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TOURISM RESEARCH AUSTRALIA

DRIVING DISPERSAL OF INTERNATIONAL VISITORS TO SOUTH AUSTRALIA AND NORTHERN TERRITORY

Summary

FEBRUARY 2014

Image: Rainbow Valley, Simpson Desert, Northern Territory. Courtesy of Tourism Australia/Jeff Drewitz.

DRIVING DISPERSAL OF INTERNATIONAL VISITORS TO SOUTH AUSTRALIA AND NORTHERN TERRITORY: SUMMARY

Tourism Research Australia—in partnership with the South Australian Tourism Commission and Tourism Northern Territory—contracted ORC International to undertake quantitative research during April, May and June 2013. The aim of this research was to understand the major barriers to dispersal for those international holiday visitors to Australia who do not include South Australia or Northern Territory in their travel itineraries.

A total of 513 face-to-face intercept interviews were conducted with visitors from the USA, UK and Europe at four Australian ports.

This report summarises the research findings.

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SOUTH AUSTRALIA

KEY FINDINGS

VISITOR AWARENESS OF SOUTH AUSTRALIA AND NORTHERN TERRITORY AND THEIR REGIONS

SOUTH AUSTRALIA

Fifty-three per cent of respondents were able to name a location in South Australia, unprompted. The most frequently mentioned locations were Adelaide (49%), Kangaroo Island (10%) and the Barossa (5%).

Visitors from Europe had the highest level of unprompted awareness at 60%, followed by the UK (55%) and the US (42%).

After prompting, awareness of South Australia destinations was high.

Total awareness of South Australia destinations and attractions was 90% for at least one location. Eighty-three per cent were aware of Adelaide; 48% of Kangaroo Island; 13% of Port Lincoln, the Barossa and Murray River; 11% of Flinders Ranges; and 10% of Coober Pedy.

Less than 1 in 20 unprompted/prompted respondents were aware of Clare Valley, Eyre Peninsula, Limestone Coast, Naracoorte Caves, McLaren Vale, Hahndorf and Glenelg.

These results suggest that a lack of awareness of South Australia is a major contributor to not having visited and/or considered visiting. Given the comparatively low level of awareness among visitors from the US, there is an opportunity for greater promotional activity aimed specifically at this market.

FIGURE 1: UNPROMPTED AWARENESS BY REGION – SOUTH AUSTRALIA

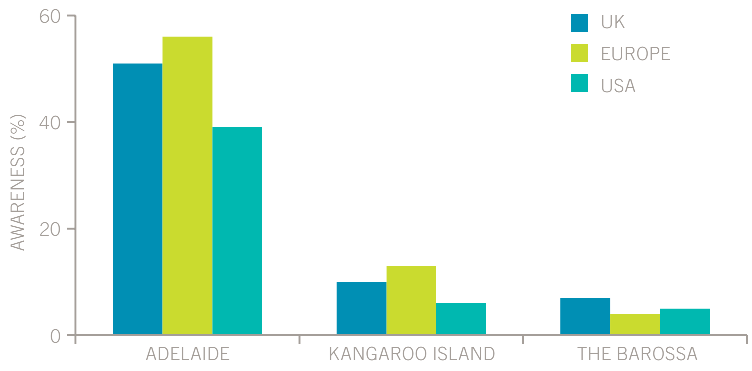
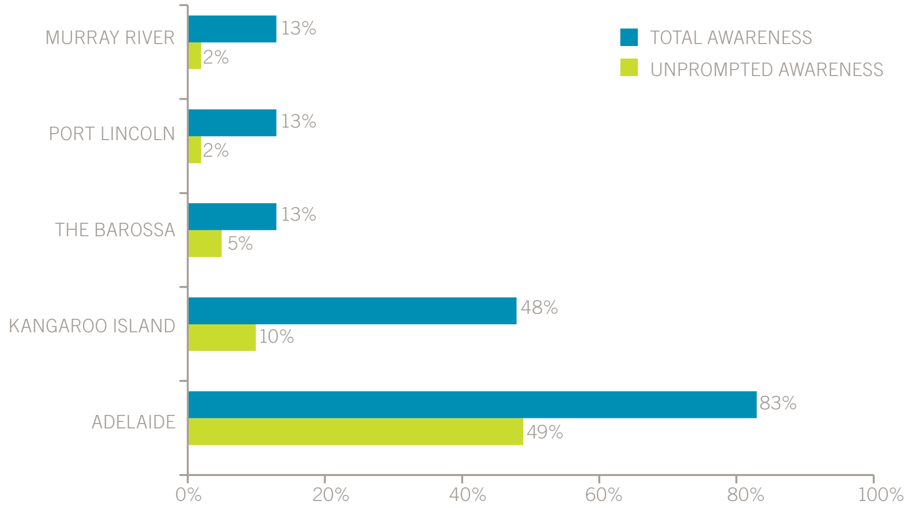


