Bus Tour Travel

MARKET RESEARCH

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INTRODUCTION

The purpose of this research is to analyse the market potential for a Bus Tour Travel Company in Australia, offering an adventurous camping tour for young people from Brisbane to Sydney, with a returns option. The company will provide travelers with accommodation in tents, meals and various interesting activities like hiking in national parks and swimming and surfing on the on the beautiful East Coast beaches. The company's unique selling point is the concept of the old school yellow bus that promises a good trip and a personal experience with a small group of young enthusiastic travelers. In order to help the client decide on the price for the tour, the optimal group size and the target consumer segment, the research is conducted in three main chapters: Market Overview, Consumer Market Segmentation and Competition, all summarized in the last chapter – Executive Summary, which answers the key questions.

The first chapter – Market Overview offers insights about the current state of the travel and tourism industry and the 2018 travel trends presented in the Travel Trends subchapter. In the second chapter, a generational segmentation of the consumer market is done, with a focus on the target segment and the consumer travel preferences. The Competition analysis conducted in the third chapter includes a detailed analysis of the competitors' offers, including prices, accommodation, meals, group size, targeted ages, activities, etc. that helps choose the best solution for the Bus Tour Travel Company. The last chapter – Governmental regulations contains information about the most important licences and permits that are needed to start a tourism business in Queensland, Australia. The information from all the chapters is summarized and the main conclusions are presented in the Executive Summary of this document.

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MARKET OVERVIEW

Australian tourism is an important part of the country's economy that directly contributed AUD49.7bn (2.9%) of the total country GDP in 2016. The country's tourism can be divided into two main categories: International Tourism and Domestic Tourism. The International tourism refers to the visitors from other countries that visit Australia, while the domestic tourism refers to the trips by the Australians in Australia. A recent research by Tourism Australia reveals that there were **8.8 million visitor arrivals** in 2017, which is an **increase in international tourism of 6.5%** relative to the previous year.

The official tourism forecasts state that in 2018–19 international visitors are expected to reach **9.7 million**, out of which **4.9 million** (63%) will be **Asian**. Countries making the largest contributions to growth from Asia will be China with 26.4%, India 21.1% and Japan with 15.1%.

Visitors from USA are expected to grow very strongly – up to **14.9%,** due to the expected improvements in their domestic economy and the lower value of the Australian dollar relative to the US currency.

FIGURE 1 – VISITOR GROWTH, 2016–17 TO 2018–19

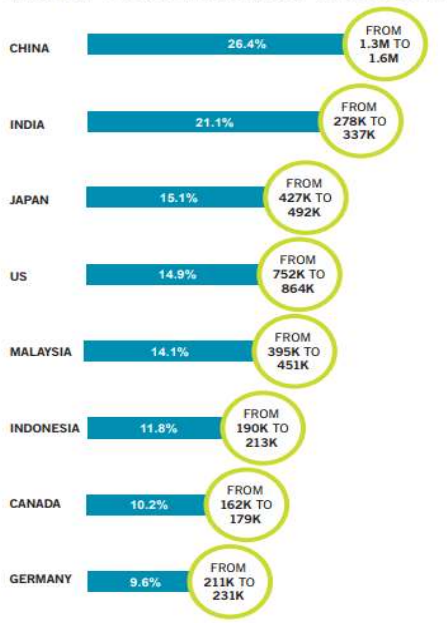
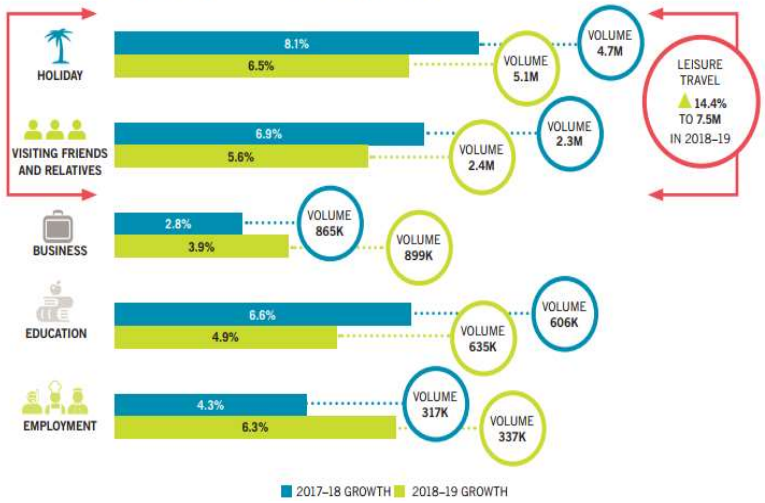
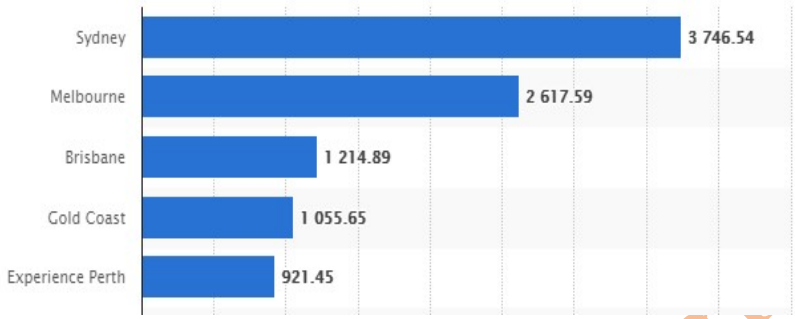


FIGURE 3 – GROWTH IN INTERNATIONAL TRAVEL BY CATEGORY



Another important aspect of analysis is the reason for travel. According to the previously mentioned forecast by the Australian Government, the **leisure travel will experience a growth of 14.4%,** which will result in 7.5 million visitors in 2018-19. The fastest growth rate 6.5% in 2018-19 is noted in the ***holiday subcategory***.

