



DESTINATION
CANADA

Global Tourism Watch

2016 South Korea Summary Report



Canada

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1. Introduction

Destination Canada began conducting the annual Global Tourism Watch (GTW) program in 2007. The primary purpose of this research program is to expand the base of consumer-based intelligence in 12 core markets around the world: Australia, Brazil, China, France, Germany, India, Japan, Mexico, South Korea, the United Kingdom, the United States, and the domestic Canadian market.

The overall objectives of the GTW study are to:

- Monitor awareness, travel intentions, and other key market indicators for Canada and the regions;
- Assess perceptions of Canada and track brand performance against competitors over time;
- Identify the general experiences sought by travellers, and identify growth opportunities;
- Identify motivators and barriers for travel to Canada; and,
- Determine the influence of various information sources on destination selection.

The GTW permits direct comparison of Canada to competing destinations in each market. Destination Canada has designated the following destinations as competitors in the South Korean market: the US, France, Germany, Switzerland, Australia, United Kingdom, Spain, Russia, India, Italy and Portugal.

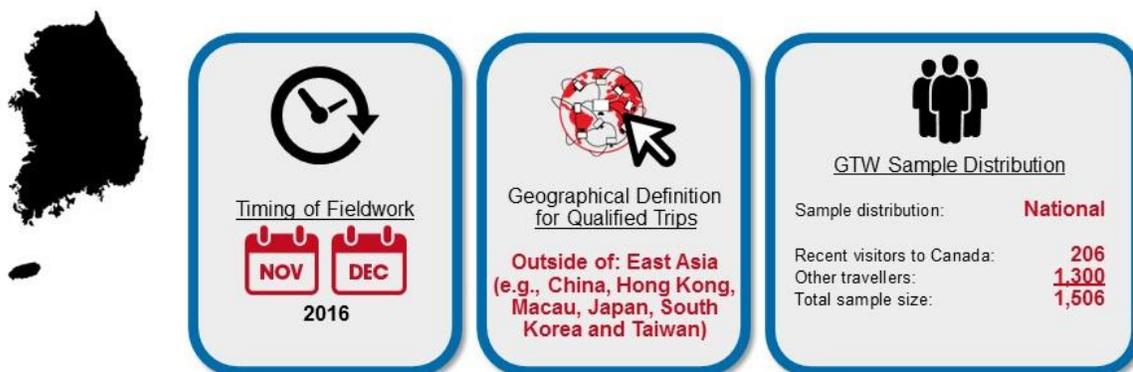
Methodology

Data was collected via an online survey and has been weighted to represent the South Korean long-haul travel population. The target population in South Korea was residents aged 18 years and older, who have taken a long-haul pleasure trip outside of East Asia (e.g. China, Hong Kong, Japan) where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years, or plan to take such a trip in the next 2 years.

Data was gathered from 1,506 respondents in South Korea, including 206 recent visitors to Canada, in December 2016. In the past, data has been gathered earlier in the year (April through July), which is prime planning season for summer travel to destinations such as Canada. It is believed the timing of data collection impacts results and the later field window this wave may be responsible for some shifts in Key Performance Indicators (KPIs).

Figure 1.1: Study Overview: South Korea Market

The target population are residents aged 18 years and older, who have taken a long-haul pleasure trip, where they had stayed at least 4 nights with a minimum of 1 night in paid accommodation in the past 3 years, or plan to take such a trip in the next 2 years.



Background

South Korea is the world's 11th largest economy, according to the IMF GDP Nominal ranking, with 1.9% share of global GDP (*International Monetary Fund, October 2016*).

The country's GDP grew by 2.7% in 2016, and is forecasted to remain flat at around 3% in 2017. GDP growth has declined over the last 15 years from the 9% growth rate observed in 2000. Sensitive to external shocks, South Korea has experienced a slow recovery since the 2008 world economic crisis. Growth has also been stifled by competition in exports from emerging markets such as China, and a decrease in export demand from Asian countries, which account for half of South Korea's exports. The Won, South Korea's currency, has weakened as a result. In addition, economic growth has been impacted by falling contributions from labour and productivity. A decrease in the size of the labour market will intensify over the long-term as the population ages rapidly. South Korea's population is projected to move from the fourth youngest among OECD countries in 2014 to the third oldest by 2050 (*OECD, May 2016*).

Political uncertainty also further impacted the country's volatile economy. Presidential scandals and resulting changes in leadership could impact long-term consumer confidence as the population seeks transparency and a more stable government (*Focus Economics, December 2016*).

The unemployment rate was 3.6% in 2016 and is projected to decrease marginally to 3.3% in 2017. The unemployment rate is low in comparison to other OECD countries, being the lowest after Japan and Iceland. However, the rate is much higher for younger Koreans, standing at 8.1% among those 15 to 29 years old (*Statistics Korea, 2016*).

Inflation was low at 1% in 2016, but as private consumption improves, it is expected to rise to 1.9% in 2017 and remain flat at around 2% in the near term.

South Korea's Consumer Confidence Index declined from 102 in October 2016 to 94 by the end of the year, but is expected to rebound in 2017 (*Trading Economics, 2017*).

South Korea is the 7th largest outbound tourism market, with expenditures totalling US\$27 billion in 2016 and representing 8% growth over 2015 (*United Nations World Tourism Organization, April 2017*). The number of outbound tourists increased by 16%, reaching 22.4 million in 2016 (*Korea Tourism Organization, 2017*), due mainly to a surge in South Korean visits to Japan, where a sharp devaluation of the currency has been occurring since 2015. When interpreting results for South Korea, it is important to note that outbound travel in this market has evolved very quickly over the past several years and continues to trend upwards. For this reason, some results could seem inflated. It will be important to continue tracking results over time to see how these metrics shift and stabilize.

2. Market Potential

GTW data is used to estimate the size of the potential market for Canada. The table below provides an estimate of the size of the potential South Korean market for Canada in two ways – the macro target market and the immediate potential market.

The long-haul travel market size is derived from a 2016 omnibus study of the South Korean adult population. Note that the long-haul market size was last calculated in 2010 and has increased by 8.1 million. This increase is explained by an overall increase in the incidence of long-haul travellers in the South Korean market from 30% in 2010 to 49% in 2016. Long-haul travel incidence is comprised of travellers who indicate that they have travelled for a long-haul pleasure trip in the past three years, or intend to do so in the next two years. The incidence of past three year travel has increased since 2010 (from 15% to 39%) and the next two year outlook for long-haul travel has also increased (from 23% to 35%).

The proportion of GTW respondents who are in the dream to purchase stages for Canada is used to calculate a target market estimate of 17.7 million.

The immediate potential is a more conservative estimate based on GTW respondents who say they are definitely or very likely to visit Canada in the next two years. This translates into a market of 8.4 million travellers with more immediate potential for conversion.

Among DC's eleven international markets, South Korea is ranked 3rd in immediate potential market size (behind the US and China). Actual visitation from South Korea was 8th among international markets in 2016¹. This means that Canada has room to improve on converting potential travellers into actual visitors in the South Korean market.

