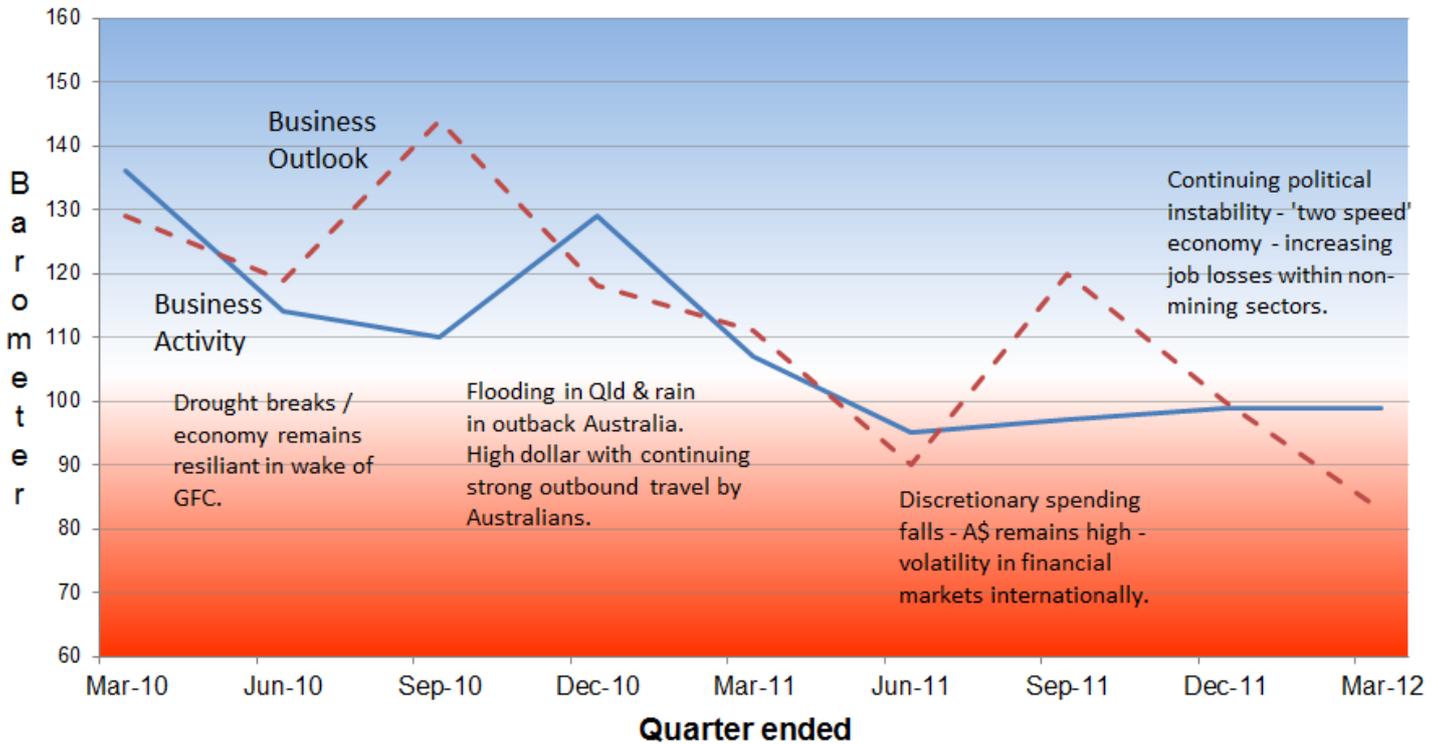


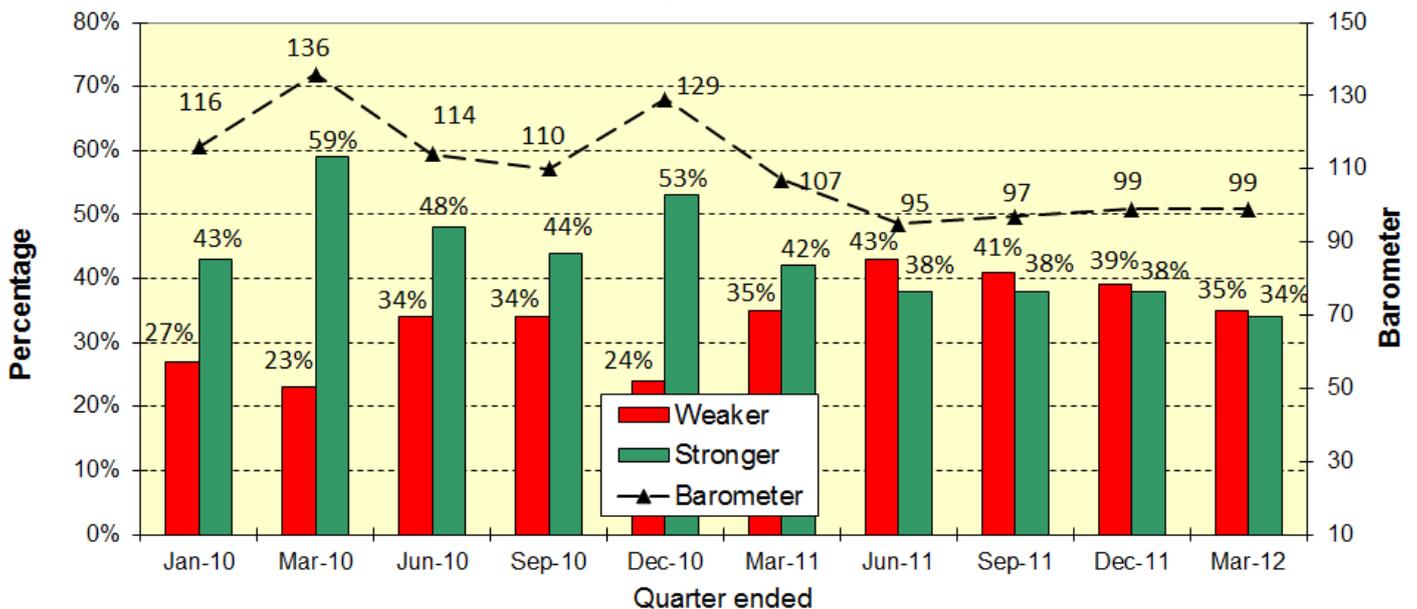
## SA Tourism Barometer – March Quarter 2012



