

International Market Profile

India

Year Ending December 2010

This fact sheet provides a summary of the latest tourism data for Indian visitors to Victoria. Information includes: visitor numbers, purpose of visit, expenditure, visitor forecasts, regional visitation and dispersal, visitor behaviour, airline used, travel style, information sources and booking methods.

I OVERVIEW OF INDIAN VISITORS TO AUSTRALIA

I.1 Trends

Total Visitation from India to Australia, 2006-2010

Year Ending						Av Annual	% change 09-10	
	December	2006	2007	2008	2009	2010		% Change 2006-2010
Visitors (000s)		79	89	109	118	130	13.5%	11.0%
Visitor Nights (000s)		3,928	4,826	6,574	7,149	8,278	20.5%	15.8%
Average Length of Stay		50.0	54.0	60.3	60.8	63.5		

India generated 130,000 visitors to Australia in the year ending December 2010. The number of visitors from India to Australia has increased 11.0% from the previous year. Indian visitors to Australia are also spending more nights in the country. In 2010, 8.3 million nights were spent in Australia, a 15.8% increase from 2009. The average length of stay in Australia by Indian visitors has increased to 63.5 nights in 2010.

I.2 Main Purpose of Trip

Visitation (000s) from India to Australia by Purpose of Trip, 2006-2010

Year Ending						Av Annual	% change 09-10	
	December	2006	2007	2008	2009	2010		% Change 2006-2010
Holiday		20	20	25	22	23	4.1%	4.0%
Visiting friends & relatives		17	20	27	37	43	26.3%	18.1%
Business		21	25	28	23	29	8.6%	24.0%
Education		10	10	16	20	20	17.5%	-3.1%
Other		11	14	14	15	16	9.5%	2.8%

NB: Where there is a '+', figures are unreliable and are unable to be published.

23,000 visitors came to Australia from India in 2010 for holiday purposes, an increase of 4.0% from the previous year. 43,000 Indian visitors came to Australia to visit friends and relatives (VFR), an increase of 18.1% from the previous year. The business travel sector also experienced an increase year-on-year by 24.0% to 29,000 visitors in 2010.

International Market Profile

India

Year Ending December 2010

1.3 States/Territories Visited

Indian Overnight Visitation (000s) to Australia by State/Territory, 2006-2010

Year Ending						Av Annual	
	December	2006	2007	2008	2009	2010	% Change 2006-2010
Australia	79	89	109	118	130	13.5%	11.0%
New South Wales	43	50	59	55	65	11.0%	18.4%
Victoria	28	32	40	51	58	19.6%	15.0%
Queensland	25	28	32	27	23	-2.1%	-14.6%
South Australia	-	-	-	-	8	-	-
Western Australia	6	8	9	14	12	21.5%	-11.7%
ACT	-	-	-	-	5	-	-

NB: Where there is a '-', figures are unreliable and are unable to be published.

There were 58,000 Indian overnight visitors to Victoria in 2010, a 15.0% increase over the previous year and a 19.6% per annum increase since 2006. Victoria's year-on-year growth outperformed the national average (11.0%) and a decline for the competitor state of Queensland (-14.6%).

Indian Visitor Nights (000s) in Australia by State/Territory, 2006-2010

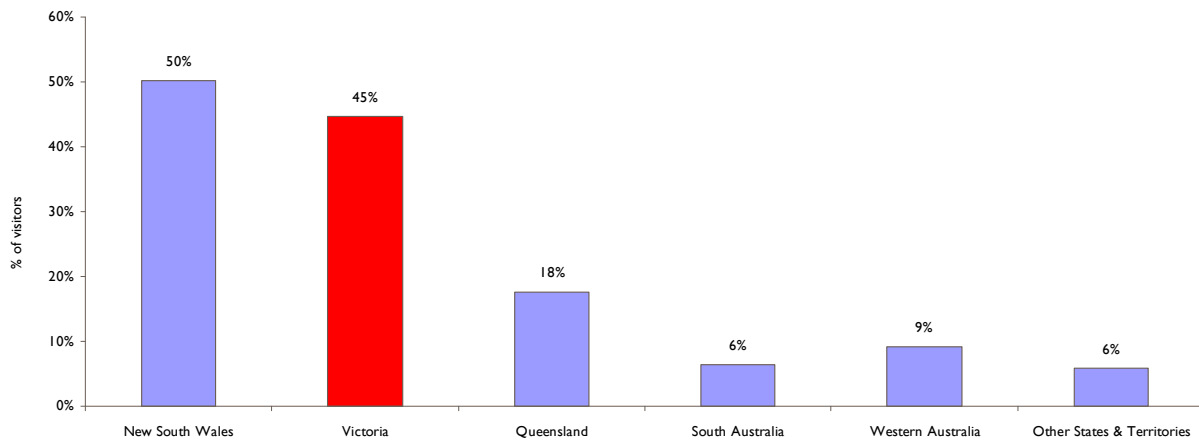
Year Ending						Av Annual	
	December	2006	2007	2008	2009	2010	% Change 2006-2010
Australia	3,928	4,826	6,574	7,149	8,278	20.5%	15.8%
New South Wales	1,629	1,911	2,435	2,095	2,839	14.9%	35.5%
Victoria	1,358	1,559	2,303	3,307	3,277	24.6%	-0.9%
Queensland	-	539	1,146	871	853	-	-2.1%
Western Australia	-	-	-	605	690	-	14.1%
Other States & Territories	-	-	-	-	617	-	-

NB: Where there is a '-', figures are unreliable and are unable to be published.

