

Phillip Island Strategic Tourism Plan 2014–2019



Destination

Phillip Island

Regional Tourism Board

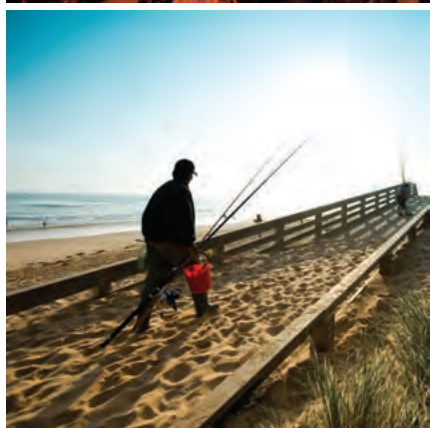
P.O. Box 683 Cowes, Vic 3922

03 5952 2729 • dpi@visitphillipisland.com.au

Introduction

The *Phillip Island Strategic Tourism Plan 2014–19* outlines priority strategies and actions to be progressed under the stewardship of the Destination Phillip Island Regional Tourism Board in collaboration with the Bass Coast Shire Council, Tourism Victoria, Phillip Island Nature Parks and the industry and community of Phillip Island.

The Strategic Tourism Plan will provide strategic direction for annual business planning by the Regional Tourism Board and will inform other regional and local government economic, tourism and community planning. The Strategic Tourism Plan supports direction provided by Victoria's Regional Tourism Strategy 2013–16, Victoria's 2020 Tourism Strategy, Victoria's China Strategy, Bass Coast Shire Council Plan 2013–17, Gippsland Regional Plan, Bass Coast Shire Council Plan 2013–17 and the Federal Tourism 2020 Vision.



Economic Importance of Tourism in The Region

In 2011–12, the tourism industry contributed an estimated \$619 million to the Phillip Island economy (39.0% of gross regional product) and employed approximately 5,000 people (33.5% of regional employment).

Tourism Satellite Accounts (TSA) evaluate tourism industry activity and performance within a national accounting framework. The regional TSA measures both the direct and indirect impacts of tourism on the economy and includes metrics such as Gross Value Added (GVA), Gross Regional Product (GRP) and employment. It also provides information about tourism consumption, output, taxation and the composition of the tourism industry and its interaction with other industries.

This Phillip Island regional profile presents (and ranks) the economic contribution of tourism to the region both in absolute level terms and as a contribution to the regional economy. These measures are directly comparable to State and National Tourism Satellite Accounts.

Key Results:

In 2011–12, the tourism activity in Phillip Island generated:

- **Tourism Output** — \$333 million and \$882 million in direct and indirect tourism output, and \$1,215 million in total tourism output.
- **Gross Value Added (GVA)** — \$177 million and \$356 million in direct and indirect tourism GVA, and \$533 million in total tourism GVA.
- **Gross Regional Product (GRP)** — \$193 million and \$425 million in direct and indirect tourism GRP and \$619 million in total tourism GRP.

Total tourism GRP in the Phillip Island region has increased at an average annual rate of 5.1 per cent over the period 2006–07 to 2011–12. Total tourism GRP increased by 13.5 per cent year-on-year from 2010–11 to reach 39% of Phillip Island Gross Regional Product.



Employment

2,500 jobs for people employed directly by the tourism industry, 2,500 indirect jobs and a total employment impact of 5,000 people. Total tourism employment in the Phillip Island region has increased at an average annual rate of 1.1 per cent over the period 2006–07 to 2011–12. Total tourism employment increased by 1.8 per cent year-on-year from 2010–11.

The ratio of Phillip Island's direct tourism contribution to the total regional economy aggregates provides a point of reference snapshot for the importance of tourism to the region. In 2011–12, It is estimated that tourism directly represented 12.2% of the total Phillip Island economy (in GRP terms), compared to 4.5% for regional Victoria on average.

Phillip Island ranked first overall in the comparative importance of tourism across Tourism Victoria regions (i.e. direct share of regional economy). Phillip Island ranks in Australia as the second most reliant tourism destination making it extremely vulnerable to tourism visitation impacts.

Phillip Island's nature based attractions and assets under the care of Phillip Island Nature Parks are a major driver of International visitation to Melbourne and regional Victoria as identified in Victoria's China Strategy. The Penguin Parade provides a unique wildlife experience attracting over 0.5 million visitors of which over 50% are international. This experience drives touring experiences into Phillip Island, Gippsland, Yarra Valley/Dandenong Ranges and Mornington Peninsula. The region is striving to convert the large day trip visitation to the Penguin Parade from international markets to overnight stay providing a significant increase in economic benefit.

The hosting of world class events at the Phillip Island Grand Prix Circuit provide major economic benefit to the state attracting international, interstate and intrastate visitation to Phillip Island, surrounding region and Melbourne. Hosting of regional events provides additional motivation to travel to Phillip Island, visit tourism attractions and contributes to year round visitation in off peak and shoulder periods.

Phillip Island is also well positioned to provide unique incentive experiences to MICE groups based in Melbourne.

Refer to Victorian Regional Tourism Satellite Accounts 2011–12, produced by Deloitte Access Economics for Tourism Victoria, November 2013.

Research Factsheet produced by Tourism Victoria, November 2013.



The Region

The Phillip Island marketing brand identifies a key essence of “Naturally Playful”. The brand was developed to provide a summary of the key unique points of difference for the region as a basis for marketing and positioning the destination.

The four unique key attributes identified —

- Wildlife in its natural habitat
- Family attractions
- Diverse beaches and coast
- Motorcycle events

These attributes provide the destination with an opportunity to attract emerging and traditional International markets, the important Melbourne family market and event visitation.

Refer to Phillip Island Brand Pyramid in appendix

Vision

Phillip Island is a pre-eminent, world-class, visitor destination, recognized not only for its nature based attractions, but as a unique island offering a diverse range of experiences, and one where the tourism industry and the community are working together for their mutual benefit.

Tourism Objectives

To encourage, foster and assist Bass Coast Shire Council, Phillip Island and San Remo Tourism and Business Associations, Visitor Information services and industry stakeholders to monitor and achieve:

- Increased visitor numbers and length of stay especially outside of peak periods
- Increase visitor yield and satisfaction
- New Infrastructure investment
- Product development

Priorities

Key areas requiring attention are visitor servicing, risk management and community support.

