

Visitor Information Services Review November 2018



Tweed Heads Visitor Information Centre





EXECUTIVE SUMMARY

BACKGROUND

This Visitor Information Centre (VIC) review forms part of the Tweed Shire Council's (TSC) contract with DR Tourism (operating under licence as The Tweed Tourism Co TTC). The analysis shows a review was several years overdue and in two of the three centres the status quo or "do nothing" option is not recommended and in each case there is an urgency for decisive, tactical direction. Underpinning this report is TTC's view that VICs are a critical component of a region's tourism capacity but that national VIC trends, digital disruption and a lack of vision has undermined the viability of the centres. TTC believes that VICs have a role to play whilst they are contributing to increased visitation, dispersal, length of stay and yield.

While many industries from mining to manufacturing face uncertainty tourism continues to trend upwards globally and Australia is seeing the benefits of that tourism growth. As a service oriented industry, tourism is a significant employer and can be a key pillar for the Tweed's regional economy and the destination.

However, the Tweed's share of international visitation is surprisingly low, given the size of the market in the neighbouring LGAs and the proximity to Gold Coast Airport and it faces numerous challenges including:

- Visitor dispersal;
- Managing nature experiences;
- Tweed Valley Rail Trail overcoming any hurdles; and
- Overnight Stay and Average Length of Stay must be increased.

The destination's opportunities include:

- Develop the Visiting Friends and Relatives (VFR) Market;
- Sports Tourism;
- Developing Trade; and
- Wellness Tourism.

DIRECTION OF VICS

The future success of VICs in the Tweed aligns with those national directions evident for all VICs and is constrained by numerous factors, including history, location, resourcing and stasis. Success will depend on their ability to respond to changing visitor and industry expectations and deliver value to visitors, the industry, TSC and residents.

Other VICs have expanded or changed their operations in response to visitor and industry needs. However, a driver for visitors to attend a VIC is to talk to an informed local. That is partly to get their advice and also to hear the stories and anecdotes that bring a destination to life. Investing in staff, volunteers and a "welcome" program will be critical to future sustainability and relevance. In the age of digital disruption, some have turned to digital resources but the experience of many VICs has pointed to the failure of expensive installations that have either been beset with problems or been of little interest to visitors.

CRITICALITY OF DECISIONS

The failure of two of the VICs will threaten the effectiveness, sustainability and capacity of TTC to deliver on critical aspects of the contract. It is imperative that TTC continues to channel funding into marketing campaigns and media and trade familiarisation programs which have been lacking in scale and substance. Critical to the relevance of The Tweed's VICs is that their co-location within the zones most popular with the target audience, tourists, is essential in reshaping the visitor services to be in synchronisation with visitor patterns.

SUMMARY OF VIC ANALYSIS

A VIC review has been both urgent and overdue. In business terms this could be viewed as a tough hypothetical question: Is an investment of the \$360,000 per annum (figure is based on current expenditure with additional costs added in to staff Kingscliff in the future and is on the lighter side) into VICs better for The Tweed's overall visitation and yield (the revenue generated from each visitor night) or would it be better spent elsewhere?

For the period 2008-2017 Tweed Heads VIC visitation grew by a modest 9% and Murwillumbah declined by 96%. If we use the figures from 2008 to 2016 for Murwillumbah (omitting the flood and post years) it is a decline of 7%. Kingscliff, whilst affected by the construction period in 2017, has grown by 36%. Most tellingly for this analysis, the overall destination's tourism visitation has grown by 34% from 2008 to 2017. This gap is accentuated by the 2017 flood effect but clearly visitor services are unaligned with the apparent uplift in overall visitation. This demands analysis of the relevance of, and future models for, sustainable VICs in the Tweed.

Hypothetically, if \$100,000 was invested in a high level marketing campaign and this amount could be doubled through Destination New South Wales (DNSW)/industry contributions, the campaign would be a major shift in the region's previous positioning efforts. Is this a better use of these funds for our collective goals? Is it palatable politically or in the community?

Of the two long term VICs, one is staying afloat but stagnating (Tweed Heads), the other rapidly in decline after a long period of little or no growth and then the devastating disruption of the floods (Murwillumbah) and a temporary solution since then. The "train tracks" (trend lines) for Murwillumbah and Tweed Heads are declining and Kingscliff is increasing. The footprint of a VIC should be the size of Kingscliff or less, as highly staffed and large spaces are becoming less prevalent and our benchmarking has shown many do not sell accommodation and / or tours and are often volunteers only.



INDIVIDUAL SITE ASSESSMENT

Tweed Heads

*From so much promise to...
so much promise*

- It has numerous and conspicuous problems.
- Across 2007-2017 it was 56% of visitation when compared with Murwillumbah and in 2017 was 64%.
- Its relevance is increasing to Murwillumbah which is dying (so this is not a real gain at all) but its potential is not increasing.
- The resolution of social and safety issues are paramount with a persistent and highly visible social/homeless/drug issue in the park which affects both staff and visitors.
- Recent sad and high profile crime has highlighted the park's notoriety.
- Amenities are available but at times unusable (by choice based on safety or condition).
- It has limitations with space, hence retailing or using as TTC's headquarters is problematic.
- There is a high percentage of locals walking in and those seeking bus cards at no or low commissions which inflate the numbers adding no real value to the centre.

Murwillumbah

*From off the Rails to...
stuck at the Station*

- It is losing relevance due to declining VIC visitation against increasing Tweed region visitation.
- The forced move from the old VIC building has seen a loss of custom and identity.
- The temporary railway station site has much potential but currently is poorly decorated, the space is too large and it has not had the time, resources or vision to move from quirky to functional and sustainable.
- The impending refurbishment of the old VIC site offers broad options but only if compatible partners / tenants are found and TTC can lease an affordable amount of space.
- The current railway station site's future viability depends on the Rail Trail's implementation and success and the finding of suitable partners / tenants and if TTC can lease an affordable amount of space.
- It attracts only 8% of overall Tweed region visitation as traffic through its doors (compared to Tweed Heads' 14% based on 2017 figures) which questions the ROI on having paid staffing.

Kingscliff

*From Tin Shed to...
King's Palace*

- The new building has given the site more relevance with the most upside of the three VICs.
- It is currently not staffed and run by volunteers only.
- In the future it could be staffed and run operationally comparable to the other centres.
- It is considered to be very viable as a more commercially oriented centre if investment into it is affordable.
- It has limitations with space, hence retailing will be difficult.



MOBILE VIC

The benefits of adding a Mobile VIC have been realised by several other regions around Australia. It is the 'mobility' that delivers benefits, particularly for a region, which offers some major events in its calendar, and has such a dispersed community of tourism assets. A mobile VIC would be an excellent adjunct to a Sports Tourism Strategy and selling the region's tourism assets through representation at major sporting, musical and cultural events in The Tweed, Gold Coast and northern rivers. Mobile VICs with a trailer/van configuration cost between \$50,000 - \$70,000 plus operational costs. An accredited Mobile VIC forms part of the assets of a permanent Accredited VIC. A Mobile VIC could be purchased and operated if one other VIC was closed.

OPTIONS

An extensive options analysis has been undertaken for each VIC and these options have been mapped in a matrix of: *Ease of Implementation* against *Impact of the Implementation*. These have formed the basis of our recommendations.

