Industry Research and Insights Update

COVID-19 tourism industry recovery insights | Tourism Tasmania

October 2021

This report summarises consumer, market and industry insights alongside accommodation demand data, providing a snapshot of the current COVID-19 recovery scenario for Tasmania's visitor economy.

Cover image: Pieman River, Rob Mulally

Recovery Update

COVID-19 recovery tracking insights | Tourism Tasmania
October 2021

Industry update

Tourism Tasmania is actively tracking the recovery of the tourism and hospitality industry, with regular updates through T21 visitor economy strategy and the industry recovery portal. This report focuses on industry recovery by providing a view forward through consumer and industry insights, and data.

Travel sentiment sharply impacted by outbreaks

Latest insights are from mid-August, including impacts from the Brisbane, Sydney and Melbourne outbreaks.

Following sharp declines in July and August, national travel sentiment is showing signs of recovery in September. Talk of re-opening roadmaps may be supporting this positive shift. (September 15-17 2021, TA).

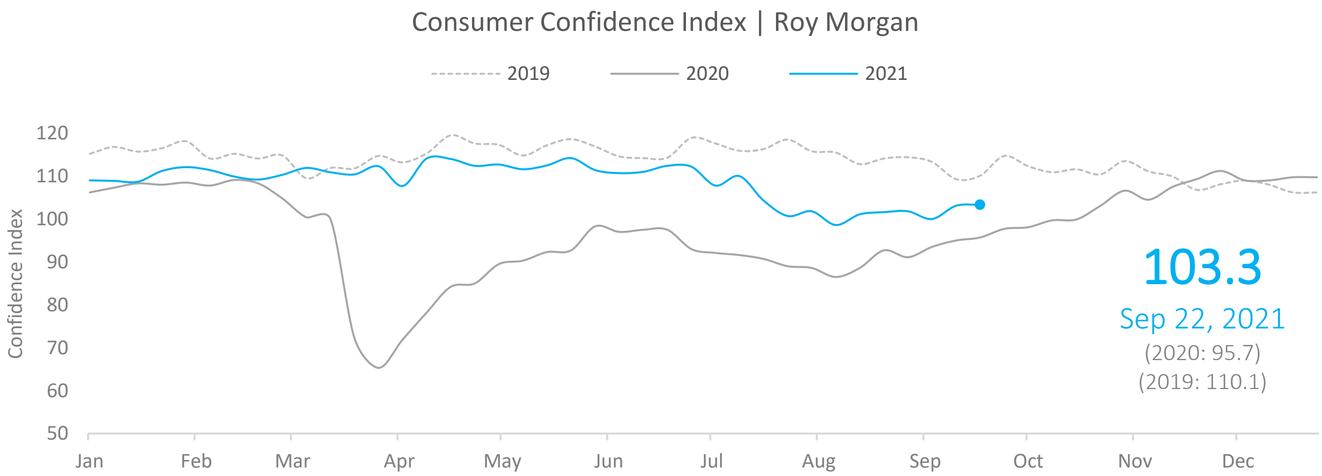
Tasmania's brand health maintained

Tasmania's brand health has held its position in the market, with more Australians continuing to move back into the 'active' stages of holiday planning. However, the lockdowns in NSW and VIC were only just beginning during the survey period, so it should be expected that the improvement in those 'active' in the planning process may slow in the next report. (TIM, Jun '21).

Consumer Confidence Index

The ANZ-Roy Morgan Consumer Confidence Index provides a measurement of Australians' overall confidence across key indicators including personal finance, the national economy, and timing of major purchases.

Following a relatively stable period of Consumer Confidence until late June, the recent outbreaks and lockdowns in Sydney and Melbourne has seen the Consumer Confidence index remain below 2019 levels. Consumer Confidence has recently stabilised around the neutral (100) level.



COVID-19 Accommodation Forward Bookings

Tourism Tasmania measures a range of metrics of visitation into the state and across the visitor economy. This has traditionally been predominantly an historical insight, for example through the Tasmanian Visitor Survey, National Visitor Survey and International Visitor Survey.

Accommodation demand is a key indicator of industry and community recovery, and Tourism Tasmania has engaged and worked closely with two providers to deliver meaningful data that broadly represents the range of operators in Tasmania's accommodation sector.

+ STR: Hotels, motels and other commercial accommodation with more than three rooms.
  Forward data focuses on occupancy per cent rates.
+ AirDNA: Short-stay accommodation, such as Airbnbs.
  Forward data includes in this report focuses on demand (booked nights currently in the system).

Hotel, motel, lodges etc

Tourism Tasmania has worked with STR to increase the representation of Tasmanian operators in this platform, which now enables a view of forward occupancy rates. This view is currently available for the Hobart area, with Launceston progressing as more operators participate. The forward occupancy below is representative of the Hobart commercial accommodation market, taking into account operator size, rating, brand affiliation and rates.