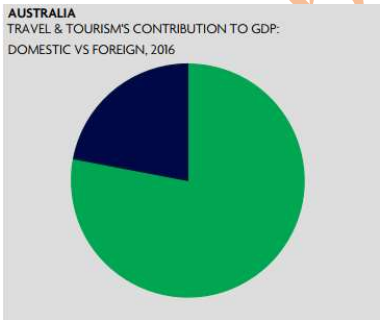
Statista's analysis presented in the graph shows the 5 leading tourism regions in Australia in 2017, with **Sydney** being the first choice for most international visitors.



Regarding camping, the official Australian tourism website offers a list of the best camping spots:

Camping spot	**North Stradbroke Island**	**Cockatoo Island**	**Byron Bay**	**Booderee National Park**	**Kakadu National Park**
Camping Grounds	Cylinder Beach Adder Rock	Cockatoo Island Campground	Suffolk Beachfront Holiday Park	Green Patch Bristol Point	Cooinda Park
Attraction	Surf beaches, kangaroos	Historic buildings	Beach, safari tents	White sand, dolphins	Yellow Water Billabong, birds, crocodiles

Having in mind that the tourism industry includes the domestic tourism as well, it is important to review the domestic tourism statistics too. The report by the Australian Government states that there were **96 million overnight trips** in the year ending September 2017, which is a **7% growth** from the previous year.



The green color represents the domestic tourism economic contribution, which is **78%** of the total tourism contribution, while the dark blue color represents the international tourism contribution – **22%** of the total tourism contribution to the Australian economy in 2016.

From the information presented above, it can be concluded that the tourism industry in Australia is experiencing a steady growth, with an increase in both international and domestic tourism.

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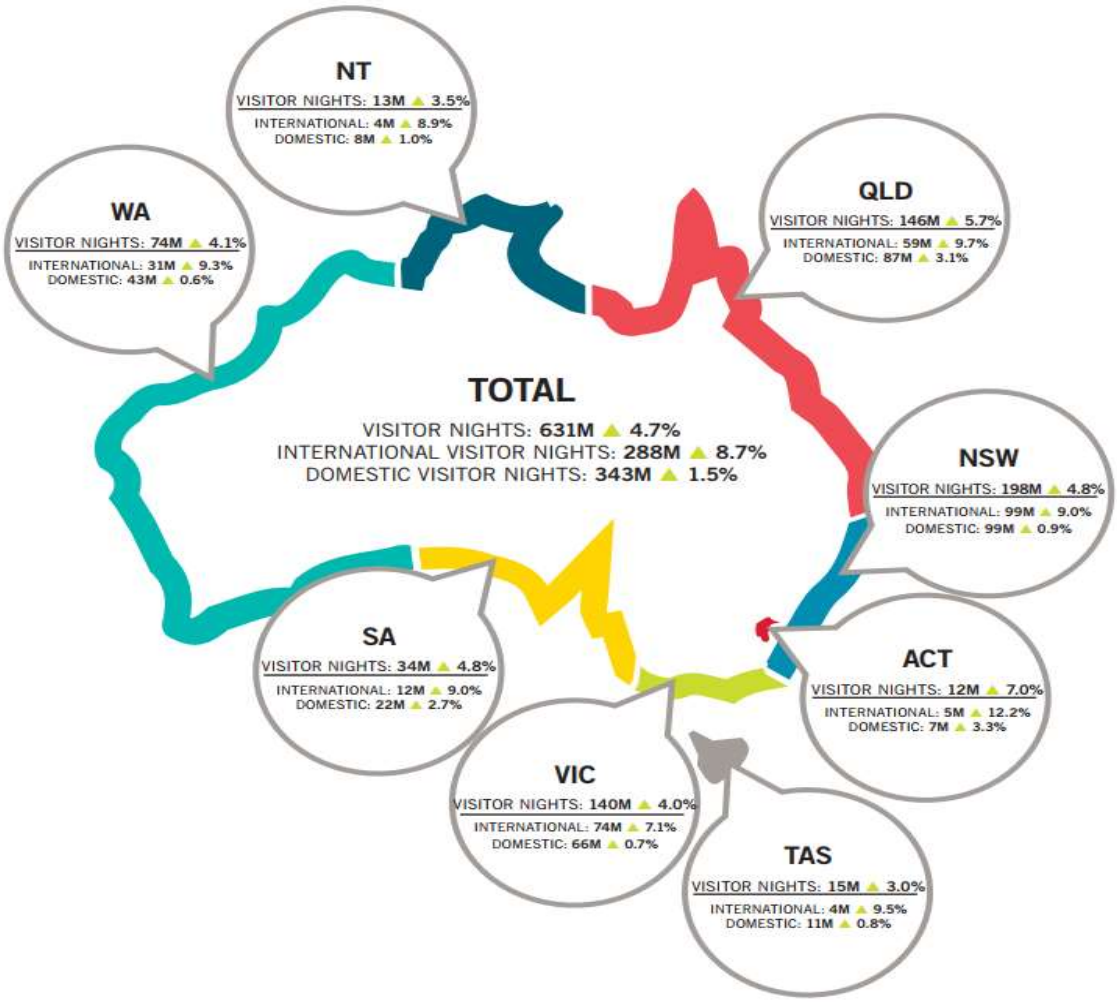
To create a whole picture of the past years' tourism by territory, both international and domestic, the map by Australian Government's forecast is shown below:

