



**HOTEL +
TOURISM**
ADVISORS

Sunshine Coast hotel market:
10-year outlook

Summary report

Sunshine Coast Council

November 2023

Final

How many hotels and hotel rooms does the Sunshine Coast need?

THSA estimates that the Sunshine Coast will require 2,150 new hotel rooms across nine properties and a further 300 boutique hotel rooms across six properties to address the current shortfall in serviced visitor accommodation and to satisfy forecasted demand from the overnight visitor market between now and the 2032 Olympic Games.

While there are clear and distinct market opportunities to develop hotels that are more oriented to either the business or leisure markets, in reality, our recommendations for new hotel developments are for hotels that will service both markets and their respective submarket segments. Indeed, from a commercial sustainability perspective, it is the preference for hotel operators to attract demand from a diverse range of visitor market segments. Furthermore, the development of hotels in the right location, at the right scale and market positioning (i.e., upscale, upper-upscale, luxury, etc.) and at the right time that will maximise committed infrastructure investment and will enable the Sunshine Coast to increase the volume and value of its overnight visitor economy.



Role of Sunshine Coast Council in attracting new hotels

Hotels are just one ingredient of the Sunshine Coast's tourism fabric yet are critically important elements of infrastructure that support fully-functional visitor economies. For hotels to be successful, they need profile (best achieved through an international hotel brand and operation), be highly accessible and be located within close proximity to key accommodation demand generators. They also require active facilitation by Council to attract private sector investment to maximise outcomes.

Qualified hotel developers, investors, and owners, with proven track records of building high quality, internationally branded and operated hotels of scale, and projects in excess of \$50 million, with strong balance sheets to offset debt funding risk - need to be attracted.

Sunshine Coast Council has an active role to play in fostering an environment that will stimulate hotel investment that not only benefits visitors to the region, but also enhances community amenity and supports economic outcomes. This calls for a combination of policies, incentives, and strategic planning initiatives. While Council commendably already provides a suite of concierge-style services to assist potential investors, particularly related to early planning and development approvals, other policies, most notably, a hotel development incentives policy, are required to attract and stimulate the development of over 2,000 new hotel rooms across the region.



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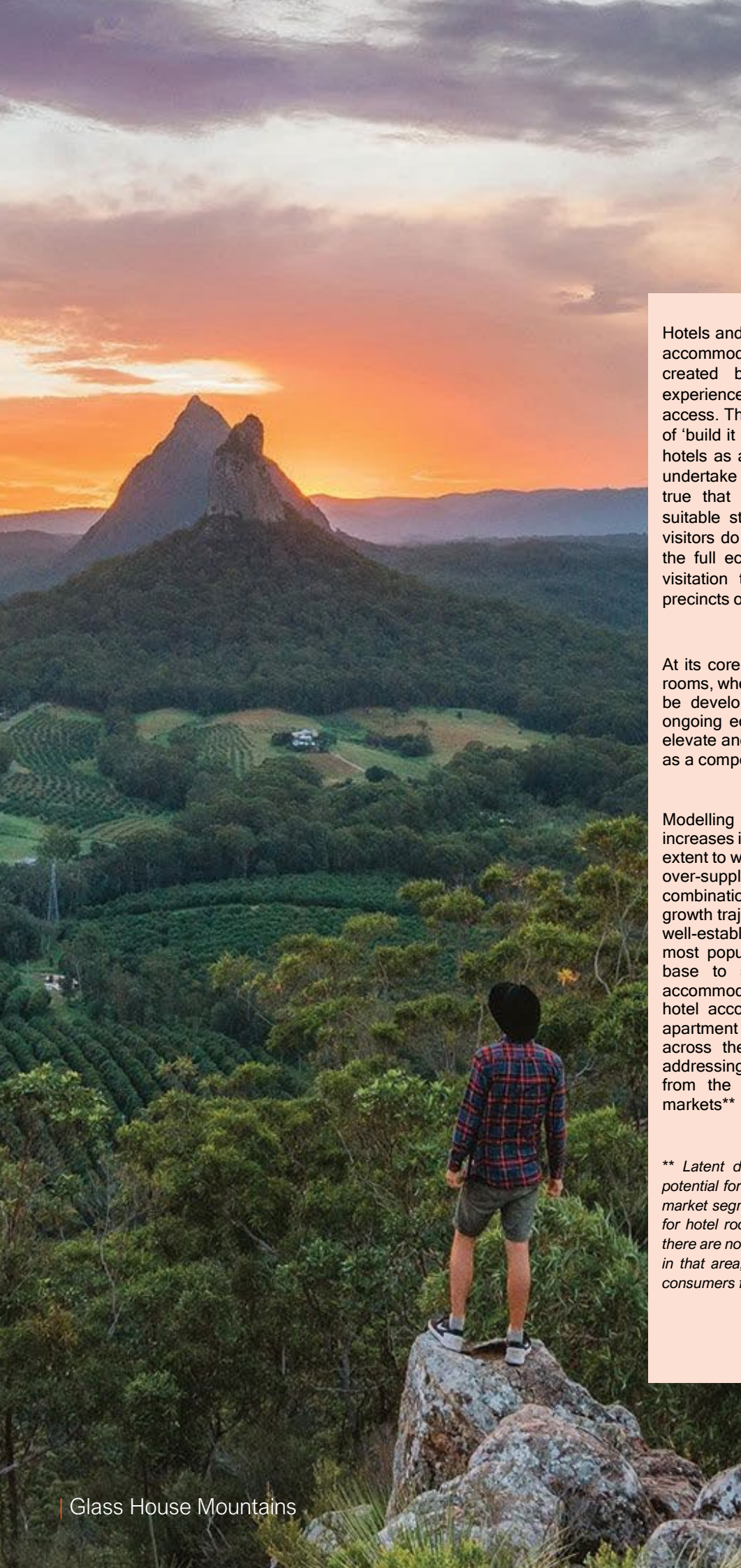
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Disclaimer

Whilst all care and diligence have been exercised in the preparation of this report, THSA does not warrant the accuracy of the information contained within and accepts no liability for any loss or damage that may be suffered as a result of reliance on this information, whether or not there has been any error, omission, or negligence on the part of THSA or their employees. The suggested hotel incentives detailed in this report can be affected by a number of unforeseen variables, and as such, no warranty is given that the particular incentives promoted by the Sunshine Coast Council will in fact stimulate increased demand for hotel development across the LGA.

Note

This report has been prepared for the Sunshine Coast Council using images from free image libraries to communicate project content.



Hotels and apartments themselves are not drivers of accommodation demand. They satisfy demand created by other drivers such as attractions, experiences, activities, amenities, awareness, and access. The development of new hotels is not a case of 'build it and they will come'; rather, visitors stay in hotels as a consequence of visiting a destination to undertake other activities. Having said that, it is also true that without adequate accommodation, of a suitable standard, style, scale, service, and brand visitors do not stay overnight in a region and deliver the full economic and employment benefit of their visitation to the local community, or the various precincts of which hotels are an essential component.

At its core, this report identifies the number of hotel rooms, where they are required and when they should be developed (in an ideal world) to support both ongoing economic growth across the region and to elevate and amplify the profile of the Sunshine Coast as a competitive tourism destination.