¹ *Destination Canada, Tourism Snapshot, December 2016.*

For context, Canada attracted 244,000 overnight visitors from South Korea in 2016, up 30% over 2015². This year also marked the highest number of South Korean visitors to Canada ever. Despite the notable increase, the 244,000 arrivals represent 3% of the immediate potential market, which suggests there is considerable potential for Canada in South Korea.

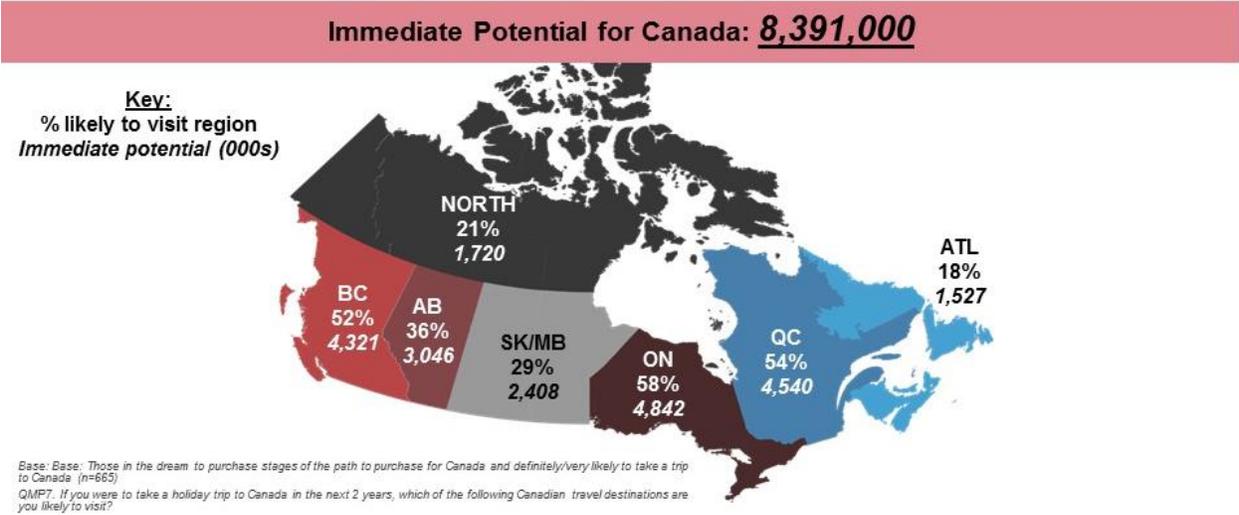
Figure 2.1: Size of Potential Market to Canada (Next 2 Years)

Measure	Size of Potential Market to Canada
Long-haul pleasure travel market	19.96 million
Target market for Canada (dream to purchase stage)	89%
Size of the target market	17.70 million
Immediate potential for Canada (definitely/very likely to visit in next 2 years)	47%
Immediate potential	8.39 million

Base: Target market for Canada = long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506); Immediate potential for Canada = dream to purchase stages for P2P for Canada (n=1,345)
 QMP1. Which of the following best describes your current situation when thinking about each of the following destinations for a holiday trip?
 QMP6. Realistically, how likely are you to take a holiday trip to Canada in the next 2 years?

Also of interest is the demonstrated interest in Canada’s regions among the Immediate Potential Market (8.4 million). South Korean travellers expressed more interest in visiting Ontario (58% or 4.8 million potential visitors), followed closely by Quebec (4.5 million potential visitors) and BC (4.3 million potential visitors).

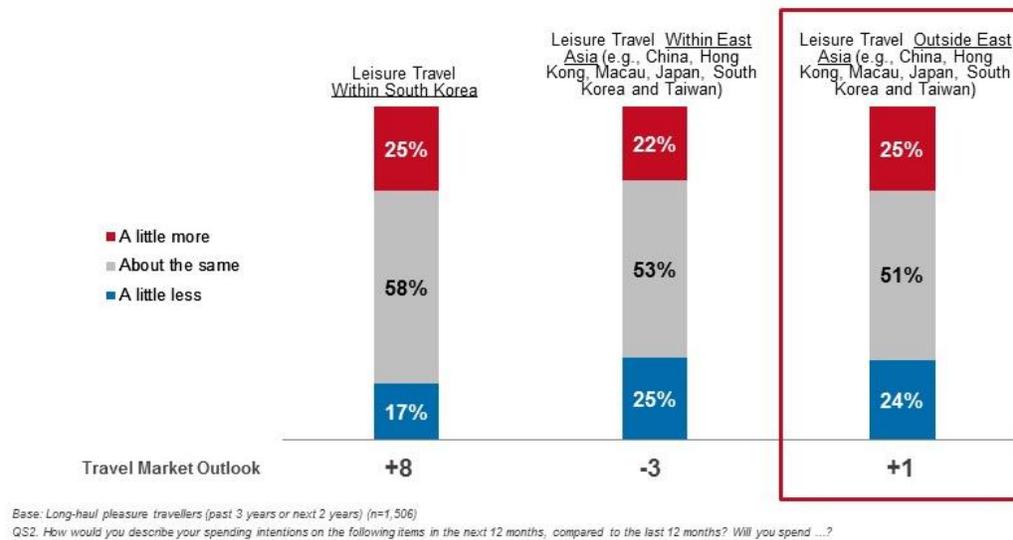
Figure 2.2: Potential Market Size for the Regions



² Destination Canada, Tourism Snapshot, December 2016.

The proportion of South Korean travellers saying they will spend less on long-haul travel is almost as high as those saying they will spend more, resulting in a tepid long-haul outlook of +1. Short-haul travel within East Asia has a negative outlook (-3) as the proportion of travellers indicating they will spend less next year exceeds those who intend to spend more. Instead, South Korean travellers appear more likely to travel within their own country (outlook of +8).

Figure 2.3: Spending Intentions (in the Next 12 Months)



3. Competitive Environment – Key Performance Indicators Summary

The outlook for Canada in the South Korean travel market is favourable. Out of the 12 competitive destinations that respondents were asked to evaluate, Canada is ranked 3rd on aided consideration, 3rd on unaided consideration, and 8th on destination knowledge.

The GTW tracks the following Key Performance Indicators (KPIs) for Canada: unaided and aided destination consideration, aided destination knowledge, and past visitation. Canada’s performance is tracked against key competitors for the long-haul travel market. The competitive set was updated for 2016 to reflect actual travel patterns from each market. The countries included represent 95% of the outbound travel volume to long-haul destinations which are considered direct competitors to Canada (e.g., non-beach destinations). For South Korea, these destinations are the US, France, Germany, Switzerland, Australia, United Kingdom, Spain, Russia, India, Italy and Portugal. Germany, Russia, India, Italy and Portugal were not in the competitive set previously. It is also important to note that 2016 data was collected in December versus earlier in the year (April to July) in previous years. Seasonality may have impacted KPI results this year, although it is impossible to know how much the results might have been affected.

