



Port Stephens Tourism Limited

2010/11 Marketing Plan

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Preamble

The aim of this plan is to develop an integrated and professional approach towards "marketing Port Stephens as a desirable destination to the selected target markets". This is a key 'object' of the company as outlined in the Memorandum of Association and the intent of Council funding. The marketing philosophy for Port Stephens Tourism remains the same; namely to market Port Stephens generically as a desirable destination to visit whilst acting as a vehicle for members to more effectively gear their own marketing funds to promote their businesses. It is important to note from the outset that the role is 'destinational marketing' for the benefit of all members as opposed to marketing of individual member businesses The overall objective being to help provide a viable, sustainable, and stable tourism industry for the economic and social benefit of the residents and businesses in Port Stephens.

This plan is essentially a 5 year Strategic Plan with an annual budget covering the tactical requirements and costs required to achieve the outcomes on a yearly basis. The Strategic Plan was initially put together in 2008 after a series of 3 member workshops. Members of Port Stephens Tourism were invited to participate and a number of Directors and Marketing Committee members also played an active role by participating. With able facilitation by Michael Murray, the workshops revisited the overall marketing objectives, SWOT analysis and target markets.

The plan recognises the many small businesses that characterise the Port Stephens Tourism Industry and it offers entry level opportunities that allow even the smallest operator to participate. It does this whilst still providing leadership and opportunities for the larger businesses. The key philosophical foundation of this plan and the budget however remains one of sustainability, effectiveness and co-operation, a philosophy that is embedded in the history of PSTL and in the Joint Venture agreement with Council. This foundation is however becoming an increasingly challenging task to implement given the speed and depth of changes that are currently occurring in tourism and society in general. In particular, the inordinate growth of the internet in its many forms has had an enormous effect of how and where businesses spend their marketing dollars. It has also thrown challenges to PSTL in terms of communicating effectively with members and in providing the necessary leadership role in facilitating members to not only embrace change but to use it to gain and maintain a competitive advantage against our competition both within and beyond the tourism industry.

Review 2009/10

As appears to be the case every year, we continue to see many challenges being thrown at the Tourism Industry and to Port Stephens as a destination. Recent times have not been immune from the number and significance of these challenges.

Some key issues, events and impacts over the year included:

- Consumers are placing a much greater value on the internet as an information source and planning tool. This seems to be supported by a general decline in effectiveness of traditional advertising in terms of responses to the freecall number, a trend being experienced by members and throughout the worldwide tourism industry.
- In terms of responses to the web site, the available evidence suggests that this is what consumers prefer, at an ever increasing rate. In addition, some high volume sites appear to be finally producing results that the multitude of sites and banner ads of recent years failed to achieve.
- Following on from above, there is an increasing expectation of instantaneous gratification via the internet from consumers.
- The emergence and growth of Web 2.0 continues and finally we are beginning to see a few practical applications for destinational marketing. How Port Stephens Tourism uses and adapts to the opportunities remains a challenge given our co-op funding model however pilot programs have been designed and will be trialled in 2009.
- The world and domestic economies have been in turmoil with continued uncertainty making planning difficult. Whilst the dramatic fall in the Australian dollar may be seen as a godsend for inbound tourism, one could just as easily argue that the global economic crisis that precipitated the fall may also prevent more people from travelling.
- Domestic tourism continues to suffer around the whole country and in particular, New South Wales. The effect has not been as pronounced on Port Stephens due to our diversification into different (and seasonal) domestic markets and in particular into the inbound market. Additionally, our 'closeness' to Sydney, the presence of the Airport, the high level of awareness of our brand and the diverse product that we have all contribute a more stable outcome than has been experienced by our peers.

- Changing holiday patterns; emergence of groups such as 'serial holiday accumulators", effect of petrol prices, airfares and propensity to book last minute.
- Consumer behaviour in light of changing lifestyles, technology and other external factors. For example the tendency of "cocooning" with computers, plasma screens, entertainment systems, spas within ones home.
- The trade side of the travel industry is increasingly seeking electronic solutions to information needs. The days of comprehensive paper product kits are fading and web based solutions are increasing in number.
- The way that Port Stephens Tourism conducts its business has been under review with aspects such as strategic alliances, the membership and business model and the nature and extent of existing relationships all being critically examined.

2010/2011 Plan

As with previous plans, the proposed expenditure leaves the detail to be documented and communicated to members at a later date. The budget shows line items only for various activities and act as the objective for pricing for members. Wherever possible funds will be enhanced by using subsidised promotional opportunities via Tourism Australia), Tourism NSW (TNSW) or by any other available means. Any available funding from TNSW will be looked at as an opportunity to enhance our plan rather than as a catalyst to develop a new campaign.

Given the changing nature of funding at various levels, the budget has been simplified somewhat with Campaign Headings: i.e Demand Building Campaign, Short Break Campaign, MNCRTO Pacific Coast Campaign. Similarly, some niche markets have been aggregated into a line item; "Niche Market Support" to provide additional flexibility in response to members needs. This approach also leaves open the ability to use the best possible delivery methods to get the job done and does not prescribe exact activities (e'g newspaper advertising, TV, web, PR) Each campaign will thus need to be individually developed.

Objectives

A review of the existing objectives by participants in the Planning Workshops resulted in a revised set of objectives, with the acknowledgement that some work needed to be done to tidy up them up. Specific elements that the group felt needed to be considered in drafting the final wording are included with each of the key objective themes. In the case of the seasonal elements, a time frame was added to clarify and make measurement and analysis of strategies and outcomes more achievable.

The revised objectives as agreed, at the time of this plan are:

1. Brand Port Stephens
 - a. Differentiation
 - b. Comparison
 - c. Consistency
 - d. Clarity in offer
 - e. Measurement
2. Strengthen Off Season

- 
- a. Winter
 - b. Easter to September
3. Strengthen Mid Week
 - a. Sunday to Thursday Night
 4. Strengthen High Season
 - a. October to Easter
 5. Growth Through Sustainable, Productive Partnerships
 - a. Partners and Retention
 - b. Dollars
 - c. Program Outcomes
 - d. Effort
 6. Increase Spend per Visitor
 - a. Regional Stats
 7. Retain Customers
 - a. Operator Data and VIC
 - b. Returning

The Planning workshops also revisited the SWOT Analysis and reaffirmed the existing entries and added a few new points (in bold)

SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<p>One of the largest and most proactive tourism associations in NSW with passionate members and supporters</p> <p>Along with Council and Council staff, we are active in all facets of Tourism marketing / policy at local regional state and national levels</p> <p>Support and attendance at monthly meetings</p> <p>Well established brand in intra-state and eastern hemisphere international markets</p> <p>Mature product, both accommodation and attractions</p> <p>History of co-operative approach to marketing whereby members have invested significantly in PSTL marketing programs</p> <p>A positive history and culture of the organization</p> <p>Newcastle Airports location in the heart of Port Stephens</p> <p>Location with respect to Sydney and Hunter population centres.</p> <p>Diverse product, both in accommodation and attractions</p> <p>A pool of innovation, enthusiasm, specialist expertise and entrepreneurialism within the membership</p> <p>Natural beauty / resources. The tourism setting</p> <p>Organisational and marketing strategic plans.</p> <p>National Park Assets (Incl. Marine)</p>	<p>Evidence of disgruntled members and/or geographic divisions within the organisation causing perceived inequities and fragmentation.</p> <p>Dependent on Council and Council staff</p> <p>A general lack of understanding of the role and functioning of PSTL by the members.</p> <p>Lack of useable and reliable statistics for the industry</p> <p>The Port Stephens name needs bolstering (eg Blue Water Paradise, Dolphin Capital) or more (marketing) effort to convey the geographical diversity of the area.</p> <p>Seasonality.</p> <p>Poor "sense of arrival" with no / little / inappropriate road signs, billboards or layby at entry points.</p> <p>Diminishing membership and/or member involvement in traditional co-op partner marketing activities.</p>

