



Understanding and satisfying today's traveller

Research and Insights

Hayley Harris | Tourism Australia



Today's session



How Tourism Australia uses research



Understanding today's traveller



Satisfying today's traveller



How Tourism Australia uses research

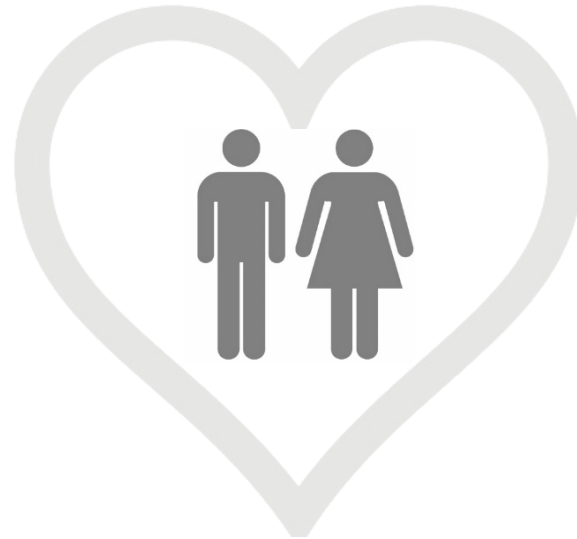
A research led approach

Tourism Australia uses research to create, support and evolve strategic marketing direction

Monitor our competitor destinations

Fill gaps in industry knowledge

Assess and track desired Australia brand attributes and associations




Identify opportunities to make the country's tourism offering more attractive to overseas visitors.

Identify trigger points to convert awareness to visitation.

Profile and segment target customers to help better market to them and attract them to Australia

The customer is at the heart of everything we do and every decision we make

Getting to know our customers



Research project set up in 2012 to look into how global consumers view Australia and what most motivates them to visit.

Since 2012 we have spoken to over 60,000 travellers



CONSUMER DEMAND PROJECT



Key questions:

- Drivers of destination choice
- Assessment of Australia's competitive performance
- Purchase funnel (aspiration, awareness, intention)
- Travel style
- Sources used throughout path to purchase

The research is conducted in 11 markets across the globe



China



Germany



India



Indonesia



Japan



Malaysia



New Zealand



Singapore



South Korea



UK



US



Collaboration in 2016/2017



+ 7 new markets



20 Australian vs 20 International
experiences product test

CDP factsheets for 11 markets available online

The screenshot shows the Tourism Australia Corporate Website. The main navigation bar includes links for 'Holiday in Australia', 'Plan a business event', and 'Media & Industry'. Below this, there's a search bar and a 'Subscribe to news' button. The 'RESEARCH' section is highlighted, showing 'Consumer Research' as a key report. A sidebar on the right lists 'Tourism Statistics' and 'Reports'. The main content area features a list of 11 key markets: 1. America, 2. China, 3. Germany, 4. India, 5. Indonesia, 6. Japan, 7. Malaysia, 8. New Zealand, 9. Singapore, 10. South Korea, 11. UK. Below this, there's a section titled 'An aggregate CDP fact sheet can be viewed here.' and a list of four key areas of interest: Coastal / Coastal and aquatic experiences, Consumer events, Food and wine, and Nature. The background of the website features a silhouette of a person walking on a beach at sunset.



The image shows a stack of three CDP factsheets. The top sheet is titled 'UNDERSTANDING THE US MARKET' and features a background image of people sitting on a beach at sunset. It includes a 'MARKET OVERVIEW' section with key statistics: 610,000 visitor arrivals (+10 per cent), 41% holiday travel, 25% visiting friends & relatives, 22% business travel, and 13% other travel. It also shows a total spend of \$3.4bn (+22 per cent) and average/median nights stayed of 24 and 11 days respectively. A bar chart titled 'Most important factors when selecting a holiday destination' lists factors like safety, quality of food and wine, and value for money. The middle sheet is titled 'CHINESE MARKET' and the bottom sheet is titled 'JAPANESE MARKET'. Both also feature market overview statistics and bar charts. The Tourism Australia logo is visible in the top right corner of each factsheet.



Understanding today's traveller

Three of Victoria's key markets

2.5m
International
visitors to
Victoria



China

532k

40%↑



United Kingdom

232k

17%↑



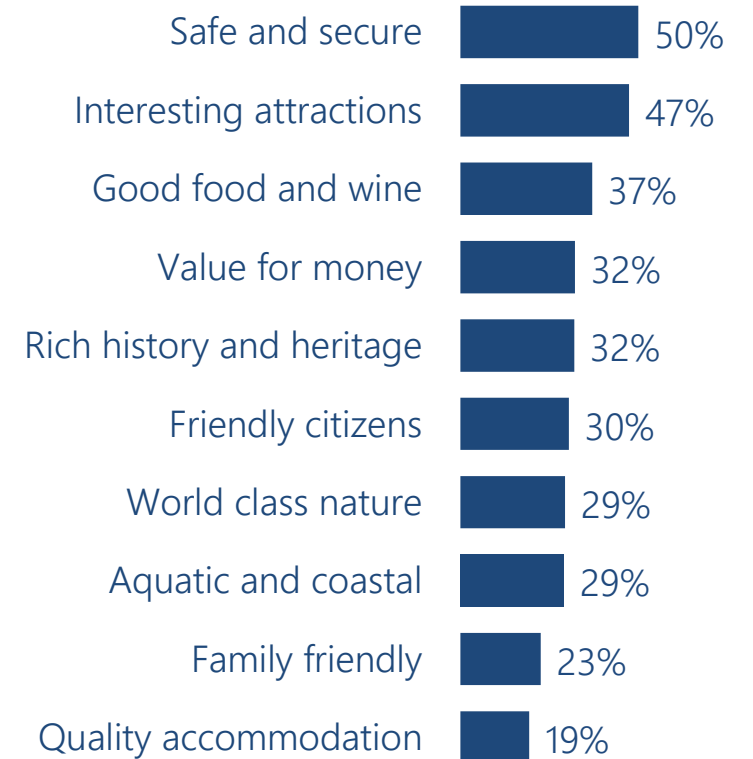
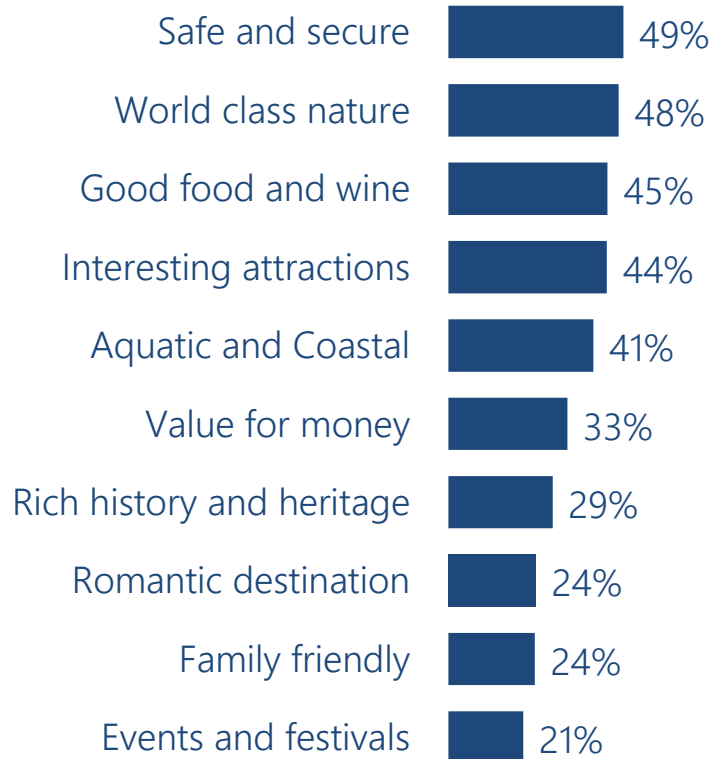
USA

