Northern Tasmania:
A Demand Update

May 2011

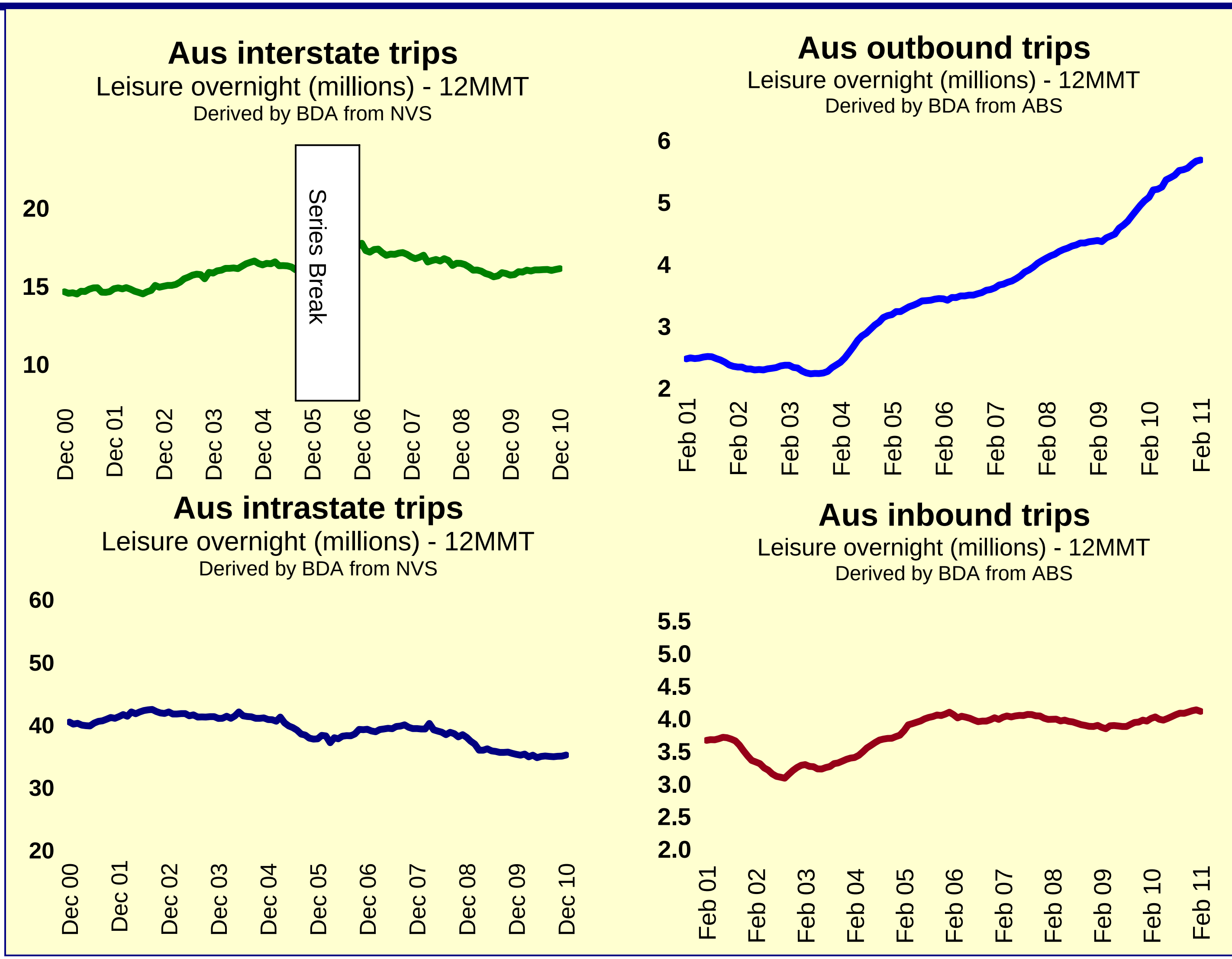
PREPARED BY B D A MARKETING PLANNING

Contents

- Tourism status
- Northern Tasmanian visitors
- The outlook
- Prospective visitors

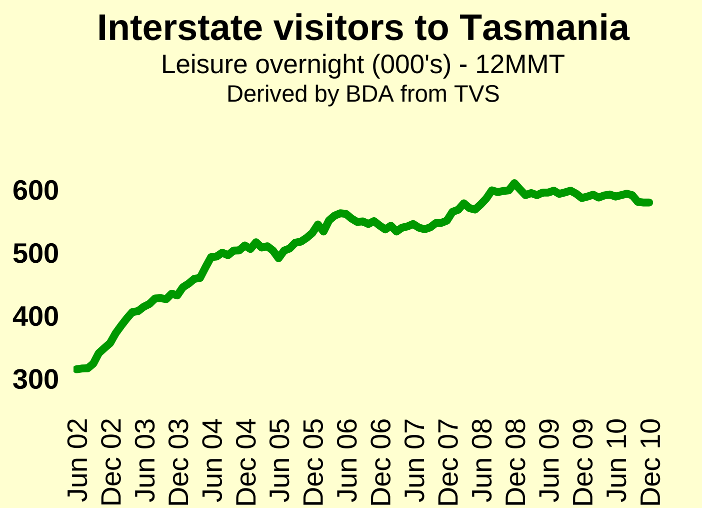
National tourism demand

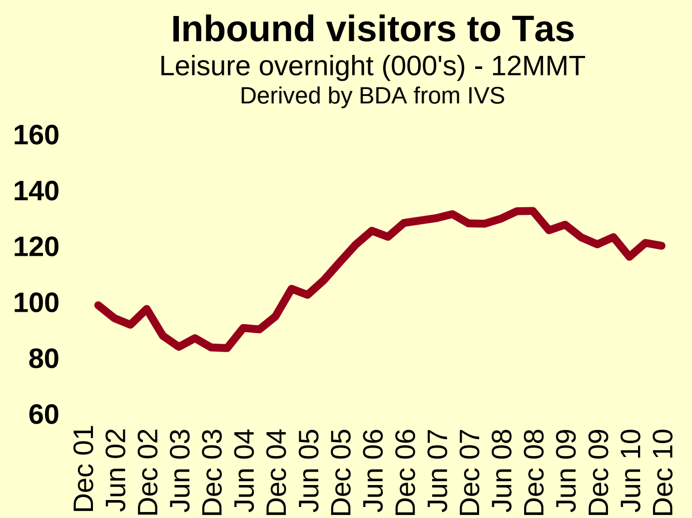
- **Market recovering**
  - Demand lifting with improving economy
  - Interstate +3% in 2010
  - Interstate is losing share though to very strong outbound travel
    - More than doubled in past 7 yrs & up another +12% in last year
  - Intrastate trips continue to ease gradually
  - Inbound demand has lifted in past 2 years
    - Though relatively steady overall since 2005

