

Market Potential for Direct Flights to Kununurra

November 2015

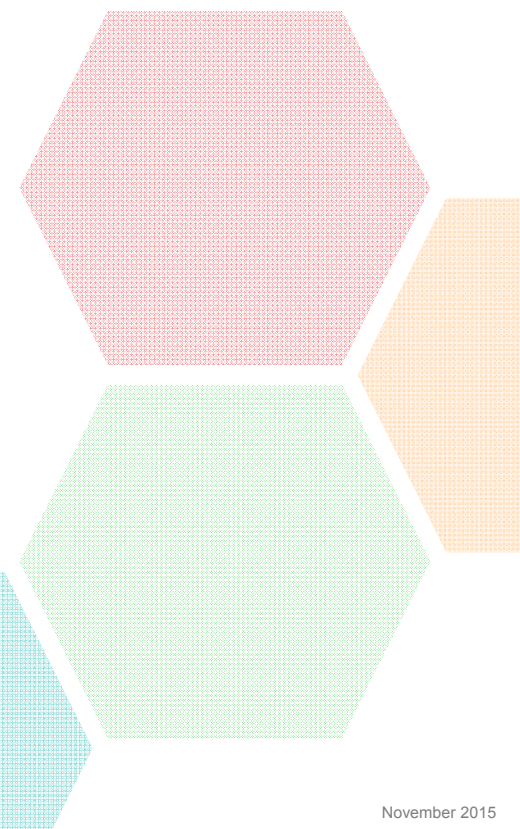


Contents



Page:

Scope of Engagement	3
Executive Summary	7
Detailed Findings	
Awareness	10
Past Visitation	14
Appeal of the East Kimberley	24
Kununurra Residents Travel Behaviour	35
Introducing Direct Flights	41
Product Evaluation	48
Market Modelling Example	60
Appendix	64



Scope of Engagement



Scope of Engagement



Known as the 'Gateway to the East Kimberley', Kununurra is growing in importance as a tourism hub of Western Australia, with many tours and experiences leaving from this destination. Direct flights from Melbourne are viewed as a positive way to drive visitation growth. As a result, Tourism Western Australia (Tourism WA) and The East Kimberley Marketing Group are seeking to measure the market potential of direct flights from Melbourne.

The overall objective of this research is to understand the market potential of direct flights and uncover the most compelling offer to maximise interest.

The research objectives of this engagement were to understand:

1.

Current awareness & likelihood to visit

- Measure awareness of East Kimberley destinations and attraction.
- Measure appeal and likelihood to visit or revisit the region.
- Identify motivators and barriers to travelling to Kununurra and the Kimberley region.
- Develop a demographic profile of potential visitors.

2.

Appeal of direct flights offerings

- Measure visitation potential for direct flight and triangulated service options.
- Understand the most compelling offer that will maximise interest.
- Measure the impact on likelihood to visit Kununurra as a result of introducing direct flights from Melbourne.

3.

Consumer profiling

- Measure individual and household demographics.
- Measure travel segments.
- Measure past visitation to WA and the Kimberley region.
- Understand travel behaviours of East Kimberley residents.

Research Approach



Stage 1: Potential Visitors

A 15 minute online survey was conducted between 26 August and 3 September 2015 with 632 people in the Melbourne Target Market, which was defined as follows:

- Metropolitan residents
- 25 to 64 years old
- \$100K or higher household income
- Travelled in the past 12 months or intend to travel in the next 12 months

The overall sample size provided a margin of error of +/- 3.9% at the 95% confidence interval.

	Sample Size n =	Weighted	Unweighted
Total	632	100%	100%
Age 25-54	468	80%	74%
Age 55+	164	20%	26%
Male	291	45%	46%
Female	341	55%	54%
HHI \$100k to \$149k	411	58%	65%
HHI \$150k	221	42%	35%

Stage 2: Past Visitors and Local Residents

A five minute online survey was conducted via an open link which was distributed by accommodation providers and on community Facebook pages in Kununnurra, Wyndham and Halls Creek.

The survey was conducted between 13 October and 15 November 2015, and completed by 186 Visitors and 623 East Kimberley Residents.

	Visitors	Locals
Total	186	623
Age under 34	47	259
Age 35-54	86	282
Age 55+	53	82
Male	69	176
Female	117	447
HHI >\$100k	72	257
HHI \$100k to \$149k	46	156
HHI \$150k+	33	151
n/a	35	59

Segment Definition



Tourism Western Australia have four target segments in the domestic market. These are defined as follows:

Thinking about your typical holidays and short breaks, which of the following best describes you?

Dedicated Discoverers



I travel primarily to see and experience new and different things

Grey Explorers



I travel to enjoy sightseeing and quality time with family and friends

Family Connectors



I travel to connect and have fun with my loved ones, especially my children and partner

Aspirational Achievers



I travel primarily to indulge, relax and take time out

Executive Summary



Brand and Communications



	Finding	Implication	Recommendation
Brand Equity and Investment	<ul style="list-style-type: none"> The West Kimberley has stronger brand awareness and appears to be the driving force behind visitation to the Kimberley. The East Kimberley appears to be a 'bucket list' destination for many interested. 	<p>There is a clear opportunity for major investment in the brand. If an appropriate level of investment in the brand is not feasible, strong consideration should be given to working more closely with West Kimberley to leverage its brand equity and expand itineraries to include destinations and attractions in East Kimberley.</p>	<p>Review the marketing strategy based on the intelligence collected from this engagement and the upcoming Kimberley destination research.</p>
Target Audience	<ul style="list-style-type: none"> Interstate Visitors to the East Kimberley tend to fall into Tourism WA's core audience of Affluent Travellers (35 years old, \$100k+ HHI). Cost and time remain key barriers, which suggests the need to focus on travellers with high disposable incomes. 	<p>A targeted marketing strategy is required to maximise ROI.</p>	<p>Refine the communications and media strategy to reflect the core audience.</p>

Direct Flights Potential



	Finding	Implication	Recommendation
Impact of Direct Flights on Demand	<ul style="list-style-type: none">• Direct flights to Kununurra are likely to increase demand by a minimum of 10% from Melbourne.• There is a clear move in preference from the current travel options to direct flights, which may improve conversion, given the key barriers are time and cost.• If KNX to MEL is introduced there is potential demand for 13,988 flights by local residents. However, there is no evidence to suggest this will increase the frequency of travel to Victoria by those travelling regularly.	Direct flights present the opportunity to grow first-time visits to the region.	Conduct further analysis to determine whether the potential increase in visitation will deliver the financial outcomes to justify the investment.

Awareness

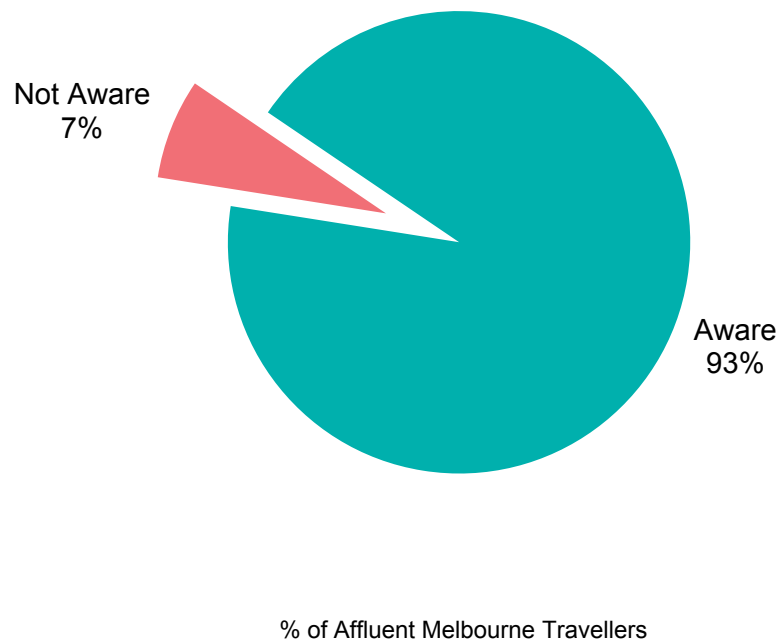


Awareness of the Kimberley Region



Approximately nine in ten Affluent Melbourne Travellers are aware of the Kimberley region. Three in ten were spontaneously able to recall Broome, but there is a big fall off in destination awareness following this.

Awareness of Kimberley Region

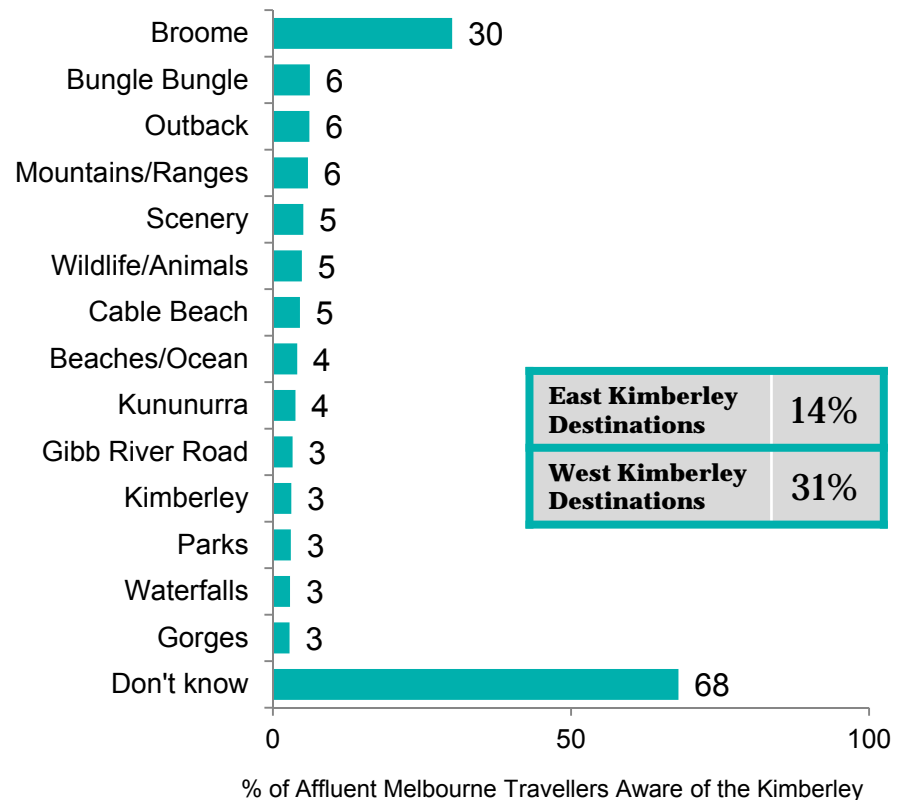


n=632

Q2 Have you heard of the Kimberley region in Western Australia before today?
Source: Stage one – Potential Visitors

© 2015 Metrix (Confidential)

Unprompted Destination Awareness



East Kimberley Destinations	14%
West Kimberley Destinations	31%

n=632

Q3 What are the first three destinations or attractions you think of when you hear of the Kimberley region? (Open ended question with coded responses)

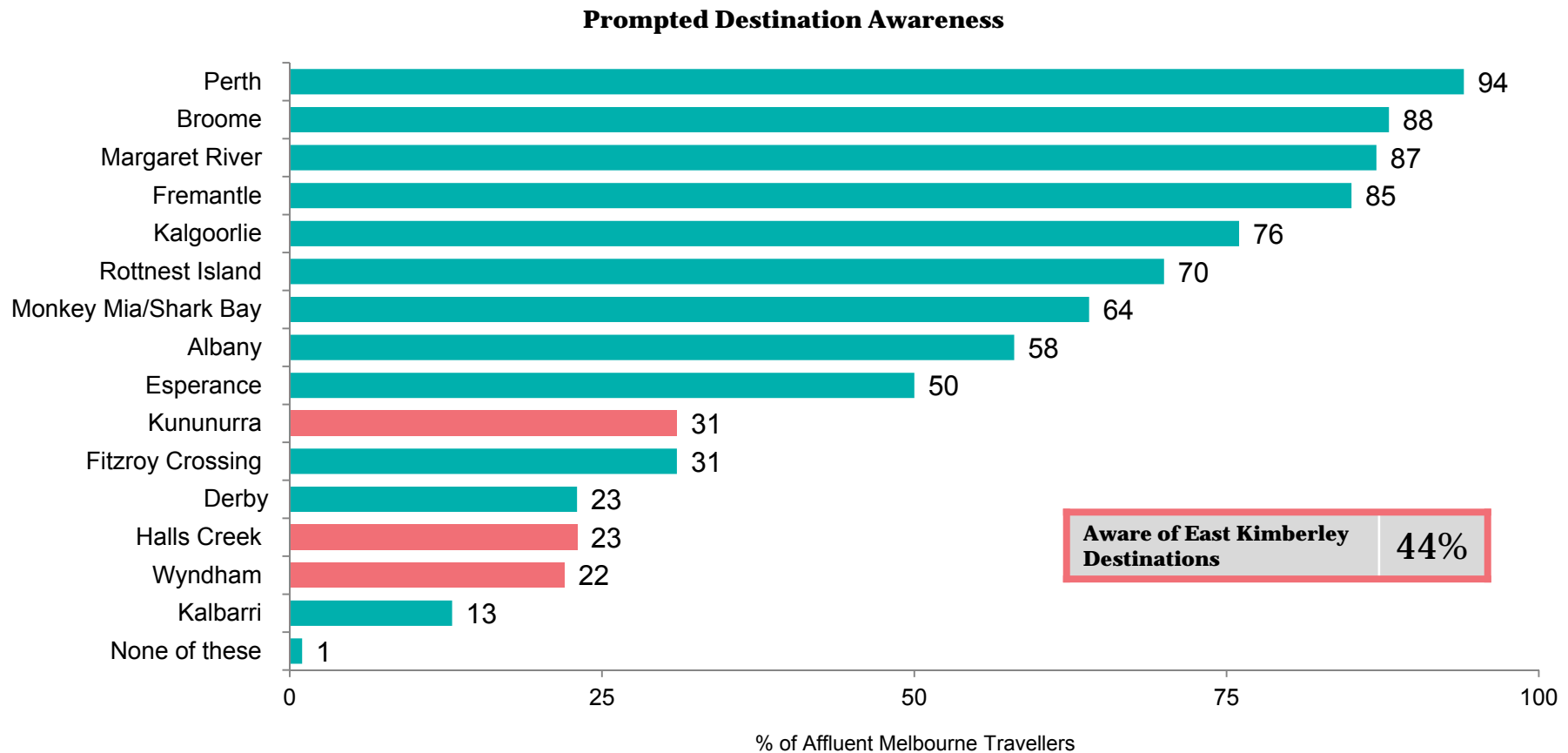
Source: Stage one – Potential Visitors

*destinations under 3% are not shown

Awareness of East Kimberley Destinations



A little over four in ten Affluent Melbourne Travellers are aware of at least one destination in the East Kimberley region, with Kununurra the most commonly recognised (31%). Dedicated Discoverers are significantly more likely to be aware of Kununurra than the other segments (42% compared to 25%), consistent with their propensity to like lesser known or undiscovered destinations.



n=632

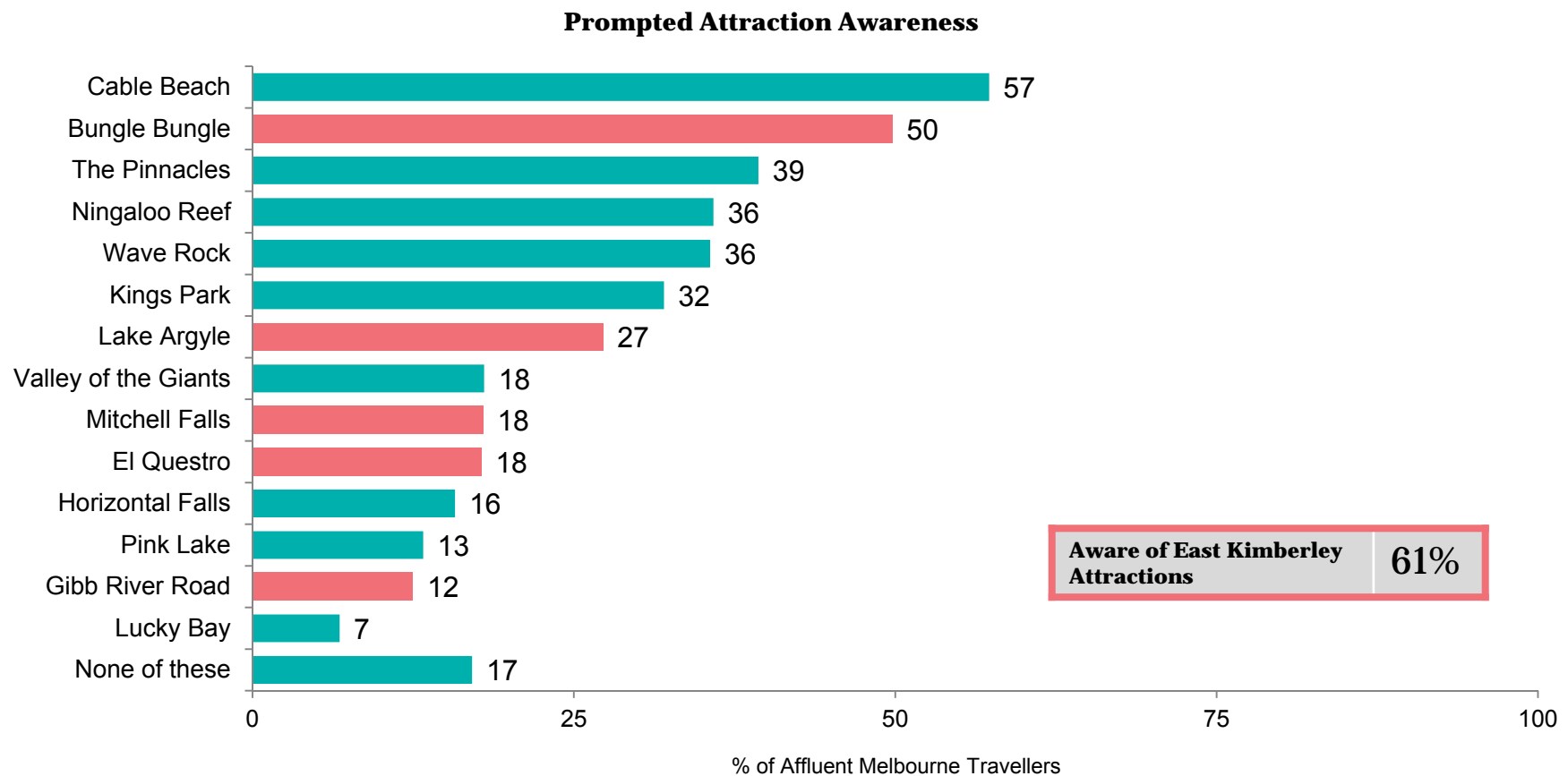
Q4 Which of the following holiday destinations within Western Australia have you heard of before today?

Source: Stage one – Potential Visitors

Awareness of East Kimberley Attractions



Awareness of the attractions in the East Kimberley region is high, with six in ten aware of at least one. Bungle Bungle was recalled by half of the target audience and Lake Argyle by one-quarter.



n=632

Q5 Which of the following attractions within Western Australia have you heard of before today?

Source: Stage one – Potential Visitors

Past Visitation

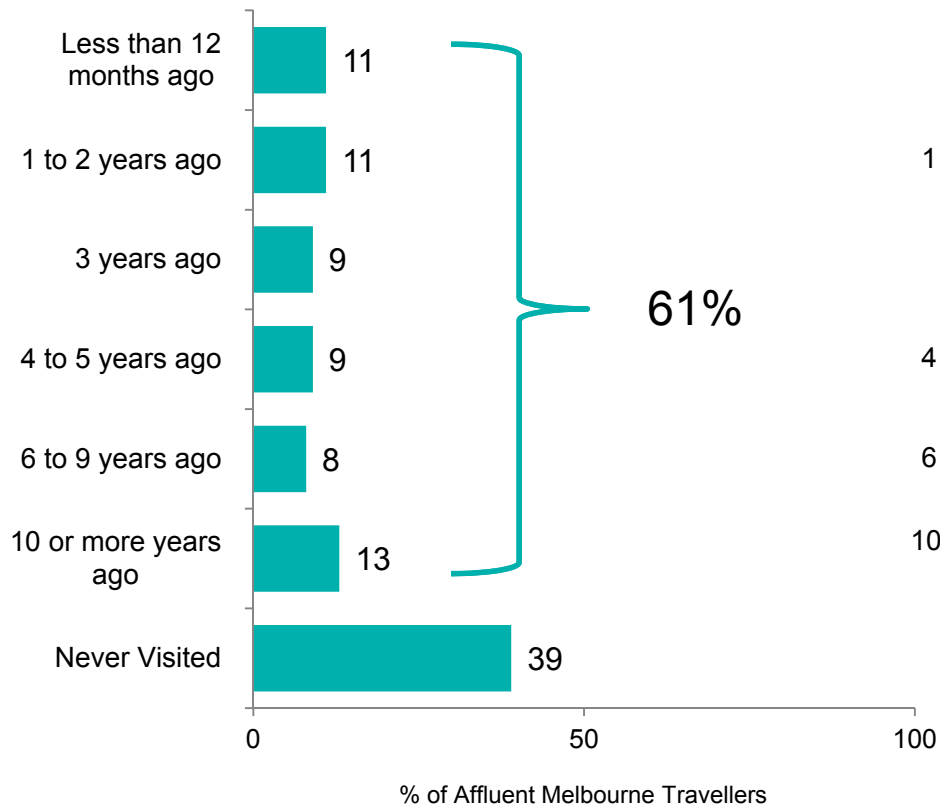


Past Visitation to Western Australia



Six in ten Affluent Melbourne Travellers have visited WA in the past, and one-quarter have visited the Kimberley. One in ten have visited in the past year, with approximately half visiting the Kimberley region.

