



South Australian Tourism Commission

THE FUTURE OF TOURISM IN THE SOUTH AUSTRALIA

- KANGAROO ISLAND -

November 2018



AGENDA

- ❑ Opening address:
 - Regional Chair
 - CE, SATC
- ❑ Performance Summary
- ❑ Recent Visitor Trends
- ❑ 2030 Target Modelling
- ❑ The Future Traveller
- ❑ Discussion (incl. break)
- ❑ Summary



OPENING ADDRESS

Regional Chair



OPENING ADDRESS

Rodney Harrex, CE SATC



TOURISM 2020

Set in 2013 with a target of **\$8.0b**

Visitor expenditure grow from \$5.1b to **\$6.7b**

On track to reach ambitious **target**

An **5,000** additional jobs

International target reached **2 years** early

Significant increases in **aviation** access

PRIORITY ACTION AREAS 2020

DRIVING DEMAND



WORKING BETTER TOGETHER



SUPPORTING WHAT WE HAVE



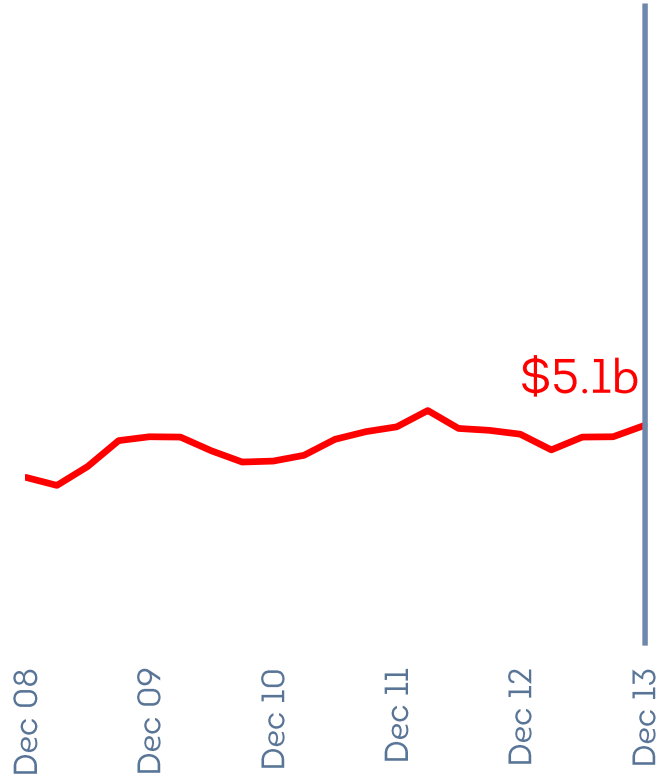
INCREASING THE RECOGNITION OF THE VALUE OF TOURISM



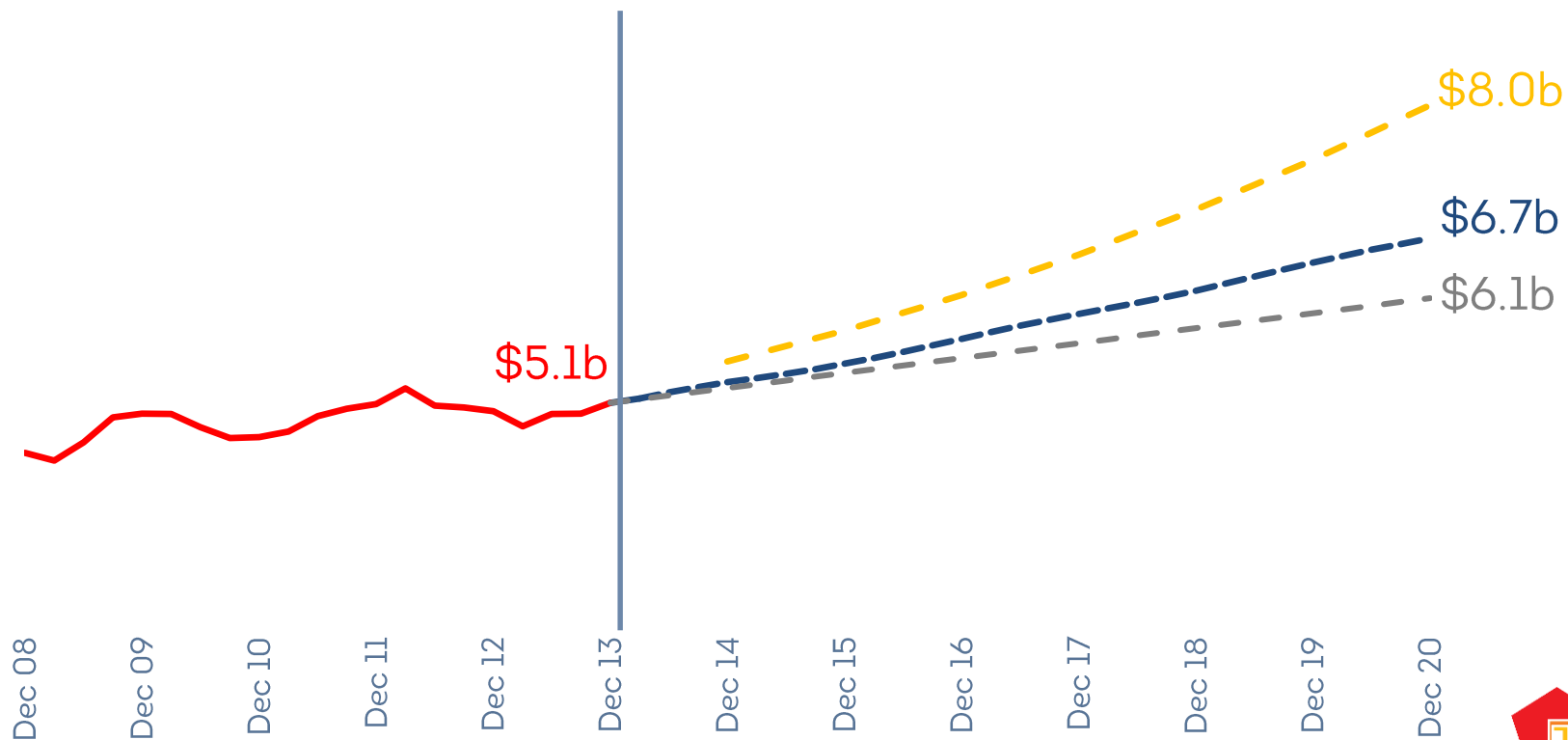
USING EVENTS TO DRIVE VISITATION



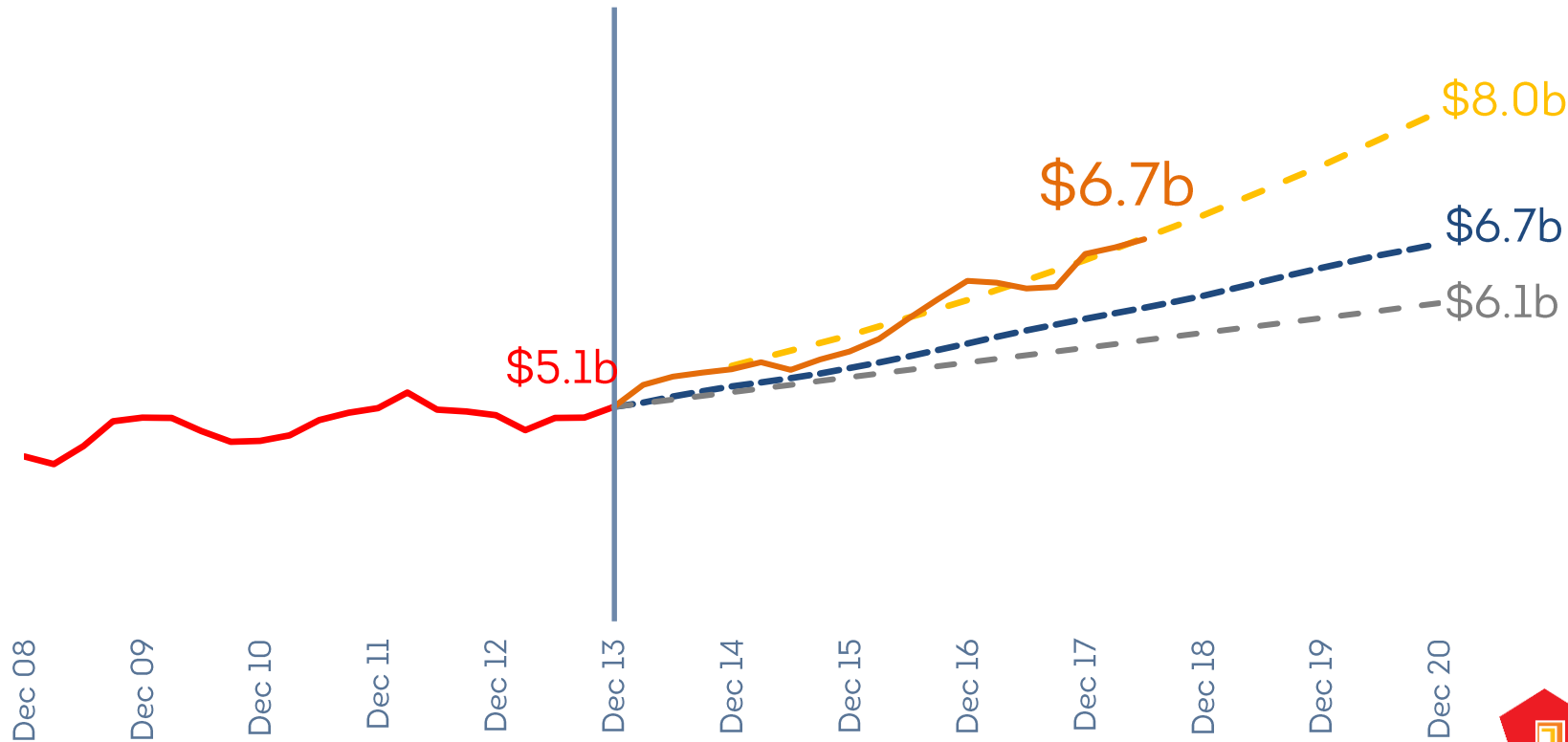
SETTING THE SCENE



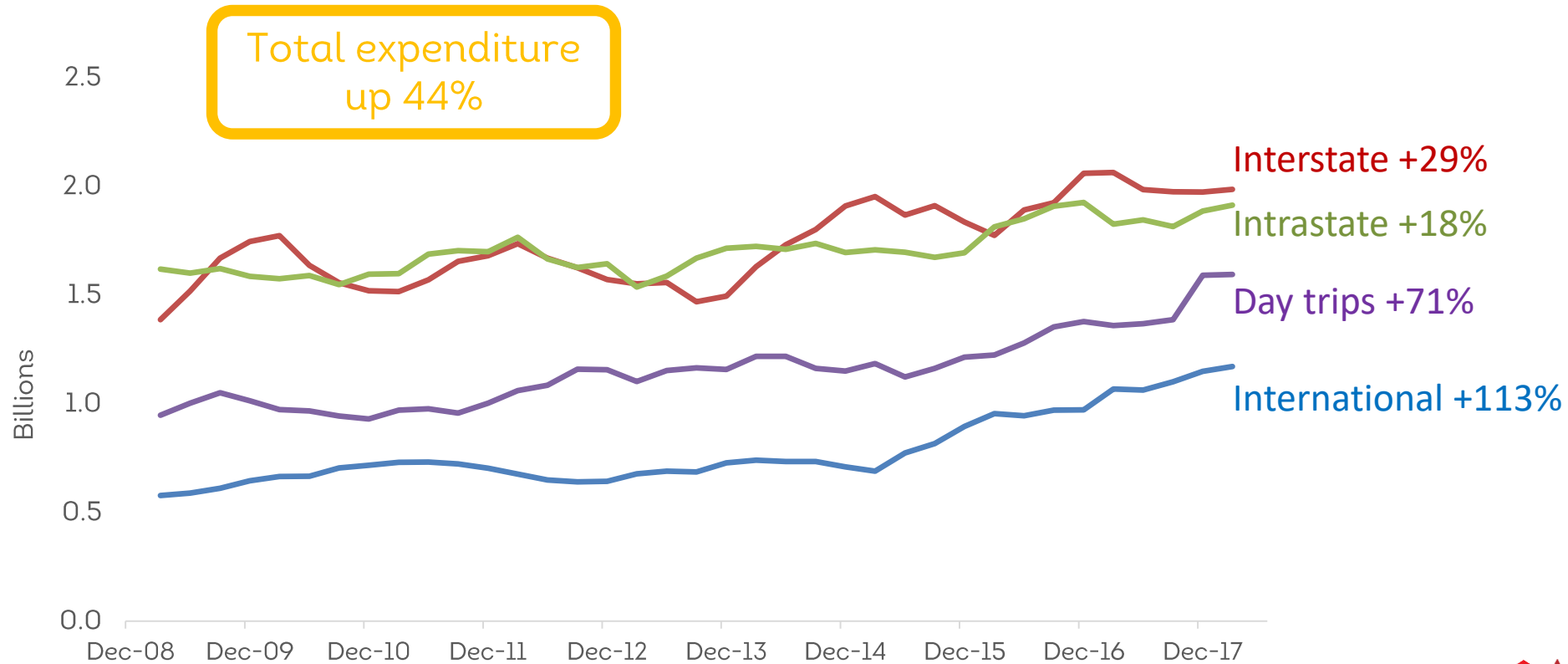
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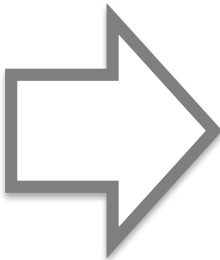
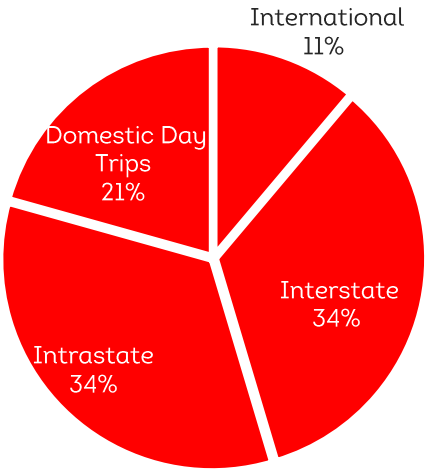


