

Perceptions of Ontario as a Travel Destination

Table of Contents

	Page Number
• Introduction	3
• Chart 1: Survey Sample of the February 2006 Study	4
• Perceptions of Ontario as a Travel Destination	5
• Chart 2: Spring and Summer Travel Intentions.....	5
• Table 1: Incidence of Travel to Ontario.....	6
• Chart 3: Travel Intentions - Variations in Canada and U.S.	7
• Table 2: Have ever been to Ontario for Any Purpose	8
• Chart 4: Last Trip to Ontario	9
• Chart 5: Ratings of Ontario as Travel Destination	10
• Chart 6: Ontario Imagery Ratings	11
• Table 3: Top 10 "Must See" Destinations Reported by Travellers.....	12
• Chart 7: Rating Ontario Relative to Ideal Destination	13
• Table 4: Factors Influencing Choice of Ideal Destination.....	14
• Chart 8: Any Negative Events/Issues on Travel in Ontario?.....	15
• Chart 9: Non Travellers' Concerns about Visiting Ontario	16
• Chart 10: Travel Planning Behaviour	18
• Chart 11: Reasons for Last-Minute Travel Bookings	19
• Table 5: Demographic Information of Travellers.....	20
• Table 6: Demographic Details of Travellers.....	21

Introduction

This report is based on the data of the Travel Intentions Survey¹ conducted by the Ministry of Tourism in February, 2006. The study focussed on travellers' intentions for the spring (March-May) and summer (June-August) of 2006.

This report examines the preferences of American and Canadian travellers to Ontario. The focus is on the behavioural and attitudinal differences of three groups of people: intended travellers, potential travellers, and non travellers. Definitions are provided below.

Travellers - those who had taken at least one overnight trip over the past two years, and/or intended to take an overnight trip in the next 12 months.

Canadian Travellers – Residents of Ontario, Quebec, and Manitoba surveyed in this study.

American Travellers – This study surveyed American travellers from the following jurisdictions:

- Washington DC
- Illinois
- Indiana
- Kentucky
- Massachusetts
- Maryland
- Michigan
- Minnesota
- New Jersey
- New York State
- Ohio
- Pennsylvania
- Virginia
- Wisconsin
- West Virginia

Intended Travellers – Canadians and Americans who considered travelling to Toronto, the City of Niagara Falls or elsewhere in Ontario in the spring or summer, 2006

Potential Travellers – Canadians and Americans who expressed an interest in travelling to Toronto, the City of Niagara Falls or other places in Ontario in the next two years.

Non Travellers – Canadian and American travellers who neither considered coming to Ontario in the spring or summer of 2006, nor had any interest (not very interested or not at all interested) in coming to Toronto, the City of Niagara Falls or any places in Ontario in the next two years.

¹ The Ontario Ministry of Tourism initiated the Travel Intentions Survey in November 2003, after the SARS crisis hit Ontario's travel markets. This is the seventh study in the series.

Chart 1: Survey Sample of the February 2006 Survey

Total Number of People Interviewed:
Canadians: 1,978
Americans: 3,960
Number of interviewees who had taken at least one overnight trip in the last two years:
Canadians: 1,394
Americans: 2,830
Number of interviewees who intended to take an overnight trip in the next 12 months:
Canadians: 1,246
Americans: 2,580
Number of interviewees who had not taken an overnight trip in the last two years and who did not intend to do so in the next 12 months (This group of people was not included in this report):
Canadians: 473
Americans: 971
Intended Travellers:
Canadians: 643
Americans: 572
Potential Travellers:
Canadians: 633
Americans: 1,613
Non Travellers:
Canadians: 229
Americans: 814

The sample was weighted with three key factors, household size, age and gender, to represent the overall population under study. All numbers included in this report represent weighted data.

Perceptions of Ontario as a Travel Destination

Chart 2: Spring and Summer Travel Intentions

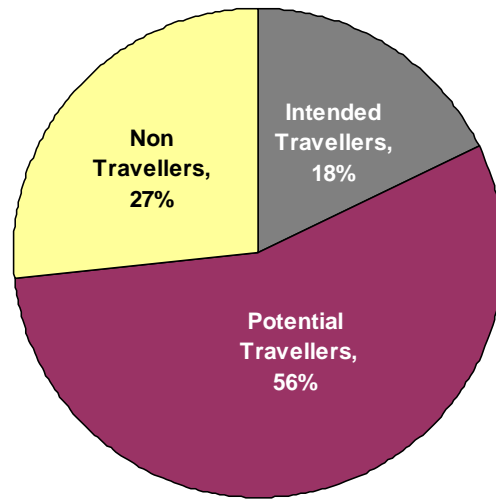


Chart 2 Highlights:

- Across Canada and the U.S., 18% of travellers intended to spend at least one night in a trip in Ontario.
- More than half (56%) of travellers did not plan to travel in Ontario in the next six months but were interested in visiting the province in the next two years.
- 27% of travellers did not intend to travel in Ontario at all in the next two years.

