



**Sunshine Coast Destination Limited
And Gympie Cooloola Tourism
YE December 2010 Quarterly Report**



Issued : 21st April 2011

Pacific Tower
737 Burwood Road
Hawthorn
Melbourne 3122

Tel : 61 03 98300612



Introduction

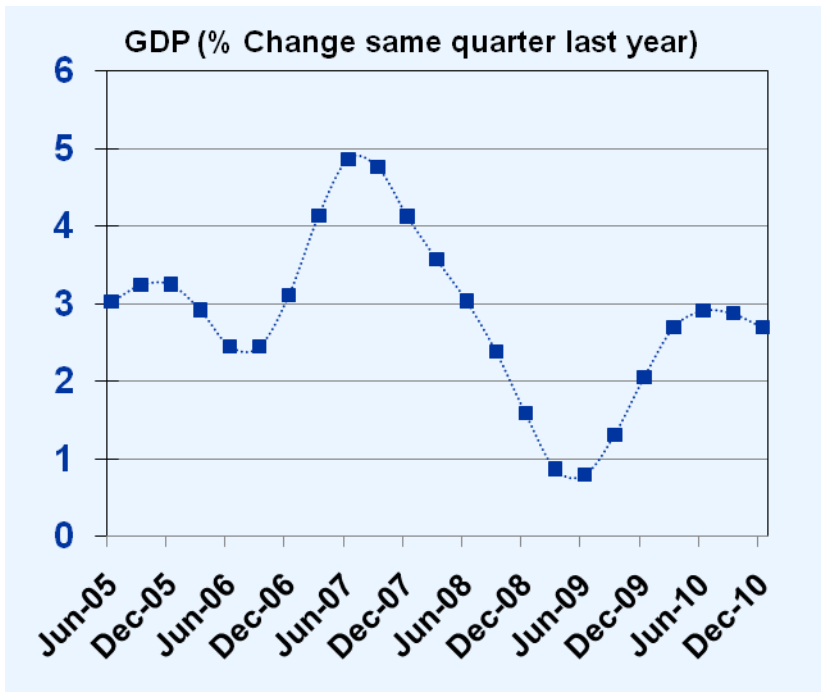
- **The purpose of this report is to provide a relevant, timely and concise report on Tourism trends on the Sunshine Coast for the Industry Operators and other Stakeholders.**
- **The scope of the report includes the following :-**
 - Section 1: Introduction.
 - Section 2 : The external environment and tourism trends.
 - Section 3 : Sunshine Coast overview.
 - Section 4 : Domestic overnight trends.
 - Section 5 : International trends.
 - Section 6 : Key Point summary.
- **Note : Data used in the charts is trended data unless stated otherwise. Trending refers to a 12 month moving average.**



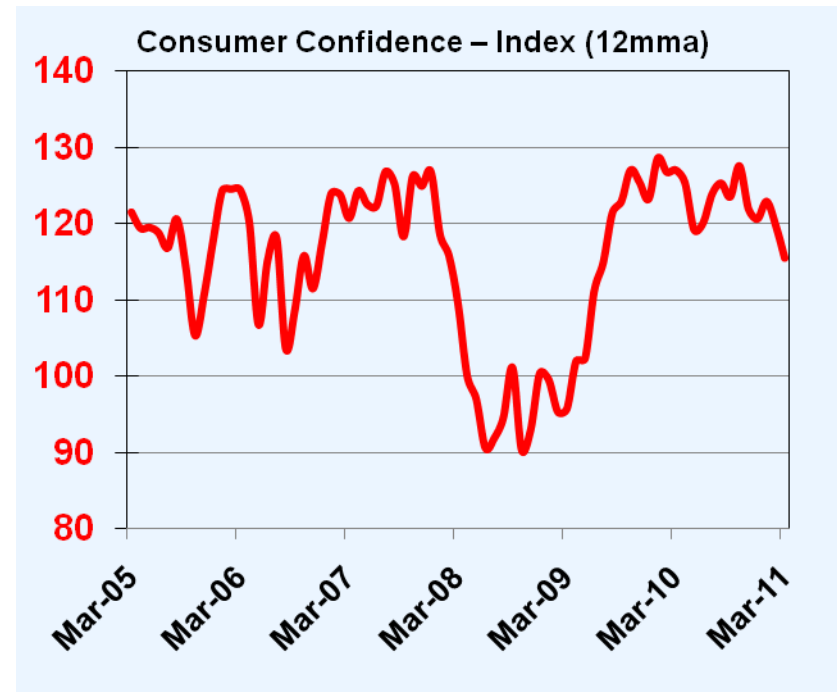
Data Sources

- **This report uses a number of data sources.**
- **Roy Morgan Research Single Source (December 2010).**
- **Roy Morgan Consumer Confidence Data (March 2011).**
- **International Visitor Survey (Dec 2010).**
- **Domestic Visitor Survey (Dec 2010).**
- **Australian Bureau of Statistics - Tourist Accommodation (Dec 2010).**
- **Australian Bureau of Statistics – Arrivals / Departures data (February 2011).**

Australian GDP and Consumer Confidence



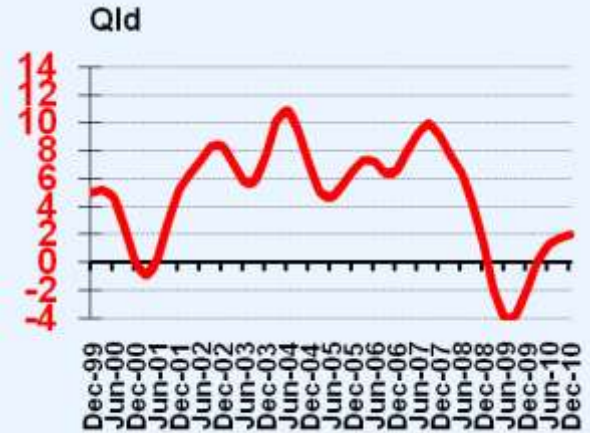
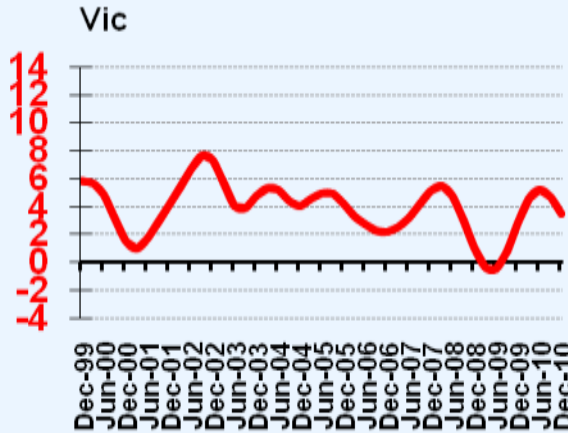
Source : ABS



Source : Roy Morgan Research

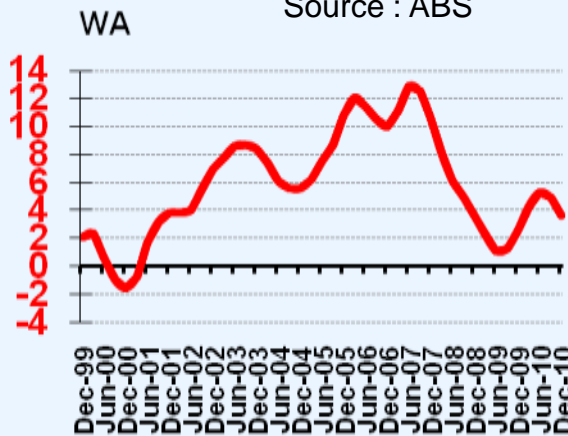
- **The Australian economy continued to record moderate growth, with annual GDP just below 3%.**
- Consumer (and Business) Confidence is well up from the GFC induced lows of 2008, however, confidence has softened under the weight of interest rate rises, a softening share market and the announced Carbon Tax.

State Final Demand*



- **NSW and Qld. are leading with solid growth**
- Qld. is also recovering, but well below the boom time growth rates, same with WA.
- SA growing steadily.

Source : ABS

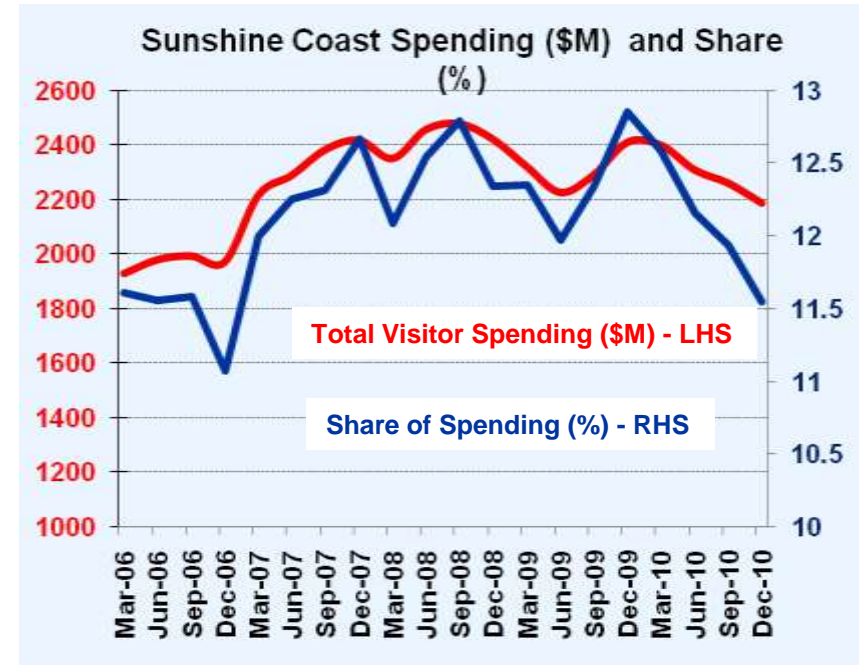


* State Final Demand (SFD) is an important measure of economic activity. It is an estimate of the level of spending in the local economy by the private and public sectors. Spending is reported on the basis of consumption of goods and services, and capital investment.

Total Sunshine Coast Visitor Spending

	Day Trips		Overnight (Inbound / Domestic)		Total	
	(\$M)	% p.a.	(\$M)	% p.a.	(\$M)	% p.a.
Dec.07	505	53.0	1913	16.4	2418	22.6
Dec.08	425	-15.8	1996	4.3	2421	0.1
Dec.09	383	-9.9	2028	1.6	2411	-0.4
Dec-10	358	-6.5	1830	-9.8	2188	-9.2

Source :NVS / IVS



- **Sunshine Coast Visitors (Day trippers, domestic overnight and inbound), spent just over \$2B on the Coast. This provides 17% of the gross regional product :-**
 - Total spending has fallen by 9.2% due to a drop in domestic overnight spending and also a 6.5% drop in the day trip market.
 - The Sunshine Coast had 7.5 million visitors in 2010 (down 7.1%) including 4.5 million day trippers, 2.6 domestic overnight visitors and 283,000 International visitors.

Total Sunshine Coast Visitors

	Total Visitors			International Overnight			Domestic Overnight			Day Trips		
	Visitors	% p.a.	% of total	Visitors	% p.a.	% of total	Visitors	% p.a.	% of total	Visitors	% p.a.	% of total
Dec.07	8,821,000	18.5	100	289,000	7.6	3.3	3,025,000	13.4	34.3	5,507,000	22.2	62.4
Dec.08	7,817,000	-11.4	100	279,000	-3.6	3.6	2,800,000	-7.4	35.8	4,738,000	-14.0	60.6
Dec.09	7,970,000	2.0	100	277,000	-0.7	3.5	2,680,000	-4.3	33.6	5,013,000	5.8	62.9
Dec-10	7,402,000	-7.1	100	283,000	2.4	3.8	2,604,000	-2.8	35.2	4,515,000	-9.9	61.0



Source :NVS / IVS

- **Total visitation to the Sunshine Coast (Day trippers, Domestic overnight and International overnight) is now 7.4M visits in a year.**
- Visitation overall is down 7.1% this year after managing a small growth in 2009.
- Day trippers are the largest segment in terms of people (4.5M visitors in 2010), but they spend much less per trip than overnight visitors.

Visitor Trends –Summary Table (excludes Day Trippers)

	VISITORS	HOLIDAY	VFR	BUSINESS	EXPENDITURE (\$M)
Domestic Overnight	2,604,000	1,541,000	818,000	161,000	\$1,590
Annual Change	-3%	-10%	+9%	+5%	-12%
International Overnight	283,000	225,000	52,000	6,000	\$240
Annual Change	+2%	+3%	+2%	+20%	+8%
TOTAL	2,887,000	1,766,000	870,000	167,000	\$1,830
Annual Change	-2%	-9%	+8%	+6%	-10%

- The Sunshine Coast has been impacted by the weaker domestic holiday market, with overall expenditure down 9% from the holiday market.
- Business has recovered but this is a small component.

