



## Aus Domestic Visitation Analysis, Outlook '23



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Property Infrastructure Management Group 2023

In our opinion for the short term, we forecast that domestic visitation in terms of holiday and friends and family visits have peaked in 2022 and will be similar in 2023. Thus it will not be till 2024 and 2025 till there is probable potential to exceed historic highs of domestic travel in 2019.

This is due to the natural urge for interstate, intrastate travel after the lockdowns of 2020 and 2021 resulting in an explosion in immediate holiday travel and family visits in 2022. We believe that the majority of the “revenge travel urge” has passed and domestic travel resumes to norm.

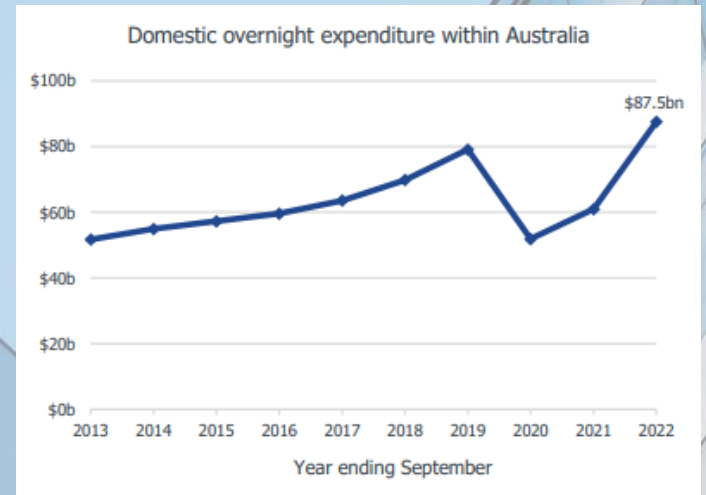
Recession possibility, rate hikes and inflation need to be factored in as decreasing the appetite of record breaking spend per visit. However, that will also drive Australian residents to decrease in international travel overseas and instead continue to spend domestically. Another factor to take note is that macroeconomic factors will curb upper tier accommodation choices but drive domestic travel toward low to mid tier accommodation and in our opinion, upper luxury market will not be affected.

Ultimately, we see 2023 as matching 2022 or slightly lower in YoY domestic expenditure. However as a whole, the closing of the international travel gap to Australia will make up for accommodation revenues as a complete picture. Low to mid tier accommodation and luxury accommodation will experience growth from domestic expenditure but upper mid to upper tier shall remain flat throughout 2023.

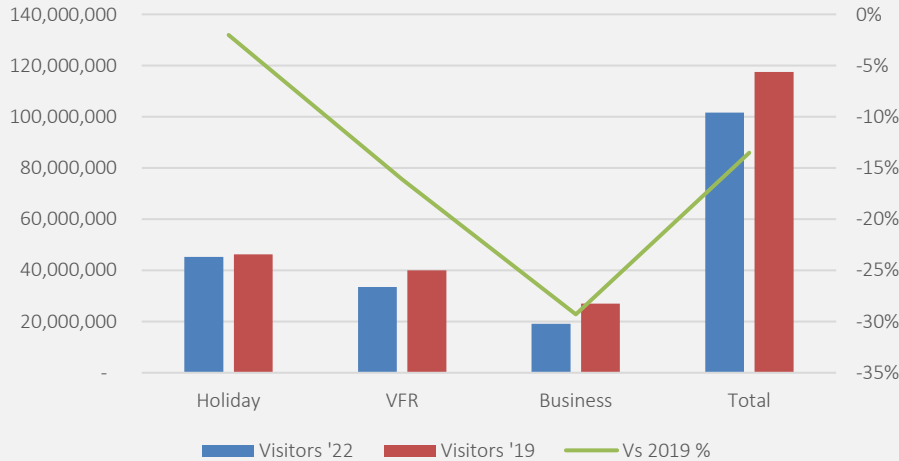


(Charts 1-5) During 2022, Australian domestic visitor sector experienced a strong recovery overall of 22.9% over 2021 with 101.6m overnight visitors, recovering to within 86.5% of 2019's domestic travel highs. In terms of expenditure, spending reached a record 87.5B, 8.5% above previous highs in 2019 of 81B. Spending levels per visitor well exceeding 2019 from \$688 per visitor to \$861 per visitor in 2022.