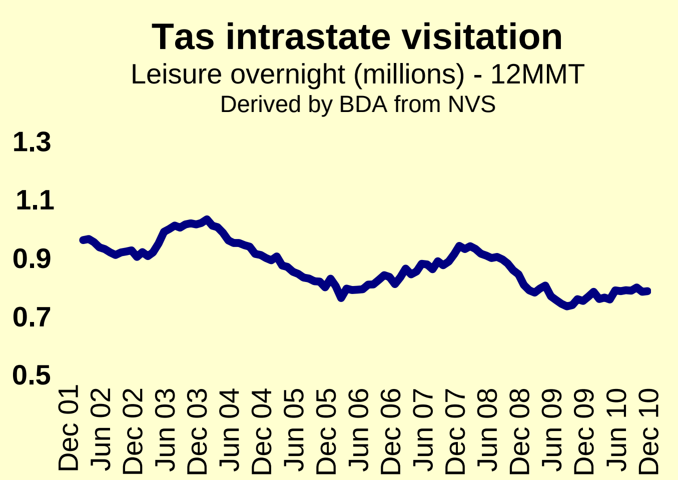


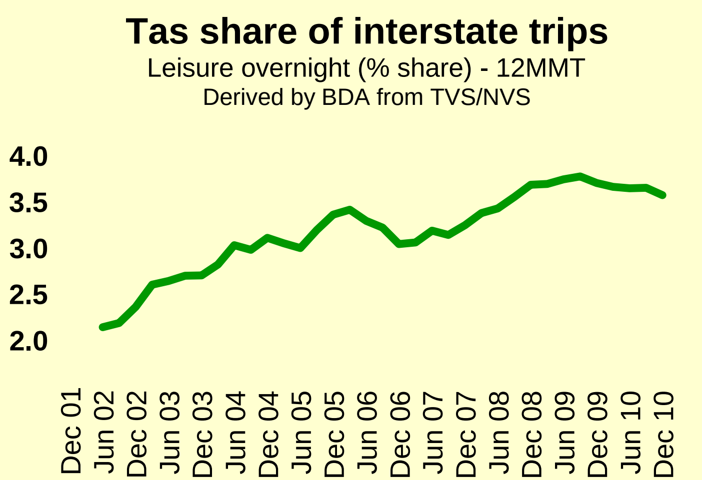
Tasmanian tourism demand

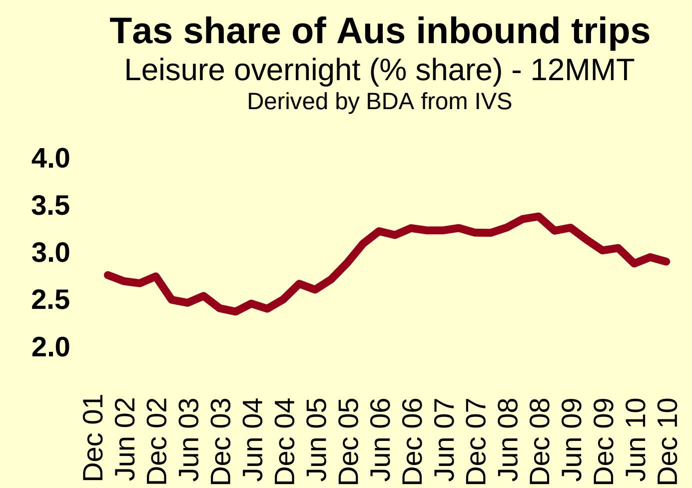
- **Tas demand steady**
  - Interstate trips slip slightly
    - With weaker Holiday demand
    - Share of recovering Aus Inter trips slides as a result..
    - ..after many strong years
  - Inbound now steady though down in recent yrs
  - Intrastate has struggled but improving in past year





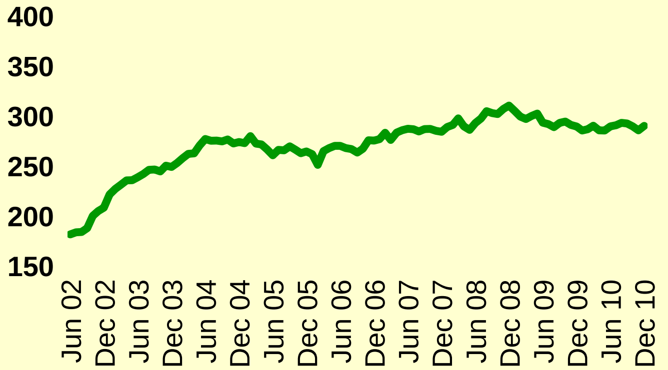




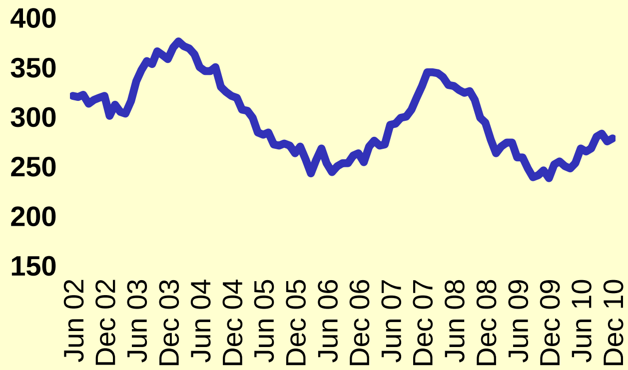


Northern Tas tourism demand

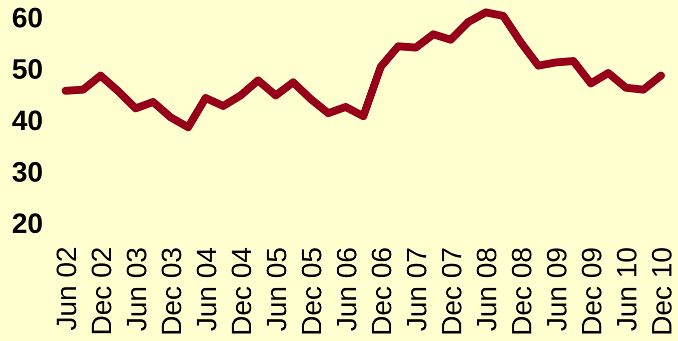
Interstate trips to Northern Tas
Leisure overnight (000's) - 12MMT
Derived by BDA from TVS



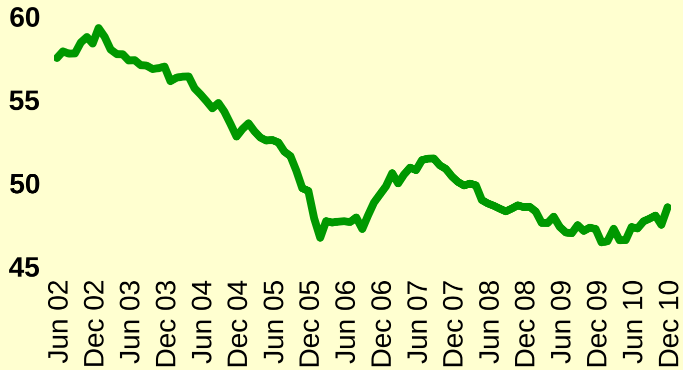
Intrastate trips to Northern Tas
Leisure overnight (000's) - 12MMT
Derived by BDA from NVS



