

Progress Report 8

December 2019



The Tasmanian Visitor Economy Strategy 2015-2020

[www.T21.net.au]



Tourism Industry
Council Tasmania



Tasmanian
Government



Premier's Message

The T2 I partnership between my Government and industry is fundamental to building a strong visitor economy for the state.

Tasmania's international visitors are continuing to spend at record levels with business confidence strong.

We have reached national acclaim with the launch of our evolved tourism brand, "Tasmania – Come Down for Air", and numerous accolades are providing further distinction for the state.

While we reflect on our success, we also have our eye on the future. Our collective vision for tourism in Tasmania is being shaped by the important conversations we are having as we form the next iteration of the T2 I Visitor Economy Strategy.

With the current strategy coming to an end in December 2020, extensive consultation has commenced on a new strategy which will continue the planning for a strong visitor economy to 2030. Over 350 industry leaders in 14 regional locations have participated in consultation to date.

Tourism 2030 is for all Tasmanians, and as we plan the next strategy, we have a great opportunity to build a future that benefits the tourism industry, our economy and community.

To share the benefits of a successful visitor economy more widely we must understand both the industry and community views on the challenges and opportunities we face. Valuable input will be sought from the Tasmanian community when the strategy is released for public comment early next year.

As we continue to make our mark as a must-see destination, I look forward to continuing to work with you to shape the future of tourism in Tasmania.

I also want to wish you all the very best over the festive season and I look forward to continuing our fantastic partnership into 2020 and beyond.

The Honourable Will Hodgman MP

Premier

Minister for Tourism, Hospitality & Events

Minister for Parks

Minister for Heritage

Minister for Trade



Planning for our future – Tourism 2030

The existing T21 Visitor Economy Strategy will conclude at the end of 2020, and work has commenced on planning to create a shared vision for the future of tourism and the visitor economy in Tasmania. The new 2030 strategy is being developed with input from tourism and visitor economy leaders, broader industry and the Tasmanian community.

Tourism is important to Tasmania – since the launch of T21 in 2015 annual visitor spending in Tasmania has grown by over half a billion dollars, now contributing \$3.2 billion or 10.3 per cent to Gross State Product. There are over 42,800 people employed in tourism jobs (direct and indirect) right across our state. Through the T21 partnership, industry and government want to create a future for tourism that benefits all Tasmanians.

Our 2030 visitor economy strategy will build on the success of the enduring T21 partnership between industry and Government, by creating a shared vision for tourism in Tasmania over the next decade.

Since October, we have been in regions across Tasmania to hold workshops with industry leaders. In December we held broader Visitor Economy Forums in the four tourism regions of the state. In the new year, a draft of the Strategy will be open for comment by Tasmanians.

To assist in our planning, Deloitte Access Economics was commissioned to provide a ten-year demand and supply forecast to inform policy, planning and investment in our future. Its findings are outlined in the [Fact Sheet – Tasmania’s 2030 Tourism Demand and Supply Forecast](#). This work is just one input in developing our new Strategy. Through our consultations, we will be using these insights, as well as industry and community aspirations to confirm our 10 year strategy.

Providore Place Sunday Market © S. Group





Visitation to Tasmania

- In 2018-19, Tasmania attracted 1,315,600* visitors, one per cent more visitors to the state than the previous year.
- These visitors spent a total of \$2.50 billions throughout the state during their stay.
- They stayed a total of 10.88 million nights in the state, with each visitor staying an average of 8.3 nights.
- Around 621,500 people or 47 per cent of all visitors to Tasmania in 2018-19 came for the purpose of having a holiday.
- A further 348,400 people or 26 per cent of all visitors to Tasmania came to visit friends or relatives living here.
- Business and business event travellers accounted for another 266,000 visitors or 20 per cent of all visitors to Tasmania.
- A total of 1,121,100 visitors or 85 per cent of all visitors to Tasmania in 2018-19 lived in Australia.
- Victoria, New South Wales and Queensland accounted for 85 per cent of all interstate visitors to Tasmania in 2018-19.
- Tasmania welcomed 300,300 international visitors in 2018-19 with USA, China, Hong Kong, United Kingdom and New Zealand being the largest markets.

Ten Days on the Island – Nowhere © Sonja Ambrose





Our Priorities

The T21 vision is for Tasmania to be a world-leading destination of choice, with a vibrant visitor economy supported by our tourism and hospitality industries, strong business and education sectors and a community that embraces our visitors and all the benefits they bring.

