

A U S T R A L I A N

# REGIONAL TOURISM

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VISITOR ECONOMY THINKING  
FOR LOCAL GOVERNMENT

October 2019

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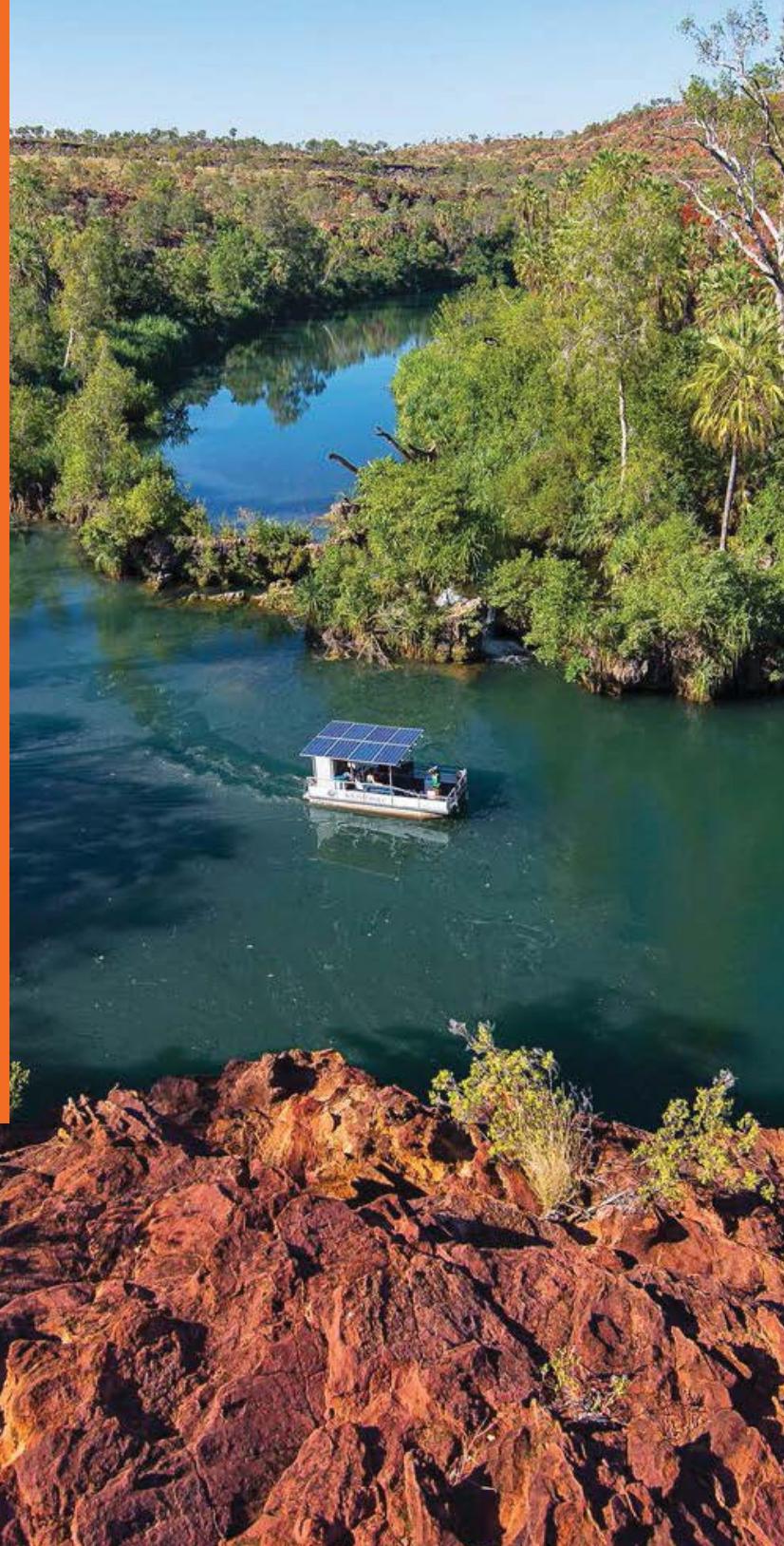


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# INTRODUCTION

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**Regional councils across Australia are taking a closer look at how the tourism dollar can benefit their region. Within local government there is a broad range of knowledge and experience in growing sustainable visitor economies and a wide variance in investment. As major asset owners, service providers and decision makers, councils sit at the heart of the visitor experience.**

The growth in visitor numbers, needs and expectations is increasing the demands on councils to enhance and expand infrastructure and services. With tightening budgets together with different community perceptions and expectations of tourism it is increasingly important for local governments to understand the breadth and significance of their role. Some communities want tourism growth while others want to see better management of visitors and greater social returns. Local government plays a pivotal role and active management is essential to avoid unwanted issues, just as it is required to maximize benefits.

In 2017 Australia Regional Tourism Network (now Australian Regional Tourism Ltd) released the “Local Government Spend on Tourism” report prepared by DBM Consultants. Which revealed local government’s spends approximately \$373M on tourism with two thirds (\$250M) of local government tourism spending being undertaken by councils in regional and remote areas. This paper builds on the findings of the report, with what is a practical and clear guide to understanding how business as usual in council can be the epicenter of growth of the visitor economy.

As an organisation, Australia Regional Tourism (ART) is committed to helping our regions become adept at the application of *Visitor Economy Thinking*. This will enable our regions to take advantage of a sector that they can truly shape and develop to meet the needs of their communities, in their way and on their terms. From coastal towns to outback regions, we want to see regional Australia thrive.



This paper seeks to encourage discussion and collaboration as well as provide councils with a clear and simple way to ensure they can reap the benefits of a sustainable visitor economy.

ART acknowledge the work undertaken by the Victorian Tourism Industry Council, Visit Victoria and Victorian Tourism Boards to produce **Why and How Local government Should Engage with the Visitor Economy** that has underpinned this document. ART have received permission from Visit Victoria to reproduce content to inform this document.

# ABOUT AUSTRALIAN REGIONAL TOURISM



**The Australian tourism industry contributes \$55.3 billion dollars annually into the economy with 43 cents in every dollar spent in regional Australia.**

While the current outlook for tourism across Australia is positive, we still have a number of challenges that we need to address to ensure our regions are well supported with the right policy and distribution of funding and resources to grow regional tourism.

Australian Regional Tourism (ART) brings together tourism stakeholders across federal and state governments to partner with local councils, tourism organisations and industry professionals to find best practice solutions to key challenges. Working closely with our membership base, we ensure their voice is heard by key decision makers in relation to tourism policy and planning.

