Disclaimer

The Destination Management Plan for Southern Tasmania has been prepared specifically for Destination Southern Tasmania by Sarah Lebski & Associates.

Neither Sarah Lebski & Associates nor any member or employee of Sarah Lebski & Associates takes responsibility in any way whatsoever towards any person or organisation (other than that for which this report has been prepared) in respect of the information set out in this report, including any errors or omissions therein. In the course of our preparation of this report, recommendations have been made on the basis of assumptions and methodology.

This plan and its contents are not to be referred to, quoted or used by any party in any statement or application, other than by Destination Southern Tasmania, without explicit approval from Sarah Lebski & Associates.

This plan has been prepared in good faith and in conjunction with Destination Southern Tasmania.
Foreword

Tourism is vitally important to the Southern Tasmanian economy and contributes significantly to the way of life of our communities, particularly in regional areas. The challenge for our tourism industry is to provide the best possible experience for visitors while increasing the range of experiences and activities across our region that ‘meet the market’. Success will lead to increased business resilience and a greater dividend from infrastructure; ultimately making a greater contribution to the way of life of residents.

Destination Southern Tasmania (DST) is pleased to present this Destination Management Plan (DMP) which establishes a framework to facilitate the continual management of the destination using a flexible, holistic and systematic approach. The consultants have noted that tourism, being superimposed on an existing place, utilises a wide range of public and private investment and infrastructure as well as public assets. However, it is also noted that tourism provides an extension to the scope and scale of built attractions and hospitality that would not normally be available if they were solely reliant on local patronage. To this end, the framework acknowledges the social, economic and environmental impacts of tourism, their inter-relationships and the way in which those impacts can be successfully managed.

The DMP will help determine the best ways for DST to support private investment, service delivery and public infrastructure investment to enable an increased contribution by tourism to the Southern Tasmanian economy.

While the Action Plan demands a lot of DST, it focuses on a number of key areas that have the capacity to make a significant difference to tourism in the Southern region. It will require a concerted, collaborative effort from all stakeholders if DST is to successfully position Southern Tasmania as ‘the place to visit’ in what is a very competitive tourism market.

It is now essential that Destination Southern Tasmania secures increased stakeholder support and resourcing levels to enable the organisation to implement the DMP. Building on the existing contribution of industry through membership and cooperative programs is crucial; however creating value that in turn encourages greater Local Government support is paramount. It is also evident that funding from the State Government could better reflect the responsibilities of the southern Regional Tourism Organisation (RTO), whose territory covers a large part of the island in which around one third of Tasmania’s accredited tourism businesses operate.

The Board of Destination Southern Tasmania, its members and management owe a debt of gratitude to the authors of this Destination Management Plan. Sarah Lebski & Associates is the lead consulting firm and in this case Sarah Lebski’s colleagues have been Adam Saddler (Adam Saddler Consulting) and Martin Farley (creating Preferred Futures). As a team it is clear they have been heavily invested in this project and their extensive tourism experience, thorough industry consultation, general professionalism and endless enthusiasm have all been greatly appreciated. We particularly thank Rob Rowell of Insight GIS, who made a significant contribution in developing the demand and supply modelling expressed so cleverly in the regional map which features in our DMP.

The contribution during the consultation phase from industry operators, Local Government councillors and officers, Government agencies, particularly Tourism Tasmania and multiple Government Business Enterprises is also worthy of note. The depth of understanding established as a result of our consultation phase has been a cornerstone of the project.

This Destination Management Plan provides a significant milestone for tourism in Southern Tasmania – a strategic, holistic and collaborative framework for the entire region. We now look forward to growing the contribution of tourism to our communities by implementing the plan to the best of our ability.

The Board of Destination Southern Tasmania commends this DMP to the communities of Southern Tasmania.

Vincent Barron,
Chairman,
Destination Southern Tasmania Ltd.
1. Executive summary ................................................. 6
   DST’s Tourism Vision ............................................. 6
   DST’s Mission Statement ....................................... 6
   Southern Tasmanian tourism ................................... 6
   Key findings ......................................................... 7
   The Destination Management Plan ........................... 7

2. Introduction .......................................................... 8

3. The project’s tourism context .................................... 10

4. Approach/project methodology ............................... 13
   Definition and purpose ......................................... 13
   DST Destination Management Framework ................. 14
   A sustainable natural environment ............................ 15
   Competitive product mix ........................................ 15
   People and investment productivity ......................... 16
   Community wellbeing ............................................. 16
   DST Framework diagram ....................................... 18

5. Situation analysis .................................................... 19
   Tasmanian tourism industry ...................................... 19
   Tourism in Southern Tasmania ................................. 20
   The visitor contribution to our regional economy .......... 20
   The visitor experience ............................................ 20

6. Destination management ........................................... 31

7. Destination marketing .............................................. 33
   Communication .................................................... 34
   Brand ................................................................. 35

8. Destination development .......................................... 36
   Product development and investment ....................... 36
   Infrastructure ....................................................... 36
   Experiential tourism .............................................. 36
   Visitor servicing .................................................. 36

9. Consultation process and findings ............................. 37

10. Development pathways (action/implementation) .......... 38
    The Development Pathways Matrix .......................... 39

11. Action plan .......................................................... 41
    Sustainably utilising natural attractions, resources and infrastructure .................................................. 42
    Identifying new market opportunities, products and improving distribution models .......................... 44
    Positioning, promotion and brand alignment .................. 45
    Encouraging and facilitating investment ....................... 46
    Facilitating skill development, creativity and innovation ................................................................. 47
    Leading and managing with quality information, contemporary process and inclusion of key partnerships ................................................................. 48

Attachment 1: Consultation report ............................... 50
   Regional success factors .......................................... 50
   DMP face-to-face consultation ................................... 51
   Agenda ..................................................................... 51
   Key questions ........................................................ 51
   Themes ..................................................................... 51
   Face-to-face consultation feedback ............................. 52
   Industry survey feedback ......................................... 52
   Survey summary ..................................................... 52

Attachment 2: Key references ....................................... 54

Attachment 3: Tasmanian Travel & Information Centre, Hobart ............................. 55

Attachment 4: Investment-ready projects ....................... 56
## Glossary

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARTN</td>
<td>Australian Regional Tourism Network</td>
</tr>
<tr>
<td>CBD</td>
<td>Central Business District</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>DEDTA</td>
<td>Department of Economic Development, Tourism and the Arts</td>
</tr>
<tr>
<td>DIER</td>
<td>Department of Infrastructure, Energy and Resources</td>
</tr>
<tr>
<td>DMF</td>
<td>Destination Management Framework</td>
</tr>
<tr>
<td>DMP</td>
<td>Destination Management Plan</td>
</tr>
<tr>
<td>DST</td>
<td>Destination Southern Tasmania</td>
</tr>
<tr>
<td>GBE</td>
<td>Government Business Enterprise</td>
</tr>
<tr>
<td>KPIs</td>
<td>Key Performance Indicators</td>
</tr>
<tr>
<td>LGA</td>
<td>Local Government Area</td>
</tr>
<tr>
<td>LTA</td>
<td>Local Tourism Association</td>
</tr>
<tr>
<td>MAST</td>
<td>Marine and Safety Tasmania</td>
</tr>
<tr>
<td>MONA</td>
<td>Museum of Old and New Art</td>
</tr>
<tr>
<td>PAHS</td>
<td>Port Arthur Historic Site</td>
</tr>
<tr>
<td>PWS</td>
<td>Tasmanian Parks and Wildlife Service</td>
</tr>
<tr>
<td>RACT</td>
<td>Royal Automobile Club of Tasmania</td>
</tr>
<tr>
<td>RTO</td>
<td>Regional Tourism Organisation</td>
</tr>
<tr>
<td>STCA</td>
<td>Southern Tasmania Councils Association</td>
</tr>
<tr>
<td>STO</td>
<td>State Tourism Organisation</td>
</tr>
<tr>
<td>TICT</td>
<td>Tourism Industry Council Tasmania</td>
</tr>
<tr>
<td>THA</td>
<td>Tasmanian Hospitality Association</td>
</tr>
<tr>
<td>TMAG</td>
<td>Tasmanian Museum and Art Gallery</td>
</tr>
<tr>
<td>TIM</td>
<td>Tourism Info Monitor</td>
</tr>
<tr>
<td>TVIN</td>
<td>Tasmanian Visitor Information Network</td>
</tr>
<tr>
<td>TVS</td>
<td>Tasmanian Visitor Survey</td>
</tr>
<tr>
<td>UTAS</td>
<td>University of Tasmania</td>
</tr>
<tr>
<td>VIC</td>
<td>Visitor Information Centre</td>
</tr>
</tbody>
</table>
1. Executive summary

The Destination Management Plan (DMP) for Southern Tasmania was commissioned by Destination Southern Tasmania (DST), the Regional Tourism Organisation (RTO) responsible for the marketing and development of tourism in Southern Tasmania. DST represents one of four tourism regions designated by Tourism Tasmania. DST’s key objectives are to increase visitation, yield and regional dispersal through marketing, industry development and advocacy.

The Tasmanian tourism industry has experienced profound structural change in the last 18 months. As a result, Tourism Tasmania has been streamlined to a marketing organisation, and its withdrawal from industry development/capacity building in particular has left a significant vacuum. DST is now charged with this substantial task in an environment where the organisation’s resources and capacity are very limited. Similarly, while there are a substantial number of recommended actions, it will be paramount that DST secures increased stakeholder support and resourcing levels to enable the organisation to implement the DMP and attain positive and achievable results during the first twelve months.

The DMP sets out a vision for tourism in Southern Tasmania and a framework for DST to continuously manage the destination using a flexible, holistic and systematic approach.

DST’s Tourism Vision

‘For tourism to be a sustainable, appealing and profitable industry; contributing strongly to the communities of Southern Tasmania’.

DST’s Mission Statement:

‘We will be respectful of our natural environment, competitive in the way we develop and market our advantages, committed to the people who work in our industry and embraced by the community in which we live and operate.’

Southern Tasmanian Tourism

Tourism in Southern Tasmania is in a period of transformation. As with the industry across the State, its development has historically focused on accommodation. However, in recent years there has been an increasing shift towards significant and varied cultural and recreational experiences; these range from the Museum of Old and New Art (MONA) and its associated events, through to nature-based activities, major cultural and sporting events and a growing reputation for fine quality food and beverage to complement the experience.

While there is a current shortage of ‘beds’ in central Hobart, the outlying regions generally have either an over-supply of accommodation or an under-supply of accommodation type and/or attractions and experiences demanded by contemporary and emerging markets. In some instances this situation can be redressed by bundling local assets into innovative new packages, and to some degree, by ensuring that attractions and experiences are effectively marketed.

The supply side of the Southern Tasmanian destination is characterised by larger scale corporate entities, medium-sized professional businesses and a substantial number of boutique or ‘lifestyle’ operators. In terms of volume, the tourism offer is mostly provided by the larger operators. However, given the nature of the Tasmanian tourism industry, the small operator is an important provider of choice for visitors to Southern Tasmania, in particular in the context of regional dispersal.

The more sizeable businesses have the capacity to resource their own marketing and adaptation/reinvestment, but need the collective voice of DST to coordinate and effect destination marketing campaigns and address development challenges. The smaller businesses within Hobart provide an attractive range of options for visitors, but in the regions, the general absence of larger businesses results in a lack of scale and market awareness.

