SUMMARY

AUSTRALIAN CAPITAL TERRITORY TOURISM AUDIT

NOVEMBER 2017

The Aboriginal Memorial at the National Gallery of Australia, Canberra
Tourism Australia
INTRODUCTION

As a visitor destination, the Australian Capital Territory (ACT) and its regions offer outstanding national attractions and a strong event program, along with excellent wineries and dining experiences, varied accommodation options, and a range of beautiful locations in which to undertake active pursuits. The ACT has the added advantage of being within easy driving distance of Sydney – the largest urban population in Australia. Together with its national attractions, this makes the ACT a popular destination, largely driven by those visiting friends and relatives (VFR) and business travellers.

With appeal to both domestic and international markets, the ACT has seen strong growth in overnight visitor numbers from both markets over the past few years. This growth has exceeded national growth rates; a positive indicator of Canberra's growing popularity. International flights and low cost carrier flight services to Canberra that commenced in late 2016 furthers the appeal of the ACT as a destination.

In 2016, Tourism Research Australia (TRA) – in partnership with VisitCanberra – commissioned a Product and Experience Audit of the ACT and region to examine all tourism products and experiences, along with analysis of the region’s capacity to take advantage of current tourism trends, such as nature-based and adventure tourism. This summary reports on the findings of the research – the full report is available from tourism.research@tra.gov.au.

THE ACT IS MATURING AS A DESTINATION...

VISITATION TO THE ACT IN YEAR ENDING JUNE 2016 EXCEEDED NATIONAL GROWTH RATES

**DOMESTIC VISITORS (OVERNIGHT & DOMESTIC DAY)**

- **4.5 MILLION**
- ▲ FROM 3.8 MILLION

**INTERNATIONAL VISITORS**

- **203,000**
- ▲ FROM 179,000

**MAIN PURPOSE OF VISIT**

**DOMESTIC OVERNIGHT VISITORS**

- Visiting Friends & Relatives (VFR) (35%)
- Business (32%)

**DOMESTIC DAY VISITORS**

- Holiday (53%)
- VFR (21%)

**ORIGIN**

- China (19%)
- United Kingdom (11%)
- United States (11%)

1, 2 Compared to YE June 2015
3 Tourism Research Australia (TRA) National Visitor Survey June 2016
4 Tourism Research Australia (TRA) International Visitor Survey June 2016
KEY FINDINGS

PRODUCTS

- The ACT is predominantly a short-break destination for the domestic market (95%), but there is strong potential to grow the international market, given the increase in international visitor nights over the last few years.
- Expanding the range of packages within the ACT that combine attractions, festivals and events, food and wine offerings, tours and accommodation, will make it easy for visitors to plan their trip to the ACT and will help drive demand.
- Increasing the type and number of tours available will help to provide unique experiences, and links to major attractions.

EXPERIENCES

- Festivals and events play a major role in attracting overnight visitors to the ACT, and there is a strong opportunity for the ACT to attract new markets and drive longer stays through strategic management of cultural and sporting events.
- Recognition of the quality of the Canberra region’s food and wine offering is happening organically, but there is a strong opportunity to connect Canberra producers through solid food and wine branding and product development.
- Broadening and deepening the Arts and Culture experiences available to visitors will attract new markets and increase the number of repeat visitors to the ACT.
- The ACT is well placed to capitalise on the global growth of nature-based and soft adventure tourism, given its abundant national parks, reserves and lakes, along with its many walking and cycling trails.
PRODUCT OPPORTUNITIES IN THE ACT

PACKAGES
Packaging products and experiences for visitors makes both the booking process and visiting a destination much easier. It also provides a full destination experience and increases visitors’ length of stay.

OPPORTUNITIES
- There is a significant opportunity to combine accommodation, tours and experiences (including arts & culture, food & wine, nature/soft adventure, family fun, and events) into packages for visitors to Canberra.
- While the ACT Government works with domestic wholesalers, local hotel chains and some operators to package available products, increasing the extent and depth of these packages will ensure greater awareness and conversion for the ACT.

ACCOMMODATION
The ACT has a good range of room stock at all levels, from student accommodation, B&Bs, and self-contained apartments to 5-star hotels.

However, while accommodation supply has increased over the last six years, occupancy and yield has softened. Seasonality patterns show that the ACT needs to build the shoulder periods and troughs.

OPPORTUNITIES
- One-night stays on Saturday are expensive for hotels, but cross promoting with attractions would help to extend visitors’ length of stay, particularly for weekend leisure business.
- While the international business market is a very small part of overall occupancy in the ACT, encouraging these visitors to combine business and leisure in the same trip will offer the best opportunity to consistently fill mid-week troughs in occupancy.
- Low cost camping and amenities within the vicinity of Canberra is a significant opportunity, as evidenced by the continuing success of the EPIC campground and the fact that site availability is limited during peak events.

