

Australians' Travel Behaviour – Ethnicity Analysis

Research Background

We know from ABS Census data that overseas migration to Australia is growing. Tourism NSW recognises the need to understand this trend further to ensure cultural differences are considered in domestic marketing plans. At 30 June 2009, United Kingdom continued to be the source of the largest group of overseas-born residents, accounting for 5.4 percent of Australia's total population. Persons born in New Zealand accounted for 2.4 percent of Australia's total population, followed by persons born in China (1.6 percent), India (1.4 percent) and Italy (1.0 percent). Between 1999 and 2009 the share of Chinese born Australians grew 0.8 percentage points and India grew 0.9 percentage points, highlighting the rapid recent growth of Asian migration.

In July 2010 Tourism NSW was offered the opportunity to add a question to the monthly TNS Thought Leadership Omnibus. The survey is administered online and explores travel perceptions, motivations and attitudes of Australian residents.

Tourism NSW elected to include a question about respondents' *main language spoken at home* to allow the exploration of the differences in travel behaviour amongst Australians with diverse ethnic backgrounds.

Out of 1005 responses collected 78 percent of respondents registered that their main language spoken at home is English while six percent mainly speak an Asian language at home. The remainder (16 percent) spoke various other languages at home. From this set of results, those whose main language spoken at home was English was analysed versus those who spoke an Asian language.

To complement this research, Tourism Australia has permitted Tourism NSW to access their ethnicity results from their Domestic Brand Health Tracker. Twelve months worth of tourism and ethnicity data has been collected based on the *countries that are connected to their family background*.

Between September 2009 and August 2010, 6,193 Australians were surveyed. Thirty-five percent connected their family history to Australia, 44 percent to Europe, 7 percent to Asia and 4 percent to America.

Summary of Research Results

The following results from both surveys clearly show that, in a tourism context, Australians with Asian backgrounds behave differently to those Australian from other backgrounds. This is true for not only travel and holiday trends, but also in terms of money and spending.

Domestic travel appears to be more favoured by those who have an English speaking background or are from non-Asian descent. Respondents with Asian heritage tend to save their money for a big overseas trip, probably to visit their homeland or friends and family living overseas. These Asian-Australians value overseas locations more for a holiday than Australian places. They also consider overseas locations suitable for short trips while English speaking Australians tend to consider overseas destinations too far or too expensive for short trips.



Despite their lower propensity to travel domestically, Asian-Australians are more likely to invite their overseas friends and family members to Australia, and are great advocates by encouraging international friends and relatives to visit Australia and NSW. When these friends and family arrive, they are likely to take them out to local attractions rather than leave them to find their way independently.

In terms of discretionary income it appears Asian speaking Australians are more likely to save and invest while non-Asian Australians tend to be paying off debts. Asian-Australians also spend more on big trips while English speaking Australian are more likely to spend their discretionary income on short breaks.

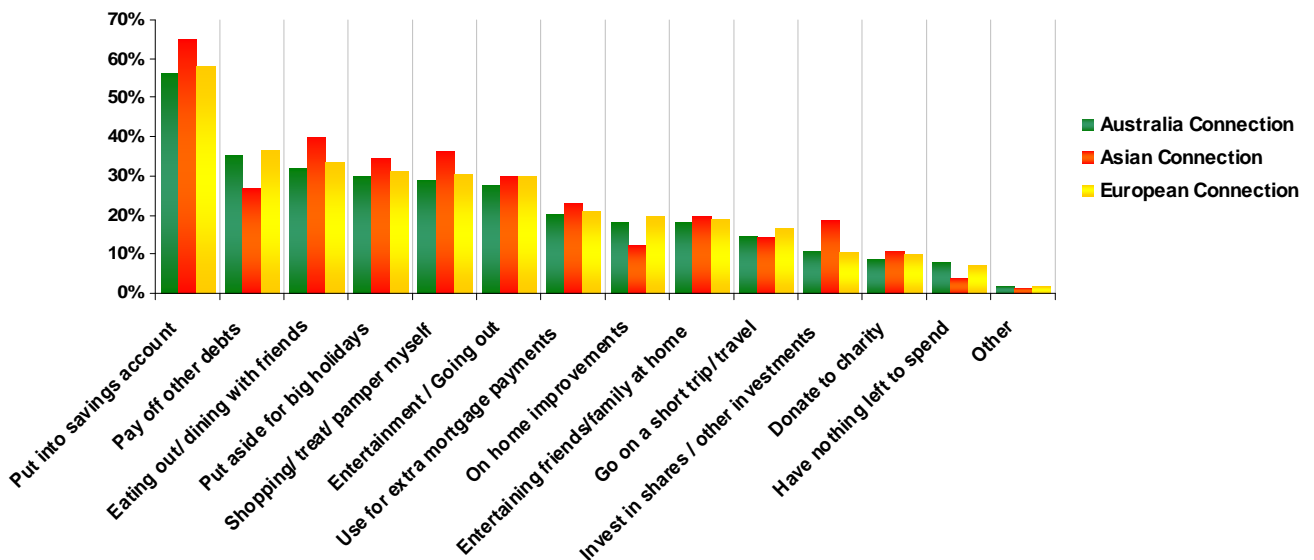
Analysis of Results

Financial Situation and Spending Intentions

Through the Tourism Australia Brand Health Tracker, respondents were asked about their current financial situation compared with the previous six months. Most respondents' situation as reported in 2009-10 has not changed or changed very little. This is consistent across all ethnic backgrounds.

