



Government of South Australia

Shopping and Tourism Insights

Client Analytics



CommonwealthBank
of Australia



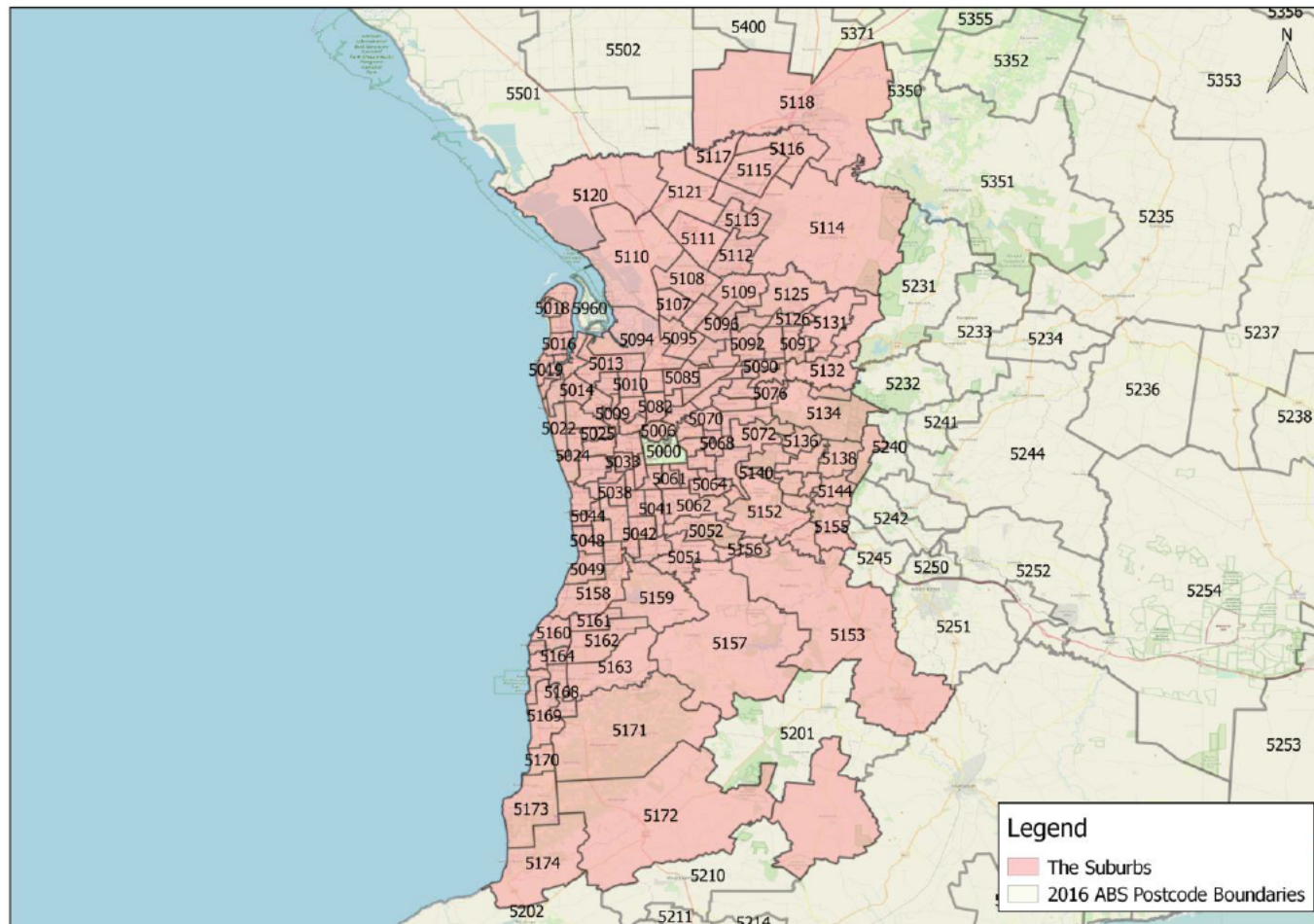
Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



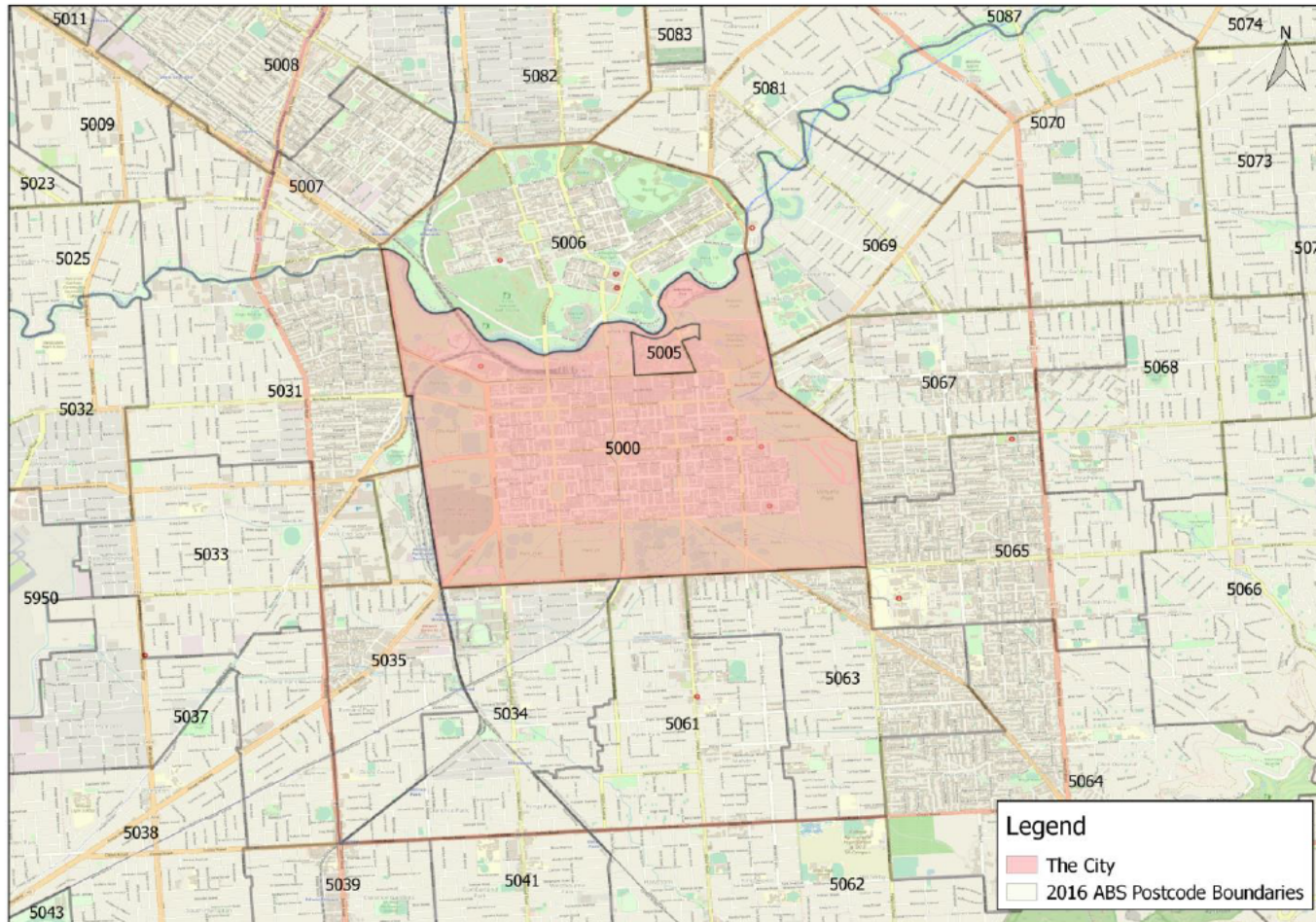
The Suburbs

Defined as postcodes 5006 to 5174, 5942 (Regency Park) and 5950 (Adelaide Airport)



The City

Defined as postcodes 5000 to 5005



Region context



- The City represents 14% of all unique customers and expenditure, and 15% of transactions over the time period



Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



Key insights

Annual Trends

- More unique CBA customers spent and transacted at SA merchants in Nov/Dec 2018 compared to Nov/Dec 2017
- The Suburbs and The City experienced increases in all key metrics and performed comparatively on-par with each other
- For Boxing Day 2018 alone, The Suburbs had a significant increase across all metrics, whereas The City saw only modest growth

Merchant Categories

- Grocery & Supermarkets located in The Suburbs have the largest percentage share of unique customers and expenditure in the days leading up to Christmas while Retail has the largest share in The City
- Eating Places and Restaurants, Grocery & Supermarkets and Fast Food Restaurants recorded the biggest percentage increases in unique customers and expenditure in both regions compared to 2017
- Department & Variety Stores, Retail and Clothing experienced the smallest percentage increases in unique customers and expenditure in both regions compared to 2017
- Boxing Day 2018 spend in both regions skewed slightly more to Clothing and Department & Variety Stores



Key insights

Domestic Cardholder Visitation

- City & Suburbs, Regional SA and Interstate visitors have all increased visitation and expenditure to Adelaide merchants in 2018 compared to 2017
- The Suburbs experienced a significant percentage increase in all visitor type (City & Suburbs, Regional SA and Interstate) visitation and expenditure on Boxing Day 2018 compared to the previous year and Other Days 2018
- While there was higher Interstate visitation and expenditure in The City on Boxing Day 2018 compared to the previous year and Other Days 2018, spending growth was significantly lower

International Visitation

- International visitors make up about 9-10% of spend within The City and about 3.5% of spend in The Suburbs and this was higher on Boxing Day and during major cricket events, especially in 2017
- Spend from international cardholders within The City on Boxing Day 2018 was largely unchanged, however spend almost doubled in The Suburbs
- Chinese represent a higher contribution to spend in The City while visitors from the UK represent a higher contribution to spend in The Suburbs
- International tourists consistently spend more per transaction than Domestic cardholders

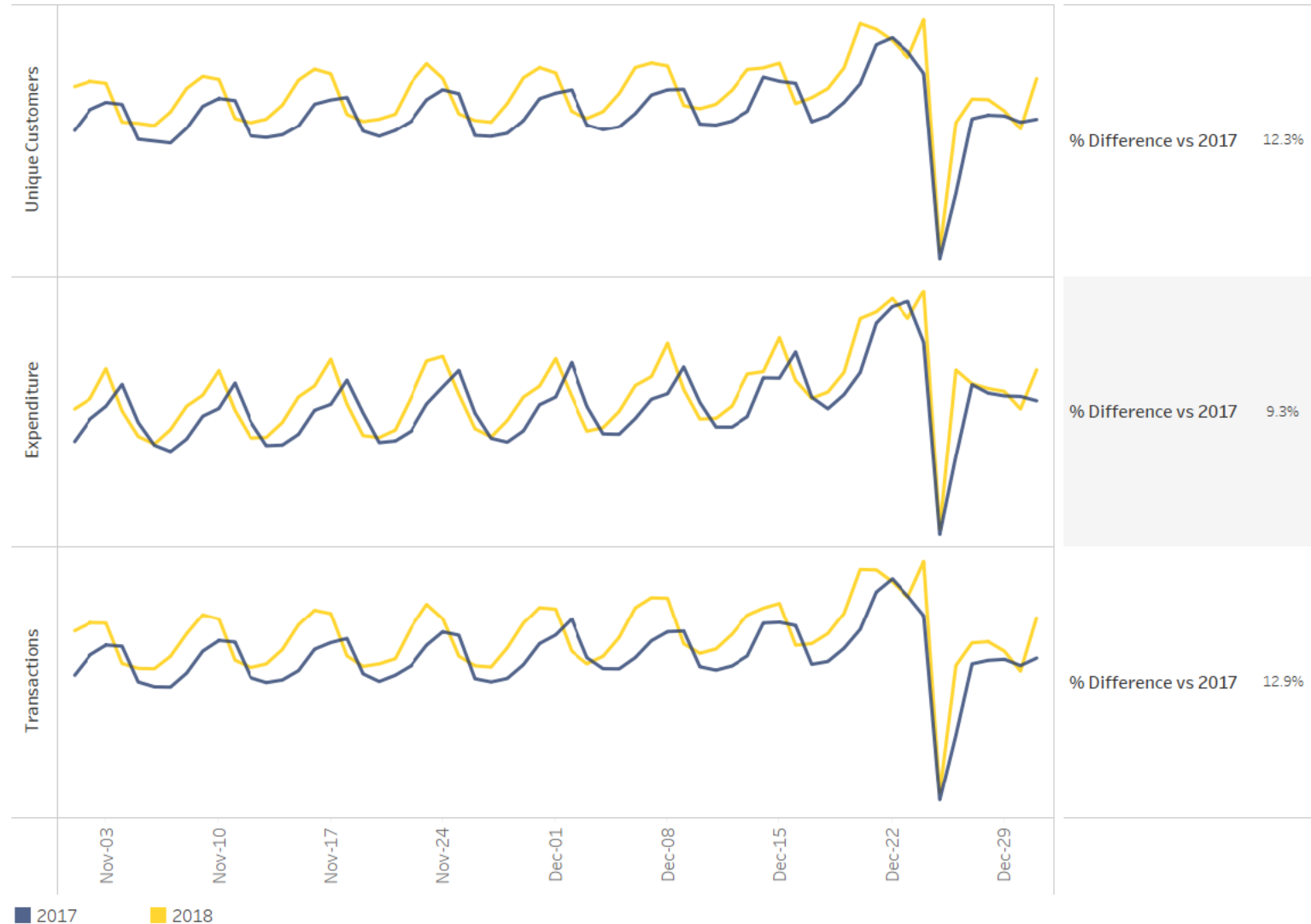


Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



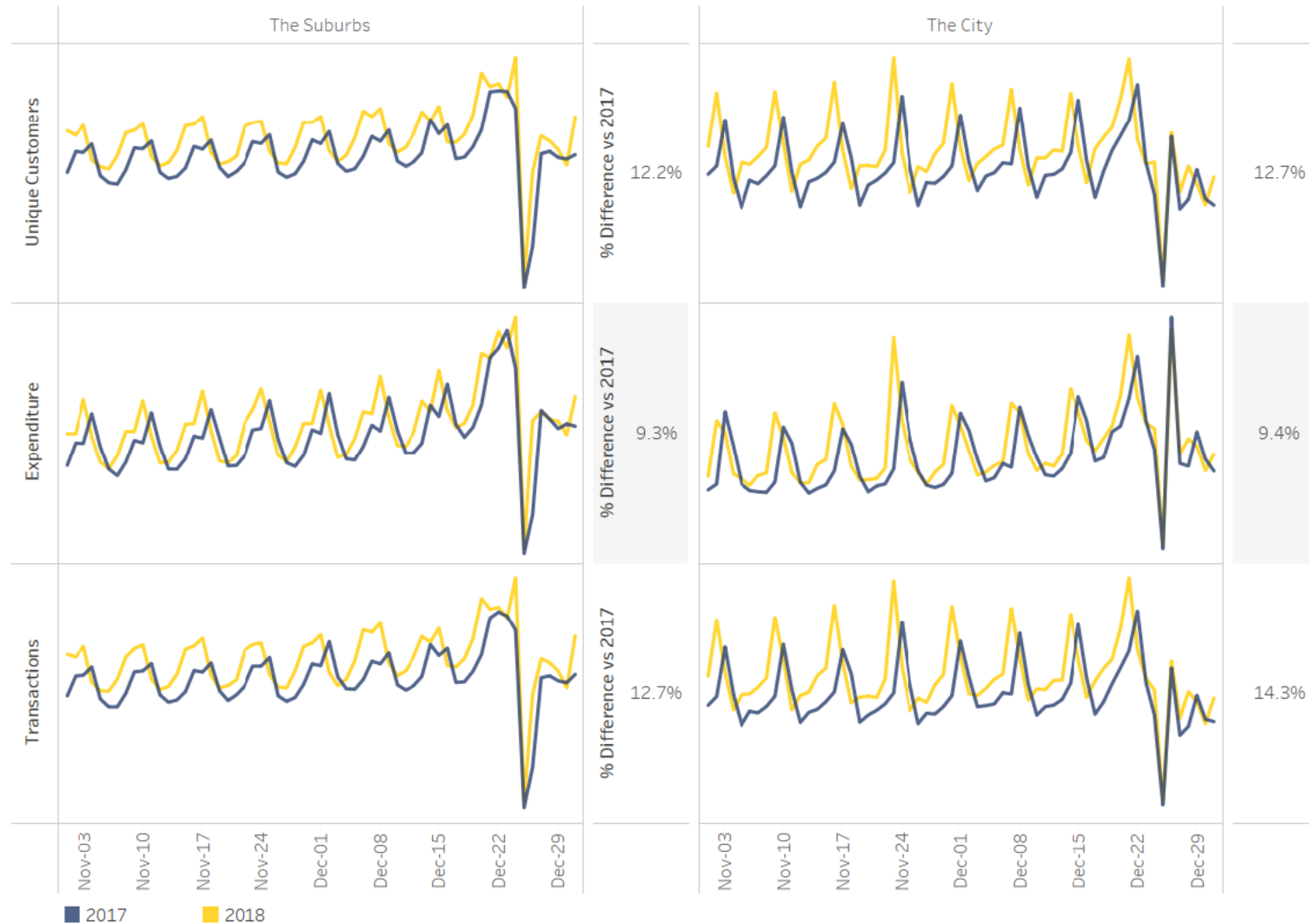
Increases across all key metrics



- SA merchants experienced increases in the number of unique CBA customers, the amount of expenditure and the number of transactions from 2017 to 2018
- Note bumps on weekends, a gradual build up leading to Christmas and the peaks before Christmas Day and again on Boxing Day