Where scale and capacity are lacking, DST can assist the local industry to build capacity and advocate for agreed, supporting infrastructure that will contribute to the development of compelling experiences and products in those areas.
The notion of Local Tourism Associations (LTAs) that are primarily industry-driven and resourced is considered flawed. Without the participation/intervention of Local Government, RTOs and key entities such as Tasmania’s Parks and Wildlife Service, Marine and Safety Tasmania, Inland Fisheries and other industry sectors in which there is specific local benefit from tourism (e.g. the agriculture and aquaculture industries), LTAs will struggle to drive significant regional dispersal.

Many of the strategies outlined in this DMP require a more cooperative and coordinated approach from industry, State and Local Government if successful outcomes are to be achieved.

Key findings
In the development of the DMP, the key findings to emerge for the Southern Tasmanian tourism region were:

- The industry has a general lack of knowledge of the new governance structure, particularly around the roles and responsibilities of the State Government (both tourism and non-tourism agencies), the RTOs and LTAs, and this is not currently being addressed by the industry’s governance bodies.
- There is an increased need for DST to have more focus on industry development/capacity building within the Southern Tasmanian tourism region, particularly following the withdrawal of Tourism Tasmania from this role.
- Southern Tasmanian tourism needs a ‘collective tourism voice’ provided through DST.
- There is a need for DST to provide an advocacy role for the industry in the development of supporting infrastructure, such as roads, public transport and signage, to ensure that tourism is considered by the organisations responsible for developing such infrastructure. This role should also extend to product and experience development across the region.
- DST must continue to facilitate regional and cooperative marketing opportunities and events.
- DST’s resourcing levels, when compared to the region’s provision of tourism experiences and products in the State, are imbalanced. The region includes over a third of all tourism operators, is the major gateway for visitor arrivals to Tasmania and features the majority of the State’s major attractions - but its funding does not reflect the corresponding challenges.

The Destination Management Plan
The DMP has been developed using a framework model that identifies the need to consider tourism in a holistic and integrated manner and as a significant contributor to the regional economy.

The following information, conclusions and development pathways presented in the DMP:

- Provide the context in which tourism and DST operates in the region;
- Highlight the relevant research and tourism trends impacting on the region through a comprehensive situation analysis;
- Present an integrated framework to manage tourism in Southern Tasmania; and
- Recommend a substantial list of actions to prioritise and implement.

The recommended actions reflect the fact that the Southern region is experiencing record visitation and accordingly more emphasis has been placed on the industry development and advocacy roles of DST. The action list is devised for the first 12 months and future actions will be developed on an annual basis to ensure that they are relevant and able to be implemented in a resource-constrained environment. Ideally the development of a 12-month rolling Action Plan will be aligned to stakeholders’ budgetary timeframes, to ensure an appropriate level of funding.

Lastly, to achieve the actions it will require a collaborative effort from all stakeholders for DST to position Southern Tasmania as ‘the place to visit’ in the competitive tourism environment.
2. Introduction

The Destination Management Plan (DMP) for Southern Tasmania was commissioned by Destination Southern Tasmania (DST), the Regional Tourism Organisation (RTO) responsible for the development of tourism in Southern Tasmania. DST’s key objectives are to increase visitation, yield and regional dispersal through marketing, industry development and advocacy.

DST is funded by industry, the State Government (Tourism Tasmania) and eleven (11) local Councils. The member Councils represent a diverse range of communities from Hobart, Tasmania’s capital city, to the smaller cities of Glenorchy and Clarence, the surrounding Councils of Brighton, Sorell and Kingborough, and the rural municipalities of Southern Midlands, Central Highlands, Derwent Valley, Huon Valley and the Tasman Peninsula.

While each of these communities is placed within the superb landscape and attractions of Southern Tasmania, and each offers unique opportunities for the visitor, their current scope and level of participation in tourism differs considerably, and inevitably so do the benefits they derive from the industry. As a result, their respective needs from the DMP also vary, and one of the major challenges has been to develop a plan that secures a genuine sense of purpose and co-ownership amongst both industry and stakeholders throughout the region.

In establishing this sense of purpose and co-ownership, the DMP for Southern Tasmania draws together policies, strategies and plans that have been developed from national, State and local perspectives; complemented by additional research, a broad consultation process and rigorous analysis.
Key guiding documents that have informed the DMP include:

- National Long Term Tourism Strategy
- Tourism 21
- Southern Regional Economic Development Plan
- Destination Southern Tasmania Tourism Region Economic Impact Analysis
- Tourism Tasmania’s Corporate Plan
- Tourism Info Monitor
- Tourism strategies for the Channel, Huon Valley, Far South, Bruny Island and the Tasman
- Various plans and policies supplied by Southern Councils
- Southern Tasmania Regional Land Use Strategy
- Arts Tourism Strategy
- Tasmanian Hospitality Industry Strategic Plan
- Historic Heritage Tourism Strategy.

Further references are listed in Attachment 2.

While the State Government, Local Government and industry members represent DST’s major stakeholders, the organisation also has a number of significant partners including Tourism Industry Council Tasmania (TICT) and the Tasmanian Hospitality Association (THA). Through their national affiliations, these partners bring a broader perspective to DST - for example, TICT works with both the National Tourism Alliance (NTA) and the Tourism and Transport Forum (TTF) on key issues of importance to the tourism industry and the THA is affiliated with the Australian Hotels Association (AHA) and Tourism Accommodation Australia (TAA).
3. The project’s tourism context

Tourism is important to Tasmania. As a State, Tasmania is the second most reliant on the tourism industry nation-wide. However, tourism is not an end in itself, but rather a means by which Tasmanians can participate in the national and global economy to achieve positive community outcomes.

The Southern Region Economic Development Plan identifies tourism as one of seven priority sectors in the region, acknowledging that it has significant flow-on effects, creating major employment and driving investment. At a more localised level, tourism provides an increased scale of activity that enables the viability of other businesses, as well as improved services and amenities that contribute to the diversity and attractiveness of an area.

Tourism further contributes by providing an economic return on public assets, including built infrastructure and national parks, and investment in arts and culture. For a destination like Southern Tasmania, tourism is different from many other industries, in that it utilises a wide range of public and private investment and infrastructure as well as public assets - for example, Tasmania’s much acclaimed natural environment. Tourism is a means by which these public assets can make a strong contribution to the wellbeing of the community and arguably supports part of the rationale for public investment in the industry.

A strong, focused DMP can play a very important and practical role in identifying the way in which all tiers of government can support the visitor economy and vice versa. Areas of mutual benefit may include planning, transport, utilities, environmental management, leisure, culture, heritage and the arts.

The regional plan also highlights the integration of key sectors as critical to leveraging further economic development, and recognises the significant contribution that the tourism sector makes to the Southern and Tasmanian economies. This reinforces the concept that tourism is not an isolated industry; it has significant overlays and interdependencies with other priority sectors identified in the DMP, including Antarctic and Southern oceans, food and agriculture and international education. In combination they can provide new, innovative experiences that leverage and deliver strong value to visitors, businesses and the host community.

Developing and managing a visitor destination is complex. Tourism, unlike other industries, is superimposed on an existing place and for a relatively small region like Southern Tasmania, it provides an extension to the scope and scale of built attractions and hospitality that would not normally be available if they were solely reliant on local patronage. In effect, tourism makes Southern Tasmania potentially more significant and prosperous than would otherwise be the case. Consequently, it is essential to ensure that the tourism industry and its flow-on outcomes and longer term impacts, provides net benefits that are reflective of the values and needs of the Southern Tasmanian community.

It is important to note that tourism in Southern Tasmania, and DST in particular, faces different challenges from Tasmania’s other regions. With record levels of visitation to Hobart, the key priorities are to provide a better experience to extend the length of stay and yield, (or encourage frequent, repeat visits), and to achieve wider regional dispersal - as opposed to attracting significantly increased visitor numbers.
The following charts sourced from the Tasmanian Visitor Survey, illustrate the difference in visitation across Tasmanian regions as well as the contrasting performance of Hobart and the remainder of Southern Tasmania.

In absolute and trend terms, using visitation as the indicator, Southern Tasmania is the only region demonstrating real growth. The challenge then is to increase yield and to ensure regional dispersal occurs, without diminishing current returns - that is, to grow returns to the industry to achieve flow-on benefits to the wider community.

Holiday visitors spent an average of 3.7 nights in Hobart in the year ending June 2013 and 3.3 nights in the ‘Total Southern’ area - i.e. across all the Southern ‘sub-regions’. ‘All’ visitors (as opposed to those just on holidays) spent an average of 4.6 nights in Hobart in the year ending June 2013 and 3.7 nights in the ‘Total Southern’ area.

Regional visitation
The chart below shows dispersal of visitor numbers to both State and regions between 2004 to 2013.

Holiday length of stay
The chart below displays the average length of stay (nights) in both Tasmania and Southern Tasmania by holiday visitors.
The following data clearly indicates the dominance of Hobart as the preferred location for overnight stays. The rest of the region has been experiencing a decrease. This has a significant impact on yield and the viability of tourism businesses located outside Hobart.

**Nights spent by place**

The chart below displays the total number of nights spent in each place by holiday visitors.

**Attractions visited**

The table below shows the percentage of Tasmanian holiday visitors who visited TVS-specified attractions in the Southern region for the year ending June.

While the top four attractions considerably outweigh the rest in terms of visitation, Port Arthur Historic Site is the only attraction outside Hobart which is included.

This data below leads to the conclusion that while Southern Tasmania is delivering significant value to an increasing number of visitors, that value can be further enhanced in a manner that also delivers benefits to operators and communities outside Hobart.
4. Approach/project methodology

Definition and purpose
This project represents a significant milestone for tourism in Southern Tasmania - the first of its kind to develop a strategic, holistic and collaborative framework for the entire region.

There is no all-encompassing template for a Destination Management Plan, given the variance in scope, maturity, size, resources, capacity and level of aspiration that may be applied to a particular visitor destination. The Southern region has its own complexities when it comes to tourism planning, as it encompasses vastly different visitor destinations - i.e. a capital city combined with substantial regional areas.

However, the DMP is broadly based on the principles articulated in The Guide to Best Practice Destination Management (2012) developed by the Australian Regional Tourism Network (ARTN) in association with the Federal Department of Resources, Energy and Tourism.

Best practice destination management integrates four key delivery areas; research and analysis, consultative planning, experience and product development, and marketing and promotion.1 This is not an occasional process but rather an ongoing cycle of planning, implementation, review and assessment to ensure that a visitor destination maintains both a fresh and competitive approach. The DMP begins that process for the Southern region.

The DMP also provides a structure to:
- Inform industry governance;
- Increase capacity;
- Prioritise resources;
- Address fragmentation;
- Support innovative partnerships; and
- Build a common vision for the future.

It will assist in the development of products, services and experiences, and the infrastructure required to support them. It also identifies key actions for success, which in turn can provide a tangible case for further funding; this is of particular importance when, in the case of DST, there is some reliance on external funding.

Most importantly the DMP will identify and promote the region’s competitive advantages to build a resilient tourism economy that benefits both visitors and host communities. Traditionally, many regions have concentrated most of their efforts on marketing, and while it certainly remains a critical element, effective destination management also recognises the full range of components that are essential in maintaining and growing an attractive, competitive and sustainable destination.

In addition to the well-documented components of a DMP, we have developed a unique, integrated tourism management system (Destination Management Framework), which acknowledges the social, economic, and environmental impacts of tourism, their respective relationships, and the way in which they can be successfully managed. It is a dynamic, continuous model that is highly responsive to change.

1 Australian Regional Tourism Network (ARTN), The Guide to Best Practice Destination Management, 2012, p.5
DST Destination Management Framework

The key challenge for DST is to determine the most effective way the organisation can support and facilitate the investment and activity that, in conjunction with complementary, independent private investment and service delivery, will make a major contribution to both tourism and the broader economy of Southern Tasmania.