Barometer results for the March quarter show **business activity was steady** while **business confidence continued to fall** (down 17%). Over time the trend continues to reflect difficult conditions for the tourism industry. While demand remains sluggish and economic conditions are soft respondents were also concerned about increasing costs and pressure on yield through discounting which is eroding profitability.

The survey respondents were asked to state whether their business had experienced stronger or weaker activity in the March quarter of 2012 when compared to the same period in 2011.

### Business Activity in the Last 3 Months



In the March quarter of 2012 the proportion of survey respondents experiencing stronger activity was 35% - **down from 39%** at the December quarter survey.

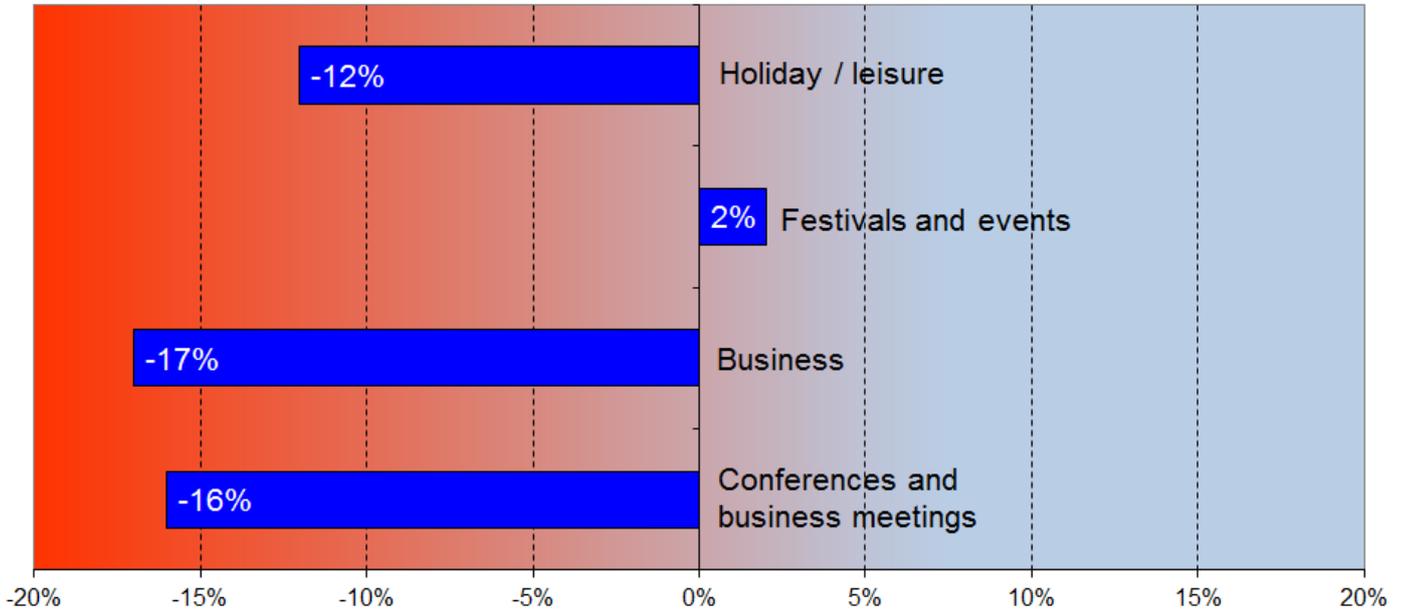
Factors underpinning improved performance included:

- Health of the River Murray;
- 'Mad March' – Clipsal and Adelaide Fringe;
- Touring by Australians.

Where less positive:

- High dollar / less discretionary spending;
- Backpacker / inbound market flat;
- Less interest in Lake Eyre.

