



Key Initiatives 2011/12

24 May 2011

Agenda

- This year's highlights
- Our Goal and Strategic Direction
- The State Budget 2011/12
- Our Key Initiatives 2011/12



Marketing Highlights 2010/11

Domestic Market

- \$7.8 million campaign cinema, press, online and in-flight
- Campaign has reached 2.2 million Australians
 - Excellent unprompted recall – 40% intrastate and 24% interstate
- 20 cooperative partners have invested \$2.5 million
 - 9 partners generated 17,000 pax (\$16.35 million spend)
- \$8.1 million in PR value achieved through April

Masterchef Series 3

3 episodes filmed in WA (Laverton, Margaret River & Busselton)



Marketing Highlights 2010/11

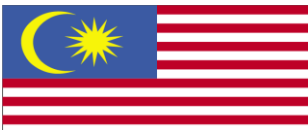
International Markets

UK



- Travel 2 and Qantas cooperative campaign
- \$1 million PR coverage – Jerry Hall, Shane Osbourne, Oz Clark and Red Dog film

Singapore & Malaysia



- Cooperative campaigns linked with NATAS and MATTA
- Malay TV drama (Awan Dania) filmed in WA generating \$3.3 million in exposure
- Cooperative campaign with Air Asia X underway

New Zealand

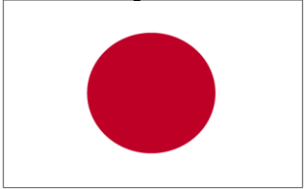


- Cooperative campaign with Air New Zealand

Marketing Highlights 2010/11

International Markets

Japan



- 2010 Wildflower campaign generated
- Lifestyle TV show (Rainbow Colour Jean) shot in Perth and Coral Coast generating ~\$3.8 million coverage

USA



- Cooperative campaigns leveraging Oprah Show

Korea



- Outback Steakhouse campaign and 'Masterchef-style' TV show shot in WA

Events Highlights 2010/11

- 48 Events in 2010/11
 - Hyundai Hopman Cup
 - Sculpture by the Sea
 - Margaret River Pro surfing – Kelly Slater
 - V8 Supercars
 - UCI World Cycling Tour
 - Ord Valley Muster
 - Paspaley Beach Polo



Investment & Infrastructure Highlights 2010/11

- Hotel development policy recommendations
- China Southern Airlines MOU
- Busselton Airport expansion
- Singapore / Broome route