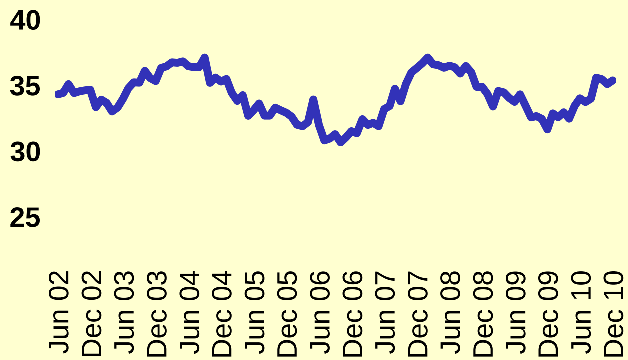
Inbound trips to Northern Tas
Leisure overnight (000's) - 12MMT
Derived by BDA from IVS



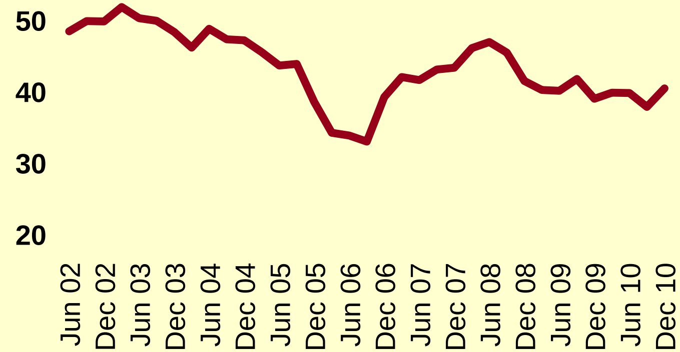
Northern Tas share of Tas interstate
Leisure overnight (% share) - 12MMT
Derived by BDA from TVS



Northern Tas share of Tas intrastate
Leisure overnight (% share) - 12MMT
Derived by BDA from NVS



Northern Tas share of Tas inbound
Leisure overnight (% share) - 12MMT
Derived by BDA from IVS



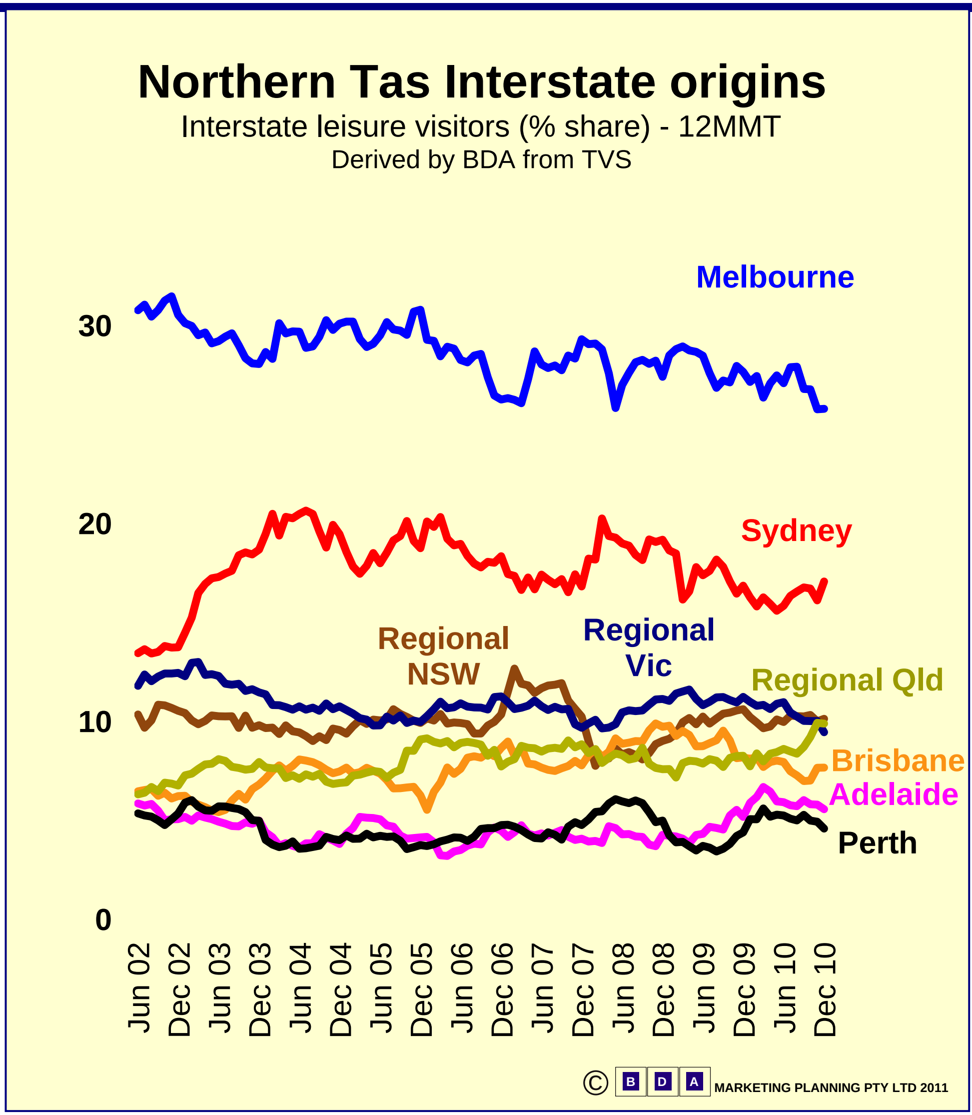
Domestic interstate demand to Northern Tas is relatively steady over the last 12 months, now increasing share of total Tas interstate trips. Intrastate trips to the region have gained over last 12 months after sharp decline, share of total Tas intrastate also lifting. Inbound trips starting to lift after decline through 2008 & 2009.

Interstate Northern Tas visitors

- Profile
- Holiday needs
- Information seeking
- Holiday behaviour
- Visitor satisfaction
- Outlook

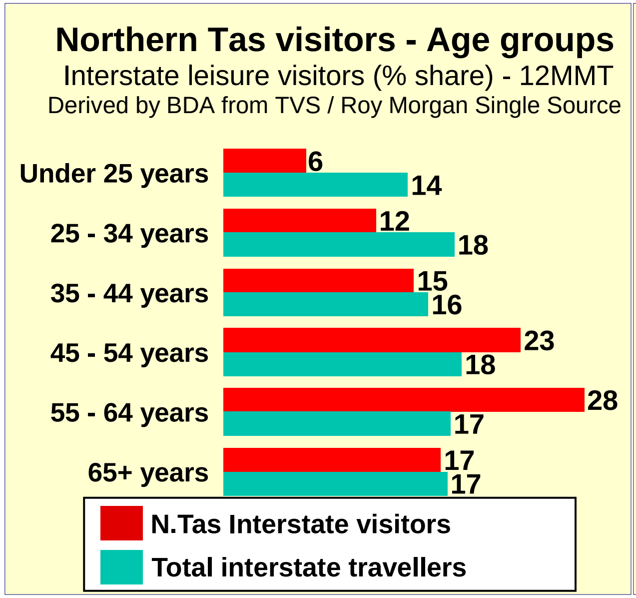
Where do they live?

