Tourism Investment in Regional Australia

Tea Tree Bay, Noosa National Park, Queensland
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Spectacular natural beauty. A pristine environment. Some of the friendliest, most welcoming people in the world. Modern cities. World-class food and wine. An extraordinarily diverse population. Incredible experiences in both cities and regional areas alike. These are only a few of the things that make Australia one of the most desired tourism destinations in the world.

Abundant with natural attractions, Australia boasts a significant domestic tourism market already, with international visitor numbers forecast to rise. With Asia’s thriving middle class seeking unique international travel experiences, Australia’s proximity to growing Asian markets will set it in good stead. Investors now have a real opportunity to take advantage of growth in regional Australia and be part of the Australian story.

**THE CONTINUING RISE OF REGIONAL TOURISM**

Australian tourism isn’t just about the capital city tourism regions. So many Australian icons and bucket-list spots are located across regional Australia.

With millennials being the next wave of travellers, their intense global demand for travel experiences that resonate on a deeper emotional level is also driving travel brands to develop product that is more adventurous, more personalised, and more attuned to local culture; inspiring consumers toward a path of self-discovery. Regional Australia is well-placed to capitalise on this trend.

**TOURISM IN REGIONAL AUSTRALIA BY THE NUMBERS:**

- **5.6% growth in visitation per annum (over 5 years)**
- **6.6% increase in international visitation per annum**
- **296 million visitor nights spent in regional Australia in 2019**
- **4.6% increase in overnight stays per annum**
- **63% of all visitors are domestic day trippers**
- **5.7% increase in domestic visitation per annum**
- **48.5 million more visitor nights spent in regional Australia in 2019 than in 2015**

Source: Tourism Research Australia, Colliers International
Tourism Investment in Regional Australia

Drivers of International Tourism

Demand generators are what drive travellers to visit a location and are ultimately how an area or region builds presence and evolves to become a destination.

Tourism Australia set up the Consumer Demand Project in 2012 to better understand how global consumers view Australia and what most motivates them to visit. More than 125,000 travellers have been interviewed since 2012 in 17 markets across the world. This research highlighted that whilst many international visitors make travel decisions for rational reasons, such as safety, security and value for money, they also visit for emotional reasons.

Frequently cited motivators for visiting Australia include world-class nature and wildlife experiences, food and wine and aquatic and coastal experiences; many of which are best found in regional Australia.

These are the experiences that international visitors are seeking which, when overlaid with a strong domestic base, provides opportunities for investors to capitalise on the current and projected growth in tourism.

Preference for Australian experiences vs International competitors

<table>
<thead>
<tr>
<th>Experience</th>
<th>More Competitive</th>
<th>Less Competitive</th>
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</thead>
<tbody>
<tr>
<td>WILDLIFE</td>
<td>50.4</td>
<td></td>
</tr>
<tr>
<td>AQUATIC &amp; COASTAL</td>
<td>49.7</td>
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</tr>
<tr>
<td>NATURAL BEAUTY</td>
<td>46.7</td>
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<tr>
<td>FOOD &amp; WINE</td>
<td>45.3</td>
<td></td>
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<tr>
<td>SPORT &amp; ADVENTURE</td>
<td>43.6</td>
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<tr>
<td>HISTORY &amp; CULTURE</td>
<td>39.8</td>
<td></td>
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<tr>
<td>CITY</td>
<td>39.6</td>
<td></td>
</tr>
</tbody>
</table>

Source: Tourism Australia Consumer Demand Project
ASIAN SOURCE MARKETS ARE DRIVING GROWTH

The top three international source markets to regional Australia in 2019 were the United Kingdom, China and New Zealand, which together comprised around one third of total visitor nights.

Growth is being driven by visitors from Asia and thus represents a significant opportunity if the product offering is right.

China and India are the two fastest growing markets, with growth of nights in regional Australia having averaged 15 per cent and 14 per cent respectively over the past five years.

Source: Tourism Research Australia

*PPN represents the proportion of nights expressed as a percentage.
DIVERSITY OF ACCOMMODATION SOUGHT

A range of accommodation options can be found in regional Australia.

ACCOMMODATION IN REGIONAL AUSTRALIA BY THE NUMBERS:

HOLIDAY HOMES
ARE THE PREFERRED MODE OF ACCOMMODATION

OVER HALF
OF ALL VISITOR NIGHTS ARE SPENT IN AN OWNED OR RENTED HOME

19%
OF TOTAL VISITOR NIGHTS ARE SPENT IN HOTELS

HOTELS
ARE PREFERRED BY DOMESTIC VISITORS

6.5%
ANNUAL GROWTH IN INTERNATIONAL VISITOR NIGHTS STAYING IN HOTELS

CAMPING & CARAVAN PARKS
ARE BECOMING INCREASINGLY POPULAR AND LUXURIOUS

Growth in self-drive travel has the potential to increase visitation to Australia’s regions even more.