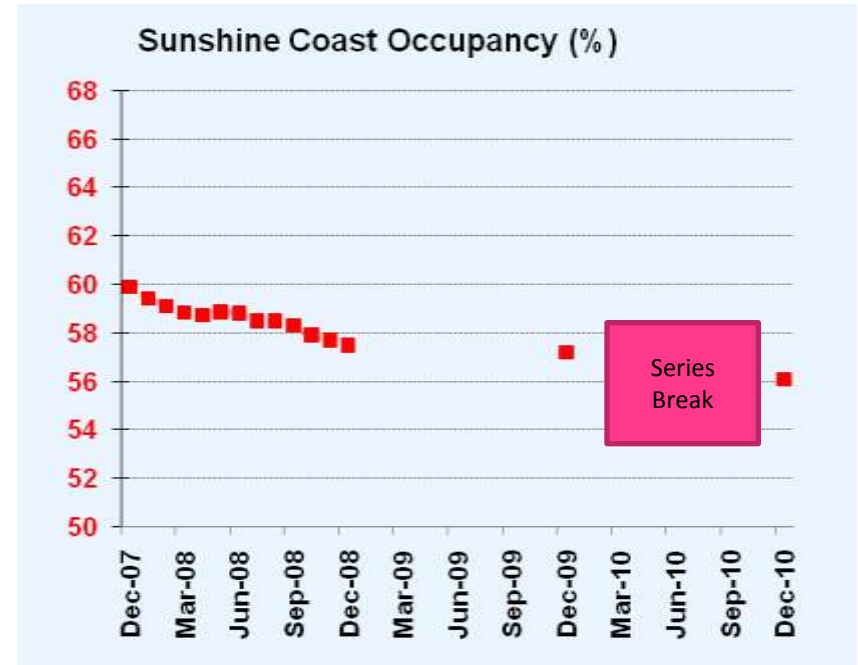
ABS Accommodation Trends (year ended Dec. 10)

	SUPPLY (Room nights available)	SUPPLY (Room nights available)	DEMAND (Room nights Occupied)	DEMAND (Room nights Occupied)	REVENUE (Takings)	REVENUE (Takings)	Average Room Rate	Average Room Rate
		% Change		% Change	\$	% Change	\$	% Change
Sunshine Coast	2,035,909	-2.5%	1,142,996	-3.9%	189,000,000	-2.9%	92.81	-0.4%
Gold Coast	4,762,270	-1.2%	3,243,663	+1.3%	472,000,000	+1.2%	99.18	2.5%
Whitsundays	1,055,830	-1.0%	543,235	-1.1%	121,000,000	+1.8%	114.41	+2.9
Tropical North Qld	4,188,945	+0.1%	2,282,161	-0.9%	299,000,000	-2.1%	71.31	-2.2%
QLD	22,401,816	-0.7%	14,049,300	+0.9%	2,061,000,000	+2.7%	92.01	+3.4%

- **Sunshine Coast Accommodation establishments struggled in comparison to Queensland overall and compared to the other regions :-**
 - Accommodation revenue fell on the Coast by 2.9% compared to an overall growth in the Queensland market of +2.7% over the year. This is mainly due to weaker domestic demand for the Coast and also the growth in business travel which benefits other regions more.
 - Demand (room nights occupied) also fell on the Sunshine Coast, compared to very modest growth for Queensland overall.

Sunshine Coast – Accommodation Occupancy Rates

	Room Occupancy Rates (%)				
	Sunshine Coast	Gold Coast	Whitsundays	TNQ	Qld.
Dec.07	59.9	70.3	61.6	62.4	66.4
Dec.08	57.5	66.4	54.8	57.3	63.8
Dec.09	57.2	66.1	51.6	54.6	61.3
Dec-10	56.1	68.1	51.5	54.5	62.7



Source : ABS

- **Sunshine Coast Occupancy levels have been trending down and continue to be below Queensland overall. Other regions are also softer from the peaks of 2007.**

The Australian and Qld. Domestic Market

- **A slow recovery characterises the Aus. Domestic market, in the year to Dec. 2010 :-**
 - At the Australian level Domestic Tourism again saw a measured recovery, with visits increasing by 2%, expenditure by 1%. However, the small increase was due to an increase in business travel (+5%) and VFR (+1%) while domestic holiday travel remained flat.
 - Australian travel overseas continues to grow strongly (+8.8% trend terms February 2011 compared with February 2010), thanks to a strong \$A and a robust local economy.
 - Intrastate travel has grown marginally (+2%), but this is due to a recovery in business travel (+9%), while intrastate holiday is down 1%. The interstate market is up 3%, this time thanks to a 4% increase in holiday trips.,
- **Qld. grew faster (+5%) than Australia overall (+2%) thanks to a strong recovery in business travel (+27%), in the year to Dec. 2010 :-**
 - In Qld, both the intrastate and interstate holiday markets were down due to severe weather resulting in road closures and disrupting holiday plans.
 - In Qld, total visitor spending declined by 2% thanks to a fall of 7% in holiday spending. This was partially offset by a 1% gain in VFR spending and 9% gain in business spending thanks to the recovery in business travel.

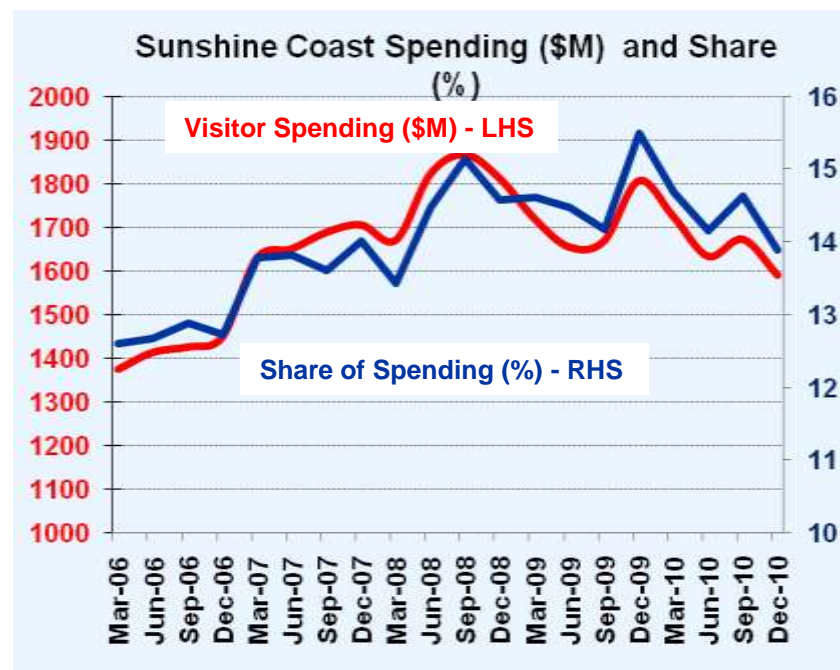
Air Capacity (As at March 2011)

	WEEKLY DOMESTIC SEATS
	% Change
Brisbane	130,857
Gold Coast	54,236
Cairns	38,878
Townsville	16,693
Mackay	12,508
Sunshine Coast	12,193

- Sunshine Coast airport had a domestic capacity of 12,103 seats on average in March 11. Jetstar has the highest share with 7,965 seats, then Virgin Blue 2,968 with tiger Airlines at 1,260 seats.**
- At the Queensland level, domestic air capacity increased 9% March 11 on March 10 in response to better trading conditions especially in the business sector.
- International air capacity has also increased to Qld. overall by 13% Northern Winter 2010 over Northern Winter 2009.

Sunshine Coast – Domestic Visitor Spending

	Domestic Overnight SC Spending \$M ('000)	% Change p.a.	Market Share (%)
Dec.07	1705	17.7	14.0
Dec.08	1811	6.2	14.6
Dec.09	1806	-0.3	15.5
Dec-10	1590	-12.0	13.9



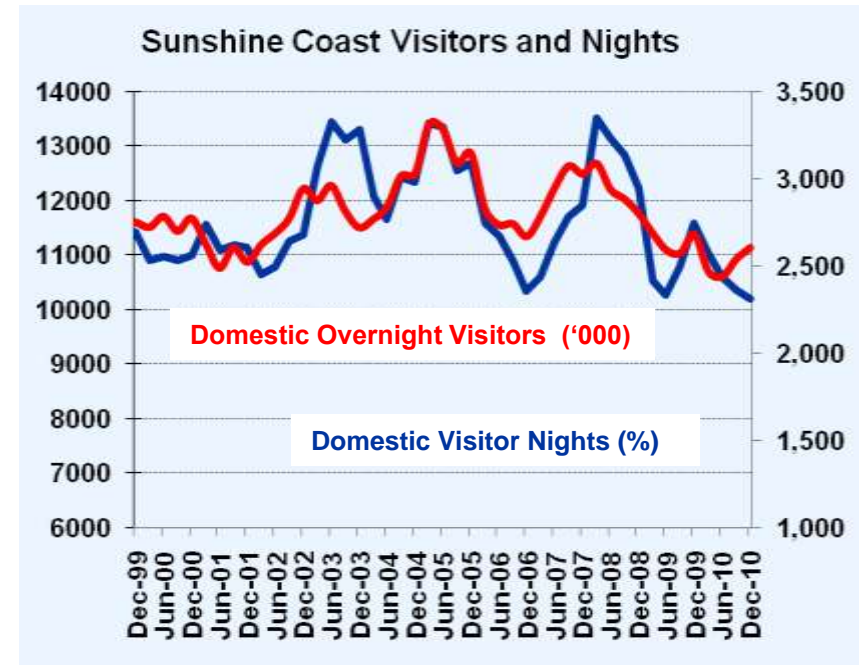
Source :NVS

- **Spending by domestic overnight visitors to the Sunshine Coast softened in 2010, falling by 12% compared to calendar 2009, however, 2009 was a peak:-**
 - Overnight visitors are still spending an impressive \$1,590M on the Coast.
 - Sunshine Coast also lost market share in 2010, but this is still higher than 2006.

Sunshine Coast – Total Visitors and Visitor Nights

	Domestic Overnight SC Visitors	% Change p.a.	Domestic Nights	% Change p.a.
Dec.06	2,668,000	-15.1	10,342,000	-18.5
Dec.07	3,025,000	13.4	11,919,000	15.2
Dec.08	2,800,000	-7.4	12,216,000	2.5
Dec.09	2,680,000	-4.3	11,593,000	-5.1
Dec-10	2,604,000	-2.8	10,186,000	-12.1

Source :NVS



- **Visitor numbers are down compared to last year (-3%), but they are higher than the June 10 trough (+7) :-**
 - Interstate visitors overall are flat, whereas the intrastate market is softer (-4%) as the locals can more quickly adjust their holiday plans to take account of the weather.
 - Looking at the long term trends, visitor numbers are about the same as they were 10 years ago and visitor nights are slightly lower.

Sunshine Coast – Interstate and Intrastate

	INTER- state Visitors	% Change p.a.	INTER- state Nights	% Change p.a.	INTRA- state Visitors	% Change p.a.	INTRA- state Nights	% Change p.a.
Dec.06	804,000	-1.8	4,951,000	-3.9	1,864,000	-19.8	5,391,000	-28.4
Dec.07	805,000	0.1	5,404,000	9.1	2,220,000	19.1	6,515,000	20.8
Dec.08	759,000	-5.7	6,197,000	14.7	2,041,000	-8.1	6,019,000	-7.6
Dec.09	719,000	-5.3	5,069,000	-18.2	1,961,000	-3.9	6,524,000	8.4
Dec-10	718,000	-0.1	4,384,000	-13.5	1,886,000	-3.8	5,802,000	-11.1

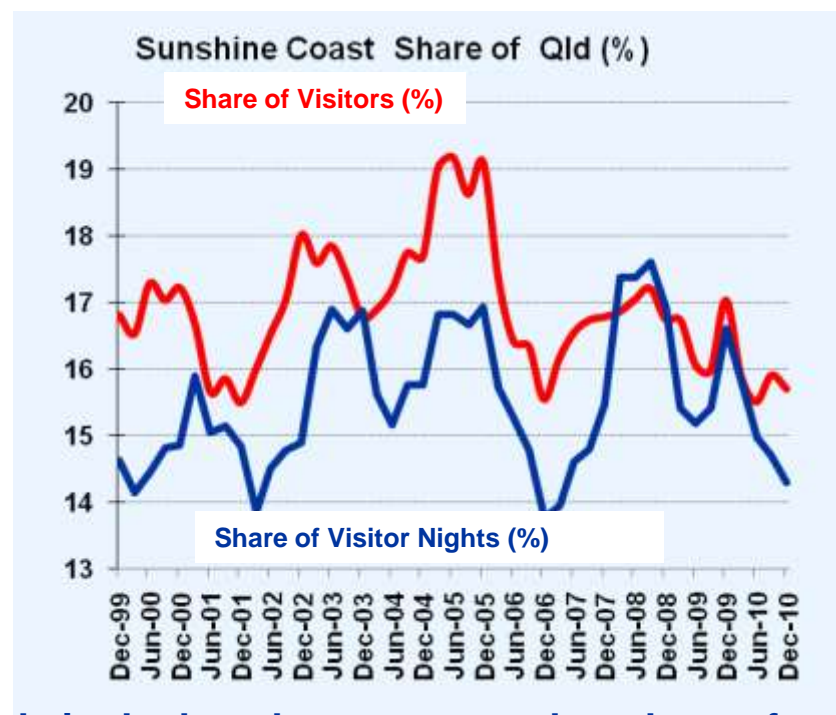
Source : ABS

- **Main reason for the fall in spending is the fall in visitor nights :-**
 - Interstate visitor nights were lower in 2010 and also in 2009 as consumers tightened their belts in response to the GFC.
 - Intrastate visitor nights have also fallen in 2010, contributing to the slide in spending.

