Friday, 8 December 2017

Melbourne desired for holidays but Hobart growing fastest

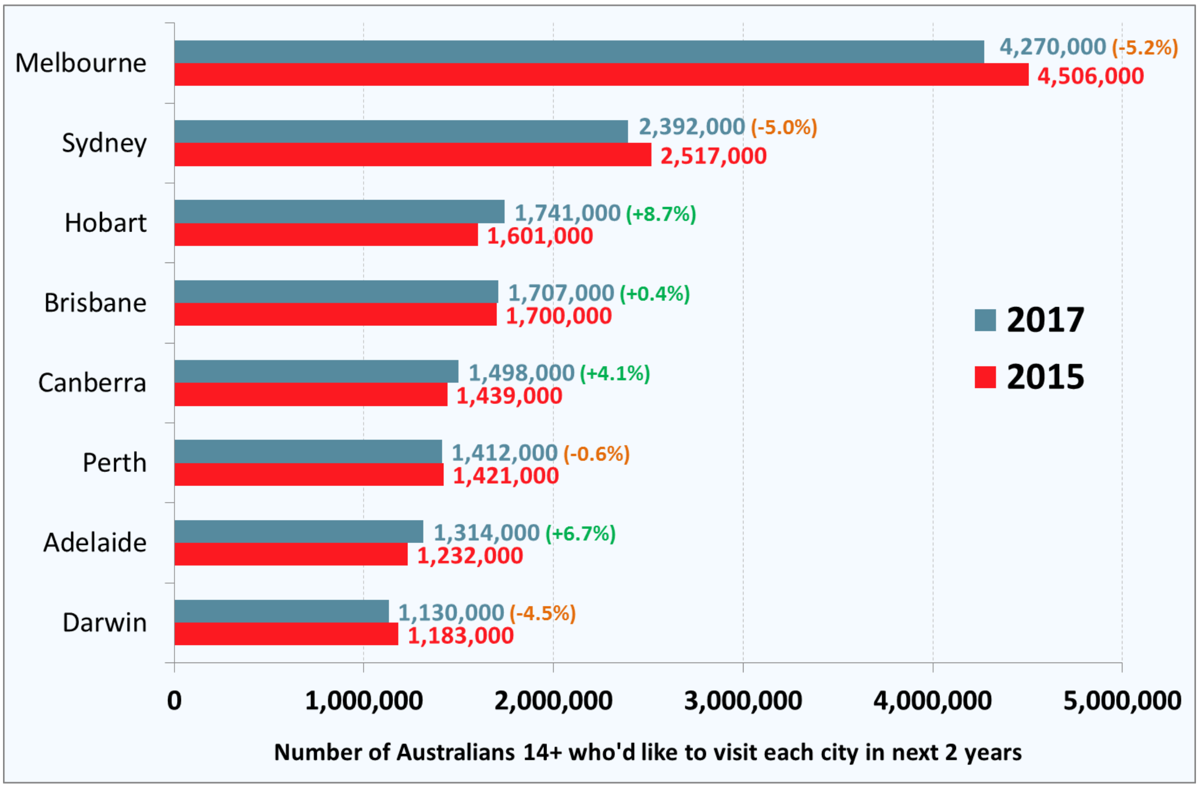
Over 14.8 million Australians aged 14+ reported in the year to September 2017 that they'd like to spend a holiday within Australia in the next two years. This figure is virtually unchanged from a year ago when 14.9 million Australians indicated a desire to take an Australian holiday but down slightly from a peak of over 15.2 million in September 2015 the latest findings from the Roy Morgan Holiday Tracking Survey reveal.

Over the past two years Melbourne has retained top spot as the capital city Australians would most like to visit; a position the southern capital has now held for well over a decade. In 2017, over 4.25 million Australians indicated they would like to visit Melbourne, down slightly from the 4.5 million Australians who nominated Melbourne in 2015.

Sydney is again comfortably in second position with just under 2.4 million would-be visitors in 2017 down slightly from 2.5 million in 2015 while it is Australia's smaller capital cities that have experienced the largest growth over the last two years.

Hobart has experienced the fastest growth of any capital city and is now in third place for domestic holiday-goers with 1.75 million prospective visitors, up an impressive 8.7% from 1.6 million in 2015 and now ahead of Brisbane which is virtually unchanged over the last two years on 1.7 million. South Australian capital city Adelaide has experienced the fastest growth of any mainland capital city over the past two years up to 1.3 million from under 1.25 million two years ago – growth of 6.7% since 2015.

Capital cities Aussies would like to visit on holiday: 2015 vs 2017



Source: *Roy Morgan Single Source (Australia), Oct 2014 – Sep 2015 (n=15,668) and Oct 2016 – Sep 2017 (n=14,910).* ***Base****: Australians 14+.*

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Travel preferences by Generations

Australia's two largest capital cities have seen their popularity as potential holiday destinations rise only amongst the youngest Generation over the last two years as Generation Z, those born between 1991-2005, increasingly come of age. About half of Generation Z are now aged 18+ and their holiday preferences have increased for all capital cities except Hobart since 2015.