Priority challenges include:

- Transport access and management
- Quality, range and service consistency of visitor services such as shopping and hospitality matched to market demand
- Supportive public policy to facilitate tourism development
- Development of appropriate accommodation options to meet new markets and increase yield

Key opportunities include:

- Development of the Cowes Activity Centre Plan including the foreshore tourism, visitor and appropriate commercial accommodation experiences
- Establishment of a viable car ferry link to the Mornington Peninsula to open up coastal touring market links supporting regional dispersal to Gippsland. Destination Phillip Island will provide input and representation for tourism and visitor experiences.
- Phillip Island Nature Park infrastructure development Summerlands Peninsula Master Plan 2012 including Penguin Parade
- Develop and promote the unique positioning of Phillip Island as an accessible, diverse, active and nature based rural island experience close to a major capital city
- Develop further Phillip Island's unique nature based offering by Phillip Island Nature Parks to grow the China market visitation as identified in Victoria's Chinese Strategy and evolve to longer and overnight stay. Destination Phillip Island to support the development of this market with Phillip Island Nature Parks promoting a full range of experiences, packages and overnight stay to increase yield and visitation.
- Increase product development to expand the diversity of experiences such as arts and culture, rural produce, active recreation and events

These challenges and opportunities guide the development of strategies and actions to be consistently and vigorously pursued.

The Phillip Island Strategic Tourism Plan frames these priority strategies within the core functions:

- Tourism development — product and destination
- Marketing
- Management (visitors and the industry)
- Advocacy



Phillip Island Tourism Infrastructure Projects (public sector)

Phillip Island to Stony Point Car Ferry
Cowes Activity Centre Plan



A) Tourism Development – Product and Destination

GOAL

To facilitate the development of infrastructure, product, services and the industry consistent with market demand and to improve the visitor experience.

Action	Approach	Measures	Responsibility
1. Prepare and deliver an Industry Development Program	Create an Industry Development Program with consideration of: <ul style="list-style-type: none"> ■ Business development training ■ Mentoring ■ Tourism Excellence ■ Tourism Leadership ■ Industry communication ■ Business contact database ■ Community organisation engagement ■ Business and community networking 	Plan prepared and implemented Business participation and satisfaction measured Business database and regular e-communication established	Lead: Destination Phillip Island (DPI) Bass Coast Shire Council (BCSC) Tourism Victoria (TV) Phillip Island Tourism and Business Association (PITBA) San Remo District Tourism and Business (SRDTB)
2. Facilitate the progressive development of products and services which diversify visitor experiences and respond to market demand opportunities	Advocate for the further development of appropriate accommodation to achieve overnight stay growth to improve yield from growing international markets Prepare and implement a product development plan which supports development of existing business and identifies new opportunities such as arts and culture, active recreation including walking and bike trails, well being, local produce, hospitality and shopping Actively support the development of the Cowes Activity Centre Plan including foreshore development Support the development of an Events strategy by Bass Coast Shire Council to diversify the range and calendar of events capable of attracting diversified target markets Support the development of an integrated transport plan to maximize options on, to and from Phillip Island	Events strategy prepared New product, services and events established	Lead: DPI BCSC TV PITBA SRDTB Cowes Community Committee (CCC) Other committees, as relevant
3. Development of the Phillip Island Car Ferry project	Advocate to BCSC to create task group with DPI representation Encourage the consideration of options for the project and business case and funding options for the project Support community consultation Advocate to local, state and Federal Government to identify the project as one of state and national significance	New Business Case prepared Community Support achieved Priority project status achieved Project go ahead	Lead: BCSC DPI TV Parks Victoria (PV) Department of Environment and Primary Industries (DEPI) PITBA CCC Destination Gippsland Tourism Board (DGL) Mornington Peninsula Tourism Board (MPTB)
4. Capital investment in the development of Phillip Island Nature Parks to world class standard	Support Summerland Peninsula Master Plan 2012 (including Penguin Parade upgrade) for the development and continuous improvement of world class /excellent nature-based visitor experiences Advocate to State and Federal Governments for priority funding support to upgrade the Penguin Parade and other infrastructure	Significant annual investment in PINP infrastructure and product development achieved	Lead: Phillip Island Nature Parks (PINP) TVIC DEPI DPI BCSC
5. Identify and support infrastructure development in the Bass Coast Shire that supports business development	Provide advocacy to key developments such as: <ul style="list-style-type: none"> ■ Broadband ■ Natural Gas ■ Transport ■ Buildings ■ Roads 	Evidence of advocacy Rollout of relevant infrastructure	Lead: BCSC DPI

B) Marketing

GOAL

*To increase visitor yield
and seasonal dispersal.*

Action	Approach	Measures	Responsibility
1. Continue to deliver the Strategic Marketing Plan which increases brand equity, visitation growth and dispersal and achieves an annual increase of cooperative industry participation and support	Establish Marketing Sub Committee Update the Strategic Marketing Plan	Strategic Marketing Plan updated with Digital Strategy incorporated Industry buy in targets achieved Results measured and communicated Plan reviewed annually	Lead: DPI BCSC PINP PITBA / SRDTB TVIC
2. Develop strategic marketing partnerships	Consider strategic partners to leverage cooperative marketing opportunities and market development <ul style="list-style-type: none"> Other RTBs Corporate sponsors Major operators (PINP, Industry) MICE market development Grow international market development opportunities <ul style="list-style-type: none"> Cooperate with other destinations/touring routes In-market visits Industry and trade events Tourism Victoria and Tourism Australia engagement 	Identify possible partners Partnerships established New market opportunities identified	Lead: DPI Industry

C) Management (Visitors and Industry)

GOAL

*To maximise visitor satisfaction
and industry engagement*

Action	Approach	Measures	Responsibility
1. Develop and implement a visitor experience excellence program	Establish an industry-based Visitor Services Sub-Committee Develop an integrated program to provide seamless visitor experience excellence Research and benchmark visitor satisfaction Deliver industry development opportunities using Tourism Victoria's Tourism Excellence program for industry education Undertake visitor service audits Identify, reward and promote visitor service excellence examples	Sub Committee established Program developed and implemented Service standards benchmarked and improved	Lead: DPI PITBA / SRDTB BCSC
2. Bass Coast Shire Council to lead the preparation of a Tourism Master Plan for the shire and other Destination Plans to complement the Phillip Island Strategic Tourism Plan	Support the consultative process to prepare a Strategic Tourism Master Plan for the Bass Coast Shire Support the preparation of Tourism Destination Plans for Inverloch, Cowes and San Remo	Bass Coast Tourism Master Plan prepared Tourism Destination Plans prepared	Lead: BCSC DPI DGL

D) Advocacy

GOAL

To represent the Phillip Island tourism industry and advocate for its positive development.