OPPORTUNITIES	THREATS
<p>Maximise the funding and synergies from other organizations.</p> <p>New inbound business from both the Western and Eastern Hemisphere</p> <p>Greater use of web based strategies</p> <p>Events in accordance with the Events forum strategy.</p> <p>To increase the fly/drive business via the airport.</p> <p>Maintain or increase the momentum of involvement in the organisation.</p> <p>Conferences, both in hosting and pre/post experiences for conferences held in catchment areas.</p> <p>Niche markets</p> <p>To use local industry expertise in an "Innovation thinktank" to develop innovative strategic and marketing solutions.</p> <p>Develop partnerships with external and synergistic products (eg media, transport, membership organisations)</p> <p>Further develop appropriate new product (accommodation / attractions) to stimulate business</p> <p>Enhance the perception by residents of tourism, esp. during busy season</p> <p>To have better recognition in the community</p> <p>To better integrate with other local / regional tourism / event organisations.</p> <p>Maximise the benefits of the outcomes of the O'Neil report</p> <p>Trend away from traditional holidays</p> <p>Impacts of the Marine Park, Stockton Bight and other local development plans.</p> <p>Promoting Indigenous</p> <p>Enviable Lifestyle</p>	<p>Greater competition from other areas.</p> <p>Impacts of extreme environmental disasters</p> <p>Re-emergence of terrorist activities.</p> <p>Competition for discretionary spending</p> <p>Level of dependence of airlines, especially discount airlines who have the ability to turn business other areas.</p> <p>Diminishing support from external organisations.</p> <p>Increasing outbound and decreasing domestic visitation (micro and macro)</p> <p>Impact of seasonality on sustained growth</p> <p>Reliance on diminishing funding sources.</p> <p>Trend away from traditional holidays.</p> <p>Evidence of disgruntled members and/or geographic divisions within the organisation causing perceived inequities and fragmentation.</p> <p>Limited capacity of the F3.</p> <p>Impacts of the Marine Park, Stockton Bight and other local development plans.</p> <p>Park Management</p> <p>NTI MICE Structure</p>

Target Markets

Overview

At a strategic level, the Marketing Committee have divided the market into 5 Primary specific segments, namely Domestic Tourism, MICE, VFR, International Inbound Tourism and Events / Festivals. The participants at the Planning Workshop identified a number of segments that warranted individual consideration. Whilst they were developed "stand alone", these segments effectively can be bundled under a respective primary segment. The following section on target Markets is essentially an excerpt from the Planning Workshops. The Group agreed to use a three part rating system to help prioritise the segments. This system is comprised of:

Acquisition – the gaining of new customers

Retention – keeping current customers

Growth – increasing the spend by current customers

A rating of 1 indicates an item is perceived as the highest priority in terms of effort and resources to be allocated in the strategic plan whilst an item with a rating of 5 represents the lowest priority for the allocation of effort and resources. The ratings will be used to determine the best marketing mix for any given segment

GEOGRAPHIC

1. Sydney
2. 3 hour drive
3. Regional NSW > 3 hours
4. Domestic
 - a. Melbourne
 - b. Regional Vic
 - c. Queensland
 - d. ACT
5. International
 - a. East
6. North Asia

7. South Asia
8. West
 - a. North America
 - b. Europe/UK
9. NZ

Segment	Strategic Issues	Rating
Leisure - Luxury	<p>Weekends, long weekends, domestic, short term, events connection, romance, DINKS, Empty Nesters, experience focused, 'take it easy', Pink, fit with superior service focus, transport links, high disposable income, relatively cheap to attract, propensity for frequent travel, decision-maker/driver is female, growing wealthy backpacker group – capacity not strong in accommodation and related high level service, limited high quality restaurants/cafes/service – difficult to meet the needs on any scale currently – focus on strengthening off-season. TNSW developing 5 Star Strategy</p>	<p>Acquisition - 3 Retention – 1 Growth – 4</p>
Leisure - Family	<p>About 60% of accommodation geared for family, traditional market, need to preserve it in the long term, high referrals, long term relationships, significant spend over time, dictated by school holiday periods, strong growth potential for on-selling additional products (stronger follow-up required), focus on consolidating in this segment, focus on growth through working with current customer base.</p>	<p>Acquisition – 4 Retention – 1 Growth – 2 Acquisition high for off-season – 1</p>
Leisure - Adventure	high risk activities, limited capacity	<p>Acquisition – 5 Retention – 3 Growth – 4</p>

Segment	Strategic Issues	Rating
Leisure - Backpacker	more affluent, spend money on activities, keen on meeting/interacting, increasing significance to the area, maturing, can be from 18 to 80, want to experience the area, can travel all year, often well educated, sand dunes key point of difference, opportunity to pick up interesting staff, long term relationship opportunity, strong referral potential, strong influencers, cheap air fares significant, transport links important, need to educate coach companies re drop off points, reduction in camping sites in caravan parks, some concern about accommodation capacity for growth although not booked out fully now	Acquisition – 1 Retention – 3 Growth – 2
Leisure - Romance	weekend DINK, honeymoon, ranges across socio-economic groups, similar motivation to luxury	Acquisition – 3 Retention – 2 Growth – 3
Leisure - Eco	not a primary motivator, natural assets of the area, marine park, future potential particularly with increasing compliance and regulatory frameworks, reinforce in all segments, low numbers for those specifically looking for this form of product	Acquisition – 2 Retention – 2 Growth – 2
Leisure - Empty Nesters (Seniors)	Very important for off-peak periods, strong repeat business opportunities, longer stay opportunities, mid-week opportunity, potential spend strong, ageing population with longer life and travel, focused on 3 to 4 star level, set up home away from home for extended periods, how do we connect with this community	Acquisition – 1 Retention – 2 Growth – 2
Leisure - Interest Groups	Includes areas such as Sport, Rotary etc, opportunity for off-peak, strong linkages with Festivals/Events, eg Probus Clubs, Weddings/Reunions, need motel style rooms rather apartments, accommodation costs a bit higher than other destinations for some of these groups, strong price focus	Acquisition – 2 Retention – 2 Growth – 2
Festivals/Events - Sporting	Liaise with Events Port Stephens to guide and support. Surfing, Triathlons, inquiries for beach related events, calendar to manage, understand decision cycles, timing, and process, planned, proactive approach, golf, sporting associations, focus on winning major	Acquisition – 1 Retention – 3 Growth – 1

Segment	Strategic Issues	Rating
	event/s	
Festivals/Events - Cultural	As above for most points but annual events a focus. Music one key area. Need a custom built venue. Airshow	Acquisition – 1 Retention – 1 Growth – 1
Education	Build activities and related infrastructure to attract groups and individuals, discussions with university, TAFE, private operators,	Acquisition – 2 Retention – 1 Growth – 1
Education – National Parks		Acquisition – Retention – Growth -
Education – Schools		Acquisition – Retention – Growth -
Education – Marine		Acquisition – Retention – Growth -
Education – Research	Accommodation a challenge for scientists visiting the area	Acquisition – Retention – Growth -
Education - Indigenous		Acquisition – Retention – Growth -
Education - International	Overseas market with ESL focus	
MICE	Pre and post conference opportunities, mid week, collaborative focus vital from cost and potential scale perspectives, dedicated resources to manage large events, partnership with Newcastle potential, integrate activities into programs,	Acquisition – 1 Retention – 2 Growth – 1

Segment	Strategic Issues	Rating
	participants and partners etc	
Visiting Friends and Relatives	Local marketing, 30% of the current market, activity focus, how well do locals know the product, encourage locals to experience activities,	Acquisition – 2 Retention – 3 Growth – 1
Inbound – Day Tour	Activity focus, precursor to later overnight stays, structured process, impacts vary across different activities, presence in hotels can create brand awareness, unstructured day trip market may become tighter, some growth in incentive based tours,	Acquisition – 1 Retention – 1 Growth – 3
Inbound – Overnight Groups	Lengthen the stay core objective, focus on mid week and off-season, activities available provide opportunity to push harder, longer term goal of becoming destination for this group, need to determine which markets are PSTL focus and which belong with operators,	Acquisition – 1 Retention – 1 Growth – 1
Short Breaks/Holidays – FIT (Domestic)	Covered in other leisure segments	Acquisition – Retention – Growth -
Day Trips/Short Breaks/Holidays and Untied Sydney	Relatively small part of the overall mix, potentially high yield, airport a potential enabler	Acquisition – 2 Retention – 2 Growth – 2
Niche - New or expanding markets	Surf Tourism, Pink Market,	Acquisition – 3 Retention – 2 Growth – 2
Port Stephens as Destination	Need for consistent branding and build perception as a strong destination option. Nature's playground.	Primary goal that will support all other outcomes

Core Strategies

The following approaches were to be implemented for each segment depending on the rating scores.