190k

22%↑

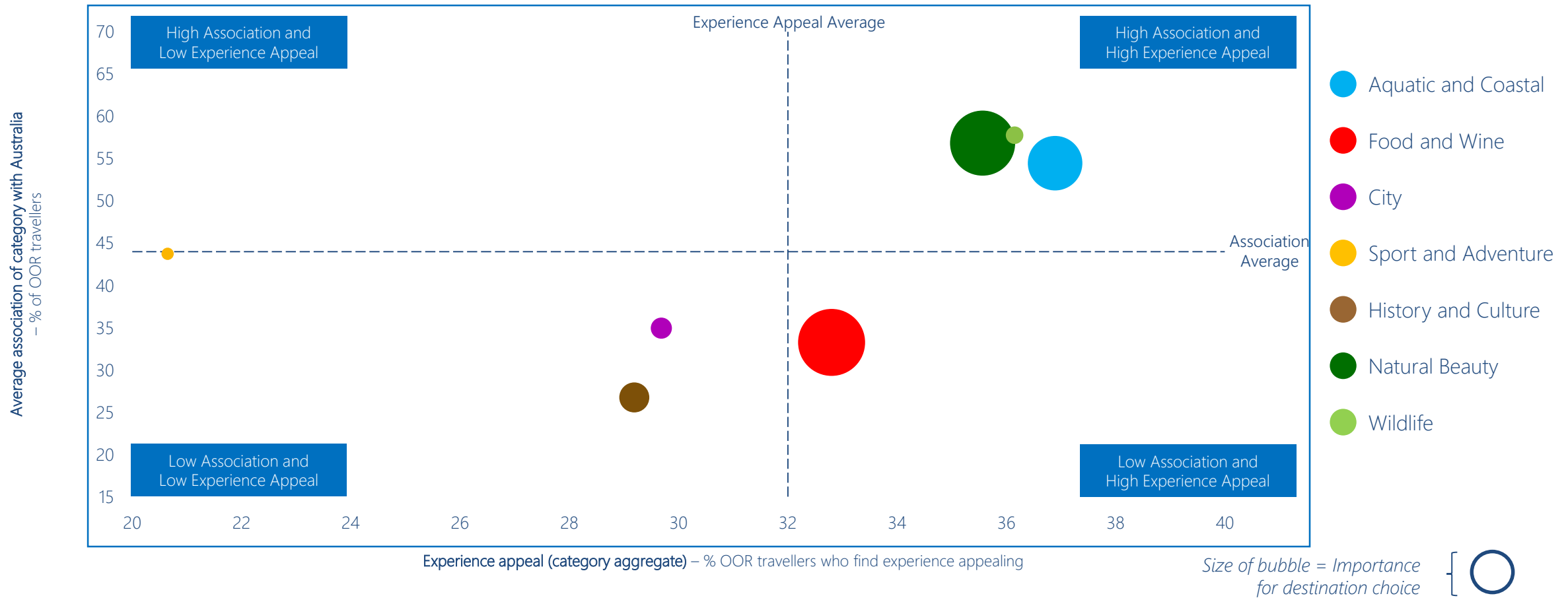
Why do people travel?

Drivers of destination choice



The opportunity matrix

Using our research to support strategic marketing direction





NATURE

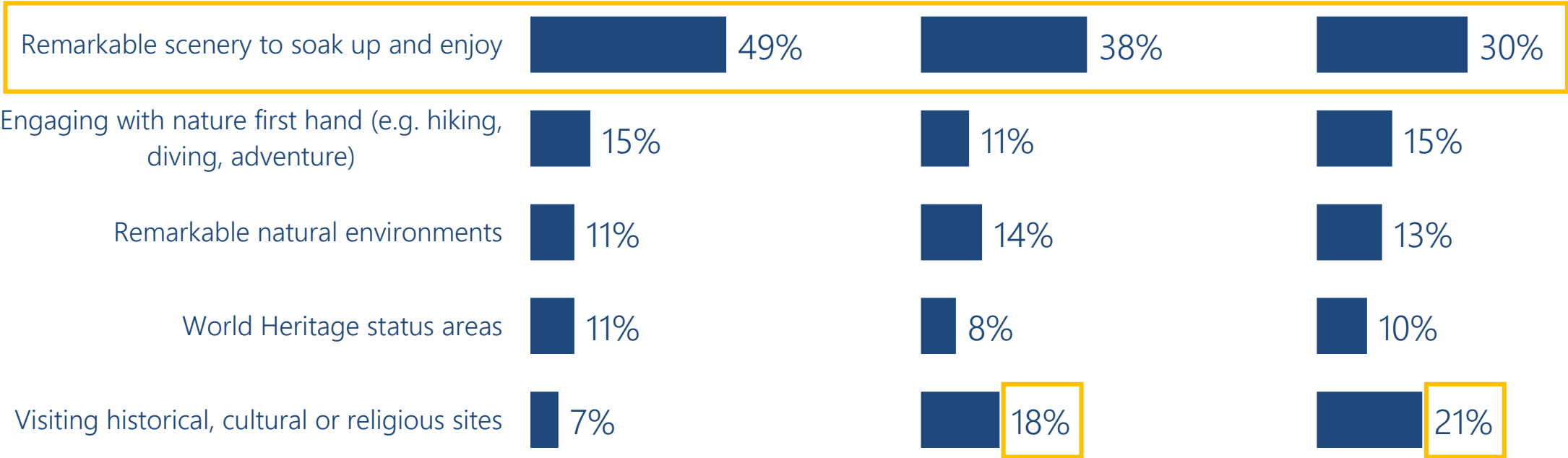


FOOD AND WINE

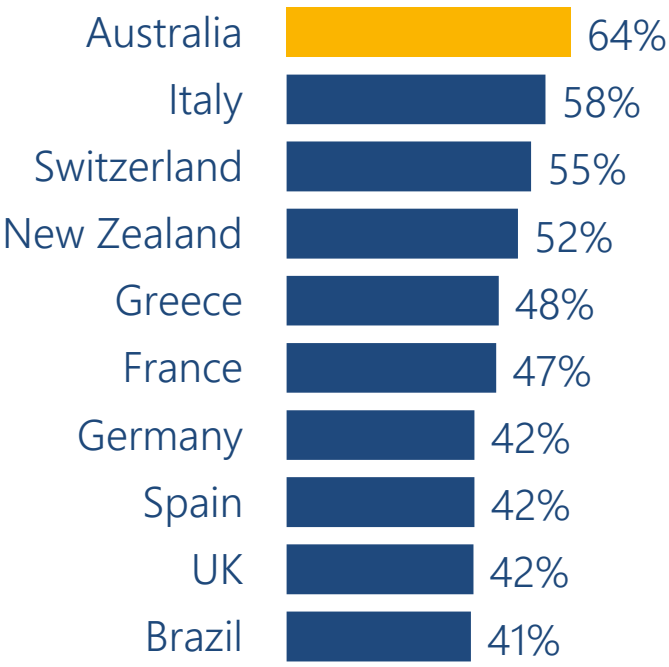
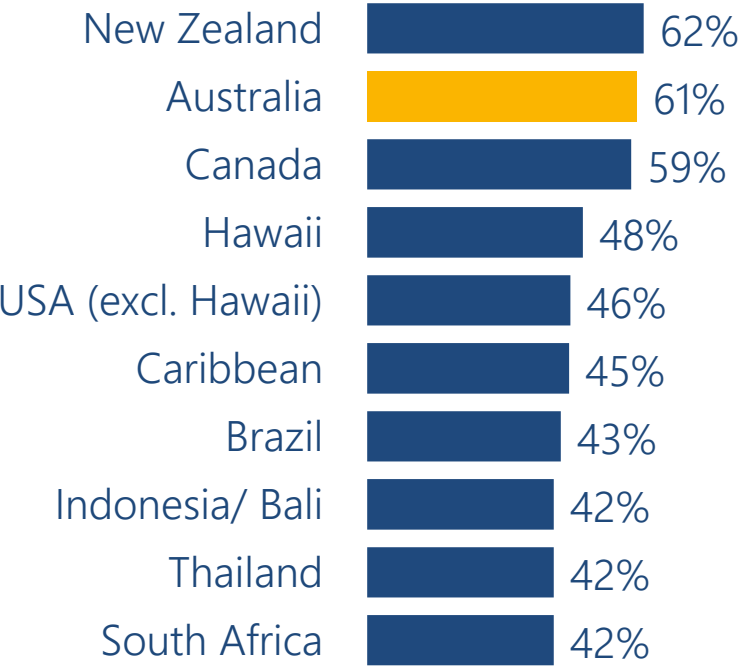
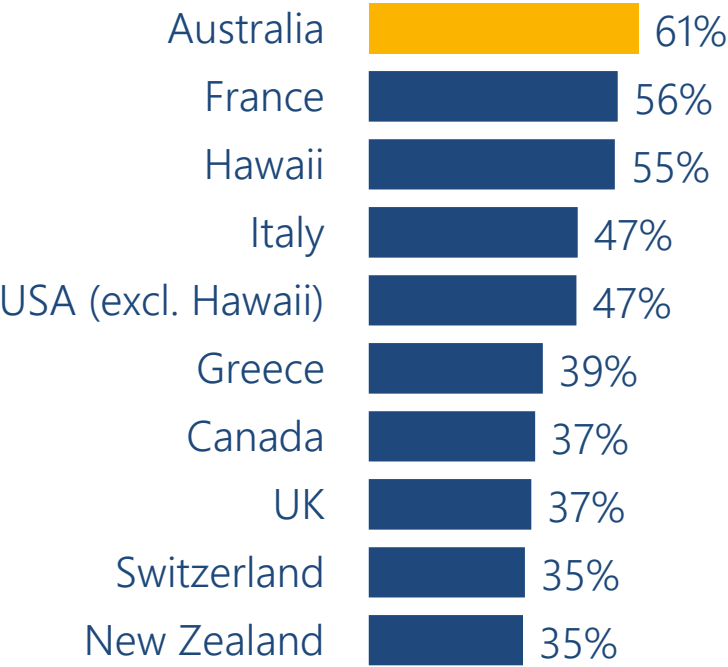