ART are host to *The Tourism Hub*, a digital platform designed to connect regional tourism councils providing access to shared knowledge and resources for best practice tourism development.

ART consist of a board of 8 Directors from regional tourism, state and local government. The Board set the strategic direction of the organisation, lead key projects and provide advocacy services on behalf of members and the broader regional tourism industry. The Board work closely with an Executive Officer managing the operation of ART and implementing its strategic plan.

ART is a not-for-profit organisation funded entirely by its membership base. Increasing ART membership means that we are strengthening our organisation to continue to support regional tourism across Australia and provide resources such as *Visitor Economy Thinking for Local Government*.



Visit [www.regionaltourism.com.au](http://www.regionaltourism.com.au) to find out how joining ART can benefit your local council.

FOR MORE INFORMATION ON VISITOR ECONOMY THINKING FOR LOCAL GOVERNMENT, MEMBERSHIP OR ANY OF OUR KEY PROJECTS, PLEASE CONTACT ART EXECUTIVE OFFICER LAUREN DOUGLASS [EO@REGIONALTURISM.COM.AU](mailto:EO@REGIONALTURISM.COM.AU)



## FACT

Tourism has been identified in Australia's '**next wave of prosperity**' as one of the top five sectors of economic growth and has the potential to become **Australia's fastest growing industry.**<sup>2</sup>

# TOURISM IS IMPORTANT TO REGIONAL AUSTRALIA

Traditional definitions of tourism tend to focus on leisure tourists – people travelling and staying outside their usual place of residence for a limited time period for the purpose of a holiday, sight-seeing and recreation. More contemporary definitions have expanded the concept to include people travelling for other reasons such as visiting friends and relatives, business, work, education or even medical services; identifying these travellers from a destination perspective as 'visitors'. The term 'visitor economy' refers to the production of goods and services for consumption by visitors, which includes the industries that directly serve visitors, such as hotels, transport providers, tour companies and attractions, as well as intermediaries and those involved indirectly, such as retail and food production. This recognises that visitor activity does not occur in isolation and contributes to investment and jobs across a range of industry sectors.

Traditional industries are struggling, and Australian weather patterns are hitting the regional areas in ways we have not witnessed before. Regional Australia has long suffered a higher rate of unemployment, particularly amongst youth, than metropolitan areas. Creating long term, sustained solutions is not easy, but Australia's visitor economy has an important role to play at a local level.

The visitor economy is now recognised at all levels of government in Australia as an intrinsic, sustainable and driving part of economic development. It has the capacity to create long term improvements in livability and improve the prosperity of Australian communities.

Integrating *Visitor Economy Thinking* into planning, investment and operations can result in sustainable rewards and even reverse the fortunes of towns whose futures look troubled.

Greater strategically coordinated investment in facilities, services and infrastructure to support and manage tourism will lead to increased visitor expenditure and length of stay. The resulting growth in demand for goods and services will inject new dollars into local economies and create employment opportunities, helping to achieve both local, state and national targets. With growth comes challenges such as managing seasonal employment peaks and pressure on infrastructure. Taking a coordinated approach can significantly reduce exposure to these issues.

Some parts of regional Australia are far more dependent on tourism than others, and as such the best tools to stimulate the local visitor economy will vary.

## Recognising the Opportunity

In year ending September 2019 Tourism Research Australia reported that Australia hosted 8.6 million arrivals - 3% more than the previous year. This supported strong growth of 5% in total trip spend, which reached a record \$44.6 billion (Refer to Figure 1. for state statistics). From a global perspective, it is a competitive world, and those that come here need to have an outstanding experience becoming advocates for the tourism experience beyond the city limits.

Leading contributors to increased spend were food, drink and accommodation (up 6% to \$13.4 billion), international airfares (up 8% to \$10.1 billion) and education fees (up 8% to \$6.8 billion). Growth in visitor

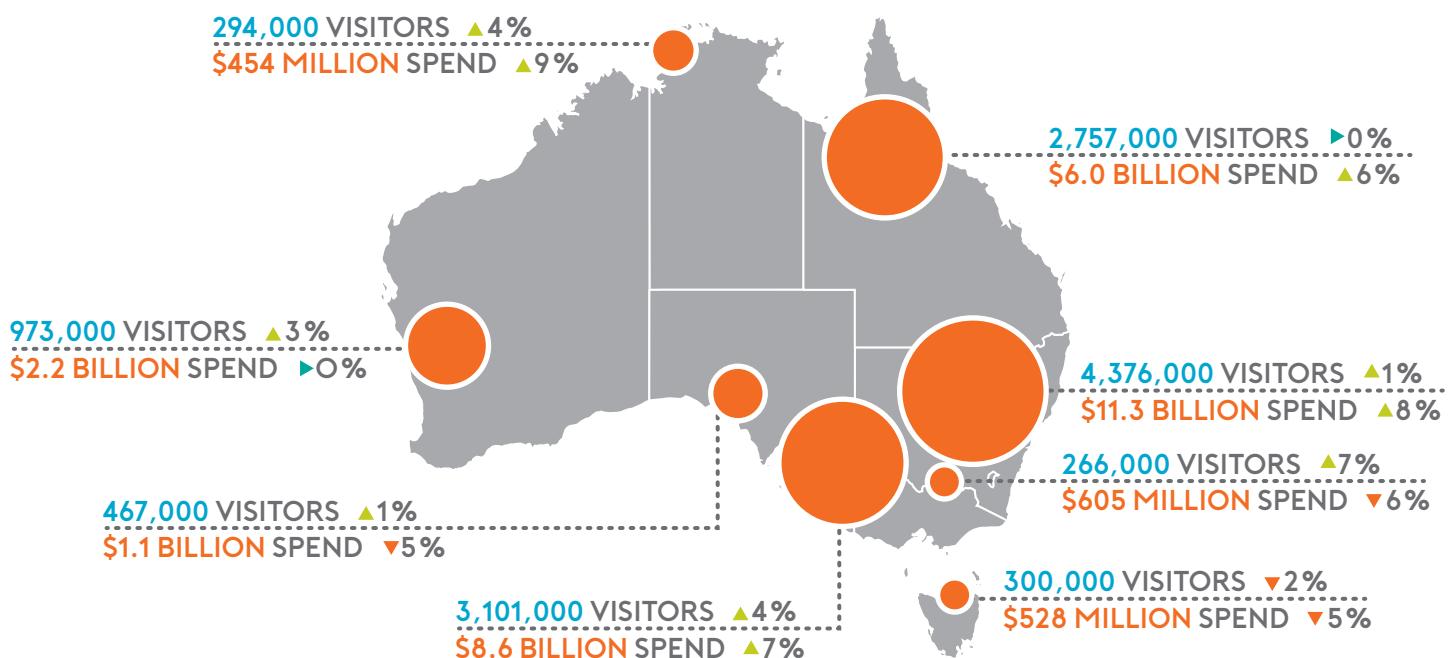
nights was a modest 1%, reaching 273 million nights, which continues a trend towards shorter trips with greater spend per night. The average length of international trips has fallen six nights over the last six years to 32 nights but spend per night has increased 26% from \$129 to \$163.

