

Nunavut Visitor Exit Survey 2015

Final Report



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Nunavut Tourism
Nunavumi Pulaakataligiyit
Tourisme Nunavut

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For more information, please contact:

David Thexton

President

+1 416 481-6963

davidt@InsigniaResearch.com

Oliver Martin

Vice President

+1 416 721-3544

oliverm@InsigniaResearch.com

Luna Yee

Vice President

+1 416 481-6963

lunay@InsigniaResearch.com

www.insigniaresearch.com

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Background

Insignia has been commissioned by Nunavut Tourism as the analysis and insights partner for the 2015 Visitor Exit Survey.

The outcome from this survey will allow the Department of Economic Development and Transportation (EDT) and Nunavut Tourism to continue to measure changes in visitor behaviour and demographics against the baseline data in 2006, 2008 and 2011, hence supporting efforts to measure progress against Nunavut Economic Development Strategy expectations of increasing direct tourism revenues in the territory.

Research Objectives

The main objectives of this study are:

- To measure the number of visitors to Nunavut;
- To measure the spending generated by those visitors;
- To create a profile of those visitors;
- To better understand visitor motivations and satisfactions;
- To develop regional summaries showing similarities and differences in visitation; and,
- To provide survey findings in a form that can be housed on a website.

Methodology

The study was conducted through self-completed questionnaire designed, distributed and collected by Nunavut Tourism and its members at airports, cruise ship docks and visitor centres from May to October, 2015.

Airport (3)	Cruise Ship (3)	Visitor Centre (1)
Iqaluit	Quark/Sea Adventurer	Pangnirtung
Rankin Inlet	Adventure Canada/Ocean Endeavour	
Cambridge Bay	Silversea Cruises/Silver Explorer	

A total of n=1385 surveys were collected among non-residents of Nunavut who were on their last day of their trip to Nunavut. A two-stage weighting scheme was implemented to ensure representativeness of the visitor universe.

In order to provide Nunavut Tourism with strategic guidelines in developing products and marketing, in-depth interviews were conducted with 10 past travellers to gather insights on motivations/triggers to visit Nunavut and their experience while in the territory.

Weighting Schema

Stage 1: Time and Place Weighting

For each airport/departure point, expand completed surveys up to total departure loads for the day. Expand day counts to month (involves counting the number of days covered versus total month).

Stage 2: Projection Weighting

The data was then weighted up to the estimated number of non-resident visitors departing Nunavut. The projected number was calculated based on earlier surveys, discussions with the airlines and cruise company executives, as well as the number of cruise ships and passenger loads provided by Department of Economic Development and Transportation.

Details of how the projected number of visitors was derived are outlined in the following page.

Methodology

Visitor Trends

Projections

Insignia projects a total of 16,750 non-resident visitors exiting the territory by air or sea between May and October, 2015.

The 2011 survey did not provide an estimate of non-resident visitors. The estimate of 30,525 air passengers shown in the 2011 report included both resident and non-resident travellers.

The 2015 projection of 16,750 is based on the following assumptions:

- No change in air volume between 2011 and 2016 (based on airline interviews)
- The addition of 860 cruise-based visitors, many of whom exited by sea
- The addition of May to the survey period

	2006	2008	2011	2015	2016 assumptions
Total air passengers departing Nunavut	26,712	30,452	30,525	30,500	• Air carriers claim no change in traffic from 2011
Estimated <u>non-resident</u> visitors passengers departing Nunavut	10,909	13,889	N/A	14,500	<ul style="list-style-type: none"> • Uses 2008 ratio of residents to non-residents exiting Nunavut • Factors in additional passengers exiting by sea
Survey period	June -Sept	June-Oct	June -Oct	May - Oct	
Estimate expanded to include May in 2015				16,750	• Uses 16% as expansion factor for May

Expenditures

The expenditure data only includes respondents who completed the expenditure questions and had entered a valid amount for either airfare or cruise ship tickets. The data was further filtered by those who provided party size to facilitate projections per person per trip.

Results

This report focuses on the results from the 2015 Visitor Exit Survey. The results are compared to earlier surveys where applicable.

The results of the study are presented in two sections:

- Key Findings and Recommendations
- Findings in Detail

Throughout the report, where 'Not stated' is indicated it merely means respondents did not give an answer to that specific question.



KEY FINDINGS AND RECOMMENDATIONS

Key Findings

Nunavut Non-resident Visitor Market Summary

16,750--total number of non-resident visitors to Nunavut in 2015 (This represents a small increase since 2011, primarily due to increased cruise passengers).

\$37.88 million--total spending in territory (excluding airfare/cruise tickets).

4--number of key target markets for Nunavut Tourism.

The relative share of visitors and of spend for each of the 4 segments is illustrated below.

A detailed discussion on each follows.

Segment**	Total Visitors	% of Total Market	Average spend in Nunavut*	% of Total Spend	Segment Visitor Growth since 2011
Business Travellers	11,550	69%	\$2,533	77%	No change
Cruise-based Travellers	2,750	16%	\$692 ¹	5%	+46%
Land-based Travellers	1,130	7%	\$2,596	8%	No change
VFR	1,155	7%	\$2,542	8%	No change

* Territory spend excludes air fares and cruise tickets

** Excludes "Other" purposes: 1%

¹ Expenditure reported by respondents only. It would not include separate funds transferred to the communities by the cruise companies.

Key Findings

Market Segmentation Summary

Nunavut Tourism has 4 distinct market segments, each of which requires a unique approach to grow spending in the territory.

1. Business Travellers

- Business travel, whether it be for government, construction, education or meetings, currently represents the majority of visitors (69%).
- From a tourism marketing point of view, it would likely be quite difficult to generate more business visits to the territory.
- However, there is an excellent opportunity is to encourage greater spending while in the region.
- The survey results reveal a great deal of latent demand for both guided trips and for buying art/carvings/souvenirs. They want better access to guides, as well as a greater range of products available for purchase.

2. Cruise-based Leisure Travellers

- This is the only segment that has seen real growth since 2011.
- Last year (2015), 21 cruises entered the territory bringing 2,750 passengers, up from 1,890 in 2011.
- However, while their trips are generally expensive (\$17,000 per person on average), the amount left in Nunavut is only \$692. This compares to just over \$2,500 on average for land-based travellers.
- The cruise lines would like to bring in more cruises but they complain of extraordinary red tape, worse than other northern destinations (e.g. Greenland).
- The best strategy with this segment would be to work with the cruise lines to facilitate more sailings, and to encourage greater product spending while on land. This involves both marketing materials (e.g. where to find carvers/retailers) and a greater variety of products.

Key Findings

Market Segmentation Summary

3. VFR Travellers

- Those who are coming primarily to visit friends and relatives (only 7%), as with business travellers, are typically difficult to motivate through advertising.
- However, marketing initiatives that can be effective are to work with local special events and encourage residents to contact their friends and relatives (e.g. via social media) and persuade them to come and share in the activities.

4. Land-based Leisure Travellers

- This segment represents the best opportunity for expanding the number of visitors to the territory. It currently represents fewer than 1,200 visitors annually.
- Private charters (not surveyed) would add to the total, but regardless it is still a very small segment at the present time.
- Growth capacity reaches beyond fixed roof beds since many are open to camping.
- This is where most external marketing dollars should be allocated. The key is to tap into the latent demand that exists for visiting Canada's far north.

Key Findings

SWOT Analysis

The Strengths/Weaknesses/Opportunities/Threats facing Nunavut Tourism are summarized below. They are based on the 2015 Exit Survey, in-depth telephone interviews with recent visitors to Nunavut and the results of the Nunavut Pavilion Exit Survey conducted by Insignia in 2009. The feedback provides a snapshot of the current situation and the incredible opportunities.

Strengths

- *Spectacular scenery*
- *Raw nature*
- *Unique*
- *Off the beaten path*
- *True northern experience “The REAL north”*
- *Untouched*
- *Wildlife (animals, flora and fauna)*
- *Photography*
- *Expedition travel*
- *History*
- *Friendly, unique people*
- *Culture*
- *Real outdoor activities: dog sledding, fishing*
- *Authentic*
- *Untouched*

Weaknesses

- *Very Expensive*
- *Little tourism infrastructure*
- *Little consolidation of product/positioning*
- *Limited sources of information*
- *Limited audience (experienced, wealthy travellers)*
- *Potential dangerous or risky for DIY travelling*
- *Typically a visitor needs a guide or needs to be accompanied/ fairly inaccessible*
- *Internal transportation required*
- *Short season*
- *Absence of clear positioning, no sense of what the trip will be like or the benefits*
- *No itineraries or trip plan ideas*
- *Little understanding on how to integrate with the people and culture*

Key Findings

SWOT Analysis

Opportunities

- *Undiscovered land*
- *Can start from a white canvas, no negative imagery—can shape potential traveller opinions*
- *Unique*
- *Sherpa guides/personal guides*
- *“Expeditions” positioning*
- *Customized, full nature experience*
- *Capitalize on business travel. Get existing visitors to spend more leisure time and spend money to support expanded infrastructure*
- *New model for eco-tourism*
- *Expedition travel made safe*
- *Nunavut positioned as an arctic “kingdom” or special place*
- *As close to the north pole as you are going to get*

Threats

- *Bad commercialization/tourism*
- *Uncontrolled tourists get hurt and create a bad name*
- *Bad press as tourism grows*
- *Disrupting an intact, preserved culture*

Recommendations

Top 10 Priorities For Nunavut Tourism Marketing

Based on the exit survey results and supportive interviews with recent travellers, here are the top 10 priorities for Nunavut Tourism moving forward.

Many of the initiatives start right at home--building and shaping the existing tourism infrastructure.

- 1. More Local Guides:** Encourage qualified Inuit in all communities to become active guides. Their target market would be visitors in the area (typically on business) who want to get out onto the land hiking, hunting and/or fishing. Currently, they rely on asking around among people they have met.
- 2. Promote Guiding Opportunities in Local Market:** The expanded guide base should be encouraged to advertise and promote themselves in their communities by distributing marketing materials in local hotels/B&Bs. etc. Again, the prime target is business travellers who represent one of the highest potential opportunities for the tourism industry.
- 3. Encourage Better Organized Retail:** Visitors often ask for more shopping opportunities, including where to find art/carvings/momentos of their visit. Again, flyers, directories and location maps distributed to visitors at accommodation, information centres and cruise docks would be greatly appreciated. Create a directory in all communities of where to buy art and carvings as well as what is available. This extends to purchasing local game.
- 4. Facilitate Cruise Line Activity:** Work with the cruise lines to make it easier to enter Nunavut waters. According to cruise executives, they want to bring in more passengers, but are curtailed by “red tape”. Existing cruises are running close to passenger capacity, so it would be more productive to support the cruise lines and encourage trip expansion rather than to advertise Nunavut cruising directly to the market.

Recommendations

5. **Target Experienced Travellers:** Position Nunavut as an essential bucket list destination for those who want to experience its incredible, unique, culture, landscapes and environment. Drive prospects to the Nunavut Tourism website.
6. **Provide Itinerary Ideas on The Website:** The Home page of the Nunavut Tourism website should direct prospects to a **Trip Ideas** section where they can start to piece together the kind of trip that would appeal to them—places to stay, types of accommodation, activities, opportunities to connect with the culture, where they should start and end their trip. Few tourists would venture into Nunavut without a detailed trip itinerary, so help them build in their own mind what their trip would be like.
7. **Direct Prospects to Select Travel Agents Who Specialize in the Region:** Follow the Destination Canada model of Canada Specialists. DIY booking is less desirable than a trip well organized by a Nunavut specialist.
8. **Alternatively, Connect Prospective Visitors To Local Operators:** The **Trip Ideas** section of the website could feed directly into a list of operators who can facilitate a one or two week trip throughout the territory. Again, prospective travellers are likely very reluctant to piece together their own itinerary based on disconnected information (e.g., a separate lists of accommodation, activities available, etc.).
9. **Individual Community Support:** All communities and regions should strive to ensure that they are well represented in the **Trip Ideas** and suggested itineraries section of the website and that operators and preferred travel agents include them.
10. **Develop An Information Model To Monitor Progress:** Starting with a well designed, standalone exit survey model (which Insignia is currently building for Nunavut Tourism), generate a steady and consistent flow of statistics from the carriers, cruise lines, accommodation and local operators which will monitor the health of the industry.

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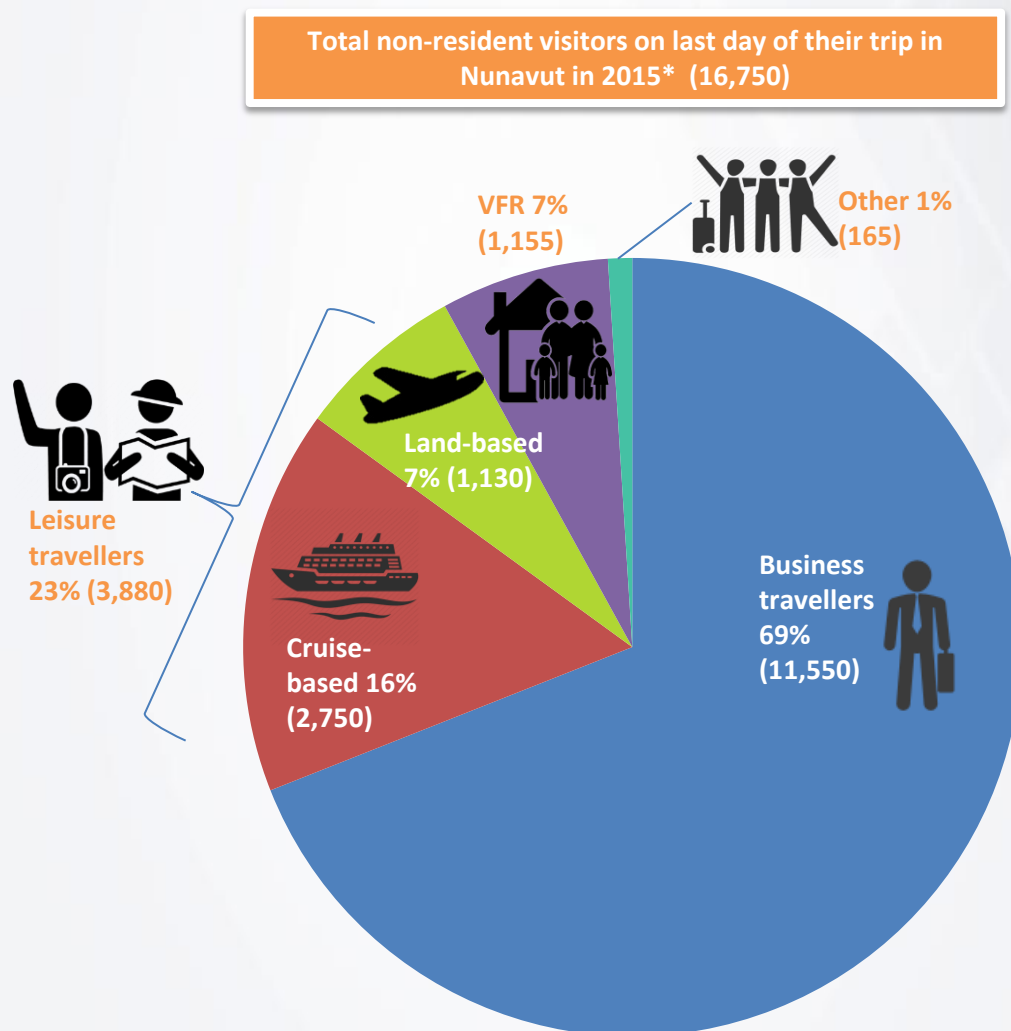


NUNAVUT'S CURRENT MARKETS

Section 1: Nunavut's Current Market

Nunavut caters to 4 very unique non-resident visitor markets. The largest segment is business travellers (69%), followed by cruise-based leisure (16%) and land-based leisure (7%) and VFR (also 7%).

It is very important to focus on each segment separately because they require very different product development and marketing strategies.



* May to October.

Q.3a Was this trip mainly for:

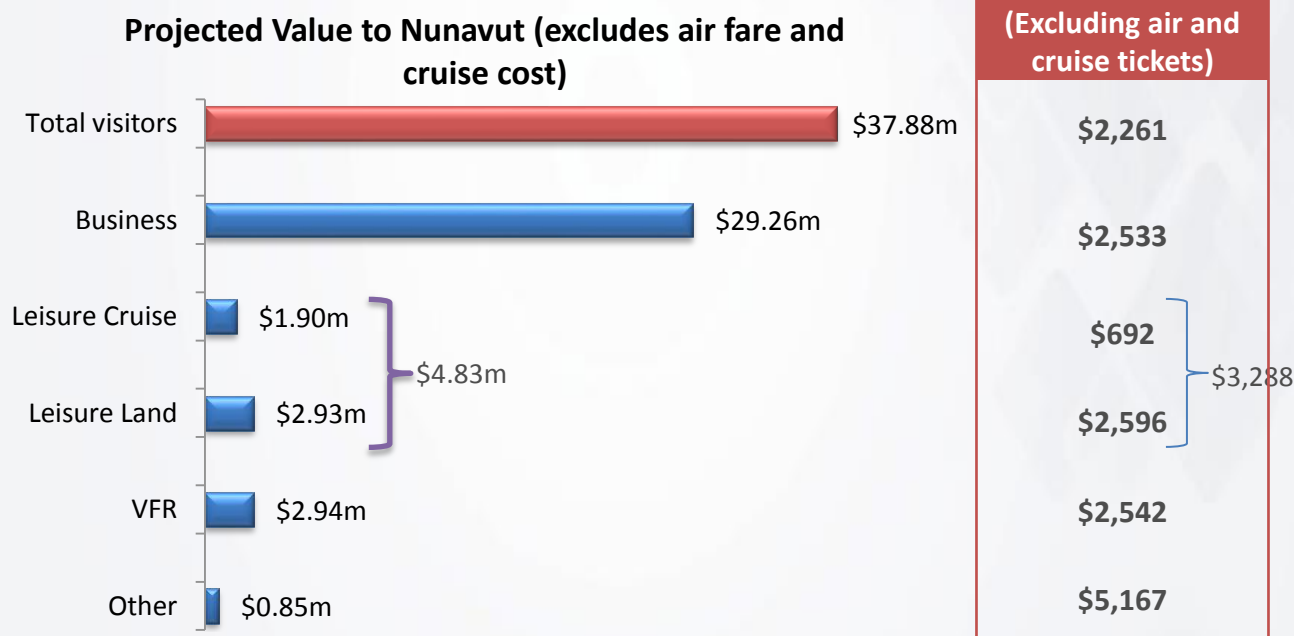
Value to Territory Tourism

Removing air fares and cruise ship costs, non-resident visitors contribute close to \$38 million to the Nunavut economy in direct expenditures.

The Business segment spends the most (\$29 million).

Of particular interest is that cruise-based leisure visitors have the lowest average spend in the Territory. They spend only \$692 per person on land, a small fraction of their total trip cost.

The land-based leisure segment, on the other hand, has a solid spending pattern—each visitor spends almost 4 times as much as their cruise-based counterparts.



Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=870). Excluding outliers.

