

# KANGAROO ISLAND

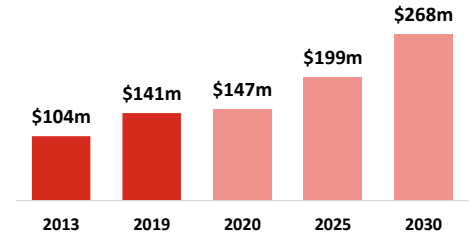
## REGIONAL PROFILE



### OVERVIEW

ALL DATA BASED ON THE ANNUAL AVERAGE FOR THE 3 YEARS TO THE YEAR END DECEMBER 2019 AND RELATES TO DATA PRIOR TO COVID-19 RESTRICTIONS

- Currently Kangaroo Island contributes \$141 million to the December 2019 South Australian expenditure of \$8.1 billion.
- The Kangaroo Island has achieved 96 per cent of their \$147 million 2020 target and 53 per cent of the 2030 target of \$268 million.



### Annual Visitor Summary December 2017 - December 2019

ORIGIN						
	Intrastate	Interstate	Total Domestic	International	Total visits	
Overnight Visits	72,000	53,000	125,000	47,000	172,000	
%	58%	42%	73%	27%	100%	
Nights	253,000	206,000	459,000	132,000	591,000	
%	55%	45%	78%	22%	100%	
Average Length of Stay	4	4	4	3	3	
Domestic Day Trips					71,000	
International Day Trips*					40,000	

PURPOSE						
	Holiday	VFR	Business	Other	Total	
Overnight Visits	138,000	12,000	21,000	2,000	172,000	
%	80%	7%	12%	1%	100%	
Nights	480,000	51,000	48,000	13,000	591,000	
%	81%	9%	8%	2%	100%	
Average Length of Stay	3	4	2	7	3	
<b>Expenditure</b>						
Average Annual Expenditure	\$ 118,000,000	\$ 8,000,000	\$ 11,000,000	\$ 4,000,000	\$ 141,000,000	

- 73 per cent of visitors are **Domestic** visitors and 27 per cent **International** visitors.
- **Domestically** 58 per cent of visitors are from within the state compared to 42 per cent from Interstate.
- 87 per cent of visitors to Kangaroo Island are Leisure visitors (Holiday + VFR).
- On average 71,000 day trips are taken to Kangaroo Island each year, with an extra 40,000 **international** day trips.

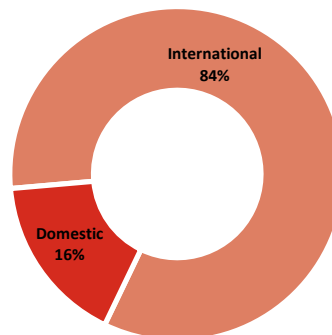
\* International visitors counted as taking "International Day Trips" are also counted at the location of their overnight stay. Therefore, while they are visible as "feet on the ground" they cannot be added to the international visitor total for the region.

### KANGAROO ISLAND TOURISM LISTINGS

Category	Kangaroo Island
Accommodation	111
Attraction	37
Tour	30
Food and Drink	29
Hire	6
Event	3
General Services	3
Transport	2
Destination Information	2
Grand Total	223

Note: some listings have multiple categories of accommodation  
Source: Australian Tourism Data Warehouse

### KANGAROO ISLAND MEDIA COVERAGE



Source: Advertising Space Rate - 2018

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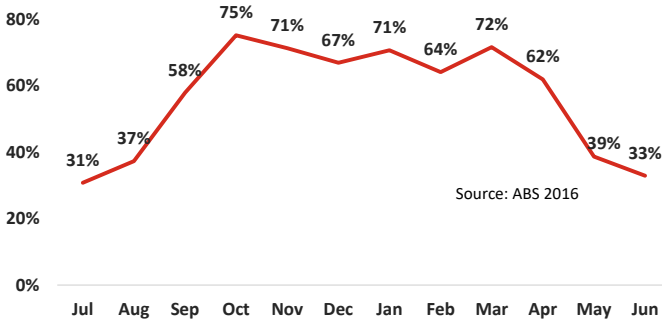
### ACCOMMODATION SUPPLY