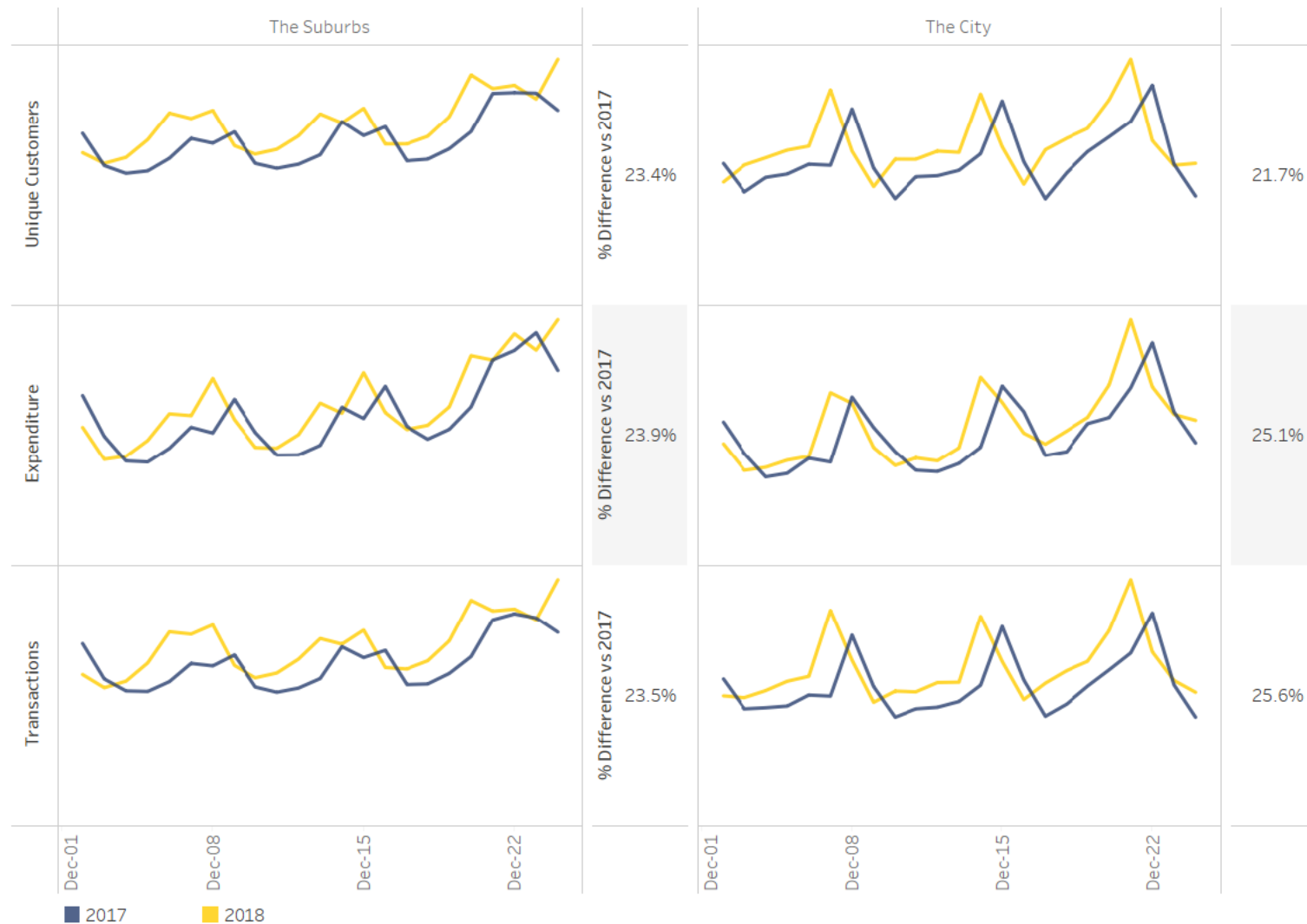
Both regions record growth across all metrics



- SA merchants in The Suburbs and The City regions experienced increases in the number of unique CBA customers and transactions
- Expenditure also increased, but at a comparatively lower growth rate, which could just reflect the cash-to-card effect
- Both regions have performed comparatively on-par with each other



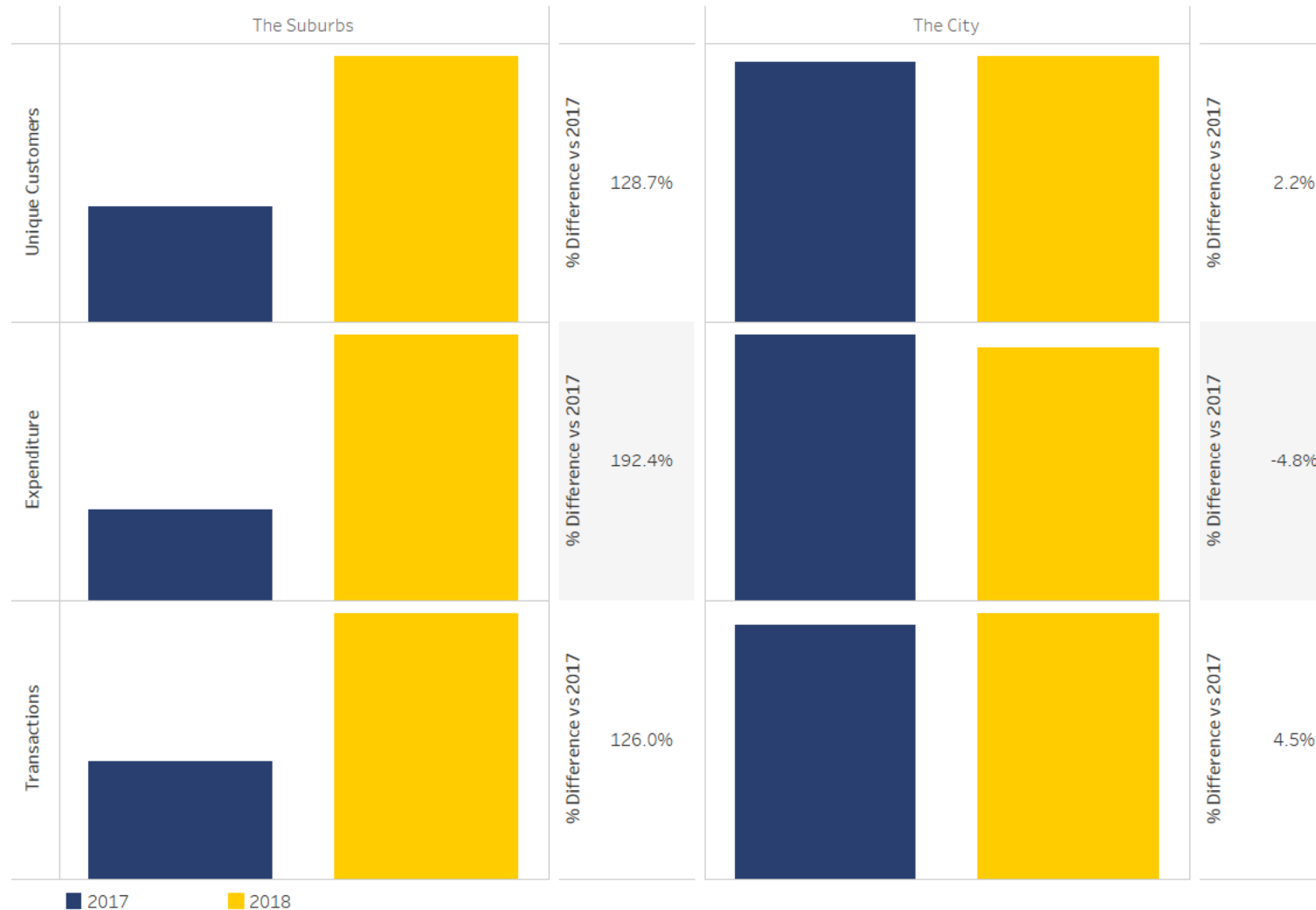
Extended hours lead to double digit growth



- Comparing the average across like-for-like days in 2017 and 2018 reveals extended trading hours have resulted in growth across all metrics in both regions
- Both regions have performed comparatively on-par with each other



Strong Boxing Day results in the suburbs

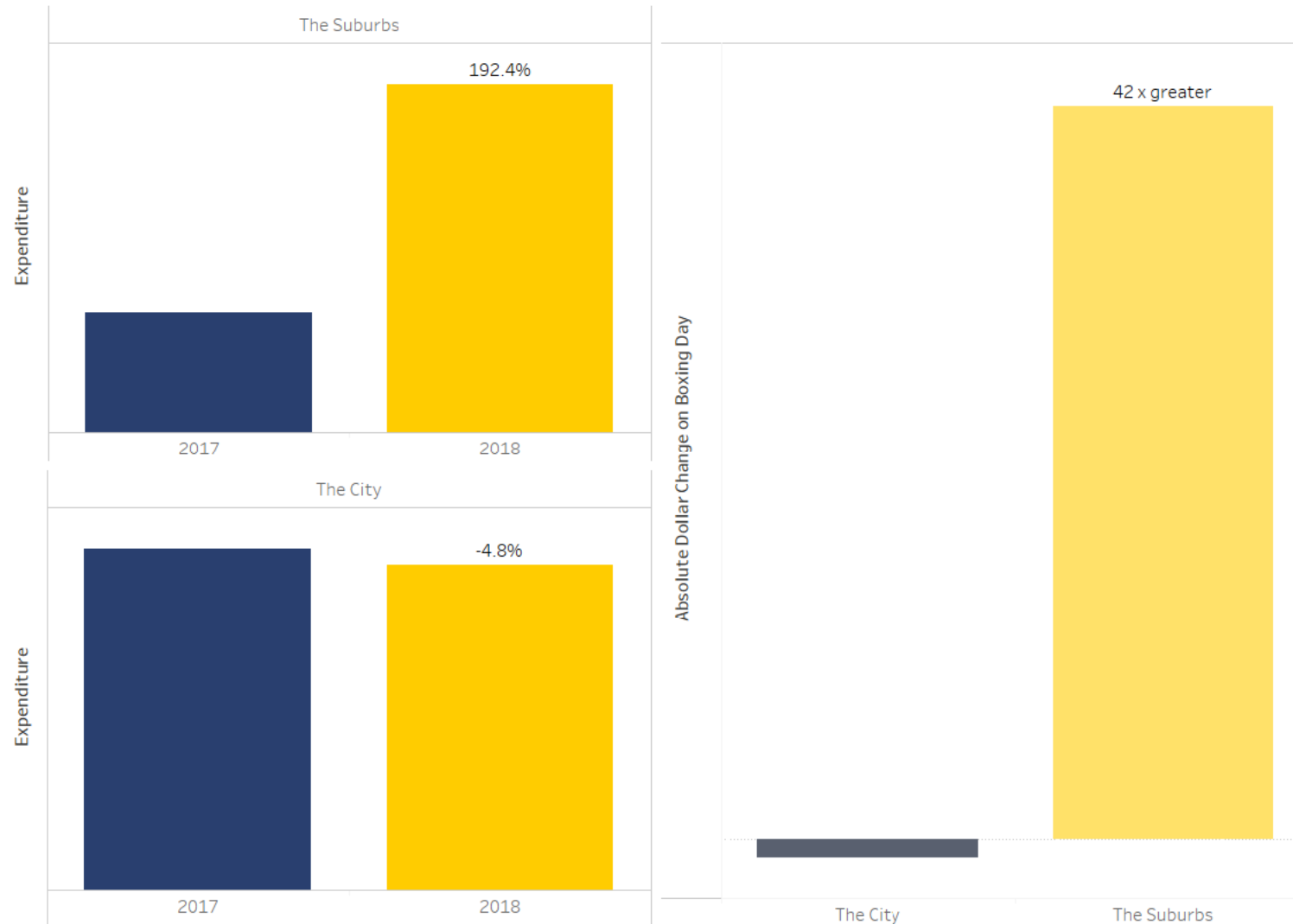


- The decision to revise trading laws for Boxing Day 2018 in The Suburbs of Adelaide resulted in a significant increase in the number of unique CBA customers, the amount of expenditure and the number of transactions for SA merchants these areas
- The City recorded an increase in unique customers and transactions, but a decline in expenditure



The Suburbs offset any expenditure fall in The City

- Despite the fall in expenditure in The City on Boxing Day 2018 compared to 2017 (-4.8%), the absolute dollar expenditure gain in The Suburbs (192.4%) was 42 times greater, thus significantly offsetting the fall experienced in The City

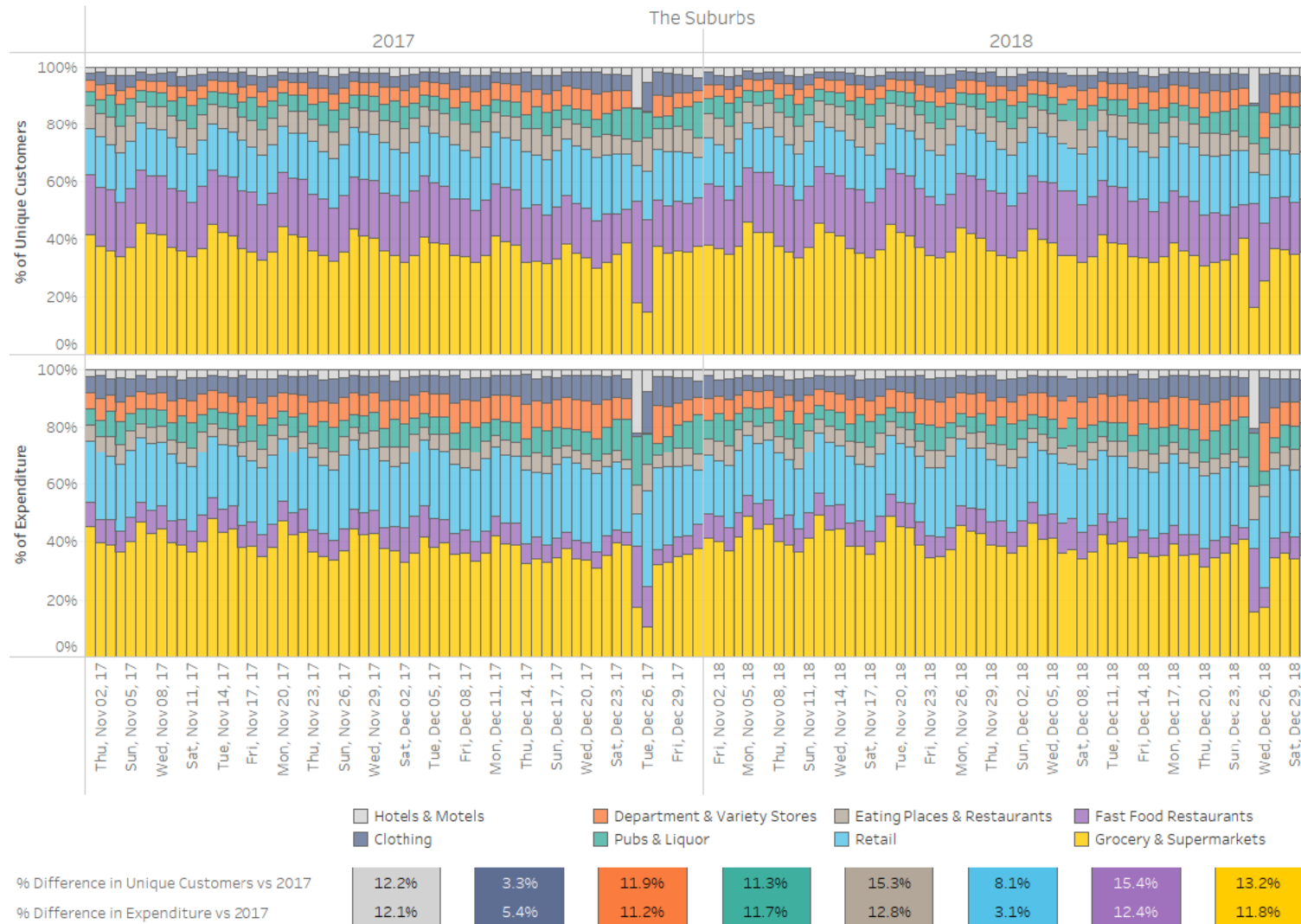


Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



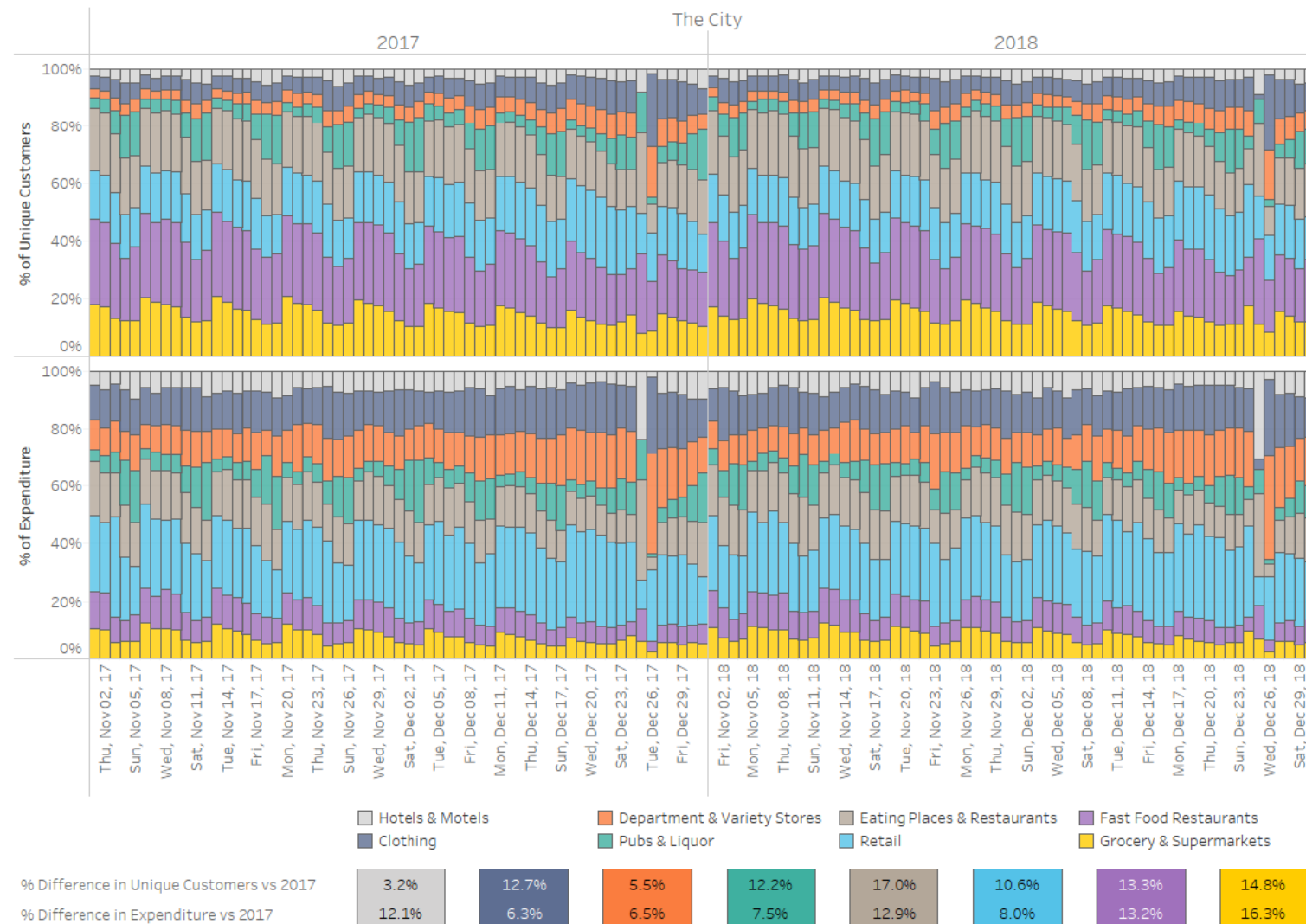
Grocery & Supermarkets have the largest share



