Market and Trade Profile: Australia

August 2021

Destination Bristol ©Gary Newman

Overview

- **'Chapter 1: Inbound market statistics'** provides insights on key statistics about Australian travellers, where they are going, and who they are. It also takes a look at Britain as a destination and its competitive set.
- **'Chapter 2: Experiences and perceptions'** features details about what visitors from Australia are likely to do in the UK, how they felt during their visit to the UK, and whether they would recommend a stay there to their acquaintances. Perceptions of Britain held by Australians in general are also highlighted.
- **'Chapter 3: Understanding the market'** takes a close look at consumer trends in Australia, and the booking, planning and further travel behaviour of this source market. Some details on how to best reach Australian consumers are indicated, too.
- **'Chapter 4: Access and travel trade'** shows how people from Australia travel to the UK, how to best cater for their needs and wants during their stay, and gives insights into the Australian travel trade. Further ways of working with VisitBritain and other useful research resources are pointed out in the appendix.

Please note that the majority of this report refers to the market conditions for travel from Australia to the UK prior to the COVID-19 pandemic, and gives some insight on changes which have resulted from the crisis. An international recovery sentiment tracking survey is available.

Contents

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How to use this document

- VisitBritain's Market Profiles are intended as **comprehensive summaries** of available data and insights for key inbound markets to the UK.
- Data is provided in as much detail as possible, across a range of topics. They are best used as **reference documents**, rather than being read from start to finish. For further information on a market, please consult the links in the Appendix.
- To help the reader to find data which will be helpful to them, we have used signposting and summaries throughout.
- To read key summary data points about this market, turn to the Executive Summary.
- Within each Chapter, there are **summary slides** to introduce data on the following slides.
  - **Chapter 1** summaries: 1, 2, 3
  - **Chapter 2** summaries: 1, 2
  - **Chapter 3** summaries: 1, 2, 3, 4
  - **Chapter 4** summaries: 1

Executive Summary

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1: Inbound market statistics

Chapter summary

- Australia is a key market for the UK. In 2019, it was the 10th largest inbound market for visits globally, and the 5th most valuable for spend.
- In 2019, the UK was Australia's most visited destination in Europe, and 4th most visited overall (after New Zealand, Indonesia and the US).
- From 2009-2019, the Australian outbound market was demonstrating steady growth, but due to the COVID-19 pandemic, visits to the UK from Australia declined by 84% in 2020. Pre-COVID, Australia was one of the only global markets to see inbound growth in Q1 2020, at +19% (166,000) for visits, and +38% for spend, hitting a new record for Q1 of £193m.
- Visits and spend from Australia to the UK are currently forecasted to recover to 2019 levels by 2024.
- Australian visitors tend to be adventurous; they travel around the UK more than the average visitor, are more likely to go to rural and coastal areas, and are more likely to hire a car.
- 45% of Australian travellers are in the UK visiting friends and relatives, well above the all market average of 30%.
- Australians tend to stay longer in the UK than other markets, which may be linked to VFR visits, distance travelled, and relative investment in a UK holiday.
- 62% of Australian holidaymakers are repeat visitors; a higher rate compared to the USA, Canada, or New Zealand.

2019:
over £1.1bn
spent in the UK

Source: International Passenger Survey by ONS, Oxford Economics. Please note that market-level inbound statistics have not been produced for full-year 2020; see p. 11 for more.

VisitBritain VisitEngland

2: Experiences and perceptions

Chapter summary

- Australians have a strong emotional link with the UK – they associate it with nostalgic places which may be linked to their family history.
- 84% of Australians feel ‘very welcome’ in the UK, and 85% would be ‘extremely likely’ to recommend a visit to the UK to others.
- Seeing cultural attractions is the most influential motivation for a visit, but visiting friends and relatives is also a key draw. 31% of Australians cite visiting friends and relatives as a motivator to return to the UK (significantly higher than the all-market average of 21%).
- Australians describe a potential trip to the UK as educational, fascinating and exciting.
- They are looking for a holiday destination which they can explore, and the UK is seen as the best destination to fulfil this desire.
- When it comes to activities in the UK, Australians are most keen to dine in restaurants, go shopping, and go to the pub. All of these activities are more popular with Australians than the global average, and generally, they are more likely than the average visitor to take part in most activities during their trip.

Source: Anholt Nation Brands Index 2019 & 2020 (powered by Ipsos), International Passenger Survey by ONS, VisitBritain/IPSOS 2016

45%

of Australians visitors are here to visit friends and relatives (2019)

3: Understanding the market

Chapter summary

- Australia has strong links with Britain, with 54% of the population identifying as having Anglo-Celtic heritage.
- The Australian economy was negatively impacted by the coronavirus pandemic in 2020, but the country has seen lower infection and death rates compared to many comparable OECD countries. Domestic demand contributed to growth in late 2020, and the economy entered 2021 on a ‘solid footing’. In fact, in early 2021, Australian house prices were rising at the fastest pace seen in 32 years.
- Australians are among the most well-travelled people in the world, with 57% of Australians holding a passport, and the Australian Passport Office issuing over 7,000 every business day in 2019.
- Sentiment research fielded in March-April 2021 revealed that 62% of Australians were ‘definitely’ or ‘probably’ considering taking an international leisure trip in the next 12 months, indicating resilient ‘dreaming’ from this market despite strict government controls on outbound travel.
- Australians were equally likely to consider visiting a large city on their next international leisure trip, or ‘roam around, visiting many types of places’.

Source: Australian Bureau of Statistics, Oxford Economics, Australian Passport Office, Skyscanner, VisitBritain/Oxford Economics, TCI/VisitBritain/VisitScotland/VisitWales/London&Partners 2021

London

was the second most booked international destination by Australians in 2019 (Skyscanner)

4: Access and travel trade

Chapter summary

- Most Australian visits to the UK are made by plane (86%), although 8% of Australian visitors arrived via the tunnel in 2019. Arrivals by the tunnel are most likely to have come via France, but some may have travelled via Belgium or the Netherlands.
- Before COVID-19, airlines offered competitive fares between Australia and the UK via hubs in Asia, the Middle East, Africa and North America, meaning that Australian visitors had a range of affordable options to choose from.
- There was also a non-stopping flight from Australia to the UK; from Perth to London Heathrow, with a weekly seat capacity of 1,657 in 2019. This route was launched in 2018.
- In response to the COVID-19 pandemic, the Australian government imposed an outbound travel ban which has been in place since March 2020. Currently, the only exception to this is quarantine free travel to New Zealand. Due to these travel restrictions, seat capacity on both direct flights to the UK, and to gateway cities with routes to the UK, were significantly reduced in 2020, and continue to be very limited as 2021 progresses.
- When it comes to the booking process, Australians are significantly more likely to book travel through a travel agent than the all market average, likely due to the complexity and expense associated with such a significant journey.

Over 348,000 weekly departing seats

to gateway cities which have routes to the UK (2019)

Source: International Passenger Survey by ONS, Apex RdC, Australian Department of Home Affairs. Note: direct flights keep the same flight code throughout a journey, regardless of stops (i.e. to refuel). Gateway hubs are based on routes from Australia to gateway hubs from which it is possible to travel to the UK. They do not represent confirmed seat capacity from Australia to the UK.

Inbound market statistics

Chapter 1

1.1 Key statistics

Key insights

- Australia was Britain's 10th largest source market in terms of visits, and 5th most valuable for visitor spending in 2019.
- Visits from Australia to the UK are mainly made to visit friends and relatives or for holidays (45% and 42% of all 2019 visits from Australia to the UK respectively). Australian holidaymakers spend slightly more in Britain than those visiting their friends or relatives (42% and 40% of inbound spend respectively).
- England outside London is the leading destination for a trip to Britain (53% of nights from Australia to Britain were spent in these regions). Australian visitors also tend to travel around the UK more than the average visitor (both in terms of visits including a stop in the different regions and nations, and the total nights they spend there), and their top regions within England by overnight stays are the North West and South East.
- Australians tend to be familiar with the UK. 62% of Australian holidaymakers are repeat visitors, and only 9% of visitors come to the UK as part of a package tour, the remaining 91% being FIT travellers.

5th

most valuable inbound market for the UK in 2019

Source: International Passenger Survey by ONS, Oxford Economics; Please note that market-level inbound statistics have not been produced by the ONS for full-year 2020 as the IPS was suspended from mid-March; latest full-year inbound data is for 2019. More information is available here: https://www.visitbritain.org/2020-inbound-data

1.1 Key statistics: global context and 10 year trend

Global context

Measure	2019
International tourism expenditure (US$bn)	36.0
Global rank for international tourism expenditure	7
Number of outbound overnight visits (m)	17.9
Most visited destination	New Zealand

Inbound travel to the UK overview

Measure	Visits (000s)	Nights (000s)	Spend (£m)
10-year trend	+18%	+3%	+39%
2009	899	13,179	843
2010	944	13,401	911
2011	981	12,323	908
2012	886	12,027	903
2013	960	13,609	1,077
2014	980	13,965	1,142
2015	1,048	14,443	1,123
2016	1,015	13,317	1,105
2017	1,120	14,548	1,231
2018	1,039	13,343	1,090
2019	1,063	13,577	1,174
Share of UK total in 2019	**2.6%**	**4.7%**	**4.1%**

Source: International Passenger Survey by ONS, UNWTO, Oxford Economics

1.1 Key statistics: volume and value

Inbound volume and value

Measure	2019	Change vs. 2018	Rank out of UK top markets
Visits (000s)	1,063	+2%	10
Nights (000s)	13,577	+2%	6
Spend (£m)	1,174	+8%	5

Despite the Covid-19 outbreak in Q1 2020, visits from Australia to the UK increased by 19% in the first three months of 2020 compared to those months in 2019, at 166,000*.

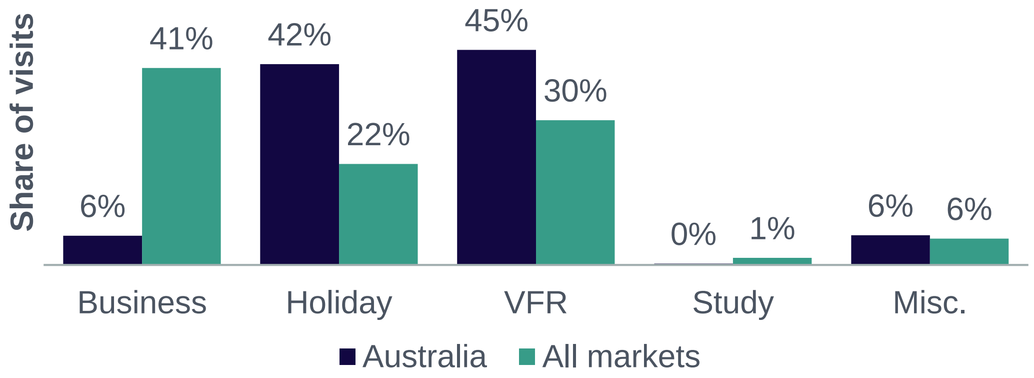
Key metrics by journey purpose

Averages by journey purpose in 2019	Nights per visit	Spend per night	Spend per visit
Holiday	10	£107	£1,103
Business**	15	£150	£2,291
Visiting Friends/ Relatives	16	£61	£967
Study**	26	£33	£866
Misc.**	4	£221	£931
All visits	13	£86	£1,104

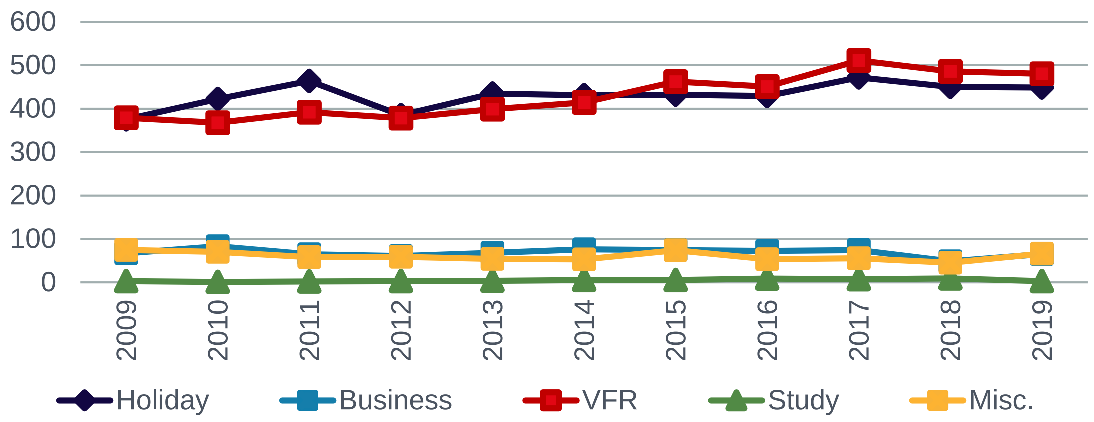
Source: International Passenger Survey by ONS, *provisional data for January-March 2020 **small base

1.1 Key statistics: journey purpose

Journey purpose 2019



Journey purpose trends (visits 000s)



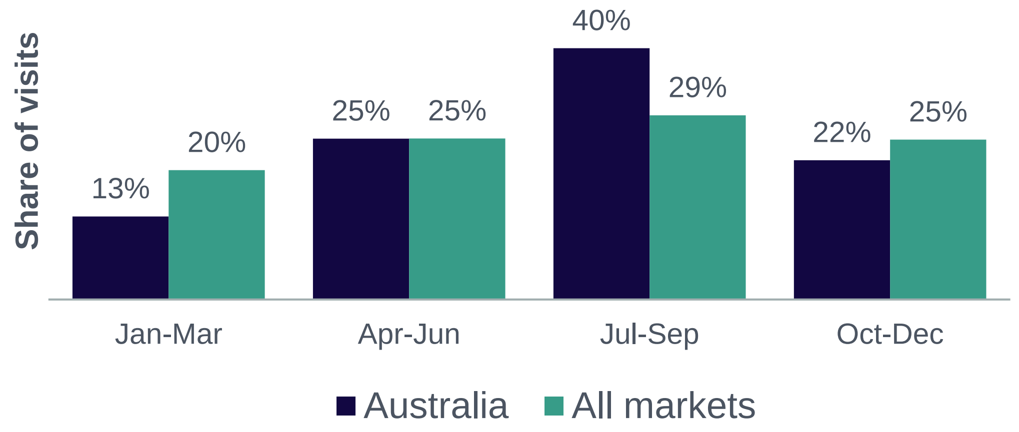
- 45% of all visits to the UK from Australia in 2019 were made to visit friends and relatives, followed by 42% of visits made for holiday purposes. Fewer visits were made for Business (6%), or Miscellaneous purposes (6%).

- VFR visits represented 56% of nights spent in the UK by Australian visitors in 2019, and 40% of spend.
- Holiday and VFR combined account for 87% of all visits from Australia to the UK. VFR has been the leading journey purpose from Australia since 2015.

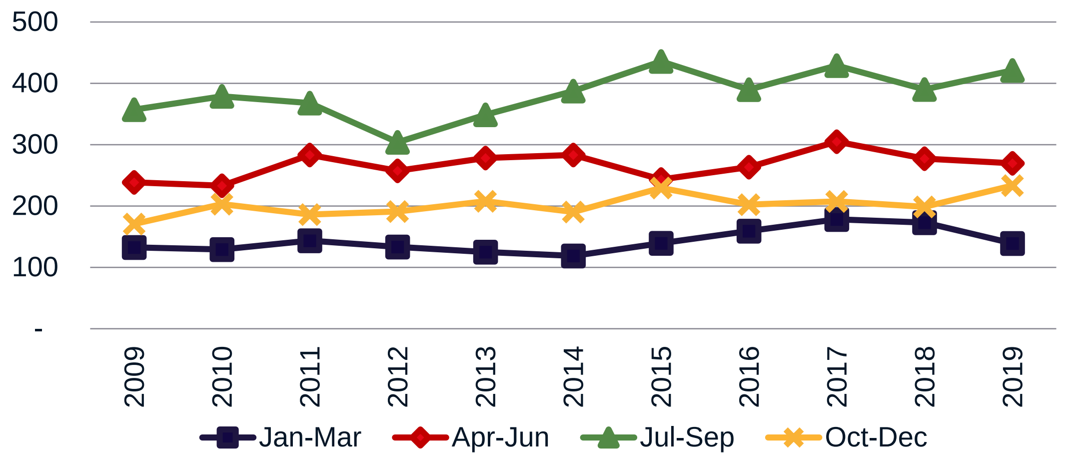
Source: International Passenger Survey by ONS

1.1 Key statistics: seasonality

Seasonality 2019



Seasonality trend (visits 000s)

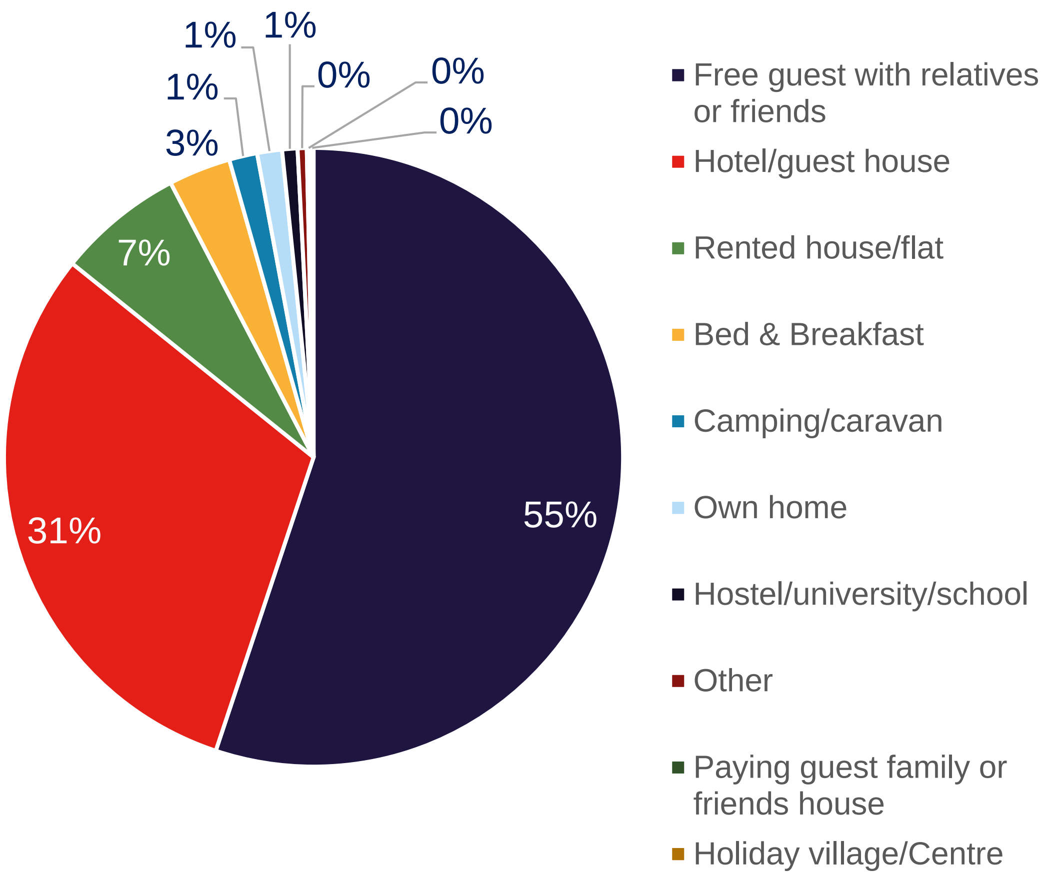


- Australian visitors tend to come to the UK in the summer months: in 2019, 2-in-5 visits from Australia to the UK were made between July and September. This quarter has consistently been the most popular throughout the last decade.
- 1-in-4 visits happened in April-June, followed by October-December (22%).
- Q1 is a slightly less popular time among Australian visitors to the UK, with fewer visits than in any other quarter of the year (just 13% of all visits from Australia to the UK in 2018). They have a lower propensity to visit in Q1 compared to the all market average.

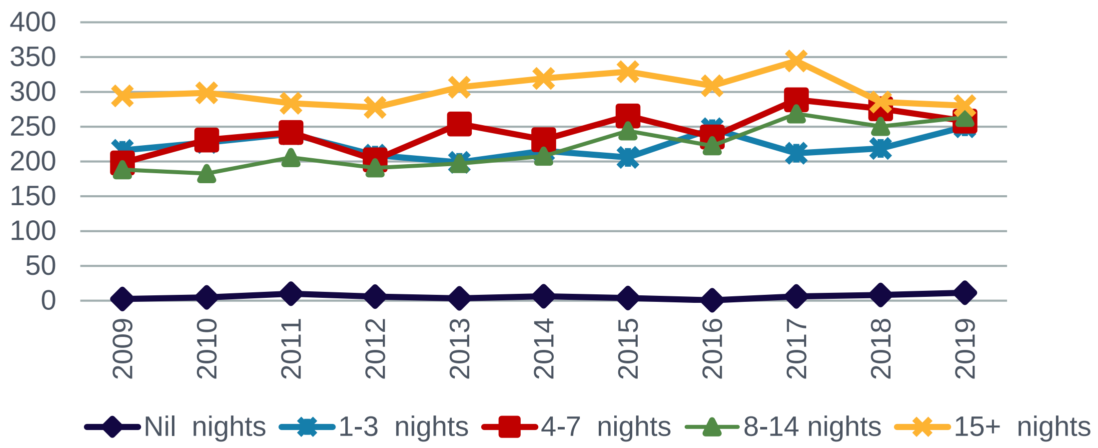
Source: International Passenger Survey by ONS

1.1 Key statistics: length of stay and accommodation

Accommodation stayed in, in 2019 (nights, %share)



Duration of stay trend (visits 000s)

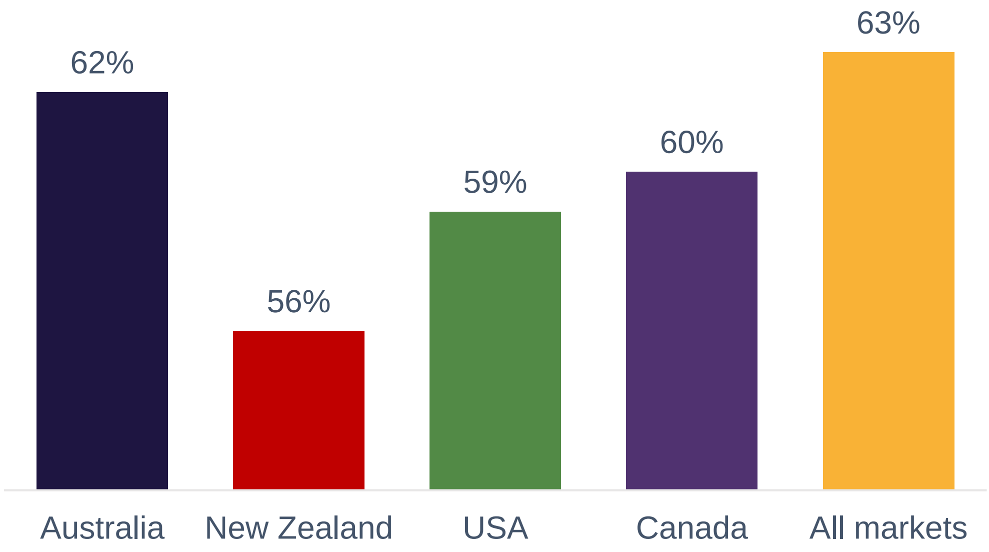


- Australian visitors tend to stay in the UK longer than most markets: in 2019 they stayed for 13 nights on average, compared to just 7 across all markets. This is driven by the high proportion of Australians staying for 15+ nights.
- The Australian inbound market to the UK is as much a VFR market as a holiday market. This can explain why over half of the nights spent by Australian visitors in the UK in 2019 were spent for free as a guest at friends' or relatives' places. This is followed as the most common accommodation type by hotel/guest house (31%).