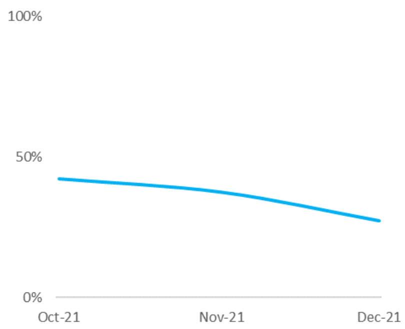
While uncertainty of travel remains in travellers' minds, both NSW and VIC are likely to emerge from lockdowns in this forward-looking period. There is relatively stable demand for the next three months, while weekends remain clear peaks over the next few months and occupancy dips just before the Christmas and New Year holiday period.

Help us improve this data

Providers of hotel, motel, lodge and similar accommodation are invited to join the free STR program to help us monitor this important sector. Please contact Tom tchappel@str.com to access your own bespoke complimentary report and contribute anonymously to industry insights and monitoring.

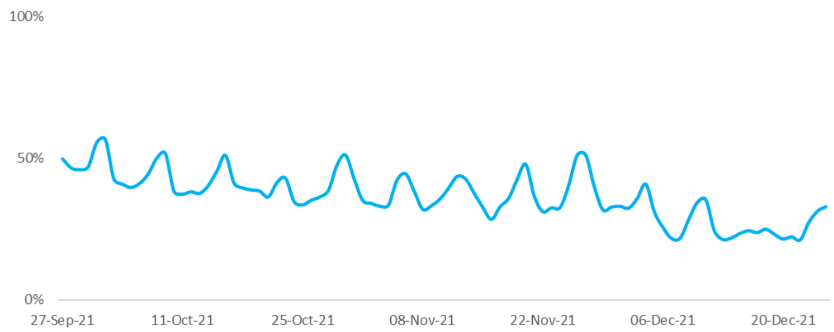
Hobart area occupancy on the books | at 27 September 2021

Next 3 months



Source: 2021 STR, Inc. / STR Global, Ltd. trading as STR.

Next 90 days

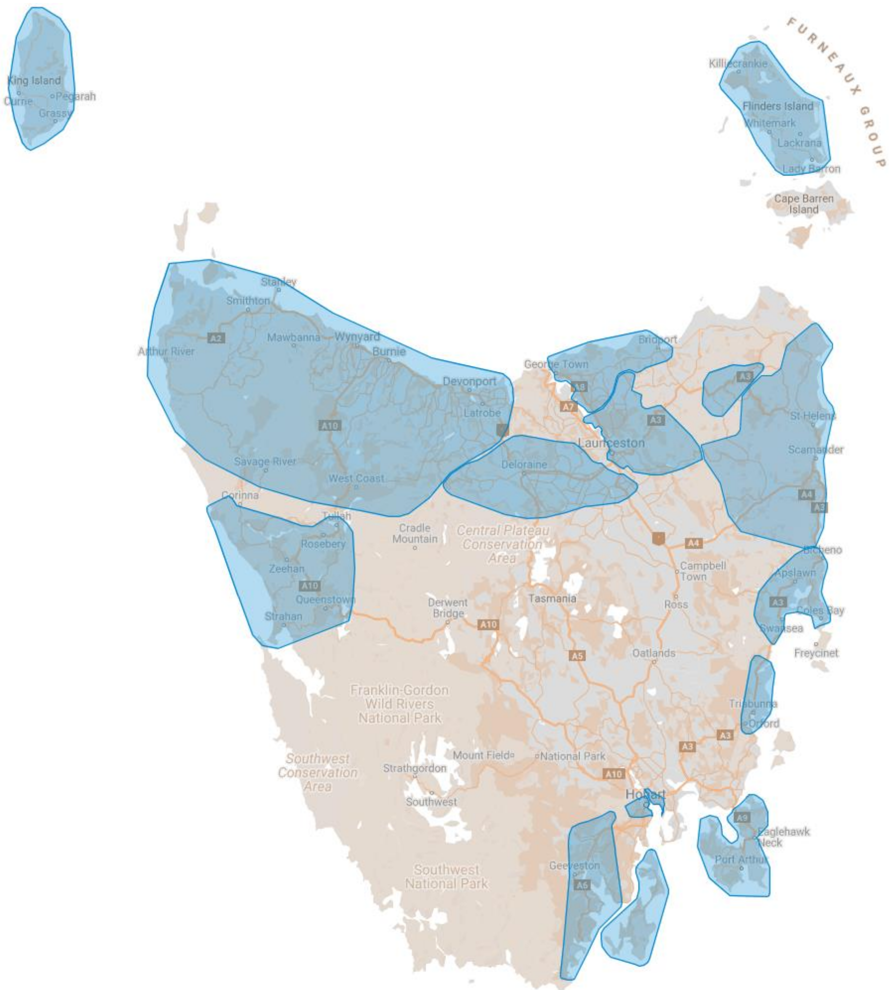


The fluctuating line highlights demand for weekend versus weekday stays.

Short stay accommodation forward bookings

The AirDNA short-stay accommodation **forward demand** (booked nights) data provides insight into this sector of the industry at a state level plus Hobart, Launceston, and regional zones, for the next 12 weeks. The zones have been created to represent a range of urban and regional areas in the state on Airbnb and VRBO; the state level includes all 'entire places' listed in Tasmania in the period.

