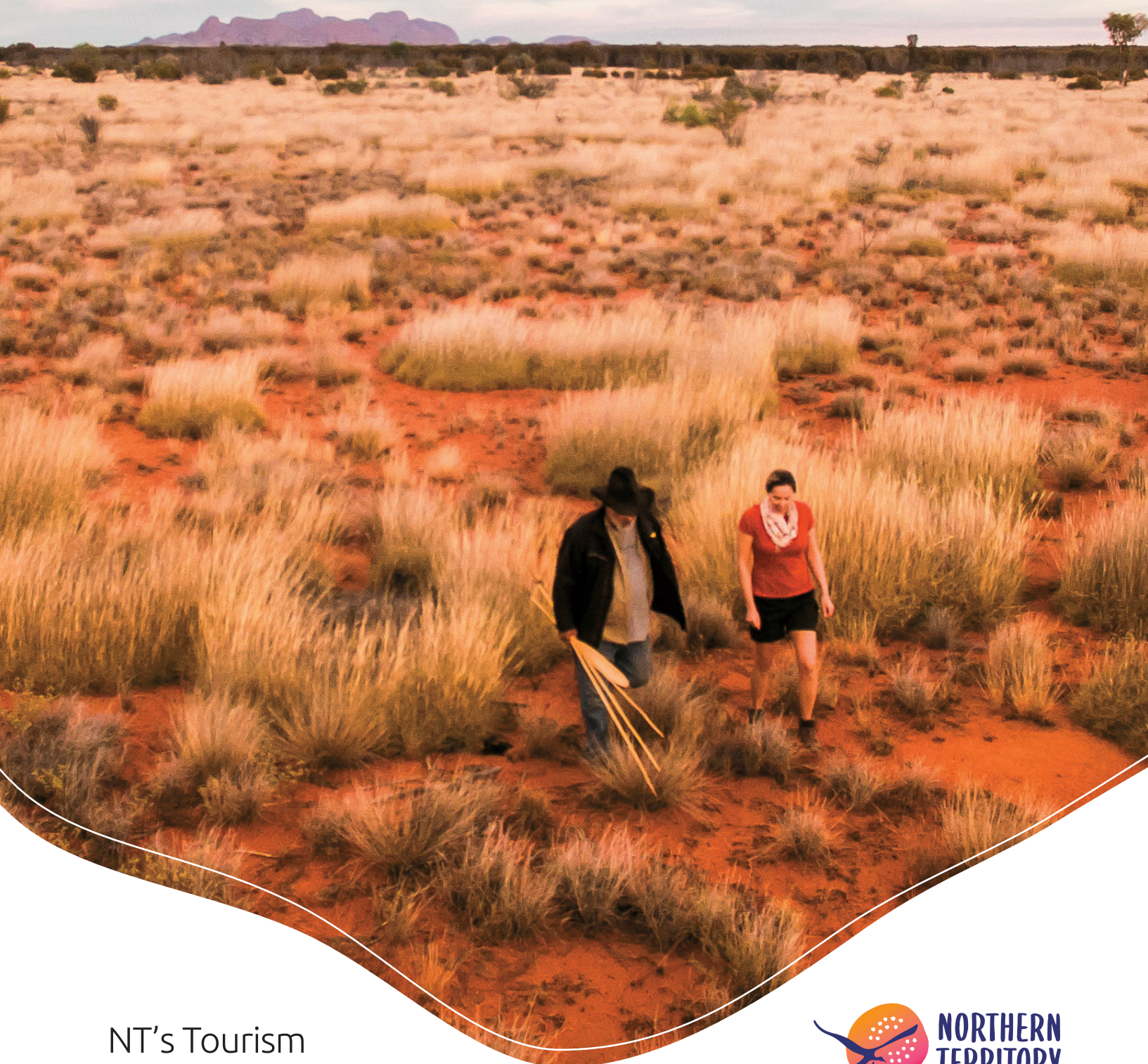


• 2030 Tourism



NT's Tourism
Industry Strategy 2030



Bitter Springs, Mataranka.



Cover image: Cultural tours with SEIT Outback Australia.



Foreword

Tourism is one of the most important sectors in the Northern Territory economy, contributing \$2.2 billion in gross value added terms in 2017-18.

As the Northern Territory's economy has shifted significantly in recent years, so has the tourism industry – with an increasingly competitive landscape, new technologies and flow-on effects from other industries, such as construction and mining, all at play.

The *Northern Territory's Tourism Industry Strategy 2030* sets out the strategic direction for industry development over the next decade. Over this time period, the tourism landscape will continue to change – and so the *NT's Tourism Industry Strategy 2030* will be reviewed and adapted, to ensure its ongoing relevance. The strategy will also be supported by specific shorter term plans, including Tourism NT's marketing strategy, which is refreshed on a regular basis due to changes in consumer preferences, travel behaviour and marketing tools.

This framework has been co-developed with both industry and government and is designed to unite efforts across the public and private sectors, with priorities and actions targeted towards shifting the current performance of the tourism sector in the Northern Territory to one of sustainable growth. Six priority objectives are identified that, if delivered, will make a material impact on the trajectory of tourism in the Northern Territory:

- Grow investment in the Northern Territory's remarkable assets, product and regions
- Strengthen and showcase the Northern Territory's distinctive Aboriginal cultural tourism experiences
- Through strategic marketing activities grow the value of the holiday market in the Northern Territory
- Leverage and build events to drive visitation
- Develop ongoing access to and within the Northern Territory
- Increase recognition of the value of tourism to the Northern Territory.

Within each priority objective are specific actions to achieve identified goals in the short, medium and long term. Implementing the strategy's actions through to 2030 will create the momentum to attract more domestic and international visitors to the Territory, and prepare the industry to deliver high quality and increasingly diverse experiences.

Four pillars: industry development, marketing, collaboration across industry and government, and workforce development also reinforce the actions identified within each priority objective to underpin the strategy's success.



Camel tours, Red Centre.

The *NT's Tourism Industry Strategy 2030* proposes visitor and expenditure targets to 2030, which assume that identified actions are implemented with sufficient funding and support from across the Northern Territory and Australian Governments, Regional Tourism Organisations, Land Councils and the broader tourism industry.

By 2030, total overnight visitor arrivals to the Northern Territory are projected to reach between 2.51 million and 3.03 million, accounting for between \$3.01 billion and \$3.67 billion in expenditure. Achieving these expenditure figures could see up to 3,900 new tourism jobs by 2030.