#### Hotels, Motels and Service Apartments with 15+ rooms

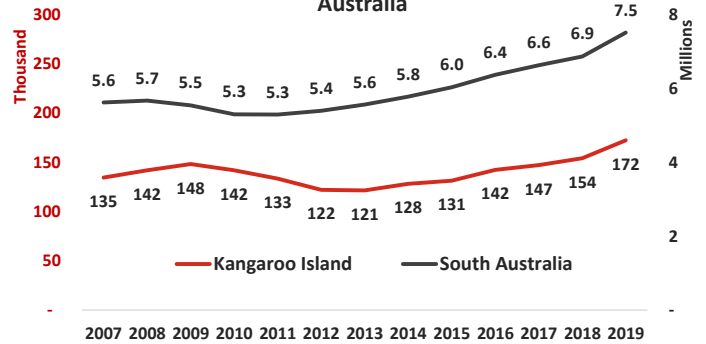
Establishments	8
Rooms	261
Occupancy	57%
Takings	\$16,800,000

- Average occupancy for the year is 57 per cent over 8 establishments and 261 rooms.
- The peak months are October and March with occupancy at 75 and 72 per cent respectively.
- Low point of the year comes in July where occupancy drops to 31%.
- Occupancy through the winter months averages 34 per cent.

Monthly Occupancy Rates Year end June 2016 - Kangaroo Island

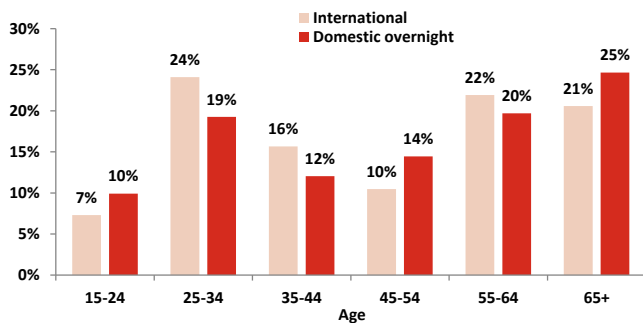


Total Overnight Visitation to Kangaroo Island & South Australia

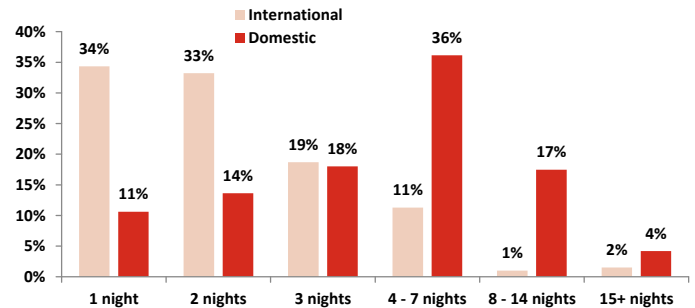


### VISITOR PROFILE

Age of Visitors to Kangaroo Island



Length of Visit to Kangaroo Island



- **International** visitors peak in the 25-34 age group at 24 per cent. For **Domestic** visitors this age group only contributes 19 per cent of visitors.
- **Domestically**, Kangaroo Island peaks in the 65+ age group at 25 per cent.

- 67 per cent of **International** visitors prefer to stay 1 or 2 night on Kangaroo Island.
- 36 per cent of **Domestic** visitors prefer to stay 4 - 7 nights.