But it is the growth of the visitor economy that is impacted by the visitation growth that really impacts on our regions. It is every type of goods and services a visitor consumes. This is driving jobs and investment across Australia.

The contribution of local government across Australia to the visitor economy is significant, with ART and Australian Local Government Association (ALGA) calculations showing Local government's direct spend to be \$373 million annually.



**Figure 1: International visitors and spend by state - YE September 2019**



## Why the visitor economy matters to Local government

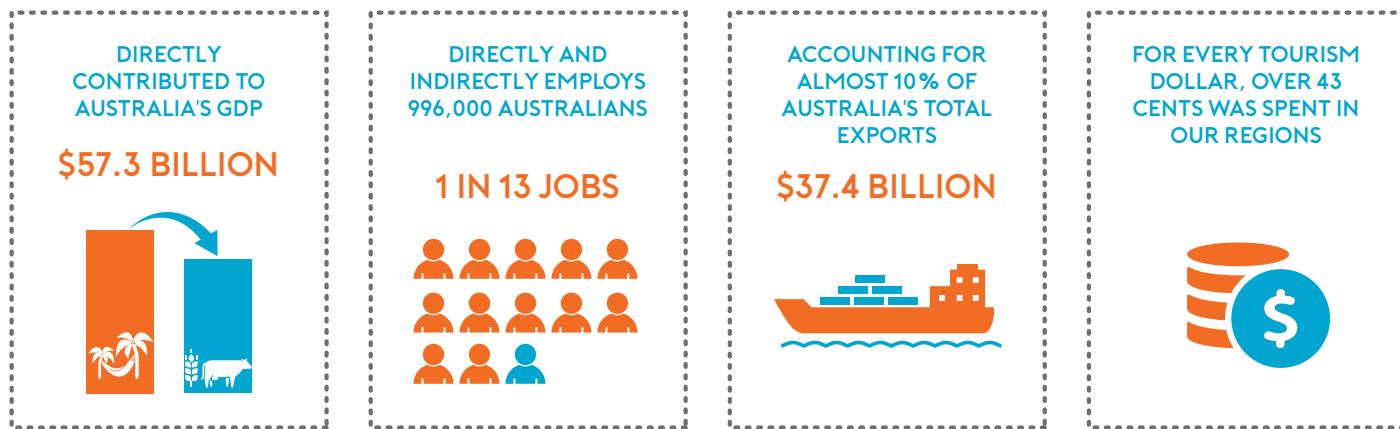
Across regional Australia, tourism has been recognised as the savior sector for towns suffering from economic decline. Visitors from within Australia (domestic) and overseas guests (international) are exploring beyond the cities, looking for a taste of real Australia. This is good news for

regions however, as visitor numbers increase, so too does the pressure on local government. The assets and infrastructure are the first to feel it and, as business grows, the need to review processes for planning and policy become apparent.

New residents and investments are closely linked to local government's tourism story, most often through a direct visit. Where the positive experience translates into a positive connection with

the destination and further interest in the liveability of the region.

The more the community is engaged and supportive of the opportunities of tourism, the more they impact on the impressions of the Visiting Friends and Relatives (VFR) market. When councils upgrade facilities and pay more attention to the environment both visually and functionally, pride in the environment develops and the positive stories grow.



# WHERE ARE WE AT AS REGIONAL LOCAL GOVERNMENT?

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Growing the visitor economy is one of the fastest and best ways for local governments to improve their own financial viability and capacity to deliver on community expectations into the long term. Growing jobs, bringing new dollars into the local economy, improving the profitability of local businesses as well as supporting new start-ups and attracting new major investment to the area, all act to improve the rate base. Businesses are important ratepayers and visitor spend helps strengthen the income local governments receive in rates. For many parts of rural and regional Australia, investment in the visitor economy is proving to be one of the most effective ways for local areas to be sustainable and flourish.

**Regions are benefitting BUT we have a BIG responsibility! The inclusion of visitor in the rhetoric as a part of the community we serve needs to become business as usual, rather than an add-on.**

## Destination Management Planning

Don't be complacent, developing a strong and clear visitor economy growth strategy at a council level is imperative. This is more than a Destination Marketing Plan – it is a Destination **Management** Plan.

Active management is essential to avoid unwanted issues, just as it is required to maximise benefits. Critically, government at all levels also see regional Australia's economy as a key tool to help address substantive structural issues such as regional youth unemployment, Aboriginal unemployment, forecast losses to agriculture and manufacturing industries and population growth issues. Resourcing, both funding and in-kind, needs continual assessment to ensure effective investment, to monitor performance and to leverage the many possible partnerships (local, regional, state and national) to ensure efforts create the desired results for communities and all levels of government.

Local government decisions and investment needs to be considered and aligned with regional and state priorities and directions to effectively achieve growth.



# INTRODUCING “ VISITOR ECONOMY THINKING”

As the focus and investment from federal government and state governments deepens there is a growing expectation on local government to deliver the experiences that are being sold. Add to this the perceptions and desires of the community, councils are finding that they need to have a much greater understanding of the visitor economy, its opportunities and challenges, than ever before.



## **As a local government you can grow your visitor economy faster than any other sector.**

The interaction between the way a visitor experiences a location and the liveability for its community are inextricably linked. When a council has a clear focus on the visitor economy everyone benefits.

The work of local government can influence the growth of the visitor economy by implementing uncomplicated changes to their *business as usual* model. It simply takes a change in the viewpoint. It is not always about building new infrastructure, although this can be considered and have a great impact if planned and executed well. By improving the way local government currently work in this space and ensuring *Visitor Economy Thinking* is part of mainstream planning and development the rewards of a stronger overall economy can be felt.

