Industry Research and Insights Update

COVID-19 tourism industry recovery insights | Tourism Tasmania
April 2022

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
April 2022

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.

Domestic Travel sentiment

Latest national domestic travel insights are from mid-March 2022.

Nationally, travel sentiment has shifted in several ways over the past month, including an increasingly optimistic view about domestic travel, with those ‘considering’ and ‘keen to travel as soon as possible’ both increasing over the past month. However, financial concerns are now the biggest barrier to travel, overtaking concerns of COVID-19 (e.g., contracting the virus, travel restrictions impacting travel) (TA, 16-22 March 2022).

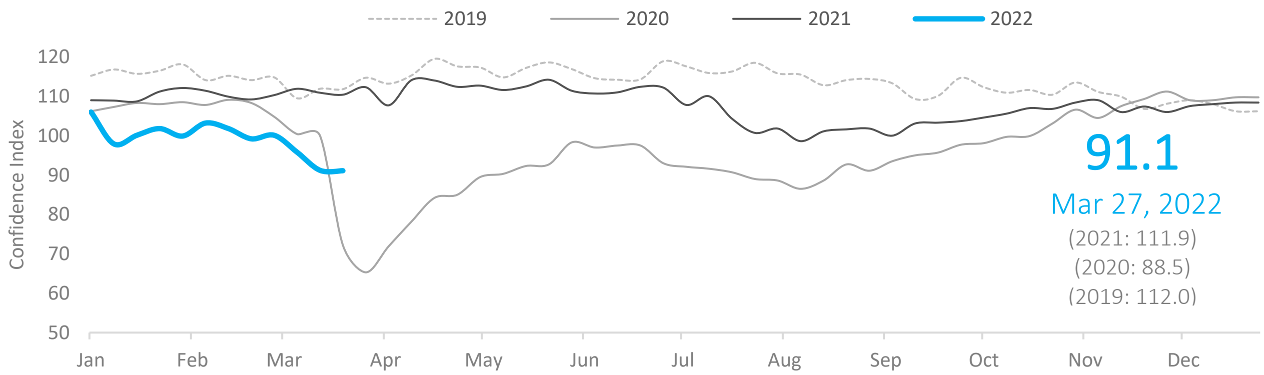
Tasmania’s brand health maintained

Tasmania continues to maintain its brand position, including perceptions of Tasmania as ‘meaningful’ and ‘different’. Key domestic markets being impacted by lockdowns in late 2021 affected the consumer journey, with planning and consideration of travel to Tasmania remaining stable. Those actively dreaming of a trip to Tasmania increased, in anticipation of experiencing unrestricted travel. Despite a slight decline in those ‘active’ in the planning stages, Tasmania remains comparable to competitor destinations (TIM, Dec ’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 outbreaks and lockdowns in New South Wales and Victoria from mid-2021, the Consumer Confidence index has steadily improved since states eased restrictions. The latest CC index is from late March 2022, tracking below the neutral level of 100. Consumer confidence decreased slightly this month in part due to the emergence of the new COVID-19 Omicron subvariant and increasing infections nationally, compounded by the rising cost of living, including elevated petrol prices and flow-on impacts on consumer goods and severe weather events.



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.

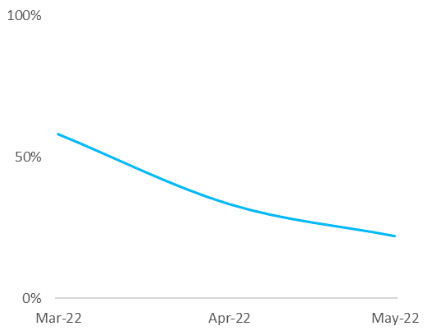
+ STR: Hotels, motels and other commercial accommodation with more than three rooms.
  Forward data focuses on occupancy per cent rates.
+ AirDNA: Short-stay accommodation, such as Airbnbs.
  Forward data includes in this report focuses on demand (booked nights currently in the system).

Hotel, motel, lodges etc

While uncertainty of travel remains in travellers' minds, all states and territories were able to travel to Tasmania from mid-December 2021. Demand was strong for the Christmas through New Year period, and into January 2022. February experienced a softening in bookings, in part as positive cases increased rapidly in multiple states, whilst school holidays concluded. The long-term view of forward bookings continues to reflect a dynamic period for bookings and consumer uncertainty, with this indicated in narrow booking windows. Occupancy over the two weekends around Easter are strong, followed by the pre-COVID-19 trend of softening into May. Bookings in mid-June coinciding with Dark Mofo are evident and have experienced pick-up in bookings over the past month. The forward occupancy below is representative of the Hobart commercial accommodation market, taking into account operator size, rating, brand affiliation and rates.

