

The Tourism Promotion Plan

Paving the way for immediate and sustained tourism benefits for Tasmania's tourism industry.

November 2006



About the Tourism Promotion Plan-----

In June 2006 the State Government announced the establishment of a joint Working Party to make recommendations on a two-year Tourism Promotion Plan to address the effects and underlying trends related to the removal of the *Spirit of Tasmania III* service.

The Plan provides \$16 million in State Government funding. It is part of the Government's \$75 million commitment over four years to Tasmanian tourism that includes \$31 million in new funding and Tourism Tasmania's \$44 million four-year marketing allocation.

A Working Party comprising members of the tourism industry, TT-Line and Tourism Tasmania was tasked with preparing recommendations and options for Government to consider. The Tourism Promotion Plan is the outcome.

The Working Party-----

The Working Party is made up of the Tasmanian tourism industry, TT-Line and Tourism Tasmania.

Independent Chair: Felicia Mariani

TT-Line

- Peter Simmons
- Melindy Green
- Gunther Schranz

Tasmanian Tourism Industry

- Daniel Leesong
- James Cretan
- Roger Jaensch

Tourism Tasmania

- John Pugsley
- Claire Ellis
- Alison Stubbs

The Process-----

The State Government set Terms of Reference for the Tourism Promotion Plan. The Working Party condensed them into four broad objectives.

1. Accelerate preference for Tasmania, and intention to visit Tasmania, in the State's core markets using innovative programs;
2. Continue the momentum in south east Queensland and New South Wales achieved through *Spirit of Tasmania III*;
3. Optimise the performance of *Spirit of Tasmania I* and *II*; and
4. Encourage broad regional visitation, including a focus on travelling in Tasmania by Tasmanians

The Working Party organised industry consultation forums in Hobart, Bicheno, Devonport, Launceston and Strahan during July and August 2006. A total of 180 participants attended the forums and more than 500 comments and suggestions were put forward. Forums were also arranged in Smithton and Wynyard and a report was received summarising those community consultations. In addition a number of written submissions were received from a range of industry and allied associations and bodies.

The industry consultation clearly indicated how the Tourism Promotion Plan funding should be allocated and used. This information assisted the development of strategies.

In particular, the industry's wish for there to be closer alignment between Tourism Tasmania and TT-Line marketing, all tourism associations and operators was acknowledged and factored into the strategies.

The Plan, which will run over two years, consists of seven programs that will:

- build awareness of Tasmania as a holiday destination;
- encourage potential visitors to the State to book their trip; and
- support the delivery of Tasmanian experiences that exceed visitor expectations.

The Seven Programs-----

1. Consumer Research

Consumer habits have changed dramatically around all of Australia and internationally. The time between deciding to take a holiday and actually booking a holiday is shortening; travel patterns are changing; trips are more frequent but for fewer nights.

Tasmania already has a basic understanding of these changes, but its knowledge is based on people who have already travelled to Tasmania. It needs to understand what makes people want to travel to Tasmania, and what things are stopping them from travelling to Tasmania. What offers would motivate them to change their destination to Tasmania?

Additional consumer research for intrastate travel is also planned.

The cost of the program is \$300,000, and this research will be conducted over the first year of the Plan only.

2. Spring Campaigns

In 2006 TT-Line is spending \$3 million on a tactical (retail conversion) and brand (TT-Line image) campaign in its major markets. This is already planned and the media placed. Tourism Tasmania is also conducting a \$1 million spring campaign.

The Tourism Promotion Plan will spend a further \$300,000 on additional magazine and editorial support for both campaigns including travel magazines and selected titles. The majority of this activity is in conjunction with Tourism Australia's domestic campaign. A further \$400,000 will be spent on a direct mail and e-marketing on-line campaign to assist conversion. This will include a 16-page catalogue of TT-Line 'past passenger' database and on-line advertising and promotion. The on-line promotion is based on a 'sale countdown' creating an urgency to book to obtain a discount on day sailings.

The cost of the program will be \$1.4 million - \$700,000 to be spent in each of the two years of the Plan.

3. Autumn/Winter Campaigns

With the benefits of the new consumer research (Program One), there will be a significant marketing campaign for Tasmania in New South Wales, south-east Queensland and Victoria from February to May 2007 (repeated in Autumn/Winter 2008).

The campaign will specifically drive sales by encouraging people with an interest in visiting the State to go ahead and book their trip.

TT-Line will align its \$3.5 million campaign to Tourism Tasmania's \$1.5 million campaign, with an additional \$1 million from the Tourism Promotion Plan.

The total cost of this program will be \$2 million - \$1 million for each of the two years over the life of the Plan.

4. Major Destinations Marketing

This program will fill the \$4.6 million void that followed the withdrawal of spending in Sydney, regional New South Wales and south-east Queensland for *Spirit of Tasmania III*.

The campaign will build the profile of Tasmania as a holiday destination, and is expected to maintain the momentum in these specific markets and support carriers focused on Tasmania – the Qantas Group, Virgin Blue, Rex and TT-Line.

This will be achieved by media advertising (including television and pay television), digital media, as well as public relations and event marketing.

It will be supported by additional advertising by key partners including the Tasmanian regions, tourism wholesalers and retailers, carriers and operators.

The total cost of this program will be \$6 million - \$3 million for each of the two years of the Plan.

5. New Intrastate and Visiting Friends and Relatives Program

A new program will be developed jointly by Tasmania's regions and Tourism Tasmania to ensure that the increase in the 'Visiting Friends and Relatives' area is maintained.