# KANGAROO ISLAND

## REGIONAL PROFILE



### DOMESTIC VISITOR PROFILE

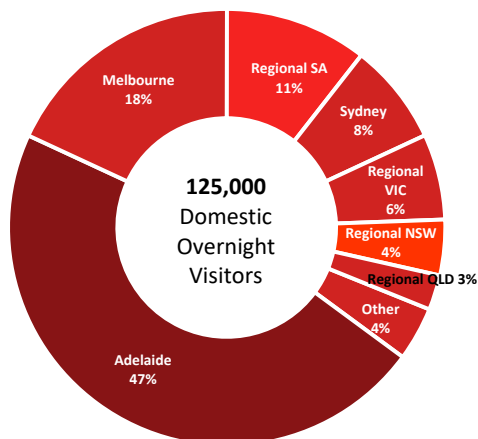
Purpose	Holiday	VFR	Other	Total
Visits	92,000	11,000	22,000	125,000
%	<b>74%</b>	<b>9%</b>	<b>18%</b>	<b>100%</b>
Nights	364,000	43,000	54,000	459,000
%	<b>79%</b>	<b>9%</b>	<b>12%</b>	<b>100%</b>
ALOS	4	4	2	4

### INTERNATIONAL VISITOR PROFILE

Purpose	Holiday	VFR	Other	Total
Visits	46,000	1,000	np	47,000
%	<b>98%</b>	<b>2%</b>	<b>np</b>	<b>100%</b>
Nights	116,000	8,000	8,000	132,000
%	<b>88%</b>	<b>6%</b>	<b>6%</b>	<b>100%</b>
ALOS	3	8	np	3

### VISITOR ORIGIN

Origin of Domestic Overnight Visitors to Kangaroo Island



Origin of International Visitors to Kangaroo Island



- Victoria, at 24 per cent and New South Wales at 12 per cent are Kangaroo Island's biggest Interstate markets. Visitors from Victoria have increased with direct flights from Melbourne to Kangaroo Island.
- Regional South Australia contributes 11 per cent of visitors to Kangaroo Island and Adelaide visitors contribute 47 per cent.
- **Internationally** Europeans contribute 60 per cent of the visits to the Kangaroo Island, with Germany 12 per cent and Italy contributing 12 per cent .
- The United States of America and China contribute 14 and 9 per cent of visitors to Kangaroo Island.
- Kangaroo Island has a higher proportion of **international** visitors than anywhere else in the South Australia.

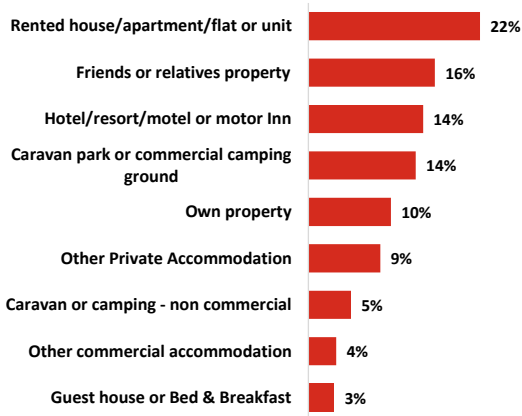
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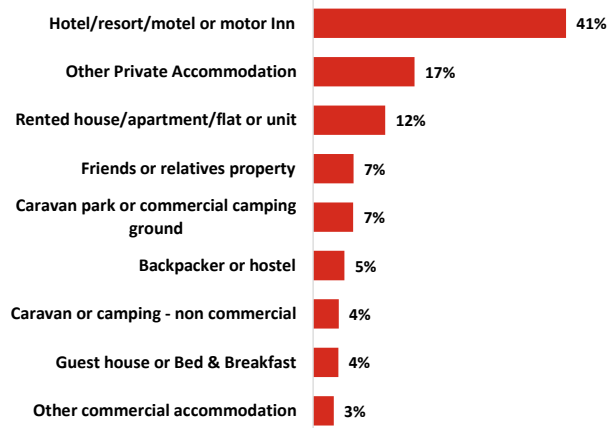


