



Largest RV Club in the Southern Hemisphere

2013 Snapshot

The Growth and Value of the RV Market – Key Facts

October 2013

Rapid and continuing market growth

- Est. 500,000 RVs are registered in Australiaⁱ
- Approximately 120,000 RVs will be manufactured over the next five yearsⁱⁱ
- Over 20 000 RVs have been manufactured each year since 2010ⁱⁱⁱ
- On current trends RV travellers will increase by more than 60% over the next 10 years^{iv}
- There were 9.2 million caravanning, camping and motor home trips in 2012 representing a 5.3 per cent growth on 2011^v

Significant Economic Value

- The market is worth **\$6.5 billion a year** to the Australian economy^{vi}
- They are the **biggest spending travellers** in the domestic tourism market and spend on average \$500 to \$900 per week^{vii}
- Grey nomads comprise up to **70% of the tourism market** in some Queensland LGAs^{viii}

Environmental and social benefits

- New vehicles are increasingly low impact and **self-contained** and will dominate over the next five years^{ix}
- The market continues to participate in various **volunteer community projects** and seasonal and short term work^x

RV Traveller Profile

- Currently dominated by Grey Nomads born during or before World War II, but will be **dominated by the baby boomers** within the next 5 years^{xi}
- There is a major trend towards **fully self-contained vehicles**^{xii}
- Their most **preferred activities** include visiting markets, heritage sites and museums, going bushwalking, visiting National Parks and undertaking full or half day tours^{xiii}
- 34% stay only in **caravan parks**, 16% stay only in **non-commercial accommodation**^{xiv}
- 50% use a **mix** of non-commercial and caravan park accommodation and these are the **largest spending segment**^{xv}
- **Convenient and desirable accommodation is a primary motivator** for length of stay and level of spend - 77% are **prepared to pay** up to \$10 to access a non-commercial accommodation^{xvi}
- 73% consider it important to actively support **RV Friendly Towns**^{xvii}

- RV travellers **spend patterns** are more like residents in that they spend directly into the community, mainly on day-to-day needs, purchasing tourism services and products as it suits^{xviii}

The Growth and Value of the RV Market – Background

The caravan, motorhome and camping industry is making a significant contribution to the Australian economy

- The industry is the fastest growing domestic tourism sector in Australia and has been for the past 15 years^{xix}
- The industry is worth \$6.5 billion nationally and currently provides for 620,000 holidays per annum^{xx}
- Caravan and Holiday Parks:
 - annual Income grew from 848 million in 2006 to 1.135 billion in 2010^{xxi}.
- RV Manufacturing:
 - Doubled in Australia over the past 10 years to 22,083, and it is projected a further 110,000 vehicles will be manufactured over the next five years^{xxii}
 - The demand for new caravans, campervan, motorhomes and camper trailers is extraordinary. For many manufacturers, there is up to a six month waiting time to fulfil orders^{xxiii}.
- RV purchases:
 - Discerning consumers are either entering the market for, or upgrading to, larger and more luxurious units, with a strong trend towards self contained (toilet and shower) amenities. These types of vans cost in the range of \$65,000 to \$95,000^{xxiv}
 - Baby Boomers in particular are spending-up on expensive rigs. A 4WD and a self contained caravan represents a potential capital investment of between \$100,000 and \$150,000. Campervans and motorhomes range from \$80,000 to \$600,000.

Visitors utilising caravan and camping accommodation are making a significant contribution to domestic tourism

- In 2011, visitors using commercial/non commercial camping and caravan accommodation accounted for about 10% of all visitor nights in Australia^{xxv}.
- Most (91%) were domestic travellers and 21% of these nights were spent in QLD^{xxvi}.
- In total they contributed approximately \$7 billion dollars to the Australian economy^{xxvii}.

Seniors are strongly represented and their numbers are growing

- In 2011, 25% of domestic camping and caravan visitors were seniors over 55 years of age^{xxviii}.
- These travellers are likely to spend more nights in regional Australia than other age groups and more visitor nights in general on a trip^{xxix}.
- Rosemary Leonard, from the University of Western Sydney, said travelling retirees had become an essential source of revenue for Outback towns (Courier Mail September 01, 2010)

- CCIA state that in 2010, 63% of caravan and motorhome buyers were aged 55 years or older^{xxx}.
- The over 65 age group in Australia is likely to increase to 4 million by 2022^{xxxi}
- The contribution to tourism will increase as the baby boomer generation begins retiring^{xxxii}
- The largest growth in domestic caravan and camping visitors is the over 60 age group, which has been growing at an average of six per cent annually since 2000^{xxxiii}

The number of tourists using RVs is growing

RV tourists are defined as: tourists travelling in their own accommodation, being a motorhome, campervan or slide-on (2WD or 4WD), or in a vehicle towing their accommodation being a caravan, 5th wheeler or camper trailer.