Action	Approach	Measures	Responsibility
1. Engage the community to increase awareness and support for the value of visitors to the economy, community, culture and environment of Phillip Island	Undertake community communication to support the value of the visitor economy Engage with community groups and involve them in industry networking events	Regular media releases and interactions with local government and community groups	Lead: DPI PITBA SRDTB BCSC
2. Prepare a Tourism Policy agenda and advocacy plan	Engage with stakeholders to identify issues which are either barriers to or will enhance tourism development Support stakeholders by providing mentoring and support research and profiling of the region Prepare a policy platform for positive tourism development Prepare and implement an advocacy and representation strategy Participate in VTIC advocacy committee	Policy program identified Advocacy and Representation process in place DPI Board maintain proactive dialogue with the Minister for Tourism and Tourism Victoria Positive progress achieved on policy objectives	Lead: DPI BCSC State and Federal Government Stakeholders Victorian Tourism Industry Council (VTIC)



Evaluation and reporting

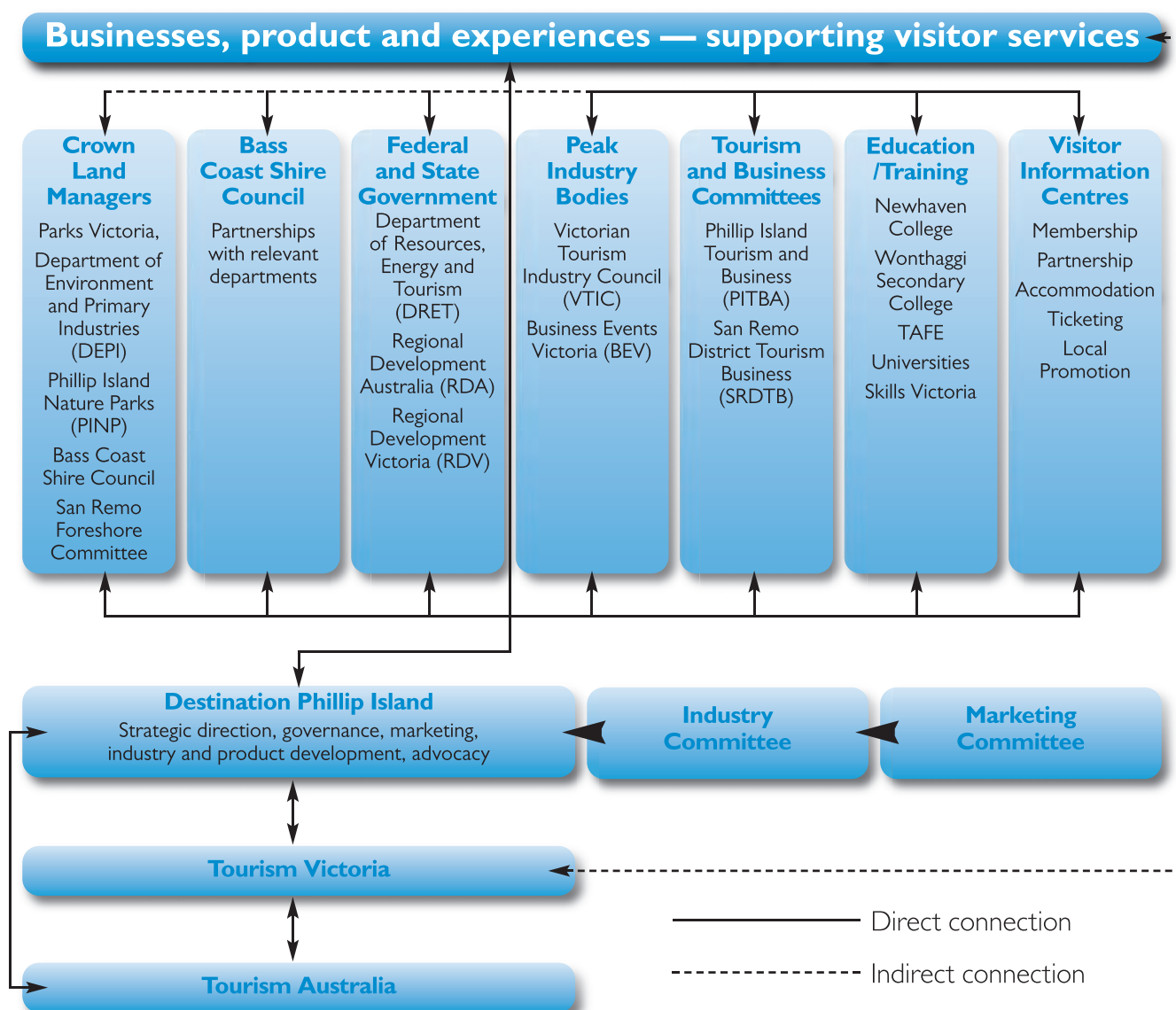
An implementation and evaluation plan will be completed for the strategy, with an annual report distributed to stakeholders. A yearly activity plan will be developed by the board to prioritise and measure strategic work.

Performance Indicators

1. To increase overnight visitation from International markets by 0.5% year on year
2. To increase overnight domestic visitation by 1% year on year
3. To increase annual direct tourism output from \$333 million to \$350 million by 2019

