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Bayside City Council

Municipal Tourism Direction

Report

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Contents

1 Introduction

1.1 Study background

In October 1993, Tourism Victoria released a three year Strategic Business Plan (the Plan) which identified the key issues confronting the tourism industry. The 1993-1996 Plan highlighted strategies to turnaround a State which at the time, suffered from low domestic and international market awareness, poor image and limited industry co-operation.

The directional framework established by the Plan has resulted in a significant improvement within the tourism industry. This has been evidenced by increased market share, expanded product development, a more cohesive and co-operative industry and in particular, a successful re-vitalisation of Melbourne as a tourism destination.

The release of Tourism Victoria's 1997 - 2001 Strategic Business Plan, continues to build upon the momentum and embraces integrated strategies to maintain and expand a commercially sustainable industry into the 21st Century.

As part of the on going initiatives to continue to integrate, develop and market the State's tourism potential, Tourism Victoria has engaged consultants to undertake the development of Tourism Development Plans for Victoria's thirteen product regions.

Twelve regional tourism development plans have been prepared for country Victoria, and the thirteenth plan, which represents urban Melbourne.

It is in the context of this focus on Statewide planning, that the Melbourne Region plan has embraced the role of urban municipalities, providing a strategic framework for planning at the local government level.

2 Study scope

2.1 Study direction

The scope and methodology employed to undertake the Study is different from the approach adopted for the State's Regional Tourism Development Plans.

As the promotion and positioning of Melbourne is central to Tourism Victoria's national and international marketing activities, the Study was designed to analyse and identify Greater Melbourne's key product strengths and competitive advantage to further enhance its status as a premiere tourism destination.

The strategic direction for the Study therefore, is to assist urban Councils assess their tourism potential in order to strategically link with Tourism Victoria and Melbourne Convention and Marketing Bureau's (MCMB) broader marketing objectives.

2.2 Study objectives

The Study encompasses two objectives:

- to best position Melbourne as a tourism destination and gateway to regional Victoria; and,
- to assist urban Councils to link strategically with Melbourne's identified tourism strengths and opportunities.

The Study incorporates four components:

- the update of a existing publication, entitled, "Why Should Local Government Invest In Tourism?", assisting urban Councils to identify whether they should be involved in the industry;
- undertake a product analysis of greater Melbourne, identifying tourism product which links with Melbourne's product strengths and/or provides a competitive edge;
- conduct an analysis of domestic and international visitation to Melbourne utilising existing data and research sources, to highlight tourism trends and market characteristics; and
- conduct a workshop with participating urban Councils to ascertain the municipality's tourism potential and future direction.

The study's primary focus incorporates:

- product and promotional opportunities within urban Melbourne which build upon the identified key product strengths, namely:
  - events;
  - food and wine;
  - national attractions;
  - arts/culture/theatre;
  - shopping; and
  - meetings, incentives, conventions and exhibitions (M.I.C.E).

2.3 Study region

The Study region encompasses 25 local government municipalities which comprise Greater Melbourne and include Melbourne's Central Business District, inner surrounding and outer suburban fringes. (Refer Appendix 1)

2.4 Methodology

The methodology comprised a series of work tasks as follows:

- Fieldwork
  - consultant familiarisation, which included fieldwork and municipal site visits of participating Councils;
  - review and assessment of literature, documentation, studies and marketing collateral;
- Market Research
  - analysis of a range of existing market data to identify tourism trends and characteristics;
- Consultation
  - interviews with Council representatives;
  - industry interviews and workshops were conducted and included representation from Tourism Victoria, Melbourne Convention & Marketing Bureau, Melbourne City Council, Arts Victoria, Victorian Tourism Operators Association, National Trust of Victoria, Parks Victoria, coach and tour operators.
- Municipal workshops
  - workshops were designed to include a broad but targeted group of key stakeholders to maximise input and provide a collective viewpoint on tourism issues and potential.
  - tourism was assessed in terms of:
    - strengths, weaknesses, opportunities and threats (SWOT) analysis;
    - unique positioning or sustainable competitive advantage;
    - key priorities, future direction of identified key tourism product; and
    - ability to link/complement Melbourne's key product strengths.

2.5 Municipal initiatives

The focus of the initiatives outlined in this report address the local government level and provide the framework for the municipality's tourism direction. Whilst these initiatives also integrate at the broader State level, the recommendations create an environment from which the local tourism industry can move forward and further develop.

2.6 Disclaimer

Please note that, in accordance with our Company's policy, we are obliged to advise that neither the Company nor any member nor employee undertakes responsibility in any way whatsoever to any person or organisation (other than Tourism Victoria), in respect to information set out in this report, including any errors or omissions therein, arising through negligence or otherwise however caused.

3 Tourism trends

3.1 Economic benefit of tourism

3.1.1 *Australia*

Tourism is well recognised as a significant employment creator and economic contributor.

It is one of Australia's key growth industries, is the nation's single largest export industry, and contributes more to the economy than traditional industries such as coal, wheat and wool. In 1995/96 tourism:

- contributed $44 billion, approximately 6.6% to Australia's Gross Domestic Product;
- directly employed 536,000 people, representing 7% of the national workforce; and
- generated export earnings of $14.1 billion from international tourism. By the year 2000, international tourism is forecast to be worth $21 billion.

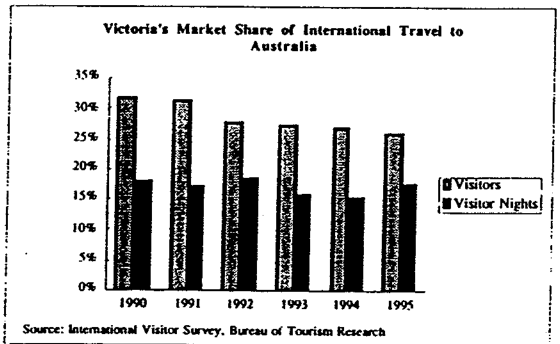
3.1.2 *Victoria*

Tourism to Victoria is estimated to be worth $7.9 billion to the economy, contributing 6.6% to the State's Gross State Product. Tourism generated 137,500 jobs directly or 6.6% of persons employed in Victoria, and an additional 34,000 jobs indirectly.

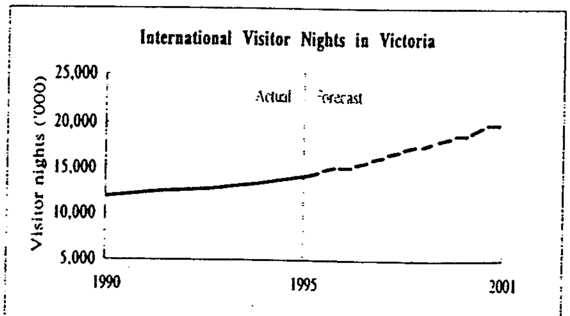
Victoria's share of tourism jobs nationally is estimated at 24% (compared to 35% and 19% for New South Wales and Queensland respectively), with restaurant/hotels/clubs and retail trade sectors comprising 47% of all tourism jobs in the State.

3.2 International tourism to Victoria

Victoria's share of international tourism has grown at an average annual rate of 6.2% per annum since 1990. Attracting 890,500 overseas visitors in 1995, inbound travel injected approximately $1.2 billion to the State. (Refer Appendix 2).

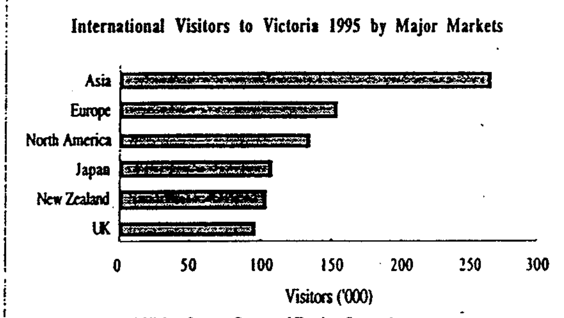


Source: International Visitor Survey, Bureau of Tourism Research

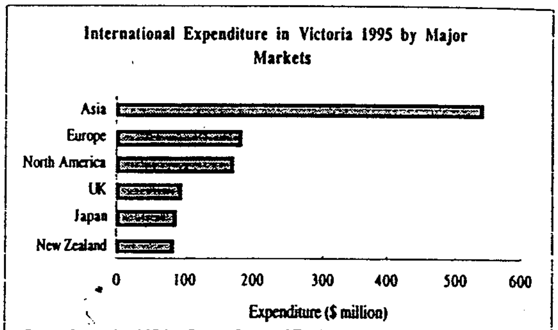


Source: International Visitor Survey & Tourism Forecasting Council

Victoria's major international markets include visitors from Asia, 29.7%, (including Hong Kong, Taiwan and Malaysia), Europe (17.7%), North America (14.8%), Japan (11.7%) and New Zealand (11.4%). With an average length of stay of 16 nights (8 nights for holiday purposes), overseas arrivals to Victoria generated some 14.3 million nights.



Source: International Visitor Survey, Bureau of Tourism Research



Source: International Visitor Survey, Bureau of Tourism Research

Visiting the State for holiday purposes accounted for 54% of all international arrivals, followed by visiting friends and relatives (19%), business reasons (14%) and education (5%).

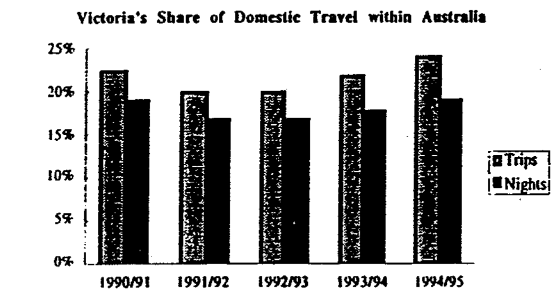
Staying with friends and relatives remains the most popular form of accommodation at 69% of all nights spent in Victoria, with hotel/motel and guest house accommodation representing 24%.

Whilst travelling the State, popular activities for international visitors include restaurants and shopping, visiting national and state parks, botanical gardens, zoo's, animal and marine parks, festival or fair, followed by historic attractions, museums, and art galleries.

