

Northern Territory's Tourism Industry Strategy 2030 Update



**NORTHERN
TERRITORY**
TOURISM NT

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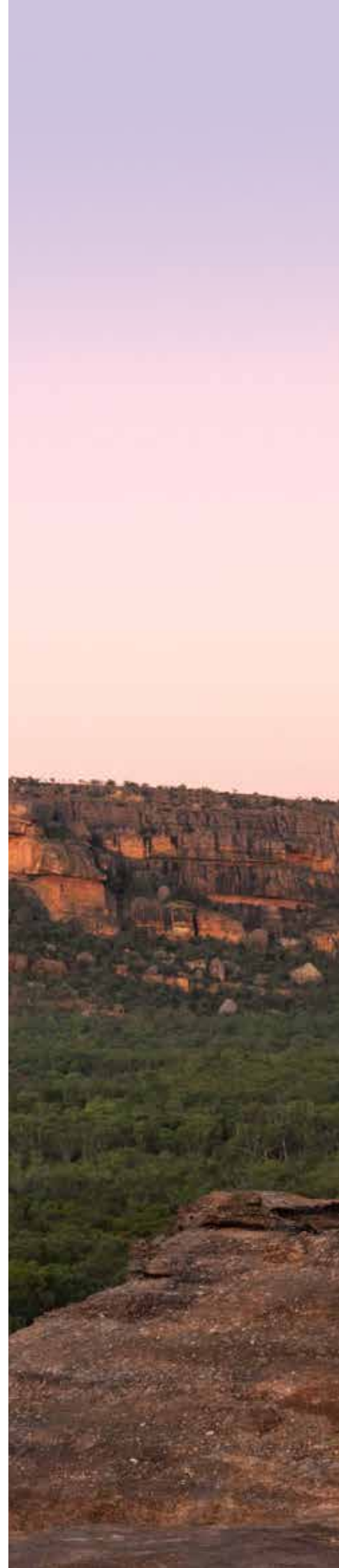
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Front cover: Karlu Karlu/Devils Marbles,
Tennant Creek Barkly Region

Back cover: Outback Ballooning,
Alice Springs



List of acronyms

Term	Full name	Term	Full name
ATC	Aboriginal Tourism Committee	NTMEC	Northern Territory Major Events Company
ADR	Average daily room rate	NVS	National visitor survey
BITRE	Bureau of Infrastructure and Transport Research Economics	PCO	Professional Conference Organiser
CAGR	Compound Annual Growth Rate	RevPAR	Revenue per available room
CPI	Consumer Price Index	RTO	Regional tourism organisations
DITT	Department of Industry, Tourism and Trade	RTSA	Regional Tourism Satellite Account
DMO	Destination Management Organisation	STSA	State Tourism Satellite Account
DMP	Destination Management Plan	TA	Tourism Australia
GSP	Gross state product	TNT	Tourism Northern Territory
GVA	Gross value added	TRA	Tourism Research Australia
IVS	International visitor survey	VFR	Visiting friends and relatives



Nawurlandja Lookout,
Kakadu National Park

Foreword

In September 2019, Tourism NT released the NT's Tourism Industry Strategy 2030 (Strategy), co-developed with both industry and government. The Strategy set out a framework of six priority areas and actions that, if delivered, would positively impact the trajectory of tourism in the Territory. The Strategy set ambitious targets around total holiday visitors and visitor expenditure at 2030.

Within six months of releasing the Strategy, the onset of the COVID-19 pandemic resulted in unprecedented impacts on the global economy and community, with the travel industry among the first and hardest hit. Despite the pandemic setbacks, there have been significant achievements since the launch of the Strategy, with new product and experiences developed, funding secured for major tourism infrastructure enabling projects and upgrades in the Territory's National Parks.

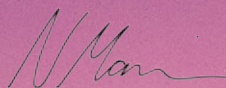
Acknowledging the progress to date from working collectively, this three-year update of the Strategy considers the changes in the operating environment and consumer landscape and identifies three critical themes for the upcoming phase of the Strategy – resolving aviation access issues, reducing seasonality and a recommitment to sustainable tourism practices. A focus on these critical themes embedded within the strategic framework will drive continued efforts across the public and private sectors to support the sustainable growth ambitions of the tourism sector.

This update includes a consideration of the Strategy targets reflecting prevailing macroeconomic factors and acknowledging the significant setbacks since 2020 as a result of the COVID-19 pandemic.

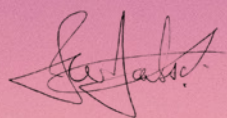
The successful implementation of the Strategy could see total visitation to the Northern Territory reach 2.8 million by 2030, with an associated visitor spend of \$5.3 billion. This is an ambitious target which can only be achieved with industry and government working closely together to realise the opportunities from planned investment and commitments to support the NT Tourism Industry.



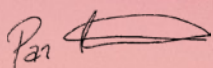
It assumes that identified actions for the current phase of the strategy are implemented with sufficient funding and support from across the Northern Territory and Australian Governments, Regional Tourism Organisations, Land Councils and the broader tourism industry.



The Hon Nicole Manison MLA
Minister for Tourism and Hospitality



Mr Shaun Drabsch
CEO, Department of Industry, Tourism and Trade

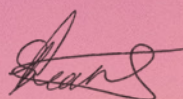


Mr Patrick Bedford
Chair, Tourism Central Australia

There is a strong imperative to work together to implement the priority objectives and actions in the Strategy. We look forward to continuing to work together to see the committed investment realised and to explore innovative approaches to deliver longer term opportunities for the tourism sector in the NT.



Mr Michael Bridge
Chair, Tourism NT



Mr Shaun Pearce
Chair, Tourism Top End





1 Introduction

This document is a three-year update of the NT's Tourism Industry Strategy 2030 (Strategy) which summarises the progress to date on key actions identified and the areas of focus in the remaining years of the Strategy.

1.1 The NT's Tourism Industry Strategy 2030

The Strategy was released in September 2019, setting the direction of tourism in the Northern Territory (NT) for the 10-year period 2020-2030. The Strategy centres around a strategic framework designed to unite efforts across the public and private sectors and shift the performance of the tourism sector in the NT to one of sustainable growth.

The strategic framework incorporates six priority objectives that, if delivered, will make a real and positive impact on the trajectory of tourism in the NT. The priority objectives are:

1. Grow investment in the Northern Territory's remarkable assets, products, and regions.
2. Strengthen and showcase the Northern Territory's distinctive Aboriginal cultural tourism experiences.
3. Through strategic marketing activities grow the value of the holiday market in the Northern Territory.
4. Leverage and build events to drive visitation.
5. Develop ongoing access to and within the Northern Territory.
6. Governments, all industries and the general public recognise of the value of tourism to the Northern Territory.

Each priority includes specific actions to achieve identified goals across the phases of the Strategy to help the tourism sector deliver increasingly diverse, quality tourism experiences to attract more visitors to the NT and to encourage them to spend more time and money in the NT.

1.2 A three-year review

The Strategy includes a commitment to undertake annual reporting and a three-yearly review to ensure it remains relevant through to 2030. This three-year review includes consideration of progress to date on actions and outcomes across the Strategy's priorities and changes in the tourism sector's operating environment to identify critical themes for the upcoming phase of the Strategy, and reconfirm areas of focus, actions and initiatives critical to achieve the ambitions of the Strategy.

The review also includes an update of the Strategy targets reflecting prevailing macroeconomic factors and acknowledging the significant setbacks since 2020 as a result of the COVID-19 pandemic.

2 The journey since 2019

The NT tourism sector was on a strong growth trajectory in 2019 at the launch of the Strategy. After weathering the considerable impact of the COVID-19 pandemic, with the recovery of the sector gaining pace, the industry must now rebuild while leaning into economic headwinds and changes in travel preferences and patterns.

2.1 Achievements

Despite the pandemic setback, there have been significant achievements since the launch of the Strategy, with new product and experiences developed, funding secured for major tourism infrastructure and enabling projects and upgrades in the Territory's National Parks.

Six Destination Management Plans covering all regions in the Northern Territory were developed and released laying the groundwork for collaborative projects to uplift the regions. Strategies to strengthen the drive market, the cruise sector and business events were also released. The NT Aboriginal Tourism Strategy 2020-2030 (Aboriginal Tourism Strategy) was developed to enhance collaboration and outcomes, with an Aboriginal Tourism Committee formed to guide the implementation of the Aboriginal Tourism Strategy.

A new brand platform was launched 'Different in every sense', creating the anchor for a differentiated and unique positioning for the Northern Territory to leverage in the decade ahead.

Crucially, the Strategy is viewed as a central document for strategic alignment across government agencies and local councils, regional tourism organisations and among industry. The wide acceptance of the Strategy as a central document for stakeholders across the sector is a key achievement, and the Strategy update aims to maintain this central position.

2.2 The landscape between 2019 to 2023

The global tourism sector has been shaped by a number of significant events since the launch of the Strategy in September 2019. In the lead up to the release of the Strategy, the Northern Territory's tourism sector was experiencing solid growth in visitors and visitor spend, with the priorities and activities of the Strategy designed to set the foundations for investment, build capability and drive visitation to support existing aviation access. These actions would set the stage for the development of visitor and community enhancing investments and projects.

The onset of COVID-19 in early 2020 dramatically changed the focus, with the tourism sector among the hardest hit industries.

The pandemic disrupted lives across the world and negatively affected global economies. As the pandemic subsided, other factors would challenge the tourism sector in mounting its recovery – workforce shortages, high oil prices due to the war in Ukraine and global supply chain issues resulting in increased costs for businesses and subsequently increased prices for consumers.

The NT Government provided a number of support packages

to assist the tourism sector. This included direct support to tourism operators through a series of financial programs including the \$2 million Tourism Resilience Package and the \$50 million Small Business Survival Fund, along with the \$20 million Territory Tourism Voucher scheme, which encouraged Territorians to explore their backyard and support local tourism businesses.

In the initial phase of recovery, even with increased prices, demand for travel has proven resilient as consumers look to reconnect and make up for missed travel opportunities.

However, rising cost of living pressures has tempered the pace of the recovery and growth of the tourism sector.

Despite the challenges faced by the tourism sector over the last few years, the Northern Territory Government remains committed to the delivery of the Territory's long term tourism strategy. While the pandemic necessitated a shift in focus to short term industry support tactics, work continued on the identified actions to best position the NT for growth as the Strategy shifts to the next phase.



Tiwi Islands

2.3 Importance of tourism for Territorians

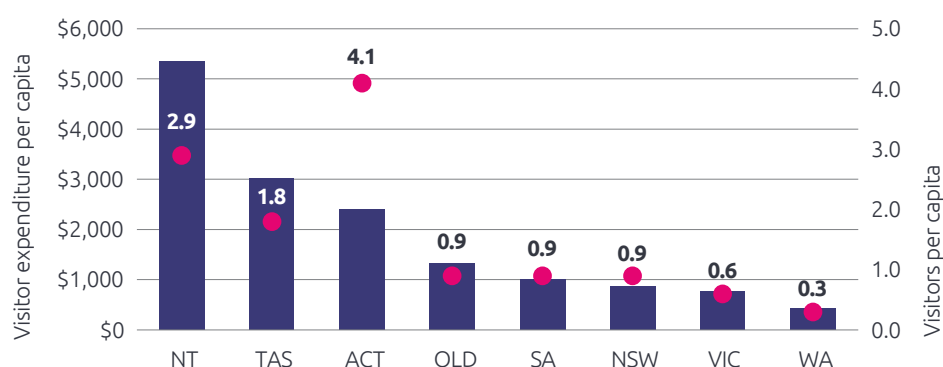
Tourism is an integral part of the Northern Territory economy and a significant contributor across regions. When visitors to the NT spend on accommodation, transport, meals, attractions and tours, this drives economic activity into communities and creates job opportunities for Territorians.

A significant majority of visitor spending in the NT is from outside the NT, with interstate and international visitors accounting for 73% of all tourism spend, a higher share than in any other state or Territory.¹ Tourism's contribution in the NT is especially meaningful given the Territory's relatively small population. Spending by interstate and international visitors contributes more than \$5,300 in visitor expenditure per capita, creating significant additional activity across the

Territory. This represents almost 3 visitors per resident, the second highest after the ACT (Chart 2.1).

Beyond economic benefits, a thriving tourism industry also contributes positively to the liveability of the NT for Territorians. Major events and festivals add to the social fabric and celebration of culture, improved services and road infrastructure supports Territorians in exploring the NT, while enhanced aviation access facilitates business travel, education, health services and the opportunity to reconnect with family and friends, and for holidays. Tourism enhances the lifestyle and vibrancy of the NT, making the Territory a compelling place to visit and an attractive place to live, work and study.

Chart 2.1: Visitor expenditure per capita, 2021-22



Source: Deloitte Access Economics; Tourism Research Australia, State Tourism Satellite Account, 2021-22.

Note: Labels represent visitors per capita.



Cultural Dance at Barunga Festival

¹ Tourism Research Australia, National Visitor Survey and International Visitor Survey (2021-22)

2.4 Importance of tourism for the NT economy

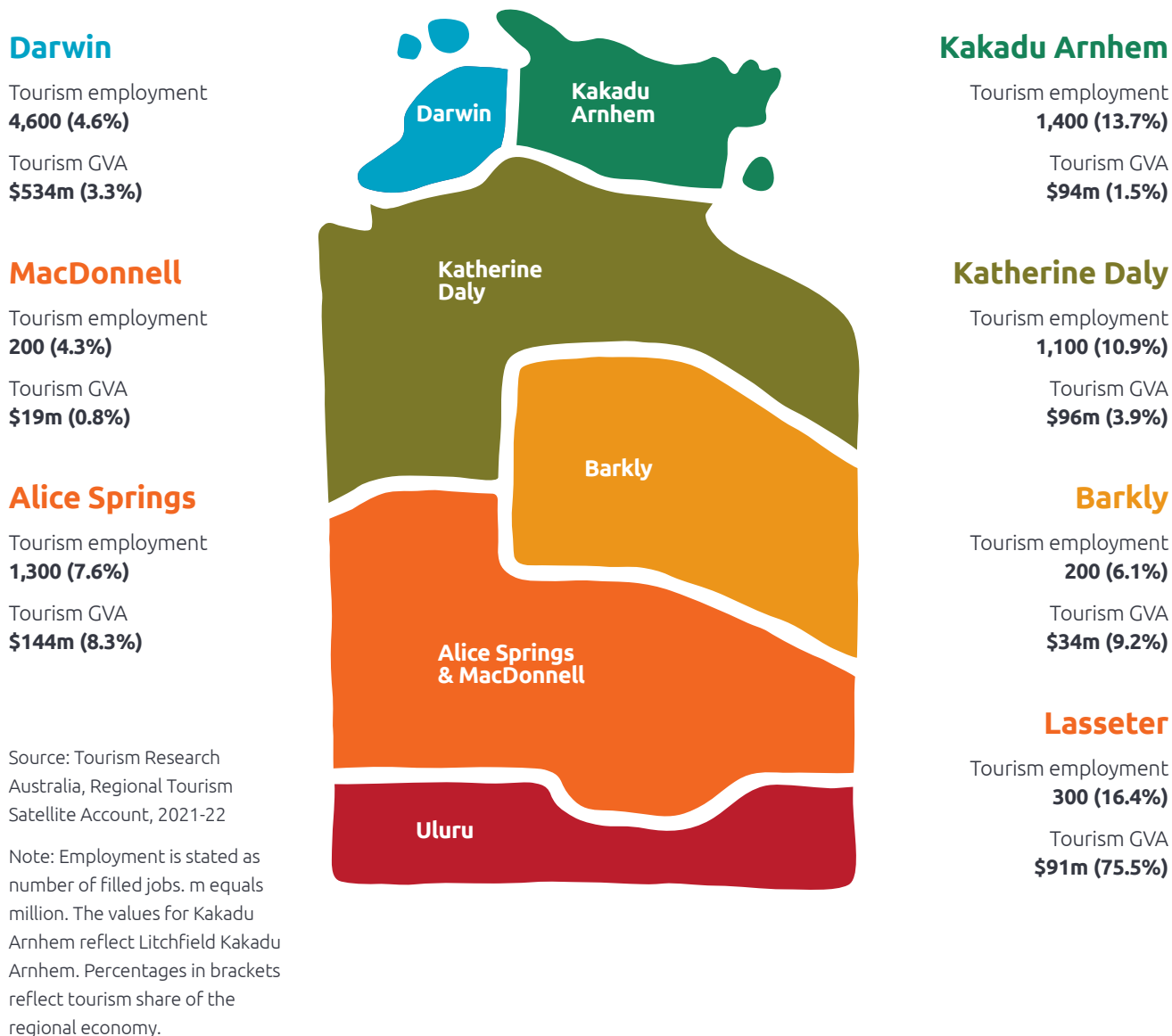
The Northern Territory economy is supported by a strong and resilient tourism sector. While the economic contribution of tourism to the Territory's economy was impacted by the pandemic in recent years, the sector continues to contribute a higher share of gross value added to the NT economy when compared to other jurisdictions, with the exception of Tasmania.

In 2021-2022, tourism in the NT contributed \$1.5 billion to gross value added, 5% of the Territory's economy.

The tourism industry is also a major employer in the NT, supporting 12,500 jobs or 8.5% of all jobs in the Territory.

Tourism is even more critical in some of the Territory's regions. In Kakadu Arnhem, tourism accounts for 14% of jobs, while in Katherine Daly, tourism accounts for 11% of employment (Figure 2.1).

Figure 2.1: Tourism employment and total gross value added, 2021-22



2.5 Looking to the future

The context which underpins the next phase of the Strategy is one of continuing recovery in tourism amid a softening economic environment. Consumer travel trends which were evident prior to the pandemic have solidified, influencing travel priorities, and changing the way travel plans are made and how visitors choose to travel.

Macroeconomic trends

Globally, economic growth is expected to slow as governments work to suppress inflation. Higher costs for daily necessities such as groceries and housing are cutting into household budgets, creating pressure for consumers to reduce discretionary spending. In Australia, the interest rate rises by the Reserve Bank in 2022 and 2023 have added considerable pressure on households, prompting a downgrade in the economic growth outlook. Household spending by the end of 2023 is expected to be below the 2022 level.²

While continued weakness in the Australian exchange rate will encourage the growth of international arrivals, the fragility in the global economic environment will limit market potential.

Higher interest rates and weaker economic growth in Australia will also impact business investment decisions including those relating to tourism product and services, with investors more cautious at least in the short term.

Geopolitical tensions, including the war in Ukraine, have contributed to global supply chain insecurity and higher energy prices clouding tourism sector recovery.

Nature-based experience

Nature-based tourism refers to tourism where the main motivation of travellers is the observation and appreciation of nature, as well as traditional cultures prevailing in natural areas.³ The pandemic highlighted the importance of outdoor spaces, and heightened interest in nature-based activities as travellers sought experiences in wide open spaces to relax and reconnect with themselves, friends and family.

Traveller motivations around nature-based tourism vary widely, from passive engagements for relaxation to more physical activity such as multi-day hikes or mountain bike experiences. Tourism Australia's Future of Travel Demand Research found exploring wilderness ranked in the top 10 of preferred activities for high yield travellers.

The NT is home to a remarkable array of natural and cultural experiences, with the world heritage listed Uluru-Kata Tjuta and Kakadu National Parks distinguishing the Territory from other Australian destinations. These unique offerings position the Territory strongly to effectively respond to the growing demand for experiences in nature-based surroundings.



Uluru-Kata Tjuta National Park

Sustainable tourism

Consumers are placing greater emphasis on sustainability across many aspects of their lives, including travel. Travellers recognise the importance of protecting the planet and are actively looking for ways to reduce their carbon footprint. They are also conscious of having a positive impact on the communities they visit. For this growing cohort of travellers, sustainability is influencing their choice of destination and the type of experience they are seeking.⁴

A survey by Trip.com in 2022 found seven in 10 travellers were actively seeking sustainable travel options.