Consideration

Unaided consideration represents top-of-mind presence of destinations in the consumer mindset and requires travellers to think of destinations without being prompted. Unaided consideration indicates that a strong impression has rooted in the mind of a traveller for a destination. From a marketing perspective, travellers who have Canada on their unaided consideration list may be easier to attract since they are actively thinking of Canada as a travel destination. On an unaided basis, 3% of South Korean travellers mentioned Canada as a destination under serious consideration in the next 2 years, in line with Australia (also 3%), but trailing the US (7%), which garnered the most mentions of any competitive set destination. Older travellers aged 55+ were more likely to mention Canada (5%) on an unaided basis. Very few specific places in Canada were mentioned by South Korean long-haul travellers, with the majority just saying Canada, suggesting knowledge of specific Canadian destinations is low.

It is important to note that even though respondents are asked to list out long-haul destinations they would consider visiting on an unaided basis, many respondents still mention short-haul destinations within Asia. This could speak to the fact that many South Korean travellers are short-haul focused when thinking of travel destinations and could represent a challenge for convincing South Korean travellers to go further abroad.

Aided consideration represents the proportion of travellers who say they would seriously consider visiting a destination, but only after they are prompted with a list of competitive destinations. Travellers who have aided consideration for Canada may not be thinking of Canada top-of-mind, but they are considering a visit. Continued prompts and cues through marketing efforts could help move these considerers down the Path to Purchase. Canada fares better on an aided basis with 28% saying they are seriously considering Canada for a leisure trip in the next 2 years, placing a close third to the US (30%) and Australia (29%). Of note, older travellers aged 55+ express stronger interest in visiting Canada than younger travellers aged 18-34, who express above average interest in the US, UK, and France. Both recent visitors to Canada and those considering a visit rank Canada first overall in aided consideration among all destinations in the competitive set. Knowing that past visitors are more interested in returning, it is important to attract new visitors, with older travellers aged 55+ representing a greater opportunity in the short-term.

Knowledge

The aided destination knowledge KPI (previously called aided awareness, but changed for clarity purposes) measures knowledge of travel opportunities in each destination. Thirteen percent of all South Korean long-haul travellers rate their knowledge of travel opportunities in Canada as either excellent or very good. Among those considering Canada, destination knowledge stands at 23%, which puts Canada in 8th place, far behind the top-ranked US (39%). However, Canada is within range of France (29%), the UK and Australia (both at 28%), Italy and Russia (both at 24%), and Switzerland (also 23%). Efforts to boost knowledge of Canadian travel opportunities could help to move potential visitors along the path-to-purchase.

Visitation

In terms of past visitation, 32% of South Korean long-haul travellers indicate that they have visited Canada on a leisure trip at some point in their lifetime. Those considering a trip to Canada are considerably more likely to have visited previously (56%). Messaging designed to encourage a repeat visit is recommended since past visitors to Canada voice considerably higher interest in returning.

Figure 3.1: Key Performance Indicators

Key Performance Indicators (KPIs) for Canada – Summary

Indicator	Definition	All Long-Haul Travellers (n=1,306)	Recent Visitors to Canada ¹ (n=206)	Considering Canada ² (n=581)
Intentions:				
Unaided destination consideration	% who mentioned Canada or a destination in Canada on their consideration list ³	3%	2%	8%
Competitive positioning on aided destination consideration	Rank on the consideration list among 12 destinations	3	1	1
Destination knowledge:				
Aided awareness of travel opportunities in Canada	% with excellent/very good knowledge of travel opportunities in Canada	13%	46%	24%
Past visitation:				
Past visitation	% who have ever visited Canada for pleasure	32%	99%	56%

¹ Visited Canada in the past 3 years (pleasure trip of 4 or more nights, with at least 1 night in paid accommodations).

² Those in the consider to purchase stages of the path to purchase for Canada.

³ For trips in the next 2 years.

Base: Long-haul pleasure travellers (past 3 years or next 2 years)

QS8. You mentioned that you are likely to take a long-haul holiday trip outside of East Asia (e.g., China, Hong Kong, Macau, Japan, South Korea and Taiwan) in the next 2 years. Which destinations are you seriously considering? (Please list up to 3 destinations.)

QBVC1. You may have already mentioned this before, but which destinations would you seriously consider visiting in the next 2 years?

Q1P3. How would you rate your level of knowledge of holiday opportunities in each of the following destinations (asked only for destinations in consideration set)?

QRT14a. Approximately, how many times have you been to Canada?

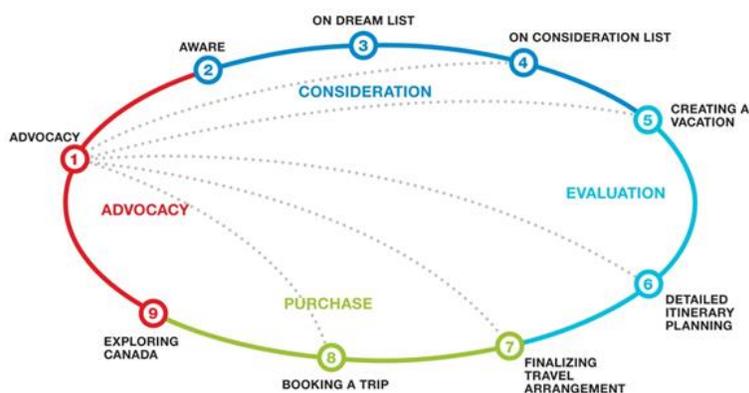
4. Path-to-Purchase

Like any other expensive and discretionary consumer product, there is a purchasing or decision-making cycle associated with long-haul travel: consumers move through progressive stages from not knowing anything about a destination to booking a trip.

Through additional research, Destination Canada has developed a nine stage Path-to-Purchase (P2P) model for long-haul travel, starting with awareness of the opportunity and interest in a destination, through to planning an itinerary, and booking travel and accommodations. The final stage, advocacy, happens during and after the actual visit.

Destination Canada wants to understand where the organization can have the greatest influence in converting those with interest in Canada to actual visitors.

Figure 4.1: DC's Path-to-Purchase Model



In addition to looking at individual stages of the P2P, Destination Canada has identified phases travellers move through in the purchase cycle. Key phases are defined below and are referenced throughout this report.