As a significant enabling organisation, it is considered essential that DST takes an approach that matches the dynamics and complexity of achieving an ongoing ‘fit’ between the characteristics and attributes of the destination, and the changing interests, needs and priorities of the market.

The tailored Destination Management Framework will assist DST in determining the mix of policy and strategy to ensure that Southern Tasmania works effectively as a visitor destination. It does so in a manner that identifies the key elements of the destination, articulates their interdependencies, and facilitates both their individual and joint management; in effect to enable management of the destination as a set of interdependent elements that contribute to the tourism vision for Southern Tasmania.

This approach is central to effectively and efficiently applying scarce resources, and in developing a strong regional development narrative that engages the community and other stakeholders in a positive way.

The Destination Management Framework is designed around:

- Short (profile/characteristics), medium (outcomes) and long term (vision) dimensions;
- Achieving economic and social outcomes while simultaneously utilising and protecting Southern Tasmania’s natural environment - a practical application of triple bottom line principles; and
- A comprehensive, strategic mix that manages and enhances the destination within this context - the management and governance system that will make a difference ‘on the ground’ in the short term, and flow through to achieve positive outcomes.

The time dimensions of the framework are critical; for example, the vision articulates the destination’s ‘visitation value proposition’ to the industry and community; it expresses a clear sense of long-term purpose towards which DST and its partners must simultaneously work on a number of fronts to achieve.

A coherent framework that encapsulates demand and supply is considered essential to strategically managing a destination. The central question relates to whether the current visitor profile and experience delivers the outcomes sought by both the industry and community, and if not, what mix of strategies across which sectors is most likely to close that gap? In practice, the framework assists to identify the mix of strategic options available to develop opportunities and to analyse their relative, benefit/cost returns.

Example

If a proposal was put forward to develop a visitor attraction which involved the destruction or diminishment of environmental values, such a proposal is unlikely to fit with the Destination Management Framework’s agreed outcome to respect and protect the Tasmanian environment as a sustainable tourism resource. The benefit/cost return would then be viewed as a negative - i.e. the negative environmental impact would outweigh the economic impact. The framework is designed to encourage stakeholders to consider the values of both the community and the visitor in determining the decision parameters of investment and activity.
In addition to the ‘future planning’ application, the framework enables consideration of ‘shocks’ to the destination - for example, loss of airline seats into Hobart Airport, loss of a strategic asset, or a rapid increase in competition for a key market segment - and from this understanding, enables the design of risk management strategies through the development of realistic and informed scenarios.

Example
What would happen if a key asset closed or the $A dropped to previous historically low levels? Each shock would impact across multiple ‘characteristics’ - i.e. Southern Tasmania’s key tourism assets, which would require a change of priorities in the framework’s policy and strategy mix - which also illustrates the model’s flexibility.

The framework also provides:
• A motivator to engage;
• A yardstick;
• A reference point to guide decisions; and
• The starting point for a regional narrative.

The primary challenge is to frame the contribution of tourism within the context of the Southern Tasmanian economy. This plan has focused on four key economic and social outcomes that not only define a successful visitor destination but also replicate the outcomes that are ultimately reflected through the industry’s vision for the Southern region as expressed in the framework:
1. A sustainable natural environment;
2. Achieving a competitive product mix;
3. People and investment productivity; and
4. Wider community wellbeing that flows from tourism.

A sustainable natural environment
Put simply, the natural environment and its ecosystems require respectful, sensitive use and protection to ensure a sustainable resource. Nature is both the backdrop and a primary motivation for some of Tasmania’s most appealing visitor experiences. It is also a core component of the State’s tourism brand. It has the capacity to generate a powerful connection between people and place.

Competitive product mix
While there has been increased visitation, a decline in the traditional visitor has been replaced (at least in significant part) by those attracted to the cultural experience, complemented by high quality food and beverage. Consequently visitation has increasingly focused on Hobart. Successful regional dispersal has only occurred with the bundling of attractive, market-led experiences and accommodation - e.g. Bruny Island.

There has been a rapid transformation in the Southern Tasmanian tourism industry and while some elements are part of a major growth, others are lagging and/or declining.
Arguably, much of the current regional product is technically unviable using benchmark financial data of 8-10% returns, and continues to operate as a consequence of lifestyle decisions or by cross-subsidisation from other income.

The challenge is to evaluate the degree to which Southern Tasmania’s ‘offer’ matches the current and emerging interests and motivators that will drive both visitation and then regional dispersal on the first and subsequent visits.

**People and investment productivity**

As a proportion of investment (measured in value terms) across Southern Tasmania, a majority of industry assets are highly utilised and productive, as evidenced by current accommodation occupancy rates in Hobart, for example. This is reflective of the concentration of value within Hobart and associated with a unique, well-positioned experience — or central accommodation and surrounding hospitality services. Other investments (both individual enterprises and traditional centres, such as Richmond), are failing to achieve historic returns or suffering reduced returns as visitation and revenue declines, in both absolute and relative terms. Regardless of reduction in revenue, all enterprises are facing increases in fixed and variable costs, and challenging yields. The viability of current businesses, their models and structure, and traditional tourism locations is under question in this period of transition.

The delivery of customer service and employee productivity is inconsistent across the region; while there are examples of excellence, there are similarly examples of service that are not reflective of either customer or employer expectations.

**Community wellbeing**

The REMPLAN economic analysis of tourism in the Southern region identifies a tourism industry income multiplier of 1.9, which derives from both direct and indirect expenditure on goods and services associated with tourism operations. The employment multiplier associated with tourism operations is connected to the high proportion of labour associated with many activities — in particular the hospitality that complements attractions and recreational pursuits. This employment is important for the region and in particular in the areas outside Hobart, where opportunities are limited. Clearly, regional dispersal is required to support smaller Tasmanian communities.

The local community benefits from access to tourism and hospitality attractions and venues, making a contribution to the resident’s sense of wellbeing. (Those aspects that make for a desirable visitor destination correspond with an attractive place to live.) Similarly a significant proportion of hospitality enterprises outside the central precinct are underpinned by local expenditure — together, visitor and local expenditure make a major contribution to Tasmania’s lifestyle.

The employment that flows from this expenditure is important in terms of both providing careers, and part-time and seasonal employment. Reduction in regional dispersal reduces direct local income and has a negative impact on businesses and communities.
In combination, the four key economic and social outcomes represent the mission of the tourism industry in Southern Tasmania and provide the framework for specific decision criteria, the parameters for benefit/cost analysis and performance indicators on which to measure progress towards the desired situation.

The industry profile and strategic options provide the basis on which to structure the destination’s development pathways and the desired outcomes from specific initiatives.

This plan takes the first step in supporting the systematic analysis of Southern Tasmania as a visitor destination.

It does so by providing a framework within which DST can undertake a fully integrated destination management approach that provides the initial pathways to addressing three core questions:

1. Is the current situation delivering the results that are possible for Southern Tasmania?
2. If not - what needs to be done differently?
3. What is the role of DST and other stakeholders in making a difference to the performance and contribution of visitation to the region?

These perspectives and dimensions are captured in the following diagrammatic representation of the key elements of Southern Tasmania’s Destination Management Framework, their interrelationships and interdependencies. The framework is designed to assist DST to develop a comprehensive understanding of ‘what is happening, on the ground’, its relationship to the visitor profile and whether it is achieving the desired outcomes for both the industry and the community - i.e. is tourism meeting the needs of the visitor and is it making the best contribution to Southern Tasmania’s economy and as a place to live? If it either falls short or there is further opportunity, the next question is, ‘what mix of strategies will make the difference’?

The framework can be used both as the basis for discussion or as the basis for detailed quantitative analysis and modelling - preferably in combination.
DST Framework

DST Tourism Vision
For tourism to be a sustainable, appealing and profitable industry; contributing strongly to the communities of Southern Tasmania

- DST’s Profile, Characteristics and Interdependencies
- DST’s Policy & Strategy Mix
- DST’s Tourism Mission (Outcomes)
- DST’s Tourism Vision

DST’s Tourism Mission Statement
We will be respectful of our natural environment, competitive in the way we develop and market our advantages, committed to the people who work in our industry and embraced by the community in which we live and operate.

It is important to note that this framework can also inform decision-making by considering the effect of the inner circles upon those outside.
5. Situation analysis

This analysis comprises a number of dimensions:

1. The Tasmanian tourism industry within a broader context;
2. What is happening ‘on the ground’ in Southern Tasmania;
3. Supply and demand analysis;
4. What outcome is being achieved (performance and benefits); and
5. The current destination management structures and mechanisms.

Tasmanian Tourism Industry

Tasmania’s key domestic holiday market has been quite flat for some years, reflecting a trend experienced by other visitor destinations across Australia. The reasons have been well documented and include, until quite recently, a relatively strong Australian dollar as well as increased competition from overseas destinations, particularly those serviced by new, low cost international air routes. As noted in Tourism 21 (August 2013), with 87% of Tasmania’s visitors coming from mainland Australia, the State has not escaped the challenge experienced by other regional tourism destinations.2

Despite this difficult environment, growth in domestic markets for Tasmania is higher than the national average and both arrivals and expenditure from international markets are growing faster for Tasmania than for Australia - albeit from a low base. According to Tourism 21, ‘Tasmania has been more resilient than most domestic destinations, and there are many positive signs for the future of Tasmania’s tourism sector’.3

According to the Tasmanian Visitor Survey, in the year ending June 2013, Tasmania welcomed a record number of 961,600 interstate and international visitors, with growth of 12.4% on the previous year. These figures do not include a further 104,700 passengers and crew that arrived by cruise ships during the 2012-2013 season. This represents a 41% increase compared with the previous year.4 Hobart is the major beneficiary of these visits, along with activities and attractions within a day trip of the city.

The latest TICT Industry Sentiment Survey (September 2013) signifies a relatively high level of industry confidence across all four regions. These results indicate significant improvement in industry confidence compared to previous surveys undertaken at the same time of year in 2012, and 2011.

Tourism Research Australia’s latest tourism forecasts indicate a positive future for Australian tourism to 2022-23. In brief, its State of the Industry report (October 2013) noted the continuing growth from the Asian inbound market, particularly China and a welcome return to confidence in domestic tourism, especially the increased number of overnight stays.

In October 2013, economic analysts, Deloitte, identified tourism as one of the ‘fantastic five’ sectors that will drive national economic growth over the next 20 years. Tourism in Tasmania both directly and indirectly contributes approximately $2.2b or 9.3% to Gross State Product, which is the second highest in the country. The industry (directly and indirectly) supports around 38,000 Tasmanian jobs or about 16.2% of total Tasmanian employment, the highest in the country. Clearly, tourism makes a very significant contribution to the State’s economy. In the year ending June 2013, visitors spent a total of $1.51b, which represents an average of $1568.00 per visitor.

The importance of tourism to the State and the region goes beyond direct economic impact of the sector itself. The first experience of Tasmania many people have is through tourism, which can lead to increased purchases of Tasmanian goods, investment in Tasmania, establishment of businesses and business connections and migration to the State.

Source: DEDTA, Regional Economic Development Plan: Southern Tasmania, 2012, p.161

2 Tourism 21, p.3
3 ibid
4 Tourism Tasmania, Tasmanian Cruise Ship Survey 2012 - 2013
Tourism in Southern Tasmania

The visitor contribution to our regional economy

There are more than 800 identifiable tourism businesses in the Southern region, providing accommodation, attractions, tours, hire cars and other activities.

