

OFFICIAL

# Greater Melbourne Tourism Recovery Forum



## Workshop Report

January 2023

# GROWING VICTORIAN TOURISM

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# 1 Acknowledgement

We acknowledge the Traditional Owners of country throughout Victoria and their ongoing connection to this land and water. We pay our respects to their culture and their Elders – past, present and future. We acknowledge that First Peoples self-determination is a human right as enshrined in the United Nations Declaration on the Rights of Indigenous Peoples. Building on this, and guided by the 11 principles of Aboriginal Self-Determination, we will develop strong and enduring partnerships with First Peoples, and we will work together to achieve economic, social and cultural equity and prosperity in communities across Victoria.

The Tourism and Events group, VTIC, Visit Victoria, and the Office for Suburban Development also extend their appreciation to all Forum participants for their generous contributions, and look forward to working in collaboration.

## 2 Executive Summary

### Greater Melbourne Tourism Recovery Forum

Victoria's visitor economy landscape has shifted irrevocably in the wake of the 2019 bushfires, 2021 storms and ongoing COVID-19 pandemic. In May 2022 three workshops were held to discuss reigniting the visitor economy across greater Melbourne. Each workshop convened industry, State Government and local government representatives to share on-the-ground experiences, unpack challenges and identify opportunities for breathing new life into greater Melbourne's visitor and tourism offer.

Ideas, initiatives and relationships built through the workshops will feed into projects, programs and policies led by the Victorian Government's Tourism and Events group and Office for Suburban Development (OSD) within the Department of Jobs, Skills, Industry and Regions (DJSIR), supported by the Victoria Tourism Industry Council (VTIC) and Visit Victoria.

Industry and local councils have a key role to play in supporting the recovery of businesses in greater Melbourne, and this report is also intended to assist the Metropolitan Partnerships, councils and industry with their own planning and activities.

### Successes and pain points

Many neighbourhoods and experiences reported an upswing in activity and optimism in the first half of 2022. The lifting of regulations and the opening of borders released pent up demand. Victorians have discovered the value of their own backyards, supporting local operators with renewed vigour.

A jump in digital literacy has created new opportunities to engage with visitors. Other business innovations have emerged, from streetside dining to online servicing. Critically, the tourism sector is seeing collaboration at every level.

At the same time, consumer confidence is still uncertain. This can be attributed to:

- Cancellations or reduced operating hours for tourism and hospitality businesses
- mid-tier and small events have not always been supported at the same level as major events
- product development and marketing have not always kept pace with rapidly evolving user behaviours.

Many operators are not only facing the ongoing impacts of the pandemic but also structural issues such as attraction and retention of a skilled, quality workforce and the need for better coordination of efforts by government and industry to reduce duplication. And while collaboration has drastically improved, there are few formal channels to ensure this continues or is enabled for all greater Melbourne.

### A vision for a future visitor economy

Collectively, the workshops outlined a vision for a future visitor economy underpinned by greater Melbourne's unique, and often distinctive, suburban assets and characteristics. The sector will consist of resilient businesses which invest in future-facing products and services and foster a sustainable workforce, informed by cutting-edge market intelligence and coordinated destination marketing.

Forum participants described a Victorian visitor economy where:

- First People's-led experiences are championed and central
- a sustainability step-change has been realised, backed by a celebration of natural assets

- collaboration and coordination drive the development of contemporary products and experiences
- real-time data and consumer insights guide visitor product, planning and servicing
- unique neighbourhoods are celebrated and networked into the greater Melbourne offer
- the workforce is skilled and confidently backed by whole-of career development opportunities
- seamless digital and physical connectivity link attractions and experiences.

## Recommendations towards a thriving greater Melbourne

These recommendations have been developed based on findings from the Forum workshops and in consultation with the Office for Suburban Development, VTIC and Visit Victoria.

These recommendations are those specific to the Tourism and Events portfolio. The Tourism and Events group will work with identified partners, industry, and local councils to implement these recommendations.