In 2010, the number of visitor nights spent in Victoria by Indian visitors experience a slight decrease of 0.9% from the previous year to 3.3 million visitor nights.

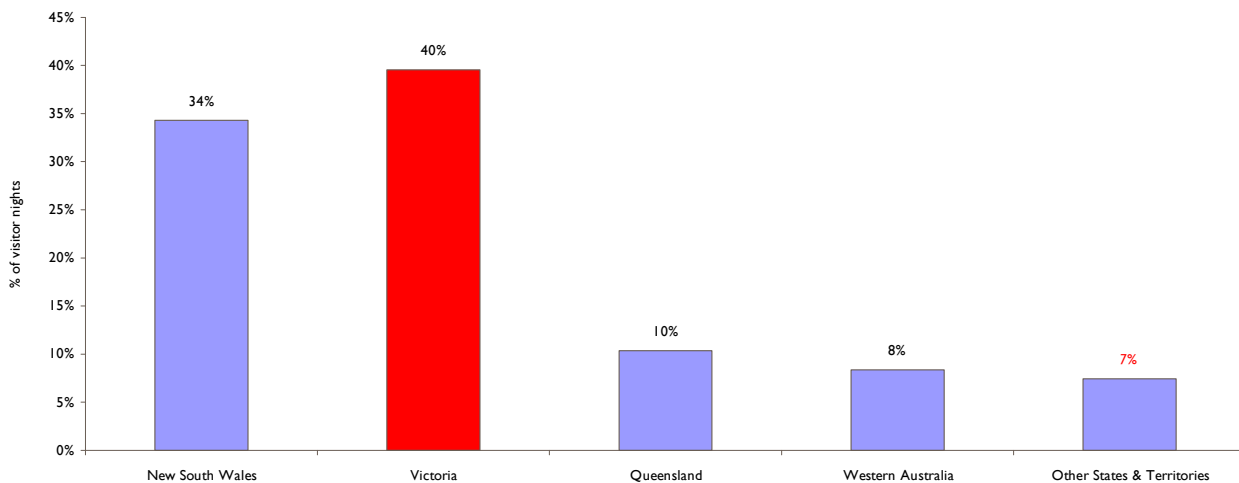
I.4 Market Share by State

Indian Overnight Visitors¹ to Australia, Year ending December 2010 – by State



45% of Indian visitors to Australia in 2010 stayed overnight in Victoria, compared with 50% in New South Wales.

Indian Visitor Nights to Australia, Year ending December 2010 – Market Share by State



Victoria's market share of visitor nights spent by Indian travellers in 2010 was a dominant 40%, which was 6 percentage points above New South Wales (34%).

¹ NOTE: The proportion of Visitors to the States and Territories will not add up to 100% as visitors can travel to multiple destinations in one trip; while the proportion of Visitor Nights to the States and Territories will add to 100% as this measure is mutually exclusive.

International Market Profile

India

Year Ending December 2010

I.5 Main Purpose of Visit – Visitors to Victoria

Indian Visitation (000s) to Victoria by Main Purpose of Visit, 2006-2010

Year Ending December						Average Annual	% change
	2006	2007	2008	2009	2010	% Change 2006-2010	09-10
Holiday	6	8	10	11	12	17.6%	10.0%
Visiting friends & relatives	6	7	11	16	20	35.6%	27.4%
Total Leisure	12	15	21	27	32	27.1%	20.1%
Business	7	9	9	10	13	16.9%	32.3%
Education	-	-	8	11	10	-	-12.2%

NB: Where there is a '-', figures are unreliable and are unable to be published.

In 2010, there were 32,000 Indian overnight leisure visitors to Victoria, a 20.1% increase over the previous year and 27.1% average annual increase from 2006 to 2010, due to strong increases in both overnight holiday and visiting friends and relatives (VFR) visitors (up 10.0% and 27.4% respectively year-on-year). Victoria also experienced a strong year-on-year increase in overnight business (+32.3%) visitors from India.

I.6 Regional Dispersal² – Visitor Nights (000s), 2000 - 2010

India							Average Annual	Average Annual	% change
	2000	2006	2007	2008	2009	2010	Change (%) 2000-2010	Change (%) 2006-2010	2009-2010
Regional Australia - Visitor Nights (000s)	-	-	526	857	570	540	-	-	-5.1%
% of total nights in Aust	-	-	10.9%	13.0%	8.0%	6.5%			

NB: Where there is a '-', figures are unreliable and are unable to be published.

Indian visitors spent 540,000 nights in regional Australia in 2010, a decrease of 5.1% from the previous year. This represents 6.5% of total nights in Australia by Indian visitors.

I.7 Melbourne and Victorian Regions Visited

Indian Visitation (000s) to Victoria, 2 years (rolling) ending 2006-2010

	2 Years Ending December					Average Annual	% change
	2006	2007	2008	2009	2010	% change 2006-2010	2009-2010
Melbourne	48	59	71	89	105	21.3%	18.2%
Regional Victoria	-	6	-	6	10	-	71.5%

NB: Where there is a '-', figures are unreliable and are unable to be published.

There were 105,000 Indian overnight visitors to Melbourne in the two year period ending December 2010, an 18.2% increase over the previous period. Indian overnight visitation to Melbourne has grown at an annual average rate of 21.3% over the medium term (2006 to 2010).

Overnight visitation to regional Victoria increased a strong 71.5% year-on-year from the Indian market, to 10,000 visitors in the two years ending December 2010.