SC – Domestic Market Share (%)

	SC Share of QLD Visitors (%)	SC Share of QLD nights (%)		Gold Coast Share of QLD Visitors (%)	Whitsun days Share of QLD Visitors (%)	Tropical North Qld. Share of QLD Visitors (%)
Dec.06	15.5	13.8		20.9	3.2	9.3
Dec.07	16.8	15.5		20.6	2.9	8.1
Dec.08	16.8	16.9		20.1	3.3	9.0
Dec.09	17.0	16.6		20.4	2.6	9.7
Dec-10	15.7	14.3		20.5	3.0	7.9

Source :NVS

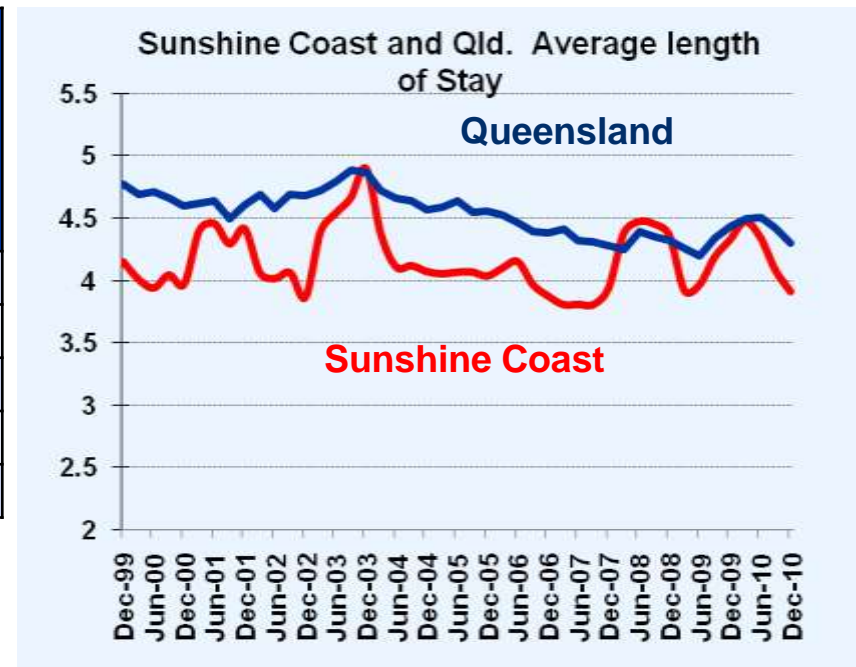


- **Sunshine Coast share of visitors holding steady in the last three quarters, but share of nights is weakening :-**
 - Share of visitors peaked in 2005 when the domestic economy was particularly strong, but now share is at a low point. The continued decline in domestic consumer Preference has been a significant factor.
 - Share of visitor nights is weakening though.

SC – Average Length of Stay (Nights)

	SC Average Length of Stay (nights)	Gold Coast Average Length of Stay (nights)	Whitsun days Average Length of Stay (nights)	Tropical North Qld. Average Length of Stay (nights)	Qld Average Length of Stay (nights)
Dec.06	3.9	4.3	5.3	5.0	4.4
Dec.07	3.9	4.4	4.9	5.6	4.3
Dec.08	4.4	4.4	4.4	4.9	4.3
Dec.09	4.3	4.2	4.2	5.4	4.4
Dec-10	3.9	4.1	4.3	6.4	4.3

Source :NVS

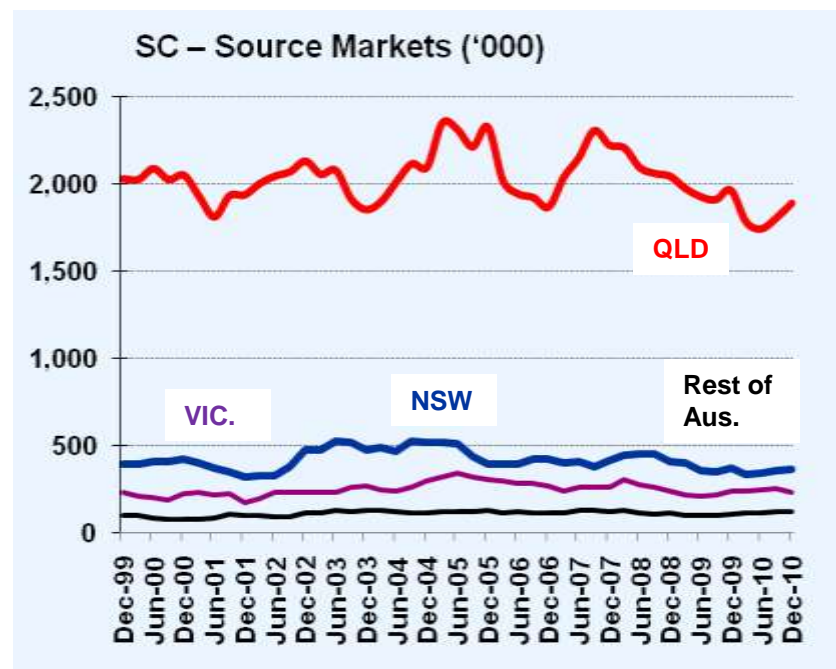


- **Sunshine Coast visitors average length of stay is softening, but is back to the long term trend.**
- The average length of stay is remarkably stable, the exception being in 2003 when the Queensland economy really boomed and consumers enjoyed longer holidays.
- Average length of stay is also lower than the overall Queensland average of 4.3 nights, but is higher than the Gold Coast and much lower than Tropical North Queensland.

Sunshine Coast – Source Markets by Visitors

	QLD		NSW		Vic		Rest of Australia	
	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.
Dec.06	1,864,000	-19.8	421,000	7.4	270,000	-10.9	112,000	-11.1
Dec.07	2,220,000	19.1	415,000	-1.4	263,000	-2.6	125,000	11.6
Dec.08	2,041,000	-8.1	408,000	-1.7	239,000	-9.1	112,000	-10.4
Dec.09	1,961,000	-3.9	374,000	-8.3	242,000	1.3	104,000	-7.1
Dec-10	1,886,000	-3.8	363,000	-2.9	230,000	-5.0	124,000	19.2

Source :NVS

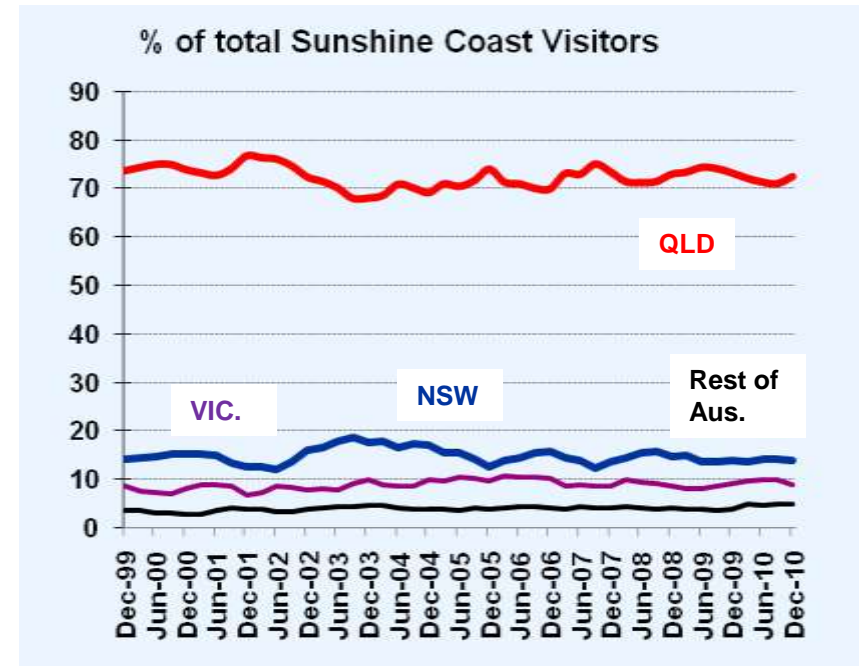


- **All the source markets softened to some extent during the GFC :-**
 - Queenslanders make up the biggest component of the domestic overnight market and they are showing some initial signs of recovery as the Qld. economy picks up.
 - The NSW source market also continues to be weak, partly due to the weaker economy in that State, but also because of the loss in Preference for the Sunshine Coast as a holiday destination.
 - Victoria is also showing some sign of improvement.

Sunshine Coast – Source Markets % of total visitors

	QLD	NSW	Vic	Rest of Australia
	% Total	% p.a.	% Total	% Total
Dec.06	69.9	15.8	10.1	4.2
Dec.07	73.4	13.7	8.7	4.2
Dec.08	72.9	14.6	8.5	4.0
Dec.09	73.2	14.0	9.0	3.8
Dec-10	72.4	13.9	8.8	4.8

Source :NVS

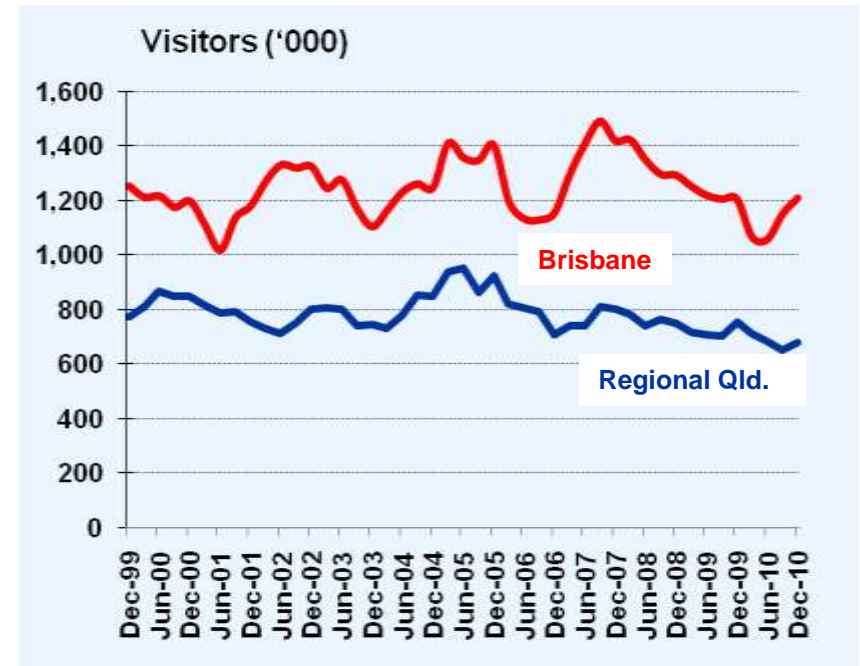


- Of all the domestic overnight visitors to the Sunshine Coast, Queenslanders are by far the most important. They comprise 72.4 % of visitors currently.

Sunshine Coast – Brisbane and Regional Qld. visitors

	Brisbane (46.4% of total)		Regional Qld. (26% of total)	
	Visitors	% Change	Visitors	% Change
Dec.06	1,154,000	-17.7	710,000	-23.0
Dec.07	1,418,000	22.9	803,000	13.1
Dec.08	1,292,000	-8.9	748,000	-6.8
Dec.09	1,205,000	-6.7	756,000	1.1
Dec-10	1,208,000	0.2	678,000	-10.3

Source :NVS



- The Brisbane market is the most important, providing 46% of all domestic overnight visitors. This market is showing some signs of recovery.
- The Queensland regional market is also significant, but is still below the 2005 peak.

Sunshine Coast – Visitor Nights from origin markets

	Qld	Brisbane	Regional Qld	NSW	Vic	Rest of Australia	Total Sunshine Coast Visitor Nights
	Visitor Nights	Visitor Nights	Visitor Nights	Visitor Nights	Visitor Nights	Visitor Nights	Visitor Nights
Dec.06	5,391,000	3,280,000	2,111,000	2,457,000	1,707,000	788,000	10,342,000
Dec.07	6,515,000	3,788,000	2,727,000	2,329,000	2,233,000	841,000	11,919,000
Dec.08	6,019,000	3,718,000	2,300,000	2,239,000	3,143,000	814,000	12,216,000
Dec.09	6,524,000	4,132,000	2,392,000	1,880,000	2,368,000	822,000	11,593,000
Dec-10	5,802,000	3,432,000	2,370,000	1,882,000	1,533,000	968,000	10,186,000

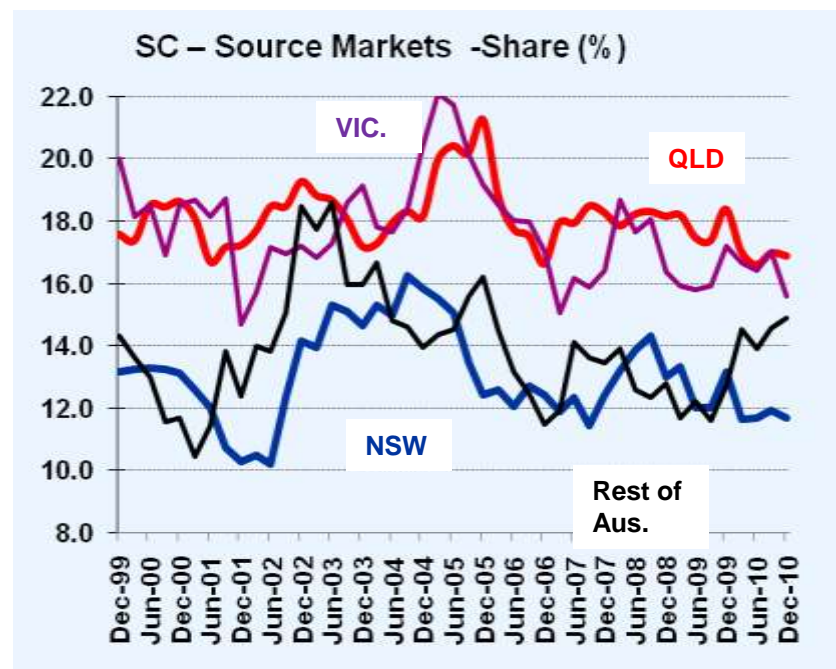
Source :NVS

- **The Brisbane market is the most important market overall in terms of visitor nights to the Coast as well. Numbers have fallen though from the very strong result in 2009 under the weight of bad weather and a weak Qld. economy.**
- **Visitor nights are growing strongly from the rest of Australia, while regional Qld. is steady.**

Sunshine Coast – Source Markets Share of Qld.