1. Ensure underrepresented voices in tourism across greater Melbourne are adequately represented to support better workforce outcomes and visitor experiences.
2. Work with the Office for Suburban Development to identify and coordinate tourism priorities across greater Melbourne.
3. Build local government and industry's understanding about demand-generating activities and support available through Visit Victoria, such as the Australian Tourism Data Warehouse (ATDW).
4. Undertake a skills audit to understand strengths and gaps within local government tourism capability.
5. Work with universities, training institutions and other partners to tailor practical skills and training programs and connect industry to funding rounds and grant opportunities.
6. Develop a First People's Tourism Plan to better coordinate and catalyse investment in First People's products and to promote our cultural and diverse state.
7. Evaluate existing digital literacy programs delivered in greater Melbourne to inform the development of future digital programs.
8. Support the development and implementation of improved approaches and technology for visitor servicing that meet contemporary visitor needs.

## 3 Introduction

Victoria's visitor economy has long been a driver of economic growth. Tourism accounted for 6.4 per cent of the Victorian economy before the COVID-19 pandemic with every dollar earned generating an additional 81 cents for other parts of the economy (Tourism Research Australia, 2022).

The tourism sector employed 259,000 people in 2018-19. The visitor economy was estimated to be worth \$29.4 billion to the Victorian economy in Gross State Product (Tourism Research Australia, 2022).

However, a combination of natural disasters and COVID-19 has dramatically altered the visitor economy landscape. Between 2019 and year ending March 2022, visitor nights declined by 57 per cent. Expenditure fell by 49 per cent, or \$16 billion (Tourism Research Australia, 2022).

Reactivating Victoria's visitor economy and building future resilience is a priority of the Victorian Government. Projects and initiatives to rebuild the sector are being driven, in part, by the government's Tourism and Events group, underpinned by the government's \$633 million Visitor Economy Recovery and Reform Plan (VERRP).

A whole-of-state strategy is in development through the VERRP to grow the visitor economy across the inner city, metropolitan areas and regions. Underpinning the VERRP is an ambition to reach \$35 billion in annual visitor expenditure by June 2024, supported by 300,000 jobs.

Achieving this target means shaping new ways for industry and the government to work together. As part of this commitment, three Greater Melbourne Tourism Recovery workshops were held in May 2022 to draw on the collective intelligence of the greater Melbourne regions:

- Inner Metro and Inner South East Regions (10 May 2022)
- Eastern and Southern Regions (12 May 2022)
- Northern and Western Regions (27 May 2022).

These workshops brought State Government, local councils, Metropolitan Partnerships and industry together to explore the future of greater Melbourne's visitor economy.

Funded and managed by the Tourism and Events group, the workshops were supported by VTIC and Visit Victoria and delivered in partnership with the OSD. Each workshop was facilitated by urban strategy firm Left Bank Co.

Participants worked collectively in a round table format to share insights and shape an evidence base for projects, policies and programs by:

- defining the characteristics of a thriving, forward-looking visitor economy
- unpacking enablers and pressure points present in local communities
- identifying and prioritising initiatives for the short to medium term.

This report summarises the outcomes from each workshop. Outcomes will feed into planning and actions geared towards supporting local jobs, infrastructure and service development across the visitor economy.

Industry and local councils have a key role to play in supporting the recovery of businesses in greater Melbourne, and this report is also intended to assist the Metropolitan Partnerships, councils and industry with their own planning and activities.

# 4 Themes and recommendations<sup>1</sup>

The workshops revealed several common themes, ideas and opportunities:

- Opportunities as Victorians discover their own backyard
- Skill shortages
- Opportunities to improve governance and coordination
- A desire for shared, up-to-date qualitative and quantitative data to inform decision making
- Commonwealth Games
- Digital innovation
- Sector exhaustion.

## 4.1 Common workshop themes

Relaxed restrictions, open interstate borders and pent-up local demand were raised in each workshop as positive shifts in the landscape. A combination of **Victorians discovering the value of their own local attractions** and a beneficial local flow-on effect from working from home were also understood to be driving new market opportunities. The high cost of international flights, brand damage and continued concern about COVID-19 were seen to still be dampening recovery.

**Skills shortage was nominated as the most pressing immediate issue** in all three workshops. There was some disagreement about the need for more flexible labour laws but general support for reforms offering more stability, better conditions and career development pathways, underpinned by targeted training and recruitment geared towards skills needed for a contemporary visitor economy. The return of international students and visitors is also seen as a potential turning point.