Expenditure – All Visitors

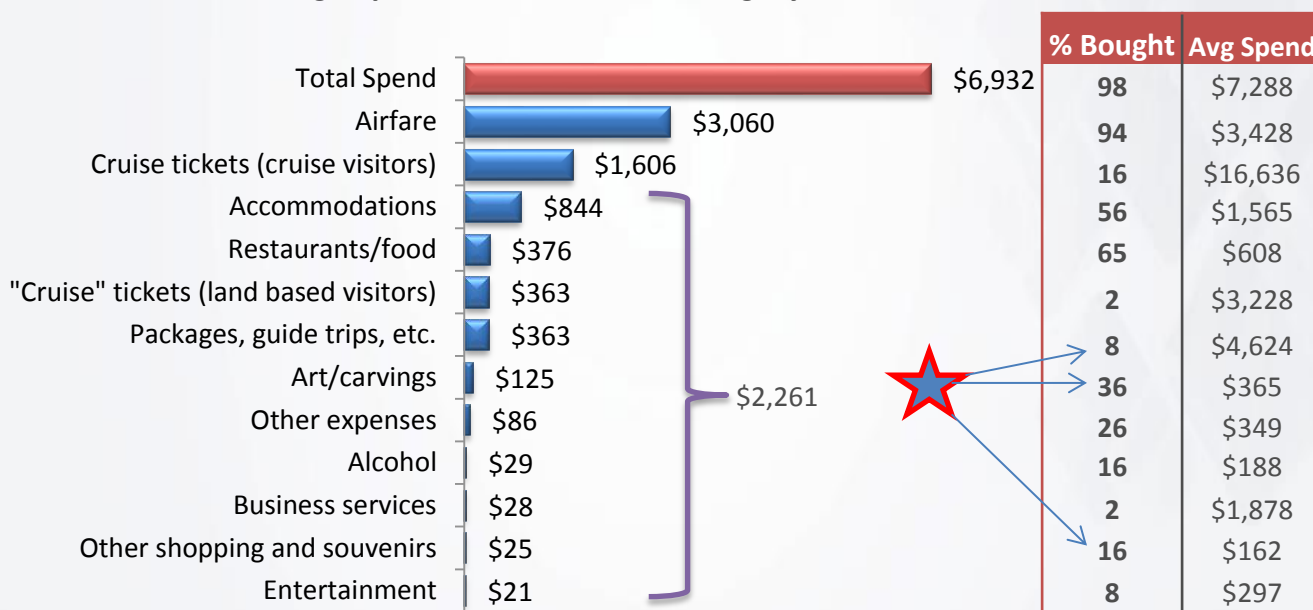
Air and cruise lines absorb the majority of spending by Nunavut visitors (67%).

That leaves an average spend in Nunavut (excluding air and cruise tickets) of \$2,261 per person.

From Nunavut Tourism's perspective, there are 3 key opportunities to increase visitor spending:

- Packages, guided trips (only 8% of current visitors are buying these)
- Other shopping and souvenirs (only 16% buying now)
- Art/carvings (only 36%, likely far below the opportunity threshold)

Average Spend Per Person Per Category*



Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=870).

* Including \$0.

Qualitative Feedback--Core Themes

1. Powerful Emotional Connection

"This place will always have a place in my heart"

"Easily the most beautiful place I've ever seen. Everyone was very friendly and genuine"

"Awesome territory and people"

"A wonderful place to visit and to gain much knowledge. Enjoyed it all!"

"Amazing place! Wow - what an adventure!"

"I come to Nunavut at least once a year to hunt - love everything about it and count the days to my next trip!"

"Canada needs to know about Nunavut...lovely place..."

"Thank you for your hospitality. The Inuit are very friendly people and welcoming."

"Local took my son and me boating! Great experience!"

"Quite an experience. All Canadians should do it"

Qualitative Feedback--Core Themes

2. More opportunities to purchase art/carvings/momentos

"A larger souvenir shop in airport. Map of Iqaluit with attractions posted in airport"

"Would have liked to purchase more artwork/souvenir"

"Even small communities where large groups of visitors arrive could have a small centre for selling Inuit art. Many in our group would have loved the opportunity to see and/or purchase carvings, prints, hangings , etc."

"Improve your airport, more gift shops"

"Pamphlets at the airport or local stores would be helpful"

"Showcase more local crafts/make high quality items available for purchase"

"Iqaluit needs galleries/sculpture sources"

3. More guiding opportunities

"Access to local guides (reliable ones) would help me see more of Nunavut"

"I like to fish - would love guided experience"

"Nunavut needs quality products with insured guides"

"Would have liked advertised information + options to see more of this beautiful place! Wanted to go to Marble Island, out on land to cabin, helicopter or sea plane town"

"More outdoor activities, meeting locals, culture, more like Greenland"

"Nature experiences should be more accessible. Even if for brief hikes"

"Need advertised access to outside communities and tours, fishing, boats - Pang, Pond Inlet Qikiqtaaluk"

"More cultural Inuit access, more info on ice floes and more involved tour"

Qualitative Feedback--Core Themes

4. Communication

"Better internet access in communities"

"Internet access in Nunavut is poor to terrible. It would help a lot if it were improved. (e.g. free access at the airport for a start)"

"For some outfitters there are only phone reservations and not websites. Websites may have helped in providing which communities to visit"

"Better map of town would have been helpful. Include locations for free Wi-Fi too"

"Visitors maps are hard to find and read. Putting names of places on the map rather than numbers"

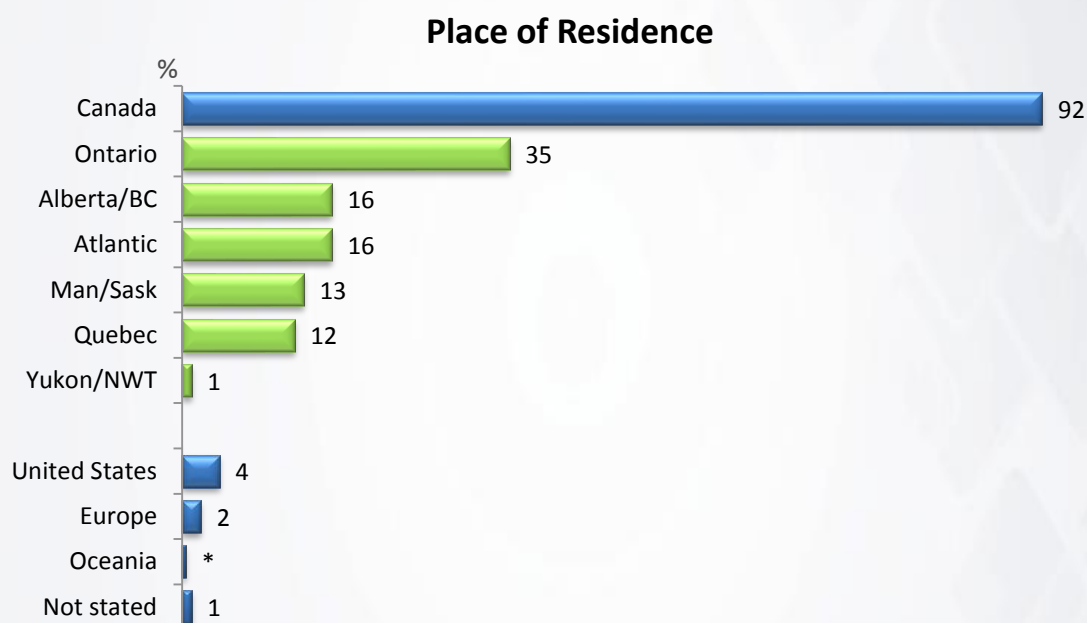
2



BUSINESS TRAVELLERS

Place of Residence – Business Travellers

Those visiting Nunavut on business are almost all Canadians (92%) and from a wide range of provinces.



Q.18 Where do you live?

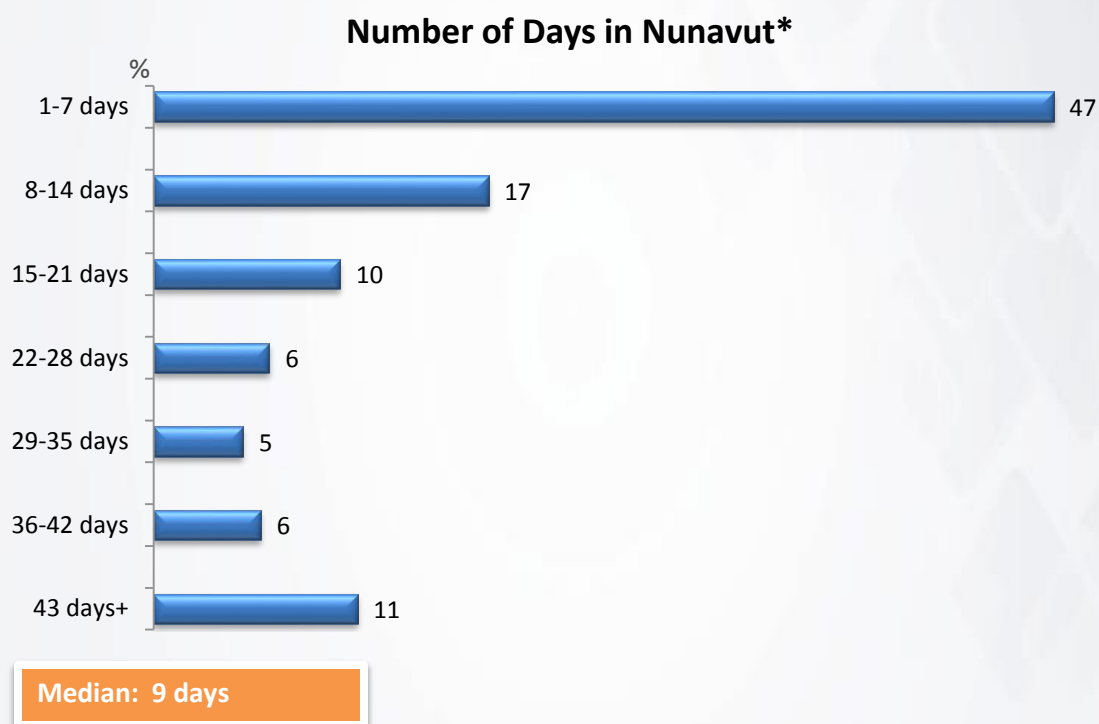
Base: All business travellers (n=1080)

* Less than 0.5%.

Nunavut Trip Duration – Business Travellers

Some business travellers are long stay (22% one month or more), but most often they are in the Territory for less than 15 days (64%).

The median is 9 days.



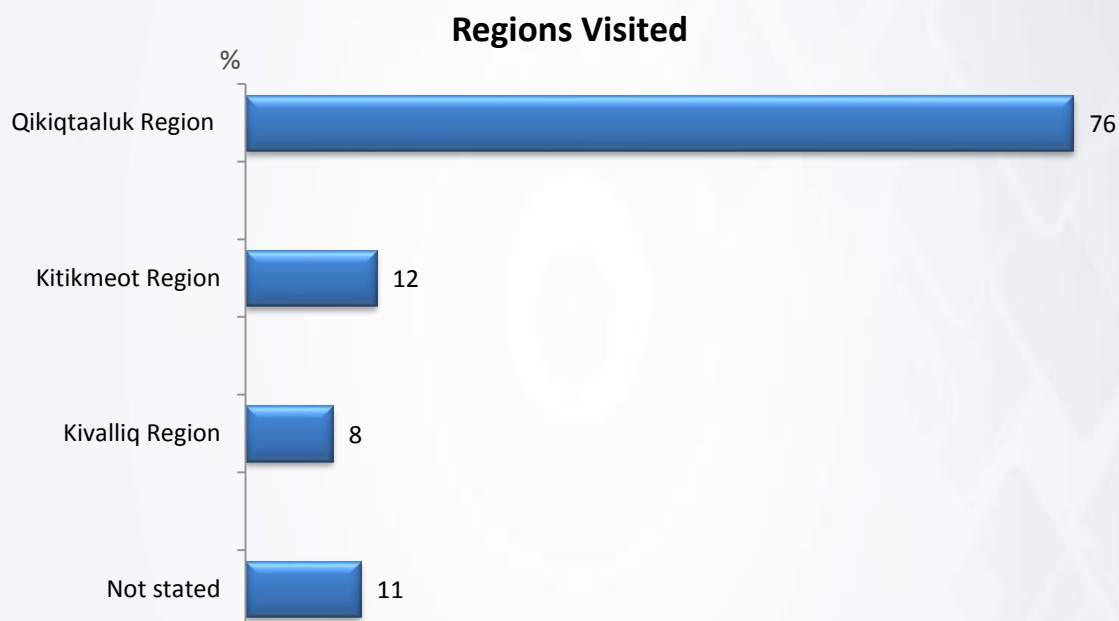
2b) How long was your trip to Nunavut? ____ days

*Base: Among those answered (n=1065)

Regions Visited Overnight or Longer – Business Travellers

The majority of business is conducted in the Qikiqtaaluk Region. No more than 1 in 10 ventures into either of the other two regions.

Few stayed overnight or longer in more than one region. In other words, their business activity was concentrated in one region only.



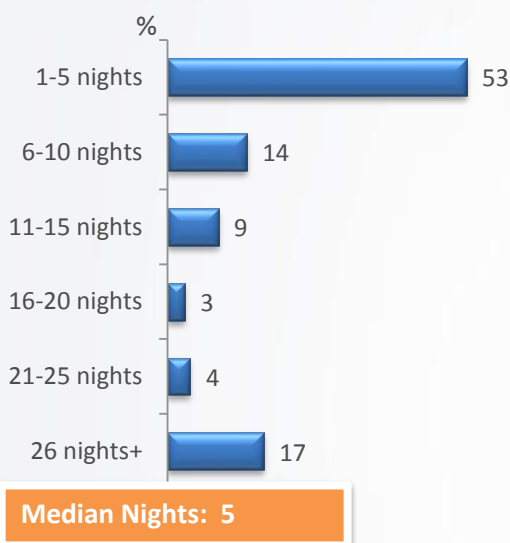
5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

Base: All business travellers (n=1080)

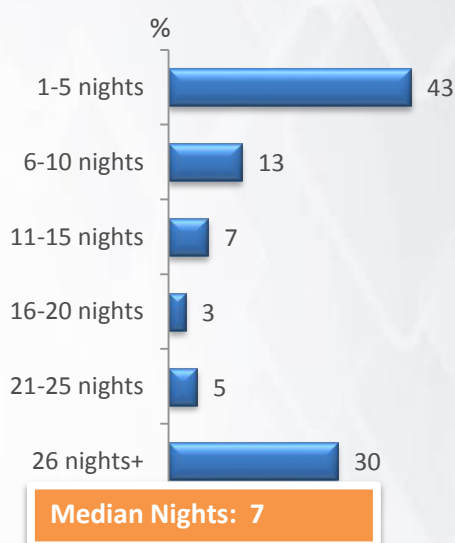
Number of Nights in Region – Business Travellers

Business travellers who visited Qikiqtaaluk (76%) typically stayed 5 nights days in that region, those venturing into Kivalliq –7 nights and those travelling to Kitikmeot –6 nights.

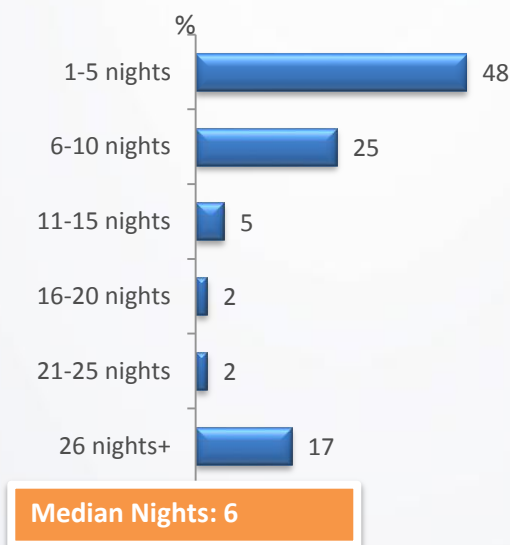
Qikiqtaaluk*



Kivalliq*



Kitikmeot*

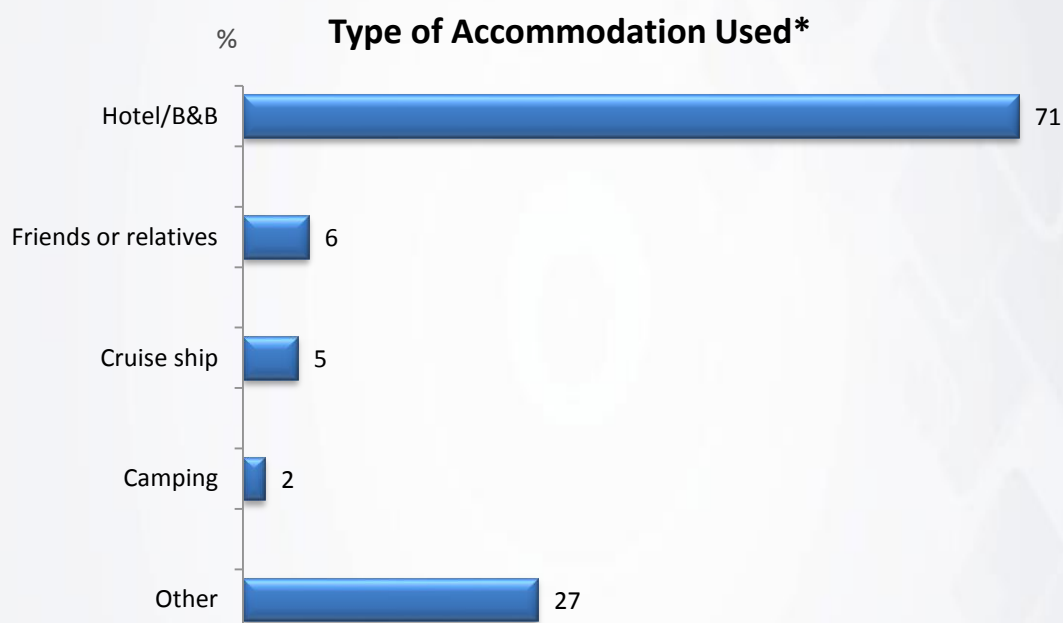


5. Which communities did you visit in Nunavut, and where did you stay (number of nights in each)

*Base: Among those answered: Qikiqtaaluk (n=683), Kivalliq (n=129), Kitikmeot (n=88)

Type of Accommodation – Business Travellers

Hotels and B&Bs dominate the accommodation of business travellers.



5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

*Base: Among those answered (n=888)

Activities Participated – Business Travellers

Although these individuals are in the Territory primarily for business purposes, they are quite active in leisure pursuits—especially shopping for local art/carvings, attending cultural shows and activities that could involve guiding.

In other words, there should be a significant opportunity to generate additional revenue for the tourism community from this segment.

Activities Participated in Nunavut



4. What other activities did this trip include? (Please check all that apply)

Base: All business travellers (n=1080)

Profile – Business Travellers

Business activity is a real mix of government, construction, education, research, mining and meeting attendance.

Many are back and forth on a regular basis (4 in 10), most are male, few with family along.

Although air fares to the region are relatively expensive, there may be an opportunity to encourage more business travellers to invite family members along—at least for part of their stay.

Business Travellers		Business Travellers	
(Among those answered)		(Among those answered)	
	%		%
Main type of business activities involved		Travel Party	
Government-related	31	Alone	53
Construction-related	22	With business associates	40
Education/learning/research	22	With family and friends	5
Attending a meeting or conference	10	Part of an organized group	3
Exploration/mining activity	7	Average Party Size (#)	1.6
Other	8	Travel Party Composition	
Regular Trip		Any kids <18	1
Yes	<u>41</u>	Any male	76
Weekly	1	Any female	40
Monthly	16	Household income	
Yearly	18	Under \$49,000	10
Not stated	6	\$50,000 to \$99,000	30
No	59	\$100,000 - \$149,000	24
Gender		\$150,000 to \$199,000	20
Male	67	\$200,000 - \$249,000	8
Female	33	\$250,000+	8
Age		Education	
18-40	41	High school or less	11
41-64	52	College or less	33
65+	7	University	27
		Graduate degree/professional designation	29

Q.2c Is this a regular trip?