Over 5 million Australians are classified as Generation Y (born between 1976-1990), comprising Australia's largest Generation and now largely aged in their 30s. Generation Y travellers still prefer Melbourne and Sydney to other capital cities, however the growth has come for other cities led by Hobart, Brisbane and Canberra.

Capital city preference by Generations 2015 vs 2017

	Generation Z (1991-2005)		Generation Y (1976-1990)		Generation X (1961-1975)		Baby Boomers (1946-1960)		Pre-Boomers (Pre 1946)	
	Sep 2015	Sep 2017	Sep 2015	Sep 2017	Sep 2015	Sep 2017	Sep 2015	Sep 2017	Sep 2015	Sep 2017
MELBOURNE	924,000	1,022,000	1,428,000	1,336,000	1,196,000	1,072,000	693,000	654,000	265,000	186,000
SYDNEY	540,000	619,000	755,000	687,000	653,000	593,000	412,000	370,000	156,000	123,000
HOBART	373,000	281,000	492,000	536,000	404,000	476,000	295,000	358,000	136,000	91,000
BRISBANE	206,000	400,000	442,000	485,000	450,000	413,000	361,000	310,000	142,000	99,000
CANBERRA	147,000	183,000	359,000	393,000	373,000	426,000	369,000	342,000	191,000	154,000
PERTH	209,000	314,000	447,000	381,000	340,000	345,000	295,000	292,000	130,000	80,000
ADELAIDE	197,000	292,000	349,000	362,000	283,000	322,000	277,000	263,000	126,000	75,000
DARWIN	178,000	206,000	311,000	256,000	285,000	267,000	287,000	326,000	122,000	75,000

Source: *Roy Morgan Single Source (Australia), Oct 2014 – Sep 2015 (n=15,668) and Oct 2016 – Sep 2017 (n=14,910).* ***Base****: Australians 14+.*

Analysing the Generation holiday preferences by city shows that Hobart is the only city to grow preferences amongst all of the key spending Generations over the last two years – Generation Y, Generation X and Baby Boomers are all more likely to visit Tasmania's capital than two years ago while Canberra and Adelaide have both seen increases from the three youngest Generations (X, Y & Z).

Michele Levine, CEO, Roy Morgan, says Melbourne has been Australia's desired travel destination for over a decade ahead of Sydney but in recent years Hobart has increased its allure substantially and now overtaken Brisbane in third place:

> *"Melbourne has again confirmed its reputation as Australia's most sought-after capital city travel destination for domestic travellers with over 4.25 million Australians expressing a desire to visit Australia's (and the World's according to the Economist Intelligence Unit) most liveable city in the next two years.*
>
> *"Although this was down slightly on two years ago, it was enough for Melbourne to be almost 1.9 million potential visitors ahead of Sydney in second place. However the big improvers in recent years have been Australia's second tier cities of Hobart, Canberra and Adelaide which have all grown strongly on the Roy Morgan Holiday Tracking Survey since 2015.*
>
> *"Hobart, well known as the home of MONA which opened in 2011, has experienced the strongest growth in the minds of Australian holiday-makers since 2015 and has now*

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overtaken Brisbane as Australia's third most desired holiday destination with 1.74 million Australians expressing a preference for Hobart – up a strong 8.7% in only the last two years.

"The increasing allure of Hobart is demonstrated by the fact Hobart was the only capital city to experience growth in all three key Generations in the past two years – Generation Y, Generation X and the Baby Boomers and overtaking Brisbane is remarkable when one considers the respective populations of the two cities – Hobart (225,000) is less than a tenth the size of Brisbane (2.36 million).

"Adelaide and Canberra have also experienced solid growth in recent years with savvy marketing campaigns no doubt hitting the right notes in targeting the key demographics essential to growing a city's tourist appeal.

"In contrast to the cities already mentioned, the continued decline of Perth as a desired holiday destination in recent years has continued although that decline has showed. Only a few years ago Perth was regarded as Australia's third-most desired capital city destination however as we end 2017 Perth finds itself down in sixth position with Adelaide closing fast.

"The changed fortunes of Perth as a holiday destination post mining-boom illustrate the importance for the local tourism authorities having a keen understanding of the how a destination is faring in the minds of potential visitors.

"Destination preference amongst Aussies intending to holiday domestically is only one measure that tourism operators and marketers should monitor as it is also vital to keep track of actual holiday intention (as opposed to preference) and visitation – as well as general awareness of current marketing campaigns.

"The Roy Morgan Holiday Tracking Survey contains all this data and can provide tourism bodies with the detailed demographic segmentation they require to precisely target their marketing strategies and ensure they are up-to-speed on the changing consumer preferences and attitudes as Australia increasingly becomes an 'experience' driven economy – a change Hobart has definitively latched onto successfully in recent years."

For comments or more information about Roy Morgan's Travel and Tourism data, please contact:

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About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	**Percentage Estimate**			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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