Table 1: Incidence of Travel to Ontario

Place of Residence	Intended Travellers	Potential Travellers	Non Travellers
Canada	46%	41%	13%
Toronto	45%	42%	13%
Niagara Falls	69%	31%	0%
Rest Of Ontario	57%	38%	5%
Rest of Canada	31%	45%	24%
US	13%	58%	29%
Washington DC	0%	78%	22%
Illinois	9%	58%	33%
Indiana	11%	42%	47%
Kentucky	25%	69%	6%
Massachusetts	10%	58%	32%
Maryland	8%	63%	29%
Michigan	22%	60%	18%
Minnesota	8%	54%	38%
New Jersey	9%	68%	23%
New York State	20%	58%	22%
Ohio	15%	58%	27%
Pennsylvania	11%	60%	29%
Virginia	7%	58%	35%
Wisconsin	6%	59%	35%
West Virginia	0%	27%	73%
Total	18%	56%	27%

Table 1 Highlights:

- Residents from Niagara Falls were most likely to travel in Ontario in the next six months (69%)
- American residents most likely to travel to Ontario in the next six months came from Kentucky (25%), Michigan (22%), New York State (20%), and Ohio (15%).
- Residents of Washington D.C. and West Virginia had no intention to travel to Ontario in the next six months, and West Virginians were the least likely to travel to Ontario in the next two years.

Chart 3: Travel Intentions - Variations in Canada and U.S.

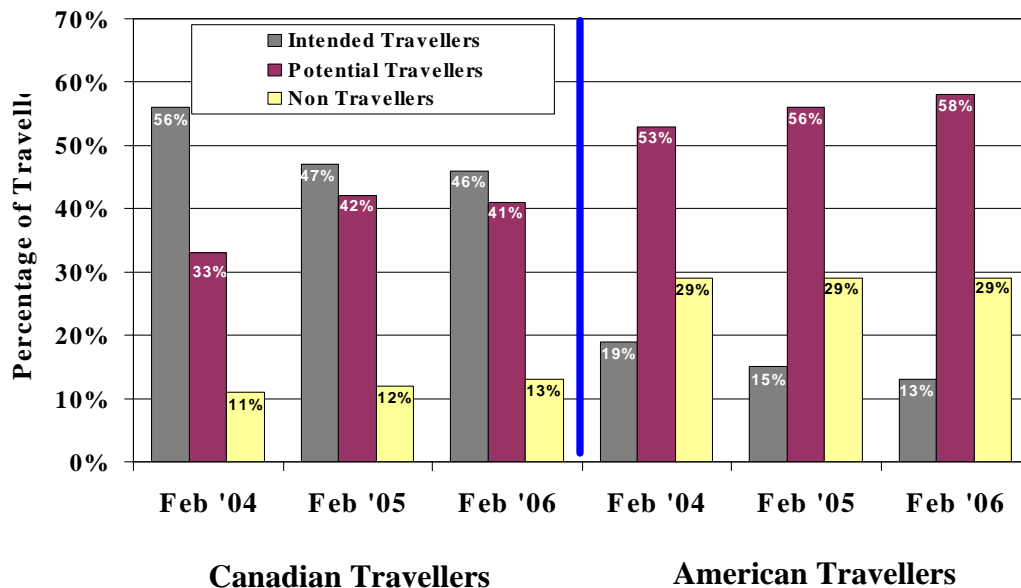


Chart 3 Highlights:

Over the last three years:

- The proportion of intended travellers dropped 10 percentage points in Canada and six percentage points in the U.S.
- The proportion of potential travellers increased by eight percentage points in Canada and five percentage points in the U.S.
- The proportion of non travellers remained constant in the U.S. and increased by two percentage points in Canada.

Table 2: Have ever been to Ontario for Any Purpose

"Yes"				
Place of Residence	Intended Travellers	Potential Travellers	Non Travellers	Total
Canada	93%	88%	89%	90%
U.S.	76%	51%	46%	53%
Total	86%	55%	49%	57%

Table 2 Highlights:

- In Canada and the U.S., travellers who have already been to Ontario are the most likely to travel in the province in the next two years.
- 90% of the Canadian travellers (outside Ontario) and 53% of the American travellers had travelled to Ontario at least once.
- In Canada and the U.S., intended travellers were the most likely to have been to Ontario before (93% for Canadians and 76% for Americans).
- In the U.S., non travellers were the least likely to have been to the province before (46%), followed by potential travellers (51%).