In terms of holiday visitors, projections are for between 1.18 million and 1.45 million holiday visitors by 2030, and \$1.46 billion to \$1.79 billion in holiday visitor expenditure.

There is a strong economic imperative to work together to implement the priority objectives and actions in the *NT's Tourism Industry Strategy 2030*. We look forward to continuing to work together to showcase the Northern Territory to the world.

The Hon. Lauren Moss MLA
Minister for Tourism, Sport and Culture

Mr. Michael Bridge
Chair, Tourism NT

Ms. Dale McIver
Chair, Tourism Central Australia

Ms. Simone Shepherd
Chief Executive Officer,
Department of Tourism,
Sport and Culture

Mr. Michael Scott
Chair, Tourism Top End

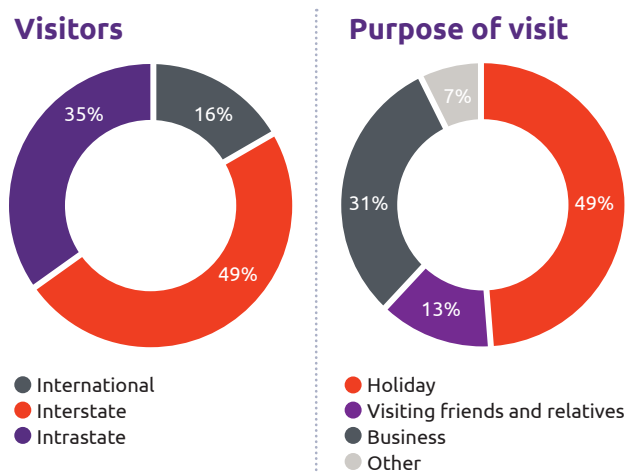
Current Industry Profile and Trends

Current profile of the tourism industry

The Northern Territory welcomed 1.7 million overnight visitors in 2017-18, who spent a total of \$2.1 billion across the Territory's regions. Approximately 16 per cent of visitors, or 283,000 people, came from overseas – with the remainder travelling from interstate or within the Northern Territory.

The majority of all visitors to the Northern Territory travel for a holiday (49 per cent), a higher share than other states and territories with the exception of Tasmania. International travellers feature prominently within the holiday segment, accounting for 28 per cent of holiday visitors to the Territory, a higher proportion than they represent in the overall mix of visitors or expenditure.

Figure 1.1: Visitation and purpose of visit in the Northern Territory, 2017-18



| | For the Top End | For Central Australia |
|-------------------------------------|--|--|
| | Figure 1.2: Key visitor statistics in the Top End, average from 2015-16 to 2017-18 | Figure 1.3: Key visitor statistics in Central Australia, average from 2015-16 to 2017-18 |
| Total visitors | 1,475,000 | 1,005,000 |
| Domestic visitors | 1,276,000 | 713,000 |
| International visitors | 199,000 | 292,000 |
| Total visitor nights | 8,998,000 | 3,877,000 |
| Total average length of stay | 6 nights | 4 nights |
| Regional expenditure | \$1.4 billion | \$869 million |
| | Note: The Top End includes the tourism regions of Darwin, Kakadu Arnhem and Katherine Daly | Note: Central Australia includes the tourism regions of Alice Springs, Lasseter, Barkly and MacDonnell |

Source: Tourism Research Australia

Importance of Tourism to the Northern Territory

For Northern Territory residents

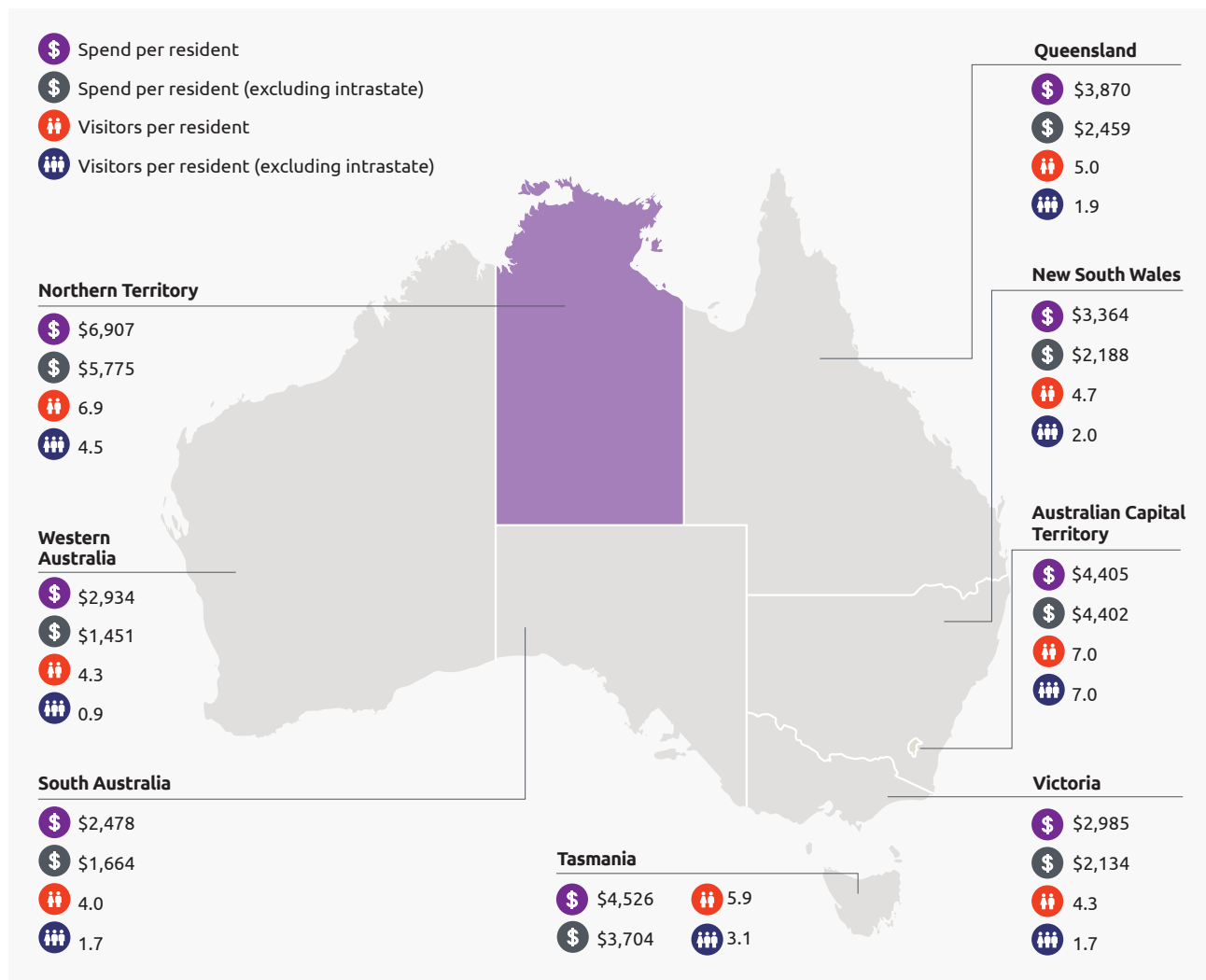
A strong and competitive tourism industry has widespread benefits for local regions and their residents. Tourists arrive in the Northern Territory and spend money on attractions, meals and accommodation, leading to economic benefits. However, improvements in the tourism offering also enhance the Territory's liveability and enjoyment for locals. Tourism highlights the need for infrastructure investment and development. For example, infrastructure improvements on routes used by self-drive tourists can open up roads that were previously inaccessible during wet periods, providing access to local communities and also enables Territorians to travel more easily for work and pleasure.