Acquisition

Brand Strategy - Clarify and integrate brand elements - Product Differentiation

Distribution Channel – Website

Advertising - Visitors Guide and related publications

Member loyalty and participation

Promotion

Product development

Retention

Communication strategy

Education – staff and community

Monitoring and Evaluation Plan – effective KPI's that are sustainable

Growth

Education – staff and community

Cross selling

Strategic partnerships

Building Blocks: BRANDING

The building blocks of an organisation such as PSTL and its efforts begin with its branding and its product. The importance of branding cannot be understated as all activities depend on, and build on, this decision.

As a brand, Port Stephens continues to gain awareness in our key markets. Research shows that 58% of all adult Sydney residents have visited Port Stephens. Our brand is being built in the key Fly/Drive markets to augment a significant awareness by retirees in Melbourne and Brisbane. International awareness continues to increase markedly, both in the more mature Asian countries and in emerging markets such as India.

All research and evidence still clearly supports the value of, and the need to, support the Port Stephens brand wherever possible. Ongoing HVRF, North Coast Tourism and TNSW surveys are helping us understand our domestic customers better so that we can more effectively target and tailor our campaigns. The Planning Workshops reaffirmed the importance of the "*Need for consistent branding and build perception as a strong destination option*".

In terms of our web presence, the portstephens.org.au site continually appears at the top of the non sponsored search results for the majority of popular search enquiries in google.

On the regional level, the Mid North Coast Board continues to support the notion of maintaining individual brands or destinations whilst encouraging the words "North Coast of NSW" wherever appropriate.

Linked inexorable to the brand itself is how it is actually presented and portrayed. The notion of "Port Stephens Time" was introduced in recent years and has been used consistently in print adverts and editorial. The Planning Workshop participants reaffirmed that Soft Adventure is the key message that should be portrayed as part of the Port Stephens brand. As has been identified in previous plans, Soft Adventure works well as a concept as it can easily be adapted to suit the tastes and requirements of different markets without contradiction.

Participants agreed that the

"issues and ideas related to Soft Adventure included – Activity based, supports MICE segment, strong driver for group market out of Sydney, potential for off-season growth, natural assets and safe, fun activities, strong motivator for many of the key segments, some of the options such as beaches are free, potential connection to Wine Country but very expensive, very important in Branding."



STRATEGIES

As alluded to earlier a marketing plan for a destination that also needs to facilitate member opportunities is a very comprehensive task . Some initiatives apply to a number of segments and in reality, some tasks are approached from a media perspective and other from a campaign perspective. In the case of this marketing Plan, both approaches are necessarily used as many initiatives are not part of a specific campaign, rather they are part of the overall Port Stephens campaign

A number of major campaigns will be undertaken in their own right, each with a mix of delivery methods. In other cases, the specific strategy needs to be addressed independently; for example consumer shows.

BUSINESS DEVELOPMENT

Port Stephens Tourism has been a very effective model since its inception in 1997 and indeed since the formation of TOPS in 1965. As identified in the strategic review however, the industry, business and political environments continue to change and it has been prudent for the organisation to understand these changes and if necessary, be in a position to adapt and seize any opportunities that arise. Whilst the development and implementation of the strategic review is "work in progress" at the time of writing, allowance has been made in the budget to fund any outcomes.

PRIMARY MARKET: SYDNEY

Sydney is still the largest source of visitors for Port Stephens. Estimates of visitation vary from 50-75%. Despite the already high level of awareness of Port Stephens as a holiday/short-break destination, continued promotion is needed to maintain awareness and to convert this into a positive decision to travel. Research indicates that 58% of Sydney residents have visited Port Stephens at some time. The longer term challenge and the opportunity is to get greater repeat visitation and achieve it over slower times such as mid week and off season.

There appears to be either a resurgence in 'short break' opportunities or, as has been stated earlier, we now have a greater understanding of the short break market. Port Stephens' location makes it well placed to reap the benefits and seasonal events such as the whale watching, food and wine festivals, fishing events, all of which are ideal magnets to package up for short breaks. Member alliances have seen many successful packages introduced for the short break market however with some help from the recent Short Break research, there is scope to modify some of the packages and then to get them effectively to market.

As part of the Sydney Surrounds group, Sydneysiders are actively targeted along with other Surrounds regions. Efforts to date have been positive and there is every reason to believe that the Sydney Surrounds group will continue to provide worthwhile opportunities. Whilst it is too early to determine which specific campaigns will be available, funds should be set aside for co-op programs via TNSW or indeed other sources. In the event that the opportunities are either unsuitable or unavailable, the funds should be used for a co-op campaign with members into the designated markets.

At the time of writing, the availability, extend and conditions attached to the TNSW Tier 1 funding are not yet set in concrete. Nevertheless it is recommended that at least 3 independent campaigns be launched into Sydney over the year. Depending on Sydney Surrounds offers, we envisage

that 1 will be a joint effort with the Surrounds group and the other 2 will be stand alone with Tier 1 funding support. Suggested timing is pre Easter around Feb / March, Winter starting May / June and again in Spring around Sept / October. The promotional mix will be appropriately developed prior to the campaign but will generally include print, radio, web, EDM and most probably TV as well.

These 3 campaigns will be augmented on an ongoing basis with generic branding ads (generally distress space) and specific niche market promotions.

It is prudent at this stage to reiterate that whilst the Sydney market is critically important to Port Stephens, it would be folly to rely on it and ignore other markets.

Recommendations

- 1. 3 specific campaigns be developed for autumn, winter and spring*

Regional NSW and 3 hour drive

With the improvement in access to Port Stephens, visitation from regional areas is becoming easier and more attractive. Day visitors from the surrounding area (Central Coast, Hunter Valley, Newcastle) are included in this grouping. With opening of the new motorway through Sydney, our realistic potential catchment area extends to south of Sydney. Additionally, participation in various programs with the Mid North Coast opens more opportunities to northern areas such as from Armidale and Tamworth as these destinations have traditionally been successfully targeted by Port Macquarie and Coffs Harbour.

Much of regional NSW will be covered by the Sydney campaigns due to the reach of the media. In addition, various one off opportunities targeting regional papers and radio will be implemented. Regional consumer shows in Wagga, Albury, Canberra, Central Coast and Penrith also reach regional NSW.

Interstate Fly & Drive

Attitudes towards, and opportunities from, interstate markets remain much the same as in previous years in relation to the 'silver' market. Retired people from predominantly southern states seeking a more comfortable seasonal climate continue to provide winter and shoulder period customers for Holiday parks and holiday accommodation. Each year (and especially winter months) sees a growing number of interstate plated cars in Port Stephens, attesting the value and success of previous efforts. This must be maintained.

