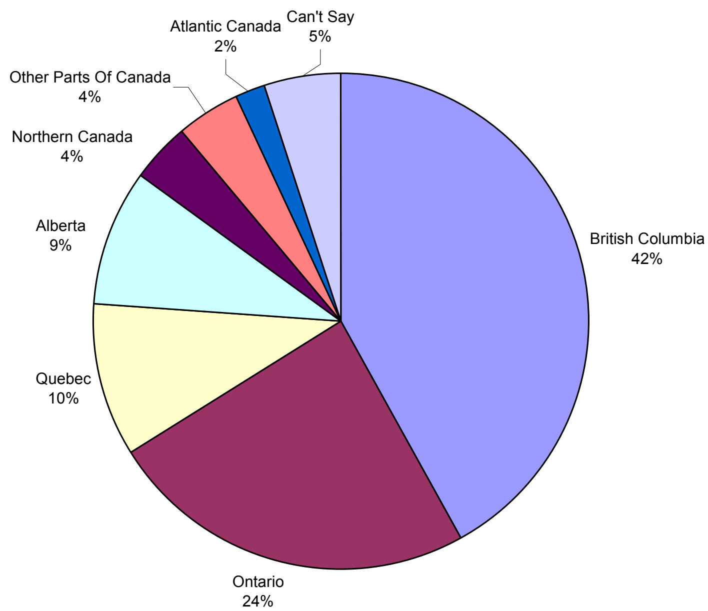
Potential travellers are most likely to visit British Columbia on a future trip to Canada, with 42% indicating a destination (28% Vancouver-Victoria-Whistler and 14% Other British Columbia) in the region. Ontario accounted for 24%, while Quebec and Alberta represented a further 10% and 9% respectively.

Figure 31: Region Most Likely to Visit on Future Trip to Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

Figure 32: Province Most Likely to Visit on Future Trip to Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

7.3.2 Other Destinations Would Like to Visit By Preferred Destination

Table 26 below details the other destinations respondents indicated that they would like to visit in conjunction with the preferred destination on a future trip to Canada. Key findings include:

- Those indicating Vancouver-Victoria-Whistler as the preferred destination were more likely to nominate Ontario and Quebec as secondary destinations, despite the proximity of interior BC and Alberta;
- Over half of respondents naming Toronto-Ottawa-Niagara Falls as their preferred destination included Vancouver-Victoria-Whistler (55%), while 42% nominated Quebec;
- As expected given convenience, over half who named interior BC as the preferred destination included Vancouver-Victoria-Whistler as a secondary destination;
- The secondary destinations most strongly associated with Quebec were Ontario and BC;
- The US was stated as a secondary destination by approximately a quarter of respondents, with those naming Vancouver-Victoria-Whistler the most likely to include the US on a planned itinerary; and
- Similarly, those nominating Vancouver-Victoria-Whistler were the most likely to nominate other countries outside North America as secondary destinations.

Table 26: Other Destinations Would Like to Visit by Main Destination

	Vancouver-Victoria-Whistler	Toronto-Ottawa-Niagara Falls	Other British Columbia	Montreal-Quebec
Vancouver-Victoria-Whistler	-	55%	56%	41%
Other British Columbia	33%	28%	-	28%
Calgary-Edmonton-Banff-Jasper	33%	25%	34%	22%
Toronto-Ottawa-Niagara Falls	41%	-	47%	42%
Montreal-Quebec	35%	42%	37%	-
Atlantic Canada	13%	16%	15%	13%
Northern Canada	20%	22%	20%	24%
Other parts of Canada	17%	16%	20%	24%
The US	34%	27%	29%	23%
Other countries outside North America	20%	14%	14%	10%
No other regions	10%	6%	5%	5%
Base	**(n=284)**	**(n=240)**	**(n=176)**	**(n=108)**

7.3.3 Destination Combinations

Further analysis was conducted examining all destinations endorsed by respondents in order to identify the most frequently occurring combinations. The most frequently mentioned combination was Vancouver-Victoria-Whistler and Toronto-Ottawa-Niagara Falls, followed by Vancouver-Victoria-Whistler alone. The presence of Vancouver-Victoria-Whistler in 7 of the top 8 combinations again highlights the importance of the destination.

Table 27: Top Destination Combinations

Destinations	1	2	3	4	5	6	7	8
Vancouver-Victoria-Whistler	✓	✓		✓	✓	✓	✓	✓
Other British Columbia				✓		✓		
Calgary-Edmonton-Banff-Jasper					✓	✓		
Toronto-Ottawa-Niagara Falls	✓		✓			✓		✓
Montreal-Quebec			✓			✓	✓	✓
Atlantic Canada						✓		
Northern Canada						✓		
Percentage of market who are interested in this combination:	**8.1%**	**5.1%**	**4.0%**	**4.0%**	**3.9%**	**3.7%**	**3.5%**	**2.8%**

Base: Interested in visiting Canada in next 5 years (n=1,082)

An examination of aggregated regions also provides an insight into the destination combinations most frequently sought by potential travellers. The Central-West combination accounted for the largest share, at 35%, followed by West Only (18%). Compared to findings obtained in CTC-commissioned research in other Asian source markets, the Australian market was more likely to indicate a cross-Canada destination combination (18%).

Table 28: Regional Combinations

ONE REGION TRIP		TWO REGION TRIP		CROSS-CANADA TRIP	
East Only	-	Central-East	1.2%	East-Central-West	3.6%
Central Only	8.5%	Central-West	35.2%	East-Central-West-North	7.1%
West Only	18.4%	Central-North	4.0%	West-Central-North	6.6%
North Only	1.0%	West-East	1.3%	West-East-North	0.6%
		West-North	2.9%	Central-East-North	0.4%
		East-North	0.2%		
	27.9%		44.8%		18.3%
Other parts of Canada	*9.0%*				

Base: Interested in visiting Canada in next 5 years (n=1,082)

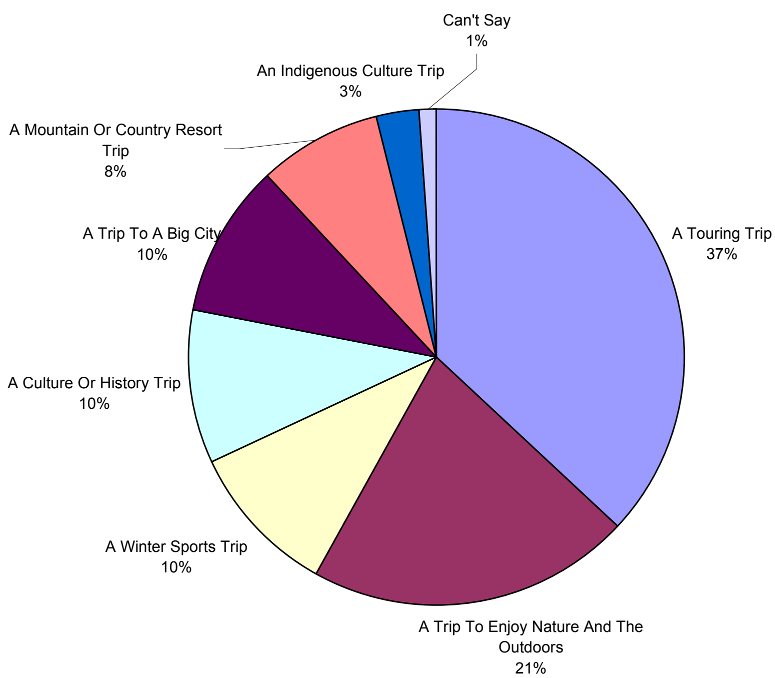
7.4 Product Packaging

This section examines the types of trips potential Australian travellers are likely to take in Canada, and the product combinations that best suit the interests of the market.

7.4.1 Trip Type Most Likely to Take

Potential Australian travellers to Canada were most likely to nominate a touring trip (37%), followed by nature / outdoors (21%). Winter sports, culture / history and big city trips each accounted for 10%, with mountain / country resort and indigenous culture trips comprising the smallest proportions. Compared with holiday type on the most recent trip to Canada, it is clear that Canada is perceived as a destination offering both nature and winter sports holidays by the potential visitor.

Figure 33: Trip Type Most Likely to Take to Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

7.4.2 Participation in Other Activities in Combination With Main Trip Type

Table 29 below provides an overview of the other activities potential travellers to Canada nominated in conjunction with the main trip type. Touring, nature and city activities are fairly ubiquitous in their appeal among the potential market, and are mentioned as secondary interests across most trip types. Similarly, cultural and history-related activities were also frequently mentioned, with the exception of winter sports and mountain / country resort trips.

Staying in a resort was most frequently mentioned as a secondary activity in conjunction with winter sports, reflecting the type of accommodation generally associated with ski destinations. Although indigenous culture accounted for the smallest share of main trip type, this activity was most commonly associated with nature / outdoors (36%) and culture / history (35%) trips.

Table 29: Other Activities Interested in Doing Preferred Trip Type

	TOURING TRIP	NATURE/ OUTDOOR TRIP	WINTER SPORTS TRIP	CULTURE/ HISTORY TRIP	BIG CITY TRIP	COUNTRY RESORT TRIP
City Sightseeing	53%	38%	45%	50%	-	41%
Touring	-	50%	41%	54%	58%	48%
Nature/ Outdoor Activities	49%	-	51%	54%	52%	40%
Staying In A Resort	19%	15%	24%	14%	15%	-
Cultural Or History-Related Activities	45%	46%	27%	-	39%	26%
Indigenous Culture Activities	26%	36%	21%	35%	19%	22%
Winter Sports	19%	17%	-	9%	19%	26%
None / Can't Say	**4%**	**5%**	**3%**	**1%**	**7%**	**8%**
	(N=463)	**(N=231)**	**(N=54)**	**(N=100)**	**(N=87)**	**(N=95)**

Note: Indigenous culture trips excluded due to small sample size
Base: Interested in visiting Canada in next 5 years (n=1,082)

The top product combinations (irrespective of main trip type) are exhibited in Table 30 overleaf. The highest proportion was for the touring and nature combination, followed by touring and big city. Notably, the touring and nature products were featured in 6 of the top 8 combinations, emphasising the importance of these products to potential visitors.

Table 30: Top Product Combinations

PRODUCTS	1	2	3	4	5	6	7	8
Big City Trip		✓	✓			✓	✓	
Touring Trip	✓	✓	✓	✓		✓	✓	
Nature/ Outdoor Trip	✓		✓		✓	✓	✓	✓
Mountain/ Country Resort Trip							✓	
Culture/ History Trip			✓	✓	✓		✓	
Indigenous Culture			✓				✓	
Winter Sports								✓
PERCENTAGE OF MARKET WHO ARE INTERESTED IN THIS COMBINATION:	**8.6%**	**7.5%**	**5.7%**	**4.8%**	**3.6%**	**3.3%**	**3.2%**	**3.2%**

Base: Interested in visiting Canada in next 5 years (n=1,082)

An examination of planned regional visitation by trip type showed that the Central-West destination combination was the most frequently mentioned, irrespective of trip type.

Table 31: Preferred Regional Combinations by Trip Type

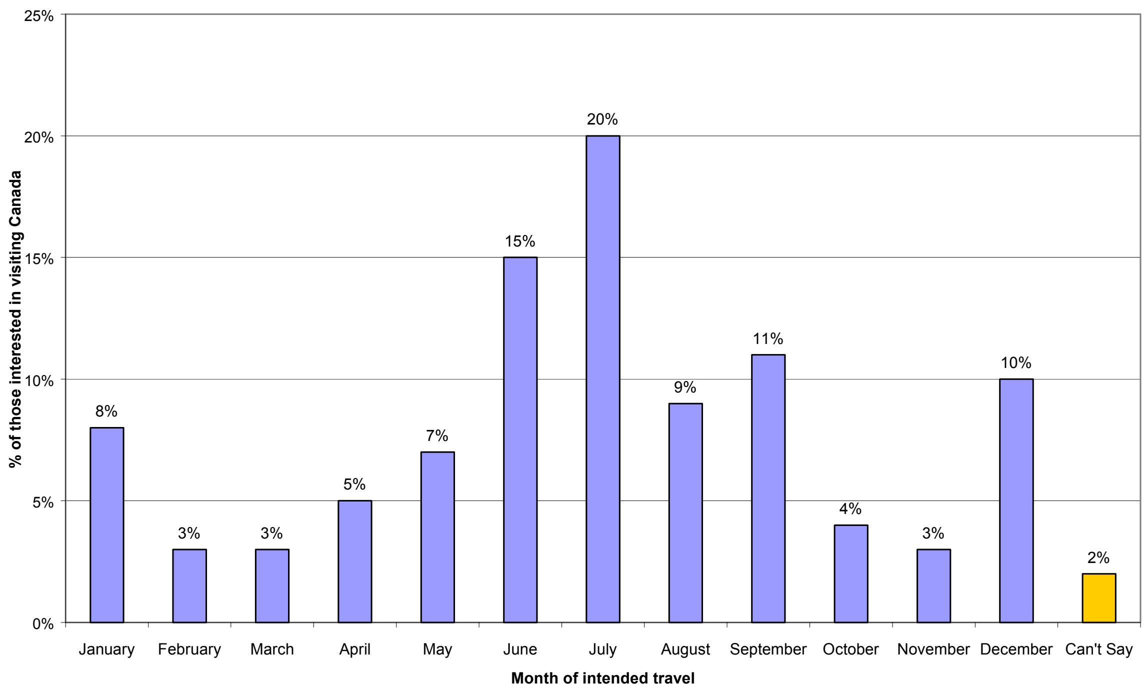
TOURING TRIP		NATURE/ OUTDOORS TRIP		CULTURE/ HISTORY TRIP		BIG CITY TRIP	
Central-West	36%	Central-West	38%	Central-West	27%	Central-West	49%
West	20%	West	15%	West	19%	West	12%
Central	10%	Central-West-North	11%	East-Central-West-North	13%		

Base: Interested in visiting Canada in next 5 years (n=1,082)

7.5 Month of Intended Travel to Canada

The Canadian summer was the most popular season for future travel to Canada, accounting for 44%. However, 67% of those planning a winter sports trip intended to visit in the Canadian winter, demonstrating the impact of trip purpose on seasonal travel.