Q.3b What was the main type of activity that you were involved in during your visit?

Q.12 What is your age?

Q.13 Are you:

Q.14 Are you travelling:

Q.15a/b Including yourself, how many people in your party are: b) How many are:

Q.16 In Canadian dollars, what is your household income before taxes?

Q.17 What is your highest level of education attained?

Experience Rating – Business Travellers

The experience ratings for their trip to Nunavut are quite good for business travellers, but the ratings are all lower than those provided by land-based leisure travellers (see later section).

This suggests there is room for improvement—especially factors that drive tourism industry expenditures such as ease of planning/booking guided trips and meeting/learning about local culture.

Most important will be to review what facilities are currently in place to entice business traveller involvement (e.g. brochures in hotel rooms), promotional literature in lobbies and direct contact with local corporations.



Q.8. How would you rate your Nunavut trip experience?

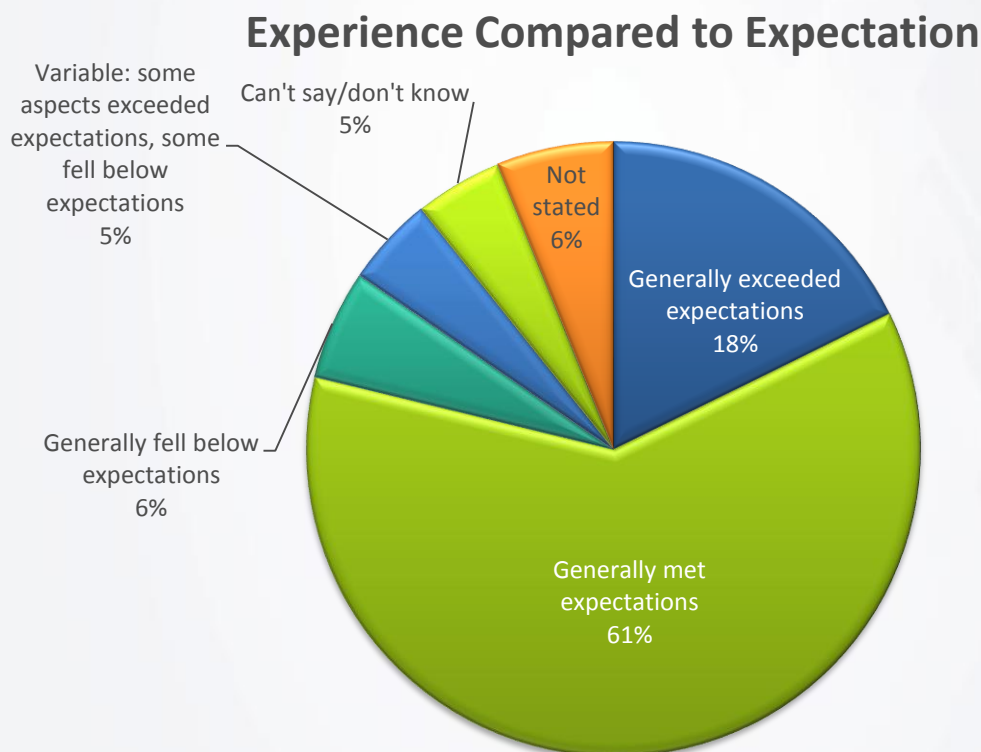
*Base: Among those answered

Expectation Met – Business Travellers

With business travellers, most often their experiences were met, not often exceeded.

This is half the level noted with land-based leisure travellers (see later section).

Better opportunities to get out on the land with the assistance of guides could improve satisfaction.



Q.9. How did your travel experience compare to your expectations?

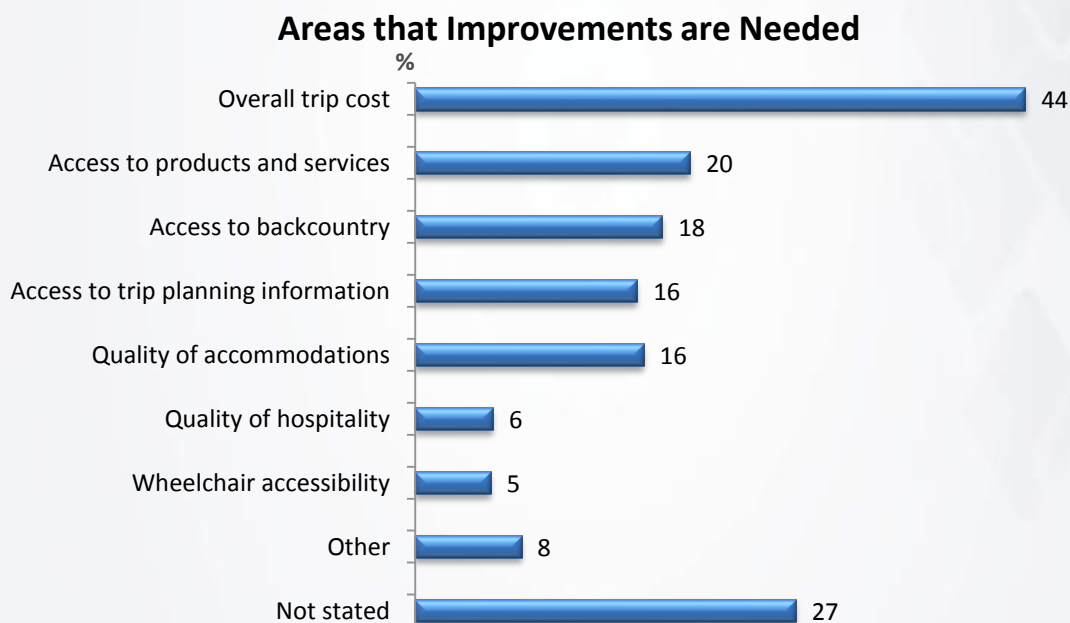
Base: All business travellers (n=1080)

Improvement Needs – Business Travellers

Leading the areas for improvement among business travellers is reducing overall trip costs. Given that this may be difficult to accomplish, it would be better to focus on value for money—that is, ensuring that experiences are perceived to be worth the high cost. In some cases, it is helpful to simply communicate why costs are high.

The other priority area for improvement is:

- Ease of access—to products and services, trip planning information and getting out on the tundra.



Q.10. What area(s) of tourism do you think need improvement? (Please check all that apply)?

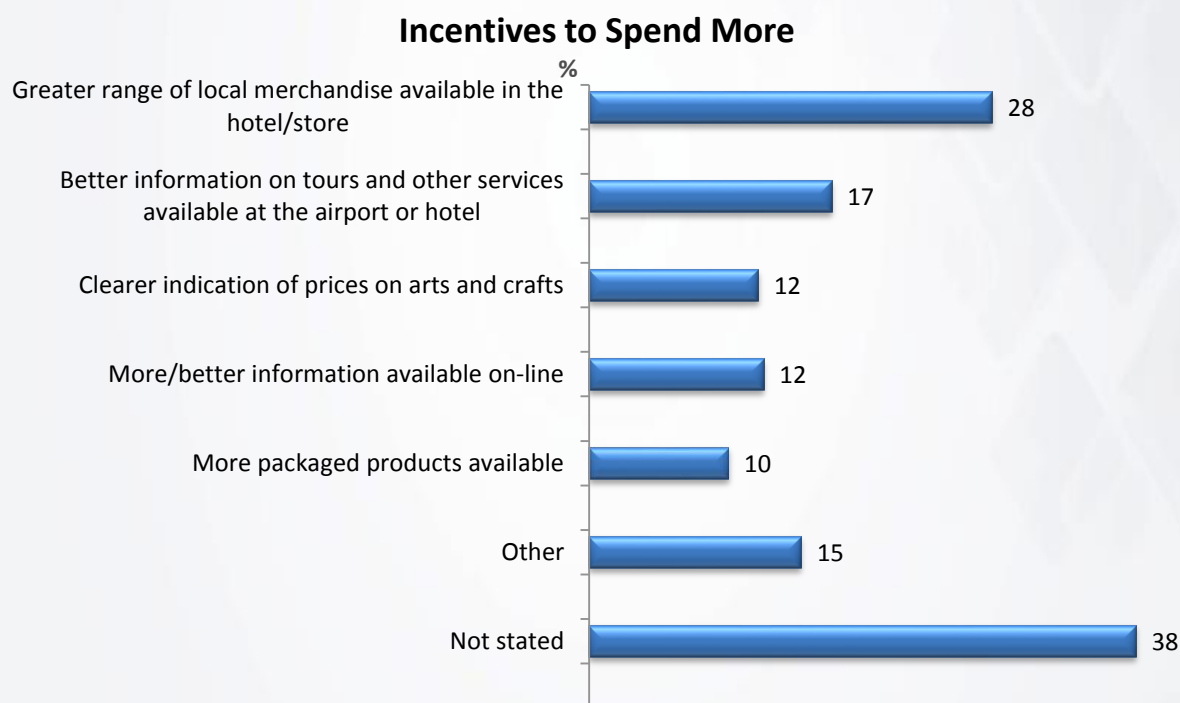
Base: All business travellers (n=1080)

Suggested Incentives to Increase Spending – Business Travellers

Business travellers want a wider range of local products accessible to them—in the hotel or store.

Better information on tours and other services would also be welcome.

Both of these priorities suggest that there is significant latent demand for greater leisure/personal spending.



Q.7. What would have allowed / encouraged you to spend more on products or services? (Please check all that apply)

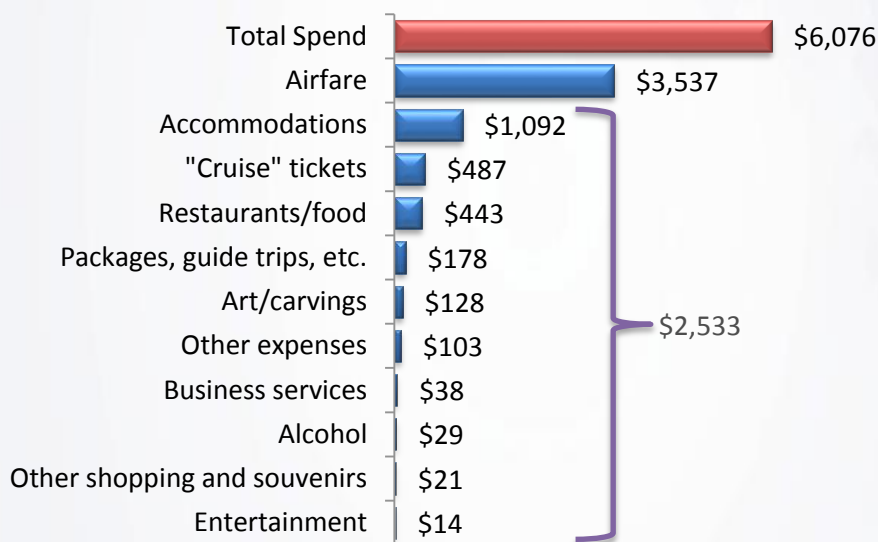
Base: All business travellers (n=1080)

Expenditure – Business Travellers

The opportunity for increasing business traveller spending is clearly evident in the chart below:

- Only 33% bought art/carvings on their last trip.
- Only 4% purchased a guided trip or local package.

Average Spend Per Person Per Category*



% Bought	Avg Spend
98	\$6,076
98	\$3,594
66	\$1,646
2	\$23,764
71	\$625
4	\$4,004
33	\$386
27	\$373
2	\$1,878
16	\$179
11	\$186
8	\$184

Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=721).

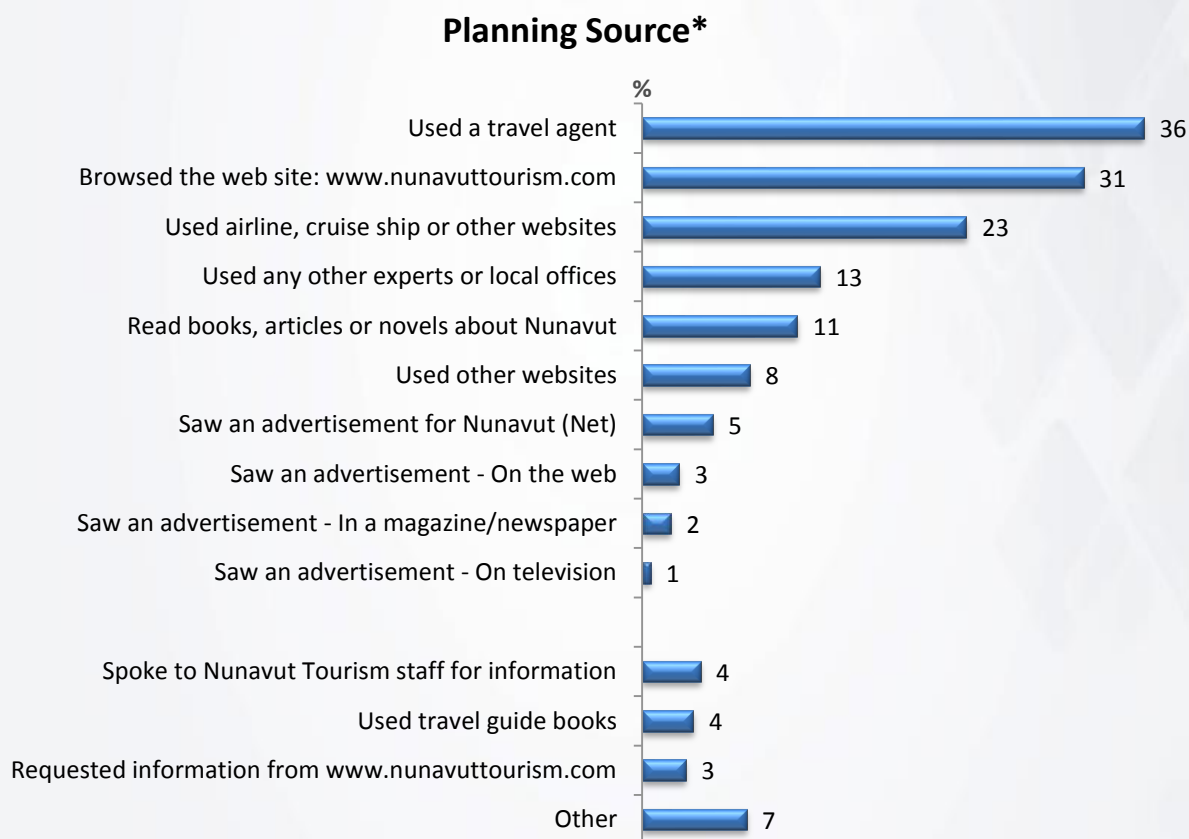
* Including \$0.

Planning Source – Business Travellers

The Nunavut Tourism website is a very important source of planning information and should receive the highest priority for expansion and development.

Travel agents assist as many as 36% of business travellers—relatively high involvement in today's tourism industry where web planning and booking dominates.

Carrier websites factor in prominently as well.



Q.11 When planning this trip, what sources of information did you use?

*Base: Among those answered (n=770)

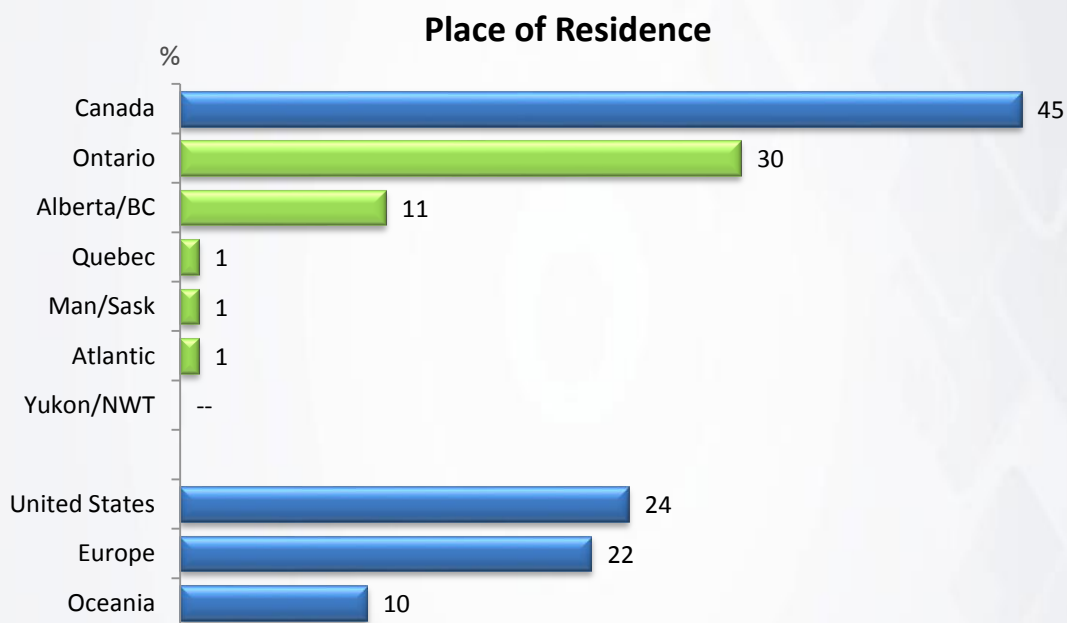
3



**LEISURE (CRUISE-
BASED) TRAVELLERS**

Place of Residence – Leisure (Cruise-Based) Travellers

The current cruise-based visitor has a heavy international contingent—24% from the U.S., 22% from Europe and 10% from Oceania.



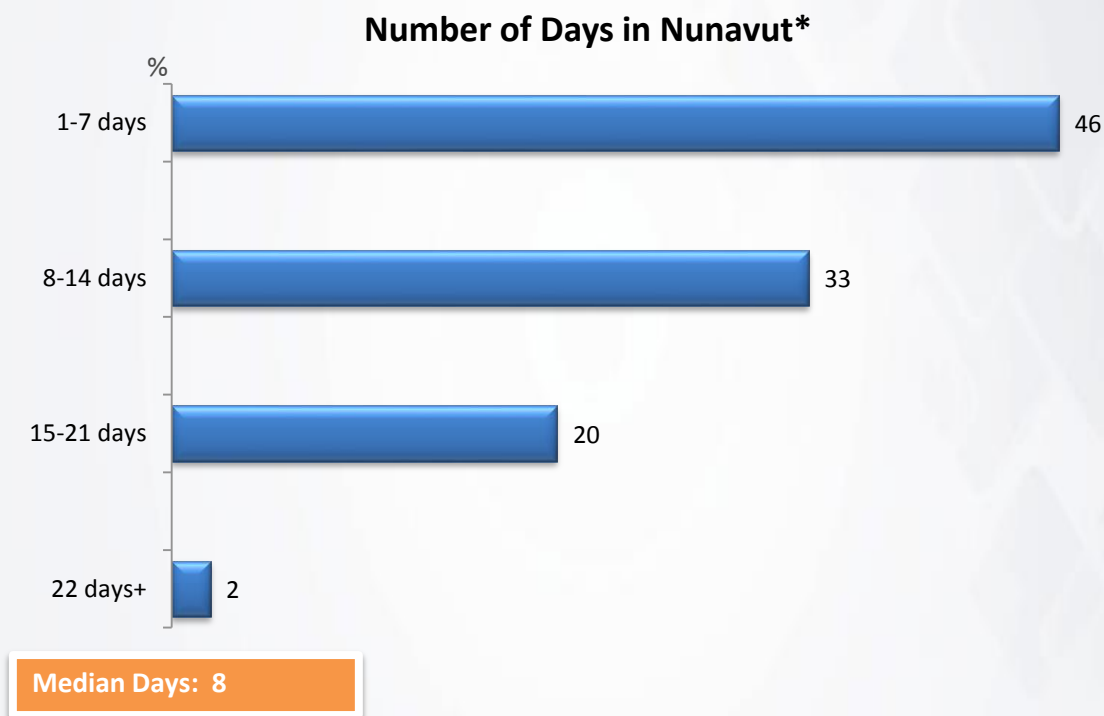
Q.18 Where do you live?

