

Progress Report 7

May 2019



The Tasmanian Visitor Economy Strategy 2015-2020

[www.T21.net.au]



Tourism Industry
Council Tasmania



Tasmanian
Government



Premier's Message

The hugely successful partnership between government and the tourism industry is about to begin a new chapter. Since the introduction of the T21 Visitor Economy Strategy in 2015, the sector has gone from strength to strength. Work is now underway on a new strategy to maintain the momentum of our visitor economy into the future.

The T21 vision is for Tasmania to be a world-leading destination of choice, with a vibrant visitor economy. As Tasmania continues to evolve as a destination we need to be even more coordinated and focused in our planning, and ensure we are meeting visitor expectations while protecting the Tasmanian way of life; which is one of the key reasons people visit.

The Government is committed to working with visitor economy leaders, our broader industry and local communities to create a shared vision for the future of our tourism and hospitality industry. We have been focused on encouraging visitors to travel to regional areas and we will continue to support the many regions that are excited about the opportunity that tourism presents to grow their economy and stimulate business activity.

The recently announced 'Reimagining the Regions' pilot is underway in the state's far north-west and is just one example of how we are ensuring every region is able to share in the benefits of our strong visitor economy. Australia's brightest tourism minds are evaluating the region's offering and will work in partnership with industry to plan for a competitive and innovative destination.

It's this type of coordinated approach to destination management that will allow us to capitalise on the growing self-drive and touring market that the new Spirit of Tasmania ferries are set to deliver.

I want to thank everyone who has contributed to ongoing efforts to build a strong and vibrant visitor economy and I look forward to continuing our work together to ensure the sector remains strong and successful for years to come.

The Honourable Will Hodgman MP

Premier

Minister for Tourism, Hospitality & Events

Minister for Parks

Minister for Heritage

Minister for Trade



Visitation to Tasmania

- In 2018, Tasmania attracted 1,320,000* visitors, 4 per cent more visitors to the state than the previous year.
- These visitors spent a total of \$2.46 billion throughout the state during their stay.
- They stayed a total of 10.83 million nights in the state, with each visitor staying an average of 8.2 nights.
- Around 640,600 people or 49 per cent of all visitors to Tasmania in 2018 came for the purpose of having a holiday.
- A further 342,700 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 230,000 visitors or 17 per cent of all visitors to Tasmania.
- A total of 1,106,800 million visitors or 84 per cent of all visitors to Tasmania in 2018 lived in Australia.
- Victoria, New South Wales and Queensland accounted for 85 per cent of all interstate visitors to Tasmania in 2018.

Sentinel Range, Western Wilds © Stuart Gibson



- Tasmania welcomed a record 308,800 international visitors in 2018 with Hong Kong, Singapore, Malaysia and China recording strong growth during the year.
- In addition around 2,800 new international and interstate students were welcomed to study at campuses in Tasmania as at February 2019.



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 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.

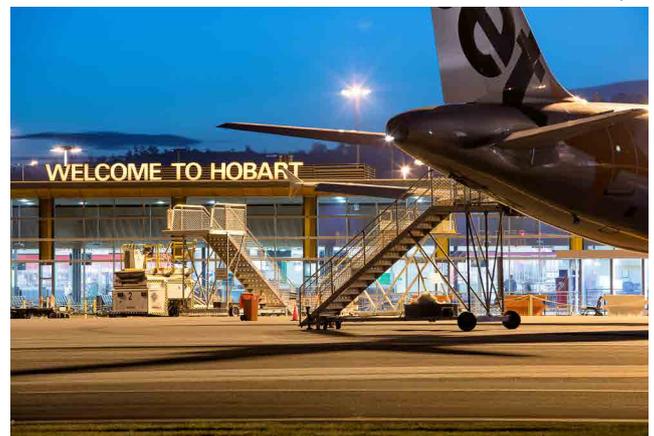
The greatest gain from our visitors is realised by how widely they journey throughout our state, the contributions they make to the communities they visit and the economic and social value they bring.

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.