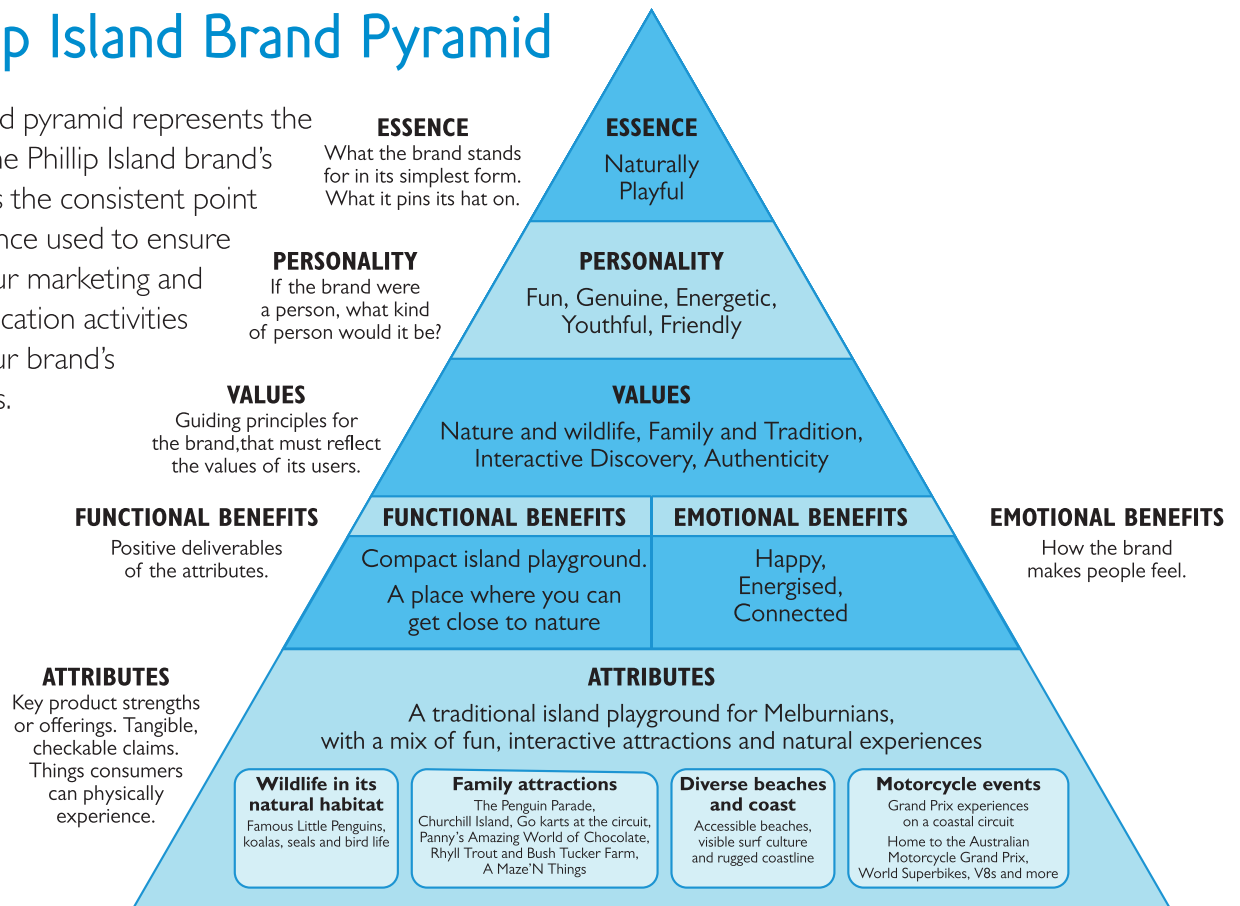
Phillip Island Tourism Structure

This table illustrates existing tourism structure for Phillip Island



Phillip Island Brand Pyramid

The brand pyramid represents the sum of the Phillip Island brand's parts. It is the consistent point of reference used to ensure that all our marketing and communication activities reflect our brand's intentions.



Phillip Island has an approved set of Brand Templates which maybe used for advertising the region.

Phillip
INTRODUCE
THE FAMILY
TO FUN
Island

Pack the family in the car and head across the bridge to Phillip Island. With a wide range of attractions, there's fun for the little ones – and the grown up little ones. Step into a chocolate wonderland with a trip to Pannys or try your luck at catching your own lunch. Let the kids go wild racing laps on the go karts or playing hide and seek in a world of puzzles and mazes. And when the sun starts to set, gather the pack together to watch the little penguins scurry back to their nests. With so much to do, you might want to plan on staying a while.

PHILLIP ISLAND
NATURALLY PLAYFUL
See it all in one place of nature
visitphillipisland.com

Phillip Island Market Profile

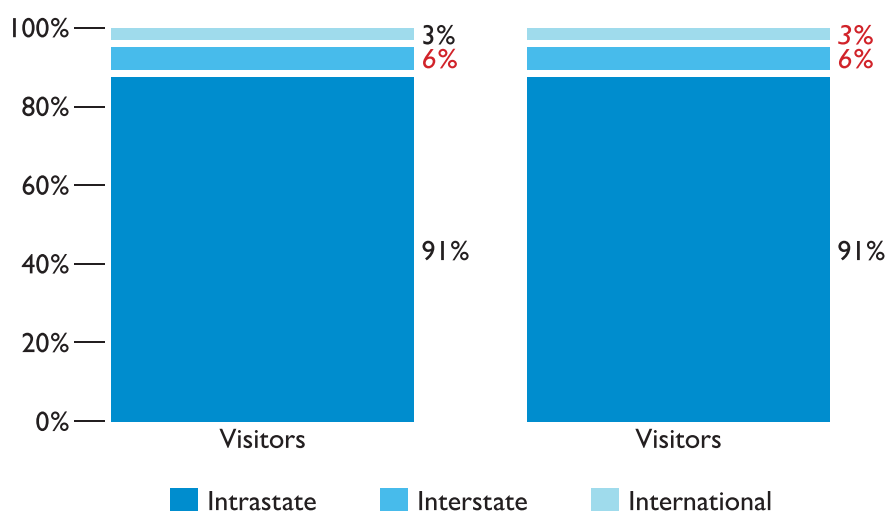
This fact sheet provides a summary of the latest tourism data for the Phillip Island campaign region.

Information includes: domestic and international visitor numbers, visitor expenditure and domestic visitor profiles such as origin, purpose of visit, visitor activities and travel parties.

DOMESTIC AND INTERNATIONAL OVERNIGHT VISITATION TO PHILLIP ISLAND

Ninety-one per cent of overnight visitors to Phillip Island were sourced from the intrastate market, followed by 6% from interstate and 3% from the international market.

Ninety-one per cent of visitor nights in the Phillip Island region were sourced from the intrastate market, followed by 6% from interstate and 3% from the international market.



Domestic Overnight Visitation

The Phillip Island region received an estimated 761,000 domestic overnight visitors for the year ending December 2012. This was an increase of 4.1% from 2011 to 2012. Seven per cent of all domestic overnight visitors to regional Victoria visited the Phillip Island region.

Year ending December	2008	2011	2012	AAG* 00/12	AAG* 08/12	% change 11/12
Domestic						
Overnight Visitors (000s)	746	731	761	+0.0% p.a.	+0.5% p.a.	+4.1%
Visitor Nights (000s)	2,421	2,087	2,956	+3.5% p.a.	+5.1% p.a.	+41.6%
Daytrip Visitors (000s)	1,078	1,216	1,054	-1.3% p.a.	-0.6% p.a.	-13.3%
International						
Overnight Visitors (000s)	29.2	26.7	27.1	-2.1% p.a.	-1.8% p.a.	+1.7%

Since 2008, domestic overnight visitation to the region has increased at an average annual rate of 0.5%, compared to an increase of 0.9% per annum for regional Victoria generally.

Domestic Visitor Nights

For the year ending December 2012 the region received an estimated 3.0 million domestic visitor nights. This was a strong increase of 41.6% from 2011 to 2012. The region had an 8% market share of all domestic visitor nights to regional Victoria.

The average length stay was 3.9 nights in 2012, up from 2.9 nights in 2011.

Since 2008, domestic visitor nights to the region have increased at an average annual rate of 5.1%, compared to growth of 1.3% per annum for regional Victoria generally.

Domestic Daytrip Visitation

There were an estimated 1.1 million domestic daytrip visitors to the Phillip Island region in the year ending December 2012. This was a decrease of 13.3% from 2011 to 2012. Four per cent of all domestic daytrips to/within regional Victoria visited the Phillip Island region.

International Overnight Visitation

The Phillip Island region received an estimated 27,100 international overnight visitors for the year ending December 2012. This was an increase of 1.7% from 2011 to 2012. Nine per cent of all international overnight visitors to regional Victoria visited the Phillip Island region.