Modelling future hotel demand to support projected increases in visitor nights provides an indication of the extent to which the hotel sector is likely to be under or over-supplied with capacity in the future. The combination of the Sunshine Coast's solid economic growth trajectory over the next 20 years as well as its well-established credentials as one of Australia's most popular leisure destinations, provides a solid base to support future demand for new hotel accommodation. The development of full-service hotel accommodation (as opposed to self-catering apartment accommodation which is already plentiful across the region) will play an important role in addressing the high levels of latent / pent-up demand from the business, education, and health visitor markets**

*** Latent demand refers to the untapped or unrealized potential for hotel accommodations in a specific location or market segment. It represents the existing desire and need for hotel rooms or services that is not being met because there are not enough suitable hotels or hotel rooms available in that area, or because certain conditions are preventing consumers from fulfilling their lodging needs.*

Role of hotels in the visitor economy

- ▶ While the number of hotels is not a measure of the success of a destination, they are a critically important element of both the visitor and wider economy insofar as they provide a base for visitors while on holiday and enable business travellers to nurture commercial relationships and partnerships - either as part of a work trip or while attending a conference. Hotels also play an important role in bidding for, and attracting, major leisure and sporting events, providing a base for visitors attending specialised medical facilities; and enabling prospective investors, students, and residents to stay in the Region and explore and understand the opportunities on offer.
- ▶ Hotels provide versatile spaces that cater to a variety of needs, making them increasingly attractive to the modern consumer. They are no longer just a place to stay. They are evolving into dynamic, multi-use spaces that cater to a mixture of interests and requirements. Lobbies become co-working zones, rooftops host wellness activities, and unused areas morph into art showcases or local artisan pop-up shops. Bars are networking platforms for events like industry talks or wine tastings, kitchens offer culinary workshops, and conference rooms transform into virtual reality gaming zones. By embracing this shift and focusing on creating memorable, sustainable, and digitally integrated experiences, hotels are showcasing their versatility and securing their position as an extremely attractive asset class of the future.
- ▶ Hotels play a key role in promoting social responsibility by engaging with the local community and fostering social and economic development. They collaborate with local businesses, source products and services locally, participate in community events and support local initiatives. Hotels also add vibrancy and energy to precincts throughout the day and create an evening economy for restaurants, bars, theatres, and entertainment for both locals and visitors alike. Hotels also complement existing uses e.g., sports facilities and support others e.g., offices, conference venues, hospitals, and universities.
- ▶ Hotels (especially international hotel brands with strong global distribution and advertising systems and large loyalty programs) play a crucial role in attracting visitors to a destination and enhancing its competitiveness. Well-developed hotel infrastructure, including a range of options across different price points and styles, helps position a destination as desirable and can drive tourism growth. Hotels also play a key role in promoting their destinations. They serve as ambassadors by providing information and recommendations to guests about local attractions, activities, and events, thereby helping guests make the most of their visit. Positive guest experiences at hotels can also lead to word-of-mouth recommendations and repeat visits, further promoting the destination.
- ▶ A particular benefit of hotels, in contrast to other accommodation businesses, is that the multipliers are not just in relation to the hotel itself, its supply chain and employees' spending power, but also the guests staying in the hotel who in turn spend locally at visitor attractions, bars, restaurants, transport providers etc. which in turn indirectly supports wages within these businesses and induces secondary spend within the local economy.

Hotels provide essential overnight accommodation for visitors



Hotels are critical pieces of tourism infrastructure



Hotels are significant contributors to local economies, support highly diverse supply chains and provide a multitude of direct and indirect employment opportunities



Hotels play a key role in destination development, urban revitalisation, place making and add vibrancy of tourism precincts



Hotels offer a range of ancillary services that enhance visitor experiences

Impact of the 2032 Olympic + Paralympic Games

The Sunshine Coast is a host city to the Brisbane 2032 Olympic and Paralympic Games and will host nine events and be home to a 1,400-bed athlete village in the Maroochydore CBD. While most attendees at any Olympic Games are domestic, it is assumed by host nations that there will be a massive influx of international and corporate incentive visitors and that these visitors will saturate the hotel market for the 18 nights of the event.

Direct Olympic visitors

i.e., those who are directly involved with the Games

- Includes athletes and team officials (who are mainly accommodated in the Olympic Village), Olympic administrators, government representatives, sponsors, Olympic sponsor guests, media, and the relatives of participants.
- These visitors are reasonably constant in their attendance regardless of where the Games are held and stay for the entire duration of the Games.
- The total number of this 'Olympic Family' is estimated to be between 55,000 and 70,000 visitors, with a requirement for up to 1 million room nights evenly distributed over the 18 nights, at roughly 40,000 to 60,000 rooms per night. In addition to game nights, there is also a requirement for room nights pre- and post-Olympics.
- Largely corporate in their behaviour i.e., they exhibit a high preference for internationally branded and operated full-service hotels, (with whom they have ongoing, multi-year, global contracts) mainly occupy single rooms, and have different requirements for different standards of accommodation (i.e., midscale through to luxury hotels).
- Privacy, safety, and security of the Olympic Family, most notably sponsors, senior officials and dignitaries is critical.
- There is a requirement for hotels to make conference and meeting facilities and business centres available to the Olympic Community.

Indirect Olympic visitors

i.e., those who come to watch the Games as spectators

- Includes domestic and international visitors who come to the Games simply just to spectate
- International visitors include specialists who come to spectate a specific sport, the patriots who come to support their national athletes, and the Olympic enthusiasts who come to experience the games. While their numbers fluctuate from city to city and from day to day depending on the day's schedule or profile of the event, their total number is estimated to be nearly double those of the 'Olympic Community'.



Implications for visitor accommodation on the Sunshine Coast

- Based on the region's current and confirmed supply of internationally branded hotels rooms (i.e., 889 rooms), if the Sunshine Coast was to accommodate 5% of the total number of rooms required by the Olympic Community (i.e., 40,920 rooms), then the region would require an additional 1,155 internationally branded and operated rooms (equivalent to around 6-7 new hotels based on an average of 180-rooms per property) to meet demand. If the region were to accommodate 7.5% of total rooms required, then this would necessitate the development of 2,180 new rooms (equivalent to 12 new 180-room hotels).
- While it may be financially attractive to increase rates at existing (and planned future) hotels during the Olympic period, this short-term gain approach can potentially damage hotel brands whose business model is focused on delivering a value-for-money proposition to its guests. Equally, hoteliers will need to manage their relationships with existing repeat customers and regular guests, balancing their needs with those of potential Olympic Games customers - often one-off stays.
- The hotel sector is only one component of the region's visitor and leisure offering. The supporting visitor infrastructure and amenities such as transport, attractions, retail, bars, cafés, and restaurants are key potential beneficiaries of increased visitation.
- Considered development of new hotels to support the region's growing sports tourism industry should be focused on meeting current and future anticipated demand from organically grown sports events - not with a vision of satisfying demand for a once-off 8-10-week Olympic event.
- While demand for overnight accommodation during the Olympic Games is exceptional, a city that hosts a major event displaces tourists and other visitors. The event attracts attendees who are drawn to the event, not to the city, and, as such, their behaviour patterns differ from normal visitors.
- Due to the rapid increase in room supply in preparation for the games, declining room occupancy performance in the two years leading up to the games, the year of and the two-year post-games is typically lower than 'normal' years of operation. The length of time taken for the hotel market to recover is directly impacted by the volume of new supply entering the market prior to the games and the ability of the market to generate sustainable levels of room night demand from 'business as usual' market segments after the games.

Destination appeal of the Sunshine Coast

The Sunshine Coast offers a perfect blend of outdoor adventure, natural beauty, cultural experiences, and relaxation, making it a compelling destination for both Australian and international travellers. The Sunshine Coast is consistently the third most visited region in Queensland (behind Brisbane and the Gold Coast), is consistently in the top five most visited tourism regions in regional Australia, welcomes more visitors than Adelaide annually and was the third most visited tourism region during 2020.

