

# HUNTER VALLEY VISITOR ECONOMY DESTINATION MANAGEMENT PLAN



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## ACRONYMS

<b>ALOS</b>	Average Length of Stay	<b>LGA</b>	Local Government Area
<b>DCP</b>	Development Control Plan	<b>CCC</b>	Cessnock City Council
<b>DMP</b>	Destination Management Plan	<b>SC</b>	Singleton Council
<b>FTE</b>	Full Time Employee	<b>VEH</b>	Visitor Economy Hunter
<b>LEP</b>	Local Environment Plan	<b>NSW</b>	New South Wales
<b>HVWTA</b>	Hunter Valley Wine Tourism Association	<b>YE</b>	Year Ending
<b>DNSW</b>	Destination NSW	<b>VFR</b>	Visiting Friends and Relatives

## ACKNOWLEDGEMENTS

On behalf of New Earth Tourism, we would like to thank you for the opportunity to work with you to prepare the Hunter Valley Destination Management Plan. Images used throughout this DMP are courtesy of Hunter Valley Wine Tourism Association, Destination New South Wales, Cessnock City and Singleton Councils.

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# EXECUTIVE SUMMARY

*As a visitor destination the Hunter Valley is Australia's oldest and most visited surviving commercial wine region. Located in the heart of the Hunter region, it is made up of two local Government areas - Cessnock and Singleton, surrounded by World Heritage National parks but also with a rich heritage of colonial, indigenous and industrial history.*

It has the advantage of being geographically close to the two largest urban populations of NSW - Sydney and Newcastle, yet seen as a clean and green visitor escape. That advantage, with its wine and food experiences, has translated into a well developed visitor economy driven by a large day trip market and a growing reputation for leisure events.

That strong visitor profile has underpinned the progressive development of a large and quite diverse asset base for visitors - a large range of wineries, many with cellar door experiences; a strong accommodation base, from small B&Bs to big sophisticated resorts, a number with conference and meeting facilities; along with several quality golf courses. These visitor experiences are supported by the main service hubs of Cessnock and Singleton cities.

## MARKETING THE HUNTER VALLEY

The Hunter Valley has developed an award winning brand and undertakes campaigns that have been designed to reflect the contemporary image and experiences the destination now provides the visitor. Like its wines, the Hunter Valley has become a sophisticated, yet authentic, short break experience for the key target markets of Sydney, Brisbane, and regional NSW.

With the limited resources available, that brand (destination) marketing has been developed to operate through a multi-channel strategy but with a strong focus on the use of digital - that digital focus will need to be continued and grown as that is where the target markets are seeing and hearing the message. However, while that brand marketing has begun to positively shift the image and intention to visit, the Hunter Valley brand now needs a very big push (and to be owned and used by all the destination partners) for the messaging to be heard and responded to in such a competitive environment.

## KEY CHALLENGES

The initial main challenge for the Hunter Valley is that the message of a sophisticated yet authentic, immersing visitor experience, based on quality wines and food, is not yet fully understood by the high potential visitor target markets. The destination needs to be able to put some significant industry and government support behind the brand to substantially change what is a relatively static market situation. However, research also shows there is a strong link between the image of Hunter Valley wines and the motivation and intention to visit the Hunter Valley for a food/wine experience. The brand marketing needs to work on both challenges.

The other main challenge to growing its visitor economy is how best to increase the number and length of stay of its overnight visitors (both domestic and international) - the markets which provide the best return for the destination economy. The immediate opportunity is to further develop a range of highly motivational visitor experiences that will help encourage overnight visitation and length of stay lie in extending the food and wine experience, developing more nature experiences (particularly soft adventure) and also capitalising on the strong colonial, indigenous and industrial heritage of both Cessnock and Singleton.

## VISION OF THE DMP

To double the value of the Hunter Valley's Visitor Economy by 2020.

This aligns the Hunter Valley to the broader Hunter Region (and State) Visitor Economy target which determined that an annual 2% growth in visitor spend per day and market share from key segments could double the value of the visitor economy. To achieve this vision the Hunter Valley must:

- Build on its reputation and attraction as one of Australia's premier visitor destinations, offering a high value experience based around a core proposition of providing quality food and wine experiences, which reflects the simple sophistication brand positioning.
- Extend its visitor experiences in the areas of nature, soft adventure, golf and sports tourism, culture and heritage to provide a second tier of activity for visitors and increased connection to the broader, yet authentic Hunter Valley, particularly in and around the villages and cities of the Valley.
- In partnership with Visitor Economy Hunter, build on the high yielding, mid-week Conference, Incentives and Meeting market opportunities.
- Deliver a high quality customer service as a hallmark of the destination.

It will achieve this aspiration through an action oriented, united industry and government approach to delivery of an agreed destination management plan.

## DESTINATION GOALS & TARGETS

To assist the Hunter Valley destination in achieving its vision, the following goals and performance measures have been identified for the next three years (2013 - 2015).

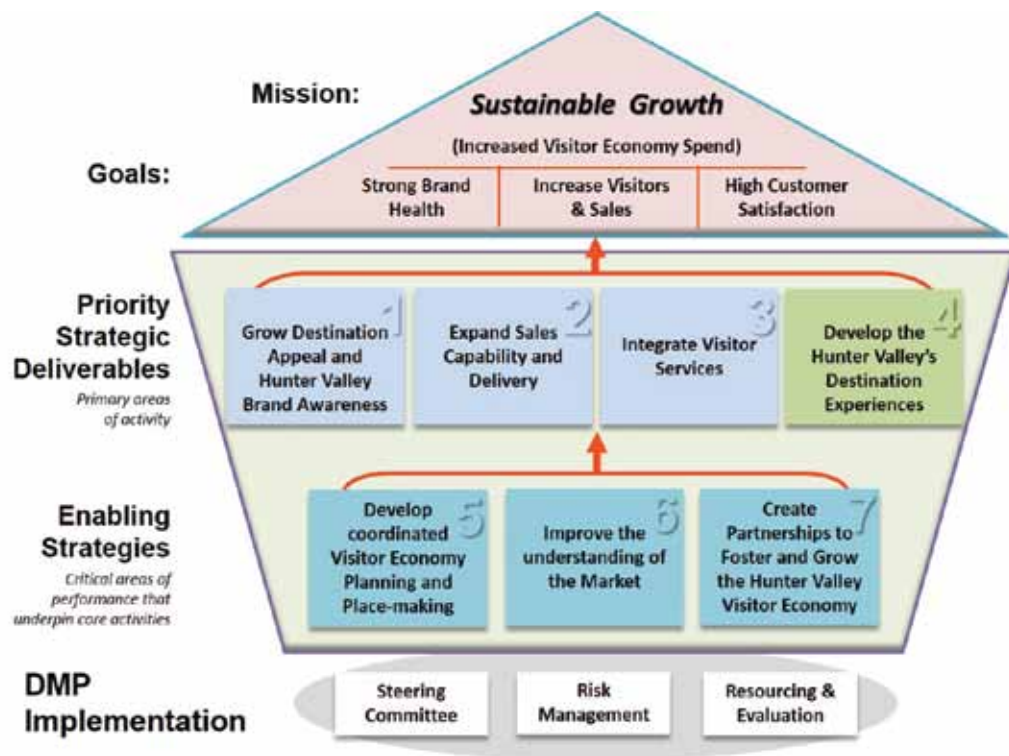
<i>Goals</i>	<i>Measures</i>	<i>2015 Targets</i>
Strong brand health	Growth in target market intention to visit	Over 67% of target market intends to visit*
Increase number of overnight stay visitors	Growth in daily average occupancy in the Hunter Valley	65% (2012 - 58%)
Increase the range of unique visitor experiences	New product/ experiences commenced	5 priority new visitor experiences operating or packaged
High visitor satisfaction	Visitor satisfaction	Over 90% visitor satisfaction*

\* Pokolbin Nielson Report, 2007 (latest currently available - new surveys required)



# STRATEGIC PRIORITIES

## HUNTER VALLEY DESTINATION MANAGEMENT PLAN STRATEGY MAP



*From an assessment of the economic impact of the Tourism and Wine Industries in the Hunter Valley Wine Country Region (undertaken in 2011), The Hunter Valley Research Foundation (HVRF) found the total output impact from tourism spending and industry investments is estimated to be \$520.6 million.*

## STRATEGIC PRIORITIES FOR SUCCESS

The four strategic priorities each with a number of key actions identified;

### 1. **Grow Destination Appeal and Hunter Valley Brand Awareness**

Hunter Valley needs a major co-operative industry and government marketing effort to strongly build brand awareness and visitor appeal using the current (award winning) brand strategy, focussed around a contemporary positioning of the Food and Wine Hero Experiences of the Hunter Valley - its primary visitor asset. The destination partners all need to be using the branding (where appropriate) to ensure there is sufficient weight behind it to make a difference in this highly competitive environment. The target marketing focus should be the overnight visitor market which can deliver the highest yield and visitor growth potential for the destination. In parallel, the Hunter Valley should progressively deepen its destination appeal by building on the existing (and developing) visitor experiences and themes of Food/Wine, Nature (soft adventure), Golf, Sport, Entertainment, Heritage, Art and Culture, primarily using digital and social media marketing.

### 2. **Expand Sales Capability and Delivery**

Develop a stronger tactical sales presence in the key source markets of Sydney and Newcastle (Newcastle Airport) to increase brand and destination awareness through product sales and key brand influences such as the presence of Hunter Valley wines in restaurants and on wine lists. In addition, expand its digital promotional approach with a focus on social media engagement and digital platform delivery systems e.g. mobile.

The other opportunity is in establishing a stronger Hunter Valley and Regional Hunter approach to the attraction and coordination of the conference and meetings (MICE) market, entertainment and events.

### 3. **Integrate Visitor Services**

Establish a multi-tiered and efficient visitor information and sales system (viz. regional gateway centres, entry and key visitor point kiosks, attraction/cellar door kiosks, plus WiFi/3G and road signage) across the whole Hunter Valley destination, which engages and services visitors at all the key information distribution channel and service outlets.

#### **4. Develop the Hunter Valley's Destination Products and Experiences**

Improve and increase the range and quality of Hunter Valley attractions, events, facilities, services and experiences to increase visitor demand and address seasonality. Priority development should be continuing to expand and refresh the Hunter Valley Food and Wine experiences (particularly providing, etc.), plus develop a strong second tier of experiences and activities focussed on:

- > Culture and the Arts
- > Nature (soft adventure e.g. walking, cycling, fishing)
- > Golf and other sports
- > Heritage (convict and industrial)
- > Indigenous

This experience development includes a Hunter Valley program of leisure events and festivals which should incorporate; seasonally themed, special Interest, community, regional and major events to grow balanced year round visitation and re-enforce the brand positioning. Major opportunities also exist to develop a State and regional Hallmark Food and Wine event centred on the Hunter Valley, as well as high profile golf events.

In addition, there is a need to create a strong retail strategy for the destination to better meet visitor needs and increase retail revenue from the visitor economy.

### **ENABLING STRATEGIES FOR SUCCESS**

#### **5. Develop Coordinated Visitor Economy Planning and Place-making**

Facilitate stronger place making development in the Hunter Valley Towns/ Villages, along with expansion of Public Facilities - Parks, conveniences, etc. that service combined visitor and community needs. Priorities include:

- > Improved WiFi/3G network
  - > Develop a local, regionally integrated Signage strategy including gateway signs
  - > Continued improvement to local, regional and State roads
  - > Street-scaping and retail development in key service hub cities - Cessnock, Singleton and Kurri Kurri (Linked to existing Master plans)
  - > Street-scaping and heritage development in the heritage towns and villages
- Planning needs to protect the visual amenity, vineyard areas and other key visitor assets of the region from urban encroachment and inappropriate development.

In addition, manage and mitigate potential future risk to the Hunter Valley Visitor Economy via the development of a Risk Management Plan that focuses on the importance of the vineyards as a primary land use in the Vineyards district and the hero visitor experience for the region and the Hunter Valley brand.

#### **6. Create Partnerships to Foster and Grow the Hunter Valley Visitor Economy**

Establish a range of actions to consolidate and build the partnership and alignment between:

- > NSW Government - Destination NSW, Dept of Planning, etc
- > Hunter Regional Network of Councils - Hunter Visitor Economy
- > Hunter Valley Destination Councils - Cessnock and Singleton
- > The Hunter Valley community - through the Chambers of Commerce

These partnerships should, among other things, target industry and government investment, grants, support and sponsorship opportunities to help underwrite the resources needed to deliver the DMP strategies and actions.

The other focus is to champion and facilitate an Industry wide skills development and quality service improvement program to increase customer satisfaction in the destination. Actions should include:

- > Establish a Centre of Hospitality Training Excellence, leveraging the current Hunter Valley Hotel School facilities at Kurri.
- > Introduce a Work Ready program for newly trained industry personnel to build the 'soft customer service' skills that are required to get employment.
- > Develop and introduce a Aussie/Hunter Host program in the Hunter Valley.

#### **7. Improve an understanding of the Market**

In co-operation with Destination NSW, the Hunter Visitor Economy and the broad Hunter Valley industry, develop a stronger consumer market and competitor intelligence understanding through up-to-date research, with a focus on:

- > Establishing a regular Brand Health Monitor
- > Further development of the Hunter Valley Tourism Monitor
- > Visitor satisfaction (Mystery shopping program)

This market intelligence will help further refine the DMP benchmarks and KPIs, and allow the continuous monitor of DMP performance against key goals and performance measures to ensure the DMP outcomes are being achieved.



An aerial photograph showing two hot air balloons floating over a vast vineyard in the Hunter Valley. The balloon in the foreground is large and features a pattern of white, blue, and yellow segments. The second balloon, further in the distance, is smaller and has a vibrant rainbow-colored pattern. The landscape below is a dense, green vineyard with rows of vines stretching across the valley. In the background, there are rolling hills, a body of water, and some buildings under a clear sky.