A mid-term review of the strategy established a renewed focus on visitor yield and regional dispersal, which aims to increase the value of visitors and more widely share the benefits of growth in the visitor economy across Tasmania's communities.

The greatest gain from our visitors is realised by how widely they journey throughout our state, the contributions they make to the communities they visit and the economic and social value they bring.

This includes visitors dispersing further and travelling to new areas, staying longer or arriving outside of peak season and spending more in local visitor economies.

To deliver the greatest benefits for the community, a coordinated and collaborative approach between government and industry will support and guide future development, activity, infrastructure and investment in the state's visitor economy.

The actions delivered against the T21's four strategic priorities during this period, demonstrate the important work underway to build a sustainable visitor economy that strengthens Tasmania's regional communities and provides high quality experiences to our visitors.

PRIORITY: Building capability, capacity and community

Tasmania has a welcoming culture. The friendliness and helpfulness of Tasmanians is a regular and frequent response from visitors about their Tasmanian travel experience. There is a need to sustain and build the state's reputation further and ensure that Tasmania is able to provide a high quality workforce for the future.

Progress on actions

Since the previous T21 report in May 2019, together the government and industry have:

- conducted the second Young Tourism Professionals Networking event and the inaugural TICT Incubator, a peer-to-peer tourism business and professional mentoring initiative
- conducted the TICT Dialogue Luncheon featuring Dame Kerry Prendergast on lessons from NZ for Tasmania
- launched the second TICT / Property Council of Australia *Tourism Investment Report*
- conducted the TICT Study Tour to Queenstown, New Zealand, meeting with regional industry leaders to learn about training, industry structures and destination management
- commenced work on an Accessible and Inclusive Tourism Action Plan for Tasmania, due to be launched in Q1 of 2020
- developed a Hospitality Industry Development Plan, including five region-specific development plans
- hosted the second round of regional hospitality forums.



- delivered the THA's *Great Customer Experience Program* presenting skills and engagement sessions on-site to a further 650 staff (1,650 to date) in a total of 150 venues since inception
- delivered four hospitality pre-employment programs with over 40 participants
- presented the Hospitality Awareness program to over 200 high school students across years seven to twelve
- announced the nine successful 2019 Drysdale Industry Trainer Scholarship recipients
- supported events through the Events Attraction Fund that attracted over 2,000 additional visitors to the state during June to December
- assisted seven events through the Regional Events Start-up Program with total funding of \$505,500 over three years
- through the Global Education Growth Strategy undertook agent familiarisation tours, multiple interstate regional fairs, open days and webinars aimed at growing international student enrolment, and supported the University of Tasmania in a recruitment mission to India and Nepal and an agent showcase event in Shanghai in China
- announced the Tasmanian Hospitality Awards in August and the Tasmanian Tourism Awards in November recognising excellence across the industry
- commenced planning and consultation in developing the next Tourism 2030 visitor economy strategy
- produced 14 regional tourism profile reports for participants at Tourism 2030 industry workshops.

