

2016 Unconformity Festival,
Queenstown (October 2016)



TASMANIAN TOURISM INDUSTRY BUSINESS SENTIMENT SURVEY **SPRING 2016**

Tourism Industry Council Tasmania (TICT)
OCTOBER 2016



About this survey

Tourism Industry Council Tasmania undertakes two industry-wide surveys each year measuring business performance, expectations and industry confidence.

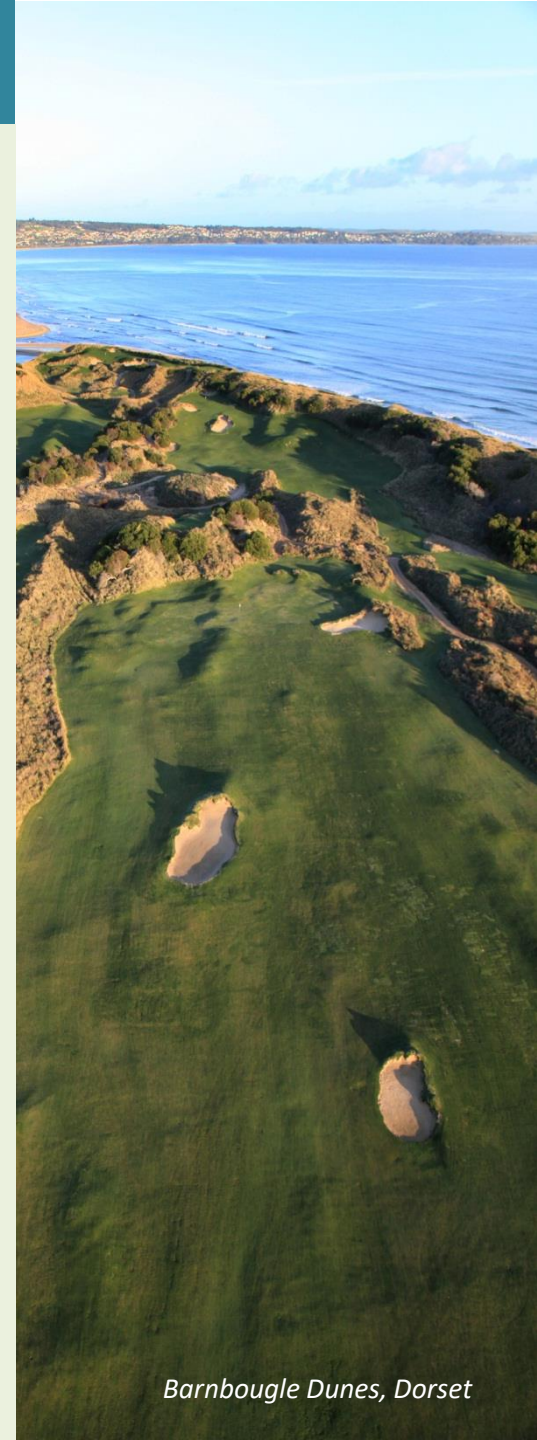
An Autumn Survey is undertaken in March/April, asking operators to report on their business performance over the preceding peak Summer visitor season and their expectations coming into the traditionally quieter autumn and winter months.

A Spring Survey is conducted in September/October, asking operators to report on actual activity over the Autumn/Winter period, and their expectations based on forward bookings and inquiries coming into the peak summer visitor season.

From **October 15 – 26, 2016**, Tourism Industry Council Tasmania conducted a survey of all Tasmanian tourism operators listed on the 'Tiger Tour' Database.

The survey asked operators about their business performance over the past-6 months period, business expectations coming into the business spring and summer period, as well as their general outlook for the Tasmanian tourism industry over the 12 months. This is a widely recognised measure of business confidence.

The results are compared across Tasmania's four tourism regions, and with past TICT business confidence survey.

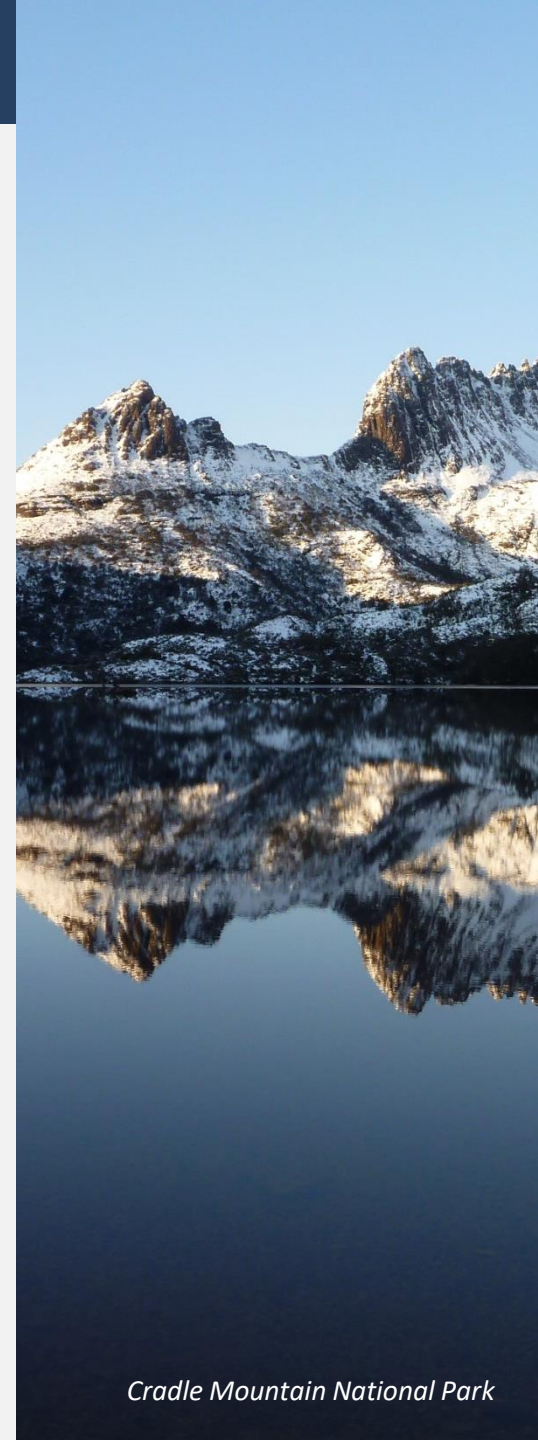
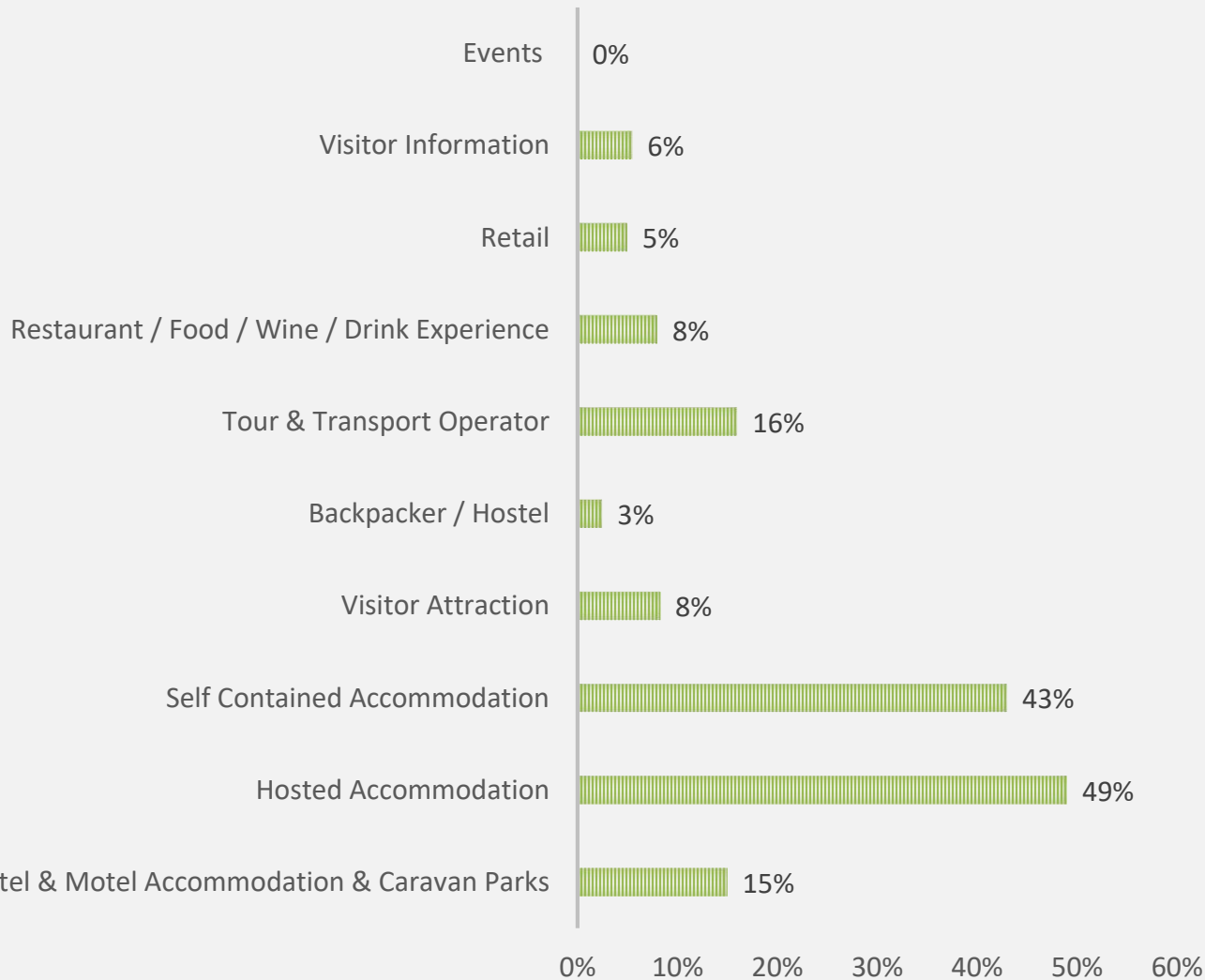