## **Infrastructure and Assets**

Every local council has community members saying, “stick to rates for

rubbish and roads”. As modern councils we now incorporate much more, but they have a point. Infrastructure – the parks, gardens, toilets, signage, roads and more are all part of local council’s plans and operations. These form the first impressions for visitors. The facilities you maintain for your community are the same facilities that visitors experience when they come to your town or region.

Local government plays a critical role as a major land and asset owner, through land use and planning regulations, by supporting business through place-making and traditional economic development, engaging the community and creating positive social outcomes.

Local government already provides services and infrastructure for the community it serves, but any improvements made to improve a visitor experience will deliver an immediate positive impact on the community. It is a win-win for everyone.

In many ways this is the key area that will grow your reputation in the visitor community. Visitor expectations

## CASE STUDY

*The Roebuck Bay Lookout was completed in November 2018, and is located at the intersection of Dampier Terrace and Frederick Street in Chinatown, within the Shire Road Reserve. Tourism Western Australia provided \$600,000 of funding to the Shire of Broome through the Federal Government's Tourism Demand Driver Infrastructure Program to support construction of the road connection between Dampier Terrace and Frederick Street, and the resulting Roebuck Bay Lookout. Yawuru traditional owners were on site during the construction of the lookout and worked with Broome Senior High School students in the development of artwork and cultural information panels incorporated into its structure and signage. The lookout is also used as the starting point of an Aboriginal tour given that it provides a mural that is used to start the tour narrative.*

and priorities have changed, as travellers explore more widely, they now share their experiences more immediately. It has never been more important to get the basics right. Attention to detail and making simple changes can make a big difference.

Visitors now access forums and share information through social media more than ever.

The impact on visitor impressions through clean, safe and accessible toilets is a significant talking point for visitors. The treatment of rubbish and waste while not "sexy" features highly in forums, and signage receives the most scathing of reviews when inadequate, outdated or incorrect.

Council-owned attractions may operate as independent business entities or be managed within a council budget. Caravan parks, local galleries, museums and conference centre infrastructure are utilised for local needs but may also provide an improved commercial return by attracting events.

Community organisations from sporting clubs, history, heritage, arts and cultural associations through to garden societies are vital parts of all communities and often seek and receive local government support, frequently providing local attractions for visitors. As for all funding requests, outcomes including visitor impacts need to be measured and evaluated.

## Accessibility

The inclusion of accessibility planning and implementation is now vital across all local governments.

While local governments are required to implement disability inclusion plans to ensure access, the benefit is not only for the visitor but will enhance the lives of the community more broadly.

Most travel by people with disabilities and their carers is for leisure (travel for holiday, and to visit friends and relatives (VFR) combined), with holiday being the largest motivator.

With an aging population, both domestically and internationally, the opportunities to grow visitation to regions through well thought out accessibility plans provides the regions with significant opportunity.

An estimate of the size of the current accessible tourism sector for overnight and/or day trip travel is around 1.3 million individuals, or 7% of the total Australian adult population.<sup>3</sup>

However, as many people with a disability travel with others, especially when they need to travel with a carer, a multiplier of 2.45 (overnight) or 2.62 (day trips) needs to be applied. By this measure, 14% of the Australian population (an estimated 3.4 million people) requires accessible tourism experiences and services for overnight and/or day trip.

Accessible tourism is a serious business and can have an immediate return for a region. The infrastructure local government builds, such as accessible pathways and access to amenities will be shared by community and visitors alike.



## CASE STUDY

*The Gippsland Accessible Tourism Plan 2016-19 is a collaborative approach between Destination Gippsland, all six local governments in Gippsland, Tourism Victoria and relevant partners. The plan discusses the challenges and opportunities the Gippsland tourism industry faces in becoming more accessible and recommends future actions.*

# FACT

A recent report by **MyResearch** for Accessible Tourism states “A total value of the domestic market has been estimated at **\$8 billion**, when added to the estimated inbound market for accessible tourism of **\$2.8B** the contribution of **Accessible Tourism** to the **Australian Visitor economy** is estimated at **\$10.8 billion**”

## QUESTION:

### ARE THERE ACTIONS DIRECTLY RELATED TO TOURISM IN YOUR DISABILITY INCLUSION PLAN?

#### Planning – Managing Growth and Impact

Planning can enable growth in tourism or stop it in its tracks. None of the plans to grow the visitor economy are sustainable without the understanding and commitment of the planning division of council. The need for the planning team to have an appreciation of the relationship and impact on tourism growth is crucial. This alignment of local government actions has already had positive impacts in many councils.

The need to balance the requirements of social, economic and environmental issues remains but to grow the visitor economy an active and cohesive engagement needs to take place with industry. This will help industry to understand the challenges and opportunities that need to be considered.

Agricultural land use for Agritourism and eco-tourism is an area where collaboration with agencies and industry is being discussed at every level of government to address the emerging tourism opportunities.

The impact on approval processes for regulation of Short-Term Holiday Accommodation (STHA) is a key factor in the visitor economy. The growth of Airbnb and shared accommodation sector is presenting more challenges to traditional planning processes and criteria.

The visitor economy will be impacted by permits and permissions in almost every sector. The ability of council to understand the changing market and engage openly with industry will be essential in the growth of the regions and ensure opportunities are not lost.

#### CASE STUDY

*Bundaberg Regional Council has a strong view on sustainability with the development of the 'Bundaberg Region - A 10-year blueprint for Sustainable Economic Growth' was developed in 2014. With Bundaberg located at the beginning of the Great Barrier Reef, sustainable practices through farming have had positive impacts on the reef health. The Southern Great Barrier Reef is now considered the healthiest part of the reef, which is another great selling point for the region. The development of the Sustainable Economic Growth document has been determined as the key factor to ensuring the health of the reef.*





## QUESTION:

# DOES YOUR COUNCIL DESTINATION MANAGEMENT PLAN ALIGN WITH THE STATE NATIONAL PARKS STRATEGY?

## Environment - Nature and Culture

Australia is an amazing and unique country. We all agree on this. Our geology is ancient and varying from the Great Southern Ocean to the Great Barrier Reef. Our flora and fauna are incredibly diverse.

It is our natural landscape and the Australian culture that visitors seek to experience, and this is true for both the domestic and international traveller. Once again local government plays a key role. Telling our stories and showing our commitment to our environment has a wide-reaching impact on the perception of a local area.

