



CONSUMER MARKET RESEARCH WORKSHOP

Attracting Adventure, Cultural and Historical Tourists from USA and Australia

IN PARTNERSHIP WITH



ADVENTURE TRAVEL
TRADE ASSOCIATION



IFC

**International
Finance Corporation**
WORLD BANK GROUP

Creating Markets, Creating Opportunities

OBJECTIVES

- 1. Understand opportunities for growth of adventure and cultural tourists from USA and Australia**
- 2. Understand travel motivations of three adventure and culture segments identified through research**
- 3. Provide information on product development and marketing aligned to segment needs**
- 4. Provide an introduction to historical tourists and update on research**

CONSUMER MARKET RESEARCH

- IFC, Adventure Travel Trade Association and Twenty31
- Surveyed 2,514 international travel consumers from USA and Australia
- Digital listening that evaluated 800 million social media posts
- Analyzed demographic and attitudinal indicators and cluster analysis
- Identified 3 target segments based on
 - Distinct travel preferences
 - Personal priorities and values
 - Future travel behavior
- Segments consistent across nationality



PAPUA NEW GUINEA KEY NICHE SEGMENTS 2018 IVS

USD 10.3M

TOTAL SPEND USD

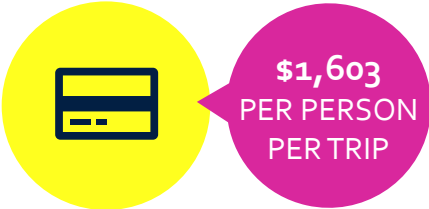


ADVENTURE

AVERAGE LENGTH OF STAY

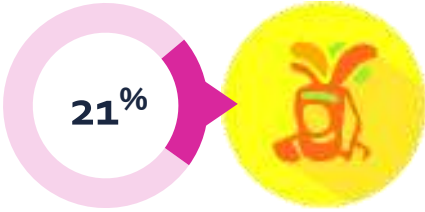


SPEND USD



USD 24.8M

TOTAL SPEND USD



CULTURAL

AVERAGE LENGTH OF STAY

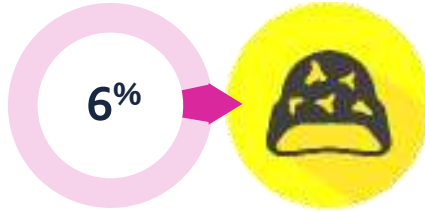


SPEND USD



USD 5.3M

TOTAL SPEND USD



HISTORICAL

AVERAGE LENGTH OF STAY



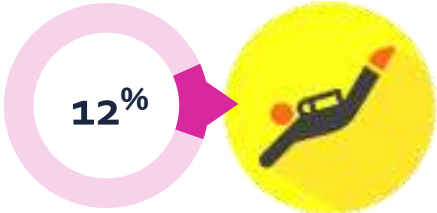
SPEND USD



PAPUA NEW GUINEA KEY NICHE SEGMENTS 2018 IVS

USD 9.9M

TOTAL SPEND USD

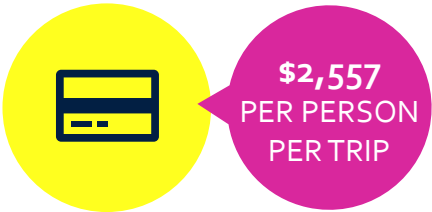


DIVING

AVERAGE LENGTH OF STAY

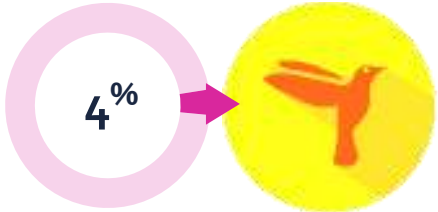


SPEND USD



USD 9.5M

TOTAL SPEND USD

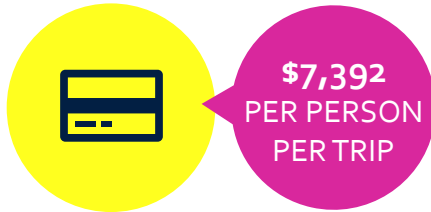


BIRDWATCHING

AVERAGE LENGTH OF STAY



SPEND USD



ALIGNMENT TO ADVENTURE & CULTURAL SEGMENTS: US & AUS

ADVENTURE & DIVING SEGMENTS

CULTURAL

EXPERIENCE SAMPLER

- Learning new things
- Having new experiences
- Enriching the mind
- Like the idea of risk and want some excitement

