

# Gold Coast Tourism

Quarterly Update 2011/4



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Note: The Gold Coast Tourism Quarterly Update uses the most recent Tourism Research Australia (TRA) data , which is released three months post reporting period. This update provides TRA information for the Year Ending September 2011.

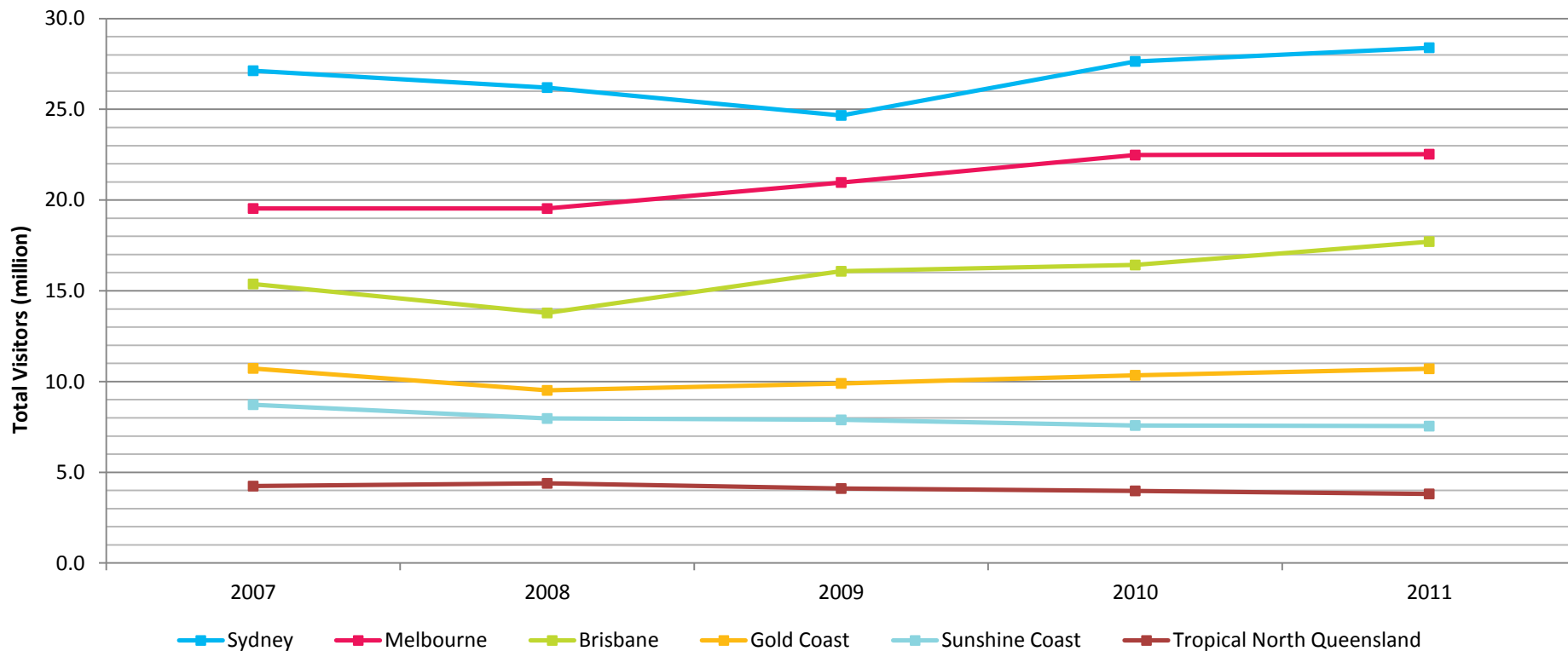
# Quarterly Update 2011/4

All Tourism

**Table 1: Gold Coast Visitor and Visitor Expenditure by Key Category and Key Source Market - YE September 2011**

Category	Source	2010	2011	% Change
Domestic Overnight Visitors Domestic Overnight Visitor Expenditure	Brisbane	907,000	871,000	-4.0%
		\$413,128,432	\$312,986,345	-24.2%
	Sydney	529,000	444,000	-16.1%
		\$440,097,320	\$394,539,650	-10.4%
	Melbourne	348,000	329,000	-5.5%
		\$331,399,175	\$331,412,697	0.0%
Other	1,546,000	1,580,000	2.2%	
	\$1,655,375,073	\$1,590,061,308	-3.9%	
Domestic Overnight Subtotal	3,330,000	3,224,000	-3.2%	
	\$2,840,000,000	\$2,629,000,000	-7.4%	
Domestic Daytrip Visitors Domestic Daytrip Visitor Expenditure	Domestic Daytrip Subtotal	6,175,000	6,762,000	9.5%
		\$653,000,000	\$629,000,000	-3.7%
International Visitors International Visitor Expenditure	New Zealand	205,000	174,000	-15.1%
		\$203,646,000	\$181,136,000	-11.1%
	China	114,000	118,000	3.5%
		\$67,185,000	\$82,832,000	23.3%
	Japan	116,000	77,000	-33.6%
		\$77,412,000	\$88,391,000	14.2%
Other	407,000	351,000	-13.8%	
	\$649,757,000	\$485,641,000	-25.3%	
International Subtotal	842,000	720,000	-14.5%	
	\$998,000,000	\$838,000,000	-16.0%	
Total Visitors	10,342,000	10,706,000	3.5%	
	\$4,491,000,000	\$4,096,000,000	-8.8%	

**Graph 1: Total Visitor Comparison of Gold Coast and Key Competitor Destinations - YE September 2007 to 2011**



**Key Commentary:**

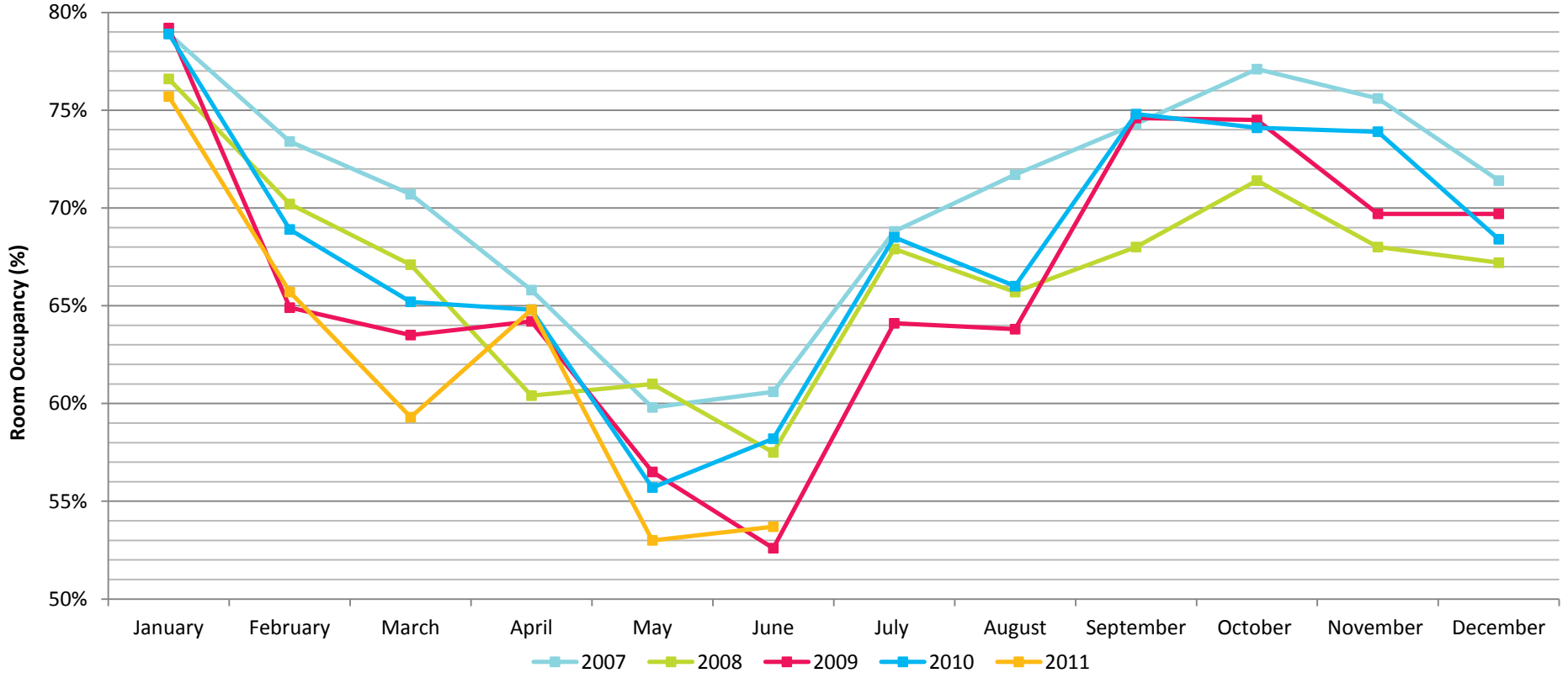
*Source: Tourism Research Australia - National and International Visitor Surveys - Year Ended September 2011*

The Gold Coast attracted 10.7 million visitors in the year ending September 2011, an increase of 4% on the previous 12 months.

The increase in total visitor arrivals to the Gold Coast was the result of a substantial increase in Domestic Daytrip Visitors (up 10%).

Gold Coast visitor arrivals have returned to pre-global financial crisis levels although Average Visitor Spend remains low, a result of reduced discretionary spend and reduced Average Length of Stay for holiday makers.