### Environment

A visible commitment to sustainable and eco-tourism principles and practices rate highly in visitor considerations.

Actively working with the agencies charged with the care of our environment is an effective way to

gain an understanding of programs that can be leveraged by councils and aligned to projects. Identifying the opportunity for visitors to get involved in citizen projects is becoming more popular and adds to the visitor experience. This is particularly popular with overseas guests, with growing numbers returning to help.

### Culture

Australia has the oldest culture on Earth, and it is in the regions that both the first people and the pioneer stories are so central to our culture and are of most interest to our visitors. This is a major opportunity for local government to embrace a truly unique and authentic local cultural identity and work with the community to bring this to life in new ways.

The dual naming and use of Indigenous language for existing places and educational signage should be considered as a starting point for local councils looking at developing this aspect of tourism.

## CASE STUDY

*The City of Sydney has developed information on their website dedicated to Aboriginal and Torres Strait Islander communities, which details information about Aboriginal cultural attractions, Aboriginal history and the Elora Journey, which incorporates the development of a significant Aboriginal event. City of Sydney have also developed the Elora Journey Economic Development Plan which is focused on working towards cultural, economic and social sustainability for Aboriginal and Torres Strait Islander communities in the local area.*

*The City of Sydney sought knowledge, expertise and perspectives from across their communities, from Aboriginal and Torres Strait Islander Elders, students, workers and business people to innovators, artists and community leaders. It sets an agenda for the City to engage with Aboriginal and Torres Strait Islander communities and businesses over a 10-year period.*

## Visitor Servicing

The role of visitor servicing is a key part of the visitor experience. Personal contact with “locals in the know” is still sought after. It is how we deliver this that is changing.

**Across Australia 35 cents in every local government dollar spent on tourism goes to visitor information centres (VICs).**

Across regional Australia the cost of servicing visitors varies. There are a variety of models, from operating with council staff or a volunteer network to private operators. The “i” symbol is the common thread, with this under review.

The focus of visitor servicing is moving from a friendly face handing out brochures to the need to get a return

on investment. “Stay longer, spend more and become advocates” is becoming the central call to action. This changing face of visitor servicing is encouraging innovation and collaboration as regions realise the need to become more responsive to visitors.

The change of use of buildings to integrate more services has been successful, particularly in small towns.

“Fishing where the fish are” is being trialled successfully in many areas, with visitor services teams using mobile units and roving ambassadors to engage actively with visitors at key locations in the region.

No visitor servicing model is without issue, it may take a cultural shift to really gain the benefits on offer from

the new visitor economy.

The regions who have identified disconnect between the tourism industry and visitor services offered by council now recognise the importance of engaging and collaborating with industry.

This can also occur within council with the events, tourism and marketing teams working in isolation of their team at the coal-face in visitor services. Once again, the change to inclusive visitor economy thinking will remove silos and deliver immediate benefits to councils.

Visitor expectations have grown, a brochure rack no longer satisfies the visitor thirst for knowledge. They want to feel they are learning more and there is a genuine interest in their experience as a temporary resident.

## QUESTIONS:

**CAN YOUR LOCAL COUNCIL HOST INDUSTRY WORKSHOPS TO UPDATE EXISTING ATDW LISTINGS AND FACILITATE NEW LISTINGS IN YOUR REGION? DOES YOUR DESTINATION WEBSITE FEED DIRECTLY INTO ATDW?**

## PRODUCT DISTRIBUTION

Services such as the Australian Tourism Data Warehouse (ATDW) can assist with the distribution of visitor information across digital platforms. It can also provide an operator interface for local businesses to self-manage content that can feed directly into the destination website.





# FACT

**Tourism Research Australia** conducted research in South Australia in 2017 and determined that visitors to a VIC were likely to spend an additional **\$181 per person** because of their visit to the centre (*18: the impacts of regional visitor information centres on visitor behaviour in South Australia*).

## Events, Festivals and Conferences

Events and festivals are one of the most visible and measurable area for tourism growth for councils. Events and festivals bring the community together, they are a place of celebrations and reflect the spirit of the destination. The involvement and participation levels from the community vary widely in regions and always rely on volunteers.

Currently event visitors spend around \$2.8 billion in NSW (*National and International Visitor Surveys, YE December 2017, TRA*). Research on the impact of events in regional and rural communities highlights the tremendous value they offer to the visitor economy and indicates that three-quarters of event attendees would not have gone to a destination, if not for an event. In addition, for 57% of first-time visitors to the region, the

event is the main reason for visiting and likewise for 69% of repeat visitors (*Reinventing Rural Places, The extent and impact of festivals in rural and regional Australia | University of Wollongong*).

Furthermore, events provide the opportunity to increase yield and shift seasonal visitation patterns to more sustainable year-round visitation across a region maximising the benefits of events to grow the regional visitor economy. Low visitation over winter months impacts local businesses and jobs. Tourism and community events can play a major role in driving off-peak visitation and regional dispersal as events create a reason to visit across the year.

Strengthening and growing capability in this sector will greatly benefit the entire community. The delivery of well-maintained venues and supporting infrastructure, and well planned and

executed events and festivals deliver quantifiable outcomes. The domestic market is responsive to campaigns and can be effectively reached through social media.

Events usually have a defined user group and particular interest areas, be it business, sport, art or entertainment. Understanding the types of events and the true value to the community is key in decision making, particularly in understanding sustainability and the resources required. A clear and transparent assessment process will ensure clarity both in council and the community about value in financial and social terms.

Regional Australia offers a diverse range of outstanding events and festivals that attract visitors and drive jobs and investment across the country.

## CASE STUDY

*Goondiwindi Regional Council initiated the development of a new event to showcase the significance of farming in their region - Discover Farming is now a successful event driven by community and business, with support from Council.*

*Discover Farming is an annual fun, community owned Agritourism celebration that encompasses agricultural and entertainment experiences, connects with the broader community and sees farmers and their families engaged and interested in Agritourism opportunities.*



## QUESTIONS:

DO YOU HAVE A PROCESS IN PLACE TO WELCOME EVENT ORGANISERS, MAKING THE APPROVAL PROCESS EASY?

DO YOU HAVE AN AGREED WAY TO MEASURE THE ECONOMIC IMPACT OF EVENTS?

HAVE YOU CONSIDERED INCLUDING BUSINESS EVENTS IN YOUR SUPPORT PROCESS TO DRIVE MID-WEEK VISITATION?

