Ontario
Ministry of Tourism

The Niagara Region's Tourism Opportunities
The U.S. and Ontario Markets

Part I: Product Development Opportunities

August 2007

Part II: Marketing Implications

July 2008

Tourism Research Unit

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Executive Summary

Ontario residents and Americans constitute Niagara Region's largest source markets for overnight travellers (88% in 2004). Although the Ontario market has exhibited positive growth over the past seven years, the US market appears to be in decline.

Part I of this report focuses on these two source markets and identifies opportunities for product development around the Region's main product strengths: the falls, the vineyards and the casinos.

Size of Market

51% of all American travellers and 53% of all Ontario travellers participated in one or more of the Region's core strengths while on an overnight trip anywhere in the world in the 2004-2005 period. Among American travellers, going to casinos was the leading attraction for visitors (35% of all US travellers), followed by viewing natural wonders (21%) and participating in wine-centred activities (17%). Among Ontario travellers, going to casinos was the leading attraction (32% of all Ontario travellers), followed by viewing natural wonders (25%) and participating in wine-centred activities (19%). Although the Region's core strengths are popular amongst travellers, they are not generally trip motivators for the vast majority of travellers; only 20% of Americans and 15% of Ontarians who participated in these activities took trips that were motivated by these activities – a fact that has implications regarding the variety of things that a destination should offer to its visitors.

Opportunity Group

Not all of the Americans and Ontarians who participated in the activities identified as product strengths for the Niagara Region could be considered as potential visitors to the Region. The opportunity group includes only those who: a) are motivated to travel by at least one of these activities (wine, natural wonders, casino[1]), b) find Ontario to be an appealing travel destination and believe there are many good reasons to travel to the province, and c) have indicated that the choice of destination is very or extremely important to them (and that they are the ones choosing the destination and not someone else). The resulting opportunity set for Niagara Region includes 3.2 million Americans and 525,000 Ontarians.

Within the American market opportunity set, the natural wonder segment had the largest number of travellers (1.9 million), followed by the wine segment (1.0 million) and the casino segment (871,000). 44% of the American market opportunity set had travelled to Ontario in the 2004-2005 period.

Within the Ontario market opportunity set, the natural wonder segment had the largest number of travellers (270,000), followed by the casino segment (232,000) and the wine segment (130,000). 92% of the Ontario market opportunity set had travelled within Ontario in the 2004-2005 period.

[1] Residents must be from Michigan, New York, Ohio or Pennsylvania.

Product Development

US Market

Supplementary products that could enhance the Niagara Region's primary products (wine, natural wonder and casinos) centre around food, shopping, strolling around to see buildings and architecture (with implications regarding downtown revitalization) and attractions such as historic sites and amusement parks.

Ontario Market

Supplementary products that could enhance the Niagara Region's primary products centre around food, shopping, strolling around to see buildings and architecture, attractions such as historic sites and nature parks.

In addition to these products, there are some other issues that, according to various studies, the Niagara Region would need to address:

- Regional image and product awareness[2]
- Transportation from Niagara to other Ontario and from Niagara to the US
- Satisfaction of travellers' needs by existing product[3]

Future Growth

Overall, Niagara's opportunity group from the US market is expected to experience moderate growth in 2015 and 2025 (3% and 9%, respectively). Although the natural wonder segment will continue to have the largest proportion within the opportunity group in 2015 and 2025, it is the wine segment that is expected to show the most growth over that period (10% and 20%, respectively). Participation in all shopping-related activities is expected to grow at moderate rates, with the exception of fruit picking at farms (which will be down slightly). Participation in food-related activities is also expected to show healthy growth rates. Growth in attraction-related products will show slow to moderate growth rates, while interest in golfing and pop/rock concerts is expected to decline. Attendance at ethnic festivals and shopping at greenhouse/ garden centres were identified as emerging travel activities in 2015 and 2025.

Looking at Niagara's opportunity set within the Ontario market for 2015 and 2025, growth rates are expected to be substantially higher than those for the opportunity set within the US market (10% and 20%, respectively). Similar to the US findings, the wine segment is expected to show the most growth looking ahead to 2015 and 2025 (increases of 11% and 28%, respectively). Participation in shopping-related activities is expected to grow at healthy rates, as is participation in arts-related attractions such as live theatre with or without dinner and stand-up comedy. Golfing and dining at farms are expected to show healthy growth in 2015 and 2025. Products for which there is expected to be declining interest among Ontario travellers include: attending food and drink festivals, participating in harvesting operations, visiting amusement parks, viewing fireworks displays and mini-golfing. Attending ballets was identified as an emerging product for 2015, but drops out of the priority list in 2025.

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[2] Travel Intentions Study, TNS Canadian Facts
[3] Comparison of Travel Activities and Motivations Survey (TAMS) 2006, and Canadian Travel Survey (CTS) 2004 and International Travel Survey (ITS) 2004, Statistics Canada

Marketing Profiles

The second part of the report features information on demographics, travel behaviour and media preferences for each of the Region's three core segments in order to inform targeting choices and marketing decisions. Each segment is then further distilled into activity clusters, allowing marketers and others to pinpoint their specific markets and to targets them effectively.

Part I: Product Development Opportunities

Introduction

This report will focus on travellers who engaged in the attractions intrinsic to the Niagara Region, specifically activities related to wine, viewing natural wonders and going to casinos. This report will provide an overview of these activity segments and will explore opportunities for tourism sector growth, specifically looking at product development for the Niagara Region.

This report will examine the recent past, travel intentions and core activity segments and opportunities for growth using a variety of different information sources:

- The **Recent Past**, based on Statistics Canada's International Travel Survey (ITS) 2005 and Canadian Travel Survey (CTS) 2004;
- **Travel Intentions**, based on the Ministry's survey conducted by TNS Canadian Facts since November 2003; and
- **Core Activity Segments and Opportunities for Growth**, which is further subdivided by the US and Ontario markets, and is based on the 2006 Travel Activities and Motivations Survey (TAMS) conducted by Statistics Canada and TNS Canadian Facts on behalf of the Ministry and the TAMS partnership.

International Travel Survey (ITS), 2005 and Canadian Travel Survey (CTS), 2004

The ITS and CTS report statistics on the characteristics and trends of the domestic and international travel markets to Ontario such as:

- The performance of Ontario's tourism industry;
- Where the visitors come from;
- How much they spend in the province;
- What places they visit; and
- What activities they engage in while they are here.

The ITS is conducted by Statistics Canada with the help of Canada Customs and Immigration authorities who distribute questionnaires to a sample of travellers at border crossings. Travellers self-complete the questionnaires and mail them back to Statistics Canada. Questionnaires completed by same-day visitors from the United States who enter Canada by car do not contain any questions regarding the activities that these visitors engage in during their trip. For that reason, this report will report only on the activities of overnight visitors from the United States. Most of the remaining trip characteristics were obtained from 23,833 completed questionnaires by US visitors (out of 41,032 usable questionnaires of US visitors to Canada) and 5,447 completed questionnaires by overseas visitors (out of 10,740 usable questionnaires of overseas visitors to Canada).

The CTS is also conducted by Statistics Canada annually, and is a supplement to the Labour Force Survey. Co-sponsored by the provincial and federal governments, the CTS telephone interview captures the incidence and detail of travel by Canadians. A total of 201,560 Canadian households — including 57,570 Ontario households were surveyed during 2004. The response rates for Canadian and Ontario respondents were 83.1% and 80.4%, respectively.

The Ministry's Travel Intentions Study (TIS)

The TIS is a household survey of Americans, Ontarians and residents of Quebec City, Montreal and Winnipeg which is intended to measure intent to travel to Ontario and specific Ontario destinations within key US and domestic markets. The focus was on travel intentions for the March/May 2007 and June/August 2007 seasons and interviewing was conducted by telephone among individuals 18 years or older. In total, 5,840 interviews were completed - 1,909 in Canada and 3,931 in the United States.

The 2006 Travel Activities and Motivations Survey (TAMS)

TAMS examined the recreational activities and travel habits of Canadians and Americans over a two-year period (2004 and 2005). The survey provides detailed information on travellers' activities, travel motivators, places visited, type of accommodation used, impressions of Canada, demographics and media consumption patterns. The survey was conducted in Canada and the United States between January and June 2006 and it surveyed adults 18 years and over. The reference period for the data is 2004 and 2005.

The U.S. survey consisted only of a mail back survey as it used an existing panel:

- The panel's response rate for this survey was 71.3%
- The U.S. database consists of 60,649 completed responses

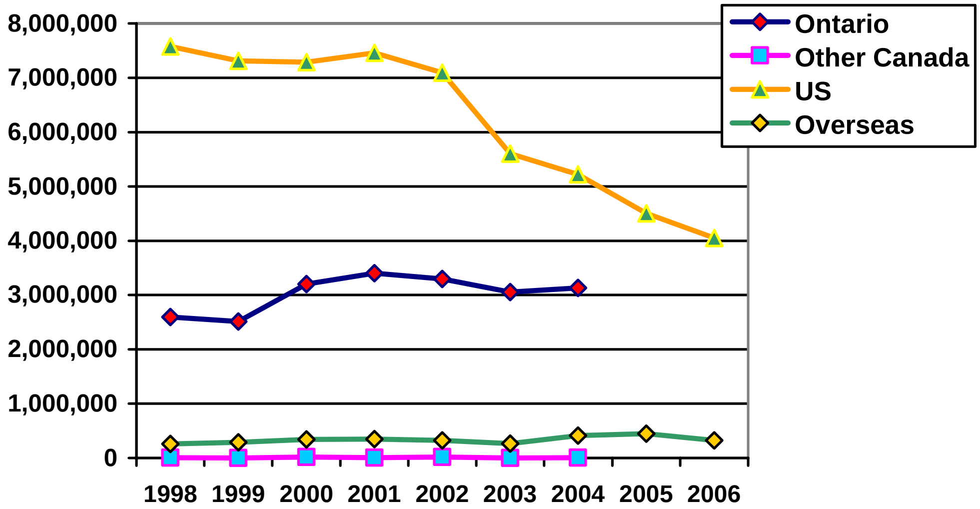
The Canadian survey consisted of a telephone and a mail back survey:

- The household response rate of the telephone survey was 65.4%
- The paper questionnaire response rate was 53.5%
- The Canadian database consists of 53,150 completed records from the telephone survey and 24,692 completed paper questionnaires

The Recent Past

What are the latest statistics for tourism in the Niagara Region?

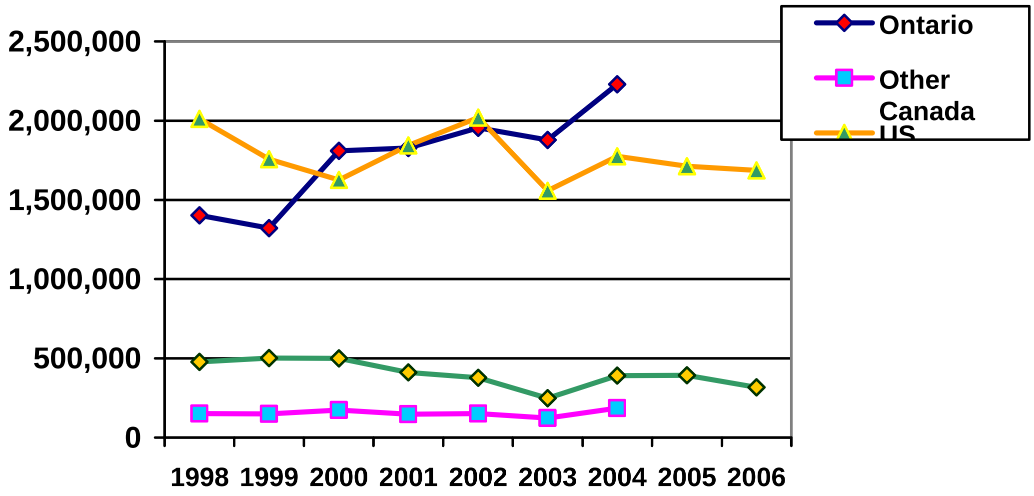
Figure 1: Same-day visitors to the Niagara Regional Municipality by Market



Same-day visitation to the Niagara Region declined 16% from 10.4 million in 1998 to 8.8 million in 2004. The US market share declined from 73% in 1998 to 60% in 2004, and as the data indicate, further declines in this share are expected in 2005 and 2006. If the Ontario market share remained at its 2004 level, then the Ontario market would be almost of equal significance as the US market in 2006.

The decline in same-day visitors to the Niagara Region is primarily due to the decline in US visitors, but the fact that all other three market segments (Ontario, overseas, other Canada) have remained stagnant over the period has not helped visitation to the Region.

Figure 2: Overnight visitors to the Niagara Regional Municipality by Market

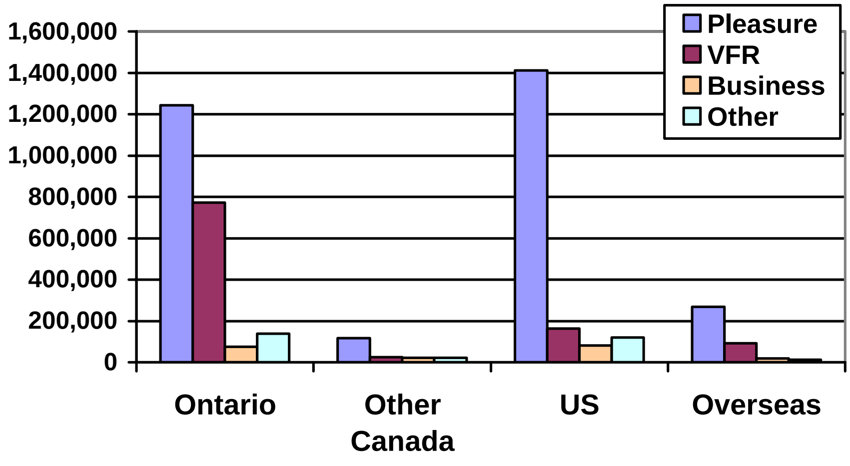


In the overnight market, the picture is quite different. Visits from other regions of Canada are showing some positive growth; while the US is exhibiting a negative trend, while still moving within its historical band of 1.5 to 2.0 million visitors. The overseas market is also showing a negative trend while the Ontario market is exhibiting substantial growth. Starting in 2003, the Ontario market is of a greater importance to the Region than the US market.

Why do overnight visitors travel to the Niagara Region?

The majority of visitors from every market travel to the Niagara Region for pleasure. However, Ontarians also travel there in order to visit friends and relatives.

Figure 3: Main Trip Purpose – Overnight Visitors, 2004



The following four figures show the activities of overnight visitors to Niagara Region. Sightseeing and shopping are the top activities for all market segments. For visitors from the US, overseas and from other regions in Canada, these two activities are followed by visits to historic sites and to provincial/national parks. However, for Ontarians, shopping and sightseeing are followed closely by visiting friends and relatives and going to the casinos.