**Graph 2: Gold Coast Room Occupancy Rate by Trend 2007 to 2011**



**Key Commentary:** *Source: Australian Bureau of Statistics - Small Area Accommodation Data*

On average, 62% of Gold Coast rooms were occupied in the first six months of 2011, a -3% decrease in average room occupancy when compared to the first six months of 2010.

January continues to be the peak season for room occupancy on the Gold Coast, with room occupancy reaching an average of 76% in January in 2011.

The decrease in room occupancy rates in the first quarter in 2011 is attributable to the inclement weather over the school holiday period and a reduction in visitation immediately following the Queensland floods.

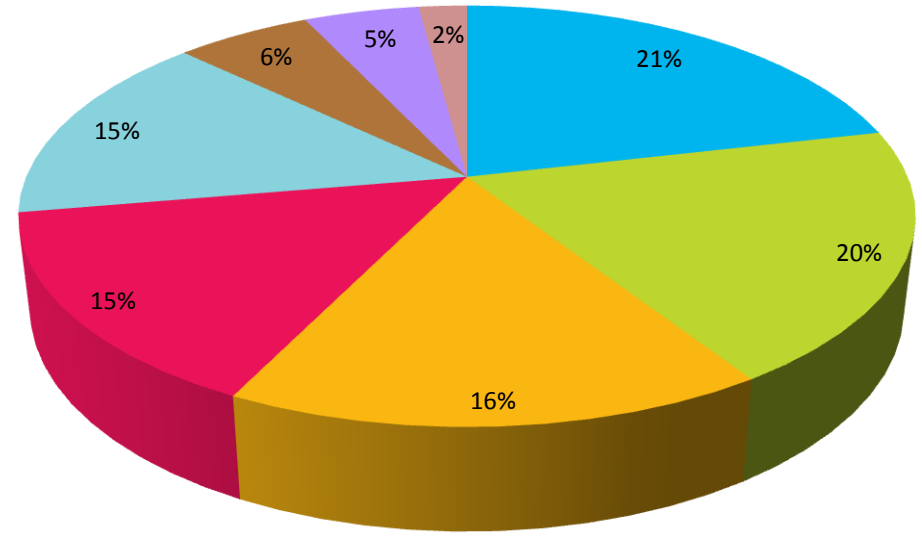
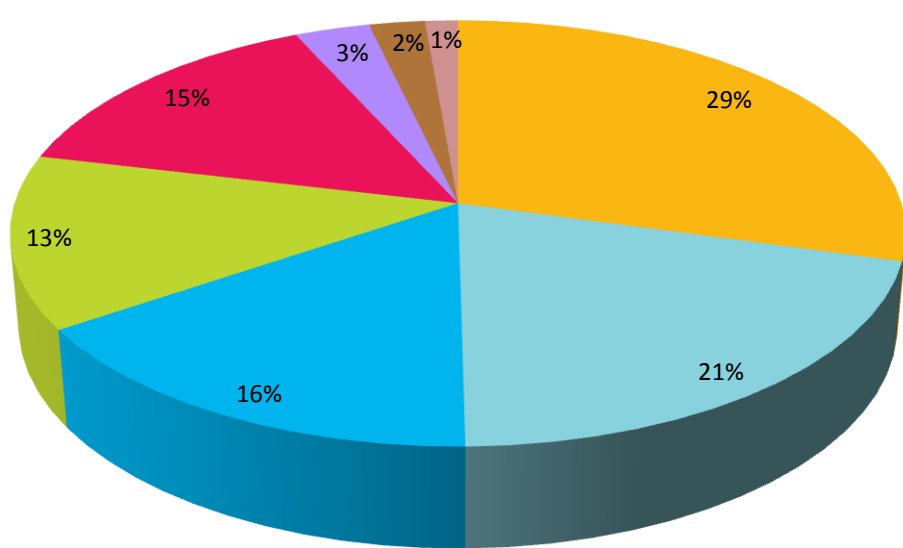
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## Domestic Overnight Tourism

**Gold Coast Domestic Overnight Visitor and Visitor Expenditure by Key Source Market - YE September 2011**

**Graph 3: Domestic Overnight Visitors to the Gold Coast**

**Graph 4: Domestic Overnight Visitor Expenditure on the Gold Coast**



■ Sydney    
 ■ Melbourne    
 ■ Brisbane    
 ■ Other NSW    
 ■ Other QLD    
 ■ Adelaide    
 ■ Other VIC    
 ■ Perth

**Key Commentary:**

*Source: Tourism Research Australia - National Visitor Survey - Year Ended September 2011*

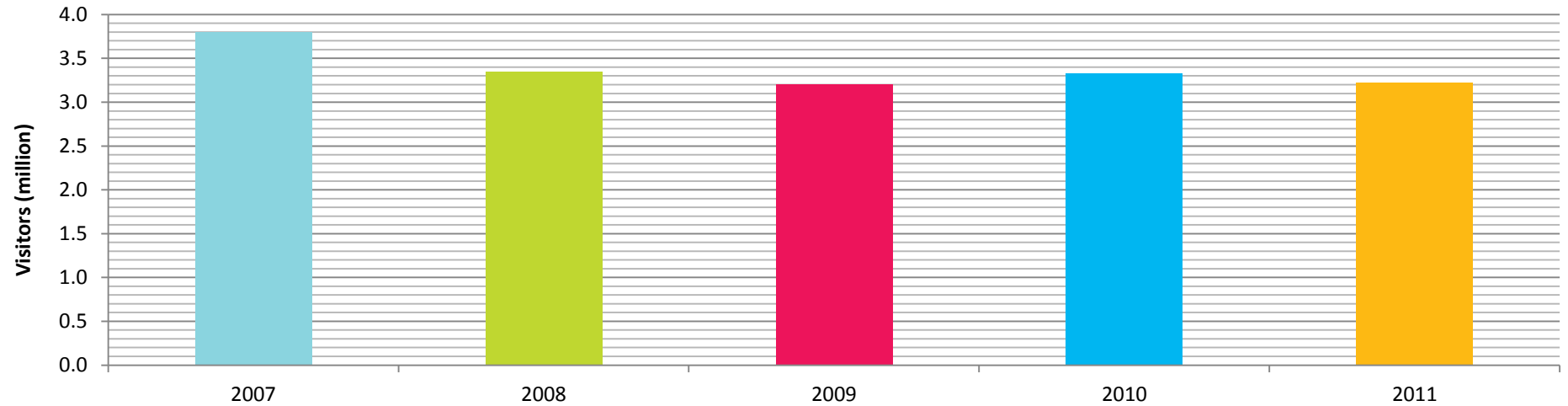
The Gold Coast attracted 3.2 million Domestic Overnight Visitors in the year ending September 2011, a decrease of -3% on the previous 12 months.

Domestic Overnight Visitor Expenditure to the Gold Coast declined by -7% in the year ending September 2011 (to \$2.6 billion). Comparably Domestic Overnight Visitor Expenditure in Queensland declined by -1% to \$11.3 billion.

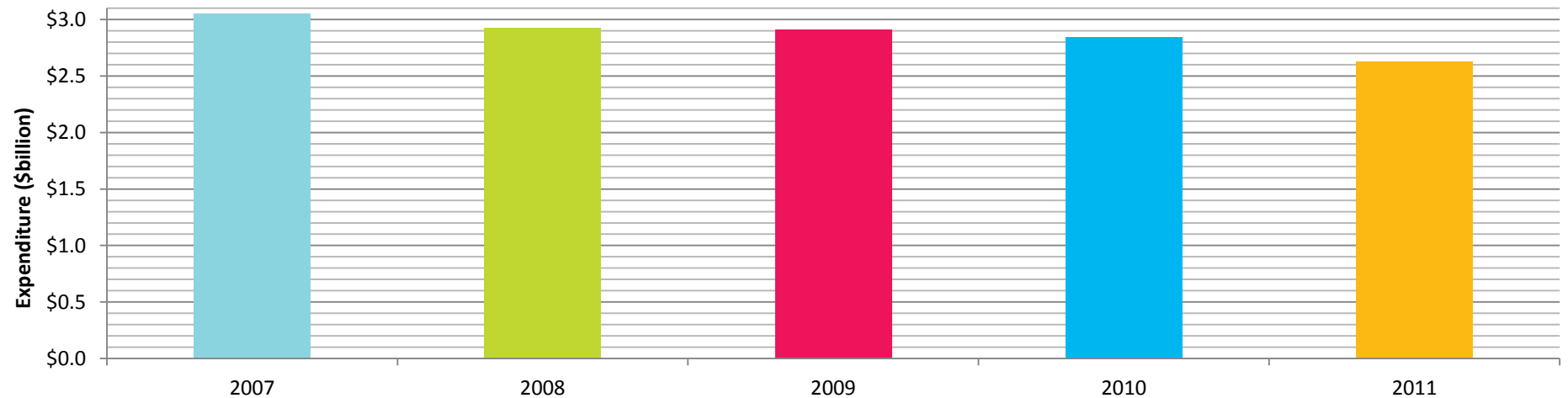
Domestic Overnight Visitors currently account for 64% of annual tourism expenditure on the Gold Coast.