Chart 4: Last Trip to Ontario

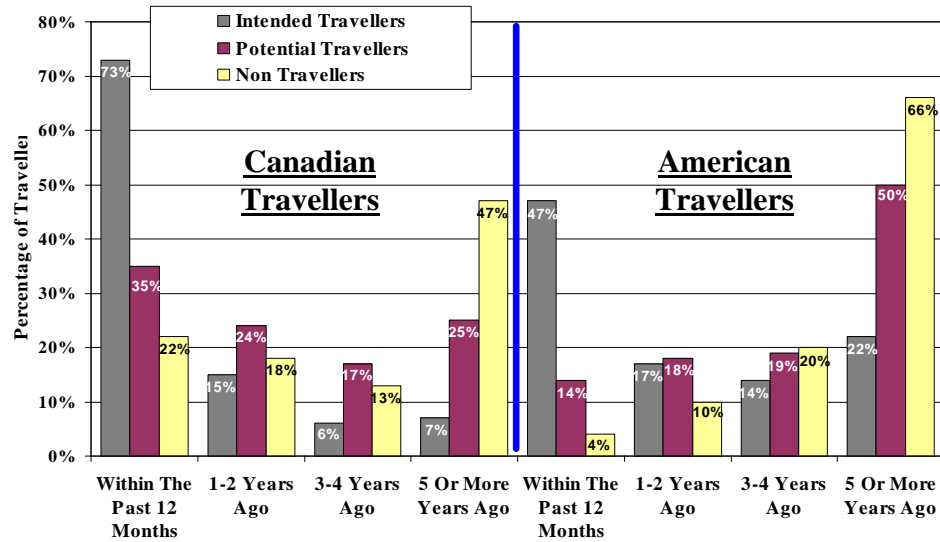


Chart 4 Highlights:

- Intended travellers were most likely to have been to Ontario in the past 12 months (73% for Canadians and 47% for Americans).
- Over one-third of the Canadian potential travellers had been to Ontario recently (36%), while half of the American potential travellers had been to Ontario in the past 5 or more years.

Chart 5: Ratings of Ontario as Travel Destination for Specific Trip-types

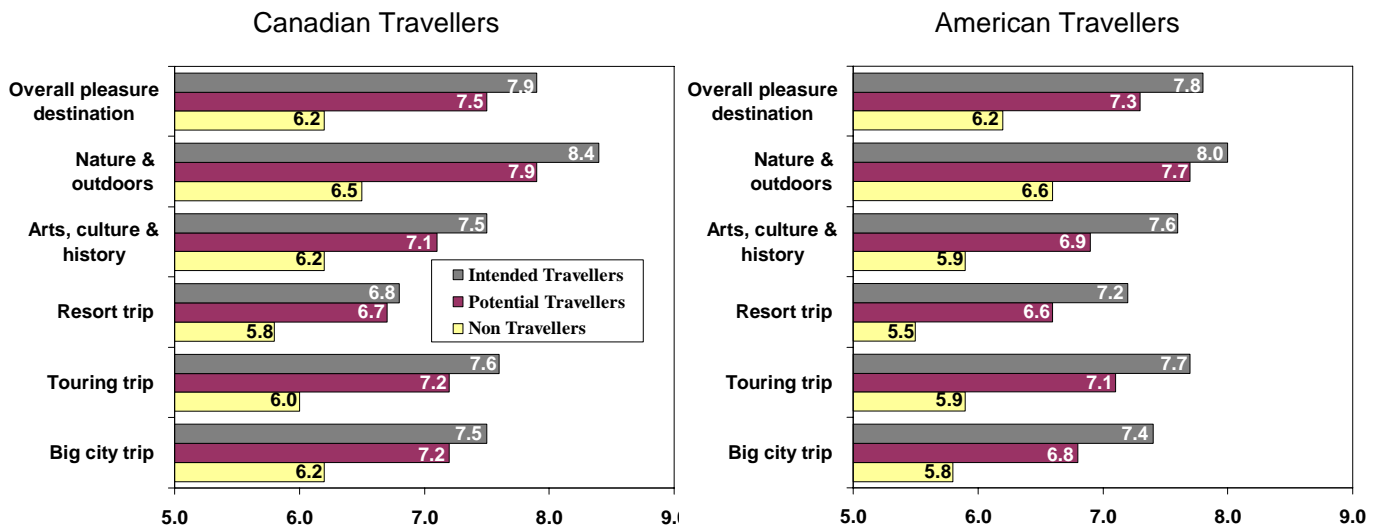
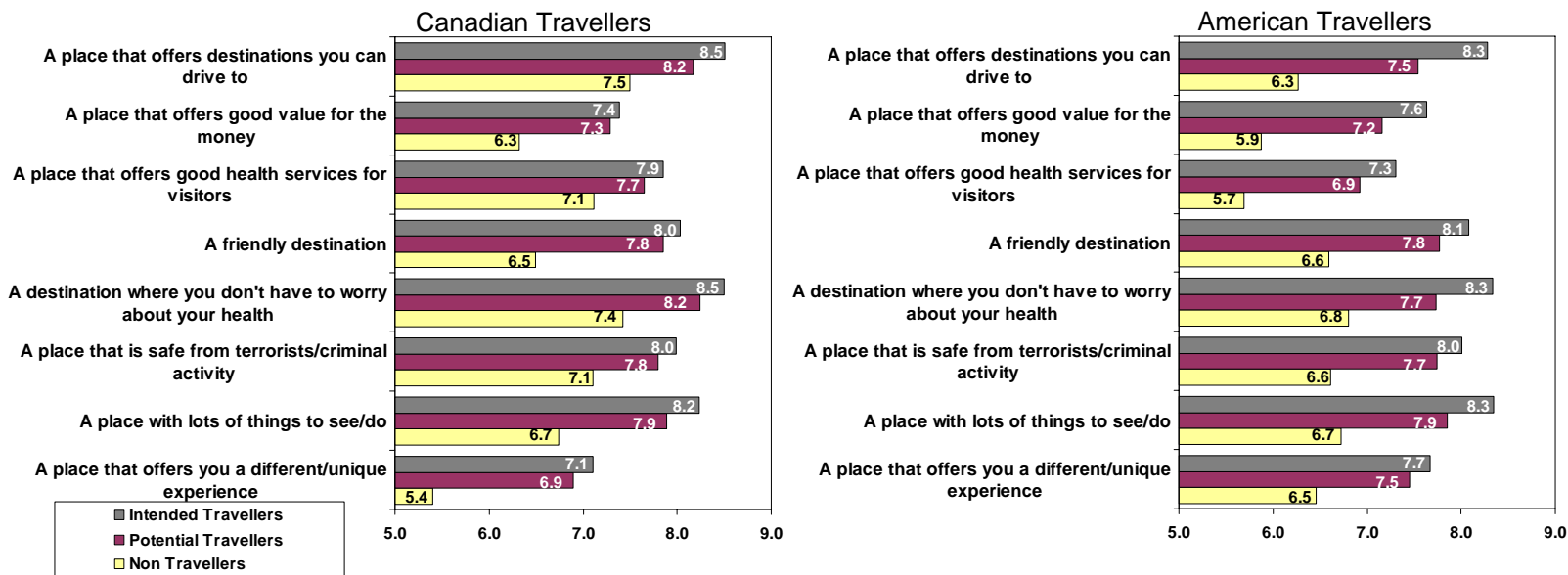


