

HIGH-SPENDING TRAVELLERS RESEARCH INSIGHTS



DESTINATION
GOLDCOAST.

 RAINBOW BAY

“

MUCH OF THE FOLLOWING INFORMATION IS DRAWN FROM THE 2019 GOLD COAST AUSTRALIAN TRAVEL SURVEY (GCATS), CONDUCTED DURING NOVEMBER 2019. AS TRAVEL CONDITIONS HAVE SIGNIFICANTLY CHANGED BY THE TIME OF WRITING (JUNE 2020), IT SHOULD BE EXPECTED THAT THE CURRENT CHARACTERISTICS OF THE 'HIGH SPENDING TRAVELLER' (HST) SEGMENT WILL BE DIFFERENT TO THOSE RECORDED AT THE END OF 2019.

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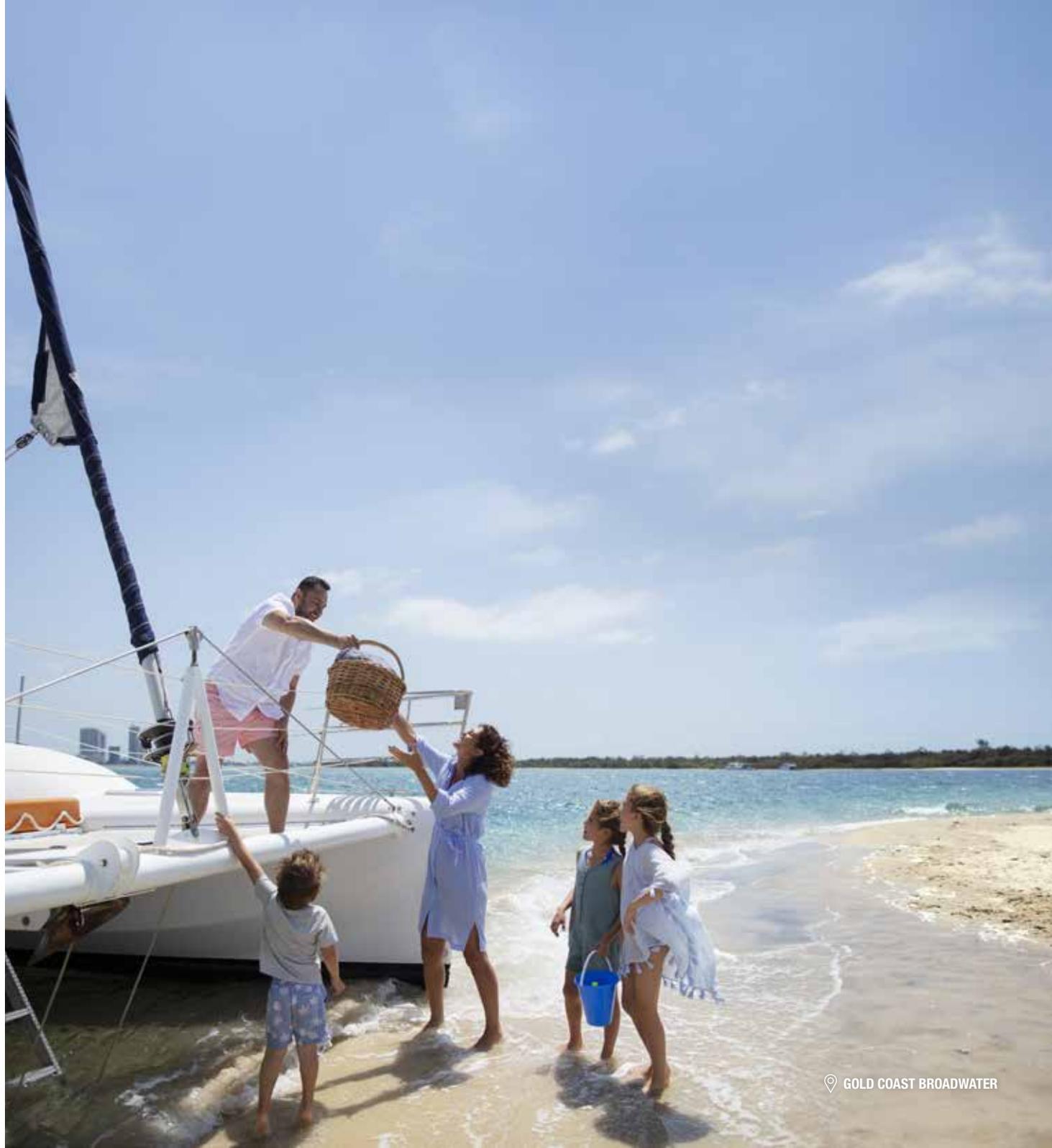


MARKET OVERVIEW

For decades the Gold Coast has been Australia's favourite playground, attractive to Australians from all walks of life. Australians who prioritise travelling and spend a great deal on travel, 'High Spending Travellers' (HSTs), have particularly enjoyed the Gold Coast's famed beaches, coastal lifestyle, world-class accommodation and range of family activities, including visiting the region's iconic theme parks. This popularity with HSTs, particularly families, has seen the Gold Coast tourism sector and local economy go from strength-to-strength over time. As we move into post-COVID-19 recovery, Destination Gold Coast (DGC) will, as travel and social restrictions ease, prioritise markets that can deliver the strongest possible contribution to the Gold Coast economy through marketing to this HST segment.

During the early recovery phase post-COVID-19, DGC's marketing is not specifically focussed on HSTs, as all travellers can provide benefit to our economy. Over time, however, DGC's success in aiding the recovery of the local tourism sector critically depends on the ability to recapture HSTs and win a higher proportion of these travellers. HSTs are important both because they deliver greater economic benefits to the destination per visitor than non-HSTs, and are also the least likely to be negatively impacted by current economic conditions.