In the medium- to long-term, **all workshops pointed to governance as a critical enabler**. Formal structures were called for to drive advocacy, coordination and collaboration across industry and government. The unprecedented engagement provoked by the COVID-19 pandemic was seen as a positive that could also draw in sector participants who don't always identify as part of the visitor economy to harness collective effort. Governance spanning the public and private sector was also seen as key to unlocking a coordinated infrastructure pipeline.

Gaining a better understanding of where greater Melbourne's product offer sits in terms of competitiveness and quality – against both national and global competitors – was raised at each workshop. The value of **shared, up-to-date qualitative and quantitative data** interpreted as consumer insights was also strongly supported.

The **Commonwealth Games** was repeatedly raised as an inflection point to galvanise activity and promote the greater Melbourne offer. Each workshop also raised **First Peoples-led experiences** and the need to dramatically shift towards sustainable practices – the latter potentially including aiming for less overall volume at higher price points. It should be noted there was some lack of clarity about how to deliver on both First Peoples-led experiences and sustainable outcomes.

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<sup>1</sup> Note: This report contains a summary of findings from a series of three workshops held in 2022. The inclusion of these findings in the report does not commit the Victorian Government to provide funding or support for any of the findings or initiatives included in the summary or report.

In each workshop it was noted that **'digital' became everyone's job during the pandemic**, with maturity of online services and marketing accelerating dramatically. It was also acknowledged there is improvement needed in uplifting digital capability across the sector. Participants also expressed a desire for integrated digital architecture to underpin insights and elevate destination marketing.

All workshop participants reported **exhaustion within government and industry**, observing it had been difficult to find the time or energy to locate information, apply for potentially out-of-reach funding or devote time to workforce development when basic skills were in short supply.

## 4.2 Distinctive workshop themes

Inner metro attendees noticed the Melbourne CBD's 'halo effect' over the past decade delivered visitor economy benefits to metropolitan Melbourne.

The COVID-19 pandemic experience of participants in the Eastern and Southern regions was reported as being exacerbated by its overlap with the bushfires of late 2019/early 2020 and devastating storms in 2021. These combined impacts have deeply impacted the regions economically, socially and environmentally. These regions also demonstrated the value of existing visitor economy networks – both formal and informal – built up over the past decade.

Western and Northern region participants reported still feeling the sting of metropolitan restrictions in areas perceived by locals as regional while being unable to access funds dedicated to either central city or regional areas. These regions also singled out the creative industries as a sector that had been hard-hit by pandemic and in need of urgent repair.

The Eastern, Southern, Western and Northern regions all reported a game changing jump in digital literacy and user-led product development fundamentally shifting how operators need to do business. On one hand, this was seen as a flash point for innovation and the development of a more sophisticated sector. On the other hand, many reported either difficulty or a reluctance to adapt to meet new visitor expectations and behaviours.

## 4.3 Workshop participants

Representation at the Forum was largely made up of government, established advisory or peak bodies, and large-scale attractions, except for a few small operators. In two of the three workshops, attendees observed the age of participants was 'north of 35'.

## 4.4 Recommendations

Recommendations have been developed based on findings from the Forum workshops and in consultation with the Office for Suburban Development, VTIC and Visit Victoria.

These recommendations are those specific to the Tourism and Events portfolio. The Tourism and Events group will work with identified partners, industry, and local council to implement these recommendations.

Implementation of short and mid-term recommendations will commence in the next 6-12 months, including engagement with local government, working with VTIC and Visit Victoria and promoting existing programs and funding opportunities.

For example, VTIC will draw on insights gathered through the 2022 Local Government Tourism Health Check and 2021-22 Victorian Digital Business Program to support industry uplift and implementation of recommendations four and seven.