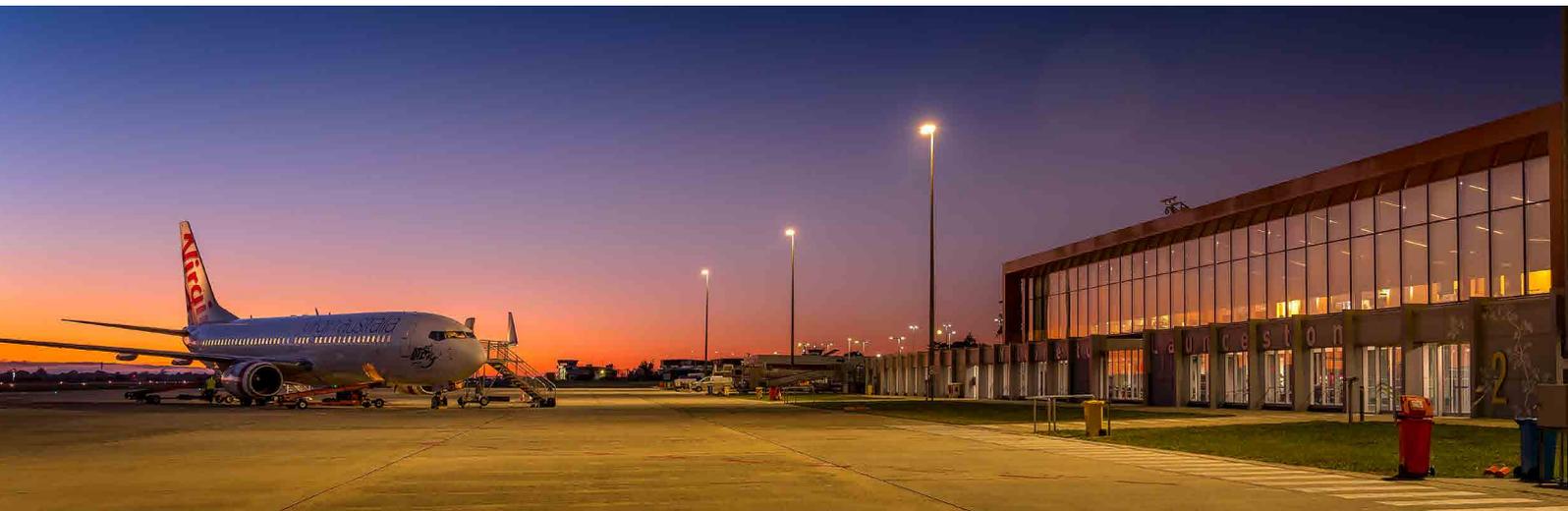
PRIORITY: Invest in quality visitor infrastructure

Investment in private and public infrastructure and visitor experiences is the backbone for growing the visitor economy. For Tasmania to achieve 1.5 million visitors a year by 2020 it requires the ongoing development of exciting new visitor experiences to drive interest in Tasmania, stimulate visitor demand and encourage travel within the state.

Progress on actions

Since the previous T21 report in May 2019, together the government and industry have:

- approved a financial support package of \$350,000 from Tasmania Development and Resources to assist the reopening of the Tahune Airwalk following the bushfires of early 2019
- launched the \$20 million Regional Tourism Attraction Loan Scheme for application, to support investment in development of new products and visitor experiences in regional Tasmania
- completed upgrades at National Park sites including public amenities and/or track infrastructure at Cape Bruny Light Station; Remarkable Cave; The Nut public toilets and Highfield House toilets at Stanley; and Julius River picnic facilities and walking track on the Tarkine Drive
- completed stage one of the Cradle Mountain Gateway project as part of the Cradle Mountain Master Plan, delivering a new visitor centre, café, public amenities, car park and landscaping
- constructed a new viewing platform and shelter at Dove Lake improving the visitor experience and safety at the site
- completed the Oonah Hill Mountain Bike (MTB) Track at Zeehan, which linked with the existing Spray Tunnel, provides a 10km MTB loop starting and finishing in Zeehan.



- approved a project to the value of \$500,000 bringing total projects under the \$20 million Tourism Accommodation Refurbishment Loans Scheme (TARLS) to twelve projects at a total of \$6.5 million
- relaunched the Cradle Mountain Expression of Interest process, offering an additional freehold tenure to encourage private sector investment as part of the Cradle Mountain Masterplan
- worked with the University of Tasmania and Chambroad to further their partnership for the Kangaroo Bay Hotel and Hospitality Management College, with the signing of a Memorandum of Understanding
- completed the report, *Tasmania's 2030 Tourism Demand and Supply Forecast* by Deloitte
- progressed the Reimagining Our Regions projects for Tasmania's far north-west and the far south
- released the *Towards a Tourism Master Plan* positioning paper to guide development of the draft Tourism Master Plan for the Tasmanian Wilderness World Heritage Area.

PRIORITY: Grow air and sea access capacity

Access is a critical element of the Tasmanian visitor economy. As an island, the supply of adequate air and sea services connecting Tasmania to the Australian mainland and the world is crucial for the growth and development of its economy and achieving the vision of 1.5 million visitors a year. At the same time, in-state transport solutions and infrastructure are important for a growing visitor economy and enhancing the visitor experience.