Chart 5 Highlights:

- Travellers gave the highest ratings for “enjoying nature and outdoors” in Ontario, and the lowest ratings for Ontario as a “resort trip”.
- Canadian and American travellers differed the most when it came to how they rated Ontario as a destination for “a big city trip”. Canadians rated it 7.2, and Americans, 6.6.
- Canadian and American travellers had similar ratings for Ontario as a destination for “a resort trip”. Canadians rated it 6.6, and Americans, 6.4.
- Intended travellers gave Ontario’s “arts, culture and history” a 7.5 rating but potential travellers rated it lower, at 6.9.
- Low ratings of Ontario by American non-travellers are based, to a large extent, on perceptions rather than actual experience (54% of these travellers had never been to Ontario). As such, these perceptions could be improved by enhancing marketing efforts. However, since most of the other types of American or Canadian travellers had been to Ontario, improving Ontario’s ratings may require more than just marketing efforts.

Chart 6: Rating Specific Characteristics of Ontario as a Travel Destination



(Average ratings on a 10-point scale where 1=poor and 10=excellent)

Chart 6 Highlights:

- Intended travellers had the highest ratings of Ontario as “a place that offers destinations you can drive to”, “a destination where you don't have to worry about your health”, “a place with lots of things to see and do”, and “a friendly destination”.
- Non travellers, especially those from the U.S., reported the lowest ratings of Ontario as “a place that offers good health services for visitors” and “a place that offers good value for the money”.
- Canadian non travellers had the lowest ratings of Ontario as “a place that offers you a different or unique experience”.
- Americans gave higher ratings than Canadians in just one category: as “a place that offers you a different or unique experience.”
- Canadians and Americans showed some disagreement about Ontario as “a place that offers good health services for visitors.” Canadians rated it at 7.7, and Americans, 6.7.
- Canadians and Americans tended to agree on Ontario as “a friendly destination”. Canadians rated it 7.8, and Americans, 7.5.

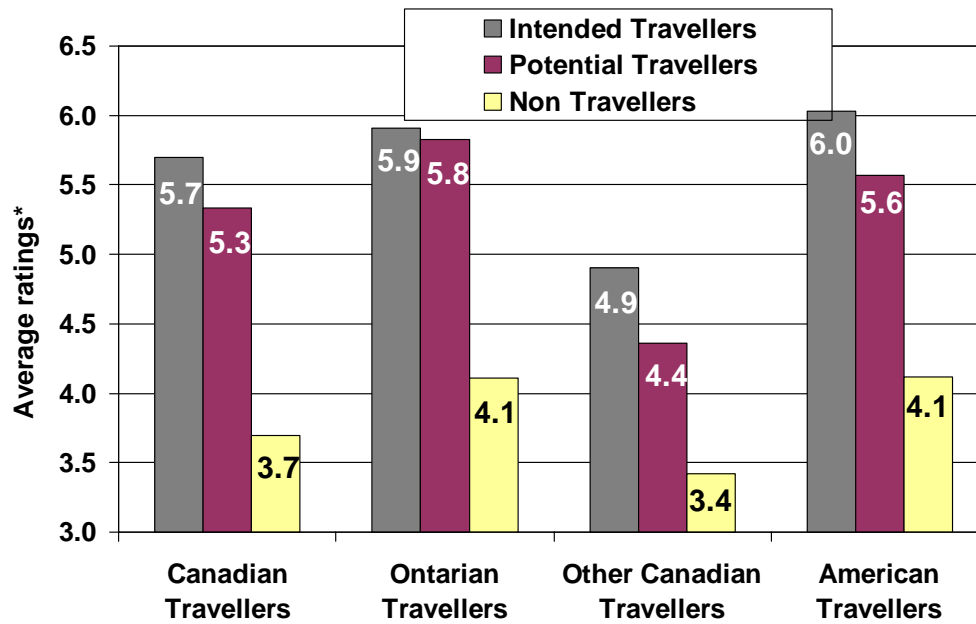
Table 3: Top 10 "Must See" Destinations Reported by Travellers