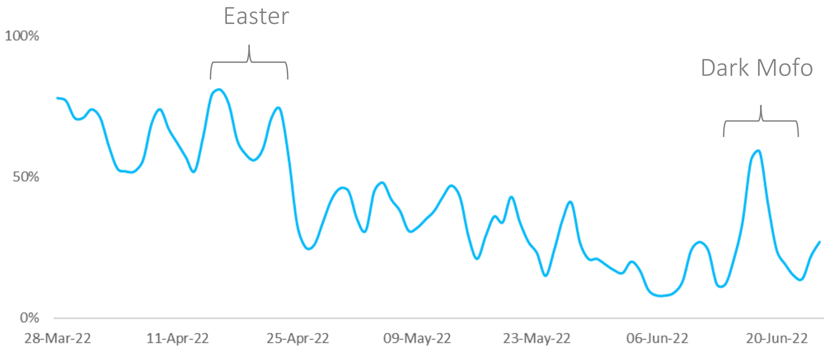
Hobart area occupancy on the books | at 28 March 2022

Next 3 months



Source: 2022 STR, Inc. / STR Global, Ltd. trading as STR.

Next 90 days



The fluctuating line highlights demand for weekend versus weekday stays.

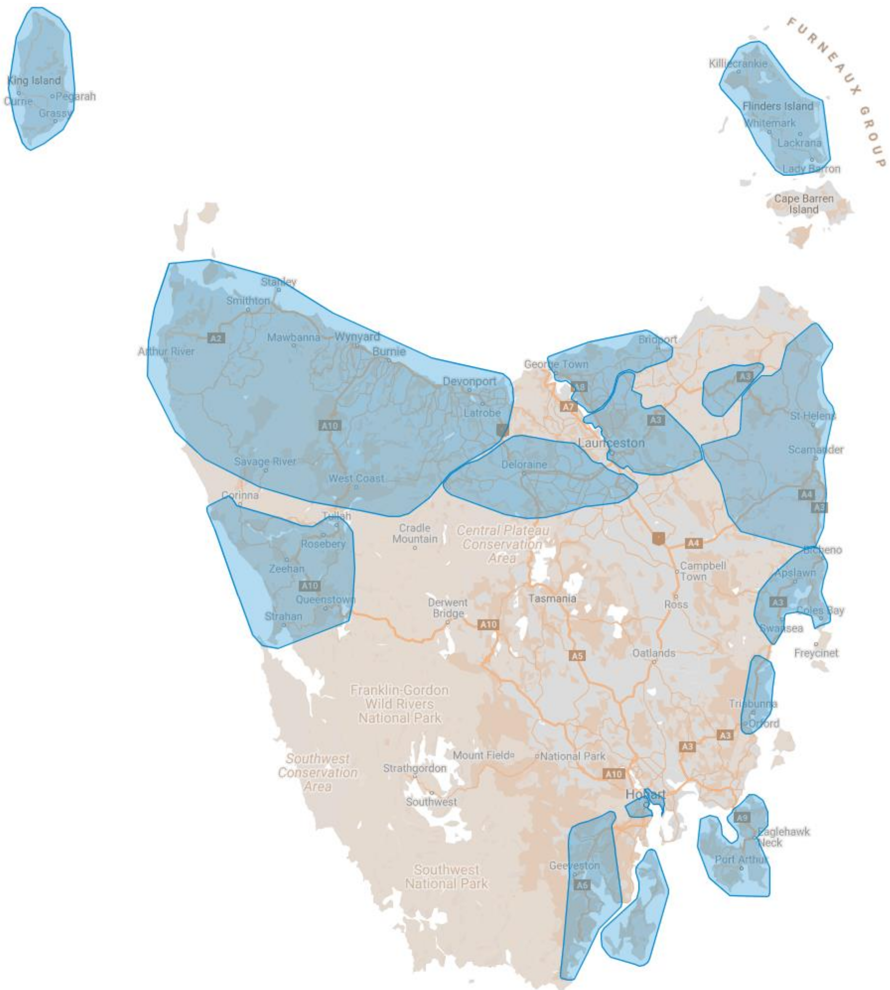
Help us improve this data

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.

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.