Figure 4: Activities of Ontario's Overnight Visitors to the Niagara Region - 2004

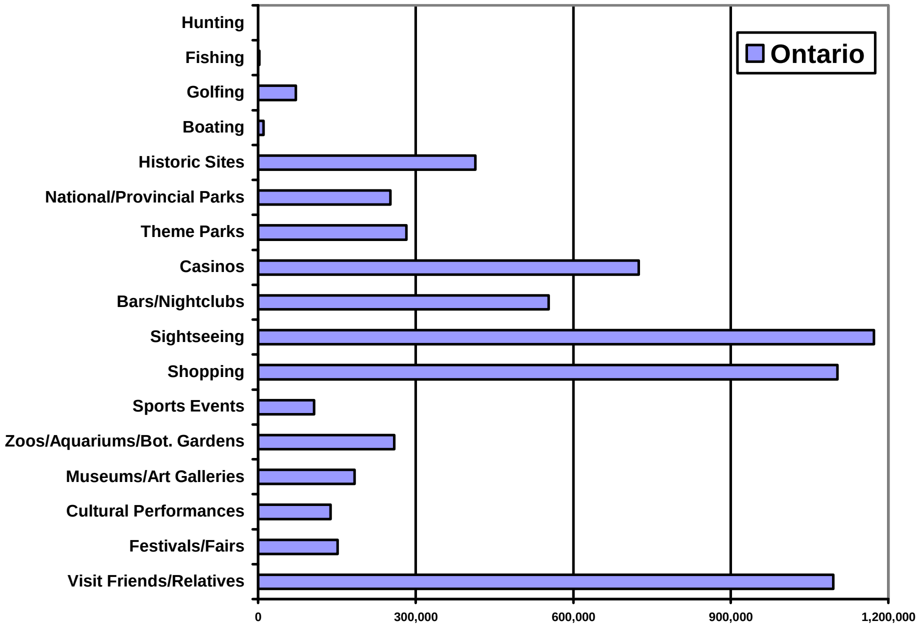


Figure 5: Activities of US Overnight Visitors to the Niagara Region - 2004

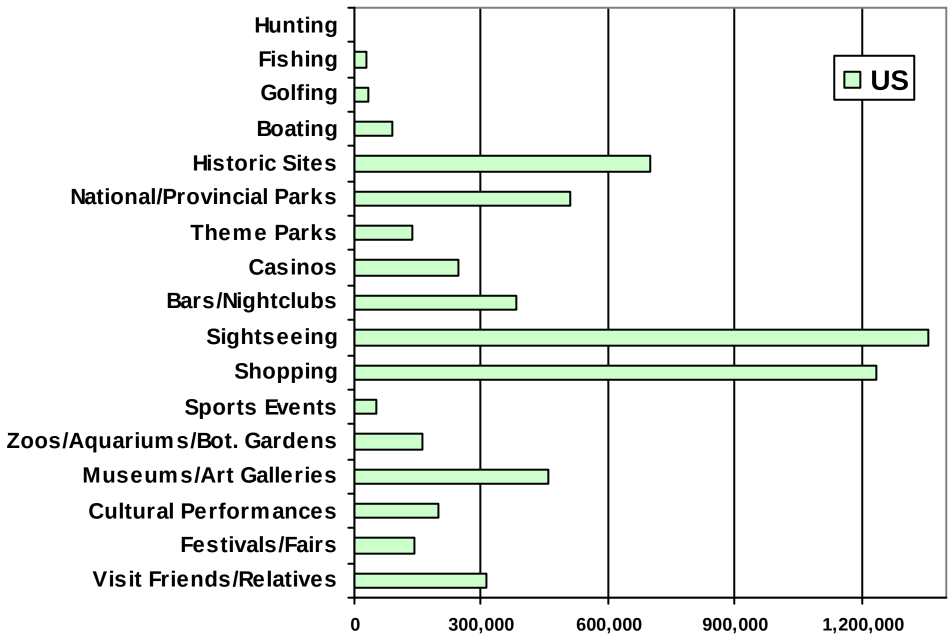


Figure 6: Activities of Other Canada Overnight Visitors to the Niagara Region - 2004

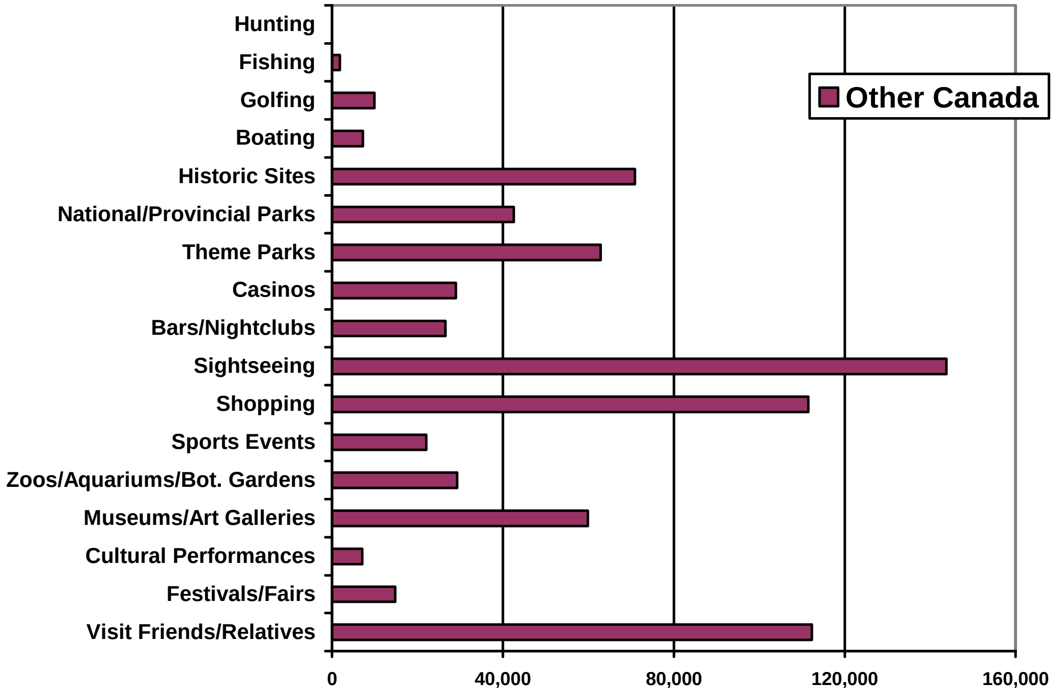
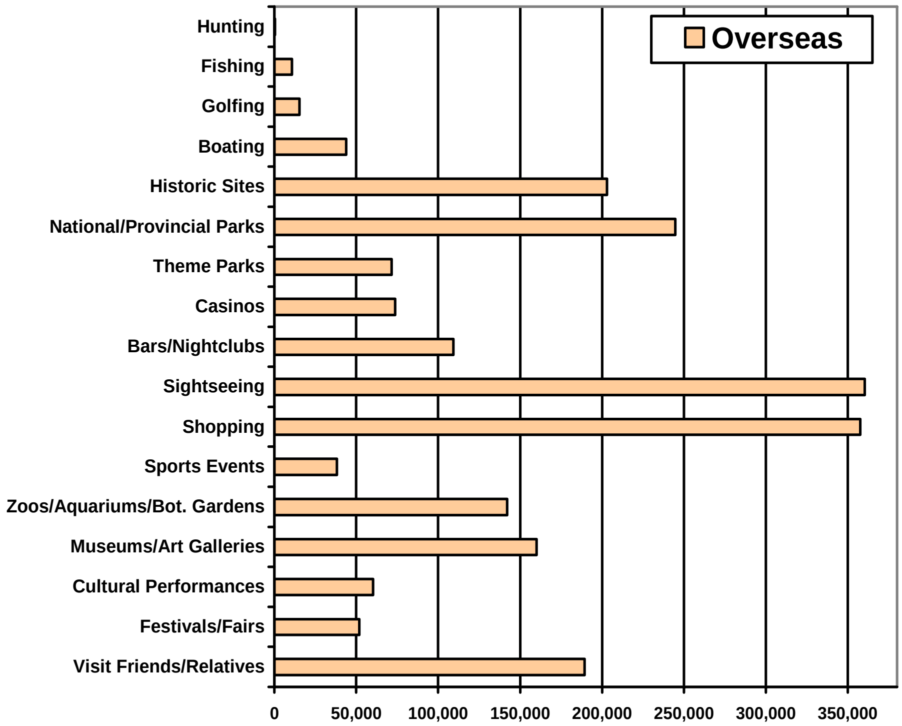


Figure 7: Activities of Overseas Overnight Visitors to the Niagara Region - 2004



THE US MARKET

Core Activity Segments and Opportunities for Growth

Definition of the Niagara Region's Core Activity Segments

Travellers who, during their trips anywhere in the world, participated in activities that are intrinsic to the Niagara Region were grouped to form three segments: the "wine segment", the "natural wonder segment" and the "casino segment".

- Travellers who went to wineries for day visits and tasting or stayed at a wine tasting school or went on a same-day winery tour or took cooking/wine tasting courses will henceforth be referred to as the **wine segment**;
- Travellers who visited a natural wonder will henceforth be referred to as the **natural wonder segment**; and
- Travellers who went to a casino or went on a same-day casino tour will be referred to as the **casino segment**.

How large are these US segments?

51% of American travellers, or 89.7 million, engaged in some of the offerings intrinsic to the Niagara Region during any of their trips in 2004-2005.

Table 1: American travellers who participate in Niagara's core activities while on a trip

	Segment		
	Wine	**Natural wonder**	**Casino**
Number of travellers engaging in activity (000s)	30,479	36,223	61,404
As % of total American travellers	17%	21%	35%
	Interaction with other segments		
Wine-related activities	100%	33%	27%
Natural wonder activity	40%	100%	28%
Casino-related activities	54%	47%	100%

Table 1 shows the size of each of these three segments and their interaction with each other. Relative to the other two segments, the casino segment is the largest accounting for 35% of all American travellers.

Interestingly, a large number of travellers who engage in wine-related activities and who visit natural wonders also engage in casino-related activities (54%). However, the opposite is not true. That is, the casino segment is less dedicated to wine activities and to viewing natural wonders (27% and 28%, respectively) than the wine and natural wonder segments are to casino-related activities.

Are these activities trip motivators for American travellers?

Although 89.7 million American travellers engaged in some of the primary segment activities, only 20% of them, or 35.1 million, mentioned that these primary activities were the main reason for taking at least one of their trips in 2004-2005.[4]

Table 2: Percent of American travellers for whom an activity available in the Niagara Region was the main reason for taking at least one of their trips

	Segment		
	Wine	**Natural wonder**	**Casino**
Number of travellers engaging in activity as a main reason (000s)	6,855	12,088	23,104
As % of total American travellers who participated in activity	22%	33%	38%
	Interaction with the other segments		
Wine-related activities	100%	16%	11%
Natural wonder activity	29%	100%	14%
Casino related activities	37%	28%	100%

Table 2 shows that the casino segment had the highest percentage of American travellers who indicated that the activity was the main reason for taking at least one of their trips during 2004-2005 (38%).

The wine and natural wonder segments appear to travel for the main purpose of going to a casino (37% and 28%, respectively) to a greater extent than the casino segment is motivated to travel for the main purpose of participating in activities centered on wine (11%) and viewing natural wonders (14%).

Potential Opportunity Segments for Niagara

Although the previously described activity segments contain a sizeable portion of the US traveling population that enjoys the type of activities that the Niagara Region has to offer, they do not necessarily constitute Niagara's potential market. Though these activities are available in the Niagara Region, it does not necessarily mean that those who travel for the purpose of participating in these activities will travel to Ontario to do so.

Consider the wine segment, for example: 8% of the total wine segment indicated that they do not think Ontario is a very appealing travel destination and the largest proportion of that group (17%) resides in California.

[4] Travellers who participated in a same-day winery tour or same-day casino tour were excluded from the wine and casino segments. Unfortunately, TAMS does not capture whether or not these activities were trip motivators.

These individuals, although motivated to travel for wine-centered activities, would not consider Ontario as a possible travel destination for the purpose of partaking in wine-related activities. For whatever reason (California's own wine-related offerings, distance, etc.), Ontario is not an attractive destination for this share of the wine segment.

Therefore, in order to identify the growth opportunities for the Niagara Region, the following criteria were imposed on the previously mentioned segments

- **Motivation to travel**: Travellers are motivated to travel (i.e. main reason) by at least one of Niagara's core strength activities - wineries, natural wonders, casino[5];
- **Destination appeal**: Travellers find Ontario to be an appealing travel destination;
- **Willingness to travel**: Travellers believe there are many good reasons to travel to the province; and
- **Importance of destination choice**: Travellers have indicated that the choice of destination is very or extremely important to them.

Table 3 shows the number of American travellers corresponding to the application of each of the above criteria. The opportunity sets defined with the above criteria were further divided into those who had visited Ontario in 2004-2005 and those who had not, as these two groups of travellers would most likely require different strategies, especially from a marketing point of view.

Table 3: Criteria for developing US Opportunity Sets

	Not Been to Ontario in past 2 years (16.6 million)			Been to Ontario in past 2 years (3.9 million)		
	Wine	Natural Wonder	Casino[6]	Wine	Natural Wonder	Casino
American travellers for whom one of Niagara's core activities was a main reason for taking at least one trip anywhere in the world (20.5 million)	5,683	9,795	6,526	1,172	2,293	1,936
	Not Been to Ontario in past 2 years (34.2 million)			Been to Ontario in past 2 years (8.4 million)		
American travellers for whom Ontario is a very appealing travel destination (score of 8, 9 or 10 out of a 10-point scale) (42.6 million)	1,631	2,910	4,701	719	1,502	1,608
	Not Been to Ontario in past 2 years (26.4 million)			Been to Ontario in past 2 years (7.6 million)		
American travellers for whom there were many good reasons to travel to Ontario (34 million)	1,274	2,259	3,590	690	1,329	1,446
	Not Been to Ontario in past 2 years(107.4 million)			Been to Ontario in past 2 years (9.8 million)		
American travellers for whom choice of destination is very or extremely important (117.2 million)	4,145	7,125	4,334	848	1,656	1,912

[5] Residents must be from Michigan, New York, Ohio or Pennsylvania.
[6] For those who took at least one trip for the main purpose of going to a casino, we further require that they are residents of either Michigan or New York, or Ohio or Pennsylvania. The reason for this restriction is that the Niagara casinos have more of a regional appeal as opposed to the Las Vegas casinos that have an international, or long-haul, appeal. This restriction applies to both of the casino segments (those who did and did not visit Ontario).

Applying all the above criteria to the earlier wine, natural wonder and casino segments provides us with Niagara's potential opportunity set within the American market which now contains 3.2 million travellers.

Table 4 shows the top 10 origin states for these 3.2 million travellers. The border states and, to a certain extent California where the largest share of the wine market resides (16%), constitute Niagara's primary markets.

Of the 3.2 million American travellers, or 2% of all American travellers, identified as the total opportunity set for the Niagara Region, 1.4 million (or 44%) have visited Ontario. The natural wonder segment is the largest segment of the total opportunity set, for both non-visitors to Ontario and visitors.

Table 4: State of Resident of U.S. opportunity set for Niagara Region (3.2 million travellers)

	Not Been to Ontario in past 2 years (1.8 million)			Been to Ontario in past 2 years (1.4 million)		
Top 10 states of Residence	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Total (000)	678	1,106	348	416	863	473
California	16%	12%	N/A	9%	8%	N/A
Illinois	7%	-	N/A	1%	5%	N/A
Texas	7%	10%	N/A	4%	-	N/A
Pennsylvania	6%	6%	30%	7%	12%	22%
New York State	5%	6%	39%	14%	12%	25%
Michigan	5%	-	13%	13%	10%	23%
New Jersey	5%	3%	N/A	3%	5%	N/A
Georgia	4%	3%	N/A	-	-	N/A
Virginia	4%	3%	N/A	-	-	N/A
Arizona	4%	4%	N/A	-	-	N/A
Florida	-	4%	N/A	3%	5%	N/A
Louisiana	-	4%	N/A	-	-	N/A
Ohio	-	4%	17%	10%	10%	30%
Minnesota	-	-	N/A	6%	3%	N/A
New Mexico	-	-	N/A	-	2%	N/A
Tennessee	-	-	N/A	-	3%	N/A

What other key activities do these segments engage in?

Table 5: Top activities for each of the Niagara segments (incidence of participation 50% plus)

	Not Been to Ontario in past 2 years (1.8 million)			Been to Ontario in past 2 years (1.4 million)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Well Known Natural Wonders	-	100%	-	62%	100%	52%
Day Visits to Wineries for Tasting	91%	-	-	95%	-	-
Casino	56%	-	100%	71%	70%	100%
Stroll A City To See Buildings and architecture	58%	71%	-	73%	70%	50%
Dine – Restaurants offering local ingredients and recipes	-	-	-	87%	77%	66%
Dine - High-End Restaurants of international reputation	78%	75%	63%	56%	-	-
Dine - Other High-End Restaurants	-	-	-	63%	-	-
Shop - Books/Music Stores	57%	53%	-	68%	54%	
Shop – Antiques	-	-	-	56%	-	-
Shop - Retail Gourmet Foods	50%	-	-	56%	-	-
Shop - Local Arts & Crafts	57%	60%	-	60%	57%	-
Shop- Clothing, Shoes, Jewellery	64%	61%	62%	80%	65%	65%
Local Outdoor Cafes	60%	59%	-	73%	61%	-
Live Theatre	-	-	-	52%	-	-
Farmers' Markets/ Country Fair	50%	-	-	55%	-	-
Movies	53%	-	-	55%	-	-
Well-know Historic Sites/Buildings	53%	76%	-	69%	70%	-
Other Historic Sites/Buildings	-	68%	-	60%	66%	-
Amusement Park	51%	-	-	55%	54%	57%
Art Galleries	50%	-	-	51%	-	-
National/Provincial Nature Park	-	59%	-	-	52%	-
Aquariums	-	-	-	-	58%	-

Listed below are the top activities (other than the segments' primary activities) for each of the Niagara segments (the list combines those who had been to Ontario with those who had not):

- **Wine segment:** restaurants offering local ingredients and recipes; local outdoor cafes; shopping for clothing, shoes and jewellery, strolling around to see buildings and architecture, and going to a casino.
- **Natural wonder segment:** restaurants offering local ingredients and recipes, visiting well known historic sites/buildings, strolling around a city to see buildings and architecture, and visiting "other" historic sites (i.e., not well-known).
- **Casino segment:** restaurants offering local ingredients and recipes; shopping for clothing, shoes and jewellery; going to amusement parks, strolling around to see buildings and architecture, and visiting well-known natural wonders.

There are three activities that are common to all three segments: restaurants offering local ingredients and recipes; strolling around a city to see buildings and architecture; and shopping for clothing, shoes and jewellery – though these are common to most travellers.

