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Ehrenberg-Bass Institute for Marketing Science

TOURIST VISITATION TO THE SYDNEY FISH MARKET: FINAL PROJECT REPORT 2013-741

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INTRODUCTION

This is the final report for the Seafood CRC project (*Tourist Visitation to the Sydney Fish Market: Understanding Opportunities and Leveraging Value*) awarded to UniSA in November 2013. Originally, the project targeted to investigate the following objectives:

1. To enable SFM to develop effective marketing initiatives in order to enhance the tourist experience at the market, thereby leading to improved revenue and profit, including from sales of seafood products, for SFM and its retailers.

2. To guide the seafood industry in developing effective strategies to improve consumer perceptions of Australian seafood. SFM provides an ideal conduit to reach these consumers.

Via email on 4 April 2014, the CRC decided to terminate the project citing the reason that Sydney Fish Market (SFM) no longer wished to pursue the originally approved objectives. Prior to the termination, UniSA has carried out the following tasks:

1. A focus group survey involving participants from SFM
2. A demographic survey
3. A pretest survey regarding visitors' perceptions of SFM

This report details the findings of the second and third surveys. A copy of the focus group transcript has earlier been submitted to SFM.

PURPOSE OF SURVEY

Sydney Fish Market (SFM) recognises that it is a prime attraction for tourists, from both interstate and international. Tourists constitute a significant but unspecified proportion of SFM's 2.5 million-plus visitors each year. Yet, SFM has limited market information about these visitors and the value they represent to its business - from both site-management and retail-outlet perspectives. The primary objective of this survey is to help SFM develop a better understanding of its tourist visitor base in order to maximise returns for both SFM and its retailers. This survey seeks to understand the profile of visitors to the market, what they do there, what they buy, and what economic value they represent to the site and to the stallholders.

Additionally, this survey seeks a deeper understanding of a specific key segment, tourists from China, who make up the majority of visitors to the market. As a 'must see' attraction, SFM would gain from developing insights into this large consumer cohort, including their purchase drivers, perceptions of and experience with SFM.

SFM is in a unique position to support and promote the salience of the Australian seafood industry as a whole. Recent research in the area of country-of-origin and tourism indicates that tourist visitation to a country can lead to improved preference and purchase probabilities for that country's products. Hence, as a secondary output, the Australian seafood industry also stands to benefit from the research through further developing the understanding consumer behaviour and taste preferences of the large seafood-buying tourist cohort that visits Australia and the SFM every year.

