

Tourism Supports Retail Growth

Year ending December 2017



Melbourne is considered Australia's number one shopping destination by Australians¹

Tourism supports retail² businesses in Victoria³

35,400 retail businesses supported by tourism (2015-16)

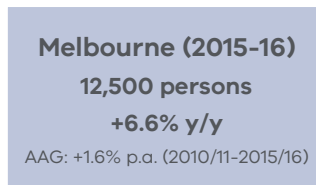
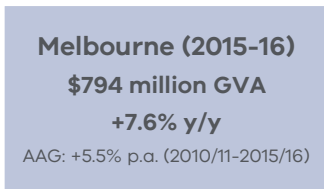
47 per cent of all Victorian tourism-related businesses (2015-16)

Retail plays a key role in Victoria's tourism industry, contributing significantly to the Victorian economy. In 2016-17, tourism-related retail trade represented 13 per cent of direct tourism GVA and 16 per cent of direct tourism employment in Victoria.

Tourism's Contribution to Retail Direct Gross Value Added



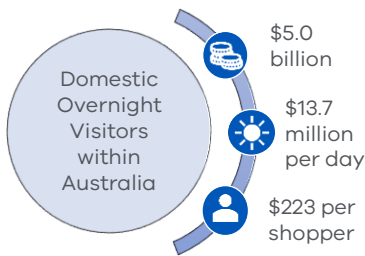
Tourism's Contribution to Retail Direct Employment



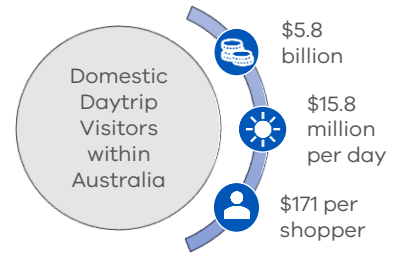
Visitor Shopping Spend in Australia – YE December 2017



84% spent money on shopping in Australia.
 14% of total expenditure in Australia was on shopping.



23% spent money on shopping during their trip.
 8% of total trip expenditure was on shopping.

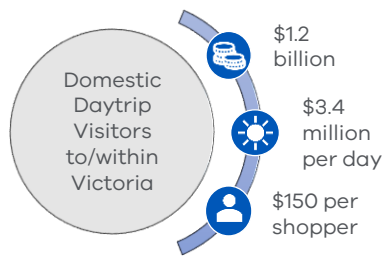


17% spent money on shopping during their trip.
 28% of their total trip expenditure was on shopping.

Visitor Shopping Spend in Victoria⁴ – YE December 2017



24% spent money on shopping in Victoria during their trip.
 10% of total trip expenditure in Victoria was on shopping.



16% spent money on shopping in Victoria during their trip.
 24% of total trip expenditure in Victoria was on shopping.

Shopping as Main Purpose of Visit

Domestic Daytrip Visitors

3.6 million domestic daytrip visitors to/within Victoria

1.6 million domestic daytrip visitors to/within Melbourne

2.0 million domestic daytrip visitors to/within Regional Victoria

¹ Visit Victoria's Brand Health Survey, Roy Morgan Research 2017

² Refer to the back page of this factsheet for information on which retail businesses this includes

³ Tourism Businesses in Australia, June 2012 to June 2016, Tourism Research Australia, September 2017

⁴ Shopping spend data for international visitors is only available at the national level

Shopping and Markets in Victoria – YE December 2017



A total of 16.0 million visitors went shopping



A total of 5.3 million visitors went to a market

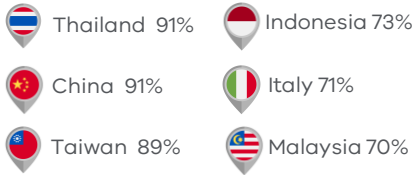
International Overnight Visitors to Victoria



82%
of visitors
#2 activity

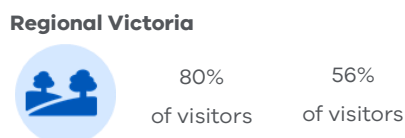
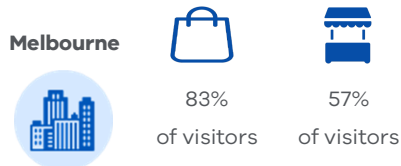


56%
of visitors
#5 activity



Eighty-two per cent of international overnight visitors to Victoria went shopping on their trip⁵ in the year ending December 2017, making it the 2nd most popular leisure activity among these visitors (after eating out at restaurants 96%). Shopping is most popular among visitors from Thailand, China and Taiwan.