Since 2008, international overnight visitors to the region have declined at an average annual rate of 1.8%, compared to a decline of 0.4% per annum for regional Victoria generally.

Estimated International Daytrip visitors

It is estimated that the Phillip Island region received 295,400 international daytrip visitors in the year ending December 2012.

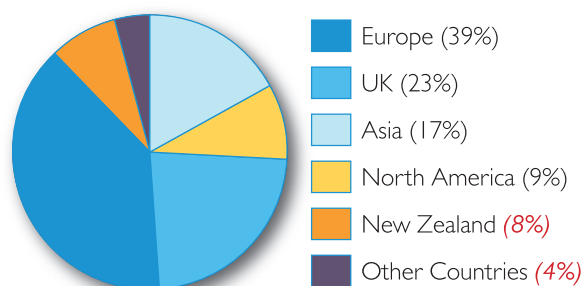


PROFILE OF INTERNATIONAL OVERNIGHT VISITORS TO PHILLIP ISLAND

Origin

(% of international overnight visitors to Phillip Island)*

The largest source market of international overnight visitors to Phillip Island for the year ending December 2012 was Europe, accounting for 39% of international overnight visitors to the region. The next largest market for the region was the UK, accounting for 23%.



Age Group

(% of international overnight visitors to Phillip Island)*

International overnight visitors to Phillip Island were most likely to be aged between 25 and 44 years (42%) and 45 and 64 years (33%).

Age Group	Phillip Island	Regional Victoria
15 to 24 years	15%	15%
25 to 44 years	42%	38%
45 to 64 years	33%	35%
65 or more years	11%	12%

Purpose of Visit

(% of international overnight visitors to Phillip Island)

Sixty-four per cent of international overnight visitors to Phillip Island were holiday visitors and 25% were visiting friends and relatives.

Purpose of Visit	Phillip Island	Regional Victoria
Holiday or leisure	64%	48%
Visiting friends and relatives	25%	33%
Other	11%	19%

Length of Visit

(% of international overnight visitors to Phillip Island)*

Seventy-nine per cent of international overnight visitors to Phillip Island were on a short visit of one to three nights.

A further 13% stayed four to seven nights.

Length of Visit	Phillip Island	Regional Victoria
1 to 3 nights	79%	53%
4 to 7 nights	13%	21%
8 to 14 nights	3%	10%
15 or more nights	5%	16%

Travel Party

(% of international overnight visitors to Phillip Island)

Forty-one per cent of international overnight visitors to Phillip Island were travelling as an adult couple and 37% travelling on their own.

Travel Party	Phillip Island	Regional Victoria
Travelling alone	37%	51%
Adult couple	41%	28%
Family (parents and children)	9%	8%
Other	13%	13%

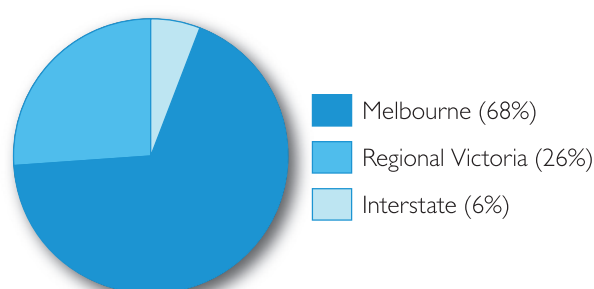
* Based on two years of data: January 2011 – December 2012.

PROFILE OF DOMESTIC OVERNIGHT VISITORS TO PHILLIP ISLAND

Destination preference

Six per cent of Australians and 14% of Victorians (aged 14 years or more) indicated that they would like to take a leisure trip of one or more nights to the Phillip Island region in the next two years.

Origin of domestic overnight visitors to Phillip Island



Intrastate overnight visitors accounted for 94% of total domestic overnight visitors to the region. Interstate overnight visitors accounted for 6% of total domestic overnight visitors.

Age Group

(% of domestic overnight visitors to Phillip Island)

Domestic overnight visitors to Phillip Island were most likely to be aged between 45 and 64 years (40%) and 25 and 44 years (30%).

Age Group	Phillip Island	Regional Victoria
15 to 24 years	16%	14%
25 to 44 years	30%	34%
45 to 64 years	40%	36%
65 or more years	14%	16%

Purpose of Visit

(% of domestic overnight visitors to Phillip Island)

Seventy-eight per cent of domestic overnight visitors to Phillip Island were on holiday, while 14% were visiting friends and relatives.

Purpose of Visit	Phillip Island	Regional Victoria
Holiday or leisure	78%	54%
Visiting friends and relatives	14%	34%
Business	6%	9%
Other	2%	4%

Lifecycle

(% of domestic overnight visitors to Phillip Island)

Domestic overnight visitors to the Phillip Island region tended to be in the parent (42%) lifecycle group. Compared to all domestic overnight visitors to regional Victoria, visitors to the region were more likely to be from the parent (42% compared to 38%) and single, no kids (21% compared to 18%) lifecycle groups.

Lifecycle	Phillip Island	Regional Victoria
Single, No Kids	21%	18%
Couple, No Kids	9%	10%
Parent	42%	38%
Older — Working	12%	14%
Older — Non-Working	17%	20%

Length of Visit

(% of domestic overnight visitors to Phillip Island)

Seventy-nine per cent of domestic overnight visitors to Phillip Island were on a short trip of one to three nights. A further 17% stayed four to seven nights.

Length of Visit	Phillip Island	Regional Victoria
1 to 3 nights	79%	77%
4 to 7 nights	17%	18%
8 to 14 nights	3%	4%
15 or more nights	2%	1%

Travel party

(% of domestic overnight visitors to Phillip Island)

The majority of visitors to Phillip Island travelled as an adult couple (34%) and as a family group with parents and children (30%). When compared to visitors to regional Victoria overall, visitors to Phillip Island were more likely to travel as an adult couple or family group and less likely to travel alone.

Travel Party	Phillip Island	Regional Victoria
Travelling alone	13%	17%
Adult couple	34%	30%
Family group (parents and kids)	30%	27%
Friends or relatives	20%	20%
Business associates	0%	3%
Other	3%	3%

Seasonality of Trip

(% of domestic overnight visitors to Phillip Island)*

Domestic overnight visitation to the region peaks during summer, attracting the highest proportion of visitors (38%). This is a higher proportion than visitors to regional Victoria overall during this season (31%). In contrast, winter had the lowest proportion of visitors to the region (17%).