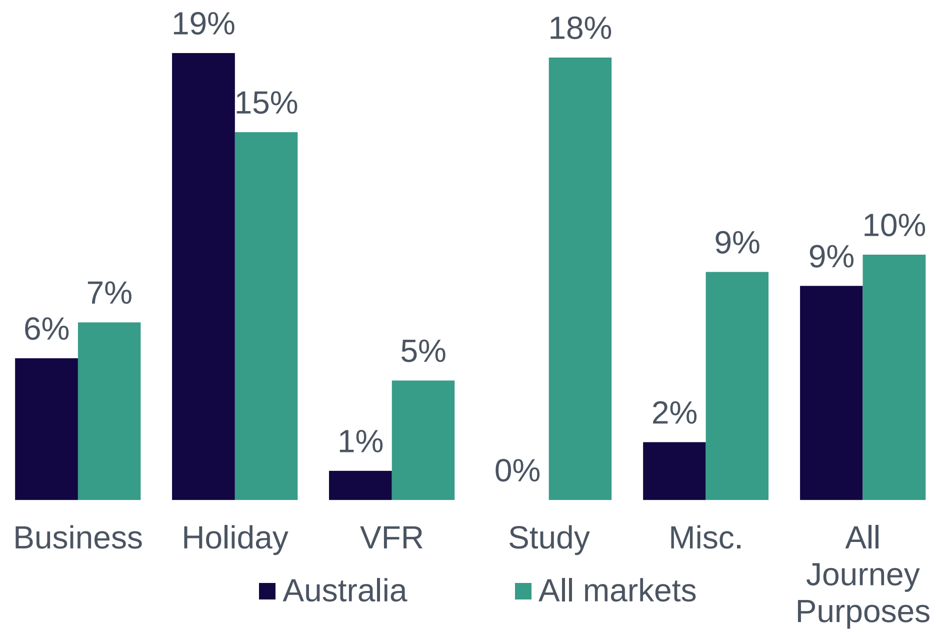
Source: International Passenger Survey by ONS

1.1 Key statistics: repeat visits and package tours

Proportion of overnight holiday visitors to the UK who have been to the UK before*



Proportion of visits that are bought as part of a package or all-inclusive tour in 2019**



- Australia is a mature market. In 2015, 62% of holiday visits from Australian residents (excluding British expats) to the UK were made by repeat visitors, compared to 63% across all markets. On average an Australian holidaymaker came 3 times to the UK in the past 10 years.
- The proportion of Australian holiday visits to the UK bought as part of a package, or all-inclusive tour is slightly higher than the global average for such visits in 2019.

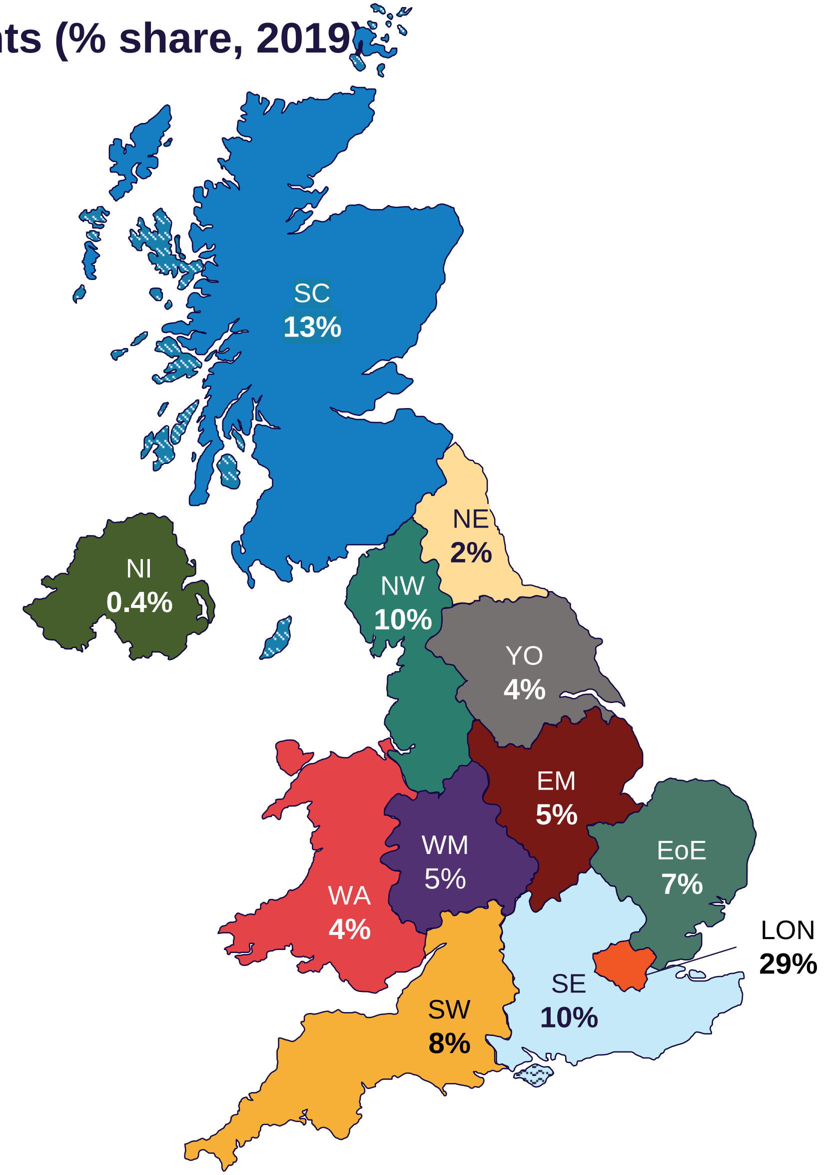
International Passenger Survey by ONS. *2015, excluding British nationals;
**See definition of a package holiday in appendix

1.2 Getting around Britain

Annual visits to the UK (2019)

Region	Nights stayed (000)	Visits (000)	Spend (£m)
Total	13,583	1,064	1,174
Scotland (SC)	1,706	148	146
Wales (WA)	526	58	33
Northern Ireland (NI)	59	5	4
London (LDN)	3,920	568	513
North East (NE)	281	44	22
North West (NW)	1,374	148	83
Yorkshire (YO)	606	86	44
West Midlands (WM)	632	71	41
East Midlands (EM)	717	62	32
East of England (EoE)	888	71	58
South West (SW)	1,123	113	69
South East (SE)	1,371	171	105
Nil nights (Nil)	N/A	11	6

Nights (% share, 2019)



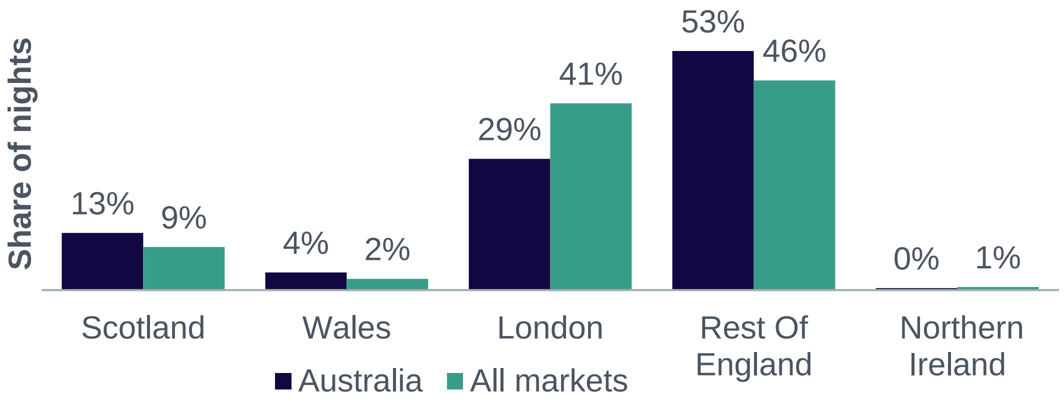
Source: International Passenger Survey by ONS

1.2 Getting around Britain: regional spread and top towns/cities

Top towns and cities visited (2017-2019)

Town	Visits (000s)
London	616
Edinburgh	97
Glasgow	48
Manchester	45
York	29

Regional spread 2019

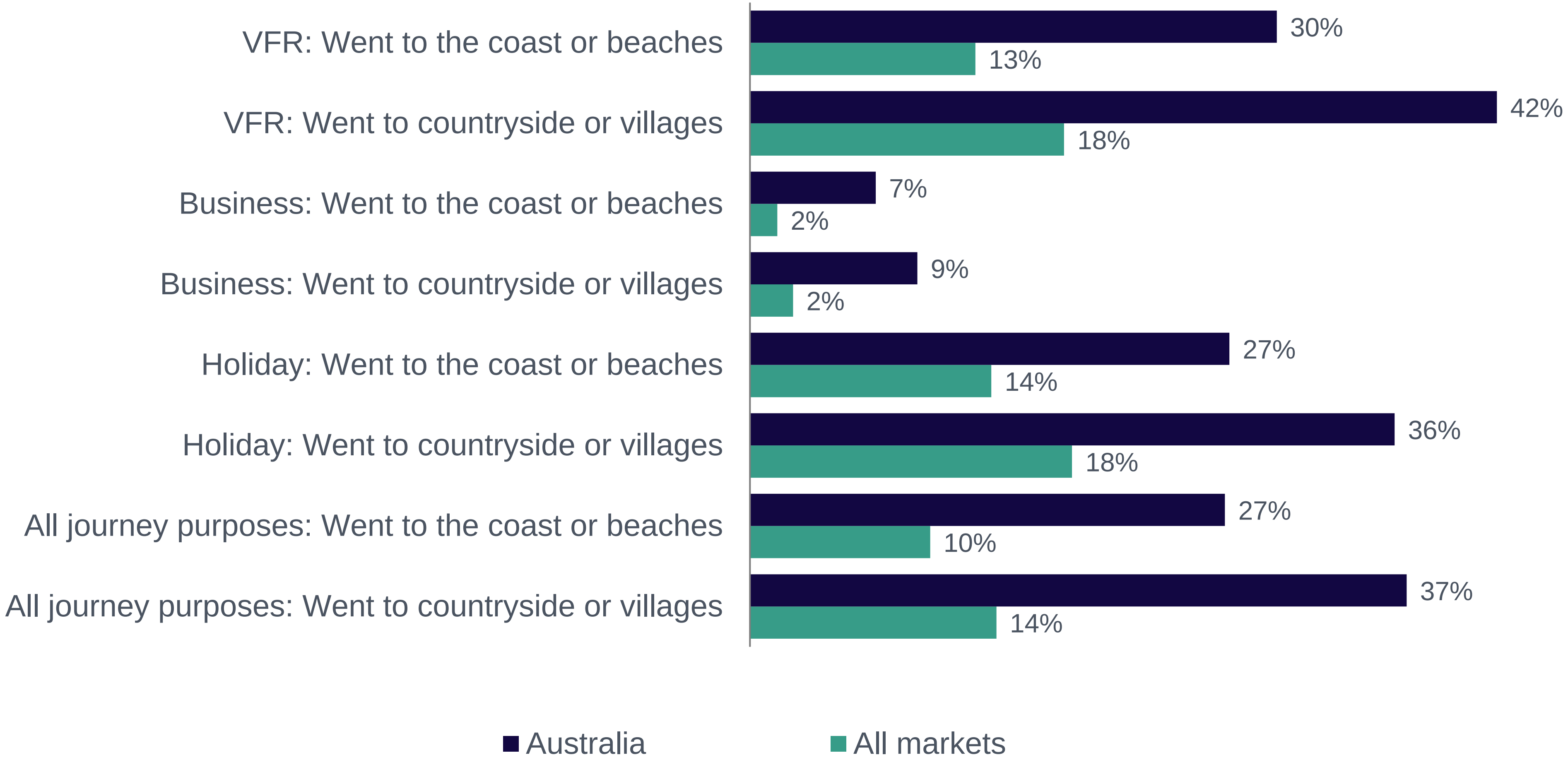


- The Rest of England (i.e. regional England outside London) is the leading destination for a trip to Britain; in 2019 it accounted for 53% of Australian visitors' nights in the UK.
- In 2019, Australians’ favourite regions within England were the North West and South East; each comprising 10% of nights spent in the UK in that year.
- 29% of nights from Australia were spent in London in 2019, significantly lower than the 41% from all markets. If we consider this by journey purpose, VFR visitors spent only 20% of their nights in London in 2019, and demonstrate a fairly even spread throughout English regions.
- Australians are more likely than other travellers to visit Scotland and Wales, and indeed, Edinburgh is the second most popular city in the UK for Australian visits.
- Visitors from Australia have an above-average propensity to go to rural and coastal areas of Britain.
- Australian visitors are more likely than the all-market average visitor to hire a car. They are also more likely to use the train to go around Britain more than other visitors.

Source: International Passenger Survey by ONS

1.2 Getting around Britain: visits to coast, countryside and villages

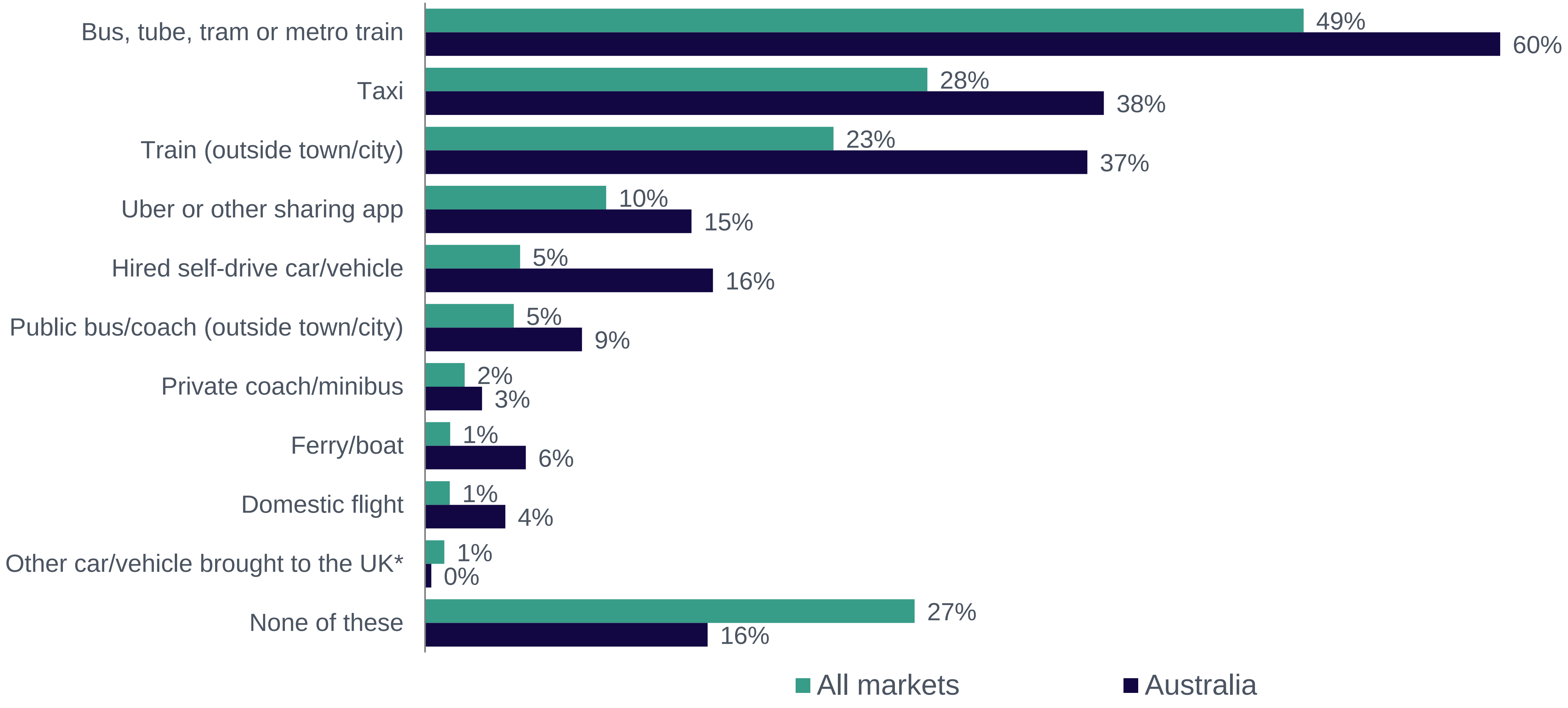
Propensity to visit coast, countryside and villages



Source: International Passenger Survey by ONS 2016

1.2 Getting around Britain: use of internal modes of transport

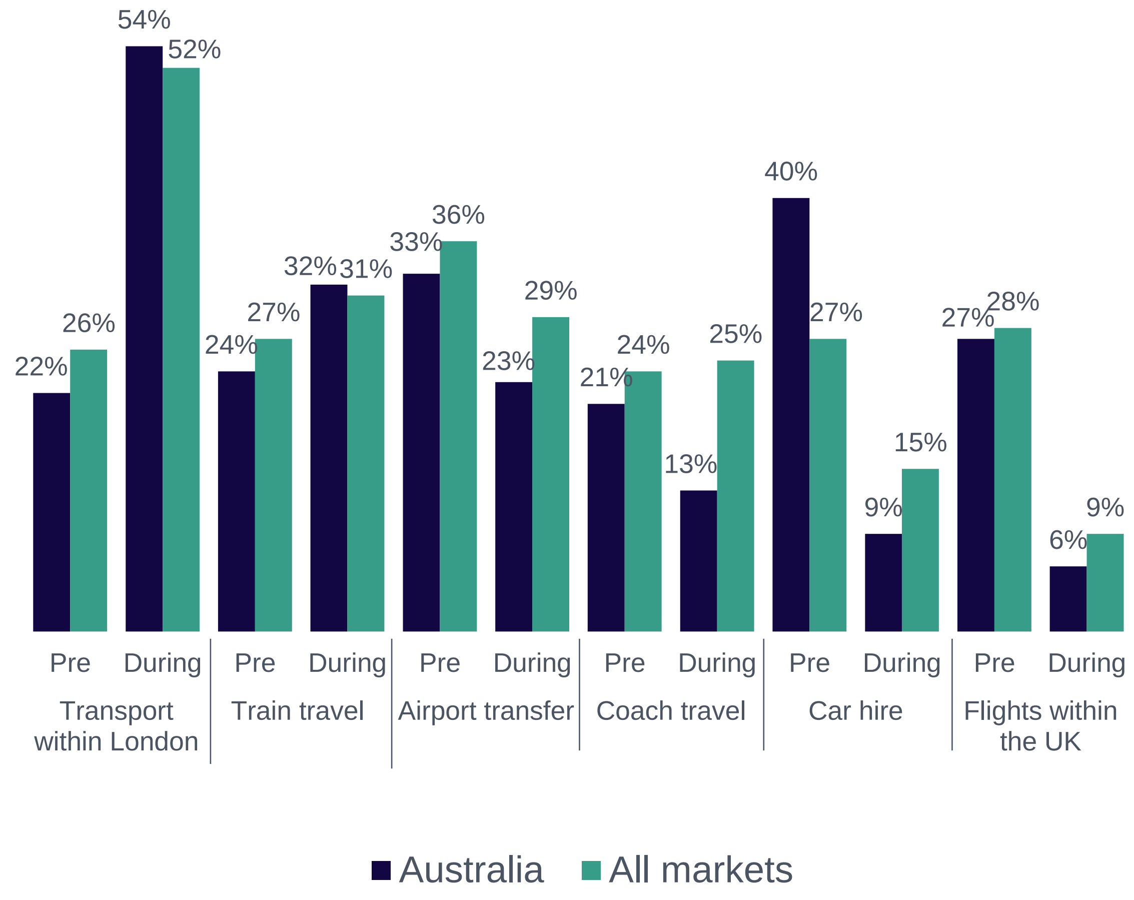
Propensity to use internal modes of transport



Source: International Passenger Survey by ONS 2018; most lorry drivers were not asked this question, and as a consequence, are not taken into account in the results for “car/vehicle you/group brought to the UK”

1.2 Getting around Britain: purchase of transport

Transport services purchased before or during trip (%)



- Australian visitors are more likely than the all market average to hire a car or vehicle when staying in the UK.
- They also over-index on all other forms of transport during their visit, whether within or outside a town or city.
- Usually they also tend to prefer booking those transport elements before they travel, with more Australian holiday visitors booking their transport options before the trip than during, apart from transport within London and train travel.

Source: International Passenger Survey by ONS, VisitBritain/IPSOS 2016, base: visitors

1.3 Visitor demographics

Visitor characteristics

- Slightly more visits from Australia to the UK were made by men than women in 2019 (55% vs 45% respectively). This trend was slightly less emphasised in 2018 (51% men vs. 48% women in that year).
- In 2019, the most common age cohort of visitors was 55-64, comprising almost 1 in 4 visits. This was closely followed 35-44 year olds at 18%. Only around 1% of visitors were children (aged 0-15 years).
- 17% of the visits from Australian residents to the UK were made by British nationals, and 76% were by Australian nationals.

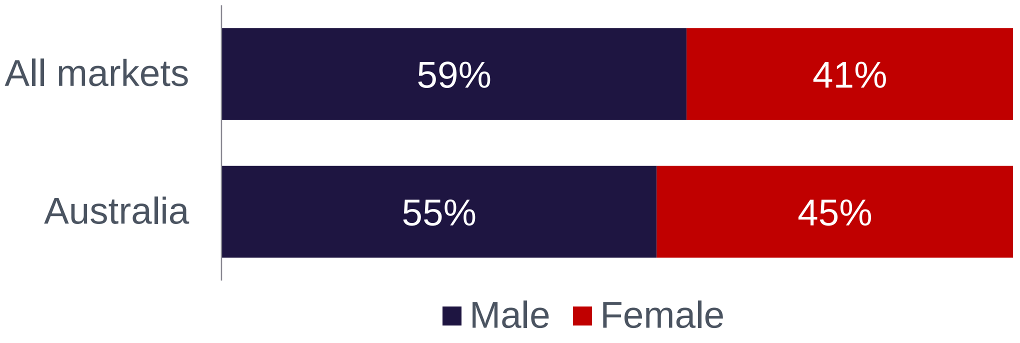
74%

of Australian visits were made by travellers living in the East of Australia

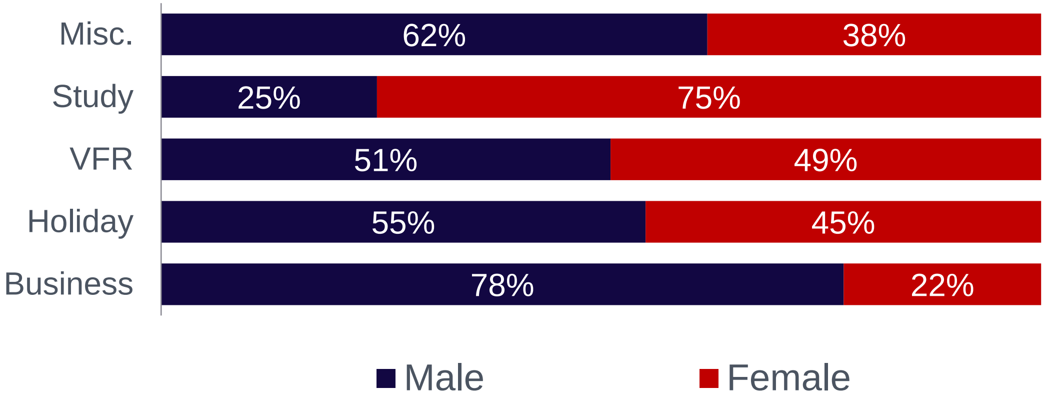
Source: International Passenger Survey by ONS

1.3 Visitor demographics: gender and age groups

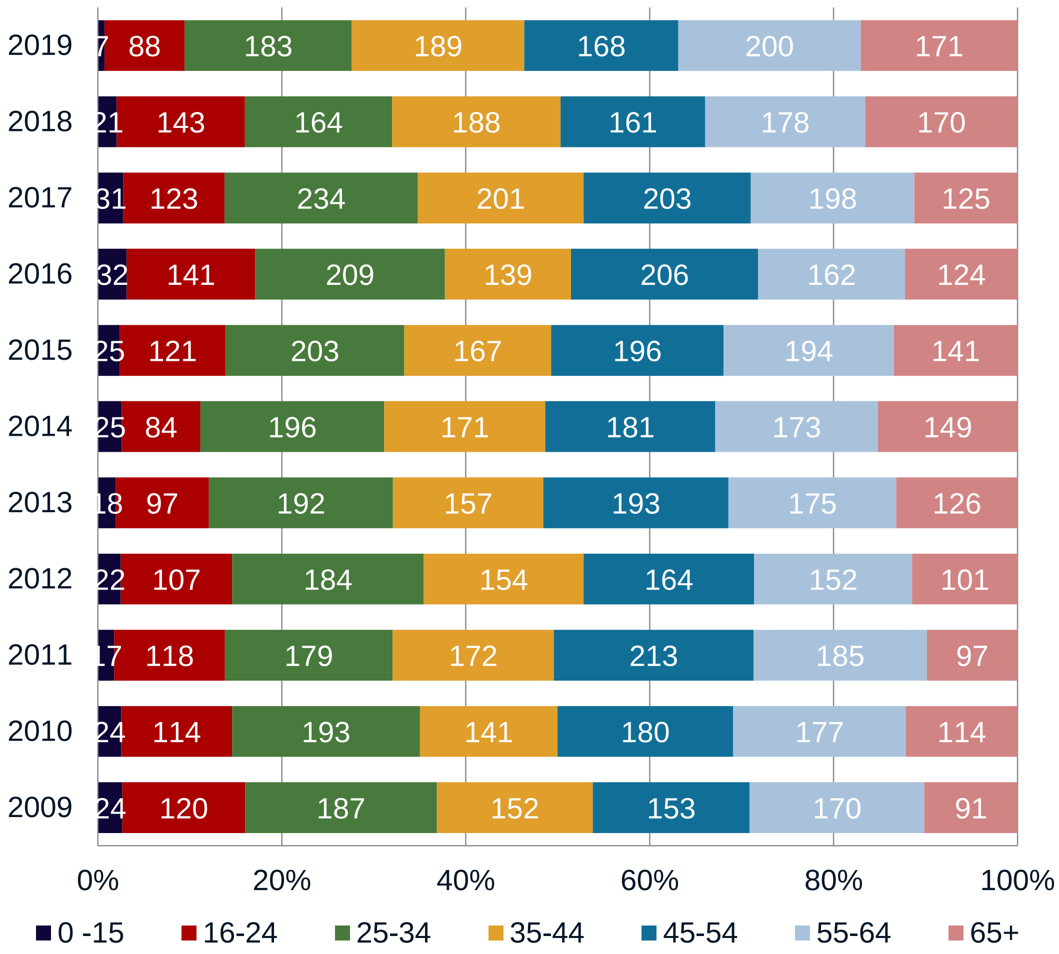
Gender ratio of visits (2019):



Gender ratio of visits from Australia by journey purpose (2019):



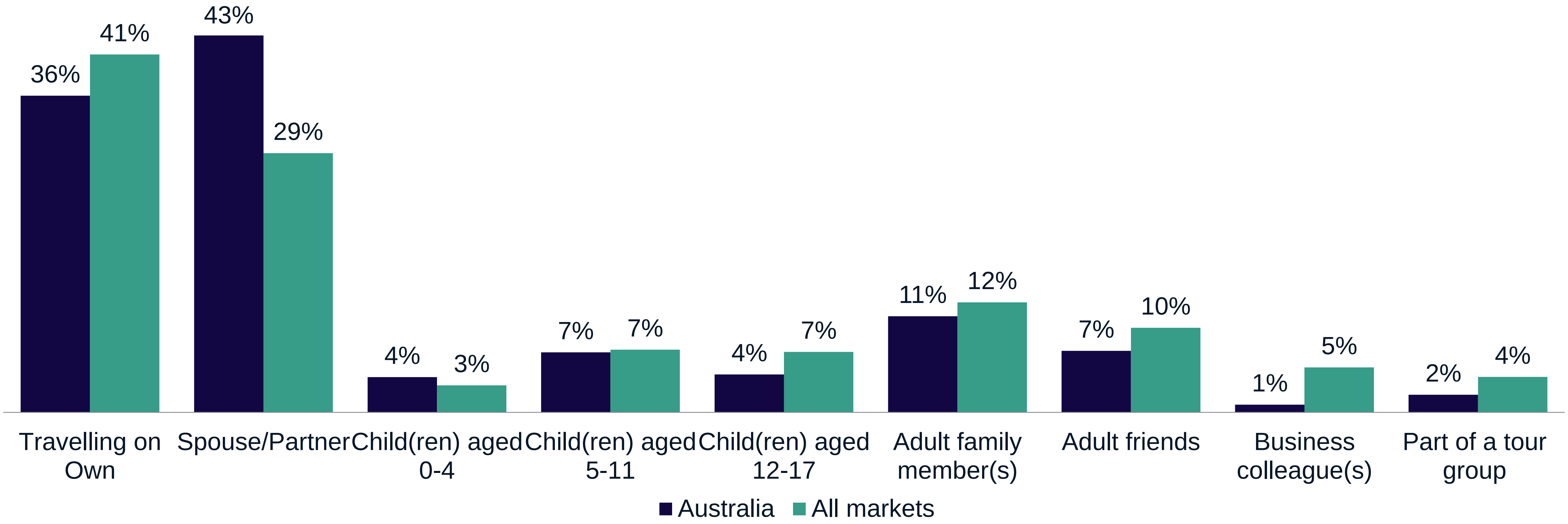
Age group trend (visits in 000s)



Source: International Passenger Survey by ONS

1.3 Visitor demographics: travel companions

Who have Australian visitors to the UK travelled with?



