



# ✓ Northern Territory's ✓ Tourism Industry ^ Strategy 2030 ^

**Annual Report Card**  
July 2021



# 2030 Targets

## Tourism 2030 and COVID-19

This is the second progress report on the NT's Tourism Industry Strategy 2030 (Strategy). It provides an update on targets, actions and priorities, as well as Tourism NT's response to COVID-19.

The initial targets were set for the Strategy in 2019. Since the release of the Strategy, COVID-19 struck and the impact of the pandemic will be felt for many years by the tourism industry, both globally and within Australia. While the 2030 targets remain valid, the Strategy will be reviewed in 2022 with consideration given to the impacts of COVID-19 on the tourism industry and its ability to recover.

## Target measurements

In general, growth in the tourism industry is measured in a number of ways; for example, by counting visitor nights, visitor numbers and visitor spend. Fundamentally, growth is driven by increases in 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 livability through new experiences and events.

Holiday visitors and spend are highlighted separately due to the agency's ability to influence visitation through its programs and the critical importance of these visitors to the tourism sector.

## Achieving the strategy target

In September 2019, Tourism NT released the Strategy setting out the targets for visitor arrivals and spend. According to the Strategy, the total overnight visitor arrivals to the Northern Territory are projected to reach between 2.51 million and 3.03 million by 2030, accounting for between \$3.01 billion and \$3.67 billion in expenditure.

In terms of holiday visitors, target projections outlined are between 1.23 million and 1.45 million holiday visitors by 2030, and \$1.46 billion to \$1.79 billion in holiday visitor expenditure. Targets are set to reflect an annual growth rate of 4.1 per cent, however, due to the impact of COVID-19 on the sector, the actual growth rate for the year 2020-21 is in the negative (-37%). In 2022, the 2030 Strategy will be reviewed and projected target rates will be amended, taking into account the forecast for domestic and international tourism recovery.

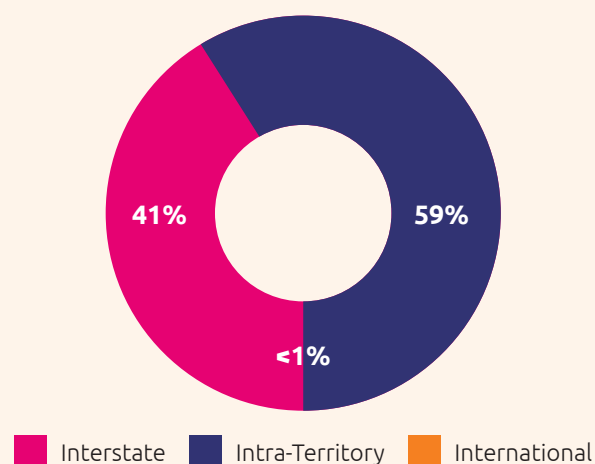
## Looking to the Future

Notwithstanding the performance in the last year, tourism has been identified and remains a key contributor to driving future economic growth in the Northern Territory and in assisting the NT to reach the \$40 billion target identified by the Territory Economic Reconstruction Commission (TERC) Report released in November 2020.

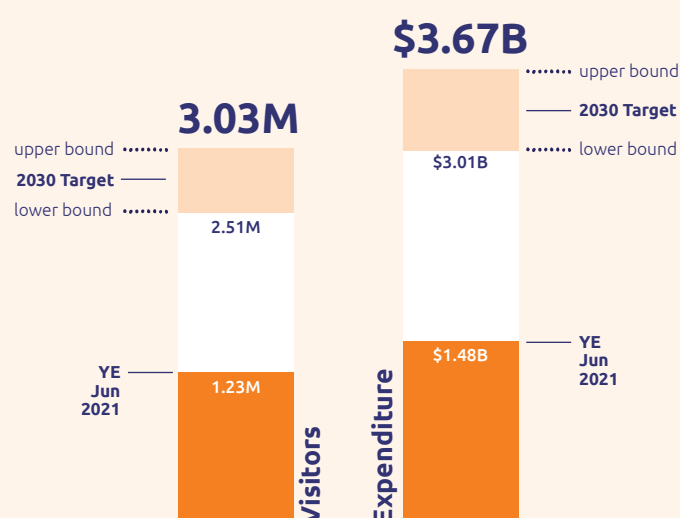
Planning for Territory tourism industry recovery began in 2020 with the important work of the NT's Tourism Rebound Taskforce.