RECOMMENDATIONS

1. Acknowledge the rigorous analysis and assessment embodied in this report.
2. The Tweed Tourism Co explores the benefits of the closure of the Murwillumbah VIC in the short term and works with partners and TSC to write a Business Case for partnering with the Museum on the inclusion of a small space for a VIC and potential sharing of staff.
3. The Tweed Tourism Co explores the benefits of the closure of the Murwillumbah VIC in the short term and works with partners and TSC to write a Business Case on relocating to the former VIC site and securing suitable co-tenants.
4. The Tweed Tourism Co explores the benefits of the closure of the Tweed Heads VIC in the short term and works with partners and TSC to write a Business Case to scope the features of, the resources needed and operational aspects and costs, of a Mobile VIC.
5. Subject to solutions being found in the recommendations above, The Tweed Tourism Co scopes the de-staffing of the Tweed heads VIC and uses volunteers only.
6. The Tweed Tourism Co continues to scope a Welcome program for broad implementation to VIC staff and volunteers, and to seek resourcing for a broader roll out.



BACKGROUND & CONTEXT

TOURISM ECONOMY

The World Travel and Tourism Council's (WTTC) most recent report (WTTC Economic Impact Report 2017) cites that travel and tourism globally account for 1 in 10 jobs and that in 2016 the sector grew by 3.3% – outpacing the global economy and generating US\$7.6 trillion worldwide or 10.2% of global GDP. Global visitor exports (i.e. holiday money spent by international visitors) accounts for 6.6% of total world exports. That figure rises to 30% when seen within the sector for total world services exports.

The report further cites SE Asia as the fastest growing region (8.3%) with Oceania (including Australia) coming

in a respectable fourth (4.4%) and well ahead of North America in sixth place (3.1%) and Europe in ninth (1.6%).

While many industries from mining to manufacturing face uncertainty tourism continues to trend upwards globally and Australia is seeing the benefits of that tourism growth. As a service oriented industry, tourism is a significant employer and can be a key pillar for regional economies that have the products to offer, the marketing and market ready operators in place, and the visitor services to direct tourists to the destination.



The following is from the Draft Tweed Destination Management Plan (DMP) for the region:

- The total number of visitors to the Tweed in the year to 30 September 2017 equalled 1,880,000;
- Domestic Day-trip Visitors represent 65% of the total visitors to the Tweed;
- Numbers have declined in the year to date with 1,178,000 day-trip visitors during that period;
- Day trippers spend on average \$85 per visit;
- Domestic Overnight Visitors numbers are at record highs with 107,000 more overnight visitors than the same period last year totalling 678,000 or 34%;
- They stayed an average of 3.6 nights, with an average spend of \$126 per night, with more than half originating from SEQ;
- International Overnight Visitors only 24,000 came to the Tweed; and
- Given the volume of international visitors coming to Byron Bay and Gold Coast and the access to market via Gold Coast Airport, the Tweed could improve this figure with focus and investment over time.

The Tweed is performing very well in relation to the numbers of visitors and the consistent growth it has experienced in the domestic market. Domestic growth in overnight visitors has averaged 6.1%pa and day trip at 4.1%pa. However, international overnight visitation has only had modest growth at 2.1%. It would appear that the Tweed has not capitalised on its position and access to market. Domestic overnight visitors currently spend more time and money in the region per day, albeit the per day spend is low by comparison to other LGA's in coastal NSW, Gold Coast and Byron Bay - we have the ability to improve the yield.

The Tweed's share of international visitation is surprisingly low, given the size of the market in the neighbouring LGAs and the proximity to Gold Coast Airport.



CHALLENGES FOR THE DESTINATION

The following is cited in the draft DMP.

Dispersal

Focusing effort on clusters that connect to existing offerings and tourism routes and trails that link villages will focus and disperse beyond the coast. Currently these are largely free recreational activities. Whilst the vast majority of our natural and recreational assets should remain freely accessible for all to enjoy, there are some that need to be managed to ensure they remain accessible, safe and are preserved for future generations. Improving strategic infrastructure associated with popular or iconic natural attractions will help ensure they are sustainably managed over time.

Managing Nature Experiences

Wollumbin Mt Warning (WMW) has had limited investment in infrastructure and is being used without the respect and care it deserves. It must be a priority to facilitate collaboration between the Tweed's traditional owners, NPWS, rural land holders and TSC to identify and prioritise areas where public infrastructure can be created allowing for the development of a range of suitable tourism products and experiences that will help sustainably manage visitation to key natural and cultural assets.

Development of the Nightcap Track and the creation of an integrated trails route that connects to the Tweed Valley Rail Trail (TVRT) and WMW provides an opportunity to disperse visitors and to lessen the impact on popular sites such as WMW.

Passive use of our marine and river systems by non-motorised private craft encourages these tranquil and sensitive places to remain that way. Whilst commercial operators can be managed and monitored in terms of their use and impact, the increasing number of private craft on the waterways, particularly in sensitive environmental areas such as Stotts Island and Cudgen Creek may become an issue into the future.

The Tweed Valley Rail Trail

The Tweed Valley Rail Trail (TVRT) is perhaps the most important tourism asset to be considered for the Tweed Valley since the development of the Tweed Regional Gallery. It will aid dispersal, encourage business development and investment and give high yield visitors a reason to leave the coast and spend time and money in the Valley.

Overnight Stay and Average Length of Stay

The destination needs to increase overnight visitation numbers for domestic and international visitors with the latter too low for a destination with so many offerings, but perhaps reflective of the "pincer" effect of Byron Bay and the Gold Coast.



OPPORTUNITIES FOR THE DESTINATION

Develop the Visiting Friends and Relatives (VFR) Market

VFR engages the local community as advocates for the destination and local ambassadors providing information on things to see and do and places to stay. Our most valuable marketing resource is the Tweed's resident population of more than 93,458 people. They are easy and cost effective to access and are already emotionally connected to the destination, with trusted social media links and other communications with their networks around Australia and the globe.

Another target VFR audience is the population of around 92,000 residents living to our north, from Burleigh Heads south to the border. Given their proximity, this population already has a closer affinity with the Tweed than other parts of Gold Coast, and could be encouraged to share local knowledge about the Tweed and visit the region more often with their visiting friends and relatives.

Sports Tourism

This is considered an excellent opportunity due to the assets, existing events and latent need and enthusiasm exhibited by stakeholders and a process to develop a Sports Tourism Strategy is underway.

Developing Trade

The low number of 'trade ready' tourism products and subsequent international visitation are reflective of a maturation curve for the destination and is an area for a 4 year development plan to build skills and capacity.

Wellness Tourism

Leveraging the region's natural assets, its quirkiness and the already present wellness and health assets could and should be explored.



VISITOR INFORMATION SERVICES NATIONAL TRENDS

The following is gleaned from the National Directions Report (Australia's Accredited VICs: A Strategic Directions Paper, 2014)

IMPORTANCE OF VICS

Accredited VICs are well positioned to play an important role in achieving the tourism industry's goal to increase its competitiveness and double visitor expenditure by 2020. As a key point of distribution once the visitor has arrived, VICs have a capacity unrivalled in their region to disperse visitor expenditure, increase yield and inspire visitors to re-visit and recommend the destination.

