



The Future of Tourism

Southern Forests and Valleys Region



Welcome

The Warren Blackwood Alliance of Councils (WBAC) is a Voluntary Regional Organisation of Councils representing the Shires of Bridgetown-Greenbushes, Manjimup and Nannup. We formed in 2001 to help develop a prosperous and sustainable region and to improve the quality of life for residents in the Southern Forests and Valleys region.

The WBAC acts as an advocacy group by supporting and undertaking significant projects relating to economic development and diversity and encouraging regional population growth. We aim to highlight and progress key issues that have a regional impact and be a voice for the region. We aim to lead the way in partnership development, relationship building and project progression.

The Southern Forests and Valleys region is a jewel in the South West crown, it has unsurpassed beauty and is a green haven with magical waterways and forests, sunning coast lines and unique attractions. Our residents work hard and enjoy a lifestyle that is tough to match. There can be few better places live and to raise children who have room to play, learn, explore and thrive.

Over the past 4 years, the WBAC has been researching and exploring the opportunities to form a Local Tourism Organisation (LTO) which will guide our region forward as a leading tourism destination. We are very grateful to everyone who has attended workshops and events, who has supplied information and feedback to consultants and who has kindly supported our funding applications to undertake investigation reports.

We are pleased that we now have a preferred LTO model and are developing an implementation plan to make the LTO a reality. The LTO will have four key functions which will support and develop tourism, drive the growth of our region and put us on the map as an established tourism destination.

One of the core functions of the LTO is to deliver visitor services to the region, this is an integral part of our future and will embrace all forms of visitor services through our region. The WBAC have recently completed a consultation process to develop a Visitor Service Business Plan which will best suit the developing needs of our three Shires.

On the following pages, you will find information about the proposed LTO model and the Visitor Service Business Plan, both are key projects to lead the development of our region.

Wade DeCampo

Chairman of Warren Blackwood Alliance of Councils

Background

Over the past 4 years' industry and stakeholder support for a Local Tourism Organisation (LTO) for the Southern Forests and Valleys Region has been established through various forums and reports including:

- 2013 Strategic Tourism Action Plan
- 2013 FACET Culinary Journeys
- Southern Forests Food Council
- 2015 LTO Research
- 2016 LTO Model Investigations
- 2016 Visitor Service Business Plan
- 2016 Southern Forests Visitor Guide

There are many examples of collaboration between the three Shires in the areas of tourism development and marketing that have, and will continue, to provide positive tourism outcomes in the Southern Forests and Valleys Region.

The WBAC have recently conducted a Visitor Service Business Plan to identify how we should be delivering visitor services in the future, the outcomes of this report are detailed on page 9.

The Destination

The Warren Blackwood region, more commonly known as the Southern Forests and Valleys region, is located within the Australia's South West tourism region and is between 260km (Nannup) and 400km (Walpole) from Perth. Nannup is just 45 minutes' drive from Margaret River / Busselton and Walpole is 1.5 hours from Albany.

Key tourism attributes of the region are:

- An area of outstanding natural beauty
- A nature based destination linking Margaret River and Albany regions
- Nestled between the regional cities of Bunbury, Busselton and Albany
- Icons pull visitors through the region as part of a popular touring circuit incorporating Margaret River, Tree Top Walk, Anzac Albany
- The sub region is earning a reputation for a substantial calendar of varied events, a wide range of trails, and a reputation for quality produce via the 'Genuinely Southern Forests' branding

The tourism products (accommodation, tours, attractions etc.) are predominantly small in volume and scale. A high proportion of operators provide tourism products and services to supplement income from other sources - some as supplementary income to agriculture, some as part of a lifestyle change and others in semi-retirement. There is also a core of businesses offering very high quality tourism products and services. In general, the local industry profile presents significant challenges in maximising the potential of what is a seven day / 24-hour industry and the impact this has on the region's year-round, reliable, professional offering to visitors.

In terms of tourism experiences this area has some unique and high quality product and a growing reputation for natural experiences (forest, river, coast), wine and food, a wide range of events and festivals, heritage attractions and outdoor activity (e.g. cycle, mountain bike, canoe and bridle trails). The diverse and expanding program of events and festivals and agri-tourism products and experiences is a growing strength of the area. Both Pemberton and the Walpole wilderness area have an international reputation for their outstanding natural environments and biodiversity hotspots.

