

SPECIAL SUBJECT REVIEW

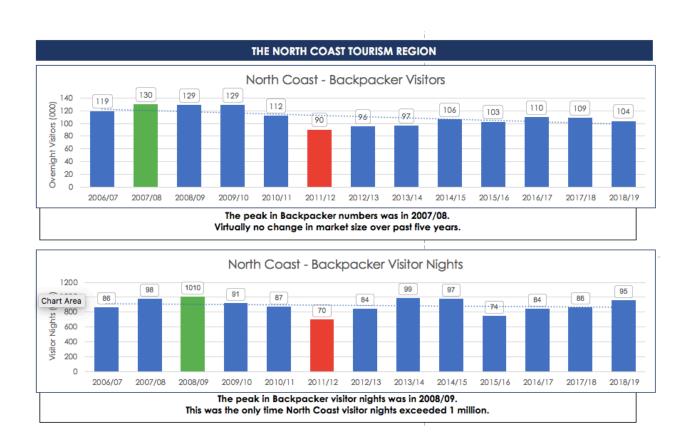
The International Backpacker Market

Key results for YE December 2019

DEFINING BACKPACKERS

In this Special Subject Review, Backpackers those who spend at least 10% of their trip nights in Backpacker/Hostel accommodation and stay at least 14 nights in Australia. This definition can be consistently applied in the International Visitor Survey (IVS) over several years.

MARKET PROFILE ~ NORTH COAST REGION



Source: Tourism Research Australia; International Visitor Survey (unpublished data accessed under licence by Peter Valerio)

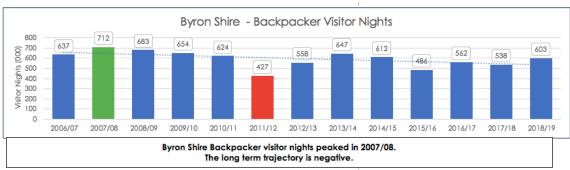
This report was commissioned by Destination Byron on behalf of its members to support their approach to a 'sustainable & responsible' visitor economy in the Byron Shire

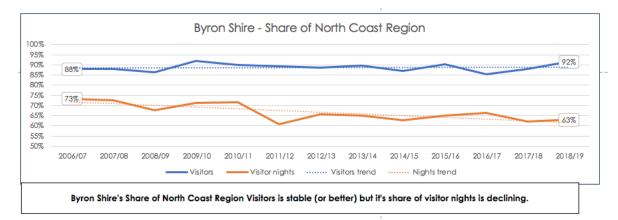
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MARKET PROFILE ~ BYRON SHIRE





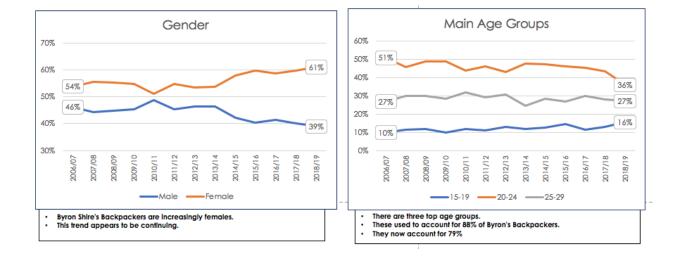






- The UK and Germany have been the top two markets over the long term accounting for over 40% of all Backpackers. The significance of these two markets has, however, changed considerably. Germany will likely become No.1 market within a year.
- The next most significant markets account for around 20% of Byron Shire Backpackers. These account for around 20% of visitors. The top five markets account for around two-thirds of the total.

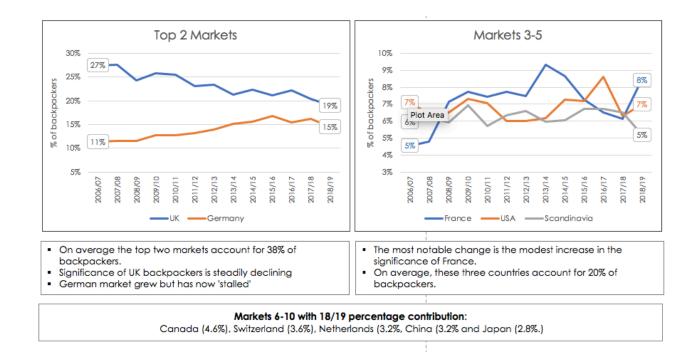
Markets 3-5 12% 8% 4% 2% 0% 2011/12 2015/16

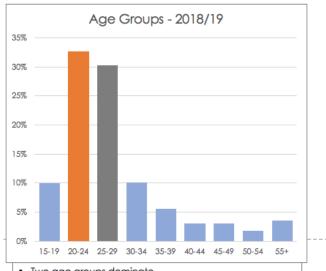


MARKET PROFILE ~ AUSTRALIA

The top 10 markets in 2018/19 accounted for over 70% of the backpacker market.