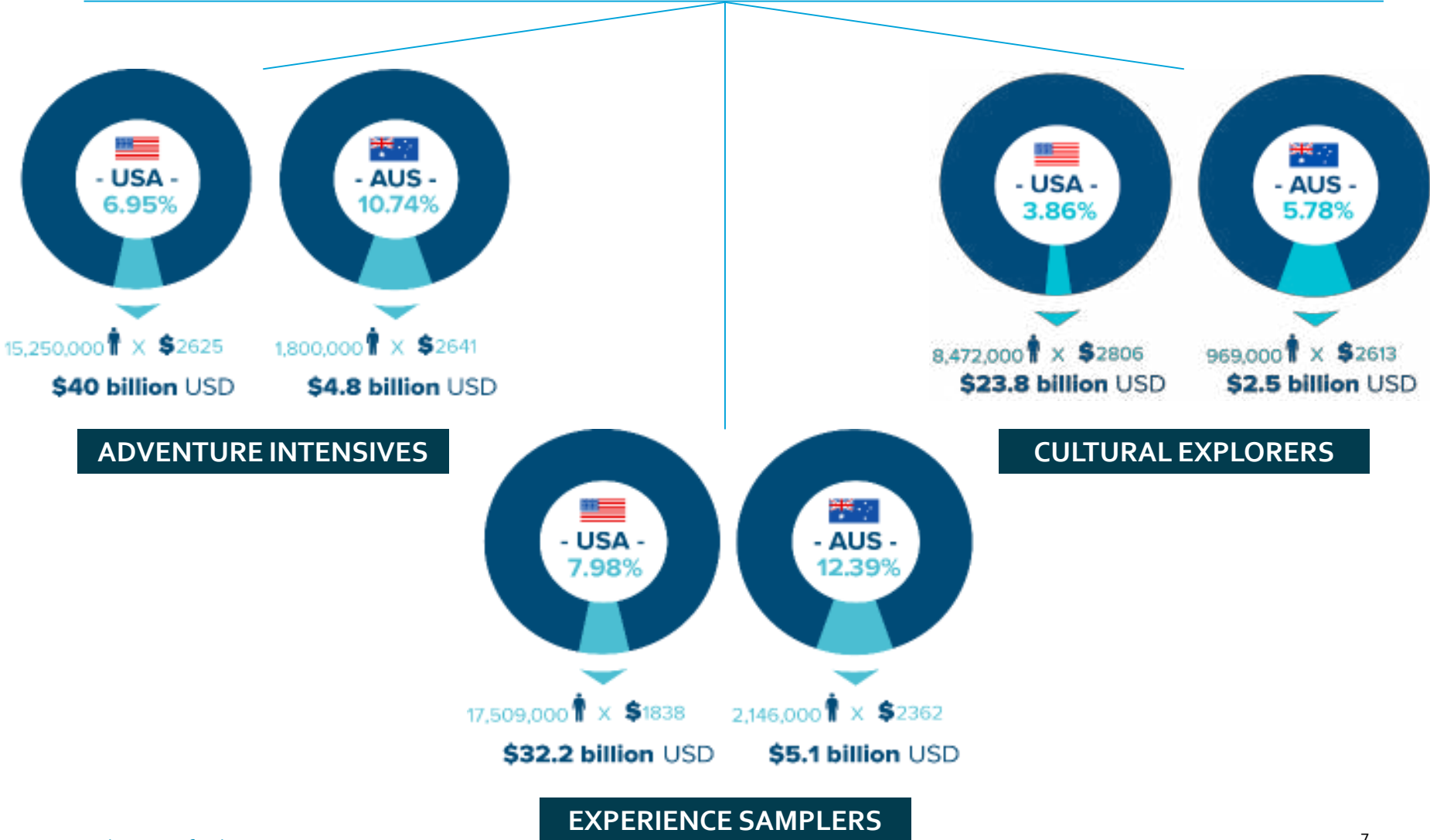
ADVENTURE INTENSIVE

- Pursue specific adventure passion
- Trend setter in new destinations
- Want a challenge
- Not concerned with comfort
- Winning is important
- Activity experts

CULTURAL EXPLORER

- Very interested in learning on holiday
- Enriching their knowledge
- Enjoy nature and scenery
- Not risk takers at all