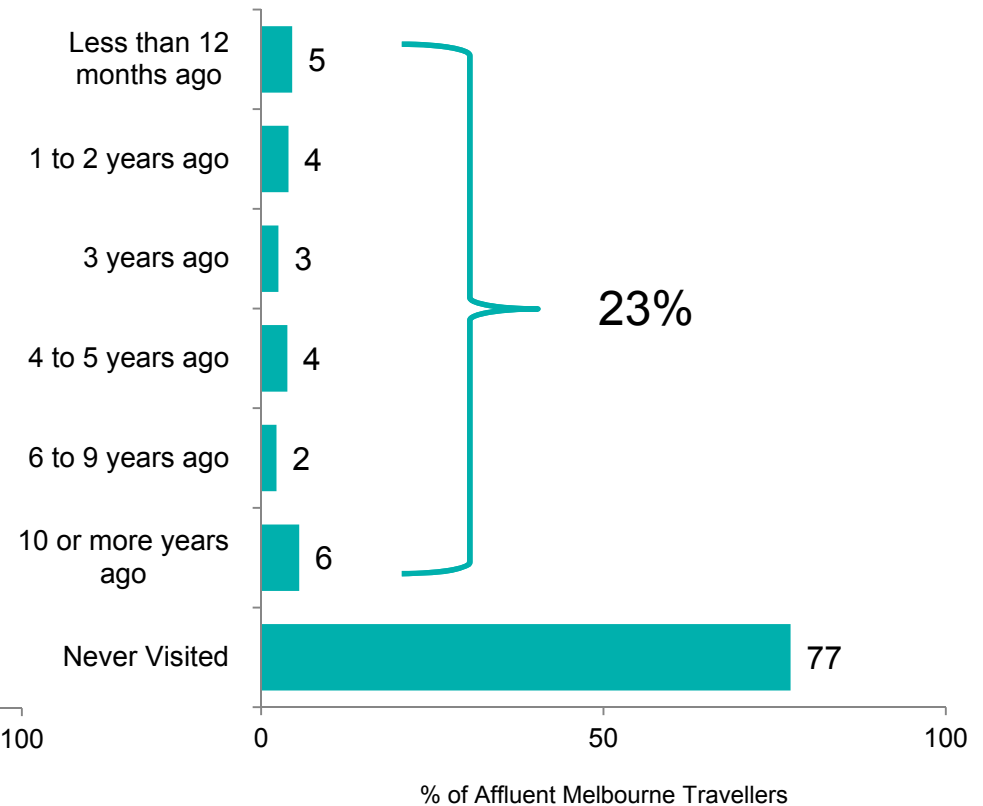
Last Trip to Western Australia



n=632
Q1 When was your last trip to Western Australia?
Source: Stage one – Potential Visitors

© 2015 Metrix (Confidential)

Last Trip to the Kimberley

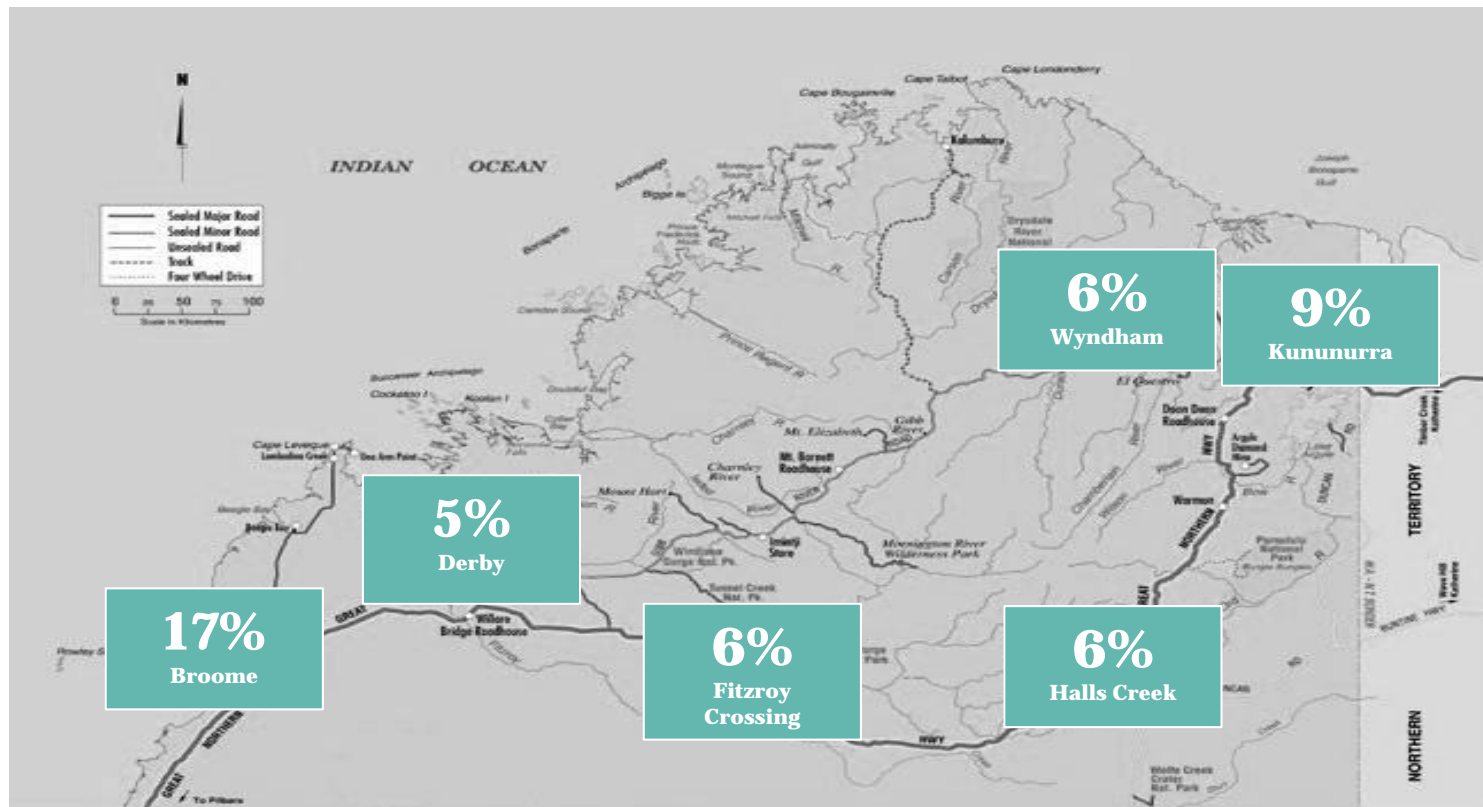


n=632
Q6 When was your last trip to the Kimberley region?
Source: Stage one – Potential Visitors

Town Visitation in the Kimberley Region



The most commonly visited destinations in the Kimberley region were Broome (17%) and Kununurra (9%).



% of Affluent Melbourne Travellers

n=632

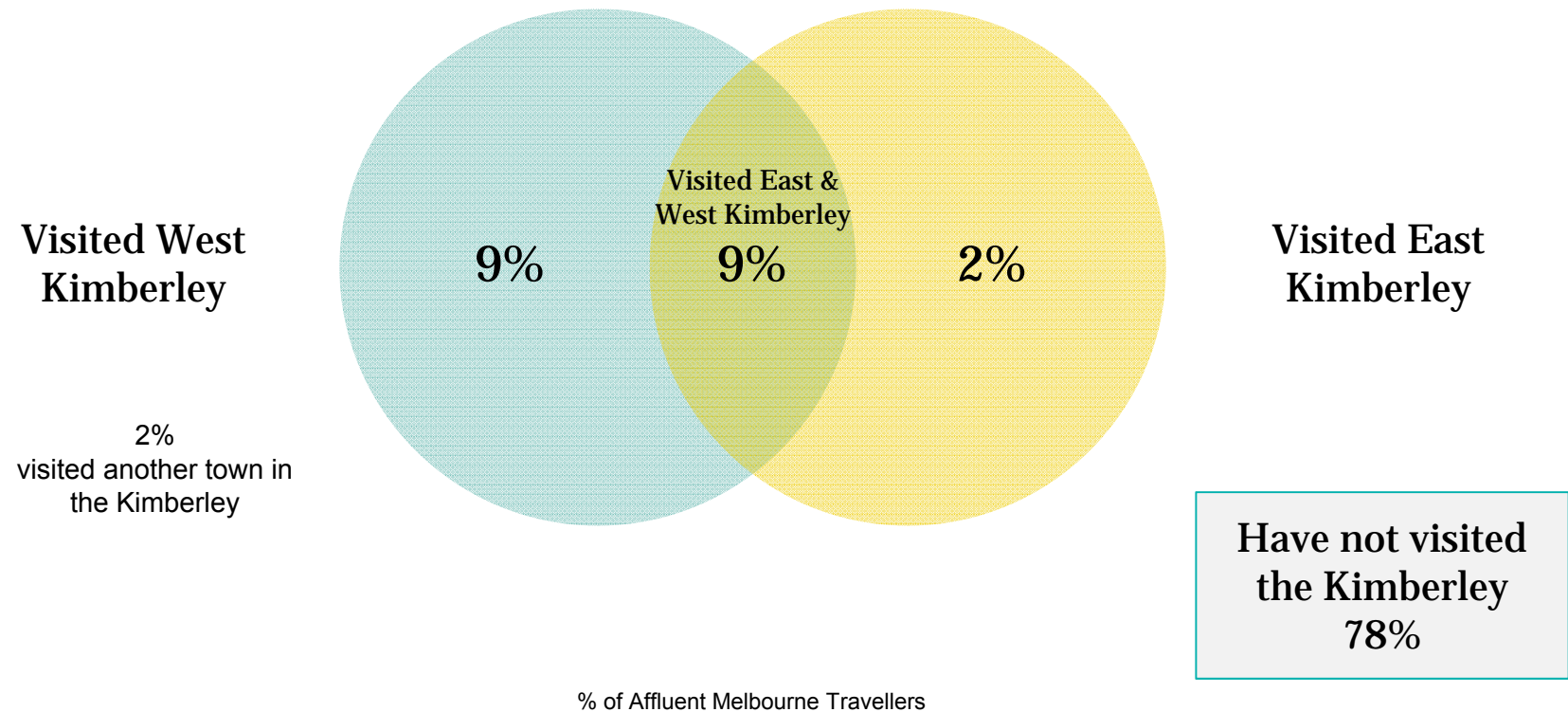
Q7 Which of the following towns in the Kimberley region have you visited?

Source: Stage one – Potential Visitors

Region Visitation



Based on brand awareness and visitation data, the West Kimberley appears to be a driving force in enticing people to visit the Kimberley region.



n=632

Q7 Which of the following towns in the Kimberley region have you visited?

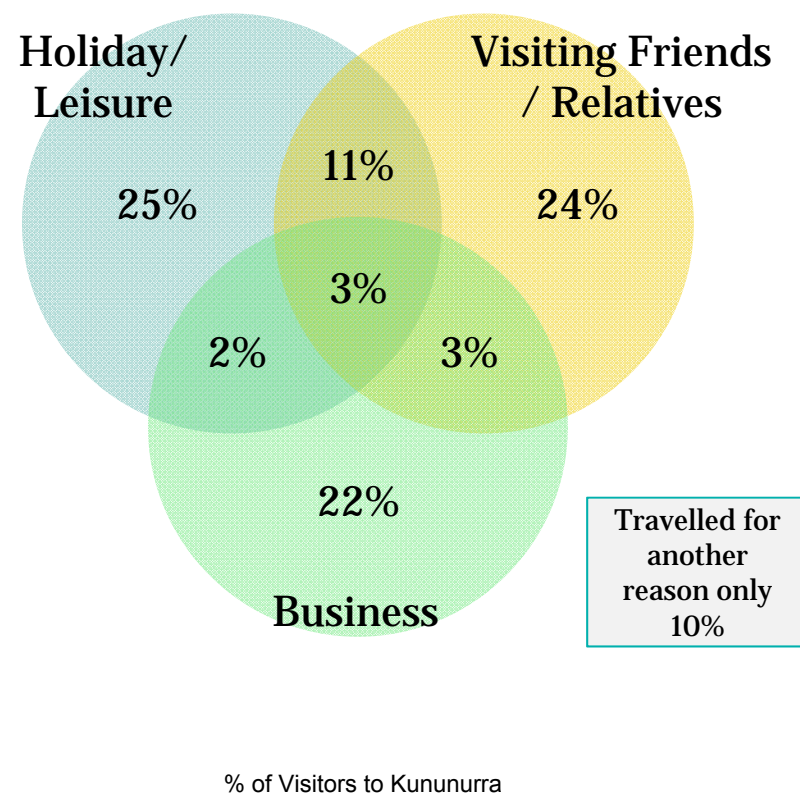
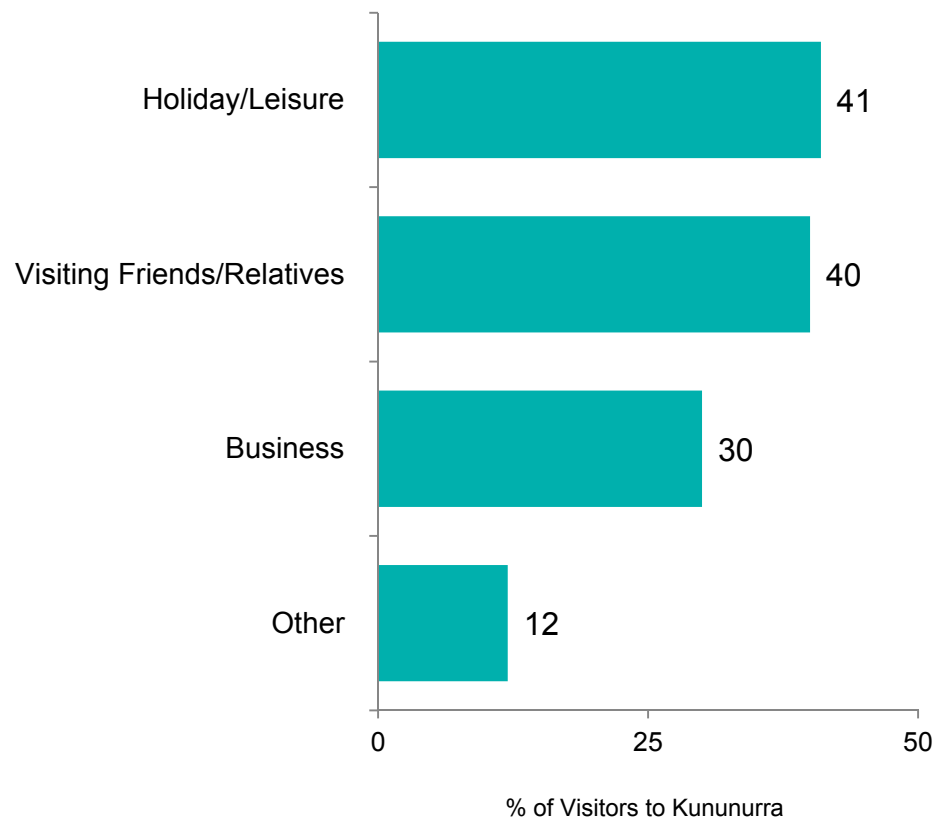
Source: Stage one – Potential Visitors

© 2015 Metrix (Confidential)

Reason for Travel



The main reasons for a visit to Kununurra were for a holiday/leisure or to visit friends and relatives.



n=186

Q2 What was the purpose of your trip to Kununurra?

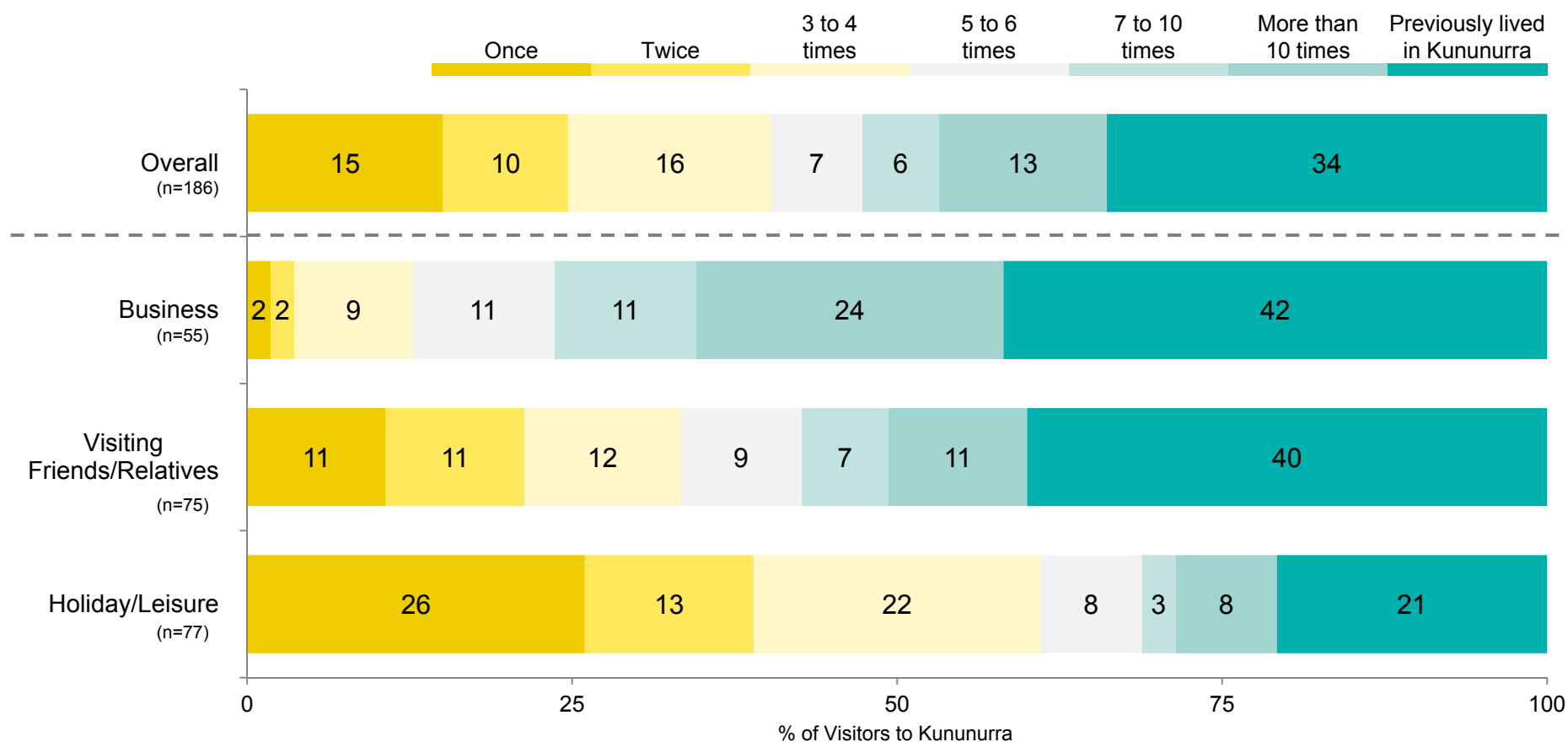
Source: Stage one – Potential Visitors

© 2015 Metrix (Confidential)

Frequency of Visitation to Kununurra



A large proportion of visitors to Kununurra were ex-residents, returning for business or to visit friends and family. Of those who had not previously lived in the town, the majority had visited 4 times or less. Business travellers visit Kununurra more frequently than those travelling for other reasons.