© Hobart Airport





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 December 2018, together the government and industry have:

- initiated the Drysdale *Teaching Innovation Grant Program* to foster innovative teaching and learning experiences aligned with identified industry training priorities
- delivered the THA's *Great Customer Experience Program* engaging on site with a further 440 staff, 971 to date, in a total of 123 venues since inception
- hosted the first of five regional hospitality industry forums, outputs from which will support development of a Hospitality Industry Development Plan incorporating plans for each region
- reopened the historic Theatre Royal as part of the \$96 million Creative Industries and Performing Arts project, The Hedberg
- delivered Digital Ready one-on-one sessions to over 600 people and 15 group events around Tasmania, and sessions in bushfire affected regions

- provided financial support to businesses in the visitor economy affected by the January bushfires through Business Tasmania as well as other support coordinated through the Bushfire Recovery Taskforce
- allocated \$150,000 funding to Ten Days on the Island to support delivery of the 'Weekend in The Valley' event as part of the recovery effort in bushfire affected communities
- provided \$30,905 in matched funding to support Destination Action Plan projects in the Derwent Valley, North East and Ross.



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 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 December 2018, together the government and industry have:

- completed stage one of the sealing of the Hastings Caves Road as part of the \$72 million tourist roads package
- released a refined Freycinet National Park master plan for public comment in March with the plan due to be finalised by June 2019
- prepared a Building Use Site Plan report to guide future use of the Darlington site on Maria Island to help prioritise infrastructure spending and commenced heritage conservation work on the Bernacchi Terrace houses
- commenced the Tasmanian Wilderness World Heritage Area master plan consultation
- conducted a public submission process for Tasmania's next iconic walk with a decision expected in June 2019
- approved two projects to the value of \$655,000 under the \$10 million Heritage Renewal Loan Scheme to assist owners to preserve, revitalise and reuse Tasmanian Heritage Listed properties
- approved a project to the value of \$100,000 bringing approved projects under the \$20 million Tourism Accommodation Refurbishment Loans Scheme (TARLS) to eleven projects at a total of \$5.6 million
- continued to facilitate new tourism investment in Tasmania's national parks and reserves under the Expressions of Interest process
- commenced the Reimagining Our Regions project in Tasmania's far north west to identify unique demand driving opportunities

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 December 2018, together the government and industry have:

- added around 44,000 air seats on the main routes to Hobart and Launceston, exceeding the Access 2020 annual target of increased seat capacity
- introduced an additional, third daily Hobart - Sydney return flight on peak days of the week
- completed development of 6,000 square metres of cold storage facilities at Hobart Airport with direct land-side access; and released draft terminal expansion plans for public consultation as part of the Hobart Airport Major Development Plan
- commenced operation of a Hobart to Strahan air passenger service that has also seen introduction of regular, mid-week scheduled passenger services between Cambridge and Launceston airports
- launched out of home advertising campaigns with Perth and Adelaide airports to further promote these new routes to Hobart.



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 December 2018, together the government and industry have:

- committed to continue the Tasmanian Visitor Survey for 2019 and 2020, and commissioned forecast tourism demand and supply research
- conducted a Tasmanian destination roadshow to New Zealand, presenting to a total of 150 targeted travel agents and media in Auckland, Wellington and Christchurch
- 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; including an advertising campaign in Hong Kong which focussed on travelling to Tasmania in winter
- commenced the International Wine Tourism activation including hosting a media event and cooperative marketing in Hong Kong
- launched as part of Tourism Australia's 'Signature Experiences of Australia' latest collection, *Cultural Attractions of Australia*, Tasmanian experiences at Mona and Port Arthur Historic Site
- established a partnership with National Geographic to deliver a broad digital media program in North America
- supported global media and tourism familiarisation visits from key domestic and international markets, including famils and content partnerships with multiple mountain bike brands and influencers connected to the Enduro World Series held in Derby
- delivered 'A quiet little ...#Tassiestyle' campaign to promote advocacy and word-of-mouth promotion during the state's peak season
- commenced consumer marketing activity for the Western Wilds drive journey
- hosted the 2018 Qantas Australian Tourism Awards in March at Launceston's Cataract Gorge
- launched a \$3.5 million winter 2019 marketing campaign
- consolidated Tourism Tasmania's consumer-facing websites to improve user experience and in-market authority
- provided content and support to key brand-aligned partners including David Jones, Orotan, Country Road and Merrell enabling their campaigns to be shot in the state and Tasmanian messages to be incorporated into their marketing activities
- implemented the 'Love Autumn in the South' campaign to attract visitors back into bushfire impacted areas in the Huon, Far South, Central Highlands and Derwent Valley
- launched the Tasmanian Trade Strategy 2019-2025 to grow domestic and international trade; generating increased recognition of the Tasmania brand and fostering business relationships and travel to the state
- facilitated a dedicated Tasmanian presence at international food and beverage trade shows including FOODEX in Japan and HOFEX in Hong Kong
- promoted Tasmanian higher education, vocational training and Tasmanian schools to international students by participating at FPP EDU Media in Latin America, as well as Study Tasmania leading an education mission to China and Hong Kong.