- Grocery & Supermarkets have the largest percentage share of unique customers and expenditure in the days leading up to Christmas
- Boxing Day spend skewed slightly more to Clothing, Retail and Department & Variety stores
- All categories increased absolute unique customers and expenditure compared to 2017 experiencing double digit growth, except for Retail and Clothing



Retail has the largest share of expenditure



- Retail has the largest percentage share of expenditure in the days leading up to Christmas, while Fast Food Restaurants have the largest share of unique customers
- Boxing Day spend skewed more to Clothing and Department & Variety stores
- Eating Places and Restaurants, Grocery & Supermarkets and Fast Food Restaurants have recorded the strongest absolute growth in unique customers and expenditure compared to 2017
- Department & Variety Stores have shown the lowest absolute percentage growth

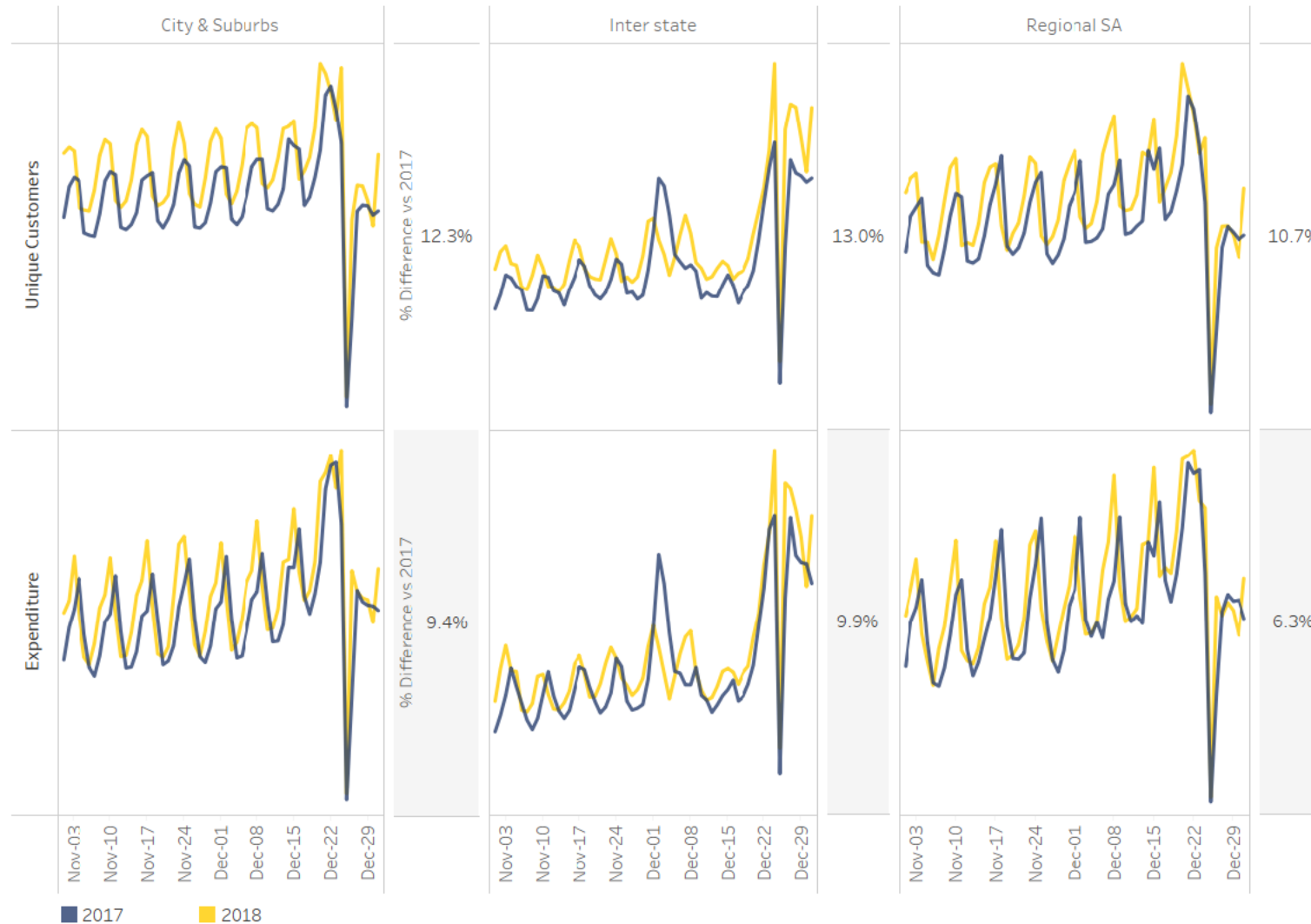


Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



Increasing domestic cardholder visitation and spend

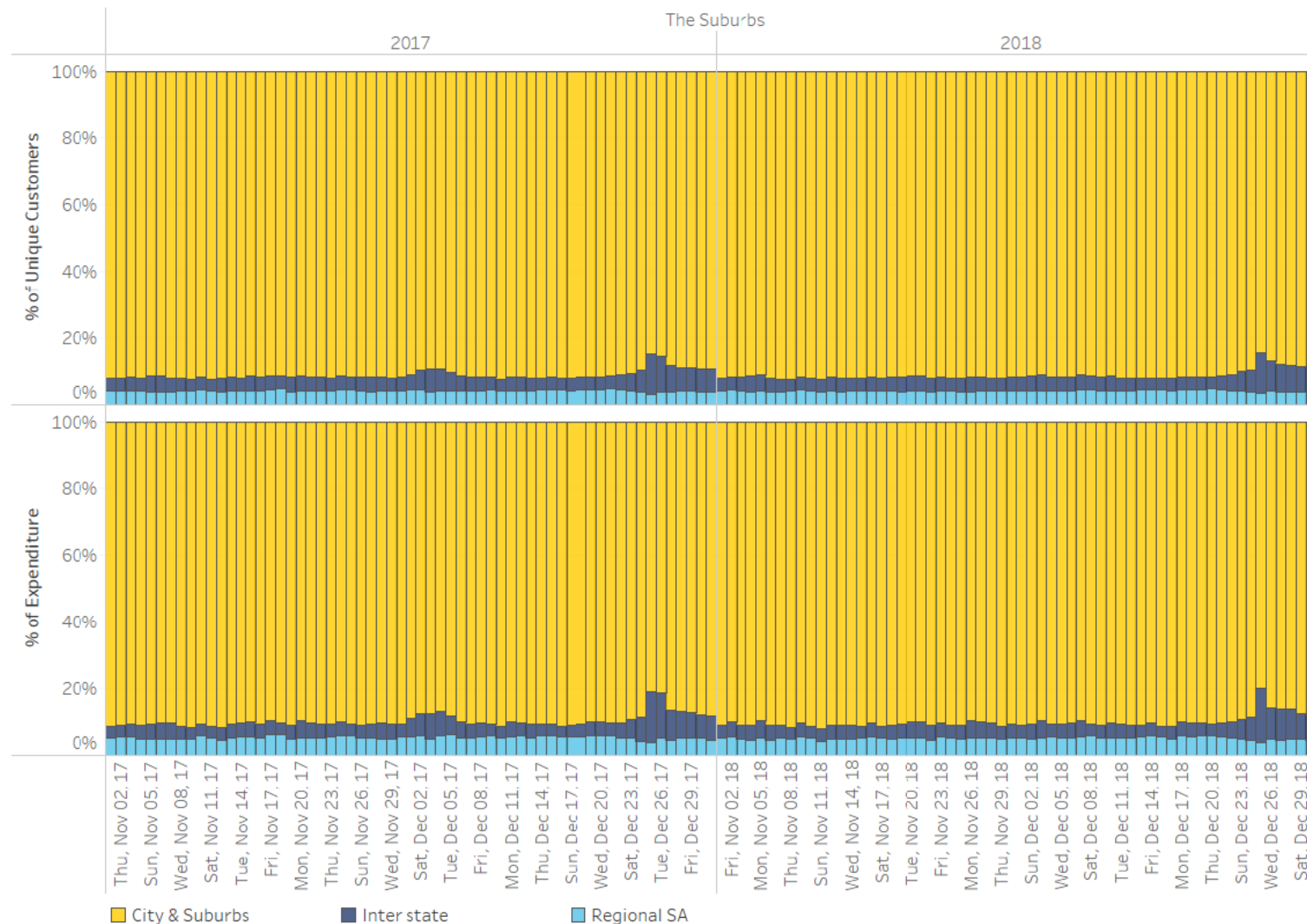


- Across both regions, City & Suburbs residents, Interstate and Regional SA visitors have all increased visitation and expenditure in 2018 compared to 2017
- Interstate visitors have the biggest growth impact from the Christmas period onwards

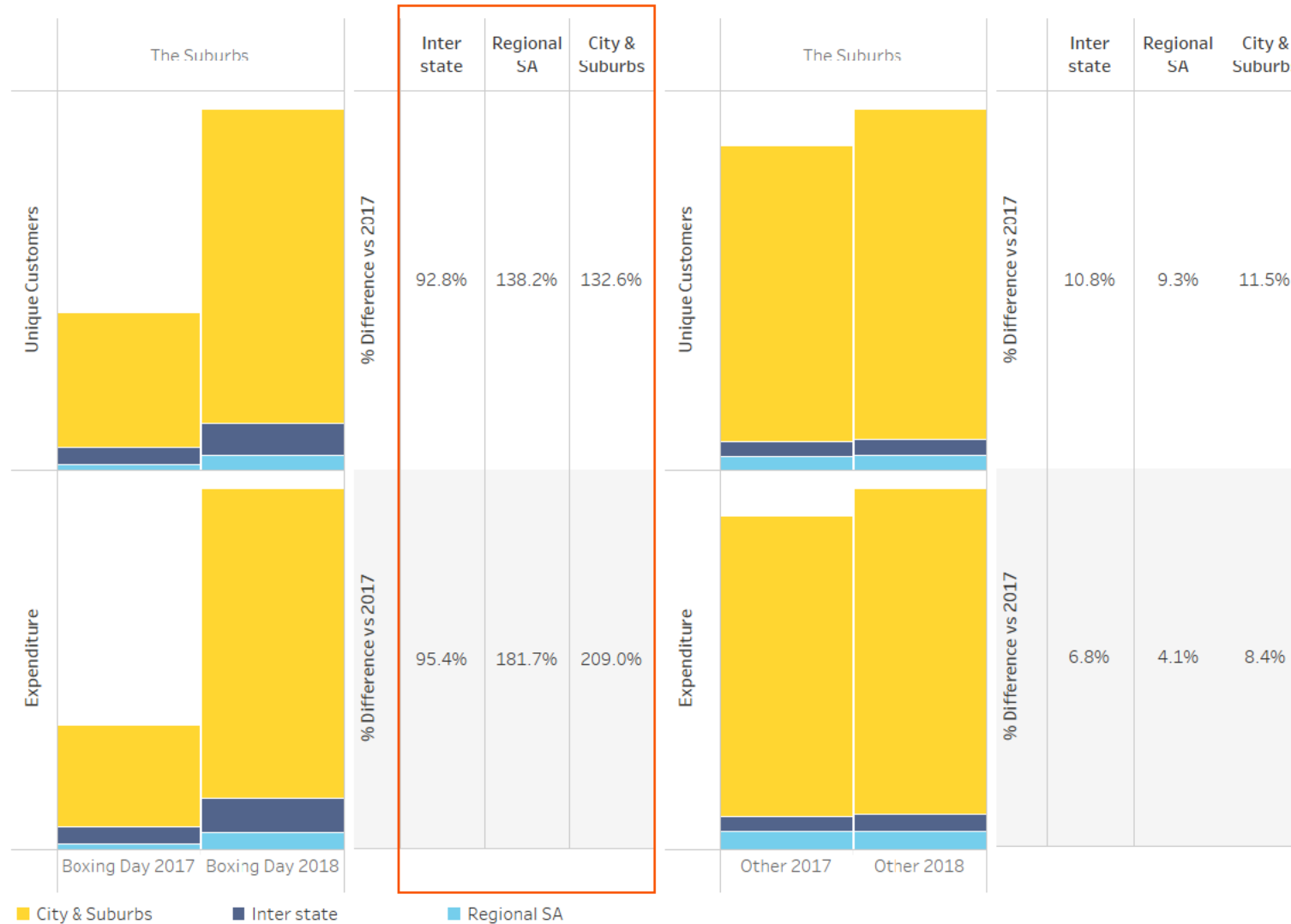


Increased Interstate visitation share at Christmas time

- The biggest increase in share from Interstate visitors and expenditure levels occurs from the Christmas period onwards



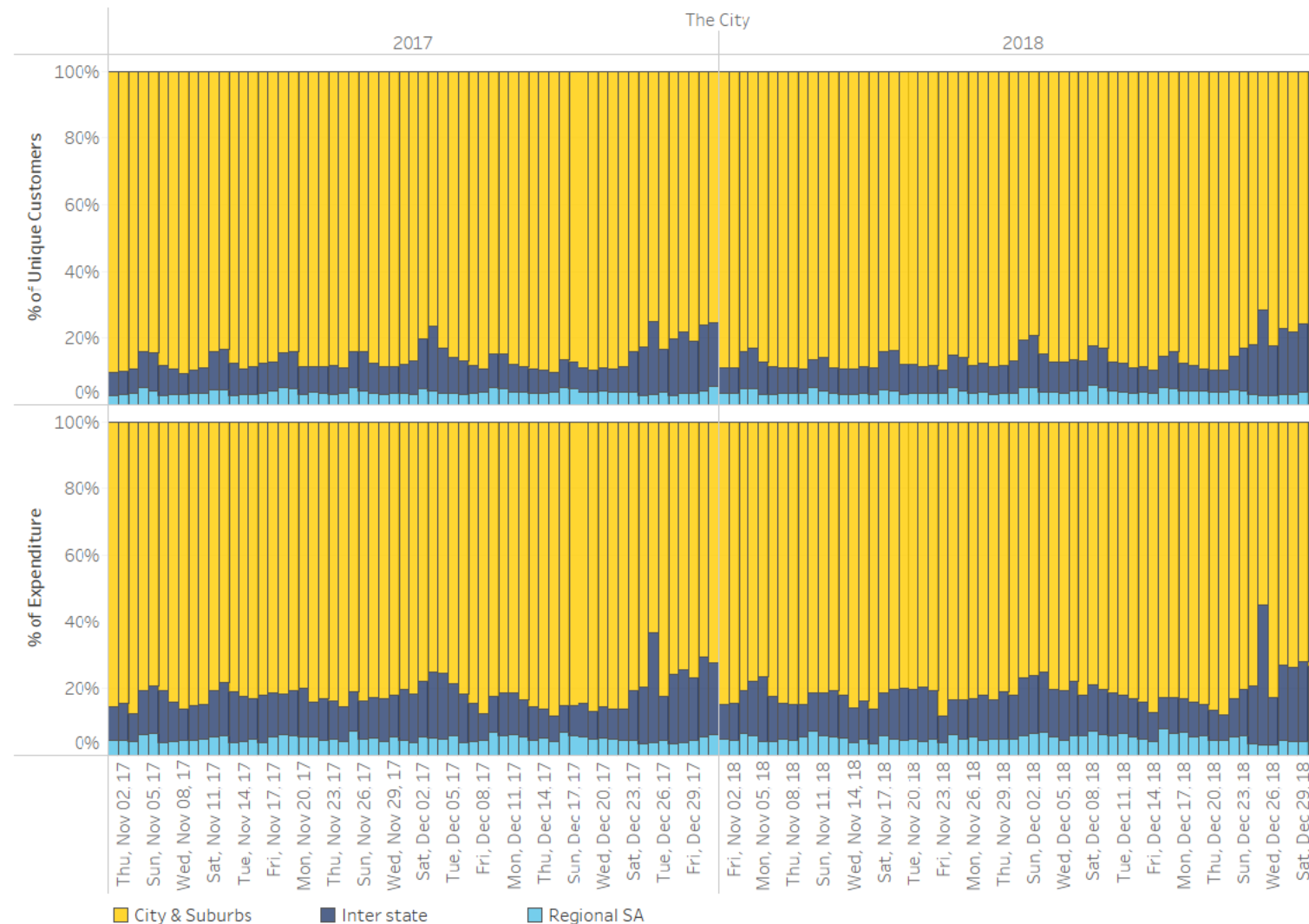
Boxing Day boosts visitation and expenditure