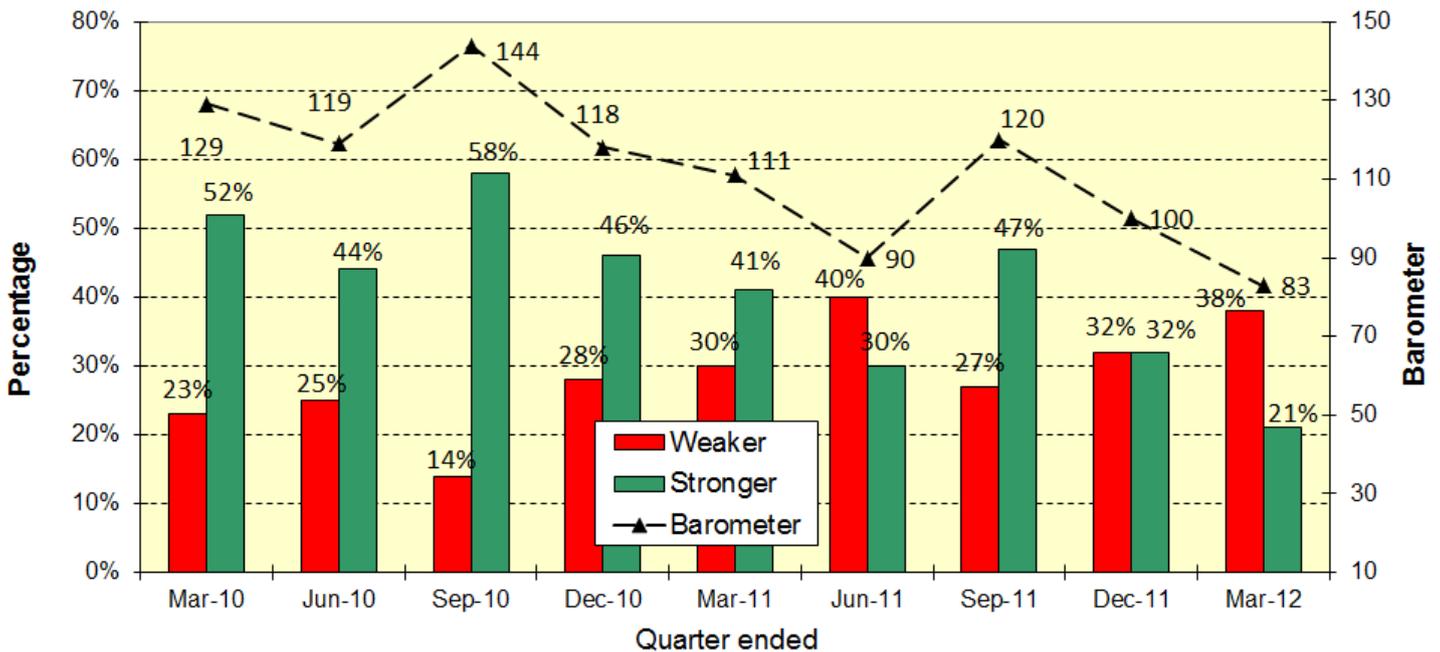
### Business Activity by Sector



### Business Activity - Deviation from Mid Point of 100

The activity level was below 100 for each of the market sectors with the **exception of festivals and events** which enjoyed a slight increase due to the influence of the 'mad March' events season in Adelaide and local events in regional areas.

### Business Outlook for the Next 3 Months



In the March 2012 quarter the proportion of respondents expecting conditions to improve in the next quarter was 21%. The **outlook barometer fell 17%** continuing the contraction observed at the previous survey (also down 17%).

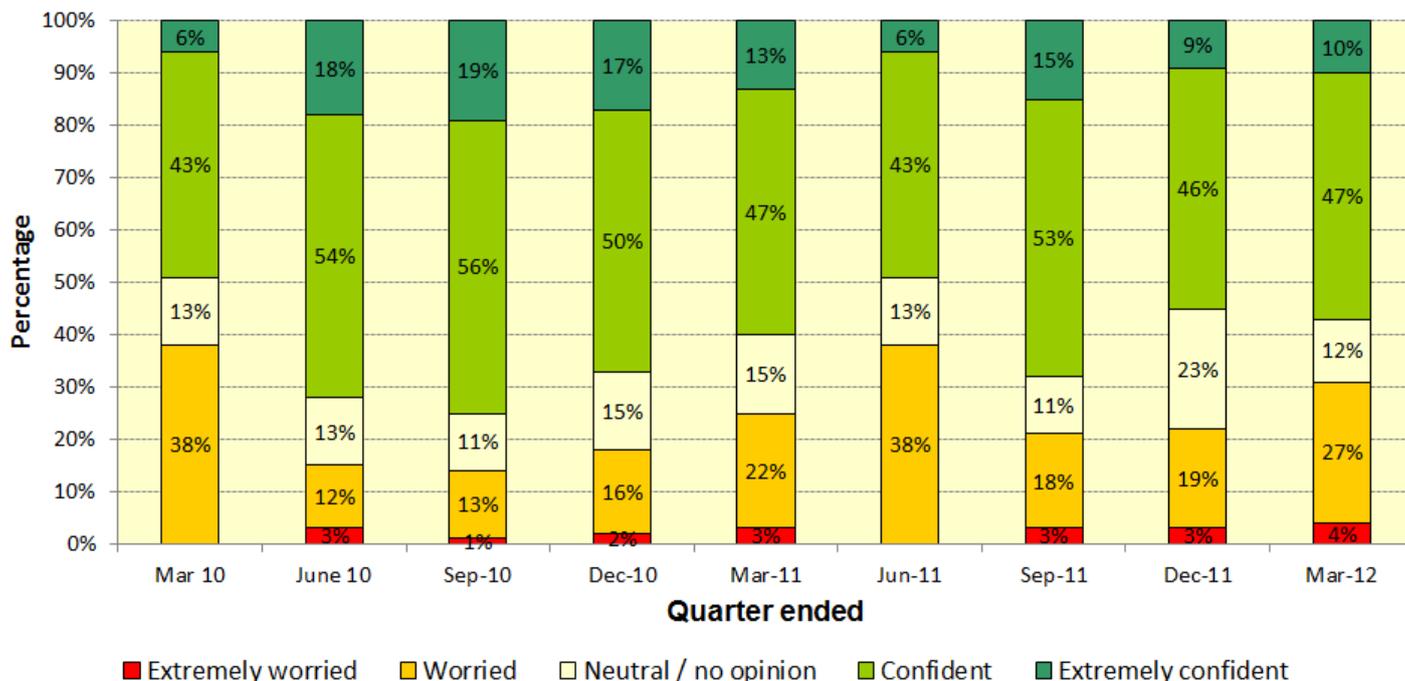
Factors influencing the outlook for the short term included the following:

- Social media / word of mouth;
- Forecast for a mild winter;
- Advertising for KI;
- Water in Lake Eyre.