	Intended Travellers		Potential Travellers		Non Travellers	
Canadian Travellers	Australia	10%	Australia	11%	Italy	11%
	Hawaii	9%	Hawaii	8%	Australia	9%
	Italy	9%	Italy	7%	Hawaii	7%
	Greece	5%	Europe	5%	Europe	5%
	Europe	5%	Paris, France	5%	France	4%
	The Caribbean	4%	England	3%	Switzerland	4%
	Paris, France	3%	Egypt	3%	China/Hong Kong	4%
	Other France	3%	Greece	3%	Paris, France	4%
	England	2%	Switzerland	2%	Austria	4%
	Egypt	2%	Spain	2%	The Caribbean	3%
American Travellers	Hawaii	11%	Hawaii	12%	Hawaii	15%
	Australia	9%	Italy	10%	Italy	11%
	Italy	7%	Alaska	5%	Australia	7%
	Alaska	5%	Ireland	5%	Paris, France	4%
	China/Hong Kong	5%	Australia	4%	London, England	4%
	Paris, France	4%	Paris, France	3%	The Caribbean	3%
	Ireland	3%	Egypt	2%	Spain	3%
	The Caribbean	3%	London, England	2%	New Zealand	3%
	New Zealand	2%	Greece	2%	Ireland	2%
	Himalayan Mountains/Nepal/Kathmandau	2%				
			The Caribbean	2%	Alaska	2%

Table 3 Highlights:

- Only 1% of Canadian or American travellers reported Ontario as their “must see” destination.
- Canadian and American travellers tended to name Australia, Hawaii and Italy as their ‘must see’ destinations.

Chart 7: Rating Ontario Relative to Ideal Destination



*Average ratings on a 10-point scale where 1=poor and 10=ideal

Chart 7 Highlight:

- Canadian and American intended travellers gave Ontario a low rating relative to their ideal destinations. Americans gave Ontario an average rating of 6.0, while Canadians (from outside the province) gave it 4.9.

Table 4: Factors Influencing Choice of Ideal Destination

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Traveller Group	Factors	Factor Variables	Factor Loadings
Intended Ontario Travellers	Nature	Water/Waterfront	0.5720
		To visit the volcano/active volcano	0.5528
		Beaches	0.5472
	Outdoors	The Lake	0.7233
		The Resorts/Nice Resorts	0.6864
		To see/climb/experience the mountains	0.6368
Potential Ontario Travellers	Culture	Museums	0.5601
		The culture	0.5204
		To try/experience the food (wine)/ Cuisine/culinary delight	0.4967
		The arts (general)	0.4950
	Nature	Ocean/sea	0.4089
		Beaches	0.3825
Non-Ontario travellers	Good life	To try/ experience the food (wine)/ Cuisine/culinary delight	0.6322
	City life	A clean place/has clean air/water	0.5502
		Shopping	0.4537

Explanation of Table 4:

This study used a statistical approach called factor analysis to understand what led travellers to choose their ideal destinations. In Table 4 above, factor analysis suggests the degree to which certain preferences (called “Factor Variables”, above) among travellers shed light on their choice of ideal destinations (influenced by “Factors”, above). “Factor loadings” show the correlation between the “Factor Variables” and the “Factors”. Factor loadings range from -1 to 1. 1 indicates the strongest positive correlation. -1 indicates the strongest negative correlation. 0 indicates no correlation.

Table 4 Highlights:

- Intended travellers were naturalists and outdoors seekers. They looked for water, beaches and volcanoes and liked to stay in resorts and climb mountains. Ontario, having a relative strong image as an outdoor destination, was more attractive to this group of travellers.
- Non travellers were personal indulgence seekers. They sought fine and relaxing life, shopping and quality of the environment.
- Potential travellers looked for culture, arts and fine food, but they also enjoyed natural attractions (such as oceans and beaches).

Chart 8: Any Negative Events/Issues on Travel in Ontario?

