

SOUTH AUSTRALIAN VISITOR ECONOMY MARCH 2023

This document outlines the South Australian tourism industry performance for the year end March 2023. It examines research and insights, including visitation and expenditure statistics, and provides a snapshot of the key measures for international visitors to the state.

Expenditure (\$)	South Australia				Australia		
	Year Ending Dec-19	Year Ending Mar-23	Change %	Market Share	Year Ending Dec-19	Year Ending Mar-23	Change %
International	\$1.2b	\$.8b	-32%	4.50%	\$31b	\$18b	-42%
Interstate	\$2.7b	\$3.5b	33%	7.10%	\$37b	\$50b	33%
Intrastate	\$2.6b	\$3.0b	18%	5.10%	\$43b	\$58b	35%
Day Trips	\$1.7b	\$2.0b	22%	6.40%	\$26b	\$32b	21%
Total Expenditure	\$8.1b	\$9.4b	16%	5.90%	\$138b	\$158b	14%

Total South Australian visitor expenditure for the year-end March 2023 (combining International and Domestic expenditure) reached a record high \$9.4 billion, up 16 per cent on the year-end December 2019 and ahead of the national growth of 14 per cent.

In the last nine months, the annual value of the visitor economy in South Australia has grown from \$6.1 billion to \$9.4 billion, an increase of \$3.3 billion, driven by strong growth in interstate and international expenditure. Prior to COVID, international expenditure made up 15 per cent of total expenditure. This compares to the March 2023 year end data, where international expenditure makes up 9 per cent of total expenditure.

While these results show that performance has been strong, they also reflect that travel is more expensive, driven by inflationary pressures and workforce shortages and thus increasing spend per visitor.

INTERNATIONAL RESULTS

INTERNATIONAL RESULTS	South Australia				Australia		
	Year Ending Dec-19	Year Ending Mar-23	Change (%)	Market Share	Year Ending Dec-19	Year Ending Mar-23	Change (%)
Visits (000s)	488	286	-41%	6.20%	8,709	4,643	-47%
Nights (000s)	10,938	8,217	-25%	4.80%	274,477	170,971	-38%
Expenditure (\$m)	1,206	814	-32%	4.50%	31,438	18,287	-42%

The international border (excluding China which opened later, in January 2023) has been open for over 13 months through to March 2023. The latest results to year end March 2023 show that international expenditure in the last quarter has grown from \$519 million to \$814 million. While 32 per cent down on the record-high \$1.2 billion pre COVID at December 2019, it is seeing a strong recovery ahead of expectations as outlined in the International Tourism Strategy 2025.

The growth in international visitation has come from both the Holiday sector and the Visiting Friends & Relatives (VFR) market, with visitation and expenditure well up on December 2022. There has also been growth in the Education sector in line with the start of the new year, with visits and expenditure up 43 per cent and 71 per cent respectively from the December year end 2022 to the March year end 2023.

TOP 10 MARKETS

SOUTH AUSTRALIA												
Origin	Visitors (000s)			Nights (000s)			ALOS	Expenditure (\$m)			Avg Spend per Visitor	Avg Spend per Night
	Year Ending Dec-19	Year Ending Mar-23	Change (%)	Year Ending Dec-19	Year Ending Mar-23	Change (%)		Year Ending Dec-19	Year Ending Mar-23	Change (%)		
UK	66	50	-25%	970	852	-12%	17	72	89	23%	\$1,789	\$104
NZ	43	29	-32%	360	279	-22%	10	45	48	6%	\$1,630	\$171
India	29	27	-6%	1,027	1,490	45%	55	58	78	35%	\$2,917	\$53
USA	45	27	-41%	456	382	-16%	14	56	51	-9%	\$1,905	\$133
Canada	12	14	17%	175	262	50%	18	18	38	113%	\$2,642	\$143
Germany	26	14	-47%	340	178	-48%	13	38	18	-52%	\$1,325	\$104
China	66	11	-84%	2,275	727	-68%	68	384	63	-84%	\$5,842	\$87
Singapore	14	9	-33%	327	200	-39%	21	97	37	-62%	\$3,935	\$186
Malaysia	15	8	-46%	409	237	-42%	30	59	31	-47%	\$3,879	\$131
Japan	8	5	-33%	272	116	-57%	22	29	20	-29%	\$3,842	\$175
Total	488	286	-41%	10,938	8,217	-25%	29	1,206	814	-32%	\$2,842	\$99