Going to a market was the 5th most popular leisure activity, with 56 per cent of all international overnight visitors to Victoria going to one on their trip.



Domestic Overnight Visitors to Victoria



21%
of visitors
#4 activity

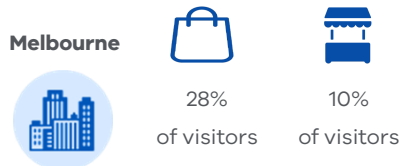


9%
of visitors
#9 activity



Twenty-one per cent of domestic overnight visitors to and within Victoria went shopping in the state in the year ending December 2017, making it the 4th most popular activity among these visitors. Shopping is more popular among interstate overnight visitors than intrastate overnight visitors.

Nine per cent of domestic overnight visitors to and within Victoria went to a market on their trip, with interstate overnight visitors more likely to visit a market (12 per cent) than intrastate overnight visitors (7 per cent).



Domestic Daytrip Visitors to Victoria



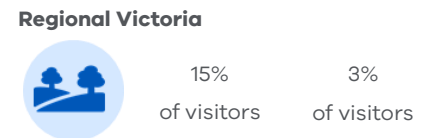
17%
of visitors
#4 activity



3%
of visitors
#14 activity

Seventeen per cent of domestic daytrip visitors to and within Victoria went shopping in the state in the year ending December 2017, making it the 4th most popular activity among these visitors.

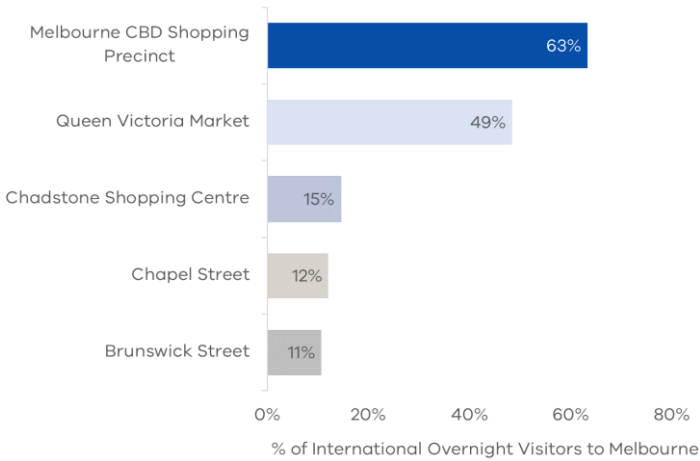
Only three per cent of domestic daytrip visitors to and within Victoria went to a market on their trip.



⁵ The state in which international overnight visitors to Australia went shopping is unknown.

Melbourne Shopping Destinations – YE December 2017

Shopping destinations⁶ for international overnight visitors to Melbourne, YE Dec 17

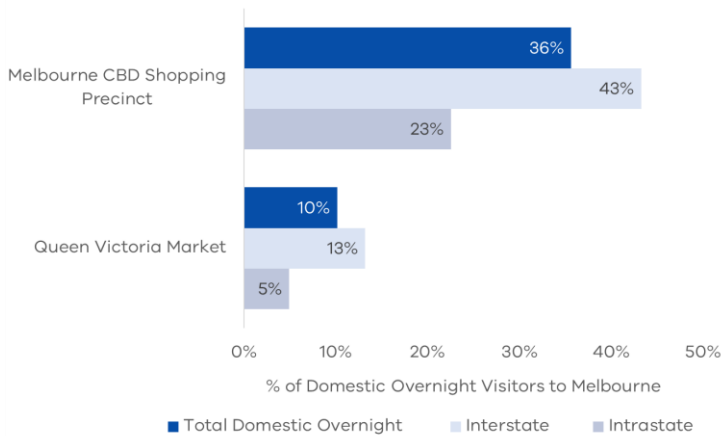


International Overnight Visitors to Melbourne

The Melbourne CBD shopping precinct was visited by 1.7 million international overnight visitors to Melbourne during the year ending December 2017 (63 per cent), while 1.3 million international overnight visitors went to the Queen Victoria Market (49 per cent of international overnight visitors to Melbourne).

Chadstone shopping centre was visited by 15 per cent of international overnight visitors to Melbourne (401,000 visitors), making it a popular suburban shopping destination among international overnight visitors.

