

May 2015

## INTRODUCTION

The world population has been experiencing significant ageing with the rising proportions of older persons. According to UN World Population Ageing 2013 Report, the number of older persons (age 60 years or over) is 841 million globally in 2013, which was four times higher than the 202 million that lived in 1950. The over 60s population will almost triple by 2050, when it is expected to surpass the two billion mark.<sup>1</sup>

Based on Australian Bureau of Statistics, Australia's population is ageing with more than 5,580 people turning 55 each week. In June 2013, there were 6 million over 55s, constituting 26% of the population<sup>2</sup>. By 2038, there will be in excess of 10 million people aged over 55 in Australia<sup>3</sup>.

The over 55s is one of the most powerful age groups in Australia in terms of financial capability. They hold almost 32% of the nation's gross disposable income.<sup>4</sup> Life expectancy has also been increasing.<sup>5</sup> In 2003, median age at death was 79.3 years. In 2013, median age at death was 81.7 years.

The market research company Instinct and Reason conducts a quarterly online survey of 1,000 Australians aged over 50 to 54 and those aged above 55. The primary objective of the survey is to gain an understanding of the over 55s in terms of their general attitudes to life, concerns and future needs. The survey also asked questions in relation to specific topics that included their lifestyle, travel experience and plans, health, wealth and financial matters, technology and media use.

According to the Over 55s Monitor Survey, the over 55s in Australia were more likely to feel satisfied with their life. About 40% felt that they have never been happier (40% of total respondents over 55s), 28% were not worried about the money, and 54% believed they were in an enjoyable and rewarding stage of their life. Half continue to be satisfied with life and three in four are positive about their health. They plan to stay healthy, get fitter, spend more time with the grandchildren, read more, watch more movies, become more IT-literate, and travel.

The Over 55s Monitor reported that 96% of Australian respondents who were over 55s during the survey period took at least one leisure trip within Australia in the last 12 months, 26% of them took 2 leisure trips, followed by 23% who took 3 leisure trips.

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<sup>1</sup> UN World Population Ageing 2013 Report

<sup>2</sup> Australian Bureau of Statistics - Population by Age and Sex, Regions of Australia, 2013

<sup>3</sup> Australian Bureau of Statistics - Population Projections, Australia, 2012-2101

<sup>4</sup> Australian Bureau of Statistics - Australian National Accounts, Distribution of Household Income, Consumption and Wealth, 2009-10

<sup>5</sup> Australian Bureau of Statistics – Death rates, 2003 to 2013

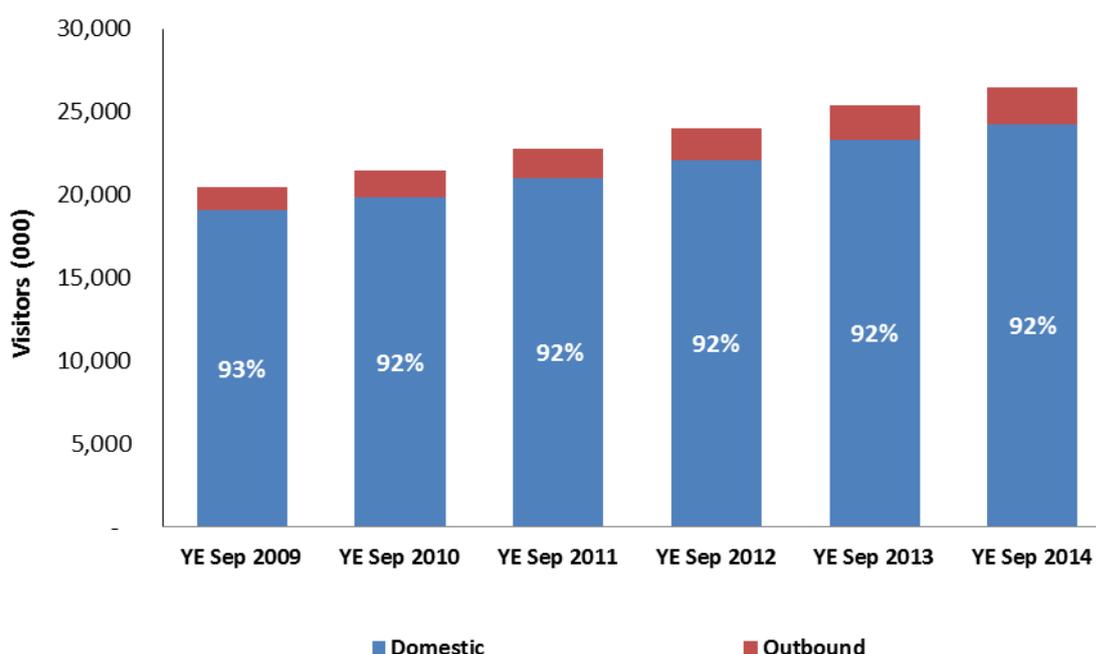


The survey found that the over 55s preferred domestic to international travel with 90% of the over 55s wanting to travel within Australia compared to 67% travel overseas.

