

Gippsland International Marketing Strategy

Rationale

Regional Victoria is coming to grips with a flat domestic market. While Gippsland has done much in the last 18 months to turn around levels of domestic visitation there is an identified need to increase yield.

Gippsland is the third most visited region in Victoria after Melbourne and Great Ocean Road, but has the second lowest yield.

Gippsland offers unique nature based experiences that are appealing to some international markets in particular travellers from UK/ Western Europe and more recently South Asian markets such as Japan and Malaysia/ Singapore.

Inbound arrivals to Australia grew by only 0.6 per cent in 2006 but growth prospects for 2007 are more positive after a stronger start to the year. Inbound arrivals are forecast to grow by just under 3 per cent to reach 5.7 million arrivals in 2007 with growth expecting to slow in the second half of the current year. The economic value of inbound tourism is forecast to increase by 4 per cent to \$22 billion in 2007. Forecasts for 2008 are for stronger inbound tourism growth, but with growth accelerating through the year and into 2009.

The segments we appeal to are Free and Independent Travellers (FIT) and small group travel.

Given the progress made in developing an international marketing program for Gippsland since mid 2006, it is timely to set out some clear strategic directions for the region

Background

Gippsland has traditionally relied on one or two operators to lead international marketing efforts for the region. This has changed significantly in the last two years with the establishment of the International Tourism Marketing Network and the International Tourism Mentoring Program.

Ten operators participated in ATE 2008 and worked together as a team to promote Gippsland and Victoria. The results were almost instantaneous with a number of operators reporting bookings from Inbound Tour Operators shortly after the trade show.

There are now over 15 operators in Gippsland that can be classed as 'Internationally Ready'. They represent a wide range of product from Backpackers to boutique small hotels, Nature based tour operators to traditional B&Bs. This list will continue to grow as the interest in Gippsland's International Marketing Activity grows.

There were a number of factors in the success of the Gippsland Campaign so far.

- 1) Groundwork done by Michael Leaney of the Walhalla Star Hotel over 7 years in international Market
- 2) Growing recognition of Sydney Melbourne Coastal Drive
- 3) Commitment of operators to work together
- 4) International Mentoring Program conducted by Tourism Vic
- 5) Establishment of International Tourism Marketing Network

There has been a \$60k allocation to International Touring under the Great Divide Bushfire Recovery Program over 2007/08 Financial year.

DGi contribute \$15k per annum to Sydney Melbourne Coastal Drive and \$5k for attendance and participation at ATE. DGi has also joined ATEC.

Approach

Gippsland's International Marketing activities should be lead by industry on a co-operative basis with Destination Gippsland, Sydney Melbourne Touring, Sydney Melbourne Coastal Drive Tourism Vic and Tourism Australia.

While current funding opportunities are short term (1-2 years), this strategy needs to take a longer term view (3-5 years) in order to be effective.

Goals/objectives

Short term

- Establish a single point of contact in Gippsland for international marketing activities that has the capacity to service inbound/wholesaler, agent enquiries and meet Tourism Victoria international division servicing requirements.
- Continue education and development program for operators
- Raise awareness of Gippsland with key wholesalers and ITOs
- Maintain united regional presence at trade shows etc
- Grow visitation to region from key target markets.
- Encourage more operators into SMT/SMCD programs
- Identify partnership opportunities at key tradeshow and regional missions where we cannot justify or afford our own representation
- Support the National Landscapes Program and the candidacies of SE Coastal Wilderness and the Australian ALps

Longer term

- Clearly articulate funding commitments and marketing opportunities for 3 - 5 years
- Establish Gippsland as key destination with wholesalers and ITOs
- Maintain united regional marketing program
- Grow visitation to region from key target markets.

SWOT Analysis	
Strengths	<ul style="list-style-type: none"> ➤ New news ➤ Authentic/ real Unique experiences ➤ Great nature ➤ Improving product – Food and Wine. ➤ SMT/ SMCD ➤ Growing interest from key target markets
Weaknesses	<ul style="list-style-type: none"> ➤ Lack of large scale accommodation ➤ Regional understanding of international tourism ➤ Underdeveloped transport links (aviation)
Opportunities	<ul style="list-style-type: none"> ➤ International Marketing Network ➤ Build on momentum generated by operators ➤ Promote new nature based products ➤ National Landscapes Initiative
Threats	<ul style="list-style-type: none"> ➤ Consumer concerns re environmental impact of long haul travel ➤ Increasing competition from low cost carriers

Target Markets

Gippsland's key domestic market is Socially Aware Nature Lovers aged 45 – 64. They are people looking for inspiration and experiences based in nature. They have an interest in food and wine, arts and culture and seek highly personalized and authentic experiences.

Gippsland's Tourism Sector is developing products and services in response to the needs of this domestic market, which parallel neatly with Tourism Australia's identified market the 'Experience Seeker'

Tourism Australia's global market segment 'Experience Seekers' was targeted because they:

- Are likely to undertake long haul travel
- Are high yield prospective travellers
- Are likely to disperse beyond the major capital cities and gateways and are,
- Non-rejectors of Australia

Experience Seekers can be found in different age groups, income levels, and regions. They have a mind set and attitude to life that stretches well beyond the category of travel including personal development and everyday life.