Potential to visit regional Australia and key attractors by source market

Growth in self-drive travel has the potential to increase visitation to Australia’s regions even more with international visitors indicating a desire to spend an average of six nights of a 14-night trip in regional Australia and visiting up to four different destinations. The most sought after experiences correlates with Australia’s core offerings of aquatic and coastal, wildlife and natural beauty, food and wine; with considerably fewer visitors seeking city experiences.

<table>
<thead>
<tr>
<th>Market</th>
<th>Trip Length</th>
<th>PPN* in a region</th>
<th>Preferred Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>14 nights</td>
<td>49 per cent</td>
<td>Aquatic and Coastal, Wildlife</td>
</tr>
<tr>
<td>India</td>
<td>14 nights</td>
<td>44 per cent</td>
<td>Aquatic and Coastal, Wildlife</td>
</tr>
<tr>
<td>Indonesia</td>
<td>14 nights</td>
<td>41 per cent</td>
<td>Aquatic and Coastal, Natural beauty</td>
</tr>
<tr>
<td>Singapore</td>
<td>7 nights</td>
<td>23 per cent</td>
<td>Food and Wine, Aquatic and Coastal</td>
</tr>
<tr>
<td>South Korea</td>
<td>14 nights</td>
<td>45 per cent</td>
<td>Aquatic and Coastal, Food and Wine</td>
</tr>
<tr>
<td>Malaysia</td>
<td>7 nights</td>
<td>27 per cent</td>
<td>Aquatic and Coastal, Wildlife</td>
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<tr>
<td>United States</td>
<td>14 nights</td>
<td>47 per cent</td>
<td>Wildlife, Natural beauty</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>21 nights</td>
<td>41 per cent</td>
<td>Aquatic and Coastal, Wildlife</td>
</tr>
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<td>Germany</td>
<td>21 nights</td>
<td>54 per cent</td>
<td>Wildlife, Natural beauty</td>
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<tr>
<td>New Zealand</td>
<td>14 nights</td>
<td>33 per cent</td>
<td>Natural beauty, Wildlife</td>
</tr>
</tbody>
</table>

*PPN represents the proportion of nights expressed as a percentage
Source: Tourism Australia Consumer Demand Project
Tourism Investment in Regional Australia

Friendly Beaches Lodge, Freycinet Experience Walk, Tasmania
Tourism in Australia is a $143 billion industry that employs around 1 in 13 Australians, accounts for 10 per cent of exports and is a key driver of the economy. It is one of five key 'super-growth sectors' driving new jobs and growth in the economy over the next decade.

The tourism potential in regional Australia is significant given the size of the country and diversity of experiences offered in each state or territory. With many regions offering a multitude of experiences across all key activities; destination drivers, new attractions, accommodations and offerings will serve both to take advantage of the current visitation and drive additional tourism.

A key driver of growth is innovation, enterprise and risk-taking. The development of new tourism attractions exists in response to the overall appeal of a location, its population and visitor base, economic growth outlook and suitability for tourism development. Where these fundamentals intersect, the Australian Federal, and State and Territory Governments encourage innovative tourism development, with the private sector playing a pivotal role.

Source: Tourism Research Australia

### Demand Drivers in Regional Australia

<table>
<thead>
<tr>
<th>Activity</th>
<th>PPN of visitors</th>
<th>5 Yr Growth</th>
<th>Notable Destinations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Wine</td>
<td>48.6 per cent</td>
<td>8.6 per cent</td>
<td>Hunter Valley, Orange, Mudgee, Yarra Valley, Mornington Peninsula, King Valley, Barossa, Adelaide Hills, Tamar Valley, Margaret River and Southern Highlands</td>
</tr>
<tr>
<td>Aquatic and Coastal</td>
<td>22.3 per cent</td>
<td>7.0 per cent</td>
<td>Shoalhaven, Gippsland, Whitsundays, Fleurieu Peninsula, Ningaloo Reef, Katherine Gorge, Tasman Peninsula, Cotter Reserve and Great Ocean Road</td>
</tr>
<tr>
<td>Nature and Wildlife</td>
<td>19.4 per cent</td>
<td>10.6 per cent</td>
<td>Snowy Mountains, Grampians, Tropical North Queensland, Kangaroo Island, Kimberley, Kakadu, East Coast Tasmania and Tidbinbilla Nature Reserve</td>
</tr>
<tr>
<td>Cultural and Heritage</td>
<td>9.5 per cent</td>
<td>6.6 per cent</td>
<td>Blue Mountains, Byron Bay, Goldfields, Limestone Coast, Dampier Peninsula, Burrup Peninsula, Uluru, Arnhem Land, Port Arthur and Launceston</td>
</tr>
<tr>
<td>Wellness</td>
<td>0.2 per cent</td>
<td>9.6 per cent</td>
<td>Byron Bay, Daylesford, Hepburn Springs, Sunshine Coast, Margaret River and Flinders Island</td>
</tr>
</tbody>
</table>

Source: Tourism Research Australia, Colliers International, State and Territory Governments
The locations showcased are based on the notable destinations listed in the table, ‘Demand Drivers in Regional Australia’.
FOOD AND WINE

Private tasting, Seppeltsfield Winery, Barossa Valley, South Australia
Australia boasts numerous globally renowned wineries with significant massing in four states. As an island continent with strong biosecurity regulations, Australia’s large export-oriented agribusiness and food sector is renowned for clean, green and safe production. It also has the benefit of offering counter-seasonal availability to the northern hemisphere. The country’s diverse climates and growing conditions also allow for varied production systems from small specialist farms for niche products to large-scale grazing and cropping. Whilst quality food and wine can be found all over regional Australia, tourism experiences are clustered in the country’s well-renowned wine regions.