Base: All Leisure Cruise travellers (n=76)

Nunavut Trip Duration – Leisure (Cruise-Based) Travellers

40

The median number of days in Nunavut is 8.

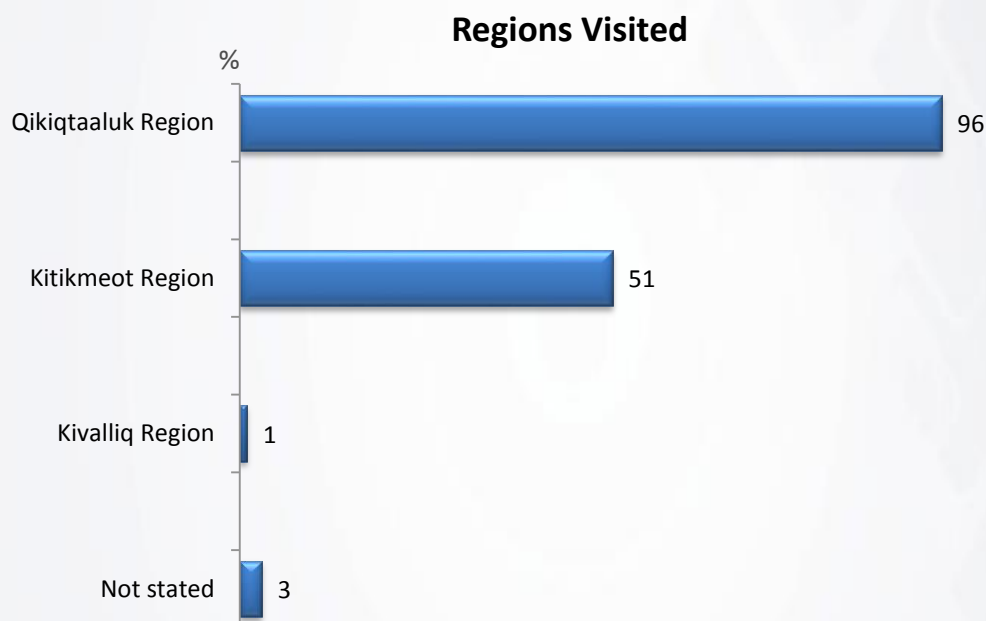


2b) How long was your trip to Nunavut? ____ days

*Base: Among those answered (n=75)

Regions Visited Overnight or Longer – Leisure (Cruise-Based) Travellers

Virtually all cruises visit the Qikiqtaaluk Region highlights, while half of those surveyed reached the Kitikmeot Region.



5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

Base: All Leisure Cruise travellers (n=76)

Note: Base size for Leisure Cruise travellers too small (<n=20) to report Number of nights in Region

Activities Participated – Leisure (Cruise-Based Travellers)

The cruise-based passenger is very active—virtually all taking in local cultural experiences and visiting museums and cultural centres.

Art/carvings are of particular interest as visitors seek both observing artists in action plus being able to take home a memento of their time in the north.

Physically active pursuits are less desirable than passive observation activities—undoubtedly due to the age of the traveller (most are over 65).

Activities Participated in Nunavut



4. What other activities did this trip include? (Please check all that apply)

Base: All Leisure Cruise travellers (n=76)

Profile – Leisure (Cruise-Based) Travellers

Note the high concentration of :

- 65+
- Females
- Family and friends travelling together.

	Cruise-based Travellers		Cruise-based Travellers
(Among those answered)	%	(Among those answered)	%
Gender		Household income	
Male	42	Under \$49,000	5
Female	58	\$50,000 to \$99,000	23
Age		\$100,000 - \$149,000	23
18-40	1	\$150,000 to \$199,000	19
41-64	34	\$200,000 - \$249,000	11
65+	66	\$250,000+	19
Travel Party		Education	
Alone	22	High school or less	2
With family and friends	57	College or less	16
Part of an organized group	21	University	24
With business associates	*	Graduate degree/professional designation	58
Average Party Size (#)	3.7		
Travel Party Composition			
Any kids <18 (%)	2		
Any male	64		
Any female	84		

Q.12 What is your age?

Q.13 Are you:

Q.14 Are you travelling:

Q.15a/b Including yourself, how many people in your party are: b) How many are:

Q.16 In Canadian dollars, what is your household income before taxes?

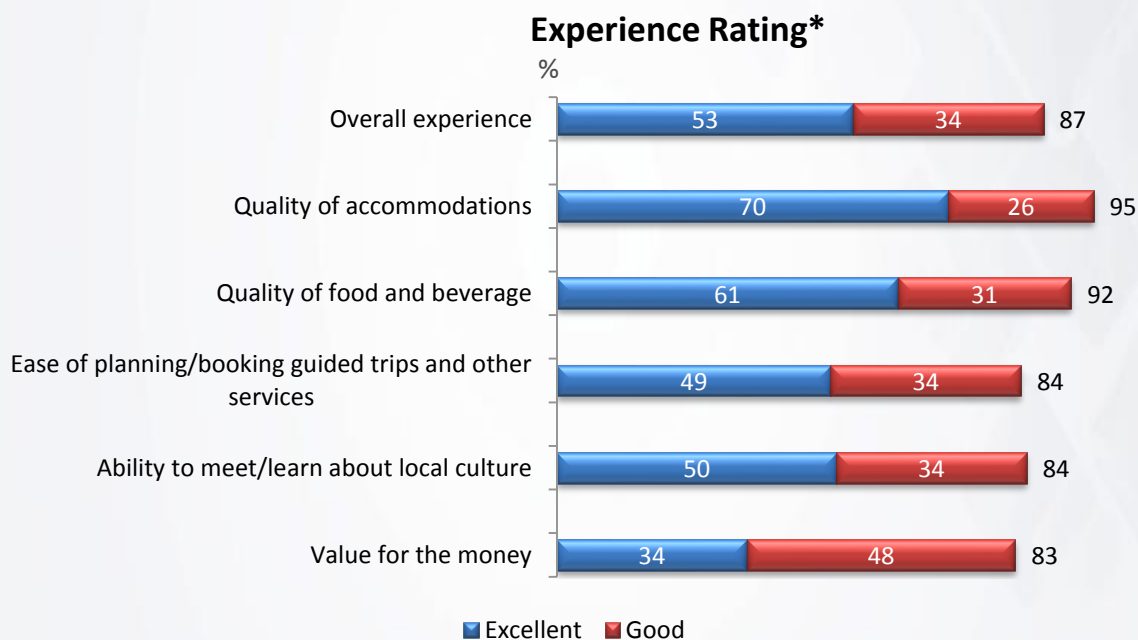
Q.17 What is your highest level of education attained?

* Less than 0.5%

Experience Rating – Leisure (Cruise-Based) Travellers

Cruise passengers have a much higher experience rating than their land-based counterparts.

This talks to the comfort and convenience of the cruise ships, as well as the activity packed agenda that is typical.

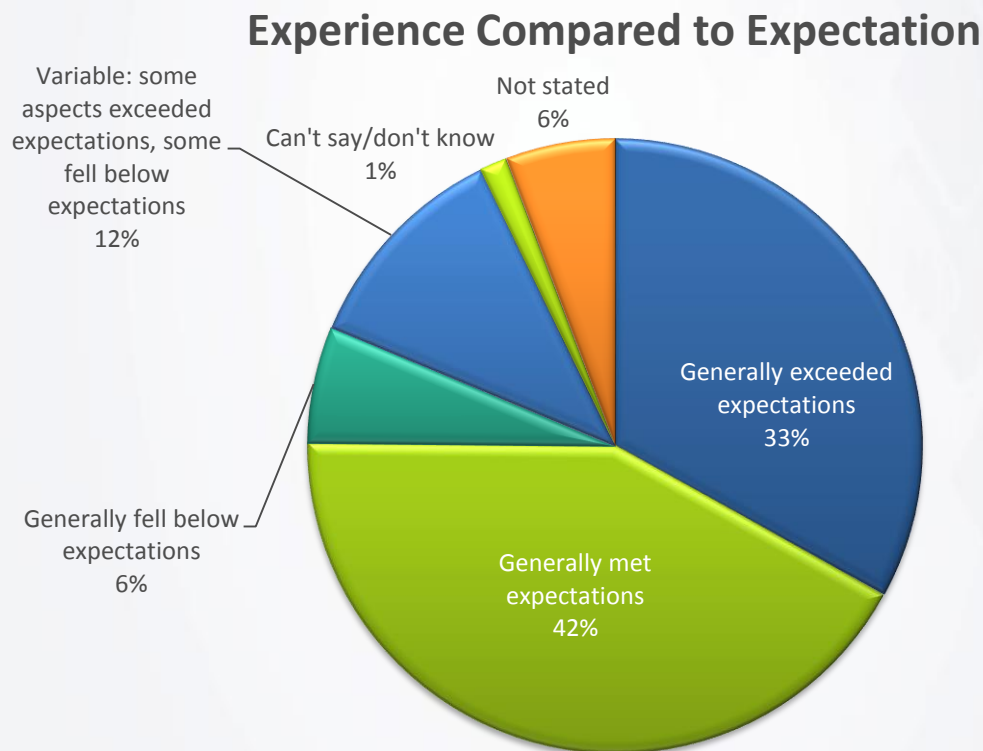


Q.8. How would you rate your Nunavut trip experience?

*Base: Among those answered. Caution: small base size.

Expectation Met – Leisure (Cruise-Based) Travellers

Clearly, the cruise visitor's expectations are widely met.



Q.9. How did your travel experience compare to your expectations?

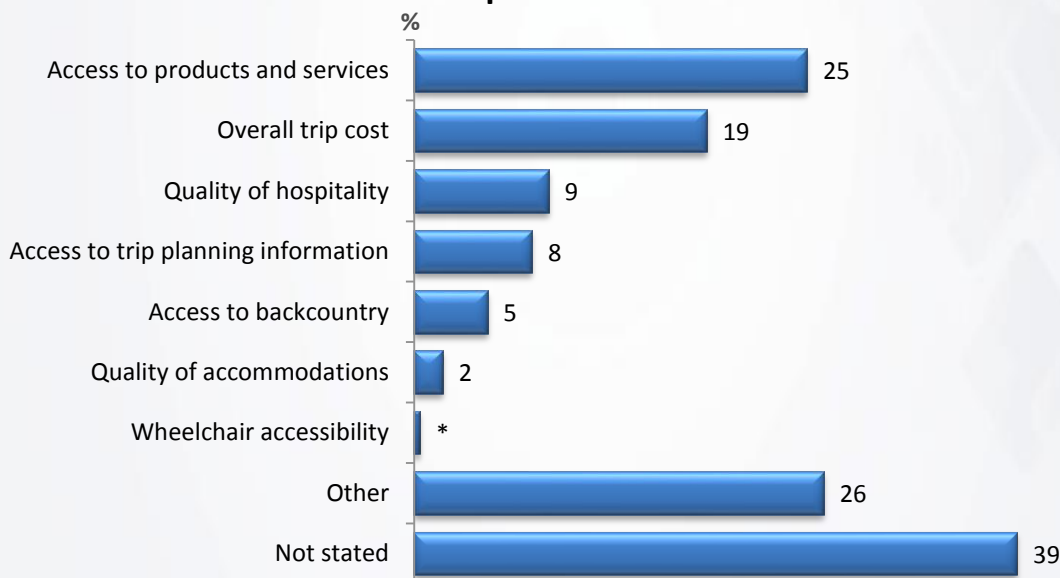
Base: All Leisure Cruise travellers (n=76)

Improvement Needs – Leisure (Cruise-Based) Travellers

In spite of their high satisfaction levels, cruise-based visitors want better access to products and services.

As discussed in the next section, they want to spend money and take away mementos and souvenirs of the arctic.

Areas that Improvements are Needed



Q.10. What area(s) of tourism do you think need improvement? (Please check all that apply)?

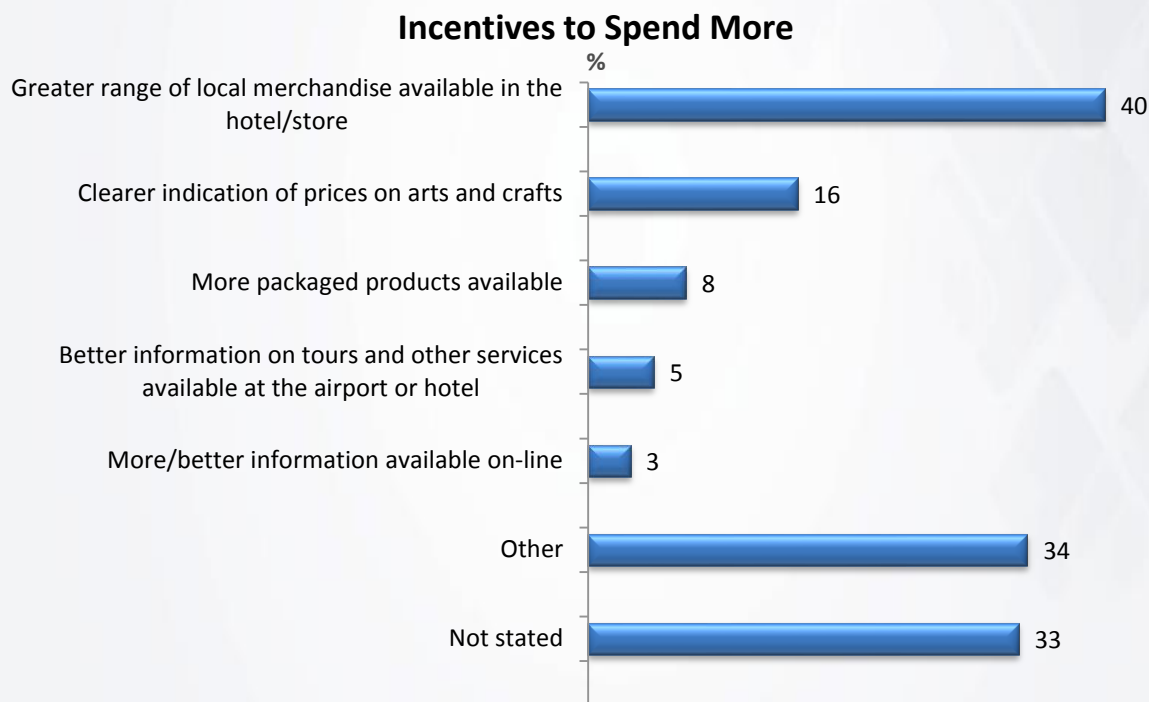
Base: All Leisure Cruise travellers (n=76)

* Less than 0.5%.

Suggested Incentives to Increase Spending – Leisure (Cruise-Based) Travellers

A wider range of local merchandise for purchase would be very welcome by the cruise visitors.

Information and packages are less important because the ships would facilitate this quite well.



Q.7. What would have allowed / encouraged you to spend more on products or services? (Please check all that apply)

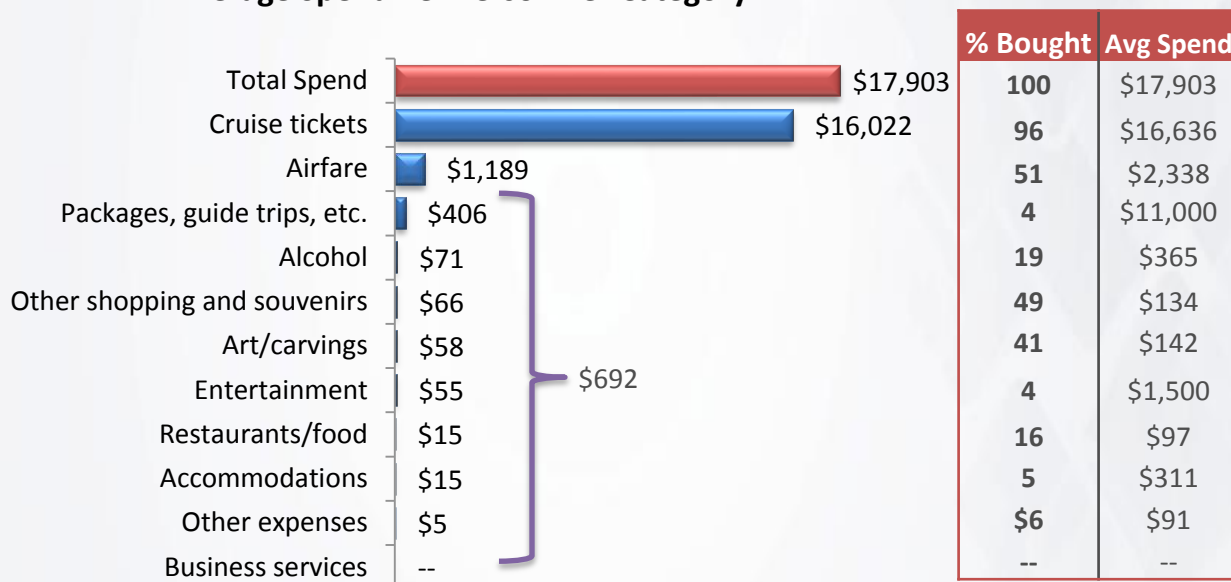
Base: All Leisure Cruise travellers (n=76)

Expenditure – Leisure (Cruise-Based) Travellers

Cruise passengers are more likely to buy art/carvings than other segments, but there is still plenty of room for growth.

Their average spend in Nunavut (beyond the ship) is only \$692, well below average.