AirDNA | Demand (booked nights) in the **next 3 months** | 28 March 2022 to 13 June 2022

						% share of state demand for this period in:		
	This year	Last year (2021)	% change	Two years ago (2020)	% change	2022	2021	2020
Tasmania	**100,935**	77,679	30%	35,511	184%			
Hobart	**20,601**	15,470	33%	7,183	187%	20.4%	19.9%	20.2%
Launceston	**7,933**	6,525	22%	2,904	173%	7.9%	8.4%	8.2%
King Island	**787**	774	2%	423	86%	0.8%	1.0%	1.2%
Flinders Island	**1,095**	1,008	9%	204	437%	1.1%	1.3%	0.6%
East Tamar-Bridport	**2,324**	1,638	42%	1,325	75%	2.3%	2.1%	3.7%
Deloraine-Evandale	**2,937**	2,115	39%	1,190	147%	2.9%	2.7%	3.4%
Derby	**2,120**	1,580	34%	671	216%	2.1%	2.0%	1.9%
Orford	**1,622**	1,244	30%	672	141%	1.6%	1.6%	1.9%
Tasman Peninsula	**2,923**	2,405	22%	847	245%	2.9%	3.1%	2.4%
Bruny Island	**5,291**	4,168	27%	1,543	243%	5.2%	5.4%	4.3%
Huon-Far South	**4,039**	3,362	20%	1,600	152%	4.0%	4.3%	4.5%
Eastern Shore (Hobart)	**2,648**	2,094	26%	965	174%	2.6%	2.7%	2.7%
Freycinet	**10,522**	6,537	61%	2,958	256%	10.4%	8.4%	8.3%
NE Coast	**6,236**	5,268	18%	2,249	177%	6.2%	6.8%	6.3%
West Coast	**2,820**	2,061	37%	686	311%	2.8%	2.7%	1.9%
North West	**9,368**	6,599	42%	3,122	200%	9.3%	8.5%	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 March 28, 2022**. 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 2021.
+ **Two years ago** | Dotted grey line. This refers to the same month in 2020.

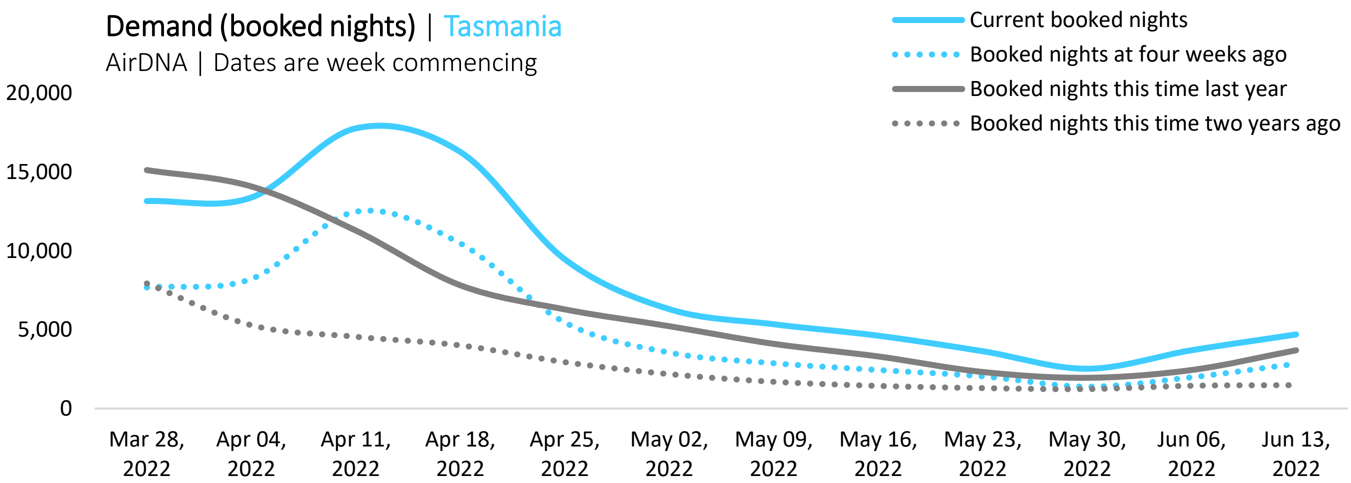
Tasmania | Short-stay accommodation

At the state level, demand coming into Easter is higher than 2021, then followed by a fairly steady level of booked nights further into the second quarter 2022. State-wide demand over the next three months is 30% higher than this time in 2021. This reporting period follows the reopening of Tasmania's border to all interstate destinations on December 15 2021, with unrestricted travel to Tasmania currently possible.