	<b>Recommendation</b>	<b>Led by</b>	<b>Timeframe</b>
<b>1</b>	Ensure underrepresented voices in tourism across greater Melbourne are adequately represented to support better workforce outcomes and visitor experiences.	Tourism and Events	Mid
<b>2</b>	Work with the Office for Suburban Development to identify and coordinate tourism priorities across greater Melbourne.	Office for Suburban Development	Short
<b>3</b>	Build local government and industry's understanding about demand-generating activities and support available through Visit Victoria, such as the Australian Tourism Data Warehouse (ATDW).	Visit Victoria	Short
<b>4</b>	Undertake a skills audit to understand strengths and gaps within local government tourism capability.	VTIC, Tourism and Events	Mid
<b>5</b>	Work with universities, training institutions and other partners to tailor practical skills and training programs and connect industry to funding rounds and grant opportunities.	Tourism and Events	Mid
<b>6</b>	Develop a First People's Tourism Plan to better coordinate and catalyse investment in First People's products and to promote our cultural and diverse state.	Tourism and Events	Long
<b>7</b>	Evaluate existing digital literacy programs delivered in greater Melbourne to inform the development of future digital programs.	VTIC, Tourism and Events	Mid
<b>8</b>	Support the development and implementation of improved approaches and technology for visitor servicing that meet contemporary visitor needs.	Tourism and Events	Long

# 5 Appendix

## 5.1 Workshop findings - Inner Metro and Inner South East regions

10 May 2022 - Kangan Institute, Docklands

**Note:** This section contains a summary of findings from the Inner Metro and Inner South East regions workshop held in 2022. The inclusion of these findings in the report does not commit the Victorian Government to provide funding or support for any of the findings or initiatives included in the summary or report.

### Workshop participants:

Bayside City Council	Committee for Melbourne
Bendigo Kangan Institute	National Gallery of Victoria
City of Boroondara	Victoria Tourism Industry Council (VTIC)
City of Melbourne	Visit Victoria
City of Port Phillip	Yarra City Council
City of Stonnington	Zoos Victoria

### 5.1.1 Future headlines - what success looks like

- 'Naarm celebrates its roots.' First People's narratives and First Peoples led experiences are centred.
- 'Villages of Melbourne shine.' Digital infrastructure connects Melbourne's neighbourhoods while reinforcing each distinctive offer.
- 'Melbourne a leader in sustainable tourism.' Quality experiences have overtaken a focus on volume with low profits.
- 'Young people flock to Melbourne's tourism training.' Placement, real-world training and professional development opportunities lift the profile of a career in tourism.
- 'Melbourne regains "world's most liveable" status.' A bold sustainability shift combines with seamless physical and digital connectivity to lift the inner metro to new heights.

### 5.1.2 Recovery on the ground

#### What's working?

- Interstate and international borders reopening combined with pent-up local demand.
- Victorians have discovered the value of local experiences, boosted by campaigns like Buy Local and Melbourne Money.
- The major events calendar is back, supported by more short-term accommodation options.
- A jump in business and consumer digital literacy is leading to a better user experience and new data points which can inform business planning.
- The cultural shift to hybrid working is generating economic and social activity in local neighbourhoods.
- Growing awareness of the visitor economy as a sector has deepened collaboration and put a spotlight on tourism needs.

**What are the pain points?**

- COVID-19 has impacted consumer confidence, compounded by fewer tour operators including Victoria in their schedule.
- Sector-wide skills shortages are exacerbated by both a lack of affordable accommodation and perceptions of security of the sector.
- Uneven product quality deters customers, an attitude likely to grow as belts tighten in the face of rising cost of living and inflation fears.
- Inner metro councils have historically benefited from central city destination marketing as an attraction strategy, leaving the visitor economy as strategic planning 'add-on'.
- Lack of affordable, flexible commercial space combined with tight heritage and planning regulations can inhibit change-of-use, which in turn deters small, new and creative businesses.

**5.1.3 Initiatives for change**

Workshop participants suggested opportunities to strengthen the visitor economy across key priority areas:

**Workforce and skills**

- Collaborate with tourism education bodies to align long-term skills pipelines with forward facing industry needs, supported by business and training capacities.
- Review and benchmark workforce conditions and pay to ensure cross sector competitiveness.
- Deliver initiatives to improve the perception of tourism as a career of choice.
- Investigate tax incentives to increase key worker accommodation supply.

**Product and experience**

- Invest in data and research to address visitor needs and inform product and experiences.
- Develop digital tools to enable packaging and distribution that supports brand awareness.
- Partner with the private sector to develop an infrastructure pipeline that supports greater Melbourne's unique value proposition.
- Work with relevant government departments to embed tourism into major infrastructure decision making and design.