This area accounts for approximately 12% of total Australia's South West visitation with domestic overnight visitors having an average spend of around \$152 per night and day trippers spending on average \$105 per daytrip.

What Does a Local Tourism Organisation do?

“The purpose of an LTO is to attract more visitors to a local destination and increase visitor expenditure in that destination. A collective approach is needed because visitors choose destinations before they choose tourism products such as accommodation, restaurants or attractions. An LTO provides a mechanism for multiple businesses and government bodies to cooperate to maximise their visitor numbers and expenditure.”

Developing Local Tourism Organisations, Tourism Council Western Australia, 2014.

The functions of our proposed LTO will be divided into four key function areas:



The key factors required by a successful LTO are:

- **The destination** - marketable attributes and experiences;
- **The industry** - adequate range and volume of product;
- **Broad based support** - from operators, Local Government, wider tourism industry participation and community;
- **Operators** – are prepared to join and market cooperatively;
- **Adequate resources** - LTO employs suitable people (specialised skills) and has funds to leverage;
- **Delivers measurable outcomes** - economic, social and environmental;
- **Is based on sound planning and industry input** - is accountable, successful and valued.

An LTO responds to the specific needs, opportunities, industry composition, products, experiences and resources of a region.

Benefits of the Proposed LTO

The following LTO activities, described for each of the four key activity areas, are potentially what our proposed LTO would deliver to the destination and financial members.

Marketing

The action or business of promoting and selling products or services, including market research and advertising.

Branding	<ul style="list-style-type: none"> • Develop strong branding for the destination, to be consistently applied across digital, print all communication mediums undertaken by the LTO. • Promote the brand in all marketing activity and encourage member and broader industry take-up of the brand.
Publications	<ul style="list-style-type: none"> • Produce destination Visitor Guide for entire Warren Blackwood region. Informational publication (e.g. towns, experiences) with discounted display advertising for members. • Potential to produce customised section of Australia South West's (ASW) planner with destination wrapper and additional content pages. • Produce a destination Map for entire Southern Forests and Valleys region with all members included at no additional cost. • Produce product/experience/market specific brochures e.g. trails, culinary experiences, events, family activities etc. with discounted member advertising.
Destination information	<ul style="list-style-type: none"> • Collate and distribute destination images and suggested itineraries. • Update Australian Tourism Data Warehouse, westernaustralia.com etc. with member and/or general destination information, events calendar etc.
Web and digital	<ul style="list-style-type: none"> • Develop a web site that is motivational, informational, user friendly and has a range of planning tools e.g. is mobile friendly, has on line booking and email marketing functionality, has social media capability, able to support campaigns such as seasonal specials and themed promotions. • Web site has search engine optimisation strategies in place, banner advertising, online activity is monitored and data reported. Site data base is able to be managed in-house. • Develop mobile phone app/s relevant to region e.g. theme based, industry based, location based etc. • Host bloggers related to appropriate destination themes and industry sectors.
Cooperative marketing	<ul style="list-style-type: none"> • Members encouraged to participate in cooperative marketing - sector or campaign based, such as an autumn campaign (intrastate leisure market), wedding venues and services (sectoral), events (daytrip and short breaks market). • Undertake joint consumer campaigns with ASW. • Develop sector specific visitation in conjunction with other organisations e.g. Southern Forests Food Council, Chamber of Commerce, Perth Convention Bureau etc. • Provide discounted advertising opportunities for members in publications and campaigns.

Famils	<ul style="list-style-type: none"> • Support industry and media familiarisations (famils) by others including ASW, Tourism WA, Australian Tourism Exchange famils program etc. • Instigate niche-specific industry and media famils. • Develop itineraries and themes.
PR strategy	<ul style="list-style-type: none"> • Media and PR strategy to include regular stakeholder and industry communication and media releases • Produce regular, targeted e-newsletters.
Trade shows	<ul style="list-style-type: none"> • Provide destination information to ASW for representation at selected Trade shows in WA and interstate e.g. Australian Tourism Exchange, east coast sales calls. • Collaborate with members and other organisation to organise joint trade stands.
Consumer shows	<ul style="list-style-type: none"> • Attend selected Consumer shows to represent the destination e.g. WA Caravan and Camping Show.