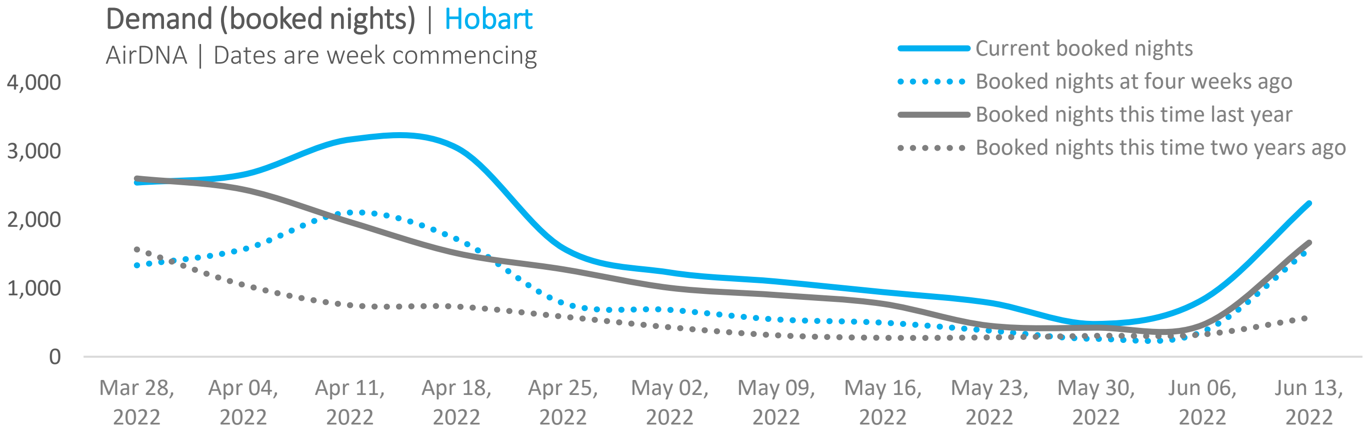
For the next 3 months, all of the tracked regions experienced pick-ups in bookings compared to the same time 4 weeks ago, which is a positive outlook for both regional and city accommodation.

Looking forward, overall demand (booked nights) for short-stay accommodation (solid blue line) is indicating improvements from 2021 levels (solid grey line), and comparable levels of booked nights that were in the system at this time in 2020 (grey dotted line). The dotted blue line (booked nights at four weeks ago) indicates that there is a sustained pick-up of bookings, with reduced booking windows. The level of demand in place for April now is close to the demand recorded in April 2019, meaning a particularly strong recovery for this period in this sector.

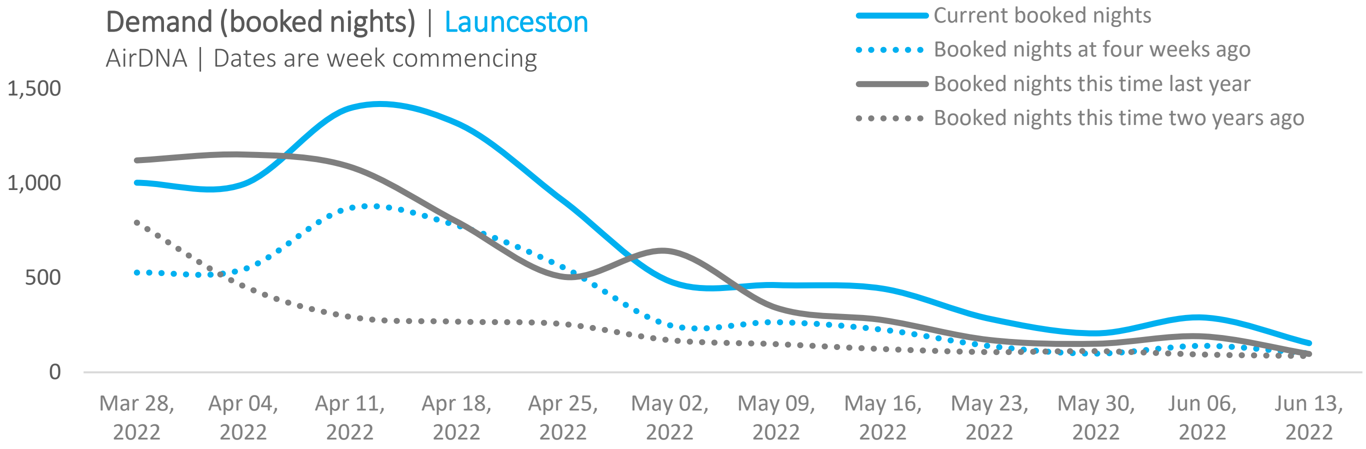
At this time in 2021, Tasmanians were able to enjoy unrestricted intrastate travel, and interstate travel had resumed from most interstate destinations, with some experiencing travel restrictions.