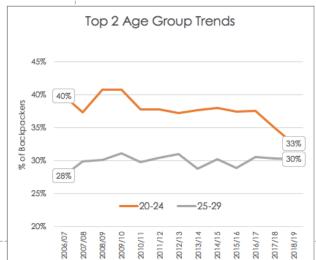
The UK and Germany have held first and second position (respectively) for several years.



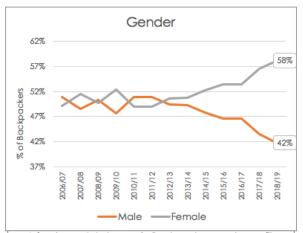




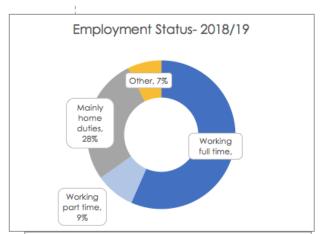
Under 35 account for 83%



- The 20-24 age group is declining in significance.
- This negative trend may have long term significance for market size.



- A fundamental change in Backpacker gender profile has occurred.
- The balance was fairly equal until 2012/13. Since then females have increasingly outnumbered males.



- · A majority of Backpackers are working full time.
- Those working full time or part time accounted for twothirds of the market in 18/19.
- This is consistent with recent years.

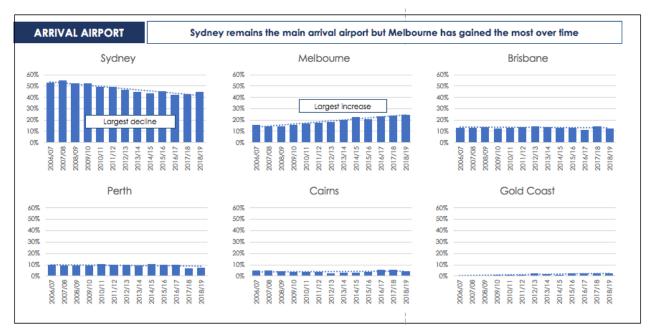


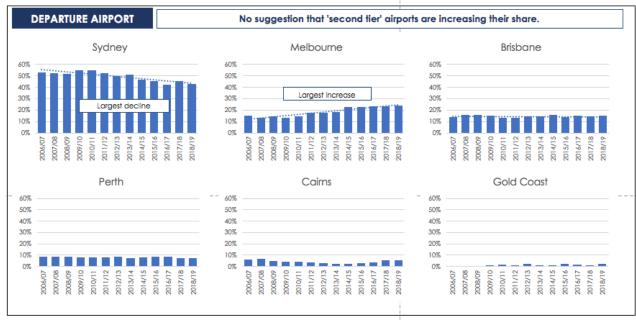
- Around a third of Backpackers spend all of their time in two States. More Backpackers do this than in the past.
- Just over quarter spend time in three States (not much change in this portion over time)
- The percentage of the market that spend time in more than four States has basically halved over time.

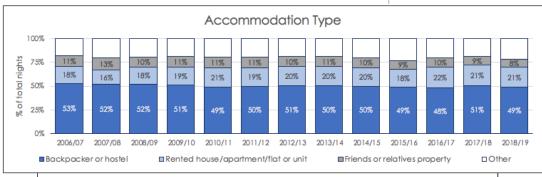


- NSW has maintained it's status as the most popular State over the long term
- Queensland has become less popular & Victoria has become slightly more popular in recent years.

Note: Adds to more than 100% because more than one State can be visited. Daytrips to States are also included.

