- Estimate the cruise ship passenger and crew expenditure in Sydney and the surrounding areas
- Assess visitor satisfaction with Sydney as a destination, and likelihood for repeat visitation
- Identify opportunities for increasing pre and post cruise visitation and shore excursions.

Face-to-face interviews were conducted between December 2013 to April 2014 at the Sydney Overseas Passenger Terminal at Circular Quay and the White Bay Terminal at Balmain with 1,240 domestic passengers, 710 international passengers and 221 crew members from 42 ships. Interviews were conducted with departing, arriving and transiting passengers. The survey included a mix of international- and domestic-based ships, of varying capacities and different class status.

KEY FINDINGS

Total passenger and crew days at port in Sydney in 2013-2014 were 1.24 million, up 7.2% on 2012-2013 (1.16 million). A breakdown of the figures shows:

- Domestic passengers accounted for 86.4% of the total cruise passenger days in Sydney (878,605 passenger days at port)
- International passengers accounted for 13.6% of the total cruise passengers in Sydney (138,583 passenger days at port)
- There were 222,209 crew days at port.

Estimated total visitor expenditure in Sydney in 2013-2014 was $479.4 million as shown below:

- Domestic passengers accounted for 83% of cruise passenger expenditure in Sydney ($361.7 million)
- International passengers accounted for 17% ($73.9 million)
- Crew expenditure in Sydney reached $43.8 million (9% of total visitor spend).

International passengers tend to be older (74% international vs. 39% domestic aged 60 years or older), retired from work (69% international vs. 32% domestic), travel as an adult couple (69% international vs. 41% domestic), transiting in Sydney (47% international vs. 3% domestic passengers), first time visitors to Sydney (46% international vs. 4% domestic) and frequent cruise goers (12.6 trip average for international vs. 3.4 trip average for domestic).

Domestic passengers were more likely to be female (62% domestic vs. 54% international), on holidays from work (59% domestic vs. 27% international), travel with more people (average of 4.9 people for domestic vs. 3.6 people for international), fully independent travellers (94% domestic vs. 75% international non-organised tour passengers), non-luxury passengers (81% domestic vs. 59% international).

In terms of region of origin, the following breakdown shows that:

- More than a third of international cruise passengers who visited Sydney were from the USA (35%), followed by the United Kingdom (22%) and other Europe (15%)
- Almost sixty per cent of domestic passengers who boarded cruise ships in Sydney were NSW residents (57%) with more than a quarter residing in Sydney (26%)
- Crew were mainly from Asia (71%), followed by other European countries (12%).

Passengers were asked to indicate factors that prompted them to take part in their cruise. The cruise itinerary was the main influencing factor (35%) with a quarter mentioning that their cruise included an interesting destination (25%) or that it suited their travel plans (24%). Other factors mentioned for choosing their cruise were the cruise ship (18%) and the cruise line (15%).

Sydney was the main starting and finishing point for many cruise passengers. Figures show:

- Most domestic passengers began their cruise in Sydney (80%) and finished their cruise in Sydney (79%)
- Most international passengers started their cruise in New Zealand (36%), followed by USA (26%) or Sydney (11%). Most finished their cruise in Sydney (33%), followed by Asia (25%) or the USA (13%)
- Around 43% of passengers (60% of international and 39% of domestic passengers) stayed more than one night away from home either before and/or after their cruise in Sydney
- Most international passengers stayed less than four nights in Sydney (84%), with almost a third staying 2 nights (31%). Most domestic passengers stayed less than three nights (90%), with more than half staying 1 night (58%).

More than one in five passengers (19% of international passengers and 24% of domestic passengers) travelled outside Sydney to the following NSW regions:

- The Blue Mountains was the most popular destination and was visited by 14% of international passengers and 10% of domestic passengers
- The other top destinations for international passengers were the Central Coast (2%) and Hunter Valley (2%). Domestic passengers also visited the Central Coast (9%), the South Coast (9%) and Hunter Valley (6%).

The internet/travel websites were the main source of information about Sydney for both passengers (37%) and crew (38%).

The most popular activities undertaken by cruise passengers in Sydney were visiting attractions (81%) followed by shopping (46%) and dining (35%).