FIGURE 2: TOTAL AWARENESS AND UNPROMPTED AWARENESS – SOUTH AUSTRALIA



NORTHERN TERRITORY

Sixty-eight per cent of all respondents were able to name a location in Northern Territory, unprompted. The most frequently mentioned destinations were Darwin (47%), Ayers Rock/ Uluru (33%), and Alice Springs (27%).

Visitors from Europe had the highest level of unprompted awareness at 75%, followed by the UK (71%) and the USA (55%).

After prompting, awareness of Northern Territory destinations was high.

Total unprompted/prompted awareness of Northern Territory destinations and attractions was 97% for at least one location. Eighty-five per cent were aware of Ayers Rock/Uluru; 84% of Darwin; 75% of Alice Springs; 23% of Kakadu National Park; and 17% of Kings Canyon (Watarrka).

Less than one in ten unprompted/prompted respondents were aware of Katherine Gorge, Tennant Creek, Arnhem Land, Litchfield National Park, or the Simpson Desert.

A major contributor to not having visited and/or considered visiting is a lack of awareness of Northern Territory, particularly among visitors from the US. Opportunities exist for greater promotional activity aimed specifically at this market.

FIGURE 3: UNPROMPTED AWARENESS BY REGION – NORTHERN TERRITORY

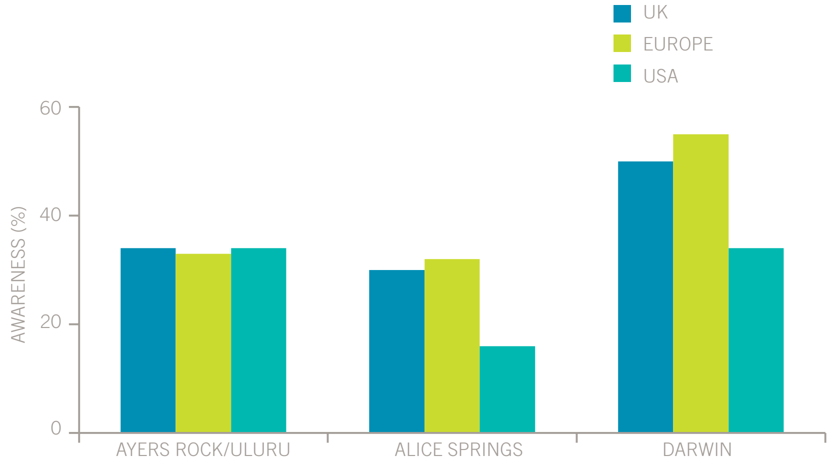
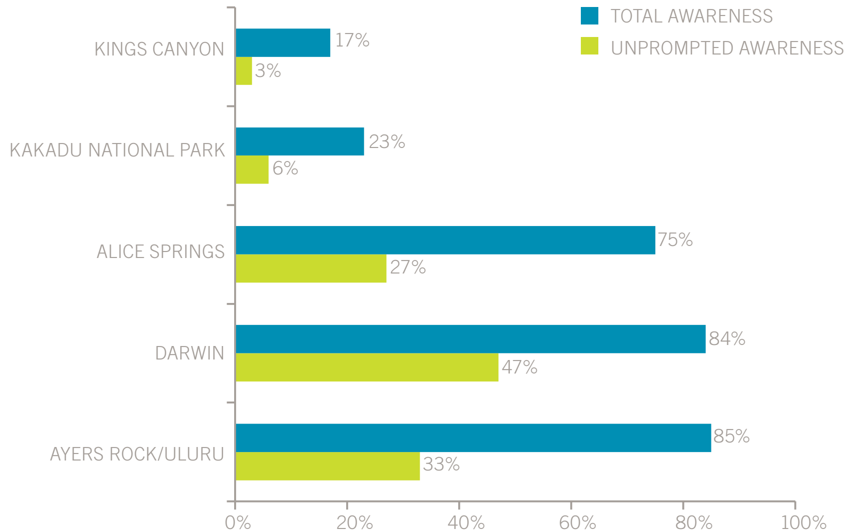


