Lord Howe Island Visitor Survey 2017

INTRODUCTION

Lord Howe Island is one of Australia's premier holiday destinations, part of a World Heritage-listed island group that is known for its outstanding natural beauty, bird life and pristine marine environment. Visitation to the island is capped at 400 guests at any one time ensuring that visitors enjoy a unique experience.

Destination NSW, in partnership with the Lord Howe Island Board, Lord Howe Island Association and QantasLink, have commissioned this survey, Lord Howe Island Visitor Survey. Prior to this research limited information was available in terms of demographic profile and travel behaviour of visitors to Lord Howe, apart from research conducted by Tourism Research Australia in 2008.

The National Visitor Survey (NVS) and International Visitor Survey (IVS) are the main information sources on visitation to NSW. A specific survey was required because of the small number of NVS and IVS respondents who have visited Lord Howe Island (LHI).

KEY VISITOR FINDINGS

LHI visitors are mostly from NSW, aged 50 plus, travel as 'couples', and have a household income of at least $150,000. Most visit for the purpose of 'Holiday', spend a week at LHI and stay in 'self-contained apartments'.

Most plan their LHI trip between '1 to 3 months' in advance, and source their information from 'accommodation websites' and via 'word-of-mouth'. Most booked their flights and accommodation through a travel agent; Facebook was the most-used social media channel for sharing trip experiences.

LHI was most associated with Australia's top holiday drivers: 'beautiful scenery', 'natural environment', and 'offers a great sense of escape and relaxation'. The latter is the top motivator for visiting the island.

Overall, 97% of visitors were satisfied or very satisfied with their visit - 8 of 13 aspects of island experience rated as at least 88%. There was also high satisfaction in travelling to the island - 9 of 16 service aspects rated as at least 84%.

FINDINGS IN DETAIL

Visitor profile

The largest **age** group of visitors to the Island were 50 years and above, accounting for 65% of visitors. The largest age group was 60-69 (25%), closely followed by 50-59 (24%), 40-49 (16%) and 70 years and over (15%). Younger visitors (15-29 and 30-39 together) accounted for 20% of visitors and were more likely visit in December quarter than in June quarter.

In terms of **origin**, domestic visitors accounted for 89% of visitors to LHI while 11% were international visitors. NSW residents were the largest source market (59%), followed by residents from Victoria (14%) and other States combined (15%). The two largest international source markets were UK and USA. International visitors were more likely to visit in December and March quarters than in June quarter.

Visitors with combined **household income** of $150,000 plus per annum were the largest group of visitors (28%), followed by those in the $100,001 to $150,000 bracket (18%).

In terms of **employment status**, close to two-thirds of the visitors were 'working' (64%), 29% were 'retired', 3% were 'not working' and 3% were 'students'. 'Retirees' were more likely to visit in June quarter than in March quarter, possibly avoiding school holiday periods.

In terms of **household status**, just over half of the visitors were 'couples' (52%), followed by 'family with children' (27%) and 'singles' (20%).

Travel behaviour

In terms of **travel party**, over half of the visitors travelled as 'couples' (51%), followed by 'family group with children' (19%), 'friends/relatives no children' (14%), and 'travelling alone' (11%).

The island has a high **repeat visitation** rate with 35% being repeat visitors. One third visited more than 'five times' in the past; these visitors were more likely to 'visit friends and relatives' on the island. Close to half of the repeat visitors visited 'up to two times' in the past (47%), 10% visited 'three times' and 9% visited 'four times'.

Repeat visitors were more likely to be over 50, NSW residents with household income greater than $100,000 per annum.

Of those who have visited LHI before, 30% **last visited the island** within the 'last 12 months', 23% visited between '1 to 2 years ago' and 33% visited 'more than 5 years ago'.

The most common **length of stay** was '6-7 nights' (42% of visitors), followed by '4-5 nights' (26%) and '8-10 nights' (15%). Those aged 60 years and those from Australia were most likely to stay 'up to a week'; international visitors were most likely to 'stay up to 5 nights'; and repeat visitors '8 nights and over'.

In terms of **accommodation**, more than half stayed in 'self-contained apartments' (53%), followed by 'retreats/lodges' (36%), and 'family and friends' (8%).

Couples were more likely to stay in 'self-contained apartments' and in 'retreats/lodges'. International visitors and first-time visitors were also more likely to stay in 'retreats/lodges'. Repeat visitors, younger visitors (15 to 39) and those 'travelling alone' were more likely to stay with 'family/friends'.