The tourism industry in Southern Tasmania provides the most significant contribution to the State’s tourism sector in terms of output, employment, wages and salaries and other economic indicators:

- The tourism sector represents 7.1% of total employment in Southern Tasmania (approximately 6,800 jobs);
- Major tourism-related industries are ‘accommodation and food services’ with 3,942 jobs; and
- Tourism in the south is estimated to generate $973.4m in economic output.

For every dollar of direct expenditure by visitors to Southern Tasmania, the broader local economy is estimated to benefit by a further $0.90 (or tourism output multiplier of 1.90), once follow-on industrial and consumption effects are taken into consideration.

Applying the tourism industry multiplier of 1.90 to the direct output generated by Southern Tasmania’s tourism sector of $973.4m, the total value of tourism to the region’s economy is estimated at up to $1,849.5m. The economic output is estimated to support 12,922 jobs in the region.5

Tourism is a multi-faceted industry which has the ability to generate business across many different sectors, some of which are not traditionally aligned with the visitor economy, for example, agriculture and aquaculture. Tourism can also enhance the brand value of these sectors and increase direct sales.

In addition to the traditional sectors, the industry profile can be characterised as a mix of corporate, professional and lifestyle enterprises. This profile and its balance, is considered important to a region’s success.

5 REMPLAN, Destination Southern Tasmania Tourism Region - Economic Impact Analysis, p.3

The visitor experience

The Southern region has many iconic and diverse visitor experiences from the extraordinarily successful Museum of Old and New Art (MONA) to the fishing lakes of the Central Highlands, the World Heritage-listed Port Arthur Historic Sites and the wineries of the Coal River valley, to name a few. The region has a strong synergy with the rich journey of discovery that is at the heart of Tasmania’s tourism brand which encourages visitors to ‘Go Behind the Scenery’.

Hobart represents the major visitor gateway for Tasmania and claims the State’s key tourism assets and infrastructure including the Hobart International Airport, the Hobart waterfront and Salamanca Place. A record number of cruise ships will berth in Hobart in 2013-2014 season and the city provides an important base for Antarctic vessels.

Hobart also hosts some long-running and much loved events including the Sydney to Hobart Yacht Race, The Taste of Tasmania and the Wooden Boat Festival, which are a traditional part of the summer calendar. However, Dark MOFO, Hobart Baroque and the Festival of Voices are encouraging visitors (and locals) to celebrate the Tasmanian winter, this is a welcome development for a tourism industry that has perpetually struggled with seasonality.

The region is serviced by a network of highways and local roads, the majority of which are sealed. However key tourism routes are consistently identified by operators - and previous ‘sub-regional’ tourism plans - as having significant sections where condition is poor and substantial investment is required. The same can be said for signage where identical issues have been raised repeatedly for some years. This is a State-wide issue and at the very least, a substantial, holistic review of signage is required to move this perennial concern forward.
Road transport is predominantly private, with public transport largely restricted to the urban areas. Where public transport to the outlying areas exists, it tends to reflect the needs of local patrons rather than visitors. There has been a slight increase in water-based transport, however it is limited to scheduled services, in the case of, for example cricket games at Bellerive Oval, a regular shuttle from Sullivan’s Cove. The majority of water transport relates to cruises or the MONA ferry, a specific modal access to the museum. A small-scale ferry service from Hobart to New Norfolk has commenced, with a potential connection to the Derwent Valley Railway.

Much of Southern Tasmania includes magnificent, cruising waterways which are currently under-utilised. There is considerable potential in the D’Entrecasteaux Channel area for example, and the development of the “String of Pearls” is an important initiative and the first significant project of its type. Marine and Safety Tasmania (MAST) is also playing an important role in related infrastructure development.

The evolution of larger capacity rigid inflatable boats (RIBS) has seen the growth of attractions that combine high-speed boat trips with access to marine wilderness and wildlife. As with light rail and other options, the potential for water transport as a true ‘competitor’ to road transport is yet to be established in broad benefit/cost terms.

Accommodation and restaurants dominate the provision of core tourism infrastructure. However, it is important to note that Southern Tasmania is transforming from an accommodation-driven tourism industry towards a complementary balance between accommodation and attractions/events.

A strong focus on local produce and boutique beverages is generating an increasing range of popular activities and experiences, which are significantly enriching visitor options. These include the Agrarian Kitchen at Lachlan, Pennicott’s Tasmanian Seafood Seduction cruise where fresh abalone, crayfish and oysters are caught and prepared straight from the ocean, emerging agri-tourism opportunities, food trails on Bruny Island and in the Huon Valley, and Fat Pig Farm at Cygnet.

The key attractions include MONA, Salamanca Market, the Tasmanian Museum and Art Gallery (TMAG), Mount Wellington and the Port Arthur Historic Site, with MONA being the driver of much of Southern Tasmania’s recent tourism growth. In combination with the availability of increasingly sophisticated food and beverage opportunities within the Hobart CBD, the past four years has seen a major transition in visitor profile, visitation patterns and in particular regional dispersal. The opening of MONA halted the downward spiral in visitor numbers arising from the Global Financial Crisis and it is recognised as having played a fundamental role in changing the perception of Tasmania, and Hobart, as a destination. To complement these major attractions, Southern Tasmania reflects significant diversity in its offer, including some very high quality natural attractions, smaller scale regional experiences and excellent hospitality.
Visitor demand
The development, marketing and delivery of tourism products and experiences must be driven by a clear understanding of the visitors’ desires and expectations.

Note: During the course of this project, Tourism Research Australia and Tourism Tasmania have undertaken a series of focus groups regarding the Southern region. These have been conducted in Melbourne, Sydney and Brisbane. The initial feedback has been incorporated into the DMP. A final report will be available in early 2014.

National trends
Several key insights emerged from Domesticate 2012 (TNS Australia) which is a qualitative study examining the triggers and barriers related to travel in Australia. These included:
- Learning is growing in importance to Australians, especially families and it is also a key reason to travel outside the peak seasons;
- Reconnection with family and friends remains paramount;
- Mobile use continues to grow - digital is vital at all stages of the travel cycle; and
- Australia is not perceived as ‘good value’ in comparison with some international destinations.

Motivations for travel to Tasmania
Tourism Tasmania’s, Motivations Research (March 2011) identified three attributes that had the highest appeal amongst the State’s key interstate markets - coastal nature, heritage and wilderness. Tourism Info Monitor (TIM) also confirms that visiting ‘nature attractions’, ‘heritage/historical sites and attractions’ and ‘National Parks, hiking and bushwalking’ rate amongst the most preferred activities for those considering a Tasmanian holiday. Others include ‘visiting galleries and museums’, and ‘exploring a region by car’.

While Hobart has some unique characteristics as the island’s capital, these core appeals - particularly heritage and wilderness (nature), have considerable resonance in the areas beyond Hobart. As such, they should be highlighted in DST’s marketing and communications. There will be a constant need to refresh well-known experiences and package them with newer offerings.

‘Arts and culture’ is generally lifting since the Motivations Research was completed, MONA (and its brand-related activities) has emerged as a driving force within the Tasmanian tourism environment. Arts and culture generally is lifting the State’s profile as a visitor destination along with quality new food and beverage experiences. MONA attracted 280,700 visitors in the year ending September 2013, an increase of 31% on the previous twelve months (TVS).

Motivators to visiting the South
Unsurprisingly, ‘the MONA effect’ has been of greatest benefit to Hobart; anecdotally, it is yet to impact on visitation to the broader Southern region. Roy Morgan Research (July 2013) described MONA as ‘a holiday magnet for Socially Aware Australians’. However these visitors are also ‘more likely than other segments to enjoy a city experience on holidays...’ In short, MONA provides a typical challenge/opportunity scenario for DST and Southern industry operators outside Hobart.

‘Socially Aware’ Australians have high socio-economic status, and are progressive, liberal thinkers who are willing to try new or different experiences...they represent 17% of the Australian population, but take 21% of the holidays and comprise 23% of the total holiday spend.

Source: Roy Morgan Research
Tourism Tasmania’s most recent consumer research (December 2013) indicates the following:

- Compared with other regions, the South had more attractions in Category 1 (i.e. those that motivated participants to travel to Tasmania);
- There was generally broader appeal for, and higher awareness of, the different attractions within the region; and
- In addition to attractions, participants reported that they had visited the South due to:
  - The availability of direct and/or cheap flights to Hobart;
  - Positive regional perceptions and advocacy through word-of-mouth - i.e. that there was ‘lots on to see/do’ and that it was a diverse region;
  - The accessibility of attractions and ease of travel within the region; and
  - The range of accommodation available - this was particularly a factor for participants seeking luxury accommodation, or those travelling in larger groups.6

Perceptions and satisfaction with the South

- All research participants had previously visited the South, with most reporting that they had been to the region on their last visit;
- Most participants were highly satisfied with their visit, reporting that it had a ‘good range’ of accommodation, ‘lots to do and see’, a ‘diverse’ range of attractions and was ‘easy to get around’;
- Additionally, many participants in Melbourne and some in Sydney perceived the South to be a destination that could be visited over a weekend due to its accessibility; and
- Of the regions tested in the research, the South was the most popular amongst most participants, who reported that it provided many of Tasmania’s core appeals in one location. These included:
  - History/heritage - i.e. Port Arthur;
  - Island culture - i.e. Salamanca markets;
  - The arts - i.e. MONA;
  - Food, produce and wine;
  - Scenery and wilderness - i.e. Tasman Peninsula, Lake St Clair and Bruny Island; and
  - Nature-based experiences- i.e. Mount Wellington, South Coast Track and Tasman Peninsula.

Barriers to visiting the South

- The only reason that research participants had opted not to visit the South was the selection of Launceston over Hobart as an entry point. This was found to be due to:
  - A preference for Launceston - some participants felt it was ‘more authentic’ and ‘quieter’;
  - Cheaper and/or better-timed flights; and
  - A desire to visit attractions close to Launceston (i.e. Cradle Mountain).

The research found that awareness and appeal of attractions was a key driver for travel to and within the different regions.

---

6 Tourism Research Australia and Tourism Tasmania, Motivators and Satisfaction of Visitors to Tasmania, (Destination Visitor Survey conducted by Orima Research), 2014, forthcoming.
Four broad categories were identified in the research:

1. Attractions motivating travel to Tasmania - these were the few attractions/types of attractions that participants reported they had, or would, travel to Tasmania to experience;

2. Attractions motivating travel to the region - these were the regional attractions/types of attractions that participants had, or would, travel to and within the region to experience;

3. Attractions likely to extend stay in region - participants reported that, while they were unlikely to visit the region for these attractions/types of attractions, they had or would extend their stay to experience them; and

4. Secondary attractions/‘nice to have’ - these attractions/types of attractions generally had limited appeal and/or awareness, and supplemented other activities by adding to the diversity and breadth of activities available within the region. (The fourth box is deliberately blank as no secondary attractions were identified by respondents.)

Chart 1 - The South: Attraction Summary

Source: Tourism Research Australia and Tourism Tasmania, Motivators and Satisfaction of Visitors to Tasmania, (Destination Visitor Survey conducted by Orima Research), 2014, forthcoming.
Target markets for Southern Tasmania

As part of its renewed focus on marketing the State, Tourism Tasmania is constantly monitoring the changing visitor patterns, perceptions and motivations of domestic travellers. This is achieved through a series of quantitative and qualitative research tools, which provide the basis for the information summarised below.

**Demographics**

Primary: Older couples, 40+, seeking a longer stay, touring-based experience.


Both: They are Eastern-seaboard living, tertiary educated, professionals/managers who travel regularly, are socially and environmentally aware, and health conscious.

**Psychographics**

When they go on holidays, both target markets prefer less crowded, more interesting places. They will try new things and pay for quality.

Being more intrinsically motivated, they have a tendency to keep learning and have a positive outlook on life.