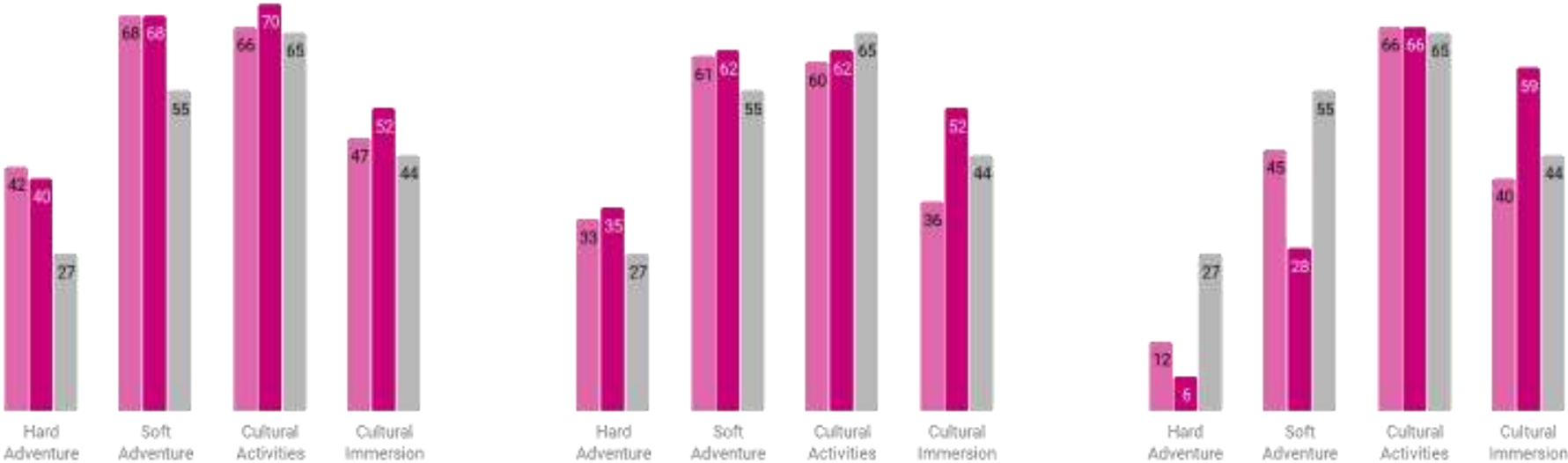
Three target segments = \$108.4 billion USD market



Percentage shown is of online consumers 18+.

ACTIVITY FOCAL POINTS

Activity participation was analyzed by country and segment. A key finding is that people who tend to emphasize cultural activities while on holiday will also engage in soft adventure, particularly backpacking/hiking and camping.



ADVENTURE INTENSIVES

EXPERIENCE SAMPLERS

CULTURAL EXPLORERS

■ USA ■ AUS ■ AVG

Cultural activities: e.g. visiting an UNESCO World Heritage site, participating in an architectural or cultural city tour

Cultural immersion: e.g. meeting with tribal or indigenous people, visiting a village, attending an indigenous or tribal performance

Numbers represent percent interested in these activities



ADVENTURE INTENSIVE



MEET THE SEGMENTS: ADVENTURE INTENSIVE

Middle Aged

- Male
- 35-54 years old
- Well educated
- Medium income
- Married and living with spouse and children

Millennial

- Smaller subset
- Both male and female
- 25-34 years old
- Well educated

ADVENTURE INTENSIVE PROFILE

- Most adventurous
- Willing to endure discomfort for interesting experiences
- Push their limits
- Winning is very important
- Same activities regularly and at expert levels
- Travel as family with children
- Booking and plan trip elements themselves

- Highly motivated by adventure activities
- Willing to try new challenges in both hard and soft adventure
- Tend to do the same ones repeatedly and regularly

Locations

US: New York, Chicago, LA, Las Vegas, Miami, Dallas, Phoenix, Indianapolis, Orlando, DC

Australia: Sydney, Melbourne, Brisbane, Adelaide



ADVENTURE INTENSIVE

PRODUCT RECOMMENDATIONS

Experienced in adventure activities of choice and want a product that will test their abilities.