Respondents were asked about how they intend to spend their money in the future, specifically in relation to holidays and travel. Those with Asian backgrounds are more likely to spend their money on an overseas leisure trip rather than on a leisure holiday within Australia. It is likely that these Asian respondents are returning to their homeland, perhaps to visit family and friends.

In a typical month, once you have met all your financial commitments, how would you use any additional money you have left?



Respondents with Asian backgrounds are also more likely to save their money, eat out, save for a big holiday and invest their spare cash. They are less likely to use their spare cash to pay off debts (as they may not have any debt). The other main ethnic groups, Australian and European, are more likely to be left with no discretionary income after their financial commitments have been met.



The respondents were asked about some of the things they thought about when deciding what to do with their discretionary income. Asian-Australians are more likely to think about saving for a house or for their children's futures and are less likely to use their spare cash to take a small trip within Australia.

Past Travel Behaviour

Asian speaking respondents are less likely than other nationalities to have taken domestic holiday in the last two years. In contrast, almost half of Asian speaking respondents took an overseas leisure trip (for holiday and to visit friends and relatives) in the last two years compared with just a quarter of English speaking respondents.

Spending time with family and friends is a main motivator for travel amongst Australians with Asian backgrounds and could contribute to the higher proportion of Asian-Australians travelling overseas (as they return to their homeland to see family and friends).



What are respondents looking to get out of a holiday in Australia?

In the TNS omnibus survey English speaking respondents rank *relaxing and get away from it all* and *to visit somewhere completely new* as the most popular reasons for taking a holiday in Australia. Respondents who speak Asian languages at home are more inclined to take an Australian holiday to *spend time with family and friends* than to visit somewhere new.

Within the TA Brand Health Tracker respondents with a family association to Australia feel Australia is a more suitable destination than overseas for taking short trips. Those with an Asian association are not as convinced as they feel both Australia and overseas destinations are equally as good for taking a short trip.

Respondents in the TA Brand Health Tracker were asked to compare Australia and overseas locations on offering more exciting holiday experiences. Respondents with Asian backgrounds are more likely to find overseas destinations more exciting.

NSW and QLD are states that English speaking Australians are planning to travel to in the next two years. Victoria is relatively a more popular destination amongst Asian-Australians.

Hosting Friends and Relatives from Overseas

Seventy-eight percent of Asian speaking households had overseas friends or relatives visiting them in the last two years. These Asian households with overseas friends and relatives visiting are likely to take their visitors to a place or attraction in their local area or within their home state. This could be due to the lack of English spoken by the overseas guest, leading to a lack of confidence in visitors navigating independently. Only 15 percent of Asian speaking households had overseas friends and relatives visiting who they did not take out.

Fifty-four percent of English speaking households had friends and relatives visiting from overseas in the last two years. Thirty four percent of hosts had overseas visitors but did not accompany them anywhere. This could be due to the free and independent travel nature of visitors who are most likely English speakers, or perhaps a high proportion of these visitors are repeat visitors who have experienced parts of Australia previously.



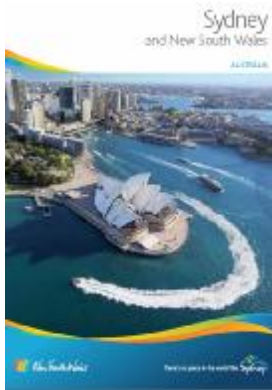
Hosting Australian Friends and Relatives

Compared to other nationalities in Australia, Asian speaking households are more likely to have domestic friends and relatives visiting than other nationalities. Again, English speaking Australians are less likely to accompany their guests to local attractions and destinations.

Value for Money: Perceptions of Australian Holidays

When asked what would make an Australian holiday represent more value for money, English speaking Australians feel *more tailored packages* and *more information* on the region the respondent wishes to travel to are important factors to consider.

The Asian speaking households are more likely to suggest *better variety of shopping* and *longer opening hours* to increase the value of an Australian holiday.



Holiday Inspiration

Overseas Holiday Inspiration- Asian speaking households are more likely than other nationalities to get their overseas holiday inspiration from *brochures/guidebooks*, email and *social networking sites* (particularly photos pasted on sites such as Facebook). English speaking Australians are more likely to get their inspiration from newspaper and magazine articles.

Domestic Holiday Inspiration –Asian-speaking respondents are more likely to get inspiration from *emails from airlines with special offers* than other nationalities. English speaking Australians are more likely to get their inspiration from travel shows such as Getaway, search engines and talking to friends and relatives.