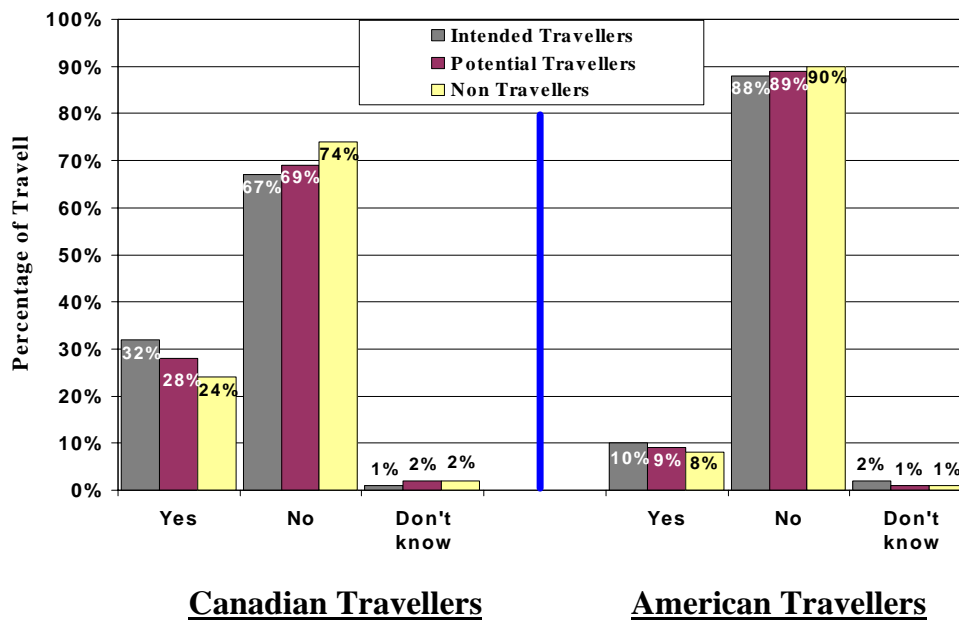


Chart 8 Highlights:

- 12% of all travellers reported specific events or issues that made them less inclined to travel in Ontario.
- Intended travellers were more likely to express concerns (32% in Canada and 10% in the U.S.) than the other two groups.
- Canadians were more likely to report events or issues than Americans.

Top five concerns of Canadians about travel in Ontario:

- Violence 21.0% (of total Canadian travellers)
- traffic 3.3%
- safety and security 1.4%
- cost 1.4%
- crowds 0.8%

Top five concerns of Americans about travel in Ontario:

- politics 1.7% (of total American travellers)
- border troubles 1.2%
- need for passports 1.0%
- terrorism issues 0.8%
- SARS 0.5%

Chart 9: Non Travellers' Issues about Visiting Ontario

Interviews with Canadians and Americans who do not intend to travel in Ontario show that the province would face stiff competition from other destinations even if it improved its tourism image and product. Americans and Canadians gave three key reasons for not wanting to travel in Ontario:

Nothing of interest there	15%
Other places I want to go to	13%
I have been there	6%

Not interested in visiting Toronto

- The top five reasons why Canadians did not want to visit Toronto were:

○ Other places I want to go to	16%
○ Not interesting	13%
○ Been there before	11%
○ Have travelled there before	9%
○ Driving and traffic hassles	6%

- The top five reasons why Americans did not want to visit Toronto were:

○ Other places I want to go to	19%
○ Not interesting	10%
○ Too cold	8%
○ Been there before	5%
○ Cost	5%

Not interested in visiting the City of Niagara Falls

- The top five reasons why Canadians did not want to visit the City of Niagara Falls were:

○ Been there before	60%
○ Not interesting	11%
○ Other places I want to go to	7%
○ Nothing to see except the falls	4%
○ No reason to go there	3%

- The top five reasons why Americans did not want to visit the City of Niagara Falls were:

○ Been there before	30%
○ Other places I want to go to	12%

- Not interesting 12%
- No desire to go there 5%
- Too busy 4%

Not interested in visiting other places in Ontario

- The top five reasons why Canadians did not want to visit other places in Ontario were:

- Been there, seen everything 21%
- Boring 13%
- Other places I want to go to 10%
- Not interested 10%
- Prefer other Canadian (non Ontario) destinations 5%

- The top five reasons why Americans did not want to visit other places in Ontario were:

- Boring 15%
- Other places I want to go to 14%
- Too cold 7%
- Don't know much about Ontario 6%
- Cost 5%