The Territory has a significantly higher visitation per resident and spend per resident compared to other states. This remains the case even excluding intrastate travel, highlighting the importance of interstate and international tourism spending.

For the Northern Territory economy

The tourism industry is important to the Northern Territory's economy. In 2017-18, tourism accounted for 9.5 per cent of the Territory's economy, a higher proportion than any other jurisdiction with the exception of Tasmania. The tourism industry was worth \$2.2 billion in gross value added, including \$1.0 billion in direct contribution and a further \$1.2 billion in indirect contribution. The tourism industry accounted for the employment of 17,100 persons in the Territory, directly and indirectly.

Figure 2: Visitors and spend per resident in Australian jurisdictions, 2017-18



Source: Tourism Research Australia and the Australian Bureau of Statistics

The Road to 2020

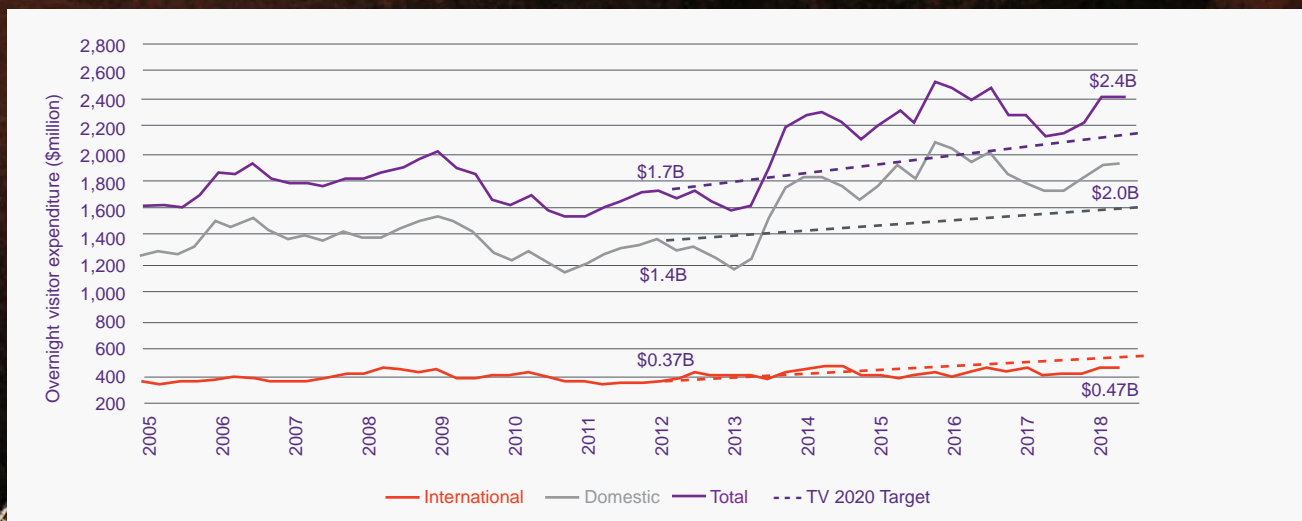
The Territory's previous long-term tourism plan, *Tourism Vision 2020*, set out a growth target of \$2.2 billion in overnight visitor expenditure, which translated into an extra \$325 million above 2012 baseline forecasts. In terms of visitor numbers, a target of 1.7 million visitors was established. For the 2017-18 financial year, the Territory received a total of 1.7 million overnight visitors with expenditure of \$2.1 billion.

The strong results were due in part to the strong growth in business visitors associated with major projects in the Territory. While targets for the domestic market are on

track to be outperformed, targets set for international markets will not be achieved with the Territory losing market share in both western and eastern markets over the past decade.

To address these challenges and re-balance holiday visitation, the NT Government released the *Turbocharging Tourism* stimulus program in early 2018 which provided enhanced marketing, event and infrastructure development programs. The early results of this stimulus is encouraging with total overnight visitation rising to 1.95 million and expenditure rising to \$2.4 billion.

Figure 2.1: Overnight visitor expenditure in the Territory against *Tourism Vision 2020* targets.





Boat Cruise, Nitmiluk National Park.

NT's Tourism Industry Strategy 2030

The Department of Tourism, Sport and Culture (DTSC) engaged Deloitte Access Economics to co-develop *NT's Tourism Industry Strategy 2030* together with industry and government.

