

Understanding the Japanese & South Korean High Value Traveller

TOURISM TASMANIA

NOV 2024



Who are our HVTs?

Our Japanese HVTs have strong propensity to travel to Australia with 1 in 4 having visited Australia in the past five years, sitting within the top 5 countries recently travelled (P5Y). Australia is also ranked highly for future intent, with the US the only international competitor to edge ahead of Australia on consideration. However, HVTs represent a small piece of the pie, representing only 3% of the Japanese population.

They are likely to travel in groups of 3-5, with their partner or as a family unit, and seek mainstream hotels or luxury accommodation.

Where does Tasmania currently sit in their sphere?

Whilst Tasmania ranks higher for consideration amongst Japanese HVTs than Indian HVTs, saliency remains our biggest barrier with only 1% mentioning Tasmania spontaneously.

Amongst those Japanese HVTs that have heard of Tasmania as a destination, we stand out for nature and wilderness like nowhere else, alongside other destinations like Cairns/Barrier Reef, Uluru, Kangaroo Island, and Phillip Island.

What are the opportunities for Tasmania?

Like all other HVT cohorts, our Japanese audience want an Australian destination that demonstrates natural beauty, representing a fundamental need across markets. Food and drink also repeatedly comes to the fore, particularly for our Japanese and South Korea travellers where it represents the top functional driver.

Unlike our Indian and South Korean HVTs, Japanese HVTs prioritise relaxation and disconnecting. The journey experience of the journey itself also represents a stronger driver when vacationing and should be emphasised for our Japanese travellers.

How best can Tasmania leverage this market?

More than half of our Japanese travellers have a fluent English speaker in their household, indicating the strong potential for us to use English across our comms and channels.

Like in India and South Korea, YouTube represents the key channel to communicate to our HVTs. YouTube also acts as a source of inspiration for travel amongst our Japanese HVTs, providing a hub for information and connection.

Our Japanese HVTs do also look to more traditional formats of information such as destination websites and travel brochures/guidebooks.



Who are our HVTs?

Like our Indian and Japanese HVTs, there is a high propensity to travel to Australia amongst South Koreans. Australia represents the second most travelled destination in the past five years with Japan having greatest preference. Future intent is also extremely strong amongst this cohort with 4 in 5 considering Australia for future travel.

Like our Japanese HVTs, our South Korean travellers are most likely to vacation with their partner or as a family unit, travelling in groups of 3-5, however, are likely to prioritise luxury accommodation first and foremost.

Where does Tasmania currently sit in their sphere?

Across our three target audiences, Tasmania ranks the highest amongst our South Korean HVTs for future intent to travel (consideration), sitting on par with Perth.

While Tasmania ranks higher for consideration in this market, we have less clarity overall with no clear strength amongst South Korean HVTs, unlike in Japan, where we stand for nature like nowhere else.

What are the opportunities for Tasmania?

Like all HVTs, visiting places with immense natural beauty is the number one emotive driver for this audience, however, our South Korean travellers are a lot more single minded in this motivation.

Unlike our Indian and Japanese HVTs, South Korean travellers are more likely to prioritise a place that is clean and safe, and this should be a consideration when communicating about Tasmania, particularly in reducing the level of isolation and remoteness.

For South Korean HVTs, food and drink is extremely important as the top functional driver to travel.

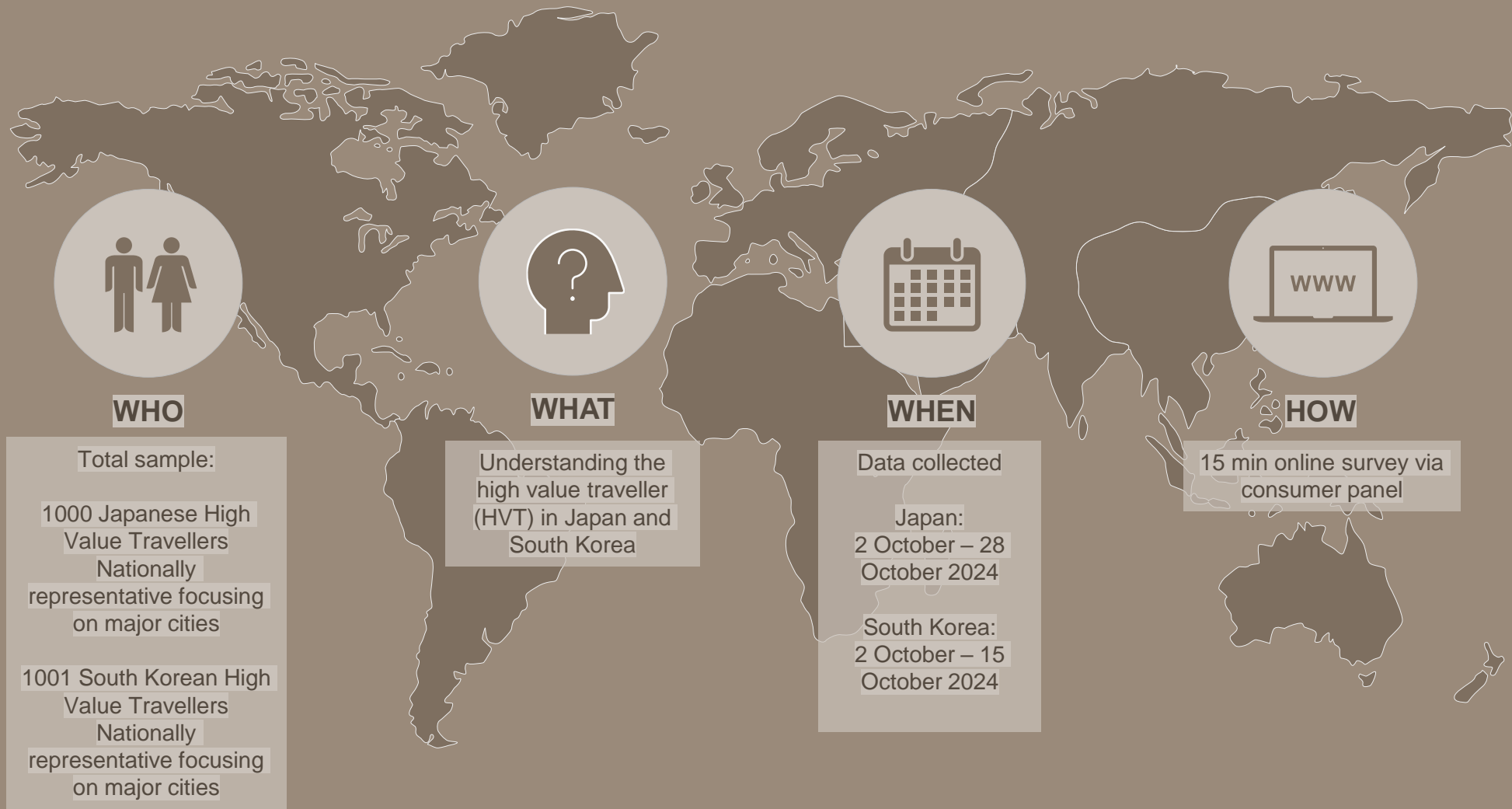
How best can Tasmania leverage this market?

More than half of our South Korean travellers have a fluent English speaker in their household, indicating the strong potential for us to use English across our comms and channels.

Like in India and Japan, YouTube represents the key channel to communicate to our HVTs. It also represents a key channel in the consumer journey as a source of inspiration for travel.

Opinions of others are also important with travel blogs, online reviews and WOM (friends and families) playing a role in the research phase for our South Korean HVTs.

Methodology



Sizing and profiling the opportunity

Reminder of our audience definitions...



Travellers

- Regularly travels internationally for a vacation for at least one or more nights (at least every 2 years)
- Looking to travel internationally for a vacation in the next 2 years
- Decision maker (sole or joint) for planning vacations



High Value Travellers | Japan



- Meets the Traveller criteria plus:
- Is from a higher income household (\$70k AUD annual household income or above)
 - Has a higher propensity to spend on international travel
 - Will spend more than ¥ 8,001 (~80 AUD) per person, per night on accommodation on a vacation in Australia
 - Will spend more than ¥ 8,001 (~80 AUD) on activities per person per day on a vacation in Australia



High Value Travellers | South Korea

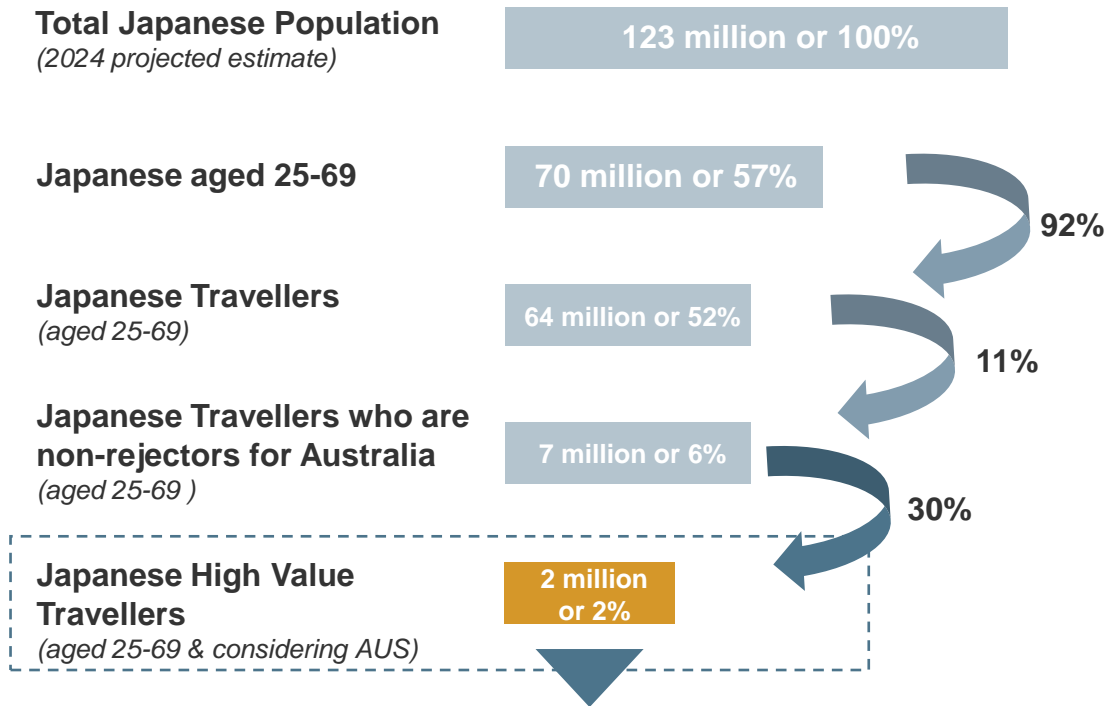


- Meets the Traveller criteria plus:
- Is from a higher income household (\$70k AUD annual household income or above)
 - Has a higher propensity to spend on international travel
 - Will spend more than ₩ 100,001 (~100 AUD) per person, per night on accommodation on a vacation in Australia
 - Will spend more than ₩ 100,001 (~100 AUD) on activities per person per day on a vacation in Australia

Sizing the opportunity



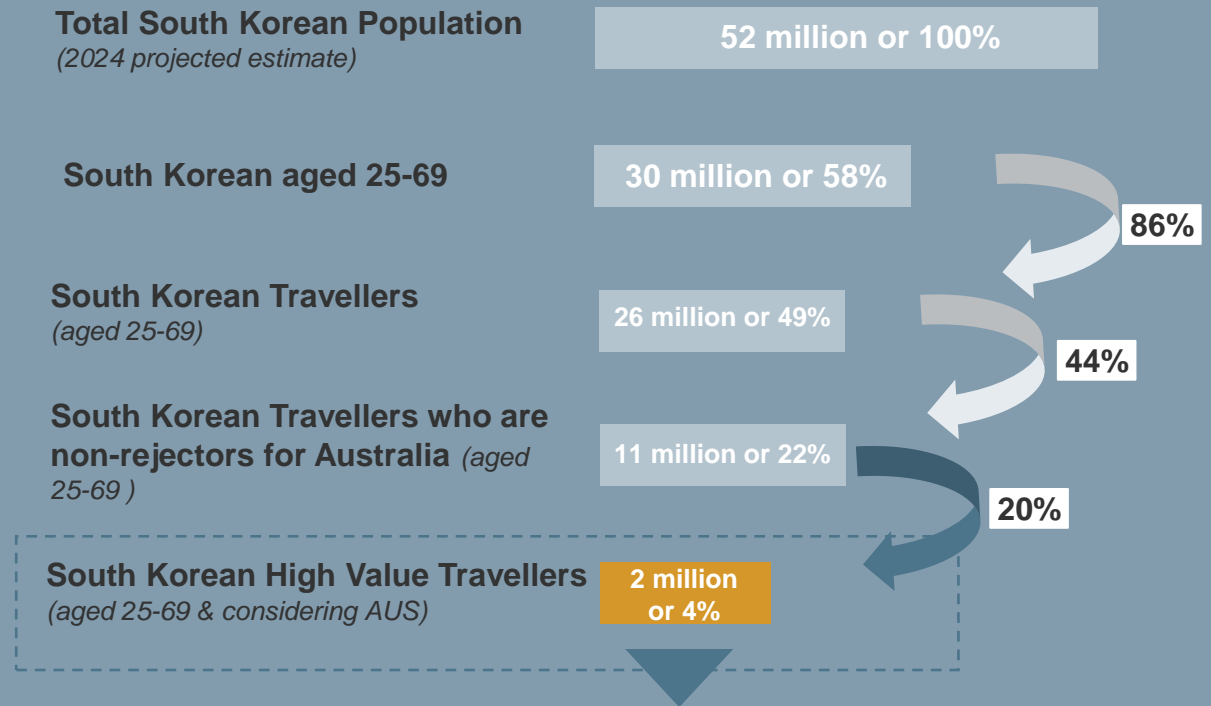
Size of the high value traveller population in Japan



This is the audience we have focused on throughout this report to quantify the opportunity for Tasmania