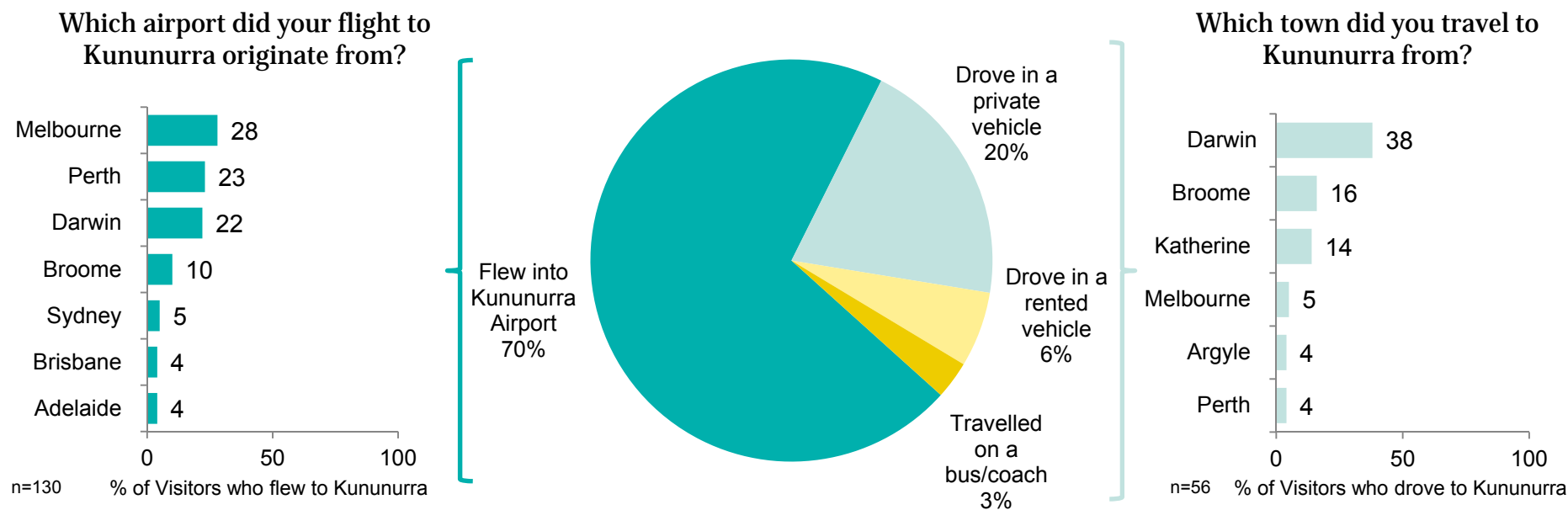


S2 How many times have you visited Kununurra?
Source: Stage 2 - Past Visitors and Local Residents

Visitor Mode of Travel to Kununurra



The majority (70%) of visitors currently fly into Kununurra, with the most source markets Melbourne, Perth and Darwin. Three in ten travelled via road, with a little over half coming from Darwin and Broome.

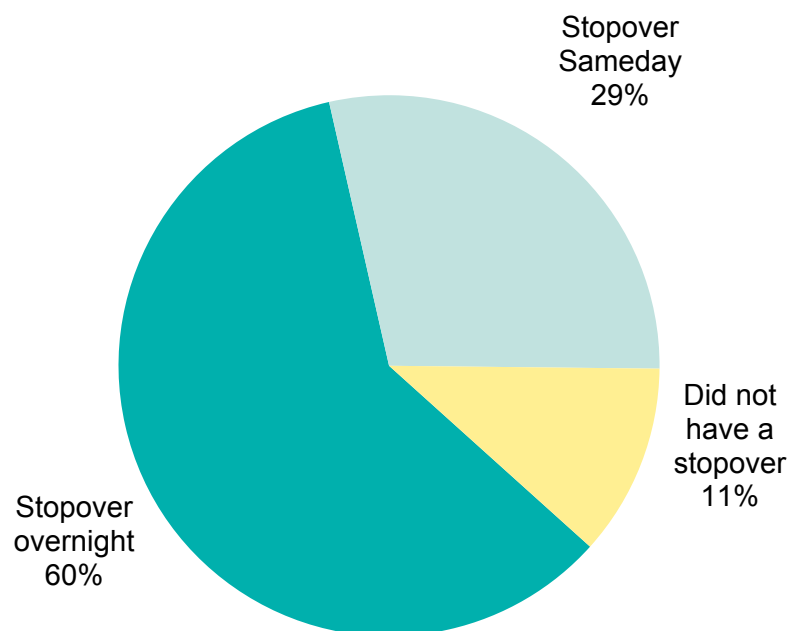


n=186
Q3 How did you arrive in Kununurra?
Source: Stage 2 - Past Visitors and Local Residents

Flight Stopovers



The majority of Interstate visitors had an overnight stopover during their flight to Kununurra. The most common destination for a stopover was Darwin.

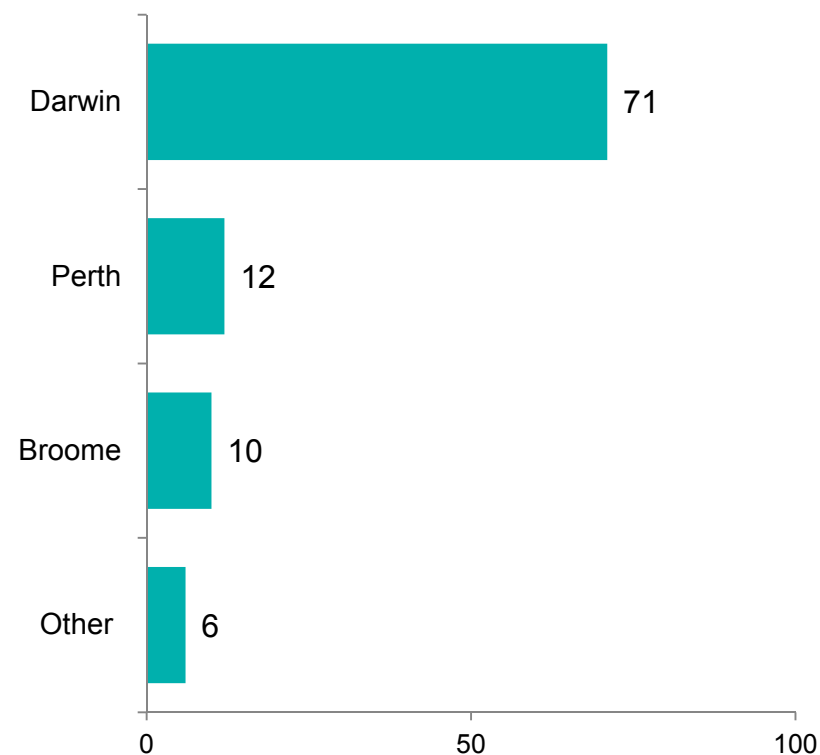


% of Interstate Visitors to Kununurra

n=87

Q7 Was your stopover overnight?

Source: Stage 2 - Past Visitors and Local Residents



% of Interstate Visitors to Kununurra that had a stopover

n=77

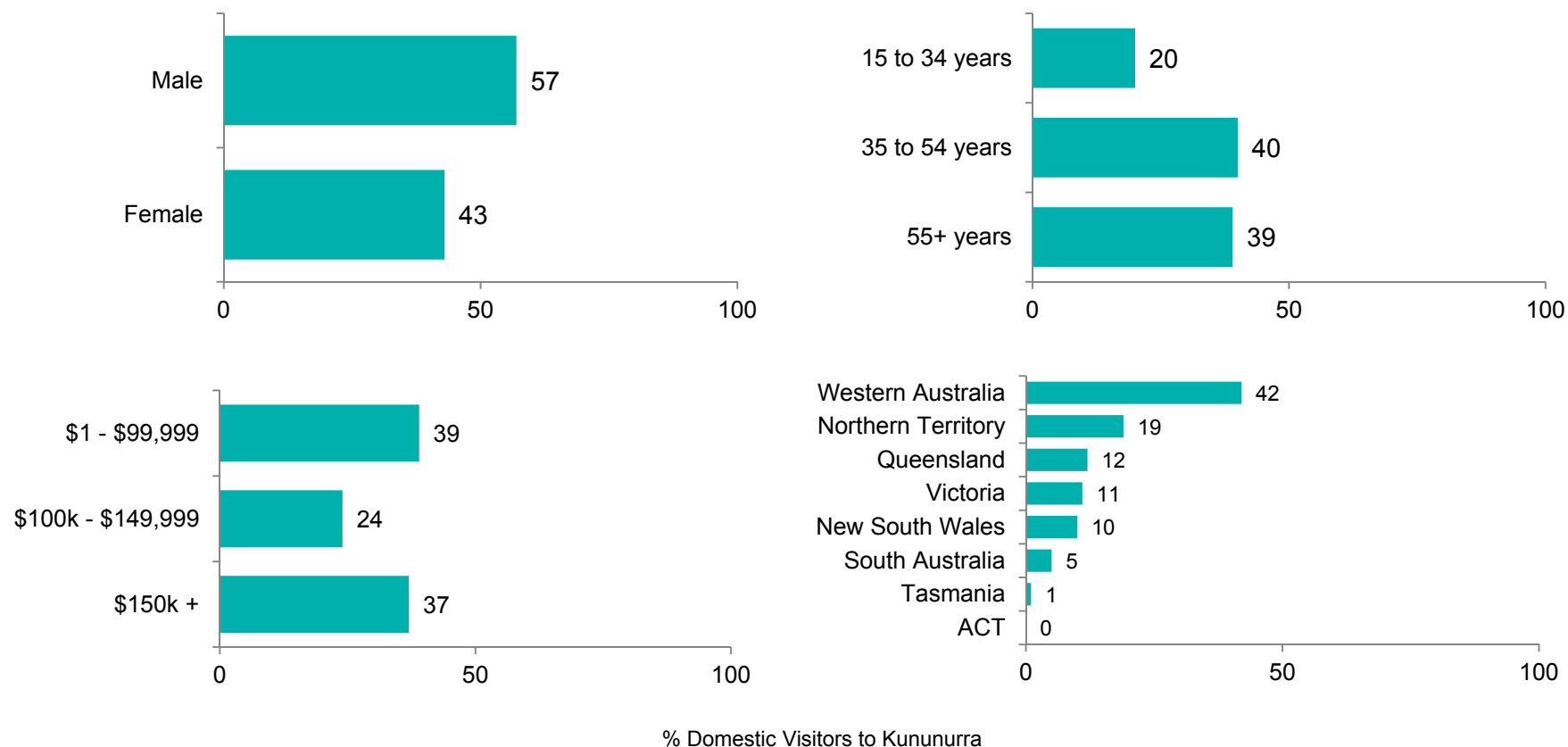
Q6 Where did you stopover?

Source: Stage 2 - Past Visitors and Local Residents

Demographic Profile – Domestic Visitors



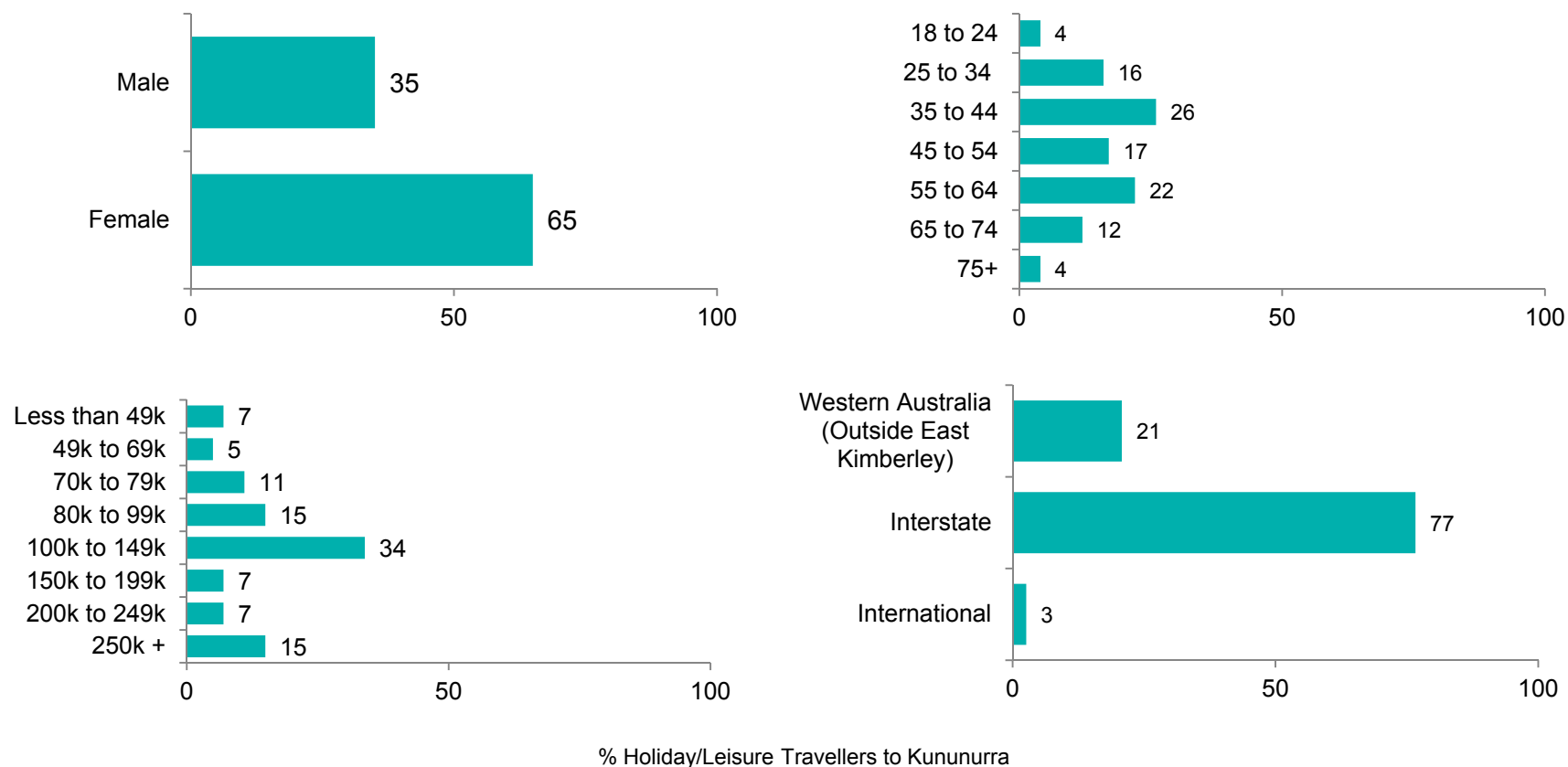
The majority of visitors to Kununurra are over the age of 35 and have a household income above \$100k. This is consistent with Tourism WA's Target Market.



Demographic Profile – Leisure Travellers



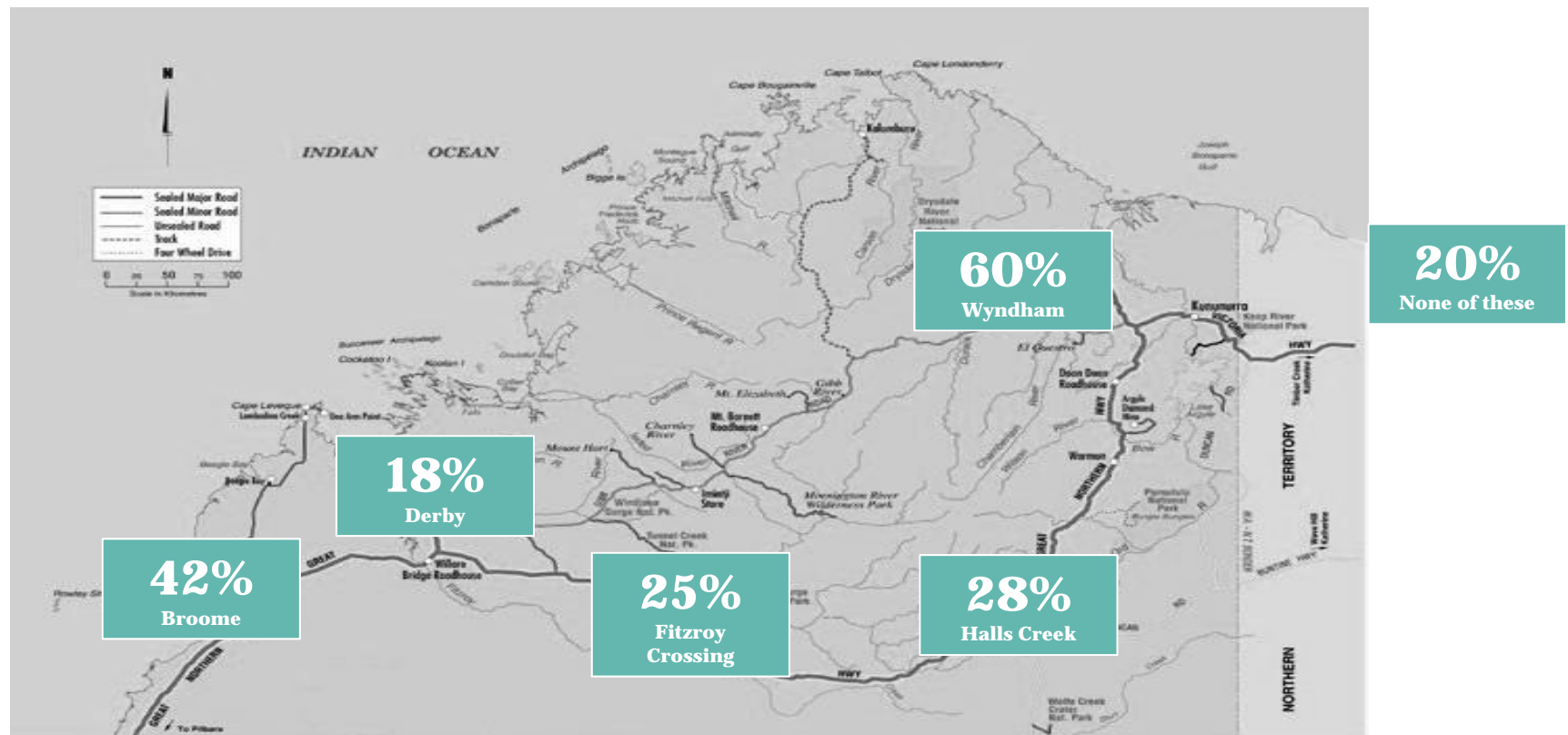
The Visitor Survey shows a similar profile in terms of age and income. The skew towards females is likely driven by who completed the survey in the household. There are also a lot more interstate travellers in the survey, most likely due to the topic of direct flights holding greater relevance to them.



Kununurra Visitor Dispersal



The most commonly visited destinations other than Kununurra were Wyndham (60%) and Broome (42%).



% of Visitors to Kununurra

n=115

Q9a Which of the following towns in WA, if any, did you visit as part of this trip?

Source: Stage 2 - Past Visitors and Local Residents

© 2015 Metrix (Confidential)

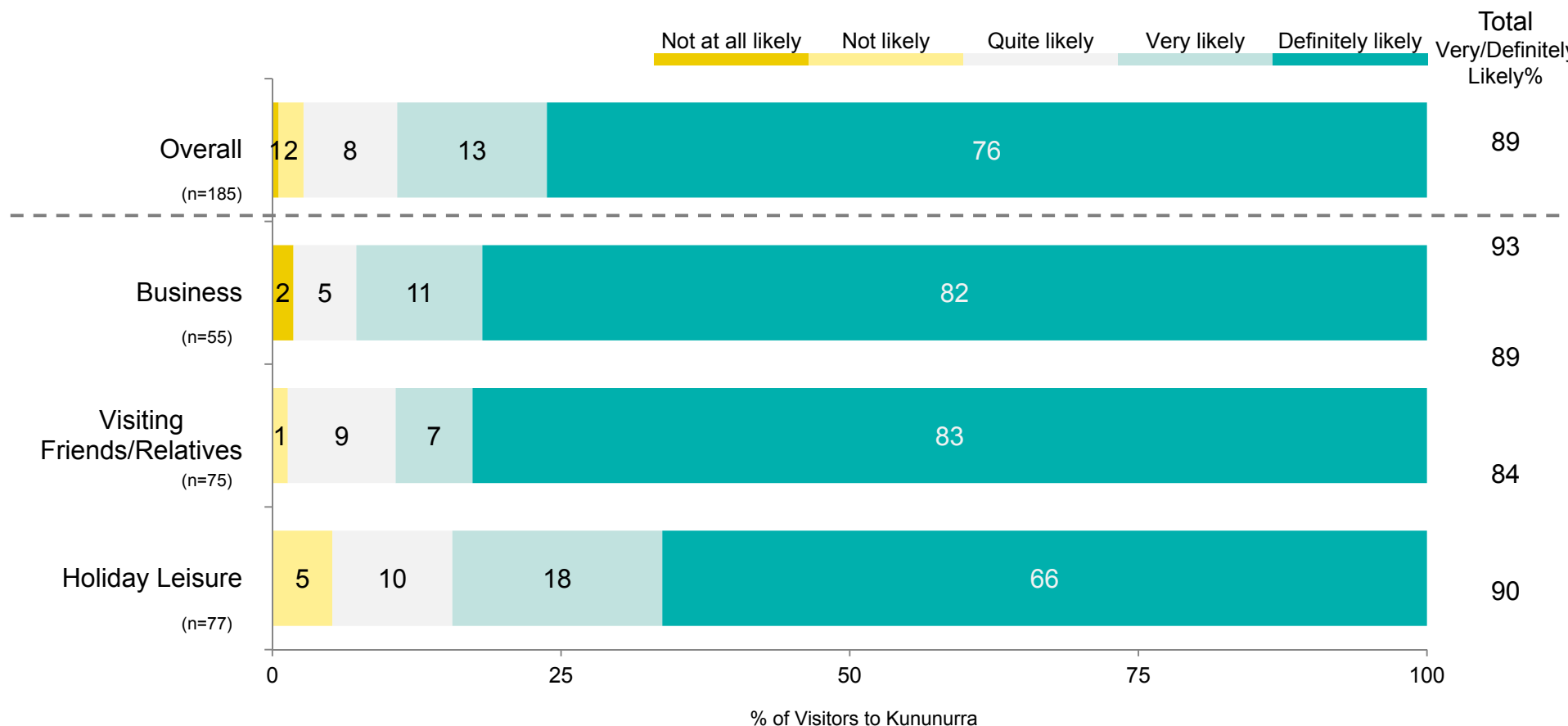
Appeal of the East Kimberley



Likelihood to Return to Kununurra



Previous visitors to Kununurra have strong intentions (89%) to visit again in the future. Visitors on business or visiting friends and relatives have the strongest intentions.