- CCIA state that the majority of international visitors travel in hired campervans or motorhomes^{xxxiv}
- It is estimated that there are around 70,000 and 80,000 caravanners travelling on an extended tour around Australia at any one time^{xxxv}
- RV registrations:
 - There are currently more than 500,000 motorised and non-motorised RVs registered in Australia with this number projected to increase by approximately 20% over the next five years^{xxxvi}
 - Campervan vehicle registrations across Australia increased by 23% over the 5 years to 2011 – significantly higher than the national average of 14.5% for all motor vehicles^{xxxvii}
- CMCA membership:
 - Has more than doubled over the past 10 years
 - Is currently over 65,000 members^{xxxviii}

RV tourists generate significant economic benefits

- The market is worth **\$6.5 billion a year** to the Australian economy^{xxxix}
- They are the **biggest spending travellers** in the domestic tourism market and spend on average \$500 to \$900 per week^{xl} and between \$13,000 and \$22,000 per vehicle, per trip^{xli}
- Grey nomads comprise up to **70% of the tourism market** in some Queensland LGAs^{xlii}
- They travel for an average of 156 days^{xliii} with a growing number (currently 14%) travelling on a permanent or semi-permanent basis on trips that extend beyond 12 months^{xliv}

RV tourists also generate community and environmental benefits

- A high proportion of Grey Nomads are willing and able to contribute to voluntary or paid work opportunities in the regional communities they visit^{xlv}
- In particular the successful Grey Nomad Project, an initiative of Volunteering Australia, the CMCA and the Barcaldine Regional Council has resulted in a great many completed projects of benefit to the Barcaldine community
- Nearly all current RV models are highly self-contained facilitating a minimal environmental impact^{xlvi}.

-
- ⁱ Australian Recreational Vehicles Manufacturers Association cited by Balfour Research 2012
- ⁱⁱ Australian Recreational Vehicles Manufacturers Association cited by Balfour Research 2012
- ⁱⁱⁱ Australian Recreational Vehicles Manufacturers Association October 2013 <http://rvma.com.au/statistics/>
- ^{iv} Balfour Research 2010
- ^v Australian Department of Industry May 2013 <http://www.ret.gov.au/media-archive/Pages/caravan-rv-industry.aspx>
- ^{vi} Australian Department of Industry May 2013 <http://www.ret.gov.au/media-archive/Pages/caravan-rv-industry.aspx>
- ^{vii} Tourism Research Australia cited by Balfour Research 2012
- ^{viii} Balfour Research 2010
- ^{ix} Australian Recreational Vehicles Manufacturers Association 2012
- ^x Tony Charters and Associates - Grey Nomad Research and Volunteer Programs conducted 2005-2009; University of Western Sydney Research 2010.
- ^{xi} Balfour Research 2010
- ^{xii} Balfour Research 2010
- ^{xiii} Balfour Research 2010
- ^{xiv} Tourism Research Australia cited by Balfour Research 2012
- ^{xv} Tourism Research Australia cited by Balfour Research 2012
- ^{xvi} Balfour Research 2010
- ^{xvii} Balfour Research 2010
- ^{xviii} Balfour Research 2010
- ^{xix} CCIA Caravan and Camping Industry Profile - 2011
- ^{xx} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxi} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxii} Australian Recreational Vehicles Manufacturers Association 2012
- ^{xxiii} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxiv} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxv} Tourism Research Australia - Caravan or Camping in Australia Snapshot - 2012
- ^{xxvi} Tourism Research Australia - Caravan or Camping in Australia Snapshot - 2012
- ^{xxvii} Tourism Research Australia - Caravan or Camping in Australia Snapshot - 2012
- ^{xxviii} Tourism Research Australia - Caravan or Camping in Australia Snapshot - 2012
- ^{xxix} Tourism Research Australia – Generation Fact Sheet - 2009
- ^{xxx} CCIA Caravan and Camping Industry Profile – 2011; QLD Economic Development Committee Report No. 5 Inquiry into developing Queensland’s rural and regional communities through grey nomad tourism 2011 p8
- ^{xxxii} ABS Oct 2013 <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features10March%202009>
- ^{xxxiii} QLD Economic Development Committee Report No. 5 Inquiry into developing Queensland’s rural and regional communities through grey nomad tourism 2011 p4
- ^{xxxiiii} Tourism Research Australia, *Snapshots 2009, Caravan and camping in Australia 2009*, Tourism Australia, Canberra, August 2010, downloaded on 16 November 2010 from http://www.ret.gov.au/tourism/Documents/tra/Snapshots%20and%20Factsheets/Caravan_09_FINAL.pdf, p. 1.
- ^{xxxv} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxxvi} CCIA Caravan and Camping Industry Profile - 2011
- ^{xxxvii} MoTouring Australia 2012
- ^{xxxviii} ABS motor vehicle census in Tourism Research Australia - Caravan or Camping in Australia Snapshot - 2012
- ^{xxxix} CMCA Oct 2013 <http://www.cmca.net.au/pages/about/index.php>
- ^{xl} Australian Department of Industry May 2013 <http://www.ret.gov.au/media-archive/Pages/caravan-rv-industry.aspx>
- ^{xli} Tourism Research Australia cited by Balfour Research 2012
- ^{xlii} Balfour Consulting – Market Research conducted 2003, 2007, 2008, 2010
- ^{xliii} Balfour Research 2010
- ^{xliiii} Balfour Consulting – Market Research conducted 2003, 2007, 2008, 2010
- ^{xliv} Balfour Consulting – Market Research conducted 2003, 2007, 2008, 2010
- ^{xlvi} Tony Charters and Associates - Grey Nomad Research and Volunteer Programs conducted 2005-2009; University of Western Sydney Research 2010.
- ^{xlvi} Australian Recreational Vehicles Manufacturers Association 2012