

CEO Commentary

Tasmanian Tourism Snapshot for the year ending March 2015



Well, what a great first quarter we had in 2015.

The latest results from our Tasmanian Visitor Survey have officially confirmed what so many individual operators have been telling me about the busy season they were experiencing during our recent summer and autumn.

What the latest figures also verify is that Tassie is making positive progress towards the annual 1.5 million visitor target and that the state performed exceptionally well during the busiest quarter of our year.

In fact, the total number of visitors to Tasmania during the 2015 March quarter grew by 10 per cent compared with the March quarter last year. The number of holiday visitors who came here between January and March also grew by around 16 per cent and their spending went up by a massive 25 per cent compared with the same period in 2014.

These are very impressive results when one realises that this is usually the time when hotel rooms are normally at their fullest and demand for our tourism and hospitality experiences and services are at their greatest. Not only that, but all regions saw a slice of this action in the March quarter, with all showing double-digit growth ranging between 15 and 28 per cent.

Of course, there was a possibility that the good occupancy rates generally being reported earlier this year by Tasmanian Hospitality Association members were being offset by falls in other visitor segments. While the latest figures indicate there was a fall in the number of VFR and business travellers coming to our state during the 12 months to March 2015, the holiday travel sector performed so strongly that it gave Tasmania a positive overall result. This applied to many key tourism measures, including visitor numbers, holiday arrivals and nights, visitor spending and regional tourism numbers.

Overall, in the 12 months to March 2015, just over 1.1 million interstate and international visitors came to Tasmania on regular air and sea passenger services. This was around four per cent more than the number of people who visited during the same period a year ago. It is a good result for Tassie.

Tourism Tasmania's specific focus is on marketing Tasmania as a holiday destination and attracting holiday visitors, so naturally I am pleased with the 16 per cent growth rate we're seeing for holiday visitors to our state.

When you also see those visitors spending even more when they're here, that's further good news for the industry and the communities where they are spending their money as they travel around. And they certainly seem to be travelling around.

The latest results show that all regions continued to see more visitors. The East Coast saw 16 per cent more visitors than the same period last year and 10 per cent more visitors checked out the Cradle Coast region while they were here. The South and the North also recorded 8 and 7 per cent more visitors respectively.

After a lengthy delay (see my previous CEO commentary regarding the delay), Tourism Research Australia have now been able to publish results of their International Visitor Survey (IVS) for the 2014 calendar year.

Of course, these are somewhat old results now, so I will not dwell too much on them in this commentary, except to say that in showing an 11 per cent increase in international visitor numbers to Tasmania in 2014, they validate our solid performance last year. Particularly notable is the continued strong growth coming from mainland China, Hong Kong and Singapore.

Now that the issue causing the delay with the international visitor statistics appears to have been resolved, Tourism Research Australia say they are aiming to publish fresh results for the year to March 2015, later next month. This will see the IVS results synchronised again with our own Tasmania Visitor Survey, and we will update the Tasmanian Tourism Snapshot when we have those new statistics.

Right now, we are planning and developing our marketing activities for the coming year. This was given a welcome boost when the State Government allocated additional marketing funds in the recent Budget. However with some fantastic events already going on in Tassie this winter, and a month-long winter short-break promotion kicking off in July, we hope to keep the state's popularity simmering over the cooler months.

As I have said previously, our future growth will also depend on further increases in access, more accommodation in key hot spots, the introduction of new tourism experiences and a growing workforce to deliver all these new services and experiences.

It was great to see the airlines increase capacity into and out of the state by about 8 per cent in the 12 months to March. This has undoubtedly helped us to attract more visitors and continue growing, as the latest figures show. I am also pleased to see the airlines continuously looking at opportunities to increase capacity even further, and the Spirits of Tasmania looking to attract more visitors by sea as well. This will be vital to our future growth, but there's even more to do to achieve the state's visitor target.

The new T21 Visitor Economy Strategy is very much about this.

T21 is about defining what needs to happen to reach the target and individual roles. Tourism Tasmania is not the only player in the visitor economy, and our visitors come here for many reasons and purposes. So tourism, hospitality and other related industry sectors have a part to play in stimulating more leisure and business travel to Tasmania. Other government agencies also have a vital role to play in providing infrastructure, facilitating new experiences and training the workforce that we will need to achieve this goal.

I hope you recently took the opportunity to share your thoughts and ideas on how best to reach the annual 1.5 million visitor target, either through the four regional T21 Directions forums or the online survey. Thank you to those who have participated, and I look forward to the release of this new joint government and industry plan in a couple of months.

John Fitzgerald
CEO, Tourism Tasmania