Barnbougle Dunes, Dorset

Sample size by business type

275 operators completed the survey covering a broad cross section of the industry.

Which of the following best describes your business?

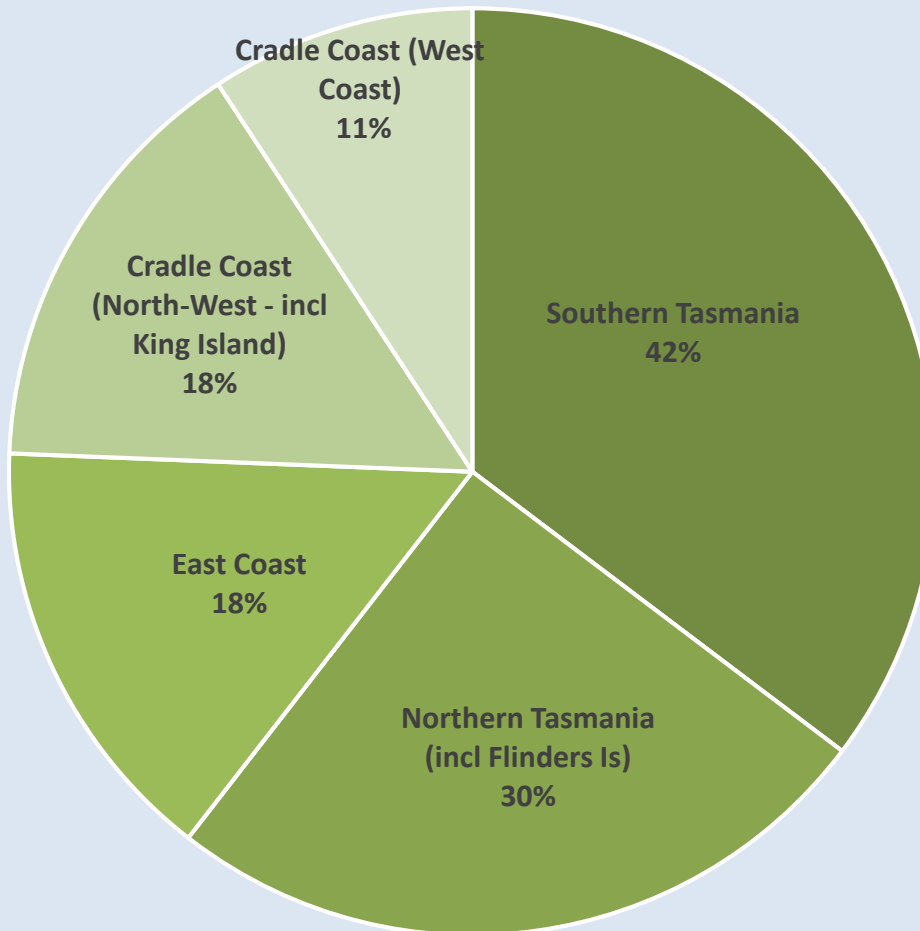


Cradle Mountain National Park

Sample size by region

A strong response rate was achieved from across Tasmania's four tourism regions.

Note; Western Wilderness & North West Coast together make up the Cradle Coast Region.