## Holiday visitation split by source

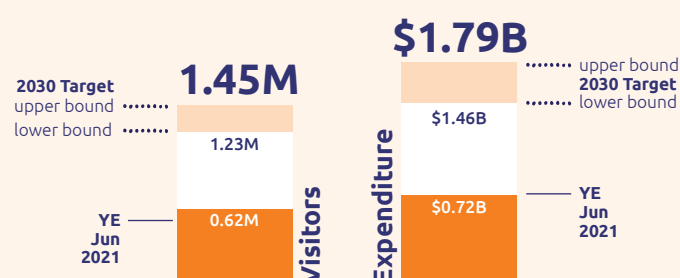
Year end June 2021



## Total visitor\* targets



## Total holiday targets



Source: International Visitor Survey and National Visitor Survey, Tourism Research Australia, Year Ending June 2021.

\*Total visitor group includes all incoming overnight visitors to the NT.



# Response to COVID-19

Prior to COVID-19, tourism directly accounted for 4.2 per cent, or \$1.2 billion of the Territory's Gross State Product, and 8,400 direct jobs. Tourism has a high job creation potential across the Territory.

In order to achieve a \$40 billion economy by 2030, it is vital to work alongside industry to rebuild and grow the sector.

Industry adaption and innovation opportunities will continue to be a critical support mechanism for the tourism sector to overcome the impact caused by COVID-19.

## **Tourism industry shut down**

To manage the onset of COVID-19 in Australia, the Northern Territory Government introduced border control measures for entry into the Northern Territory throughout 2020 and into 2021.

In June 2021, the Northern Territory Government's Security and Emergency Management Committee made a decision to lockdown Darwin, Palmerston, Darwin rural areas and Alice Springs following confirmation of COVID-19 positive cases in the Northern Territory.

Interruptions to business continuity since the initial lockdowns have been ongoing, impacting most regions across the Territory.

Tourism and hospitality businesses continue to be impacted by Government imposed travel restrictions and as such the full impact of COVID-19 on the sector is not yet known.

## **Rebound and recovery**

Despite the continuous disruption caused by COVID-19 Tourism NT's activities throughout 2020-21 were guided by NT's Tourism Industry Strategy 2030.

The TERC Report was developed to provide expert advice to the Northern Territory Government on how to maximise the Territory's economic rebound in the wake of the global COVID-19 crisis.

Tourism NT is making progress in achieving the recommendations set out in the Report, in addition to the activities already underway, with implementation plans in place to ensure recommendations are prioritised and achieved.

The easing of border restrictions and quarantine measures will be a critical factor in the ability to gain market share over other states and territories.

To grow the industry, the 2030 framework relies on the industry and the government working together towards sustainable growth of tourism in the NT.

## **Territory Government Support**

### **\$2 million Tourism Resilience Package**

Implementation of immediate support packages through the NT Government's \$2 million Immediate Tourism Resilience Plan has funded critical industry programs to support local tourism businesses during what continues to be the most challenging time for the sector.

### **Tourism Rebound Taskforce**

Comprised of tourism experts, the taskforce was established to provide the Northern Territory Government with a national and international perspective on the pathway to recovery, offering industry expertise in accommodation, hospitality, drive tourism, aviation and touring.

### **\$2 million Critical Worker Support Package**

In response to help manage the labour shortage in the hospitality and tourism sector due to COVID-19, the NT government developed a Critical Worker Support Package with the aim to attract additional workers to the Territory, or encourage visitors to remain for work, while boosting skills and job opportunities for the Territorians.

