



INTERNATIONAL VISITORS IN AUSTRALIA

YEAR ENDING MARCH 2018

VISITORS ▲8%
8.3 MILLION

NIGHTS ▲3%
269 MILLION

SPEND ▲6%
\$42.3 BILLION

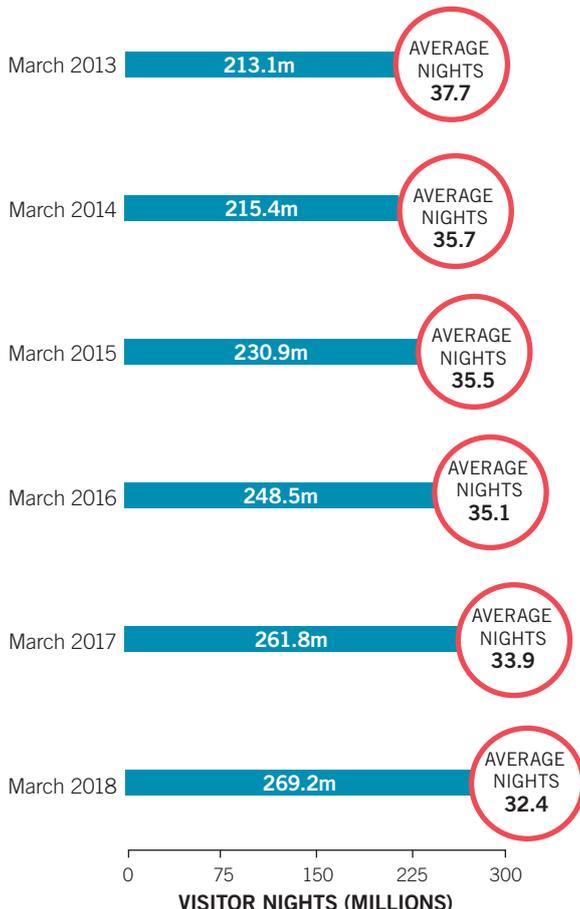
International visitors aged 15 years and over reached a record 8.3 million in the year ending March 2018 (up 8% on the previous year), resulting in a strong increase in spend of 6% to \$42.3 billion. Nights increased at a slower rate (up 3% to 269 million) indicating a move to shorter trips on average.

TRIP DURATION

While both visitors and nights have increased, there has been a tendency for travellers to stay for shorter periods. The average trip duration to Australia has fallen by 4% during the year ending March 2018 and by 8% since 2016 (Figure 1).

The length of trip is important in terms of both visitor spend and dispersal. Longer stays not only increase the dollar value of trips, they also increase the likelihood of dispersal to regional areas.

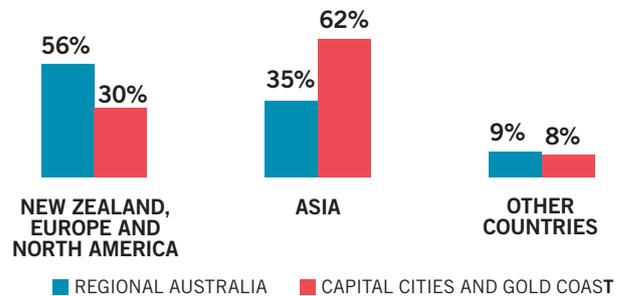
FIGURE 1: TOTAL AND AVERAGE VISITOR NIGHTS



While visitor numbers and nights continue to show strong growth for capital cities and the Gold Coast, growth in regional areas is lagging behind. There are two key contributing factors for this disparity in growth rates:

- The largest growth markets continue to be from Asia. Typically, these markets have a low dispersal rate (Figure 2).
- Many of the traditional markets which are more likely to disperse beyond the cities, such as New Zealand, the UK and the US, have shown a trend towards shorter trips over recent years.

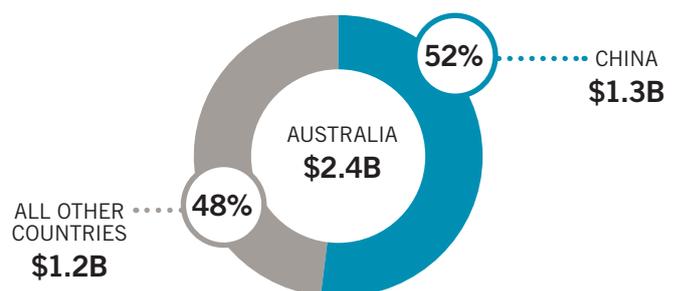
FIGURE 2: SHARE OF NIGHTS IN REGIONAL AUSTRALIA AND CAPITAL CITIES BY MARKET – YE MARCH 2018



KEY MARKETS

In terms of the top 5 markets, China continues to drive growth in visitation with an increase in visitors and spend (both up 13%) and nights (up 8%). With an increase of \$1.3 billion to \$10.9 billion, China alone accounted for 52% of total growth in international visitor spend during the year (Figure 3).