AQUATIC AND COASTAL

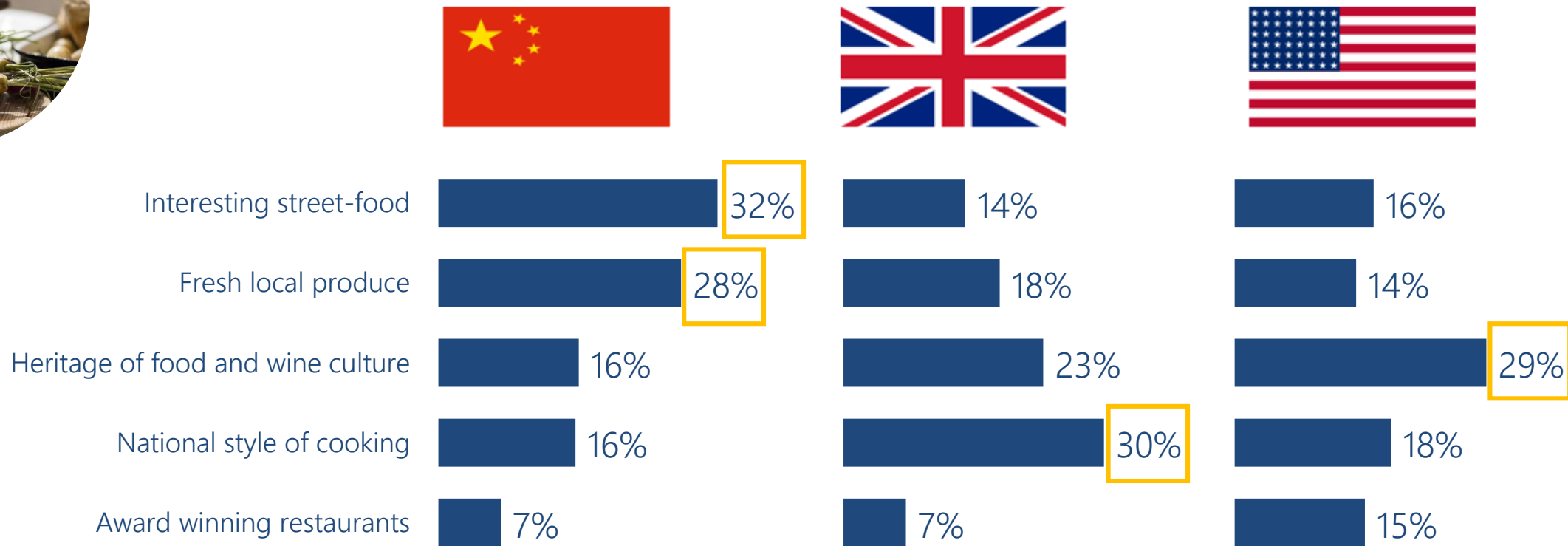
A closer look at nature



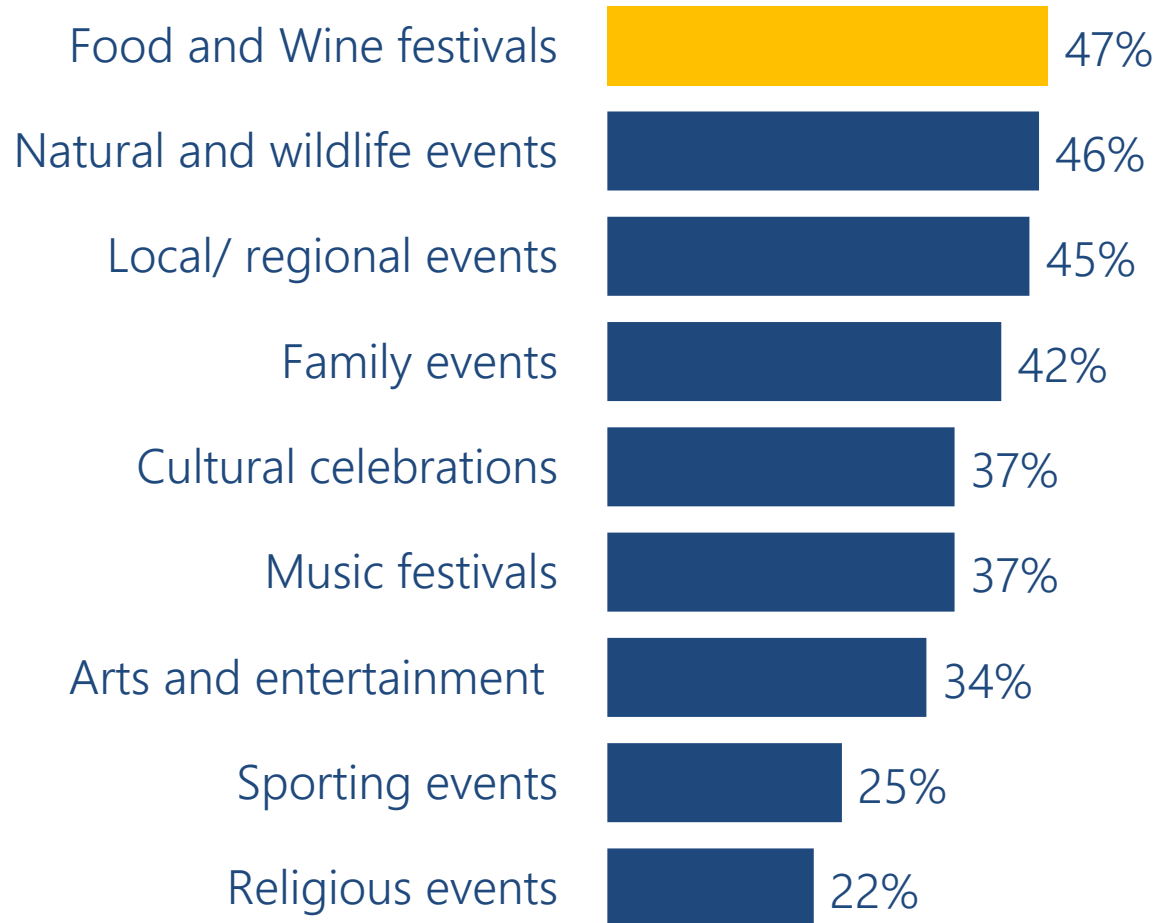
How does Australia rate for world class nature?