Industry Development

Identifying skill, knowledge and/or capacity needs in local operators and providing appropriate training and development to address gaps.

Training	<ul style="list-style-type: none"> • Promote and facilitate training by others (e.g. Tourism Council WA, local Chambers, CRCs etc.). • Provide subsidies if required to enable appropriate industry training to be delivered in the destination.
Member famils	<ul style="list-style-type: none"> • Run product famils of member properties for members (encouraging cross promotion, packaging and networking). • Run periodic member networking events e.g. a 'business after hours' format, hosted at member properties.
Industry famils	<ul style="list-style-type: none"> • Compliment ASW and Tourism WA famils programs to the destination by providing in-destination hospitality, famils itinerary development support etc.
Communication	<ul style="list-style-type: none"> • Provide a regular (proposed monthly) 'Industry Update' e-newsletter to members including industry events, cooperative marketing opportunities, training and general industry news and information. • Distribute a regular (proposed weekly) 'What's On' email (guest information on markets, events, wildflowers etc.) to members.
Advocacy	<ul style="list-style-type: none"> • Advocate destination industry needs and participate in planning at the local, regional and state levels (with ASW, Tourism Council WA, South West Development Commission etc.). • Advise government on matters affecting tourism in the destination including infrastructure needs, land use, attractions, facilities etc.
Value of Tourism	<ul style="list-style-type: none"> • Implement a 'Value of Tourism' strategy (PR/media campaign, open days for locals etc.) to encourage local product/experience awareness and advocacy for tourism.

Research	<ul style="list-style-type: none"> • Undertake periodic surveying of in-destination visitors to obtain demographic information, spend patterns and feedback on the destination experience. • Collect and distribute available industry data to members such as Tourism Research Australia and ASW data, in-destination visitor surveys, visitor trends, destination web site analytics etc.
-----------------	---

Product Development

Developing or improving products and experiences to continually improve the visitor experience of a destination.

Packaging	<ul style="list-style-type: none"> • Develop itineraries and packages relevant to consumer markets. • Develop in consultation with industry partners such as ASW, Tourism WA, WA Indigenous Tourism Operators Council etc. • Develop in consultation with members and stakeholders.
Niche products and services	<ul style="list-style-type: none"> • Work cooperatively with other sectors including retail, agriculture and education to develop tourism products e.g. Southern Forests Food Group collaboration.
Event support	<ul style="list-style-type: none"> • Provide a marketing advice and advertising package to support strategic destination events.

Visitor Services

Providing visitors to a location with information on the area's products, services and facilities. Can be achieved through visitor centres, signage, interpretation, brochures, maps, websites, mobile device apps etc.

Information services	<ul style="list-style-type: none"> • Review current in-destination delivery of visitor information through a Visitor Servicing Business Plan (VSBP). • From outcomes of VSBP consider new technologies, trends in visitor behaviours and expectations, modes of delivery (digital, signage, interpretation, publications etc.) and associated costs.
Brochures	<ul style="list-style-type: none"> • Provide opportunities for destination-wide distribution of member brochures and access to on-line brochures and listings.
Bookings	<ul style="list-style-type: none"> • Provide an online booking service via a consolidated, destination-wide website. • Provide training and support to members to deliver live online booking capability.
Famils	<ul style="list-style-type: none"> • Provide staff, volunteers and members involved with the provision of in-region visitor information with famils to key destination attractions and member product (accommodation, tours and services).

The outcomes of the 2016 Visitor Service Business Plan are detailed on pages 9-12.

The LTO Proposal

LTO Structure

The Investigation Report recommends the LTO be formed as a Not-For-Profit Association owned by the members that make a financial contribution, and with a Board of Management consisting of tourism stakeholders and financial partners.

The proposed Objects of the Association are;

- (i) to promote the region as a tourist destination;
- (ii) to provide tourist services and attractions;
- (iii) to engage in such commercial activities as are from time to time deemed appropriate with the purpose of raising and attracting funds to assist the LTO in the achievement of its objects;
- (iv) to undertake all reasonable measures to protect, preserve and maintain the natural environment of assets under the management and care of the LTO; and
- (v) to do or be concerned in any other matters or things which may tend to benefit the residents of, commercial interests in and visitors to the Region.