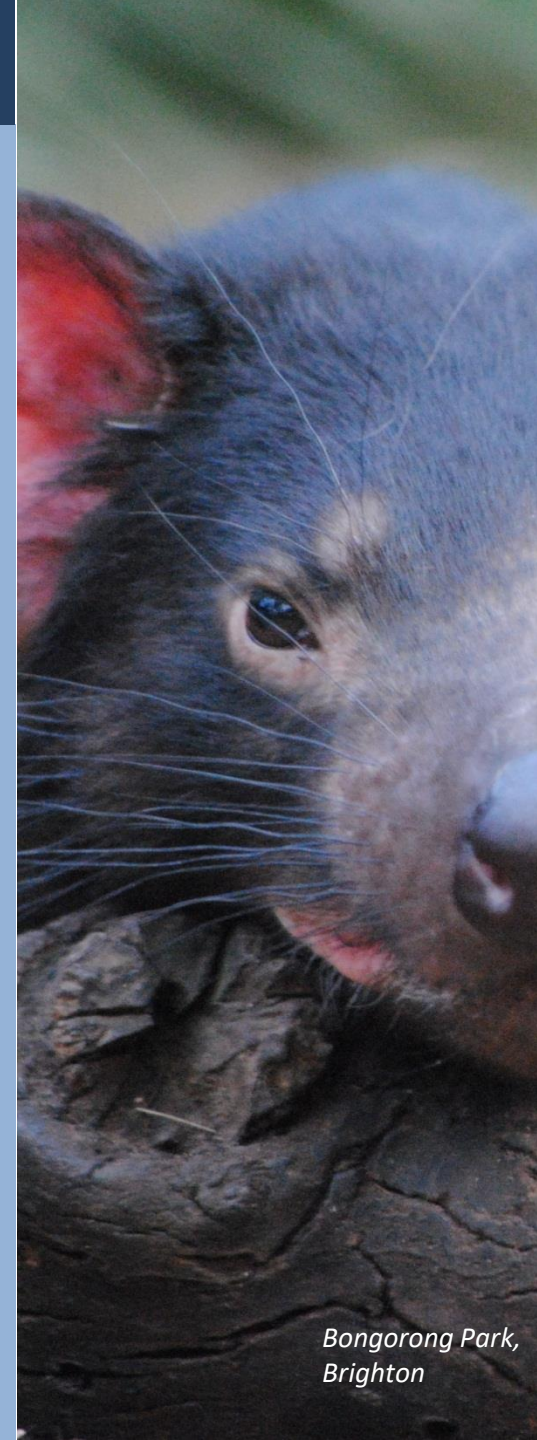
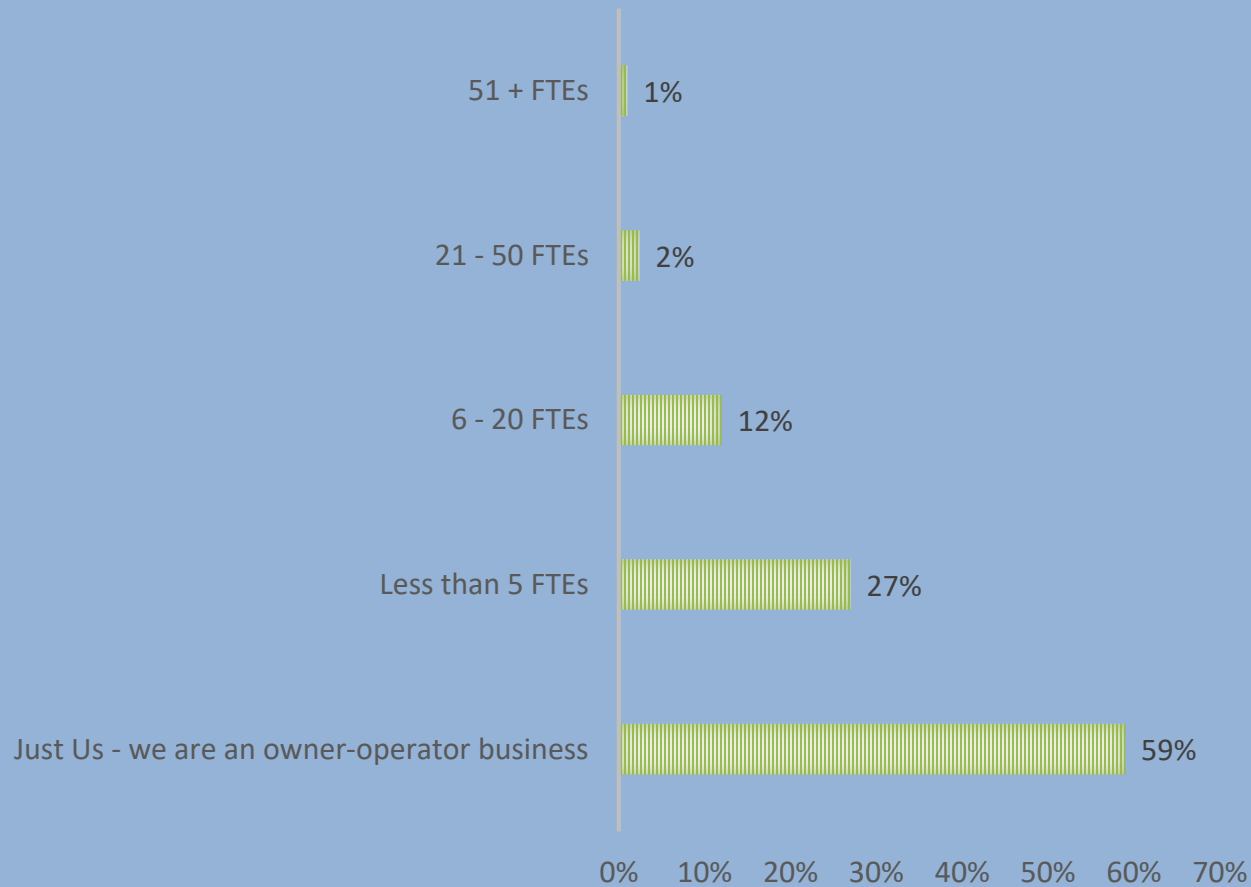


Sample by business size

85% of respondents were small and micro businesses employing less than 5 Full Time Equivalent Employees. Just 3% of respondents employed more than 20 FTEs.

This is broadly representative of the make-up of the Tasmanian tourism industry.

How many Full Time Equivalent Employees does your business currently employ?



