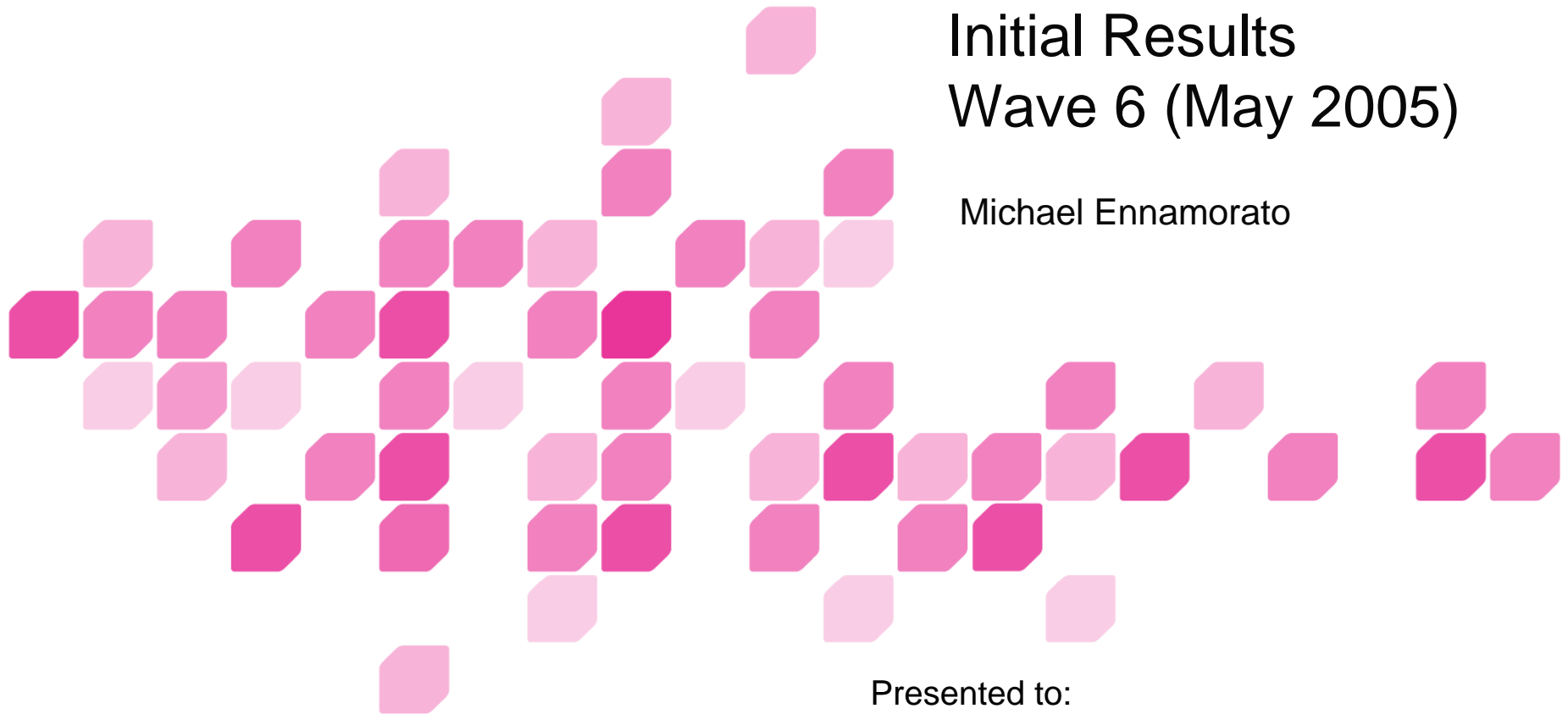


Travel Intentions Study Initial Results Wave 6 (May 2005)

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Presented to:

Ontario Ministry Of Tourism And Recreation

June 13, 2005

Travel Intentions — May '05 Topline Summary

- The most recent wave of tracking suggests that intentions to travel to Ontario during the Summer season have changed little in relation to those recorded in May of 2004.
 - Intentions may have declined marginally in the US and within Ontario itself, and there is also some evidence that fewer residents of Winnipeg are committed to traveling to the province.
 - At the same time, there is directional evidence that those residing in the major urban centres of Quebec may be somewhat more open to visitation than they were last year.
- When these findings are disaggregated by specific origin markets, it becomes clear that interest in taking a Summer trip to Ontario has been building in Western New York (especially Rochester and Syracuse) during the Spring months. However, in Rochester, at least, interest has not reached the peak noted one year ago when residents were anticipating the establishment of a new ferry link to Toronto.