**Gold Coast Domestic Overnight Visitors and Visitor Expenditure - YE September 2007 to 2011**

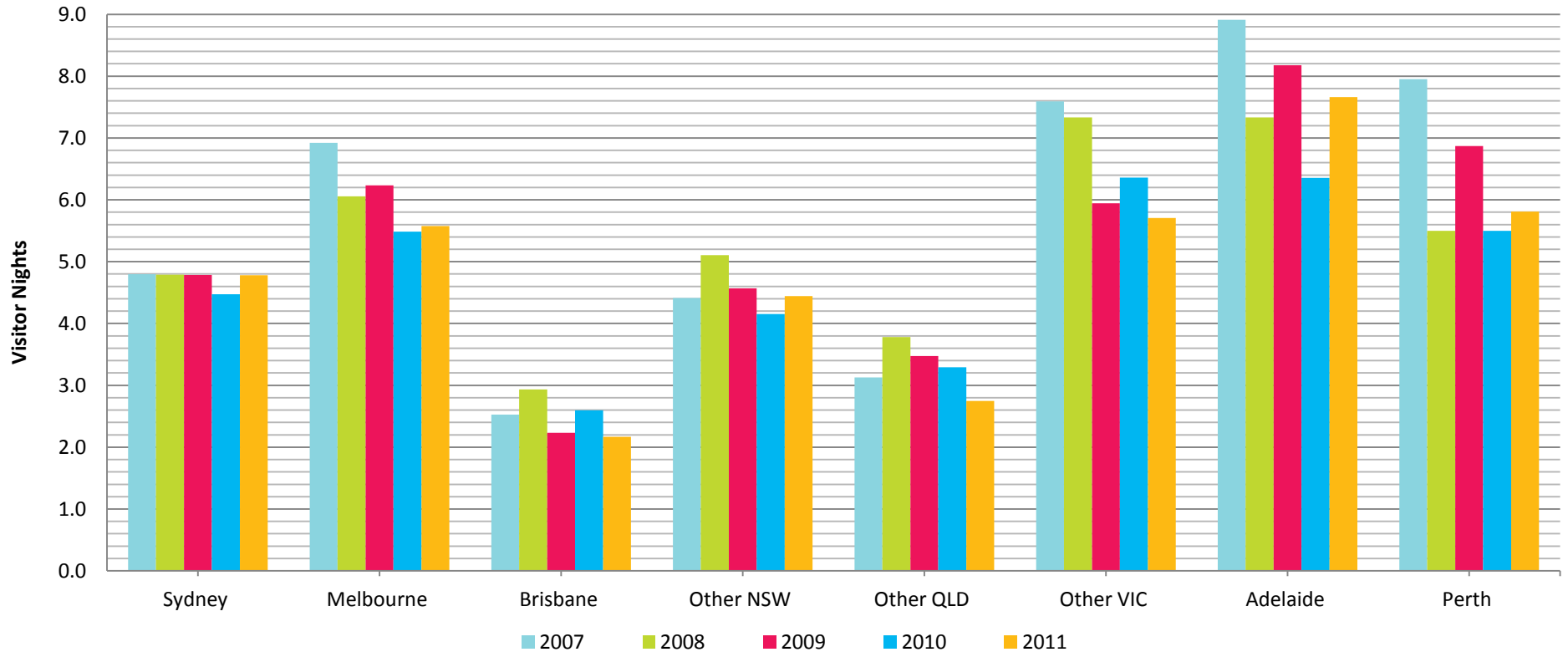
**Graph 5: Domestic Overnight Visitors to the Gold Coast - YE September 2007 to 2011**



**Graph 6: Domestic Overnight Visitor Expenditure on the Gold Coast - YE September 2007 to 2011**



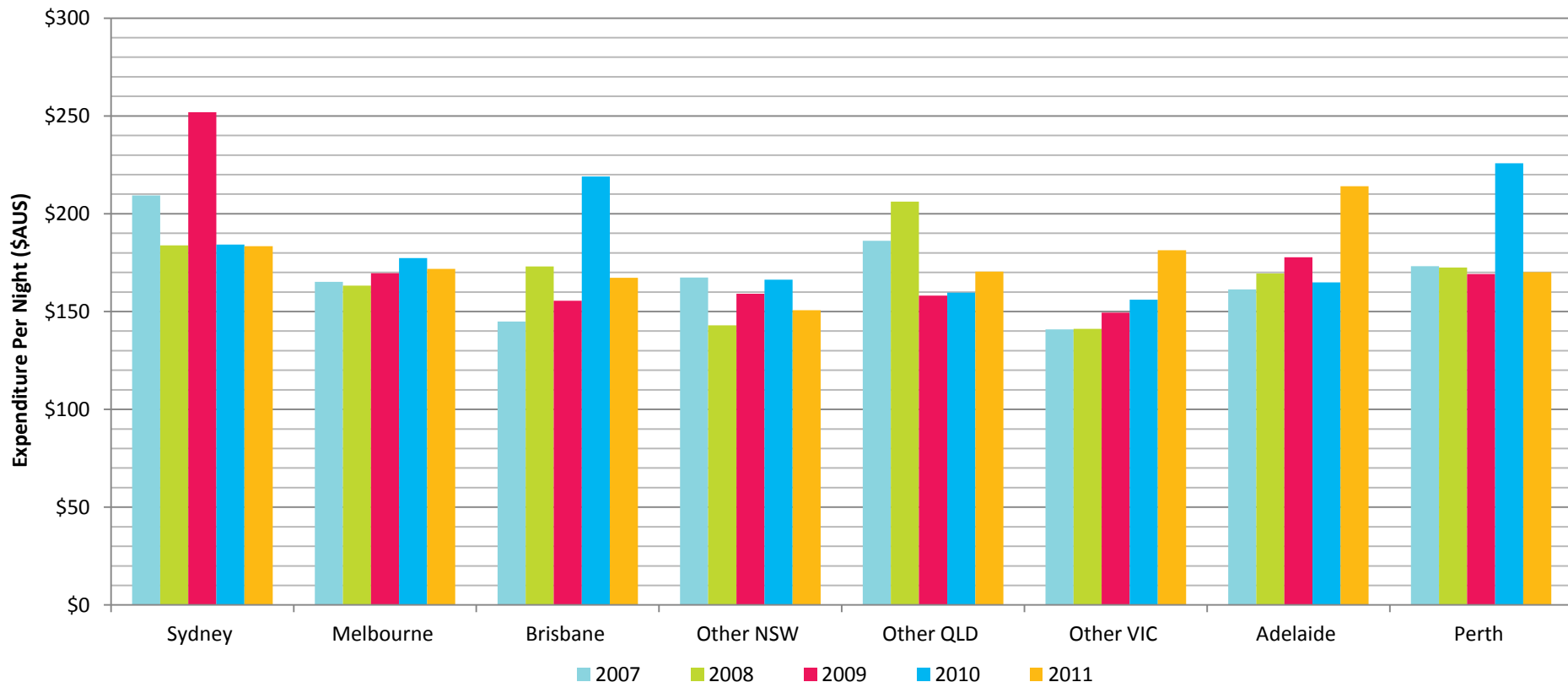
**Graph 7: Gold Coast Domestic Overnight Visitor Average Length of Stay by Key Source Market – YE September 2007 to 2011**



**Key Commentary:** *Source: Tourism Research Australia - National Visitor Survey - Year Ended September 2011*

Domestic Overnight Visitors to the Gold Coast stayed an average of 3.9 nights in the year ending September 2011. The decline in the Average Length of Stay by Domestic Overnight Visitors to the Gold Coast has been driven by trends to shorter breaks, low cost travel, time poverty, and pressure on household discretionary spend. Sydney visitors accounted for the largest share of visitor nights (2.3 million) on the Gold Coast in the year ending September 2011.

**Graph 8: Australia Domestic Overnight Visitor Average Nightly Expenditure by Key Source Market – YE September 2007 to 2011**



**Key Commentary:**

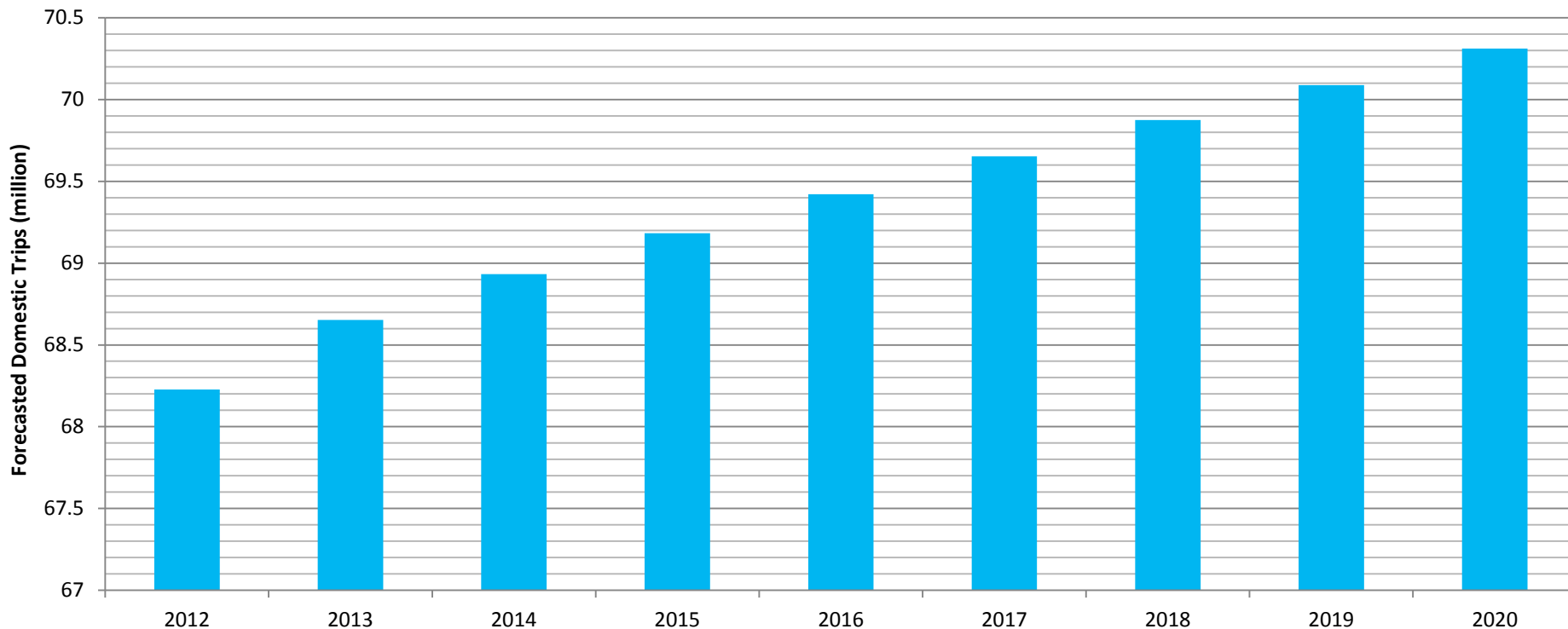
*Source: Tourism Research Australia - National Visitor Survey - Year Ended September 2011*

Domestic Overnight Visitors spent an average of \$165 per night on their trips within Australia in the year ending September 2011.