*Hot air ballooning over the Hunter Valley vineyards*

# GROWING THE VISITOR ECONOMY



# WHAT IS THE VISITOR ECONOMY?

*According to the Visitor Economy Taskforce, the term ‘visitor economy’ takes into account broader economic activity than what has been historically defined as tourism and events. It encompasses the direct and indirect contributions to the economy resulting from a person (a visitor) travelling outside their usual environment for holiday, leisure and events and festivals, business, conventions and exhibitions, education, to visit friends and relatives and for employment in NSW.*

The Visitor Economy contributes **AUD\$11.1 billion** to the Gross State Product of New South Wales, which in terms of economic significance, places it above agriculture, forestry and fishing, and just below mining. In 2011 the NSW State Government established the Visitor Economy Taskforce to develop a strategy to double overnight visitation to NSW by 2020. The resultant New South Wales Visitor Economy Taskforce Report, released in August 2012, emphasised the need for a broader understanding of the extent and impact of the visitor economy - it is much broader than ‘tourism’ and ‘events’ - it includes a wide range of businesses that benefit from the direct and indirect economic activity generated to provide goods and services to overnight visitors.

Furthermore, the report outlined seven strategic imperatives to stimulate NSW tourism destinations:

1. Increase visitation
2. Grow physical capacity
3. Renew and revitalise NSW destinations
4. Improve the visitor experience
5. Increase visitor spend
6. Make NSW more competitive
7. Change of mind set

In its response to the NSW Visitor Economy Taskforce report the NSW Government has established a mission ‘to double visitor expenditure by 2020 and maximise the benefits of the visitor economy for NSW’. The Hunter (and within it, the Hunter Valley) represents the second largest tourism industry in NSW. Consequently, to meet the specified target, it is critical that tourism in the Hunter contributes more substantially and clear actions will be required to realise this objective.

This Hunter Valley Destination Management Plan takes the same approach, using the framework of the visitor economy as the basis of its focus and aims to leverage off the main strategic imperatives that now form the basis for growing NSW as a visitor destination by the NSW Government.



*Cycling around Pokolbin*



# ECONOMIC BENEFIT TO HUNTER VALLEY'S ECONOMY

*From an assessment of the economic impact of the Tourism and Wine Industries in the Hunter Valley Wine Country Region (undertaken in 2011), The Hunter Valley Research Foundation (HVRF) found the total output impact from tourism spending and industry investments is estimated to be \$520.6 million. That is, the activity in the wine tourism industry will stimulate the production of goods and services in the Hunter Region's economy and this production has an estimated total value of \$520.6 million.*

In addition, tourism spending and investments by the wine tourism industry in the Hunter Region was estimated to create 1,862 jobs that are directly generated by the activity of the wine tourism industry. And with flow-on effects, in total, the wine tourism industry was estimated to generate 2,811 jobs within the Hunter Region.



*Nostalgia Festival - Kurri Kurri*

# VISION AND GOALS

## A VISION FOR THE DESTINATION

To double the value of the Hunter Valley's Visitor Economy by 2020.

This aligns the Hunter Valley to the broader Hunter Region (and State) Visitor Economy target which determined that an annual 2% growth in visitor spend per day and market share from key segments could double the value of the visitor economy. Over the next three years the Hunter Valley will;

- Build its reputation and attraction as one of Australia's premier visitor destination's, offering a high value experience based around a core proposition of providing high quality food/wine experiences, that reflects the simple sophistication brand positioning.
- Extend its visitor experiences in the areas of nature, soft adventure, culture and heritage to provide a connection to the broader, yet authentic, Hunter Valley particularly in and around the villages and cities of the Valley.
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In guiding product development opportunities, the Destination Management Plan sets out to increase the range and quality of Hunter Valley products and experiences and champions the attraction, development and improvement of events, activities, facilities, services, attractions and experiences to increase visitor demand.

Priority development focus should be in the following experience themes;

- Food and Wine (particularly providing)
- Culture and the Arts
- Nature (soft adventure e.g. walking, cycling, fishing)
- Golf and other sports
- Heritage (convict and industrial history)
- Indigenous (sites and culture)

## DESTINATION GOALS & TARGETS

To assist the Hunter Valley destination in achieving its vision, the following goals and performance measures have been identified for the next three years (2013 - 2015).

Goals	Measures	2015 Targets
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\* Pokolbin Nielson Report, 2007



Military Museum, Singleton



# WHAT IS THE HUNTER VALLEY DESTINATION MANAGEMENT PLAN

*Destination Management is a process of coordinating the management of all the aspects of a destination that contribute to a visitor's experience, taking account of the needs of visitors, local residents, businesses and the environment. It integrates the marketing (demand driving) aspects, the development (infrastructure, products and services) and resource management elements that are all equally important to successfully growing and sustaining Hunter Valley as a visitor destination.*

The Destination Management Plan (DMP) is a shared statement of intent to manage a destination, over a three year period, articulating the strategic direction and intent of the different stakeholders, and identifying clear actions that they will need to take to achieve the overall goal of the Plan.

## HUNTER VALLEY DMP OUTCOMES

At its broadest level the Hunter Valley DMP aims to help the destination:

- Create and support worthwhile jobs and business opportunities in the region.
- Strengthen the sustainability of the visitor economy of the region and develop linkages with other sectors of the economy.
- Draw on, and help to sustain the regions special natural assets and culture.
- Contribute to the vitality of the region and quality of life for people living and working in the area, and
- Provide an exceptional experience for all visitors



*Sculpture Festival - Sculpture at Mistletoe Wines, Hermitage Road Pokolbin*

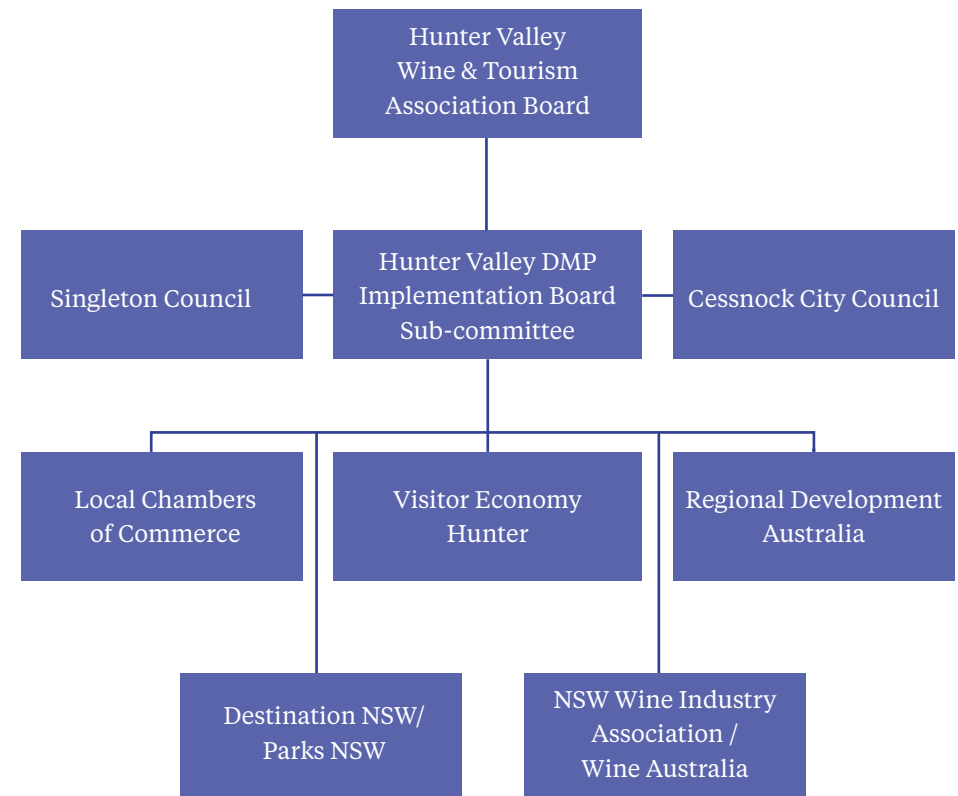


# PARTNERS IN THE VISITOR ECONOMY

*Recognising that tourism is just one of the region's economic drivers, strong cooperation is needed between the two destination Councils, Hunter Valley Wine and Tourism Association, the local Chambers of Commerce (and also with such organisations as the Hunter Region of Councils and Regional Development Australia) to better integrate and leverage the activities needed to help drive the whole region's economic development and promotional activities efficiently.*

With the focus of this DMP on growing the visitor economy there is also an opportunity to broaden the scope of industry partnerships which could be approached to co-operatively help promote the destination and more closely work with current major core industry operators.

## HUNTER VALLEY DMP PARTNERS





*Create an **Arts and Culture Trail** which accesses the many and varied art sites and facilities throughout the region which showcase local artists, galleries, exhibitions and entertainment to provide a richer tourism experience for the community and visitors.*

*Work with neighbouring regions and tour operators and tourism facilities to develop a significant **World Heritage Nature Trail** to attract multi-night touring out of Sydney to generate international, domestic and local visitation ...*

# DESTINATION ANALYSIS

*Lake St Clair - Singleton*

# ABOUT THE DESTINATION

*One of the initial challenges in developing an effective DMP is to clearly define what constitutes the destination. At an early stage in the research phase of developing the DMP it was clear that there is a significant difference in the minds of the potential visitor between the regional destination called the Hunter (which covers a wide area and encompasses such other places as Newcastle, Lake Macquarie, Port Stephens, Maitland) and the more defined destination called the Hunter Valley.*

To ensure the DMP had a strong consumer focus, this plan has taken a very targeted view of the Hunter Valley as a destination and it is defined as encompassing the boundaries of the two main Local Government areas of Cessnock and Singleton and, in addition includes, the Hunter Valley Viticultural boundary (some of which falls outside the Local Government boundaries but includes what is such an iconic element of what drives the Hunter Valley as a visitor destination - the wineries).



Cessnock LGA



Singleton LGA

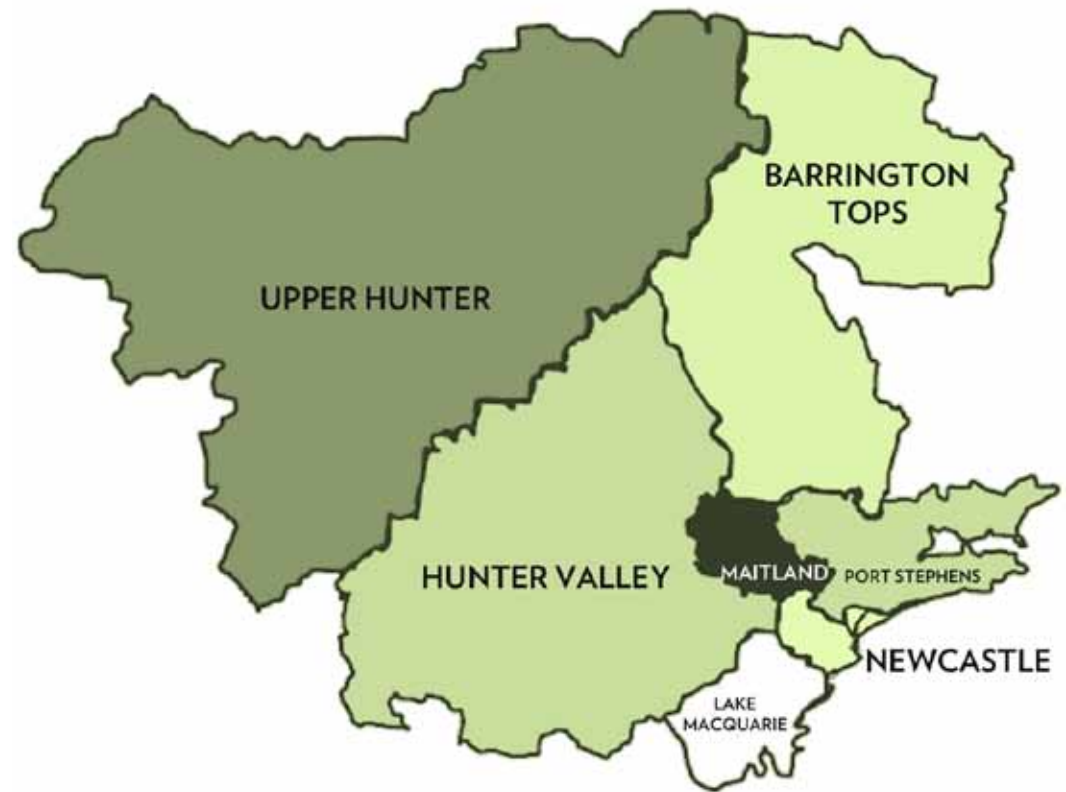


## A HUNTER REGION PARTNERSHIP

In such a competitive environment, the Hunter Valley needs to work corroboratively with the broader Hunter Valley region, pooling resources and expertise to help drive visitor growth in key market areas where the Hunter Region is recognised as the destination.

Those market areas are:

- International overnight visitor market (particularly New Zealand and Asia - where Newcastle Airport is an important direct airport hub),
- Regional significant leisure events market (targeting intrastate, interstate and international visitors), and the
- Regional conference and meetings market.