Less positively:

- High dollar / economic conditions.
- Increasing costs.

### Business Outlook for the Next 12 Months



In the March 2012 quarter 10% of the respondents were ‘extremely confident’ about the next 12 months and 47% were ‘confident’. The **proportion who were ‘worried’ increased from 19% in the December quarter survey to 27%.**

Factors underpinning the outlook for the next 12 months included the following:

- The condition of Lake Eyre and the outback;
- Increase in domestic touring market.

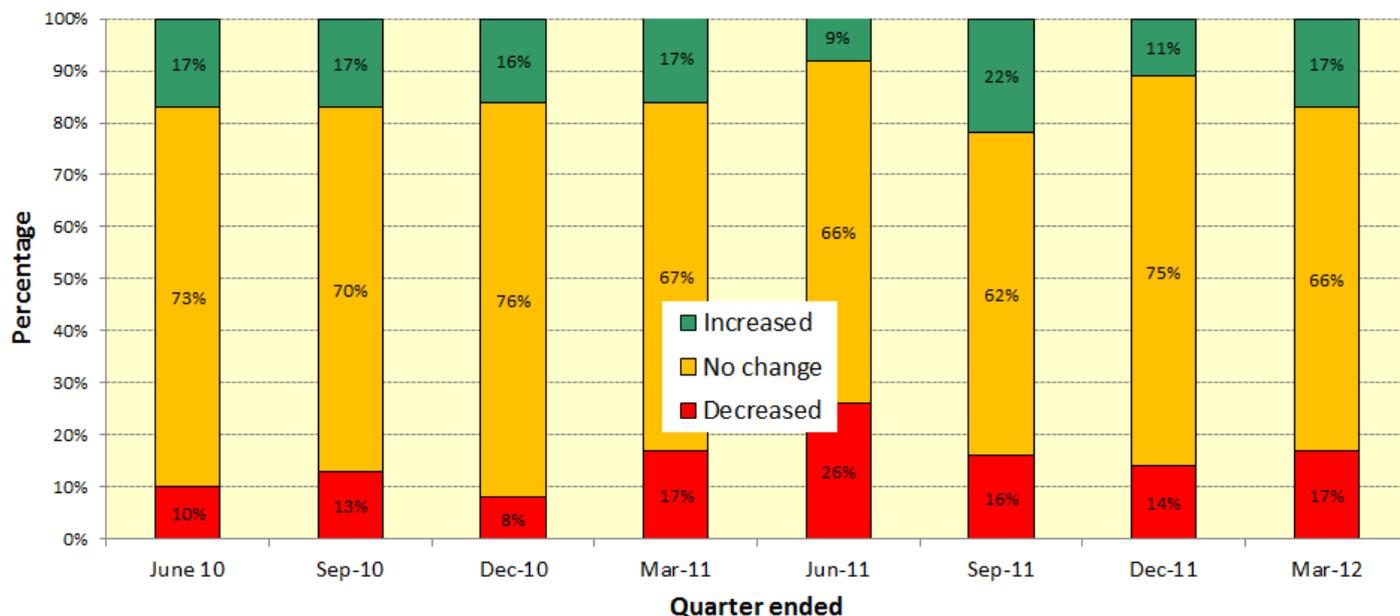
Less positively:

- Economic outlook;
- Increasing taxes / costs and declining profitability.

## Employment

Respondents were asked whether the number of people employed in their business had increased, decreased or remained the same when compared to the same period last year.

### Employment Trends



In the March quarter 2012 the proportion employing more people was 17% with the same proportion (17%) employing fewer people.

#### About the SATIC Tourism Barometer

The SATIC Tourism Barometer is a quarterly survey of SATIC members designed to measure recent activity and the outlook for the future.