- Expert guides that have technical knowledge of specific activities
- Technically rated and professional adventure activities that offer a challenge
- Adrenaline-focused experiences that requires fitness
- **Australia:** motorized sports, off-road buggy and kayaking or white water rafting
- **USA:** mountain climbing, road cycling, skydiving, and zip-lining
- Cultural activities should seek to connect travelers with local lifestyles and authentic experiences



IMAGES AND MESSAGING

Adventure Intensives like images that:

- Shows technically challenging activities
- Vibrant colors and exciting scenery
- Enigmatic and mysterious
- Show being active in a beautiful, serene place
- Shows ruggedness and challenge of a destination

Respond to messaging that is:

- Inspiring and emotional
- About drive, risk and reward
- Offers opportunities to win
- Encourages them to learn more



- Ability to get “up close” to marine life
- Pristine natural beauty
- Remoteness and seclusion



ADVENTURE INTENSIVE

HIGH LEVEL MARKETING RECOMMENDATIONS

- Market experiences with a higher dose of adventure activity to this segment
- Connect with them emotionally by addressing their desire to push their limits
- Highlight rugged and rustic elements
- Use authentic images that show the destinations as peaceful, mysterious, enigmatic, and unspoiled
- Place marketing in social media, on blogs, and *National Geographic Traveler*.
- As they are active social media users focus on:
 - Twitter for older group
 - Instagram for younger group





CULTURAL EXPLORER



MEET THE SEGMENTS: CULTURAL EXPLORER

Profile

- Mixed gender, slightly more male
- 55+ years old
- Middle income
- Highly educated
- Married and living with their spouse
- Likely grown children

CULTURAL EXPLORER PROFILE

- Interested in learning new things
- Enriching their knowledge of the world
- Desire to experience new things
- Not risk takers or competitive at all
- High levels of interest in engaging with cultures different from their own
- Enjoy nature and scenery
- Prefer to support local communities and operators

- Seek destinations with different lifestyles and languages
- Significant impact of cultural activities on their world view
- **Not** motivated by adventure activities but willing to try some soft adventure

Locations

US: Houston, Las Vegas, Saint Augustine, Alexandria, Atlanta, Birmingham, Chicago, Cleveland

Australia: Sydney, Melbourne, Brisbane, Adelaide



CULTURAL EXPLORER

PRODUCT RECOMMENDATIONS

Motivated by checking items off their “bucket list” or fulfilling a dream

- Short excursions into local community for low-risk interactions and time to relax after
- Opportunities to learn from local guides and interact with local people
- Mixture of ways to learn about local traditions
- Traditional lodging that provides comfort
- **Cultural activities:** Cooking classes, craft classes, and visits to historic sites
- **Adventure activities:** Light hiking and birdwatching

DON'T

- Involve communities that are reluctant or shy
- Lead guests from one museum or staged event to another with academic lectures



IMAGES AND MESSAGING

Cultural Explorers like images that:

- Show local cultures in beautiful natural scenery
- Show culture in their natural form, not staged
- Demonstrate that local people are inviting, welcoming and inclusive
- Hints at something to be further explored
- Showcase local food as a way to understand culture
- Provide some practical information

Respond to messaging that is:

- Emotional
- Advanced and descriptive
- Starts a story that they can finish in the destination
- Encourages them to learn more



Solomon Islands and Tahiti

- Inviting and welcoming
- Locals sharing with foreigners in an informal way
- Hands on learning



CULTURAL EXPLORER

HIGH LEVEL MARKETING RECOMMENDATIONS

- Market experience that emphasize authentic engagement with culture
- Connect with them emotionally by addressing their desire to enrich their knowledge and learn through travel
- Provide detailed information about travel experiences and cultures to allow them to actively research destinations prior to travel
- Focus on traditional media such as
 - *Travel & Leisure* (US)
 - *Get up & Go* (Australia)
- Focus on traditional travel agents and tour operators





EXPERIENCE SAMPLER



MEET THE SEGMENTS: EXPERIENCE SAMPLER

Predominately Female

Younger

- 18-24 years old
- Slightly lower incomes
- Lower education levels
- Live on their own

Middle Aged

- 45–54 years old
- Higher incomes
- Higher education levels
- Married and living with spouse and possibly children

EXPERIENCE SAMPLER PROFILE

- Interested in learning and new experiences
- Not competitive
- Want to get the most out of life
- Talk about liking risk, but don't actually engage in risky activities
- Looking for excitement
- Generally interested in culture, but do not want to sacrifice comfort

- Highly motivated by adventure activities with focus on soft adventure
- Participate in a few different activities they know well

Locations

US: New York, Houston, LA, Phoenix, Chicago, Miami, Columbus, Dallas, Fort Bragg, Las Vegas