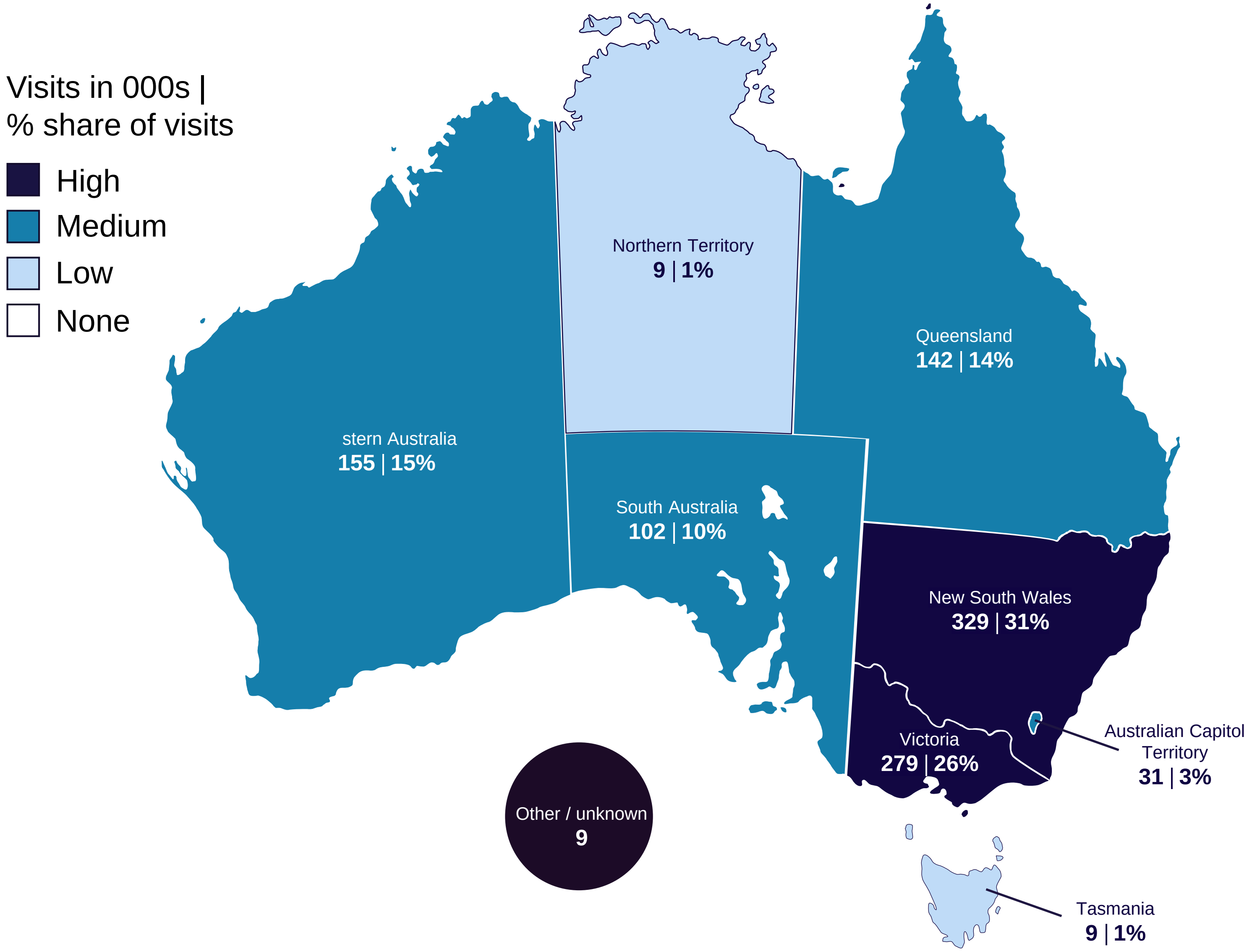
Australian visitors to the UK are most likely to travel with their spouse/partner, and this rate is significantly higher for Australians (43%) compared to the average traveller (29%). They are also likely to travel independently (36%), and a total of 15% travel with children.

Source: International Passenger Survey by ONS, 2017, Who accompanied you on your visit to the UK, excluding UK residents you may have visited during your trip?

1.3 Visitor demographics: Origin

Visits to the UK (2019)

- Most visits from Australia to the UK are made by visitors from the Eastern states.
- Just under a third of the visits from Australia to the UK originate from New South Wales (NSW), followed by visits from Victoria (VIC, 26%), Western Australia (WA, 15%) and Queensland (QLD, 14%).
- About 86% of Australians live in urban areas with major urban areas being Sydney (NSW), Melbourne (VIC), Brisbane (QLD), Perth (WA), Adelaide (South Australia) and Canberra (ACT).



Source: International Passenger Survey by ONS 2019, CIA World Factbook

1.4 The UK and its competitors (1)

Market size, share and growth potential

- The UK was the 4th most visited destination by Australian travellers on overnight trips in 2019, and the first within Europe.
- Before 2020, the Australian outbound market was demonstrating steady growth; global overnight visits from this market grew by 58% from 2009 to 2019. ABS data revealed that outbound travel from Australia achieved a record in 2019.
- However, due to the COVID-19 pandemic, global overnight visits from Australia shrank by 84% in 2020, and visits to the UK also declined by 84%. Visits to the UK are forecasted to recover to 2019 levels by 2024.

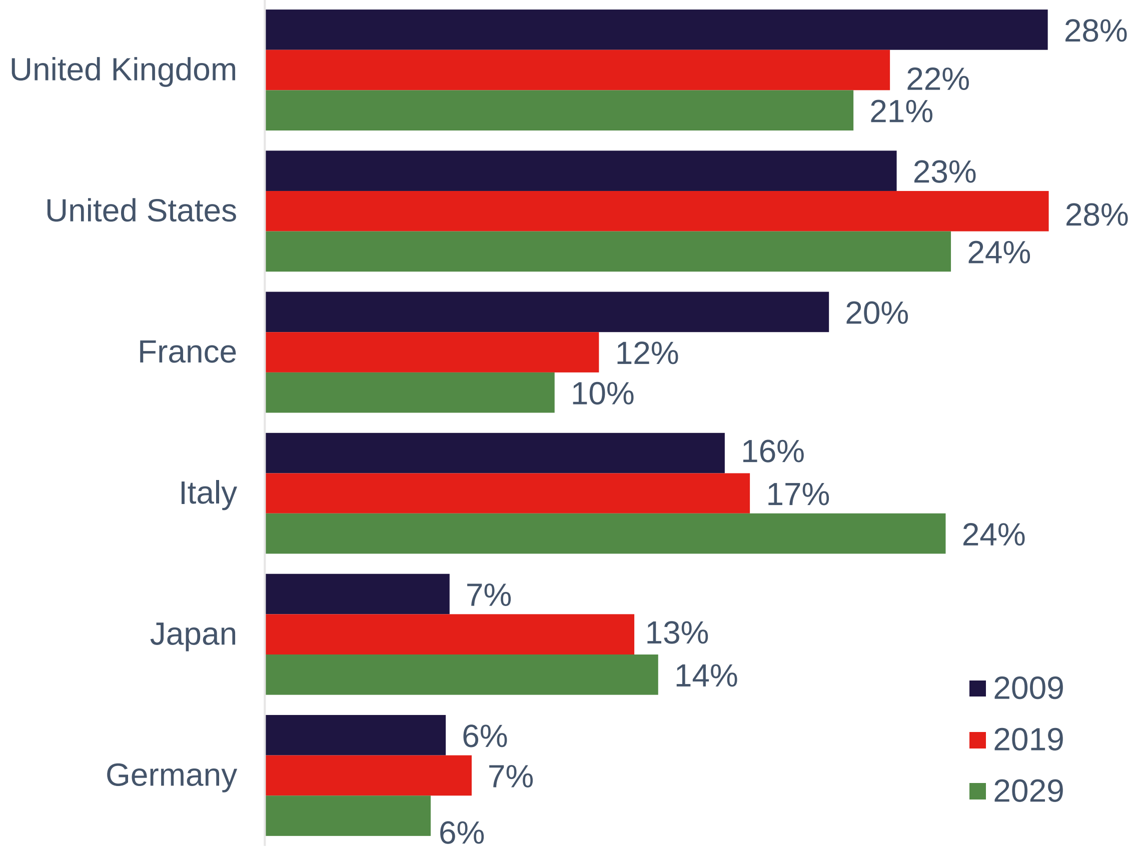
The UK ranked 4th

among Australian outbound destinations by volume in 2019

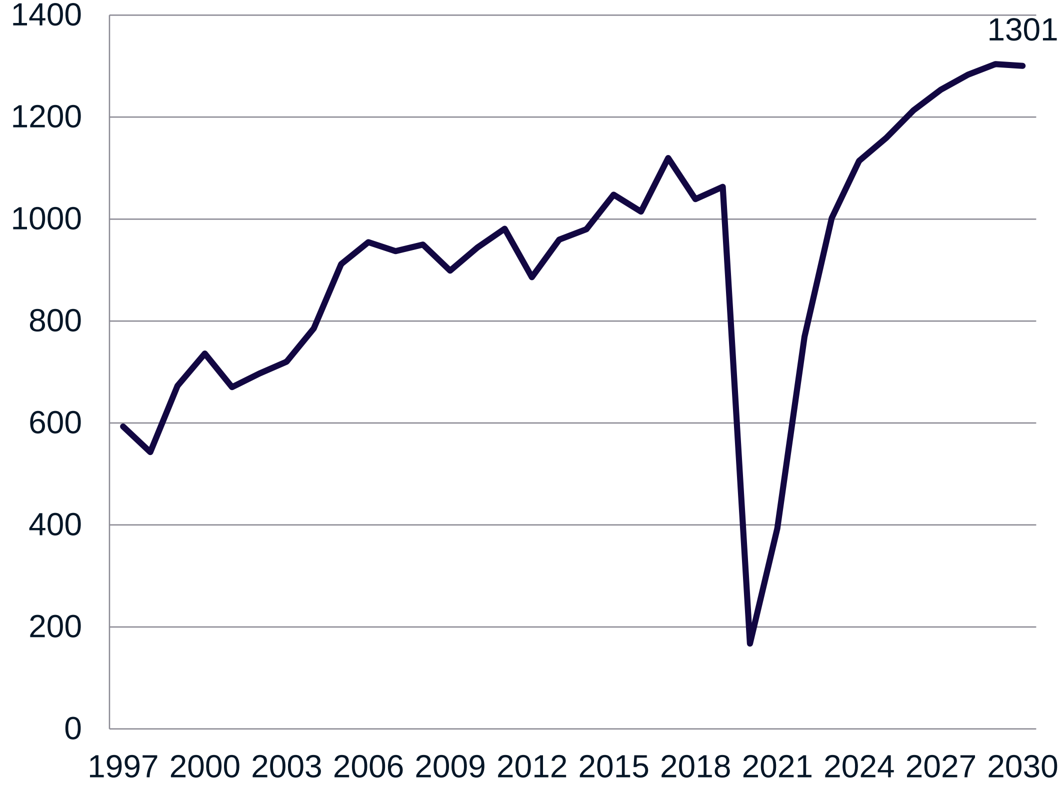
Source: Oxford Economics/VisitBritain, ABS Tourism and Transport

1.4 The UK and its competitors (2)

The UK's market share of Australian visits among competitor set



Historic and potential visits to the UK (000s)



Source: Oxford Economics for competitor set based on overnight visits, 'Historic and potential visits' displays total visits based on International Passenger Survey historic data and Oxford Economics forecasts with VisitBritain adaptations

Experiences and perceptions

Chapter 2

2.1 Inbound activities: summary

- Among Australian visitors, dining in restaurants is the most popular activity, followed by shopping and going to the pub. Socialising with locals and sightseeing famous monuments/ buildings also often feature in visits from Australia to the UK.
- Overall, they are more likely than the all-market average to participate in all sorts of activities in Britain: playing sports, undertaking cultural activities or sightseeing famous sites and monuments.
- There are also more likely to go shopping while in the UK than the all-market average visitor, with over half of Australian visits featuring buying clothing items or shoes.
- Australian visitors are more likely to watch a live football match than any other sports.

Top 10 activities for Australian visitors during their visit to the UK

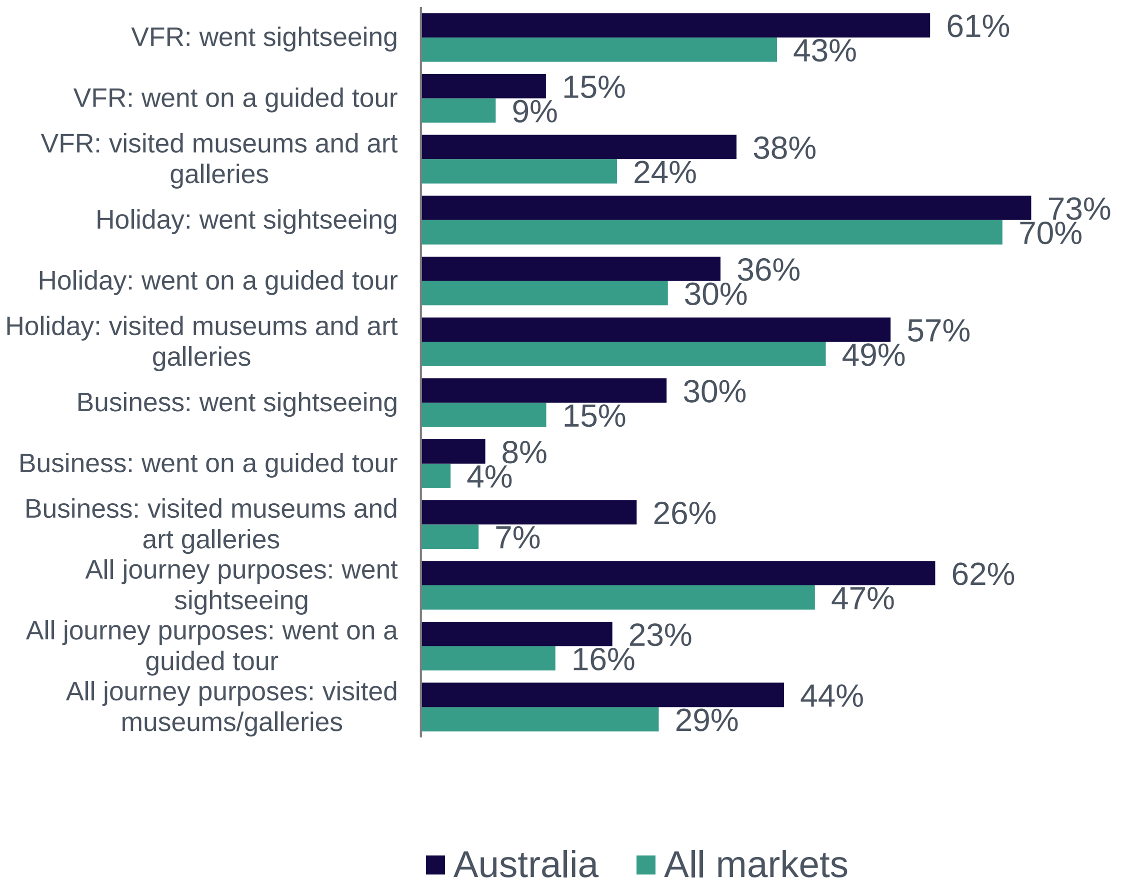
1. Dining in restaurants
2. Shopping
3. Going to the pub
4. Sightseeing famous monuments/buildings
5. Socialising with the locals
6. Visiting parks or gardens
7. Visiting castles or historic houses
8. Visiting museums or art galleries
9. Walking in the countryside
10. Visiting religious buildings

For more information on activities, please visit our webpage of activities undertaken in Britain

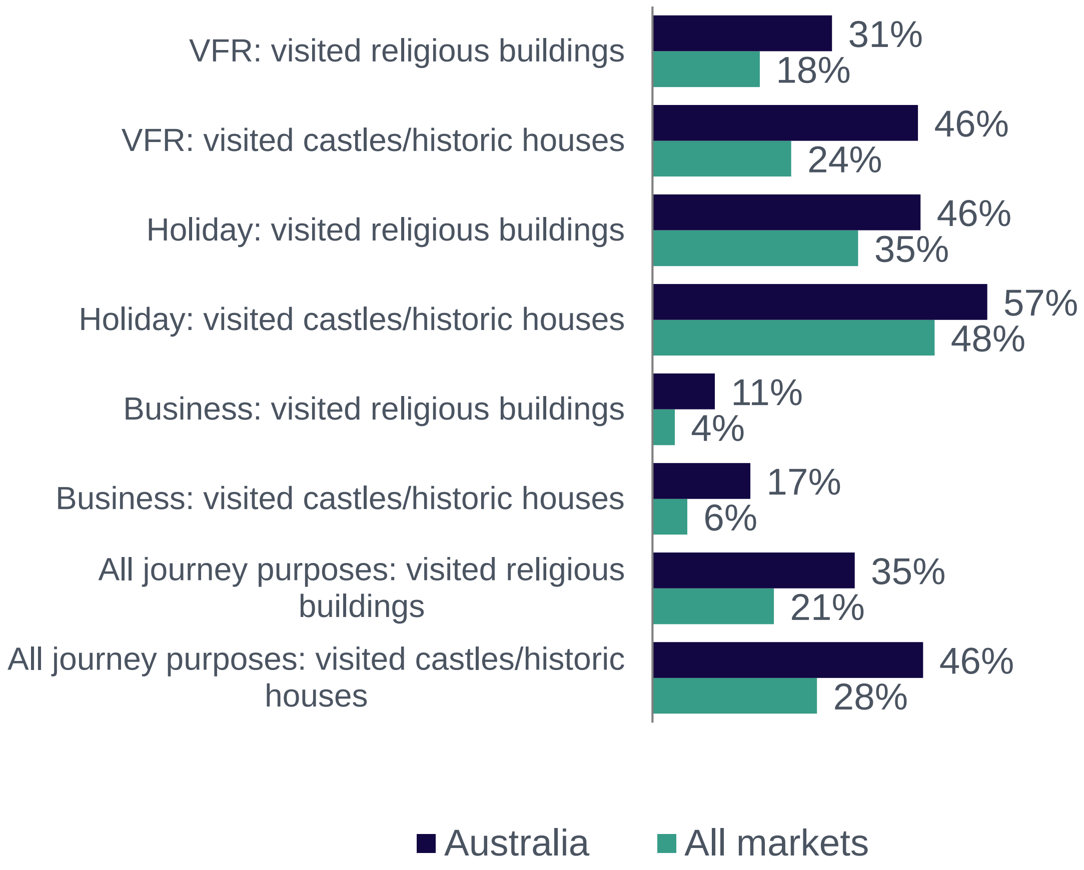
Source: International Passenger Survey by ONS, rankings based on 2006-2019 data

2.1 Inbound activities: tourism and heritage

Propensity to visit museums and galleries



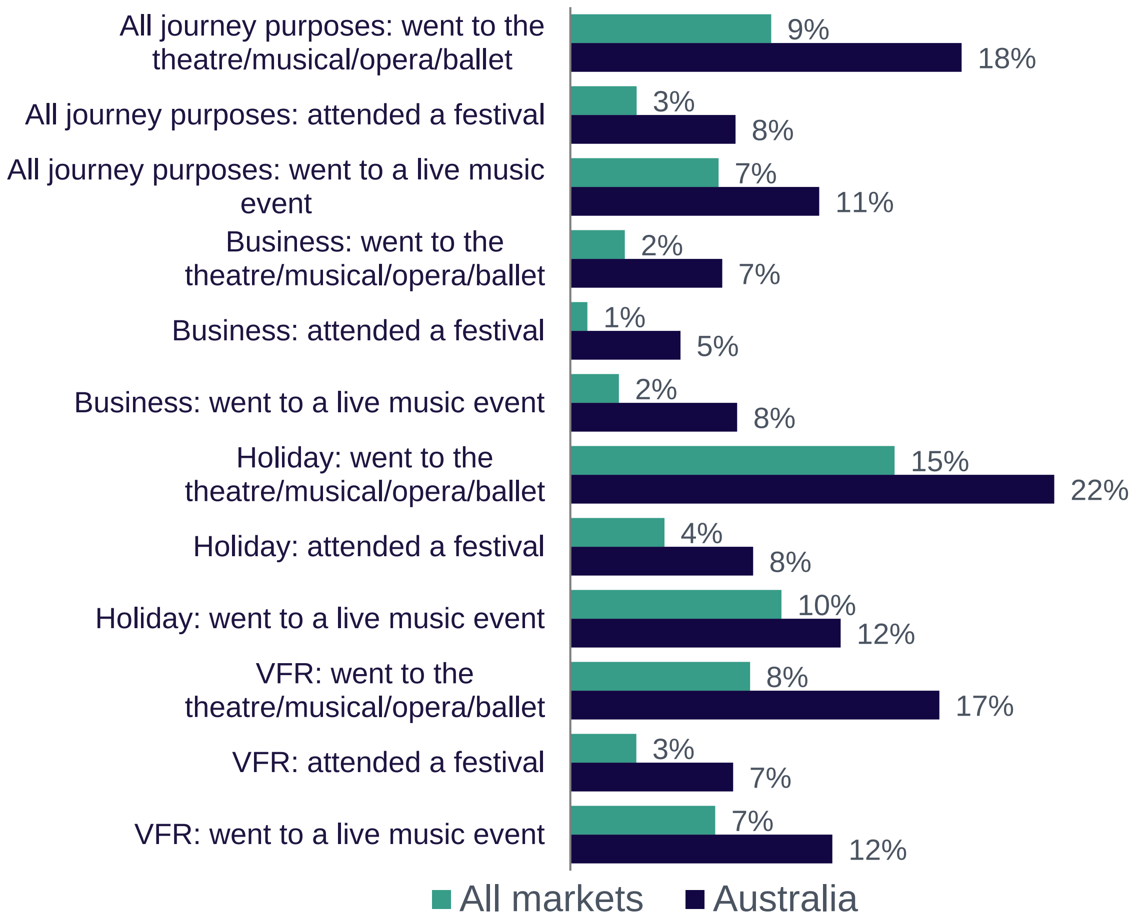
Propensity to visit built heritage sites