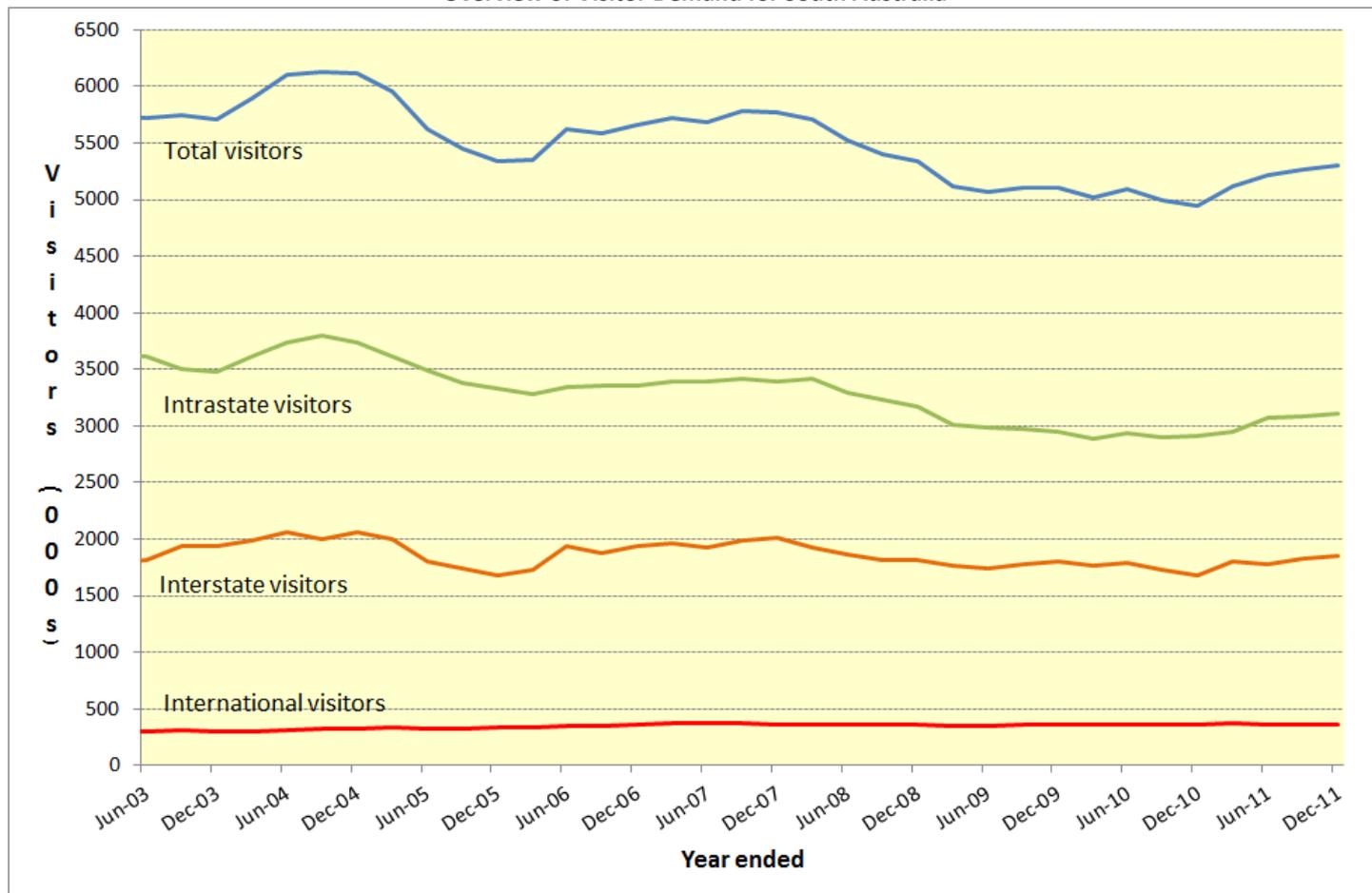
The Barometer survey is conducted on-line and a total of 95 members responded to the March 2012 quarter survey.

Report prepared by independent research consultants – Greenhill Research and Planning.

**Annual Performance to December 2011**

Information regarding travel demand in Australia is collected by Tourism Research Australia through two national sample surveys: the National Visitor Survey and the International Visitor Survey.

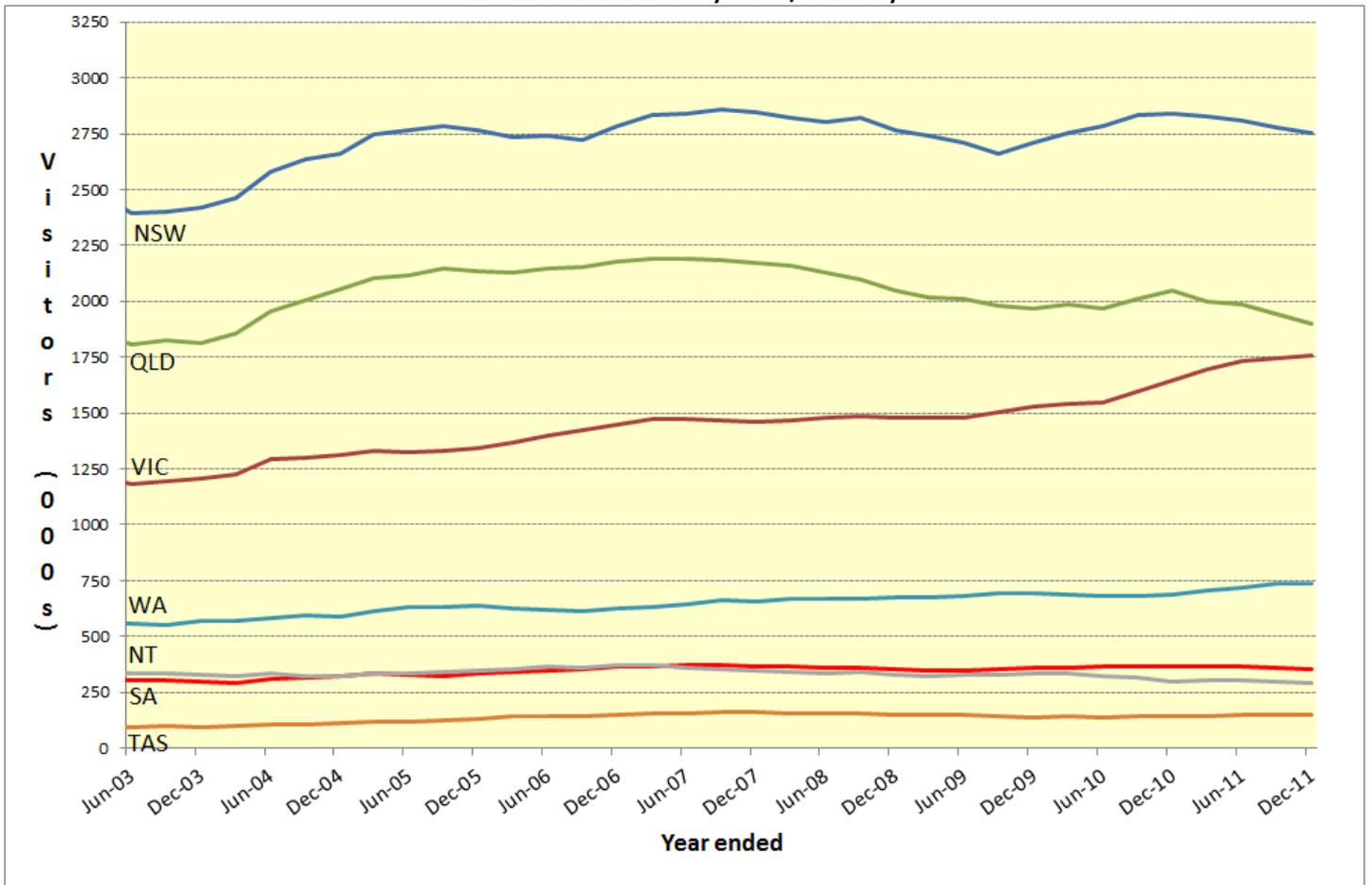
**Overview of Visitor Demand for South Australia**