*Map: Hunter Valley region*

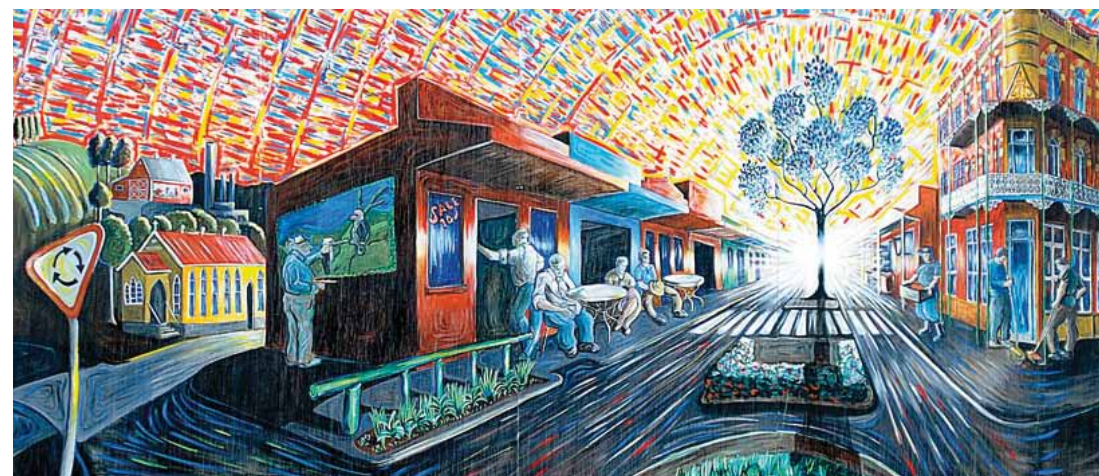
# ECONOMIC AND SOCIAL TRENDS

## ***At a national level:***

- A strong Australian dollar has been a significant factor in helping drive continuous Australian outbound travel growth, which continues to put pressure on domestic holidays and length of stay.
- A still recovering global economy - the implications being:
  - Australians saving more (paying off the mortgage) so less discretionary expenditure of purchases like leisure travel.
  - Asian travel markets are in growth, while the western international markets are still recovering.
- Rising fuel prices (aviation & roads) are leading to increased costs of travel.
- Time poor consumer travel markets:
  - With the exception of the 'boomers' and seniors markets, domestic travellers are time poor, hence 'short breaks' and VFR are the major type of trip for most other segments.
  - And while short breaks are a large domestic market segment (and expected to continue) there are two main sub-segments emerging viz. the high end luxury segment and the more value conscious segments.
- Travellers are generally looking for unique, immersing and authentic experiences.
- There is very little loyalty to destinations - with increased use of digital search and booking options driving perceived best value purchase decisions to a range of competitor destinations (both local, interstate and overseas).

## ***At the local level:***

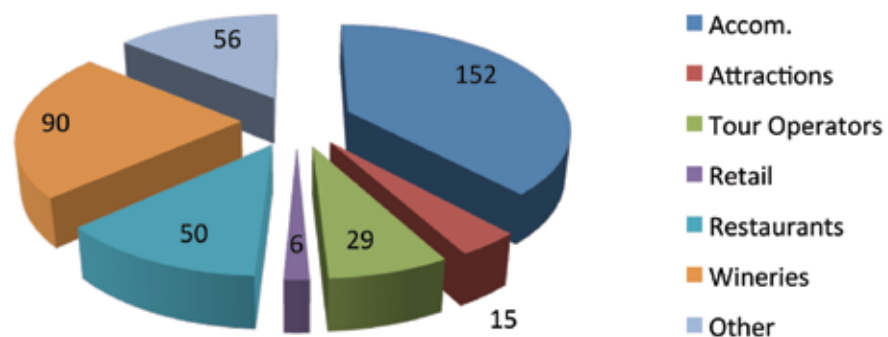
- The increased urbanisation of the Hunter region is potentially impacting on the brand but is also helping to grow the VFR market.
- One of the challenges for the Hunter Valley is that it is not clear at times whether it is perceived as a separate distinct regional tourism experience or wine/food experience not far from Sydney by car and, as such, it is a convenient day trip experience rather than having to be an overnight trip;
- The outbound travel trends in the international Western hemisphere markets have clearly impacted on international visitor growth to the Hunter Valley, and the Hunter still hasn't captured the Asian market opportunities to any significant levels, despite being reasonably close to Sydney (the main international market gateway), and
- Some environmental concerns for the destination (e.g. Coal Seam Gas exploration impacts)



*Street Murals - Kurri Kurri*

# KEY ASSETS

Overall, as the Chart below shows, the Hunter Valley has a strong number and range of visitor product and services, well developed to service the targeted short break market.



*Chart 1. Hunter Valley visitor experiences*

Source: Experiences Audit

The main gaps identified in this asset base, that are strategically important, are some additional experiences that will help extend length of stay of the visitor once in the destination:

- > additional attractions, potentially leveraging regional foods and providing
- > nature (mainly soft adventure type) experiences, an example, utilising the Blue Mountains and Barrington Tops World Heritage National Parks
- > unique range of heritage sites (convict, indigenous and mining) and trails in the region
- > other more passive leisure activities such as visiting art galleries, cultural sites, etc.



*Cessnock Performing Arts Centre*



# CRITICAL INFRASTRUCTURE

Pacific Freeway (M1) & Route 33 Tourist Drive	<p>The Pacific Freeway (M1) is the main route between Sydney and the region, with entry to the Hunter Valley currently via several turnoffs from the Highway. A secondary route, Route 33 Tourist Drive, via Peats Ridge and Wollombi, provides both additional access and a more scenic alternative from Sydney.</p> <p>With the opening of the new Hunter Expressway (linking the M1 to the New England Hwy) in late 2013, additional road access points into the Hunter Valley will be available helping simplify the visitors arrival into and dispersal around the destination.</p>	Close to 95% of domestic overnight visitors drive and use the Pacific Highway and/or Route 33 to visit the region.
Hunter Valley Roads	<p>The destination has a significant network of local, regional and State roads, linking the key precincts, accommodation and visitor attractions of the region. The quality of a lot of these roads are not good and it is a challenge for governments to maintain this infrastructure to the level required and expected by visitor and the community.</p> <p>The Vineyards Road Project currently being undertaken (\$20 million) is an important first stage in the improvement of this important network.</p>	Given the lack of public transport , there is a strong dependence self-drive or coach transport to visitor. Poor roads can be a major deterrent for exploring beyond the main sites.
Viticulture - Wineries & Cellar Doors	The Hunter Valley's Wine Industry employs almost 3000 people and generates some \$490 million annually for the region. The Hunter Valley brand is recognised in the world of wine as one of the top 3 regional wine brands in Australia.	<p>Vineyards and wine based tourism are recognised as the key economic drivers for the region.</p> <p>Research demonstrates that wine tourism remains the dominant purpose for visiting the Hunter Valley with 'Visiting wineries', that is, the cellar door, represented the key experience for 89% of those surveyed.</p>
Local Coach operators	The two main coach operators in the region offer a fairly extensive coach service that links the key precincts in the locality and delivers tour based transport for visitors in the region.	Used by some tourist segments but importantly also provide critical support transport around major events.

Sydney Coach Operators	Coach operators out of Sydney provide group coach transport for day and overnight visits to the region and day trips out of Sydney. There are a wide range of collection points, but are particularly focused on the Sydney city area and downtown hotels.	Coach for the domestic overnight visitor market accounts for around 3% of the market. Whilst there are no official recorded figures for international day visits to the region out of Sydney, an estimated 50% of all international day visitors travel by coach to the region from Sydney.
Gateway and Way Finding Signage	The Hunter Valley has an extensive range of driving (on road/information bays, etc.) and pedestrian signage to support way finding by visitors to the region. However, much of this information is outdated and/or difficult to follow. With the opening of the new Hunter Expressway, traffic flows into the region will change. New local and regional signage is required.	Consumers want information on their destination presented without having to search, whilst also wanting to be spontaneous and follow interesting signage.
Wifi & 3G Coverage	The WiFi and 3G coverage in the Hunter Valley itself is a little patchy and certainly when under high load becomes very slow. Some initiatives have been discussed to improve coverage but no definite time table for improvement has been established.	With the growing use of mobile by visitors to the Hunter Valley as a mechanism for obtaining information, booking experiences and way finding, good 3G (and 4G) wifi coverage is absolutely essential to the destination.
Visitor Information Centres	Five VICs in the region provide information to around 115,000 visitors per annum. Major VICs are located at the two main LGA areas of Cessnock and Singleton. In addition there are a number of other smaller, local information points that service the visitor. With the opening of the new Hunter Expressway in late 2013, additional Information points will be needed at the key entry points to the region.	Total VIC visitor numbers have dropped from a peak in 2004/5 of 159,354 down to 114,354 in 2012/13. Although still a vital service once the visit is in the region the role of VIC's would be expected to change with the move towards online sources for visitor information for all markets.

Event Venues	With quality venues, such as the Hope Estate, Tempus Two, Bimbadgen, Tambourlaine and the Cessnock Performing Arts Centre, Hunter Valley Wine Country has become a recognised entertainment node.	Entertainment events are a significant driver of visitation to the area. They also generate significant media coverage and greatly support the local economy.
Conference Centre	Plans for a new \$4M convention centre for Crowne Plaza Hunter Valley are underway following allocation of a \$250,000 federal government grant. Work on the facility is expected to get underway in late 2013.	This addition to the Convention and Meeting market infrastructure will allow the destination to pitch for Conferences in the 500-1000 delegate range, a key gap and opportunity in the current market.
Golf Courses	Hunter Valley Wine Country has a concentration of golf courses including 4 international standard championship courses within the Vineyard area, plus courses at Branxton, Kurri Kurri and Singleton. Two additional courses are proposed for the Vineyard area.	Provides the opportunity to position and promote the area as a golfing destination, nationally and internationally.
Newcastle Airport	Port Stephens Council has recently approved the expansion of the Newcastle Airport, which will more than double the size of the existing terminal and increase annual passenger capacity from 2 million to 5 million. The \$80 million expansion will provide the infrastructure needed for domestic growth as well as provide infrastructure needed to allow for international flights. The expansion will commence in 2013/14 with the announcement in September 2013 of \$11.1M in funding to allow for the installation of international passenger customs, quarantine and immigration facilities at the Airport.	The redeveloped Airport will provide an alternate gateway to NSW and is currently seeking services to international destinations, such as New Zealand, for which there is significant demand, and Asia. Thus, Newcastle Airports presents a strong growth opportunity for providing direct point to point access (by passing Sydney Airport) to the region from some of the Hunter Valleys key International markets.
Hunter Valley Villages	A unique aspect of the Hunter Valley is the many small villages that are spread across the destination, both in the Cessnock City and Singleton Council areas. These villages, many with strong heritage and cultural landmarks, along with the cities of Cessnock and Singleton, plus towns like Kurri Kurri, retain and present much of the historic industrial base of the Hunter Valley.	Visitors are looking for authentic experiences that help tell the history of the Hunter Valley and provide visitors with reasons to extend their length of stay in the region.



# SWOT ANALYSIS

From a combination of research and consultation the following strengths, weaknesses, opportunities and threats were identified:

## **Strengths**

- Wines - long heritage/ high awareness along with award winning wines
- Strong short break positioning/visitation out of Sydney
- Accessible to major markets - domestic and international via Sydney
- Broad range and quality Cellar Door Experiences
- Quality accommodation & Golf courses
- Newcastle Airport - additional capacity development
- National award winning restaurants
- High quality leisure events positioning

## **Weaknesses**

- Limited family/wet weather attractions/experiences
- Limited non-road access to the destination
- Poor roads/cycle paths & poor local signage
- Inadequate WiFi & 3G service
- Outdated consumer view of Hunter wines
- No major, large convention facilities
- Limited sense of connection between destination cities and main winery areas
- Only a small range of dedicated visitor focussed retail
- Limited preparedness for China & India market growth
- No real sense of arrival at destination borders

## **Opportunities**

- Many underdeveloped nature/Heritage/culture and soft adventure experiences
- New Expressway and additional entry points
- New HVWTA Branding
- New 1000 seat conference/ meeting facility
- Extensive visitor information resources
- Incentives to increase air service network into Newcastle Airport

- International visitor market growth from China and India
- Extraordinary World Heritage National Park experiences
- Better utilisation of high potential leisure recreation experiences, eg. Lake Lyall, mining tours, etc.
- Golf - including tours and packages for the international market.

## **Threats**

- Growing destination competition
- Increased urban development impacting the brand
- Risks to Hunter Valley environment in particular Coal Seam Gas Mining
- Land use conflicts e.g. mining and tourism



*Hunter Valley Gardens - Pokolbin*

# HERO EXPERIENCES

The strength of the Hunter Valley visitor experience lies in:

- A very large number of wineries, most with Cellars Doors. Many of the larger wineries are also able to service large coach groups, with several having restaurants as part of the winery experience.
- A very strong accommodation base, from small B&Bs to large, sophisticated resorts (a number with quality golf courses). Most of the larger accommodation properties (and some winery cellar doors) also with, mainly small size, conference and meeting facilities.
- A significant number of conference and meeting facilities, mainly linked to accommodation with significant leisure facilities (such as The Vintage and Crowne Plaza).
- A wide range of restaurants and food options from award winning fine dining to cafes and some local providore style experiences, in addition the increase of micro-breweries, distilleries and unique or organic food products.
- A strong base of tour operators, mainly focussed around the wine and food experience, nature and soft adventure experiences e.g. ballooning, etc.
- A significant (but variable) range of leisure events, festivals and concerts.
- Hunter Valley Villages & Towns, eg. Wollombi, Broke, Polkolbin, Neath and Kurri Kurri, etc
- The major non-wine related attractions such as the Hunter Valley Gardens (although not a wet weather option) and the Army Base Museum are larger and handle significant visitor numbers (both FIT and groups)
- A strong potential arts/culture and heritage (both convict and indigenous) asset base, but in many cases either underdeveloped, has limited interpretation available for the visitor to appreciate its significance, or not well connected to the visitor information system.
- A significant nature experiences opportunity (particularly soft adventure, e.g. walking, hiking, bike riding, fishing, etc.), in both surrounding national parks and recreation areas such as Lake St Clair. However, much is still fairly undeveloped.
- International standard, championship golf courses.