Progress on actions

Since the previous T21 report in May 2019, together the government and industry have:

- gained an additional 39,823 seats into Hobart Airport, which equated to 3.8% capacity growth across the key routes of Melbourne, Sydney, Brisbane, Adelaide, Perth and the Gold Coast; and achieved 4.8% passenger growth or 40,184 more air passengers during the period
- achieved higher loads into Launceston Airport with an increase of 653 passengers despite having 3,190 less seats
- finalised the sale of Hobart Airport with majority shareholders, Royal Schiphol Group and CIQ taking 35% each and Tasplan retaining 30% equity
- delivered a multi-channel marketing campaign with Qantas Group driving increased visitation to the region and raising Launceston Airport's profile
- released *The Sustainable Cruise Blueprint* setting out sustainable management principles and goals for cruising in Tasmania over the next three years
- attended the World Routes Aviation Convention in Adelaide, the first time held in Australia, meeting directly with over 30 international airlines to discuss direct and codeshare services and improved international connectivity to Tasmania
- commenced the Regional Anchorages Project to assess Tasmania's remote and regional ports for cruise ship suitability and develop guidelines for cruise lines and the community.



PRIORITY: Generate more demand for travel to Tasmania

This priority aims to market Tasmania effectively, to create a growing appeal for Tasmania, a desire or reason to visit, and the means for people to purchase their trip and travel here.

Progress on actions

Since the previous T21 report in May 2019, together the government and industry have:

- begun recruitment of participants and collection of data in the Tasmanian Visitor Research Visitor Tracking project
- launched the Unordinary Adventures program to market including supporting the 2019 World Fly Fishing Championship, providing content partnerships and event support; and assisted the new St Helens MTB Trails through content partnerships
- developed content for conversion partners including AFL, Qantas, Expedia, Trip Advisor, Flight Centre and Virgin
- launched the evolved tourism brand 'Tasmania – Come Down for Air' to the domestic market and to the Tasmanian tourism industry
- delivered content marketing partnerships campaigns in the UK in partnership with Tourism Australia and the Telegraph UK; and for a tri-state partnership with South Australia and Victoria and conversion partner Flight Centre
- conducted 15 domestic media and PR familiarisation tours; 19 international media and trade; Reimagining the Regions Far South field trip; and a media agency fam to the west coast – overall covering all regions of Tasmania including King Island, Derby, the Great Lake, Huon Valley, Cockle Creek, Hastings Caves, Arthur River, Smithton, Corinna and Stanley
- attended Tourism Australia's 'Marketplace' events in China, Malaysia and in London to promote Tasmania's tourism trade industry
- supported global media visits from key international markets
- delivered cooperative marketing campaigns with access and trade partners in Australia and in key global markets of North America, Germany, France, Switzerland, UK, China, Hong Kong, Singapore and Malaysia
- launched digital advertising campaign in Germany including a German microsite focusing on the wildlife experience drawcards to encourage travel to Tasmania
- completed Tasmania branded and destination focussed events in Munich and Paris, actively engaging with 45 travel trade and media representatives at each
- activated the International Wine Tourism program in North America including a high profile media event in San Francisco for 30 media representatives, and developing a cooperative marketing program with a travel trade partner to deliver wine/food focused travel programs
- worked collaboratively with Tourism Australia on their Aussie Specialist and Signature Experiences programs
- conducted a Tasmanian destination roadshow (Talkabout Tasmania Roadshow) visiting Gold Coast, Brisbane, Sydney, Melbourne and Adelaide with 24 local tourism operators meeting with 330 travel trade sellers
- developed an influencer-led digital and social campaign with Qantas and interactive gin bar activations in Virgin lounges in Sydney, Melbourne and Perth
- delivered a \$3.5 million winter 2019 marketing campaign, with Expedia as the call-to-action partner and providing an interactive and tailor-made microsite
- created situational analyses for the four Unordinary Adventures – mountain biking, golf, fly fishing and walking.



Measuring Progress

In building its visitor economy, Tasmania looks beyond visitor numbers alone to determine the contribution visitors are making to the Tasmanian community.

T21 – The Tasmanian Visitor Economy Strategy measures five key indicators of growth in the Tasmanian visitor economy and progress towards achieving annual visitor numbers to Tasmania of 1.5 million by 2020.