n=185

Q10 Thinking about your entire experience in Kununurra, how likely are you to visit Kununurra again in the future? *Excluding Don't Know*

Source: Stage 2 - Past Visitors and Local Residents

© 2015 Metrix (Confidential)

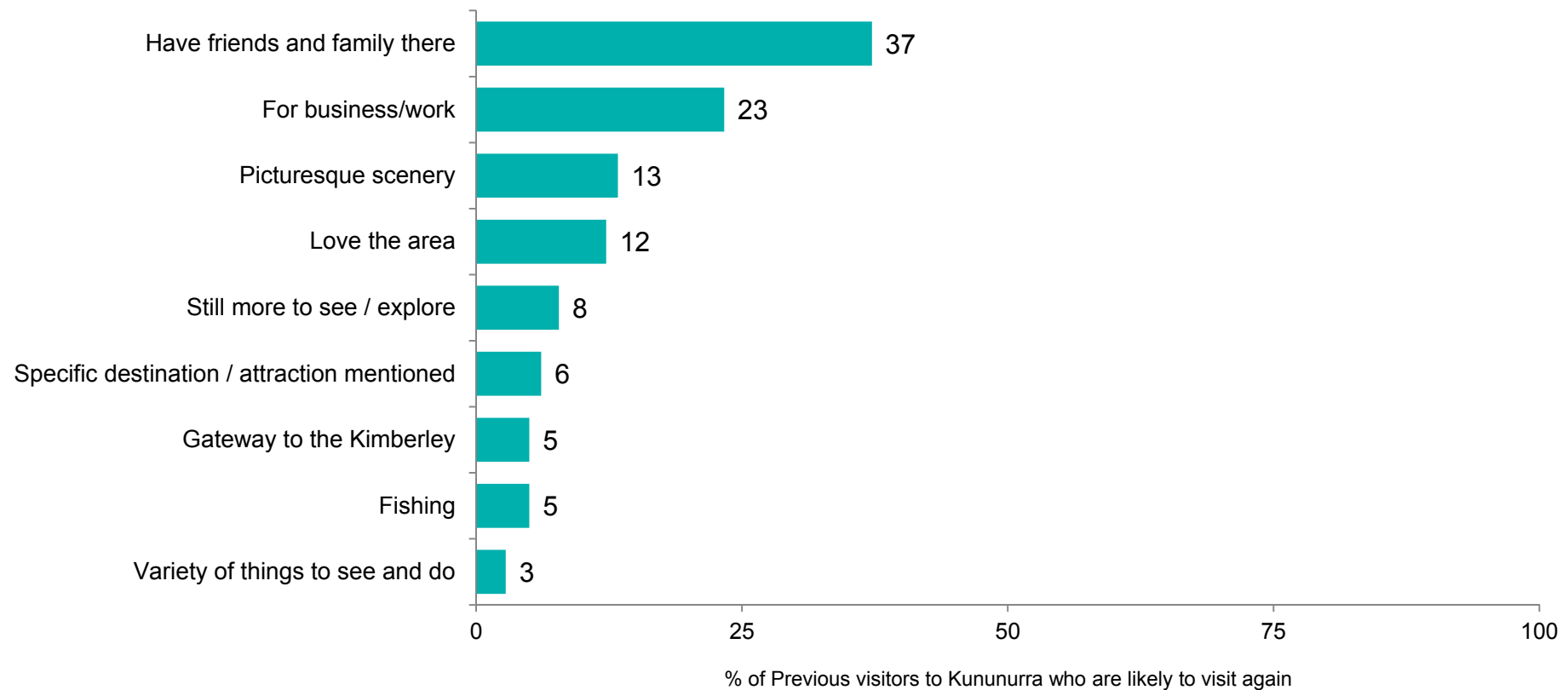
26

November 2015

Motivators to Re-Visit Kununurra



The major motivations for people to re-visit Kununurra were to see family and friends or for business. These are the visitor groups that expressed the strongest intent.



n=180

Q11 Why are you likely to travel to the East Kimberley region? What in particular is appealing about the region? (Open ended question with coded responses)

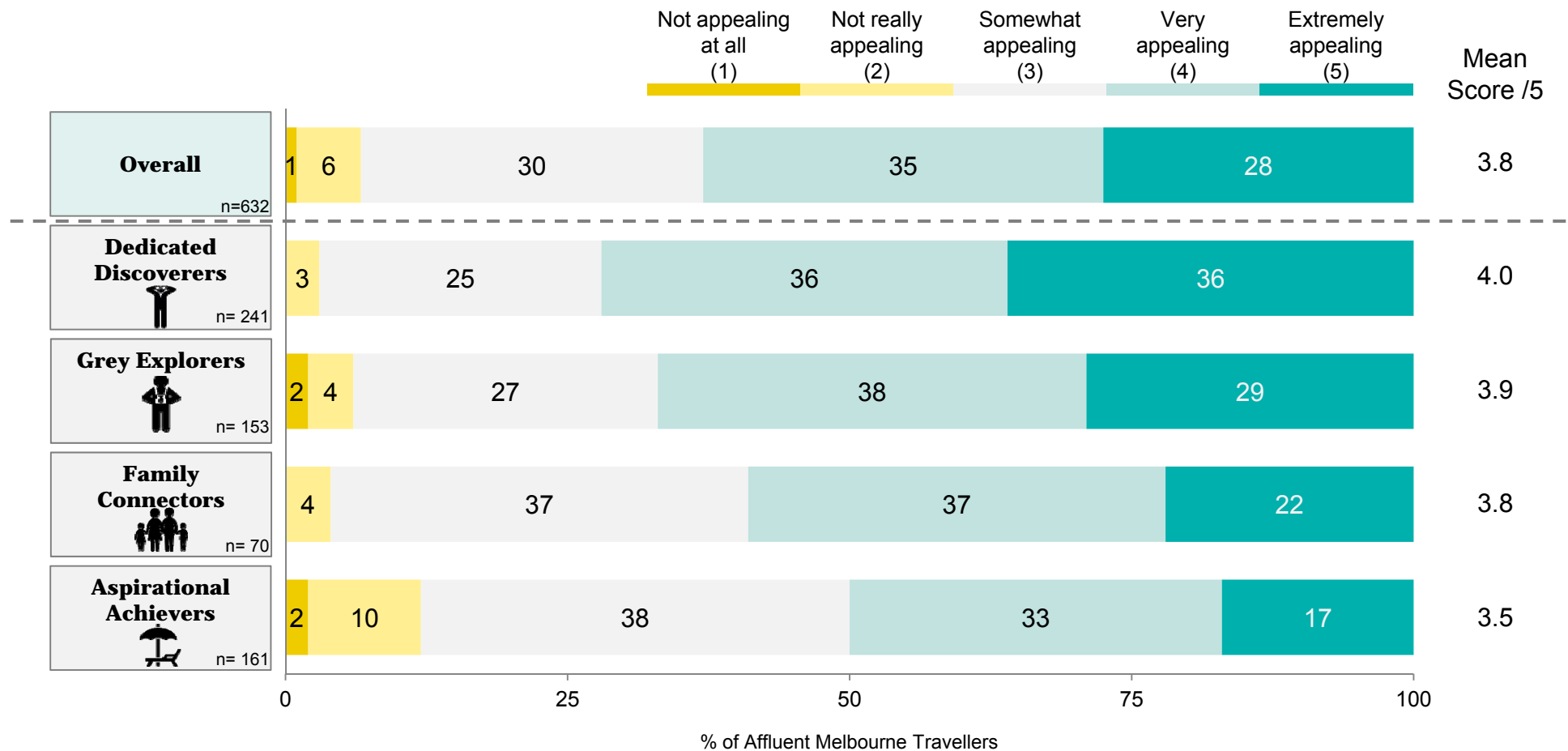
Source: Stage 2 - Past Visitors and Local Residents

*Motivations under 3% are not shown

Appeal of the East Kimberley Region



Overall, the East Kimberley region is considered appealing to 93% of Affluent Melbourne Travellers. Dedicated Discoverers and Grey Explorers find the destination most appealing. When looking at the age profile, appeal is highest amongst those older (55+).

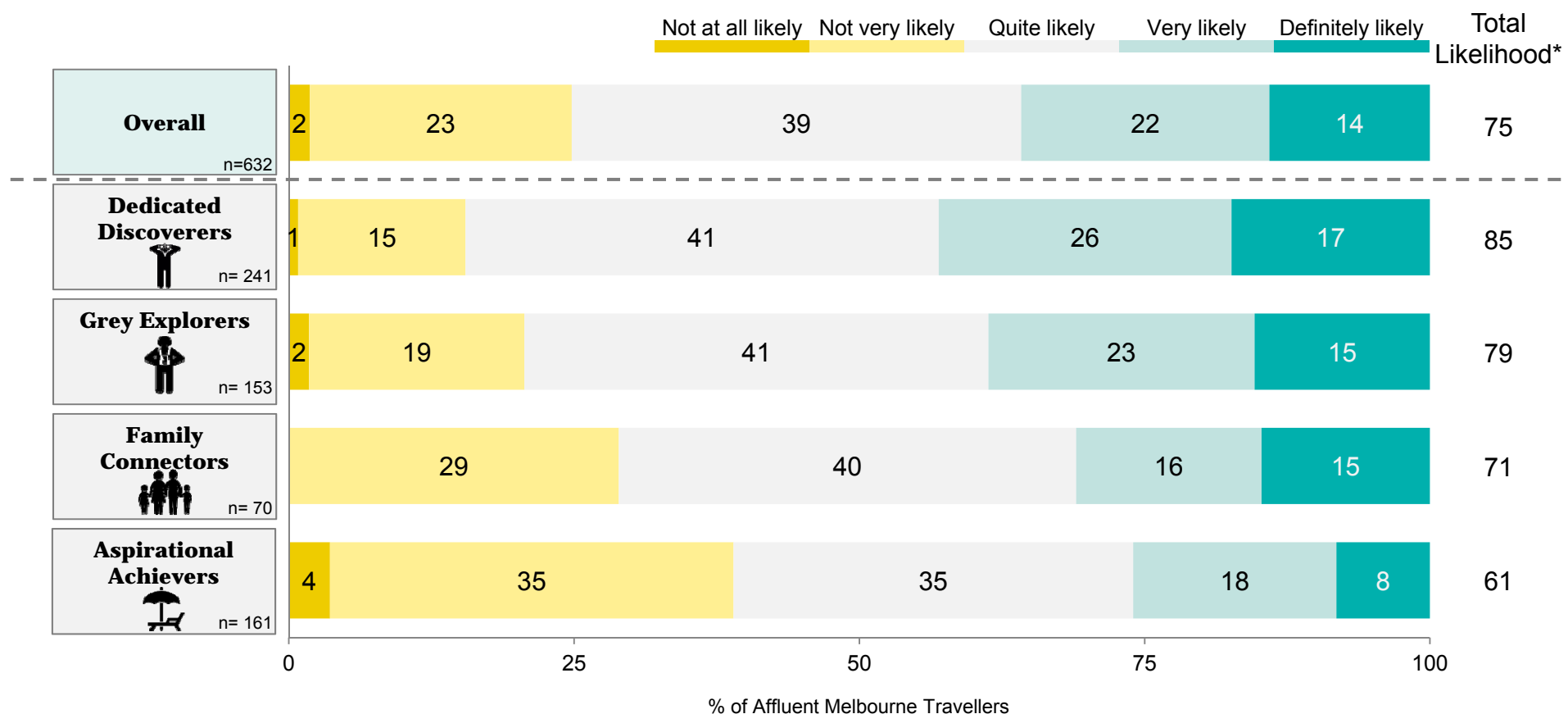


Q8 Based on what you know about the East Kimberley region and what you have just read, how appealing to you is the East Kimberley region as a place to visit?
Source: Stage one – Potential Visitors

Likelihood to Visit the East Kimberley Region



Approximately three-quarters of Affluent Melbourne Travellers indicate some likelihood of visiting East Kimberley in the future. Consistent with appeal, Dedicated Discoverers and Grey Explorers are most likely to travel to the region. Travellers who have visited WA in the past are more likely to visit the Kimberley region in the future (79% vs. 69%), suggesting that previous visitation to WA may remove some of the barriers to travel.



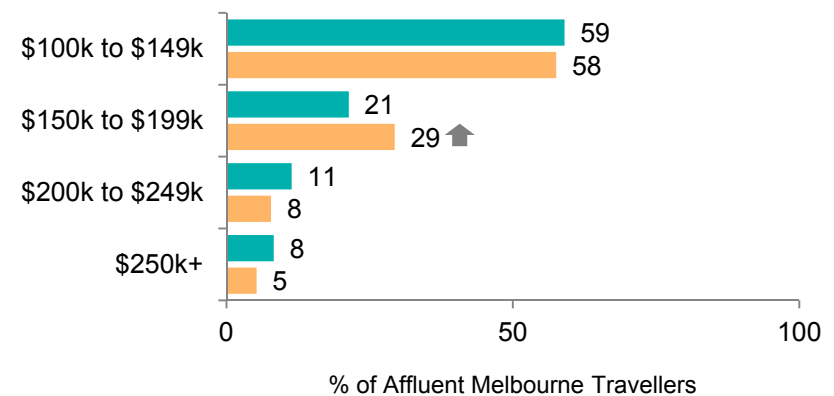
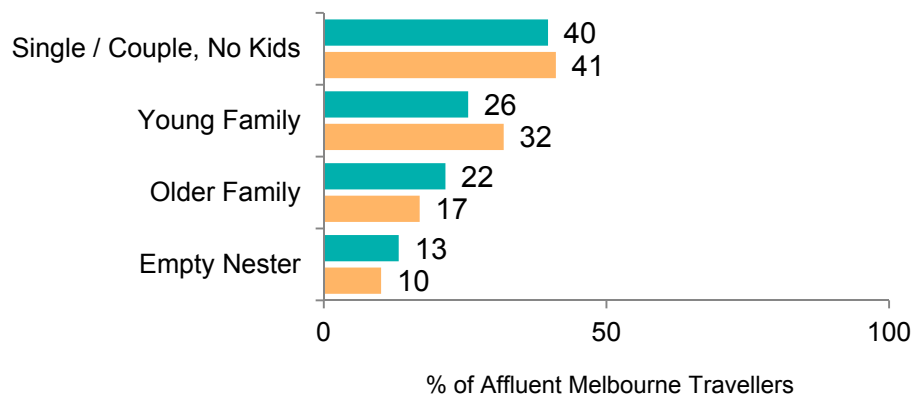
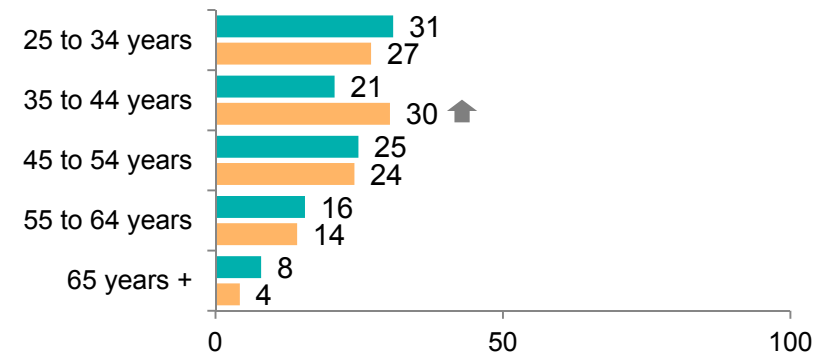
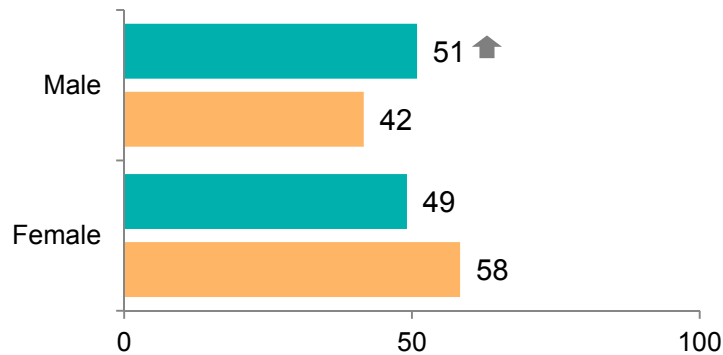
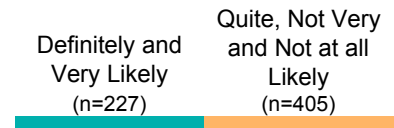
*Total Likelihood = quite, very & definitely likely

Q9 Based on what you know about the East Kimberley region and what you have just read, how likely are you to visit the region for a future holiday or break?
Source: Stage one – Potential Visitors

Demographic Profile – Likelihood to Visit



Interest in the region appears to be stronger amongst males, perhaps a reflection of the type of holiday the East Kimberley offers. While not significant, the trend shows stronger interest amongst high income earners as well.



Source: Stage one – Potential Visitors

© 2015 Metrix (Confidential)

Motivators to Visit Kununurra in the Future



A summary of the motivators to re-visit Kununurra are as follows:

Family and Friends

"Visit friends and family."

"Because we have several very good friends based through the Kimberley."

"We love going to Kununurra to visit family."



Business / Work

"Business and clients in Kununurra. We travel as a group of six every year, sometimes twice per year."

"The majority of our business is conducted in Kununurra."

"I travel in and out of Kununurra to go to work as a school teacher."



Scenery

"The landscape, scenery, the overall experience. A wonderful place to bring family and friends."

"The sheer beauty of the region and still lots of places and experiences not seen and done."



Love the Area

"It is home to me. Although I don't live there anymore, I will always love it and will continue to go back."

"I love the region. I also have friends and family in town so will be back to see them too."



More to see / explore

"We loved the whole area and would like to spend more time exploring. The one week we were there was not enough."

"The sheer beauty of the region and still lots of places and experiences not seen and done."



Specific Destination / Attraction

"To return to 'Faraway Bay'; and on another trip to 4WD the rest of the region that we haven't seen yet."

"We had a wonderful time. The scenery is spectacular. Loved Lake Argyle & El Questro."



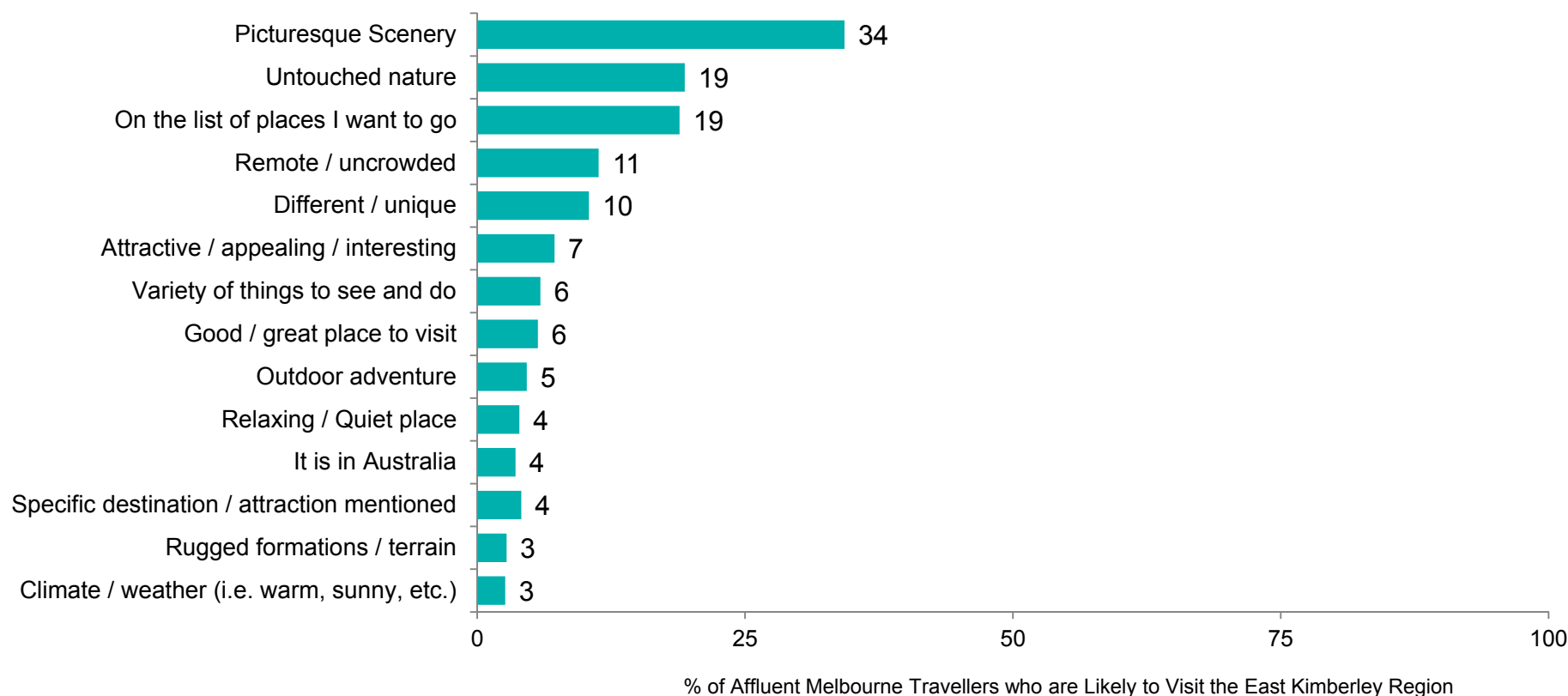
Q11 Why are you (answer at Q10) to visit Kununurra in the future?