Reason for visit and motivations

'Holiday' was the **main reason for visit** for 85% of the visitors, followed by 'Visiting Friends and Relatives' (6%), and 'Work/Business' (6%). 'Holiday' was the main reason for visiting for 84% of the domestic visitors and for 90% of international visitors.

Holidaymakers were more likely to be over the age of 60, first-time visitors, couples and families with children. Retirees were more likely to visit for 'Holiday' compared to those working.

Top five **motivations** to visit were: 'escape and getaway to a remote location' (64%), 'wanted to visit a World Heritage site' (41%), 'great swimming beaches' (38%), 'wanted to visit a marine park' (33%) and 'wanted an island adventure' (32%).

'Escape and getaway to a remote location' was the third holiday driver in Australia and the highest motivating factor for visiting across all demographics and origins of visitors.

Among international visitors, 'great swimming beaches' was the second top motivator, followed by 'wanted to visit World Heritage site, 'wanted an island adventure' and 'special occasion as a couple'.

"Great swimming beaches' was likely to be a bigger motivating factor to visit in March quarter while "wanted to visit a World Heritage site' was a bigger motivator for those travelling in June quarter.

There were significant differences among specific visitor groups in terms of motivation:

- Visitors 40 years and over, females and first-time visitors were more likely to be motivated by a 'World Heritage site'
- First-time visitors and those aged 15-39 were more likely to be motivated by 'wanted to an island adventure'
- Females and younger visitors (15-39) were more likely to be motivated by 'great swimming beaches'
- Males and first-time visitors were more likely to be motivated by 'special occasion'.

Holiday drivers, associations and experience

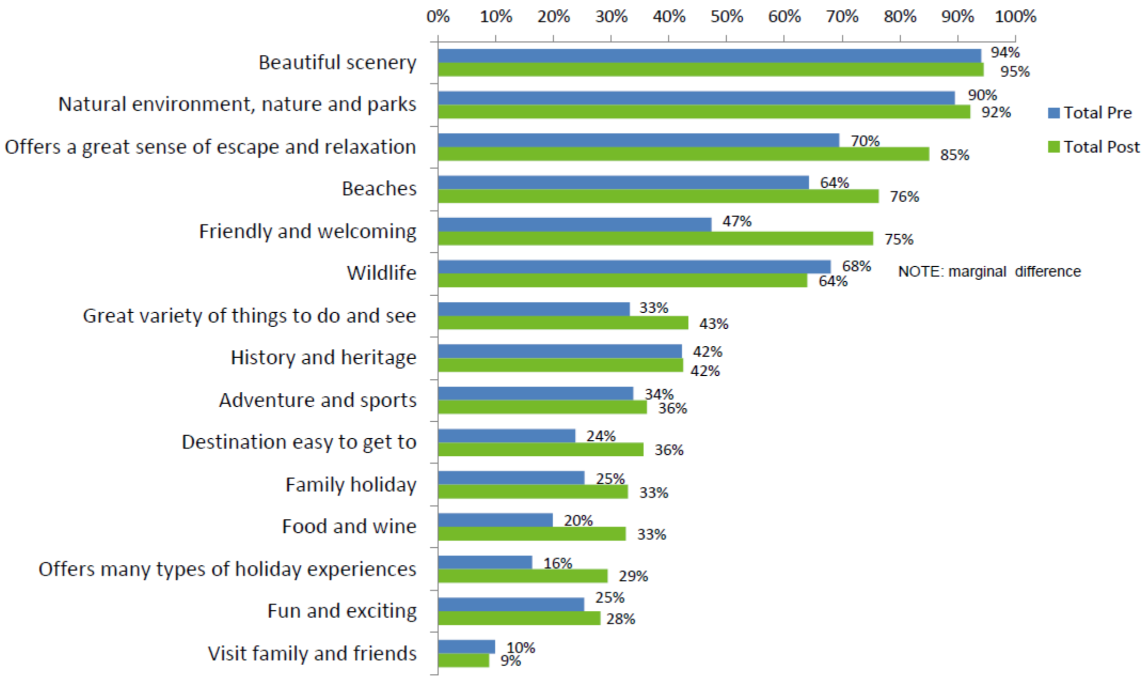
Visitors were asked to rate the importance of a number of holiday drivers on a scale from 1 to 5 where 5 is 'very important' and 1 is 'not very important'.