FIGURE 4: TOTAL AWARENESS AND UNPROMPTED AWARENESS – NORTHERN TERRITORY



TRIP PLANNING

INFORMATION SOUGHT

Respondents consulted a range of different sources when planning their trip to Australia, for information on:

- places to visit (55%)
- flights (48%)
- accommodation (37%)
- visas (25%)
- weather (19%).

INFORMATION SOURCES

Of those who sought information when planning their trip to Australia, 83% used the internet and online sources, most commonly:

- Google (67%)
- TripAdvisor (14%)
- Airline websites (8%)
- Australia.com (7%)
- Specific Australian city/state websites (7%).

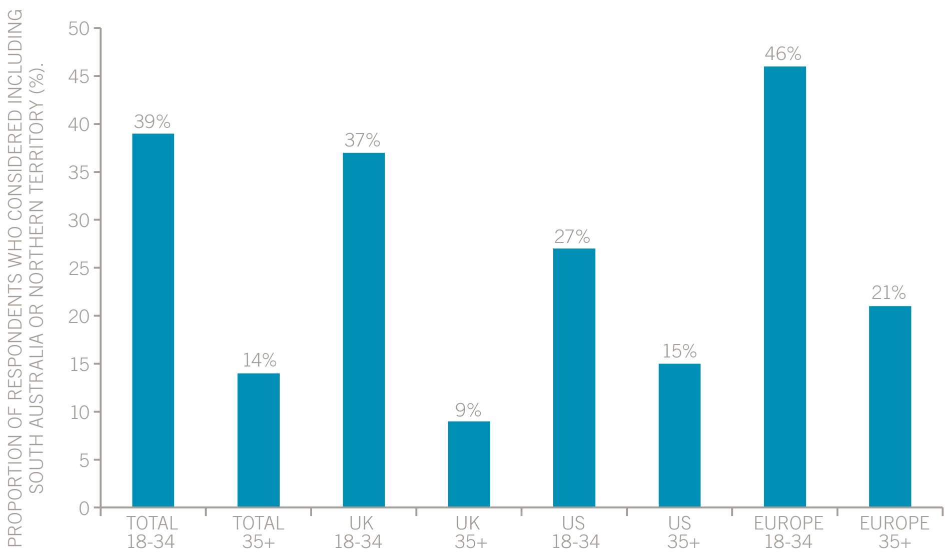
It was also common to seek information from 'non-internet sources' (69%), with the largest proportion calling on word-of-mouth sources such as friends/family and colleagues (49%) and travel agents (16%).

CONSIDERATION OF SOUTH AUSTRALIA AND NORTHERN TERRITORY AS HOLIDAY DESTINATIONS

Respondents who considered including South Australia or Northern Territory in their itineraries during their trip (17%) were more likely to be from Europe (25%); aged 18–24 (26%); on a working holiday visa (39%); and on a trip with eight or more stopovers (26%). These respondents have distinct 'backpacker' characteristics.

Respondents who did not consider including South Australia or Northern Territory (either when planning or during their trip, 67% overall) were more likely to be from the US (77%); the UK (73%); and aged 35+ (86%).

FIGURE 5: RESPONDENTS WHO CONSIDERED INCLUDING SOUTH AUSTRALIA OR NORTHERN TERRITORY WHEN PLANNING OR DURING TRIP TO AUSTRALIA



TRIP BOOKINGS

All respondents were asked when thinking about the planning process and making bookings for their trip to Australia, if they had dealt with a travel agent, either in person, over the phone or online.

The majority of respondents (57%) did not use a travel agent. Of the 43% who did, 23% met with them in person, while 12% contacted them by phone and 12% contacted them online.