Based on the latest data on Outbound resident departure and domestic travel as sourced from Tourism Research Australia's National Visitor Survey, 92% of Australians aged over 55s travelled within Australia in the year ending (YE) September 2014 compared to only 8% of over 55s who went overseas. The percentage shares of domestic travel and outbound travel of Australians aged over 55 have been steady since YE September 2009.

The graph below compares travel of Australians aged over 55 within Australia and overseas in the last 6 years.

**Graph 1:** Domestic Overnight Visitors vs. Australian Outbound Visitors Aged over 55s



Source: National Visitors Survey and DIAC-Outbound resident departures, Year Ending September 2014.

## MARKET SIZE

### Australia

In the year ending September 2014, there were 26.0 million **international and domestic overnight visitors to Australia aged over 55**. They stayed 149.1 million nights and \$18.9 billion in Australia. Of the over 55 overnight visitor market in Australia, domestic visitors contributed 93% of visitors, 74% of visitor nights and 83% of expenditures.

### NSW

NSW dominated the overnight visitor numbers, nights and expenditure in the over 55s market in Australia. In the year ending September 2014, NSW hosted 9.2 million over 55s visitors, who stayed 44.5 million visitor nights and spent \$5.6 billion. Of the over 55 overnight visitor market in Australia, NSW received 35% of visitors, 30% of visitor nights and 30% of expenditure. Victoria's share of this market was 27% of visitors, 22% of nights and



21% of expenditure, and Queensland's share was 23% of visitors, 24% of nights and 24% of expenditure.

- In the year ending (YE) September 2014, more than 779,000 international visitors aged over 55 visited NSW, stayed more than 11.5 million visitor nights and spent almost \$1.0 billion. The international over 55s market recorded an increase of 10% in visitors compared to YE September 2013, above NSW international visitor growth rate of 7%.
- In the NSW domestic overnight market, visitors aged over 55 reached to 8.4 million in YE September 2014 which was 2% more than that in YE September 2013. These visitors stayed 32.9 million nights and spent \$4.7 billion in NSW. Domestic visitors represented 92% of the over 55 overnight market in NSW.
- In YE September 2014, the over 55 visitors accounted for 32% of total domestic overnight visitors to NSW compared to 25% of total international visitors to NSW.

## MARKET TREND

### International

In YE September 2014, there were 1.7 million international visitors to **Australia** who were aged over 55s. The over 55s international visitor share of the total Australian international market increased from 24% in YE September 2009 to 27% in YE September 2014.

The over 55s **NSW** international visitor market presented a similar trend as Australia with its market share growing from 22% in YE September 2009 to 25% to YE September 2014.

The graph below shows the international visitor numbers and market share of over 55s in Australia and NSW.

**Graph 2: Trend of International Visitors Over 55s**



Source: International Visitors Survey, Year Ending September 2014.

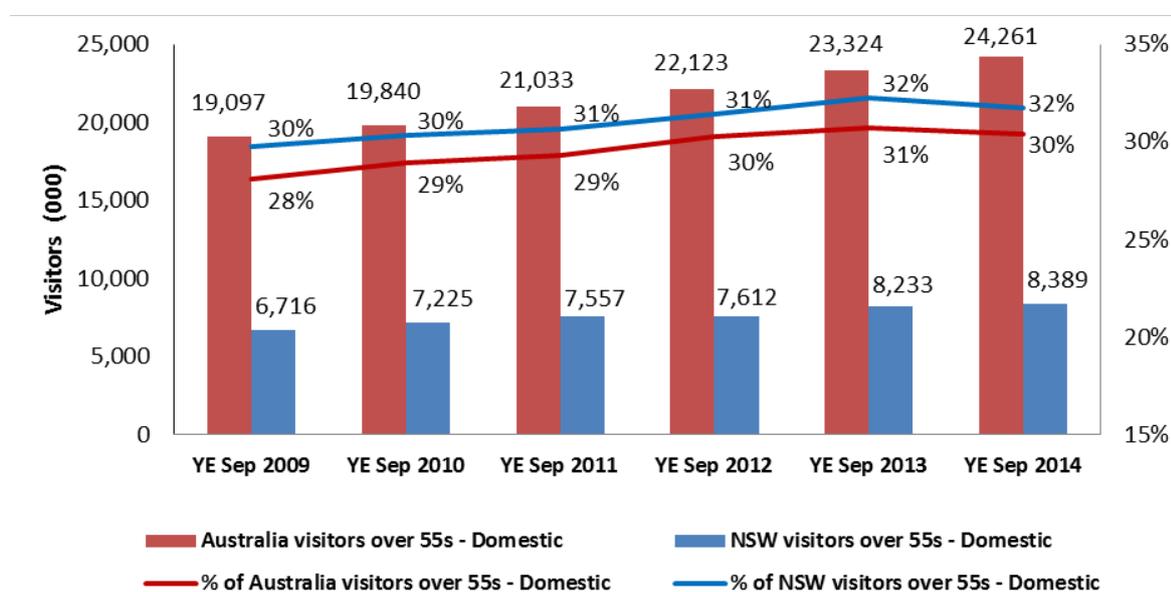
## Domestic

In YE September 2014, 24.3 million domestic visitors to **Australia** were aged over 55s. The over 55s domestic visitor share of the total Australian domestic market increased from 28% in YE September 2009 to 30% in YE September 2014.