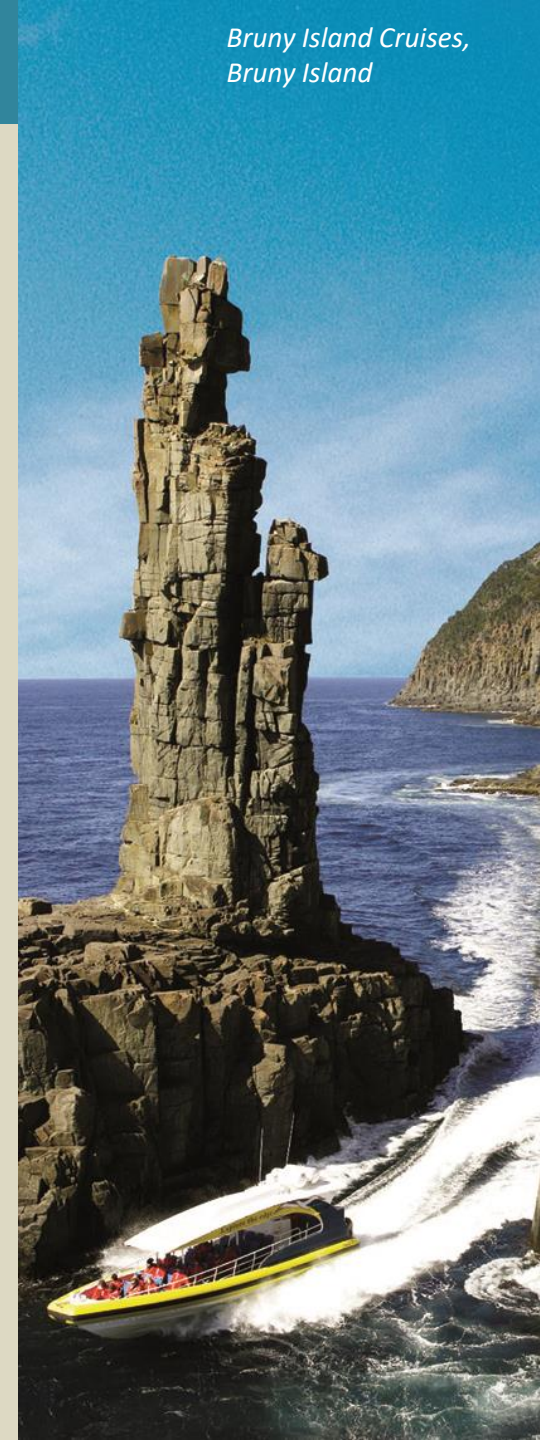
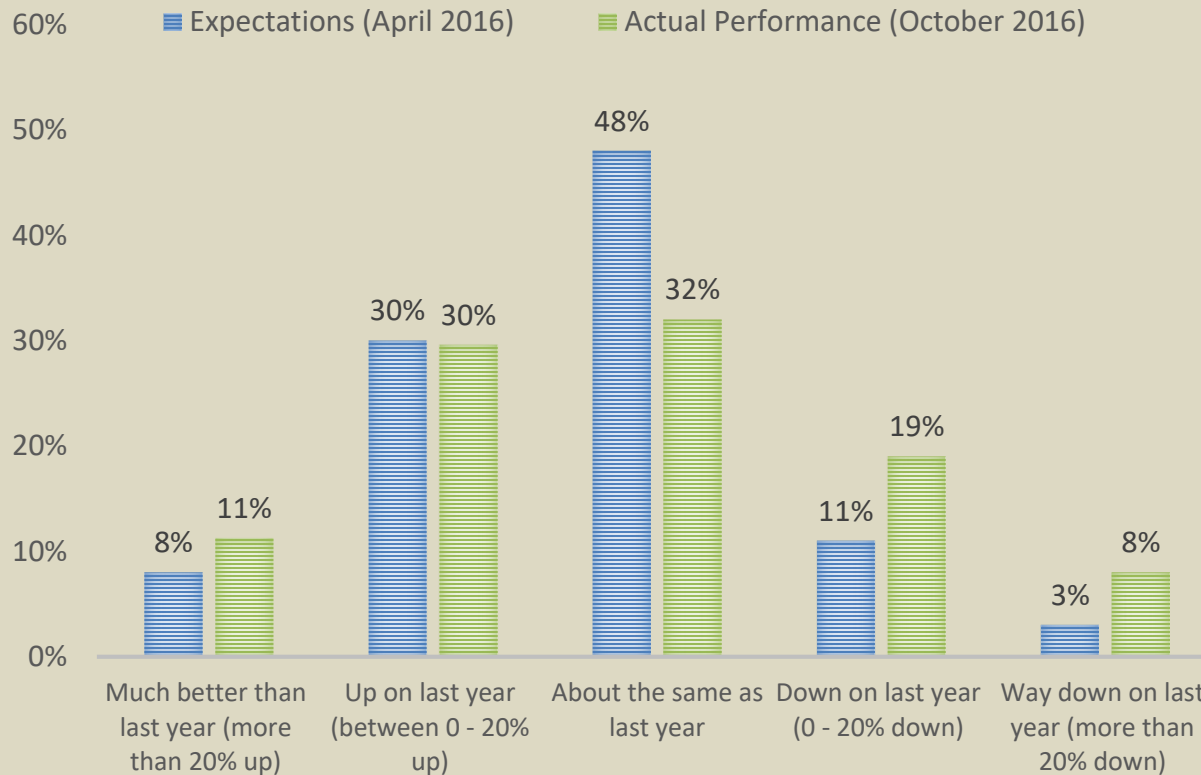
Bongorong Park,
Brighton

Business Performance vs Expectations

In April 2016, operators were asked to record how they expected their business to perform over the upcoming 2016 Autumn/Winter off-peak visitor season.

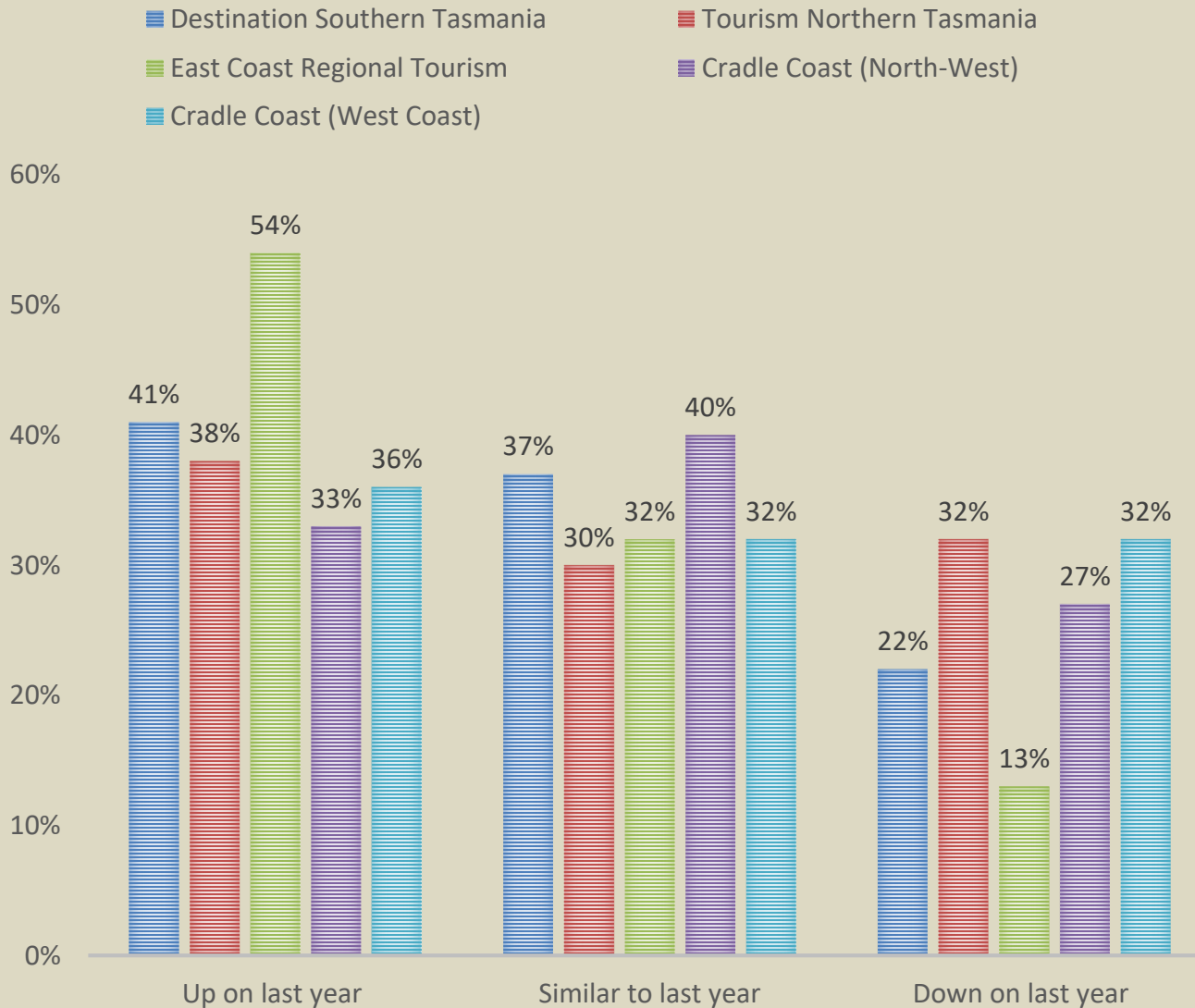
38% said they were expecting business to be up on the same time the previous year (2015), while 48% expected business to be about the same, and 14% expected business to be down on the corresponding period the previous year.