FIGURE 11 – VISITOR NIGHTS BY STATE AND TERRITORY, 2017–18



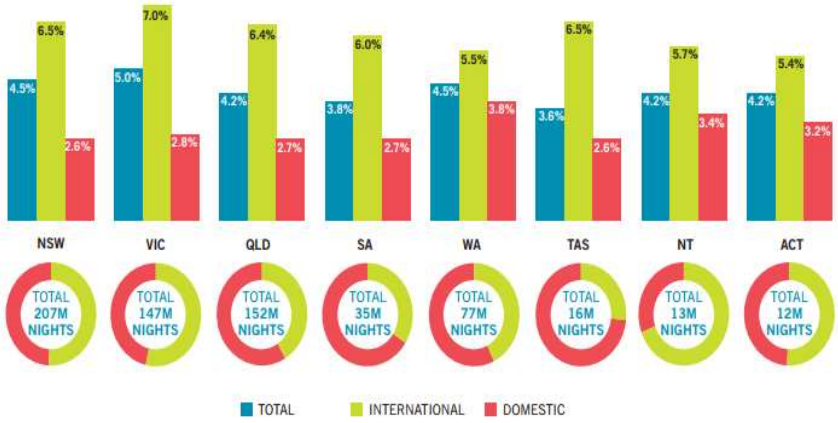
The total number of visitor nights in 2017-18 is estimated to 631 million nights, out of which **46%** are international visitor nights and the rest **54%** are domestic visitor nights.

The leading region by the total number of visitor nights is **New South Wales**, with 198 million nights spent in 2017-18, followed by **Queensland** with 146 million visitor nights.

This year's expectations regarding the forecasted growth for each territory by the same source are presented as well:

As presented in the graph, the highest growth rates of 4.5% to 5% in total visitor nights are expected for Victoria, New South Wales and Western Australia. The highest growth in **international** visitor nights is expected for **Victoria**, while highest growth in **domestic** visitor nights is expected for **Western Australia**.

FIGURE 12 – GROWTH IN VISITOR NIGHTS, BY STATE AND TERRITORY, 2018–19



For the purpose of this research, it is important to examine the **accommodation type** that international and domestic travelers choose. A publication by The Australian Trade and Investment Commission offers insights about accommodation type chosen by international visitors (available for download here) and domestic travelers (available for download here). Considering that the bus tour travel agency plans on offering camping in tents, the accommodation category **Caravan park or commercial camping ground** will be reviewed:

International tourism in Australia, year ending June 2017		**Years 2007-2017 overview**
Number of visitors	263,260 visitors	Record high in 2017 Record low – 2012 (203,995)
Average stay	13 nights	Record low in 2017 Record high in 2013 (18 days)
Domestic tourism in Australia, year ending December 2016		**Years 1999-2016 overview**
Number of overnight trips	6,623 trips	Record high in 2014 (6,656) Record low in 2005 (4,824)
Average stay	5 nights	Relatively constant, 5 nights on average every year

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The table shows that **a record high number of international visitors** chose caravan park or commercial camping ground as a type of accommodation last year, but they also stayed for a **shorter time** – 13 nights average, which is a record low number in the last 10 years. The highest number of average nights spent in this type of accommodation is noticed in 2013 – average 18 nights and since then, the numbers are decreasing these last 4 years. On the other hand, the number of domestic trips including caravan park or commercial camping ground as a type of accommodation was highest in 2014. The number of trips fluctuates throughout the years 1999 - 2016.

From the data presented in the table, it can be concluded that **international travelers** that choose camping accommodation **stay longer** (13 days on average) **than domestic travelers** (5 nights on average), but the long-term analysis for the past 10 years shows that the international trips are **shorter each year**.

TRAVEL TRENDS

The rising trends in travel and tourism for 2018 identified by Momondo that are relevant to the bus tour travel company are:

- ***Rising interest in uncharted destinations***: People try to escape the crowd in the major cities by choosing interesting but not too popular destinations.
- ***Seeking for authentic food experiences:*** While the trend in 2017 was all about Instagram-worthy meals and popular restaurants, the 2018 trend is experiencing the local cuisine and exploring the local markets.
- ***Achievement travel:*** With people traveling a lot more nowadays, the exploring of new locations is not enough and people seek for achievements and challenges they have never done before.
- ***Conscious travel:*** After the 2017 sustainable travel trend, this upgraded trend includes eco-friendly tours but goes one level higher – spending money in local companies and not big corporations.

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CONSUMER MARKET SEGMENTATION

While the consumer market segmentation can be done on many bases, the most applicable segmentation for this purpose is the ***generational segmentation*** which assumes that people's values and attitudes are shaped by the key events that occurred during their lives and that these attitudes translate into product and brand preferences. This segmentation divides the consumer market into **4 main segments**:

- ***Baby boomers*** – (Born 1945-1965)

This generation is currently the oldest, with people **aged 53-73**. They share similar core values and are defined as ambitious, competitive and hard-working people with strong beliefs who live by the motto "Spend now, worry later". Regarding their traveling habits, research has shown that they spend a lot of money on travel and accommodation. They take the longest trips and value informative content and reviews.

- ***Generation X*** – (Born 1966-1976)

People that belong to Generation X are now **aged 42-52** and they are profiled as fun, independent and highly educated persons who are often brand loyal consumers. They are described as family-oriented travelers whose vacations are often by the beach in decent hotels. When planning a trip, they rely on reviews and online travel agents.

- ***Millennials***/Generation Y – (Born 1977-1994)

The Millennials are the most populous generation, now **between the ages 24 and 41**. As the largest consumer segment, they are the theme of many types of research that portrait them as extremely tech-savvy, self-centered and avid consumers. They are open-minded people who think globally and love traveling, but spent less money than older generations. Considering that Millennials are the largest group segment, their travel preferences vary a lot, from wining and dining to exploring the outdoors. They are frequent, deal-driven travelers, who take four or more trips per year, but

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their trips are the shortest. 37% of them said they are influenced by blogs or articles about travel destinations and 51% used an online travel agent to book their last trip.

- ***Centennials***/Generation Z – (Born 1995-2015)

This is the youngest consumer segment currently including children and young adults **under the age of 24**. This generation is not yet thoroughly explored since they've just become a segment with real purchasing power in the last few years. These young adults that are mainly students are very open-minded people that rely on smartphones more than any other generation. Regarding travel, surveys have shown they are budget conscious and often don't have a destination in mind before they start their online research. Choosing the once in a lifetime experience as a top priority, many of the students seek expert advice from travel agencies and may choose educational travel.