Other complementary products

Since there appears to be a focus on food among the Niagara opportunity segments, Table 6 below shows other food-related activities that could be considered as complementary tourism products:

Table 6: Secondary food-related activities (incidence of participation between 20-50%)

	Not Been to Ontario in past 2 years (1.8 million)			Been to Ontario in past 2 years (1.4 million)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Live Theatre with Dinner	23%	19%	20%	39%	21%	19%
Food / Drink Festivals	49%	23%	17%	48%	26%	24%
Participated in Harvesting/Other Farm Operation	9%	5%	5%	22%	7%	5%
Dine At A Farm	11%	7%	2%	23%	15%	9%
Day Visits to Breweries for Tasting	33%	20%	10%	43%	23%	23%
Fruit Picking At Farms	27%	19%	11%	32%	17%	10%
Visit Food Processing Plants	18%	19%	5%	35%	20%	14%
Stayed at Cooking School	9%	3%	3%	15%	2.5%	1%
Stayed at Inn/Resort with Gourmet Restaurant on premises	18%	7%	3%	25%	7%	6%

The primary target for these food-related activities is clearly the wine segment, but some of activities also have appeal within to the other segments. For example, live theatre with diner appeals to about 1-in-5 visitors within the casino and natural wonder segments.

In looking at complementary products in the area of attractions and festivals which might have appeal among the three Niagara opportunity segments, Tables 7 and 8 suggest that, in fact, the American casino segment is very specialized in the types of activities that it pursues and that casino goers are less likely to engage in other forms of activities. The wine and natural wonder segments, however, are more flexible in the types of activities they participate in while travelling.

Table 7: Additional activities related to attractions

Activities participated in	Not Been to Ontario in past 2 yrs (1.8 million)			Been to Ontario in past 2 yrs (1.4 million)		
	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Botanical Gardens	39%	35%	19%	44%	43%	28%
Garden Theme Park	18%	-	-	26%	-	19%
Musical Attractions	18%	-	-	32%	-	-
Movie Theme Park	23%	23%	-	26%	-	-
Planetarium	18%	17%	-	31%	20%	17%
Science & Technology Theme Park	-	-	-	26%	19%	-
Water Theme Park	24%	26%	20%	41%	25%	24%
Wax Museums	-	-	-	26%		-
Zoos	45%	39%	32%	49%	39%	31%
Entertainment Farms	23%	20%	-	24%	18%	-
Historical Replica/Re-Enactment	25%	33%	-	32%	31%	-
Museum - History/Heritage	38%	48%	18%	49%	47%	31%
Museum - Science/Technology	32%	31%	17%	49%	37%	25%
Museum - Military / War	27%	29%	-	41%	31%	23%
Paleo/Archaeological Sites	-	24%	-	29%	21%	-

Table 8: Additional activities related to festivals, fairs and performances

Activities participated in	Not Been to Ontario in past 2 yrs (1.8 million)			Been to Ontario in past 2 yrs (1.4 million)		
	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Ballet/Other Dance Performances	17%	-	-	27%	-	-
Classical/Symphony Concert	21%	-	-	34%	17%	-
Free Outdoor Performances	39%	33%	19%	40%	32%	30%
Jazz Concert	25%		-	30%	-	-
Rock & Roll/Popular Concert	26%	25%	26%	47%	27%	29%
Stand-Up Comedy/Variety Shows	26%	17%	20%	41%	26%	33%
Circus	-	-	-	24%	-	-
Carnivals	27%	20%	-	37%	21%	17%
Music Festivals	24%	-	-	39%	21%	-
Theatre Festivals	-	-	-	20%	-	-
Farmers' Markets/ Country Fair	50%	37%	29%	55%	40%	39%
Exhibition Or Fairs	33%	30%	19%	35%	28%	23%
Food / Drink Festivals	49%	23%	17%	48%	26%	24%
Ethnic Festivals	28%	17%	-	29%	23%	15%
Firework Displays	37%	32%	24%	47%	41%	30%
Hot Air Balloon Festivals	-	-	-	20%	-	-

How well does the Niagara Region meet the Americans' demand?

Table 9 shows the incidence of participation in various activities of overnight US visitors to Niagara Region and the incidence of participation in the same activities by the three segments (unfortunately, the International and Canadian Travel Surveys do not have the detail captured by TAMS and as such activities have to be aggregated)[7]:

Table 9: Incidence of participation in activities – existing vs. potential Niagara visitors from the US

	Existing overnight US visitors (1.8 million)			Potential market (3.2 million)		
Activity	Overall	Casino participants	Park visitors	Wine	Natural Wonder	Casino
	Activity Participation Rates					
Shopping	69%	68%	77%	91%	88%	77%
Theme parks	8%	3%	9%	71%	70%	62%
National/Provincial parks	29%	24%	100%	59%	66%	41%
Historic sites	39%	34%	60%	65%	80%	49%
Zoos/botanical gardens/aquariums	9%	17%	15%	68%	63%	50%
Museums/art galleries	26%	17%	37%	75%	69%	45%
Festivals and Fairs	8%	7%	7%	85%	71%	60%
Cultural performances	11%	13%	11%	79%	66%	67%
Casino	14%	100%	12%	64%	55%	100%

Although the Niagara Region appears to have many of the activities that overnight US visitors like to participate in when travelling, there is a very large discrepancy between what these travellers like to do and what they actually do when visiting the Niagara Region. Tables 9 and 10 would suggest that either the quality of the product or its awareness is not sufficient to induce US visitors to Niagara to participate in the local product offering or to visit the area for such an offering.

Table 10: Travellers' Familiarity with Ontario's Culinary Product

	Americans	Canadians
I am not familiar with Ontario's culinary offerings	70.3%	37.4%
I am aware of Ontario's culinary offerings, but have never considered taking a culinary trip to Ontario	22.9%	45.4%
I am aware of Ontario's culinary offerings, and I am considering taking a culinary trip to Ontario in the future	2.2%	5.3%
I have taken a culinary trip to Ontario in the past	2.8%	10.2%

Source: Travel Intentions Study, August 2004, Ontario Ministry of Tourism

[7] The following activities were aggregated from the TAMS for Table 9: **Shopping**: all the "shop or browse" activities in TAMS; **Theme Parks**: amusement park, garden theme park, musical attraction, movie theme park, planetarium, science & technology theme park, water them park, wax museums and historical replica; **National/Provincial nature park**: national provincial nature park, public campground in a national provincial park and interpretive centre in a national/provincial park; **Historic Sites**: archaeological/ paleontological sites, well known historic site or building, other historic sites or buildings; **Zoos/Aquariums/Botanical ganders**: only these three; **Museums/art galleries**: all 4-types of museums and art galleries; **Festivals and Fairs**: all activities under festivals and fairs; **Casinos**: went to a casino and same day tour to a casino; and **Cultural Performance**: all activities under performing arts.

Further evidence of the disconnect between what US travellers like to do and what they actually do or think they could do in the Niagara Region is provided by the Travel Intentions Study. During the February 2007 wave of this study, 47% of Americans, 60% of Ontarians and 65% of Quebec travellers indicated that they were very or fairly interested in visiting Niagara Falls over the next two years for the following reasons:

Table 11: Reasons for being interested in visiting Niagara Falls over the next two years

	Americans	Canadians
To See the Falls	62%	55%
Its Beautiful	9%	4%
I Like Niagara	9%	3%
The Casino	7%	19%
To See the Sights	6%	6%
Scenery	5%	6%
Tourist Attractions	3%	7%

And when, in the same study, American travellers were asked to provide their “must see” destinations around the world, only 0.2% of them mentioned Niagara Falls.

Table 12: Niagara Falls’ Standing as a “Must See” Destination
Mentions Of Niagara Falls Among Residents Of…

US Near Market	0.2%
Buffalo/New York/Syracuse/ Rochester	0.0%
US Mid market	0.4%
Overall US market	0.3%
Canadian Market	0.6%

What the preceding analysis appears to show is that the Niagara Region suffers from an awareness and/or quality problem as a destination overall, and as a supplier of specific tourism-related products. The only product that breaks through appears to be the Falls and as such it should be the Falls that act as the centerpiece of a much broader package of travellers experiences.

Product Development

The bricks and mortar of the tourism product

Putting all of the above together, here is a pictorial representation of a product strategy for the Niagara Region for the US market.

Core Products
- **The Falls**
- **Wineries**
- **Casino**

Secondary food products
- Local restaurants offering local ingredients and recipes
- Outdoor cafes
- High-end restaurants with or without an international reputation

(52%-73% participation rates)

Shopping/strolling
- Clothes, shoes, jewellery stores
- Local crafts & arts stores
- Beautification of sidewalks, shop frontages, buildings, pedestrian zones, etc.
- Books and music stores

(51%-63% participation rates)

Other attractions
- Secondary historic sites/buildings
- Amusement parks

(48%-54% participation rates)

Tertiary food products
- Gourmet food stores
- Food and drink festivals
- Farmers' markets

(28%-38% participation rates)

Secondary shopping
- Antiques

(40% participation rates)

Tertiary attractions
- History/heritage museum
- Zoos and aquariums
- Nature parks
- Movie and IMAX theatres
- Art galleries
- Firework displays
- Botanical gardens
- Live theatre
- Free outdoor performances
- Science/technology museum

(30%-47% participation rates)

Related Niche-Products: Food
- Cooking/wine tasting courses with or without accommodations on site
- Fruit picking at farms
- Visit food processing plants
- Dining at farms
- Harvesting and other farm operations
- Country inns/resorts with gourmet restaurants

(6%-19% participation rates)

Related niche-products: Attractions
- Lake/riverside resorts
- Rock/pop concerts
- Campgrounds
- Military museums
- Water theme park
- Historical replica with re-enactments
- Stand-up Comedy shows
- Carnivals
- Live theatre with diner
- Music festivals
- Golfing with or without a resort
- Health spa (day visit or overnight)

(18%-29% participation rates)

Infrastructure and the softer stuff

Apart from the bricks and mortar, however, the quality, scale and awareness of existing products in Niagara will need to be addressed and improved.

The proposed product strategy could also form the basis of a branding exercise since it is the various products and the related 'softer stuff' that form the dimensions of a destination's brand.

In terms of the softer stuff, Table 13 shows that Niagara's opportunity set expects that the destination should have certain "qualitative" dimensions and provide certain psychological "returns".

Traveller Expectations

The American travellers that make up Niagara's opportunity set are looking for destinations that:

- Offer lots of things for adults to do;
- Are hassle-free; and
- That allows them to relax and take a break.

Table 13: Expectations and benefits sought from a pleasure destination (% of travellers)

Segment	What is **highly important** to them when choosing a pleasure destination?
Total Opportunity Set	**Primary importance** **1.** Feeling safe at the destination (76%) **2.** Lots of things for adults to do (69%) **3.** Convenient access by car (55%) **4.** No health concerns at the destination (52%) **5.** Availability of mid-range accommodation (37%)
Segment	What are the highly important benefits sought for pleasure travel?
Total Opportunity Set	**Primary importance** **1.** Get a break from the day-to-day environment (77%) **2.** Relax and relieve stress (75%) **3.** Create lasting memories (73%) **4.** To see or do something new and different (70%) **5.** Enrich relationship with spouse/partner/children (62%)

Challenges

Niagara Falls has limited "shielding" from the effects that are impeding overnight travel in virtually all of Ontario. According to the Travel Intentions Survey, these are some of the issues that the Niagara Region will also need to address:

- Passport requirements - this is the most significant issue that would make Americans less inclined to visit Ontario;
- The rising Canadian dollar;
- Awareness, variety and quality issue - "I have been there before" (Canadians 55%, Americans 34%) and "Not interested in visiting Niagara Falls" (Canadians 21%, Americans 21%)

Transportation

Finally, there is the issue of transportation that is central to tourism.

- Difficulties crossing the border will discourage some US visitors from visiting Ontario (1.1% of all American travellers mention this as an issue in February of 2007, but 2.3% in August of 2004 when traffic jams are more acute).
- According to a recent study by the Ontario Ministry of Tourism (Ontario's Tourism Outlook, June 2007), same-day visits by Ontarians in Ontario may decline by as much as 4.8% in 2011 due to increased traffic on provincial highways. Highway volumes in Ontario have increased by 40% since 1990, and are projected to increase by another 7% by 2011. Since most of these traffic volumes occur in the horseshoe area, it will affect not only the Niagara Region's same-day traffic from Ontario but also the US traffic across the border. Eventually, as travellers become aware of the problem it may also affect overnight trips of a short duration.
- In 2005 (International Travel Survey), 44% of all US visitors who entered Canada through one of the Niagara ports for an overnight trip visited places other than the Niagara Region while 3.4% of the overnight US visitors who entered Canada through Pearson International Airport visited the Niagara Region. As such, traffic on provincial highways in the horseshoe area affects Niagara as well as other parts of Ontario.
- A related issue around highway traffic and same-day visitors is that these visitors are necessary to keep some of the area attractions profitable and, as such, they "cross-subsidize" overnight travellers who are looking for "lots of things to do". In light of this, same-day travellers cannot be ignored in a product strategy.

Projections for 2015 and 2025: US Market

Table 14: Projected Future Growth

Segment	2015	2025
Total Opportunity Segment	3.3 million	3.5 million
Wine	1.1 million	1.2 million
Natural Wonder	2.0 million	2.1 million
Casino	841,000	858,000

Overall, a slight to moderate increase in the total opportunity segment is expected in 2015 and 2025 over current levels (3% and 9%, respectively). The wine segment is expected to grow the most in 2015 and 2025 (10% and 20%, respectively over current levels), followed by the natural wonder segment (5% and 11%, respectively) and the casino segment (2% and 4%, respectively).

Table 15 highlights the implications the projections for 2015 and 2025 would have on the Niagara Region's product strategy in the future. Those activities which show declining or increasing levels of interest as well as those which could be considered as emerging interests relative to current 2006 levels are indicated.

Table 15: Growth of Specific Supplementary Products			
	2006	**2015 over 2006**	**2025 over 2006**
Total	3.2 million	3%	9%
Wine	**1.0 million**	**10%**	**20%**
Natural Wonder	1.9 million	5%	11%
Casino	822,000	2%	4%
Food-Related Products		Rate of change	Rate of change
Local restaurants offering local ingredients and recipes	2,334	2%	8%
Outdoor cafes	1,671	3%	7%
High-end restaurants with or without an international reputation	1,658	2%	9%
Farmers' markets	1,210	3%	10%
Gourmet food stores	1,100	1%	8%
Food and drink festivals	879	3%	11%
Fruit picking at farms	552	3%	**-1%**
Visit food processing plants	**507**	**6%**	**12%**
Dining at farms	298	14%	10%
Country inns/resorts with gourmet restaurants	255	2%	11%
Harvesting and other farm operations	200	11%	18%
Shopping/ Strolling		Rate of change	Rate of change
Cloths, shoes, jewellery stores	2,020	1%	7%
Beautification of sidewalks, shop frontages, buildings, pedestrian zones, etc.	1,927	2%	9%
Local crafts & arts stores	1,648	3%	8%
Books and music stores	1,641	2%	10%
Antiques	1,266	3%	10%
Greenhouse or garden centre	-	4%	11%
Other Attractions		Rate of change	Rate of change
Secondary historic sites/buildings	1,710	2%	10%
Amusement parks	1,521	1%	4%
Nature parks	1,492	1%	8%
Movie theatres	1,333	2%	7%
History/heritage museum	**1,255**	**2%**	**12%**
Zoos	1,210	3%	7%
Aquariums	1,173	2%	7%
Art galleries	1,171	**-1%**	6%
Firework displays	1,084	3%	7%
Botanical gardens	1,053	0%	11%
Live theatre	**1,012**	**4%**	**12%**
Free outdoor performances in a park setting	**992**	**2%**	**13%**
Imax Theatres	**989**	**5%**	**12%**
Science/technology museum	948	3%	11%
Lakeside/riverside resorts	910	3%	11%
Rock/pop concerts	850	**-5%**	**-3%**
Campgrounds	835	5%	11%
Military museums	805	3%	11%
Water theme park	789	5%	7%
Historical replica with re-enactments	765	4%	10%
Stand-up Comedy shows	714	0%	8%
Carnivals	644	5%	7%
Live theatre with diner	**626**	**3%**	**13%**
Music festivals	**583**	**3%**	**12%**
Golfing with or without a resort	561	**-7%**	**-2%**
Health spa (day visit or overnight stay)	279	**-**	**-**
Mini-golf	650	3%	1%
Ethnic festivals	**-**	**1%**	**12%**

The Ontario Market

Core Activity Segments and Opportunities for Growth

The following section focuses on the Niagara Region's second primary market – Ontario residents who travelled for an out-of-town trip of one or more nights during 2004-2005.

How large are these Ontario segments?

53% of Ontario travellers, or 4.2 million Ontarians, engaged in some of the offerings intrinsic to the Niagara Region during their trips in 2004-2005.