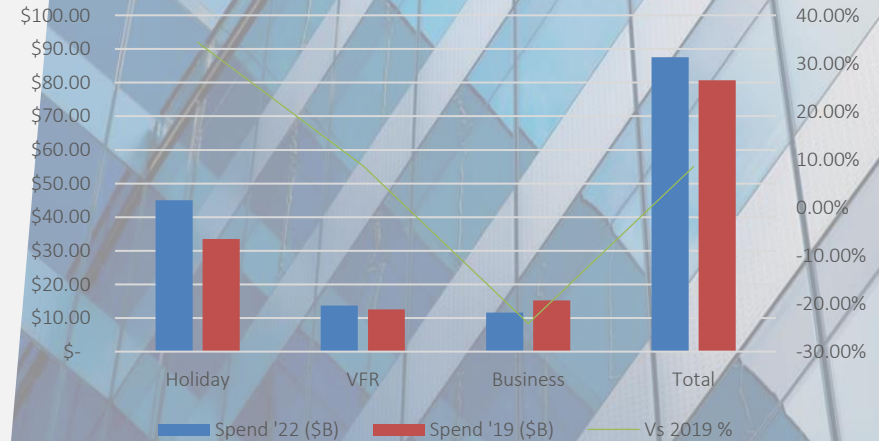
The strong performance in expenditure's main contribution is from the holiday category, exceeding 2019 by 34.4% producing 45.1B in 2022, with domestic holiday visitations at 98% of 2019 levels. As well, visiting friends and relatives category also experienced significant growth compared to 2019 by 8.7%, totalling 13.7B in spending, with travel in that category 16.1% below 2019. Domestic business travel is recovering the slowest and underperformed. Expenditure was 11.6B, 24.1% under 2019 and visitation was under by 29.3% with 19.1M domestic business visitors.



2. Overnight Domestic Visitors '22 to '19, by Category



4. Overnight Domestic Visitors Expenditure '22 to '19, by Category



3. Overnight Domestic Visitors, by Category

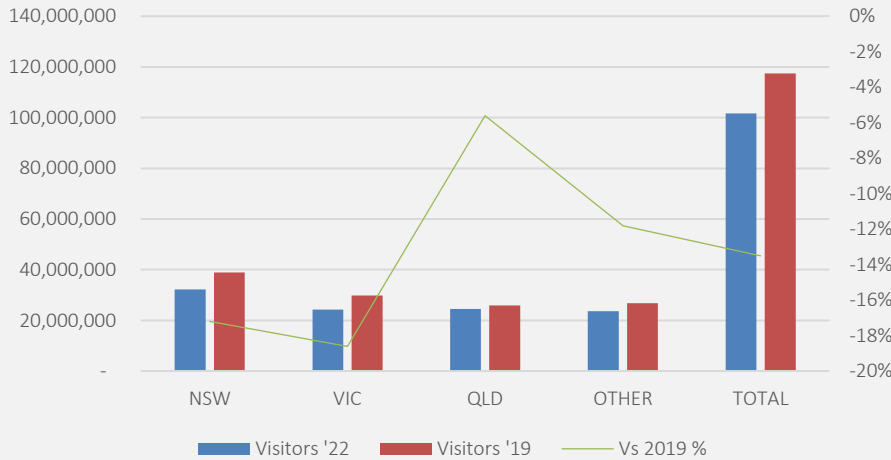
Visit	Visitors '22	Visitors '19	Vs 2019 %	Annual Change	Avg Stay
Holiday	45,289,000	46,213,265	-2%	20.90%	3.9
VFR	33,515,000	39,946,365	-16.10%	23.60%	3.3
Business	19,111,000	27,031,117	-29.30%	31.30%	3.7
Total	101,618,000	117,477,457	-13.50%	22.90%	3.7

5. Overnight Domestic Visitor Total Expenditure, by Category

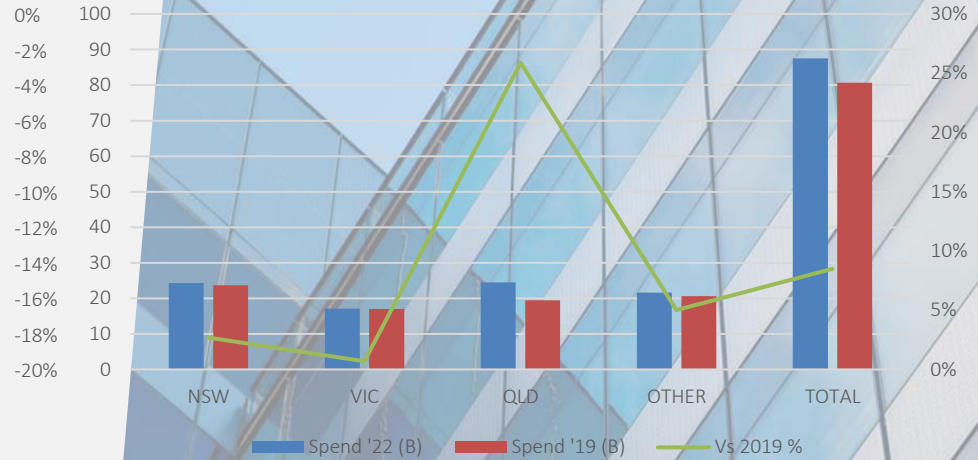
Spend	Spend '22 (\$B)	Spend '19 (\$B)	Vs 2019 %	Annual Change
Holiday	\$ 45.06	\$ 33.53	34.40%	38.80%
VFR	\$ 13.68	\$ 12.59	8.70%	45.10%
Business	\$ 11.60	\$ 15.28	-24.10%	42.40%
Total	\$ 87.53	\$ 80.67	8.50%	43.60%

Analysing state by state (charts6-9), QLD had the highest outperformance. Expenditures was 25.9% above 2019 with a record domestic expenditure of 24.5B, contributed by 24.5M visitors, 5.6% below 2019 record, a record of \$1,000 spend per visitor which is the highest performing out of all states. The other two big states also outperformed slightly with NSW 2.7% above 2019, at 24.3B, contributed over 32.3M visitors at \$754 per visitor. Victoria matched 2019 spending at 17.1B with 24.2M visitors (18.6% below 2019) with \$706 spend per visitor. In aggregate other smaller states also outperformed 2019 by 5%, totalling 21.6B in expenditures.