Average Spend Per Person Per Category*



Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=31) – Caution: small base size

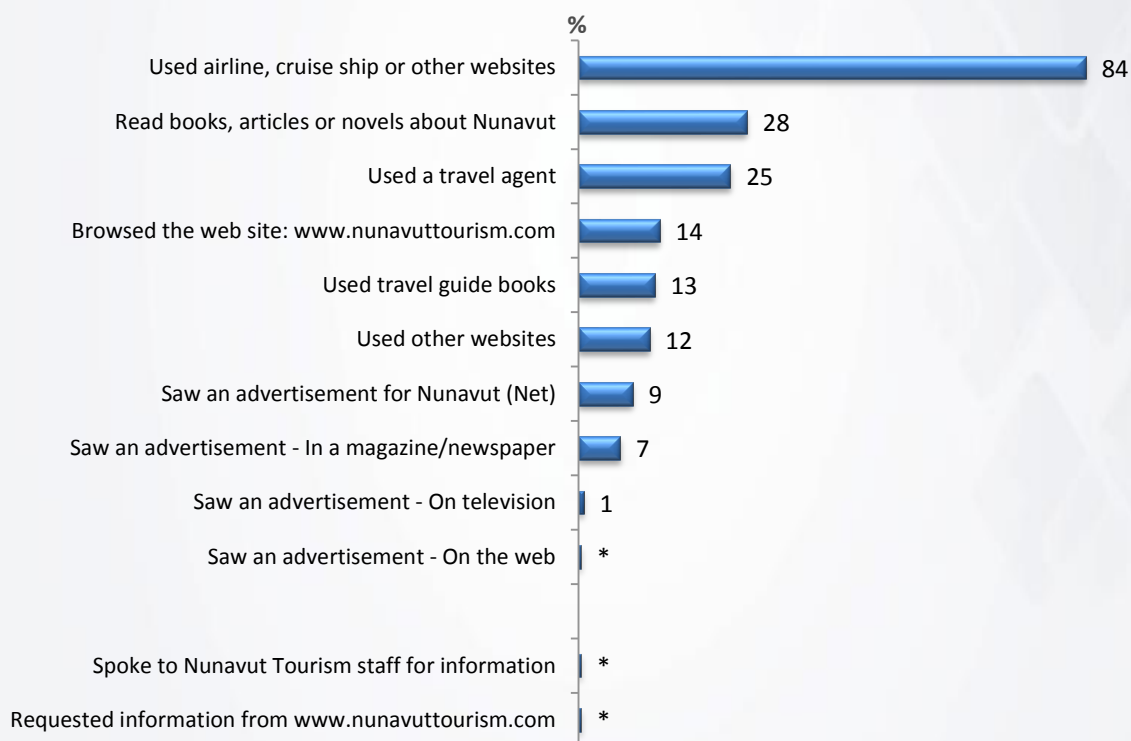
* Including \$0.

Planning Source – Leisure (Cruise-Based) Travellers

The cruise line is the key source of planning information as would be expected.

However, they have a great interest in reading—undoubtedly about the early explorers, the way of life from the past to the current.

Planning Source**



Q.11 When planning this trip, what sources of information did you use?

**Base: Among those answered (n=68) Caution: small base size.

*Less than 0.5%.

4



**LEISURE (LAND-BASED)
TRAVELLERS**

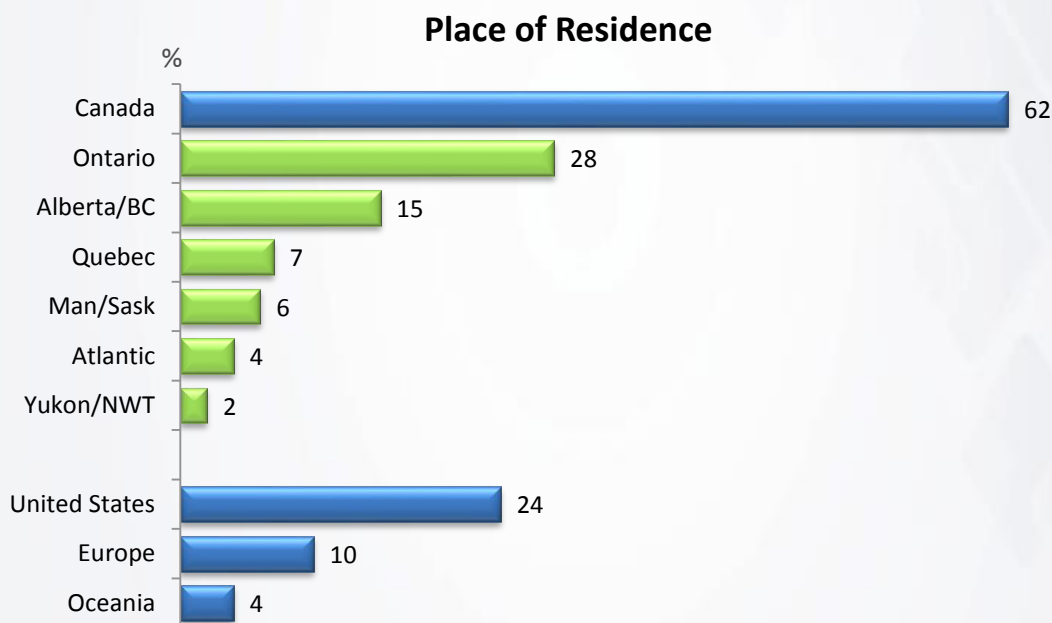
Place of Residence – Leisure (Land-Based) Travellers

As noted earlier, this is the key growth segment for expanding visitor inflow to Nunavut.

There are three primary origin markets—Ontario, Western Canada and the U.S.

In the short term, Ontario and the U.S. (and perhaps B.C.) will be the best opportunities, given the economic downturn in the Prairie provinces.

A current advantage in the U.S. market, of course, is the favourable exchange rate.

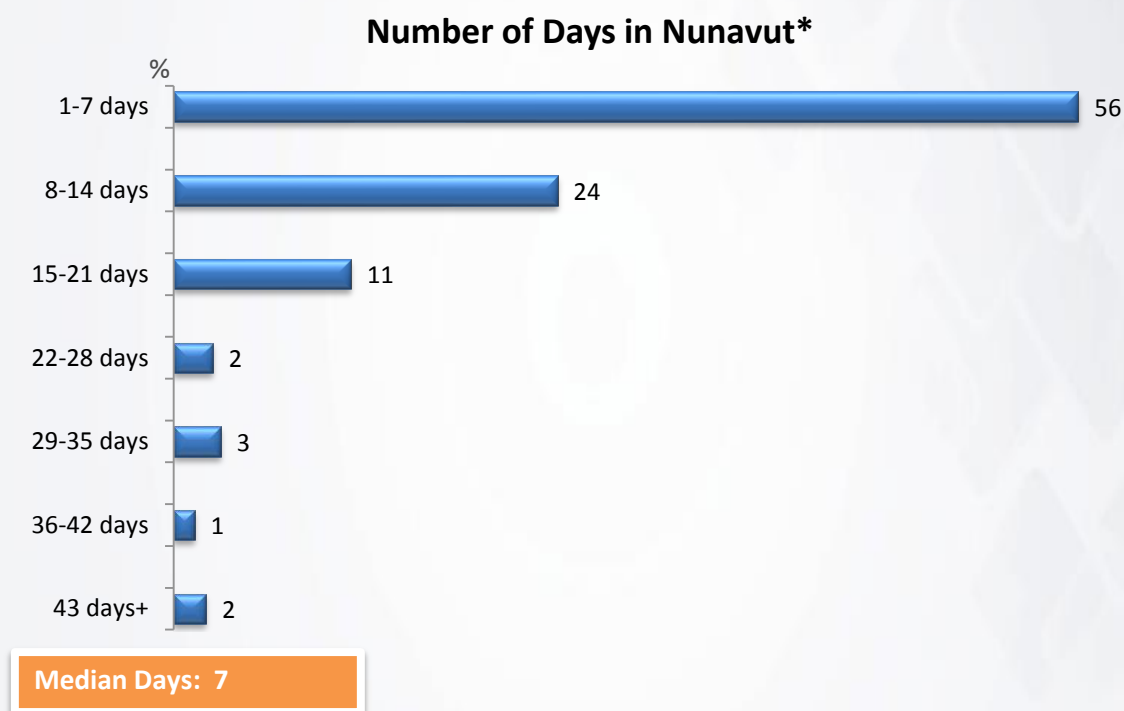


Q.18 Where do you live?

Base: All Leisure Land travellers (n=109)

Nunavut Trip Duration – Leisure (Land-Based) Travellers

The typical land-based traveller stays in the region for 7 days.



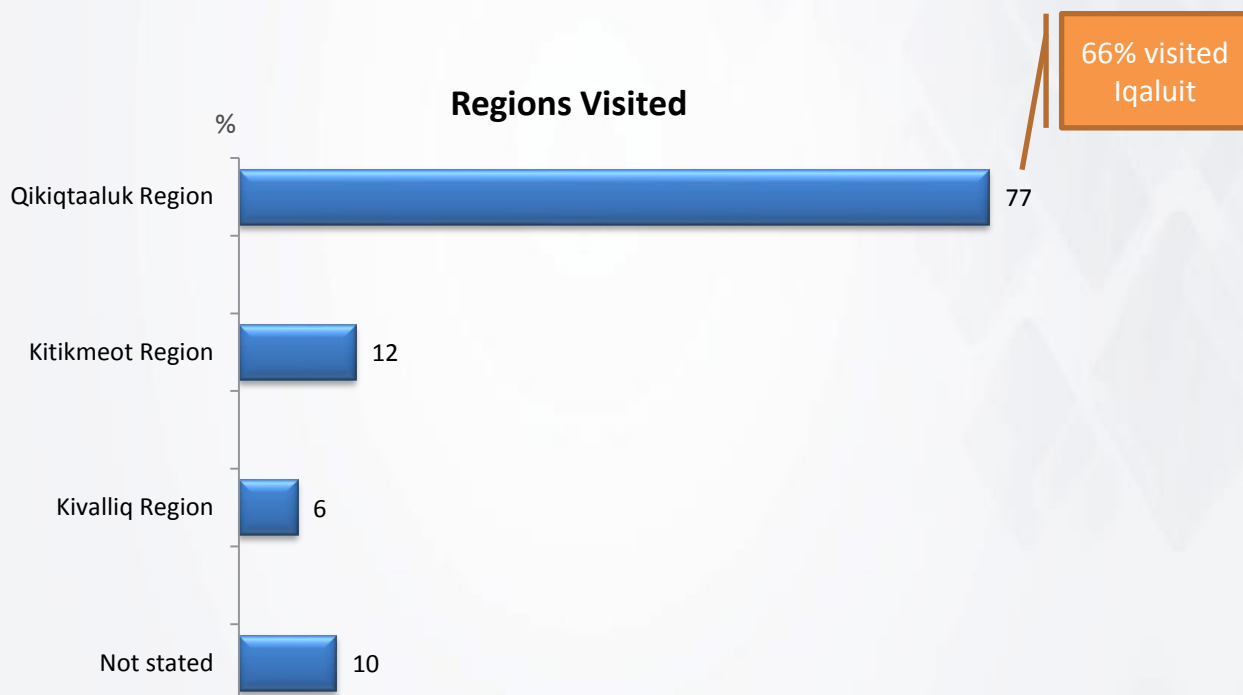
2b) How long was your trip to Nunavut? ____ days

*Base: Among those answered (n=105)

Regions Visited Overnight or Longer – Leisure (Land-Based) Travellers

The majority visit Iqaluit with only minorities venturing out to other communities— Pangnirtung—19%, Kitikmeot Region—12%, Pond Inlet—7%, Kivalliq Region—6% being the most popular destinations.

Creating packages and programs that draw visitors beyond Qikiqtaaluk Region should be, therefore, a priority.



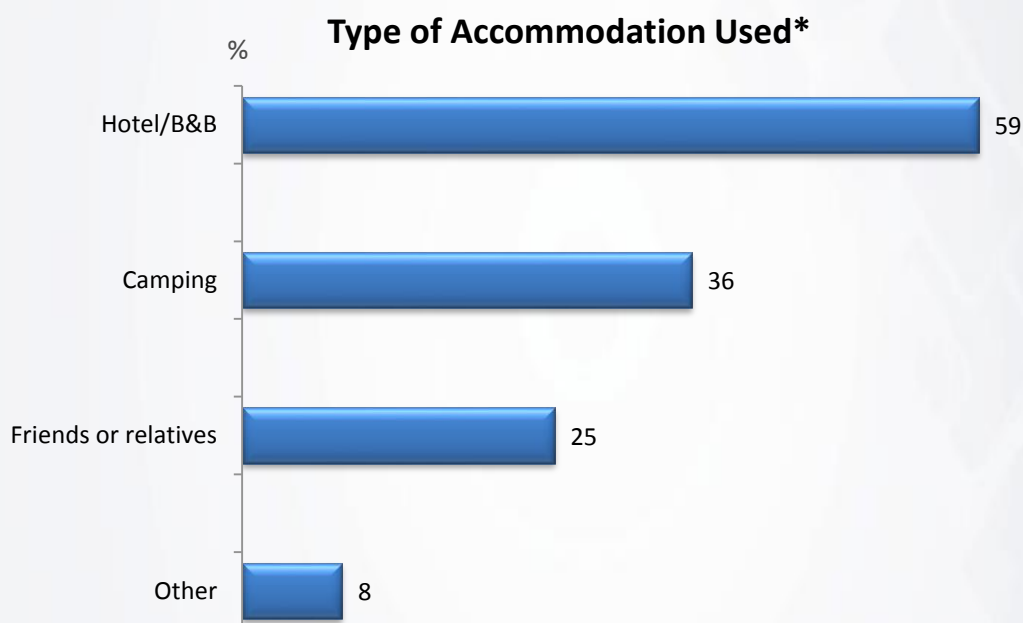
5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

Base: All Leisure Land travellers (n=109)

Type of Accommodation – Leisure (Land-Based) Travellers

This segment is often staying on the land beyond fixed roof accommodation (hotels/B&Bs).

This means that market growth is not completely restricted by room availability in high season.



5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

*Base: Among those answered (n=98)

Activities Participated – Leisure (Land-Based) Travellers

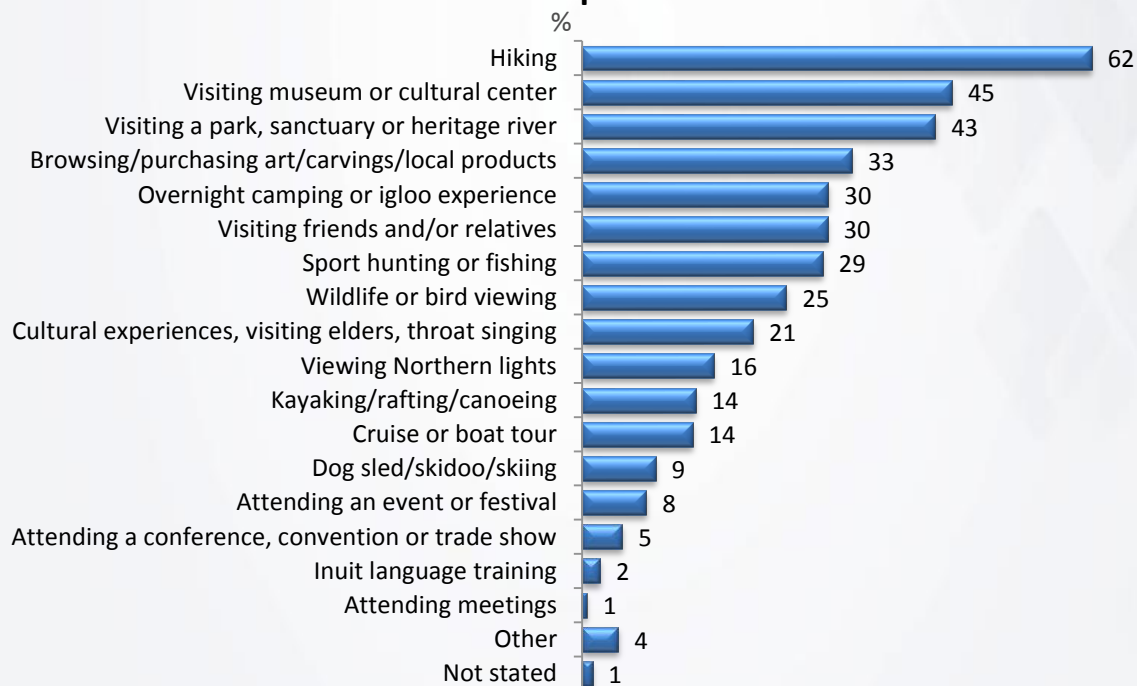
Hiking is by far the most popular past time—especially in parks, sanctuaries and near heritage rivers.

Town based activities are also popular—visiting museums, cultural centres, shopping areas.

But an equal number are active out on the land—camping, hunting, fishing, wildlife and bird viewing.

Packages and itineraries developed by Nunavut Tourism should include a wide range of both in town and out of town activities. As noted earlier, given the high cost of the trip, it is important to focus on value—and that means the breadth of activities that can be experienced on a trip to Nunavut.

Activities Participated in Nunavut



4. What other activities did this trip include? (Please check all that apply)

Base: All Leisure Land travellers (n=109)

Profile – Leisure (Land-Based) Travellers

Land-based leisure travellers are equally male and female, often travelling with adult family and friends

They are also well educated and with above average incomes.

Land-based Travellers		Land-based Travellers	
(Among those answered)	%	(Among those answered)	%
Gender		Household income	
Male	54	Under \$49,000	12
Female	46	\$50,000 to \$99,000	22
Age		\$100,000 - \$149,000	24
Under 18	4	\$150,000 to \$199,000	22
18-40	31	\$200,000 - \$249,000	12
41-64	46	\$250,000+	8
65+	19	Education	
Travel Party		High school or less	10
Alone	37	College or less	19
With family and friends	56	University	31
Part of an organized group	4	Graduate degree/professional designation	41
With business associates or fellow workers	3	Regular Trip	
Average Party Size (#)	1.4	Yes	8
Travel Party Composition		Yearly	7
Any kids <18 (%)	7	Not stated	1
Any male	71	No	92
Any female	59		

Q.2c Is this a regular trip?

Q.12 What is your age?

Q.13 Are you:

Q.14 Are you travelling:

Q.15a/b Including yourself, how many people in your party are: b) How many are:

Q.16 In Canadian dollars, what is your household income before taxes?

Q.17 What is your highest level of education attained?

Experience Rating – Leisure (Land-Based) Travellers

Land-based leisure visitors rate the trip experience very well and appear to have no significant problems with planning, quality of food and accommodations or the ability to connect with locals.



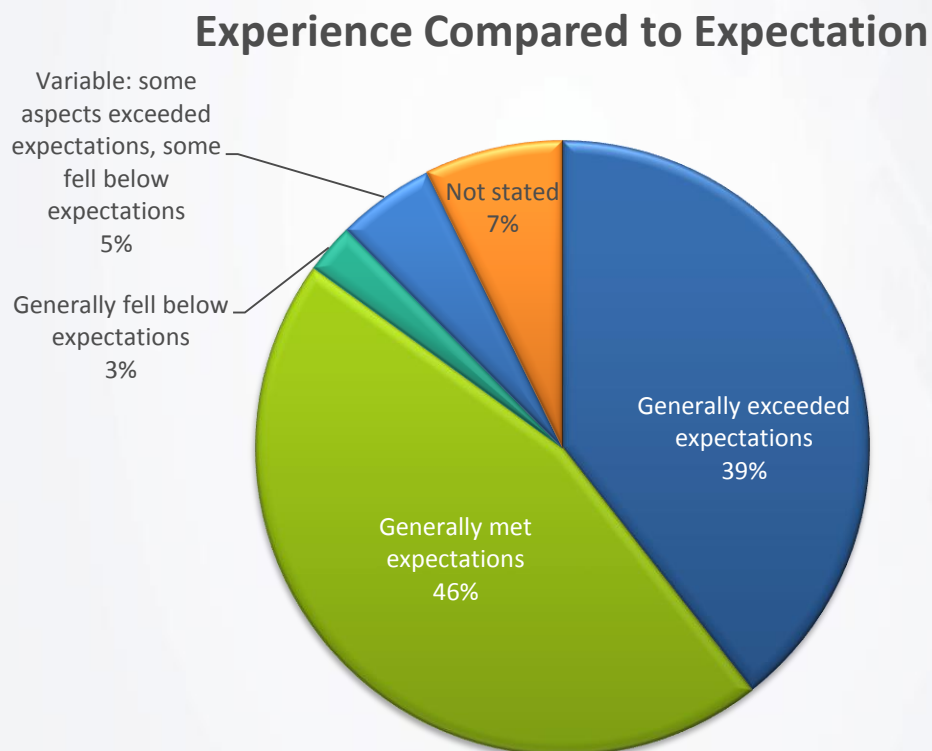
Q.8. How would you rate your Nunavut trip experience?

