

INTRODUCTION

Destination NSW defines Youth or Millennials as persons aged 15 to 29. In partnership with Tourism Research Australia, qualitative research was recently conducted into 'Attracting Millennials to regional NSW'. The research found that while young Australians look to rest and relax at home, they seek destinations that promote a range of both active and passive experiences for rejuvenation, indulgence, escape or discovery. Those aged 15 to 24 yearn for aspirational and authentic experiences that help build their 'social brand' while those aged 25 to 29 go on holiday to take a break from their routine activities. They rely on family and friends for travel recommendations to help distil information overload from the internet and social media. While 'Visiting Friends and Relatives' continues to be a key driver for domestic travel, providing Millennials with a 'hook' or an 'insta-worthy' reason to visit will entice further visitation to regional NSW.

NSW VISITOR MARKET SIZE AND SHARE

In the year ended (YE) June 2017, NSW received 8.0 million international and domestic overnight youth visitors (up 4 % on 2016). They stayed 72.9 million nights (up 7%) and spent nearly \$8.8 billion (up 13%) in the state. The State received a third of all youth overnight visitors and nights in Australia in YE June 2017.

International and domestic overnight youth visitors represented 23% of all overnight visitors to NSW in YE June 2017 and 38% of nights. The youth market share of total NSW visitors and nights have been steady (23% and 38%, respectively in 2013).

Domestic overnight youth visitors accounted for 84% to 86% of all overnight youth visitors to NSW in the last five years. This market has grown 26% since YE June 2013. While the number of international youth visitors to NSW is smaller, this market has grown 33% in the same period, and they accounted for 68% of the total overnight youth expenditure in NSW in YE June 2017.

Chart 1. International and Domestic Youth Visitors and to NSW

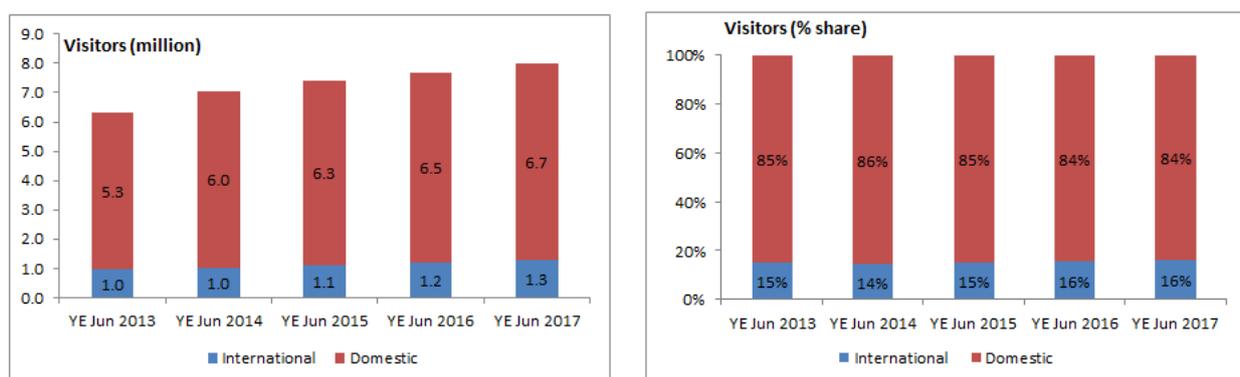
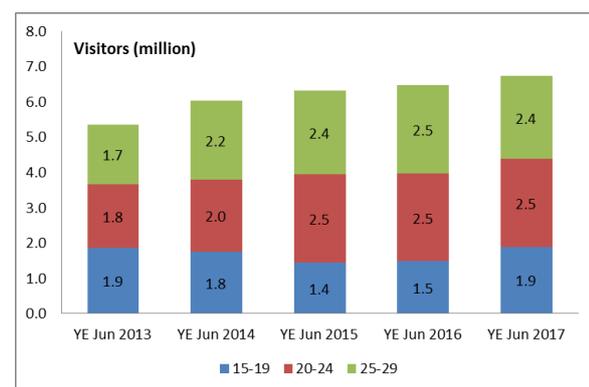


Table 1. Youth Visitors, Nights and Expenditure

	Visitors ('000)	Nights in (million)	Length of Stay (nights)		Total spend (\$ billion)	Spend per visitor	Spend per night
			Average	Median			
International	1.3	52.1	40.7	8	\$6.0	\$4662.8	\$114.6
Domestic Overnight	6.7	20.8	3.1	2	\$2.9	\$426.0	\$137.8
TOTAL	8.0	72.9	-	-	\$8.8	-	-

The snapshot from this point would focus on Domestic youth visitors to NSW.