**Strategic destination planning**

- Improve coordination across the inner metro region, that engages operators, including young people and peak bodies.
- Develop capability building programs underpinned by sector needs analysis suited to business needs.
- Embed appropriate technology and support to collate and interpret ongoing consumer insights and visitation data.
- Use global trends and user segmentation to inform the local sector of the competitive landscape.

**Visitor servicing and attraction**

- Assess the greater Melbourne service offering against consumer insights and understand the gaps for opportunity.
- Work with government agencies to find streamlined approaches to planning and environmental requirements.
- Develop attraction and retention initiatives to return the volunteer workforce.

### **Demand driving**

- Leverage the Commonwealth Games as a catalyst to celebrate and promote all greater Melbourne has offer.
- Roll out international and domestic brand campaigns that promote greater Melbourne's unique assets to contemporary audiences.
- Develop strategic plans that outline short, mid and long term tactical activity, creating a sustainable timeline of opportunity and delivery.
- Create stronger connections between government and the business community, including those businesses who may not consider them tourism operators.

## 5.2 Workshop findings - Eastern and Southern regions

12 May 2022 - Eastern Innovation Business Centre, Mulgrave

**Note:** This section contains a summary of findings from the Eastern and Southern regions workshop held in 2022. The inclusion of these findings in the report does not commit the Victorian Government to provide funding or support for any of the findings or initiatives included in the summary or report.

### Workshop participants:

Bayside City Council	Melbourne Cable Park
Cardinia Shire Council	Mornington Peninsula Regional Tourism Board
Chadstone – The Fashion Capital	Mornington Peninsula Shire Council
City of Greater Dandenong	National Trust Australia – Victoria
City of Kingston	Peninsula Hot Springs
Eastern Innovation	Pt. Leo Estate
Emerald Tourist Railway Board – Puffing Billy Railway	Visit Victoria
Frankston City Council	VTIC
Heide Museum of Modern Art	Yarra Ranges Council
Manningham Council	Yarra Ranges Tourism

### 5.2.1 Future headlines - what success looks like

- ‘Walking in the footsteps of our ancestors.’ A thriving First Peoples-led visitor economy with jobs, products and experiences tailored to market needs.
- ‘Visitors flock to the outer ring.’ Collaboration and coordination beats out competition to give the South and East an edge through shared investment in infrastructure, product and events.
- ‘Tourism rebuild delivers dividends.’ Joint government and industry collaboration consolidates experiences, returns tourism to an economic powerhouse, creates in-demand career pathways backed by sector experience.
- ‘Victoria – #1 for authentic visitor experiences.’ Integrated itineraries, transport and storytelling centred around authentic local identities open up out of season travel.
- ‘Home of wellness.’ Rest, rejuvenate and recentre with local, sustainable and First-Peoples-led experiences.
- ‘Discover what you don’t know.’ Better physical, digital and operational connections between attractions creates greater choice and demand.
- ‘Victoria – a hotspot tourism skills incubator.’ Accommodation supply, training pathways and international standard product, plus stronger workforce planning based on an understanding of students, population and seasonality.

### 5.2.2 Recovery on the ground

#### What’s working?

- Relaxed restrictions – particularly mask mandates – have boosted consumer confidence.
- An engaged, moneyed local market is newly alive to the potential of local experiences, driving demand and smoothing out peak/ trough seasonality.

- Outdoor events, longer opening hours and pop-up style interventions are elevating demand while improving perceptions of safety.
- State investment in skills combined with a new openness to business innovation is creating fresh opportunities, partnerships and ways of working.
- Greater digital literacy and digital investment has boosted the sector's ability to deliver better, more connected experiences supported by accurate workforce planning.
- Values realignment towards a better work/life balance has improved mental health for many in the sector (although not all).

#### **What are the pain points?**

- Travel restrictions in 2020-21 have had lingering impacts on consumer confidence.
- Workforce shortages and rising consumer expectations create fierce competition for skilled staff, compounded by a sector reputation for being fickle and offering poor worker conditions.
- Communities are still recovering from the 2021 storms and COVID-19 is still a vivid presence in people's lives – these stressors are emotional, physical, economic and administrative (e.g. insurance).
- Growing cost of doing business, inconsistent opening hours, the shift to digital, labour laws and vaccine hesitancy are hurting parts of the sector.
- Diversity and quality of offer hasn't always kept pace with changing visitor expectations.
- Disconnected marketing dulls visitor understanding of the total regional offer and creates missed opportunities.