*Base: Among those answered.

Expectation Met – Leisure (Land-Based) Travellers

The experience exceeded expectations for as many as 4 in 10 land-based leisure travellers.

This is excellent news. It reinforces the quality of the experience and opportunities for advocacy among past travellers—encouraging friends, relatives and colleagues to visit.



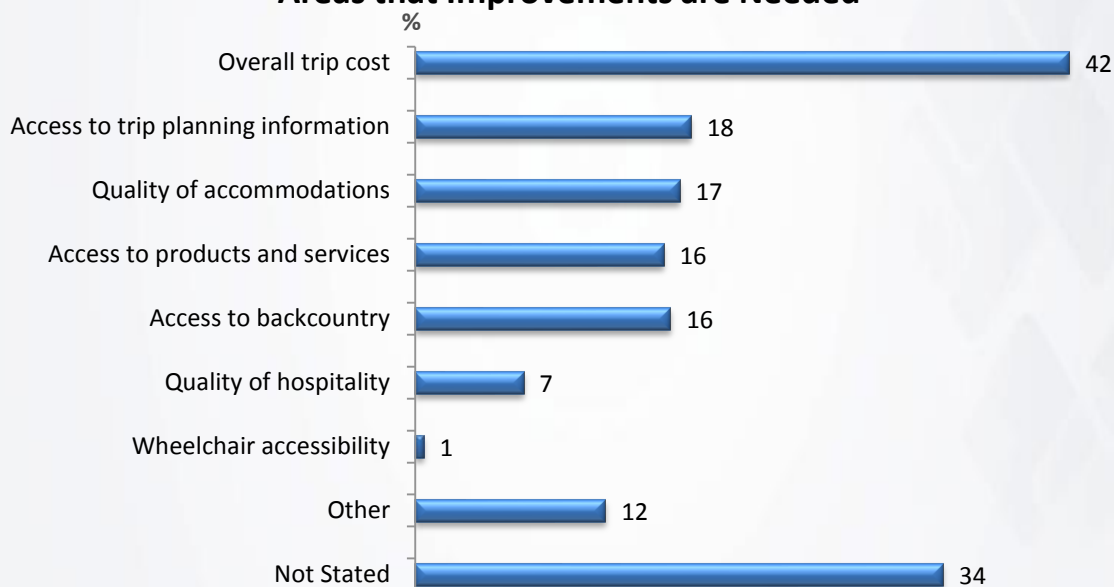
Q.9. How did your travel experience compare to your expectations?

Base: All Leisure Land travellers (n=109)

Improvement Needs – Leisure (Land-Based) Travellers

It would be ideal if the cost of the trip were lower, but given the solid value for money rating (shown earlier) , the excellent trip satisfaction results and the higher income of clientele, reduced costs may be ideal but not essential.

Areas that Improvements are Needed

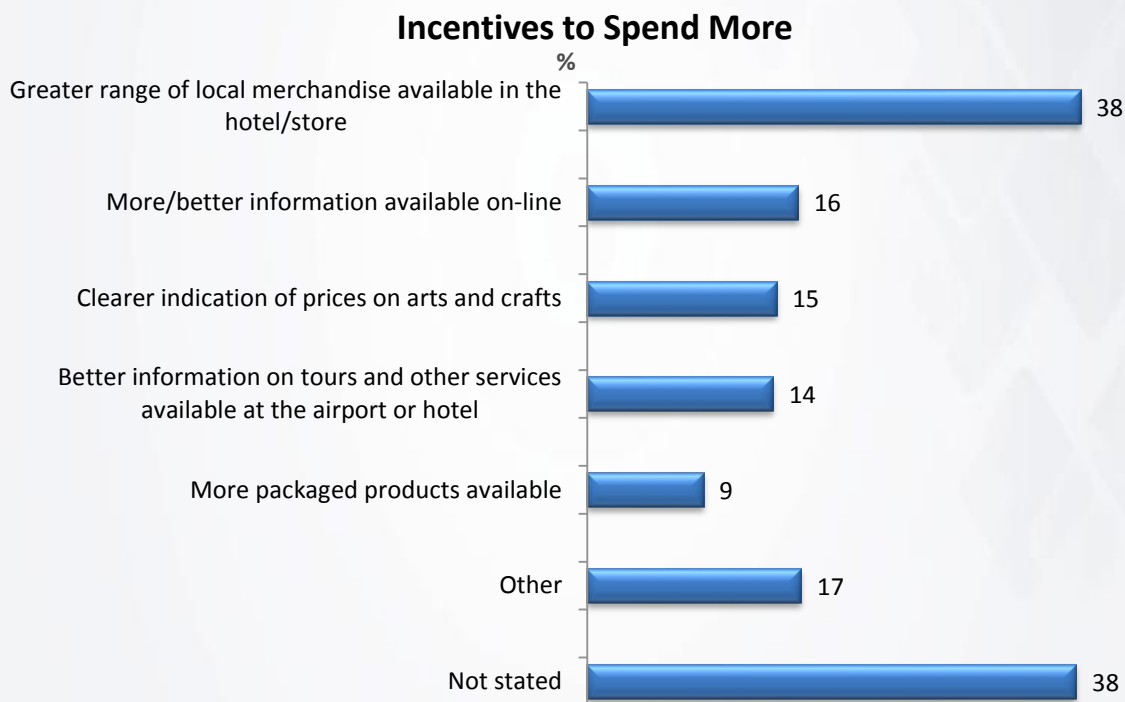


Q.10. What area(s) of tourism do you think need improvement? (Please check all that apply)?

Base: All Leisure Land travellers (n=109)

Suggested Incentives to Increase Spending – Leisure (Land-Based) Travellers

A greater range of local merchandise would be the best route to increased spending.



Q.7. What would have allowed / encouraged you to spend more on products or services? (Please check all that apply)

Base: All Leisure Land travellers (n=109)

Expenditure – Leisure (Land-Based) Travellers

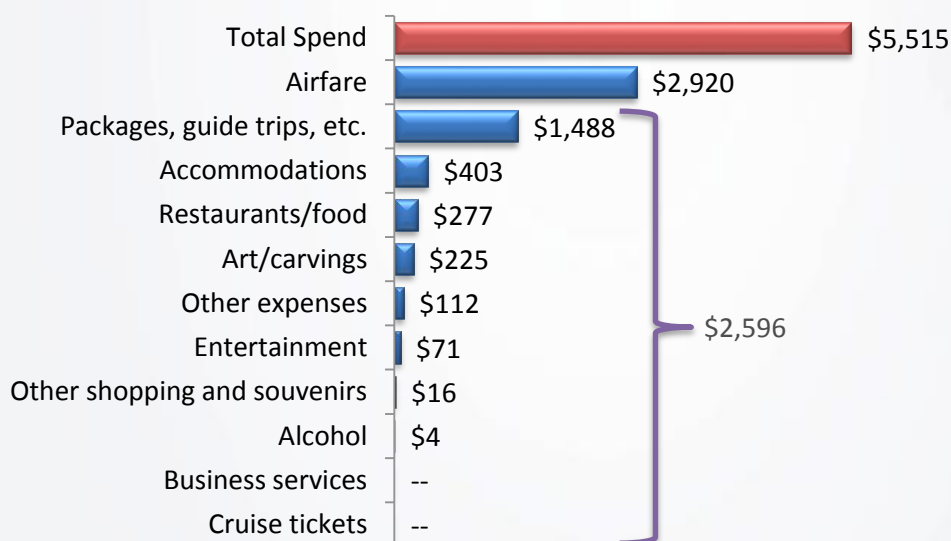
The total per person cost of trip is \$5,515, with almost half going to airfare.

For a 7 day (median duration) trip, this represents \$790 per day per person which is not out of line with other long haul vacations.

However, the “sticker shock” is likely the airfare. Even though a \$790 per day spend is not uncommon, most are used to seeing the airfare component much lower.

The learning here is that Nunavut Tourism should encourage operators to quote all inclusive prices to down play the air fare component.

Average Spend Per Person Per Category*



% Bought	Avg Spend
100	\$5,515
100	\$2,920
43	\$3,435
48	\$832
56	\$497
47	\$474
26	\$436
7	\$998
16	\$99
12	\$32
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Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

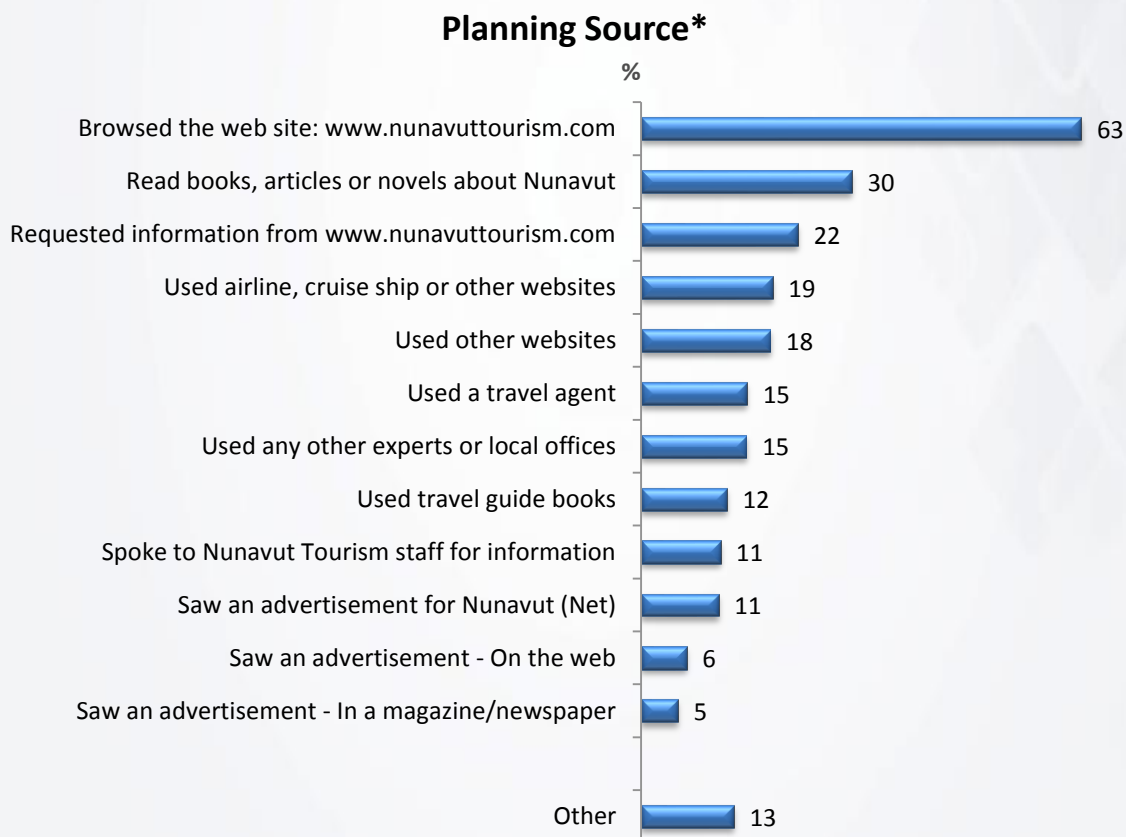
Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=65) – Caution: small base size

* Including \$0.

Planning Source – Leisure (Land-Based) Travellers

Clearly, the Nunavut Tourism website is an essential planning tool.

It should be the main conduit to promoting tours and packages by industry operators.



Q.11 When planning this trip, what sources of information did you use?

*Base: Among those answered (n=94)

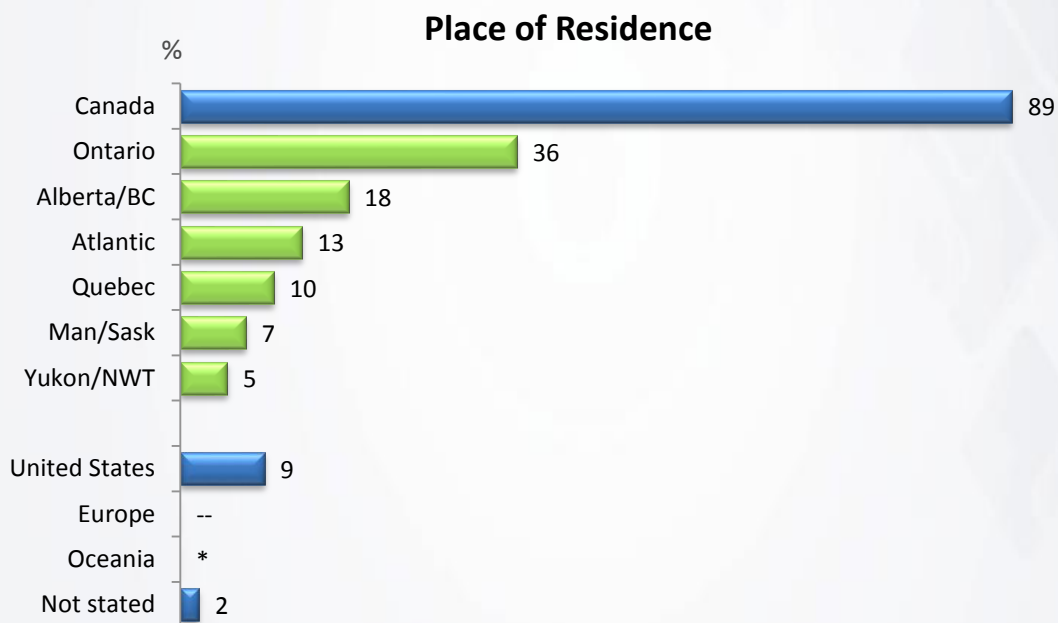
5



VFR TRAVELLERS

Place of Residence – VFR Travellers

Most VFR travellers are Canadian and from across the country.



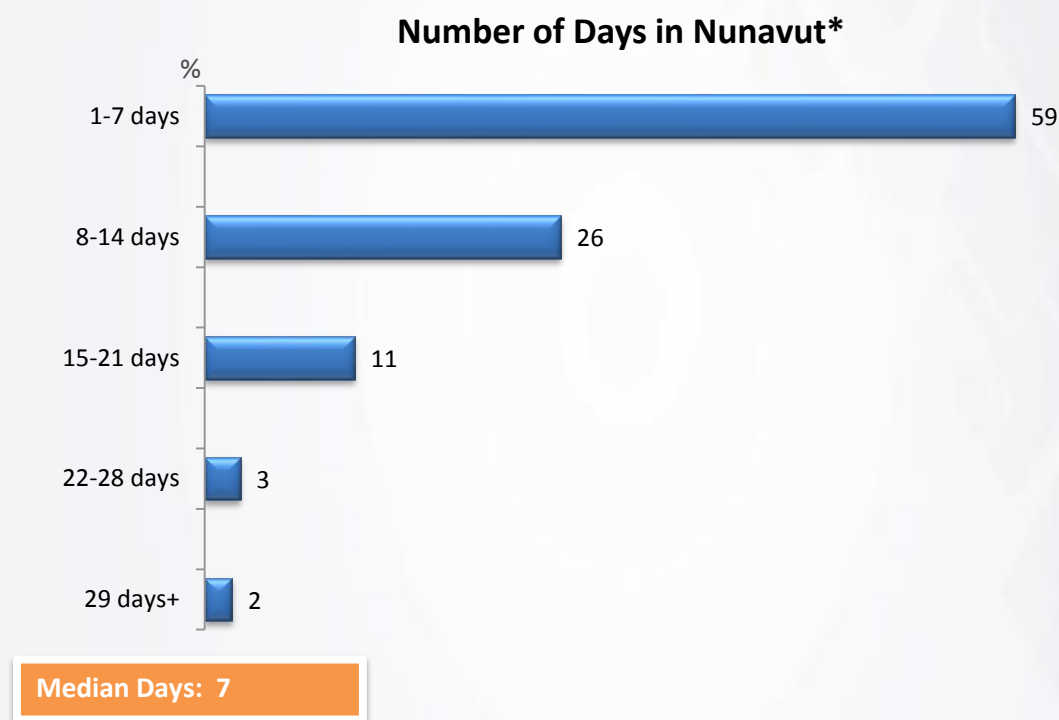
Q.18 Where do you live?

Base: All VFR travellers (n=89)

*Less than 0.5%.

Nunavut Trip Duration – VFR Travellers

Like land-based leisure travellers, typically they stay in the territory for 7 days.

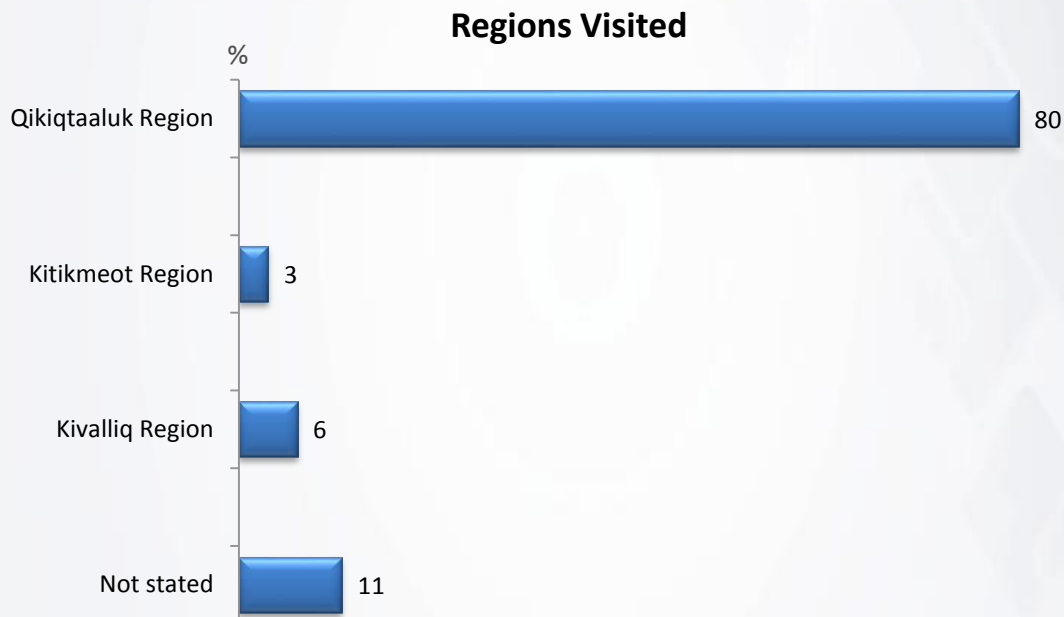


2b) How long was your trip to Nunavut? ____ days

*Base: Among those answered (n=88)

Regions Visited Overnight or Longer – VFR Travellers

Few venture beyond Qikiqtaaluk Region.