Month	Phillip Island	Regional Victoria
December	10%	7%
January	20%	16%
February	7%	7%
Summer	38%	31%
March	10%	9%
April	11%	10%
May	5%	7%
Autumn	25%	26%
June	6%	7%
July	5%	7%
August	6%	6%
Winter	17%	20%
September	6%	6%
October	5%	7%
November	8%	9%
Spring	20%	23%

Accommodation

(% of domestic visitor nights in Phillip Island)*

Of all domestic visitor nights in the Phillip Island region in 2012, 39% were spent with friends or relatives and 19% in own property (eg. holiday house). When compared to visitor nights spent in regional Victoria overall, visitors to Phillip Island were more likely to stay in their own property, or a rented property (house, apartment, flat or unit), and less likely to stay in a caravan park or camping ground (commercial), or a hotel, motel, apartment, flat or unit.

Accommodation	Phillip Island	Regional Victoria
Friends or relatives property	39%	38%
Own property (e.g. holiday house)	19%	9%
Caravan park / camping (commercial)	14%	16%
Rented house, apartment, flat or unit	14%	9%
Hotel, motel or serviced apartment	10%	15%
Guest house or B&B	1%	2%
Other	3%	11%

Top 15 Activities

(% of domestic overnight visitors to Phillip Island)*

Compared to all domestic overnight visitors to regional Victoria, overnight visitors to the Phillip Island region were more likely to undertake activities including going to the beach (67% compared to 23%), going sightseeing (30% compared to 28%), going on picnics or BBQs (12% compared to 9%), going fishing (11% compared to 8%) and visiting wildlife parks, zoos or aquariums (11% compared to 2%).

Activity	Phillip Island	Regional Victoria
Go to the beach (including swimming)	67%	23%
Eat out at restaurants	44%	50%
Visit friends and relatives	35%	45%
General sight seeing	30%	28%
Go shopping (pleasure)	20%	20%
Pubs clubs discos etc	15%	19%
Picnics or BBQs	12%	9%
Go fishing	11%	8%
Visit wildlife parks, zoos or aquariums	11%	2%
Visit national parks or State parks	10%	11%
Going to markets (street, weekend or art craft)	8%	7%
Visit or stay on an island	7%	1%
Bushwalking or rainforest walks	7%	14%
Play other sports	6%	4%
Surfing	6%	2%

* Based on 3 years of data: January 2010 – December 2012.

TOURIST ACCOMMODATION — SUPPLY AND DEMAND IN PHILLIP ISLAND

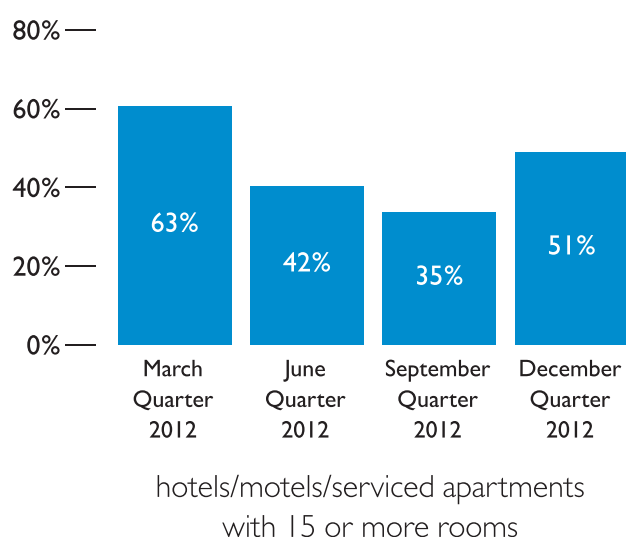
Based on the Australian Bureau of Statistics (ABS) Survey of Tourism Accommodation:

- There were 12 hotels/motels/serviced apartments with 15 or more rooms in the region as at the December quarter 2012. Total takings in 2012 from these establishments were \$20.0 million, and the average annual room occupancy was 47.8%.
- Peak occupancy for hotels/motels and serviced apartments in 2012 occurred in the March quarter (63%).

In 2011, changes were made to the ABS Survey of Tourist Accommodation to only collect and publish the core scope of 15 or more rooms establishments in the survey.

It's important to be aware that the Phillip Island region also offers a number of smaller accommodation properties with less than 15 rooms including Bed and Breakfast properties, cottages and farmstays. These accommodation establishments are not included in the scope of the ABS Survey of Tourist Accommodation results outlined above.

	At December Quarter 2012		Year Ending December 2012		
	Establishments	Rooms/Sites Available	Room Nights Occupied ('000)	Average Occupancy Rate	Takings (\$million)
Hotels/Motels/Serviced Apartments 15+ rooms	12	694	113	47.8%	\$20.00



VALUE OF TOURISM TO PHILLIP ISLAND

Tourism Victoria In 2011–12, the tourism industry contributed an estimated \$619 million to the Phillip Island economy (39.0% of gross regional product) and employed approximately 5,000 people (33.5% of regional employment).

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In 2011–12, the tourism activity in Phillip Island generated:

Tourism Output

- \$333 million and \$882 million in direct and indirect tourism output, and \$1,215 million in total tourism output.

Gross Value Added (GVA)

- \$177 million and \$356 million in direct and indirect tourism GVA, and \$533 million in total tourism GVA.

Gross Regional Product (GRP)

- \$193 million and \$425 million in direct and indirect tourism GRP and \$619 million in total tourism GRP.

- Total tourism GRP in the Phillip Island region has increased at an average annual rate of 5.1 per cent over the period 2006–07 to 2011–12. Total tourism GRP increased by 13.5 per cent year-on-year from 2010–11.

Employment

- 2,500 jobs for people employed directly by the tourism industry, 2,500 indirect jobs and a total employment impact of 5,000 people.
- Total tourism employment in the Phillip Island region has increased at an average annual rate of 1.1 per cent over the period 2006–07 to 2011–12. Total tourism employment increased by 1.8 per cent year-on-year from 2010–11.

To note: some results may not add due to rounding

Source: Victorian Regional Tourism Satellite Accounts 2011–12, produced by Deloitte Access Economics for Tourism Victoria, November 2013. Research Factsheet produced by Tourism Victoria, November 2013.

Key Tourism Aggregates (\$ million) — Phillip Island

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	150	56	29	29	
Intrastate overnight	461	237	127	141	
Interstate overnight	31	25	13	14	
International overnight	16	15	9	9	
Direct	659	333	177	193	2.5
Indirect		882	356	425	2.5
Total Impact	659	1,215	533	619	5.0
Total economy			1,460	1,586	15

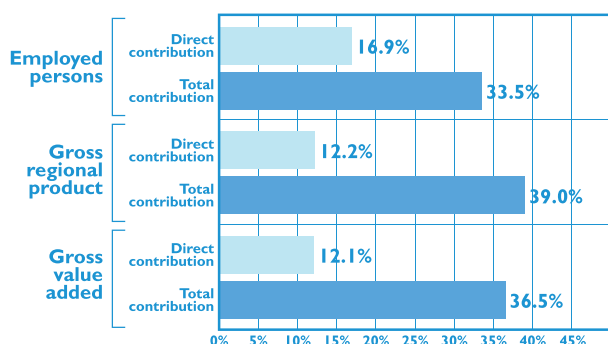
Source: DAE Regional TSA model, ABS National Accounts and Census data.