TARGET MARKET – POTENTIAL COSTUMERS

After segmenting the consumer market, the target market is chosen by analyzing which segment has the highest potential for the services offered by the bus tour travel company. The brief description of each segment shows that ***Millennials are the key target*** because they are the largest segment, they travel most frequently and they are interested in all kinds of experiences. There are many reports that forecast Millennials' travel habits and trends for 2018:

- ***Exploring local culture*** – As mentioned in the Travel trends chapter, the travel trends are going one level higher – from eco-friendly and sustainable to adding an element to society by choosing to shop and dine locally.
- ***Fun road trips*** – Since Millennials are known as explorers and adventurers, it is no wonder that they are more interested in road trips than other generations. The main reason for this is they prefer adventure rather than comfort.
- ***New and exciting experiences*** **–** This generation's idea about a perfect vacation is not a simple day on the beach, but a day filled with activities like surfing, sailing, hiking, wildlife & safari, etc.
- ***Interesting outdoor accommodation*** – Social media is changing the travel preferences – Millennials dream of being unique and doing something that no one has ever done before.

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An unconventional accommodation like a tree house or glass igloo is more likely to inspire them to travel than staying in a simple hotel.

Although the travel industry is mainly focused on Millennials, new research has discovered that ***Generation Z*** deserves attention as well. Statistics show that they represent 25.9% of the population and are becoming the largest segment that will put the shadow on Millennials. They share the interest in the authentic and experiential with Millennials and they are young people and students under 24 who like budget-conscious travel – which makes them a ***target segment*** as well. Other than their shared interest in uniqueness, they are different from Millennials; they are the children that grew up with smartphones and that has made them less social. Their travel habits include small groups and alone time, with an emphasis on independent travel.

CONSUMER PREFERENCES

If the information gathered in the market overview chapter is taken into consideration - **63%** of the international visitors in 2018-19 are forecast to come from **Asia**, it is important to take a look in the travel habits of **Asian Millennials**. A report commissioned by Singapore Tourism Board reveals that Asian Millennial Travellers (AMTs) desire flexible travel, value autonomy and control, thrive on gathering as much information as possible and they are not brand loyal. Another important finding is that **ATMs are more likely than other regional MTs to opt for packaged tours**.

If analysed by country, **Chinese Millennials are noticed to be the largest spenders** amongst the AMTs and have a clear preference for 'big name' destinations. The Indian traveler is second to the Chinese in terms of spending per trip. However, **Indians tend to opt for cheaper accommodation**, spending more on flights and food. Additional insights on how to reach this target group can be found at the previously mentioned report. Another source states that Asian travelers can be categorized into 4 main groups: Explorers, Followers, Connectors and Opportunists, with Explorers being the largest group (38%).

Another key finding explained in the Market Overview chapter is the fact that the **domestic tourism in Australia is doing really well** – contributing to **54%** of the total visitor nights in the last year, which means that domestic tourism is bigger than the international. According to the

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Millennial Travel Report, Australian Millennials as a potential target segment are different from the Asian Millennials regarding:

- ***Authentic culture*** – While 78% of the Chinese Millennials pointed out that the most important thing when traveling is to experience the authentic culture of the place, only 58% of the Australian Millennials agreed with this statement, which is the lowest percentage across the 8 analyzed countries.
- ***Social Media*** – 58% of Chinese Millennials and only 29% of Australian Millennials care when people comment on their holiday photos.
- ***Influence on their decisions*** –

Australian Millennials trust industry experts the most (35%), followed by close contacts (25%) and fellow consumers the least (15%), while Chinese Millennials' decisions are influenced the most (43%) by fellow consumers.

COMPETITION

For the market research to be thorough, it is necessary to analyse the direct and the indirect competitors present on the market. The direct competition is defined as all the companies that offer the same or similar solution – in this case, all the travel companies that offer organized tours across Australia.

DIRECT COMPETITION

The competition analysis presented in the table below shows the **9** most relevant direct competitors for the bus tour travel company. The companies were chosen by analysing a search on Tour Radar – a website that offers discounts and reviews on bus tours in many countries. The search resulted with **41 tour operators** that offer tours across Australia. Out of those 41, **4** companies appeared in the top 10 when browsing both by **popularity** and by a **number of reviews**, and they are presented first at the table. The next 3 companies were chosen from the top 5 by a number of reviews, and the last 2 companies were chosen because of their **camping accommodation**. The competition analysis presents information about two adventure tours in Australia (Brisbane to Sydney where possible).

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1. Intro Travel is an award-winning company, present on the market over 10 years. They offer tours across Australia (2), Thailand, Bali and Vietnam. Besides the tours which are the company's main service, Intro Travel helps travelers with additional services such as Oz Jobs – their work program, working holiday visa, personal airport pickup and unlimited internet access.

Tour Radar rating	**Platinum, 2nd by Number of Reviews, 1st by Popularity**	
Company's offer	**Average price per day: €67 - €72 –** (Most tours include accommodation) **Travel Style**: Nature & Adventure	
Tour Names and pricing	Oz Intro **€623**	Oz Adventure **€575**
Destinations	Sydney to Sydney (4 destinations)	Sydney to Sydney(4 destinations)
Duration	9 days (**€69** per day)	9 days (**€64** per day)
Group size	20	20
Ages	18-39	18-39
Accommodation	Hostel 8 nights, Bungalow 1 night	Hostel 8 nights, Bungalow 1 night
Meals	1 Breakfast, 4 Lunches, 2 Dinners	1 Breakfast, 4 Lunches, 2 Dinners
Activities	Jet boating, cruising, snorkeling, sandboarding, surf lessons, wildlife, Sydney nightlife	

2. Intrepid Travel is a full-service travel agency. Their tours vary due to different styles and many of the camping tours in Australia are meant for exploring the Northern and Western Territory, while tours of the East Coast include hotel accommodation. Travelers can choose between basix (camping and hostels, no meals, local transport), original (standard hotels, meals, some activities, private and local transport) and comfort packages (luxury hotels, many activities, more meals, private transport). Additionally, they have The Intrepid Foundation – a donations program that shows the company's responsibility.

