



BIG RED GROUP

Seasonal Experiences Index:
Autumn/Winter 2023

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Foreword

I'm delighted to present our first Seasonal Experiences Index, which examines the state of Australia's experience industry through Autumn and Winter 2023.

While the industry has undoubtedly weathered a few storms, be it COVID or the cost-of-living crisis, the overall outlook remains hopeful for 2023. The desire to travel and experience new things has not been dampened for Australians, or our international visitors. They're just going about things slightly differently now.

In this report, we'll explore the key trends and insights that have emerged across the tourism and experience industry. To do this, we've analysed booking data across our Big Red Group brands and wholesalers, conducted roundtable discussions with our experience operators, and paired this with third-party reports to understand how the current state of the nation is impacting consumer behaviour.

As ever, our intention is to support the industry, and that's why we've given experience operators the chance to shine a light on the experiences and categories that have performed well this season, whilst acknowledging which areas have had a tougher time of it - and why this might be.

I hope you enjoy reading our Seasonal Experiences Index.

David Anderson

CEO & Co-Founder, Big Red Group

State of the nation's tourism and experience industry

The pandemic and cost of living crisis that swiftly followed led to a prolonged period of uncertainty for Australia's tourism and experience industry, but the situation is starting to stabilise in 2023.



Encouraging data from the [Australian Bureau of Statistics \(ABS\)](#) indicates that domestic seat capacity levels have reached **96%** of pre-pandemic levels, whilst international levels have recovered slower, but are still promising at **77%**.



During the same period*, **Big Red Group** has seen a **66%** growth in bookings across its consumer brands, with average order value (AOV)** also **increasing by 33%** on average across Experience Oz, Adrenaline and RedBalloon.



EXPERIENCEOZ

Experience Oz suggests domestic tourism is on the rise, with **AOV increasing 65%** from **\$156** in 2019 to **\$257** in 2023.



adrenaline

Adrenaline indicates a sustained obsession with the outdoors, with **AOV increasing 20%** from **\$266** in 2019 to **\$319** in 2023.



redballoon

While RedBalloon has seen gift buyers and receivers spend more, with **AOV increasing from \$214** in 2019 to **\$245** in 2023.

The rationale behind these patterns is three-fold. Firstly, the Reserve Bank of Australia (RBA) [found](#) that although there are less international visitors overall, those that do visit are spending more.

Secondly, a research [study](#) from SCTI suggested that while many Australians are postponing or cancelling international travel plans in response to the cost of living crisis - they're ultimately spending money domestically when they decide to treat themselves or enjoy a well-earned break closer to home.

And finally, the AOV increase across Big Red Group's consumer brands is due in part to cost indexing. Operators have ultimately had to raise their prices this year to cover inflation and operating costs, but this hasn't dampened demand, with many customers trading up to spend more on experiences - and in the higher price categories too. This suggests that there could be further elasticity for operators who are still trying to recover when it comes to pricing.

*For the period 1/6/22 -31/5/23 compared to 1/6/19 to 31/5/20.

**AOV tracks the average amount spent each time a customer places an order. This is calculated by dividing total revenue by the number of orders.

Experience hotlist from Autumn 2023

With 13 public holidays across different states and two weeks of school holidays, Autumn can be a popular time for families and friends to book exciting experiences that will make lasting memories for them. This year was no exception, with **Autumn 2023 experience bookings up 41%** on pre-pandemic levels (2019).

Best selling categories in Autumn 2023 by booking volume, compared to 2022:

- | | |
|---------------------------------|---------------------------------|
| #1 Theme Parks | #6 Hot Air Ballooning |
| #2 Cruises | #7 Reef & Island Cruises |
| #3 Eating Out | #8 Water Sports |
| #4 Day Tours | #9 Aquariums & Zoos |
| #5 Scenic/Dining Cruises | #10 Skydiving |



Theme parks reigned supreme again this year, representing 18% of all sales, whilst the Day Tours category has performed particularly well this Autumn with bookings up **37%** year-on-year. One of the category's individual highlights this year is the [Green Island Full Day Tour](#) in Cairns.