Australia’s regional areas boast world-class restaurants, with 14 of the top 100 restaurants in the country located outside of the capital cities.

SUPPLY CHARACTERISTICS

From east coast to west, maritime to cool climate, mainland, island, isolated and large metropolis, Australia boasts numerous globally renowned wineries with significant massing in four states – New South Wales, Victoria, Western Australia and South Australia - plus a highly-regarded industry in Tasmania.

South Australia is the dominant producer, where Shiraz and Chardonnay are the dominant varietals. The wine landscape has exploded over the past decade and there are now more winemakers and more experimentation. Young winemakers are also rewriting the rule book and challenging what has been done in the past for a new audience. Increasingly Australia’s wineries, breweries and distilleries are not simply venues to taste and purchase products, but they offer a memorable experience featuring quality restaurants, accommodation, tours, and exciting behind the scenes experiences. They allow visitors to interact with the product and production process, and enjoy first-hand, the rich diversity that Australia offers.

1 Australian Financial Review - Australia’s top 100 restaurants for 2017
Visitation Trends

The enjoyment of food and wine is integral to the Australian tourism experience, which embodies quality ingredients, fresh produce and innovative cuisine. Australia’s reputation as a premium wine-producing country is undisputed. Wine lovers from around the world are drawn to the ‘home’ of the wines they have tried, savoured and loved. Food and wine tourism relies on visitors directly enjoying quality Australian food and wine. Activities include visiting wineries, breweries and distilleries, and eating out at restaurants.

Of all the key attractors in regional Australia, the enjoyment of food and wine is a significant one and one of the highest growth activities.

In response to the growing demand globally for food and wine as part of the travel experience, Tourism Australia’s Restaurant Australia campaign (under the umbrella campaign of There’s Nothing Like Australia), put the spotlight on Australia’s finest array of produce served in the most stunning locations in the world.

Food & Wine Tourism in Regional Australia

By the Numbers:

- **8.6% growth in visitation per annum (over 5 years)**
- **105.5 million visitors in 2019 engaged in food & wine tourism**
- **59% of all food & wine tourists are domestic day trippers**
- **8.2% increase in domestic overnight visitation per annum**
- **7.1% increase in international overnight visitation per annum**

105.5 million visitors in 2019 engaged in food & wine tourism.
Food and wine experiences are a big part of what motivates people to travel. The use of an anchor tourism product can transform a small regional town into a destination, whereas the development of other attractions and amenity can round out a visitor’s trip to that town.

Australia’s produce is exported worldwide: from raw ingredients, such as wheat and beef, to sophisticated premium goods such as confectionery, cheese and wine.

Reports from Wine Australia demonstrate that demand for Australian wine continues to grow. China is now Australia’s third most important export market after the USA and the UK for our wine exports, which should bode well for continued growth in food and wine tourism over the coming years as more visitors seek out quality food and wine tourism product. The weaker Australian dollar and the trade agreement with China have contributed to strong growth in sales to export markets. Millions of dollars are being invested into vineyards across the country, turning them from functional spaces into some of the most outstanding dining destinations in the country.

Growing health awareness is also influencing the food and beverage choices of Australian consumers and is in-step with global trends. Within food, this has been reflected in a focus on natural ingredients, organically grown produce and concerns around ethical and sustainable food production, driving interest in a desire for genuine paddock to plate food and wine travel experiences.

In their June 2019 report, Food and Wine Australia demonstrated that there were 205.5 million visitors to regional Australia in 2019 who engaged in food and wine tourism activities.
Tourism Investment in Regional Australia

**Jackalope Hotel Mornington Peninsula, Victoria**

Opened April 2017  
Development cost: $20 million  
China’s KCC Real Estate Development Company (KCC) has completed work on a $20 million boutique hotel project at the Mornington Peninsula – its first hotel development outside of China. Located in the grounds of the 18-hectare Willow Creek Winery, the hotel features 40 rooms and specialist food and beverage facilities, including a new cellar door.

**The d’Arenberg Cube McLaren Vale, South Australia**

Opened December 2017  
Development cost: $15 million  
The d’Arenberg Cube, a multi-million dollar, four-storey, multi-dimensional architectural dream, wildly angled and toned, with glass and mirror construction is perched in the middle of the current hilltop d’Arenberg winery complex, McLaren Vale. The Cube includes a new tasting room, several bars, another restaurant, private tasting rooms and state of the art facilities on each level.