Source: Stage 2 - Past Visitors and Local Residents

Motivators to Travel to the East Kimberley



The main motivators for people to travel to the East Kimberley are the picturesque scenery and untouched nature. One in five also mentioned that it is on their list of places to go.



n=479

Q11 Why are you likely to travel to the East Kimberley region? What in particular is appealing about the region? (Open ended question with coded responses)

Source: Stage one – Potential Visitors

*Motivations under 3% are not shown

Motivators to Travel to the East Kimberley



A summary of the motivators to visitation are as follows:



Scenery

"I've always wanted to go there. The region has magnificent landscapes and natural wonders - it's vast and spectacular."

"It looks breathtakingly beautiful. A rare environment, a world away from Melbourne."



Untouched Nature

"Natural and remote while not being too touristy."

"The East Kimberley is a rugged, beautiful place which is relatively unspoilt."

"It's different and unique. Remote and unspoilt."



On the List of Places to Go

"I would definitely like to go there, but maybe when I am a bit older. I want to do some more overseas travel first."

"It's somewhere I've always wanted to visit and hope to in the future."

"It is an area I have never been before."



Remote / Uncrowded

"I love the Kimberley region as there are not many tourists visiting this area."

"It seems very rugged and remote."



Different / Unique

"It looks peaceful, different, and a part of Australia I've not seen."

"It is a unique part of Australia that I would like to take my children to when they are older."

"Just the remoteness and beauty. It's so different to the rest of Australia."



Attractive / Appealing / Interesting

"It looks very interesting and is a state in Australia that I haven't visited yet."

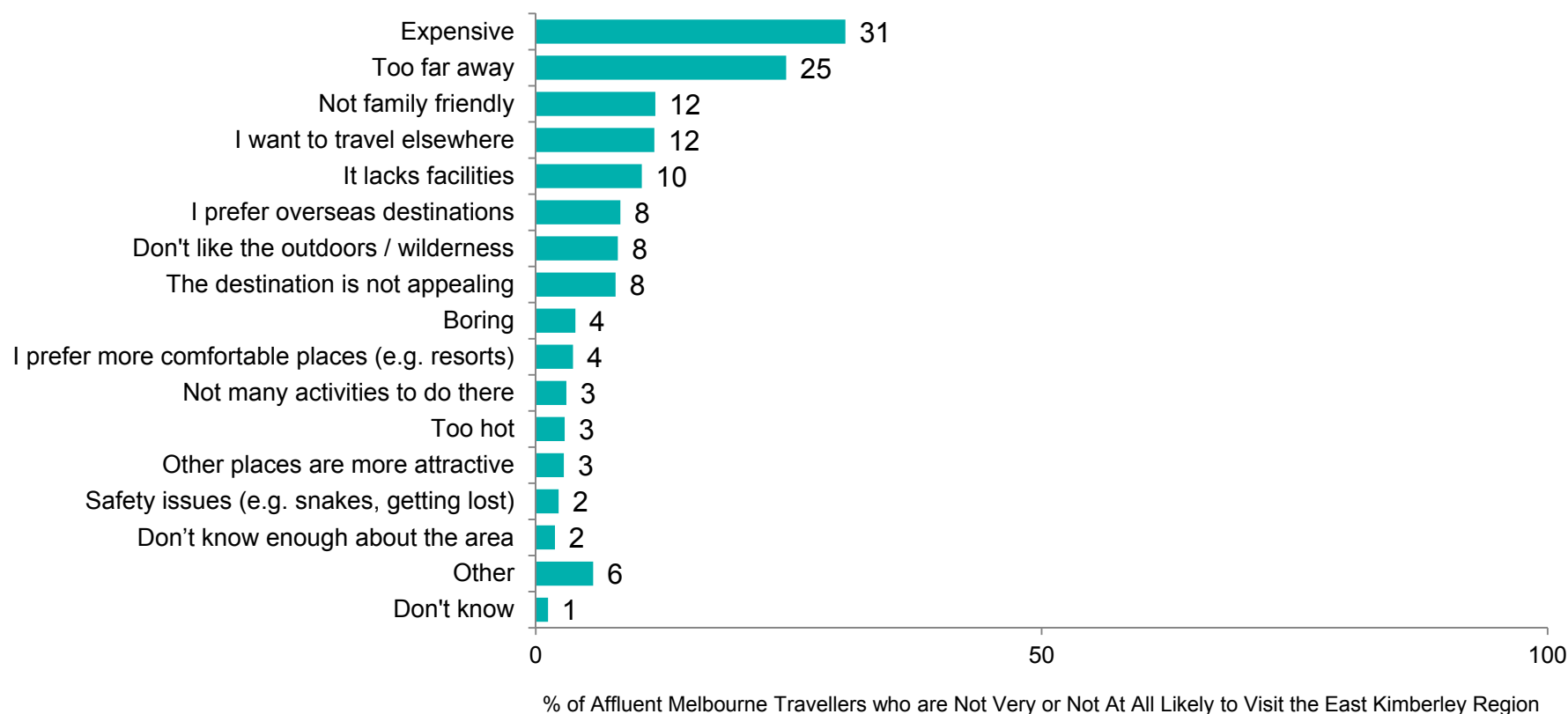
"I like the idea of a vast range of activities in a different part of the world. It seems to be unique and appealing."

Q10 Why are you likely to travel to the East Kimberley region? What in particular is appealing about the region?
Source: Stage one – Potential Visitors

Barriers to Travel to the East Kimberley



Consistent with previous research, the main barriers to travelling to the East Kimberley region are cost and distance. A lack of knowledge also appears to play a role, with travellers citing that the destination is not family friendly and is lacking in facilities.



n=153

Q11 Why are you not likely to travel to the East Kimberley region? What in particular might stop you from visiting? (Open ended question with coded responses)

Source: Stage one – Potential Visitors

Barriers to Travel to the East Kimberley



A summary of the potential barriers to visitation are as follows:

Expensive

"A bit too remote and I've heard that Broome and surrounds is very expensive. I think I can probably get better value for my money elsewhere."

"It's too expensive for a family of four."

"It would cost too much to get there."



Too far away

"Too far away, I can think of similar places and experiences to visit within Australia which are closer to me and cheaper."

"There are other places in Australia just as appealing and considerably closer to home."



Not family friendly

"I just don't think of it as a family destination."

"My kids would be bored."

"I have young kids that wouldn't enjoy that sort of holiday."



Want / planned to go elsewhere

"Too hard to get to and it's not much different to more attractive areas in Queensland."

"Other destinations are more attractive at the moment."

"I have other places I would prefer to travel first."



Too remote

"There doesn't appear to be much infrastructure for family holidays."

"It looks nice, but it's very remote and there's not much to do."

"I currently travel alone and this looks too remote for me."



Prefer overseas destinations

"I prefer travelling overseas. It's much cheaper."

"Distance from home and it's my partner's preference to travel overseas."

"I would rather see places in other countries."



Q11 Why are you unlikely to travel to the East Kimberley region? What in particular might stop you from visiting?

Source: Stage one – Potential Visitors

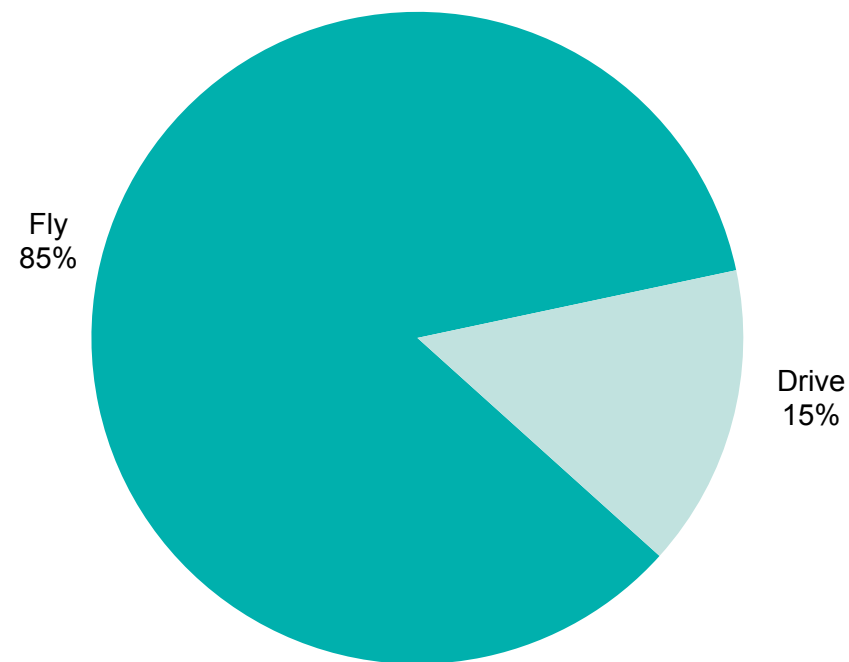
Kununurra Residents Travel Behaviour



Mode of Travel Out of Kununurra



Flying is the most common mode of transport out of the region, with only 15% choosing to drive.



% of Local Residents

n=623

Q14 How do you typically travel out of the East Kimberley region?

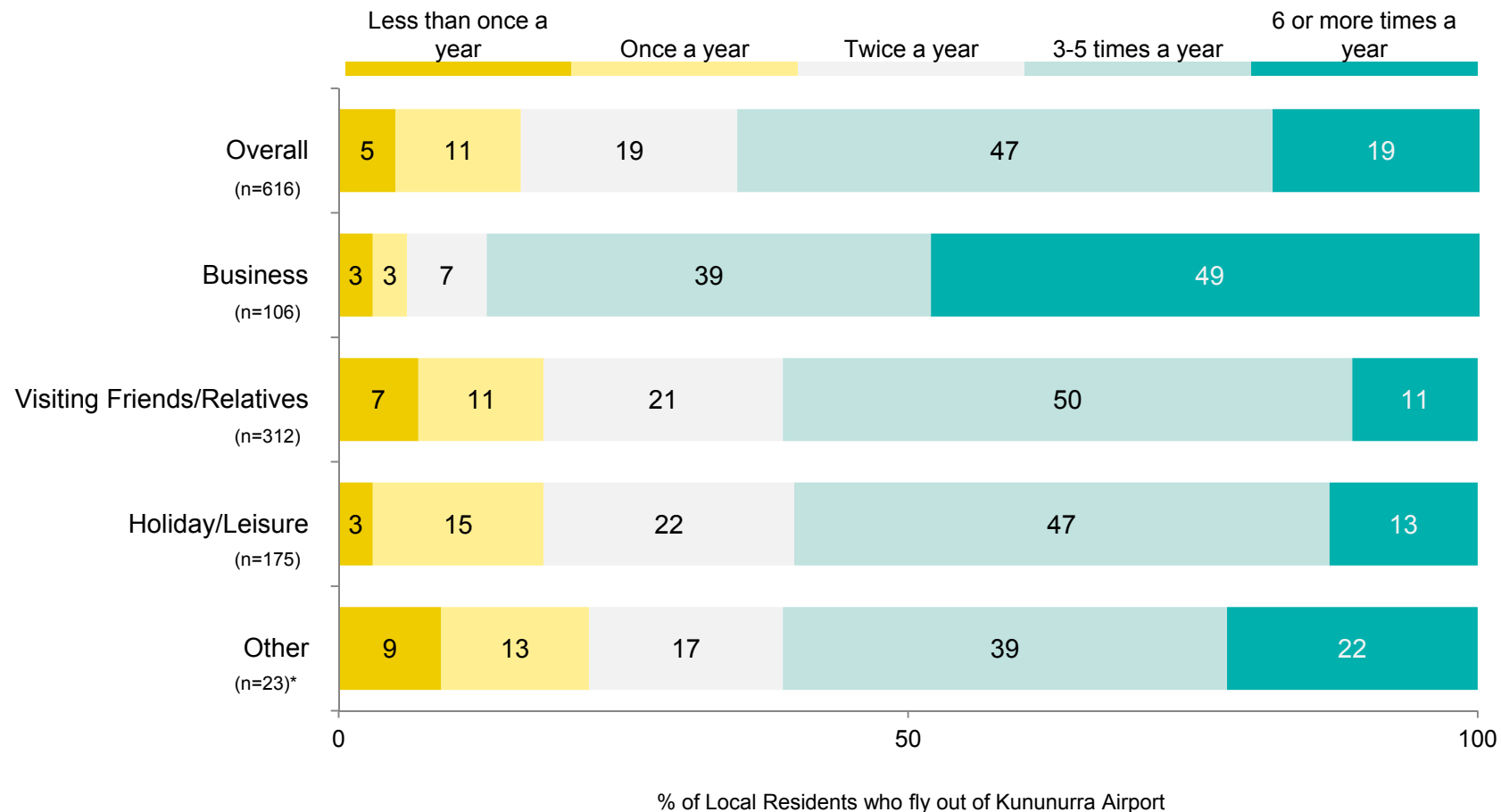
Source: Stage 2 - Past Visitors and Local Residents

© 2015 Metrix (Confidential)

Travel Frequency Out of KNX



Two-thirds of local residents fly out of KNX three or more times a year. People who fly most often for business use the airport most frequently, with half flying six or more times a year.

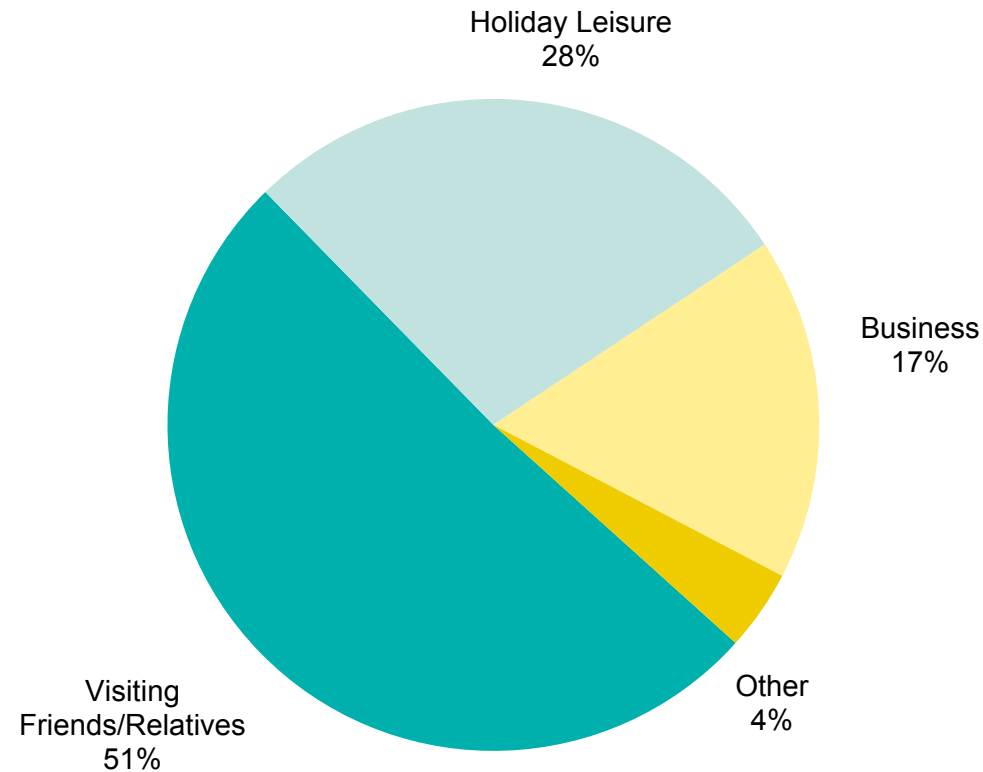


Q15 How often do you fly out of Kununurra airport?
Source: Stage 2 - Past Visitors and Local Residents

Reasons for Travel Out of Kununurra



Visiting friends and relatives is the most common reason residents fly out of Kununurra Airport.



% of Local Residents who fly out of Kununurra Airport

n=616

Q16 When you fly out of Kununurra Airport, for what purpose are you most often travelling?

Source: Stage 2 - Past Visitors and Local Residents

© 2015 Metrix (Confidential)

Travel Party Out of Kununurra



The majority of travel parties from Kununurra Airport consist of 1 to 3 people. Residents flying predominantly for business are most likely to travel alone.

Travel Party Size	Holiday/Leisure (A)	Visiting Friends/Relatives (B)	Business (C)
1	30	28	58 (A.B) ↑
2	25	28	15
3	16	15	9
4	17	14	9
5	9	11	5
5 or more	4	4	4

% of Local Residents who fly out of Kununurra Airport

n=616

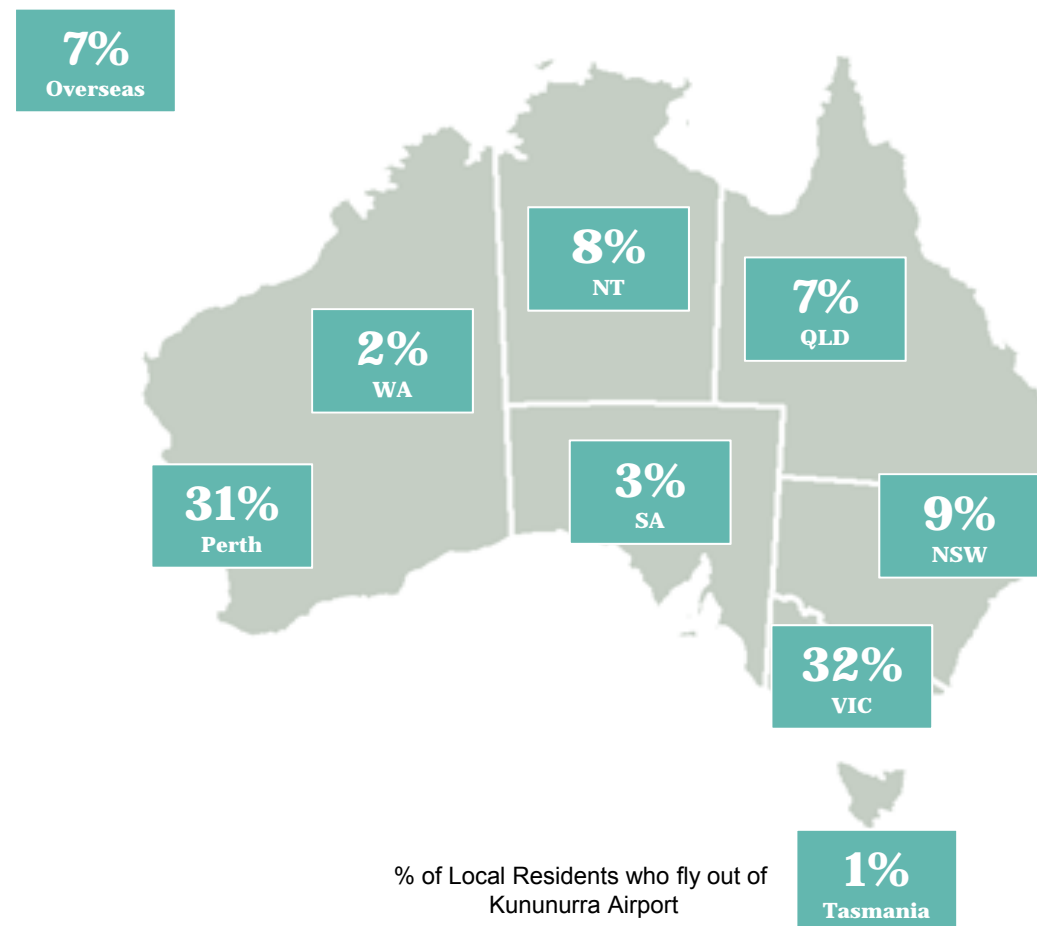
Q18a How many other people are you most often traveling with?

Source: Stage 2 - Past Visitors and Local Residents

Outbound Travel Destinations



The majority of outbound flight traffic from the East Kimberley region is arriving in Victoria and Perth.



n=616

Q15a When you fly out of Kununurra Airport, where are you most often traveling to?