This level of spend is similar to the Average Nightly Expenditure of Domestic Overnight Visitors in the twelve months to September 2010.

The strong Average Nightly Expenditure from 'Other Queensland' visitors is attributable to continued growth in the mining sector in Regional Queensland.

**Graph 9: Tourism Forecasting Committee's Domestic Trip Forecasts in Australia 2012 to 2020**



**Key Commentary:**

*Source: Tourism Australia - Tourism Forecasting Committee*

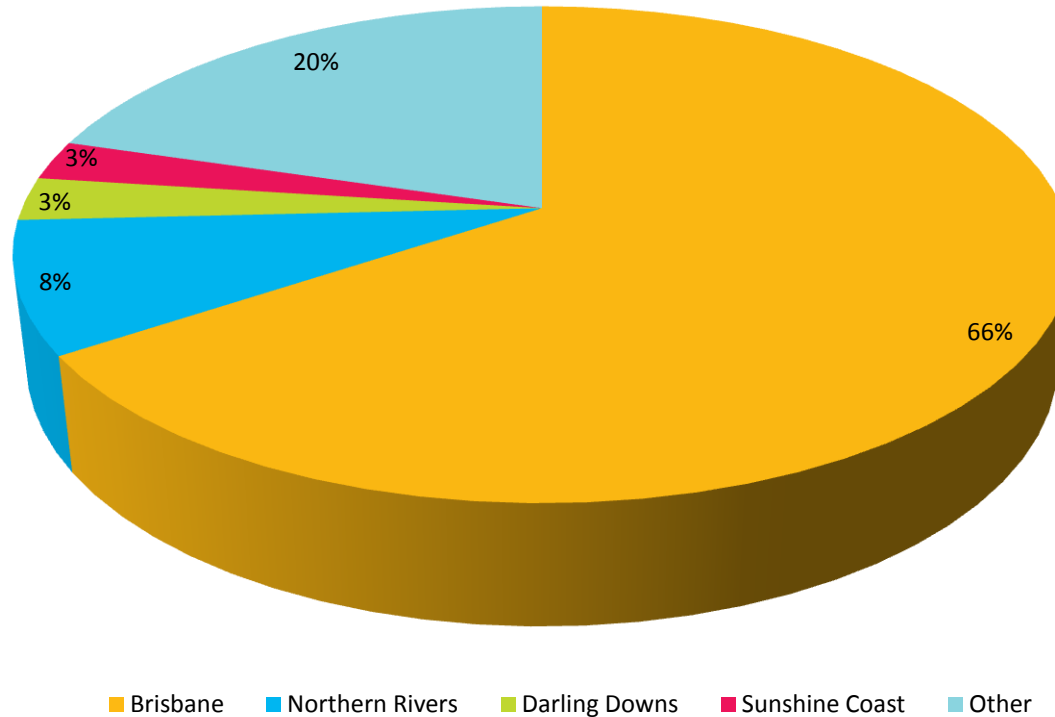
Domestic Tourism is likely to come under continued pressure in 2012 as the strength of the Australian dollar, greater access to international destinations, and increased global tourism competition have further eroded the competitiveness of domestic travel over outbound travel. This was emphasised by Australian resident departures recently overtaking international visitor arrivals.

Market expectations that there will be stronger economic growth and increased consumer spending in 2012 may, however, mitigate some of the predicted downturn in domestic overnight travel within Australia.

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## Domestic Daytrip Tourism

**Graph 10: Domestic Daytrip Visitors to the Gold Coast by Key Source Market – YE September 2011**



**Key Commentary:**

*Source: Tourism Research Australia - National Visitor Survey - Year Ended September 2011*

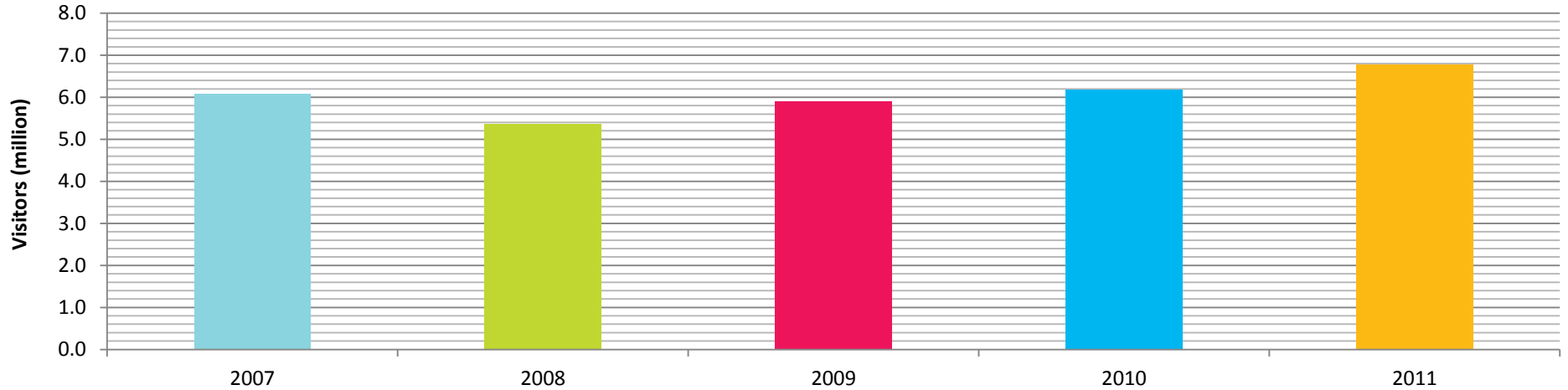
The Gold Coast attracted 6.8 million Domestic Daytrip Visitors in the year ending September 2011. This 10% increase in Domestic Daytrip Visitors was dominated by strong growth from the Brisbane market, which grew by 9%.

Domestic Daytrip Visitor Expenditure decreased by -4% in the year ending September 2011 (to \$629 million).

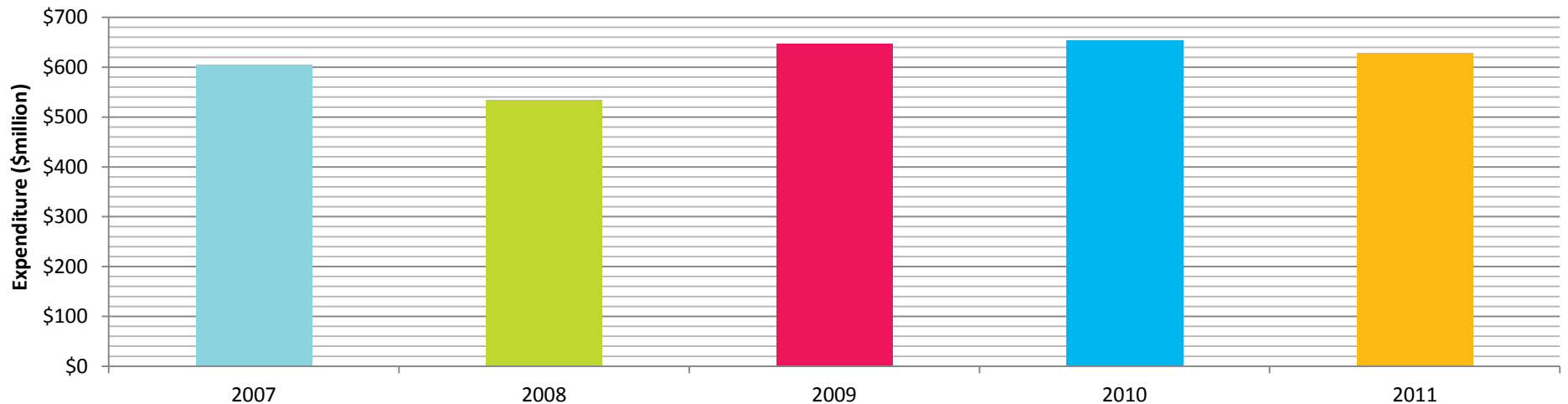
Domestic Daytrip Visitation is a substantial but volatile segment for the Gold Coast as it is very reactive to impacting factors such as weather, price points, fuel prices, and household discretionary spend.