Table 16: Ontario's travellers who participate in Niagara's core activities while on a trip

	Segment		
	Wine	**Natural wonder**	**Casino**
Number of travellers engaging in activity (000s)	1,544	2,025	2,567
As % of total Ontario travellers	19%	25%	32%
	Interaction with other segments		
Wine- related activities	100%	32%	26%
Natural wonder activity	42%	100%	35%
Casino related activities	44%	44%	100%

Table 16 shows the size of each of these three segments and their interaction with each other. Relative to the other two segments, the casino segment is the largest segment, accounting for 32% of all Ontario travellers.

Similar to their American counterparts, a large proportion of Ontarians who engage in wine-related activities and who visit natural wonders also engage in casino-related activities (44% of the wine segment and 42% of the natural wonder segment). Conversely, the casino segment is less dedicated to wine and natural wonder activities (26% and 35%, respectively).

Are these activities trip motivators for Ontario travellers?

While 4.2 million Ontario travellers engaged in some of the primary segment activities, only 15% of them, or 1.3 million Ontario travellers, reported that participating in these primary activities intrinsic offerings of the Niagara Region were the main reason for taking some of their trips in 2004-2005. [8]

Table 17: Percent of Ontario's travellers for whom an activity available in the Niagara Region was the main reason for taking some trips

	Segment		
	Wine	**Natural wonder**	**Casino**
Number of travellers engaging in activity as a main reason (000s)	294	595	597
As % of total Ontario travellers who participated in activity	19%	29%	23%
	Interaction with the other segments		
Wine-related activities	100%	12%	11%
Natural wonder activity	24%	100%	22%
Casino-related activities	23%	22%	100%

Table 17 shows that the natural wonder segment had the highest percentage of Ontario travellers who indicated that the activity was the main for taking at least one of their trips during 2004-2005 (29%).

- The Ontario wine segment had the highest percentage of travellers also travelling for the main reason of viewing natural wonders and going to casinos (24% and 23%, respectively).

[8] Travellers who participated in a same-day winery tour or same-day casino tour were excluded from the wine and casino motivation segments. Unfortunately, TAMS does not capture whether or not these activities acted as trip motivators.

Potential Opportunity Segments for Niagara

As with US market, an additional level of segmentation was undertaken since not all of the travellers who enjoy the type of activities that the Niagara Region has to offer necessarily constitute Niagara's potential market.

Consider a portion of Ontario's wine segment for example – approximately 19% of Ontario residents who were motivated to take trips for wine-related activities indicated they find Ontario unappealing or only somewhat appealing as a travel destination (1% and 18%, respectively). This market of travellers is more likely to substitute Ontario for other destinations, whereas those travellers who indicated Ontario is very appealing are more likely to travel within the province.

Therefore, in order to focus more specifically on the portion of the segments described in the previous section that represent the growth opportunities for the Niagara Region, the following additional criteria were imposed:

- Motivation to travel;
- Destination appeal ;
- Willingness to travel; and
- Importance of destination choice.

Table 18 shows the number of Ontarians who meet each of the criteria set out above. The opportunity sets defined were further divided into those who had travelled in Ontario and those who did not, as these two groups of travellers would most likely require different strategies, especially from a marketing point of view.

Table 18: Criteria for developing Niagara's opportunity set (000)

	Travelled in Ontario in past 2 years (1.1 million)			Not travelled to Ontario in past 2 years (112,000)		
	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Ontario travellers for whom one of Niagara's core activities was a main reason for taking at least one trip anywhere in the world (1.2 million)	271	556	532	22	38	65
	Travelled in Ontario in past 2 years (4.6 million)			Not travelled to Ontario in past 2 years (714,000)		
Ontario travellers for whom Ontario is a very appealing travel destination (scores 8,9 or 10 out of a 10 point scale) (5.3 million)	214	416	403	18	20	28
	Travelled in Ontario in past 2 years (4.4 million)			Not travelled to Ontario in past 2 years (610,000)		
Ontario travellers for whom there were many good reasons to travel to Ontario (5.0 million)	193	421	365	18	22	29
	Travelled in Ontario in past 2 years (4.2 million)			Not travelled to Ontario in past 2 years (896,000)		
Ontario travellers for whom choice of destination is very or extremely important to them (5.1 million)	191	397	344	20	27	50

Applying all the above filters to the earlier wine, natural wonder and casino segments, provides us with Niagara's potential opportunity set within Ontario. The segment comprises a total of 525,000 Ontario travellers.

Table 19 shows top 10 places of residence for these travellers.

Table 19: Place of Residence for Ontario opportunity set for Niagara Region (525,000 travellers)

	Travelled in Ontario in past 2 years (484,000)			Not travelled in Ontario in past 2 years (41,000)		
Top 10 Places of Residence	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Total (000)	**117**	**258**	**216**	**13**	**12**	**16**
Toronto	46%	33%	40%	71%	43%	55%
Other Ontario	20%	26%	24%	28%	17%	23%
Hamilton	8%	7%	9%	-	2%	4%
Ottawa	6%	8%	7%	2%	5%	12%
London	5%	5%	4%	-	-	2%
Oshawa	5%	5%	6%	-	-	-
Windsor	4%	4%	-	-	-	-
Kitchener	3%	4%	3%	-	33%	5%
St. Catharines-Niagara	1%	-	3%	-	-	-
Kingston	1%	3%	2%	-	-	-
Greater Sudbury	-	2%	1%	-	-	-

The primary markets for the Niagara Region are Toronto and "Other Ontario" (which specifically excludes the municipalities of Ottawa, Kingston, Toronto, Hamilton, St. Catharines-Niagara, Kitchener, London, Windsor, Greater Sudbury and Thunder Bay.)

Of the 525,000 Ontario travellers, or 6% of all Ontario travellers, identified as the total opportunity set for the Niagara Region, 484,000 (or 92%) have visited Ontario. The natural wonder segment is the largest segment of the total opportunity set for those who travel in Ontario and the casino segment is the largest segment for the non-visiting group.

What other key activities do these segments engage in?

Table 20: Top activities for each of the Niagara segments (incidence of participation 50% plus)

	Travelled in Ontario in past 2 years (484,000)			Not travelled in Ontario in past 2 years (41,000)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Visited well known natural 'wonders'	-	100%	-	-	100%	-
Strolled city observe bldgs & architecture	69%	77%	-	-	-	-
Restaurants – local ingredients/recipes	67%	71%	58%	53%	93%	-
Visited known historic sites/ buildings	-	69%	-	51%	54%	-
Shop/browse bookstores or music stores	-	67%	-	-	-	-
Shop/browse clothing, shoes, jewellery	66%	66%	70%	69%	95%	54%
Shop local arts-crafts studio/exhibition	58%	61%	-	51%	-	-
Went to local outdoor cafes	54%	56%	-	-	61%	-
Nature park	-	55%	-	-	-	-
Visited other historic sites/monuments/buildings	-	54%	-	-	-	-
Went to casino(s)	-	52%	100%	34%	67%	100%
Sunbathing/sitting on beach	58%	51%	55%	-	-	-
Swimming in lakes	-	51%	50%	-	-	-
Visited museum- general history/heritage	-	51%	-	54%	-	-
Visited wineries for day tastings	95%	-	-	100%	-	-
Attended ethnic festivals	-	-	-	73%	-	-
Swimming in oceans	-	-	-	61%	-	-
Golfing- played occasionally	-	-	-	53%	-	-
Stayed in lakeside/riverside resort	-	-	-	53%	-	-
Visited amusement parks	-	-	-	50%	-	-
Visited botanical gardens	-	-	-	-	54%	-
Attended classical or symphony concerts	-	-	-	-	52%	-
Went fruit picking at farms/open fields	-	-	-	-	-	52%

Listed below are the top 5 other activities (other than the segments' primary activities) for each of the Niagara segments:

- **Wine segmen**t: strolling around a city to see buildings and architecture; restaurants offering local ingredients and recipes; shopping for arts and crafts; shopping for clothing, shoes and jewellery; and sunbathing/sitting on a beach.
- **Natural wonder segment:** strolling around a city to see buildings and architecture, restaurants offering local ingredients and recipes, visited known historic sites/ buildings; shopping for clothing, shoes and jewellery; and shopping for books and music.
- **Casino segment:** restaurants offering local ingredients and recipes; shopping for clothing, shoes and jewellery; sunbathing/ sitting on a beach and swimming in lakes.

Other complementary products

Since food-related activities appear to be of significant interest for these segments, Table 21 below shows other food-related activities that could be considered as complementary tourism products in the Niagara Region's product strategy:

Table 21: Complementary food-related activities (incidence of participation between 20-50%)

	Travelled in Ontario in past 2 years (484,000)			Not travelled in Ontario in past 2 years (41,000)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Dining in other high-end restaurants	41%	47%	37%	39%	36%	-
Dining in restaurants with an international reputation	37%	39%	23%	46%	-	20%
Shop/browse gourmet food stores	33%	28%	23%	40%	33%	21%
Attending farmers markets/ country fairs	48%	45%	33%	-	20%	-
Live theatre with dinner	-	-	-	48%	-	-
Food/drink festivals	21%	-	-	39%	-	-
Fruit picking at farms	23%	20%	20%	-	-	-

The wine segment is the primary target for these food-related activities; however, all three segments that have travelled in Ontario are also important secondary targets. Shopping or browsing for gourmet foods appeals to all segments, followed closely by dining in other high-end restaurants and dining in restaurants with an international reputation.

Significantly, the travellers in the wine segment that had not travelled to Ontario showed significant interest in most of the food-related activities listed. This group would certainly merit further investigation given their interest in wine and food-related activities and their positive predisposition to Ontario to determine why they have not taken any overnight trips in their own province.

In terms of other complementary products in the area of festivals, fairs and attractions, Tables 22 and 23 suggest that the casino segment that has not travelled in Ontario is very specialized and activity-focused when they travel. They are less likely to engage in other forms of activities, whereas the wine and natural wonder segments are more flexible in the types of activities they participate in.

Table 22: Additional activities related to festivals, fairs and performances

	Travelled in Ontario in past 2 years (484,000)			Not travelled in Ontario in past 2 years (41,000)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Ballet/Other Dance Performances	15%	16%	11%	35%	39%	-
Classical/Symphony Concert	13%	12%	7%	37%	52%	-
Free Outdoor Performances	31%	27%	23%	12%	38%	33%
Jazz Concert	12%	12%	10%	35%	-	-
Rock & Roll/Popular Concert	21%	27%	30%	-	14%	-
Stand-Up Comedy/Variety Shows	18%	17%	14%	35%	10%	7%
Circus	6%	7%	4%	10%	-	-
Carnivals	8%	9%	17%	35%	10%	-
Music Festivals	18%	16%	11%	-	38%	24%
Theatre Festivals	15%	12%	8%	-	-	-
Farmers' Markets/ Country Fair	48%	45%	33%	-	20%	-
Exhibition Or Fairs	21%	26%	17%	21%	-	-
Food / Drink Festivals	21%	16%	19%	38%	11%	21%
Ethnic Festivals	7%	15%	15%	73%	10%	-
Firework Displays	22%	33%	25%	-	13%	10%
Hot Air Balloon Festivals	-	-	-	-	-	-

Table 23: Additional activities related to attractions

	Travelled in Ontario in past 2 years (484,000)			Not travelled in Ontario in past 2 years (41,000)		
Activities participated in	Wine	Natural Wonder	Casino	Wine	Natural Wonder	Casino
Botanical Gardens	27%	35%	21%	-	54%	7%
Garden Theme Park	8%	19%	11%	35%	20%	5%
Musical Attractions	13%	15%	14%	-	6%	5%
Movie Theme Park	8%	6%	7%	35%	-	7%
Planetarium	4%	8%	6%	35%	-	-
Science & Technology Theme Park	19%	21%	25%	45%	29%	5%
Water Theme Park	16%	22%	17%	-	-	-
Wax Museums	6%	13%	12%	10%	29%	-
Zoos	23%	28%	20%	10%	49%	5%
Entertainment Farms	13%	15%	15%	-	-	-
Historical Replica/Re-Enactment	16%	31%	15%	6%	4%	8%
Museum – History/Heritage	31%	50%	29%	54%	15%	12%
Museum – Science/Technology	19%	21%	13%	45%	29%	-
Museum – Military / War	20%	28%	19%	10%	-	7%
Paleo/Archaeological Sites	7%	15%	8%	4%	11%	-

How well does the Niagara Region meet the Ontario travellers' demand?

The table below shows the incidence of participation in various activities of overnight Ontario visitors to the Niagara Region and the incidence of participation in the same activities among the three segments (unfortunately the International and Canadian Travel Surveys do not have the detail captured by TAMS and as such activities have to be aggregated)[9]

Table 24: Incidence of participation in activities – existing vs. potential Niagara visitors from Ontario

	Existing overnight Ontario visitors (2.2 million)			Potential market (525,000)		
Activity	Overall	Casino visitors	Park visitors	Wine	Natural Wonder	Casino
	Activity Participation Rates					
Shopping	49%	53%	49%	81%	89%	78%
Theme parks	13%	8%	21%	49%	66%	53%
National/Provincial parks	11%	11%	100%	51%	63%	46%
Historic sites	19%	21%	55%	58%	65%	46%
Zoos/botanical gardens/aquariums	12%	15%	31%	42%	62%	38%
Museums/art galleries	8%	11%	7%	57%	64%	41%
Festivals and Fairs	7%	7%	4%	75%	73%	59%
Cultural performances	6%	5%	4%	65%	68%	58%
Casino	32%	100%	35%	50%	54%	100%

Although the Niagara Region appears to have many of the travel products and activities that Ontarians taking overnight trips look for, there is a very large discrepancy between what these travellers do when they travel and what they actually do when visiting the Niagara Region (Table 24).

As discussed earlier with regards to the US market, the Travel Intentions Study provides further evidence that the variety, quality and/or awareness of the Niagara tourism offering is not sufficient to motivate Ontarians to visit the Region.

9 The following activities were aggregated from the TAMS for Table 24: **Shopping**: all the "shop or browse" activities in TAMS; **Theme Parks**: amusement park, garden theme park, musical attraction, movie theme park, planetarium, science & technology theme park, water them park, wax museums and historical replica; **National/Provincial nature park**: national provincial nature park, public campground in a national provincial park and interpretive centre in a national/provincial park; **Historic Sites**: archeological/paleontological sites, well known historic site or building, other historic sites or buildings; **Zoos/Aquariums/Botanical gardens**: only these three; **Museums/art galleries**: all 4-types of museums and art galleries; **Festivals and Fairs**: all activities under festivals and fairs; **Casinos**: went to a casino and same day tour to a casino; and **Cultural Performance**: all activities under performing arts.

Product Development

The bricks and mortar of the tourism product

Putting all of the above together, here is a pictorial representation of a product strategy for the Niagara Region for the Ontario market.

Core Products
- **The Falls**
- **Wineries**
- **Casino**

Secondary food products
- Local restaurants offering local ingredients and recipes
- Outdoor cafes
- High-end restaurants with or without an international reputation

(47%-64% participation rates)

Shopping/strolling
- Clothes, shoes, jewellery stores
- Local crafts & arts stores
- Beautification of sidewalks, shop frontages, buildings, pedestrian zones, etc.
- Books and music stores

(49%-67% participation rates)

Other attractions
- Secondary historic sites/buildings
- Nature parks

(40%-42% participation rates)

Tertiary food products
- Gourmet food stores
- Farmers' markets

(26%-34% participation rates)

Secondary shopping
- Antiques
- Garden centres/ greenhouses

(26%-37% participation rates)

Tertiary attractions
- Lake/riverside resorts
- History/heritage museum
- Movie theatres
- Campgrounds
- Amusement parks
- Art galleries
- Live theatre
- Science/technology museum

(27%-37% participation rates)

Related Niche-Products: Food
- Cooking/wine tasting courses with or without accommodations on site
- Food and drink festivals
- Fruit picking at farms
- Visit food processing plants
- Dining at farms
- Harvesting and other farm operations
- Country inns/resorts with gourmet restaurants

(5%-18% participation rates)

Related niche-products: Attractions
- Rock/pop concerts
- Botanical gardens
- Free outdoor performances in a park
- Firework displays
- Zoos
- Military museums
- Aquariums
- Historical replica with re-enactments
- Mini golf
- Exhibitions or fairs
- Imax Theatres
- Professional hockey games
- Water theme park
- Stand-up Comedy shows
- Live theatre with diner
- Golfing with or without a resort

(15%-25% participation rates)

Infrastructure and the softer stuff

As Table 25 below shows, the Ontario market is very similar to the US market in terms of the "qualitative" dimensions that they are looking for when choosing a travel destination. The only additional dimension mentioned by Ontarians was the threat of violence and/or crime as a barrier to travel in Ontario[10] (6.6%). This figure is substantially higher than the corresponding figure in the US.