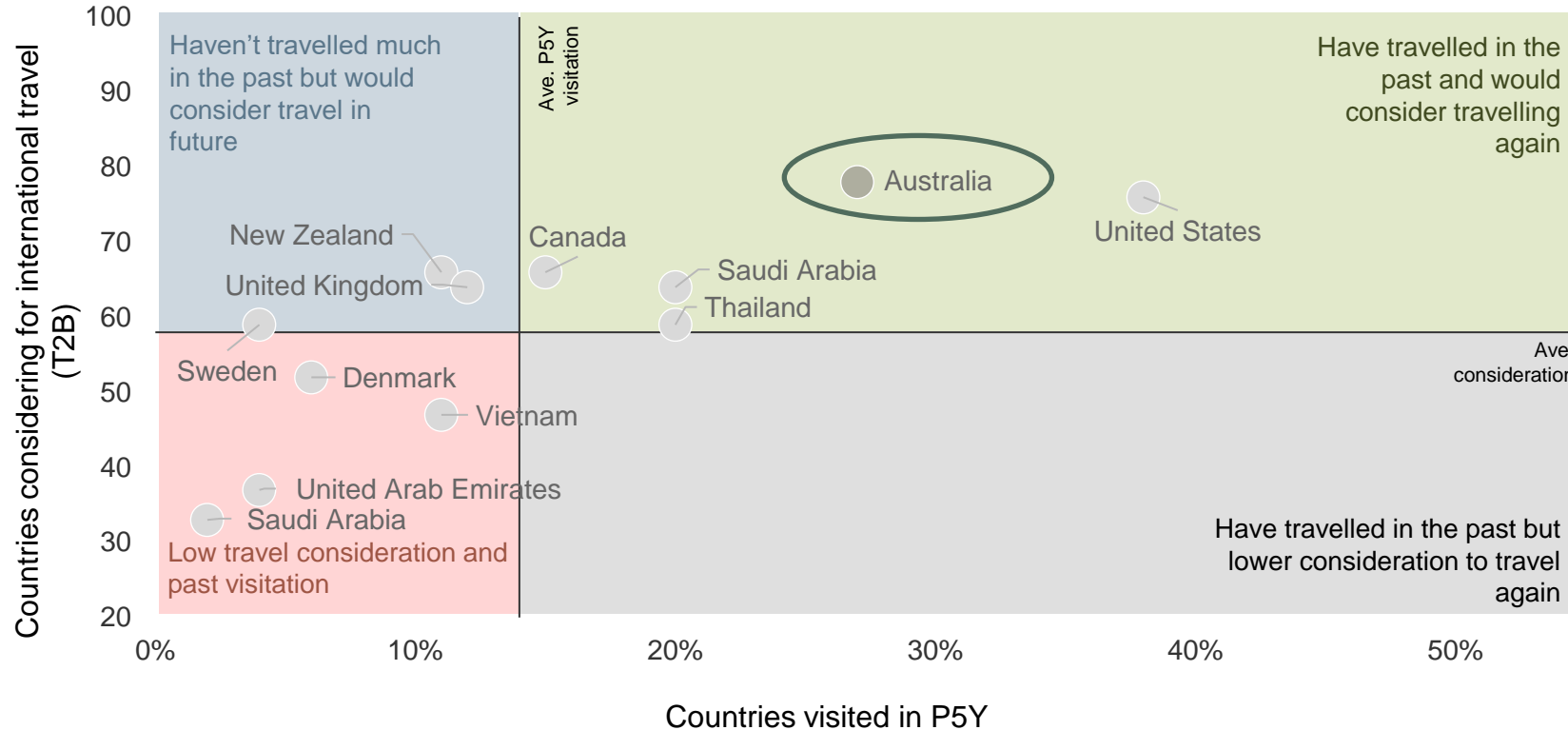


Size of the high value traveller population in South Korea



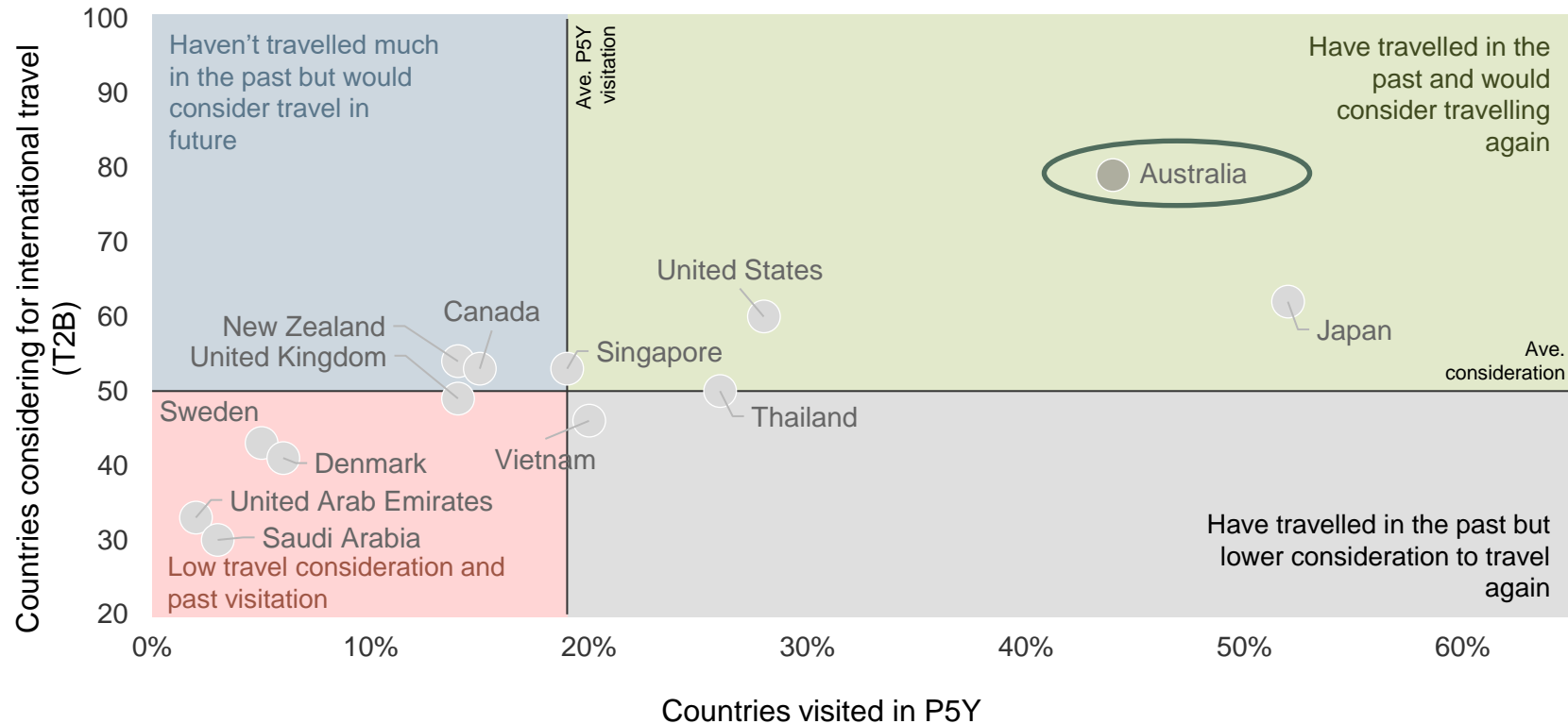
This is the audience we have focused on throughout this report to quantify the opportunity for Tasmania

Australia is an enticing destination for Japanese HVTs, sitting in the top five destinations visited in the past five years



- Top 5 international destinations visited in P5Y:
1. South Korea (39%)
 2. US (38%)
 3. Taiwan (36%)
 4. **Australia (27%)**
 5. Singapore (20%)

Australia is also highly considered among South Korean HVTs and strongly positioned as one of the top countries visited in the past five years



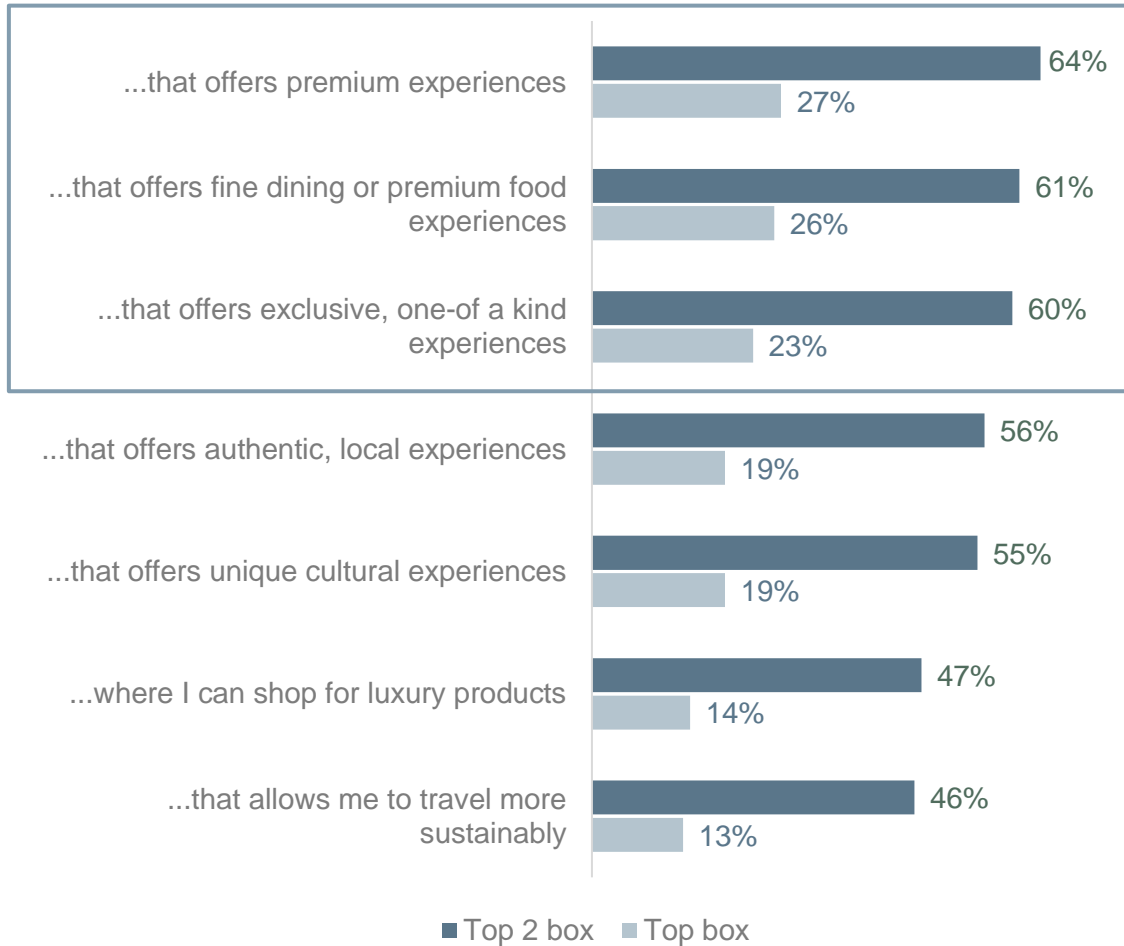
- Top 5 international destinations visited in P5Y:
1. Japan (52%)
 2. **Australia (44%)**
 3. China (32%)
 4. US (28%)
 5. Thailand (26%)

Identifying key motivations and expectations

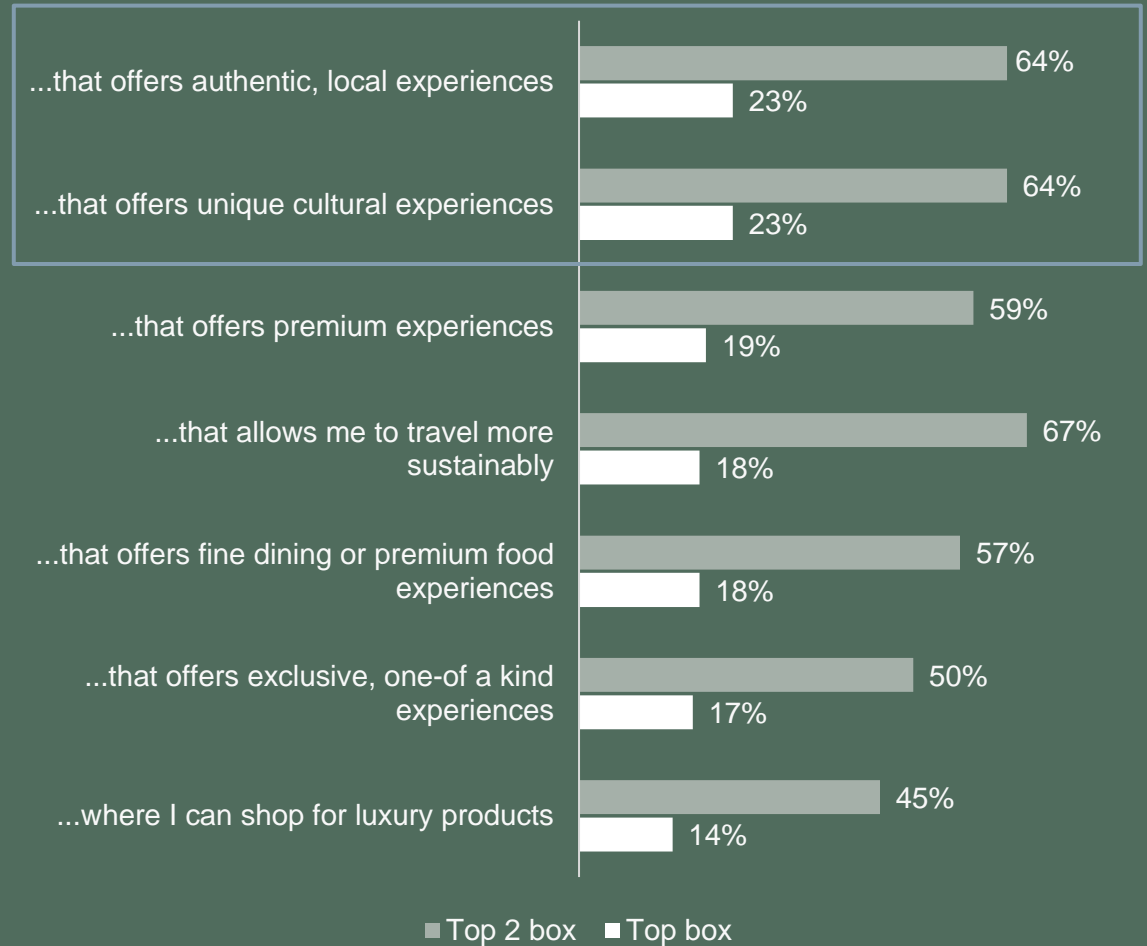
How are we measuring values, motivations and expectations of our HVTs

OVERALL TRAVEL VALUES	EMOTIVE AND FUNCTIONAL TRAVEL MOTIVATIONS	ACTIVITIES	SUSTAINABILITY SEGMENTATION
<p>How important are the below factors when you travel?</p> <p>For example:</p> <ul style="list-style-type: none">• Sustainability• Premium experiences• Exclusive, one of a kind experiences• Authentic, local experiences• Fine dining experiences• Unique cultural experiences• Shopping for luxury products	<p>Understanding what is most important to our HVTs for a vacation to Australia...</p> <p>For example:</p> <ul style="list-style-type: none">• Embracing somewhere new and different• Escaping everyday life• History I can learn about• Unique sports experiences	<p>Understanding what activities our HVTs would be interested in while vacationing in Australia...</p> <p>For example:</p> <ul style="list-style-type: none">• Adventure activities• Arts/culture• Connecting with locals• Food and beverages• Nature activities• Party and social• Relaxation• Sporting events	<ul style="list-style-type: none">• The Actives are much more likely to believe that they can make a real difference through their actions and think they are personally affected by social and environmental issues.• Considerers are on the fence about if they can make a difference through their choices.• Believers are heavily influenced by social factors, thinking their choices show others who they are and what they believe in.• Dismissers are characterised by their apathy to all things sustainable.

Travel Values – A destination...



Japanese HVTs gravitate to more mainstream manifestations of luxury while our South Korean travellers prioritise sustainability, authenticity, and culture.