### **5.2.3 Initiatives for change**

Workshop participants suggested opportunities to strengthen the visitor economy across key priority areas:

#### **Workforce and skills**

- Implement a coordinated local, state and federal approach to attracting workforce talent.
- Change the perceptions of a transient industry by investing in lifecycle career planning, support and mentoring.
- Improve workforce conditions, including affordable worker accommodation.
- Research where the tourism sector requires recruitment and skilling.

#### **Product and experience**

- Cultivate an acumen in understanding contemporary visitor behaviours by offering regular opening hours, flexible cancellations, and catering to the work from home market.
- Review the visitor experience and focus on the values required to make the region competitive, such as price point and quality of product.
- Invest in experience-based activities that showcase the region's assets e.g. nature, wellbeing, distinctive villages brimming with character.
- Drive yield by enabling seamless experiences across the full visitor journey, including pre, post and during the trip.

#### **Strategic destination planning**

- Coordinate destination management planning for the region linked to defined funding and collaboration pathways.
- Review planning scheme channels to enable business expansion and growth, where businesses are aligned with State objectives.

- Deliver higher quality digital destination assets backed by more sophisticated digital architecture and talent recruitment.
- Improve transport access to and between attractions, particularly car-free options.

**Visitor servicing and attraction**

- Trial incentives and loyalty programs to build a solid return customer base.
- Target international students and the overseas-born domestic market, focusing on strategies to convert visitation to higher spend.
- Be inclusive of diverse visitor cohorts by providing multilingual interpretation and multicultural services for CALD communities.
- Develop curated itineraries and connected experiences targeting different market segments that are distinctive through storytelling.

**Demand driving**

- Leverage the Commonwealth Games to capture new market segments.
- Ensure destination marketing is collaborative and driven by recent and relevant data and consumer insights.
- Create workforce development programs to boost digital marketing and consumer analytics, potentially through shared resources at a regional level.

## 5.3 Workshop findings - Northern and Western regions

27 May 2022 - Lancemore Mansion Hotel, Werribee Park

**Note:** This section contains a summary of findings from the Northern and Western regions workshop held in 2022. The inclusion of these findings in the report does not commit the Victorian Government to provide funding or support for any of the findings or initiatives included in the summary or report.

### Workshop participants:

City of Whittlesea	URBNSURF
Greater Western Water	Victoria Legal Aid
Hobsons Bay	Victoria University
Hume City Council	Visit Victoria
Melbourne's North Food Group	VTIC
Melton City Council	Western Melbourne Tourism
Moonee Valley City Council	Western Metropolitan Partnership
Nillumbik Shire Council	Wyndham City Council
Northern Metropolitan Partnership	Zoos Victoria
Seddon Deadly Sins Cafe	

### 5.3.1 Future headlines - what success looks like

- 'Neighbourhoods alive – the journey is as important as the destination.' Northern and western attractions cemented as 'must stop', transforming the region to a gateway to the regions by capitalising on industrial heritage, natural experiences and diverse communities.
- 'Western Melbourne's "friends and family" visitor economy skyrockets.' Off the back of the Commonwealth Games build up, local events and activities built from a Victorian major events calendar have increased the 'family and friend' spend.
- 'Taste trail by train.' Visitors sample the best boutique producers in the suburbs by taking advantage of 'hop on and off' local train and V-Line deals.
- 'It doesn't take a day and it's greater than Melbourne.' Greater Melbourne's west and north elevate local gems through a visitor economy boom delivered by speaking in the many languages of its diverse communities.
- 'Innovative visitor servicing at Melbourne Airport: more than just a brochure rack' Visitors can now get a flavour of greater Melbourne as soon as they land with a digitally enabled, immersive visitor centre at the airport staffed with skilled guides to tailor your trip.
- 'World sustainability awards won in the north and west.' New funding leverages an environmental step change, bolstering the region's reputation as Victoria's home for visitor economy training.
- 'One-stop-shop digital approach lauded globally.' Collaboration has boomed across tourism business and providers – and so has visitation, backed by shared digital infrastructure with API integration and B2B/B2C functionality.