Travel Intentions — May '05 Topline Summary (cont'd)

- With regard to other regions of the US, findings indicate that circumstances have improved across most of the northern and western Mid-Market regions. Directional year-to-year gains in travel intentions have been recorded in Minneapolis and Chicago, and a statistically significant increase in expressed interest is noted in Milwaukee.
- In the East, results are mixed. There are signs of improvement in Washington DC and Pittsburgh, but evidence of potential softness in New York City and Philadelphia. Expressed intentions in the key Near-Market cities of Detroit and Cleveland are also directionally weaker than they were one year ago.
- Domestically, the expected build in interest over the Spring months is noted in all markets, with the notable exception of Winnipeg. In fact, this lack of forward momentum during recent months goes a long way toward explaining the weaker intentions recorded in that city versus May of 2004.

Travel Intentions — May '05 Topline Summary (cont'd)

- It is worth noting that much of the weakness recorded within Ontario itself can be traced to declining interest in the rest of the province among Toronto residents. Ontario travel activity stimulated from outside of the GTA seems more stable and likely continues to feed interest in Toronto as a possible Summer destination.
- When turning to imagery, there is no evidence of any real change in impressions of Ontario among either Americans or Canadians. Ontario continues to evoke positive connotations of safety and friendliness with a strong “outdoor/nature” component.
- Challenges continue to exist when attention is focussed on fostering impressions of a high quality product beyond “nature”, the capacity to deliver a unique experience and, importantly, value for the money.

Travel Intentions — May '05 Topline Summary (cont'd)

- The point should be made that the apparent lack of buoyancy in expressed intentions should not be taken to mean that Summer travel volumes will fail to grow this year.
 - Rather, it suggests that the market remains potentially volatile and soft.
 - The travelling public continues to be cautious in committing to travel arrangements.
 - The capacity to make travel decisions close to the departure date remains an important dynamic.
 - The pool of potential travellers has likely not grown, but there is still considerable opportunity to achieve greater success in converting intentions to behaviour.
 - This is particularly true since many of the high profile barriers to choosing Ontario have come down (especially health concerns).

Travel Intentions — May '05 Topline Summary (cont'd)

Passport Requirements

- Initial findings indicate that the possibility of passport requirements to travel between Canada and the US could dampen Ontario tourism volumes from American source markets.
- Only about half of Americans who express interest in Ontario or who have visited the province in the past have a valid passport. And, the majority of these individuals recognize that a passport is not currently required to cross the border. This leaves open the possibility that they will curtail visitation at some future date.
- However, news about the new restrictions appears to be spreading fairly quickly, giving most travellers time to apply for a passport if they so desire.

Travel Intentions — May '05 Topline Summary (cont'd)

- By the same token, this makes it all the more critical that the information is communicated and interpreted correctly. A fair number of Canadians and Americans believe that passport restrictions are already in force, with some undoubtedly coming to this conclusion through erroneous interpretation of recent media reports on the issue.
- Of course, since this sort of misinterpretation cuts both ways, the net impact may be less than might be expected on the surface. It could be argued that some Ontario residents may turn to domestic travel if they (correctly or erroneously) believe the US is not an option.
- Apart from what happens in the short term, perhaps the greatest sustained impact of imposing passport restrictions will take place in the psychological realm. The imposition of passport requirements could signal to many US and Canadian travellers that crossing the border will be problematic and much less convenient than has been the case in the past. This mindset could certainly suppress enthusiasm for short, cross-border excursions.

Travel Intentions

Ontario Travel Intention Incidence By US Market

Percent Of Adults In Each Case Stating...
Intend To Travel To/Within Ontario During June/August

		As Of May '04	As Of Feb. '05	As of May '05	Change May '04 To May '05
		During June/Aug	During June/Aug	During June/Aug	
Buffalo	%	35	27	31	-4
Rochester	%	36	19	28	-8
Syracuse	%	22	14	24	+2
New York City	%	12	9	7	-5
Detroit	%	23	20	19	-4
Cleveland	%	18	13	14	-4
Pittsburgh	%	9	9	14	+5
Boston	%	6	8	6	±0
Washington DC	%	6	6	11	+5
Cincinnati	%	7	6	7	±0
Milwaukee	%	3	7	9	+6
Indianapolis	%	4	5	4	±0
Chicago	%	6	6	10	+4
Philadelphia	%	11	9	7	-4
Minneapolis	%	5	6	9	+4
TOTAL US	%	10	8	8	-2