HVTs believe how they act can make a real difference. This strong engagement with sustainability across both markets reflects the potential appeal of our positive impact strategy

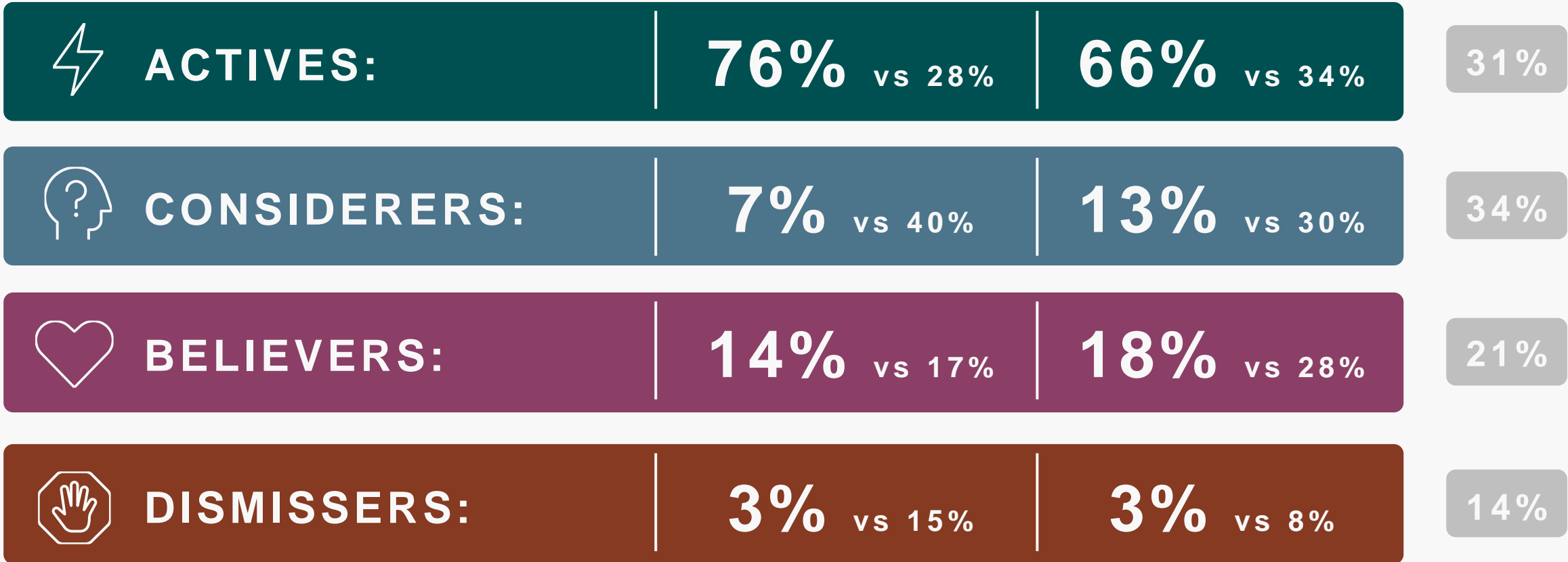


vs market total



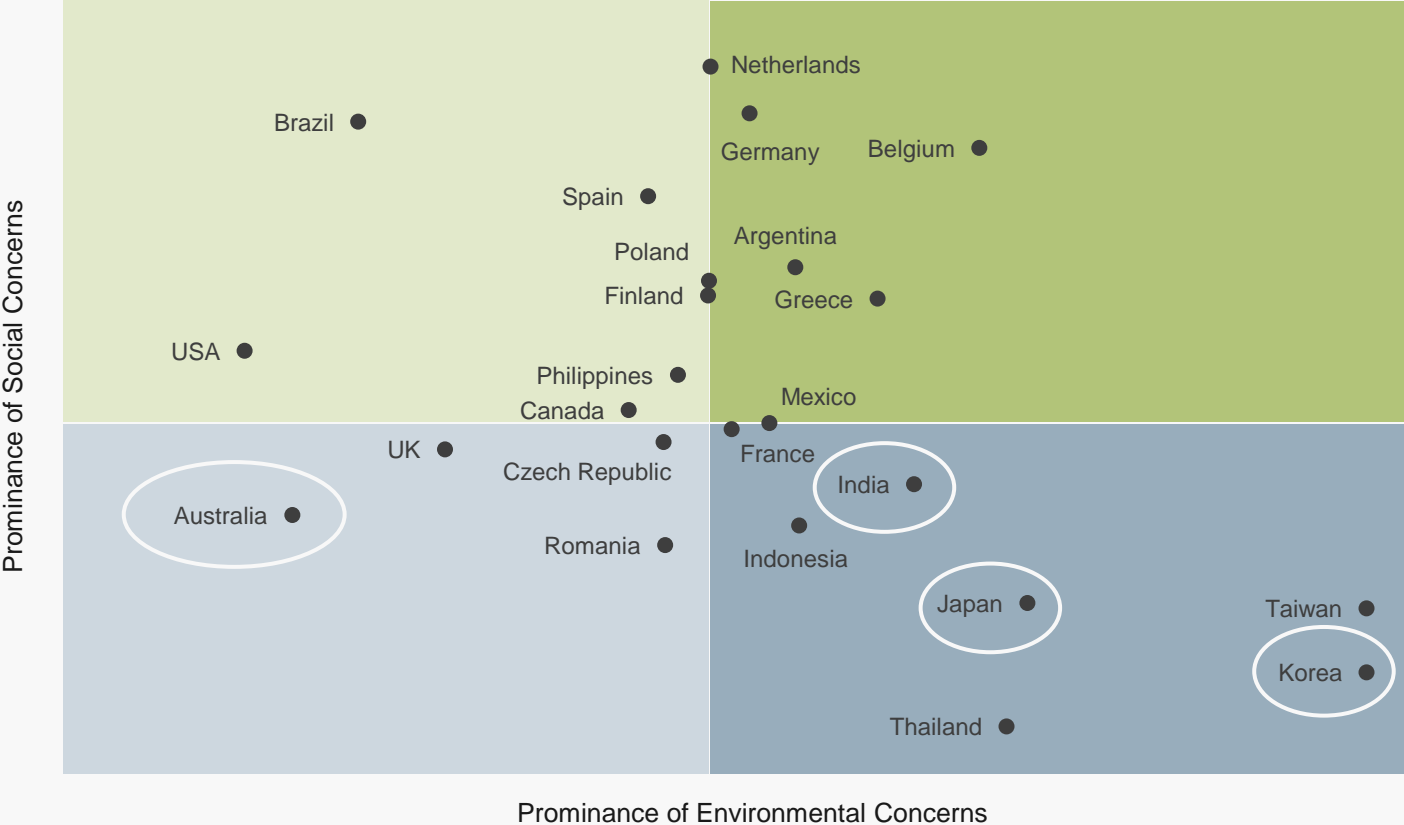
vs market total

Global



For South Korea, Japan, and India, environmentally focused initiatives are going to have stronger traction than most other markets

A global view of the prominence of sustainability issues vs. other macro-issues reflecting how much these two topics are being mentioned in comparison to other topics



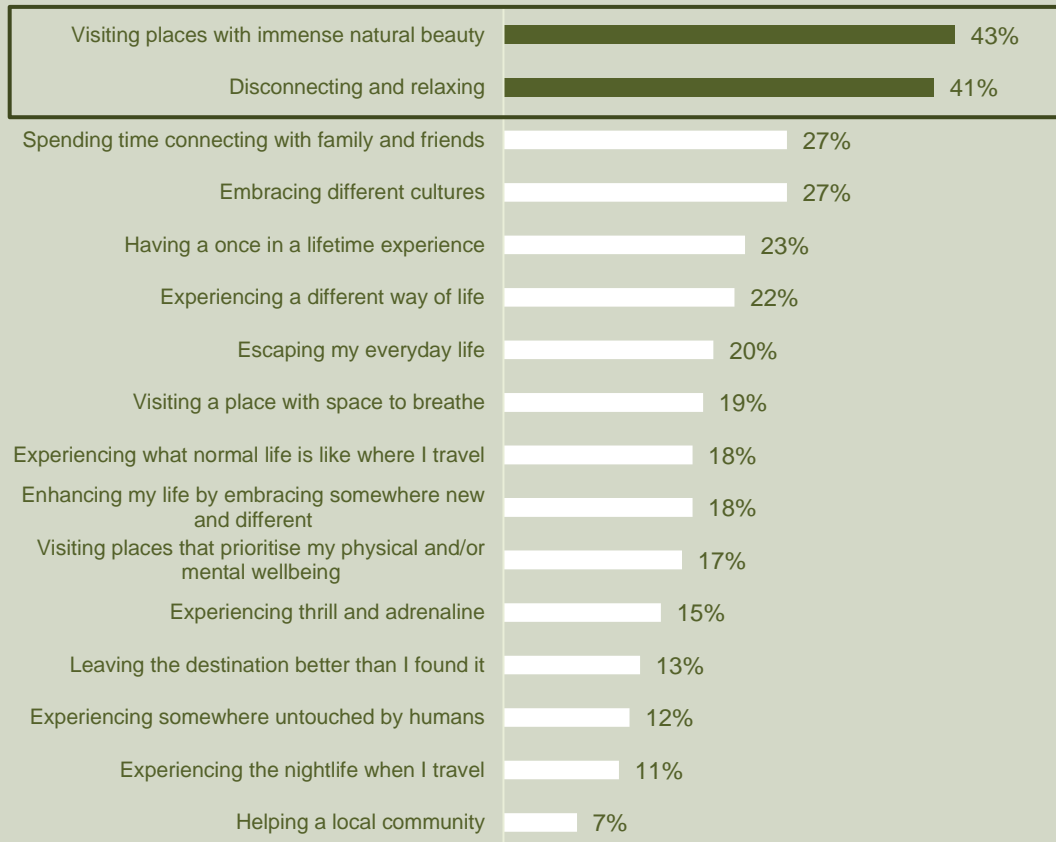
How to interpret this map?

<p>Efforts should showcase support for social progress. A people-centric approach is key to resonate. Connect environmental efforts to human benefits, such as improving air quality in low-income communities.</p>	<p>Efforts should showcase a more integrated approach to sustainability benefiting social and environmental progress.</p>
<p>Consider more fine-tuned targeting to establish a presence and scale up. Show the connection between sustainability and other worries like economy, health...</p>	<p>Efforts should showcase environmental progress and eco-friendly solutions that are available and beneficial to all.</p>

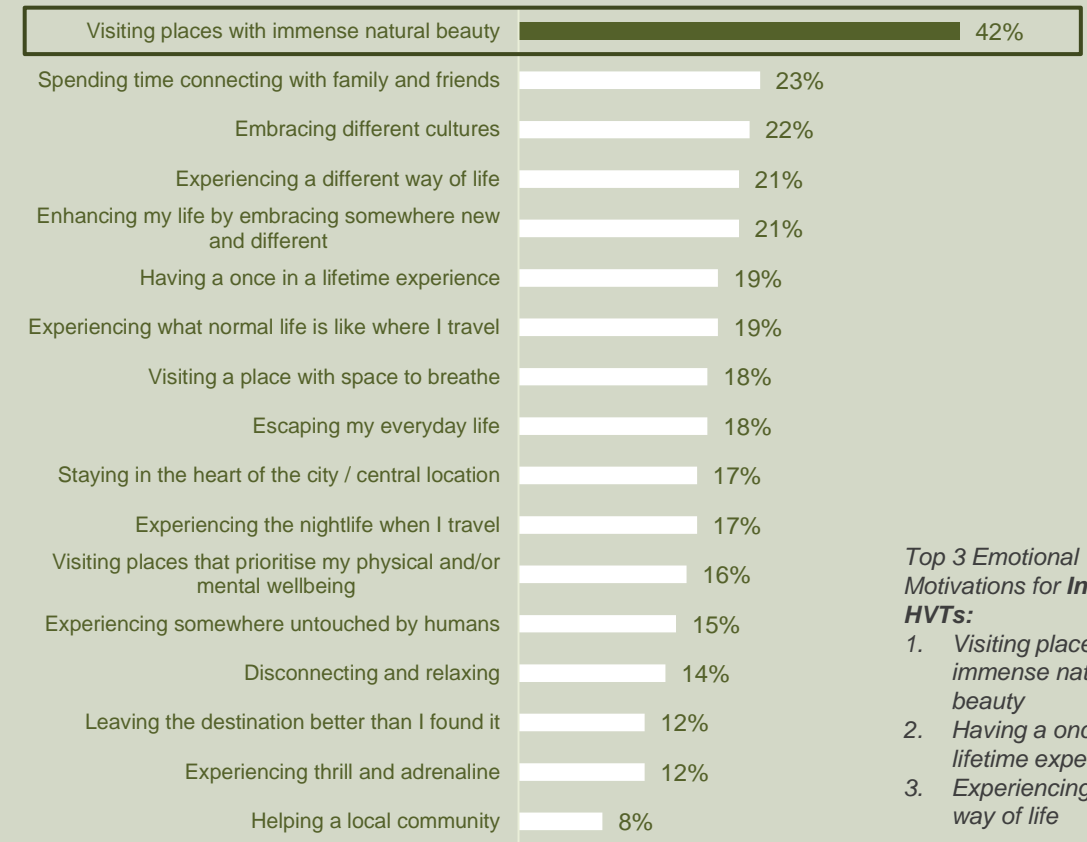
Kantar's Sustainability Sector Index 2023
 Q11. Can you name 3 big issues happening in the world that you think something needs to be done about? (OE)
 Social concerns includes Social Issues, Social Cohesion and Poverty/homelessness/refugee. Environmental concern correspond to Environmental issues
 Base: Global = 25 000 respondents

Visiting places with natural beauty is the number one emotive driver for all HVTs. However, unlike Indian and South Korean HVTs, Japanese HVTs prioritise relaxation and disconnecting