The results of these surveys show that the number of **overnight visitors to and within South Australia increased by 7%** in the year to December 2011 compared with the previous year. Visitor demand within Australia as a whole increased by 3% during this period.

**Intrastate demand increased by 7%, interstate by 10% while the number of overseas visitors was down by 2%.**

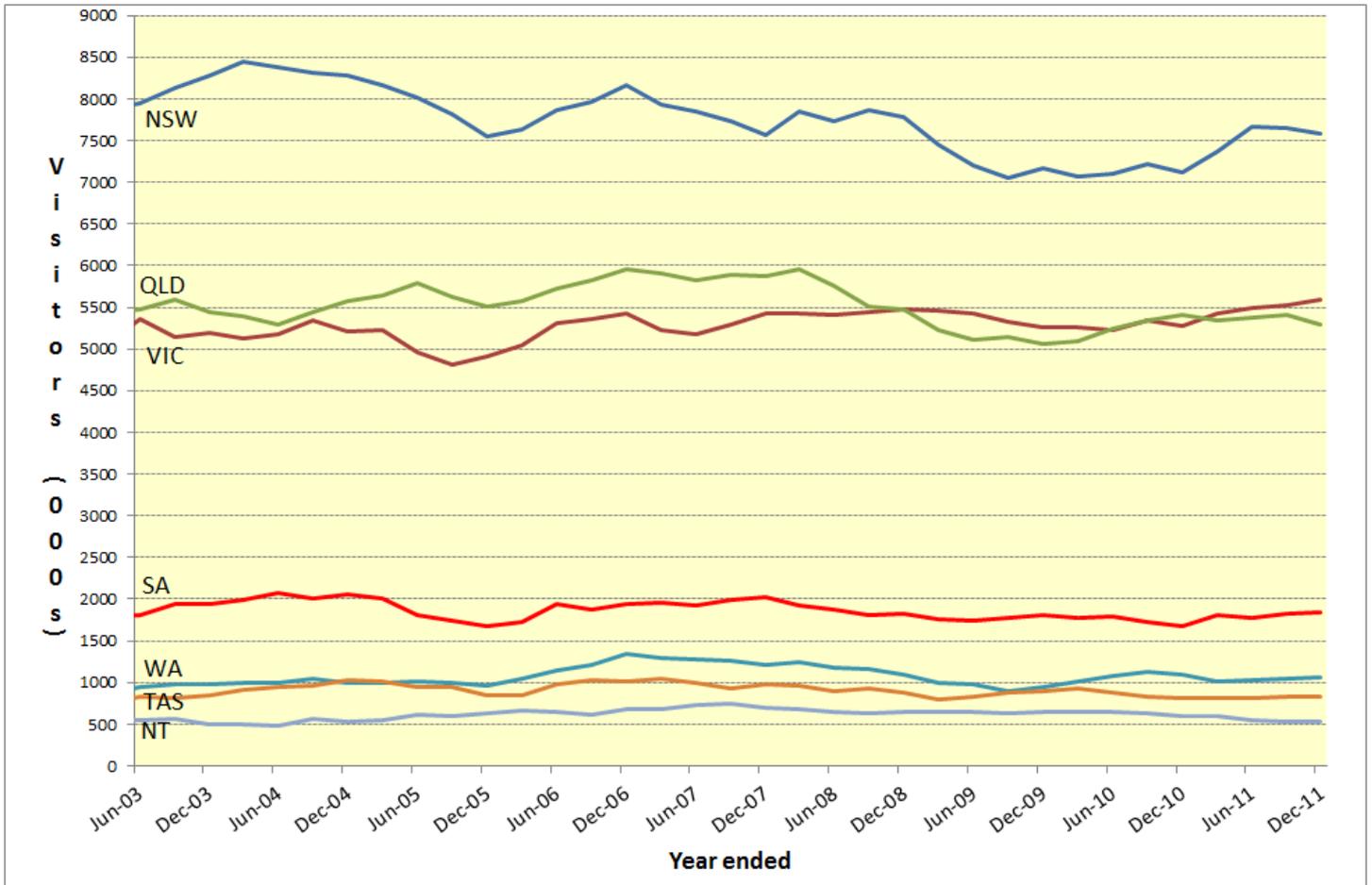
International Visitors by State / Territory



Tourism Research Australia. <http://www.ret.gov.au/tourism>. International Visitor Survey