Top holiday drivers considered important when choosing a holiday destination in Australia were 'beautiful scenery' (97% of the visitors rated 'important' or 'very important'), 'natural environment' (93%), 'friendly and welcoming' (92%), 'offers a great sense of escape and relaxation' (91%), and 'great variety of things to do and see' (75%). These drivers have remained consistent across the three quarters.

The chart below shows top **associations** with LHI before the trip and after the trip. The island was most associated with four of the top five holiday drivers in Australia.

The percentage of respondents associating each of the Australian holiday drivers with LHI was higher post-trip than pre-trip except for marginal difference in 'wildlife'. This implies that visitor experience on LHI was better than their expectation prior to the trip. This was most pronounced in terms of LHI being 'friendly and welcoming' (up from 47% pre- trip to 75% post-trip), and in 'offering a great sense of escape' (up from 70% pre-trip to 85% post-trip).

Top associations with Lord Howe Island



Visitors were also asked the **top things that come to mind** before their trip to LHI. Most mentioned 'beautiful scenery/paradise/pristine', 'remoteness/tranquillity/relaxing environment', "wildlife/nature/natural environment' and 'beach/water activities'.

LHI delivered on visitor expectation as **trip highlights of those who have been to the island** were similar to the top things they had in mind prior to their visit: 'scenery/pristine', 'remoteness/tranquillity/relaxing', 'snorkelling/turtles/corals', 'wildlife' and 'walking/hiking'.

Awareness of Lord Howe Island offerings and experience

Visitors were asked to name three **natural attractions or activities** on LHI prior to their trip. The table below shows that at least one in five mentioned 'walking/hiking', 'snorkelling', 'Mt Gower', 'wildlife/sea life/reef' and 'Neds Beach'.

Top of mind activities/attractions	% visitors
Walking / Hiking	45%
Snorkelling	36%
Mt Gower	31%
Wildlife / Sea life / Reef	21%
Neds Beach	18%
Birds Watching	15%
Beach / Water	13%
Swimming	11%
Fishing	11%
The Lagoon	9%
Balls Pyramid	8%
Diving	8%
Cycling	7%
Mountains	5%
Marine Park	5%

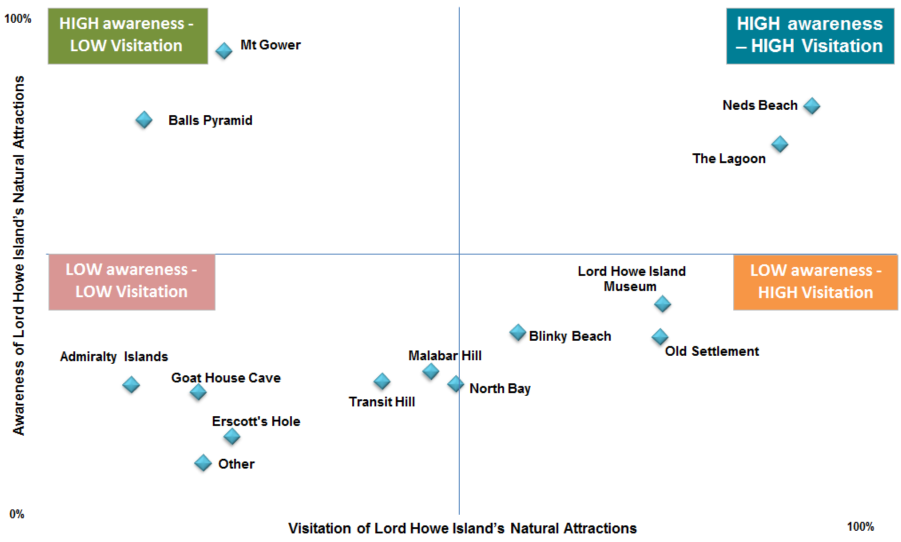
Males, international travellers, and young people (15 to 39) were more likely to mention 'diving' as an island activity, females were more likely to say 'cycling', and those aged 40 plus were more likely to state 'bird watching'.

On the island, the **top activities undertaken** by visitors were 'bushwalking' (81%), 'water activities' (81%), 'visiting museum' (72%), 'visiting shops/market' (64%), 'active sports' (64%), 'hiking' (58%), 'boat tour' (53%) and 'bird watching' (40%).