Sustainable tourism refers to the preservation of the environment and is also linked to the desire to regenerate resources, improve local economies, preserve local cultures and biodiversity while offering memorable, authentic experiences. Research by booking.com found 59% of travellers want to leave the place they visit better than they arrived, and 25% will pay more for travel activities to ensure they are giving back to local communities.⁵

The Northern Territory's expansive natural landscape and rich Aboriginal cultures provide a strong setting to deliver meaningful experiences for the sustainable travel sector.

Wellness travel

Interest in wellness tourism has accelerated with the increased understanding of the importance of mental health, and consumers' increasing focus on their own wellbeing. Recent research by booking.com shows a shift towards unwinding and relaxation during holidays with 42% of travellers looking for a break that focuses on mental and physical health and 44% of travellers interested in meditation or mindfulness retreats.

Wellness tourism is predicted to grow an average of 21% annually through to 2025, according to the Global Wellness Institute. The interest in wellness travel is very much aligned with the growing trend in seeking nature-based experiences in the outdoors. Wellness travel can take a range of forms, from hiking and biking to a spa weekend or yoga retreat. There are therefore a wide range of opportunities within the ecosystem of wellness tourism for destinations and operators to provide unique, differentiated experiences.

² Deloitte Access Economics, Business Outlook, March 2023

³ Tourism Australia, Future of Travel Demand Research, 2022

⁴ World Tourism Organisation

⁵ Booking.com, Sustainable Travel Report 2022

Increased interest for unique, once-in-a-lifetime experiences

Consumer preferences for their next leisure trip are changing. Pandemic-imposed travel restrictions have seen many consumers place greater emphasis on unique, once-in-a-lifetime travel experiences. According to a global American Express survey in 2022, 55% of respondents are planning on taking once-in-a-lifetime trips, which includes visiting far away iconic destinations. Almost half (49%) of millennials are willing to travel solo to their bucket-list destination. In addition, travellers are more willing to spend on experiences and holidays over other goods. Two thirds (65%) of respondents indicated they would rather take a dream holiday than purchase a new car.⁶

Further, travellers are looking to explore new places. Research by Skyscanner suggests travellers are keen to push their boundaries, with almost three quarters (73%) of respondents wanting to experience travel outside of their comfort zone, such as lesser-known cities or exotic destinations.⁷ The Northern Territory's distinct landscapes, experiences, historical and cultural offerings make it a unique, one-of-a-kind destination to Australian and international travellers.

More flexible travel outside peak travel periods

The tourism industry has broadly acknowledged that the pandemic has led to a new segment of travellers who are looking to blend leisure with work. Many global travel CEOs recognise the segment is here to stay and are expecting product strategy and offerings will emerge or shift to cater to this group. An important implication of this trend is its potential to even out seasonal travel trends.

With increased flexibility around work and life arrangements offered to employees, travellers are more able to consider travelling outside of traditional holiday periods, seeking better deals and enjoying destinations without the crowds during peak periods. The spectrum of blending work and holidays is wide, from remote workers, to digital nomads, to those booking workcations with trip extensions. Destinations, especially those with challenges around seasonality, can look to leverage on this segment to better spread-out demand.



BASSINTEHGRASS Music Festival, Mindil Beach, Darwin



Djilpin Arts Cultural Tour, Katherine and surrounds

Aboriginal tourism

The shift to domestic tourism when Australia's international borders were shut brought Aboriginal and Torres Strait Islander (Aboriginal) history and culture to the fore. With rising awareness in experiencing authentic local cultures and traditions, and heightened focus on reconciliation, Aboriginal tourism provides an opportunity to leverage this interest and also elicit meaningful cultural education and two-way learning and understanding.

There is work to be done to harness this demand. According to Tourism Australia's Future of Tourism Demand research, there is a lack of awareness and understanding about Aboriginal tourism experiences in Australia, providing an opportunity to bring to light the breadth and location of these unique drawcard experiences both among Australian travellers and international tourists.

As more than 30% of the Territory population identify as Aboriginal and half of the Territory's land mass is owned by Aboriginal peoples, the NT is uniquely positioned to provide visitors with exceptional Aboriginal culture and tourism experiences.

Tourism also provides an opportunity for Aboriginal Territorians to engage in employment and enterprise opportunities on their country.

Upcoming major events

Australia will be centre stage as host of the 2032 Olympic and Paralympic Games in Queensland. While the host state will enjoy the greatest share of the significant coverage of the Games, these benefits will extend to other states and territories across Australia, and the Northern Territory should look to maximise the potential of these significant events.

There will be opportunities for tourism operators to design event packages that include destinations beyond the host state. International broadcast coverage of the events provides potential promotional platforms to showcase other Australian destinations. Overall, these Games will bring a positive legacy to the whole of Australia, contributing to increased awareness of Australia's tourism offering, which will benefit all states and territories. Strategic and early planning and partnerships should be encouraged to ensure the value generated by investment in these events is shared across all states and territories.

⁶ The 2022 Global Travel Trends Report

⁷ As above

3 Tourism in the Northern Territory

The NT tourism sector is on a strong recovery trajectory, however international tourism is taking some time to return to pre-pandemic levels. In the near term, domestic tourism demand will be the key anchor to support continued recovery across the sector.

3.1 The Northern Territory tourism industry

In 2018-19, the NT welcomed 1.7 million domestic overnight visitors and 294,000 international visitors who contributed \$2.2 billion and \$454 million in visitor spend respectively (Chart 3.1). The Territory recorded strong growth in domestic visitation in the five years to 2018-19, with domestic visitors increasing 6.7% on average per year and spend increasing 6.4%. Growth in international visitors was more modest, with trips increasing 1.6% per annum over the period and expenditure 3.0% (Table 3.1).

Recovery pathway

In 2019-20, the health measures undertaken in response to the COVID-19 pandemic significantly impacted tourism activity in the Territory, with domestic overnight trips and expenditure declining 18% and 25% respectively and international trips and expenditure down 21% and 26%.

In 2020-21, with a number of interstate border restrictions in place across Australia for much of the year, Territorians were largely limited to travelling within the NT. Intra-Territory travel in 2020-21 surpassed pre-pandemic levels, with a record 725,000 trips (+15% on 2018-19 levels), although expenditure was down 16%. Interstate travel declined to 50% of 2019 levels while international travel was effectively non-existent with international borders remaining shut.

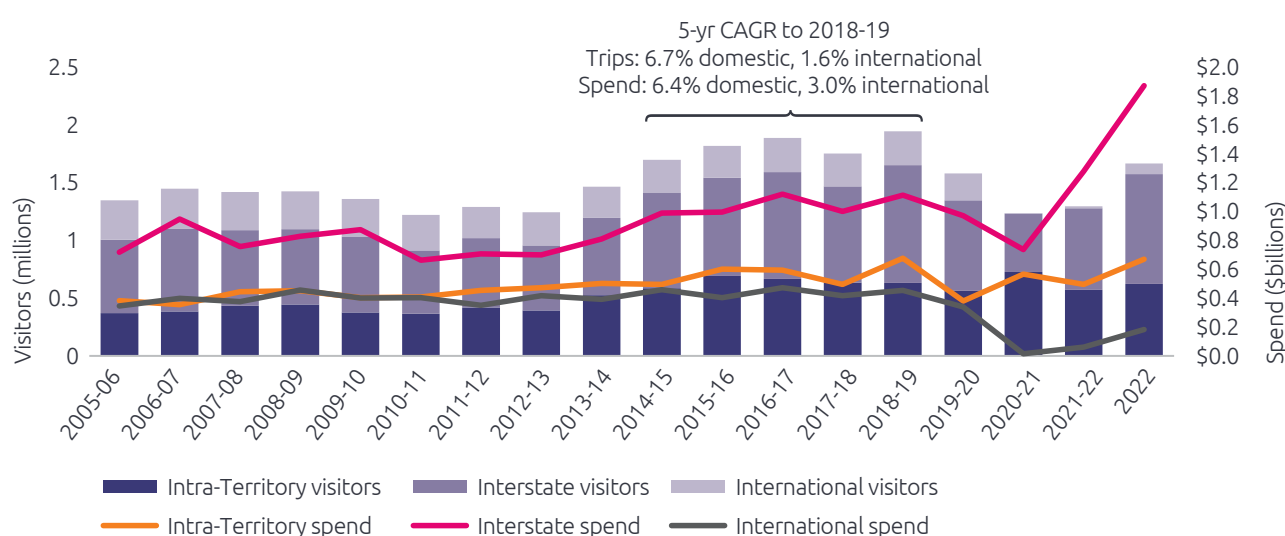
As domestic border restrictions relaxed, interstate travel

gradually resumed across 2021 and 2022. Interstate travel to the NT rebounded strongly in 2021-22 to 705,000 visitors and \$1.6 billion in visitor expenditure. The increase in visitor expenditure can be attributed to the significant uplift in travel costs as a result of high inflation and supply constraints. International travel to the NT was significantly impacted for most of 2021-22, with borders only fully opened to vaccinated travellers in late February 2022. This saw international visitors and expenditure at only 6% and 13% of 2018-19 levels (Table 3.1).

The tourism sector in the NT is on a solid recovery path. NT welcomed 1.3 million visitors spending \$1.8 billion in 2021-22, reaching 67% and 99% of 2018-19 levels. This is almost entirely attributed to domestic travel, with domestic tourists accounting for 99% and 97% of visitors and expenditure (Chart 3.2).

Most recent data from Tourism Research Australia to the end of 2022 highlights the continuing recovery momentum of the sector, with 1.7 million visitors and \$2.7 billion in visitor expenditure with the NT's tourism sector achieving 83% of 2019 visitation levels and 120% of 2019 visitor expenditure levels. These results include a strong increase in international arrivals to 90,000 at the end of 2022 (30% of 2019 levels) generating around \$180 million in expenditure (41% of 2019 levels).

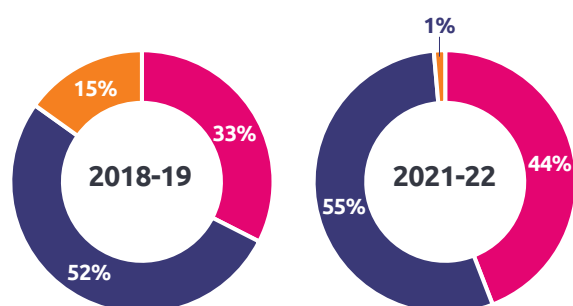
Chart 3.1: Visitors and visitor expenditure in the Northern Territory



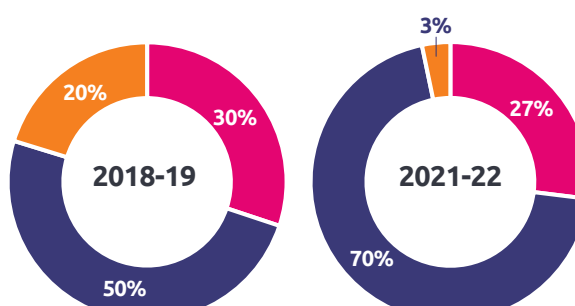
Note: Intra-Territory spend is based on regional spend and interstate spend is based on destination spend.

Chart 3.2: Shift in visitor and visitor expenditure during recovery from COVID-19 impacts

Visitors



Expenditure



● Interstate ● Intra-Territory ● International

Table 3.1: Average annual growth and recovery

	Visitation (CAGR)	Share recovered		Expenditure (CAGR)	Share recovered	
	2013-14 to 2018-19	2021-22	2022	2013-14 to 2018-19	2021-22	2022
Intra-Territory	3.8%	90%	100%	6.1%	73%	123%
Interstate	8.8%	69%	88%	6.6%	115%	144%
Domestic	6.7%	77%	92%	6.4%	99%	137%
International	1.6%	6%	30%	3.0%	13%	41%
Total	5.8%	67%	83%	5.7%	82%	119%

Source: Tourism Research Australia.

Note: International Visitor Survey has inputted estimates from April 2022 to latest release. Share recovered for 2021-22 compares to 2018-19, and in the case of 2022 compares to 2019.

Domestic holiday visitors to the NT

In 2018-19, around 37% or 630,000 of the Northern Territory's domestic overnight visitors were holiday visitors. These holiday visitors spent \$769 million, 43% of total domestic overnight visitor expenditure.

The pandemic put a stop to all non-essential travel from March 2020, which resulted in a 6% decline in holiday visitors in 2019-20 to 600,000, while expenditure fell 12% to \$678 million. Interstate travel across Australia remained impacted through 2020 and most of 2021, due to internal border restrictions.

With Territory residents largely confined to holiday within the NT in 2020-21, Territorians took a record 368,000 intra-Territory holiday trips (up 68% on 2018-19 levels) and spent \$263 million (similarly up 68% compared to 2018-19).

The domestic holiday market rebounded strongly in 2021-22, with expenditure reaching \$1.1 billion, up 46% on 2018-19 levels. Domestic overnight holiday trips were up 10% to 694,000, underpinned by record intra-Territory travel. In 2021-22, interstate holiday trips were almost back to pre-pandemic levels (4% down on 2018-19), with the

recovery in spend outpacing visitation to reach \$942 million, 54% up on 2018-19 levels.

In the 2022 calendar year, domestic holiday travel surpassed pre-pandemic levels, with trips up 10% on 2019, and expenditure up more than 60%.

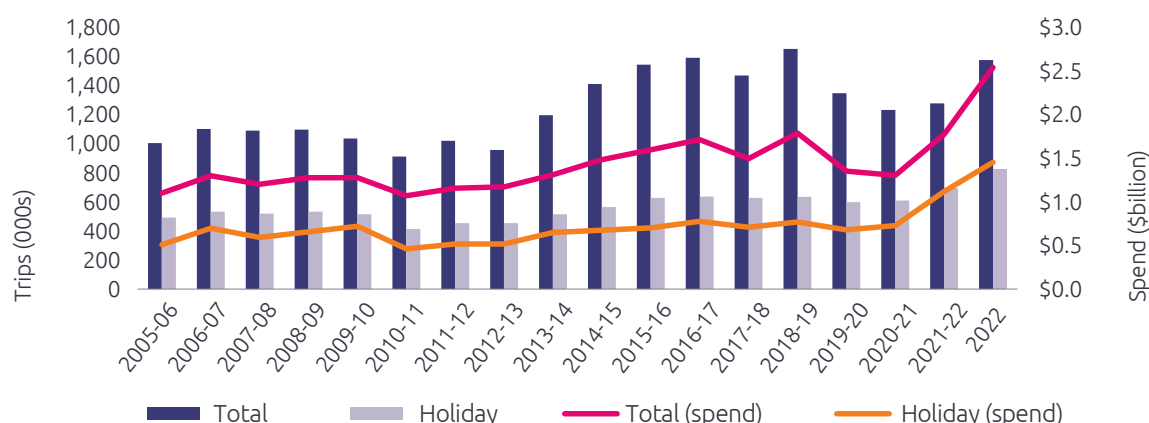
Travel behaviours

- In 2021-22, 76% of domestic interstate holiday visitors flew to the NT. The NT is more dependent on air access compared to the national average, where 50% of interstate travellers flew to their holiday destinations.
- Given the relatively low share of the visiting friends and relatives (VFR) segment in the NT, a large share of domestic holiday travellers stay in commercial accommodation.
- In 2021-22, around 43% of domestic holiday travellers in the NT stayed in a hotel for part of their trip, higher than the national average of 32%. The proportion of domestic holiday travellers who stayed in a hotel has remained similar to the pre-pandemic period (44%).

Shifting travel patterns

- The pandemic saw an increase in the share of holiday trips to 53% of total domestic trips (up 15 percentage points on holiday's pre-COVID share). The share of spending by holiday visitors jumped from 43% to 63% of domestic spend in the NT in 2021-22 compared to 2018-19. Among interstate visitors in this period, the holiday segment accounted for almost three quarters of interstate spend (Chart 3.3).
- The average length of stay for holiday trips in the NT increased in the three years to 2021-22, from 2.1 nights to 2.6 nights among intra-Territory travellers and from 7.3 nights to 8.2 nights among interstate visitors.
- The age profile of interstate holiday travellers to the NT shifted upwards, with 55% of travellers in 2021-22 aged over 55 years compared to 42% of travellers in 2018-19 (Chart 3.4). Travellers aged 45-54 years, which represented a quarter of the interstate holiday segment pre-pandemic, declined to 9% in 2021-22.
- Most domestic holiday travellers in the NT in 2021-22 either travelled as a couple (35%) or with family, friends or relatives (49%, down from 56% in 2018-19). In this period, the share of solo travellers increased from 11% in 2018-19 to 15%.

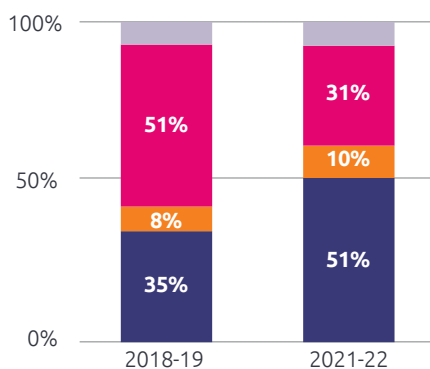
Chart 3.3: Domestic visitors and spend in the Northern Territory



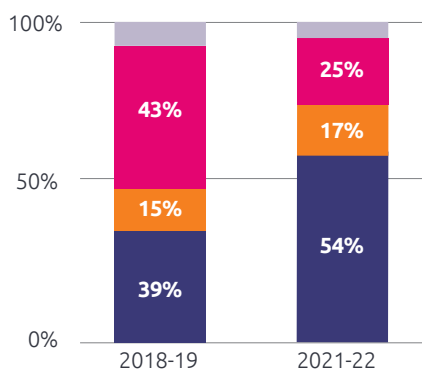
Note: Intra-Territory spend is based on regional spend and interstate spend is based on destination spend.