A closer look at food and wine



The importance of food and wine events within Australia's offer

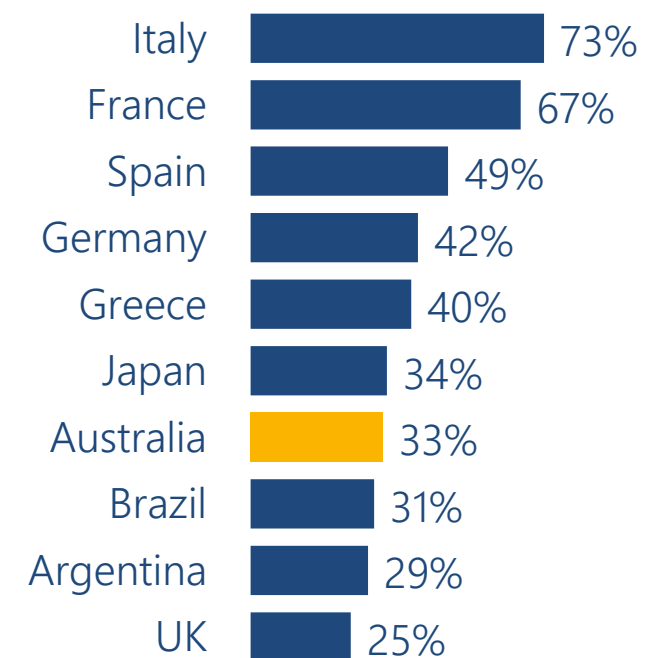
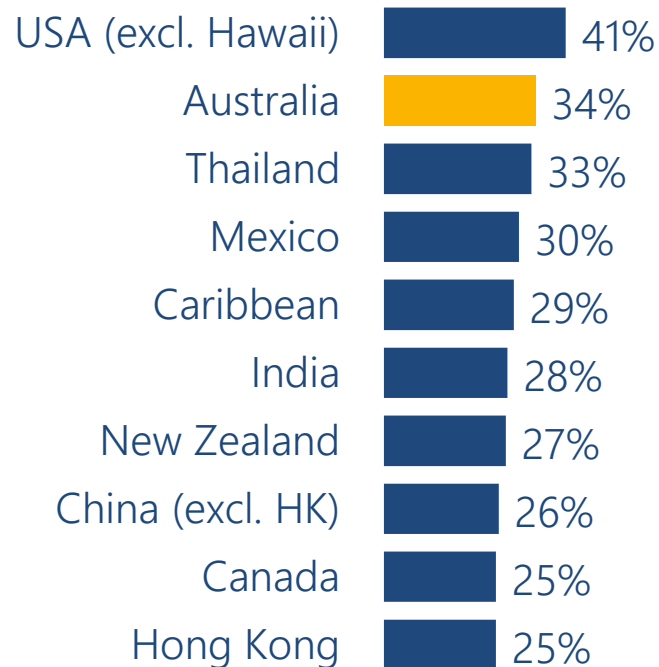
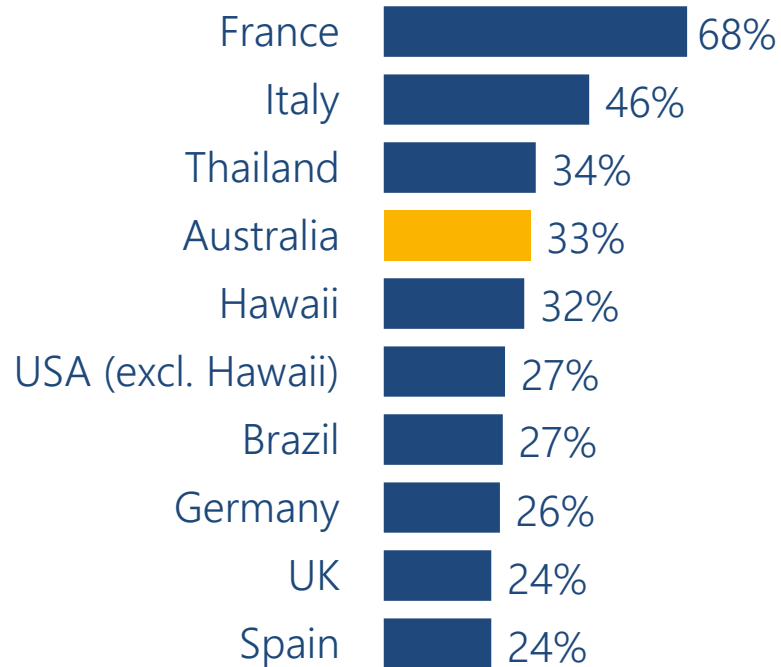


43%

when travelling internationally look to time their trip and places visited with an event or festival of interest...

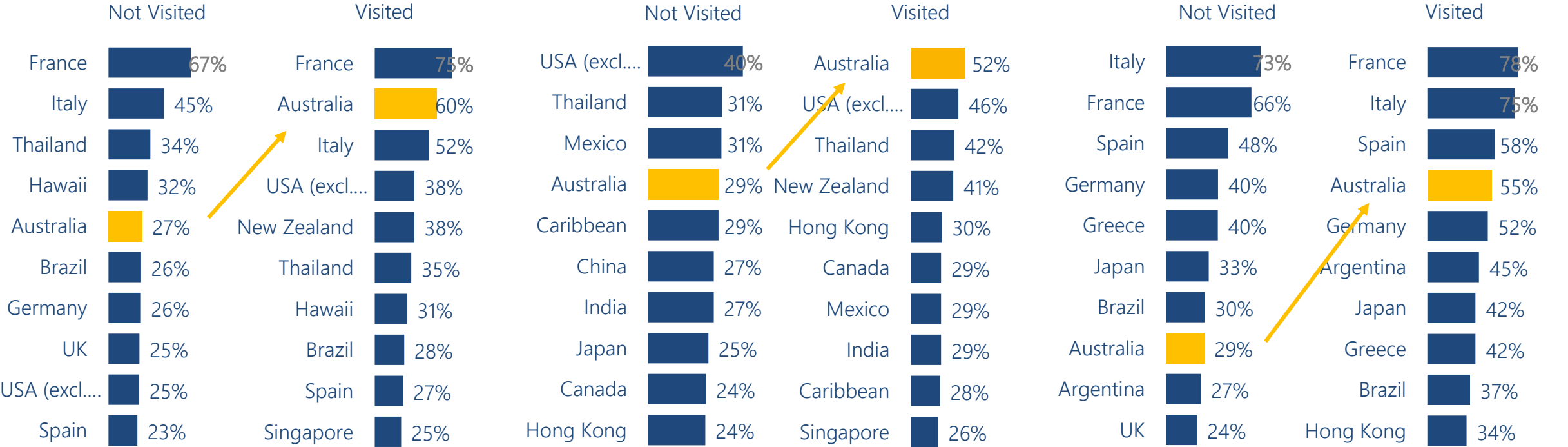


How does Australia rate for good food and wine?