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

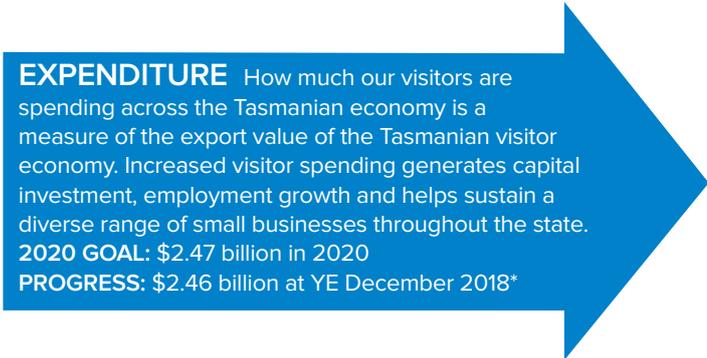


VOLUME Measuring how we are tracking towards our target of annual visitor numbers to Tasmania of 1.5 million by the year ending December 2020. Visitor growth generates additional visitor spending, job creation and regional dispersal.
2020 GOAL: 1,500,000 visitors for YE 2020
PROGRESS: 1,318,000 visitors at YE December 2018*

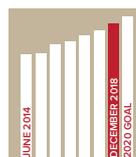
**Data Source: Tasmanian Visitor Survey, year ending December 2018, Tourism Tasmania*



1.32 MILLION VISITORS WELCOMED TO TASMANIA IN YEAR ENDING DECEMBER 2018



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: \$2.46 billion at YE December 2018*



RECORD \$2.46 BILLION visitor spending 2018



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: 18,900 direct + 19,000 indirect in 2016-17***

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

***Data source: State Tourism Satellite Accounts 2016-17. 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: 68 per cent of visitor nights in Tasmania were spent outside Hobart city in YE December 2018*

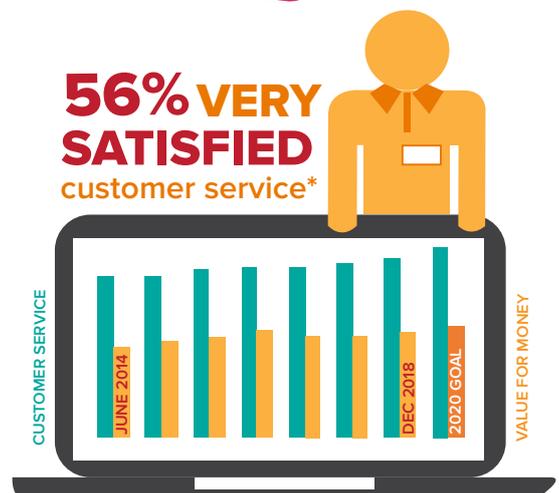
*Data Source: Tasmanian Visitor Survey, year ending December 2018, Tourism Tasmania



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: 56 per cent of visitors were very satisfied with customer service, and 33 per cent were very satisfied with value for money, YE December 2018*

*Data Source: Tasmanian Visitor Survey, year ending December 2018, Tourism Tasmania

56% 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
- 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 T21, Tourism Tasmania
- Deputy Secretary, Parks & Wildlife Service
- Deputy Secretary, Cultural and Tourism Development, Department of State Growth
- Coordinator-General.



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