

by 3.6 percent over 1992 and market share stood at 3.4 percent, compared to 4 percent in 1989.

The Asia-Pacific region also comprises emerging markets such as Taiwan and South Korea, as well as the secondary but more mature markets of Hong Kong and Australia. Combined, these markets accounted for more than \$222.7 million of Canada's export revenue from the Asia-Pacific region in 1993.

The Business Travel Market

Business travel to Canada accounted for \$983 million in 1993, or 24 percent of international travel revenues. It represents an especially lucrative market for Canada in the United States because of that country's proximity and its position as the primary generator of international business meetings, conventions and incentive travel. Canada's major competitive advantage in the U.S. market is its services infrastructure and customer-service orientation. Customs, taxation and air-accessibility issues remain obstacles, as does the magnitude of marketing investment needed in this highly competitive market.

Strategic Direction

The thrust of Canada's tourism strategy is to support and improve the Canadian tourism industry's international competitiveness and increase profitability to create jobs.

Customer demand, the strategy's primary driving force, guides product enhancement and development, and its fuel is information — information on what customers want and their travel behaviour, competitors, market trends, technology, and other elements that affect competitiveness.

The U.S. Market

Canada's major competition in the U.S. market is the United States itself. While U.S. citizens travel extensively abroad (45 million international tourist trips annually), domestic travel dominates.

Americans take almost one billion domestic tourist trips a year.

Tourism Canada will continue to take a "segmented approach" to the diverse U.S. market. Given operating budget reductions, an alternate approach would substantially dilute our marketing resources.

Since 1992, Tourism Canada's strategy has been to concentrate on increasing the amount of marketing resources for the U.S. domestic travel market. The strength of this strategy has been reconfirmed by recent market research, which indicates that the more frequent U.S. visitors to this country also take many domestic pleasure trips.

In order of priority, the U.S. program is directed at:

- retired seniors, aged 55+ years with an annual household income of \$50 000+;
- middle-aged workers, aged 46-64 years with an annual household income of \$60 000+;
- baby boomers, aged 26-45 years with an annual household income of \$60 000+ (selected market niches).

Customer segments are further refined through the use of a travel index identifying households with a high likelihood of travel and an affinity for Canadian travel products.

The European Market

Integrated marketing strategies are expected to result from increased partnerships between Tourism Canada, other levels of government and the private sector. Marketing activities will emphasize specific Canadian travel experiences as opposed to increasing general awareness. The program will concentrate on promoting culture, nature and outdoor activities.

In order of priority, the European program is directed at the United Kingdom, France and Germany. Culture and nature appeal to a potential six million long-haul travellers aged 30 to 54 years. Culture and comfort products largely target the United Kingdom, which has a potential market