Competition for the HST market is expected to be particularly fierce over the coming financial year, as the economic recovery, or decline, of many Australian destinations will rest on their ability to attract this segment of the travel market.



WHO ARE HIGH-SPENDING TRAVELLERS?

High-Spending Travellers are the most highly sought-after travellers in the tourism industry, both for domestic and international travel. Within Australia, this group has shown an increased preference for overseas travel and for cruise trips over much of the last decade.



SPENT MORE THAN
\$5,000
ON TRAVEL IN THE LAST 12 MONTHS¹



36%
OF ALL AUSTRALIAN TRAVELLERS
(4.7 MILLION TRAVELLERS)



\$11,500
AVERAGE SPEND ON
TRAVEL IN LAST 12 MONTHS



\$116,000
AVERAGE HOUSEHOLD
INCOME DURING 2019

¹High Spending Travellers' are defined by this characteristic, as at November 2019. The characteristics of this group may have changed during the COVID-19 crisis.

STRONGLY CONSIDERING AN OVERNIGHT TRIP IN NEXT TWO YEARS²

	NON-HST	HST	ALL TRAVELLERS (18+)
Proportion “Strongly Considering” domestic overnight trip in next two years	80%	87%	83%
Proportion “Strongly Considering” overseas overnight trip in next two years	54%	78%	63%

Sample size n=3,000, Base: Australian Travellers (18+).

In the post-COVID-19 period, Australian HSTs will refocus on the opportunities for travel within Australia. The Gold Coast, traditionally one of the most attractive destinations for such travellers, has an opportunity to win these valuable travellers, and give them an experience that encourages them to keep returning for years to come.

²Source: Destination Gold Coast, Gold Coast Australian Travel Survey (GCATS) (unpublished), November 2019.





HSTs BY LIFESTAGE SEGMENTS³

	NON-HST	HST	NET
SINKS / DINKS	31%	25%	29%
Young Family	10%	11%	10%
Older Family	24%	36%	29%
Empty Nester	35%	28%	32%
NET Families	34%	47%	39%

Sample size n=3,000, Base: Australian Travellers (18+).

Almost half (47%) of Australian HSTs are families, a significantly larger proportion than for non-HSTs (34%). HST families have always been a core market for the Gold Coast, and have responded exceptionally well to DGC's marketing campaigns over the past year and a half since promoting the Gold Coast under a new brand as 'Australia's Favourite Playground'⁴.

³**Source:** Destination Gold Coast, Gold Coast Australian Travel Survey (GCATS) (unpublished), November 2019.

⁴**Source:** Kantar campaign tracking studies conducted over 2018 and 2019 (unpublished).

HIGH-SPENDING TRAVELLERS SEGMENT PROFILE

HSTs most commonly value 'relaxation' as their most desired holiday experience, however they are significantly less likely to value this popular experience than non-HSTs. Instead, HSTs are significantly more likely to value experiencing new things, spending time with their partner, or exploration and discovery than other travellers. They are also significantly more likely to value safety and security, an important consideration while COVID-19 remains a persistent threat to the travel and visitor economy.

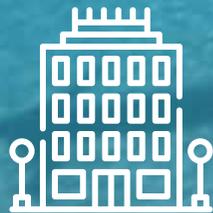




TOP 3 MOST PREFERRED FORMS OF ACCOMMODATION⁵

Consistent with a desire for safety and security, HSTs are more likely to favour a cruise ship as one of their three most preferred forms of travel accommodation (23%), significantly more than other travellers. However, their most commonly desired forms of accommodation are luxury hotels or resorts, mid-range hotels or serviced apartments. They are significantly less likely to stay with friends or family than other travellers.

1



LUXURY HOTEL OR RESORT

2



MID-RANGE HOTEL

3



SERVICED APARTMENTS

Note: "Top 3 Most Preferred" only includes accommodation types that respondents ranked among their three most preferred. Base: Australian Travellers (18+), Sample: n=1,031.

Source: Destination Gold Coast, Gold Coast Australian Travel Survey (GCATS) (unpublished), November 2019.

TOP 5 RANKED 'MOST LOVED' ACTIVITIES⁶

HSTs are more likely than others to prioritise natural attractions, local produce, and visiting iconic locations as among their top holiday activities. HST families are also more likely to prioritise activities such as street food/take away food (16%), theme parks (14%) and personal care services such as day spas or massage (13%) as among the top five highest ranked activities than other HSTs.

1



**VISIT NATURAL
ATTRactions, SCENERY
OR NATIONAL PARKS**

2



**WALKING AROUND
TO EXPLORE**

3



EAT LOCAL PRODUCE

4



**VISITING FAMOUS
BUILDINGS OR PLACES**

5



GOING TO THE BEACH

Note: "Top 5 Ranked" only includes activities that respondents ranked among their five "most loved" activities. Base: Australian Travellers (18+). Sample: n=1,031.
Source: Destination Gold Coast, Gold Coast Australian Travel Survey (GCATS) (unpublished), November 2019.



HST VISITORS TO THE GOLD COAST BY MARKET⁷

HST visitors to the Gold Coast are most commonly fly market visitors, travelling from Sydney and Melbourne in particular. However, there is a large number of HSTs, more than 300,000, within the Gold Coast drive market region (Queensland and northern New South Wales) who visited the destination during 2019.



31%

DRIVE MARKET



69%

FLY MARKET

Note: Sample size n=220, Base: Australian HST Travellers (18+) who visited the Gold Coast for leisure purposes during 12 months to November 2019.

⁷Source: Destination Gold Coast, Gold Coast Australian Travel Survey (GCATS) (unpublished), November 2019.