



Tourism Tropical North Queensland Marketing Update February 2019

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Introduction

Our goal is to deliver value to our members by using and leading Australian tourism marketing best practice, so that our region receives a record tourism expenditure of \$3.5 billion by 2020.

In this document you will discover an overview of what we do, how we do it and our roles and responsibilities.

A look at our structure and people (tourism.tropicalnorthqueensland.org.au/what-we-do/meet-our-team) will show you that we are not a remote bureaucratic body, but an organisation that is run by and informed by our members. Having said that, our duty is to represent the region as a whole, not the particular interests or agendas of some members.

We support and are supported by four local tourism organisations (LTOs) in addition to our broad-based membership, which ranges from large corporates to small family operated businesses.

Our business growth strategy involves developing a consistent brand identity that encompasses and projects all the attractions of the region. We endeavour to promote the whole region, recognising and leveraging the strengths of the full range of marketing communication channels including; traditional media, digital media and social and content marketing.

In addition, we leverage partner-funded campaigns that originate from partners such as Tourism and Events Queensland (TEQ) (domestic national campaigns) and Tourism Australia (TA) (international campaigns) to ensure that the interests of our region are well represented.

While much of our activity is targeted at consumers, we also work to educate tour operators and travel professionals to ensure they are familiar with the attractions and opportunities of our region.

Member services are an important part of our offering. Small business training and digital marketing workshops help our members increase their communication skills as they become trade ready for both domestic and international markets.

Business and leisure events are important economic drivers, especially in our larger centres. We help promote and support these events as they are not only positive in their own right, but act as an opportunity for visitors to discover the region on business and to return as a leisure traveller. They are also instrumental in driving visitation during shoulder and low season.

About Us

Tourism Tropical North Queensland (TTNQ) markets the destination as one of the world's most inspiring nature-based destinations. We do this by promoting the region as the gateway to hundreds of unique tropical experiences set in World Heritage landscapes.

Our organisation evolved from a grassroots community and business movement originally known as the Far North Queensland Promotion Bureau, established in 1978 to focus on destination marketing.

TTNQ's purpose is to drive visitor revenue and long-term benefits for the region by leading the destination's tourism marketing, positioning and brand story – and by being a unifying and coordinating voice for the industry.

As a not-for-profit, member-based Regional Tourism Organisation (RTO), we are the voice of Tropical North Queensland's (TNQ) tourism industry and we work to increase visitor arrivals and expenditure for the benefit of the whole region.

Destination marketing

TTNQ's role is to inspire people to visit TNQ through innovative and effective marketing of the destination. Digital marketing across owned, bought and earned channels is the key to being noticed in the fast-paced world of travel.

We provide opportunities for members of TTNQ to market their business as part of the destination. These include attending trade and consumer shows as a destination, advertising opportunities and campaigns, trade educational activities and in-market training, media educationals, e-newsletters with business opportunities, marketing forums and workshops.

Public relations agency Klick Communications, supports our consumer marketing, public relations and visitor communication activity in the Australian market.

TTNQ also focuses on building the capabilities of tourism businesses to ensure they are more competitive, adaptive and resilient so visitors can enjoy a consistently high standard of experience.

The organisation offers advice where other opportunities may be increased, to ensure our region is offering the very best experiences across TNQ.

Experience development

Experience development is focused on supporting tourism operators to deliver more engaging and memorable visitor experiences by better understanding the needs and preferences of the market and contemporary experience development practices. This may include resources and programs addressing such issues as customer service, storytelling, customer journey mapping, online marketing and social media engagement.

Product development

Product development is focused on the identification of new tourism experiences either as a new product or the enhancement of an existing product. This is done in response to consumer needs and trends and to leverage identified TNQ destination hero experience opportunities.

Business development

We connect the dots to other organisations that can assist with business development. These include the Queensland Tourism Industry Council (QTIC) and the Australian Small Business Advisory Services (ASBAS) program, targeting generic development opportunities aimed at improving business viability and performance. The development and implementation of business plans, marketing plans and sustainable business practices are among the development opportunities offered.

Industry development

Industry development looks at tourism industry-specific development programs aimed at supporting tourism businesses to enhance the overall efficiency, effectiveness and performance of their operations. This may include programs dealing with issues such as market readiness, trade engagement, yield management and channel management.

Destination overview

The TTNQ region has the largest geographical coverage of any Regional Tourism Organisation (RTO) in Queensland, covering 20% (340,645 km²) of the State's total area. This includes 25 local government councils with our major funding partner being Cairns Regional Council. Our destination stretches from Cardwell in the south to the Torres Strait Islands in the north and west to the Northern Territory border.

The region is known and marketed as Tropical North Queensland in the domestic market and Cairns & Great Barrier Reef in the international market. It is reputed as one of the world's most inspiring nature-based destinations. It is the gateway to hundreds of accessible experiences set on the stage of the Great Barrier Reef, the earth's oldest rainforest and the outback. Inhabited by an ancient culture, TNQ is shared by passionate locals.

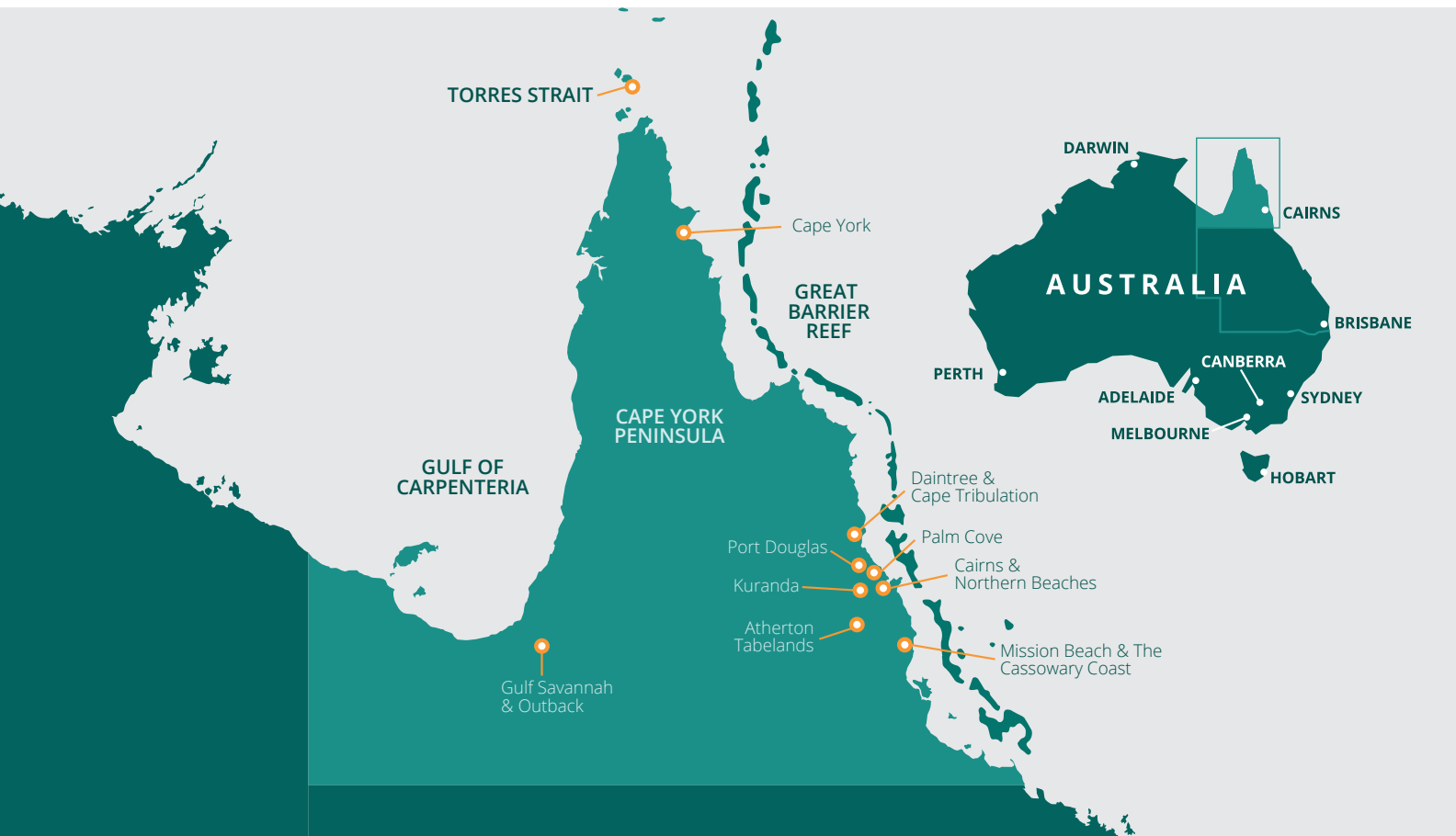
The region has six precincts:

- Cairns and Northern Beaches
- Kuranda and the Atherton Tablelands
- Port Douglas and the Daintree
- Cassowary Coast
- Cape York, Gulf Savannah and Outback
- Torres Strait Islands

There are four LTOs in Tropical North Queensland:

- Tourism Port Douglas & Daintree
- Tropical Tablelands Tourism
- Tropical Coast Tourism
- Savannah Way Limited

The LTOs target grassroots industry development, in-region trade, media support and collaborative marketing investment. On behalf of their members, the LTOs liaise with their RTO and state bodies. TTNQ shares a Memorandum of Understanding with each of the LTOs in TNQ and works in partnership with the Torres Strait Regional Authority. We also work in partnership with Tourism Australia, Tourism and Events Queensland, Cairns Regional Council and Cairns Airport, in addition to our airline and industry partners.



Significance of Tourism to the Tropical North Queensland Economy

Airline access has made tourism the key driver of a regional economy with two World Heritage Areas – the Great Barrier Reef and the Wet Tropics Rainforest. In 1971 visitor spend was at \$50 million and by September 2018 was worth \$3.4 billion, with tourism contributing around 18% of TNQ's gross regional product and supporting one in five jobs.

TNQ is the most popular regional destination in Queensland for international visitors with a 33% market share. Our destination has an 8% share of the state's domestic visitors.

The domestic market delivers the most visitors and expenditure. China is the largest international source market, while Europe delivers High Value Travellers (HVT) who stay longer.

Cairns was the nation's best performing hotel market for four years in a row when business from the Commonwealth Games pushed the Gold Coast ahead and Darwin took the top spot after a concerted campaign encouraging longer stays.

Our Vision, Purpose, Mission and Goals

Destination Vision

To be globally recognised as a world-renowned nature-based tourism destination that delivers a range of exceptional experiences.

TTNQ Purpose

1. Drive visitor revenue through effective destination marketing of a unified brand that is adopted by all stakeholders.
2. Lead and foster a unified and professional tourism industry that delivers exceptional customer experiences.

TTNQ Mission

TTNQ is a highly valued and respected organisation, working with our stakeholders to deliver world class, innovative destination marketing.

Destination Goal

Achieve \$3.5 billion in marketing expenditure by 2020.

Pillars/Areas of Strategic Focus

- **Marketing** the TNQ brand story in a consistent, innovative and highly engaging manner that resonates with our target customers.
- **Reaching** the right target customers, through the right channels and right partnerships to achieve 2020 visitor expenditure targets.
- **Maximise** the economic and social value of business, major and regional events to the destination.
- **Support** sustainable aviation initiatives in partnership with Cairns Airport and government at all levels.
- **Collaborate** and effectively manage all stakeholder partnerships to achieve destination goals.
- **Operate** a high performing organisation through employing highly skilled professionals, that clearly understand and are committed to the goals, governance and values of the company.
- **Continually** investigate and lobby for funding models that ensure financial sustainability of the organisation.

People and Workforce

Our team is dedicated to building strong and effective relationships with key stakeholders, to drive collaborative and unified partnerships to leverage joint campaign opportunities, in particular Tourism & Events Queensland, Cairns Airport, TTNQ members, Tourism Australia and trade distribution partners.

Our digital team has grown to ensure we have strategic and quality content across our digital assets, which are the most effective way of telling the destination story.

The results of our efforts in each of our key markets is summarised in this report. It shows the extraordinary effort by our small and dedicated team to work with our partners and deliver world-class, innovative destination marketing to position Tropical North Queensland as one of the world's most inspiring nature-based destinations

Key Deliverables

TTNQ's key deliverables for 2018/19 are:

- Mastering our Story for TNQ and marketing this to the world;
- To position TNQ as “the experience destination” travellers hope to have from major metro cities, using the brand story to ‘Feel Grounded’;
- To generate awareness of factual information around the region and convert strong visitation to TNQ in 2018/2019 through a clear call-to-action through credible branding.
- To target High Value Travellers to the region;
- To promote the numerous TNQ experiences capturing relaxed tropical vibes, Indigenous connection and unique nature;
- To interweave the Wet Tropics Rainforest and Great Barrier Reef with the ancient and timeless experiences throughout the brand story;
- To review and update the TNQ Regional Events Prioritisation Strategy in conjunction with key stakeholders;
- To grow shoulder visitation and destination dispersal through the attraction and promotion of sports, lifestyle and cultural events;
- To increase visitation by attracting conference, meeting and incentive groups;
- To advocate growth of the TEQ Subvention Program fund;
- To pursue continuous development of our digital capability and
- To deliver the Digital Strategy, providing digital leadership to the tourism industry on the new ‘modern marketing approach’.

Member Expectations

TTNQ's purpose is to generate visitation to our region and thereby create business opportunities for our members. Members also require regional information and access to market research, training and networking opportunities in order to effectively position and promote their business. TTNQ provide a range of services designed to meet these expectations. Some key services are as follows:

- Access to TTNQ e-communications to keep members up-to-date on all tourism related matters
- Product listing on the TNQ consumer website
- Product listing on the TTNQ corporate website
- Discounted Australian Tourism Data Warehouse (ATDW) membership
- Access and exposure to local, Australian and international business contacts

- Free Queensland Tourism Industry Council (QTIC) membership
- RTO membership for LTO members
- Educational workshops
- Product development advice and assistance
- Networking opportunities with other tourism operators
- Access to research and statistical information when available as well as insights into key international markets
- Image library access
- Member logo usage
- Participation in international and domestic sales missions and campaigns
- Participation in domestic and international trade and media educational opportunities
- Working in collaboration with other members to target specific markets to generate greater cut-through

Operating Environment

Our strategic direction has been guided by an analysis of trends – combining external factors affecting tourism with the relevant internal factors and the resultant implications.

Opportunities and Challenges

There is a rising demand for more experiential travel, personalised and authentic experiences as the tourism industry matures and more people travel. This presents opportunities and challenges for Tropical North Queensland.

	External changes affecting Australian tourism	Internal factors and implications
Economic	<p>Tourism is one of Australia's largest services exports, with a domestic tourism direct contribution in 2017-18 of \$70.3 billion (a 10% increase) and a \$42.5 billion (up 6%) contribution from international visitors in the same period.¹</p> <p>While the global gross domestic product (GDP) finished the year with a 3.8% increase, as predicted, the slowing US growth was masked by an increase in emerging markets.²</p> <p>Looking to the future, China and other Asian economies have a predicted growth of more than 5%.³</p> <p>Global markets are recognising the social and economic benefits of tourism with sector investment contributing 10.4% of global GDP.⁴</p>	<p>There has been strong economic growth over the past four years. However, all indications are now that TTNQ will experience minimal growth in 2019 due to, among other factors, the Federal election, the rocky relationship between US and China, global instability and aviation constraints.</p> <p>An unprecedented wet season, which commenced 5 weeks earlier than previous years impacting Xmas and New Year periods when operators are fully booked. Cancellations during December 2018 were massive.</p> <p>Continued global competition for market share from other destinations such as New Zealand and tropical Asian countries such as Bali and Thailand.</p>
Marketing Channels	<p>As more destinations recognise the benefits of tourism and invest in marketing activities, cutting through the clutter with a clear message is becoming increasingly difficult.</p> <p>The trend away from traditional media consumption patterns – digital disruption – is driving narrowcast media options, social media strategies and a new focus on the importance of content.</p> <p>The natural advantages Australia enjoys in food and wine, natural attractions and social and environmental perceptions are expected to remain important</p>	<p>TTNQ will continue to develop as a connected, digitally focused organisation, with a focus on innovation and originality.</p>
Consumer	<p>Experiential travel, nature, wildlife, food and wine is expected to become more evident.</p> <p>As travellers increasingly use the internet to plan their own holidays, direct and mobile transactions with tourism operators and products will increase.</p> <p>The Asian sector – notably China, India and Japan – will lead growth in Australian inbound tourism</p>	<p>TTNQ will continue to leverage consumer and technology trends; working with industry to connect travellers to experiences.</p> <p>We will increase our strategic focus on Asian markets.</p> <p>We will continue to focus on High Value Travellers (HVT).</p>
Travel Industry	<p>Digital disruption in the tourism industry will increase, driven by easy access to online services and the 'sharing economy'.</p> <p>Change is permanent. Technology-enabled initiatives will emerge across the sector.</p> <p>Our regional investment pipeline is expected to deliver some 300 new rooms by June 30 and an additional 500 by December 2019.</p> <p>Capacity growth in global aviation is expected to fall slightly from 6.5% in 2018 to 6% in 2019, with capacity into Australia forecast to increase 5%.^{5 & 6}</p>	<p>TTNQ will continue to monitor demand and supply issues impacting tourism and share insights with the tourism industry and stakeholders to assist informed decision-making.</p> <p>TTNQ will continue to partner with the aviation sector on marketing activities to promote leisure and business events tourism in TNQ.</p>