Figure 34: Month of Future Trip to Canada



Base: Interested in visiting Canada in next 5 years (n=1,082)

8. Competitive Analysis

This chapter examines the competitive position of Canada vis a vis other popular long-haul destinations for the Australian market. Particular emphasis is placed on the image and positioning of Canada relative to key competitors, as well as the price-value perceptions Australian travellers have of Canada.

8.1 Key Competitors

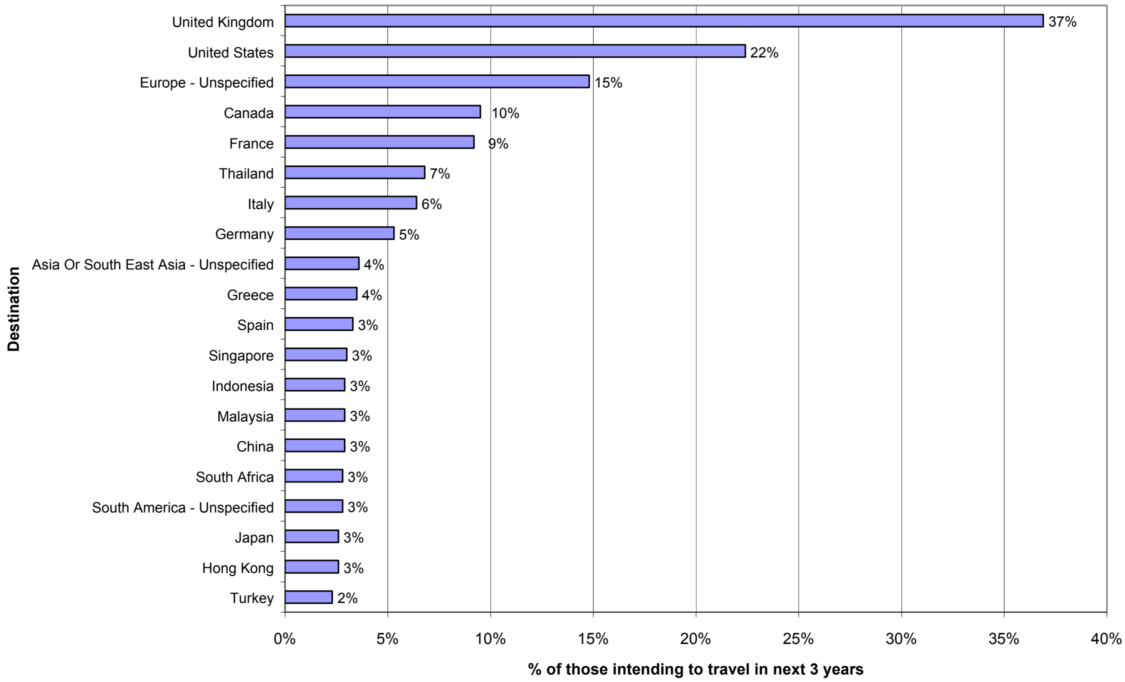
Following the trend for outbound leisure travel behaviour detailed in Chapter 3, the United Kingdom was the most mentioned destination by those planning to travel on a long-haul trip in the next three years (37%). The UK is of particular appeal to the Australian market, due to the high incidence of VFR travel and close proximity to other European destinations.

The United States ranked second at 22%. Notably, younger travellers were more likely to mention the US, particularly respondents living in a Young Parents household (28%). This suggests that the major attractions are of high appeal to families with younger children. Canada was ranked fourth, and was mentioned by 10% of those likely to travel in the next 3 years.

Europe as a general destination was mentioned by 15% of respondents, with those living in a Young Singles (19%) or Mid-Life (23%) household having higher levels than the Australian market average. Among younger respondents, this is likely to be linked to backpacking holidays, while for the middle-aged group the wealth of touring opportunities is a major attraction. Western European destinations were more frequently mentioned, and included destinations such as France, Italy and Germany. In contrast, Central and Eastern European countries were not ranked in the top 20.

Thailand was the highest ranked of the Asian destinations (7%), followed by Asia / South-East Asia (4%), Singapore (3%), Indonesia (3%), Malaysia (3%) and China (3%). Hong Kong performed poorly, indicating that the desirability of the destination has decreased following the return to Chinese governance. Similarly, Japan was the 18th ranked destination, which may be linked with the poor exchange rate and cultural barriers.

Figure 35: Top 20 Destinations Likely to Visit in Next Three Years



Base: Likely to travel on a long-haul pleasure trip in next 3 years (n=1,314)

Due to differences in methodology, the comparisons that can be made between the 1994 and 2002 research are limited. Consequently, the comparison presented in Table 32 below refers to relative position, rather than actual endorsement rates.

Although the United Kingdom moved ahead of the United States to become the highest ranked individual destination, major European destinations, such as France, Italy, Germany, Greece and Spain remained relatively static in terms of ranking. Canada attracted the third-highest endorsement rates in both 1994 and 2002, underlining its ongoing appeal to the Australian long-haul market.

Major improvements in relative position were evident for the South-East Asian market, with Thailand, Singapore and China emerging as popular destinations. This growth appears to have come at the expense of more distant destinations such as India and Egypt, which were ranked 12th and 17th respectively in 1994. The standing of Hong Kong has also fallen since 1994, although it still ranks as a top 15 destination.

Table 32: Comparison of Destination Ranking (1994 vs. 2002)

	1994	2002
United Kingdom	2	1
United States	1	2
Canada	3	3
France	4	4
Thailand	18	5
Italy	5	6
Germany	7	7
Greece	6	8
Spain	13	9
Singapore	-	10
China	-	11
Malaysia	19	12
Indonesia	-	13
South Africa	14	14
Hong Kong	11	15

Note: 2002 destination ranking excludes generic regions 'Europe' and 'Asia / South-East Asia' for consistency with 1994 research
Base: 1994 - Named long-haul destination would like to visit (n=1,491); 2002 - Likely to travel on a long-haul pleasure trip in next 3 years (n=1,314)

8.2 Image and Position of Long-Haul Destinations

8.2.1 General Market Perceptions of Key Long Haul Destinations

Respondents were asked to associate a range of holiday attributes with one or two of six destinations, namely the US, South-East Asia, Germany, Canada, the UK and Other parts of Europe. Tables 33 and 34 overleaf show the top attributes associated with each destination, allowing an examination of perceived product strengths.

- Canada was well-positioned as a nature-based destination, providing opportunities to see wildlife, national parks and outstanding scenery. Winter sports and outdoor activities were also recognised as strengths for Canada. Canada was mentioned by over half (54%) of the market in relation to offering a safe and clean environment, which is particularly desirable given current concerns regarding the threat of terrorism.
- As expected, the principle strengths of the US were focussed on big cities, casinos and high quality hotels. Similarly, attributes such as popular and trendy, thrills and excitement and good nightlife were frequently mentioned. However, opportunities for sports, including water sports, were also associated with the destination, indicating that the Australian market has a high awareness of the various products available in the US. Notably, the US was only marginally behind Canada in relation to national parks (57% cf 64%). As discussed in Section 8.1, the US is regarded as a family destination, with 60% of the market associating the destination with family activities.
- The attributes most associated with the UK were historical sites, well-known attractions, and areas of arts and cultural value. Seemingly in contrast, the UK was also mentioned in relation to being a trendy destination offering good nightlife and entertainment. Ease of driving was also most frequently mentioned for the UK, which is understandable given both Australia and the UK are right-hand drive countries.
- Other parts of Europe were strongly associated with historical and cultural attractions, reflecting the diversity of products on offer within the region. Europe was also nominated as a destination offering variety and experiences with an array of cultures, again reflecting the breadth of destinations within the broader region. Following this, Europe was also perceived as a destination offering the opportunity to enrich knowledge.
- South East Asia was clearly regarded as the cheapest of the six long-haul destinations, as expected given the region’s proximity to Australia. Inexpensive packages, shopping, accommodation and airfares, combined with favourable exchange rates provide the area with a clear advantage over more distant competitors. The region was also considered to offer an exotic atmosphere and the opportunity to experience a different culture. Another strength was in relation to beaches and resort offerings, which are heavily promoted to the Australian market.
- Awareness of tourist offerings in Germany was very low for the Australian market, with the highest ranked attribute (a safe and clean environment) achieving only 23% recognition.

Table 33: Top Rated Attributes for Key Long-Haul Destinations – Canada, Germany and the United Kingdom

CANADA		GERMANY		UNITED KINGDOM	
Chances To See Wildlife And Nature	68%	Safe And Clean Environment	23%	Seeing Historical Sites	58%
National Parks And Ecological Sites	64%	Winter Sports	19%	Ease Of Driving	51%
Winter Sports	64%	Seeing Historical Sites	19%	Seeing Well Known Attractions	49%
Outdoor Activities	55%	Enriching Knowledge	16%	Seeing Arts And Cultural Attractions	42%
Outstanding Scenery	55%	Seeing Something New And Different	15%	Popular, Trendy Place	38%
Safe And Clean Environment	54%	Experiencing A Different Culture	15%	Good Nightlife And Entertainment	38%
Friendly People	33%			Combine Business With Pleasure	36%
				Having Fun And Being Entertained	34%
				First-Class Hotels	33%
				Variety Of Guided Tours	32%
				Enriching Knowledge	31%
				Availability Of Package Holidays	31%

Table 34: Top Rated Attributes for Key Long-Haul Destinations – United States, SE Asia and Other Europe

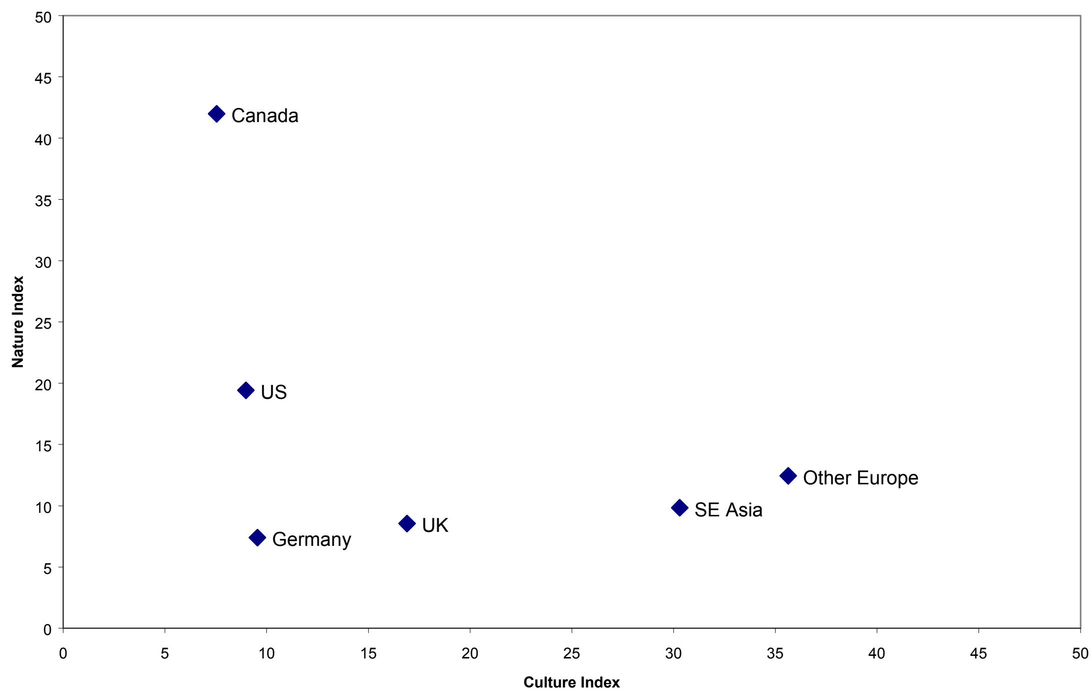
US		SOUTH EAST ASIA		OTHER EUROPE	
Seeing Big Modern Cities	77%	Exotic Atmosphere	82%	Seeing Arts And Cultural Attractions	71%
Casinos And Gambling	70%	Experiencing A Different Culture	76%	Seeing Historical Sites	64%
Opportunities For Sports	61%	Inexpensive Packages To Destination	75%	Enriching Knowledge	60%
Family Activities	60%	Prices For Shopping And Entertainment	73%	Fine Dining	57%
National Parks And Ecological Sites	57%	Inexpensive Airfare To Destination	71%	Variety Of Things To See And Do	50%
Water Sports	53%	Prices For Accommodation	69%	Seeing Well Known Attractions	46%
First-Class Hotels	51%	Low Cost Transportation Within The Destination	67%	Winter Sports	42%
Popular, Trendy Place	47%	Experiencing Unique Native Groups	66%	Experiencing A Different Culture	41%
Finding Thrills And Excitement	47%	Escaping From The Ordinary	66%	Seeing Something New And Different	40%
Seeing Well Known Attractions	44%	Favourable Exchange Rate	66%		
Good Nightlife And Entertainment	44%	Staying At A Resort	64%		
Beaches	44%	Beaches	60%		
Having Fun And Being Entertained	42%	Opportunities To Shop	52%		
Combine Business With Pleasure	41%	Seeing Something New And Different	47%		
		Availability Of Package Holidays	43%		

8.2.2 Competitive Positioning of Canada Compared to Other Long-Haul Destinations

The plots presented in Figures 36 through 38 highlight the relative position of the key destinations across several dimensions. These dimensions correspond with the attribute groupings used to produce the motivational segmentation detailed in Section 5 (namely, Culture, Nature, Tours and Icons, Cost-conscious, High Rollers and Outdoor Sports). Scores for each destination were calculated using average values on the individual attributes that comprise each dimension, weighted by the importance of each attribute in selecting an international holiday destination.