**Voco Yarra Valley, Victoria**

Opening 2021  
Development cost: $120 million  
Melbourne’s famed Yarra Valley wine region is set to welcome a 170-room hotel run by global hotel manager IHG under its new upscale voco brand. The $120 million hotel, conference, distillery and restaurant complex are being developed by Barnes Capital and represents IHG’s second voco-branded property in Australia. The multi-level complex will feature an on-site gin distillery, lavender farm, mirrored maze, amphitheatre and provedore.
AQUATIC AND COASTAL

Sailing, Green Island, Queensland
Australia is the sixth largest country (by land mass) in the world, and of these, is the only one that is completely surrounded by water. The Australian coastline covers some 25,000 kilometres and is surrounded by many thousands of small fringing islands and numerous larger ones. Add to this a myriad of inland rivers, lakes and waterways and it is easy to see why aquatic and coastal experiences feature so prominently in the Australian way of life.

**SUPPLY CHARACTERISTICS**

Australia’s vast coastline plays an important role in defining the character of the country – beaches, islands, ocean lagoons and colourful reefs are all vivid portraits of the beauty of the island nation, dotted with infrastructure and amenities to support a multitude of water-based sports and boating. Fishing is another popular activity in Australia.

There are many popular fishing styles in Australia including estuary fishing, fresh water fishing, reef fishing, fly fishing and more. The largest inland system of rivers is the Murray-Darling basin in south eastern Australia. The Northern Territory offers vast networks of waterways including huge tidal rivers, scenic inland billabongs, and mangrove-lined estuaries which offer a variety of world-class fishing options. There are also a number of large estuarine rivers along the east coast, including the Hawkesbury River just north of Sydney and the wide Clarence River in Northern New South Wales.

Australia has two of the world’s greatest coral reefs offering a dream discovery for divers and snorkelers. The Great Barrier Reef stretches some 1,200 kilometres along the tropical north Queensland coast and is one of the seven wonders of the natural world and a world heritage listed area. Ningaloo Reef is located off the west coast of Australia, approximately 1,200 kilometres north of Perth, and is where the reef comes closest to the Australian mainland.

The coastal reef and inshore waters of Ningaloo Reef provide one of Australia’s great marine experiences and is one of the best places in the world to swim with whale sharks.

Australia boasts a wide variety of island resorts ranging from super luxury to camping, nothing says ‘getting-away-from-it-all’ like boarding a plane to a remote coral atoll. Whilst most renowned island resorts are found in the Great Barrier Reef, less well-known uniquely Australian escapes can be found in Tasmania (Flinders Island), South Australia (Kangaroo Island) and Western Australia (Wilderness Island and Admiralty Gulf) for example.
Tourism Investment in Regional Australia

With more than 25,000 kilometres of coastline and countless islands, Australia offers an abundance of aquatic experiences both on the coast and on inland rivers, lakes and waterways. Aquatic and Coastal tourism relies on experiences directly related to the numerous beaches and water based activities. Activities include going to the beach, visiting the reef, whale or dolphin watching, fishing, scuba diving, snorkelling, surfing, and other water sports.

Domestic overnight visitors dominate, accounting for 51 per cent of all Aquatic and coastal visitors. Australia’s population is clustered around the coastline with the highest densities in cities and towns along the east coast. Aquatic and coastal activities are for many synonymous with daily life and a key driver of tourism activity.

**Visitor Trends**

Almost 40 per cent of the total coastline of Australia is comprised of island coastlines.

**Aquatic & Coastal Tourism in Regional Australia**

**By the Numbers:**

- **7.0% Growth in visitation per annum (over 5 years)**
- **48.4 Million visitors in 2019 engaged in aquatic & coastal tourism**
- **46% of all aquatic & coastal tourists are domestic overnight visitors**
- **3.6% increase in overnight stays per annum**
- **4.5% increase in domestic overnight visitation per annum**
- **1.7% increase in international overnight visitation per annum**

**Visitors of Aquatic & Coastal Tourism** in Regional Australia, 2015 to 2019

**Visitors (Thousands)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Day Trip</th>
<th>Domestic Overnight</th>
<th>International Overnight</th>
<th>Total</th>
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<tbody>
<tr>
<td>2015</td>
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<td>2019</td>
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Source: Tourism Research Australia, Colliers International

**Visitor Nights of Aquatic & Coastal Tourism** in Regional Australia, 2015 to 2019

**Visitor Nights (Thousands)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Overnight</th>
<th>International Overnight</th>
<th>Total</th>
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<td>2019</td>
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</tbody>
</table>

Source: Tourism Research Australia, Colliers International
There were 48.4 million visitors to regional Australia in 2019 who engaged in aquatic and coastal tourism activities.

**INVESTMENT OPPORTUNITY**

Australia offers an excellent year-round temperate climate which lends itself to outdoor sports, aquatic and coastal activities.

Whilst many activities are undertaken within the natural environment, there remains a need for new infrastructure by way of island accommodation resorts and modern marinas to accommodate forecast future boat ownership.