**Domestic Daytrip Visitor and Visitor Expenditure on the Gold Coast - YE September 2007 to 2011**

**Graph 11: Domestic Daytrip Visitors to the Gold Coast - YE September 2007 to 2011**



**Graph 12: Daytrip Visitor Expenditure on the Gold Coast - YE September 2007 to 2011**



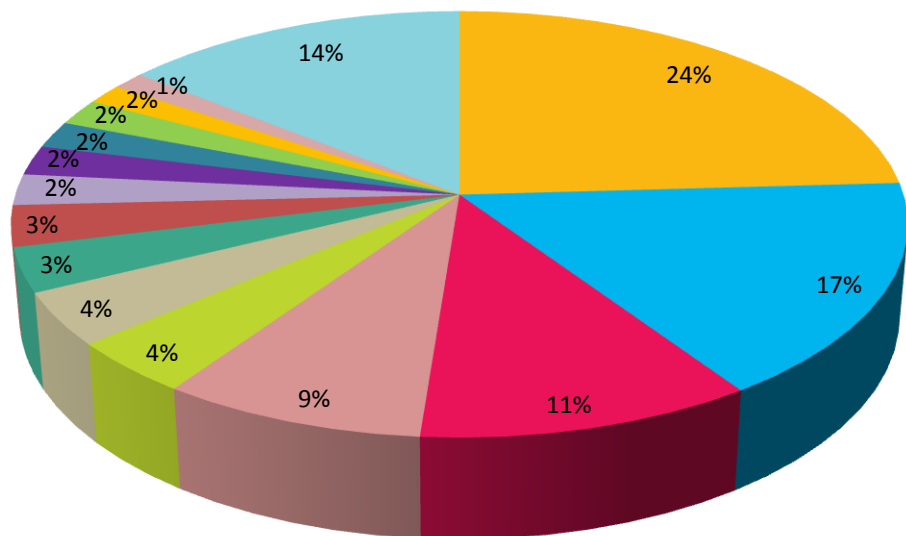
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*International Tourism*

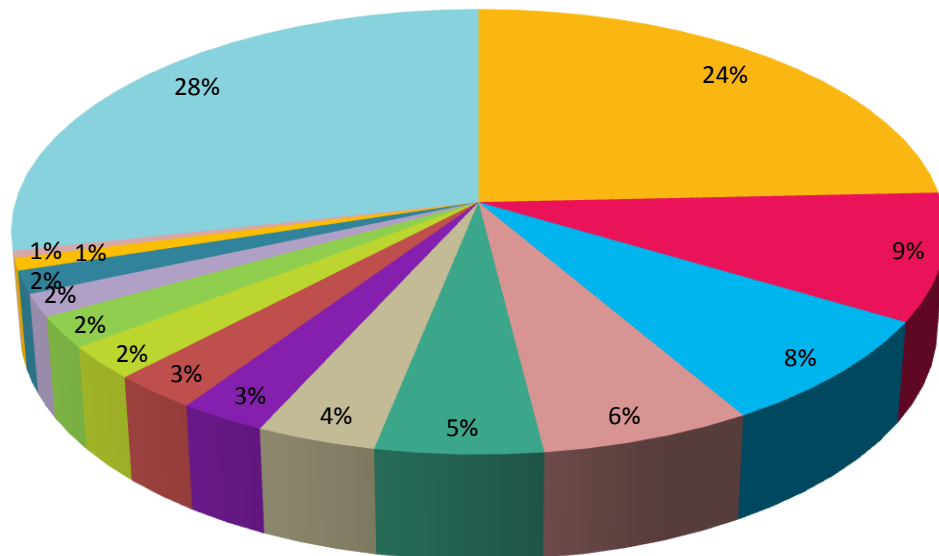


### Gold Coast International Visitor and Visitor Expenditure by Key Source Market – YE September 2011

**Graph 13: International Visitors to the Gold Coast**



**Graph 14: International Visitor Expenditure on the Gold Coast**



■ NZ 
 ■ Japan 
 ■ China 
 ■ UK 
 ■ USA 
 ■ Korea 
 ■ HK 
 ■ Singapore 
 ■ Malaysia 
 ■ Canada 
 ■ Germany 
 ■ Taiwan 
 ■ India 
 ■ Indonesia 
 ■ Other

**Key Commentary:**

*Source: Tourism Research Australia - International Visitor Survey - Year Ended September 2011*

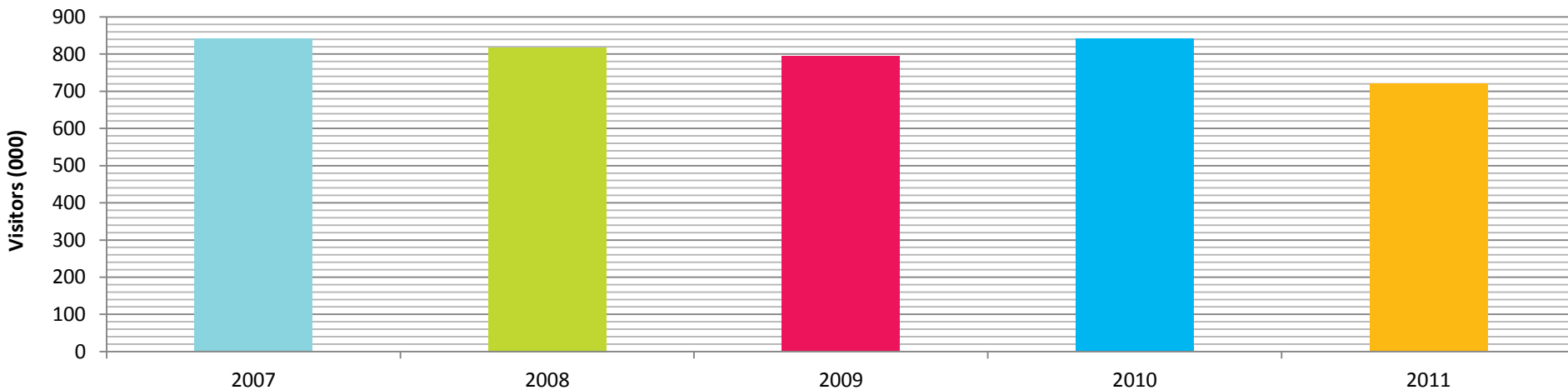
International visitor arrivals to the Gold Coast fell by -15% (to 720,000) in the year ending September 2011.

This result was anticipated given the significant natural disasters faced by two of the Gold Coast’s largest international source markets (New Zealand and Japan) and the strength of the Australian Dollar against the currencies of many of our source markets.

International Visitor Expenditure on the Gold Coast declined by -16% (to \$838 million) in the year ending September 2011. The strong Australian Dollar and changes to the composition of the Gold Coast’s international source markets were key factors.

**Gold Coast International Visitors and Visitor Expenditure - YE September 2007 to 2011**

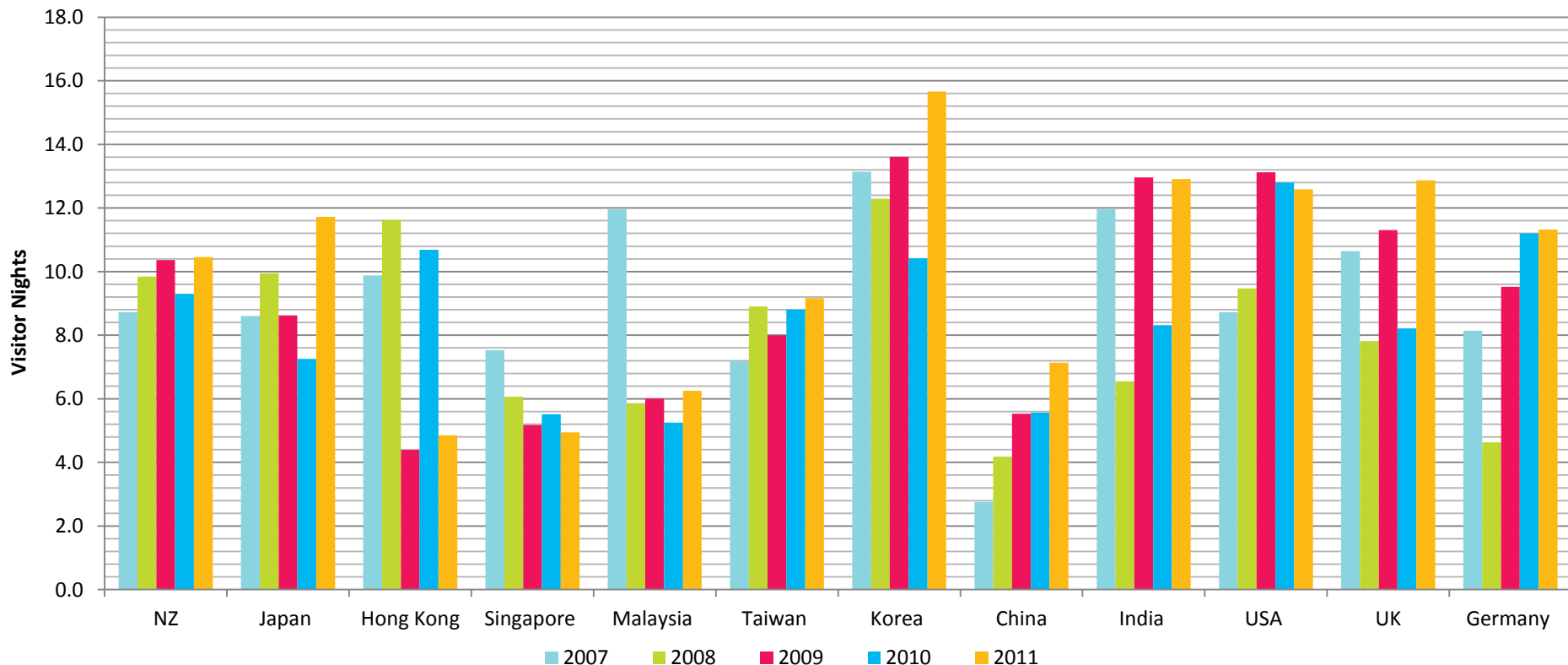
**Graph 15: International Visitors to the Gold Coast - YE September 2007 to 2011**