**International visitors to South Australia contracted by 2% compared with no change nationally.**

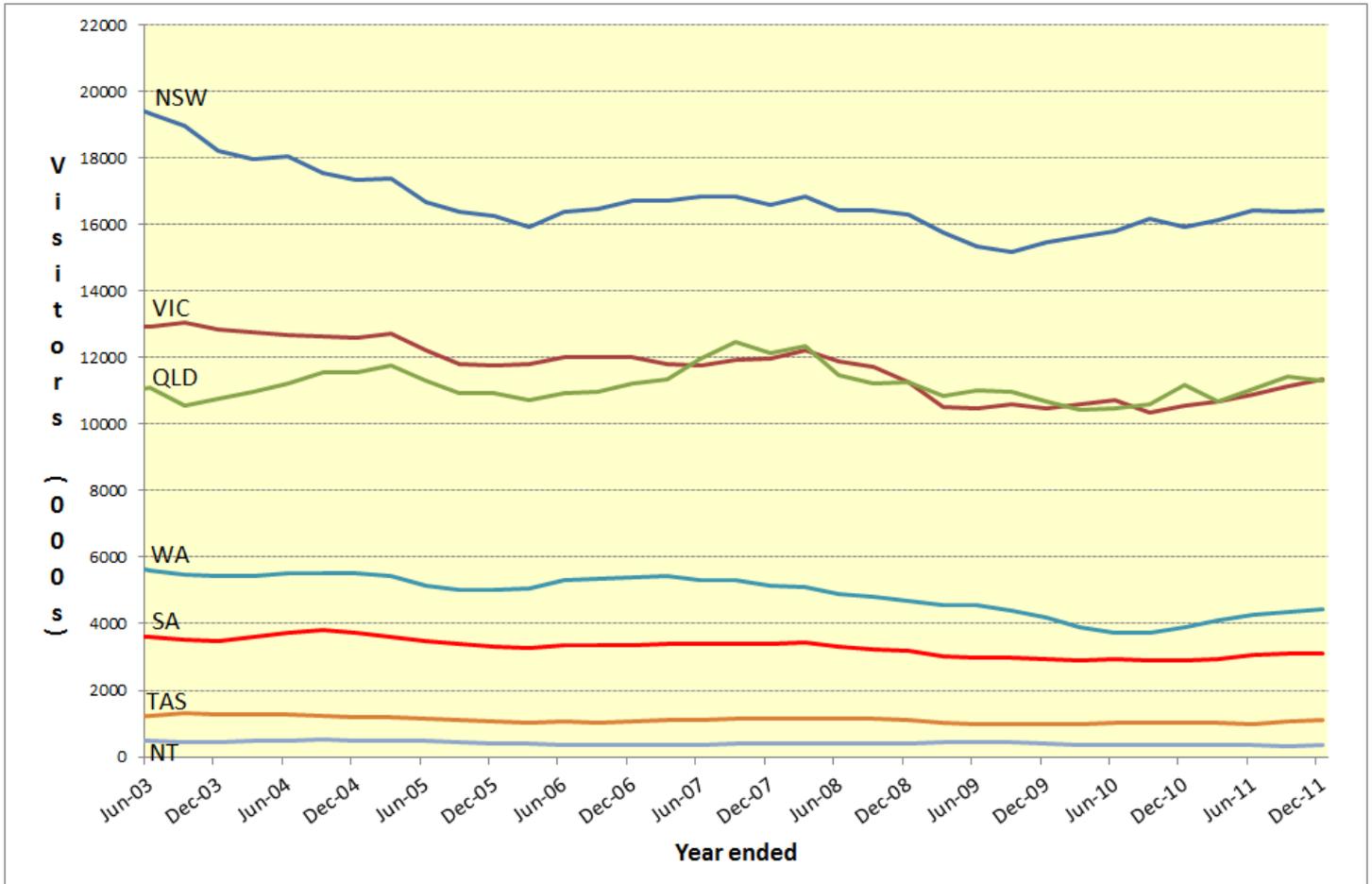
Interstate Visitors by State / Territory



Tourism Research Australia. <http://www.ret.gov.au/tourism>. Travel by Australians. National Visitor Survey

