



Destination Visitor Survey Strategic Regional Research – Australian Capital Territory:

Community Perceptions of Tourism and the ‘Visiting Friends and Relatives’ Market for the ACT

Introduction

This study was commissioned by Tourism Research Australia (TRA) in partnership with Australian Capital Tourism to gain a better understanding of the community perceptions of tourism in the Australian Capital Territory (ACT) and the potential to influence the ‘visiting friends and relatives’ (VFR) market for the ACT.

In 2010, research was conducted by TRA in partnership with Australian Capital Tourism to better understand consumer perceptions of the ACT as a holiday destination, motivations behind visitation and advantages the ACT holds relative to its competitors. This study included visitors who came to the ACT to visit friends and relatives. However, in understanding the perceptions of tourism for a particular destination, it is also important to understand the perceptions of the local community, especially when a large proportion of the community have friends and relatives visiting them from other regions.

The VFR market currently represents a third of all travel to the ACT, which is consistent with VFR travel to other states. Australian Capital Tourism aims to increase visitation outcomes to the ACT through increased tourism yield from VFR visitors. Appreciation of the VFR market has led to the need for a true depiction of its value and potential.

As the main source of information for VFR holidays is word-of-mouth from friends and family, residents living in the ACT have the potential to increase both visitation and activity uptake of their friends and family. This, however, is dependent on their ability to influence VFR visitors in their trip decision and entice them to the region.

For the ACT to best capitalise on this source, local residents need to be well informed about attractions, events and sights in the region, and to hold positive perceptions of them. Local residents would then be highly effective at recommending experiences that would entice visitation from the VFR market and hence yield for the region. This research builds on similar studies conducted among residents in Canberra in 2005 and 2006.



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Method

This project had two elements. Firstly, desktop research was conducted to capture VFR trends and evaluate VFR campaigns. Secondly, in April/May 2011, quantitative telephone interviews captured the views from a representative sample of 500 ACT residents, giving greater insight into the influence hosts have on the VFR market.

The objectives of this research project were to:

- Analyse current VFR market trends
- Review current VFR initiatives undertaken by other destinations
- Estimate the number of ACT households that currently attract VFRs
- Assess the role of local community members in VFR decision making
- Appraise the influence of local community members in VFR decision making
- Assess the propensity of the local community to recommend the ACT to VFRs
- Identify information sources and tools used and/or required for attracting VFRs to the ACT
- Ascertain community sentiment towards tourism attractions and initiatives in the ACT
- Evaluate the potential of the local community to increase visitation and yield from VFRs
- Identify potential differences between those visiting friends and those visiting relatives.

Summary of Key Findings

The key findings of the research are as follows:

Total VFR market¹

- The VFR market represented a third of all travel nationally and to the ACT (31%).
- There were slightly more adult couples visiting the ACT (38%) than nationally (30%).
- While at a national level VFRs tended to be from NSW (37%), this was more prominent in the ACT with 72% of VFRs from NSW, most likely due to the proximity of the ACT and NSW.
- The most common activities that VFRs experienced nationally were *eating out at restaurants* (50%), *shopping* (30%) and *general sightseeing* (23%). Specifically in the ACT, the most common VFR activities included *eating out at restaurants* (57%), *shopping* (30%) and *visiting museums or art galleries* (20%). The latter activity was much more popular among ACT VFRs than at the national level (5%), whereas *going to pubs, clubs and discos* was more popular among national VFRs (17%) than ACT VFRs (11%).
- Other activities in the top ten list among VFRs to the ACT included *visiting history/heritage, buildings, sites or monuments* (9%), *visiting botanical or public gardens* (6%) and *bushwalking or rainforest walks* (5%). These activities were not part of the national top ten list, however, activities like *going to the beach* (16%), *going to the markets* (6%) and *going on daytrips to another place* (5%) were more popular for VFRs nationally than in the ACT.

ACT VFR market¹

- The majority of VFR travellers stayed with the local resident (83%). Those visiting relatives (91%) were more likely to stay with the host than those visiting friends (73%).
- Relatives were more likely to visit the ACT with the main purpose of visiting the local residents (75%) than friends who came to the ACT (49%).
- VFRs to the ACT were more likely to stay in commercial accommodation (20%) than national VFR visitors (16%).
- Among the ACT VFR market, those staying with friends or relatives stayed longer than those staying in commercial accommodation.

¹ Source: Tourism Research Australia, *National Visitor Survey (data for the year ending 31 December 2010)*, Tourism Research Australia, Department of Resources, Energy and Tourism, Canberra.

Visiting friends vs. visiting relatives¹

- Those visiting friends were more likely to be aged 25–44 (47%), working full-time (54%) and travelling alone (50%).
- Those visiting relatives were more likely to be aged 45 years or more (65%), retired/on a pension (30%), and travelling as an adult couple (41%) or as part of a family group (26%).