Hobart Hobart City Council	**Launceston** Launceston City Council	**West Coast** West Coast Council	**Bruny Island** North & South Bruny
Tasman Peninsula Tasman Council	**Huon - Far South** Huon Valley Council	**King Island** King Island Council	**Flinders Island** Flinders Council
Derby Derby, Branxholm, Ringarooma, Pioneer	**Eastern Shore (Hobart)** Geilston Bay to Tranmere, Mornington	**Orford** Orford, Spring Beach, Triabunna, Little Swanport	**Freycinet** Coles Bay, Swanwick, Bicheno, Swansea
North West 7 LGAs: Circular Head, Waratah-Wynyard, Burnie, Devonport, Central Coast, Kentish and Latrobe	**North East Coast** Bay of Fires, St Helens, Welborough, Douglas River	**East Tamar – Bridport** George Town Council, Bridport	**Deloraine – Evandale** Deloraine, Mole Creek, Westbury, Evandale



The table below provides a comparison of demand for the next three months, compared to the same time last year and two years ago. Additionally, the last three columns allow comparison of share of the total state demand (booked nights) by region, highlighting the impacts to city and urban stays in as Tasmanians looked for regional escapes.

AirDNA | Demand (booked nights) in the **next 3 months** | 27 September to 13 December 2021

	This year	Last year	% change	Two years ago	% change	% share of state demand for this period in: 2021	2020	2019
Tasmania	**76,288**	50,507	**51%**	90,201	-15%			
Hobart	**12,240**	5,630	117%	23,977	-49%	**16.0%**	11.1%	26.6%
Launceston	**4,963**	3,504	42%	9,197	-46%	**6.5%**	6.9%	10.2%
King Island	**764**	566	35%	527	45%	**1.0%**	1.1%	0.6%
Flinders Island	**987**	810	22%	355	178%	**1.3%**	1.6%	0.4%
East Tamar-Bridport	**1,994**	1,498	33%	1,558	28%	**2.6%**	3.0%	1.7%
Deloraine-Evandale	**2,046**	1,204	70%	1,996	3%	**2.7%**	2.4%	2.2%
Derby	**2,393**	1,205	99%	1,735	38%	**3.1%**	2.4%	1.9%
Orford	**1,521**	1,438	6%	1,105	38%	**2.0%**	2.8%	1.2%
Tasman Peninsula	**2,486**	1,560	59%	2,172	14%	**3.3%**	3.1%	2.4%
Bruny Island	**4,773**	3,498	36%	3,194	49%	**6.3%**	6.9%	3.5%
Huon-Far South	**3,112**	2,364	32%	2,908	7%	**4.1%**	4.7%	3.2%
Eastern Shore (Hobart)	**1,421**	934	52%	3,440	-59%	**1.9%**	1.8%	3.8%
Freycinet	**10,082**	5,948	70%	7,609	33%	**13.2%**	11.8%	8.4%
NE Coast	**5,774**	4,967	16%	3,858	50%	**7.6%**	9.8%	4.3%
West Coast	**2,389**	1,494	60%	1,830	31%	**3.1%**	3.0%	2.0%
North West	**7,610**	5,784	32%	7,909	-4%	**10.0%**	11.5%	8.8%

The charts on the following pages provide a view forward over the coming 12 weeks, based on bookings as at the week commencing August 30, 2021. The data refers to properties listed as 'entire places', where guests have the whole home/property to themselves (approximately 85% of listed properties in Tasmania).

Each chart also shows bookings relative to the above date, that were in place as of:

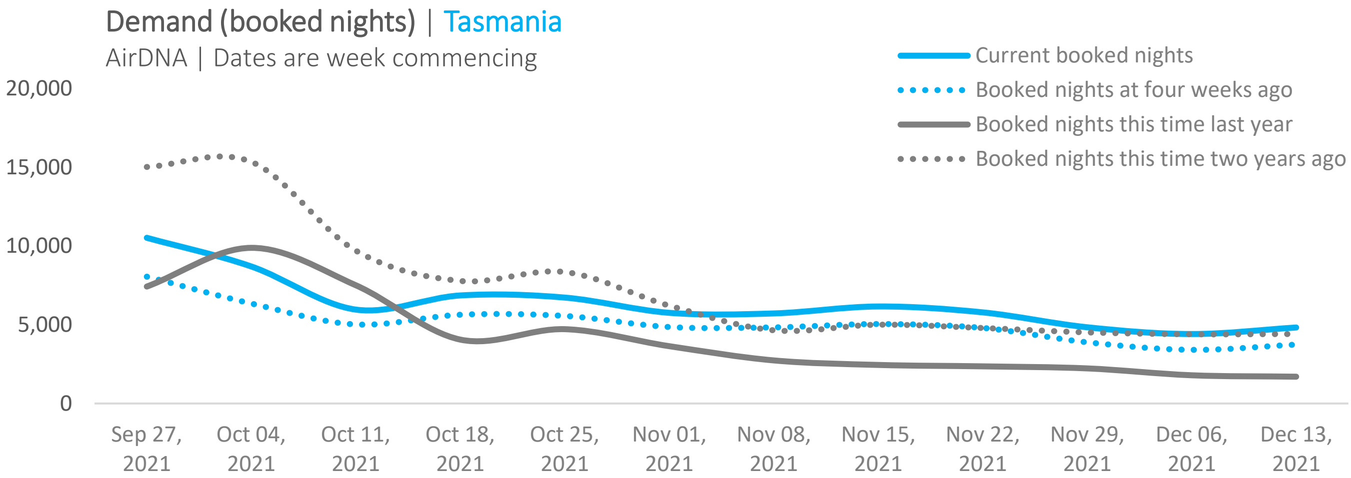
+ **Current demand** | Solid blue line. Booked nights in the system as of the start date.
+ **Last year** | Solid grey line. This refers to the same month in 2020.
+ **Two years ago** | Dotted grey line. This refers to the same month in 2019.