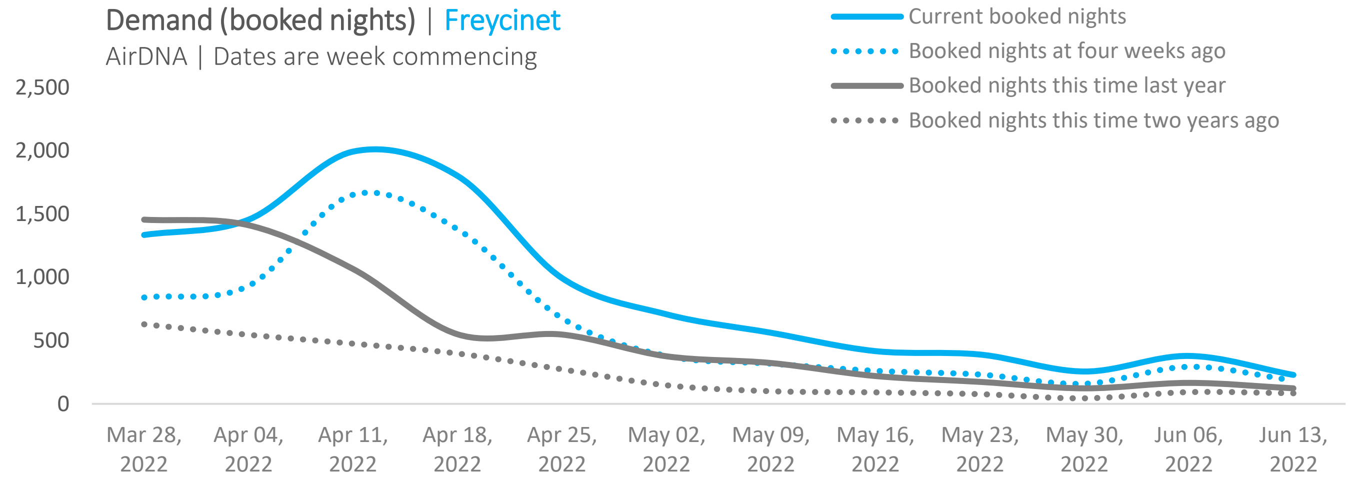
Hobart | Short-stay accommodation



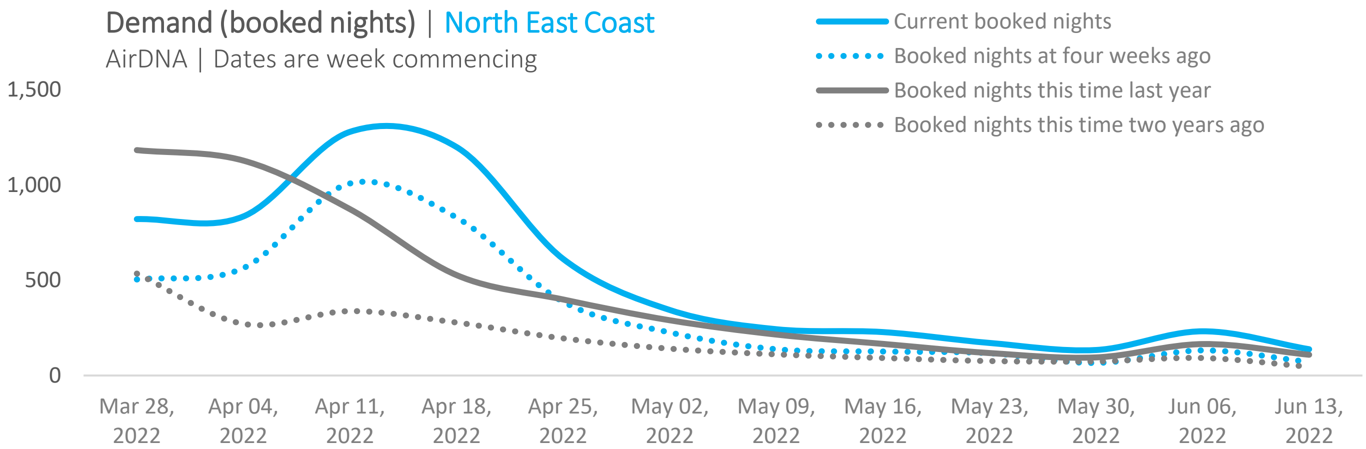
Launceston | Short-stay accommodation