6. Overnight Domestic Visitors '22 to '19, by State



8. Overnight Domestic Visitor Total Expenditure (\$B) '22 to '19, by State



7. Overnight Domestic Visitors, by State

	Visitors '22	Visitors '19	Vs 2019 %	Avg Stay
NSW	32,265,000	38,967,391	-17.20%	3.30
VIC	24,227,000	29,762,899	-18.60%	2.90
QLD	24,465,000	25,916,314	-5.60%	4.10
OTHER	23,611,000	26,769,841	-11.80%	4.20
TOTAL	101,618,000	117,477,457	-13.50%	3.70

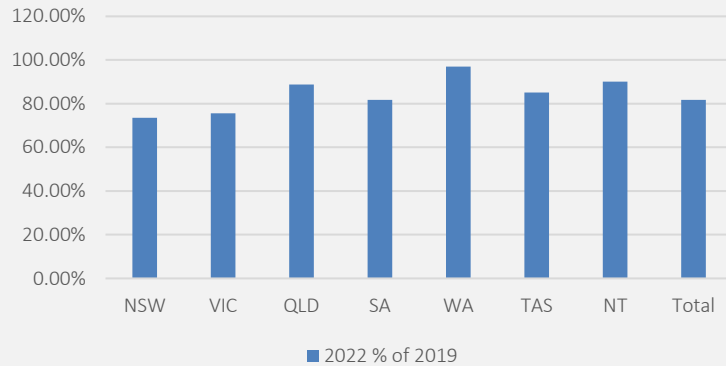
9. Overnight Domestic Visitor Total Expenditure, by State

	Spend '22 (B)	Spend '19 (B)	Vs 2019 %	Spend per Visitor
NSW	\$ 24.32	\$ 23.68	2.70%	\$ 754.00
VIC	\$ 17.10	\$ 16.98	0.70%	\$ 706.00
QLD	\$ 24.47	\$ 19.44	25.90%	\$ 1,000.00
OTHER	\$ 21.64	\$ 20.61	5.00%	\$ 917.00
TOTAL	\$ 87.53	\$ 80.67	8.50%	\$ 861.00

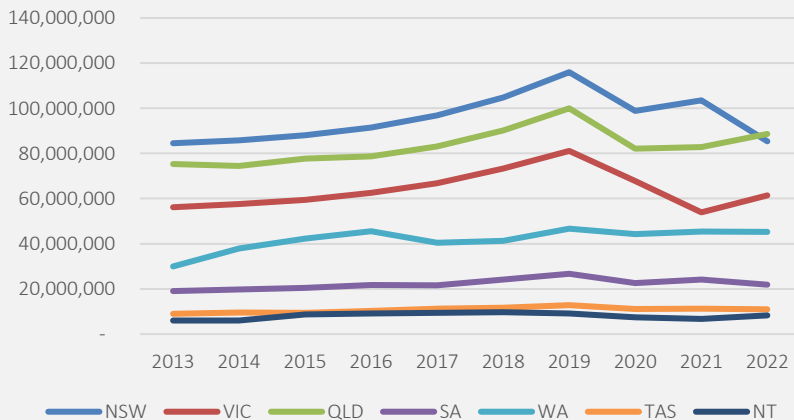
(charts 10-14) Domestic visitor nights (visitor x nights spent interstate / intrastate travelling), has been overall trending down since 2020 due to covid. Current levels are similar to 2016 levels at 327.1m domestic nights travelled, 82% of 2019 peak at 400m nights. Domestic visitor nights state wise, WA has recovered to 97% of 2019 levels, NT to 90%, QLD to 89% and TAS to 85%. NSW, VIC and ACT are still at 75% or below 2019 levels.

For the capital cities, there is still a huge gap to be closed, with only Darwin performing at 90% of 2019's peak, all the other capital cities at 80% or lower. Of particular to note there is much more potential to be captured in Sydney and Melbourne, at 58% and 57% of domestic visitor nights from 2019 levels.

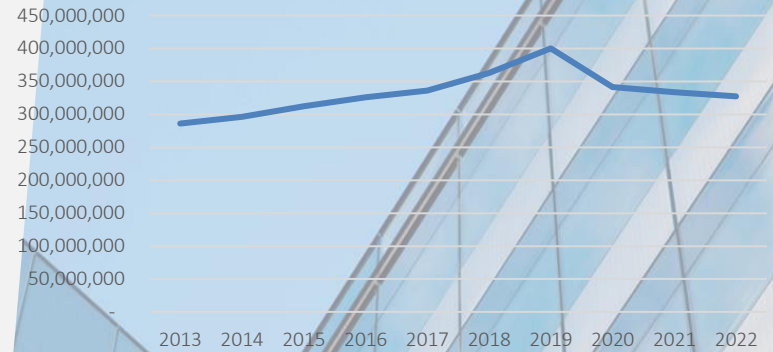
11.Domestic Visitor Nights (States, Aus), 2022 as % of 2019



