

Gay and Lesbian Travellers

The gay and lesbian market is recognised throughout the tourism industry as an important niche segment, representing differences in holiday behaviour, attitudes and yield opportunities when compared with the Australian population average.

Sexual preference of respondents is asked as part of the extensive consumer profiling information collected via the Australian Roy Morgan Single Source survey. More specifically, respondents are asked to agree or disagree with the statement “I consider myself a homosexual”. Those over the age of 18 or over who agree with the statement are the focus of this research.

In summary, Roy Morgan Single Source finds:

- The gay leisure travel market, an estimated 242,000 Australians, represents approximately \$965 million a year;
- The proportion of gay people who have taken at least one leisure trip in the last 12 months is slightly lower than the general population (65.4% vs 71.1%);
- The average length of stay for gay travellers (7.6 nights) is less than the total travelling population (8.2 nights); and
- Spend per night is higher for gay travellers at \$147 per person per night
- Gay travellers are 50% more likely to book holidays via the Internet

Results are based on interviewing conducted in the 12 months ending September 2006 with a random sample of 23,049 Australians aged 18 years or over. 'Travellers' are defined as those who have travelled for leisure purposes in the last 12 months.

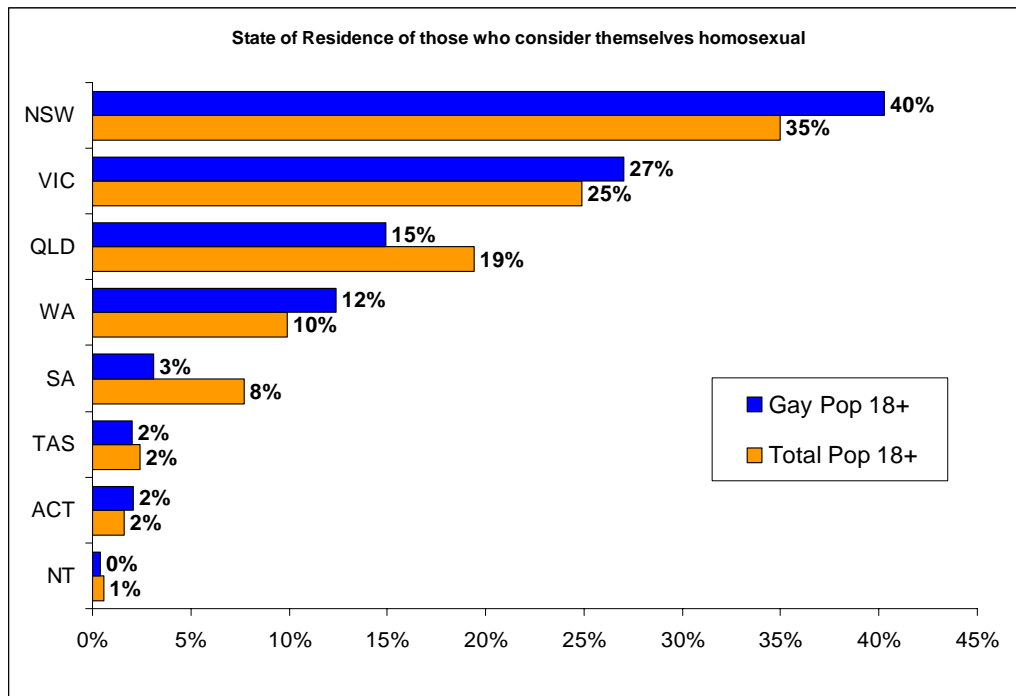


The Gay Population

According to Roy Morgan Single Source, 2.4% of Australians aged 18 or over, or 370,000 people, consider themselves to be gay. The majority of gay Australians live in major cities.

Perhaps not surprisingly, more people in Sydney (98,000 people or 26.4%) consider themselves to be homosexual than in Melbourne (74,000 people or 20%). Melbourne and Sydney combined account for slightly less than half (46.4%) of gay Australians. When country areas are included, Victoria and New South Wales account for approximately two-thirds (67.3%) of gay Australians.