Tasmania | Short-stay accommodation

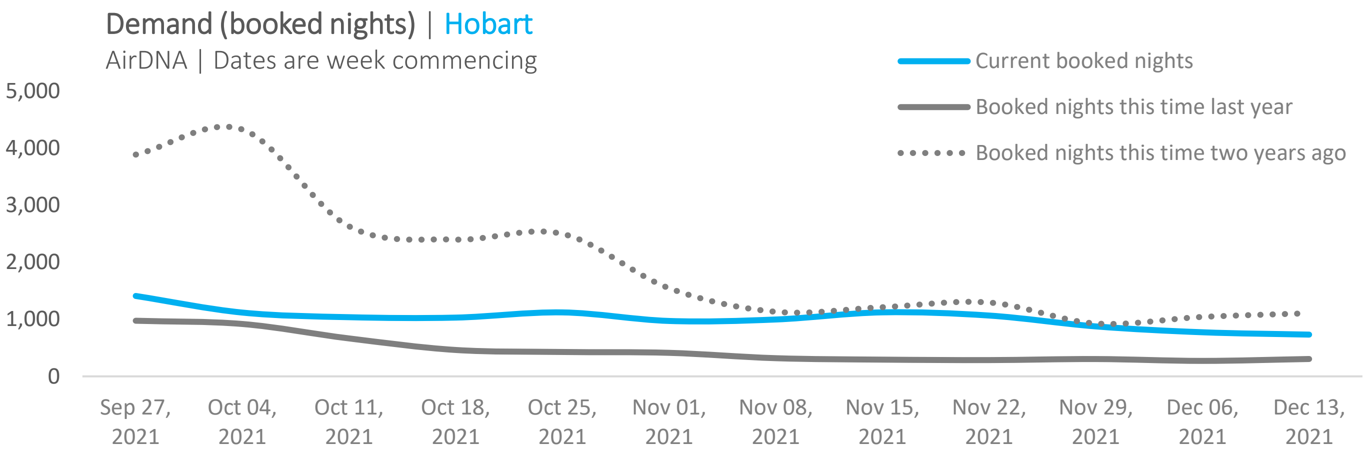
At the state level, demand appears to be holding up remarkably well, with the next three months demand 15% behind where it was at this time in 2019, and 51% above this time in 2020 (interstate borders were still closed this this time). The first week in the charts takes in the last week of the Tasmanian school holidays, and while demand is still strongest in regional areas, Hobart and Launceston are now well below 2019 levels.

Looking further into the period, overall forward demand (booked nights) for short-stay accommodation (solid blue line) is indicating improvements from not only last years' travel-restricted period (solid grey line), but also against the booked nights that were in the system at this time in 2019 (grey dotted line). The shortened booking window trends continues to impact forward bookings; positively over the past four weeks (dotted blue line), however does give a weaker impression looking forward until those bookings are made.

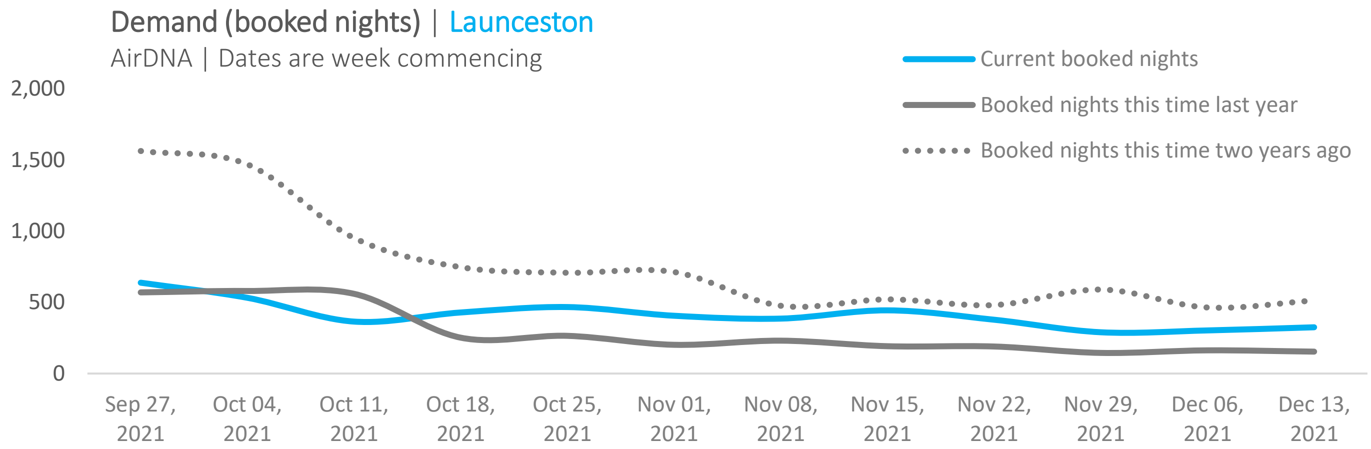
At this time last year, Tasmanians were able to enjoy unrestricted intrastate travel, and interstate travel had not resumed.