12.Domestic Visitor Nights FY13-FY22, by State



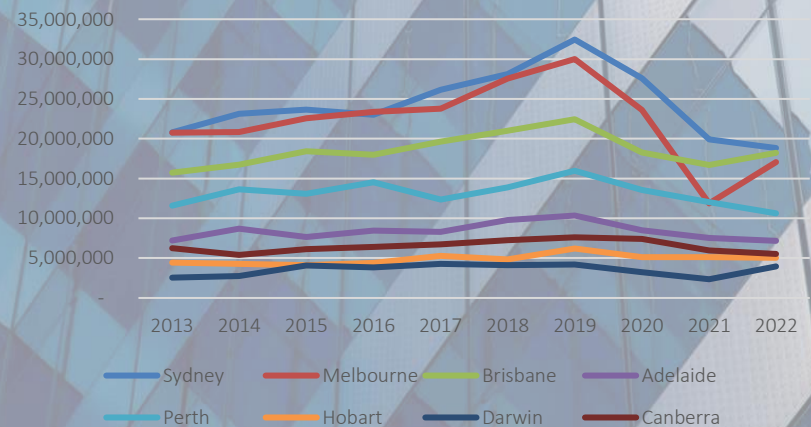
10.Domestic Visitor Nights FY13-FY22, Total Australia



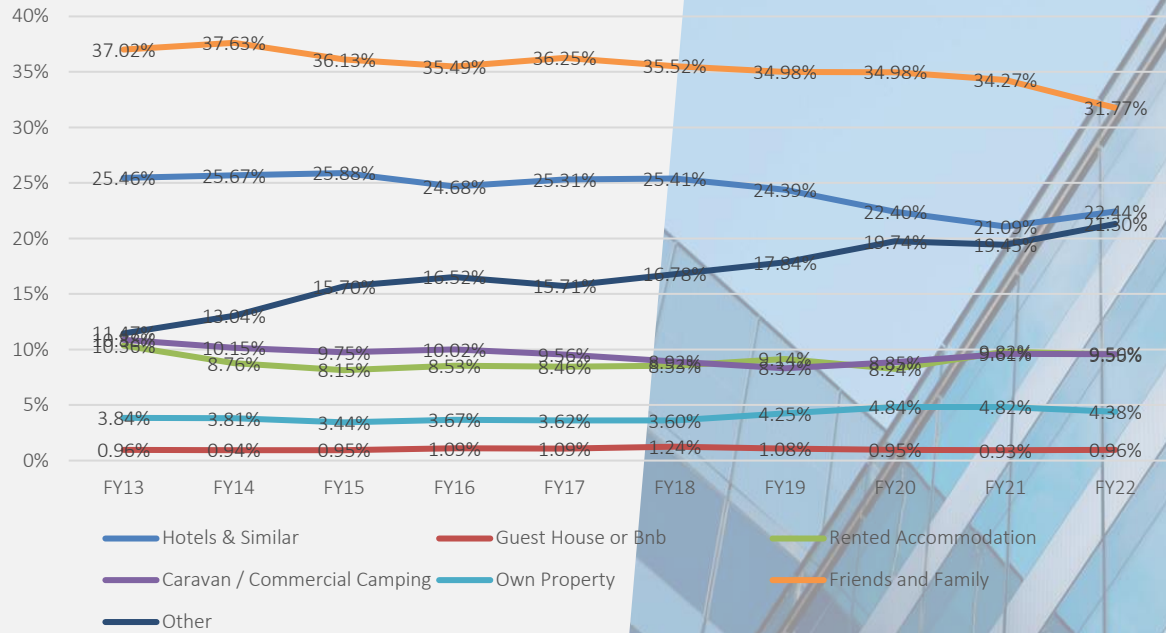
13.Domestic Visitor Nights (Capital Cities), 2022 as % of 2019