The future success of The Tweed's accredited VICs will depend on their ability to respond to changing visitor and industry expectations and deliver value to visitors, the industry, local government and residents.

(reference: Australia's Accredited VICs: A Strategic Directions Paper, 2014)

Information

A report on 'the provision and distribution of visitor information' (Sandwalk Partners in July 2015 for the Newcastle Tourism Industry Group) identified the positive influence created by VICs. The report's survey showed that 83% of those surveyed had participated in additional activities as a result of their visit to a VIC and that 72% had lengthened the duration of their visit with 22% staying additional nights. 59% stated that additional activity resulted in additional unplanned expenditure. Of particular interest is that 97% said they prefer to speak to a person rather than use a computer portal.

TTC believes that VICs have a role to play whilst they are contributing to increased visitation, dispersal, length of stay and yield.

ACCREDITED VICS IN AUSTRALIA

Australia has over 460 accredited VICs that serve many millions of visitors per year.

Over 80% of the accredited VICs are run by local government, with most of the others having some kind of council support. Engagement with VICs can result in 59% or more additional expenditure in the community (or around \$180 per adult visitor) on fuel, food and retail, accommodation and attraction services.

VICs generate social benefits for their communities in addition to economic outcomes (e.g. employment, information for residents, community hubs, support during crises, industry training and support).

Average operating costs per VIC range from \$100,000 to \$300,000 plus, annually. Economies of scale, in terms of servicing each visitor, drop once a VIC has 35,000 or more walk-in visitors. Across Australia, VICs employ more than 500 staff and thousands of volunteers.

CHANGING TECHNOLOGY

Smartphone penetration amongst Australian adults is now at 88% (up 12% year on year), and projected to reach 93% by the end of 2014.

Visitors are increasingly using the internet and mobile devices for travel planning and bookings.

The VIC model was developed in an era before visitors could research and book accommodation and experiences using mobile technology while on holiday. Now the traveller can independently search detailed and tailored information online before and when they reach their destination using smartphones and other mobile devices.

Some VICs have expanded or changed their operations in response to visitor and industry needs.

One of the key drivers for visitors to attend a VIC is to talk to an informed local. That is partly to get their advice and also to hear the stories and anecdotes that bring a destination to life.



CHALLENGES FOR VICs

General Issues

Current challenges in a national context relevant to The Tweed, include the following:

- VICs providing paper-based information and limited opening hours have less relevance for visitors who want to access high-quality, targeted information online 24 hours a day;
- There is only limited tourism product available for distribution online in some destinations. Limited mobile coverage in some areas prevents VICs from offering an effective online service;
- The notion that VICs are a worthwhile part of the tourism distribution system is questioned by some tourism operators;
- There is some duplication of effort and inefficiencies across the network through a lack of leadership and support. VICs can struggle to maintain staff levels when they have to pay staff higher rates on weekends and public holidays;
- VICs have limited appeal for volunteers who have different expectations and requirements compared with the older generation of volunteers;
- VICs throughout Australia and globally all confront the universal changes in tourist behaviour and the means by which people source the information they need and decide on the destinations and experiences they want to include in their travel; and
- While the GFC in 2008 caused a global decline in visitation numbers, the downward trend in attendance at VICs persisted with the advent of smartphones and tablet devices but far from making VICs redundant, attendances have plateaued and even increased as many travellers seek out the information, anecdotes and local knowledge gleaned by talking to VIC staff.

“Increasing funding pressure and scrutiny on the return on investment for local government and regional tourism organisations is challenging many VICs to demonstrate their value to their owners.”

(Australia’s Accredited VICs: A Strategic Directions Paper, 2014)



Contemporary Trends

Digital disruption is forcing VICs to remain relevant, find new revenue streams, integrate new technology, and co-locating to be centred within the zones most popular with the target audience, tourists, are all essential factors in reshaping the visitor services to be in synch with visitor patterns.

The success of accredited VICs depends on:

- Their ability to ensure a visitor's experience is unforgettable;
- VICs taking the opportunity to engage visitors of all ages both on and off-line and maintain a clear point of difference from other information providers, through:
 - Delivering accurate, timely and objective information in a way that is convenient and personalised to a visitor's needs, is easily digested, and can be instantly booked or actioned;
 - Enabling visitors to speak directly with passionate, knowledgeable locals; and
 - Staff and volunteers helping visitors gather information and inspiring them with insights and stories to spend time and money in the region and connect with other VICs on their journey.

Implications for The Tweed

The Tweed VICs could consider:

- Offering free WiFi and provide a basic level of digital technology to help visitors source and book product;
- Maximise user pay services that add value for visitors and provide an income stream for the VIC;
- Place VICs in tourist areas;
- The benefits of friendly local advice and giving the narratives of a region first hand is what VICs offer over digital or other mediums;
- This personal interaction and story telling is what keeps VICs relevant. Visitors need to leave delighted with the 'must do' activities and experiences and want to return. This requires:
 - Well trained VIC staff and volunteers;
 - Digital technology and constant improvement in training and service standards;
 - Focus on business planning and operational protocols to ensure consistency in their service delivery;
 - Change the perception of visitors to VIC guests. The rationale is that it is possible to build a strong emotional connection when a visitor feels like a valued guest;
 - Encourage VIC staff and volunteers to become storytellers to help engage visitors, spark their imagination and inspire them to explore the destination;
 - Display and sale of locally-produced merchandise to provide added value to visitors and generate income for the centres as well as the local providers; and
 - Ensure a thorough famil program not only in the region but in neighbouring regions.

BENCHMARKING OF VICS

A number of relevant VICs were contacted to ascertain their approach to accommodation tour bookings, commissions and staffing.

VIC	ACCOMMODATION	TOURS	NOTES
Gold Coast both sites	Only using Mantra agent site	Only using Ticketmates	
Brisbane Int'l Airport	Individually negotiated, between 10-15%	Ticketmates	
Queen St Mall - Brisbane	12.50%	15%	
Rathdowney - Scenic Rim	n/a	n/a	No bookings at all, only local produce sold
Tambourine Mountain - Scenic Rim	n/a	n/a	Information only, cashless
Boonah – Scenic Rim	n/a	n/a	No bookings at all, only local produce sold
Toowoomba	n/a	n/a	No commission, facilitates visitors with bookings as a service only
Ipswich	n/a	10%	Only takes booking for a local council campground, no commission charged
Sunshine Coast	n/a	n/a	Do not take bookings, tours or retail. No cash so totally manned by volunteers. Centres in Montville, Caloundra, Glasshouse Mts, Maroochydore, Mooloolaba, Airport. Changed to this format about 3 years ago
Noosa	11% are looking at putting it up to 14%	15%	Big VIC - over \$1.8M in bookings per year, 150,000 tourists come through their doors per year
Byron	12%	Individually negotiated, 12-20%	
Yamba	n/a	n/a	No visitor centre in Yamba
Coffs Harbour	n/a	n/a	Do not take bookings, tours or retails. Information only across 3 hubs, changed to this format a couple of years ago
Nambucca	n/a	n/a	Do not take bookings or tours

VIC REVIEW CONSULTATION

Consultation for this report included:

- General Manager Mackay Tourism;
- Workshops with Volunteers and Staff;
- Tweed Shire Council staff;
- The Tweed Tourism Company staff;
- Tweed Heads Chamber of Commerce;
- Murwillumbah Chamber of Commerce; and
- The Tweed Tourism Company Thinktank forum.