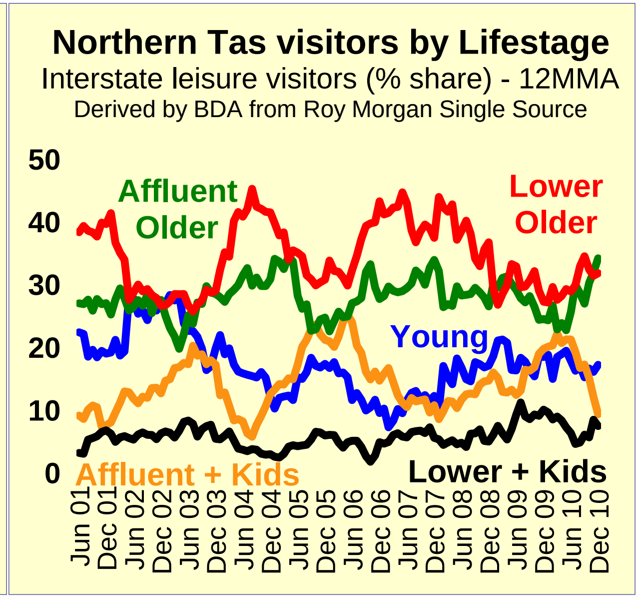
- **Melbourne the #1 market**
  - Provides 26% visitors
    - Though share is now falling
  - Sydney the other key market
    - Has lost share gradually over the past 2 years but lifting in last 6 months
  - Some growth from regional Qld

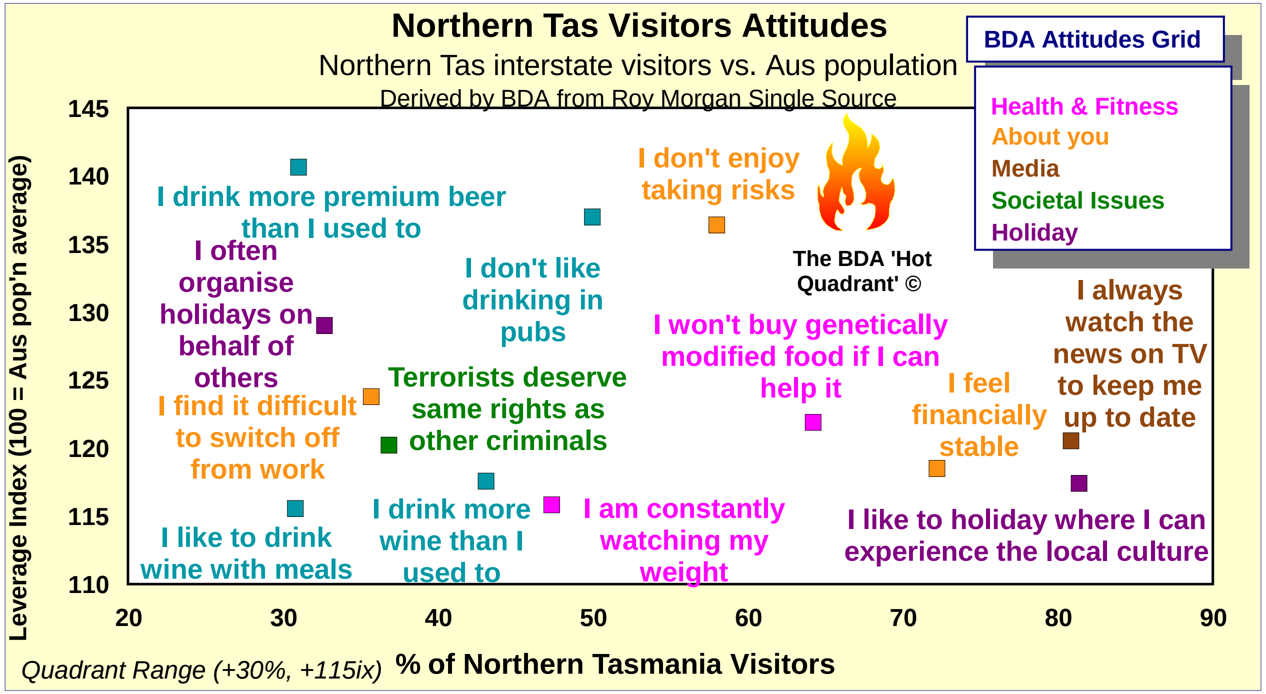


What kind of people are they?

- **Older, 'Empty Nesters'**
  - Well above Aus interstate average for 45-65 age brackets
    - Lifestage trend indicates the Older groups are also gaining share
- **Sophisticated lifestyle**
  - Financially stable now with career remaining a focus
    - Like to enjoy life but without too many undue risks
  - More likely now to indulge in a wine or premium beer
    - Though lifestage dictates that health is also a key concern
  - Holidays an important part of life
    - Like to organise holidays and experience the local culture







What do they want from a holiday?

- **Reconnecting with nature key**
  - World class natural setting stands out
    - With accommodation that enhances the environment
  - Availability of information also important
  - Family activities less important..
  - ..and weather not a factor

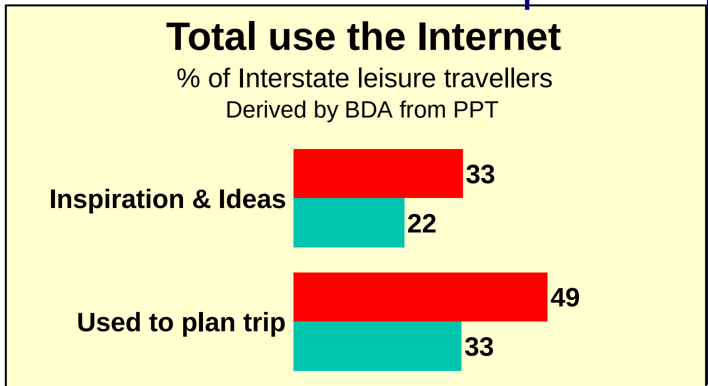
Factors important to Northern Tas visitors when choosing a destination