### Marketing and Promotion

Marketing remains important, it is however a key area that is sometimes misunderstood in a council context. Often there is no consistent treatment and can be ad hoc and reactive. Many councils and local tourism associations wander down pathways that result in isolated one-off campaigns that do not sustain growth.

The media environment is fast moving and can be daunting. The planned alignment to the tourism marketing of the region and state campaigns can be effective, where leveraging their core messaging will work well for those wanting to make their dollar go further.

Each State Tourism Organisation (STO) has different models for their interface with industry. Creating connections with these organisations will provide councils with a greater understanding of trends, visitor segments and overall industry understanding.

As a local government body this can be achieved through actively developing a strong relationship with the regional tourism body. A single voice emanating from a collaborative environment will ensure credibility and visibility at a state and federal level.

Working with the industry to decide a single clear message for the destination will ensure clarity for the target market (your ideal visitor) and achieve greater traction in what is a complex marketing environment.

There are many experienced destination marketing professionals available to assist regions in creation and execution of smart effective local campaigns.

**It is critical for local governments to realise that the visitor does not see local government borders and thus working together with your neighbours will provide greater success for a destination.**

### CASE STUDY

*In 2016 the Unspoilt Campaign won Gold at the Pacific Asia Travel Association Awards. The success of this campaign is due to the collaboration between 5 local government areas.*

*The award was a culmination of four years of working closely with Destination NSW and the local tourism industry and is a great example of what working across local government borders can achieve.*

*The campaign is a major driver of tourism growth to the region, delivering more than 1.39 million industry leads to South Coast tourism operators since its inception in 2012.*

*The campaign's success and international recognition is a great example of what can be achieved through collaboration.*

## Collaboration and Connectivity

Throughout this paper we have reiterated the importance of collaboration. In regional Australia we simply can't go it alone. What we do best is community, let's get great at applying that to growing visitor economies.

The reality is that resources are always under pressure in regions, when we connect and collaborate, we all benefit. Knowledge sharing, leadership in planning and policy and advocacy as a group all leads to greater traction and productivity.

The environment is complex with many facets from regulations to public interest. If you do anything – make meaningful connections and be at the table!

The Local Government Area (LGA) is an important forum for identifying and agreeing priority areas. The improvement of engagement in regional LGAs will

strengthen and contribute to the growth of the visitor economy, with greater cooperation and understanding in every area, from roads to environmental management. Sharing best practice and challenges will drive regions forward and achieve a positive perception of the region in government and the private sector.

Reach out to the representative bodies in tourism and the business community. Get involved in the dialogue. Your input matters, the role of council is often misunderstood and misrepresented. Talk about your role, how you can enable and what your limits are and look at the opportunities to collaborate and connect.

### **Amazing things happen when we start sharing, listening and contributing.**

There are so many ways local government contributes and is an enabler (or limiter) of its local visitor economy.

At **Australian Regional Tourism** we recognise the importance of the local government engagement with all stakeholders to the growth of strong visitor economies across our regions. We believe that as an independent body we can provide a conduit for councils to engage with the industry across the regions in accessing best practice and making connections.

**Australian Regional Tourism** proposes we create a program to inform and educate both local councils and their tourism bodies on the most effective way to engage and how to develop meaningful and sustainable strategic marketing plans that will be clear to all stakeholders.



## CASE STUDY

*New England High Country covers an area of 34,500 square kilometres across six Local Government Areas (LGA's) and offers the visitor a consistent range of experiences with the common thread being altitude. By collaborating and pooling resources, the objective of establishing a brand is all the more achievable. After studying market research on the prompted and unprompted recall of towns and names the LGA's settled on the brand **New England High Country**.*

*The visitor economy is a key economic driver in many regional communities with responsibility for marketing and program funding falling to local government. One way for regional areas to compete in a competitive tourism environment is to promote a broader region or “destination”.*

*Establishing a destination brand, in this case New England High Country is of benefit to many across the region. Visitors “touch” many aspects of the economy including accommodation providers, eateries, pubs and clubs but also the all-important retailer sector. With the average overnight visitor staying for 2.6 nights the promotion of a larger geographical area encourages visitors to lengthen their stay with the immediate and positive consequences to the local economy.*

*With pressure on local government to deliver increased services without the corresponding budgetary growth any program which delivers better outcomes and improved efficiency must be seen as a positive outcome. Joint marketing of New England High Country does just that and further demonstrates that in the times of threatened and actual amalgamations LGA's still find it possible to work collaboratively.*

## QUESTIONS:

WHAT IS IMPORTANT TO YOUR DESTINATION AND WILL IMPACT YOUR DECISION MAKING?

NUMBERS – HOW MANY, WHEN DO THEY COME?

FLOW – WHERE DO THEY GO, WHERE DO THEY COME FROM, WHERE TO NEXT, HOW ARE THEY GETTING THERE?

PROFILE – WHERE ARE THEY FROM, WHY DID THEY COME, WHAT INTERESTS THEM?

FEEDBACK – WHAT DO THEY LIKE AND DISLIKE?

### Measurement and Analysis

As local government the importance of accurate and credible data and analysis forms the basis for decision making and resource allocation. Having accurate and relevant measurement tools ensures informed decision making. Understanding the visitor, from their travel movements to usage of facilities allows an overlay of community needs and can assist in identifying priorities areas for all users.

In the past, the ability to measure the effectiveness of tourism spends, particularly in marketing has been challenging. This continues to become much easier with the advances in technology and new systems of measurement.

Data collection carried out in the tourism sector is at a state and national level, however it is in the regions we

struggle to get meaningful data. The gathering of data and getting scale is often challenging if not impossible. This is where new applications using mobile technology is helping inform decisions and providing the important detailed information about visitors.

Products such as google analytics, social media monitoring and new services using location data of travellers, such as Roadtrippers, can all provide defined data ranges and give more detail about the visitor and their movements.

The value of working together as a region through the LGA can decide informed data collections and reflect a uniform reporting structure. The alignment of timelines and data sources reduces costs and delivers comprehensive and credible results. There is high value in this approach, particularly when planning projects and applying for funding.

There are also two useful datasets that allow a local government to benchmark their overall investment in the visitor economy. ART partnered with ALGA to produce an Australia-wide data set of local government spend on tourism (undertaken late 2016, with 256 of the 561 Australia's local governments responding). In Victoria, 44 of the 79 local governments responded (a 56% response rate) and analysis includes state and metro/regional splits.