Lisa Chambers at ExperienceCo, which operates the [Green Island Full Day Tour](#) through ExperienceOz, said:

"We're seeing steady growth across the business this year - and our scenic cruises to the Great Barrier Reef and Green Island have been key to this. With budget-friendly options available, our Full Day Tour is an ideal experience for families, friends and couples - and our glass-bottom boat, submersible experience and buffet lunch add-ons mean that visitors can build an experience that works best for them."



Deep-dive into Autumn 2023's hottest experiences

Autumn 2023's hottest experiences are testament to the width and breadth of Australia's tourism and experience industry. From **adventure sports and driving experiences to off-grid retreats and food tasting** - the season's most popular activities may be poles apart, but they strengthen the argument that domestic tourism can offer something for everyone.

Extreme activities

Despite cost of living pressures, many people are adopting a 'seize the day' mentality, with a range of high-octane and extreme activities benefitting from a significant increase in popularity.

The fastest growing categories for Autumn 2023 across Big Red Group's consumer brands are testament to this.



+355%
Driving Experiences



+1786%
Adventure Sports



+128%
Escape Rooms



+658%
Skiing & Snowsports



Food tasting

Up **290%** year-on-year, the Food Tasting category experienced some standout successes in Autumn, with foodies rushing to book a number of unique experiences.

+200%

Queen Victoria Market Ultimate Foodie Tour

+396%

Adelaide Central Market Breakfast Tour

+15,736%

In-water Dining and Oyster Farm Tour



Sheridan Beaumont of Sydney Oyster Tours, which operates the In-Water [Oyster Farm Tour](#) through RedBalloon, said:

"It's been an incredible twelve months for our business. We've created an experience that didn't exist in NSW previously and our guests are enjoying it so much they're quickly coming back and bringing their friends with them! While it blows my mind, people are definitely seeking new and enriching experiences that bring them closer together - and food is a big part of this. I've enjoyed sharing our farm and in-water dining experience with our visitors and look forward to broadening our offering in the near future."

Off-grid retreats and cabins

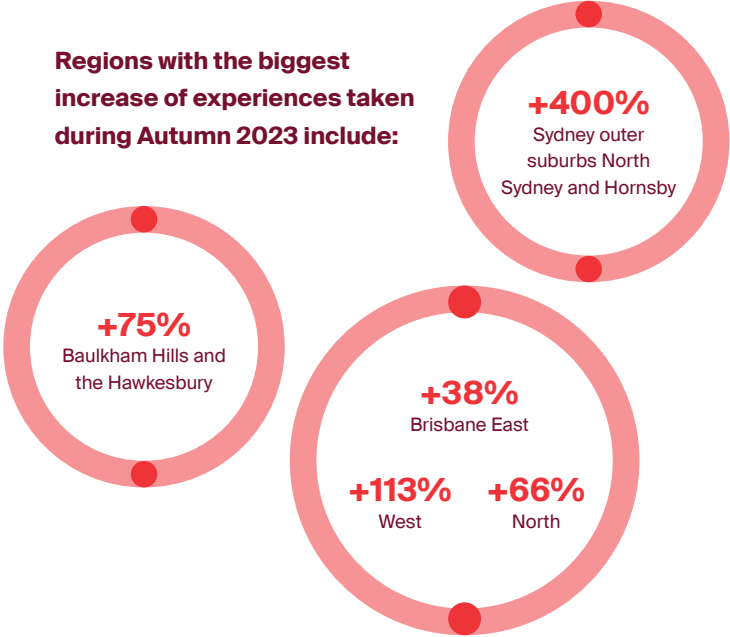
While high-octane experiences are high in demand, accommodation experiences seeing significant growth are more serene - with off-grid retreats and cabins in particular proving popular. Situated in semi-rural or remote locations, these experiences are enabling people to unwind and ‘get back to nature’ at a time when life has become chronically stressful - and they’re outselling the former star of the Getaway category on RedBalloon, Glamping, by **56%**.