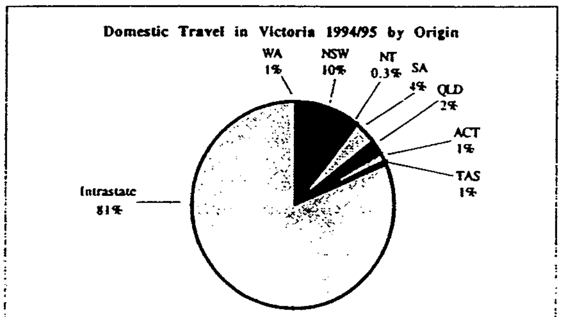
3.3 Domestic tourism in Victoria

In 1995, Victoria recorded 13.8 million domestic overnight trips and 47.2 million nights, which injected some $4.3 billion into the State's economy.

Capturing an increasing share of domestic tourism, Victoria gained 24% of all domestic trips, ranking second to New South Wales (33%) and overtaking Queensland (20%).



Source: Domestic Tourism Monitor, Bureau of Tourism Research



Source: Domestic Tourism Monitor, Bureau of Tourism Research

The majority of overnight trips were taken for pleasure holiday purposes (45%), and visiting friends and relatives (41%), with the business market contributing 14% to the State's domestic trips. Of the total visiting friends and relatives market, most visitors originated from Queensland (47%), followed by ACT (42%), Tasmania (38%) and NSW (36%) residents.

Major interstate markets include New South Wales (52%), South Australia (20%) and Queensland (12%). Collectively, interstate markets recorded 2.5 million trips and spent 14.4 million nights away during 1995.

Preferred accommodation is the home of friends and relatives (45%), with hotel/motel and guest house accommodation at 18% and camping (15%).

In addition, Victorians took 20.2 million day trips in 1995, which included visits to friends and relatives (36%), shopping (24%), pleasure/sightseeing (17%) and to dine out, which included picnicking/BBQ (13%) and restaurants (12%).

3.4 Tourism in Melbourne

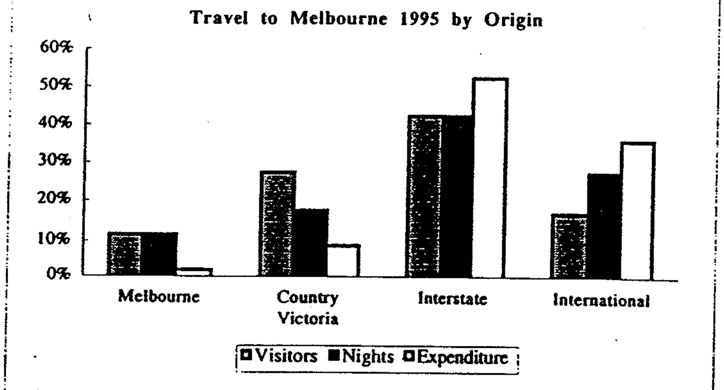
3.4.1 Overview

According to the 1995 Victorian Travel and Tourism Survey (VRTTS), some 11.9 million visitors came to the Greater Melbourne region. Of these, approximately 7.2 million visitors were day trippers and 4.7 million visitors stayed at least one night, generating 16.0 million visitor nights.

Melbourne's popularity as a overnight and day trip destination is evidenced by its market share compared to the balance of the State. In 1995, Melbourne attracted 34% of all tourism activity within the State which generated 58% of all tourism expenditure, estimated to be worth $2.5 billion.

3.4.2 Overnight visitors

Visitors to Melbourne primarily comprise a high proportion of interstate travellers (43%), with intrastate travel, namely Melbourne (11.9%) and Country Victorians (28.3%) combined to represent 40.2%. International tourists comprised 17.2% of all overnight trips.



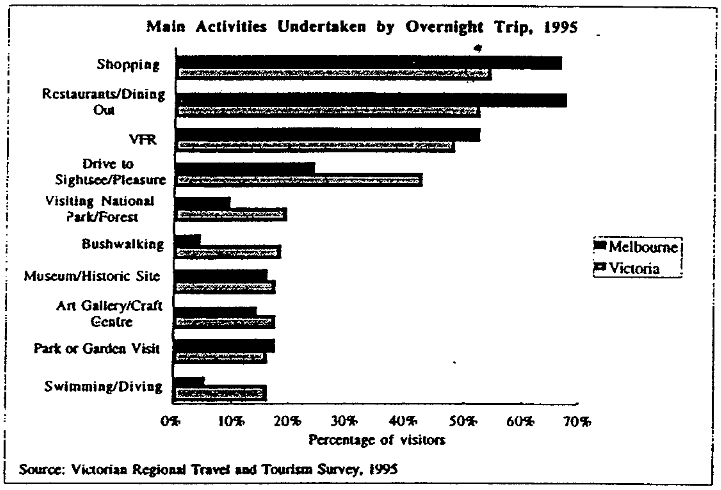
Source: Victorian Regional Travel and Tourism Survey, 1995

With an average length of stay of 3.4 nights, interstate visitors accounted for the majority of nights spent, accounting for 43.0% of all visitor nights, who stayed on average 3.4 nights. This was followed by overseas arrivals, generating 27.5% of visitor nights and staying longer in Melbourne at 5.4 nights. Intrastate travel collectively accounted for 29.5%, with Melbourne residents staying on average 3.4 nights and Country Victorians 2.2 nights.

Collectively, visiting Melbourne for holiday/pleasure purposes (36.9%) or to visit friends and relatives, (24.1%) represented 60% of all trips, followed by business travel (including conference/seminar) at 26.6%.

Average expenditure per overnight trip was estimated to be $434.60, considerably higher when compared to the state average of $230.49, primarily generated by visitors from interstate ($537.00 per trip expenditure) and overseas.($918.00). Excluding airfares, main items of expenditure were accommodation, food and drink and shopping.

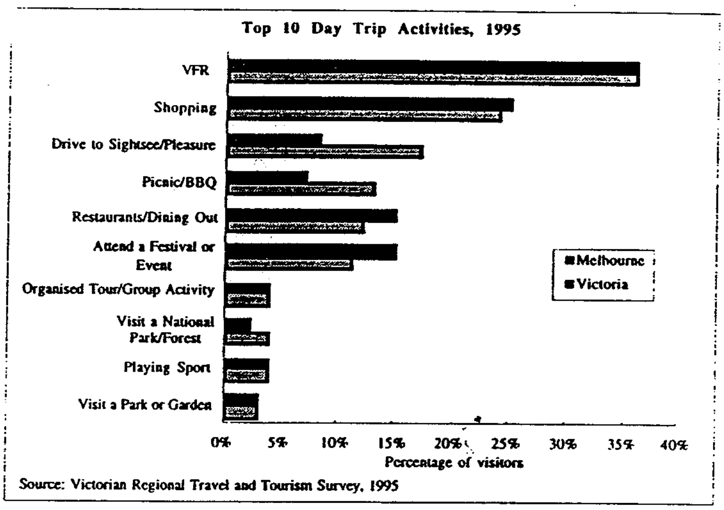
Whilst staying in Melbourne major tourism attractors were, restaurants/dining out (67%), shopping (66%), visiting friends and relatives (52%). This was followed by pleasure/sightseeing (24%) and visiting such attractions as parks/gardens (17%), museums/historic sites (16%) and art galleries/craft centres (14%).



3.4.3 *Day trips*

Melbourne is also a popular destination for Victorians day tripping, generating 36% of all day trips throughout the State during 1995. With an average day trip expenditure of $55.45 per day, day tripping generated expenditure of $399 million. Shopping, food and drink and transport accounted for 73% of all day trip expenditure.

Popular day trip activities included visiting friends and relatives (36%), shopping (25%), restaurants/dining and attending festivals and events, recording 15% respectively.



3.4.4 *Conclusion*

Market research has clearly identified Melbourne's strategic importance as a tourism destination.

Its key product strengths, namely, food/wine, shopping, events, art/culture and natural attractions have shown to have high visitor appeal. In order to further consolidate Melbourne's competitive advantage, these product strengths, along with the MICE industry, are dispersed throughout the CBD and suburbs, presenting the opportunity for municipalities to attract and capture a greater market share of visitation and yield.

Therefore, to maintain the increasing momentum of Melbourne's popularity as a tourism destination, urban Councils have an important role to play, namely:

- fostering and encouraging the key product strengths identified within each of the municipalities; and
- strategically linking with Tourism Victoria and MCMB's broader marketing direction.

3.5 Local community benefits of tourism

Due to the wide diversity of attractions and activities tourism embraces, it can have a wide ranging impact on the economic, environmental, cultural and social life of a community. Tourism has the potential to have a positive impact on all areas of the community, however, unplanned or poorly co-ordinated development and visitor management can cause local resident concerns.

The following highlights the range of benefits communities can experience as a result of tourism:

Economic benefits:

- **Multiplier effect**

  Money which comes into a community from tourism is "new" money, which in turn, is circulated and re-circulated, creating a multiplier effect. The longer the money is retained and circulates within the community the greater the economic benefit. Therefore, the more the community is "self-sufficient", producing wholly or substantially by the local community the products and services sold to visitors, the better the multiplier effect.

- **Employment generation**

  Tourism is labour intensive and can create many job opportunities for young people and for those interested in part-time, casual or full time employment. Whilst some employment is skilled, opportunities exist for those who lack formal qualifications or work experience.

- **Diversification**

  As tourism includes a wide range of activities, from sporting to catering, retailing to accommodation, it provides communities with an opportunity to diversify and become less reliant on one or two key industries, providing a long term opportunity for economic sustainability and prosperity.

- **New business opportunities**

  As tourism increases there is more opportunity for small business. A thriving tourism industry can stimulate the expansion of existing businesses and act as a catalyst in other sectors such as transport, retailing and construction.

Environmental, cultural and social benefits

- **Improved facilities for residents**

  As the tourism industry grows, new and expanded infrastructure, services, facilities and attractions are developed which appeal not only to tourists, but local residents. Expanded shopping opportunities, new walking and cycling tracks, new restaurants, upgraded barbecue and toilet facilities at parks and gardens may not be cost-effective or justified based on local usage alone.

- **Preservation of culture and heritage**

  Tourism has the potential to raise awareness and interest in places which are important to a community's history, such as monuments, art galleries, museums, historical homesteads, indigenous culture, ensuring that they are maintained and preserved. Although the local community provides the much needed support, many of these assets however, are inevitably dependent on tourism for their very survival.

- **Preservation of the environment**

  Tourism highlights the need for developing consistent and proper planning and land management policies to ensure the environment and inherent character of an area is sustained and preserved.

- **Increased community awareness and pride**

  People value what is of value to others. One major benefit is the increased interest local residents take in their community. Knowing others have travelled from across Australia or the world to attend an event and attraction or to visit friends and relatives heightens community interest, awareness and usage of local tourism product, facilities and services, with a resulting sense of pride and ownership.