*Andy Wright - The Olive Tree Restaurant at Wyndham Estate, Dalwood*

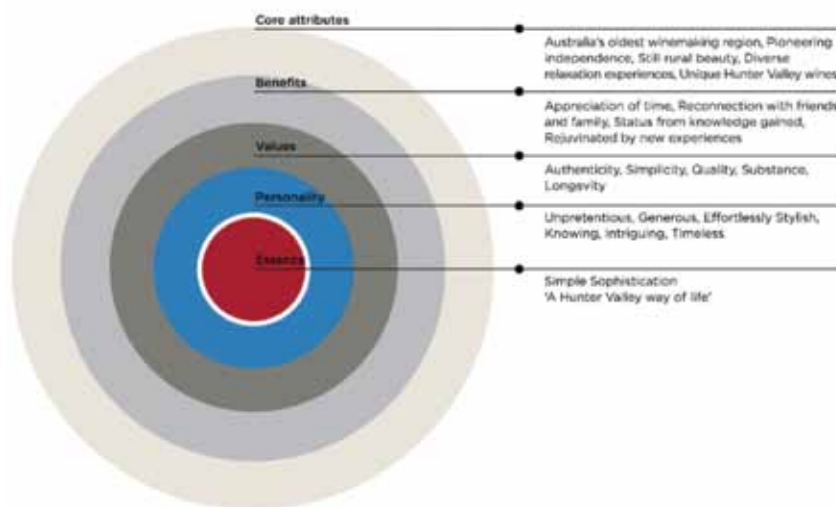
## BRAND POSITIONING

The Hunter Valley Wine Country Tourism Association and the Wine Industry Association, jointly undertook a major review of the Hunter Valley Destination brand in late 2011 and rolled out a new, refreshed brand position in 2012.

The brand marketing focus is based on three key strategies:

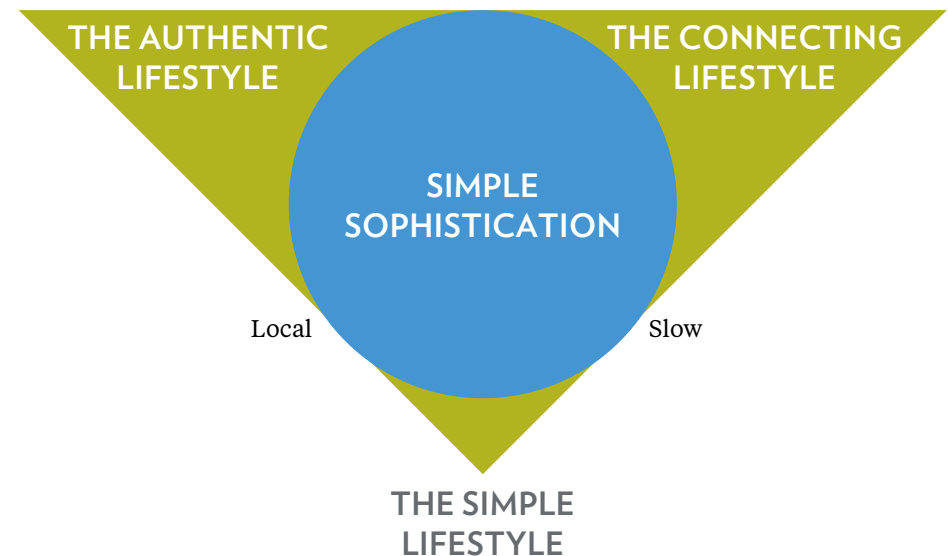
1. The first time visitor wants a more rounded holiday or conference/incentive experience somewhere fashionable - in particular the promise of simple sophistication.
2. The trade and the informed wine consumer need to be told of the changes that have/are taking place at Hunter Valley - in particular that the Hunter Valley and its wine's are dynamic, innovative and in synch with contemporary lifestyle (and food friendly).
3. The returning visit needs greater depth of knowledge and messages about the surprising diversity of things to discover when they're there.

Developed with a core Brand Positioning as shown in the diagram below:



The vision is to reposition the Hunter Valley as a more contemporary and fashionable place to visit and engage a younger audience. There was a recognition that the marketing needed to challenge the wine consumer and trade to get them thinking differently about Hunter Valley wines and to attach modernity to tradition.

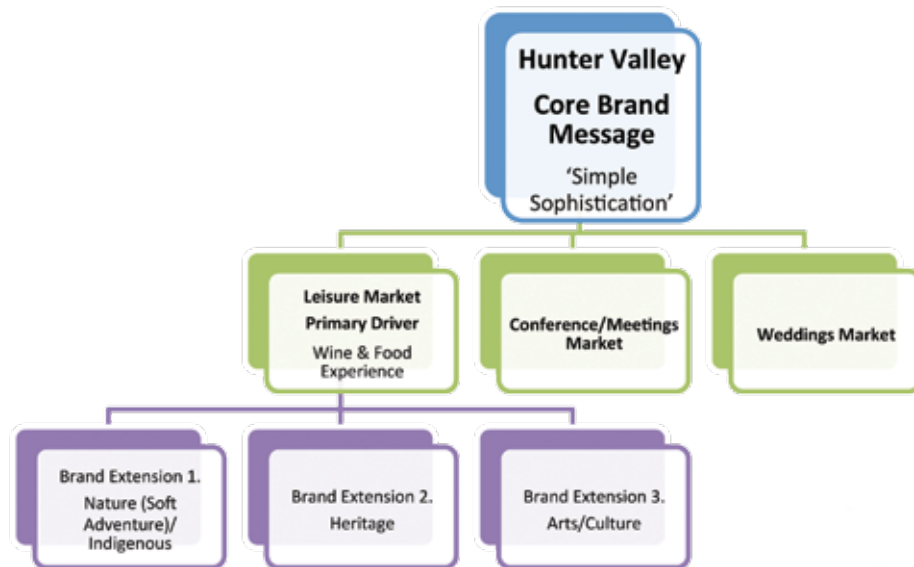
The over arching message for the brand is - 'simple sophistication' build upon authenticity and the lifestyle of the destination:



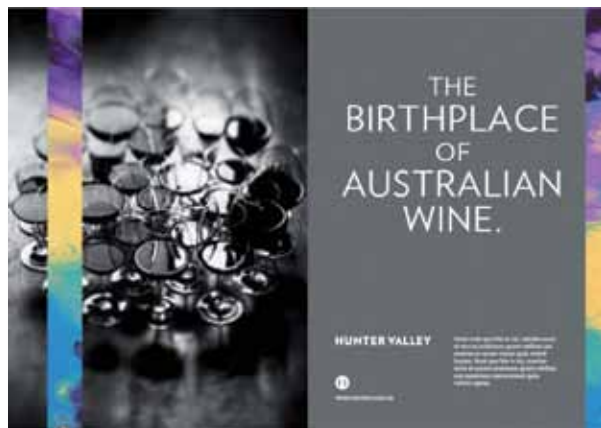


## LEVERAGING THE CORE BRAND

There is an opportunity of enticing new visitors and increasing the visitors length of stay in the Hunter Valley by developing the key target markets' appreciation of what the destination now offers the visitor with clear brand positioning for the Hunter Valley Conference/Meetings, Wedding, Golf and Entertainment/Events markets. Plus extending the leisure market positioning with nature, heritage, arts and culture stories that extend the Hunter Valley brand and build on the strong wine/food message already being developed. Many of these nature, heritage, arts and culture stories are in the cities and villages of the Hunter Valley.



Vineyards - Broke



This award winning brand campaign refresh has been undertaken through a multi-channel marketing strategy with a strong focus on digital with this look and feel being used across a range of both online and offline applications with clear brand positioning for the Hunter Valley Conference/Meetings market and also the Wedding market.

Plus extending the leisure market positioning with nature, heritage, arts and culture stories that extend the Hunter valley brand and build on the strong wine/food message already being developed. Many of these nature, heritage, arts and culture stories are in the cities and villages of the Hunter Valley.





*Develop a network of **Cycling and Walking Trails** as an extension to the **Richmond Vale Rail Trail** which eventually link throughout the region and provide experiences and facilities for visitors and venues for future special interest or multi-sport events ...*

*Cultivate the significant heritage of the region through the establishment and promotion of the **Convict Trail** and associated sites and facilities as a visitor experience unique to the Hunter Valley and region to generate international, domestic and local visitation ...*

# DESTINATION PERFORMANCE

Rose Point Park – Singleton



# VISITOR TRENDS

*At the broader Hunter region level*

***“The Hunter Region has faced tough competition both nationally and internationally over the past five years and as a result has lost some market share. The attributes and assets of the region still appeal to its core markets but new experiences are needed to reinvigorate the market’s interest.”***

Source: Hunter Region DMP - June 2013

## ***Hunter Region Visitor Trends***

The majority of visitors to the Hunter region are day trip visitors, with over 6M day trips in 2012 growing by 25% since 2008. This growth trend flattened slightly in 2012 with a 1% decline since 2011.

In 2012 (YE Dec), overnight domestic visitors to the Hunter declined by 7% in visitors and increased by 3% in visitor nights to 2.9M domestic overnight visitors spending 8.6M nights from 2011 (Figure 7). The five year trend shows a 1% increase in visitors and 1% increase in nights from 2008. The domestic market makes up 98% of overnight visitors of this NSW residents represent 85%.

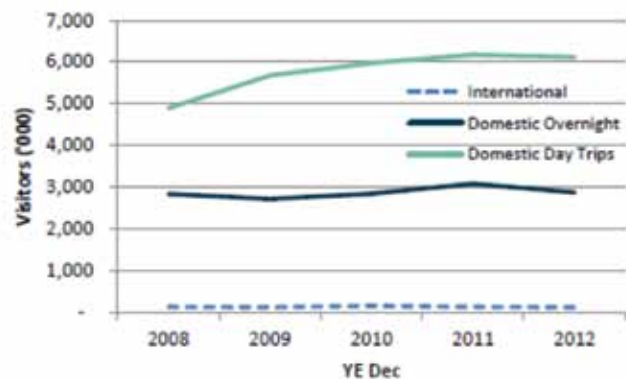
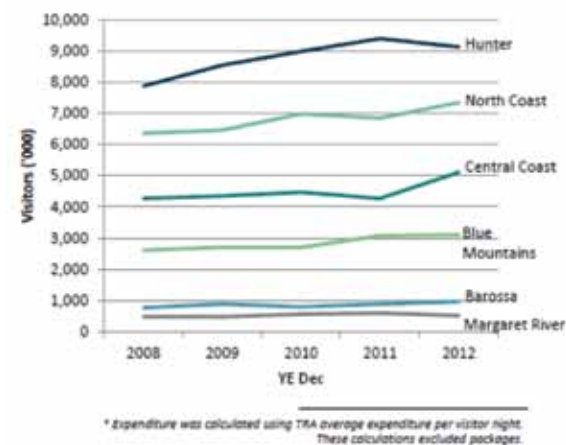


Figure 7: Hunter Visitation (YE Dec)

In comparison with the destination’s competitors, the Hunter has the volume (driven primarily by domestic day and overnight), but like the Blue Mountains and Margaret River has seen a decline in visitation over the past year. NSW competitors such as North Coast and Central Coast have seen increased visitation over the past three years, growing their share of the market (Figure 8). In particular the Central Coast have grown their share of the Sydney-based market.

International visitors account for just 4% of all visitors, with just 131,783 visitors this past year (YE Dec 2012). This is just 5% of all international visitors to NSW and a 5% decrease from 2008.

Figure 8: Total Hunter Visitation Against Competitors



However, it was recognised that the key international markets do represent real potential growth.

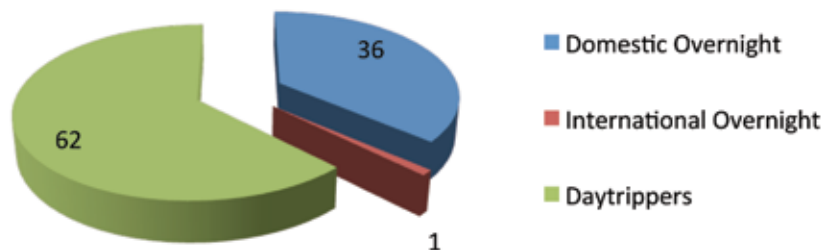
## HUNTER VALLEY DESTINATION VISITOR ANALYSIS

The Hunter Valley generates approximately 15% of the total Hunter Region visitation and 20% of the overnight stay visitors. Similar to the broader Hunter Region, visitation to the Hunter Valley is generally characterised by:

- High volumes of Sydney short break and day visitors (with recent reasonable average annual growth) but static overnight visitor numbers;
- The vast majority of visitors converge on the key Wine areas of the destination.
- Being so accessible to Sydney (2- 3 hours drive) is expected to support continuing day visitor tour growth for the medium - longer term, in spite of strong competition from other Sydney surrounding regions such as Blue Mountains.

### *Hunter Valley Visitation Profile*

#### Hunter Valley Visitation 2011/12



National and International visitor surveys, undertaken by Tourism Research



*General Store - Wollombi*

Australia, show the Hunter Valley visitor profile below:

Visitor profile 2011/12	Visitor Source	'000	% Change from 2010/11
Overnight visitors	Domestic	412	(+) 1%
	International	17	(-) 1%
	Total	428	(+) 1%
Day Visitors	Domestic	712	
Total Visitors		1,140	(+) 1%
Visitor Nights	Domestic only**	1,120	(-) 1%

Table 1. Hunter Valley\* Region Visitor Profile 2011/12 (Source: Tourism Research Australia)

\*Made up of the two LGA's - Cessnock and Singleton \*\*No international day visitor numbers available

### Domestic Overnight Visitors

Analysis of the domestic overnight visitor statistics to the destination shows:

- The primary reason for visit is holiday at 59%, with 14% of visitors there to visit friends and relatives and 14% for business.
- The major source market is Sydney - 47%, with regional NSW generating 38%, and Victoria 6% of visitation.
- Overall the visitation for 2011/12 (the latest statistics available at this small area level) showed a fairly static market situation.