Australia: Sydney, Melbourne, Brisbane, Adelaide



EXPERIENCE SAMPLER

PRODUCT RECOMMENDATIONS

- Itineraries that mix culture and soft adventure
- Tour operators adhering to social and environmental standards
- Village based activities without staged performances
- **Adventure activities:** camping, horseback riding, kayaking/white water rafting, scuba diving
- **Cultural activities:** Indigenous or tribal village home stays, cultural festivals, local language classes, or archeology field trips

DON'T

- Have one activity dominate the itinerary
- Over educate or lecture on cultural activities



IMAGES AND MESSAGING

Experience Samplers like images that:

- Show an exotic location but with someone in it to demonstrate accessibility
 - They like the idea of risk versus actual risk
 - Something different from their home
- Variety of adventure and cultural activities
- Seeing cultural activities in natural setting
 - Set cultural images in beautiful scenery
 - Seek friendliness and welcoming locals
- Authentic and not staged photos

Respond to messaging that is:

- Emotional
- Emphasizes reward
- Evokes thoughtfulness



- Thriving natural life
- Romance
- Splendor and beauty of volcano, excitement
- Tranquility and seclusion but something different

EXPERIENCE SAMPLER

HIGH LEVEL MARKETING RECOMMENDATIONS

- Market experiences that mix adventure and cultural activities together.
- Connect with them emotionally by emphasizing the newness and excitement of the experiences they can have in unexplored destinations.
- Messaging should focus on learning, unique experiences and variety.
- As they are active social media users, leverage social media with a focus on Snapchat for the younger group and Facebook for the older group, both use Youtube.





HISTORICAL TOURISTS

Introduction to historical tourism consumer market research

PROVISIONAL RESULTS

RESEARCH UPDATE

- Focus groups in USA and Australia with a mix of younger and older tourists
- Online survey with 1,500 respondents from USA and Australia each
- Segmentation to determine 5 segments of historical travelers
- Similar reporting with detailed profiles of segments
 - Distinct travel preferences
 - Personal priorities and value
 - Future travel behavior
- Segments consistent across nationality
- Product and marketing recommendations for each country

FOCUS GROUPS RESULTS

ROOT TRACING

- Travel is about shared quality time and creating memories
- Historical travel is about connecting with family's contributions to war
- Sense of urgency as they age
- Rite of passage
- Develop a greater understanding of ancestors' experiences

HOLISTIC PERSPECTIVE

- Travel is about creating work life balance
- Historical travel is about learning, developing and discovering more about the world
- Sense of urgency to travel while sites are still accessible
- Gain broad perspective of historical events to develop a personal concept
- Ensure a balance perspective of events is obtained

UNDERSTANDING & ADVENTURE

- Travel opening up as they develop their career
- Historical trips that involve adventure capture their attention
- Seek multi-faceted trips
- Physical and mental strain by immersing in adventure and learning about the world
- Seek understanding of historical sites in a short period of time

HISTORICAL TOURISM SEGMENTS



Bucket Listers



Heritage Hunters



Generation Educators



Pragmatic Retirees



Perspective Prospectors

MEET THE SEGMENTS: **BUCKET LISTERS**

Demographics

- 27% of the market
- Older: Average age 47
- More likely to be retired
- Living in an adult only household

BUCKET LISTER TRAVEL ATTITUDES

- More likely to be well-researched & cultured traveller
- Enjoy learning history of places visited
- Make the most of travel while still healthy
- Travel to expand perspective
- Likes to support local communities when travelling

BUCKET LISTER PROFILE

Target 55+ retired couples and develop content to address their curiosity for history, and concentrate on appealing to their sense of urgency to check off bucket list items before they get too old.

- More likely to be curious & enjoy learning
- Enjoy educating self & learning
- Like getting a new perspective of world
- Interested in learning about historical events
- Open-minded & curious
- Enjoy learning new things

BUCKET LISTER

HIGH LEVEL MARKETING RECOMMENDATIONS

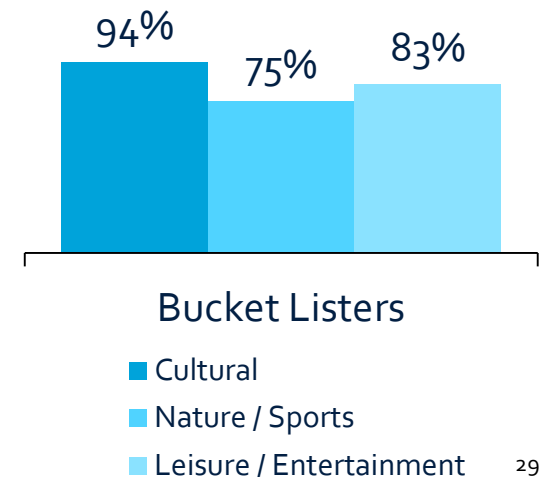
- Reach them on traditional media channels like National Geographic or Travel and Leisure Magazine
- Top websites: TripAdvisor, Trivago and Expedia
- More likely to be present on Lonely Planet and Viator