Governments recognise the importance of protected areas as a major tourism drawcard and a number have introduced policies which seek to govern their protection and use. For example, the Great Barrier Reef comprises over 900 islands, and is largely protected by the Great Barrier Reef Marine Park Authority which manages the reef in partnership with the Queensland Government. Whilst not every island in Australia is habitable or accessible, opportunities for tourism development do exist. However, development should not detract from the main feature of the location but instead capture the importance of place in the design and be consistent with the location in a protected or natural area. Site locations should maximise views where possible and minimise the intrusion of support facilities.

Marinas are the boater’s second-home. Modern marinas offer everything from laundry services and internet connections to club facilities, fine dining and community events. User-friendly marinas attract visitors and foster a sense of community. This has given rise to the marina residential complex. Architecture should be accommodating with a boardwalk encircling the shore overlooking the boats and accessible retail.
INTERCONTINENTAL HAYMAN, QUEENSLAND

Opening 2019
Development cost: $100 million

Malaysian multinational Mulpha Group will spend more than $100 million refurbishing its Hayman Island 166-room luxury hotel. The resort will be rebranded as ‘Hayman Island, by InterContinental’ after signing a long-term management agreement with InterContinental. The resort is the only property on the 4-hectare island and will showcase world-class facilities, rooms and suites in one of the world’s most unique locations.

ELEMENTS BYRON BAY NORTH COAST, NEW SOUTH WALES

Opened February 2016
Development cost: $100 million

KTQ Developments have created a landmark resort on a 20 hectare site in one of Australia’s most iconic beachside towns. With 2 kilometres of beach frontage, the resort features 193 individual one and two-bedroom villas, conference facilities for up to 400 people and is set to be a major boost to the local economy.

CRYSTALBROOK COLLECTION CAIRNS, QUEENSLAND

Opening 2019
Development cost: $370 million

Ghassen Aboud’s Crystalbrook Collection has announced the development of three landmark Cairns hotels that will see a 5-star hotel become operational each year for the next three years. The investment comes as tourism drives growth and opportunity up and down the Queensland coast.
Meeting local wildlife, Freycinet Experience Walk, Tasmania
Australia is blessed with a diverse range of ecosystems, breath-taking landscapes and unique wildlife. These natural attractions make Australia one of the leading providers of nature-based tourism in the world. There are thousands of national parks and other conservation reserves in Australia. They protect a huge variety of environments - from deserts to rainforests, and from coral reefs to eucalypt woodlands.

**Supply Characteristics**

Australia’s environment is one of the most diverse on earth and its landscape is one of the oldest. Its flora and fauna have evolved in isolation for 45 million years, untouched by the upheavals of the world’s continental plates. The result is a unique, highly specialised and fragile environment.

There are thousands of national parks across Australia, three of which are world heritage listed including Kakadu National Park, Uluru-Kata Tjuta National Park and Purnululu National Park. Most parks and reserves are conserved by Government agencies in each of Australia’s eight states and territories. The conservation and management of these attractions is in the public interest. Investment activity rests with the elected State or Territory Government, by way of the application of legislation and the policy of the time.

The extent of Australia’s wildlife is also significant; hence zoos, sanctuaries and aquariums are relatively prominent attractions across the country. Australia is one of the most important nations on Earth for biodiversity and is home to more species than any other developed country. Most of Australia’s wildlife is found nowhere else in the world, making its conservation even more important. 87% per cent of mammal species, 93 per cent of reptiles, 94 per cent of frogs and 45 per cent of our bird species are only found in Australia.  

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1. Australian Wildlife Conservancy
Tourism Investment in Regional Australia

Visitation Trends

Australia is a place of exceptional natural beauty where ancient rainforests and vast national parks, rugged mountain ranges and reefs, beaches, and waterways, provide sanctuary to Australia’s wondrous wildlife. Nature and wildlife based tourism relies on experiences directly related to natural attractions. Activities include visiting national parks, botanic gardens, farms and wildlife parks, as well as bushwalking and visiting zoos and aquariums.

Australia’s natural assets are often located a fair distance from major cities and therefore require overnight stays. Regional locations which are well-serviced by road and aviation infrastructure are likely to perform better than those that are not.

Nature & Wildlife Tourism in Regional Australia by the Numbers:

- 10.6% growth in visitation per annum (over 5 years)
- 4.2 million visitors in 2019 engaged in nature & wildlife tourism
- 49% of all nature & wildlife tourists are domestic overnight visitors
- 5.4% increase in overnight stays per annum
- 7.7% increase in domestic overnight visitation per annum
- 1.9% increase in international overnight visitation per annum

Visitors of Nature & Wildlife Tourism in Regional Australia, 2015 to 2019

Visitors (Thousands)

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<thead>
<tr>
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<th>Domestic day trip</th>
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Source: Tourism Research Australia, Colliers International

Visitor Nights of Nature & Wildlife Tourism in Regional Australia, 2015 to 2019

Visitations

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Source: Tourism Research Australia, Colliers International
Tourism Investment in Regional Australia

Australia ranks high globally for its nature-based tourism with a diversity of landscapes and some of the most unique and appealing wildlife found anywhere in the world. The tourism industry desires iconic sites in areas of high environmental quality such as coastal locations, natural bushland environments, and sites within or adjoining national parks.