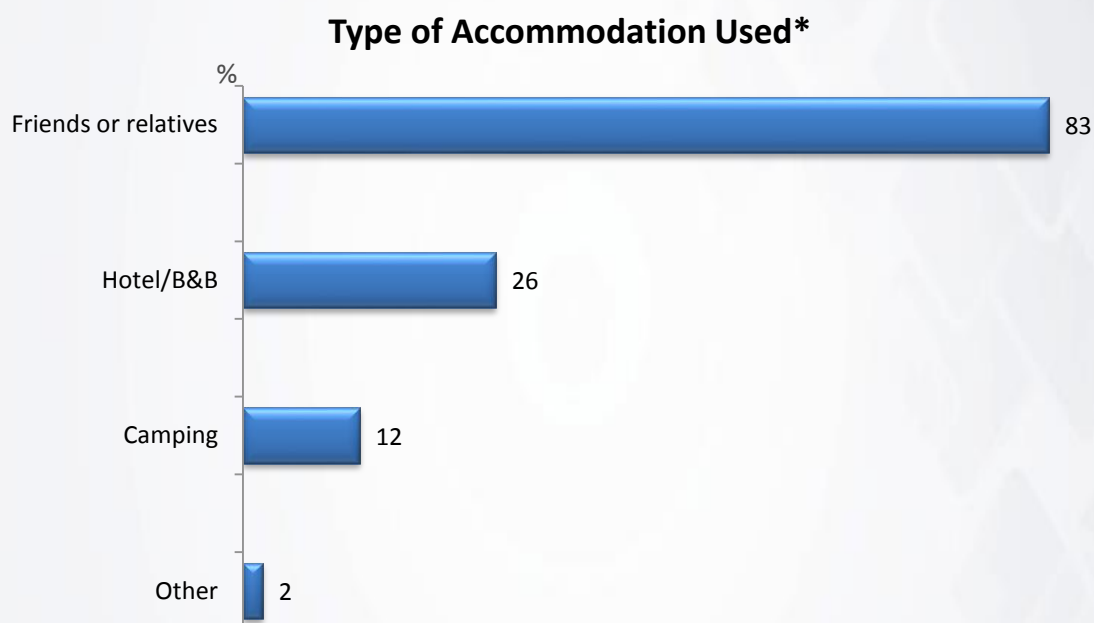
5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

Base: All VFR travellers (n=89)

Type of Accommodation – VFR Travellers

Predictably, most stay with their friends/relatives .

Consequently, they do not engage with the accommodation industry to a high degree.



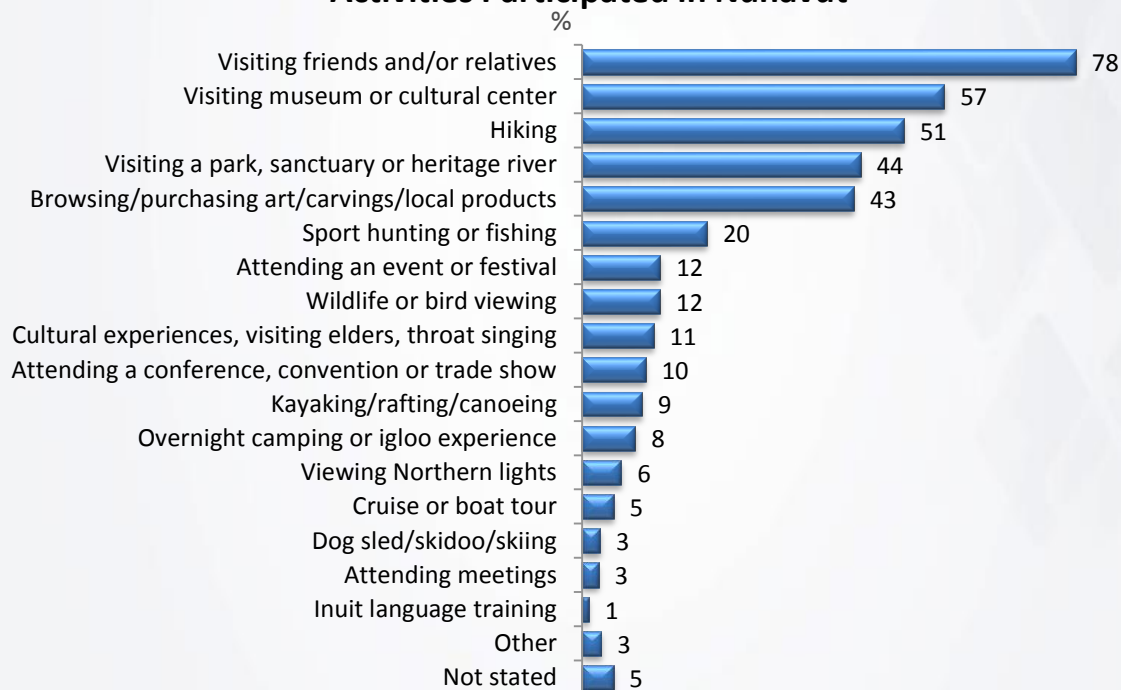
5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.

*Base: Among those answered (n=74)

Activities Participated – VFR Travellers

While in Nunavut, VFR travellers are very active—in town and out of town taking in the culture and getting close to the land.

Activities Participated in Nunavut



4. What other activities did this trip include? (Please check all that apply)

Base: All VFR travellers (n=89)

Profile – VFR Travellers

Most VFR visitors are female and relatively young, possibly many born in the territory and returning home for a visit.

VFR Travellers		VFR Travellers	
(Among those answered)	%	(Among those answered)	%
Gender		Household income	
Male	31	Under \$49,000	30
Female	69	\$50,000 to \$99,000	19
Age		\$100,000 - \$149,000	32
18-40	49	\$150,000 to \$199,000	15
41-64	33	\$200,000 - \$249,000	1
65+	18	\$250,000+	2
Travel Party		Education	
Alone	47	High school or less	15
With family and friends	53	College or less	58
With business associates	*	University	16
Average Party Size (#)	1.3	Graduate degree/professional designation	11
Travel Party Composition		Regular Trip	
Any kids <18	15	Yes	<u>35</u>
Any male	60	Monthly	1
Any female	75	Yearly	33
		Not stated	1
		No	65

Q.2c Is this a regular trip?

Q.12 What is your age?

Q.13 Are you:

Q.14 Are you travelling:

Q.15a/b Including yourself, how many people in your party are: b) How many are:

Q.16 In Canadian dollars, what is your household income before taxes?

Q.17. What is your highest level of education attained?

*Less than 0.5%

Experience Rating – VFR Travellers

VFR visitors rate the trip experience very well with no major complaints.



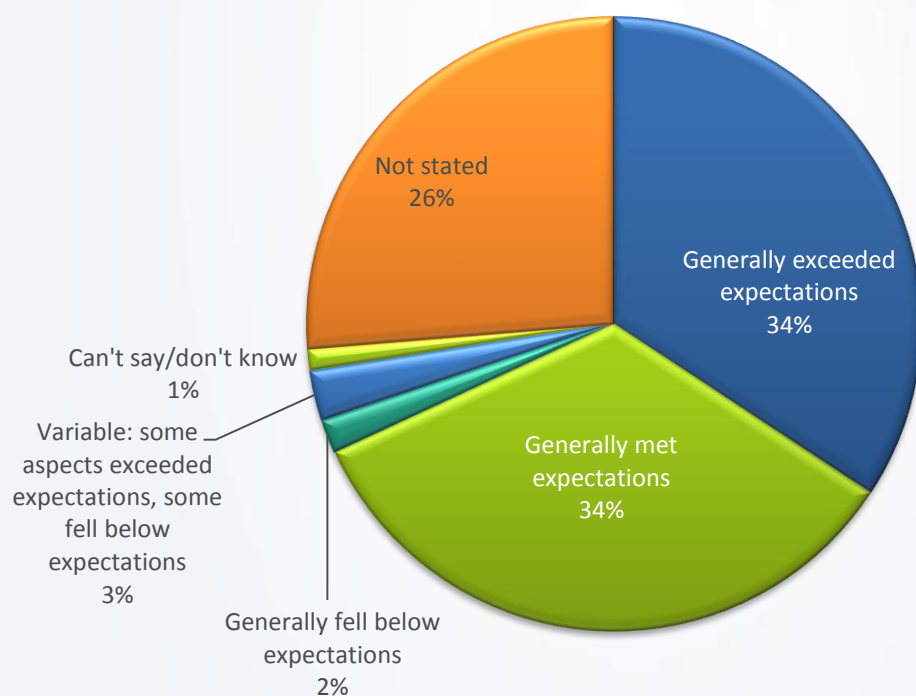
Q.8. How would you rate your Nunavut trip experience?

*Base: Among those answered.

Expectation Met – VFR Travellers

Very often the trip experience exceeded expectations.

Experience Compared to Expectation

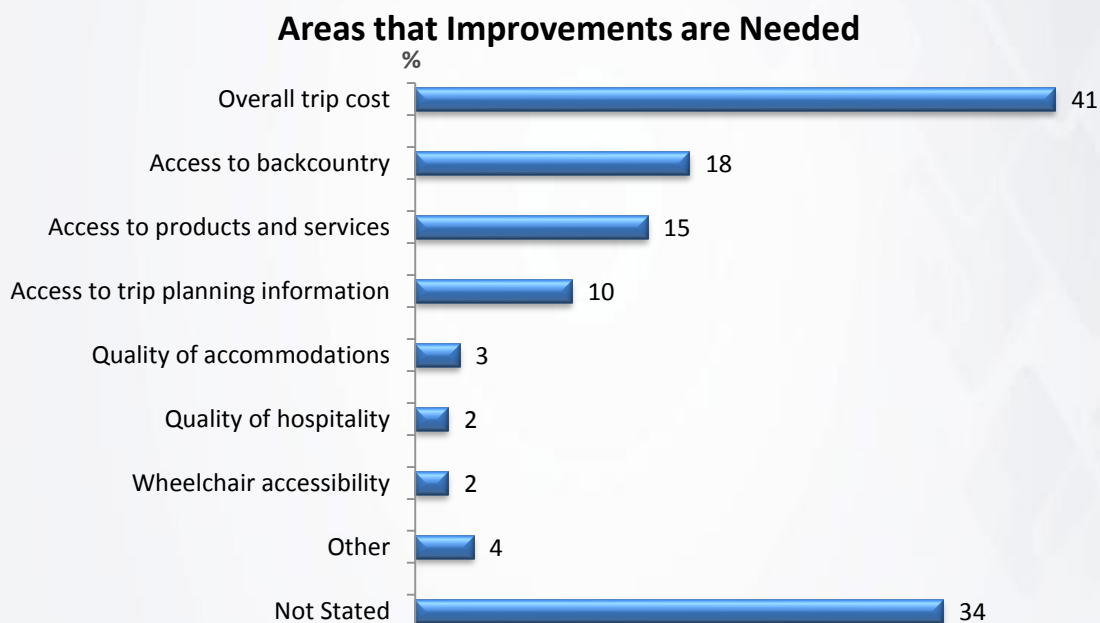


Q.9. How did your travel experience compare to your expectations?

Base: All VFR travellers (n=89)

Improvement Needs – VFR Travellers

As with other segments, the cost of the trip is the most common complaint.



Q.10. What area(s) of tourism do you think need improvement? (Please check all that apply)?

Base: All VFR travellers (n=89)

Suggested Incentives to Increase Spending – VFR Travellers

73

VFR visitors believe that a greater range of merchandise would encourage more spending.

Otherwise, satisfaction with available information, packages and pricing is good.



Q.7. What would have allowed / encouraged you to spend more on products or services? (Please check all that apply)

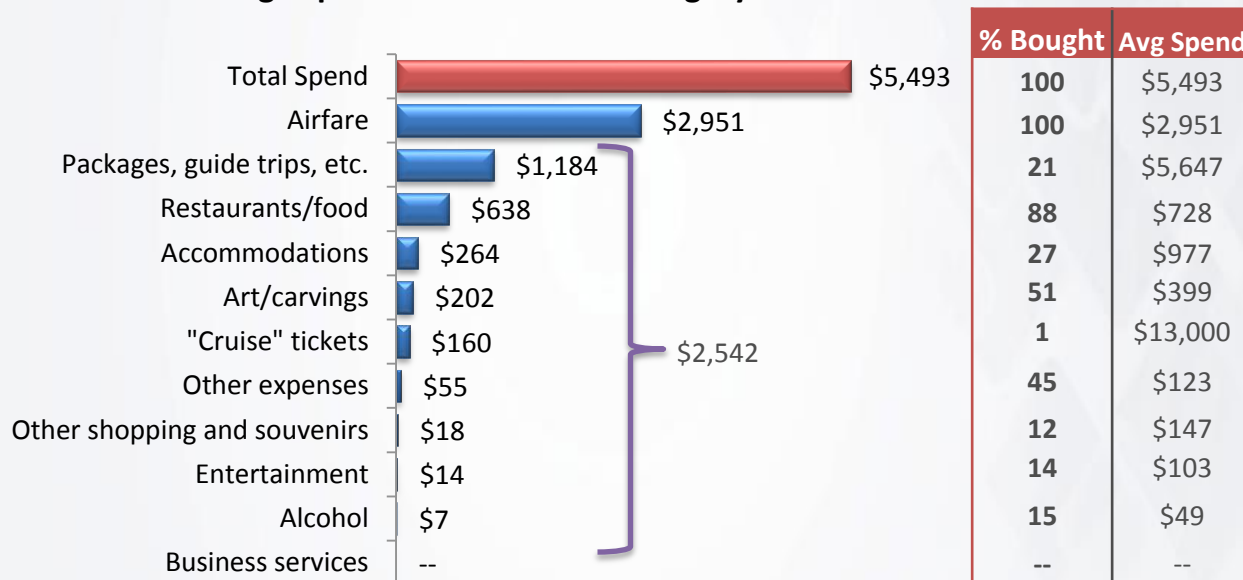
Base: All business travellers (n=89)

Expenditure – VFR Travellers

VFR visitors may not be spending a great deal on accommodation, but many are doing guided trips and purchasing art/carvings to take home with them.

Hence, the segment has significant value to the tourism industry.

Average Spend Per Person Per Category*



Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise) and reported party size (n=38) – Caution: small base size

* Including \$0.

Planning Source – VFR Travellers

Again, the Nunavut Tourism website is the central information source and, therefore, becomes the most important marketing channel to reach this segment.

Planning Source*



Q.11 When planning this trip, what sources of information did you use?

*Base: Among those answered (n=62)

6

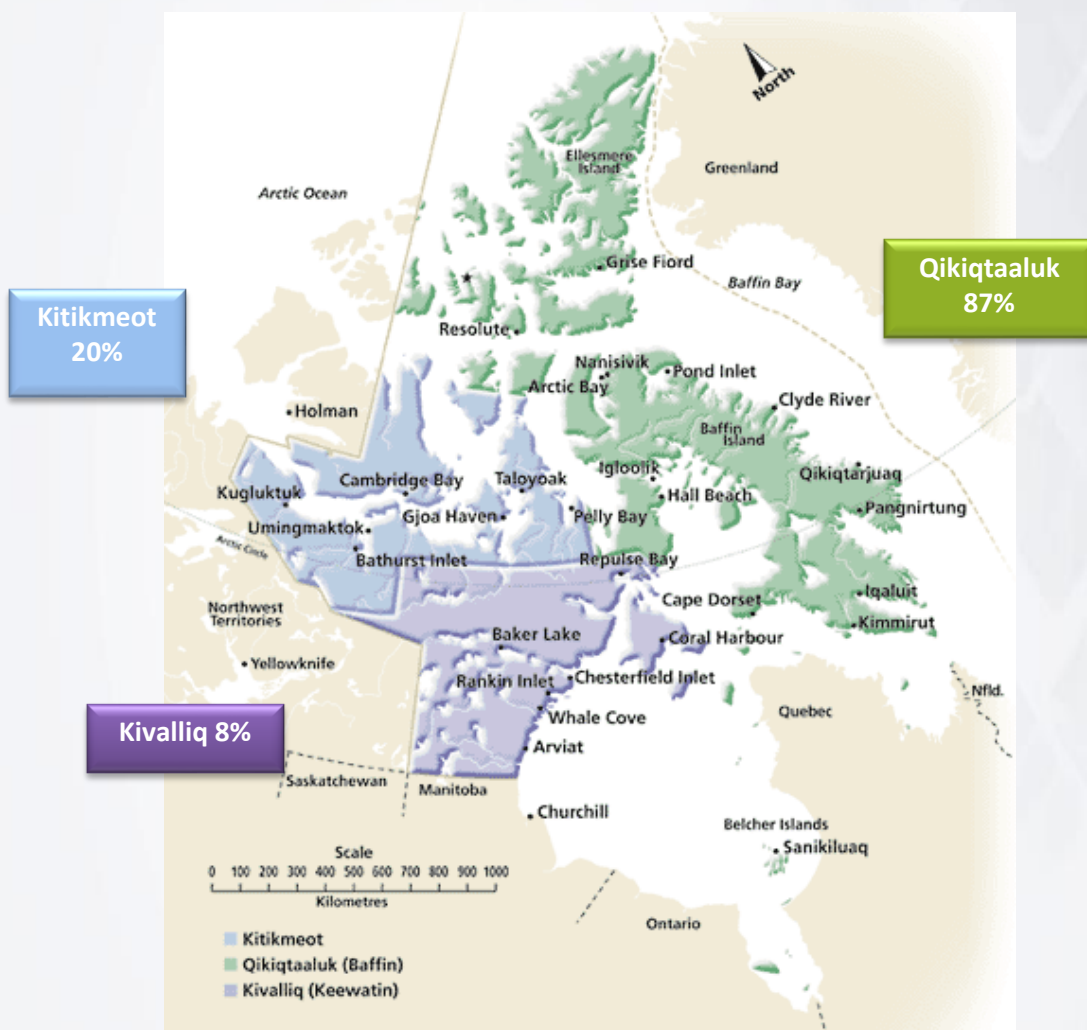


REGIONAL PROFILES



Regions Visited This Trip

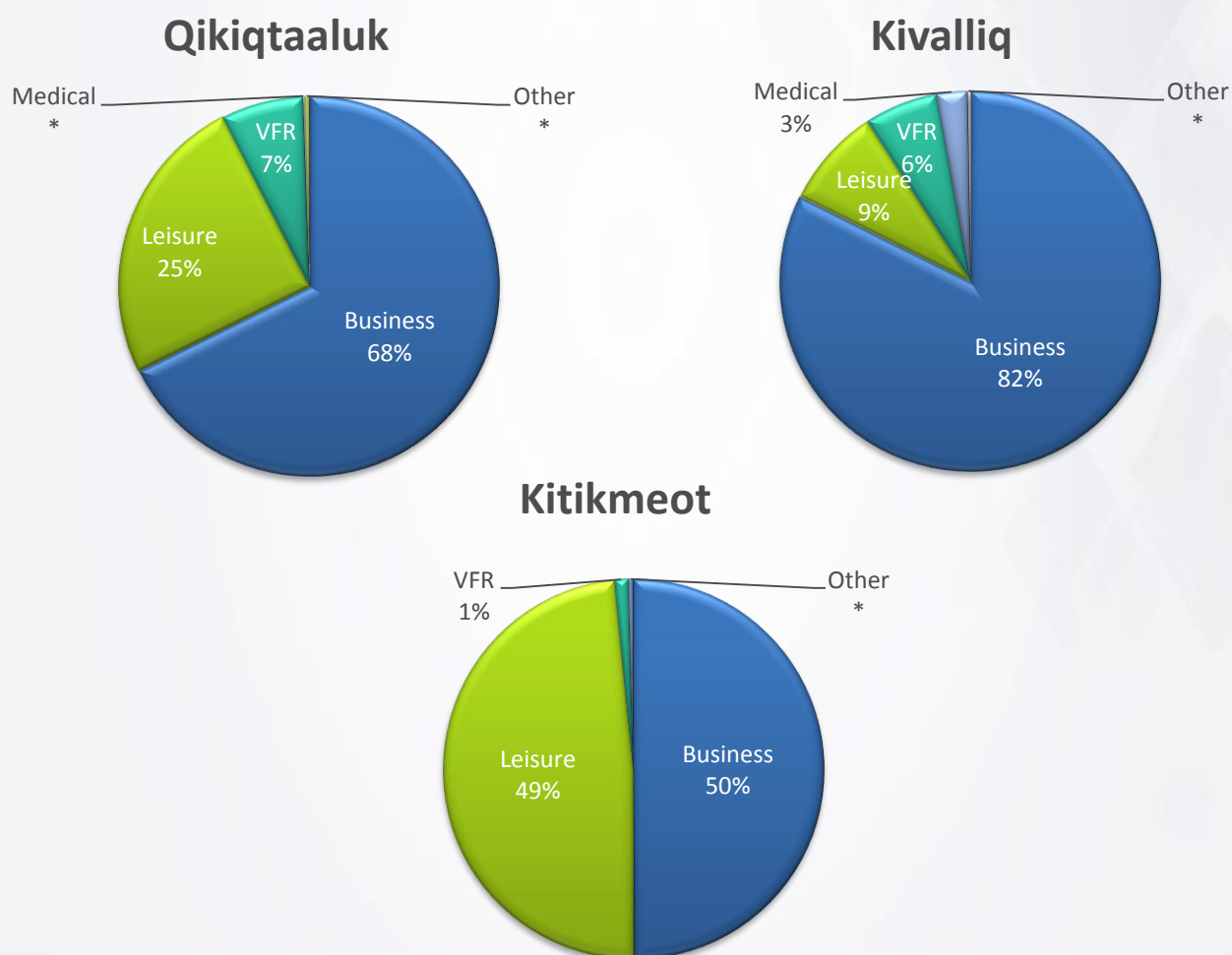
Only a minority ventured beyond the Qikiqtaaluk Region—Kitikmeot more popular than Kivalliq.