Sunshine Coast is a product rich region, with upgrades and new products + experiences in the pipeline

Beaches

- safe year-round swimming beaches
- surfing + surf schools
- surf competitions

Nature

- UNESCO Biosphere
- Glass House Mountains
- Kondalilla National Park
- Mapleton Falls National Park
- Mount Coolumb National Park
- Conondale National Park
- Mary Cairncross Scenic Reserve

Outdoor activities

- Hinterland Great Walk (59km)
- kayaking
- snorkelling
- scuba diving + wreck diving
- SUP
- fishing + deep sea fishing
- golf (several championship courses)

Cultural experiences

- indigenous + cultural tours
- art galleries (Maleny, Montville, Flaxton + Mapleton)
- Caloundra Street Art Trail
- markets (various locations)
- Sunshine Coast Regional Gallery (potential)

Attractions

- Australia Zoo
- Sea Life Aquarium (Mooloolaba)
- Aussie World
- TreeTop Challenge
- Maleny Botanic Gardens
- Big Kart Track
- Ginger Factory
- Amaze World

Events + festivals

- Ironman Sunshine Coast (triathlon)
- Mooloolaba Triathlon
- Blackall 100 (trail ultra-marathon)
- Sunshine Sounds Festival (Caloundra)
- Horizon Festival (multi-arts festival held at various locations))
- Queensland Garden Expo
- The Curated Plate culinary festival

Food + drink

- 19 craft breweries
- craft brewery + distillery trails
- cooking schools
- award winning food
- farm to fork tours

Sport + health + wellness

- Sunshine Coast Stadium (upgrade)
- Kawana Aquatic Centre (upgrade)
- Indoor sports centre (new)
- Bellbunya eco-retreat

Adventure + wildlife encounters

- 4WD
- mountain biking
- jet skiing
- sky diving
- whale watching
- swimming with whales
- dolphin kayaking trail

New products + experiences

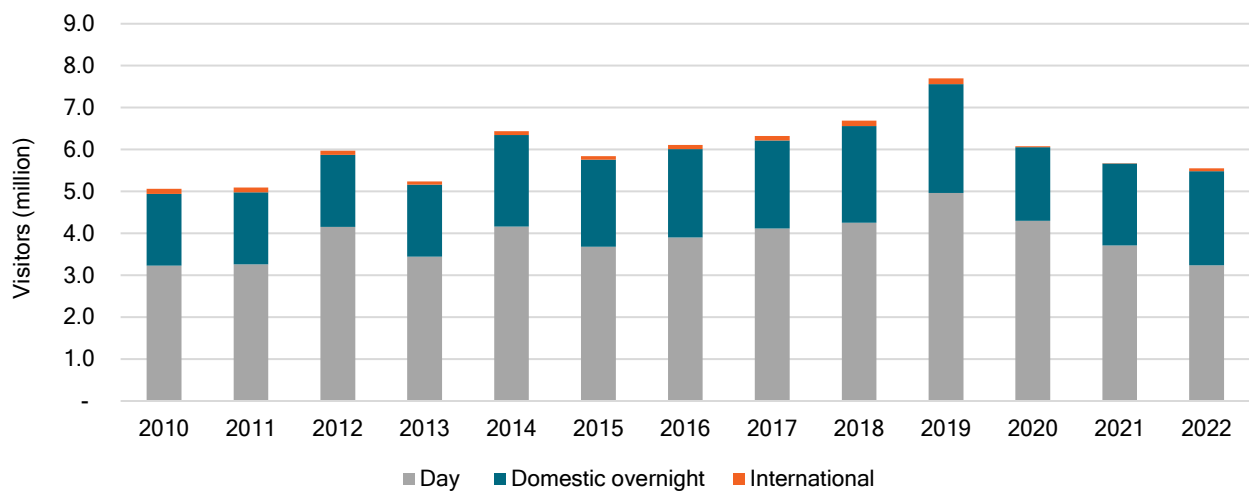
Sunshine Coast Stadium expansion

Expansion of the Sunshine Coast Stadium which will involve the expansion of the current western grandstand and the development of a new eastern grandstand will enable the region to attract high calibre sporting and leisure-oriented events. The expansion is estimated to cost \$68 million. To date, Council and local philanthropists have committed \$28 million and the Queensland Government has committed \$20 million. The remaining \$20 million is being sought from the Australian Government.

Visitation snapshot

In 2019, the last year of normal visitation before the onset of the pandemic, the Sunshine Coast recorded 2.73 million overnight visitors - its highest number ever recorded. Travel restrictions associated with COVID-19 during most of 2020 meant that interstate and international travel to the Sunshine Coast virtually disappeared. The closure of attractions, dining and entertainment precincts also served as a deterrent for intrastate domestic travellers. Visitation throughout most of 2021 was also subdued as a result of interstate and international border closures, however when compared with other tourism regions, the Sunshine Coast fared pretty well, with the region posting some of the highest levels of visitation in Australia. Throughout 2022, visitation to the Sunshine Coast continued to rebound, and by the end of the year had recorded 2.32 million overnight visitors. Encouragingly, total visitation for the period January to June 2023 is almost on a par with January to June 2019 levels and visitor nights, with a full recovery expected by the end of 2024. Visitor nights for the period January to June 2023 are marginally up (by 213,300 nights) over that achieved January to June 2019, signalling the ongoing popularity of the Sunshine Coast and, most importantly the need for additional hotel accommodation to satisfy demand.

Sunshine Coast: Total day, domestic overnight + international visitors (2010-2022)



Source: TRA (2023a+b)



7.7 million visitors

65% day visitors
34% domestic overnight visitors
2% international visitors



10.23 million
visitor nights

85% domestic visitor nights
15% international visitor nights
3.7 nights ave length of stay



Purpose of visit

52% holiday visitors
33% VFR visitors
9% Business visitors
6% other (education + health)



Type of
accommodation

51% commercial accommodation
48% private accommodation
1% other accommodation



Type of travel party

28% solo traveller
32% adult couples
20% family group
17% friends + family group
2% business
1% school group



Generational age
of visitors

14% Gen Z
27% Millennials
22% Gen X
31% Baby boomers
7% Retirees

Although there has been a strong uplift in the number of overnight visitors (by 295,874 in 2019 over 2018), the relative lack of suitable visitor accommodation is suppressing a higher conversion rate of day visitors into overnight visitors. Addressing this through increased hotel supply will help the region to both grow its volume of overnight visitors and increase the economic output associated with the overnight tourism economy.

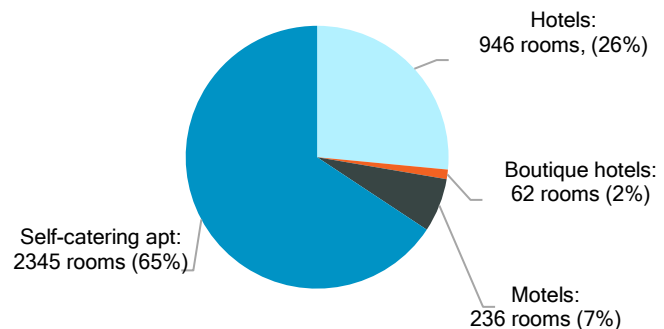
Looking ahead, it is estimated that the number of visitor nights on the Sunshine Coast will increase from 10.23 million in 2019 to 12.50 million by 2033, equivalent to an increase of around 2.27 million visitor nights. On a daily basis, this equates to an accommodation requirement of 34,233 visitor nights. While not all visitors will choose to stay in hotel accommodation, this increase is sufficiently large to prioritise support for future hotel development, and to maximise the economic potential of the region's visitor economy.