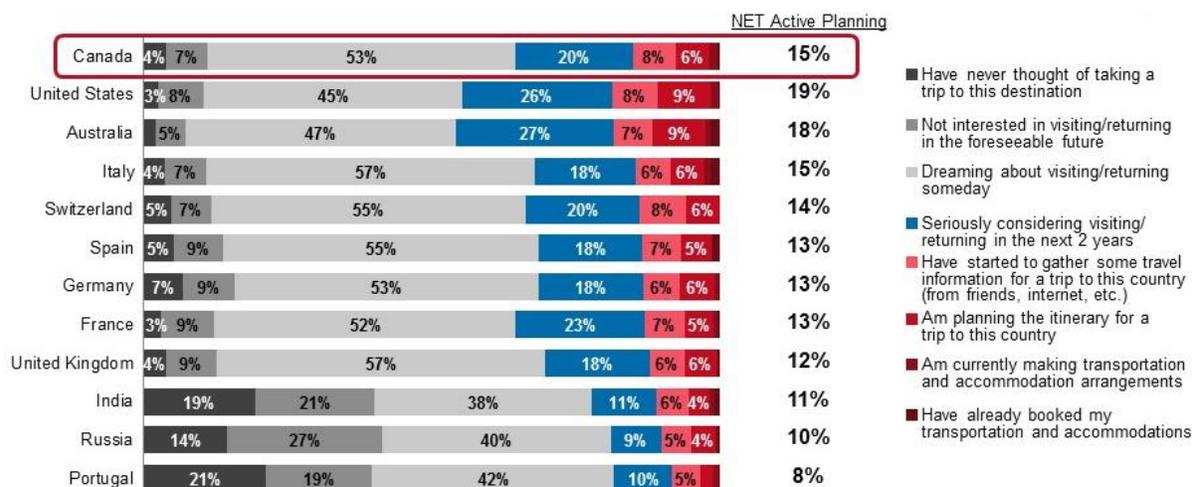
Figure 4.2: DC's Path-to-Purchase Model

Unaware	Have never thought of taking a trip to this destination	
Aware	Not interested in visiting/returning in the foreseeable future	
On Dream List	Dreaming about visiting/returning someday] Dream to Purchase
On Consideration List	Seriously considering visiting/returning in the next 2 years	
Creating a Vacation Movie	Have started to gather some travel information for a trip to this destination] Consider to Purchase
Detailed Itinerary Planning	Am planning the itinerary for a trip to this destination	
Finalizing Travel Arrangements	Am currently making transportation and accommodation arrangements] Active Planning
Booking a Trip	Have already booked my transportation and accommodations	

In looking at results for South Korea, the US and Australia lead the way with 19% of long-haul travellers actively planning a trip to the US and 18% actively planning a trip to Australia. An additional 26% (for US) and 27% (for Australia) are seriously considering a visit. Canada is not far behind with 15% actively planning a trip to Canada, tied for 3rd spot with Italy. Once again, results may be impacted by the timing of data collection in 2016 (respondents may be thinking of winter trips). For this reason, 2016 results should not be compared with previous years.

Also encouraging for Canada is an additional 20% who are seriously considering a visit to Canada, which is comparable to several European destinations, but trailing the US and Australia. Those who are seriously considering Canada are more likely to be older travellers aged 55+. Most destinations in the competitive set, including Canada, have approximately half of the South Korean traveller population in the dreaming phase, which suggests long-haul travel is aspirational for many at present. Travellers aged 35-54 are overrepresented in the dreaming phase.

Figure 4.3: Stage in the Purchase Cycle by Country



Base: Long-haul pleasure travellers (past 3 years or next 2 years) – note all respondents evaluated Canada plus 2 randomly selected countries from the competitive set (n=varies)
 QMP1. Which of the following best describes your current situation when thinking about each of the following countries for a holiday trip?

Getting travellers to move through the purchase cycle to booking a trip is critical. The charts below show Canada’s progress converting travellers at crucial steps in the purchase cycle relative to top competitors (determined by past 3-year visitation) and other destinations in the competitive set. For reference, also shown is the average across the entire competitive set. ‘Strong’ and ‘weak’ conversion ratios were derived through statistical analysis, specifically if a conversion ratio is greater than one standard deviation from the average, then it is considered ‘strong’ and if a conversion ratio is lower than one standard deviation from the average, then it is marked as ‘weak’.

At the dreaming stage, Canada’s performance is average as are all of the other top competitors with the exception of the US and Australia, which are strong performers.

Canada’s performance continues to be average at the creating a vacation movie stage along with all destinations in the competitive set except France which is identified as a weak performer. Since this stage is focussed on information gathering, ensuring prospective visitors can find the information they seek is paramount. The key to helping prospective visitors move further along in the purchase cycle is to provide information which presents a full picture of what a trip to Canada could look like e.g., a focal point to anchor a trip or itinerary suggestions.

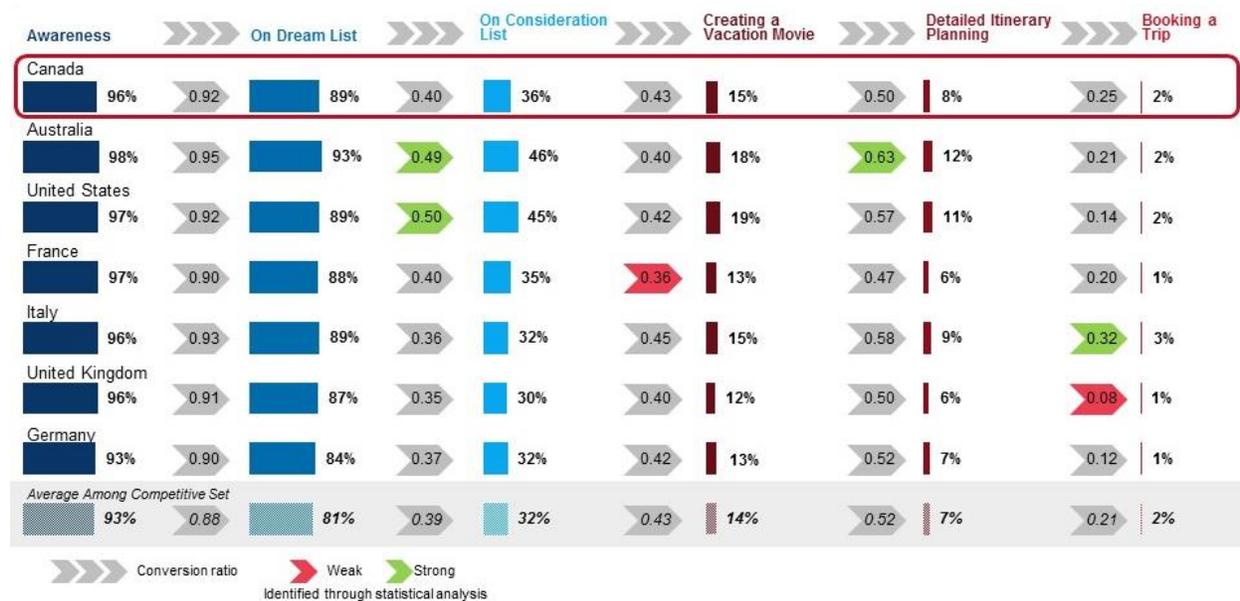
Australia excels at the next stage, detailed itinerary planning, while all other destinations fall within the average.

At the final stage, booking a trip, Canada has converted 2% of South Korean travellers into actual visitors, on par with most competitors including the US and Australia. Italy is the only destination that excels at this final stage culminating in above average visitation (3%).

For context, the US recorded 1.98 million arrivals from South Korea in 2016, while Australia saw 261,000 and Canada welcomed 244,000.³

³ Destination Canada, US National Travel & Tourism Office, Tourism Australia.

Figure 4.4: Path-to-Purchase Conversion – Top Competitors



Examining purchase cycle results for destinations visited less frequently by South Korean travellers is also informative. Most notably, India and Portugal are strong performers at the final stage, seeing above average conversion ratios between detailed itinerary planning and actual booking.