In this survey, 41% of operators have reported actual business performance over that period to be up on the same time last year, while 32% report similar business performance, and 27% report business being down on last year, indicating industry performance exceeded expectations.



Business Performance across the Regions

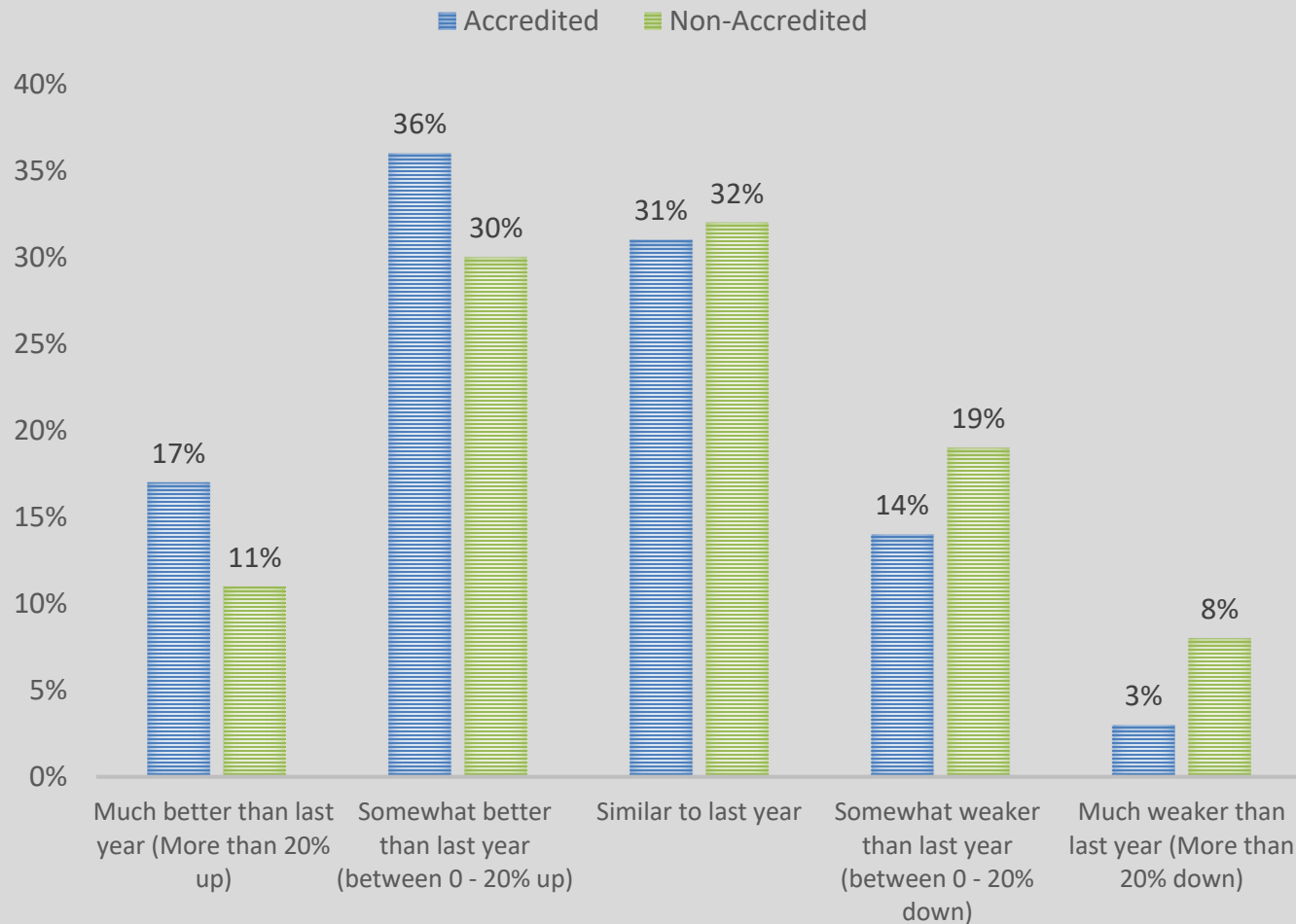
Across the regions, East Coast operators reported the strongest growth on last winter. With minimal variation across the other regions.