14.Domestic Visitor Nights FY13-FY22, by City



15. AUS Total Visitor Nights FY13-FY22, Accommodation Category % of Total



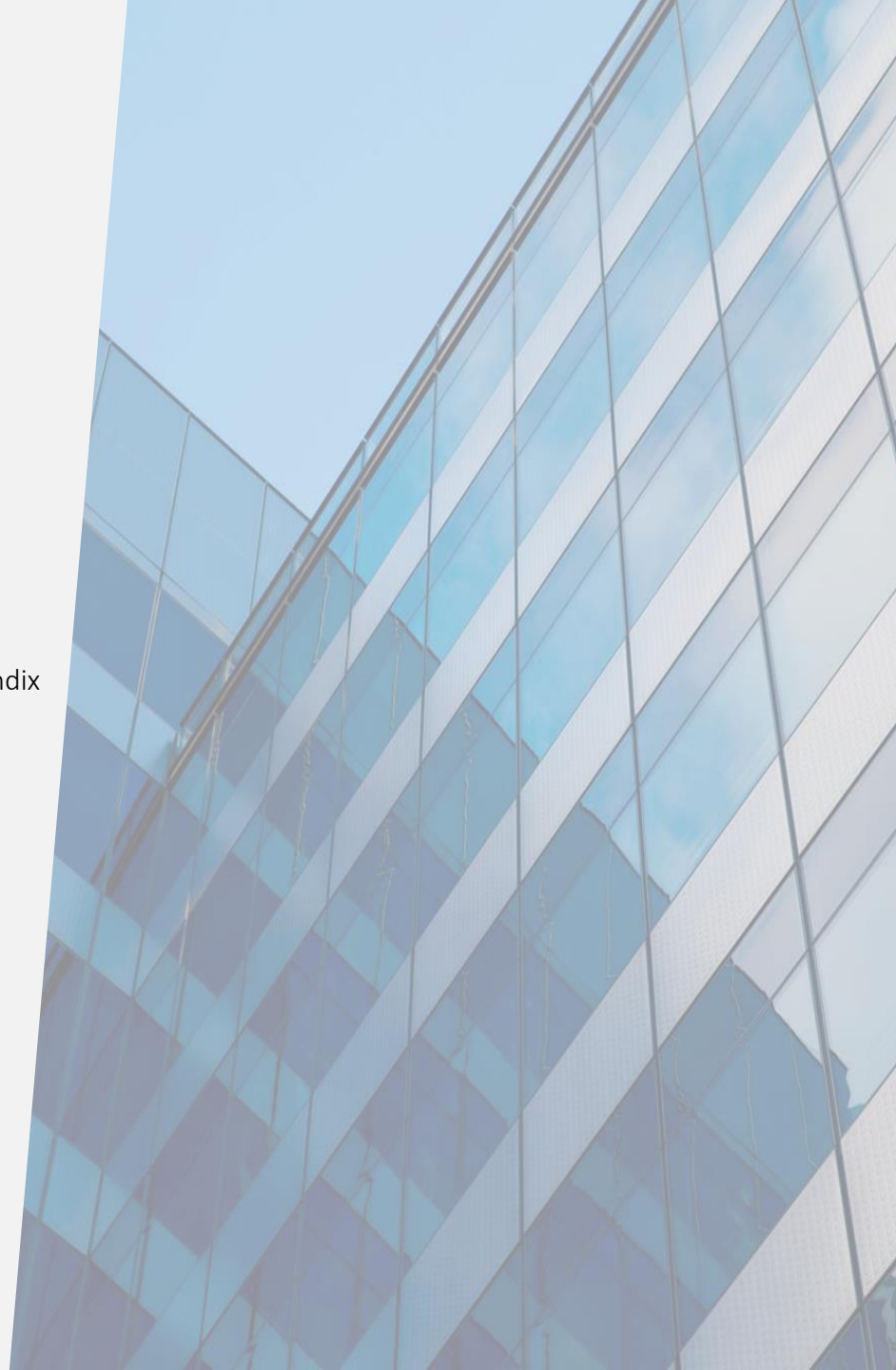
16. AUS Total Visitor Nights FY13-FY22, by Accommodation Category ('000)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	72,843	76,045	80,795	80,371	85,052	92,128	97,597	76,500	70,364	73,418
Guest House or Bnb	2,749	2,779	2,957	3,562	3,659	4,497	4,304	3,247	3,104	3,128
Rented Accommodation	29,638	25,944	25,446	27,786	28,442	30,935	36,574	28,136	32,773	31,262
Caravan / Commercial Camping	31,131	30,063	30,441	32,626	32,133	32,334	33,305	30,210	32,076	31,384
Own Property	10,991	11,288	10,725	11,960	12,157	13,055	17,010	16,515	16,096	14,335
Friends and Family	105,904	111,459	112,776	115,590	121,833	128,755	140,010	119,449	114,346	103,955
Other	32,800	38,610	48,995	53,818	52,779	60,828	71,416	67,416	64,892	69,691

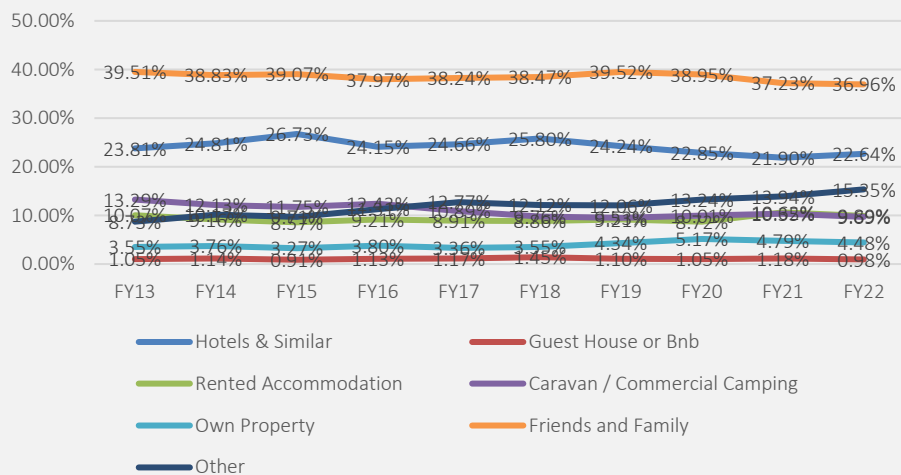
Charts 15-16 shows the trend in accommodation category over the past 10 years. There is a gradual decline in friends and family accommodation and an obvious uptick in the other category, which we suspect is the rise of disruptors such as Airbnb. Hotel has traditionally remained at about 25% share of the domestic visitation accommodation and has remained relatively flat except during '20-'21, and is seeing an uptick. Commercial camping / holiday parks have stayed relatively flat at 9-10% and guest house / bread and breakfast also have always remained at about 1% of domestic accommodation throughout the years.