While examining what India and Portugal are doing to convince South Korean travellers to move from planning to booking is worthwhile, it is important to keep in mind the proportion booking is equivalent or lower than Canada’s result.

Figure 4.5: Path-to-Purchase Conversion – Rest of Competitors

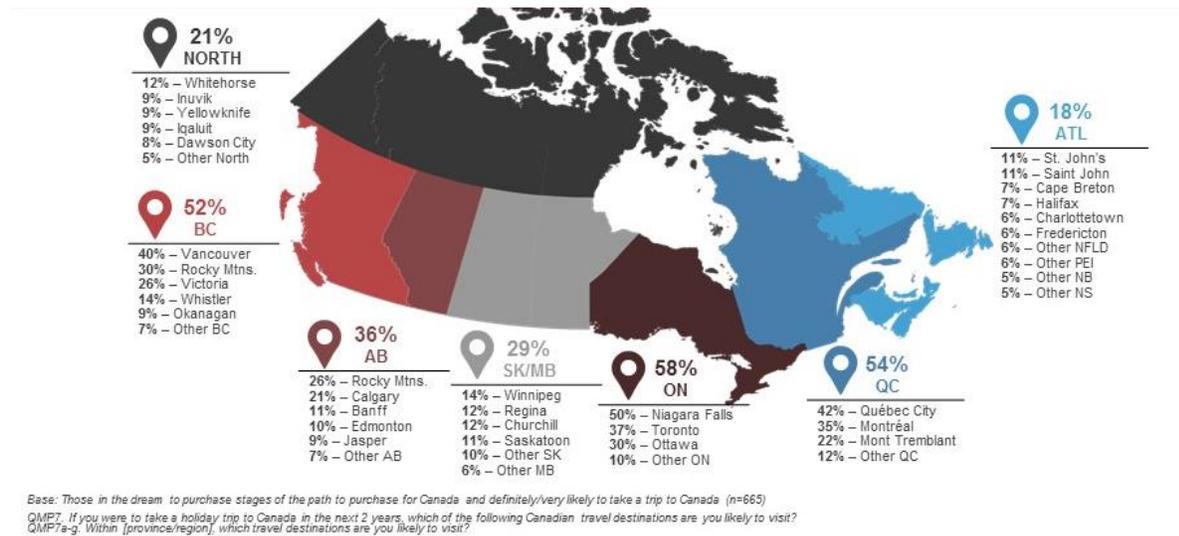


Destinations

South Korean travellers in the dream-to-purchase stages and indicating they are definitely/very likely to visit Canada in the next 2 years were asked which parts of the country they would likely visit. Ontario is the most popular province (cited by 58%), with Niagara Falls (50%) and Toronto (37%) vying for top destination. Quebec is close behind (54%), with Quebec City being the primary draw (42%). British Columbia is 3rd (52%), with Vancouver (40%) being the most popular destination for South Korean travellers.

There is clear interest in visiting the Rocky Mountains, with 30% of probable visitors heading to BC for this experience and 26% saying they would go to Alberta for this. The relatively high level of interest in ski destinations (Whistler, Banff, Jasper and Mont Tremblant) may be in part linked to the timing of data collection, which occurred in December 2016.

Figure 4.6: Canadian Destinations Likely to Visit (Among those definitely/very likely to visit)



An additional question asked potential visitors to identify the one Canadian destination holding the greatest appeal. Niagara Falls, selected by 28% of potential visitors, is clearly the top attraction followed by the Rocky Mountains (12%), while the top cities are Vancouver (picked by 11%), followed by Quebec City (9%), and Montreal (7%). This would suggest Canada's landscape-based icons hold greater appeal for South Korean travellers than Canada's city destinations and is consistent with the low level of knowledge South Korean travellers generally have of Canadian vacation opportunities. There is an opportunity to use well known natural landscapes as anchors and highlight their proximity to cities and lesser known/desirable destinations to attract South Korean travellers.

Figure 4.7: Most Appealing Canadian Destination – Top 10 Mentions

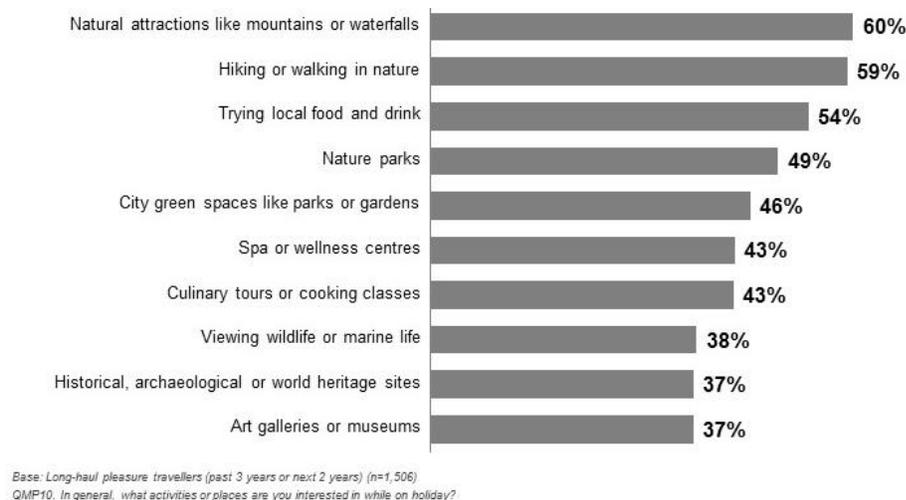


5. Vacation Activities

South Korean travellers were asked about which activities and experiences they seek while on holidays in general, regardless of the destination. Natural attractions like mountains and waterfalls and hiking or walking in nature are the most sought-after holiday experiences. This is followed by trying local food and drink and visiting nature parks. Apart from the Northern lights, which is more popular among younger travellers aged 18-34, the top activities generally hold stronger than average appeal for older travellers aged 55+.

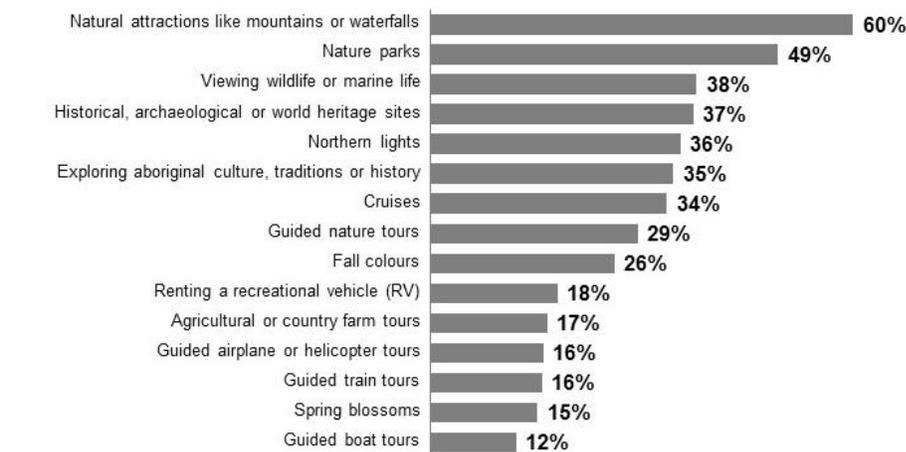
City experiences such as parks or gardens and spas are also of interest, with the latter strongly appealing to travellers aged 55+. Cultural and historical experiences round out the list of top holiday activities. These results bode well for Canada, which can offer the full range of outdoor experiences complemented by urban activities and cultural experiences South Korean travellers say they seek.

