REGIONAL REPORT

TOURISM NT
REGIONAL REPORT
ALICE SPRINGS & SURROUNDS
Report Period: June 2011/12 – June 2013/14

OVERVIEW

Types of Traveller by Purpose
The majority of travellers to Alice Springs and surrounds were visiting the region for a holiday (62%). There were also large proportions of business (21%) and smaller numbers of VFR visitors (9%). In addition, some visitors which visited the region for other purposes like employment, education or as a point of transit (7%).

HOLIDAY VISITORS BY AGE

15 TO 29 YEARS
INTERSTATE – 15%
INTRA-TERRITORY – 31%
INTERNATIONAL – 46%

30 TO 39 YEARS
INTERSTATE – 12%
INTRA-TERRITORY – 22%
INTERNATIONAL – 20%

40 TO 54 YEARS
INTERSTATE – 19%
INTRA-TERRITORY – 29%
INTERNATIONAL – 22%

55 TO 64 YEARS
INTERSTATE – 27%
INTRA-TERRITORY – 11%
INTERNATIONAL – 10%

65 YEARS & OVER
INTERSTATE – 27%
INTRA-TERRITORY – 8%
INTERNATIONAL – 2%

VFR – Visiting friends / relatives
ALOS – Average length of stay

<table>
<thead>
<tr>
<th>OVERNIGHT</th>
<th>Visitors ('000)</th>
<th>Holiday ('000)</th>
<th>VFR ('000)</th>
<th>Business ('000)</th>
<th>Visitor nights ('000)</th>
<th>ALOS (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>229</td>
<td>104</td>
<td>29</td>
<td>72</td>
<td>1,038</td>
<td>4.5</td>
</tr>
<tr>
<td>Intra-Territory</td>
<td>73</td>
<td>22</td>
<td>5</td>
<td>42</td>
<td>227</td>
<td>3.1</td>
</tr>
<tr>
<td>Interstate</td>
<td>156</td>
<td>82</td>
<td>25</td>
<td>30</td>
<td>811</td>
<td>5.2</td>
</tr>
<tr>
<td>International</td>
<td>120</td>
<td>112</td>
<td>3</td>
<td>2</td>
<td>797</td>
<td>6.7</td>
</tr>
<tr>
<td>Total overnight</td>
<td>348</td>
<td>216</td>
<td>32</td>
<td>74</td>
<td>1,835</td>
<td>5.3</td>
</tr>
</tbody>
</table>
**TRENDS**

- Overall visitation was relatively stable for the region until between 2005 and 2010. Since 2010, visitation for both international and interstate visitors has been declining. Total visitation has been increasing, however, since the Sept 2013 quarter.
- Interstate visitation had been declining for the region since 2010/11 when interstate travel declined markedly. However over the last three quarters there has been an upturn in visitation.
- International visitation to the region began to decline in 2010. Recent indicators are more positive with international visitation remaining relatively steady for the past two years.
- Whilst there have been some slight but not considerable upturns and downturns, intra-territory visitation for the region has remained relatively stable since 2005.

**TRANSPORT USED – HOLIDAY VISITORS**

- The method of transport varies for the interstate, intra-territory and international markets. The international and market is most likely to fly in and out of the region. The interstate market also chooses to fly in and fly out as their first option but will also opt to drive.
- Fly/drive visitors fly into a destination and then hire a car. International visitors are the most likely of the three to choose this option, though a similar proportion of interstate travellers choose this option.
- Self-drive is the main method for transport among intra-territory and interstate travellers, although just over one-quarter of interstate visitors will also elect to self-drive, making this market one the most important to the region.
- The international market is also much more likely to take a bus or tour coaches, making this market a very important market for the travel tour operators. Buses and coaches are also important for interstate visitors which are also likely to participate in local tours.
DOMESTIC VISITATION