Tour Radar rating	**3rd by Number of Reviews, 6th by Popularity**	
Company's offer	**Average price per day: €91 - €621 -** (Most tours include accommodation and meals) **Travel Styles**: Cultural, Nature & Adventure, Marine	
Tour Names and pricing	Australia's East Coast Explorer **€1,660**	Outback and Kangaroo Island Adventure **€960**
Destinations	Brisbane to Sydney (8 destinations)	Alice Springs to Adelaide (20 destinations)
Duration	7 days (**€237** per day)	9 days (**€107** per day)
Group size	16	24
Ages	8-99	18-99
Accommodation	Hotel	Camping, lodge
Meals	5 breakfasts, 3 lunches, 1 dinner	6 breakfasts, 8 lunches, 6 dinners

Activities	Vegetable picking at a farm, camel ride, hiking, nightlife, visit National parks, snorkeling	
3. G Adventures allows travelers to choose between Classis, National Geographic Journey, Active, 18 to thirty-somethings, Marine, Rail, Family, Local living and Private groups travel styles. Their active travel style includes different tours depending on the chosen activity – hiking, cycling or multi-sport.		
Tour Radar rating	**Gold, 7th by Number of Reviews, 3rd by Popularity**	
Company's offer	**Average price per day: €106 - €328** – (Most tours include accommodation and guide) **Travel Styles:** Cultural, Nature & Adventure	
Tour Names and pricing	Sydney to Brisbane Experience **€798 –** 18-thirtysomethings	Best of Australia **€2,498 –** Classic Style
Destinations	Sydney To Brisbane	Cairns to Sydney (11 destinations)
Duration	7 days	14 days (**€171** per day)
Group size	16-20	16
Ages	18-39	12-70
Accommodation	Hotel, hostel	Hotel, cabin
Meals	Not included	4 breakfasts, 2 lunches
Activities	Wine tasting, surf lesson, kayaking, hiking	
4. Trafalgar 's tours are suitable for people of all ages. They position as a company that offers a local experience of the place that travelers chose to visit. Sustainable tourism is their top priority and they have won many awards.		
Tour Radar rating	**Gold, 8th by Number of Reviews, 4th by Popularity**	
Company's offer	**Average price per day: €149 - €480** – (Most tours include meals) **Travel Styles**: Cultural	
Tour Names and pricing	Sydney Reef and Rainforest summer 2018 **€2,502**	Contrasts of Australia summer 2018 **€2,290**
Destinations	Sydney to Cairns (7 destinations)	Melbourne to Sydney (9 destinations)
Duration	10 days (**€250** per day)	9 days (**€254** per day)
Group size	45	45
Ages	5-99	5-99
Accommodation	Hotel	Hotel
Meals	9 hot buffet breakfasts, 4 dinners, 2 lunches	8 hot buffet breakfasts, 4 dinners, 2 lunches
Activities	Cruising, crocodile adventure, wildlife, snorkeling, sightseeing	
5. Contiki is a big company that offers tours across Europe, USA & Canada, Asia, Latin America, New Zealand and Australia (32). Their tours are cultural and adventurous, with an accent on responsible travel. Travellers can choose between		

Camping, Independent Insider, Discover, High energy, In-depth explorer, Sailing, ruise & beach, Short trips & festivals and Winter & ski travel styles.		
Tour Radar rating	**Gold, 4th by Number of Reviews**	
Company's offer	**Average price per day: €140 - €205** (Most tours include accommodation and guide) **Travel Styles:** Cultural, Marine, Nature & Adventure	
Tour Names and pricing	Rock And Red **€930**	Beaches and Reefs Sydney **€2,073**
Destinations	Alice Springs to Alice Springs (4 destinations)	Sydney to Cairns (14 destinations)
Duration	6 days (**€152** per day)	14 days (**€123** per day)
Group size	50	50
Ages	18-35	18-35
Accommodation	Hotel, Camping, Lodge	Resorts, eco-lodge, surf school village, cattle station lodge
Meals	5 breakfasts, 2 dinners	13 breakfasts, 1 lunch, 6 dinners
Activities	Cooking, sightseeing, hiking, swimming, bridge climb, kayaking, scuba diving, surfing	
6. Topdeck promises to give its customers the best value for money while taking care of everything. They target young people 18-thirty-something who appreciate good food and unique experiences.		
Tour Radar rating	**Gold, 5th by Number of Reviews**	
Company's offer	**Average price per day: €76 - €173** (Most tours include accommodation and guide) **Travel Styles:** Cultural, Nature & Adventure	
Tour Names and pricing	Beach n Bush €3,400 (kayaking included)	Ultimate Surfari (surf lesson included) €476
Destinations	Alice Springs to Sydney (13 destinations)	Brisbane to Sydney (4 destinations)
Duration	20 days (**€163** per day)	4 days (**€114** per day)
Group size	N/A	36
Ages	18-39	18-39
Accommodation	Motels, hotels, lodges, cabins, swag	Hotel, Lodge
Meals	19 breakfasts, 4 lunches, 8 dinners	No
Activities	Painting in Uluru's Aboriginal Art Markets, kayaking, cooking, optional: skydiving, astrology tours, camel ride, bike rides, bungy jumping, horse riding, motorbike lessons, surfing	
7. Mojo Surf specializes in surfing; they offer surf camp, surf academy, surf school and surf adventures. They have 3 camps in Australia and their tours include surf lessons on many popular locations.		