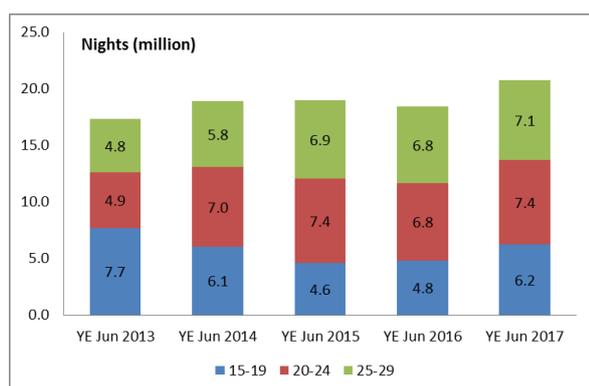


Chart 2. Domestic Youth Visitors to NSW

In the YE Jun 2017, NSW received a total of 6.7 million domestic youth visitors (up 4% on 2016). Of these, the dominant group who visited NSW was the 20-24 years old age group (2.5 million or 37% of NSW domestic overnight youth visitors). The 25-29 age group was the second largest group among domestic youth visitors to NSW (2.4 million or 35% share).

The number of NSW domestic visitors aged 15-19 increased the most, up 28% on YE Jun 2016. This was a recovery from drop in visitation levels from this group in YE Jun 2015 and YE Jun 2016.

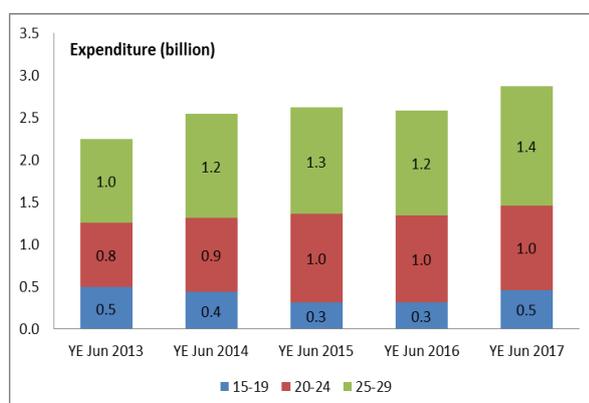
Compared to YE Jun 2013, the number of youth visitors aged 20-24 and 25-29 each grew by 39%.

Chart 3. Domestic Youth Nights in NSW

In the YE Jun 2017, domestic youth visitors stayed 20.8 million nights in NSW (up 13% compared to YE Jun 2016). The 20-24 age group spent the most nights in the State (7.4 million nights or 36% share), followed by the 25-29 group (7.1 million nights or 34% share).

Visitor nights of those aged 15-19 year grew the most, up 29% on previous year. This was a recovery from lower visitor nights from this group in YE Jun 2015 and YE Jun 2016.

Compared to YE Jun 2013, the number of nights spent in NSW by 20-24 age group increased by 53%, followed by the 25-29 age group (up 49%).

Chart 4. Domestic Youth Expenditure in NSW

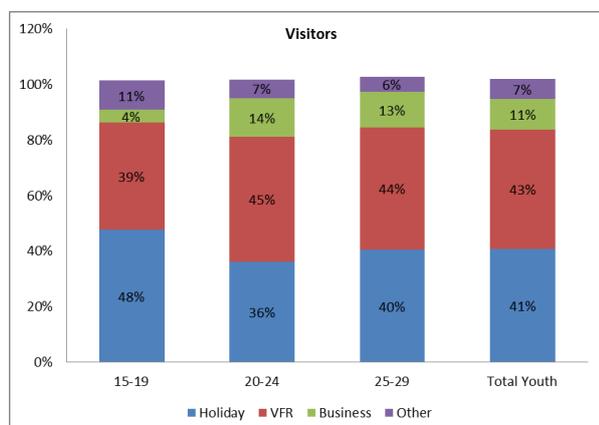
In the YE Jun 2017, domestic youth visitors spent \$2.9 billion in NSW (up 11%). Nearly half of this was spent by the 25-29 years old visitors (49%) and more than a third by the 20-24 age group (35% share).

Expenditure from 15-19 age group significantly increased, up 45% on YE Jun 2016, a return to their spend level in YE Jun 2013.

From 2013 to 2017, domestic youth expenditure in NSW was grew by 28%; the highest increase was among the 25-29 age group (up 42%), followed by expenditure growth from the 20-24 year old (up 31%).

