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**TOURISM
RESEARCH
AUSTRALIA**

**CHINESE FREE
AND INDEPENDENT
TRAVELLERS TO THE
NORTHERN TERRITORY**

EXECUTIVE SUMMARY

MARCH 2017



INTRODUCTION

China is one of Australia's fastest growing and important tourism markets, with 1.1 million Chinese visitors (aged over 15) coming to Australia in 2015–16. They spent a total of \$8.9 billion or approximately \$1 in every \$4 spent in Australia by international visitors. Despite the increasing numbers of Chinese visitors, the smaller destinations of South Australia, Tasmania and Northern Territory are not seeing levels of growth matching that of the 'big' tourist destinations of Sydney, Melbourne and Queensland.

Tourism Research Australia (TRA) – in partnership with the South Australian Tourism Commission, Tourism Tasmania and Tourism NT – contracted Taylor Nelson Sofres (TNS) Australia to provide strategic research on free and independent travellers (FITs) from mainland China to South Australia, Tasmania and Northern Territory. This summary reports on the key findings from research for the Northern Territory. See [Research Approach](#) on page 3 for the survey methodology.

WHAT IS A FREE AND INDEPENDENT TRAVELLER (OR FIT)?

FITs are defined by Tourism Research Australia as visitors who:

- are on a holiday and/or visiting friends or relatives (or leisure visitors)
- are not part of a group tour
- did not arrive on a travel package.

For the purposes of this study, a more relaxed definition of 'Partial FIT' has been used: Leisure visitors whose leisure trips included some portion of travel independent of group tours and packages. Therefore, those who travelled entirely on group tours, or whose holiday planning was delegated entirely to a travel agent or tour operator, were excluded from all surveys.

Cover image courtesy of Tourism Australia.

Note: The research approach provided respondents with three locations within the target state or territory on which to base their answers. This approach was based on the assumption that state/territory names such as 'Northern Territory' may not be meaningful for international visitors and therefore may create false positives. The three regions that were used to define 'Northern Territory' were Darwin, Katherine Gorge and Uluru. For most of the analysis these three destinations are combined to create a net 'Northern Territory' proxy.

KEY MESSAGES

- All Northern Territory destinations had a lower awareness, but displayed a brand 'appeal' larger than current visitation share reflects for Chinese tourists.
- Chinese travellers were attracted to Northern Territory destinations, which included Darwin, Katherine Gorge and Uluru/Ayers Rock. In particular, they were attracted to the nature and wildlife aspects and the opportunity these destinations offered to 'explore' or be adventurous.
- Northern Territory destinations can improve their perception as being 'safe' and having the facilities or food options to cater for Chinese tourists.
- Northern Territory visitors were more seasoned travellers and more likely to visit destination-specific websites. For this reason, ensuring websites are user-friendly and include Mandarin options could help to maximise the potential of this market. Advertising on Chinese social media (Weibo/WeChat), and maintaining a presence in guidebooks are other ways of keeping the Northern Territory front-of-mind for Chinese travellers.

FINDINGS

APPEAL AND AWARENESS

Of those visitors who might be interested in visiting Australia, the Northern Territory was appealing because of its:

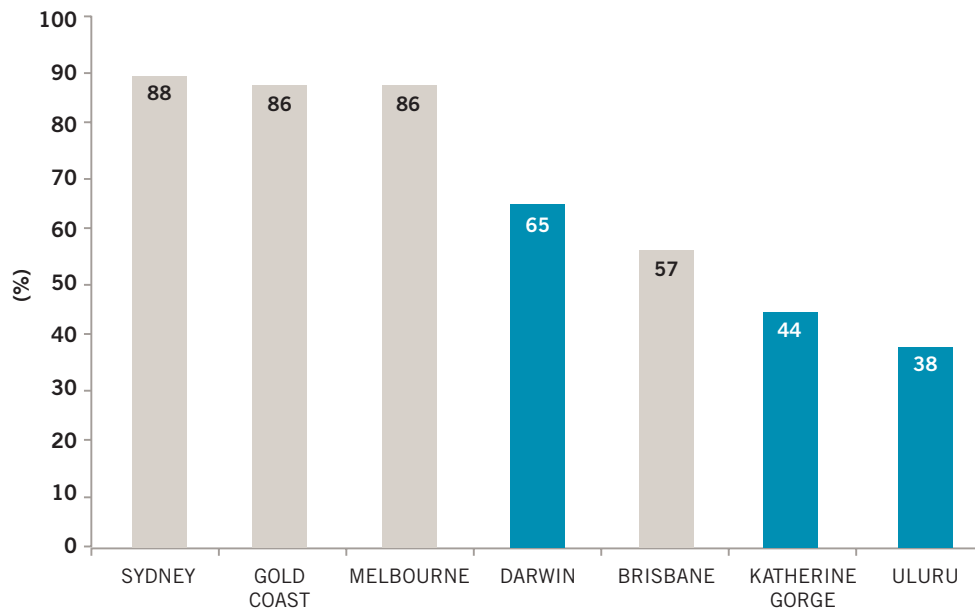
- Spectacular scenery
- Great nature/wildlife
- Opportunities to explore and be adventurous.

Darwin was the best-known of the Northern Territory locations. Katherine Gorge and Uluru were less well-known but still had higher awareness than some destinations in other less-visited states, which means there is an opportunity for high growth in these destinations.