Source: Stage 2 - Past Visitors and Local Residents

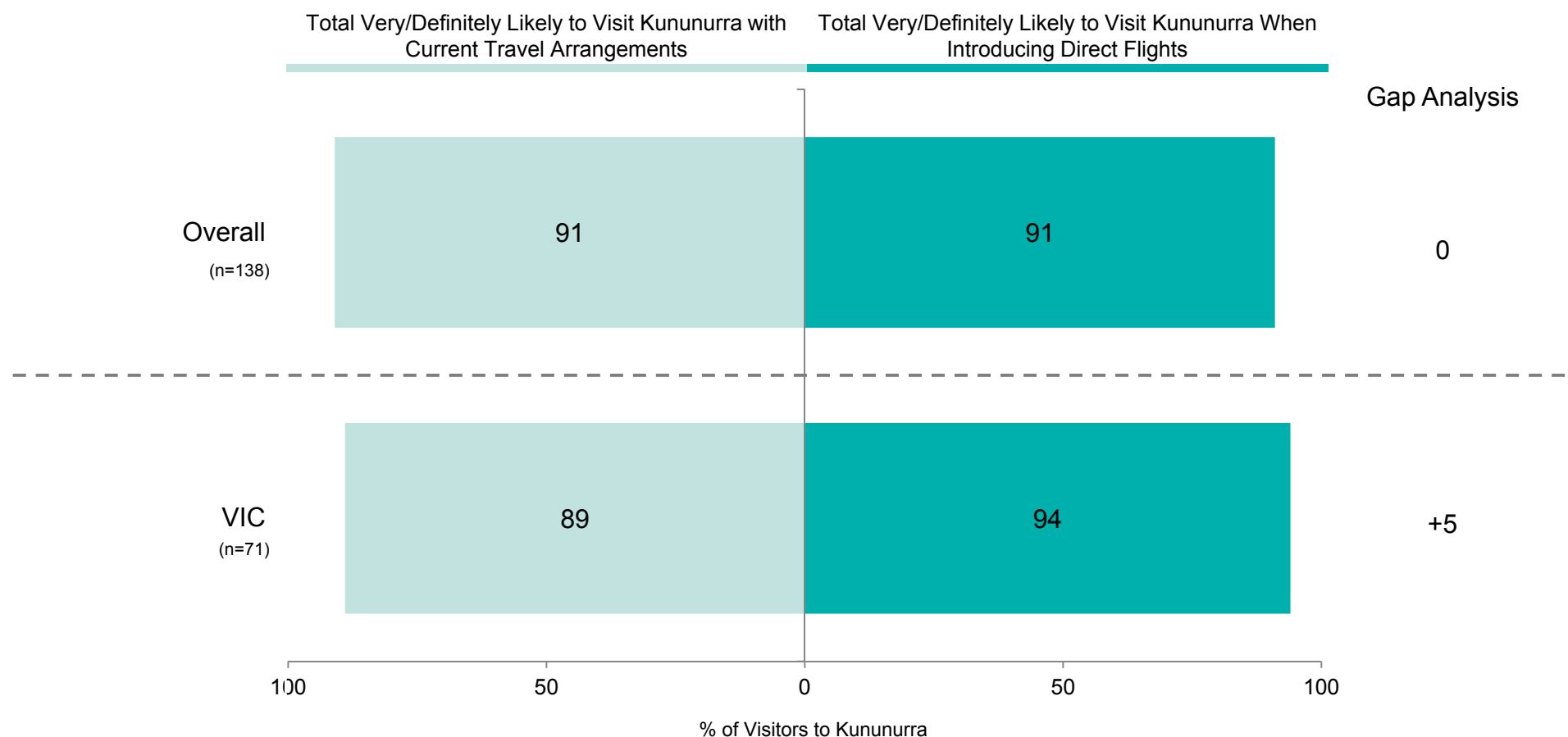
Introducing Direct Flights



Direct Flight Impact on Repeat Visits



Direct flights from Melbourne appear to have a minimal impact on penetration amongst past visitors, with Victorian residents the only market to show an uplift (5%). It is possible that the convenience and costs savings could drive a higher number of repeat visits, but this was not tested in the research.



Q10 Thinking about your entire experience in Kununurra, how likely are you to visit Kununurra again in the future? *Excluding Don't Know*

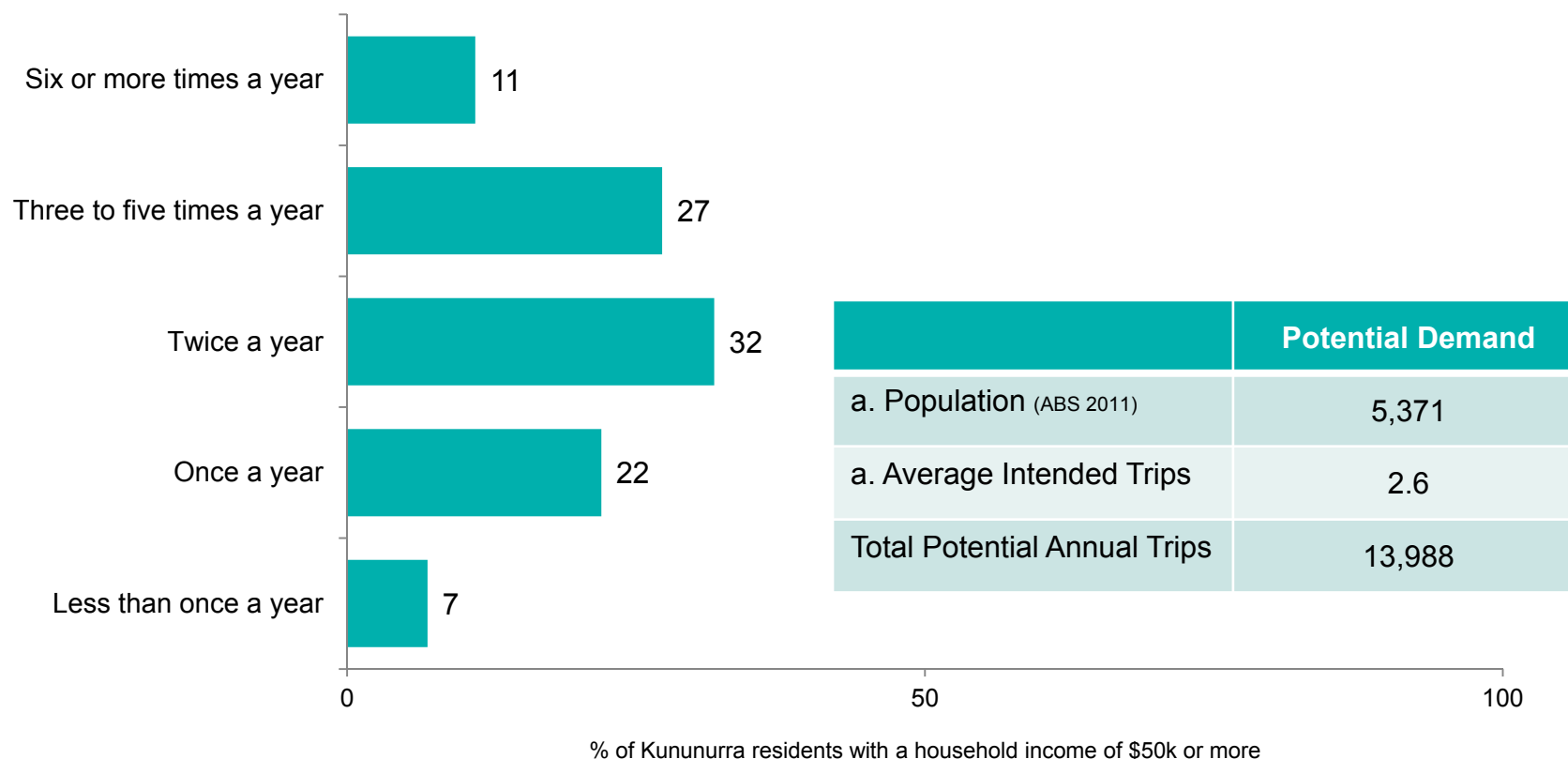
Q12 If direct services were available, how likely would you be to visit Kununurra in the future? *Excluding Don't Know*

Source: Stage 2 - Past Visitors and Local Residents

Local Direct Service Demand



Direct services are likely to be used by the majority of residents, with 2.6 trips the assumed average. Direct services are not likely to have a significant impact on the number of flights residents take to Victoria, and are instead likely to cannibalise current flight paths.



n=532

Q19 If direct services to Melbourne were available, how often would you use this service?

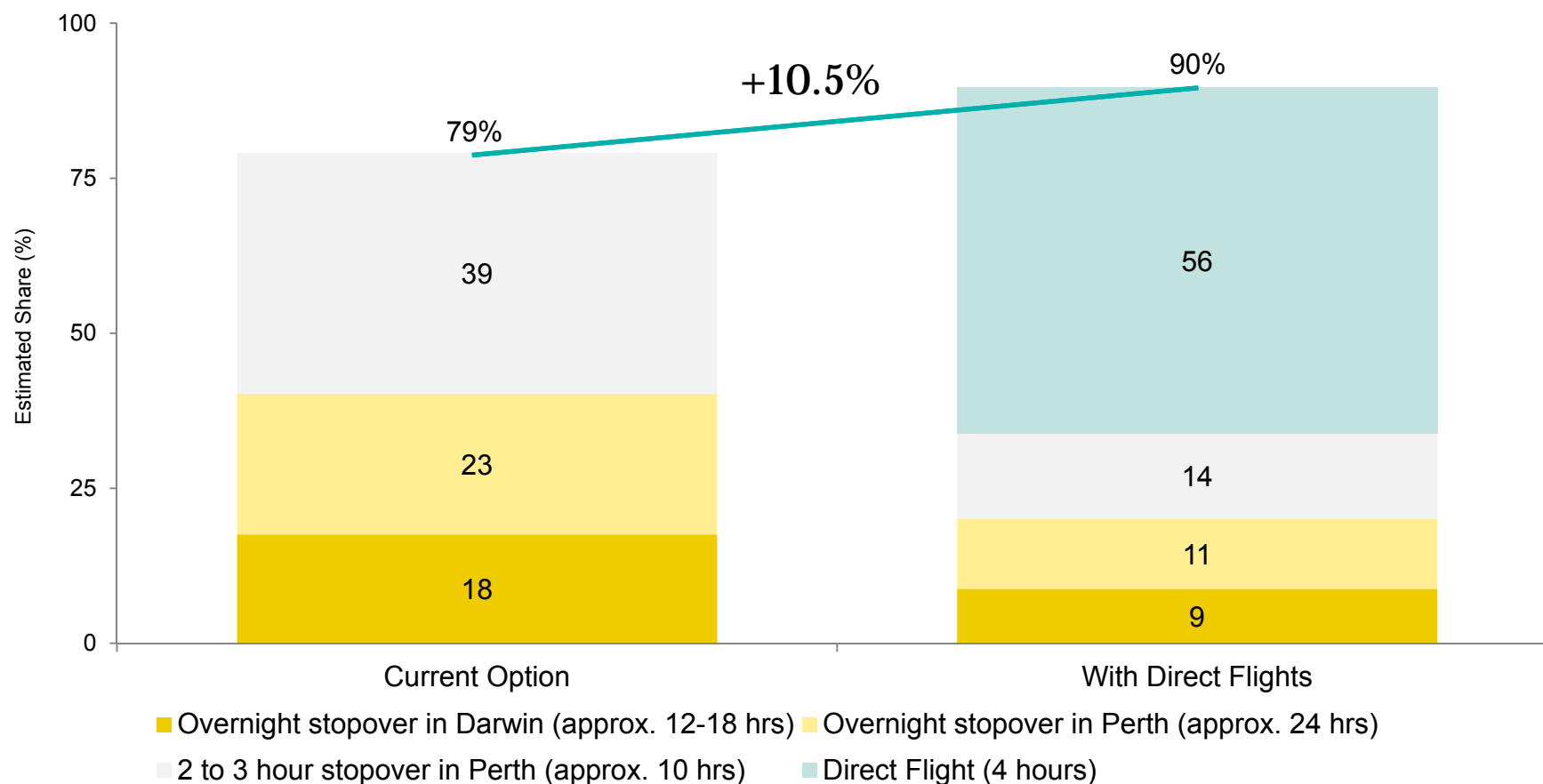
Source: Stage 2 - Past Visitors and Local Residents

© 2015 Metrix (Confidential)

Product Mix Implications



At a minimum, the introduction of direct flights to Kununurra is likely to increase demand by 10.5%. There is also a clear move in preference from the current options to direct flights, highlighting the potential impact this could have on strengthening booking conversion, given the key barriers of cost and time.

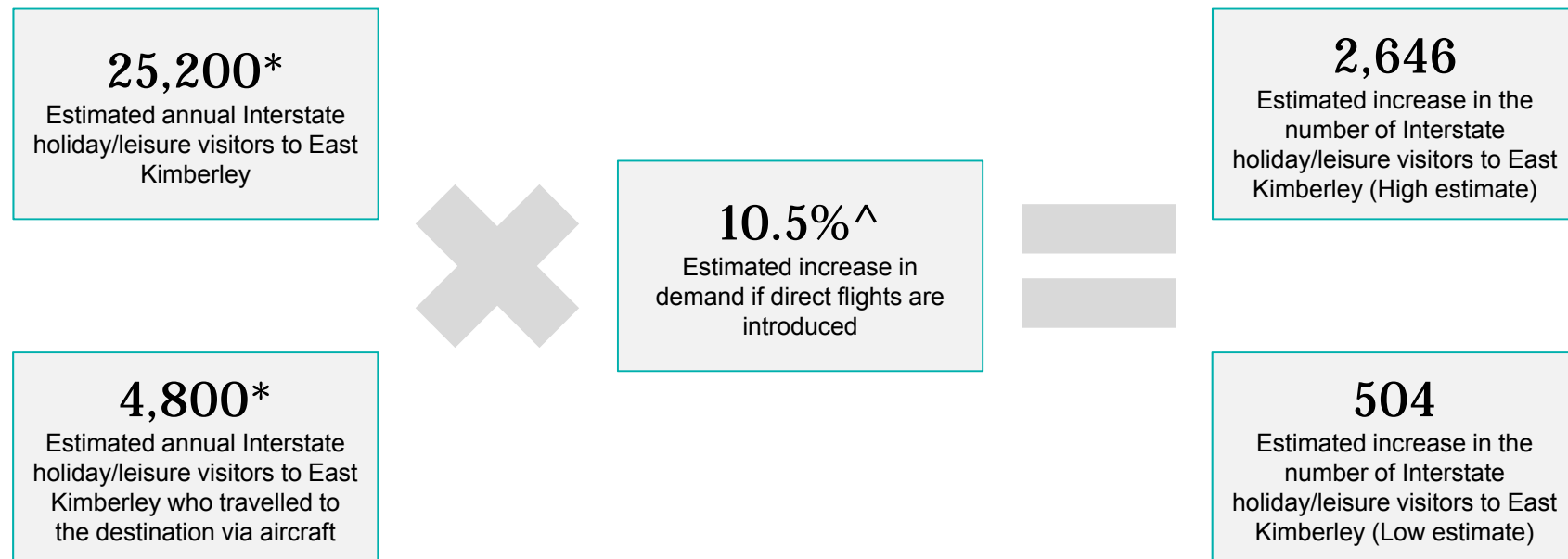


Source: choice based conjoint analysis. Stage one – Potential Visitors

Estimated Uplift in Interstate Visitation



If direct flights are introduced, between 504 and 2,646 additional Interstate people are estimated to visit the East Kimberley region. This could increase further with investment in building the brands of destinations in the region.



Assumptions:

- The uplift in visitation recorded in the Melbourne Target Market also applies to the General Population

*Source: Tourism Research Australia, National Visitor Survey

Note: Visitors aged 15 years and over who spent at least one night in the region and were visiting for holiday/leisure purposes. Annual estimate based on a five year average (2010-11 to 2014-15). 'East Kimberley' includes Halls Creek and Kununurra Statistical Area Level 2s as defined by the Australian Bureau of Statistics.

^Source: Choice based conjoint analysis. Stage one – Potential Visitors

Reasons that Direct Flights Appeal



A summary of the motivators to visitation when direct flights are introduced for repeat visitors are as follows:



No overnight stop required

"1 to 2 days lost traveling via Darwin makes a visit more difficult. Direct flights are much more convenient and allows for better use of time."

"We had to have a stopover in Darwin and it was very difficult and expensive for one night."



Better for business

"I travel to Kununurra for business twice a year and it would drastically reduce my costs and time if there was a direct flight available."

"Opens up the area and makes the region easier for me to sell to eastern states clients."



Easier to get there

"Getting there would be a lot less of a hassle."

"I would always prioritise a more streamlined way to travel to get there, and would work my schedule around accessing that flight."



Time and cost effective

"Would be cheaper and more convenient to travel direct. Wouldn't need to take a week off work for a three day visit."

"It would allow for an alternate, and possible cheaper route to travel from Perth to Kununurra."

Q12 Why are you (answer at Q11) to visit Kununurra in the future if direct flights to/from the east coast becomes available?
Source: Stage 2 - Past Visitors and Local Residents

Product Evaluation

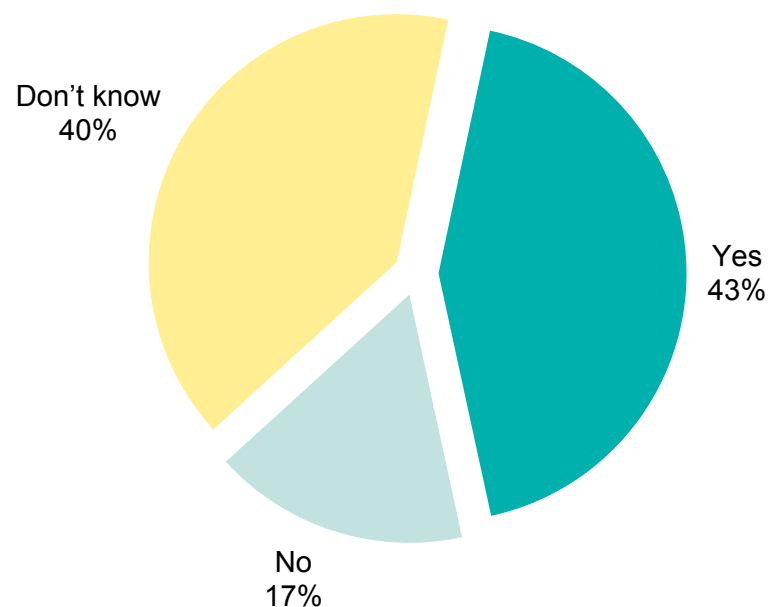


Interest in Holiday Packages



Just under half of travellers would consider purchasing a holiday package, with accommodation and flights the most popular inclusions.

Interest in Holiday Package



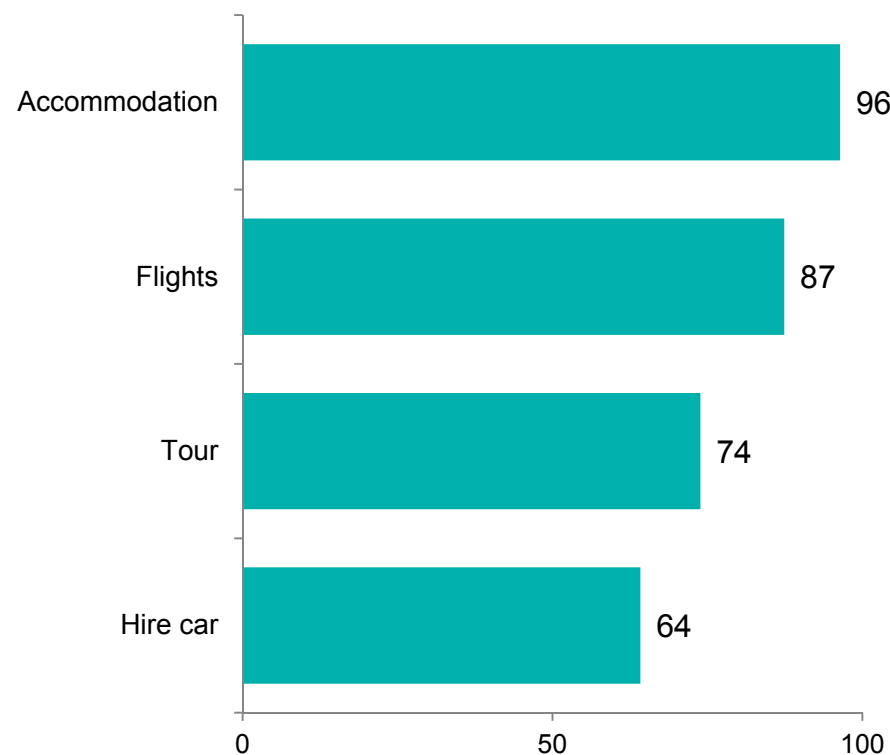
% of Affluent Melbourne Travellers

n=632

Q12 If you were visiting the East Kimberley region, would you consider purchasing a holiday package?

Source: Stage one – Potential Visitors
© 2015 Metrix (Confidential)

Package Inclusions



% of Affluent Melbourne Travellers who would consider purchasing a holiday package

n=270

Q13 If you were to design your ideal holiday package in the East Kimberley, which of the following would it include?