² "Regional" is defined as non capital city nights for each state with the exception of the Gold Coast. For example, Regional Queensland excludes nights spent in both Brisbane and the Gold Coast.

International Market Profile

India

Year Ending December 2010

Indian Visitor Nights (000s) in Melbourne, 2 years (rolling) ending 2006-2010

Campaign Regions	2 Years Ending December					Av Annual	% change
	2006	2007	2008	2009	2010	% change 2006-2010	2009-2010
Melbourne	2,366	2,814	3,730	5,363	6,221	27.3%	16.0%

The number of visitor nights spent in Melbourne by Indian visitors increased by 16.0% from the previous period to 6.2 million visitor nights in the two year period ending December 2010. Between 2006 and 2010, visitor nights spent in Melbourne increased at an average rate of 27.3% p.a.

1.8 Visitor Expenditure

Expenditure by Indian Visitors	Total Expenditure					Expenditure Share			Expenditure Per Night			Expenditure Per Visitor		
	Nominal (\$ million)		Av Ann % Change		% Change	%			\$			\$		
Year Ending December	2000	2009	2010	00-10	09-10	2000	2009	2010	2000	2009	2010	2000	2009	2010
New South Wales	np	182	191	np	4.9%	np	3.0%	3.0%	np	87	67	np	3291	2917
Victoria	np	257	268	np	4.3%	np	6.8%	6.8%	np	78	82	np	5,072	4,600
Queensland	np	73	66	np	-9.6%	np	1.9%	1.7%	np	84	77	np	2,732	2,891
South Australia	np	np	29	np	np	np	np	4.0%	np	np	69	np	np	3,465
Western Australia	np	38	42	np	10.5%	np	2.2%	2.2%	np	63	61	np	2,793	3,497
Tasmania	np	np	np	np	np	np	np	np	np	np	np	np	np	np
Northern Territory	np	np	np	np	np	np	np	np	np	np	np	np	np	np
Australian Capital Territory	np	np	np	np	np	np	np	np	np	np	np	np	np	np
Australia	np	573	614	np	7.2%	np	3.3%	3.5%	np	80	74	0	4,876	4,707

np: denotes figures not published by TRA.

NB: Visitor expenditure includes expenditure on packages attributable to destination.

Source: Tourism Research Australia expenditure allocation method applied to 2000-2010 International Visitor Survey data.

Expenditure by Indian visitors in Australia reached \$614 million in 2010, a 7.2% increase on the previous year. Indian overnight visitor expenditure in Victoria reached \$268 million in 2010, representing 6.8% of total international overnight expenditure in Victoria. In 2010, Victoria achieved the highest expenditure per night result (\$82 p/nt) and highest expenditure per visitor result (\$4,600 p/visitor) of all states and territories.

1.9 Visitor Forecasts

India Forecasts	2010	ACTUAL 2010	FORECAST										Ave Annual Growth Rate (2009 - 2020)
	Vic Mkt Share		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Visitor Numbers (000s)	45%	58	58	64	71	77	84	92	100	109	119	129	8.9%
Visitor Nights (000s)	40%	3,277	3,470	3,744	4,038	4,399	4,760	5,184	5,645	6,130	6,639	7,161	7.3%

Note 1: Based on visitors aged 15 years or over.

Note 2: Victorian estimates based on market share of visitor nights (IVS, year ending December 2010) and assumes market share remains constant.

Note 3: Slight variations in calculations are due to rounding.

Sources: Tourism Forecasting Committee, November 2010 Issue 2 and *International Visitor Survey*, year ending December 2010, Tourism Research Australia

Average annual growth for arrivals to Australia from India is forecast at 8.9% over the period 2009-2020. Victoria is estimated to receive 129,000 overnight visitors from India by 2020. With a number of consecutive years of strong growth from the Indian market, it perhaps not surprising that growth has slowed in 2009/2010. There are a number of factors influencing this slow down including the negative impact of the Global Financial Crisis, increase in competition from other destinations, violence against Indian students and the tightening of restrictions on student visas. Although the latter two factors still affect travel from the market, air capacity on the usual India to Australia routes (via Hong Kong or South East Asian ports) are expected to increase in 2010/2011 and beyond, supporting further growth in the coming years.

2 OVERVIEW OF INDIAN LEISURE VISITORS TO VICTORIA

The main focus of this analysis will be on leisure travellers from India to Victoria. Leisure travellers are those who travelled to Australia for holiday purposes or to visit friends and relatives (VFR).

Indian Visitation to Victoria for Leisure, 2006-2010

Year Ending						Av Annual		
	December	2006	2007	2008	2009	2010	% Change 2006-2010	% change 09-10
Visitors (000s)		12	15	21	27	32	27.1%	20.1%
% Market Share		15%	18%	24%	30%	37%		

NB: Where there is a '-', figures are unreliable and are unable to be published.

32,000 Indian leisure visitors stayed overnight in Victoria in 2010, an increase of 20.1% from the previous year, and 27.1% per annum over the medium term (2006 to 2010).

Indian 'Experience Seekers' – Proportion by State/ Territory, 2007-2010

Tourism Australia defines the Experience Seekers as "looking for unique, involving and personal experiences from their holidays. Experience Seekers are long haul travellers who are less affected by the traditional barriers to travel of distance, time and cost. They are more informed, interested and curious about potential travel destinations. Experience Seekers can be found among all age groups, income levels and geographic locations."