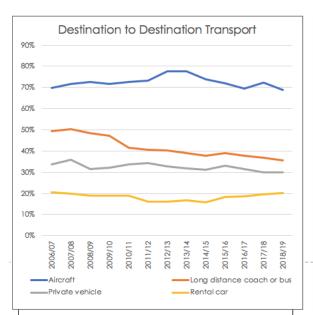


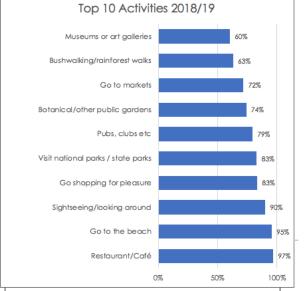




Accommodation type has remained relatively stable over time.

- 1. Backpacker or hostel style: Average 50%
- 2. Rented house/apartment/flat/unit: Average 19%
- 3. Property of friends/relatives: Average 10%

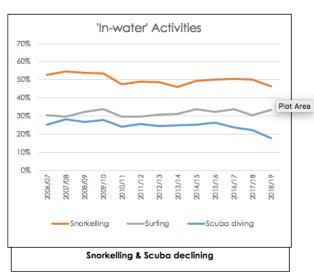


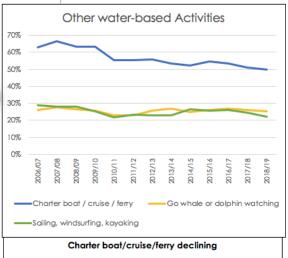


Transport between destinations in Australia has remained fairly stable with the exception of the reduction in the significance of long distance coach/bus.

Note: Adds to more than 100% as more than one type can be used.







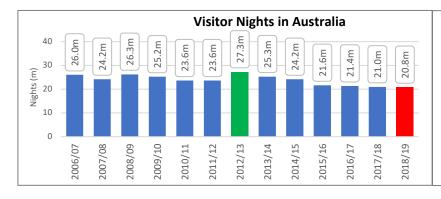
MARKET SIZE & CHANGE OVER TIME ~ AUSTRALIA

- The Backpacker market is slowly declining
- The year 2018/19 represented the lowest in terms of Backpacker visitors and visitor nights to date
- Overall spend in Australia is relatively stable (not considering inflation)
- Spend per night has risen slightly in recent years.



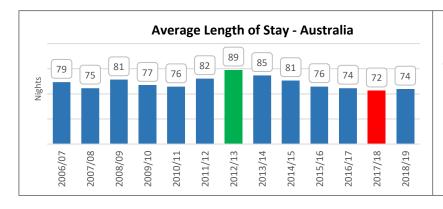
Over the period 2006/07 - 2018/19

- Average 304,000 p.a.
- High point 329,000 (09/10)
- Low point 282,000 (18/19)
- Declining at 1.3% p.a.
- Market has stalled.



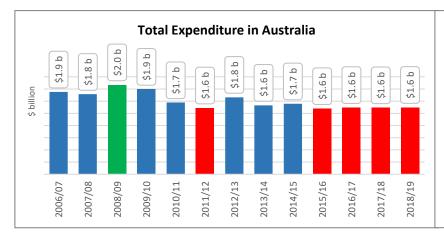
Over the period 2006/07 - 2018/19

- Average 23.9m p.a.
- High point 27.3m (12/13)
- Low point 20.8m (18/19)
- Declining at 1.8% p.a.



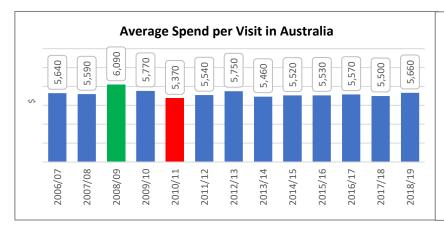
Over the period 2006/07 - 2018/19

- Average 78 nights per visit
- High point 89 nights (12/13)
- Low point 72 nights (17/18)
- Clear downwards trend since 12/13



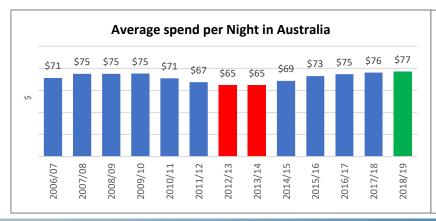
Over the period 2006/07 - 2018/19

- Average \$1.71b
- 'Flatlining' over past 4 years



Over the period 2006/07 - 2018/19

- Average \$5,615
- No growth over time.
- Reduction when inflation considered.



Over the period 2006/07 - 2018/19

- Average \$72
- Potential growth trend over recent years but not significant.