- There is a significant percentage increase in customer visitation and expenditure on Boxing Day compared to Other Days across residents from all visitor types



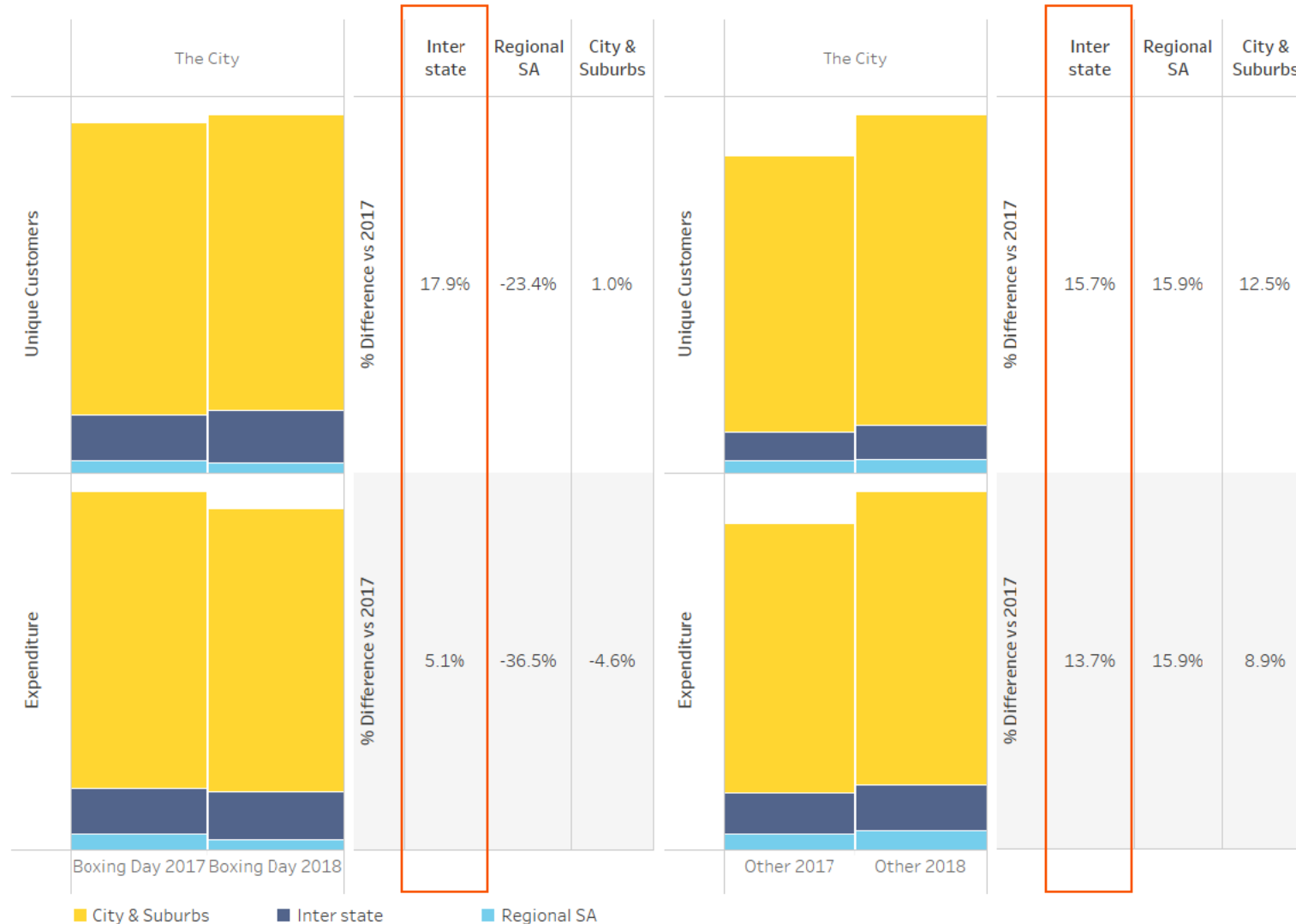
Increased Interstate visitation share at Christmas time



- The biggest increase in share from Interstate visitors and expenditure levels occurs from the Christmas period onwards
- The data also reveals a spike around the first weekend of December in each year most likely due to the cricket



Mixed visitation on Boxing Day



- A higher percentage of Interstate CBA customers visit on Boxing Day compared to Other Days (17.9% vs 15.7%)
- Expenditure in The City by Interstate visitors was 5.1% higher on Boxing Day 2018 and 13.7% higher on Other Days in 2018, compared to 2017
- There is a heavy decline for Regional SA resident visitation and expenditure on Boxing Day, while residents in The City and The Suburbs show a small increase in customers and a decline in expenditure



Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Yearly and Daily Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



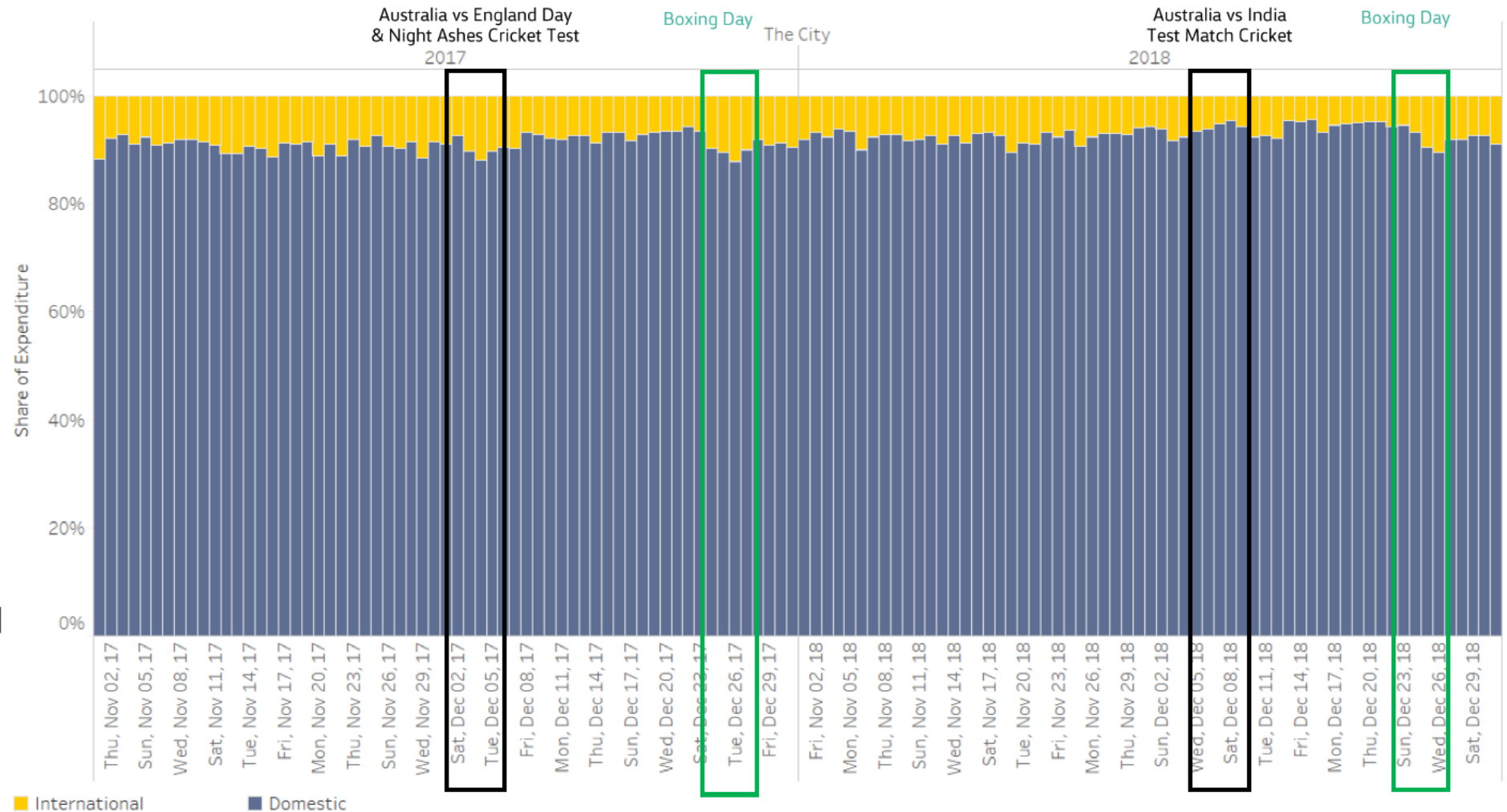
The City



Share of spend

International cardholder contribution to spend increased on Boxing day relative to the days leading up to and after

The City also benefited from increased share of international card spend during the Australia vs England Day & Night Ashes Test at the Oval in Dec 2017



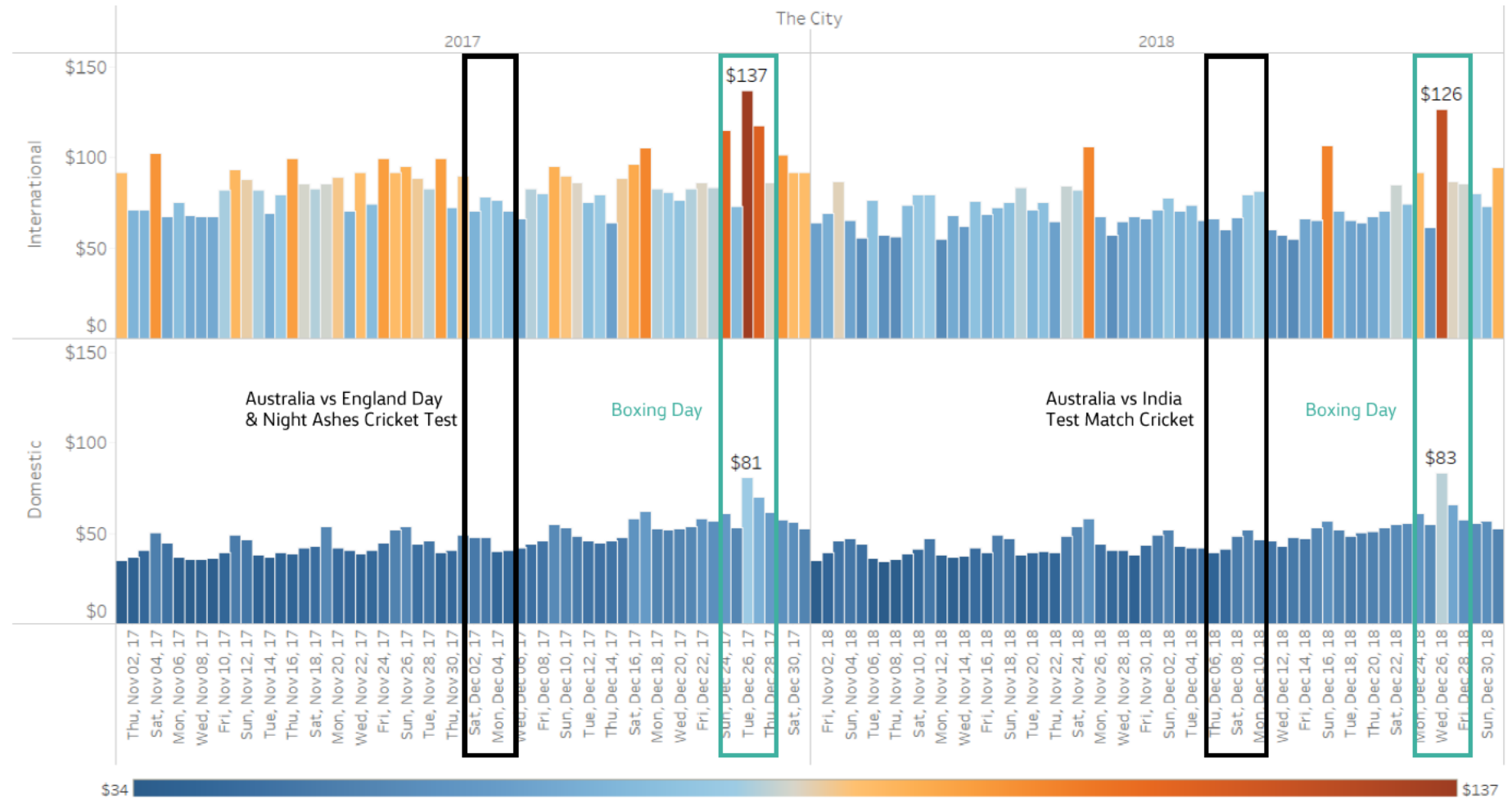
Data is not adjusted for CBA market share, which may include biases by region & spend category and may also change over time. Mapping card BIN ranges to countries is not always accurate – for example data excludes spend from USA cards as not able to map card numbers to BIN ranges due to all Amex cards having a USA BIN range. Data is not adjusted for cash-to-card transaction behaviour over time. CBA is unable to distinguish between personal and business cardholders for international visitors therefore both may be included. The City defined as postcodes 5000 to 5005.



ATV's

ATV's for international cardholders are consistently higher than domestic cardholders

ATV's on Boxing Day for both years were higher than on other days

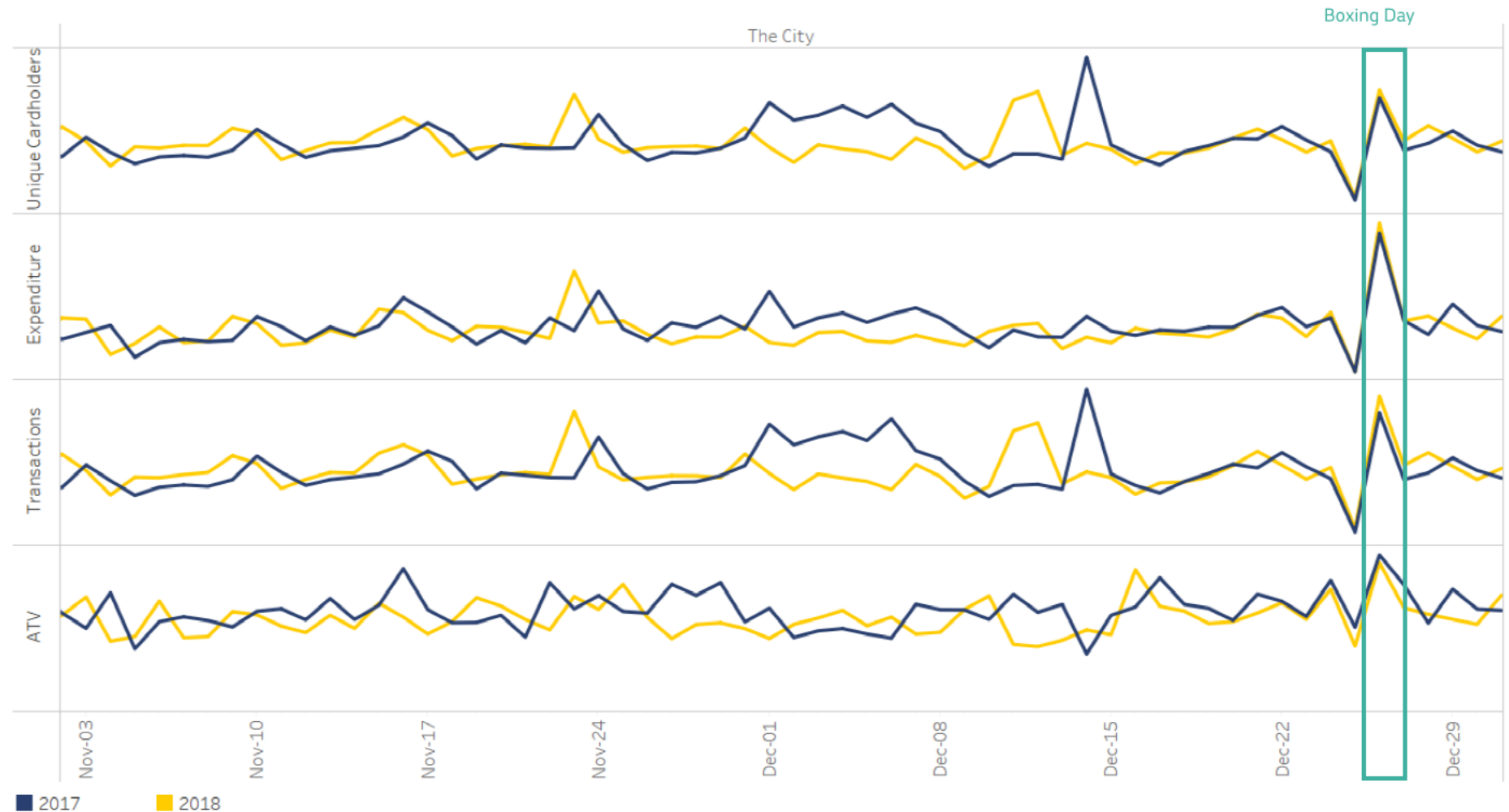


Data is not adjusted for CBA market share, which may include biases by region & spend category and may also change over time. Mapping card BIN ranges to countries is not always accurate – for example data excludes spend from USA cards as not able to map card numbers to BIN ranges due to all Amex cards having a USA BIN range. Data is not adjusted for cash-to-card transaction behaviour over time. CBA is unable to distinguish between personal and business cardholders for international visitors therefore both may be included. The City defined as postcodes 5000 to 5005.



