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COFFS – KEMPSEY
Survey asking Industry Stakeholders how to best
spend the NSW State Recovery Funds?

26 October 2009

Executive Summary

From the 30th of March to the Easter long weekend of April to early May 2009, the northern region of the Mid North Coast received significant rain and disastrous flooding, with the region from Coffs Harbour to Kempsey being declared areas of natural disasters.

To determine the devastating economic effects of the floods to the tourism industry received by direct negative media publicity and cancellations, an initial survey was constructed and distributed by the Mid North Coast Regional Tourism Organisation with the assistance of four Local Tourism Associations to include Coffs Coast Tourism Association, Bellingen Tourism Association, Nambucca Valley Tourism Association and Macleay Valley Coast Tourism.

A sample of 56 operators completed and returned the survey, providing information on numbers cancelled and the direct percentage of income that they had lost due to cancellations leading up to the Easter long weekend. Those who participated in the survey included accommodation providers, Visitor Information Centres tourism attractions, tourism/transport providers, restaurants and retailers. The average mean of income lost of aggregated operators was 39% - 40% less compared to same period 2008 and a total cancellation mean average of 21 visitors.

Using the 40% revenue loss and comparing amount spend per visitor per visitor nights in Quarter YR Ended June 2008 (April – June 2008) (Tourism Research Australia), it is estimated that \$12 million was lost revenue to the tourism industry for April – June 2009 by Mid North Coast operators – Coffs Harbour to Kempsey. The economic tourism multiplier of 2.5% suggested that the economies lost approximately \$30 million for April – July 2009.

To assist the region's tourism industry and destinations recover from the negative publicity and negative visitor perception of Coffs to Kempsey as a holiday destination, Mid North Coast Tourism developed a Project Steering Committee to apply for recovery funds to the State and Federal Governments of \$600 000 - \$300 000 each. With the recent announcement of the State Tourism Minister of the \$300 000 commitment towards helping the region's tourism industry, a second survey was distributed to the industry operators to determine how to best spend the grant in assisting industry recover from the direct economic impacts of the floods.

61 industry operators responded to this second feedback survey with the following results highlighted:

- **76% stated that an integrated tactical marketing campaign was their preferred activity to spend the \$300 000**
- **63.2% said that Older Couples were the most important lifecycle target markets**
- **60.3% said that Mid Life Couples were the most important lifecycle target markets**
- **50.9% said that Parents with Children between 5-14 were most important lifecycle target markets**
- **Sydney and Regional NSW were the most important source markets (primary markets)**
- **SEQ was important source markets (secondary markets)**
- **88.5% said Beach/Aussie Coastal Lifestyle Experience was the most important to be featured**
- **72.1% said that TV was the most important medium to use**
- **46.2% said that Online was the most important medium to use**
- **39.3% said to go to market as soon as possible**
- **66.7% said they would not financially contribute to a campaign**

1.0 INTRODUCTION:

This report is based on data collected through an online survey, directly targeting the region's tourism industry operators located between the Kempsey Shire Council and Coffs Harbour Shire boundaries. The survey asked industry participants to provide information on what they consider the most effective activities to spend the funding on, time of going to market and types of markets to target? The result of this survey is to help Mid North Coast Tourism, the Project Committee, TNSW and Northern Rivers in their decision making process of spending the funds, ensuring the best outcome for industry stakeholders.

The findings are organised into the following sections: (1) an executive summary (2) the method used (3) detailed findings for each question, and (4) patterns in the open-ended questions.

2.0 METHODOLOGY:

The data collection instrument was an online survey prepared by Mid North Coast Regional Tourism Organisation. The survey was the tool used to collect feedback from industry on the type of activity they would like to see the funding invested in to assure they benefit from the April – May disasters. Industry operators were contacted through their Local Tourism Associations and given four working days to respond.

The feedback survey contained 13 questions, utilizing a blend of scale rating questions and open ended questions. The questions record the degree to which they were directly affected by the floods and the type of activity preferred to recover from the damage.