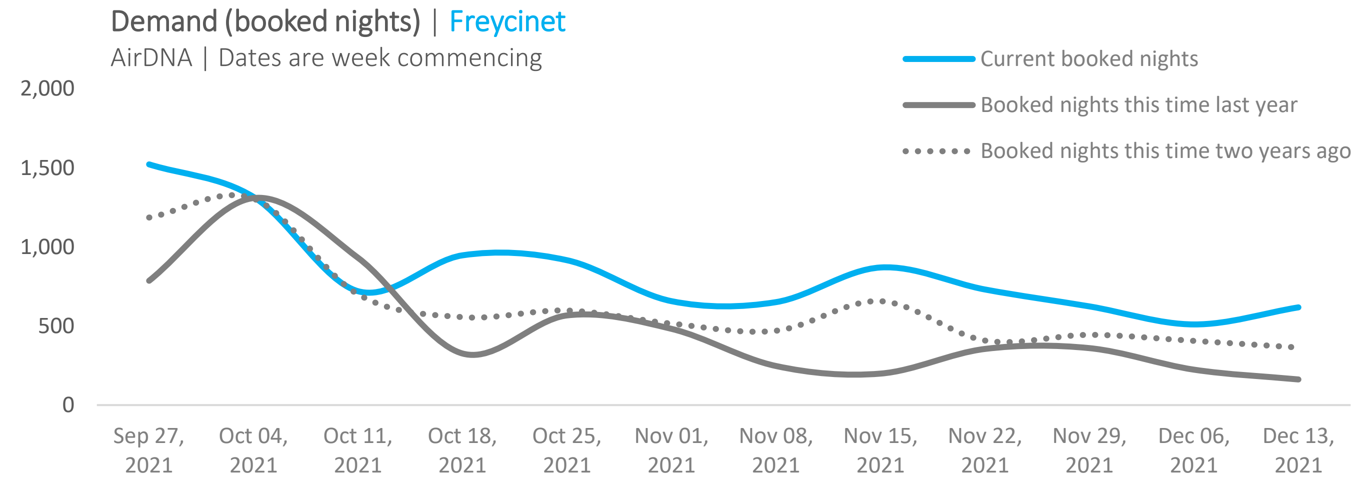
Hobart | Short-stay accommodation



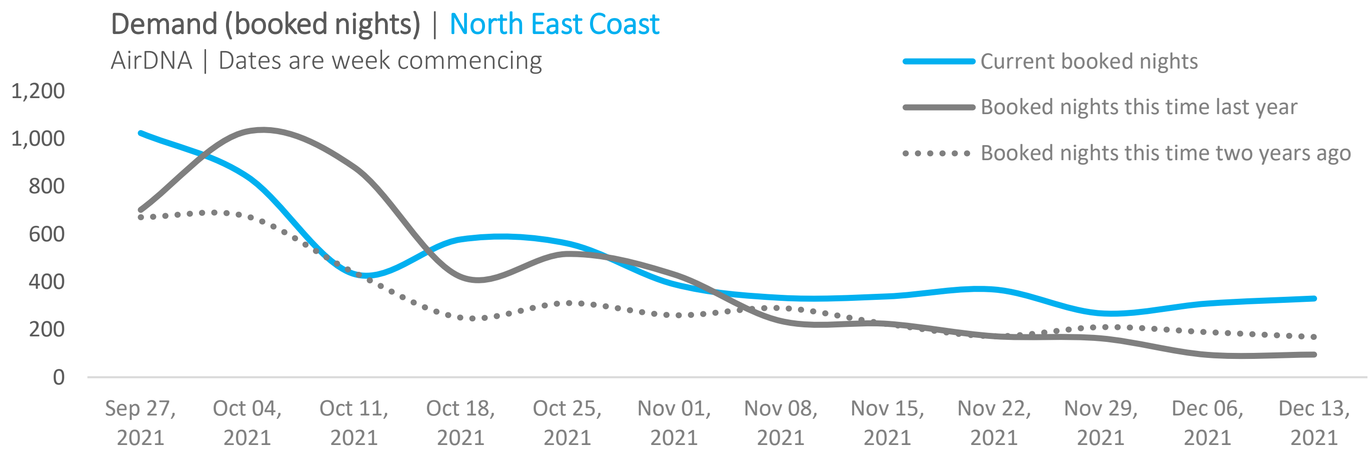
Launceston | Short-stay accommodation