Economic Importance of Tourism in the Region

The ratio of Phillip Island's direct tourism contribution to the total regional economy aggregates provides a point of reference snapshot for the importance of tourism to the region. In 2011–12, It is estimated that tourism directly represented 12.2% of the total Phillip Island economy (in GRP terms), compared to 4.5% for regional Victoria on average.

Phillip Island ranked first overall in the comparative importance of tourism across Tourism Victoria regions (i.e. direct share of regional economy). However, Phillip Island is a relatively small region and supplies only 2% of the state-wide direct contribution of tourism.

Tourism's contribution to the regional economy, Phillip Island, 2011–12



Source: Deloitte Access Economics' Regional TSA model.

Tourism Related Industry Profile

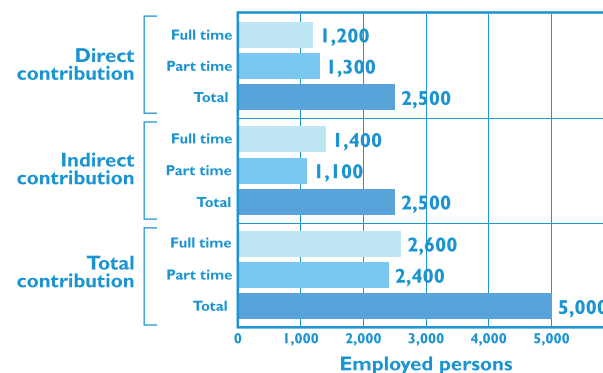
In terms of overall economic contribution, the tourism industries that generated the highest economic benefit to Phillip Island in 2011–12 were:

- accommodation with \$28 million in direct GVA and million in direct GRP;
- air, water and other transport with \$27 million in direct GVA and \$31 million in direct GRP;
- retail trade with \$24 million in direct GVA and \$25 million in direct GRP; and
- cafes, restaurants and takeaway food services with \$23 million in direct GVA and \$26 million in direct GRP.

Tourism Employment

The TSAs define tourism employment as the number of tourism employed persons. In 2011–12 there were 2,500 persons (made up of 1,200 full-time and 1,300 part-time) directly employed in tourism in Phillip Island.

Contribution of tourism to employment, Phillip Island, 2011–12

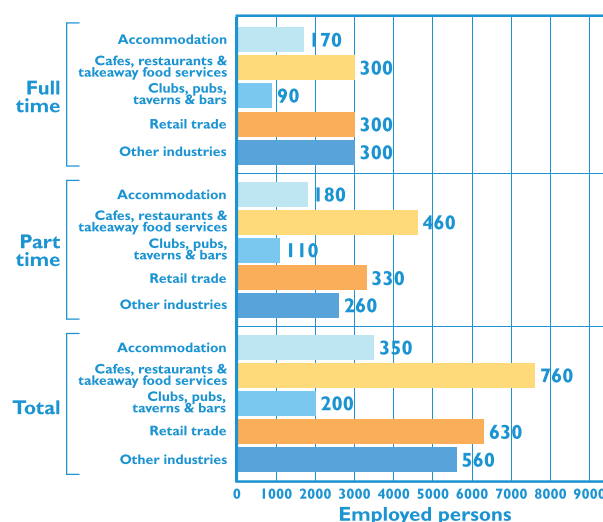


Source: Deloitte Access Economics' Regional TSA model.

The tourism related industries that contributed most to direct regional tourism employment in Phillip Island in 2011–12 were:

- cafes, restaurants and takeaway food services (300 full time and 460 part time employed persons);
- retail trade (300 full time and 330 part time employed persons); and
- accommodation (170 full time and 180 part time employed persons).

Direct tourism employed persons, Phillip Island, 2011–12



Source: Deloitte Access Economics' Regional TSA model.

Regional Tourism Profile

In 2011–12, visitors to the Phillip Island contributed a total of \$659 million in direct tourism consumption to the Phillip Island economy. The majority of visitor consumption in the region was contributed by intrastate overnight visitors (\$461 million). In relative terms, intrastate overnight visitors to Phillip Island also spend the most per night (\$229) on average.

Tourism activity summary – Phillip Island

Visitor segment	Nights/Trips ('000)	Nights/Trips (%)	Consumption (\$ million)	Consumption (%)	\$ per night/trip
Day-trippers	1,065	31%	150	23%	\$141
Intrastate overnight	2,017	59%	461	70%	\$229
Interstate overnight	165	5%	31	5%	\$188
International overnight	162	5%	16	3%	\$102

Source: Tourism Research Australia Visitor Surveys and Deloitte Access Economics' Regional TSA model.

Methodology

Tourism Victoria has worked with Deloitte Access Economics to produce regional Tourism Satellite Account (TSA) estimates of the value of tourism to Tourism Victoria's regions.

This data goes beyond the State TSA results produced by Tourism Research Australia (TRA) to examine the role and contribution of the tourism industry at the regional level.

This analysis includes the direct, indirect and total economic contribution of tourism in Victoria's eleven tourism regions and reports key metrics including Gross Value Added (GVA), Gross Regional Product (GRP) and employment.

Tourism Satellite Accounts (TSAs) are used to estimate the contribution of tourism to a region by combining the contributions of the various goods and services that make up the industry. The regional, state and national estimates are based on an internationally recognised and standardised framework (although regional TSA methodology has been extended to determine the indirect impact of cross region trade flows).

There are a number of steps required to calculate the tourism industry's contribution to Phillip Island's economy. To start, a regional tourism consumption bundle is derived from TRA visitor survey data and adjusted to remove any price effects that are not directly attributed to the seller of the good or service (e.g. taxes, transport margins, pre-manufactured inputs etc.). The direct and indirect contributions of tourism are estimated by using regional input-output multiplier tables, derived from ABS data.

For consistency and assurance, the regional results are calibrated against the reported 2011–12 state TSA data.

Note: It is important that these results are not compared to previous or alternative studies which are not based on the same methodology.

Glossary

Direct contribution of tourism: The contribution generated by transactions between the visitor and provider that involve a direct physical or economic relationship.

Indirect contribution of tourism: The subsequent flow-on effects created by the requirement for inputs from those industries supplying goods and services to visitors.

Input-output table: An input-output table is a means of presenting a detailed analysis of the process of production and the associated use of goods and services and income generated. National input-output tables are produced annually by the Australian Bureau of Statistics.

Tourism gross regional product: Tourism GRP is tourism GVA plus net taxes on products that are attributable to the tourism industry. As such direct tourism GRP will generally have a higher value than direct tourism GVA. Direct tourism GRP is a satellite account construct to enable a direct comparison with the most widely recognised national accounting aggregate, gross domestic (or regional) product.