Figure 5.1: General Activities/Places Interested In – Top 10



In terms of things to see & do, South Korean travellers are most interested in natural attractions like mountains or waterfalls (60%) and visiting nature parks (49%). There is also considerable interest in viewing wildlife (38%), historical sites (37%), the Northern lights (36%), exploring aboriginal culture (35%), and cruising (34%). Several of the activities are of more interest to older travellers aged 55+ than younger travellers aged 18-34, including visiting historical sites, visiting nature parks, exploring aboriginal culture, and guided nature tours.

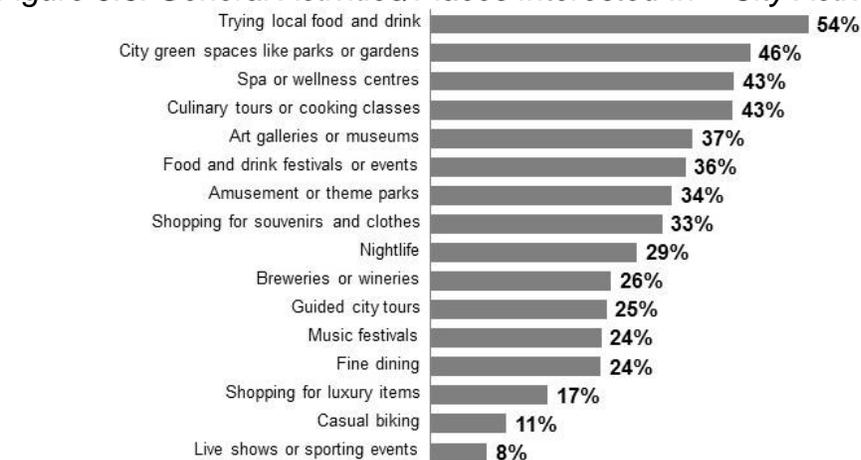
Figure 5.2: General Activities/Places Interested In – Things to See & Do



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

Among city activities specifically, trying local food and drink holds the greatest appeal for South Korean travellers (54%), followed by visiting green spaces like parks and gardens (46%) and going to a spa or wellness centre (43%). Some city activities, such as spa and wellness centres and guided city tours, are of more interest to older travellers aged 55+, while others hold greater appeal for younger travellers aged 18-34 years such as nightlife, amusement parks, music festivals, and casual biking.

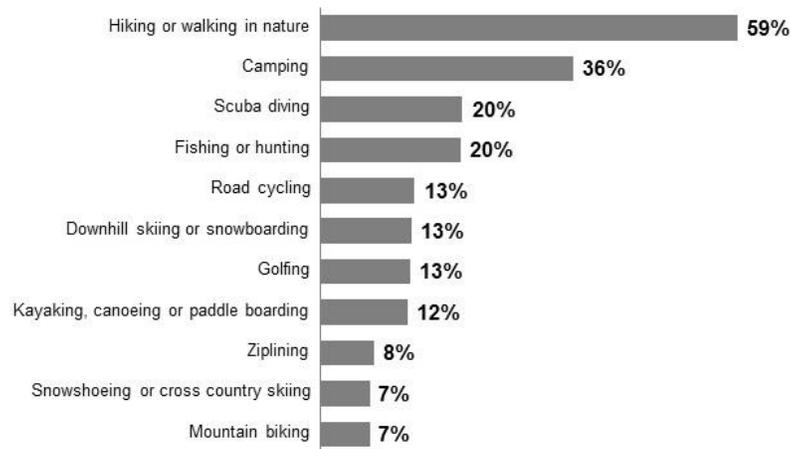
Figure 5.3: General Activities/Places Interested In – City Activities



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

In terms of outdoor activities, South Korean travellers are most interested in hiking or walking in nature (59%) followed by camping (36%). With substantially fewer mentions, scuba diving and fishing/hunting (20% each) and road cycling, skiing/snowboarding, and golfing (13% each) are the next most frequently cited outdoor activities. Generally, older travellers aged 55+ are least interested in outdoor activities (with the exception of hiking/walking in nature) while younger travellers aged 18-34 are the most interested.

Figure 5.4: General Activities/Places Interested In – Outdoor Activities



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
QMP10. In general, what activities or places are you interested in while on holiday?

6. Barriers

All South Korean long-haul travellers were asked what could prevent them from visiting Canada. The long trip/flight is the primary deterrent, followed by cost. The top two barriers far outpace the next closest impediments – the unfavourable exchange rate, not enough time to take vacation, and the language barrier. Notably, a lack of knowledge of Canada is a more prevalent barrier than a preference for other destinations and the concern that destinations within Canadian are too far apart. Travellers aged 35+ are most likely to mention the long flight, while cost is a concern across all age groups. Younger travellers aged 18-34 are more likely to mention the unfavourable exchange rate and lack of knowledge about Canada. Older travellers aged 55+ are more likely to be concerned about the language barrier, however, they are also the most likely to indicate they have no specific barrier to visiting Canada.

While the cost barrier is challenging to address, it can be indirectly dispelled through messaging about the value offered by a Canadian vacation experience. Highlighting the increasing availability of direct flights from South Korea to Canada (up 38% over 2015)⁴ may help address issues around distance to travel to Canada.

The secondary barrier of lack of knowledge can be addressed through advertising and should be targeted towards younger travellers aged 18-34 as this barrier is more

⁴ Destination Canada, Tourism Snapshot, December 2016.

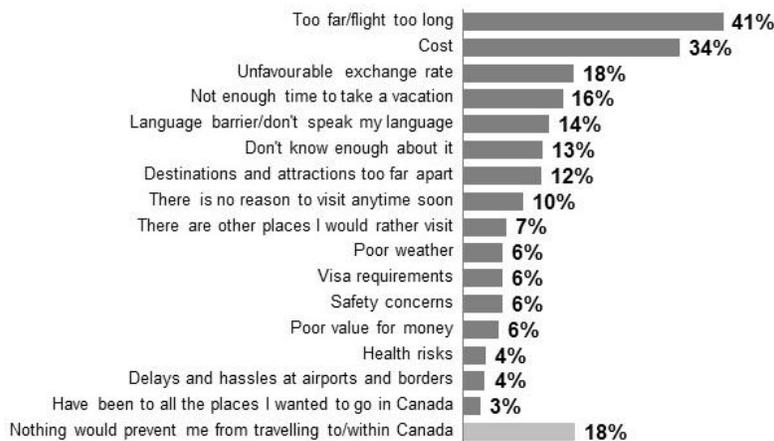
pronounced among this group. Also, emphasizing the ability to anchor a trip to specific regions/experiences rather than having to see the whole country, or that you don't have to see the whole country all at once, could help counter the notion that Canadian destinations are too far apart.