<table>
<thead>
<tr>
<th>OVERNIGHT</th>
<th>Visitors ('000)</th>
<th>Holiday ('000)</th>
<th>VFR ('000)</th>
<th>Business ('000)</th>
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<tbody>
<tr>
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<td>229</td>
<td>104</td>
<td>29</td>
<td>72</td>
<td>1,038</td>
<td>4.5</td>
</tr>
<tr>
<td>NT</td>
<td>73</td>
<td>22</td>
<td>5</td>
<td>42</td>
<td>227</td>
<td>3.1</td>
</tr>
<tr>
<td>NSW</td>
<td>41</td>
<td>27</td>
<td>7</td>
<td>3</td>
<td>251</td>
<td>6.1</td>
</tr>
<tr>
<td>VIC</td>
<td>39</td>
<td>21</td>
<td>5</td>
<td>7</td>
<td>148</td>
<td>3.8</td>
</tr>
<tr>
<td>QLD</td>
<td>25</td>
<td>12</td>
<td>4</td>
<td>7</td>
<td>135</td>
<td>5.4</td>
</tr>
<tr>
<td>SA</td>
<td>34</td>
<td>14</td>
<td>7</td>
<td>9</td>
<td>190</td>
<td>5.6</td>
</tr>
<tr>
<td>WA</td>
<td>11</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>63</td>
<td>5.8</td>
</tr>
<tr>
<td>TAS</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>20</td>
<td>5.2</td>
</tr>
<tr>
<td>ACT</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>3</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Seasonality of Domestic Markets
- Domestic seasonality shows a clear peak season during the September quarter as visitors travel during the Australian winter. With a larger proportion of interstate (39%) visitors during this quarter compared to intra-territory visitors (32%).
- The June shoulder season is stronger for interstate visitors with 29% of them visiting during the quarter compared to 19% of intra-territory visitors. The March quarter is a shoulder season for intra-territory visitation with 26% of visits during this period.

INTERNSATIONAL VISITATION

<table>
<thead>
<tr>
<th>OVERNIGHT</th>
<th>Visitors ('000)</th>
<th>Holiday ('000)</th>
<th>VFR ('000)</th>
<th>Business ('000)</th>
<th>Visitor nights ('000)</th>
<th>ALOS (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td>120</td>
<td>112</td>
<td>3</td>
<td>2</td>
<td>797</td>
<td>6.7</td>
</tr>
<tr>
<td>Germany</td>
<td>21</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>91</td>
<td>4.3</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>18</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>87</td>
<td>4.7</td>
</tr>
<tr>
<td>USA</td>
<td>14</td>
<td>12</td>
<td>0</td>
<td>1</td>
<td>161</td>
<td>11.3</td>
</tr>
<tr>
<td>France</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>46</td>
<td>4.4</td>
</tr>
<tr>
<td>Switzerland</td>
<td>6</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>19</td>
<td>3.0</td>
</tr>
<tr>
<td>Italy</td>
<td>6</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>16</td>
<td>2.6</td>
</tr>
<tr>
<td>Other Europe</td>
<td>19</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>79</td>
<td>4.2</td>
</tr>
<tr>
<td>North East Asia</td>
<td>7</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>133</td>
<td>18.8</td>
</tr>
<tr>
<td>South East Asia</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>16</td>
<td>12.8</td>
</tr>
<tr>
<td>Rest of World</td>
<td>14</td>
<td>12</td>
<td>2</td>
<td>0</td>
<td>119</td>
<td>8.3</td>
</tr>
</tbody>
</table>

Seasonality of International Markets
- International seasonality shows a peak season during the September and December quarters (31%).
- The shoulder seasons of March quarter (22%), while winter in June (16%) is the low season for international visitors to Alice Springs and surrounds.
The vast majority of international visitors to the Alice Springs region enter and exit via Sydney. Melbourne is the second most frequented port of entry and exit. Of the smaller centres, Brisbane and Perth are also considered as and entry and exit option for some international travellers. Darwin and Cairns are also used but mainly as an exit point for internationals.
Most interstate visitors to Alice Springs region tend to contain their visit within Central Australia. Over half interstate visitors to Alice Springs region visited the Uluru region as well. Around one in five travelled to The Barkly region indicating a strong drive market. Just over 2 in 5 also visit Darwin, an indication of the importance of air access.