TABLE 1



Contrary to some thinking, gay people do not actually travel more than the overall Australian population.

Of the 2.4% of Australians who consider themselves as homosexual, 65.4% took at least one leisure trip of one or more nights in the last 12 months, compared with 71.1% of all Australians. The average number of leisure trips taken in a 12-month period is very similar for both groups (an average of 4.5 of total travellers and 4.3 for gay travellers).

Gay travellers spend more per night, but stay for less time.

In terms of market potential, how do gay travellers compare with other segments considered ‘niche’ within the tourism sector? The following table compares key market size and spend data of gay travellers to a selection of other niche travel segments:

TABLE 2

SPEND AND SEGMENT SIZE					
Special Interest Group	Total Travelled in Last 12 months ('000)	Ave No of Nights on Last Trip	Cost per person per night (\$)	Ave No of Trips in Last 12 months	Estimated Total Segment Yield (\$M)
Total Tourists	11,114	8.2	\$137.04	4.5	\$46,236
Caravan and Campervan Tourist	562	15.3	\$ 92.62	5.8	\$ 2,585
60+ Tourists	2,293	11.1	\$128.45	4.8	\$13,338
Gay Tourists	242	7.6	\$147.29	4.3	\$ 965

Source: Roy Morgan Single Source Australia. Base: Population 18+

Compared with other traveller groups, the gay travel market is not a large number of travellers; and in terms of overall trip spend per person it is actually the lowest of the groups. However gay travellers spend the most per person per night (\$147) demonstrating high yield opportunity if persuaded to stay longer.

The challenge for marketers and tour operators is to present an appealing message for what they offer the holiday maker early in the planning process. This would provide gay travellers with the opportunity to engage with the destination and potentially lengthen their leisure trip and in turn generate greater yield.



Gay travellers favour interstate destinations.

Gay travellers are more likely than the total travelling population to holiday outside of their state/territory. Amongst gay travellers, 39% included an interstate destination on their last trip compared with 33% of the total travelling population.

Gay Travellers are more likely to be intending to travel overseas. Gay travellers also indicate a greater likelihood of intention to travel interstate, as indicated by a proportionately higher level of intended visitation to interstate destinations compared with the total travelling population, as seen in Table 3 below.

TABLE 3

VISITATION PATTERNS						
	Places Visited - Last Trip			Places Intend to Visit - Next Trip		
	Total Travellers	Gay Travellers	% difference	Total Travellers	Gay Travellers	% difference
Intrastate Destinations	57%	51%	-6%	53%	45%	-8%
Interstate Destinations	33%	39%	6%	30%	35%	5%
Total Australian Destinations	86%	86%	0%	77%	76%	-1%
Overseas Destinations	12%	11%	-1%	8%	10%	2%

Note: Total Travellers is based on those who have been on a holiday of 1 or more nights in the past 12 months. Trips may include destinations from more than one category.
Source: Roy Morgan Single Source Australia. Base: Population 18+.

This greater attraction to cities and overseas destinations is reflected in the difference in holiday attitudes endorsed by gay travellers compared with the total travelling population:

- *“I prefer the bright lights and big cities when I travel”* –**2** times as likely to agree
- *“I like to take my holidays away from crowds”* –**1.2** times as likely to *dis* agree
- *“It only feels like a holiday if I leave Australia”* - gay travellers are **2.8** times more likely than total travellers to agree

Destinations of interest to gay travellers also include mountainous and coastal regions. Destinations they are more likely to be intending to travel to on their next trip include:

- Far North Coast, Byron Bay, Tweed Heads, Lismore, Grafton, etc: (7% index 167)
- Cairns, Atherton Tableland: (6% index 179)
- Mornington Peninsula, Portsea, Flinders, etc: (5% index 201)
- Blue Mountains, Katoomba, Lithgow, etc: (5% index 178)

Gay travellers are more likely to seek an eco-friendly tourism experience.