Membership

The LTO will invite membership from businesses that derive, or have the potential to derive, a direct or flow-on benefit from tourism to the destination. The LTO will utilise industry contributions to deliver an adequately resourced association representing the interests of the financial members.

Importantly, the LTO will leverage industry financial contributions to create economies of scale, greater consumer and industry penetration, and to form alliances with industry bodies, government and marketing partners.

It is recommended a tiered membership fee structure ranging from \$300 to \$600 per year, depending on the nature and scale of a business. Lower fees are recommended for 'non-core' businesses and Not-For-Profit groups, such as event organisers.

In response to concerns raised frequently by tourism operators, the aim is to work towards a single membership fee payable at the destination level. This will require negotiation with the existing Visitor Centre network, and with Australia's South West. There is no intention of duplicating existing tourism roles and functions within the region.

Members will be entitled to stand for election to LTO Board of Management positions, receive marketing benefits and participate in additional cooperative marketing campaigns and initiatives. A Membership Prospectus outlining the schedule of fees and benefits will be developed by the LTO each year.

Visitor Services



In 2016 The WBAC commissioned a Visitor Services Business Plan (VSBP) covering our three member shires to offer a single desk approach for delivery of tourism services throughout the WBAC region.

Importantly, this exercise was undertaken independently of a restructuring proposal to encourage a LTO, it is proposed by the WBAC that visitor servicing (and the visitor centres) would come under a new LTO structure.

VSBP Key Findings

Based on the research and consultation undertaken, the following key findings are noted:

- There are a variety of differences between each of the six visitor centres (VCs) which operate within the WBAC region. The VCs in Manjimup Local Government Area (LGA) are individually operated by not-for-profit organisations with part funding for staff and some ancillary costs provided directly by the Shire of Manjimup, Bridgetown-Greenbushes VC is co-located with a social history museum and the Brierley Jigsaw Gallery and operated by the Shire of Bridgetown-Greenbushes, whilst Nannup's VC is contracted out to a retailer to provide visitor services as part of a service contract arrangement.
- Four of the VCs are accredited:
 - Bridgetown-Greenbushes
 - Northcliffe
 - Pemberton
 - Walpole-Nornalupwhilst two are not;
 - Manjimup
 - Nannup - though we note Nannup is working towards achieving accreditation.
- There are issues associated with the robustness of official visitor data for the LGA's and into the WBAC regional generally.
- Actual visitation to the VCs has been assessed and refined after meetings, follow up discussions and a review of data.
- The important role which VCs play, particularly for smaller communities is noted and recognised, though the true cost of providing visitor services is not fully known

- Based on the financial reports provided:
 - Bridgetown-Greenbushes VC generates, on a per visitor basis, \$3.34 in gross profit, \$10.49 in expenditure and the net loss of delivering the service equates to -\$8.86 per visitor. The Bridgetown-Greenbushes VC financials are useful because they highlight the full cost of supporting infrastructure such as buildings, fittings and furniture and their associated depreciation rates, along with the full cost of utilities and apportionment of overhead costs.
 - Manjimup VC generates \$1.92 in gross profit, \$1.60 in expenditure and produces a net surplus of \$0.32 per visitor.
 - Northcliffe VC produces, on a per visitor basis, \$3.33 in gross profit, \$2.82 in expenditure and generates a net surplus of \$0.53 per visitor into the VC.
 - Walpole-Nornalup VC produces, on a per visitor basis, \$2.11 in gross profit, \$3.11 in expenditure and generates a net loss of -\$0.15 per visitor into the VC.
- Whilst digital services (internet, websites and mobile apps) are limited in many areas due to poor connectivity in internet provision (though town centres and VCs all have adequate services) the potential NBN rollout is anticipated into parts of the region in 2017 which could have a dramatic effect on how information is sourced and updated and which would offer many online solutions.
- The WBAC region is large but the population base is relatively small and the number of industry operators is subsequently small as well which creates pressure on LGs to support visitor services traditionally. We note that for many VCs which operate with industry members, the level of industry support and membership is low.
- We understand that the Margaret River LTO derives an attractive revenue stream from operating the caves attraction and is looking at contracts to offer services for the airport as well. This allows the LTO to be far more independent than if it was required to source most of its funding from LGs or members. In the absence of a commercial attraction to derive revenue from, the proposed LTO model will need a stronger commitment from LGs and members.
- Road directional signage throughout the WBAC region was found to be generally good, though there was little gateway signage to illustrate one is entering the WBAC region and virtually no interpretative signage, to encourage travellers to stop and better understand the region and its sites of significance. There is a need for more prominent gateway signage and a signage bay with interpretive material as visitors enter the WBAC region south of Walpole and north of Bridgetown-Greenbushes. There is a need for this signage to focus on the WBAC region rather than separate LGA boundaries. The collective product offering is far stronger and visitors do not recognise LGA boundaries. With limited major visitor attractions the need for a collective regional approach is all the more important.