1. Tourism Research Australia, www.tra.gov.au/ArticleDocuments/317/NVS_September2018.pdf.aspx?Embed=Y
 2. www.morganstanley.com/ideas/2019-global-macro-economic-outlook
 3. STR Global, Pipeline Market Reports 2017
www.oecd.org/development/asia-pacific/01_SAE02019_Overview_WEB.pdf

4. www.wttc.org/-/media/files/reports/economic-impact-research/regions-2018/world2018.pdf
 5. www.iata.org/pressroom/pr/Pages/2018-12-12-01.aspx
 6. www.tourisminvestment.com.au/en/research-insights/aviation.html

Opportunities	Challenges
<ul style="list-style-type: none"> • Build capacity of Indigenous operators to be internationally ready. • Promotion of Indigenous tourism experiences to ensure TNQ is recognised as Australia's leading Indigenous tourism destination – development of third pillar. • Product development – food trails, hiking and cycling trails, bird watching. • Further development and promotion of self-drive itineraries across domestic and international source markets to expose diversity of regional food, beverage, nature, adventure, culture and communities. • Attraction of major sporting events with an opportunity to grow participation from international source markets to expose diversity of regional food, beverage, nature, adventure, culture and communities. • Attraction of major sporting events with an opportunity to grow participation from international markets. • Growth in direct aviation capacity – domestically and internationally (Middle East, China, USA, NZ, Southeast Asia). • Working Holiday Maker global campaign to reinvigorate backpacker and youth travel from Western markets. • Niche and special interest segments – domestic Chinese and Indian diaspora, international students within Australia, hands-on authentic local experiences. • Tourism and Events Queensland Best of Experiences Program – lift quality product and experiences within destination. • New infrastructure developments – new product to offer. • Citizens of the Great Barrier Reef – position destination as a world leader in conservation of global natural assets. • Strengthen partnerships with Tourism and Events Queensland and Tourism Australia. • Find PR opportunities with other industries to develop the brand awareness (tropical fruits) 	<ul style="list-style-type: none"> • Negative messaging around coral bleaching on the Great Barrier Reef. • Fragmentation and diverse agendas of stakeholders, LGA's/LTOs. • Non-sustainable funding model and heavy reliance on a small number of key funding partners. • Reliance on sustainability of two key iconic assets – diversity of regional assets not maximised. • Large number of small tourism businesses not 'internally trade ready'. • Digital capability of industry. • Internet connectivity – poor or non-existent in some areas. • International airport underutilised . • Direct aviation access from Western markets. • Domestic aviation and accommodation capacity under pressure during peak periods. • Collaboration and communication between key industry stakeholders. • Slow development of additional product pillars, e.g. Indigenous food tourism. • Labour force challenges – especially during peak periods and in more remote areas. • Limited infrastructure capacity for large events. • Limited coordination of economic and destination planning between regional stakeholders. • Lack of re-investment by suppliers to upgrade/enhance product and experience offering. • A vast region to cover with high costs and difficult access. • Lack of subvention funding. • Region has rested on laurels and not evolved fast enough. • Capacity on domestic seats is starting to bite which is stifling growth. Latest Data shows flights in and out of Cairns had the highest load factors in the country, in excess of 91%. • Cairns-Sydney topped the list with an average of 91.7% seats in use on each flight followed by Cairns- Melbourne at 91.5% and Brisbane-Cairns on 90.9% • With around 75% of the destination's international visitors arriving via domestic channels there is demand for more direct international flights. • Better access is needed for travellers from our traditional markets in Europe and the United Kingdom who tend to stay longer and spend more.

Implementation and Key Activities

Customers

High Value Traveller (Leisure and Business Events)

Domestic High Value Traveller (HVTs)

These travellers spend more than the average visitor on leisure trips and are aligned to Queensland's competitive offering, indicating they are interested in the types of leisure experiences Queensland has to offer. In the interstate market, HVTs represent 35% of overnight visitor leisure trips but 63% of overnight visitor expenditure, highlighting their disproportionate share of spending. In the intrastate market, HVTs represent 36% of the intrastate leisure trips and 71% of overnight visitor expenditure.

International Experience Seekers

International travellers seeking an inspiring nature-based destination are targeted through our international campaigns. These campaigns also target HVTs.

Visitors

In 2017, one in 24 international visitors to Queensland were education visitors. Of those, 16% were visited by family and 10% by friends while they were in Queensland. Education visitation has grown 9% over the past 3 years with the top four source markets being China, Japan, the USA, and Korea. More than 32,000 international students from 34 countries chose to study in Cairns in 2017.

Markets

To year ending September 2018

Total visitation – 2.9 million	
Total domestic – 2 million	Total International – 860,000

Experience Framework

TEQ has identified six key experience pillars and supporting experiences that reflect the essence of the Queensland tourism story. These are:

- Reef, islands and beaches
- Natural encounters
- Adventure and discovery
- Lifestyle, culture and people
- Events

These five experience pillars have been identified through consumer research as categories that set Queensland apart. They form the backbone of TEQ's creative strategy and define how messaging is delivered to consumers. Under each of the five Experience Pillars is a suite of Hero Experiences that reflect the heart and soul of the Queensland story and represent where we have a competitive advantage.

To leverage the work that TEQ is doing at a state level, TTNQ, through extensive market research has identified the following three hero experience pillars which depict the tourism story of the region:

- Nature
- Ancient Culture
- Tropical Lifestyle/Vibe

While marketing efforts are focused in these three areas, due to the diverse range of experiences our region offers, we have developed subset groups within each, called "Cluster Groups". These groups comprising of industry experts and members work with the TTNQ team, to develop relevant and targeted marketing strategies and campaigns to elevate the experience pillar. Outlined below is a summary of the cluster group activity and it should be noted that, due to resourcing and budgets some have been prioritised.

Youth and Adventure Market

The youth adventure/backpacker market was very strong for Cairns and TNQ in the 1990's and early 2,000's. However, due to a range of global issues such as competition from South East Asian countries and change in employment opportunities in UK and Europe as well as changes to working-holiday visas in Australia, this market has been declining both nationally and into the region. TA have recognised this issue and are now looking to partner with TEQ to re-engage and grow the market share, with a strong focus on the working holiday maker.

