

The macro environment analysis | australia



The purpose of this report is to identify social-cultural and ecological environment which access to the major trends and forces can relate to develop tourism industry in Australia, Queensland and Brisbane. This report suppose to use the result of macro-environment scanning on social-culture and ecological category to analysis the impact on customers, competition and suppliers. Moreover, the opportunities and threats identified from the impact that affects the tourism industry in Australia, Queensland and Brisbane.

Macro-environment analysis divides into two categories which are social-culture and ecological. Each category investigated from five variables.

As reported by the Department of Immigration and Citizenship (2010), Australia's population growth in the result of two factors: natural increase and net overseas migration. In 2009, Out of the total population growth, 40% was contributed by natural increase and 60% was contributed by net overseas. It is estimated that the resident population will reach 22. 33 million at 30 June 2010, an increase of 377, 100 people since 30 June 2009.

The population growth of Queensland was the second fastest of all states and territories, with an averagely growth rate of 2. 5% each year since 2005 and the population reached 4. 51 million in 2010 (Australia Bureau of Statistics, 2009).

According to the latest published data from Australia Bureau of Statistics(ABS)(2009) report^{1/4} resulting in the population of Brisbane had a steady averaging growth rate of 2. 3% per annum over the past five years,

resident population increasing from 973, 931 to 1, 067, 279 since 2005 to 2010.

2. 1. 2 Multiculturalism

Australia is a vast melting pot of different races and nationalities. As stated by Department of Foreign Affairs and Trade (2008), in the past forty years immigration was a significant contributor to the Australia's population growth. Approximately 6. 6 million (25% of Australia's total population) from around 200 countries have immigrated to Australia since the Second World War which ended in 1945 to 2006-2007. The largest group of overseas-born residents was born in United Kingdom, accounting for 5. 4% of Australia's total population, followed by New Zealand (2. 4%), China (1. 6%), India (1. 4%) and Italy (1. 0%) (ABS, 2008).

According to the data of Multicultural Affairs of Queensland report (2010), in 2006, there were 699, 438 Queensland residents born overseas, accounting for 17. 9% of Queensland's total population.

Brisbane is also a city with diverse cultures. As reported by the Brisbane City Council (2006), the proportion of the Brisbane population born overseas was 23% (198. 630 people).

2. 1. 3 Disability

According to the data, there are four million (18. 5%) people who had a disability in 2009 and more than a million people had service core activity limitation (ABS, 2009) in Australia. From 2003 to 2009, the disability number decreased from 22. 1% to 17. 9% (ABS, 2009). In Queensland, the physical disability dropped from 18. 3% to 14. 7% during 2003 to 2009(ABS, 2005). In <https://assignbuster.com/the-macro-environment-analysis-australia/>

addition, the mental and behavioral disability dropped from 3.8% to 3.1% (ABS, 2005). In Australia, about 55% people aged over 65 had a disability in 1998 as well as in 2003 (ABS, 2005). Approximately 42% males and 39% female between aged 65 and 69 had a disability in 2003. Between age 70 and 74, the rate of male with disability and female with disability increased to 45% and 46% respectively (ABS, 2005).

2.1.4 Age

Age is normally structure divided into three parts: Children (under 15 years of age), working age population (aged between 15 to 64 years) and older people (aged 65 years and over). From the 30 June 2009 to 30 June 2010, the population of Children rose by 44,600 and it was 22.0% of total population. The Australia's largest age group was taken up by working age population, the proportion of this group increased from 66.9% in 1990 to 67.6% in 2010. The population of older people and over increased by 94,800, with a proportion of 13.5%. (ABS, 2010)

In 2010, the 67.5% (2,676,767) of the Queensland's total population was taken up by working age population, followed by Children 20.4% (807,065) and older people 12.5% (480,136) (ABS, 2010).

In Brisbane, in 2009, the 68.9% of Brisbane's population was accounted for working age population, followed by children (19.9%) and older people (11.1%) (ABS, 2010).