Tour Radar rating	**Gold, 8th by Popularity**	
Company's offer	**Average price per day: €38 - €113** (Most tours include meals and accommodation) **Travel Styles:** Nature & Adventure	
Tour Names and pricing	Go Pro Mojosurf Adventure **€852**	Great Aussie Surf Adventure **€473**
Destinations	Brisbane to Sydney (4 destinations)	Sydney to Brisbane (4 destinations)
Duration	10 days (**€85** per day)	5 days (**€95** per day)
Group size	30	8
Ages	10-99	10-99
Accommodation	7 nights share dorm - Spot X, 2 nights share tipi - Byron Bay	4 nights at Mojosurf camp
Meals	Included, N/A	All meals catered for while at the camp
Activities	Surfing, professional surf lessons	

8. Mulgas is a small, family-owned company that offers tours swag camping tours across the northern territory. Their tours are meant for young people 18-45 and include travelers in food preparation and other activities.

Tour Radar rating	**23rd by Popularity, 30th by Number of Reviews**	
Company's offer	**Average price per day: €85 - €93** (Most tours include accommodation) **Travel Styles:** Activities	
Tour Names and pricing	Mulgas Darwin to Uluru to Alice Springs **€408**	Rock to Rock Camping Tour **€268**
Destinations	Darwin to Alice Springs (11 destinations)	Yulara to Yulara (5 destinations)
Duration	5 days (**€82** per day)	4 days (**€90** per day)
Group size	N/A	24
Ages	18-49	18-49
Accommodation	Camping, 1 night in a hostel	Camping
Meals	2 breakfasts, 3 lunches and 3 dinners	3 breakfasts, 3 lunches, 3 dinners
Activities	Hiking national parks, campfire, camel ride, helicopter ride, quad bike ride, swimming, aboriginal culture	

9. Bamba Experience emphasizes the independent travel and cares for the animal welfare and sustainability. Their tours are budget-friendly and can be customized to the traveler's needs.

Tour Radar rating	**31st by Popularity, 9th by Number of Reviews**
Company's offer	**Average price per day: €21 - €175** (Most tours include accommodation)

	Travel Styles: Independent, Nature & Adventure, Cultural	
Tour Names and pricing	Bamba Aussie Ways **€765**	Kangaroo Ways **€589**
Destinations	Sydney to Cairns (15 destinations)	Brisbane to Cairns (10 destinations)
Duration	21 days (**€36** per day)	16 days (**€37** per day)
Group size	N/A	N/A
Ages	18-99	18-99
Accommodation	2 Dorm Nights in Rainbow Beach Fraser Island Camping 3D/2N	2 Dorm Nights in Rainbow Beach Fraser Island Camping 3 Days
Meals	Not included.	Not included.
Activities	Kayaking, hiking, wildlife, waterfalls, swimming	

From the analysis presented in the table above, it can be concluded that there are many well-known companies that offer bus tours suitable for young people who thrive for new and unique experiences. While some of the companies are focused on giving the travelers a taste of the local culture, others are focused on giving them the most exciting experience by organizing fun activities.

The prices vary a lot (€21 to €621 per day) due to the different accommodation, the duration of the tour, its style and what is included in the price. Big companies like Interpid Travel, Topdeck and G-Adventurers offer many different tours across the whole country and travelers can choose between short or long trips, cultural or nature & adventure travel styles, budged or comfort trips, etc. Smaller, Australian companies target only one segment, usually young people, passionate about surfing (Mojosurf), camping (Muglas) or other similar activities.

Group sizes vary as well (from 16 to 50 people) and mainly big companies arrange tours in larger groups, while small companies try to keep the groups smaller (less than 20 people). Regarding duration, tours that visit more destinations usually last longer. Additionally, ***camping tours are short*** – less than 10 days, but if the accommodation is combined: camping and hostels/lodges/dorms/private accommodation, tours last longer. Almost every company (except for Bamba Experience) ***offers meals***.

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For a start-up company that wants to enter the market, it is more important to analyse similar small companies and how well are doing on the market, who they target, how they position, etc. In the following table, the smaller companies that appeared in the same Tour Radar search are analysed, along with other companies found by a google search.

1. Aussie Wanderer is a small company that offers tours across the west coast and targets young backpackers and international students. They offer short and long tours with hiking and entrees to national parks and beaches, as well as other optional activities at traveler's expense.		
Tour Radar rating	N/A	
Company's offer	**Average price per day: €84 - €215** (Most tours include accommodation and guide) **Travel Styles:** Nature & Adventure	
Tour Names and pricing	Perth to Broome One-Way **€947**	Perth to Monkey Mia Return **€396**
Destinations	Perth to Broome (16 destinations)	Perth to Perth (9 destinations)
Duration	9 days (**€105** per day)	4 days (**€99** per day)
Group size	20	20
Ages	18-45	18-45
Accommodation	5 nights dorm, 3 nights camping	Hostel
Meals	Included, N/A	Included, N/A
Activities	Sandboarding, sightseeing, abseiling, kayaking, snorkeling, hiking	
2. Nullarbor Traveller's tours are across the Southern territory, promising authentic experiences close to Australian's wildlife. They focus on eco-tourism and offer optional activities (not included in the price) such as swimming with sea lions and dolphins and shark cage diving. Day tours and charters are available as well.		
Tour Radar rating	**Gold, N/A**	
Company's offer	**Average price per day: €92 - €124** (Most tours include accommodation and guide) **Travel Styles:** Nature & Adventure	
Tour Names and pricing	Secrets of Esperance **€533**	Adelaide to Perth Wildlife Adventure **€1,008**
Destinations	Perth to Perth (9 destinations)	Adelaide to Perth
Duration	6 days (**€89** per day)	10 days (**€101** per day)
Group size	18	18
Ages	12-80	18-70

Accommodation	Swag Camping	18
Meals	5 breakfasts, 6 lunches, 5 dinners	9 breakfasts, 10 lunches, 9 dinners
Activities	Exploring local culture, hiking, swag camping, hiking, swimming, wildlife	

3. No Limit Adventures' tours are categorized in Australia holiday's tours, surfing, diving, incentive trips, weddings and Papua New Guinea tours. The company's goal is to offer a solution for every travel occasion since they specialize in personalized adventure tours.