Domestic visitors

Intra-Territory

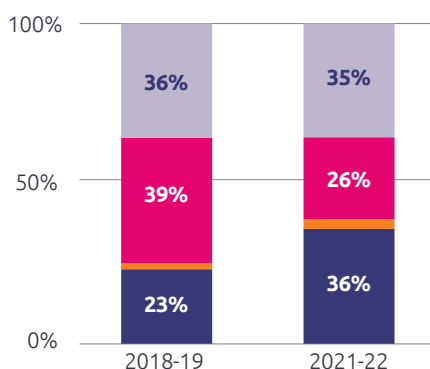


Interstate

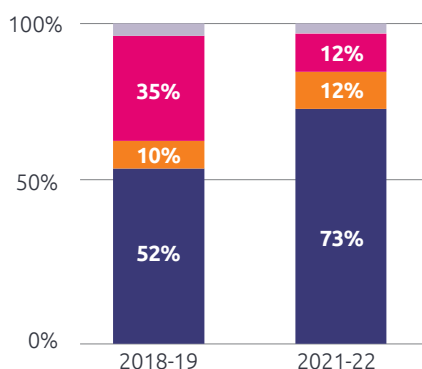


Domestic spend (\$billion)

Intra-Territory



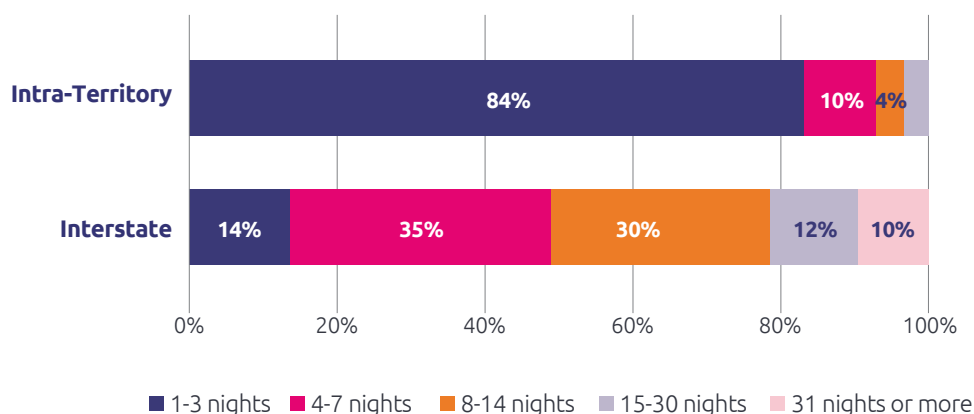
Interstate



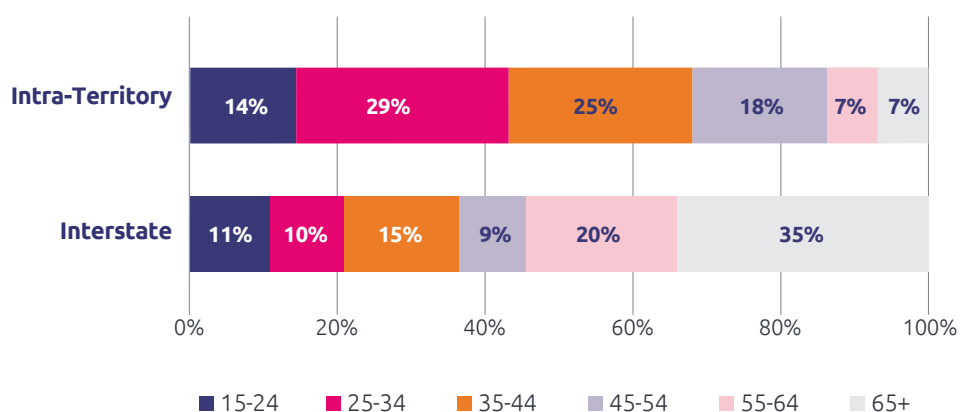
Holiday
 VFR
 Business
 Other

Chart 3.4: Travel characteristics of domestic overnight holiday visitors in the NT, 2021-22

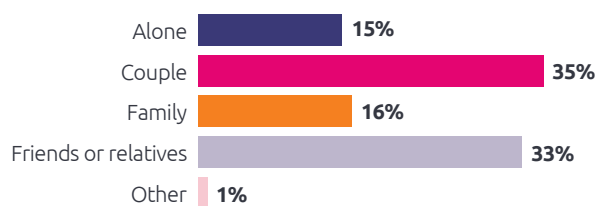
Length of stay



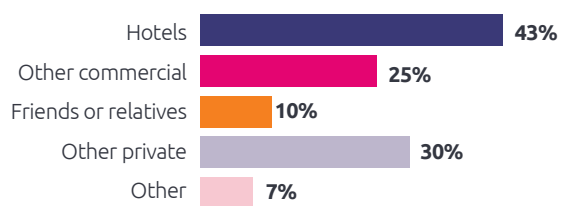
Age group



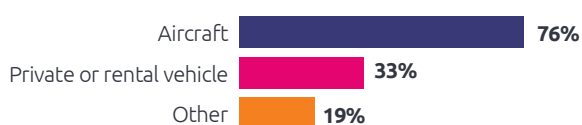
Travel party



Accommodation



Transport



Source: Tourism Research Australia
 Note: The transport chart refers to interstate visitors only. Other private accommodation refers to homestead, own residences, caravan park, etc. Percentages do not add to 100% as one trip can involve more than one mode of transport or accommodation

International holiday visitors to the NT

Given the absence of international visitors over the pandemic-impacted years, the following profile of international holiday visitors draws from travel patterns and behaviour of international visitors to the NT in 2018-19.

More than eight in ten international visitors to the Northern Territory in 2018-19 were holiday visitors (83%, or 251,000 visitors). They spent \$362 million, 80% of all expenditure by international visitors. Holiday visitors to the NT increased 2.8% on average in the five years to 2018-19, while international visitor holiday spend increased 5.0% on average each year over the same period (Chart 3.5).

International holiday visitors to the NT are generally a younger cohort than their domestic counterparts, with almost four in ten international holiday visitors under the age of 34 in 2018-19. Around three quarters of international holiday visitors either travelled alone (36%) or as a couple (39%).

More than nine in ten (or 93%) international holiday visitors stayed in commercial accommodation, with almost 70% staying in hotels for at least part of their visit.

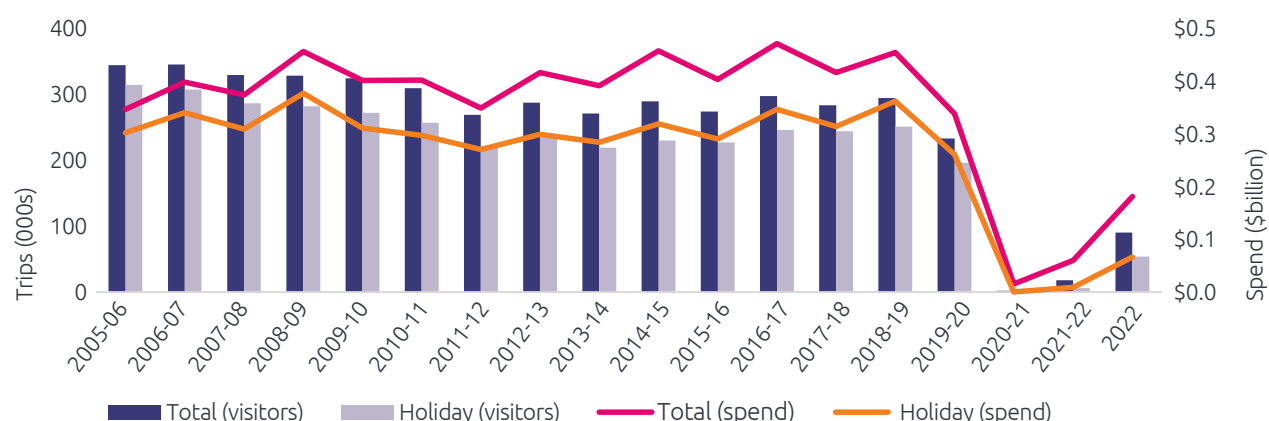
International holiday visitors are more likely to travel by air to the NT (76%), with bus or coach (22%) and private vehicle or rental car (19%) as common modes of transport once in the Northern Territory.

In 2018-19, the international holiday visitor mix to the NT reflected predominantly traditional markets to Australia. Japan, USA, UK, Germany and France were the top five international holiday source markets. The Japanese holiday market increased an impressive 62% in 2018-19, driven by the rush to climb Uluru pre-climb closure, placing Japan as the top holiday source market for the Territory. The USA source market also showed a 6% increase, while other markets among the top five experienced declines with holiday visitors from the UK, Germany and France down 30%, 8% and 12% respectively, in that year.

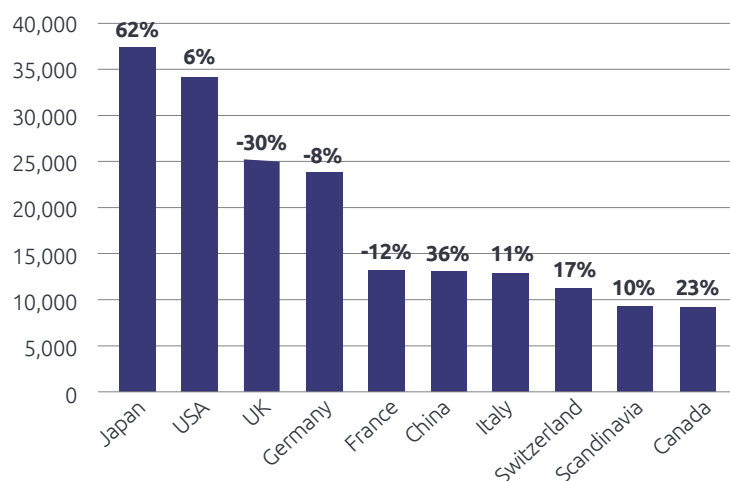
While China was Australia's largest inbound holiday market in 2018-19, Chinese holiday visitors to the NT made up only 5% of NT's international holiday segment. Despite being of relatively small volume (13,000), there was growing interest for travel to the NT, with Chinese holiday visitors recording 36% growth in 2018-19 compared to the previous period, and up 5,900 (or 122% growth) from 2014-15.

Note: Tourism Research Australia imputed IVS estimates from the March quarter 2020 to June quarter 2022 due to COVID-19 related international border closures and insufficient sample size of interviews. As imputation was applied at an aggregate level, granular disaggregation of the data during this period are not available. China as noted here does not include Hong Kong or Taiwan.

Chart 3.5: International visitors and spend in the Northern Territory



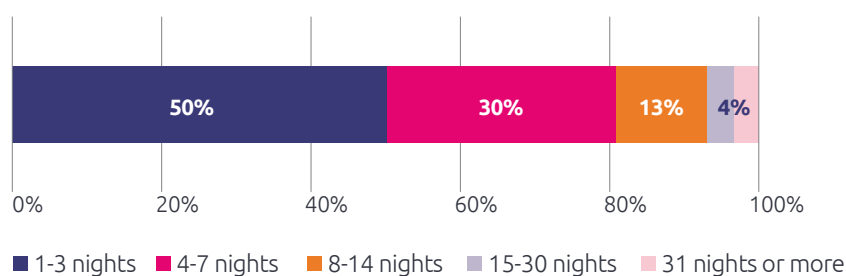
Top NT International holiday source markets 2018-19



Percentages represent change over 2017-18

Chart 3.6: Travel characteristics of international holiday visitors in the NT, 2018-19

Length of stay



Age group

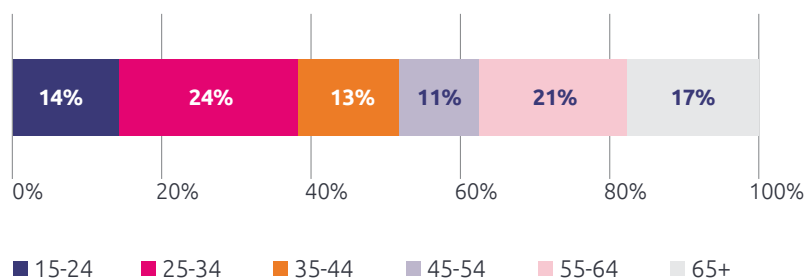
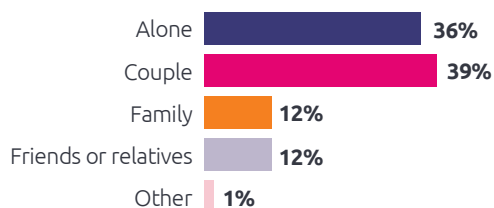
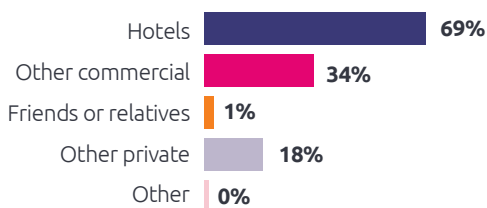


Chart 3.6: Travel characteristics of international holiday visitors in the NT, 2018-19

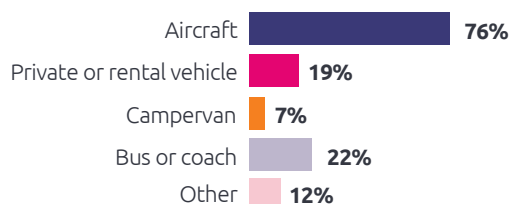
Travel party



Accommodation



Transport



Source: Tourism Research Australia

Note: Other private accommodation refers to homestead, own residences, caravan park, etc. Percentages do not add to 100% as one trip can involve more than one mode of transport or accommodation

3.2 Supply side considerations

Aviation

The NT's Tourism Industry Strategy 2030 identified developing ongoing access to and within the Territory as a critical priority. The COVID-19 pandemic severely impacted aviation in Australia and globally as countries closed their borders and states in Australia imposed travel restrictions.

While the operational disruption was widespread and prolonged, the Northern Territory Government capitalised on strategic opportunities, such as working closely with Qantas to develop an E190 aircraft base at Darwin International Airport. This project was negotiated through 2021 and formalised in early 2022, creating new Territory jobs and enabling development of new aviation routes.

In 2019, the NT had direct international services from China, Singapore, Indonesia and Timor Leste. Airlines ceased all regular international passenger services to the Territory from March 2020 when the Australian government introduced the international travel ban, due to the pandemic.

The NT had a temporary uplift in international capacity in 2021 and 2022 as Qantas redirected flights from Melbourne to London via Darwin from November 2021 to June 2022 given uncertainty around reopening of the Western Australia border. Testing requirements for passengers through Singapore around the same time led Qantas to redirect its Sydney to London services via Darwin instead of Singapore. Both services resumed previous operating routes via Perth and Singapore by June 2022.

Since the lifting of the international travel ban to Australia in late February 2022 (other than services from Shenzhen, China to Darwin), international services to the NT have gradually resumed, though capacity remained at around 62% of 2019 levels as at June 2023.

At the beginning of 2022, Singapore Airlines restarted passenger services between Singapore and Darwin (at a reduced capacity relative to 2019), and Jetstar restarted services between Denpasar and Darwin (at 2019 levels). Previous services from Shenzhen to Darwin have not resumed as at June 2023.

More than half (56%) of international visitors to the NT arrive via domestic services from other Australian airports making domestic aviation access critical to the return of international visitors to the Territory. Direct domestic services to the NT from all Australian major airports recommenced by the end of 2022.

However, services have been inconsistent, especially in the case of Ayers Rock Airport (servicing Uluru) and Alice Springs. These airports, in particular Ayers Rock, have a relatively high share of demand from the international market compared to the rest of the Territory and the slower recovery of international visitors has had a flow on impact to feeder domestic services (e.g. Brisbane to Uluru). While passenger demand is returning, the aviation industry, like many others is facing other headwinds such as staff and skills shortages, supply chain disruptions, higher costs and high interest rates.

Accommodation

The accommodation sector was also hard hit by the pandemic. While some accommodation providers shifted their operations to meet quarantine demand, many closed their doors.

As at June 2019, there were around 100 hotel style properties and 9,200 rooms in the NT.⁸ Room inventory declined to a low of 6,900 room by June 2020. Two years later, in June 2022, hotel rooms inventory recovered to 96% of 2019 level. Capacity in motels, private hotels and guest houses increased to 114% of 2019 capacity, while capacity at holiday parks was 152% of 2019 levels (Chart 3.7).

The hotel sector performed strongly in 2021-22 (Chart 3.8), with occupancy rates in the second half of 2021-22 ahead of the same period in 2018-19, reaching 81% in June 2022, 11 percentage points higher than June 2019. Average daily rates were up 37% on 2018-19 levels to \$197. That said, there was a high degree of variability across regions, with performance in Central Australia lagging that of the Top End.

Workforce

COVID-19 had a devastating impact on the visitor economy workforce. The sharp decline in visitor demand led to large workforce reductions for many tourism businesses. While travel demand is rebounding, the sector is facing significant worker and skills shortages.

At the end of 2018-19, there were 16,800 tourism filled jobs in the NT. The effects of the pandemic reduced the number of jobs to a low of 9,800 (42% decline) in 2020-21. As at June 2022, the workforce supporting NT's tourism sector had recovered to 12,500 (or 74%) of pre-pandemic job numbers.



⁸ STR data as at June 2019

Chart 3.7: Accommodation supply by type, 2018-19 and 2021-22

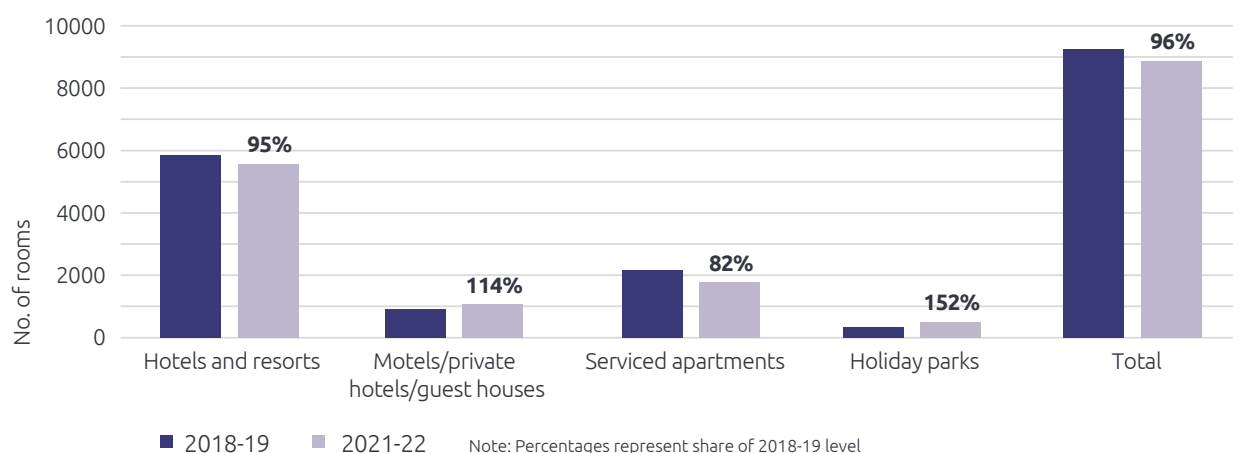
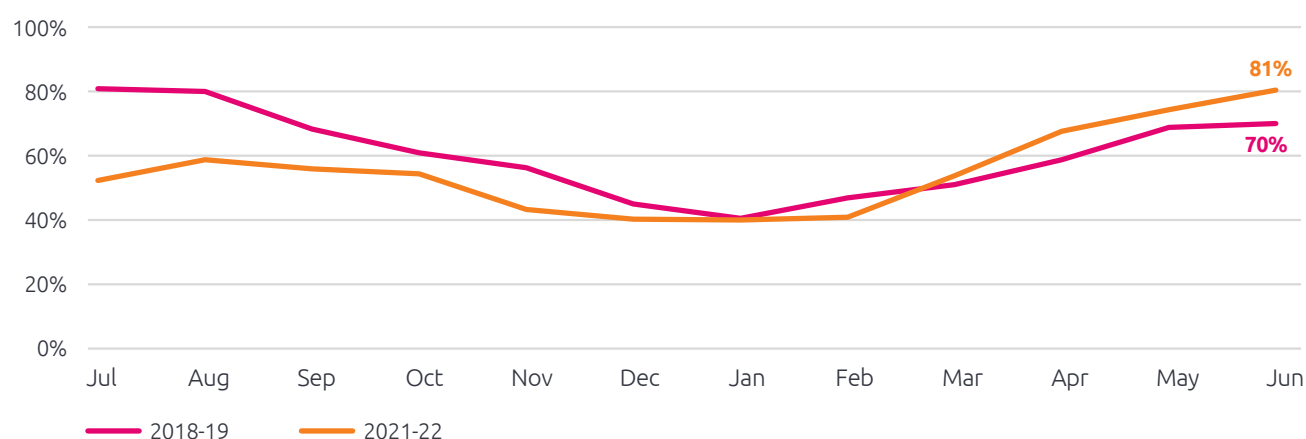
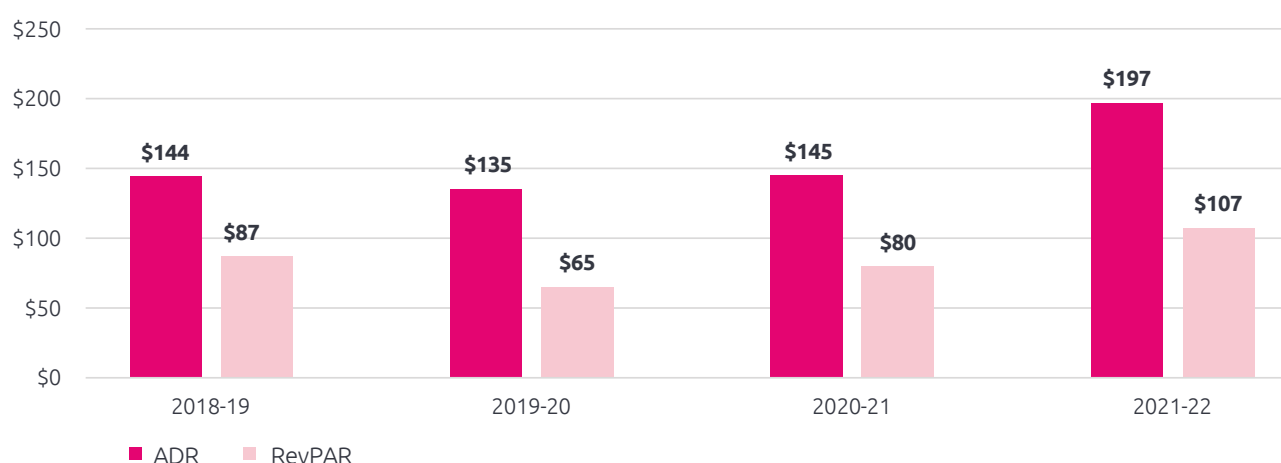