CURRENT VICS ASSESSMENT

Summary Assessment of VICS on Visitation

For the period 2008-2017 Tweed Heads grew by a modest 9% and Murwillumbah declined by 96%, as shown in Figure 1. If we use the figures from 2008 to 2016 for Murwillumbah (omitting the flood and post years) it is a decline of 7%. Kingscliff, whilst affected by the construction period in 2017, has grown by 36%.

Most tellingly for this analysis, the destination’s tourism visitation has grown by 34% from 2008 to 2017. This gap is accentuated by the 2017 flood effect but clearly visitor services are unaligned with the apparent uplift in overall visitation. This demands analysis of the relevance of, and future models for, sustainable VICS in the Tweed. For the proportion of VIC visitation to overall Tweed visitation, Tweed Heads received 14%, Murwillumbah 8% and Kingscliff 5% (in 2018).

In business terms this could be viewed as a tough hypothetical question: Is an investment of the \$360,000 per annum (figure is based on current expenditure with additional costs added in to staff Kingscliff in the future and is on the light side) into VICS better for The Tweed’s overall visitation and yield (the revenue generated from each visitor night) or would it be better spent elsewhere?

Hypothetically, if \$100,000 was invested in a high level marketing campaign and this amount could be doubled through DNSW/industry contributions, the campaign would be a major shift in the region’s previous positioning efforts. Is this a better use of these funds for our collective goals? Is it palatable politically or in the community?

Figure 2 compares the three VICS’ visitation 2007-2018 (2018 figures are projections based on the first 6 calendar months only). The “linear” dotted lines are trend lines for the data sets.

Figure 2 is evidence as to why a review has been both urgent and overdue. The two main VICS are either staying afloat but stagnating (Tweed Heads) or rapidly in decline after a long period of slow or no growth and then the devastating disruption of the floods (Murwillumbah) and a temporary solution since then. The “train tracks” for the Murwillumbah and Tweed Heads are declining and Kingscliff is increasing.

Figure 1 VIC Visitation Compared to the Regional Visitation 2008-2017

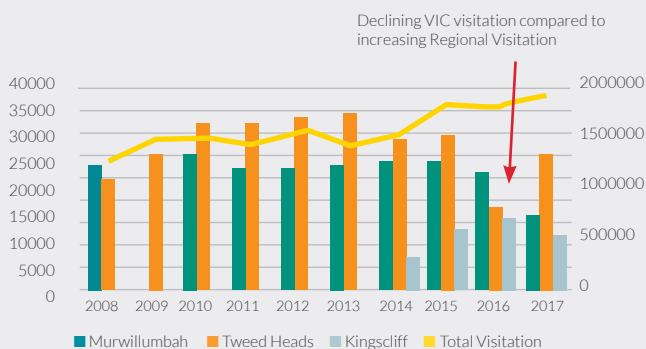
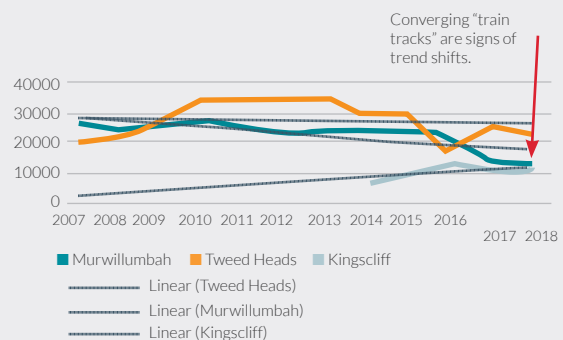


Figure 2 Visitation 2007-2018

VIC Comparison 2007 -2018 (Partial Data)



TWEED HEADS VIC ANALYSIS

A SWOT analysis for the Tweed Heads VIC is shown below and reveals the persistent difficulties, alongside the positives for the site.

Bold font shows the salient points.

Strengths (Internal, Helpful)	Weaknesses (Internal, Harmful)
<ul style="list-style-type: none"> • Highest visitation of Tweed VICs; • Foot traffic of Tweed/cross border tourists; • Bookings commissions higher volume *Sales unknown; • Demographic older and mostly domestic market; • Good visitation 2007 to 2016; and • Easy to get to. 	<ul style="list-style-type: none"> • Not near an attraction; • Homeless and drug issues are intrusive; • Awkward internal space, constraints on the site for retailing and offices; • High local walk ins inflate the numbers; • Noise and pollution issues (traffic); • Steady but no obvious upside; • Location is ok but orientation to street causes issues; • Much retail appears low margin (Go cards); • Public amenities in a poor condition; • Slide in walk ins already happening; and • RV Parking access poor.
Opportunities (External, Helpful)	Threats (External, Harmful)
<ul style="list-style-type: none"> • Minimal revamp of technology / visuals / storytelling elements; • Jack Evans Boat Harbour Master Plan phase 2 / redevelopment; • Innovative products and retailing; • Collaboration with adjunct North Coast, Gold Coast, LTOs/RTOs, Northern Rivers Tourism; • Welcome Program for visitor greeting and storytelling (VICs and business); • Close down and invest into a Mobile VIC; • Put same amount into a large campaign (x2 \$ through DNSW); and • Volunteers only. 	<ul style="list-style-type: none"> • Continued decline in walk ins; • Commercial rent is difficult to sustain; • TSC expectations for VICs in each main location; • Social/homeless issues erupt; • Visitor perception very negative based on first Tweed region impression, loss of visitation, negative word of mouth; • OHS issues; • Fatal blow to the business; • Dramatic drop in regional visitation; • Natural disasters; and • Decline in VICs as entities nationally.

Figures 3 and 4 show the long term visitation number for Tweed Heads and a break up of domestic and international visitation over the last three years. The monthly numbers for international and domestic visitors reveals that the domestic peak from June to September is very conspicuous for domestic walk ins and much flatter for international. International visitation as a percentage of total centre visitation for 2017 was 23%.

Figure 3 Tweed Heads Total Visitor Numbers 2007-2018

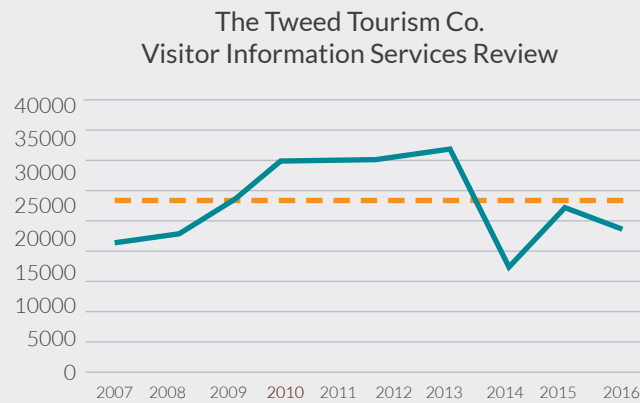


Figure 4 Tweed Heads Domestic and International Numbers 2016-2018

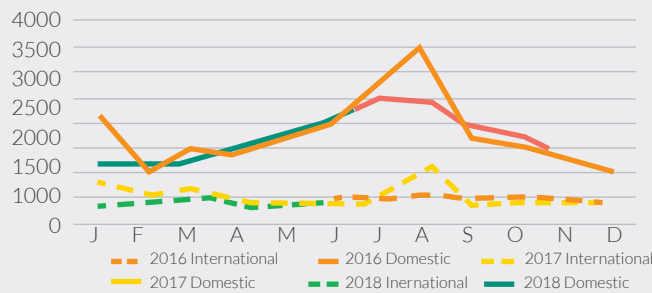
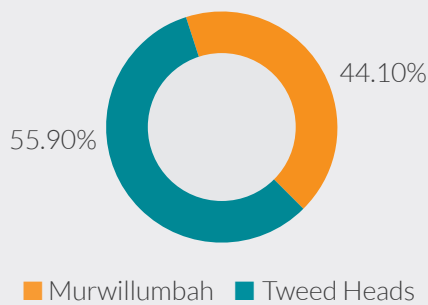