Year ending				
December	2007	2008	2009	2010
Total	34%	35%	33%	40%
New South Wales	37%	33%	30%	35%
Victoria	34%	42%	32%	41%
Queensland	35%	26%	35%	34%
South Australia	40%	4%	39%	51%
Western Australia	23%	30%	42%	36%
Tasmania	100%	55%	100%	78%
Northern Territory	21%	100%	81%	68%
Australian Capital Territory	42%	n/a	38%	49%

Of Indian overnight leisure visitors to Victoria, 41% can be defined as part of the Tourism Australia defined segment "Experience Seekers" in 2010. This is similar to the proportion of Indian leisure travellers to Australia generally from the market (40%), and higher than key competitors New South Wales (35%) and Queensland (34%). Over time, this proportion has increased 7 percentage points, from 34% of visitors to Victoria in 2007.

For more detailed information on the Experience Seekers segment, please refer to:

<http://www.tourism.australia.com/en-au/marketing/experience-seekers.aspx>

2.1 Places Visited in Regional Victoria and Melbourne Attractions

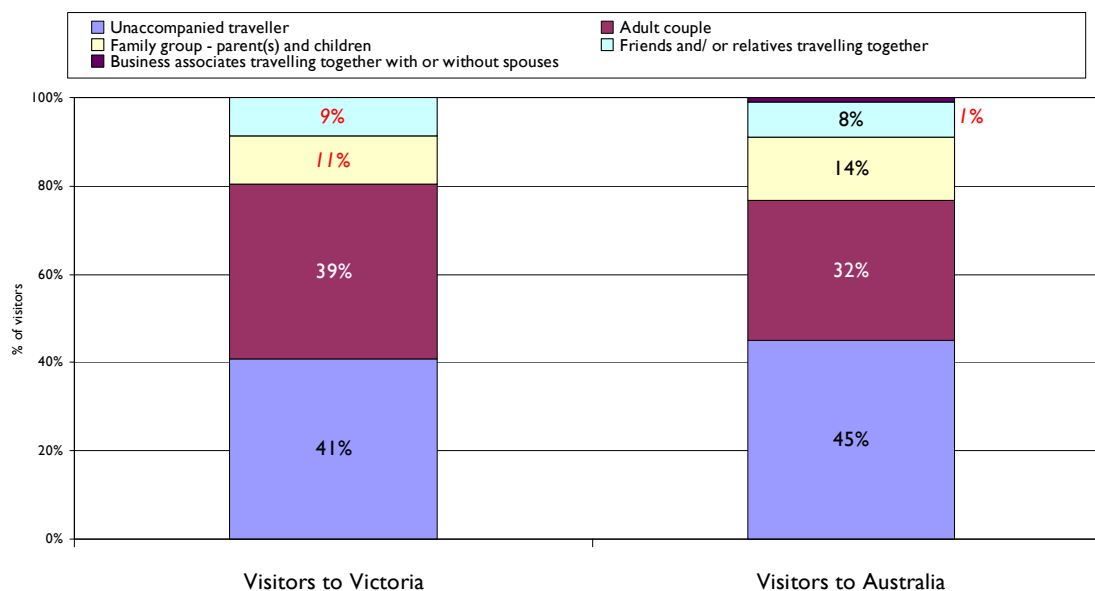
Selected Places Visited - Overnight Visit or Daytrip (% of all Leisure Overnight Visitors to Victoria)	Indian Visitors	All International Visitors	Selected Places Visited - Melbourne Attractions (% of Leisure Overnight Visitors to Victoria)	Indian Visitors	All
					International Visitors
Phillip Island, penguin parade	34%	20%	Crown Casino/entertainment complex	44%	33%
Ballarat, Sovereign Hill	19%	12%	Federation Square	52%	50%
Dandenongs, Puffing Billy, Healesville Sanctuary	23%	14%	Queen Victoria Market	57%	51%
Great Ocean Road or Twelve Apostles	46%	34%	Southbank/Southgate	37%	31%
Mornington Peninsula	-	9%	Melbourne Museum (Royal Exhibition Building)	33%	23%
Daylesford, Hepburn Springs, Macedon	-	2%	Docklands/Telstra Dome	41%	28%
Yarra Valley	17%	12%	National Gallery of Victoria (NGV)	19%	17%
Bendigo	-	5%	Melbourne Cricket Ground (MCG)	36%	11%

Of the Victorian places visited (for an overnight visit or daytrip) 46% of Indian overnight leisure visitors to Victoria spent time in the Great Ocean Road region and/or the Twelve Apostles. This region is very popular generally with 34% of all international overnight leisure visitors to Victoria travelling there. Additionally, 34% of Indian overnight leisure visitors to Victoria spent time in Phillip Island and/or experienced the penguin parade.

Of the Melbourne attractions visited 57% of Indian overnight leisure visitors to Victoria spent time at Queen Victoria Markets and 52% visited Federation Square. The highest result for all the listed Melbourne Attractions for international overnight visitors to Victoria generally was the Queen Victoria Markets (51% of overnight leisure visitors to Victoria) followed by Federation Square (50%).