Appendix

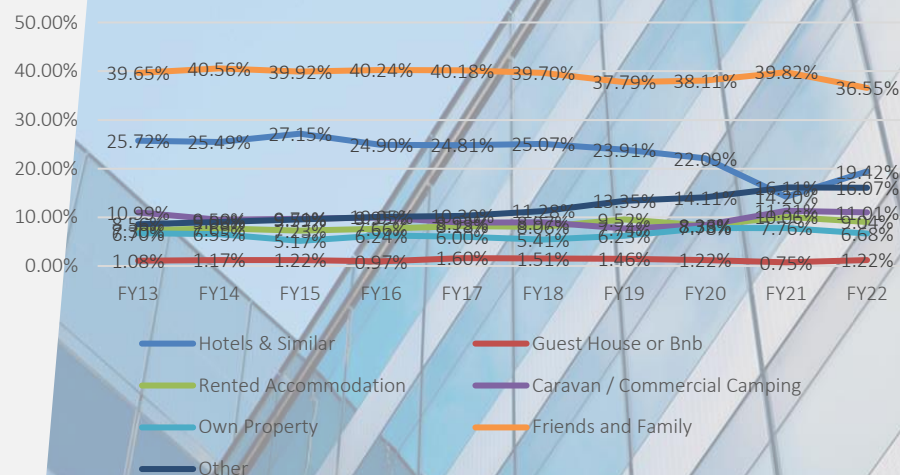
Appendix



NSW Visitor Nights FY13-FY22, Accommodation Category % of Total



VIC Visitor Nights FY13-FY22, Accommodation Category % of Total



NSW Visitor Nights FY13-FY22, by Accommodation Category ('000)

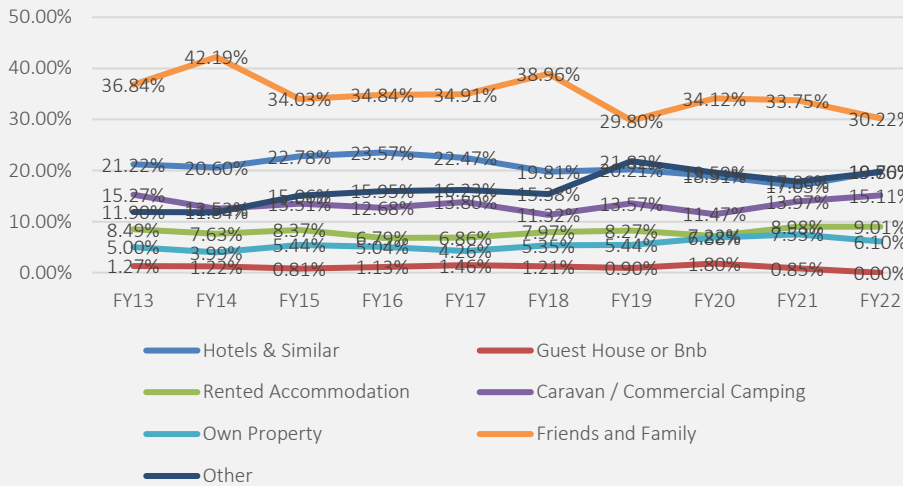
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	20,118	21,284	23,547	22,092	23,886	27,048	28,131	22,584	22,668	19,327
Guest House or Bnb	885	980	799	1,032	1,134	1,520	1,276	1,040	1,222	834
Rented Accommodation	8,508	7,857	7,548	8,424	8,634	9,285	10,693	8,618	10,993	8,442
Caravan / Commercial Camping	11,228	10,400	10,353	11,376	10,544	10,235	11,063	9,896	10,709	8,274
Own Property	2,999	3,226	2,878	3,477	3,256	3,722	5,036	5,113	4,959	3,827
Friends and Family	33,387	33,304	34,419	34,735	37,044	40,333	45,870	38,499	38,533	31,549
Other	7,373	8,722	8,556	10,351	12,369	12,706	13,992	13,088	14,429	13,104

VIC Visitor Nights FY13-FY22, by Accommodation Category ('000)