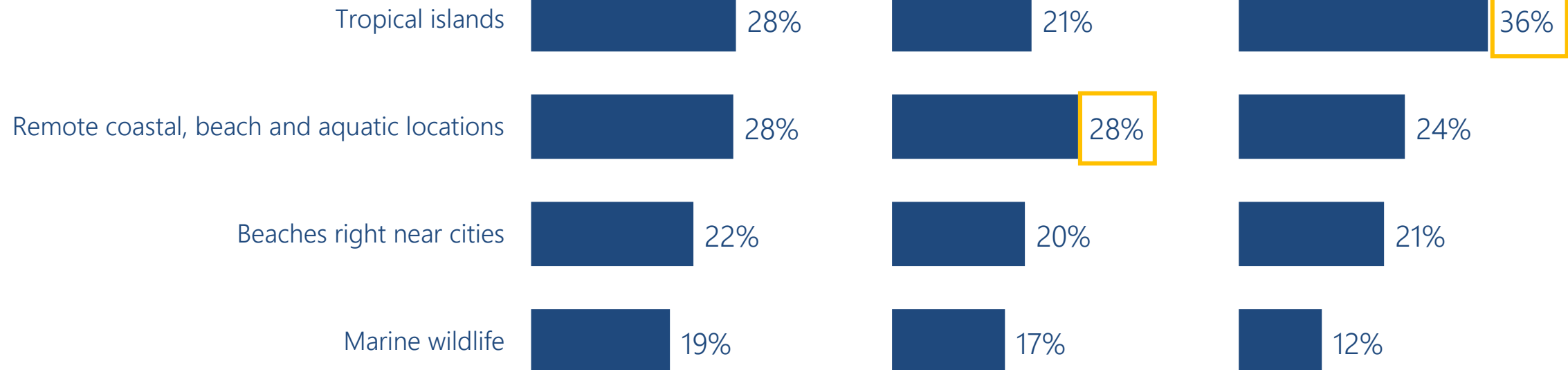


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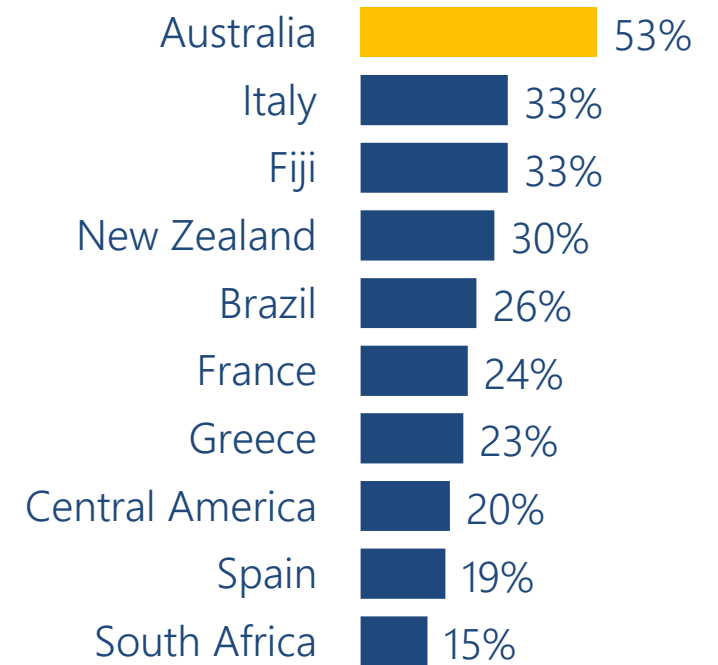
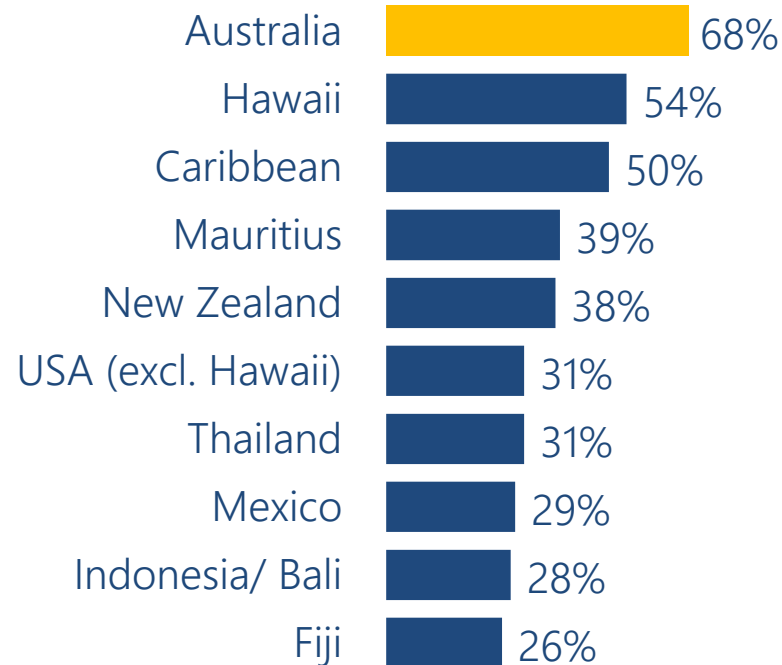
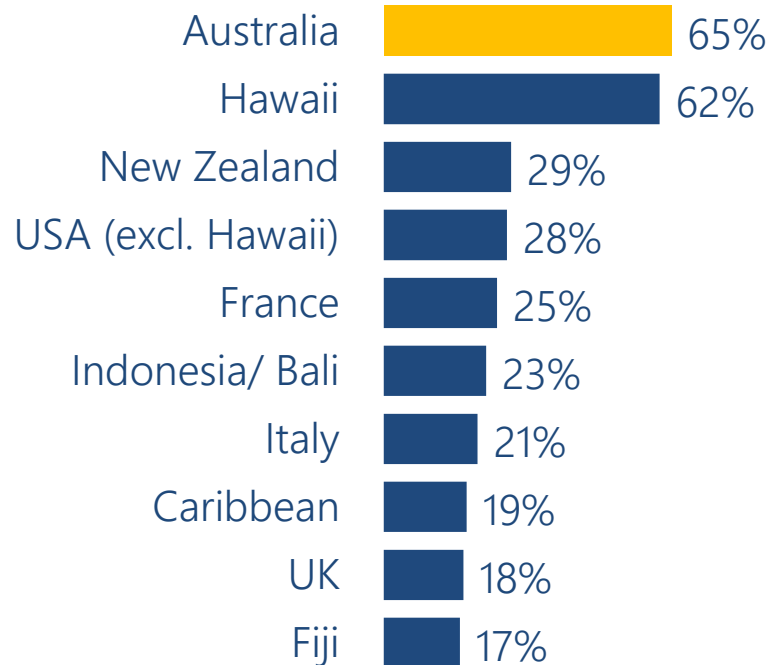
Non-visitors vs. visitors to Australia



A closer look at aquatic and coastal



How does Australia rate for aquatic and coastal experiences?





