

Geelong Otway Tourism **Terry Hickey, Deputy Executive Director**

The Product

Geelong Otway Tourism (G.O.T.) is one of Australia's most respected regional tourism organisations and a major contributor to the solid visitation growth experienced by Geelong, the Bellarine Peninsula and Great Ocean Road during the past ten years. It is a several times Victorian Tourism Award winner (+Hall of Fame) and has also achieved national recognition at the Australian Tourism Awards.

G.O.T. is an incorporated association that acts as a business unit of the City of Greater Geelong and also as the peak Regional Tourism Organisation. Administrative funding is provided by the City of Greater Geelong and three other regional councils. Its marketing program is largely funded and driven by the tourism industry of the region. G.O.T., through affiliated Local Tourism Associations, represents an operator base of 1095 tourism and hospitality businesses. The organisation has a combined annual income of more than a million dollars.

As part of its industry development role, G.O.T. manages a number of research programs dealing with issues such as economic impacts of tourism, social indicators - which measure community attitudes on the impact of Tourism on a local level - occupancy and yield rates for accommodation businesses, and supply and demand analysis of tourism accommodation - broken down by accommodation type and geographic location. G.O.T. is often called upon to advocate for new tourism product in the region, particularly accommodation infrastructure.

The Issue

The rapidly growing tourism industry of the region requires Geelong Otway Tourism to overview the demand and supply of visitor accommodation. This role encourages appropriate infrastructure to be located and built by the private sector to cater for market needs, as well as to discourage inappropriate development where it is not needed or wanted.

G.O.T. was receiving anecdotal visitor feedback through information centres and customer surveys that some accommodation types were lacking in parts of the region. The need ranged from caravan parks to five star accommodation. In some cases, it was affecting the visitor experience and visitor satisfaction levels.

The organisation was also regularly approached by developers seeking advice on establishing accommodation in a particular part of the region. However, the organisation was relying on anecdotal feedback and gut feel, rather than empirical data. Without objective, solid data, the organisation found it difficult to 'champion' worthwhile proposals through councils' planning processes, especially if the proposal conflicted with planning zoning.

Often, G.O.T. would support the proposal in principle because a gap existed, but without knowledge of probable market use. Similarly, councils were often keen to welcome developments because of the increased investment dollar and the creation of additional jobs it would bring to their region.

According to Geelong Otway Tourism's Terry Hickey:

"If there's a gap in the market it doesn't necessarily mean that there is a market in the gap.

For example, there was information around that pointed to a dearth of 4 and 5 star accommodation in sections of the Great Ocean Road.

This attracted the interest of some developers, however, the information didn't include reasons why it hadn't already been built in that location.

It was difficult to support a new proposal based on a few people in our visitor centres saying that they couldn't get a particular style of accommodation".

The Research

In order to improve its service to developers and to encourage the establishment of infrastructure based on need, G.O.T. commissioned empirical data that showed:

- What the region currently had
- How it was being used
- The unmet accommodation demand
- The likely projected use

During 2002 the organisation invested \$50,000 to commission a respected economic analyst and modelling company to produce a demand-supply equation for the region. The three month project used existing data and projections to provide a four year forecast.

The plan is now due for renewal. However, rather than simply re-assessing and re-forecasting, the organisation is hoping to gain State Government funding to incorporating the new data into an investment prospectus. The 2006 review will also go beyond raw economic analysis by factoring social changes and trends into the equation. It also will aim to consider planning zones and regulations, as well as the desires of local communities, in the hope that it may reduce conflict with council planning departments.

The results

Conflicts still arise with council planning departments over some proposals, but, according to G.O.T., the 2002 data has never been challenged. The quality and objectivity of the analysis has made it an important planning document for the tourism industry and a useful tool for local government.

As an example, the document was used when a developer wished to establish a resort style caravan park on the Bellarine Peninsula. The data proved that the proposal was needed, although the zoning would not allow it in the proposed location. The data didn't succeed in changing Council's mind, but it may be used as the basis for a VCAT appeal.

"It may not sway the case when it contravenes planning zones, but it is now part of the thought processes of Council's planning departments. The document doesn't seek to overturn planning, but adds a supply-demand dimension to the council's thinking", says Terry Hickey.

Tourism is a strong economic driver throughout the Geelong Otway region and the investment prospectus is expected to be used by Councils' economic development units. It will enable them to either go out and actively seek private sector interest, or at least be better prepared when they are contacted by developers.

The document is not a static piece of work. A member of Geelong Otway Tourism is responsible for monitoring and tweaking it, especially as major accommodation product is added or withdrawn from the region.

Key lessons:

- The provision of visitor infrastructure should be based on empirical evidence
- Use a well-credentialed and experienced analyst to generate objective data
- Monitor the work for ongoing trends and changes
- Undertake a major review of the work about every 5-6 years

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