Emotional Travel Motivations



Emotional Travel Motivations

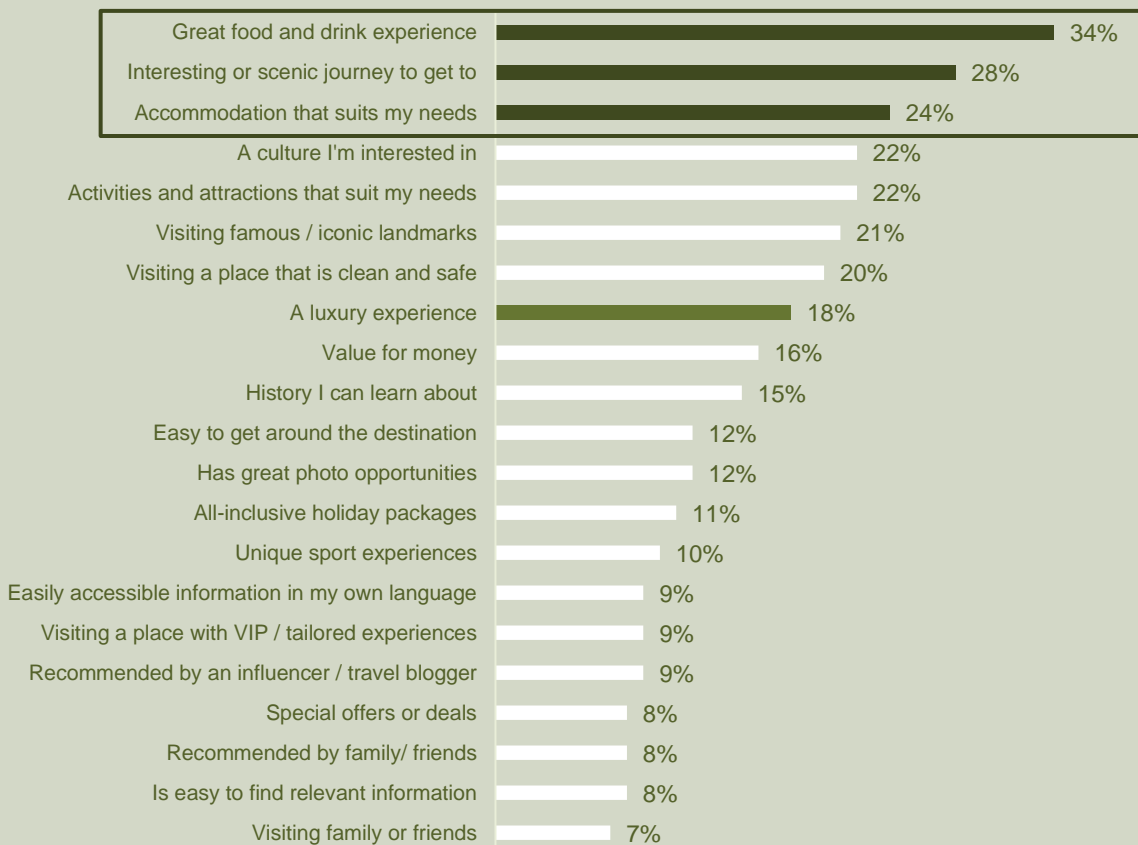


*Top 3 Emotional Travel Motivations for **Indian HVTs**:*

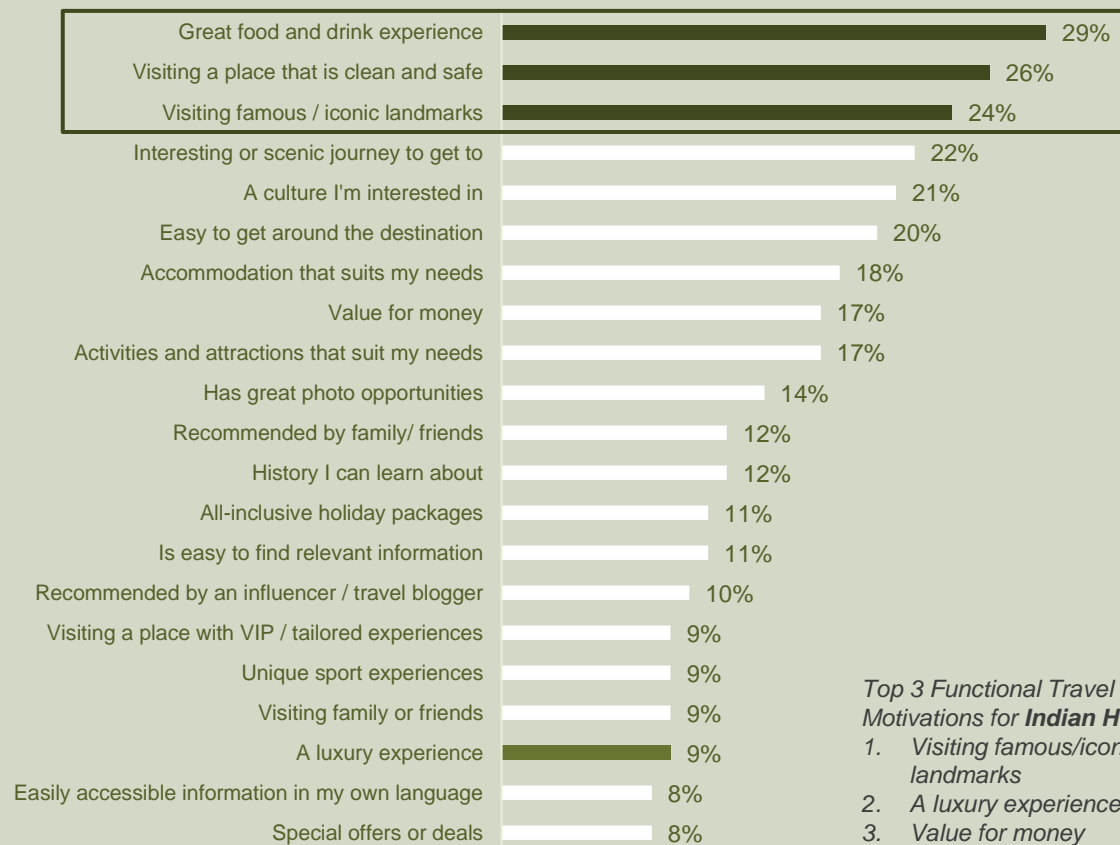
1. *Visiting places of immense natural beauty*
2. *Having a once in a lifetime experience*
3. *Experiencing a different way of life*

Great food and drink experiences represent the top shared functional travel motivation. Japanese HVTs also find scenic journeys and tailored accommodation important, while South Korean HVTs prefer cleanliness/safety and visiting iconic landmarks

Functional Travel Motivations



Functional Travel Motivations



Top 3 Functional Travel Motivations for Indian HVTs:

1. Visiting famous/iconic landmarks
2. A luxury experience
3. Value for money



Japanese HVTs are more likely to orientate their travel around luxury experiences while South Korean HVTs seek authenticity and culture from the outset.

Traveller Passport – Last Trip to Australia



GROUP SIZE AND LENGTH

Most likely to travel in a groups of 3-5 for an average of 10 nights



WHAT AND WHO

Travelling for a vacation or break with partner or as a family with children



ACCOMMODATION

Staying in a hotel or resort as well as luxury accommodation



HOW

Leveraging public transport, hiring vehicles or utilising Taxi / rideshare



GROUP SIZE AND LENGTH

Most likely to travel in a groups of 3-5 for an average of 11 nights



WHAT AND WHO

Travelling for a vacation or break with partner or as a family with children



ACCOMMODATION

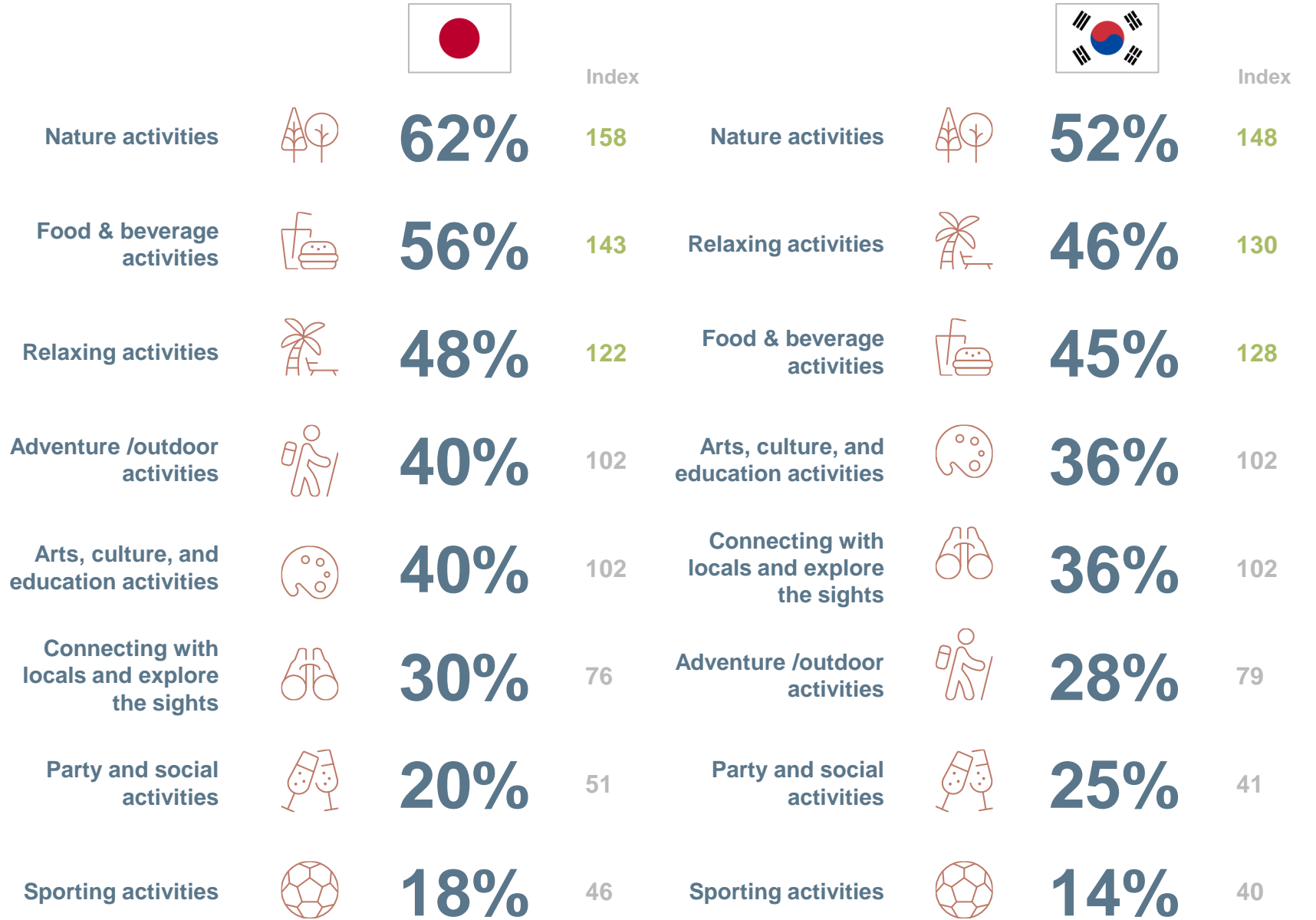
Staying in a hotel or resort as well as luxury accommodation



HOW

Leveraging public transport, hiring vehicles or tours

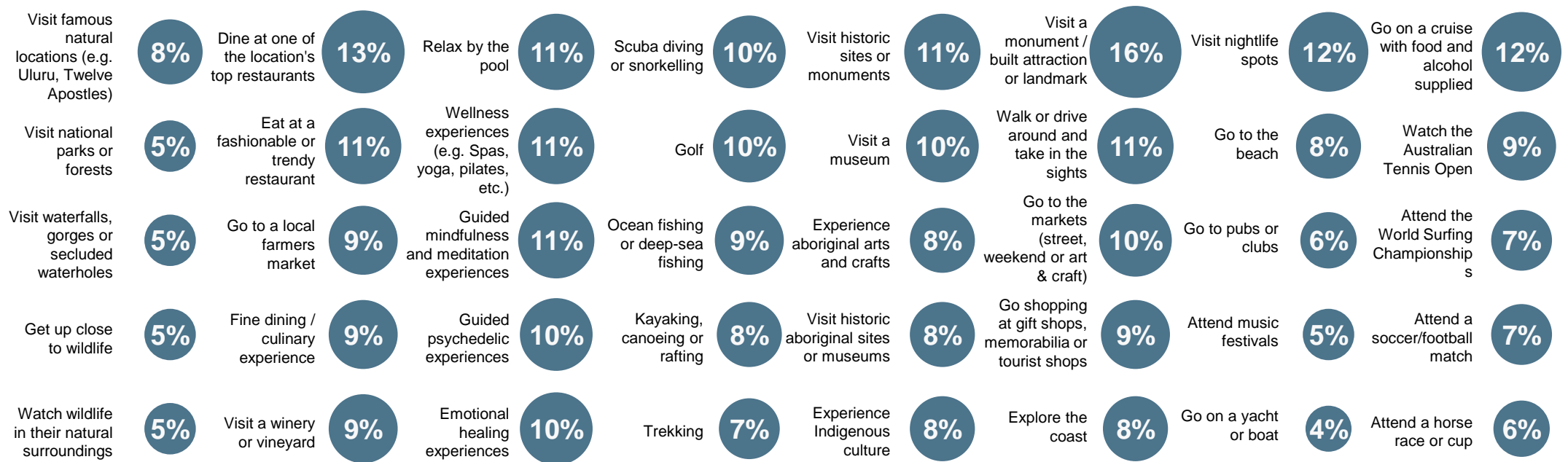
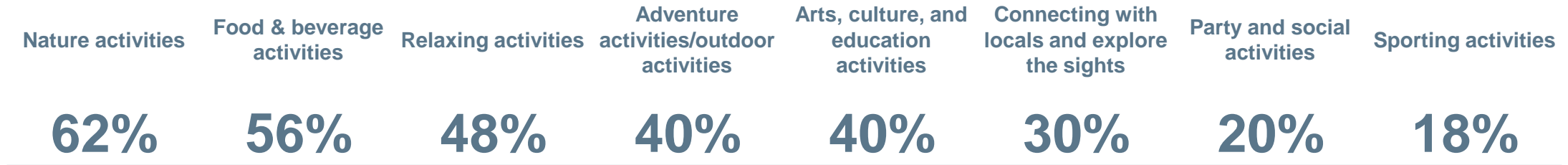
Japanese and South Korean HVTs are most interested in nature activities, aligning with their emotive needs for travel, followed by food & beverage, and relaxation

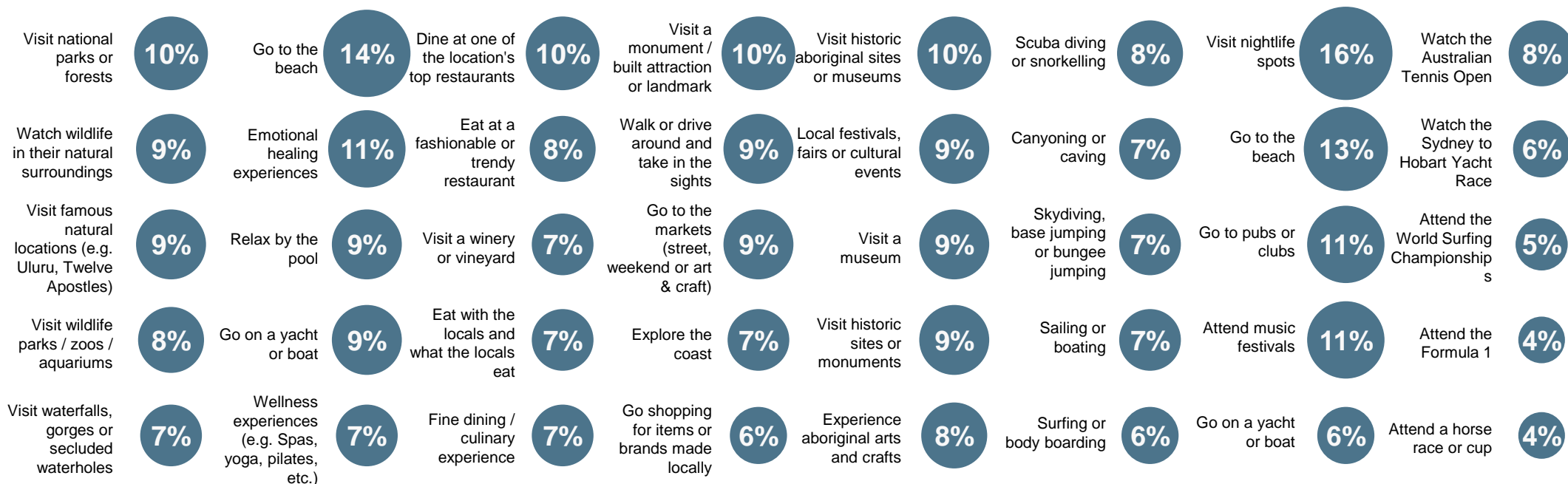
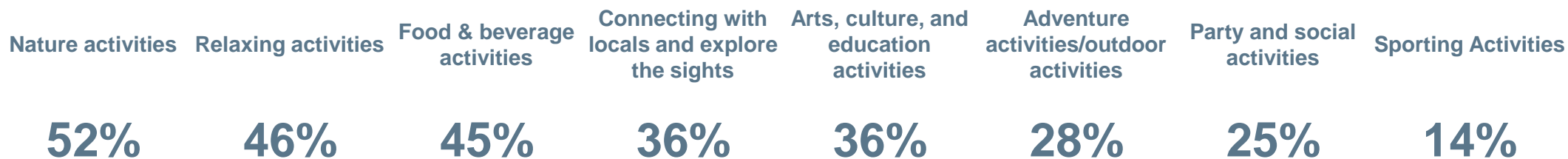


Q. What activities would you be interested in while vacationing in Australia?
Total Base Japan n=1000, South Korea n=1001

AVERAGE
Japan = 39%
South Korea = 35%

HVTs enjoy travelling with their partner/family and staying in luxury accommodation. Nature activities are core to travelling for these groups.

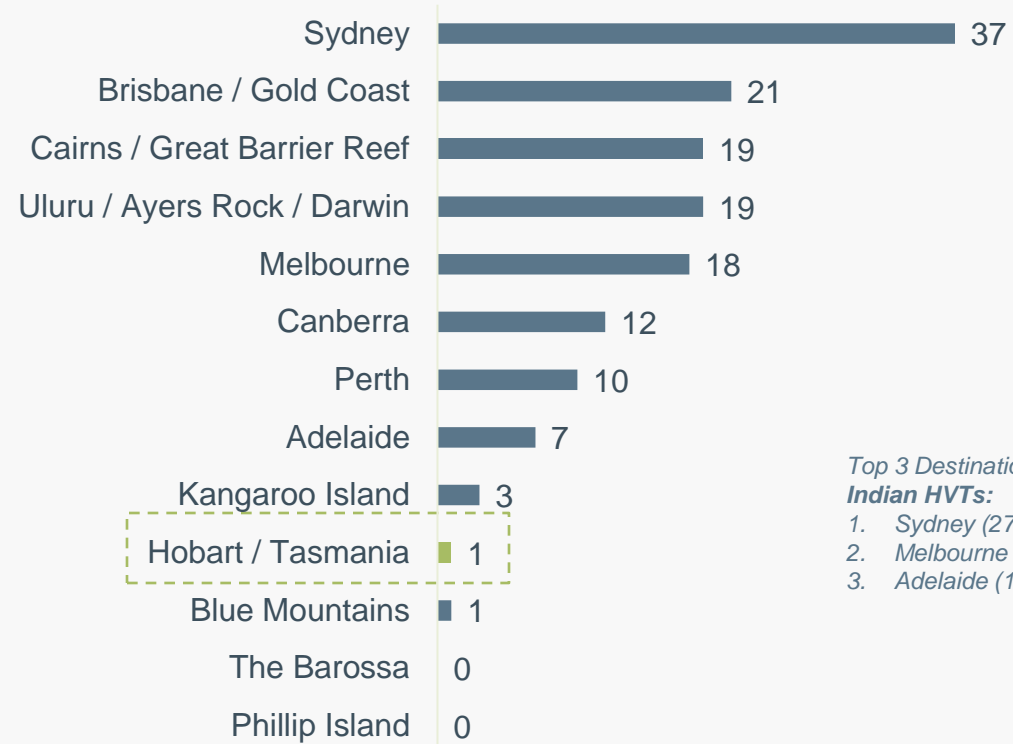




Where does Tasmania sit compared to other Australian destinations?