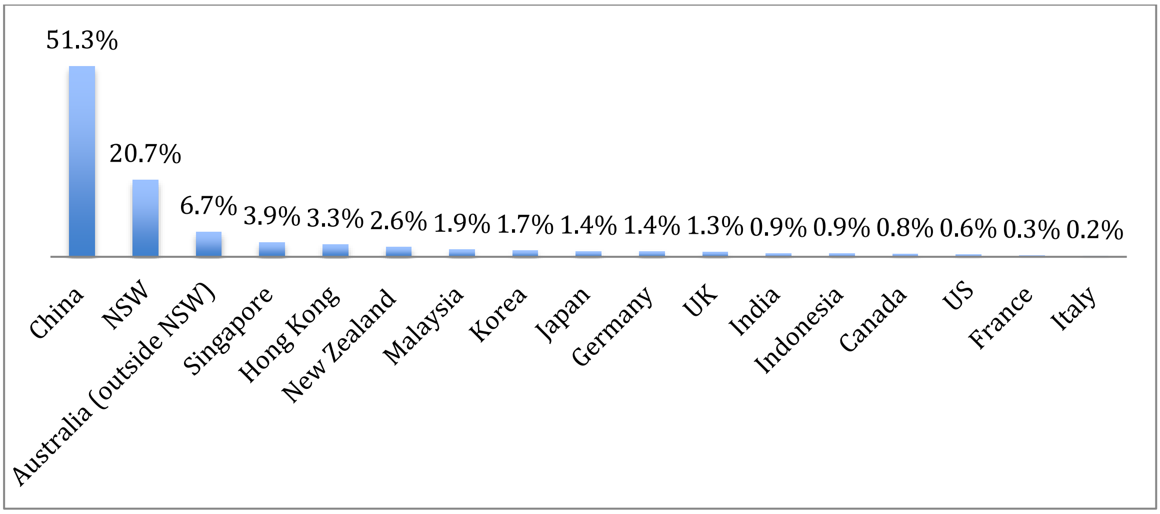
SURVEY METHOD

In October 2013, two pen-and-paper surveys were conducted across a full trading week (excluding Sunday) at the SFM. Each day between 10am and 3pm, six trained interviewers intercepted visitors as they entered the market. The purpose of first survey was to identify the country-of-origin of the visitors (local, interstate or international). The second was a more in-depth survey that tapped only mainland China tourists.

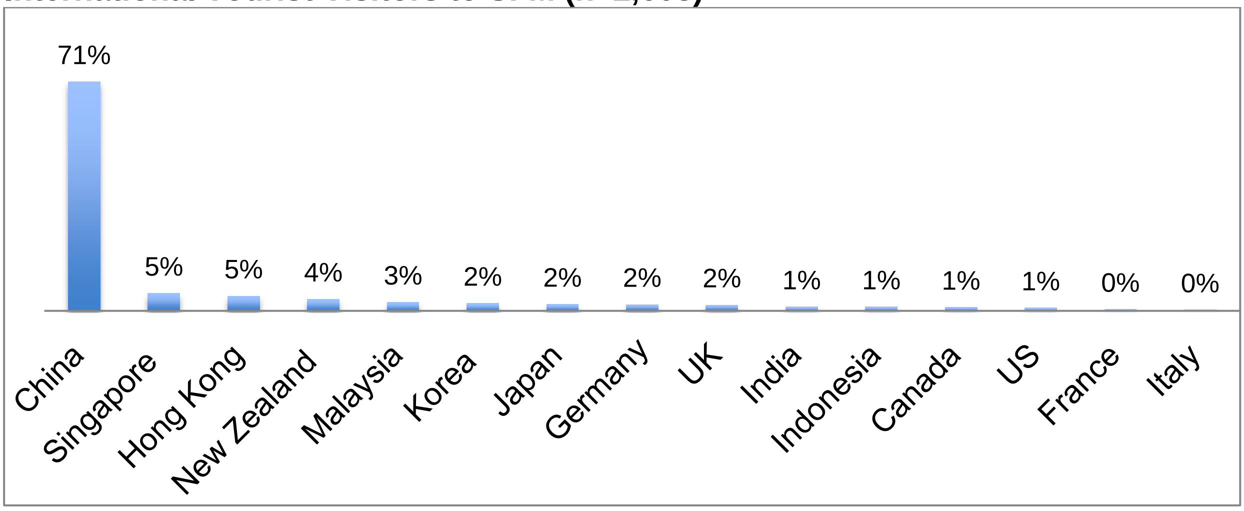
Survey 1: Geographic Profiles of Visitors

The first convenience survey at the entrance to the market sampled a total of 3,595 visitors between 10am and 3pm Monday to Saturday. Visitors were simply asked for their country-of-origin, or in the case of Australian visitors, their state-of-origin. The three graphs below show that breakdown by different countries and Australian states.