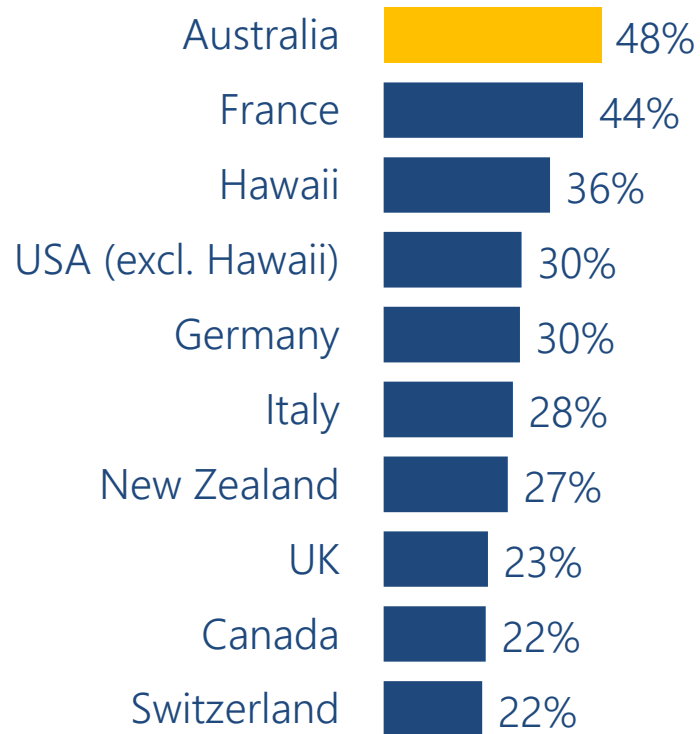
Satisfying today's traveller

China

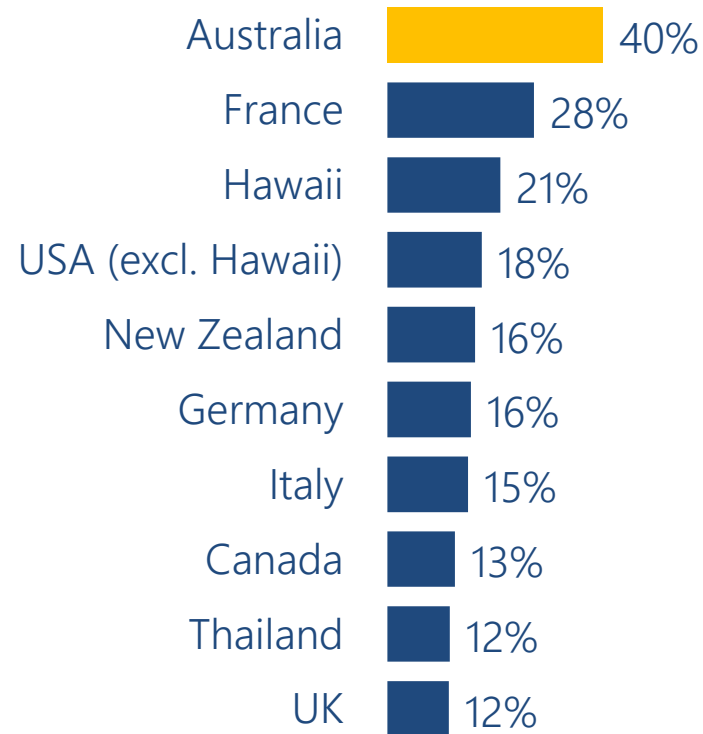


The purchase funnel

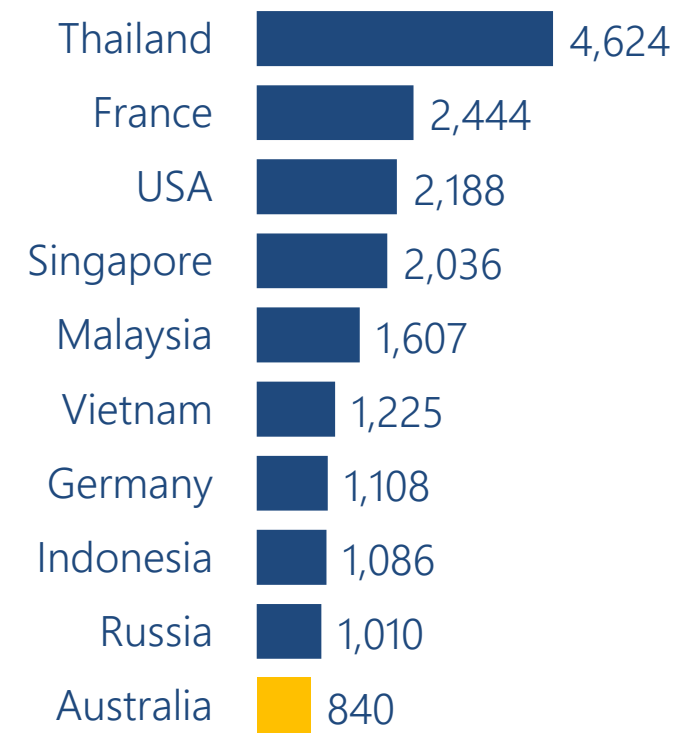
Aspiration to visit Australia (4yrs)



Intention to visit Australia (2yrs)



Visitation (000s) (Tourism Economics)

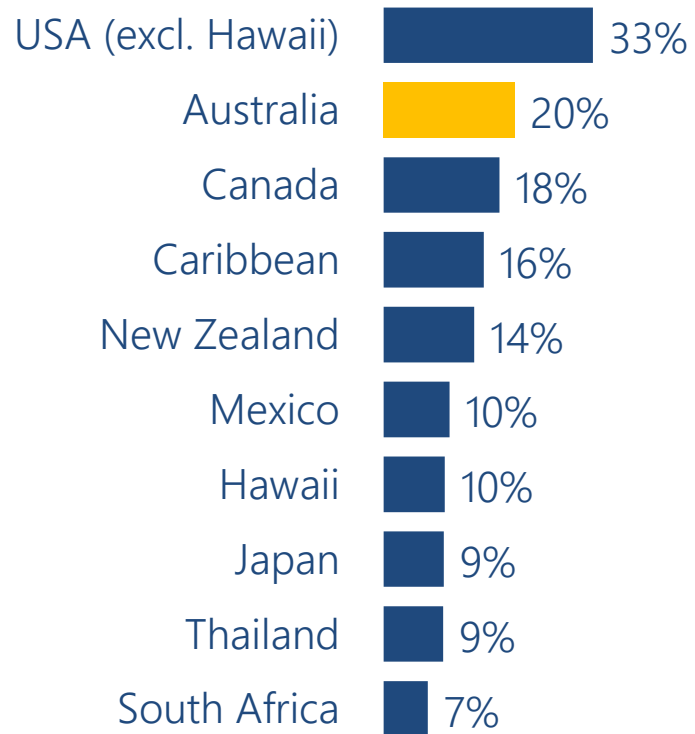


United Kingdom

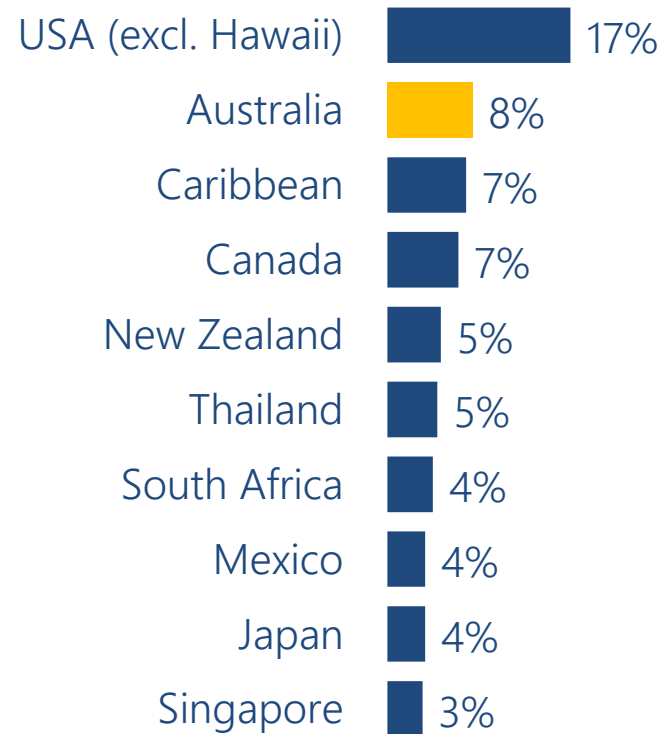


The purchase funnel

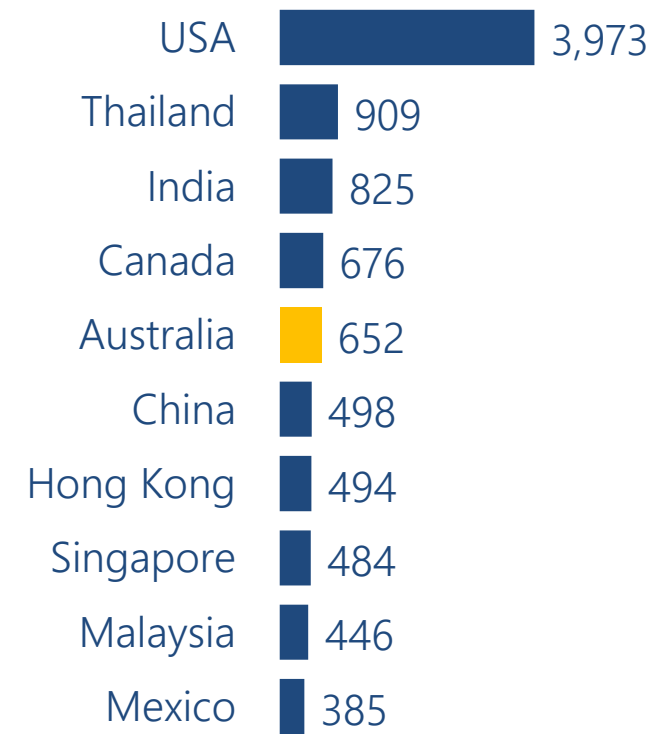
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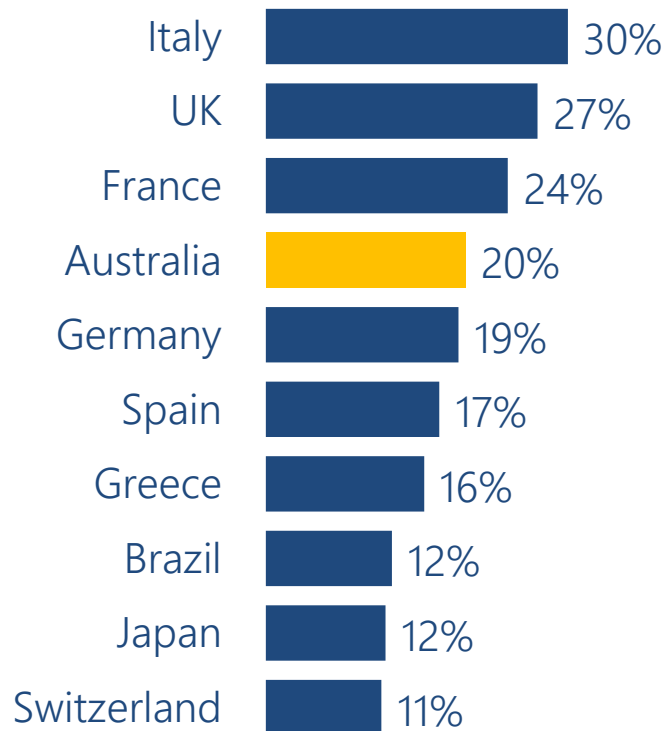


