

CEO Commentary

Tasmanian Tourism Snapshot for the year ending March 2016



What a marvellous March quarter we must have just had to keep our visitor numbers so well on track towards the industry and government's 1.5 million visitor target.

These latest visitor figures also deliver some history-making results. In my last commentary, we were in the midst of our autumn marketing push and I reported that we were seeing very positive results from the campaign. At the time, I hoped we would nail a couple of significant milestones for the state's visitor economy when these figures were published....and I'm really pleased to report that we have!

Firstly, our figures for the 12 months to March 2016 show that we passed the \$2 billion annual visitor spend milestone for the first time in history. This is a huge achievement for the state's visitor economy, and it means substantially more dollars are being spent in Tasmania on accommodation, attractions, tours, petrol and a range of other goods and services. With statistics showing that somewhere around two thirds of all visitor nights are being spent outside Hobart, this extra spending must be benefitting our regional communities.

But that's not the only significant milestone we have reached. The latest Tasmanian Tourism Snapshot shows that we also passed one million interstate visitors for the first time in the state's tourism history. It shows that Tassie's popularity amongst Australian travellers has risen over the years, and our TIM surveys continue to show that there is potential to see visitor numbers from the big island continue to grow in the coming years.

Of course, we should not lose sight of the fact that during the 12 months to March 2016, we also saw another record total number of visitors coming to Tasmania on scheduled air and sea services. And in relation to international visitors, the latest figures from the International Visitor Survey for the same period show that we also attracted 215 600 international visitors.

This is the highest number of international visitors we've ever recorded and nine per cent more than the same period a year ago. It's great to see a number of markets are performing well and helping to push our international figures up.

On another very positive note, the latest Tasmanian Visitor Survey (TVS) figures also show the volume of holiday, VFR (visiting friends and relatives), business and business event travellers coming to the state have all grown, so we are seeing all travel sectors contributing to our progress towards the 1.5 million visitors mark.

This would not be possible without the support of our air and sea access partners. The airlines and Spirit of Tasmania have continued to play their part with more flights and extra sailings being scheduled to Tasmania. Our visitors clearly are taking up the opportunity, with the number of people travelling here by air passing the one million mark, and the Spirits of Tasmania seeing 17 per cent more visitors taking up the opportunity to travel here by sea than a year ago.

However to quote a well-used cliché, we can't rest on our laurels.

The state's Access 2020 Plan shows that we require around 140 000 more airline seats into and out of Tasmania every year until 2020 to ensure we can transport the growing number of visitors we want to attract. We have already achieved the extra seats for 2016, but obviously it cannot stop there.

And to accommodate these additional visitors, projections show we will also need more hotel rooms in Hobart and in our regions. Tasmania will also need to keep expanding its offer for our visitors, with more new experiences and events that get people talking about Tassie, create excitement and appeal, give people a reason to visit and give them something to share with others about their Tasmanian experience.

I know the industry and the government are very conscious of the need for more infrastructure and investment to support visitor growth and deliver more community benefits from the visitor economy. The Department of State Growth is already looking at workforce planning to support our future growth, and is working with the regional tourism organisations to create Destination Action Plans to identify and manage the visitor economy at a community level in Tasmania.

As I mentioned earlier, not all visitors coming to our state are here for a holiday. Some visitors come here for business reasons, others are here for education or employment, and some are coming to visit friends and relatives living here or simply to attend an event.

Other agencies and organisations in Tasmania already focus on business, events and attracting students to the state, so rather than duplicate resources and effort, Tourism Tasmania is concentrating on growing demand for travel to Tasmania from the leisure visitor segment. Leisure visitors are people travelling here for a holiday or to visit friends or relatives, and together they account for around 73 per cent of all the visitors to the state.

Tourism Tasmania's target represents a large portion of the 1.5 million annual visitor goal, but not the entire 1.5 million. As a result, we have projected leisure visitor numbers to 2020 based on Tassie's past performance and aim to increase the number of leisure visitors coming here in 2020 from interstate and overseas markets to around 250,000 more than we currently do.

The good news is that the current prognosis for future leisure demand is positive, with market surveys showing Tasmania continues to have high appeal, is highly recommended by our visitors, and the volume of people saying they are considering a trip to Tasmania for leisure has not diminished.

With the current accommodation and access supply challenge in mind, especially during our peak and shoulder seasons, we have been conducting a six-week winter promotion during May and June to inspire people to visit Tasmania for one of the state's major winter cultural and AFL events.

We will also be starting our spring campaign earlier this year, with the aim of stimulating leisure travel to Tasmania prior to the busier late spring and summer seasons. Normally, our spring campaign starts in mid-late August but this year it will commence much earlier, and like our last two campaigns, it will use the popular and engaging video stories about local characters throughout our regions to create interest about our state.

It is an exciting time right now for our visitor economy, and with our access partners putting on more services and our destination and partner marketing campaigns generating more business for the state, I'm confident we will continue to see even more visitors in the coming year. So I hope everyone in this important industry finds a little time over winter to recharge their batteries before business ramps up again in earnest this coming season.

John Fitzgerald
CEO, Tourism Tasmania