TTNQ has been instrumental in engaging with industry to look at opportunities to stimulate this market in partnership with TEQ and TA. The Cairns Adventure Group, which was very strong at the turn of the century, has been re-invigorated. A full summary of this market is found in the Market Overview sections

Outback/Drive

TTNQ team members visited the Gulf and Cape York Peninsula region to identify tourism experiences that align with the hero pillars. These have been compiled into "drive itineraries" that are featured on the destination website – examples can be found at:

tropicalnorthqueensland.org.au/where-to-go/gulf-savannah-outback

As well as visiting tourism products, meetings were held with local tourism associations and councils to

discuss tourism partnership opportunities

Fishing

TA have identified fishing as a Signature Experience and are looking to elevate experiences in key international markets. TTNQ engaged an external contractor to assess the fishing opportunities for our region that align with the TA Signature Experiences along with providing a synopsis of the industry, experiences and opportunities outside the TA experience framework. A summary of the fishing experiences are found in the destination website at tropicalnorthqueensland.org.au/things-to-do/fishing

Food and Beverage

A strategy session was held in late 2018 to identify the unique food and beverage experiences of the region. This was attended by a range of industry experts including chefs, primary producers and tour operators. The strategy will be finalised in March and will form part of the domestic marketing campaign "Feel Grounded".

TEQ are also investing in a state-wide campaign to showcase Queensland food and beverage experiences, which will include filming of a MasterChef series in South East Queensland and accompanying TVC's which are filmed in our region.

Great Barrier Reef

As one of the hero icons of the region a range of initiatives have been rolled out to promote the health and well-being of the Great Barrier Reef. These include the development of a "Chatbot" on the Great Barrier Reef, attendance at internal media events promoting the health of the Great Barrier Reef, Reef Chat newsletter. In addition, we have also been working with external stakeholder such as Great Barrier Reef Marine Park Authority, Australian Institute of Marine Science, James Cook University and Citizens of the Great Barrier Reef.

Luxury and Superyachts

The main focus in this sector has been the promotion of luxury itineraries in key international marketing including the USA and China. In addition, we have supported the Superyacht Group Great Barrier Reef, to lobby the government to remove GST charges that currently make it cost prohibitive for foreign owned vessels to charter in Australian waters.

Nature

The World Heritage "Wet Tropics" is world renowned and offers visitors diverse and unique experiences. Over the past 6 months workshops have been held with Wet Tropics Management Authority to develop the unique features and selling points for each of the five precincts in the Wet Tropics region and to connect the tourism experiences in each region. TEQ is assisting with the development of the communications strategy.

Indigenous Experiences

Ancient Culture (Aboriginal and Torres Strait Islands) has been a big focus over the past 12 months and TTNQ is working on elevating this through our Indigenous Experiences campaign which forms part of Tourism Australia's Signature Experiences activities. Initiatives have included appointing an Indigenous mentor to assist with tourism development in this sector, mentoring business to become export ready and having a dedicated booth at Australia Tourism Exchange 2019 (ATE) to promote the Indigenous experiences of the region.

Cruise Ships

TTNQ supports the work of a dedicated TEQ cruise specialist to position our region across global cruise markets. 2019 looks like a solid year with forward bookings in place.

The commencement of the Cairns Shipping Development Project is excitedly anticipated by the cruise lines and it is expected to increase forward bookings into 2020. This news will be the hot topic at Seatrade Global in the USA in April, where Cairns will be well represented. Plans are in place to ensure the 'open for business' message is shared with itinerary planners across all the cruise brands at this global event.

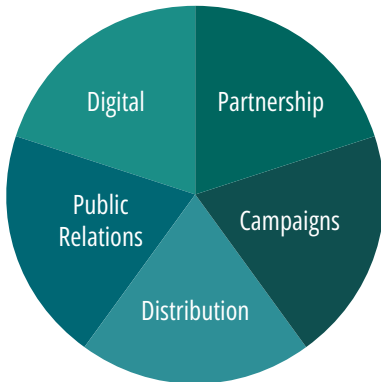
The first 300m metre ship calling into the Cairns Seaport in October 2019, will be a welcome boom to the city and will ensure our place as a cruise destination by delivering the best passenger experience.

Whilst it is anticipated that bookings next year will only increase by five ships, 77 to 82, there is a lag between the dredging happening and the response from cruise lines with forward bookings. The planned dredging will ensure solid bookings from 2020 and beyond.

Marketing

A range of delivery channels are used to deliver the marketing initiatives of the organisation. They are outlined below.

Delivery Channels



1. Digital

Digital platforms are critical to successfully reach our various target markets, especially the HVT segment for whom online searching is critical for researching and sharing holiday experiences. TTNQ has ensured its websites are SEO enabled, and all content is properly tracked to establish what works well. In addition, a number of digital campaigns are in the pipeline which will utilise paid media placements to reach our desired audiences.

2. Partnerships

Partnerships form a critical part of the delivery of our marketing activity. These partnerships include, but not limited to, TTNQ membership, TEQ, TA, LTO's, airlines and key distribution partners. The TTNQ Strategic Direction articulates the priorities for the region and provides focus for both TTNQ and partners to leverage all opportunities in a planned manner to deliver the brand story.

The regional Destination Tourism Plan (DTP) identifies the key priorities for the region and supports funding applications that assist in driving tourism growth in the region.

3. Campaigns

Campaigns showcase and drive demand for hero experiences in the region. Campaigns focus primarily on nature, ancient culture and tropical lifestyle in the region and are delivered through digital, public relations and partnership channels. Campaigns are delivered through both B2B and B2C depending on the target audience.

4. Distribution

The brand story is communicated through a range of distribution channels depending on the market. International distribution is through wholesale trade partners and the Aussie Specialist network in partnership with TA and TEQ. This also includes trade show activity and educational activity. Domestic distribution partners include traditional wholesale partners (Flight Centre and Helloworld), along with Online Travel Agencies (OTA's) including the Expedia and Booking.com.

5. Public relations

Public relations agency Klick Communications have been working with TTNQ on a communications strategy and proactive public relations opportunities to further communicate the brand story.

Year-to-date has seen influencer educationals with Cassandra Clementi and Tia Fox and media educationals producing content for Australian Traveller, CEO Magazine, Frodors and the Sun Herald.

Activity also included bringing in Better Homes and Gardens to shoot three episode segments.

With a focus on pro-active PR we have developed a suite of media itineraries that re-enforce our consistent brand story. February will see the new brand content launched at International Media Market (IMM). TTNQ will be attending this event. We will be rolling out our fresh strategy and media educationals during March to June.

Destination Marketing

TTNQ's role is to inspire people to visit TNQ through innovative and effective marketing of the destination. Digital marketing across owned, bought and earned channels is the key to be noticed in the fast-paced world of travel.

We also provide opportunities for members to take people to the conversion stage. These include attending trade and consumer shows as a destination, advertising opportunities and campaigns, trade educational activities and in-market training, media educationals, agent educationals, e-newsletters with business opportunities, marketing forums and workshops.



What to do in Tropical North Queensland

TNQ is spoilt for choice when it comes to natural beauty, attractions and tours. We also have plenty of hidden secrets to discover.

tourism.tropicalnorthqueensland.org.au/what-to-do-in-tropical-north-queensland



TNQ Destination Tourism Plan

The Tropical North Queensland Destination Tourism Plan (TNQ DTP) has been produced to provide prospective investors with an understanding of tourism in our region and its potential to grow.

tourism.tropicalnorthqueensland.org.au/destination-tourism-plan



Destination website

Connect with TTNQ consumer website for destination information, local hotspots, tips on travelling within the region and plenty of images and videos to help capture the TNQ experience.

tropicalnorthqueensland.org.au

Media Channels

Digital, online and social media

TTNQ Websites

tropicalnorthqueensland.org.au

TTNQ has benefited greatly from its redesigned website, launched in September 2017, and is on track to meet all projections. The results to date are impressive:

- FY18/19 YTD
- Users – Up 136% Year on Year – 210,000 users – on track to hit 350,000 this financial year (FY)
- 35,000 leads generated this FY
- 93,000 reads this FY
- Conversion rate leads = 17%
- Conversion rate reads = 44%

Engagement with our audience continues to improve – compared to the same period last FY. We have seen a 19% decrease in bounce rate and average session duration has increased 29%.

TTNQ rolled out the Japan language version in May 2018:

tropicalnorthqueensland.org/jp

In July 2018 we launched the new corporate site:

tourism.tropicalnorthqueensland.org.au

Our new Business Events site was launched February 2019:

businesseventscairns.org.au

The German language version of the consumer site is in progress (translation stage).