The time-limited Work Stay Play attraction incentive was launched in May 2021. Providing eligible businesses with \$1,500 for each new eligible employee acquired, with a total claim amount of \$60,000. The program aimed to ensure the supply of critical workers in the hospitality and tourism industries.

### **Roadhouse to Recovery grant program**

The Northern Territory Government announced a \$4 million investment providing Territory roadhouses, wayside inns and caravan parks up to \$150,000 to improve their visitor experience in 2021. For each \$1 invested by tourism operators, the government agreed to fund \$3, up to a maximum of \$150,000, to support and implement enhancements to their business.

### **\$1,000 Small Business Lockdown Payment**

In June 2021, the Northern Territory Government announced a Territory Small Business Lockdown Payment for businesses affected by the COVID-19 lockdown. The grant was offered to businesses that had to either cease trading or lost 50% or more of their sales revenue during the lockdown period.





# Current visitor data snapshot

## Total visitor expenditure



# 1.48 billion

Expenditure from a total of 1.23 million domestic and international visitors



# 1.23 million ↓ 22%

Total visitors



# 5.6 ↓ 0.7 nights

Average nights



# \$1,196 ↓ 0.7%

Average spend per person

## Domestic overnight visitors by type



## Marketing Response

2020-21 remained an unsettling period for international tourism globally, with a continued and direct impact on the NT tourism industry as Australia's borders remained closed for international travel for the entire year.

Tourism NT invested heavily in domestic tourism in an effort to offset international losses and to capitalise on drive visitation. Due to the small resident population in the NT and the progressive closure of the Territory's key interstate source markets, Tourism NT has been unable to stimulate enough demand to replace the overall loss across international and interstate visitation. Notwithstanding, the marketing team have continued to operate a dynamic set of campaigns to be switched on and off based on market opportunity.

Tourism NT has maintained a presence in key markets such as the UK, Germany, North America, China and Japan through the 'Seek Different' brand campaigns to retain a level of awareness globally in preparation for the restart.

## Total visitors by region



**Top End**  
0.892 million ↓17%

**Greater Darwin**  
595,000 ↓21%

**Kakadu Arnhem**  
160,000 ↓9%

**Katherine Daly**  
237,000 ↓30%

**Central**  
389,000 ↓36%

**Barkly**  
67,000 ↓33%

**Alice Springs MacDonnell**  
265,000 ↓33%

**Lasseter**  
144,000 ↓54%

## Top Domestic Markets



### Queensland

Visitors 151,000 ↓24%  
Expenditure \$293M



### New South Wales

Visitors 129,000 ↓23%  
Expenditure \$202M



### South Australia

Visitors 84,000 ↓21%  
Expenditure \$140M



### Victoria

Visitors 64,000 ↓69%  
Expenditure \$127M



### Western Australia

Visitors 47,000 ↓40%  
Expenditure \$76M



# Achieving priority objectives

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 incorporates six priority objectives that, if delivered, will make

a material impact on the trajectory of tourism in the Northern Territory, and the below four pillars underpin the framework. The following is a summary and not exhaustive of all actions taken towards achieving NT's Tourism Industry Strategy 2030 in 2020-21.

 **Marketing**

 **Industry development**

 **Workforce development**

 **Collaboration across industry and government**

## Grow investment in the Northern Territory's remarkable assets, product and regions

- Initiated through the TURBO2 initiative, the Northern Territory Government funded a fourth round of Visitor Experience Enhancement Program (VEEP) in 2021. Overall, the program has provided \$6 million through four funding rounds, with additional private investment of \$15 million, with a total of 239 businesses awarded grants for projects.
- Destination Management Plans (DMP) for Big Rivers region and three Central Australian regions of Alice Springs and MacDonnell Ranges, Lasseter and Barkly were completed in late 2020. A further two DMPs are under development for the East Arnhem Land and Greater Darwin regions, to be released in 2021-22.
- Litchfield National Park road infrastructure upgrades were completed in December 2020, sealing the loop road and bridge over the Finnis River.
- Study NT continued to support international students through the \$5 million NT Government Worker and Wellbeing Fund, promoting the Territory Jobs Board to international students and help them connect to employment opportunities.
- Roadhouse to Recovery grants were delivered to strengthen the drive tourism market offering. Under round one, \$4 million in grants were provided to over 52 operators across the Territory.

