

CEO Commentary

Tasmanian Tourism Snapshot for the year ending December 2017



The latest set of results from the Tasmanian Tourism Snapshot for the 2017 calendar year reveal much to be optimistic about with total visitor spending in Tasmania reaching a record \$2.32 billion. Strong international visitor numbers see us leading the nation in growth from overseas travellers.

The figures reveal that for the year ending December 2017, total visitors were 1.26 million, up 2% from the previous year. The average length of stay decreased by 1 per cent, but total spending increased by 8 per cent and average spend per night increased by 7 per cent.

All Tasmanian regions experienced growth in total visitor numbers during the year to December 2017, with the North and East Coast regions increasing their share of visitors with their regional growth rate higher than the overall rate of visitor growth to the state.

Interestingly, the visitor numbers indicate there was strong growth in the first three quarters of 2017 with a slowdown of 6 per cent in the fourth quarter. This had the effect of softening the overall growth rate for the year. The fourth quarter figures indicate a decline both in the Victorian market and in travellers visiting friends and relatives (VFR) which appear to be the main contributors to the slowing visitor numbers for that quarter. While it is difficult to assess the cause or correlation of the softening, there is known sensitivity to pricing in the VFR market which may have impacted travel decisions during this period.

The introduction of direct flights between Adelaide and Hobart in November 2017 has produced results with strong fourth quarter growth of 16 per cent from the South Australian market, contributing to 12 per cent growth for the year from that market. There was an 11 per cent increase from the Queensland market which may have been influenced by the new direct service between the Gold Coast and Hobart that commenced in December 2017.

The latest international results for Tasmania indicate we are firmly on the radar for overseas travellers with a record 279,000 international visitors reaching our shores in 2017. This represents an 18 per cent increase on the same period the previous year and is the highest rate of international growth of all Australian states and territories.

We are attracting strong visitation from our key international markets with the International Visitor Survey (IVS) indicating exceptional growth from China (up 60%), Canada (up 53%), Germany (up 45%) and the USA (up 33%). International visitors are an important market for

Tasmania, spending a record \$497 million last year with international leisure visitors staying an average 12.3 nights in the state compared to an average 8.6 nights for domestic leisure visitors.

Our refreshed international market approach was implemented last year to broaden the operational focus of our in-market managers to increase Tasmania's profile, brand awareness and generate more travel bookings.

Tourism Tasmania's long term target is to increase international leisure visitation as a proportion of the state's total visitor market which will help future proof the Tasmanian tourism industry and contribute to the T21 goals.

In other news, our first ever international TV campaign recently ran in the UK urging potential visitors to discover Australia's best kept secret. Our research tells us that February to May is the key booking period for UK travellers looking for their next big overseas holiday and with a rebound in consumer confidence, it has been the right time to reinvest in that market.

The 30 second television advertisement aired on the country's largest subscription TV platform, Sky TV, it ran over 1,900 times and reached 60 per cent of UK households. Our campaign microsite Traveltasmania.co.uk provided more information about Tassie experiences and our conversion partner was Flight Centre UK who had in-store promotions around the country and encouraged travel bookings.

Results from this campaign and other international marketing activities may take some time to reflect in visitor numbers, but with targeted, focussed and smarter approaches to engaging potential visitors we are hoping to increase the growth in the international market and attract more global visitors who are spoiled for choice.

The competition component of our summer advocacy program #TassieStyle will close on 15 April, but is already showing that there is a lot of love for our state from locals and tourists alike. The #TassieStyle hashtag has been used over 100,000 times since its inception and it's fantastic to see a campaign initiative gain so much reach in a relatively short period of time. And while it's not our official hashtag, #tasmania has also been tagged on over 2 million images on Instagram alone. This is a great result for our brand and a good demonstration of the strong reach of the destination #tasmania among social media users.

Things won't be slowing down for us anytime soon as we are working on finalising our next big domestic campaign and lots of other marketing activities. We will be getting out and about to update you on our program and engage with industry in the coming months. If you would like to get along to a session in your region, subscribe to our email newsletter Tourism Talk via www.tourismtasmania.com.au for all the updates.

Warm regards

John Fitzgerald
CEO, Tourism Tasmania

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