Visitors were asked what **attractions they have heard of from a list prior to their visit**, and which ones they visited on their trip. The chart below shows level of awareness and visitation of LHI attractions.

- The attractions on the top right corner have high awareness and high visitation: Neds Beach and The Lagoon.
- Those in the top left corner have high awareness and low visitation: Mt Gower and Balls Pyramid. They are not as accessible as the other attractions. Mt Gower is the Island's highest mountain and is a challenging eight-hour return trek while Balls Pyramid requires a boat ride from the main island
- Attractions in the bottom left corner received the least visitors and had low awareness. They may benefit from more promotion.

Lord Howe Island Awareness vs Visitation



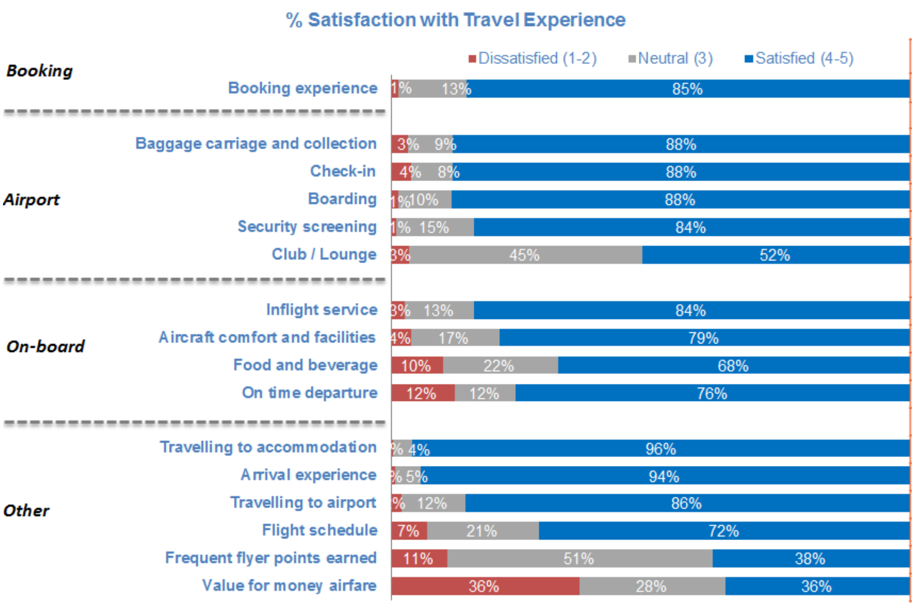
Ratings of experience

Visitors were asked to rate their experience in travelling to the island and on the island on a scale from 1 to 5 where 5 is 'very satisfied' and 1 is 'very dissatisfied'.

The chart below shows the percentage of visitors who rated their **travel experience to/from the island** in terms of various aspects of service - 'booking', 'airport', 'on-board', and 'other aspects'.

- 'Booking experience' and many aspects of 'airport' service scored the highest with at least 84% of respondents being 'satisfied' or 'very satisfied'.
- The highest satisfaction related to 'travelling to accommodation' (96% of respondents), followed by 'arrival experience' (94%), 'baggage carriage and collection', 'check-in' and 'boarding' (each at 88%). The lowest satisfaction score was 'value for money airfare' (36%) and 'Frequent Flyer points earned' (38%).

Travel experience to/from Lord Howe Island



% of Satisfied visitors

	Dec qtr'16	Mar qtr'17	Jun qtr'17
Booking experience	87%	85%	84%
Baggage carriage and collection	93%	85%	87%
Check-in	90%	87%	88%
Boarding	87%	88%	90%
Security screening	86%	86%	81%
Club / Lounge	51%	51%	53%
Inflight service	87%	85%	81%
Aircraft comfort and facilities	79%	80%	78%
Food and beverage	74%	64%	67%
On time departure	71%	79%	78%
Travelling to accommodation	97%	96%	95%
Arrival experience	95%	95%	93%
Travelling to airport	88%	85%	85%
Flight schedule	73%	73%	69%
Frequent flyer points earned	41%	37%	38%
Value for money airfare	35%	36%	36%

First-time visitors were more likely to be satisfied with 'travelling to the airport' and 'check-in process' while older visitors (60 years +) were more likely to be satisfied with 'value for money airfare'.

The table below shows the percentage of visitors who rated their **experience on the island** in terms of various aspects of service.