Visitors from the UK were more likely than those from the US or Europe to use a travel agent during the planning and booking process.

Eighty-four per cent of respondents used commercial accommodation while in Australia. Of those 84%, the largest proportion arranged their accommodation after their arrival (41%), with 34% doing so before they arrived. Twenty-five per cent booked their accommodation both before their trip and after arrival.

FIGURE 6: USE OF TRAVEL AGENT IN PLANNING AND BOOKING PROCESS

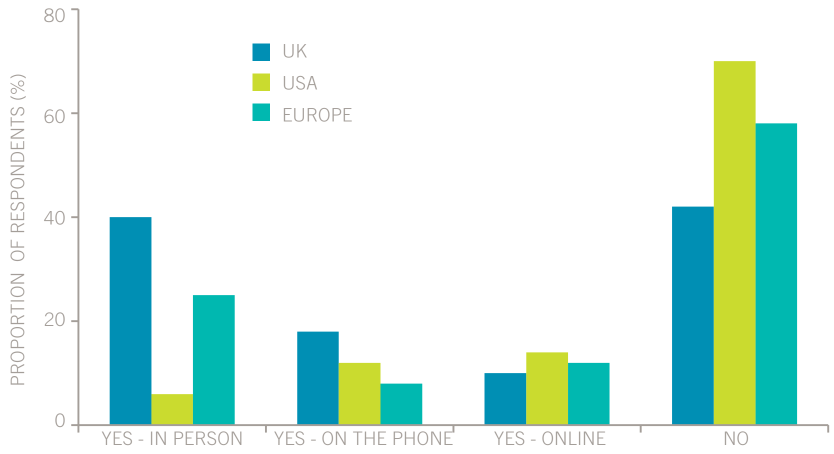
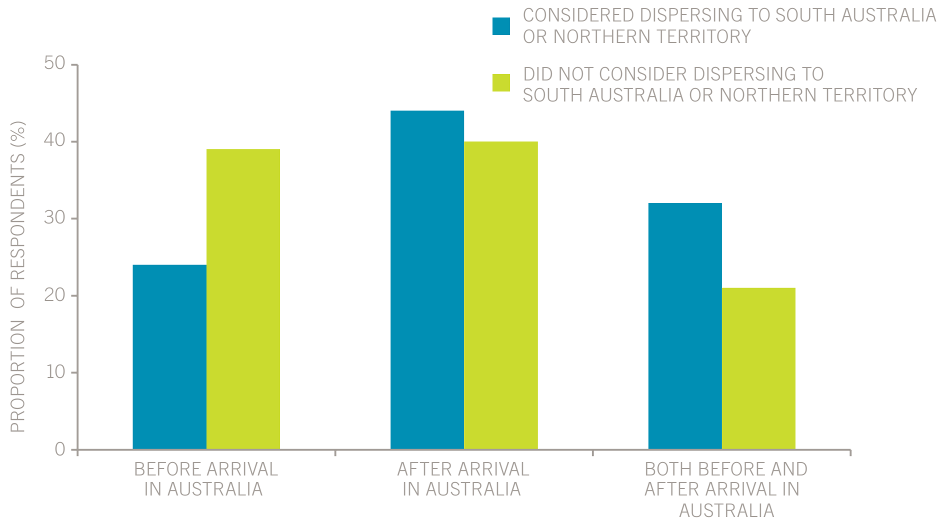


FIGURE 7: STAGE AT WHICH COMMERCIAL ACCOMMODATION WAS BOOKED



INFLUENCES ON DISPERSAL

All respondents were asked what influenced their choice of destinations visited (other than the port in which they landed) when planning their trip to Australia. The most frequent responses were:

- Recommendations by friends/relatives/colleagues (59%)
- Actually visiting friends/relatives (37%)
- Wanted to see a particular site/attraction (37%)
- Always wanted to go (26%).

Those who considered included South Australia in their itineraries during the planning stage were more likely to be from Europe, as were those who considered including South Australia during their trip. The same results were found for Northern Territory.

IMPORTANCE OF BEING ONLINE

For a significant minority, accommodation arrangements are not 'fixed' prior to arrival in Australia, providing an opportunity to influence accommodation choices and, ultimately, destination choices.