### 5.3.2 Recovery on the ground

#### What's working?

- Interstate travel is back and pent up local demand is making itself felt.



- Modest funding has been transformational – high streets are active and communities are engaged, evidenced by vivid street life and a booming outdoor dining scene.
- Work from home is supporting local economies through more people integrating high street-style experiences into their daily lives, not just their weekends.
- Local government, State Governments and industry are working together in ways that are unprecedented.
- Data insights from the digital shift and COVID-19 support officers sharing intelligence has accelerated business sophistication of audiences and opportunities.
- Product quality is improving as the visitor economy moves into the spotlight, channelling efforts and funding towards better offerings.

#### **What are the pain points?**

- COVID-19 is still impacting consumer confidence while the high cost of flights and fear of being locked out still inhibits interstate and international travel — COVID-19 is still present in people's lives, impacting consumer planning and sector delivery.
- Labour shortages, staff turnover and poor service are negatively impacting the visitor experience – perception of the industry as unforgiving with low pay, split shifts, precarious tenure and limited career pathways compounding the problem.
- Operators are fatigued, time poor and feeling the crunch of inflation and supply chain problems – there is little energy, time or money to develop new skills in visitor servicing or marketing.
- Major infrastructure projects are causing transport disruptions, making many trips longer and more disjointed in the short to medium term.
- The arts and creative industries have been a regional drawcard but are now decimated, often hit by a 'one-two punch' of losing creative industries employment and second jobs in the service industry.

### **5.3.3 Initiatives for change**

Workshop participants suggested opportunities to strengthen the visitor economy across key priority areas:

#### **Workforce and skills**

- Develop strategies that create long term pathways that focus on full workforce life cycles that support training across skills gaps through to mature business mentorships.
- Explore shared work arrangements for seasonal workers across operators to smooth employment across the year and reduce insecurity.
- Develop entrepreneurial skill programs that are supported by dedicated funding and pathways.
- Advocate for policy change to increase the number of visas allocated to the tourism workforce.

#### **Product and experience**

- Build an infrastructure pipeline of immersive and experience-based activities supported by strong governance and demand driving.
- Development content that promotes local voices, underpinned by business training and mentoring.
- Partner with major events to offer partnered experiences in the north and west.
- Direct support to rebuilding the creative industries through fit-for-purpose, secure spaces, and funding for program creation.

**Strategic destination planning**

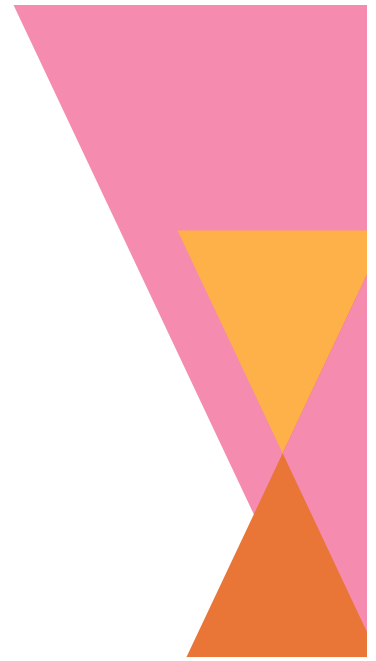
- Consider whether a coordination or governance mechanism is needed to advocate and connect industry to opportunities.
- Intentionally decentralise events, partnering to deliver a network of experiences across locations and calendars.
- Work with the private sector to develop accommodation and conference facilities designed by an evidence base of demand to guide product type and quality.
- Continue to build on transport connectivity, including investment in active transport routes, Melbourne Airport Rail and networks out to the regions.

**Visitor servicing and attraction**

- Create an airport experience that is active, digitally enabled and demonstrates to visitors the unique proposition of the north and west of Melbourne.
- Improve the journey to and from the airport by providing a sophisticated and engaging experience that showcases the region.
- Understand gaps in digital awareness and architecture to ensure seamless user experiences and improve business productivity.
- Drive attraction through an evidence base built on visitor perceptions and needs.

**Demand driving**

- Consider a voucher or incentive system to boost visitation in the metro regions.
- Bring Avalon Airport back to full operations, directing more visitors through the regions.
- Take a more sophisticated marketing approach by investigating underutilised channels (e.g. socials, gaming etc).



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