Overall satisfaction amongst cruise passengers with Sydney was very high with 97% of passengers and 98% of crew being ‘very satisfied’ or ‘satisfied’. The highest rated aspect of their Sydney experience was the variety of things to see and do (98%), and the lowest rated aspect was public transport (91%); though still a high proportion of satisfied passengers.

The Sydney cruise terminal was found easy to navigate by 95% of international and 96% of domestic passengers.

Of cruise passengers who visited Sydney Visitor Information Centres (Darling Harbour or The Rocks) or engaged with the Sydney Meet and Greet Ambassadors, there was a 91% satisfaction with the customer service and with information provided at the Centre, 93% satisfaction with customer service and 95% satisfaction with the information provided by the Ambassadors.

CRUISE SHIP PASSENGER FINDINGS

Passenger profile

The demographic profile of international passengers was vastly different to their domestic passenger counterparts.

Significantly more international passengers were females (54%), older (74% aged 60 years and older) and retired from work (69%). In addition, more international passengers were first-time visitors to Sydney (46%), residing in the USA (35%), were likely to be a transiting (47%), a fully independent traveller (75% were non-organised tour passengers) and/or aboard a non-luxury cruise ship (59%).

Whilst over two-thirds of international passengers were travelling as an adult couple (69%), they had an average of four people in their travel party (3.7) and had been on approximately 13 cruises previously.

A domestic passenger was likely to be female (62%), younger (62% aged 15 to 59) and on holidays from work (59%). A domestic passenger was most likely to be a resident of New South Wales (57%). More than a quarter of the domestic passengers reside in Sydney (26%). Excluding Sydneysiders, Sydney was previously visited by 74% of domestic passengers and the average number of their previous trips to Sydney was 53 times.

A domestic passenger was a fully independent traveller (94%) aboard a non-luxury cruise ship (81%). Domestic passengers were travelling in larger groups and had, on average, five people in their travel party (4.9). Domestic passengers had undertaken approximately three (3.4) previous cruises.

Luxury passengers were more likely to be international passengers (41% international vs. 19% domestic). Most international luxury passengers were US residents (49%) and most domestic luxury passengers were NSW residents (35%).

Visitor arrival & departure information

The vast majority of international passengers arrived in Australia via Sydney (90%). A small proportion arrived via Perth (3%), Melbourne (3%) and Brisbane (2%). Apart from NSW, international passengers visited more than one other State (1.4 states), with Queensland being the second most visited (12%), followed by Victoria (10%).

International passengers were likely to have begun their cruise in New Zealand (36%), USA (26%) or Sydney (11%). Sydney was the primary finishing point for the cruise (33%), followed by Asia (25%) or the USA (13%).

Domestic passengers began their cruise in Sydney (80%) and finished in Sydney (79%).

In terms of pre and post cruise nights, international passengers spent twice the number of average nights in Sydney pre- or post-cruise compared to domestic passengers (2.4 vs. 1.1) whilst the average nights spent in Regional NSW pre or post cruise were nearly the same (0.7 vs. 0.9).

Around 60% of international and 39% of domestic passengers stayed more than one night away from home either before and/or after their cruise in Sydney. Most international passengers stayed less than four nights in Sydney (84%), with 31% staying two nights (31%), 22% staying three nights and 19% staying one night. Most domestic passengers stayed less than three nights (90%), 58% staying one night and 24% staying two nights.

Only six international passengers spent more than one night away from home either before and/or after their cruise in Regional NSW. Around 21% of domestic passengers spent pre- and/or post-cruise nights in Regional NSW. Most of these domestic passengers stayed one to two nights in Regional NSW (75%).

Cruise motivation

The top five influencing factors for participating in the cruise were similar for international and domestic passengers. The cruise itinerary and interesting destination were the top factors cited by international passengers while suitability with their travel plans was the key driver for domestic passengers. The cruise ship was a higher motivator for domestic passengers than for international passengers. These differences are show below.

International passengers:

- Cruise itinerary (54%)
- Interesting destination (36%)
- Suited travel plans (21%)
- Cruise line (17%)
- Cruise ship (16%).

Domestic passengers:

- Suited travel plans (27%)
- Cruise itinerary (21%)
- Cruise ship (20%)
- Interesting destination (17%)
- Cruise line (14%).