Chart 3.8: Hotel performance, 2018-19 to 2021-22 hotels, resorts and serviced apartments

Average occupancy rate



Average occupancy rate average daily room rates (ADR) and Revenue per available room (RevPAR)



Source: STR Global, Australian Accommodation Monitor

4 NT's Tourism Industry Strategy 2030

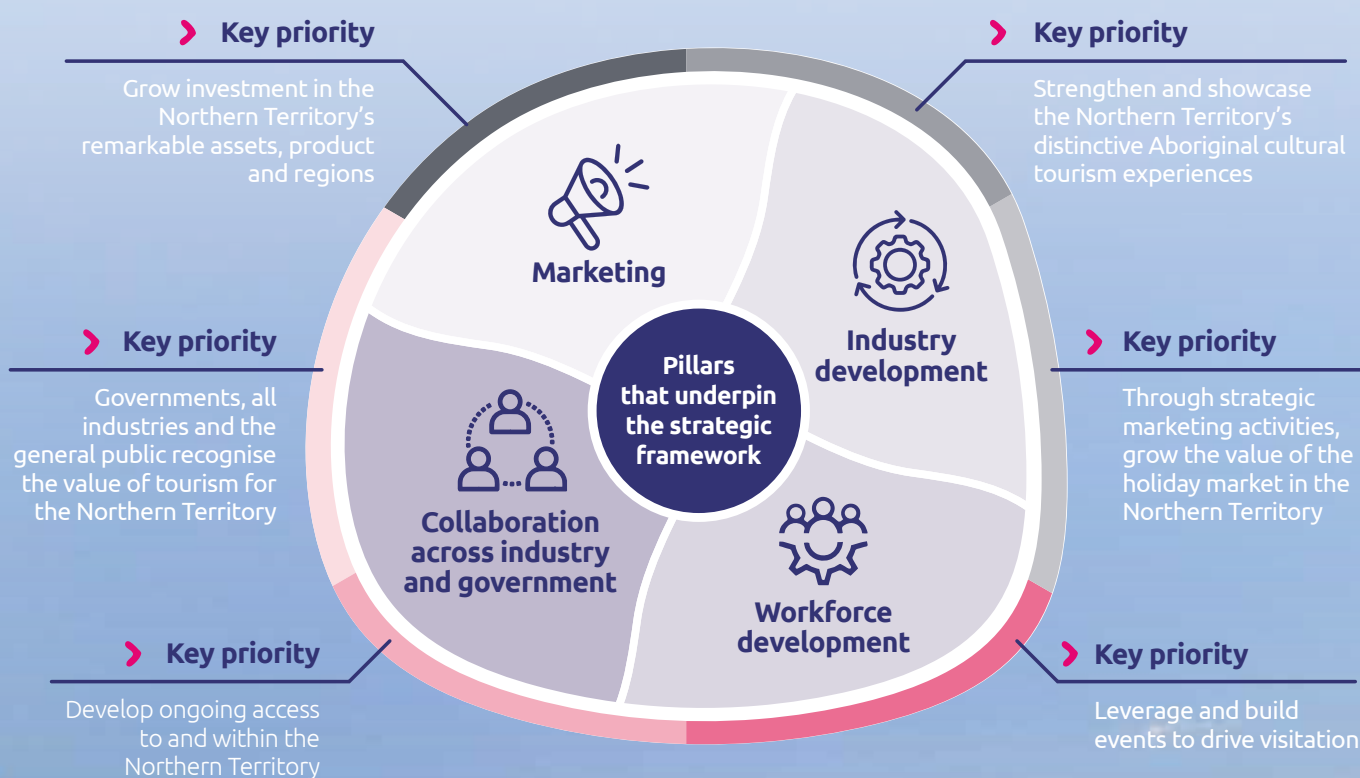
Delivering the priorities in the NT's Tourism Industry Strategy 2030 requires the commitment and involvement of all parts of the tourism sector. This includes Tourism NT, NT Government, local councils, NT Land Councils, regional tourism organisations and industry bodies, tourism industry and operators, regional development committees and the Territory community.

4.1 Strategic framework

The NT's Tourism Industry Strategy 2030 strategic framework was designed to unite efforts across the public and private sectors, with priorities and actions targeted towards shifting the performance of the tourism sector in the Northern Territory to one of sustainable growth. The strategic framework continues to be relevant as tourism recovers from the impacts of COVID-19 and as the Strategy shifts to a new phase.

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 four pillars which underpin the framework. A number of specific actions in each priority objective have been delivered or progressed in the initial phase of the Strategy (2019-2022). Continuing and new activities within each priority objective to ensure the Strategy's success have been identified for the current phase (2023-2026) and next phase (2027-2030) of the Strategy.

Figure 4.1: NT's Tourism Industry Strategy 2030 strategic framework



4.2 Delivery partners

Progress to date reflects the united efforts across public and private sectors to deliver on the priority actions and initiatives. As the Strategy moves into the next phase, the strategic framework remains a blueprint for continued collaboration and actions to contribute to the tourism industry's development.

Specific actions outline responsibilities across industry and local, Territory and Australian governments, as well as

other partners including Land Councils. The overarching responsibility for coordinating the implementation, reporting and regular review of the Strategy will lie with the Department of Industry, Tourism and Trade; however, industry will play a key role in these activities, with Tourism Top End and Tourism Central Australia supporting industry in taking action to meet the Strategy's objectives.

Table 4.1: Key delivery partners of NT's Tourism Industry Strategy 2030

Organisation	Role
Department of Industry, Tourism and Trade	Overarching NT Government agency to support the tourism sector in achieving the long-term tourism Strategy targets
Other NT Government departments	Prioritise and support tourism-focused policies to support sector growth
Local governments	Support local tourism industry, infrastructure planning and investment facilitation
NT Land Councils	Facilitate discussion with Traditional Landowners and Aboriginal peoples with an interest in land targeted for tourism development
NT Parks and Wildlife	Support tourism investment in NT parks by prioritising market-led tourism development proposals that align to the investment framework
Tourism Australia	Delivery of international marketing programs that support the profiling of the Northern Territory within an Australian holiday itinerary
Austrade	Support the development of the Australian tourism export sector
Regional Tourism Organisations	Provision of visitor information services, intra-Territory marketing, advocacy for the sector and support implementation of Destination Management Plans
Tourism industry	Deliver high quality visitor experiences that showcase NT's unique tourism assets
Aboriginal Tourism Committee	Oversee implementation of the Northern Territory Aboriginal Tourism Strategy 2020-2030
NT Major Events Company	Deliver and fund key major events in the Territory, which are a significant driver of visitation to the NT
Airports	Partner with Tourism NT in ongoing engagement with domestic and international airlines to grow aviation access
Darwin Port	Identify and progress opportunities to enhance cruise infrastructure to support the growth of the NT cruise tourism industry



4.3 Broader strategic framework

An important suite of tourism-focused strategies and plans have been developed and delivered either concurrently or as a result of the Strategy. Sitting alongside tourism strategies are a broader set of Territory wide or national strategies and initiatives that collectively contribute towards uplifting the Northern Territory as a unique and compelling tourist destination

Tourism-focused strategies including the suite of Destination Management Plans, the Northern Territory Aboriginal Tourism Strategy 2020-2030, and the Northern Territory Drive Tourism Strategy 2021-2030, articulate the key priority actions and initiatives across regions and industry segments which cascade to help achieve the ambitions of the Strategy.

Figure 4.2:
Tourism-focused
and enabling
strategies



Other related plans and strategies such as the *NT Planning System Reform* and *Infrastructure Plan and Pipeline* and *NT Parks Masterplan* also play important roles in facilitating and enabling critical developments which impact the potential of the tourism sector. These plans prioritise and support the development of important visitor product and services to attract increased visitation to the NT.

Other Northern Australian and federal plans and initiatives also enable the development of the tourism sector in the NT. A key example is *Thrive 2030: The Re-imagined Visitor Economy*, Australia's national long term tourism strategy. The key policy themes and priorities under *Thrive 2030* are aligned and relevant to the Strategy. In particular, actions related to growing a secure and resilient workforce (e.g. through reforms in the Working Holiday Making visa program) and enhancing visitor infrastructure (e.g. improvement to national parks and World Heritage Areas such as in Kakadu National Park) will contribute to the success of the NT's tourism sector.

Northern Territory plans and initiatives

- Territory Economic Reconstruction Commission Report
- NT Planning System Reform
- Creative Industries Strategy 2020-2024
- Jabiru Masterplan 2018-2028
- NT Infrastructure Plan and Pipeline 2022
- NT Parks Masterplan 2022-2052
- Darwin City Deal

Northern Australia or nation-wide plans and initiatives

- Thrive 2030: The Re-imagined Visitor Economy
- Major Projects Facilitation Agency
- Australia's North West Strategic Plan 2021-2026
- Growing Regions Program



- **Northern Territory Aboriginal Tourism Strategy 2020-2030** sets a vision for the NT to be the undeniable leader in the Aboriginal tourism sector. It presents the opportunity to grow the Territory's tourism experience offerings to showcase the NT's distinctive and diverse Aboriginal cultures. The Aboriginal Tourism Strategy is focused on strengthening the NT's living cultures, communities, lives, spaces and interactions for each other and visitors. Implementation is also focused on achieving broader economic and employment opportunities for Aboriginal people in regional and remote communities across the Territory.
- **Destination Management Plans (DMPs)** have been developed for each of the Big Rivers, Alice Springs and MacDonnell Ranges, Barkly, Lasseter, East Arnhem Land and Greater Darwin regions. Each DMP outlines specific actions to activate opportunities, address gaps and prioritise product development to meet visitor demand. The DMPs serve as informative documents for regional stakeholders to guide management and investment decisions within the destinations.
- **Northern Territory Drive Tourism Strategy 2021-2030** (Drive Tourism Strategy) identifies key product and market opportunities to develop the NT offering as a drive destination for the holiday market. The Drive Tourism Strategy is anchored on four key areas – attracting new growth markets, improving the current visitor experience, increasing regional dispersal and enhancing brand reputation.
- **Long-Term Business Events Strategy 2030** seeks to guide the growth of the Territory's business events sector, with an aim to deliver \$68 million in delegate expenditure to the NT economy by 2030. The main strategic pillars are to ensure the NT remains competitive, the governance framework remains appropriate, industry partnerships are maximised and aligned to NT's goals, and that infrastructure and services meet competitive standards.
- **Northern Territory Cruise Tourism Strategy 2022-2025** provides direction on the initiatives required to promote the NT as a desirable cruise destination, and outlines key areas of focus to grow the cruise sector and support the NT's tourism aspirations in line with the objectives of the NT's Tourism Industry Strategy 2030. Specific actions are outlined under each of four strategic pillars of cruise ship attraction, onshore experience, infrastructure and operational support services, and communication and collaboration.
- **NT Sustainable Tourism Action Plan** seeks to develop tourism as a positive driver for sustainable development and the conservation of the NT's natural and cultural landscape and heritage. The Plan is designed to help the NT Government achieve its objectives of 50% renewable energy by 2030 and net zero emissions by 2050.

4.4 Key themes for the next phase

The NT's Tourism Industry Strategy 2030 provides the strategic direction for the NT tourism sector and government to grow the sector through a set of priorities and implementation plans. In the three years since its release, there has been major changes in the macro environment and the tourism sector. As the Strategy enters the next phase, there are specific areas which require greater focus to ensure the ambitions of the Strategy are achieved.

Resolving aviation access issues

Improving access to and across the NT, through air, road, sea and rail was and remains a critical priority in the Strategy. Key actions outlined for the earliest phase of the Strategy were diverted given the impacts of COVID-19. Darwin became the base for Qantas' direct London services, while an E190 staff base was also established.

Rebuilding and increasing aviation capacity will be critically important in the remaining years of the Strategy. As the pandemic disrupted existing air routes and relationships with Australian and global carriers, the next phase of the Strategy requires significant focus on rebuilding priority air routes. This requires working with partners to rebuild confidence and to increase frequency and overall capacity to restore a baseline of aviation capacity to support the tourism sector's requirements. Tourism NT will work with airports to implement the Territory Aviation Attraction Scheme to streamline and support NT's aviation attraction effort with a focus on the establishment of new interstate and international routes.

The immediate focus is to rebuild aviation access to mirror pre-pandemic levels, including re-establishing previous international routes to China, Singapore and Indonesia. Given the role of domestic routes in servicing both interstate and international visitors, rebuilding and then maintaining these routes will be critical to reset the tourism sector in the NT on a positive footing from an aviation capacity perspective. The increase in long range narrow body aircraft among international fleets creates new opportunities for the NT to increase connectivity with Asia as a northern gateway to Australia.

Reducing seasonality

The Northern Territory faces one of the country's most extreme weather profiles resulting in significant seasonal swings in visitor demand and activity. Historical messaging around the wet and dry seasons and the closure of key tourist attractions have deterred travellers, limiting the key tourist season in the Northern Territory, especially in the Top End.

While the Strategy identified an ambition to move to increase demand in the shoulder and off season, the shift in visitor patterns during the pandemic provided some initial momentum with visitors travelling to the NT outside of the usual season.

Tourism NT has sought to drive visitation during the shoulder seasons, adjusting the timing of marketing activities. However, addressing seasonality will require a whole-of-industry and government effort to ensure a range of tourism product and experiences are available to visitors year-round.

All weather access, event and entertainment infrastructure will be critical to deliver a year round visitor offering.

Partner campaigns with hotels and airlines can be used to drive demand, though this must be supported by appropriate air services to support access to the Territory during shoulder seasons. Ongoing industry engagement, education and communications will be required to reset the understanding of potential visitors, and expectations of tourism operators, partners and stakeholders.

Commitment to sustainability practices

Sustainability is of paramount importance to the tourism sector and must be given the right focus as the industry recovers from the effects of the pandemic and works towards long term growth.

Sustainability is a growing consideration for consumers as they increasingly expect and preference travel choices that provide socially responsible and climate-friendly options. Sustainable travel considerations extend beyond environmental sustainability, to include the cultural and socioeconomic wellbeing of local communities.

The urgency for businesses to adapt and transition to the impacts of climate change is more evident than ever, with the tourism sector and visitor experience closely connected to the environment and climate itself. Also, as significant emitter of greenhouse gas emissions, the tourism sector must take steps to measure, monitor and reduce its carbon footprint.

The tourism sector in the NT can demonstrate significant benefits to local communities when managed sustainably. By investing in positive change, the NT can gain a competitive advantage while preserving natural and cultural resources, protecting biodiversity and reducing carbon emissions. As a result, the industry will benefit from increased bookings, reduced operating costs and enhanced reputation, and the sector will positively contribute to NT Government's net zero emission targets.

Actions to be implemented as part of the Strategy need to consider, advocate and educate for sustainability. This will drive investment to develop the NT as a compelling destination for authentic sustainable travel and highlight the benefits of sustainability to businesses, the environment and the local community.

4.5 Critical pillars

The strategic framework includes the four pillars below, which are integral to the success of the Strategy. A continuing focus on these pillars underpins delivery of the actions and initiatives outlined across the framework's priorities, ultimately enabling the industry to maximise outcomes and ensuring governments and industry work collaboratively on the actions identified in the Strategy.



Workforce development

Attracting and retaining staff with the right skills is critical to the success of the tourism industry in the Northern Territory. The challenge of finding workers was exacerbated by the pandemic and international border closures, given the important role international working holidaymakers play in the NT's tourism sector.

The issues identified in the development of the Strategy were the ability to hire local staff, accessing overseas staff, difficulties retaining staff and challenges in providing staff with appropriate training. These issues remain relevant and are even more prominent in remote and regional areas, where tourism is a bigger employer.

Initiatives to help develop the workforce include raising awareness of tourism-related careers, ensuring appropriate migration arrangements are in place, minimising the burden of hiring and training and ensuring the adequacy of skills training programs.



Marketing

Capitalising on the NT's strategic position and unique tourism offerings is imperative to achieving the 2030 vision for the industry. Raising destination awareness through marketing is critical to the industry and is a key role of government agencies for a sector that comprises largely of small businesses.

Marketing initiatives will be crucial enablers for the Strategy's key priorities, such as building demand for Aboriginal tourism experiences, marketing the Territory's remarkable product and regions, boosting visitation during low seasons, and driving awareness of the NT and the intention to travel.

With the tourism sector comprising primarily of small businesses, many with limited budgets to reach consumers, the role of the NT government in marketing the Territory holistically to visitors and investors will be critical. A coordinated marketing strategy across key government agencies such as Tourism NT, Invest NT and NT Major Events Company will enable consistency in messaging and destination positioning.



Collaboration across industry and government

Leveraging the collective power of industry and government is vital to achieve the Strategy objectives. Promoting tourism's importance to the Territory among businesses, community, and government is also a key priority.

Across the suite of tourism-focused strategies, a number of cross-government and industry groups have been established to support the delivery of initiatives, ensuring a continuous focus on progress against objectives. Project Implementation Teams were set up to oversee the actions identified in the Destination Management Plans. An Aboriginal Tourism Committee was formed to guide implementation of the Aboriginal Tourism Strategy.

The Cruise Activation Working Group, which was established to promote cruise opportunities and experiences identified in the earlier NT Cruise Sector Activation Plan 2015-2020, will continue to drive the next phase of activation outlined in the NT Cruise Tourism Strategy 2022-2025. Key industry and government partners were identified to lead each action to deliver the NT Drive Tourism Strategy 2021-2030.



Industry development

Industry development is critical to the successful implementation of the Strategy. The six Destination Management Plans will continue to anchor and direct industry and government efforts in developing the respective regions to harness tourism growth opportunities.

A number of industry training initiatives have been delivered in the initial phase, aiming to develop industry capacity and capability to offer quality visitor experiences. Continued investment is required to deliver ongoing training and skills support initiatives to enhance the sector's capacity to offer quality and sustainable tourism experiences.

The development and maintenance of effective relationships among government, businesses, and Aboriginal tourism operators is imperative to industry development. There is also a need to build tourism business capability through targeted programs, to encourage and foster a culture of collaboration and provide industry development support, especially in regional areas.



Bitter Springs,
Elsey National Park

Priority: **Grow investment in the Northern Territory's remarkable assets, product and regions**

Targeted investment by both government and the private sector in the Northern Territory's remarkable product and regions remains a critical priority to drive holiday visitation to the Northern Territory and to ensure the ambitions of the Strategy are achieved. The initial phase of the Strategy sought to establish the foundation to grow and facilitate investment, with continuing focus required in the next three years.

The forward years will focus on confirming and facilitating the pipeline of tourism-focused and enabling projects identified in the initial phase, continuing to assist proponents to navigate the approval and development process. Regular monitoring and reporting on individual projects will be critical to ensure continued industry support and private sector confidence. Positive engagement with Aboriginal land owners and Land Councils will be required to keep tourism investment priorities top of mind and to build recognition of the value and benefits these investments can bring to the local economy and community.