2.1.5 Education

During the 1980s, the rate of participation in education was increasing steadily and the educational level became higher by 1990s (ABS, 2005). In

1976¼ there were 12% in their 20s were people attending educational institution, however this rate increased to 23% in 2001(ABS, 2005). In addition, according to the data, the number of people between the age of 20 and 29 who had achieved higher education was increasing from 1976 to 2010. In 1976, there were 13% people with a bachelor degree compared with 36% in 2001(ABS, 2005). In 2010, 20% people were enrolled a course and about 39% of these attended higher education (ABS, 2010).

In Queensland, the rate of high-level education participation increased from 22% to 55% during the period of 1981 to 2003 in age group 20 to 29. Furthermore, there were 57% people had school qualification in 2001 compared 38% in 1991 in Brisbane (ABS, 2005).

2. 2 Ecological

2. 2. 1 Waste and recycling

According to paper presented by the then Department of Environment and Heritage to the Productivity Commission’s inquiry into waste generation and resource efficiency in Australia, during 2002-03, Australians generated 32. 4 million tones of solid waste (domestic, commercial and industrial), with QLD generating 2. 86 million tones of that waste. Of the 2. 86 million tones generated, 347, 100 tones (12. 14%) were recovered (Queensland EPA, 2006). The estimation of waste generation and division in Australia from 2006 to 2007; total disposed was 21, 069 tonnes; recycled was 22, 707 tonnes; total generated was 43, 777 tonnes and the division rates was 52%.

According to the data which estimated per capita waste generation and diversion rates for Australia from 2006 to 2007, there were 4, 181, 000

people in Queensland. The average disposal was 1, 030 kilograms per capita; and recycled 900 kilograms for a diversion rate of 47%. It is lower than NSW (52%) and VIC (62%), but it is higher than WA (33%) (Davis, G. & Herat, S. 2007).

2. 2. 2 Temperature Change

According to the recent climate and geophysical trends in Australia, Australia's continental average temperature has increased by approximately 0. 8 degree since 1910. Most of this rise occurred after 1950, with 1998 being the warmest year, and the 1990s and 1980s being the warmest and second warmest decades, respectively (Collins 2000). These trends are consistent with those measured globally. Since 1951, mean temperatures have increased 0. 1-0. 2 degree per decade over most of Australia, with the greatest warming inland, particularly in Queensland and the southern half of Western Australia (WA), although some cooling has occurred in southern Queensland and New South Wales (NSW) (Suppiah et al . 2001). Night-time temperatures have increased more than daytime temperatures (0. 96 degree per century for minima 0. 56 degree per century for maxima; Suppiah et al. 2001).

Average temperatures in Queensland have risen in both summer (0. 07) and winter (0. 08) over 20 years.

2. 2. 3 Water Consumption

According to the Australia Bureau of Statistics (2006) that farming industry had accounted for 65% of total water consumed in Australia in the year

2004-2005. And, 90% of total water was used by farm in the year 2007-2008.

22% of total water in Australia was used by Queensland in 2006, 24.5% in 2007 and 29.2% in 2008.

In Brisbane, according to Brisbane City Council, Environment & Waste (2010) consumption falling from 300 litres per day to as low as 127 litres per person per day.

2. 2. 4 Biodiversity

Across Australia, the number of animal species that were threatened every year was increase from 312 in 2001 to 427 in 2009, and within those 427 species, 46% of them were just injured, 41% were accounted as serious injured and 13% of them were listed as extinct.

According to Biodiversity (2010), Queensland holds 85% of Australia's native mammals (239 species), 72% of native birds (562 species), over 50% of native reptiles (473 species) and 12888 species of native plants in the year 2010.

According to the Threatened (2010), approximately 40% of Brisbane's vertebrate animals and 10% of vascular plants in 1500 plants species and 523 vertebrate animals were threatened. And, according to Protecting (2010), under a rise in temperature of more than 2 degrees and increasing CO₂, 21% - 52% of animal species could be extinct, this affect Brisbane, Queensland and across Australia.