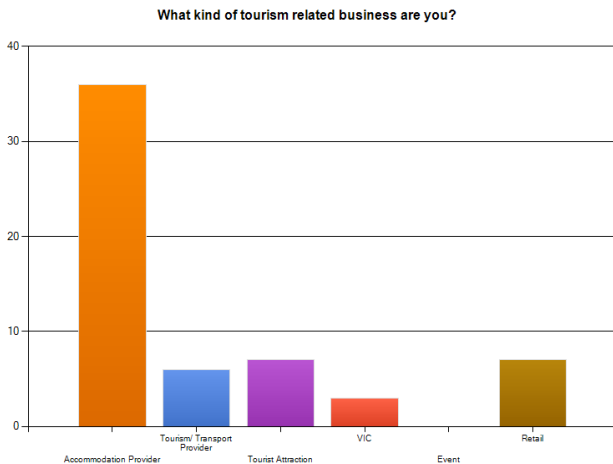
3.0 SAMPLE:

The total sample providing data or information on the loss suffered by their business due to the heavy rains and the type of activity preferred, target markets and time of executing an integrated campaign was 61. Tourism operators across the four LGA regions had 4 days to respond. The LGAs have a combined number of approximately 320 operators, therefore the response rate of the survey was 19.06%

4.0 DETAILED FINDINGS:

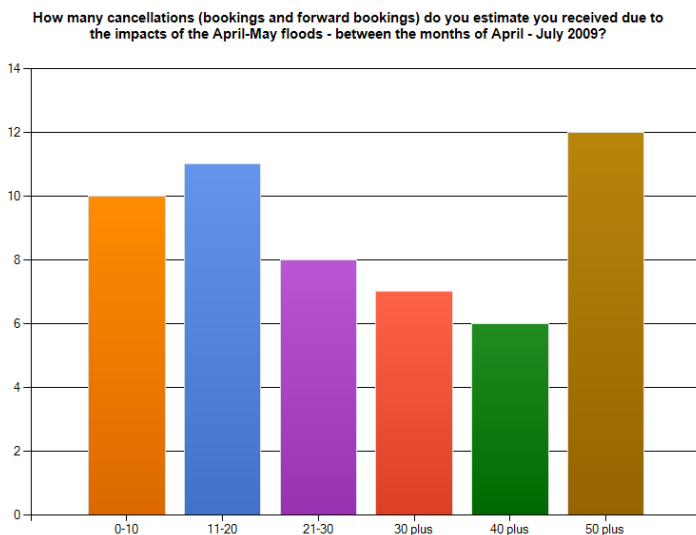
The figures that follow provide individual question results. These include frequencies for the scale values, percentages for each category, bar graphs for some of the questions.

4.1 Question 1. What kind of tourism related business are you?



The data results in this question state that 61% of the respondents were from the accommodation industry. The second highest group of participants' was the attraction tourism businesses at 11.9% and retail at 11.9% .

4.2 Question 2. How many cancellations (bookings and forward bookings) do you estimate you received due to the impacts of the April-May floods - between the months of April - July 2009?



The information collected through the surveys identified that the highest number of cancellations responded to was 50 plus with 22.2% of responses. A total of 53.7% of responses said they had 30 or less cancellations during April – July 2009.

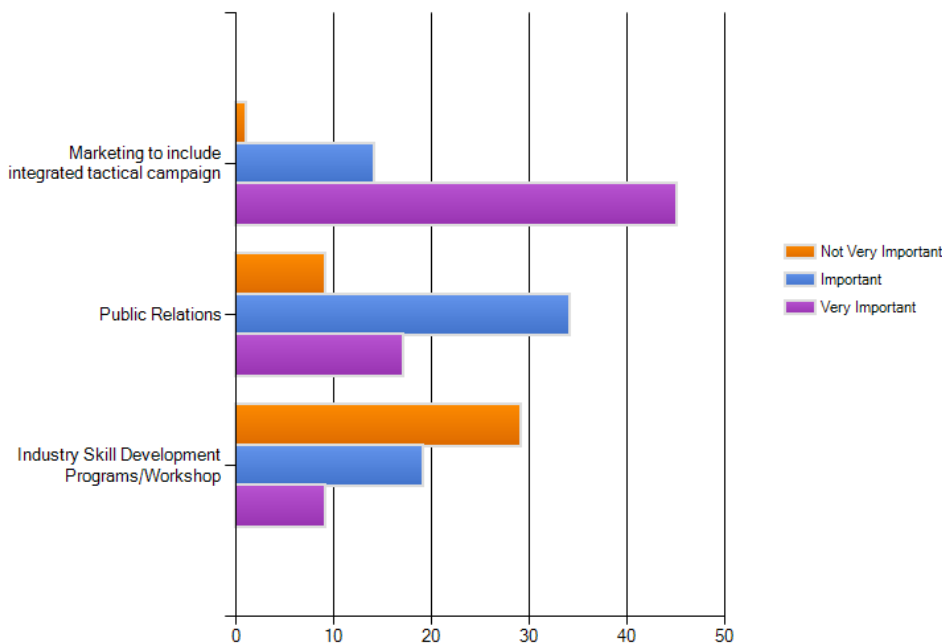
4.3 Question 3. Please estimate the loss of business you received as a result of the April-May floods between the periods of April - July 2009? You can answer in either dollars or % or both.