Figure 5 Murwillumbah: Tweed Proportion of VIC Visitation

Murwillumbah: Tweed VIC Proportion 2010 - 2017



Murwillumbah: Tweed VIC Proportion 2017

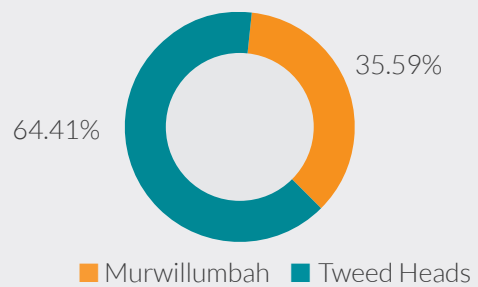


Figure 5 shows the relative consistency of Tweed Heads visitation when compared to the other main site of Murwillumbah and the flood disaster's effect on Murwillumbah.

TWEED HEADS CONCLUSIONS

“From so much promise toso much promise”

- Tweeds Heads has had a 9% increase in VIC visitation numbers comparing 2007 to 2017 which is very modest.
- It has numerous and conspicuous problems.
- Across 2007-2017 it was 56% of visitation when compared with Murwillumbah and in 2017 was 64%.
- Its relevance is increasing to Murwillumbah which is dying (so this is not a real gain at all) but its potential is not increasing.
- The resolution of social and safety issues are paramount with a persistent and highly visible social/homeless/drug issue in the park which affects both staff and visitors.
- Recent sad and high profile crime has highlighted the park’s notoriety.
- Amenities are available but at times unusable (by choice based on safety or condition).
- It has limitations with space, hence retailing or using as TTC’s headquarters is problematic.
- There is a high percentage of locals walking in and those seeking bus cards at no or low commissions which inflate the numbers whilst adding no real value to the centre.

Status: Steady but no vibrancy. Status quo acceptable but not for future sustainability.

The table below provides preliminary options for Tweed Heads VIC.

OPTIONS	COMMENT
TH1: Do Nothing	Possible and sustainable but will feed a slow decline in effectiveness of the centre. The lack of an attraction close by (giving a reason to be there) is a major weakness.
TH2: Improving the Existing VIC (as it currently is)	Enhance ambience and display, improve signage. Revenue generation can be sustained but difficult to support injection of capital to generate more (due to ROI issues). The centre needs to address the water and be part of further / future park enhancements but hurdles are who resources this and the social issues already evident.
TH3: Improving Jack Evans Park	Further enhancements would need to offer TSC some ROI and could involve attracting markets, improving RV parking, an extension of Bay Street appeal. TTC has little control over this outcome.
TH4: Relocating the VIC	A Tweed Heads site that would work is at Point Danger being near an attraction and a very high tourist area. The practicalities of TSC or TTC investment in this are problematic. Another location could be found in Bay Street but, whilst improvements have been made to the streetscape, its rejuvenation as a high pedestrian and tourist location could take many years and leaves an issue of what to do with the existing building.
TH5: Closure of the VIC / Use of Mobile VIC	One option is to close the existing VIC and for TTC to invest in a mobile VIC/trailer which could be used across Tweed Heads and also for events and opportunistic occasions across the whole region. A Business Case would need to be written with a compelling set of drivers and benefits and leaves an issue of what to do with the existing building.
TH6: VIC staffed with volunteers only	This would bring the operating costs and ROI versus visitation back into balance and be a short to medium term solution but does not resolve underlying issues.

MURWILLUMBAH VIC ANALYSIS

The table below is a SWOT analysis for the Murwillumbah VIC and reveals the persistent difficulties, alongside the positives for the site.

Bold font shows the salient points.

Strengths (Internal, Helpful)	Weaknesses (Internal, Harmful)
<ul style="list-style-type: none"> ● Existing visitation; ● Access to facilities and main street; ● RV and vehicle parking; ● Western, nature seeking markets prevail; ● Space for retail; ● On the (potential) rail trail; ● Close to nature trails; and ● Large premises. 	<ul style="list-style-type: none"> ● Visitation in serious decline; ● Poor amenity, and ambience; ● Not located in heavy pedestrian traffic area, fewer “walk ins”; ● Revenue generation to offset some costs unlikely in foreseeable short and medium term; ● TSC expectations for a VIC in the town; ● Some social issues affect staff / operations; ● Need staff with ability to tell stories; ● Lack of bus connections; and ● Tweed hinterland large area makes it a difficult proposition for day touring.
Opportunities (External, Helpful)	Threats (External, Harmful)
<ul style="list-style-type: none"> ● Two visionary options in old VIC and Railway Station if resources, partnering available; ● Sustainable, “foodie”, native food based offerings close by – link to retailing of food, wines, gin, etc. as full on outlet for locals and visitors; ● Murwillumbah as gateway to hinterland; ● Historical / villages, food, art and craft, rail trails; ● Co-locate in the museum; ● Aboriginal cultural experiences; ● Collaboration with adjunct North Coast, Gold Coast, LTOs/RTOs, Northern Rivers Tourism; ● Welcome Program for visitor greeting and storytelling (VICs and business); ● Innovative contemporary products and retailing; ● Must become a destination again; and ● Use as offices for TTC. 	<ul style="list-style-type: none"> ● Dramatic drop in regional visitation; ● Unknown future of Rail Station; ● Unknown future viability of old VIC; ● TSC and industry’s expectations; ● Another flood and potentially fatal business disruption; ● Seasonal and weekly peaks and troughs in visitor numbers; ● Community negativity if building becomes empty; ● Natural disasters; and ● Decline in VICs as entities nationally.

Figures 6 and 7 show the long term visitation numbers for Murwillumbah and a break up of domestic and international visitation over the last three years. The 2017 decline is nearly catastrophic for the viability of the centre as it is. International visitation as a percentage of total centre visitation for 2017 was 11%, well below the proportion for Tweed Heads (23%) albeit 2017 is a poor year to compare (note that 2016 figures were not complete).