Collectively, they are identified as ‘life-long learners’.

Tourism Tasmania has identified ‘the older demographic’ (40 - 45+ years) as the most profitable market for the State, and their market share is growing in terms of both arrival and expenditure. Strategic Scan, a report released by Tourism Tasmania in 2012, noted that ‘while visitors [in this age bracket], have always spent the most on average in Tasmania, the relative gap in expenditure per person between young and old is widening’. Given Australia’s ageing population, this is likely to remain Tasmania’s most significant holiday market.

---

8 Tourism Tasmania, Strategic Scan 2012, p.16
Tourism Tasmania has further researched the ‘mindsets’ of both the primary and secondary markets which provides important insights into their respective needs and expectations. The primary market has been defined as the ‘Exploring Mindset’ and the secondary market as the ‘Quality-time Mindset’.

In summary:

**Exploring Mindset**

*Needs*
- To explore nature/culture/people and be mentally stimulated; and
- To take the ‘less-worn’ journey in life that reflects their individuality.

*Predominant behaviours and attitudes*
- Self-drive touring;
- Read the latest novels;
- Try new food and wine;
- Enjoy bespoke tours that go off the beaten track; and
- Stay in accommodation that has a rich story/heritage.

**Quality-time Mindset**

*Needs*
- To experience shared moments to grow the bond with their partner; and
- To partake in indulgent moments to express their love for their partner.

*Predominant behaviours and activities*
- Shorter breaks;
- Buy food from the market and cook meals together;
- Indulge in ‘accessible pampering’ activities (e.g. clothes shopping and massages);
- Joint experience-based activities (e.g. enjoy a movie, eat in a nice restaurant);
- Spend on mementos of shared activities (e.g. souvenirs, gifts); and
- Skewed towards cultural interests.

**Continuing challenges and growth**

Air access is an ongoing and critical factor for the industry with well over 80% of visitors arriving by air; more than 60% pass through the Hobart airport. During the final quarter to December 2012 for example, Southern Tasmania saw a huge increase of 48% in air capacity on the Melbourne to Hobart route, which was a major contributor to a highly successful end to the calendar year. The airlines have continued their support, providing 16% more seats into Tasmania from key Melbourne and Sydney markets in the June 2013 quarter. Unsurprisingly, this increased capacity has resulted in stronger visitor numbers during a period which is traditionally quieter for the industry. The current recapitalising and repositioning of the major airlines however, may pose significant risks to Tasmania and the Southern region, and clearly needs to be monitored.

Accommodation occupancy rates in Southern Tasmania currently sit at more than 85%, however this figure is largely driven by the exceptionally high occupancies in Hobart city properties. Beyond this core tourism precinct, many accommodation operators are struggling with occupancies closer to 35-40% in regional areas.

Despite the optimism around the latest visitor data, the reality remains that regional Tasmania is not experiencing a corresponding growth. This is a key factor in considering Hobart vis-à-vis the broader Southern region. The current situation reflects a ‘two-speed’ visitor economy.
However, there are some recent developments in the industry which have the potential to improve visitation into the areas beyond Hobart:

• The RACT’s decision to purchase significant tourism infrastructure on the East Coast, the West Coast and at Cradle Mountain, previously owned by the Federal Group, will promote Tasmania to the 7 million auto club members around Australia. Given the nature of the RACT and the property locations, this augers well for the touring market;
• The Federal Group is refocusing on its site overlooking the PAHS which could fill a significant gap in accommodation in the Tasman area;
• The completion of the Three Capes Track walk on the Tasman Peninsula;
• A new Memorandum of Understanding has been signed between Tourism Industry Council Tasmania (TICT) and the University of Tasmania (UTAS) regarding education tourism. UTAS is looking at doubling international student numbers in the next five years, and there is a clear benefit for tourism as students explore the State and encourage their family and friends to visit them. (Similarly, a partnership has been formed between THA and UTAS to broker hospitality training for overseas students);
• Qantas has announced a new, two-year partnership with MONA designed to increase visitation to both the museum and Tasmania. Qantas customers will receive special deals and packages for MONA’s exhibitions and festivals; and
• Proposed extension of the runway at Hobart airport.

DST and Southern tourism operators have an opportunity to leverage off these developments to capitalise on their advantages.

In terms of more Hobart-centric activities, a 5-star boutique hotel at Macquarie Wharf, No.1 is currently going through the approval process, along with plans for a $25m., 90-room hotel at MONA. The prospect of additional rooms may relieve the ‘bottle-neck’ in touring itineraries that occurs when visitors are unable to find accommodation in Hobart. It is also mooted that the proposed Myer re-development will include a hotel, and the Salamanca Car Park has been suggested as another hotel development site.

The Brooke Street Pier promises to provide an exciting new tour and transport hub on the waterfront.

Macquarie Point is a long term development due for completion in 2025, however it offers some exciting possibilities, and the right mix of attributes and experiences on this site will be critical to Hobart’s iconic waterfront, the city and the region.

The Wellington Park Management Trust has just released the Revised Wellington Park Management Plan (2013). This represents the key guiding document for any further recreational use or development on and around Mount Wellington, which is one of the most visited attractions in Tasmania.

---

9 CEO Commentary: Tasmanian Tourism Snapshot for the year ending June 2013 www.tourismtasmania.com.au
The recent deal between the State Government and Qantas (Qantas and QantasLink) is a three year one that has a cash and in-kind value of $4.35m. The deal itself consists of significant domestic, cooperative campaign activity, as well as media and trade ticket contra, and specific cooperative activity for Hong Kong, Singapore and North America. Given the Qantas capacity coming into and out of Hobart Airport, the potential for DST and the Southern Tasmanian industry to capitalise should not be underestimated. It is suggested that DST work in partnership with Tourism Tasmania to plan and leverage from all airline cooperative activity on an ongoing basis.

Finally, there is a further development which has the potential to benefit Tasmanian tourism at a different level. A new, cross-disciplinary Tourism Major will commence at UTAS in 2014 and has been developed in conjunction with tourism industry representatives. A reciprocal relationship will be of benefit to both parties, as the industry will have the opportunity to highlight areas that require some research, and with the appropriate approvals, students can link their work to contemporary and relevant tourism issues. The Tourism Major will also include a significant internship program.

UTAS already provides a largely untapped resource for the tourism industry through its broader range of tourism research. Current projects include the impact of MONA on the cultural tourism experience and the role of the media in developing food tourism. Stronger links between the University and the tourism industry will be of mutual advantage.

Supply and demand analysis of the Southern region

The following map demonstrates the demand and supply relationship that exists across Southern Tasmania. Demand is reflected in visitor numbers and the characteristics of their visit (TVS categories) and the supply side is profiled for each LGA, in terms of accommodation, attractions etc. derived from the TigerTOUR database. The concentration of accommodation within Hobart and the significant variation between LGAs across the region is apparent, as is the broad relationship between small scale tourism product and the related scale and visitation category, or for example in the case of Central Highlands, significant accommodation weighting, compared with attractors.

The map crystallises the need to consider the balance between attractors and accommodation if a local area is to achieve stronger economic outcomes from tourism and the perpetual ‘chicken and egg’ investment challenge.

Additional work is required to identify where gaps in accommodation are hampering growth, including the 4.5 to 5 star market in Hobart as well as quality accommodation of any critical mass in regional areas. This is further compounded by the fact that a considerable amount of regional product is tired and in need of refurbishment.
The ‘double circle’ overlaying the metropolitan area on the map, highlights Hobart (large circle) as the epicentre of visitation, with both the largest number of visitors and the highest proportion staying overnight (purple), compared with the balance of the metropolitan area ( Clarence, Glenorchy and Kingborough) which demonstrates both fewer numbers of visitors and a lower proportion of overnight stays.
Southern Tasmanian Tourism industry performance
The following tables provide a snapshot of the industry’s recent performance.

<table>
<thead>
<tr>
<th>Tasmanian visitation</th>
<th>Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Visitation</td>
<td>961,600</td>
</tr>
<tr>
<td>Holiday</td>
<td>383,900</td>
</tr>
<tr>
<td>VFR</td>
<td>295,900</td>
</tr>
<tr>
<td>Total Leisure</td>
<td>679,700</td>
</tr>
</tbody>
</table>

Source: TVS YE June 2013

<table>
<thead>
<tr>
<th>Visitation to Southern Tasmania</th>
<th>Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hobart and Surrounds (Total)</td>
<td>768,200</td>
</tr>
<tr>
<td>Total Southern</td>
<td>351,300</td>
</tr>
<tr>
<td>Total Leisure, Hobart and Surrounds</td>
<td>580,100</td>
</tr>
<tr>
<td>Total Leisure, Southern</td>
<td>311,000</td>
</tr>
</tbody>
</table>

Source: TVS YE September 2013 (Places Visited On This Trip)

Key points

- The Southern region experienced an 18% increase in visitation in the quarter ending June 2013. The East Coast was the only area to register higher visitation with a 24% increase, albeit it from a much smaller base;
- The number of holiday visitors to Southern Tasmania has been consistently higher than overall holiday visitation to Tasmania in the last 10 years. In the year ending June 2013, this pattern remained with 51% of visitors to Southern Tasmania noting ‘holiday’ as their purpose of travel, as opposed to 40% for Tasmania as a whole;
- Visitor origins have remained the same for many years with Victoria and NSW providing core markets for the Southern region and Tasmania, followed by Queensland;
- Of the estimated 383,900 holiday visitors to Tasmania (ye June 2013), an estimated 295,900 were visiting friends and relatives;
- Tasmanians made 418,000 overnight trips to Hobart and the South in 2013, which is more than in any of the previous 10 years;
- Visitors aged between 25-34 yrs. and 45-64 yrs. are the most represented in terms of both Tasmania and the southern region;
- The top 3 most popular attractions in the South are Salamanca Market, MONA and the Port Arthur Historic Site (PAHS). In year ending June 2013, visitation to MONA increased while visitation to PAHS decreased slightly. Salamanca Market recorded similar figures in 2012/2013; and
- According to Tourism Research Australia, domestic overnight visitors to Hobart and the South spent $771m (2011-2012). International visitors spent $141m however this expenditure includes food and beverages.

As noted earlier, occupancy rates for hotels, motels and serviced apartments in Hobart and the southern region (March 2005-December 2011 + March 2012-March 2013) have consistently exceeded those of Tasmania as a whole. For example, in the year ending March 2013, occupancy in Hobart and the South rarely dipped below 60% (September 2012) as opposed to 50% in the same month for Tasmania. The highest occupancy rates were in March with ‘Hobart and Surrounds’ indicating approximately 85% with approximately 71% for Tasmania.

The average room rate for hotels, motels and serviced apartments in Hobart and the South peaked in March 2013 at $160+. The corresponding figure for Tasmania during the same month amounted to approximately $150.00.
6. Destination management

As the result of a review initiated in 2011, the Tasmanian tourism industry has experienced profound structural change during the last 18 months. Tourism Tasmania has been streamlined to a marketing organisation with the key responsibility of promoting the State. The four RTOs, including DST are charged with the development, management and marketing of their respective regions, as well as industry (business) development previously undertaken by Tourism Tasmania. While there is significant and productive marketing of Tasmania, the withdrawal of Tourism Tasmania from regional marketing and industry development, has left a significant vacuum in management infrastructure with no meaningful replacement as yet.