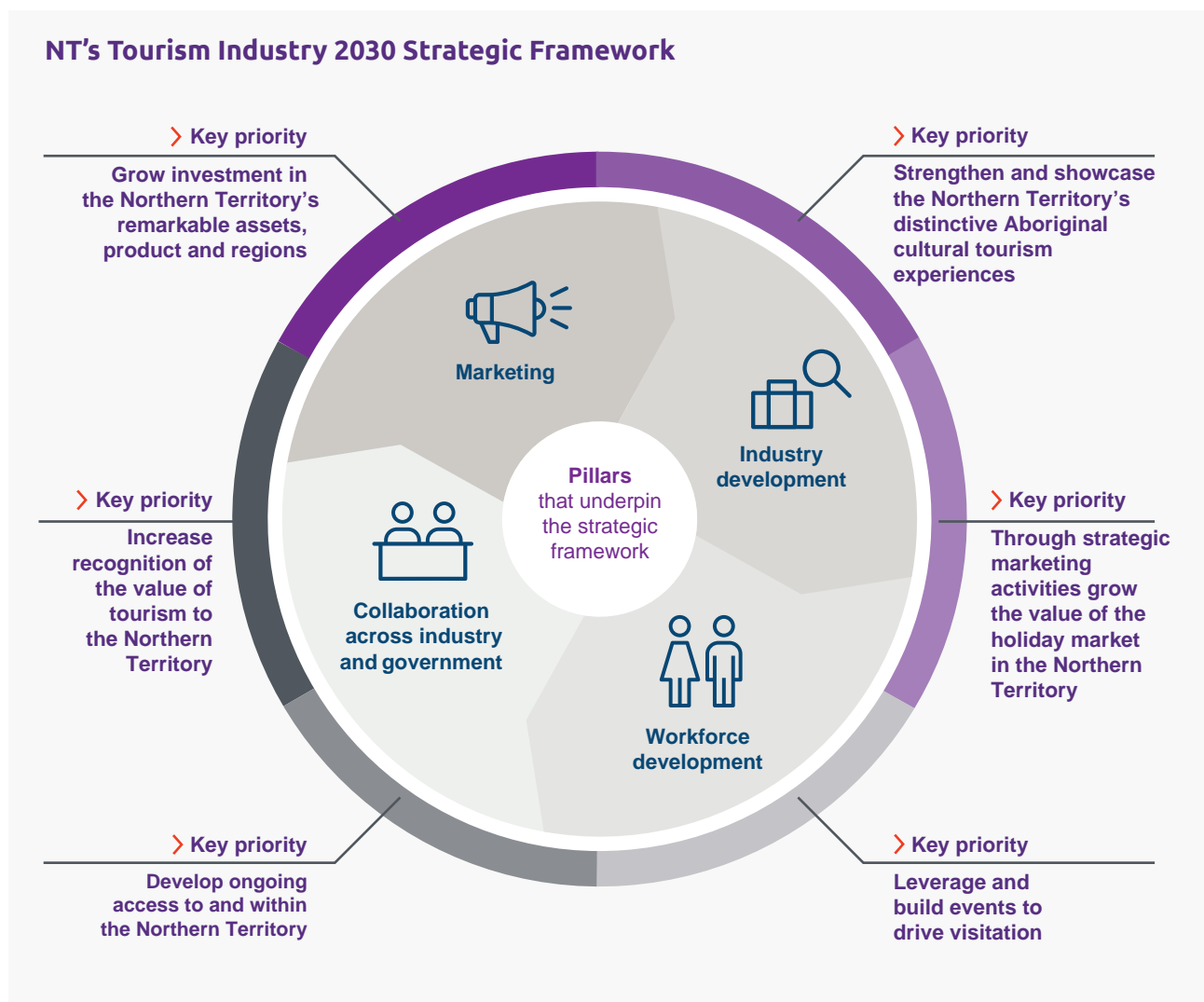
Seven regional forums were held across the Territory in Darwin, Jabiru, Katherine, Nhulunbuy, Tennant Creek, Alice Springs and Yulara, in addition to sector workshops and targeted one-on-one sessions with local councils, industry bodies and government agencies.

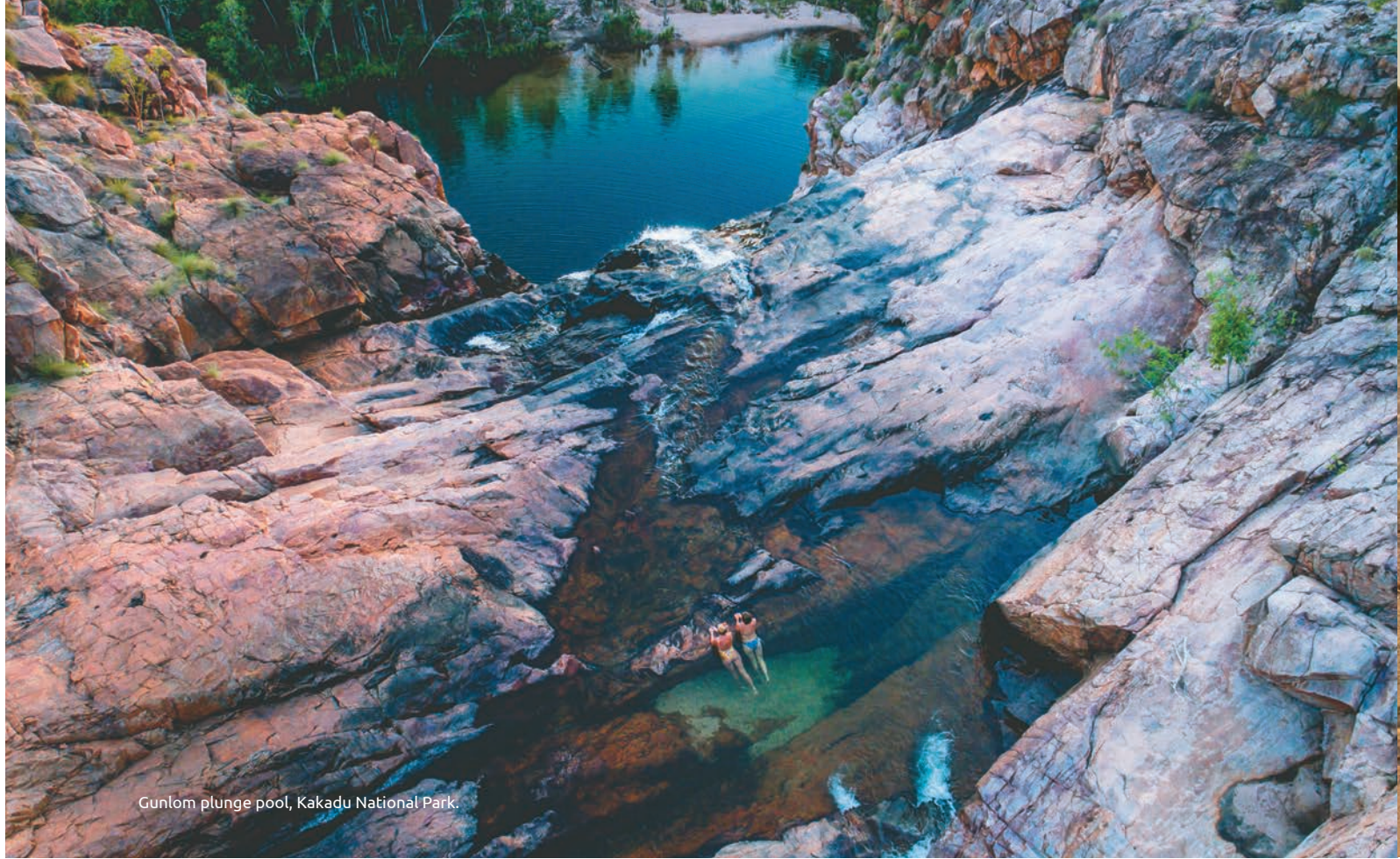
Consultations aimed to capture the insights of businesses, organisations and agencies across the Territory. Submissions were also welcomed through the *Have Your Say* survey website.