Investments and funding commitments relating to high profile enabling infrastructure including sealing the Mereenie Loop Road, the National Aboriginal Art Gallery in Alice Springs, the Darwin Convention Centre hotel and the NT Art Gallery have created significant momentum. In addition, a series of programs delivered during the pandemic, including the Visitor Experience Enhancement Program and the Tourism Town Asset Program have helped to progress key projects identified in the Destination Management Plans.

Achievements and progress

- Destination Management Plans (DMPs) have been developed for all regions across the Territory in consultation with RTOs, local councils, industry and the community identifying opportunities and priorities for tourism development at a regional level, with annual report cards released tracking progress against activities.
- New visitor product and experiences were delivered across the Territory with the support of six rounds of the Visitor Experience Enhancement Program, the Roadhouse to Recovery grants, and the Tourism Town Asset Program, among other industry development initiatives.
- New product and experiences have been developed, including the new high end outback accommodation Finnis River Lodge, the Hermannsburg Historic Precinct upgrades and progress on the delivery of a Convention Centre hotel at the Darwin Waterfront.
- Funding secured for major tourism infrastructure projects including the National Aboriginal Art Gallery of Australia, Darwin Waterfront development including support for an internationally branded hotel, along with key enabling projects such as sealing the Mereenie Loop drive route and the establishment of the Qantas E190 staff base.

- Critical infrastructure in the Territory's National Parks was delivered including road upgrades and opening of Central Valley in Litchfield National Park to encourage greater visitor dispersal within the Park.



Initial phase 2019-2022		Current phase 2023-2026 Delivery	Next phase 2027-2030 - Acceleration
Goals	Set the foundations for investment	Secure investment in remarkable assets, product and regions	Deliver investment in remarkable assets, product and regions
Actions	Work with Land Councils, Traditional Owners and Government agencies to assist proponents and investors to realise tourism outcomes		
	Develop Destination Management Plans	 Refresh Destination Management Plans as required and continue to implement	
	Identify priority segments for the Northern Territory	 Deliver new experiences and product identified in Destination Management Plans	
		Support delivery of key visitor projects in the NT National Parks Masterplan and Parks Australia managed parks	
		Continue to support delivery of the National Aboriginal Art Gallery of Australia in Alice Springs, the NT Art Gallery and Larrakia Cultural Centre in Darwin	
	Prioritise and implement a facilitated investment process for priority projects		
	Identify and advocate for essential infrastructure delivery to support tourism development such as water and housing		
Delivery partners	Department of Industry, Tourism and Trade, NT Land Councils, Tourism NT, Australian Government, Regional Tourism Organisations and tourism industry, NT Parks and Wildlife, Parks Australia		
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

Actions

Work with Land Councils, Traditional Owners and Government agencies to assist proponents and investors to realise tourism outcomes

The Aboriginal Land Rights (Northern Territory) Act 1976 requires investors to seek approval from Traditional Owners for developments on Aboriginal land. As a result of this requirement, there are essential steps that must be taken for investors seeking to develop tourism product in the NT. The initial phase of the Strategy set the foundation to facilitate the process through a number of initiatives to understand and address barriers, identify and pursue opportunities, review funding requirements, and produce toolkits and training programs to support industry.

Continuing work will be required to further establish these processes, along with increased effort to communicate with Traditional Owner groups about the benefits investment in tourism can contribute to their communities and region.

Refresh Destination Management Plans

The six Destination Management Plans (DMPs) developed since the release of the Strategy provide overarching guidance for the sustainable growth of the visitor economy of each region. The DMPs reflect the strengths and ambitions of each region and identify specific projects and initiatives to deliver on each region's potential. They are intended as a shared document for stakeholders to plan and manage the regions to 2030. In the development of the DMPs, a Project Implementation Team (PIT) was established for each region, drawing participants from across Territory government departments, relevant local councils and local Aboriginal representative bodies. The PIT has responsibility for regularly reviewing progress against the initiatives and projects reflected in each DMP, identifying challenges and working collaboratively with stakeholders to deliver the identified projects and initiatives.

There is a need to review and refresh the membership of PITs and lead agencies for identified actions, and provide targeted support for projects to build and reinvigorate momentum and maintain stakeholder interest and commitment to the outcomes of the DMPs. Critical to maintaining confidence is the annual progress report and score card to track and share progress with stakeholders and the community more broadly.

Deliver new experiences and products as identified in the Destination Management Plans

In the process of developing the DMPs, new experiences, infrastructure and tourism product were identified for each region to fill gaps in the existing offering, to differentiate the NT from other destinations and to improve the visitor experience to drive demand over time. These are typically smaller investments in products within each region which are important in the make up of the overall visitor experience. The DMPs have also identified areas where greater collaboration is needed to deliver these experiences and products.

Product development and support for investments should be aligned with the DMPs to maximise the efficient use of resources to advance tourism outcomes for the regions.

Tourism NT, together with other government agencies, Hospitality NT and RTOs will continue to deliver the Business Enterprise Program and other industry support programs to help the industry develop, grow and deliver world class visitor experiences.

Support delivery of key visitor projects in the NT Parks Masterplan and Parks Australia managed parks

Tourism is one of the nine key themes identified in the NT Parks Masterplan 2023-53. One of the goals under the tourism theme is to establish a strong framework for tourism development in national parks to attract investment that will increase visitation while meeting the conservation value and role of national parks. The Masterplan outlines a commitment to prioritise partnerships with operators to demonstrate an appreciation for low impact and sustainable tourism development, well aligned to Tourism NT's Sustainable Tourism Action Plan. The NT Parks 10 year Activation Plan identified that tourism development should be directed in a way that is acceptable to Traditional Owners and the broader community.

National parks and reserves are a mainstay of the tourism offering in the Northern Territory. It is paramount that the whole of NT Government provides the necessary support to deliver key visitor projects that will attract visitation, improve the tourism experience while meeting the preferences of Territorians around recreation and tourism product development to preserve the natural and cultural environment.⁹

Continue to support delivery of the National Aboriginal Art Gallery in Alice Springs

The National Aboriginal Art Gallery to be build at the Anzac Oval site in Alice Springs will display, celebrate and interpret Aboriginal and Torres Strait Islander art. The Gallery will be a unique attraction for visitors and will create and support ongoing local jobs for Aboriginal people. The Gallery has the potential to be transformative for the region, enticing both national and international visitors to Alice Springs and surrounds, generating economic and social benefits for the region including increased aviation connectivity for visitors and Territorians, increased demand for accommodation, tours and attractions and supporting new and existing businesses. Importantly, the Gallery will offer sustainable tourism opportunities geared towards educating visitors on local Aboriginal cultures and history.

Through it's role on the steering committee, Tourism NT, along with NT Government stakeholders, continue to facilitate support for the National Aboriginal Art Gallery development.

⁹ NT Parks 10 Year Activation Plan

Prioritise and implement a facilitated investment process for priority projects

Continuing effort is required to support the delivery of key tourism infrastructure and product development priorities. This includes prioritising infrastructure and product development opportunities in the Destination Management Plans and identifying the best pathway for investment attraction and delivery. Key research pieces to inform feasibility will be required to ensure that on-ground capacity across our regions will meet the demand targets.

Together with InvestNT, proactively work with tourism investors to support quality development outcomes aligned to the Strategy implementation, for the benefit of all Territorians.

Continue to prioritise and advocate for catalytic tourism projects, enhancing intergovernmental and broader stakeholder support for their progression from conception to planning, development and construction.

Identify and advocate for essential infrastructure delivery to support tourism development such as water and housing.

In many regional locations across the Northern Territory availability of water and affordable housing is constraining the ability for destinations to grow, limiting accommodation development for visitors and staff and becoming a detractor for enterprise development or expansion.

Work across Government to ensure business case alignment on the delivery of essential infrastructure, such as water and housing, supports tourism development objectives.

Outcomes

The Strategy's targeted outcomes of growing investment in the NT's remarkable assets, product and regions remain highly relevant as the tourism sector strives towards 2030. A strong pipeline of tourism offerings is essential to cement the NT's positioning.

Increase visitation and expenditure in all Northern Territory tourism regions

Investment in new product and experiences in the NT will increase visitation and expenditure to the Territory

Source: National and International Visitor Surveys, Tourism Research Australia

Increase private sector investment in all Northern Territory tourism regions

It is imperative to attract and facilitate private sector investment in the tourism sector with government playing a key enabling and facilitation role.

Source: Destination Management Plan reporting

Increase visitor satisfaction with Northern Territory tourism experiences

New product and experiences and investment into existing products should lead to improved visitor satisfaction of tourism experiences in the NT, which will have a positive impact on NT's long term destination brand.

Source: ReviewPro





Standley Chasm, Tjoritja / West
MacDonnell National Park













Priority:

Strengthen and showcase the NT's distinctive Aboriginal cultural tourism experiences

With its distinctive and diverse Aboriginal cultures, the Territory is well positioned to reinforce its positioning as Australia's undeniable leader in Aboriginal tourism. Tourism has the potential to provide social and economic benefits for Aboriginal custodians and communities by respectfully sharing their cultures. Work to support this priority is progressing, with the initial phase aimed at developing supply-side capability through the delivery of tourism-focused support for Aboriginal tourism operators and Aboriginal entrepreneurs. Additional and increased diversity in Aboriginal tourism experiences were also identified as key priorities in the Destination Management Plans across the Territory.

The development of the Northern Territory Aboriginal Tourism Strategy 2020-2030, the establishment of the Aboriginal Tourism Committee to guide implementation of the Aboriginal Tourism Strategy, and annual report cards have set solid foundations and accountability. The focus in forward years will be on continuing to build on the momentum achieved to date in implementing the Aboriginal Tourism Strategy, including building partnerships and capacity to support the development of Aboriginal tourism product, empowering communities and supporting entrepreneurs.

There is rising interest among travellers to experience and respectfully engage with authentic Aboriginal people and cultures. Supporting the development of Aboriginal tourism experiences and capability building is a critical priority, core to the tourism offering in the NT requiring continued focus throughout the Strategy period and beyond. Further, there is increasing interest from other jurisdictions who are growing their investment and focus in building their respective Aboriginal and Torres Strait Islander tourism sector.

Initial phase 2019-2022		Current phase 2023-2026	Next phase 2027-2030
Goals	Embrace the NT's distinctive Aboriginal cultures	Build capacity and diversity in Aboriginal tourism and increase offerings	Establish the NT as a destination with a strong Aboriginal tourism offering and maintain consistent support for operators
Actions	Increase Aboriginal tourism content and capture and elevate diversity of experiences in marketing programs 		
	Identify gaps in Aboriginal tourism product 	Encourage development of Aboriginal tourism product to meet gaps 	
	Review skills and training support needs 	Increase the number of trade ready Aboriginal owned tourism businesses and strengthen the NT's representation in Tourism Australia's Discover Aboriginal Tourism Experiences  	
	Review and deliver business support needs 	Deliver an Aboriginal Cultural Tourism Framework and practical tool to support entry into the tourism sector 	
	Establish a representative structure for NT Aboriginal tourism  	Deliver an Aboriginal tourism business accelerator program to support aspiring entrepreneurs to understand the opportunities and business acumen required to get into tourism 	
		Encourage uptake of the case management support and mentor programs delivered by other Government and non-Government organisations 	
Delivery partners	Aboriginal Tourism Committee, Tourism NT, Australian Government, Regional Tourism Organisations and tourism industry		
Outcomes	Northern Territory is a leading destination to experience Aboriginal culture	Increased proportion of interstate and international visitors experience Aboriginal culture in the Northern Territory	Increased Aboriginal tourism product available

Achievements and progress

- The Northern Territory Aboriginal Tourism Strategy 2020-2030 was released in 2019.
- An Aboriginal Tourism Committee (ATC) was established to guide the implementation of the Aboriginal Tourism Strategy and be the representative structure for NT's Aboriginal tourism sector.
- A dedicated Director Aboriginal Tourism was appointed to Tourism NT.
- Delivered the inaugural Aboriginal Tourism Forum in November 2022 attended by 130 participants, with more than 50% of delegates identifying as Aboriginal.
- Increased focus in showcasing Aboriginal events including Parrtjima and Barunga
- Implemented the first dedicated domestic Aboriginal tourism marketing campaign to promote the NT's Aboriginal cultural experiences.

- The ATC led a delegation of Aboriginal Territorians and tourism operators to the World Indigenous Tourism Summit in Perth in March 2023.
- Delivered a 'how to travel responsibly on Country' video in collaboration with the ATC.



Guluyambi Cruise, Kakadu National Park

Actions

Increase Aboriginal tourism content capture and elevate diversity of experiences in marketing programs

Ongoing work is needed to build on the momentum achieved in the initial phase of the Strategy to strengthen and further integrate Aboriginal culture and tourism offerings as part of NT's tourism appeal. Close collaboration with Aboriginal tourism operators is needed to promote the diversity of Aboriginal cultural experiences and protocols in the Territory. The use of events to showcase and celebrate the NT's Aboriginal cultures should be encouraged where possible.

New Aboriginal cultural attractions like the Larrakia Cultural Centre in Darwin, the National Aboriginal Art Gallery in Alice Springs and art centres featured on the Arts Trail will continue to be activation sites to showcase Aboriginal cultures through exhibitions and immersive experiences.

Ongoing work will continue to showcase NT's unique Aboriginal tourism products and experiences in Tourism NT's marketing content.

Increase the number of trade ready Aboriginal owned tourism businesses and strengthen the NT's representation in Tourism Australia's Discover Aboriginal Tourism Experiences

Growing the number of trade ready Aboriginal owned tourism businesses is key to the overall NT Aboriginal tourism ecosystem to promote industry capacity and capability, which will support the growth of Aboriginal employment and income generation streams. Businesses will be encouraged to leverage the range of business support and mentoring programs available to them to establish their businesses and be trade ready.

Over time, the objective will be to strengthen NT's representation in Tourism Australia's Discover Aboriginal Tourism Experiences - a national collection of quality, authentic Aboriginal guided tourism offerings, and part of Tourism Australia's Signature Experiences of Australia Program that packages and promotes Australia's outstanding tourism products.

There will be continued focus to develop the capacity and capability of Aboriginal owned tourism operators in the NT throughout the Strategy period and beyond.

Encourage development of Aboriginal tourism product to meet gaps

The focus in the next few years will shift to developing Aboriginal tourism product to address the gaps identified in the initial phase of the Strategy. Government will play an important supporting role to ensure the settings for investment are right, for example, by providing the necessary enabling basic infrastructure as identified in the DMPs. Tourism NT, together with other government agencies and local councils, will continue to market opportunities to investors and operators.

Developing high quality authentic Aboriginal tourism experiences is key to positioning the Territory as the leader in the Aboriginal tourism sector in Australia. Tourism NT, together with industry partners and other government agencies, will look to provide the necessary support and advice for new Aboriginal tourism product development, including growing the industry's capability and capacity to meet growing demand for Aboriginal tourism experiences.

Deliver an Aboriginal Cultural Tourism Framework and toolkit to assist Aboriginal Territorians with bespoke, relevant and practical tools to get into the tourism sector

There is a need to ensure that existing Aboriginal tourism products are meeting market expectations and where gaps are identified, the appropriate support is provided to expand or enhance existing businesses or develop new product in alignment with market demand. To support Aboriginal and non-Aboriginal tourism operators, a set of culturally-focused guidelines can be used to guide business and product development of Aboriginal tourism product. Practical tools and resources can be made available to assist operators to implement the guidelines.

Tourism NT will develop an Aboriginal Cultural Tourism Framework which aims to support Aboriginal-owned businesses and to equip Aboriginal Territorians with a suite of tools and resources to enable the development of new tourism product offerings and experiences.

Deliver an Aboriginal tourism business accelerator program to support aspiring entrepreneurs to understand the opportunities and business acumen required to get into tourism

The Aboriginal tourism business accelerator program will be designed specifically for tourism-focused aspirants in the NT, and comprise of formal training of practical skills, connections with mentors and introductions to networks in the tourism sector.

Tourism NT will partner with Indigenous Business Australia to develop and deliver an Aboriginal cultural tourism focused business accelerator program tailored to Aboriginal entrepreneurs, with the objective of building the interest and confidence of Aboriginal Territorians and enterprises joining the tourism sector and increasing the inventory of available Aboriginal cultural experiences for visitors.

Encourage uptake of the case management support and mentor programs delivered by other Government and non-Government organisations

Tourism NT will actively promote the uptake of business support and mentoring programs available to the NT's tourism industry. Examples of such programs include:

The First Nations Tourism Mentoring Program – a free mentoring program offered by the National Indigenous Australians Agency for Aboriginal and Torres Strait Islander tourism businesses across Australia, matching businesses with skilled and experienced mentors. This program is designed to support mentees to grow their tourism businesses and achieve their business goals. Mentees will have access to expert advice, tailored learning, and culturally respectful industry specialists.

The Small Business Champions program offered by the NT Government provides an opportunity to work one-on-one with a small business champion who can help identify the types of support needed by Aboriginal tourism businesses and entrepreneurs. Support can include areas such as networking, contacts, information, tools and resources.

There are also a number of non-Government organisations working in the sector. An example is NT Indigenous Business and Employment Hub, a one-stop shop, providing a range of tailored business support services, networking and office and meeting facilities to help Aboriginal businesses and entrepreneurs in the NT to grow and thrive.

Continue to partner with agencies working in the sector to support Aboriginal tourism business development in the NT.

Outcomes

The Strategy's targeted outcome of strengthening and showcasing the NT's distinctive Aboriginal cultural tourism experiences remains highly relevant. With the continuing strong interest in cultural and heritage experiences, the Northern Territory is well placed to reinforce its positioning as Australia's undeniable leader in Aboriginal tourism, while delivering economic benefits and employment opportunities to Aboriginal people and empowering Aboriginal communities to preserve and share their culture with visitors.

Northern Territory is a leading destination to experience Aboriginal cultures

Perceptions of potential visitors of the Northern Territory as a destination to experience Aboriginal cultures

Source: Tourism NT's market tracking study – brand metric of "Where you will connect with Aboriginal culture mean score of 8.03 (2021-22)"

Increased proportion of interstate and international visitors experience Aboriginal cultures in the Northern Territory

The number and share of visitors to the Northern Territory who undertook an Aboriginal activity during their trip

Source: National and International Visitor Surveys, Tourism Research Australia

Increase Aboriginal tourism product available

The number of Aboriginal businesses offering tourism product and experiences in the Northern Territory

Source: Australian Tourism Data Warehouse



Nourlangie Rock Art,
Kakadu National Park



Uluru-Kata Tjuta
National Park

Priority:

Through strategic marketing activities, grow the value of the holiday market in the NT






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In 2019, Tourism NT launched the 'Different in every sense' brand platform alongside the NT's Tourism Industry Strategy 2030, creating the anchor for a differentiated and unique positioning for the Northern Territory.

There has been a key focus on market research to build a detailed understanding of the consumer, and in developing multi-channel campaigns that define NT's competitive points of difference. Work completed in the initial phase of the Strategy helped to lay a solid foundation to increase the value of the holiday market in the NT, and to increase awareness of the Territory's unique and differentiated offering.

It will be critical to NT's positioning as a holiday destination of choice among Australians and international travellers to continue to invest in the brand platform and focus on experiences and products which align to the brand promise, defining the proposition for each of the Territory's key market segments. Technology and the use of data will continue to be key enablers for further marketing innovation and more effective engagement with NT's target audience. Ongoing work to increase and strengthen NT's footprint through product and trade distribution will be critical to ensure the NT is top of mind and has a continued presence in target markets.