44 responses to this question answered in dollars and of those who responded total amount lost was \$687780 or mean of \$15631 per operator. The highest amount responded was \$120 000 and lowest was \$750.

24 responses to this question answered in % of lost revenue and of those who responded the total % of revenue lost had an average of 37%. The highest % recorded was 100% and lowest % recorded was 3.5%

4.4 Question 4. Please rate the most important to lesser important activity you would like to see the \$300 000 State Recovery Grant spent on to help your business recover from the floods?

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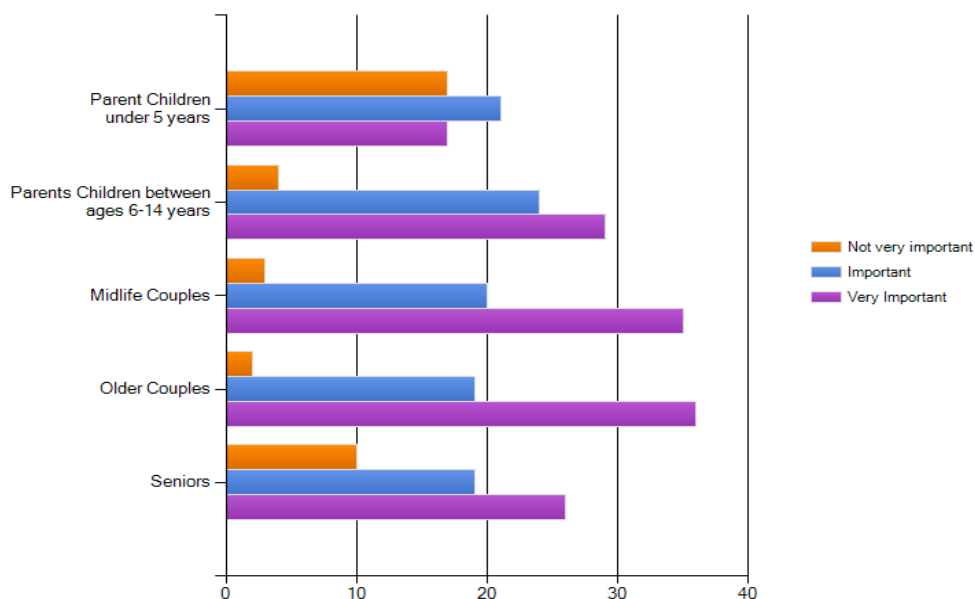


Marketing to include an integrated tactical campaign received the highest average response rate with 75% saying it was a very important activity to spend the \$300 000 on. PR rated the second highest as important being 56.7%. Industry Skill Development received the highest Not Very Important of 50.9%.