About 97% of respondents were 'satisfied' or 'very satisfied' with their visit to LHI. Australian residents were more satisfied with their experience than international visitors (97% and 92%, respectively). Females were more likely to be satisfied than males; similarly 'couples' were more likely to be satisfied than those 'travelling alone' and 'retirees 'than students'.

Experience at Lord Howe Island: % satisfaction

	Dec qtr'16	Mar qtr'17	Jun qtr'17	Total
Personal safety and security	95%	97%	94%	95%
Friendliness of the locals	94%	90%	92%	92%
The quality of attractions and activities	93%	93%	89%	92%
The range of attractions and activities	93%	92%	89%	91%
Food and drink in the cafe/restaurants	93%	90%	89%	91%
Quality of accommodation	93%	89%	89%	90%
Getting about on the island	89%	91%	89%	90%
Customer service at Accommodation	90%	88%	86%	88%
Value for money	71%	64%	66%	67%
Guided tours	64%	57%	62%	61%
Shopping	41%	35%	39%	38%
Accessibility services	29%	31%	32%	31%
Wi-Fi	21%	23%	23%	22%

At least 90% of respondents were 'satisfied' or 'very satisfied' with seven of the 13 aspects of service on LHI. The highest was for 'personal safety and security', followed by 'friendliness of locals', and 'quality of attractions and activities'.

There were significant differences among specific visitor groups in terms of satisfaction. Those aged over 60 years were more likely to be satisfied in terms of 'quality of accommodation', 'customer service', 'guided tours' and 'value for money'. Couples were also more likely to be satisfied with 'quality of accommodation' and 'customer service'. Domestic visitors were likely to be satisfied with 'shopping', 'getting about on the island' and 'personal security' than international visitors.

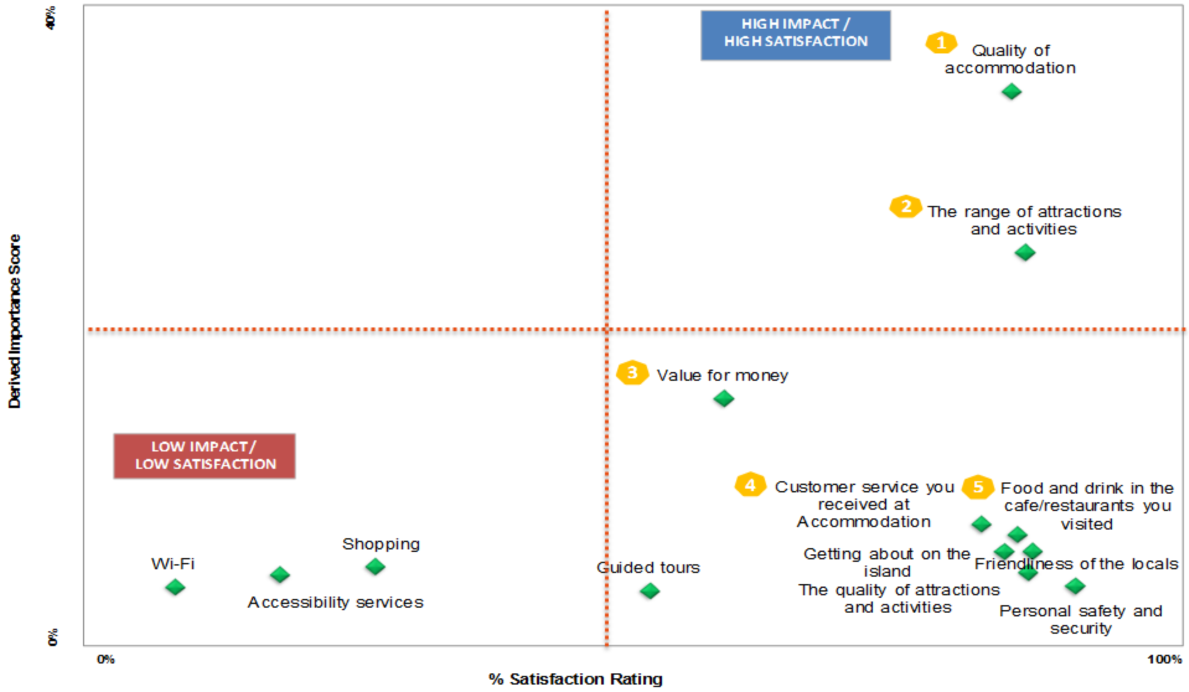
While 'Wi-Fi services' to the island received the least satisfaction ratings in comparison to other service aspects, not having a mobile phone was considered a positive experience for more than half of the visitors (56%). This was more the case among 'young visitors' (15 to 39) than for those aged 60 plus, for NSW residents, for previous visitors to the island, and for 'family group with kids' than 'couples' or 'friends travelling without kids'.