Source: Stage one – Potential Visitors

Choice Modelling Overview

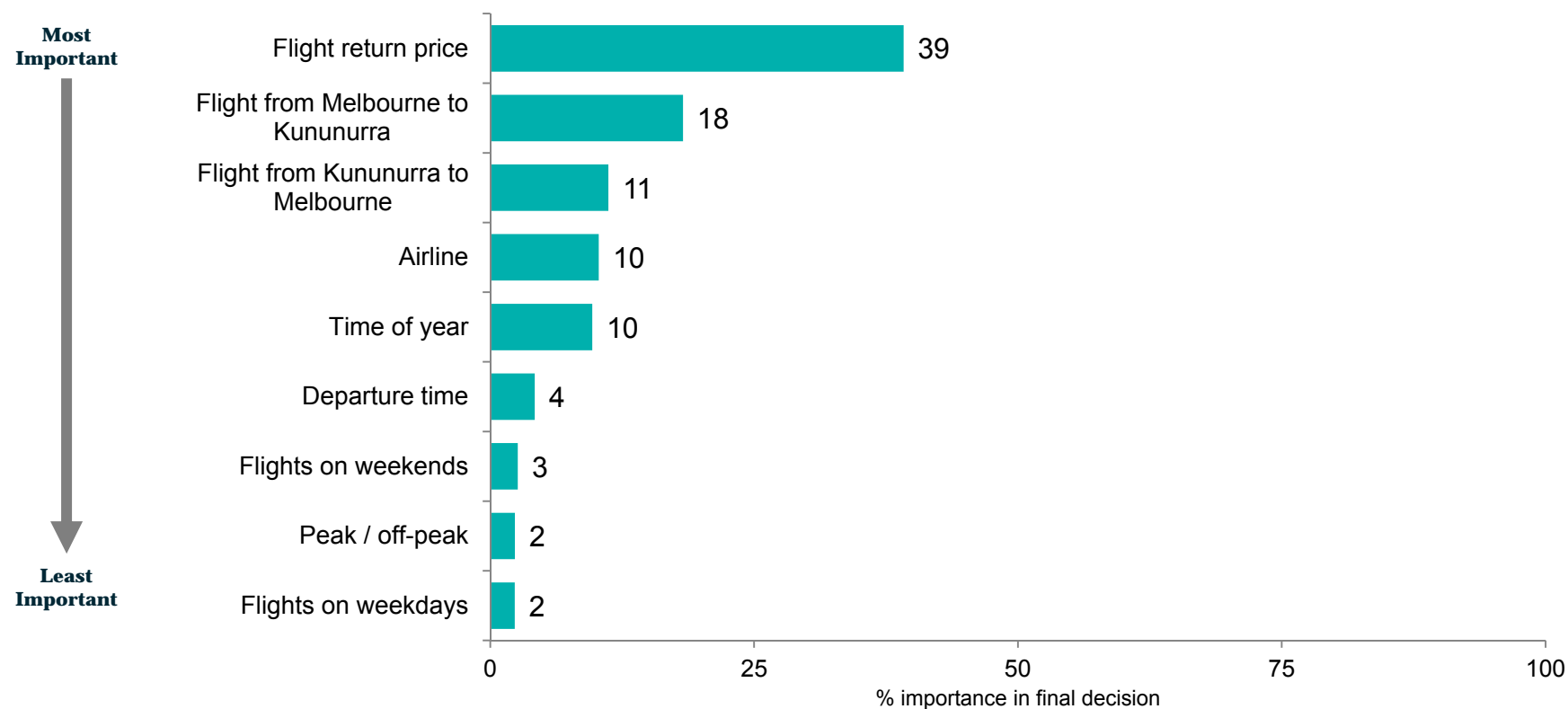


- Choice modelling was used to evaluate a range of possible product scenarios.
- This technique enables us to determine likely consumer behaviour based on the choices consumers make, rather than what they have stated.
- Each respondent was asked to evaluate 44 product combinations, with this data being used to calculate their response to all potential product scenarios.
- The modelling process delivers the following outputs:
 - The importance of each product feature.
 - The level of influence for the options tested for each product feature.
 - The price window for each brand tested.

Relative Importance of Elements



Regardless of demographic, the price of flights is the most important feature when travellers are deciding between travel options. This is followed by the type of flight available to the region and airline. Travellers place a higher value on the speed of getting to a destination, likely a reflection of them wanting to begin their holiday as quickly as possible.



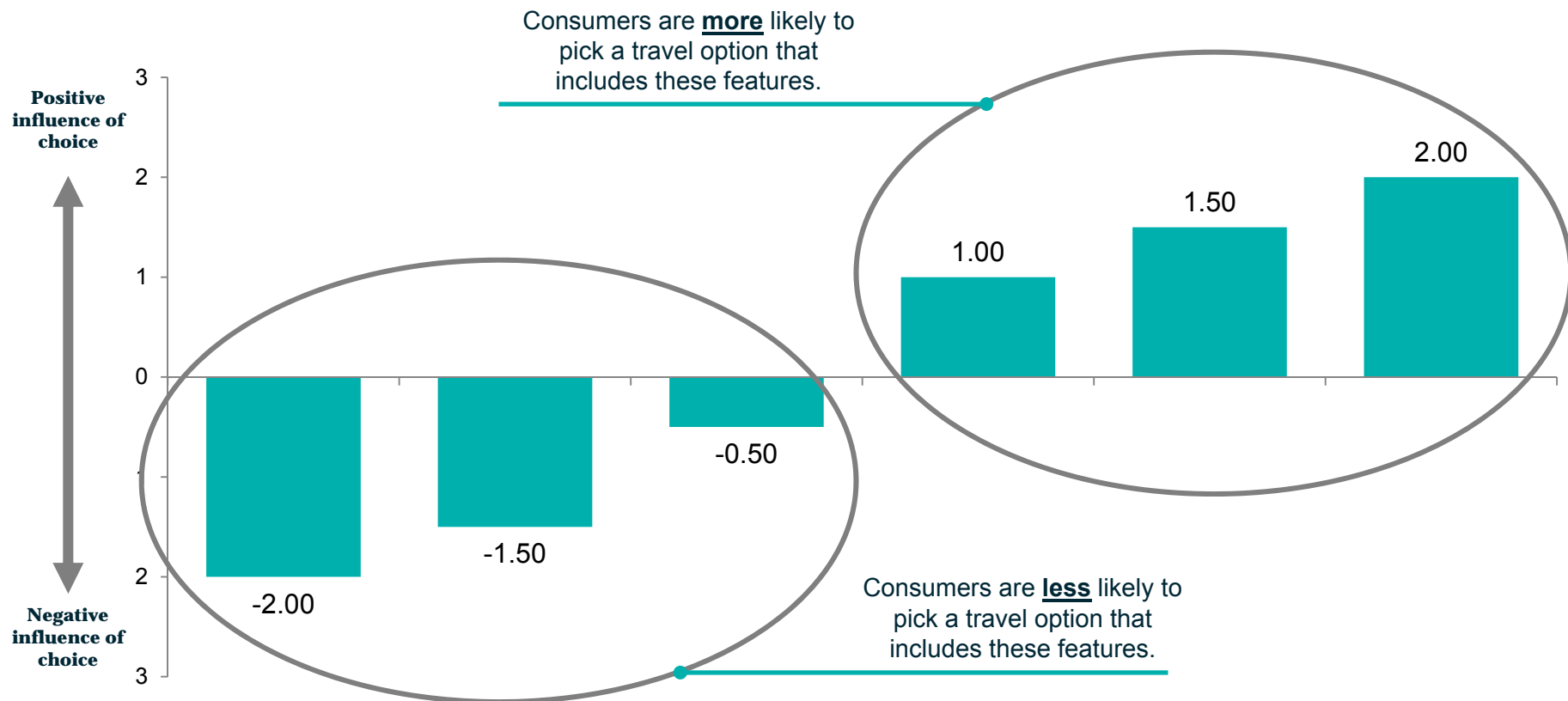
The scores above indicate the extent to which different features influence take up. Scores are derived based on the choice customers make (choice based conjoint analysis), rather than what they have stated.

Source: Stage one – Potential Visitors

Overview of Choice Part-Worths Output



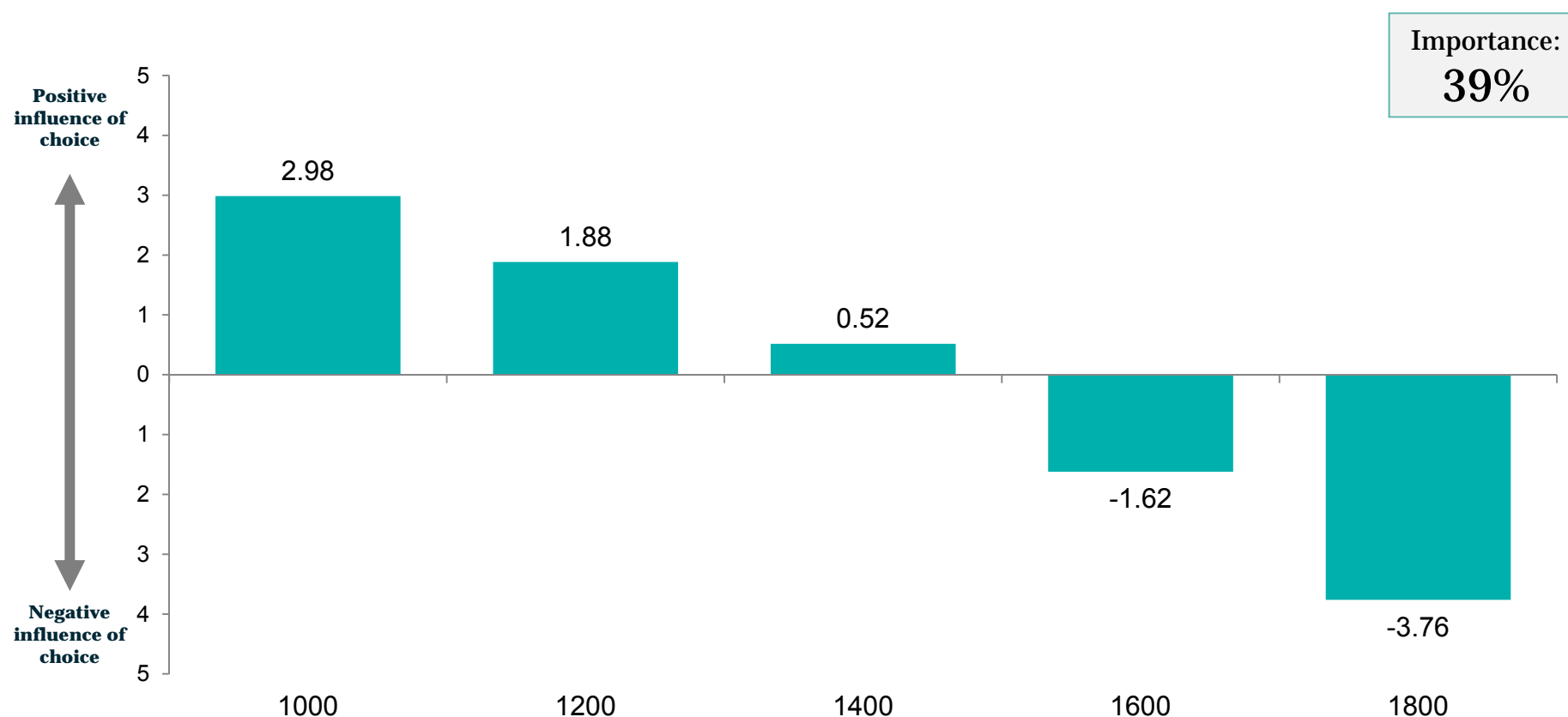
The scores below indicate the extent to which different options influence take-up. Scores are derived based on the choice customers make rather than what they have stated. Numbers greater than zero have a positive impact on choice and numbers below zero have a negative impact on choice.



Flight Return Price



As expected, lower priced flights are a strong driver of visitation, whilst more expensive flights can become a barrier. Lower income households (\$100k to \$149k) place a higher importance relative to those earning more than \$150k or over (42 vs. 36).

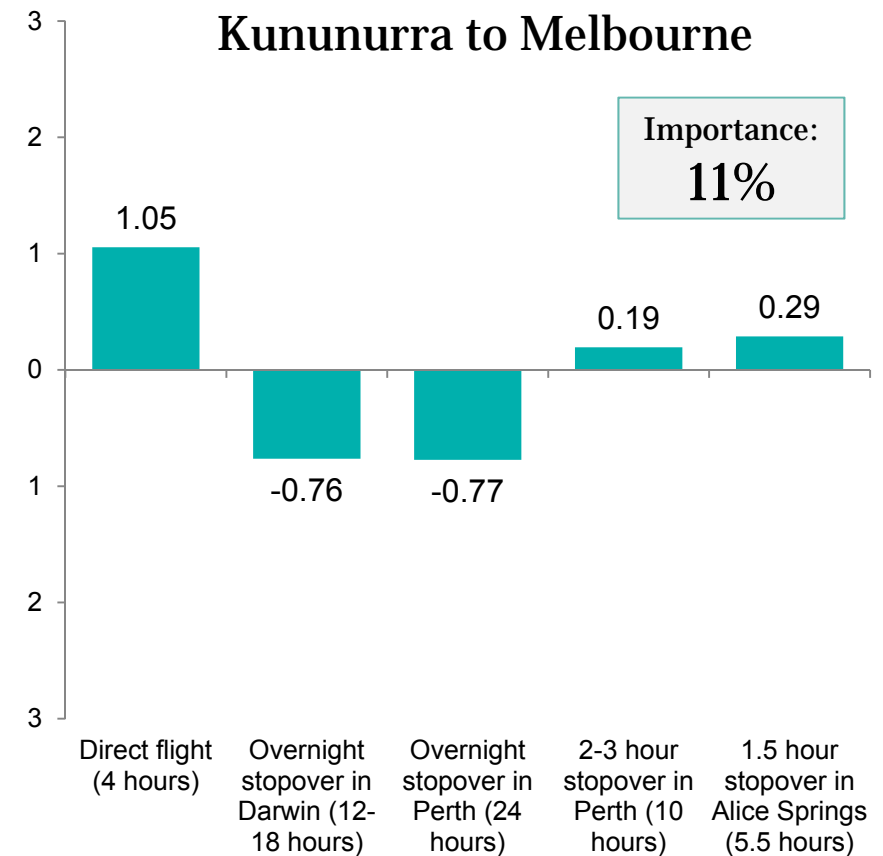
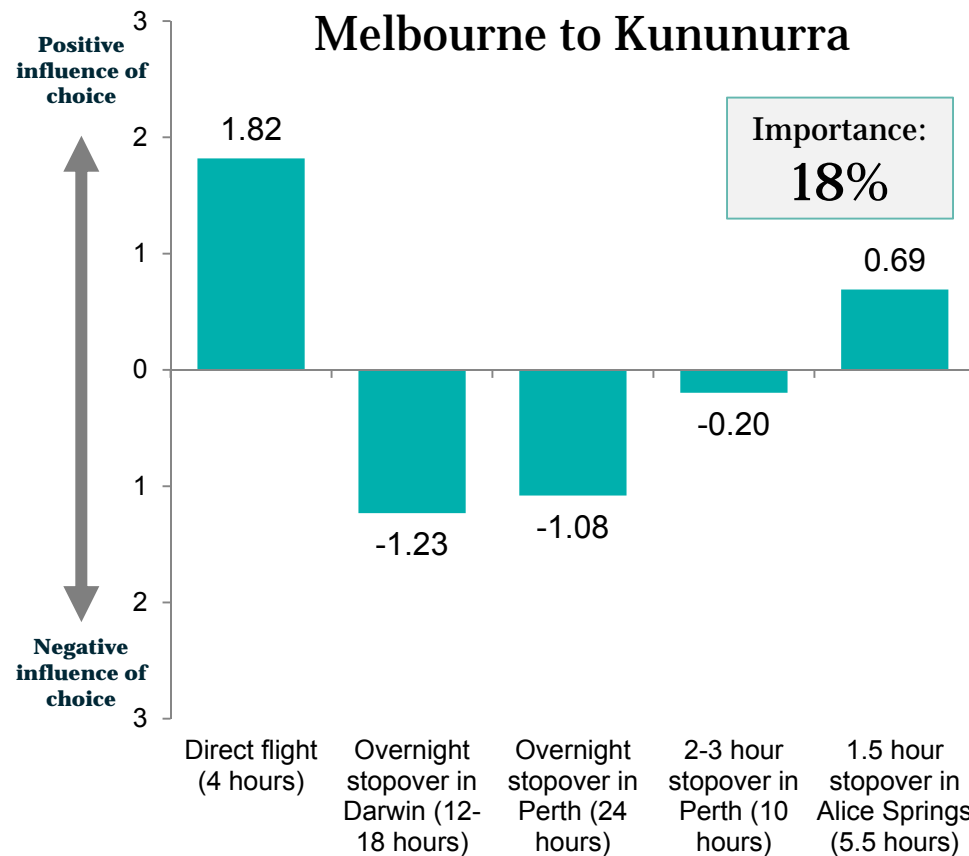


Source: choice based conjoint analysis. Stage one – Potential Visitors

Flight Type



For both flights, the direct flight option is shown to be the most popular. Like price, the longer the travel time the less positive the influence. On the way home, travellers are more open to a longer travel time, with a 2-3 hour stopover in Perth scoring positively.

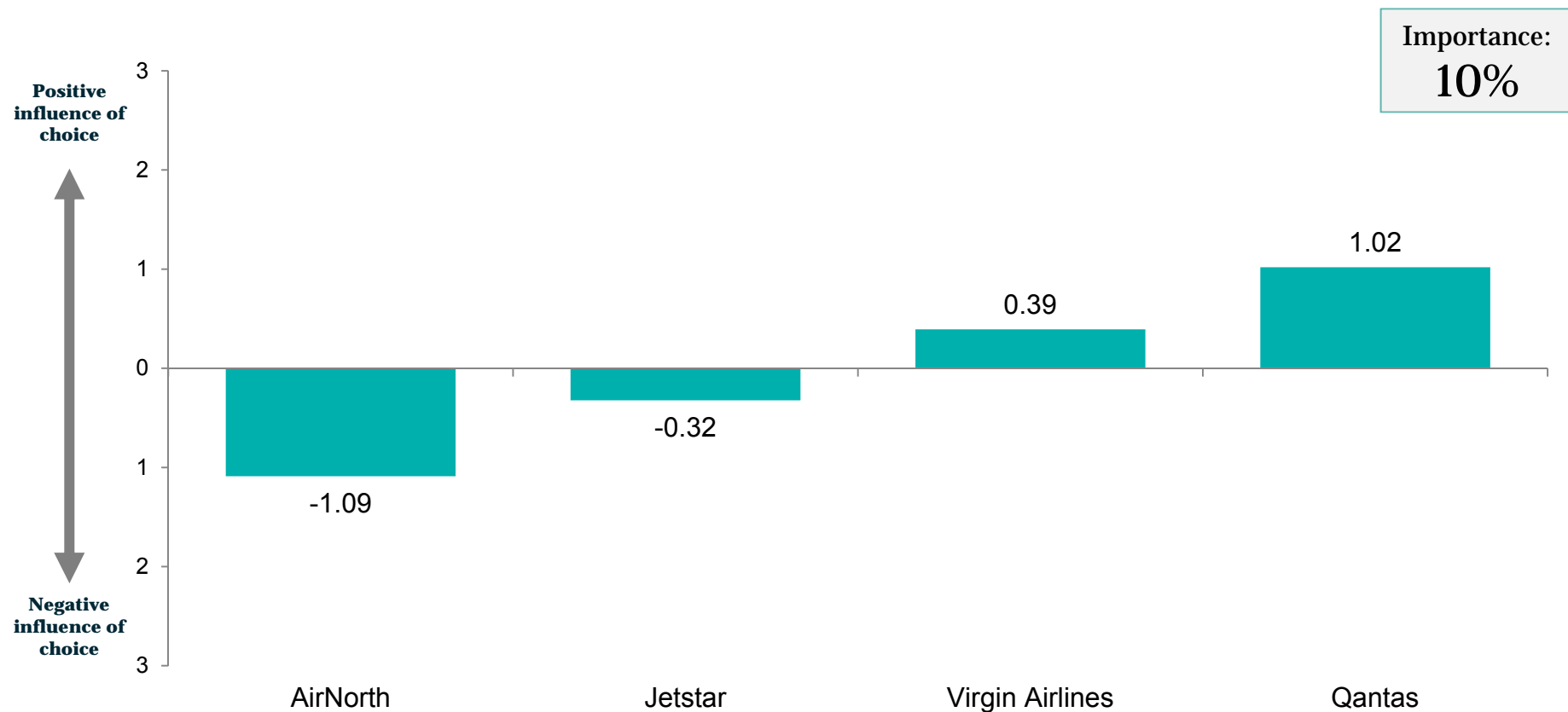


Source: choice based conjoint analysis. Stage one – Potential Visitors

Airline



Qantas and Virgin are the airlines most likely to drive visitation. Without some brand building, AirNorth may be a barrier for some travellers.