Sydney has the strongest mental availability, with more than a third mentioning the destination spontaneously

Spontaneous Awareness (total mentions)



Top 3 Destinations for Indian HVTs:

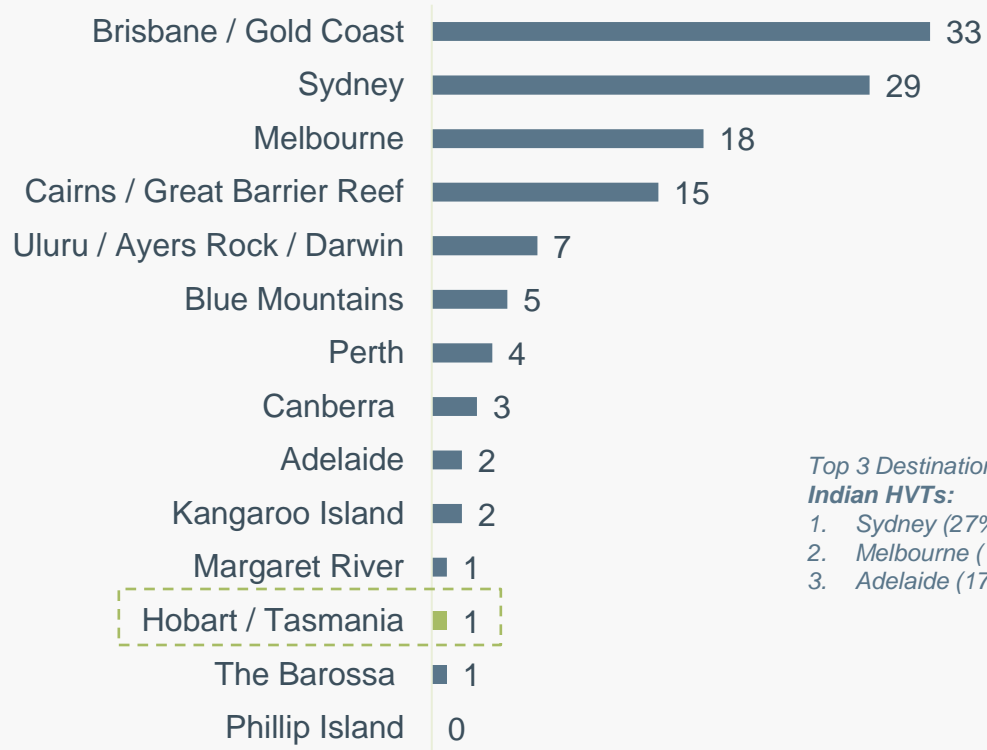
1. Sydney (27%)
2. Melbourne (18%)
3. Adelaide (17%)



For South Korean HVTs, Brisbane / Gold Coast has the greatest spontaneous awareness, followed by Sydney. Similar to Japan, Tasmania records low spontaneous awareness



Spontaneous Awareness (total mentions)

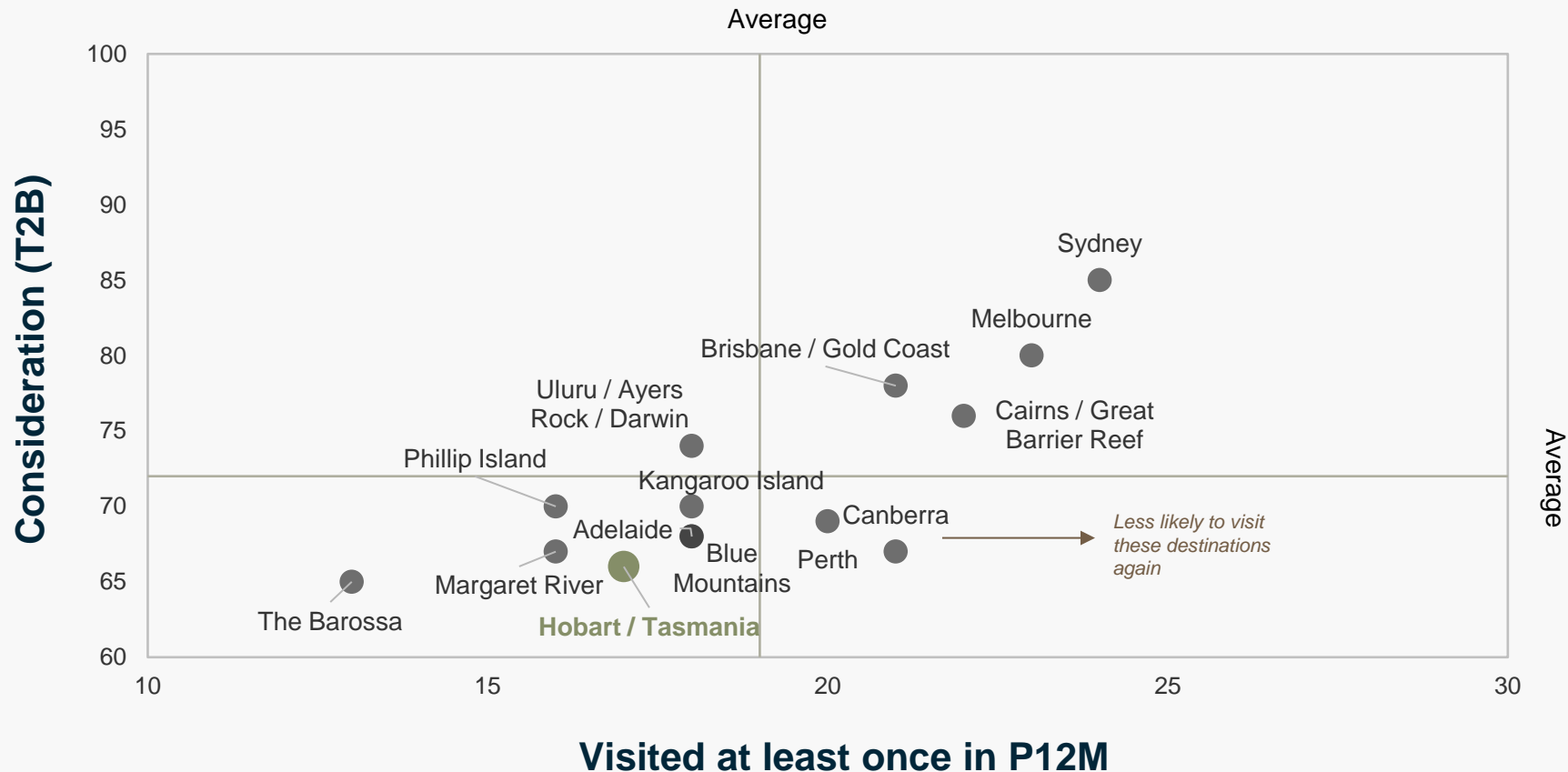


Top 3 Destinations for Indian HVTs:

1. Sydney (27%)
2. Melbourne (18%)
3. Adelaide (17%)



Most destinations that have been visited in the past remain in the consideration set for Japanese HVTs. Tasmania remains relatively low, with familiarity representing a barrier for travel. East coast destinations have the greatest past travel and future pull



Sydney, Melbourne, and Brisbane/GC are popular choices among South Korean HVTs and attract high future intent to travel. Tasmania sits amongst the more regional destinations as well as other smaller states



Destinations defined by an iconic natural landmark achieve greater prominence proportional to their destination size.

Connecting in nature as well as food/drink & arts/culture are key to driving Demand in the Japanese market for our HVTs



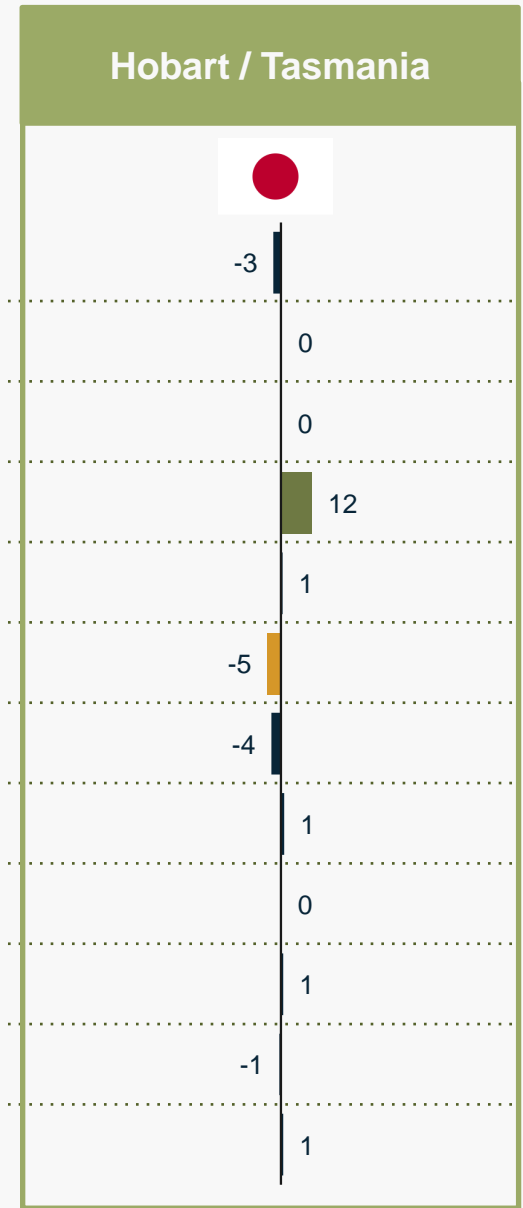
Contribution to Demand Power for HVTs

Relax and connect in nature (35%)	Food/drink and Arts & Culture (21%)	History & Heritage (15%)	Authentic Impact (14%)	Self-drive (10%)	Winter (5%)
<ul style="list-style-type: none">• Is a place where I can relax with my family• Is a place where I can disconnect and relax• Is a place where you can feel reinvigorated• Has nature, wilderness and wildlife like nowhere else• Is a place that offers a variety of different experiences	<ul style="list-style-type: none">• Offers great food and drink experiences• Has arts, events and festivals like nowhere else	<ul style="list-style-type: none">• Is a place with interesting history and heritage attractions	<ul style="list-style-type: none">• Is a place with authentic, genuine people• Is a place where I can make a positive contribution to sustainability	<ul style="list-style-type: none">• Is a place ideal for touring/self-drive holidays	<ul style="list-style-type: none">• Offers a winter experience with a difference

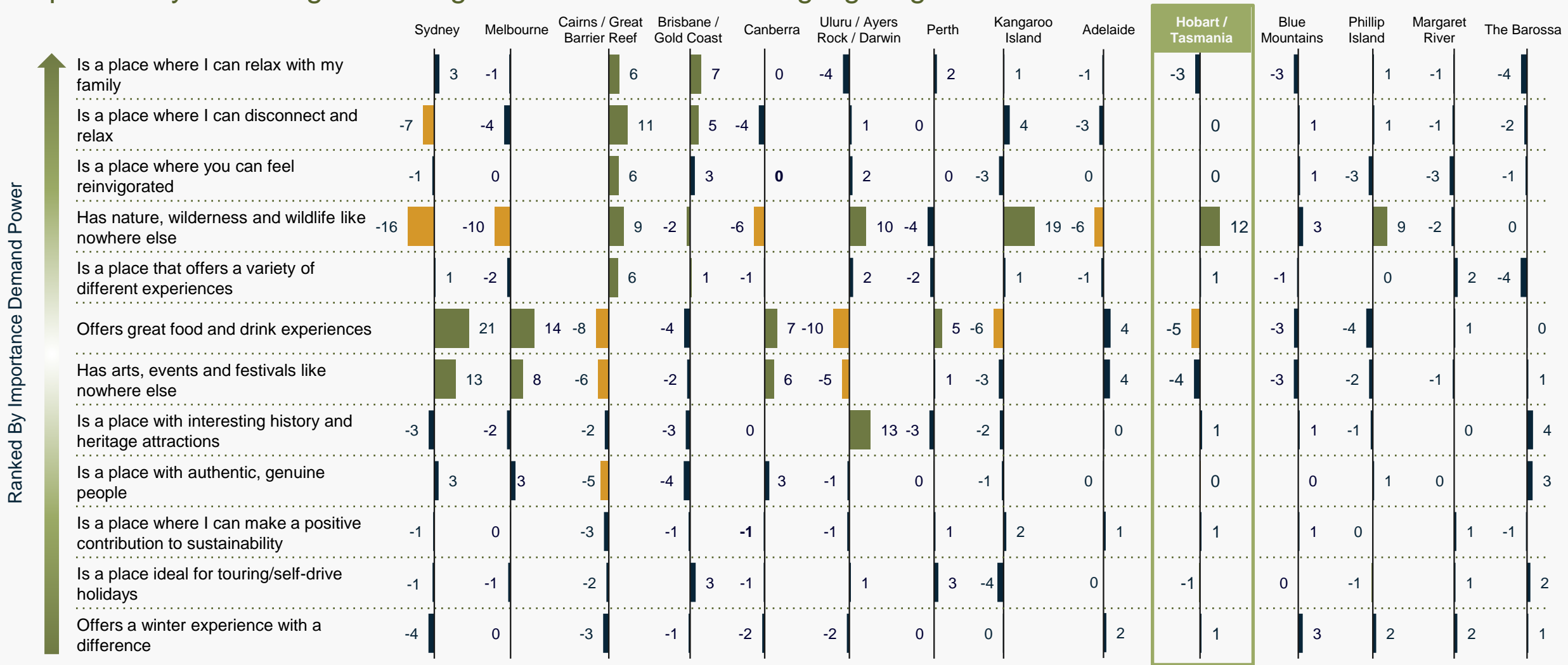
Japanese HVTs have clarity on what Tasmania stands for with nature and wildlife like nowhere else representing a strength for the destination.

Ranked By Importance Demand Power

- Is a place where I can relax with my family
- Is a place where I can disconnect and relax
- Is a place where you can feel reinvigorated
- Has nature, wilderness and wildlife like nowhere else
- Is a place that offers a variety of different experiences
- Offers great food and drink experiences
- Has arts, events and festivals like nowhere else
- Is a place with interesting history and heritage attractions
- Is a place with authentic, genuine people
- Is a place where I can make a positive contribution to sustainability
- Is a place ideal for touring/self-drive holidays
- Offers a winter experience with a difference



Sydney, Melbourne, and Canberra own the arts/culture space as well as food/drink while Qld destinations stand more for relaxation. Interestingly, Uluru is the only destination to represent history, potentially indicating the strength of the destination in highlighting First Nations culture



Base: Aware of destinations Total **Hobart / Tasmania**: 756; **Adelaide**: 811; **Perth**: 868; **Uluru / Ayers Rock / Darwin**: 798; **Sydney**: 971; **Melbourne**: 948; **Kangaroo Island**: 776; **Canberra**: 918; **Blue Mountains**: 734; **Brisbane / Gold Coast**: 867; **Cairns / Great Barrier Reef**: 910; **Phillip Island**: 682; **Margaret River**: 628; **The Barossa**: 609
 Ordered by importance to Tasmania and new imagery list added for Q2 2024
 Source: TIM MDF analysis; Imagery: Which of these destinations do you think...?
 Note: variance analysis shown.