4.5 Question 5. What lifecycle target markets do you think are most important to target using this Flood Recovery Grant?

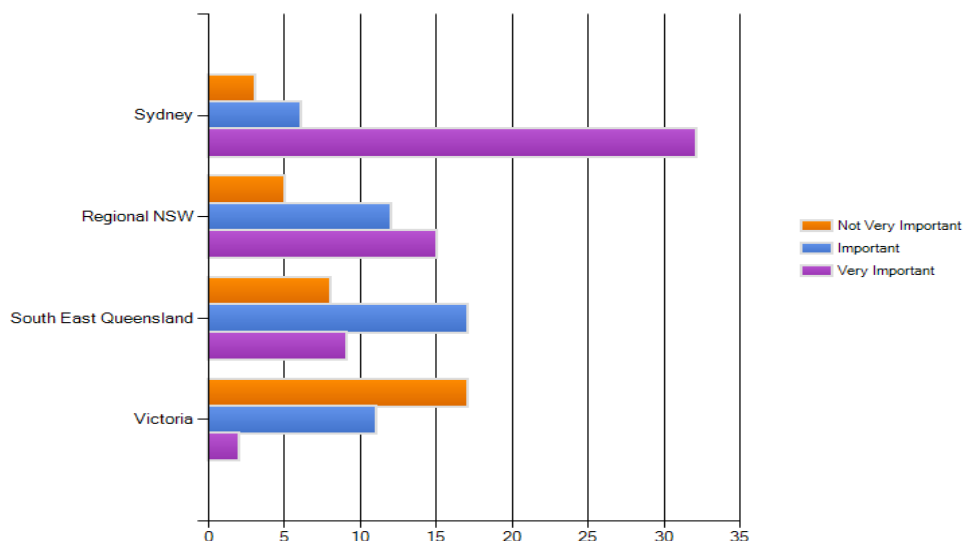
The responses pertaining to Very Important in the Bar Chart below indicate that the Older Couples Lifecycle segments are the most important target markets preferred by industry to target at 63.2%, followed by Midlife Couples at 60.3%. Parents with children between the ages of 6-14 years was rated very important with a 50.9% rating average.

What lifecycle target markets do you think are most important to target using this Flood Recovery Grant?



4.6 Question 6. Please rate the most significant source markets (origin of visitors) that you believe the \$300 000 Flood Recovery Grant should be spent on?

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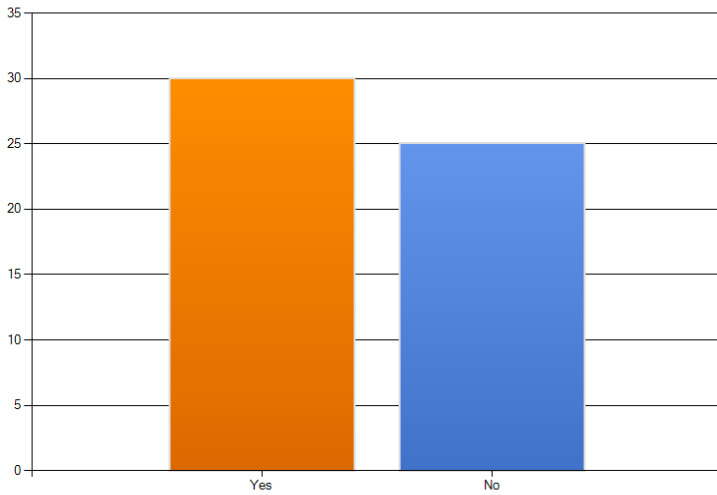


The responses pertaining to Very Important indicate that the primary markets are Sydney at 78% followed by Regional NSW at 46.9%. Secondary markets include South East Queensland at 50%.

4.7 Question 7. Do you have any indications that bookings for December/January holiday periods are strong?

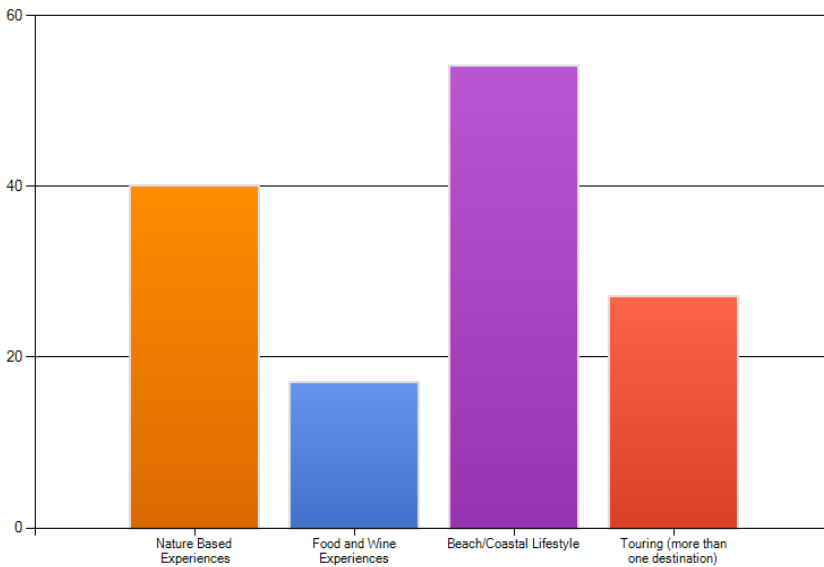
In this question, the column chart below depicts that 54.5% of industry have stated that they have indications that bookings will be strong for Dec/January and 45.5% have said that indications for bookings for December/ January are not strong.