The website will be live at: tropicalnorthqueensland.org/de

A new Chinese language version will go live in March 2019.

The website will be live at: greatbarrierreef.cn

Social Media

Leveraging user-generated content, the team have published 1,200 social media posts this FY18/19 to date. This activity has generated \$37 million in potential on investment (POI) in the region.

Audience sizes were:

- 146,000 on Instagram
- 183,000 on Facebook

Digital Advertising

Campaign activity will take place from March 2019 and will build destination awareness within our identified high value traveller segments. This integrated campaign will be deployed across paid social and display channels including Facebook, Instagram and TripAdvisor.

Search Engine Marketing (SEM) Always On

Activity has been continuous throughout the year. Our SEM campaign targets visitors that are dreaming, planning and experiencing our destination. User engagement is strong with an average click-through rate across all campaigns sitting at 9%. SEM activity has proven to be a highly efficient channel with cost per click's (CPC) averaging at \$0.32. Further to this, significant opportunity exists to increase budgets and share of voice without sacrificing efficiency. SEM traffic is high quality, achieving the same average time on page as organic, similar bounce rates and higher page depth per session. Planned co-op conversion campaign activities aim to bring more tourism visitors to the region from the HVT sector.

Content Creation

Our consumer website is content driven, with editorial content integrated throughout the majority of the pages across the site. Our editorial content's objective is to increase consideration for TNQ as a leisure destination by reinforcing stories around unique nature, ancient culture and relaxed tropical vibes as leading themes.

96 editorial pieces have been read by 93,000 visitors and potential visitors this financial year to date. They play an important role in establishing our organic footprint and expanding share of voice.

Written for our key HVT segments, our editorial strategy data lead and data informed. An agile approach ensures we can respond to opportunities as they arise whilst maintaining an output velocity of between four and six new pieces per month.

Chatbot

The Locals of TNQ is a chatbot platform that squeezes as much local knowledge as it can from local experts living in TNQ and puts it into a chatbot interface that feels like you're having a conversation with a local. The chatbots demonstrate the depth and breadth of experiences available in the region by helping audiences easily uncover what TNQ has to offer as if they were conversing with a local. They show those planning what there is to do and enhance the in-destination experience of those visiting.

The initial launch saw strong coverage with news stories on Channel 7, WIN and NINE as well as articles in several trade and consumer-facing publications. Live Q&A's along with social takeovers also accompanied the launch receiving strong engagement.

Content and Asset Distribution and management

Our media library provides 350 active users access to over 2,500 destination images. Users including media, travel trade, TTNQ members, events and conference organisers contribute to an average of 800 monthly downloads. It allows efficient management of our asset pool and employing artificial intelligence technology to tag images and improve search functionality.

Communication Strategy

Work with agency partner Klick, TEQ and research partner The Lab has resulted in the creation of a fresh domestic communications strategy for 2019. Targeting HVT segments the strategy addresses delivery of communications across bought, owned and earned channels.

Leveraging Technology

We exist in an experiential world where brands and loyalty are defined by the experiences they deliver. Digital touch points play a critical role in delivering winning experiences to consumers across the funnel. We adopt a platform agnostic approach to our evolution focusing on process and outcome over platforms in order to future-proof efforts and retain agility.

We are committed to the construction of holistic digital systems that are seamless, immediate, personal, reliable and engaging in order to ensure our communications are in line with the expectations of today's traveller.

Our strategy for mobile apps is centred around cross-device integration rather than stand-alone apps, leveraging existing apps such as Facebook Messenger with established audiences. Our recently launched chatbots connect directly to Messenger with the potential to also connect to platforms such as WeChat in future.

We are preparing for a rise in prominence of natural language search and digital assistants ensuring we are building our content frameworks and associated structured data around assets to ensure continued visibility as technology evolves and the traveller's behaviour shifts.

Evolution of mobile web and desktop web assets will continue to focus on being connected, responsive, reliable and distinct. As we continue to migrate and unify backend management systems, we're gaining large efficiencies and further developing our capacity to grow our footprint across bought and earned touch points.

Internally we continue to work with platforms and partners to improve efficiencies and capacity in digital asset management, content acquisition, process automation, business intelligence and email delivery whilst building internal structures that allow us to maximise benefits.

Media and Public Affairs Profiling

- TTNQ will continue to develop relationships with the local news media to position the organisation as an advocate for the region's tourism industry.
- We will attend International Media Marketplace (IMM) events in Australia and internationally to build the destination's profile with travel media in our key markets.
- Opportunities to pitch stories to national and international travel media will be monitored through TravMedia.
- Domestic travel media will be targeted with regular media releases promoting the destination through direct email and by posting on TravMedia.
- International travel media in our key markets will be targeted with regular media releases promoting the destination through direct email and utilising TTNQ's in-market resources in China and Europe. For other key markets we will seek the assistance of TEQs in-market resources.

Great Barrier Reef Messaging

Perception around the word that the recent back-to-back bleaching events have destroyed the Great Barrier Reef is being tackled through partnerships with Tourism Australia, Tourism and Events Queensland and the Reef and Rainforest Research Centre. With our partners, TTNQ has elevated messaging about the Reef's health and the measures being taken to preserve it. We launched a monthly newsletter called Reef Chat to bring up-to-date news on the health of the Reef to the media and travel agents around the world. We have been attending IMM in key markets to secure one-on-one appointments with leading travel writers and influencers to discuss the state of the Reef with them.

Market Overview by Region

Domestic Market Overview

Strategy

Position Tropical North Queensland as a must do itinerary for Australians. Engage markets where growth opportunity exists, amplifying our story across mutable touch points to deliver long term growth.

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
<p>2M total visitors to TNQ year ending September 2018: +14.9%</p> <p>1M holiday visitors: +15.7%</p>	<ul style="list-style-type: none"> • Consumers most likely to book air travel direct or with an OTA. • 14% consumers booking package holiday with Travel agent in store to TNQ. 	<ul style="list-style-type: none"> • Constricted aviation network. 75-80% of international travellers arrive on domestic networks. 	<ul style="list-style-type: none"> • Cheap outbound travel options • Short form itineraries becoming more prevalent • Main focus on VIC, NSW and South East QLD • Very strong self-drive market

Customers

Millennials in East Coast capital cities and intrastate drive market. Grey Nomads to Gulf Savannah and Cape York Peninsula (regional dispersal).

Initiatives

Initiative	Progress Report
Parker travel in market training and product development	<ul style="list-style-type: none"> • Currently in place, discontinue in March 2019. Retail, wholesale agent destination and product training.
Travellers Choice Conference pre/post educationals	<ul style="list-style-type: none"> • Organised 6 individual itineraries for 35 Travellers Choice managers / agents throughout region.
Tourism Port Douglas / Daintree Mega Educationals	<ul style="list-style-type: none"> • Partnership with TPDD bringing 40+ domestic agents to the region, hosting workshop event and 5 educational itineraries.
Flight Centre 48 Hour Campaign	<ul style="list-style-type: none"> • Finalised: Episode on region with focus on Tablelands, Mission Beach & Palm Cove region.
AOT Sunlover – Helloworld in market training	<ul style="list-style-type: none"> • In progress: 8x Sunlover in Market training events in Brisbane with approximately 35 members participating in total. • Includes TEQ destination and product training.
AOT Sunlover / Helloworld Domestic Roadshow	<ul style="list-style-type: none"> • Attending VIC and QLD domestic roadshow in March including 5-6 TTNQ members, training approx. 200 agents.
Caravan & Camping Shows	<ul style="list-style-type: none"> • Attending VIC, NSW and QLD CC shows in partnership with RTO's and TEQ and members/LTO.
Youth and Adventure Market	<ul style="list-style-type: none"> • Attended Adventure Tourism Awards and Conference at GC. Held Youth and Adventure meeting which resulted in Adventure Cairns Group being reformed.
NZ Greater Aussie Experiences Educational	<ul style="list-style-type: none"> • In Partnership with Air New Zealand and TEQ New Zealand bringing 16 top New Zealand agents to region for 5 nights

Booking

Consumers most likely to book air travel direct (19%) or with an OTA (8%).

Around 14% of consumers booking package with travel agent in store to TNQ.