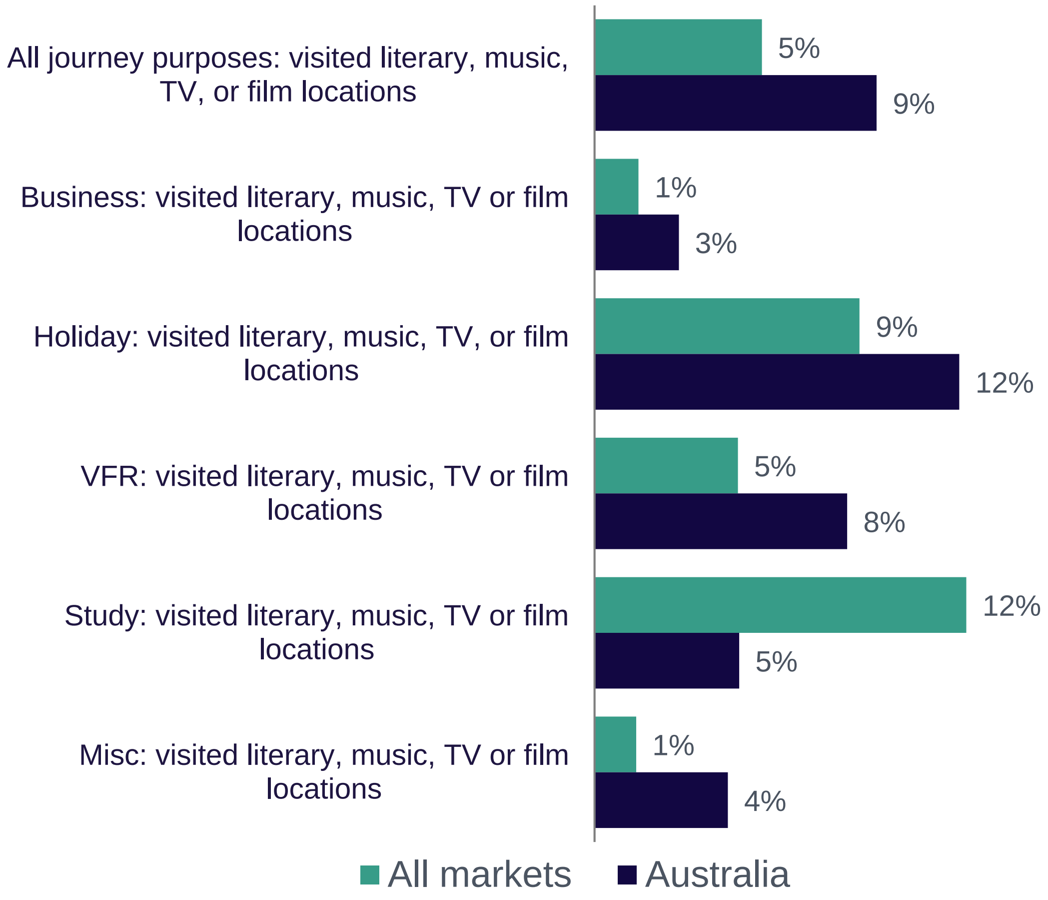
Source: International Passenger Survey by ONS, 2016

2.1 Inbound activities: culture

Propensity to attend the performing arts



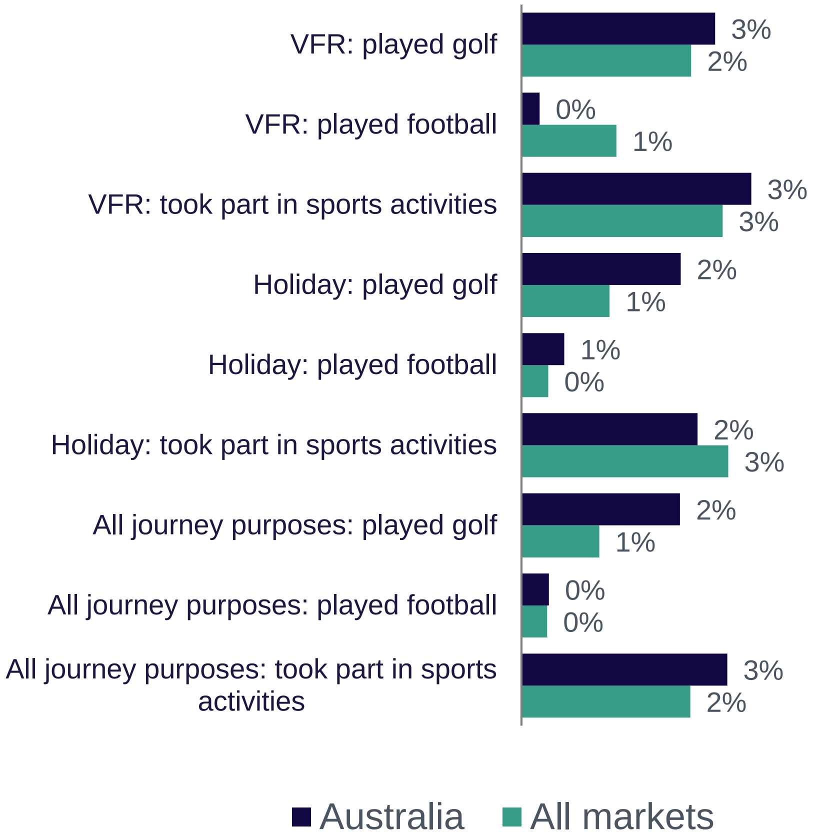
Propensity to participate into other culture-related activities



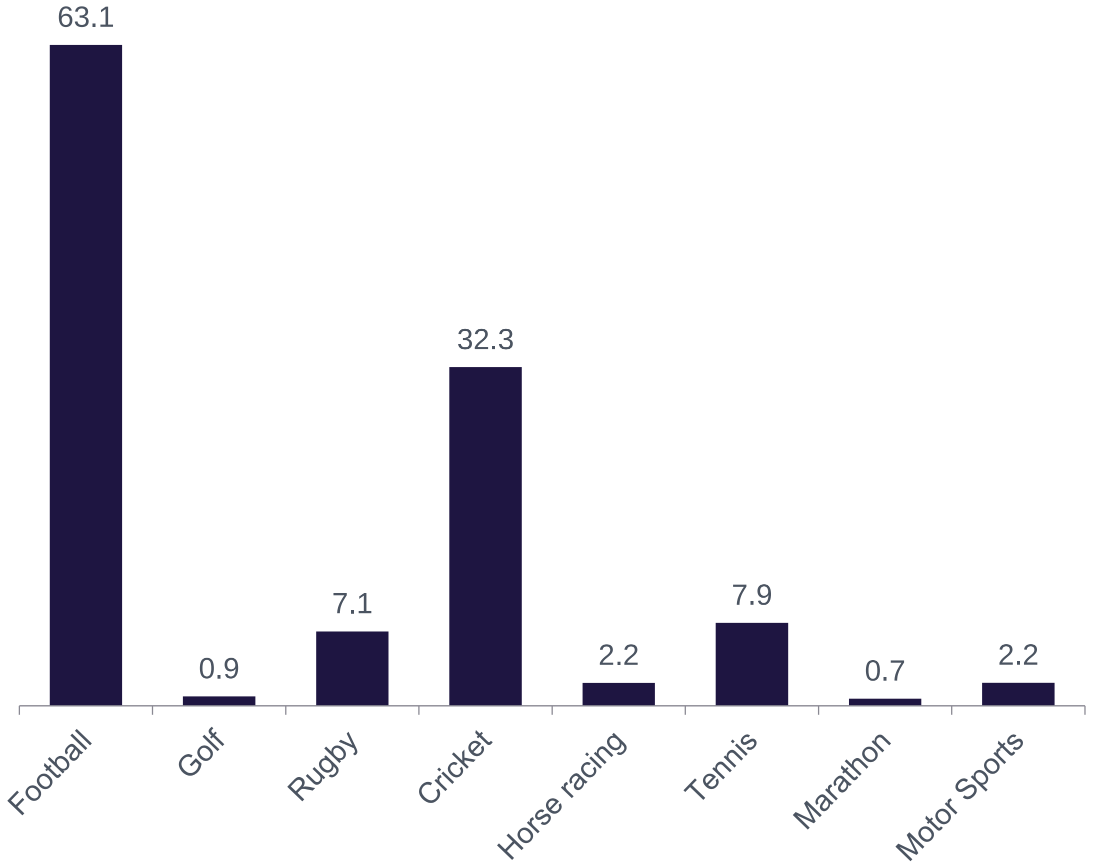
Source: International Passenger Survey by ONS, 2016 (performing arts) and 2013 (watch sport live)

2.1 Inbound activities: sports

Propensity to partake in sports-related activities



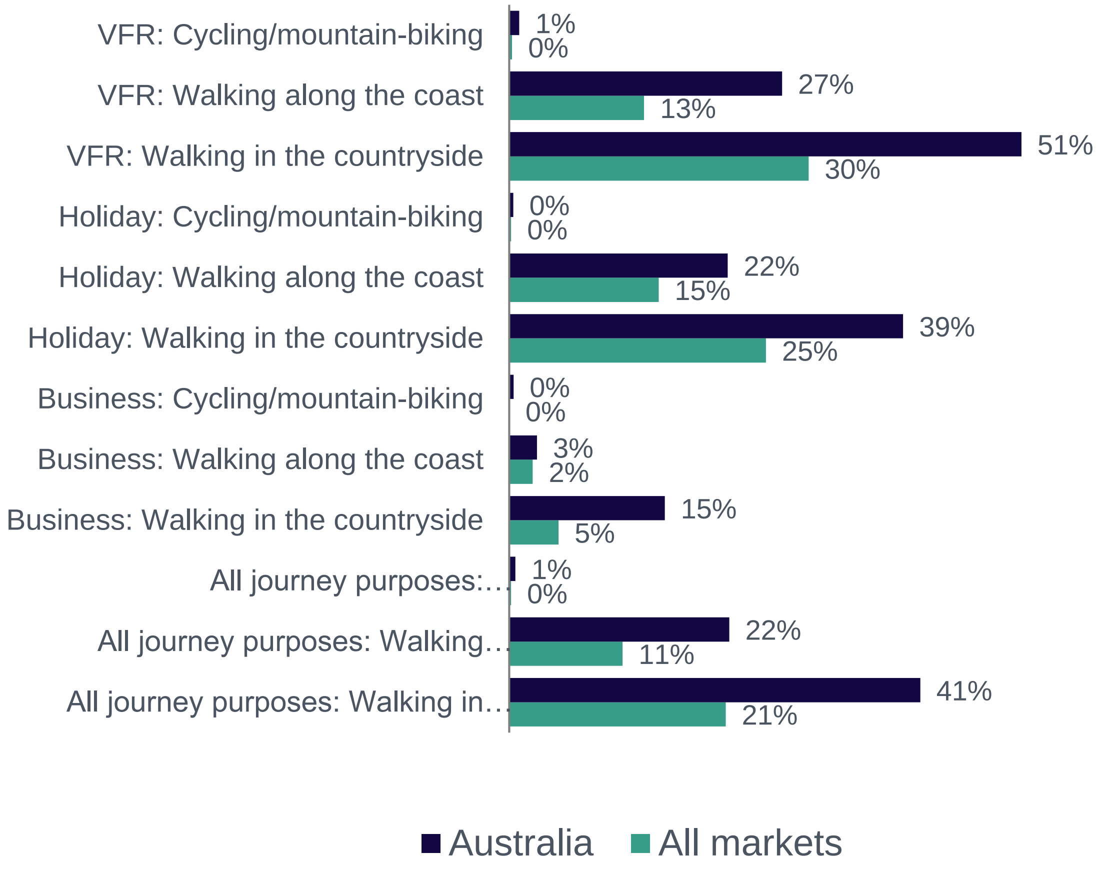
Number who watched sports live during trip (000s)



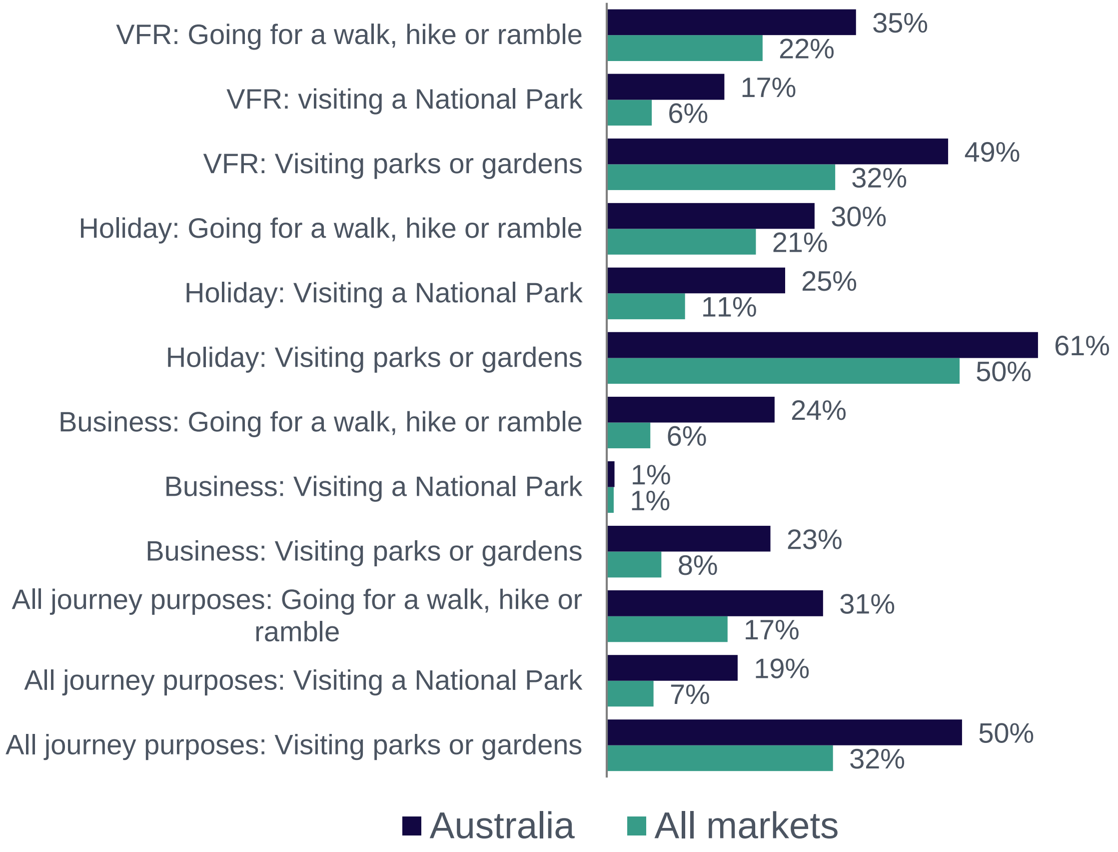
Source: International Passenger Survey by ONS, 2016 (performing arts) and 2019 (watch sport live)

2.1 Inbound activities: outdoors

Propensity to go for a walk or cycle



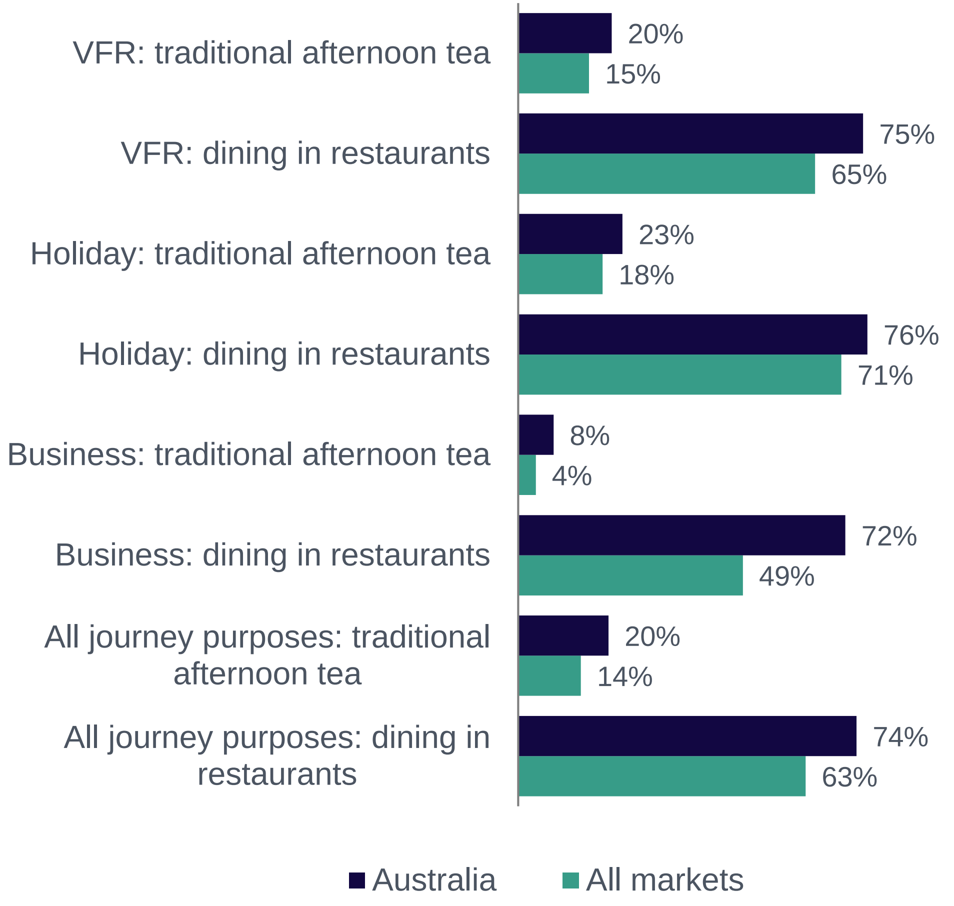
Propensity to enjoy the outdoors



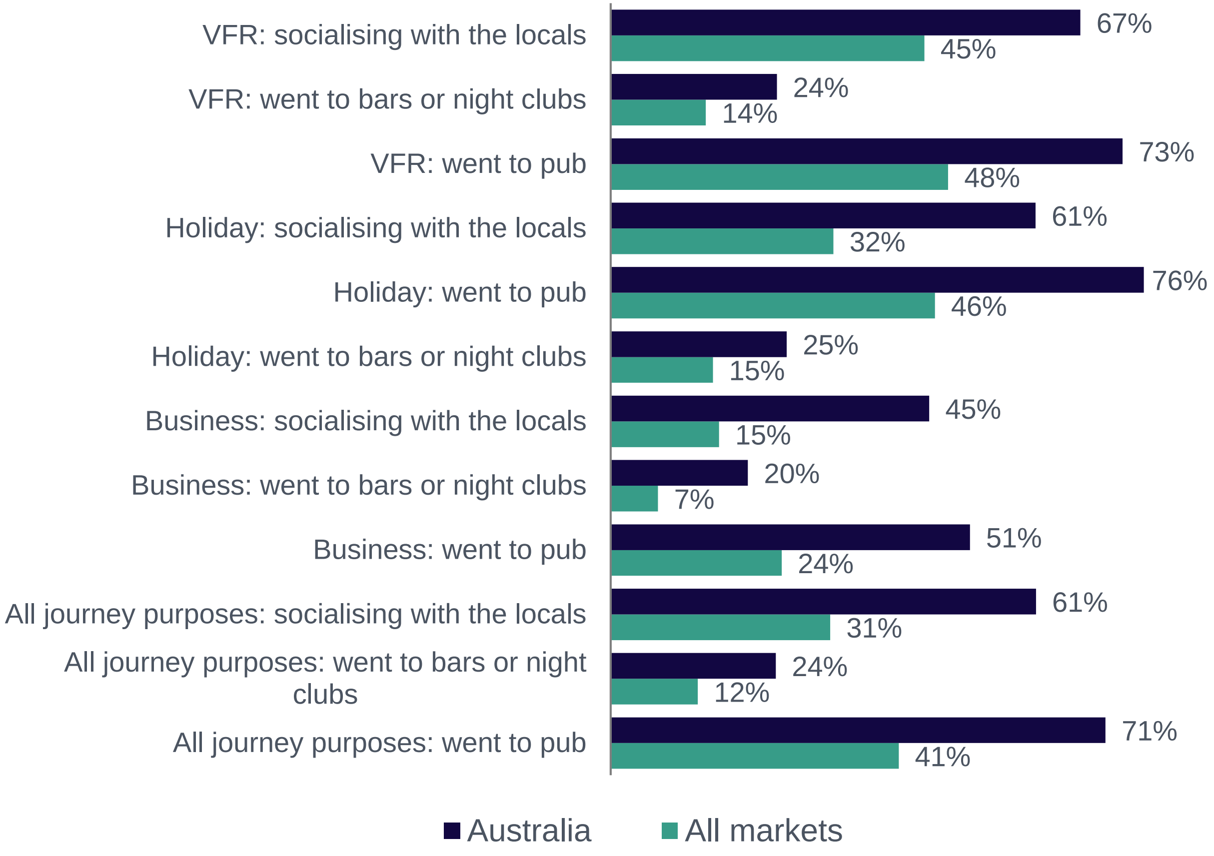
Source: International Passenger Survey by ONS, 2016 (visiting parks and gardens and a national park), 2010 (walking along the coast) and 2007 (walking in the countryside)

2.1 Inbound activities: going out

Propensity to go to restaurants, or to have a traditional afternoon tea



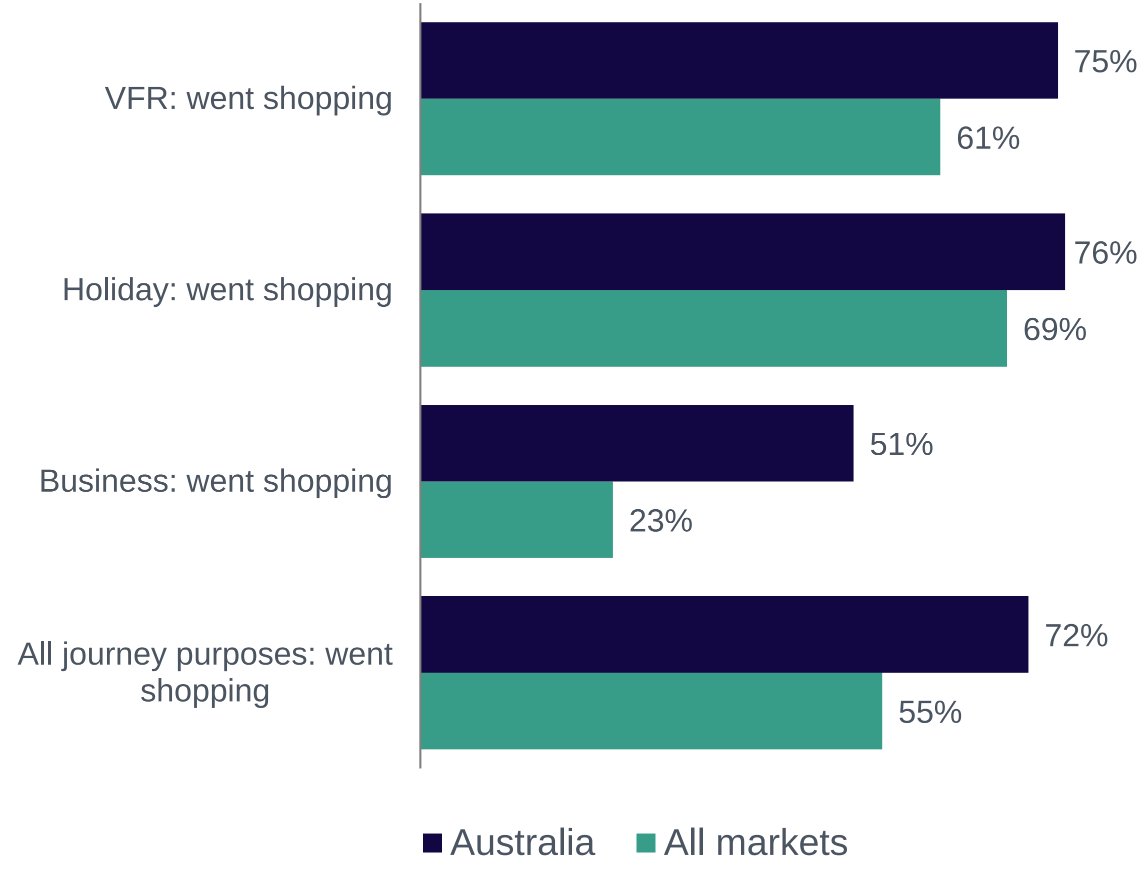
Propensity to go to the pub or bars and night clubs, or to socialise with locals