Figure 6 Murwillumbah Domestic and International Visitation 2017 - 2018

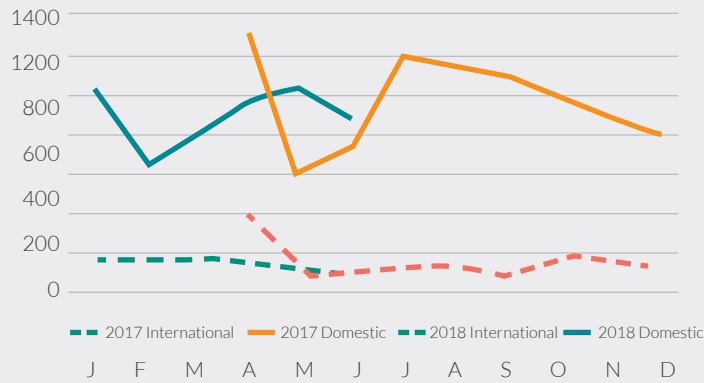
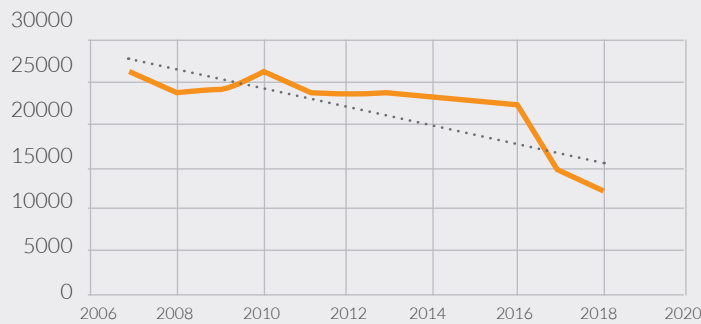


Figure 7 Murwillumbah Total Visitation 2007 - 2018



MURWILLUMBAH CONCLUSIONS

“From off the Rails to... stuck at the Station

- Murwillumbah has had a 48% fall in VIC visitation numbers comparing 2007 to 2017.
- It is losing relevance as declining VIC visitation against increasing Tweed region visitation.
- The forced move from the old VIC building has seen a loss of custom and identity.
- The temporary railway station site has much potential but currently is poorly decorated, the space is too large and it has not had the time, resources or vision to move from quirky to functional and sustainable.
- The two sites offer perhaps the greatest scope to form a vision but this will depend on TSC’s resources, commitment and expectations.
- The impending refurbishment of the old VIC site offers broad options but only if compatible partners / tenants are found and TTC can lease an affordable amount of space.
- The current railway station site’s future viability depends on the Rail Trail’s implementation and success and the finding of suitable partners / tenants and TTC can lease an affordable amount of space.
- It attracts only 8% of overall Tweed region visitation as traffic through its doors (compared to Tweed Heads’ 14% based on 2017 figures) which questions the ROI on having paid staffing.
- Its share of VIC visitation (alongside that of Tweed Heads) across the years 2010-2017 was 44% and is now 35%

Status: In decline and the status quo is not sustainable on any level.

OPTIONS	COMMENT
M1: Do Nothing	This is not possible as it will negatively impact retention of volunteers, dispersal of visitation and ROI on rent, etc. The unsustainability is due to a decline in numbers, lack of presence and hiatus in ability to confirm the future of Rail Trail. Remedial action is needed urgently.
M2: Improving the Existing VIC (as it currently is)	Enhance ambience and display, improve signage, reconfigure internal space and use back end as offices, screened off from public and operate with volunteers only, is possible but not really justifiable based on cost or effectiveness. Revenue generation to offset some rent is not likely as it currently has no “pull” and low morale will affect staff and volunteer retention.
M3: New concept and vision for the Existing VIC (Rail Station vision)	This has much potential but requires: capital; the Rail Trail to proceed; and needs some complementary co-located tenants (café, gallery, etc.). Rail and even flooding history could form part of the site, with improved park like amenity, concessions for café, etc. TTC views this as at best a 4 year timeframe and not one we can influence.
M4: Relocating the VIC (old VIC site)	Shifting back to the old VIC has potential but requires a reason for being / become a destination (art gallery, relocate panorama, business hub, etc.). It could become a business hub with TTC central to this and supported by the Chamber of Commerce, TEN network (example), TSC business support or Economic Development unit, etc. TTC has limited capacity to pay rent on a large space and make this move viable. It could rent a suitable sized space as a core tenant. This concept would need time to find commercial sub leasing partners and negotiate the lease rates and timing.
M5: Relocating the VIC (Museum site)	Shifting to the Museum has potential to create a destination, leverage existing visitation, sharing resources, staffing and volunteer rosters. This concept would need time to bring our partners along, to build the trust and agree on potential sharing model.
M6: Closure of the VIC	Community fallout, TSC expectations and TTC’s desired visitor information services model would most likely not allow this.
M7: Closure of the VIC / Use of Mobile VIC	One option is to close the existing VIC, for TTC to invest in a mobile VIC/ trailer which could be used across Murwillumbah and also for events and opportunistic occasions across the whole region. A Business Case would need to be written with a compelling set of drivers and benefits and leaves an issue of what to do with the existing building.
M8: Temporary Closure of the VIC / Use of Mobile VIC	A derivative of the above is to close the existing VIC for say 12 months whilst a fuller resolution of long term site could be established and agreed. TTC could invest in a mobile VIC/trailer which could be used across Murwillumbah and also for events and opportunistic occasions across the whole region. A Business Case would need to be written with a compelling set of drivers and benefits and leaves three issues: (1) what to do with the existing building during that period; (2) the development of a precinct vision to create a destination and justify the re-opening of the centre; and (3) who will drive and resource point 2?

KINGSCLIFF VIC ANALYSIS

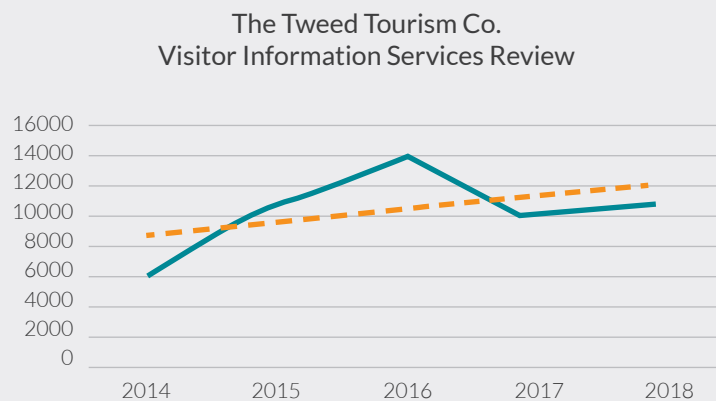
The table below is a SWOT analysis for the Kingscliff VIC and reveals the many positives and opportunities for the site.

Bold font shows the salient points.

Strengths (Internal, Helpful)	Weaknesses (Internal, Harmful)
<ul style="list-style-type: none"> • Location, location, location; • Existing significant tourism product and visitation developing; • Park and beach / esplanade is a destination; • Easy access for pedestrians/beachgoers; • Much upside as still quite a raw offering; • Walk ins of local and tourists; • Good amenity; • Visitation across 7 days equable, encourages 7 day a week operation; and • Leisure and eating amenities. 	<ul style="list-style-type: none"> • Lacks space for growth, retail footprint too small; • Parking at peak, RV and vehicle access; • Not staffed and difficult to staff without shifting resources from one of the other two VICs; • High rent, small space; • No room for partnering or large displays; • No real office space; • Volunteers only; • Poor signage; and • Lack of storytelling / interpretation elements.
Opportunities (External, Helpful)	Threats (External, Harmful)
<ul style="list-style-type: none"> • Innovative products and retailing; • Make more commercial; • Revamp/introduce retailing – use existing office space; • Collaboration with adjunct North Coast, Gold Coast, LTOs/RTOs, Northern Rivers Tourism; and • Welcome Program for visitor greeting and storytelling (VICs and business). 	<ul style="list-style-type: none"> • Dramatic drop in regional visitation; • Natural disasters; and • Decline in VICs as entities nationally.