### VISITOR USE OF ACCOMMODATION

Accommodation used in Kangaroo Island for Domestic Visitors



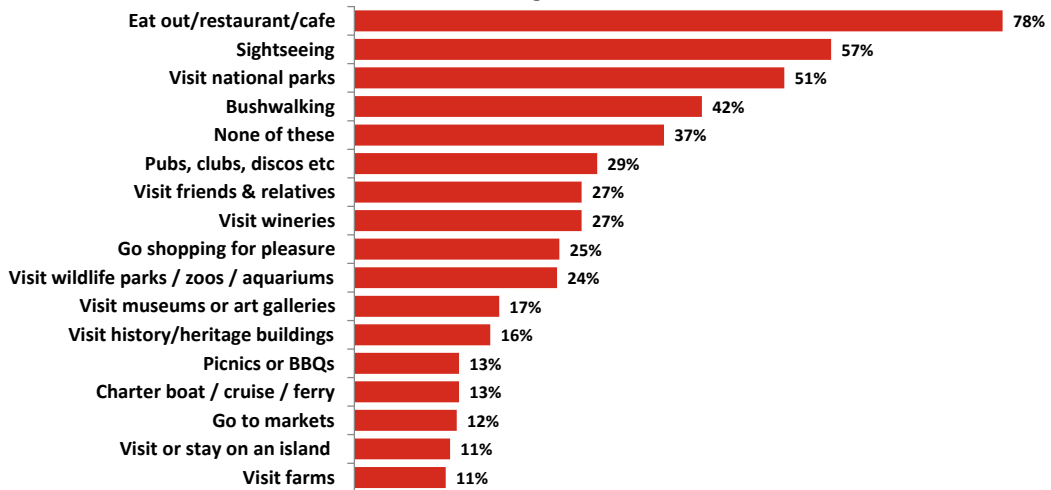
Accommodation used in Kangaroo Island for International Visitors



- 30 per cent of **Domestic** visitor nights on Kangaroo Island are spent either with Friends or Relatives or in Hotels and similar accommodation.
- **Domestically**, renting a house is also popular with 22 per cent of visitors preferring this accommodation.
- The other major accommodation choice for Domestic visitors on Kangaroos Island are Holiday Houses and Camping.
- 48 per cent of **International** visitors stay either with Friends or Relatives or in Hotels and similar accommodation.
- 5 per cent of **International** visitors to Kangaroo Island are Backpackers.

### VISITOR ACTIVITIES

Domestic Visitor Activities in Kangaroo Island



- The most popular activity when visiting Kangaroo Island is to Eat out or Dine at a restaurant and or cafe.
- Other popular activities include Going to the Beach, Bushwalking, Visiting the National Parks and Sightseeing.

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## REGIONAL PROFILE



### REGIONAL TOURISM SATELLITE ACCOUNT INFORMATION

In 2017-18, the tourism industry contributed an estimated \$190 million to the Kangaroo Island regional economy and directly employed approximately 800 people.

#### Employment

- 800 jobs for people employed directly by the tourism industry, 300 indirect jobs and a total employment impact of 1,100 people.

#### Tourism output

- \$109 million and \$81 million in direct and indirect tourism output, and \$190 million in total tourism output.

#### Gross Value Added (GVA)

- \$56 million and \$35 million in direct and indirect tourism GVA, and \$92 million in total tourism GVA.

#### Gross Regional Product (GRP)

- \$61 million and \$40 million in direct and indirect tourism GRP and \$101 million in total tourism GRP.

### REGIONAL INSIGHTS

#### Interstate

- Positive word of mouth and winning awards.
- Highly appealing; the destination itself is described as spectacular.
- Interactive nature experiences and pristine beaches along with fine produce and being not crowded generate very high appeal.

#### Intrastate

- Very high appeal.
- Australian wildlife icons in abundance and living in their natural environment, including the beach.
- Local produce also endorsed.
- Expense of getting there is a known barrier.

#### International

- Kangaroo Island has one of the strongest appeals.
- Island wildlife dominates the appealing elements of Kangaroo Island.
- Local produce and rock formations in the top five appealing elements.