Aviation

Constricted domestic network (75%–80% of international arrivals through domestic network).

Other Insights

- Cheap outbound flights from BNE, SYD and MEL, continue to make competing with medium haul destinations on longer stay itineraries challenging.
- Short form itineraries becoming more prevalent for domestic travellers.

Target Audience

- Millennials in east coast capital cities
- Drive market (particularly intrastate)
- High value travellers (HVT)

Tactics

- Parker Travel in market trade/agent training and product development
- Travellers Choice Conference pre/post educationals (Nov18)
- Caravan / Camping Shows (TEQ / RTO partnership)
- Ad Hoc Trade Educationals
- Flight Centre 48 hour campaign
- Editorial – 90 new stories
- Organic Social – drive engagement and discovery
- Chatbots – drive engagements
- SEM – middle and top funnel opportunities
- Native – key publications in metro areas
- Display – #feelgrounded campaign | key travel sites
- Social Ads – #feelgrounded | video & carousel
- Proactive PR campaigns in key markets
- Increased velocity of domestic media educationals
- Website suggestive itineraries
- Best of Queensland
- ATDW events listing expansion

Working with us

- Flight Centre Expos (Jan-Feb)
- TEQ NZ trade mega educational opportunity (to be advised)
- Member in market training opportunities

Educationals

- Trade – 55
- Media – 27

New Zealand Market Overview

Strategy

Leverage any activity in the NZ market off TEQ, major wholesalers and media with strong focus short breaks and self-drive.

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
<p>43,000 total visitors to TNQ year ending September 2018: +2.3%</p> <p>3 year trend: +4.7%</p>	<ul style="list-style-type: none"> • Consumers most likely to book air travel direct or with an OTA. • ALOS for Holiday Visitors is 8 nights. 	<ul style="list-style-type: none"> • Constricted aviation network with Air NZ seasonal services to Cairns from March–October. • New flights in addition to seasonal services going from Nov-March announced with – commitment to go daily but no dates as yet. 	<ul style="list-style-type: none"> • Air New Zealand connection will be a great benefit to North American travel either coming into Cairns from NZ or leaving on their OZ/NZ circuit. • NZ market also a strong self-drive / camper market.

Customers

Millennials and Baby Boomers, repeat travellers (Port Douglas) and Youth and Adventure Travellers.

Initiatives

Initiative	Progress Report
ATE Perth	<ul style="list-style-type: none"> • Meeting with every NZ wholesaler and TEQ / airline attending ATE.
Corroboree West	<ul style="list-style-type: none"> • Attending this event / includes NZ agents.
NZ media/Trade Educationals	<ul style="list-style-type: none"> • Liaising with TEQ to leverage their activity in NZ.

China Market Overview

FY 2018/2019

Strategy

Support Connecting With Asia (CWA) initiative whilst developing capacity across social networking sites and web platforms. As China is a rapidly changing market, we are constantly evolving the strategy.

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
Visitors: 201,000: -7.6% 3 year trend: +5.9%	<ul style="list-style-type: none"> Trade: 80% Non-Trade: 20% Holiday package tours: 61% FIT experiencing rapid growth 	<ul style="list-style-type: none"> China Southern Guangzhou <> Cairns Hainan Airlines Shenzhen <> Cairns Cathay Pacific Hong Kong <> Cairns 	<ul style="list-style-type: none"> China Southern Airlines year-round flights are underperforming Hainan Airlines underperforming FIT is the strongest opportunity and China market is rapidly changing China economic downturn China strategy under review

Customers

- Family, friends, couples, themed tour (SIT) – sports tourism; education; wedding/honeymoon
- Trade including OTAs

Initiatives

Initiative	Progress Report
ITO Trade training	• Scheduled May 2019
Tour Guide Training program	• Program in development stage
Industry training	• 15 Workshops completed 193 pax
MICE	• Scheduled for June 2019
WeChat content development	• Content for 58 products collected.
Perth ATE19	• Framework being developed by TEQ
Qld on Tour (QoT)	• Tianjin (China) 5-8 March 2019
CWA Beijing Workshop	• Beijing 3-5 March 2019

Japan Market Overview

FY 2018/2019

Strategy

Support existing aviation and increase low season load factors by increasing seasonal awareness, amplifying our stories and stimulating demand.

Insights

Visitors	Booking	Aviation	Other insights/ market intelligence
110,000pax: +1% 3 year trend: +4.7%	<ul style="list-style-type: none"> 70% of visitors on trade, 30% non-trade. 50% of total visitors on package tours 10,000 student groups per year 	<ul style="list-style-type: none"> Jetstar Osaka–Cairns (4-5 flights a week), Jetstar Tokyo–Cairns (Daily) 	<ul style="list-style-type: none"> Cairns is strong mono-destination. Stay 4-5-star hotel type of accommodation, short (2-4 nights) length of stay.

Customers

Special interest travellers such as scuba divers, adult couples including wedding/honeymooners, education groups.

Initiatives

Initiative	Progress Report
Launch 101 Stories on Japanese website. 101 Stories promotion is the biggest promotional activity we currently run in Japan. We have 101 Stories written by Japanese influencers/locals/travellers/media on our Japanese website. In the meantime, the promotion activity partner, HIS Tokyo and HIS Osaka run the Cairns & GBR campaign. The campaign consists sharing stories, seminars for agents, educational for top sales agents, advertisement on TV, online and retail outlets, consumer events. The promotional activity goes from Nov 18 To Jun 19.	<ul style="list-style-type: none"> Launch in Feb 19
Agent training seminars	<ul style="list-style-type: none"> Trained 805 agents across x 8 cities with 15 members attending (Jul 2018 – Dec 2018)
Expanding social media activities including launching JP Instagram	<ul style="list-style-type: none"> Launched JP Instagram in Oct 2018/ 404 followers, 11708 Facebook followers.
Working more with TA/TEQ	<ul style="list-style-type: none"> 14 Seminars in Nov 2018, TA MICE Seminar in Feb 2019
Increase B2C activities	<ul style="list-style-type: none"> Share the stories, images, participants events
Distribution development	<ul style="list-style-type: none"> Ambassador program – Cairns-ko, Increase SNS posts, increase subscription list of EDM
Aviation development	<ul style="list-style-type: none"> Keep communicating with airports and airlines for charter/scheduled flight opportunities
Educational market development	<ul style="list-style-type: none"> English study tourism development by running campaign with Study Cairns
Participating/organising industry/trade events	<ul style="list-style-type: none"> School representatives educational (Mar19), Inbound Run (Mar19), Marine Diving Fair (Apr19), ATE (Apr19), Jetstar Educational (Apr19), Media Tour (May19), Study Cairns Japan Tour (Jun19), Queensland On Tour (Sep19)

Booking

- 70% of visitors on trade, 30% non-trade.
- 50% of total visitors on package tours.
- 10,000 student groups per year

Visitor profile

Bookings 72% of visitors on trade, 30% non-trade, 52% of visitors on Package tour, 5% Tailormade, 6% corporate & MICE, 9% Student groups, 22% Non-trade FITs, 6% Others.

Working with us

- Queensland on Tour Japan
- Pre & Post QoT Seminars
- Marine Diving Fair
- Corroboree Asia
- ATE 2019
- Kansai Airport Expo
- Tokyo Consumer Tourism Expo

Educationals

- Trade – 68
- Media – 2

Asia Markets Overview

FY 2018/2019

Insights

Top Line Numbers – India

- Visitors: 21,000 | -32.2%
- 3 year trend | +3%

Top Line Numbers – South Korea

- Visitors: 14,000 | -12.7%
- 3 year trend | +10.2%

Aviation

- Jin Air Charter Seoul <> Cairns
- Silk Air – Singapore <> Cairns
- Domestic Connections

Other Insights

- Jin Air charter postponed

Strategy

Use digital channels, media and trade to tell our story building awareness in South Korea and India & South East Asia and support efforts to increase direct flight frequency.