TOUR OPERATORS
Tour operators provide value to a destination by providing links to major attractions; commentary that is not always accessible for self-drive consumers; and unique experiences that demonstrate the diversity of a region.

The ACT region has 25 tourism operators, with only approximately 6-10 commissionable tour products available (with another similar amount due to come online in the near future). However, Hobart (with similar visitor numbers to the ACT) has over 100 tour offerings which are an important part of its appeal, and which give it strength in the marketplace in terms of the perception of what there is to do and the value.

OPPORTUNITIES
- Increasing the range and number of tours in the ACT and packaging them with other products and experiences will allow wholesalers to present a complete short-break experience.
EXPERIENCE OPPORTUNITIES IN THE ACT

FESTIVALS AND EVENTS
Festivals and events play a major role in attracting overnight visitors to the ACT, and are essential to the growth of the visitor economy. They also allow international and interstate visitors to familiarise themselves with the ACT and Canberra region, and other tourism products and experiences.

OPPORTUNITIES
- The ACT is well placed to extend the number of nights that visitors stay when in the ACT for an event. Bundling major cultural and sporting events with air and accommodation packages will strengthen the ACT’s offering and will also have a positive impact on other products and experiences.

FOOD AND WINE
Culinary travel experiences have become a key driver for growth in many destinations across Australia. Artisan craft breweries, local produce markets and promotion of unique food experiences through social media all contribute to Canberra’s strong destination awareness, which in turn supports consumer desire for authentic culinary travel experiences.

The wine producers of the ACT and surrounds are a major asset to the visitor economy, with a solid reputation for producing quality wines. With over 140 wineries and over 30 cellar doors, the region’s unique growing conditions (varied climate, altitudes, aspects and soils) produce a wide variety of wines.

OPPORTUNITIES
- Develop a unifying food brand to connect primary producers, winemakers and restauranteurs.
- Develop ‘trails’ (driving, walking or cycling) based on food and wine experiences that link with attractions and accommodation.

ARTS AND CULTURE
Canberra is home to the nation’s pre-eminent collection of art and cultural attractions of national significance and pride. For this reason, it is unlike any other city or destination in Australia, providing Canberra with a unique selling proposition.

Canberra’s attractions not only offer experiences for a range of visitor segments, they are a key driver of visitation to Canberra and contribute to brand awareness of the ACT as a tourism destination.

OPPORTUNITIES
- Broadening and deepening the Arts and Culture experiences available to visitors will attract new markets and increase the number of repeat visitors to the ACT through partnership development with attractions, accommodation providers and tour operators as well as food and wine experiences.

5 Tourism Australia, pers comms 2016
NATURE AND OUTDOORS

Across the globe, nature-based tourism is growing, as is adventure tourism. These trends are evidenced by the growth of cycle tourism destinations, mountain bike trails and destination riding (New Zealand, North East Victoria and Tasmania); boutique luxury lodges in remote locations (Kangaroo Island Lodge South Australia, Saffire Freycinet Tasmania); and long distance walks supported by overnight accommodation (Three Capes Tasmania, Grampian Peaks Victoria, Cape to Cape Western Australia).

FAMILY FUN

The ACT’s national attractions offer family fun activities; a large proportion of which are free to enter. When planning a family holiday, visitors are looking for ease of booking, value for money and the ability of a destination to satisfy the whole family.

OPPORTUNITIES

- The ACT’s abundant national parks, reserves and lakes, and the many walking and cycling trails represent an opportunity to broaden the experience base of visitors to the region, and also attract multi-generational families (for whom nature experiences hold great appeal).

- Develop strategies for both cycling and nature tourism that result in products that appeal to the target markets across food and wine, family fun and nature and outdoors experiences. A strengthened focus on cycling will also support the development of new events.

- Given the ACT’s strong VFR market, experiences geared towards multigenerational travel will appeal to all family members. Promoting the experiences in the context of what else is available in the ACT – accommodation, transport, food, shopping, art and cultural experiences – would be beneficial.

- Expanding the ACT’s family fun experiences could be achieved through the development of adventure experiences such as ziplines, ropes courses and canopy walks that cater to all age groups and ability levels.
RESEARCH APPROACH

A tourism database was established which identified existing tour operators, attractions, wineries, events and accommodation in the ACT.

Existing product and experiences were assessed, which involved talking with:

- industry to identify product gaps and opportunities across all areas of the visitor economy
- various government and industry stakeholders to determine to what extent upgrading or expanding tourism products and infrastructure would be necessary to attract and accommodate future growth.
- the ACT tourism community to determine their capability to extend their individual reach and grow visitation.

A strategic assessment of the extent to which new products and experiences are likely to contribute to the ACT visitor economy was also undertaken.