USA

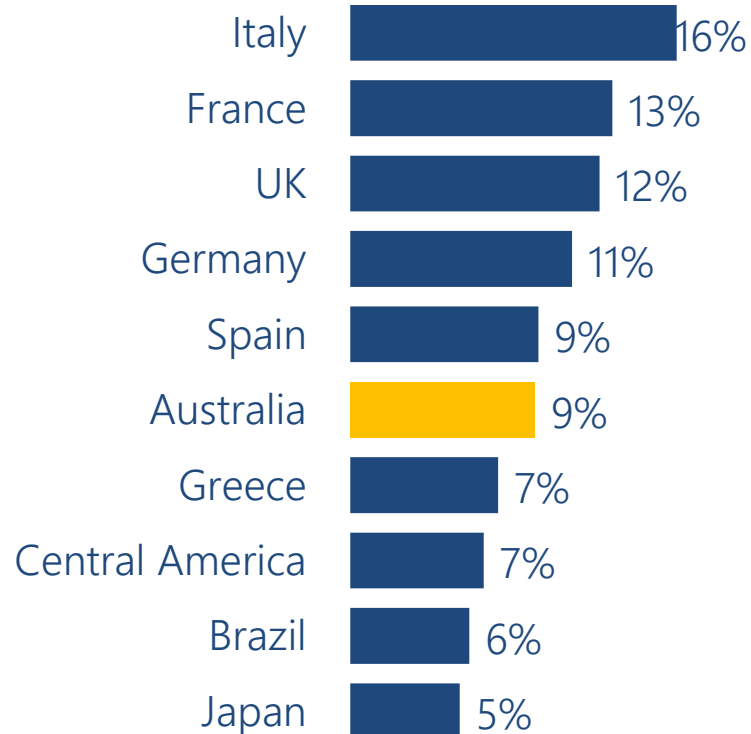


The purchase funnel

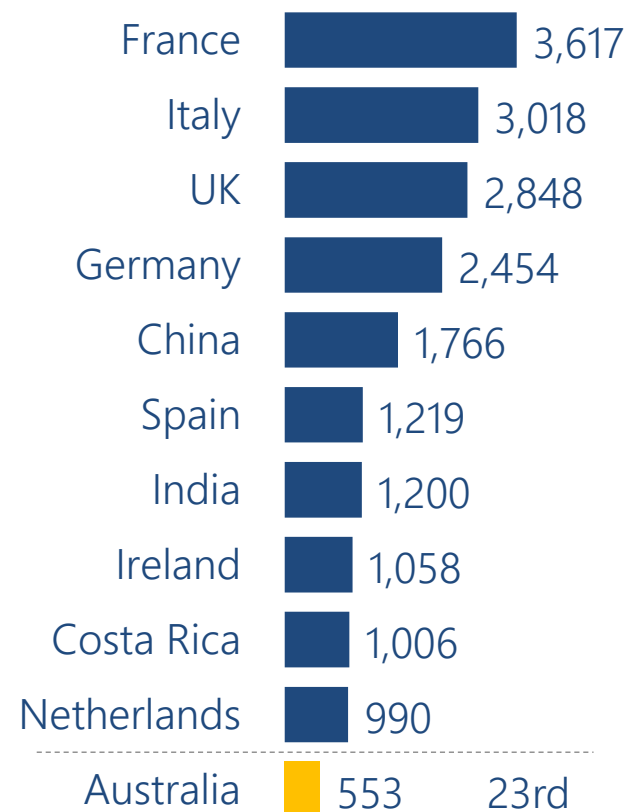
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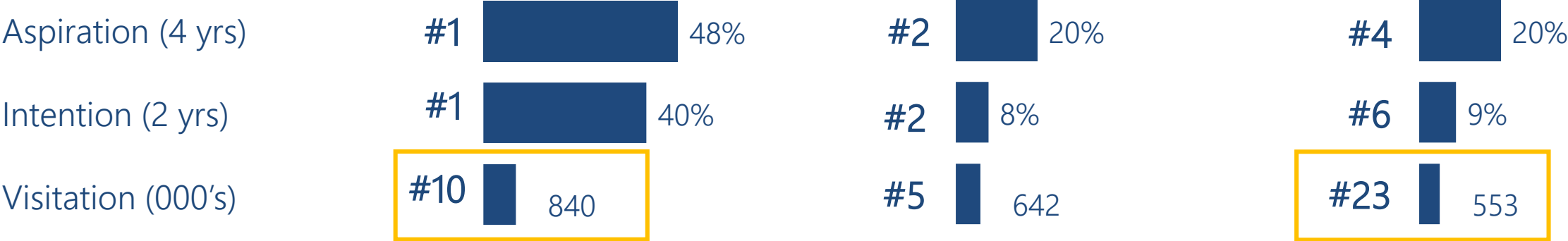
Intention
to visit Australia (2yrs)



Visitation (000s)
(Tourism Economics)



The conversion challenge



Top obstacles to planning an Australian holiday (%)



The conversion challenge in more detail



Australia's performance:

- While the desire for self-drive holidays is high among this market, there is a perception of difficulty in achieving this due to the **distance between Australia's major attractions**. Furthermore, while multiple trigger points appeal to this market, this makes **fitting Australia into a two week holiday period difficult**.
- Chinese consumers build upon their experience in order to prepare themselves for an Australian holiday. Their long-haul priorities are with the USA and Europe.
- Their travel period does not coincide with their perceived **seasonality**. The lack of knowledge relating to climate.
- The **ease of obtaining a visa** is perceived as a significant hurdle. More arduous than visa for USA and Europe.



To help with conversion:



- Create and communicate 'accessible' self-drive options that can fit into a two week holiday period.



- Change the perception that Australia should be completed in a single trip; **break Australia down into bite sized portions** for time poor consumers.



- Increase 'seasonality' awareness.



- Simplify the visa application process for Chinese travellers

The conversion challenge in more detail



Australia's performance:

- Australia is perceived as a **'once in a lifetime' destination, which can be put off** if it does not meet set criteria at any decision point.
- The perceived time for an Australian holiday **does not align with normal leave entitlements**. The time required to see desired activities, actual flight time and flight as a percentage of total travel time. 2-3 weeks is the ideal timeframe for an Australian holiday.
- Australia's position on the bucket list of American consumers is not influenced by prior trips taken. However, **the decision to travel to Australia lacks urgency**; American consumers are awaiting a future 'deal' trigger to arise.
- **Airfares and flight time greatly drive perceptions of cost**. American consumers value inclusive, competitive packages and quality consumer service, which are perceived to be limited with respect to Australia.