Visitor Service Models to Consider

Whilst WBAC has received advice on the establishment of an LTO to bring tourism services together, the notion of best practice ways of delivering visitor services specifically has been looked at with or without an LTO organisation applied. However, it is important that, if an LTO is to be established, for which visitor services are expected to be part of that:

- an agreed equitable way of funding visitor services and related VCs is determined which, in other locations, would more often be via a per capita contribution; and
- any financial commitment from LGs to support visitor services, and VCs specifically, needs to be ring-fenced rather than provided to an LTO as part of a consolidated funding arrangement to protect the funding for visitor services specifically.

The following are four models offered as options for consideration, with or without an LTO structure established.

Model 1 Centralised Visitor Servicing Model

Model 1 - an umbrella centralised visitor servicing model whereby as many functions as practically possible are coordinated and delivered by a centralised body to help minimise cost, to create consistency in service delivery and to offer a quality standard service to consumers and industry.

Model 2 Council Co- Location Model

Model 2 - focuses on co-location actively encouraging any VCs to be collocated with compatible organisations such as the community resource centres, libraries, art galleries and museums, by way of example, and allowing for the investigation of co-location with appropriate State Government bodies such as DPAW.

Model 3 Digital Visitor Servicing Model

Model 3 - a digital visitor servicing model which reflects the introduction of quality internet services and a move by consumers as well as businesses into web-based and associated information sourcing solutions and away from traditional brick and mortar centres.

Model 4 Rationalisation Model

Model 4 - a rationalisation model which looks to acknowledge the gateway locations of some of the VCs but identifies digital and other ways to deliver services rather than through dedicated VCs.

There are a variety of benefits and costs relating to each of the various models. It may well be that a hybrid model offers the most palatable way forward if an agreement on any one model is not possible amongst the three shire councils and WBAC.

Recommendations

The following recommendations were provided by the VSBP consultants and are based on a variety of assumptions.

- It is assumed that the NBN rollout will occur in the next 1-3 years into the WBAC sub-region (however this is not guaranteed), and it will offer good internet coverage and the opportunity for a digital platform to deliver visitor services to most of the sub-region. In the interim, there will be a need to encourage those without good connectivity to utilise libraries and CRC which may be able to provide this.
- There is a desire by LGs, as the funding body (in different forms) for VCs to look at ways of collocating visitor services, even if these options have been attempted before but have been unsuccessful.
- Whether an LTO is established or not, the focus of visitor services needs to be on delivering quality information in advance (via a quality website) and within the sub-region, via a variety of visitor facilities, and digital-based solutions; so, a mix of both online and on the ground.
- A model which centralises as many of the back of house support functions and requirements including compliance needs should be part of a new model going forward as it will help with quality control to benefit communities, visitors, industry operators and LGs.
- The simple rationalisation of VCs is unlikely to lead to an improved level of visitor service delivery until such time that digital based solutions are able to be provided comprehensively across the entire WBAC sub-region, including via technology in the form of touch screens, etc.
- None of the above, however, obviates the benefit of having quality volunteer-based ambassadors, well trained and able to support visitor enquiries, particularly during events and peak holiday periods.

The true cost of visitor services is only able to be determined once all costs (including the opportunity cost of providing Peppercorn rental accommodation) are identified. The assessment provided shows an indication of what some of the true cost is likely to be, based on other regional examples.

In addition, it is likely that under some of these models, it will be possible to reduce a number of expenditure items and therefore reduce overall VC operating costs. In turn, this may allow VCs and/or the entity formed to coordinate their delivery, to apply any VC cost savings to stronger online marketing and promotional campaigns which can also encourage greater industry/operator participation.