The over 55s **NSW** domestic visitor market presented a similar trend as Australia with its market share growing from 30% in YE September 2009 to 32% to YE September 2014. NSW has a higher percentage of domestic over 55 visitors than Australia.

The graph below shows the domestic visitor numbers and market share of over 55s in Australia and NSW.

**Graph 3: Trend of Domestic Visitors Over 55s**



Source: National Visitors Survey, Year Ending September 2014.



## VISITOR PROFILE

The below table provides a comparison of international and domestic overnight visitors aged over 55s in YE September 2014:

**Table 1:** NSW Visitor Profile Comparisons of Over 55s

		International	Domestic
<b>Australia</b>			
Over 55s Visitors to Australia		1,693,000	24,261,000
Over 55s Market Share of Total Visitors to Australia		27%	30%
<b>NSW</b>			
Over 55s Tourism Visitors to NSW		779,000	8,389,000
Over 55s Market Share of Total Visitors to NSW		25%	32%
Over 55s Market Share of Total Over 55s Visitors to Australia		46%	35%
Over 55s Length of Stay (nights per visitor)		14.8	3.9
Age	55-59	31%	27%
	60-64	30%	25%
	65-69	22%	23%
	70+ *	17%	26%
Purpose of Visit	Holiday	56%	40%
	Visiting friends and relatives	41%	45%
	Business	8%	10%
	Other	4%	7%
Travel Party	Alone	38%	26%
	Adult couples	38%	45%
	Friends and relatives	12%	18%
	Parents with children	9%	7%
	Other	2%	3%
Gender	Female	51%	53%
	Male	49%	47%
Package tour	Non package tour	74%	98%
	Package tour	26%	2%
Accommodation	Hotel, resort, motel or motor Inn	59%	33%
	Friends or relatives property	41%	45%
	Rented house, apartment, flat or unit	3%	6%
	Caravan or Camping	2%	12%
	Guest house or B&B	1%	2%
	Other	4%	9%
Transport	Private or company vehicle	34%	77%
	Air transport	28%	14%
	Rented or hire vehicle	20%	0%
	Bus or coach	14%	2%
	Other	19%	9%

Source: International Visitors Survey (IVS) and National Visitors Survey (NVS), Year Ending September 2014.

\* NVS had age grouping split: 70 to 74; 75 to 79 and 80+; IVS had no further age grouping split for 70+



- **Length of Stay:** The average length of stay from over 55s International visitors to NSW were 14.8 nights per visitor, which was significant longer than the average length of stay for domestic overnight visitors to NSW (3.9 nights per visitor). It is worth noting that the average length of stay for over 55s to NSW was shorter than national average in both international and domestic overnight markets (International: NSW vs. Australia = 14.8 vs. 22.6 nights per visitor, Domestic overnight: NSW vs. Australia = 3.9 vs. 4.6 nights per visitor)
- **Age:** The age groups 55 to 59 and 60 to 64 had the highest share of international and domestic overnight visitors, closely followed by the 65 to 69 age group for both groups. For domestic overnight visitors aged 70+, 13% were aged 70 to 74; 8% were aged 75 to 79 and 5% were aged 80+. Among the over 55s, 26% were domestic overnight visitors and 17% were international overnight visitors.
- **Purpose of Visit:** The primary difference of over 55s between international and domestic overnight visitors to NSW is the 'Purpose of Visit' category. International over 55s tourism visitors to NSW were more likely to travel for 'Holidays' (56%). While domestic over 55s visitors were more likely to travel for the purpose of 'Visiting friends and relatives' (45%).

According to the Over 55s Monitor Survey, the most important reasons for over 55s taking overnight leisure trip are to: spend time with family or friends (55%), get away from daily routine (42%), have fun (37%), spend time with partner (34%), and relax mentally (32%).