	QLD	NSW	Vic	Rest of Australia
	(%)	(%)	(%)	(%)
Dec.06	16.6	12.4	17.0	11.5
Dec.07	18.3	12.4	16.4	13.5
Dec.08	18.2	13.0	16.4	12.8
Dec.09	18.4	13.2	17.2	12.7
Dec-10	16.9	11.7	15.6	14.9

Source :NVS



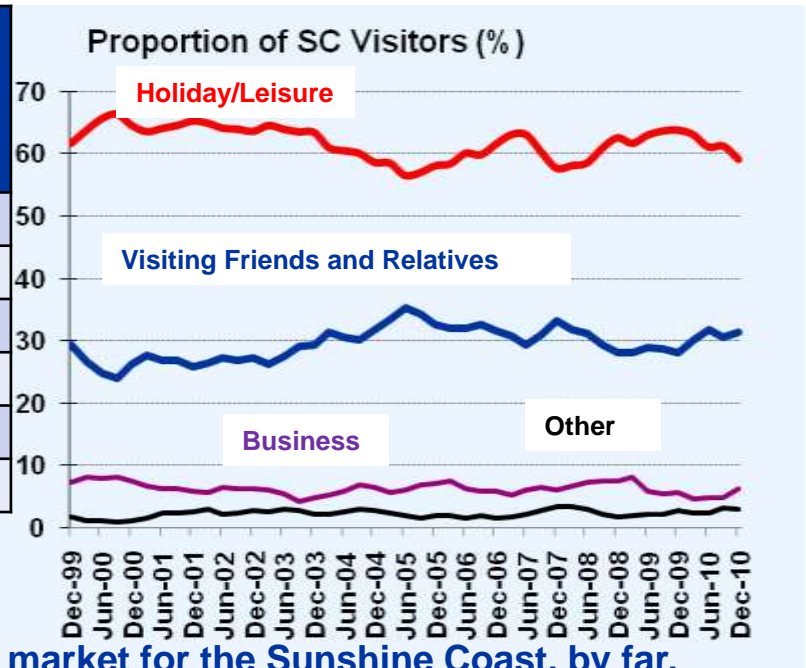
- This measures the Sunshine Coast’s market share - for example the share of the Victorians that travel to Queensland.
- The Sunshine Coast has its highest market share amongst Queenslanders and this share has been fairly stable over the last four years.
 - The Sunshine Coast also wins a strong share amongst the Victorians. The warmer weather is a particularly strong appeal to this group.
 - Share of the NSW market has held up, although below the 2003 peak, when the Sydney property market really boomed.

Sunshine Coast - Purpose of Visit

	Holiday / Leisure (59.2% of total)		Friends and Relatives (31.4% of total)		Business (6.2% of total)		Education (3.0% of total)	
	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.
Dec.06	1,644,000	-10.1	843,000	-17.9	159,000	-28.1		
Dec.07	1,747,000	6.3	1,005,000	19.2	182,000	14.5		
Dec.08	1,754,000	0.4	785,000	-21.9	211,000	15.9		
Dec.09	1,712,000	-2.4	751,000	-4.3	153,000	-27.5		
Dec-10	1,541,000	-10.0	818,000	8.9	161,000	5.2	16,000*	14*

Source :NVS

Source : NVS and * TQ estimate



- **The holiday / leisure market is the most important market for the Sunshine Coast, by far, accounting for 59.2% of overnight domestic visitors :-**
- The Sunshine Coast continues to be a holiday destination with 59% of domestic visitors saying this is the reason they visit. The beaches, weather, restaurants /cafes, hinterland and overall ambience are the key reasons why people holiday in Coast.
- As the local population increases, more VFR visitors are coming to the coast and their proportion of total visitors is increasing, now they are 31% of all domestic visitors, however, they are lower spenders. Business visitors are recovering as the economy overall improves.

Sunshine Coast - Sub regional visitor numbers

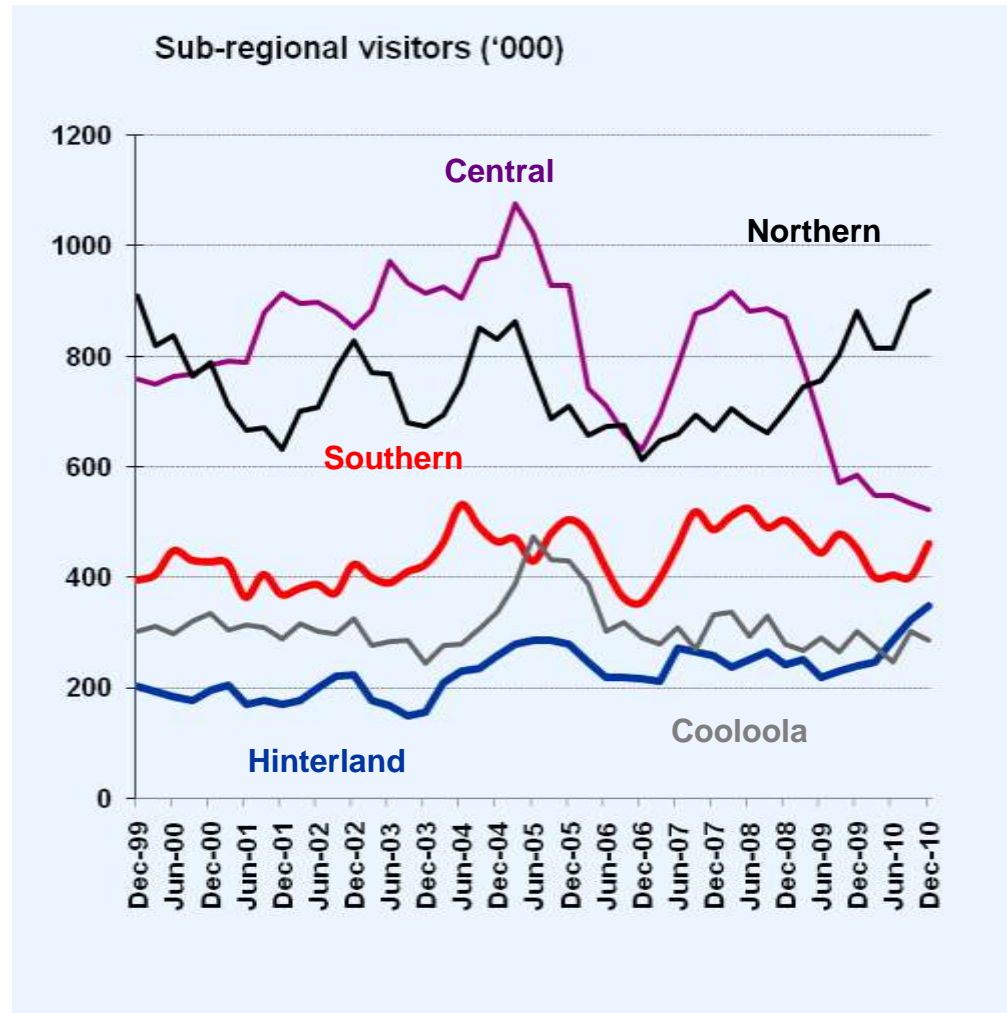
	Southern		Hinterland		Central		Northern		Cooloola	
	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.
Dec.06	354,000	-29.8	217,000	-21.9	632,000	-32.0	613,000	-13.5	290,000	-32.4
Dec.07	486,000	37.3	259,000	19.4	888,000	40.5	667,000	8.8	332,000	14.5
Dec.08	503,000	3.5	242,000	-6.6	870,000	-2.0	701,000	5.1	280,000	-15.7
Dec.09	452,000	-10.1	239,000	-1.2	584,000	-32.9	882,000	25.8	301,000	7.5
Dec-10	461,000	2.0	349,000	46.0	523,000	-10.4	919,000	4.2	287,000	-4.7

Source :NVS

- The Southern Sub-region has been trending up slowly over the last 10 years. The Hinterland has been increasing visitors as the cooler climate and hinterland offer has become more appealing and developed. The Central Sub-region has been trending down for years and now has nearly half the visits of 2004.
- The Northern Sub-region has been trending up slowly over the years and has weathered the GFC. In fact the Northern Sub-region hit a domestic visitation record in the Dec. 10 year. Cooloola has been fairly stable other than the boom year of 2005. In the year to Dec. 2010. domestic overnight visitation was a little softer - down -4.7%.

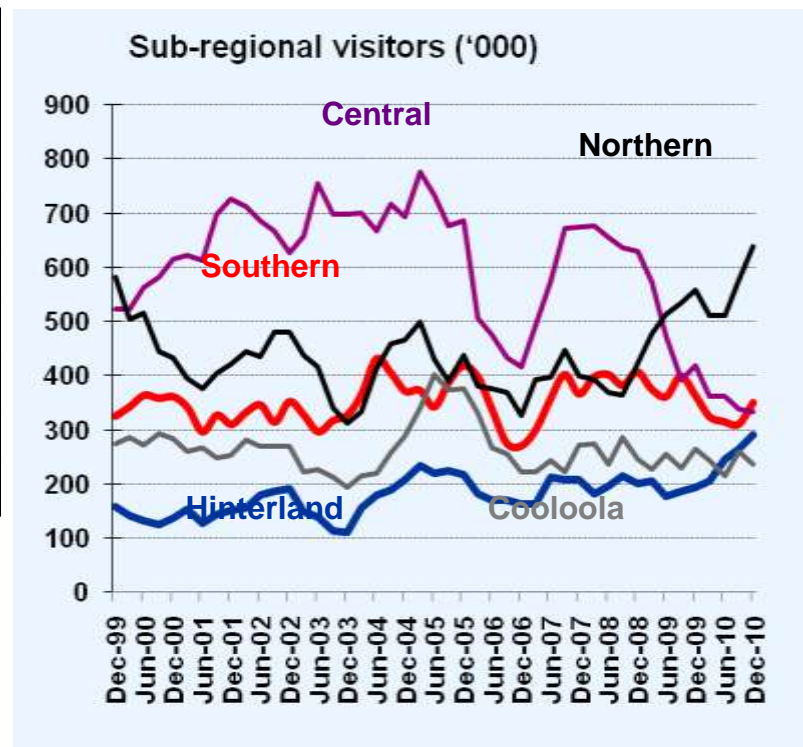
Sunshine Coast - Sub regional visitor numbers

- This chart shows the long term trends in Sub regional numbers from the previous page.



Sunshine Coast - Sub regional visitor numbers (Qld)

	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	271,000	162,000	417,000	326,000	222,000
Dec.07	367,000	207,000	674,000	400,000	271,000
Dec.08	408,000	200,000	630,000	423,000	247,000
Dec.09	365,000	193,000	418,000	559,000	264,000
Dec-10	351,000	291,000	334,000	638,000	237,000



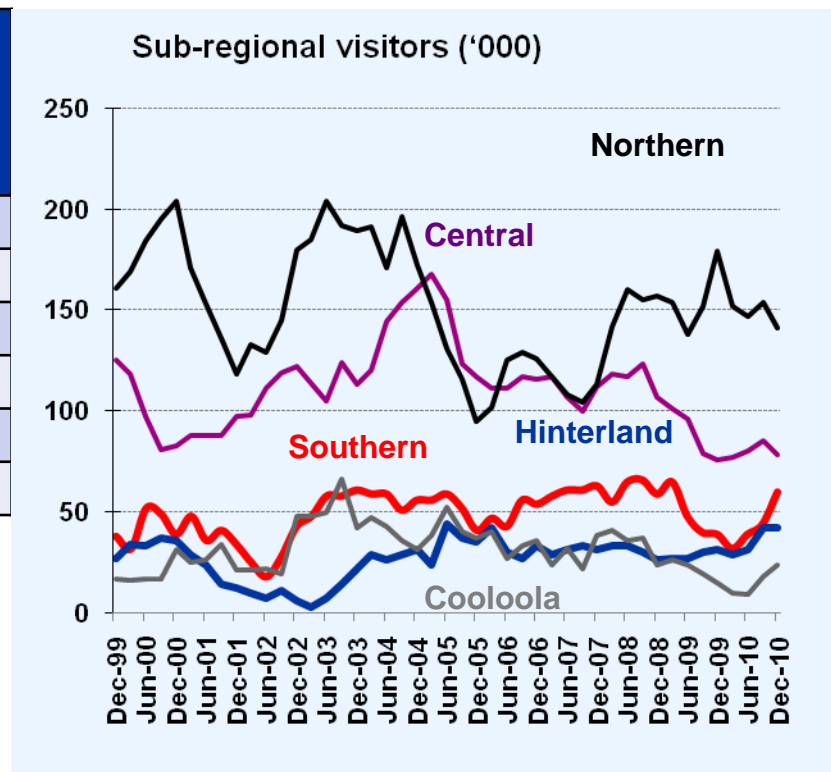
Source :NVS

- The Northern Sub-region has been performing well from the Qld. market with visitor numbers increasing. Hinterland sub region as well has been growing.
- The Southern Sub-region and Cooloola Sub-region are steady.
- The real loss has been with the Central Sub-region.