As demonstrated in Figure 36, Canada was strongly positioned on Nature, based on both the consistent association of Canada with relevant attributes and their high importance to the Australian market. However, Canada was the last of the six destinations for Culture, where Europe and South-East Asia were perceived to offer more in the way of cultural attractions.

Figure 36: Competitive Positioning of Key Long Haul Destinations: Culture and Nature

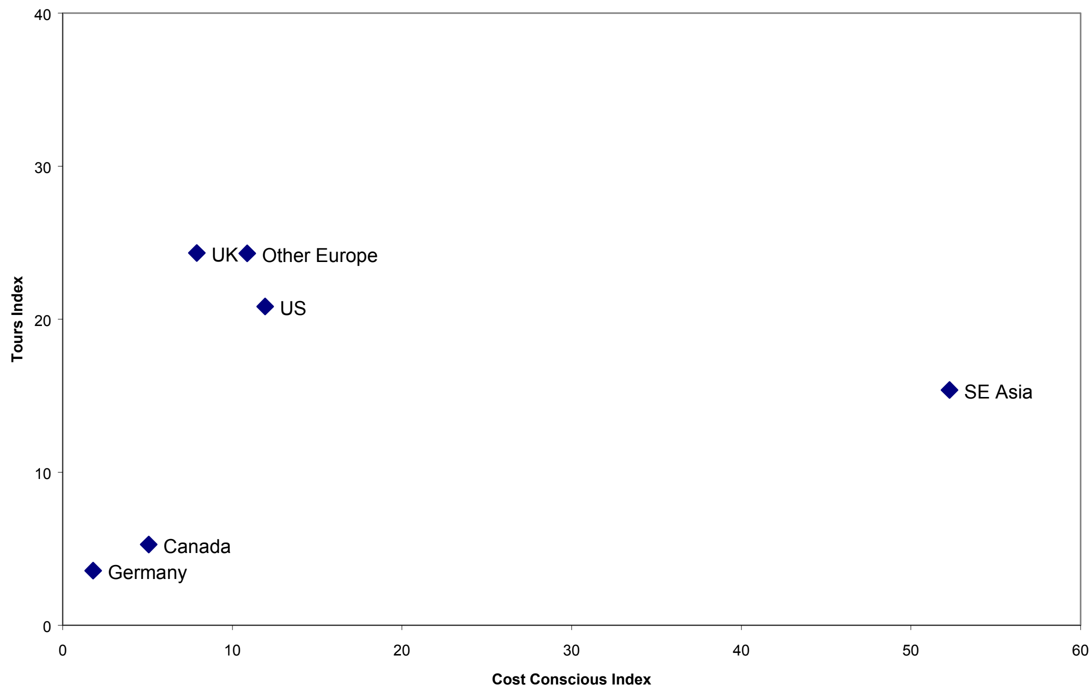


Base: All respondents (n=1,501)

Both the UK and Other Europe were strongly positioned for Tours and Icons, closely followed by the US and South-East Asia. Notably, the strong position of South-East Asia was attributable to the availability of package holidays, whereas the other 3 destinations were perceived as offering well-known attractions. Canada performed poorly, ranking narrowly ahead of Germany, indicating that the availability of appropriate guided tours and package holidays needs to be promoted to the Australian market.

Similarly, Canada was again poorly placed in relation to the Cost Conscious index. South-East Asia was a clear leader in this area, based on accessibility, cheap package deals and excellent exchange rates. However, the difference between Canada and destinations in Europe and North America was fairly small, suggesting that Canada could compete with these destinations on the basis of price perceptions.

Figure 37: Competitive Positioning of Key Long Haul Destinations: Tours and Cost

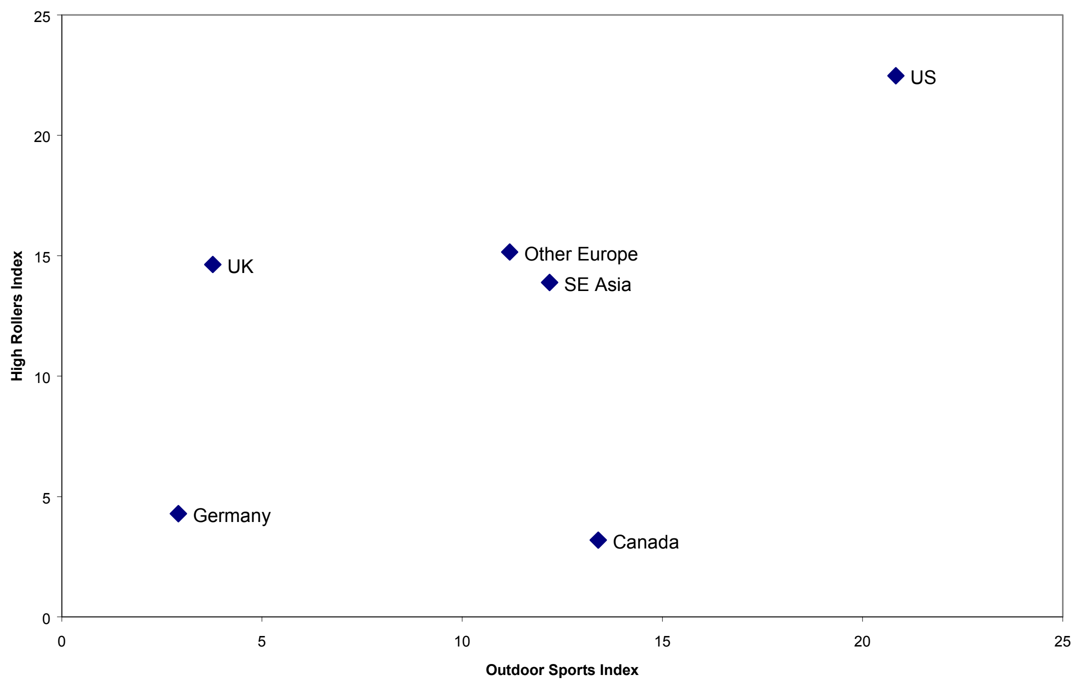


Base: All respondents (n=1,501)

Canada was poorly placed on the High Rollers dimension, where the US was a clear leader. Although big cities were relatively less important to the Australian market, the US was strongly associated with the attribute, and also performed well as a destination offering fun and entertainment. The particular strengths of South East Asia in terms of offering resort style products and shopping were also reflected in its strong position.

In relation to Outdoor Sports, Canada was ranked second behind the US. The strong association of Canada with winter sports and outdoor activities differed markedly from respondent perceptions of the US, where beaches, water sports and finding excitement were consistently related with the destination. Given these differences, Canada may be able to leverage US brand strengths to offer complementary activities on a North American itinerary.

Figure 38: Competitive Positioning of Key Long Haul Destinations: Outdoor Sports and High Rollers



Base: All respondents (n=1,501)

8.3 Price-Value Perceptions of Long-Haul Destinations

This section of the report compares Canada against key competitors in terms of perceived price and value.

8.3.1 Universal Value Attributes

The value aspect presented in this analysis was derived from the universal travel motivations detailed in Section 5. Australian travellers considered each of these attributes important when selecting an international holiday destination. Table 35 overleaf details the ranking of the 6 key destinations (including Canada) on these value attributes.

Canada was ranked first as a destination with friendly people and offering a safe and clean environment. Canada performed strongly in terms of safety and cleanliness, with over half of the market endorsing Canada, whereas the second-ranked UK only was selected by 28% of the market. However, in relation to other key attributes Canada was ranked well-behind other destinations, with only a very small percentage of the market perceiving Canada as a destination that would enrich knowledge (5%) or offer the experience of a different culture (4%).

Europe was generally perceived as offering variety and the opportunity to enrich knowledge, and was ranked second in relation to seeing something new and offering a different culture. The perception of South-East Asia as offering something new and different, as well as a different cultural experience was again underlined. However, the region was ranked last in terms of safety and cleanliness, a perception that may have heightened following the recent terrorist attack in Bali. The US was rated as offering the best level of service, and was recognised as a fun and entertaining destination, albeit with limited cultural differences and educational opportunities. Germany performed poorly, with only cultural and safety issues emerging as strengths.

Table 35: Most Endorsed Destinations for Universal Value Attributes

UNIVERSAL MOTIVATIONS	1	2	3	4	5	6
Variety of Things To See and Do	EUROPE (50%)	US (28%)	UK (28%)	SE ASIA (24%)	CAN (12%)	GER (9%)
Friendly People	CAN (33%)	SE ASIA (31%)	UK (27%)	US (25%)	EUROPE (21%)	GER (9%)
Seeing Something New and Different	SE ASIA (47%)	EUROPE (40%)	CAN (18%)	GER (15%)	US (12%)	UK (9%)
Good Service	US (37%)	SE ASIA (26%)	EUROPE (20%)	UK (20%)	CAN (15%)	GER (14%)
Experiencing a Different Culture	SE ASIA (76%)	EUROPE (41%)	GER (15%)	CAN (4%)	UK (3%)	US (3%)
Safe and Clean Environment	CAN (54%)	UK (28%)	GER (23%)	US (17%)	EUROPE (15%)	SE ASIA (7%)
Enriching Knowledge	EUROPE (60%)	UK (31%)	SE ASIA (25%)	GER (16%)	US (11%)	CAN (5%)
Having Fun and Being Entertained	US (42%)	UK (34%)	EUROPE (26%)	SE ASIA (20%)	CAN (10%)	GER (9%)

Base: All respondents (n=1,501)

8.3.2 Price Attributes

South-East Asia was perceived to offer low-cost holidays by the Australian long-haul market. Over two-thirds of the market endorsed the region for each of the price attributes, with particular strengths in terms of packages and shopping and entertainment. The proximity of key Asian destinations offers clear advantages in terms of travel costs that more distant competitors cannot match.

Among the European and North American destinations there was not a great deal of distinction between individual destinations. However, the US was seen to offer better prices for shopping and entertainment relative to comparable destinations.

Canada was ranked third in relation to exchange rate, with only a marginal difference (13% cf 10%) between the US. Given actual differences between US and Canadian dollars in exchange rates relative to Australian currency, this is an area that should be emphasised within marketing campaigns as a competitive strength. Canada fared poorly on the remaining pricing attributes, suggesting that Canada is perceived as an expensive destination. Alternatively, these findings may indicate that knowledge of Canadian holiday prices is fairly low within the Australian market.

Table 36: Most Endorsed Destinations for Price Attributes

PRICE MOTIVATIONS	1	2	3	4	5	6
Favourable Exchange Rate	SE ASIA (66%)	EUROPE (13%)	CAN (13%)	US (10%)	UK (7%)	GER (4%)
Inexpensive Packages to the Destination	SE ASIA (75%)	US (14%)	EUROPE (14%)	UK (11%)	CAN (6%)	GER (2%)
Inexpensive Airfares to the Destination	SE ASIA (71%)	UK (17%)	US (15%)	EUROPE (11%)	CAN (5%)	GER (1%)
Low Cost Transport Within the Destination	SE ASIA (67%)	US (16%)	EUROPE (16%)	UK (11%)	CAN (4%)	GER (3%)
Prices for Accommodation	SE ASIA (69%)	US (17%)	EUROPE (16%)	UK (10%)	CAN (7%)	GER (3%)
Prices for Shopping, Food and Entertainment	SE ASIA (73%)	US (24%)	EUROPE (17%)	UK (7%)	CAN (6%)	GER (2%)

Base: All respondents (n=1,501)

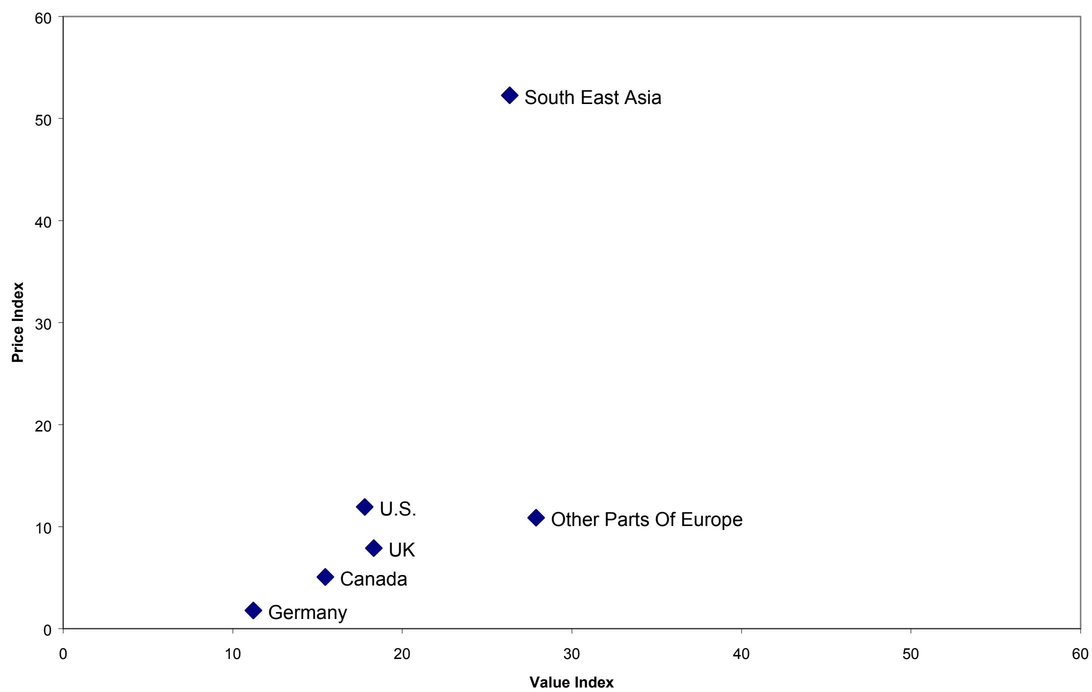
8.3.3 Price-Value Plot Based on Market Perceptions

Figure 39 below illustrates market perceptions of price against value for the six key long-haul destinations, summarising the information detailed in Sections 8.3.1 and 8.3.2. Scores for each destination were calculated using average values on the individual attributes that comprised each dimension, weighted by the importance of each attribute in selecting an international holiday destination.