- **A broader social outlook**

  Tourism provides an opportunity for tourists and locals to meet and mix, interacting with each other, thereby bringing new ideas and an awareness and appreciation of others.

3.6 Value segments

Tourism Victoria has undertaken ongoing research through Roy Morgan Research Centre into holiday preferences and activities of Australians. Qualitative and quantitative research has been completed, some of which has been analysed in standard demographic terms and according to lifestyles and values.

The Value Segments analyses, developed in conjunction with Roy Morgan Research and Colin Benjamin, group the Australian population according to lifestyle, motivations and attitudes. Tourism Victoria has identified three segments which offer high yield opportunities for the State namely; Socially Aware[1], Visible Achievement and Young Optimism. The Traditional Family Life segment has been identified as important for touring activity and henceforth are targeted for regional Victoria.

The segment characteristics, holiday needs and product preferences for domestic tourism are outlined in the table overleaf.

1 Roy Morgan Research Value Segments, developed in conjunction with Colin Benjamin of The Horizons Network.

Domestic Target Segments and Their Holiday Needs

Segment	Socially Aware	Visible Achievement	Traditional Family Life	Young Optimism
Characteristics	Social issues orientated Politically/community active 35-49 years professional Wealth managers	Success and career driven Recofnition and status seekers 35-49 years Good family living Wealth creators	Retired middle Australia Cautious of new things Passive income earners	Young and progressive 18-24 years Experimental lifestyle Seek new and different things Trend seekers
Holiday Essentials	Flexibility	Quality Value for money	Budgeted holiday Security, safety Reliability	Fixed budget Money to enjoy themselves at destination
Holiday Planning	Enjoy planning process Use information & planning guides	Consistency No surprises	Advanced planning Require detailed information on routes and accommodation	Plan the basics Need to know basic costs
Holiday Experiences	Explore and experience New and different Interpretive product Indulgent/boutique Eco/Nature-based	Spend time together Family holiday Indulgent/boutique	Increased knowledge Doing things haven't had a chance to do so far Relieve the past Interpretive	New experiences Adventure Action Fun Excitement
Short Breaks	Melbourne ■ events ■ shopping ■ restaurants ■ theatre ■ art/culture and/or Regional indulgent retreats ■ romantic B&Bs ■ health & beauty ■ food and wine retreats ■ new age retreats	Melbourne ■ events ■ shopping ■ restaurants ■ theatre ■ art/culture and/or Regional indulgent retreats ■ romantic B&Bs ■ health & beauty ■ food and wine retreats		Melbourne ■ events ■ festivals ■ shopping ■ concerts ■ art/culture and/or Regional active day trip get away ■ ballooning ■ canoeing/rafting ■ surfing
Holidays	Fly-drive/touring break Melbourne Plus Scenic/nature/historic touring with indulgent/boutique detour ■ food and wine trails ■ health & beauty retreats ■ B&Bs	One or two destination break/touring Scenic/nature historic touring routes with family experiences ■ nature retreats to spend time together or indulgent/boutique detours ■ food and wine trails ■ health & beauty ■ B&Bs	Scenic/nature historic touring routes by car ■ multi regions or coach tours (group tours) with experts/interpretation on themes of: ■ nature/wildlife ■ food wine trails ■ historical ■ fishing	Adventure holidays; ■ surfing ■ abseiling ■ ballooning ■ camel riding ■ water skiing ■ skiing
Activities	National Parks Bushwalking Wildlife Wilderness Wineries Restaurants Festivals Arts and Crafts Antiques Historical Places Health Retreats Food/wine Retreats	Gardens/Parks National Parks Wineries Restaurants Arts/Crafts Antiques Historical Places Festivals Health Retreats Food/wine Retreats	Gardens/Parks Wildlife/scenery National Parks Zoos/Sanctuaries History/Heritage Museums Arts and Crafts Antiques Wineries Festivals	Nature experiences National Parks Bushwalking Wildlife Wilderness Snow Horse riding Bike riding Festivals Arts/Crafts
Accommodation	Boutique 4-5 star hotels B&B	Boutique Hotels B&B	Hotels/motels Caravans	Hotels Backpackers

The Roy Morgan Value Segments developed in conjunction with Colin Benjamin - The Horizon Network
Source: Tourism Victoria Strategic Business Plan 1997-2001

4 Bayside City Council tourism profile

4.1 Background

Bayside City Council comprises 37 square kilometres and includes the suburbs of Brighton, East Brighton, Hampton, Sandringham, Beaumaris, Black Rock and part of Elsternwick, Moorabbin, Highett and Cheltenham. With 17 kilometres of foreshore, the municipality has had a long association as a major, seaside recreational destination and whose appeal as a popular coastal area, continues today. The municipality is largely characterised by high quality residential, significant open space in terms of coastal parks and reserves, with small areas of industrial and commercial development.

At its closest point to Melbourne, the municipality is situated approximately 8 kilometres southeast of the Central Business District. With Port Phillip Bay frontage, internationally renowned sandbelt golf courses, a range of cultural heritage assets and major sporting events, the municipality represents many of Melbourne's tourism product strengths. As such, Bayside City Council is important to the overall tourism experience, both complementing and adding value to Melbourne's destination appeal.

Bayside City Council's Corporate Plan 1996/97 has identified the opportunity for the municipality to:

- maximise the social and economic benefits of tourism through the development and implementation of a Tourism Strategy in partnership with key stakeholders, with priority actions relating to:
  - developing a tourism strategy;
  - developing and implementing action plans for the tourism strategy;
  - completion of Golf Tourism Project in connection with abutting municipalities; and
  - preparing a tourist destination map.
- In addition, and in association with Parks Victoria, Council has provided financial support to the ongoing construction of the Port Phillip Bay bicycle path. When completed the Around the Bay Trail, will link Melbourne's bayside municipalities with neighbouring product regions, providing an important recreational tourism asset for Melbourne and the State.

4.2 Council initiatives

Despite Bayside City Council's tourism destination appeal, its overall commitment to tourism has been limited to date.

Resourced through the Council's Development Unit, tourism initiatives for 1996/97 have included funding towards the Melbourne Region Plan and co-operative Golf Tourism brochure. In terms of direct tourism expenditure (excluding capital works, bicycle path, streetscapes, etc), tourism funding was estimated to be approximately $15,000.

The absence of a tourism policy, tourism strategy plan, budget allocation and tourism advisory group has constrained the setting of direction and priorities, and capitalising on co-operative marketing and product development opportunities for the municipality.

However, tourism has been recognised as one industry which offers economic and employment benefits. In order to adopt a more focused co-ordinated approach, Council has committed to prepare a Tourism Strategy in 1997/98.

5 Municipal SWOT analysis

5.1 Distance pull

The term "distance pull" refers to how important or interesting an attraction is to a visitor.

Attractions which create a distance pull are usually rare or unusual, only occur at particular times, are a culmination of high profile events, or have strong cultural or environmental appeal.

When an attraction is deemed as having strong distance pull, it relates to the significant level of interest placed upon the attraction's ability to draw visitors, where visitors may be prepared to travel long distances, spend money or undergo a certain amount of inconvenience to visit.

When analysing product (attractions) in terms of distance pull, a realistic analysis must be undertaken, for it will be the attraction's "special features" or "uniqueness" which will exert strong distance pull. Examples include; designer name retail outlets, Formula One Grand Prix event or individual one-off local craft by an acclaimed craftsperson.

An assessment of the attractions distance pull, also assists with the identification of *strategic competitive advantage* (SCA). When the SCA is identified, it clarifies the basis when assessing tourism potential, product development opportunities and promotion to appropriate target markets.

5.2 SWOT analysis

To determine the current status of tourism product and structures within the municipality and its ability to offer a SCA, Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis was undertaken.

The SWOT analysis identified a range of issues. The results of the analysis are contained in the following table.

Bayside City Council SWOT Analysis	
Strengths	**Weaknesses**
Natural attractions - Port Phillip Bay and foreshore: with 17 kilometres of coast, safe, clean beaches, bay and Melbourne vistas, natural bushland (in suburbia), and popular destination nodes such as Half Moon Bay, Sandringham, Ricketts Point, Brighton. Recreational activities and support infrastructure such as safe harbours and marinas for boating, fishing, pleasure cruising. Quality dining/restaurants, particularly coastal/bayside experiences Cultural heritage - destination for Heidelberg School of Painters (founders Streeton, McCubbin, Roberts), significant identities - Arthur Boyd, indigenous history (middens), historic homes ie. Billilla, Kamesburgh, Black Rock House. Urban seaside characteristics - Brighton seabaths, Dendy Street beach bathing boxes Major sporting facilities and sporting events destination: - golf: comprises six golf courses located within Melbourne's renowned sandbelt, including internationally recognised Royal Melbourne Golf Course and venue for 1998 President's Cup - yachting regattas: Sail Melbourne, 1999 World Sailing Championships - triathlons and bay cycling events Performing/visual arts - well established concert series Sandybeach and collection of exhibitions and galleries. Range of strip shopping centres, offering antiques, clothing, cafes, galleries: - Hampton Street - Bay Street - Church Street Proximity and accessibility to Melbourne (major arterials, public transport, network of cycling and coastal **walking paths)**	Municipality's features lost in metro urban development (seen as only suburb of Melbourne) Lack of organisational focus or network to co-ordinated and support tourism issues Lack of marketing, promotional material and co-ordination between groups and Council, resulting in low tourism profile and limited co-operative marketing Lack of awareness of tourism benefits, particularly within business community, Chambers of Commerce and individuals Limited available accommodation Perception of warm weather destination only Constraints on tourism development, given planning guidelines, residential concerns Lack of signage to indicate attractions, facilities, direction Limited financial resources (local government and industry) Perceived too close to Melbourne, bypassed by tour operators Community apathy and/or apprehensive to take tourism on as legitimate industry

Opportunities	Threats
Establishment of a Tourism Advisory Group/ Association or network Council to provide tourism policy and guidelines Development of a Tourism Strategy Plan Improve tourism awareness throughout municipality and to consumer/industry Further capitalise on events such as Sail Melbourne, 1999 World Sailing Championships, Around The Bay Trail, Presidents' Cup Explore golf tourism opportunities Encourage bayside dining opportunities within strategic destination nodes, emphasising local produce (seafood) Further develop cultural heritage assets, in particular visual arts (commercial and public galleries and history of Heidelberg School of Painters) and history homesteads through packaging, promotion and/or interpretation Increase packaging options of a range of product strengths to enable visitors to experience a range of ecotourism and land/water based attractions/activities Development of a range of accommodation options Investigate Beach Road as a scenic boulevard Further capitalise on shopping precincts through streetscaping themes Introduce tourism training courses Increase industry financial support for tourism and establish funding to improve infrastructure - carparking, public facilities Develop co-operative promotional material Investigate meetings sector opportunities with existing venues	Too much or unsympathetic development spoiling the coast environment Overuse or increased pressure on natural environment from tourism activity Carparking and other amenity loss due to tourism Competition from other similar nearby municipalities, including Casino Council, residents, local businesses apathy to change Static population - unable to support local businesses Melbourne CBD remains the priority and centre of tourism focus Friction between and within Chambers of Commerce remains High truck and traffic congestion Public transport pricing differentiation within municipality

6 Sustainable competitive advantage

6.1 SCA framework

In determining the appeal of the strengths and opportunities identified within the SWOT analysis, it is essential in terms tourism development and marketing, that the unique product which offers a potential competitive advantage be considered.

