

**“Getting ready to offer an authentic Adelaide experience”
Discussion Paper for the Adelaide City Council Tourism Action Plan**

There is an opportunity for Adelaide City Council (ACC) to provide leadership for the positioning and marketing of Adelaide as a capital city destination. Currently there is a gap in the collaboration among local councils in the metropolitan area, and no dedicated promotional campaigns or destination development actions for Adelaide in its own right, unlike Destination Melbourne. Adelaide’s position in tourism is as both an undervalued jewel of SA and also a distinctive place to explore en route to other extraordinary regional experiences. Recent research shows that consumer satisfaction for an SA holiday is highest when the holiday contains both an Adelaide and a regional element.¹ Getting the balance right in understanding Adelaide’s role as destination in its own right and a gateway into regions is needed to maximise benefits to industry and travellers. To establish this balance will require robust and long-term relationships with progressive and collaborative partners in other metro Councils, state government departments and the tourism industry. Let’s get ready!

Scope

This Discussion Paper is for stakeholders with interest in the growth of tourism in the city of Adelaide. Stakeholders include state government departments, ACC staff and elected members, tourism industry operators and peak industry bodies. Other stakeholders such as residents, workers and visitors to Adelaide from other metro council areas have been consulted and considered in a number of broader ACC Plans, including and not limited to:

- Rundle Mall Retail Strategy,
- Good Evening Adelaide! A strategy for experiencing the City after 5pm
- ACC Market District Plan 2015, and
- The Adelaide City Council Strategic Plan 2020.

The Tourism Action Plan will articulate how ACC will act to offer intrastate, interstate and international visitors a distinctive ‘Adelaide Experience’, as outlined in their 2020 Plan. This discussion paper draws on various goals and strategies in key documents that inform state tourism priorities and including the SA Tourism Commission Tourism Plan, the Tourism Australia 2020 Plan and more informal internal papers developed by ACC staff to document opportunities, competition and brainstorming new ideas. In 2014 Premier Jay Weatherill announced the top 10 economic priorities for SA among which number five is:

“South Australia - a growing destination choice for international and domestic travellers”

The expectation is that all of government is responsible to deliver on these priorities; so what is the role for Adelaide City Council to work with others to do their part in achieving ACC’s own targets? This and other ideas, and opportunities for future action will be tested at stakeholder forums in the coming weeks.

An Adelaide Experience and Aspirational Targets

An Adelaide Experience is defined in the ACC’s Strategic Plan 2015-2020 as “authentic, internationally renowned, social, cultural, sporting and recreational entertainment experiences”, with opportunities linked to the Adelaide Oval and Adelaide’s reputation as one of the best festival cities in the world.

ACC’s aspirational tourism targets to 2020 are:

- The number of people attending events in the city has grown
- Nights spent in Adelaide by international and domestic visitors have grown from 16.5m to 18.5 m (i.e. want 2m more visitor *nights*, so focus can be on extending stay, not just attracting more visitors.)

¹ SATC – see for reference, and previous Adelaide Marketing Plan

Background

The ACC Tourism Action Plan will contribute to tourism under the guidance of targets in state and national tourism agendas. Broadly and briefly these are:

- The 6 Tourism 2020 strategies by Tourism Australia are:
 - Grow demand from Asia
 - Build competitive digital capability
 - Encourage investment
 - Ensure tourism transport environment supports growth
 - Increase labour supply and indigenous participation and
 - Build industry resilience, productivity and quality.

- The SA Tourism Commission Tourism 2020 Plan key goals are:
 - Achieve potential growth valued at \$8bn of visitor spend by Dec 2020
 - 5 action areas are: drive demand, support what we have, work better together, use events to grow visitation and increase recognition of the value of tourism.

Tourism is a complex industry involving all levels of local, state and national government as well as various tourism industry sectors, peak bodies, media and trade. When there's a high AUD Aussies travel overseas getting more value for money, and when the AUD is low it's cheaper for internationals to come to Australia – as it is now, with record numbers of US and Chinese visitors arriving nationally.

As a capital city, Adelaide competes with Sydney, Melbourne and Brisbane for both domestic and international tourists and status as a direct hub for major international airlines. Adelaide is often not a 'first time' (to Australia) destination for leisure travellers but is increasingly known for exceptional nature, food and wine experiences and quality business and leisure events schedule, as seen by investment in the Convention Centre and Adelaide Oval redevelopments. SA ranks 5th compared to other states for domestic visitation and mainly we attract regional South Australians to Adelaide (intrastate visitors), prompting many to question the value of 'marketing to ourselves' rather than competing more aggressively externally to gain share of new markets. In 2015 the SA government announced \$50m over 4 years to international marketing with investment to attract China, India, south east Asian and traditional source markets, UK/Europe and the Americas.

Where to Invest?