○ Significant at α .05

Ontario Travel Intention Incidence By Canadian Market

Percent Of Adults In Each Case Stating...
Intend To Travel To/Within Ontario during June/August

		As Of May '04	As Of Feb. '05	As of May '05	Change May '04 To May '05
		During June/Aug	During June/Aug	During June/Aug	
Quebec City	%	13	11	16	+4
Montreal	%	22	18	27	+5
Winnipeg	%	29	18	19	-10
Ottawa	%	46	35	46	±0
Toronto*	%	36	18	28	-8
TOTAL Ontario*	%	42	26	37	-5

○ Significant at α .05

* Excluding trips within GTA among GTA residents.

Rating Ontario For Specific Imagery Characteristics

Average score* among travelers in each case

	U.S.				Canada			
	May '04	Feb. '05	May '05	Difference May '04/'05	May '04	Feb. '05	May '05	Difference May '04/'05
Safe from criminals/terrorists	8.1	8.2	8.2	+0.1	8.4	8.5	8.5	+0.1
Good value for money	7.4	7.3	7.2	-0.2	7.4	7.3	7.4	±0.0
Lots to see and do	7.8	7.9	7.9	+0.1	8.2	8.0	8.1	-0.1
Friendly	8.1	7.9	7.9	-0.2	7.9	7.9	8.1	+0.2
Don't have to worry about health	8.0	8.1	8.1	+0.1	8.5	8.5	8.6	+0.1
Destinations you can drive to	7.5	7.4	7.4	-0.1	8.6	8.4	8.5	-0.1
Good health services for visitors	7.3	7.3	7.1	-0.2	8.2	8.1	8.2	±0.0
Offers different or unique experiences	n/a	7.4	7.3	n/a	n/a	6.8	6.9	n/a
Overall rating for pleasure travel	7.3	7.3	7.3	±0.0	7.8	7.6	7.7	-0.1

* Average rating on 10-point scale.

Rating Ontario For Specific Trip Types

Average score* among travelers in each case

	U.S.				Canada			
	May '04	Feb. '05	May '05	Difference May '04/'05	May '04	Feb. '05	May '05	Difference May '04/'05
Enjoy nature/outdoors	7.7	7.7	7.5	-0.2	8.0	7.8	8.0	±0.0
Arts, culture and history	6.8	6.8	6.7	-0.1	7.2	7.1	7.2	±0.0
Resort trip	6.5	6.5	6.4	-0.1	6.6	6.5	6.7	+0.1
Touring trip	7.1	7.0	7.0	-0.1	7.3	7.2	7.3	±0.0
Big city trip	6.7	6.7	6.7	±0.0	7.2	7.1	7.1	-0.1

* Average rating on 10-point scale.

Passport Issues

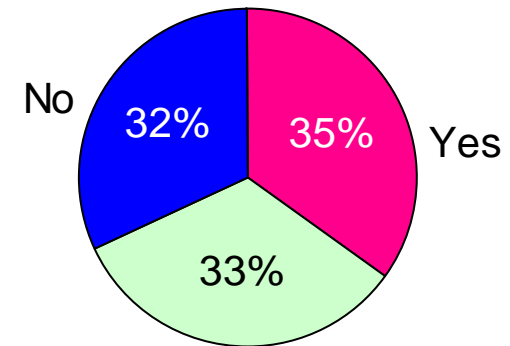
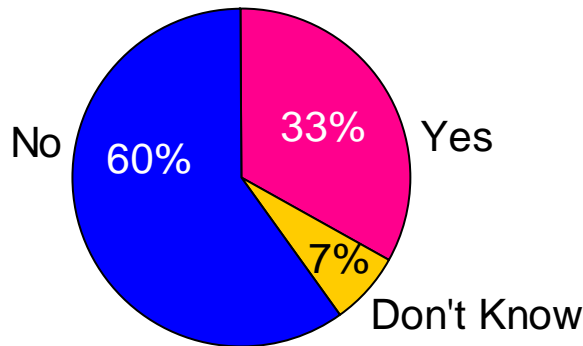
Cognizance Of Passport Requirements