In total, over 200 people were consulted from 90 businesses and organisations during the development of the strategy over a three-month period.

Strategic framework

The *NT's Tourism Industry Strategy 2030* strategic framework is designed to unite efforts across the public and private sectors, with priorities and actions targeted towards shifting the current performance of the tourism sector in the Northern Territory to one of sustainable growth. The strategic framework reflects perspectives shared during consultations, and was confirmed in collaboration with both industry and government.





Gunlom plunge pool, Kakadu National Park.

> Priority: Grow investment in the Northern Territory’s remarkable assets, product and regions

Investment into key attractions and regions can drive holiday visitation to the Northern Territory. Core to *NT’s Tourism Industry Strategy 2030* is growing targeted investment by government and the private sector in the Northern Territory’s remarkable product and regions –

which have the capacity to drive significant increases in visitation – thereby supporting further investment in the surrounding regions and complementary experiences, spreading the benefits of a growing tourism sector more broadly.

| | 2019-2020 | 2021-2025 | 2026-2030 |
|-------------------|--|---|--|
| GOALS | Short term Set the foundations for investment | Medium term Secure investment in remarkable assets, product and regions | Long term Deliver investment in remarkable assets, product and regions |
| ACTIONS | Streamline and enhance the investor journey through collaboration between Land Councils, Traditional Owners, governments and investors Develop destination management plans Develop an annual priority project listing | Identify priority segments for the Northern Territory Deliver new experiences and product as required in destination management plans Deliver identified priority infrastructure projects | Renew destination management plans as required Develop and implement a facilitated investment process for priority projects (government and private led projects) |
| DELIVERY PARTNERS | Department of Trade, Business & Innovation, NT Land Councils, Tourism NT, Australian Government, Regional Tourism Organisations and Tourism Industry | | |
| OUTCOMES | Increased visitation and expenditure in all Northern Territory tourism regions | Increased private sector investment in all Northern Territory tourism regions | Increased visitor satisfaction with Northern Territory tourism experiences |



















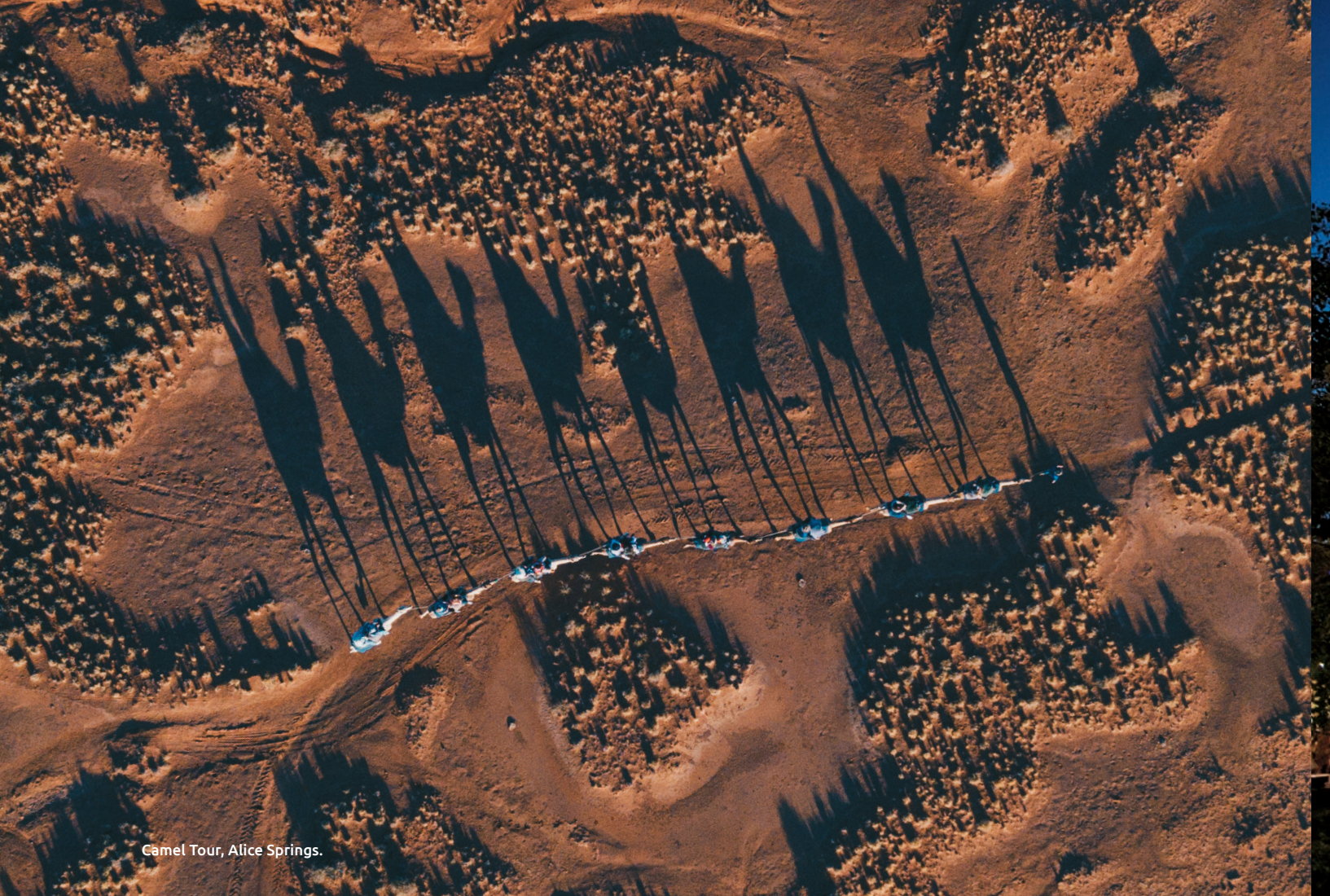
Banubanu, Bremer Island, East Arnhem Land.