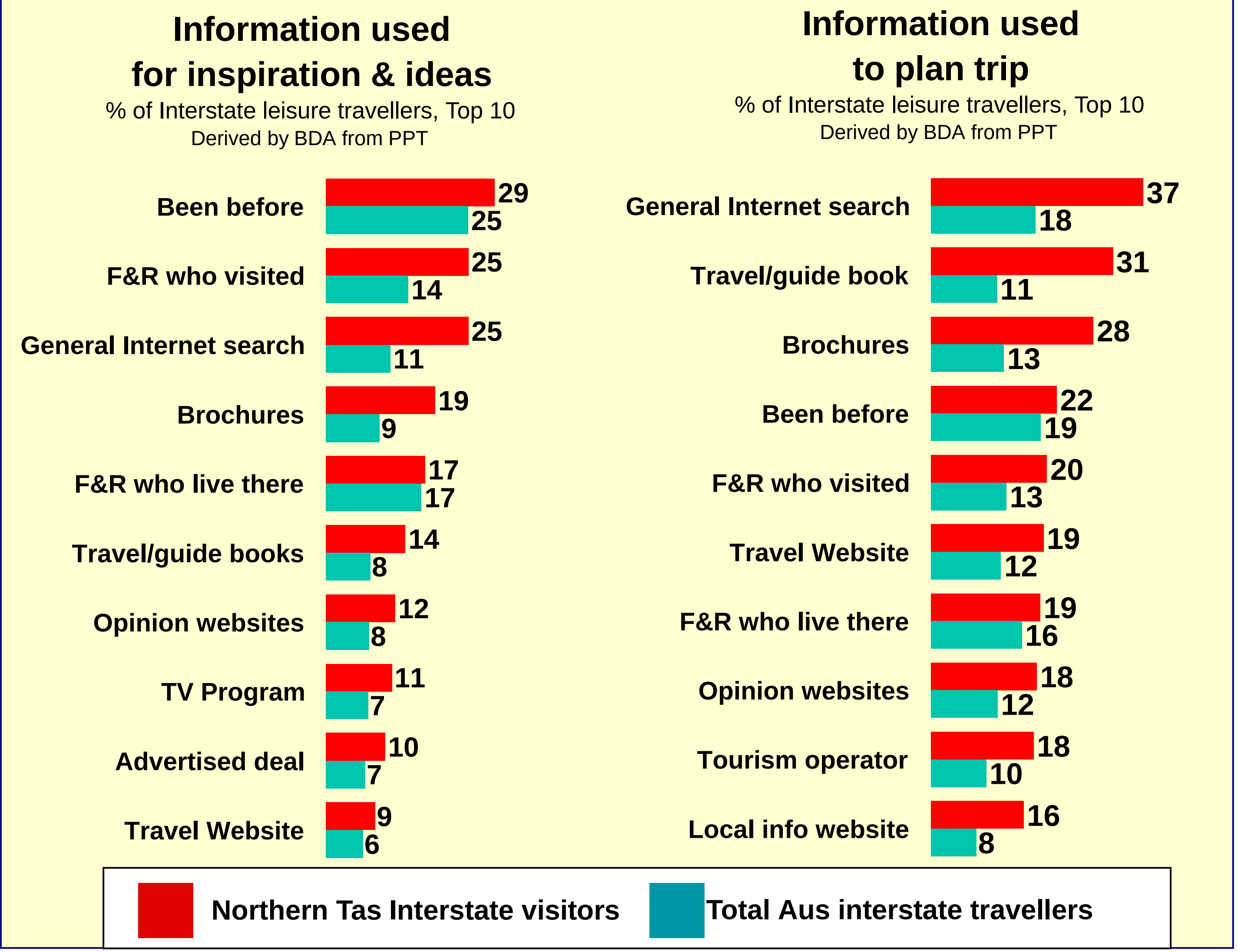
Northern Tas visitors % above or below the average of Total Aus interstate travellers

Derived by BDA from PPT

How do they seek information?

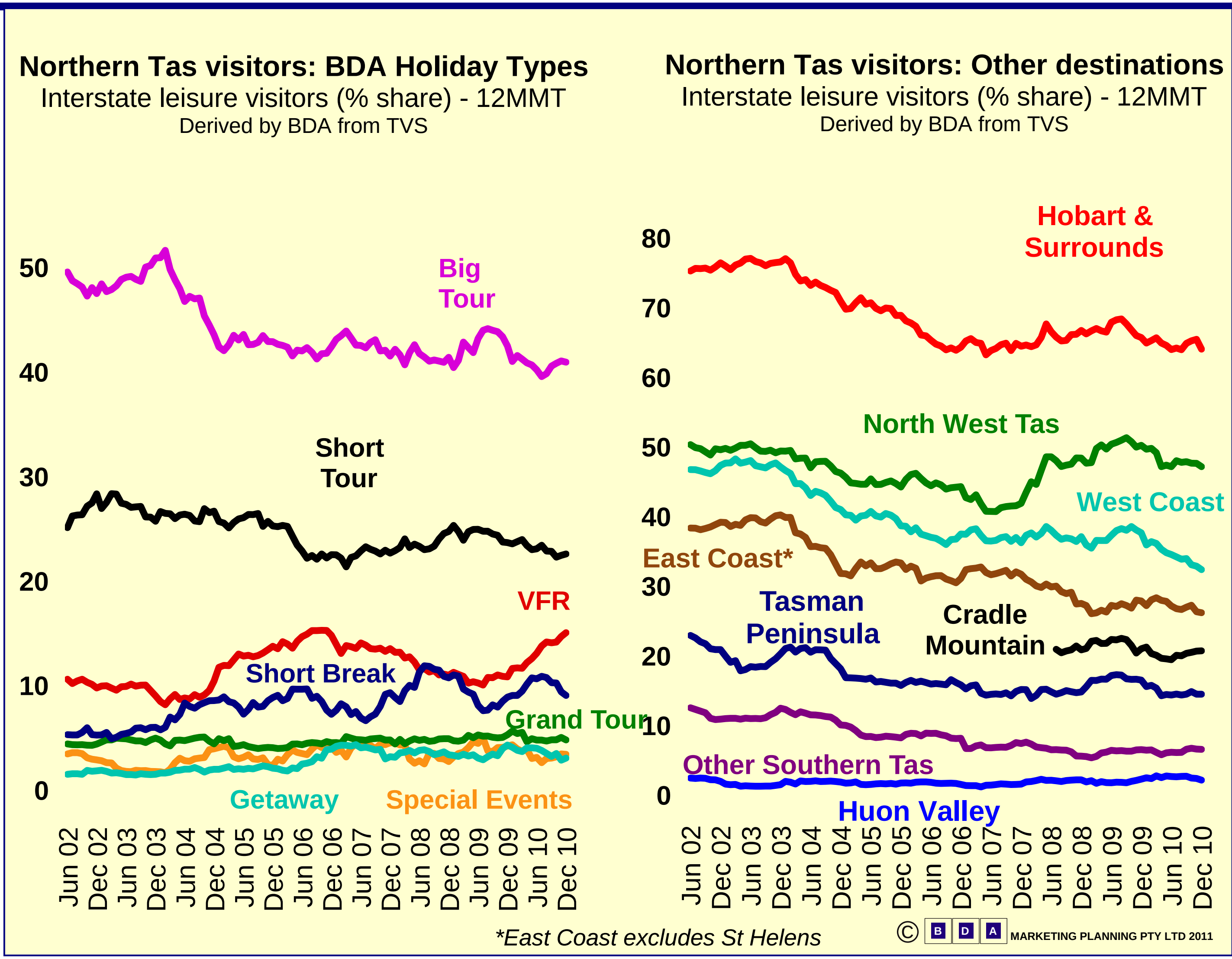
- **Ideas & Inspiration**
  - Wide range of sources
  - Previous travel & Word of Mouth top the list
  - Internet and brochures also widely used
- **Planning differs**
  - Internet the main source when planning trips
  - Brochures & travel books also still have their place





What type of holiday are they on?