The competitive landscape has intensified as destinations look to restart and reset their position within the tourism marketplace. In smaller jurisdictions such as the Northern Territory, success will be achieved through differentiation, delivering on authenticity and uniting the industry to amplify messaging. Tourism marketing efforts will be targeted and personalised to better connect with consumers at every stage of the marketing funnel to drive conversion.

| Initial phase 2019-2022  |                                                                                                             | Current phase 2023-2026                                                       | Next phase 2027-2030                                                                                        |
|--------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>Goals</b>             | Drive sales volume through marketing effectively and efficiently                                            | Increase the NT's footprint through product and trade distribution            | Increase yield through market and product differentiation, improved quality and automated marketing systems |
| <b>Actions</b>           | Grow desire, awareness and demand to travel                                                                 |                                                                               |                          |
|                          | Develop personalised and trusted marketing content                                                          |                                                                               |                          |
|                          | Increase customer insights and understanding of the target market                                           | Drive marketing productivity, effectiveness and efficiency through technology |                          |
|                          | Maximise distribution and trade marketing                                                                   |                                                                               |                          |
|                          | Drive operator engagement to increase the NT volume of saleable product in distribution                     |                                                                               |                          |
| <b>Delivery partners</b> | Tourism NT, NT Major Events Company, Tourism Australia, Regional Tourism Organisations and tourism industry |                                                                               |                                                                                                             |
| <b>Outcomes</b>          | Increased awareness of the Northern Territory as a tourism destination                                      | Increased consideration for the Northern Territory as a destination of choice | Increase the number of tourism product                                                                      |

## Achievements and progress

- Effectively pivoted to intra-Territory marketing during the pandemic to support the NT tourism industry when interstate and international travel was temporarily halted.
- Decision to shift international market representation to a minimal retainer rather than cut contracts meant the NT was able to quickly resume international marketing activity when international borders opened to maximise the recovery momentum.
- Tourism NT launched the new 'Different in every sense' brand platform in the initial phase of the Strategy, capitalising on the Northern Territory's unique positioning. Significant investment was made in developing brand equity via social media, public relations and media partnerships.
- Established a detailed understanding of consumers through market research and better use of marketing technology. Consumer research and data were integrated with marketing technology platforms to deliver deeper insights to inform campaign activity.



Ormiston Gorge  
Tjoritja / West MacDonnell National Park

## Actions

### Grow desire, awareness and demand to travel

A review of the “Different in every sense” campaign will be conducted in the next phase of the Strategy to identify opportunities to refresh and retarget messaging to reinforce the Northern Territory’s point of difference. Investment in consumer research in the initial phase, including co-investing in large-scale international and national research with Tourism Australia and other states and territories, provided Tourism NT with a rich evidence base to inform future campaign design and marketing investments. Showcasing the NT’s unique destination offering in the context of changing consumer preference will remain front and centre for the NT to stand out in a crowded marketplace. The NT has to entice travellers by offering something different which is authentic and remains true to the character and cultures of the NT. In particular, Tourism NT will increase marketing focus to feature the Territory’s attributes around sustainable travel and its strengths in celebrating NT’s leading Aboriginal cultural experiences.

*With increasing marketing and distribution costs, partnering closely with Regional Tourism Organisations will be essential to minimise duplication of efforts and importantly ensure marketing activity is complementary and delivers consistent destination messaging to the potential traveller. On the international front, partnering with Tourism Australia and other state and territory tourism organisations will provide the NT with the leverage and opportunity to extend the Territory’s consumer reach in target markets.*

### Develop personalised and trusted marketing content

In the short term at least, the destination marketing environment will be increasingly crowded and competitive as countries around the world invest to rebuild their tourism industries. Marketing efforts will need to focus on increasing genuine connection, initiating engagement with customers and encouraging consumers to share positive word of mouth about the NT.

Practically, this means delivering great experiences and product, having above average service standards, sharing local tips, insider knowledge, or telling powerful stories and promoting cultural differences. Tourism organisations need to have an open dialogue and really listen to consumers to understand them and what they like, and better align their messaging with learnings. This will encourage consumers to communicate and share their experiences with others, and share content, messages and opinions willingly. The quality of the product and service is a key driver of trust, however quality levels are subjective and can be based on an individual’s expectations and comparisons to other similar products and services. Trust is ultimately the cornerstone of word of mouth and once a consumer trusts a brand or product they will happily communicate that trust to their peers.

*The development of trusted and increasingly customised marketing content will be integral to marketing efforts going forward.*

### Drive marketing productivity, effectiveness and efficiency through technology

Information and communication technology will continue to transform how marketing is executed. The pandemic has accelerated the adoption and consumption of digital technologies, services (including media) and platforms by both businesses and consumers. More than ever before, tourism destinations and their partners have increased opportunities to better access and connect with potential and actual travellers who, in turn, expect personalised, relevant and timely communications throughout their journey; from planning to booking and even when at the destination.

This digital landscape continues to evolve at a rapid pace with the emergence of new technologies, such as generative AI, and updates to global data laws and regulations. These changes have led to a crowded digital market with increased competition, compelling destination marketers to continuously innovate and adapt to generate share of voice and cut-through.

The deprecation of third-party cookies, which serve as the foundation of digital marketing and consumer targeting in the world’s largest browser Google Chrome, has forced digital marketers, including Tourism NT, to adopt and invest in marketing technologies and strategies that utilise rich, permission-based, first-party data.

*Tourism NT will continue to use digital channels and technologies to enhance marketing reach, build trust in the NT brand, develop an increased understanding of customers and deliver personalised experiences.*

### Maximise distribution and trade marketing

The role of trade partners, in particular retail travel agents, grew in importance during the peak of the pandemic as travellers sought out their services to help navigate travel complexity during the pandemic. It is critical that NT’s tourism operators continue to actively engage with key trade distributors, especially in international markets to keep NT top of mind of travel sellers.

Efforts to support this action will continue in areas of data sharing partnerships, marketing channel integration and brand alignment with trade distributors to make NT product and experiences more accessible for trade partners and ultimately the travellers.

*Tourism NT will continue to work with partners to build new partnerships and facilitate ongoing engagement between tourism operators and domestic and international distributors, to improve awareness of the NT’s remarkable experiences and to keep the NT top of mind, especially critical during the rebuild of international travel demand.*





### Drive operator engagement to increase the NT volume of saleable product in distribution

It is crucial Northern Territory's tourism operators are actively engaged across a wide spectrum of travel distribution systems to help maximise the reach of their product and services, making it easier and more accessible for consumers in key source markets domestically and internationally to book tourism experiences in the NT.

*Tourism NT will provide the necessary support via ongoing industry training, distribution activity such as familiarisation programs, and partnership opportunities to engage in cooperative consumer marketing campaigns. Industry uptake of these programs will be critical to the NT's success in winning sales.*



Kings Canyon, Watarrka National Park

## Outcomes

The Strategy's targeted outcomes of its strategic marketing activities remain to increase the awareness and consideration of the Northern Territory as a tourism destination. In working to achieve this outcome, having new and enhanced tourism product and experiences will be critical to maintain high engagement with partners and the travel trade and to keep the Northern Territory top of mind and on the wish list of potential travellers.

### Increased awareness and consideration of the Northern Territory as a tourism destination

Increased marketing efforts and effectiveness to drive demand and interest for the NT by promoting its distinct points of difference that will position the NT as an authentic world-class destination for domestic and international travellers.

Source: Tourism NT's market tracking study

### Increase the number of tourism product available

Support tourism operators and trade partners in developing new and improved tourism product that are aligned to the NT brand and values will offer consumers a greater breadth of choice.

Source: Australian Tourism Data Warehouse



E-bike tour with Red Centre Adventures, Alice Springs



Youth Mill, Aboriginal cultural experience, Darwin

## Priority:








# Leverage and build events to drive visitation

The Northern Territory hosts a series of well known events including Parrtjima – A Festival in Light, Red CentreNATS, BASSIN THE GRASS and sporting events Darwin Supercars, National Rugby League and Australian Football League events which help elevate awareness of the Territory as a visitor destination. Cultural and outdoor events align strongly with the Territory's destination positioning. Events create a time specific reason to visit, supporting visitation outside of peak periods, and build awareness and demand for travel to lesser known destinations. Around three quarters of event attendees said they would not have visited regional destinations if not for the purpose of attending an event.

Since the release of the Strategy, a review of Northern Territory portfolio of events has been completed to develop an NT events calendar. Travel restrictions and social distancing measures put in place to manage the pandemic impacted the delivery of events in the NT in the initial phase of the Strategy. In the next few years, the focus will be to build attendance to established events and look for further opportunities to develop more 'feature' tourism-focused events in the NT. Promotional activity around upcoming major events such as the 2032 Olympic Games will showcase Australia more broadly as an events destination. The NT events sector can leverage on the broader coverage to elevate the Territory's calendar of events.

The Long-term Business Events Strategy to 2030 (LTBES) launched just prior to the NT's Tourism Industry Strategy 2030 provides the whole of government and industry framework to enable the attraction and delivery of business events in the NT. The Business Events Support Fund, designed to attract business events to the NT, will enhance discussions with business events organisers to build the NT's pipeline of business events.

Continued focus is needed to identify and address potential barriers that impact attraction and delivery of business events and events more broadly.

| Initial phase 2019-2022  |                                                                                                                                                                                                                     | Current phase 2023-2026                                                                                                                     | Next phase 2027-2030                                                                                                                                                                                                                                        |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Goals</b>             | Review current events, identify priorities and develop hero events                                                                                                                                                  | Attract business events and build visitation to Northern Territory events                                                                   | Establish a year-round events calendar, attracting domestic and international visitors                                                                                                                                                                      |
| <b>Actions</b>           | Continue to identify and develop internationally significant and 'feature' tourism-focused events                                                                                                                   |                                                                                                                                             |                                                                                                                                                                          |
|                          | Develop events calendar                                                                                                            | Identify and address supply-side constraints affecting events, for example, availability and standard of accommodation and airline capacity |    |
|                          |                                                                                                                                                                                                                     | Work with industry to encourage events to support off-peak tourism visitation via infrastructure or innovation                              |    |
|                          | Establish ongoing business events bid fund                                                                                                                                                                          | Apply the bid fund to attract new events                                                                                                    |                                                                                                                                                                          |
|                          | Identify barriers to attracting business events   | Address barriers to attracting business events including aviation access, appropriate standards of venues, accommodation and service        |                                                                                       |
|                          |                                                                                                                                                                                                                     | Continue to develop local supply options for events and business events                                                                     |                                                                                                                                                                          |
| <b>Delivery partners</b> | NT Major Events Company, Tourism NT, Regional Tourism Organisations and tourism and events industries                                                                                                               |                                                                                                                                             |                                                                                                                                                                                                                                                             |
| <b>Outcomes</b>          | 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                                                                               |                                                                                                                                                                                                                                                             |

## Achievements and progress

- Northern Territory Major Events Company undertook a strategic review of events delivered in the Northern Territory to develop an events calendar for the NT.
- An ongoing business events bid fund was established, which will contribute to NT business events attraction in the future.
- Initiatives to address barriers to attracting business events and supply-side constraints affecting events are being continually implemented and monitored.
- Developed a business events delegate attraction program, including an app to promote destination products and services.
- Partnered with AFL and NRL to deliver elite sporting fixtures in the Territory that aimed to attract interstate visitors.



Parrtjima - A Festival in Light,  
Alice Springs



## Actions

### **Continue to identify and develop internationally significant and 'feature' tourism-focused events**

Ongoing event development efforts will continue to focus on identifying and developing significant events to attract visitation from interstate and overseas. In addition to significant events and those unique to the NT, investment will be made to develop events that are tourism-focused and have the potential to be expanded to drive visitation. This could be smaller regional events with the potential to develop into anchor events over time. Appropriate funding support should be channelled to those events which are focused on the tourism market to maximise the opportunities of these events to generate tourism benefits for the Territory. The aim is to develop a wider range, balanced portfolio of events across the Territory to elevate the profile of the Territory and contribute to the broader goal of growing holiday visitation to the NT.

*NT Major Events Company and Tourism NT will continue to support organisers to enhance events over time through targeted initiatives that can span from event programming to providing the use of unique public spaces.*

### **Identify and address supply-side constraints affecting events**

Constraints identified at the outset of the Strategy, including overlapping events or events in peak periods with limited aviation and accommodation sector capacity, continue as an area requiring focus. These visitation impacting constraints extend to event organisers who are challenged to stand up the required workforce or attract supporting food and beverage providers and ground transport services.

*NT Major Events Company and Tourism NT will work with event organisers to identify opportunities to spread events to shoulder seasons to smooth peaks in visitor demand and manage supply-side constraints. This can be achieved by providing additional marketing support (or other financial incentives) to event organisers to consider shifting events away from traditional peak periods.*

### **Work with industry to encourage events to support off-peak tourism visitation times via infrastructure or innovation**

Events are a key driver of visitation and can be an effective tool in encouraging visitors to the destination outside of peak demand periods. Priority support can be given to event organisers to encourage the staging of events in off-peak and shoulder seasons to provide a reason to visit when demand is traditionally lower. Support can be in the form of monetary (waiver of licence fees) or non-monetary (complimentary use of state-owned event spaces). To further expand the events portfolio, incentives can be provided to event organisers already staging their primary events during peak periods to consider designing an 'off-peak spin-off' such as the development of tropical themed events that can be sustained

outdoors in the low season or held in indoor venues.

*NT Major Events Company and Tourism NT will look to identify and encourage event organisers to stage events during off-peak tourism seasons.*

### **Continue to develop local supply options for events and business events**

To enable the growth of events outside of peak tourism seasons, there needs to be appropriate supply options such as indoor or weatherproof venues and other complementary tourist attractions and experiences, i.e. unique culinary experiences leveraging local ingredients to augment the visitor experience for event attendees.

Overall, ongoing efforts identified in other priorities to develop NT's tourism suppliers' capabilities will support the event sector. NT Government should encourage the development of home grown event supplier capabilities such as professional conference organisers and ancillary support service providers such as audio-visual and event theming. Local event suppliers can look to develop uniquely NT Aboriginal cultural offerings for business events. Ongoing efforts to grow high end accommodation offerings will strengthen the attractiveness for incentive opportunities for both domestic and international visitors.

*NT Government to continue to deliver appropriate support grant programs to encourage the expansion of home grown event supply options to support broader event attraction and development efforts.*

### **Address barriers to attracting business events**

Stakeholder feedback at the time of developing the Strategy identified a number of barriers to attracting business events, including the availability and higher costs of airfares and accommodation. Both of these barriers remain, with the pandemic adding to supply-side pressure points. A continuing industry engagement work program led by NT Business Events to gauge industry sentiment seeks to glean evidence to support the development of a business case to address the barriers and influence change, noting the longstanding nature of some of the challenges. The proposed Darwin Convention Centre hotel at Darwin Waterfront will provide much awaited new high-end accommodation inventory to the market, however will not address the need to lift the overall quality of accommodation to meet the expectations of the business events visitor.

Continue to collect business events insights to inform a broader business case for supply-side infrastructure including accommodation, venue, product and aviation development.

*Work in close partnership with Northern Territory Major Events Company around consumer trends, research and data sharing to enable shared insights and broadening of event marketing to new audiences.*

## Outcomes

The key outcomes identified in the Strategy targeted by the priority to leverage and build events remains highly relevant to support the growth in visitation to the Territory and contribute to the overall vibrancy and liveability in the community.

### **Visitation to internationally significant tourism-focused events increasing at a faster rate compared to the previous five years**

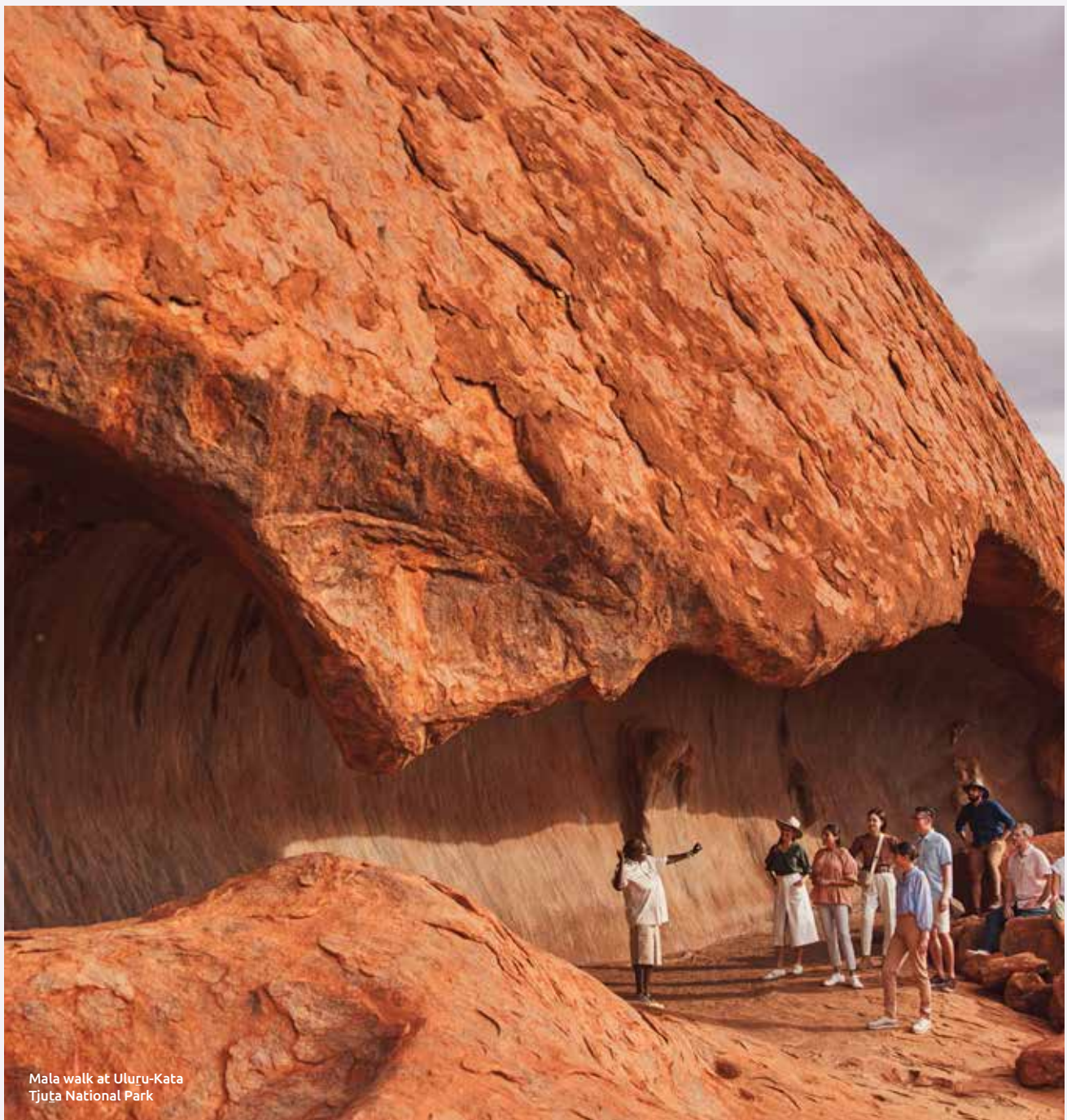
An increase in visitation is a clear measure of impact for increasing efforts to improve events in the NT. The collection of robust visitation data to events will help determine the contribution of each event to visitor outcomes.

Source: Event reporting metrics

### **Increased private sector investment in tourism-focused events**

New product and experiences and investment into existing product should lead to improved visitor satisfaction of tourism experiences in the NT, which will have a positive impact on NT's long term destination brand.

Source: ReviewPro



Mala walk at Uluru-Kata  
Tjuta National Park





Garanhan / Macassan  
Beach, East Arnhem Land








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

Improving access to and within the NT is critical to the Northern Territory tourism sector, from flights into major centres, cruise access and drive routes throughout the Territory, and beyond. In addition to facilitating greater arrivals into the Northern Territory, ease of access is also vital to encourage dispersal across the Territory and enhance liveability.

When the Strategy was released in 2019, the short term focus was on maintaining existing aviation routes, with medium-term goals to increase capacity and develop new routes. In early 2022, with the lifting of remaining COVID-19 travel restrictions, a high priority was to reconnect in person with pre-pandemic airline partners, and to build new relationships through business development missions and airline conferences. These efforts will form the foundation of the current phase, with the goal of increasing the capacity of existing partners and pursuing new international routes, with specific focus on hub-connectivity. Given the role of domestic routes in servicing both interstate and international visitors, maintaining and growing these routes will be critical to reset the tourism sector in the NT on a positive footing from an aviation perspective.