At the international market level:

- The main visitor markets were - United Kingdom (31%), New Zealand (15%), United States of America (10%), Germany (6%) and Canada (6%).
- Again, the overnight international visitor market was relatively static compared to the year before.

The overnight visitor split between the LGA's of Cessnock and Singleton is; Cessnock - 65% and Singleton - 35%. However, Singleton generates a stronger percentage of business visitation than does Cessnock (driven, it is suspected, by the Defence and Mining sectors in Singleton).

### Day Visitation

While day visitation to the destination remained strong at 712,000 visitors, year on year growth was also fairly static.

### Visitor Activity

As might be expected the main visitor activities for each of the major overnight visitor markets were:

#### International Visitors

1. Eating out
2. Sightseeing
3. Shopping

#### Domestic Visitors

1. Eating Out
2. Visit Wineries
3. VFR
4. Sightseeing

While this reflects a fairly common response in most destinations, particularly eating out and sightseeing, the three other activities, viz. shopping for the international market and the wineries and VFR for the domestic market highlight potential areas for further marketing and product development focus.

### Challenging Trends for Visitor Growth

Analysis of the most recent results from the Hunter Valley Tourism Monitor - April 2013, show a relatively flat market overall, with some challenging results for many of the visitor economy businesses in the Hunter Valley, particularly in the areas of wine cellar door sales and also in the accommodation sector .



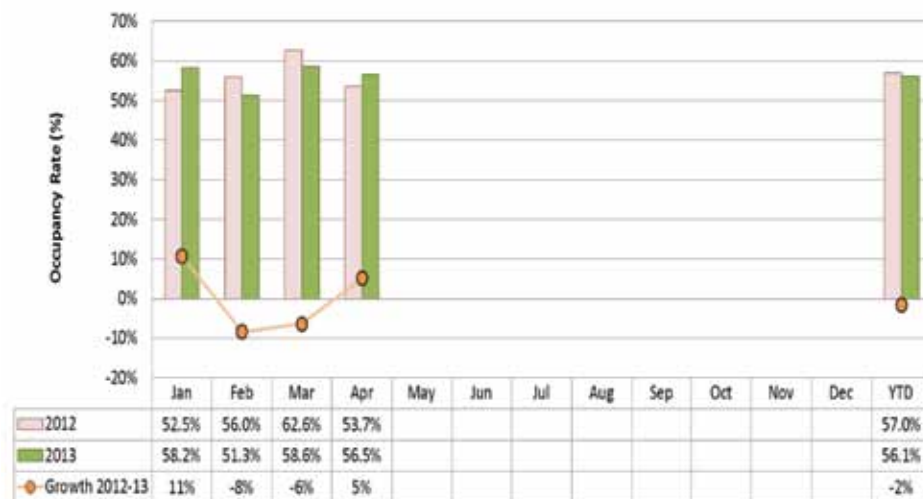
# REVIEWING EACH OF THE MAIN INDUSTRY SECTORS

## Accommodation Sector

Overall, the aggregate daily occupancy rate for all accommodation types in the Hunter Valley in 2012 was 56.7%, a 9% increase from the equivalent figure in 2011. However, as the table below shows, the average accommodation occupancy in 2013 is slightly behind the same period for 2012, with a year to date average of 56.1% across all accommodation types:

This position is further impacted by the significant variation in the mid-week

Average Daily Aggregate Occupancy Rate (%) January-December 2012-2013:  
Comparison All Accommodation



Average Daily RevPAR per Month 2013: Mid-week versus Weekend



average occupancy of only 38.5% versus the weekend rate of 68.1%. And as the table below shows, the REVPAR (Revenue per Available Room) is considerably impacted by this much lower mid-week demand - a key issue for the Hunter Valley region.

This seasonality variation in visitation (both week day verses weekends and winter verses summer) is still a key challenge for many operators in the region and has a significant impact on sustainability.

### Conference and Meeting Market

Conference delegate numbers recorded positive growth of 1.1% from 2011 to 2012; however there was significant variability in the level of growth from one month to the next. As the table below shows, that volatility has continued into 2013 but with an overall positive result in conference delegate days up until end of April 2013.



Analysis of the source of conference business to the Hunter Valley shows, in 2011/12, the primary source was corporate ( 70%), with association business delivering 18%, and from Government, 8%.



*Golf in the Hunter Valley*

### The Wine Visitor Market

A key tourism resource for the Hunter Valley is its wine region, particularly within the Cessnock, and Singleton local government areas. In 2009 there were 1.5 million wine visitors to NSW, with the Hunter Valley regarded as the foremost wine region in Australia in terms of wine tasting activities for domestic overnight visitors. (Source: Destination NSW (2011) Food & wine tourism to NSW: year ended December 2009).

The critical role of the vineyard and the cellar door can be illustrated through the results of a visitor survey conducted by *Tourism Research Australia* (2008).

The research found:

- The top two reasons for visiting the Hunter Valley Wine Country were 'to taste/drink/buy wine' (56%), followed by 'a great place to relax/unwind' (46%). The highest rating expectation of the region for visitors was for 'food and wine experiences' (95%).
- In response to a question regarding visitor experiences in the destination, 89% responded 'visit winery'.

Research from the Hunter Valley Tourism Monitor showed weighted average cellar door sales (combined wine and non-wine sales) per month increased from 2011 (\$80,000) to 2012 (\$85,724 or \$2562 per day). The growth in 2012 monthly sales averaged 16.8% across the year; 10 months in 2012 recorded an increase in monthly sales while only two months recorded a (small) decrease. However, as the table to the right shows Cellars Door sales have been fairly static for the first quarter of 2013, with per day average at \$2540.





### ***The Wedding Market***

Hunter Valley operators hosted 524 wedding receptions with a total of 44,240 wedding guests during 2012, at an average of 84 guests per reception. This is a substantial increase of approximately 30% (in terms of both receptions and guests) from 2011 data.

As the table below shows, the number of receptions held in the Hunter Valley has continued to show good month on month growth over the same period as 2012 with the exception of March 2013 (which looks to have been impacted by a significant above average spike in 2012), so overall numbers are about the same for the first four months of 2013, compared to 2012.



*Wine tasting through Wine Country*

### ***The Golf Market***

Golf is a key tourism market in the Hunter Valley, attracting visitors both to live (golf course estates) and to play. Many of the golf courses are complemented with quality accommodation, conference and function venues and restaurants providing a variety of things to do during a stay. Greg Norman (The Vintage), Jack Nicklaus (Golden Bear), Graham Marsh (Anvil Creek) and Jack Newton (The Oaks) are all international golfers who have, or are planning to, put their names to golf courses in the Cessnock LGA that are supported by accommodation, for either permanent housing or for visitors.

According to the International Association of Golfing Tour Operators (IAGTO), the international golf tourism market is worth US\$20bn. National and International Visitor Surveys for the year ended 30 June 2013, (Tourism Research Australia), showed there were 178,000 international overnight golf tourism visitors to Australia, accounting for 12.0 million accommodation nights. Australia had approximately 1.6 million domestic overnight golf visitors in the same period, accounting for 9.4 million visitor accommodation nights.

Using participation numbers, the Australian Golf Industry Council have shown NSW/ACT have the greatest share of the Australian Golf economy, with 37% in 2010. According to Golf Tourism Market Profile Year Ending June 2013, the key markets of domestic overnight golf visitors within Australia for the year ending June 2013 were NSW (34%) and Victoria (29%). For emerging Asian markets and particularly China, Golf is a key preferred Australian experience and popular niche segment (Tourism Australia's China Market Profile April 2013).

The Australian Golf Industry Council has also provided a profile of Australian golf participants:

- > Played across all levels of society
- > All demographic: all ages, non-gender/ ethnicity specific

#### Golf Visitor Profile:

- > Predominantly male
- > Range of ages but 65+ key driver

Golf Australia's 2009 Golf Industry Report has identified that 21,237 people are employed at golf courses around Australia. This includes full time, part time and casual positions.



### ***Major Events Market***

The large events being held in the Vineyard area are generating major business for the accommodation sector. In direct correlation, these events are also driving substantial surges in trade across the Cessnock LGA, particularly the Cessnock CBD, contributing greatly to economic growth.

Key events held between October 2013 to March 2014 include:

Event	Venue	Numbers
Opera In The Vineyards	Wyndham Estate	2,000
Lionel Ritchie/John Farnham	Tempus Two	9,330
Alicia Keys	Hope Estate	8,030
Dolly Parton	Hope Estate	7,546
Bruce Springsteen (2 concerts)	Hope Estate	33,400
CMC Rocks the Hunter (3 days)	Hope Estate	20,000
A Day on the Green (4 concerts)	Bimbadgen Estate	28,000

There is a strong capacity for the Hunter Valley to continue growing as a key destination with large entertainment venues, excellent transportation logistics and a reputation for high quality events.

This is particularly relevant for the development of growth of large significant events as well as the development of a strong second tier of smaller events that could be held in non-peak times. This would boost visitation to support direct tourism operators as well as indirect tourism businesses through slower times.

Research can be undertaken to attract existing international and national events as well as develop signature events that will complement the existing visitor offerings across the area.





*Protect and promote our **Indigenous heritage** through the development and appropriately managed access to significant sites in the region via local Aboriginal community groups and Indigenous tourism operator ...*

*Increase visitor dispersal throughout the region through **improved way finding, tourism specific signage and visitor information delivery systems** creating a better consumer experience and higher customer satisfaction levels ...*

# DESTINATION CHALLENGES AND MARKET NEEDS

*School of Arts - Vincent Street Cessnock*

# FUTURE TRENDS

From a combination of destination analysis, research and extensive consultation, the significant challenges being faced by the destination are:



## 1. BRANDING

There is a strong need to maintain a clearly differentiated, motivational and targeted brand positioning for the destination if it is to be sustainable in what has become a very competitive environment.

A simple way of demonstrating the brand marketing challenge for the Hunter Valley is shown in the diagram below.

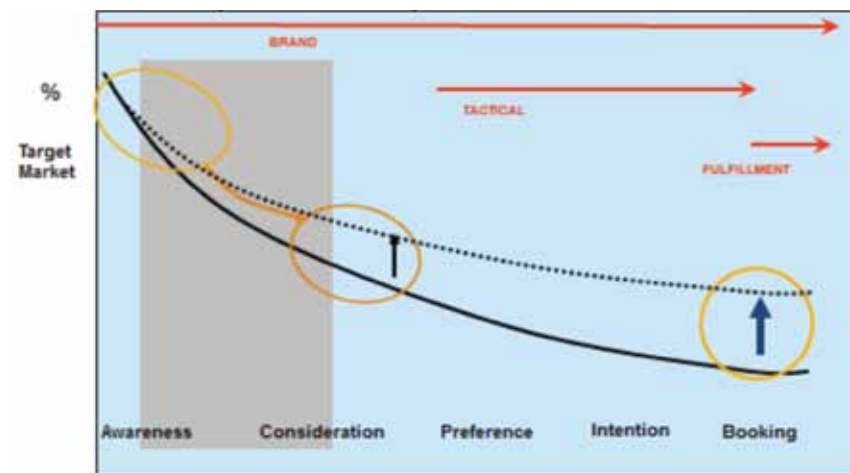


Chart 2. Hunter Valley Visitor (Consumer) Purchase Process

What this chart measures is the *consumer purchase attrition curve* - that is the percentage of the target market at a particular time who are aware of the Hunter Valley as a destination, then the (lesser) percentage of that target market who are considering a visit to the Hunter Valley, through to the percentage who have a preference for the Hunter Valley, the percentage intending to visit, and finally, who actually booked and travelled. Joining these measures together gives the consumer purchase attrition curve.

From the limited amount of research available, it indicates that the awareness of the Hunter Valley (as a visitor destination) by the main target markets is quite high. The main challenge lies in the significant drop in the percentage of the target markets that have a preference for and intend visiting the Hunter Valley.

The marketing challenge for the Hunter Valley is to now grow that preference and intention - and as shown in the chart, the objective is to lift the curve - the larger those percentages of the target market who prefer and then intend to visit flows through to increased numbers of bookings and actual visitors!

This marketing challenge is primarily a brand marketing task, repositioning the destination in the hearts and minds of the main target market to be a more attractive and motivating visitor experience. It was this challenge for the Hunter Valley Destination Brand that was identified in the Hunter Strategic Brand review process undertaken in late 2010. It found that for the key domestic visitor overnight stay target markets from Sydney, Regional NSW and South East Queensland:

- The perceptions and barriers of the Hunter Valley were:
  - It's a bit stale and old; conservative; for older people
  - Low awareness of breadth of offering
  - One-dimensionally wine - not as tourism focused
  - Expensive - especially compared with cheap airfares to interstate holiday destinations, and a
  - Lack of a meaningful value proposition to counter the perception that it is expensive.
- Asked "*if not the Hunter Valley then where and why*"? The answer:
  - Places with a more rounded tourism proposition and/or far-enough-away\*/different-enough to justify the cost e.g. Blue Mountains, Beach holidays in summer, interstate, Queensland, Bali and Thailand

\* N.B. Close proximity to Sydney is however a bigger plus for the business tourism market.

From this review process the action of refreshing the award winning brand has commenced in a positive and co-ordinated way and that the brand marketing program needs to be continued and evolved.

## 2. PRODUCT EXPERIENCES DEVELOPMENT

There is a significant, identified, opportunity to develop an additional range of authentic, motivational experiences in the Hunter Valley beyond just the food and wine themes. These experiences embrace heritage, (Hunter Valleys colonial/ convict and industrial/mining/army history), indigenous, arts, nature/soft adventure, golf and other sports.