South-East Asia was the clear leader in terms of price, as detailed previously. The US was ranked a distant second, followed by Other Europe, the UK and Canada. In relation to perceived value, Other Europe rated narrowly ahead of South-East Asia.

The position of Canada in comparison to its competitors is fairly poor, being rated second-last (ahead of Germany) for both price and value. Although Canada was seen to offer a safe environment and friendly people, attributes such as entertainment and opportunities to experience different cultures were not generally related to Canada.

Figure 39: Market Perceptions of Price and Value for Various Long Haul Destinations



Base: All respondents (n=1,501)

8.3.4 Price-Value Plots Based on Actual Travel Experiences

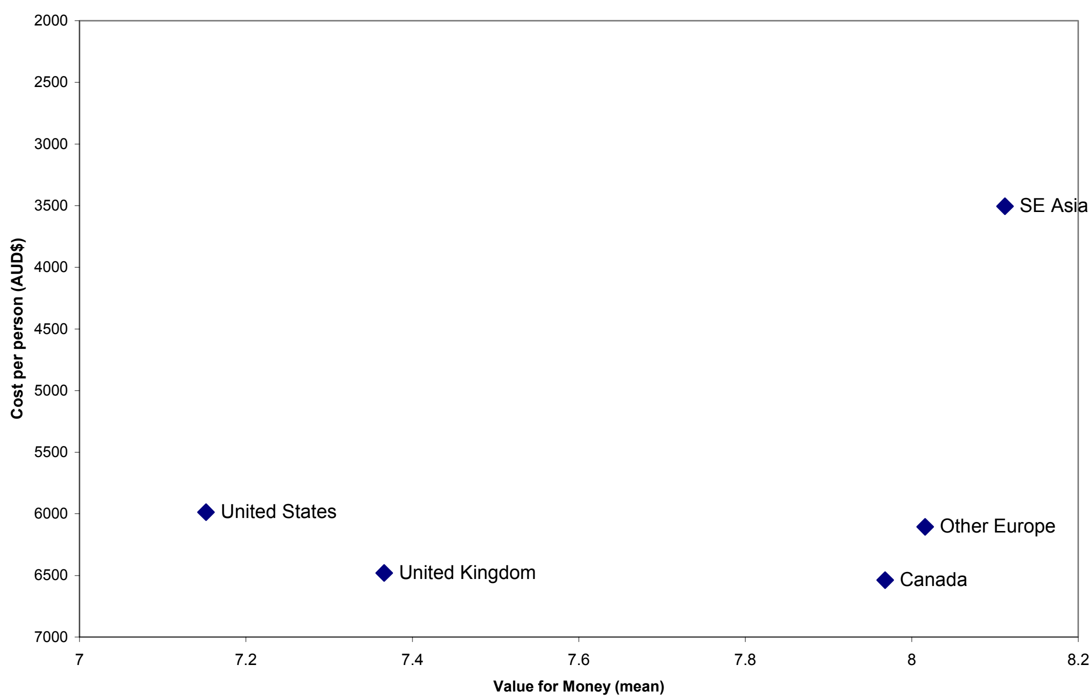
While the previous chart examined perceptions of price and value, this section provides analysis using holiday behaviours and experiences. More specifically, holiday expenditure (per person) has been compared against reported satisfaction with trips to a range of key destinations. For the purposes of this analysis, Germany was included within 'Other Europe' due to small sample size.

Figure 40 compares per person expenditure against ratings of value for money for the destination of longest stay on the most recent long-haul trip. South-East Asia was a clear leader in terms of per person expenditure, with levels far lower than those observed for the more distant destinations of Europe and North America.

In terms of value for money, South-East Asia was ranked first, followed by Other Europe and Canada. The excellent pricing of the South-East Asian destinations clearly influences perceived value for money, particularly given the excellent exchange rates and cheap shopping available. In contrast the US and UK were rated poorly, as high expenditure levels combined with lower ratings of value.

Clearly, Canada was well perceived in terms of value for money. The difference between perceived value among the general market and actual value rated by returning visitors again underlines the need for Canada to be marketed as a cost-competitive destination.

Figure 40: Per Person Expenditure versus Value (as measured by Value for Money) For Destination of Longest Stay on Most Recent Trip

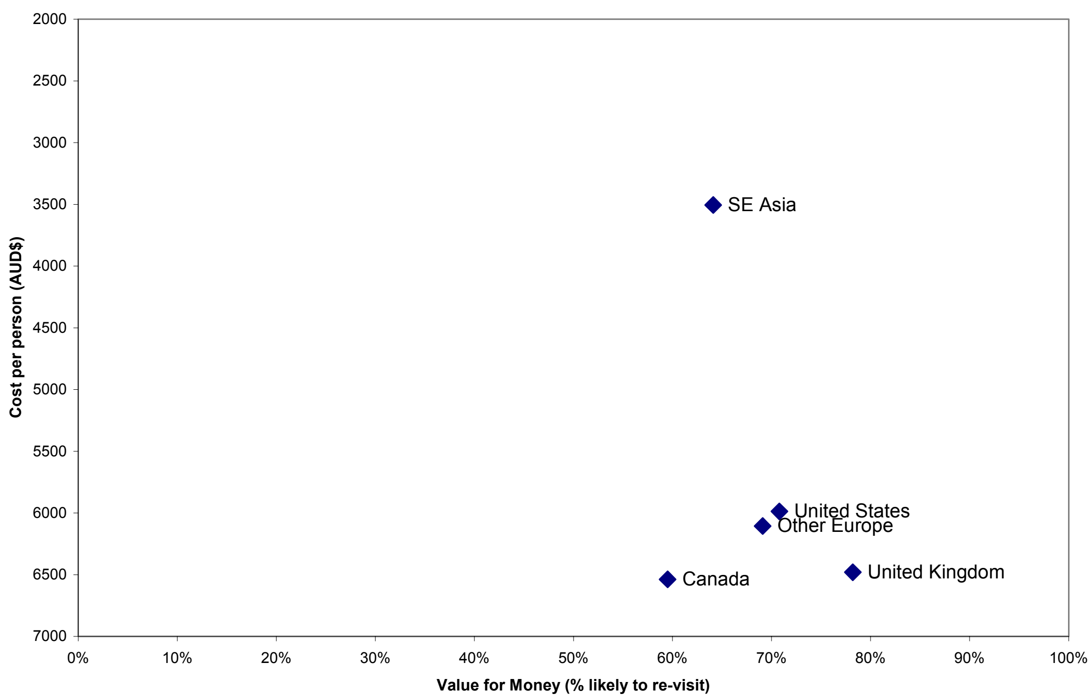


Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

A second comparison, documented in Figure 41, uses likelihood of re-visitation within the next 5 years as a measure of value for money. Although this provides a second point of comparison, it is important to note that a number of other factors contribute to re-visitation, particularly in instances of VFR travel. 78 percent of travellers who had taken a VFR trip indicated they were likely to re-visit, compared to 59% of holiday travellers. Consequently, destinations where VFR travel comprises a large proportion of travel will have an inherent advantage in this measure.

South-East Asia again had the most favourable position of all the destinations, although the UK had the highest level of re-visitation. Canada was the destination least likely to attract repeat visitation. This is likely related to both the lower proportion of VFR travel, as well as the high cost and extended duration of Canadian trips. For the Australian market, such a trip may be regarded as a once-in-a-lifetime experience.

Figure 41: Per Person Expenditure versus Value (as measured by Likelihood of Repeat Visitation) For Destination of Longest Stay on Most Recent Trip



Base: Most recent trip travellers (n=1,040); Visited Canada in last 3 years (n=89)

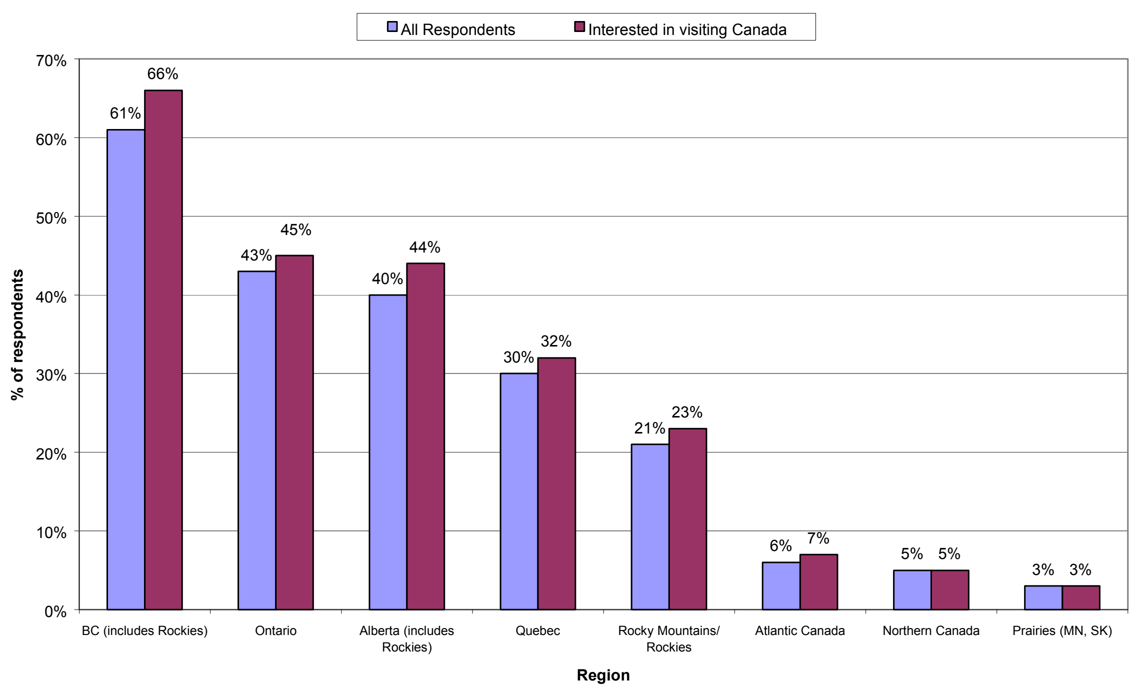
9. Australian Market Potential for Canadian Regions

This chapter examines the potential of the Australian long-haul travel market at the Canadian regional level in relation to awareness, previous visitation and estimated size of the potential market.

9.1 Awareness of Regions

Awareness of destinations within British Columbia was at 61% for the entire market, making it the province with the most recognised individual destinations. Ontario was ranked second (43%), followed by Alberta (40%) and Quebec (30%). Notably, awareness of the Rockies as a single destination was quite high at 23%. For the purposes of this analysis, the Rockies were included within the regional totals for both British Columbia and Alberta. As expected, awareness of Canadian regions was higher among those interested in visiting Canada, although the rank order of regions remained **the same.**

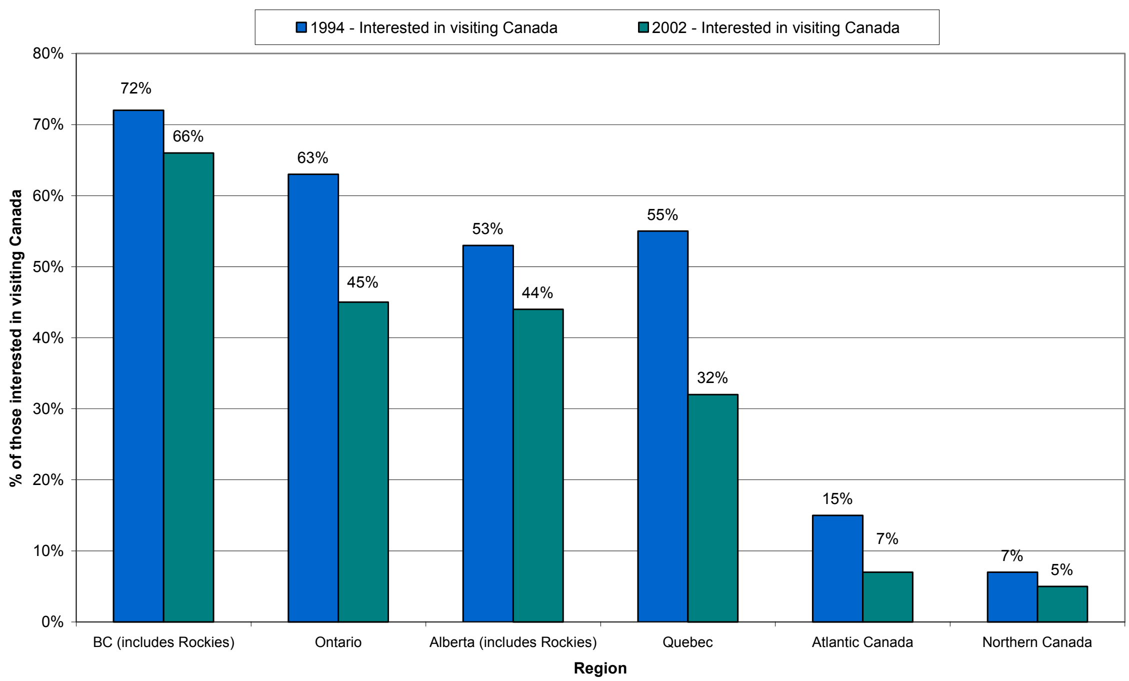
Figure 42: Awareness of Canadian Regions



Base: All respondents (n=1,501)

Comparisons between 1994 and 2002 awareness levels for Canadian regions are detailed in Figure 43 below. In making these comparisons, it is important to note that the 1994 sample included a far greater proportion of respondents who had previously visited Canada. Consequently, the awareness levels observed in 1994 were approximately 30% higher than those reported in 2002. The ordinal ranking of each province indicates that awareness has been relatively stable across time, with British Columbia, Ontario and Alberta possessing high awareness levels. However, Quebec appears to experience a decrease in awareness levels, although this may be a function of differences in research methodology**.**

Figure 43: Comparison of Canadian Regional Awareness (1994 vs. 2002)



Base: 1994 - Interested in visiting Canada in next 5 years (n=923); 2002 - Interested in visiting Canada in next 5 years (n=1,082)

Awareness of individual destinations (as opposed to the aggregated regions shown in Figure 42) tended to be limited to major cities and attractions, indicating that knowledge of Canada is fairly limited within the Australian market. Vancouver and Toronto were the two most recognised cities (40% and 24% respectively), while the Rockies were the most frequently mentioned natural attraction (21%).