Visitor accommodation snapshot

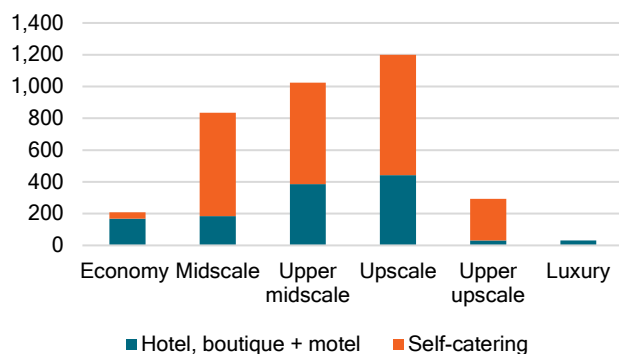
Current supply

- The Sunshine Coast has approximately 3,590 rooms available across 10 hotels, 4 boutique hotels, 14 motels and 57 serviced apartments. While these properties are not exclusive in welcoming guests from any particular visitor segment, several properties, primarily motels and self-catering apartments, are not typically favoured by business, health, and education visitor markets.
- There are 4,380 Airbnb properties on the Sunshine Coast of which 46% (2,030 rentals) are located along the Sunshine Coast Enterprise Corridor. There are a further 870 active rentals along the North Coast and 270 rentals located in and around Maleny and Montville.
- The opening of the new-build upscale 181-room Holiday Inn Express and Suites property in Maroochydore's new CBD in May 2022 represents the first large-format new-build full-service, internationally branded, and operated hotel on the Sunshine Coast in over 30 years.
- Around 52% of all accommodation on the Sunshine Coast is of a midscale and upper midscale quality. Upscale rooms account for around 34% and 1% are luxury rooms (represented by Spicers Retreats). There are currently no true large-format luxury hotels on the Sunshine Coast.
- Only 34% of all rooms (1,645 rooms) on the Sunshine Coast are affiliated with a hotel brand. The rest are owned and managed by independent operators. This compares to 62% nationally.
- Across branded room stock, Accor is the dominant operator, responsible for operating 970 rooms (60% of all branded rooms) across its Novotel and Mercure hotel brands and its Sebel, Mantra and Breakfree self-catering serviced apartment brands. Other international operators represented in the region include:
 - IHG: 181 rooms
 - Wyndham Hotels + Resorts: 123 rooms
 - Minor Hotels: 263 rooms
 - Choice: 67 rooms

Rooms + market share by type of accommodation



Total rooms by classification



Branded v unbranded rooms



Future supply

There is currently one new regionally branded hotel under construction on the Sunshine Coast - the 180-room AVANI Mooloolaba hotel, scheduled to open late in 2025. While several development applications have been submitted to Council, none are associated with a recognised international hotel brand, and many do not offer the scale nor range of facilities suitable to attract an international operator. That said, some of the sites identified may be suitable for hotel development, pending a revision of their facilities mix. There are also several Council-owned sites which, due to their proximity to commercial hubs and/or health, sport, education, and leisure precincts, make them attractive hotel development propositions, especially when integrated as part of a wider mixed-use project.

What type of visitor accommodation is and isn't required?

While hotel rooms are important in servicing and facilitating growth in the volume and value of the overnight visitor market and related industries, the quality, scale, and international brand presence of hotels is also important insofar as it strengthens the creditability of a destination for others looking to invest. Internationally branded and operated hotels, due to their scale (number of rooms), profile, distribution and marketing reach, loyalty programs and delivery of consistent service and product in accordance with stringent brand standards, are often the first to fill and are often the most commercially sustainable.

From a business traveller perspective, new hotels are required to support the specific needs of business travellers i.e., 24-hour reception, suitable in-room workspaces, meeting facilities, business centre, laundry, on-site restaurant etc. all within close proximity to their place of work-related activities. The most frequent business travellers seek out international brands with global loyalty programs and corporate rate contracts. New business hotels are also required to convert latent day business visitors into overnight visitors, as well as to attract a greater than fair share of the corporate residential meetings and conference demand.

From a leisure traveller perspective, new hotels are required to provide a wider choice of visitor accommodation options i.e., away from the high dominance of serviced apartments currently available in the region and attract a more diverse range of visitors (including latent leisure visitors). These may include High Value Travellers (HVT), sports visitors and participants, leisure event and festival-goers, short-break visitors, and wedding and private event groups each of which are searching for hotel accommodation for different reasons, in different locations and at different price points.

From an investor perspective, hotel rooms are much smaller than serviced apartments in terms of area (sqm), therefore cost a lot less to build and therefore generate a higher ROI. In addition, given that internationally branded hotels significantly outperform apartments, the return on investment is also significantly higher for hotels. The capital model (often strata title) for self-catering apartments is much more approachable for smaller investors, which has in turn, resulted in a high volume of self-catering apartment developments being delivered on the Sunshine Coast. Branded hotels on the other hand have a different capital model and require much larger and more 'sophisticated' and capable investors with stronger balance sheet backing.

What type of accommodation IS required?

- Internationally branded, operated, + managed hotels
- Range of hotel classes from upper-midscale (3.5 star) to upper-upscale (4.5 star)
- Business oriented hotels
- Leisure oriented hotels + resorts
- Lifestyle hotels
- Boutique hotels
- Large format hotels with high quality food and beverage, conference, leisure + spa and wellness facilities
- Hotels with diverse facilities located within easy walking distance of key commercial + leisure precincts

Why IS this type of accommodation required?

- Enable the Sunshine Coast to increase its share of the overnight visitor economy and create jobs
- Satisfy current high levels of pent-up demand for full-service hotel accommodation and attract new markets (incl. high value travellers and international visitors)
- Increase the region's competitiveness as a business, conference, and events destination
- Maximise Council's ROI on infrastructure investment and ongoing private sector investment in the tourism and hospitality sector
- Increase conversion of day visitors into overnight visitors
- International brands are recognised and supported by both domestic and international visitors and attract loyal domestic and international customers
- They are suitable for the Olympic family who have long term contracts and sponsorship arrangements with the global hotel brands

What type of accommodation is NOT required?

- Strata title + self-catering, limited serviced apartment accommodation (over 70% of visitor accommodation on the Sunshine Coast is currently apartment accommodation the region doesn't need anymore)
- Serviced apartments
- Unbranded, regional, domestic, + private operators
- Properties without substantive guest facilities

Why is this type of accommodation NOT needed?

- The Sunshine Coast already has plenty of self-catering accommodation and limited-service apartments
- Not recognised by international or domestic visitors and frequent travellers
- Typically cost more to build (more sqm per 'room')
- Self-catering properties have limited services and few guest facilities and amenities (doesn't feel like a holiday)
- They have very limited appeal with business travellers and short-stay leisure guests
- When compared with hotels, serviced apartments employ a lot less staff, support limited supply chains, and deliver a lower economic contribution
- Overall, they generate a lower return on investment
- They are not sought after by the Olympic family who will travel long distances to stay in the internationally branded hotels with whom they have global arrangements.

Function, characteristics + trends in business, leisure + boutique hotels

The hospitality industry is dynamic, and hotels are continuously evolving to cater to the multifaceted preferences of travellers. As a result, the boundaries between business hotels, leisure hotels and boutique hotels are becoming less rigid, leading to a more inclusive and versatile range of accommodations.

Key differences between business hotels, leisure hotels + boutique hotels

Differentiating element	Business Hotel	Leisure Hotel	Boutique Hotel
Location	Often located in or near business districts, financial centres, or industrial areas.	Typically found in tourist destinations, near natural attractions, or scenic locales.	Can be located in urban centres, historic precincts, or trendy neighbourhoods.
Amenities	Focus on business-friendly amenities such as meeting rooms, high-speed internet, and 24-hour business centres.	Emphasise recreational facilities, entertainment, spas, and family-friendly services.	Feature unique design, personalised service, and boutique amenities.
Room size	Rooms are functional and may be standardised in size.	Varied room types to accommodate families, couples, or individuals.	Often have individually designed rooms, each with a distinct character.
Dining options	Typically offer on-site dining options, but the emphasis is on convenience.	Feature various dining options, including restaurants, bars, and room service.	May have exclusive, specialty restaurants or dining experiences.
Recreation	Limited recreational facilities, if any, beyond fitness centres.	Offer a wide range of recreational amenities like pools, sports facilities, and entertainment.	May have unique or themed recreational offerings.
Service	Business-oriented with a focus on efficiency and convenience.	Provide attentive service, especially for families and vacationers.	Offer highly personalized and often exclusive service.
Size	Most often part of larger international hotel chains, but some independent options exist.	Can vary in size, with some larger resorts and others smaller and more intimate.	Generally smaller, independent, and boutique in nature.
Atmosphere	Professional and functional atmosphere..	Aim for a relaxed and enjoyable atmosphere, with entertainment options.	Strive for a unique, stylish, and intimate ambiance.
Design + décor	Typically, practical and may lean towards a modern corporate aesthetic.	May incorporate elements of local culture or nature into the design.	Known for unique and stylish interior design and decor.
Guest experience	Designed to support productivity and convenience for business travellers.	Geared towards relaxation, recreation, and entertainment for vacationers.	Focused on providing a memorable and personalised guest experience.
Ownership	Often part of larger property groups or corporations.	Can sometimes also be independently owned.	Often independently owned, emphasising individuality.