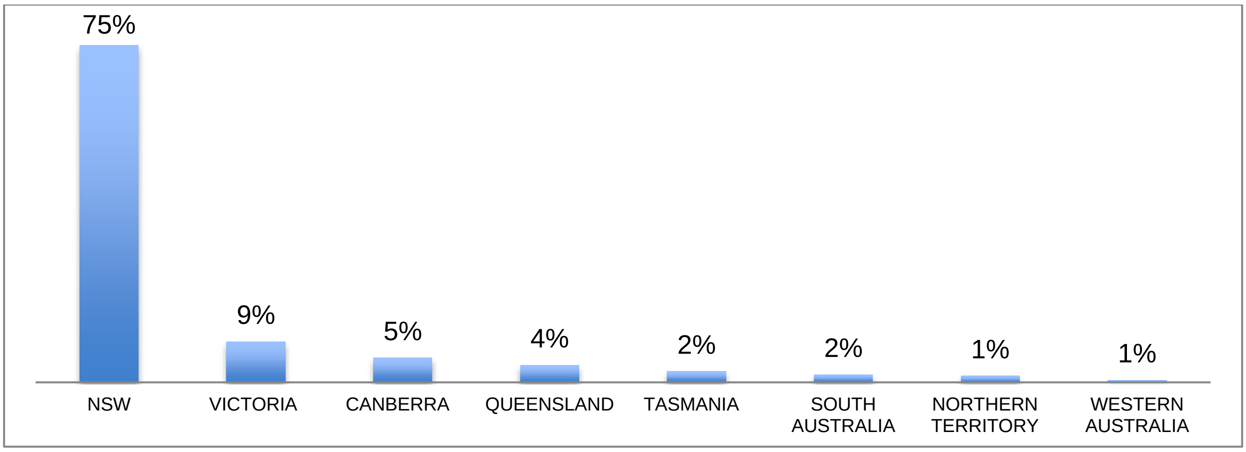
All Visitors to SFM (n=3,595)



International Tourist Visitors to SFM (n=2,608)



Local Visitors to SFM (n=987)



Observations

- An immediate and interesting observation is that the size of the Chinese tourist cohort (51%) is even larger than that for the local NSW visitors. Indeed, China alone accounted for the vast majority of visitors. This underscores the importance of the Chinese tourist segment to SFM, at least by headcounts. However, what is unknown at this stage is the dollar-spent per visitor for each segment.

- Local NSW visitors accounted for about 21%. The survey did not capture where these NSW visitors were local Sydney-siders or not. It is reasonable to assume that the majority would be from Sydney and their trip to SFM is largely for seafood shopping. Also, tourists regardless of their country-of-origin are less likely to be repeat visitors when compared to local NSW visitors.

- Overall, Australian (non-NSW) visitors accounted for about 7%. This number is about twice the next largest cohort of international tourists (Singapore = 3.9%; Hong Kong = 3.3%)

- Visitors from China and Australia combined for about 80% of the share. This means that about 20% of all visitors are international from countries other than China. Extrapolating this 20% would represent about 500,000 international (non-China) tourists per annum.

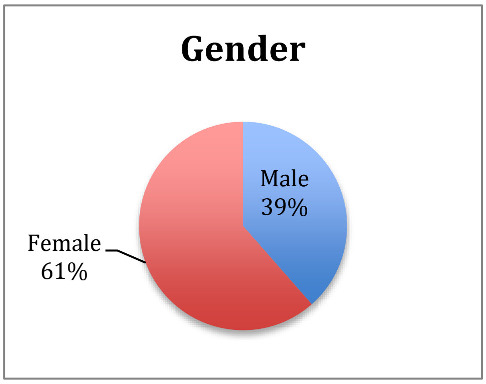
- With the exception of New Zealand, the top five international visitor cohorts (excluding China) are all Asian countries. This underpins the importance of the Asian market to SFM.

- The above data is a single-shot view of tourist compositions taken in the month of October. It is possible that the compositions would vary due to seasonal fluctuations. A more accurate perspective would require averaging across multiple surveys in an entire year. A probable approach would be similar surveys over four quarters.