Do you have any indications that bookings for December/January holiday periods are strong?



4.8 Question 8. What type of experience/s should with promote with the recovery campaign? - you can choose more than one.

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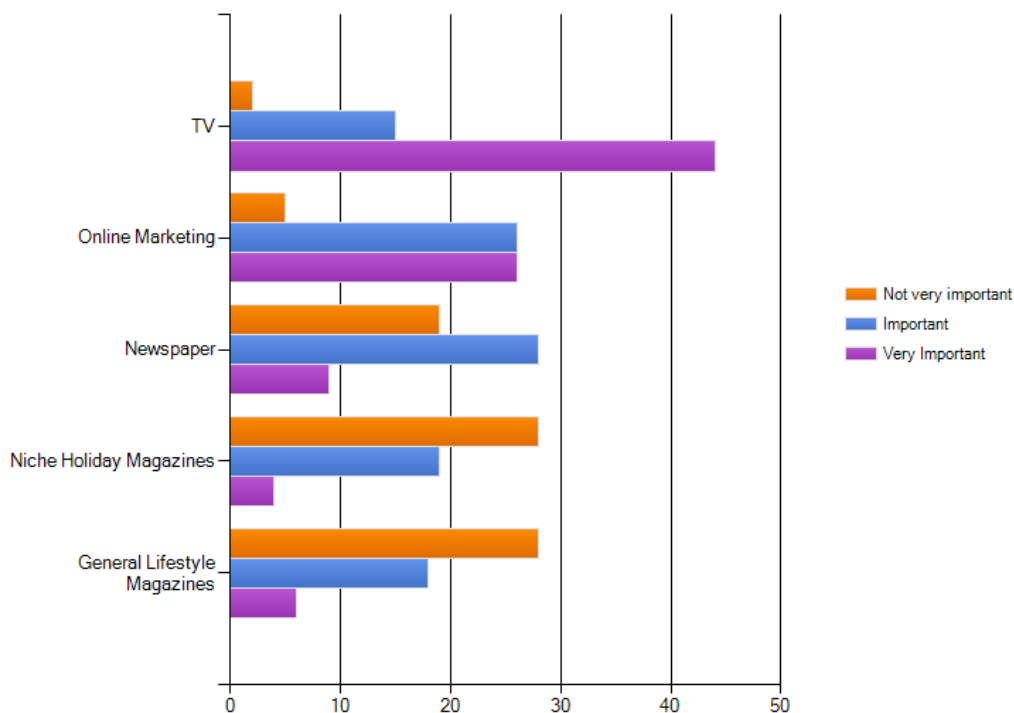


88.5% of respondents said that they would like the integrated recovery campaign promote Beach/Coastal Lifestyle as the experience featured and 65.6% said Nature Based experiences.

4.9 Question 9. If the Recovery Funds were used to coordinate an integrated marketing campaign what type of activity would you like included?