## Strengthen and showcase the Northern Territory's distinctive Aboriginal cultural tourism experiences

- The 2021 Territory Arts Trail marketing campaign specifically promoted the Territory's leading Aboriginal cultural experiences to a domestic audience.
- Establishment of the Aboriginal Tourism Committee (ATC) in July 2020 to develop a sustainable Aboriginal tourism sector by 2030, with four meetings held during the financial year.
- Through round two of the Aboriginal Tourism Grants, 14 Aboriginal tourism businesses were supported with over \$220,000 in grants.







### **Governments, all industries and the general public recognise the value of tourism to the Northern Territory**

- In 2020-21, multiple industry events and workshops provided operators with the opportunity to hear from and engage with Tourism NT staff and stakeholders.
- The second Tourism Towards 2030 conference took place in March 2021. This delivered insights on market, national perceptions and provided practical advice to the tourism industry. Optional pre-conference masterclasses were held in both Darwin and Alice Springs.
- Delivered an industry roadshow in September 2020, with information sessions in Alice Springs, Yulara, Tennant Creek, Katherine and Darwin. Key updates on projects such as destination management, strategic marketing activity and the Territory tourism voucher program were delivered at the forum, along with the launch of the Book Now Digital Support program.

### **Leverage and build events to drive visitation**

- Launched a national campaign to promote headline events and showcase the diverse calendar of events available in the NT, for example, Wide Open Space Festival (Alice Springs Region 30 April to 2 May 2021) and Barunga Festival (Katherine Region 11 to 13 June 2021).
- Leveraged NT Major Events Company events to develop exclusive marketing content and activations, including a new partnership between BASSINTHEGRASS and TikTok, and The Ghan and Parrtjima - A Festival in Light.
- Attracted business events to the NT, receiving 66 applications through the NT Business Events Support Fund.
- Retained approximately 60% of business events impacted by COVID-19 that have been rescheduled to be staged in the NT through to 2025.

### **Develop ongoing access to and within the NT**

- Worked towards reinstating domestic flights and introducing new routes. As a result, domestic aviation capacity reached 77% of pre-COVID-19 levels by 30 June 2021.
- Developed the 2021-22 Tourism Road Priorities document to articulate priority infrastructure works that greatly impact tourism, visitor numbers and visitor experience in the Northern Territory.
- Worked collaboratively with the Department of Health to expedite the return of cruise operations within the NT. As at 30 June 2021, limited expedition cruising had recommenced in the NT.
- In 2021, Tourism NT undertook research to support mobile network providers in the round 5A bid in the Australian Government's Mobile Black Spot program to deliver improved coverage and benefits to the Northern Territory.

### **Grow the value of the holiday market in the Northern Territory through strategic marketing activities**

- Achieved 3.54 million page views for Tourism NT product through the Australian Data Warehouse (ATDW) website. Also launched a new integration with Google My Business, allowing all future updates to the ATDW listings to sync with Google.
- The new 'Seek Different' brand campaign, launched in February 2021 helped increase awareness in the domestic markets of the NT's advertising to 45.7% and increase consideration of the NT as a holiday destination.
- NT Summer Sale campaign delivered \$15.5 million in booking value to the NT between October 2020 and March 2021.
- First destination in Australia to incentivise local travel with three rounds of Territory Tourism Vouchers generating over \$26 million in sales.
- Tourism NT's 2020-21 Drive Campaign 'Nothing like a normal road trip' was designed to inspire Australians to fly-drive or selfdrive on their next trip and make the Northern Territory their travel destination. Overall the campaign delivered over 32 million impressions, over 224,000 clicks to [northernterritory.com](https://northernterritory.com) and over 4,000 conversions.