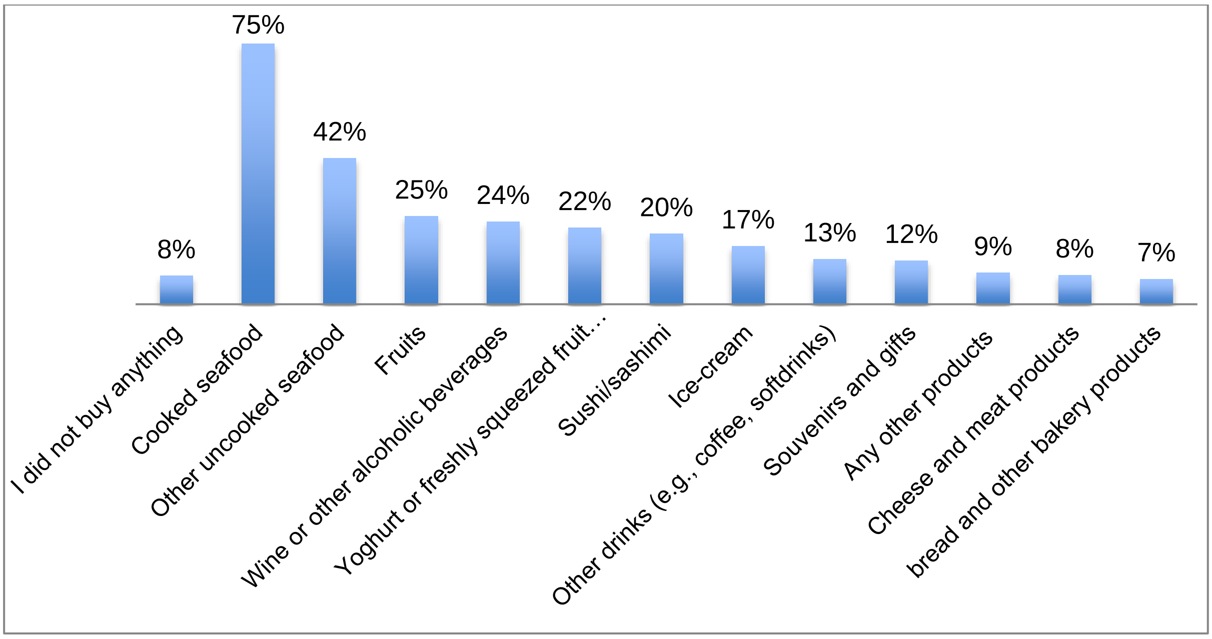
Survey 2: The Chinese Tourist Cohort

The second survey polled 457 mainland Chinese tourists regarding their experience, perceptions of and satisfaction with their visits to SFM. Confirmed Chinese tourists were asked to volunteer in a short pen/paper survey, and those who completed the survey questionnaire were given a $10 voucher to spend at any of the retail outlets at SFM. As a preliminary test, this survey serves to give SFM an initial view of the reported experience of this important visitor segment. Outputs from this survey shall inform the development of the main survey instruments for the first phase of main project. Highlighted in the following tables are the tourists' demographic profiles, the products that they reportedly bought while at the market, their perceptions of and satisfaction with the market and some statistical derived from the data.