Although visitors from Victoria, Queensland and South Australia do not currently make up a large proportion of total visitation to Port Stephens, a number of factors suggest that effort should continue to be put into further developing these markets, namely:

1. southern states are an important source of visitation for the off peak months
2. the greater awareness of the `Golden Highway' linking Dubbo with Singleton provides the prospect of an attractive alternate route to the coast and in particular Port Stephens. This route needs a vast cooperation promotion as the road standard improves.
3. The ability to sell Port Stephens as a more 'exotic' destination for capital city dwellers
4. The availability of cheap airfares

The continuing expansion of flights from/ to Newcastle Airport provides a critical link to accessing interstate markets beyond the silvers. Previous campaigns with TNSW and JetStar have proved a failure in terms of identifiable results to accommodation partners however there is no doubt that the market continues to grow. There will most probably be other campaigns with an airline and TNSW as partners and this can be used for effective leverage if we promote directly and independently into Melbourne and Victoria. Timing is dependant on any TNSW campaign however it is recommended that at least one campaign be implemented for Melbourne.

Recommendations

1. *Continue to work with destinations along the Golden Highway and Thunderbolts Way with the view to develop promotional materials and/or joint advertising.*
2. *Place advertisements and run features in lifestyle magazines and sporting magazines, eg Caravanning World , bowls, fishing, retirement.*
3. *Continuation of the distribution of the Visitors Guide to as many RAA and RACV outlets as possible*
4. *Subject to sufficient member support, attend the Brisbane and Melbourne Caravan and Camping Shows*
5. *Continue support of the domestic PCTR program (see separate section) via advertising in the Cartoscope Coastal Explorer or PCTR publication.*
6. *Support suitable Fly Drive campaigns into interstate destinations
Participate in appropriately branded and timed co-op opportunities or in the absence of this, develop stand alone campaigns that leverage off TNSW activity.*

International

International tourism to Port Stephens is still relatively small when compared to domestic business. In terms of maturity and variety of product, accessibility to/from Sydney and the location on the Pacific Highway, Port Stephens is well placed to continue growing the inbound market. Importantly, inbound tourism offers greater scope to meet the marketing objectives in relation to seasonality and mid week occupancies, a benefit clearly seen recently with the downturn in domestic tourism around Australia generally.

Additionally, given the opportunities in, and maturity of, markets such as Singapore, Malaysia, Hong Kong, India and New Zealand, the growth in FIT for families and couples is an ideal fit with the type and quantity of accommodation available in Port Stephens and the type and dispersion of available activities / attractions. Similarly, incentive business opportunities in India and Taiwan involve accommodation and a wide variety of attractions during off peak and mid week times.

2008 saw the introduction of the International Travel Planner and the Corporate web site. Whilst at the time of writing, much more work needs to be done to complete the site and the planner, these tools will form the basis of collateral and provide a more effective way of funding co-op involvement with members. (see section on web)

Dependence on the Asian markets should be reduced and greater efforts be directed to Western Hemisphere markets so as to diversify our business as much as possible. In practical terms this has already started with greater member activity in going to market directly. Whilst we are not yet at the stage of being able to "pass the baton" and change our focus to the European and American markets we are well place to begin the process with this plan.

Accordingly, the efforts in the Western Hemisphere markets will continue to focus on building and expanding the New Zealand market, and working with the industry, (TNSW and TA) in finding innovative ways to establish and grow the Port Stephens brand in Europe and USA. A greater effort in developing co-op opportunities with partners such as Pacific Coast Touring Route (PCTR) or North Coast Tourism should also be investigated as a way to more effectively 'ease' into the western hemisphere markets.

Discussion on specific international markets has intentionally been omitted from this plan as all available opportunities and initiatives will be planned and packaged as part of the "International Package"

Recommendations

- 1. Develop an "International Package" for members and use developed collateral to attend relevant trade events.*

2. Continue sales calls to major ITO's where possible
3. Renew ATEC membership and aim to become more active in the meeting and networking functions
4. Distribute FIT info in Sydney
5. Attract Media via famils and proactively distributing images
6. Allow for appropriate international opportunities as they arise. Activities such as sales missions, trade and/or consumer shows.

RESIDENTS

Tourism is arguably the largest and most diverse industry in Port Stephens. It provides jobs and growth but also has its share of perceived and real negative impacts. Besides observable negative impacts of increased visitors, residents also enjoy the many positive benefits that the industry brings however these are not always evident to the average person.

It should also be appreciated that residents are an integral part of the visitors' experience in that, via their rates, contribute to PSTL marketing activities and via their interaction with visitors impact on peoples experience whilst in Port Stephens. The internal marketing strategy should therefore be continued.

Recommendations

1. PSTL members should be made aware of the importance of residents in the tourists' experience and they should be encouraged to promote the local tourism industry to residents wherever possible.
2. The continuation of media releases to the Examiner and the Newcastle Herald and other media as part of the PR program.
3. Members and especially PSTL Directors should make the effort to present a session on the local radio station, Port Stephens FM.
4. PSTL Directors should take every opportunity to communicate the benefits of tourism at any functions they attend.
5. Distribution of the Visitors Guide to all households in Port Stephens
6. Implement an industry scholarship scheme as per Board resolution

MEMBERS

Whilst not identified as a segment from a marketing point of view, members' needs and the running of the organisation must still be addressed.

Membership categories, benefits, communication, costs and service level agreements remain the domain of the PSTL strategic Plan and its outcomes however it is still prudent to address members in terms of this plan.

The monthly meetings continue to be the envy of the industry around the state, both in the nature of the meetings and in their attendance. We should not however rest on our laurels as an even greater participation rate is achievable. In line with last years' strategy of strongly encouraging adoption of new technologies, newsletters are emailed to those with the appropriate facilities and still mailed to those without.

The key focus should be on delivering a better service through the corporate web site and possibly through additional resources as discussed in Business Development

Recommendations

1. *The highly successful monthly meetings continue and members are strongly encouraged to attend wherever possible. Directors are to play a much greater role at the meetings.*
2. *Directors will contact and welcome all new members and encourage them to attend monthly meetings.*
3. *PSTL strategic Plan actions on membership be evaluated and implemented.*
4. *Encourage and assist members to adopt new computer technologies where possible.*
5. *Greater use of our web site as a communication tool.*

MICE

The conference market is a mid week, low season, high yield market and so is an important component in our total tourism business. Conference venues in Port Stephens remain limited compared to city destinations however this is changing and there are ample facilities for smaller conferences and meetings and we have an opportunity to capitalise on conferences being held in Sydney or nearby regions by offering holidays for spouses or pre / post tourism by delegates.

- Substantial effort has been put into the conference market by the Conference Group and Port Stephens Tourism has generously supported attendance at "AIME" in 2009 and Sydney on Sale in the past.

The development of the 'MICE' group has provided a renewed focus on this market and they will be instrumental in developing suitable initiatives.

Accordingly, detail on the activities is omitted as it is dependant on their recommendations and subsequent approval.

Recommendations

- 1. That a budget be allocated for MICE promotion pending development of suitable tactical activities by the Marketing Committee / MICE group.*

Retirees

Retirees are an important market that has in the past been notoriously difficult to attract other than via consumer shows. Given the ageing population and the trend for retiring baby boomers to spend their hard earned dollars on travel and leisure activities, it is paramount that we identify and develop more appropriate strategies to successfully attract these people. Continued involvement with the BCA and attendance at consumer shows will undoubtedly continue to be a mainstay of our activities however more work needs to be done in developing successful strategies. Suitability of the myriad of publications, web sites and other media channels needs to be evaluated with the aim of developing a small but effective campaign

Recommendations

- 1. Develop strategies to target retirees including consideration of collateral development, advertising in appropriate media, web site enhancement.*

Backpackers / Adventure

Numbers of international backpackers to Australia appear to be rising and they have the highest total holiday expenditure of all international visitors to Australia.

Backpacker accommodation in Port Stephens is increasing (Melaleuca, Samurai, Salamander Shores) however it must be taken into account that the number of available beds is extremely small in the overall local accommodation sector. It is relevant to point out that backpackers also use mainstream accommodation such as holiday parks (camp sites and cabins) and when travelling independently with a few friends (eg self drive) hotels, motels and serviced apartments are also used however this is secondary to mainstream accommodation.

Backpackers tend to be high users of attractions and activities, especially adventure related activities.

Given the limited accommodation availability and the similarities between backpacker wants / needs and those seeking adventure (domestic and

international), the backpacker segment has been broadened to include 'adventure'. It is anticipated that this will lead to more innovative tactics and synergies for attraction / activity related businesses.

Interested members have formed a group to collectively devise joint marketing strategies to attract backpackers and 'adventurers'. At the time of writing, their submission on suggested strategies has not been received however allowance is made in the budget for those activities that are subsequently approved by the Marketing Committee and the Board.

In addition to the above, the DL guide will be continue to be distributed to backpackers hostels in Sydney and our Sydney based sales agent will continue to call in to those places to reinforce the Port Stephens message to front counter and operational staff as well as replenishing guides.

Recommendations

1. *Monitoring and updating information contained in travel guides such as 'Lonely Planet' and 'Frommers' Guides'.*
2. *Source journalist famils from above magazines.*
3. *Have the Sydney sales agent include backpacker hostels*
4. *Based on sufficient support, continue distribution of DL guide or suitable replacement to Sydney backpacker establishments.*
5. *Review Backpacker / adventure group submission and incorporate approved activities into the Marketing Plan*

Niche Markets

The overall role of Port Stephens Tourism is to promote Port Stephens as a desirable tourism destination. Given the diverse nature of local tourism operators and of the market, it is impossible to effectively cater for all markets and as such, target groups are generally broad. Increasing competition from other tourism destinations and for the consumer dollar has meant that more sophisticated techniques and methods need to be employed to maintain or increase market share. This necessitates better market segmentation and a more focused approached for those segments. This stance is somewhat constrained by the available research and resources and therefore must be limited to what is achievable in an operational sense. Much expertise and knowledge is in the hands of individual operators and PSTL can capitalise on this by providing co-op funding for initiatives that seek to attract viable niche market business.

Recommendations

- 1. Encourage members to develop and submit initiatives to attract viable niche markets and support these activities on a co-op basis in whatever media / medium is appropriate and in line with approved budget items. It is envisaged that Demand Building funds will cover this initiative*

Day Trippers / Untied Sydney

As Australia matures as a destination for independent travelers we are seeing a growth in the FIT market. As with backpackers, this market is notoriously difficult to influence at country of origin or point of departure other than the co-operative consumer campaigns undertaken with TNSW and the Tourism Australia. Many of these travelers can be targeted at major gateways such as Sydney as they are seeking destinations.

Operators such as ATS, APT, AAT, Adventures in Paradise distribute brochures at key locations and key Visitor Information Centres at The Rocks and Darling Harbour also distribute Port Stephens and operator brochures. In terms of regional destinations, the racks are however dominated by information on the Blue Mountains and staff at the various organisations also appear to be more attuned to the Blue Mountains.

Recommendations

- 1. Subject to sufficient advertising support, continue distribution of the current stocks of the DL guide (or suitable replacement) at sites such as major hotels, The Rocks / Darling Harbour Visitors Centres, Backpacker Hostels, and key travel points (Central Railway station, Airport Terminals):*
- 2. Maintain the services of our Sydney agent to regularly visit sites, restock brochures, visit / educate hotel concierges and to provide feedback*

Events / Festivals

This segment has been the subject of contention in many past marketing plans. Port Stephens now has Events Port Stephens whose role is to identify, encourage and support key events for the area. The group will have the necessary resources and expertise to guide events which are a very important segment to the local tourism economy. It is therefore a role which Port Stephens Tourism does not have to devote resources to however, PSTL does have a role in assisting with the promotion of all local events.

In line with a 2007 Board resolution, PSTL will aim to host a definitive events and festivals calendar on the website. This is not restricted to members and is open to anyone running an event. Using this calendar as a database, promotion of



events will be included in all appropriate campaigns in the form of ad inclusion, press release distribution and feeding other external calendars.

Recommendations

- 1. Support inclusion of all events onto the web site and wherever possible promote events in relevant campaigns.*

Specific Media, Distribution and Promotional Strategies

This section recommends additional and generic marketing activities that should be undertaken to achieve the overall objectives in the stated target markets. It is essentially a rehash and expansion on the discussion and recommendations for each target market but presented in an operational way that is easy for members to understand and use.

Some activities are ongoing throughout the year and are not large budget items. They are included to give the Board a complete picture of the effort required to successfully market a destination.

The budget (**ATTACHMENT 1**) gives an overall guide to planned activities. A detailed media plan will be developed to ensure a consistent and timely stream of Port Stephens messages are sent to the public.

The Web

This section is strategically, probably the most important section of this and future marketing plans. The trend of increasing internet usage continues unabated. Tourism and travel are still the strong growth area on the internet and according to the Australian Bureau of Statistics, travel products such as hotel bookings and airline flights are the most commonly purchased items by Australian internet shoppers.

As was discussed at some length in previous marketing plans, distress and other booking sites continue to see consolidation and continue to gain momentum which presents some real challenges to destination marketing organisations such as PSTL.

The emergence of the Web 2.0 is a phenomenon that has been widely debated however up until recent times, the industry struggled to capture real strategic benefits to tourism marketing. Port Stephens Tourism is embarking on a trial Social Networking Campaign in 2009 and we envisage that this will form the platform of a much greater Web 2.0 presence. In addition, work has commenced in refining existing databases and building new and more comprehensive consumer databases that allow us to more effectively tap into target markets.

The Port Stephens web site (www.portstephens.org.au) continues to deliver real results and continues to top the search lists on Google without the need for adword type campaigns. Improvements continue to be made to the look and feel of the site with minor functionality upgrades by Book Easy from time to time as well as a few changes requested by the VIC staff.

Besides changes in the way consumers use the web, industry needs are also changing rapidly and it is for this reason that work started on the corporate site (www.portstephenstourism.com.au) in 2008. This site will cater to the needs of members, potential members and players in the distribution chain.

The other significant change is the use of hand held devices for web access, e.g. iphones. Port Stephens Tourism was the first tourism body to incorporate QR codes in print ads to facilitate hand held devices however significant work needs to be done to adapt either the .org or a part of it or indeed a parallel site to mobile devices.

The complete web strategy must be addressed as a stand alone project to fully address our needs, strategy and implementation of the various sites and their functionality. This will include (but not be limited to):

1. Continue improvement of the current .org site: Some suggestions for changes and upgrades to the web site include:
 - a. Incorporating more user generated content
 - b. Greater use of video
 - c. Tie in trails e.g. food and wine / scenic/ nature
 - d. Improve search tools that extend beyond booking engine content
2. Continued use of other portals and e-newsletters to drive traffic into the site. Ads, EDM's and editorial on sites such the various Fairfax and ACP productions continue to play an increasingly significant part of our promotional mix.
3. Greater use of EDM to our own database by incorporating opt in email facilities on the .org site. The previous paper based 'Value Packages' campaign is to be implemented via the web.
4. Support from traditional media. As has been the case in the past, all advertising should carry the web address and, where appropriate, highlight specific sections of the site such as "Hot Deals". In addition, the QR code will be embedded into ads to take advantage of the scan capabilities on mobile devices. The declining direct response to traditional media has been covered elsewhere in this plan however it is important to reiterate that the importance of web address advertising is still critical to driving traffic to the site. The web is simply replacing the 1800 number as the response mechanism, slowly but surely.

WEB UPDATE

The Marketing Committee formed a sub group to look closer at how new technologies and opportunities can best be incorporated into the Port Stephens marketing activities. The following is the finding from the group along with their recommendations.