Other peripheral reasons including visa requirements and hassles at borders and airports are issues for the Canadian government to address. It is notable that even though there are no formal visa requirements for South Korean citizens to enter Canada, respondents likely included the recently introduced Electronic Travel Authorization (eTA) as a proxy for the visa requirements response option. In fact, a similar is pattern was observed in other markets where no visas are required for Canada. Although not explored in this survey given timing, the new eTA requirement is a potential barrier. Collaboration with key accounts in South Korea could assist in identifying whether more clarity is needed about this new entry requirement. Of note, younger travellers aged 18-34 are more concerned about visa requirements than older travellers.

Older travellers aged 55+ represent the best immediate opportunity as they are less concerned with cost, are more likely to be seriously considering Canada, and are farther further down the path-to-purchase. From a lifetime value standpoint, younger travellers may require more efforts to attract, but the pay-off can be greater. Attracting younger travellers will take more effort as travellers need to be informed about what Canada can offer and counter concerns about exchange rates. From a strategic marketing viewpoint, Destination Canada could consider focusing branding awareness efforts on younger travellers and split tactical efforts in collaboration with partners between the younger and older generation.

While flight time (33%) remains the top barrier among those who visited Canada in the past, they are less likely to cite it as a barrier compared to those who have never been (45%). This is also true, to a lesser extent, for cost. Past visitors (30%) are less likely to cite cost as a barrier than those who have never travelled to Canada (36%).

Figure 6.1: Key Barriers for Visiting Canada



Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
 Q1P9. Which of the following factors might discourage you from visiting Canada?

Examining barriers at key path-to-purchase stages provides additional insight. For those considering a visit, flight length is the top barrier with cost in 2nd spot. Canada struggles moving travellers from the consideration phase to latter stages in the purchase cycle, so finding ways to reduce concerns about travel distance and demonstrate value is paramount.

Those at the evaluation stage (gathering information or planning a visit) also cite flight time as a primary barrier, but to a lesser degree (-7). However, practical considerations such as value for money (+9), exchange rate (+8), and distance to travel within Canada (+6) intensify as prospective visitors progress through the purchasing cycle. Providing sample itineraries anchored to destinations/regions or experiences can help counter the perception that destinations are too far apart, but value-related concerns are more challenging. Notably, the proportion saying nothing would prevent them from visiting Canada is considerably lower among those in the evaluation stage than in the consider stage. This suggests the cumulative effect of factors such as value for money and the exchange rate are putting some South Koreans at risk of changing their minds about visiting Canada as they proceed along the purchase path.

Figure 6.2: Key Barriers for Visiting Canada – by Path-to-Purchase Segments

	Consider (n=324)	Evaluation (n=220)	Change between Evaluation and Consider
Too far/flight too long	34%	27%	-7
Cost	32%	34%	+2
Unfavourable exchange rate	14%	22%	+8
Not enough time to take a vacation	12%	13%	+1
Language barrier/don't speak my language	12%	13%	+1
Destinations and attractions too far apart	11%	17%	+6
Don't know enough about it	8%	10%	+2
Poor weather	8%	10%	+2
Safety concerns	7%	12%	+5
Visa requirements	7%	11%	+4
There is no reason to visit anytime soon	5%	6%	+1
Delays and hassles at airports and borders	4%	8%	+4
Health risks	4%	7%	+3
Poor value for money	4%	13%	+9
There are other places I would rather visit	4%	6%	+2
Have been to all the places I wanted to go in Canada	3%	5%	+2
Nothing would prevent me from travelling to/within Canada	30%	12%	-18

Base: Long-haul pleasure travellers in specific path-to-purchase segments
 QMP9. Which of the following factors might discourage you from visiting Canada?

7. Recent Trip Profile

The following section provides details on the most recent long-haul trip taken by South Korean travellers to competitive set destinations in the past 3 years (53% took such a trip). If the most recent trip encompassed more than one destination, the data reflects where the most time was spent.

Trip Purpose

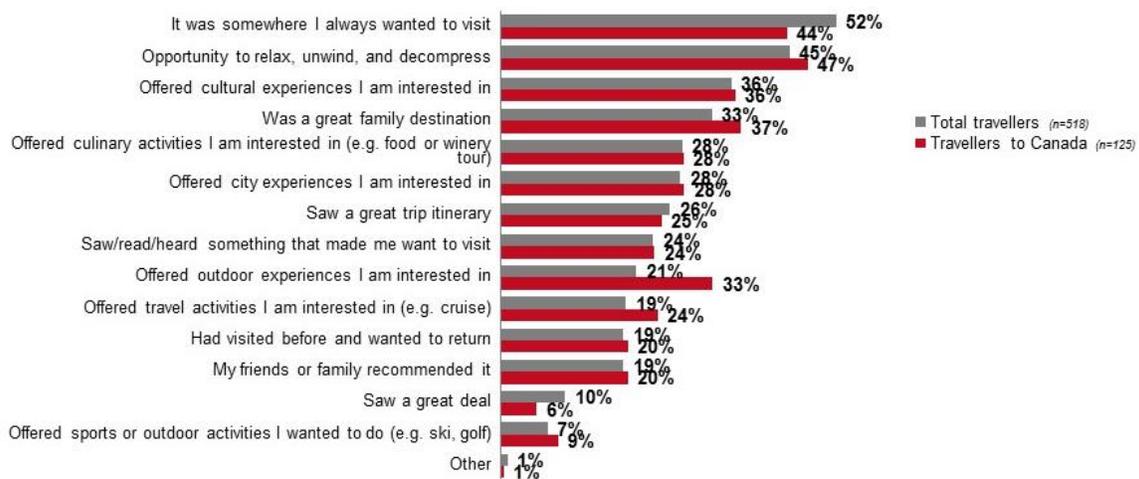
The primary reason for travelling among all South Korean long-haul travellers was for holiday purposes (cited by 67% of all travellers). In Canada's case, 62% cited holiday as the primary purpose. The next most common purpose mentioned for a trip to Canada was visiting friends and relatives (17%), underscoring the importance of VFR (Visiting Friends and Relatives) as a reason for South Korean travellers to visit Canada.

Motivators

Those travelling for holiday purposes were asked about factors which influenced their choice of destination.

Among travellers generally, a longstanding desire to visit was the primary reason for choosing their most recent destination. For visitors to Canada, a longstanding desire to visit was second only to being an opportunity to relax. Cultural experiences are an important trip motivator for South Korean travellers, both for trips generally and to Canada. Being a great family destination is ranked 4th overall, but is relatively more important for trips to Canada. Those who visited were more likely to cite outdoor experiences as a important reason for their trip to Canada (33%) compared to travellers overall (21%).

Figure 7.1: Factors Influencing Destination Selection



Base: Long-haul pleasure travellers (past 3 years) travelling for holiday
 QRT3: Which of the following factored into your choice of destination for this trip?