Experience Seekers also have global commonalities; they:

- Are experienced travellers for whom travel plays a big part in life
- Look to challenge themselves, be it physically, emotionally or mentally
- Desire a high level of engagement with the local people and culture
- Wish to experience, not witness destinations
- Like to avoid the tourist route, preferring locations that are untouched

Gippsland is experiencing increased visitation from Western Hemisphere (UK and Western Europe). There are also signs of increased demand from South Asia (in particular Japan, Singapore and Malaysia).

The Japanese market appears increasingly attractive as overall visitation appears to be declining, but there is growth in the FIT market. The new Tourism Australia campaign in Japan is now focused on promotion of Australia's wilderness areas as opposed to traditional focus on the Reef, Rock and Bridge.

Gippsland is well placed to benefit from the recently established National Landscape Initiative, which will highlight Australian Alps (including Gippsland's High Country) and the South East Coastal Wilderness (Croajingalong)

The majority of visitors are traveling through the region in Small Groups and/ or as self drive FITs

Given the limited resources available at this stage the priority target markets should be:

Primary - *Western Hemisphere*

1. UK / Western Europe (UK, Germany, Scandinavia)
2. North America (Canada)

Secondary - *Eastern Hemisphere*

3. South Asia (Singapore, Malaysia & Japan)

This ranking takes into account the recognised strengths and attributes of the Gippsland region. Individual operators may well want to prioritise their activities with these target markets differently eg Mt Baw Baw may consider South Asia as their primary target market.

For more information on International Tourism Marketing and research please go to www.tourismvictoria.com.au

Next Steps

Business Development

Establish Single point of Contact for leadership of International Tourism Marketing Activities

Destination Gippsland has a key role to play leading co-operative marketing activities on behalf of the region. It is recognised as the lead organisation for the region by Tourism Australia and Tourism Victoria and as such should continue to provide leadership and direction.

It will do this through co-ordination of Gippsland's International Tourism Marketing Network, leading regional presence at the Australian Tourism Exchange, membership of ATEC and acting as a contact point for international trade inquiries.

Destination Gippsland also has a direct relationship with the Sydney Melbourne Coastal Drive and Sydney Melbourne Touring through membership of those committees.

Work is required to establish a single point of contact for booking enquiries from trade and consumers. The peak body for Gippsland (Destination Gippsland Pty Ltd) will play a key role in providing ongoing support for the international trade. The role of regional Visitor Information Centres is important through support of consumer direct activities.

Encourage more attractions/ experiences to participate in International Marketing Activities

Encourage tour operators to participate in the International Marketing Network and create packages with internationally ready accommodation providers.

Trade Shows

ATE 2008 (\$5k)

- Destination Gippsland sponsor a regional stand.
- Encourage 2-4 operators who have not attended ATE before and are interested in pursuing international market to support regional marketing effort.
- 8-10 operators who participated last year to attend in their own right.

Corroboree – UK/ Europe 2007 (\$2k)

- Destination Gippsland to attend in partnership with Gippsland operators.

ATEC Symposium (\$7k) –

This is the main forum for Inbound Tour Operators to meet product from around Australia. The format is a half-day of workshops (presentations to ITOs) for each product, and various talks, seminars etc to make it into a 3-day event. It's a fast and effective way to see a number of ITOs and there can be some good networking as well.

Trade Missions

European Regional Mission March 2008 (\$30k)

The Sydney-Melbourne Coastal Drive has had representation at similar missions over the last two years, and has represented Gippsland well. There is the opportunity for increased destination awareness and training specifically for the Gippsland portion of the drive if Gippsland sends its own representative in addition to SMCD. The mission will go to several major centres in the United Kingdom, Sweden, Denmark, the Netherlands, Germany, Switzerland and Italy.

Advertising

UK/ West Advertising Campaign (\$15k)

Co-operative Advertising campaign organized through TVic UK to promote Gippsland in partnership with key UK wholesaler

Famils

Springboard Famil (\$1.5k)

Post Corroboree USA (complete)

Measurement

- IVS
- Feedback from internationally ready operators
- Number of packages/ experiences brochured
- No of packages booked through est. single point of contact

List of Internationally Ready Operators in Gippsland

- *Cambrai Backpackers Hostel*
- *Captains Lodge*
- *Chestnut Hill Country Retreat*
- *Déjà vu*
- *Echidna Walkabout Tours*
- *Gippsland High Country Tours*
- *Gipsy Point Lodge*
- *Gipsy Point Luxury Lakeside Apartments*
- *Lakes Entrance Waverley House Cottages*
- *Limosa Rise*
- *Moorings at Metung*
- *Montfort Manor*
- *Mt Baw Baw Alpine Resort*
- *Parks Victoria - Wilderness Retreats (Cape Conran and Buchan)*
- *Rivieranautic*
- *Walhalla Star Hotel*
- *Waterholes Guesthouse*
- *Wildlife Coast Cruises*