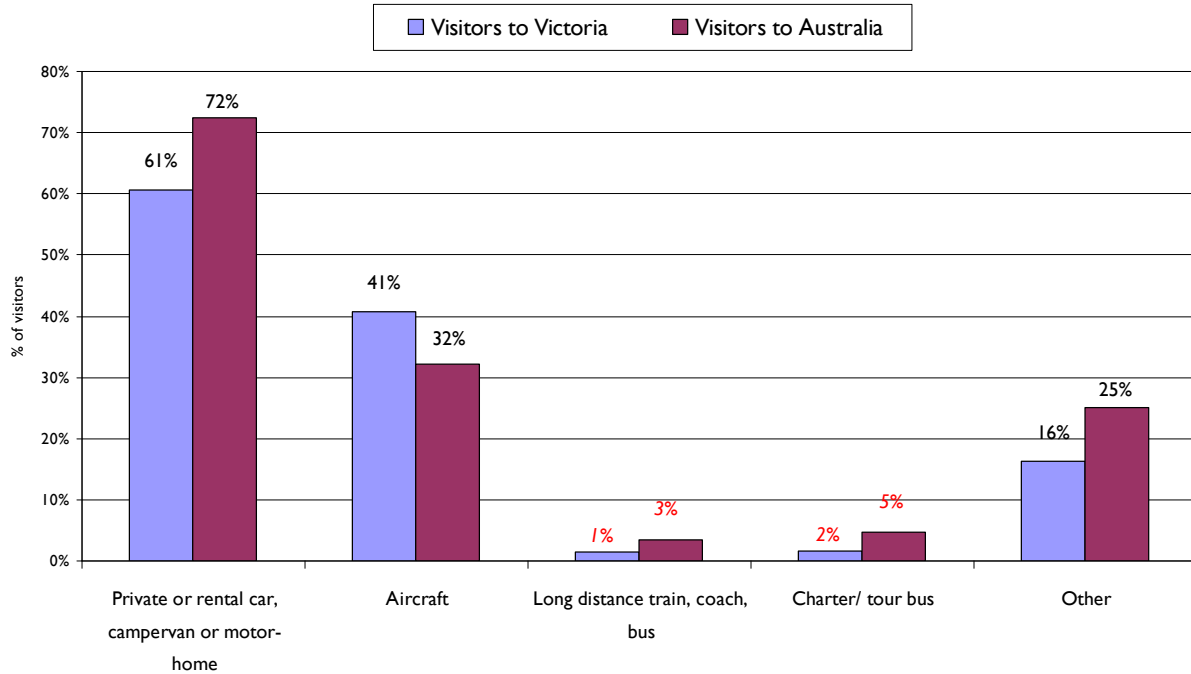
2.2 Detailed Visitor Behaviour

Travel Party Description (% of overnight leisure visitors from India)



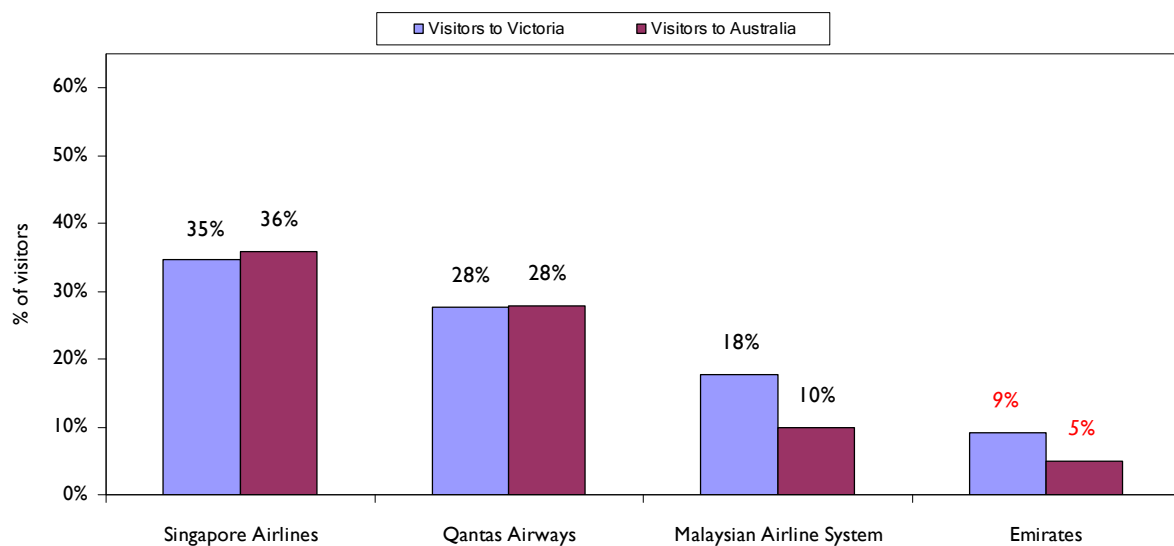
In 2010, 41% of overnight leisure visitors from India to Victoria from India travelled alone and 39% travelled as an adult couple. Victorian travellers were similar to the national average with solo travellers representing a slightly higher proportion with 45% of Indian leisure visitors to Australia.

Transportation used (% of overnight leisure visitors from India)