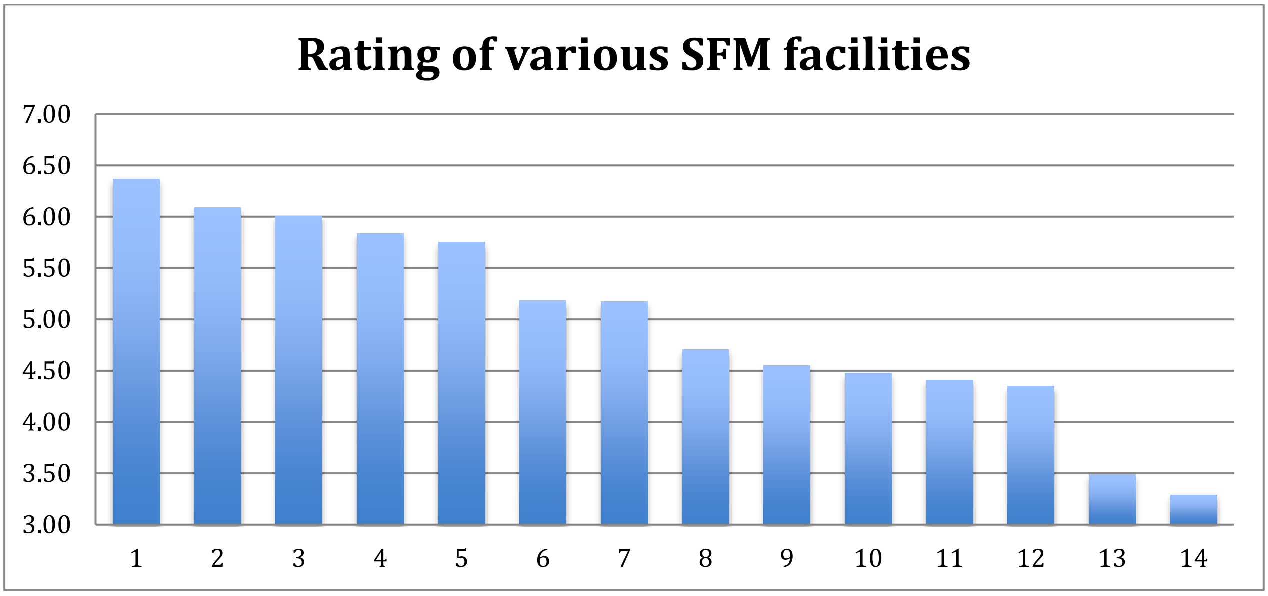
Demographic profiles



Product purchases



Perceptions of SFM (Scale lowest=1; highest=7)



Mean Satisfaction Scores

		Mean	Std Dev.
1	Would you recommend SFM to tourists like me	6.37	.974
2	Overall, how satisfied are you with this visit to SFM	6.09	.907
3	Overall, how do you rate the image of SFM as a tourist attraction	6.01	.936
4	The quality of the seafood products that you have consumed	5.84	1.509
5	The seafood stores	5.75	1.496
6	Accessibility	5.18	1.966
7	The ambience of SFM	5.18	1.636
8	Seating space	4.70	2.137
9	General facilities like information booth, signage and ATM	4.55	2.397
10	Toilets	4.48	2.384
11	The non-seafood stores	4.41	2.201
12	Parking facilities	4.35	2.567
13	The auction	3.49	2.763
14	The Sydney Seafood School	3.29	2.821

Observations

- The majority of Chinese tourists (58%) have not been to SFM before. It is likely that these are tourists on packaged tours. It also implies that these tourists are less to revisit SFM (and Australia) in the short-term. This survey did not ask if they are free independent travellers (FIT) or on packaged tours.

- At 31%, those who have visited SFM once or twice before still represent a sizeable segment. Again, little is known about the background of these visitors through this survey. For example, why they revisited SFM, what were their purpose of revisiting Australia, were they mainly FITs.

- Statistical analyses suggest that Chinese tourists with a better impression of Australia also tend to rate SFM higher. This is due to the documented halo-effect phenomenon. This effect is even stronger for those who are satisfied with their current tour experience. An implication is that the ability to improve tourists' perceptions of SFM is not necessarily or entirely due to SFM's effort. But as reports by Australian tourism bodies show, Chinese tourist satisfaction is typically very high (e.g., http://www.theage.com.au/travel/what-chinese-tourists-like-and-dislike-about-australia-20140128-31kby.html). Hence, SFM also benefit from the halo-effect of a generally positive tourism experience by Chinese visitors.

- More favourable image of or satisfaction with SFM lead to more positive evaluation of seafood and more willingness to give positive WOM. The latter is particularly important as a mode of promoting SFM upon the tourists return to China.

- Those who are satisfied with their visit to SFM are more likely to buy more items. Hence, satisfying the visitors' experience would lead to increase market sales. However, this survey only captured the number of different items purchased and not the $amount on the items. It is possible that some tourists might have spent substantially on only one item (specially seafood).

- Tourists' satisfaction is most influenced by their perceptions of the seafood stores and the quality of seafood, and least influenced by their perceptions of accessibility and auction market.

- The relatively low satisfaction scores for the last four items should not be solely interpreted as "low satisfaction". It is probable that the scores are reflecting the fact that (most) tourists might not have experienced those facilities.

- The overall satisfaction score is 6.09. On a scale of 1-7, this is a relatively healthy score. SFM would benefit from creating and tracking a satisfaction-index over time. The index can also be tailored for different visitor cohorts, and not just the Chinese visitors.

END OF REPORT