**Graph 16: International Visitor Expenditure on the Gold Coast - YE September 2007 to 2011**



**Graph 17: Gold Coast International Visitor Average Length of Stay by Key Source Market – YE September 2007 to 2011**



**Key Commentary:**

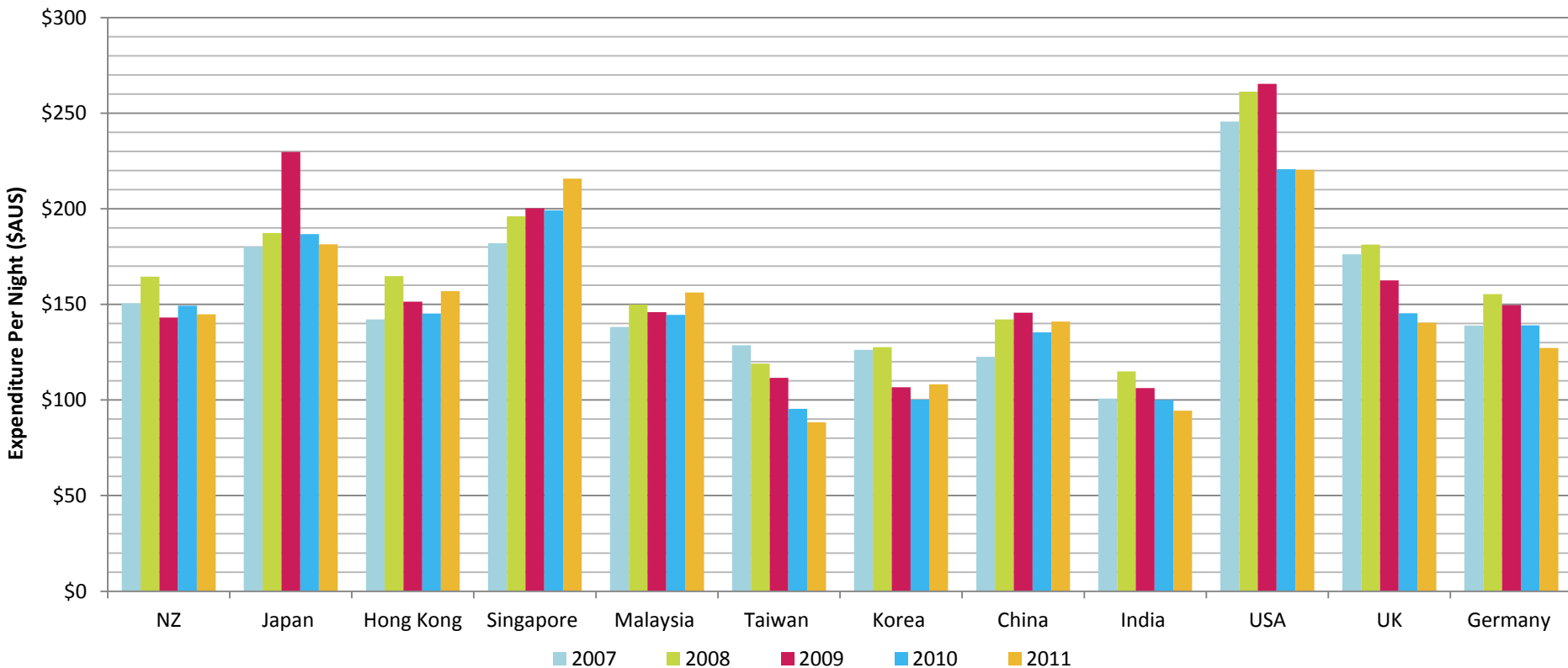
*Source: Tourism Research Australia - International Visitor Survey - Year Ended September 2011*

International Visitors to the Gold Coast stayed an average of 11.2 nights in the year ending September 2011.

International Visitor Average Length of Stay on the Gold Coast increased by 1.6 nights in the previous 12 months. This was supported by growth in the Average Length of Stay of many of the Gold Coast’s key Asian Markets, including China and Japan.

The high Average Length of Stay by United States, United Kingdom and German visitors is attributable to the large quantity of backpackers originating from these International Visitor Source Markets.

**Graph 18: International Visitor Average Nightly Expenditure by Key Source Market – YE September 2007 to 2011**



**Key Commentary:**

*Source: Tourism Research Australia - International Visitor Survey - Year Ended September 2011*

Despite a more subdued international holiday market, per night International Visitor Expenditure in Australia has remained stable over the last 12 months at, on average, \$148 per night (incl package).

Changes to the composition of Australia’s International Source Markets can explain this reduction in per night expenditure. Australia has witnessed a recent decline in US visitors to the Gold Coast (a tourist cohort which delivers a high dollar) and an increase in Chinese and Korean visitors (who tend to spend less per night).

**Graph 19: Tourism Forecast Committee's International Trip Forecast to Australia by Key Source Market 2012 to 2020**



**Key Commentary:**

Source: Tourism Australia - Tourism Forecasting Committee

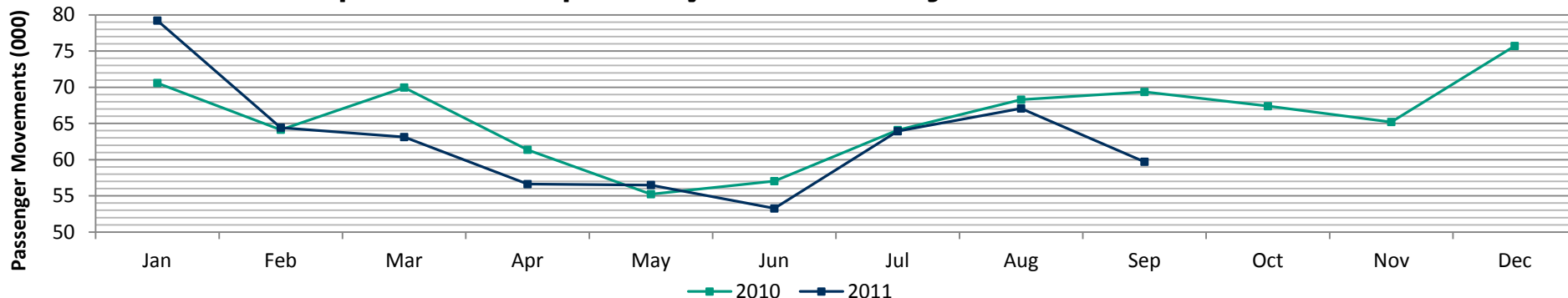
Over the longer term, inbound arrivals are expected to grow at an annual average rate of 3.9% between 2009-2020 and reach a projected 8.4 million in 2020.

The outlook for international travel to Australia looks more optimistic for 2012 than it did in 2011. World economic activity is expected to grow at a marginally faster pace, global inflation is forecast to ease slightly and the effects of the natural disaster in Japan should have dissipated.

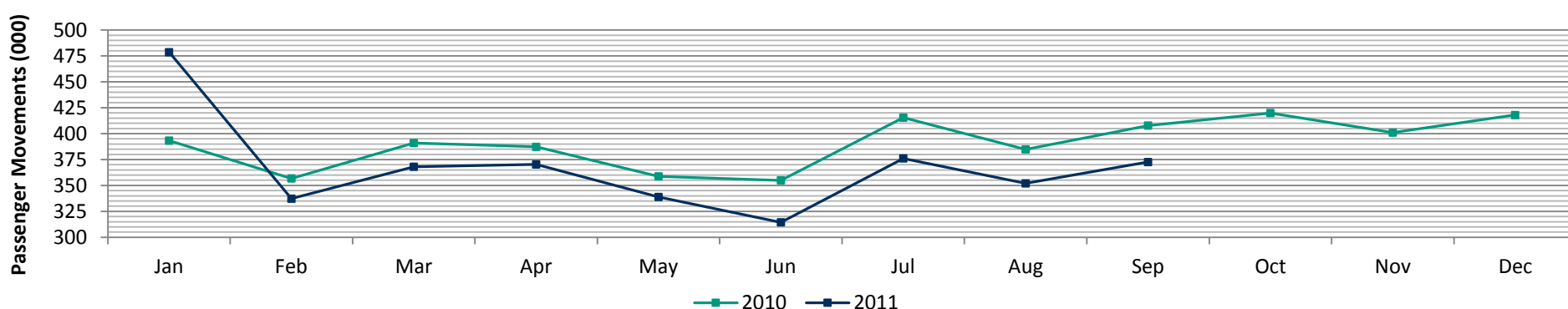
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## Industry Information

**Graph 20: Gold Coast Airport Monthly International Passenger Movements 2010 and 2011**



**Graph 21: Gold Coast Airport Monthly Domestic Passenger Movements 2010 and 2011**



**Key Commentary:**

*Source: Gold Coast Airport - Passenger Data - September 2011*

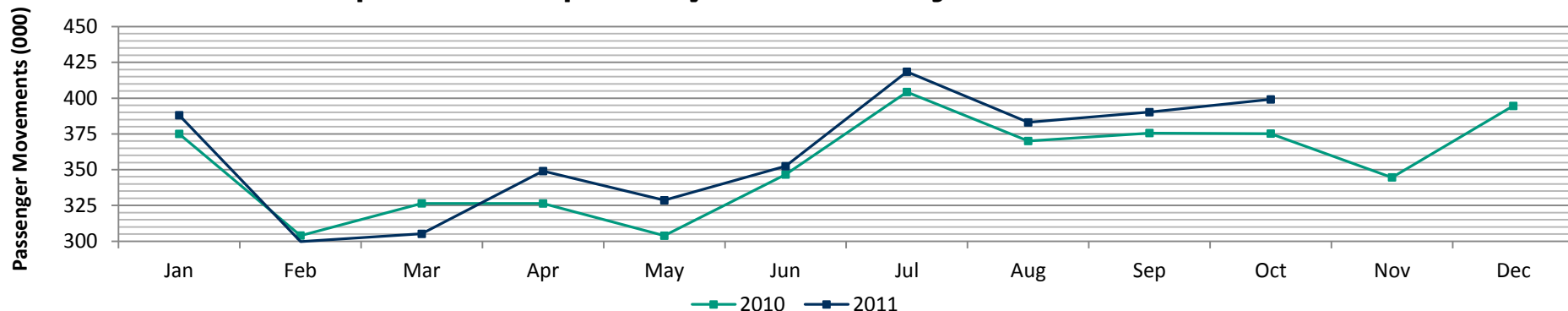
Gold Coast Airport built strong passenger growth in 2010, exceeding five million passengers for the first time in a calendar year.

