

2023 INTERNATIONAL MARKET UPDATE

USA

MARKET OVERVIEW

Results based on year ending June 2023

- The USA is South Australia's fourth largest inbound market and is currently 28% down on pre-Covid visitation levels, and 6% down on expenditure levels.
- The American market is beginning to venture outside of Adelaide and surrounds. Kangaroo Island along with the Flinders Ranges and Outback, Eyre Peninsula, Limestone Coast and the Riverland are being promoted via major wholesalers.
- Key demand-driving experiences include wildlife, outback and wine (referred to as 'WOW' experiences). Fully guided experiences and luxury offerings appeal to this market.
- American visitors are categorised as high yield experience seekers, often time poor, with high median household income. They are well travelled and have a propensity to travel long haul.
- 44% of visits are for the purpose of Holiday, 46% for Visiting Friends and Relatives (VFR).
- 58% of American visitors to South Australia have been to Australia before.

SNAPSHOT OF CURRENT STATISTICS

Results based on year ending June 2023

VISITORS

 **32k**


NIGHTS

 **439k**

EXPENDITURE

 **\$53m**

AVERAGE SPEND

 **\$120** PER NIGHT
\$1,625 PER VISITOR

AVERAGE LENGTH OF STAY

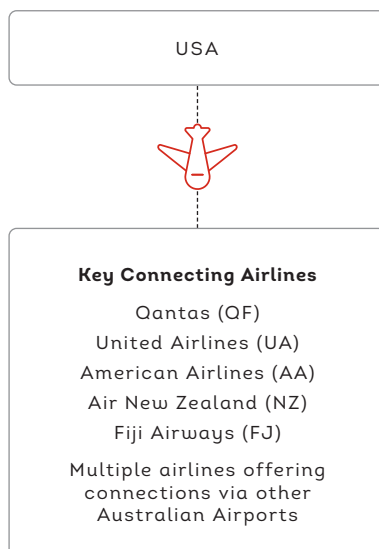
 **14 nights**[#]

INTERNATIONAL RANKING IN SOUTH AUSTRALIA

#4 FOR VISITORS
#5 FOR NIGHTS
#6 FOR EXPENDITURE

[#]A high average due to VFR.

AIR ACCESS



FAST FACTS & FIGURES

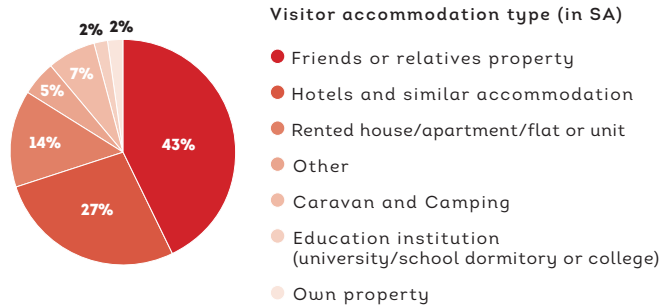
Annual average of 2017-2019 figures

USA	HOLIDAY	VFR [^]	BUSINESS	OTHER	TOTAL
Visits (SA)	29	17	9	3	54
Visits (AUS)	418	247	141	142	748
Nights (SA)	189	250	125	111	676
Nights (AUS)	5,189	3,837	1,445	3,020	13,419
ALOS[^] - Nights (SA)	7	15	14	37	13
ALOS[^] - Nights (AUS)	12	16	10	21	18
Expenditure					\$72M

[^] ALOS = Average Length Of Stay, VFR = Visiting Friends and Relatives.

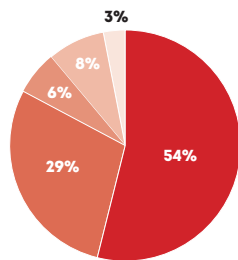
VISITOR ACCOMMODATION TYPE & TRAVEL PARTY DESCRIPTIONS

Annual average of 2017-2019 figures - current year samples not yet sizeable enough



Travel party description (to SA)

- Unaccompanied
- Adult couple
- Family group
- Friends/relatives travelling together
- Business



IMPORTANCE FACTORS

Data from Consumer Demand Project (CDP) report - August 2023



49%
Safety and security
VS. 53% GLOBAL AGGREGATE



39%
Good food and wine
VS. 37% GLOBAL AGGREGATE



35%
Friendly citizens
VS. 31% GLOBAL AGGREGATE



33%
World class beauty and nature
VS. 40% GLOBAL AGGREGATE



31%
Value for money
VS. 37% GLOBAL AGGREGATE

GLOBAL AGGREGATE: This is from the Consumer Demand Project research conducted quarterly by Tourism Australia in 12 key international markets for Australia. Global aggregate refers to the average across all these markets.