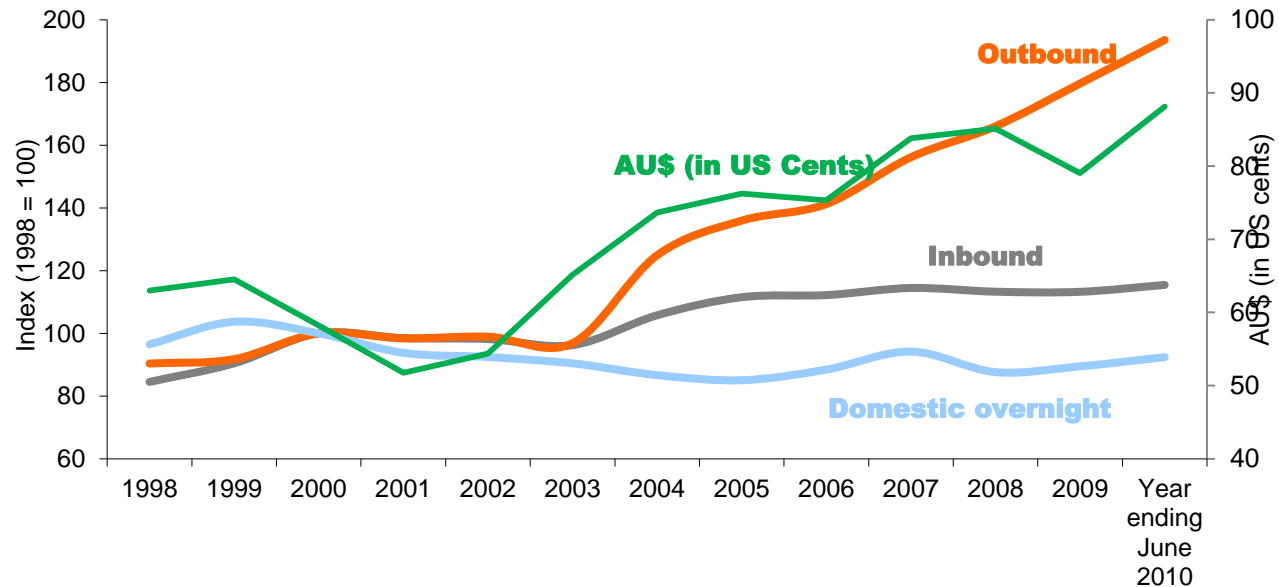


Worldwide Tourism

- In 2010 international travel worldwide grew 6.7%, after a decline of (-) 4.3 % in 2009.
- Inbound tourism in 2010:
 - Asia and Pacific +13%
 - Middle East +14% (from big drop in 2009)
 - Americas +8%
 - Africa +6%
 - Europe +3%
- Australia inbound grew 5.1% in 2010



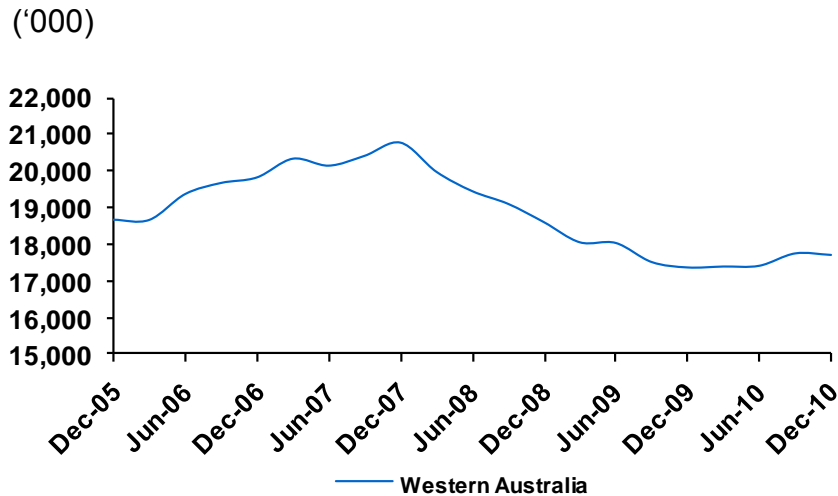
Tourism across Australia is underperforming – The National Long Term Tourism Strategy



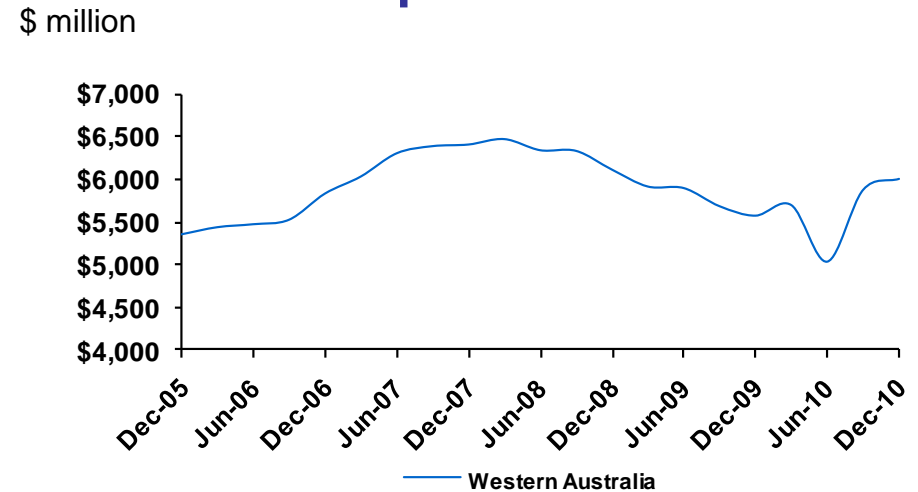
Source: Tourism Research Australia, State of the Industry 2010 Report, based on ABS and TRA data

Visitor Trends (All visitors)

Visitors

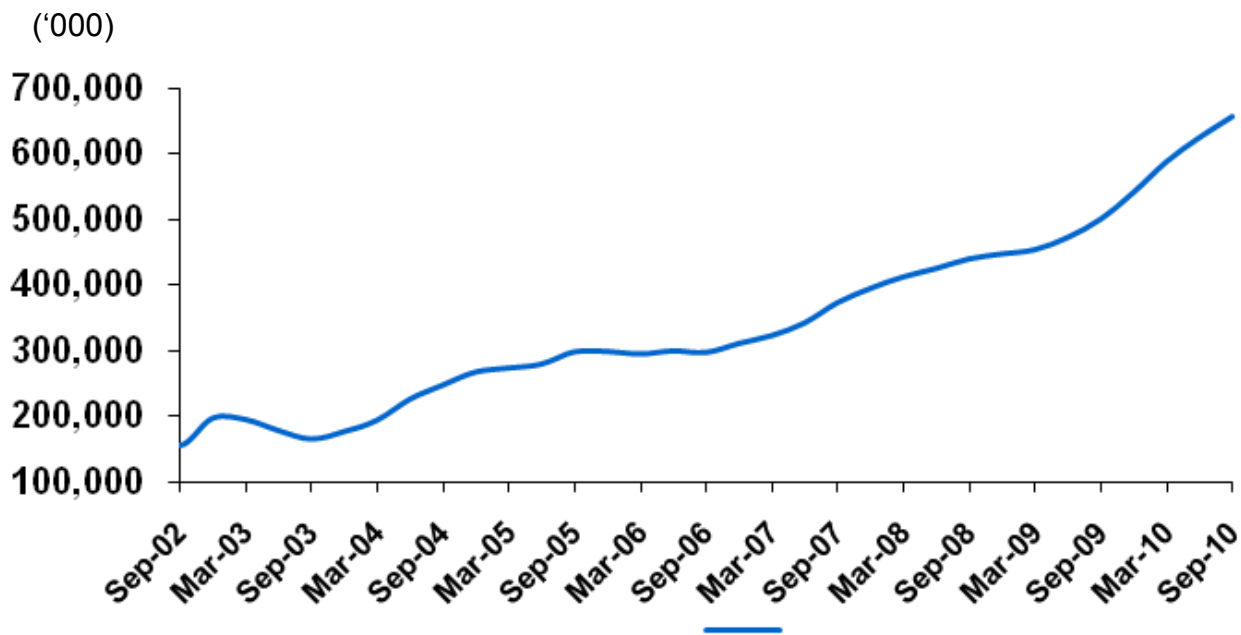


Spend



YE Dec 2010	Visitors	Annual growth rate (3 year avg)	Spend	Annual growth rate (3 year avg)	Est. \$ per visitor
Total	17,717,500	-2.4%	\$6,002m	-0.9%	\$350
International	689,500	1.0%	\$1,903m	6.1%	\$2,750
Interstate	1,095,000	0%	\$1,054m	2.7%	\$950
Intrastate	3,890,000	-9.1%	\$1,845m	-7.8%	\$450
Daytrip	12,043,000	-0.4%	\$1,200m	-2.0%	\$100

Outbound Challenge



	Outbound Trips	Annual growth rate (3 year avg)	Intrastate Trips	Annual growth rate (3 year avg)
	YE Sept 2010		YE Dec 2010	
Western Australians	1,020,187	15.6 %	3,890,000	- 9.1%

Sources: Australian Bureau of Statistics, Western Australian Statistical Indicators (WASI) YE Sept 2010 ; Tourism Research Australia, National Visitor Survey (visitors aged 15+ years). YE December 2010 Sample Size: 3,559 Western Australian residents.

*AAGR = Average Annual Growth Rate

State Government's Strategy for Tourism

Ownership and Involvement with the Strategy



Tourism WA

Elements of the strategy **owned and executed** by Tourism WA to achieve the goal.



Government Agencies

Elements of the strategy to be **incorporated** into other Government agencies' activities in order to achieve the goal.

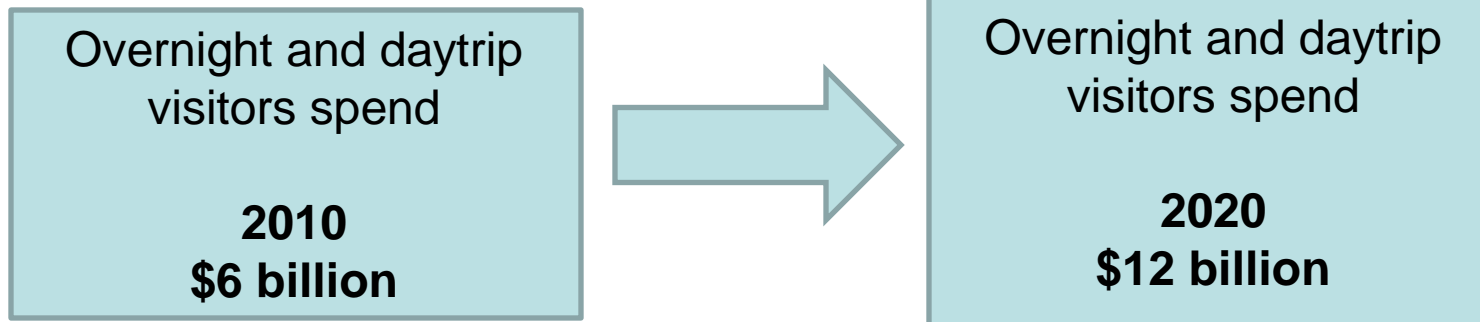


Industry

Elements of the strategy that peak bodies and operators need to **participate** in to achieve the goal.

The Goal

- The Goal...to double in value by 2020.



- Links to the National Long Term Tourism Strategy's 2020 Potential

2020 Industry Potential
Between \$115 and \$140 billion

Across Australia:

- Labour and skills – extra 100,000 workers
- Accommodation – extra 50,000 rooms
- Aviation – capacity to grow 25% domestic and 50% international

Strategic Outcomes

Brand
Firmly establish the Experience
Extraordinary brand

Indigenous Tourism
Every visitor the opportunity for Aboriginal tourism experience

Infrastructure
To support growth:
Hotels, Aviation
Workforce

Asia
Grow our share of the Asian market, particularly China

Business Tourism
Increase the contribution from business travel

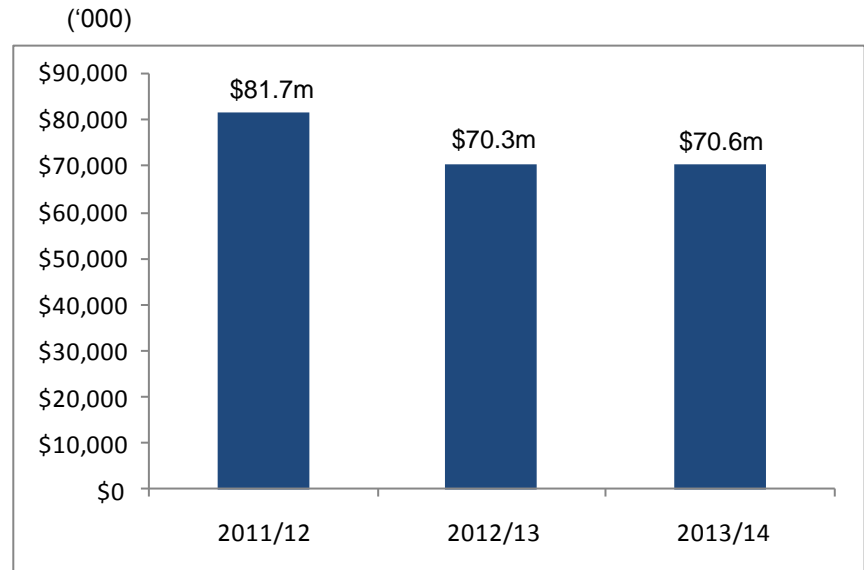
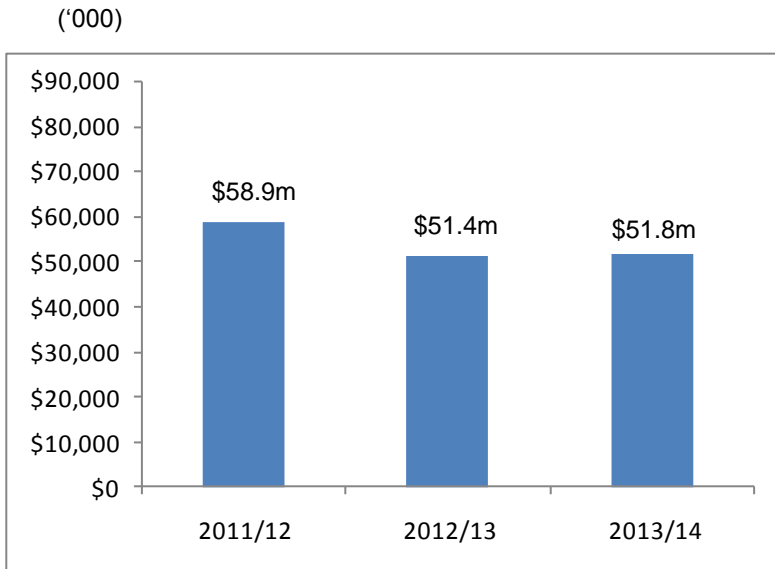
Regional Dispersal
Increase visitors to regional WA

Events
Position WA as a recognised events destination for locals and visitors

State Budget 2011/12

	2010/11 \$'000	2011/12 \$'000	2012/13 \$'000	2013/14 \$'000	2014/15 \$'000
Marketing	35,987	36,781	29,749	29,791	30,400
Events	21,747	36,697	32,466	32,697	30,703
Infrastructure	8,132	8,218	8,050	8,077	7,862
Total	65,866	81,696	70,265	70,565	68,965

2010/11 Budget vs 2011/12 Budget



Last year's position for
2011/12 to 2013/14:

\$162.2m

This year's position for
2011/12 to 2013/14:

\$222.5m

Major Funding Changes

- China \$5.2 m over 4 years
- Events \$60 m over 4 years
- International Golf \$7.2 m over 3 years
- V8s \$4.725 m over 4 years
- ATE 2012 \$2.650 m for 2011/12
- CHOGM \$0.79 m for 2011/12
- Kimberley Science and Conservation Strategy (Tourism Initiatives)
\$4.175 m over 4 years

\$60 Million in Event Funding

- \$10 million p.a. for regional events and \$5 million p.a. for events anywhere
- 2012 National Short Course Swimming Championship announced yesterday
- 39 regional events announced today
- Golf discussions underway
- 4 - 5 major events to be announced July/Aug 2011

Differences between 2011/12 and 2012/13 budgets (ie. \$81.7M - \$70.3M = \$11.4M)

Transition	\$(3.8M)
CHOGM	\$(0.8M)
ATE 2012	\$(2.7M)
PCB (boost funding)	\$(2.5M)
ISAF Sailing Event	\$(3.6M)

Offset by:

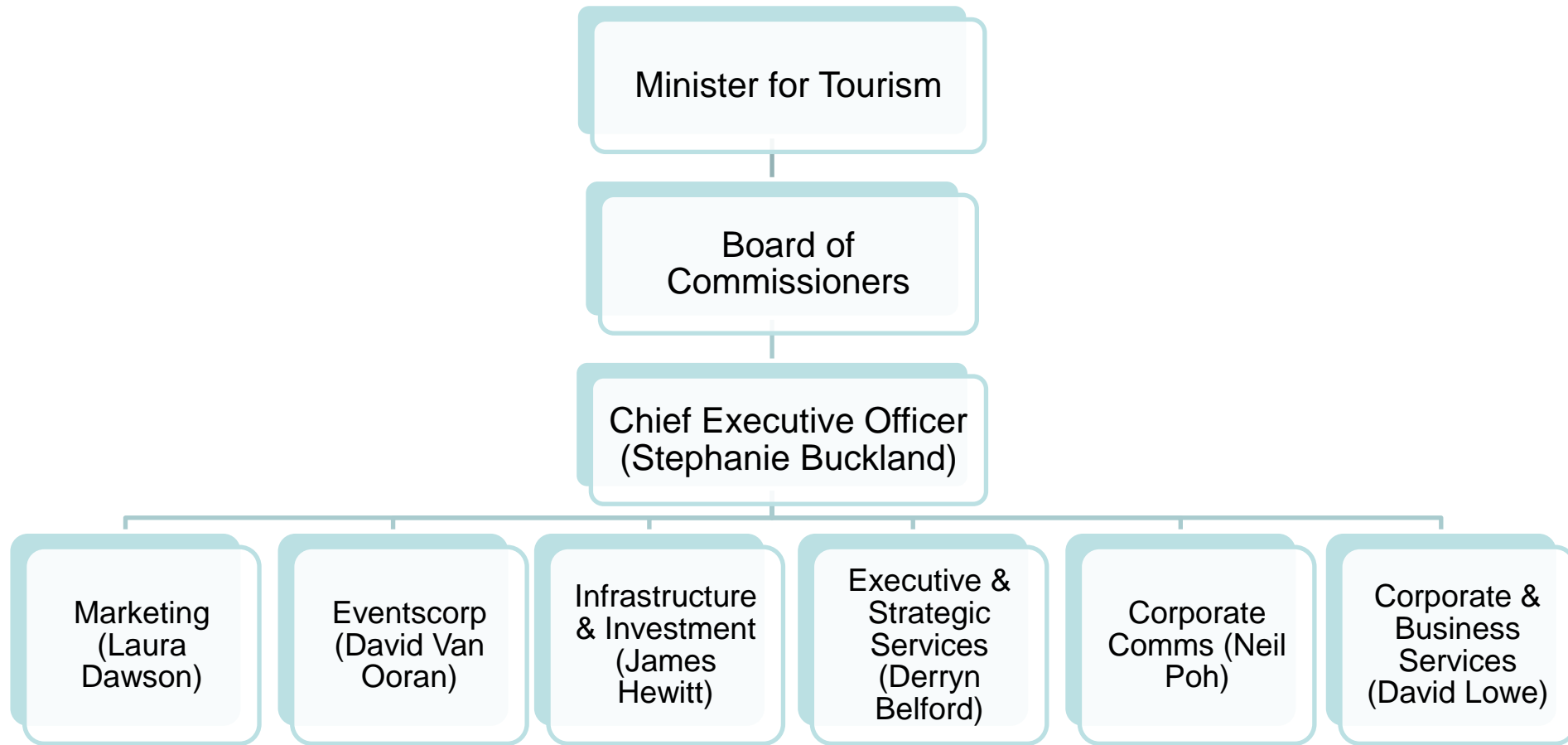
Kimberley Science	\$0.4M
Other items	\$1.6M

Net Decrease \$11.4M

Tourism Funding Across Government

- \$2.372 billion over the next 4 years
- 37 line items identified, examples:
 - Bicycle and boating facilities
 - Stadium development (feasibility etc)
 - National parks infrastructure and maintenance
 - Gibb River Road and Indian Ocean Drive
 - Perth Waterfront
 - Bunbury Waterfront
 - Museum of Modern Art Exhibitions (MOMA)

Structure to Achieve Our Goals



- FTEs – 101 to 107 (additional roles in Marketing and Events)
- 14 of 18 director level & above roles filled (+ 2 advertised)

Key Initiatives for 2011/12

- China Market
- Building the events calendar
- Promoting events to drive conversion
- Hotel development
- Margaret River/Busselton Airport
- International services to Broome
- Kimberley Science and Conservation Strategy (Tourism)
- Promoting Perth
- Leveraging Experience Extraordinary



China Market Development

Key Market Objective

Significantly increase WA's share of the Chinese visitor market – from ~3% to 10%.

The strategy for 2011/12 will focus on 5 key areas:

- Aviation development
- Trade Marketing
- Consumer Marketing
- Engaging WA tourism industry
- Strategic partnerships



Building the Events Calendar

- Significantly expand calendar of events by attracting and hosting major international events and elevating current key events.
- Develop strategic partnerships with the private sector to enhance profile and viability of events
- Regional focus with \$10 million pa Royalties for Regions funding:
 - Smaller regional events (RES scheme)
 - Medium sized events (e.g., Ord Valley Muster)
 - Major events (e.g., Margaret River Pro)
 - Multi location events (metro + regional)

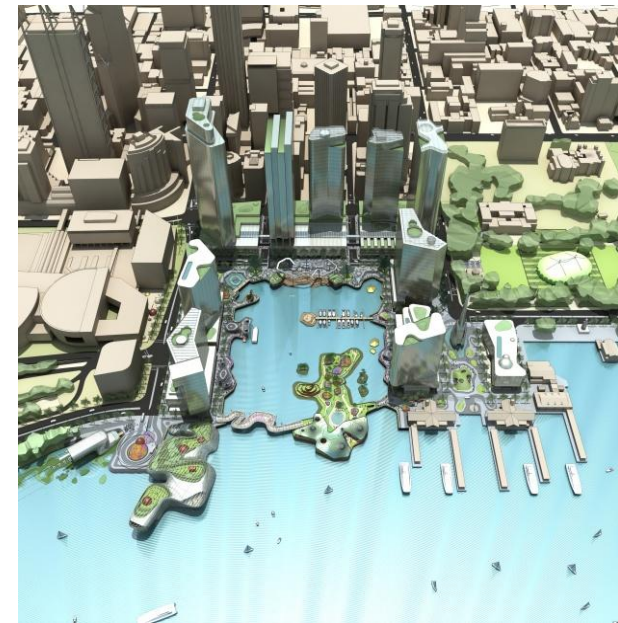
Promoting Events to Drive Conversion

- Position WA as a recognised event destination...always something happening in our Extraordinary State.
 - Ongoing event marketing campaign
 - Cooperative marketing to package and promote events.
 - Leverage events in international marketing
 - Marketing all events – not just those sponsored by Eventscorp
 - Enhancing westernaustralia.com



Hotel Development

- Encouraging Development of New Hotels
 - Tourism WA and LandCorp have proposed a range of policies to encourage new hotel investment.
- Focus on Perth hotels
 - Perth Waterfront – 5 star, 300 room hotel
 - Attracting investors for key government redevelopment projects.



Aviation Development

- Broome Aviation Gateway:
 - Active discussions with domestic and international airlines for a Singapore to Broome route.
- Busselton Regional Airport
 - Interstate route development
 - Discussions with airlines
 - Airport working group with Shire of Busselton and Department of Transport



Kimberley Science and Conservation Strategy

- Tourism WA has secured \$4.175M (over 4 years) and DEC (\$2.715M over 4 years) to implement key tourism initiatives.
 - Aboriginal tourism experiences
 - Aerial highway
 - Tourism corridors
 - 4WD trails



Promoting Perth

- Identify what is unique about Perth and sell as a destination.
 - Combine a city break with life-affirming nature based experiences.
- Help visitors discover Perth - guide and orient them.
- Turn the locals into advocates
- Integrate Perth into marketing activities with a focus on SE Asia.

Leveraging Experience Extraordinary

- Brand message localised for each market
- Refresh content – videos, itineraries, product
- Extraordinary activation ideas
- Improve 'in trip' experience via Smartphone application

Opportunities for Cooperation



- Cooperative marketing campaigns
- Familiarisations (trade and media) for all markets
- Support and participate in ETE 2011 and ATE 2012
- International marketing managers to WA – August 2011

Opportunities for Cooperation

- China readiness workshops and road show
- Japan, UK / Europe and USA road shows
- MATTA and NATAS consumer fairs
- Offers for CHOGM
- Leveraging events with tactical offers
- Sponsorship of events
- Load events onto westernaustralia.com/events