Sunshine Coast - Sub regional visitor numbers (NSW)

	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	54,000	33,000	116,000	126,000	36,000
Dec.07	63,000	31,000	112,000	113,000	38,000
Dec.08	59,000	26,000	107,000	157,000	24,000
Dec.09	39,000	31,000	76,000	179,000	15,000
Dec-10	60,000	42,000	78,000	141,000	24,000

Source :NVS

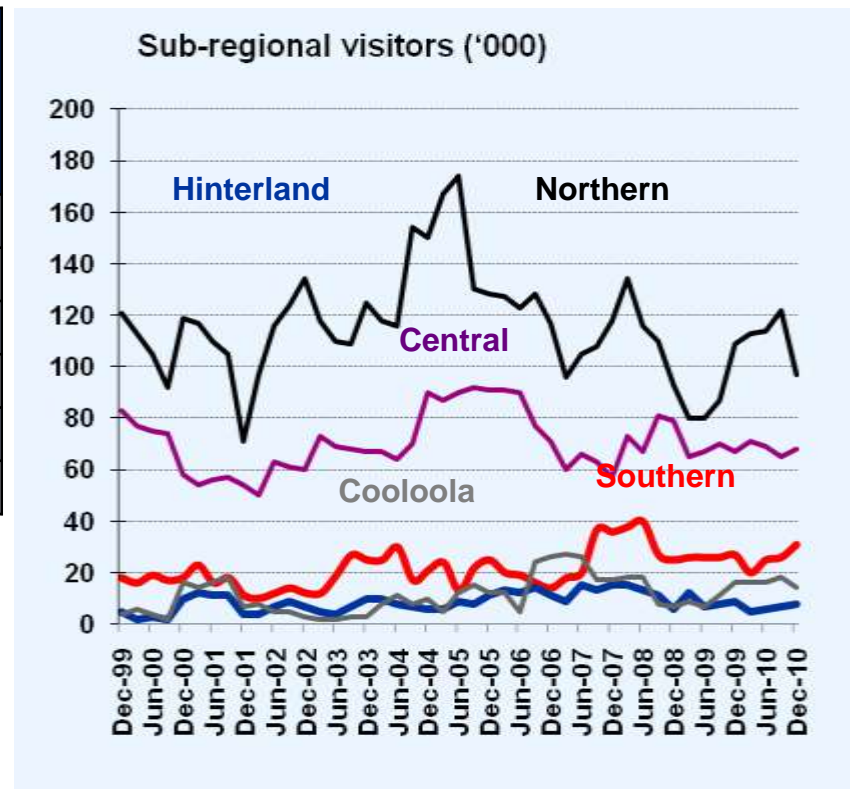


- The Northern Sub region has been performing well from the NSW market since 2005 with visitor numbers increasing. Hinterland Sub-region as well has been growing.
- The Southern Sub-region and Cooloola Sub-region are also steady.
- The real loss again has been with the Central Sub-region, since 2004.

Sunshine Coast - Sub regional visitor numbers (Vic)

	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	14,000	11,000	71,000	117,000	26,000
Dec.07	36,000	15,000	57,000	118,000	17,000
Dec.08	25,000	6,000	79,000	93,000	7,000
Dec.09	27,000	9,000	67,000	109,000	16,000
Dec-10	31,000	8,000	68,000	97,000	14,000

Source :NVS



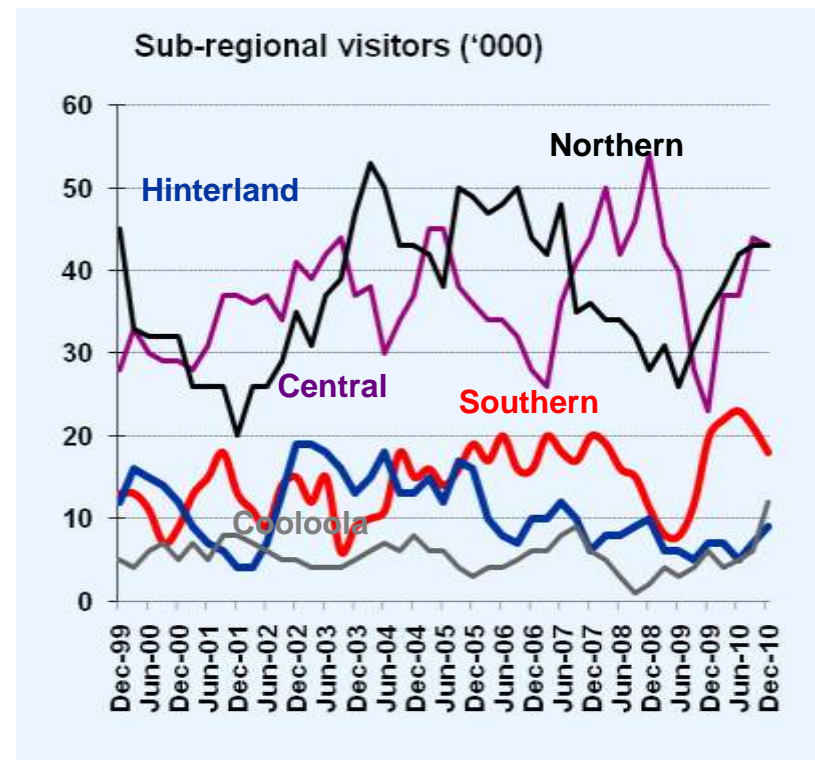
- The Southern Sub-region is showing signs of improvement from this market.
- The Northern Sub-region as well has picked up from the GFC trough of 2009.
- For the Hinterland and Cooloola this is a very small market.

Sunshine Coast - Sub regional visitor numbers (rest of Aus)



	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	16,000	10,000	28,000	44,000	6,000
Dec.07	20,000	6,000	44,000	36,000	6,000
Dec.08	11,000	10,000	54,000	28,000	2,000
Dec.09	20,000	7,000	23,000	35,000	6,000
Dec-10	18,000	9,000	43,000	43,000	12,000

Source :NVS



- The Central, Northern and Southern Sub-regions are showing signs of improvement after the GFC.
- For the Hinterland and Cooloola this is a very small market.

Australia and Queensland - International Market Trends

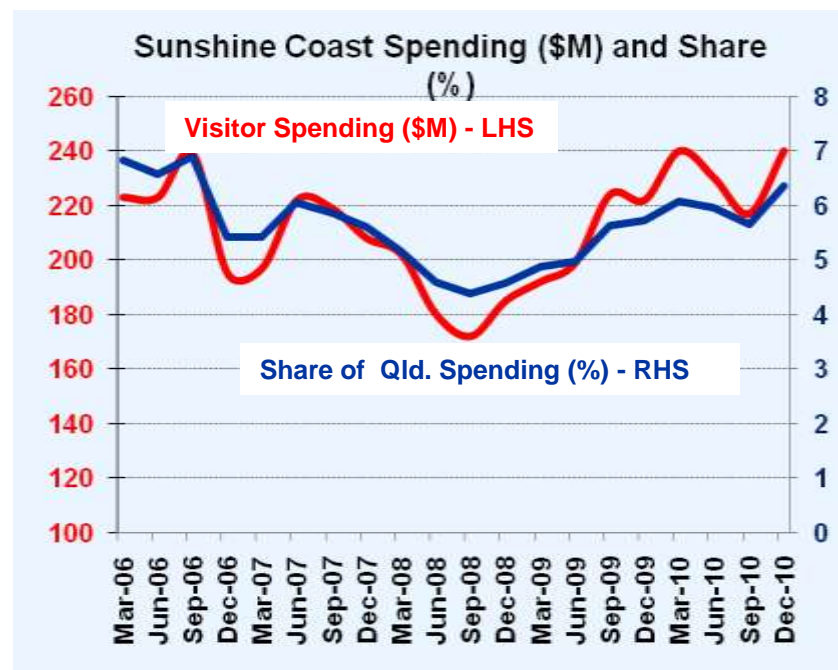


- **A slow recovery also characterises the International market to Australia :-**
 - This market is starting to recover after the GFC, visitors numbers are increasing again (+5.0% from Dec 09) and expenditure as well increased modestly (+4.0%), however holiday travel is still weak (-5%), with holiday travel from New Zealand rising 2 % and holiday travel from Europe and the Americas are still falling (-9%).
 - VFR has been the biggest component of the growth as troubled times encourage more people to stay with friend and relatives and save money. Business has recovered a little as well (+1%).
 - The very high value of the Australian dollar continues to weigh on the inbound market.
- **QLD. saw a recovery in international visitation in 2010 (+4%), but still fell behind the growth in the rest of Australia.**
 - The poor weather dragged on the Qld. holiday market but visitation still managed to grow by 2%.
 - VFR was the stronger component, with visitor numbers up 4% to Qld.
 - International business travel picked up considerably (13% in Qld) as the global economy picks ups as well.

Sunshine Coast – Spending



	Inter-national Overnight SC Spending \$M	% Change p.a. (Spending)	Market Share of Qld. spending (%)
Dec.07	208	6.7	5.6
Dec.08	185	-11.1	4.6
Dec.09	222	20.0	5.7
Dec-10	240	8.1	6.3



Source : IVS

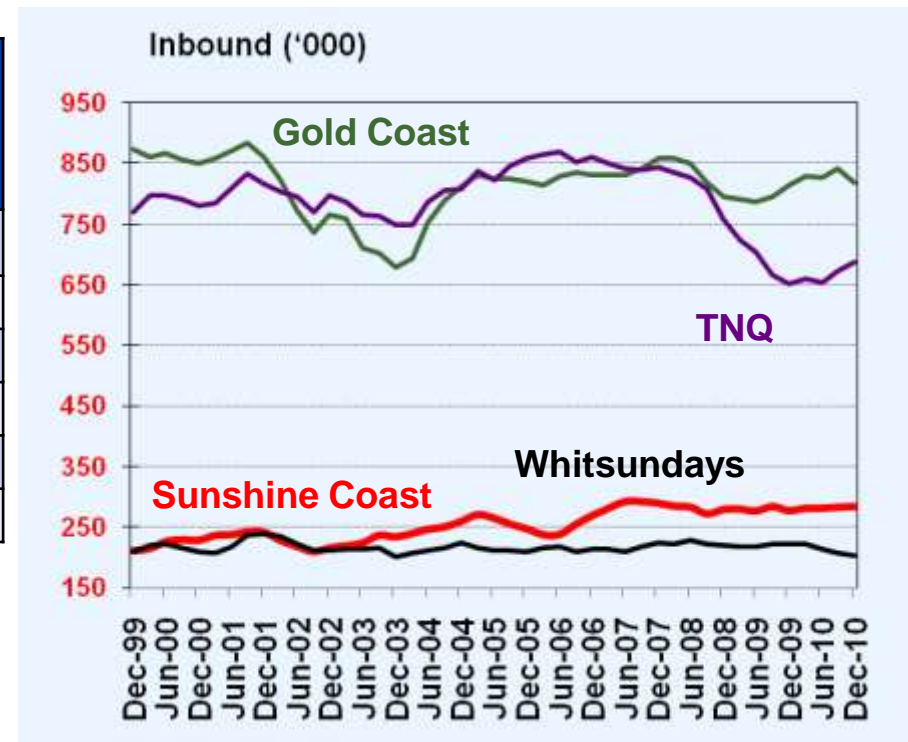
- **The International market continues to be a strong market for the Sunshine Coast , with spending and share of spending growing:-**
 - Spending by visitors is at an equal record level.
 - The Sunshine Coast is also gaining in share of spending amongst inbound.
 - This continues to represent opportunities for the Sunshine Coast.