The delivery of the Northern Territory Drive Tourism Strategy 2021-2030 (Drive Tourism Strategy) has given specific focus to an important driver of visitation to the Northern Territory. Implementation of the initiatives identified in the Drive Tourism Strategy will be key to facilitate dispersal across the Territory and further develop the offering of this important and growing market. Examples of initiatives include advocating for the sealing of the Mereenie Loop Road and focusing on product development initiatives leveraging the route, and working with domestic and international travel trade to ensure products are current and bookable drive itineraries are available. These initiatives require close collaboration with delivery partners, including RTOs, Department of Infrastructure, Planning and Logistics and land owners.



| Initial phase 2019-2022                                                                |                                                                                     | Current phase 2023-2026                                                           |                                                                                                  | Next phase 2027-2030 |                                                                                           |                                                                          |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Goals                                                                                  | Existing access is maintained                                                       |                                                                                   | Increased aviation capacity and new access routes                                                |                      | Existing airlines increase frequencies, new air carriers and access routes are introduced |                                                                          |
| Actions                                                                                | Work with domestic airlines to rebuild capacity and establish staff bases in NT     |                                                                                   |                 |                      |                                                                                           |                                                                          |
|                                                                                        | Review aviation capacity across tourism seasons                                     |  | Grow interstate and international direct aviation capacity                                       |                      |        |                                                                          |
|                                                                                        | Develop a drive market strategy                                                     |  | Continue to prioritise and advocate delivery of required investments in key drive touring routes |                      |        |                                                                          |
|                                                                                        | Renew cruise activation strategy                                                    |  | Advocate delivery of required investments in cruise infrastructure to support the sector         |                      |        |                                                                          |
|                                                                                        |                                                                                     |                                                                                   | Support the delivery of a new passenger rail terminal                                            |                      |        |                                                                          |
|                                                                                        | Advocate for additional investment in telecommunications infrastructure             |                                                                                   |                                                                                                  |                      |                                                                                           |                                                                          |
|                                                                                        | Delivery partners                                                                   |                                                                                   |                                                                                                  |                      |                                                                                           |                                                                          |
| Airports, Darwin Port, Tourism NT, Regional Tourism Organisations and tourism industry |                                                                                     |                                                                                   |                                                                                                  |                      |                                                                                           |                                                                          |
| Outcomes                                                                               | Existing aviation routes sustained or increased, new carriers and routes introduced |                                                                                   | Increased number of drive holiday visitors                                                       |                      | Increased cruise ship visits and visitors                                                 | Increased number of visitors using rail to access the Northern Territory |

## Achievements and progress

- Development and release of the Northern Territory Drive Tourism Strategy 2021-2030 and the Northern Territory Cruise Tourism Strategy 2021- 2025.
- A review of aviation capacity across tourism seasons was completed and shared with airlines to encourage expansion during peak periods.
- Supported airline partners through cooperative marketing activity to rebuild passenger numbers to pre-pandemic levels.
- Secured funding for the sealing of the Mereenie Loop Road to link Alice Springs to Kings Canyon, as well as funding for key road upgrades in Kakadu National Park.
- Secured a Qantas Embraer 190 Qantaslink staff base in Darwin, providing up to 200 jobs.
- A review was undertaken of tourism Wi-Fi hotspots, with hotspots removed as alternate telecommunication options became available. Regular input is provided into NT telecommunications infrastructure projects with an evidence based approach to supporting tourism requirements.



## Actions

### **Work with domestic airlines to rebuild capacity**

Other than flights to facilitate essential travel, aviation services came to a halt for periods of time during the pandemic. The task in the next phase of the Strategy is to work with domestic airlines to rebuild capacity and increase choice for consumers, connecting Darwin, Alice Springs and Ayers Rock airports with key Australian cities as well as supporting regional routes between these major airports and Katherine, Tennant Creek and Gove. The review of aviation capacity across NT's tourism seasons undertaken in the initial phase will support aviation capacity rebuilding efforts.

*There will be close and regular engagement with domestic airlines to restore confidence and support recommencement of previous services, including cooperative marketing to promote these routes. In addition to attracting visitors to the NT, aviation services will need to be promoted among Territorians to encourage outbound travel, which will be important to sustain the services. Aviation freight is also an important revenue stream for airlines. Continued efforts and investment to improve freight facilities at NT airports to service freight services will be needed to support the viability of routes.*

### **Grow interstate and international direct aviation capacity**

Alongside rebuilding aviation capacity and network frequency to pre-pandemic levels, there will be further opportunities for the expansion of existing interstate and international services and potential new routes to the NT. Over the remaining life of the Strategy, various market development initiatives will be implemented to drive visitation to the Territory. Airline partners should be engaged early so they are across the demand building efforts and will be confident to grow aviation services to the Territory at the appropriate time.

*Tourism NT will continue to engage with airlines regularly to be informed of their plans around aircraft deployment to identify early opportunities to expand existing services to the NT or commence a potential new route. Tourism NT will work with airports to implement the Territory Aviation Attraction Scheme to streamline and support NT's aviation attraction efforts with a focus on the establishment of new interstate and international routes.*

### **Continue to prioritise and advocate delivery of required investments in key drive touring routes**

The Drive Tourism Strategy identifies key drive-related product and market opportunities to develop NT offerings as a drive destination. It outlines key opportunities for new investments and recommendations to improve the visitor experience while travelling throughout the Territory. The remaining life of the Strategy will prioritise the delivery of these identified opportunities to improve key drive touring routes in the NT. Securing investment is critical to support the delivery of these opportunities. Strategic partnerships

across government and industry will be required to facilitate the discussions and approvals needed across a range of responsible parties.

*Continued work is required to collaborate with Land Councils and Traditional Owners in the development of tourism opportunities along key drive routes. Education of the broader benefits of the delivery of the Drive Tourism Strategy will assist to progress delivery (i.e. investment in transport and associated infrastructure will support broader economic and social development outcomes).*

### **Advocate delivery of required investments in cruise infrastructure to support the sector**

The NT Cruise Tourism Strategy 2022-2025 (Cruise Strategy) was released in the initial phase of the Strategy. This Cruise Strategy provides the roadmap for the reactivation of the cruise sector in the NT post pandemic, to ensure cruise tourism continues to grow and supports the delivery of the Strategy. It outlined a series of actions, including the lead agency that will deliver on the Cruise Strategy's pillars of cruise ship attraction, onshore experience, infrastructure and operational support, communication and collaboration. Implementation of the actions has commenced. The progress against actions should be closely monitored and reported.

*The Cruise Activation Working Group will continue to convene quarterly to discuss progress, issues and challenges in the implementation of the actions. Maintaining and strengthening engagement and collaboration with industry is required to keep engagement high and promote the cruise opportunities and experiences in the NT.*

### **Support the delivery of a new passenger rail terminal as part of the planned relocation of the Darwin rail head and deliver new experiences for visitors using rail to access the NT**

Travelling by rail on The Ghan continues to be one of Australia's most iconic rail journeys, and is also regarded as one of the world's greatest rail journeys. It provides a unique perspective on the Territory's remarkable natural assets and the opportunity to visit remote places in comfort. The Ghan passenger rail journey is increasing in popularity, and despite travel restrictions during pandemic impacted years, continued to experience high levels of demand from domestic travellers.

However, the current rail facilities constrain the ability to build a second platform and rail line to cater for a second Ghan train. Additionally, the terminal location where train passengers start or finish their journey detracts from their overall impression of the destination. The proposal to move the passenger rail terminal to Tivendale creates an opportunity to address the limitations of the existing rail facilities and terminal. Development of a modern, purpose-built terminal could provide opportunities to create new tourism ventures onsite or adjacent to the rail precinct.

On ground visitor experience of travellers on the Ghan can be monitored regularly to track visitor satisfaction to support ongoing upgrade and improvement efforts of products and services.

*Tourism NT's Distribution team will continue to work with Journey Beyond and the tourism trade to identify product or packaging gaps including development of off-rail experiences and pre and post options for Ghan travellers.*



Euro Ridge, Larapinta Trail

## Outcomes

The key outcomes identified in the Strategy targeted by the priority to develop ongoing access to and within the NT remains highly relevant to support tourism recovery effort and to drive growth in visitation to the Territory.

### Existing aviation routes sustained or increased, new carriers and routes introduced

Key measures for this outcome are the growth in inbound seats and additional routes or carriers.

Source: BITRE

### Increased number of drive holiday visitors

The impact of upgrades to key road infrastructure can be measured by considering the number of tourists undertaking a drive component during their holiday and trends over time

Source: National and International Visitor Surveys, Tourism Research Australia

### Increased cruise ship visits and visitors

Data sourced from the Darwin Port can be used to track the impact of a renewed focus on the cruise sector, with cruise visits and arrivals increasing across the Top End.

Source: Darwin Port

### Increased number of visitors using rail to access the Northern Territory

With rail travel becoming a more popular mode of transport, a key outcome will be growing the number of passengers using rail.

Source: Passenger data from Journey Beyond



Florence Falls, Litchfield National Park





Banubanu Beach Retreat,  
North East Arnhem Land

## **Priority:** **Governments, all industries and the general public recognise the value of tourism to the NT**

The tourism sector is an integral part of the Northern Territory's economy. In 2018-19, prior to the pandemic, tourism accounted for 10.4% of the NT's economy and 12.3% of total jobs – a higher proportion than any other jurisdiction with the exception of Tasmania. While the pandemic has dealt the sector a devastating blow, the temporary pause of travel has brought a spotlight to the economic and social value of tourism to individuals, communities and governments. The tourism sector has demonstrated remarkable resilience, aided through a series of government initiatives and support of the Territory community.

A thriving tourism sector enhances liveability for Territorians, creating employment and business opportunities. Beyond economic benefits, investments in tourism and enabling infrastructure which are critical to support visitation also contribute to the quality of life for locals, adding amenity and service, increased recreational opportunities and vibrancy to communities. A range of government objectives are enabled through a strong and sustainable tourism sector, including economic diversification and resilience, regional development, safeguarding of the Territory's Aboriginal cultures and unique natural assets. Key areas of focus in the next phase of the Strategy include growing capacity across aviation, workforce and accommodation which are tied to the NT Government's ambitions to grow the population.

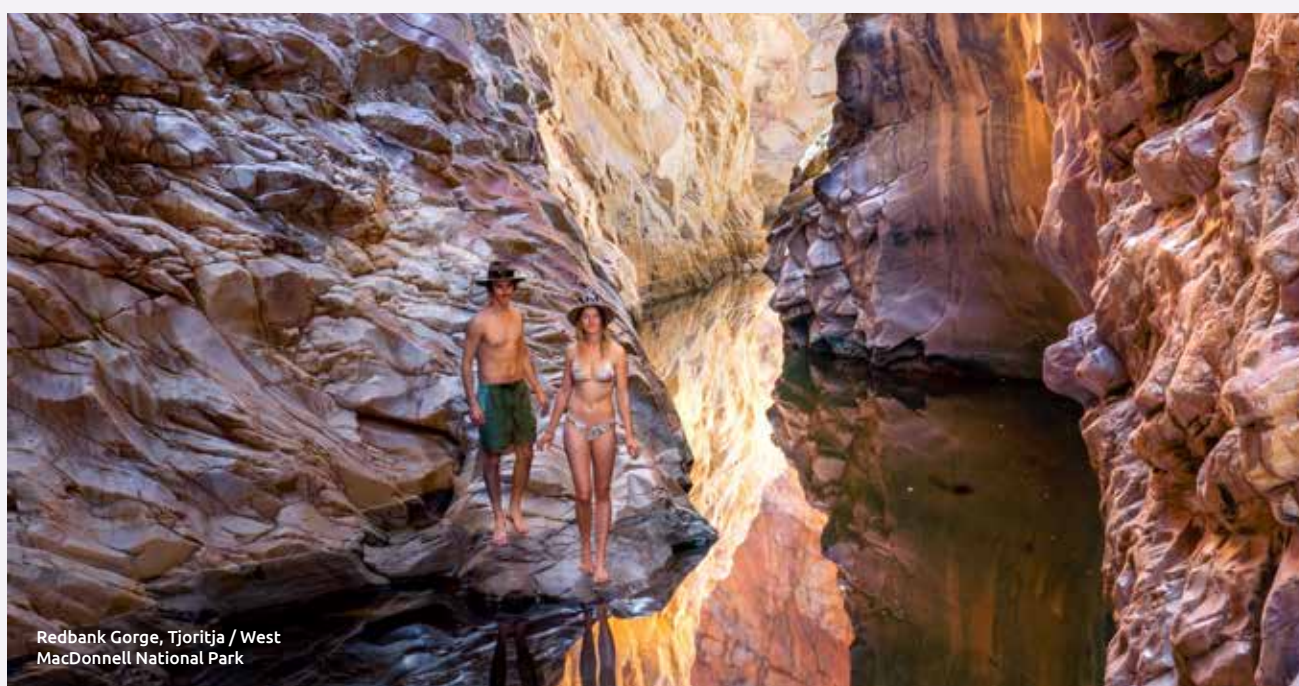
The Northern Territory Government has a clear vision to deliver a \$40 billion economy by 2030 with a target of 50% renewables by 2030 and net zero emissions by 2050. Tourism has been identified as a priority industry, critical to growing the economy, attracting private investment, creating jobs and contributing to the Government's sustainability agenda. The tourism sector can demonstrate significant benefits to local communities when managed sustainably.

With the key role tourism plays in the Northern Territory's economy and in the lives of Territorians, efforts to heighten awareness and showcase the sector's importance will be a continuing priority throughout the Strategy.

| Initial phase 2019-2022  | Current phase 2023-2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Next phase 2027-2030  |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Goal</b>              | Governments, all industries and the general public recognise the value of tourism to the Northern Territory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                       |
| <b>Actions</b>           | <p>Articulate the importance of tourism to the Northern Territory economy and liveability  </p> <p>Increase community understanding of tourism's positive impact on liveability, population and prosperity  </p> <p>Engage industry to create promoters of tourism and the Northern Territory  </p> <p>Build industry and Government engagement around the Tourism Towards 2030 annual conference, Brolga NT Tourism Awards, the Aboriginal Tourism Forum, October Business Month and other events  </p> |                       |
| <b>Delivery partners</b> | Tourism NT, Regional Tourism Organisations and tourism industry                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                       |
| <b>Outcomes</b>          | Industry stakeholder recognition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Community recognition |

## Achievements and progress

- Delivery of a suite of annual events highlighting the value of the tourism sector to the NT, including the Tourism Towards 2030 conference, Aboriginal Tourism Forum, Brolga Northern Territory Tourism Awards and October Business Month which seeks to support, inspire and grow Territory businesses.
- Collaboration in the development and delivery of Destination Management Plans and ongoing engagement with local councils and government officials on the benefits of their role in the development of the tourism sector.
- Promotion of the value of the sector via publication of a series of factsheets on the contribution of tourism, including the NT tourism satellite account, NT tourism businesses, Aboriginal tourism businesses, visitor data, regional profiles and industry sentiment.
- Implementation of the Work Hard Play Hard campaign in March 2022 which targeted working holiday makers overseas and on ground in Australia to take up hospitality jobs in the Northern Territory.
- The tourism voucher program introduced during the COVID-19 pandemic saw tourism businesses supported via intra-Territory visitation, giving prominence to the value of the sector.





## Actions

### Articulate the importance of tourism to the Northern Territory economy and liveability

Governments, RTOs and industry all have a role in articulating the importance of tourism to a wider audience. This means sharing the broad contribution of tourism to the NT economy and its importance in specific regions and to related businesses. Visitor expenditure on food and drinks, shopping and accommodation supports local retail and hospitality businesses. For regions with smaller populations, visitor expenditure is even more important, generating revenue for businesses and income for residents, supporting local jobs.

*A communication and engagement plan will be developed to support the implementation of the Strategy update, with assets to communicate the value of tourism to industry, government and the community.*

### Increase community understanding of tourism's positive impact on liveability, population and prosperity

There are other non-economic benefits of tourism that Territorians should be aware of. For example, tourism underpins enhanced aviation connections which facilitates business travel, education and health services for Territorians and opportunities to reconnect with family, friends and relatives on domestic and overseas holidays. Tourist attractions, events and other supporting infrastructure developments can add to the social fabric of community, celebration of local cultures and improved liveability. Tourism can also help deliver on sustainability objectives through education and income to support the preservation and restoration of natural and cultural values. Efforts to ensure that tourism experiences are more accessible to visitors with a range of accessibility needs will also help to achieve the outcomes of the Northern Territory Disability Strategy 2022-2032.

A better understanding of the broader impact of tourism can cultivate community pride and participation, motivating Territorians to advocate the NT as a tourist destination to others, which can generate higher visitation by friends and family. Communities will likely have a greater interest in new developments and will be more supportive if they have a better understanding of how these developments can positively impact their environment and contribute to community liveability.

*Continue to enhance community understanding of tourism's positive impact by actively delivering key messages around the value of tourism in major announcements and media releases.*

### Engage industry to create promoters of tourism and the Northern Territory

The main promoter of the NT is the tourism industry. The industry delivers the tourism experiences to visitors and engages with potential visitors through their business sales and marketing avenues. Tourism NT, RTOs, and associations

such as Hospitality NT and the NT Chamber of Commerce can engage directly with industry to encourage operators to promote tourism both within the NT, nationally and globally through social media, review websites and other promotional platforms.

*NT businesses can play their part by constantly improving their customer service and experience offerings, hence increasing travellers' positive experience and contributing to the broader NT's destination brand.*

### Build industry and Government engagement around the Tourism Towards 2030 annual conference, NT Brolga Awards and other events

Tourism NT has made progress on this action by delivering industry events which highlight the value of the tourism sector to the NT, including the Tourism Towards 2030 conference, the Brolga Northern Territory Tourism Awards, and October Business Month, all of which recognise the achievement of tourism businesses and aim to inspire further improvement and innovation across the sector. Tourism NT is working with the RTOs and industry directly to advance tourism priorities, and increase ways for local organisations and operators to leverage and extend Tourism NT's marketing activities.

*Key industry events form an important part of the Strategy's communication plan to foster alignment on the strategic priorities.*





## Outcomes

### Industry stakeholder recognition and support

Key measures from the biennial Tourism NT Stakeholder Satisfaction Survey

Source: Tourism NT's Stakeholder Satisfaction Study

### Sustainability measure

Development of social and environmental measures to capture 'beyond tourism' benefits alongside economic indicators

Source: New measure under development



Lee and Jenny's bushcamp,  
Daly River Region

## 5 What can we achieve: NT's Tourism Industry Strategy 2030 targets

The core objective of the NT's Tourism Industry Strategy 2030 remains to achieve sustainable growth in tourism across the Northern Territory, targeting inclusive growth across regions, sub-sectors and markets.

### Visitor and expenditure targets to 2030

The forecast and potential growth for the NT's tourism industry is underpinned by a range of factors, including historical visitor trends and behaviours, economic and geopolitical conditions and expectations, and the inherent resilience and diversity of the industry when faced with challenges such as the COVID-19 pandemic.

The Strategy 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 bulk of actions within the Strategy focus on this segment. Deloitte Access Economics developed a baseline forecast for visitation, as well as projections under a scenario where the Strategy's actions are implemented and fully funded.

The successful implementation of the Strategy could see total visitation to the Northern Territory reach a target of 2.8 million by 2030, with an associated visitor spend of \$5.3 billion.

#### Visitor target

Across the current phase of the Strategy (2023-2026), the visitor target forecast reflects an annual growth rate of 6.4%, reflecting a moderation in the growth of domestic visitors offset by the continuing recovery of international source markets to 2025. In the final phase of the Strategy, between 2027 and 2030, the forecast shows visitors

increasing on average at 5.5% annually as the visitor economy returns to a steady state and the Strategy actions take effect.