Visitors who added another destination to their itinerary while on their Australian trip were more likely to have done a Google search (72% compared to 63% who had made all their plans before their trip).

Being online and active on key tourism sites, for example, Wotif, TripAdvisor, Travelocity and Hotels.com is clearly important for operators in South Australia and Northern Territory. It is also important for operators to have their own websites.

VISITOR ATTITUDES TOWARDS SOUTH AUSTRALIA AND NORTHERN TERRITORY AS HOLIDAY DESTINATIONS

Attitudinally, respondents were more likely to agree that South Australia and Northern Territory:

- 'have unique attractions' (81% agreed strongly/slightly)
- 'just seem too far away' (59% agreed strongly/slightly)
- 'are vast and empty compared to other places in Australia' (57% agreed strongly/slightly).

However, respondents were less likely to agree that South Australia and Northern Territory:

- 'are convenient to include in an Australian holiday itinerary' (40% agreed strongly/slightly)
- 'are too expensive to travel to' (39% agreed strongly/slightly)
- 'offer value for money' (26% agreed strongly/slightly).

Relatively high proportions of respondents said that they 'did not know' if South Australia and Northern Territory were 'too expensive to travel to', or if they offered 'value for money'. This suggests that a proportion of potential visitors were unsure where South Australia and Northern Territory 'sit' in terms of cost/value of visitation.

All respondents were asked for suggestions regarding what South Australia and Northern Territory should be doing to make visiting these states a must for any holiday visitor coming to Australia. Seventy per cent of respondents provided suggestions, with the most common being:

- Advertising of sites/attractions (31%)
- Cheaper flights (13%)
- More publicity/promotions (11%)
- Online information/ads/etc (11%)
- Improved accessibility (8%).

FIGURE 8: ATTITUDES TOWARDS SOUTH AUSTRALIA AND NORTHERN TERRITORY

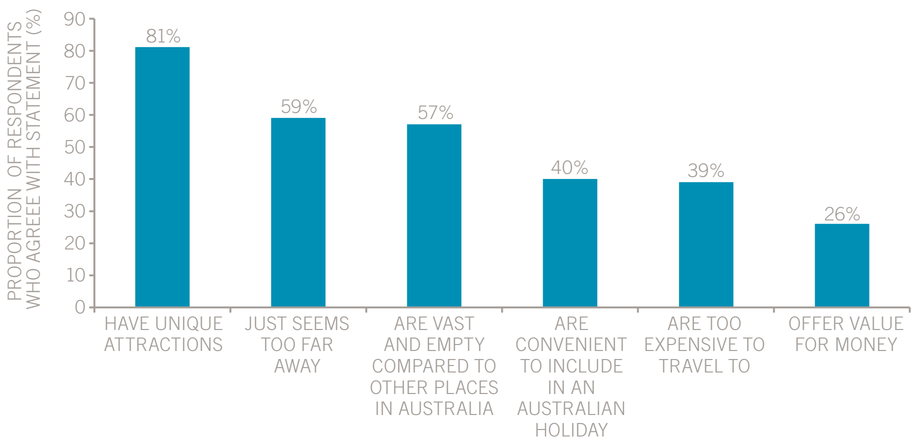
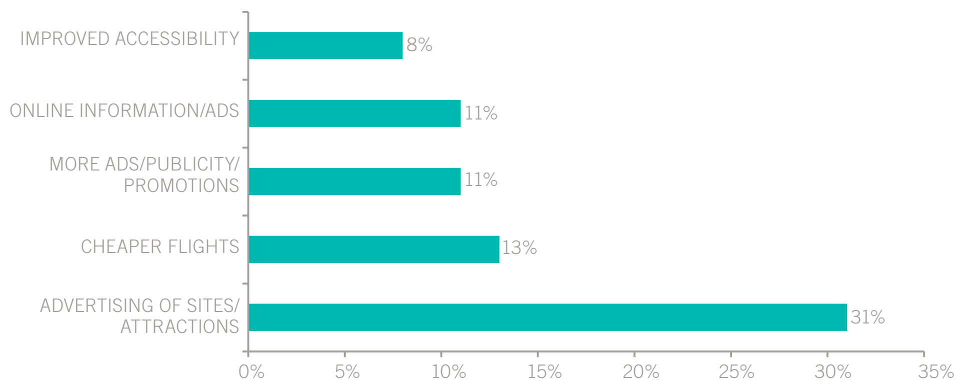


FIGURE 9: SUGGESTIONS FOR SOUTH AUSTRALIA AND NORTHERN TERRITORY TO MAKE INCLUSION IN HOLIDAY ITINERARIES A MUST FOR INTERNATIONAL HOLIDAY VISITORS



Through their respective promotional and communications activity, South Australia and Northern Territory should consider messages around ‘uniqueness’, ‘ease of access’, and ‘value’.