[N.B. Figures used in map relate to overnight visitors to the Katherine region and include other regions also visited in the NT].
Aviation

- Two main carriers serviced Alice Springs Airport - Qantas, Qantas Link, and Tiger Airways. Alice Springs Airport only receives domestic air traffic up to the end of June 2014.
- There were no changes to the flight schedule into and out of Alice Springs Airport during the 2013/14 financial year however in May 2014, Tigerair announced flights will cease from Melbourne and Sydney as of July 22, 2014 after re-commencing the routes just over a year prior.

Accommodation

- In the Alice Springs region, an increase in supply (rooms) up 1.1% to 1,337 rooms and a decrease in demand (room nights occupied down 1.0%) resulted in a fall in occupancy rates by 3.3 percentage points 61%. Takings for the year however increased 2.6% to $34.4 million, not enough to stop revenue per available room night (RevPar) reducing 1.8% to $62. There was a 29% growth in visitation for 2012/13 to 114,000. With visitation for the region during the peak growing in the months of June and July.
- The peak season for the Alice Springs region was during the June Quarter with a room occupancy rate of 68%. Takings for this period were reported to be $7.4 million equating to a RevPar of $68. The peak season continued into the September Quarter with a room occupancy rate of 66%. With a RevPar of $67.

(For further information on accommodation in Alice Springs please visit this page at www.tourismnt.com.au).

Tourism Central Australia Visitor Information Centre

- The Tourism Central Australia Visitor Information Centre measures visitors who enter the visitor information centre each month.
- There has been a 27% growth in visitation for the year ending June 2014 compared to the previous year with 131,000 visitors tracked at the visitor centre. Peak visitation for the visitor centre occurred in the months of May and June in 2014.

(NB: figures adjusted to account for the re-opening if the VIC in the Todd Mall in June 2013).
The Alice Springs and MacDonnell operators have been reporting very positive results the last 4 quarters, with 51% of operators reporting an increase in visitation in the June quarter 2014, while 21% of operators had a decrease. This represents a significant turnaround from the visitation of 2012 when the majority of operators were in decline.

The tourism outlook for the region from the December quarter report shows that outlook for the region is positive (index score 103) though down on previous quarters as operators expressed their concerns regarding Tigerair withdrawing services in July 2014. The outlook for the operators’ individual business (121ix) is remains strong despite this.
Youth visitors are defined as international visitors aged 15-29, visiting for the purpose of holiday that are not part of a family or school travel group.

- Youth visitors to the region made up almost two in five (42%) of all international holiday visitors to the region.
- Two in five arrived in Australia on a working holiday visa (40%).
- The majority of youth visitors were European (70%).
- On average youth visitors to the region spent 6.1 nights in Alice Springs and Surrounds.
- Those who are on a working holiday in the region spent 63 nights in the region.
- Youth visitors to the region were highly likely to visit multiple places during their visited with the majority (97%) having four or more destinations within Australia. The most frequented states included NSW (79%), QLD (74%), VIC (64%) and SA (49%).
- The most popular destinations for youth visitors to visit in the NT included Uluru (94%), Kings Canyon (49%), Kakadu (23%), Litchfield (16%) and West MacDonnell Ranges (14%).
- Of the 342,000 European youth visitors to Australia each year, the Northern Territory attracted a market share of close to one in five (17% market share), and 10% go to Alice Springs. This market share could be grown more as almost 13% of European youth who didn’t visit considered travelling to Alice Springs but decided against it. Around 1 in 5 working holiday makers in Australia considered Alice Springs but didn’t come. Ensuring this intent to travel would likely lead to a boost in visitor numbers to the region.

Youth visitors Alice Springs enjoyed various Outdoor & Nature Activities, Social Activities and Local Attractions: