OVERVIEW
This background paper has been prepared as the basis for initial consultation undertaken by Tourism Victoria (TV) and the Alpine Resorts Coordinating Council (ARCC), ahead of the development of the Alpine Resorts Strategic Marketing Plan 2014-2018.

The strategic framework is consistent with, and helps realise, the marketing directions set out in the Victorian Government’s Alpine Resorts Strategic Plan 2012.

Included in the Alpine Resorts Strategic Plan 2012 is the government’s vision for Victoria’s alpine industry, Victoria’s alpine resorts will be vibrant, growing and sustainable places, delivering alpine recreational and tourism experiences that are available to all.

The Alpine Resorts Strategic Marketing Plan 2014 - 2018 will articulate how the key players in the Victorian alpine industry will work together to promote Victoria’s alpine industry.

BACKGROUND
Under the Alpine Resorts (Management) Act 1997 (the Act), there is a legislative requirement for the ARCC to co-ordinate, in conjunction with TV, the overall promotion of the Alpine Resorts (Section 18(b)). The Act also requires the ARMBs to contribute, together with TV and the ARCC, to the overall promotion of Alpine Resorts (Section 38(b)) and requires each ARMB to develop a tourism and marketing strategy for their alpine resort.

The Board for Alpine Resorts Tourism (BART) was established in 1999 to fulfil this legislative requirement. BART operated for a period of 15 years as a board and also established a marketing committee of ARMB and Lift Company marketing managers to develop and deliver its annual marketing program. Until recently, TV was the main delivery agency of marketing campaigns. BART had representation from each ARMB, the ARCC, TV and an independent Chairperson. In the last iteration of BART’s Strategic Plan, the three goals were to:

1. Grow the snow market for the Victorian alpine resorts with key strategies to grow the ‘new skier’ and Australasian market and retain existing domestic and international markets.

2. Raise the awareness and recognition of Victorian Alpine Resorts as desirable year round destination experiences with key strategies to develop and implement tactical co-operative campaigns, including trade activities, and promote the non-winter alpine experience.

3. Maintain a research program that drives our work with key strategies to measure and report the effectiveness of campaigns, disseminate key research findings to the industry and analyse existing research relevant for the Alpine Resorts.

Over the course of 15 years, BART’s activity grew from activities focused on a Ski Victoria brand campaign targeting NSW, SA and QLD – from “Victoria A Whole Lot Moreski” in 1999 to much broader winter (domestic and international) and green season (domestic) program in 2012-13. In 1999, activities were almost exclusively managed by TV and consisted of winter promotions under a state brand Victoria’s Snowfields. A consolidated website, skivic.com was the central point for promotions and provided the consumer with top-level inspirational content for the planning of their holiday.

Over time activities were taken on by a greater range of service delivery partners, in particular Snow Australia (national winter marketing activities under the national brand) and Tourism
North East (green season activities under the 7 Peaks brand). More recently, with a move to investment into Snow Australia activities under this national brand, BART ceased marketing Victoria under the *Victoria’s Snowfields* brand. In recent years, TV’s focus has been on managing the international marketing program, comprehensive public relations, trade marketing activities and until this year the *Grade 5 Ski Free* program.

Table 1 highlights the evolution of BART activities over this 15 year time period.

<table>
<thead>
<tr>
<th>Table 1 - Evolution of the Board of Alpine Resorts Tourism and its activities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1999: Key Activities</strong></td>
</tr>
<tr>
<td>• Primarily activities around a Ski Victoria brand campaign targeting NSW, SA and QLD - “Victoria A Whole Lot Moreski”.</td>
</tr>
<tr>
<td><strong>2003 – 2006: Strategic Plan Key Activities</strong></td>
</tr>
<tr>
<td>• Marketing activities focused on winter but green season now recognised.</td>
</tr>
<tr>
<td>• Ski Victoria brand targeting interstate skiers in NSW, SA and QLD.</td>
</tr>
<tr>
<td>• Green season - Legends, Wine and High Country (became North East Victoria Tourism (NEVTi)) included to liaise/communicate with the region on an integrated approach to Green season marketing.</td>
</tr>
<tr>
<td>• Commenced targeting school-aged markets through Schools SnowSports Development Foundation.</td>
</tr>
<tr>
<td><strong>2006 – 2009: Strategic Plan Key Activities</strong></td>
</tr>
<tr>
<td>• Direct involvement in green season marketing, environmental school program and international marketing activities planned.</td>
</tr>
<tr>
<td>• Core campaign, “Victoria’s Snowfields Never Come Down”.</td>
</tr>
<tr>
<td>• Alpine Junior Rangers Program for curriculum for teachers.</td>
</tr>
<tr>
<td>• 2006 Snow Segmentation Study.</td>
</tr>
<tr>
<td>• Commenced green season marketing with NEVTi.</td>
</tr>
<tr>
<td>• Development of international marketing plan.</td>
</tr>
<tr>
<td><strong>2009, 2010 &amp; 2011: Strategic Plan Rolled Over</strong></td>
</tr>
<tr>
<td>Changes and additions to key activities:</td>
</tr>
<tr>
<td>• International marketing activities targeting Eastern Hemisphere markets.</td>
</tr>
<tr>
<td>• Victorian Grade 5 Ski Free program with Alpine Junior Rangers curriculum dropped.</td>
</tr>
<tr>
<td>• More direct involvement and funding provided to NEVTi for green season marketing.</td>
</tr>
<tr>
<td>• Product development for key green season, including two feasibility studies for commercial MTB and Icon walking products.</td>
</tr>
<tr>
<td>• Small resorts campaign targeting Melbourne.</td>
</tr>
<tr>
<td>• Work to establish Snow Australia.</td>
</tr>
<tr>
<td>• No research activities commissioned.</td>
</tr>
</tbody>
</table>
2012: Cease state-wide brand advertising

- BART ceased advertising the Victoria's Snowfields brand for domestic marketing activities, focusing instead on co-operative activities under the Snow Australia brand.

Since 1999, funding levels for BART by the ARMBs and TV have decreased. The direct contribution by the ARMBs has reduced in recent years from $500,000 in 1999–2000 to $350,000 in 2012–2013, however, over half of the reduction has been redirected to Tourism North East for the coverage of membership fees by Mt Hotham, Mt Buller & Mt Stirling and Falls Creek ARMBs ($30,000 each). TV's contribution has dropped slightly since 1999 from $265,000 to $250,000 per annum.

The key successes of the BART program can be considered to be:

- Promotion of the Victoria's snowfields brand in international markets as a viable add on to Melbourne holidays.
- The on-going community support for the Grade 5 Ski Free program.
- The unified support from Victoria's alpine resorts for a national snow marketing brand, Snow Australia.
- The cooperative marketing campaign 7 Peaks during the green season.

Key challenges/non-successes of the BART program can be considered to be:

- Tracking effectiveness of campaign performance has been hindered due to a lack of information sharing;
- Lack of research to inform and co-ordinate marketing activities with last major study completed in 2006;
- Significant degree of fragmentation and duplication of activities at resort, regional, state and national marketing levels; and
- Lack of engagement and communication with the broader industry.

CURRENT STATE-WIDE DIRECTION

In 2012, the ARCC undertook a review of the Victorian Government's Alpine Resorts 2020 Strategy. The Act requires the preparation of an Alpine Resorts Strategic Plan and its review by the ARCC every five years. This new Alpine Resorts Strategic Plan 2012 (‘2012 Plan’) was endorsed in December 2012 by the Victorian Government, following consideration of the outcomes of an extensive consultation process run by the ARCC. The 2012 Plan took a holistic approach to the challenges facing the alpine industry and presented an integrated strategic response. It sets out a framework for the development, promotion, management and use of Victoria's six alpine resorts: Falls Creek, Mount Hotham, Mount Buller, Mount Stirling, Mount Baw Baw and Lake Mountain.

The 2012 Plan highlighted the need for a more strategic, co-ordinated approach to co-operative marketing that better utilises the resources that the various alpine industry stakeholders are committing to marketing efforts and the plan also highlighted the importance of winter as the 'economic engine' for the alpine resorts. New arrangements need to provide more effective and co-operative marketing solutions for Victoria to grow visitation, yield and expenditure across alpine resorts, regions, the state and national program areas.
A key direction was for the ARCC and TV to drive a more co-ordinated approach to marketing by developing a more integrated model to market the industry, including a five-year strategic marketing plan that outlines activities the alpine resorts, regions and the state should each be undertaking.

Key outcomes of the new integrated marketing model, include:

- a state-wide marketing strategy based on broader industry consultation and input;
- a simpler, more streamlined process;
- alignment of marketing activities at all levels (international, national, state, regional and resort-level) with the state-wide plan but allowing for flexibility to respond to industry needs and market forces; and
- two-way transparency and accountability.

In addition to ARMBs, key industry stakeholders, including lift companies, chambers of commerce, regional tourism boards and service delivery partners, like Snow Australia, will be involved in implementing this marketing plan. This will ensure marketing of the alpine resorts is integrated and the industry has ownership of the marketing plan.

Another key recommendation in the 2012 plan was to establish the Alpine Resorts Industry Advisory Group (ARIAG) to provide an ongoing mechanism for discussion of industry driven issues, including marketing. This advisory group includes the key business stakeholders (lift companies) and other private operators (chambers of commerce). ARIAG will provide a mechanism for TV and the ARCC to consult with industry during development on the new marketing plan and during implementation.

The Minister for Environment and Climate Change, who is the responsible Minister for the ARMBs and ARCC, has approved the key outcomes of the new marketing model and determined that:

- BART will be disbanded by 31 October 2013;
- the Alpine Resort Strategic Marketing Plan 2014 – 2018 will be submitted by 31 December 2013 for Ministerial approval; and
- the level of contributions for marketing from the ARMBs and ARCC will be no less than 1999 historical figures of $500,000 for BART and then indexed at the Treasurer’s ‘Annual Rate’.

Key elements of the new marketing plan, include:

- Funding levels for co-operative programs to be set for 5 years, with ARMBs and industry funding to be managed by the ARCC;
- Funded programs will be implemented by delivery agencies against KPIs;
- All agencies delivering against the overall strategy will report back yearly on implementation (progress, issues, etc.) to feed into plan review.
ECONOMIC CONTRIBUTION

Tourism is a significant economic driver for Victoria. Tourism directly and indirectly contributes 5.8% of total Victorian Gross State Product which equates to $19.1 billion. The Victorian tourism industry generated 7.2% of total employment in Victoria or 201,000 jobs\(^1\).

The Victorian alpine resorts are visited by more than one million people annually and in winter 2012 alone generated $647 million in Gross State Product and approximately 6,000 jobs\(^2\). In summer, it is estimated that the Victorian alpine resorts generate $94 million in Gross State Product and approximately 960 jobs\(^3\). Whilst economic activity is more concentrated and intensive in the winter season, the existence of the alpine resorts in summer is important in terms of improving employment outcomes for regional residents during the year.

WINTER VISITORS

The average annual growth rate in winter visitor numbers was 1.4% p.a. over the 1998–2012 period. Figure 1 shows considerable variability in annual visitor numbers until the 2007–12 period, when additional snow-making capacity has supported more consistent visitor numbers.

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\(^2\) National Institute of Economic and Industry Research (NIEIR), The Economic Significance of the Australian Alpine Resorts Winter Season 2011. December 2012, report prepared for the ARCC

\(^3\) National Institute of Economic and Industry Research (NIEIR), The Economic Significance of the Victorian Alpine Resorts Summer Season 2011, June 2013, report prepared for the ARCC
A longer-term perspective on winter visitor numbers, however, is less optimistic given the Victorian population growth of about 40% over the past three decades indicating a declining market share in the face of increasingly competitive visitor markets.

Figure 2 shows that winter visitor day numbers averaged 1.4 million annually from 2007-12. Considerable variability from year to year is evident for 1998-2006, whereas stability was achieved over the 2007-12 period. Despite a poor snow season in 2011, visitor days were more resilient due to the expansion of snow-making capacity.
Given the variability in natural snowfall during much of the past decade, growth in visitor numbers and visitor days is an achievement and emphasises the importance of snow-making capacity. Figure 3 illustrates how Mount Buller visitor numbers have been stable since snow-making has enabled a reasonable cover to be provided for an extended part of the season.

**Figure 3:** Mount Buller season average snow depth (cm) and indexed visitor days.


TV data on total Victorian domestic visitor nights shows a negative average annual rate of growth from 2000–11 (-0.3% p.a.). However, the winter visitor day performance of the alpine resorts has been stronger than tourism in the state as a whole, in regional Victoria and in the High Country more broadly over this period. This underlines the importance of the industry to the state and regional economies.

Origin of visitors is important in terms of marketing and facilities provided at alpine resorts. Figure 4 shows that approximately 73% of visitors in 2011 reside in Victoria and 8% in New South Wales. Other research shows that 43% of all domestic overnight visitors reside in New South Wales, with 37% residing in Victoria. Nearly 3% were international visitors, up from just over 1% in 2005. In 2011, overseas visitors came mainly from Malaysia, Singapore, Hong Kong, Indonesia and the United Kingdom, with Asian visitors comprising nearly 73% of international visitors and European visitors nearly 17%. A similar survey in 2005 showed that the majority of overseas visitors came from New Zealand, the United Kingdom, Ireland, the United States and Canada.

![Figure 4: Origin of Visitors.](image)

*Source: National Institute of Economic and Industry Research, Economic Significance Study Surveys, February 2012*

Visitor satisfaction is important for repeat visitation and recommendations to others. The National Institute of Economic and Industry Research (NIEIR, 2012) reports that 89% of visitors to Victorian alpine resorts rated their experience as excellent or good and there was a high level of return visits. A 2012 Visitor Satisfaction Survey (undertaken for the ARCC and ARMBs) showed an average satisfaction rating of 3.8 out of a possible 5.

**SUMMER VISITORS**

The average annual growth rate in summer visitor numbers since the introduction of consistent measurement across resorts in 2007/08 was 1.2% p.a., as shown in Figure 5, below.

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4 Tourism Research Australia, National and International Visitor Surveys, year ending December 2011.

The NIEIR summer economic significance study shows that approximately 76% of summer visitors came from Victoria and approximately 12% came from New South Wales. A little over 2% were international visitors, including United Kingdom, Austria, Ireland and Holland, comprising approximately 54%, while Asian and North American visitors each comprised approximately 21%. This is distinctly different to winter where international visitors from Asia predominate.

INTERNATIONAL

The 2013 International Report on Snow & Mountain Tourism\(^6\) estimates an overall total of approximately 325 million skier visits worldwide. Figures have been relatively stable over the last 10 years as depicted in Figure 6.

\(^6\) Laurent Vanat, 2013 International Report on Snow & Mountain Tourism

The market share of worldwide skier visits and relative importance of the major destinations is shown in Figure 7. The (European) Alps are the biggest ski destination in the world, capturing 44% of skier visits. The second biggest destination is America (mostly North America), accounting for 22% of skier visits worldwide. The Asia & Pacific region which includes Australia, New Zealand and Japan, represents 14% of skier visits.

In the long term, countries such as South Korea, China, India and Pakistan may contribute to Asia as a destination. The regions of East (Europe) and Asia & Pacific represent the future growth potential of the market. The report finds that both regions are building infrastructure at a higher rate than the more traditional ski regions.

Although consumption patterns of skiing in countries like China still need to be confirmed on a broader scale, it is likely that the Eastern European and Asian destinations will grow their skier visit figures over the new decade. They may end up reaching the proportion of the other major regions in terms of skiers by the year 2020. If this growth occurs without affecting skier visits at western resorts, and provided they find adequate ways to address the generational issue, worldwide skier visits may then increase to over 420 million by this date.
PROCESS FOR CONSULTATION

The process for consultation to develop the *Alpine Resorts Strategic Marketing Plan 2014-2018* includes:

1. an initial consultation phase to gain stakeholder feedback and insights to assist TV and the ARCC in the development of the draft plan,
2. a workshop will be held in late September / early October to present the draft plan to all stakeholders;
3. individual consultation with key stakeholder groups will follow the workshop; and
4. the plan will then be finalised by TV and the ARCC.

The proposed process for consultation and plan preparation is set out below.

<table>
<thead>
<tr>
<th>Dates</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>July/ Aug 2013</td>
<td>Plan development – initial consultation</td>
</tr>
<tr>
<td>19 July 2013*</td>
<td>ARMB Chairpersons and CEOs – Co-operation Committee @ Mt Hotham</td>
</tr>
<tr>
<td>19 July 2013*</td>
<td>Mt Hotham &amp; Falls Creek Lift Company @ Mt Hotham</td>
</tr>
<tr>
<td>24 July 2013*</td>
<td>Buller Ski Lifts @ Melbourne</td>
</tr>
<tr>
<td>25 July 2013*</td>
<td>ARIAG @ Melbourne</td>
</tr>
<tr>
<td>5 August 2013*</td>
<td>ARCC @ Falls Creek</td>
</tr>
<tr>
<td>7 August 2013*</td>
<td>Meet with Tourism North East</td>
</tr>
<tr>
<td>12 August 2013*</td>
<td>Meeting all ARMB and Lift Company Marketing Managers</td>
</tr>
<tr>
<td>TBC</td>
<td>Snow Australia</td>
</tr>
<tr>
<td>TBC</td>
<td>Tourism Victoria</td>
</tr>
<tr>
<td>TBC</td>
<td>Department of Environment and Primary Industries</td>
</tr>
<tr>
<td>TBC</td>
<td>Other Regional Tourism Boards</td>
</tr>
<tr>
<td>TBC</td>
<td>One-on-one meetings held</td>
</tr>
<tr>
<td>16 August 2013</td>
<td>Conclude initial consultation and feedback on plan development</td>
</tr>
<tr>
<td>Aug / Sept 2013</td>
<td>ARCC &amp; TV develop draft plan</td>
</tr>
<tr>
<td>Late Sept/ Early Oct 2013</td>
<td>Draft plan presented to industry (ARMBs, ARIAG, RTBs &amp; Snow Australia)</td>
</tr>
<tr>
<td>Oct/ Nov 2013</td>
<td>Consultation on draft plan</td>
</tr>
<tr>
<td>10 Oct 2013*</td>
<td>Key scheduled meetings:</td>
</tr>
<tr>
<td>14 Nov 2013*</td>
<td>ARCC</td>
</tr>
<tr>
<td>TBC</td>
<td>Co-operation Committee</td>
</tr>
<tr>
<td>TBC</td>
<td>ARIAG</td>
</tr>
<tr>
<td>TBC</td>
<td>All other parties</td>
</tr>
<tr>
<td>Late Nov/ early Dec 2013</td>
<td>ARCC &amp; TV finalise plan</td>
</tr>
<tr>
<td>TBC</td>
<td>ARCC and TV Approve Plan</td>
</tr>
<tr>
<td>12 Dec 2013*</td>
<td></td>
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<tr>
<td>31 Dec 2013</td>
<td>Submit to Minister for Environment and Climate Change</td>
</tr>
<tr>
<td>Jan/Feb 2013</td>
<td>Ministerial approval &amp; direction</td>
</tr>
</tbody>
</table>

* Scheduled meetings
DISCUSSION TOPICS
Topics for consideration in the development of the *Alpine Resorts Strategic Marketing Plan 2014 - 2018* are:

1. Marketing
2. External factors
3. Tourism Structures
4. Research and Evaluation
TOPIC 1 - MARKETING

The current marketing framework that exists cooperates on a national, state, regional and individual resort level. For the purpose of this discussion, cooperative marketing can be defined as marketing that multiple resorts undertake to achieve a shared goal. A majority of marketing activities are focused on the winter season. In 2011, ARMB and BART annual statements suggest that they spent approximately $4.5 million on domestic and international marketing activities. Anecdotally, the private sector (e.g. lift companies and on-mountain businesses) also spend a similar amount annually on marketing activities.

National: In 2011, the Australian Ski Areas Association (ASAA) secured funding from both BART and the Tourism Snowy Mountains group to fund a national snow marketing campaign titled Snow Australia. This national campaign was originally earmarked to combat the growing competition from the New Zealand ski resorts, but now addresses the slowing new skier market, by encouraging new skiers who have ‘never, ever’ been, or considered going to the snow before. Tourism Australia contributes an in-kind media buy of equal funding contribution.

State: Since 1999 BART has operated at a state-wide level, promoting Victoria’s alpine resorts above all others in both the International, interstate, and intrastate markets.

ARMBs: Each ARMB operates its own marketing budget, and in some instances share a marketing budget with key stakeholders who are private operators in the resort (mostly lift companies, but some chambers of commerce also). Each ARMB works differently in the way they market their respective resorts, particularly those with a private sector lift operator. However, in general, the ARMBs work with a number of partners at resort, regional, state, national and international levels to market their respective alpine resort. Key partners at each level, include:
  • Alpine resort: lift companies and on-mountain businesses
  • Regional: regional tourism boards
  • State: BART and TV
  • National: Snow Australia
  • International: TV (Singapore, Malaysia and Indonesia)

Regional Tourism: Between 2009 and 2010 TV established three Regional Tourism Boards who are chartered to service the needs of the regional tourism industry for all of Victoria’s regional areas, including Victoria’s High Country, Yarra Valley and Gippsland. The six alpine resorts and other alpine destinations sit across three different RTBs, including:
  • Tourism North East (TNE): Falls Creek, Mount Hotham, Mount Buller/Mount Stirling and Mt Buffalo.
  • Destination Gippsland (DGI): Mount Baw Baw and Mt St Gwinear
  • Yarra Valley and the Dandenong Ranges (YVDR): Lake Mountain and Mt. Donna Buang.

In the past, BART has worked most closely with TNE, which delivers BART’s major green season marketing initiative under the 7 Peaks brand for all of Victoria’s ARMBs. The rationale for this region managing the green season program is attributed to the three larger resorts being in this defined tourism region and the closer affinity between this tourism region and the resorts, the region being dominated by alpine mountains and valleys. Mt Hotham, Mt Buller & Mt Stirling and Falls Creek ARMBs each maintain a seat on TNE’s board ($30,000 each). Lake Mountain and Mt Baw Baw do not maintain a seat on their respective tourism boards.
TOPIC 2 - EXTERNAL FACTORS

GENERAL TOURISM TRENDS

The number of Australians travelling overseas has grown steadily over recent years, driven by strong price competition in the outbound sector, low-cost airlines and airfares, and the strength of the Australian dollar. This growth has come at a cost to the domestic tourism sector, which has flattened over the past decade, exacerbated by factors including recent natural disasters, such as bushfires and floods.

The decline in domestic travel has hit regional areas hard, as they are more reliant on income from domestic visitation. Also, the distant regions of Victoria have experienced a greater decline in domestic overnight visitors than the more accessible Melbourne and Melbourne Surrounds regions. Within this context, the relatively good visitor growth performance of the Victorian alpine resorts in recent years, compared to regional tourism more generally, is a solid plus for the alpine resorts and for the tourism sector.

High yielding international and interstate visitors are important to Victoria’s tourism industry. They stay longer and spend more money. International and interstate overnight visitors to Victoria account for approximately 40 per cent of visitors but generate over two-thirds of overnight visitor expenditure (new money into the state). Interstate visitors, in particular, are important to the economic significance of Victoria’s alpine resorts.

Technology is also playing a role in the changing travel patterns of Australians; in 2012, Australia had over 19.5 million internet users, representing 89 per cent of the population. Technology is shifting the way people plan and book their travel as nearly 40 per cent of all consumers in Australia purchased travel online in 2012. The consumer’s technology requirements are also increasing, as they require access to travel information pre, during and post their travel purchase decisions.

All of these factors have made overseas destinations more accessible and in turn drives up the real or perceived value of outbound holidays.

The Regional Tourism Action Plan 2009–2012 (TV, 2009) recognises that Victoria is facing intense competition from domestic and overseas destinations that are becoming more innovative in aggressively marketing their offerings. These destinations have been more aggressive in attracting new investment and developing new tourism experiences to better match the needs of today’s more discerning consumers.

7 http://www.newmediatrendwatch.com/markets-by-country/11-long-haul/40-australia
SNOW & MOUNTAIN TOURISM TRENDS
The 2013 International Report on Snow & Mountain Tourism found that worldwide, the industry is facing the challenge of generating long term growth. In many places, the market has reached maturity. The baby-boomers represent the majority of participants. This generation will progressively exit some of the mature markets without being adequately replaced by future generations with the same enthusiasm for skiing. If traditional destinations still want to compete, they need to manage quality for infrastructure, equipment and services throughout the entire resort.

The report also concluded that
- careful attention should be paid to maximize visitor satisfaction;
- customer relationship management and personalised services are critical;
- technology is changing the path to purchase and increasing one-stop shopping and the ability for the industry to re-act quickly with product offerings and packages;
- social media has failed, to date, in helping grow the global ski market; and
- wider access to real-time information on snow conditions means more transparency for skiers, which also has its drawbacks.

CHANGING ETHNIC MIX
For the winter season, skiing and snowboarding are still the primary attractions for Victoria’s alpine resorts; however, there is a growing number of first timers with culturally diverse backgrounds who may require a broader suite of experiences.

Since 2004, the number of Indian born residents aged 14 years and older in Victoria has increased more than fivefold from an estimated 29,000 to 163,000 in 2012. Victoria’s Chinese born resident population has also grown from 19,000 in 2004 to 81,000 in 2012.

Another notable increase has occurred within the population of Victorian residents that were born in the Middle East, which has almost doubled from an estimated 16,000 in 2004 to 29,000 in 2012.

The Middle East is a growth market to watch for the Victorian tourism industry, as Victoria received approximately 37,300 overnight visitors from the Middle East and North Africa in 2012, representing a 7.8 per cent increase from the previous year.

Forecasts also indicate that visitors from the Middle East are expected to grow strongly over the next decade. According to the latest release from the Tourism Forecasting Committee, international visitors from the Middle East to Australia are predicted to increase at an average annual rate of 5.8 per cent to 2021-22 to reach approximately 200,000 arrivals.

Visitors from the Middle East often have specific cultural requirements for travel in terms of halal food, prayer rooms, as well as more private changing facilities for male and female travellers.

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9 Roy Morgan Product Poll, Roy Morgan Research, December 2012, Base: Australians aged 14+
10 Estimates derived from Overseas Arrivals and Departures, Australian Bureau of Statistics and International Visitor Survey data (Tourism Victoria estimates), Tourism Research Australia, Canberra, December 2012
11 Tourism Forecasting Committee (TFC) forecasts, Issue 1. April 2013.
OUTBOUND TRAVEL TO NEW ZEALAND
Australians’ increased appetite for overseas travel has been reflected in outbound travel to overseas ski destinations such as New Zealand. Since 2004, the number of Australians travelling to New Zealand during the ski season (June - September) has almost doubled from 149,000 to 286,000 in 2012, representing average annual growth of 8.5 per cent over the period.

The number of Victorian residents travelling to New Zealand in the ski season has also nearly doubled from 32,000 in 2004 to 62,000 in 2012 (representing average annual growth of 8.6 per cent over the period)\(^\text{12}\).

CONSUMER PREFERENCE
When asked where they would like to travel for a holiday in the next two years, Victorians’ preference to travel to the Victorian Snowfields has steadily decreased over time. According to the Roy Morgan Holiday Tracking Survey, preference to travel to the Victorian snowfields has decreased from 14.6 per cent for the year ending December 2004 to 10.7 per cent for the year ending December 2011\(^\text{13}\) (latest estimates available).

\(^{12}\) National Visitor Survey (outbound travel database), Tourism Research Australia, Canberra, December 2012
REGIONAL TOURISM STRUCTURES

As part of the 2009 – 2012 Regional Tourism Action Plan TV established Regional Tourism Boards (RTBs) within each Victorian campaign region that were chartered with the marketing, product development, industry development and engagement on behalf of their region.

The following Regional Tourism Boards have been established of which alpine resorts sit within:

<table>
<thead>
<tr>
<th>Regional Tourism Board/Association</th>
<th>Year established</th>
<th>Alpine Resorts / Other Alpine Destinations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination Gippsland</td>
<td>2008</td>
<td>Mt Baw Baw</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mt St Gwinear</td>
</tr>
<tr>
<td>Tourism North East</td>
<td>2011</td>
<td>Mt Buller</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mt Stirling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mt Hotham</td>
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<tr>
<td></td>
<td></td>
<td>Falls Creek</td>
</tr>
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<td></td>
<td></td>
<td>Mt Buffalo</td>
</tr>
<tr>
<td>Yarra Ranges Regional Marketing</td>
<td>On-going</td>
<td>Lake Mountain</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Donna Buang</td>
</tr>
</tbody>
</table>

Each Regional Tourism Board has their own strategy that is aligned with the state-wide strategy for growth in visitation and expenditure in regional Victoria. While each region will be different in the focus on activity, their broader strategic driver will relate to industry and product development, marketing and investment attraction.

RESORT-LEVEL STRUCTURES AND MARKETING ACTIVITIES

At a resort level, there is a varying degree of co-ordination between the key stakeholder groups, at any one resort, including ARMBs, Lift Companies and private operators (e.g. Chamber of Commerce) for resort-level marketing activities. ARMBs typically undertake marketing for both the winter and green seasons, in contrast to lift companies and most on-mountain businesses that have a stronger focus on winter marketing activities.

Each ARMB works differently in the way they market their respective resorts and run co-operative marketing activities, particularly those with a private sector operators. Some have a co-operative partnership with their lift company and on-mountain businesses for marketing and branding of the resort, while others maintain separate resort branding and marketing efforts. Figure 6 highlights, in general, how the key stakeholder groups collaborate at each resort.
Figure 6 Resort marketing structures
TOPIC 4 - RESEARCH & EVALUATION

There is a wide range of research undertaken, some of which is related specifically to marketing. Other generic research is also undertaken by a range of bodies and is used to inform strategic activities for the industry.

STATE TOURISM RESEARCH

- **The International Visitors Survey** - surveys approximately 40,000 outgoing international visitors (aged 15+) at airports across Australia. This survey data is weighted using the ABS Overseas Arrivals and Departures data and is the "currency" used nationally to measure visitors, nights and expenditure and related travel behaviour of international visitors to Australia.

- **The National Visitors Survey** - based on approximately 120,000 telephone interviews per annum of Australian's aged 15+. The survey asks respondents about daytrips and overnight trips (domestic and outbound) and is the "currency" used nationally to measure visitors, nights and expenditure and related travel behaviour of domestic travellers.

- **Holiday Tracking Survey (HTS)** - TV subscribes the Holiday Tracking Survey from Roy Morgan Research, which provides insights on travel behaviour, visitor profiles and segmentation.

- **Survey of Tourist Accommodation** - Conducted by Australian Bureau of Statistics (ABS), an audit of Hotels, Motels and Serviced Apartments of 15 rooms or more.

- **Regional Awareness and Perceptions Survey (RAPS)** - Historically conducted every two years and is used to assess consumer awareness of holiday destinations in regional Victoria (both prompted & unprompted), and establish brand attributes associated with each Victorian region.

ALPINE - WINTER

- **Snow Data Reporting project** - the ARCC collects and collates the daily ‘Snow Australia Victorian Snow Reports’. It also maintains the historical records to form a primary data source for a range of comparative and analytical research and publishes the results annually.

- **Winter Economic Significance study** - on behalf of the ARCC and a range of private industry and government partners, a consultant (NIEIR), conducted extensive field surveys in NSW and Victoria in 2005 and again in 2011, to determine the economic benefit created by the Victorian Alpine Resorts in the winter season. [http://www.arcc.vic.gov.au/aarp.htm](http://www.arcc.vic.gov.au/aarp.htm)

- **Winter Visitor Counting project** - a survey of the visitation to all alpine resorts, incorporating a survey of season permit holders and standardised procedures to ensure accurate counting of all visitors. Working with ARMBs, the ARCC collects, collates and publishes weekly visitor statistics, via self-select email and on the website. [http://www.arcc.vic.gov.au/phplist/?p=subscribe&id=1](http://www.arcc.vic.gov.au/phplist/?p=subscribe&id=1)

- **Winter Visitor Satisfaction survey** - across five Victorian resorts, standardised surveying of visitor satisfaction in relation to a broad range of services and facilities, with additional questions covering the demography of visitors and the nature of activities undertaken.

- **Winter End of Season Report** - The ARCC has published a report on winter visitation and snow depth for a number of years. More an annual update on headline economic significance and selected highlights from the Winter Visitor Satisfaction surveys have been included. It is intended that in future years a single winter report, incorporating the results of all of the ARCC’s winter research, be published annually, in December. The five-yearly Economic Significance study consultant reports would, however, continue to be published separately. [http://www.arcc.vic.gov.au/endofseasonreports.htm](http://www.arcc.vic.gov.au/endofseasonreports.htm)

**ALPINE – SUMMER**

- **Summer Economic Significance study** - on behalf of the ARCC, a consultant (NIEIR), conducted field surveys in 2011, as well as visitation data from the summer visitation surveys, to determine the economic benefit created by the Victorian Alpine Resorts in the summer season. Previously the summer benefit had been estimated based on the findings from winter surveys. [http://www.arcc.vic.gov.au/aarp.htm](http://www.arcc.vic.gov.au/aarp.htm)

- **Summer Visitation Survey project** - a survey of the summer visitation to all alpine resorts, incorporating information on vehicles taken from counters on all access roads and a survey of vehicle occupancy on selected days, undertaken by all ARMBs. [http://www.arcc.vic.gov.au/summervehiclecounting.htm](http://www.arcc.vic.gov.au/summervehiclecounting.htm)

- **Summer End of Season Report** - Previously published as separate reports it is intended that a single summer report, incorporating the results of the annual summer visitation surveys and an update of the summer economic significance, be published annually, in June.
QUESTIONs FOR DISCUSSION

1. What are your key marketing challenges?
2. Who are your markets? Existing? Declining? Emerging?
3. What are you key issues for product development? In a changing market place?
4. Where are three opportunities for growth?
5. Who do you see as your competition? How would you address?
6. How do you currently engage with the wider tourism industry structures?
7. How well does the alpine industry leverage tourism marketing programs?
8. Are there any challenges faced with getting your industry to participate in your marketing programs?
9. Are there opportunities for the sharing of resources in marketing efforts?
10. What research gaps are there in your understanding of your markets?
11. What challenges does the industry face when evaluating marketing programs?
12. What is your view on industry communications, in relation to marketing?
CONTACTS

Tourism Victoria
Helen Vatzakis
Regional Marketing Manager
03 9653 9857
helen.vatzakis@tourism.vic.gov.au

Alpine Resorts Co-ordinating Council
Eddie Wilson
Project Officer
03 9637 9316
edward.wilson@arcc.vic.gov.au

FEEDBACK

Please direct all responses and feedback via email to edward.wilson@arcc.vic.gov.au