The United Kingdom (UK), New Zealand (NZ), India and Canada have seen expenditure at March 2023 year end above the pre-COVID December 2019. South Australia has strong expat and migrant communities from the UK and India, which assisted in driving VFR numbers and length of stay from those markets.

AIR TRAVEL

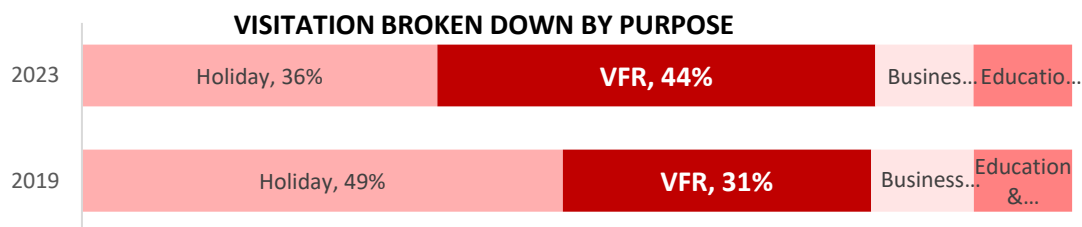
Air access is a critical factor for tourism and economic growth, and the SATC remains focused on ensuring visitors can reach the state easily and affordably.

As of 30 June 2023, eight international carriers fly direct into Adelaide: Qatar Airways, Singapore Airlines, Malaysia Airlines, Air New Zealand, Jetstar International, Fiji Airways, Virgin Australia, and Batik Air Malaysia – providing 42 flights per week.

The SATC continues discussions with airlines to rebuild direct access from key markets as quickly as possible.

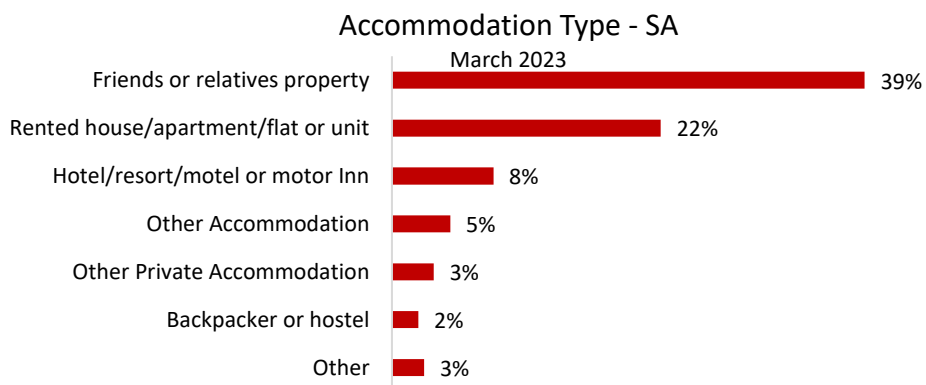
VISITATION PURPOSE

The latest results show that VFR represents a higher proportion of visits to SA than it did pre-COVID. It was anticipated that this would be the case and that holiday will continue to increase as a proportion of all visits at a slower rate, over a longer period of time.



ACCOMMODATION (by nights)

The most common type of accommodation was to stay at a friend or relatives property followed by a rented house, apartment, flat or unit – a trend which reflects the greater proportion of returning VFR visitor versus holiday visitors.



Links to documents for further information:

- International Performance - <https://tourism.sa.gov.au/media/4f1md3ay/international-performance-to-march-2023.pdf>
- International Tourism Strategy 2025 - https://tourism.sa.gov.au/media/5j1huhxj/satc_marketing_international_tourism_strategy_2025.pdf