In association with the State's identified product strengths and tourism direction, a SCA framework was developed to assist Councils realistically appraise their tourism assets. The framework is contained in Appendix 3, and is summarised as follows:

- "attraction uniqueness", offering a point of difference;
- complementing/showcasing Melbourne/Victoria's product strengths:
  - events;
  - arts, culture and theatre;
  - natural attractions;
  - shopping;
  - food and wine;
  - meetings, incentives, convention and exhibitions (MICE);
- distance pull - capacity to increase visitation or improve yield/expenditure, and raise the tourism profile of the region; and
- ability to "grow" and offer quality visitor experiences (not constrained by location, environmental pressures or community considerations).

6.2 Municipal tourism potential

The analysis has identified that Bayside City Council has a range of tourism assets and events, which in a tourism sense are either under developed or are constrained due to limited co-operative marketing within the municipality or across Melbourne.

Although supported by a number of high profile sporting events, the combination of the above factors has continued to highlight and reinforce Bayside City Council as primarily a residential area.

The future of tourism within the municipality therefore will be determined by industry and local government's commitment to initiate and co-ordinate:

- product development and marketing opportunities based upon the key identified product strengths, namely Port Phillip bay/foreshore, golf courses and associated major sporting events; and
- its ability to link with complementary product and neighbouring municipalities by adding value and depth to the overall tourism experience, such as bayside dining and the further development of its visual/performing arts and heritage opportunities.

Given the role Bayside City Council can play within Greater Melbourne, and the opportunity to capitalise on the State's broader marketing objectives, Council should give consideration to tourism in respect to:

- endorsing tourism as a legitimate industry; and

- supporting and managing tourism through appropriate policy, planning guidelines and resource allocation.

6.3 Identifying unique positioning

Based on the sustainable competitive advantage framework, municipal workshop and industry consultation, the key product strengths for the Bayside City Council have been identified as:

- Natural Attractions - Port Phillip Bay, coastal and foreshore reserves, and Melbourne's recognised network of sandbelt golf courses, being major tourism assets which have high visitor appeal.
- Specific events - which showcase product strengths:
  - golfing tournaments; Johnnie Walker Classic, Victoria Open and forthcoming Presidents' Cup in 1998;
  - world class sailing events - Sail Melbourne, 1999 World Sailing Championships;
  - triathlon and around the bay cycling events.

With the municipality advantaged in a tourism sense by:

- Food and wine - in particular the opportunity to provide visitors with Bayside and coastal dining experiences.
- Arts, Culture and Theatre - performing arts with the well established Sandy beach concert series, its collection of visual art attributes, in particular commercial galleries,which are complemented by locally based artisans. Potential exists to develop and link its artistic heritage with the Heidelberg School of Painters.
- Shopping - specialty strip retail experiences.
- Meetings, Incentives, Convention and Exhibition facilities and pre/post convention tour packaging opportunities, including existing conference/meeting space and venues with a difference, such as the yacht and golf clubs, and historic homes.

6.4 Marketing direction

The municipality is located within two of the State's product regions, namely

- Melbourne; and
- Bays & Peninsulas

Council is cognisant of its interrelationship with both product regions, acknowledging it has a role to play in their ongoing development and promotion. However, in terms of the municipality's marketing direction and subsequent allocation of resources, the following is recommended:

- bayside councils be encouraged to meet, with a view to having representation on the broader Bays & Peninsulas Advisory Group; and
- Council to have an active role in the Melbourne product region, being both members of MCMB and the Melbourne Local Government Tourist Network.

6.5 Target markets

In terms of matching preferred attractions/activities with the municipality's product strengths, the following domestic target markets are recommended for Bayside City Council:

- Socially Aware;
- Visible Achievement; and
- Young Optimism.

7 Recommendations

7.1 Challenges and issues

In order for the Bayside City Council to share in the benefits tourism generates for Melbourne and to maximise the economic benefits at a local level, the municipality needs to address the following challenges in terms of policy development, supportive guidelines and facilitation role:

Sustainable Competitive Advantage

- Adopting a strategic approach to tourism, through the identification of the key product strengths and supporting initiatives which offer "distance-pull", and therefore sustainable competitive advantage.

Product Development and Diversity

- Providing a diversity of real and lasting tourism experiences, focusing and extending the municipality's tourism asset base, through product development of existing and new products.

Improving Visitor Yield

- Targeting high yield visitors which offer the potential to increase length of stay and expenditure across the area, rather than singularly focusing on increasing visitor numbers.

Effective Marketing

- Increasing consumer and industry awareness of key product strengths through co-ordinated and co-operative marketing, promotional collateral, imaging and packaging.
- Developing strategic alliances and partnerships which foster cross promotional opportunities.

Sustainability

- Preserving and enhancing heritage, cultural and environmental tourism assets to ensure a sustainable, quality lifestyle for residents and visitors.

Industry Cohesion & Co-operation

- Working in partnership with all stakeholders (local government, traders, tourism operators, general business and the community) to maximise tourism opportunities for a vibrant municipality.

Twenty-four (24) recommendations have been identified, and are highlighted under the following headings:

- Local Government
- Product Development
- Marketing

7.2 Local Government

7.2.1 Tourism policy

To foster a balance between community needs and the economic and social benefits tourism provides, it is essential for the City to provide a framework within which tourism is acknowledged as a recognised and serious industry, and one that is well managed.

The role for the City therefore is critical in providing the necessary policies and support guidelines for the industry to grow and develop.

As a matter of urgency, it is recommended that Council develop a consistent and co-ordinated tourism policy and planning procedures. In developing these, the objective should be to:

- create an environment of certainty and predicability, encouraging private sector investment,
- provide clear processes by which tourism applications are managed,
- provide clear guidelines as to the type, scale and location of development which will be encouraged,
- recognise the municipality's strengths, development needs and planning implications,
- reflect the views of relevant interest groups, including environmental, community, peak industry bodies and tourism operators,
- due recognition of Tourism Victoria's strategic direction and the product strengths identified for Melbourne,
- the appropriate balance between environmental, heritage, cultural and lifestyle considerations and tourism development.

Recommendations:

- Develop co-ordinated and consistent tourism policies and planning procedures which foster investor and trader certainty.
- Encourage the delivery of quality support infrastructure which reinforces product strengths (ie: precinct theming, streetscapes, signage) and services (maintenance, resident/visitor safety, cleanliness).
- In conjunction with the recommendations detailed in the Bays & Peninsulas Plan, maintain a synergy of profile and development of the Bay's foreshore.
- Working with Tourism Victoria, MCMB and VicRoads, support the formation of an Interim Tourist Signing Committee for Greater Melbourne to investigate tourist signage needs and theming opportunities.

7.2.2 *Facilitation*

Local government also has an important facilitation role to play.

The need to encourage co-operative partnerships with key stakeholders and facilitate the establishment of an advisory group and networking/information exchange forums is critical for the development of strong and supportive relationships.

Recommendations:

- Establishment of a Tourism Advisory Group to assist both Council and the local tourism industry.
- Support the Local Government Tourism Network as a representative body for Greater Melbourne, chaired by Melbourne Convention & Marketing Bureau.
- Encourage bayside councils to endorse a representative on the Bays & Peninsulas Advisory Group.

7.2.3 *Tourism funding*

Whether local government has a role to play in the provision of funding support for the tourism industry is an issue which must be addressed on a case by case basis. In deciding financial support or the provision of other resourcing opportunities however, Council should consider:

- how important tourism is to the local economy and how that may change in the future;
- whether the municipality has unique product and the potential to successfully compete in the broader marketplace;
- interests of the residents and local business community and whether they believe tourism offers long term benefits; and
- the current strength and composition of the local tourism industry and whether they can sustain, particularly in the short term, without local government assistance.

If Council provides funding for the development of the tourism industry, it is important that its role be clearly defined, and objectives, targets and timelines agreed, as long term local government funding of the commercial sector is not sustainable.

Recommendations:

- Given the tourism industry's early stage of working co-operatively, it is recommended that tourism be considered for resource allocation, with funding to be based upon the priorities identified in the proposed Tourism Strategy Plan.
- In conjunction with Council and key stakeholders, prepare a 1-3 year Municipal Tourism Strategy Plan.

7.3 Product development

In order to foster tourism growth, product development is imperative for the tourism industry.

In essence, product development enables existing and future tourism product to be packaged and presented to the consumer in a marketable way, adding both value and extensions to overall tourism opportunities within the municipality.

Product development therefore provides clear benefits to the consumer, tourism operator, trader and community, and has the potential to assist in the following ways:

- adds value to existing product;
- lengthens visitor stay;
- encourages repeat visitation;
- attracts new markets;
- assists in smoothing seasonality;
- disperses visitor movement throughout the municipality; and in doing so
- adds to the economic and employment opportunities.

Given the depth and diversity of identified strengths, the Bayside City Council has the opportunity to present its assets to the market as packaged products, for example: golf, bayside dining, and accommodation.