For South Korean travellers, connection with local culture and food scene represent the strongest drivers to Demand. Having an authentic impact on a destination is also key

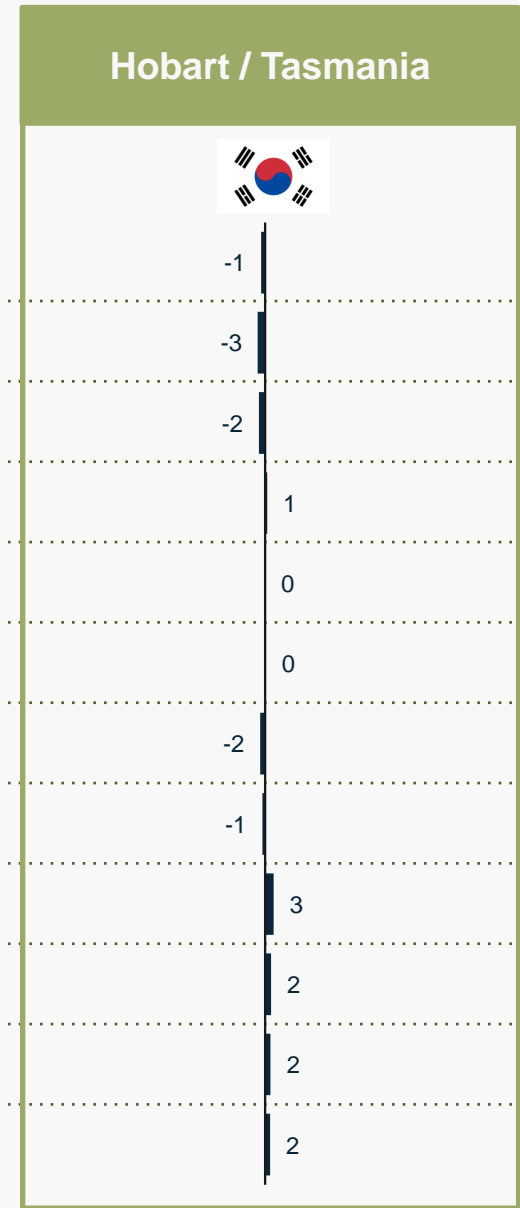
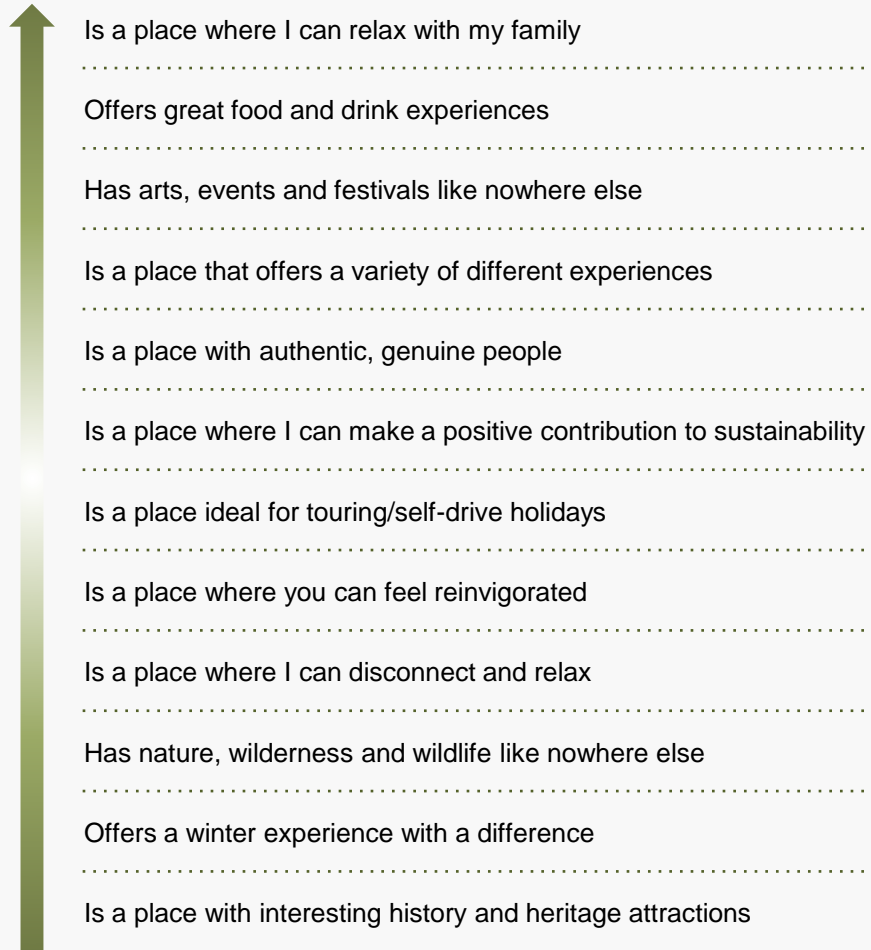


Contribution to Demand Power for HVTs

Connect with food & culture (31%)	Authentic Impact (16%)	Reinvigorated journeys (15%)	Relax in nature (13%)	Winter (13%)	History and Heritage (12%)
<ul style="list-style-type: none"> • Is a place where I can relax with my family • Offers great food and drink experiences • Has arts, events and festivals like nowhere else • Is a place that offers a variety of different experiences 	<ul style="list-style-type: none"> • Is a place with authentic, genuine people • Is a place where I can make a positive contribution to sustainability 	<ul style="list-style-type: none"> • Is a place ideal for touring/self-drive holidays • Is a place where you can feel reinvigorated 	<ul style="list-style-type: none"> • Is a place where I can disconnect and relax • Has nature, wilderness and wildlife like nowhere else 	<ul style="list-style-type: none"> • Offers a winter experience with a difference 	<ul style="list-style-type: none"> • Is a place with interesting history and heritage attractions

Our South Korean travellers are less clear on what Tasmania has to offer, however, for both markets, awareness represents a barrier

Ranked By Importance Demand Power



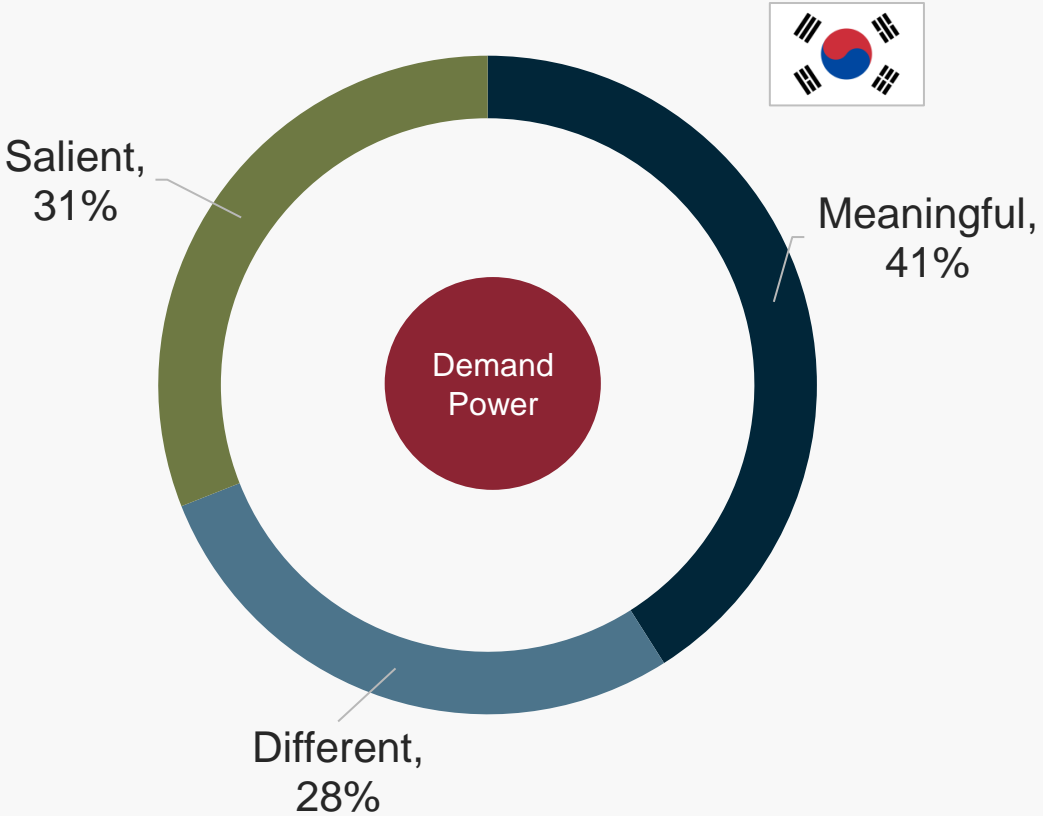
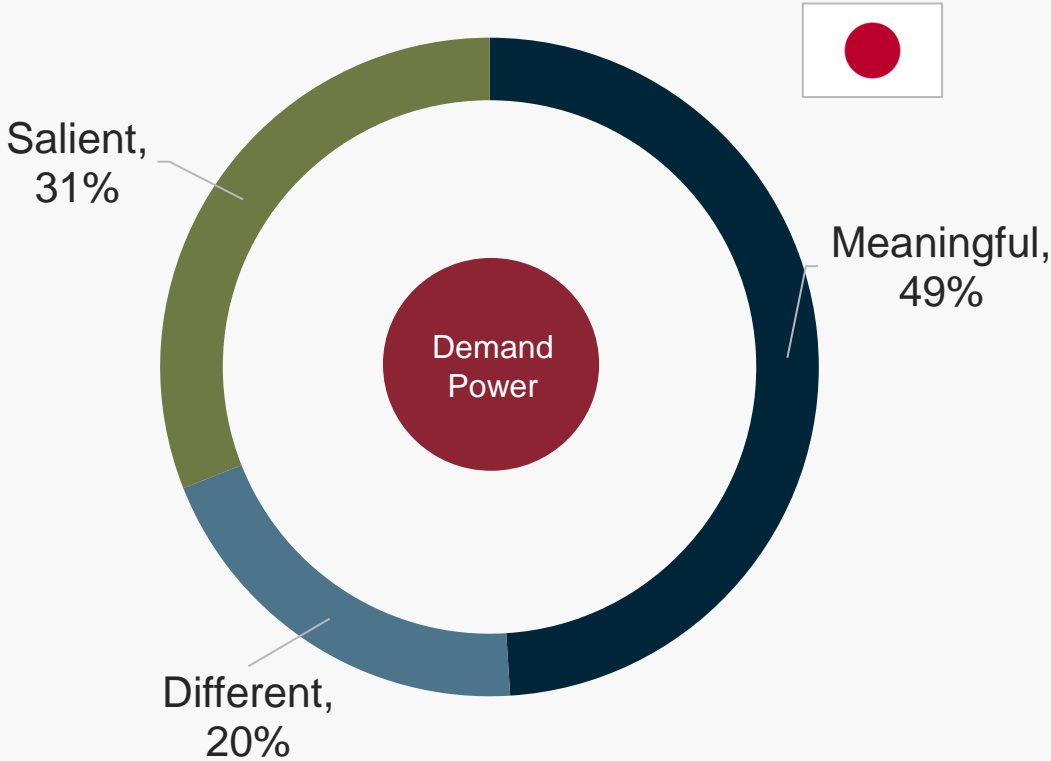
Interestingly, for our South Korean travellers, our coastal/beach destinations don't monopolise relaxation with the Blue Mountains also standing out here. Sydney, Melbourne, and Canberra sit in a similar position in South Korea as in Japan, however, with Sydney pulling ahead



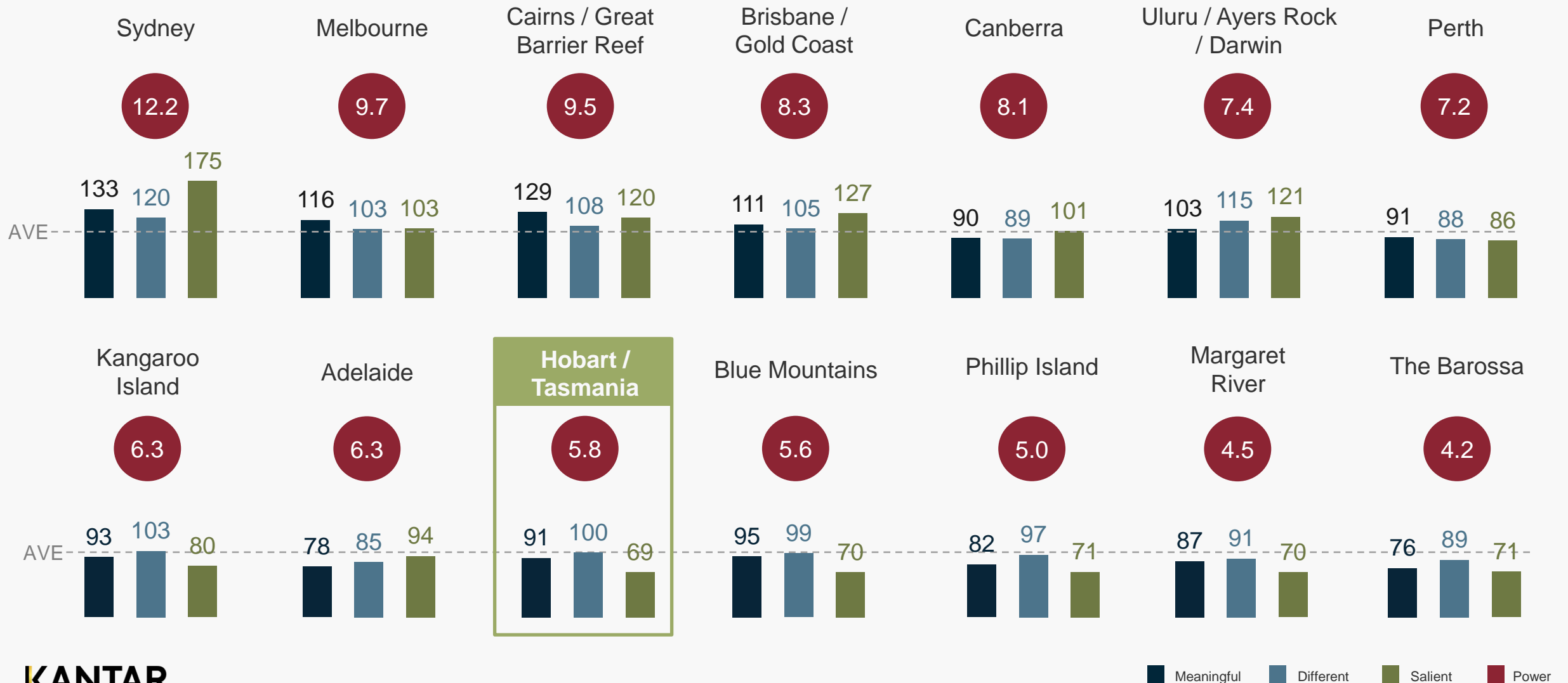
Base: Aware of destinations Total **Hobart / Tasmania**: 768; **Adelaide**: 747; **Perth**: 809; **Uluru / Ayers Rock / Darwin**: 795; **Sydney**: 951; **Melbourne**: 945; **Kangaroo Island**: 865; **Canberra**: 893; **Blue Mountains**: 875; **Brisbane / Gold Coast**: 918; **Cairns / Great Barrier Reef**: 849; **Phillip Island**: 763; **Margaret River**: 724; **The Barossa**: 702
 Ordered by importance to Tasmania and new imagery list added for Q2 2024
 Source: TIM MDF analysis; Imagery: Which of these destinations do you think...?
 Note: variance analysis shown.