A combination of advertising and competitive ‘deals’ targeted at international visitors could lead to wider dispersal.

INTERNATIONAL HOLIDAY VISITORS’ LIKELIHOOD OF RETURNING TO AUSTRALIA

All respondents were asked on a scale of zero (not at all likely) to 10 (extremely likely) how likely they were to return to Australia for a holiday in the future, with the average rating being 8.35.

Respondents who had rated their likelihood of returning to Australia for a holiday between 5 and 10 were asked how likely they were to include South Australia and Northern Territory in a future holiday. The average rating was 6.89; considerably lower than the likelihood to return to Australia for a holiday.

Sixty per cent of respondents could be regarded as ‘advocates’ for an Australian holiday, having given a rating of 9 or 10 for the likelihood of returning to Australia for a holiday. These respondents were more likely to be from the UK (68%).

Thirty per cent of respondents could be regarded as ‘advocates’ for South Australia and Northern Territory, having given a rating of 9 or 10 for the likelihood of including these states in a return holiday to Australia. These respondents were more likely to be from Europe (38%), and over one-third (35%) had added destinations to their itinerary upon arrival in Australia on their current trip.

There were no significant sub-group differences among those who had given a rating of 7 or 8, and who could be regarded as ‘uncommitted’ potential visitors to South Australia or Northern Territory (29% overall).

Respondents who had given a rating of 0 to 6—and who might be regarded as 'unlikely' visitors to South Australia or Northern Territory (40% overall)—were more likely to be travelling as an adult couple (49%). Further, 45% of these respondents had made all of their plans for their current trip before arriving in Australia.

Younger travellers were more likely to indicate they would return to Australia and visit South Australia or Northern Territory in the future than older travellers. Among 18–24 year olds, the average likelihood of returning to Australia and including South Australia or Northern Territory was 7.3 out of 10 (compared with 5.6 out of 10 for those aged 55 years and over).

Respondents who came to Australia in a family group or as unaccompanied travellers were more likely to say they would return to Australia and visit South Australia or Northern Territory than those who travelled with friends or relatives, as a couple, or as part of a school tour group.