To get maximum value from such marketing spend and overcome high competitive barriers that other capital cities have with many more direct international flights, any future ACC investment should consider supporting state government and industry marketing priorities in the next 4 years. Or should it? The upcoming Government and Industry round tables will draw out what current and specific priorities are and how ACC can leverage them, or add value. ACC can't do everything, so prioritizing and partnering is imperative. Traditionally Councils add value to the visitor's experience once they arrive. *Should ACC play a role in investing in Adelaide specific marketing activities to ensure Adelaide's target markets are prioritized with co-operative investment from industry and other metro Councils?*

Why Tourism?

We are in the midst of a growth cycle for tourism after 5 very tough years in the shadows of a high AUD, low skilled workforce in regional areas, the fall out of the GFC and underinvestment in critical tourism infrastructure and product development, as highlighted by the national Tourism Taskforce.

Tourism is volatile, disrupted by external market forces such as global terrorism, high competition from other destinations, pilot strikes, seasonality and weather extremes (volcanic ash, bushfire, tsunami); and internal

pressures; lack of skilled workforce in regional areas, high income expectations, poor marketing investment coordination, cost of internal domestic flights.

Despite this, tourism has long been a contributor to job creation, economic development, regional dispersal ensuring the ongoing access and enjoyment of heritage, cultural and wilderness attractions. Tourism provides essential trade when other sectors experience low times, providing income stability for a large sector of the economy. This is best noted in Deloitte's 2014 study *Building the Lucky Country*, where they identified tourism as one of five industries poised to drive the post-mining Australian economy.

- Adelaide is where 55% of tourism consumption in SA occurs in 2013-14 according to Deloitte's Tourism research.
- The tourism industry contributes \$2.4 billion to the Adelaide economy
- Tourism accounts for 30,000 jobs in Adelaide (in cafes, restaurants, retail, air, water and transport)

The Role of Council in Tourism

Traditionally Councils provide services and infrastructure that improves the visitor's experience once they arrive in a destination. They facilitate links to local operators and attractions and provide a friendly local face to visitors. Services include infrastructure such as bike racks and free bikes, public toilets, visitor information centres and sometimes marketing brochures, maps, city guides and sometimes a booking service for a fee), amenities such as public toilets, parks, BBQs, caravan turning bays, signage and free community events. ACC is open to reviewing what their role might be in achieving aspirational tourism targets in the next 4 years to 2020. It isn't *that* far off!

ACC's current tourism investment includes:

- Visitor Information Centre in James Place. 118,000 people through the door in 2014/15
- Signage/visual branding that improves the city 'look and feel'
- Central Market Information Booth;
- Adelaide Greeters - free guided, personalised orientation walks of the City;
- City Guides –provide directions, tips on what's on and transport advice;
- Town Hall Tour Guides;
- Mobile visitor information services out to major events and locations;
- Produce and supply marketing collateral about Adelaide City to conferences and events;
- Cruise ship arrivals meet and greet service at the Adelaide Railway Station.

Some new opportunities for new actions are listed at the end of this paper and are ideas, not necessarily priorities or agreed actions. Please use them as food for thought as to how ACC could work with your organisation or industry group.

Mind the Gap

ACC is looking for new ways to work with partners to increase visitation, improve trade for the city based tourism industry, explore cooperative marketing opportunities with partners.

A number of organisations currently promote Adelaide including Renewal SA, Brand SA, Study Adelaide, Adelaide Convention Bureau, each with their own focus, budget and spend. It's unlikely there's appetite for a new Adelaide tourism brand with so much already in place. *Is it time for a more coordinated approach to Adelaide's tourism positioning and investment with Adelaide City Council playing a lead role, and what is this role?*

The Local Government Association of SA is exploring opportunities and has highlighted gaps for marketing metro Council areas; a 'region' that falls outside traditional 'regional' definitions and the Adelaide CBD. SA tourism regions are managed and marketed with co-funding by regional councils, industry, and SATC grants. Each region does their own mix of marketing campaigns, industry development and training, events, Visitor Information. For interstate and international campaigns, SATC takes regional destinations and key products and experiences to market under state branding.

What is the role for Adelaide City Council to be responsible for marketing, positioning, funding and coordinating the message about an Adelaide Experience on behalf of outer metro Councils, and with Adelaide based industry? Can ACC help disperse visitor spend in outer metropolitan Councils to keep visitors another night, particularly tourism hotspots like Holdfast Bay, Port Adelaide Enfield, Onkaparinga, Adelaide Hills, and shopping districts in the City of Norwood and Unley Councils?

What is the nature of collaboration and investment required to promote a compelling 'Adelaide Experience' in new and bold ways to target markets?

The rest of this paper is concerned with visitor demographics, tourism statistics and some opportunities for further discussion in the industry and government stakeholder forums.