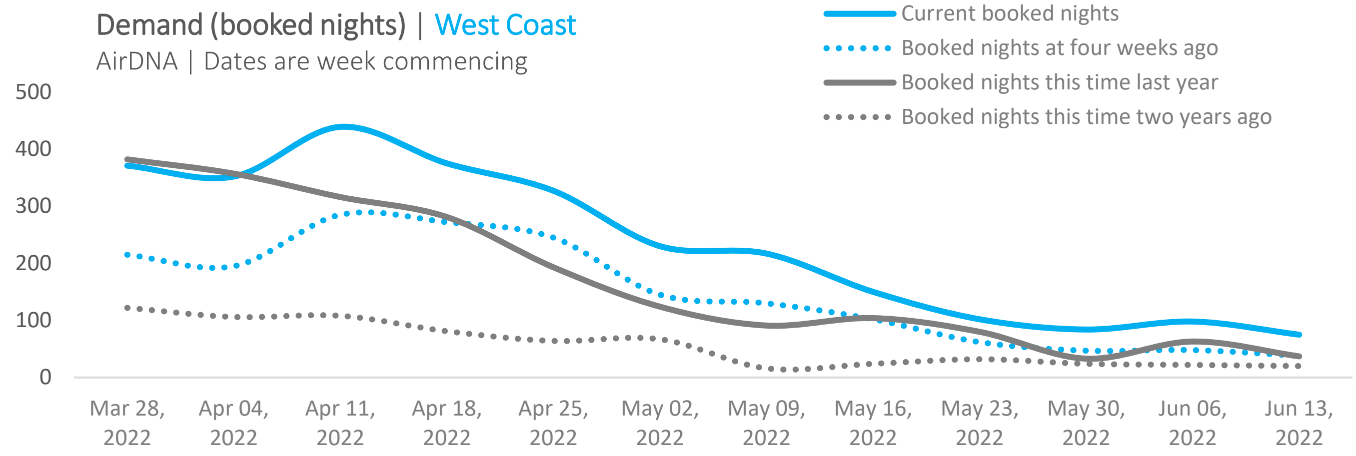
Freycinet | Short-stay accommodation



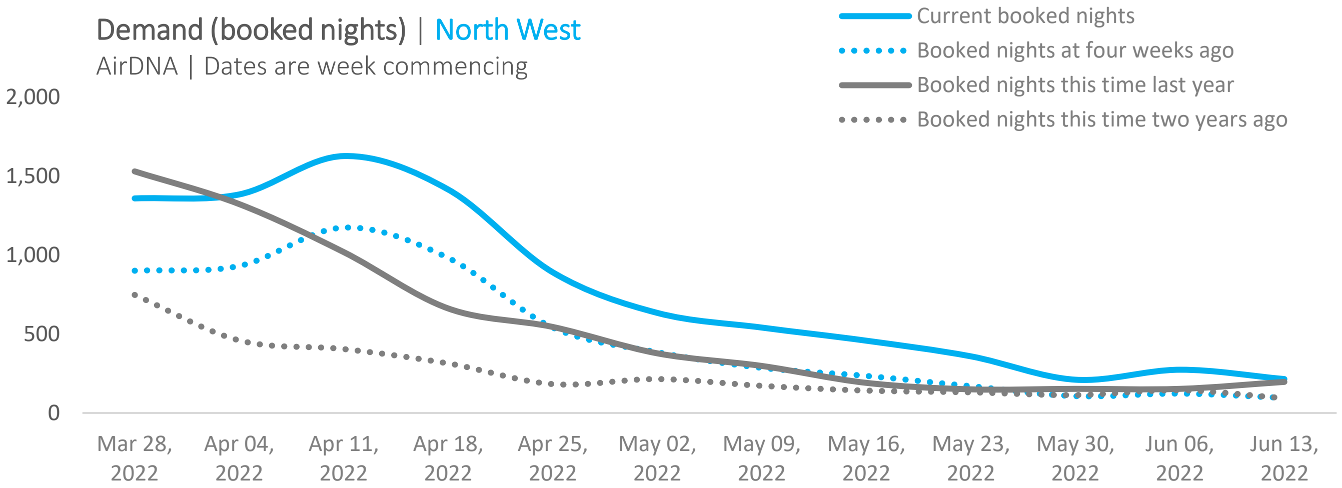
North East Coast | Short-stay accommodation