HIGH LEVEL PRODUCT DEVELOPMENT RECOMMENDATIONS

- Train knowledgeable tour guides that can offer unique insights in English
- Ensure transport is available to and from sites

Preferred Activities

- 1 Museums (64%)
- 2 WWII history related tours (54%)
- 3 War memorial / monument (52%)
- 4 Visit cultural / historical sites (51%)
- 5 Visit local markets (50%)
- 6 Shopping (48%)
- 7 Cultural tours (44%)
- 8 Go to the beach (43%)
- 9 Guided tour of a city / town (42%)
- 10 Village visits (42%)



MEET THE SEGMENTS: HERITAGE HUNTERS

Demographics

24% of the market
 Middle-aged (39 years)
 Highly educated (post-grad)
 Living in a family household

HERITAGE HUNTER PROFILE

Heritage Hunters are highly educated risk takers that enjoy remote destinations and a degree of spontaneity. They are more likely to be travelling with children.

- More likely to be family-oriented & risk-takers
- Value family time
- Actively seek new experiences
- Enjoy learning new things
- Willing to take risks to get most out of life

HERITAGE HUNTER TRAVEL ATTITUDES

- Spontaneous, looking for unique experiences
- Consider self as experienced traveller
- Like to visit remote places

HERITAGE HUNTER

HIGH LEVEL MARKETING RECOMMENDATIONS

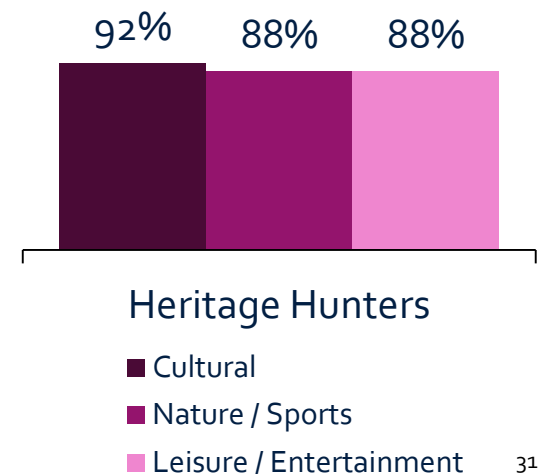
- Target them through digital media as they are more active online. Access social media daily
- Reached through paid and FTA TV: History Channel, generic WWI/WWII documentaries
- More likely to book through tour agents and seek opportunities for spontaneity

HIGH LEVEL PRODUCT DEVELOPMENT RECOMMENDATIONS

- Want to learn something new about the war experience
- Seek a specific narrative of their countrymen
- Offer personal stories of individuals
- Need decent amenities on site

Preferred Activities

- 1 Go to the beach (50%)
- 2 WWII history related tours (48%)
- 3 Shopping (48%)
- 4 Museums (45%)
- 5 War memorial / monument (44%)
- 6 Visit cultural / historical sites (41%)
- 7 Visit local markets (40%)
- 8 Village visits (38%)
- 9 Cultural tours (36%)
- 10 Guided tour of a city / town (34%)



MEET THE SEGMENTS: **GENERATION EDUCATORS**

Demographics

- 17% of the market
- Younger – over half are aged 34 or younger.
- Living in larger family households of 3-4 people with young kids or teens

GENERATOR EDUCATORS PROFILE

These consumers consider themselves knowledgeable of historical events and want to pass this on to the children by taking them to the destinations where these events took place.