- **BDA Holiday Types**
  - Big Tour
    - 1-3 weeks touring, mostly by car
  - Short Tour
    - Up to one week touring holiday
  - VFR
    - Low cost holiday staying all nights with friends & relatives
  - Short Break
    - 1-3 night break
  - Others relatively low
- **Northern Tas mainly Touring visitors**
  - Hobart & NW Tas top other destinations visited...
    - ...but many others are also often included on the same trip

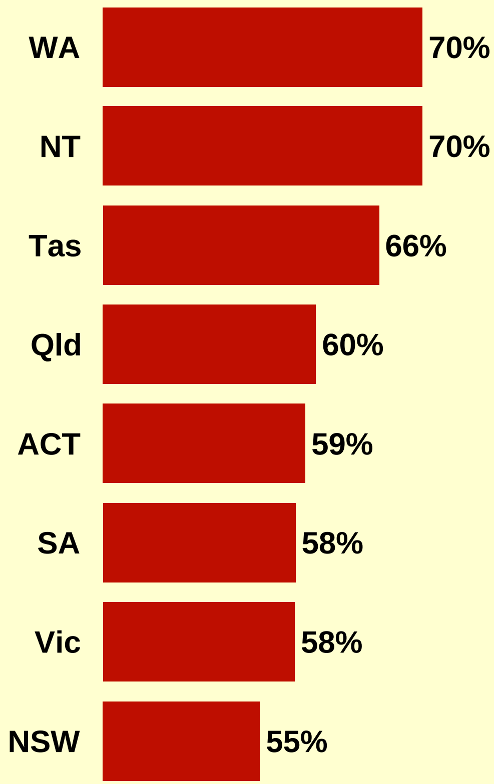


How satisfied are they?

- **Tas #3 in Aus for Very Satisfied visitors**
  - Well ahead of larger states
- **Tas regions perform strongly**
  - 76% very satisfied with trip when visiting Northern Tas
    - Other Tas regions also feature highly..
    - ..in line with the appeal of the Tas Touring holiday

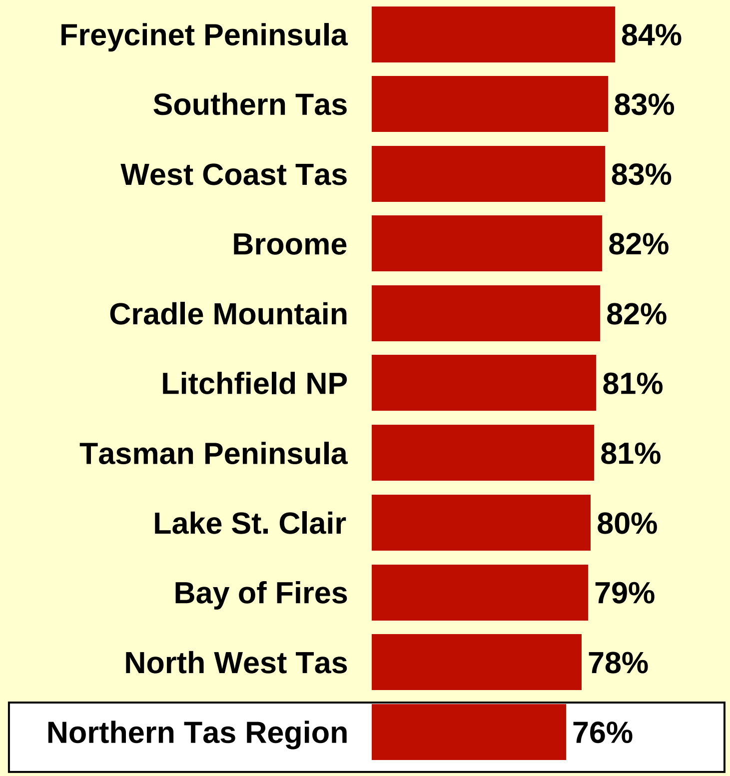
Interstate travel - Total trip satisfaction by state visited

% very satisfied with their trip
Derived by BDA from PPT



Interstate travel - Total trip satisfaction by region visited

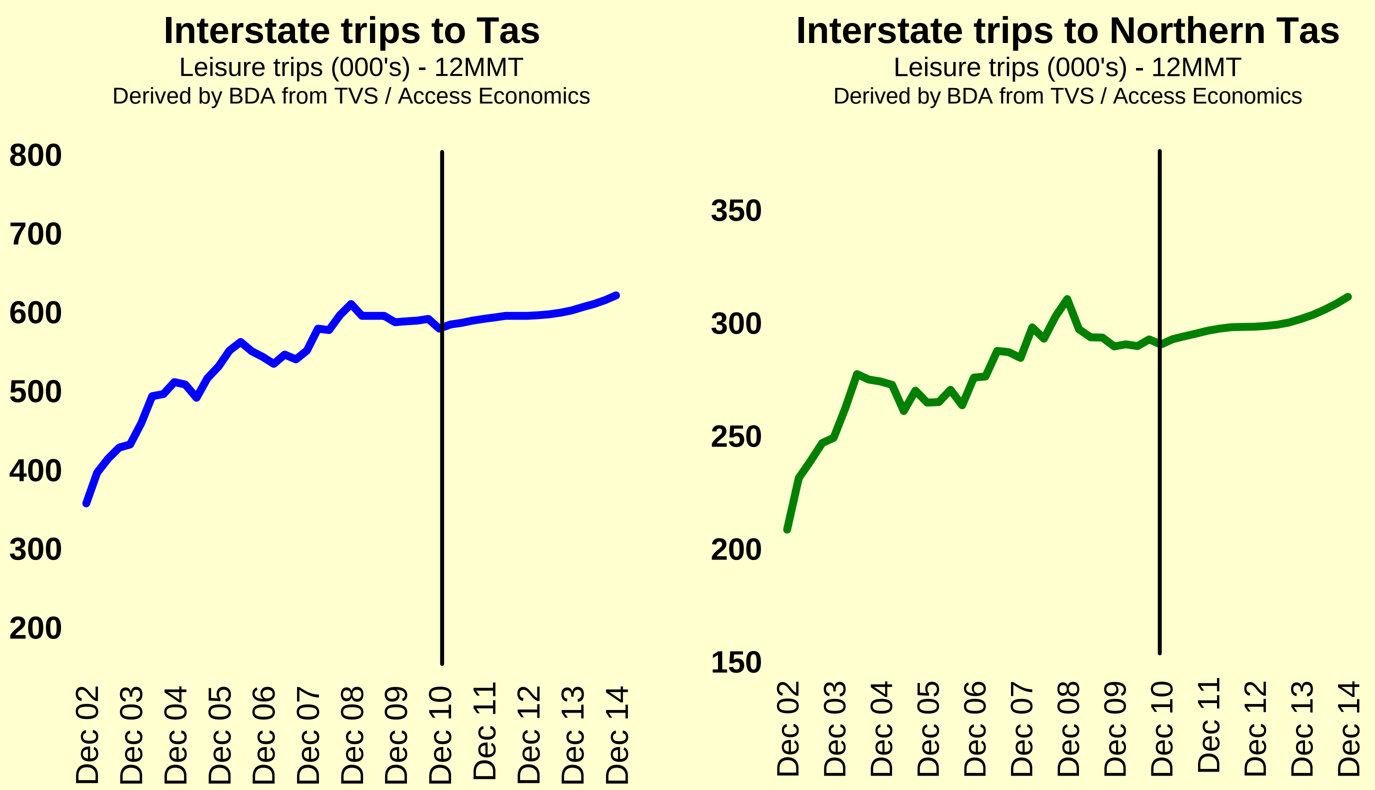
% very satisfied with their trip
Derived by BDA from PPT