What do we need to overcome to unlock opportunity for Tasmania?

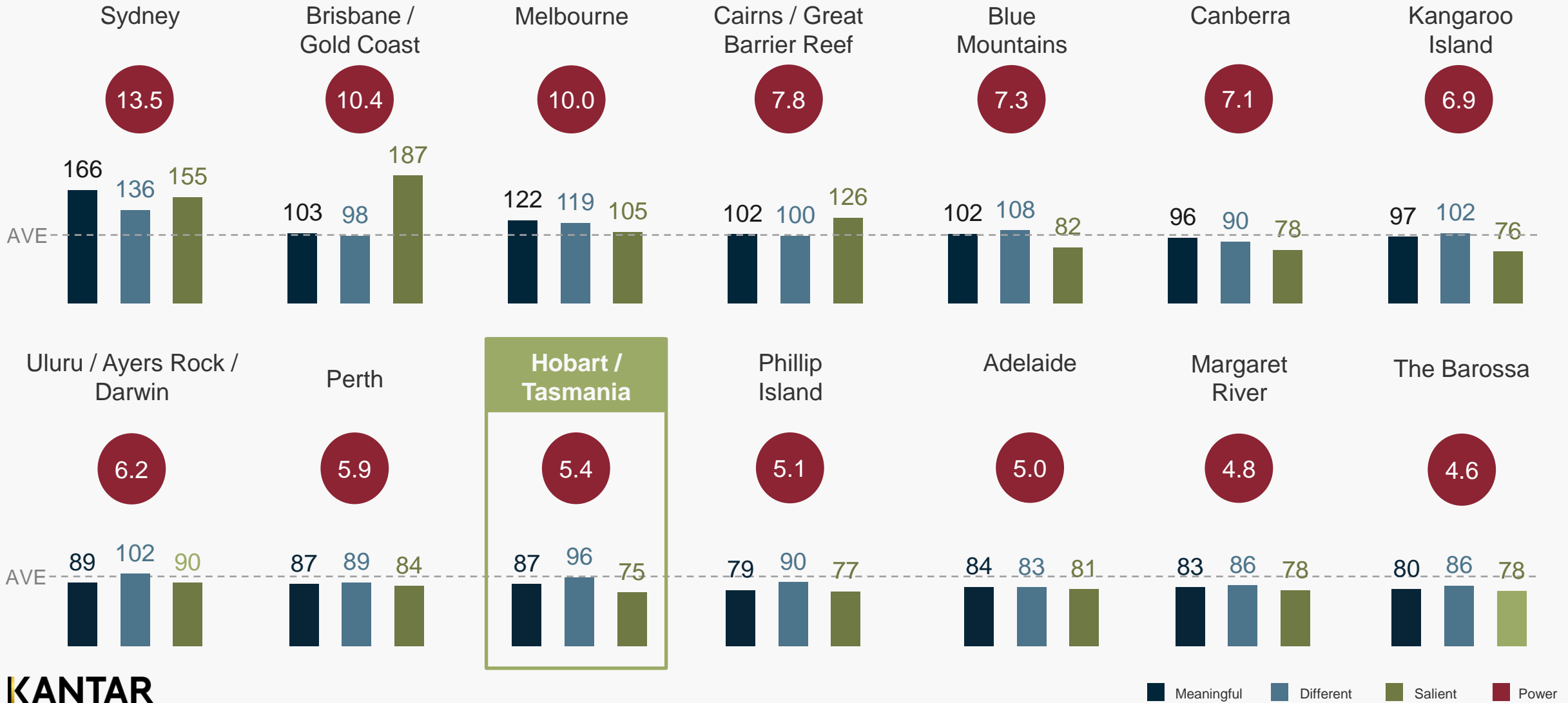
Our HVT groups share similar scores in Meaning, Difference, and Salience. However, Difference is more important for South Korean HVTs




Tasmania's Salience represents a barrier for the destination, positioned below regional destinations such as Margaret River and the Barossa. This represents the first hurdle to overcome in this market



Tasmania holds a similar position to Japan in South Korea. Salience for Brisbane / Gold Coast is strong, potentially aided by their Olympics announcement



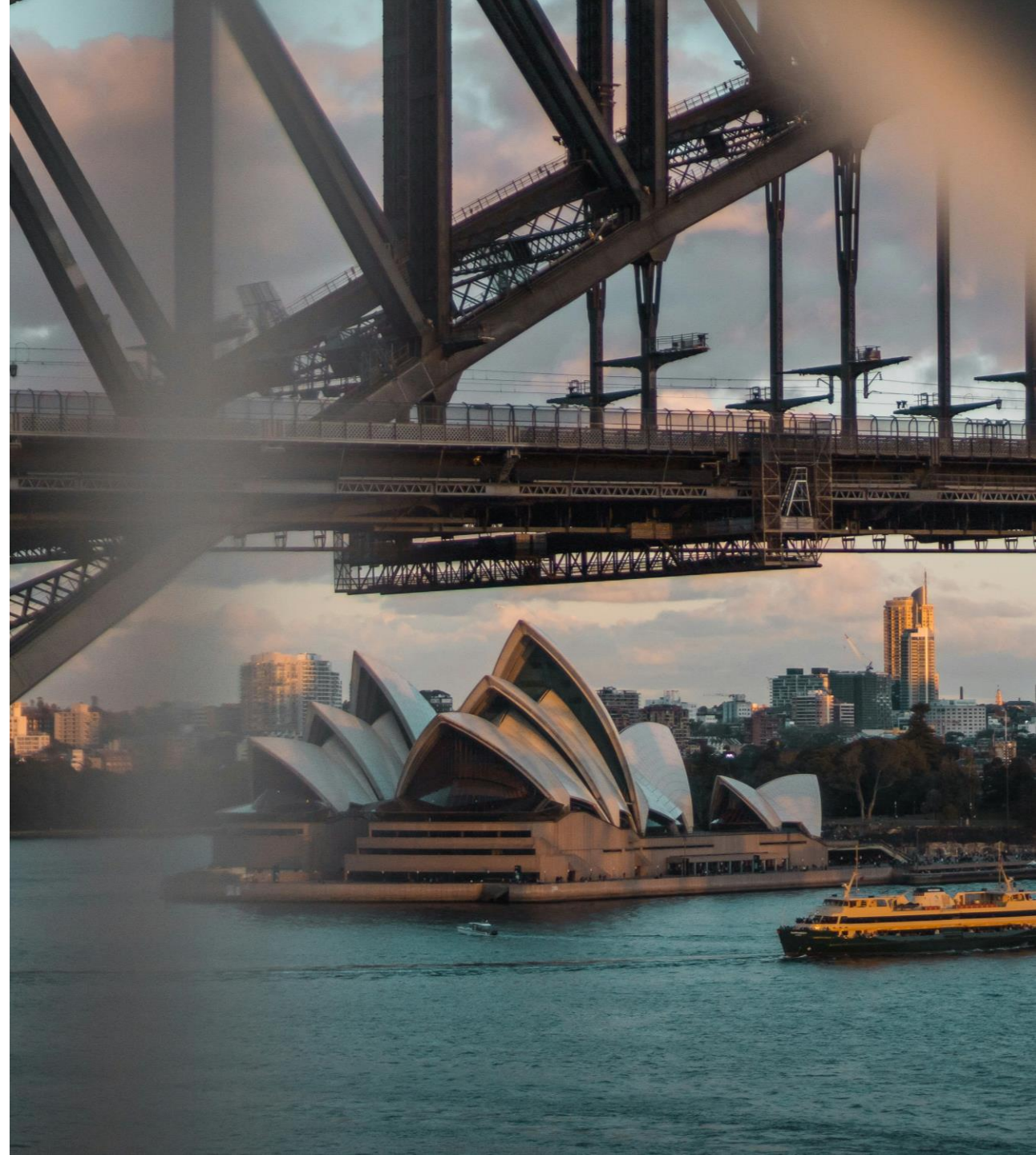
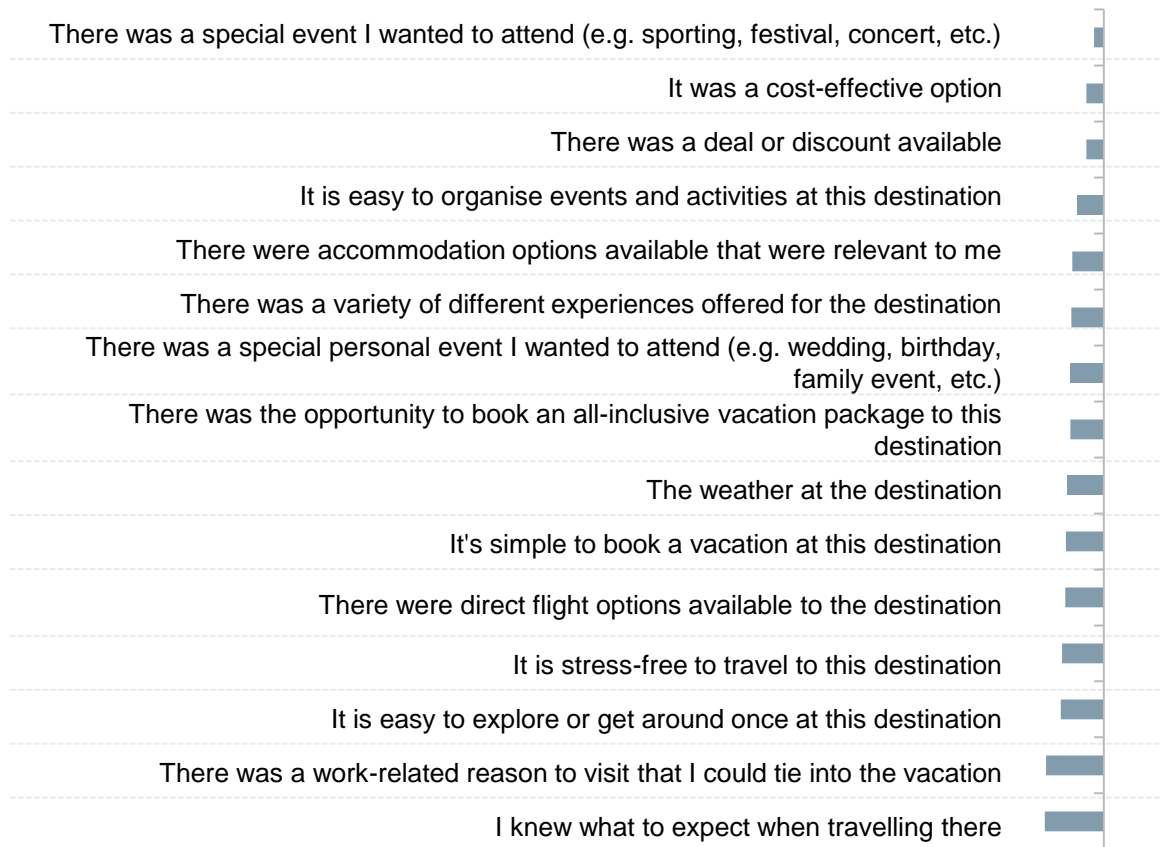
A person is standing in the shallow ocean waves, looking out towards the horizon. The sky is filled with heavy, grey clouds, and the water is a mix of white foam from the waves and a darker blue-grey color. The overall mood is somber and contemplative.

**Saliience represents the biggest barrier for
Tasmania in Japan and South Korea,
indicating the first step to overcome.**

Ease and convenience represented the largest barriers for Japanese HVTs; not knowing when to travel, how to get around, and direct flights/simple booking



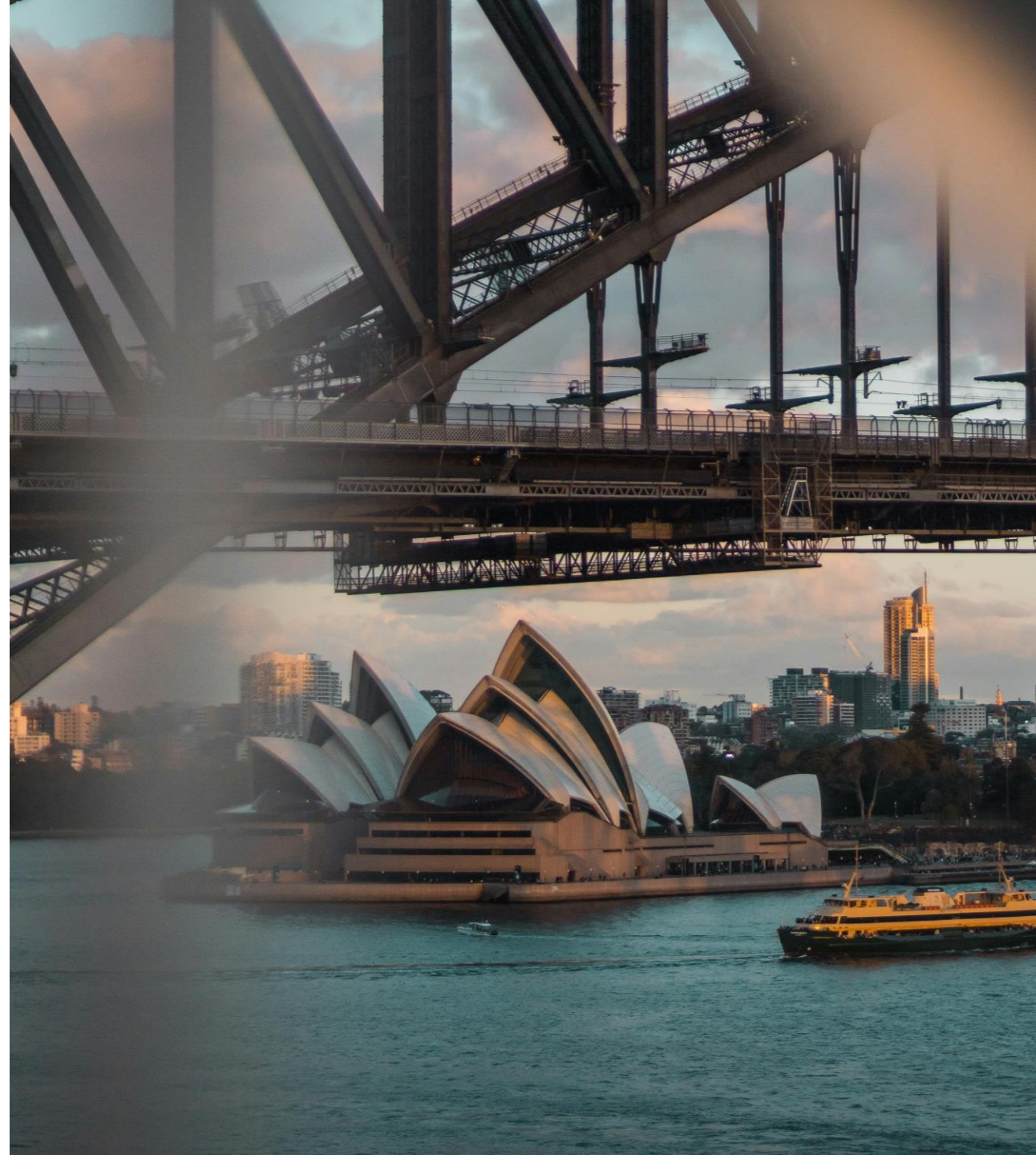
Market Barriers and Facilitators for Tasmania



Variety, accommodation, and simplicity around booking/flight options all represented barriers for South Korea HVTs in the past