> Priority: Strengthen and showcase the Northern Territory’s distinctive Aboriginal cultural tourism experiences

The Territory offers a number of distinctive Aboriginal tourism experiences, and has the potential to offer many more, with the greatest proportion of Aboriginal residents of any state or territory.

Demand for cultural tourism experiences is increasing: consumer research indicates that history and cultural experiences are amongst the most popular among international visitors.

| | 2019-2020 | 2021-2025 | 2026-2030 |
|--------------------------|---|--|---|
| GOALS | Short term Embrace the NT’s distinctive Aboriginal cultures and develop supply-side capability | Medium term Build capacity and diversity in Aboriginal tourism and increase offerings | Long term Establish the NT as a destination with a strong Aboriginal tourism offering and maintain consistent support for operators |
| ACTIONS | Articulate benefits of building and featuring the Territory’s Aboriginal cultural tourism experiences  | | |
| | Support the maintenance of cultural practice  | | |
| | Identify gaps in Aboriginal tourism product  | Encourage development of Aboriginal tourism product to meet gaps  | |
| | Review skills and training support needs  | Deliver necessary training  | |
| | Review business support needs  | Deliver business support or common services  | |
| | | Establish a representative structure for Northern Territory Aboriginal tourism    | |
| | | Support development of partnerships between Aboriginal and non-Aboriginal operators and workers  | |
| | Showcase Aboriginal culture through events, experiences and attractions  | | |
| DELIVERY PARTNERS | Aboriginal Tourism Advisory Council, Tourism NT, Australian Government, Regional Tourism Organisations and Tourism Industry | | |
| OUTCOMES | Northern Territory is the leading destination to experience Aboriginal culture  | Increased proportion of interstate and international visitors experience Aboriginal culture in the Northern Territory  | Number of Aboriginal tourism products in the distribution chain has increased  |



Camel Tour, Alice Springs.

> Priority: Through strategic marketing activities, grow the value of the holiday market in the Northern Territory

Growing holiday visitation to the Northern Territory will continue to require a split focus between increasing volume and increasing yield, due to differing regional market conditions. The focus in the short term is to

strengthen the point of difference in the minds of consumers and enable the entire NT industry to amplify the messaging of differentiation and quality across more channels to more consumers than ever before.

| | 2019-2020 | 2021-2025 | 2026-2030 |
|--------------------------|--|---|---|
| GOALS | Short term Drive sales volume through marketing effectively and efficiently | Medium term Increase the NT's footprint through product and trade distribution | Long term Increase yield through market and product differentiation, improved quality and automated marketing systems |
| ACTIONS | Build understanding of the changing consumer Strengthen brand differentiation Grow share of voice Develop trusted content | Target relevant consumer segments through automated marketing systems Embed brand value and differentiation across new NT product Connect, engage and drive sharing of NT messaging | Address seasonality through marketing and new product development Strengthen and develop new relationships with trade, airlines and media partners |
| DELIVERY PARTNERS | Tourism NT, NT Major Events Company, Regional Tourism Organisations and Tourism Industry | | |
| OUTCOMES | Increased awareness of the Northern Territory as a tourism destination | Increased consideration for the Northern Territory as a destination of choice | Number of tourism products in the distribution chain has increased |



Civic Park, Darwin Festival.

> Priority: Leverage and build events to drive visitation

Events are time sensitive – providing visitors an immediate reason to visit. Cultural and outdoor events are strengths for the Northern Territory, and can create awareness of















lesser known destinations. Visitors who attend events also promote destinations through positive word-of-mouth, further encouraging visitation to the region.

| | 2019-2020 | 2021-2025 | 2026-2030 |
|-------------------|--|---|--|
| GOALS | Short term Review current events, identify priorities and develop hero events | Medium term Attract business events and build visitation to Northern Territory events | Long term Establish a year-round events calendar, attracting domestic and international visitors |
| ACTIONS | Identify and strategically develop internationally significant and time sensitive tourism-focused events which build on the Northern Territory's strengths | | |
| | Develop events calendar | Identify and strategically develop other 'feature' tourism-focused events | |
| | Establish ongoing business events bid fund | | |
| | Identify barriers to attracting business events | Address barriers to attracting business events | |
| DELIVERY PARTNERS | NT Major Events Company, Tourism NT, Regional Tourism Organisations and Tourism Industry | | |
| | OUTCOMES | Visitation to internationally significant and time sensitive tourism-focused events increasing at a faster rate compared to the previous five years | Increased private sector investment in tourism-focused events |

> Priority: Develop ongoing access to and within the Northern Territory

Accessibility is crucial to ensure visitation to the Northern Territory. From flights into major centres, to cruise ship access across the Top End and drive routes throughout the Territory, access enables visitors to get here.

In addition to facilitating greater arrivals into the Northern Territory, ease of accessibility is also vital to encourage dispersal across the Territory.

| | 2019-2020 | 2021-2025 | 2026-2030 | |
|--------------------------|---|---|--|---|
| GOALS | Short term Existing access is maintained | Medium term Increased aviation capacity and upgraded access routes | Long term Existing airlines increase frequencies, new air carriers and access routes are introduced | |
| ACTIONS | Work with domestic and international airlines to maintain current capacity, including on key regional routes | |   | |
| | Review aviation capacity across tourism seasons |  | Drive sufficient demand to grow international and domestic aviation connections and build business cases for additional capacity |  |
| | Develop a drive market strategy |  | Prioritise and advocate delivery of required investments in key drive touring routes |   |
| | Advocate for additional investment in telecommunications infrastructure | | |  |
| | Renew cruise activation strategy |  | Advocate delivery of required investments in cruise infrastructure |  |
| DELIVERY PARTNERS | Deliver new experiences and product for visitors using rail to access the NT | | | |
| | NT Airports, Darwin Port, Journey Beyond, Tourism NT, Regional Tourism Organisations and Tourism Industry | | | |
| OUTCOMES |  |  |  |  |
| | Existing aviation routes sustained or increased, new carriers and routes introduced, leading to increased seat capacity | Increased number of visitors using rail to access the Northern Territory | Increased number of visitors incorporating drive routes into holidays | Increased cruise ship visits and visitors |



The Ghan, Central Australia.



Aboriginal Art Gallery, Katherine.