PURPOSE OF VISIT

Chart 5. Domestic youth purpose of visit, YE Jun 2017



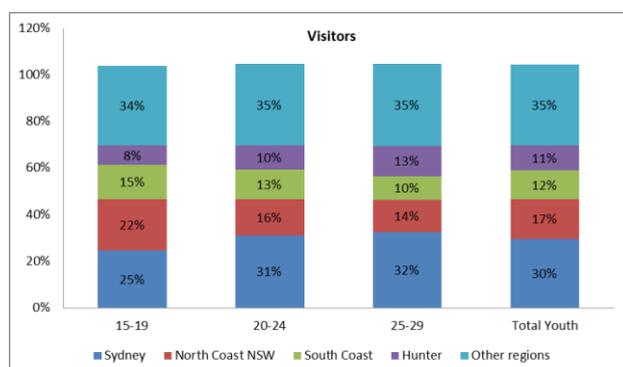
In the YE Jun 2017, 'Visiting Friends and Relatives' (VFR) (43% share) was the main purpose of visit for domestic youth visitors to NSW, followed by 'Holiday' (41%) and 'Business' (11%).

Compared to YE Jun 2016, visitors who travelled for 'VFR' and 'Holiday' grew by 10% and 2%, respectively while travelling for 'Business' purpose declined by 12%.

In the past five years, 'Holiday' had been the main purpose for domestic youth visitors to NSW except in 2017 when 'VFR' was main reason. The 15-19 age group has been mainly visiting for 'Holiday'. Visitors aged 20-24 years have been to NSW mostly for 'VFR' except in 2014 and 2016. 'VFR' also has been the main purpose of visit for 25-29 age group except in 2015.

DESTINATIONS VISITED IN NSW

Chart 6. Top Domestic Youth Destinations in NSW, YE Jun 2017



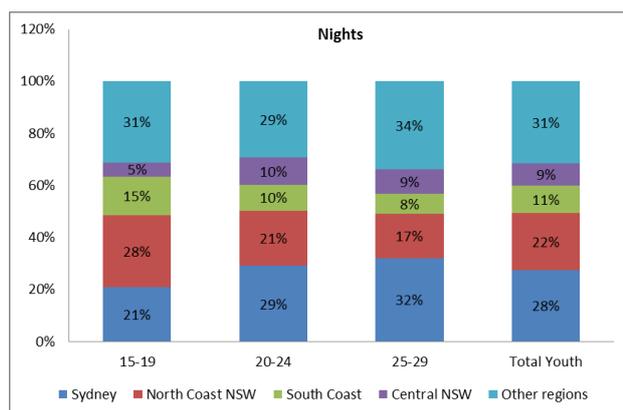
In YE June 2017, Sydney was the most popular destination for domestic youth visitors (30% share) and nights (28%). Regional NSW received 72% of domestic youth visitors and nights for the year.

The North Coast, South Coast and Hunter were the most visited regional destinations for the year (17%, 12% and 11% shares, respectively).

Sydney, North Coast and South Coast were top destinations in YE June 2017 for the 15-19 age group and the 20-24 age group while those aged 25-29 visited Sydney, North Coast and Hunter, followed by the South Coast.

In the period 2013 to 2017, Sydney, North Coast and the South Coast remained as the top places visited by domestic overnight youth visitors. Since YE June 2013, visitation to Sydney has grown by 21%, the North Coast by 33% and the South Coast by 32%.

Domestic overnight youth visitation to regional NSW grew by 29% in the last five years.



In YE June 2017, domestic overnight youth visitors to regional NSW spent the most nights in the North Coast (22% share), followed by the South Coast (11%) and Central NSW (9%).

The 15-19 age group spent more nights in the North Coast, followed by Sydney and the South Coast. The 20-24 age group and the 25-29 age group spent the most nights in Sydney, followed by the North Coast.

In the period 2013 to 2017, Sydney, North Coast and the South Coast remained as the top regions where domestic overnight youth visitors spent the most nights. Since YE June 2013, nights spent in Sydney has grown by 28% and the North Coast by 39% while visitor nights spent in the South Coast declined by 4%.

Domestic youth nights in regional NSW grew by 17% in the last five years.

ORIGIN

Table 2 Total Original Domestic Youth Visitors, YE Jun 2017

Origin	Visitors		Nights		Average Stay (nights)
	('000)	(%)	('000)	(%)	
Sydney	2024	30.1%	5163	24.8%	2.6
Regional NSW	2550	37.9%	6697	32.2%	2.6
Total intrastate	4574	68.0%	11861	57.1%	2.6
Victoria	742	11.0%	3364	16.2%	4.5
Queensland	866	12.9%	3702	17.8%	4.3
Other interstate	544	8.1%	1859	8.9%	3.4
Total interstate	2151	32.0%	8925	42.9%	4.1
TOTAL	6726		20786		3.1

In YE Jun 2017, Regional NSW was the largest source of domestic youth visitors and nights in NSW (37.9% and 32.2% shares, respectively), followed by Sydney (30.1% and 24.8%) and Queensland (12.9% and 17.8%).