What's in?

-  full-service lifestyle-oriented hotels
-  internationally branded + operated hotels
-  high experiential stays
-  social connectedness with staff + guests
-  holistic spa + wellness
-  affordable luxury
-  sustainability

What's out?

-  self-catering
-  domestic / regional / unknown brands
-  pre-planned itinerary
-  formal interactions with staff + guests
-  pampering
-  quality/price conscious
-  greenwashing

Business visitor market

Why are business visitors important?

- higher spenders
- generate year-round demand
- boost midweek occupancy
- generate meeting and conference revenue for hotels
- are often repeat visitors
- help to diversify the market mix (away from predominantly leisure market) and seasonality
- stimulate and support business tourism-related infrastructure (e.g., convention centres, hotels)
- promote the destination (often returning as leisure visitors)

Drivers of future business visitor demand

- As a result of Council's diversified industry attraction strategy an increasing number of businesses are choosing to establish themselves on the Sunshine Coast.
- Development of Maroochydore CBD - is expected to accommodate 15,000 new workers once complete in 2025.
- Delivery of the Sippy Downs Town Centre Precinct Plan will stimulate further establishment of businesses (in addition to those already established at the Sippy Downs Business + Technology Park and Innovation Centre Sunshine Coast).
- A combination of the region's strong destination appeal, proximity to large population centres in South East Queensland and improved air connectivity (through \$multi-million improvements at Sunshine Coast Airport and the establishment of Bonza), have all the right ingredients to tap into the lucrative MICE market and expand domestic and international connections.
- Strong support to fast-track the development of Sunshine Coast Exhibition + Convention Centre (in Maroochydore's new CBD) that will also be used to host 2032 Olympic + Paralympic events.

What type of accommodation do business visitors require?

- Full-service, internationally branded, and operated business-oriented hotels in key commercial hubs with the following facilities and amenities:
 - 24-hour reception
 - guest rooms with good soundproofing and blackout curtains, as well as dedicated workspaces incl. comfortable desk, ergonomic chair, and adequate lighting
 - room service + on-site dining options
 - healthy hotel dining options
 - access to meeting rooms, conference facilities + business centres within the hotel
 - well-equipped fitness centres
 - laundry + dry-cleaning services
 - airport shuttle services
 - contactless check-in + check out
 - flexible check-in + check-out times
 - Ability to earn + redeem international brand loyalty programs points + rewards.
 - knowledgeable concierge services

What are the current limitations for the overnight business visitor market?

- Limited supply of suitably corporate-oriented hotel accommodation across the region, particularly in and around existing and growing commercial precincts.
- Corporate clientele reportedly frequently experience difficulty in finding suitable, corporate-oriented overnight accommodation on the Sunshine Coast. This has led to significant levels of latent demand (pent-up) for suitable accommodation that is simply not available. There is anecdotal evidence to suggest that business travellers to the Sunshine Coast stay in Brisbane overnight and make the 100km drive north to conduct business activities during the day
- Limited supply of large-scale upper upscale and luxury conference hotels places limitations on the size and calibre of events that the Sunshine Coast can attract.
- Business Events Sunshine Coast reports losing MICE market business to other destinations due to lack of availability of internationally recognised and trusted branded hotels and to high pricing driven by high demand or minimum stays (particularly during peak seasons).

What type of business visitors could the Sunshine Coast attract?

- ✓ Business/corporate travellers visiting clients + out-of-town employees
- ✓ MICE travellers meetings, incentives, conferences + exhibitions
- ✓ Business persons attending skills development training
- ✓ Developers and prospective investors looking to expand their national (or global) footprint or to relocate to the region
- ✓ Bleisure travellers

Market gaps + opportunities

- New, internationally branded, and operated hotels in existing, revitalised, and expanding commercial precincts
- Upscale, upper upscale and luxury hotels with business visitor -oriented amenities
- Hotels with sizeable conference and event facilities
- Internationally branded and operated hotels with strong global advertising, marketing and distribution network
- Demand for full-service hotels (not limited-service hotels or self-catering apartment accommodation) is expected to intensify in existing and expanding commercial hubs e.g., Maroochydore and Caloundra and in industrial estates and precincts e.g., Sippy Downs.
- Hotels with business-oriented amenities in locations close to business (or conference) activities will enable the Sunshine Coast to establish credentials as 'business traveller friendly' destination and should encourage a higher conversion of day business visitors into overnight visitors, thereby delivering significantly enhanced economic and employment benefits to the region.
- As proven in other destinations, a public convention centre alongside a full-service business hotel has a positive impact on attracting and servicing private-sector meetings. These simultaneous developments (i.e., a convention centre and a full-service hotel) could additionally serve to build awareness of the Sunshine Coast as a business destination, encourage investment in new businesses and accommodation, and increase the overall market share of the business and MICE visitor segments on the Sunshine Coast.
- The strong leisure appeal of the Sunshine Coast offers potential to grow bleisure travel (pre- or post-business trips).

Most suitable locations:

- ✓ Maroochydore
- ✓ Caloundra
- ✓ Sippy Downs
- ✓ Nambour



Leisure + VFR visitor market

Drivers of future leisure visitor demand

- Ongoing investment in new tourism products and experiences provides new reasons to visit and return.
- Strong regional population growth - both within the region and across South East Queensland provides a solid base to increase overnight VFR-related visitation - be it for leisure, private events, or sport-related activities.
- Boutique, lifestyle, and affordable luxury hotels are an increasingly popular choice of accommodation as travellers actively seek out new and engaging experiences. HVT travellers are constantly in search of serviced accommodation in exclusive or unique locations such as rainforests, beaches, wineries, historic farms, etc.
- Ongoing delivery of the Sunshine Coast major events strategy 2018-2028 (2023 refresh) will continue to strengthen the region's competitiveness as an enviable sports event destination.
- The fast-track development of new sports infrastructure ahead of the 2032 Olympic Games will enable the Region to diversify its sporting events offering.

What type of accommodation do leisure visitors need?

- good accessibility and connectivity to key attractors e.g., beach, walking trails, visitor attractions
- Internationally branded and operated full-service hotels with the ability to redeem loyalty program points.
- adequate parking given the high percentage of visitors to the Sunshine Coast who either self-drive or hire a car
- secure bike storage facilities (especially for cycling enthusiasts and competitive athletes)
- range of dining options (including room service)
- on-site leisure, health, and wellness facilities
- highly personalised levels of service
- variety of dining options e.g., café, bar, restaurant
- international brand affiliation (to gain/redeem loyalty points)
- interconnecting rooms (especially important for families)
- communal and social spaces

Why are leisure visitors important?