Percent of adults in each market

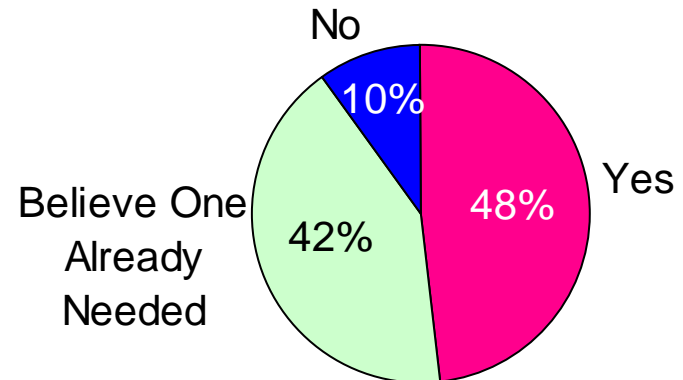
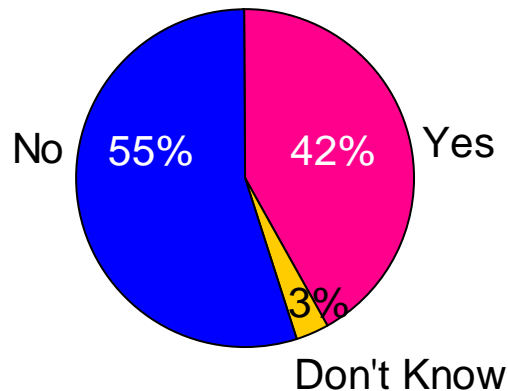
Is a passport currently required to travel between Canada and the US?

Are you aware that in the beginning of 2008 a passport may be required to travel between Canada and the US?