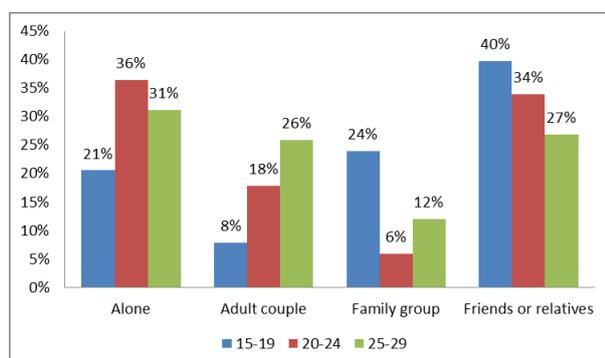
Compared to YE Jun 2016, visitors from regional NSW grew by 2% and from Sydney by 7%. NSW also attracted more visitors from Victoria (up 22%) and Queensland (up 3%).

Regional NSW and Sydney recorded growth in nights (up 7% and up 6%, respectively). Nights spent by domestic youth visitors from Victoria and Queensland also grew (up 52% and 28%).

Over the past five years, regional NSW had been the main source market for domestic youth visitors to NSW and also the largest contributor to nights (up 18% and up 19%, respectively).

TRAVEL PARTY

Chart 7. Most common travel party for Domestic Youth Visitors to NSW, YE Jun 2017



In the YE Jun 2017, travelling with 'friends or relatives' (33% share) was the most common travel party amongst domestic youth visitors to NSW, followed by 'travelling alone' (30%) and 'adult couple' (18%).

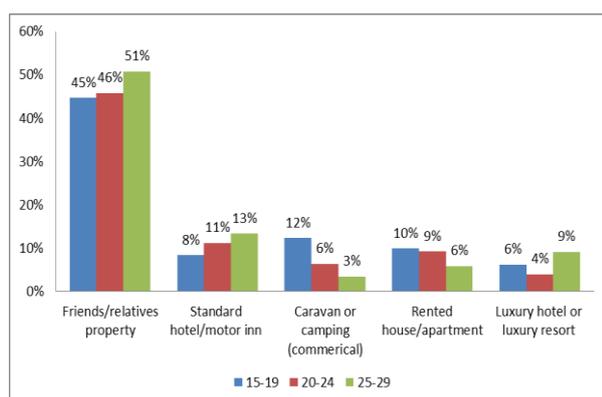
For 20-24 and 25-29 age groups, 'travelling alone' was the most common travel party (36% and 31%, respectively), followed by 'friends or relatives' (34% and 27%). The 15-19 age group mostly travelled with 'friends or relatives' (40%).

Compared to Jun 2016, those who travelled 'alone' grew by 12%, followed by those who travelled as 'adult couple' (up 6%) and with 'friends' (up 3%).

Market share of those who travelled with 'friends or relative' remained at 33% in the last five years while those who travelled 'alone' increased from 24% share in YE Jun 2013 to 32% share in YE Jun 2017. Share of those who travelled with 'family group' declined from 22% in YE Jun 2013 to 12% in YE Jun 2017.

ACCOMMODATION IN NSW

Chart 8. Most Popular Accommodation type - Domestic Youth Nights, YE Jun 2017



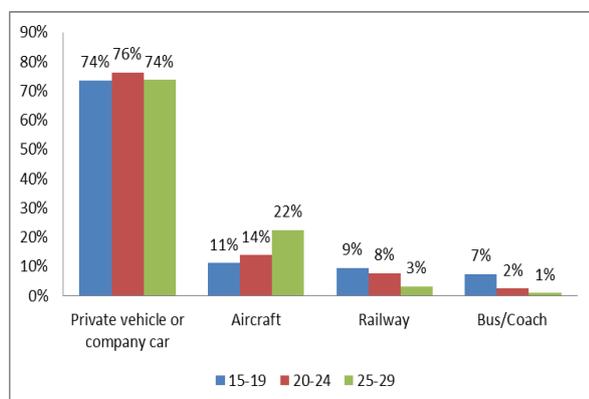
In the YE Jun 2017, 'friend/relatives property' was the most popular accommodation type used by domestic youth visitors for nights in NSW (47% share), followed by 'standard hotel/motor inn' (11%) and 'rented house/apartment' (8%).