Execution

Target Audience

- FITs
- Self-drivers
- Group series

Tactics

- Ad hoc media and trade educational
- Ad hoc charter flights to Cairns
- Increase Silk Air flight to daily
- Support TEQ/TA's activities in market and in TNQ
- Explore Edu-tourism opportunities
- Develop TNQ itineraries (dispersal)
- Increase media educationals (dispersal)

Working with us

- Corroboree Asia
- Hanatour Travel Show
- Silk Air Travel Show
- ATE 2019
- Trade and Media educationals

German/Switzerland Markets Overview

Strategy

Maintain existing strong trade relationships whilst developing new opportunities working closely with our German in market representative. Drive consumer consideration through self-drive itineraries and shifting perceptions about the Great Barrier Reef.

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
61.000 visitors total to TNQ year ending September 2018 3 year trend: +1%	<ul style="list-style-type: none"> 80% book via trade, – traditional distribution channel is key for conversion 60% of total visitors are holiday visitors, 90% FIT 	<ul style="list-style-type: none"> Main access to region via domestic routes Cathay Pacific, Singapore Airlines (SilkAir), China Southern, Hainan. 	<ul style="list-style-type: none"> Resilient market, strong self-drive market (great dispersal), high length of stay and expenditure. Strong interest in outback, Indigenous, nature.

Customers

European (German speaking) travellers are very environmentally aware consumers. Travellers are couples from baby boomers to millennials (WHM) looking for immersive experiences in nature in a personal (small group) environment.

Initiatives

Initiative	Progress Report
Great Barrier Reef Campaign	<ul style="list-style-type: none"> Partnership between RTO's, TEQ, Singapore Airlines & major trade partners to increase messaging around the GBR in German market. Currently running.
Destination Hero Images	<ul style="list-style-type: none"> Working with Digital team on getting destination hero images to highlight and differentiate region.
German Website	<ul style="list-style-type: none"> In final translation stages (Digital team).
In Market Representation	<ul style="list-style-type: none"> Appointed Julia Rohrbacher 2 days @ week for industry/ trade training.
TNQ Self Drive Campaign	<ul style="list-style-type: none"> Major, standalone TNQ campaign in partnership with TEQ and major Trade partners, currently running. Including development of 23-page Destination supplement with 100,000 copies distributed to consumer and trade plus online version available.
QLD on Stage Media Educational	<ul style="list-style-type: none"> 25 major German media in region on 4 individual group educationals.
DERTour Mega Educational	<ul style="list-style-type: none"> Bringing top German DERTour agents to region on a self-drive educational (June 19)
Europe in Market Training Events	<ul style="list-style-type: none"> Three in market trade training events (product development) – (Sept/Dec/March) with a total of 17 member/product attending and approx. 80-100 agents met with and trained each event.
Trade Events	<ul style="list-style-type: none"> Attended / Attending: ATEC Inbound Up North Port Douglas, ATEC Showcase Sydney, ATE Perth, Corroboree West, WYSTIC Lisbon.
Trade Educationals	<ul style="list-style-type: none"> Corroboree West pre/post educationals x 2 Europe

Booking

- 80% of passenger book with trade
- 60% holiday of visitors are holiday, 90% FIT and 10% groups

Aviation

Connections via:

- Cathay Pacific
- Singapore Airlines/SilkAir
- China Southern
- Hainan

Other Insights

- Strong drive market
- Indigenous tourism, nature and diving are key pillars

Tactics

- German language consumer site
- Year round in market representation
- In Market agent training events
- QLD on Stage Media Educational
- DERTour Mega Educational
- Ad hoc Trade Educationals
- Inbound product development
- Ad hoc Media Educationals
- RTO /TEQ partnership GBR Campaign
- TTNQ/TEQ Campaign self-drive campaign
- Attract daily Silk Air flights / Partnership with CAPL

Working with us

- In market trade training/product development trips for members (Sept, Nov, March 2019)
- TTNQ will attend ATE in Perth 8-12 April 2019
- TTNQ will attend ATEC Inbound up North (Port Douglas) 24-26 October 18
- RTO GBR campaign activity
- ITB Berlin, March 2019

United Kingdom Market Overview

Strategy

Collaborate with trade and TEQ to support aviation attraction efforts to secure direct services. Work with TA/TEQ on strategy to build Working Holiday Makers (WHM) and first timer visits to Australia. Work with industry on new product developments.

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
82.000 Visitors total to TNQ year ending September 2018 3 year trend: -3.1%	<ul style="list-style-type: none"> 70% book via trade, – Great Barrier Reef the number one attraction. 93% of UK visitors come on a holiday Digital retargeting via OTA's 	<ul style="list-style-type: none"> Main access to region via domestic routes Cathay Pacific, Singapore Airlines (SilkAir), China Southern, Hainan 	<ul style="list-style-type: none"> 38% of travellers in 20-24 age group. Strong drive market and working holiday makers. Brexit due 29 March 19. UK outbound on a 10-year high. Sporting events can impact arrivals

Customers

UK travellers are a strong VFR market and repeat travellers, mainly couples and families and Working Holiday Makers.

Initiatives

Initiative	Progress Report
Digital awareness/conversion campaign	<ul style="list-style-type: none"> Partnership between TEQ UK, TTNQ, GC, Trailfinders and Singapore Airlines. Developed digital lightbox with detailed destination content and direct CTA.
In market trade meetings	<ul style="list-style-type: none"> In progress – UK & Scandinavia.
WHM/Youth Traveller opportunities	<ul style="list-style-type: none"> In progress: working with TA and Youth Cluster group (Adventure Cairns)
Media Educational activity	<ul style="list-style-type: none"> Julia Bradbury episodes – filmed in region.
Trade Educational activity	<ul style="list-style-type: none"> Flight Centre Mega Educational (planned) Corroboree West pre/post educationals – UK x 2 Trade Campaign educational (planned)
Trade Events	<ul style="list-style-type: none"> ATEC Inbound Up North Port Douglas ATEC Show Case Sydney ATE Perth Corroboree West

Educationals and Educational – UK & Europe

- Trade – 16
- Media – 26

North America Market Overview

Strategy

Maintain existing strong trade relationships whilst developing new opportunities. Drive consumer consideration through self-drive itineraries, and new product development (especially in luxury and Indigenous areas).

Insights

Visitors	Bookings	Aviation	Other insights/ market intelligence
<p>129.000 Visitors total to TNQ year ending September 2018 (+9.9%)</p> <p>Forecasted Growth to 2020, 8%</p> <p>Growing interest in self-drive itineraries.</p> <p>3 year trend: +4.4%</p>	<ul style="list-style-type: none"> • 70% book via trade / Consortia • 60% do online search and then go to travel agent. • 7% are in the 55+ age bracket • 20% are on a group tour • Strong Aussie Specialist network (2400 ASP in market) • Booking window 90 days or more. 	<ul style="list-style-type: none"> • Main access to region via domestic routes • Sydney, Rock and Reef still popular circuit. Wish list for the Air New Zealand AKL-Cairns route to go year-round (is happening) and to increase frequency. • Cathay Pacific, Singapore Airlines (SilkAir), China Southern, Hainan. 	<ul style="list-style-type: none"> • Market identified as good potential for continuous growth. • US experiencing faster than predicted economic growth, record low unemployment and heated political and social environment.

Customers

North American travellers are shifting from experiential to personalisation in their travel.

Couples, Families and Generational Travel are main focus and emerging Edu tourism. Canada has a strong Youth & Adventure Travel sector with interest in self-drive market and WHM.