2. 2. 5 Land use

Approximately 55.3% of Australian land was used by agriculture industry in 2006 and Queensland had the highest proportion among all other states (83.1%) and in 2009, 54% of Australian land was managed by agriculture business and Queensland was still the highest among all other states (82%) in the same year.

3. 0 Trends

3. 1 Social- Culture Trends

Based on the research data, it is easy to see an increasing trend because of the high fertility and birth rates with the total population increasing stably and quickly in Australia, Queensland and Brisbane. According to this current trend, the numbers of population in the future 10 years will also stably increase because of the overseas immigration and natural increase.

(Population variable).

As well number of the old people over age 64 increasing significantly during the last 20 years which has resulted in the population in Australia becomes older. In addition, the number of old people with a disability has increased and accounts for half of the old population. It means Australia has an issue with an aging population and in few years, it will become more and more salient factor in government issues (Age variable).

Furthermore, because of the increasing number of migrants, Australia becomes a multicultural country. It can be expected that not migration from different countries will keep increasing during the next decade from different countries (Multiculturalism variable).

In education, as the data showed above, the number of people participating in education increased quickly and stably during the last 30 years. In addition, the data indicates the number of people achieving high-level education was increasing a lot in Australia, as well as in Queensland and Brisbane. (Education variable).

3. 2 Ecological trends

In Australia waste generation kept increasing from 2002 to 2007, but recycling is also increase during that period. In Queensland, the per capita waste generation is lower than other states.

The temperature has kept increasing since 1910, because of the global warming, particularly in southern Queensland. It has risen in both summer and winter.

Every year, more and more species of animals and plants are in danger because of land development or climate change

4. 0 Forces

4. 1 Social-culture forces

Along with the increasing of the ageing population, the ageing tourists become potential tourism market segmentation.

The growth of the older with disability forces the tourism industry to develop more humanized infrastructures to meet the needs of the disability market.

The increasing number of participants in higher education forces the firm to become more productive and competitive in the marketplace.

4. 2 Ecological forces

The waste and recycling management is not only to affect the local people living, but also it affects the tourism industry development.

The global temperatures growth is not only happening in Australia, Queensland and Brisbane, but the temperature increase will impact on the natural environment resource. Hence, it will impact the tourism development in the long-term.

5. 0 Impacts on customers, competitors and suppliers

First, on the impact of customer, the trend of the increase aging group suggests that the old and retired people will be a big potential market of the tourism industry in Australia, Queensland and Brisbane. Furthermore, from the supplier's aspect, they should focus on how to create an interesting tourism product and design the destination to attract the senior group and retired people in Australia, Queensland and Brisbane. Lastly, about the impact on competitors, for Australia and Queensland, the competitors will be the other countries and other states. In Brisbane, the competition among the tourism organizations will be to special travel products to catch the attention of old tourists.

Second, the growth of disability among old or people affect customers in three levels: there will be many tourists with a disability. Also, build more humanized infrastructures are good for the disability tourists. Suppliers need to create healthy tourism for these people with a disability and provide appropriate service. Competitors for this market will be more at the Australia

and Queensland level, but in Brisbane, there should be little competition in this target market, because not too many firms focus on disability tourists.

Third, the increase of people achieving high level education improves the rate of customer's satisfaction in Australia, Queensland and Brisbane. In addition, the competition among the firms shows on the recruitment, because all the firms want to employ highly competent people in Australia, as well as in Queensland and Brisbane. Moreover, high level educational staffs that have good skills and provide good service to customers have positive impacts on suppliers In Australia and Queensland.

Fourth, the impacts of loss of biodiversity means loss of tourism potential and reduction in the demand from customers, as there is not too much to see which will be the same for each of Australia, Queensland and Brisbane. The firms in Australia, Queensland and Brisbane will suffer from the lack of product; also, the firms might face the problem of close down. In addition, there will be fewer products to sell.