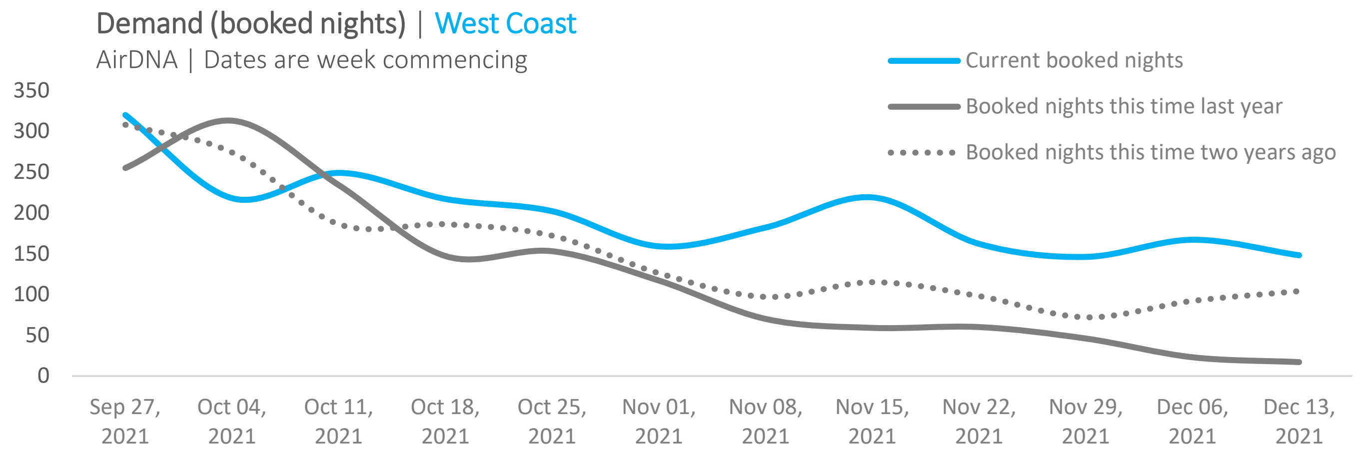
Freycinet | Short-stay accommodation



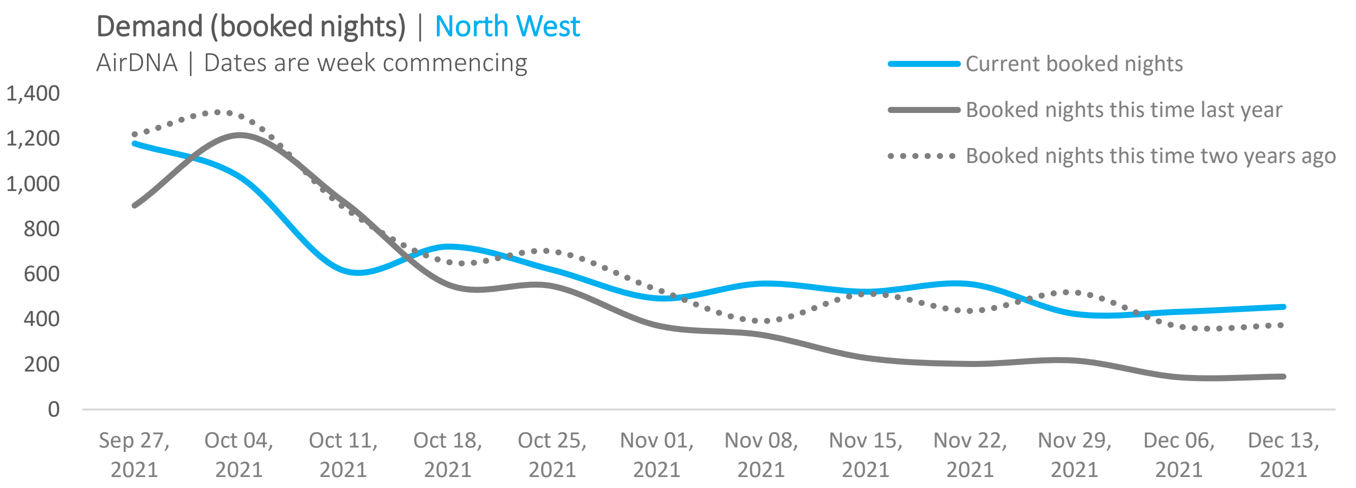
North East Coast | Short-stay accommodation