'Standard hotel/motor inn' was the second most used accommodation type for nights spent in NSW among the 20-24 and 25-29 age groups, and it was 'caravan or camping' for the 15-19 age group. A higher proportion of 25-29 years old stayed in 'luxury hotel or luxury resort' (9%) than the other age groups.

In the past 5 years, 'friends or relatives property' has remained the most popular accommodation type for nights in NSW by domestic youth visitors, up 23% compared to YE Jun 2013. For the 15-19 age group, the number of nights spent in 'friends or relatives property' decreased by 18%.

TRANSPORT TO NSW

Chart 9. Most Popular form of Transport for Domestic Youth Visitors, YE Jun 2017



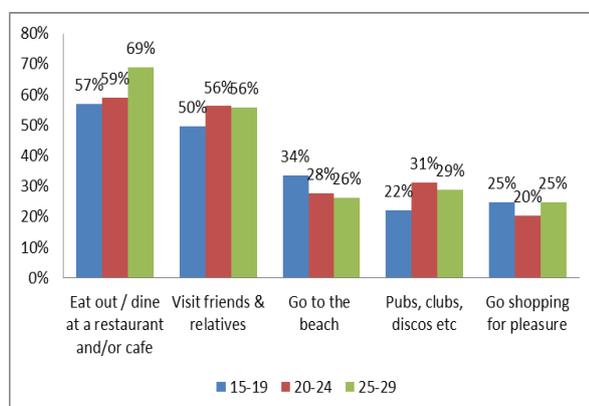
In the YE Jun 2017, 'private vehicle' (75%) was the most popular type of transport used in NSW by domestic youth visitors, followed by 'aircraft' (16%), 'railway' (7%) and 'bus/coach' (3%).

Compared to YE Jun 2016, the number of domestic youth visitors to NSW using 'private vehicle or company car' and 'aircraft' grew by 6% and 14%, while other types of transport used declined.

In the past five years, 'private vehicle or company car' had been the most popular transport used in NSW by domestic youth visitors. However, the usage of 'private vehicle or company car' by visitors aged 15-19 years declined slightly (down 2%).

ACTIVITIES IN AUSTRALIA

Chart 10. Top Activities for Domestic Youth Visitors, YE Jun 2017

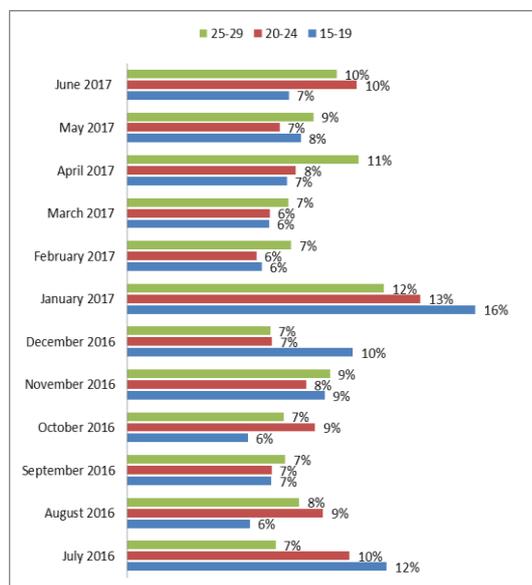


In the YE Jun 2017, 'eating out, dining at a restaurant or café' (62%) was the most popular activity by domestic youth visitors to NSW, followed by 'visiting friends or relatives' (54%). The number of visitors participating in these two activities grew by 10% each on the last year.

In the past 5 years, the top 2 activities in Australia undertaken by youth visitors from these three age groups have remained the same. For visitors from 20-24 and 25-29 age groups, 'going to pubs, clubs, discos' was a more popular activity than 'going to the beach' in NSW.

SEASONALITY

Chart 11. Seasonality Domestic Youth Visitors



In the YE Jun 2017, 14% of domestic youth visitors returned from their trip in January. The returning rates in other months were relatively evenly distributed (from 7% to 9%).

January was the top month for visitors from the three age groups to return from their trip. The second top month for the 15-19 age group was July, for the 20-24 age group was June, and for the 25-29 age group was April.

Compared to YE Jun 2016, the total number of domestic youth visitors to NSW returning in January and June grew the most (up 42% and up 39%, respectively). It also recorded growth in other winter months of July (up 17%) and August (up 13%). The number of visitors returning in the other months recorded declines except April when the returning rate remained the same.

MORE INFORMATION

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/>.