Information of interest in Sydney and source

The primary source of information about Sydney for international passengers was the internet/travel websites (46%). Additionally, international passengers relied on previous visit (30%), information onboard the cruise ship (25%) and family/friends/work colleagues for information on Sydney (21%). They were mainly interested in things to see and do (53%), tours and day trips (22%) and places to go shopping (21%).

Domestic passengers have relied on previous visit (43%), the internet/travel websites (30%) and/or family/friends/business colleagues for information on Sydney (19%). They were mainly interested in information on things to see and do (21%), special events in Sydney (13%), entertainment (13%) and places to eat and drink (13%).

Organised tour information and bookings

International passengers were more likely than domestic passengers to have participated in organised tours during their time in Sydney (25% Vs. 6%).

International passengers who participated in organised tours booked the tour through the cruise company either prior to departure (38%), through travel agent (23%) and/or on the ship (18%). The cruise ship website (44%) was their main source of information for tours, followed by the internet (11%), and onboard from travel agent/tour operators (11%).

Domestic passengers who had engaged in organised tours booked the tour through a travel agent (38%), through the internet (31%), and/or from friends/relatives (19%). The travel agent website (29%) was their main source of information for tours, followed by the cruise ship website (25%) and the internet (21%).

Activities undertaken and places visited

Whilst in Sydney, international passengers engaged in more than three activities (average of 3.75 activities) and visited more than five places in Sydney (average of 5.35 places). They mostly visited city attractions (63%), went shopping (47%), dined (42%), and visited parks and gardens (39%). Most popular Sydney sites visited by international passengers included Circular Quay (67%), followed by the Sydney Opera House (61%) and Sydney Harbour (45%).

Approximately 79% of international passengers did not travel outside Sydney compared with 74% of domestic passengers.

International passengers who travelled outside of Sydney to Regional NSW visited an average of more than one place (1.2) with the Blue Mountains (14%) being the most popular destination visited, followed by Central Coast (2%) and Hunter Valley (2%).

On average, domestic passengers engaged in more than two activities (2.78) and visited more than three places in Sydney (3.68). The main activities undertaken by domestic passengers in Sydney were dining (29%), shopping (26%), visited attractions (23%) and friends/family (17%). They mostly however remained in the area around the terminal (43%) and around Circular Quay (37%), followed by Darling Harbour (23%), Sydney Harbour (22%) and Sydney Opera House (20%).

Domestic passengers who travelled outside of Sydney visited, on average, more than two places (2.38) with the Blue Mountains (10%) being the most popular destination visited, followed by Central Coast (9%), South Coast (9%) and Hunter Valley (6%).

Satisfaction with Sydney

Using a five point scale with '5' being very satisfied and '1' being very dissatisfied, cruise passengers were asked to rate their overall satisfaction with Sydney as well as the various aspects of their Sydney experience. Overall satisfaction with Sydney was very high with 97% of passengers reporting being 'very satisfied' or 'satisfied'.

International passengers reported high satisfaction results (99% were 'very satisfied' or 'satisfied') with all attributes measured. The lowest satisfaction score was 90% for public transport and highest at 99% for the variety of things to see and do. The average satisfaction rating for international passengers of Sydney was 4.8 out of 5. Food and beverage, tours, and information services in Sydney were identified as aspects to improve amongst international passengers. These aspects were considered important but were rated below the average satisfaction level of 4.8.

Domestic passengers (excluding Sydneysiders) also had high ratings of Sydney with 96% being 'very satisfied' or 'satisfied'. The lowest satisfaction score was 92% for tours and the highest at 97% for attractions and for variety of things to see and do. The average satisfaction rating for domestic passengers of Sydney was 4.6 out of 5. Tours and information services in Sydney were identified as areas to improve amongst domestic passengers. These aspects were considered important but were rated below the average satisfaction level of 4.6.

Likelihood of return to Sydney

Domestic passengers were more likely than international passengers to return to Sydney on another trip (78% vs. 58%) and to participate in another cruise which includes Sydney (61% vs. 51%).

Not surprisingly, domestic passengers were significantly more likely to return to Sydney within a year than international passengers (68% vs. 17%). Most international passengers intend to return to Sydney in two years or more (59%).