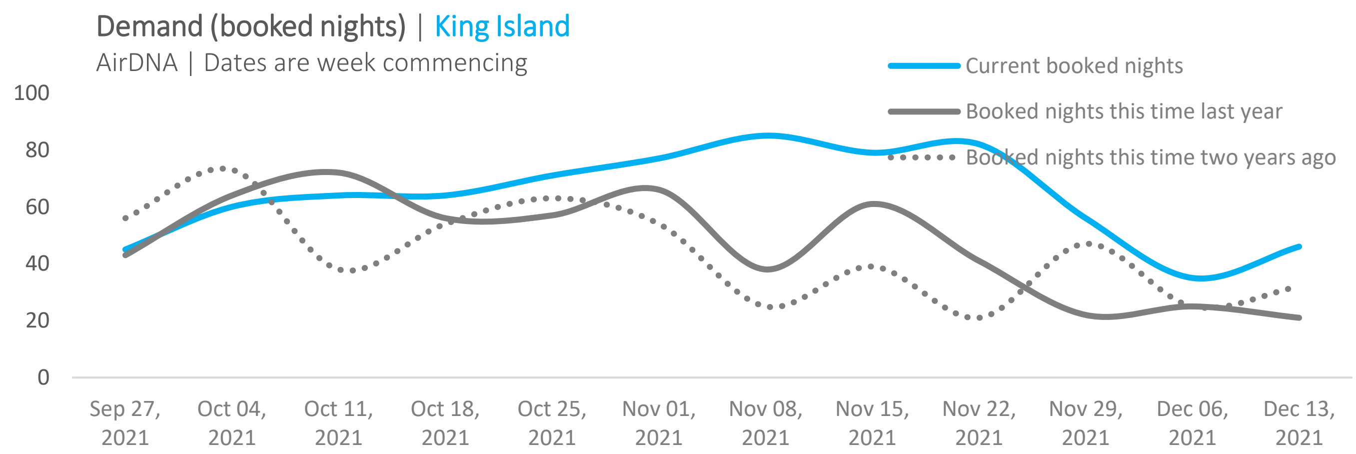
West Coast | Short-stay accommodation



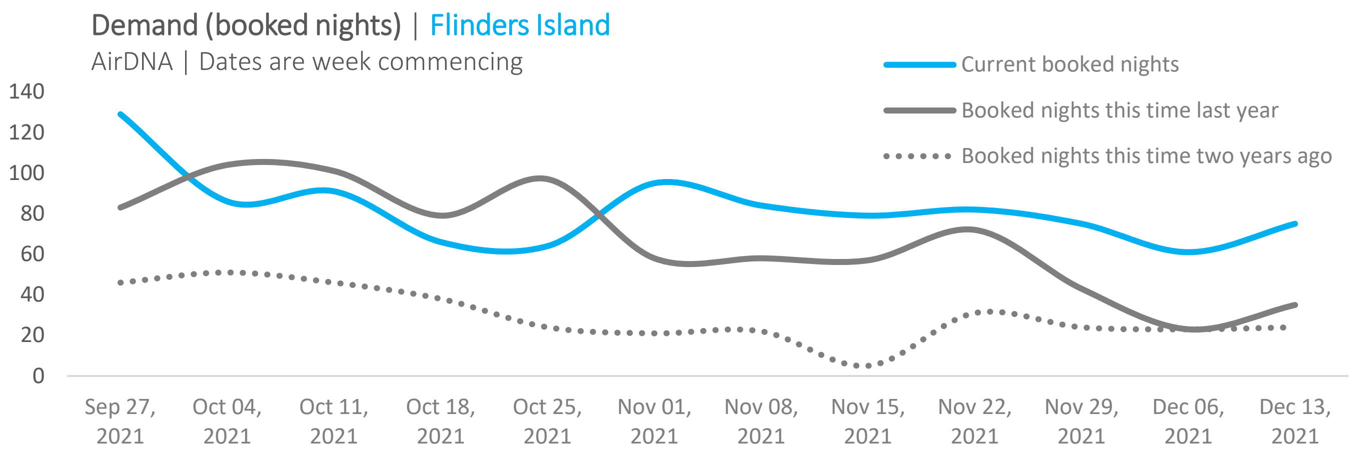
North West | Short-stay accommodation



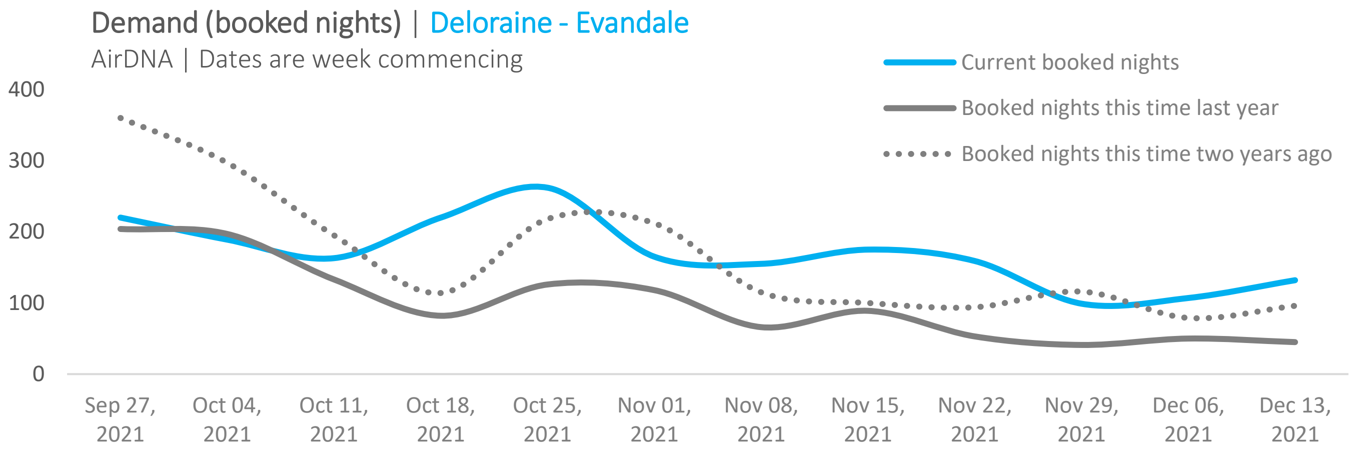
King Island | Short-stay accommodation



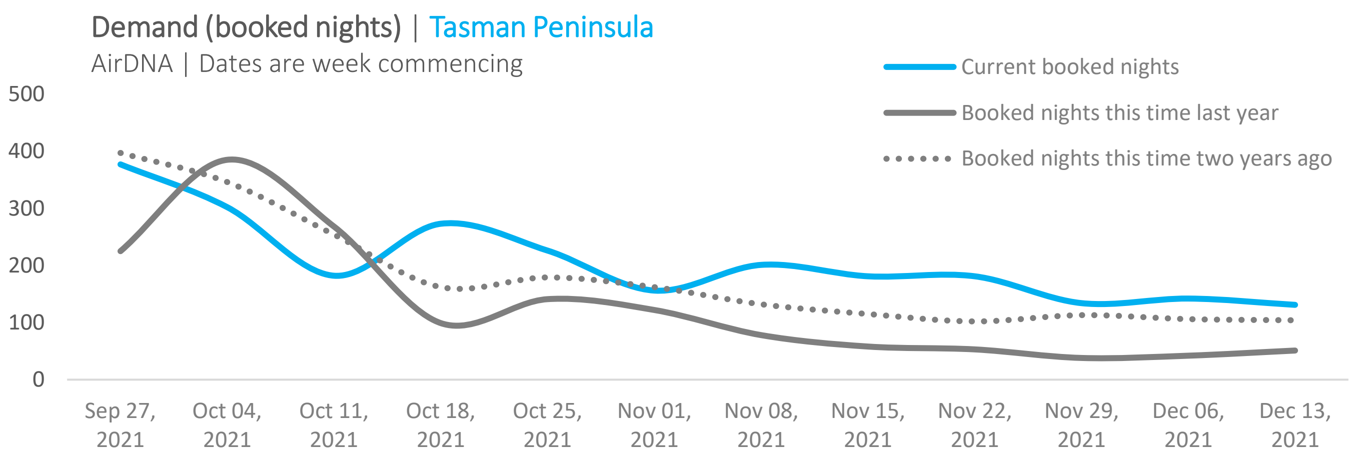