Note: Small sample for some regions, only regions where n > 20 included

Interstate demand outlook

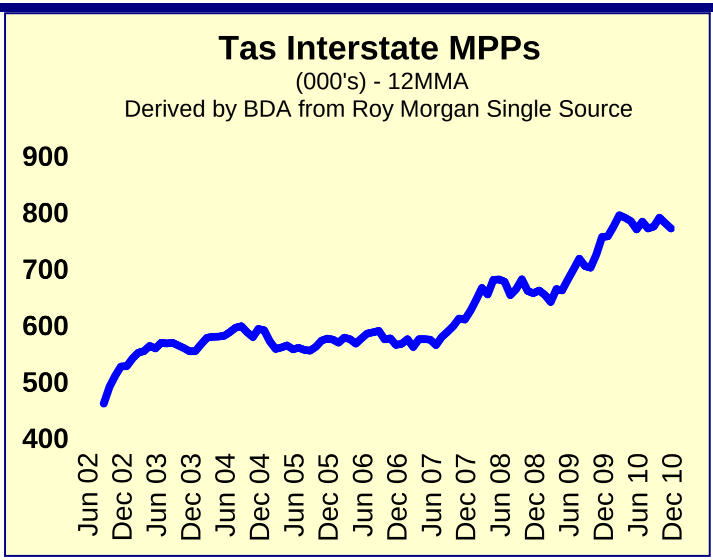
- **'Trend' forecast**
  - = expected growth if Tas holds current mkt share..
  - ..and Northern Tasmania holds share of Tas
  - Hence, this is the 'market opportunity' outlook
- **Steady outlook**
  - Growth of ~1-3% growth p.a. forecast in coming yrs
    - Improving but relatively modest due to outbound competition
  - Further share gains by Northern Tas will provide stronger growth

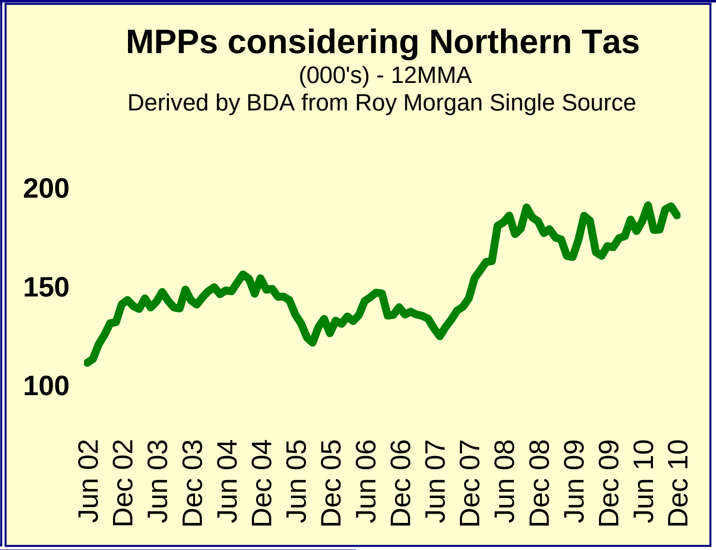


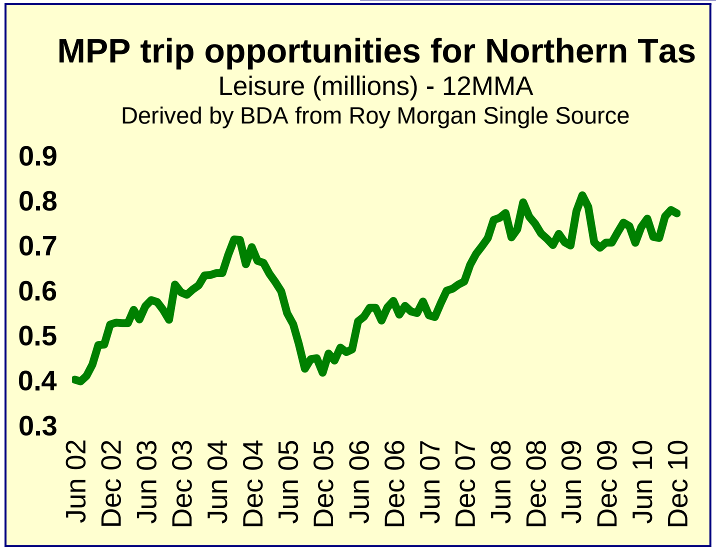
	Dec 10	Dec 11	Dec 12	Dec 13	Dec 14
Tas Inter Trips (000's)	579	591	595	602	651
Northern Tas Inter Trips (000's)	290	296	298	302	311
% annual growth		**2.1**	**0.6**	**1.1**	**3.2**

Prospective visitors

- **Tasmanian prospects**
  - Most Profitable Prospects for Tasmania = travellers who are considering Tas..
    - ..and are productive in terms of holiday expenditure
  - = ~800k mainland residents
    - Holding steady over last quarter
- **MPPs considering Northern Tasmania**
  - Accounting for ~1/4 of Tas Interstate MPPs
    - Northern Tas prospects take 4 trips per year on average..
    - ..providing around 770k trip opportunities per year