Table 25: Expectations and benefits sought from a pleasure destination % of travellers)	
Segment	What is **highly important** about pleasure destinations?
Total Opportunity Set	**Primary importance** **1.** Feeling safe at the destination (78%) **2.** Lots of things for adults to do (66%) **3.** Convenient access by car (53%) **4.** No health concerns at the destination (52%) **5.** Availability of mid-range accommodation (44%)
Segment	What are the **highly important** benefits sought from pleasure travel?
Total Opportunity Set	**Primary importance** **1.** Get a break from the day-to-day environment (74%) **2.** Relax and relieve stress (74%) **3.** Create lasting memories (68%) **4.** Enrich relationship with spouse/partner/children (62%) **5.** See or do something new and different (62%)

Projections for 2015 and 2025: Ontario Market

Table 26: Projected Future Growth		
Segment	2015	2025
Total Opportunity Segment	577,000	632,000
Wine	145,000	168,000
Natural Wonder	296,000	315,000
Casino	232,000	262,000

Overall, moderate growth in the total opportunity segment is expected in 2015 and 2025 over current levels (10% and 20%, respectively). The wine segment is expected to grow the most in 2015 and 2025 over current levels (11% and 28%, respectively), followed by the natural wonder segment (10% and 17%, respectively) and the casino segment (5% and 13%, respectively).

Table 27 highlights the implications the projections for 2015 and 2025 would have on the Niagara Region's tourism product strategy for the Ontario market. Those activities which show declining or increasing levels of interest as well as those which could be considered emerging interests relative to current 2006 levels are indicated.

[10] Travel Intentions Survey, February 2007.

Table 27: Growth of Supplementary Products			
	2006	**2015 over 2006**	**2025 over 2006**
Total	525,000	10%	20%
Wine	**131,000**	**11%**	**28%**
Natural Wonder	270,000	10%	17%
Casino	232,000	5%	13%
Food-Related Products		Rate of change	Rate of change
Local restaurants offering local ingredients and recipes	335	9%	19%
High-end restaurants with or without an international reputation	260	6%	16%
Outdoor cafes	245	8%	16%
Farmers' markets	178	5%	14%
Gourmet food stores	**136**	**11%**	**27%**
Fruit picking at farms	94	1%	3%
Food and drink festivals	**86**	**-9%**	**-9%**
Visit food processing plants	58	-1%	4%
Country inns/resorts with gourmet restaurants	48	4%	2%
Dining at farms	**28**	**18%**	**21%**
Harvesting and other farm operations	**26**	**-11%**	**-21%**
Shopping/ Strolling		Rate of change	Rate of change
Cloths, shoes, jewellery stores	351	8%	17%
Beautification of sidewalks, shop frontages, buildings, pedestrian zones, etc.	310	9%	17%
Local crafts & arts stores	**260**	**10%**	**28%**
Books and music stores	**282**	**9%**	**22%**
Antiques	195	7%	20%
Greenhouse or garden centre	134	12%	18%
Other Attractions		Rate of change	Rate of change
Nature parks	218	8%	15%
Secondary historic sites/buildings	210	5%	8%
Lakeside/riverside resorts	195	3%	14%
History/heritage museum	192	9%	20%
Movie theatres	185	4%	9%
Campgrounds	172	6%	3%
Amusement parks	169	0%	**-4%**
Art galleries	167	7%	13%
Live theatre	**158**	**13%**	**28%**
Science/technology museum	141	8%	11%
Rock/pop concerts	130	1%	6%
Botanical gardens	129	11%	18%
Free outdoor performances in a park setting	128	1%	7%
Firework displays	**120**	**-3%**	**-10%**
Zoos	117	5%	9%
Golfing with or without a resort	**108**	**13%**	**24%**
Aquariums	105	11%	6%
Military museums	105	6%	1%
Historical replica with re-enactments	**103**	**5%**	**22%**
Mini-golf	**98**	**-2%**	**X**
Imax Theatres	91	5%	18%
Stand-up Comedy shows	**80**	**9%**	**30%**
Health spa (day visit or overnight stay)	80	5%	**X**
Science and technology theme park	80	**X**	**X**
Water theme park	78	**X**	**X**
Live theatre with diner	**77**	**16%**	**32%**
Ballet and other dance	X	15%	**X**

Part II: Marketing Implications, US Market

Introduction

Part I of this report focused on the Niagara Region's two main source markets, the US and Ontario, to identify opportunities for product development based on the Region's core strengths: the falls, the vineyards and the casino.

In part II of this report, the focus will turn to examining the demographics, travel behaviour and media preferences of the three core segments of the Region which were identified based on three core strengths of the Region mentioned above. The objective is to provide a profile which can inform targeting choices and marketing decisions.

This section will first profile each of the three core segments – Wine, Natural Wonder and Casino – and look to provide answers the following key questions:

- Who are the potential travellers within each of the three core activity segments?
- What are the key drivers that motivate their travel?
- How can these potential markets be reached?

Subsequently, travellers within each of the three core segments were further segmented into four activity clusters in order to provide an even more detailed view of specific markets of interest.

NOTE: The detailed segment cluster analysis cannot be completed for the core opportunity segments within the Ontario market, given the limitations of the samples available for each of the specific segments. Initial review of the findings, however, reveals substantial similarities in the individual clusters between the US and Ontario markets. This should enable meaningful review of the findings of the US market analysis to be applied in part to those interested more specifically in the Ontario market.

Profiles of Niagara Region’s Core US Segments

Wine Segment: The Inquisitive Explorers

Description:

Sophisticated, globetrotting veterans seeking experiences associated with learning and, to an extent, mind/body revitalization. They have high expectations for their experiences and convenient transportation to the destination is of particular importance.

Characteristics:

- More affluent than other US traveller with higher household incomes (average income: $83,000 versus $68,000) and university education
- Older (average age: 49.4 versus 45.5)
- More likely to be retired than other US travellers
- Just as likely to have a full-time job compared to other US travellers
- Less likely to have children living at home than other US travellers
- More likely to be immigrants compared to other US travellers
- Active world travellers (took an average of 4.2 trips anywhere in the world versus 3.5 trips for all other American travellers)
- Also active Ontario travellers (took an average of 2.1 trips to Ontario versus 1.5 for all other American travellers. Since the opportunity set was constructed by including only those who were favourably pre-disposed to Ontario as a travel destination, this result is rather expected).
- Seek a greater number of benefits from their travel experiences than travellers in both the natural wonder and casino segments (9 out of the 15 factors listed were rated as highly important by at least 50% of travellers in the wine segment)
- Less concerned with family-oriented travel than other American travellers

Benefits sought:

- The top benefits sought from travel are: to get a break from the day-to-day environment (82%); to relax and relieve stress (78%); to create lasting memories (78%); and to see or do something new or different (75%)
- What sets this group apart from all other American travellers is that they are more “knowledge seeking”:
  - More likely to travel in order to be stimulated intellectually, to gain knowledge of history, other cultures and/or other places and/or to see or do something new or different
- A secondary but significant difference exists that sets this group apart: Energy Revitalization
  - Although a smaller proportion placed a high importance on being challenged physically or to feel physically energized (29%), this factor received a very high index score (242). This suggests that a proportion of this group is significantly different than other American travellers on this factor and is much more likely to seek benefits to either charge or recharge the physical and/or mental body.

Destination considerations:

- The four considerations that were the most frequently rated as highly important by the wine segment were: feeling safe at the destination (79%); having lots of things for adults to see and do (75%); convenient access by air (60%) and no health concerns at the destination (56%).
- What sets this group apart, however, from all other American travellers is that they are:
  - More likely to consider destinations that have lots of things for adults to see and do
  - More likely to place a higher importance on transportation convenience
    - Close to half of all wine segment indicated that direct access by air was important (47%) and this factor received a high index score (175) suggesting a significant difference when compared to all other American travellers
    - One-quarter indicated that convenient access by bus or train was very important and this factor received the highest index score (267) suggesting a significant difference when compared to all other American travellers
- A smaller but significant difference:
  - Although a smaller proportion placed a high importance on the destination being culturally different (21%), this factor received a very high index score (263) suggesting this group is significantly different when compared to all other American travellers
  - Although a smaller proportion placed a high importance on the availability of luxury accommodation (21%), this factor received a very high index score (233) suggesting this group is significantly different when compared to all other American travellers

Where they live:

- Travellers within Ontario's wine opportunity segment are concentrated in the East North Central and Middle Atlantic regions. Of secondary importance are the South Atlantic and the Pacific regions.

Information Sources and Media Habits:

- The Internet is the most widely used information source for the wine segment, similar to most other travellers. Past experience and word-of-mouth are the next two frequently sought sources of information for trip planning.
- Half of this segment reads the newspaper (53%), with a greater proportion reading the travel section of the weekend paper (57%) than of the weekday paper (45%). Fewer read magazines (41%), though the focus here is consistent with the segment's focus – food & cooking and home & garden.
- Almost half can be reached through television programming, their highest interest areas being dramas and movies. Fewer listen to the radio (41%), but these would be best reached on oldies stations (50s, 60s, 70s and 80s) and news/talk programs.

Natural Wonder Segment: Culture seeking classy adventurers

Description:

Mature, affluent families seeking knowledge based travel. They search for travel experiences that turn into life accomplishments. They welcome the "finer things in life" when they travel.

Characteristics:

- More affluent than the other US travellers (average income: $87,000 versus $68,000), and higher incidence of university education
- Older (average age: 48.9 versus 45.5) than all other US travellers
- More likely to be retired compared to all other US travellers
- Just as likely to have a full-time job as other US travellers
- More likely to have children under 17 living at home than all other US travellers
- More likely to be immigrants compared to all other US travellers
- More likely to be of Asian decent compared to the wine and casino segments
- Active world travellers (average trips anywhere in the world 4.1 versus all other American travellers 3.5)
- Slightly more active Ontario travellers (average trips to Ontario 1.6 versus all other American travellers 1.5)

Benefits sought:

- Travellers in the natural wonder segment seek a somewhat significant number of benefits from their travel experiences (8 out of 15 benefits listed were rated as highly important by more than 50% of those in the segment)
- The top 3 benefits sought from travel are: to get a break from the day-to-day environment (76%); to create lasting memories (75%); and to see or do something new different (73%)
- What sets this group apart from all other American travellers is they are more "knowledge seeking" in their benefits sought from travel:
  - More likely to travel in order to gain knowledge of history, other cultures or other places
  - More likely to travel in order to see something new or different
  - More likely to travel in order to be stimulated intellectually
  - More likely to travel to enrich their perspective on life

Destination considerations:

- The three considerations that were the most frequently rated as highly important by the wine segment were: feeling safe at the destination (73%); having lots of things for adults to see and do (70%); and convenient access by car (52%). This group is relatively the same on the above factors compared to all other American travellers except that they are more likely to consider destinations that have a lot of things for adults to see and do.

- What sets this group apart from all other American travellers is that they are:
    - More likely than other segments to consider visiting a place that is very different culturally
      (index score 250)
    - Much more likely to consider destinations that are accessible by transportation means other than a car (air – 38% of segment, index of 142; train or bus – 13% of segment, index of 144)
- A smaller but significant difference:
    - Although a smaller proportion placed a high importance on the availability of luxury accommodation (13%), this factor received a high index score (144) suggesting this group is significantly different than other American travellers

Where they live:

- Travellers within Ontario's natural wonder opportunity segment are less concentrated than those in the wine segment, though the most significant groupings of this segment are also in the East North Central and Middle Atlantic regions – though the importance of these two regions is reversed. Of secondary importance are also the South Atlantic and the Pacific regions.

Information Sources and Media Habits:

- The Internet is the most widely used information source for this segment, similar to most other travellers. Past experience and maps are the next two frequently sought sources of information for trip planning.
- Half of this segment reads the newspaper (49%), with a greater proportion reading the travel section of the weekend paper (47%) than of the weekday paper (35%). Fewer read magazines (42%) – those who do are reading entertainment and travel magazine.
- Half can be reached through television programming, their highest interest areas being movies, news and current events. Fewer listen to the radio (41%), but these would be best reached on oldies stations (50s, 60s, 70s and 80s) and news/talk programs.

Casino Segment: Looking for convenience

Description: Traditional American traveller, reflecting the average demographics of the US market. They expect a lot from their travel experiences and look for destinations with convenient transportation, mid-range accommodation and great shopping opportunities that don't fall too far out of their comfort zone.

Characteristics:

- Only slightly more affluent than all other US travellers (average income: $69,000 versus $68,000). Lowest income among the three segments identified for the Niagara Region
- Slightly older (average age: 47.0 versus 45.5) than all other US travellers but youngest among the other three segments
- More likely to be in a full-time job compared to all other US travellers
- Just as likely to be retired compared to all other US travellers
- Much more likely to have children under 17 living at home than all other US travellers
- Less likely to be immigrants than all other US travellers
- More likely to be of African American decent than all other US travellers
- Somewhat more active world travellers (an average of 3.9 trips anywhere in the world versus 3.5 trips for all other American travellers)
- More active Ontario travellers (1.9 trips to Ontario versus 1.5 trips)

Benefits sought:

- Travellers in the casino segment sought on average a smaller number of benefits from their travel than the other two segments (6 out of 15 benefits listed were rated as highly important by more than 50% of the casino segment)
- The top 3 benefits sought from travel are: to relax and relieve stress (80%); to get a break from the day-to-day environment (79%); and to create lasting memories (69%).
- What sets this group apart from all other American travellers is that they are less interested in a number of the benefits listed than are the wine and natural wonder segments.
- They are, however, more likely to be interested in being pampered (24%) and to have stories to share (24%) than the natural wonder segment.

Destination considerations:

- The three considerations that were the most frequently rated as highly important by the casino segment were: feeling safe at the destination (81%); having lots of things for adults to see and do (65%); and convenient access by car (54%).
- What sets this group apart from all other American travellers is that they are:
    - More likely to consider a destination that has great shopping opportunities (index of 176), access by train/bus (index of 222), and mid-range accommodation (index of 150)
- Among the three segments, the casino segment was the most likely of consider destinations based on the following considerations: availability of mid-range accommodation (51%), information available on the internet (41%), low-cost package deals (38%) and familiarity with the culture (23%).

Where they live:

- Travellers within Ontario's casino opportunity segment were restricted to those travellers from Michigan, New York, Ohio or Pennsylvania given the regional appeal of the casinos in the Niagara Region. As such, 57% of the casino segment examined resides in the Middle Atlantic, while the other 43% are from the East North Central region.

Information Sources and Media Habits:

- The Internet is the most widely used information source for this segment, similar to most other travellers. Past experience and word-of-mouth are the next two frequently sought sources of information for trip planning.
- Somewhat less than half of this segment reads the newspaper (45%). Of these, a greater proportion read the travel section of the weekend paper (43%) than of the weekday paper (37%). Fewer still read magazines regularly (41%) – those who do are reading entertainment and news/current affairs magazines.
- Half can be reached through television programming, their highest interest areas being movies, dramas, news and current events. Fewer listen to the radio (43%), but these would be best reached on oldies stations (50s, 60s, 70s and 80s) and news/talk programs.