- **Travel Party:** As over 55s become empty nesters, it was more likely for them to travel as couples instead of families. The international over 55s visitors to NSW were more likely to be 'adult couples' (38%) or to travel 'alone' (38%). In comparison, domestic over 55s visitors to NSW were more likely to be 'adult couples' (45%) and only 26% travel 'alone'.
- **Gender:** There was not much difference in visitor gender. The proportion of over 55s female visitors was slightly higher than males in both international and domestic markets (51% female vs. 49% male internationally, and 53% female vs. 47% male domestically).
- **Package Tour:** Both international and domestic over 55s market to NSW were dominated by visitors without package arrangements (74% and 98% of visitors with 'Non package tour', respectively).
- **Accommodation:** Most international over 55s visitors to NSW were much more likely to stay in 'Hotel, resort, motel or motor Inn' (59%) or 'Friends or relatives property' (41%). For the domestic over 55s visitors to NSW, although the major accommodation types were 'Friends or relatives property' (45%) and 'Hotel, resort, motel or motor Inn' (33%), 12% chose 'Caravan or Camping' as the third major accommodation.
- **Transport:** International visitors to NSW aged over 55 used the following transport types between stopovers: 'Private or company vehicle' (34%), 'Air transport' (28%) and 'Rented or hire vehicle' (20%). For domestic over 55 visitors to NSW, the transport they used at destinations were dominated by 'Private or company vehicle' (77%). Air transport was their second preference (14%).



## ORIGIN

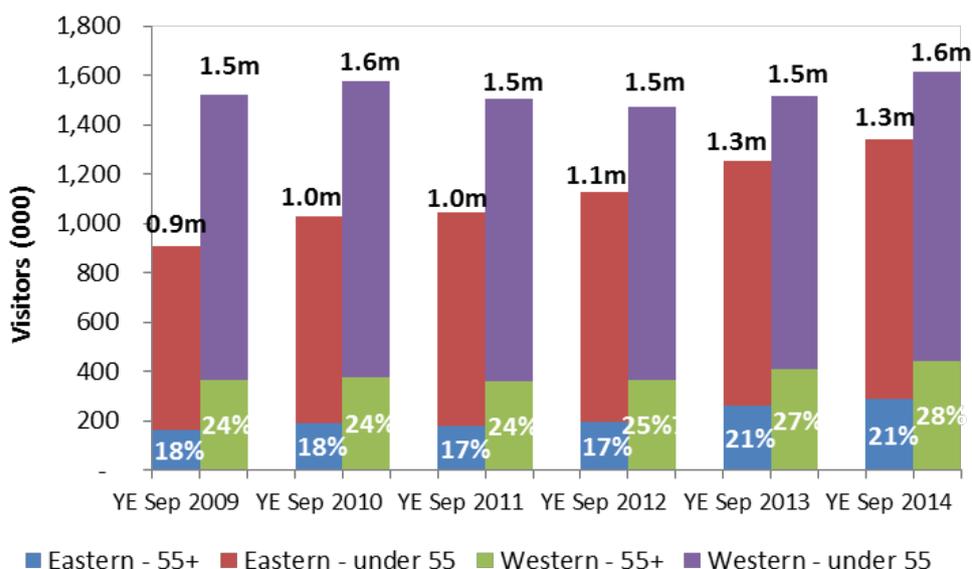
### International market

In YE September 2014, 57% of international visitors to NSW who were over 55 came from Western countries (USA, UK, Europe, Canada, New Zealand, etc.) as compared to 37% who came from Eastern markets (China, Japan, Korea, India, Singapore, etc.) and 6% who came from other parts of the world (South America, Middle East, etc.).

Of the 1.6 million Western visitors to NSW in YE September 2014, 28% were aged above 55. Of the 1.3 million Eastern visitors to NSW for the same period, 21% were over 55. The average annual growth rate of Western visitors to NSW aged over 55 since YE September 2009 was 4%, lower than the average annual growth rate for their Eastern visitor counterpart (12%).

The graph below shows the number of international visitors to NSW from the Eastern and Western markets, and the share of travellers aged over 55.

**Graph 4: Over 55s Market Share of International Visitors to NSW: Eastern vs. Western markets**



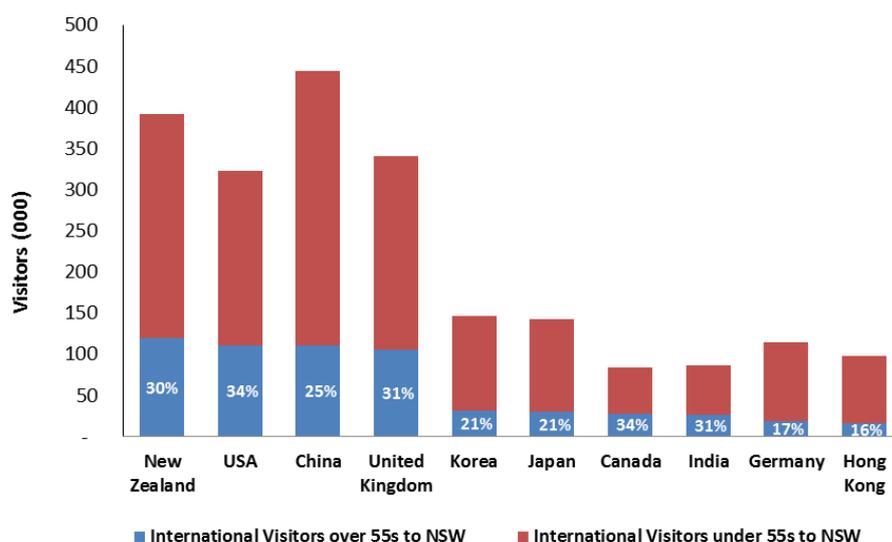
Source: International Visitors Survey, Year Ending September 2014.