> Priority: Increase recognition of the value of tourism to the Northern Territory

Tourism has long been an important part of the Northern Territory's economy. Tourism employs thousands of Territorians, provides opportunities for people living in regional and remote areas, and attracts expenditure which

flows through many different sectors of the economy. In addition the industry promotes liveability and supports regional population growth.

| | | |
|--------------------------|---|-----|
| GOAL | Governments, all industries and the general public recognise the value of tourism to the Northern Territory | > |
| ACTIONS | Articulate the importance of tourism to the Northern Territory | 📢 👤 |
| | Increase community understanding of tourism's positive impact on liveability and prosperity | 📢 👤 |
| | Engage industry to create promoters of tourism and the Northern Territory | 📢 👤 |
| DELIVERY PARTNERS | Tourism NT, Regional Tourism Organisations and Tourism Industry | |

Targets

Growth in the tourism industry can be measured in a number of ways; for example, through visitor nights, visitor numbers or visitor spend. Fundamentally, growth is driven by increasing tourism expenditure. Higher levels of tourism expenditure in the Northern Territory translates to income for businesses and jobs for workers, as well as a wide range of benefits for the broader community – including supporting investment in new infrastructure, and enhancing liveability through new experiences and events.

NT's Tourism Industry Strategy 2030 proposes visitor and expenditure targets to 2030, with targets also established specifically for holiday visitors, acknowledging the critical importance of the holiday segment for the Northern Territory now and into the future. The strategy reflects faster growth in the holiday visitor segment, with the bulk of actions within *NT's Tourism Industry Strategy 2030* aimed towards this segment.

By 2030, total overnight visitor arrivals to the Northern Territory are projected to reach between 2.51 million and 3.03 million, accounting for between \$3.01 billion and \$3.67 billion in expenditure. In terms of holiday visitors, projections are for between 1.18 million and 1.45 million holiday visitors by 2030, and \$1.46 billion to \$1.79 billion in holiday visitor expenditure.

Across the strategy's horizon, the strategy target reflects an annual growth rate of 4.1 per cent (in compound annual growth), while the baseline forecast would see total visitor arrivals to the Northern Territory increase by 2.0 per cent each year between 2018-19 and 2029-30.