Demographic Information

Table 1: Demographics of the Niagara Region's U.S. Opportunity Segments							
		Wine	Index[11]	Natural Wonder	Index	Casino	Index
All travellers		1,095,034		1,969,987		821,864	
Gender, Age & Family Composition	Female	53%	104	53%	98	54%	106
	Avg. Age	49.4 yrs	-	48.9 yrs	-	47.0 yrs	-
	18-24	3%	28	6%	59	9%	85
	25-34	18%	87	15%	72	20%	96
	35-44	15%	87	18%	107	14%	83
	45-54	25%	119	23%	109	22%	104
	55-64	21%	135	21%	136	20%	126
	65-74	12%	134	16%	110	10%	108
	75+	5%	89	6%	112	5%	97
	Kids (+18)	15%	94	16%	100	16%	100
	Kids (<17)	17%	56	25%	121	20%	151
	Spouse/partner	86%	102	85%	100	84%	101
Education	University Degree	50%	129	53%	136	37%	94
Employment and Income	Full-time	55%	109	51%	100	58%	115
	Retired	19%	126	20%	133	16%	106
	White collar	29%	99	34%	116	27%	92
	Tech/sales	11%	54	15%	73	22%	107
	Blue Collar	11%	93	9%	76	12%	102
	under 20K	5%	59	5%	59	5%	59
	$20-39K	12%	73	11%	67	18%	109
	$40-59K	13%	78	13%	78	16%	96
	$60-79K	14%	97	15%	103	14%	97
	$80-99K	12%	105	11%	96	13%	114
	$100-149K	22%	156	21%	149	17%	121
	$150-249K	7%	143	9%	184	5%	102
	$250K+	5%	294	4%	235	1%	59
	Avg. Income	83,000	-	87,000	-	69,000	-
Residence Ownership	Own	79%	103	84%	109	77%	100

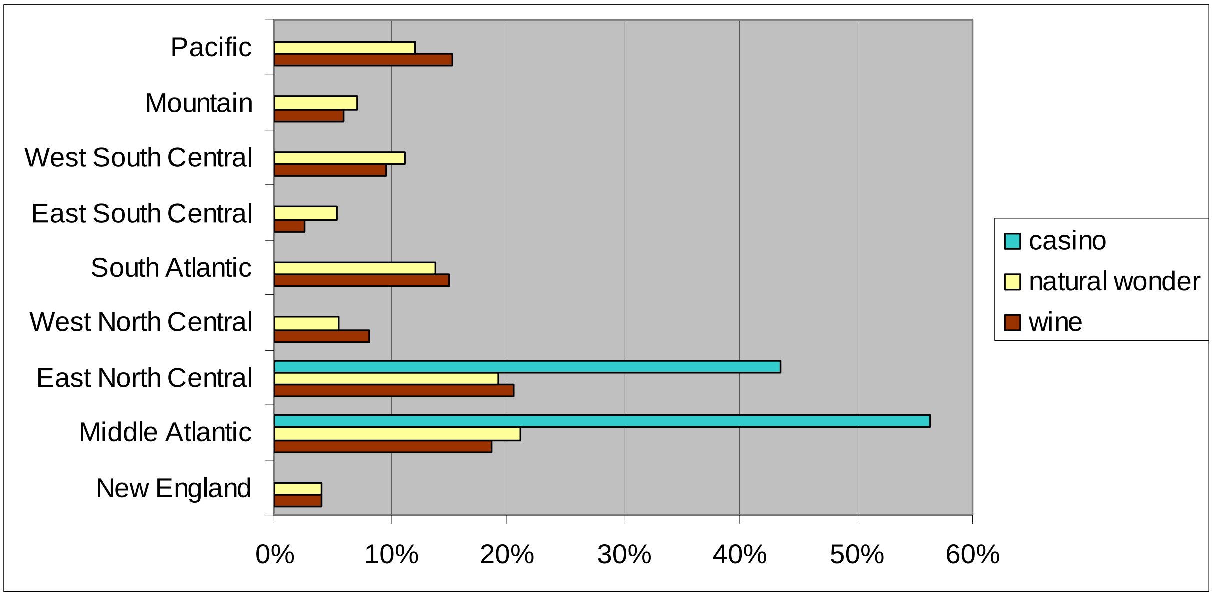
[11] The "Index" is calculated by dividing the percentage of travellers in their respective segment (wine, natural wonder or casino) by the percentage of overall travellers. The index indicates the extent to which the specific segment is over or under-represented relative to all other travellers. An index of 100 means the percentage of the specific segment is the same as that of other travellers. Index values over 100 indicate that the specific segment is over-represented relative to other travellers, while index values less than 100 indicate that the specific segment is under-represented.

Additional Demographic and Travel Behaviour Information

Table 2: Additional demographics, and travel behaviour of the Niagara Region's U.S. Opportunity Segments							
		Wine	Index	Natural Wonder	Index	Casino	Index
All travellers		1,095,034		1,969,987		821,864	
Immigration and Cultural Background	Recent immigrants?	7%	146	8%	167	2%	42
	Caucasian	80%	93	86%	100	80%	93
	Black/African American	10%	172	6%	103	14%	241
	Asian/Pacific	2%	87	3%	130	2%	87
Vacation Destinations	Ontario	33%	458	41%	569	53%	736
	Mexico	23%	202	18%	158	14%	123
	Caribbean	22%	196	19%	170	21%	188
	Europe	22%	297	19%	230	10%	135
# of Vacations taken	Avg. all trips	4.2	-	4.1	-	3.9	-
	Avg. Ontario	2.1	-	1.6	-	1.9	-

Residence Information

Figure 1: Region of Residence of Niagara Region's US Opportunity Segments



Benefits Sought and Other Destination Considerations

Table 3: Benefits sought and destination considerations						
Incidence				Index		
Wine	Natural Wonder	Casino	Benefits Sought	Wine	Natural Wonder	Casino
82%	76%	79%	To get a break from your day-to-day environment	109	101	105
78%	72%	80%	To relax and relieve stress	104	96	107
78%	75%	69%	To create lasting memories	130	125	115
75%	73%	61%	To see or do something new and different	167	162	136
65%	64%	60%	To enrich your relationship with your spouse/partner/children	112	110	103
61%	53%	56%	To have a life with no fixed schedule (to do what you want, when you want)	109	95	100
52%	50%	38%	To enrich your perspective on life	208	200	152
51%	54%	37%	To gain knowledge of history, other cultures or other places	243	257	176
50%	44%	36%	To stimulate your mind/be intellectually challenged	250	220	180
47%	45%	42%	To keep family ties alive	98	94	88
29%	23%	22%	To be challenged physically/to feel physically energized	242	192	183
28%	24%	22%	To renew personal connections with people (other than family)	140	120	110
28%	18%	24%	To be pampered	175	113	150
27%	20%	24%	To have stories to share back at home or something interesting to talk about	193	143	171
18%	13%	17%	To seek solitude and isolation	138	100	131
			Destination Considerations			
56%	49%	55%	No health concerns at the destination	122	107	120
79%	73%	81%	Feeling safe at the destination	103	95	105
75%	70%	65%	Lots of things for adults to see and do	150	140	130
60%	52%	54%	Convenient access by car	109	95	98
47%	38%	43%	Direct access by air	174	141	159
45%	42%	51%	Availability of mid-range accommodation	132	124	150
37%	36%	41%	Information about the destination available on the Internet	123	120	137
34%	33%	38%	Low cost package deals available for the destination	100	97	112
31%	19%	30%	Great shopping opportunities	182	112	176
30%	32%	27%	Availability of budget accommodation	94	100	84
24%	13%	20%	Convenient access by train/bus	267	144	222
21%	20%	17%	Being at a place that is very different, culturally than mine	263	250	213
21%	13%	17%	Availability of luxury accommodation	233	144	189
19%	20%	21%	Lots of things for children to see and do	86	91	95
17%	8%	10%	Having friends or relatives living there	113	53	67
16%	16%	23%	Being familiar with the culture and language of the destination	64	64	92
15%	8%	10%	Destination is disabled-person-friendly	150	80	100
12%	12%	10%	Availability of camping	133	133	111

Media Habits

Table 4: Media Habits of the Niagara Region's US Opportunity Segments			
	Wine Segment 1,095,034 travellers	Natural Wonder Segment 1,969,987 travellers	Casino Segment 821,864 travellers
Information sources for trip planning (Top 3)	Internet 83% Past experience 66% Word-of-mouth 56%	Internet 80% Past experience 64% Maps 55%	Internet 74% Past experience 58% Word-of-mouth 47%
Newspaper	Average to heavy readers 53% Travel Section: • Weekday 45% • Weekend 57%	Average to heavy readers 49% Travel Section: • Weekday 35% • Weekend 47%	Average to heavy readers 45% Travel Section: • Weekday 37% • Weekend 43%
Magazines	Average to heavy readers 41% Food & Cooking Home & Garden	Average to heavy readers 42% Entertainment; Travel Home & Garden	Average to heavy readers 41% Entertainment News & Current Affairs
TV Programming	Average to heavy watchers 48% Drama; Movies	Average to heavy watchers 51% Movies; News & Current Events	Average to heavy watchers 50% Movies; Drama; News & Current Affairs
Radio Stations	Average to heavy listeners 41% Oldies (50s, 60s, 70s, 80s); News/Talk/Info	Average to heavy listeners 41% Oldies (50s, 60s, 70s, 80s); News/Talk/Info	Average to heavy listeners 43% Oldies (50s, 60s, 70s, 80s); News/Talk/Info
Web sites used for personal purposes	Average to heavy users 35% Travel; weather	Average to heavy users 38% Travel; weather	Average to heavy users 38% Entertainment; Travel

Segment Clusters

Overlap with other Types of Activities

There are a number of American travellers within each of the Niagara Region's three core segments who have relatively narrow tourism interests. That is, they appear to be motivated to travel primarily to participate in the activities in their respective segments. Others within the Niagara Region's core segments, however, appear to have wider-ranging tourism interests that extend beyond their individual segments. These overlaps suggest considerable opportunities for cross-market packaging and promotion.

In order to provide a more robust analysis of the Niagara Region's core segments in the US market, travellers within each segment were further segmented into four activity clusters: pleasure seekers, action seekers, culture seekers and segment enthusiasts based on their reported participation in a number of activities other than those that provide the motivation for the whole segment:

- **Pleasure seekers** were travellers who, in addition to participating in their trip motivating activities, were also interested in activities related to shopping, dining, casinos and movie theatres.
- **Action seekers** were travellers who, in addition to participating in their trip motivating activities, were highly active on all or most of the key activities.
- **Culture seekers** were travellers who, in addition to participating in their trip motivating activities, were also interested in viewing buildings and architecture, visiting historic sites and buildings, viewing natural wonders and visiting national/provincial/state parks.
- **Segment enthusiasts** were travellers who exhibited a low level of interest in activities other than those which were the main purpose of their trip (i.e., wine-related, natural wonder-related or casino-related).

Table 5: Overlap of Tourism Interests among Segments

	Pleasure Seeker	Action Seeker	Cultural Seeker	Enthusiasts
Wine Segment 1,095,034 travellers	22%	32%	14%	31%
Natural Wonder Segment 1,969,987 travellers	20%	27%	24%	29%
Casino Segment 821,864 travellers	27%	25%	-	48%

In the following pages, further details will be provided for the individual clusters within each of the Niagara Region's three core segments. The highlights for each of the clusters will be provided, along with the underlying tables.

Wine Segment Clusters

Table 6: Participation in key activities by individual Wine Segment Clusters				
	Pleasure Seeker 243,559	Action Seeker 354,014	Cultural Seeker 156,870	Enthusiasts 340,591
Strolling around to observe buildings/ architecture	53%	94%	93%	26%
Restaurants offering local ingredients/recipes	82%	96%	89%	63%
High-end restaurants with an int'l reputation	65%	91%	15%	14%
Other high-end restaurants	54%	89%	41%	24%
Shopping: Bookstore or Music Store	77%	82%	76%	21%
Shopping: Antiques	59%	64%	39%	28%
Shopping: Gourmet Foods in Retail Stores	72%	80%	45%	13%
Shopping: Local Arts & Crafts Studios or Exhibitions	51%	87%	69%	28%
Shopping: Clothing, Shoes and Jewelry	86%	96%	57%	38%
Local outdoor cafes	82%	93%	70%	21%
Live theatre	45%	58%	38%	30%
Farmers' markets or country fairs	54%	74%	44%	32%
Movies/cinema	79%	80%	15%	27%
Well-known historic sites or buildings	25%	98%	86%	29%
Other historic sites, monuments and buildings	20%	94%	87%	13%
Amusement park	78%	66%	16%	39%
Art galleries	31%	87%	58%	23%
Nature parks	22%	62%	65%	28%
Aquariums	63%	66%	25%	21%

Pleasure Seekers:

- Pleasure Seekers like to eat in restaurants offering local fare, in outdoor cafés and in high-end restaurants. They like to shop for clothing and shoes, music and books. They like going to the movies, amusements parks and aquariums. (Each of the above activities was mentioned by at least 60% of those within the specific cluster.)
- The Pleasure Seekers cluster is the youngest within the wine segment, and few are 65 or older (only 3% versus 17% for the segment overall).
- They have the lowest incidence of a university degree and of owning a home.
- Their incidence of travelling to Ontario is average, but they take more trips to the province than the overall segment. They have a higher incidence of travelling to the Caribbean or to Europe.
- This cluster is the most concerned about relaxing & relieving stress and having a life with no fixed schedule when they travel.
- When choosing a destination, this cluster needs to feel safe, and needs to be kept busy with lots for adults to see and do. They are the most likely to see access by car as a critical factor in their selection of destination.

- The greatest concentrations of travellers from this cluster reside in the East North Central, South Atlantic and Middle Atlantic regions. They are overrepresented in the South Atlantic region compared to the overall segment, but underrepresented substantially relative to the overall segment in the West North Central region.
- These travellers are very comfortable with the internet as a source of information for travel planning (85%), though past experience and word-of-mouth are important too.
- They are heavier users of media across all channels (television, newspapers magazines and the radio) relative to the overall segment.

Action Seekers:

- Action Seekers, as described at the start of this section, are highly active in all or most of the key activities. Almost everyone in this cluster eats out at a variety of restaurants, shops at various stores, visits historic sites, and art galleries. This is truly an active group, trying to get the most out of their vacation time.
- Action Seekers are the second youngest cluster within the wine segment. One quarter of this cluster has children 17 or younger.
- More than half have a university degree (57%), the highest incidence among the wine clusters.
- They have a significantly high incidence of home ownership (84%).
- Most likely to have travelled in Ontario among the wine segments (41% versus 33% for the segment overall). Highest incidence of travelling to Mexico.
- This cluster is more interested than any of the other clusters in gaining knowledge of history and other cultures, stimulating the mind and enriching their perspective on life when they travel.
- When choosing a destination, they appear somewhat less focused on safety or health concerns than other clusters, and though convenient access by car is mentioned as a consideration by more than half of those in the cluster, this is lower than for the segment overall.
- The greatest concentrations of travellers from this cluster reside in the Pacific and Middle Atlantic regions. They are significantly overrepresented in the Pacific and Mountain regions but underrepresented by a large margin in East North Central region.
- These travellers are very comfortable with the internet as a source of information for travel planning (85%), but are the most likely among the wine segment to rely heavily on past experience (84%) and maps (70%).
- They are heaviest users of media across all channels (television, newspapers magazines and the radio) relative to the overall wine segment, with more than half indicating that they are average to heavy users in each category.

Cultural Seekers:

- Culture Seekers like to eat in restaurants offering local fare and at outdoor cafés. They like to stroll around looking at buildings and architecture, and they like to visit historic sites and nature parks. They shop for local arts and crafts, music and books. (Each of the above activities was mentioned by at least 60% of those within the specific cluster.)
- The Cultural Seekers cluster is older than the average for the overall segment. One quarter of the cluster is 65 or older, and they are least likely to have children living at home.
- More than half have a university degree (55%), the second highest incidence among the wine clusters.

- Second highest incidence of travelling in Ontario, though they take fewer trips to the province than the overall cluster.
- This cluster is more likely to seek opportunities to create lasting memories (84% vs. 78%) and less concerned about relaxing and relieving stress (67% vs. 78%) when they travel.
- When choosing a destination, they also appear somewhat less focused on safety concerns (65% vs. 79%) than other clusters but are more likely to expect information about the destination to be available on the Internet (49% vs. 37% for the overall segment).
- The greatest concentrations of travellers from this cluster reside in the East North Central and Middle Atlantic regions. They are significantly overrepresented in the East North Central region but underrepresented by a large margin in the Pacific region.
- These travellers are the most comfortable with the internet as a source of information for travel planning (89%); with past experience and word-of-mouth as secondary sources.
- They are average newspaper readers, though fewer of them reader the travel sections. They are less likely to read magazines, watch television or listen to the radio than any other cluster in the wine segment.

Segment Enthusiasts:

- Wine Enthusiasts are focused on little else than wine-related activities. Almost two thirds reported eating in restaurants offering local fare, but fewer than 40% of those in the cluster reporting participating in any of the other key activities listed.
- The Enthusiasts cluster is the oldest within the wine segment. One quarter of them are 65 or older, though one in five still have a child over 18 living at home.
- Almost half have a university degree (48%), and they have the highest incidence of home ownership among the segments.
- This cluster is the least likely to be recent immigrants (3% vs. 7% for the overall segment).
- They have the lowest incidence of travel to Ontario, and the least number of trips to the province. They have the lowest incidence of travel to all other regions (Mexico, Caribbean and Europe) as well.
- This cluster is similar to the overall wine segment in terms of the benefits sought from their travel experiences, though they appear less concerned about doing something new or different (68% vs. 75%) or enriching family relationships (64% vs. 78%).
- When choosing a destination, they also appear similarly focused on safety concerns (81% vs. 79%) as others within the segment. Convenient access by car is more of an area of focus for them (66% vs. 60% for the overall segment).
- The distribution of travellers from this cluster reflects the overall distribution of the wine segment overall. They are a little overrepresented in New England but underrepresented in the Mountain region, but these do not align with the greatest concentrations.
- These travellers are still using the internet most frequently as a source of information for travel planning, but the penetration rate is somewhat lower than for the segment overall (77% vs. 83%). Past experience (47%) and word-of-mouth (41%) are listed as the second and third most frequently used information sources, though the penetration rate here is also much lower than others (66% and 56%, respectively for the overall segment).
- Half of them are average to heavy television watchers, similar to travellers overall, though they are the least likely to read magazines (25%) or newspapers (40%) or listen to the radio (30%) among the clusters in the wine segment.