Tourism gross value added: Considered the most accurate measure of the contribution of the industry to the economy. It includes the total labour income and capital revenue received by the industry and the net taxes that government received from the production. This measure is directly comparable with the value added of 'conventional' industries such as mining and manufacturing and can also be used for comparisons across countries.

Tourism output: The total value of goods and services produced in Australia to satisfy visitor consumption. It is measured in basic prices, so it excludes net taxes on tourism products.

Tourism's Total Contribution to the Phillip Island Economy (direct and indirect estimates) 2006–07 to 2011–12

Tourism activity summary – Phillip Island

PHILLIP ISLAND	Tourism's Total [^] contribution to the Economy						AAG* 2006–07 to 2011–12	% change 2010–11 vs. 2011–12
	2006– 2007	2007– 2008	2008– 2009	2009– 2010	2010– 2011	2011– 2012		
GRP (\$ millions basic prices)	482	563	563	536	545	619	5.1%	13.5%
% share of the regional economy	39.3%	42.9%	42.0%	37.6%	36.0%	39.0%		
Employment	4,700	5,500	4,900	4,900	4,009	5,000	1.1%	1.8%
% share of the regional economy	31.6%	36.7%	32.9%	32.7%	32.9%	33.5%		

[^] Direct and Indirect contribution.

* Average annual growth rate.

To note: some results may not add due to rounding

Source: Tourism Research Australia Visitor Surveys and Deloitte Access Economics' Regional TSA model.



For more information on tourist accommodation in Victoria please refer to the Australian Bureau of Statistics website:

<http://www.abs.gov.au/AUSSTATS/abs@nsf/allprimarymainfeatures/7F1BCA4FD889E82CCA25775700164667?opendocument>

For more information and statistics on tourism in Victoria and Australia please refer to the:

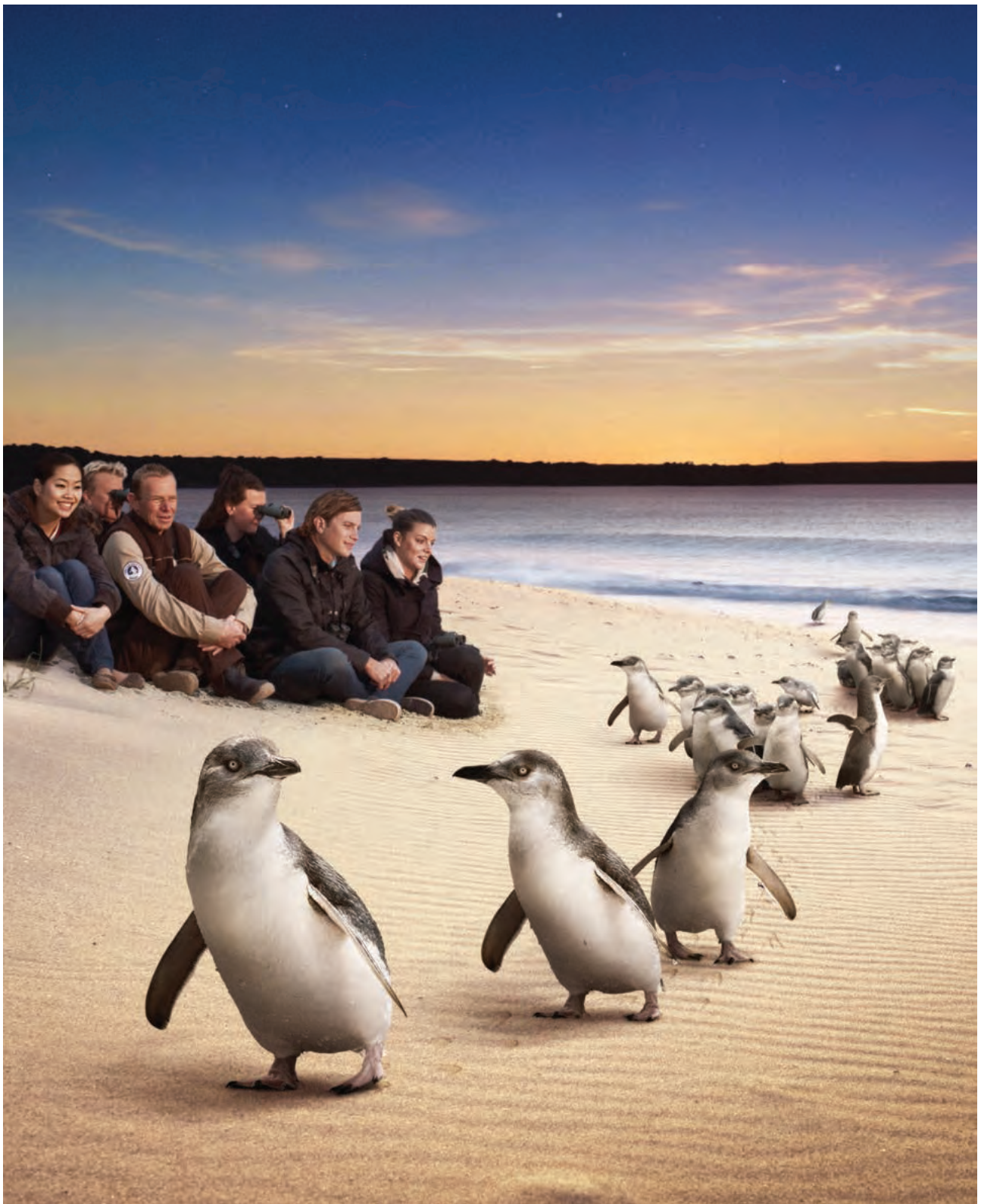
1. Tourism Victoria website:
<http://www.tourism.vic.gov.au/research.html>
2. Department of Resources, Energy and Tourism website:
<http://www.ret.gov.au/tourism/Pages/Tourism.aspx>
3. Tourism Research Australia website:
<http://www.tra.gov.au/>
4. Destination Visitor Survey results:
<http://www.tra.gov.au/publications/regional.html>

Note 1: Percentages may not add to 100% due to rounding.

Note 2: Figures in *red italics* are subject to sampling error and should be used with caution.

Sources:

- National and International Visitor Surveys, year ending December 2000–2012, Tourism Research Australia, Canberra
- Holiday Tracking Survey, year ending December 2012, Roy Morgan Research
- Survey of Tourist Accommodation, December 2012, Australian Bureau of Statistics.
- Tourism Research Australia Visitor Surveys
- Deloitte Access Economics' Regional TSA model.
- Australian Bureau of Statistics National Accounts
- Census data.



Destination

Phillip Island

Regional Tourism Board

P.O. Box 683 Cowes, Vic 3922

03 5952 2729 • dpi@visitphillipisland.com.au