## Community Understanding

Tourism is now commonly recognised by even the smallest of communities, as a long-term economic opportunity. However, there is also often a lack of understanding about why councils are involved and why rates are being applied to resources that support visitors.

The need to ensure the community have an understanding of the role of local government in the tourism sector and the value to their community is crucial.

As locals embrace the visitor economy, more pressure is put on council in return to understand the needs of the community and businesses in responding to the market.

The impact on council's approval processes, land use decisions and environmental impacts all need to be transparent and demonstrate an understanding of the user. By creating an environment where everyone understands "we are all in tourism" councils will reap long term benefits.

Through engagement and sharing clear messages about the benefits to the community councils can gain positive support.

If the messaging is consistent and positive, the benefits will be community participation and pride. Any concerns a community has can be raised and addressed, with feedback in turn helping to inform council.

Be authentic, engage early and stay engaged!

## CASE STUDY

*Kangaroo Island is recognised as best practice for the work undertaken in the development of their Tourism Optimisation Management Model (TOMM). Kangaroo Island is the third largest island off the coast of Australia situated approximately 100km south-west of Adelaide, South Australia. Wildlife and the natural environment are drawcards for domestic and international tourists to visit the island. In 1996, a recreation planning and management model was proposed for Kangaroo Island to ensure the sustainable retention and integrity of the environment, lifestyle and community. From this in 1997 Manidis Roberts Consultants developed TOMM for the region.*

*TOMM was one of the first to focus on an integrated approach to tourism management including the community as a critical component to the visitor management system. It is a practical set of indicators that monitor tourism on Kangaroo Island. These indicators measure changes in the economic, environmental, socio-cultural and experiential environments.*

*The growing success of this model is dependent on the management response system which alert key stakeholders to those indicators not performing. With active involvement from key management agencies on the island this cause/effect/response relationship allows for effective and timely management action.*

*Long term success of the concept can be achieved through a commitment across all levels enabling ongoing involvement of the tourism industry. Once achieved the TOMM project offers local communities one possible solution to sustainable tourism management.*

## QUESTIONS:

HOW ACTIVE ARE ALL PARTS OF THE COMMUNITY IN DETERMINING THE VISION AND FUTURE DEVELOPMENT OF THE VISITOR ECONOMY IN YOUR AREA?

IS THE OVERALL VALUE OF THE VISITOR ECONOMY WELL UNDERSTOOD?

DOES THIS INCLUDE SOCIAL OUTCOMES AS WELL AS THE ECONOMIC AND EMPLOYMENT RETURNS? HOW CAN THIS BE FURTHER IMPROVED?

MAKING THE PLACE A BETTER PLACE TO LIVE, MEANS IT IS A BETTER PLACE TO VISIT. DO YOUR COMMUNITIES WORK WITH THE VISITOR ECONOMY TO ACHIEVE THEIR OWN ASPIRATIONS? COULD THESE CONNECTIONS BE FURTHER IMPROVED?

# INTEGRATING “ “VISITOR ECONOMY THINKING”“

A focus on the visitor economy is often about awareness and can be integrated with an attitude shift across an organisation. While a number of states have regional strategies there is not a roadmap for those in the front line of decision making in council. The development of best practice and how to integrate tourism into the planning and operational paradigm of councils remains a challenge.

Commitments to tourism needs to become core business. ART seeks to become a partner of regional local governments to assist with creating an easy transition into the recognition of the value in thinking “visitor”.

Councils already provide the infrastructure for the community. The inclusion of “visitor economy thinking” in upgrades and new projects is not difficult or expensive, after all the considerations and improvements have a very positive impact on the community.

A **Destination Management Plan** actively considers the impact on a visitor in decision making and integrates this thinking into planning.

It is about being prepared. We understand that the growth of tourism can bring with it pressures and impacts on the host community that are not

always positive in nature. Visitor growth can occur faster than expected and doesn’t follow the traditional urban growth modelling. A visitor rise can be steady and then what can seem like overnight, the numbers go through the roof. This will impact a region from not enough car parking and overflowing bins to traffic congestion and crime.

**The good news is the economic benefits outweigh the downside and through an integrating visitor economy approach in council areas these issues can often be flagged in advance and avoided.**

## QUESTIONS:

**HOW WELL HAS THE PLANNING AROUND YOUR VISITOR ECONOMY BEEN INFORMED BY WIDER REGIONAL PLANNING? HOW WELL HAS YOUR LOCAL WORK INFORMED THOSE SAME PLANS? WHAT PARTNERSHIPS DO YOU HAVE WITH YOUR RTB AND NEIGHBOURING LGAS? WHAT IS IN PLACE IN YOUR LOCAL GOVERNMENT AREA?**

- Tourism is explicitly listed in the council strategic plan
- A separate tourism plan exists – for council, and all stakeholders in the area
- Tourism is explicitly included in broad plans such as digital and signage strategies
- Regional tourism sectoral plans exist, such as regional cycling or walking
- Local plans connect well to wider destination management plans

### FOR EACH PLAN OR POLICY:

- When was it created?
- Has it been amended or updated?
- Is it reviewed annually?
- Is there a committee that monitors progress and reports regularly?
- Does the committee have appropriate representation on it?
- Are the performance measures clear and useful?
- Have sufficient resources been allocated to deliver on the tasks?
- Are the goals and actions connected and leveraged with wider destination plans?



## Who Does What? – Working in Partnership

Managing the visitor economy is a shared responsibility with many stakeholders contributing to outcomes. Economic development and job creation start with the private sector.

Local government plays an important role in managing local development and supporting the visitor economy sector in their areas. Local tourism associations work closely with the community and around visitor needs.

Regional tourism boards / organisations (RTB/ RTOs) play a valuable role in coordinating and developing strategic, region specific objectives. This includes identifying collaborative approaches around industry development to

assist small and medium businesses to prosper. State level industry associations provide private sector leadership and help build the skills and capacity of business. Major private operators, such as airports, provide critical services.

STOs are the peak demand driving bodies that lead the global marketing and promotion for the states in partnership with Tourism Australia, and all states commit resources to manage major coordination across the sector. The state governments provide research and policy development as well as industry training and development opportunities. Tourism Australia plays a key role in international marketing and the federal government manages many policy and regulatory settings

affecting the visitor economy.

Businesses are major partners in promotion and marketing activity that builds the brand and profile for the destination.

The variety of partners highlights the importance of collaboration and communication in realising visitor economy growth targets.

