Summary report: 2024

Cultural Tourism in Regional NSW

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REGIONAL ARTS NETWORK

NSW GOVERNMENT | Create NSW
Arts, Screen & Culture

PATTERNMAKERS

About

Image: Saltwater Freshwater Festival
Photo: Jay Black, sourced from Arts Mid North Coast

Background

In 2024, the NSW Regional Arts Network commissioned a new analysis of cultural tourism in regional NSW.

In light of the NSW Government's focus on 'experience tourism', and greater coordination occurring between Destination NSW and Create NSW, this report provides insights into the scale of regional cultural tourism and opportunities to support its development.

Method

Research agency Patternmakers conducted a scan of the literature and interviewed stakeholders involved in cultural tourism, including government agencies, industry bodies and operators.

It collated available tourism listings from various sources into a new database for analysis.

Sources included the Australian Tourism Data Warehouse (ATDW), Music NSW regional venue map, National Parks listings, and regional culture maps. Regional Arts Development Organisations (RADOs) were invited to manually review the listings and add missing experiences active in their region.

The resulting database of over 3,200 cultural tourism experiences across regional NSW provides the largest picture of cultural tourism to date, and enables analysis of its scale, component parts and direction.

Cover image: Aerial performance by the Flying Fruit Fly Circus at Arbour Festival
Photo: Matt Beaver, sourced from Eastern Riverina Arts

Image: Warren Choir and the Australian Vocal Ensemble perform in Warren, 2023
Photo: Belinda Dimarzio-Bryan, 'Blackout,' sourced from Outback Arts

Key facts

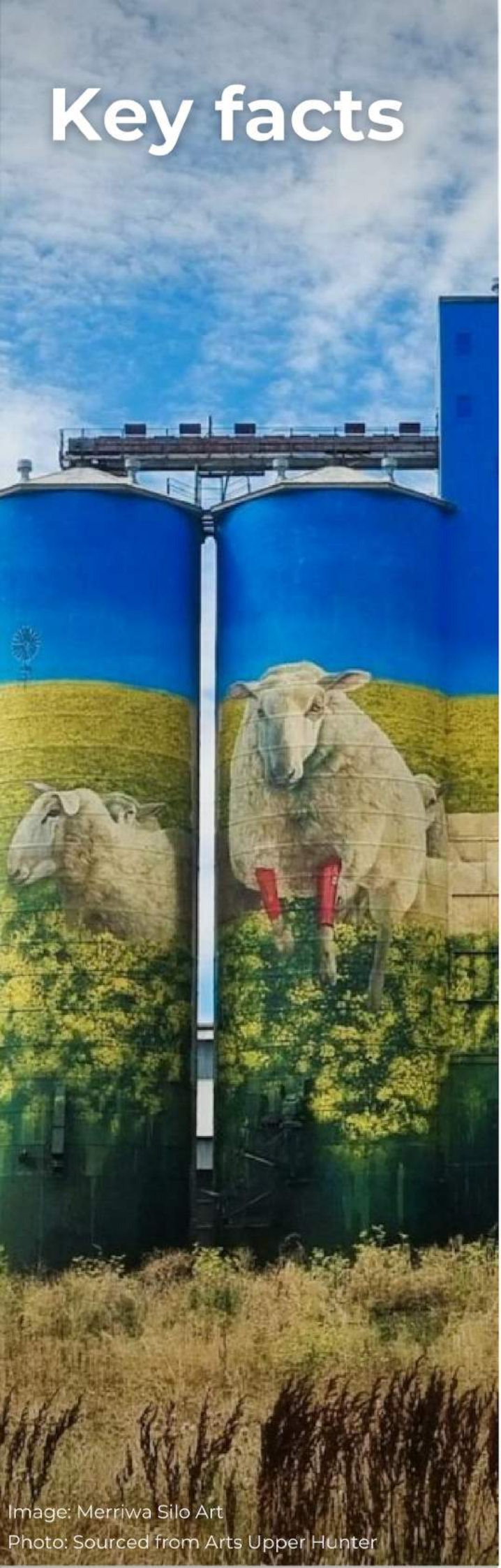

Image: Merriwa Silo Art
Photo: Sourced from Arts Upper Hunter

5.8M

estimated cultural tourism visitors to regional NSW in 2023, according to Tourism Research Australia

13M

estimated nights spent by visitors who engaged with cultural tourism in regional NSW in 2023

$6.2Bn

estimated visitor expenditure in the state by cultural tourists to regional NSW in 2023

1 in 8

visitors (12.6%) participate in cultural tourism in NSW, including 7% of day-trippers, 16% of domestic overnight visitors and 77% of international tourists