10 YEAR OVERVIEW OF EXPENDITURE

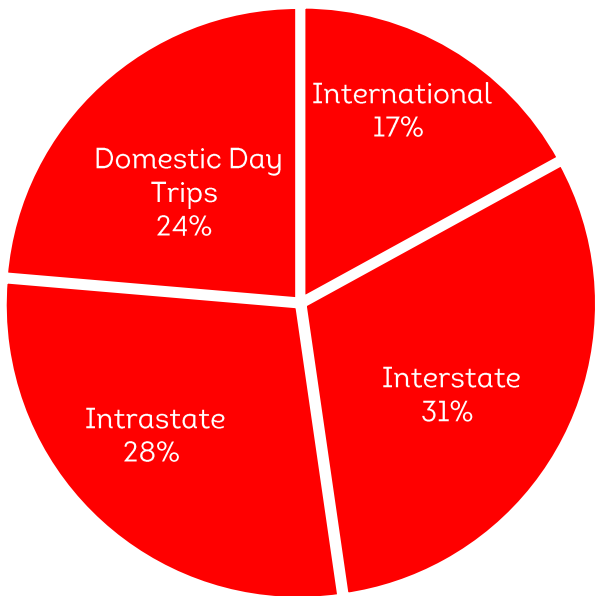


THE CHANGING VISITOR MIX

2008



2018



OUR CHANGING MARKETS

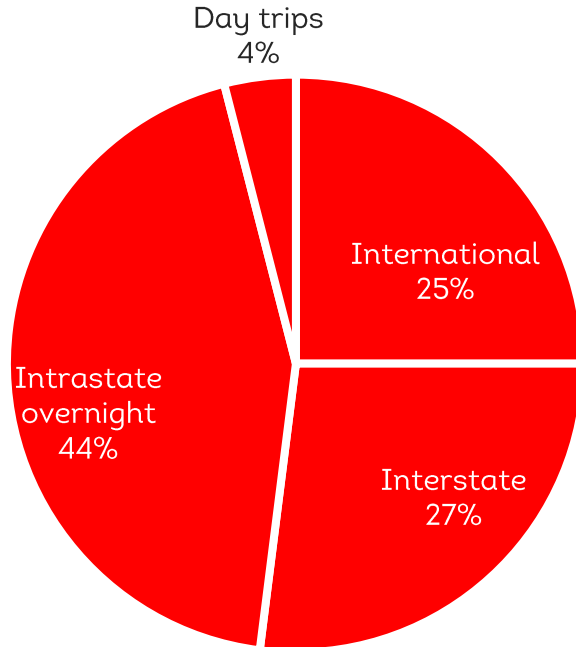
Our **INTERNATIONAL** market has doubled in 10 years, with a movement from western to eastern markets. Expenditure from Asia has tripled, North America has increased by 70% while the European markets have remained consistent.

Our **INTERSTATE** market has increased by 29% largely driven by domestic aviation capacity as well as rise of 'grey nomad' travel.

And South Australians are traveling **INTRASTATE** too with overnight stays up 18% and day trips having increased by 71%.