Outer suburbs on the rise

Data suggests that the outer suburbs are the place to be right now, with Autumn 2023 seeing a sharp rise in bookings and activity outside of city centres. With the cost of living crisis putting household budgets under pressure, it’s unsurprising that many Aussies will be looking for experiences that are closer to home.

Regions with the biggest increase of experiences taken during Autumn 2023 include:



Chris Grant, Co-CEO at off-grid cabin and nature company [Unyoked](#):

“The continued growth in demand we’re seeing for domestic nature-based travel is due to an increased awareness of the need for time outdoors and understanding of how it impacts our health and wellbeing. Where we used to see consumers booking larger trips, few and far between, behaviour is now moving towards more frequent short-term experiences. There’s a strong pattern emerging as people seek to build nature and off the grid experiences into their daily/monthly/yearly operating rhythms, now they understand more about how its benefits affect areas as varied as our stress-levels, sleep, creativity, perspective and relationships.”



Sam Hasim of Seagrass Boutique Hospitality Group, which operates the [Italian Bar Experience with Wine](#) in Bella Vista through RedBalloon, said:

“The colder weather can have a huge impact on occasional and quick eat dining, with people often opting to stay at home rather than commit to travel, whilst changing work patterns have adjusted the dining scene as well. Our business has been built upon the premise of enabling people to try out something new - so we’ve developed this experience to get them out of the house, be more social and dine locally too!”

The impact of the rising cost of living on the experience industry

The nation's experience industry has endured a series of unprecedented challenges in recent years - and the cost-of-living crisis is the latest to make an impact.

With such challenges however, come new opportunities for the industry to adapt to changing consumer behaviour and move forwards.

Interestingly, even in mid-2023, the 'post-COVID effect' remains. Confidence in travel and experiences has returned, and **Aussies are continuing to live in the moment by ticking off their bucket-list experiences.**



Big Red Group has seen a **22% year-on-year growth*** in bookings for experiences over \$500.

**Data from Autumn 2023 compared to the same period last year in 2022*



Value driven experiences

Interestingly, whilst there's been growth in some of our highest price ranges, lower price experiences - and particularly those in the \$<50, \$50-\$99 and \$100-\$149 brackets - have seen a decline in bookings year-on-year.

While fan-favourite experiences, such as [Kuranda Scenic Railway and Skyrail](#), the [Green Island Tour](#) and [tickets for Taronga Zoo](#), continue to drive volume within this lower price bracket, there's a growing trend - as identified in the CommBank iQ Cost of Living Insights [Report](#) - that Aussies are choosing to stop spending, or be more frugal in some areas so they can continue to prioritise experiences.

The rise in demand for '[Mystery Flight Package](#)' experiences in particular are testament to this, with Australians attempting to get more bang for their buck when travelling.

Experiences in the \$500+ category with the highest year-on-year growth, comparing Jan-May 2023 to Jan-May 2022



Mystery flight packages with overnight stays



Jet fighter flights at Wangaratta



Hot Air Balloon Flights all around the country



Frans Josef Glacier Heli-Hike



Regions impacted by the **cost of living crisis** in Autumn 2023

Whilst the outlook for the tourism and experience industry is generally more positive than it has been in previous years, the cost of living has inevitably had a negative impact in certain regions and pockets of the industry as the way Aussies experience travel continues to shift.



Regions with a year-on-year decrease in experience bookings, comparing Autumn 2023 to Autumn 2022:

-8% Cairns

-9% Gold Coast

-18% Ballarat

-29% Mackay, Issac and the Whitsundays

Given that Cairns, the Gold Coast and the Whitsundays are popular holiday spots, and with declining visitor numbers this past school holiday, an assumption can be made that the the cost of living crisis is keeping people in-state and closer to home this year. It will be interesting to see how this develops later this year, as data has shown that these destinations typically perform better in the warmer months.



Emerging trends for Winter 2023

With Winter 2023 bringing with it a drop in the mercury levels and disposable income for many Australians, it would be easy to predict a quieter quarter for those operating within the experience industry.