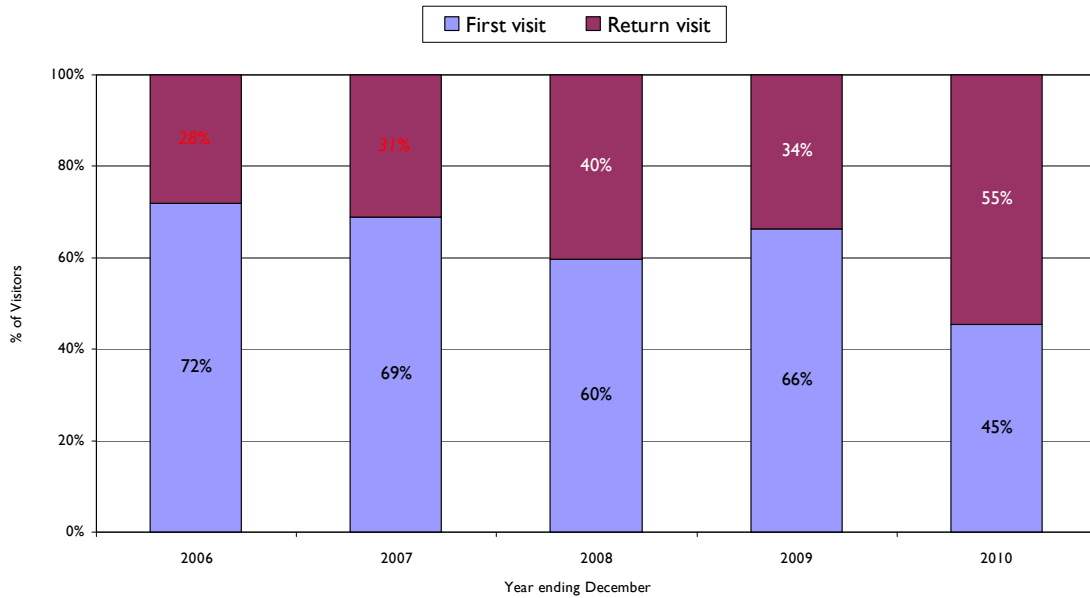
Of the 32,000 Indian leisure visitors who stayed overnight in Victoria in 2010, 61% used a private or rental car, campervan or motor-home on their trip while 41% used an aircraft. In comparison, 72% of Indian leisure visitors to Australia used a private or rental car, campervan or motor-home and 32% used an aircraft.

Departure Airline used (% of overnight leisure visitors from India)



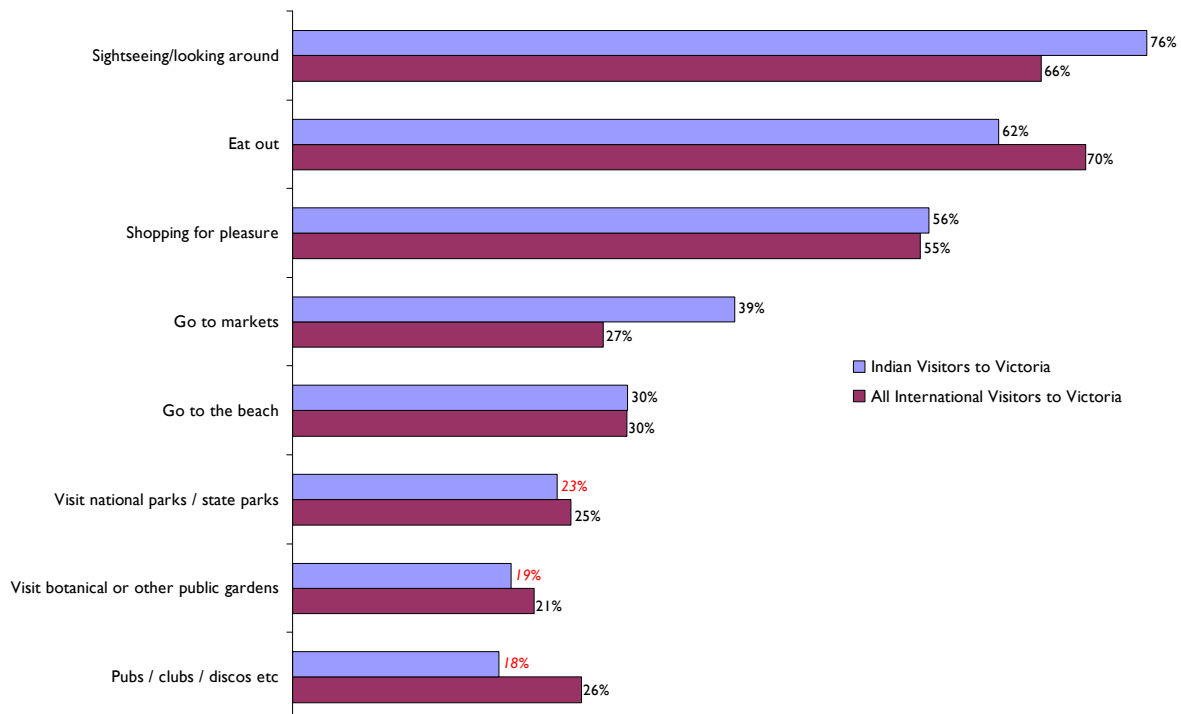
Of overnight leisure visitors to Victoria from India in 2010, 35% used Singapore Airlines when departing Australia following their holiday. Other airlines used included Qantas (28%), and Malaysian Airlines (18%).

Repeat Visitation in Victoria (% of overnight leisure visitors from India)



In 2010, the proportion of overnight visitors from India to Victoria who were visiting for the first time was 45% compared to 66% in 2009. Similar to Victoria, 46% of Indian leisure visitors to Australia in 2010 were visiting for the first time.