Americans



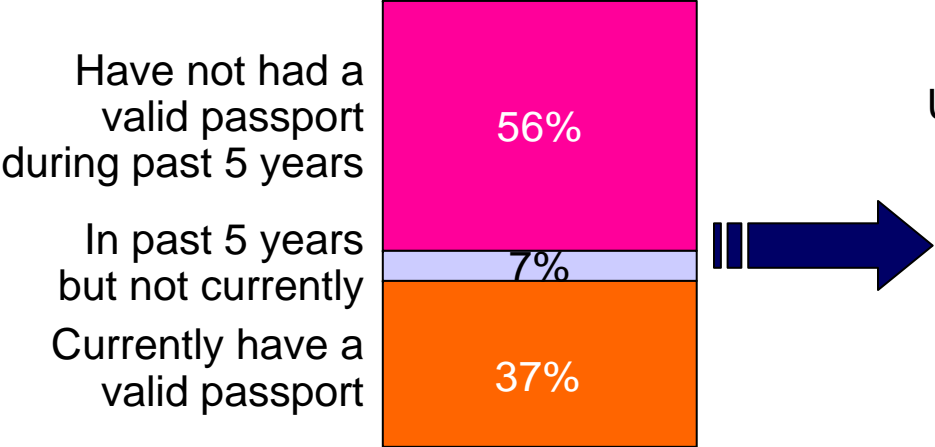
Canadians



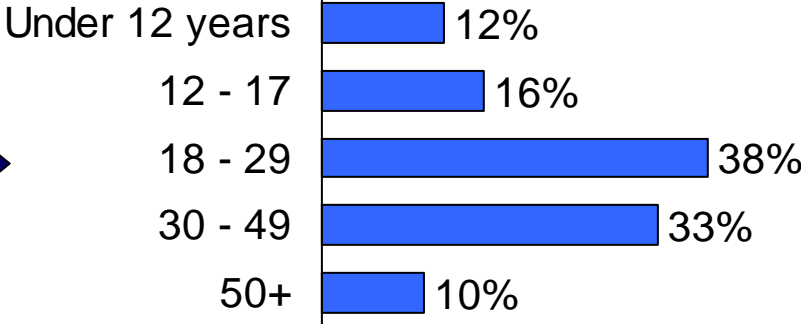
Passport Ownership Incidence

Percent of adults in each market

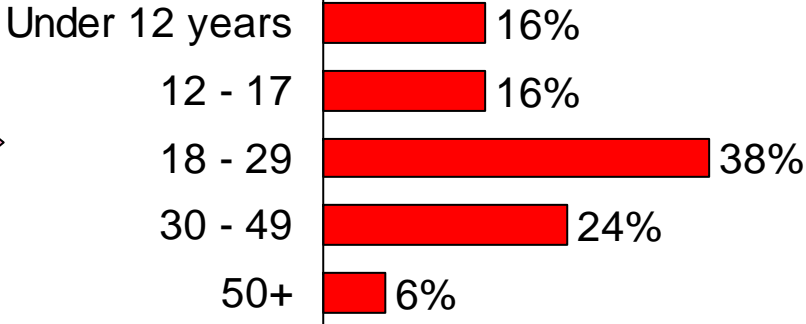
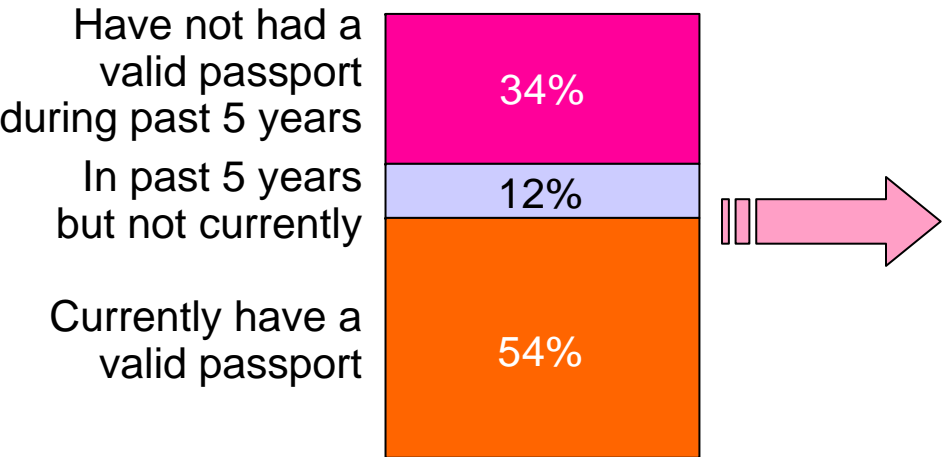
Americans:



Age at which first acquired passport:

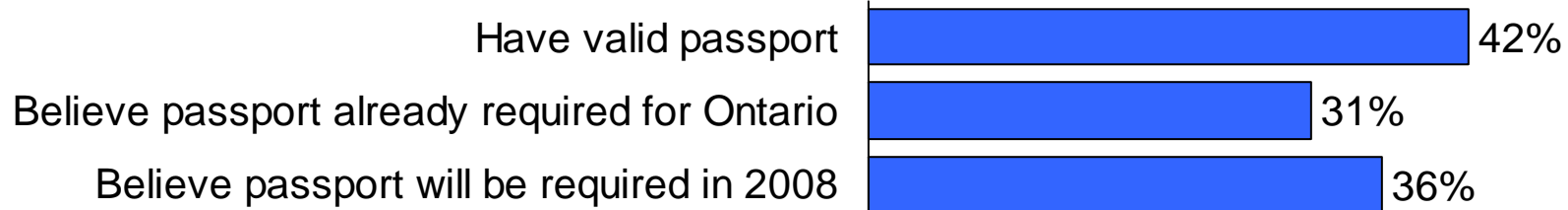


Canadians:



Potential Impacts Of Passport Requirements On American Travel To Ontario

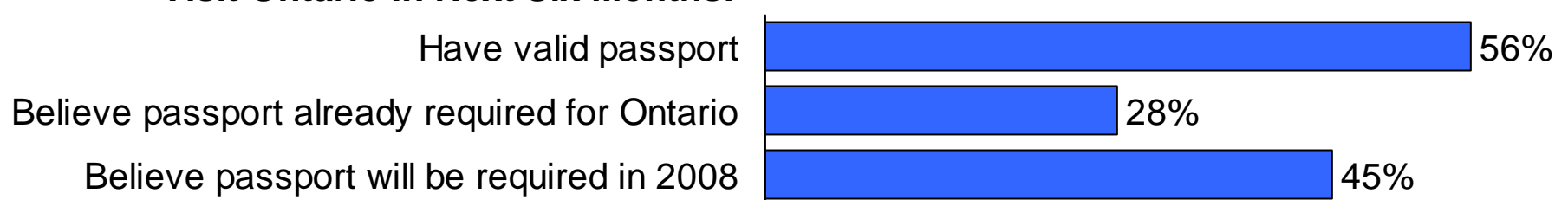
Percent Of Total US Travellers:



Percent Of US Travellers Who Have Been To Ontario In Past 5 Years:



Percent Of US Travellers Who Plan To Visit Ontario In Next Six Months:





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