However, consumers continue to surprise when it comes to their spending habits - and experiencing new things through **travel and adventure remains a high priority** for many - so it will be interesting to see how this season shapes up in comparison to previous years.



While we won't see the full picture until Spring, Big Red Group has identified a number of trends for Winter 2023.

Whale watching is back

The Organisation for the Rescue and Research of Cetaceans (ORRCA) is anticipating a year-on-year increase in Southern Hemisphere humpback whale migration this winter, and Australia's eastern coastline has come alive with displays once again. As a result forward bookings for whale watching experiences have been particularly strong, with a **7%** increase in 2022 bookings for the month of June.



Colin Thwaites, who operates the [Sydney Weekend Whale Watching Cruise](#) through ExperienceOz, said:

"Thanks to tireless conservation efforts, more and more whales are migrating north each year - and we've been extremely fortunate with the number of displays we've seen this season. People are keen to get bang for their buck, and with all-inclusive cruises available, our bookings have remained consistently strong. Whale watching off Sydney Heads is a fantastic and affordable experience - and we're passionate about our visitors leaving with memories they'll never forget."



Heading north for the winter

Humpback whales aren't the only ones travelling north! Australians seeking out warmer weather and a change of scenery have been busy planning Northern Territory getaways for Winter 2023, with the NitNit Dreaming Two Gorge Boat Tour in Darwin proving to be an extremely popular winter experience. Forward bookings for the tour are up an incredible **7431%** year on-year.



Trehaan Armstrong, at Nitmiluk Tours, which operates the [NitNit Dreaming Two Gorge Boat Tour](#) through ExperienceOz, said:

"Tourism is extremely important to the region - so it's great to hear that so many people are exploring the Northern Territory this year. This season's forward bookings have been extremely strong, and we're looking forward to welcoming these guests for an absolutely stunning journey down the Nitmiluk (Katherine) Gorge waterway."



VIVID shines bright

As the world's largest festival of light, music and ideas, Vivid Sydney continues to draw huge visitor numbers to the city annually - and a record 3.28 million joined in for the festivities this year.

Experiences linked to Vivid have historically been some of the fastest-growing sellers in the winter months - and this trend has continued in 2023, with Vivid themed experiences growing **203%** year-on-year, doubling revenue for operators (**+101%** year-on-year).



Erin Kiely, at Sydney Princess Cruises, which operates the Vivid Dinner Cruise, said:

“Vivid is an awesome event for NSW and most importantly, the people who come to experience it - and we're delighted to provide our guests with a slightly different perspective from the water. Having a large-scale event like Vivid take place during the winter is a real boost for local operators, as it helps us claw back any losses incurred during the pandemic and start thriving again. This year's event was one of our busiest yet, and we're looking forward to hosting cruises again next time around.”



About Big Red Group

Big Red Group is the largest experience network in Australia and New Zealand. A powerful connector that provides more than 3000 experience operators with quality customers and the tourism industry with trusted intelligence and partnership.

Australian owned, Big Red Group operates an industry-leading platform, enabling the wholesale distribution of experiences through domestic and international partners, powering its renowned domestic marketplaces RedBalloon, Adrenaline, Experience Oz, and Everything NZ. Equipping in-destination experience retailing through hotels and travel agents through its Local Agent offering. As well as a suite of software products and services to support experience operators grow their businesses.

With a purpose to 'shift the way people experience life', Big Red Group seeks to reduce the tide of consumption. Encouraging people to choose 'stories over stuff' at every opportunity. Together with our experience operators, we are on track to deliver an experience every second by 2030.

We are **The Experience Network**.



Our Brands



 **adrenaline**

Australia's most recognised adventure experiences brand, connecting the adventurous at heart with the adventures they seek.



EXPERIENCE OZ

Renowned for its accessibility, simplicity and inspiration, serving the domestic holiday market for more than a decade.



LOCAL AGENT

Australia's leading one-stop-shop for concierge booking tours and activities for more than 700 hotels.



redballoon 

Australia and New Zealand's leading experience brand with 4 million+ experiences delivered, averaging 4.5 stars from 130,000 customer reviews.

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