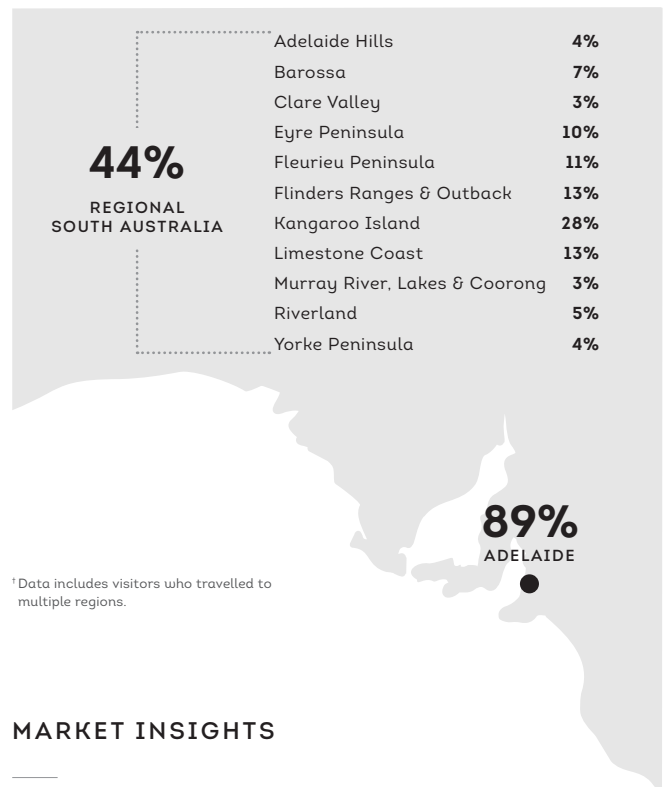
TARGET MARKET PROFILE



Affluent experience seeker: Generally older couples who share a passion for nature, adventure, food and wine and have the resources and intent to carry out long haul travel to Australia. They have the mindset of a 'Traveller', as opposed to a 'Tourist', and want authentic, unique, and engaging experiences. Travel is not about 'seeing', it's about 'doing'.

VISITOR DISPERSAL[†]

Annual average of 2017-2019 figures - current year samples not yet sizeable enough



MARKET INSIGHTS

- American travellers are interested in food and wine, culture, soft-adventure, wildlife and nature.
- When compared to some other states in Australia, South Australia is lesser known and more difficult to reach. For American "Travellers", this is appealing and they are prepared to go the extra mile where most tourists won't, to have a unique and authentic Australian experience.
- With high expectations of service, American consumers are prepared to pay premium prices. However, they need value associated with it and distinct, customised experiences that are appealing, as opposed to off-the-rack standardised tours.
- Trade partners are extremely important for delivering visitors to South Australia. Working with key Australian specialists in the market helps break down barriers around time, distance and knowledge, considering the limited time that Americans can take for annual leave. The SATC continues to grow and strengthen relationships with key partners and engage in cooperative campaigns to reach their engaged audiences.
- Personal relationships play an important role in America, and therefore in-market visitation with travel trade is important.
- The SATC public relations activity focuses on targeting quality media partners to drive demand with the high-value consumer.
- Online distribution partners are becoming increasingly important as consumers explore other ways to book their travel.
- Sustainability continues to increase in significance. People are choosing to travel to places where the environment, the local community, and the culture are respected. Also emerging is more interest in accessibility for the inclusivity of all travellers.

INFORMATION SOURCES

Annual average of 2017-2019 figures – current year samples not yet sizeable enough



53%

Internet



31%

Friend/relative in Australia or visited



21%

Other



14%

Previous visit(s)



13%

Travel book or guide



12%

Travel agent



11%

Did not get any information

TOP 3 BARRIERS TO VISITING AUSTRALIA

Data from Consumer Demand Project (CDP) report – August 2023



Expensive airfares



It is too far to travel



Other places I would prefer to go

CONTRACTING & BROCHURE TIMES

Few American trade partners print brochures any more. Therefore, contracting of rates can take place throughout the year.

USA CHECKLIST

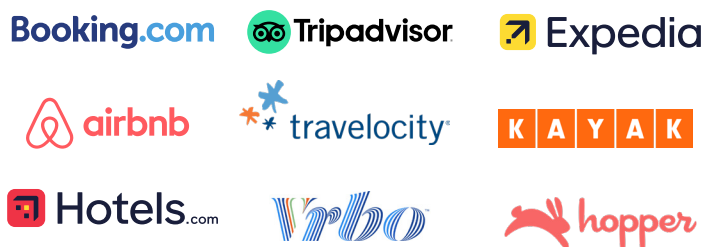
Consider the following points when targeting American travellers:

- ✓ Focus on the uniquely Australian aspect of your experience
- ✓ Sell the feelings, senses, and memories, not the features
- ✓ Stay in touch with buyers. Frequency will help you stay top of mind
- ✓ Partnering with others makes it easy for buyers and travellers to spend time in SA

KEY TRADE PARTNERS

KEY WHOLESALE PARTNERS	INBOUND REPRESENTATIVE COMPANY IN AUSTRALIA
Travel2 Helloworld Down Under Answers	• AOT
Swain Destinations	• Swain Destinations
Goway Travel	• Goway Travel
Abercrombie & Kent	• Abercrombie & Kent
About Australia	• Direct - No ITO
Aspire Downunder	• ATS Pacific • Southern World
Downunder Endeavours	• One Pacific
Globus Monograms	• Circuit Travel
Springboard Vacations	• Pan Pacific Travel • Southern World
Southern World	• Southern World
Trafalgar Tours	• AAT Kings

TOP TRAVEL WEBSITES & APPS



CONTACTS

ADELAIDE
Martin Kaesler
 Manager, Global Markets
 martin.kaesler@sa.gov.au

NORTH AMERICA
Ernst Flach
 Regional Director, Americas
 eflach@wagstaffmktg.com



Source: International Visitor Survey Dec 17, Dec 18, Dec 19 and June 23 conducted by Tourism Research Australia, Consumer Demand Project (CDP) Aug 23. Unless otherwise stated, all data refers to the Annual Average results for the 3 years from Dec 2017 to Dec 2019. Totals may not add to 100% due to rounding. VFR = Visiting Friends and Relatives. ALOS = Average Length of Stay (Nights).

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