- significant generators of direct and indirect economic impact through spending on accommodation, dining, transportation, attractions, retail, etc.
- leisure tourism provides a platform for local businesses to showcase their products and services to a larger audience
- demand generated by leisure visitors often stimulates the development and improvement of road, rail and air infrastructure and other public amenities and services which benefits both visitors and residents
- revenue generated by leisure tourism can be reinvested in the preservation and conservation of natural and cultural heritage assets incl. national parks, historic sites, and environmental protection initiatives
- leisure visitors contribute to the local arts and culture scene by attending galleries, theatres, music venues, and festivals and helps to foster a vibrant cultural environment that can stimulate further visitation
- positive experiences by leisure visitors can lead to word-of-mouth marketing and stimulate increased visitation

What are the current limitations for the overnight leisure visitor market?

- Few full-service hotels available across the region to satisfy overnight visitors seeking a hotel (as opposed to a self-catering apartment) experience.
- Limited presence of internationally branded and operated hotels when compared to other destinations, such as the Gold Coast that offer a similar beach and hinterland experience within close proximity to a major capital city (Brisbane)
- Limited wedding venues in the region with high room counts to accommodate guests requiring overnight group accommodation.
- Limited luxury and upper upscale hotel products available to attract the HVT market.
- Limited opportunities to attract the highest frequency and value leisure travellers via the redemption and accumulation of loyalty program points.

What type of leisure visitors could the Sunshine Coast attract?

- ✓ high-value travellers (HVT)
- ✓ experience seekers
- ✓ independent travellers
- ✓ family market (including multigenerational family market)
- ✓ short-break leisure visitors
- ✓ special interest visitors (e.g., nature-based and culinary tourists)
- ✓ sports visitors (depending on the location of sporting venue)
- ✓ VFR visitors attending wedding + special occasions
- ✓ events + festivals goers

Market gaps + opportunities

- New full-service hotel development as opposed more self-catering apartment accommodation (which is already plentiful on the Sunshine Coast). By their very nature, hotels have much larger workforces than self-catering accommodation, and therefore provide an opportunity for the Sunshine Coast to increase its economic output and stimulate job creation.
- Strong opportunity to convert a portion of the 2 million annual leisure and VFR day visitors to the Sunshine Coast into overnight visitors. Given that 60% of all leisure visitor nights are generated by intrastate visitors, of which around 75% are from Brisbane and 6% are from the Gold Coast, a strong opportunity exists to capture high levels of demand for locally-driven markets provided that the right product in the right location is developed.
- Aviation route expansion and capacity at Sunshine Coast Airport following its recent \$multi-million investment and the launch of new airline Bonza, provides opportunities to connect with new domestic and international markets and to create curated group packages (provided that there are suitable hotels available to support this).
- Hotels at a variety of price points from upper midscale through to luxury
- Internationally operated hotels with strong track record in delivering consistent service and quality of product under globally recognised brands
- Hotels with sizeable function, event, and wedding facilities
- Hotels within well-established leisure, dining, and entertainment precincts
- Destination wedding hotels (could possibly be boutique in nature)
- Opportunity to tap into the health and wellness tourism industry, provided that the infrastructure i.e., hotels, resorts or boutique properties are available to support such experiences.
- Internationally branded and managed hotels have an important part to play in bidding, securing, and hosting large-scale, multi-day events.

Most suitable locations

- ✓ Leisure + entertainment precincts for example:
- ✓ Mooloolaba
- ✓ Caloundra
- ✓ Cotton Tree + Maroochydore
- ✓ Kawana
- ✓ Maleny + Montville
- ✓ Peregrine Beach
- ✓ Coolumb Beach

Education visitors

Why are education visitors important?

- Education tourists contribute to the local economy by paying tuition fees, living expenses, and engaging in various leisure activities during their stay.
- Education visitors boost enrolment in local educational institutions, which, in turn, can stimulate increased funding, expansion of programs, and improved facilities, which benefits both international and domestic students.
- Education visitors typically stay for extended periods, allowing them to explore the local area, engage in tourism activities, and contribute to the local tourism economy.
- Education tourists who complete their studies may become part of an international alumni network that can help promote the Sunshine Coast and attract future students and researchers.

Key drivers of education visitor demand

- The Sunshine Coast is home to 83,000 students across the University of Sunshine Coast, two TAFE campuses and more than 150 registered training organisations. Demand for education industry services by Sunshine Coast residents is predicted to grow by up to 50% between 2013 and 2033.

Major education providers on the Sunshine Coast

- University of the Sunshine Coast
- Griffith University
- CQ University
- Sunshine Coast Health Institute
- TAFE Queensland
- Flight Training
- Australian Industry Trade College Sunshine Coast Technical Trade Training Centre

What are the current limitations for the overnight education visitor market?

- There are currently no hotels located within an easy walk of Sunshine Coast University to capture education-related demand.
- The enforcement of minimum night stays - particularly during the peak holiday seasons when students are still in class and/or attending conferences or seminars, is often cost-prohibitive or simply not available.
- Self-catering apartments are not necessarily set up for study or workspaces which can be a drawback for education travellers who need to focus on their academic or professional responsibilities.

What type of accommodation do education visitors need?

- Many education tourists are students or researchers on a tight budget. Affordable accommodation options, e.g., economy and midscale hotels, hostels or university dormitories, are often preferred.
 - Accommodation located near universities, colleges, or research centres is highly desirable for educational tourists, as it reduces commuting time and enhances convenience.
 - Education tourists may stay for extended periods, such as a semester or academic year. Hotels offering extended-stay options or furnished rooms are appealing to this segment.
 - Education tourists often travel in groups, such as study tours or research teams. Hotels that can accommodate group bookings and offer common areas for collaboration are valuable.
 - Some education tourists may prefer to prepare their meals to save on dining expenses. Accommodations with shared kitchen facilities can be attractive.
 - Education tourists often seek an opportunity to immerse themselves in the local culture. Hotels that offer cultural activities, local cuisine, and connections to cultural experiences can enhance their stay.
- Accommodations that facilitate social interactions among guests can help educational tourists build connections and expand their networks.

What type of education visitors could the Sunshine Coast attract?

- ✓ visiting lecturers + professors
- ✓ education-related conferences + seminars
- ✓ prospective students
- ✓ visiting friends + relatives of enrolled students

Market gaps + opportunities

- Given the diverse range of tertiary institutions, training colleges and high calibre research institutions which have established a presence in the region, opportunities exist to stimulate demand by providing the right type of accommodation, in the right location and at the appropriate price-point to support growth in overnight demand from education-related visitors.

Most suitable locations:

- ✓ Maroochydore
- ✓ Sippy Downs

Health + medical visitors

Why are health + medical visitors important?

- Health tourists are typically high yielding as they spend significantly on medical treatments, accommodations, transportation, and other related services, thereby translating into substantial economic impact for the region
- Health and medical tourists often require longer stays for medical procedures and recovery, which can lead to higher occupancy rates in hotels, serviced apartments, and other accommodations
- Health tourists are often less sensitive to seasonality and therefore provide a consistent stream of visitors throughout the year.

Key drivers of health + medical visitor demand

- The region is fast-establishing its academic credentials supported by the University of the Sunshine Coast (USC), Sunshine Coast Health Institute and USC Thompson Institute. The opening of the Maroochydore Private Hospital will further cement the region's presence in healthcare, research, and innovation.

Major medical providers on the Sunshine Coast

- Sunshine Coast University Hospital
- Sunshine Coast University Private Hospital Buderim Private Hospital
- Be - Vitality Village
- Kawana Private Hospital
- Nambour General Hospital
- Sunshine Coast Mind and Neuroscience - Thompson Institute

What are the current limitations for the overnight health + medical visitor market?