Tour Radar rating	N/A	
Company's offer	**Average price per day: €147 - €227** (Most tours include accommodation and meals) **Travel Styles:** Nature & Adventure, Special Interest	
Tour Names and pricing	Brisbane to Sydney Adventure **€1,464**	South Australian Wildlife Adventure **€620**
Destinations	Brisbane to Sydney (7 destinations)	Adelaide to Adelaide
Duration	7 days (**€209** per day)	5 days (**€124** per day)
Group size	16	N/A
Ages	N/A	N/A
Accommodation	3 - 4-star, boutique hotels or feature accommodation	Dorm accommodation
Meals	5 breakfasts, 3 lunches, 1 dinner	3 breakfasts, 5 lunches, 3 dinners
Activities	Surfing, diving, hiking, rainforests, private 4WD safari, learning about history, local wines & organic food	

4. One Stop Adventures organizes tours across Australia, New Zealand and Fiji and customers can choose between different transport (campervan/car rental, bus pass) and activities options.

Tour Radar rating	N/A	
Company's offer	N/A	
Tour Names and pricing	Loka Greg **€313**	Surf the coast **€491**
Destinations	Sydney to Brisbane	Sydney to Byron Bay / Brisbane (Extra $30 payable direct to Mojo Surf if Ending in Brisbane)
Duration	6 days (**€52** per day)	5 days (**€98** per day)
Group size	N/A	N/A
Ages	N/A	N/A
Accommodation	Not included	4 nights at the surf camp

Meals	Not included	All meals
Activities	Surf lessons, wine tasting, wildlife, River Retreat experience	

From the gathered information it can be concluded that smaller companies focus on ***serving one target market***, usually Millennials and focus on tours across ***one territory*** in Australia. While the West Coast and the Southern territory are covered by many companies and many different travel styles, the East Coast tours are offered by bigger companies and usually include comfortable accommodation in hotels and cultural activities. This means that a company that would specialize in adventurous camping tours in the Eastern territory can attract an unsatisfied customer segment.

The average price is around ***€100 per day*** and it depends on the accommodation, transport and meals included. Smaller companies offer cheaper tours by offering simple camping accommodation. The average duration of the trip is ***one week or shorter*** (4-5 days), but tours can last longer if camping conditions are decent and include saying a night or two in a dorm or a hostel. Companies understand the importance of small group and personal experiences, so tours are organized in ***small groups of less than 20 people***, so travelers can get to know each other and become friends.

Meals are included but there is no information about the type of food, other than the ***vegetarian and vegan options*** that must be available, considering the target customers' preferences. Some of the companies include food preparation in the fun group activities, and some companies offer organic food picking in a local farm. If the travel trends forecasts are to be trusted, ***local cuisine*** would be the best choice.

INDIRECT COMPETITION

The indirect competition can be defined as all the companies that offer a different solution that could satisfy the same need of the potential customer – in this case, indirect competitors are companies like Wicked Campers and Jucy Campers that primarily offer hiring a vehicle like campervan, giving customers the alternative choice of organizing their own private tour.

Furthermore, indirect competition can be considered all the companies that offer cruises, companies that only use public transportation or companies that offer tours that include any other kind of transportation.

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GOVERNMENTAL REGULATIONS

As mentioned before, the tourism industry in Australia is competitive and contributes a lot to the country's economy, therefore, it is a subject to many laws and regulations that vary from state to state. National Transport Commission Australia offers a guide for bus operators regarding all the legal requirements that might be of use. But, since the business will offer tours from Brisbane to Sydney, the governmental overview will be focused on the two relevant states: Queensland and New South Wales. Queensland Government offers an overview of all the necessary requirements that must be satisfied when starting a tourism business in Queensland. While the essential permits and licenses are covered in this chapter, it is highly recommended to seek an expert legal advice before starting the business.

PRIVATE BUS TRANSPORTATION

According to the information on Queensland Government's website, licenses and permits depend on the services the company plans to offer. Providing transport by bus falls under the road transportation category and several licenses and permits are required:

- Passenger Transport Driver Authorisation – There are 4 categories of driver authorisation, and the driver in the client's business falls under the General category (Charter bus services, tourist services (other than motorcycle), accommodation transfer services, tourist transfer services, unscheduled long distance services and any service not falling under other category).
- Operator Accreditation – There are 8 different categories of operator accreditation and once again, this business falls under the General services category. The purpose of operator accreditation is to encourage the high-quality operation of public passenger services and hold service operators accountable for complying with appropriate standards and legislative responsibilities.

Regarding tours, there are several requirements that need to be revised and they depend on the type of the tour and region:

- Providing tours in protected natural areas – Depending on the protected area, there are different permits that may be required, available on this link.

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According to a search on ABLIS (Australian Business Licence and Information Service), these permits might be necessary as well:

- Inbound tourism operator registration – This registration is required if 20% of the total travel packages over the last 12 months are sold to inbound tourists.
- Commercial tour operator fossickers camping permit - This permit is required by commercial tour operator's party on certain designated fossicking land and fossicking areas where camping is regulated by the department under the Fossicking Act 1994.
- Commercial Wildlife Licence (wildlife interaction) - This license remains in effect for one year and is required if there is any interaction with protected animals in the wild as part of the business.
- Approval for activities on council parks/reserves/foreshores and bathing reserves (Brisbane) – This approval is required to undertake activities (such as competitions, sport and recreational events, concerts, conferences, etc.) in parks, reserves, foreshores and bathing reserves, and council-controlled venues.
- Permit to Undertake Whale Watching – Although there is no license or permit required, there are many different rules and regulations for watching and approaching whales and dolphins, so that their safety can be ensured. Queensland's rules are different than New South Wales' rules.