Top 15 Activities (% of overnight leisure visitors from India)

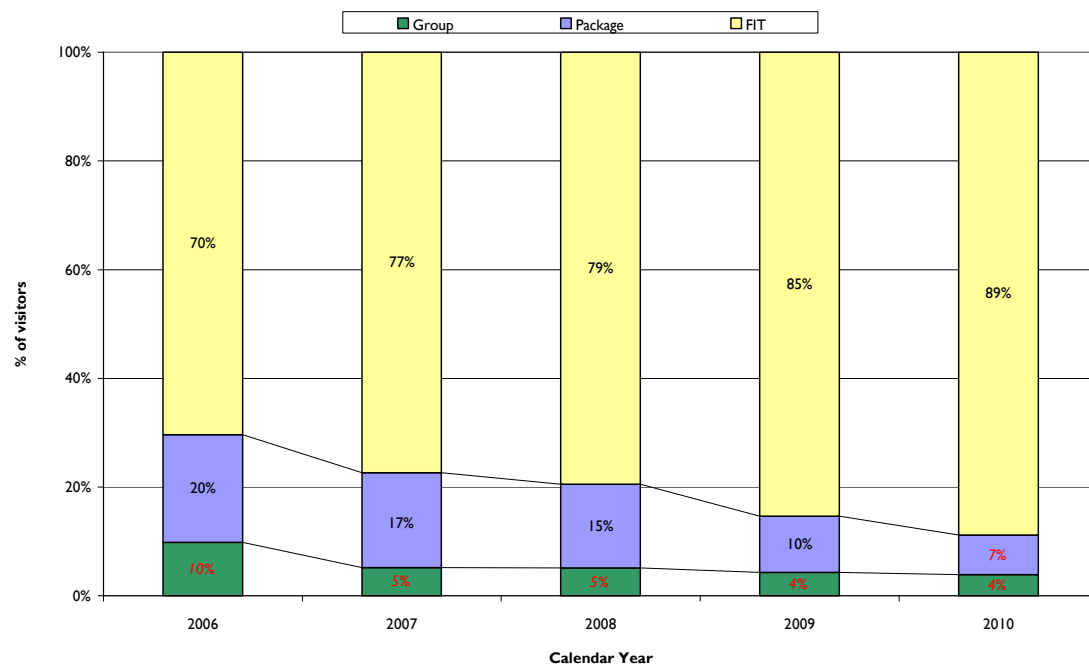


Of the most common activities on their trip as listed above, Indian overnight leisure visitors to Victoria are more likely to go sightseeing (76% compared with 66%) and enjoy going to markets (39% compared with 27%) than all international overnight leisure visitors to Victoria.

3 TRAVEL STYLE

3.1 Group, package & Fully Independent Travel (FIT) travel

Trends in Group, Package and FIT travel among Indian leisure visitors to Australia, 2006-2010



The Indian leisure travel market in Australia is largely made up of FIT travellers, who accounted for 89% of the market in 2010, up from 70% in 2006. Package travel comprised 7% of the market in 2010, while group travel accounted for only 4%.

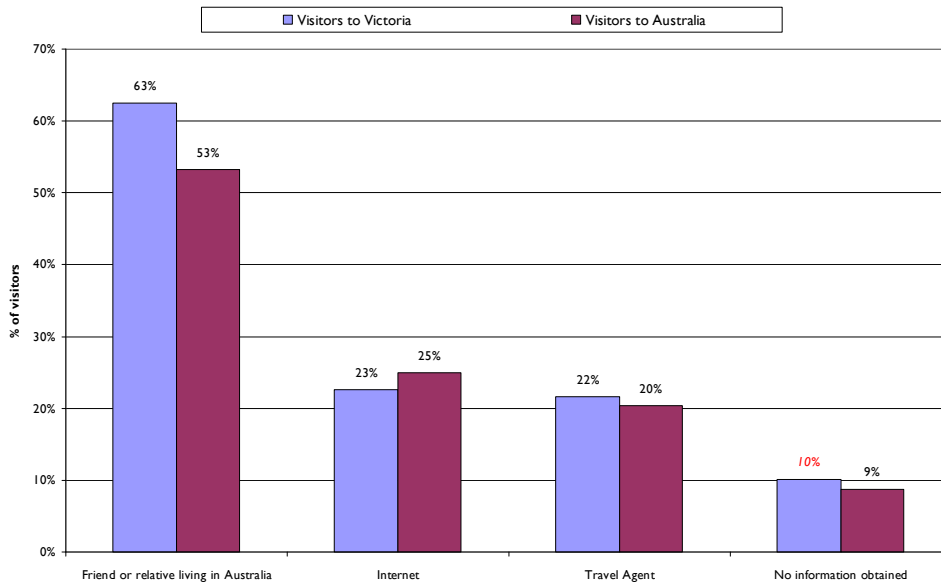
* NOTE: Group, Package and FIT are derived using the following method.

'Group' travellers refer to those who responded yes to question "Did you travel to Australia on a group tour?". 'Package' travellers refer to those who responded yes to question "Did you arrive in Australia on a travel package?" (minus 'Group' travellers). The remaining travellers who were not 'group' or 'package' are referred to as 'FIT' travellers.