As in last year's Marketing Plan, this section is strategically, probably the most important of this and future marketing plans.

The Internet is now the most consumed media in Australia. According to the 2009 Nielsen Annual Internet & Technology Report the average Australian spends 16.1 hours per week online.

97% of people begin their online search for a product or service using a search engine. (source: Tourism NSW)

Google accounts for 90.45% of all searches in Australia (Hitwise Online Research.)

First place in organic search receives around 42% click-through rate. This is compared to around 11% click-through for 2nd place and 3% for 10th place. (Hitwise Online Research.)

The Port Stephens web site (www.portstephens.org.au), which received a facelift in the past year, continues to deliver real results and continues to top the search lists on Google without the need for Adword type campaigns. Additionally the launch of the corporate web site (www.portstpehsntourism.com.au) caters for members, potential members and players in the distribution chain.

However the emergence of Web 2.0 presents many new opportunities and a benefit for tourism marketing. Since our previous marketing plan, the range of social networking sites and applications has grown. The changing face of marketing in the new media world obliges us to more directly engage with our potential customers.

Networking sites such as Facebook and MySpace, mini-blog sites such as Twitter, a video and photograph sharing channel on You Tube, and Blogging sites (either embedded in our own site, or external) all offer marketing opportunities that should not be overlooked.

At Facebook, you have the advantages of its multimedia options, in that, you can utilise text, photographs and video. This becomes an effective medium for text and graphical promotional activities.

YouTube is a video sharing website on which users can upload, share and view videos. Unregistered users can watch the videos, while registered users are permitted to upload an unlimited number of videos.

At Twitter, the micro blogging network, we can quickly get messages out via the web, PDA or mobile phone, as well as keep up to date with up-to-the-minute news and information.

Combining these new media networks, we could develop a synergy that built on the strengths of each network individually. Collectively, these social media networks provide powerful, comprehensive and dynamic Public Relations and Marketing tools.

We understand that there is both a time and cost factor involved in moving into these "new" areas of marketing. However the complete web strategy must be addressed as a stand alone project to fully address our needs as stated above.

Recommendations:

1. *The web site be continually updated with funds sourced from members participation.*
2. *Alternative sources of funding be investigated to increase our online marketing presence. ie: banner advertising, hot deals etc.*
3. *Investigate and implement affiliate possibilities with other web sites, not only with our own partners, but also activity based websites such as Fishing, Golfing, Sailing etc.*
4. *Suitable online and social marketing strategies be identified, analysed and implemented to complement existing offline activities.*
5. *The functionality be expanded to include tools and mechanisms for implementation of the above.*
6. *Implement the full use of existing functions such as Holiday E -Club and subscribers lists to be maximised.*

Image Library

Quality images are vitally important as is the ability to quickly and effectively disseminate them. The use of the digital camera has been of great benefit, especially where there has been a need to supply and deliver specific images in a hurry. Many images are now available on CD and on the web site but generally in a lower resolution format.

The current image library is now fully sorted and tagged. The next phase will be to implement a web based image distribution system as part of the corporate Port Stephens Tourism site. Negotiations with TNSW to use / sub lease their software have failed to deliver results however we envisage that there are plenty of other prepackaged, off the shelf software solutions available.

Allowance for These images should be taken by a professional photographer in consultation with our graphic artists.

Greater use will be made of video images. Additional digital footage needs to be sourced and a master "compile" needs to be developed and be made easily available where needed.

Recommendations

1. *The photo library be updated on a continual basis using professional photographers. Costs will be funded by advertising in the Visitors Guide or as part of applicable campaigns.*
2. *CD's of images will produced on an as required basis and all images will be available via the web site.*
3. *The web site be expanded to host a digital photo library similar to that of the TNSW site*
4. *A master video 'compile' file to be developed.*

Public Relations/Publicity

With the rising involvement in new media and social media networking and as an essential component of any marketing campaign, it is imperative that Port Stephens Tourism budget for and utilise the services of either an in-house employed or external freelance PR consultant.

In the changing marketing world there is now a greater need than ever for a PR consultant to develop and distribute suitable media releases and collateral and especially to seek media opportunities. The role of PR consultant would also include the maintenance of our Twitter, Facebook, and other networking sites so as to actively directly engage with potential customers, members, and agents.

A further role envisaged under our Public relations function would be the development of an Electronic Direct Mail program. To effectively develop an EDM strategy we need to build an opt-in database of visitors, both past and potential.

A role in crisis management PR is also envisaged. This is particularly important in reversing negative news arising from such occurrences as bushfires, shark attacks, or increased violence or public misbehaviour etc.

Our PR strategy should be built around each market segment, eg Conference & Incentive, Leisure Families, Leisure Couples, Leisure Backpackers etc. Goals and target, key message, features and benefits, and budget need to be considerations in developing individual market segment PR strategies.

We should also continue to encourage members to produce and lodge their own press releases and media information kits which will be distributed where and when possible. Staff will also continue to produce media releases and source journalists in line with the family strategy.

Recommendations:

1. *Investigate the appointment of a full time or external freelance PR consultant so that we can implement a strong online presence which focuses on developing a vibrant and effective online community for Port Stephens through social networking tools such as Facebook, MySpace, Twitter etc.*
2. *Investigate the opportunity for the development of a Port Stephens Blog.*
3. *Efforts continue to source suitable journalists for familiarisation programs and to write editorial for advertising features.*
4. *Members be encouraged to produce PR materials and have them on file at the VIC*

Consumer Shows

Consumer shows have in the past been a very successful way of promoting Port Stephens and members' businesses. Collectively they provide a major and effective distribution channel for the Visitor Guides and are a valuable source of feedback and consumer sentiment. The net cost to distribute a visitor guide via the shows is still significantly cheaper than the average mail out cost and the benefits are greater.

The cost in terms of staff resources is quite high however and so active member involvement is paramount if we are to reap the maximum possible benefit from these shows.

The use of Level 1 and Level 2 involvement has served us well over many years and in 2008 this model was extended to incorporate multi show discounts and a requirement for earlier commitment to allow us to confirm our bookings on time. It is recommended that this system be continued.

Given the importance of the shows and the onerous resource requirement to attend them funds have been set aside to support members who attend shows in their own right where there is no presence by PSL. Financial support is discretionary up to \$500 per show however support in terms of the provision of Visitors Guides, posters and display material is available to any member at any show. It is anticipated that expressions of interest for consumer show support will be called for early in the financial year so that all applications can be evaluated together and to avoid duplication at any one show.

Recommendations

1. *PSTL attend the following consumer shows, subject to appropriate member support.*
 - a) *Caravan and Camping in Sydney, Melbourne, Brisbane and Adelaide*
 - b) *Recreational Vehicle Expo at Penrith*
 - c) *Canberra Leisure Pleasure Show or Canberra Getaway expo*
2. *Posters and display material be continuously updated to maintain a professional presentation. Any savings from reduced costs at consumer shows to be reallocated to co-op participation at other shows, either as a co-operative effort with North Coast partners or as financial support to members stands as in 5) below.*
3. *Members wishing to attend other regional consumer shows can apply to PSTL to have a proportion of site fees reimbursed by PSTL on the proviso that the Visitors Guide is distributed and Port Stephens is clearly promoted at the respective show. Display material / posters will also be made available to members who attend regional shows eg. Tocal, Newcastle 4WD expo. In effect, PSTL will become the co-op member.*

Port Stephens Visitors Guide

The Visitors guide is still the major motivational/informational source for visitors to Port Stephens. Distribution of the hard copy version remains high however, with increasing competition from other tourism publications combined with a trend towards more 'web-centric' activity and spend by members, it is becoming increasingly difficult to maintain or grow the publication.

The Marketing Committee evaluated the role and need for the various publications produced by PSTL during 2008 and reaffirmed that the A4 size guide will continue to be published. An electronic version will also be included on the .org web site.

Given the declining propensity of members to pick up copies from the VIC and put them on display, quotations have been sought for a brochure distribution service to keep stocks topped up after an initial bulk delivery. The budget for the 2010 guide will need to cover this cost in line with the policy of recouping publication and distribution costs.

2008 saw the selling of the guide going out to tender and it is recommended that the same applies once again. The adkit software was once again used and we saw an overall reduction in problems with members understanding the system. It is recommended that ad kit be used again for the 2010 guide

however tighter guidelines be implemented to prevent bypassing online lodgement.

Recommendations

1. *Tenders be called for the selling and/or project management of the 2011 Visitors Guide*
2. *In addition to covering production, selling and art / photographic costs, the book is to cover distribution costs.*
3. *As per the previous Board resolution - advertising opportunities be restricted to financial members of PSTL only.*

DL Guide

The DL guide continues to be a successful tool for attracting untied travelers, predominantly in Sydney. A4 guides often cannot be displayed in brochure racks in hotel, motels, backpackers etc. The most recent guide saw a reduction in advertising support, a trend which could threaten future editions. There appears to be some confusion between this publication and the A4 guide and a lack of understanding as to the aim and distribution to the book. From the international perspective, the guide continues to serve a purpose with its distribution to TNSW offices, wholesaler and retail offices as a reference / training tool and at selected consumer events such as NATAS. Other than the consumer distribution, it is possible and indeed preferable to substitute the International Travel planner e-book.

Whilst the recommendation of this plan is to produce another issue and continue distribution, insufficient advertising support will mean that the strategy of the DL guide and support from the Sydney agent may need to be reviewed.

Recommendations

1. *Subject to sufficient member participation and dependent on the outcome of the review into collateral, the DL be renewed on the basis that the production costs are to be borne by advertisers*
2. *Current distribution channels be maintained and new methods be investigated:*

Familiarisations

Given the promotional budget limitations under which PSTL has to operate, industry familiarisations have continued to play a key promotional role for Port Stephens over recent years. In terms of results for dollars outlayed, famils

provide the greatest return of all marketing activities. The growth has also imposed great costs to PSTL and in particular its members in terms of dollars and time. The program is still running extremely well however, as was raised in previous plans, staff resources have become overly stretched. Either member hosts must become more active in running the famils or we become more selective in which famils we participate in or a combination of both strategies is employed.

Despite various pressures over the year to change the administrative, reporting and participant selection procedures, the philosophy of matching the product to the needs of the famil participants must remain a central philosophy to the strategy. With the advent of the International Travel Planner, participating members should be preferred famil hosts (or at least have first right of refusal) however selection of members for domestic industry and media famils should continue on the same basis as is currently the case. The close working relationship that has developed in the past with TNSW, local tourism offices, Tourism Australia and industry people will also continue to be nurtured.

Much criticism has been directed at famil procedures by a few members and on a recurring basis, in the past. It is critically important that the Board fully understand the current process, if necessary adopt new procedures but in any case, fully and openly support the process and integrity of famil participant selection and immediately quash both publicly and privately negative criticisms or allegations. This will require Board agreement and enforcement.

Recommendations

1. *Adopt a preferred partner system for international famil based on International Travel; Planner participation..*
2. *Wherever appropriate and possible, members be encouraged to play a greater role in accompanying famil guests.*

Newspaper Advertising

Sydney and to a lesser extent, regional NSW, should be the main focus of newspaper advertising campaign. It is acknowledged that response rates are falling dramatically when measured in terms of phone calls however, all evidence supports the notion that traditional media is still effective, albeit in a different way by driving consumer inquiry to the web site as well as building brand awareness.

The regular Port Stephens features in the Sunday Telegraph have generally been successful in the past however increased costs in light of the John O'Neil report warrant closer examination of this type of promotion. Allowance has been made in the budget for 3 stand alone advertorial promotions however the exact nature and extent of these features will need to be negotiated.

Ongoing use of ad hoc distress space to maintain brand awareness and to highlight coming events and festivals should be continued where appropriate.

There will also be significant use of newspapers as part of the promotional mix in co-ordinated campaigns

Ad templates with the ability to include co-op partners have been produced and should be continued.

Recommendations

1. *Three major features and/or advertising campaigns be planned for either the Sunday Telegraph, Sun Herald and/or the Sydney Morning Herald.*
2. *Funds be set aside for distress space in major newspapers with the aim of enhancing Port Stephens brand awareness.*
3. *Regional NSW papers to supplement other activities*

Magazines

Magazines are the ideal way of targeting specific groups but changes in consumer habits with regards to magazines need to be closely monitored. Over the years, advertising in specific magazines has proven to be very successful, particularly with the motoring organisations' publications.

Magazines also remain an effective way to target particular groups such as Caravanners, sporting groups(golf, bowling, scuba divers) and member associations (Probus). As with newspaper advertising, PSTL presence will take the form of straight advertising or, wherever possible, feature development.

As with newsprint, magazines will be included in the promotional mix of co-ordinated campaigns however it is prudent to allow for one off features and branding opportunities as well.

Participation in the Open Road classified section needs to be re-evaluated and so some flexibility is recommended to reapply this budget to a more effective medium (e.g. NRMA web site) as determined.

Recommendation

1. *CCIA Magazine: full page*
2. *Open Road 8x2 ad in each issue or other medium targeting same audience*
3. *RACV magazine 8x1 ad over 12 months or other medium targeting same audience*

4. PCTR or equivalent domestic brochure
5. Other special interest magazines
6. Features with advertising support be sought in special interest magazines, eg Caravanning, Scuba Diver, NSW Fishing Monthly

Ambassador Program

From time to time, members and/or residents of Port Stephens have the opportunity to act as ambassadors for Port Stephens. In the past, various exchange students and other individuals have approached us for promotional material to help their presentations/speeches. We have always provided posters, videos, transparencies and visitors guides and generic business cards where appropriate,

Recommendation

1. The notion of Port Stephens Ambassadors could be expanded to provide business cards and further promotional material as needed. Budget:

Measurement

The Strategic Plan has addressed Measurement Systems and as such it is appropriate the following extract:

Like all businesses, it is imperative that the results from marketing efforts be measured in order to evaluate effectiveness and to ensure that funds are spent in the best possible manner as guided by the marketing objectives.

Whilst the above holds true for Port Stephens Tourism as well as any other businesses, this ideal must be balanced against the cost of obtaining the information, both in terms of dollars and time.

It must also be factored in that Port Stephens Tourism's role is to develop the branding for the area and act as a vehicle for members to leverage their individual activities. As such, whereas the imperative for business is bookings and income, PSTL has a much broader imperative and consequently measurement systems may at times differ.

The advent of web-based marketing has been a bonus in terms if measurement systems in that it is relatively easy to look at traffic sources and consumer behaviour within a web site. Given the increasingly rapid move towards web strategies, these types of statistics will provide an increasingly important measurement tool.



The notion of Return on Investment (ROI) as a measurement tool is worthy of mention given the level of contemporary debate in marketing forums. Whilst its use is undoubtedly valuable in some circumstances, critics argue that it is somewhat simplistic in nature and at times masks genuine results, particularly in relation to brand building exercises or strategic campaigns. There is also debate amongst marketers and accountants as to what constitutes an acceptable ROI. In short, without significant investment and sophisticated research methods, ROI is more suited to tactical campaigns and is of limited value for strategic initiatives. It nevertheless has a place in destination marketing, particularly in benchmarking and tracking tactical programs and evaluating specific tactical media.

Given the co-op nature of organisations such as PSTL, it is necessary to address the obligations of co-op partners in relation to measurement systems. At a state and national level, requirements are now being imposed on us to also supply quantitative feedback. Again acknowledging the importance of the exercise, this has proven to be frustrating at best, despite repeated requests. As such, any agreed measurement plan or mechanism needs to have associated controls and strategies in place to ensure timely, effective and accurate supply of data. Failure to achieve this will result in wasted administration resources and possibly, in the extreme, unreliable or non-existent data. Through the development of effective research strategies, these challenges can be met.