Fifth, as a result of global warming resulting in rising sea levels there will be less and less land to use which will reduce the opportunity for customer to travel in Australia, Queensland and Brisbane. For firms, the competition among firms will be intense in three levels because lack of the land will reduce the amount of tourism destination. For the suppliers it will be difficult to provide a good land for tourism.

Last, waste and recycle management to advance customers protect environment and reduce wasting. In addition, encourage green tourism participation of customers in Australia, Queensland and Brisbane. Suppliers

provide more products of eco-tourism in the tourism industries. For firms, sustainable tourism will be a mainstream tourism product in the marketplace, so it is necessary to create green product in tourism industry of Australia, Queensland and Brisbane.

6. 0 Opportunities (in general) that arise from this impact

Australia is a travel destination country which has wonderful natural environment and heritage resources and the speed of development of tourism industries is growing fast in Australia. Although there are some negative impacts of the macro environmental issues on customers, competition and suppliers, there are still opportunities for tourism development.

The increasing number of old and disability tourists will bring Australia, Queensland and Brisbane more tourism opportunity which can help the local stakeholders to be more clear about the target market. From the target market analysis, the local infrastructure and facilities will be built more concern about the older and disability people to provide them higher quality service to satisfy their travel expectation. For example, the destination can provide the nursing facilities for the older and disability people which would provide an advantage over other travel destinations. Targeting the market of old and disability tourists with appropriate infrastructure will decrease the effectiveness of the competition from international tourism market.

The increasing employees with a higher level of the education and training can promote the quality of the tourism service and cater for the technological tourist. It should be an advantage for Australia, Queensland

and Brisbane in the marketing share in the tourism industry. Also, it can increasingly attract employees who have hospitality talent to work here.

The Australia waste and recycling management which is a long term environmental protection can provide the travelers a natural protected travel destination. Also, the local waste and recycling management can influence the travelers concern the environmental issues and choose the 'green tourism' product and services. The suppliers will invent more 'green tourism' products and services not only to concern the environment, but also promote more travelers enjoy the eco-tourism in Australia, Queensland and Brisbane.

7.0 Threats that emanate from this impact

Firstly, in Australia, Queensland and Brisbane, the threats from the aging market and disability market classified into the same category, as they are both potential consumers with special needs. However, there is a significant difference between the spending on the ordinary consumers and consumers with special needs. For instance, in order to make the tourism market accessible, the requirement to build approachable facilities, recruit nursing staff and design tourism packages for these special markets significantly increase the organizations' budget and the market prices. Thus, for the disabilities and aging customers, they are faced with the high travelling prices and the need of special assistance which may result their dissatisfaction. For suppliers, these market lines may be a threat to them in reaching the organization's substantial long-term goals. Furthermore, the increasing costs of integrated reconstruction, recruitment and innovation also threat the competitors in tourism industry, which make it more difficult to become competitive in the marketplace.

Secondly, the high level of customer satisfaction has no negative impact on tourism organizations in Australia, as well as Queensland and Brisbane. Moreover, it brings the high customer retention and excellent reputation for the organizations. In addition, from the competitor's perspective in Australia, Queensland and Brisbane, the increasing demand for higher education employees is a threat to organizations to retain the outstanding employees and maintain low turnover rate. In addition, the good performances of workers lead to an underlying threat that is the workers will demand pay rise in the future and affect the profit of the suppliers in Australia and Queensland.

Thirdly, in Australia, Queensland and Brisbane, as tourism industry is a big contributor to economy, the loss of customer demand will lead to the decline in organization's profit. Moreover, the lack of product will bring a threat to tourism organizations, which will influence the width of product line.

Fourthly, as lacking of opportunities for customers to travel to Australia, Queensland and Brisbane, tourism organizations need to face threats from other travel destinations in international, domestic and local dimensions. For competitors, the reduce amount of tourism destinations will intensify the difficulty of Australia to be competitive in international tourism marketplace. However, for both Queensland and Brisbane, the reducing number of destinations may create barriers for new entrants, thus avoid competitions. From the suppliers' perspective, the lack of attractive landscape creates a potential earning loss threat.

8. 0 Conclusion

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