A number of extraneous factors, including the Queensland Floods, the grounding of Tiger Airways and the Puyehue-Cordon Caulle volcanic eruption in Chile all disrupted monthly passenger growth in 2011.

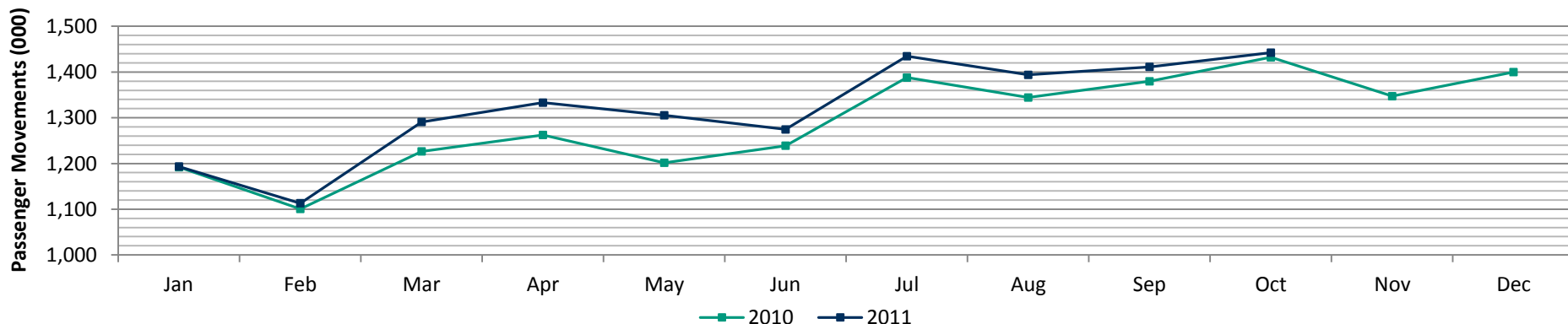
Gold Coast Airport has secured new flights which now see services to the region from every major capital city in Australia.

In a boost to international tourism, China Southern Airways plans to operate direct flights to the Gold Coast by 2015.

**Graph 22: Brisbane Airport Monthly International Passenger Movements 2010 and 2011**



**Graph 23: Brisbane Airport Monthly Domestic Passenger Movements 2010 and 2011**



**Key Commentary:**

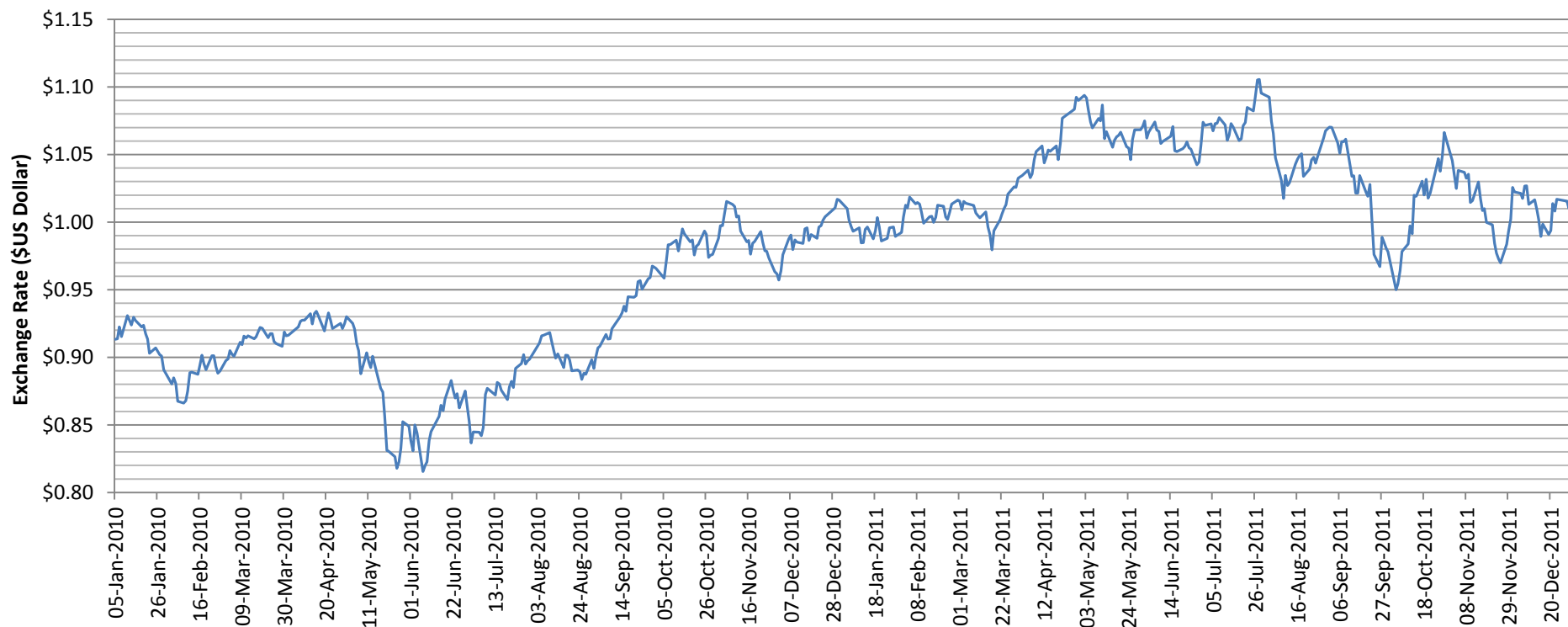
*Source: Brisbane Airport - Passenger Data - September 2011*

Passenger movements through Brisbane Airport have remained stable in 2011 despite capacity being threatened due to the Queensland floods.

The continued increase in passenger numbers through Brisbane Airport has been supported by growth in business travel to both Brisbane and the Gold Coast.

In a boost to international throughput, China Southern Airways has increased its Beijing - Guangzhou - Brisbane flights from three to four times a week, representing a 33% increase in capacity.

**Graph 24: Australian Dollar Exchange Rate Pegged Against US Dollar 2010 and 2011**



**Key Commentary:**

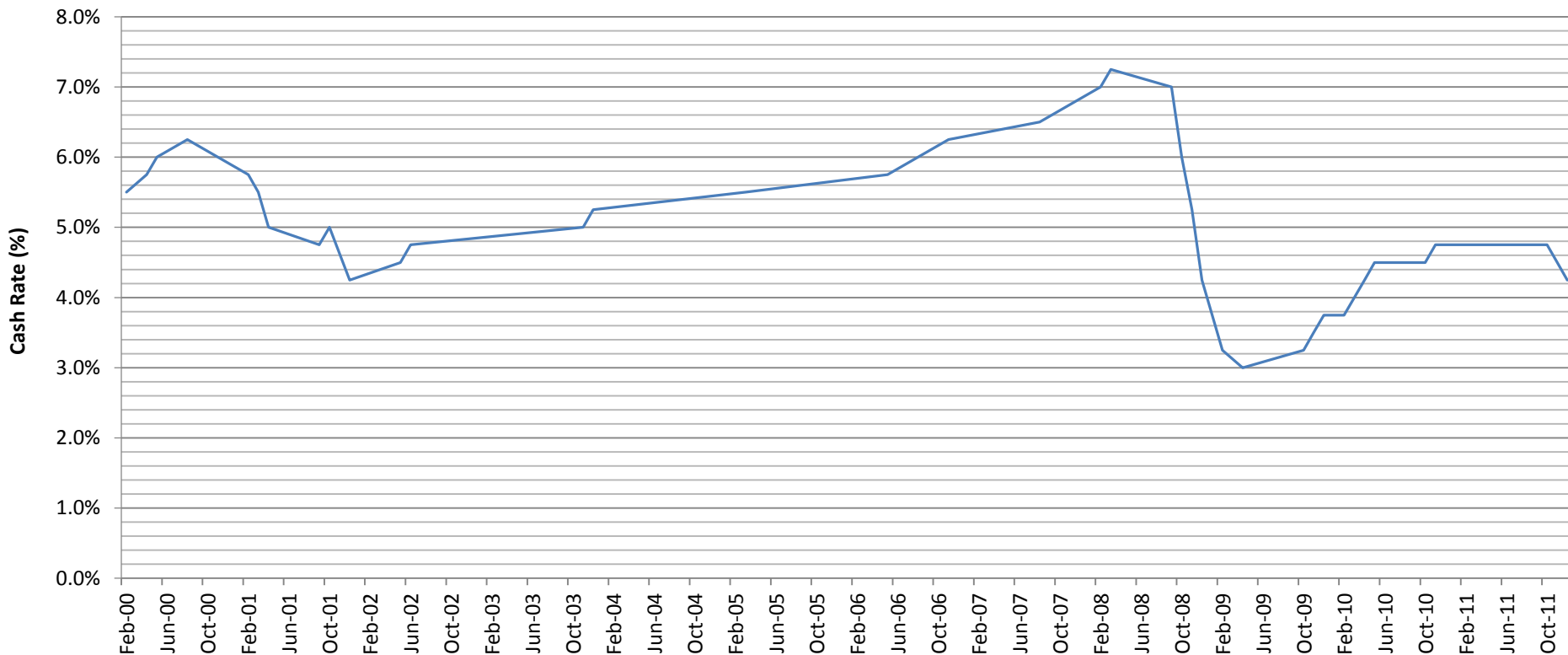
*Source: Reserve Bank of Australia Exchange Rate Data*

The Australian Dollar reached parity with the US Dollar in early November 2010 and has since fluctuated at close to this level, with one Australian dollar currently buying \$1.02 US Dollars.