ART is also a critical partner and committed to supporting the growth of sustainable tourism in regional Australia. ART seeks to help councils connect to industry and access information and data that will ensure informed decisions that will help their region adopt “visitor economy thinking”.

## QUESTIONS:

WHAT LINKS AND PARTNERSHIPS DOES YOUR LOCAL GOVERNMENT AREA HAVE?

DO YOU KNOW YOUR STATE AND REGIONAL TOURISM ORGANISATIONS?

ARE THESE RELATIONSHIPS SUFFICIENT AND WORKING WELL?

## Where to from here?

This document is designed to be used as a practical guide to get local government integrating *Visitor Economy Thinking* into their planning. As a starting point work through the questions through this document, highlighted in orange and take the first steps towards a more sustainable economy.

ART is committed to working with regional councils as partners. ART will support with research and data, but more importantly can help embed the visitor economy into your planning to ensure your leaders, implementation teams and community can plan for and experience the benefits of a sustainable visitor economy.

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### A few simple steps can have a great impact:

- Review your answers to the questions posed in this document.
- Discuss your local visitor economy with other stakeholders, including local businesses beyond accommodation and hospitality.
- Contact your regional tourism organisation to better assess gaps and opportunities around achieving your aspirations
- In partnership with other council units or your regional tourism organisation create a Destination Management Plan, even if this is a one-page document it will help begin the process of understand your strengths and community needs.



# REFERENCES

<sup>1</sup> Australian Local government Association (ALGA) 2017

<sup>2</sup> Deloittes, Positioning for Prosperity - Catching the next wave. Building the Lucky Country #3, 2014, p3

<sup>3</sup> Tourism Research Australia, Accessible Tourism in Victoria and Queensland, January 2018, p3

## Stakeholder Roles

### TOURISM OPERATORS

Provide tourism product to visitors with a direct impact on the visitor economy.

### LOCAL GOVERNMENT

Manage local development and support the visitor economy in their area. Often includes the provision of visitor information services.

### LOCAL TOURISM ASSOCIATIONS

Localised tourism groups strengthening and advocating for tourism in their local area.

### REGIONAL TOURISM BOARDS / ORGANISATIONS

(RTBs or RTOs)

Act on behalf of their area, often in formal or informal partnership with States, industry and government to support and develop regional tourism and the visitor economy.

### INDUSTRY ASSOCIATIONS

Many regions and states have industry associations who play a critical role in managing destinations.

### STATE TOURISM AGENCIES

Each state has tourism bodies that are the peak agency for tourism best practice, promotion, events and for some, industry development. These include:

- Destination NSW
- Visit Victoria
- Tourism Tasmania
- Queensland Tourism and Events
- South Australia Tourism Commission
- Tourism NT
- Visit Canberra

### TOURISM AUSTRALIA

Tourism Australia is the Australian Government agency responsible for attracting international visitors to Australia, both for leisure and business events.

### AUSTRADE

The Australian Trade and Investment Commission (Austrade) contributes to Australia's economic prosperity by helping Australian businesses, tourism operators and governments through industry development and research.

### THE WIDER COMMUNITY

Local businesses support the visitor economy, as do the local communities through employment and volunteering.

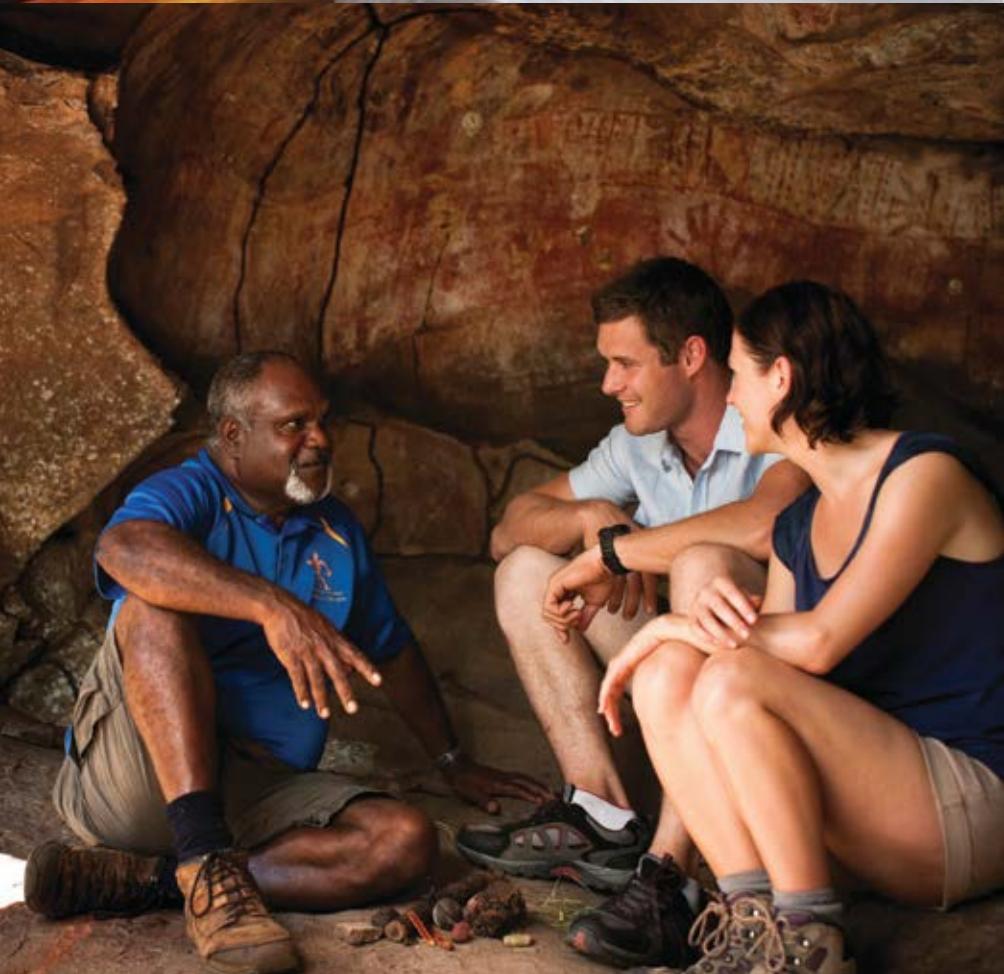
### ADDITIONAL TOURISM RESOURCES

*Why and How Local government Should Engage with the Visitor economy*

<http://www.tourism.australia.com>

<https://www.austrade.gov.au>

<https://www.tra.gov.au>





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