Penitentiary Chapel, Port Arthur Historic Site

Accredited / Non-Accredited Operators

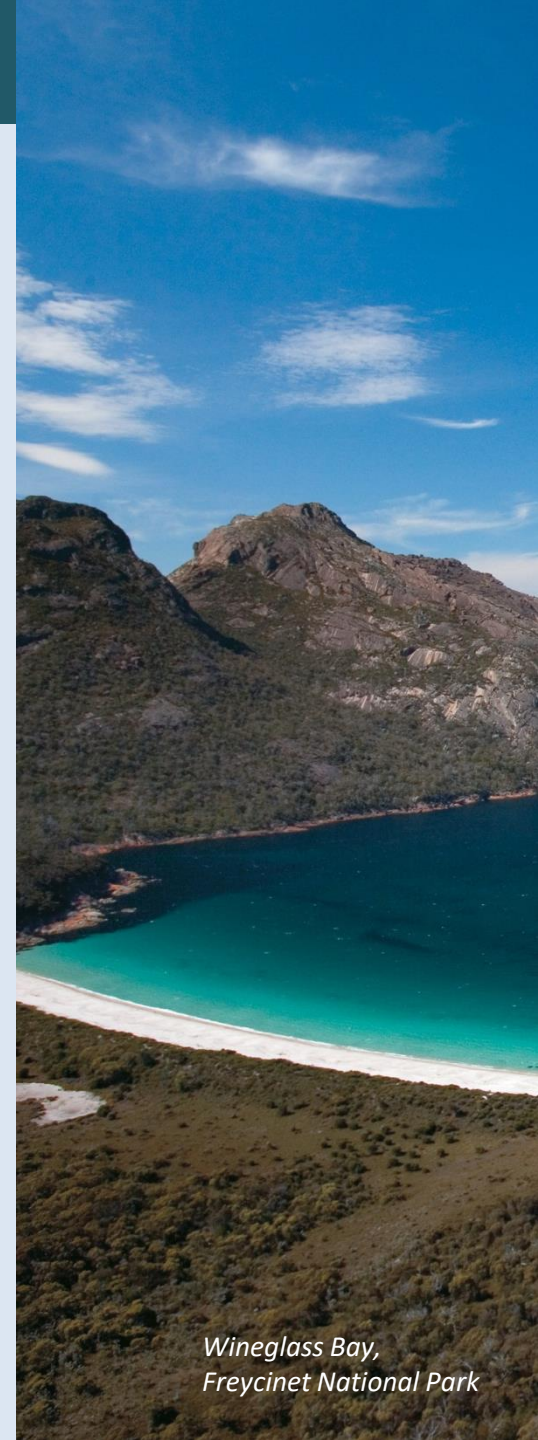
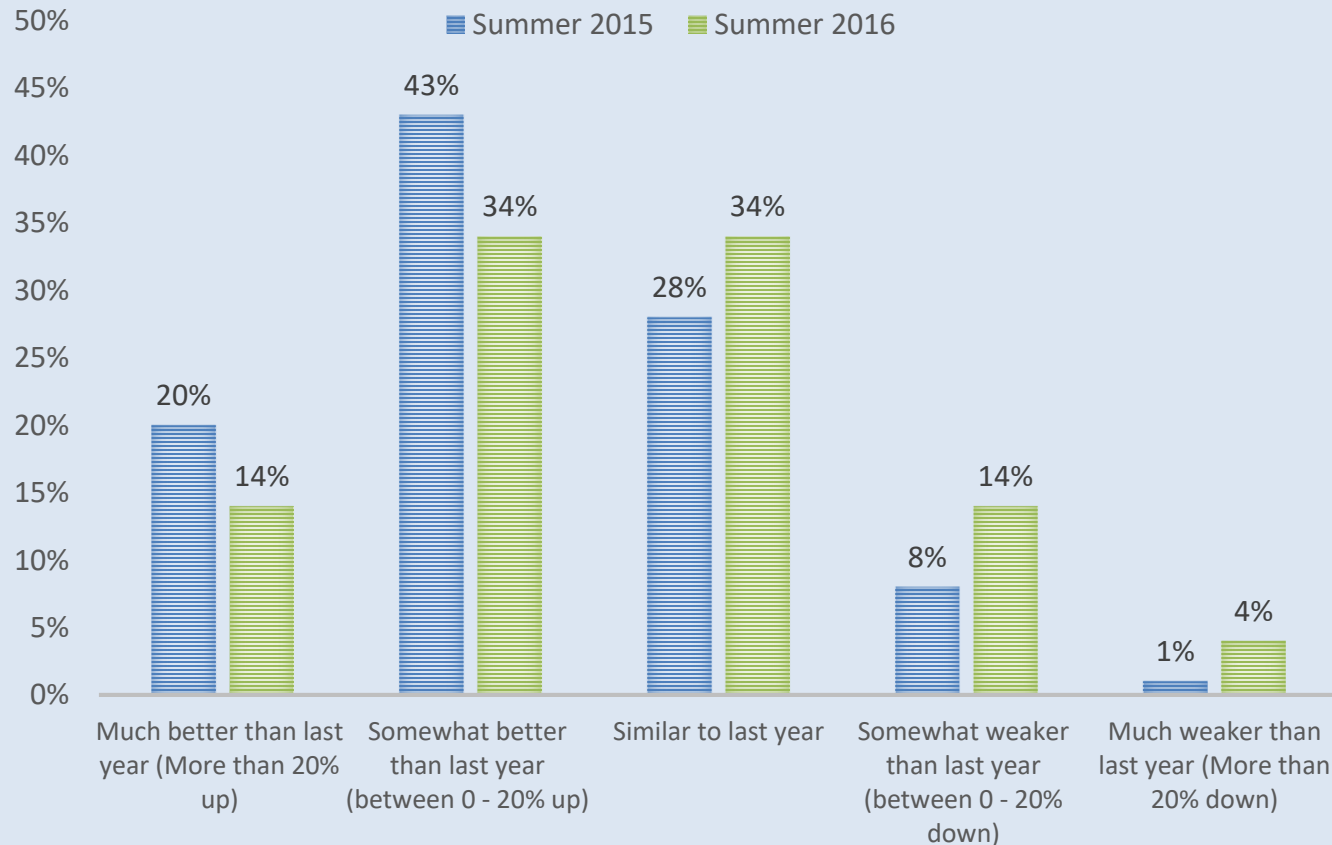
As per all Business Sentiment Surveys, accredited tourism operators reported slightly stronger business performance than operators currently not accredited.



Expectations for Summer

Operators were asked how they expected their business to perform compared this forthcoming Spring/Summer peak visitor season compared to last year.