#### Expenditure target

Under the target scenario, visitor expenditure would grow on average 7.4% annually from 2025-27 given the impact of the recovering international market and would then grow on average 8.2% per annum from 2027-2030.

Of material impact is the recent significant increase in the cost of travel (up around 30% when comparing December 2022 to December 2019). This has resulted in a new floor in average spend per night and per trip, with the growth normalising from 2023.

#### Holiday visitor and expenditure targets

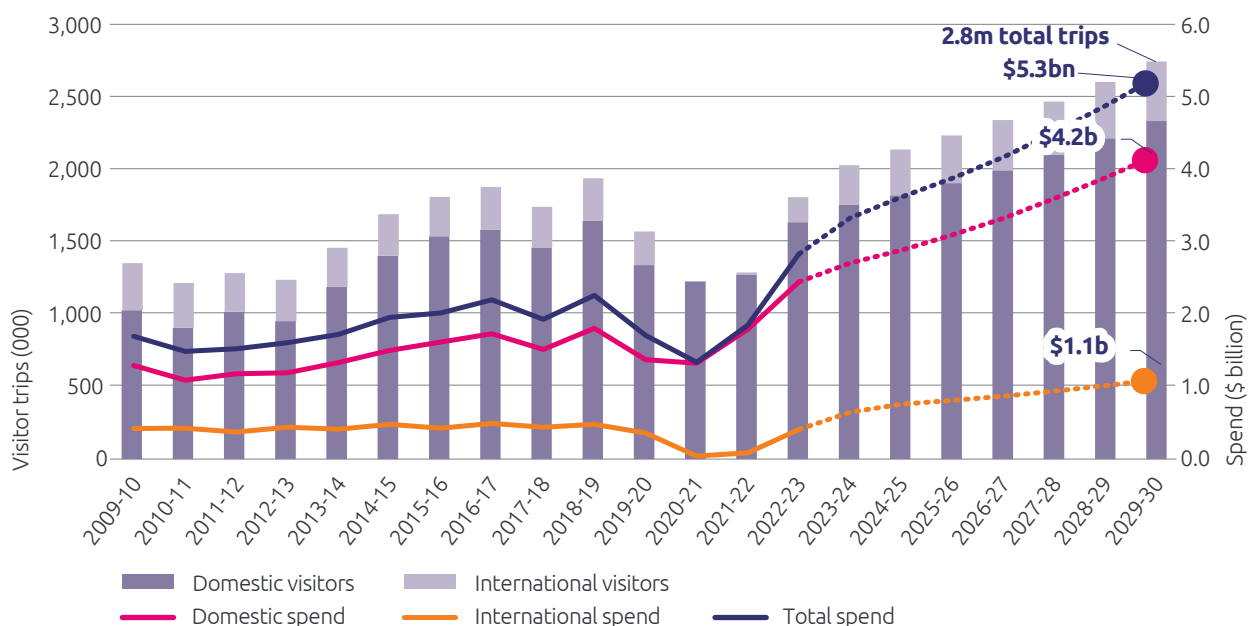
Visitor and spend targets have also been established specifically for holiday visitors given the importance of the segment for the Northern Territory.

Total holiday visitation is expected to reach a target of 1.4 million trips by 2030, representing around 58% of total trips and generating a spend of \$3.0 billion.

Domestic holiday travellers will comprise the significant majority (76%) of holiday visitors in 2030 at 1.1 million, compared to 340,000 international holiday visitors.



**Chart 5.1: NT's Tourism Industry Strategy 2030 visitor and spend targets by source market**



**Table 5.1: NT's Tourism Industry Strategy 2030 visitor and spend targets**

|                           | Visitors and spend |         |         | Share recovered |         |
|---------------------------|--------------------|---------|---------|-----------------|---------|
|                           | 2018-19            | 2021-22 | 2029-30 | 2025-27         | 2027-30 |
| <b>Visitors (000s)</b>    |                    |         |         |                 |         |
| Baseline                  | 1,945              | 1,293   | 2,442   | 3.7%            | 3.2%    |
| Target (total)            |                    |         | 2,756   | 4.6%            | 5.5%    |
| Target (holiday)          |                    |         | 1,426   | 3.8%            | 4.6%    |
| <b>Spend (\$ billion)</b> |                    |         |         |                 |         |
| Baseline                  | 2.2                | 1.8     | 4.6     | 6.4%            | 5.7%    |
| Target (total)            |                    |         | 5.3     | 7.4%            | 8.2%    |

Source: Deloitte Access Economics

Note: Baseline forecasts reflect a business as usual scenario, based on Deloitte Access Economics' Tourism Forecasting Model. Target forecasts reflect a scenario where the Strategy is fully implemented and key strategic pillars take hold. The target scenario builds on the econometric model and assumes stronger growth rates to reflect the implementation of the Strategy's actions.



## Domestic visitor and expenditure targets

Total domestic overnight visitors to the Northern Territory could reach 2.3 million by 2030 under the Strategy target, with a total spend of \$4.2 billion.

Around 1.1 million or 46% of domestic trips, and \$2.2 billion of spending (53%) relates to holiday trips.

Growth in domestic visitation will be driven in large part by **interstate travellers** who have historically accounted for around two thirds of domestic overnight travel in the NT. Interstate trips are forecast to reach 1.6 million by 2030, with associated spend of \$3.1 billion (Chart 5.2).

The forecast growth represents an additional 600,000 interstate trips relative to 2019, an annual growth rate of 6.7% from 2023-2027 and 6.9% from 2027-2030.

Interstate visitor spending is forecast to increase by 9.4% annually over the full 2023 to 2030 period.

The **holiday segment** is forecast to account for 45% of interstate travel in 2030 at around 710,000 trips. Interstate holiday travel is forecast to grow strongly following COVID-19 impacts, before resuming a steady growth path from 2024 onward.

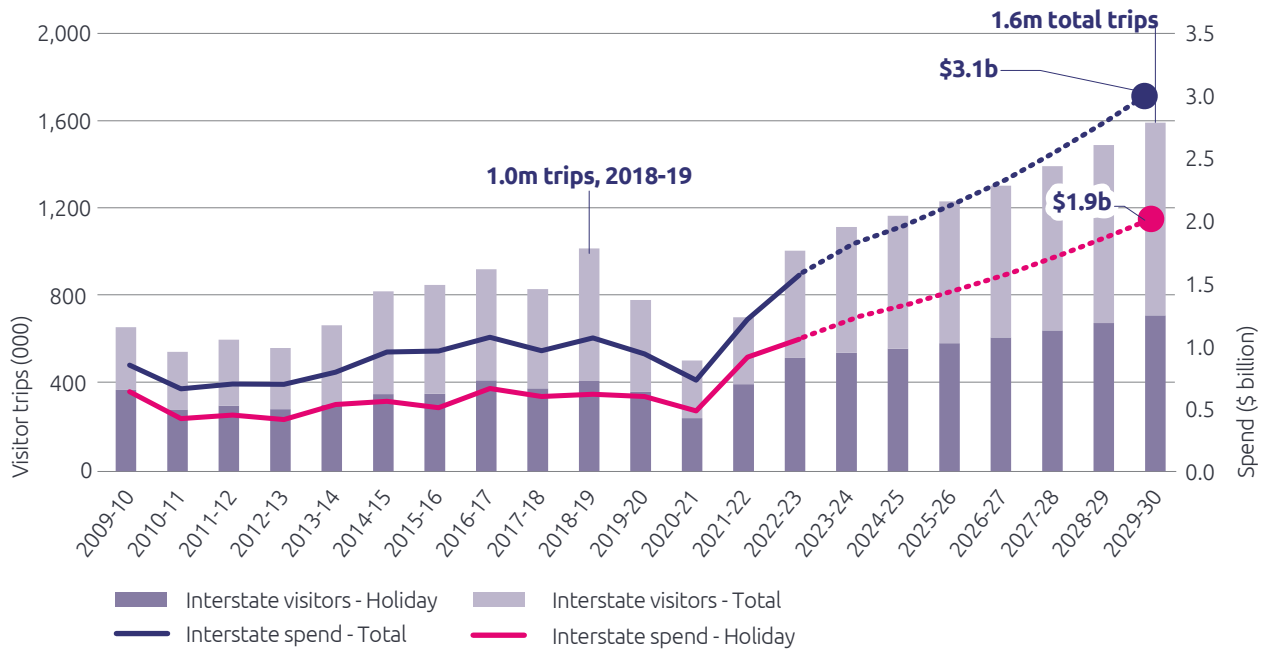
**Overnight trips** by Territorians are expected to reach around 750,000 by 2030, reflecting average annual growth of 1.5% over the period from 2019. Intra-Territory spend is forecast to reach \$1.1 billion in 2030. The forecast growth in intra-Territory travel is primarily informed by expected population growth. Holiday trips represent approximately half of all intra-Territory trips, with 370,000 trips forecast for 2030.

|                                           | Visitors and spend |         |         | Compound annual growth rate (CAGR) |         |
|-------------------------------------------|--------------------|---------|---------|------------------------------------|---------|
|                                           | 2018-19            | 2021-22 | 2029-30 | 2023-27                            | 2027-30 |
| <b>Domestic visitor target (000)</b>      |                    |         |         |                                    |         |
| Intra-Territory                           | 632                | 571     | 747     | 2.4%                               | 2.4%    |
| Interstate                                | 1,019              | 704     | 1,595   | 6.7%                               | 6.9%    |
| Total domestic                            | 1,651              | 1,275   | 2,342   | 5.1%                               | 5.4%    |
| Domestic holiday                          | 633                | 695     | 1,085   | 3.2%                               | 4.1%    |
| <b>Domestic spend target (\$ billion)</b> |                    |         |         |                                    |         |
| Intra-Territory                           | 0.6                | 0.5     | 1.1     | 5.0%                               | 4.8%    |
| Interstate                                | 1.1                | 1.3     | 3.1     | 9.4%                               | 9.4%    |
| Total domestic                            | 1.8                | 1.8     | 4.2     | 8.0%                               | 8.1%    |
| Domestic holiday                          | 0.8                | 1.1     | 2.2     | 7.2%                               | 8.2%    |

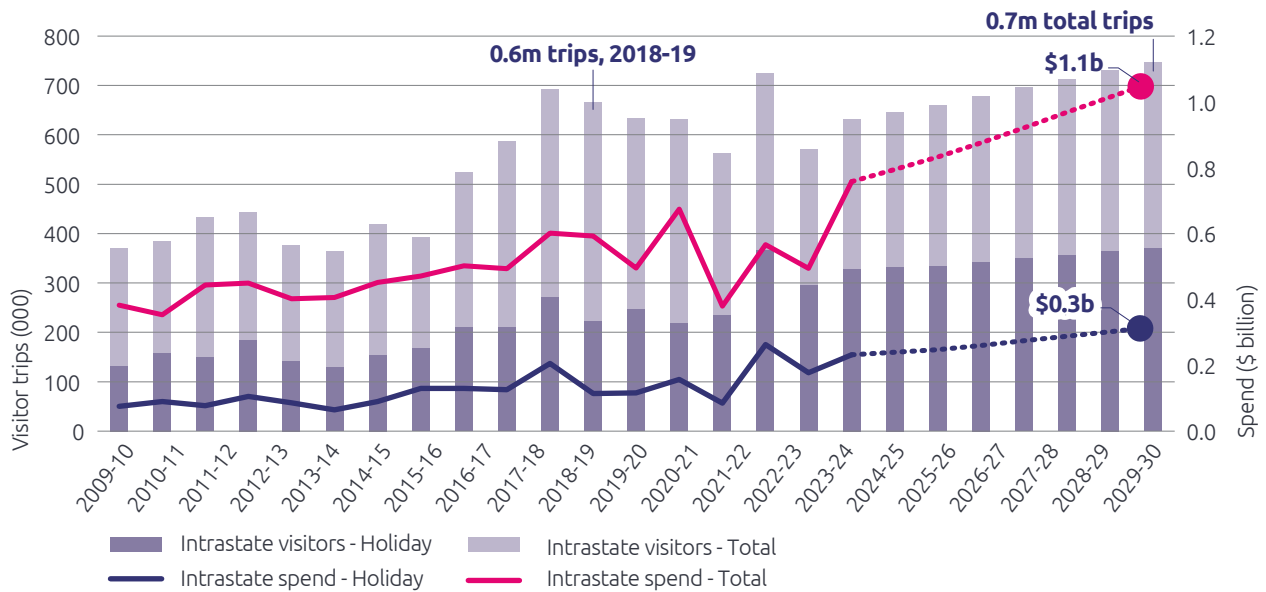
Source: Deloitte Access Economics



**Chart 5.2: Interstate visitor and spend targets to 2030**



**Chart 5.3: Intra-Territory visitor and spend forecasts to 2030**



Source: Deloitte Access Economics

## International visitor and expenditure target

By 2030, the Northern Territory could welcome 413,000 international visitors under the Strategy target, with a total spend of \$1.1 billion.

This would reflect an increase of around 119,000 international visitor trips (or 40%) and \$0.6 billion in spend relative to pre-COVID levels in 2019.

Due to border closures and other factors including the slower reestablishment of aviation capacity, international visitation will take longer to recover following the pandemic, relative to domestic visitation. The recovery of international arrivals into the Northern Territory is targeted to continue over the near term in line with national recovery expectations, with total international trips reaching 59% of 2019 levels in 2023 and 93% in 2024.

International visitor spend (in nominal terms) is expected to recover more quickly than trips, reaching 85% of 2019 levels by 2023 – due in large part to the significant increase in the cost of travel since 2019.

In terms of growth post recovery to pre-pandemic levels, the international visitor target reflects an annual growth

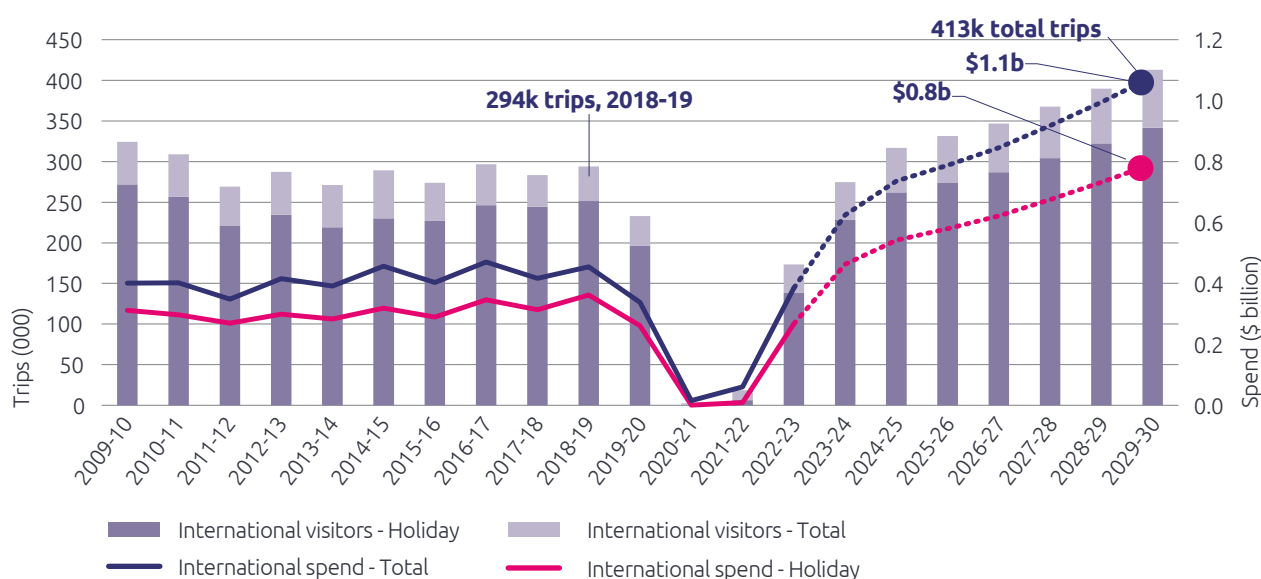
rate in visitation of 4.7% from 2025 to 2027, with a lift to 6% average annual growth from 2027 to 2030 as key projects in the Strategy take hold and commence operation.

As with the domestic market, international spend is forecast to grow faster than visitation given CPI growth. From 2025 to 2027, spend would grow at 7.2% annually which would increase in the final period of the Strategy (2027 to 2030) to 8.5%.

The holiday market contributes the vast majority of international visitation to the NT. By 2030, the target is for international holiday trips to total 340,000 trips, making up 83% of total trips.

This level of holiday visitation in 2030 would result in \$0.8 billion in visitor spend, a significant increase of \$0.4 billion relative to 2019.

**Chart 5.4 International visitor and spend targets to 2030**



**Table 5.3: International visitor and spend totals to 2030**

|                                                | Visitors and spend |         | Recovery (% of 2019) |         | Compound annual growth rate (CAGR) |           |
|------------------------------------------------|--------------------|---------|----------------------|---------|------------------------------------|-----------|
|                                                | 2018-19            | 2029-30 | 2022-23              | 2023-24 | 2025-2027                          | 2027-2030 |
| <b>International visitor target (000)</b>      |                    |         |                      |         |                                    |           |
| Total international                            | 294                | 413     | 59%                  | 93%     | 4.7%                               | 6.0%      |
| International holiday                          | 251                | 342     | 55%                  | 91%     | 4.7%                               | 6.0%      |
| <b>International spend target (\$ billion)</b> |                    |         |                      |         |                                    |           |
| Total international                            | 0.5                | 1.1     | 85%                  | 137%    | 7.2%                               | 8.5%      |
| International holiday                          | 0.4                | 0.8     | 74%                  | 128%    | 7.2%                               | 8.5%      |

Source: Deloitte Access Economics



## Aligning NT's tourism supply

To accommodate the Northern Territory's 2030 tourism demand targets, the sector needs to have sufficient capacity in a number of critical areas such as aviation, accommodation and workforce. Each of the supplying industries is interlinked, supporting the broader economic benefits to be generated through local jobs, increased accessibility and enhancing liveability for Territorians.

### Aviation

Air connectivity is pivotal to support the NT's Tourism Industry Strategy 2030 targets. Developing ongoing access to and within the NT is a key strategic priority. While the immediate goal is to rebuild aviation capacity back to pre-pandemic level, efforts beyond the short term will need to focus on attracting additional aviation capacity to the NT.

The NT Government has set the following aviation targets to support the Strategy demand targets:

By 2030, to meet the visitor targets, a total of 1,825,905 inbound seats or 340,205 additional interstate seats will be required from 2019 levels, which is the equivalent of 5.2 additional narrow body interstate flights per day.

### Accommodation

Meeting visitor demand for tourism accommodation will be important to deliver the Strategy targets. The seasonal and cyclical nature of tourism visitation to the NT has a significant impact on investors' perception and confidence.

Tourism NT's marketing efforts will focus on driving demand to deliver improved average annual occupancy across the accommodation sector. With increases in demand and resultant increases in accommodation occupancy and rate, it is anticipated the positive environment will encourage new investment in accommodation supply.

As at June 2019, there were around 100 hotel style properties and 9,200 rooms in the NT. The NT Government has set the following accommodation supply targets to support the Strategy demand targets:

In order to accommodate visitor targets, over the next seven years to 2030, the equivalent of five new 250-room hotels at 75% average occupancy.

### Workforce

One of the biggest constraints on recovery in tourism activity has been the difficulty in finding sufficient labour to service tourism demand. The sector lost a large number of experienced staff during the pandemic, resulting in a tight labour market when demand started to return. With a smaller population and greater distance from major Australian cities, sufficient investment needs to be made to facilitate and support the tourism workforce, both in capacity and capability.

The NT Government has set the following workforce targets to support the Strategy demand targets:

By 2030, to meet the visitor targets, 10,290 tourism jobs will be filled or 3,390 additional tourism jobs compared to 2021-22, taking into account productivity gains. Tourism NT has a range of programs underway in the current phase of the Strategy to support delivery of the supply-side targets.







**NORTHERN  
TERRITORY**  
TOURISM NT