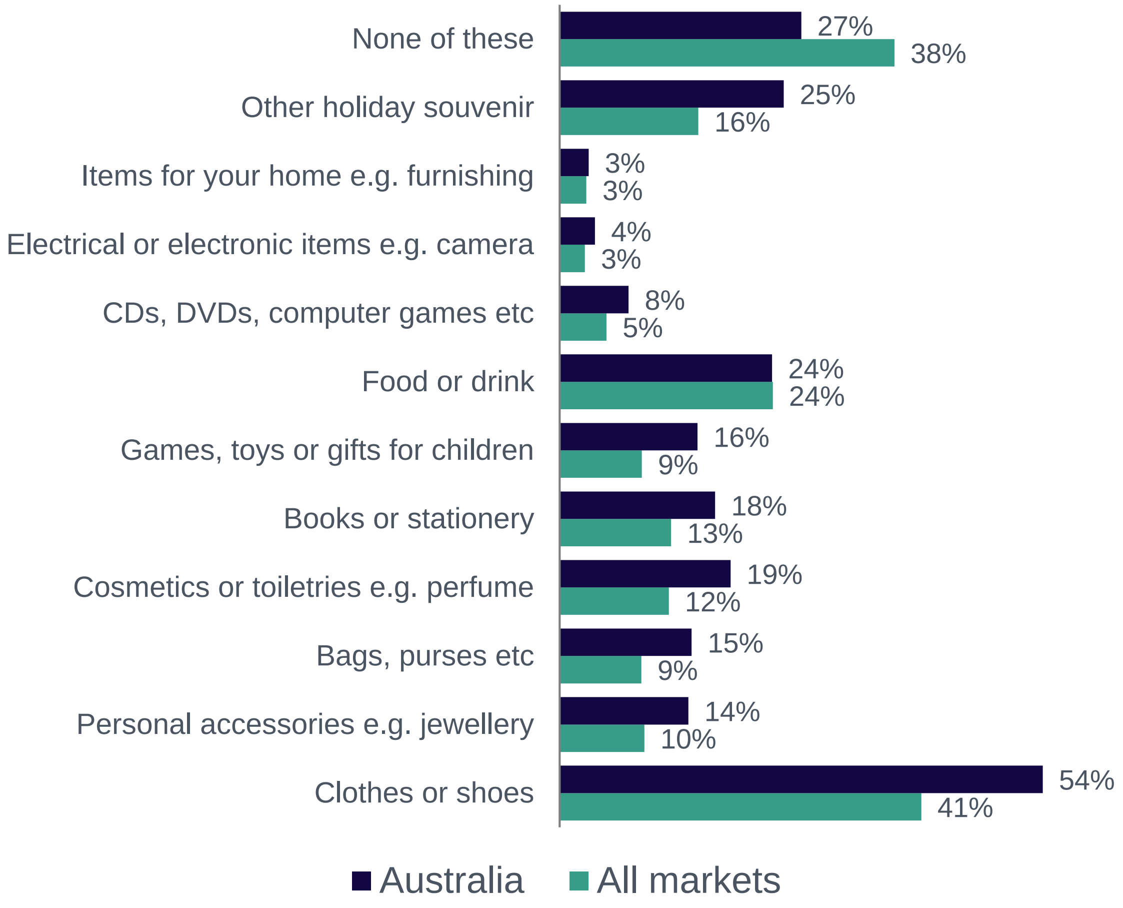
Source: International Passenger Survey by ONS, 2008 (dining in restaurants) and 2017 (all other activities)

2.1 Inbound activities: shopping

Propensity to go to shopping



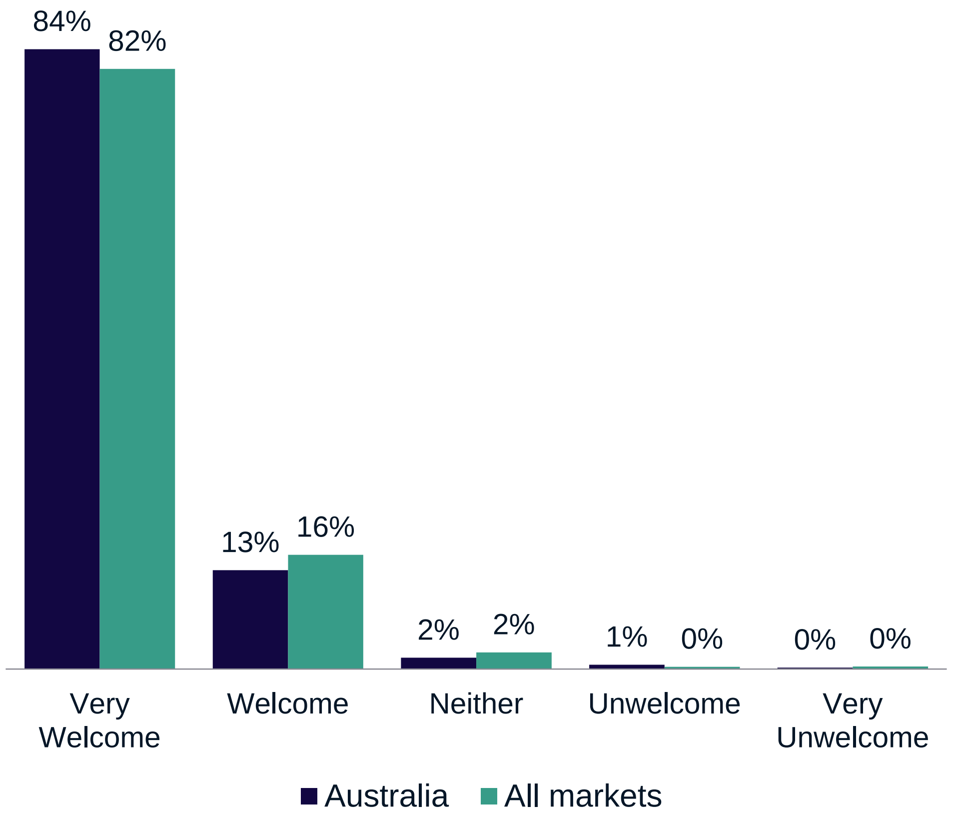
Propensity to purchase selected items



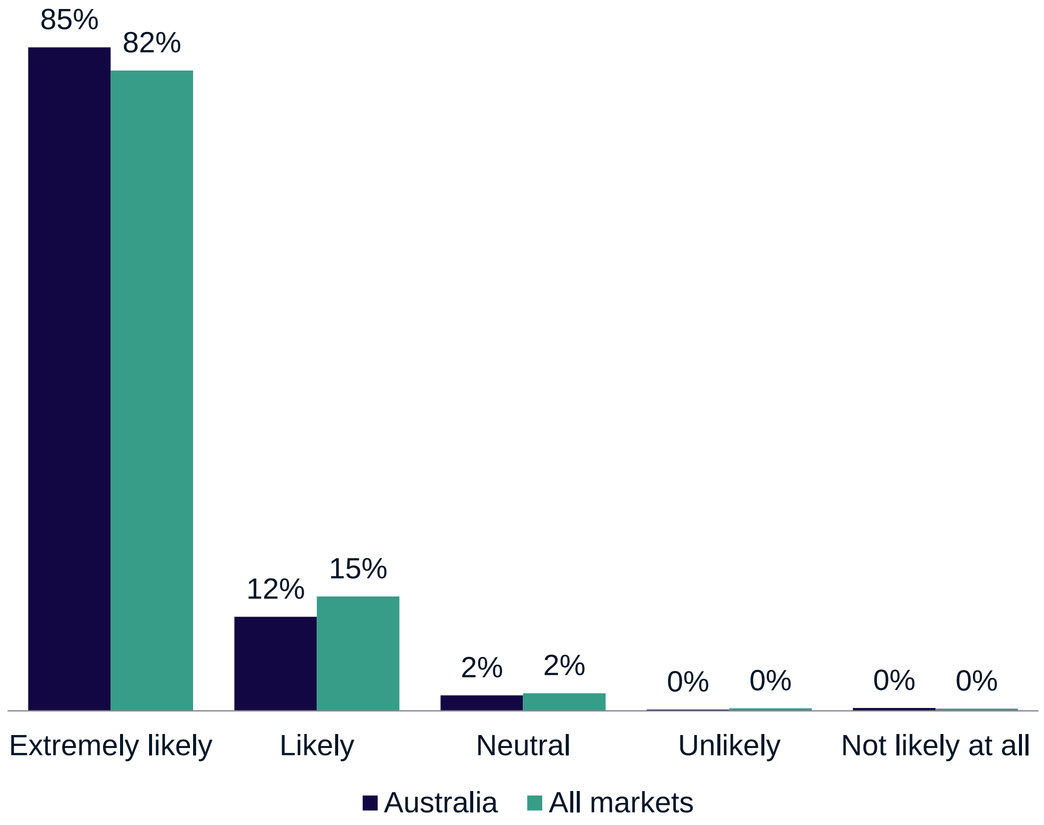
Source: International Passenger Survey by ONS, 2017 (shopping) and 2013 (purchase of selected items) – please note that the data about ipurchased items is to be updated shortly given the revision of the 2009-2018 IPS data in May 2020

2.2 Welcome and recommending Britain

Feeling of 'welcome' in Britain



Likelihood to recommend Britain



Source: International Passenger Survey by ONS, 2017

2.2 Reasons to return to a holiday destination

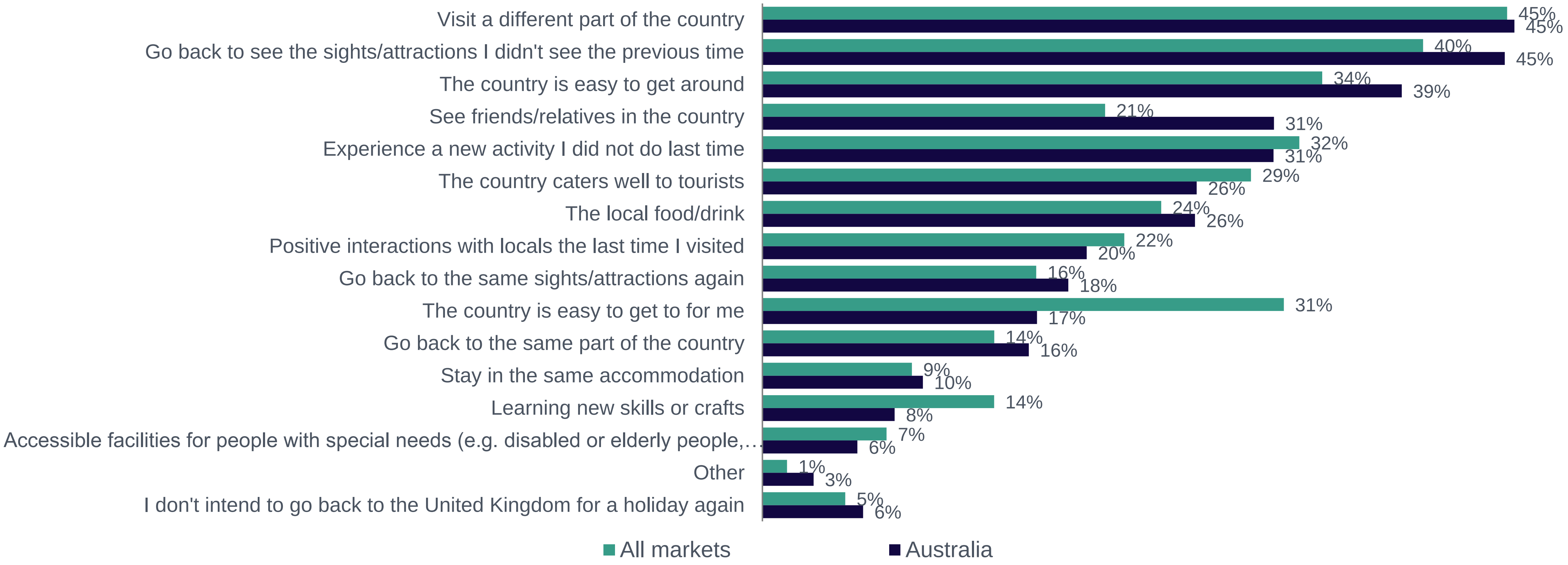
Reasons to return to a destination in general

Australian travellers are most likely to return to a destination in order to see sights/attractions they missed, visit a different part of the country, and because a country is easy to get around.

Source: Anholt Nation Brands Index, powered by Ipsos 2019

2.2 Reasons to return to the UK

Reasons to return to the UK



Motivations of Australian travellers to return to the UK are very similar to what triggers a return to other destinations, with a notable exception being 31% being keen to see friends and relatives.

Source: Anholt Nation Brands Index, powered by Ipsos 2019

2.3 Perceptions of the UK (1)

- Overall Australians hold very good, above average perceptions of the UK, and rank it well above the global average for its visitors' welcome (ranking Britain 4th, vs Britain's global average rank of 11th).
- Australians also have a strong emotional link with Britain: it is where over a third of them can revisit places of nostalgic importance to them, or visit places linked to their family history.
- Australian visitors are twice as likely as the global average to choose Britain as a destination to visit friends and relatives. Cultural attractions are also important to them.
- Australians look for a holiday destination that will get them good value for money, provide fun and laughter and that they can explore. For the latter, they consider Britain to be the best destination among those presented, while they think the US would best deliver on the former two of their holiday 'wants'.
- Britain is also ranked above some competitor destinations for being a place with lot of history and historic sites. Australians rate Britain as the top destination to visit these iconic places.
- Experiences which would most likely motivate a trip to England are a drive through the countryside of England, a canal boat tour through the waterways of England, and a traditional afternoon tea.

Areas of strength for the UK:

Culture, sports, city life, history and famous sites

Source: VisitBritain/IPSOS 2016, Anholt-GfK Nation Brands Index 2018 & 2020

2.3 Perceptions of the UK (2)

UK's ranking (out of 50 nations)

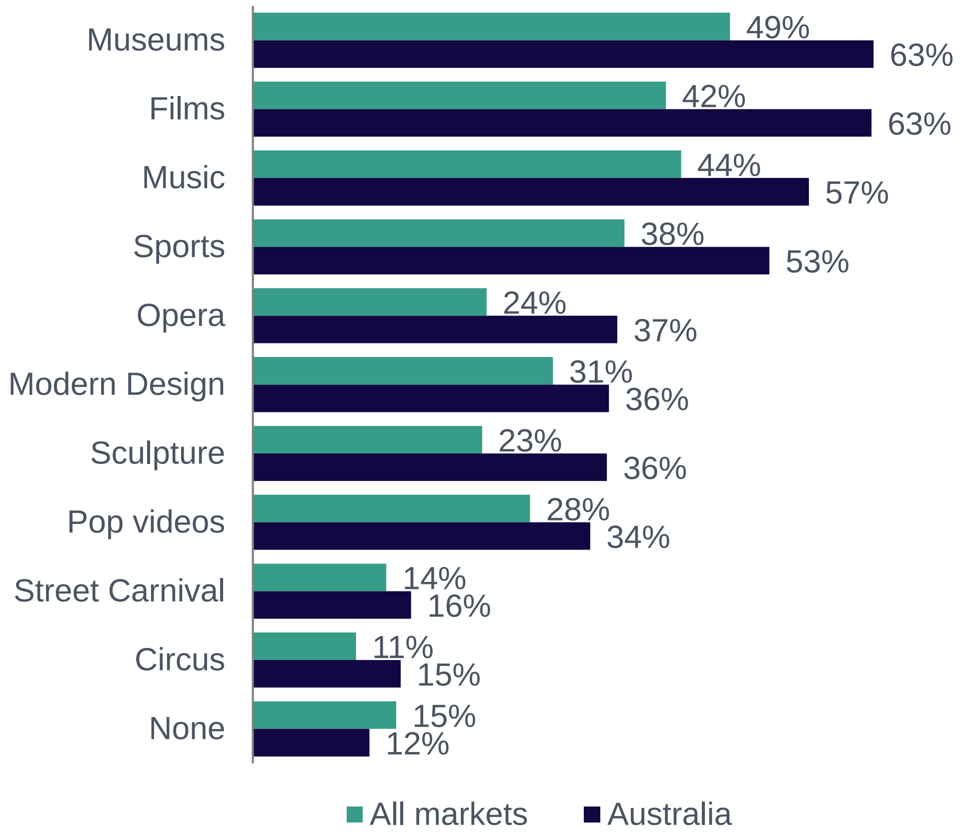
Measure	Australian respondents	All respondents
Overall Nation Brand	**4**	**2**
Culture (overall)	**2**	**3**
The country has a rich cultural heritage	6	6
The country is an interesting and exciting place for contemporary culture such as music, films, art and literature	2	4
The country excels at sports	3	3
People (overall)	**4**	**4**
If I visited the country, the people would make me feel welcome	4	11
Tourism (overall)	**3**	**4**
Would like to visit the country if money was no object	4	5
The country is rich in natural beauty	16	23
The country is rich in historic buildings and monuments	4	5
The country has a vibrant city life and urban attractions	2	4

Source: Anholt Nation Brands Index, powered by Ipsos 2020

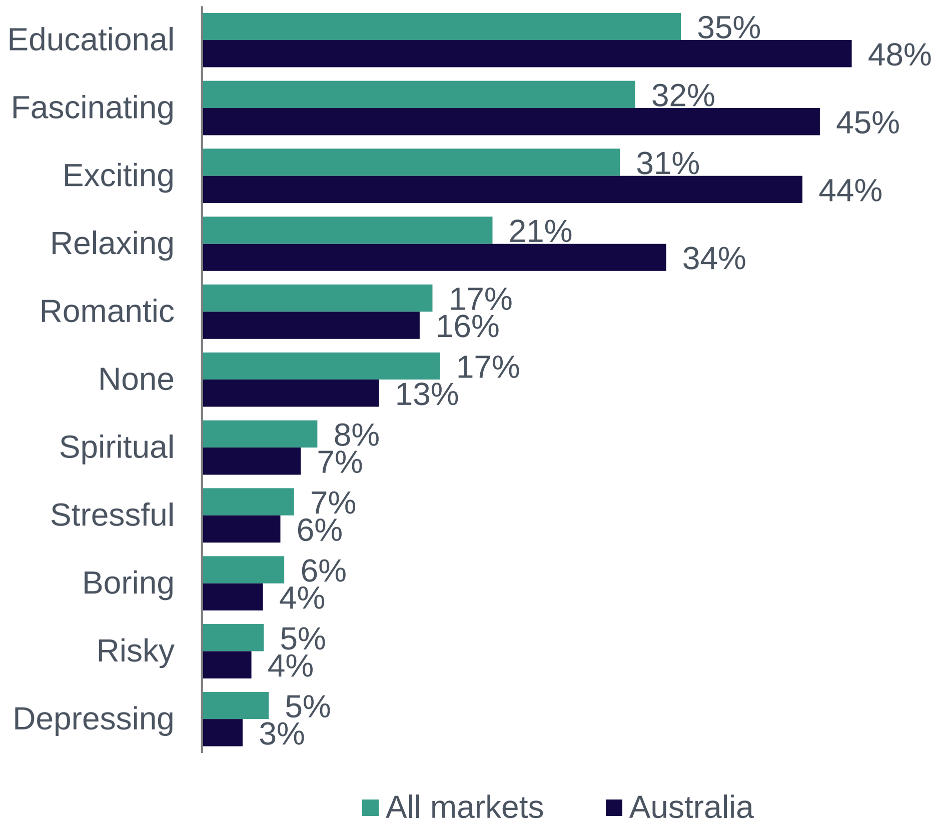
VisitBritain VisitEngland

2.3 Perceptions of the UK (3)

Cultural associations



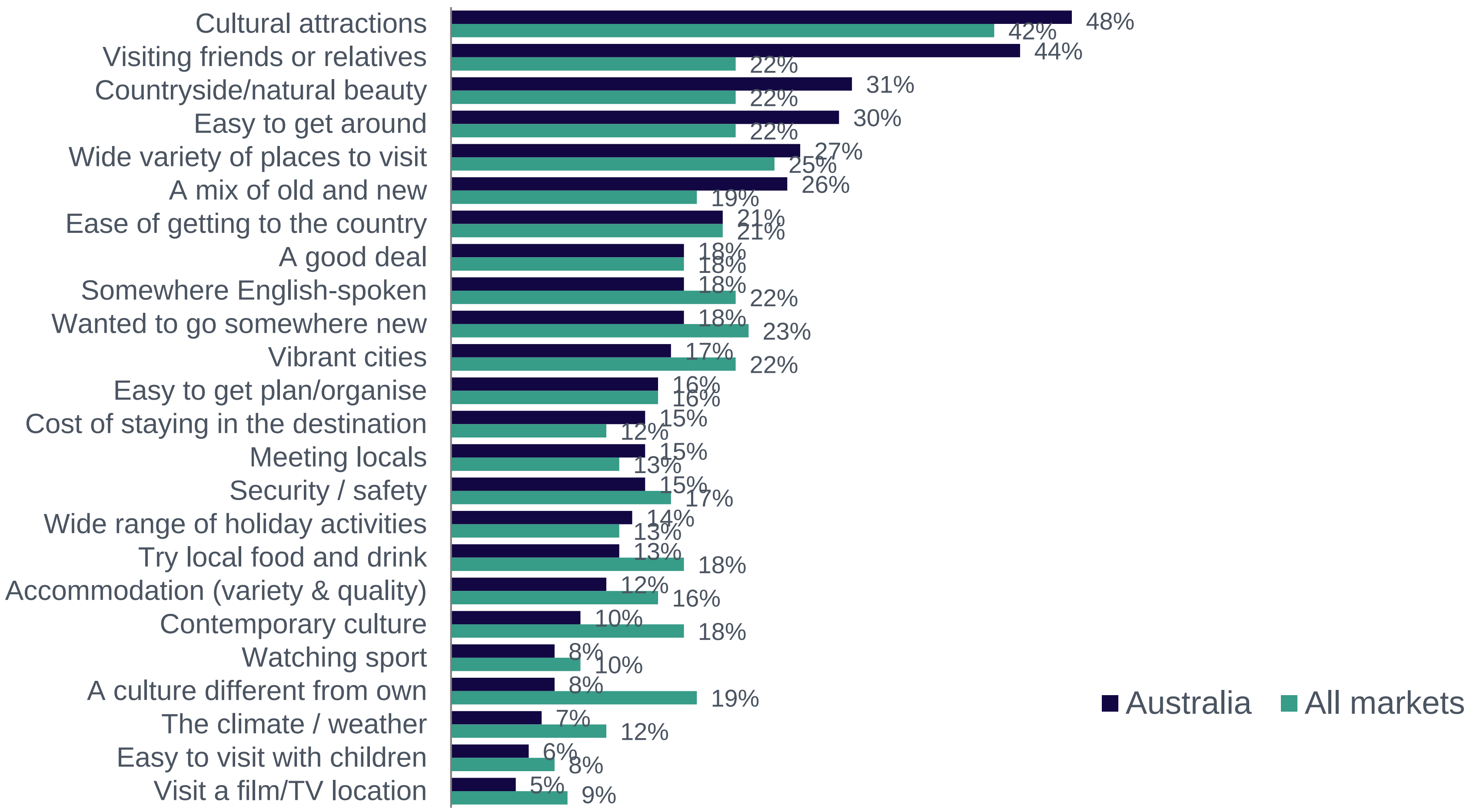
Adjectives describing a potential trip to the UK



Source: Anholt Nation Brands Index, powered by Ipsos 2020

2.3 Perceptions of the UK (4)

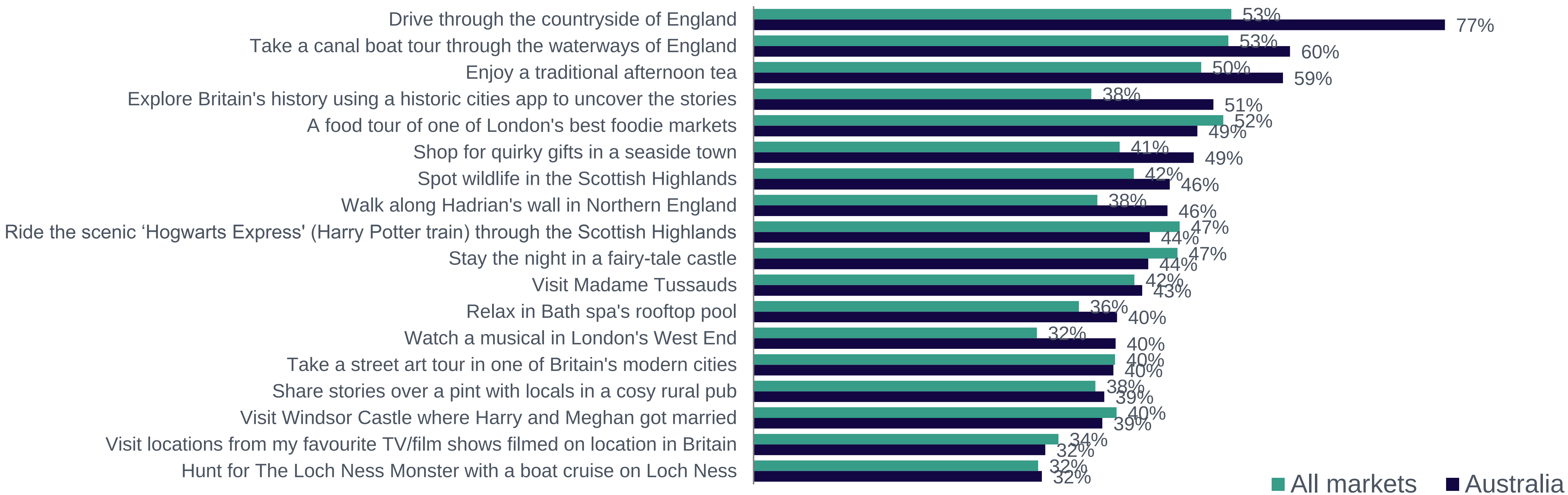
Motivations for choosing Britain as a holiday destination