Travel Party

Regardless of destination, South Korean travellers were most likely to be accompanied by their spouse (50%). This is particularly common among travellers aged 35+, while travelling alone is most common among younger travellers aged 18-34 (34% travel alone and 30% travel with a spouse). Only 10% of South Korean travel parties contained children under the age of 18 (most common among travellers aged 55+), which suggests the family market is small.

Organized group travel is fairly common among South Korean travellers. Overall, 35% of South Korean long-haul trips were as part of an organized group (32% for trips to Canada).

Booking

South Korean long-haul travellers have traditionally been heavily reliant on travel agents, but patterns are changing. Forty percent book flights directly with a travel agent and almost the same percentage used an online travel agency (39%). An additional 20% booked directly with the airline. Those who visited Canada recently were slightly more likely to use online travel agencies (41%) than a traditional travel agency (38%). Older travellers aged 55+ are more likely to use travel agents.

For accommodation, booking with online travel agencies (36%) is more common than booking with a travel agent (31%), followed by booking directly with the provider (21%). Booking for trips to Canada also followed this pattern. Older travellers aged 55+ are an exception as they are more likely to book using a traditional travel agent than an online resource.

Type of Accommodation

Regardless of destination, South Korean travellers show a preference for mid-priced hotels (50%) followed by luxury hotels (25%), and budget properties (22%). The same pattern is evident among recent visitors to Canada (54% opted for a mid-price hotel, 30% for a luxury property and 15% for budget accommodation). Visitors to Canada were slightly more likely to stay with friends and family (13%) than visitors to other destinations (9%).

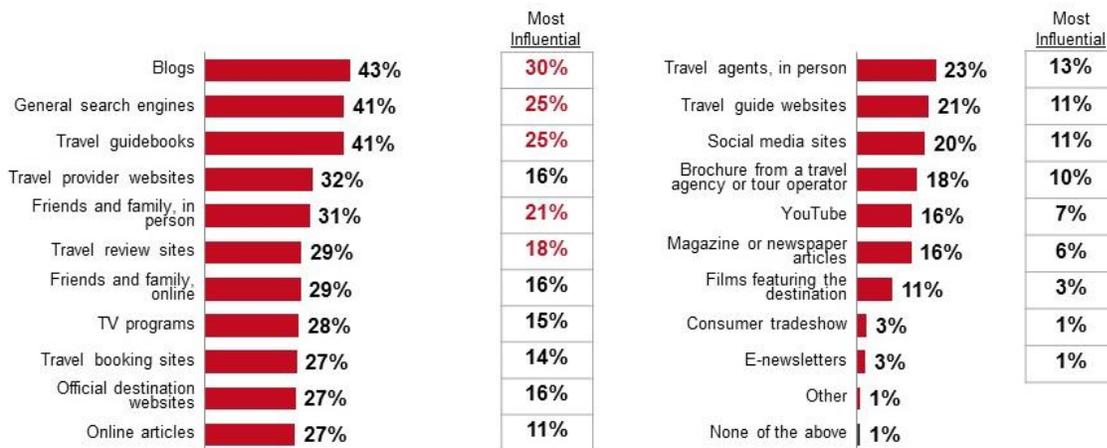
8. Marketing Tactics

Sources Used to Look for Information

South Korean long-haul travellers rely heavily on blogs (43%), general search engines (41%) and travel guidebooks (41%) for finding information on potential vacation destinations. The most popular information sources used by South Korean long-haul travellers are mostly online sources, apart from personal interactions with friends and family and travel guidebooks.

Blogs were deemed the most influential information source by the largest number of South Korean long-haul travellers (30%). Younger travellers aged 18-34 are most likely to name blogs as an influential source. If young South Korean travellers are pursued, working with well-known bloggers could be an effective way to promote Canada to the younger population. General search engines (25%) and travel guidebooks (25%) are seen as equally influential to South Korean travellers overall, although older travellers aged 55+ are much more likely to cite guidebooks as an influential source. Travel review sites are seen as influential, especially among travellers aged 35-54.

Figure 8.1: General Source of Destination Information / Most Influential Source



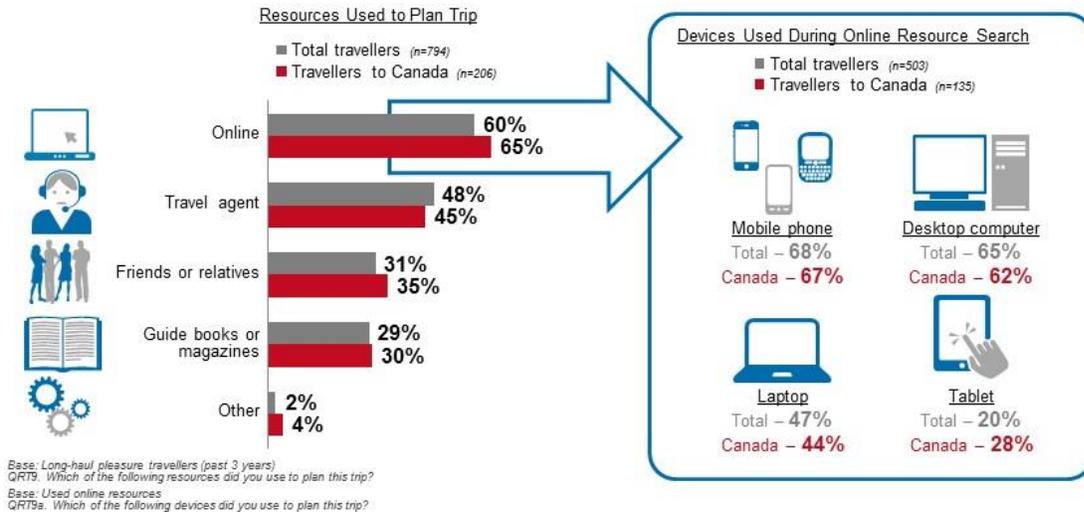
Base: Long-haul pleasure travellers (past 3 years or next 2 years) (n=1,506)
 QMT1. When you research possible vacation destinations for your next trip, what sources do you use to look for information?
 Base: Long-haul pleasure travellers (past 3 years or next 2 years) who mentioned an information source (n=1,490)
 QMT2. Please select the 3 most influential information sources.

Resources, Devices Used to Plan Recent Trip

As noted above, South Korean long-haul travellers rely heavily on online resources to plan vacations, with mobile phones being used marginally ahead of desktop computers. The importance of mobile phones in the trip planning process has implications for content – it must be optimized for smaller screens. Laptops (47%) are used less commonly for travel planning (most popular among those aged 18-34) and tablets have the lowest usage for this purpose (20%).

Travel agents are cited as a resource used for planning by almost half of travellers. Friends and relatives are a slightly less utilized resource (31%), on par with guidebooks/magazines (29%).

Figure 8.2: Resources and Devices Used to Plan Trip



9. Destination Canada’s South Korean Target

Destination Canada has identified a more defined target for marketing efforts in South Korea. Analysis and findings on this target are available to Destination Canada’s marketing partners; for more information, please contact Destination Canada to become a marketing partner.