**Interstate visitors to South Australia increased by 10%** compared with a national increase of 2%.

### Intrastate Visitors by State / Territory

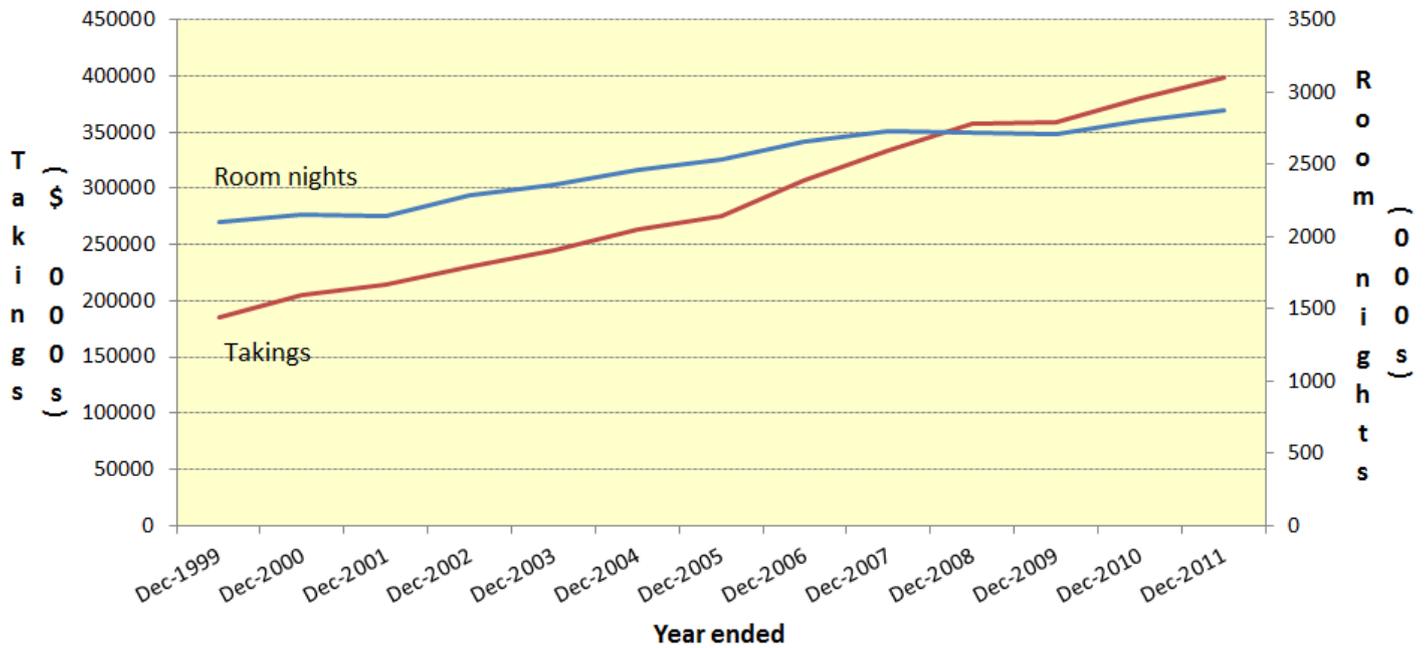


Tourism Research Australia. <http://www.ret.gov.au/tourism>. Travel by Australians. National Visitor Survey

**Intrastate visitors in South Australia increased by 7% which was also higher than the increase nationally (5%).**

Information regarding the performance of the accommodation sector in South Australia is published by the Australian Bureau of Statistics.

**Trend in Room Nights Sold & Takings from Accommodation  
In SA - Hotels, Motels & Serviced Apartments with 15+ Rooms**

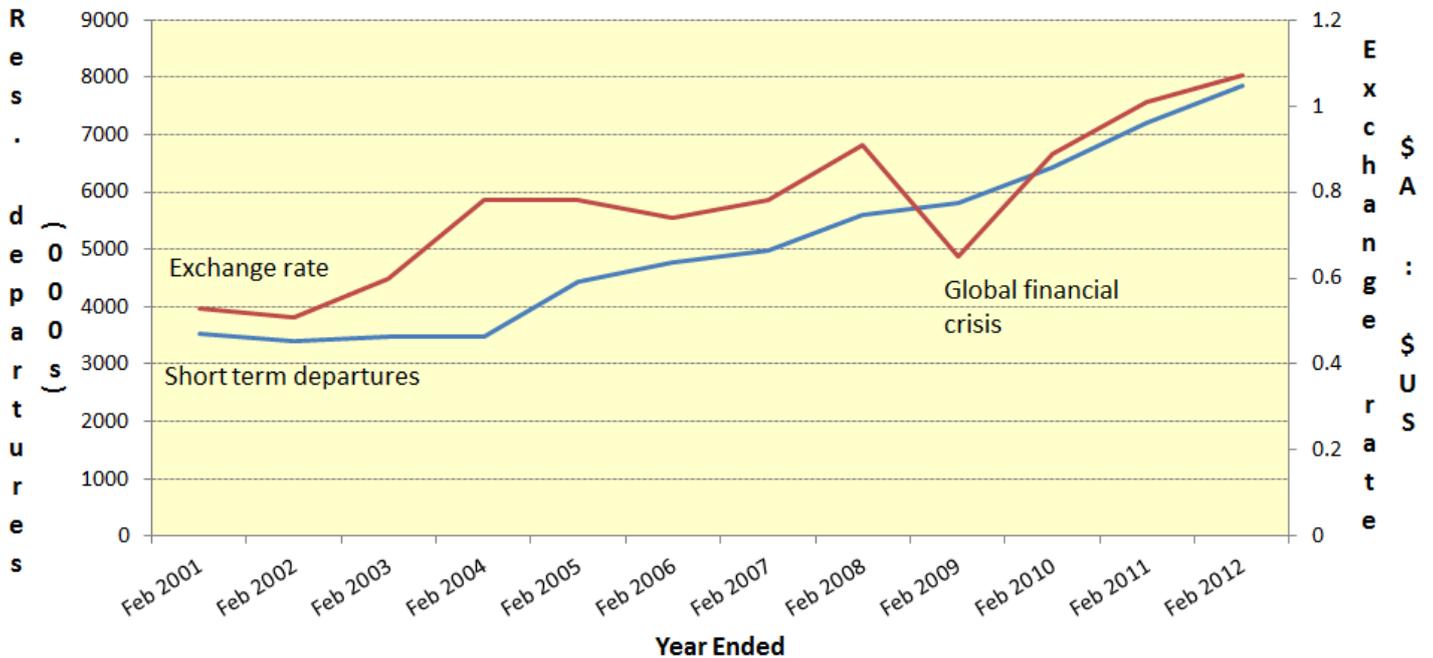


Source: Australian Bureau of Statistics. Cat. 8635.0

Room nights sold in hotels, motels and serviced accommodation in South Australia **increased by 2.8%** in the year to December 2011 to 2.88 million while takings from accommodation increased by **4.9% to \$399 million**.

Information regarding short term overseas departures by Australian residents is also published by the Australian Bureau of Statistics.

**Trend in Short Term Australian Resident Departures and \$A - \$US Exchange Rate**



Australian Bureau of Statistics Cat. 3401.0 - Overseas Arrivals and Departures.  
Reserve Bank of Australia. <http://www.rba.gov.au/statistics/frequency/exchange-rates.html>

The latest figures for the year to February 2012 show **short term departures by Australian residents grew by 9.1%** when compared to the previous year to a total of 7.9 million for the 12 month period.