The Rockies clearly were a strong drawcard for this market. Individual destinations within the Rockies such as Banff and Jasper had higher awareness levels compared with results from CTC-commissioned research in other Asia-Pacific markets.

It is also noteworthy that awareness of major cities was relatively high, with Montreal (17%) and Calgary (9%) also ranked in the top 10 individual destinations. These awareness levels suggest that while Canada was perceived as a destination with nature-based offerings, knowledge of specific destinations still focussed primarily on larger cities.

Table 37: Awareness of Specific Destinations in Ontario, Alberta and British Columbia

ONTARIO		ALBERTA		BRITISH COLUMBIA	
Toronto	24%	Banff National Park/ Banff	15%	Vancouver	40%
Niagara Falls	11%	Calgary	9%	Whistler (BC)	7%
Great Lakes	5%	Jasper National Park/ Jasper	2%	Victoria	5%
Ottawa	4%			Vancouver Island	3%
		Rocky Mountains/ Rockies		21%	

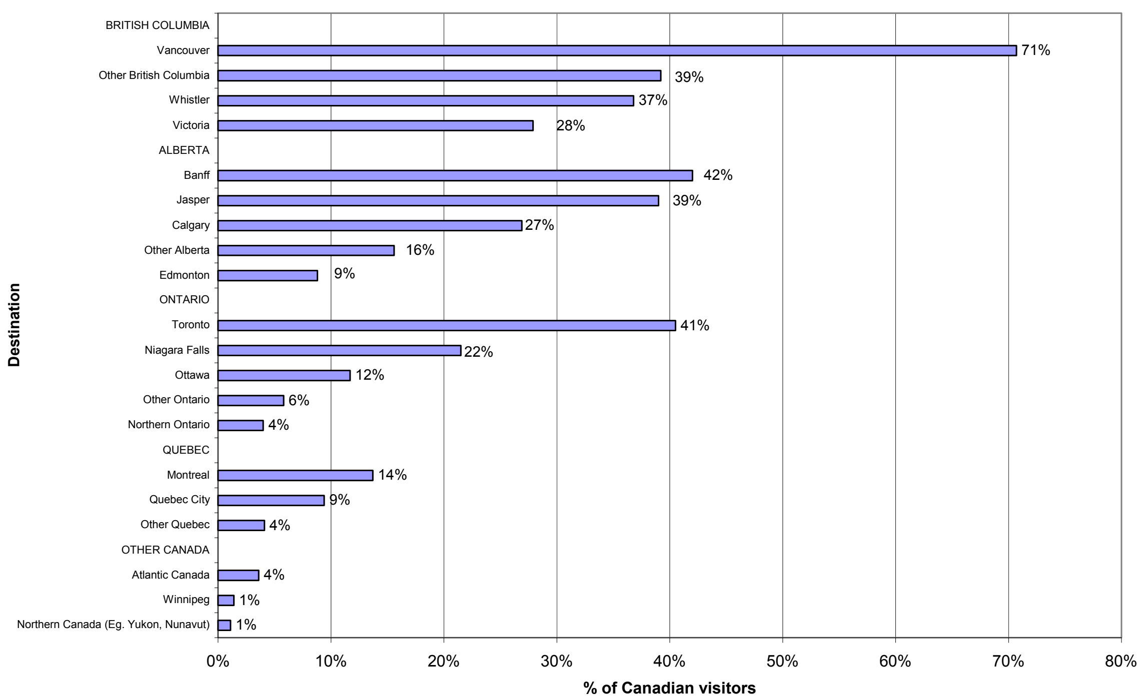
Base: All respondents (n=1,501)

9.2 Past Visitation to Regions

Vancouver attracted the largest number of Australian travellers reflecting the city's position as the major point of entry into Canada. Destinations in the Western provinces of British Columbia and Alberta recorded higher levels of visitation than those observed for Ontario and Quebec, again reflecting the typical itinerary for Australian travellers.

In the Eastern provinces, Toronto was the most visited individual destination, followed by Niagara Falls and Montreal. Notably, travel to both Atlantic and Northern Canada was very limited.

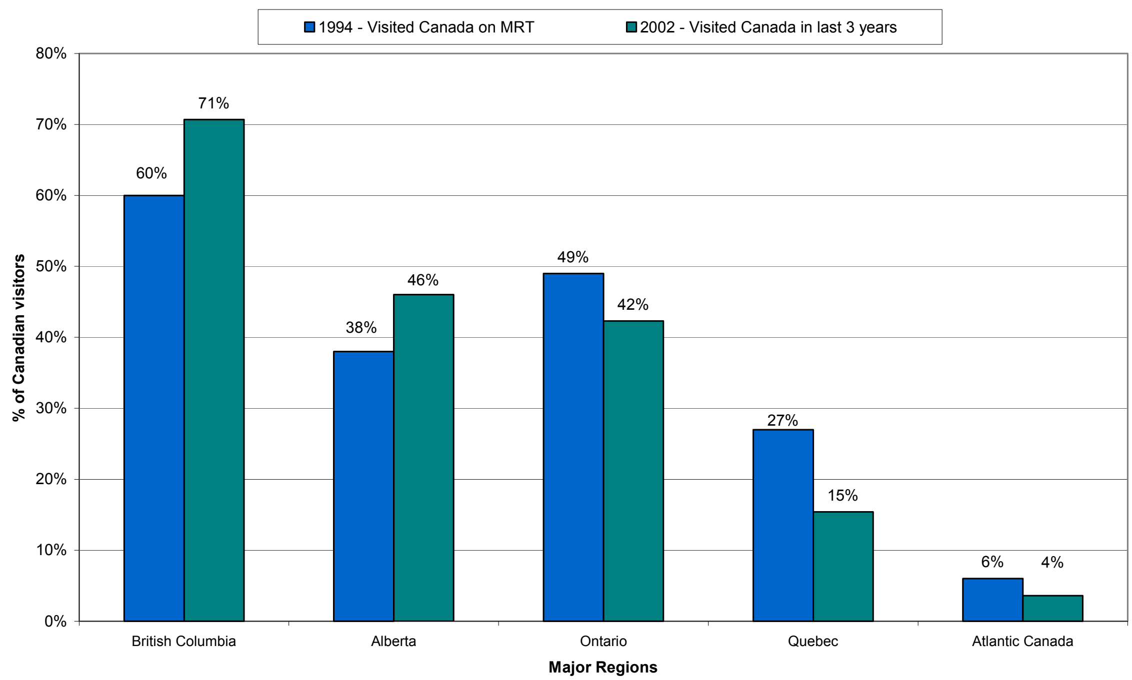
Figure 44: Places Visited on Most Recent Trip to Canada



Base: Visited Canada in last 3 years (n=89)

In drawing comparisons between the 1994 and 2002 research, visitation has grown to British Columbia and Alberta, but decreased to the Eastern provinces of Ontario and Quebec. The decreased duration of trips observed in 2002 may account for this change in visitation patterns, as a shorter itinerary may preclude visitation to more distant areas of Canada (relative to Australia). Additionally, only 29% of Canadian visitors remained in Canada for the entire trip, and therefore competitor destinations may also be eroding visitation to Ontario and Quebec.

Figure 45: Major Regions Visited on Most Recent Trip to Canada (1994 vs. 2002)



Base: 1994 - Visited Canada on most recent trip (n=588); 2002 - Visited Canada in last 3 years (n=89)

Table 38 below outlines traveller and trip characteristics for recent trips to British Columbia, Alberta and Ontario, as well as general trips to Canada.

Table 38: Profile of Recent Travellers and Trips to Ontario, Alberta and British Columbia

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
PLACES VISITED				
MAJOR PLACES VISITED WITHIN PROVINCE	Toronto (96%)	Banff (91%)	Vancouver (100%)	
	Niagara Falls (51%)	Calgary (58%)	Other BC (55%)	
	Ottawa (28%)	Edmonton (19%)	Whistler (52%)	
	Other ON (14%)	Jasper (85%)	Victoria (39%)	
	Northern ON (9%)	Other AB (34%)		
TRIP CHARACTERISTICS ON MOST RECENT TRIP TO CANADA				
TRIP PURPOSE				
For Pleasure Or A Holiday	49%	74%	60%	55%
Visit Friends Or Relatives	38%	25%	35%	36%
MAIN TRIP TYPE				
Touring Trip To A Number Of Destinations	36%	70%	46%	40%
Visit To Friends Or Relatives	38%	14%	29%	33%
Trip To Enjoy Nature And The Outdoors	5%	13%	9%	8%
Trip To A Big City	9%	-	3%	6%
Winter Sports Trip	-	-	7%	5%
TRIP DURATION				
Total Nights (mean)	60.1 nights	46.2 nights	44.1 nights	42.2 nights
Canadian Nights (mean)	33.5 nights	27.9 nights	24.3 nights	22.6 nights

	Ontario	Alberta	British Columbia	All Canada
TRIP CHARACTERISTICS ON MOST RECENT TRIP TO CANADA (CONT.)				
TRAVEL PARTY				
As A Couple	53%	58%	49%	42%
Travelled Alone	18%	12%	25%	28%
Family With Children	12%	8%	13%	13%
With Friends	13%	9%	7%	12%
With Other Family	6%	15%	10%	8%
School/ University	8%	-	-	3%
Number covered by cost	1.6	2.0	1.7	1.6
TRIP EXPENDITURE				
Per party	AUD$12,819 CDN$10,941	AUD$12,220 CDN$10,430	AUD$11,042 CDN$9,424	AUD$9,851 CDN$8,408
Per person	AUD$7,907 CDN$6,749	AUD$7,084 CDN$6,046	AUD$7,114 CDN$6,072	AUD$6,538 CDN$5,580
Per person per night	AUD$156 CDN$133	AUD$206 CDN$176	AUD$226 CDN$193	AUD$205 CDN$175
TRIP DECISION MAKING				
Booking Horizon	14.9 weeks	15.6 weeks	16.8 weeks	15.5 weeks
INFORMATION SOURCES				
Travel Agent	75%	74%	74%	72%
Friends/ Family	37%	34%	44%	45%
Internet/ Website	35%	44%	47%	39%
Previously Visited/ Past Experience	31%	10%	26%	25%
Brochures/ Pamphlets	10%	28%	21%	17%
Books/ Library	6%	20%	14%	10%
Travel Guides	7%	16%	9%	9%
BOOKING METHODS				
Travel Agent	96%	99%	95%	95%
Directly With Destination	-	11%	8%	6%
Directly With Airline	1%	3%	5%	4%
Tour Operator	3%	-	2%	3%
Discount Air Ticket Supplier	-	2%	1%	1%
Booked part of trip through Internet	22%	23%	28%	24%

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS				
SEX				
Men	34%	50%	53%	47%
Women	66%	50%	47%	53%
AGE				
18-24	8%	-	10%	11%
25-34	18%	30%	31%	28%
35-49	20%	24%	17%	18%
50-64	40%	31%	29%	29%
65 and Over	14%	15%	13%	14%
MARITAL STATUS				
Married/De Facto	60%	65%	60%	57%
Single	40%	35%	40%	43%
SOCIO-ECONOMIC SCALE				
AB Quintile	32%	41%	48%	43%
C Quintile	31%	25%	31%	31%
D Quintile	16%	15%	7%	10%
E Quintile	17%	13%	9%	12%
FG Quintile	5%	6%	5%	4%
HOUSEHOLD LIFE-CYCLE				
Young Singles	12%	25%	29%	25%
Young Couples	14%	3%	13%	12%
Young Parents	5%	19%	11%	10%
Mid-Life Families	8%	1%	1%	4%
Mid-Life Households	47%	37%	31%	35%
Older Households	14%	14%	15%	14%