The chart below maps the **derived impact of different aspects of service to overall satisfaction ratings**. This analysis identified aspects of service which influenced overall satisfaction rating scores the most and the least.

- Aspects at the top right corner had the highest impact on visitor satisfaction: 'quality of accommodation' and 'range of activities and attractions' on LHI.
- Aspects at the bottom right corner received high satisfaction ratings but their impact on the overall satisfaction was relatively lower than aspects in the top right corner.

- Aspects at the bottom left corner received lowest satisfaction scores and relatively low impact on overall satisfaction: ‘shopping’, ‘accessibility services’ and ‘Wi-Fi’. These aspects received the lowest satisfaction ratings but these ratings have very low impact on visitors’ overall satisfaction with their visit.

Satisfaction aspects vs Overall satisfaction



Visitor expenditure

Visitors were asked how much they spent before their trip (either as part of a package or not) and on LHI, how many people were covered by the cost and how long they stayed.

	Package visitors (47%)	Non-package visitors (53%)
Travel party Pre-trip average spend ($)	$ 5,692	$ 5,468
Travel party At destination average spend ($)	$ 1,114*	$ 1,323*
Top Pre-trip spend items (% of n)	Accommodation (98%) Airfare (92%) Restaurants (35%) Activities (18%) Guided Tours (12%)	Accommodation (77%) Airfare (99%) Restaurants (16%) Activities (7%) Guided Tours (2%)
Top At Destination spend items (% of n)	Drinks, alcohol (87%) Shopping (71%) Activities (68%) Meals (74%) Groceries (71%)	Drinks, alcohol (84%) Shopping (65%) Activities (69%) Meals (84%) Groceries (75%)
Average length of stay (nights)	6.9	7.9
Average travel party size	2.6	2.4
TOTAL spend per person	$2,857	$2,805
TOTAL spend per person per night	$414	$355

* Excludes accommodation

Around 47% of visitors travelled on a package which included accommodation (98%) and airfare (92%). Among ‘non-package visitors’, 23% indicated that they did not pay for accommodation as half stayed with family or friends. At the destination, the biggest spend items were drinks and meals for both types of visitors.

The average length of stay was longer among ‘non-package visitors’ while the average travel party size was slightly bigger for ‘package visitors’. On average, ‘package visitors’ spent more per night than ‘non-package visitors’.

Trip recommendation and sharing

Visitors were asked **how likely they were to recommend LHI** as a place to visit to friends or relatives on a scale from 0 to 10 where 10 is ‘extremely likely’ and 0 is ‘not at all likely’.

Around 78% can be considered as ‘promoters’ as their recommendation rating was ‘9 or 10’. Meanwhile 4% can be labelled as ‘detractors’; they gave a rating of ‘0 to 4’. Australians were significantly more likely to be ‘promoters’ than international visitors (79% vs 71%), and less likely to be ‘detractors’ (4% vs 8%). Repeat visitors were more likely to be ‘promoters’ than first-time visitors.

There were significantly more ‘detractors’ in June quarter, likely due to the impact of Cyclone Debbie which occurred in late March to April 2017.

Most respondents would recommend LHI for being ‘beautiful, peaceful, relaxing’, followed by its ‘natural environment’, ‘marine environment’ and being a ‘friendly and safe’ destination. The most likely recommenders were the repeat visitors and those aged 60.

The table below shows likely recommenders for each LHI aspect.

	Dec qtr'16	Mar qtr'17	Jun qtr'17	Total	*Likely recommenders:*
Beautiful, peaceful, relaxing	98%	95%	95%	96%	
Natural environment	93%	93%	93%	93%	
Marine environment	88%	90%	84%	87%	*Repeat visitors*
Friendly and safe	87%	87%	87%	87%	*Older visitors (60 +years old)*
Remoteness / getting away	84%	84%	83%	84%	
World heritage	77%	67%	75%	73%	*Repeat visitors and visitors 40+ years old*
Great for family holiday	54%	59%	54%	55%	*Family groups and Repeat visitors*
Appeals to all ages	52%	53%	52%	52%	
Romantic destination	47%	47%	42%	45%	*Couples and Younger visitors (below 40 years old)*
Value for money	15%	9%	10%	11%	*Older visitors (60 +years old)*
Other	6%	6%	5%	6%	

Four out of 10 visitors **shared their trip experiences on social media**. Over a quarter (27%) did so while on the island, 58% shared upon their return, and 15% did both. Facebook was the most popular social media channel with 85% likely to use it to share their experience, followed by Instagram (37%); Twitter was nominated by only 3% of respondents.