Who visits Adelaide?

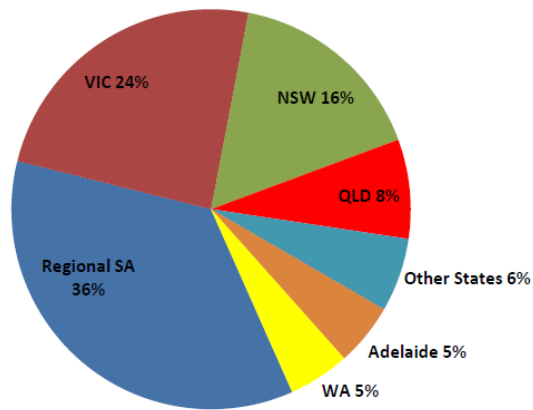
ACC's target visitors are broadly defined as those not already living and working in the Adelaide Council zone and include intrastate, interstate and international visitors staying one or more nights in the city in their own right or on route to another destination. They are here for business and leisure and a large percentage are here visiting friends and relatives (VFR). Visitors can be broadly split into domestic and international. Domestic includes interstate and visitors from other parts of SA.

Year ending March 2015 - SATC Tourism Research:

- Adelaide hosted **345,000 international visitors** and **1.5 million domestic visitors**. The total international visits to SA in the same time was 381,000;
- Adelaide got **4.5m domestic day trips** where all of SA got 11.5m.
- **91% of international visitors and 72% of interstate visitors include at least 1 night in Adelaide** as part of their visit to SA.
- In year ending Dec 14, 36% domestic visitors come from regional SA, 24% from Victoria, 16% from NSW as shown below:



Origin of domestic overnight visitors to the Adelaide



From research in year ending June 2015, the purpose for domestic visits to South Australia are as follows:

Purpose	No. of domestic visitors	Movement on 2014
Holiday	2.2	increase 6.8%
Visiting Friends and Family (VFR)	1.7m	increase 5.1%
Business	1m	increase 11.8% on June 14
Other	436,000	decrease 11.2% on June 14

While most people coming to Adelaide are here on holiday, growth markets are business travel (increased by 11% between June 14 and June 15) and those with a connection to Adelaide, visiting friends and family and perhaps taking in a sporting or festival event at the same time. The growth in these markets is reflected by increases in attendance at festivals and events, in applications to Adelaide City Council for hotel developments in the CBD and a rise in trade events via the Adelaide Convention Bureau.

SA international markets by highest to lowest number of visitors are:

1. Europe (excl UK)
2. Asia (excl China)
3. UK
4. North America
5. NZ
6. China



Greatest international market growth to Adelaide YE Jun 15

- India by 55% due to ICC Cricket World Cup games in Adelaide in early 2015. Spend \$34 per night.
- Singapore 26%. Spend \$138 per night
- Switzerland 17%. Spend \$127 per night
- China 9.8%. Spend \$134 per night

Where SA ranks compared to other states

- SA rank 5th of all states in international visits at 5.9%, a drop of 0.7 % in one year, after NSW, VIC, QLD, WA, then SA. This is 6% of Australia's market share.
- Also we rank 5th in domestic visits behind NSW, VIC, QLD and WA, accounting for 7% of all domestic visitor market share.

Signs of tourism growth:

Increase in airline capacity

- As of April 15, there were 11,000 international seats into Adelaide per week.
- Adelaide Airport was the fastest growing international airport for several years starting with the introduction of Emirates direct flights to Dubai in 2012.
- Domestic aviation has grown steadily, from 58,000 in 2004 to 84,000 in 2015
- Adelaide airport expansions. International pax are expected to rise from 870k in 2013 to 2.8m by 2034, and domestic pax 6.1m in 2014 to 14.1m in 2034.

Cruise Ship arrivals growth

- 23 ships to port in Adelaide in 15/16
- 40,500 passengers

Capital projects underway

- A number of new hotels have opened and more hotel stock will come through in next 3 years
- Convention Centre stage 2 to open in 2017
- Adelaide Oval, Festival Plaza upgrades and Riverbank project expected to be key drivers of visitation

Who's responsible for tourism?

The role of SATC is to achieve the outcomes of the South Australian Tourism Plan 2020 by:

- Fostering collaboration among industry, business and Government
- Working closely with aviation partners and other key access and transport stakeholders to maintain and grow capacity and ease of access
- Provision of research and insights to support good decision-making
- Facilitating cooperative marketing
- Supporting industry
- Working closely with regions, industry associations and partners to grow tourism across the whole State.