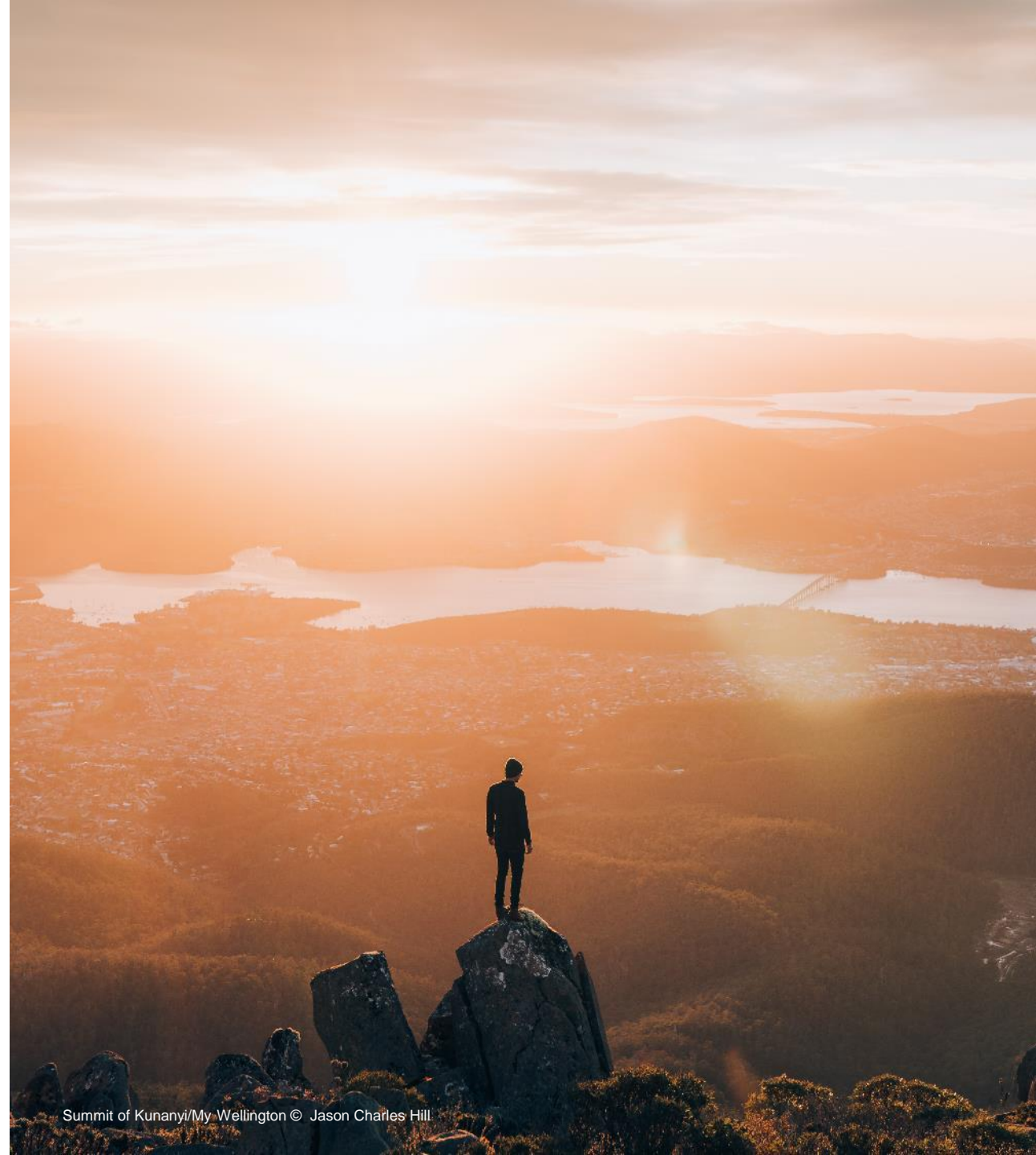
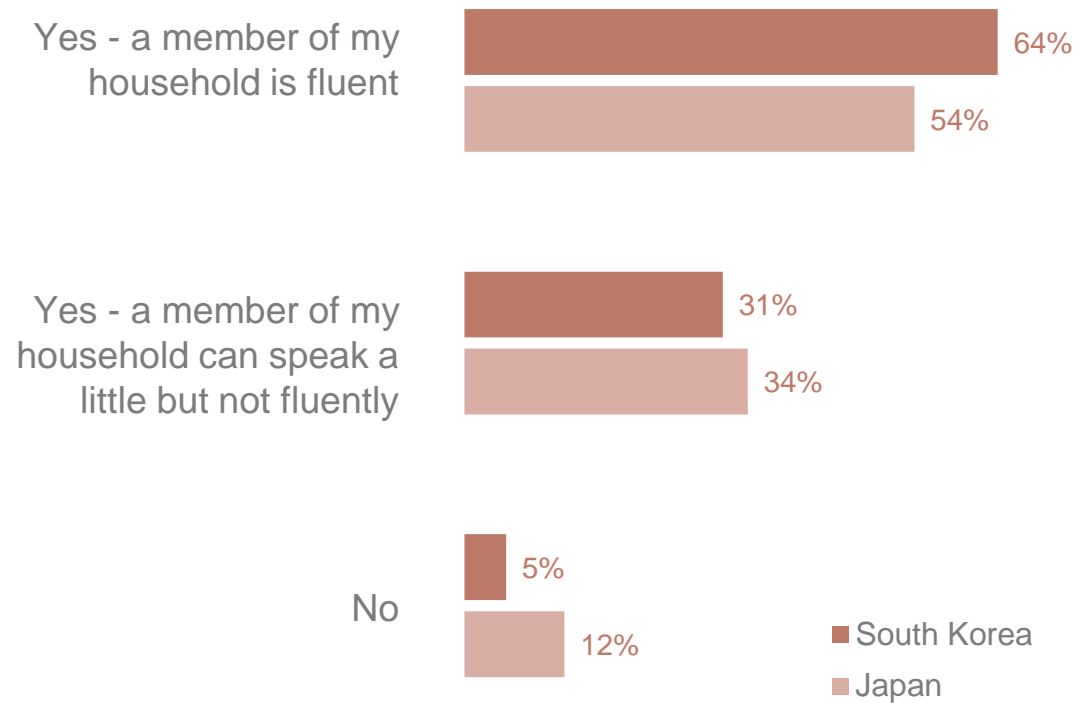


Market Barriers and Facilitators for Tasmania



How do we best reach HVTs?

More than half of our Japanese and South Korean households have a fluent English speaker at home





South Korean HVTs spend more time using social media and streaming TV compared to HVTs from Japan.

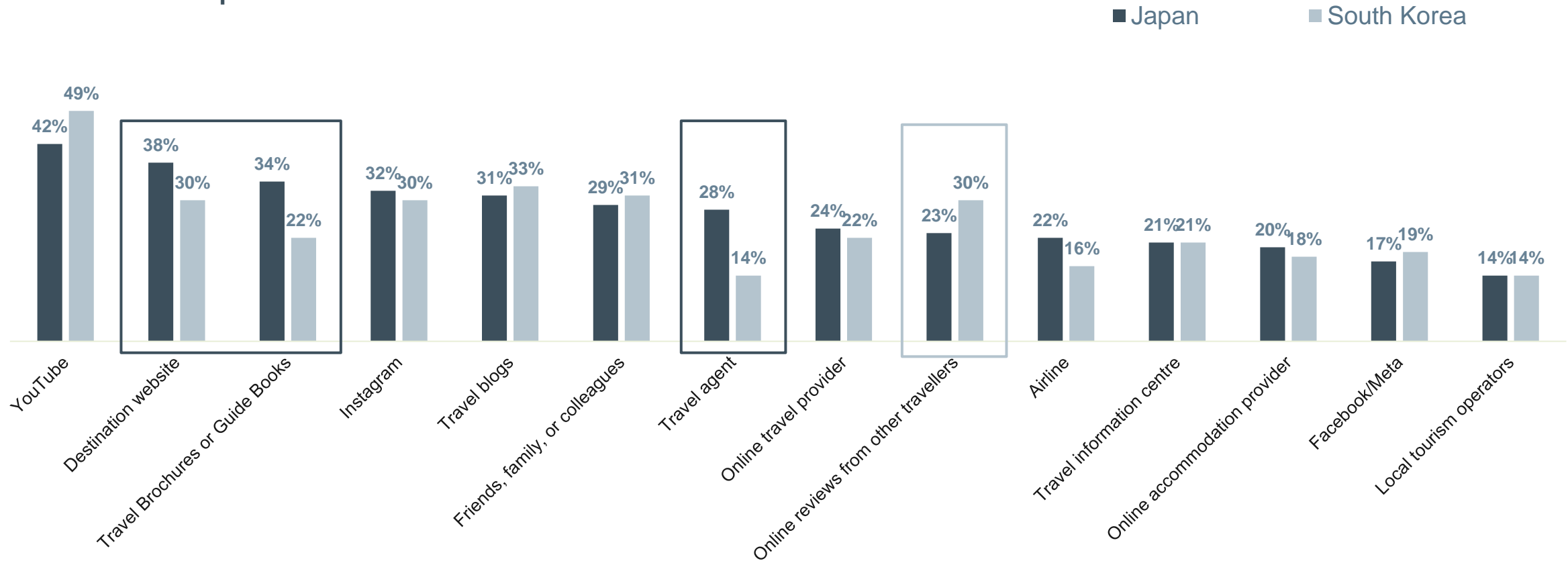
For both groups, more time is spent streaming TV than using social media.

TIME SPENT CONSUMING MEDIA

	Accessing Social Media (Mean Score)	Watching streamed TV (Mean Score)
Japan	2.5 Hours	3.4 Hours
South Korea	3.7 Hours	4 Hours
India	Social Media 3.7 Hours	Streamed TV 4 Hours

For both HVTs, YouTube represents the number one source they would turn to when researching travel in Australia. Our Japanese travellers are more likely to turn to traditional formats such as destination websites/travel brochures/guidebooks while WOM from other travellers has greater credence for our South Korean travellers

Sources of Inspiration





Online travel agents are the most used platforms by both HVTs when researching and booking a vacation to Australia.

PLATFORMS – WHEN RESEARCHING

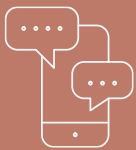
	Online Travel Agent	Destination tourism website	In-person travel agent	Aggregated travel search site
Japan	66%	47%	30%	37%
South Korea	57%	46%	25%	45%

PLATFORMS – WHEN BOOKING

	Online Travel Agent	Destination tourism website	In-person travel agent	Aggregated travel search site
Japan	66%	32%	29%	27%
South Korea	56%	37%	25%	38%

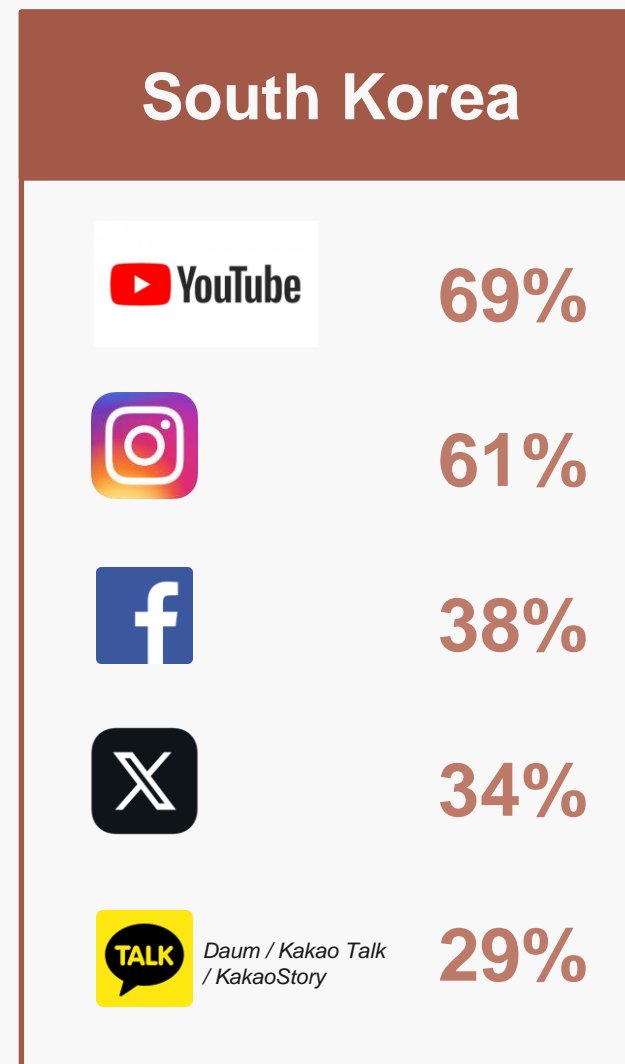
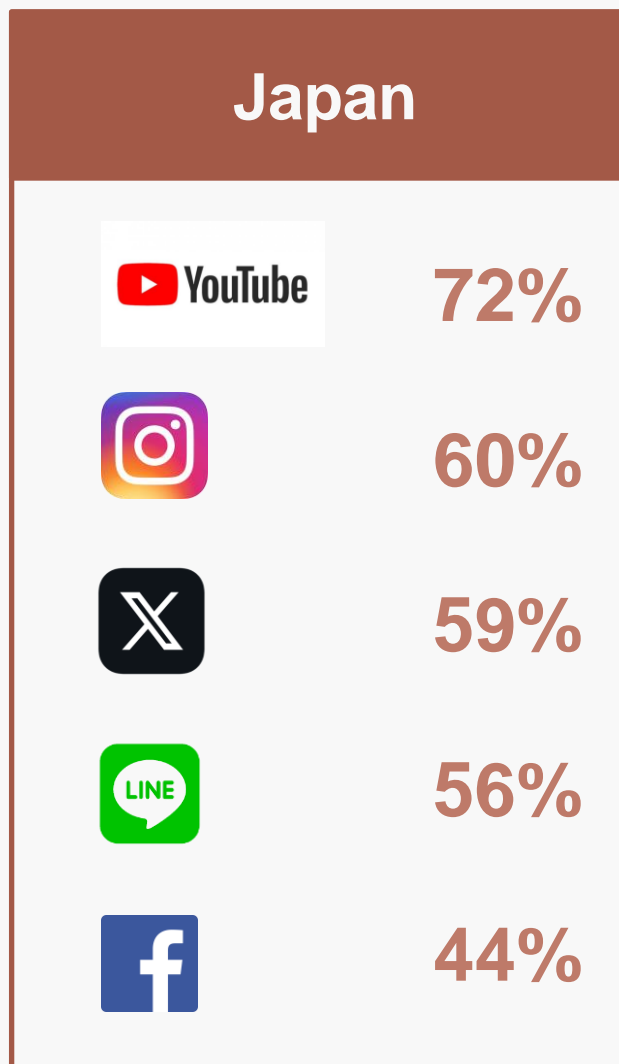
A scenic landscape featuring a calm lake in the center, surrounded by rocky hills and sparse vegetation. The sky is filled with large, white clouds. The text is overlaid in the center of the image.

HVTs spend more time on streaming apps compared to social media and YouTube represents key platform in consumer journey.



YouTube is the most used social network in both countries followed by Instagram. South Korean HVTs also have a strong preference for these two platforms over others.






SOCIAL NETWORKS USED (TOP 5)










YouTube also leads streaming app usage, Netflix also among the top 3 platforms in both countries.

STREAMING APPS USED (TOP 5)

Japan	
 YouTube	59%
 prime	53%
 NETFLIX	41%
 TVer	32%
 Disney+	22%

South Korea	
 YouTube	63%
 NETFLIX	57%
 Disney+	31%
 prime	23%
 TVING	22%

QUICK WINS FOR TASMANIA

- 1 Utilise outdoor nature activities for all HVTs as these have the strongest pull

- 2 If leveraging positive impact, environmental messaging will have the greatest traction

- 3 Iconic status of natural landscapes can disproportionately boost destination awareness

- 4 For Japanese travellers, dial up relaxation and connecting in nature with luxury experiences at the core. For our South Korean travellers, talk to authentic experiences and reinforce around the safety of Tasmania

- 5 YouTube represents the key channel to communicate to our HVTs, both as a source of social media/streaming consumption as well as a source of inspiration for travel



THANK YOU

TOURISM TASMANIA

Photo by Valery Rabchenyuk
on Unsplash

TASMANIA

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Tourism
Tasmania