#### Regional Visitor Strategy Priorities

- As an established and thriving visitor region, the focus for Kangaroo Island is to exceed visitor expectations, deliver on the Island's brand proposition, grow visitor yield, dispersal and manage the sustainable development of tourism on the island.
- With highly seasonal visitation, growing visits during the quieter months of May-August continues to be important.

Appeal data is from the consumer surveying conducted for the SATC by BDA Marketing Planning. Sample of 800 interstate travellers and 400 interstate travellers, followed by eight focus groups in Adelaide, Sydney and Melbourne. Comments relating to international appeal are sourced from the Consumer Demand Project run by Tourism Australia in 11 priority markets, with a sample of 1,600 per market.

Prepared by the South Australian Tourism Commission, December 2019

**Sources** Unless otherwise stated, all data in this report is from the International Visitor and National Visitor Surveys (IVS and NVS) conducted by Tourism Research Australia. These Sources are based on sample surveys and as with all sample surveys, are subject to sampling errors. Caution is required in interpreting some estimates, in particular, regional estimates can be affected by small sample sizes and can be subject to a high level of sampling error. Regional data should accordingly be used with a high level of caution and treated as being for indicative purposes only. Data refers to visitors 15 years and over. Unless otherwise stated, all data refers to the Annual Average results for the 3 years from December 2017 to December 2019.  
Consumer Demand Product Testing Phase 1 - BDA Marketing

**Notes and Abbreviations** Totals may not add to 100% due to rounding. VFR: Visiting Friends and Relatives. np: Not Published due to small sample size. ALOS: Average Length of Stay  
ABS: Survey of Tourism Accommodation. Hotels, Motels, Guest houses and Serviced Apartments with 15 or more rooms. Cat. No. 8635455001



## SEA DRAGON LODGE

## PENNESHAW, KANGAROO ISLAND

### ABOUT SEA DRAGON LODGE

- Luxury seafront accommodation.
- A secluded 250 acre estate.
- Steve Lane bought the small B&B in 2007 with a vision to turn it into a boutique eco resort.
- He was able to add three villas through T-QUAL and State Government grants.

### BUSINESS GROWTH

- Grown from a \$40,000 business to a \$400,000 business in 2½ years.
- Employs one full time staff member who lives on site as well as two other part time staff.
- Increase in visitation from the Asian markets, particularly Singapore, Hong Kong and Malaysia.
- 60% of visitors are from international markets.
- SA, NSW, QLD and VIC are the main domestic markets accounting for 40%.
- Occupancy rates:
  - Dec-Jan: 100%
  - Sep-May: 65-70%
  - Jun-Aug (off-season): 30%.

### CHALLENGES

- Cost of access to the Island or at least a better capability for the airport.
- Staffing shortages in regional areas.

### THE FUTURE

- Consistent and regular contact with ITOs to ensure they are kept up-to-date.
- Going to the ATE was an important part of breaking into the international supply chain and tapping into the international market.
- Three years ago, the spilt would have been 60% Australian visitors but now its 60% international visitors. This looks likely to continue.

### COMMUNITY IMPACT

- Sending hundreds of people to the new café in the Cape Willoughby lighthouse. Promoting their business strongly.
- Also recommends Dudley Wines. Would have sent 600 people through there every year.
- The spend on diesel, fuel and catering adds a significant amount to small businesses. Including outsourcing laundry service and the exclusive use of a local hire car company.

### SOUTH AUSTRALIAN TOURISM COMMISSION COLLABORATION

- A T-QUAL grant and a State Government grant for installing solar panels allowed Steve to build the first two villas - with advocacy and advice from the SATC team - before the business's success allowed him to build a third one in 2015.

[WWW.SEADRAGONLODGE.COM.AU](http://WWW.SEADRAGONLODGE.COM.AU)

**“We were looking for a lifestyle business where we can interact with people on a very personal level. That was something that was missing from my corporate career and it’s an aspect I really enjoy,”** Steve.

**“We’ve been working with government agencies in different capacities for years and the Tourism Commission is miles ahead. It’s really good to see people who are just as passionate as we are about the industry,”** Steve.