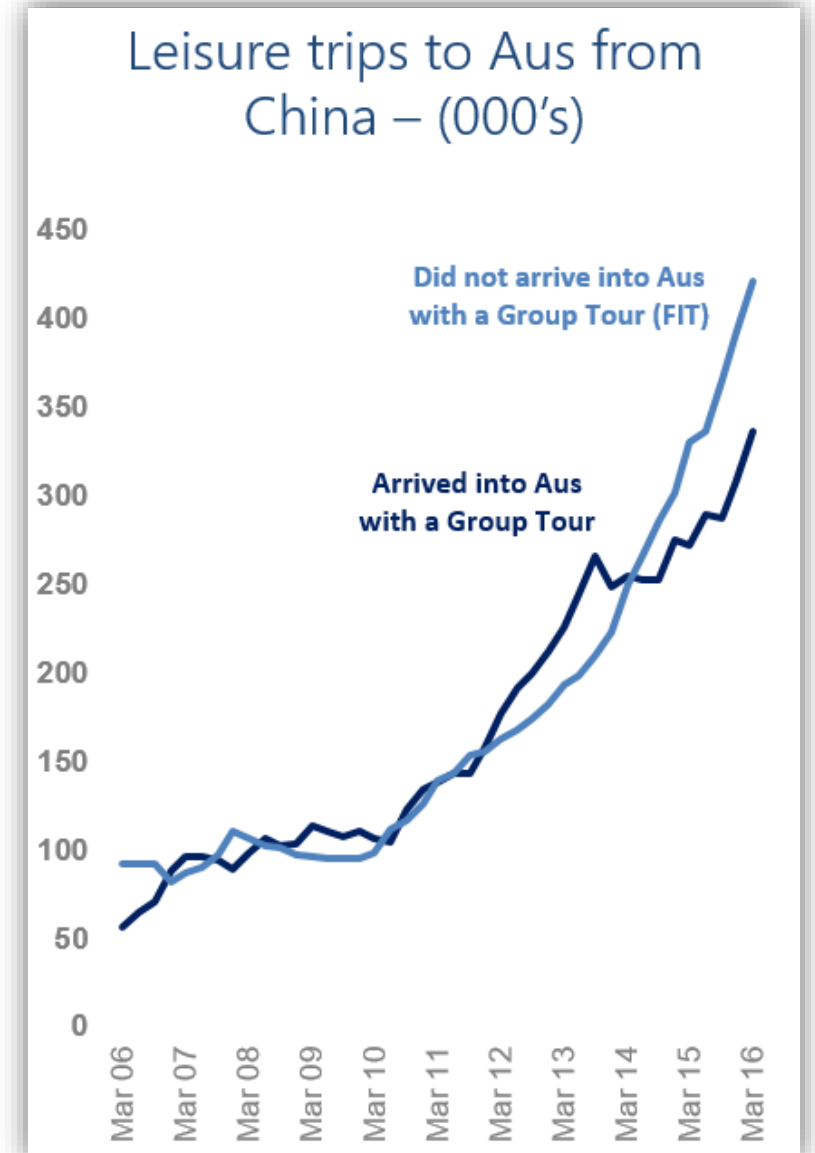
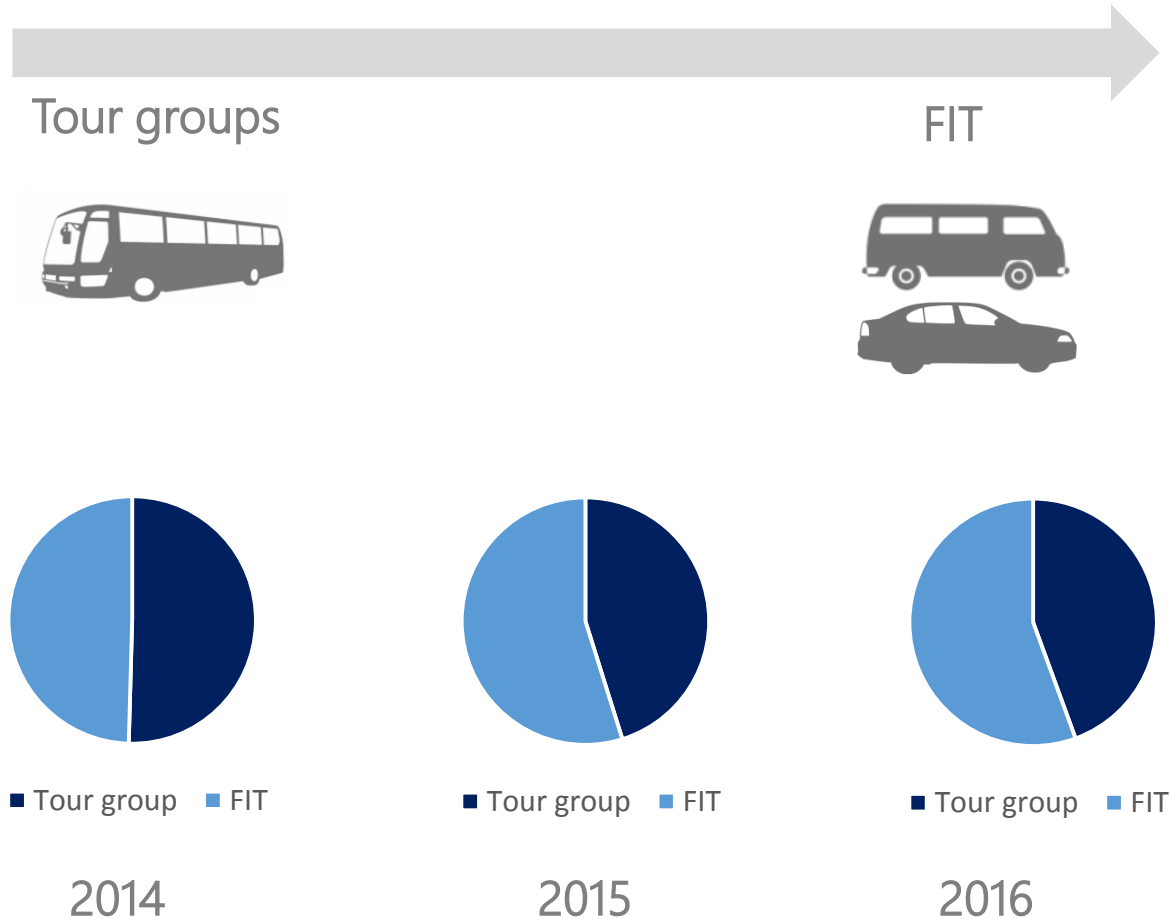
To help with conversion:



- Break down the trip of a lifetime into more manageable and achievable sets of experiences (i.e. Australia holiday can fit into 2 weeks).
- Highlight more **genuine experiences** that draw on a richer palette of authentic Australian life (e.g. unique/more experiences create value).
- Create and **communicate more inclusive packages and pricing**. Identify the right channels for tactical campaigns.
- Opportunity to **target high yielding luxury consumers**.

Changing travel behaviour

The emergence of the FIT traveller



The FIT traveller



The Chinese FIT traveller:

- Demographically there isn't a huge different, though full FIT travellers tend to be **slightly younger and less likely to have a family**
- FIT travellers and tour groups are **driven by the same motivations for travel, including world class beauty and good food and wine**. However, FIT travellers slightly over index on safety and security and allocate greater value to natural environments which are easily accessible.
- FIT travellers are **more well-travelled** when compared to tour groups, with one-quarter of them having visited over 6 destinations.
- When choosing a destination, planning and booking, **general internet searching is used most**. They also use **social media** to seek more authentic, peer-reviewed experiences.
- Booking directly with airline and accommodation partners is clearly preferred by FIT travellers
- High internet usage while on holiday to access maps, social media and email
- FIT travellers tend to **spend more nights when travelling** to out-of-region destinations, particularly when travelling to Australia.



Australian self-drive travel preferences

Preferred trip length



A two week trip is the preferred trip length for the majority of markets.



Those travelling from Indonesia, Japan and Malaysia prefer a 1 week trip to Australia.



UK and Germany prefer to have 3 weeks to travel in Australia.

Preferred mode of transport



Self drive with a hire car/campervan is the preferred mode of transport for the majority of markets when travelling in Australia.



Still some from Indonesia, Japan and Malaysia still prefer to travel with a tour group.

Preferred type of experiences



Overall, the preferred types of experiences correlate with Australia's core offerings of aquatic and coastal, wildlife and natural beauty.



Those travelling from Japan also rank food and wine as one of their preferred types of experiences.

Three key take-outs from today



How Tourism
Australia uses
research

It's all about the customer! Know your customer and always have the customer at the heart of every decision.



Understanding
today's traveller

Play to our strengths – people travel for food & wine, nature and aquatic & coastal experiences which Australia has in abundance.



Satisfying today's
traveller

Adapt to meet their travel needs – work together as the Australian travel industry to give customers the information they need to build self-drive itineraries that meet their holiday preferences.



Thank you

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