Chart 10: Travel Planning Behaviour

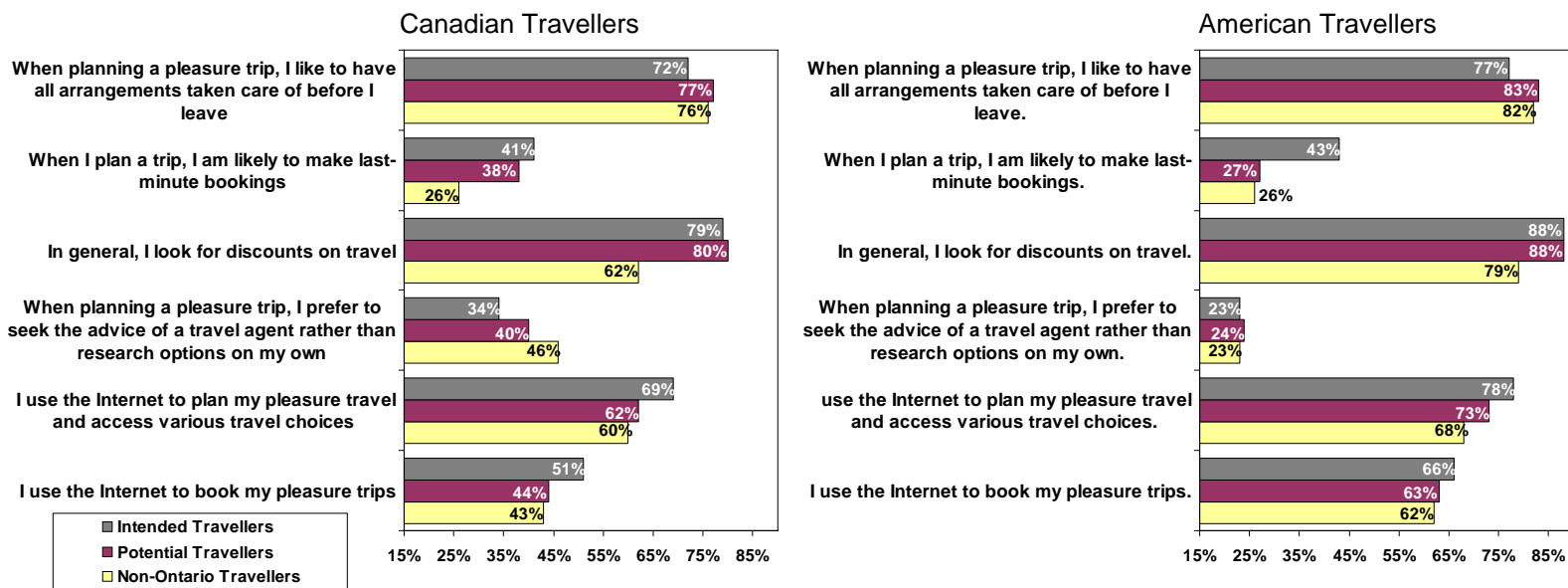


Chart 10 Highlights:

- Intended travellers from Canada and the U.S. were most likely to make last-minute bookings. They were more likely to use the Internet to plan and book their trips.
- Non-travellers were more conservative, and were the least likely to use the Internet to plan or book trips. Non-travellers also showed the least interest in booking last-minute trips or looking for discounts. They placed more than the usual importance on arranging travel ahead of time.
- Travel discounts were of the greatest importance to potential travellers. This group of travellers was inclined to plan all arrangements before travelling. A discounted travel package with combined services and products would be an ideal for this group.
- Americans were much more likely than Canadians to use the Internet to plan and book trips. Canadian travellers were more inclined than Americans to use travel agents.
- The use of the Internet to plan and book pleasure trips is on the rise. A total of 71% of travellers surveyed in the February 2006 study used the Internet to plan trips, up from 69% in February 2005. 61% of travellers in the February 2006 study booked trips online, up from 58% in February 2005.

