



REGIONAL TOURISM PARTNERSHIP FUNDING PROGRAM

Evaluation Report of Demand Building Funding Stage 1 January – July 2009 Application

1.0 INTRODUCTION

1.1 CAMPAIGN SUMMARY

Eight anchor destinations implemented sub campaigns under the region's umbrella campaign:

- North Coast of New South Wales (*NSW and Vic Markets*)
- New South Wales North Coast (*SE Qld Markets*)

The key messages through-out the sub campaigns were: Rekindle, Reconnect, Rejuvenate.

This Evaluation Report identifies and demonstrates how the investment and benefits of this campaign weighed against the risk factors which positively impacted the financial bottom line of participating operators. These benefits emerged to also include positive outcomes in reaffirming the North Coast brand, future tourism industry financial participation in campaigns and the unification of the tourism operators and stakeholders in achieving a common goal under the umbrella North Coast Campaign.

1.2 MARKETING OBJECTIVES

The following presented results will be evaluated to see if they have achieved the following intangible stated objectives:

- To increase overnight visitor numbers
- To provide a direct return on investment to participating operators
- To increase brand awareness of the North Coast

The following presented results will be evaluated to see if they have achieved the following specific stated objectives:

- To increase Unique visitors to destination web comparable to Feb-June 2008 by 2.8%
- 50% of ROI for participating industry operators
- To increase North Coast brand awareness
- To increase customer satisfaction

1.3 TARGET MARKETS

In order to have met the stated objectives, the primary and secondary target markets featured in the campaign were based on determinants and motivations derived from market analysis from across the region including data provided by industry and research taken from Domestic 2008 Findings. Valuable emerging markets to include Adultescents were highlighted as an opportunity for the region and were addressed in the tactical program subsequent to sustaining and expanding traditional markets for off season periods and providing new short break products and packages.

The key target markets include:

Experiences:

- Nature & Marine
- Adventure
- Touring & Caravanning/Camping
- Aussie Coastal Lifestyle

Lifecycle –

Primary

- Parent with youngest child age 5 or less
- Parent with youngest child aged 6-14
- Older non working couple
- Older working couples (no kids – or empty nesters)

Secondary

- Young midlife couple, (no kids)
- Adultescent couples

Origins –

Primary

- Regional NSW
- Sydney
- South East Queensland

Secondary

- Victoria

2.0 RESULTS

The following results were monitored fortnightly and monthly by systematic measurement programs implemented by each of the eight anchor destinations and their sub campaigns. Those results have been fed into the bi annual evaluation process to determine if the Mid North Coast's investment into the North Coast of NSW /NSW North Coast umbrella campaign has achieved the above stated objectives.

2.1 QUANTITATIVE RESULTS

Although Mid North Coast Tourism suggested in its application for funding to report six monthly aggregated results, it has been discovered that it can be difficult to respond effectively to aggregated

measures. With input from operators, what mattered to them was how many bookings were received against monthly targets and which of the accommodation bookings responded to the action programmes aimed at identified targets. However, the following table containing aggregated results collected does demonstrate how the region performed effectively with the increase of marketing funds made available in February – June 2009.

Qualitative Reporting Results Stage 1 2009

Destination: Mid North Coast of NSW

UMBRELLA CAMPAIGN	CAMPAIGN TIME FRAME	CAMPAIGN PARTICIPATION				RESULTS March - July 15th July 2009								
		Campaign Total Value	No. Industry Participation	No. Industry Buy In \$	LTA/LGA Buy In \$	No. Unique visitors to dedicated site 2009	No. Unique visitors to destination web 2009	No. Unique visitors to destination web 2008	VIC web bookings 2009	Number referrals to industry web	Operator direct bookings	Industry ROI	Number dedicated VIC 1300#	Number dedicated info packs distributed
North Coast of NSW	1st March - 15th July 2009	\$741042 (inc. GST)	105	\$189259	\$181262	18 475	288827	198798	\$168757	51811	\$204725	88%	6819	11487

Anchor Destinations' Results

Coffs Coast	3938	69939	35492	\$49000	2022	\$50000	59%	2500	721
Nambucca Valley	980	11893	9528	nil	374	\$2920	0%	325	98
Macleay Valley Coast	322	1246	872	\$7251	1604	\$18000	172%	224	83
Greater Port Macquarie	11980	68348	62390	\$83612	10483	\$111666	68.5%	1900	600
Manning Valley	241	241	185	nil	53	\$2000	2%	53	4940
Great Lakes	181	7645	6418	\$7983	57	nil	0%	57	5000
Port Stephens	833	129155	83913	\$20911	37218	\$20139	159%	1760	45

The table above was constructed through information provided by each anchor destination collected on regular intervals.

The following objectives were achieved through the measurable results found in the table above, demonstrating that the region's performance has improved due to the campaign:

- To increase Unique visitors to destination web comparable to Feb-June 2008 by 2.8%**
 Unique visitors to destination webs increased by 45% comparable February – June 2008 to February – June 2009. This means that the set campaign objective to increase unique visitors to destination webs by 2.8% was greatly surpassed and an overwhelming success.
- 50% of ROI for participating industry operators**
 As there is no fixed formula for ROI, it is important to explain for this project it was agreed Return on Investment would be measured by adding the bookings operators received from the Visitor Information Centre (less 10% commission fees) and Direct Operator Bookings less industry investment/industry investment.

The ROI costs did not include Regional Tourism Organisation's administration resources, sub campaign human resources and marketing management.

The parameters of this campaign therefore identified an 88% return on investment for industry operators whom directly invested in the campaign.