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS (CONT.)				
ROY MORGAN VALUES SEGMENTS*				
Basic Needs	-	1%	1%	*
Fairer Deal	-	2%	1%	1%
Traditional Family Life	19%	22%	19%	20%
Conventional Family Life	4%	2%	1%	2%
'Look At Me'	-	-	-	-
Something Better	9%	13%	6%	6%
Real Conservatism	4%	4%	2%	2%
Young Optimism	13%	9%	16%	20%
Visible Achievement	32%	26%	23%	23%
Socially Aware	20%	22%	30%	25%
EDUCATION LEVEL				
Primary School	2%	2%	1%	1%
Some Secondary/Tech.	14%	20%	15%	12%
Intermediate/Form 4/Year 10	5%	-	1%	3%
5th form/Leaving/Year 11	2%	7%	3%	5%
Finished Tech./Matric/ HSC/Year 12	10%	24%	16%	12%
Some/ Now at University	24%	2%	7%	13%
Diploma or Degree	44%	44%	58%	54%

* Developed in conjunction with Colin Benjamin of The Horizons Network

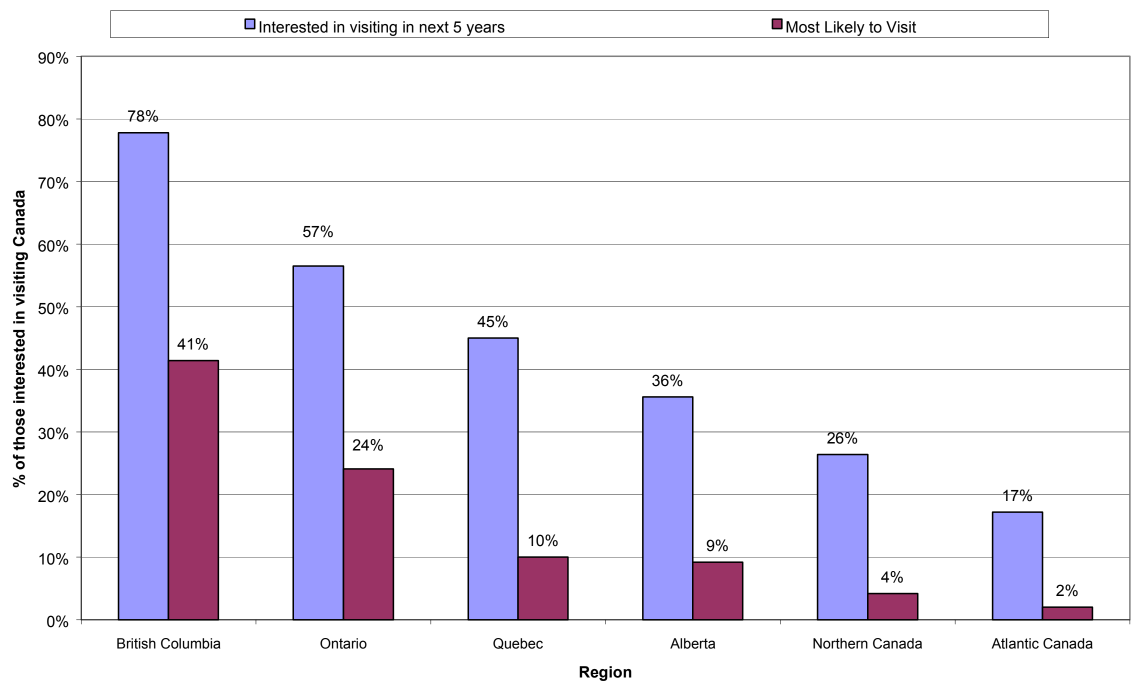
	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS (CONT.)				
OCCUPATION				
Professional/Manager	20%	32%	31%	25%
White Collar Workers	22%	10%	16%	25%
Skilled Workers	3%	5%	3%	2%
Others (incl. Semi/Unskilled)	15%	9%	7%	8%
Home Duties	1%	1%	2%	1%
Don't Work	7%	14%	9%	6%
Looking for Full Time Work	-	-	8%	6%
Looking for Part Time Work	-	-	-	-
Retired	26%	28%	25%	24%
Students	5%	-	-	2%
REGION				
Capital Cities	71%	62%	71%	73%
Country Areas	29%	38%	29%	27%
STATES				
N.S.W.	35%	44%	42%	38%
Victoria	30%	29%	28%	32%
Queensland	15%	14%	18%	16%
South Australia	4%	6%	7%	5%
Western Australia	14%	5%	5%	8%
Tasmania	1%	2%	1%	2%
HOUSEHOLD INCOME				
Average per annum	AUD$58,077 CDN$49,569	AUD$66,155 CDN$56,463	AUD$69,753 CDN$59,534	AUD$69,041 CDN$58,926
BASE	**(N=43)**	**(N=45)**	**(N=62)**	**(N=89)**

9.3 Potential for the Regions

9.3.1 Future Interest in the Regions

Following the trends for both awareness and visitation, British Columbia attracted the highest level of interest. 78 percent of the potential market expressed an interest in visiting BC, with 41% naming the province as the main destination for a potential trip. Ontario (57%) and Quebec (45%) were also frequently mentioned as destinations the potential market would be interested in visiting. In contrast to results for awareness and visitation, Alberta was poorly placed as the main destination for a potential trip.

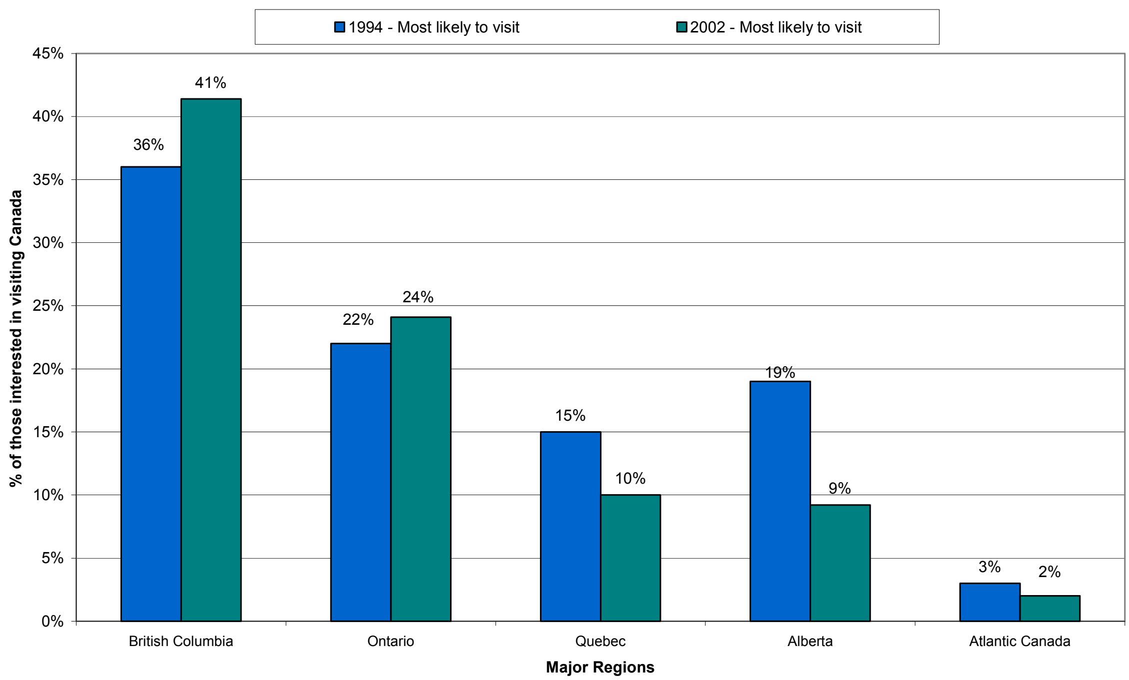
Figure 46: Future Interest in Visiting the Regions



Base: Interested in visiting Canada in next 5 years (n=1,082)

In comparing the 1994 and 2002 findings, British Columbia and Ontario experienced growth within the potential market as the main destination for a potential holiday. In contrast, Quebec and Alberta were less likely to be nominated as the main destinations for a future holiday. Although this may reflect differences in the research methodology, the more cosmopolitan offerings provided in cities such as Vancouver, Toronto and Ottawa may be of greater appeal to the younger, more affluent potential market in Australia today.

Figure 47: Future Interest in Visiting the Regions (1994 vs 2002)



Base: 1994 - Interested in visiting Canada in next 5 years (n=923); 2002 - Interested in visiting Canada in next 5 years (n=1,082)

9.3.2 Market Potential for the Regions

Based on the overall size of the potential market and regional preferences, the extent of the potential market for each of the 3 major regions is documented in Table 39. These results reflect general interest (as opposed to main region intend to visit), and consequently estimates are not mutually exclusive.

Table 39: Size of the Potential Market to the Regions

POTENTIAL MARKET TO CANADA (NEXT 5 YEARS)	
Potential leisure visitors to Canada in the next 5 years	1,938,000
POTENTIAL MARKET TO ONTARIO (5 YEARS)	
Interest in visiting Ontario in the next 5 years	57%
Potential leisure visitors to Ontario in the next 5 years	1,095,000
POTENTIAL MARKET TO ALBERTA (5 YEARS)	
Interest in visiting Alberta in the next 5 years	36%
Potential leisure visitors to Alberta in the next 5 years	691,000
POTENTIAL MARKET TO BRITISH COLUMBIA (5 YEARS)	
Interest in visiting British Columbia in the next 5 years	78%
Potential leisure visitors to British Columbia in the next 5 years	1,508,000

9.3.3 Potential Among the Motivational Segments

In addition, the size of the potential market among the motivational segments is detailed in Table 40 overleaf. These estimates reflect both the relative size of each segment and the interest level in visiting Canada within each group.

For each of the 3 major regions (namely Ontario, Alberta and British Columbia), the largest number of potential visitors were from the Outdoor Sports Enthusiasts segment, reflecting the size of this group. However, an examination of interest levels illustrates the differing destinations preferred by each group. High Rollers had the highest level of interest in visiting Ontario (71%), reflecting the cosmopolitan offerings of Ottawa and Toronto. Alberta was most frequently mentioned by Nature Buffs (47%) again suggesting that motivational factors play an important role in determining interest in specific destinations. Interest in British Columbia was high across all segments, possibly reflecting the typical point of entry for Australian travellers and the diversity of product offerings in the province.

Table 40: Potential for Regions Among Motivational Segments

	Cultural Experience Seekers	Cost Conscious	High Rollers	Outdoors Sports Enthusiasts	Nature Buffs	Tours and Icons
POTENTIAL MARKET						
Potential travellers ('000)	286	276	296	490	230	257
INTEREST IN VISITING REGIONS (5 YEARS)						
Interest in visiting Ontario	49%	58%	71%	51%	58%	60%
Interest in visiting Alberta	36%	33%	31%	38%	47%	35%
Interest in visiting BC	78%	77%	80%	77%	81%	81%
POTENTIAL MARKET TO REGIONS ('000)						
Potential travellers to Ontario	140	159	211	252	134	155
Potential travellers to Alberta	103	91	92	185	107	90
Potential travellers to British Columbia	222	212	235	377	186	208
Base	**(n=174)**	**(n=174)**	**(n=151)**	**(n=197)**	**(n=155)**	**(n=176)**

9.3.4 Profile of Potential Travellers to the Regions

A detailed profile of potential travellers to each of the major provinces is provided in Table 41. Based on the substantial degree of overlap using ‘any interest’ in visiting, this analysis focuses on respondents who indicated that one particular region was the main region of interest. Consequently, the groups are exclusive and do not reflect the full market sizes documented in Table 39.

- Potential travellers to Ontario were younger than the overall potential market, with 48% aged under 34. Following this, they were more likely to be single, students or live in a Young Parents household. The group also tended to be less affluent than the overall potential market, with lower levels of household income and lower representation among the AB quintile. Interestingly, potential visitors to Ontario were also more likely to live in metropolitan areas.
- In contrast, potential Alberta visitors were older and more affluent than the overall market. 44 percent were aged over 50, and consequently were far more likely to be retirees (18%). Women were also over-represented, and this group was more likely to be married. The domestic circumstances and age grouping were reflected in the high proportion of Traditional Family Life respondents. In terms of origin, NSW residents comprised half of the market, and the group was more likely to live in country areas. Potential travellers to Alberta were more likely to agree that international travel is a priority, and were less likely to travel on inclusive packages.
- Those respondents expressing a main interest in British Columbia were typically more affluent than the overall market, with 38% from the AB quintile and a further 31% from the C quintile. Similarly, over half (55%) worked in professional or white-collar occupations. The prosperity of potential travellers to British Columbia was reflected in greater resilience in the face of unfavourable economic conditions, with the group less likely to postpone travel until the economy improves.