The Bureau of Tourism Research (BTR) statistical package has been purchased in conjunction with the other LTA's in the Mid North Coast and by the time of implementation of this plan, there will be a set of consistent agreed reports that we will all use. In addition, we envisage that there will be some additional Port Stephens specific reports as well. The limitations of the National and International Visitor Surveys however limit the usefulness of the data and so this is not a total solution.

Work continues on a stand alone web based data collection system that will better serve the measurement needs of Port Stephens as a whole. When fully implemented it may even provide a source of income and better benchmarking if other regions throughout Australia agree to adopt it. For this year however the focus will need to be on not only developing the functionality but also enticing and assisting members to support the system to make it work. This will require resources in the initial phase however, once up and running, it is envisaged that only minimal admin and maintenance will be required.

Research

Data collection as described above is useful for measuring overall results and quantifying the extent of activity within the local tourism industry but does not provide an insight into our customers which is essential for effective marketing.

Customer / market research is both difficult and expensive however, given the total marketing expenditure and the potential benefits of more focused messages, it is prudent to allocate a research budget. Agencies such as the Hunter Valley Research Foundation (HVRF) and the Universities (especially by the way of students) are capable of implementing reliable and useful research projects as directed by PSTL.

In line with the strategic Marketing Plan, results of all activities will be presented on a quarterly basis to the Board and to the Marketing Committee to assist in evaluating activities and adjusting programs where necessary/

Recommendations

1. *Engage a reputable company (e.g HVRF/Uni Newcastle) to undertake further consumer research.*
2. *Maintain the subscription to the BTR statistics package*
3. *Investigate and if suitable, participate in the North Coast statistical collection project.*
4. *Develop and implement a standardised feedback form for all member co-op activity*
5. *Finalise the implementation of the HIMS or other suitable statistics collection system*
6. *Require a short "outcomes" report from any member receiving funding.*
7. *Develop a standard and consistent quarterly reporting mechanism for the Board and Marketing Committee*

Miscellaneous

From time to time unplanned promotional opportunities arise that can benefit Port Stephens as a whole as well as other individual members. In many cases it is prudent to participate and funding should be provided where appropriate. Activities must promote Port Stephens in a prominent manner, and generally should offer the opportunity for other members to participate however at times this may not be possible. Major proposals should be endorsed by the Board whilst staff retain the ability to spend up to \$1000 per project on a discretionary basis.

Glossary

ABS	Australian Bureau of Statistics
ATE	Australian Tourism Exchange
ATEC	Australian Tourism Export Council
BCA	Bus and Coach Association
BCG	Boston Consulting Group
BTR	Bureau of Tourism Research
CTA	Council of Tourism Associations
DINKS	Double income no kids
FIT	Free Independent Travelers
HRTO	Hunter Regional Tourism Organisation
HVRF	Hunter Valley Research Foundation
IMP	International Media Program
ITO	Inbound Tour Operator
LGA	Local Government
LTA	Local Tourism Association
MICE	Meetings, Incentives, Conventions and Events
MNCRTO	Mid North Coast Regional Tourism Office
NSWCB	NSW Convention Bureau
Open Jaw	A flight booking where the customer flies into one airport but returns from another
PCTR	Pacific Coast Touring Route
PR	Public Relations
PSC	Port Stephens Council
PSTL	Port Stephens Tourism Limited
RCRG	Regional Conference Reference Group
RTO	Regional Tourism Office
SLA	Service Level Agreement
T.A.	Tourism Australia
TNSW	Tourism NSW
VIC	Visitor Information Centre
VJP	Visiting Journalists Program

Draft Budget 2010/11

STRATEGY	Line item	NOTES	10/11 Draft Budget		PSC	Demand Building
			COST	PSTL		
Recreational Vehicle Expo:						
Penrith			3100	800	1500	800
Canberra Leisure Pleasure			2500	750	1000	750
Melbourne Caravan and						
Camping			3800	1000	1800	1000
Brisbane C&C			3500	500	2000	1000
Consumer Shows: co-op with						
North Coast			750	375		375
Sydney Retirement and Lifestyle						
Expo			2200	600	1000	600
Albury / Wagga			1700	500	700	500
Sydney Holiday Expo						
Melb Holiday Expo						
Sydney Caravan and Camping			5000	500	3000	1500
Consumer Shows: member support		Allows for 3 shows at \$500 per show	1500	750		750
			24050	5775	11000	7275
International Program (ITP)	ITP package		42000	10000	22000	10000
Inbound Seminars / Educational			1000	250	500	250
			43000	10250	22500	10250
Short Break Campaigns	inc Syd, drive and flight		150000	50000	50000	50000
Demand Building Campaigns	Demand Building Campaigns		150000	37500	75000	37500
MNCRTO Pacific Coast	Co-op with regional activities		60000	20000	20000	20000
			360000	107500	145000	107500
Newsprint distress: Syd/regional NSW / interstate	in addition to campaign initiatives		14000	6000		8000
Regional / NSW/ interstate			3500	1000	1000	1500
			17500	7000	1000	9500
Features Distress space	Sporting / caravanning etc 8 cm x 2 col in Port Stephens		15500	4000	7500	4000
Open Road display ads	sect: 6 issues		18000	6000		12000
RACV: display ad 12 months	8cm x 1 col: : 12 issues		13620	4620		9000
CCIA Magazine	1pg F/C		4200	1200		3000
YHA Guide			2800	800		2000

Coastal Explorer / PCTR domestic publication		2800	1000		1800
		56920	17620	7500	31800
Promotional items	gifts, etc	2000	1000		1000
Video	various sources	2000	1000		1000
Design Services	Ads, copy etc	8000	4000		4000
Visitors Guide	Production of 09/10 guide plus selling expenses	200000		200000	
Show posters		1500	750		750
Public Relations Program		20000	10000		10000
		53500	16750	20000	16750
Industry Scholarship Scheme		2000	1000		1000
1 800 calls	Response calls	7000	2000		5000
DL production and distribution	Informed Tourist, Airport Media and Travel Maps Aust	31000	5500	20000	5500
Sydney agent		10000	5000		5000
Distribution of WWW / freight	Outside Port Stephens	4000		4000	0
Postage		3000	1500		1500
		57000	15000	24000	18000
Board & Committee Expenses		1000	1000		
Affiliations	BCA, ATEC, Econetwork, TIC, MNC	9000	4500		4500
Faxes / email		1000	500		500
Photocopying / printing		1000	500		500
Liability Insurances	Public liab, direct, product	3500	3500		
Mobile Phone	Tars and Sales	1500	750		750
Staff Resources	Admin funct, support funct	15000	15000		
Stationery		2000	1000		1000
Audit / Accounting fees		11000	11000		
Sundry expenses		2000	1000		1000
		47000	38750	0	8250
Familiarisation expenses	misc famil items	1000	500		500
Vehicle Expenses		14000	7000		7000
Amabssador program		500	375		125
Sundry Promotion	Important for unplanned opportunities	6000	2500	1000	2500
		21500	10375	1000	10125
Niche market support	Supporting members activities	20000	5000	10000	5000
Members individual promo activities		1000	1000		0
Web site update / development	Refreshes / additions	4000	2000		2000
MICE / Conference support		6000	2500	1000	2500

Roadside Sign		16200	8100	8100
		47200	18600	11000
Research	eg omnibus, uni project	2000	1000	1000
Research papers, BTR package		1000	500	500
HIMS (or similar) costs	update, maintenance	2000	1000	1000
		5000	2500	0
	TOTALS	\$1,062,670	\$250,120.00	423,000.00
			\$	\$239,550.00
				\$150,000