Over one quarter (26%) of gay travellers agree they would like their next holiday to be "a total ecotourism experience", compared with only 18% of the total population. This makes them an important target market for tourism operators and suppliers of specialist eco friendly tourism products and services.

- “I avoid staying at accommodation that does not have genuine environmental policies” – **1.5** times as likely to agree
- “For my next holiday, I'd really like a total ecotourism experience” – **1.4** times as likely to agree

Gay travellers are more likely to organise holidays for themselves and for others.

Over 76% of gay travellers agree they “usually book and arrange all my holiday travel details myself” compared with only 70% of the total population. Gay travellers are also 50% more likely to book part of their holiday over the Internet (28%) compared to total travellers (18%), this includes booking through websites and via e-mail. This makes them an important target market for online and direct booking agencies, as Table 4 indicates:

TABLE 4

INFORMATION and BOOKING SOURCES USED FOR LAST TRIP			
Booking Source Used	Total Travellers	Gay Travellers	% difference
Travel Agent	14%	13%	-1%
Online only travel booking company (e.g Zuji, Wotif.com)	4%	8%	4%
Airline	9%	16%	7%
Booked accommodation directly	26%	25%	-1%
Information Sources			
Travel Agent	11%	9%	-1%
Total Friends or Family	20%	25%	5%
Internet	19%	24%	6%
Total had help in choosing destination of last trip	62%	63%	1%

Note: Based on last trip by Australians in the last 12 months, Population 18+
Source: Roy Morgan Single Source Australia

So, what types of media do Gay travellers consume?

So how do we reach the Gay traveller segment?

Nearly all gay travellers (97%) watch television, and what's more, they react positively to advertising from this medium with 26.1% of gay travellers agreeing that they find TV advertising interesting and 31.7% saying that TV advertising often gives them something to talk about.

There is little difference between gay travellers and total travellers in the consumption of the different commercial stations, however there are some television shows that are heavily consumed by the gay population.

There is a skew to gay travellers watching SBS (47% of gay travellers versus 38% of total travellers). This is to a degree driven by sports on SBS, that is, the FIFA Soccer World and Ashes Cricket Test from England in November of 2005. Channel 10 also saw a slight skew (74% of gay travellers versus 69% of total travellers), mainly based on the popularity of reality television shows like Big Brother and Australian Idol being watched by the Gay Traveller group.

Internet usage is higher amongst gay travellers compared with total travellers. Gay travellers are twice as likely to have been to a shopping website in the last 4 weeks (12% cf 6%), or Chat and Messaging sites (26% cf 15%) in the last 4 weeks compared to that of total travellers.

Gay travellers are also heavier consumers of cinema advertising, with 36% having been to the cinema in the last 4 weeks compared with 29% of the total travelling population.

Table 5 overleaf highlights media consumption by TV channel and genre of the gay traveller compared to total travellers:



TABLE 5

TELEVISION VIEWING		
TV Channel	Total Travellers	Gay Travellers
ABC programs	60%	58%
Ch 7 programs	76%	72%
Ch 9 programs	79%	74%
Ch 10 programs	69%	74%
SBS programs	38%	47%
TV Genre		
TV News	82%	77%
TV Current Affairs	47%	41%
TV Entertainment (Incl. Reality TV)	58%	58%
TV Documentaries	37%	37%
TV Chat	22%	25%
TV Quiz/ Game Show	37%	36%
TV Soaps	24%	28%
TV Dramas	67%	68%
TV Comedies	41%	48%
TV Sci-fi	6%	11%
TV Sport	54%	46%
TV Business	3%	3%
TV Home/ Lifestyle/ Travel	40%	36%

Note: Total Travellers is based on those who have been on a holiday of 1 or more nights in the past 12 months
Source: Roy Morgan Single Source Australia Base: Population 18+.