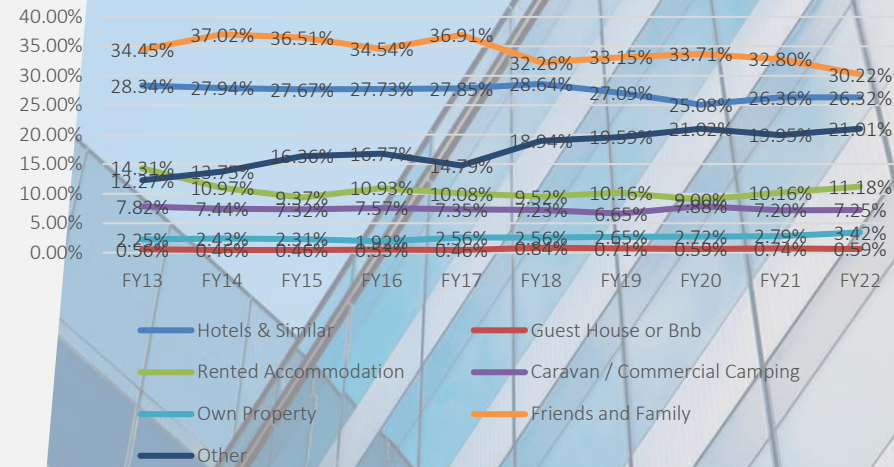
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	14,436	14,685	16,128	15,574	16,562	18,400	19,407	14,982	7,653	11,914
Guest House or Bnb	606	677	724	604	1,069	1,109	1,182	830	406	752
Rented Accommodation	4,097	4,431	4,295	4,794	5,462	5,916	7,730	5,652	5,422	5,549
Caravan / Commercial Camping	6,165	5,473	5,769	6,224	5,962	6,579	6,284	5,667	6,093	6,757
Own Property	3,762	3,772	3,071	3,904	4,009	3,972	5,060	5,275	4,181	4,099
Friends and Family	22,251	23,362	23,712	25,171	26,825	29,130	30,668	25,842	21,461	22,423
Other	4,804	5,202	5,694	6,287	6,874	8,276	10,834	9,565	8,682	9,858



SA Visitor Nights FY13-FY22, Accommodation Category % of Total



QLD Visitor Nights FY13-FY22, Accommodation Category % of Total



Appendix

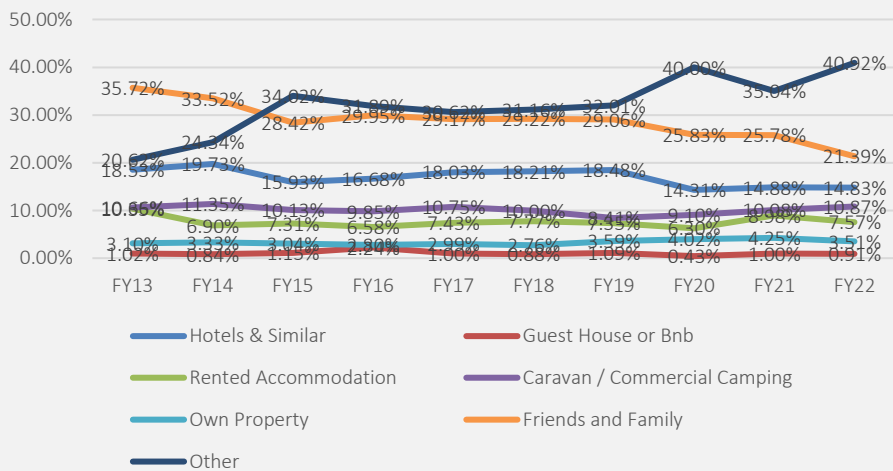
SA Visitor Nights FY13-FY22, by Accommodation Category ('000)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	4,025	4,050	4,670	5,111	4,841	4,786	5,402	4,262	4,121	4,279
Guest House or Bnb	240	239	166	245	314	293	239	407	207	-
Rented Accommodation	1,610	1,500	1,716	1,472	1,479	1,924	2,210	1,626	2,172	1,941
Caravan / Commercial Camping	2,896	2,463	2,769	2,750	2,974	2,735	3,628	2,585	3,378	3,256
Own Property	948	785	1,115	1,093	918	1,293	1,454	1,550	1,820	1,314
Friends and Family	6,987	8,295	6,973	7,556	7,522	9,412	7,967	7,689	8,158	6,510
Other	2,256	2,328	3,086	3,460	3,497	3,715	5,833	4,415	4,317	4,245