Shopping destinations⁷ for domestic overnight visitors to Melbourne, YE Dec 17



Domestic Overnight Visitors to Melbourne

The Melbourne CBD shopping precinct was visited by 3.3 million domestic overnight visitors to Melbourne during the year ending December 2017 (36 per cent), including 2.5 million interstate visitors (43 per cent of interstate visitors to Melbourne) and 769,000 intrastate visitors (23 per cent of intrastate visitors to Melbourne).

The Queen Victoria Market was visited by 10 per cent of total domestic overnight visitors to Melbourne (937,000 visitors), including 13 per cent of interstate visitors and five per cent of intrastate visitors to Melbourne.



Focus on China (YE December 2017)

\$1,262
Highest shopping spend⁸ per shopper



More than **2x** average shopping spend of international overnight visitors to Australia

\$1.3 billion
Total shopping spend in Australia



35% of the total shopping spend by international overnight visitors to Australia

25 per cent of Chinese visitors to Victoria on ADS⁹ Tour

| Of these visitors... | 70% shopped at a 'Duty Free Store' | 36% shopped at a 'Retail Store' | 32% shopped at a 'Souvenir Store' | 30% shopped at a 'Commission Store' | 29% shopped at a 'Mall' |
|----------------------|--|---------------------------------------|---|---|-------------------------------|
| | | | | | |

⁶ Visitors nominate places visited from a select list of shopping places and precincts.

⁷ Chapel St, Chadstone Shopping Centre and Brunswick St are not included in the list of places of interest read out to domestic visitors during surveying.

⁸ Spend in Australia

⁹ ADS = Approved Destination Status (an arrangement between the Chinese Government and another country, that lets Chinese travellers visit a country in a tour group)

Notes:

Tourism Businesses and 'Retail trade'

The "Tourism Businesses in Australia, June 2012 to June 2016" report (Tourism Research Australia) contains data on the size of tourism-related businesses and their main activities and locations across Australia. Using customised datasets produced from the Australian Bureau of Statistics' Business Register (ABS 2017), TRA has divided businesses into tourism and non-tourism related businesses based on their industry type. Tourism businesses are defined by the United Nations World Tourism Organization (UNWTO) as belonging to *industries where tourists account for a significant proportion (5% or more) of the goods and services consumed*. These include:

| | | |
|---|---|--------------------------------------|
| Accommodation | Water and other transport | Other sports and recreation services |
| Cafés, restaurants and takeaway food services | Motor vehicle hiring | Automotive fuel retailing |
| Clubs, pubs, taverns and bars | Travel agent and tour operator services | Other retail trade |
| Taxi transport | Cultural services | |
| Air and space transport | Casinos and other gambling services | |

'Retail trade' includes 'automotive fuel retailing' and 'other retail trade'. 'Other retail trade' refers to any retail business not covered by one of the other above-listed industries that might be considered a retail business (eg Cafés, restaurants and takeaway food services and automotive fuel retailing). Specifically, 'other retail trade' includes motor vehicle and motor vehicle parts retailing, food retailing, other store-based retailing, and non-store retailing and retail commission based buying and/or selling (ABS Cat. No. 5249.0).

**Please note that the retail businesses figures cited in this factsheet refer to the number of retail businesses in Victoria supported by tourism, not to the total number of retail businesses in Victoria.*

For more information, the full TRA report can be downloaded [here](#).

The factsheet "Tourism Businesses in Victoria June 2016", produced by The TEVE Research Unit, can be viewed [here](#).

Note: the **Tourism Satellite Accounts** (State and Regional) use the same definitions of tourism businesses as above, so the figures for Retail GVA and Employment in this factsheet include 'automotive fuel retailing' and 'other retail trade'.

Sources:

- Visit Victoria's Brand Health Survey, Roy Morgan Research, 2017
- Tourism Businesses in Australia, June 2012 to June 2016, Tourism Research Australia, Canberra, September 2017
- State TSA 2016-17, Tourism Research Australia, March 2017
- Victorian Regional Tourism Satellite Accounts 2015-16, Deloitte Access Economics for DEDJTR (*the next release of the Regional TSA (2016-17) will be mid-2018*)
- International Visitor Survey, Tourism Research Australia, year ending December 2017
- National Visitor Survey, Tourism Research Australia, year ending December 2017
- Regional Expenditure Model (REX), Tourism Research Australia, year ending December 2017
- Appendix A – Data Sources, Data Treatment and Definitions, Tourism Businesses in Australia June 2010 to 2012, Tourism Research Australia, Canberra, October 2013

Factsheet produced by the TEVE Research Unit, April 2018.

Due care is taken in the production of this factsheet, however DEDJTR accepts no responsibility for use of this information.