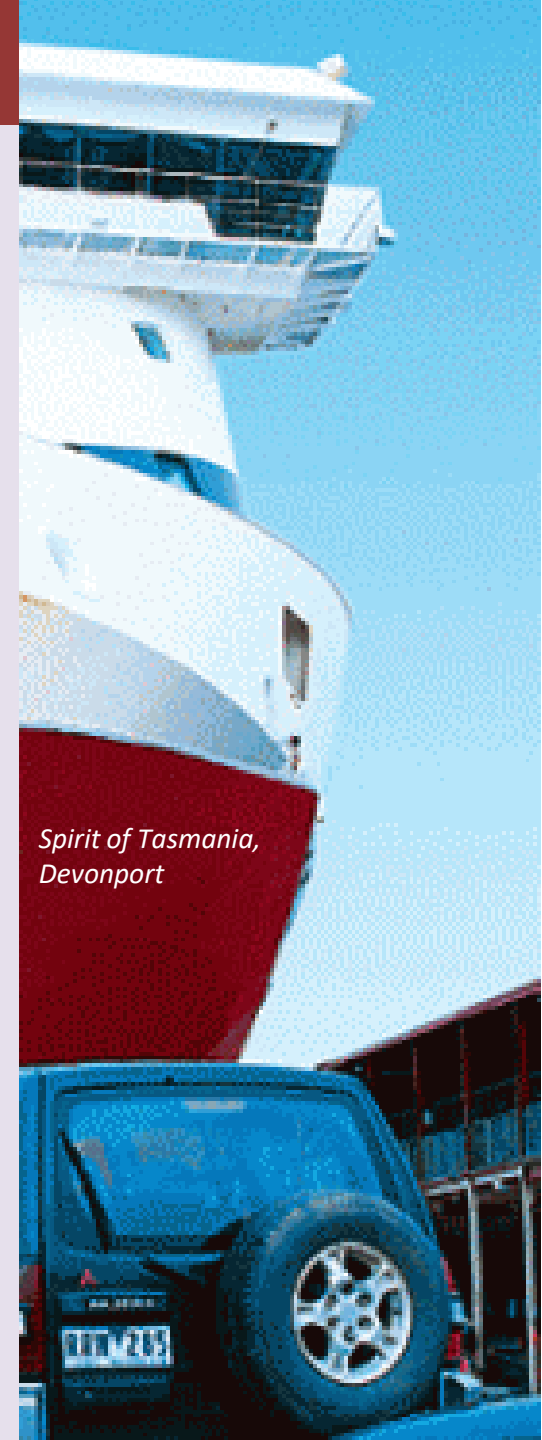
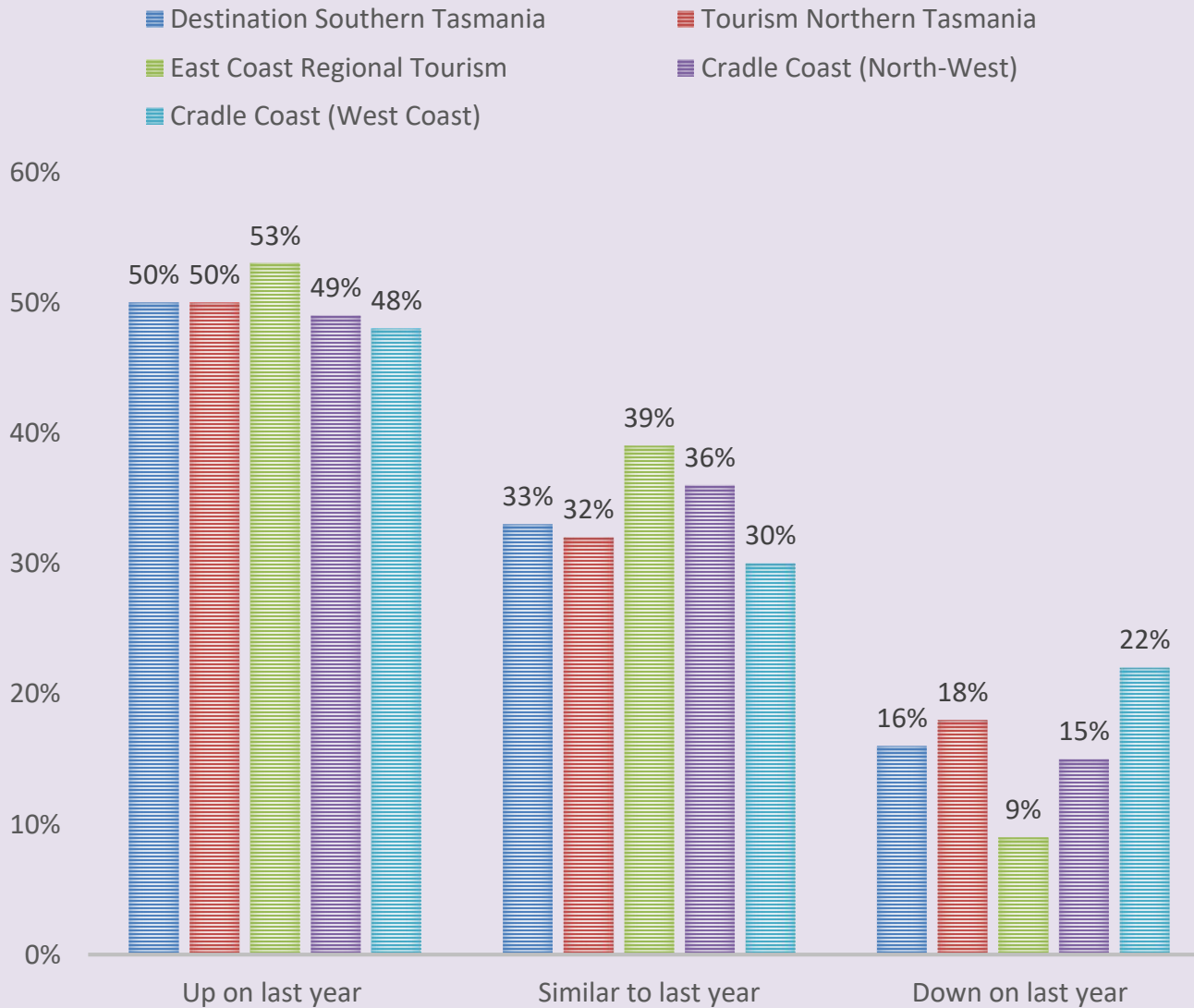
48% of operators state-wide expect business to be up on last year, while 18% expect business to be down on last summer. This represents a slight softening of business expectations coming into this summer compared to last, albeit still a very positive industry response.



*Wineglass Bay,
Freycinet National Park*

Expectations across the Regions

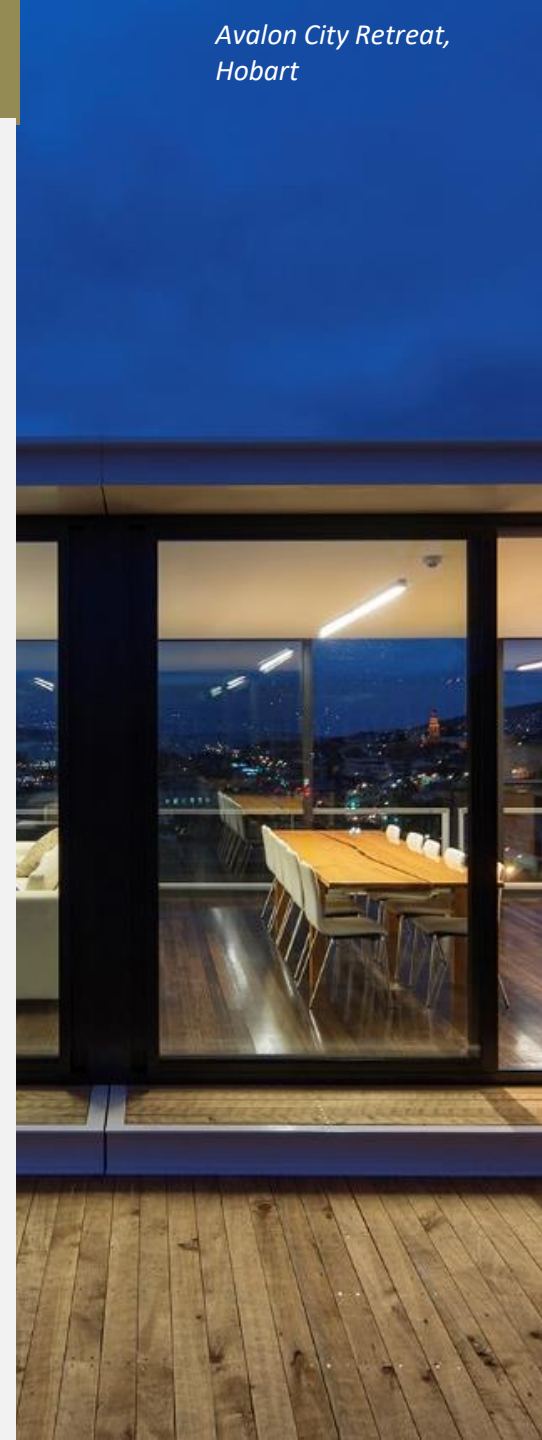
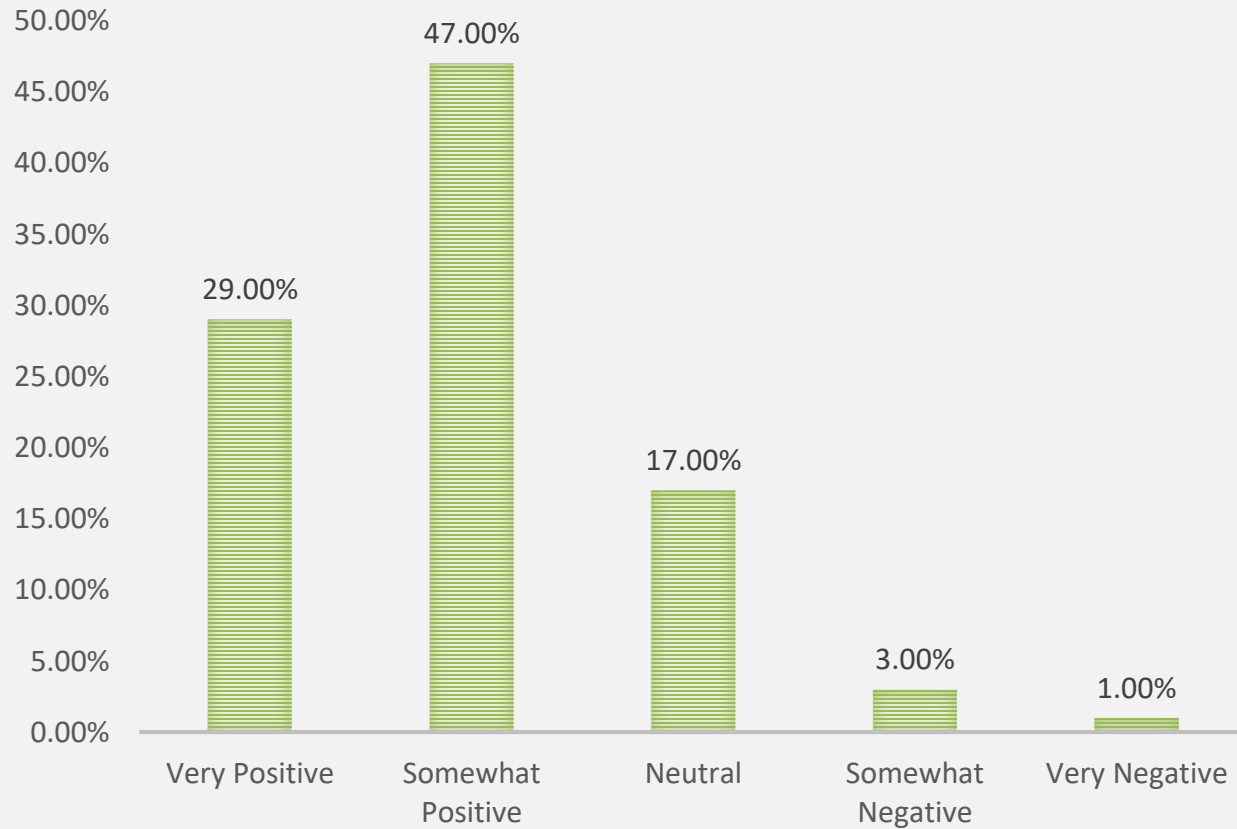
Business Expectations for the Spring/Summer Visitor season are consistent across the regions.