Recommendations:

- Work in conjunction with Tourism Victoria, MCMB, associated organisations and operators, to facilitate the development of radial and destination based packages which focus on product strengths and cross link with complementary product from neighbouring municipalities enabling visitors to move from Melbourne's Central Business District to key suburban locations.
- Further develop/support festivals and events which offer high tourism significance, showcase municipality strengths and/or present unique opportunity to link with other major events ie: Sail Melbourne; 1998 Presidents' Cup.
- Strategically link and explore product development opportunities with Melbourne's major events which profile the municipality's product strengths i.e. Melbourne Wine and Food Festival, (bayside dining), Melbourne's International Festival of the Arts (Sandybeach concert series).
- Work with MCMB, Arts Victoria, National Gallery of Victoria and Melbourne's Riverlands Region to further develop cross packaging and promotion of the arts sector, in particular the Heidelberg School of Painters.
- In partnership with Parks Victoria, Tourism Victoria, MCMB, Central Coastal Board and Local Governments, support the enhancement of the Port Phillip Bay/Foreshore:
  - through cross promotional opportunities linking product and bayside municipalities;
  - identified precincts or main activity nodes for sympathetic tourism development (i.e. restaurants/cafes, retail, boat hire, jetties/landings), as highlighted in the Bayside Coastal strategy, Victorian Coastal Strategy and Bays & Peninsulas Regional Tourism Development Plan;
  - support the promotion and development of bayside dining opportunities;
  - investigate eco/nature based tourism and bay/land based packaging, featuring cultural, historical, environment and lifestyle attributes (i.e. cruising, shopping, dining, arts);
  - ongoing support for the development of Around the Bay Trail;
  - investigate existing foreshore infrastructure upgrade opportunities as a result of the 1999 World Sailing Championships.
- Work with the private sector to identify niche market segment and investigate development sites for a range of accommodation.
- Work with Tourism Victoria, MCMB and Sport & Recreation Victoria to co-ordinate and package sports tourism opportunities.
- Further investigate product development opportunities of the municipality's historic homes, with Heritage Victoria, the National Trust of Australia, Arts Victoria and MCMB.
- Work with Public Transport Corporation, to improve access by re-examining the price differential of public transport costs within the municipality.

- Support the development of a major metropolitan golf courses strategy plan to capitalise on golf tourism opportunities.
- Work with MCMB to support a residents' ambassadorial program to foster civic pride and encourage community and their visiting friends and relatives utilisation of local tourism assets.

7.4 Marketing

To effectively raise the profile of Bayside City Council, targeted marketing and the production of high quality marketing collateral is imperative. As an initial step the City can provide a necessary facilitation role to encourage co-operative marketing campaigns amongst its key stakeholders and strengthen overall marketing and information distribution opportunities with MCMB.

In order to realise many of the recommendations which require a co-operative approach, Council, in particular, is encouraged to take an active role with MCMB. (Refer Appendix 4 Melbourne/Municipality Linkages).

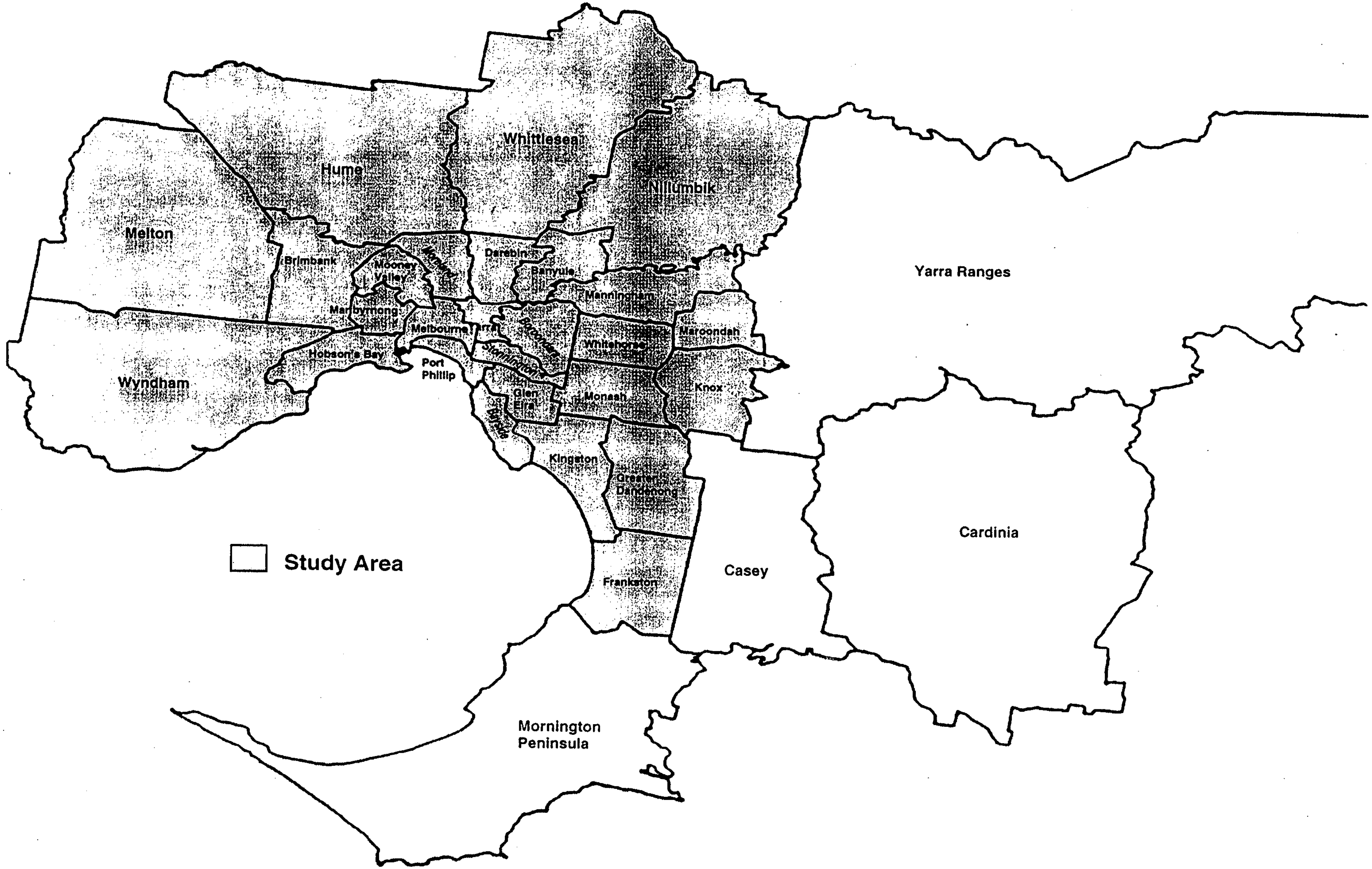
Recommendations:

- Encourage the City to become a member of MCMB and ensure an appropriate officer is appointed to liaise with MCMB to maximise promotional and business development opportunities.
- In conjunction with the Local Government Tourism Network, encourage co-operative marketing of Greater Melbourne (through the creation of a marketing sub committee or agenda items) for local government (and industry) to maximise its profile and expenditure by linking with MCMB marketing opportunities.
- Work with the Bays & Peninsulas Advisory Group on the development of cross promotional publications.
- Work with Tourism Victoria and MCMB to develop initiatives which support the ongoing education of the local residents/traders of the importance tourism plays in the broader community.
- Work with MCMB and the tourism industry to develop co-operative marketing collateral and promotional literature which reinforces product strengths and linkages.
- In association with industry, Tourism Victoria and MCMB, raise travel industry's awareness through familiarisations, networking and attendance at trade shows/exhibitions.
- Work with Tourism Victoria, MCMB and Arts Victoria, to encourage a co-operative marketing campaign which links the diverse performing and visual arts industry across Melbourne.

8 Appendices

Appendix 1 - Greater Melbourne Study Region

Metropolitan Melbourne



Appendix 2 - International and Domestic Tourism in Melbourne

	New Zealand	Japan	Asia†	Hong Kong	Taiwan	Thailand	Korea	Malaysia	Singapore	Indonesia	USA	Canada	UK	Europe†	Germany	Scandinavia	Total
Visitors by Month of Arrival into Australia (% visitors)																	
January	6	9	8	9	9	5	12	6	6	7	7	10	10	9	9	10	8
February	5	8	9	10	15	6	8	10	6	9	10	10	12	10	11	10	9
March	7	9	8	5	10	8	8	9	7	11	9	9	10	9	10	8	8
April	8	7	8	9	9	21	7	6	6	6	8	7	9	6	8	6	8
May	7	8	7	5	5	10	6	11	8	6	6	5	5	5	5	4	7
June	9	7	7	6	5	5	5	6	12	10	8	5	4	5	5	5	7
July	10	9	9	14	11	7	9	6	5	10	10	9	6	9	8	7	9
August	10	11	7	10	8	6	9	8	6	6	7	6	5	7	6	5	8
September	10	7	6	5	5	6	5	6	7	5	6	6	6	8	9	8	7
October	9	7	8	7	8	13	8	9	6	7	9	10	9	11	12	12	9
November	8	8	10	7	7	6	11	14	12	7	9	10	11	10	9	12	9
December	10	10	13	12	7	8	14	8	20	16	10	13	12	12	10	14	11
ices/Attractions Visited Vhen in Australia (% visitors)																	
Restaurants	18	15	15	15	13	15	14	15	15	16	12	11	12	11	10	11	13
National/State Parks/Reserves	6	9	8	7	9	7	9	8	9	8	9	9	9	10	10	9	9
Historic/Heritage Build.s/Monuments	5	7	5	5	5	3	7	4	5	6	7	6	6	6	6	5	6
Aboriginal Sites	1	1	1	3	-	1	2	1	1	1	5	4	3	5	6	5	3
Art/Craft Workshops/Studios	2	1	2	4	3	1	1	2	2	1	3	4	4	4	4	4	3
Local or Ethnic Festival or Fair	10	7	8	8	9	7	7	9	10	8	7	7	7	7	7	6	7
Botanical Gardens	7	10	9	6	10	10	9	7	10	9	8	7	8	7	7	6	8
Zoos, Animal or Marine Parks	6	11	9	6	6	12	10	8	7	9	7	9	7	8	8	7	8
Theatre, Dance, Opera, Musicals	2	1	1	1	1	1	2	2	2	2	3	2	3	3	3	4	2
Art Galleries or Museums	5	6	6	6	6	6	9	7	4	6	7	6	6	6	6	7	6
Amusement/Theme Park/Ag. Show	1	3	5	3	3	2	6	4	3	3	1	2	2	1	1	2	3
Casinos	5	4	5	7	7	5	4	6	4	6	3	4	3	2	2	2	4
Winery	2	1	1	2	2	2	-	2	2	1	3	3	4	3	3	3	2
Shopping	17	15	14	14	14	15	14	15	14	16	12	11	11	11	11	11	13
Bushwalking	3	2	2	4	4	2	3	3	3	2	5	6	5	7	7	7	4
Other Walking for Pleasure	8	5	6	7	7	8	3	6	6	5	6	6	6	6	7	7	6
Forecast #																	
Estimated visitors (15 years +) 2001 ('000)	143	166	554	75	99	45	30	66	51	77	159	26	137	228	72	34	1,492
Estimated visitor nights 2001 ('000)	1,338	862	9,442	1,168	761	1,042	402	1,730	674	1,229	1,943	360	2,760	3,677	1,110	589	21,144