However, while there is a recognised need to broaden and deepen the experiences available to visitor to help grow both number of overnight visitors and length of stay, it should be balanced with further development of the core visitor attraction - the food and wine experience. One area of opportunity is in further innovation of the Cellar Door experience.

The challenge is to broaden the range of visitor product and experiences that will appeal to the target markets (and increase overnight visitation) without losing the competitive advantage that comes with the current unique, strong, singular, Hunter Valley wine country positioning, and its high market awareness.

It should be recognised that one objective in creating a broader range and choice of experiences (through either new or existing product development initiatives) will be to enhance the destination's appeal during the off-peak seasons and help to generate year-round visitation. A clear opportunity exists to achieve this objective by strategically building and extending the current range of Hunter Valley destination events to grow leisure visitation in the current low visitor seasons and target business meeting for that challenging mid-week period.

The other challenge is in balancing the potential conflicts that arise from the development of high impact leisure events potentially displacing regular short break and the developing international visitation, particularly during peak visitation periods.



### 3. ENHANCED DESTINATION ACCESS

Without further significant transport infrastructure development, travel by road is the only practical means of access for the majority of visitors to the Hunter Valley. Thus, for the destination to be successful there is a need to focus on enhancing this aspect of the travellers experience. This means:

- Strong road transport links between the key source market hubs of Sydney, Newcastle City and Newcastle Airport, and the Hunter Valley
- Critical improvements to the road network, connecting key attractions, accommodation and the main service hubs,
- Improved local and regional signage and way finding processes,
- Non-road usage in the destination - bike trails, walking trails, etc.

### 4. FAST CHANGING CONSUMER MARKET

The challenge for both the destination marketing organisation and the business operators in the Hunter Valley is how to better understand and respond to the fast changing consumer travel trends.

In undertaking the development of the DMP, the limitations of the current consumer research and lack of up to date market trends for the Hunter Valley as a destination were very evident. In most cases comprehensive visitor data and trends were either not available due to small areas statistical issues or quite out of date.

While a project is underway to resolve some of these data limitations, at this point, it cannot provide the adequate analysis needed to effectively measure the fast changing consumer trends and most important answer the critical question of why?

### 5. INTERNATIONAL MARKET GROWTH

The current major growth markets visiting Australia are from Asia, in particular China, India, Malaysia and Singapore. The Hunter Valley is predominantly a domestic short break destination (85%) with a relatively small international overnight visitor market and a very small percentage of that from the growing Asian markets.

Although the Asian overnight market is increasing in a small way through wholesale programs, the traditional European, NZ and North American markets still show more propensity to visit the Hunter Valley for 2 or more nights. The current issue facing the Hunter Valley regarding the emerging Asian markets is two-fold:

- The product experiences are not tailored to the cultural nuances of these markets e.g. unsuitable retail shopping options, language and signage issues, etc. for markets such as China and India.
- These markets largely stay overnight in the capital cities for their entire itinerary with day visits to the regions forming a secondary component to the trip.

The numbers of Free Independent Traveller (FIT) within these emerging markets are growing as the burgeoning middle classes grow in countries like China and India, however, the local industry needs to adapt its products and services to leverage the demand coming into Sydney and capture a greater share of this growth market.

The other challenge in building this currently small but important growth market segment is the limited marketing resources of the main stakeholders of the destination. There is an opportunity to take a more regional Hunter brand approach to this market opportunity, partnering with other key destinations in the Hunter region to target the international leisure and meetings/conference markets.

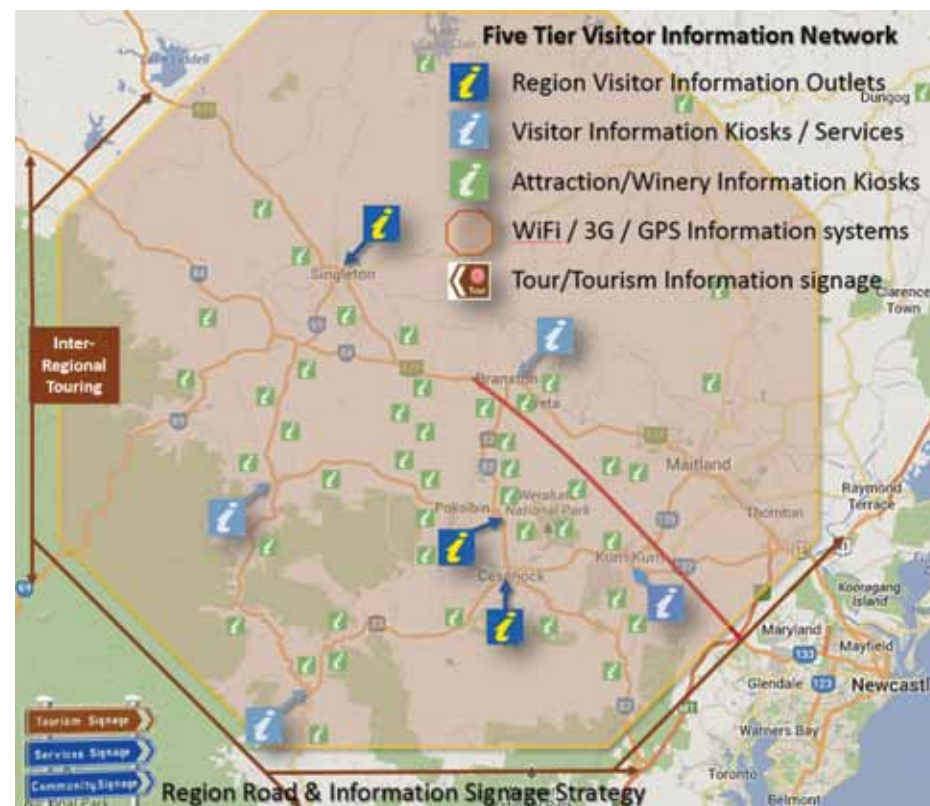
## 6. VISITOR INFORMATION NETWORK

The Hunter Valley has a large range of visitor information resources, spread across the region. However, with four major entry points to the region (and that soon to be extended with the new Expressway), plus a consumer shift to higher use of digital/social media for both information gathering and purchasing options means the visitor information centres and associated services need both integrating and restructuring to meet future needs.

An added valuable information and visitor servicing resource is also the Wine Cellar Doors - a key in-destination customer touch point. While under some clear financial pressures if the WET tax concession is permanently withdrawn, these facilities need to be recognised, supported and helped to further develop, both as the key brand experience of the destination and as providing an important way finding service for the visitor.

Recognising the different visitor information needs (virtual and face to face) at different points in the search and purchase cycle allows the Hunter Valley to leverage off its wide range of resources and establish a multi-tiered and more targeted efficient visitor information and sales system - shown in the following diagram.

This approach will help take a more customer focussed approach to the delivery of visitor information services and develop a reputation in the Hunter Valley for visitor awareness and friendliness, which will be a significant competitive factor in consumer decision making



Map 2. Integrated Visitor Information Delivery Network

## 7. WINE TOURISM IN THE HUNTER

Research demonstrates that wine tourism remains the dominant purpose for visiting the Hunter Valley. Visiting wineries, that is, the cellar door, represented the key experience for 89% of those surveyed. It is the vineyards and the cellar door that provide the substance to the visitor experience and the foundations for this economic activity.

However, there are several indicators that Hunter Valley wines and their brand positioning has lost ground in the market and also in motivational caché in the consumer's minds.

Recent *Wine On Premise 2012* research (published by *Wine Business Solutions*) shows that total Hunter Valley wine listings on Australian wine lists (including imports) are now only 2.86% or 12% down on 2010, and on NSW wine lists are 6.4%, down 4% on 2010. In addition, NSW is no longer driving bottled wine growth in Australia; with wines from the Hunter Valley experienced declines of some 4.9% in the value of off-premise bottled wine sales in Australia for the year to September 2012 compared to the previous year (and a 3.7% decrease in Hunter Valley wines (by value) in NSW Off-premise bottle wine sales).

This presents a significant challenge for the Hunter Valleys' primary visitor driver - the wine experience, which is further exacerbated by the relatively low penetration of Hunter Valley wines in the restaurants of the key source markets of Sydney and Brisbane. Clearly, a stronger the presence of high quality, great food friendly Hunter Valley wine in restaurants will increase brand awareness and the perceived attractiveness of the destination.

And the challenge goes further, in that, the lack of loyalty or parochial support toward the relatively local Hunter Wines by the Sydney market is similarly experienced in the Hunter region as well. There is an opportunity to build a stronger loyalty to buy and sell local, both for wines and for a range of Hunter regional produce.



*A Little Bit of Italy Event – Catherine Vale Vineyard – Broke*



## 8. PLANNING AND PLACE MAKING

While dominated by two main cities and some small towns, the Hunter Valley is also made up of a series of small local villages that are a key element to the makeup of its character and a true reflection of its history.

There is an opportunity through their local Chambers of Commerce to develop the visitor experience in each of these villages, focussed on their 'story' in the Hunter Valley along with a strong service cultural to better connect the visitor economy to these communities.

Also, inline with their local Masterplans, the major cities of Cessnock and Singleton need to be developed with a stronger sense of place - a place that integrates with the destination brand.

In addition, Cessnock City Council in 2012 endorsed a Vineyards District Community Vision in which community participants were united in their desire to see the Vineyards District thrive and maintain its viticultural and rural character. A key issue identified by the community in visioning and planning for the future of the Vineyards District was *"managing future development in a way which preserves and respects vineyards while allowing for diverse income and employment opportunities."* (Hunter Valley Wine Industry Association and Hunter Valley Wine Country Tourism Submission to Cessnock City Council Vineyards District Community Vision Community Consultation Report - February 2012) .

With strong input from the tourism and wine industries, the final vision for the Vineyards District was:

- To have high quality infrastructure and services which meet the community's needs
- Maintain and preserve the rural amenity, character and scenic vistas of the region for future generations to enjoy
- Council and community work corroboratively
- To promote a clear, unified tourism and wine branding, identity and strategy
- Allow and foster a mix of diverse business and employment options - creating a balance between working vineyards, residential, visitors and tourist amenity

However, another challenge for the destination is protecting the key asset that drives visitation to the region - the vineyards and the rural nature of the destination. As vineyards and wine based tourism are recognised as the key economic drivers for the region, the Vineyard Visioning recommended:

- All development in the Vineyards District must recognise the importance of vineyards as the primary land use in the Vineyards District
- Any future land uses must not cause any land use conflicts with an existing vineyard or tourist activity
- Appropriate separation distances are to be provided between any new land use and an existing vineyard and related operations



## 9. LABOUR, SKILLS & SERVICE CULTURE

The visitor economy in NSW is experiencing difficulty in attracting and retaining adequate skills and resources, a fact that is also reflected quite extensively in the Hunter Valley. Significant skills shortages are emerging as the visitor economy grows e.g. chefs, front of house staff, etc. and these shortages will have a direct impact on the quality of the visitor experience.

The pool of people in the local community across the Cessnock and Singleton LGA's, with the necessary skills to work in hospitality, and who are not being attracted into mining, is limited.

While there are training centres in the region to help resolve this issue, the current approach is not generating the number nor the workplace skill levels needed to service the industry at the level the product and customer demand.

Attracting and retaining quality staff (particularly hospitality trained and experienced managers) from other parts of Australia is an issue identified by a number of industry operators, indicating staff retention was a challenge and cited the livability of the area as being one factor. There were some negative perceptions to the lifestyle (i.e. the housing, leisure facilities and services available in cities like Cessnock and Singleton) for both single people and those with young families.

Linked to this challenge is the level of customer service provided across the Hunter Valley does not match destination's proposition to the customer. As a relatively high cost experience, the visitor expectations', both of the quality of the experience and the quality of the service, is high.

There is a need to focus on the promotion of high quality service in all tourism and tourism related operations with the development of systems and processes designed to attract, train and retain skilled staff. The resultant development of a reputation for consistent, high quality service has the potential to be a significant positive, competitive factor the Hunter Valley as a visitor destination.

## 10. DIGITAL TECHNOLOGY

There is a strong, fast changing domestic and international traveller market shift to the use of digital technology, (in particular the web and use of mobile devices) to support and enhance both the search and purchase of travel. This means destination marketing organisations and local operators need to be actively responding to this shift if they wish to influence the consumers purchase decision making.

With the use of such technology changing so quickly, the approach will be to focus resources on the areas where this technology usage will have most impact in increasing awareness, influencing the visit decision and enhancing the actual visit to the Hunter Valley e.g. visitor information (predeparture and in-destination), bookings, and in way finding once in the destination.





*Enhance and broaden the Food & Wine experience options available through the development of a **more diverse range of products**, venues and outlets for locally produced beverages like microbreweries, distilleries and cider production or unique and organic foods.*

*Create a **Hallmark Event** which celebrates and showcases the Hunter Valley and its diversity of produce and experiences around the wine and local foods the region is famous for...*

# MARKETS FOR GROWTH

*Margan Cellar Door - Broke*



# GROWTH SEGMENTS

## REGIONAL POTENTIAL

As a destination the Hunter Valley Wine Country is also part of the Hunter Region which has significant potential for growth in the volume of travellers and the value of the visitor economy, from building its share of target domestic markets and by further developing opportunities in key international markets.

As identified in the Hunter's Regional DMP, the primary growth opportunity across the entire region remains the 'Travel for a Purpose' segment, however each of the seven regions has slightly different Traveller Type and market potential. Those that relate to the Wine Country experience are;

### **Pampadours**

The primary regions offering the **indulgence experience** desired by Pampadours especially Hunter Valley Wine Country. This market seek out new places, new faces, a different culture, climate and food and activities, but as the Australian dollar begins to depreciate, interstate fly-drive markets offer potential for growth through an expansion of air services as does the proximity to Sydney through events.