Table 7: Demographic and travel behaviour profiles of Wine Segment Clusters				
	Pleasure Seeker 243,559	Action Seeker 354,014	Cultural Seeker 156,870	Segment Enthusiasts 340,591
Life Stage	Avg. age 44.8 35-54 yrs 43% 65 yrs+ 3% Kids (18+) 13% Kids (17 or <) 17%	Avg. age 48.7 35-54 yrs 43% 65 yrs+ 15% Kids (18+) 16% Kids (17 or <) 25%	Avg. age 51.6 35-54 yrs 36% 65 yrs+ 25% Kids (18+) 6% Kids (17 or <) 10%	Avg. age 52.6 35-54 yrs 37% 65 yrs+ 25% Kids (18+) 19% Kids (17 or <) 14%
Education	University Degree 40%	University Degree 57%	University Degree 55%	University Degree 48%
Job and Income	Full-time 62% Retired 15% White collar 31% Tech/sales/service 21% Blue collar 7% Avg. income 84,000	Full-time 50% Retired 18% White collar 34% Tech/sales/service 5% Blue collar 15% Avg. income 95,000	Full-time 48% Retired 29% White collar 24% Tech/sales/service 4% Blue collar 5% Avg. income 74,000	Full-time 58% Retired 19% White collar 25% Tech/sales/service 13% Blue collar 13% Avg. income 76,000
Immigration and Cultural Background	Immigrants 9% Caucasian 76% Black/African 16% Asian/Pacific 3%	Immigrants 9% Caucasian 79% Black/African 9% Asian/Pacific 4%	Immigrants 7% Caucasian 89% Black/African 3% Asian/Pacific 0%	Immigrants 3% Caucasian 79% Black/African 10% Asian/Pacific 2%
Residence Ownership	Own home 64%	Own home 84%	Own home 78%	Own home 85%
Vacation Destinations	Ontario 33% Mexico 24% Caribbean 30% Europe 28%	Ontario 41% Mexico 36% Caribbean 29% Europe 28%	Ontario 38% Mexico 19% Caribbean 24% Europe 25%	Ontario 23% Mexico 12% Caribbean 9% Europe 11%
Average # of Vacations taken	World 3.8 Ontario 2.5	World 4.7 Ontario 2.3	World 4.4 Ontario 1.8	World 3.8 Ontario 1.6
Benefits Sought in a Vacation (by 60% + of travellers within segment)	Relax/relive stress 88% Lasting memories 86% Break from day-to-day 80% Have a life with no fixed schedule 78% Enrich family relationships 74% Do something new/ different 70% Keep family ties alive 64%	Break from day-to-day 84% Do something new/ different 83% Relax/relive stress 75% Lasting memories 72% Gain knowledge of other culture 70% Have a life with no fixed schedule 66% Stimulate mind 64% Enrich family relationships 63% Enrich perspective on life 61%	Lasting memories 84% Do something new/ different 77% Break from day-to-day 76% Relax/relive stress 67%	Break from day-to-day 83% Relax/relive stress 78% Do something new/different 68% Lasting memories 64% Enrich family relationships 64%
Destination Considerations (Top 4)	Feeling safe 93% Lots of things for adults to see and do 83% Convenient access by car 74% No health concerns 63%	Lots of things for adults to do 74% Feeling safe 72% No health concerns 54% Convenient access by car 54%	Lots of things for adults to do 76% Feeling safe 65% No health concerns 54% Information available on internet 49%	Feeling safe 81% Lots of things for adults to see and do 69% Convenient access by car 66% No health concerns 55%

Figure 2: Geographic Distribution of Wine Segment Clusters

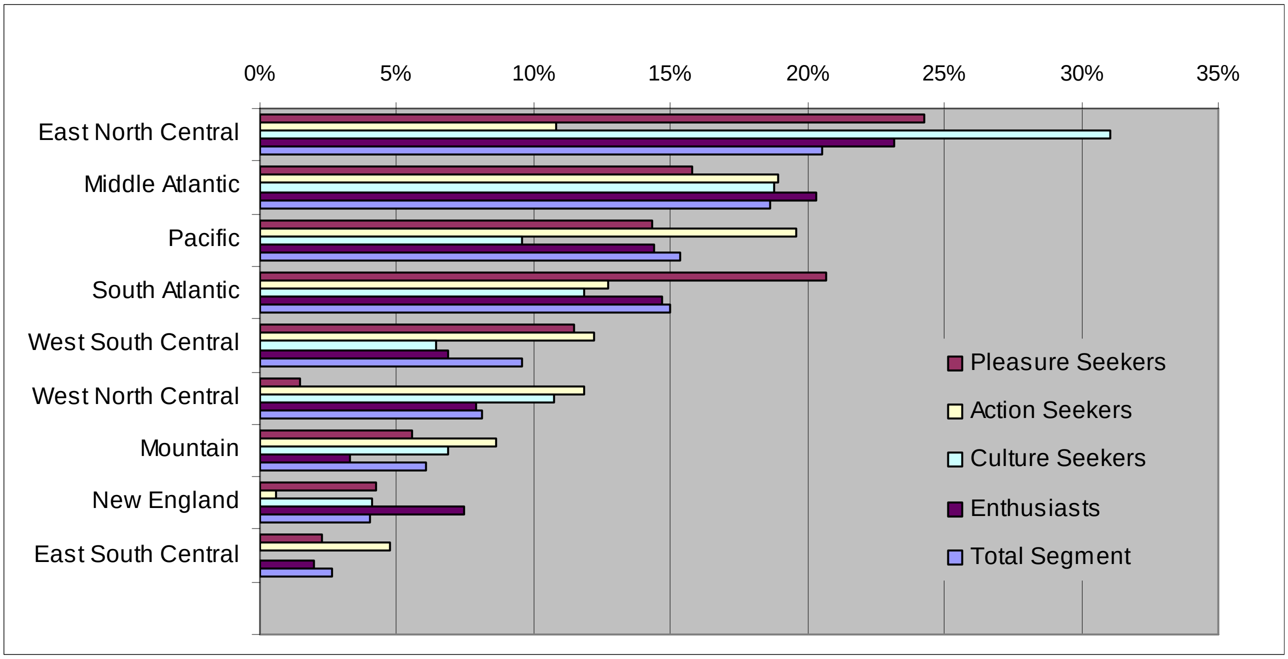


Table 8: Media Habits of Wine Segment Clusters				
	Pleasure Seeker 243,559	Action Seeker 354,014	Cultural Seeker 156,870	Enthusiasts 340,591
Information sources for trip planning (top 3)	Internet 85% Past experience 64% Word-of-mouth 63%	Internet 85% Past experience 84% Maps 70%	Internet 89% Past experience 63% Word-of-mouth 51%	Internet 77% Past experience 47% Word-of-mouth 41%
Newspaper	Average to heavy readers 56% Travel Section: Weekday 45% Weekend 57%	Average to heavy readers 66% Travel Section: Weekday 35% Weekend 47%	Average to heavy readers 52% Travel Section: Weekday 37% Weekend 43%	Average to heavy readers 40% Travel Section: Weekday 37% Weekend 43%
Magazines	Average to heavy readers 49% Food & Cooking; Entertainment	Average to heavy readers 57% Food & Cooking; Entertainment	Average to heavy readers 27% News & Current Affairs; Home & Garden	Average to heavy readers 25% Food & Cooking; Home & Garden
TV Programming	Average to heavy watchers 55% Drama; Movies	Average to heavy watchers 55% Movies; History	Average to heavy watchers 39% Movies; History	Average to heavy watchers 50% Movies; News & Current Affairs
Radio Stations	Average to heavy listeners 47% Oldies (50s,60s,70s,80s); Rock/Alternative	Average to heavy listeners 53% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 32% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 30% Oldies (50s,60s,70s,80s); News/Talk/Info
Web sites used for personal purposes	Average to heavy users 29% Travel; Entertainment	Average to heavy users 54% Travel; weather	Average to heavy users 25% Weather; Travel	Average to heavy users 26% Weather; Travel

Natural Wonder Segment Clusters

Table 9: Participation in key activities by individual Natural Wonder Segment Clusters				
	leasure Seeker 396,774	Action Seeker 522,522	Cultural Seeker 472,058	Enthusiasts 578,634
Strolling around to observe buildings/ architecture	74%	94%	85%	36%
Restaurants offering local ingredients/recipes	89%	95%	90%	37%
High-end restaurants with an int'l reputation	79%	73%	7%	11%
Other high-end restaurants	86%	78%	9%	11%
Shopping: Bookstore or Music Store	73%	88%	46%	15%
Shopping: Antiques	34%	74%	47%	18%
Shopping: Gourmet Foods in Retail Stores	41%	71%	23%	7%
Shopping: Local Arts & Crafts Studios or Exhibitions	54%	88%	69%	27%
Shopping: Clothing, Shoes and Jewelry	72%	92%	60%	33%
Local outdoor cafes	67%	92%	54%	17%
Live theatre	37%	57%	18%	13%
Farmers' markets or country fairs	10%	90%	35%	14%
Movies/cinema	58%	78%	26%	16%
Well-known historic sites or buildings	84%	93%	85%	38%
Other historic sites, monuments and buildings	79%	85%	84%	30%
Amusement park	59%	71%	32%	33%
Art galleries	33%	85%	34%	10%
Nature parks	48%	67%	74%	36%
Aquariums	35%	73%	20%	22%

Pleasure Seekers:

- Pleasure Seekers like to eat in restaurants offering local fare, in outdoor cafés and in high-end restaurants. They like to shop for clothing and shoes, music and books. They like to stroll around looking at buildings and architecture and visiting historic sites. (Each of the above activities was mentioned by at least 60% of those within the specific cluster.)
- The Pleasure Seekers cluster is the youngest within the natural wonder segment, and few are 65 or older (only 7% versus 16% for the segment overall). They are the most likely to have younger children living at home (31%).
- They have the highest incidence of a university degree among those in the natural wonder segment, but the lowest incidence of owning a home (though still high at 81%).
- Within the natural wonder segment, this cluster has a higher than average incidence of travel to Ontario but a lower than average number of trips to the province. They have a lower incidence of travelling to Mexico but are similar to others within the segment when it comes to travel to the Caribbean or to Europe.
- This cluster is similar to the overall segment in terms of the benefits sought from their travel experiences, though they appear more focused on enriching family relationships (71% vs. 64% for the overall segment).

- When choosing a destination, this cluster is similar to the overall natural wonder segment, they need to feel safe and to be kept busy with lots for adults to see and do. They are, however, a little less focused on health concerns and convenient access by car than others in the segment.
- The three largest concentrations of travellers from this cluster are in the Middle Atlantic, East North Central and South Atlantic regions. Pleasure Seekers in the natural wonder segment are significantly overrepresented in the South Atlantic and Mountain regions relative to the segment overall.
- These travellers are very comfortable with the internet as a source of information for travel planning (86%), though past experience was mentioned by three quarters of respondents. This segment was the most likely in the segment to rely on word-of-mouth in their travel planning (65%).
- They are average newspaper readers, though 60% read the travel section of the weekend paper and yet only a third do on weekdays. An average proportion of them are magazine readers (42%), though travel magazines are among their favourites. They are also average in terms of their consumption of television and radio programming.

Action Seekers:

- Action Seekers are highly active in all or most of the key activities. Almost everyone in this cluster eats out at a variety of restaurants, shops at various stores, visits historic sites, and art galleries. This is truly an active group, trying to get the most out of their vacation time.
- Action Seekers are the second youngest cluster within the natural wonder segment. One quarter of this cluster has children 17 or younger, which is the average for the natural wonder segment.
- More than half have a university degree (57%), the second highest incidence among the natural wonder clusters but the second lowest incidence of home ownership (though still high at 82%).
- Members of this cluster are the most likely to be immigrants (14% vs. 8% for the overall segment).
- They are among the least likely to have travelled in Ontario but have made a greater than average number of trips to the province (2.0 trips vs. 1.5 for the overall natural wonder segment). They have the highest incidence of travel to Mexico and to the Europe relative to others in the segment, and are as likely as others to have travelled to the Caribbean.
- Travellers in this cluster seek a greater number of benefits from their travel experiences (7 out of the 15 benefits listed were rated as highly important by more than 60% of those in the cluster). This cluster is more interested than any of the other clusters in creating lasting memories (83% vs. 75%), doing something new or different (81% vs. 73%), gaining knowledge of history and other cultures (65% vs. 54%) and enriching their perspective on life (65% vs. 50%) when they travel.
- When choosing a destination, this cluster is similar to the overall natural wonder segment, they need to be kept busy with lots for adults to see and do. They are, however, a little less focused on safety concerns and convenient access by car than others in the segment.
- The greatest concentrations of travellers from this cluster reside in the Middle Atlantic, Pacific and East North Central regions. They are significantly overrepresented in the Pacific region and West North Central regions but underrepresented in the East North Central region, despite their concentration.
- Like most other travellers, this cluster is comfortable with the internet as a source of information for travel planning (82%). They are the most likely among the natural wonder segment to rely heavily on past experience (78%) and second most likely to use maps (63%).

- They are heaviest users of media across all channels (television, newspapers magazines and the radio) relative to the overall natural wonder segment, with more than half indicating that they are average to heavy users in each category.

Cultural Seekers:

- Almost all Culture Seekers like to eat in restaurants offering local fare and stroll around looking at buildings and architecture. They like to visit historic sites and nature parks. They shop for local arts and crafts, clothing and shoes. (Each of the above activities was mentioned by at least 60% of those within the specific cluster.)
- The Cultural Seekers cluster is the oldest within the natural wonder segment. One fifth of the cluster is 65 or older (19%). They are the least likely among the natural wonder clusters to have children living at home.
- Though half have a university degree, this is lower than the average for the natural wonder segment.
- Members of this cluster are less likely to be immigrants (5% vs. 8% for the overall segment).
- They have the lowest incidence of travel to Ontario, and the second lowest number of trips to the province. Among those in the natural wonder segment, they have an average incidence of travel to Mexico and the Caribbean, and a lower incidence of travel to Europe.
- This cluster is less concerned about taking a break from the day-to-day (68% vs. 73%) and relaxing and relieving stress (62% vs. 74%) than others in the segment when they travel. They are more likely, however, to look for opportunities to gain knowledge about history and culture (61% vs. 54%).
- When choosing a destination, they also appear somewhat less focused on safety concerns than other clusters but are more likely to look for convenient access by car.
- The greatest concentrations of travellers from this cluster reside in the East North Central, Middle Atlantic and West South Central regions. In this last area, they are significantly overrepresented relative to the natural wonder segment overall.
- These travellers are among the most comfortable with the internet as a source of information for travel planning (86%); maps are their secondary source of planning information (65%), with past experience and word-of-mouth equally rated as their next sources (53%).
- Though they are average newspaper readers, they are less likely to read magazines, watch television or listen to the radio than any other cluster in the natural wonder segment.

Segment Enthusiasts:

- Natural Wonder Enthusiasts are focused on few other activities. In fact, only about one third of those in this cluster were interested in eating out, shopping or visiting historic sites.
- The Enthusiasts cluster is the second oldest within the natural wonder segment. More than one in five is 65 or older (21%) though one in five still also have a child over 18 living at home and more than a quarter have children 17 or younger.
- Almost half have a university degree (46%), the lowest incidence in the natural wonder segment, but they have the highest incidence of home ownership among the clusters.
- Members of this cluster are less likely to be immigrants (5% vs. 8% for the overall segment).
- They have the highest incidence of travel to Ontario, but the lowest number of trips to the province. They have the lowest incidence of travel to all other regions (Mexico, Caribbean and Europe) as well.

- This cluster is similar to the overall segment in terms of the benefits sought from their travel experiences, though fewer members overall have identified the benefits listed as highly important to them. They differ from the overall segment in that they appear less concerned about creating lasting memories (65% vs. 75%).
- When choosing a destination, this cluster has a higher stated need to feel safe and for the destination to free of heath concerns, and needs to be kept busy with lots for adults to see and do. They are the most likely to see access by car as a critical factor in their selection of destination.
- The greatest concentrations of travellers from this cluster reside in the Middle Atlantic, East North Central, and South Atlantic regions – where they are overrepresented in each case. They are noticeably under represented in all other regions relative to the natural wonder segment overall, except in New England.
- These travellers are still using the internet most frequently as a source of information for travel planning, but the penetration rate is somewhat lower than for the segment overall (70% vs. 80%).
  Past experience (52%) and word-of-mouth (44%) are listed as the second and third most frequently used information sources, though the penetration rate here is also much lower than others.
- They have the lowest incidence of media consumption across the segment. Fewer than 40% are average to heavy television watchers, and they are the least likely to read magazines (25%) or newspapers (41%) or listen to the radio (32%) among the cluster in the natural wonder segment.