1 in 100

visitors (1%) to NSW participate in Indigenous cultural experiences, including 0.2% of day-trippers, 0.8% of domestic overnight visitors and 8% of international tourists

Key facts

Image: Art on Bundjalung Market
Photo: Kate Holmes, sourced from Arts Northern Rivers

2,744

cultural tourism experiences on offer in regional NSW, based on traditional definitions of art, heritage and Indigenous cultural experiences

518

other contemporary experiences have a major cultural component, suggesting the extent of cultural tourism in regional NSW could be at least 16% larger than visitation statistics suggest

-9%

estimated change in regional NSW cultural visitors from 2019 to 2023, suggesting that like tourism generally, cultural tourism is still recovering from the pandemic and has more potential to grow.

89%

of spending by cultural tourists to NSW is from domestic overnight visitors, making this a priority segment to target

“The tourism story NSW tells the world needs to evolve beyond the Sydney Harbour Bridge.

It needs to better promote the living, breathing patchwork of neighbourhoods, towns, and cities, each with their own stories, creative activity, and personalities.”

NSW Arts, Culture and Creative Industries Policy 2024-2033,
Creative Communities: Putting culture at the heart of the state

Key finding #1

There are over 3,200 cultural tourism experiences on offer in regional NSW – three times as many as previously estimated.

Cultural tourism is often underestimated

Based on a data gathering exercise performed as part of this research, there are at least 3,200 cultural tourism experiences in regional NSW, three times the number of experiences listed in the Australian Tourism Data Warehouse (ATDW).

155 Indigenous cultural experiences

Although only 36 are listed in the ATDW, research shows that a further 119 exist around regional NSW, including experiencing Aboriginal art, craft and cultural displays, going on a tour with an Aboriginal guide, or visiting an Aboriginal site or community.

2,570 arts and heritage experiences

NSW is rich with arts and heritage activities like attending a live performance, visiting a museum or gallery, or visiting a heritage building, site or monument.

518 cultural experiences embedded within other types of tourism

Contemporary forms of 'embedded' tourism include public art (e.g. murals, outdoor sculptures, street art), creative retail (including artisan markets and gift stores) and cultural activities embedded within food, sporting, wine and outdoor events (e.g. a musician performing at a winery or farmer's market).

Image: Giiyong Festival, 2023
Photo: David Rogers, sourced from South East Arts

Key finding #2

Cultural tourism visitors spend over $6bn while travelling in regional NSW, but the contribution to the state's economy is likely much larger than the statistics suggest.

Regional NSW leads cultural visitation

Cultural tourism activities generated around 5.8 million visitors to regional NSW in 2023, more than metro NSW or any other regional area in Australia, according to Tourism Research Australia's (TRA) visitor surveys.

Cultural tourists spend big

Visitors who engaged in cultural activities in regional NSW spent an estimated $6.2bn, confirming the economic importance of the industry.

Cultural tourism has a hidden economic impact

The full extent of the value added by cultural tourism is likely much larger, due to the role that cultural experiences play within other types of tourism and in destination marketing.

Cultural tourism is socially and culturally important

It enables visitors to learn and engage with Australian communities in a deeper way, and for communities to strengthen their identities by showcasing their unique heritage and culture.

“For people working in tourism, there’s often a misunderstanding when it comes to cultural tourism.

They often talk about it in terms of events, festivals, one-offs. This does work, but it’s not the day-in-day-out work that really serves the regions.”

Tracey Callinan, CEO of Regional Arts NSW

Key finding #3

The drivers of visitation are not well understood, and policy and funding mechanisms can do more to support authentic and distinctive experiences.

This research analysed the cultural tourism experiences that attract visitors to particular regions ('attractors'), and compared these to the experiences that add value for visitors once they have arrived in the region ('value-adders'). It also compared the number of experiences in different areas to visitation statistics. It shows:

Strong demand for Indigenous cultural experiences

Despite limited availability, Indigenous cultural experiences attract visitors to regional NSW at high rates. There is strong interest in expanding these offerings, particularly around arts and crafts, but operators need support.

Rethinking key visitor drawcards

Attractions open year-round, such as museums and galleries, tell unique stories and work well for communities. However, their contribution to the market may be overlooked in favour of major events and festivals which generate measurable bursts of activity.

Authentic experiences hold strong visitor appeal

Visitors are increasingly looking for authentic, distinctive experiences, however current funding models often favour large-scale events.

Cultural visitors want to spend on unique souvenirs

Cultural tourists are seeking handmade and unique local goods. However, cheap, mass-produced and inauthentic products are often easier for retailers to procure.

Image: Limelight event, Gateway Village
Photo: Manifeasto Photography, sourced from Murray Arts

Key finding #4

Tourism is still recovering from the pandemic and operators need support to rebuild visitation and adapt to new conditions.