Figure 3: NT's Tourism Industry Strategy 2030 visitor targets

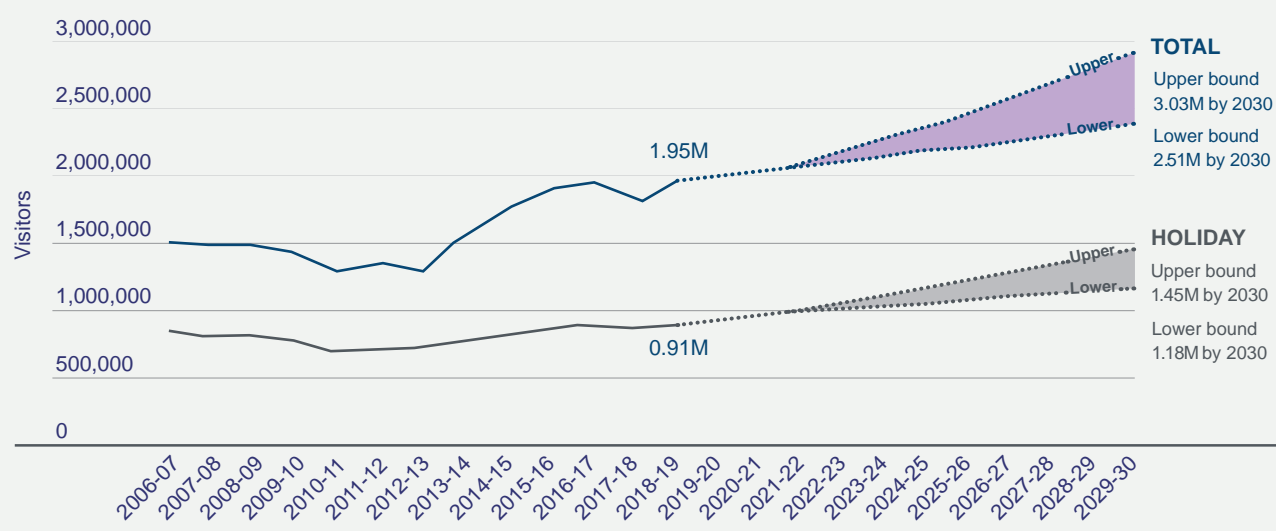


Figure 3.1: NT's Tourism Industry Strategy 2030 expenditure targets

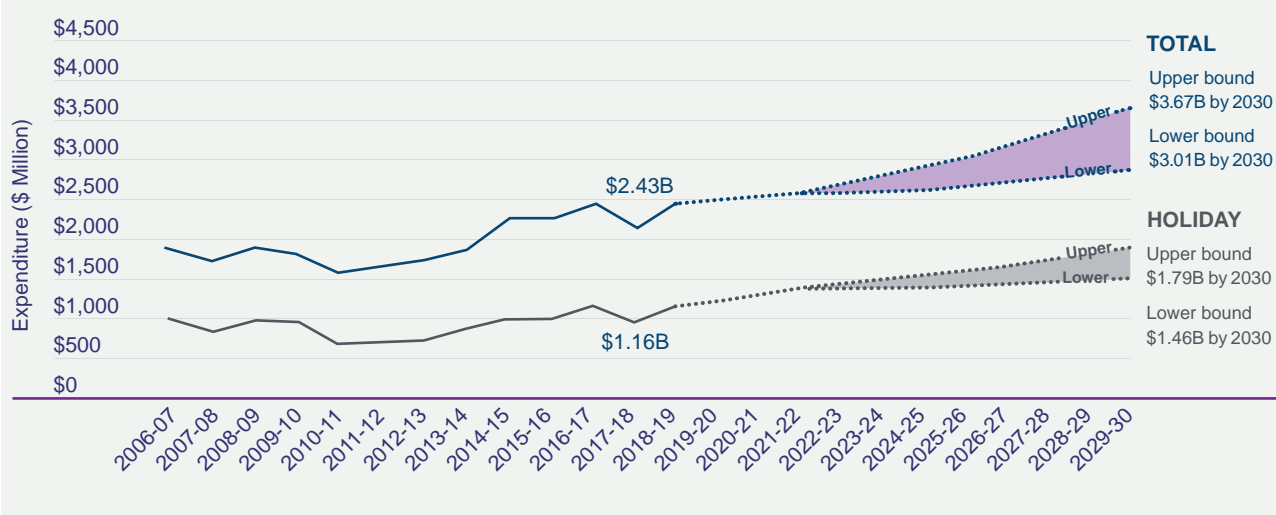


Figure 3.2: NT's Tourism Industry Strategy 2030 targets

| | Year ending March 2019 actual | 2024/25 | | 2029/30 | |
|----------------------------|-------------------------------------|-------------|-------------|-------------|-------------|
| | | Lower bound | Upper bound | Lower bound | Upper bound |
| Holiday visitors | 906,000 | 1,068,000 | 1,146,000 | 1,182,000 | 1,449,000 |
| - Domestic | 650,000 | 780,000 | 828,000 | 879,000 | 1,053,000 |
| - International | 257,000 | 288,000 | 318,000 | 303,000 | 396,000 |
| Total visitors | 1,948,000 | 2,245,000 | 2,391,000 | 2,505,000 | 3,028,000 |
| - Domestic | 1,651,000 | 1,913,000 | 2,026,000 | 2,153,000 | 2,573,000 |
| - International | 297,000 | 332,000 | 365,000 | 352,000 | 455,000 |
| Holiday expenditure | \$1.161B | \$1.349B | \$1.446B | \$1.461B | \$1.794B |
| - Domestic | \$786M | \$923M | \$978M | \$1.009B | \$1.208B |
| - International | \$375M | \$426M | \$468M | \$452M | \$586M |
| Total expenditure | \$2.425B | \$2.750B | \$2.941B | \$3.007B | \$3.666B |
| - Domestic | \$1.952B | \$2.189B | \$2.321B | \$2.382B | \$2.851B |
| - International | \$473M | \$561M | \$620M | \$625M | \$814M |

Figure 4: NT's Tourism Industry Strategy 2030 visitation growth targets

| Visitor target, CAGR* | 2019-2020 | 2021-2025 | 2026-2030 | NT's Tourism Industry Strategy 2030 |
|-----------------------|-----------|-----------|-----------|-------------------------------------|
| Total Domestic | 1.4% | 3.9% | 4.9% | 4.1% |
| Domestic Holiday | 5.1% | 3.9% | 4.9% | 4.4% |
| Total International | 3.0% | 3.6% | 4.5% | 4.0% |
| International Holiday | 3.5% | 3.6% | 4.5% | 4.0% |

Figure 4.1: NT's Tourism Industry Strategy 2030 expenditure targets

| Expenditure target, CAGR* | 2019-2020 | 2021-2025 | 2026-2030 | NT's Tourism Industry Strategy 2030 |
|---------------------------|-----------|-----------|-----------|-------------------------------------|
| Total Domestic | 1.1% | 3.3% | 4.2% | 3.5% |
| Domestic Holiday | 4.8% | 3.5% | 4.3% | 4.0% |
| Total International | 4.2% | 4.7% | 5.6% | 5.1% |
| International Holiday | 4.1% | 3.7% | 4.6% | 4.2% |

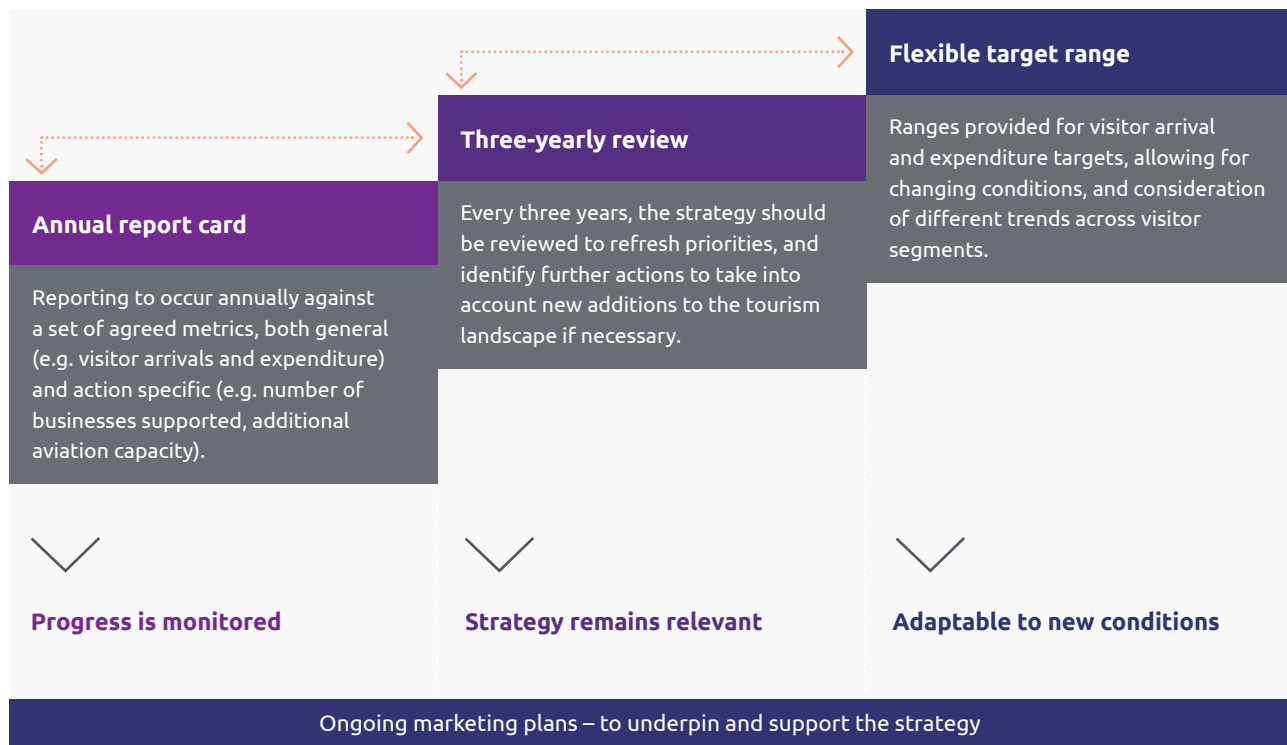
Source: Deloitte Access Economics and Tourism Research Australia.
 *CAGR = Compound Annual Growth Rate.



Ongoing reporting and reviews

The Department of Tourism, Sport and Culture will maintain responsibility for reporting and review mechanisms.

Figure 5: NT's Tourism Industry Strategy 2030 reporting and review mechanisms



Bird Watching, Mary River National Park.

Rock Art Tours, Injalak Hill, Arnhem Land.



**NORTHERN
TERRITORY**
TOURISM NT