With respect to visitor road signage, consideration should be given to enhanced gateway signage for those entering from the north via Bridgetown- Greenbushes and from the south at Walpole. Where possible, consideration should also be given to introducing interpretative signage which may need to be developed around lay-bys and easily accessible visitor attractions such as walking trail access points, unique flora changes and areas of more significant geology

Additional Factors Considered

Though outside of the brief for this visitor services business plan review, The Group received information on challenges associated with the lack of a major visitor attraction within the WBAC region and the appetite amongst some stakeholders to try and create one.

We see a major challenge being that an estimated 80 - 85% of the land area of the WBAC region is held in either national park or conservation reserve land with limited ability to introduce commercial tourism activities. There is, therefore, relatively limited sites to provide

opportunities and, in addition, the financial risks associated with this are likely to be significant. When the commercial development sector perceives an opportunity is real, they are likely to pursue this. In the interim, it would be useful for the WBAC region to undertake the development of a destination management plan (working with ASW who can provide a sound foundation for marketing) to provide a detailed evaluation of current product as well as product gaps and the potential for new experiences and initiatives which could be identified and promoted for the future.

In conclusion, we note the pride which many stakeholders involved in VCs have in relation to their ability to offer a variety of services and product to meet visitor needs. This needs to be acknowledged and commended. Technology, however, is going to be able to provide cost effective ways of delivering information faster and on a more regular basis to a visitor market who is well experienced and conditioned to using websites and other digital information to find out about places of interest and other important visitor information. Being ready and prepared to meet this opportunity, rather than perceiving it as a threat, is an important outcome which each of the VCs within the sub-region needs to be thinking about.

Conclusion

Based on the available information and our assessment of current and future visitor servicing needs, we would suggest that the preferred model which the three LGs and WBAC should now consider is an amalgam of the models recommended, a Hybrid Model.

The preferred model would therefore ideally include:

- all back of house functions (accounting, procurement, IT, marketing, HR systems, administrative functions) to be centralised;
- the introduction of a dynamic destination website to replace the 10 existing destination and VC websites across the two subregions of Blackwood River Valley and Southern Forests and including the use of touch screen technology introduced in select locations;
- co-location of VCs with other appropriate facilities to share costs and benefits; and
- whilst we acknowledge the value to local communities of having a “shop window” to reflect the uniqueness of the towns where VCs are currently located and as an important element of community pride, there should be the introduction of a digital based information program to offer stronger online information and promotion, and which reflects the growing consumer preference for more online data solutions.

Whilst we consider that the actual quantum of visitors into some of the VCs in the WBAC sub-region is higher than in other destinations as a percentage of total visitation, there is still close to 80% - 85% of visitors who may not walk into most VCs in the region. Offering quality, reliable information to all visitors is an essential outcome which needs to be aimed for.

Finally, with respect to the need to adapt and enhance visitor services for the future, there is a need for greater destination marketing, a stronger digital presence and a higher level of industry buy in and support. Therefore, whilst the current estimate of operating costs of VCs across the WBAC sub-region may appear to be inexpensive, the status quo does not appear to be offering optimum outcomes. To achieve the optimum outcome, there is a need for far greater cooperation amongst those offering visitor services across the WBAC sub-region.

Next Steps

The Warren Blackwood Alliance of Councils are very grateful for your support and involvement in tourism development for our region and we welcome your thoughts and views on the proposed Local Tourism Organisation model and the Visitor Services Business Plan.

We would like to invite you to attend one of our forthcoming sundowners to discuss the 'Future of Tourism' for our region.

The sundowners are taking place on:

Date Tuesday 21st February 2017

Venue Shire of Manjimup Community Information Office, Brockman Street, Manjimup

Time 5.30pm

Host Shire of Manjimup

Date Wednesday 22nd February 2017

Venue XXXXXXXXXX

Time 5.30pm

Host Shire of Bridgetown Greenbushes

Date Thursday 23rd February 2017

Venue Nannup Sport & Recreation Centre, Warren Road, Nannup

Time 5.30pm

Host Shire of Nannup

Please RSVP by [clicking here](#), using the link in your email or by contacting the WBAC Executive Officer, Katie Drummond, via tourism@wbac.net.au or 0409 112 529.