Regional Australia’s many iconic sites are highly regarded for quality experiential tourism development: ecotourism, health and wellbeing resorts, high-end resorts, and adventure tourism.

Experiences should be designed so that they promote the education of conversation to travellers, in order to protect the sustainability of the destination’s nature and wildlife tourism offering. Experiential businesses need to work in cooperation with local authorities and people to deliver conservation benefits. Experiences are managed through regional tourism zoning and visitor management plans, as well as long-term monitoring programs to assess and minimise impacts.

There were 42 million visitors to regional Australia in 2019 who engaged in nature and wildlife tourism activities.
SAFFIRE FREYCINET RESORT EAST COAST, TASMANIA

Opened in 2010
Development cost: $32 million

Developed by the privately owned Federal Group, Saffire Freycinet’s concept and design are like no other in Australia, capturing the essence of the unique Freycinet Peninsula region of Tasmania. The all-inclusive resort features 20 suites on 11 hectares of land in Coles Bay, located mid-way along Tasmania’s beautiful East Coast.

EMIRATES ONEANDONLY WOLGAN VALLEY, NEW SOUTH WALES

Opened in 2013
Development cost: $125 million

Nestled between two of Australia’s most prominent national parks in the Greater Blue Mountains World Heritage Area, the OneandOnly Wolgan Valley forms the centrepiece for unique experiences and insights into Australia’s wildlife, history and cultural heritage. The resort features 40 individual suites for a maximum of 90 guests.

PUMPHOUSE POINT LAKE ST CLAIRE, TASMANIA

Opened in 2015
Development cost: $9 million

Nature-tourism entrepreneur Simon Currant has turned the retired hydro-electricity hub into an 18-room boutique accommodation retreat, located 250 metres out on the lake, surrounded by Tasmania’s World Heritage wilderness. The retreat showcases Tasmania’s wilderness and industrial heritage in a stunning location.
Exploring Coopers Creek, Daintree Forest, Queensland
CULTURE AND HERITAGE

Uluru Aboriginal Tours, Uluru Kata Tjuta National Park, Northern Territory
Heritage includes places, values, traditions, events and experiences that capture where a country has come from and where it is headed.

As the world's oldest living culture, Australia's Aboriginal and Torres Strait Islander people have a continuous history spanning more than 50,000 years. Their is the oldest story on Earth, providing an irrevocable understanding of the birth of the Australian continent, its ancient landscapes, spirituality and wonder.

**SUPPLY CHARACTERISTICS**

The Australian landscape today is a map of the spirits' journeys and stories created over thousands of years ago describing these journeys. There are more than 2,000 museums, galleries, sites and holdings in Australia.

Australian museums vary from the small, the privately owned, and community museums, to large, government enterprises. Each has its own important place in making Australian heritage come alive and preserving the past for future generations by holding the collective Australian memory.

Aboriginal and Torres Strait Islander Australians are a living legacy of spiritual knowledge, custodianship of land, culture, people and the connectedness of all things shared through rituals, art, dance, music, secret stories and journeys created in the Dreamtime – the time when ancestral spirits created the landforms and all life. Aboriginal and Torres Strait Islander hosts and guides are keen to share their story and give an insight into their culture, which is often delivered with an engaging humour and deeply moving perspective.

*Museum Galleries Australia*
Tourism Investment in Regional Australia

VISITATION TRENDS

A strong Indigenous culture and modern European history means there are opportunities to build visitation in Australia’s cultural and heritage segment. Cultural and heritage tourism rely on experiences which directly relate to the enjoyment of history and culture. Activities include visiting museums, art galleries, heritage buildings, sites and monuments, attending festivals, fairs or art and craft workshops as well as experiencing indigenous art and culture or visiting an indigenous site or community.

CULTURE & HERITAGE TOURISM IN REGIONAL AUSTRALIA

BY THE NUMBERS:

6.6% GROWTH IN VISITATION PER ANNUM (OVER 5 YEARS)

20.5 MILLION VISITORS IN 2019 ENGAGED IN CULTURE & HERITAGE TOURISM

45% OF ALL CULTURE & HERITAGE TOURISTS ARE DOMESTIC OVERNIGHT VISITORS

5.5% INCREASE IN DOMESTIC OVERNIGHT VISITATION PER ANNUM

Visitors of Cultural & Heritage Tourism in Regional Australia, 2015 to 2019

Visitors (Thousands)

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<th>2015</th>
<th>2016</th>
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Source: Tourism Research Australia, Colliers International

Visitor Nights of Cultural & Heritage Tourism in Regional Australia, 2015 to 2019

Visitor Nights (Thousands)

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<th>2015</th>
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Source: Tourism Research Australia, Colliers International
Tourism Investment in Regional Australia

Australia’s cultural assets are a draw card for international and domestic visitors. Protection and conservation of these assets is essential for the survival and sustainable growth of the tourism industry over the longer term.

Many of Australia’s historic heritage assets are located in regional Australia where the contribution of cultural tourism to economic growth and indigenous employment is of great importance, as well as being of policy significance.