Those who visited Uluru stated that they were most drawn to the spectacular scenery (79%), the iconic sights and landmarks (63%) and great nature and wildlife (38%). It was also noted on multiple occasions a key driver of visitation was to see the stars and the milky way.

The appeal of the Northern Territory was greater than current visitation share reflected, with the relatively low market share for Katherine Gorge and Uluru possibly due to lower awareness (44% and 38%, respectively). Further, all Northern Territory destinations held slightly higher appeal for those considering a return trip than for first-time considerers. There was also little awareness of the actual geography of attractions in the Northern Territory, with only 61% of those interviewed in Uluru aware that Uluru and Darwin were in the same 'province' and even fewer drawing the link between Uluru and Katherine Gorge (41%).

FIGURE 1: AWARENESS OF SPECIFIC AUSTRALIAN LOCATIONS BY CHINESE RESIDENTS (ONLINE SURVEY)



Sydney and Melbourne were the most frequently visited places even by people travelling to Uluru, so these are a necessary hub for any itinerary to the Northern Territory. Travelling to the Northern Territory (and between destinations when in the Northern Territory), needs to be easy to encourage visitation.

In order to consider visiting Northern Territory locations, over half of online respondents wanted more information about the sights and landmarks (54%), as well as ways of getting around (53%) and itineraries and tour routes (52%).

Of those who visited the Northern Territory, two-thirds (66%) were very likely to recommend it as a destination to others, while only 6% would not recommend it.

VISITORS' TRAVEL BEHAVIOUR

Almost all visitors to Uluru arrived in the country via Sydney (63%) or Melbourne (21%). Of those who arrived via Sydney, most travelled to other destinations before visiting Uluru – 49% had been to Melbourne, 33% to the Gold Coast and 21% to Brisbane.

Most visitors travelled to Uluru by plane (95%). While it can be harder to disperse out of the capital cities, 66% found the journey easy, with just 8% stating that it was 'quite difficult'.

Almost two-thirds of Chinese FITs to the Northern Territory first heard about Uluru before they planned their trip to Australia, with the triggers for actual visitation driven by personal recommendations or a travel guidebook (55% and 26%, respectively). However, 23% of respondents only heard about Uluru after they had arrived in Australia, which is supported by 39% of respondents having booked their flight to the Northern Territory while in Australia.

Approximately two-thirds of respondents (59%) found booking accommodation either quite easy or very easy, with an additional 16% not booking their own accommodation.

When researching things to do in the Northern Territory, the most common sources were official tourism websites (34%), social media (34%) and travel guidebooks (28%). When booking, Chinese FITs to the Northern Territory were most likely to have used a general travel website (25%), a website for Australia (22%), or an instore travel agent (23%). The most commonly used research and booking websites included:

- tour and destination specific websites (16%)
- Booking.com (14%)
- ctrip.com (9%).

Respondents did not consider the bridging journey difficult, but Uluru was still seen as inaccessible. With limited time available, Chinese FITs need a compelling reason to spend the additional time and cost to get to the red centre.

CONSIDERATIONS

- With Chinese FITs to the Northern Territory more likely to visit destination-specific websites, increasing the level of Chinese-language information online is key in marketing the region to them.
- Make it easy for visitors to combine the Northern Territory destinations they find most appealing into an itinerary.
- Encourage dispersal by making travel easy - transport transfers and the bridging journey between the major hubs of Sydney and Melbourne and Uluru need to be optimised. Sydney and Melbourne were the most frequently visited places, even by visitors travelling to Uluru, so they are a necessary hub for any itinerary to the Northern Territory.
- Chinese FITs found the cultural significance and history of Uluru appealing, while some respondents suggested the provision of activities such as 4WD self-drive tours and Indigenous dancing, language or painting classes.

Chinese FITs to Uluru were likely to be frequent visitors to Australia, ticking off 'unvisited' places. They were also likely to be more intrepid, adventurous tourists. They were unanimously positive about the on-the-ground experience and the tours, apart from facilities.

RESEARCH APPROACH

The findings in this report were obtained from an online survey of Chinese residents, a face-to-face survey with Chinese visitors, and an in-depth qualitative survey with Chinese visitors.

ONLINE SURVEY

A survey of 1,031 Chinese residents was undertaken online. There was a main focus on the Chinese cities of Shanghai, Beijing and Guangzhou due to the focus of Tourism Australia's current marketing activities. Because of this, a minimum quota of 200 responses was placed on each city and they accounted for 91% of responses. Respondents were those who:

- had travelled to Australia in the past two years, or
- were considering travelling to Australia in the next two years.

Respondents were also not opposed to visiting South Australia, Tasmania or Northern Territory.

Almost two-thirds of respondents had been to Australia in the past two years.

FACE-TO-FACE (INTERCEPT) SURVEY

Face-to-face surveys in the Northern Territory were undertaken with Chinese visitors at Uluru, Yulara Town Centre. There were a total of 92 respondents, of which 42% came from the Chinese cities of Shanghai, Beijing and Guangzhou. The majority were female (67%).

QUALITATIVE IN-DEPTH INTERVIEWS

Concurrent with the face-to-face surveys, in-depth interviews with selected respondents of between five and 20 minutes were also conducted at the Uluru, Yulara Town Centre, with a \$20 incentive offered for participation. There were 13 interviews with 13 males and 12 females (most were interviewed together).