Regions – Inbound visitors



	SUNSHINE COAST		GOLD COAST		WHIT-SUNDAYS		TROPICAL NORTH QLD	
	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.
Dec.06	268,000	9.0	830,000	1.3	214,000	2.6	859,000	0.2
Dec.07	289,000	7.6	858,000	3.5	224,000	4.9	843,000	-1.9
Dec.08	279,000	-3.6	795,000	-7.4	220,000	-1.7	757,000	-10.2
Dec.09	277,000	-0.7	813,000	2.3	223,000	1.3	651,000	-14.0
Dec-10	283,000	2.4	817,000	0.5	204,000	-8.6	686,000	5.4

Source : IVS

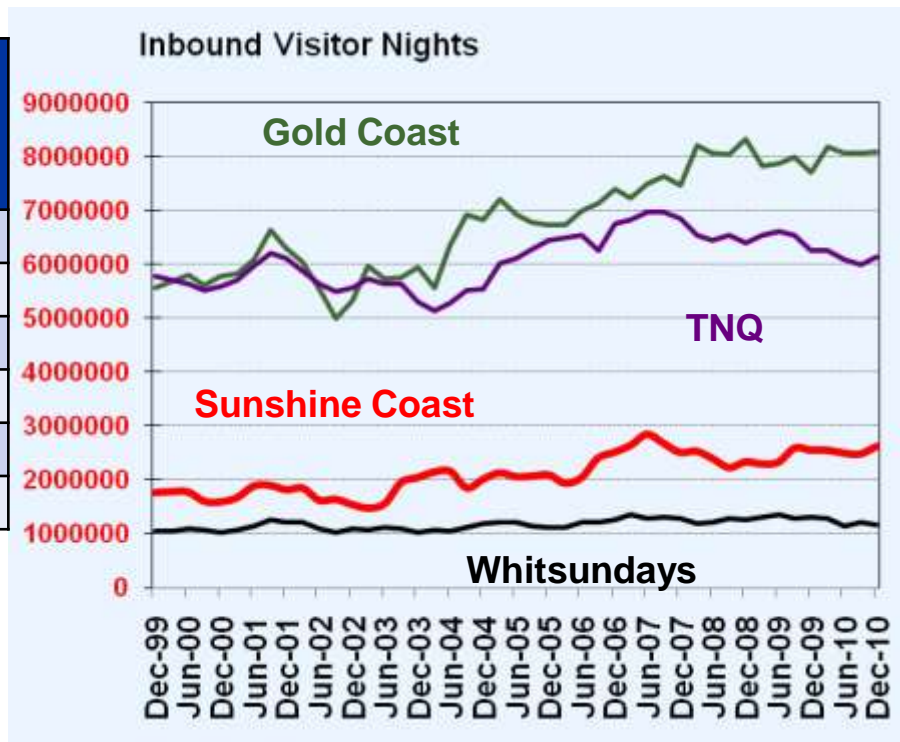


- **The Sunshine Coast has been gaining steadily in this market for years :-**
 - The Sunshine Coast has a 13.8% share of the inbound market, which is only just below the peak of 14.2% in June 10. This is well up from the share of 10.7% in the late 1990's.
 - The Gold Coast has the highest share (39.9%) of the Regions and this share is growing as visitation recovers after the GFC. The impact of the higher exchange rate and GFC is apparent in TNQ.

Regions – Inbound Visitor Nights

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitor Nights	Visitor Nights	Visitor Nights	Visitor Nights
Dec.06	2,510,617	7,392,315	1,259,304	6,745,736
Dec.07	2,508,876	7,458,783	1,292,669	6,856,476
Dec.08	2,333,279	8,318,445	1,249,701	6,403,218
Dec.09	2,549,978	7,714,511	1,307,632	6,263,829
Dec-10	2,618,111	8,075,662	1,167,278	6,136,679

Source : IVS

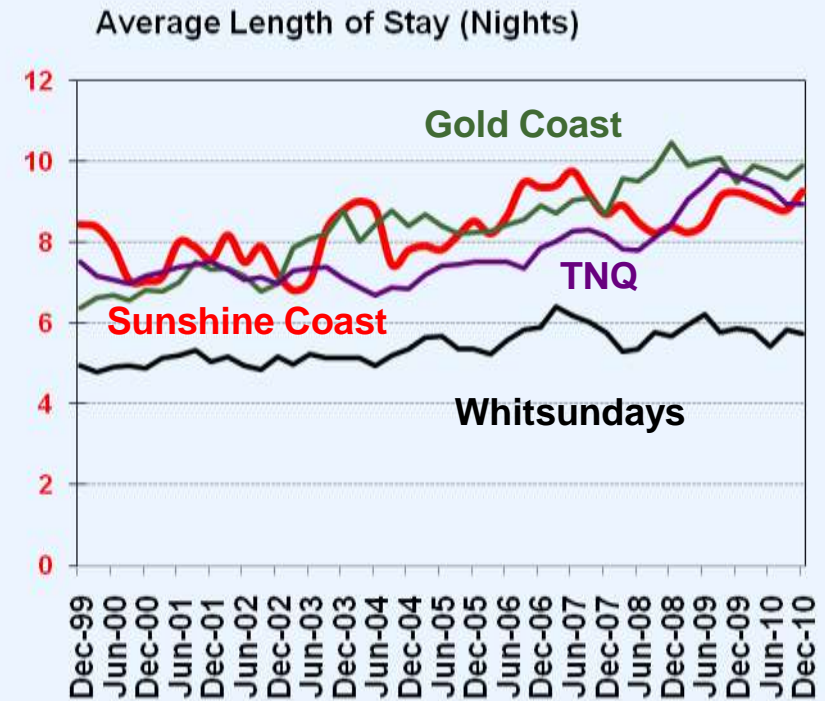


- **The Sunshine Coast has been gaining inbound visitor nights steadily:-**
 - The Gold Coast has the highest level and this has been flat over the last tow years.
 - Visitor nights have dropped in TNQ although there is a sign of a slight pick-up in the Dec. 10 year.

Regions – Average Length of Stay

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD	QLD
	Days	Days	Days	Days	Days
Dec.06	9.4	8.9	5.9	7.8	15.8
Dec.07	8.7	8.7	5.8	8.1	16.6
Dec.08	8.4	10.5	5.7	8.5	19.8
Dec.09	9.2	9.5	5.9	9.6	19.9
Dec-10	9.2	9.9	5.7	8.9	19.4

Source : IVS

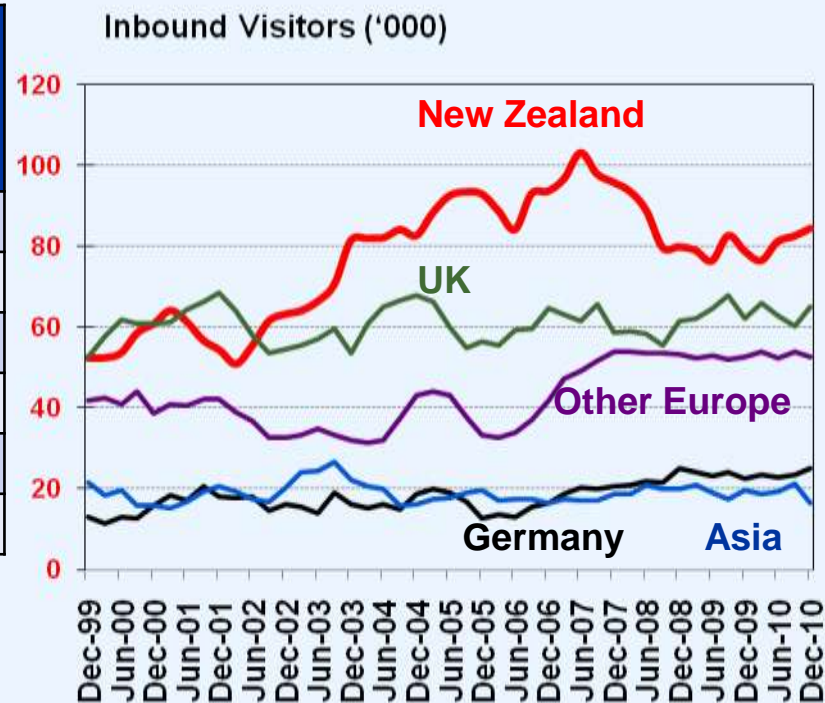


- The Sunshine Coast average length of stay in on a par with the Gold Coast and also Tropical North Queensland :-
- Across all four regions average length of stay has been trending up.

Sunshine Coast – Inbound visitors by market

	NZ		UK		Germany		Other Europe		Asia	
	Visitors	% of total	Visitors	% of total	Visitors	% of total	Visitors	% of total	Visitors	% of total
Dec.06	93,700	34.9	64,500	24.0	16,500	6.2	41,900	15.6	16,500	6.2
Dec.07	96,000	33.2	58,800	20.4	20,600	7.1	53,900	18.7	18,700	6.5
Dec.08	80,000	28.7	61,400	22.0	25,100	9.0	53,200	19.1	19,900	7.2
Dec.09	78,900	28.5	62,200	22.5	22,600	8.2	52,700	19.1	19,500	7.1
Dec-10	84,600	29.9	65,000	22.9	25,100	8.9	52,800	18.6	16,500	5.8

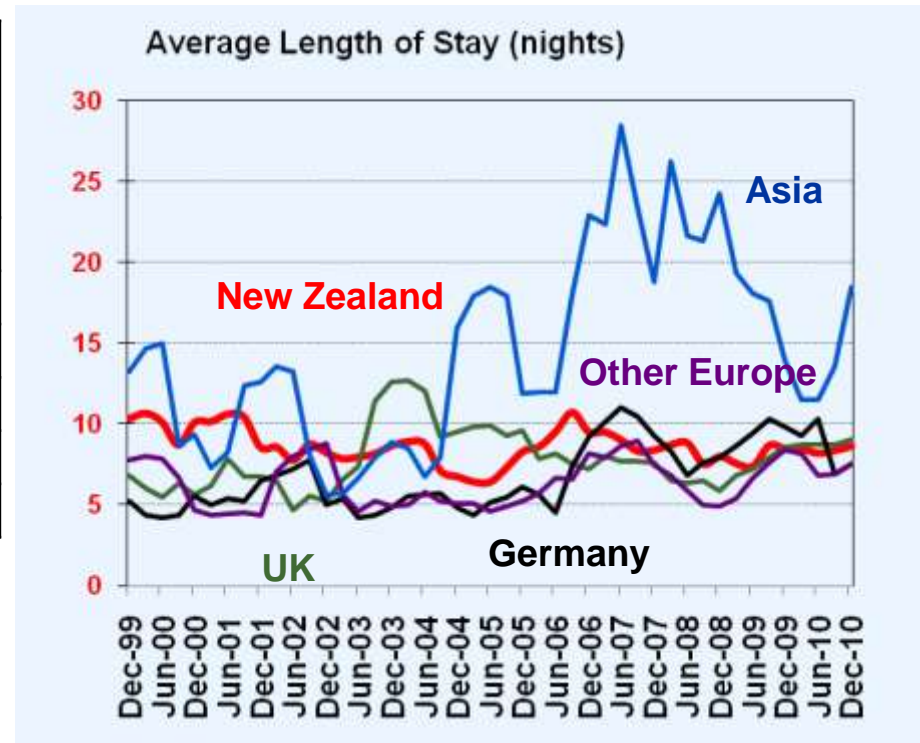
Source : IVS



- **The Sunshine Coast’s No. 1 inbound market is New Zealand (29.9% of inbound) :-**
 - The New Zealand market has been weak since the GFC but is now showing signs of recovery, the UK market has been stable.
 - Other European and the German markets continue to trend up. The Asian market has been small and steady. The Sunshine Coast has always been weak in this market.

Sunshine Coast – Inbound visitors by ALOS

	NZ	UK	Germany	Other Europe	Asia
	Nights	Nights	Nights	Nights	Nights
Dec.06	9.5	7.2	9.2	8.1	22.9
Dec.07	8.4	7.6	9.3	7.5	18.8
Dec.08	8.0	5.9	7.9	4.9	24.3
Dec.09	8.4	8.5	9.8	8.4	13.9
Dec-10	8.6	9.0	7.5	7.5	18.5



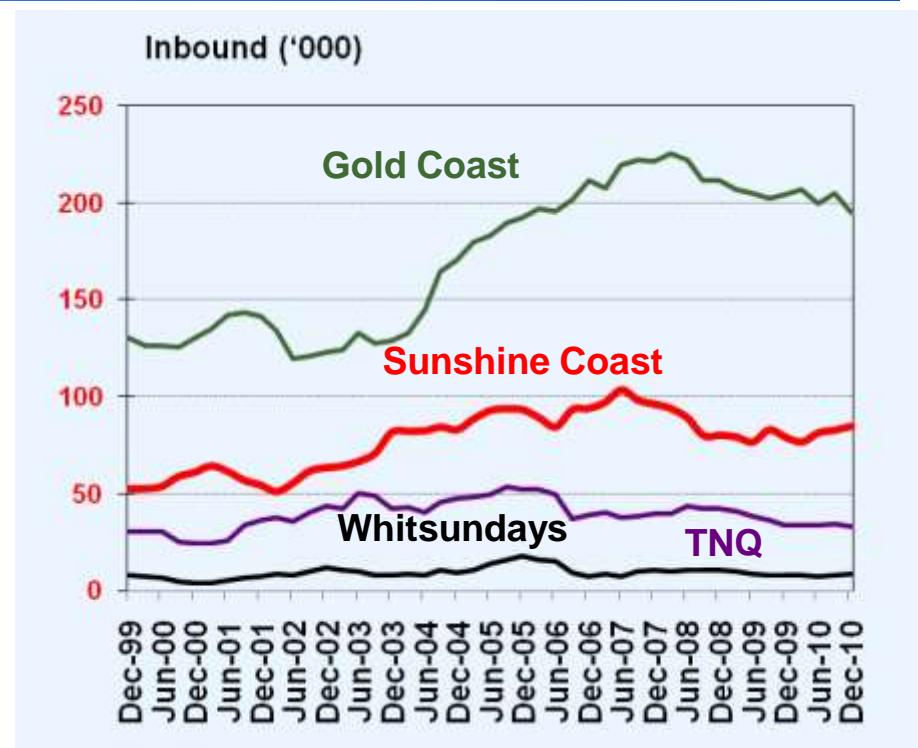
Source : IVS

- Asian visitors have the highest average length of stay. NZ, Germany , UK and other Europe are all fairly similar.