- With the exception of the 81-room Mercure hotel at Kawana Waters there is no full-service visitor accommodation within easy access of the Coast's hospitals and large medical and age care facilities i.e., Sunshine Coast University Hospital, Sunshine Coast University Private, Vitality Village and Sunshine Coast Health Institute.
- Accessibility, particularly at some self-catering apartments is challenging, as not all are equipped with ramps, elevators, or accessible bathrooms for travellers with mobility challenges. In addition, some health visitors have specific medical needs that require accommodations with particular amenities, such as accessible rooms, medical equipment storage, or in-room medical services. Self-catering apartments do not typically accommodate these requirements.
- Travel plans for medical treatment can be uncertain, and unexpected changes may occur. Most self-catering accommodations have strict cancellation policies or may require full payment in advance. Hotels on the other hand typically require 24-hour notice if guests choose to cancel their booking.
- Whilst neither hotels nor self-catering accommodations typically have specialised medical personnel or facilities on-site to provide medical care in case of emergencies, hotels, especially full-service hotels with 24-hour receptions are able to call for assistance immediately should a medical emergency arise.

What type of accommodation do health + medical visitors need?

- The primary consideration for medical tourists is proximity to the medical facilities where they are receiving treatment.
- Some medical tourists require specific amenities like adjustable beds, medical equipment (e.g., oxygen tanks), and easy-access showers or bathtubs. Hotels that can accommodate these needs are highly valued by guests.
- Medical treatments may not always align with standard check-in and check-out times. Offering flexibility in this regard can ease the stress for patients and their caregivers.
- Medical tourists may have dietary restrictions or specific meal requirements prescribed by their healthcare providers. Hotels with bespoke (made-to-order) in-room dining menu options and the ability to accommodate dietary needs are highly valued and appreciated.
- Privacy is essential for medical tourists, especially those recovering from surgery or undergoing sensitive treatments. Ensuring the safety and security of guests and their belongings is therefore crucial.
- For patients requiring constant care, hotels with caregiver accommodations, such as connecting rooms or suites, are beneficial.
- Post-treatment, medical tourists may seek relaxation and aesthetic amenities, such as spas, pools, and wellness facilities, to aid their recovery and rejuvenation.

Given the vulnerability of medical tourists, strict hygiene and sanitation standards are crucial.

What type of health + medical visitors could the Sunshine Coast attract?

- ✓ pre + post-op outpatients (and their carers)
- ✓ visiting doctors, specialists, + medical suppliers
- ✓ medical related meetings, training seminars + conferences

Market gaps + opportunities

- Sunshine Coast Health Precinct and Health Hub offer clear opportunities to develop itself as a medical tourism destination, for both domestic and international visitors from a variety of niche visitor segments.
- When completed, the Maroochydore Private Hospital will accommodate medical and teaching staff and will be a centre for surgical research and innovation with anchor tenants include the University of the Sunshine Coast and international orthopaedic company, Medacta already expressing an interest in expanding their reach to the Sunshine Coast.

Most suitable locations:

- ✓ Birtinya
- ✓ Kawana Waters
- ✓ Maroochydore
- ✓ Nambour



How many + where are new hotels required on the Sunshine Coast

Three growth scenarios have been applied to assess the combined potential impact that increasing demand from different visitor sectors i.e., business, leisure, health, and education could have on stimulating demand for new-build hotel accommodation in the Sunshine Coast.

1. Low growth scenario: growth rates equivalent to TRA forecasts + latent demand
2. Medium growth scenario: +2.5 percentage points growth over TRA growth forecasts + latent demand
3. High growth scenario: +4.5 percentage points over TRA growth forecasts + latent demand

Modelling results:

Low growth scenario				
	Hotel rooms	Locations	Boutique rooms	Locations
2023	-	-	-	-
2024	-	-	-	-
2025	180	AVANI Mooloolaba	-	-
2026	285	Caloundra	60	Glass House Mtns
2027	225	Maroochydore	60	Central Hinterland
	150	Mooloolaba		
2028	-	-	60	Eumundi
2029	325	Maroochydore convention	-	-
	180	Sunshine Coast Airport		
2030	-	-	-	-
2031	-	-	60	Yaroomba
2032	-	-	-	-
2033	180	Bokarina/Kawana Waters	60	Buderim
Total	1,525	7 x properties	300	5 x properties
Grand total	1,825 new rooms across 11 properties			

Medium growth scenario				
	Hotel rooms	Locations	Boutique rooms	Locations
2023	-	-	-	-
2024	-	-	-	-
2025	180	AVANI Mooloolaba	-	-
2026	285	Caloundra	60	Glass House Mtns
2027	220	Maroochydore	60	Central Hinterland
	200	Mooloolaba	-	-
2028	220	Coolum	60	Eumundi
2029	325	Convention Maroochydore	-	-
	180	Sunshine Coast Airport		
2030	180	Bokarina/Kawana Waters	-	-
2031	-	-	60	Yaroomba
2032	180	Caloundra	-	-
	180	Sippy Downs		
2033	-	-	60	Buderim or Hinterland
Total	2,150	9 x properties	300	5 x properties
Grand total	2,450 new rooms across 14 properties			

High growth scenario				
	Hotel rooms	Locations	Boutique rooms	Locations
2023	-	-	-	-
2024	-	-	-	-
2025	180	AVANI Mooloolaba	-	-
2026	285	Caloundra	60	Glass House Mtns
2027	225	Maroochydore	60	Central Hinterland
	225	Mooloolaba		
2028	220	Coolum	60	Eumundi
	225	Caloundra		
2029	350	Convention Maroochydore	60	Yaroomba
	180	Sunshine Coast Airport		
2030	180	Bokarina/Kawana Waters	-	-
2031	180	Sippy Downs	60	Central Hinterland
2032	180	Maroochydore	60	Buderim
2033	-	-	-	-
Total	2,430	11 x properties	360	6 x properties
Grand total	2,790 new rooms across 17 properties			

Suggested timeline of future hotels on the Sunshine Coast: 2023-2033

2022	Maroochydore 181 rooms Holiday Inn Express + Suites upper midscale 		
2023			
2024			
2025	AVANI Mooloolaba 180 rooms upscale    		
2026	Caloundra 285 rooms upper upscale     	Glass House Mountains 60 rooms upper upscale - luxury    	
2027	Maroochydore 220 rooms upscale    	Mooloolaba 200 rooms upper upscale     	Central Hinterland 60 rooms Upper upscale - luxury     
2028	Coolum 220 rooms upper upscale - luxury     	Eumundi 60 rooms upper upscale - luxury     	
2029	Maroochydore convention centre 325 rooms upper upscale   	Sunshine Coast Airport 180 rooms Upscale    	
2030	Bokarina / Kawana Waters 180 rooms Upscale    		
2031	Yaroomba / Peregrine Beach 60 rooms Luxury    		
2032	Caloundra 180 rooms upscale     	Sippy Downs 180 rooms upscale   	
2033	Buderim or Central Hinterland 60 rooms upper upscale or luxury     		

Future requirements by 2033

2, 150 x new hotel rooms
9 x new hotels
300 x boutique hotel rooms
5 x new boutique properties

Primary target markets



Leisure



Business



MICE



Corporate retreat



Health



Education



Sport



Group + private celebration



Special interest



Wedding



Aircrew

Role of hotel investment attraction

Sunshine Coast Council should engage in active investment attraction activities targeting qualified investors, developers and builders in order to:

- ✓ Stimulate economic growth + job creation
- ✓ Promote tourism + increase revenue through accommodations.
- ✓ Enhance infrastructure + urban renewal.
- ✓ Diversify revenue sources for financial stability
- ✓ Meet community needs for accommodation + event spaces
- ✓ Shape the destination's brand and appeal
- ✓ Support local businesses through hotel-related services
- ✓ Attract events and conferences for economic benefits

Who should be encouraged to invest, develop, build + operate the hotels needed?

Qualified hotel developers, investors, and owners, with proven track records of building high quality, internationally branded and operated hotels of scale, and projects in excess of \$50 million, with strong balance sheets to offset debt funding risk - need to be attracted and could include for example.