Cultural tourism has not yet returned to pre-pandemic levels

In 2023, estimated cultural tourism visitation to regional NSW remained around -9% below peak 2019 levels.

Operators face resource and coordination challenges

Cultural tourism operators are struggling with a lack of financial resources, a reliance on volunteer labour, limited cross-sector coordination and siloed activity, limiting their opportunities for development.

Coastal areas attract high volumes of visitors

Coastal areas have a relatively smaller number of key cultural experiences relative to the number of visitors and have scope for further product development, but battle with higher property prices, staffing shortages and costs.

Inland areas are rich with experiences to share

Inland communities have significant numbers of cultural experiences on offer, but lack marketing cut-through and need support to overcome the challenges of geographic isolation and grow visitation.

“Building the cultural fabric of a community is about integrating and celebrating the art and culture of that community and the artistic inspiration from its children all the way through to its old people.”

Jenny Bennett, Executive Officer at Central NSW Joint Organisation (CNSWJO)

Key finding #5

Cross-sector collaboration will be important to grow this promising industry.

Increasing interest from visitors

Regional NSW visitors are showing a growing interest in cultural experiences, highlighting a need for better access to information about authentic and unique offers.

Marketing continues to evolve

The digital marketing landscape is changing rapidly, and some operators are struggling to keep pace with changes in platforms and the need for engaging digital content.

Longer stays could drive industry growth

Cultural tourists are known to stay longer and travel further from major cities than other visitors. There are signs that growth of the tourism industry in future will rely on inducing longer stays and higher spending, rather than growing visitor numbers alone.

Cultural tourism deserves a coordinated approach

Collaboration across Government departments, with peak bodies and the private sector will help address barriers to participation and grow the industry sustainably.

Image: Installation artwork by artist Verity Nunan, in residence at West Darling Arts
Photo: Em Jensen, sourced from West Darling Arts

Areas of opportunity

Five areas to support the development of cultural tourism in regional NSW include:

1. Visitor insights:

Conducting visitor research to help the tourism industry understand visitor interests and fulfil increasing demand for cultural experiences while travelling in regional NSW.

2. Marketing support:

Developing support tailored programs to strengthen marketing and ensure operators of cultural experiences connect with visitors before, during and after visits, online and offline.

3. Product development:

Investing seed funding to grow new tourism experiences and help promising operators grow their activities further.

4. Coordination and collaboration:

Convening a cross-portfolio working group to bring Departments and peak bodies together regularly, and convening regular meetings in each region among cultural professionals, tourism operators and peak bodies, to improve sector resilience and growth.

5. Supportive policy and funding:

Advocating for changes to policy and funding mechanisms, to embrace a deeper understanding of culture's central role in tourism and support sustainability and distinctiveness across the sector.

Conclusion

Supporting regional cultural tourism is of great interest and benefit to communities, visitors and the Australian economy.

With strong prospects for growth, this analysis indicates the industry deserves stronger understanding and support, particularly in regional and remote areas where experiences are more dispersed.

The success of this work could be measured by:

- Presence of an export-ready cultural tourism experience in regional NSW
- Increasing the number of cultural experiences listed in ATDW, and tracking the number of bookable experiences on offer
- Tracking the proportion of tourists engaging in cultural experiences with greater accuracy – and seeing this number rise over time
- Growing the number of Aboriginal owned and led operators in NSW.

Image: Cementa22 Salon exhibition at WAYOUT Artspace in Kandos
Photo: Gus Armstrong, sourced from Arts OutWest

Acknowledgements

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The authors would like to acknowledge the many people and organisations involved in the cultural tourism sector in regional NSW.

Patternmakers acknowledges the traditional owners of the regions on which cultural tourism takes place. We recognise the role and contribution of Aboriginal and Torres Strait Islander peoples across time.

About the Regional Arts Network

The Regional Arts Network is a group of fifteen Regional Arts Development Organisations (RADOs), developed over the past 30 years with core funding from the NSW Government and through local Council support.

They exist to inform and promote arts and cultural activity within regional NSW, including creating opportunities for creative professionals in the regions. They include:

- Arts Mid North Coast
- Arts North West
- Arts Northern Rivers
- Arts OutWest
- Arts Upper Hunter
- Eastern Riverina Arts
- Murray Arts
- Orana Arts
- Outback Arts
- South Coast Arts
- South East Arts
- South West Arts
- Southern Tablelands Arts
- West Darling Arts
- Western Riverina Art

For more information

Visit www.regionalfutures.net.au for more insights and to access the full report. For any questions about this research, please contact info@thepatternmakers.com.au.

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