Australian museums are engaged in an era of change and development. Increasingly museums present a variety of narratives or stories, reflecting on themselves as part of the colonial framework and reviewing their collection practices. They are now seen less as buildings and more as multi-faceted arrays of activities. Museums actively communicate with their audience across wider geographic areas, making their collections available in new ways.

Although Australia’s non-Indigenous cultural assets are only 200 years old, they represent important icons and contribute to a sense of national identity. With Government being a key stakeholder in many facilities, the effective and sustainable use of heritage properties as the basis of tourism does require significant planning, to ensure economic and conservation success, and to meet statutory guidelines. In order to facilitate sustainable use, it is important for investors and operators to understand the intersection of physical and community or social attributes of heritage sites as important aspects of conservation and visitor experience.

There were 20.5 million visitors to regional Australia in 2019 who engaged in cultural and heritage tourism activities.

INVESTMENT OPPORTUNITY

The Australian War Memorial, Canberra, Australian Capital Territory
SYDNEY SANDSTONES, NEW SOUTH WALES

Opening 2020
Development cost: $300 million
The heritage-listed Sandstones, or the Land and Education buildings on Bridge Street in Sydney’s CBD will undergo a dramatic transformation when Singaporean developer Pontiac begins a $300 million redevelopment. In addition to over 250 rooms and suites in both buildings, a rooftop winter garden, refurbished domes and temples, and a reopened horse and carriageway will form part of the updated features of the sandstone site.

THE D’ARENBERG CUBE, MCLAREN VALE, SOUTH AUSTRALIA

Opened in December, 2017
Development cost: $15 million
The d’Arenberg Cube, a multi-million dollar, four-storey, multi-dimensional architectural dream, wildly angled and toned, with glass and mirror construction is perched in the middle of the current hilltop d’Arenberg winery complex, McLaren Vale. The Cube includes state of the art facilities on each level, such as a contemporary wine museum, wine fog room and 360-degree video room.

VOYAGES INDIGENOUS TOURISM AUSTRALIA, NORTHERN TERRITORY

Acquired in 2010
Voyages Indigenous Tourism Australia is a subsidiary of the Indigenous Land Corporation (ILC) and operates Ayers Rock Resort on its behalf. ILC acquired the Ayers Rock Resort in 2010 and also manages Home Valley Station in the East Kimberley region of Western Australia and Mossman Gorge Centre in Tropical North Queensland. With a strong commitment to social responsibility, all profits from Voyages’ business activities go toward building the resort experience and supporting indigenous training and employment across Australia.
Injalak Arts and Craft, Lord’s Kakadu and Arnhemland Safaris, Gunbalanya, Northern Territory
Sunrise yoga on the beach, Byron Bay, New South Wales
With wellness holidays gaining popularity, people of all interests are now looking to utilise their precious holiday time to prioritise health and fitness. Examples include yoga retreats, beach bootcamps, surf camps and hiking tours. A clean, green environment; Indigenous plants and produce with health properties (such as tea tree oil); and an emphasis on distinctive cultural traditions create a competitive advantage for Australia as a destination for wellness tourism.

**SUPPLY CHARACTERISTICS**

The rise of “wellness” in contemporary Western societies has been fuelled by several socio-economic drivers, accompanied by increasing enthusiasm for alternative and more holistic therapies. Globalisation and large-scale migration have paved the way to introduce non-Western health systems and alternative healing practices to conventional Western medicine.

People have become more health conscious and interested in how to lead healthy lifestyles, and are also willing to spend on their health and wellbeing. The focus on health is increasingly moving beyond just a superficial obsession with appearance to a need to escape from the increasingly fast pace of everyday life and high stress-levels resulting from constant working, driving growth in wellness tourism. From a supply perspective, wellness relates to three broad categories of service provision:

- **Beauty** - emphasis on body, facial and water-based treatments;
- **Lifestyle and Fitness** - emphasis on detox, rejuvenation and behaviour change;
- **Spiritual** - emphasis on contemplation, reflection, meditation and learning.

Application of these broad characteristics does not point to the supply of wellness tourism in any one location over another, although areas of high natural amenity are usually favoured. Byron Bay in New South Wales and Daylesford in Victoria have both grown in prominence as wellness destinations where the convergence of health, wellness and/or spiritual activities have attracted a unique and growing visitor type.

Australia boasts a number of naturally occurring hot springs, which can act as a focal point for wellness activities. In most countries there is a definable link between volcanic activity and hot springs, however Australia is different. Australian hot springs come in two main types; the first being a more traditional hot spring from geothermal sources and the second being hot springs which emerge from the Great Artesian Basin of Australia. The Great Artesian Basin is a vast underground reservoir of water which covers one fifth of the Australian land mass which is mostly accessed via drilled bores deep underground. Some of the drillers have unexpectedly discovered very hot water, and enterprising drillers have then transformed those waters into artesian baths.

Taking time out to relax is acknowledged and revered as one of life’s true luxuries.
Taking time out to relax is acknowledged and revered as one of life’s true luxuries. Wellness tourism relies on experiences which directly relate to nourishing the body and soul including visiting a health spa, sanctuary or well-being centre. The enjoyment of spa-related activities with luxury leisure travel is also becoming increasingly common.