The number one source market for over 55 visitors to NSW in YE September 2014 was New Zealand followed by USA and China. In terms of market share, USA and Canada were the top markets with 34% of American and Canadian visitors to NSW aged over 55. Other source markets with high share of over 55s were the United Kingdom (31%), India (31%), New Zealand (30%) and China (25%).

The graph below shows the top 10 international source markets for NSW, and the market share of the over 55s.



**Graph 5: Over 55s Market Share of Top 10 international source markets in NSW**



Source: International Visitors Survey, Year Ending September 2014.

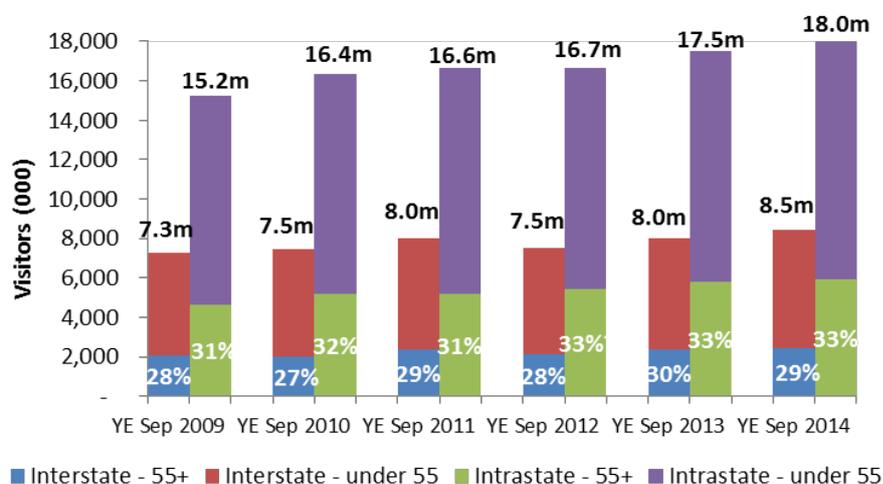
### Domestic market

In YE September 2014, 71% of the total domestic overnight visitors to NSW who were aged over 55 came from intrastate compared to 29% who came from Interstate.

Of the 18 million intrastate visitors to NSW in YE September 2014, 33% were aged above 55. Of the 8.5 million interstate visitors to NSW for the same period, 29% were over 55. The average annual growth rate of intrastate visitors to NSW aged over 55 since YE September 2009 was 5%, higher than the average annual growth rate for their interstate visitor counterpart (4%).

The graph below shows the NSW tourism market from interstate and intrastate source markets, and the market share of travellers aged over 55s.

**Graph 6: Over 55s Market Share of Domestic Visitors to NSW: Intrastate vs. Interstate**



Source: National Visitors Survey, Year Ending September 2014.

The table below shows the source markets for domestic overnight visitors to NSW aged over 55.

In YE September 2014, 2.3 million visitors aged over 55s came from Sydney with market share of 39% followed by the Hunter region (12% share) and the North Coast (10% share). In the Interstate market, most of the over 55s came from Queensland and Victoria, who accounted for 38% and 35% of the total over 55s Interstate market to NSW.

**Table 2:** Over 55s Tourism Market Share of Interstate vs. Intrastate in NSW

		Visitors (000)	Share (%)
Intrastate	Sydney	2,295	39%
	Hunter	720	12%
	North Coast NSW	578	10%
	South Coast	555	9%
	Central NSW	388	7%
	Central Coast	337	6%
	Capital Country	252	4%
	Riverina	229	4%
	Blue Mountains	228	4%
	New England North West	202	3%
	The Murray	67	1%
	Outback NSW	42	1%
	Snowy Mountains	33	1%
	Other Regional NSW	1,054	18%
	<b>Total Intrastate</b>	<b>5,926</b>	<b>71%</b>
Interstate	Queensland	934	38%
	Victoria	873	35%
	ACT	311	13%
	South Australia	158	6%
	Western Australia	123	5%
	Tasmania	53	2%
	Northern Territory	10	0%
	<b>Total Interstate</b>	<b>2,463</b>	<b>29%</b>
<b>Total</b>	<b>8,389</b>	<b>100%</b>	

Source: National Visitors Survey, Year Ending September 2014.



## PLACES AND ATTRACTIONS VISITED IN NSW

In YE September 2014, 90% of international over 55 visitors to NSW visited Sydney followed by the North Coast (7%) and the Hunter (5%) regions. Around 16% visited the rest of Regional NSW.