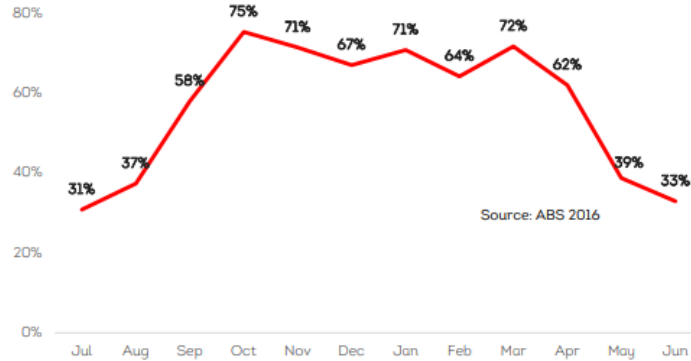
KANGAROO ISLAND TODAY

Visitor Expenditure



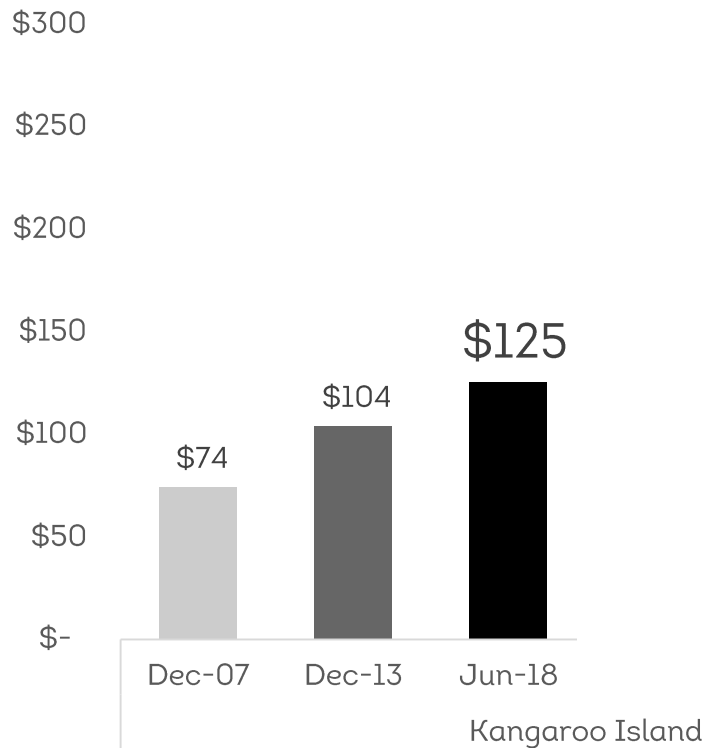
\$125m+

MONTHLY OCCUPANCY RATES YEAR END JUNE 2016 - KANGAROO ISLAND



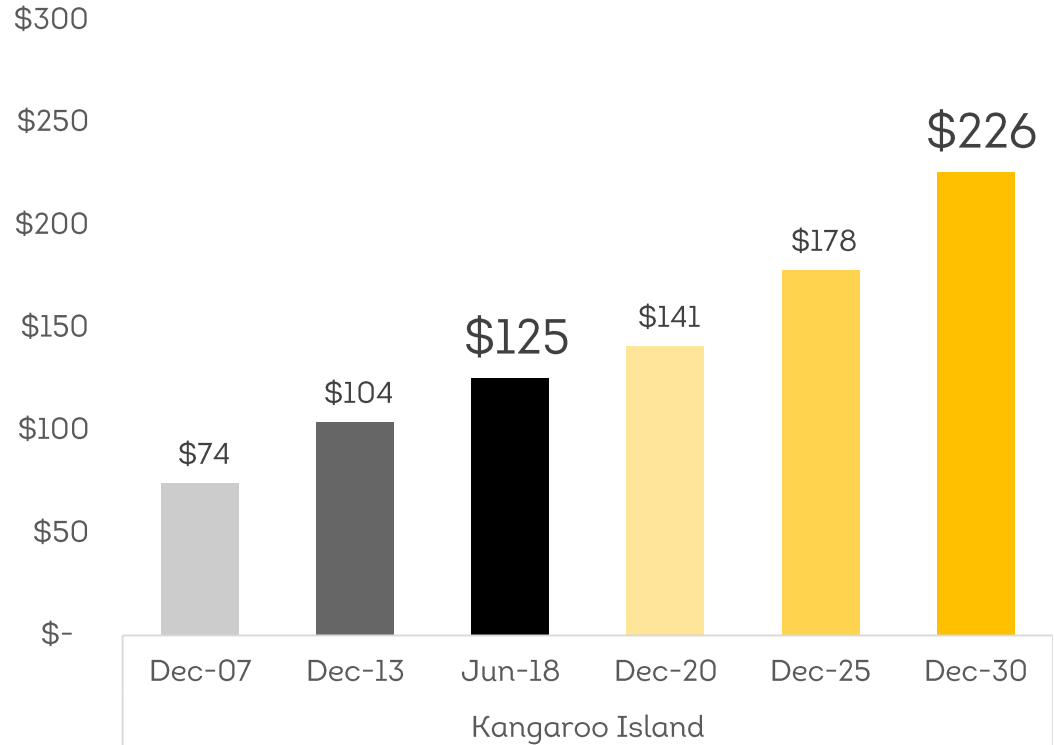
REGIONAL PERFORMANCE

- ❑ Kangaroo Island has grown from \$74m in 2007 to \$125m today, a growth of 69%.



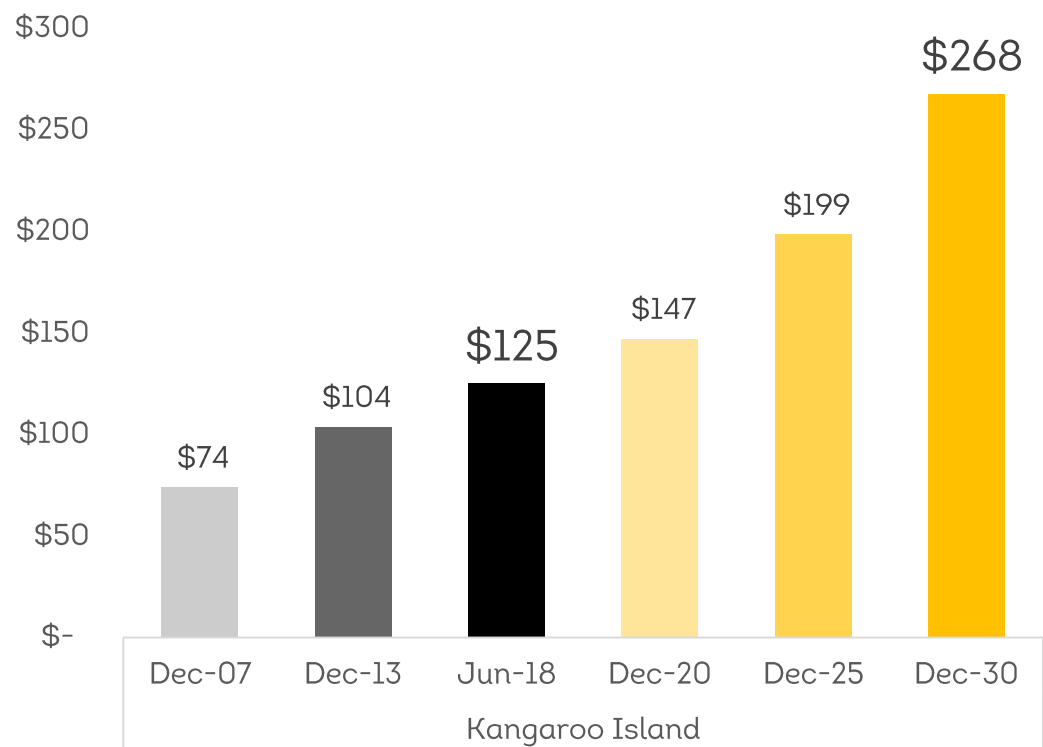
CONTINUING THE TREND

- Current rate of growth through to 2030 yields \$226m to the region



REGIONAL TARGET

- ❑ Set an ambition to grow the region to \$268 by 2030.



