

## **The THE industry environment and how Adelaide Oval is affected by the industry environment**

Statistically, tourism has played an important role in shaping the South Australian economy and remains a key driver for future growth of the state, estimating over \$5.2 billions in expenditure and creating employment opportunities for over 31,000 South Australians (3 times higher than the mining sector). The industry observes a substantial growth projection into the future and is regarded as one of the core economic priorities by The South Australian Government. Quantitative data has shown that tourism in South Australia is heavily dominated by small businesses with almost 90% among 18,000 hospitality-focused business are in extremely small scale (less than 20 employees). This major segment has been the core representative of tourism enterprises while medium-size businesses account for 200 and large ones are only 39 in number . The issue arose from this speculation is that the government has to step in and take more aggressive initiatives to conduct full marketing campaigns to drive destination demand and to ensure a healthily thriving business environment for its business. On a positive note, the South Australian Tourism Commission (SATC) is strongly pushing the Tourism Research Australia (TRA) practice to provide information and sufficient resources to facilitate investments in tourism industry and the businesses inside it. The work can vary from partnering with local councils and development offices to taking pro-active measures to support economic growth and to generate employments.

On a similar page, events sector also serve as a major driver for South Australia socio-economic prosperity, offering a tangible time-limited impulse that motivates visitors to travel to the destination and enjoy the one-time experiences. Major events occurring around the year have a significant role in creating positive media coverage as a tremendously effective marketing tool for South Australia, which in turns encourage leisure visits. Big-name events, high-profile concerts and festivals also help raise destination awareness and promote South Australia as a diverse and interesting stop worth visiting. South Australia has also been well-known for the alluring events and dense festival calendar, indicating a strong leverage for putting this destination on the map. The favourable market condition is not without its limitations and challenges, of which a major one is the struggle to encourage longer stay, essentially leading to higher average expenditure and more opportunities to showcase other tourism products (South Australian Tourism Commission Official Submission, n.d.)

Adelaide Oval, undoubtedly benefiting from such favourable market conditions and thriving macro-economic drivers, was constructed on the idea of coping with such market growth and bringing it to the next level. The project has gained tremendous amount of media coverage and attentions from visitors, being regarded as "one of the most picturesque Test cricket grounds in Australia, if not the world.". As a result, it is not difficult to attract customers and generate a healthy sustainable revenue inflows.

## **The overall scope of operations of the business (what does the business do/provide)**

Adelaide Oval is a world-class 52,000 seat sports ground in Adelaide, predominantly utilized for football and cricket but however is extended to host rugby, soccer, tennis and concerts on a regular basis. This multi-short venue received two major awards including the 2014 South Australian Engineering Excellence Award for Buildings as well as Structures and the Malcolm Kinnaird Engineering Excellence Award (Adelaide Oval, n.d.). Major sport events can be named as Test Matches, T20 Internationals, One Day Internationals and the Big Bash League. Noteworthy concerts include Adele, Guns 'N Roses, ACDC and the Rolling Stones. Rather than that, Adelaide Oval also offers several other products and services such as hosting functions, weddings and conferences as well as events catering and venue hires. External catering at Monarto and Titanium Arena is also at disposal. Another revenue source is the stadium tours in which visitors get to know what is behind the scenes and tour the

exhibition area. A recently proposed stadium hotel is also during negotiations as tourism and hotel demand is increasing with Adelaide hotel market growing in size. The financial evaluation and final benchmarking on the proposed 138-key hotel is still in process, expectedly providing a new sustainable cash inflow in the future.

South Australian Tourism Commission Official Submission (n.d.). *Productivity Commission Research Paper – Tourism AUSTRALIA'S INTERNATIONAL TOURISM INDUSTRY: TRENDS, DRIVERS AND BARRIERS TO GROWTH*. Retrieved from <https://www.pc.gov.au/research/>

Adelaide Oval (n.d.). *Transforming Adelaide Oval into a world class stadium*. Retrieved from <https://www.arup.com/projects/adelaide-oval>