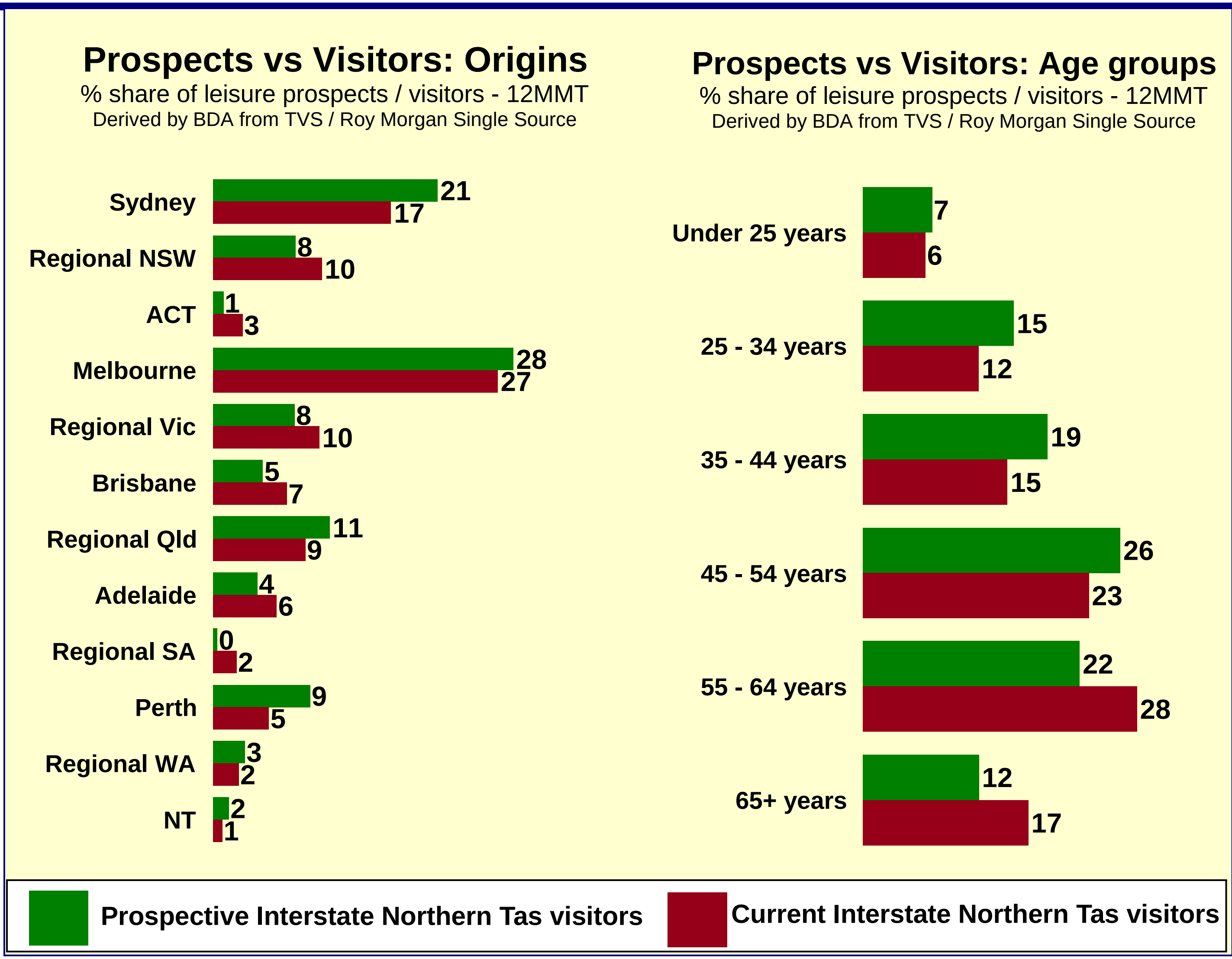






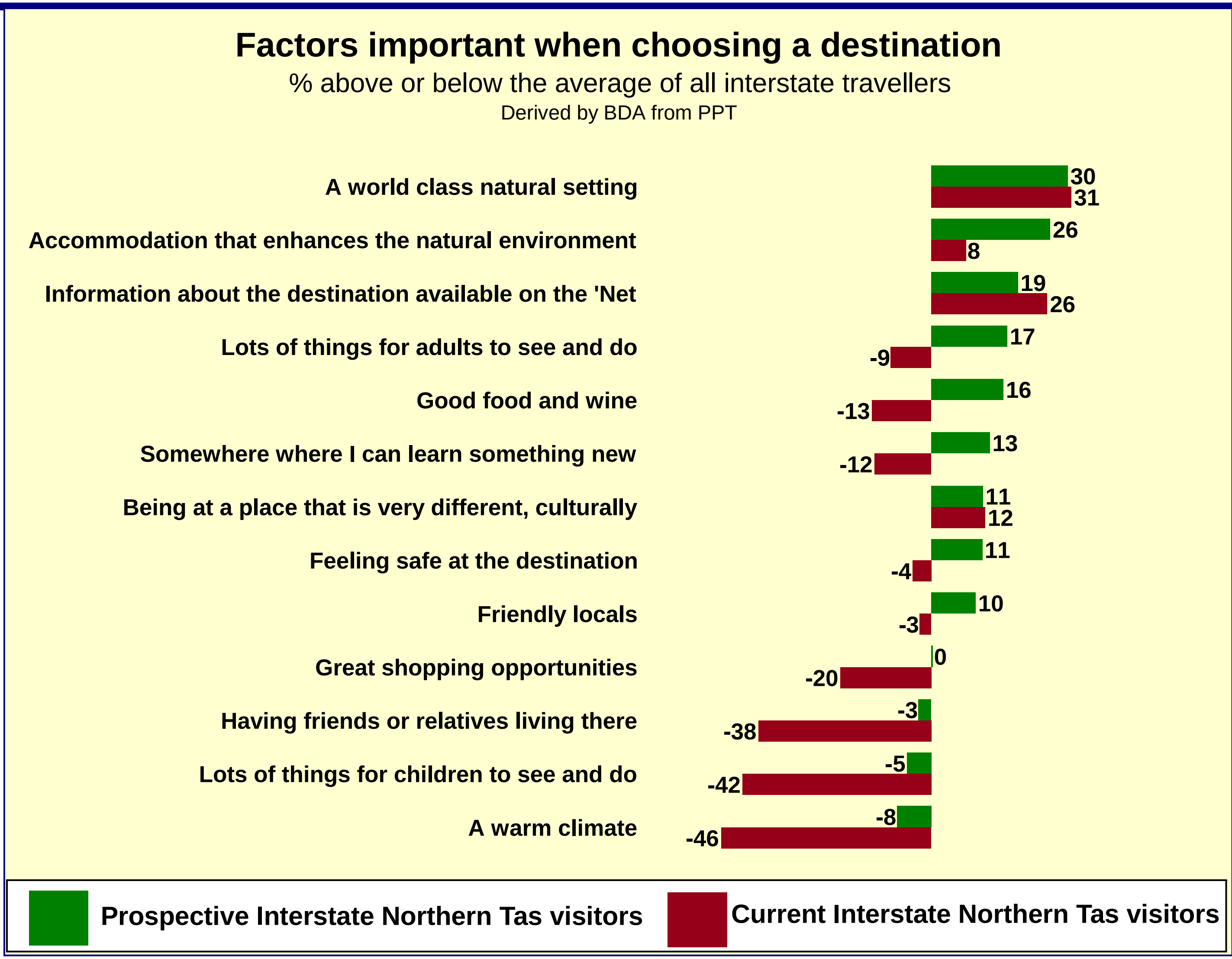
Prospective visitors compared

- **Prospects vs Visitors**
  - Similar demographic profile
  - Half of prospects live in Melbourne or Sydney
  - Prospects provide some leverage with Younger
    - Majority are still 45+..
    - ..but prospects more likely to be in younger age groups



Prospective visitor holiday needs

- **Top factors the same**
  - Nature, appropriate accommodation and online info still key
  - Prospects are more demanding however
    - With more factors above average for importance
  - Prospects seek more new and different things to do
    - Food and wine more of a focus



Key Point Summary

- **Tourism market improving**
  - More national opportunity, with Tas now steady after strong share gains in recent years
- **Northern Tas generally performing well**
  - Gaining share of Tas interstate and intrastate leisure visitors
  - Satisfaction by visitors to the region is high at 76%
  - Strongest appeal with older, empty nest couples
    - Natural attractions are the key draw along with complimentary quality accommodation
- **Further growth opportunity exists**
  - Demand outlook is improving
    - Further share gains for Northern Tas will drive stronger growth than the 'Trend' outlook
  - Large number of available trips taken by a well aligned group of prospective visitors is indicative of further potential for the region

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