The campaign aims to boost visits within Tasmania by Tasmanians, and to foster the ambassadorial roles that Tasmanians can play by actively encouraging their friends and relatives to visit. This program will consist of TV

documentaries and an integrated marketing program with opportunity for industry participation. Cooperative participation will be invited through dollar-for-dollar funding.

A total of \$400,000 will be spent on this program - \$200,000 in each year of the Plan.

6. E-marketing Platform

In response to fast-changing consumer trends, on-line capabilities need to be quickly enhanced.

This program is designed to speed up work currently being undertaken by Tourism Tasmania. The intention of the Tourism Promotion Plan allocation is to deliver a four-year program in only two years.

The program will build on Tourism Tasmania's digital strategy, focusing on regional experiences and enhancing our online booking capabilities. Other initiatives include using webcams, live weather updates and special interest hot links, and ensuring that industry becomes collaboratively linked through various portals.

This program will cost \$400,000 in the first year of the Plan, and \$425,000 in the second.

7. Market Ready Regional Experience Development Program

Industry consultation revealed a range of needs within regional Tasmania. This program contains three sub-programs:

- Product and Experience Development - \$2.075 million over two years

A new grants program will be established to allow Regional Tourism Authorities, industry associations, individual operators and local tourism associations to apply for funding. Grants of between \$100,000 and \$200,000, but not

limited to this, will be provided for implementation of existing initiatives that will enhance regional visitation, and projects that assist regional development and strengthen our brand.

- Improving the Capacity of the Regional Tourism Authorities - \$600,000 over two years

The funding will increase the capacity of the Regional Tourism Authorities to roll out the Tourism Promotion Plan programs in their regions. As each Regional Tourism Authority has a different skill sets, a one-size-fits-all approach will not be appropriate. Therefore, the specific response will vary in each region.

- Co-operative Marketing - \$1.4 million over two years

\$700,000 will be provided to Regional Tourism Authorities by application, to be matched on a dollar-for-dollar basis. This funding will enable them to better market their regions through a range of partnerships and co-operative marketing opportunities.

An additional \$700,000 will be available to local, regional or state-wide organisations that have a number of independent operators involved to undertake initiatives such as cooperative advertising and promotions, Visiting Journalist Program involvement, an expanded web presence, and regional conference promotion and packaging. This initiative will result in a better alignment of our marketing efforts.

Overall, this program will cost \$4.075 million. A total of \$2.45 million will be spent in the first year of the Plan, and the remainder in the second.

8. Contingency Fund

A contingency fund of five percent of the total Plan will be allocated to allow additional flexibility and rapid response to any emerging issues as necessary.

An allocation of up to \$400,000 for each of the two years of the Plan will be provided. Any unspent funding will be transferred into another project.

Administrative Support-----

Funding of \$100,000 each year will be allocated to provide administrative support to assist with the management of the programs outlined.

Governance-----

An ongoing Management Committee of the Tourism Promotion Plan will continue for the life of the Plan. This will consist of a sub-committee of the existing Tourism Promotion Plan Working Party.

The Management Committee's role is to:

1. ensure all Tourism Promotion Plan monies are expended to achieve the specific goals and outcomes that the Tourism Promotion Plan has proposed;
2. generate a culture of alignment between organisations involved in each program, ensuring strong levels of cohesion not experienced before in Tasmania;
3. quantify the results achieved from the Plan by establishing measurement tools and key result areas for each program expenditure;
4. keep Government, industry and stakeholders regularly informed on financial allocations and outcomes (and a clear distinction between TPP and the receiving organisation's other funding);
5. ensure that full accountability for the Plan exists through appropriate governance and auditing;
6. review the progress of the Plan and recommend any change to program allocations where required to the Minister.

Tourism Promotion Plan Expenditure

Program	Total Allocation \$M	Overall Percentage %
1 Consumer Research	0.3	2
2 Spring Campaign 2006 and 2007	1.4	9
3 Autumn/Winter Campaign 2007 and 2008 February–June	2	12
Sub Total for Research and Campaigns	3.7	23
4 Major Destinations Marketing Victoria, New South Wales and south-east Queensland	6.0	38
Sub Total for Mainland Marketing	9.7	61
5 New Intrastate and 'Visiting Friends and Relatives' Program	0.4	3
6 E-marketing Platform	0.825	5
7 'Market Ready' Regional Experience Development Program 7.1 Regional Product and Experience Development Program 7.2 Capacity Building for Regional Tourism Authorities 7.3 Co-operative Marketing Program	4.075	25
8 Contingency Fund	0.8	5
9 Administrative Support	0.2	1
Total	16.0	100

Where to from here?-----

There are a number of ways for members of Tasmania's tourism industry to benefit from the Tourism Promotion Plan.

These will be communicated to the industry and stakeholders at a series of industry forums to be held in November 2006. This includes opening dates for grant proposals. Regular updates will also be provided through newsletters, the Regional Tourism Authorities, Tourism Tasmania and the Tourism Industry Council of Tasmania.

For further information about regional development please contact the Regional Tourism Authority in your area.

Cradle Coast Authority
Northern Tasmania Development
Totally South

Three industry forums are planned to share and discuss the detail of the Tourism Promotion Plan. These forums will be held in Burnie on 13 November, Launceston 17 November, and Hobart on 20 November. Venues and exact times will be confirmed before the end of next week.