### **Compatriots**

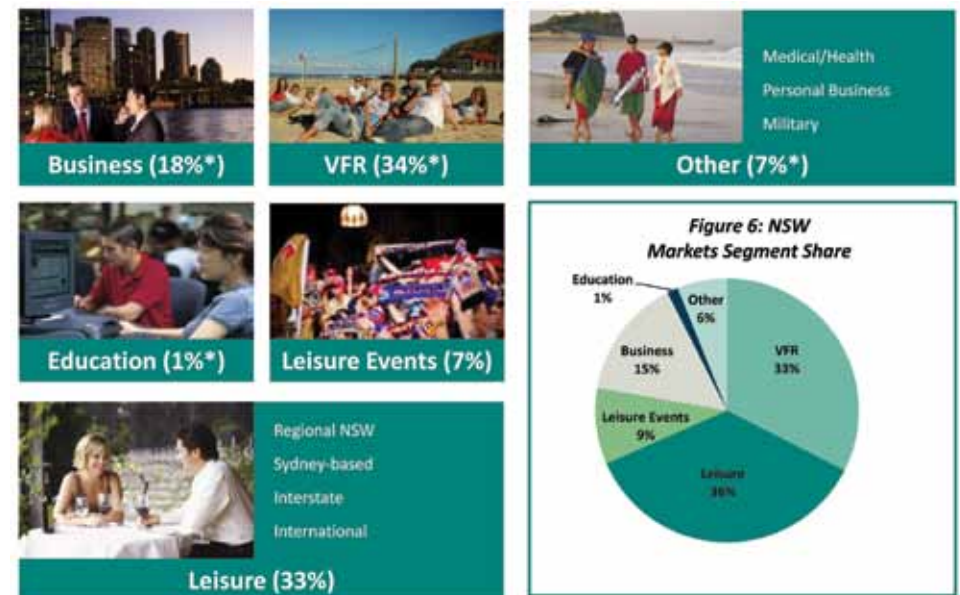
Regions such as Newcastle, Maitland, Lake Macquarie, and Port Stephens are ideal for Compatriots travelling with their **family**. They have to budget and look for value and accessibility. The children of Compatriots often have a role in deciding a holiday destination so meeting the needs of children will be key to growth.

### **Wanderers (Grey Nomads)**

The Upper Hunter, Lake Macquarie and Port Stephens are traditional stopovers for the **independent potterers** where nearly 1/2 are retired (with Barrington Tops emerging as a must see). Taking multiple trips each year, they seek out value for money and take their holidays outside school holidays. Camping sites and the traditional Aussie beach and bush are key experiences offered to grow this segment.

## **True Travellers**

While every region has a share of true travellers (they are the definitely 'not tourists' group) - Barrington Tops, Port Stephens and Upper Hunter (with Wine Country and Newcastle emerging) - these more active visitors are a real growth potential for the region. They often holiday overseas where they immerse themselves in a different culture, they favour spontaneity, and live for physical activity; personal fitness travel; adventure; risk and things they would not do at home.



# HUNTER VALLEY WINE COUNTRY CORE TARGET MARKETS

*In order to understand its existing consumer base and to identify opportunity in the market, HVWTA undertook a major project of geoTribes' geographic lifestyle segmentation in early 2011.*

The association's 35,000 records of existing visitors was analysed based on their residential address and consequently segmented into distinct lifestyle segments. The general lifestyle characteristics of the current target markets, as well as the exact geographic locations they reside in are well mapped. Apart from gaining detailed knowledge of our consumers and their lifestyle, travel and media habits, this has also provided the knowledge to identify pockets of like-minded people in areas with few Hunter Valley visitors, for future highly targeted direct marketing activity.

## LEISURE SHORT BREAK MARKET

### **Primary**

*Crusaders:* Younger 25-35, couples w/out children, AB demographic, female influenced, fashionable, food and wine lovers. Young technocrats, interested in international food and wine, watching the ABC and SBS.

Heavy readers of newspapers, particularly the major daily newspapers (with a leaning towards the national and world news sections), national newspapers and weekend newspaper inserts such as Good Weekend.

Heavy readers of magazines, covering a wide range of titles. Marie Claire, InStyle, Vogue, GQ and Men's Style reflecting their interest in image and style; heavy readership of PC User, PC World and New Scientist reflect their interest in technology. Their magazine reading also reflects their interest in movies, Empire and music, Rolling Stone.

*Source Market Location:* Primarily Sydney and Sydney basin, plus South East Queensland (Brisbane and Gold Coast), plus Hunter region (Newcastle, Central Coast).

### **Secondary**

*Achievers:* Ambitious, younger and middle aged families, AB demographic, aspirational, looking to relax, enjoy good food and wine

*Source Market Location:* Primarily Sydney and Sydney basin, but also South East Queensland (Brisbane and surrounds)

## MEETINGS INCENTIVES CONFERENCE EXHIBITIONS (MICE MARKET)

*Target Sectors:* Primary Corporate, Secondary Associations / Government

*Source Markets:* Primary Sydney, Secondary Regional NSW & SE Queensland

## INTERNATIONAL - TRAVEL TRADE (INBOUND)

*Mature Markets:* (Short to medium term influence) UK, USA, NZ, Japan

*Emerging Markets:* (Long term influence) China, India

*Channels:* International wholesalers, inbound operators, agents, online retail, wholesalers, airlines and trade media

Opportunities working with the Hunter region; the majority of growth forecast to Australia will be from the emerging Eastern markets, the wine country has a strong share and appeal for the long-haul drive markets from Europe, UK and US. There is potential to grow share and spend through active involvement in Legendary Pacific Coast and future partnership/joint marketing programs.

## WEDDING MARKET

**Primary** (Target radius within 3 hour drive) Sydney, Regional NSW

**Secondary** East Coast of SE QLD (Via NTL flights)

## GOLF MARKET

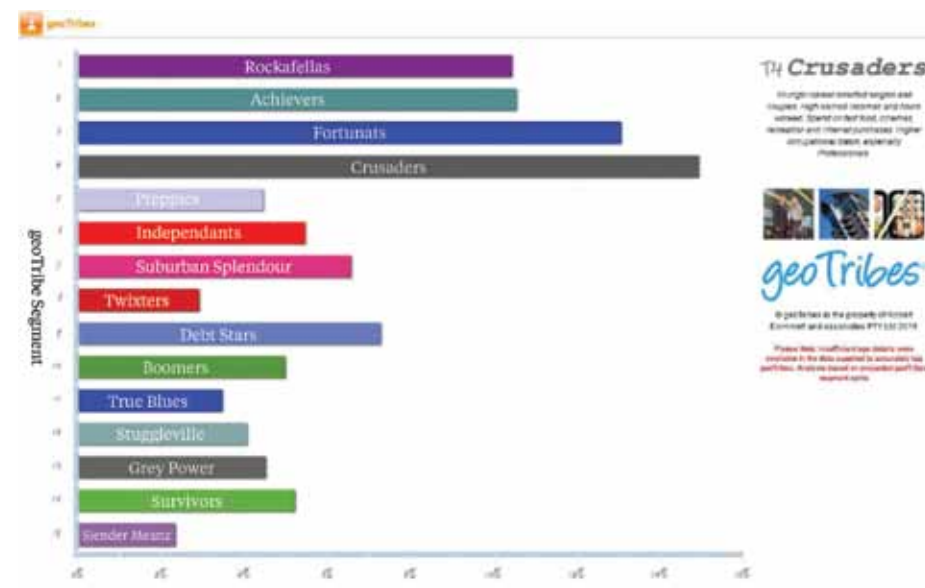
**Primary** Corporate golf (3 hours radius), social golf, golf events

**Secondary** Interstate and international visitors, golf tour operators

The visitor target markets which will deliver the visitor economy goals are:

Target Markets	Primary Market Segments	Secondary Market Segments
<b>Domestic - Leisure</b>		
> Short break	25-35 year olds Couples (no child)	VFR Couples (aspirational with young families)
	Empty nesters	Seniors (Grey nomads)
> Day visitors	25-45 year olds	
> Special interest*	Wedding/ Golf	
<b>Domestic - Business</b>		
> Meetings and Incentive	Sydney/ Brisbane	
<b>International - Leisure</b>		
> FIT/ VFR	UK, USA, NZ, Japan	Korea, Singapore, China
> Small group	China (non ADS)	

\* Targeting the Sydney, Brisbane/SE Qld and Newcastle source markets



Hunter Valley Wine Tourism Association Business Plan 2012/13



## GROWTH SEGMENTS

Results from a combination of the Product Audit review and an extensive community and industry consultation process on potential product/experience opportunities identified a range of high potential product development opportunities and themes that would help broaden and deepen the visitor experience in the Hunter Valley Wine Country region.

Strategically the Hunter Valley destination needs to have more visitor experiences to keep visitors in the destination longer and spending more. However, those experiences need to be consistent with the current brand position for the destination so they can leverage off the primary marketing focus of the destination, which is primarily the wine and food experience.

The product audit review identified some strong, relatively easily development opportunities which could quickly expand experiences available and would be attractive to the current target market segments. The following table summarises those potential product opportunities matched to the target markets.

*Some examples of high-potential new or existing underdeveloped experiences and activities to attract visitors and increase length of stay include:*

- > New 'Rail trail' bicycle track
- > Convict Trail project
- > Indigenous cultural experience, eg. Ngurra in the World Heritage National Park
- > Richmond Vale Railway and Mining Museum
- > Lake St Claire fishing and recreation park
- > Golf tourism
- > Spa tourism

	Domestic Leisure		International		Business
Themed product/ Experience development	Domestic Leisure Day/ Short Break/ Free Independent Traveller	Visiting Friends Relatives	Free Independent Traveller	Group Tour	MICE
Food and Wine	✓	✓	✓	✓	✓
Heritage	✓	✓	✓		
Culture and the Arts	✓	✓	✓	✓	
Nature (soft adventure)	✓		✓		
Indigenous	✓		✓	✓	
Rural and Agricultural	✓			✓	
Special interest (sport, leisure, golf, cycling)	✓	✓	✓	✓	✓
Events/ Festivals	✓	✓			✓
Weddings	✓	✓			

Table 2. Target Market Product Matching



**FOOD AND WINE**



**HERITAGE**



**CULTURE AND THE ARTS**



**NATURE** *(soft adventure)*



**EVENTS AND FESTIVALS**



**SPECIAL INTEREST**  
*(sport, golf, spa)*



**INDIGENOUS**



**AGRI-TOURISM**  
*(vineyard/farm stays)*





# DESTINATION PRIORITIES

(THE WAY FORWARD)

*Vineyard - Broke*



# STRATEGIC PRIORITIES

*The strategic priorities, enabling strategies and key actions to deliver the vision and objectives of this destination plan are summarised below.*

## STRATEGIC PRIORITIES

There are four strategic priorities each with a number of actions identified;

1. **Grow Destination Appeal and Hunter Valley Brand Awareness**
2. **Expand Sales Capability and Delivery** to increase visitation and revenue
3. **Integrate Visitor Services** to increase average length of stay, revenue and customer satisfaction
4. **Develop the Hunter Valley's destination products and experiences** to increase average length of stay, revenue, customer satisfaction, repeat/referral visitation

## ENABLING STRATEGIES FOR SUCCESS

There are three Enabling strategies each with a number of actions identified;

5. **Develop coordinated visitor economy planning and place-making**
6. **Create partnerships to foster and grow the Hunter Valley visitor economy**
7. **Improve an understanding of the market**