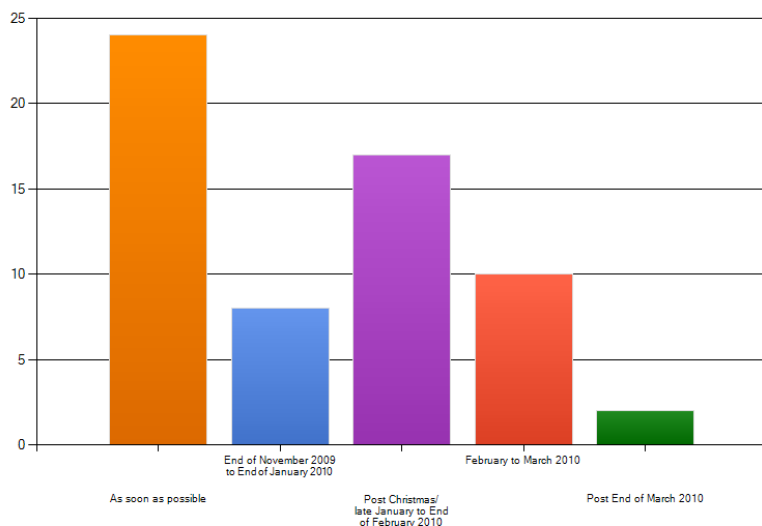
TV rated as the most important activity respondents wanted to see included in the campaign at 72.1% stating it was Very Important. Online Marketing received the next highest response with 45.6% of industry stating it was Very Important and 45.6% stating it was Important. Print Media received the least amount of responses and scored high on the Not Very Important.

If the Recovery Funds were used to coordinate an integrated marketing campaign what type of activity would you like included?



4.10 Question 10. What time frame would be your preference to go to market with a Flood Recovery funded campaign; to stimulate visitation to the region?

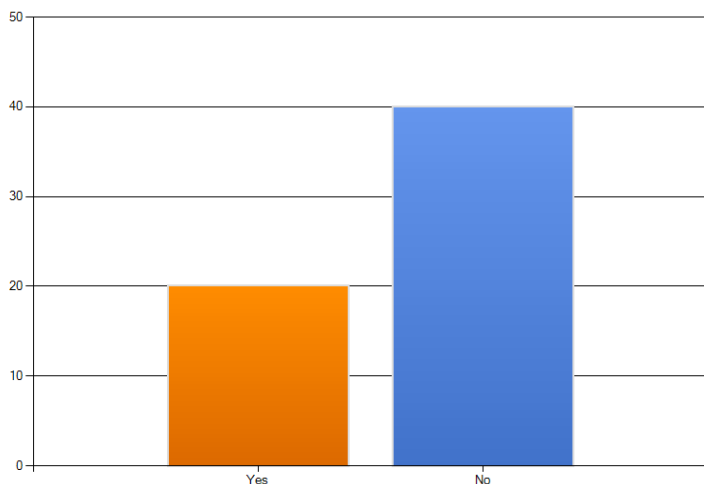
What time frame would be your preference to go to market with a Flood Recovery funded campaign; to stimulate visitation to the region?



Of the responses to this question, 39.3% said that they would like the campaign to go to market as soon as possible. This is followed by post Christmas -late January to end of February being 27.9%.

4.11 Question 11. Would you be prepared to contribute your own funds (partner) towards supporting this Recovery Campaign? If yes go to question 12.

Would you be prepared to contribute your own funds (partner) towards supporting this Recovery Campaign? If yes go to question12.



66.7% of responses said that they would not contribute to the campaign from their own funds and 33.3% said yes they would.

4.12 Question 12. If yes how much? and on what activity? Please comment.

There were 19 responses to this question with amounts varying between \$1000 as highest prepared partnering amount to \$200 as the lowest partnering amount. The most popular activity that the 19 responses would contribute their own funds was TV and PR to include added value deals.

4.13 Question 13. If you would like to add any other comments, please feel free?

25 responses per page

1. Who ever manages the funds must be answerable - Council should not be allowed to squander monies on 4WD and camping shows
2. Cinema could be a good way to advertise.
3. A quicker response to the floods would have made a significant difference to accommodation providers and tour operators. Our income was reduced totally and we were unable to operate for 3 months due to river conditions.
4. Survey would not allow multiple choices for target markets - I also wanted to choose Sydney and Southern Queensland as very important
5. After the flood we dont have spare funds for this
6. These funds should be used to develop an entire marketing campaign not just frittered away on spec advertising. Here is the chance to fund the development and a strategic marketing campaign that can carry on for yesars. It has to be done sometime so lets do it now and do it properly
7. Coffs needs some aggressive marketing online as well as offline.
8. I cxannot contribute as we have lost so much - october school holidays were terrible.
9. Would not be prepared to contribute own funds as the campaign is to broad to directly benefit our business
10. I believe this money is a perfect opportunity to work on the Coffs Coast Brand and a portion should be used to do this
11. Maybe brand development may be a worthwhile thing to look at to integrate into all campaigns and then have to use if