Daily trends

Despite the change in trading hours on Boxing Day 2018, The City experienced essentially no absolute growth in spend, customer count or transaction volumes



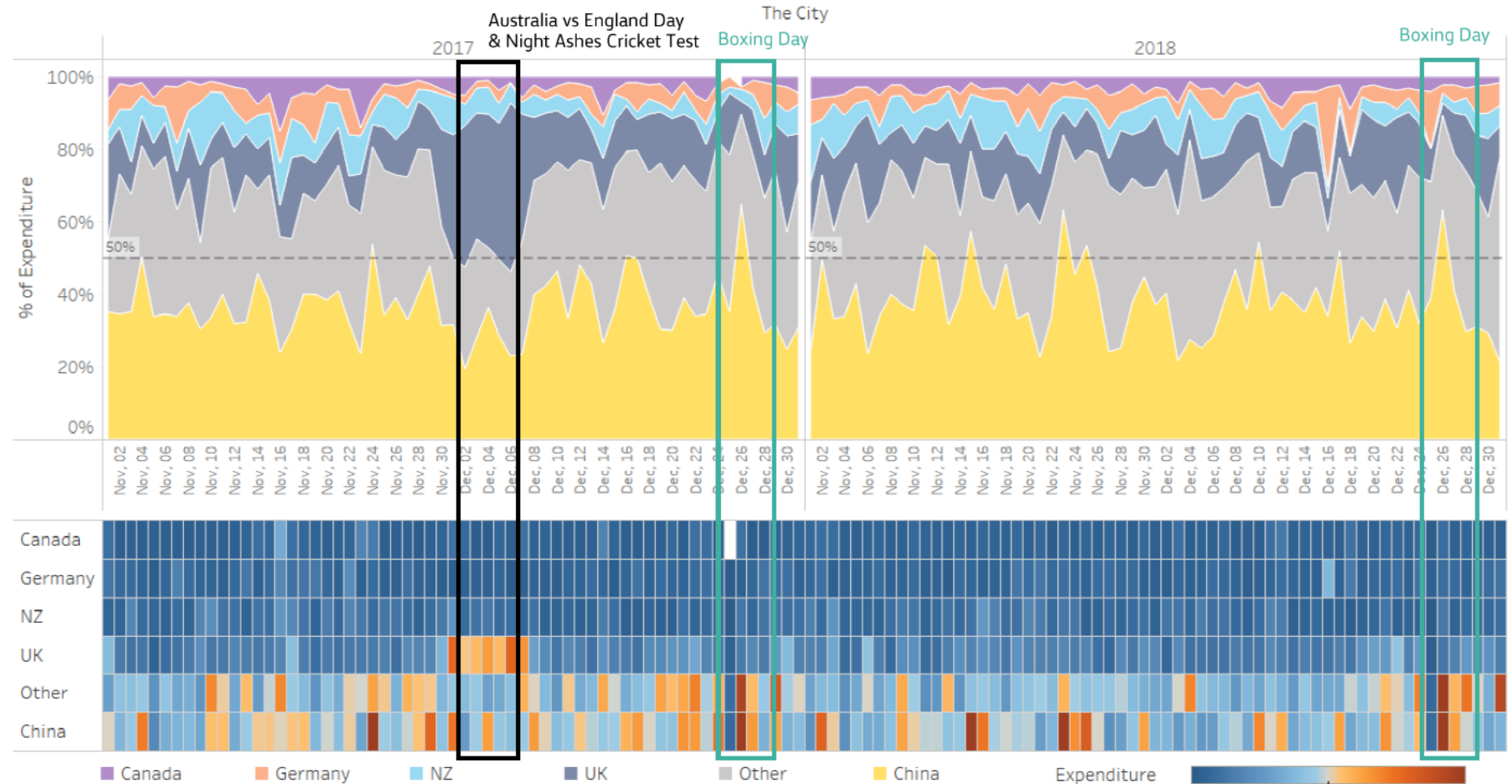
Data is not adjusted for CBA market share, which may include biases by region & spend category and may also change over time. Mapping card BIN ranges to countries is not always accurate – for example data excludes spend from USA cards as not able to map card numbers to BIN ranges due to all Amex cards having a USA BIN range. Data is not adjusted for cash-to-card transaction behaviour over time. ATV = Average Transaction Value. CBA is unable to distinguish between personal and business cardholders for international visitors therefore both may be included. The City defined as postcodes 5000 to 5005.



Share of spend by top 5

Cardholders from China accounted for over 60% of spend on Boxing Day in 2017 & 2018

Share of spend from UK cardholders was highest during the Australia vs England Ashes Test in Dec 2017



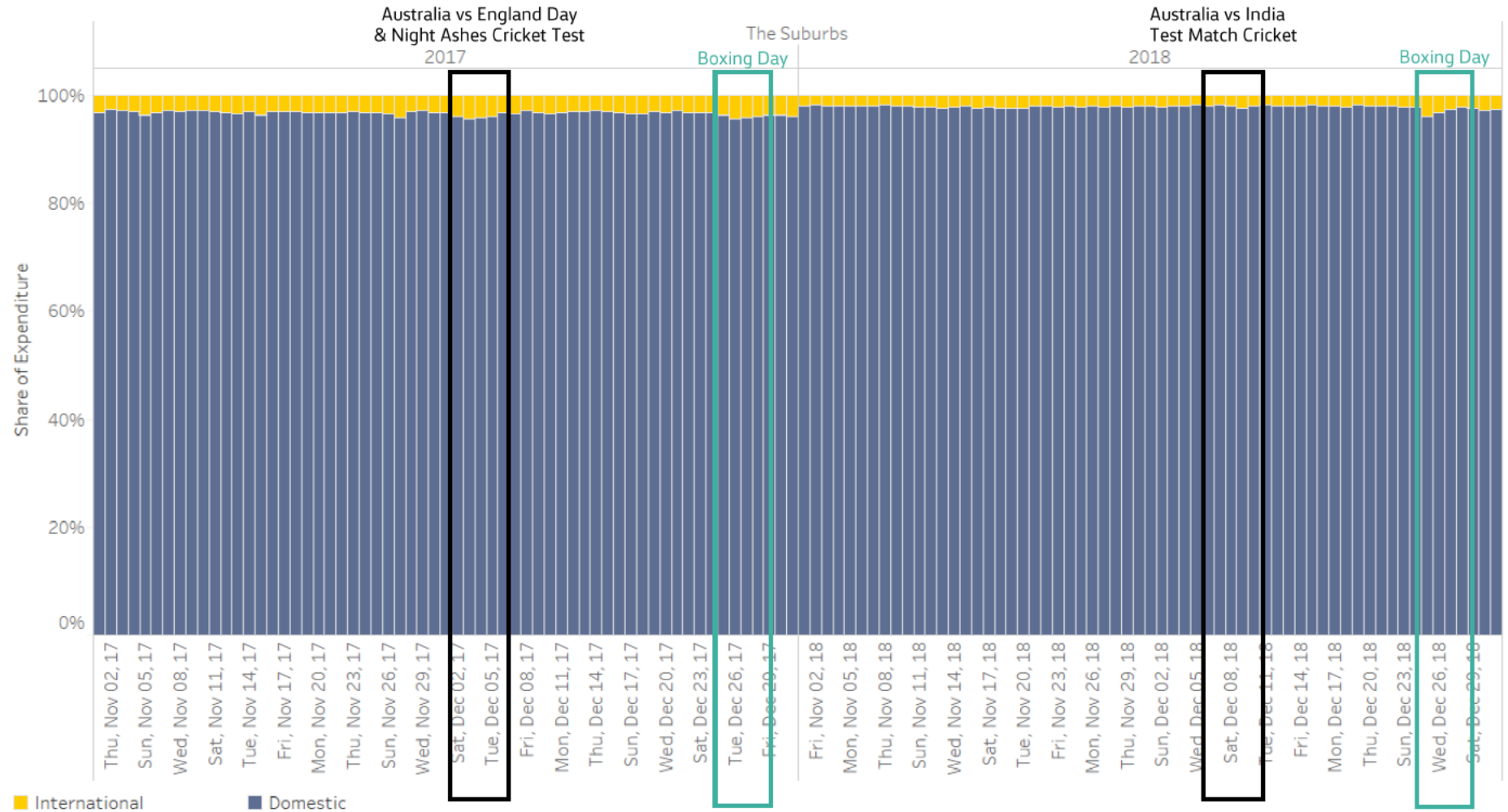
The Suburbs



Share of spend

Contribution from international card spend increased on Boxing Day in both 2017 and 2018

The Ashes Test series between Australia and England also increased international spend in The Suburbs area

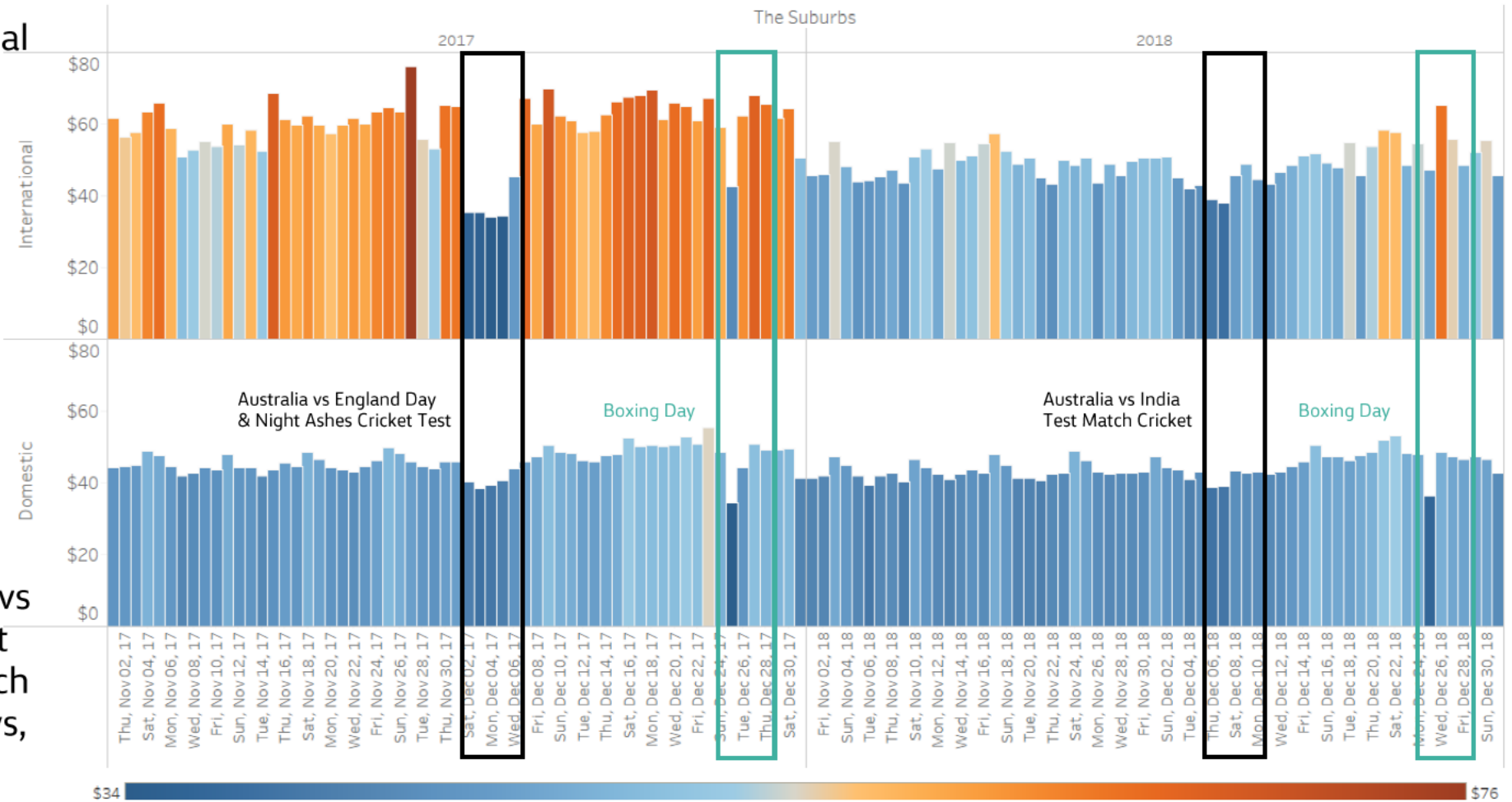


ATV's

ATV's for international cardholders are consistently higher than domestic cardholders

International ATV's on Boxing Day were higher

ATV's from international cards during the Australia vs England Day & Night Ashes Test were much lower than other days, likely reflecting product mix



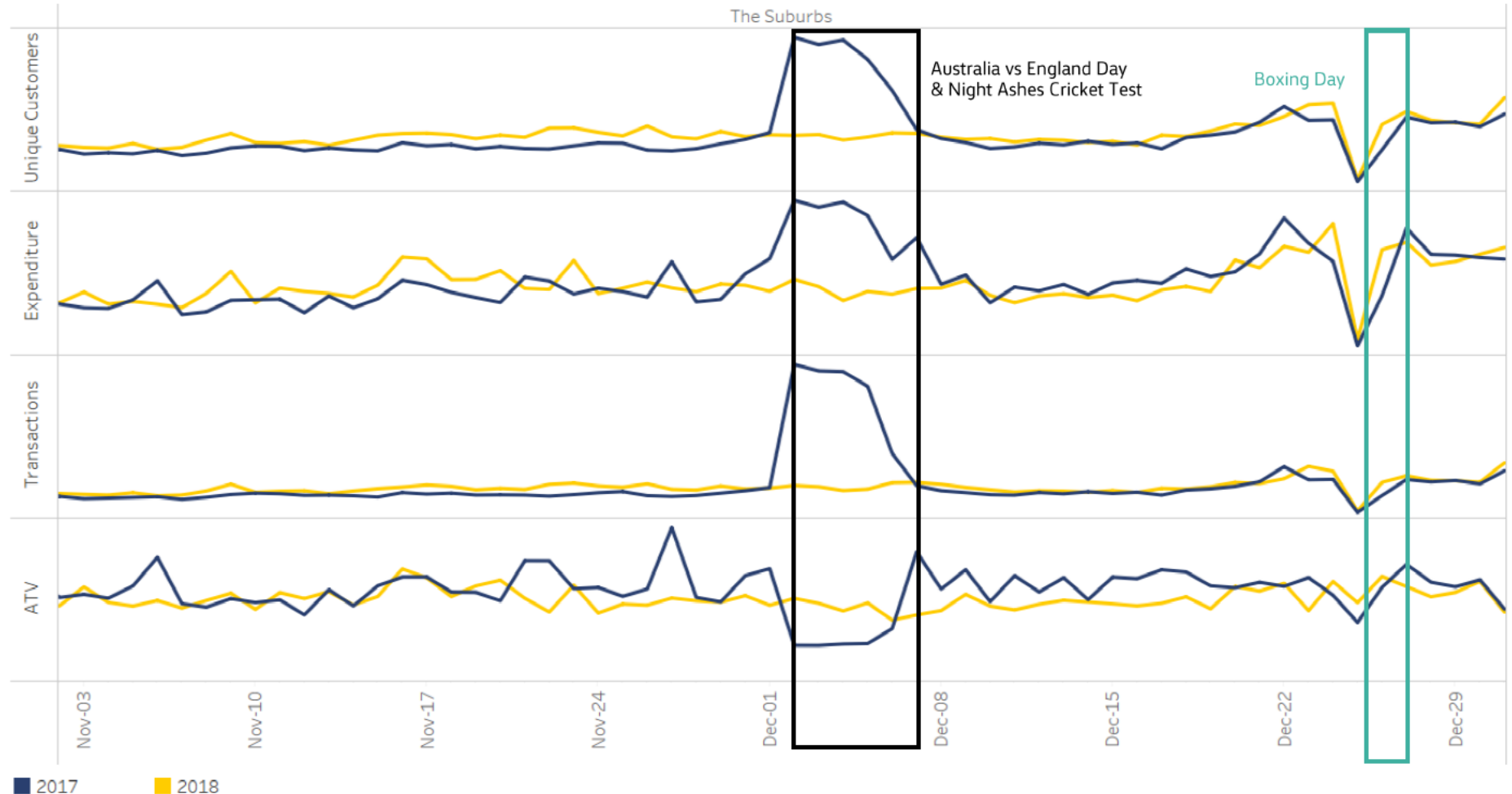
Data is not adjusted for CBA market share, which may include biases by region & spend category and may also change over time. Mapping card BIN ranges to countries is not always accurate – for example data excludes spend from USA cards as not able to map card numbers to BIN ranges due to all Amex cards having a USA BIN range. Data is not adjusted for cash-to-card transaction behaviour over time. ATV = Average Transaction Value. CBA is unable to distinguish between personal and business cardholders for international visitors therefore both may be included. The Suburbs defined as postcodes 5006 to 5174, 5942 (Regency Park) and 5950 (Adelaide Airport).