Sustainably utilising natural attractions, resources and infrastructure  
Identifying new market opportunities, products and improving distribution models  
Positioning and promotion  
Encouraging and facilitating investment  
Facilitating skill development, creativity and innovation  
Leading and managing with quality information, contemporary process and inclusion of key partners

A collaborative and evidence-based approach to positioning Southern Tasmania as ‘the place to visit’

The above diagram illustrates the policy and strategy mix that is considered essential in the management of a dynamic, focused and flourishing visitor destination.
Within this context, the management of tourism in Southern Tasmania has been fragmented, unfocused and lacking in productive linkages between State, regional and local offerings and capacity building, in both place and sectoral terms. Successful corporate and professional enterprises have been largely looking after themselves or networking with complementary businesses. While this is positive and effective, it is not ‘destination management’.

For DST to effectively manage the Southern region, the organisation’s lack of resources must be addressed - currently there is neither sufficient staffing nor funding to implement the key elements that will be critical to its success. This deficit is exacerbated by the considerable onus of administering an entitlement-based, tiered membership model. Paradoxically, Local Government’s collective insistence that DST be partly funded by a significant, direct contribution by industry is limiting its ability to deliver the outcomes required for Councils to consider an increase in their funding.

Additionally, the current allocation of government funds for the respective regions does not reflect the size of those regions or their tourism industry. Clearly the Southern region not only includes the major gateway into the State, but also the greatest concentration of tourism businesses and product in terms of both numbers and scale. Overall, funding does not accurately depict the substantial industry development role that DST has inherited.

The situation is amplified by the increasingly important role attributed to Local Tourism Associations in this embryonic, ‘industry-led’ environment. They are perceived as a key link to the RTO - essentially to provide a strong and united voice for tourism in their respective areas. More specifically, they are responsible for community engagement regarding the value of tourism, visitor servicing, working with the RTO to develop appropriate locally-based marketing material and collaboration and advocacy - i.e. working with Councils for the benefit of tourism in their area.

For most LTAs, such expectations are unrealistic and their role requires further clarity and refinement to make them both effective and sustainable. It would be preferable for them to focus on a few priority tasks that can make a really positive contribution to tourism in their area. Core functions might include networking to promote industry development and cooperation, providing content for DST marketing, communicating with local Councils regarding tourism issues and facilitating a coordinated response to visitor priorities concerning services and infrastructure. Regardless, DST will need to provide significant leadership and ongoing capacity-building to achieve the most appropriate outcomes.
7. Destination marketing

Marketing is clearly one of the pillars of effective destination management and as such, it is a significant activity for DST, as both a coordinating and facilitating organisation. Its role is to work closely with Tourism Tasmania and industry to create cooperative marketing contributions and integrated promotional activities for ‘Hobart and Beyond’, that will achieve maximum exposure from DST’s limited spend. At a more localised level, DST should work with industry groups to promote market-led, place-based, niche experiences.

DST’s Annual Marketing Plan for 2014/15 is currently being developed. When complete, it will outline the way in which DST will use a mix of marketing and distribution activities to increase visitation, yield and regional dispersal across Southern Tasmania. The principal roles of the Marketing Plan will be to:

- Encourage DST and the industry to ‘live’ the Southern Tasmanian brand, including it in all marketing and promotion;
- Collaborate with Tourism Tasmania to ensure maximum effectiveness of DST activities in the context of their seasonal campaigns;
- Develop innovative strategies to secure co-operative funding from industry and Local Government for a range of promotional activities, including occasional intrastate campaigns;
- Ensure continual development of the ‘Hobart and Beyond’ digital engagement;
- Educate and innovate to influence the generation of content required to satisfy a highly engaged digital audience;
- Research and implement the most effective campaign distribution activities for the region;
- Seek year-round ‘bookability’ in partnership with capable and appropriate distributors;
- Ensure that DST capitalises on regional product strengths to the broad benefit of the industry in Southern Tasmania; and
- Provide leadership and advice on where there are gaps in product or experiences that hinder the ‘marketability’ of our region.

This approach will create a practical plan that will lend itself to being updated from year-to-year. It will also encourage - in conjunction with this DMP - a strategic approach to the development of longer term marketing strategies and tactics.

All DST’s marketing activities should be driven by a strong knowledge of target markets channeled through a range of partners. Marketing objectives should be clear and focused and include measurable outcomes.

Destination marketing is mostly based on the combined efforts of the State Tourism Organisation (Tourism Tasmania) the RTO, LTAs and industry operators, the majority of whom have very limited resources. However, they can substantially enhance their marketing capacity - and build broader awareness of the destination - by focusing on the Visiting Journalist’s Program, editorial and events as well as partnering with key attractions and experiences. DST can provide invaluable assistance regarding appropriate contacts and other related advice.

Similarly, DST can play an important role in providing linkages to the range of quality programs available to assist with marketing - from the Digital Coach Program and the existing pilot program run by AVANA to train guides and other service staff, to the recent China-ready workshops. Ultimately, the success of any industry or destination is dependent on the prosperity and profitability of the individual businesses that comprise it.
Communication

Best practice destination marketing not only includes external marketing to potential visitors but also internal marketing to industry stakeholders - in the case of DST, this includes all funding bodies, and particularly its membership base.

DST will continue to engage with its key stakeholders using the multi-layered approach that has been developed to provide a comprehensive range of internal communications:

- ‘Highlands to Harbours’ e-newsletter;
- Periodic ‘Keeping in touch’ updates;
- Regional Board Meetings with subsequent networking opportunities;
- Educational networking functions held across the region;
- LTA and Council briefings and forums;
- Individual operator consultations/meetings;
- Via the Twitter handle @Dest_South_Tas; and
- Updating DST’s industry website, www.southerntasmania.com.au
Brand

The brand story for Tasmania’s South is included in the recently released, Tourism Tasmania Brand Book, which also articulates the brand experience, personality and language for the Southern region. Brand is the foundation of meaningful competitive advantage and to maximize success, it must be reflected in the region’s current and potential tourism offerings.

Tasmania’s South brand should also be viewed in the context of the overall Tasmanian tourism brand to ensure a clear and consistent message to consumers. However, brand is no longer a monologue; while organisations continue to create and refine their brands, ‘connected’ consumers are now empowered to significantly influence them.

Building the destination brand can be hugely accelerated through the power of social media and DST must continue focusing on its current digital assets including the ‘Hobart and Beyond’ e-Magazine and web site as well as its active use of Facebook and Twitter, and emerging use of Instagram. However, this is a notoriously agile environment and DST will need to pay close attention to new and evolving platforms for sharing the destination’s stories.

DST also has a role in encouraging operators to embrace the ‘social brand’; free wi-fi, for example will increase social sharing, and who better than locals to reveal the best photo opportunities! Sydney’s 1888 Hotel in Pyrmont has taken this concept to a new level. Described as ‘The World’s First Instagram Hotel’, it provides a range of quirky and interesting settings to encourage guests to promote the hotel through Instagram - including a specially designed ‘selfie space’ in the lobby and a curated ‘Insta-Walk’ which is ‘the ultimate 45 minute stroll around the hotel and Sydney’s Darling Harbour for taking photos’.

South Experience

Original
... unconventional offbeat charm; eclectic artists and passionate food lovers; engaging festivals.

Self Discovery
... the south is a window into the past with powerful stories below the surface.

Diverse Blend
... an upbeat urban edge meets a community culture, unspoiled nature and a dark colonial past. Salamanca Market and farmers markets; waterways leading to oceans and wilderness; large-scale concerts versus intimate urban moments; roadside food stalls and honesty boxes; city vibe and community welcome.

Source: Tasmanian Brand Book, p.18
8. Destination development

Product development and investment

It is paramount that the industry invests in tourism product development in the Southern region; this is necessary to capitalise on the record visitor numbers to the immediate Hobart area, and to encourage regional dispersal. This investment should cover both the development of new and existing products and infrastructure.

The three key themes identified within the DMP from the research and stakeholder consultation are:
1. Infrastructure;
2. Experiential tourism; and
3. Visitor servicing.

Infrastructure

This key theme includes investment in enabling infrastructure that supports specific visitor product and service development, for example:
- Physical access, in particular roads and associated signage, as well as piers, jetties and pontoons;
- Telecommunications;
- Enhanced access to the National Broadband Network;
- Increased accommodation in locations favoured by target markets; and
- Event infrastructure.

Experiential tourism

The development of experiences must be aligned to the characteristics of the region as identified in the DMP - with a focus on the following attributes as both ‘stand alone’ experiences and in combinations that reflect the ‘South Experience’ brand:
- Waterways (in both urban and regional areas);
- Wilderness and wildlife;
- Heritage and history;
- Arts and culture;
- Recreational pursuits; and
- Food and beverage sectors.

Visitor servicing

Visitor servicing investment needs to encompass:
- Improved transport options to tourism hubs;
- Improved signage including directional, informational and interpretive; and
- Visitor information delivery that reflects the holiday planning cycle, providing the ‘right’ information at the ‘right time’ through the most appropriate channels.

It is important to recognise that within the development of new and existing products there is obvious cross-over of the key themes and supply side categories, such as the development of accommodation in ‘wilderness’ areas; revamped visitor centres, food and beverage tours, tasting centres and improved tourism signage, to name a few. Well-focused investments leverage further opportunities.
9. Consultation process and findings

Stakeholder engagement is a key principle of destination planning with the major objective of creating ownership and acceptance of the final outcomes, along with community understanding and appreciating the value of tourism to their local economies. This phase is crucial in building stewardship of the Destination Management Plan (DMP).

In the approach to consultation, there was a commitment to an inclusive communication process based on a mutual respect; one which encourages a sharing of local knowledge, a genuine understanding of specific issues, and an emphasis on positive results.

The consultative phase captured the following information as identified in the brief:
1. Feedback regarding the situation analysis as it relates to individual municipalities and the broader Southern region;
2. An understanding of the requirements of a visitor destination, and the destination management process (an all-important educative role of stakeholder engagement); and
3. Stakeholder aspirations regarding the future of their tourism industry including the value of tourism to local communities.

As part of the consultative process, stakeholders actively contributed to a diagnostic tool based on acknowledged success factors for regional tourism (see page 43). This is a proven tool in gaining both an accurate assessment and stakeholder ownership, for further decision-making. The success factors were also used in the development of the industry survey.

The consultation of the industry and its stakeholders was undertaken using two modes: face-to-face (regional meetings) and peak body consultation sessions, and an industry survey conducted by DST.

During the consultation period, 89 people attended seven consultation sessions across the region: Hobart, Huon Valley, Tasman, Derwent Valley, Southern Midlands and two peak body group sessions in Hobart. This consultation was also complemented with individual interviews and feedback from those stakeholders who could not attend the consultation sessions or access the survey.

The industry survey was completed by 96 respondents, with 57% of those respondents being DST members.

* Full report from p.50 of this document (Attachment 1)
10. Development pathways (action/implementation)

The following development pathways should be considered directional rather than prescriptive. The pathways are derived from the Destination Management Framework; in combination they are designed to provide a robust management model within which DST can plan, execute and evaluate in addition to managing shocks and the unexpected.

The Action Plan is not intended as an exhaustive list of tourism opportunities; rather it focuses on an achievable number of key areas that have the capacity to make a significant difference to tourism in the Southern region. The choice of areas is based on findings from the initial stages of the DMP process - i.e. research and analysis and consultation with industry, government and community stakeholders. The Action Plan is designed to be reviewed and updated on an annual basis.

The DMP framework identifies a mix of the key characteristics of each of the framework elements and highlights their interdependency and fit, to provide a destination that mirrors both the needs of major market segments and provides the diversity to enable critical niches to be viably targeted and attracted.