Source: International Visitor Survey 1995, Bureau of Tourism Research

\# Forecast based on Tourism Forecasting Council, June 1996, International Visitor Survey, and assumes markets will maintain current share of total visitor nights estimated for 1995

† Asia includes Hong Kong, Taiwan, Thailand, Korea, Malaysia, Singapore, Indonesia and other Asia, but excludes Japan

Europe includes Germany, Scandinavia and other Europe, but excludes the UK and Ireland

Total also includes miscellaneous countries not listed above

International Travel to Victoria

Profile of Victoria's International Markets 1995

	New Zealand	Japan	Asia†	Hong Kong	Taiwan	Thailand	Korea	Malaysia	Singapore	Indonesia	USA	Canada	UK	Europe†	Germany	Scandinavia	Total
Visitors																	
All Visitors ('000)	113	110	288	43	65	24	13	36	38	38	122	21	108	159	56	24	96
Visitors 15 years + ('000)	102	105	265	39	60	22	12	32	31	30	112	20	93	153	53	23	89
Victoria's Market Share (%)	21	14	28	33	43	30	7	33	19	28	40	36	28	41	45	48	2
Nights																	
Nights ('000)	1,184	513	5,408	669	436	597	230	991	386	704	1,535	284	1,922	2,534	765	406	14,26
Victoria's Market Share (%)	14	8	24	27	16	36	8	37	14	21	23	11	14	18	21	18	1
Average Stay																	
All Purposes (Nights)	11.6	4.9	20.4	17.2	7.3	27.1	19.2	31.0	12.5	23.5	13.7	14.2	20.7	16.6	14.4	17.7	16.
Holiday Visitors (Nights)	11.5	3.4	5.6	6.9	2.2	6.5	5.8	5.6	5.2	7.5	6.3	12.7	19.4	8.4	7.2	9.2	8.
Average No. of States Visited	1.3	1.8	1.7	1.9	2.8	1.4	1.6	1.5	1.4	1.5	2.6	2.7	2.4	3.1	3.2	3.1	2.
Main Purpose of Visit (% visitors)																	
Holiday	32	78	58	56	85	59	42	52	58	57	47	45	43	62	70		5
Visiting Friends & Relatives	26	1	14	18	2	9	-	19	19	13	19	25	40	19	17	13	1
Business	25	10	14	13	8	9	33	10	16	7	23	15	8	10	8	17	1
Education	3	5	8	8	3	14	17	13	6	13	4	5	1	3	2	4	[illegible]
Accommodation (% nights)																	
Hotel/Motel/Guest House	34	67	24	24	44	66	32	22	35	24	34	24	12	15	22	13	2
Friend's/Relative's Home	64	27	72	75	55	31	40	70	51	73	56	59	79	72	65	67	6
Caravan/Camping/Campervan	1	1	1	-	-	1	2	-	3	1	4	8	2	5	7	7	[illegible]
Backpackers/Hostel	1	6	3	-	1	2	26	9	11	2	6	9	8	7	7	12	[illegible]
Transport Used (% visitors)																	
Car	61	16	46	62	18	45	42	58	42	47	46	60	77	51	45	52	5
Plane	29	87	62	54	87	41	75	52	52	60	69	55	57	63	64	43	61
Inter-City Coach	7	20	34	31	73	27	25	19	29	13	25	45	32	34	34	43	2
Rented Car	21	6	14	31	3	14	25	10	23	13	27	35	31	37	42	39	2
Information Sources (% visitors)																	
Travel Agent	22	34	28	23	57	18	25	19	19	20	24	40	23	29	34	30	2
Travel Guide	4	37	11	10	18	9	33	6	6	3	29	25	20	39	51	35	2
Friend	8	5	19	15	12	14	17	26	19	27	17	30	24	28	34	26	1
Media	2	6	5	3	10	5	-	3	3	3	4	5	2	7	11	4	[illegible]
Embassy/Aust. Tourist Comm.	2	4	5	5	3	9	-	3	6	7	15	15	10	8	8	4	[illegible]
No Information Used	61	22	38	46	17	41	33	45	48	40	37	25	41	22	15	22	37
Age Group (% visitors)																	
15-24 Years	14	17	14	13	12	18	25	19	13	17	8	20	22	20	15	35	16
25-34 Years	18	29	25	26	30	18	8	26	26	23	16	15	25	31	32	22	24
35-44 Years	22	18	26	28	22	45	33	26	16	27	16	25	10	18	13	17	20
45-54 Years	25	27	20	18	17	14	8	13	39	23	21	15	17	15	21	17	20
55+ Years	21	10	15	15	20	5	8	19	6	10	39	30	28	18	19		21
Travel Arrangements (% visitors)																	
Independent	81	19	64	69	18	68	67	71	71	73	74	75	86	79	75	83	67
Non-Group Inclusive Package	16	13	7	3	8	-	8	3	6	17	11	15	13	12	15	13	11
Group Tour	3	68	32	26	73	27	25	26	23	7	14	5	2	10	9	4	22
Expenditure ($/visitors)																	
Per Day Expenditure	68	164	100	128	101	92	111	94	127	108	96	57	48	70	83	61	83
Trip Expenditure in Victoria	790	799	2038	2217	740	2506	2213	2958	1564	2535	1317	808	980	1158	1209	1088	1328
Total Value of Market to Victoria	80m	84m	539m	86m	44m	55m	26m	93m	49m	76m	148m	16m	91m	177m	64m	25m	1183m
Expenditure Itemised ($/day)																	
Transport	6.93	5.86	6.35	9.88	4.72	5.12	5.49	5.17	8.73	7.11	13.56	7.82	6.60	11.46	14.69	9.01	7.91
Shopping	22.03	103.25	30.18	25.58	41.90	32.69	46.52	19.58	31.98	27.95	15.89	7.60	8.54	12.53	15.70	10.77	25.36
Food & Drink	14.50	18.76	11.92	16.81	11.58	10.43	10.80	10.42	15.21	12.89	17.42	12.65	13.38	14.79	17.77	13.25	13.91
Accommodation	8.68	8.06	9.74	10.32	8.47	9.54	9.50	7.30	12.48	14.52	19.54	10.39	7.53	11.22	13.25	10.86	9.9
Entertainment/Gambling	3.36	5.62	5.17	4.47	3.24	3.00	2.95	4.62	12.90	8.26	3.96	3.38	2.98	3.09	3.16	3.30	3.93
Other	12.32	22.68	36.86	60.77	31.12	30.80	35.98	46.45	45.65	35.91	25.99	14.70	9.05	15.92	19.94	15.16	21.97
Expenditure Itemised (%/day)																	
Transport	10	4	6	8	5	6	5	6	7	7	14	14	14	16	18	15	10
Shopping	32	63	30	20	41	36	42	21	25	26	17	13	18	18	19	18	31
Food & Drink	21	11	12	13	11	11	10	11	12	12	18	22	28	21	21	22	17
Accommodation	13	5	10	8	8	10	9	8	10	13	20	18	16	16	16	18	12
Entertainment/Gambling	5	3	5	3	3	3	3	5	10	8	4	6	6	4	4	5	5
Other	18	14	37	47	31	33	32	49	36	33	27	26	19	23	22	23	26