Flinders Island | Short-stay accommodation



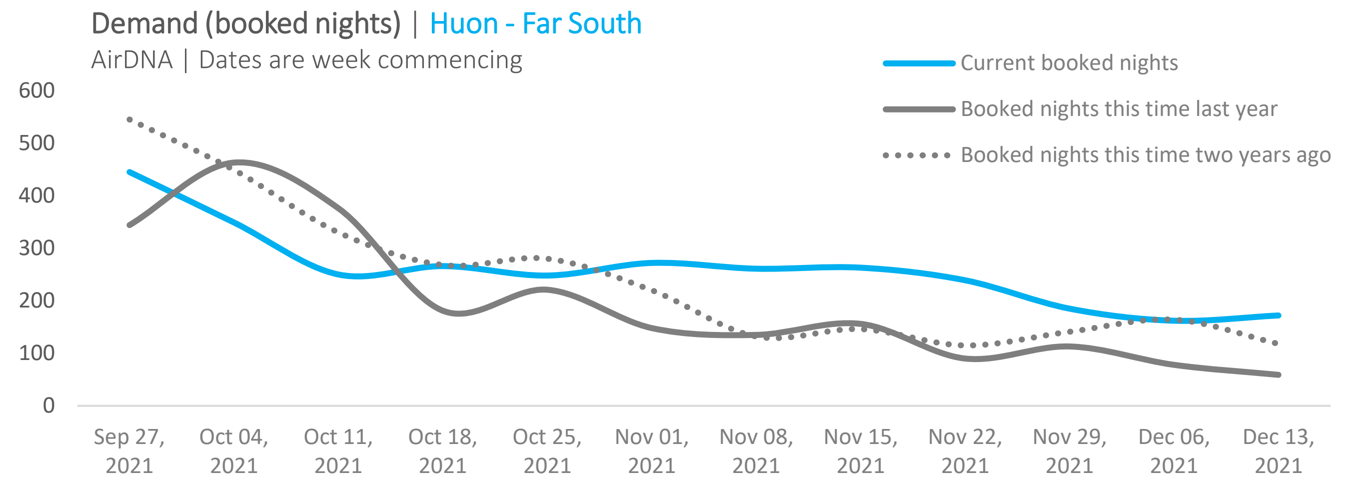
Deloraine – Evandale | Short-stay accommodation



Tasman Peninsula | Short-stay accommodation



Huon – Far South | Short-stay accommodation



Eastern Shore (Hobart) | Short-stay accommodation