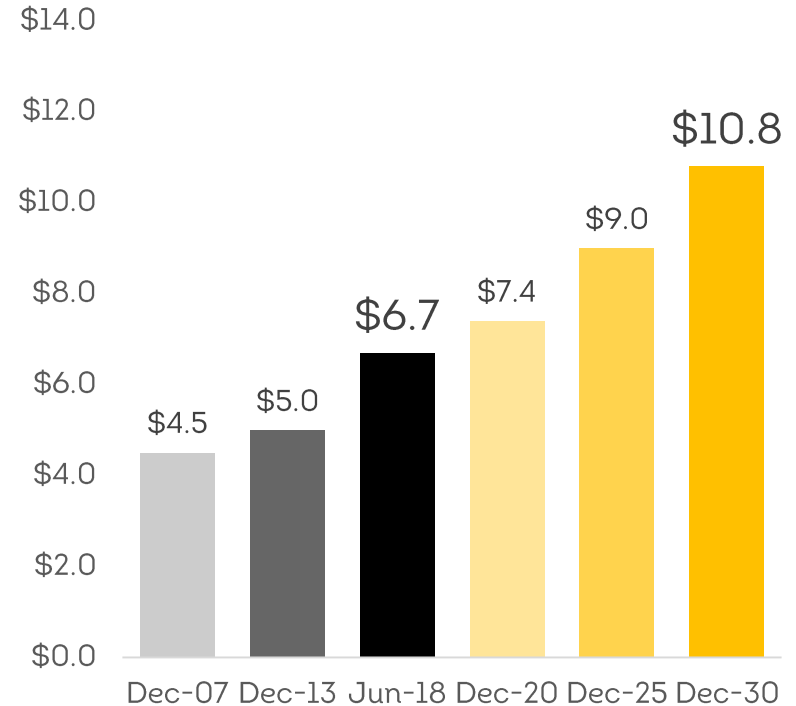
WHAT DOES THAT MEAN?

- ❑ \$42m extra by 2030 is an additional \$4m in visitor expenditure generated every year.
- ❑ What this means for the region by 2030:
 - VOLUME:
 - YIELD: Double the average spend per visitor
 - Mix of volume and yield



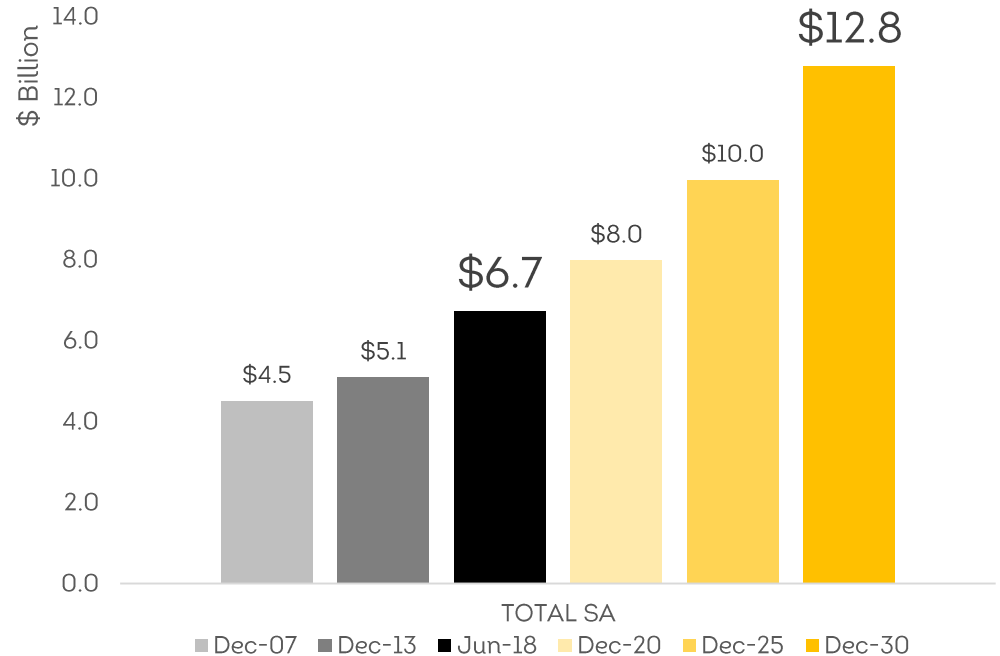
SOUTH AUSTRALIA HISTORICAL TREND

- Historical trend for South Australia provides a result of a \$10.8b in visitor expenditure by 2030.....



SOUTH AUSTRALIA TARGET

- ❑ Achieving \$401m in visitor expenditure in your region will contribute to an overall result of \$12.8b in visitor expenditure by 2030.
- ❑ The \$91m increased expenditure is part of an overall \$2b of additional spend across the state above the historical trend.



THESE COMPANIES DIDN'T EXIST



THE FUTURE TRAVELLER

- ❑ International travel population:
 - Shorter stays
 - Growth from Asia
- ❑ Domestic travel population:
 - Aging - from wealthier baby boomers to poorer Gen X and destitute Millennials
 - More ethnically diverse
- ❑ Digital connectivity and disruption
- ❑ High expectations for service - on demand, instant and personalised



REGIONAL GROUNDWORK

SOUTH AUSTRALIA

TOURISM 2020 CONSULTATION

- Access including intrastate connectivity
- Infrastructure with a focus on digital connectivity
- Seasonality
- Profitability and sustainability of businesses
- Digital capacity

TOURISM REGION

REGIONAL VISITOR STRATEGY

- Promote brand essence
- Build profile of artisan producers
- Promote as a year-round destination
- Support existing events and leverage mainland events.
- Leverage Southern Ocean Drive
- Collaboration
- Multi-point visitor information services
- Cruise market sustainability

LOCAL ISSUES

MEET THE MINISTER

- Removal of red tape
- Support for artisan producers
- Skills shortages and employment
- Delivering the promised experience
- Vacancy rates and off-island ownership



WORKSHOP

WHAT IS THE 'SOUTH AUSTRALIAN' EXPERIENCE IN 2030?