Daily trends

In absolute terms, spending almost doubled in The Suburbs on Boxing Day 2018

Spending also increased substantially during the 2017 Australia vs England Day & Night Ashes Test



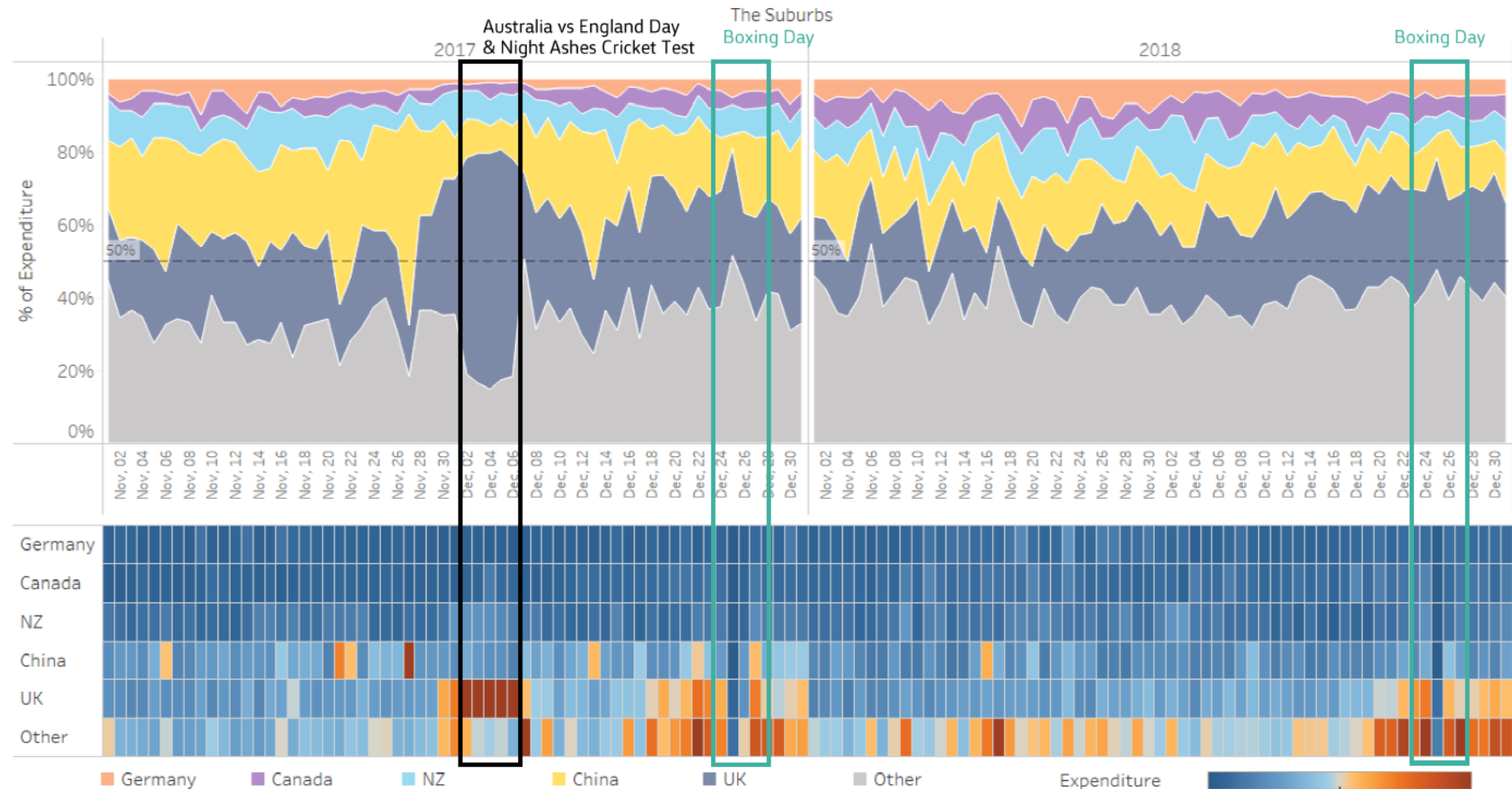
Data is not adjusted for CBA market share, which may include biases by region & spend category and may also change over time. Mapping card BIN ranges to countries is not always accurate – for example data excludes spend from USA cards as not able to map card numbers to BIN ranges due to all Amex cards having a USA BIN range. Data is not adjusted for cash-to-card transaction behaviour over time. ATV = Average Transaction Value. CBA is unable to distinguish between personal and business cardholders for international visitors therefore both may be included. The Suburbs defined as postcodes 5006 to 5174, 5942 (Regency Park) and 5950 (Adelaide Airport).



Share of spend by top 5

UK and Chinese tourists contributed the most the spend on Boxing Day

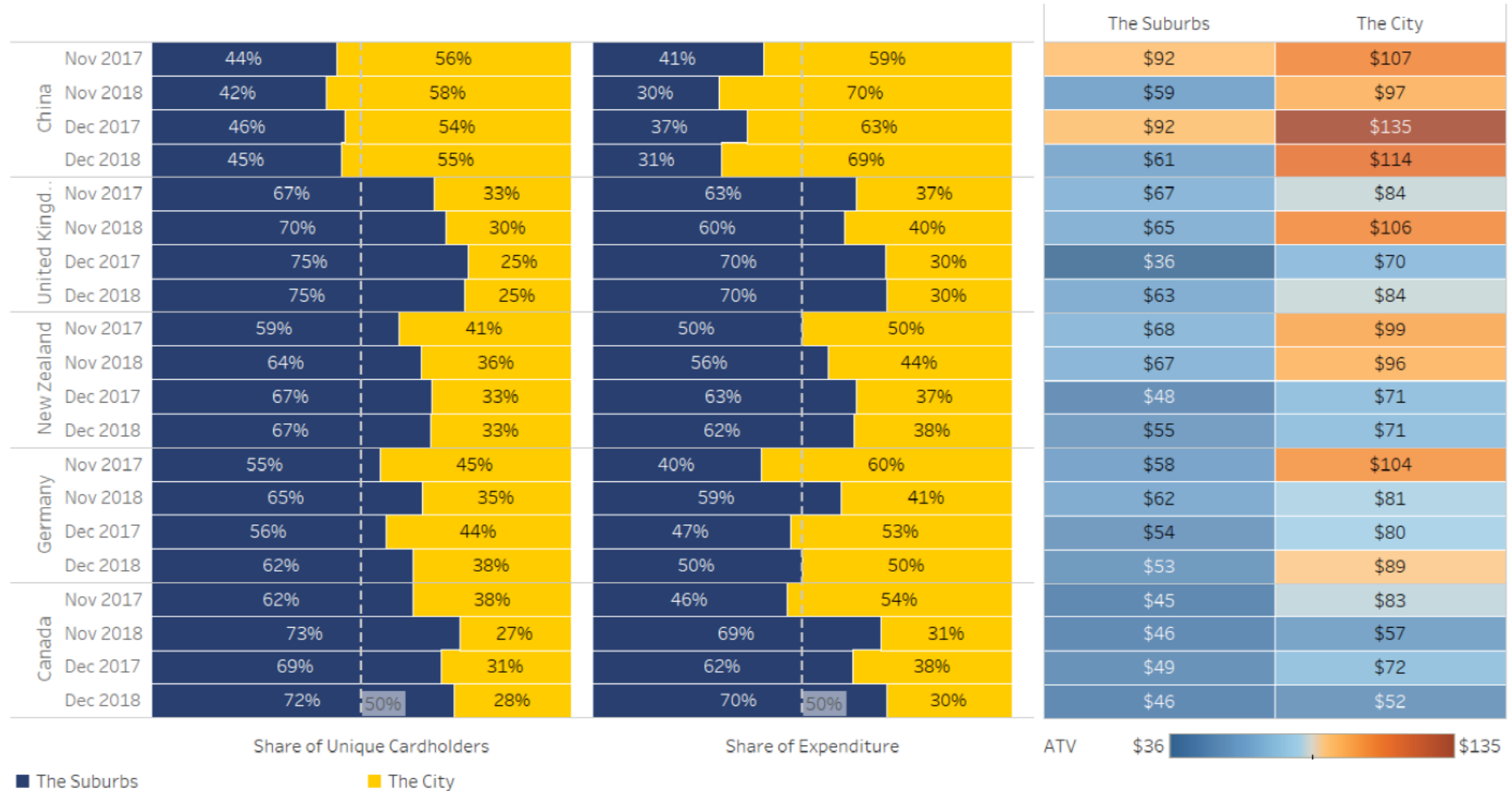
Share of spend from UK cardholders was highest during the 2017 Australia vs England Ashes Test



Top 5 countries share by location – summary level

Cardholders from China represented a higher proportion of spend in The City

Cardholders from the UK allocated more spend in The Suburbs however ATVs were much higher in The City



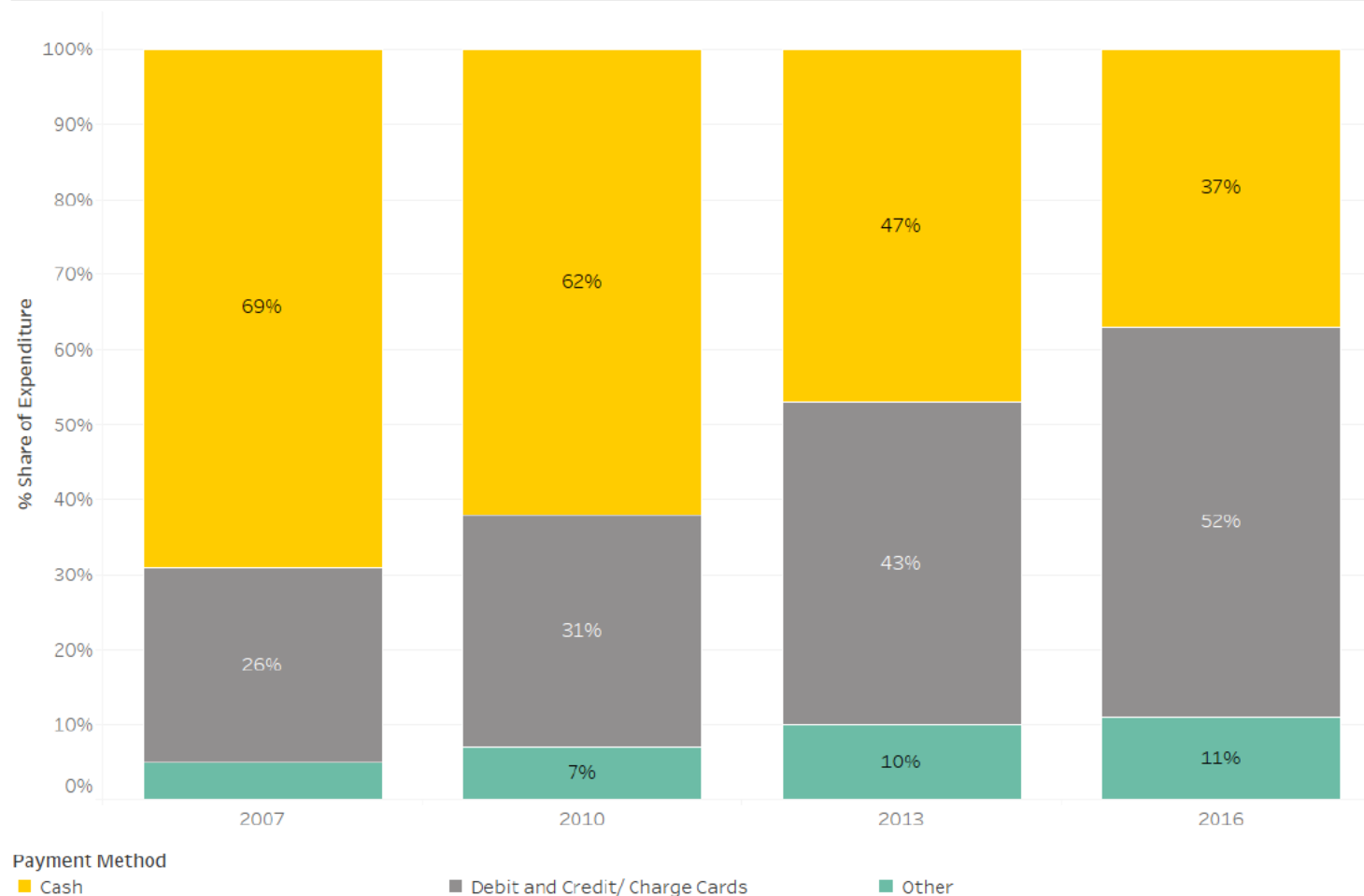
Agenda

- 1 Objective and Scope
- 2 Key Insights
- 3 Annual Trends
- 4 Merchant Categories
- 5 Domestic Visitor Origin
- 6 International Visitation
- 7 Appendix



RBA payment trends

RBA Payment Trends 2007-2013

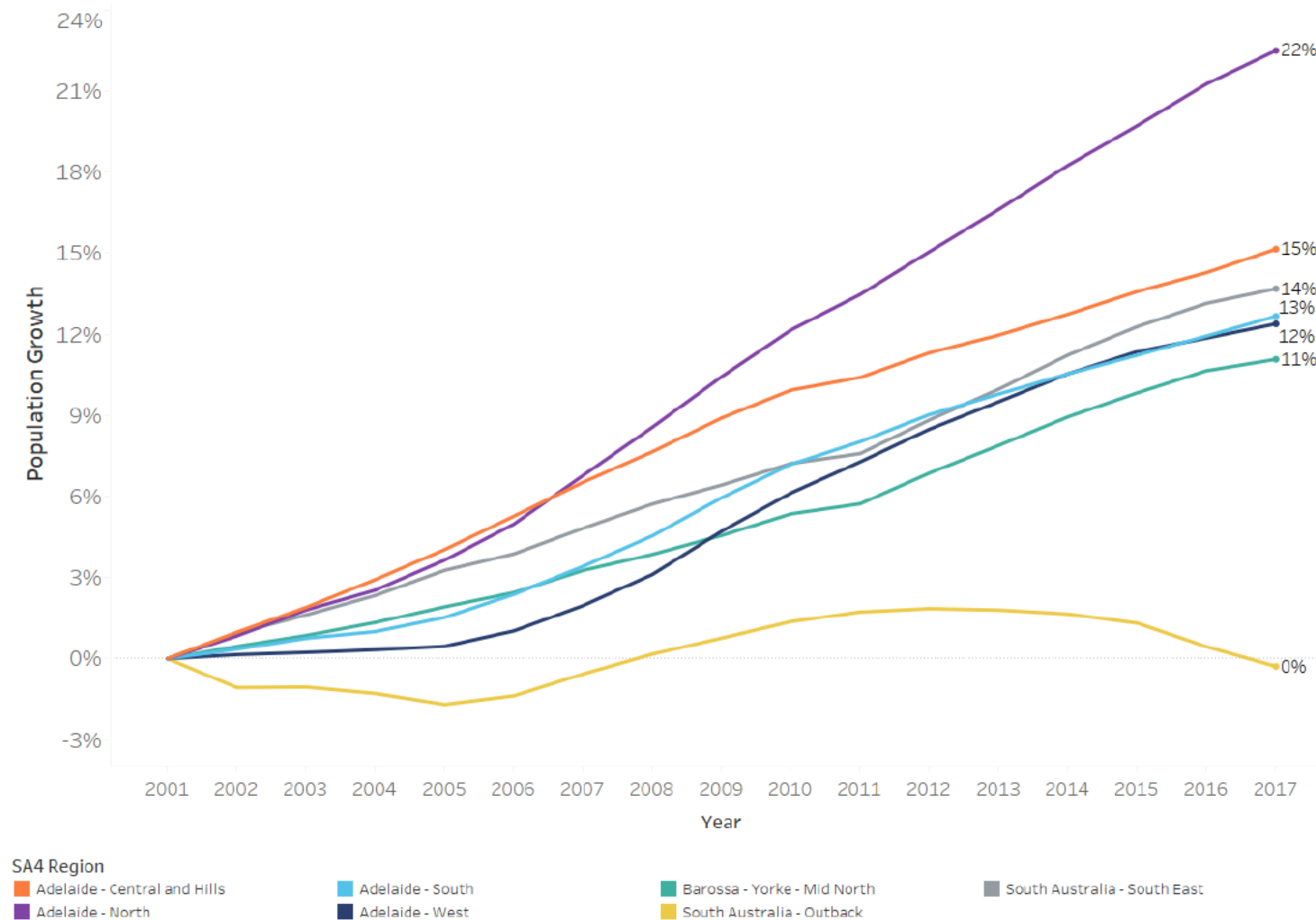


- A report released by the RBA in March 2017 shows that there has been an increase in card usage of around 9% between 2013 & 2016 and that the average size of card payments has dropped from \$40 in 2007 to \$28 in 2016
- This is useful context to consider when analysing year-on-year card spend trends



Population growth: 2001 - 2017

- It is also useful to consider population growth which can have a significant impact on cardholder spend and associated geo-demographics when analysing payments data through CBA merchants



Drinking and shopping before Christmas

- Based on an index start date of November 1, 2018, CBA cardholders indexed the highest in the categories of Pubs & Liquor and Department Stores around Christmas time