International Travel to Melbourne

Profile of Melbourne's International Markets 1995

	New Zealand	Japan	Asia†	Hong Kong	Taiwan	Thailand	Korea	Malaysia	Singapore	Indonesia	USA	Canada	UK	Europe†	Germany	Scandinavia	Total†
Visitors																	
Visitors 15 years + ('000)	96	105	261	37	60	21	12	30	31	30	107	19	86	142	48	21	853
Melbourne's Market Share (%)*	20	14	28	32	43	30	7	32	18	28	37	35	26	37	40	44	25
Nights																	
Nights ('000)	928	494	5,405	611	387	594	227	952	343	645	1,224	240	1,612	1,990	585	301	11,893
Melbourne's Market Share (%)*	11	8	24	24	14	36	8	35	12	19	18	9	12	14	16	13	15
Average Stay																	
All Purposes (Nights)	9.7	4.7	20.7	16.5	6.5	28.3	18.9	31.7	11.1	21.5	11.4	12.6	18.7	14.0	12.2	14.3	13.9
Holiday Visitors (Nights)	5.1	3.0	4.8	5.2	2.1	6.0	5.2	5.4	4.8	6.8	4.2	9.2	16.2	6.0	5.1	19.2	5.6
Main Purpose of Visit (% visitors)																	
Holiday	36	84	62	59	86	66	45	54	60	63	50	51	48	66	75	63	60
Visiting Friends & Relatives	31	1	16	19	2	10	2	20	19	16	21	24	41	20	15	16	20
Business	30	10	14	14	8	10	37	12	15	8	25	17	10	11	8	16	16
Education	3	5	8	8	4	14	16	14	6	13	4	8	2	3	2	5	5
Accommodation (% nights)																	
Hotel/Motel/Guest House	32	66	22	23	34	66	31	22	35	26	39	28	11	15	23	13	24
Friend's/Relative's Home	67	28	74	76	65	31	42	69	55	71	56	62	80	76	68	73	71
Caravan/Camping/Campervan	-	-	-	-	-	1	-	-	2	-	-	1	-	1	1	1	-
Backpackers/Hostel	-	5	3	-	1	2	27	9	7	3	5	9	9	8	8	13	5
Transport Used (% visitors)																	
Car	52	12	30	34	10	38	24	41	29	35	28	30	38	27	23	28	30
Plane	26	68	40	32	48	31	45	38	36	46	42	30	29	34	35	23	39
Inter-City Coach	6	16	22	17	41	23	16	14	20	9	15	23	17	19	19	25	18
Rented Car	17	4	9	17	1	8	14	6	15	11	16	17	16	20	22	24	13
Information Sources (% visitors)																	
Travel Agent	22	32	25	24	49	19	22	18	19	20	18	28	18	21	22	21	23
Travel Guide	5	35	10	11	15	7	31	7	7	2	23	18	17	28	32	28	19
Friend	10	4	19	16	10	17	12	27	20	28	15	24	22	23	26	23	17
Media	2	5	4	2	9	4	1	3	3	3	3	5	2	5	7	4	4
Embassy/Aust. Tourist Comm.	2	4	5	4	2	11	2	3	7	6	13	9	9	6	4	4	6
No Information Used	59	20	36	43	14	42	33	41	45	41	28	16	32	15	9	19	30
Age Group (% visitors)																	
15-24 Years	14	17	15	12	12	19	31	18	12	18	8	20	22	20	17	36	16
25-34 Years	18	28	26	25	31	21	13	26	27	24	16	15	26	30	30	21	24
35-44 Years	22	18	25	30	22	44	38	24	14	27	15	23	9	17	14	15	19
45-54 Years	26	27	19	17	17	12	13	12	39	23	21	14	16	15	21	17	20
55+ Years	20	10	14	15	18	5	6	19	8	9	40	28	27	18	18	11	20
…vel Arrangements (% visitors)																	
Independent	81	19	62	71	19	69	68	70	70	74	74	76	84	79	74	89	66
Non-Group Inclusive Package	17	13	7	3	8	1	4	4	7	18	11	17	13	12	16	10	11
Group Tour	3	68	31	26	74	30	28	26	22	8	15	7	3	10	10	1	23
Places/Attractions Visited in Victoria (% visitors)																	
Melbourne	89	99	93	93	97	96	78	96	91	96	93	80	88	89	88	91	88
Melbourne Shopping	69	79	79	78	89	84	69	85	72	82	63	67	68	70	73	68	69
Royal Botanic Gardens	15	21	24	19	19	23	36	26	32	20	34	30	32	31	30	26	26
Queen Victoria Markets	39	54	52	34	54	59	49	65	57	59	35	41	28	37	40	41	41
Captain Cook's Cottage/ Fitzroy Gardens	8	47	33	14	60	43	36	24	22	33	18	19	17	18	16	17	18
Victorian Arts Centre	11	10	15	13	8	20	23	20	12	15	14	11	13	13	12	12	13
National Gallery of Victoria	8	15	15	10	9	19	29	15	9	16	20	13	15	17	16	17	14
Melbourne Zoo	12	15	19	14	21	39	25	14	7	20	13	17	10	15	17	17	16
Museum of Victoria	8	15	17	15	16	17	36	21	5	17	17	9	12	14	18	11	13
Melbourne Festival/Events/Theatre	11	5	9	4	4	6	9	16	14	15	11	11	10	11	12	12	10
Southgate	21	17	21	20	8	14	27	34	30	26	21	20	24	21	20	18	20
Rialto Observation Deck	19	11	11	11	4	7	20	10	10	13	13	20	25	22	21	21	16
Crown Casino	15	12	21	20	10	29	24	35	17	23	11	16	12	9	5	7	15
Melbourne Cricket Ground	14	4	6	7	1	7	10	6	7	4	11	16	23	11	5	7	11
Science Works	1	1	3	7	2	4	1	5	1	4	2	1	2	2	2	-	2
Forecast #																	
Estimated visitors (15 years +) 2001 ('000)	135	166	545	71	99	43	30	62	51	77	152	25	127	211	65	31	1,429
Estimated visitor nights 2001 ('000)	1,049	830	9,437	1,067	676	1,037	396	1,662	599	1,126	1,550	304	2,315	2,887	849	437	17,625

Source: International Visitor Survey 1995, Bureau of Tourism Research

* Melbourne's market share is calculated as Melbourne's share of the national total

\# Forecast based on Tourism Forecasting Council, June 1996, International Visitor Survey, and assumes markets will maintain current share of total visitor nights

† Asia includes Hong Kong, Taiwan, Thailand, Korea, Malaysia, Singapore, Indonesia and other Asia, but excludes Japan
Europe includes Germany, Scandinavia and other Europe, but excludes the UK and Ireland Total also includes miscellaneous countries not listed above

Domestic Travel to Victoria
Profile of Victoria's Domestic Markets 1994/95

	ORIGIN									TOTAL
	Interstate								Intrastate	
	NSW	QLD	SA	WA	TAS	NT	ACT	Total		
Trips										
('000)	1,335	314	508	82	102	36	184	2,561	11,287	13,848
Victoria's Market Share (%)*	27	14	43	19	40	19	13	18	26	24
Nights										
('000)	6,247	2,678	2,691	862	714	404	783	14,379	32,891	47,270
Victoria's Market Share (%)*	21	19	30	20	30	17	15	15	22	19
Visits										
('000)	1,841	433	766	139	150	41	235	3,605	12,073	15,678
Victoria's Market Share (%)*	8%	3%	15%	2%	5%	4%	14%	6%	17%	22%
Length of Visit (% visits)										
1-3 Nights	60	37	48	12	41	47	64	53	80	75
4-7 Nights	24	27	31	27	38	19	18	26	15	17
8-14 Nights	12	23	15	40	11	6	18	15	4	6
15+ Nights	4	13	5	21	10	28	1	6	1	2
Main Transport Used to Arrive at Destination (% visits)										
Plane	30	78	17	74	85	90	15	37	-	9
Bus/Coach	6	7	13	1	3	2	9	7	3	4
Car	61	14	68	25	5	7	74	53	93	84
Train	3	1	2	-	-	-	2	2	3	3
Boat/Ferry	-	-	-	-	7	-	-	-	-	-
Accommodation (% nights)										
Hotel/Motel/Guest House	28	16	27	27	32	10	15	25	15	18
Rented House	5	2	2	8	3	2	3	4	6	6
Own House	1	1	2	1	-	-	-	1	13	9
Friends/Relatives	50	76	49	56	56	82	68	57	39	45
Caravan/Camping	8	1	15	1	4	-	3	7	19	15
Age Group (% visits)										
14-17 Years	3	9	6	2	9	-	7	5	7	6
18-24 Years	10	10	14	19	5	-	26	12	17	16
25-39 Years	31	25	28	29	41	48	28	30	30	30
40-54 Years	31	27	27	32	27	50	31	30	25	26
55+ Years	25	29	25	18	19	2	8	24	21	21
Main Purpose of Visit (% visits)										
Business	37	42	29	50	26	52	25	35	10	14
Holiday/Pleasure	27	11	38	24	36	28	33	28	48	45
Friends/Relatives	36	47	32	26	38	20	42	36	41	41
Seasonality - Month Returned (% visits)										
January	13	15	8	25	4	12	7	12	15	14
February	7	8	6	8	4	10	13	7	9	8
March	11	10	4	14	7	-	15	9	8	9
April	12	6	11	1	6	44	6	10	10	10
May	7	4	10	8	7	-	-	7	6	6
June	5	5	5	2	8	7	1	5	5	5
July	8	10	13	13	10	5	4	9	8	8
August	4	5	10	4	9	12	5	6	6	6
September	6	4	5	1	11	-	6	6	8	7
October	13	10	11	12	9	-	21	12	8	9
November	8	8	6	7	11	7	7	8	7	7
December	7	16	11	4	12	2	14	9	10	10
Value Segments (% trips)										
Socially Aware	16	13	13	20	26	14	32	17	13	14
Visible Achievement	24	36	19	20	19	72	10	24	19	20
Young Optimism	10	11	10	9	8	2	25	11	10	11
Look At Me	10	10	12	11	16	2	8	10	15	14
Real Conservatism	4	1	3	12	4	-	8	4	3	4
Something Better	6	7	12	7	4	6	13	8	9	8
Conventional Family Life	11	6	10	9	9	2	-	9	9	9
Traditional Family Life	13	11	18	5	13	-	3	13	14	14
Fairer Deal	4	4	1	7	2	-	2	3	5	5
Basic Needs	2	1	2	-	-	2	-	2	2	2
Forecast #										
Estimated visitor nights 2001 ('000)	6,914	2,965	2,976	952	790	445	868	15,910	36,391	52,301

Source: Domestic Tourism Monitor, 1994/95 Bureau of Tourism Research

* Victoria's interstate market share is calculated as Victoria's share of the total interstate market for each state.
* Victoria's intrastate and total market share is calculated as Victoria's share of the national total.

Forecast based on Domestic Tourism Monitor, Bureau of Tourism Research, and assumes 1.7% growth in visitor nights each year 1995 to 2001. Further assumes markets will maintain current share of total visitor nights

Domestic Travel to Melbourne

Profile of Melbourne's Domestic Markets 1994/95

	ORIGIN									TOTAL
	Interstate								Intrastate	
	NSW	QLD	SA	WA	TAS	NT	ACT	Total		
Trips										
('000)	866	214	251	56	89	24	124	1,624	1,912	3,536
Melbourne's Market Share (%)*	5%	2%	6%	1%	4%	4%	9%	4%	3%	6%
Nights										
('000)	3,647	1,800	1,323	724	577	135	581	8,787	4,317	13,104
Melbourne's Market Share (%)*	5%	3%	8%	3%	7%	3%	12%	4%	2%	5%
Visits										
('000)	1,024	283	317	98	107	26	155	2,010	2,015	4,025
Melbourne's Market Share (%)*	4%	2%	6%	2%	4%	2%	9%	4%	3%	6%
Length of Visit (% visits)										
1-3 Nights	57	39	46	9	39	60	56	50	84	67
4-7 Nights	24	25	30	26	37	8	20	26	12	19
8-14 Nights	13	20	16	43	13	4	19	16	3	10
15+ Nights	5	16	8	22	10	28	5	9	1	5
Main Transport Used to Arrive at Destination (% visits)										
Plane	50	84	35	82	90	93	21	55	1	27
Bus/Coach	4	7	9	1	2	4	10	6	3	4
Car	41	8	52	17	2	4	66	36	87	62
Train	4	1	5	-	-	-	3	3	9	6
Boat/Ferry	-	-	-	-	7	-	-	-	-	-
Accommodation (% nights)										
Hotel/Motel/Guest House	34	18	27	33	34	21	15	28	14	24
Rented House	2	3	2	8	3	5	4	3	5	4
Own House	-	-	1	-	-	-	-	-	5	2
Friends/Relatives	61	79	62	57	63	74	79	66	71	68
Caravan/Camping	2	1	8	1	-	-	3	2	4	3
Age Group (% visits)										
14-17 Years	4	8	10	3	10	-	10	6	8	7
18-24 Years	9	11	14	7	6	-	28	11	16	14
25-39 Years	33	29	33	34	39	38	23	32	33	33
40-54 Years	32	29	28	35	28	58	32	31	25	28
55+ Years	22	23	15	21	17	4	7	19	19	19
Main Purpose of Visit (% visits)										
Business	42	46	46	50	25	55	10	41	18	30
Holiday/Pleasure	24	14	27	25	39	32	42	25	24	25
Friends/Relatives	34	40	28	25	36	14	48	34	58	45
Seasonality - Month Returned (% visits)										
January	10	18	9	24	5	7	5	11	12	11
February	7	8	10	8	3	11	8	7	7	7
March	12	11	3	12	8	-	19	11	7	9
April	13	3	7	2	6	41	6	9	8	9
May	8	2	5	7	7	-	-	6	7	6
June	7	6	5	3	11	-	2	6	5	5
July	6	13	15	15	13	7	5	9	10	9
August	4	4	11	3	8	19	6	6	6	6
September	9	3	5	2	8	-	7	7	11	9
October	11	11	9	11	8	-	19	11	11	11
November	8	6	8	6	12	11	5	8	9	8
December	7	13	14	5	10	4	17	10	7	9
Value Segments (% trips)										
Socially Aware	23	28	19	28	18	52	46	31	13	22
Visible Achievement	27	25	33	19	31	4	27	24	19	21
Young Optimism	10	9	6	19	6	11	9	10	9	10
Look At Me	9	2	11	3	8	6	-	6	14	10
Real Conservatism	3	1	2	6	3	9	-	3	5	4
Something Better	6	10	9	9	6	5	5	7	9	8
Conventional Family Life	5	3	5	5	9	-	3	4	6	5
Traditional Family Life	11	19	11	10	10	1	10	10	18	14
Fairer Deal	5	1	2	1	5	12	-	4	5	4
Basic Needs	1	2	2	-	3	-	-	1	3	2
Forecast #										
Estimated visitor nights 2001 ('000)	4,035	1,992	1,464	802	638	149	642	9,722	4,776	14,498