4 INFORMATION SOURCES & PLANNING / BOOKING HORIZONS

4.1 Information Sources

Information Sources by Indian Visitors to Australia and Victoria, 2010

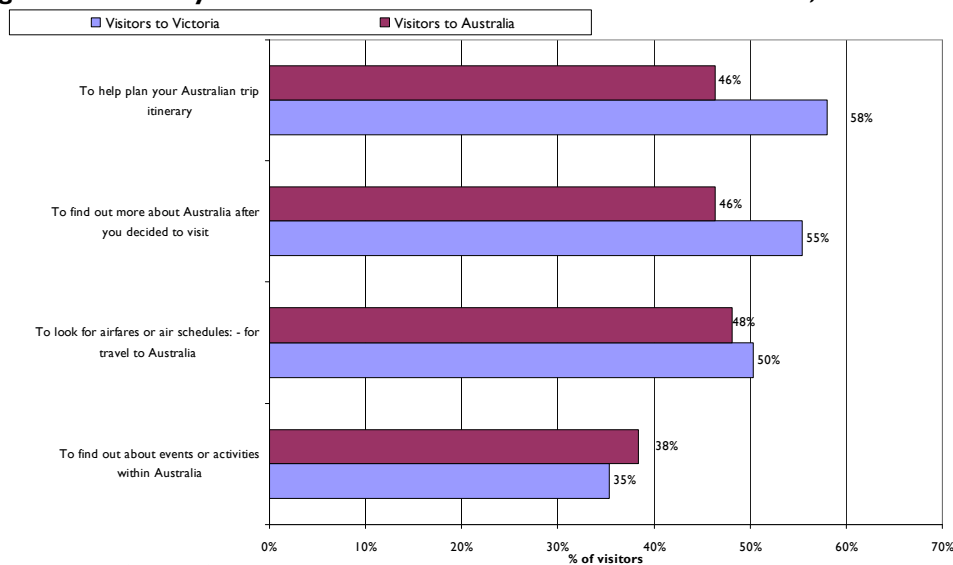


Base: Valid responses

NB: Information Sources with a value below 2% have been omitted.

Among Indian overnight leisure visitors to Victoria and Australia in 2010, the leading information source used a word of mouth referrals from an Australian resident (63% and 53% respectively), followed by the internet (23% and 25%) and a travel agent (22% and 20%).

Reasons for using the Internet by Indian Leisure Visitors to Australia and Victoria, 2010

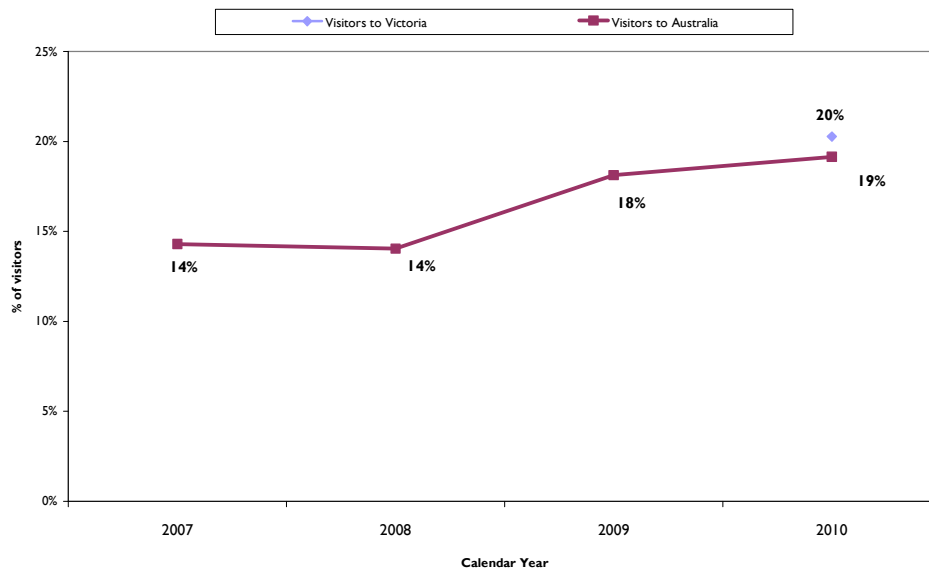


Base: Those who used the Internet as an Information Source.

Of Indian overnight leisure visitors to Victoria who used the internet in their holiday planning, 58% used it to help plan an itinerary, 55% to find out more about Australia after deciding to visit, and 50% to look for airfares and schedules for their trip to Australia.

4.2 Internet Booking

Incidence of Online Booking among Indian Overnight Leisure Visitors, 2007-2010



Base: Valid responses

Moderate growth in the incidence of online booking among Indian overnight leisure visitors to Australia is evident, increasing from 14% in 2007 to 19% in 2010. 20% of Indian overnight leisure visitors to Victoria in 2010 made an online booking, slightly higher than visitors to Australia from the market.

4.3 Planning and Booking Horizons

	Visitors to Australia	Visitors to Victoria
Planning Horizon (average weeks)	11.0	11.3
Booking Horizon (average weeks)	7.3	8.0

Among Indian leisure visitors to Australia, the average planning horizon was 11.0 weeks, with a slightly longer horizon for Indian overnight leisure visitors to Victoria (11.3 weeks). However, 37% of visitors to Australia indicated a lead time of less than 4 weeks for planning (33% of overnight leisure visitors to Victoria).

Flight booking occurred an average of 7.3 weeks prior to departure, with overnight leisure visitors to Victoria recording a slightly longer lead time (8.0 weeks). Among Australian visitors, 48% of flight bookings (and 44% of flight bookings among Victorian overnight visitors) occurred within one month of departure.

Sources:

- *International Visitor Survey*, year ending December 2000-2010, Tourism Research Australia
- *International Tourism Expenditure in Australia's regions 2000-2010*, Tourism Research Australia
- Tourism Forecasting Committee Forecast 2010: Issue 1 (June 2010) and Issue 2 (December 2010).
- Tourism Australia Corporate Website: <http://www.tourism.australia.com/en-au/marketing/experience-seekers.aspx>, February 2010.

Further information: www.tourism.australia.com/Markets.asp
www.tourism.vic.gov.au/facts-and-figures/

Figures that are unreliable and unable to be published are represented by '-'. Percentages in red italics are unreliable and should be used with caution.

Figures might not add up due to rounding.