- high net worth individuals
- family firms
- venture capital funds
- private equity firms
- real estate investment trusts
- hotel developers

Note: For the most part, international hotel operators tend not to own assets. Rather, they provide global brands and operate hotels for a fee, usually under a hotel management agreement or hotel franchise agreement.

How can Sunshine Coast Council support hotel investment attraction activities?

Sunshine Coast Council has an active role to play in fostering an environment that will stimulate hotel investment that not only benefits visitors to the region, but also enhances community amenity and supports economic outcomes. This calls for a combination of policies, incentives and strategic planning initiatives including:

Offer development incentives and fee reductions

- Offer fee reductions or waivers for building permits, inspections, or other regulatory requirements associated with hotel construction.
- Create, implement, and administer hotel development incentives policy
- Encourage environmentally friendly hotel developments by offering incentives for green building certifications and sustainable practices.

Engage in destination marketing

- Collaborate with local tourism boards and marketing organisations to promote the region as a desirable destination for tourists and business travellers.
- Participate in trade shows, industry conferences, and promotional events to attract hotel investors and operators.

Community engagement

- Involve the local community in the decision-making process for hotel developments through public meetings, consultations, and feedback mechanisms.
- Address concerns and provide assurances regarding issues such as traffic management, environmental impact, and noise control.

Public-private partnerships

- Explore partnerships with private investors or hotel chains to co-fund or co-develop hotel projects, sharing the risk and resources.
- Leverage the expertise and resources of experienced hotel developers and operators.

Market analysis + feasibility studies

- Conduct market analysis and feasibility studies to identify areas with high demand for hotels and to determine the type and size of hotels that would be most successful.

Tourism tends to prosper in well planned hubs and precincts where visitors can easily access all the different elements that make up their local experience such as restaurants, bars and cafes, activities, shopping, attractions, public facilities, and amenities e.g., galleries, education facilities, sports, and arts facilities and, of course accommodation. It is therefore important that Sunshine Coast Council address the need, over time, for such hubs and precincts to develop.

| AVANI Mooloolaba, 180-rooms



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Note on geography

The Sunshine Coast Council LGA includes the following suburbs, townships and rural localities: Alexandra Headland, Aroona, Bald Knob, Balmoral Ridge, Battery Hill, Beerburrum, Beerwah, Belli Park, Bells Creek, Birtinya, Bli, Bokarina, Boorobin, Bribie Island North, Bridges, Buddina, Buderim, Burnside, Caloundra, Caloundra West, Cambroon, Chevallum, Coes Creek, Conondale, Coochin Creek, Coolabine, Cooloolabin, Coolum Beach, Crohamhurst, Curramore, Currimundi, Diamond Valley, Dicky Beach, Diddillibah, Doonan (part), Dulong, Eerwah Vale, Elaman Creek, Eudlo, Eumundi, Flaxton, Forest Glen, Gheerulla, Glass House Mountains, Glenview, Golden Beach, Highworth, Hunchy, Ilkley, Image Flat, Kenilworth, Kiamba, Kidaman Creek, Kiels Mountain, Kings Beach, Kulangoor, Kuluin, Kunda Park, Kureelipa, Landers Shoot, Landsborough, Little Mountain, Maleny, Mapleton, Marcoola, Maroochy River, Maroochydhore, Meridan Plains, Minyama, Moffat Beach, Mons, Montville, Mooloolaba, Mooloolah Valley, Mount Coolum, Mount Mellum, Mountain Creek, Mudjimba, Nambour, Ninderry, North Arm, North Maleny, Obi, Pacific Paradise, Palmview, Palmwoods, Parklands, Parrearra, Peachester, Pelican Waters, Peregrine Beach (part), Peregrine Springs, Perwillowen, Point Arkwright, Reesville, Rosemount, Shelly Beach, Sippy Downs, Tanawha, Town Mountain, Twin Waters, Valdora, Verrierdale, Warana, West Woombye, Weyba Downs, Witta, Woombye, Wootha, Wurtulla, Yandina, Yandina Creek and Yaroomba.

Note on TRA statistics

The National Visitor Survey is conducted by Tourism Research Australia for each quarter. New NVS methodology, 2019: Tourism Research Australia has transitioned NVS sampling to 100% mobile phone interviews (from 50% mobile phone/50% landline) to reflect current phone usage trends. The change in methodology has seen a break in series, so please use caution when comparing 2019 results with previous time periods. Note that 2017 and 2018 estimates have been revised to align with the latest release of ABS population projections and will differ slightly from previously published estimates.

For further information regarding methodology, please refer to <https://www.tra.gov.au/TRA-Online/tra-online>.



Assumptions, limiting conditions + use of this report

Assumptions

This summary report is subject to the following assumptions:

- Our report is based on estimates, assumptions and other information developed from research of the market, knowledge of industry and other information provided by tourism and hospitality industry stakeholders. Specific customer intercept studies on the proposed components of the overall development concept and its potential use have not been conducted. Therefore, the report does not draw conclusive evidence about customer sentiment.
- The decision as to whether to support (or not) the future development of short-stay accommodation in pre-identified locations across the Sunshine Coast LGA lies solely with the Sunshine Coast Council.

Limiting conditions

The following comprise our Limiting Conditions, which form part of this report:

- As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.
- Our forecasts, projections and estimates are based on the opening of as-yet unfinalised concepts of visitor accommodation.
- Unless otherwise stated in the body of our report, it is assumed that future short-stay accommodation properties will operate in full compliance with all applicable city, local and private codes, laws, consents, licences, and regulations (including an alcohol licence where appropriate) and that all required licences, permits, certificates, franchises and so forth can be freely obtained, renewed and/or transferred.
- THSA takes no responsibility for any events, conditions or circumstances that will negatively affect the Region's ability to successfully deliver on the proposed game-changing projects detailed in this report over the next decade.
- The quality of on-site management and the affiliation of future short-stay serviced accommodation in the Region with national and international brand operators will have a direct effect on the future performance and economic viability of individual properties. Any variance from this assumption may have a significant impact on future operating conditions at individual properties and may have a significant impact on consumer purchasing (booking) decisions at properties located inside or outside the Sunshine Coast.
- Unforeseen changes to the supply and demand of the transient accommodation market that may influence material changes to the business environment generally, could severely disrupt anticipated demand and operating performance of commercial visitor accommodation in the Sunshine Coast. As a result, our estimates of the future visitor accommodation trading environment may be significantly different to that anticipated at the time of preparation of this report. That said, the future estimates of performance as set out in this report are based on none of these circumstances arising and reflect the market conditions, we believe most likely to eventuate during the period under review in this report. It should therefore be acknowledged that all estimates are based on our best judgement at this time.
- Many of the figures presented in our reports are generated using sophisticated computer models that make calculations based upon numbers carried out to three or more decimal places. In the interest of simplicity, most numbers presented in our reports are rounded to the nearest tenth. Thus, these figures may be subject to small rounding errors in some cases.
- All information (including tourism, accommodation and economic statistics and opinions) obtained from parties not employed by THSA is assumed true and correct. No liability resulting from misinformation can be assumed.
- While the information contained herein is believed to be correct, it is subject to change. Nothing contained herein is to be construed as a representation or warranty of any kind.

Use of this report

- This study has been prepared for Sunshine Coast Council and their advisors and is intended for internal decision-making and to steer the direction of the type of commercial visitor accommodation concepts required to meet future market needs. The conclusions and recommendations in this report are provided for the internal use of Sunshine Coast Council and should not be redistributed without the express written consent of THSA.
- The contents of this document or any reference to it may not be included in any public document, circular, statement, public forum, prospectus, or printed material without our prior written consent of the form and context in which it will appear.
- For the avoidance of doubt, our role did not include any aspect of valuation or investment analysis of recommended commercial visitor accommodation. As such, this report (and other associated reports) should not be considered as investment advice, nor should it be used for investment purposes.





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