Table 41: Profile of Respondents Most Likely to Visit Ontario, Alberta and British Columbia

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS				
SEX				
Men	49%	45%	50%	50%
Women	51%	55%	50%	50%
AGE				
18-24	22%	9%	13%	14%
25-34	26%	18%	29%	28%
35-49	26%	30%	26%	25%
50-64	19%	31%	24%	24%
65 and Over	7%	11%	9%	9%
MARITAL STATUS				
Married/De Facto	55%	63%	61%	58%
Single	45%	37%	39%	42%
SOCIO-ECONOMIC SCALE				
AB Quintile	32%	33%	38%	34%
C Quintile	22%	29%	31%	27%
D Quintile	21%	19%	13%	18%
E Quintile	13%	12%	12%	13%
FG Quintile	12%	6%	6%	8%
HOUSEHOLD LIFE-CYCLE				
Young Singles	20%	13%	20%	19%
Young Couples	7%	2%	15%	10%
Young Parents	24%	26%	18%	20%
Mid-Life Families	9%	13%	6%	9%
Mid-Life Households	32%	33%	32%	33%
Older Households	8%	13%	9%	10%

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS (CONT.)				
ROY MORGAN VALUES SEGMENTS*				
Basic Needs	1%	1%	2%	1%
Fairer Deal	3%	-	3%	3%
Traditional Family Life	12%	21%	12%	13%
Conventional Family Life	11%	7%	7%	7%
'Look At Me'	11%	3%	5%	7%
Something Better	6%	7%	8%	7%
Real Conservatism	5%	5%	3%	4%
Young Optimism	14%	8%	16%	15%
Visible Achievement	17%	23%	25%	21%
Socially Aware	21%	26%	21%	23%
EDUCATION LEVEL				
Primary School	1%	*	*	1%
Some Secondary/Tech.	11%	6%	10%	10%
Intermediate/Form 4/Year 10	7%	15%	8%	8%
5th form/Leaving/Year 11	5%	7%	6%	6%
Finished Tech./Matric/ HSC/Year 12	20%	15%	18%	18%
Some/ Now at University	14%	13%	14%	13%
Have Diploma or Degree	40%	44%	44%	44%

* Developed in conjunction with Colin Benjamin of The Horizons Network

	ONTARIO	ALBERTA	BRITISH COLUMBIA	ALL CANADA
DEMOGRAPHICS (CONT.)				
OCCUPATION				
Professional/Manager	20%	18%	29%	23%
White Collar Workers	23%	33%	26%	27%
Skilled Workers	5%	1%	8%	7%
Others (incl. Semi/Unskilled)	16%	4%	8%	10%
Home Duties	7%	11%	5%	6%
Don't Work	3%	3%	1%	3%
Looking for Full Time Work	4%	4%	2%	3%
Looking for Part Time Work	3%	1%	1%	2%
Retired	8%	18%	14%	13%
Students	11%	6%	5%	6%
REGIONS				
Capital Cities	80%	69%	75%	75%
Country Areas	20%	31%	25%	25%
STATES				
N.S.W.	41%	50%	33%	36%
Victoria	26%	12%	25%	25%
Queensland	11%	18%	20%	18%
South Australia	9%	8%	7%	8%
Western Australia	11%	11%	13%	11%
Tasmania	1%	2%	2%	2%
HOUSEHOLD INCOME				
Average per annum	AUD$68,852 CDN$58,765	AUD$74,219 CDN$63,346	AUD$70,931 CDN$60,540	AUD$69,918 CDN$59,675

	Ontario	Alberta	British Columbia	All Canada
ATTITUDES TOWARDS INTERNATIONAL TRAVEL				
International travel is a high priority	58%	67%	62%	63%
Waiting until the economy improves before I take an international holiday	42%	38%	36%	41%
International travel is money well spent	85%	86%	90%	89%
Waiting until the economy improves before I travel outside Australia	43%	41%	33%	40%
Prefer to go on guided tours	48%	31%	38%	40%
Like to be flexible on my international holidays	95%	93%	92%	93%
Enjoy making my own arrangements	85%	90%	88%	87%
Usually travel on all-inclusive packages	36%	25%	32%	34%
Base	**(n=240)**	**(n=114)**	**(n=460)**	**(n=1,082)**

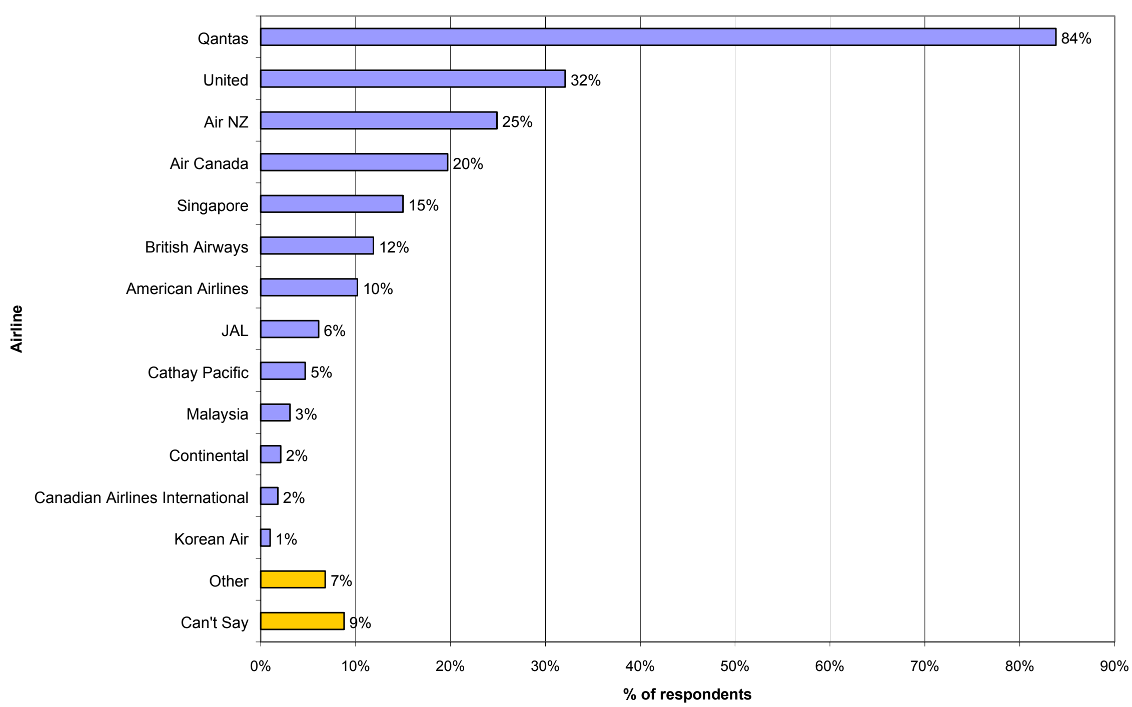
10. Awareness and Perceptions of Airlines

This chapter provides information on awareness and usage of airlines that provide service to North America. The relative importance of various attributes that influence airline choice were also examined.

10.1 Awareness of Airlines

Among airlines providing services from Australia to North America, Qantas received the highest unprompted awareness level at 84%. United was a distant second (32%), followed by Air New Zealand (25%) and Air Canada (20%). Interestingly, a number of airlines that do not offer North American services were also mentioned with British Airways the most prominent (12%). This may be linked to code sharing agreements and the array of airline alliances in the marketplace.

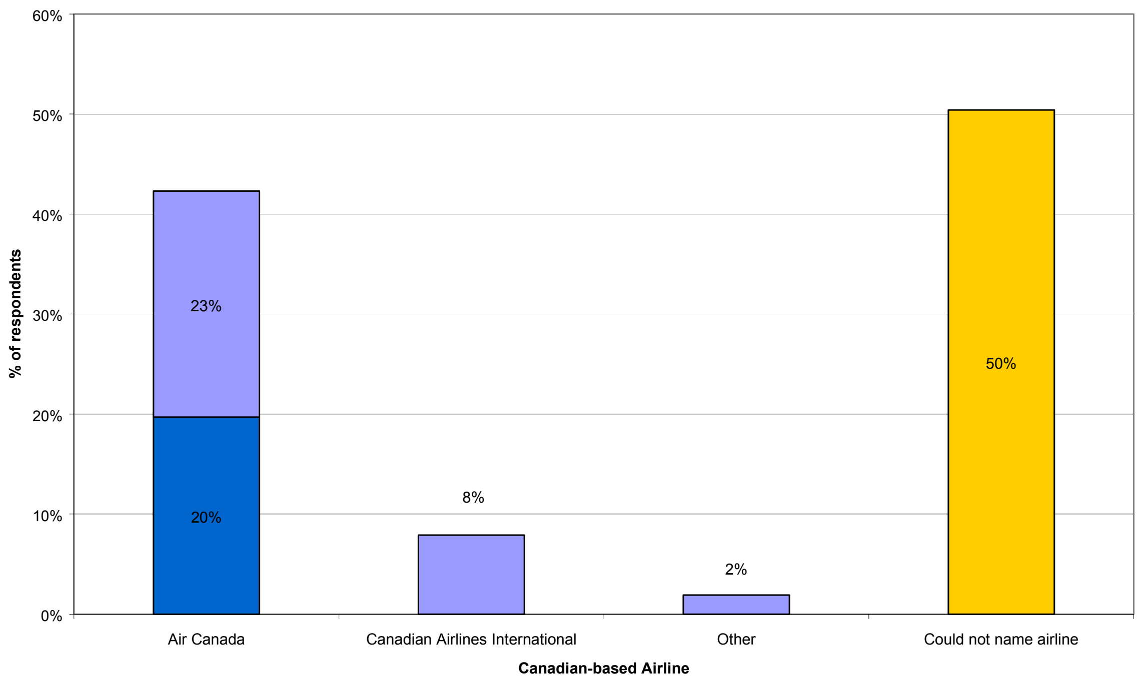
Figure 48: Unprompted Awareness of Airlines Providing Service From Australia to North America



Base: All respondents (n=1,501)

Following the unprompted awareness question, respondents who were not aware of Air Canada were asked to recall any Canadian-based airlines. A further 23% named Air Canada, bringing awareness of the airline to 43%. 8 percent of respondents were aware of the now defunct Canadian Airlines International, while 50% of the market could not name a Canadian airline without prompting.

Figure 49: Prompted Awareness of Canadian-Based Airlines



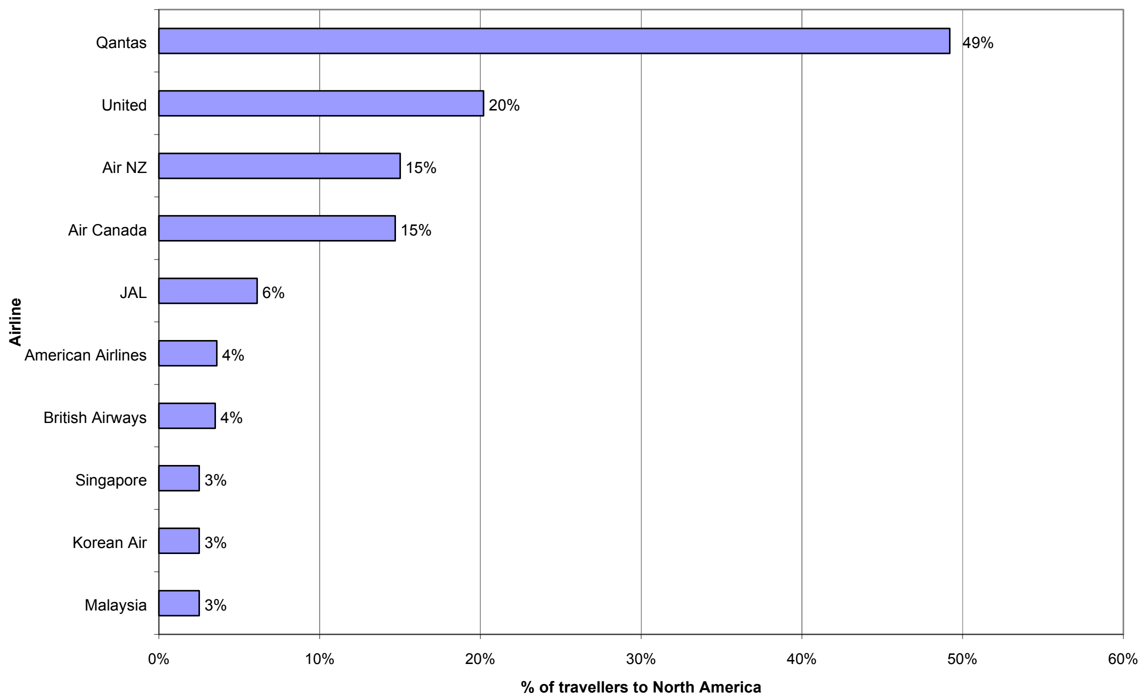
Base: All respondents (n=1,501)

The final question asked in the recall sequence was prompted awareness of Air Canada. A further 40% of respondents recalled the airline on a prompted basis, to bring overall awareness to 83%. However, in the competitive context, Air Canada was less salient than a number of key competitors, particularly Qantas, United and Air New Zealand.

10.2 Airline Usage

Airline usage reflected the trends observed for awareness, with Qantas the market leader among Australian visitors to North America in the last 3 year (49%). United (20%), Air New Zealand (15%) and Air Canada (15%) also accounted for considerable proportions of flights to North America.