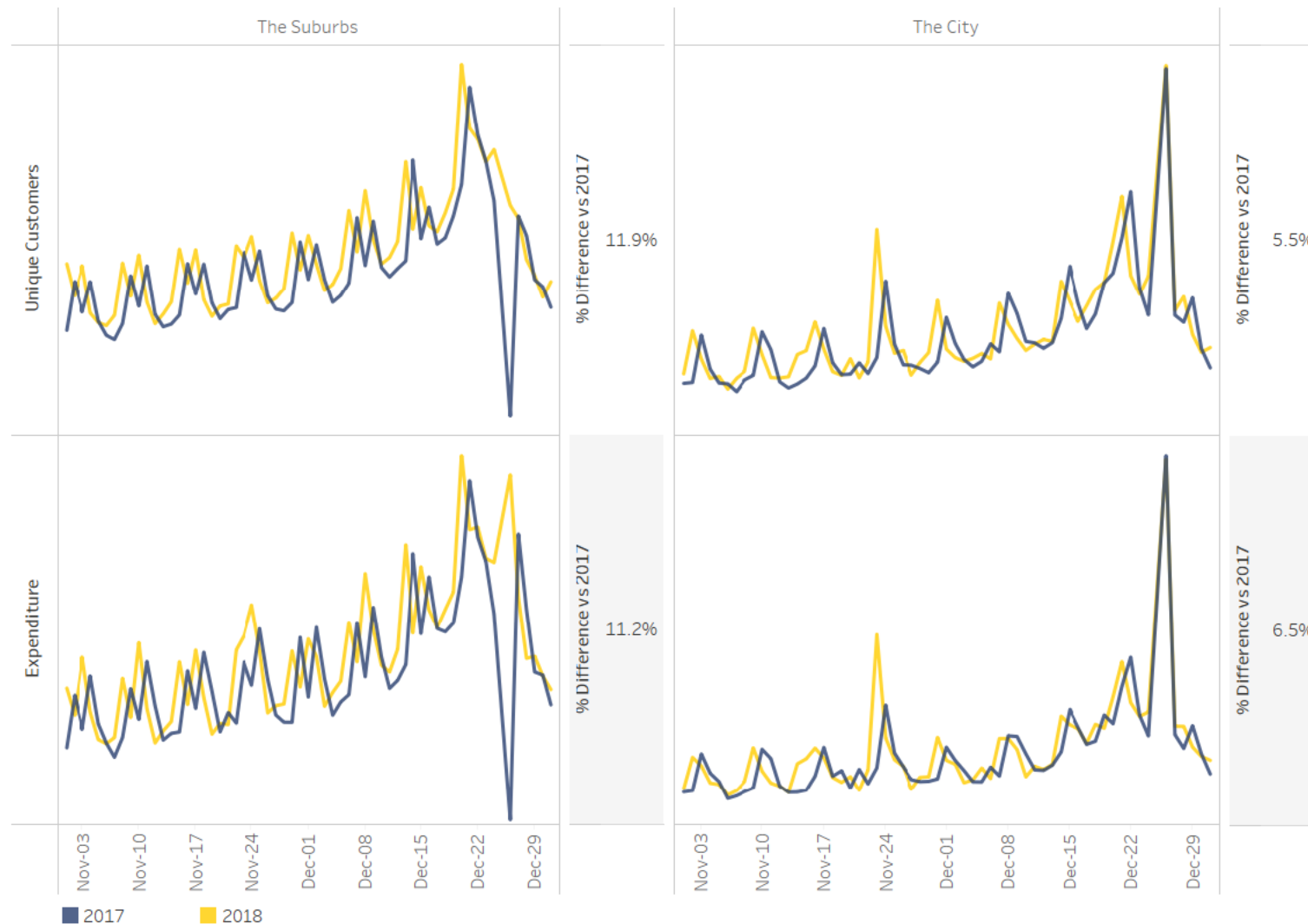
Clothing transaction trends by region by day



- The City has performed comparatively better than The Suburbs with four times the percentage increase in unique customers over the time period
- Expenditure has increased at a similar pace across both regions



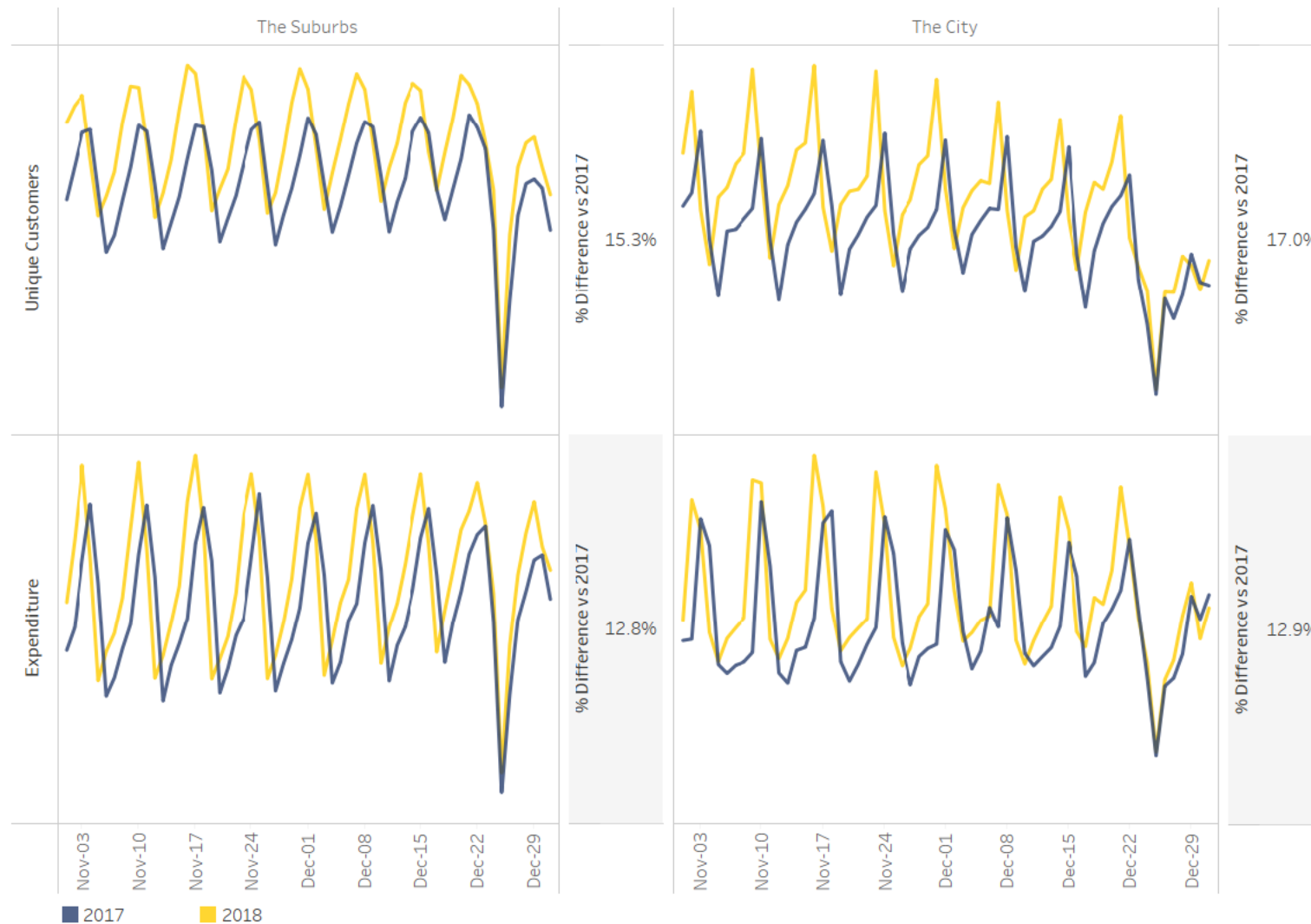
Department Store transaction trends by region by day



- The Suburbs have performed comparatively better than The City with twice the percentage increase in unique customers and expenditure over the time period



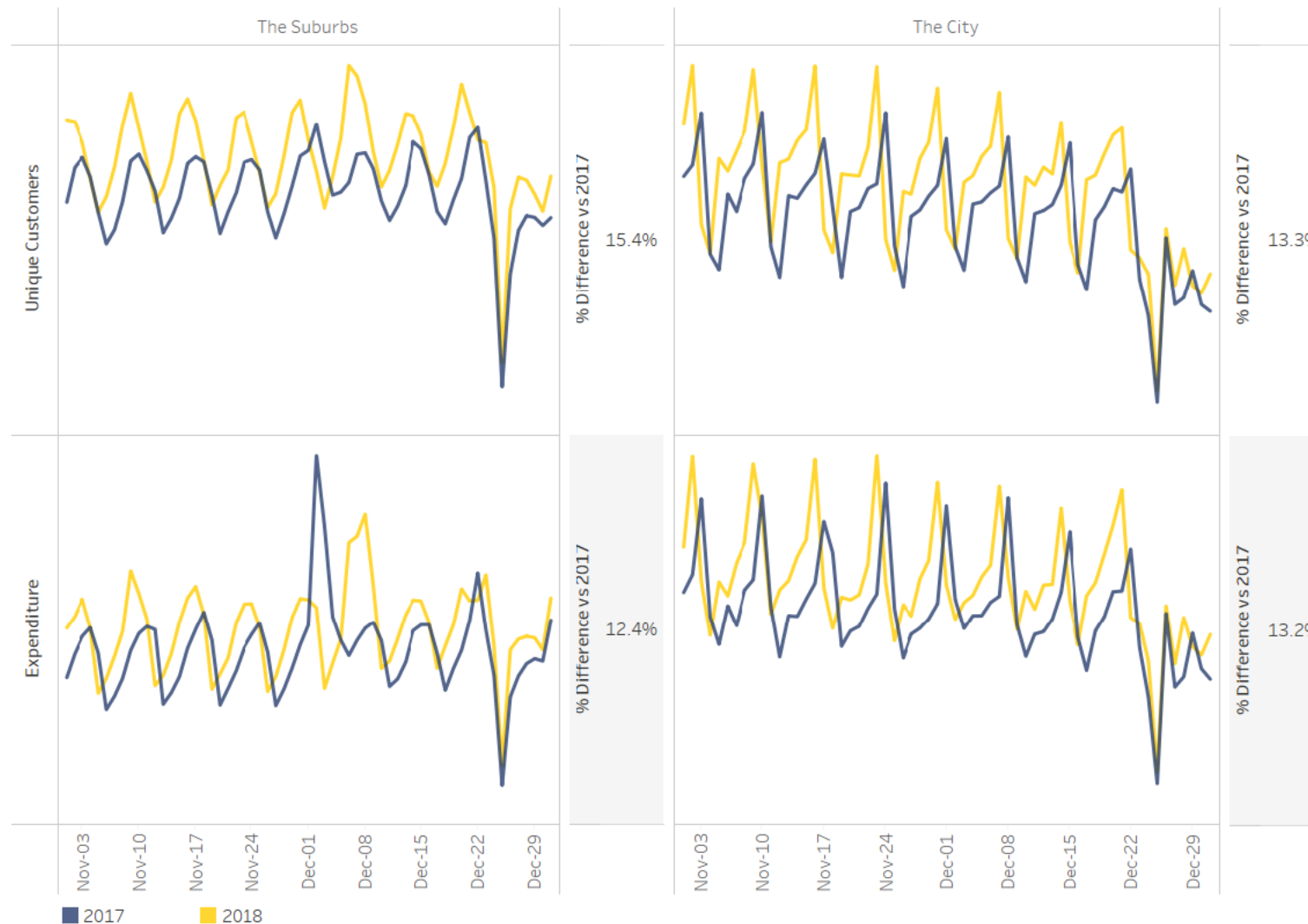
Eating Out & Dining transaction trends by region by day



- Both regions have performed comparatively on par with each other, increasing unique customers and expenditure over the time period



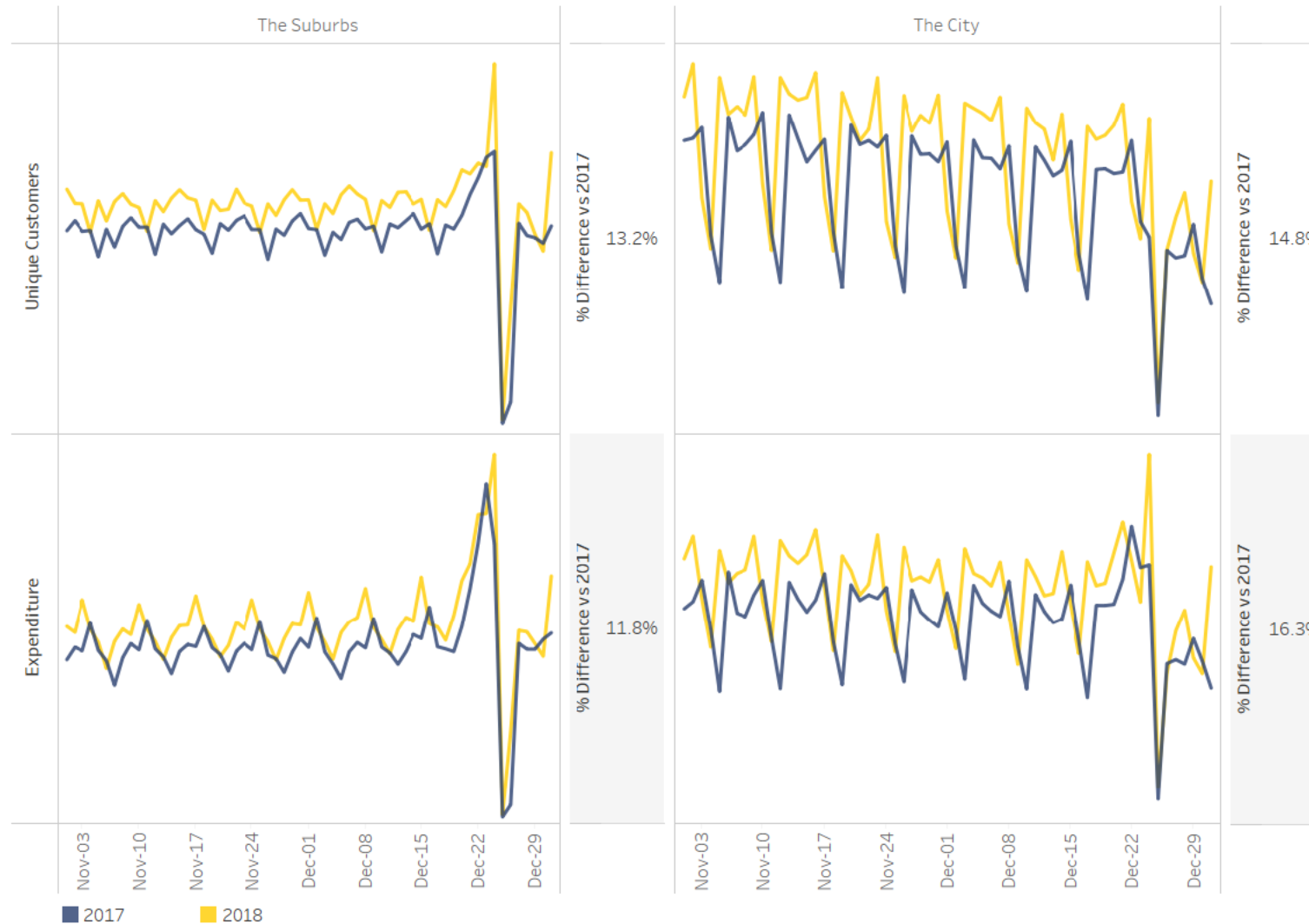
Fastfood Restaurant transaction trends by region by day



- Both regions have performed comparatively on par with each other, increasing unique customers and expenditure over the time period



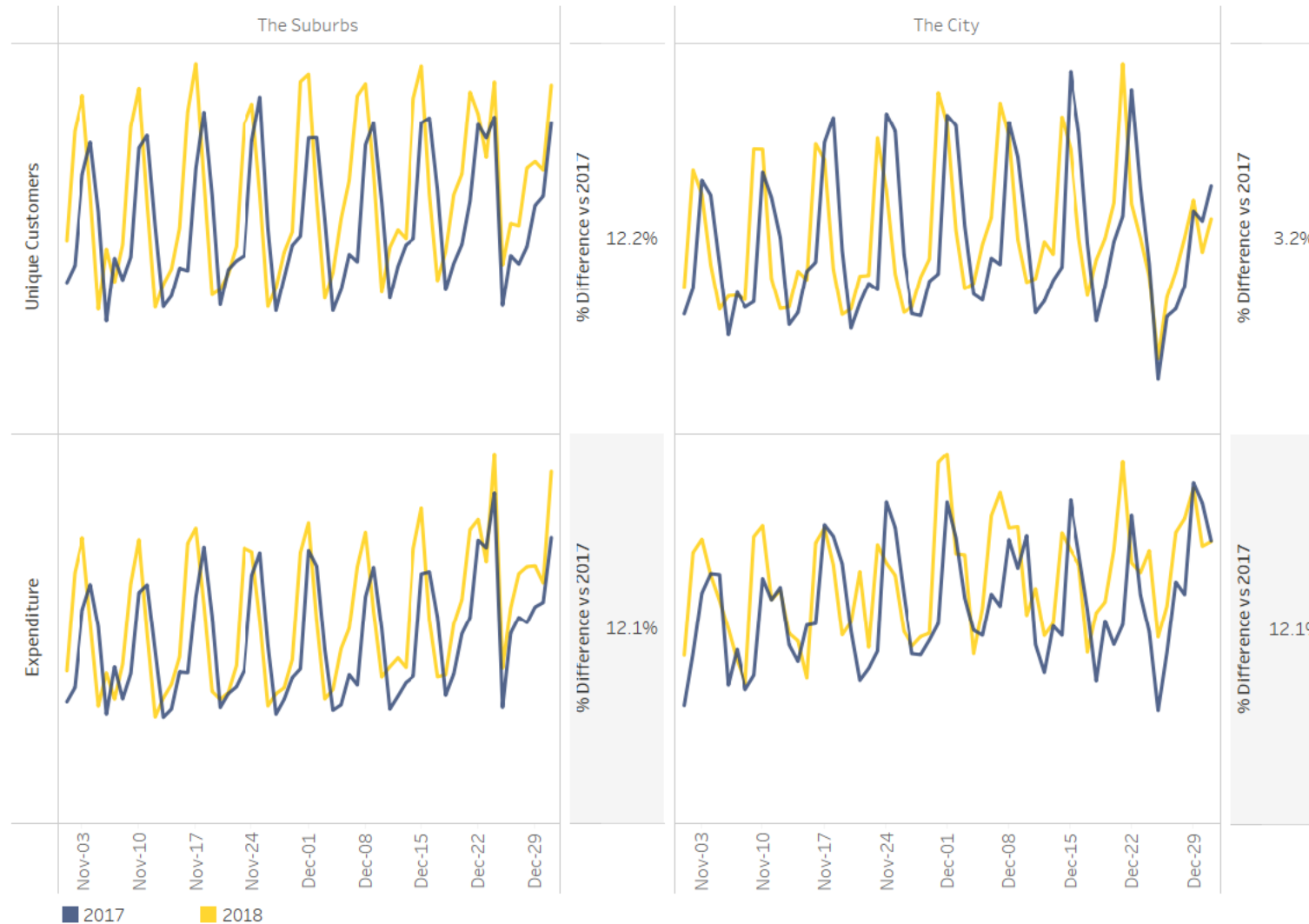
Grocery transaction trends by region by day



- Both regions have performed comparatively on par with each other in terms of percentage of unique customers growth
- The City has however recorded a bigger percentage increase in expenditure compared to The Suburbs