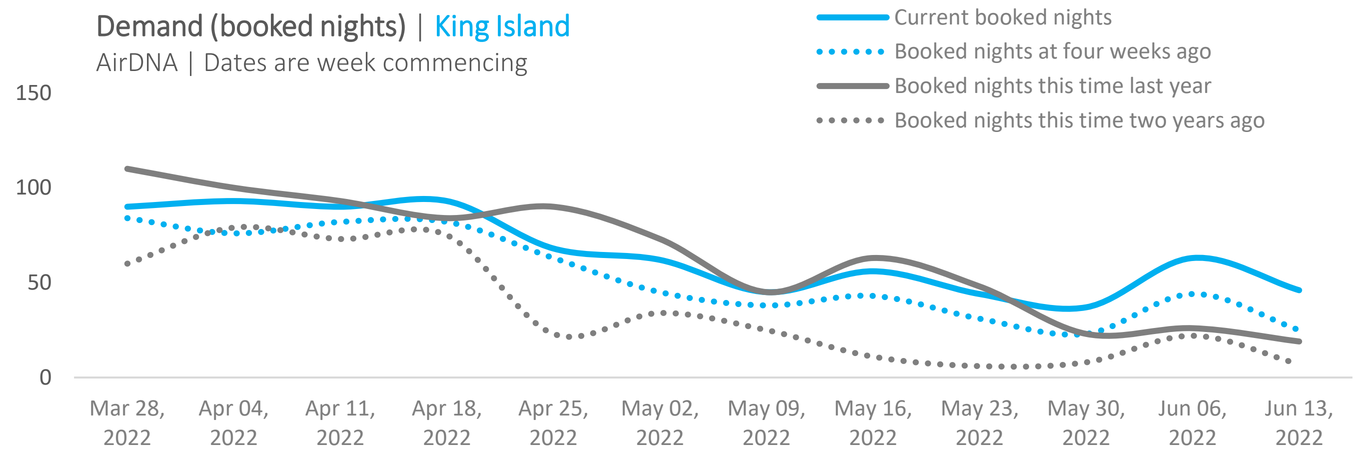
West Coast | Short-stay accommodation



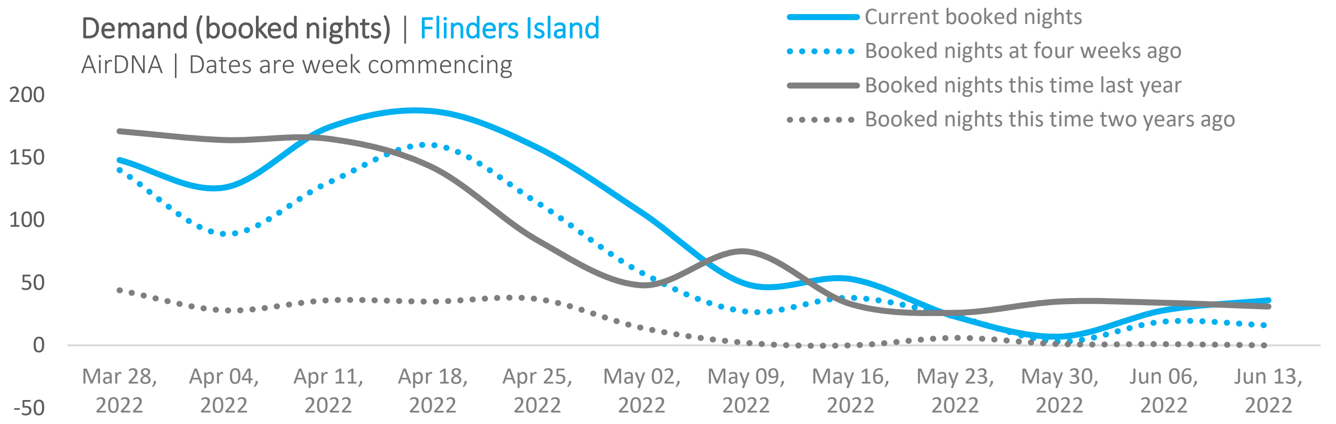
North West | Short-stay accommodation



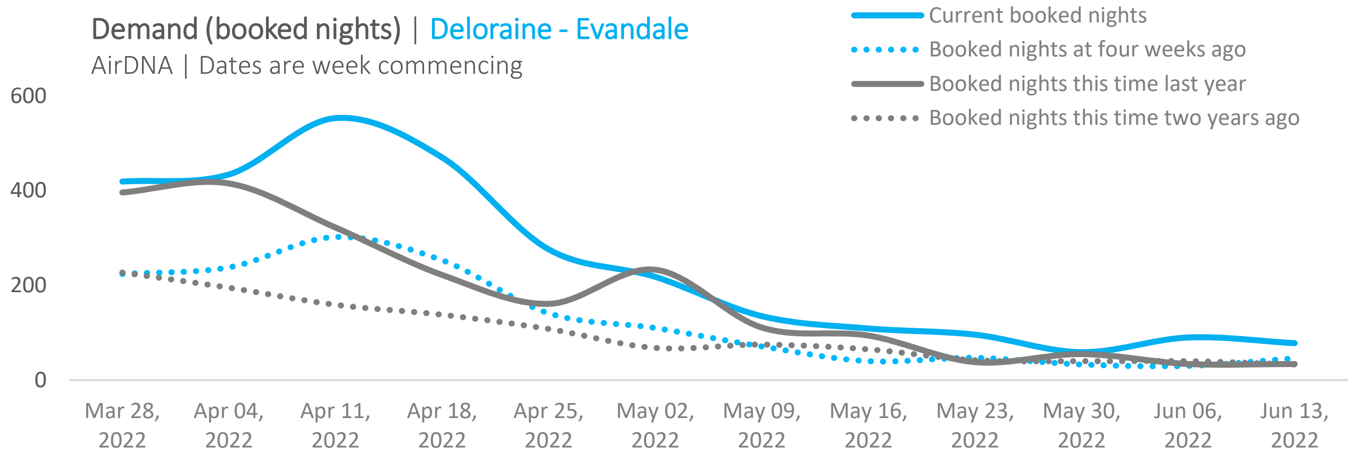
King Island | Short-stay accommodation



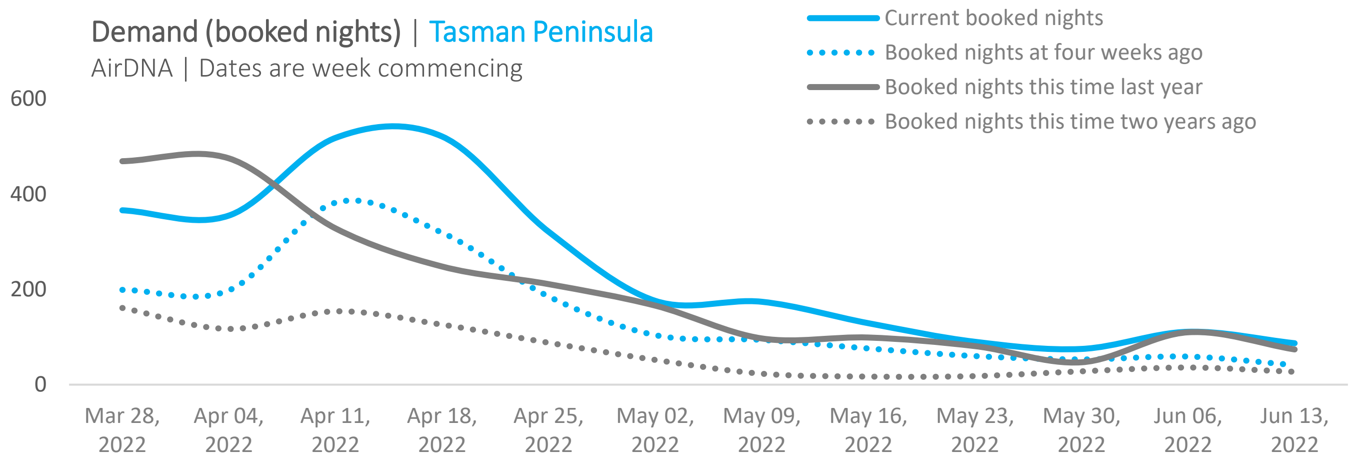