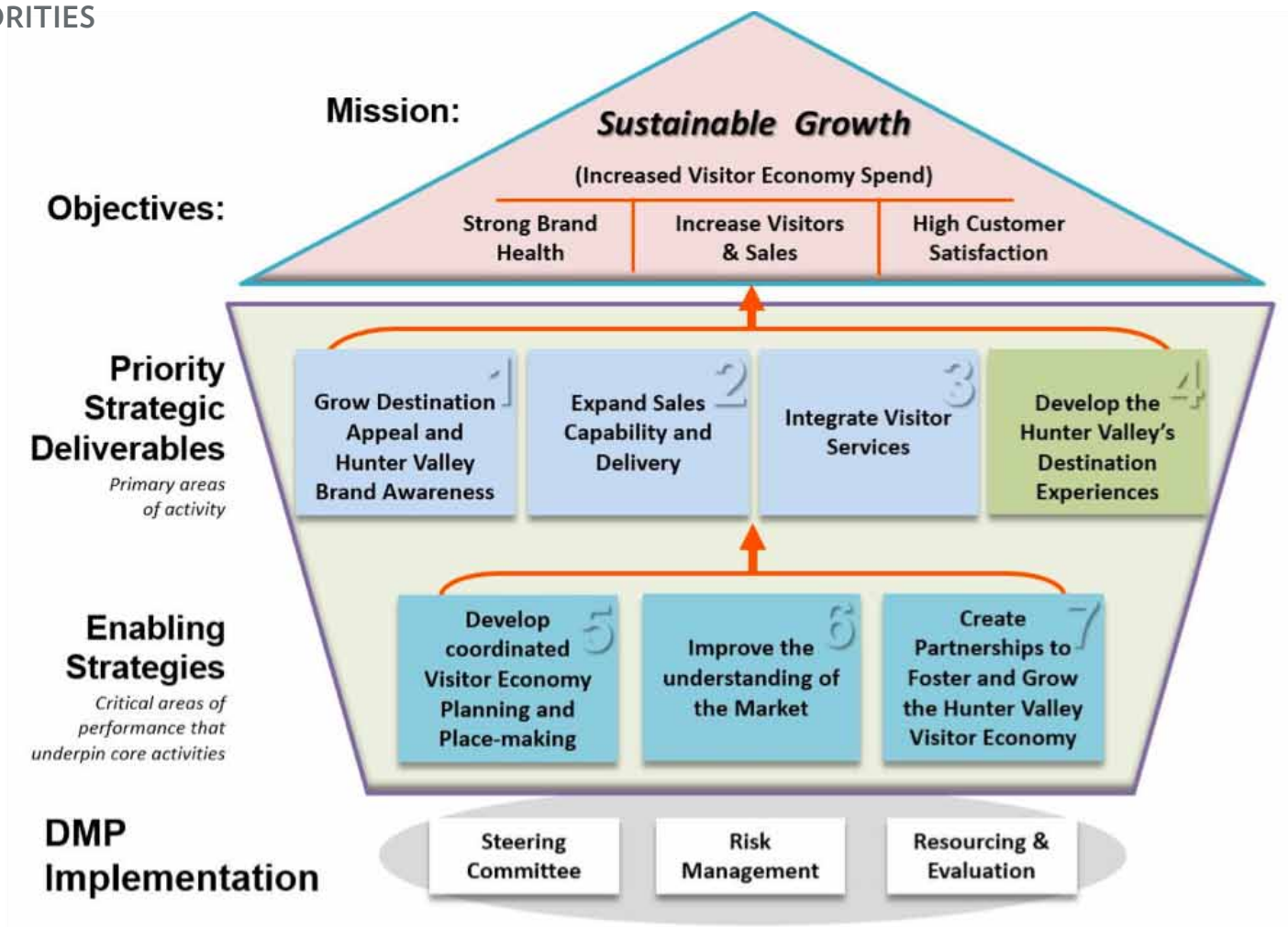
## DESTINATION DIRECTION

The national and state target of doubling the value of the visitor economy sets an ambitious target for the Hunter and sub regions like Hunter Valley. Such a target is possible if the region can increase its share of the total NSW growth in key segments which has been mapped out in the Hunter Regional DMP. It is recognised that the Hunter Valley as a key destination within the Hunter region will be a primary contributor to the future growth of the region. However, due to the lack of quality data at the Hunter Valley destination level, establishing such detailed targets for the Hunter Valley Visitor Economy is just not possible.



Shopping - Singleton CBD

## STRATEGIC PRIORITIES



*Hunter Valley Destination Management Plan Strategy Map*

# STRATEGIC PRIORITIES AND ACTIONS

## STRATEGIC PRIORITY ONE

Grow destination appeal and Hunter Valley brand awareness

Undertake a major co-operative industry and government marketing effort to strongly build brand awareness and visitor appeal using the current (award winning) brand strategy, focused around a contemporary positioning of the Food and Wine Hero Experiences of the Hunter Valley - its primary visitor.

Key Actions	Priority/Time frame	Responsibility
Continue to build brand awareness and appeal through the Food and Wine Hero Experiences of the Hunter Valley, with a major co-operative leisure and conference market brand awareness campaign	Immediate	HVWTA
Deepen the Hunter Valley destination appeal and diversify the market base by building and promoting a second tier of experiences and activities focussed on the themes of nature (soft adventure), golf and other sport, arts/culture and heritage.	Medium-term	HVWTA/ Councils/ Industry
Stronger marketing focus on target markets which will deliver highest yield and visitor growth potential	Short-term	HVWTA
Undertake a destination co-operative marketing program to maximise the value and impact of industry sales and marketing effort	Medium-term	HVWTA

## STRATEGIC PRIORITY TWO

Expand sales capability and delivery

Create a strong tactical sales presence in key source markets of Sydney and Newcastle (e.g. Newcastle Airport) to increase brand and destination awareness through product sales and key brand influences such as the presence of Hunter Valley wines in restaurants, on wine lists and in retail sales outlets.

Key Actions	Priority/Time frame	Responsibility
Develop a stronger tactical sales presence in the key source markets to drive brand and destination awareness through product sales	Medium-term	HVWTA/ Wineries
Expand digital promotional approach with a focus on social media engagement and digital platform delivery systems e.g. mobile	Medium-term	HVWTA/ VEH/ Councils
Increase product sales through Improved Distribution Channel relationships	Short-term	Wineries

## STRATEGIC PRIORITY THREE

Integrate visitor services

Establish an efficient multi-tiered visitor information and sales system across the entire Hunter Valley destination which engages and services visitors at all key information distribution channel and service outlets.

Key Actions	Priority/Time frame	Responsibility
Establish a multi-tiered and efficient visitor information and sales system and network, leveraging off the wide range of visitor information resources available	Medium-term	HVWTA/ VEH/ Councils
Engage cellar doors, attractions, accommodation properties and service outlets as information distribution channels as part of the multi-tiered Visitor Information Network	Short/Medium-term	HVWTA/ VEH/ Councils



## STRATEGIC PRIORITY FOUR

Develop the Hunter Valley's destination products and experiences

Improve and increase the range and quality of Hunter Valley attractions, events, facilities, services and experiences to increase visitor demand. Priority development focus should be within themed experiences of; Food and Wine (particularly providing, etc); Arts and Culture; Nature (soft adventure e.g. walking, bikes, fishing); Golf and other sports; Heritage (convict trail and industrial history) and Indigenous.

This development includes a program of leisure events and festivals which incorporate; seasonally themed, special interest, community, regional and major events to grow balanced year round visitation. (e.g. develop a State and regional hallmark Food and Wine event centred on the Hunter Valley).

This increased range of leisure experiences beyond just food and wine will have the added value of attracting locals to these experiences and help reduce 'escape spending' outside the destination.

Key Actions	Priority/Time frame	Responsibility
Expand and enrich the wine and food product offering to increase the quality of the experience and customer satisfaction	Medium-term operators	HVWTA/ Wineries & Food
Improve and increase the range and quality of Hunter Valley attractions, facilities, services and experiences to increase visitor demand. Priority development focus should be in the following experience themes: <ul style="list-style-type: none"> <li>&gt; Culture and the Arts</li> <li>&gt; Heritage</li> <li>&gt; Rural/Agri tours/accommodation</li> <li>&gt; Nature (soft adventure)</li> <li>&gt; Indigenous</li> <li>&gt; Golf and other sports</li> </ul>	Long-term	HVWTA/ Councils/ Tourism operators/ Service providers/ Event managers
Create a stronger retail industry across the destination to increase retail revenue from the visitor economy	Long-term	Commerce
Develop a Hunter Valley program of leisure events and festivals which incorporates; seasonally themed, special interest, community, regional and major events to grow balanced year round visitation and re-enforce brand positioning	Medium-term	HVWTA/ VEH/ Councils
Establish a stronger Hunter Valley and Regional Hunter approach to the attraction and coordination of the MICE market	Short-term	HVWTA/ VEH/ Venue Operators/ PCOs
Champion and facilitate an Industry wide skills development and quality service improvement program to increase customer satisfaction in the destination	Long-term	HVWTA/VEH/ Councils/ Education Providers
Develop and implement a network of 'wayside stops' that are strategically placed to capture and service the touring and travelling visitor market	Long-term	Councils
Develop and implement a Bicycle/walking trails/paths network across the Hunter valley region	Medium/Long-term	Councils
Establish a network of Recreational Vehicle services, parks and parking areas to capture and retain this market.	Long-term	Councils

# ENABLING STRATEGIES AND KEY ACTIONS

## ENABLING STRATEGY FIVE

Develop coordinated visitor economy planning and place-making

Expedite stronger place-making development in the Hunter Valley Towns and Villages, and with the expansion of public facilities; parks, conveniences, etc. that service the combined needs of visitors and the community. Priorities include; improved WiFi/3G network; Develop a local, regionally integrated signage strategy; continued improvement to roads: street scaping and retail development in key service city hubs of Cessnock, Singleton and Kurri Kurri ensuring linkages to existing development and master plans; street scaping and heritage development in the heritage towns and villages.

## ENABLING STRATEGY SIX

Create Partnerships to Foster and Grow the Hunter Valley Visitor Economy

Undertake to consolidate and build the partnerships and alignment between; NSW Government - Destination NSW, Dept of Planning, etc; Hunter Regional Network of Councils - Hunter Visitor Economy; Hunter Valley Destination Councils - Cessnock and Singleton and the Hunter Valley community through organisations like the Chambers of Commerce.

Target industry and government investment, grants, support and sponsorship opportunities to help underwrite the resources needed to deliver the DMP strategies and actions.

Key Actions	Priority/Time frame	Responsibility
Actively pursue the development of destination communication infrastructure, eg WiFi/3&4G improvements	Short/Medium-term	HVWTA/ VEH/ Councils
Develop a local, regionally integrated Signage strategy	Short/Medium-term	Councils/ RMS
Facilitate stronger place making development in the Hunter Valley Towns/Villages, along with expansion of Public Facilities- Parks, conveniences, etc. that service combined visitor and community needs	Long-term	Councils
Establish an alignment between the DMP and relevant Cessnock and Singleton LGA Council Development and Place Making Plans reflecting the Hunter Valley brand positioning.	Medium-term	Councils
Manage and mitigate potential future risk to the Hunter Valley Visitor Economy via the development of a Risk Management Plan that focuses on the importance of the vineyards as a primary land use in the Vineyards district and the hero experience for the region and feature of the HV brand	Short-term	Councils

Key Actions	Priority/Time frame	Responsibility
Build an alignment between Community and Visitor needs in relevant future development projects, facilities and services	Long-term	Councils
Target industry and government investment, grants, support and sponsorship opportunities to help underwrite the resources needed to deliver the DMP strategies and actions	Short/Medium-term	HVWTA/ VEH Councils/ Industry
Establish a long term HVWTA and Councils Memorandum of Understanding locking the agreement to support & deliver the DMP	Immediate	HVWTA/ Councils
Further develop the Hunter Regional Network, eg relationships with Visitor Economy Hunter, CCC, SC, DNSW, etc	Short-term	HVWTA/ VEH/ LTOs Councils/ Industry
Establish a Centre of Hospitality Training Excellence, leveraging the current Hunter Valley Hotel School facilities	Medium/Long-term	HVWTA/ VEH/ NSW TAFE
Develop and introduce a Aussie/ Hunter Valley Host program	Medium-term	HVWTA/ Industry
Introduce a Work Ready program for newly trained industry personnel to build soft customer service skills that are required to get employment	Medium-term	Industry

## ENABLING STRATEGY SEVEN

### Improve an understanding of the market

Cultivate a stronger consumer market and competitor intelligence understanding through up-to-date research in co-operation with Destination NSW, Visitor Economy Hunter and the broad Hunter Valley industry, with a focus on; Establishing a regular Brand Health Monitor; Further development of the Hunter Valley Tourism Monitor and Visitor satisfaction (e.g. mystery shopping program).

Key Actions	Priority/Time frame	Responsibility
Develop a strong consumer market and competitor intelligence understanding through research - focused on brand health, tourism monitor, visitor satisfaction, eg mystery shoppers	Medium-term	HVWTA/ VEH/ DNSW Councils/ LTOs
Set DMP benchmarks and KPIs to ensure the DMP outcomes are being achieved	Short-term	Councils/ VEH/ HVWTA
Continuously monitor DMP performance against key goals and performance measures	Long-term	HVWTA



*Towns and Villages of the Hunter Valley -  
The Neath Hotel*



# KEY PERFORMANCE INDICATORS

## RANGE OF AVAILABLE KPIs

Key Strategic Priorities	Key Performance Indicators (KPIs)	Key Measures
<b>1.</b> Grow destination appeal and Hunter Valley brand awareness <b>2.</b> Expand sales capability and delivery <b>3.</b> Integrate visitor services <b>4.</b> Develop the Hunter Valley's destination products and experiences <b>5.</b> Develop coordinated visitor economy planning and place-making <b>6.</b> Create partnerships to foster and grow the Hunter Valley visitor economy <b>7.</b> Improve an understanding of the market	Increase the contribution of the Visitor Economy to Gross Hunter Valley Product and employment and develop linkages with other sectors of the economy and neighbouring regions.	> Total visitor spend and equivalent jobs
	Strengthen and growth in each of the identified target segments and double their contribution to the Hunter Valley visitor economy	> Increased visitor expenditure in target segments - Average Daily Spend (ADS)
	Increase the average length of stay and spend of key target market segments through product development and targeted messaging	> Grow Hunter Valley's share of Sydney-based and inter-regional short breaks visitor numbers > Regional Tourism Monitor figures on accommodation occupancies, average daily rate (ADR) and revenue per available room (revPAR)
	Reverse the trend of declining destination preference and intention through increase media exposure and PR for experiences	> Increased destination preference and intention to visit > Increase in public relations and media value > Improvement in brand health and destination recall via research
	Identify and increase the range of products and experiences which create demand and meet the needs of the visitor to the Hunter Valley	> Number of new product, service and experience opportunities identified for development > Number of new products, services and experiences created and operating > Funding and/or support levels provided to product development in the Hunter Valley
	Unique to the Hunter Valley DMP is the symbiotic relationship between wine brand/production/sales and tourism visitation. Therefore the health of the wine industry is important for both brand awareness, visitation and sales volumes	> Wine industry Brand health and consumer sentiment to Hunter Valley wine > Cellar Door visitation numbers and/or Cellar Door sales volumes > Number of Hunter Valley wines listed on restaurant menus and available for sale in retail outlets
	Increase partnership marketing and joint venturing opportunities in the Hunter Valley and in conjunction with neighbouring regions or LGAs	> Number of partnership marketing activities developed / available to industry > Number of industry operators participating in cooperative programs > Level of funds generated from Government and industry to support cooperative ventures
	Increase in destination desirability and customer satisfaction	> Benchmarking and improvement in consumer satisfaction levels via exit surveys > Level of information delivery - sites/outlets/systems/Apps/Downloads/website users

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**HUNTER VALLEY**