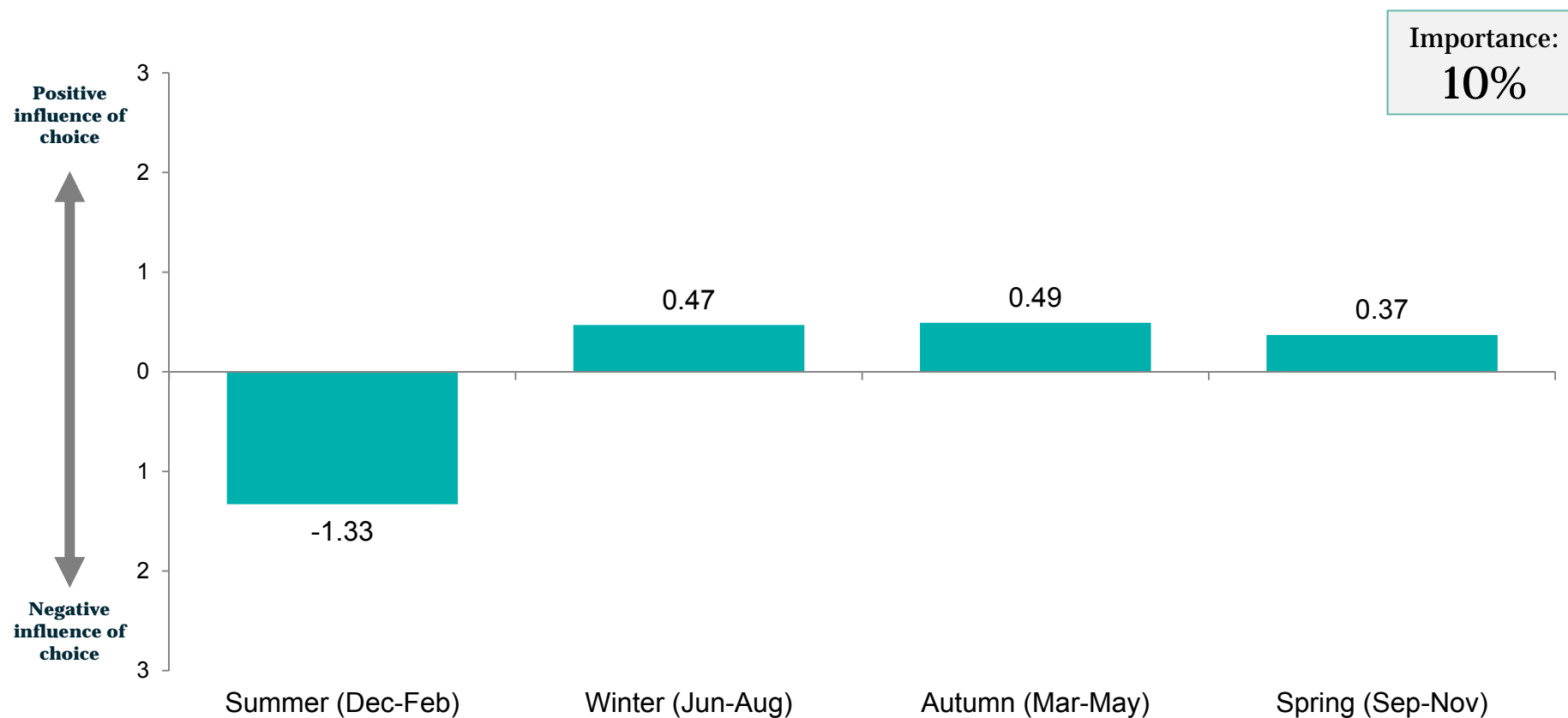


Source: choice based conjoint analysis. Stage one – Potential Visitors

Time of Year



Summer flights are the least likely to encourage visitation, likely driven by a combination of the hot weather and holiday season. Flights during all other times of the year have a similar impact.

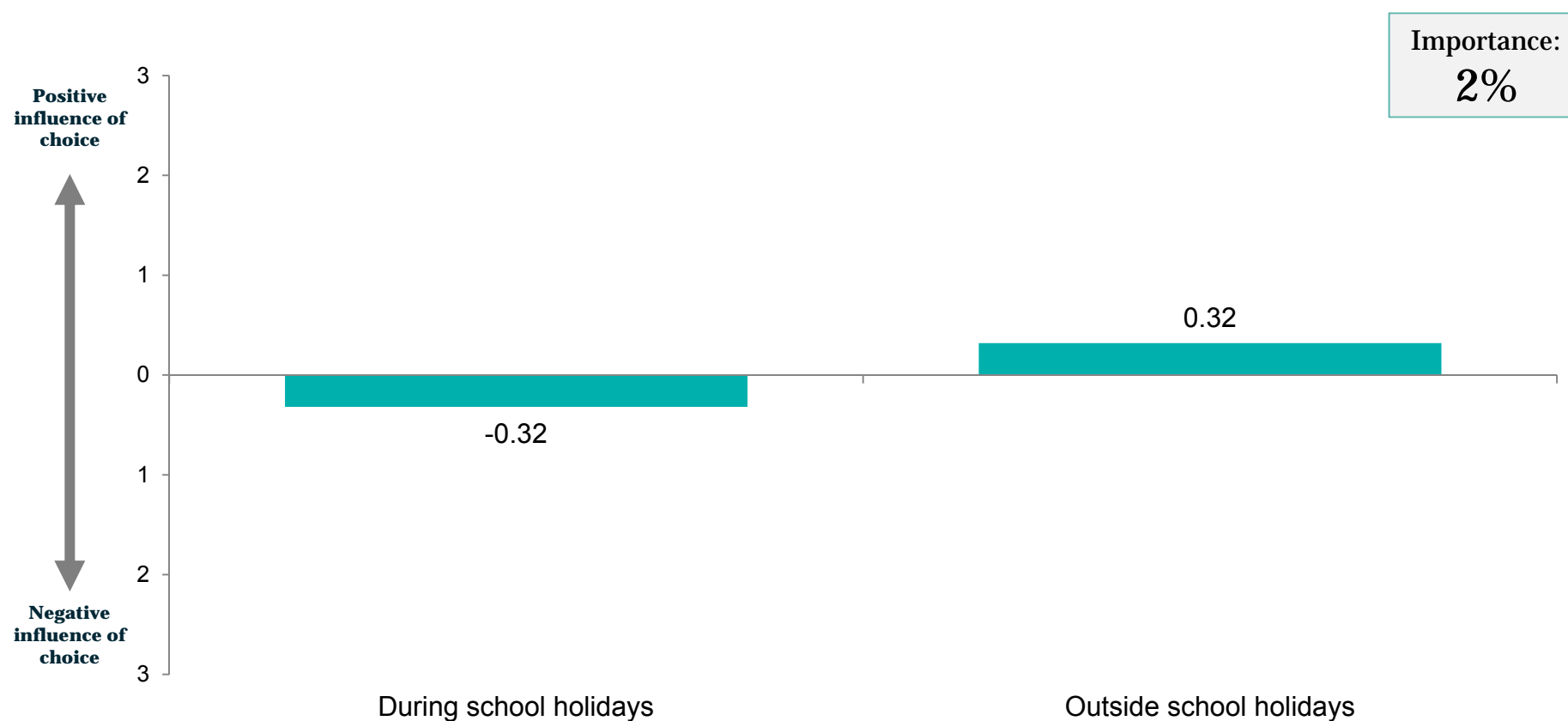


Source: choice based conjoint analysis. Stage one – Potential Visitors

School Holidays



Although given low importance, flights outside of school holidays were a slightly greater motivator to visitation than those during school holidays. For families the difference between the options was smaller, indicating this segment is happy to travel during either period.

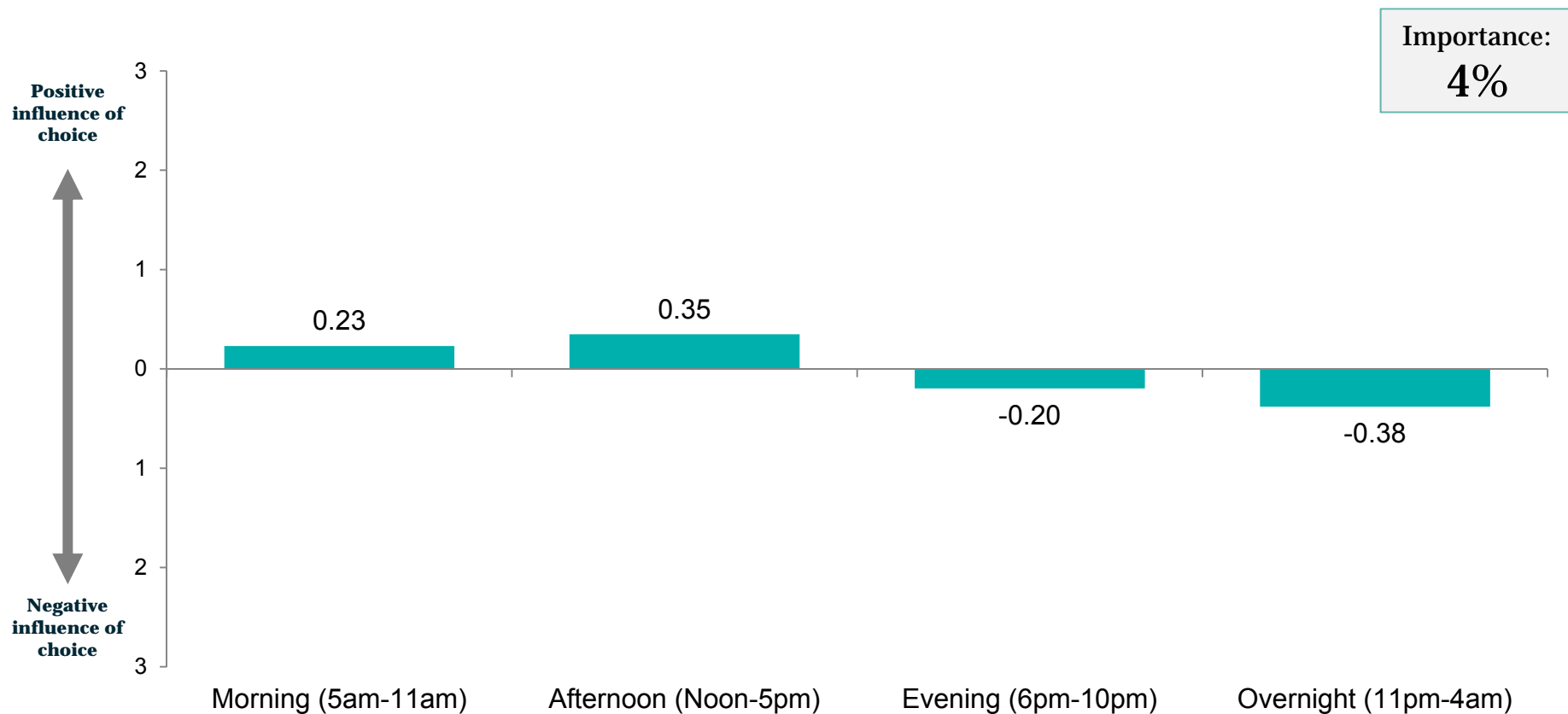


Source: choice based conjoint analysis. Stage one – Potential Visitors

Departure Time



Although generally of low importance to potential visitors, given a choice they would prefer to fly during the day.

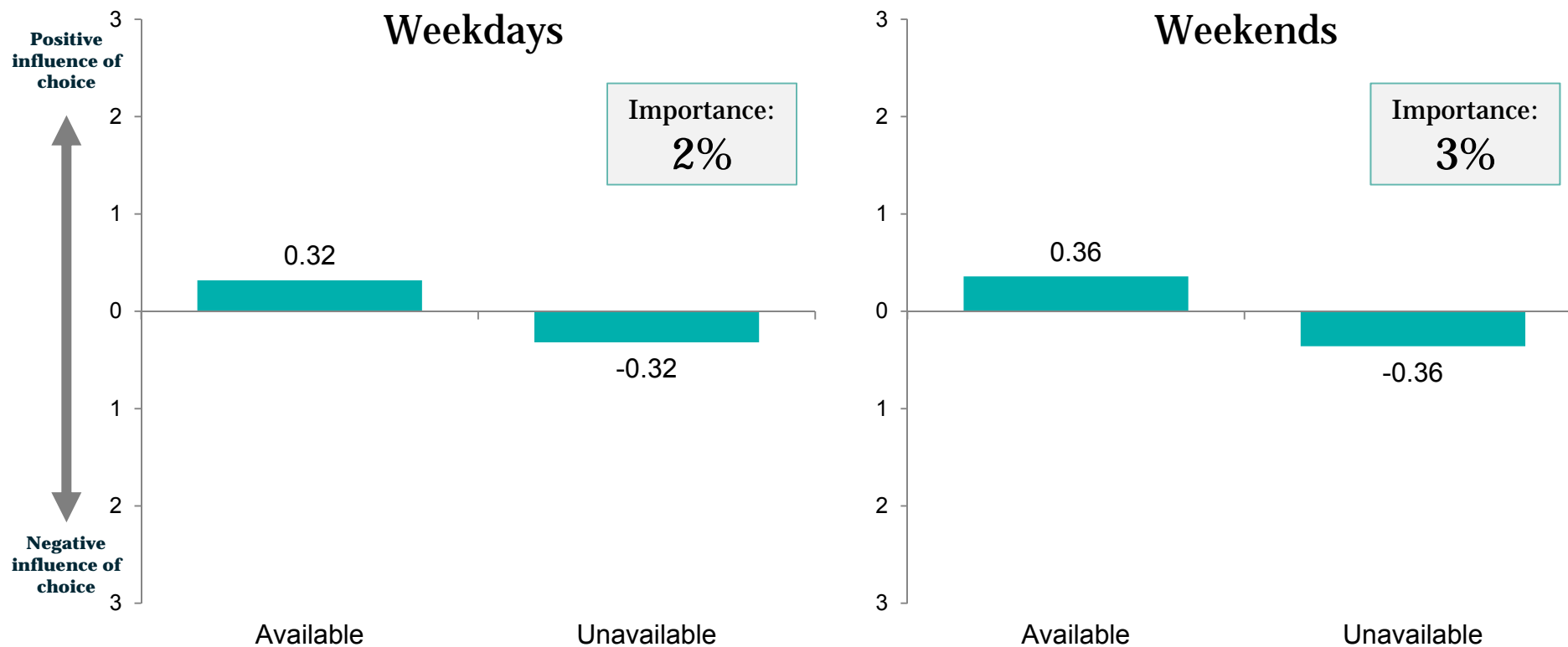


Source: choice based conjoint analysis. Stage one – Potential Visitors

Weekday / Weekend



Ideally both options would be available to potential visitors to the region, but if only one was available, the preference would be to fly on the weekends.



Source: choice based conjoint analysis. Stage one – Potential Visitors

Market Modelling Example



Market Modelling Simulator



- The market modelling simulator enables a more detailed analysis of different product scenarios based on consumer choice.
- The 'Simulator' tab allows you to create up to four different flight options, and understand the maximum potential market share each would achieve if offered in the real world. It also allows you to vary the product delivery mix to see the relative change in maximum market share that the variation causes.
- The 'Filters' tab allows you to select from a range of key variables a specific audience of interest, so the results shown reflect the group selected.
- The 'Projections' tab enables you to select the current flight offers to Kununnurra and see the impact the introduction of direct flights has on the estimated market share and overall market potential.

Current Product Offering Potential



	Option One	Option Two	Option Three
Flight from Melbourne to Kununurra	Overnight stopover in Darwin (approx. 12-18 hrs)	Overnight stopover in Perth (approx. 24 hrs)	2 to 3 hour stopover in Perth (approx. 10 hrs)
Flight from Kununurra to Melbourne	Overnight stopover in Darwin (approx. 12-18 hrs)	Overnight stopover in Perth (approx. 24 hrs)	Overnight stopover in Perth (approx. 10 hrs)
Time of year	Winter	Winter	Winter
Peak/off-peak	Outside School Holidays	Outside School Holidays	Outside School Holidays
Flights on weekdays	Available	Available	Available
Flights on weekends	Available	Available	Available
Departure time	Morning	Morning	Morning
Airline	Virgin Airlines	Virgin Airlines	Virgin Airlines
Flight return price	\$1,200	\$1,200	\$1,200

With the three current options available, it is estimated that **79.1 %** are open to visiting Kununurra*

*Please note this calculation assumes 100% awareness of what the East Kimberley has to offer and no barriers to stop people from visiting.

Source: choice based conjoint analysis. Stage one – Potential Visitors

New Product Offering Potential



	Option One	Option Two	Option Three	New Option
Flight from Melbourne to Kununurra	Overnight stopover in Darwin (approx. 12-18 hrs)	Overnight stopover in Perth (approx. 24 hrs)	2 to 3 hour stopover in Perth (approx. 10 hrs)	Direct Flight (4 hours)
Flight from Kununurra to Melbourne	Overnight stopover in Darwin (approx. 12-18 hrs)	Overnight stopover in Perth (approx. 24 hrs)	Overnight stopover in Perth (approx. 10 hrs)	Direct Flight (4 hours)
Time of year	Winter	Winter	Winter	Winter
Peak/off-peak	Outside School Holidays	Outside School Holidays	Outside School Holidays	Outside School Holidays
Flights on weekdays	Available	Available	Available	Available
Flights on weekends	Available	Available	Available	Available
Departure time	Morning	Morning	Morning	Morning
Airline	Virgin Airlines	Virgin Airlines	Virgin Airlines	Virgin Airlines
Flight return price	\$1,200	\$1,200	\$1,200	\$1,200

With the addition of direct flights, it is estimated that **89.6%** are open to visiting Kununurra*

*Please note this calculation assumes 100% awareness of what the East Kimberley has to offer and no barriers to stop people from visiting.

Source: choice based conjoint analysis. Stage one – Potential Visitors

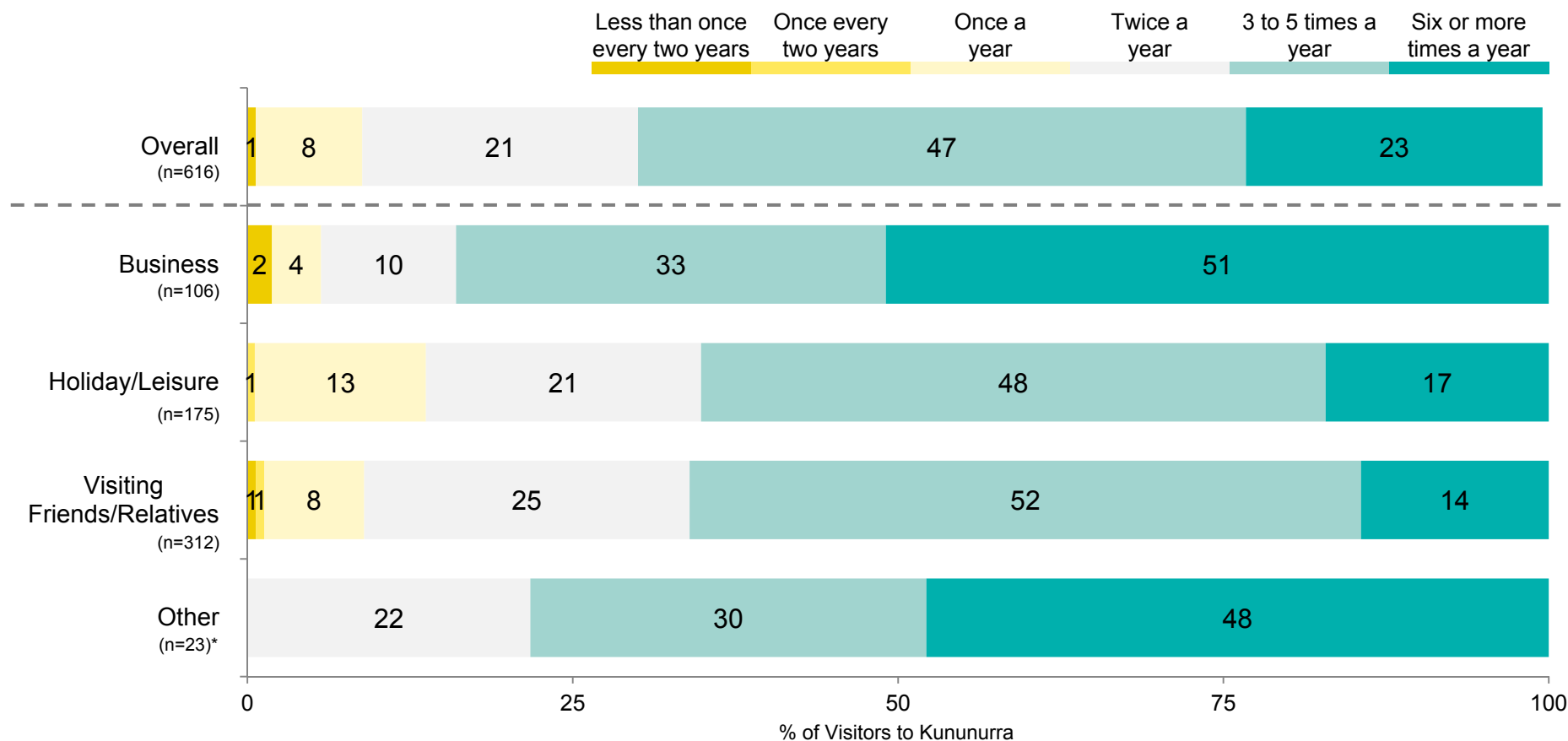
Appendix



Frequency of Travel Out of Kununurra



Overall, close to seven in ten East Kimberley residents travel out of the region three times or more a year. Residents travelling for business do so most frequently, with more than eight in ten travelling three or more times a year.



Q13 How often do you travel out of the East Kimberley region?
Source: Stage 2 - Past Visitors and Local Residents