After weakening earlier in the year, the Australian Dollar has strengthened against the New Zealand Dollar since September, which may mitigate growth in New Zealand visitation and in the Average Length of Stay of New Zealand visitors.

Despite some fluctuations, the Australian Dollar has weakened against the Japanese Yen since July, with one Australian Dollar buying, on average, 81.4 Yen in 2011.

**Graph 25: Australian Interest Rate Trend 2000 to 2011**



**Key Commentary:**

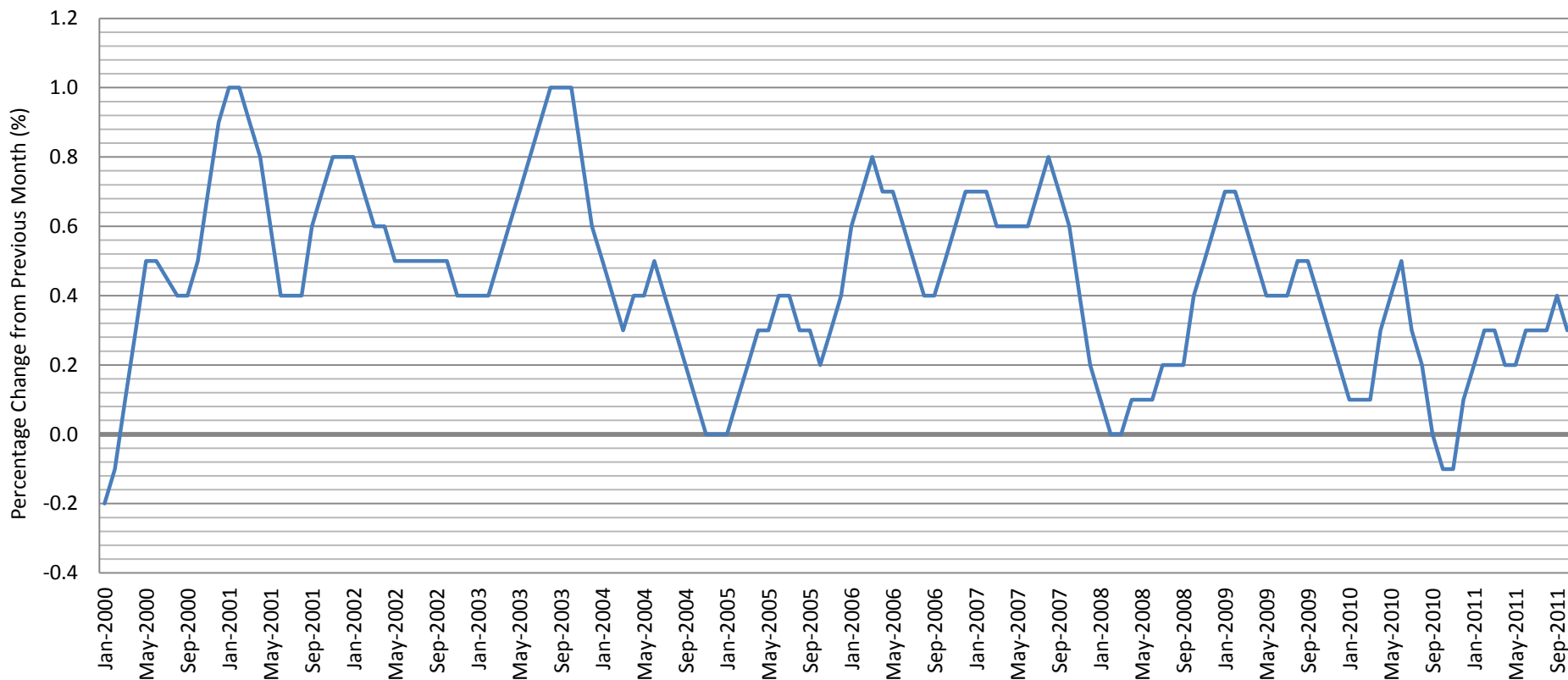
*Source: The Reserve Bank of Australia - Interest Rate Historical Data*

Interest rates dropped to 4.25% in December 2011, the second straight interest rate drop.

The Reserve Bank of Australia cited the growing turbulence in the 'eurozone' and the flow-on effects on world markets as a dominating factor in its decision to further reduce the cash rate.

Interest rates are monitored by the Reserve Bank of Australia, with the RBA monitoring cash rates on the first Tuesday of each month.

**Graph 26: Retail Turnover - Percentage Change from Previous Month by Trend 2000 to 2011**



**Key Commentary:**

*Source: Australian Bureau of Statistics : Retail Data*

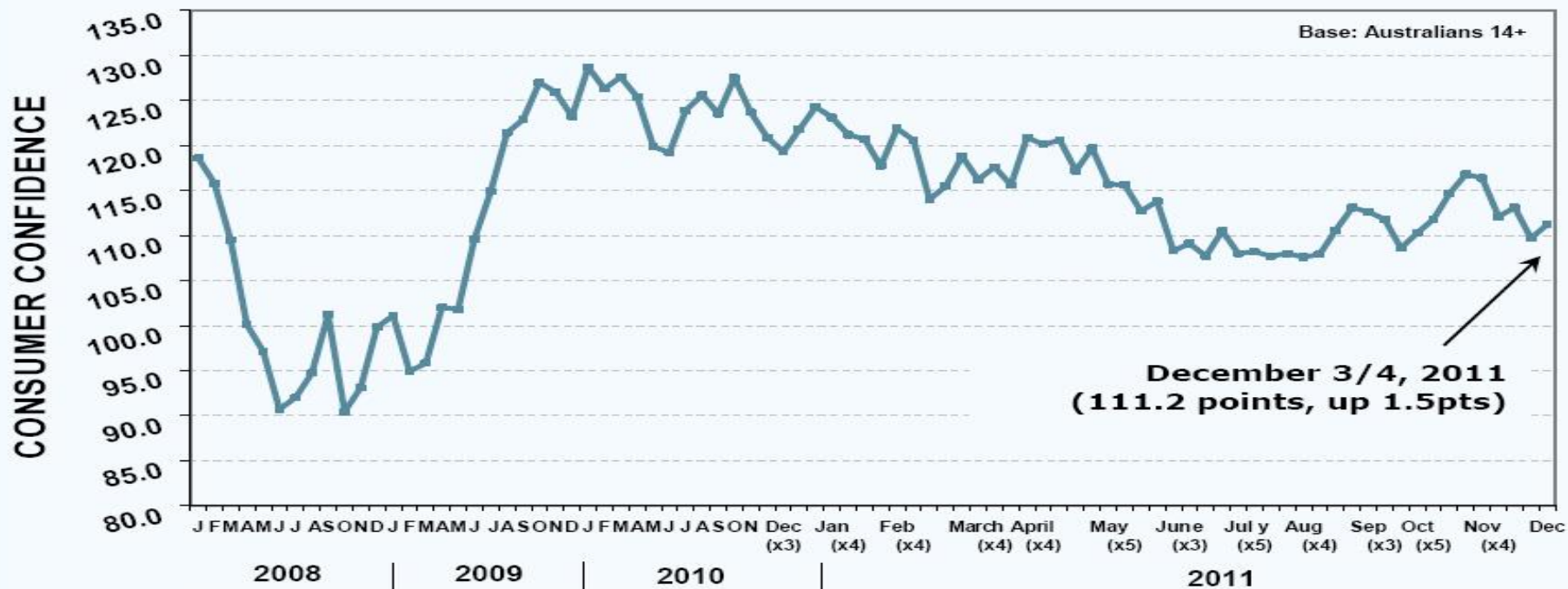
Retail turnover in Australia dropped to 0.3% in October 2011, following a rise to 0.4% in September 2011.

Despite fluctuations, retail turnover in Australia has yet to fully return to the levels experienced prior to the Global Financial Crisis.

Queensland experienced higher levels of retail turnover in October 2011 when compared to the national average. In the month of October retail turnover in Queensland rose by 0.8%.

**Graph 27: Roy Morgan Weekly Consumer Confidence Rating Trend 2008 to 2011**

**ROY MORGAN WEEKLY CONSUMER CONFIDENCE RATING**



**December 3/4, 2011  
(111.2 points, up 1.5pts)**

Source: Roy Morgan Research - Consumer Confidence Survey

**Key Commentary:**

Consumer Confidence rose in December (to 111.2 points) driven by Australians having more confidence in the Australian economy and in their own financial situations over the next 12 months.

Despite this small rise, Consumer Confidence is 9.7pts lower than a year ago, when it sat at 120.9 points.

An increasing number of Australians (40%, up 5%) expect their family to be 'better off' financially this time next year and 29% (up 1%) expect the Australian economy will have 'good times financially' during the next twelve months.

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