The following Development Pathways Matrix reflects the Destination Management Framework. It is bounded by the key underpinnings of the supply side of a destination (Focus) and ‘Our Policy and Strategy Mix’ (Activity), and the associated outcomes (KPIs). This provides a direct link between what occurs on the ground in the short term and the subsequent benefits that will flow to the region.
The Development Pathways Matrix

<table>
<thead>
<tr>
<th>Activity</th>
<th>Accessibility</th>
<th>Infrastructure</th>
<th>Attractions &amp; Product Development</th>
<th>Service &amp; Hospitality Culture</th>
<th>DM Capacity Building</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainably utilising natural resources &amp; infrastructure</td>
<td>Access to wilderness areas for tourism operations</td>
<td>• Consistent &amp; useful tourism and directional signage &amp; furniture</td>
<td>• Access as a product/attraction • Interpretation</td>
<td></td>
<td>• Consistent links to State agencies and GBEs • Self help activities within regions - audits and joint marketing</td>
<td>Safe &amp; easy access</td>
</tr>
<tr>
<td>Identifying market opportunities products &amp; distribution models</td>
<td>Touring Route itineraries</td>
<td>W-fi and telecommunications</td>
<td>Business development support through multiple program access</td>
<td>Business development support</td>
<td>• Place development support • Develop annual Marketing Plan</td>
<td>A dynamic, adaptive, attractive destination</td>
</tr>
<tr>
<td>Positioning &amp; promotion</td>
<td>No barriers</td>
<td></td>
<td>• Brand alignment Key attractors and bundles • Compelling experiences • Itineraries</td>
<td>Key differentiator</td>
<td>Marketing Plan • Coop.campaigns • Innovative package • Rich digital content • Distribution partnerships • Active communications</td>
<td>Strong market awareness, interest &amp; conversion</td>
</tr>
<tr>
<td>Attracting investment</td>
<td>Southern Tasmania offer, external and internal access balanced Regional waterways</td>
<td>• Mt Wellington access • Other access options; road, rail, cycle, walking, water • Reassurance signage, layovers Tasman &amp; Lyell Highways</td>
<td>• Attractions and accommodation growth &amp; balance • Encouraging &amp; supporting experience investment</td>
<td>Training funds, Federal &amp; State</td>
<td>• Operator and Local Government contributions • Promotion of tourism</td>
<td>Southern Tasmania viewed as an attractive investment</td>
</tr>
</tbody>
</table>

The activities shaded green relate to DST’s Policy & Strategy Mix and the outcomes shaded blue relate to DST’s Mission as identified in the DMF.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Focus</th>
<th>DM Capacity Building</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Facilitating skill development, creativity &amp; innovation</strong></td>
<td>Accessibility: • Bundling existing visitor experiences into “new” offers • Business development resourceing</td>
<td>LTA development program</td>
<td>Increased capacity and productivity</td>
</tr>
<tr>
<td></td>
<td>Infrastructure:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attractions &amp; Product Development: • Bundling existing visitor experiences into “new” offers • Business development resourceing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service &amp; Hospitality Culture: • HR focus • Strategic partnership with THA • O’seas students</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>DM Capacity Building:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leading, managing &amp; linking</td>
<td>Accessibility: • Bundling existing visitor experiences into “new” offers • Business development resourceing</td>
<td>Strategic Plan – Identify and promote roles of each key stakeholder – Linking stakeholders - sector &amp; place – Annual Operational Plan</td>
<td>Tourism built into wider public and private decision making Recognised as key economic driver</td>
</tr>
<tr>
<td></td>
<td>Infrastructure: Collective voice &amp; lobbying</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attractions &amp; Product Development: • Bundling existing visitor experiences into “new” offers • Business development resourceing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service &amp; Hospitality Culture: • HR focus • Strategic partnership with THA • O’seas students</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outcomes</td>
<td>Accessibility: • A safe environment in which people feel comfortable spending time • Amenity reflects promise</td>
<td>Tasmanian hospitality culture is a key, positive attribute and driver of revenue</td>
<td>Prosperous industry, enterprises and RTO/LTAs</td>
</tr>
<tr>
<td></td>
<td>Infrastructure:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attractions &amp; Product Development: • Bundling existing visitor experiences into “new” offers • Business development resourceing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service &amp; Hospitality Culture: • HR focus • Strategic partnership with THA • O’seas students</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>DM Capacity Building:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outcomes: Minimise barriers to access and beneficial use • A safe environment in which people feel comfortable spending time • Amenity reflects promise</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The activities shaded green relate to DST’s Policy & Strategy Mix and the outcomes shaded blue relate to DST’s Mission as identified in the DMF.
11. Action plan

The following actions are required to achieve a collaborative and evidence-based approach to positioning Southern Tasmania as ‘the place to visit’ (DMF).
Sustainably utilising natural attractions, resources and infrastructure

Rationale: It is acknowledged that many of the industry’s attractions, particularly in regional areas, are reliant on the natural wilderness appeal and access to it.

Action 1

• DST to engage with PWS, Forestry Tasmania and Hydro Tasmania regarding outcomes from the Tasmanian Forests Intergovernmental Agreement and associated funding with a view to ensuring appropriate and responsible access to wilderness areas for tourism operations. This should include input into the current review of the Tasmanian Wilderness World Heritage Management Plan.

Rationale: There are many areas within the Department of Infrastructure, Energy and Resources (DIER) that are critical to the visitor experience in the region and which need to be articulated to the Department, to ensure that its decisions are considered within a visitor context.

Action 2

• With DIER and Local Government, undertake a comprehensive review of the region’s signage with three key objectives: ensuring correctness of existing tourism and directional signage, removal of illegal and misleading signage and a review of signage guidelines to allow operators to erect signage in a strategic and controlled manner. The review must also consider the visitor experience from the airport to the city. Clearly this will need to be part of a state-wide approach.

Action 3

• DST to work with DIER in reorienting DIER’s focus - i.e. road signage (including reassurance signage), stops/layovers and road side facilities are important to the quality of the visitor experience.

Action 4

• DST to work with DIER and Local Government to improve road infrastructure, particularly in relation to Huon Valley, Tasman and Central Highlands areas. DST to communicate to stakeholders DIER’s strategic plans within these areas.
Action 5
- Ensure that DIER is involved in any actions or discussions concerning the development of improved public transport access, both regionally and within the metro area, to tourism hubs and attractions.

Rationale: Both the stakeholder consultation and industry survey confirmed that public transport across the region is very poor in regard to access to and from major tourism clusters and attractions in regional areas.

Action 6
- DST to lobby the State Government and service providers to improve public transport access for visitors to tourism clusters and attractions in the region.
Identifying new market opportunities, products and improving distribution models

Rationale: There is a need to provide tourism businesses with support to grow their offering and capacity, which is critical to the overall growth of the tourism industry in the region.

Action 7
- DST to provide business development support through direct engagement with businesses in the Southern region and facilitation towards existing business development and support activities such as Mentoring Tasmania, Business Enterprise Centres, Business Tasmania and grant funding (linked to Action 23).

Action 8
- DST to encourage the industry to increase distribution channels and ‘bookability’ through packaging and bundling, to expose more products/experiences and facilitate an increased number of overnight stays in regional areas.

Action 9
- DST to lobby the State Government and service providers to increase the availability and coverage of free Wifi and telecommunication networks across the region.

Rationale: Events are a significant contributor the Southern region’s tourism environment, and enhance the region’s capacity to extend the shoulder seasons.

Action 10
- DST to work with Business Events Tasmania, events’ organisers and regional event managers to grow festivals and events during the shoulder period, with a focus on regional areas.

Action 11
- DST to actively engage with Events Tasmania to ensure the on-ground information, impacts (particularly around regional dispersal) and requirements of events at a regional level, i.e. outside of Hobart, are articulated and understood.

Action 12
- DST to explore the potential to develop a roving ‘long table lunch’ concept that showcases regional food and beverage and is implemented in the regions.
Positioning, promotion and brand alignment

Rationale: Given DST is positioned between the State and local marketing activities, it must ‘lead from the middle’ to ensure that the many marketing activities undertaken for the region are coordinated and complementary.

Action 13
• DST to develop annual marketing strategies for subsequent financial years in accordance with the funding agreement with the State Government and the needs of members.

Action 14
• DST to continue developing cooperative marketing campaigns. Consideration should be given to establishing new partners for cooperative marketing activities in the core sectors of food and beverage production, agri-tourism, heritage and the arts.

Action 15
• Work with industry, State Government and Local Government to build a compelling offer to attract visitation and stimulate investment at a local level through the development of: the regional brand, product packaging, a suite of regional images and increased capacity of LTAs.

Action 16
• Work with Tourism Tasmania to develop more attractive regional itineraries that better reflect the present marketing focus of ‘Go Behind the Scenery’.

Action 17
• Work with regional operators to maximise their marketing capacity through the Visiting Journalist’s Program, editorial, events and leveraging key attractions and experiences.
Encouraging and facilitating investment

Rationale: DST can position itself to become a leader in encouraging and facilitating investment in the region.

Action 18
- Encourage sustainable, responsible and market-led experiences and facilities on and around Mount Wellington.

Action 19
- DST to work with all stakeholders to develop the use of the regional waterways as an alternative access to tourism attractions and accommodation, events and connection to Hobart. Waterway access is critical for proposed golf developments, Kangaroo Bay Precinct development, regional yachting and cruising, and potential ferry services from Hobart to Port Arthur/Tasman, New Norfolk, Port Huon and Dover.

Action 20
- DST to assist in the facilitation of investment in accommodation within the region. This would involve assisting, facilitating and connecting developers and investors to and through the State and Local Government development pathways and processes.

Action 21
- DST to facilitate a regional accommodation business case that examines whether existing levels of accommodation in the Hobart area are restricting growth in the industry and it should also capture future demand (accommodation). The business case should also examine the quantity and quality of regional accommodation and identify any investment needed in either new or refurbished regional product.

Action 22
- DST to work with Forestry Tasmania, Hydro Tasmania and the Tasmanian Parks and Wildlife Service to develop potential opportunities within the Derwent Valley, Strathgordon and Lake St Clair areas.
Facilitating skill development, creativity and innovation

Rationale: It is evident that in the restructured tourism sector, industry development and capacity building has been marginalised. An opportunity exists for DST to provide leadership, support and facilitation within the industry development area.

Action 23
- DST to develop a specific position within the organisation for a suitably qualified person to assist tourism businesses (both new and existing) to develop and reach their capacity. This is a ‘must’ to keep the industry sustainable and to devise incentives to ‘raise the bar’. DST to lobby State Government for the required funding to implement the above position. (This action is directly linked to Action 29.)

Action 24
- DST to initiate strategic partnerships with various organisations to encourage members to participate in accreditation which assists in the understanding of different cultural requirements i.e. the Asian market, such as connecting the industry to existing ‘China-ready’ programs.

Action 25
- DST to facilitate positioning of Southern Tasmania as an ‘international’ destination with activities and projects that enable the industry to focus on product development and experiences of appeal to Asian and other emerging markets.

Action 26
- DST to undertake five capacity building workshops for LTAs around the region focused on specific actions from the DMP relating to their role in its implementation, and demand-enabling activities.

Action 27
- DST to develop and seek funds for a pilot project to re-evaluate the current LTA model. This should include its relationship with the regional organisation to identify their complementary roles, management and the necessary sources and levels of resourcing to achieve increased regional dispersal, and delivery of the marketing promise and expectations.

Action 28
- DST to actively engage with the arts sector to ensure the connection between arts and tourism and to maximise the mutual benefits from this sector.
Leading and managing with quality information, contemporary process and inclusion of key partnerships

Rationale: There is a distinct lack of knowledge within the industry as to the respective roles and responsibilities of the ‘governance’ organisations i.e. Tourism Tasmania, DST and LTAs.