### Wellness Tourism in Regional Australia By the Numbers:

- **9.6% Growth in Visitation per annum (over 5 years)**
- **0.46 million visitors in 2019 engaged in wellness tourism**
- **74% of all wellness tourists are domestic overnight visitors**
- **0.9% increase in international overnight visitation per annum**
- **13.7% increase in domestic overnight visitation per annum**

### Visitors of Wellness Tourism in Regional Australia, 2015 to 2019

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<th>Year</th>
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<th>Total</th>
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Source: Tourism Research Australia, Colliers International

### Visitor Nights of Wellness Tourism in Regional Australia, 2015 to 2019

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<th>Year</th>
<th>Domestic overnight</th>
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Source: Tourism Research Australia, Colliers International
There were 0.46 million visitors to regional Australia in 2019 who engaged in wellness activities.

INVESTMENT OPPORTUNITY

With growing interest in health and wellness, there are opportunities for investors to capitalise on popular destinations through the creation of product that is orientated towards a wellness positioning. These are more likely to succeed when planned as a component of a broader service offering. Product can be differentiated to appeal to both baby boomers and millennials, both of whom are showing greater interest in the health and wellness segment as an influencer of holiday and leisure pursuits.

In regional locations, it is worth noting that participation sports, for adults and school children alike, provide a key motivator for visitation throughout the year and therefore the value to the overall visitor economy should not be understated.

Soft sports tourism is when the tourist travels to participate in recreational sporting, or to sign up for leisure interests. For example hiking, skiing, canoeing and yoga retreats can be described as soft sports tourism.

Mass participation events are also growing in popularity. Examples include Tough Mudder, which is reportedly the largest adventure race brand in the world, as well as marathons, triathlons and surf boat carnivals.
Gaia Retreat & Spa, Byron Bay, New South Wales

Opened in 2005

Founded in 2005 by Gregg Cave, Ruth Kalnin, Olivia Newton-John and Warwick Evans, Gaia Retreat & Spa is a wellness retreat located in the Byron Bay hinterland. Gaia’s ethos and nurturing environment is a haven to develop, create and actualise whatever it is that you personally are seeking – to de-stress, lose weight, detoxify, get fit, or simply some peace and serenity to regain balance and ground yourself in your own space and time.

Mitchelton Hotel and Spa, Victoria

Opening December 2017

Development cost: $16 million

Mitchelton Winery Estate, set on the banks of the Goulburn River, underwent an extension in December 2017 with the opening of a $16 million, 58-key luxury boutique hotel. Located within the spectacular surrounds of the Estate, the hotel boasts a four-treatment room day spa, sprawling restaurant, 20-metre lap pool and extensive banquet and meeting facilities. The property is the 10th MGallery by Sofitel hotel in Australia.

RACV Cape Schanck Resort, Victoria

Opening August 2018

Development cost: $135 million

The RACV Cape Schanck Resort represents the first premium accommodation of its size on Victoria’s Mornington Peninsula. Opening its doors in August 2018, the resort sits on an 18-hole championship golf course and offers unparalleled 180-degree panoramic ocean views. The resort features premium food and beverage outlets, a 25-metre indoor pool, sauna and steam rooms and a fully-equipped gym. The resort’s One Spa, boasts eight different beauty and wellness treatment rooms and will be open to guests and visitors alike.
Walk into Luxury, Injidup Spa Retreat, Cape to Cape Track, Margaret River, Western Australia
ABOUT US

Tourism Australia and the Australian Trade and Investment Commission (Austrade) formed a partnership in 2012 to attract foreign direct investment in tourism product. The Partnership is a commitment to give information and assistance to interested investors by providing them with information and insight on Australia’s tourism infrastructure opportunities. There is also a commitment to coordinate the relationship between investors and the various state and territory agencies to make the process of investment easier.

HOW WE CAN HELP

Austrade has a network of investment specialists around the world. They offer comprehensive and confidential assistance that will save you time and money, and help you make the right investment decisions.

For more information or to find an investment specialist near you, contact your local representative or visit our website:

Jarrod Mander
General Manager Investment
Tourism Australia
E: investtourism@tourism.australia.com
T: +61 2 9360 1111

Emma McDonald
Senior Investment Specialist - Tourism Infrastructure
Austrade
E: info@austrade.gov.au
T: +61 2 9392 2000

www.tourisminvestment.com.au

DATA SOURCES

Visitation data for each of the activities including food and wine, aquatic and coastal, nature and wildlife, cultural and heritage, and wellness tourism in regional Australia has been sourced from Tourism Research Australia’s National and International Visitor Surveys. Domestic day trip and overnight data provide the best indication of the drivers of demand to any given destination as the questions in the survey directly relate to those activities undertaken during that trip. For international visitors, activity data relates to activities which were undertaken on the entire trip to Australia.

The report also draws on insights from Tourism Australia’s Consumer Demand Project. This major international research tourism project provides insights into how global consumers view Australia, and what motivates them to visit.