Other positive qualitative results from the campaign found in the table were as follows:

- 105 industry operators from across the region participated in the umbrella North Coast campaign. Previously the most operators that participated in one campaign (MNC Food and Wine Campaign, 2008) totalled 36. This is a 191.67% increase in industry participation of regional /anchor destination campaigns.
- The dollar amount of industry buy in for the North Coast campaign was \$189 259. Comparing this amount to the previous industry buy in for the MNC Food and Wine Campaign of \$24000. This equates to a 688.58% increase of direct industry buy in on a regional campaign.
- 11487 hard copy information packs were distributed to potential visitors. Although there was no benchmark to compare to February – June 2008, this project provided the platform and tools to ensure anchor destinations across the region now record and count number of guides distributed at consumer shows and requested through the Visitor Centres.
- 6819 was the recorded number of inquiries the Visitor Centres dedicated 1300# received regarding the North Coast/anchor destination sub campaigns. Again, there is no benchmark to compare the February – June 2008 inquiries as anchor destination Visitor Centres have commenced recording inquiries proficiently due to this project.

2.2 QUALITATIVE RESULTS

Other benefits that emerged from this campaign included asserting the North Coast of NSW brand, increasing customer satisfaction and the unification of the tourism operators and stakeholders to achieve a common goal.

- **To increase North Coast brand awareness**

The core goal of including this objective was to produce a consistent focused communication strategy for the umbrella campaign - North Coast of NSW and its sub campaigns or anchor destinations (products and experiences).

The sub campaigns ensured to combine the previously identified experiences associated with the region, combining Nature & Marine, Adventure, Touring & Caravanning/Camping, Aussie Coastal Lifestyle with the anchor destinations (products) - to clearly state what is best about the North Coast of NSW. Each sub campaign had to use the North Coast of NSW locator on all advertising activity. The key message being constantly communicated throughout the campaign was Rekindle, Reconnect, Rejuvenate. This was reflected in the imagery, colour, look and feel of the North Coast of NSW and its sub campaign marketing and promotional efforts.

- **To increase customer satisfaction**

Mid North Coast Tourism is currently implementing AussieHost Customer Service programs across the region.

With this customer service strategy being presently addressed, each participating anchor destination in Stage 2 of Demand Building Dollars will ensure a survey is available on their website to evaluate customer satisfaction while visiting/or visited the (Mid) North Coast of NSW.

- **Industry participation of the North Coast of NSW campaign satisfaction**

Mid North Coast Tourism created an online survey as part of the RTO's strategic review. In this process, information was collected from operators who participated in the Demand Building sub campaign asking them if they would participate again in Stage 2 July – December 2009 and Stage 1 January-June 2010. 64.7% of respondents specific to answering this question in the Strategic Survey said that they would participate in the Demand Building again and 35.5% said that they would not.

- **Unification of regional tourism industry operators and stakeholders**

Mid North Coast Tourism's Chair, Vice Chair and Executive Officer completed a Strategic Road show between the period of 28 May- 8 June 2009 to speak directly with each anchor destinations' Local Tourism Association, Council and tourism stakeholders. It was a common theme found across each anchor destination that the Demand Building Dollars and the campaign provided a familiar platform for operators and stakeholders to work together and brought a somewhat fragmented tourism industry in some areas together to work towards a common goal.

It was also stated by tourism operators that the Demand Building Funding gave them the opportunity to take leadership of their industry and provide direct input into which were the preferred marketing and promotional activities they wanted to be involved in and invest in. It can be suggested that this factor correlates to the 688.58% increase of industry buy- in compared to any other regional campaign previously implemented across the Mid North Coast.

3.0 VITAL INFORMATION FOR STAGE 2

Although the objectives which have been analysed to date suggest that they have been confidently achieved by the 8 anchor destinations, it was found by Mid North Coast Tourism that a number of things have been learnt from the DBD Stage one experience and have been addressed in the preparations of Stage 2 July –December 2009 and for 2010 DBD.

3.1 RECOMMENDATIONS TO IMPROVE FOR FUTURE

The following recommendations have been reviewed and taken on board:

- Share successful marketing activity of a particular anchor destination with other anchor destinations as learning from current experience (Stage 1 Demand Building) will make the subsequent year's campaign targets and budgets more cost efficient, on the way to greater return on investment for industry operators.
- Reaffirm and continuously communicate Demand Building Program to industry operators across the Mid North Coast.

- Better integration of marketing decisions with those of other key business functions, especially accounting and finance and operations management with the RTO and anchor destinations.
- Encourage and preference towards marketing/media and promotional activity that is online based as websites can be measured directly, unequivocally and at a low cost.
- Results of Information Distribution (brochures). It was found from some participants that it was hard to separate with any precision from the combined effects of advertising, PR, sales promotion the cost effectiveness of the brochure distribution. Bookings and sales were a result from the North Coast Campaign marketing mix as a whole. However the experience has taught the participants to consider:
 - Measure customer recall, use and evaluation of brochures through ad hoc telephone or surveys of brochure recipients identified
 - Measure customer recall, use and evaluation of brochures in brief surveys conducted, for example at reception desks when customers arrive on a producer's premises or site
 - Code or letter to identify through what media the print was requested
- Industry participants have suggested that they would like more open and frequent communication between Campaign/anchor destination organisers and themselves and if Campaign objectives are being achieved. Industry suggest it is difficult to respond quickly and effectively if actual sales and other indicators vary significantly from targets that the Campaign objectives have identified ie if industry need to change or re evaluate offer/deal to suit the current market.

4.0 CONCLUSION

It can be found that this Evaluation Report identifies and demonstrates how the investment and benefits of the North Coast Campaign weighed against the risk factors which positively impacted the financial bottom line of participating operators. All objectives stated at the beginning of the campaign were achieved with some resulting surpassing expectations. Overall, the industry operators were pleased with their return on investment which totalled 88%.