Trip planning

Most visitors **planned their trip** between '1 to 3 months' ahead of their visit (29%), '4 to 6 months' (28%) and '6 months to a year' (26%). Those who visited in the December and March quarters were significantly more likely to plan their trips between '6 months to a year' in advance in comparison to those who visited in the June quarter. 'Family groups with children' were more likely to plan their travel 'within a year' while those 'travelling alone' were more likely to plan their visit 'less than a month' prior to departure.

LHI accommodation internet sites were the most popular **source of information** (44%), followed by 'word of mouth' (39%), 'travel agents' (31%), 'previous visit' (26%), 'general travel websites' (23%), and 'travel articles/magazine' (13%). Repeat visitors and those aged 60 years plus were more likely to rely on 'previous visitation' while first-time visitors relied more on 'word of mouth' and 'travel agents'.

More than half **booked their flights** through a travel agent (51%) and through Qantas's website (33%), half used Oxley (50%) followed by Pinetrees (17%), and Flight Centre (6%). First-time visitors and those aged 40 years and over were more likely to book through a travel agent while more repeat visitors booked through Qantas's website than first-time visitors.

The table below shows that travel agents were used for **accommodation bookings**, the most for both in person and online.

	In Person				Online			
	Dec qtr'16	Mar qtr'17	Jun qtr'17	Total	Dec qtr'16	Mar qtr'17	Jun qtr'17	Total
Travel agent	38%	43%	47%	42%	13%	9%	9%	10%
Airline	0%	1%	0%	0%	1%	1%	0%	1%
Tour Operator	3%	5%	2%	3%	2%	0%	3%	2%
Online provider	n/a	n/a	n/a	n/a	7%	12%	8%	9%
Other	17%	16%	14%	16%	3%	4%	4%	4%

When asked whether they had considered **alternate destinations** to LHI, 17% said they had. These destinations included Norfolk Island, The Whitsundays, Fiji, Tasmania, Maldives, Hamilton Island, New Zealand, Lady Elliot Island, Bali and Cairns. Previous visitors to the island were less likely to consider other destinations.

The reasons that they chose LHI included the following: recommended by friends, shorter flight, better beaches, and more things to see and do.

Future travel to Lord Howe Island

Around 84% would **consider returning to the island**, a higher percentage for those who visited in December and March quarters (87% and 88%, respectively) than in June quarter (77%). Repeat visitors, NSW residents, those with household income greater than $150,000, and 'families with children' were significantly more likely to return than other segments.

Two thirds of visitors indicated that they would return within the next two years (65%); they were more likely to be NSW residents and repeat visitors. More than one third plan to return in two years or more (35%); they were more likely to be 'couples', 'families with kids' and first-time visitors.

The table below shows that most visitors wish to return during Summer (56%), followed by Autumn and Spring. 'Family groups with children' and younger visitors (15 to 29) were more likely to return in Summer.