Figure 9 shows the 2014 to 2018 visitation number for Kingscliff. The upward trend is evidence of the viability of the location if its potential is exploited.

Figure 9 Kingscliff Total Visitors 2014-2018





KINGSCLIFF CONCLUSIONS

“From Tin Shed toKing’s Palace”

- Kingscliff’s visitation grew by 36% to 2017 and 2018 data will provide an even better trend.
- The new building has given the site more relevance with the most upside of the three VICs.
- It is currently not staffed and run by volunteers only.
- In the future it could be staffed and run operationally comparable to the other centres.
- It is viable with consistent visitation across each day, weekends being busier.
- It is considered to be very viable as a more commercially oriented centre if investment into it is affordable.
- It has limitations with space, hence retailing will be difficult.

Status: Star on the rise with much upside to develop.

OPTIONS	COMMENT
K1: Do Nothing	This is an easy option as it has increasing numbers and its effectiveness may increase. However, the high rent constrains its viability.
K2: Improving the Existing VIC (as it currently is)	This is a medium risk in that it is easy to implement but will require budgeted staffing and retailing fit out which will need to be shuffled from within the existing budget. The higher risk is there is no history of sale to project income and no history of sales for the other two VICs available to TTC to do likewise.
K3. Relocating the VIC	Not relevant
K4: Closure of the VIC	Community fallout, TSC expectations and TTC’s desired visitor information services model would most likely not allow this. There is no justification to do so.



OTHER CONSIDERATIONS AND OPTIONS

MOBILE VIC

The benefits of adding a Mobile VIC have been realised by several other regions around Australia. It is the 'mobility' that delivers benefits, particularly for a region, which offers some major events in its calendar, and such a dispersed community of tourism assets.

A mobile VIC would be an excellent adjunct to a Sports Tourism Strategy and selling the region's tourism assets through representation at major sporting, musical and cultural events in The Tweed, Gold Coast and northern rivers. Mobile VICs with a trailer/van configuration cost between \$50,000 - \$70,000 plus operational costs. An accredited Mobile VIC forms part of the assets of a permanent Accredited VIC.

A Mobile VIC could be purchased and operated if one other VIC was closed.

THE DIGITAL DIMENSION

In the age of digital disruption, VICs that have seen a fall in their attendance numbers often feel that the cause of their declining popularity lies with digital resources. Ironically, it is also seen as the salvation with a tendency to feel a large investment in digital facilities is the answer to rebalance the numbers of visitors choosing to use a VIC.

The answer isn't quite so simple and the experience of many VICs has pointed to the failure of expensive installations that have either been beset with problems or been of little interest to visitors.

Digital is certainly an essential ingredient in the marketing of destinations and in resourcing visitors about the products and experiences on offer but all of that information is already available to them pre-travel without ever needing to attend a VIC – via their smartphones, their tablet computers and desktop devices.

The TRA/DNSW Visitor Information Research Project (LGNSW Tourism Conference 12 March 2017) noted from its survey results that 87% of visitors reported travelling with mobile devices and that almost three quarters of this group used their own devices to access online information about the destination while in the region.

To duplicate the access that the vast majority of travellers already have at their fingertips within the environment of a VIC is in some ways pointless. Nevertheless digital options are part of a holistic VIC experience.

Given the availability to online information by travellers their reasons for attending a VIC are therefore partly to source printed mediums but also to seek one-to-one advice and recommendations. This is backed up by surveys of some of the benchmark VICs that have integrated cutting edge digital options into their VIC experience (Manchester in the UK, NYCGO New York and Federation Square in Melbourne) referred to in 'the provision and distribution of visitor information' (produced by Sandwalk Partners in July 2015 for the Newcastle Tourism Industry Group).

Digital is an essential part of the mix for The Tweed's visitor services but it is worth remembering that whatever appears 'cutting edge' now may be outmoded within a year given the pace of technology changes so the emphasis should be about content, device optimisation (not just 'compatibility') and the reach to broader audiences rather than today's hardware.

There are any number of impressive hi-tech options from interactive glass screens, smart glass, glass projection screens, 360o dual glass screens as well as the more established surface tables, 'giant tablet' or interactive wall displays that could be employed. In NSW one VIC now covers its large interactive screens with posters, deciding the exercise has been a costly failure. Space, reliability and maintenance, the constant need for cleaning surfaces of fingerprints, and the changes in novelty factor to get consumer interest all contribute to a minefield of alternatives.



CONCLUSION

There are no easy decisions to be made outside of the Kingscliff VIC having an operational investment in the short term and TTC ramping up its effort there if it can be made affordable in staffing. However, not all decisions need to be made immediately and there is a need for more data to be collected to ascertain if current trends are an aberration (decline at Tweed Heads) or near certain (fatal blow that Murwillumbah flood has created).

Secondly, TSC will need time for its refurbishment of the old VIC and certainty around the Rail Trail

if it is to facilitate a newly invigorated home for a Murwillumbah VIC. Thirdly, TTC will need time to find other locations such as the Murwillumbah Museum and bring all partners along with any sustainable solution. Subsequently, a timed implementation of decisions may bring about optimal outcomes.

Figure 10 shows a matrix of Ease of Implementation versus Effectiveness/Impact of Implementation as a decision making matrix.