EMERGING THEMES

- ❑ Experience Development
- ❑ Marketing/Driving Demand
- ❑ Access
- ❑ Industry Capability
- ❑ Infrastructure
- ❑ Collaboration
- ❑ Red Tape reduction
- ❑ Events
- ❑ Industry support

THOUGHT STARTERS

Costs
Access Research
Quality Collaboration
Dispersal Events Partnerships
Advocacy Demand driving
Experience development
Marketing Infrastructure
Distribution Skills
Investment
Digital

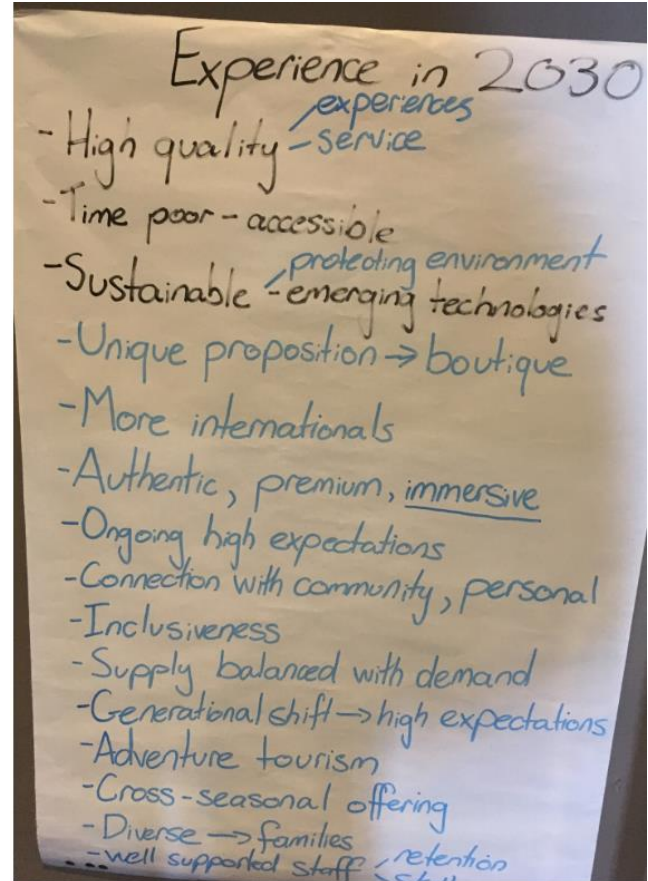


**SUMMARISING
OUR DISCUSSION**

THE SA EXPERIENCE 2030

Kangaroo Island, 27th Nov 2018

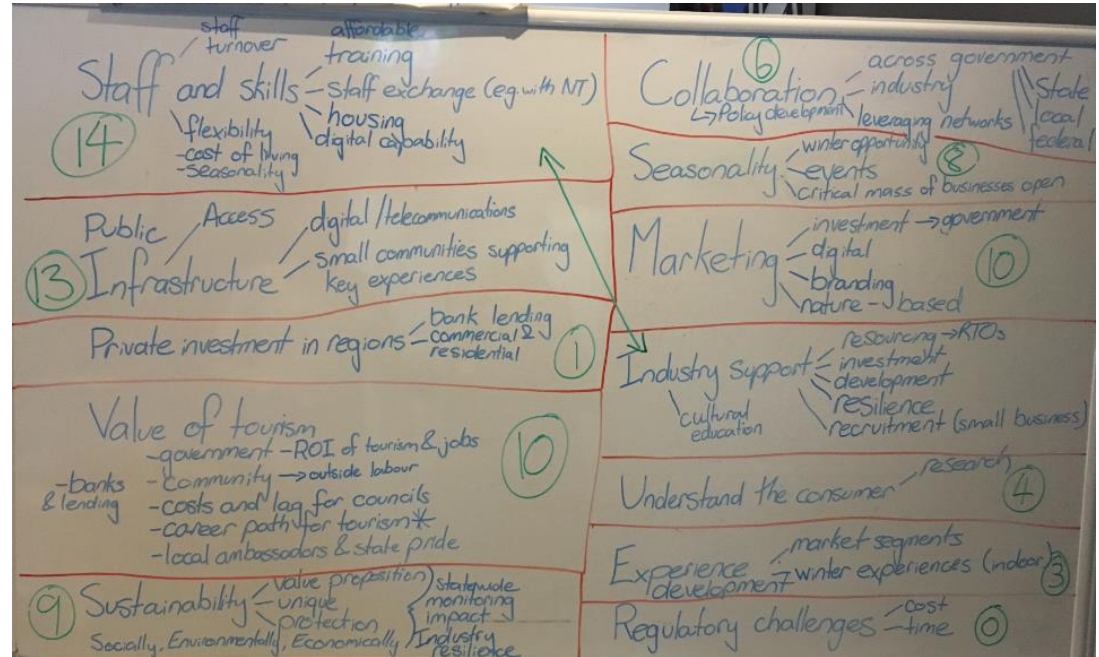
- ❑ High quality
- ❑ Accessible - Time poor
- ❑ Sustainable
- ❑ Unique proposition
- ❑ More Internationals
- ❑ Authentic, premium, immersive
- ❑ High expectations
- ❑ Connection with community
- ❑ Inclusiveness
- ❑ Supply balanced with demand
- ❑ Adventure tourism
- ❑ Seasonality