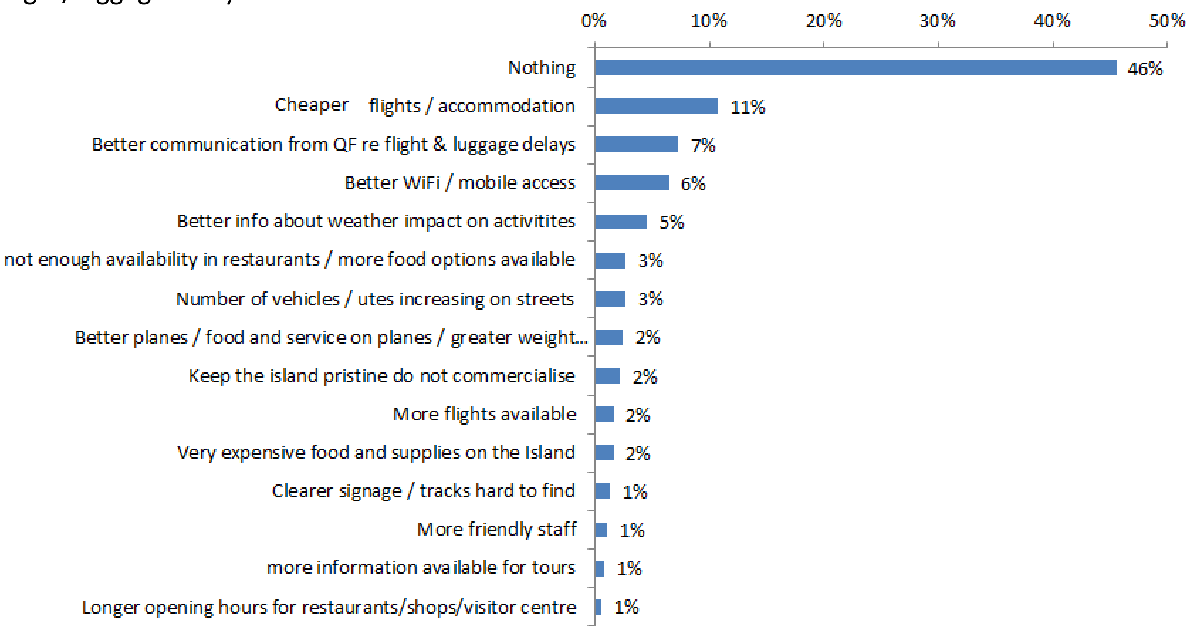
	Winter	Summer	Autumn	Spring
Dec qtr'16	3%	41%	24%	25%
Mar qtr'17	4%	69%	17%	10%
Jun qtr'17	4%	34%	43%	43%
TOTAL	4%	56%	20%	17%

Those visitors who did not choose Winter were asked if they would consider visiting based on a list of **possible incentives**. More than half indicated 'cheaper airfares' (59%) and 'value package accommodation' (57%), followed by 'romantic Winter getaway' (24%), 'special event' (18%), and 'child-free accommodation' (9%).

Special events of interest to visitors included the following: 'culinary experience' (28%), 'wellness retreat' (24%), 'music festival' (18%), 'wine festival' (15%), and 'yoga retreat' (15%). 'Culinary experience' is of interest to those aged 40 to 59 while 'yoga and wellness retreat' are of interest to females and those aged under 50.

There was no **preferred day of travel** particularly among those aged above 60.

Close to half of the visitors (46%) did not provide any **comments to further enhance their island experience**. The chart below highlights suggestions for those who did. 'cheap flights/accommodation' was suggested by 11%, followed by 'better communication from Qantas re flight/luggage delays'.



KEY RESIDENT FINDINGS

LHI residents used Sydney as their main arrival airport on their trip to Australia. Nearly a quarter travelled to Sydney for 'medical reasons' (24%), followed by 'Visiting Friends and Relatives (23%) and 'Business' (18%).

Around one in five residents are aged 15 to 29 and 50 to 59 (21% each) and 18% are aged 30 to 39. Nearly a quarter travelled to S

They had 100% satisfaction with 'Boarding' and 'Check-in' and lowest satisfaction with 'Value for money' (28%).

RESEARCH OBJECTIVES AND METHODOLOGY

The Lord Howe Island Visitor Survey sought to identify the demographic profile of visitors from Sydney, and to gain a better understanding of their motivations, behaviours and experiences. In particular, the survey aims to identify:

- Drivers of holiday travel and associations with LHI
- Reasons and motivations for visiting LHI
- Awareness of the island's holiday offerings
- Trip activities and arrangements
- Expenditure before and during trip to LHI
- Trip experience and social media activity
- Trip planning and future travel to LHI.

The primary target respondents for the survey were short-term visitors who departed from Sydney Airport between October 1, 2016 and June 30, 2017, the peak period of travel to LHI. Residents were also surveyed and were the secondary target respondents.

The survey was conducted in two parts: both pre- and post-trip. The pre-trip survey was conducted through face-to-face interviews at the Qantas departure lounge inside Sydney Airport and via a self-completion online survey. The post-trip survey was conducted via a follow-up online survey of those who completed the pre-trip survey.

The pre-trip Visitor survey focused on awareness, reasons and motivations for visiting while the post-trip survey focused on visitor activities and experiences. The Resident survey was much shorter than the Visitor survey, and was only conducted pre-trip.

LHI visitors were offered an incentive that resulted in very high participation rates (942 respondents).

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/.