Base: All travellers completed the communities visited question (n=1243)

Type of Visitors

Most travel to Kivalliq was for business purposes, but Kitikmeot was more successful at attracting leisure visitors.

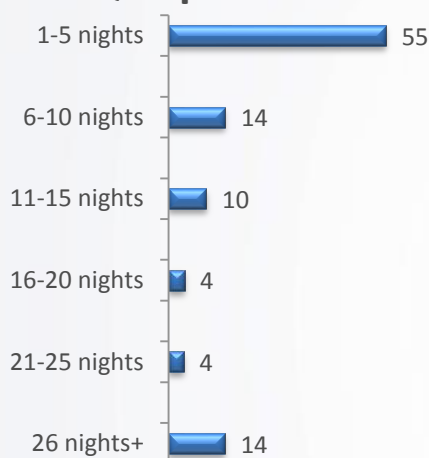


5. Which communities did you visit in Nunavut, and where did you stay? Multiple answers.
Base: Among visitors pre region: Qikiqtaaluk (n=1020), Kivalliq (n=193), Kitikmeot (n=169)

Number of Nights in Region

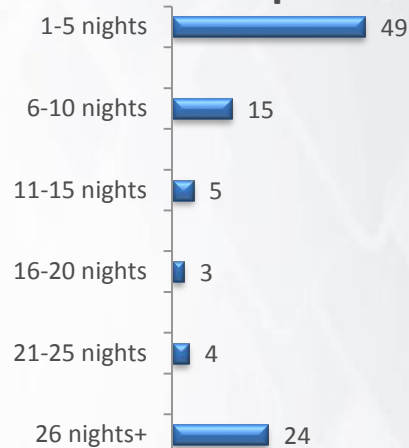
The median length of stay in Kivalliq is 6 nights, Qikiqtaaluk a similar 5 nights and Kitikmeot 3 nights.

Qikiqtaaluk*



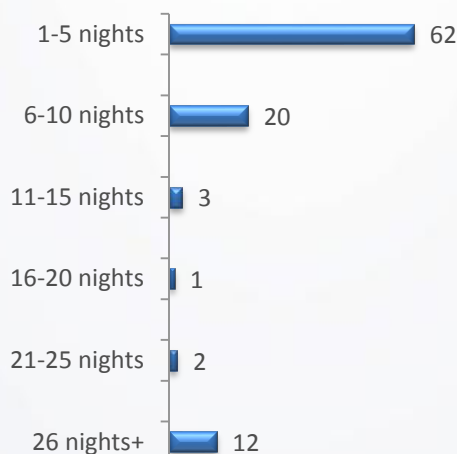
Median Nights: 5

Kivalliq*



Median Nights: 6

Kitikmeot*



Median Nights: 3

5. Which communities did you visit in Nunavut, and where did you stay

*Base: Among those answered: Qikiqtaaluk (n=838), Kivalliq (n=158), Kitikmeot (n=119)

Type of Accommodation Used in Region

Cruise ships vie with hotels/B&Bs for visitor nights in the two outlying regions.



5. Which communities did you visit in Nunavut, and where did you stay

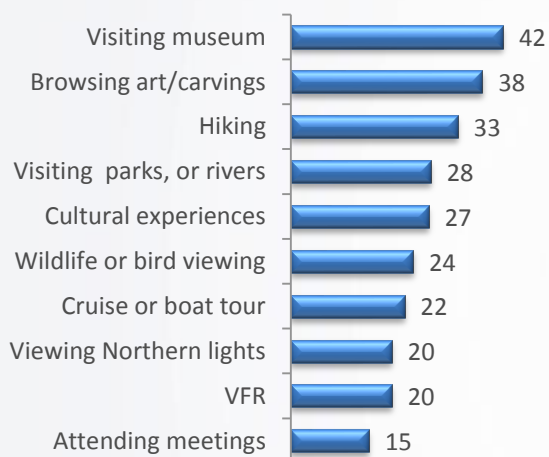
*Base: Among those answered: Qikiqtaaluk (n=951), Kivalliq (n=167), Kitikmeot (n=150)

Top 10 Activities Participated in Region

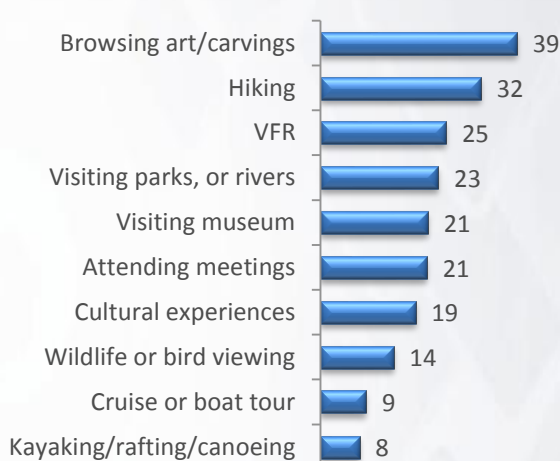
Visitors to Kitikmeot are more active than others—likely due to the prevalence of cruise ships who keep their passengers well occupied typically.

Browsing art/carvings is equally common in all three regions.

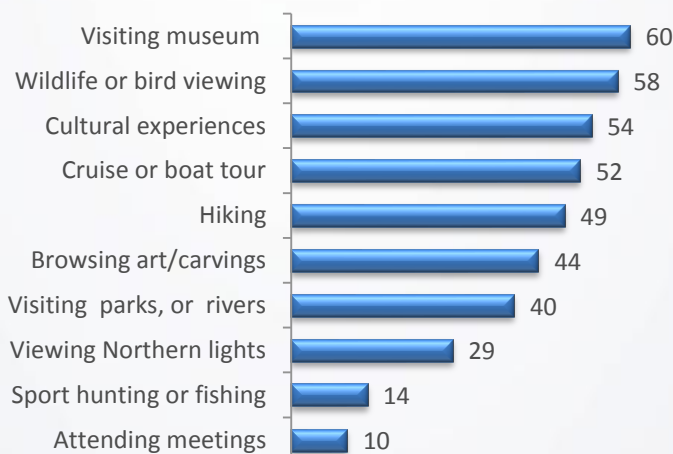
Qikiqtaaluk



Kivalliq



Kitikmeot



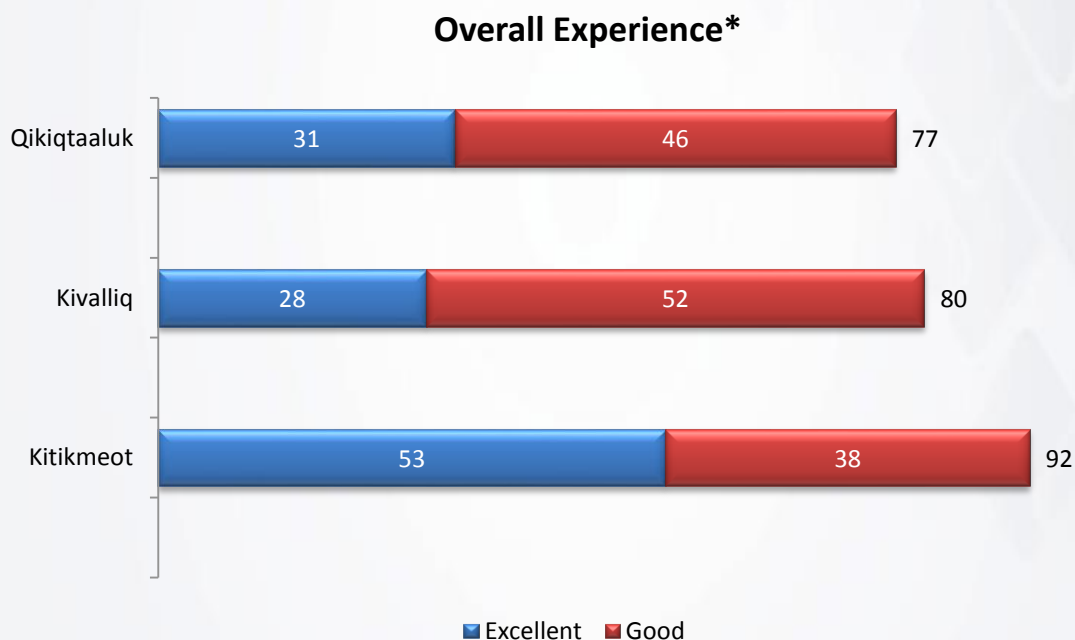
4. What other activities did this trip include? (Please check all that apply)

Base: Among visitors per region: Qikiqtaaluk (n=1020), Kivalliq (n=193), Kitikmeot (n=169)

Overall Experience by Region Visitors

The overall experience was highest among Kitikmeot visitors, but still very good among travellers going to the other two regions.

It is likely that Kitikmeot is benefiting from its high concentration of cruise visitors. They tend to have much higher satisfaction levels than land-based travellers.



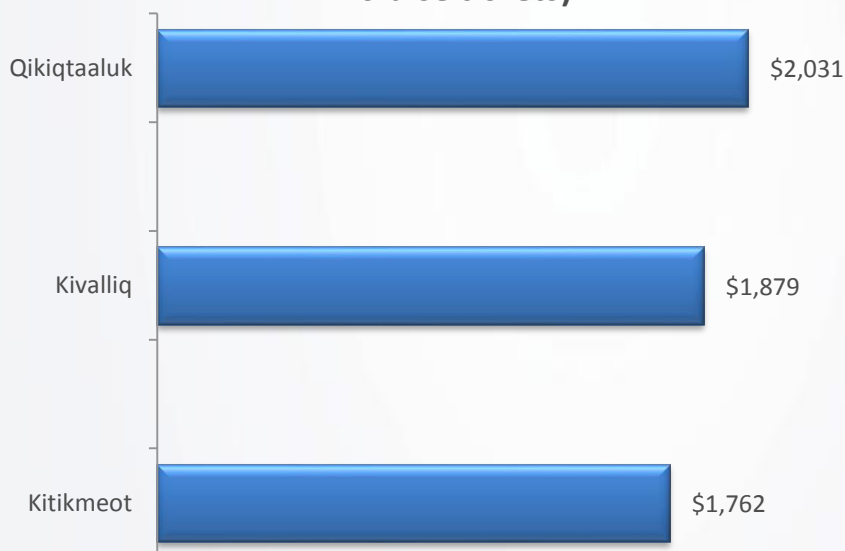
Q.8. How would you rate your Nunavut trip experience?

*Base: Among those answered: Qikiqtaaluk (n=928), Kivalliq (n=176), Kitikmeot (n=156)

Expenditure by Region Visitors

Overall spending by those who visited the more northerly and western regions is quite similar to Qikiqtaaluk Region visitors.

Average Spend Per Person Per Trip (excluding air and cruise tickets)*



Q.6a Estimate how much you or your organization spent on the following in Canadian dollars:

*Base: Among those who completed expenditure question (must have entered transportation expense i.e., air or cruise). Excluding outliers.

Regional Data

The table below provides the projected number of non-resident visitors to each region in Nunavut. (It adds to greater than 100% due to multi-regional visitation.)

Region	Exit Surveys Collected (Non-residents) Within Each Region	Projected Non-resident Visitors To Each Region	Population*
Qikiqtaaluk	1082	14,572	16,939
Kivalliq	173	1,340	8,955
Kitikmeot	130	3,350	6,012
Territory Total	1,385	16,750	31,906

*Source: Stats Canada 2011 Census of Population

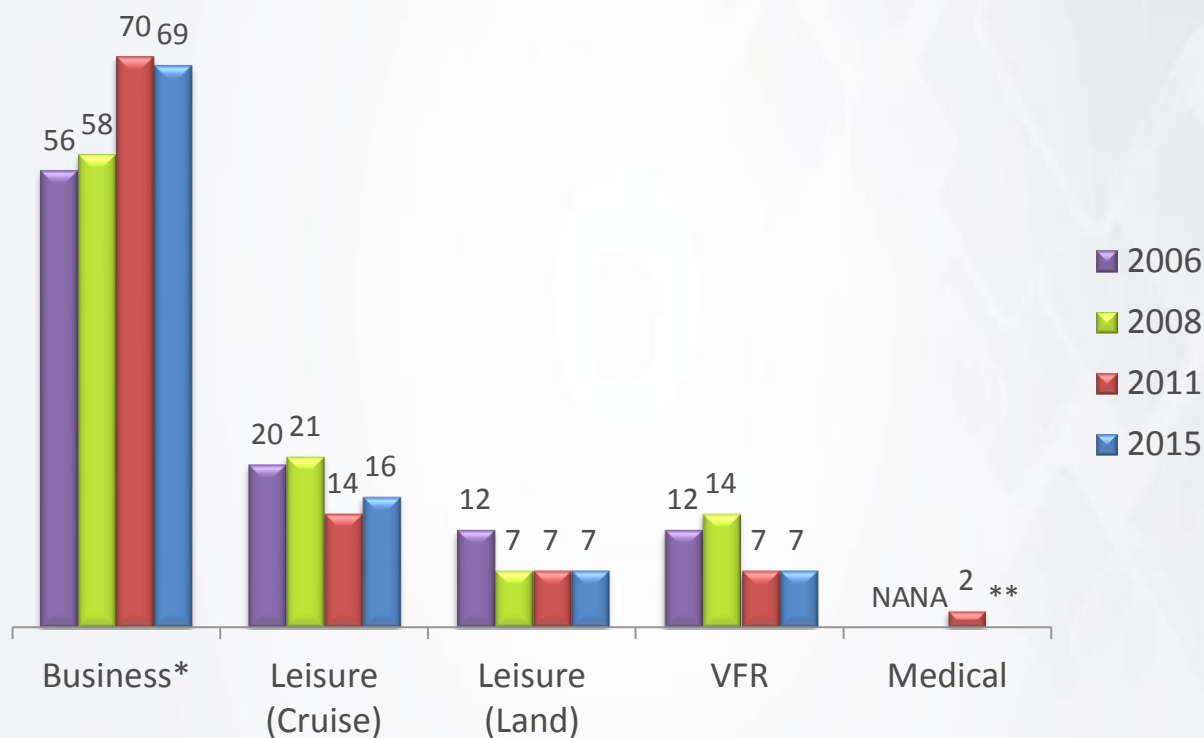
7



MARKET PROFILE TRENDS

Purpose of Trip Trends

Purpose of trip has been very steady over the past 9 years.



* 2006 to 2011 – sum of business and Education/Learning/Research

** Less than 0.5%.

Q.3a Was this trip mainly for:

NA = data not available.

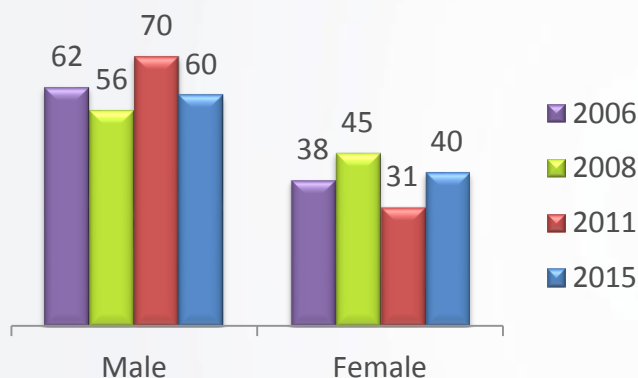
Source: Visitor Exit Survey Report - 2008 & 2011.

Demographic Profile Trends

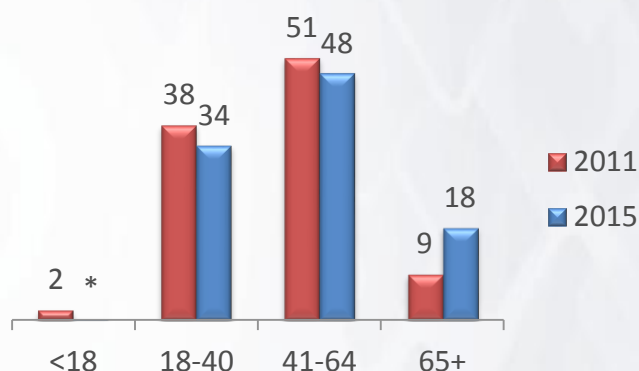
The profile of the typical visitor has not changed appreciably since 2006.

Dominated by business travellers they still skew male, middle aged and Canadian residents.

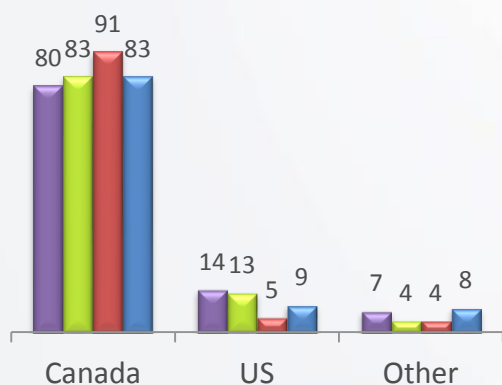
Gender



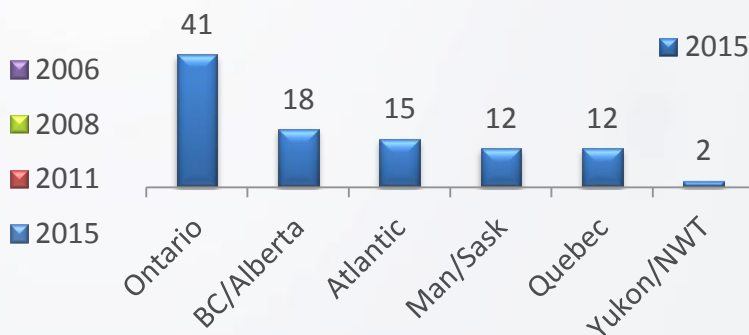
Age



Country of Origin



Canadian Province (Among Canadian Visitors)



* Less than 0.5%

Source: Visitor Exit Survey 2011 Report.

Nunavut Visitor Exit Survey 2015



Nunavut Tourism
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