Source: VisitBritain/IPSOS 2016, adjusted data, base: visitors (Market scores have been adjusted so that the sum of all motivations for each market is equivalent to the global total, to enable meaningful comparisons)

2.3 Perceptions of the UK (5)

Sought-after Britain activities – top 18

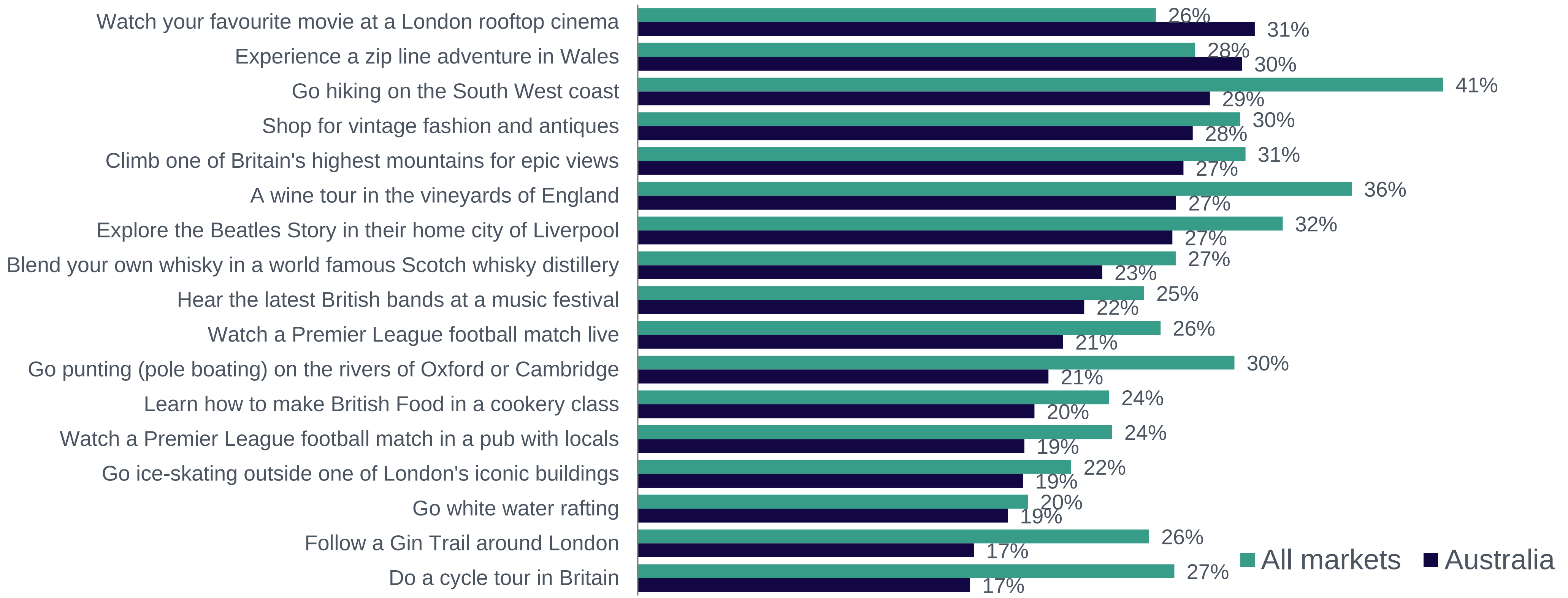


The most sought after activities for a future trip to Britain for Australian consumers are 'driving through the countryside of England' 'taking a canal boat tour through the waterways of England' and 'enjoying a traditional afternoon tea'. Australians also over-index on interest in these activities vs. the all market average.

Source: Anholt Nation Brands Index, powered by Ipsos 2018; Rankings based on market-level scores that have been adjusted so that the sum of all activities for each market is equivalent to the all-market total, to enable meaningful comparisons, including across markets

2.3 Perceptions of the UK (6)

Sought-after Britain activities – bottom 17



Australia consumers are highly likely to under-index on interest in ‘going hiking on the South West coast’, ‘a wine tour in the vineyards of England’, ‘exploring the Beatles story in their home city of Liverpool’, ‘going punting on the rivers of Oxford or Cambridge’, ‘following a gin trail around London’, and ‘doing a cycle tour in Britain’.

Source: Anholt Nation Brands Index, powered by Ipsos 2018; Rankings based on market-level scores that have been adjusted so that the sum of all activities for each market is equivalent to the all-market total, to enable meaningful comparisons, including across markets

VisitBritain VisitEngland

Understanding the market

Chapter 3

3.1 Structural drivers

- Australian is the 6th largest country in the world by land area (Australian Government). It is divided into 6 states (New South Wales, Queensland, South Australia, Tasmania, Victoria, and Western Australia) and 2 territories (Australian Capital Territory – ACT, and Northern Territory).
- Its population (26m in 2021) is primarily located on the periphery of the country, and is concentrated in its cities. Australia's major urban areas are: Sydney, Melbourne, Brisbane, Perth, Adelaide, Canberra.
- Demographically, Australia has strong links with Britain, with 54% of the population identifying as having Anglo-Celtic heritage. Australia is a founding member of the modern Commonwealth, and in June 2021, a free trade deal between Australia and the UK was agreed.
- Following a slowdown in growth after 2017, the Australian economy was further negatively impacted by the coronavirus pandemic in 2020. However, in the first half of 2021, recovery was relatively strong (please see more details overleaf).

86%

of the Australian population live in urban areas

Source: Oxford Economics, CIA World Factbook, Statista, Australian Department of Home Affairs, Australian Bureau of Statistics, World Bank

3.1 Structural drivers: economic and demographic indicators

- Australia has a highly developed mixed economy, and was ranked the world's 13th largest economy by GDP in 2020.
- As a significant exporter of natural resources, energy and food, Australia benefited from a surge in trade for nearly two decades up until 2017.
- However, it entered 2018 facing challenges linked to the end of the booming mining sector, and a sharp fall in global prices of key export commodities.
- The COVID-19 outbreak in 2020 constituted another challenge, with GDP shrinking by 2.4% in 2020. However, domestic demand contributed to growth in late 2020, and the economy entered 2021 on a 'solid footing'.
- In fact, in early 2021, Australian house prices were rising at the fastest pace seen in 32 years, as the Sydney and Melbourne property markets achieved a full recovery from a short lived COVID downturn.
- Australia has experienced lower infection and death rates compared to many comparable OECD countries, but a disrupted vaccine roll out constitutes a risk for consumer confidence and tourism recovery.
- As of 2019, Australia was the country with the second highest mean and median wealth per adult (after Switzerland). Capgemini's World Wealth Report shows that in 2019, Australia ranked 11th globally for its HNWI volume*, with 284,000 HNWIs, up by 7% on 2018.

Key economic and demographic indicators

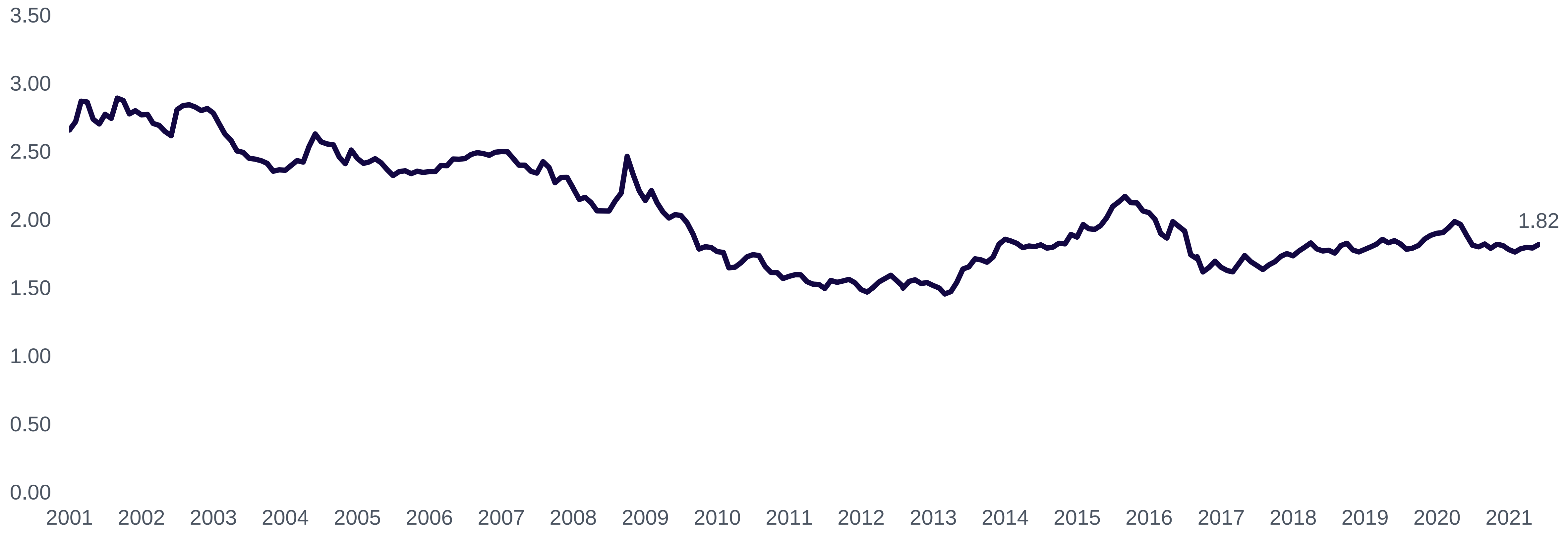
Measure (2021 data)	Australia
Total population (m)	25.8
GDP per capita PPP (US$)	48,150
Annual average GDP growth over past decade (%)	2.2
Annual GDP growth in 2021 (%)	3.5

Economic indicators (% growth)	2019	2020	2021	2022
Real GDP	1.9	-2.4	5.2	3.3
Consumer spending	1.2	-5.8	6.5	3.2
Unemployment rate (%)	5.2	6.5	5.3	4.8

Source: Oxford Economics, CIA World Factbook, Capgemni World Wealth Report 2020, ABS, Credit Suisse, Bloomberg, McKinsey, Australian Gov.
** HNWI stands for High Net Worth Individual, definition in appendix

3.1 Structural drivers: exchange rate trends

Exchange rate trends (cost of GBP in AUD)



Please find the most up-to-date exchange rate trend based on monthly averages on our website.

Source: Bank of England

3.2 Consumer trends

- Australians are among the most well-travelled people in the world, with 57% of the population holding a passport, and the Australian Passport Office issuing over 7,000 every business day in 2019.
- The Australian passport is one of the most powerful globally; ranking 8th in the 2021 Arton Passport Ranking. Australia was one of the first countries in the world to introduce e-Passports, incorporating biometric passport technology.
- For over a decade, there has been a growing tendency of Australians to holiday overseas rather than domestically. Contributors to this trend include rising incomes, increased air capacity and competitive air fares.
- Australians are highly motivated to travel, and have been described as ‘dreamers’, with 64% of Australians browsing and booking holidays during work hours (an average of 57 minutes per week).
- Australians tend to stay longer abroad than visitors from most markets. Among the main things they want from their holidays are to maximise their experience of the destination, enjoy the landscape, and have the possibility to meet the locals and undertake authentic activities. For that reason, multi-destination trips are quite frequent.
- Due to the coronavirus, Australian borders have been closed since March 2020, and commentators anticipate that residents may not be able to travel outbound once again before the end of 2021. Despite this, travel sentiment remains relatively high, and trips to visit friends and relatives may partly spur the desire to travel again as soon as it becomes possible.

13.7m

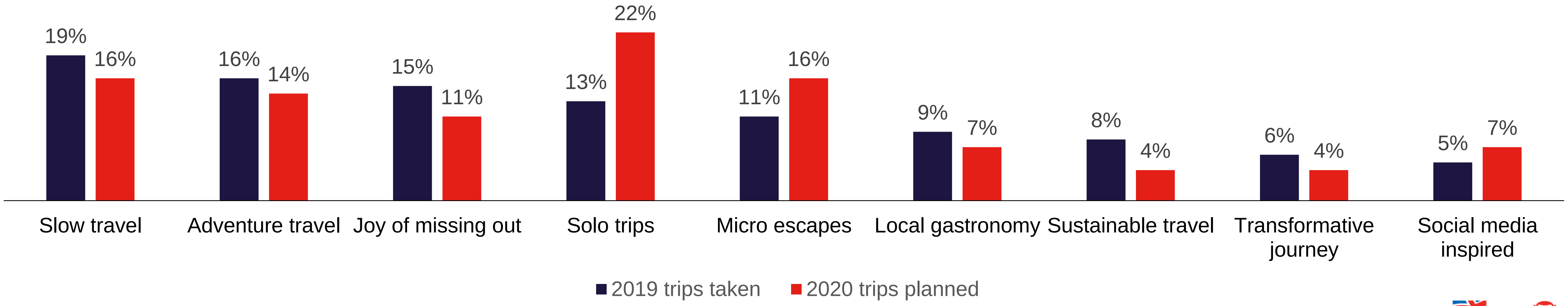
Australians take at least one annual holiday (pre COVID-19)

Sources: Australian Passport Office, Finder, Roy Morgan

3.2 Consumer trends: travel trends pre COVID-19

- In late 2019, Skyscanner revealed travel trends that were predicted to become popular in 2020. Although travel plans were disrupted by the coronavirus in early 2020, these trends may provide clues for Australian travellers' behaviour post COVID.
- There was a shift in preference for Australian travellers to favour longer trips and taking it easy in 2020, with Slow Travel set to be the most popular type of trip at 19%.
- The need to leisurely take time to explore destinations also placed Micro Escapes (short, quick getaways nearby) in the fifth spot (28% growth).
- Australian travellers' thirst for adrenaline continued to grow with a 17% increase in adventure-based trips planned in 2020, jumping up two spots from 2019. Australia was also the market with the highest share of adventure-based trips compared to other markets in APAC.
- Also up two spots was JOMO (joy of missing out), with 15% of Australian travellers motivated to go to destinations with significantly fewer tourists.
- Travellers also indicated that they would like to travel more sustainably in 2020, with a 103% increase in the number of eco-friendly trips planned in 2020.

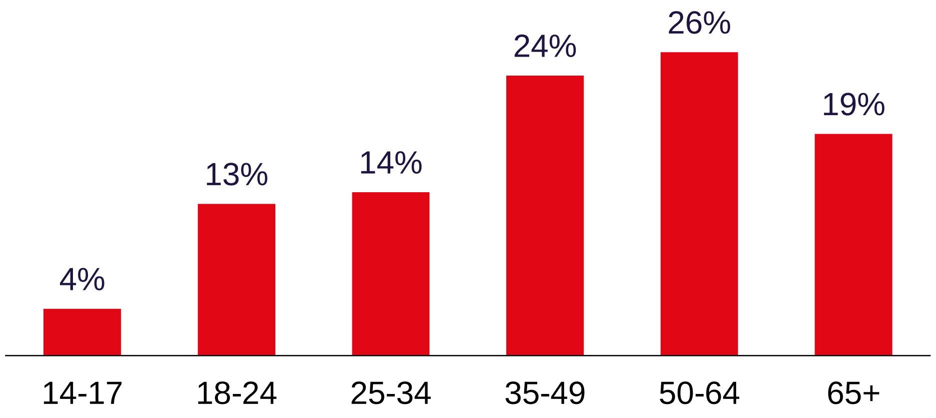
Australian trip trends in 2019 vs. 2020



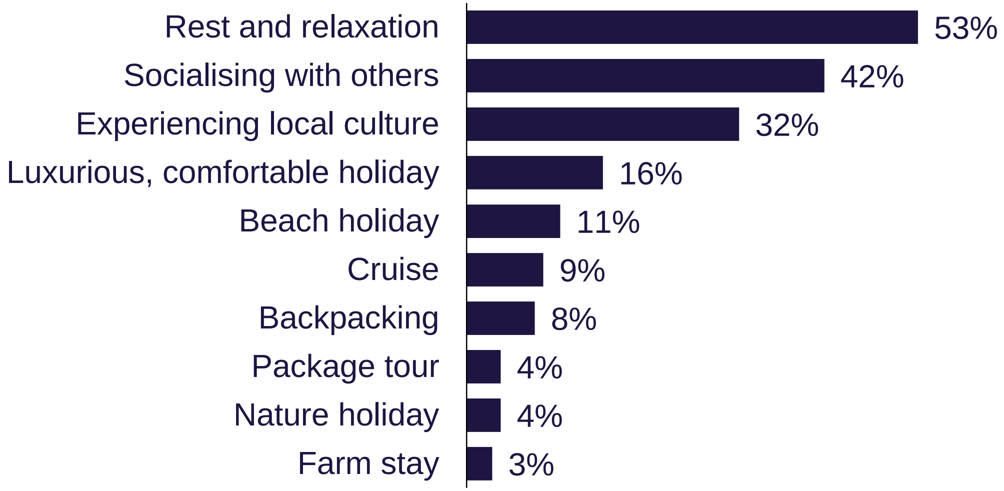
Source: Skyscanner Australia Travel Trends 2020

3.2 Consumer trends: visiting friends and relatives

Age of VFR travelers to the UK in the last 12 months



Holiday experiences on a VFR trip



- In 2019, 45% of Australian visitors to the UK came to visit friends and relatives, and this trip purpose has been the most prominent from the market since 2015.
- In early 2020, Roy Morgan conducted research to understand more about the profile, motivations and triggers of VFR travellers in Australia.
- Demographically, these travellers tend to be in mid life (over half aged 35-64), are likely to live in Sydney and Melbourne, with a high average income and are 'big spenders' in their daily lives.
- VFR travellers are savvy and socially aware – likely to identify as early adopters, value autonomy and creativity, and be open to new opportunities.
- When it comes to trip behaviour, over two thirds visited another country in Europe during their last VFR trip to the UK, with France coming out top. In addition to seeing friends and relatives, these travellers visited historical places, museums, cities and gardens during their trip, and like to eat out at restaurants.
- Unsurprisingly, VFR travellers also have a greater propensity to return to the UK compared to the general population.

Source: Roy Morgan 2020, Australian Bureau of Statistics

3.2 Consumer trends: impact of COVID-19 (1)

The second wave of VisitBritain's International Recovery Sentiment tracker (fieldwork 2nd March – 5th April 2021) provides insights into the mindset of Australia travellers during the pandemic period.

Travel Intentions

- Travel sentiment from Australia remained unchanged in Wave 2 of the tracker, with 62% of Australian respondents 'definitely' or 'probably' considering taking an international leisure trip in the next 12 months (vs. an all-market average of 73%). As borders are currently closed, this is an indication of intention in the 'dreaming' phrase, rather than commitment to travel.
- Positive sentiment was seen more among those aged 18-35 years (79%) and tended to decrease in the older age brackets.
- Australia was among the markets with the highest proportion of travellers intending to visit friends and relatives on their next trip – 47% compared to the all-market average of 34%.
- Of those intending to take a trip, only 5% have already booked, and 31% have decided which destination they will go to, leaving the majority of travellers still open when it comes to their travel choice. Wave 2 saw slightly a slightly higher proportion in the later planning stages, but the proportion who had already booked actually decreased.
- The top driver to book a trip was the availability of a vaccine (52%), followed by a money back guarantee upon cancellation (38%) and a significant decrease in cases at the destination (34%).
- At the time of fieldwork, Australians travel sentiment was likely to cluster in early 2022 (due to government travel restrictions). 50% of Australians said that they would travel internationally as soon as they can after being vaccinated.

Key activators for an international leisure trip

	Australia	All markets
Receiving a COVID-19 vaccination	52%	43%
Money-back guarantee should I wish to cancel my trip	38%	34%
A significant decrease in coronavirus cases at destination	34%	34%
Removal of quarantine policies in destination country	34%	32%
Your Government's advice on international travel	33%	21%

Source: TCI/ VisitBritain/ VisitScotland/ Visit Wales/ London&Partners. Note: Sentiment data is from a tracking study, and results may change in subsequent waves

3.2 Consumer trends: impact of COVID-19 (2)

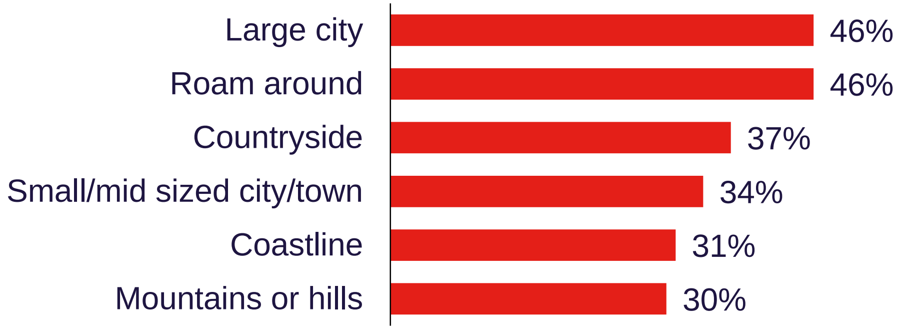
Destination planning

- Asia was the most popular region for Australian travellers' next international leisure trip (40%), followed by Oceania (31%). 29% of travellers were considering Europe. These preferences remained stable vs. Wave 1.
- Within Europe, Britain was the most popular market, followed by France, Italy, and Germany. For Australians considering Britain, England is the most popular nation (65%), and London is the most popular destination (41%), followed by the South East (35%).
- At the time of fieldwork, Australians perceived Scotland to the safest nation within Britain when it comes to coronavirus, followed by Wales, and then England. 36% perceived England to be 'safe', and 54% perceived it as 'unsafe', an improvement vs. Wave 1.
- The most popular booking channel for Australians' next international trip was 'direct with transport provider' (38%) and 'direct with accommodation provider' (37%).

Travel Preferences

- Travel with spouse/partner was the most popular form of travel (67%), and 26% plan to travel with children under 18.
- 63% of Australians planned to stay in a hotel chain on their next international trip. Other options gained some popularity vs. Wave 1, with 45% considering a bed and breakfast, and 42% a boutique hotel.
- Australians were equally likely to consider visiting a large city on their next trip, or 'roam around, visiting many types of places'.
- When it comes to activities during an international trip, Australians were most enthusiastic about exploring history and heritage, visiting famous/iconic tourist attractions, and outdoor nature activities.

Destination types for an international leisure trip



Source: TCI/ VisitBritain/ VisitScotland/ Visit Wales/ London&Partners. Note: Sentiment data is from a tracking study, and results may change in subsequent waves

3.3 Booking and planning

- Australian visitors have very long lead-in times compared to most other inbound markets.
- 7 out of 10 Australian visitors starting to think of their holidays 6 months or more prior to their trip, and about 6-in-10 decided on Britain as their destination in the same time frame.
- Over a third had even booked their trip 6 months or more in advance, and another third had booked it between 3 and 6 months ahead of travelling.
- Australians are significantly more likely to book travel to the UK through a travel agent, tour operator or comparison site than the all market average.

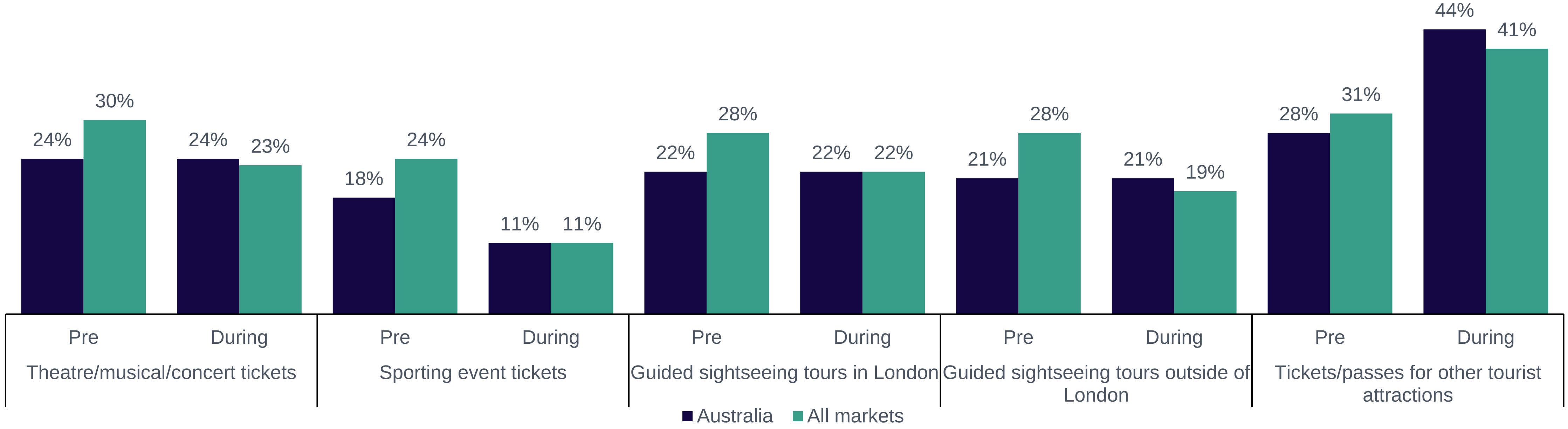
Over half

of Australian visitors had decided for Britain as their holiday destination 6 months or more before their trip

Source: VisitBritain/IPSOS 2016

3.3 Booking and planning: booking channels and ticket sales

Propensity to make a purchase before or during trip



- Overall, Australian visitors tend to have purchased fewer activities to undertake in the UK than the global average, which is likely linked to longer stays – they don‘t feel the need to pre-book all activities before travelling.
- Despite 72% of Australian visitors liking to plan carefully their holidays before they leave, they would only be more likely to have purchased sporting event tickets before their trip rather than during their visit to Britain.
- Tickets or passes for miscellaneous tourist attractions are the one thing they are most likely to have purchased across all categories.