Source: Domestic Tourism Monitor, 1994/95 Bureau of Tourism Research

* Melbourne's interstate market share is calculated as Melbourne's share of the total interstate market for each state.
* Melbourne's intrastate and total market share is calculated as Melbourne's share of the national total.

Forecast based on Domestic Tourism Monitor, Bureau of Tourism Research, and assumes 1.7% growth in visitor nights to Victoria each year 1995 to 2001. Further assumes markets will maintain current share of total visitor nights

Profile of Regional Travel in Melbourne 1995

	Melbourne A					Victoria
	Intrastate		Interstate	International	Total	
	Melbourne	Country Victoria				
Overnight Trips						
Visitors by Origin						
Total Visitors ('000)	566	1,342	2,020	813	4,741	14,956
Nights by Origin						
Total Nights ('000)	1,818	2,911	6,890	4,402	16,021	50,813
Average Stay (Nights)						
All Visitors	3.2	2.2	3.4	5.4	3.4	3.4
Accommodation (% visitors)*						
Hotel/Motel/Guest House/Resort	3.13	6.76	34.82	14.94	59.66	29
Bed & Breakfast	0.30	0.37	0.96	0.53	2.16	2
Rented House/Flat/Apartment	0.33	0.92	0.39	0.07	1.70	6
Own House/Flat/Apartment	1.03	1.51	0.00	0.00	2.54	10
Caravan Park/Camping	1.71	0.54	1.54	0.00	2.77	20
Friend's/Relative's Home	4.79	17.41	5.53	1.49	29.22	27
Accommodation (% visitors)**						
Hotel/Motel/Guest House/Resort	26.24	23.88	81.74	87.18	59.66	29
Bed & Breakfast	2.50	1.30	2.25	3.08	2.16	2
Rented House/Flat/Apartment	2.78	3.23	0.91	0.39	1.70	6
Own House/Flat/Apartment	8.59	5.33	0.00	0.00	2.54	10
Caravan Park/Camping	14.33	1.89	1.22	0.01	2.77	20
Friend's/Relative's Home	40.13	61.48	12.98	8.67	29.22	27
Top 10 Activities (% visitors)						
Shopping	47	57	66	92	66	54
Restaurants/Dining Out	40	52	75	89	67	52
Visiting Friends & Relatives	57	77	41	36	52	48
Drive to Sightee/Pleasure	32	14	18	47	24	42
Visiting National Park/Forest	15	3	4	29	9	19
Bushwalking	11	2	2	11	4	18
Visit an Art Gallery/Craft Centre	8	6	13	35	14	17
Visit a Museum/Historic Site	11	5	19	33	16	17
Swimming/Diving/Surfing	19	3	3	5	5	16
Visit a Park or Garden	17	8	14	39	17	16
Expenditure ($/visitors)						
Avg. Expenditure per Night	29	60	157	170	129	68
Avg. Expenditure per Trip	94	131	537	918	435	230
Total Expenditure	53m	176m	1,085m	746m	2,060m	3,447m
Avg. Trip Expenditure ($)						
Airfares	2.35	2.06	121.21	301.43	104.18	36.09
Transport	13.84	19.17	49.06	60.90	38.42	28.99
Accommodation	22.53	16.02	122.11	207.06	94.74	57.03
Food & Drink	29.21	27.53	92.57	111.76	69.88	45.64
Shopping	14.44	37.05	112.55	158.31	87.30	39.58
Entrance Fees/Entertainment	5.52	5.78	15.95	10.59	10.91	6.75
Day Tours	1.68	0.35	3.88	10.89	3.82	1.95
Gambling	2.52	1.89	10.03	25.40	9.47	5.27
Other	1.86	21.19	9.88	31.78	15.88	9.18
Total Expenditure	93.96	131.05	537.23	918.13	434.60	230.49
Avg. Expenditure per Visitor Night ($)						
Airfares	0.73	0.95	35.53	55.65	30.83	10.62
Transport	4.31	8.84	14.38	11.24	11.37	8.53
Accommodation	7.02	7.39	35.79	38.23	28.04	16.79
Food & Drink	9.09	12.70	27.14	20.63	20.68	13.43
Shopping	4.50	17.08	32.99	29.23	25.83	11.65
Entrance Fees/Entertainment	1.72	2.67	4.67	1.96	3.23	1.99
Day Tours	0.52	0.16	1.14	2.01	1.13	0.58
Gambling	0.79	0.87	2.94	4.69	2.80	1.55
Other	0.58	9.77	2.90	5.87	4.70	2.70
Total Expenditure	29.26	60.43	157.48	169.52	128.60	67.84

* Accommodation is as a percentage of all visitors to Melbourne A

** Accommodation is as a percentage of visitors from each area of origin

Profile of Regional Travel in Melbourne 1995 (cont.)

	Melbourne A	Victoria
Overnight Trips (cont.)		
Purpose of Visit (% visitors)		
Holiday	36.9	55.5
Visiting Friends & Relatives	24.1	27.9
Passing Through	1.6	1.8
Business (includes conference/seminar)	26.6	4.7
Other	10.8	10.1
Day Trips		
Visitors		
Total visitors ('000)	7,202	20,252
Expenditure ($)		
Avg. Trip Expenditure	55.45	41
Total Expenditure	399m	827m
Avg. Trip Expenditure Itemised		
Airfares	0.74	na
Transport	7.31	na
Food & Drink	7.62	na
Shopping	25.56	na
Entrance Fees/Entertainment	3.13	na
Day Tours	0.06	na
Gambling	1.83	na
Other	9.21	na
Total	55.45	na
Total Trip Expenditure Itemised		
Airfares	5m	na
Transport	53m	na
Accommodation	na	na
Food & Drink	55m	na
Shopping	184m	na
Entrance Fees/Entertainment	23m	na
Day Tours	0.4m	na
Gambling	13m	na
Other	66m	na
Total	399m	827m
Top 10 Activities (% visitors)		
Visit Friends & Relatives	36	36
Shopping	25	24
Drive to Sightsee/Pleasure	8	17
Picnic/BBQ	7	13
Restaurants/Dining Out	15	12
Attend a Festival or Event	15	11
Playing Sport	4	4
Visit a National Park/Forest	2	4
Organised Tour/Group Activity	4	4
Visit a Park or Garden	3	3

Source: Victorian Regional Travel and Tourism Survey 1995, Tourism Victoria

Melbourne Product Region
Product Development Matrix

Evaluation of Product

Existing product or proposed developments

Description..

....

....

CRITERIA	Existing ✔	Low potential ✔	Med potential ✔	High potential ✔
Competitive advantage and positioning ie offers unique features or point of difference				
Matches Victoria's tourism product strengths • events • arts • theatre and culture • food and wine • natural attractions • shopping • Meetings, Incentives, Conventions & Exhibitions				
Attracts interstate visitation/expenditure				
Attracts international visitation/expenditure				
Enhances tourism profile of area/region and greater Melbourne				
Consistent with Tourism Victoria Strategic Business Plan				

Constraints on Development

	Poor ✔	Average ✔	Good ✔
Location/access			
Financial viability			
Travel industry 'friendly' (ie. commissionable, easily bookable)			
Management structure (professional/independent)			
• demonstrated track record			
• accountability			
• experience			
• staff experience and quality			
• Operating budget			
• Business & Marketing Plan			
Likelihood of refurbishment or redevelopment			
Impacts on environment/community			

Melbourne/Municipality Product Development Linkages

Municipality	Tourism strengths	Product development opportunities	Relationship with Greater Melbourne project
City of Bayside	**Natural Attractions**		
	▪ Port Phillip Bay/ coastal and foreshore reserves	▪ Ongoing support for Around the Bay Trail	Bayside dining, touring linkages
	▪ Golf courses	▪ Sympathetic tourism development within identified activity nodes (ie. Bayside dining, charter tours)	Streetscape/precinct strategies
		▪ Foreshore upgrade opportunities resulting from 99 World's	Streetscape/precinct strategies
		▪ Support proposed major metropolitan golf course strategy	Golf strategy
		▪ Land/Water based packaging	Radial/destination based linkages
	Events	▪ Further development/ support of high profile events (ie. President's Cup, Sail Melbourne, 99 World's, Golf Classics)	Event strategy
	Golf tournaments/ sailing championships, sporting events	▪ Co-ordination of sport tourism packages	Sports tourism
	Arts Culture, Theatre (Heritage)	▪ Further development/ support of performing/ visual arts packages (Concert series, galleries, artisans, Heidelberg School of Painters)	Arts tourism Heritage

Appendix 4 - Melbourne/Municipality Linkages