- Outgoing & adventurous
- Actively seek new experiences
- Like to make connections with new people

GENERATOR EDUCATORS TRAVEL ATTITUDES

- Carefree traveller that optimizes opportunity
- Consider self confident traveller
- Prefer to visit multiple destination in one trip
- Happy being unfamiliar with local language
- Consider self knowledgeable of historical events

GENERATOR EDUCATORS

HIGH LEVEL MARKETING RECOMMENDATIONS

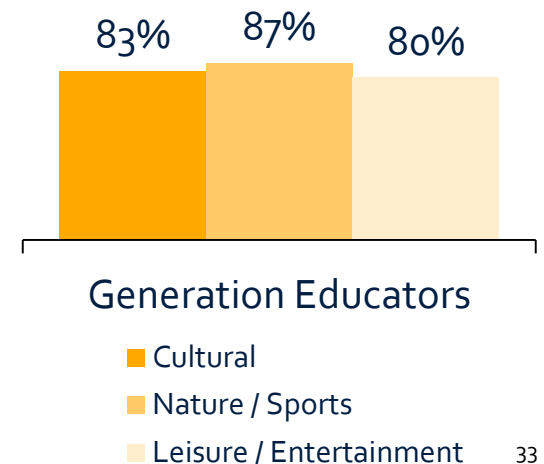
- Partner with productions to develop new video content
- Target them via key travel websites: Expedia, Booking.com, TripAdvisor and Trivago
- Book through travel agent but do not travel in tour groups

HIGH LEVEL PRODUCT DEVELOPMENT RECOMMENDATIONS

- More interested in well managed and structured sites with good signage and guides
- Clear instructions or available transport to and from site
- Food and beverage available on site

Preferred Activities

- 1 Go to the beach (36%)
- 2 Museums (33%)
- 3 Shopping (32%)
- 4 Visit cultural / historical sites (30%)
- 5 Go to a show / movie (30%)
- 6 WWII history related tours (27%)
- 7 Visit local markets (27%)
- 8 Cultural tours (27%)
- 9 War memorial / monument (26%)
- 10 Cultural festivals and shows (25%)



IFC's work in PNG is guided by the PNG Partnership. Australia, New Zealand, and IFC are working together through the partnership to promote sustainable economic development, reduce poverty and stimulate private sector investment in PNG.



RESEARCH OVERVIEW

In today's hypercompetitive market for international travelers, a holistic and nuanced understanding of which travelers best align with destination travel offerings is necessary. A full picture of the traveler--going beyond simple identifiers such as age, income, gender--is needed in order to shape travel products and frame and direct marketing messages precisely.

With this in mind, the International Finance Corporation (IFC) partnered an in-depth study of adventure and cultural travelers originating in the USA and Australia, two key outbound markets for international travel in general, and for the islands of the Pacific, in particular Fiji, Papua New Guinea, Solomon Islands, and Vanuatu.

The study provides an in-depth analysis of international outbound travelers from the USA and Australia. For tourism developers focused on Fiji, Papua New Guinea, Solomon Islands and Vanuatu, it offers a comprehensive understanding of how to best market to and serve travelers from USA and Australia.

SPECIFIC RESEARCH OBJECTIVES

- ▶ Determine a detailed profile of the American and Australian adventure tourist and cultural tourist markets with a specific focus on their decision-making processes when selecting a holiday destination.
- ▶ Provide specific and implementable marketing and product development recommendations that can be leveraged to improve the marketing strategies of IFC's tourism project countries (Fiji, Papua New Guinea, Solomon Islands and Vanuatu).



METHODOLOGY

A total of 2,514 identified international travel consumers from USA (1,239) and Australia (1,275) were surveyed through an online primary survey between April 30 to May 17, 2019. An additional digital listening component evaluated 800 million social media posts.

ANALYSIS

Conducted standard quantitative analysis of **demographic and attitudinal** indicators

Used **digital listening** to evaluate 800 million posts on social media

Performed cluster analysis to identify **response patterns** as they relate to personality attributes

Analyzed two dimensions to learn how each **experience impacts** perceptions of a destination

OUTCOMES

► UNCOVERED FOUR SEGMENTS

The analysis revealed that many of the psychographic characteristics we measured were correlated in four main clusters, and related to distinct travel preferences, personal priorities and values, which also aligned with future travel behavior. These clusters were translated into four traveler segments.