FIGURE 10: LIKELIHOOD OF RETURNING TO AUSTRALIA FOR A HOLIDAY

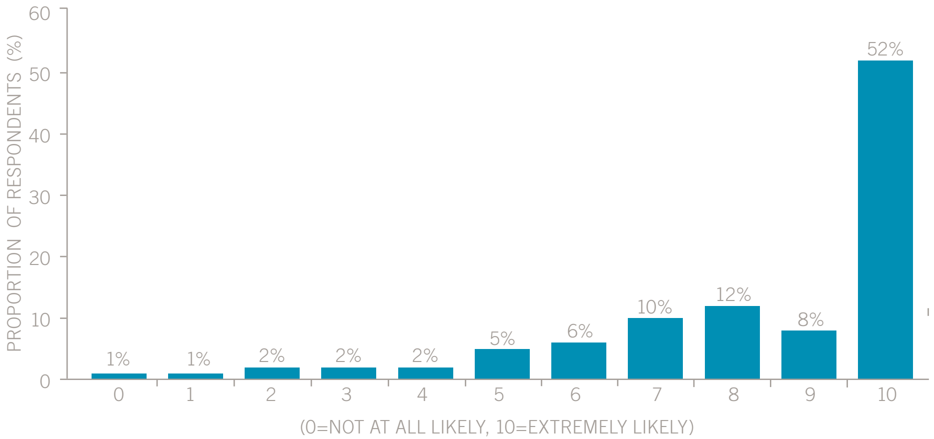


FIGURE 11: LIKELIHOOD OF RETURNING TO AUSTRALIA FOR A HOLIDAY AND INCLUDING SOUTH AUSTRALIA OR NORTHERN TERRITORY

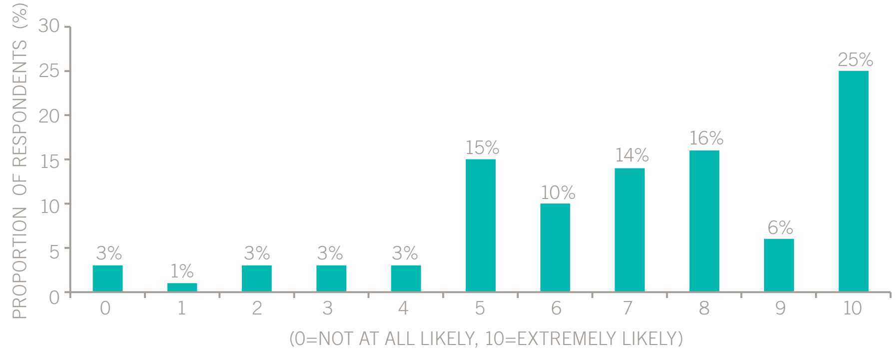


FIGURE 12: MEAN LIKELIHOOD OF RETURNING TO AUSTRALIA AND VISITING SOUTH AUSTRALIA OR NORTHERN TERRITORY (BY AGE)

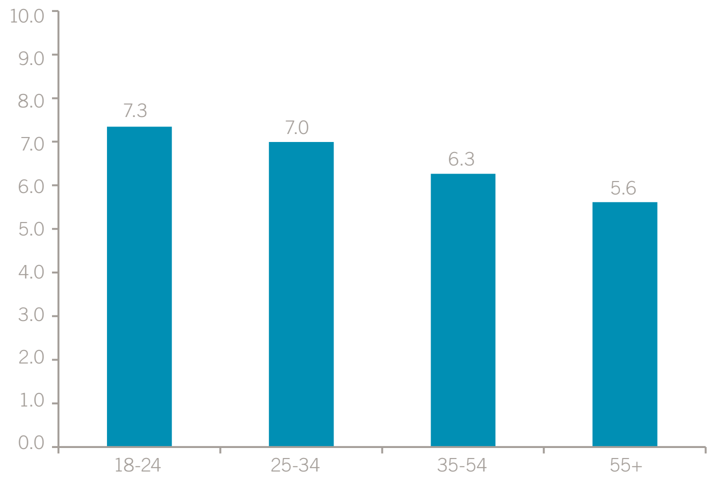
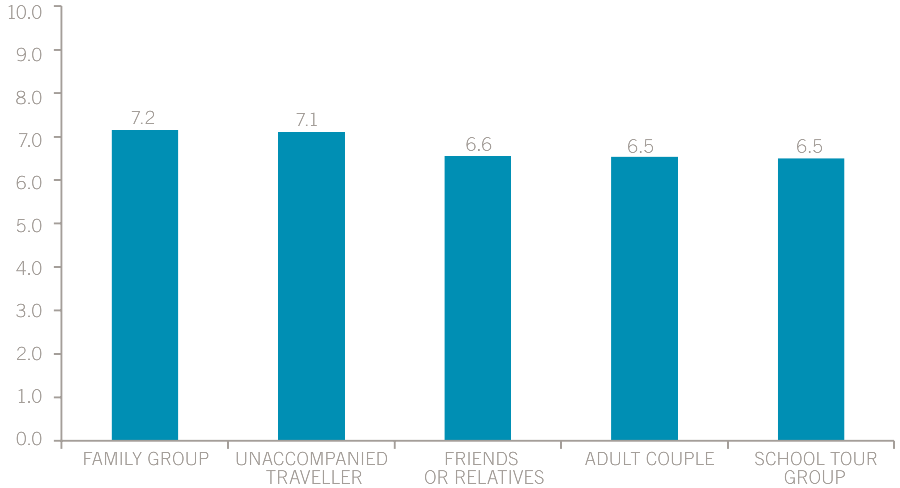


FIGURE 13: MEAN LIKELIHOOD OF RETURNING TO AUSTRALIA AND VISITING SOUTH AUSTRALIA OR NORTHERN TERRITORY (BY TRAVEL PARTY)