Cruise terminal perception

Both international and domestic passengers indicated that the Sydney cruise terminals are easy to navigate when dropping bags (95%) and checking (96%). The Overseas Passenger Terminal at Circular Quay and the White Bay Cruise Terminal at Balmain were both found just as easy to navigate (both 94%).

One half of passengers assessed that the Overseas Passenger Terminal had the right amount of retail outlets. The White Bay Terminal was less so, with 42% noting that it had the right amount of retail outlets.

The primary mode of transportation used by passengers in getting to/from both terminals was taxi (28%) or car (24%).

CRUISE SHIP CREW FINDINGS

Crew were significantly more likely to be young with a vast majority below 45 years of age (85%), males (90%) and residents of Asia (71%).

Although they were likely to be repeat visitors to Sydney (65%), most knew little or nothing about Sydney (70%). They nominated the internet/travel websites (38%), information onboard the ship (36%) and family/friends/business colleagues (33%) as their key sources of information.

They were most interested about information relating to things to see and do in Sydney (57%), places to eat and drink (28%), and places to go shopping/things to buy (27%).

As expected, the vast majority of crew were fully independent travellers (95%). They identified city attractions (51%) and shopping (51%) as key activities undertaken in Sydney. Circular Quay (64%), Sydney Opera House (58%) and Sydney Harbour (26%) were the most popular places visited by crew.

Crew had an overall satisfaction with their Sydney experience (98%). The average satisfaction rating of Sydney was 4.7 out of 5. All attributes measured had good satisfaction results with the highest being with variety of things to see and do (97%) and lowest being with tours (79%). Priority aspects for improvement in Sydney amongst crew were shopping and food and beverage. These aspects were considered important but were rated below the average satisfaction level of 4.7.

PASSENGER & CREW EXPENDITURE IN SYDNEY

Expenditure items

Passengers were asked to nominate the items for which they had incurred any expenditure as a result of participating in the cruise. These included items spent before arriving in Sydney (pre-paid expenditure) and during their visit in Sydney (on-shore expenditure).

Overall, passengers were most likely to have spent money on food and drinks (55%), transport (35%) and on package deals (26%).

Significantly, more domestic passengers than international passengers indicated expenses relating to transport costs (42% vs. 23%). On the other hand, more international passengers incurred expenditure relating to shopping (25% vs. 15% domestic passengers) and organised tours (11% vs. 3% domestic passengers).

Crew were most likely to have spent money on food and drinks (65%) and shopping (33%).

Incurred Expenditure on Items, 2013-14

Response	Total Passengers	International Passengers	Domestic Passengers	Domestic Passenger Segments		Crew
				Domestic Sydneysiders	Domestic Non Sydneysiders	
N	690	252	524	101	423	80
Total Food and Drinks	55%	55%	55%	39%	60%	65%
Transport Costs	35%	23%	42%	31%	46%	14%
Package deal	26%	30%	24%	17%	26%	1%
Shopping	18%	25%	15%	15%	14%	33%
Airfare to/from Sydney	18%	16%	18%	1%	24%	1%
Accommodation in Sydney	16%	18%	14%	2%	18%	0%
Entertainment and gambling	10%	11%	9%	9%	9%	8%
Organised tours	6%	11%	3%	7%	2%	2%
Other	1%	1%	1%	1%	1%	2%

QE_1. As a result of you participating in this cruise, did you spend anything on...?

Estimated expenditure

Cruise passenger and crew expenditures were calculated in accordance with Cruise Down Under methodology. Cruise Down Under reports on the economic impact of the cruise shipping industry in Australia.

The Cruise Down Under methodology for estimating passenger expenditure is based on departing and transit passenger spend only. Departing passenger estimates are used as arriving passengers can only report spending intention rather than actual expenditure. Airfare and package deals are excluded in expenditure calculations as passengers are often unable to estimate what proportion of their package deals are spent in Sydney.

Based on the annual passenger and crew population of 1.2 million in 2013-2014, the estimated total passenger and crew expenditure was $479.4 million, up 20% or $78.5 million on 2012-2013. Passenger expenditure increased by 22% or $77.6 million while crew expenditure increased by 2% or $0.9 million in 2013-2014.