Figure 10 Decision Making Matrix

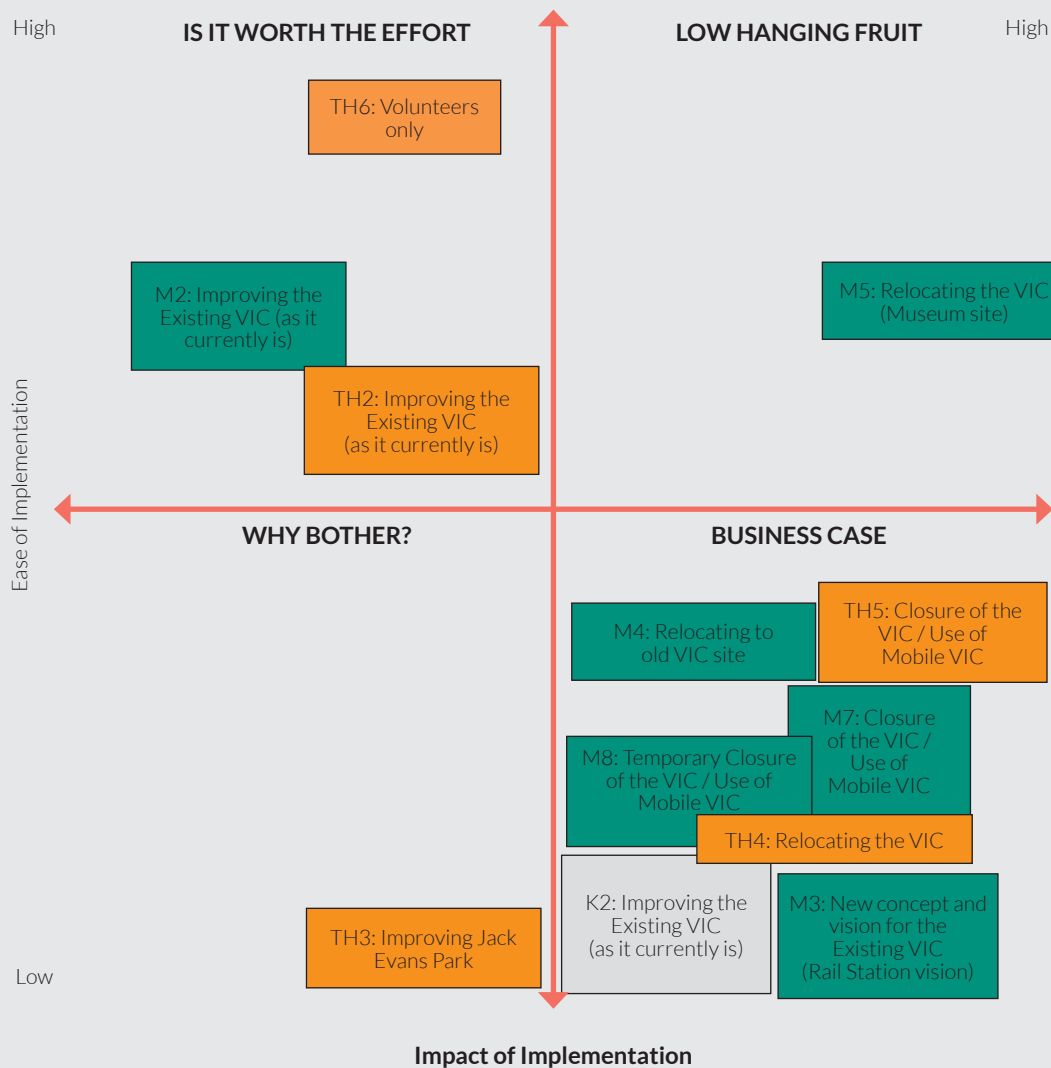
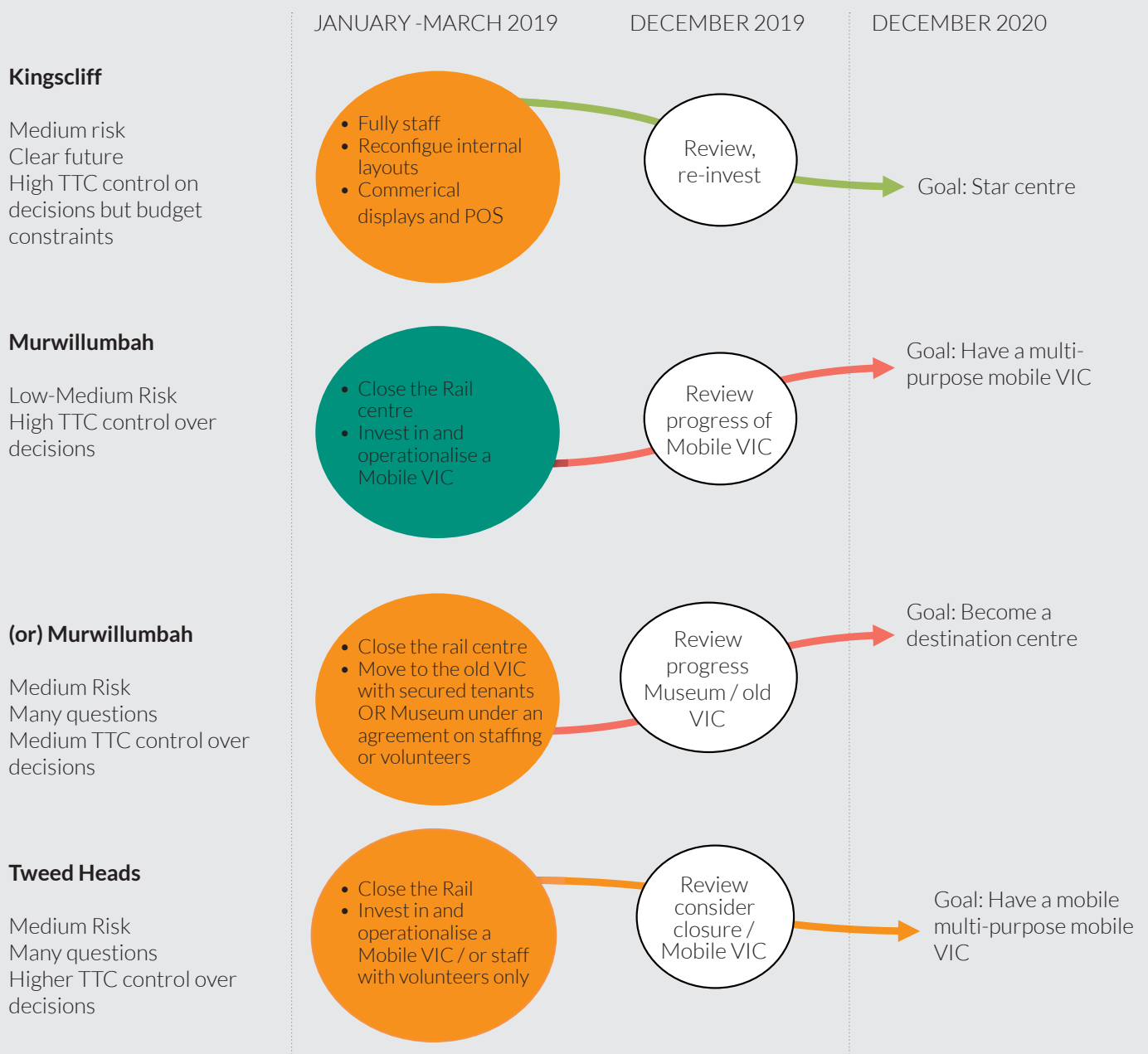


Figure 11 below, offers an example of a decision making timeline for one set of desirable options. It shows the need for a 2-3 step process.

Figure 11 Timeline for One Suite of Options



RECOMMENDATIONS

That Tweed Shire Council:

1. Acknowledge the rigorous analysis and assessment embodied in this report.
2. The Tweed Tourism Co explores the benefits of the closure of the Murwillumbah VIC in the short term and works with partners and TSC to write a Business Case for partnering with the Museum on the inclusion of a small space for a VIC and potential sharing of staff.
3. The Tweed Tourism Co explores the benefits of the closure of the Murwillumbah VIC in the short term and works with partners and TSC to write a Business Case on relocating to the former VIC site and securing suitable co-tenants.
4. The Tweed Tourism Co explores the benefits of the closure of the Tweed Heads VIC in the short term and works with partners and TSC to write a Business Case to scope the features of, the resources needed and operational aspects and costs, of a Mobile VIC.
5. Subject to solutions being found in the recommendations above, The Tweed Tourism Co scopes the de-staffing of the Tweed heads VIC and uses volunteers only.
6. The Tweed Tourism Co continues to scope a Welcome program for broad implementation to VIC staff and volunteers, and to seek resourcing for a broader roll out.

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