Short-term Industry Outlook

Industry-wide, operators continue to maintain an extremely positive and optimistic outlook for the Tasmanian tourism industry over the short-term.

LOOKING AHEAD OVER THE NEXT 12-MONTHS, WHAT IS YOUR OUTLOOK FOR THE TASMANIAN TOURISM INDUSTRY GENERALLY?

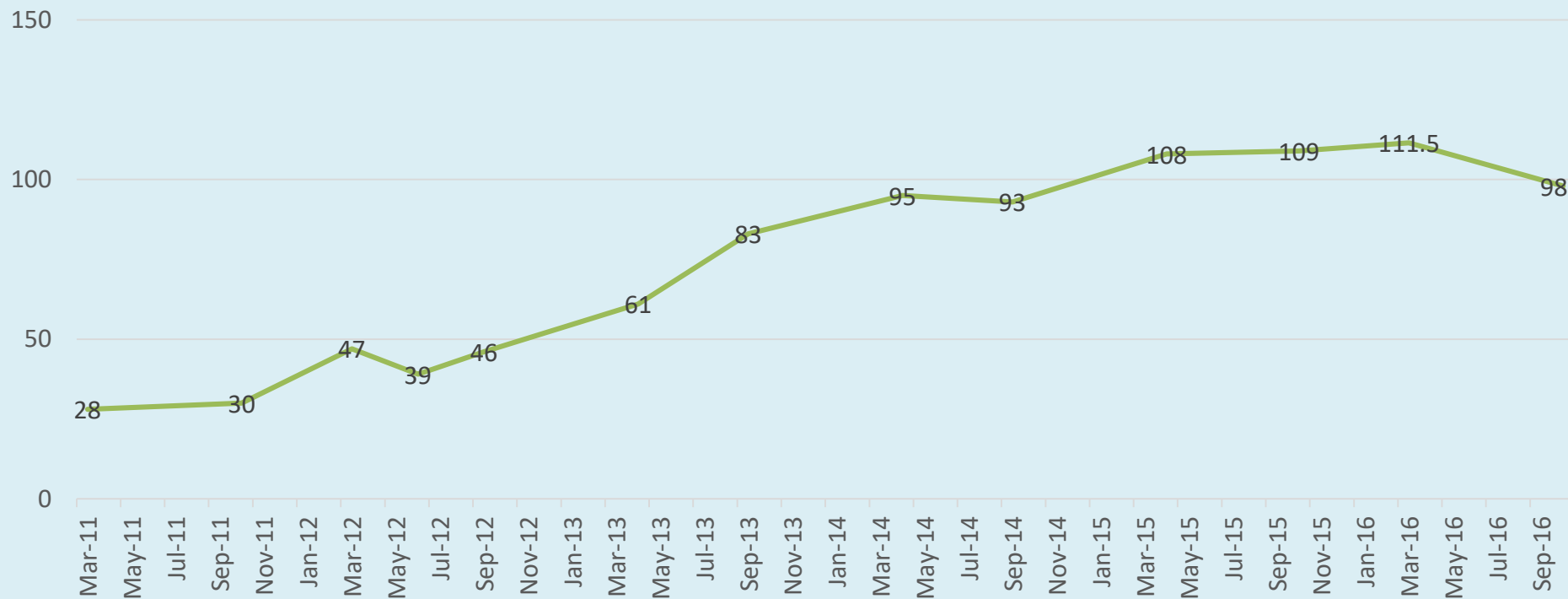


Tourism Industry Business Confidence Index

Based on the Tasmanian Chamber of Commerce and Industry (TCCI) Business Confidence Index, asking the same question and weighting, to achieve an index score between 0 – 100. An index score above 50 Points represents a positive general industry outlook, below 50 Points represents a negative general outlook. A consistent index score above 50 Point represents conditions encouraging sustained business growth and investment.

The Tasmanian Tourism Industry Business Confidence Index for October 2016 is 98 Points. Down from the March 2016 record of 111.5.

This continues a sustained period of very high industry confidence and positivity over the past three years, and represents a dramatic turnaround in the Tasmanian tourism industry's outlook from when this survey first commenced in 2011.



Industry Outlook for the next 5 years

Operators also continue to have a very positive outlook for the industry over the next five-years.

LOOKING AHEAD OVER THE NEXT 5 YEARS,
WHAT IS YOUR OUTLOOK FOR THE
TASMANIAN TOURISM INDUSTRY GENERALLY?