The population and expenditure breakdown is as follows:

- International passengers accounted for 13.6% of the entire cruise passenger population (138,583 days at port) and their estimated total visitor expenditure was $73.9 million
- Domestic passengers accounted for 86.3% of the entire cruise passenger population (878,605 days at port) and their estimated total visitor expenditure of $361.7 million
- Crew (222,209 days at port) had an estimated total visitor expenditure of approximately $43.8 million.

Estimated Total Passenger and Crew Expenditure, 2013-14

Measure	Total Passenger & Crew	International Passengers	Domestic Passengers	Crew
Population (person days at port)				
Arriving & Departing	1,214,984	123,131	875,575	216,283
Transit	24,406	15,451	3,030	5,926
Total	**1,239,397**	**138,583**	**878,605**	**222,209**
Estimated Total Visitor Expenditure ($M)				
Arriving & Departing	$470.2	$66.5	$361.1	$42.6
Transit	$9.3	$7.5	$0.6	$1.2
Total	**$479.4**	**$73.9**	**$361.7**	**$43.8**

The average and total expenditure per person of Departing and Transit passengers and crew by spend item are provided below:

Average Passenger Expenditure for estimating Total Expenditure, 2013-14

Category	Domestic Passengers			International Passengers		
	Pre paid	Spent (On shore)	Total	Pre paid	Spent (On shore)	Total
Departing Passengers						
Accommodation	$109.53	$20.18	$129.71	$84.15	$101.58	$185.73
Food and Drink	$69.95	$52.50	$122.45	$20.87	$144.38	$165.25
Organised Tours	$3.65	$3.78	$7.43	$5.20	$20.93	$26.12
Entertainment	$22.57	$6.62	$29.19	$5.37	$14.80	$20.17
Shopping	$29.33	$21.90	$51.24	$14.48	$91.65	$106.13
Transport	$33.75	$28.39	$62.15	$5.82	$30.70	$36.52
Other	$7.13	$3.06	$10.20	$0.00	$0.00	$0.00
Total	**$275.93**	**$136.44**	**$412.37**	**$135.90**	**$404.04**	**$539.94**
Transit Passengers						
Food and Drink	$27.00	$37.77	$64.77	$40.21	$68.68	$108.89
Organised Tours	$0.00	$0.00	$0.00	$50.02	$19.26	$69.28
Entertainment	$15.63	$11.00	$26.63	$26.52	$25.31	$51.83
Shopping	$55.00	$47.67	$102.67	$53.01	$168.98	$221.99
Transport	$8.13	$4.17	$12.29	$8.88	$11.32	$20.21
Other	$12.50	$0.00	$12.50	$5.80	$0.00	$5.80
Total	**$118.25**	**$100.60**	**$218.85**	**$184.45**	**$293.56**	**$478.01**

Average Crew Expenditure for estimating Total Expenditure, 2013-14

Category	Crew		
	Pre paid	Spent (On shore)	Total
Food and Drink		$81.52	$81.52
Organised Tours		$0.96	$0.96
Entertainment		$14.75	$14.75
Shopping		$88.06	$88.06
Transport		$11.81	$11.81
Other		$0.00	$0.00
Total		**$197.10**	**$197.10**

CONCLUSIONS

The survey has provided demographic profile, travel and spending behaviour of cruise ship passengers and crew, as well as aspects of satisfaction and those in need of improvement. There are many opportunities for further increasing cruise visitation to Sydney, as well as extending their pre and post cruise stay and promoting shore excursions.

- Given that the internet remains the main source of information for passengers, travel websites need to have content relevant to cruise passengers, particularly those with relatively little time to spend in Sydney and NSW
- With most international passengers booking their organised tours prior to departure via the cruise company, it is important to ensure that cruise companies increase their promotion of Sydney and Regional NSW shore excursions and destination information
- Specific activities need to be offered to the large proportion of passengers who remain in the immediate area around the terminal, as well as the promotion of retail outlets and restaurants at or near the cruise terminals
- With Sydney being the main starting and finishing point for passengers, pre- and post-package deals and organised tours need to be co-ordinated with the cruise lines
- Targeted marketing strategies need to be developed to reflect the vast differences in passenger profiles amongst international and domestic passengers.

For more information and statistics about tourism in NSW, see the Tourism – Facts & Figures page on the Destination NSW Corporate website at http://www.destinationnsw.com.au/.