Figure 50: Use of Airlines on Trips to North America in Last 3 Years

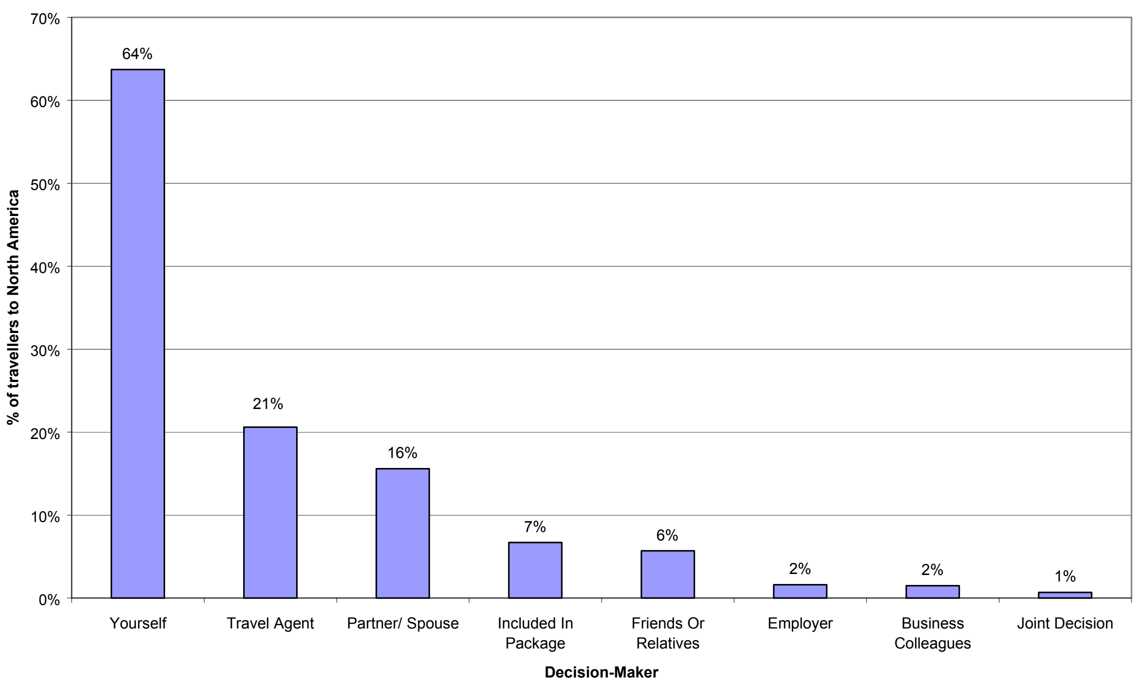


Base: Visited North America in the last 3 years (n=278)

10.3 Airline Decision-Making

Airline decision-making patterns followed those observed for destination selection, with approximately two-thirds (64%) of respondents selecting the airline themselves, and a further 16% relying on a spouse or partner. However, a key difference between destination and airline booking was the role of retailers and wholesalers, with both travel agents (21%) and package inclusions (7%) playing a role in airline selection.

Figure 51: Key Decision-Maker in Choice of Airline for Trips to North America in Last 3 Years

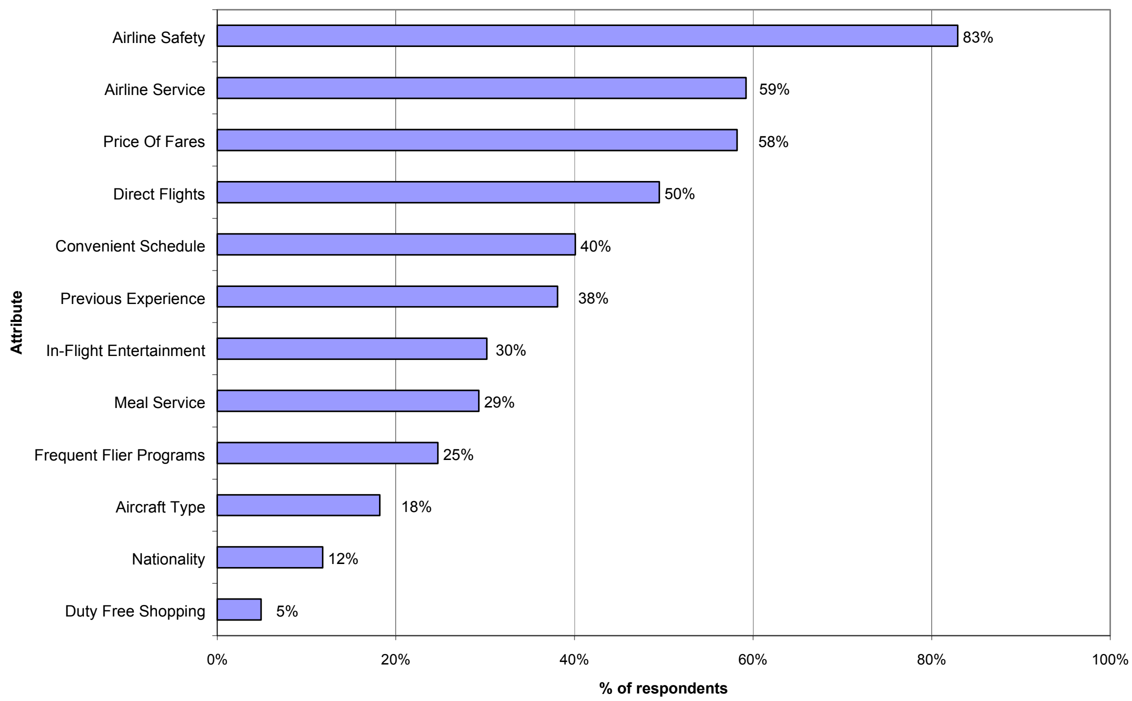


Base: Visited North America in the last 3 years (n=278)

A reputation for safety was paramount for the Australian market, with 83% endorsing this attribute as very important when selecting an airline. Other important attributes included airline service (59%), price of fares (58%) and availability of direct flights (50%). Based on the long duration of flights from Australia to Europe or North America, the importance of service and direct flights is imperative for this market. Compared to results obtained from CTC-commissioned research in the Hong Kong market, Australian travellers placed a greater emphasis on in-flight entertainment and meal services, again underlining the service requirements required for long-haul flights.

A notable finding was the low level of importance placed on airline nationality. Despite the dominance of the national carrier in terms of both awareness and usage, foreign flag carriers stand to make inroads into the Australian market provided they can demonstrate cost competitiveness and high standards of safety and service.

Figure 52: Importance of Attributes in Selecting an Airline



Base: All respondents (n=1,501)

Appendix 1 – Detailed Methodology

Overview

A CATI survey of 1,501 Australian long-haul pleasure travellers was conducted in August 2002. The survey population consisted of adults (aged 18 years and over) who had taken a long-haul pleasure trip in the past 3 years or who planned to take a long-haul trip in the next 3 years. A long-haul pleasure trip was defined as a trip of four or more nights by plane outside Australia, New Zealand and the South Pacific for holiday or non-business purposes. This definition included visits to friends or relatives (VFR), as well as combined business-pleasure trips.

Sampling Approach

Respondents eligible to be surveyed were recruited from the Roy Morgan Single Source database. The eligibility criteria were based on survey data collected from the Holiday Tracking Survey (HTS), a component of Roy Morgan Single Source. More specifically, these were:

- Travelled to a long haul destination in last 12 months for holiday or non-business purposes; or
- Intend to travel to a long-haul destination for holiday or non-business purposes in the next 3 years.

A total of 4,928 Single Source respondents were selected from the database for the purposes of conducting the CATI interviewing. The CATI questionnaire also contained relevant screening questions to ensure that qualified respondents had either travelled (last 3 years) or planned to travel (next 3 years) outside Australia, New Zealand and the South Pacific.

Data Collection

Roy Morgan Single Source

Roy Morgan Single Source uses a stratified random probability sample to ensure that metropolitan and country areas within each state are correctly represented. Interviewing is carried out to ensure complete coverage spread evenly across all electorates, with interviewers being sent to randomly selected “clusters” of dwellings.

Roy Morgan Single Source has two components: a face-to-face interview and a self-completion questionnaire. Each weekend (12 per quarter) over 1,000 people are interviewed face to face – accumulating to a 12 month sample of more than 50,000, spread by population over the cities and country areas of all six states and the two territories. This translates to interviewing at least 50 weekends annually.

Only one person aged 14 years and over is interviewed per dwelling. The sample is weighted by age, sex and area to be representative of the Australian population 14 years and over. After each round of interviewing a proportion of respondents are recontacted as a quality control measure.

Following the face to face interview, all respondents are offered the self-completion survey and approximately 25,000 of these are processed in each twelve month period.

CATI Survey

Data collection was undertaken from Roy Morgan Research CATI call centres in Melbourne and Adelaide. The survey instrument was supplied by the Canadian Tourism Commission, and was adapted to reflect conditions in the Australian market place. A pilot of 10 interviews was conducted prior to the commencement of fieldwork proper.

Data collection was undertaken from August 9 to August 22 inclusive. Average completed interview length was approximately 30 minutes. Table A1 below provides detailed call information for the main survey.

Table A1: Field Report for CATI Survey

TOTAL NUMBERS DIALLED	**4,928**
Non-contactable	611
Refusals	971
Other (not available, 3+ calls, engaged, etc.)	689
SUCCESSFUL CONTACTS	**2,657**
Terminations	486
Quota fail (age/sex/area)	34
Screener fail	317
Appointments	319
COMPLETED INTERVIEWS	**1,501**

Weighting Procedures

A multi-stage weighting procedure was used to ensure that survey data was representative of the total Australian long-haul pleasure traveller market. Incidence rates were based on HTS data, and respondents were weighted by area, age and sex to the latest Australian Bureau of Statistics population estimates.

Segmentation and Other Analyses

The motivational segmentation classified long haul travellers based on general travel motivations. Respondents were asked to rate the importance of 42 different motivational attributes in selecting long-haul destinations on a four-point scale (always important through to never important). Factor analysis was used to identify related motivational variables, with each factor reflecting a general motivation for destination selection. An algorithm was then used to assign respondents to the group on which they had the highest standardised score.

In the context of competitive positioning, respondents were presented with a list of 42 attributes (analogous to those used in the importance ratings) and asked to associate one or two of six destinations with each attribute. The dimensions correspond with the attribute groupings used to produce the motivational segmentation. Scores for each destination were calculated using average values on the individual attributes that comprise each dimension, weighted by the importance of each attribute in selecting an international holiday destination.

Appendix 2 – Confidence Limits of Survey Estimates

Survey Estimate (% of sample cohort)																			
Sample Cohort (Size):	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95
90% confidence limits ±% associated with survey estimates																			
30	6.5	9.0	10.7	12.0	13.0	13.8	14.3	14.7	14.9	15.0	14.9	14.7	14.3	13.8	13.0	12.0	10.7	9.0	6.5
40	5.7	7.8	9.3	10.4	11.3	11.9	12.4	12.7	12.9	13.0	12.9	12.7	12.4	11.9	11.3	10.4	9.3	7.8	5.7
50	5.1	7.0	8.3	9.3	10.1	10.7	11.1	11.4	11.6	11.6	11.6	11.4	11.1	10.7	10.1	9.3	8.3	7.0	5.1
60	4.6	6.4	7.6	8.5	9.2	9.7	10.1	10.4	10.6	10.6	10.6	10.4	10.1	9.7	9.2	8.5	7.6	6.4	4.6
70	4.3	5.9	7.0	7.9	8.5	9.0	9.4	9.6	9.8	9.8	9.8	9.6	9.4	9.0	8.5	7.9	7.0	5.9	4.3
80	4.0	5.5	6.6	7.4	8.0	8.4	8.8	9.0	9.1	9.2	9.1	9.0	8.8	8.4	8.0	7.4	6.6	5.5	4.0
90	3.8	5.2	6.2	6.9	7.5	7.9	8.3	8.5	8.6	8.7	8.6	8.5	8.3	7.9	7.5	6.9	6.2	5.2	3.8
100	3.6	4.9	5.9	6.6	7.1	7.5	7.8	8.1	8.2	8.2	8.2	8.1	7.8	7.5	7.1	6.6	5.9	4.9	3.6
150	2.9	4.0	4.8	5.4	5.8	6.2	6.4	6.6	6.7	6.7	6.7	6.6	6.4	6.2	5.8	5.4	4.8	4.0	2.9
200	2.5	3.5	4.2	4.7	5.0	5.3	5.5	5.7	5.8	5.8	5.8	5.7	5.5	5.3	5.0	4.7	4.2	3.5	2.5
250	2.3	3.1	3.7	4.2	4.5	4.8	5.0	5.1	5.2	5.2	5.2	5.1	5.0	4.8	4.5	4.2	3.7	3.1	2.3
300	2.1	2.8	3.4	3.8	4.1	4.4	4.5	4.7	4.7	4.7	4.7	4.7	4.5	4.4	4.1	3.8	3.4	2.8	2.1
350	1.9	2.6	3.1	3.5	3.8	4.0	4.2	4.3	4.4	4.4	4.4	4.3	4.2	4.0	3.8	3.5	3.1	2.6	1.9
400	1.8	2.5	2.9	3.3	3.6	3.8	3.9	4.0	4.1	4.1	4.1	4.0	3.9	3.8	3.6	3.3	2.9	2.5	1.8
450	1.7	2.3	2.8	3.1	3.4	3.6	3.7	3.8	3.9	3.9	3.9	3.8	3.7	3.6	3.4	3.1	2.8	2.3	1.7
500	1.6	2.2	2.6	2.9	3.2	3.4	3.5	3.6	3.7	3.7	3.7	3.6	3.5	3.4	3.2	2.9	2.6	2.2	1.6
600	1.5	2.0	2.4	2.7	2.9	3.1	3.2	3.3	3.3	3.4	3.3	3.3	3.2	3.1	2.9	2.7	2.4	2.0	1.5
700	1.4	1.9	2.2	2.5	2.7	2.8	3.0	3.0	3.1	3.1	3.1	3.0	3.0	2.8	2.7	2.5	2.2	1.9	1.4
800	1.3	1.7	2.1	2.3	2.5	2.7	2.8	2.8	2.9	2.9	2.9	2.8	2.8	2.7	2.5	2.3	2.1	1.7	1.3
900	1.2	1.6	2.0	2.2	2.4	2.5	2.6	2.7	2.7	2.7	2.7	2.7	2.6	2.5	2.4	2.2	2.0	1.6	1.2
1000	1.1	1.6	1.9	2.1	2.3	2.4	2.5	2.5	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.1	1.9	1.6	1.1
1250	1.0	1.4	1.7	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.2	2.1	2.0	1.9	1.7	1.4	1.0
1500	0.9	1.3	1.5	1.7	1.8	1.9	2.0	2.1	2.1	2.1	2.1	2.1	2.0	1.9	1.8	1.7	1.5	1.3	0.9

These estimates represent the approximate 90% confidence limits (1.65 standard errors) of sample-based estimates under the assumption of simple random sampling. Appropriate allowance for design effect should be made where this assumption does not hold.