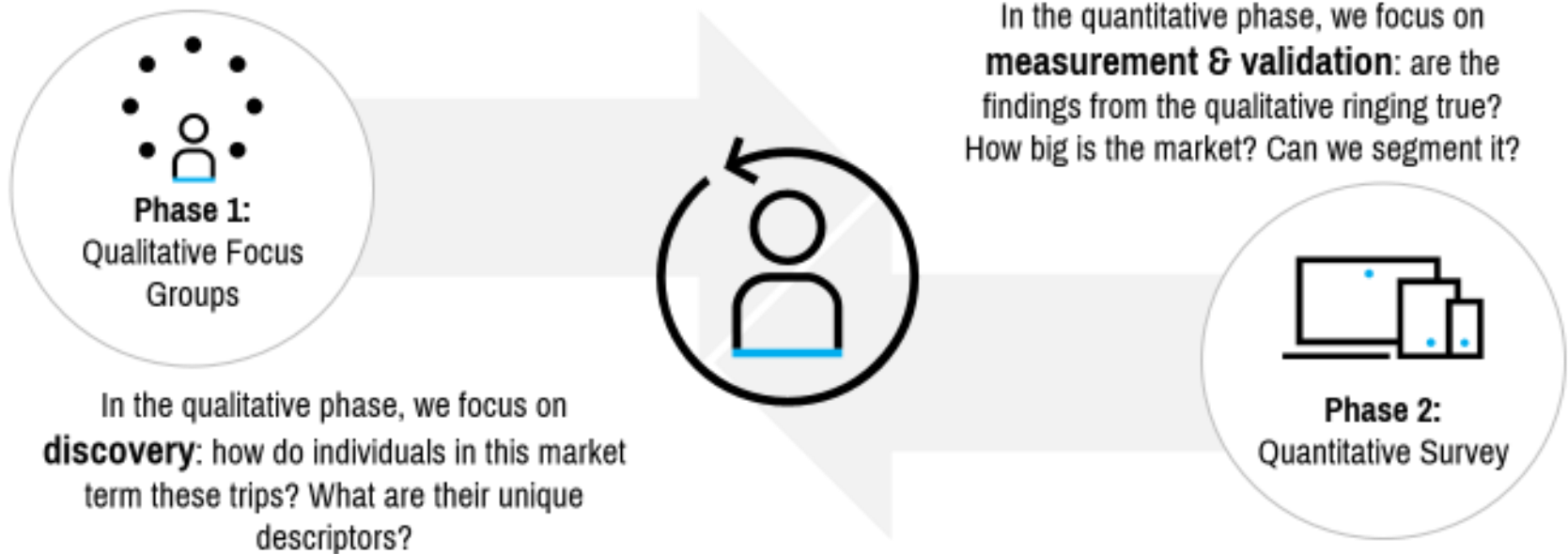
► DEVELOPED A COMPREHENSIVE TRAVEL PROFILE FOR EACH SEGMENT

- demographics
- personality profile
- travel influences
- key media
- adventure and cultural activity preferences
- travel planning and booking behaviors
- spending
- future travel destinations

► DEVELOPED SPECIFIC, PRACTICAL RECOMMENDATIONS FOR PRODUCT DEVELOPMENT AND MARKETING

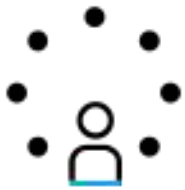
HISTORICAL TOURISM DETAILED RESEARCH DESIGN

To gain a comprehensive understanding of the Historical Tourism market in Australia & the USA, we employed a two-phased approach.



HISTORICAL TOURISM DETAILED RESEARCH DESIGN

QUALITATIVE



Methodology

Qualitative focus group discussions



Target Respondent

Those who have travelled internationally in the past 3 years for the primary or equal purpose of visiting historical sites relating to WWI or WWII and were solely or jointly responsible for the decision making



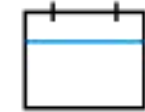
Sample Size & Group Composition

n=8 focus groups across AUS & USA
n=4-6 respondents per group



Group Duration

1.5 hours



Fieldwork

April 2019

AUSTRALIA			USA		
#	AGE	LOCATION	#	AGE	LOCATION
1	Younger: 25-49 years	Sydney, NSW	5	Younger: 25-50 years	Stamford, Connecticut
2	Older: 50-79 years		6	Older: 51-75 years	
3	Younger: 25-49 years		7	Younger: 40-55 years	Atlanta, Georgia
4	Older: 50-79 years		8	Older: 40-65 years	

HISTORICAL TOURISM DETAILED RESEARCH DESIGN QUANTITATIVE



Methodology
Online survey



Target Respondent
Those aged 18+ and have been on a historical trip within past 3 years; OR planning to go on a historical trip within the next 2 years



Sample Size
n=3,006
Australia: n=1,506
USA: n=1,500



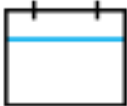
Coverage
Nationally representative*
sample of the 18+ population in
Australia and mainland USA



Incidence Rate
12%



Survey Duration
20.5 minutes



Fieldwork
July 2019

*Data has been weighted to be representative of the 18+ population of Australia and the USA. Tests for statistical significance are conducted at 95% confidence with a 5% margin for error.