KEY THEMES RAISED

Kangaroo Island, 27th Nov 2018

- ❑ Labour and skills (14 votes)
- ❑ Public infrastructure (13 votes)
- ❑ Private investment in regions (1 votes)
- ❑ Value of Tourism (10 votes)
- ❑ Sustainability (9 votes)
- ❑ Collaboration (6 votes)
- ❑ Seasonality (8 votes)
- ❑ Marketing (10 votes)
- ❑ Understand the consumer (4 votes)
- ❑ Experience development (3 votes)
- ❑ Regularity Challenge (0 votes)



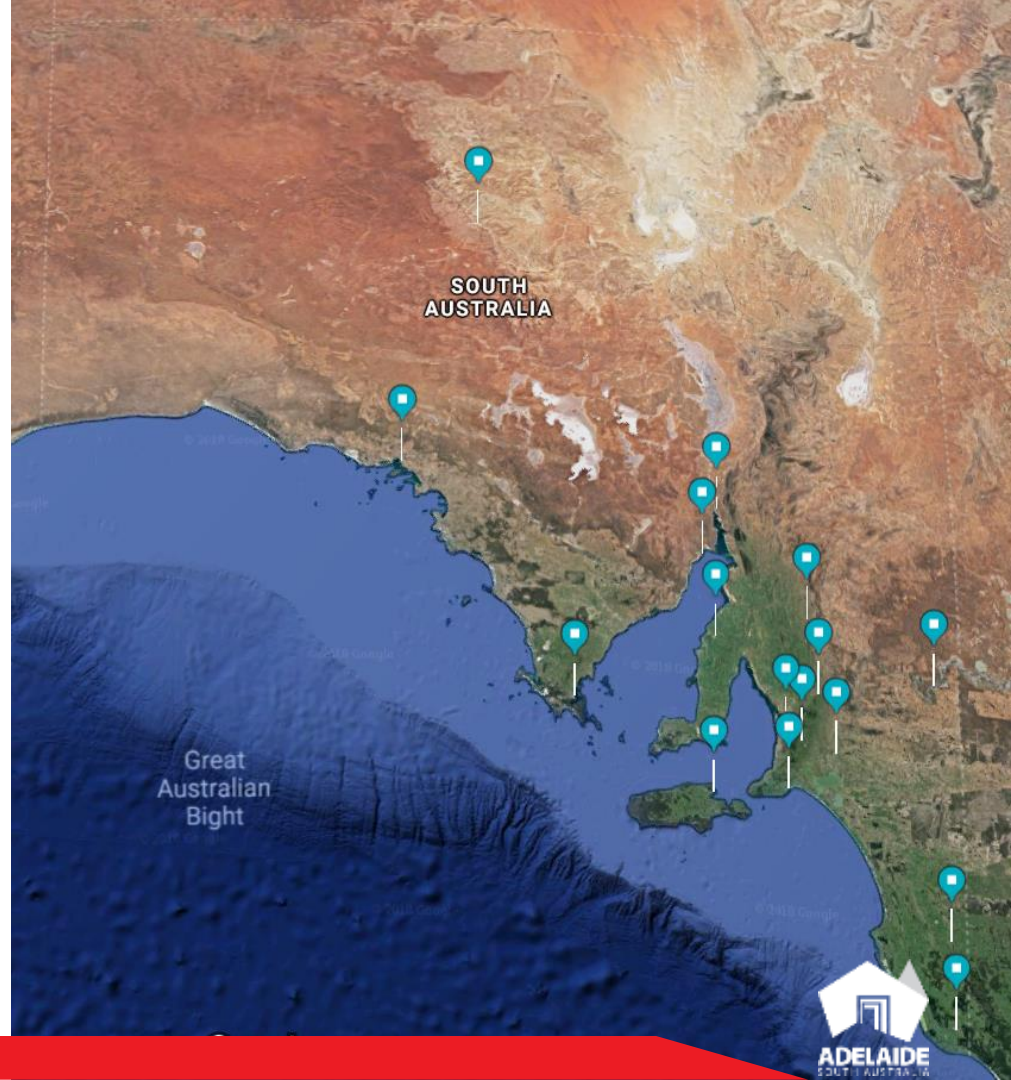
After 90 minutes of discussion, all participants were given 4 votes to provide an indicative prioritisation of the importance of the themes discussed in driving increased performance through to 2030.



CONSULTATION PROCESS

CONSULTATION PROCESS

- ❑ Extensive regional consultation in 16 locations
- ❑ Open and transparent process allowing for input from all stakeholders
- ❑ Presence on YourSAy



STAY CONNECTED

www.tourism.sa.com



THE NEXT SOUTH AUSTRALIAN TOURISM PLAN

THE STORY SO FAR

The South Australian Tourism Plan 2020 was published in 2014 after extensive consultation with over 400 members of the tourism industry. At the time the South Australian Visitor Economy was worth \$5.1 billion, and the plan set an ambitious target of reaching \$8.0 billion by December 2020.

Since then, growth has been substantial. Latest visitor results show the visitor economy is now worth \$6.7 billion, up over 30 per cent in only 4 years and on track to achieve the \$8.0 billion.

THE PROCESS FROM HERE

With 2020 fast approaching, the SATC has commenced



Middle River, Kangaroo Island

NEXT STEPS

[illegible]