

Tourism Australia – Opening statement

Thursday, 7 November 2024

Phillipa Harrison, Managing Director

- Good evening and thank you for giving me the chance to address this committee.
- I would like to start with a quick statement to provide an update on Tourism Australia's work and some insights on the ongoing recovery of inbound international tourism.

Recovery

- International arrivals have been generally progressing in line with expectations and currently sit at about 85 per cent, compared to 2019 levels.
- When we look at individual markets, South Korea and India stand out, as we are seeing more travellers from those markets than ever before. Arrivals from South Korea to Australia are 131 per cent of what we experienced in 2019 and India is at 106 per cent.
- Of course China was our largest market in 2019, but as travel from China only resumed at the start of last year its recovery is about 12 months behind. Arrivals from China are currently at about 60 per cent of pre-pandemic levels, but it is important to note that even at 60 per cent China is still our second largest inbound market (behind New Zealand), and feedback from our partners on the ground remains positive in terms of demand for Australia.

State of the industry

- From an international visitor expenditure point of view, this has recovered in real terms which means that travellers are staying longer, dispersing into our regions and spending more. This is of course good news, but we know from speaking to industry, that these nationally aggregated numbers are not the same experience for everyone across the country.
- Whilst we remain optimistic about the future of the industry, there is no doubt we are facing some headwinds, as our competitor markets are across the globe. That said, we are in line or above our direct southern hemisphere competitors like New Zealand and South Africa.
- It is also important to consider for the tourism industry the broader recovery landscape including domestic tourism, which is softening, something exacerbated by Australians travelling internationally instead of at home.
- The National Visitor Survey data for June 2024 showed domestic is back at 94 per cent of 2019 levels. At the same time Australians are still recovering internationally, with outbound at 100 per cent of 2019 levels.

Come and Say G'day

- At Tourism Australia we are continuing to work hard to encourage international travellers to plan and book an Australian holiday. Our global campaign *Come and Say G'day* has been in market for more than two years now and we are pleased with how it is performing.
- We have seen improvement in our brand health scores ever since the campaign launched in October 2022, and awareness, consideration and active planning to visit Australia is considerably higher amongst those who have seen the campaign.
- Our research also shows us that *Come and Say G'day* is still resonating with consumers and helping to drive consideration. Encouragingly the campaign is also outperforming the competition. It has been tested against a range of competitor ads and it has a significantly higher recall than the rest, which is important.

Events

- Additionally, a major part of our work is the industry events we hold to connect the Australian industry with international buyers from key markets around the world.
- Since we last met we have held our signature incentive showcase for business events, Australia Next, in Cairns. Over two days in September we hosted 80 international business events buyers, 15 media and 96 Australian industry sellers. The buyers experienced the best of what we have to offer and we are confident they will be looking to Australia for their next business event.
- Importantly this event in Cairns was an additional showcase. Australia Next is traditionally held every two years, but we ran an extra event as we work to turbocharge efforts to rebuild a strong pipeline of international business events for Australia.
- The other event I wanted to touch on briefly is G'day Australia which was held in Perth just last month. We hosted 300 travel agents are part of G'day. These are travel agents who already specialise in selling Australia, but 60 per cent have never been here for themselves. G'day gives them an opportunity to experience the destination and we know once travel agents have that personal experience they sell more Australian holidays.

Conclusion

- We also have plenty of other work happening in markets around the world, and a strong pipeline of activity coming up over the next few weeks and months, which I look forward to sharing with you all.
- We are happy to take any questions you may have.