CEO Commentary

Tasmanian Tourism Snapshot for the year ending June 2013

In my travels around the state, I still hear a few stories about how some tourism businesses continue to struggle, regardless of the record number of visitors coming to Tasmania. For those operators, tourism remains a tough industry, although I hope that many have started to see some better results for their businesses over the last couple of quarters.

If the latest Tasmanian tourism figures are anything to go by, we all should feel encouraged by the continued growth of visitors arriving in our state. That’s because it means there are more potential business opportunities for our local tourism and hospitality operators.

To put this in perspective, the latest results for the 2012-13 financial year show that 961,600 interstate and international visitors came to the state on regular air and sea services during that period. That’s 12 per cent more visitors than in 2011-12 and around 30,000 more than the previous annual record, set only three months ago.

Each of our interstate markets has contributed to this growth during the year, with the exception of Queensland. However, with a significant increase of direct flights from Brisbane and the Premier’s recent announcement of an extra $1 million to market Tasmania in Queensland this season, I am confident we will begin to see more visitors from this important market over the coming summer period.

During 2012-13, our visitors stayed a total of about 8.4 million nights while they were here in the state. That represents an average stay of 8.7 nights per visitor, which is only slightly below last year’s average of 9.2 nights. This suggests that while some people may be coming to Tasmania for a short break, others must also be enjoying longer than average trips here.

Despite the trend throughout Australia towards shorter breaks, Tasmania has always been a destination for longer touring holidays, and this looks set to continue if the statistics from our Go Behind the Scenery campaign website are anything to go by. For example, the most popular itineraries being downloaded during recent campaigns are for touring-style holidays from 7-14 days.

Of course, that does not mean that we shouldn’t welcome visitors to our state for short breaks. On the contrary, they represent another opportunity to demonstrate just how amazing Tassie is, and in doing so, we inspire them to return again to experience more and explore other parts of the state as part of a longer holiday.

With our largest and most valuable ‘holiday visitor’ segment growing by 11 per cent in 2012-13, we can also see their value to our regions in the latest results. Although we still have a way to go, the latest figures show that the number of people who visited the Cradle Coast and Northern Tasmania regions in 2012-13 grew by 4 and 5 per cent respectively, compared with the previous year.

And despite the annual figure for the East Coast region showing a slight 1 per cent fall in total visitors, the statistics also show that the number of interstate visitors who travelled to the east coast in 2012-13 grew by 3 per cent.

This is a marked improvement on past results, and most pleasingly, the quarterly statistics showed a double-digit increase in the number of visitors to the east coast during April, May and June 2013, compared with the same months in 2012. That’s a very strong rebound following the January bushfires, and I am confident that this represents a much-needed readjustment and a synchronising of east coast visitor numbers with the rest of the state.
The latest figures also show that in 2012/13, our visitors spent a total of just over $1.5 billion while they were here. This is another really good result and shows that we are tracking in the right direction when it comes to achieving the $2 billion Tourism 21 visitor spending goal announced by the Premier in August.

Of course, the new Tourism 21 goal sets us all a challenge - to convert a bigger percentage of Australians who have Tasmania on their list of holiday choices, into actual visitors.

The latest results show that Tasmania’s impressive visitor results in the latter part of 2012 and in early 2013 have continued during the June quarter as well. This was clearly helped along by a range of factors that demonstrate what can happen when we get ‘the planets to align’ at the same time.

For example, we have some fantastic tourism events and experiences located throughout Tasmania that are raising our profile interstate and overseas, and giving people reasons to visit our state, in some cases, for the first time ever.

We have also introduced some very creative and proven-to-be effective marketing activities over the past year to tell Australians and the rest of the world what’s going on down here and why they need to come down to experience a holiday in our state…now!

And it seems that our award-wining experiences and our great marketing efforts are having the desired impact on both our older and younger target audiences. Not only are we still recording solid visitor growth from our core market of older and more mature travellers, but we are also now seeing younger visitors from Victoria and New South Wales contributing to the impressive results.

This is a sign that the perceptions and brand position of Tasmania is moving into positive new territory and that we are becoming more appealing to a wider audience.

Another important piece of the puzzle is access. In that regard the airlines continued to support us during the June quarter, providing 16 per cent more seats into Tasmania from Melbourne and Sydney than for the same time last year. This increased capacity corresponded closely with the increase in visitors to Tasmania between April and June, even though that time of the year is traditionally a quieter period for travel.

And while figures showing the number of interstate and international visitors travelling to Tasmania aboard the Spirits of Tasmania fell over the entire year, I am pleased to see that the TT Line held its own in terms of the number of interstate visitors travelling on the ships during the June 2013 quarter. I am encouraged by this result in what has been a very tough business environment for the company.

Overall, Tasmania’s solid performance has been a standout when compared to the other States and Territories, where most have recorded only modest increases during the past year. But it does not end there.

Achieving a result like this is no accident, and getting ‘the planets to align’ takes hard work and a commitment to invest and work together on mutually beneficial partnerships.

By most measures, our brand work and our Go Behind the Scenery campaigns and marketing activities are achieving the desired effect. Not only that but our tourism experiences continue to receive global and national accolades, our visitors continue to recommend us to their friends, colleagues and family members, and we are beginning to see more visitors getting out into the regions. Our airline partners also continue to show their confidence in Tasmania’s tourism sector by scheduling a high level of capacity for the coming spring and summer seasons.

Collectively, all these things are providing the momentum we need to continue building Tasmanian tourism in the coming months and years, and progressing steadily towards the new Tourism 21 target.

John Fitzgerald
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