ACC's role may be required to alter in the course of this Action Plan discussion to achieve the Goals in the ACCs Strategic Plan, particularly around tourism leadership for both Adelaide's industry, many of them large investors

and businesses, and leadership among other metro Councils for joint benefits to the wider Adelaide area. ACC's role is currently:

- Supporting the provision of visitor information to people once they are here
- Fostering local community capacity to be ambassadors for visitors in their area
- Working with the tourism industry to help it deliver the social and economical outcomes to help create resilient and thriving local communities
- Taking into account the value of tourism to the local area in broader decision making
- Promoting the City experience on a local and regional level (within SA)
- Working with State Government and industry on achieving the outcomes of the South Australian Tourism Plan 2020 and Council's own Strategic Plan

Issues for stakeholder consideration:

- The role and status of a capital city in leadership, the hub for regional dispersal, business tourism, major transport access and critical tourism infrastructure
- Is the 'Adelaide Experience' what tourists want? Which tourists? Why does it matter?
- Being distinctive/being authentic – how can we achieve both and attract target markets
- Who are the target visitors? Is it wise to pursue the most profitable over the most volumous markets?
- Who is responsible for what in tourism? At what point will Adelaide city Council get involved and drive city based marketing and promotions?
- Who should ACC be partnering with and working with to attract more of the City's target markets?
- How can Adelaide play a role in encouraging greater regional dispersal and longer stays in South Australia?
- Working with other Councils and pooling resources for greater impact
- Talking to new markets vs talking to local markets – the short game vs the long game in economic development
- Development or marketing - is there an appetite for strengthening tourism weaknesses
- The responsibility for industry development and destination development is the responsibility of other agencies at present – is it worth exploring a role for ACC with SATIC and Regional Tourism bodies to link Adelaide to regions through marketing and other means?
- Others...

Possible Future Tourism Actions for Adelaide City Council

Infrastructure

- Ensure way-finding and directional signage is offered in a range of languages.
- Work with the Adelaide Airport to implement additional 'welcome' and information signage at the arrival lounges.
- Extend the Free Adelaide Bikes service to other parts of Adelaide
- Improve curbside and median strip appeal on key access routes into and out of Adel - train, road, airport

Promotion

- Develop a framework to identify, facilitate and deliver a premium visitor experience for tourists and locals alike. This could potentially include working with key stakeholders to identify a series of City-based itineraries including packaging up experiences, liaising with tourism operators and attractions, booking tours and dining experiences, facilitating transport and accommodation options and providing local



bilingual interpreters to meet and greet visitors

- Continue to deliver a suite of front-line Visitor Information Services and resource appropriately.
- Continue to enhance and develop a suite of visitor information materials including maps, itineraries, lists of things to do / attractions, business listings and local tips in a range of languages; this information should be provided online and also in hardcopy to provide to visitors on their arrival.
- Develop and implement local marketing and promotional campaigns aimed at encouraging Greater Adelaide and regional residents to explore the City.

Collaboration

- Work with the transport industry, particularly taxis, to enhance the provision of information to passengers.
- Work with hotel industry to provide tailored accommodation services and comforts that are unique to specific cultures (particularly China).
- Work with Study Adelaide and Universities to provide tailored experiences for international students and their families.
- Meet regularly with key outer Metro Councils to discuss co-operative marketing campaigns and 'paying it forward' to on-sell one another's experiences and visitor attractions

Leadership

- Keep up-to-date and utilise new technologies (online and social media) and adjust marketing and communication techniques accordingly.
- Provide translation services (particularly Chinese and potentially through the recruitment of interns) for businesses including tourism operators, accommodation providers and City restaurants / experiences.
- Provide Metro council leadership with LGASA, SATIC and SATC on the effective positioning of Adelaide's authentic Experiences
- Meet with government departments to explore commercial tourism opportunities linked to existing projects and facilitate collaboration for e.g. How can ACC work with DEWNR to better utilise the Botanic Gardens as a nature based asset in the CBD for visitor experiences? How can ACC work with SAMRI to help Adelaide Convention Bureau to connect and win more Health conferences through their business links and connections?

Industry and Adelaide Experience Development

- Continue to provide industry training and advice to local businesses including focus topics such as Chinese customer service and communication tips and as raising the importance of being 'China ready'.
- Work with SATIC to invite tourism industry leaders to address the Adelaide tourism industry on product and experience development
- Meet with heritage tourism operators esp. managers in the Nth Tce heritage/arts precinct to explore packaging and joint marketing to make heritage and arts easier and more compelling to navigate, sell and experience.
- Heritage Pass to Adelaide including unique inner and outer metro heritage attractions.
- Host 'industry walkabouts' to inform and update hospitality staff, concierges, taxi drivers, on new things to see and do in Adelaide, plus an informal networking night
- Promote business to business opportunities for industry to access and use Council's assets and resources



for entrepreneurial development and collaboration

If you are unable to come to one of the 3 upcoming forums and you want to contribute any ideas, opportunities, or feedback please contact :

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