By comparison, only 29% of domestic over 55 visitors to NSW visited Sydney. They travelled more widely to Regional NSW than their international counterparts with 19% visiting the North Coast, 12% the South Coast, 11% the Hunter region and 9% Central NSW.

The top 3 favourite places that international visitors aged over 55s visited in Sydney were the same as for all international visitors to NSW. They included the Sydney Opera House (59% of over 55s vs. 67% all NSW international visitors), Sydney Harbour Bridge (54% vs. 61%) and Darling Harbour (52% vs. 60%).

**Table 3:** Tourism Regions Visited in NSW by Over 55s

	International	Domestic
Sydney	90%	29%
North Coast NSW	7%	19%
Hunter	5%	11%
South Coast	4%	12%
Blue Mountains	4%	3%
Central Coast	2%	6%
New England North West	2%	6%
Central NSW	1%	9%
Capital Country	1%	5%
Riverina	1%	5%
The Murray	1%	5%
Snowy Mountains	1%	2%
Outback NSW	0%	2%

Source: International Visitors Survey and National Visitors Survey, Year Ending September 2014.



## ACTIVITIES

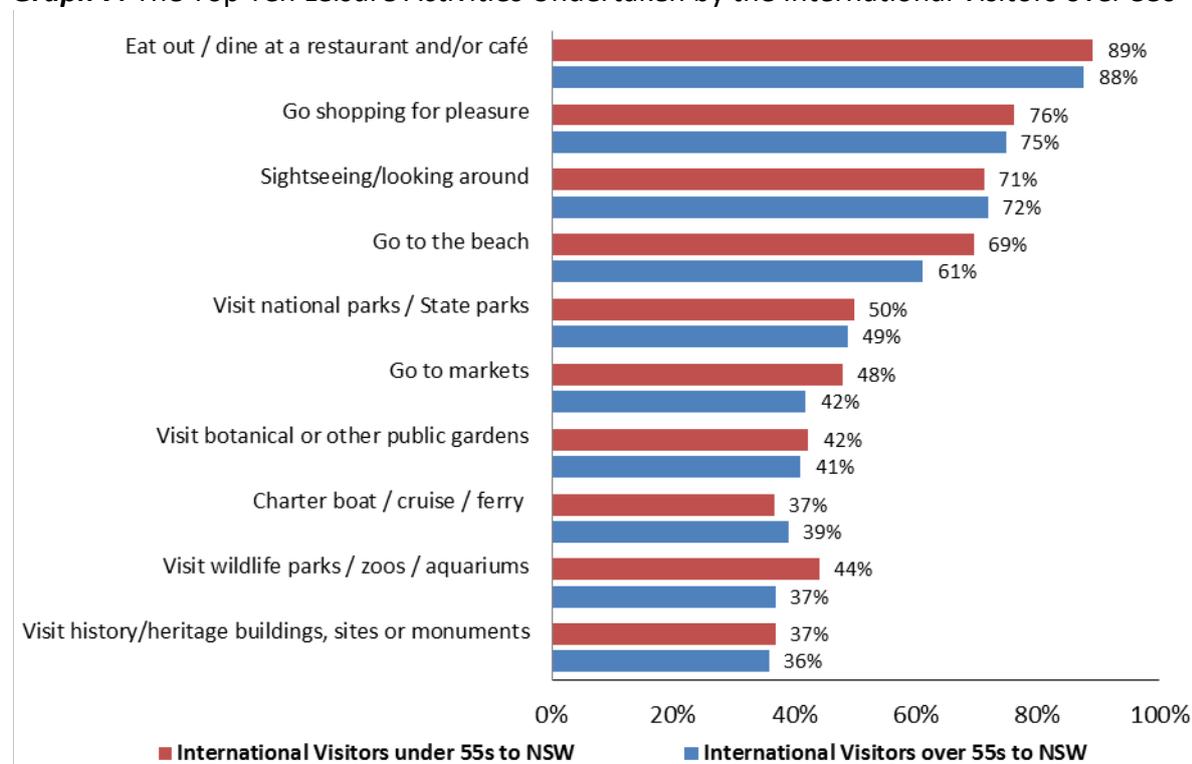
### International market

For the international market, the most popular activities for visitors over 55s to Australia who visited NSW were 'eating out at restaurants and cafés' (88%), 'shopping' (75%), 'sightseeing' (72%), 'going to the beach' (61%) and 'visiting national parks / State parks (49%)'.<sup>6</sup>

As expected, the over 55s were less likely to 'go the beach', 'go to markets' or 'visit aquariums' than under 55s. For the rest of the activities, the international over 55s visitors to NSW presented similar participation rate as international under 55 visitors to NSW.

The top ten leisure activities by international visitors aged over 55 who visited NSW in comparison to all the international visitors to NSW are provided below.

