CEO Commentary
Tasmanian Tourism Snapshot for the year ending March 2017

As we begin to report some visitor results for 2017, it is heartening to see that Tasmania’s popularity continues to grow. Although for those of us who live here, this probably comes as no surprise.

And when we thought it would not be easy to continue our strong growth during what is traditionally the busiest quarter of the year for Tasmania, we continued to find more room for visitors to the state. It seems that whenever the airlines or the TT Line increase air capacity or put on more sailings, our visitors and locals respond to the opportunity, booking out the extra capacity.

The latest Tasmanian Visitor Survey figures show that 1,262,100 visitors came to Tasmania on scheduled air and sea services in the year to March 2017. That’s seven per cent more visitors than the same period last year, and continues to keep our growth rate on track to reach the government and industry’s joint T21 visitor economy goals by 2020.

This record result has largely been influenced by the very healthy number of holiday travellers coming to the state, as well as those coming here to visit friends and relatives in the state. When combined, these two travel groups lifted our overall leisure growth rate in the 12 months to March by 11 per cent more than the same period a year earlier.

Because the holiday sector is driving a lot of our visitor growth right now, our regions are also sharing in the benefits that leisure visitors bring. That’s because leisure visitors are high-value visitors. They are more likely to stay longer, spend more and do more. That includes exploring our regions.

And in a new historic milestone for Tasmania’s southern region, we see that the latest visitor numbers to the region have passed the one million visitor mark for the first time in history. The results show that a total of 1,004,300 interstate and international visitors spent time in Tassie’s south. It wasn’t that long ago that we were celebrating this milestone for Tasmania, and now one of our regions can claim this statistic for itself.

However southern Tasmania was not the only part of the state to see a healthy growth in visitor numbers. The Cradle Coast region attracted seven per cent more visitors during this period, and the east coast continued its standout performance with 12 per cent more visitors. Northern Tasmania also saw 11 per cent more visitors to their region.

The latest figures also show that Tasmania’s main interstate source markets of Victoria, New South Wales and Queensland all contributed to our growth. Pleasingly, the Queensland market has returned to strong growth after a short period of falling visitor numbers, due possibly to the negative impact on the state’s economy from the mining sector downturn.

Tasmania’s international performance also gives me great confidence about our future prospects from overseas.
The latest International Visitor Survey results show that 250,300 international visitors came to Tassie in the year to March 2017. This is a huge 16 per cent increase on the same period last year and a new record for Tassie. It’s also the highest rate of international visitor growth of any state and territory and well above the nation’s overall growth rate for this period.

It includes above-average visitor growth from many of our key source markets including the USA and Asia markets like Hong Kong, Singapore, Japan and Malaysia.

And while we had seen an annual decline in visitors to Tasmania from mainland China in recent surveys, their numbers have stabilised over the past few quarters and rebounded substantially in the 2017 March quarter, resulting in a return to growth. The latest results show that a total of 31,400 visitors from mainland China came to Tasmania in the year ending March 2017, which was 35 per cent more than in the same period last year. This also lifts the China market back to being the second largest international visitor market for Tasmania.

However we need to continually look at how we engage our customers. Tourism Tasmania recently looked at its marketing approach to various international markets. It included an assessment of the best markets to achieve our leisure visitor goals and the approach we will take in each of our chosen markets to generate more travel demand and bookings.

While it may come as no surprise to learn that the review confirmed our highest priority markets included countries like the USA, China, Hong Kong, Singapore and Germany, it also identified some new ways for us to work in those markets to increase our profile and generate more travel business for the state. An overview of our new approach is expected to be published in the coming weeks.

This is not the only work we’ve been doing to sharpen our domestic and international marketing focus in the coming years. We have also concluded some market research to identify a new interstate target audience and marketing approach.

The study identified a collection of emotional travel needs, and tested the extent to which Tassie and other destinations fulfilled these needs. It has led to the identification of new market segments and introduces a new way for us to build emotional and cultural connections with Tasmania. I look forward to sharing more information about this new work with you in the coming months.

In its latest Budget, the Tasmanian Government generously allocated more money for tourism marketing. This means that over the next few years, Tourism Tasmania will be spending around $18 million a year on tourism marketing, to generate more demand for Tasmania and support better access to the state. The new international marketing approach and new market segmentation work we have just conducted ensures we use our marketing resources efficiently and effectively.

I mentioned in the last commentary that by the time this Tasmanian Tourism Snapshot was published, our interstate winter promotion would have been ‘done and dusted’. Our latest ‘Season of Curious’ promotion, which mainly ran from 30 April until 11 June, focussed on the unique experience on offer in a Tasmanian winter holiday. We also used a range of publications and other third parties to carry the winter messages to their audiences. Of course, our program of great winter events were part of the story and were used to encourage people to plan and book their trip here.

The popularity of this year’s Dark Mofo festival was obvious to all of us, and with a plethora of heart-warming events to come this season, the winter visitation is looking stronger. However, we still have more to do to ensure there are reasons for people to come to Tasmania in winter and disperse further.

In the meantime and with spring just around the corner, we are already working on our next Go Behind the Scenery promotion to keep the momentum going.

John Fitzgerald
CEO, Tourism Tasmania