Table 10: Demographic and travel behaviour profiles of Natural Wonder Segment Clusters				
	Pleasure Seeker 396,774	Action Seeker 522,522	Cultural Seeker 472,058	Enthusiasts 578,634
Life Stage	Avg. age 44.7 35-54 yrs 39% 65+ yrs 7% Kids (18+) 13% Kids (17 or <) 31%	Avg. age 47.6 35-54 yrs 35% 65+ yrs 15% Kids (18+) 17% Kids (17 or <) 25%	Avg. age 51.6 35-54 yrs 28% 65+ yrs 19% Kids (18+) 13% Kids (17 or <) 17%	Avg. age 50.7 35-54 yrs 31% 65+ years 21% Kids (18+) 20% Kids (17 or <) 27%
Education	University Degree 60%	University Degree 57%	University Degree 50%	University Degree 46%
Job and Income	Full-time 59% Retired 14% White collar 32% Tech/sales/service 10% Blue collar 3% Avg. income 104,000	Full-time 53% Retired 15% White collar 39% Tech/sales/service 10% Blue collar 7% Avg. income 95,000	Full-time 42% Retired 24% White collar 30% Tech/sales/service 15% Blue collar 7% Avg. income 82,000	Full-time 51% Retired 26% White collar 33% Tech/sales/service 21% Blue collar 16% Avg. income 71,000
Immigration and Cultural Background	Immigrants 10% Caucasian 85% Black/African 4% Asian/Pacific 6%	Immigrants 14% Caucasian 79% Black/African 8% Asian/Pacific 5%	Immigrants 5% Caucasian 91% Black/African 1% Asian/Pacific 0%	Immigrants 5% Caucasian 87% Black/African 9% Asian/Pacific 1%
Residence Ownership	Own home 81%	Own home 82%	Own home 83%	Own home 88%
Vacation Destinations	Ontario 44% Mexico 12% Caribbean 20% Europe 21%	Ontario 39% Mexico 28% Caribbean 20% Europe 25%	Ontario 36% Mexico 21% Caribbean 21% Europe 13%	Ontario 45% Mexico 9% Caribbean 16% Europe 10%
Average # of Vacations taken	World 4.4 Ontario 1.5	World 4.4 Ontario 2.0	World 4.2 Ontario 1.6	World 3.5 Ontario 1.3
Benefits Sought in a Vacation (by 60% + of travellers within segment)	Lasting memories 79% Do something new/different 78% Break from day-to-day 75% Relax/relive stress 74% Enrich family relationships 71%	Lasting memories 83% Break from day-to-day 81% Do something new/different 81% Relax/relive stress 75% Enrich family relationships 70% Gain knowledge 64% Enrich perspective on life 65%	Lasting memories 77% Do something new/different 77% Break from day-to-day 68% Relax/relive stress 62% Enrich family relationships 62% Gain knowledge 61%	Break from day-to-day 79% Relax/relive stress 74% Lasting memories 65%
Destination Considerations (Top 4)	Feeling safe 72% Lots of things for adults to see and do 70% No health concerns 45% Convenient access by car 47%	Lots of things for adults to see and do 75% Feeling safe 71% Mid-range accommodation 46% Information available on internet 42%	Lots of things for adults to see and do 72% Feeling safe 68% Convenient access by car 58% No health concerns 51%	Feeling safe 81% Lots of things for adults to see and do 64% Convenient access by car 60% No health concerns 57%

Figure 3: Geographic Distribution of Natural Wonder Clusters

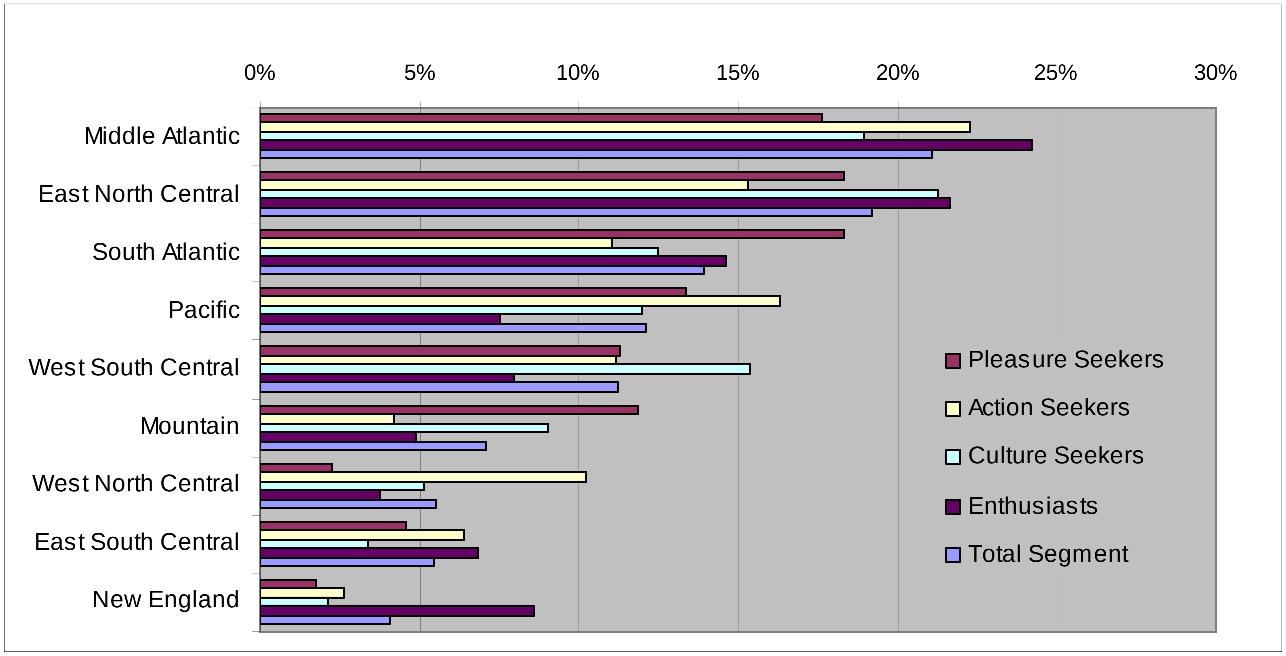


Table 11: Media Habits of Natural Wonder Segment Clusters				
	Pleasure Seeker 396,774	Action Seeker 522,522	Cultural Seeker 472,058	Enthusiasts 578,634
Information sources for trip planning (top 3)	Internet 86% Past experience 75% Word-of-mouth 65%	Internet 82% Past experience 78% Maps 63%	Internet 86% Maps 65% Past experience 53% Word-of-mouth 53%	Internet 70% Past experience 52% Word-of-mouth 44%
Newspaper	Average to heavy readers 54% Travel Section: Weekday 35% Weekend 60%	Average to heavy readers 57% Travel Section: Weekday 44% Weekend 51%	Average to heavy readers 45% Travel Section: Weekday 34% Weekend 42%	Average to heavy readers 41% Travel Section: Weekday 30% Weekend 40%
Magazines	Average to heavy readers 42% Entertainment; Travel	Average to heavy readers 66% Home & Garden; Entertainment	Average to heavy readers 32% Entertainment; General Interest; News/Info	Average to heavy readers 25% Entertainment; Home & Garden
TV Programming	Average to heavy watchers 53% Drama; Movies	Average to heavy watchers 55% Movies; History	Average to heavy watchers 48% Movies; News & Current Affairs	Average to heavy watchers 39% Movies; Drama
Radio Stations	Average to heavy listeners 44% News/Talk/Info; Oldies (50s,60s,70s, 80s)	Average to heavy listeners 56% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 32% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 32% Oldies (50s,60s,70s,80s); News/Talk/Info
Web sites used for personal purposes	Average to heavy users 52% Travel; Weather	Average to heavy users 54% Travel; Weather	Average to heavy users 23% Weather; Travel	Average to heavy users 24% Weather; Travel

Casino Segment Clusters

Table 12: Participation in key activities by individual Casino Segment Clusters			
	Pleasure Seeker 219,342	Action Seeker 208,962	Enthusiasts 393,560
Strolling around to observe buildings/ architecture	44%	92%	22%
Restaurants offering local ingredients/recipes	64%	89%	50%
High-end restaurants with an int'l reputation	24%	66%	11%
Other high-end restaurants	32%	67%	22%
Shopping: Bookstore or Music Store	65%	81%	11%
Shopping: Antiques	53%	64%	5%
Shopping: Gourmet Foods in Retail Stores	37%	60%	5%
Shopping: Local Arts & Crafts Studios or Exhibitions	63%	71%	8%
Shopping: Clothing, Shoes and Jewelry	81%	87%	42%
Local outdoor cafes	49%	88%	9%
Live theatre	40%	52%	14%
Farmers' markets or country fairs	59%	63%	7%
Movies/cinema	48%	65%	15%
Well-known historic sites or buildings	38%	93%	21%
Other historic sites, monuments and buildings	27%	87%	11%
Amusement park	41%	67%	39%
Art galleries	7%	76%	4%
Nature parks	27%	61%	16%
Aquariums	27%	65%	18%

Pleasure Seekers:

- Pleasure Seekers in the casino segment are focused on eating in restaurants and shopping. They like to eat in restaurants offering local fare and to shop for clothing and shoes, music and books, and local arts and crafts. (Each of the above activities was mentioned by at least 60% of those within the specific cluster.)
- The Pleasure Seekers cluster is the oldest within the casino segment, and almost one in five is 65 or older. They are the most likely to have older children living at home (33%), while one in five has children 17 or younger at home.
- They have the lowest incidence of a university degree among those in the casino segment, but the highest incidence of owning a home.
- Half have travelled in to Ontario, and they have taken an average number of trips to the province. They have a slightly lower incidence of travelling to Mexico and to Europe than others within the segment.
- Travellers in this cluster seek a greater number of benefits from their travel experiences (6 out of the 15 benefits listed were rated as highly important by more than 60% of those in the cluster). This cluster is more focused on family-related benefits when they travel than any of the other cluster - creating lasting memories (80% vs. 69%), enriching family relationships (69% vs. 60%) and keeping family ties alive (61% vs. 42%).

- When choosing a destination, this cluster is similar to the overall casino segment, thought they have a heightened need to feel safe at the destination (mentioned by 90% of those in the cluster).
- These travellers are not as likely as others to use the internet as a source of information for travel planning (70%), though it remains the most frequently mentioned source of information. Past experience was mentioned by 62% of respondents, while half the segment relies on word-of mouth.
- They are average newspaper readers, and on par with travellers overall when it comes to reading the travel section of the paper during the week or on weekends. More of them are magazine readers (57%), with entertainment and craft & antiques among their favourite topics. They are average in terms of their consumption of television and radio programming.

Action Seekers:

- Action Seekers are highly active in all or most of the key activities. Almost everyone in this cluster eats out at a variety of restaurants, shops at a variety stores, visits historic sites and art galleries. This is truly an active group, trying to get the most of out their vacation time.
- Action Seekers are of similar age to the overall casino segment. They are the least likely to have children 17 or younger living at home (14%).
- More than half have a university degree (53%), the highest incidence among the casino clusters but they have the lowest incidence of home ownership.
- They are the most likely to have travelled in Ontario, and have made the greatest number of trips to the province (2.2 trips vs. 1.9 for the overall casino segment). They have almost double the incidence of travel to other regions (Mexico, the Caribbean and Europe).
- This cluster is more concerned about taking a break from the day-to-day than others in the casino segment (89% vs. 79%). They are also more focused on doing something new or different (78% vs. 61%) and creating lasting memories (78% vs. 69%).
- When choosing a destination, they appear somewhat less focused on safety concerns than other clusters (69% vs. 81%) and less concerned about mid-range accommodation (43% vs. 51%).
- Among the casino clusters, Action Seekers are the most comfortable with the internet as a source of information for travel planning (84%). They also rely heavily on past experience (75%), while maps and word-of-mouth figure as the third most important sources of info for just over half of them (55%).
- They are heaviest users of media across all channels – television, newspapers, magazines (equal to the casino pleasure seeker) and the radio – relative to the overall casino segment.

Segment Enthusiasts:

- Casino Enthusiasts are focused almost exclusively on visiting casinos. Half reported eating in restaurants offering local fare, but their level of participation in the balance of the key activities listed was considerably lower than that of other travellers.
- The Enthusiasts cluster is youngest among the casino clusters. One quarter of them have children 17 or younger living at home, the highest incidence in the casino segment, but few of them (7%) had children over 18 at home.
- One third have a university degree (36%), similar to the casino segment's overall incidence. They have the lowest incidence of home ownership among the clusters.

- They have the lowest incidence of travel to Ontario, and the lowest number of trips to the province. They have significantly lower incidences of travel to all other regions (Mexico, Caribbean and Europe) as well.
- Only two of the travel benefits listed were mentioned by more than 60% of members of this cluster – relaxing and relieving stress and taking a break from the day-to-day. These are the two most frequently mentioned travel benefits sought overall.
- When choosing a destination, this cluster is more focused on convenient access by car and availability of mid-range accommodation than others in the casino segment.
- These travellers are not as likely as others to use the internet as a source of information for travel planning (70%), though it remains the most frequently mentioned source of information. Past experience (46%) and word-of-mouth (40%) are listed as the second and third most frequently used information sources, though the penetration rate here is much lower than others in the casino segment and for travellers overall. This cluster will be the hardest to reach via traditional media as they are the least likely to read the newspaper (37%) or magazines (25%) or newspapers (40%), to watch television (37%) or listen to the radio (29%).

Table 13: Demographic and travel behaviour profiles of Casino Segment Clusters			
	Pleasure Seeker 219,342	Action Seeker 208,962	Enthusiasts 393,560
Life Stage	Avg. age 52.7 35-54 yrs 34% 65+ 19% Kids (+18) 33% Kids (<17) 20%	Avg. age 46.8 35-54 yrs 36% 65+ 14% Kids (+18) 12% Kids (<17) 14%	Avg. age 44.0 35-54 yrs 38% 65+ 14% Kids (+18) 7% Kids (<17) 25%
Education	University Degree 26%	University Degree 53%	University Degree 36%
Job and Income	Full-time 53% Retired 22% White collar 24% Tech/sales/service 40% Blue collar 17% Avg. income 66,000	Full-time 66% Retired 9% White collar 33% Tech/sales/service 16% Blue collar 4% Avg. income 79,000	Full-time 56% Retired 17% White collar 26% Tech/sales/service 15% Blue collar 14% Avg. income 66,000
Immigration and Cultural Background	Immigrants 2% Caucasian 90% Black/African 6% Asian/Pacific 0%	Immigrants 1% Caucasian 82% Black/African 10% Asian/Pacific 1%	Immigrants 2% Caucasian 72% Black/African 20% Asian/Pacific 4%
Residence Ownership	Own home 87%	Own home 79%	Own home 74%
Vacation Destinations	Ontario 50% Mexico 11% Caribbean 22% Europe 12%	Ontario 60% Mexico 31% Caribbean 40% Europe 19%	Ontario 46% Mexico 7% Caribbean 11% Europe 4%
Average # of Vacations taken	Avg. World 3.8 Avg. Ontario 2.0	Avg. World 4.5 Avg. Ontario 2.2	Avg. World 3.7 Avg. Ontario 1.7
Benefits Sought in a Vacation (60% +)	Relax/relive stress 84% Break from day-to-day 81% Lasting memories 80% Enrich family relationships 69% Life with no fixed schedule 65% Keep family ties alive 61%	Break from day-to-day 89% Do something new/different 78% Lasting memories 78% Relax/relive stress 77%	Relax/relive stress 79% Break from day-to-day 71%
Destination Considerations (Top 4)	Feeling safe 90% Lots of things for adults to do 67% No health concerns 55% Convenient access by car 53%	Feeling safe 69% Lots of things for adults to do 65% No health concerns 51% Mid-range accommodation 43%	Feeling safe 83% Lots of things for adults to do 64% Convenient access by car 61% Mid-range accommodation 58% No health concerns 58%

Table 14: Media Habits of Casino Segment Clusters			
	Pleasure Seeker 219,342	Action Seeker 208,962	Enthusiasts 393,560
Information sources for trip planning (top 3)	Internet 70% Past experience 62% Word-of-mouth 51%	Internet 87% Past experience 75% Maps 55% Word-of-mouth 55%	Internet 70% Past experience 46% Word-of-mouth 40%
Newspaper	Average to heavy readers 46% Travel Section: Weekday 39% Weekend 38%	Average to heavy readers 62% Travel Section: Weekday 55% Weekend 66%	Average to heavy readers 37% Travel Section: Weekday 26% Weekend 34%
Magazines	Average to heavy readers 57% Entertainment; Crafts & Antiques	Average to heavy readers 56% Entertainment; News & Affairs	Average to heavy readers 25% Entertainment; News & Affairs
TV Programming	Average to heavy watchers 55% Movies; News $ Current Affairs	Average to heavy watchers 72% Movies; News $ Current Affairs	Average to heavy watchers 37% Movies; Drama; Sports Shows
Radio Stations	Average to heavy listeners 54% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 61% Oldies (50s,60s,70s,80s); News/Talk/Info	Average to heavy listeners 27% Oldies (50s,60s,70s,80s); Modern Rock/Alternative
Web sites used for personal purposes	Average to heavy users 36% Weather; Travel	Average to heavy users 55% Travel; Entertainment	Average to heavy users 29% Travel; Entertainment