New Zealand Inbound visitors

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitors	Visitors	Visitors	Visitors
Dec.06	93,700	211,000	7,000	39,000
Dec.07	96,000	221,000	11,000	40,000
Dec.08	80,000	211,000	10,000	43,000
Dec.09	78,900	204,000	8,000	34,000
Dec-10	84,600	195,000	8,000	33,000

Source : IVS

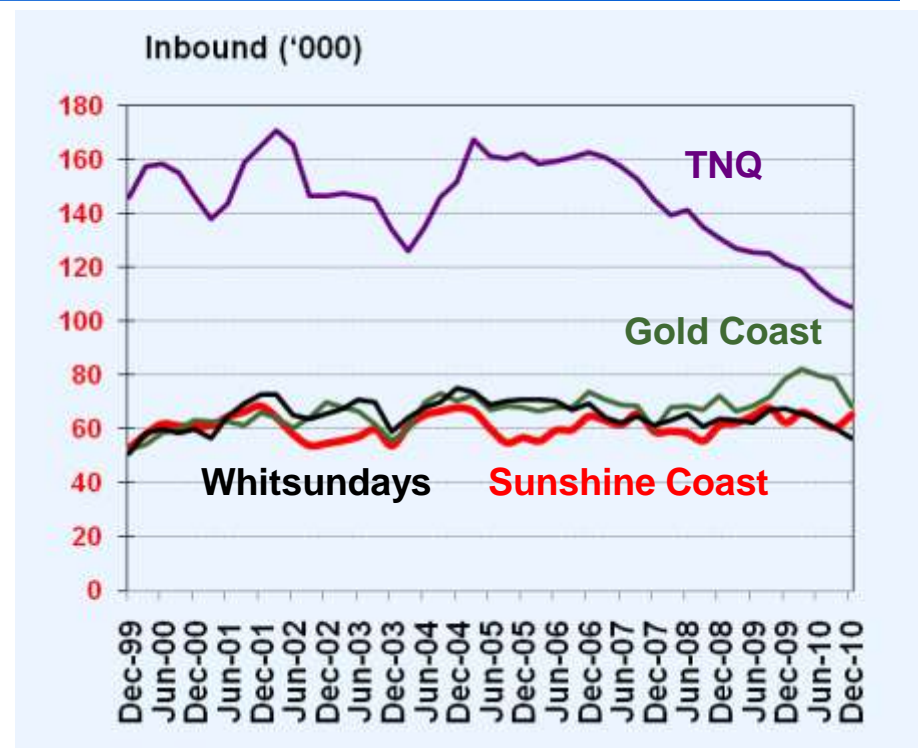


- **This is the most important inbound market for the Sunshine Coast :-**
 - The impact of the GFC and recession in New Zealand is apparent, with NZ numbers softening for the Sunshine Coast since 2007. Since 2008 numbers have been stable and there is now a hint that numbers are picking up again.
 - The Gold Coast has gained market share in this market.

UK Inbound visitors

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitors	Visitors	Visitors	Visitors
Dec.06	64,500	74,000	69,000	163,000
Dec.07	58,800	60,000	61,000	145,000
Dec.08	61,400	72,000	64,000	131,000
Dec.09	62,200	78,000	67,000	121,000
Dec-10	65,000	68,000	57,000	105,000

Source : IVS

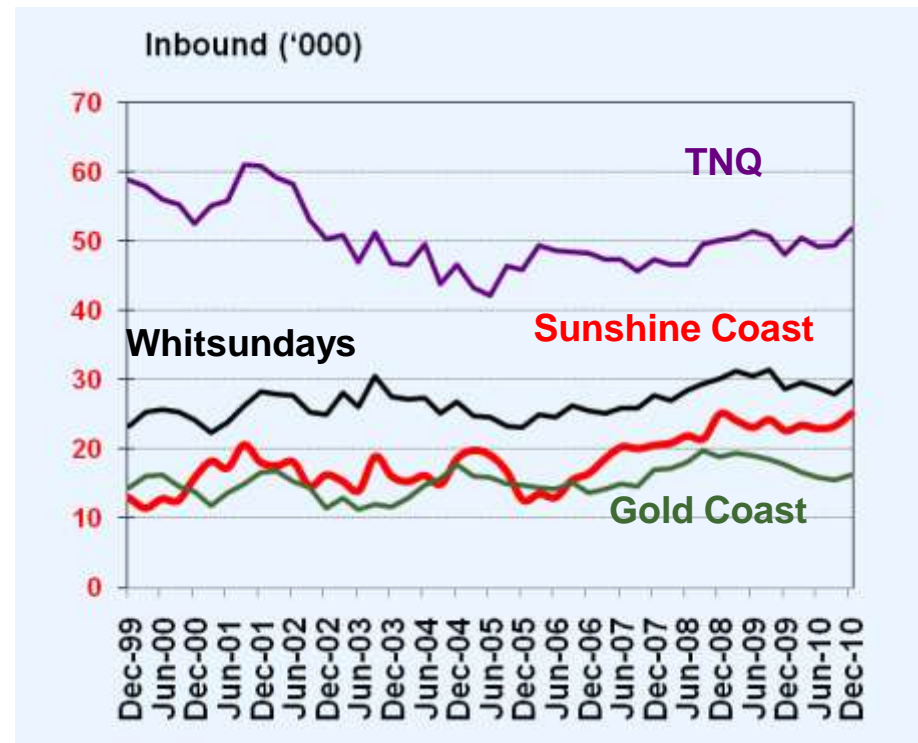


- **The Sunshine Coast has held visitor numbers in this market :-**
 - Tropical North Queensland has been losing in this segment since 2006 and the recent cyclone and GFC have not helped this situation.

German Inbound visitors

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitors	Visitors	Visitors	Visitors
Dec.06	16,500	14,000	26,000	48,000
Dec.07	20,600	17,000	28,000	47,000
Dec.08	25,100	19,000	30,000	50,000
Dec.09	22,600	18,000	29,000	48,000
Dec-10	25,100	16,000	30,000	52,000

Source : IVS

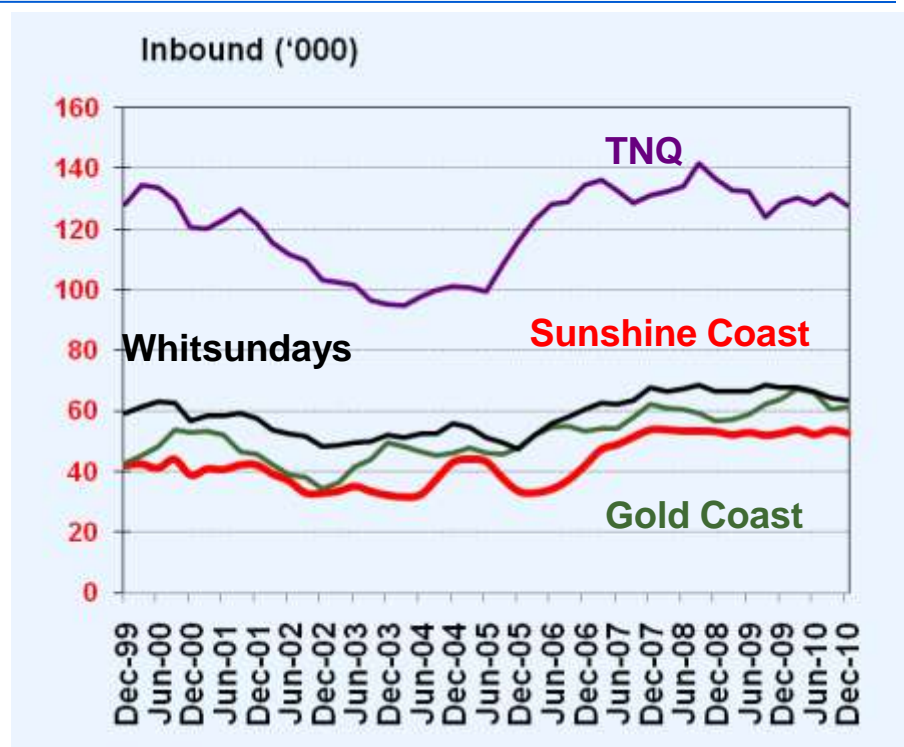


- This has been a good market for the Sunshine Coast, with the Coast steadily gaining share, especially compared to the other regions :-
- The Coast has gone from 4th in 1999 , to number 3 and is heading towards number 2.

Other Europe Inbound visitors

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitors	Visitors	Visitors	Visitors
Dec.06	41,900	53,000	60,000	135,000
Dec.07	53,900	62,000	68,000	131,000
Dec.08	53,200	57,000	66,000	137,000
Dec.09	52,700	64,000	68,000	129,000
Dec-10	52,800	61,000	63,000	128,000

Source : IVS

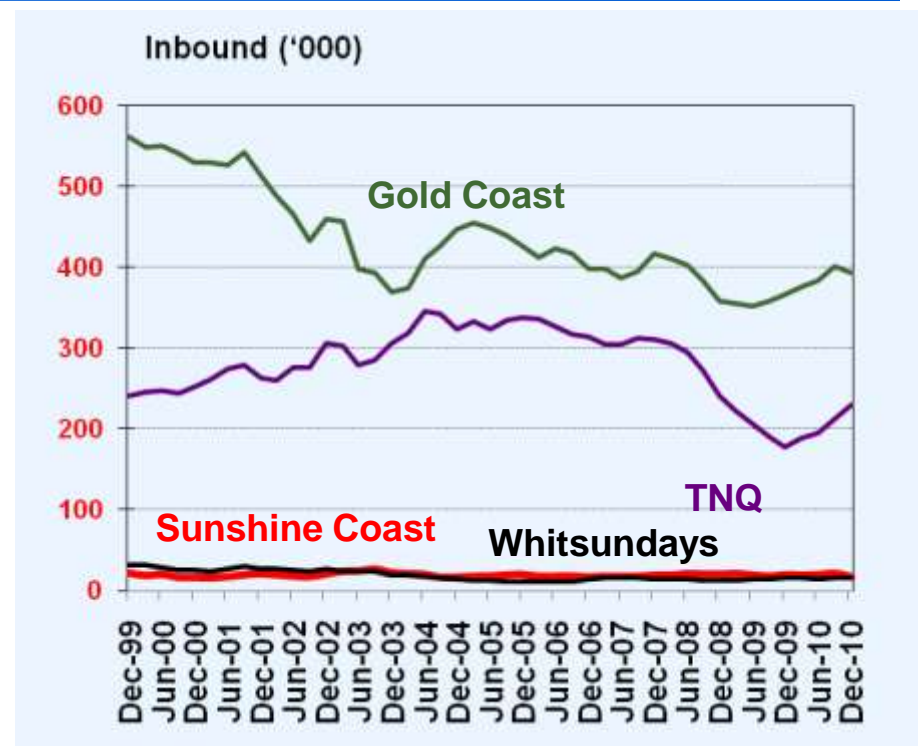


- **The Sunshine Coast has a fairly stable share of this market :-**
 - Tropical North Queensland has the highest share, here the warmer climate, the reef, islands and rainforests have a strong appeal.