Resident influence²

- Local ACT residents had a high propensity to attract VFRs to the region, with 92% having had a friend or relative visit them over the past 12 months and 84% inviting friends and relatives at least once in the past 12 months. Almost one in three (29%) have invited and had a visitor six or more times.
- Locals stated that a high proportion of their VFRs (87%) had visited the ACT before.
- Almost all locals felt that they had at least some degree of influence (50% major influence, 46% minor influence) on what their visitors saw and did in the ACT. Locals recommended on average 2.4 types of attractions/activities.
- Many hosts accompanied their visitors to places or activities, thereby enhancing tourism revenue and personally supporting tourism business in the ACT.
- Knowledge: ACT residents were most familiar with (“know a lot about”) the ACT’s national attractions and events including *Floriade* (73%), *museums and memorials* (70%), *Questacon* (65%); the ACT’s natural draw cards such as *wildlife parks and zoos* (55%), *city lookouts* (54%) and *nature parks and gardens* (52%); as well as day-to-day activities, such as *shopping* (72%). However, events and entertainment attractions were lesser known, such as *cocktail bars, wine lounges or nightclubs* (21%), *Canberra District wineries, cellar doors or breweries* (21%), *water-based activities* (20%), *Enlighten festival* (10%) and *other events or festivals* (19%).
- Belief: ACT residents believed (agree “slightly” or “strongly”) that the ACT was a good place to visit (81%), having many *museums or memorials* (92%), *art-based attractions* (81%) and *nature-based activities* (69%).
- Areas where residents had limited knowledge were in line with areas where they had relatively low belief, and included attributes such as *an enjoyable nightlife and entertainment* (32%), *a good place for wine lovers* (54%) and *sport-based attractions* (54%).
- Recommendation: 73% of ACT residents recommended things for their most recent visitors to see and do in the ACT, with the ACT’s national and natural attractions being top-of-mind. ACT residents most commonly recommended that their family and friends visit the *ACT’s museums or memorials* (50%), *art-based attractions* (34%) and *nature parks or gardens* (21%).
- Most ACT residents indicated that they were likely to invite (76%) and have visitors (81%) over the next 12 months.
- There is an opportunity to diversify the ACT’s image by increasing recommendations of activities and attractions which are currently low, such as *craft or food markets* (4%), *Canberra’s major dining precincts* (4%), *cafes located within the national attractions* (3%) and *wineries/cellar doors or breweries* (3%).
- Given the national VFR market’s high propensity to participate in outdoor and nature activities, the VFR market can be further enticed to visit the ACT by increasing recommendations for nature-based activities, where there is already a large knowledge base and strong belief among residents that the ACT has numerous parks and gardens.

VFR Campaigns

- Several VFR campaigns, including campaigns in New South Wales (Sydney, the Riverina, the Southern Highlands and Wollongong), Victoria (Melbourne), Queensland (Brisbane) and the Northern Territory, have been designed to specifically target the residents by educating them about things to see and do as well as increasing pride for where they live. Some initiatives included incentives such as discounts and promotions.
- Aside from word-of-mouth recommendations (77%), most ACT residents sourced information on what to see and do in the ACT from the *internet* (68%), e.g. Google, as well as *magazines and newspapers* (66%), such as The Canberra Times.

² Research findings from the DVS community perceptions of tourism and the VFR market for the ACT survey, April/May 2011.

Conclusions & Recommendations

VFRs are inclined to depend on word-of-mouth rather than rely on promotional material about activities to see and do in a destination. Therefore, residents are best placed to influence the VFR's information gathering processes. Informed residents also act as catalysts for the visit by actively inviting their friends and relatives, and recommending the destination and activities or attractions, both prior to and during the trip.

This research suggests that to build a stronger VFR market, ACT residents need to possess detailed information and positive perceptions around a range of attractions, events and sights throughout the region (not just those typical to the tourist market). According to the General Manager, Tourism Wollongong, when speaking about the We Love the Gong initiative *"if your host is not up to speed and they only know the product from a brochure, it doesn't work. The host has to be an expert"*. Therefore, ACT residents need to be better educated about what the ACT has to offer and to diversify their own perceptions of the ACT. Specifically, the best way that ACT residents can encourage VFRs to visit is by promoting the things on offer that they enjoy themselves. This represents an opportunity for residents to promote the 'everyday pursuits', such as the ACT's blossoming food and wine scene—including unique dining experiences, such as the cafes and bars within many of the national icons—shopping experiences, and nature parks which may better cater to their visitors' expectations of a short break.

At present, ACT resident recommendations centre around the ACT's strengths of museums, memorials and art based attractions, which don't necessarily fulfil the needs of potential VFRs. If the recommendations of residents and expectations of VFRs can be better aligned, the huge potential to increase VFR travel to the ACT can be optimised by improving the appeal of the ACT as a destination.

Tourism bodies need to ensure resident recommendations align with VFR needs, by looking at gaps between residents' current knowledge, beliefs, and recommendations. This could be achieved through targeted campaigns that educate and encourage residents to promote activities and attractions in the ACT that are of most interest to a VFR traveller. Given the high usage of the internet as a source of information among local residents, one way of increasing residents' recommendation for different experiences for their friends and family is through digital marketing and distribution.

This summary is extracted from research conducted by Tourism Research Australia and Australian Capital Tourism in partnership with AMR. For the full Strategic Research Report please email tourism.research@ret.gov.au.

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