Action 29
• Develop a comprehensive communiqué on the roles and responsibilities of the governing organisations of the tourism industry (STO, RTOs and LTAs), that clearly outlines their respective areas of operation. Other key stakeholders such as Tourism Industry Council Tasmania, Tasmanian Hospitality Association, Tasmanian Parks and Wildlife Service, Forestry Tasmania, Local Government and key government agencies, for example, Department of Economic Development, Tourism and the Arts should be included. The paper also needs to identify the proposed linkages between DST and other industry organisations. (This action is linked to Action 23.)

Action 30
• DST to work with LTAs to determine their capacity and needs to become effective, sustainable and productive associations and then address the challenges through LTA-specific support. (This action should be integrated with Action 27.)

Action 31
• DST provide the linkages into other agencies to ensure that tourism is integrated into the decisions of those agencies - specifically focused on collaboration between DST and complementary organisations such as State Government, TICT, STCA, THA, and the Property Council to ensure potential synergies are recognised and maximised.
Action 32
- DST to encourage its members and the industry in general, to ensure that their details are current and correct on TigerTOUR as this database is a significant source for web-based data mining and is accessed for multiple purposes.

Action 33
- DST to consistently promote tourism as a key economic driver for the region, articulating its importance and benefits to stakeholders and to the broader community of Southern Tasmania. This action should be integrated with Action 29.

Action 34
- DST to develop strategies that will reinvigorate the region’s touring routes.

Rationale: The development of high level partnerships between the Tasmanian tourism industry and other key organisations is paramount in continuing to build the industry’s potential.

Action 35
- DST to explore avenues to become a partner in the delivery of the MOU between TICT and UTAS which sees the University of Tasmania and TICT aiming to maximise the opportunities for both sectors from doubling the number of international students and researchers studying and working in Tasmania over the next five years. This relationship could be either informal or formal but should enhance the agreement by providing linkages and information to the industry in the region.

Action 36
- DST to work with Hobart International Airport, Tourism Tasmania, STCA and TICT to maximise opportunities to maintain and increase air access and capacity.

Action 37
- DST to work with other tourism industry partners to encourage a ‘whole-of-government’ approach to the industry, with a particular focus on air and sea access, infrastructure and industry’s development.
Introduction

Stakeholder engagement is a key principle of destination planning with the major objective of creating ownership and acceptance of the final outcomes, along with community understanding and appreciating the value of tourism to their local economies. This phase is crucial in building stewardship of the Destination Management Plan (DMP).

In our approach to consultation, we were committed to an inclusive communication process based on mutual respect; one which encourages a sharing of local knowledge, a genuine understanding of specific issues, and an emphasis on positive outcomes.

The consultative phase captured the following information as identified in the brief:
1. Feedback regarding the situation analysis as it relates to individual municipalities and the broader Southern region;
2. An understanding of the requirements of a visitor destination, and the destination management process (an all-important educative role of stakeholder engagement); and
3. Stakeholder aspirations regarding the future of their tourism industry including the value of tourism to local communities.

As part of the consultative process, stakeholders actively contributed to a diagnostic tool based on acknowledged success factors for regional tourism (outlined opposite). Applying the DMP success factors model is a proven tool in gaining both an accurate assessment and stakeholder ownership, for further decision-making. The success factors were also used in the development of the industry survey.

The consultation of the industry and its stakeholders was undertaken in two modes: face-to-face (regional) and peak body consultation sessions, and an industry survey conducted by Destination Southern Tasmania (DST).

During the consultation period, 89 people attended seven consultation sessions across the region: Hobart, Huon Valley, Tasman, Derwent Valley, Southern Midlands and two peak body group sessions in Hobart. This consultation was also complemented by individual interviews and feedback from those stakeholders who could not attend the consultation sessions or access the survey.

Ninety-six industry surveys were completed; 57% of respondents were DST members.

Regional success factors

- Strong, focused Local Tourism Associations working in collaboration with Regional Tourism Organisations.
- Strong private sector-driven Regional Tourism Organisations, focused on their core role of destination marketing and development, working cooperatively with Local Tourism Associations.
- Support from Local Government for visitor servicing, destination development and infrastructure.
- Strong and visionary leadership by individuals and organisations.
- Strategic planning for holistic tourism development that is owned and implemented by all stakeholders.
- Excellence in visitor services that leads to satisfied visitors, positive word of mouth promotion and repeat visitation.
- Research-driven co-operative marketing which maximises the effectiveness of industry and government contributions.
- A breadth and depth of quality tourism product, events and infrastructure that meets the demands of target markets.
- Risk management plans that identify and address potential crises e.g. fire & flood.
- Community understanding and appreciation of the value of tourism.

Please note that inevitably, not all issues raised during the consultation elicited a response from the various groups. However, the verbatim comments from both the face to face consultation and the industry survey have been collated and serve as a reference documents for the use of DST and the development of strategic actions into the future.
DMP face-to-face consultation

Agenda
The consultation sessions were facilitated using the following format:
• Introduction - DST: why are we here?
• Introduction of participants and their involvement in the tourism industry
• Outline of expectations for the consultation i.e. how we are going to do this today
• A number of key questions that are linked to acknowledged success factors regarding destination management
• ‘We need to develop a strong sense of how Hobart and the southern region is faring in relation to these success factors (multiple data collection methods), and ultimately how the gaps should be addressed’.

Key questions
1. What is the current state of tourism in and around Hobart?
We have the visitor numbers and other research, but we are keen to know how you feel about it - on the ground, as it were.

Some general comments and then into specific issues:
• Product development
• Governance
• Marketing and brand
• Visitor information - signage, TVIN, way-finding
• Industry development/capacity - LTAs, an ‘industry-led’ environment
• Infrastructure and investment.

2. What are the gaps?
3. What do we need to close the gap between the current situation and the potential?
4. What do we need to do differently to achieve the best outcomes?

How many completed the recent survey forwarded through DST? If you didn’t fill in the survey, we would ask that you take the final 10-15 minutes to complete it.

Participants were then requested to identify ‘game changers’ within their area from a visitor perspective, around the themes below. It was emphasised that it is not just new experiences, but could be the refreshing of existing experiences, or the challenges and issues preventing industry development.

• Themes
  • Waterways
  • Food and beverage
  • Heritage (built/people)
  • Adventure/wilderness
  • Events
  • Transport
  • Arts and culture
Face-to-face consultation feedback

Whilst the consultation highlighted some significant issues and challenges within the region, it also confirmed that visitation in general is high in the central Hobart area but regional dispersal is still a challenge for the industry.

Other key themes to emerge are below and these have been considered and incorporated into the DMP:

- There is a lack of knowledge within the industry of the role of Tourism Tasmania, DST and LTAs - this needs to be defined
- TigerTOUR as a source for web-based data is not working - not current
- Reinvigorate touring routes
- Road infrastructure is poor, particularly in relation to Tasman Highway and Central Highlands area
- Public transport is very poor across the region
- DST needs to step into the industry development/capacity-building sector as Tourism Tasmania is not doing it
- Business development is a ‘must’ to keep the industry sustainable and incentives to ‘raise the bar’ must be created.

Industry survey feedback

Survey summary

The survey elicited over 600 responses to the specific questions as a whole and the comments received from the survey were many and varied. Over 300 individual comments were proffered in regard to the gaps, opportunities, issues and challenges; their analysis confirmed the challenges and issues identified in the consultation meetings, but also indicated that stakeholders are confused with many aspects of the restructured industry, particularly in relation to governance.

The following are some of the main issues and results from the survey:

- 57% of respondents were members of DST
- Approximately 72% of respondents thought that the industry is supported by Local Government
- Approximately half of the respondents were aware of the Greater Hobart Reference Group (GHRG); this may be reflective of the regional areas responding as well
- 54% of respondents believe that they have a strong LTA and scored the LTAs approximately 5 out of 10 for marketing, advocacy and provision of visitor information
- In terms of DST and ‘your LTA relationship’, the survey rated this around 5 out of 10, with clarity of roles rating 4.4 which is considered below average
- DST rate above average on marketing, advocacy and focus on greater Hobart, but below average (4.7) on regional dispersal
- On specific issues, respondents rated current leadership by individuals and organisation above average (not reflected in ‘free text’ comments), visitor information and tourism as an economic contributor also rate above average, but public transport rates very poorly, and slightly higher but still below average was supporting and direct infrastructure
- 54% of respondents agree that tourism is reliant on assets own by PWS, Forestry Tas, Hydro i.e. regarding access to wilderness/nature-based activities.
The following key gaps in infrastructure were identified:

- Road infrastructure, particularly outside metro areas
- Accommodation development outside Hobart
- Signage across the region
- Public transport or the lack of it more so, across the region
- Wifi and telephone coverage across region
- Improved supporting local and State infrastructure, such as laybys, public toilets and recreation areas.

The following is a short summary of the main points from ‘free text’ areas:

- Industry needs leadership - at the moment there is confusion in the industry on the roles of STO, RTO & LTAs
- VICs not working well for industry
- Resources need to be allocated to RTO and LTAs
- There is a need to focus on regional dispersal
- Signage is poor in general and needs a total review/revamp
- Public transport is poor regarding access to tourism attractions and establishments
- Reduce red tape.

In reviewing the comments from the survey, it is very clear that there is a need for leadership within the industry as there seemed to be much confusion as to the roles and responsibilities of key organisations in the new regional structure. DST has a role to play in this area and it is reflected in the actions articulated in the DMP.
Attachment 2: Key references

The following list represents some major sources that have informed the Destination Management Plan for Southern Tasmania. It is not exhaustive, however it is provided as a practical guide for future reference.

2. creating Preferred Futures, Derwent Valley Social, Tourism, Economic and Physical Structure Plan (draft), 2013
3. creating Preferred Futures, Tasmanian Hospitality Industry Strategic Plan
8. REMPLAN, Destination Southern Tasmania Tourism Region - Economic Impact Analysis, 2013
9. Roy Morgan Research, MONA a holiday magnet for ‘Socially Aware’ Australians, July 2013
13. Southern Tasmanian Council’s Authority, Southern Tasmania Regional Land Use Strategy 2010 - 2035
14. TNS Australia and Tourism Australia, Domesticate, 2012
15. Tourism Australia, Tourism 2020 (2010)
17. Tourism Industry Council Tasmania, Industry Sentiment Survey, September 2013
23. Tourism Tasmania, Corporate Plan 2013 - 2016
25. Tourism Tasmania, Strategic Scan 2012
26. Tourism Tasmania, Tasmanian Cruise Ship Survey 2012 - 2013
29. Tourism Tasmania, Tourism Info Monitor Q2 Report 2013
32. Wells, Malcolm and Sarah Lebski & Associates, Channel Regional Tourism Strategy 2009
This DMP has within its’ scope an analysis of the Tasmanian Travel & Information Centre (TTIC), Hobart. This work will seek to investigate the provision of best practice visitor information services, particularly in the context of the TTIC and will address the following questions:

- How do visitors want to receive information when in a destination;
- What do visitors look for when they use visitor information centres;
- What is the future role of technology in the provision of visitor information; and
- What are leading visitor centres doing?

Given the importance of ensuring that the provision of visitor information maximises the potential of tourism for both metropolitan and regional communities, DST successfully sought additional funding for this element of the DMP. The availability of these funds has extended the time necessary to complete the report. This work is continuing and will be released as soon as possible.
Attachment 4: Investment-ready projects

This DMP has within its’ scope an analysis of the ideal characteristics of investment-ready tourism projects. The Plan will seek to identify a number of projects having these characteristics, that address gaps in the products and experiences which are likely to attract visitors to Southern Tasmania. This work is continuing and will be released as soon as possible.