When starting a company in the tourism industry, Tourism legislation must be taken into consideration. Some of its important aspects refer to:

- Tour operators and guides (Check Tourism Services Act 2003)
- Standard business legislation (Check Fair Trading Act 1989 and Work Health and Safety Act 2011)
- Environmental legislation (Check Nature Conservation Act 1992 and the Marine Parks Act 2004)
- Other state and federal laws (Check Australian Business Licence and Information Service (ABLIS))

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MEALS

Companies that offer meals might need:

- Food Business Licence from the local council – When the company decides on the exact meals that will be offered, they should check with the local council to ensure that there are no safety issues and check if there are licenses for the category under which the meals fall.
- Food Business Notification - New South Wales – While there is no license required in New South Wales, the authorities must be notified of businesses whose primary purpose is not the sale of food, food transport, storage or wholesale businesses, food transport, storage or wholesale businesses, etc.

ACCOMMODATION

A search on ABLIS including the information about the business we already have, resulted in several permits and licenses required:

- Approval to operate a camping ground or caravan park (Brisbane) – This approval is needed for businesses that provide commercial camping accommodation in caravans, cabins, tents or other structure that can be readily assembled and dissembled and relocatable homes.
- Approval to Operate a Caravan Park or Camping Ground (Sydney) – To obtain this approval for a caravan park or camping ground in New South Wales, the company needs to demonstrate that the proposed site will be designed, constructed, maintained and operated in accordance with the relevant requirements.

Since on the tour from Brisbane to Sydney many other campgrounds might be visited, other approvals for those areas should be obtained as well.

TERMS OF AGREEMENT

To determine the waivers or certain conditions that the company must mention in their agreement in order to protect themselves from possible lawsuits, a brief screening of the competitors' terms of agreement is done and most of them refer to:

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- ***Booking, cancelation, refund and changes in pricing/departing*** – Many of the competitors specify the terms for booking and cancelation, reserve the right to change prices and specify the refund for each cancelation time.
- ***Acceptance of risk and liability*** - Some companies ask for a waiver to be signed by the customer prior departure, stating that the company is released from any liability and clients acknowledge and accept the risks that may occur during the trip.
- ***Luggage*** - Many companies limit the weight of luggage for travelers.
- ***Accommodation*** - When offering camping accommodation, companies inform their customers about the travel conditions, such as how many nights showering and flushing toilet are not available, camping is in swag bags, tents are only used in certain weather conditions – rain, etc.
- ***Medical condition, physical rating and dietary restrictions*** - Companies ask to be informed about any dietary restrictions when booking and state if they can't change the itinerary. Some adventurous tours require certain physical rating and companies state that they reserve the right not to take on tour customers that have a serious medical condition.
- ***Age*** - Some companies require customers to be adults over the age of 18, while some companies specify the responsibilities of the children's guardians.
- ***Surcharges, taxes and unused services*** – Refund for unused service is usually not available, surcharges are possible to occur.
- ***Illegal substances*** – Many companies mention that bringing illegal substances is not allowed.
- ***Travel Insurance*** – While some companies offer travel insurances, many companies require the customer to bring their own travel insurance.
- ***Privacy policy*** – Refers to the customer's personal information collected by online payments, visiting the company's website, the use of cookies, etc.

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EXECUTIVE SUMMARY

All the information gathered in the Market Overview chapter proves that the inbound tourism industry in Australia is on the rise, with **8.8 million** international visitor arrivals in 2017. The forecasts by many credible sources like the Australian Government are positive, expecting **a stable industry growth** that will reach **9.7 million** international visitors this year, out of which **4.9 million** (63%) will be **Asian.** The country's domestic tourism is doing even better, contributing 78% of the tourism contribution to the country's GDB in 2016 and responsible for **54%** of the total 631 million visitor nights spent in 2017. The key regions that international travelers visit are New South Wales and Queensland, and the top 3 cities are **Sidney, Melbourne and Brisbane**. Camping accommodation is chosen by over **263,000** international visitors in the year ending June 2017, and there were 6,623 domestic overnight camping trips registered last year.

The consumer market consists of 4 main segments: Baby boomers, Generation X, Millennials and Generation Z. The Millennials are the **target segment**, considering they are frequent travelers between the ages **24** and **41** and love authentic experiences and trips filled with fun activities. Generation Z can be considered as a potential target segment as well, considering today's students belong in this segment. Since 63% of all travelers this year are expected to come from Asia, the **travel preferences** of Asian Millennials are presented. Australian Millennials' differences should be considered if the company plans on working with domestic travelers too.

From the competition analysis, it can be concluded that the average price per day of camping tours is a little **less than €100**, the average duration of the trip is **around a week** and the average group size is **less than 20 people**. Meals are often included and while local cuisine is a good choice, vegetarian and vegan options must be available. The competitors offer **various activities** – from wine tasting, camel rides and kayaking to skydiving, bungee jumping and motorbike lessons. Some of the activities are included in the price, but many are optional. When choosing the activities included in the Bus Tour Travel Company's tours, the potential consumers' preferences must be considered. Although water sports, hiking and similar activities are offered by many companies, they can be a good choice since most of the other tours across the East Coast are cultural, not adventurous. Regarding the Governmental regulations, the tourism companies are subject to many regulations, but the necessary information is available and the process for obtaining the licenses and permits is not long or complicated.

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From all the information presented in this research, it can be concluded that the Australian market has a high potential for such company, with the travel and tourism on the rise and Millennials' interest in new experiences being the key **opportunities** on the market. Although the competitive landscape can be considered as a **potential threat**, the risk is partially avoided with the company's destination choosing (Brisbane to Sydney), which is a popular destination for cultural style travel but it lacks adventurous camping tours.

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