**Graph 7:** The Top Ten Leisure Activities Undertaken by the International Visitors over 55s



Source: International Visitor Survey, Year Ending September 2014

<sup>6</sup> These were the most popular activities for international visitors over 55s to Australia who visited NSW; however they did not necessarily participate in these activities in NSW.

## Domestic market

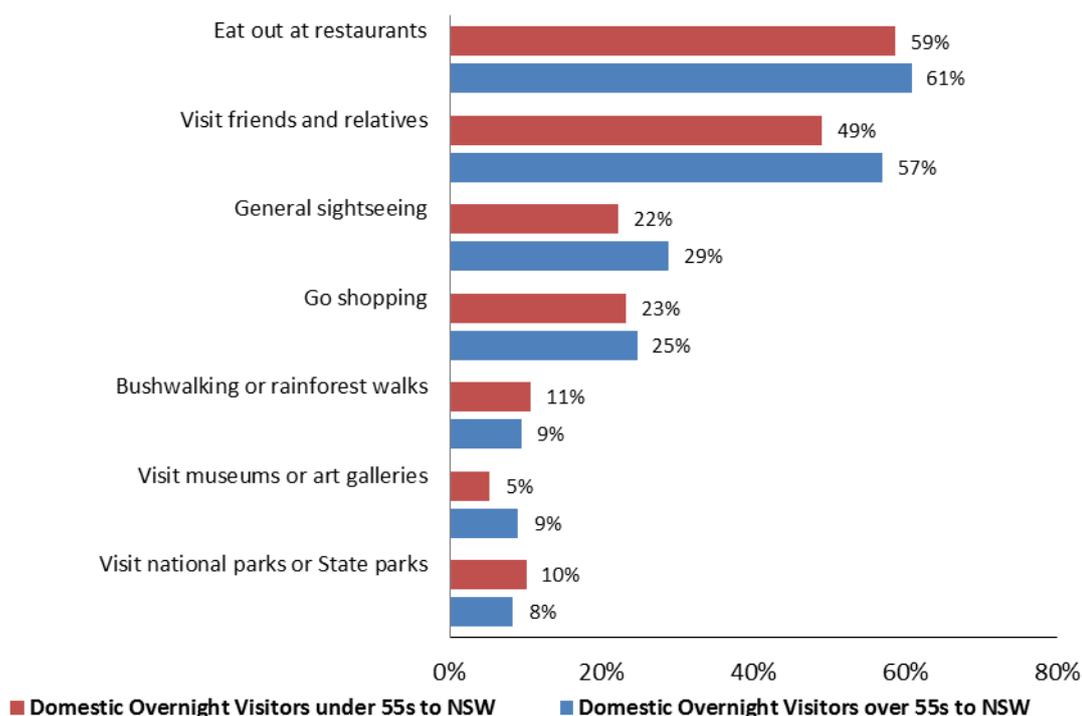
The most popular activities for domestic overnight visitors to NSW were 'eating at restaurants' (61%), 'visiting friends and relatives' (57%), 'general sightseeing' (29%), 'shopping' (25%) and 'visiting pubs, clubs and discos' (22%).

As 'visiting friends and relatives' provided a trigger to many domestic holiday makers, 'visiting friends and relatives' became the second activity that over 55s participated the most.

Like their international counterparts, domestic overnight visitors aged over 55 a relatively higher participation rate in arts and sightseeing activities than the under 55s, e.g. 'Arts / heritage/ festival activities' (9% over 55s vs. 5% under 55s) and 'General sightseeing' (29% vs. 22%).

The top ten destination activities undertaken by the domestic visitors aged over 55s who visited NSW in comparison to the all the domestic overnight visitors to NSW are provided below.

**Graph 8:** The Top Ten Destination Activities Undertaken by the Domestic Overnight Visitors over 55s



Source: National Visitor Survey, Year Ending September 2014

According to Over 55s Monitor Survey, the most appealing experience to attract over 55s for a leisure trip in Australia was 'Nature' (56%), 'Touring by car staying overnight at a number at places' (51%), 'Relaxation', 'Health and indulgence' (43%), 'Food and wine' (35%) and 'a cruise which includes visits to some Australian ports' (24%).