Flinders Island | Short-stay accommodation



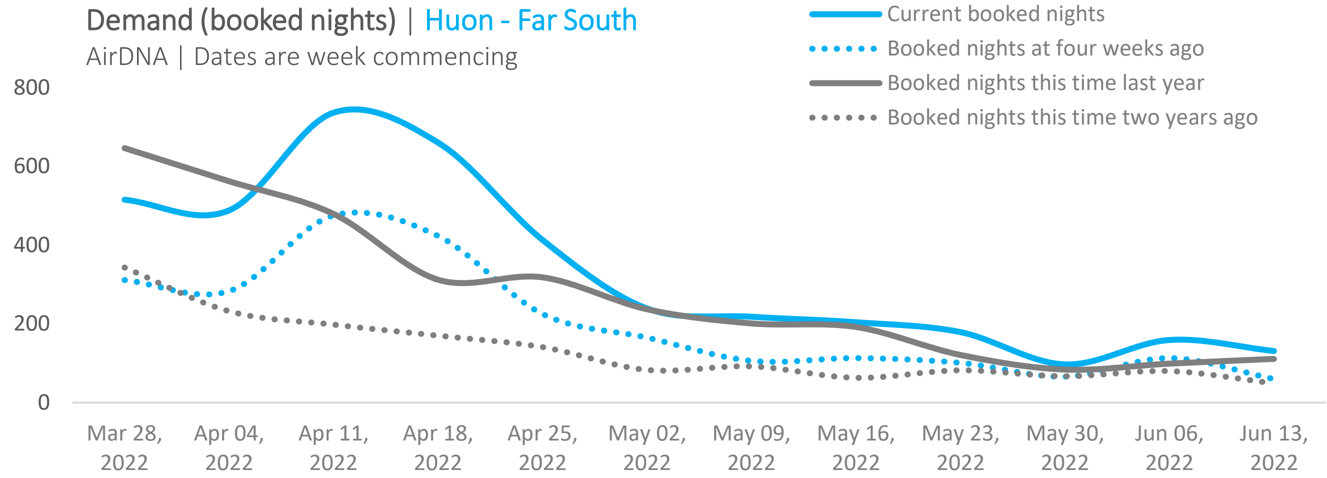
Deloraine – Evandale | Short-stay accommodation



Tasman Peninsula | Short-stay accommodation



Huon – Far South | Short-stay accommodation



Eastern Shore (Hobart) | Short-stay accommodation