

SOURCE MARKET OVERVIEW

AUSTRALIA NEW ZEALAND

MARKET STRUCTURE

The chain of distribution in Australia and New Zealand (ANZ) remains quite traditional with some online companies emerging. The product is often purchased via DMC's based in Africa and packaged by ANZ wholesalers, then sold via retail chains to consumers. Travel Agent sales remain key due to preferred agreements, however more direct business may occur due to the Pandemic, but we are unsure how the distribution channels may be affected going forward.

IS AFRICA WELL KNOWN AS A DESTINATION FOR HOLIDAYS?

Yes, Africa is well known but often seen as an adventurous destination to many travellers. Wildlife, nature, history and culture continue to be strong reasons to visit Africa.

GENERAL MARKET OVERVIEW

In general, most travellers have Africa on their "bucket list" with wildlife safari's being their preferred activity. Africa is often seen as a dangerous destination but once travellers personally experience the friendly locals and amazing diversity Africa has to offer their perception changes, they then become strong ambassadors for the continent and are eager to return.

SOUTHERN AFRICA

South Africa is the main gateway to Southern Africa being the most direct route from Australia or NZ via Sydney. Qantas is currently flying from Sydney to Johannesburg direct, and SAA is currently reviewing their Australia operation due to Covid 19, we hope SAA will return soon as this route services Western Australia and a large VFR market. South Africa is a popular destination with most travellers wanting to visit Game Reserves like Kruger National Park for the wildlife, the Garden route for its scenic beauty and Cape Town for its history, food, wine and of course the spectacular views from Table Mountain. South African Tourism and the local Africa wholesalers continue to dispel safety and security concerns by promoting Johannesburg as a destination showcasing this vibrant historic city. Depending on the travellers time frame and budget, many will combine South Africa with Botswana, Zambia and Zimbabwe. Highlights could include, majestic Victoria Falls and the Okavango Delta. Namibia is also a draw card but is often considered more as a second - or third - time destination for a more adventurous traveller.

EAST AFRICA

East Africa does not have as much exposure as Southern Africa in Australia from tourism boards, however it is very well known. Wildlife documentaries have helped promote this region. Most travellers would normally do Southern Africa or East Africa. The great migration is a huge draw card for people wanting to tick this experience off their bucket list. Kenya and Tanzania are often combined depending on the clients budget and time. To access East Africa most travellers would fly via the Middle East which is quite a long way for Australians using Emirates, Qatar or Etihad. If they do fly Qantas this would be via Johannesburg. Rwanda and Uganda are popular for travellers wanting to experience the gorillas or for those who have been to other destinations in Africa.

CENTRAL AFRICA

This region is not promoted heavily in Australia or New Zealand, more adventurous travellers would explore these countries.

WEST AFRICA

This region is not promoted heavily in Australia or New Zealand due to safety and security concerns, adventurous travellers may consider these countries.

CONTINUED

SOURCE MARKET OVERVIEW

AUSTRALIA NEW ZEALAND

KEY COMPETITORS TO AFRICA

All countries are seen as competitors, however if we are looking at long haul destinations, South America and India would be considered as direct competition. These destinations are seen as adventurous with amazing culture and natural wildlife. USA and Canada are considered easy destinations for Australians to travel to due to the language and strong airlift. Europe will always be a huge VFR destination for Australians due to our heritage ties to the UK and Europe. Previous to Covid 19 Italy was the number one destination for Australians due to food, wine, culture and history. Covid 19 has now changed all the rules with many Australians choosing to holiday domestically or in the South Pacific due to the government SMART Traveller guidelines. Australians want to travel further but are afraid of getting sick or stuck in a foreign country. Traveller confidence is at an all time low but we hope this will shift in the near future.

TRAVELLER OVERVIEW

| | |
|--|--|
| Average holiday allowance per year for individuals | With public holidays Australians get 29 days per year but some companies will offer more. |
| Average holiday price paid for main holiday | The average spend is approximately AU\$5,000 - \$7000 per person, however with Africa they often spend more knowing its a once in a lifetime holiday. |
| How do they travel? Eg. Solo, families, couples, groups | Africa gets a variety of travellers, many are couples, families, and multi-generational families. Groups are popular via some of the wholesalers which often include solo travellers. |
| What type of holiday do they prefer? Eg, Adventure, luxury, independent | Would say it's often a combination. Independent or small group travel including boutique properties are popular. Depending on the duration of the holiday, ANZ travellers like luxury but also value for money, they may consider combining a few nights 3-4 star then end the tour in luxury. |
| Are they price sensitive? | Yes, most ANZ travellers like good value for money but are happy and capable of spending if they want to splurge. |
| Preferred type of accommodation, eg. Luxury, basic, self-catering | I would say 4 star is popular in the cities with some luxury safari options at the beginning or end of the tour. If its a short holiday they may splurge, but if its a longer holiday they may source value for money. |

USEFUL LINKS

Local Travel Trade Media Titles

<https://traveldaily.com.au/>
<https://travelbulletin.com.au/>
<https://www.traveltalkmag.com.au/>
<https://www.travelweekly.com.au>
<https://karryon.com.au/>

Government Travel Advice

<https://www.smarttraveller.gov.au/>
<https://www.dfat.gov.au/>