These are:

- Volume** – the number of visitors coming to Tasmania
- Expenditure** – how much visitors are spending in Tasmania
- Employment** – direct and indirect jobs created in Tasmania by visitors
- Dispersal** – the proportion of visitor nights spent in Tasmania’s regional communities
- Satisfaction** – the quality of our visitors’ Tasmanian experience

VOLUME Measuring how we are tracking towards our target of annual visitor numbers to Tasmania of 1.5 million by the year ending December 2020. Visitor growth generates additional visitor spending, job creation and regional dispersal.
2020 GOAL: 1,500,000 visitors for YE 2020
PROGRESS: 1,315,616 visitors in FY 2018-19*

**Data Source: Tasmanian Visitor Survey, year ending June 2019, Tourism Tasmania*



1.32 MILLION VISITORS WELCOMED TO TASMANIA FY 2018-19



EXPENDITURE How much our visitors are spending across the Tasmanian economy is a measure of the export value of the Tasmanian visitor economy. Increased visitor spending generates capital investment, employment growth and helps sustain a diverse range of small businesses throughout the state.
2020 GOAL: \$2.47 billion in 2020
PROGRESS: \$2.5 billion in FY 2019



RECORD \$2.5 BILLION 2018-19 visitor spending



EMPLOYMENT How many direct and indirect jobs within the Tasmanian visitor economy measures growth in the tourism industry, capital investment, and its flow through the broader Tasmanian economy.
2020 GOAL: 20,000 direct + 24,500 indirect in 2020-21**
PROGRESS: 21,600 direct + 21,200 indirect in 2017-18***

**2020 employment goal based on known variables as at 2014-15

***Data source: State Tourism Satellite Accounts 2017-18. Tourism Research Australia

MORE TASMANIANS PER CAPITA EMPLOYED IN TOURISM THAN ANY OTHER STATE OR TERRITORY****



DISPERSAL Measuring the share of all visitor nights spent outside Hobart city is a practical measure of whether regional Tasmania is sharing in the visitor growth.
2020 GOAL: Maintain 66 per cent of visitor nights in Tasmania being spent outside Hobart city
PROGRESS: 67 per cent of visitor nights in Tasmania were spent outside Hobart city in FY 2018-19*

*Data Source: Tasmanian Visitor Survey, year ending June 2019, Tourism Tasmania



SATISFACTION Measuring visitors' level of satisfaction with their Tasmanian trip is a useful indicator of the extent to which the destination and the workforce have exceeded expectations. This is likely to result in more word of mouth endorsement and repeat visits.
2020 GOAL: 60 per cent satisfied with customer service and 35 per cent satisfied with value for money
PROGRESS: 58 per cent of visitors were very satisfied with customer service, and 35 per cent were very satisfied with value for money, FY 2018-19*

*Data Source: Tasmanian Visitor Survey, year ending June 2019, Tourism Tasmania

58% VERY SATISFIED customer service*





T21 – Governance

Premier's Visitor Economy Advisory Council

The Premier's Visitor Economy Advisory Council monitors overall progress on the actions and agrees on new, strategic actions required to achieve the Government and industry's shared T21 goals. The council also engages with stakeholders in the visitor economy to identify new opportunities for growth.

The Premier of Tasmania chairs the council.

Membership of the council includes:

- Minister for State Growth (Deputy Chair)
- Chair, Tourism Tasmania
- Chair, Tourism Industry Council Tasmania
- President, Tasmanian Hospitality Association
- CEO, Tourism Tasmania
- Secretary, Department of State Growth
- Secretary, Department of Primary Industries, Parks, Water and Environment
- Chair, Tasmanian Heritage Council
- Chair, Brand Tasmania
- Coordinator-General.

The council meets quarterly and issues public reports on progress against the T21 priorities every six months. One report is released to coincide with the annual Tasmanian Tourism Conference in May of each year and provides the previous calendar year's results, while the second report is released in December each year and provides the previous financial year's results.

T21 Steering Committee

The T21 Steering Committee oversees and coordinates the delivery and reporting against the T21 actions by the relevant organisations. The committee meets quarterly and reports on progress to the Premier's Visitor Economy Advisory Council.

The CEO of Tourism Tasmania chairs the T21 Steering Committee. Membership of the committee includes:

- Secretary, Department of State Growth (Deputy Chair)
- Secretary, Department of Primary Industries, Parks, Water and Environment
- CEO, Tourism Industry Council Tasmania
- CEO, Tasmanian Hospitality Association
- Director, Visitor Economy Strategy, Tourism Tasmania
- Deputy Secretary, Cultural and Tourism Development, Department of State Growth
- Deputy Secretary, Parks & Wildlife Service
- Coordinator-General.



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Queenstown streetscape © Flow Mountain Bike