there is any other natural disasters

12. The sooner the marketing levy is introduced the better and this will inject the funds required to promote Coffs area. We are lagging behind and it is evident.
13. Do whatever will get people off the highway and to our destination
14. No to Q11 is because financially I can't afford it thru loss of income
15. ANSWERS ARE RELEVANT TO THE TIME LAPSE BETWEEN THE FLOOD AND NOW. THE CAMPAIGN WOULD HAVE BEEN VERY DIFFERENT IF IT HAD TAKEN PLACE IN JUNE. OUR JUNE WAS DEVASTATING.

6.0 SURVEY SAMPLE



Survey

FLOOD RECOVERY ANNOUNCEMENT FROM STATE GOVERNMENT TO VALUE OF \$300 000 –

HOW BEST DO YOU AS AN INDUSTRY OPERATOR WANT TO SPEND IT?

Mid North Coast Tourism together with partners to include Coffs Coast Tourism Association, Bellinger Tourism, Nambucca Valley Tourism Association and Macleay Valley Coast Tourism are delighted to announce that our long and winded hard work to receive supporting dollars to help our region recover from the devastating April – May 2009 Floods has finally been announced. As you are aware, Northern Rivers areas to include Grafton, Ballina, Lismore etc were also affected and will be part of this recovery program.

However, as those who were directly affected and for those who we have been directly lobbying for – Tourism Industry operators, we would like to know how you would best like to see the money be spent? Please complete the survey by this Saturday (24 October 2009) by 5pm.

1. What kind of tourism related business are you?

- Accommodation Provider
- Tourism/ Transport Provider
- Tourist Attraction
- VIC
- Event
- Retail
- Other

2. How many cancellations (bookings and forward bookings) do you estimate you received due to the impacts of the April-May floods - between the months of April - July 2009?

- 0-10
- 11-20
- 21-30
- 30 plus
- 40 plus
- 50 plus

Comments

3. Please estimate the loss of business you received as a result of the April-May floods between the periods of April - July 2009? You can answer in either dollars or % or both.

In \$

In %

4. Please rate the most important to lesser important activity you would like to see the \$300 000 State Recovery Grant spent on to help your business recover from the floods?

Marketing to include integrated tactical campaign	<input type="checkbox"/> Not Very Important	<input checked="" type="checkbox"/> Important	<input type="checkbox"/> Very Important
Public Relations	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Industry Skill Development Programs/Workshop	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important

5. What lifecycle target markets do you think are most important to target using this Flood Recovery Grant?

Parent Children under 5 years	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Parents Children between ages 6-14 years	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Midlife Couples	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Older Couples	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Seniors	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important

6. Please rate the most significant source markets (origin of visitors) that you believe the \$300 000 Flood Recovery Grant should be spent on?

Sydney	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Regional NSW	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
South East Queensland	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Victoria	<input type="checkbox"/> Not Very Important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important

7. Do you have any indications that bookings for December/January holiday periods are strong?

- Yes
 No

Comment field available

8. What type of experience/s should with promote with the recovery campaign? - you can choose more than one.

- Nature Based Experiences
 Food and Wine Experiences
 Beach/Coastal Lifestyle
 Touring (more than one destination)

Other (please specify)

9. If the Recovery Funds were used to coordinate an integrated marketing campaign what type of activity would you like included?

	Not very important	Important	Very Important
TV	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Online Marketing	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Newspaper	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
Niche Holiday Magazines	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important
General Lifestyle Magazines	<input type="checkbox"/> Not very important	<input type="checkbox"/> Important	<input type="checkbox"/> Very Important

Other (please specify)

10. What time frame would be your preference to go to market with a Flood Recovery funded campaign; to stimulate visitation to the region?

- As soon as possible
- End of November 2009 to End of January 2010
- Post Christmas/ late January to End of February 2010
- February to March 2010
- Post End of March 2010

Other (please specify)

11. Would you be prepared to contribute your own funds (partner) towards supporting this Recovery Campaign? If yes go to question 12.

- Yes
- No

12. If yes how much? and on what activity? Please comment.

13. If you would like to add any other comments, please feel free?