Asia Inbound visitors

	SUNSHINE COAST	GOLD COAST	WHIT-SUNDAYS	TROPICAL NORTH QLD
	Visitors	Visitors	Visitors	Visitors
Dec.06	16,500	398,000	14,000	314,000
Dec.07	18,700	417,000	15,000	311,000
Dec.08	19,900	358,000	13,000	242,000
Dec.09	19,500	367,000	16,000	178,000
Dec-10	16,500	393,000	15,000	231,000

Source : IVS

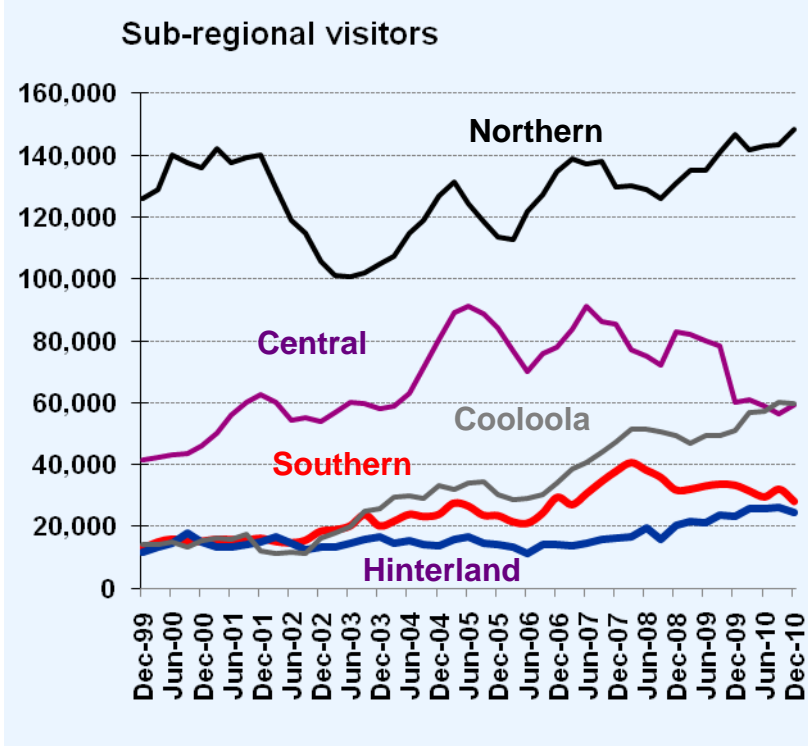


- The Sunshine Coast wins a small number of Asian visitors, and the visitation level has been very stable for years :-
- The Gold Coast and Tropical North Queensland have a far higher number of Asian visitors. Packaging has assisted the development of this market as well as catering to their needs.

Sunshine Coast - Sub regional International markets

	Southern		Hinterland		Central		Northern		Cooloola	
	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.	Visitors	% p.a.
Dec.06	29,000	25.2	14,000	-0.7	78,000	-7.4	135,000	18.4	34,000	12.7
Dec.07	38,000	29.1	16,000	14.6	85,000	9.4	130,000	-3.4	47,000	38.5
Dec.08	32,000	-16.3	20,000	25.0	83,000	-2.7	131,000	0.8	50,000	5.1
Dec.09	33,000	4.8	23,000	14.6	60,000	-27.7	147,000	12.0	51,000	2.7
Dec-10	28,000	-15.7	24,000	4.6	59,000	-1.5	149,000	1.3	60,000	17.3

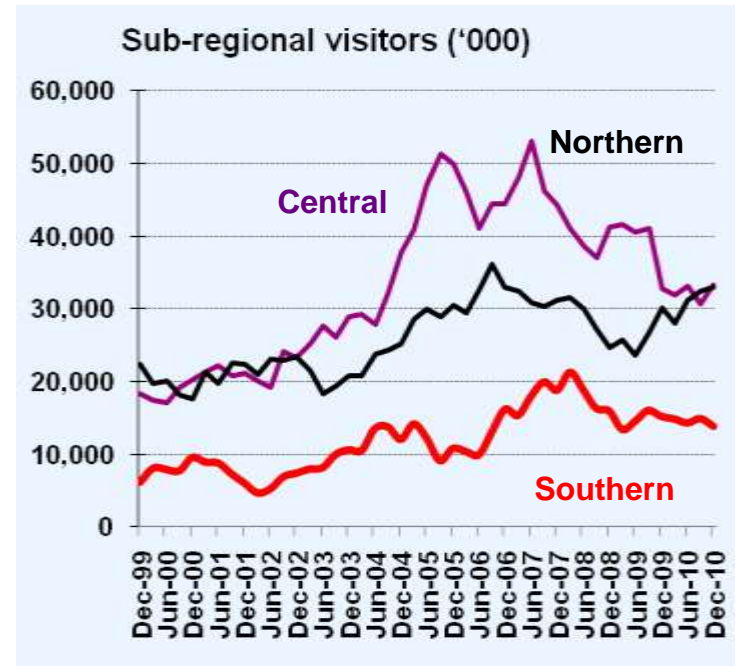
Source : IVS



- The Southern Sub-region has been softening in the last three years. The Hinterland has been increasing visitors. The Central Sub-region has been trending down since 2008.
- The Northern Sub-region has been trending up.
- Cooloola as well has been trending up.

Sunshine Coast - Sub regional visitor numbers (NZ)

	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	16,202	n.a.	44,470	32,953	n.a.
Dec.07	18,810	n.a.	44,310	31,264	n.a.
Dec.08	15,956	n.a.	41,193	24,646	n.a.
Dec.09	15,196	n.a.	32,850	30,078	n.a.
Dec-10	13,833	n.a.	33,284	32,959	n.a.



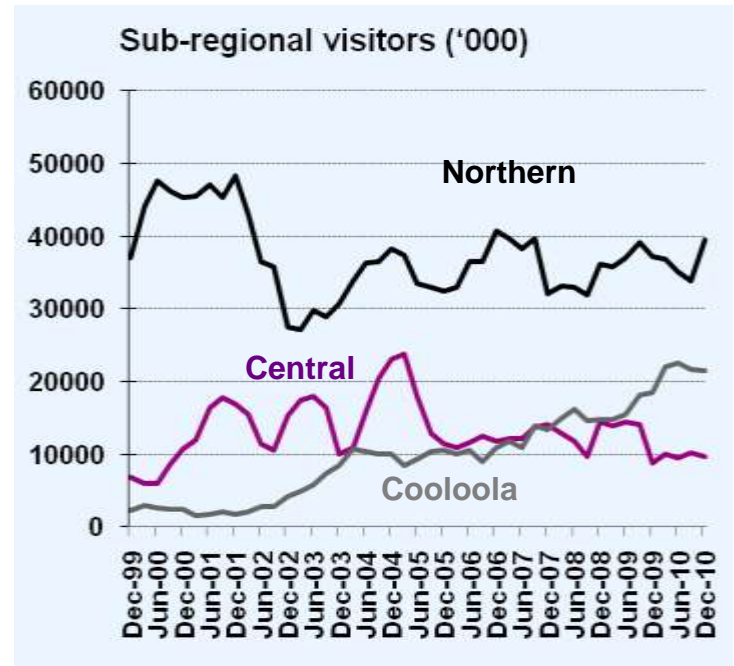
Source :IVS

n.a. Sample too small to document

- **The Northern Sub-region is starting to recover again.**
- **The Southern Sub-region is still soft.**
- **The real loss has been with the Central Sub-region.**

Sunshine Coast - Sub regional visitor numbers (UK)

	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	n.a.	n.a.	11,858	40,814	11,000
Dec.07	n.a.	n.a.	14,121	32,017	13,455
Dec.08	n.a.	n.a.	14,432	36,092	14,801
Dec.09	n.a.	n.a.	8,876	37,161	18,454
Dec-10	n.a.	n.a.	9,634	39,567	21,544



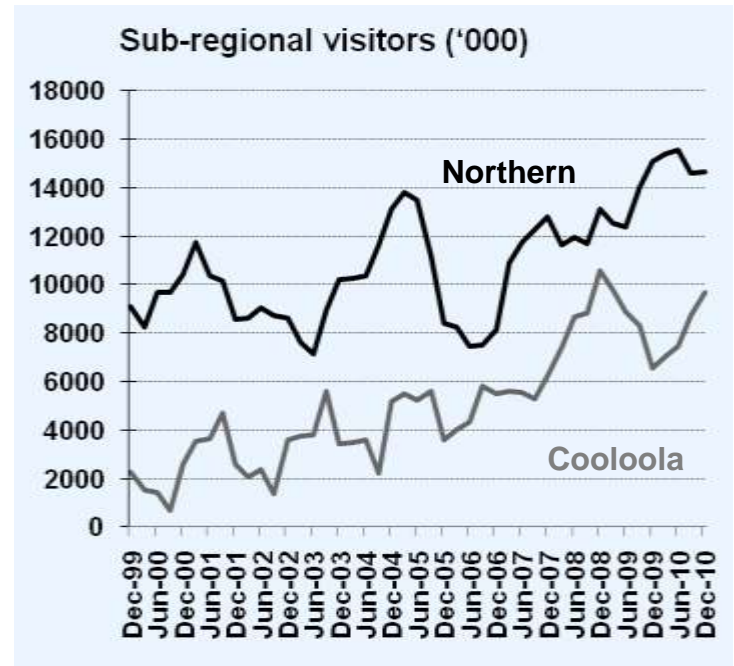
Source :IVS

- The Northern Sub-region is starting to improve again.
- The Central Sub-region is soft.
- Cooloola is growing as the appeal of Fraser Island grows.

Sunshine Coast - Sub regional visitor numbers (Germany)



	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	n.a.	n.a.	n.a.	8,120	5,495
Dec.07	n.a.	n.a.	n.a.	12,786	6,216
Dec.08	n.a.	n.a.	n.a.	13,114	10,603
Dec.09	n.a.	n.a.	n.a.	15,061	6,548
Dec-10	n.a.	n.a.	n.a.	14,646	9,675



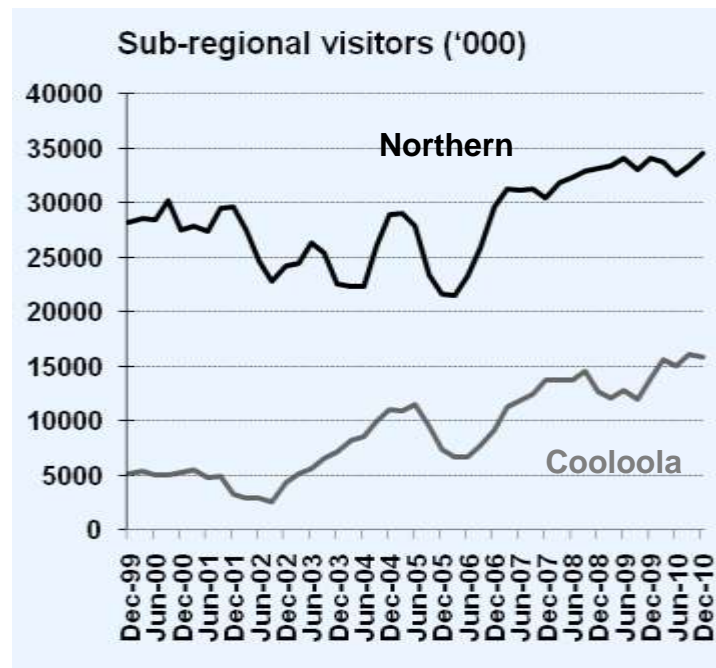
Source :IVS

- The Northern Sub-region is trending up.
- Cooloola is growing as the appeal of Fraser Island grows.

Sunshine Coast - Sub regional visitor numbers (Other Europe)



	Southern	Hinterland	Central	Northern	Cooloola
	Visitors	Visitors	Visitors	Visitors	Visitors
Dec.06	n.a.	n.a.	n.a.	29,666	9,177
Dec.07	n.a.	n.a.	n.a.	30,404	13,753
Dec.08	n.a.	n.a.	n.a.	33,201	12,647
Dec.09	n.a.	n.a.	n.a.	34,085	13,878
Dec-10	n.a.	n.a.	n.a.	34,519	15,889



Source :IVS

- The Northern Sub-region is starting to improve again and visitors from other parts of Europe are at record levels.
- Cooloola is growing as the appeal of Fraser Island grows.
- Asian sample is too small to show sub-regional results.



Key Point Summary

- **The Australian economy continued to record moderate growth, with annual GDP just below 3%. This growth is supporting a slow recovery in the Australian tourism sector.**
- **Qld. grew faster (+5%) than Australia overall (+2%) thanks to a strong recovery in business travel (+27%), in the year to Dec. 2010, but both the intrastate and interstate holiday markets were down due to severe weather resulting in road closures and disruption to holiday plans.**
- **Sunshine Coast tourism has softened over 2010 under the weight of poor weather and long term weakening in Preference, however, it is still a significant business. Sunshine Coast Visitors (Day trippers, domestic overnight and inbound), spend just over \$2B on the Coast. This directly provides 17% of the gross regional product :-**
 - Total spending has fallen by 9.2% due to a drop in domestic overnight spending and also a 6.5% drop in the day trip market. The severe weather had an impact on the Sunshine Coast as well.
 - Spending by domestic overnight visitors to the Sunshine Coast softened in 2010, falling by 12% compared to calendar 2009, however, 2009 was a peak
 - The Sunshine Coast had 7.5 million visitors in 2010 (down 7.1%) including 4.5 million day trippers, 2.6 domestic overnight visitors and 283,000 International visitors.
 - The Sunshine Coast has its highest market share amongst Queenslanders and this share has been fairly stable over the last four years.



Key Point Summary

- **Inbound travel to the Sunshine Coast has been a bright spot and the Coast has been gaining steadily in this market for years :-**
 - The largest inbound market for the Coast is the New Zealand market and this has been weak since the GFC but is now showing signs of recovery, the UK market (No. 2) has been stable in terms of visitor numbers but the Coast has been gaining share.
 - Other European and the German markets continue to trend up. The Asian market has been small and steady. The Sunshine Coast has always been weak in this market.
 - The high Australian dollar will continue to be a hurdle for attracting inbound to the Coast.

Disclaimer

While every effort has been made to ensure accuracy of the data in this report, EMDA has not audited the data sources and therefore does not accept any responsibility in relation to financial and/or decisions based on this information.

Ownership of all Intellectual Property (modelling methods, EMDA Positioning Maps resides with EMDA).