Source: VisitBritain/IPSOS 2016, base: visitors (online survey)

3.3 Booking and planning: lead-times (1)

Decision lead-time for visiting Britain

Starting to think about trip

Lead time	Australia	All markets
6+ months	70%	49%
3-6 months	20%	31%
1-2 months	5%	13%
Less than 1 month	3%	5%
Don't know	2%	3%

Deciding on the destination

Lead time	Australia	All markets
6+ months	59%	32%
3-6 months	27%	38%
1-2 months	8%	19%
Less than 1 month	3%	7%
Don't know	3%	3%

Looking at options/prices

Lead time	Australia	All markets
6+ months	50%	21%
3-6 months	30%	37%
1-2 months	13%	27%
Less than 1 month	5%	12%
Don't know	3%	4%

Booking the trip

Lead time	Australia	All markets
6+ months	38%	14%
3-6 months	33%	32%
1-2 months	15%	28%
Less than 1 month	10%	21%
Don't know	3%	5%

Source: VisitBritain/IPSOS 2016, base: visitors

3.3 Booking and planning: lead-times (2)

Decision lead-time for visiting Britain: commentary (see tables on previous slide)

- Australian visitors have longer lead-times than the global average for all stages of the planning and booking of their visit to the UK.
- Seven out of ten Australian visitors start to think about their trip to Britain early, 6 months or more beforehand, compared to about one-in-two on average globally.
- Australians made their decision to visit Britain even further ahead of the global average with 59% doing so in the same time frame, 6 months prior to their trip, compared to 32% for the global average. A further 27% of Australian visitors did so between 3 and 6 months before their departure.
- Half of Australians had looked for options and prices as early as more than six months prior to the trip, and an additional 30% did so between three and six months before. This compares with only 58% of all visitors doing so three months or more before departure.
- Finally, a quarter of the bookings to Britain were made by Australian visitors less than two months before their trip, against about half of previous visitors on average across all markets.
- When booking transport to Britain and accommodation for their stay there, they are more likely to do so directly with the service provider (55% and 60% of Australian visitors respectively) rather than through an intermediary.

Source: VisitBritain/IPSOS 2016, base: visitors

3.4 Reaching the consumer

- Australia's media scene is creatively, technologically and economically advanced. There is a tradition of public broadcasting, but privately owned TV and radio have the biggest audience.
- The ownership of print and broadcast media is highly concentrated, with leading conglomerates including News Corp Australia, Seven West Media and Fairfax Media-Nine Entertainment group.
- Newspapers and magazines are still highly relevant media in Australia, and newspaper content was heavy relied upon during the COVID-19 lockdown in 2020, whether accessed in print or online.
- However, broadcast TV is still seen as the most trusted source for news. Ads on television are the number one source of new brand discovery, and Australia has among the highest concentration of video streaming services in the world.
- Australia has an internet penetration rate of 89%, and social media penetration rate of 80%. Laptop and desktop devices hold the largest share of web traffic compared to smartphones and tablets. Use of voice search has been growing steadily in recent years.

88%

of Australians aged 14+ consume newspaper content each month

Source: BBC Media profiles, Roy Morgan, Hootsuite Digital 2021, We Are Social Digital Report 2021

3.4 Reaching the consumer: print media landscape

- Newspapers and magazines are still highly relevant media in Australia.
- Australian newspaper circulation has been found to be among the most concentrated in the democratic world (see media interests snapshot on slide 66). News Corp owns a paper in every state and territory, including national broadsheet The Australian.
- An estimated 88% of Australians aged 14+ read or access newspapers or newspaper content each month either via print editions, websites, apps or news platforms, and 74% read a magazine or access magazine content. Roy Morgan states that "Australians have turned to news providers in unprecedented numbers during the coronavirus pandemic, with the leading News Corp mastheads and national broadsheet The Australian read by over 4.3 million in an average four weeks".
- In early 2020, the magazine industry faced a crisis, with 7 titles dropping out of circulation in less than a week. Multiple ownership changes, accelerated decline in advertising revenue due to COVID-19, and the reduction in supply due to the subsequent closure of titles has reshaped the Australian magazine industry. A large majority of Australia's leading magazines continue to have a significantly larger readership via their print editions with publishers struggling to find a sustainable way to adapt and monetise digital channels.

Newspapers

Top ranked by cross-platform audience (2020)
Sydney Morning Herald (daily & weekend editions)
The Age (daily & weekend editions)
Daily Telegraph (+ Sunday Telegraph)
The Australian (daily & weekend editions)
Herald Sun (+ Sunday Herald Sun)
Australian Financial Review
Courier-Mail (+ Sunday Mail)
Sunday Times
Adelaide Advertiser (+ Sunday Mail)
West Australian

Magazines

Top ranked by cross-platform audience (2020)
Woman's Day
Australian Women's Weekly
Taste.com.au Magazine
Take 5 (weekly)
TV Week
Take 5 Bumper Monthly
New Idea
Better Homes & Gardens
National Geographic
Who

Source: Roy Morgan, MirageNews, The Guardian

3.4 Reaching the consumer: broadcast media landscape

TV

- The amount of broadcast media Australians watch continues to fall across the board, in particular among 18-24 year olds. However, TV emerged as the favoured news source during the COVID-19 lockdown in 2020, and TV is still regarded as the most trusted source of news. Australians watched TV for roughly 70 hours per month in 2020.
- Australia's appetite for subscription video on demand services continues to grow with a penetration rate of 70% in Australia, among the highest in the world. Almost 50% of the population subscribing to at least two SVOD services. Netflix is by far the most popular service, followed by Stan, Amazon Prime and Disney+. In 2021, a streaming service will be offered by Paramount+.
- Australian homes are experiencing a screen explosion, with the average home having 6.7 devices.
- On average, sports fans spend nearly 6 hours watching sport per week via subscription, telco channels or pay TV networks, with sport the number one reason many Australians continue with their pay TV subscriptions.

Radio

- Radio broadcasters are using multiple platforms to engage their audiences, including broadcast radio, as well as radio streams via podcasts, smart speakers, apps and websites.
- In 2020, 82% of Australians listened to audio content via at least one of these means. This is a significantly higher rate than seen in the US, Canada or Germany.
- Broadcast radio remains the leading in-car audio entertainment (83%), and podcast listening is growing steadily, with 17% having listened to one in the past week in 2020.

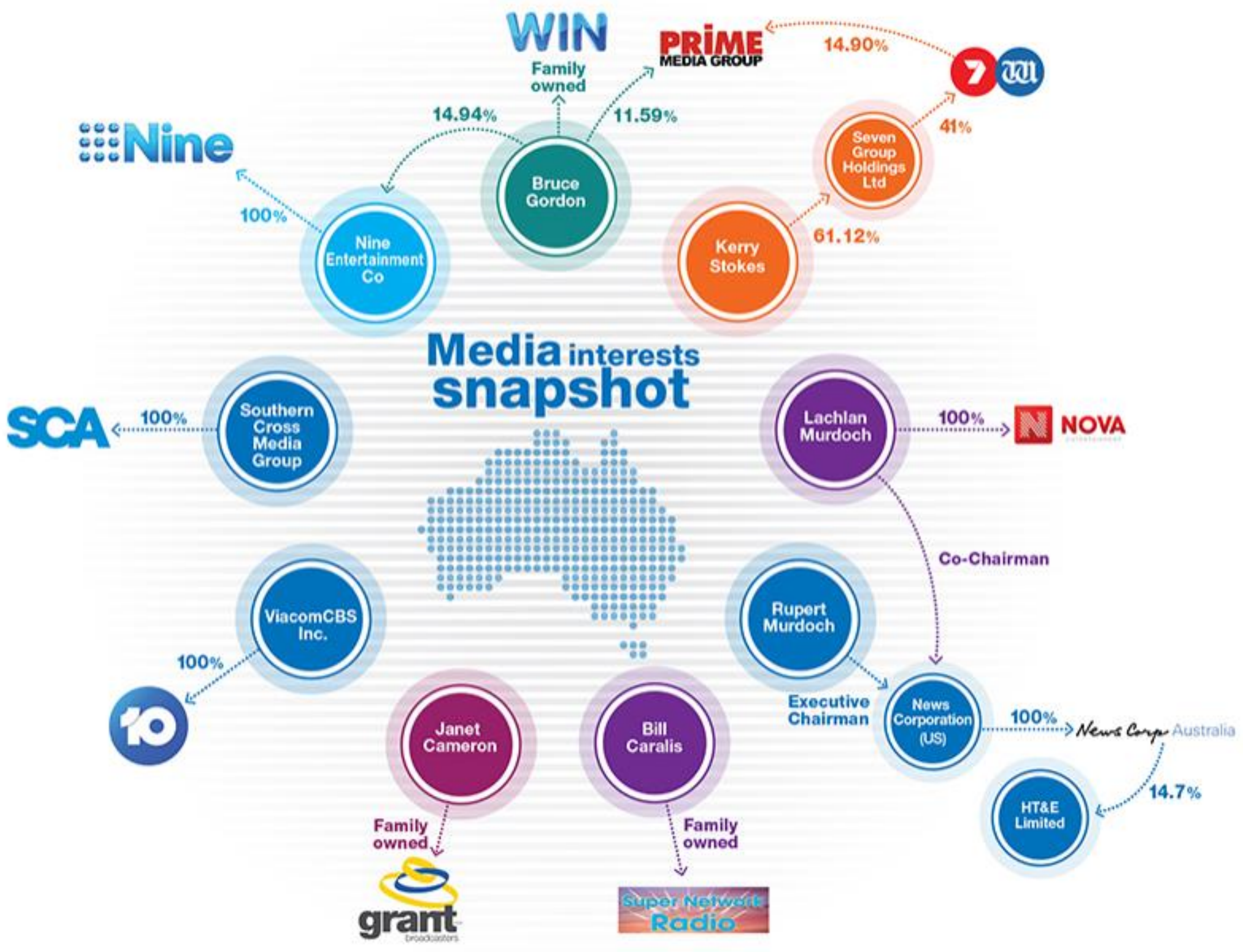
Major TV channel owning companies
ABC & SBS – national public TV stations
BBC - national
Viacom/CBS International Television: Channel 10 & associated digital channels - national
Nine Entertainment Co. - national
Seven West Media: Channel 7 & associated digital channels - national
Foxtel – national
Sports only channels: FoxSport is a joint venture with Newscorp, Tabcorp; Racing Victoria, beIN
PRIME Media Group - regional
Southern Cross Austereo – regional
WIN Corporation - regional

Key radio channels
Southern Cross Austereo: KIIS FM
Macquarie Media
ABC NewsRadio/ Radio National
SBS Radio
Triple J
Nova Entertainment
Australian Radio Network

Source: Roy Morgan, Statista, ThinkTV, Media.info, RadioAlive, Deloitte Consumer Media Survey 2020

3.4 Reaching the consumer: media interests snapshot

This infographic provides an overview of the main interests in Australian major commercial television, radio networks, and associated newspapers – showing strong consolidation of media ownership.



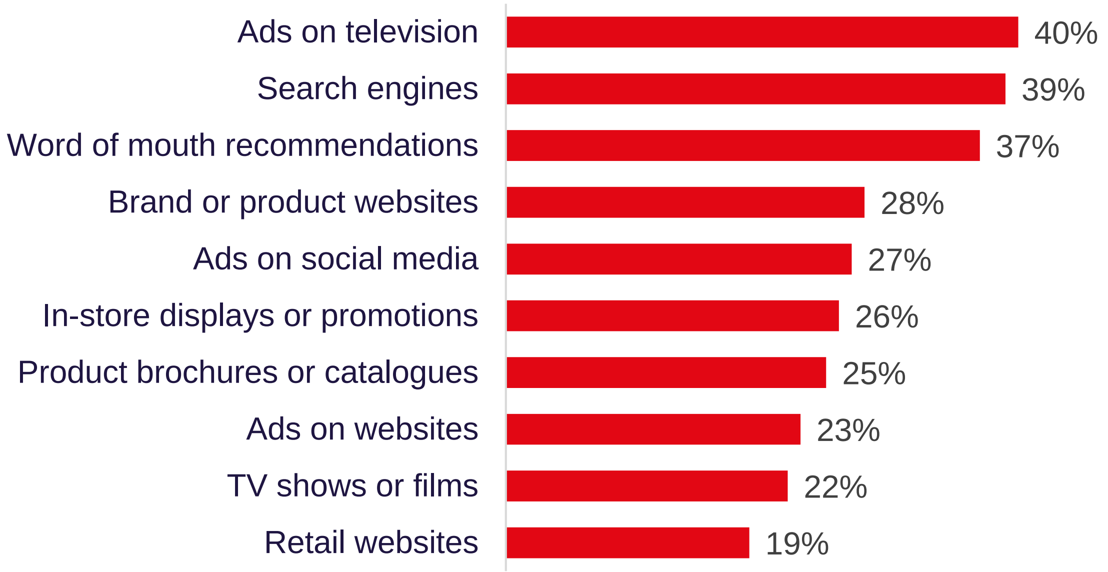
Source: ACMA 2020

3.4 Reaching the consumer: internet and social media

- Internet penetration is very high among Australians, at 89%. Australian internet users aged 16-64 use the internet for over 6 hours per day; almost double the time spent watching TV (either broadcast or streaming).
- Laptops and desktops still lead when it comes to web traffic by device, with a share of 49%, followed by mobile phones at 45%.
- Australians are most likely to spend their time online watching online videos and listening to music streaming services.
- Social media penetration was at 80% in early 2021; holding steady vs. the previous year. Internet users have 7 social media accounts on average.
- Due to the coronavirus pandemic, the worth of the travel, mobility and accommodation e-commerce category shrank by 46% in 2020 vs. 2019.
- Use of voice search has grown steadily, with over a third of people using it regularly in 2020. Audio-only is a growing trend within digital in social, as people look for ways to engage online without having to stare at their screen.

Most used social media platforms	Top websites by traffic
YouTube	Google
Facebook	YouTube
Facebook Messenger	Wikipedia
Instagram	Facebook
WhatsApp	Ebay
Twitter	Australian Government Bureau of Meteorology
Snapchat	*
LinkedIn	Google
Pinterest	ABC
Tiktok	Reddit

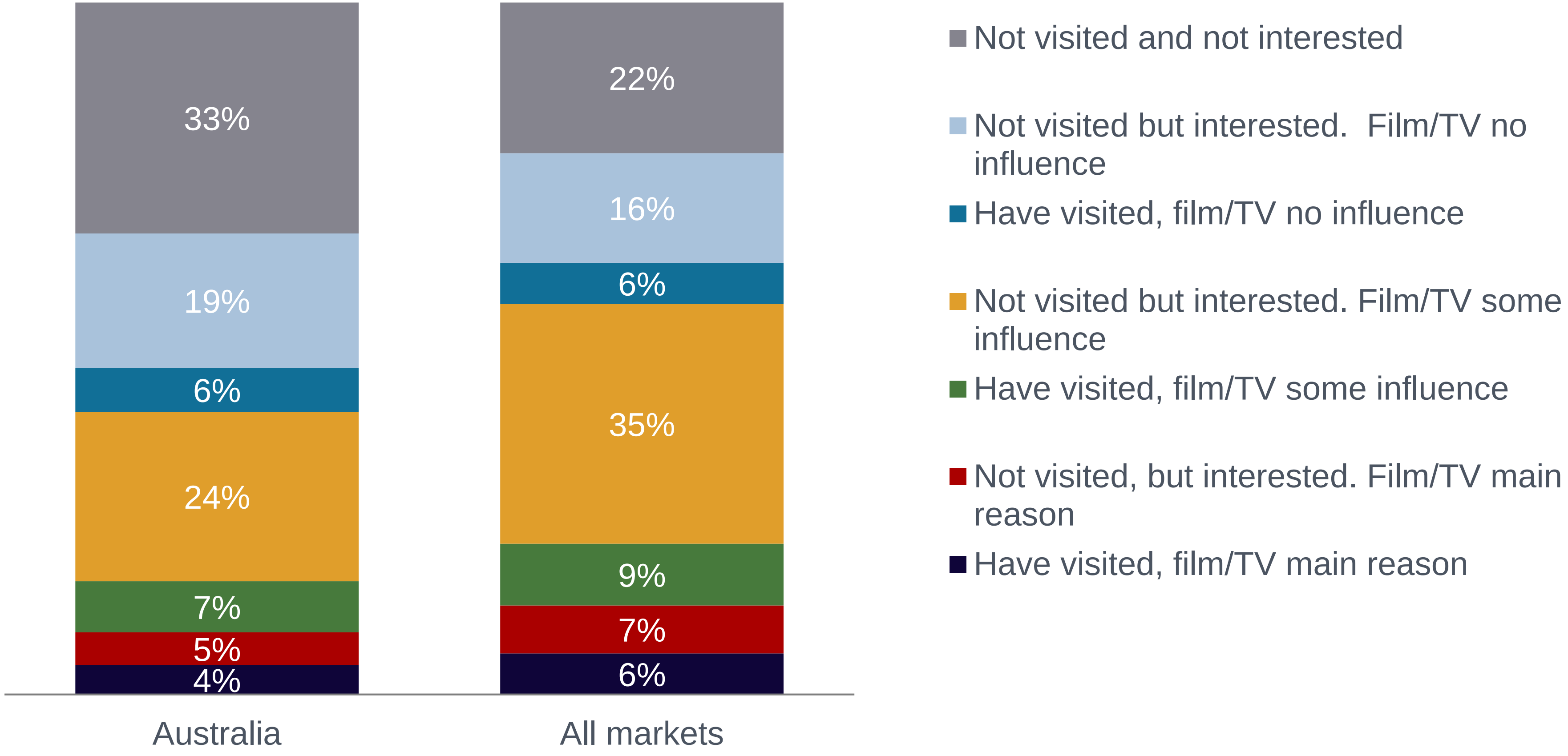
Sources of new brand discovery



Source: Hootsuite Digital 2021, We Are Social Digital Report 2021 *Not shown due to adult content

3.4 Reaching the consumer: influences

Likelihood to visit a place featured in a movie, TV series or book



Source: Anholt Nation Brands Index 2017: Have you ever visited a film or TV location whilst on a holiday/vacation abroad? If yes: To what extent was the film or TV location a reason for you choosing to take a trip to that destination? If no but would be interested: To what extent would a film or TV location be the reason for you choosing to take a trip to a specific destination?

Access and travel trade

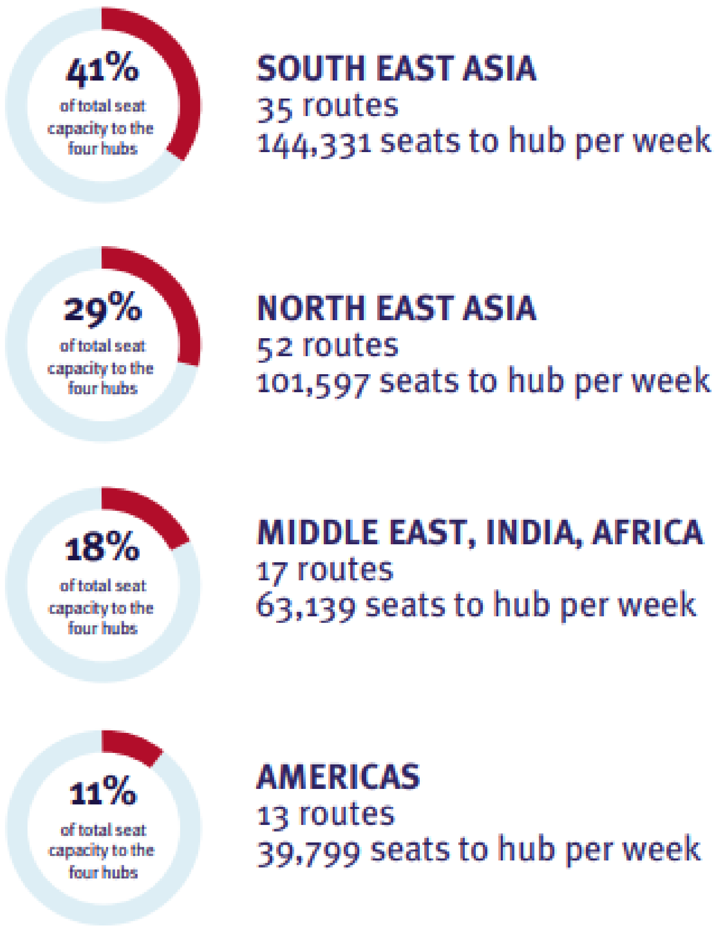
Chapter 4

Getty Images/ Gordon Edgar Images

4.1 Access: key facts

- Most Australian visitors came to the UK by plane, although just below one-in-ten arrive through the tunnel.
- Alongside travellers from other long haul markets, Australian visitors departing Britain by air pay £82 in Air Passenger Duty. Australians do not need a visa to visit Britain.
- Australian visitors have a wide range of options when it comes to travelling to the UK, via gateway hubs in Southeast Asia, Northeast Asia, the Middle East, India, Africa and the Americas.
- There is also a non-stopping flight from Australia to the UK; from Perth to London Heathrow, with a weekly seat capacity of 1,657 in 2019. This route was launched in 2018.
- The Australian government has implemented a comprehensive response to the COVID-19 pandemic, which includes strict border measures. With the exception of a travel bubble with New Zealand, residents cannot leave Australia without successfully applying for a travel exemption (at time of writing*).
- Due to these travel restrictions, seat capacity on direct flights from Australia to the UK declined by 74% in 2020 vs. 2019. Looking at connectivity more broadly, departing seats from Australia to gateway cities with routes to the UK reduced by 69% in the same period. Connectivity is likely to be restricted as 2021 continues, dependent on the progression of the vaccine program, and government policy.