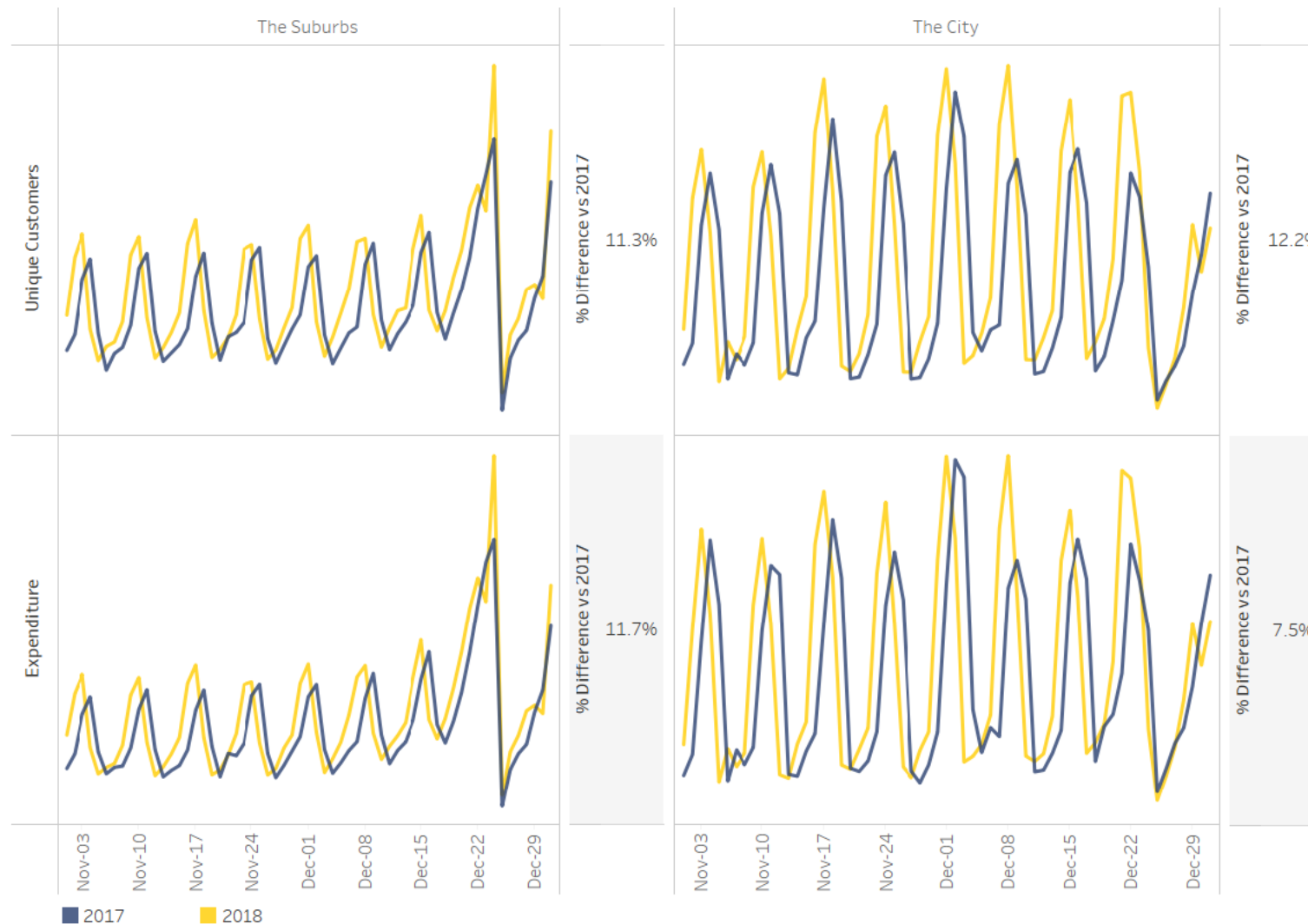
Hotel transaction trends by region by day



- Both regions have performed comparatively on par with each other in terms of percentage of expenditure growth
- The Suburbs have however recorded four times the percentage growth in unique customers compared to The City



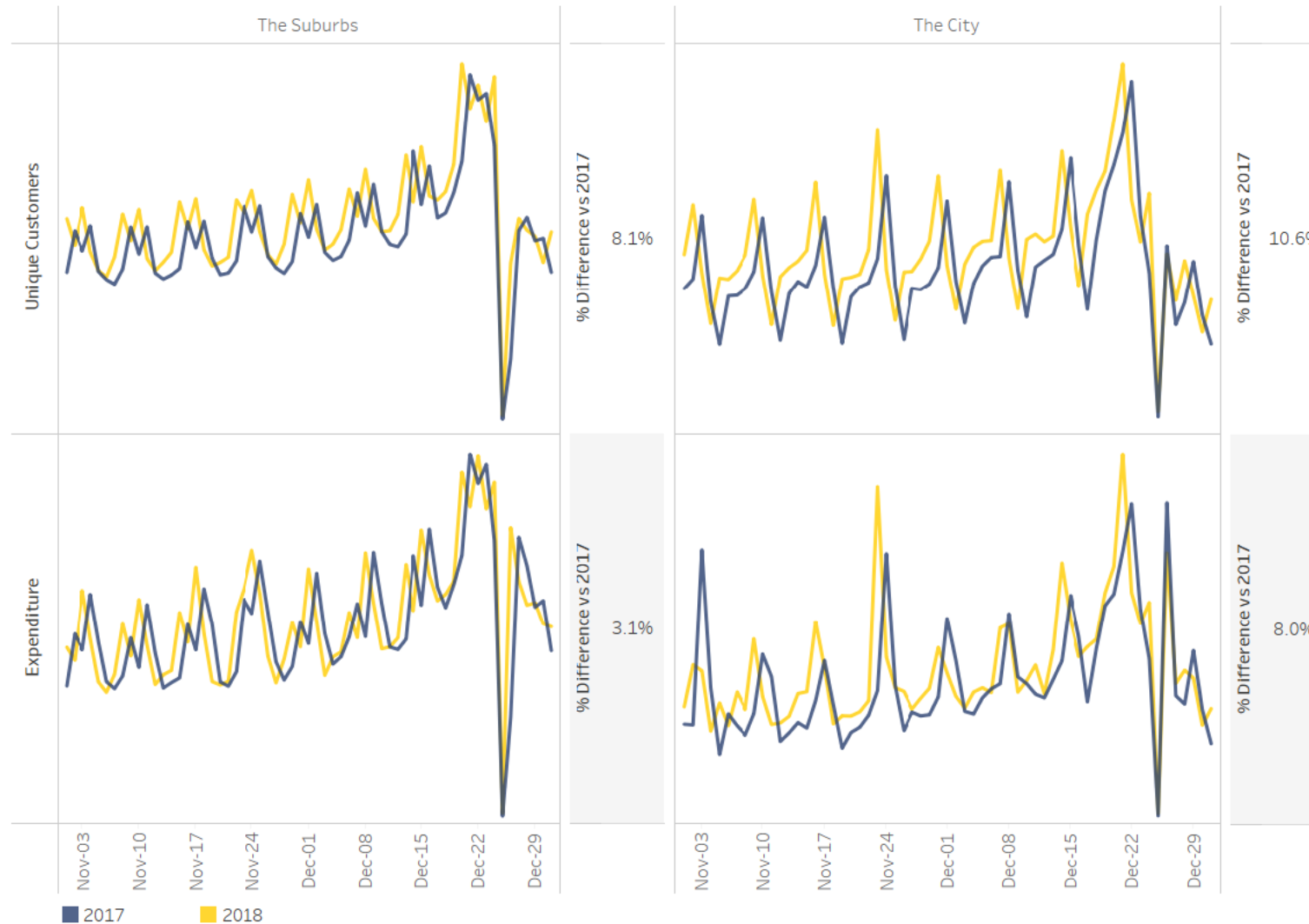
Pub & Liquor transaction trends by region by day



- Both regions have performed comparatively on par with each other in terms of percentage of unique customers growth
- The Suburbs have however recorded a bigger percentage increase in expenditure compared to The City



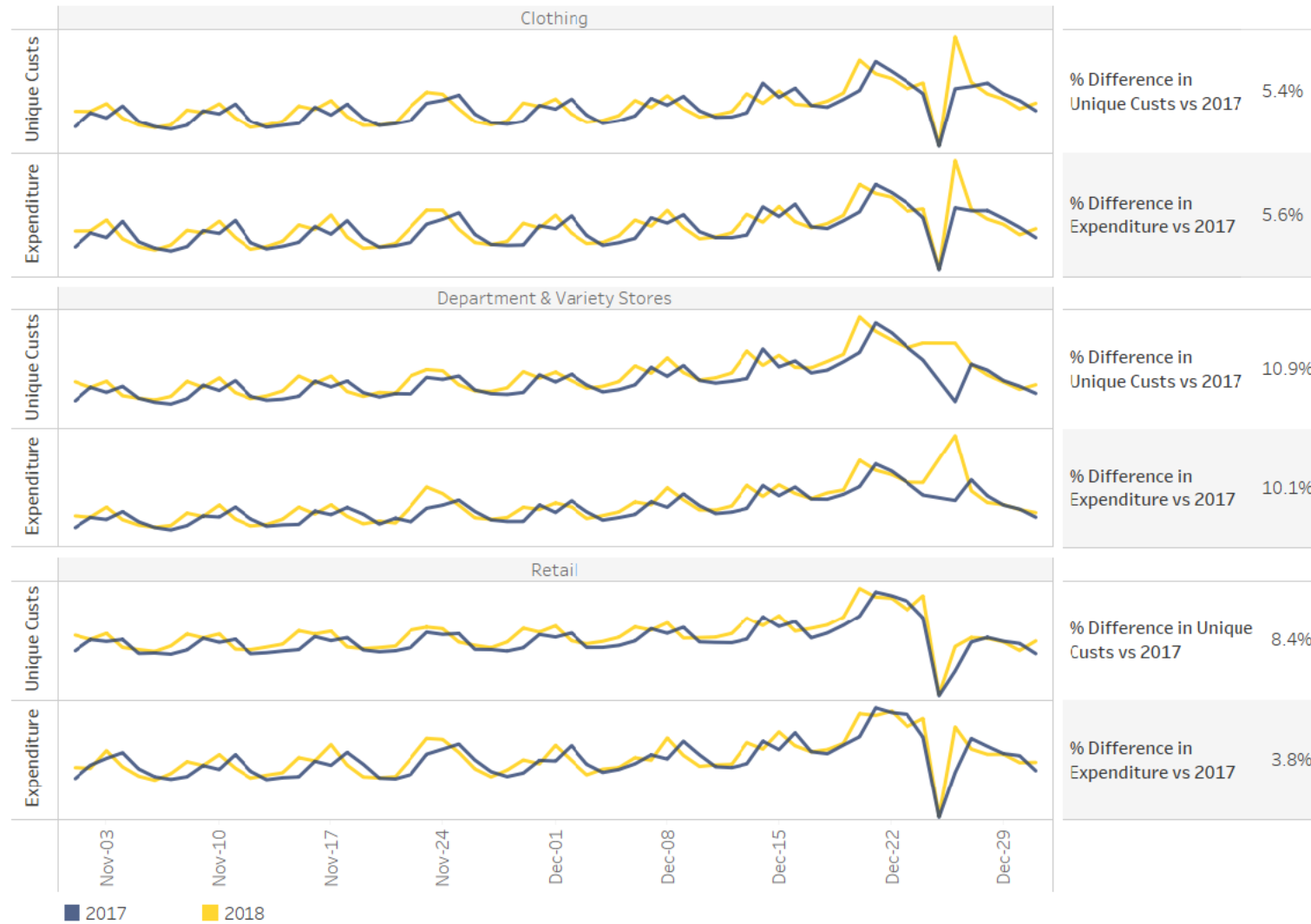
Retail transaction trends by region by day



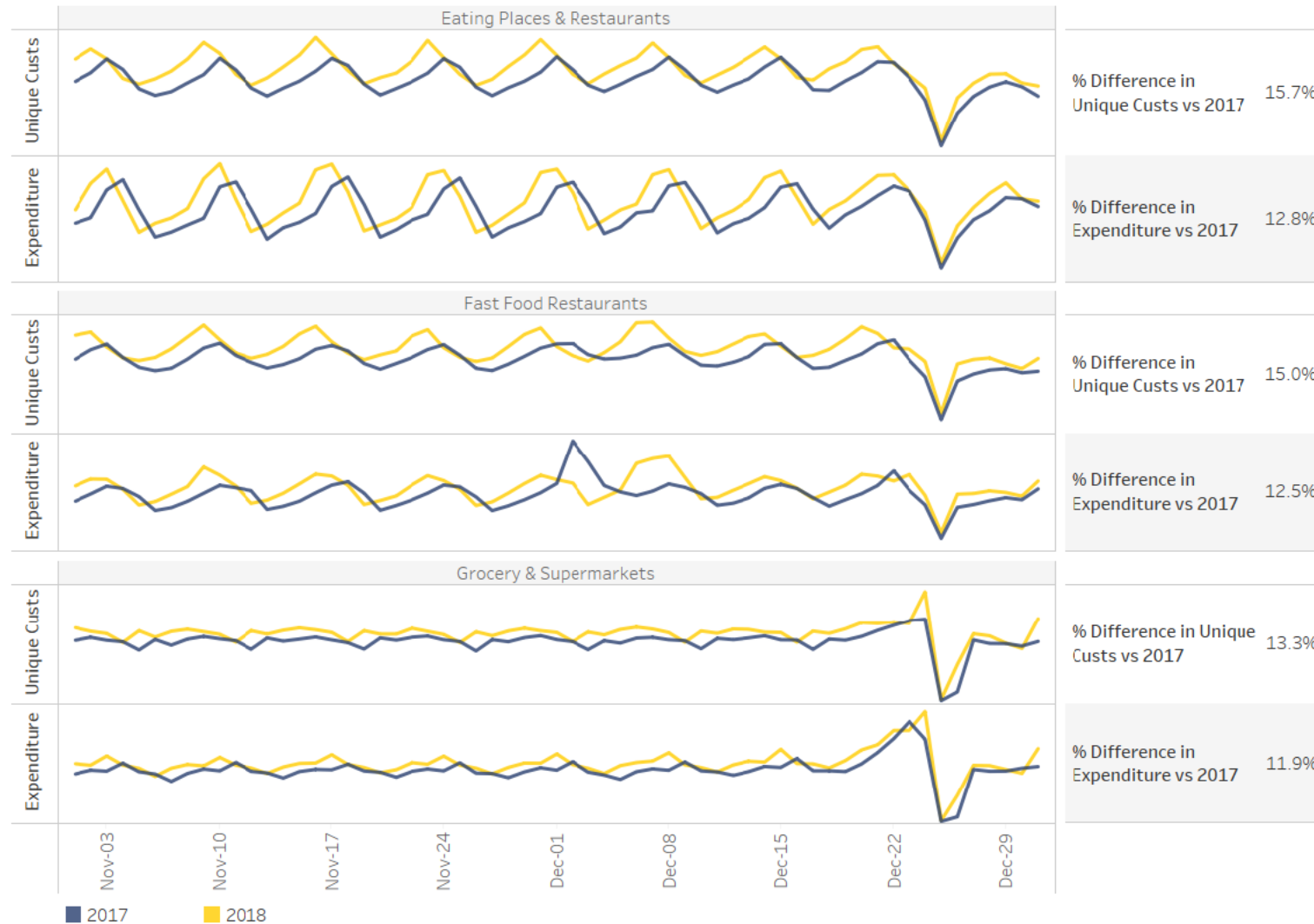
- Both regions have performed comparatively on par with each other in terms of percentage of unique customers growth
- The City has however recorded two-and-a-half times the percentage growth in expenditure compared to The Suburbs



Merchant category transaction trends by day



Merchant category transaction trends by day (cont.)



Merchant category transaction trends by day (cont.)



Disclaimer

This Advanced Analytics Report (Report) is provided by Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945 (Commonwealth Bank) and is based on information available at the time of publishing.

The Report is confidential and is provided to you on the condition that you will not disclose its contents to any third parties other than your directors or employees, without the prior written consent of Commonwealth Bank. This obligation will not apply if the information is available to the public generally (except as a result of a breach of a confidentiality obligation) or you are required to disclose it by law. The Report is provided subject to the terms and conditions contained in the Engagement letter and Standard Terms and Conditions.

Commonwealth Bank has taken reasonable steps to ensure that the information in this Report is correct and any opinions, conclusions or recommendations are reasonably held or made as at the time of its compilation but no warranty is made as to accuracy, reliability or completeness.

To the extent permitted by law Commonwealth Bank and its subsidiaries (Commonwealth Bank Group) do not accept liability to you or any person for loss or damage arising from the use of this Report. The contents of this Report should not be relied upon by you or any third party in making business or other decisions. This Report is not a substitute for professional advice.

Any opinions, conclusions or recommendations in this Report are subject to change without notice and Commonwealth Bank is under no obligation to, and do not, update or keep current the information contained in this Report.

The report has been prepared for information purposes only without taking account of the objectives, financial situation or needs of any particular person. For this reason, any person should, before acting on the information in this report, consider the appropriateness of the information, having regard to their objectives, financial situation and needs and, if necessary, seek appropriate professional advice.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject the Commonwealth Bank Group to any registration or licensing requirement within such jurisdiction.

All customer data used or represented in this Report is anonymous and aggregated before analysis and is used and disclosed in accordance with the Commonwealth Bank Group's Privacy Policy Statement. By receiving a copy of this Report you acknowledge and agree that you will not use, manipulate or interpret the information to identify any individual or entity.

You must immediately notify the Commonwealth Bank about any actual or suspected accidental or unauthorised access to or data breach involving any Commonwealth Bank customer data that is personal information. Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable.

All material presented in this Report, unless specifically indicated otherwise, is under copyright to the Commonwealth Bank Group. None of the Report, its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior written permission of the Commonwealth Bank.





Thank you