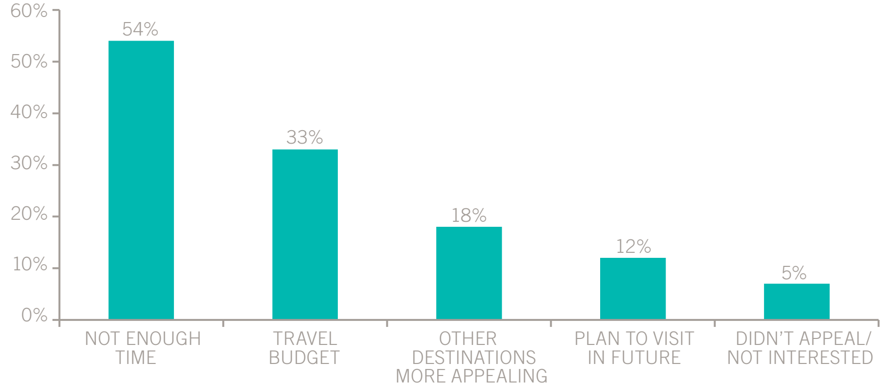
BARRIERS TO DISPERSAL

SOUTH AUSTRALIA

The main reasons for ultimately deciding not to include South Australia in their itinerary among respondents who had considered it either when planning or during their trip included:

- ‘not enough time in trip to include’ (54%)
- ‘travel budget/too expensive’ (33%)
- ‘other destinations more appealing’ (18%)
- ‘plan to visit in the future’ (12%).

FIGURE 14: MAIN BARRIERS TO DISPERSAL TO SOUTH AUSTRALIA – FOR THOSE WHO CONSIDERED DISPERSING



NORTHERN TERRITORY

The main reasons for ultimately deciding not to include Northern Territory in their itineraries among respondents who had considered it either when planning or during their trip included:

- 'not enough time in trip to include' (66%)
- 'travel budget/too expensive (46%)
- 'other destinations more appealing' (16%)
- 'plan to visit in the future' (10%).

FIGURE 15: MAIN BARRIERS TO DISPERSAL TO NORTHERN TERRITORY – FOR THOSE WHO CONSIDERED DISPERSING

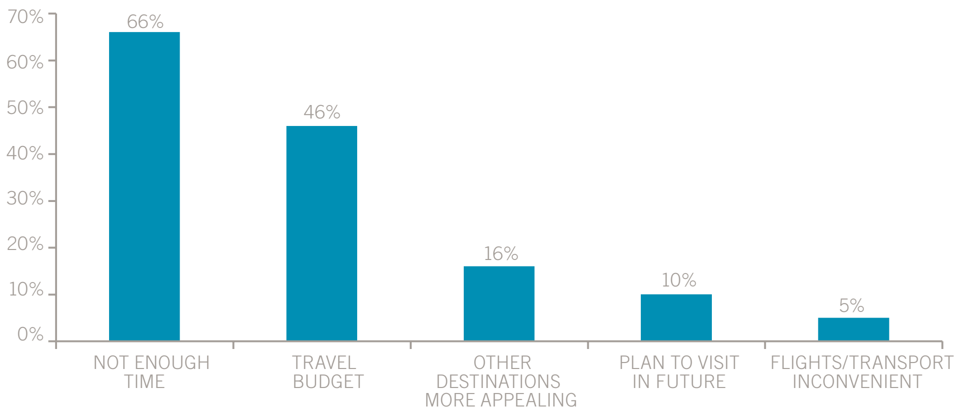


TABLE 1: MAIN ISSUES AND OPPORTUNITIES

ISSUES	OPPORTUNITIES
A lack of awareness of South Australia and Northern Territory is a major contributor to not having visited and/or considered visiting	Increase promotional activity, particularly in the US market
A proportion of potential visitors are unsure where South Australia and Northern Territory 'sit' in terms of cost/ value for money	Consider messages around 'uniqueness', 'ease of access' and 'value for money' in promotional and communications activities
Accommodation arrangements are not always 'fixed' prior to arrival in Australia	Influence accommodation choices and ultimately destination choices 'on the ground', including through online activity and websites