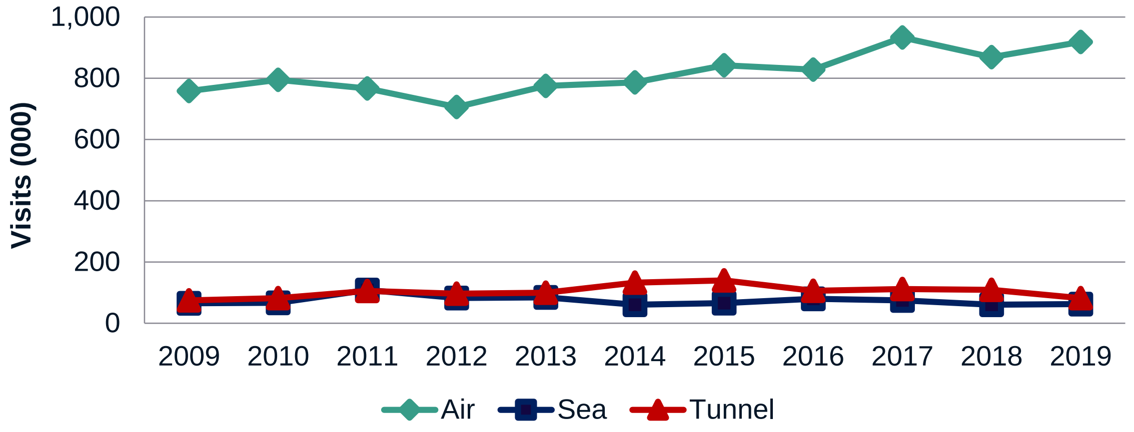
There are four main gateway hubs en-route from Australia to the UK (2019)



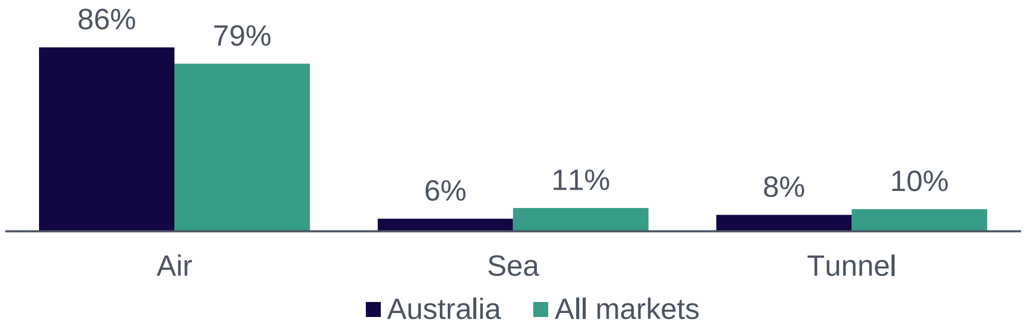
Source: International Passenger Survey by ONS, Apex RdC, Australian Department of Home Affairs. Note: direct flights keep the same flight code throughout a journey, regardless of stops (i.e. to refuel). Gateway hub stats are based on routes from Australia to gateway hubs from which it is possible to travel to the UK. They do not represent confirmed seat capacity from Australia to the UK. *August 2021

4.1 Access: mode of transport

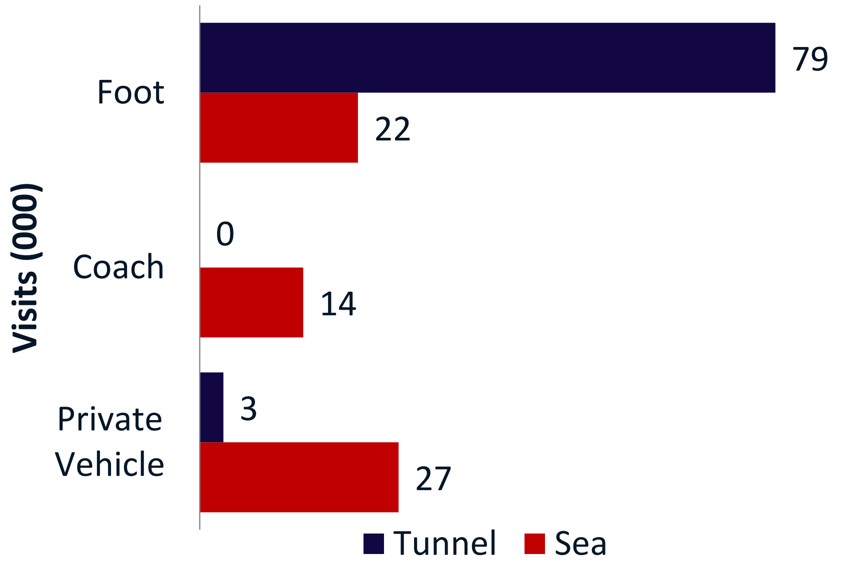
Visits by mode of transport



Annual share by mode (2019)



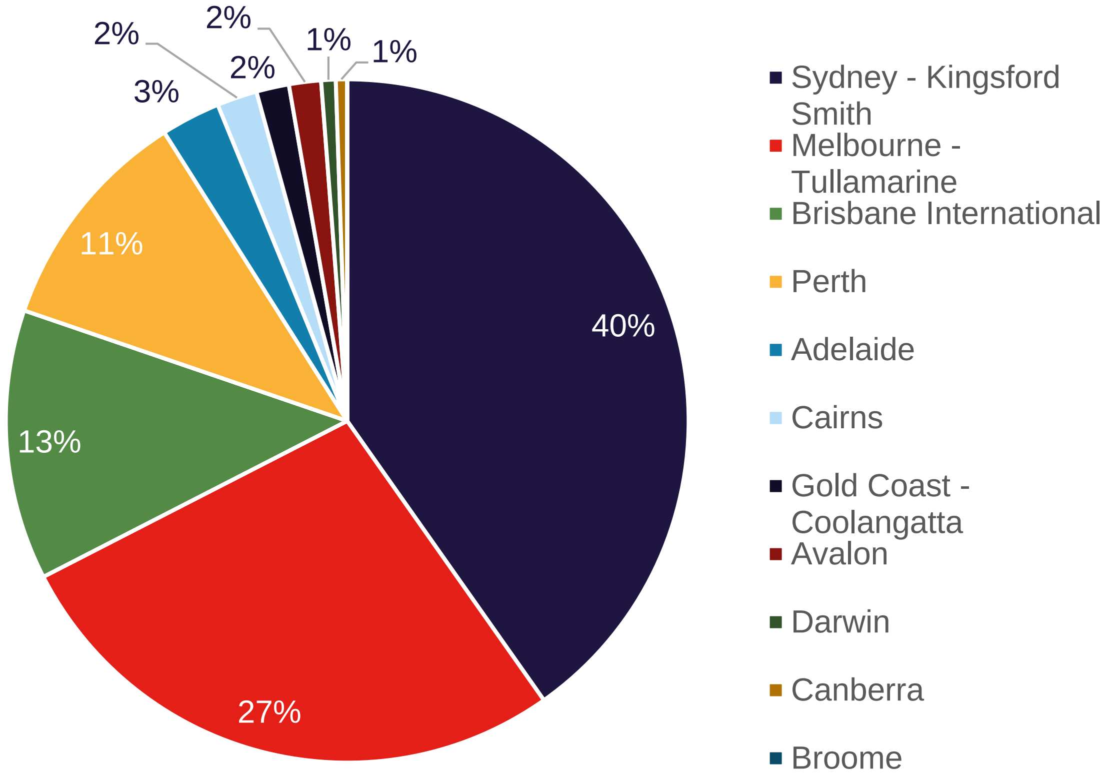
Sea and tunnel travel (000s) in 2019



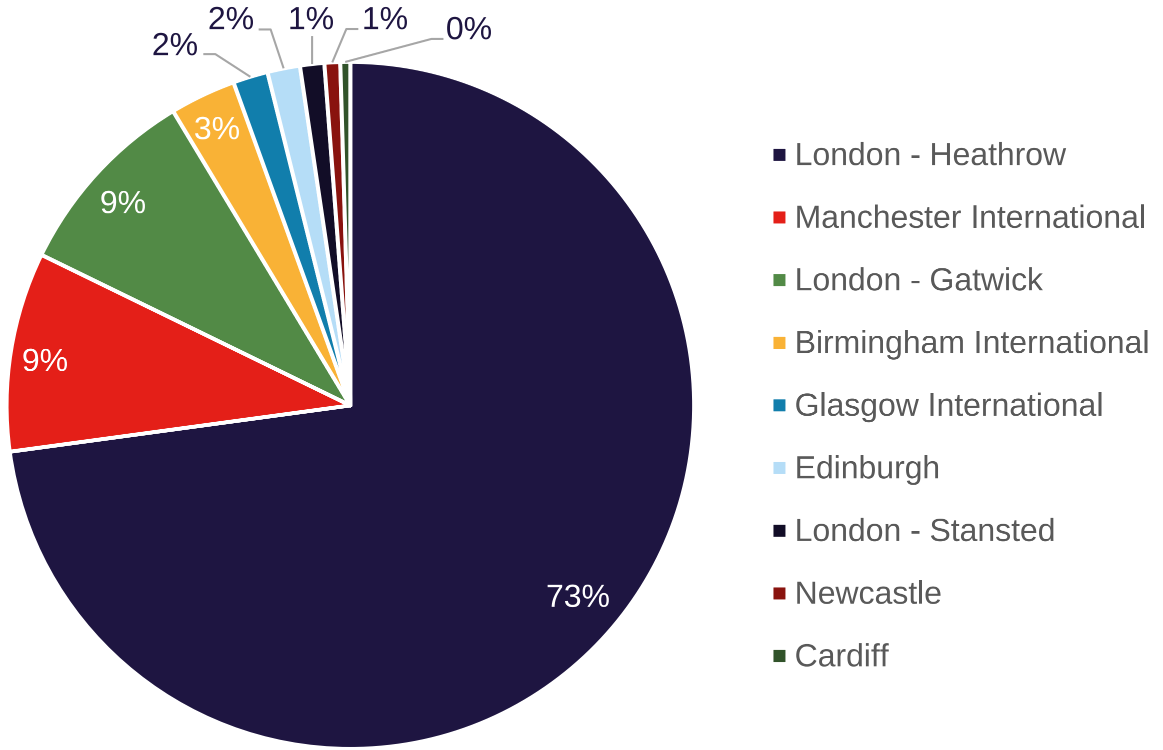
Source: International Passenger Survey by ONS

4.1 Access: capacity

Origin airport share of seat capacity (2019)



Destination airport share of seat capacity (2019)



Source: Apex 2019. Note: seat capacity shares are based on routes from Australia to gateway hubs from which it is possible to travel to the UK. They do not represent confirmed seat capacity from Australia to the UK.

4.2 Travel trade: general overview

- The Australian travel trade landscape is quite concentrated: Flight Centre Travel Group and Helloworld Travel Limited dominate the market. However, consortia of independent travel agencies have gained in importance in the last few years.
- With the growth of the internet, many traditional travel distributers such as wholesalers and travel agents are taking an online approach as well as their existing retail shop front. There has also been an increase in online travel agencies (OTAs) who operate solely in the online environment.
- Australians tend to book a long time in advance, mostly flexible packages, or semi-packaged holidays: travel agents have opportunities to sell them additional products during the period leading up to their trip.
- Most tour operators are based in Sydney and Melbourne; some others can also be found in Brisbane, Adelaide and Perth.

The Australian travel trade is mainly a concentrated landscape

4.2 Travel trade: structure

- The trade structure in Australia is made up of travel agents, wholesalers, tour operators and General Sales Agents (GSAs). The larger part of market share for Britain is independent (FIT) touring, with a mix and match approach. Different products are often bought separately and consumers are also inclined to purchase these through a variety of mediums with some elements from a travel agency, some Online Travel Agencies and some direct from the supplier.
- Commission levels for wholesalers, who generally will only sell to the agency community, tend to be a minimum of 15%; more likely 20 to 30%.
- Product contracting for the tour operators' brochures and sales periods will be conducted around May – August and the brochures will be designed and completed September – November.
- Whilst OTAs dominate domestic and short-haul travel purchases, vertically-integrated travel companies (with bricks and mortar retail agencies) continue to play an important role for the Australian consumer.
- Itineraries for holiday and leisure trips from Australia to the UK and Europe tend to be fairly complex in nature (across numerous countries, currencies and modes of transport) and the buying process associated with it tends to occur during a 3-12 month period. Wholesalers and retailers have good scope to effectively promote value-added products to potential travellers over this extended period of time in order to extend the regional value of their trip.
- There has been good growth in the size and influence of independent travel consortia. Brands of this type include Magellan Travel Group, TravelManagers, Virtuoso, Mobile Travel Agents, Travel Counsellors, Travel Directors, Travellers Choice and Travel Concepts.

4.2 Travel trade: main players

Vertically integrated main players

	Wholesaler brands	Retail brands
Flight Centre Travel Limited	- Infinity Holidays - Explore Holidays - GOGO Vacations	- Flight Centre - Universal Traveller (Student Flights) - Travel Associates
Helloworld Limited	Viva! Holidays - Rail Tickets - ReadyRooms - SevenOceans Cruising - Skiddoo	- Helloworld Retail - Mobile Travel Agents (MTA) - Magellan Travel - My Travel Group

Other key vertically-integrated travel companies
Travel Corporation, including: Contiki, Trafalgar Tours, Insight Vacations, Busabout, Haggis, Evan Evans, Uniworld
House of Travel Group, with brand TravelManagers in Australia

Independent retail and tour operators
STA Travel
Globus & Cosmos
Holidays on Location
Odyssey Travel
Virtuoso
Travel Counsellors
Spencer Travel
British Travel
Travel Concepts
Excite Holidays
Driveaway Holidays
Scenic
Australian Pacific Touring
Rail Plus
Andrew Jones Travel
Phil Hoffman Travel
Travel Directors
Travellers Choice

VisitBritain VisitEngland

4.2 Travel trade: practical information

General practical information:

- Commission levels for wholesalers, who generally will only sell to the agency community, tend to be a minimum of 15%; more likely 20 to 25%.
- Most tour wholesalers and tour operators tend to be based in Sydney and Melbourne; a few are located in Brisbane and Perth, mainly catering for the local market.

Planning and contracting cycle:

- Pre-COVID, product contracting for tour operator brochures and sales periods was conducted around April – August and brochures designed and distributed from September – November.
- The month of April onwards therefore is a critical time to meet with and present new commissionable product and destinations to wholesaler product managers.

Consumer and trade exhibitions:

- Flight Centre hold two main periods of travel expos, free for consumers to attend in all major cities:
  - World Travel & Cruise expos in Sept – Nov each year.
  - Travel Expos take place Feb – March each year.
- The Asia-Pacific Incentives and Meetings Expo (AIME) is the leading MICE event, held each February in Melbourne. The Travel Industry Exhibition and Conference is a trade-only event connecting travel buyers and suppliers, in July.

Where to find the trade

The vast majority of the tour companies are located in either Sydney or Melbourne, with a scattering of players in Brisbane, Adelaide and Perth:

Sydney	
Helloworld Limited	Driveaway Holidays
The Travel Corporation	Excite Holidays
Globus & Cosmos	Scenic
Odyssey Travel	Travel Managers

Melbourne	
Tempo Holidays	STA Travel
Rail Plus	Holidays on Location
Sportsnet Holidays	APT
Travel Counsellors	Magellan Travel Group
Outdoor Travel	Sportsnet Holidays
Helloworld Travel	

Brisbane	
Flight Centre Travel Group	Back Roads Touring
Access UK Holidays	Albatross Travel Group

Adelaide	
Venture Holidays	Phil Hoffman Travel

Perth	
British Travel	Travel Directors

4.2 Travel trade: doing business

Practical information

- **Time difference:** For the working day, Australians will generally be a day ahead and therefore timely response to queries is always appreciated. During Australian Summer Time (November to April) Sydney is 11 hours ahead of the UK, and reverts back to 9 hours ahead during May – October. There are a number of different time zones, even half an hour in some cases, with a three-hour difference between Sydney and Perth.
- **Climate:** The seasons are the reverse to those in Britain, with summer being from December – March and June – August being the coldest months.
- **Business hours:** from 08:30-09:00 until 17:00-17:30 Mon - Fri.
- **Transport:** Air travel prevails between the major cities, whilst travel by train, coach or car is suitable otherwise. Australians drive on the same side of the road as in the UK, and traffic regulations are similar. Taxis and ride-sharing brands exist in most urban centres.

Meetings & business etiquette

- Work practises and etiquettes are very similar to those in Britain, and the travel trade are generally very welcoming to overseas product.
- Business is generally conducted in a relaxed but formal manner. Business suits are the norm even in summer.
- It is necessary to make appointments in advance. The destination, product and sales staff often look after more than one destination, so plan training options months in advance. The main European selling season starts in mid-October with the launch of the brochures and earlybird packages, until the end of March.
- The product managers in particular know their clientele and know what sells for them and will be very honest about the suitability of your product. They are also very loyal to existing suppliers, and long term relationships are very important.
- Email is the standard method of business communication in Australia, but a face-to-face visit will help cement the relationship.
- The Australian market is all about relationships, and keeping those relationships strong. Once back in the UK, prompt replies and immediate follow up will keep the relationship strong, as will providing rates in a timely manner. Whilst regular visits are unlikely, a yearly visit (or every other year) is very much valued to give exposure throughout the various arms of each company.

4.2 Travel trade: Australian holidays

National public holidays

Variations may occur on a state by state basis

Date in 2021	National Holiday
1st January	New Year's Day
27th January	Australia Day
10th – 14th April	Easter
25th April	Anzac Day
8th June	Queens Birthday (in all states but WA & QLD)
5th October	Labour Day (NSW, ACT, SA)
25th December	Christmas Day
26th December	Boxing Day

- Australians get four weeks of paid annual leave.
- There are 8 main public holidays per year but each state or territory is likely to have additional local public holidays.
- Term dates for primary and secondary schools also vary between state or territory, but generally there are 4 semesters of 10 week periods during a school-year:
  - Term 1 – late January to early April
  - Term 2 – late April to early July
  - Term 3 – mid July to late September
  - Term 4 – mid October to mid December
- Summer school holidays run from December to late January, and the majority of Australians take off the Christmas and New Year, with many companies either closing until mid-January, or running on skeleton staff. It is unlikely that you will be able to make an appointment in that time.

Source: Officeholidays.com

4.3 Caring for the consumer (1)

Interaction

- Australians place a high value on relationships.
- They value sincerity and authenticity. Honesty is appreciated and expected.
- Australians are known to be very direct and to the point. They also usually have a good sense of humour.
- A holiday to Britain is planned well in advance, and many Australians will pick up a hire car or hop on a train and explore. They tend not to like to cram in too many pre-booked activities but to explore for themselves and discover beautiful places and lesser known areas. They will welcome suggestions to help them discovering such sites.
- Meeting the locals is a key part of the holiday. Australians love to chat with the locals and find out about the history of the area, recommended pubs and markets and find out about local stories.

Top Tips

- Most Australian visitors arrive by plane very early in the morning, and appreciate being able to check-in to their room. If that is not possible, they would appreciate somewhere to shower or clean up. As Britain is usually a long trip, they will generally have a large suitcase with them, and will need some space to store it in their room.
- Remember that visitors may not have slept for 24 hours (or more) and will likely be tired on arrival. If planning an itinerary for Australians, do not make it too intensive for the first few days.
- Generally, Australians do not tip unless service has been exceptional.
- Australians are used to travelling long distances, and accept the inconvenience associated with long haul flights. You need to travel five hours by plane from the East coast to the West coast, just to leave the country. Travel is part of the culture, especially for the youth market who feel the need to head abroad to get some experience of other cultures.

4.3 Caring for the consumer (2)

Accommodation

- All types of accommodation appeal to the Australian market. In Britain, staying with friends and relatives is important. However when staying at paying accommodation, since they stay longer than average visitors, they will often choose a mix of B&B, hotels (major international chains and boutique) and even hostels as they might want to lower the cost of their stay by saving on accommodation.
- Self-catering accommodation are also appreciated and non-hotel accommodations are usually perceived as less expensive options.
- The quality of facilities in Australian motels is high. Tea/coffee making facilities in the room, together with an iron and ironing board will be expected.
- A recent HotelsCombined study showed that Australian travellers value larger rooms with an outdoor access (balcony, terrace for example), and free technology, especially complimentary, fast Wi-Fi.

Useful links and further information

Appendix

©VisitBritain/Raymond Carruthers

Appendix 1: Working with VisitBritain (1)

We can help you extend your reach through:

- Digital and social media such as through LinkedIn, Facebook, Instagram, and Twitter.
- Press and PR by sending us your newsworthy stories or partnering to host journalists, influencers, and broadcast shoots:
  - Trade website
  - Media centre
- Leisure, and the business travel trade via our programme of sales missions, workshops and exhibitions or promotion to our qualified Britagents and supplier directory
- Retailing your product through the VisitBritain shop
- Joining the Tourism Exchange GB platform – giving you access to a wide range of international customers, via connected distributors. Connection to the platform is free.
- Or as a major campaign partner

We are here to support you and look forward to working with you. To find out more browse our:

Opportunity search or trade website

or contact the B2B events team
(Email: events@visitbritain.org)

or campaign partnerships team
(Email: partnerships@visitbritain.org)

or trade support team
(Email: tradesupport@visitbritain.org)

or VisitBritain shop team
(Email: product@visitbritain.org)

Appendix 1: Working with VisitBritain (2)

VisitBritain's strategy to grow tourism to 2025

- **Developing world-class English tourism product:** VisitBritain has collaborated with VisitEngland to develop and deliver the **Discover England Fund** since April 2016
- **Collaborating globally:** VisitBritain's network extends in four regions: Europe, the Americas, APMEA and North East Asia. Meet those teams and their trade partners at VisitBritain's different trade events, VIBE, ExploreGB, or Destination Britain events in market.
- **Inspiring the world to explore Britain** as a **GREAT Britain** campaign partner and through our global and regional marketing campaigns.
- **Acting as trusted partner and advisor** to the industry, but also our Government and Public Diplomacy partners by generating and offering them world-class market insights.

VisitBritain also develops and promotes products for Business Events, food & drinks, rail, luxury, regional gateways, and the Discover England Fund. Find out more at our Discover England Fund page.

To find out more information, browse:

VisitBritain's mission

The Government's Tourism Action Plan

VisitBritain's events

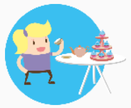
Business Recovery Webinars

Appendix 1: Working with VisitBritain (3)

VisitBritain's global audience segments

- From 2017, VisitBritain has carried out a research project across all its main inbound target markets to define global audience segments and identify best opportunities in each of those international travellers' market. On the right is a summary of VisitBritain's 5 global audience segments. To learn more visit our page on understanding our customers.

- In Australia, along with the VFR audience, VisitBritain focuses on one audience segment among the international travellers:
  - **Explorers and Sightseers in Australia:** Experienced and older, but still very active, travellers willing to explore comfortably their destination at their own pace.

	Segments (& global attributes)	**Global market share**	**Market share in Australia**
	**Buzzseekers** (free spirited and spontaneous, they like holidays full of action and excitement)	38%	30%
	**Explorers** (they enjoy outdoors, must-see sites, and embracing local cultures at a more relaxed pace)	23%	26%
	**Adventurers** (they live to go off the beaten track, spending time outdoors and trying out new experiences)	16%	16%
	**Sightseers** (they prefer staying within comfort zone, preferring cities to countryside, planning in advance)	12%	17%
	**Culture Buffs** (image and brand conscious, travel is seen as a status symbol; they like well-known, safe destinations)	12%	11%

Source: VisitBritain/Kubi Kalloo, 2017

Appendix 2: Useful research resources (1)

We have dedicated research and insights available which include:

- Latest monthly, quarterly overall and quarterly by area data from the International Passenger Survey by ONS.
- Inbound Tourism Trends by Market
- Inbound activity data
- Inbound nation, region and country data
- Inbound town data
- Sector-specific research which includes topics such as accomodation, countryside and coast, culture heritage and attractions, food and drink, football tourism, shopping, transport and visits with a health condition or impairment.
- 2021 Inbound Tourism Forecast
- Britain's competitiveness

We are here to support you and look forward to working with you.

To find out more about Australia or other inbound markets browse our:

Markets & segments

Inbound research & insights

Inbound COVID-19 sentiment tracker

Or contact us directly
(Email: research@visitbritain.org)

Appendix 2: Useful research resources (2)

We have dedicated research and insights available which include:

- Perceptions of Britain overseas
- Planning, decision-making and booking cycle of international leisure visitors to Britain
- Gateways in England, insights on overseas visitors to England's regions, participation in leisure activities, multi-destination trips and more
- Food & drink research

We are here to support you and look forward to working with you.

To find out more about Australia or other inbound markets browse our:

Markets & segments

Inbound research & insights

Inbound COVID-19 sentiment tracker

Or contact us directly
(Email: research@visitbritain.org)

Appendix 3: Definitions, sources and information on this report (1)

Details on main sources:

- The **International Passenger Survey** (IPS) is a UK-wide departure survey, carried out by the Office for National Statistics (ONS). All data are based on data collected as visitors are about to leave the UK about what they did, not on their intentions or perceptions. Except when specified, IPS refers to people according to their country of residence, not nationality. Where we talk about mode of transport, it refers to what is used on departure to leave the UK, with the presumption that shares are similar on arrival. To find out more and consult the release calendar, browse our IPS page.
- **Oxford Economics** tourism forecasts are from the June 2021 update of the 'Global Travel Service' databank.
- **Apex** data was last updated with August 2021 data.
- **UNWTO** data are based on their latest Tourism Barometer and Statistical Annex, July 2021.
- **VisitBritain/IPSOS 2016** refers to the 'Decisions & Influences' research project carried out in Australia, Brazil, Canada, China, Denmark, France, GCC (UAE and Saudi Arabia), Germany, India, Italy, Japan, Netherlands, New Zealand, Norway, Russia, South Korea, Spain, Sweden, and USA. Its all-market averages are based on weighted average of those markets. Only international travellers participated, half of each market sample having travelled to Britain before.
- The **Anholt Nation Brands Index** (NBI), now powered by Ipsos, was carried out online in July/August 2020 in Argentina, Australia, Brazil, Canada, China, Egypt, France, Germany, India, Italy, Japan, Mexico, Poland, Russia, South Africa, South Korea, Sweden, Turkey, UK and USA. Its all-market averages are based on those markets. It is based on nation-wide representative samples. More detail in our 'How the world views the UK' foresight.

Appendix 3: Definitions, sources and information on this report (2)

Useful definitions and abbreviations

- **VFR** means Visiting Friends and/or Relatives.
- **Misc** journey purpose means Miscellaneous – other journey purposes.
- In IPS, to be defined as a **package**, a holiday must be sold at an inclusive price covering both fares to and from the UK and the cost of at least some accommodation. Neither the respondent nor the travel agent from whom the package was bought will know how much of the inclusive price is accounted for by fares or by accommodation.
- **High Net Worth Individuals**, or HNWIs, are people with liquid assets valued over USD1million.

Other useful information

- **Top 10 activities in Britain** is based on propensity for visitors to have undertaken activities whilst in Britain, data having been collected between 2006 and 2019. Where an activity was asked about more than once, only the most recent answers were taken into account.
- **Repeat visits** are visits made by people who had already visited the UK before; British expats have been excluded for better representation of the market's propensity to visit Britain repeatedly. IPS question asked in 2015.
- **Likelihood to recommend Britain** as a destination is based on holiday visits, of at least one night, excluding British expats.

Market and Trade Profile: Australia

August 2021

Destination Bristol ©Gary Newman