



Segmenting the Cycle Tourism Market

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Executive Summary

Introduction.

- In recognition of cycle tourism's role as a growing niche market, Tourism WA recently funded WestCycle to prepare a draft Cycle Tourism Strategy for Western Australia.
- The draft Strategy identified two main segments within the cycle tourism market: Destination Cycle Tourists (cyclists who are motivated to travel to destinations primarily or solely because of the routes, trails and the riding experience), and Cyclists While on Holiday (those who will ride while on holiday in a destination, although bike riding is not their primary reason for the holiday). However, it was difficult to differentiate and to size these segments.
- Therefore, further quantitative research was required to further analyse the domestic cycle tourism market and enhance the existing knowledge by delivering a more granular understanding and segmentation of the market, including the size and potential of each segment.
- The findings of this research will be used by WestCycle, Tourism WA and other government agencies to inform decision-making processes associated with marketing WA as a cycle tourism destination, and the development of infrastructure and services to support the growth of this market.

Methodology.

- In December 2017, Faster Horses was commissioned by Tourism WA to undertake this research.
- A total of n=3,067 people aged 18-75 took part in an online quantitative survey between 4th - 14th December 2017. The survey was open to general public residents of WA, NSW, VIC, SA and QLD aged 18-75 (quotas were set for age and gender by state to ensure the sample was representative of the population). TAS, ACT and NT residents were not surveyed, due to low incidence of visitation to WA.

Sizing the Domestic Cycle Tourism Market.

- In the last 3 years, 29% of Australians had a holiday that involved a cycling experience. Of these, 28% were Destination Cycle Tourists while 72% were Cyclists While on Holiday.

Cycle Tourism in WA.

- In the last 3 years, 7% of Australians had a cycle holiday experience in WA. In addition, 26% of Western Australians undertook a daytrip in WA involving cycling. Experience Perth and Australia's South West were the most popular WA cycle tourism destinations.
- Lack of knowledge of WA's cycling experiences is the key barrier stopping those in the Eastern States from visiting WA for a cycling experience. This is closely followed by a lack of recommendations to visit WA for a cycling tourism experience.

Segmenting the Cycle Tourism Market.

- The study found that there were 4 key segments making up Australia's cycle tourism market, The Cruisers, The Achievers, The Explorers and The Socialites.
1. **The Cruisers:**
 - 9% of the Australian travelling population aged 18-75 (approximately 1,416,000 people).
 - They are typically families with school-age children, with a casual interest in cycling, who tend to take shorter holidays (less than a week) in familiar places. Three-quarters are Cyclists While on Holiday.
 - Motivations for cycling on holiday are relaxation and time with family. Cycling experiences should be easy, unchallenging, casual, low-risk, inclusive, covering short distances, and involve sightseeing.
 - Given their casual interest in cycling, they are the least likely segment to intend to have a cycle tourism experience in WA.
 - To target this segment, primarily focus on attracting them to WA by promoting aspects of the State that appeal to their holiday motivations (relaxation, family time, etc). Then promote cycling opportunities within WA that are easily accessible and are a value-add to other activities. For example: packaged bundles like a boat cruise on the Swan River with cycle touring on arrival and lunch at a local destination (suitable for children).

Executive Summary *(continued)*

2. The Achievers:

- 2% of the Australian travelling population aged 18-75 (approximately 395,000 people).
- They are typically families with young children, who take a passionate interest in cycling.
- Half are destination cycle tourist, making this is the most likely segment to take holidays based on cycling destinations/events.
- They have the highest intentions to visit WA for a cycling holiday; and are also the most likely to have previously taken part in organised WA cycle events.
- Motivations for cycling on holiday are success, achievement, mastery and confidence. Cycling experiences should be challenging (while also being safe), competitive, elite, and long distances.
- To attract this segment, increase awareness of WA's cycling destinations and events especially on online communities like Strava. Promote events (eg Busselton Festival of Triathlon, Augusta Adventure Fest, etc) via the cycling clubs to build credibility. This ties into Tourism WA's Events Strategy but adds a B2B dimension.
- Ideal cycle tourism experience in WA: organised events (both competitive and non-competitive); bike packing on Munda Biddi trail.

3. The Explorers:

- 8% of the Australian travelling population aged 18-75 (approximately 1,284,000 people).
- They are typically younger males without children, and are adrenaline seekers with a moderate/passionate interest in cycling.
- Motivations for cycling on holiday are challenge, discovery, freedom and self-expression. Four in ten are Destination Cycle Tourists.
- Cycling experiences should be off the beaten track, challenging/difficult, unique, ahead of trend and authentic. They enjoy discovering, exploring and riding difficult trails.
- Although this is the second-largest cycle tourism segment, they are amongst the least likely to be planning a cycle tourism experience in WA. This suggests the product and experience offering (range of trails) are potentially not challenging enough for this segment.
- To target this segment, develop more challenging trails to attract this segment to WA. Increase awareness of challenging WA trails. Offer adventure packaging: a cycling experiences as part of a bundle of thrill-seeking experiences within WA, like swimming with sharks, sky diving, scuba diving, etc.
- Organised events that appeal to this segment include X Adventure Dunsborough and Tour of Margaret River.

4. The Socialites:

- 7% of the Australian travelling population aged 18-75 (approximately 1,180,000 people).
- They are typically younger males and females without children. They have a casual interest in cycling, with the lowest bike ownership rates. They tend to take longer holidays (more than a week).
- Holiday experiences are not planned around the cycling experience; eight in ten are Cyclists While on Holiday.
- Motivations for cycling on holiday are relaxation, fun, connectivity, novelty, belonging and spontaneity. Cycling experiences should be relaxing, enjoyable, fun, quirky, short distances, involving interesting local attractions/locations.
- To target this group, offer bundled cycle experiences that allow immersion into the local area and culture. Eg. Organised cycle tour: meet at a hotel, cycle to a laneway with street art with photo opportunities, cycle to a café for lunch.
- Ideal cycle tourism experience in WA: a short tour incorporating visits to local cafes, galleries, beaches, etc.