

SOUTH AUSTRALIA











The Value of Tourism

Pondalowie Bay, Yorke Peninsula

ADELAIDE
SOUTH AUSTRALIA

Government
of South Australia
South Australian
Tourism Commission

Year ending December 2023 — Date: 27th March 2024

\$	\$10.1b	Tourism Expenditure
	10.0k	International seats into Adelaide each week
	439k	International visitors
	89k	Domestic seats into Adelaide each week
	2.7M	Interstate visitors
	4.7M	Intrastate trips
	15.0M	Domestic day trips
	17.9k	Hotel rooms
	20k	Tourism business across the state
	\$180k	In tourism expenditure = 1 directly employed
	34.0K	Directly employed, (to grow direct employment by 16,000 jobs by 2030)

Sources: International and National Visitor Survey, Tourism Research Australia, Canberra; State Tourism Satellite Accounts 2021-22, Tourism Research Australia, Canberra; Accommodation data sourced from STR for 10+ rooms, December 2023, Airline data is based on seasonal schedules and is subject to change without notice.

Notes: For details of the NVS methodology changes in this release please refer to <https://www.tra.gov.au/domestic/domestic-tourism-results>

Value of Tourism in South Australia

Year ending December 2023 — Date: 27th March 2024

Total for year to December 2023

Expenditure (\$)	South Australia				Australia		
	Year Ending Sep-23	Year Ending Dec-23	Change %	Market Share	Year Ending Sep-23	Year Ending Dec-23	Change %
International	\$1.2b	\$1.3b	↑ 5%	4.6%	\$25.7b	\$28.0b	↑ 9%
Interstate	\$3.6b	\$3.3b	↓ -8%	6.9%	\$48.7b	\$48.2b	↓ -1%
Intrastate	\$3.2b	\$3.3b	↑ 3%	5.4%	\$60.0b	\$61.2b	↑ 2%
Day Trips	\$2.2b	\$2.3b	↑ 1%	6.8%	\$33.7b	\$32.9b	↓ -2%
Total Expenditure	\$10.2b	\$10.1b	↓ -1%	6.0%	\$168.0b	\$170.3b	↑ 1%

Total South Australian visitor expenditure for the year end December 2023 combining International and Domestic expenditure reached \$10.1 billion, down one per cent on the year-end September 2023 and behind the national growth of one per cent.

It is worth noting that on an annual basis, the visitor economy grew from \$8.4 billion in the year end December 2022 to the current \$10.1 billion, a growth of 22 per cent.

Despite the fall against last quarter, the \$10.1 billion at December 2023 year end was significantly above the predicted result of \$8.9 billion. With conditions normalising, the environment experienced in recent data releases has slowed as performance is no longer driven by rapid recovery from COVID-affected periods.

All source markets (international, interstate, intrastate and day trips) remain below their pre-COVID levels in terms of number of visitors, particularly international visitors and those visiting Adelaide.

National Visitor Survey December 2023

Expenditure	Australia			South Australia			
	Year Ending Sep-23	Year Ending Dec-23	Change (%)	Year Ending Sep-23	Year Ending Dec-23	Change (%)	Market Share
Interstate	\$48.7b	\$48.2b	↓ -1%	\$3.6b	\$3.3b	↓ -8%	6.9%
Intrastate	\$60.0b	\$61.2b	↑ 2%	\$3.2b	\$3.3b	↑ 3%	5.4%
Day Trips	\$33.7b	\$32.9b	↓ -2%	\$2.2b	\$2.3b	↑ 1%	6.8%
Total Domestic	\$142.4b	\$142.3b	⇒ 0%	\$9.0b	\$8.9b	↓ -2%	6.2%

Interstate

The interstate market has seen a decline of \$288 million to fall from the record high expenditure of \$3.6 billion at year end September 2023 to \$3.3 billion at December year end.

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The decline in spend was anticipated, as indicated by the monthly data which showed a decline in both interstate visitation and expenditure during October, November, and December compared to the same months in 2022.

The decline in expenditure has come primarily from New South Wales, down \$126 million, followed by Victoria down \$66 million and Western Australia down \$62 million.

Intrastate

The Intrastate market has grown to a record high \$3.3 billion for the year end December 2023, up \$100 million on September 2023.

Even with conditions slowing towards the end of 2023 intrastate expenditure has grown, suggesting that South Australians are opting for the more cost-effective choice of traveling within their own state.

Day Trips

Day Trip expenditure grew to a record high \$2.3 billion, up 1 per cent on the year end September 2023. The \$2.3 billion in spend was well above the \$1.9 billion predicted in our forecast model.

The number of Day Trips was on par with the flat expenditure result, down 1 per cent to 15 million.

Regional South Australia

Regional visitor expenditure (including by international visitors) fell 1 per cent to \$4.6 billion, down on the September 2023 result of \$4.7 billion, however still above the 2025 revised Regional Visitor Strategy target of \$4.5 billion. Regions have recently been performing strongly, driven by the intrastate market and the re-emerging international market.

Adelaide like regional South Australia fell 1 per cent to \$5.5 billion, down on the record high of \$5.6 billion at year end September 2023. The interstate market has been the main source of decline, down \$161 million from September 2023 to December 2023.

Value of Tourism in South Australia

Year ending December 2023 — Date: 27th March 2024

International Visitor Survey December 2023

	Australia			South Australia			
	Year Ending Sep -23	Year Ending Dec-23	Change (%)	Year Ending Sep -23	Year Ending Dec-23	Change (%)	Market Share
Visits (000s)	6,111	6,640	↑ 9%	407	439	↑ 8%	6.6%
Nights (000s)	220,774	242,262	↑ 10%	12,018	14,062	↑ 17%	5.8%
Expenditure (\$m)	25,656	27,996	↑ 9%	1,218	1,277	↑ 5%	4.6%

The latest results to December 2023 show that international expenditure in the last quarter has grown from \$1.2 billion to a record high \$1.3 billion, well above the recovery forecast of \$796 million and the previous record high of \$1.2 billion at September 2023.

International visitation has rebounded to 439,000, up 8 per cent on the previous quarter, yet still 10 per cent down on the 2019 peak of 488,000. Even with this strong growth, visitation continues to trail behind spend.

The growth in the international market has been led by the Visiting Friends and Relatives market. The Holiday market has seen good growth from September 2023 to December 2023 with visits up 15 per cent and expenditure up 14 per cent.

We have also seen growth in the Education sector with visits and expenditure both up 6 per cent from the September 2023 year end to the December 2023 year end.

Recent Conditions and Future Forecasts

Separate to the above detailed year end results, the SATC also receives headline figures on a monthly basis released by Tourism Research Australia. The monthly data allows us to investigate recent performance that forms part of the \$10.1 billion result outlined above.

October, November and December saw visitor expenditure slow, with October down 5 percent, November flat and December down 5 per cent on the same months in 2022. Part of this is driven by the moving of two key leisure events from December, with the Adelaide 500 moving to November and the International Cricket moving to January, which SATC currently estimates to have grown by 4 per cent.

This decline has been driven by a reduction in interstate spending in South Australia, as visitors opt to explore destinations within their own state due to economic concerns.