FIGURE 3: CONTRIBUTION TO GROWTH IN TOTAL TRIP SPEND – YE MARCH 2018





The US continued to perform well with an increase in visitor numbers of 10% to a record 751,000 and spend up 4% to \$3.8 billion. Japan also recorded positive results during the year with visitor numbers increasing 3%, nights up 11% and spend up 2% to reach \$1.8 billion.

The UK saw steady growth with visitor numbers up 4%, while spend was up 1% to \$3.5 billion. There was modest growth in visitors from New Zealand (up 1%) but spend dropped 6% on the back of shorter length trips.

Hong Kong and India recorded impressive growth for the year albeit from a lower base. Visitor numbers from Hong Kong grew 26% to 277,000 and spend 9% to \$1.3 billion, while visitor numbers from India increased by 18%, nights 16% and spend 14% to \$1.5 billion.

OTHER TRENDS

There has been much stronger growth for visitors aged 45 years or more (12%) than those aged under 45 (4%). This is contributing to the trend towards shorter trips, as the average length of stay in Australia for older visitors is much less than for younger arrivals (20 nights compared with 44 nights).

Arrivals by gender show females contributed more to growth in visitation during the year than their male counterparts. Female arrivals increased by 9% to reach 4.3 million and spend increased 8% to \$21.3 billion. In comparison, male arrivals increased 6% to 4 million and spend increased 4% to \$21 billion.

International repeat visitors continue to supply the majority of visitation to Australia (Figure 4). During the year, repeat visitors accounted for 62% of both visitor arrivals and nights in Australia and 60% of international trip spend (\$25.2 billion).

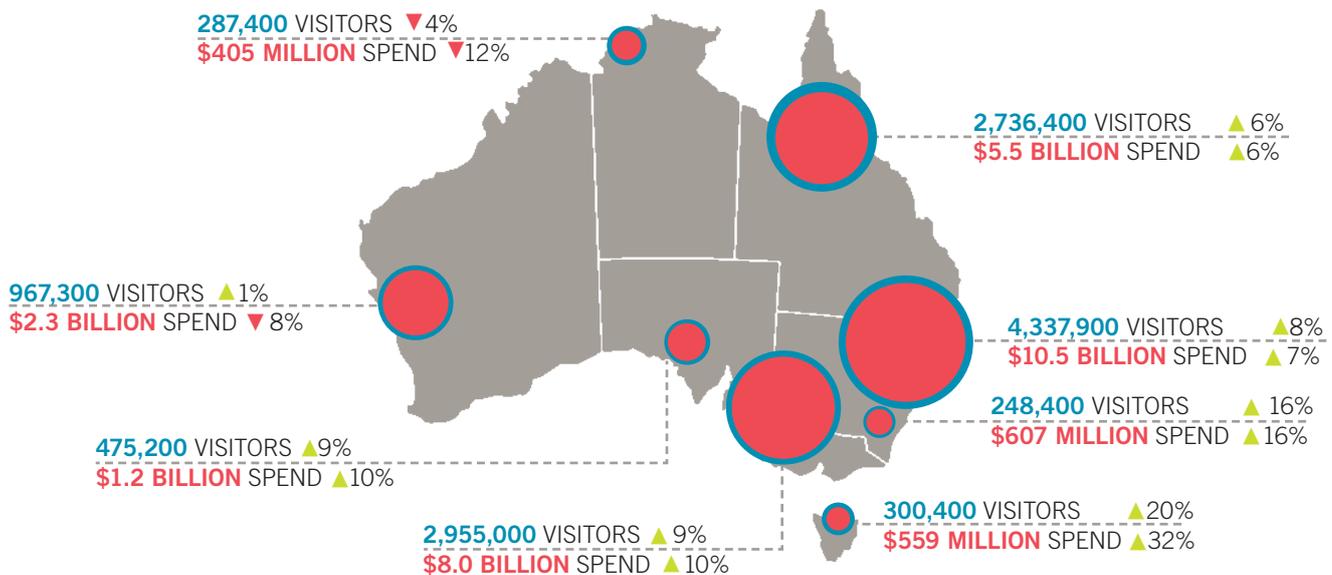
FIGURE 4: FIRST AND REPEAT VISITORS – YE MARCH 2018



STATES AND TERRITORIES

Most states and territories saw strong growth in both international visitor numbers and spend for the year, with Tasmania and the ACT leading the way (Figure 5). In terms of volume, New South Wales, Victoria and Queensland had the largest increases.

FIGURE 5*: INTERNATIONAL VISITORS AND SPEND BY STATE – YE MARCH 2018



* Total number of visitors by state will be greater than total number of visitors for Australia (8.3 million), as some visitors visited multiple states. Spend figures by state only include spend within Australia and will not add to total Australia spend figures, as these include expenses paid prior to entering Australia.

NOTE: International Visitor Survey (IVS) results for the March quarter 2018 do not include any data relating to purpose of visit.