THE AUSTRALIAN

Webjet data reveals where we are going for Christmas as travellers make the most of lower airfares

ROBYN IRONSIDE
9:30AM July 20, 2025.

Falling airfares have triggered an early rush on Christmas holiday flights with Webjet revealing bookings for the peak December-January period climbed 30 per cent in the space of one month.

And, in a worrying sign for domestic tourism operators, 59 per cent of bookings to date are for overseas destinations.

Bali is seeing the strongest demand from Australians seeking Christmas abroad, followed by Tokyo, with Auckland, Manila and Christchurch rounding out the top five.

The Webjet data showed couples accounted for almost a third of the bookings at 32 per cent, solo travellers 28 per cent, and families and groups both on 20 per cent.

Lower airfares are helping to fuel the early booking bonanza, with modest falls in return ticket prices compared to a year ago.

Economy fares booked for the Christmas period since the start of the year averaged $998 for Bali compared to $1018 in 2024; $1930 for Tokyo down from $2070 12 months ago, and $942 for Auckland return, which is $10 cheaper than the same time last year.

Australian Travel Industry Association chief executive Dean Long said the data highlighted the challenge facing domestic tourism operators who struggled to compete on price and product quality.

“The difficulty for domestic tourism operators at the moment is some of their product probably does need reinvigoration in how it’s delivered because it needs to compete with some amazing luxury experiences across the Indo-Pacific,” said Mr Long.

“That means if you haven’t got a good quality high value product you are going to struggle to attract the Aussie tourism dollar.

“Southeast Asia in particular really delivers on the type of holiday experience that people want.”

Bali saw 1.7 million Australian visitors in the year to May, and is ranking as the top destination for Christmas as well. Picture: iStock

That was reflected in the remarkable popularity of Bali, which continued to attract record numbers of Australians – as many as 1.7 million in the year to May.

Mr Long said instead of focusing solely on marketing Australia, the federal government should look at industrial relations reforms and building the tourism industry’s capacity to deliver what travellers wanted.

“It’s much harder for a domestic tourism product to really invest in the same quality of product that you can get at a lower price point in some of those Southeast Asian countries,” he said.

“Capital and capital flows are international so if there’s a better return to be had in Southeast Asia in those developments, then that’s where the money is going to flow.”

There was hope across the tourism industry the Prime Minister’s visit to China would help reignite the country’s interest in Australia.

Prior to Covid-19, China was Australia’s biggest source of overseas visitors, but in May short-term arrivals were at 71 per cent of 2019 levels.

Accommodation Australia CEO James Goodwin said a full recovery could yield a further $5bn in revenue for local hotels and resorts.

“There has rightly been a lot of focus in the Chinese relationship on trade of physical products but tourism is a major export earner supporting close to three quarters of a million jobs in the Australian economy,” said Mr Goodwin.

“Chinese travellers love what Australia has to offer so we welcome more promotion of not just capital cities but our amazing regional attractions and support making it easier for people to travel here.”