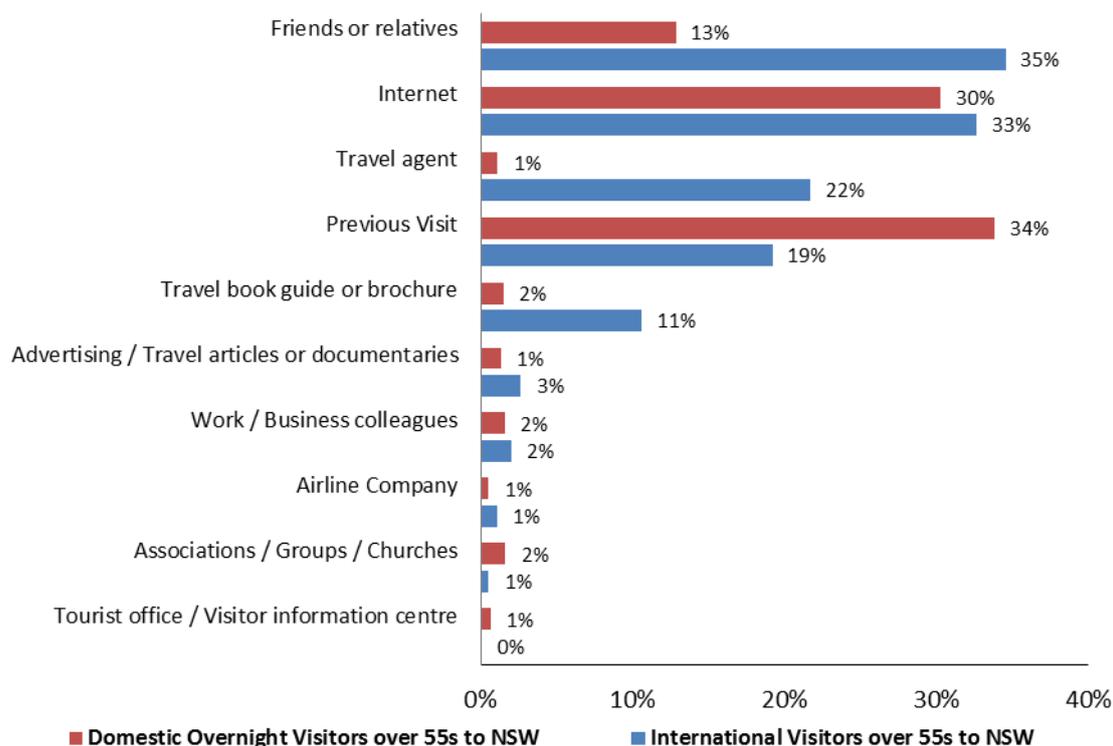
## INFORMATION SOURCES

The graph below lists information sources used before their trip to NSW by the international over 55 visitors in comparison to the domestic overnight over 55 visitors.

International over 55 visitors to NSW relied more on 'friends and relatives' (35% of international vs. 13% of domestic) and on 'Travel agents' (22% international vs. 1% domestic) to plan their trip. 'Previous visits' was the most used information source by domestic overnight visitors (19% of international vs. 34% of domestic).

The 'Internet' ranked 2<sup>nd</sup> as main information source for both international and domestic visitors aged over 55s.

**Graph 9:** The main information sources used by visitors over 55s before their trip to NSW



Source: International Visitor Survey and national Visitor Survey, Year Ending September 2014



## CONCLUSIONS

This document provided the travel profile of Australians aged above 55. There are many opportunities to further increase their travel to NSW.

- Australians aged above 55 preferred domestic to international travel. 92% travelled within Australia compared to only 8% of over 55s who went overseas in year ending (YE) September 2014.
- International and domestic overnight visitors aged over 55s were more likely to visit NSW than any other State in Australia. 46% of international over 55s visitors and 35% of domestic over 55s overnight visitors in Australia paid visit to NSW in YE September 2014.
- The age groups 55 to 59 and 60 to 64 were the most active international and domestic overnight travellers to NSW in the over 55s group, followed by the 65 to 69 age group.
- Domestic overnight market was the primary source of over 55s tourism market to NSW, the visitor number of domestic overnight visitors aged over 55s to NSW (8.4 million) was far higher than that of international visitors (0.8 million).
- International over 55s tourism visitors to NSW were more likely to travel for Holidays purpose (56%), while domestic overnight visitors over 55s were more likely to travel for the purpose of Visiting Friends and Relatives (45%).
- Western markets are the primary source of over 55s international tourism visitors to NSW; however Eastern over 55 markets are growing strongly thanks to travellers from India and China.
- Both international over 55s visitors and domestic over 55s overnight visitors were more likely to travel with couples, stay in 'Hotel, resort, motel or motor inn' or 'Friends or relatives property', prefer activities that included 'eating out at restaurants and cafés', 'shopping' and 'sightseeing'.
- International visitors over 55s were more likely to visit Sydney than Regional NSW. With their interest in sightseeing, more promotion to over 55s about iconic scenery and attractions in regional NSW will help boost international tourism in Regional NSW. In the YE September 2014, 90% of international over 55s visitors to NSW visited Sydney, in contrast to 29% of domestic over 55s overnight visitors.
- International over 55s visitors were more likely to rely on 'friends and relatives' (35%) as an information source to help plan their trip to Australia while domestic overnight visitors over 55s were more likely to obtain information from 'previous visits'.

## MORE INFORMATION

For more information and statistics about international and domestic visitors to NSW, see the 'Tourism – Facts & Figures' page on the Destination NSW Corporate website at <http://www.destinationnsw.com.au/>.