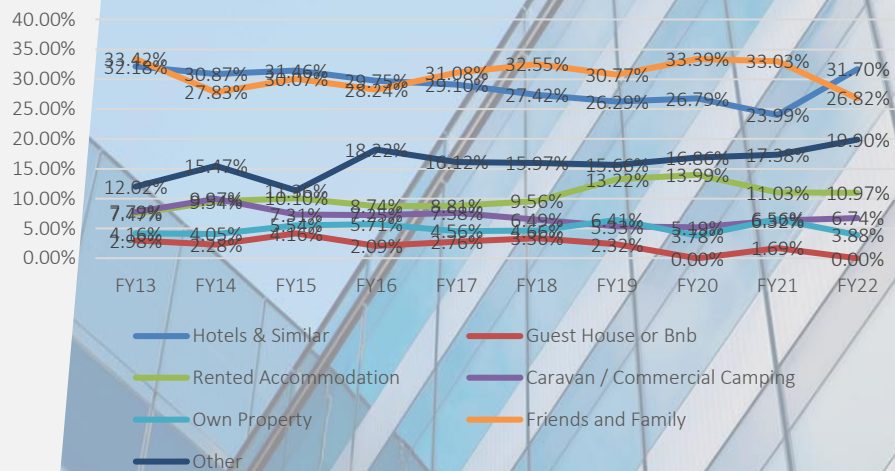
QLD Visitor Nights FY13-FY22, by Accommodation Category ('000)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	21,340	20,800	21,520	21,841	23,160	25,847	27,082	20,588	21,844	23,335
Guest House or Bnb	421	343	360	416	380	755	711	486	617	523
Rented Accommodation	10,780	8,165	7,286	8,611	8,379	8,594	10,157	7,389	8,425	9,914
Caravan / Commercial Camping	5,889	5,537	5,693	5,963	6,116	6,525	6,650	6,472	5,967	6,432
Own Property	1,693	1,810	1,796	1,515	2,131	2,312	2,654	2,233	2,309	3,035
Friends and Family	25,944	27,564	28,390	27,201	30,692	29,113	33,140	27,675	27,186	26,797
Other	9,243	10,238	12,725	13,205	12,301	17,092	19,589	17,257	16,533	18,633

WA Visitor Nights FY13-FY22, Accommodation Category % of Total



TAS Visitor Nights FY13-FY22, Accommodation Category % of Total



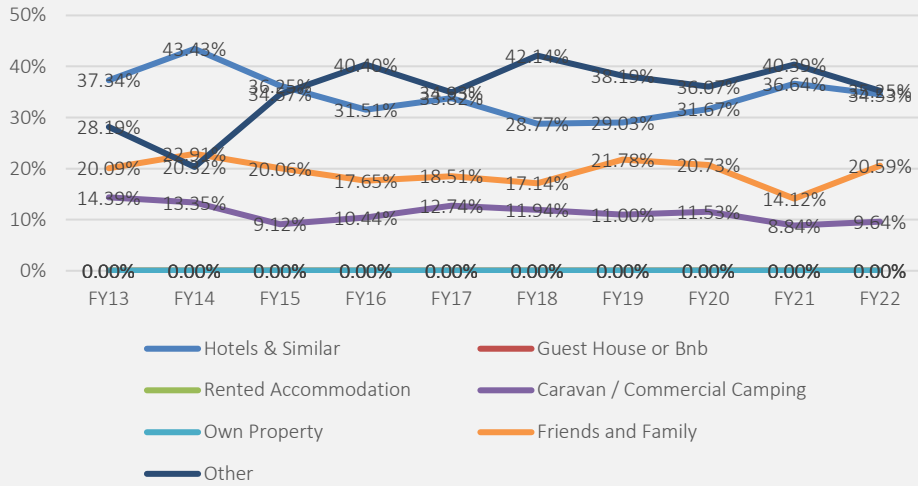
WA Visitor Nights FY13-FY22, by Accommodation Category ('000)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	5,556	7,479	6,732	7,596	7,297	7,519	8,634	6,328	6,748	6,718
Guest House or Bnb	304	317	484	1,020	406	363	511	192	453	413
Rented Accommodation	3,102	2,615	3,088	2,997	3,007	3,210	3,435	2,788	4,074	3,430
Caravan / Commercial Camping	3,195	4,301	4,282	4,484	4,351	4,128	3,928	4,024	4,572	4,927
Own Property	931	1,262	1,284	1,277	1,210	1,140	1,676	1,780	1,926	1,590
Friends and Family	10,706	12,704	12,010	13,635	11,804	12,068	13,574	11,422	11,692	9,691
Other	6,182	9,226	14,379	14,522	12,391	12,870	14,950	17,691	15,893	18,543

TAS Visitor Nights FY13-FY22, by Accommodation Category

TAS	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	2,897	2,928	2,930	3,024	3,258	3,198	3,369	2,919	2,691	3,355
Guest House or Bnb	268	216	388	212	309	392	298	-	190	-
Rented Accommodation	672	905	940	889	986	1,116	1,694	1,524	1,237	1,161
Caravan / Commercial Camping	701	945	681	737	849	757	682	566	709	714
Own Property	375	384	516	581	510	543	821	412	735	410
Friends and Family	3,008	2,639	2,801	2,871	3,479	3,797	3,944	3,637	3,705	2,839
Other	1,082	1,467	1,058	1,853	1,805	1,862	2,007	1,837	1,949	2,106

NT Visitor Nights FY13-FY22, Accommodation Category % of Total



Appendix

NT Visitor Nights FY13-FY22, by Accommodation Category										
NT	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Hotels & Similar	2,114	2,457	2,990	2,741	3,054	2,673	2,482	2,248	2,361	2,652
Guest House or Bnb	-	-	-	-	-	-	-	-	-	-
Rented Accommodation	-	-	-	-	-	-	-	-	-	-
Caravan / Commercial Camping	815	755	752	908	1,150	1,109	940	819	570	740
Own Property	-	-	-	-	-	-	-	-	-	-
Friends and Family	1,138	1,296	1,655	1,535	1,671	1,593	1,862	1,471	910	1,582
Other	1,596	1,149	2,852	3,513	3,154	3,915	3,265	2,560	2,603	2,708

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