Chart 11: Reasons for Last-Minute Travel Bookings

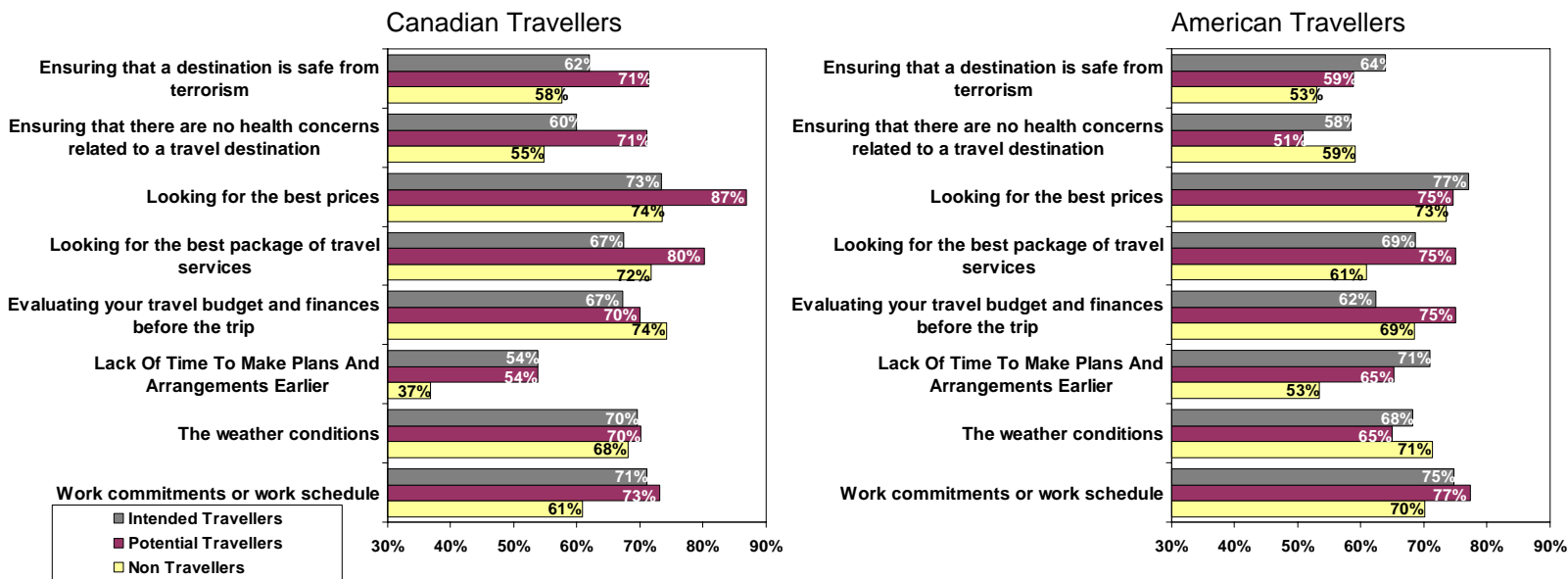


Chart 11 Highlights:

- Travellers booking last-minute trips cared more about prices and best packages than about reassurances concerning the absence of terrorism or health concerns
- Work schedules frequently led to last-minute bookings
- Potential travellers from Canada were the most likely to look for the best prices or package.
- The use of last-minute bookings is rising slightly. Some 30% of travellers made last-minute bookings in February 2006 study, up from 28% in February 2005.

Table 5: Demographic Information of Travellers

Categories		Intended Ontario Travellers	Potential Ontario Travellers	Non-Ontario Travellers
Household members (average #)	Average # of household members	3.0	3.2	2.8
	Average # 17 years or under	0.8	1.0	0.7
	Average # 12 years or under	1.3	1.4	1.2
Marital status	single	24%	27%	21%
	married/living with someone	64%	63%	65%
	separated/divorced	8%	6%	6%
	widowed	4%	3%	6%
	refused	1%	2%	1%
Education Level	less than high school	2%	5%	3%
	graduated high school	17%	24%	24%
	some college or university	18%	20%	19%
	graduated college/ university	37%	32%	32%
	graduated post-graduate degree	25%	17%	19%
	other	0%	2%	2%
Employment status	employed	69%	67%	62%
	retired	17%	13%	22%
	other	14%	20%	16%
Age Group	18 to 24 years of age	8%	10%	8%
	25 to 34	16%	21%	16%
	35 to 44	24%	24%	15%
	45 to 54	19%	20%	25%
	55 to 64	15%	15%	15%
	65 years or older	16%	10%	21%
Friends/relatives living in Ontario	yes	32%	14%	7%
	no	66%	85%	91%
	don't know/refused	2%	1%	2%
Own vacation cottage in Ontario	yes	12%	1%	1%
	no	87%	98%	97%
	don't know/refused	2%	1%	2%
Own time-share vacation cottage in Ontario	yes	4%	1%	0%
	no	95%	99%	98%
	don't know/refused	2%	0%	2%
Household Income, 2005	Less than \$20,000	8%	7%	6%
	\$20,000 to just under \$40,000	8%	14%	15%
	\$40,000 to just under \$60,000	17%	22%	16%
	\$60,000 to just under \$80,000	17%	15%	14%
	\$80,000 to just under \$100,000	10%	10%	11%
	\$100,000 to just under \$150,000	14%	11%	11%
	\$150,000 to just under \$200,000	5%	4%	5%
	More than \$200,000	7%	3%	5%
don't know/refused	2%	4%	2%	
Country of birth	Canada	30%	8%	6%
	USA	53%	83%	87%
	Other countries	16%	9%	6%

Table 6: Demographic Details of Travellers

	Place of Residence	Canada-born	USA-born	Other-country-born
Intentions to travel in the U.S. between March and August	Canada	36%	64%	38%
	USA	94%	79%	71%
	Total	38%	79%	61%
Intentions to travel in Ontario between March and August	Canada	48%	52%	39%
	USA	58%	12%	27%
	Total	48%	12%	30%

Tables 5 & 6 Highlights:

- To some degree, demographic characteristics predict the likelihood of travel to Ontario.
- Among the three types of travellers, intended travellers were the most likely to be born in Canada (30%, compared to 8% for potential travellers and 6% for non travellers).
- Intended travellers were more likely to have a relationship with someone in Ontario: 32% of them had friends or relatives in the province, compared to 14% of potential travellers and 7% of non-travellers.
- 12% of intended travellers (versus 1% for potential and for non-travellers) had access to a vacation cottage in Ontario, owned by them or by family members.
- Potential travellers and non travellers were more likely to have been born in the U.S. (83% and 87%, respectively).
- American-born travellers were much more likely to travel in the U.S. (79%) than in Ontario (12%) in the next six months.
- Compared to other travellers, non travellers were the most likely to be retired (22 %) and more likely to be older (21% were at least 65 years old).
- Non travellers tended to look warm weather destinations and indoor attractions, and sought personal indulgence as a travel experience.