Initiatives

Initiative	Progress Report
USA / Canada in market Training – RTO / TEQ mission	<ul style="list-style-type: none"> • Sales Mission to North America meeting 40 main tour operators with destination and new product focus.
Agent training seminars	<ul style="list-style-type: none"> • Signature Travel Network training workshop in LA and webinar with 25 Signature Travel leaders. • Goway Travel Canada training 40 agents
Media educational activity	<ul style="list-style-type: none"> • Meeting with 35 selected media in New York
Product & content development	<ul style="list-style-type: none"> • In progress, looking for platform for easy information access for both media (media kit) and trade for new product and destination content including images and video.
In market training opportunities	<ul style="list-style-type: none"> • Working with Rob Bastion on US brochure audit and possible in market visits with TNQ members
US Consortia Campaign	<ul style="list-style-type: none"> • Currently running in partnership with TEQ, Signature Travel network and selected wholesalers.
US VA campaign	<ul style="list-style-type: none"> • Currently running, in partnership with Virgin, TEQ, TA and wholesale partners.
Trade Events	<ul style="list-style-type: none"> • Attending ATE Perth, USA Marketplace, Corroboree West, Down Under Tourism Exchange, US Virtuoso Symposium

Aviation

Connections via:

- Air NZ (seasonal)
- Cathay Pacific
- Singapore Airlines/SilkAir
- China Southern
- Hainan
- Domestic Routes

Other Insights

- 70% book via trade, consortia
- 47.4% in 55+ age bracket, 20% on group tour
- Strong Aussie Specialist Network (2,400 ASP's in market)

Target Audience

- High Value Traveller
- Luxury market Segment
- Couples/Families
- Edu-tourism & Group Series

Tactics

- US/Canada in market training
- Edu-Tourism development
- Ad Hoc Trade / ASP educational activity
- Aussie specialist content development
- Product development and itineraries
- US Consortia Campaign (TA/TEQ partnership on back of Dundee Campaign)
- Align with TA Signature Experiences
- Ad Hoc Media educational activity

Working with us

- G'day USA, Australia Tourism Summit (TBA)
- Corroboree West, September 2019
- TTNQ attending ATE, Perth April 2019

Youth and Adventure Market

Main markets of focus: UK, France, Italy and Germany

Strategy:

- To work with TA and TEQ on their activities in above markets to re-engage, develop and grow Youth and Adventure market with strong focus on Working Holiday Makers

Market Intelligence:

- Over the past 18 months Tourism Australia has worked in partnership with STO's, Airlines and YA stakeholders via a range of campaigns launched in the UK and then also launched in Italy and France to arrest the decline of the youth and adventure traveller to Australia.
- TNQ as a region has experienced drops in visitor arrivals out of that sector as well as length of stay in the region. From meetings with the YA cluster group and Tourism Australia the following was identified and discussed:

Major issues:

- Global competition, cheap travel/airfares to competition destinations and the world has opened up much more for the YA traveller.
- Lack of career opportunities, farm work is seen as a poor option.
- Bad press from Backpacker Tax, safety, dodgy farmers, visa costs and superannuation issues.

Solutions:

- Promoting the Aussie lifestyle using authentic advocates and real experiences and real jobs.
- The "party" backpacker is gone as they are more interested in wellness, conservation and community engagement and Instagram ability.
- Strong importance of social media and the need to go digital rather than traditional channels
- There is the need for a centralised platform for practical, true information.
- There needs to be more focus on regional dispersal.
- Following our YA Cluster group meetings resulted in Adventure Cairns being reformed which is a very positive step forward to get industry here to work together again on these issues and liaise with all relevant bodies.

Future activity:

- TA campaign activity – on the back of the additional 7M they received for this sector. Potentially working with STA travel as a partner
- WYSTIC event in Lisbon in October
- TA also looking at doing a roadshow in Europe/ UK
- TTNQ considering one of our in-market training weeks to be with focus on our Youth and Adventure operators.

Events Marketing Overview

Business Events

Strategy

The primary focus is to ensure that TNQ is top of mind for event planners in the consideration and planning phases of the purchase cycle. This is achieved through targeted B2B destination marketing and ensuring that our region and industry makes it easy to do business with.

Insights

17/18 Financial year statistics

- Meetings 283 (8% of all Qld meetings)
- Delegates 28,551 (7% of all Qld delegates)
- Delegates days 106,395 (9% of all Qld delegate days)
- Direct and indirect expenditure \$135M

Geographically our international focus aligns with aviation routes (China, Japan, North America and UK/Europe) with the domestic focus on Brisbane, Sydney and Melbourne.

Customers

- Corporate market who annually represents over 65% of all business events held in the region. This market comprises of both incentive and meeting business.
- Association conferences represent up to 20% of the market and BEC play a support role to the Cairns Convention Centre who lead the research and bidding for this sector.
- Government sector comprises of up to 15% of business. As a region we don't have much influence over this sector, so our focus is primarily on maintaining relationships and being responsive to requests

Initiatives

Initiative	Progress Report
Connecting members with business events trade	<ul style="list-style-type: none">• Deliver Regional Showcase and Sell TNQ.• AIME (February), BEPD educational (May)• China educational programs
Assist meeting planners to confirm events in region	<ul style="list-style-type: none">• YTD Dec 2018 – processed 41 leads & 18 confirmed events• 8 National and international site inspections
Delegates Boosting activities	<ul style="list-style-type: none">• Supported 17 events YTD
Drive destination awareness through digital social and print channels	<ul style="list-style-type: none">• Website user = 5,000 / Time on page 1.50sec• 3 newsletters distributed• Website migrated to consumer site Jan 2019 to drive further traffic

Execution

Target Audience

- The primary focus is the corporate market who annually represents over 60% of all business events held in the region. This market comprises of both incentive and meeting business.
- Association conferences represent up to 20% of the market and BEC play a support role to the Cairns Convention Centre who lead the research and bidding for this sector.
- Geographically our international focus aligns with aviation routes (China, Japan, North America and UK/Europe) with the domestic focus on Brisbane, Sydney and Melbourne.

Tactics /Delivery

Our strategy is achieved by:

- Driving destination awareness through driving content to meeting planners through digital, social and print channels.
- Connecting our members to the business events trade through coordination of trade shows/events, education programs and site inspections.
- Attendance at international trade shows in partnership with Business Events Australia
- Providing assistance to meeting planners looking to hold events in the region, ranging from bid support to assistance with confirmed events.
- Support delegate boosting activities that drive attendance and length of stay.

Leisure Events

Leisure events contribute significantly to the overall market mix for the region as they provide a reason for people to travel to the destination outside of a leisure holiday. TTNQ partnered with the Cairns Regional Council to develop the TNQ Event Prioritisation Strategy 2015–2020. The document outlines framework for maximising major and regional event opportunities across sporting, cultural and lifestyle events. TTNQ works in collaboration with TEQ and Cairns Regional Council to bid for and secure major events for the region and then provide destination marketing support to the event organisers to maximise attendance and length of stay. In addition we support regional events through assistance with training programs to build capacity to run events as well as marketing support and advice on funding streams and opportunities.

A full list of resources is available at tourism.tropicalnorthqueensland.org.au/event-planning

Since the implementation of the strategy the region has hosted a range of very high profile international events including:

- Two ICU World Cup Mountain Bike legs (2014 & 2016)
- 2017 World Mountain Bike Championships
- 2017 Pool Games for Rugby World Cup
- 2018 Commonwealth Games Basketball Pool Games
- Sir Elton John Concert
- Ironman Asia Pacific Championships (annual event)

The 2018–2019 major event calendar includes:

- NRL Championship Game
- Ironman Asia Pacific Championships
- Cairns Indigenous Art Fair
- Pan Pacific Para Swimming Championships
- Targa Great Barrier Reef
- Australian National Irish Dancing Championships
- Cairns Amateurs
- Great Barrier Reef Masters Games
- World Rafting Championships

A full list of all major and regional events are listed on tropicalnorthqueensland.org.au/whats-on

Industry Events

TTNQ also delivers a number of member related industry events. These are either delivered in-house or using external contractors and include:

- Bi-monthly member networking events
- TNQ Tourism Industry Excellence Awards
- Australian Small Business Advisory Services training programs
- Qld Business Capability Programs
- Annual member updates

Aviation Development

Aviation route development

Government funds are required to launch new aviation routes and create brand awareness for long-term route sustainability. Currently 75% of international visitors through Cairns Airport travel on domestic flights, constraining the number of seats available for domestic visitors and limiting the ability to grow domestic visitation.

Aviation access is integral to the further development of the economy in Tropical North Queensland. A daily international wide-body flight to Cairns is potentially worth \$200 million a year export business, with \$100 million of international visitor spend, \$50 – \$150 million of agricultural produce sales, and more than 650 new jobs for the region. There are flow-on benefits as other trade is enabled by new air routes. These benefits are widely dispersed across businesses in the region.

TTNQ aims to grow direct international capacity to Cairns Airport by working with our partners to ensure existing routes are sustainable and attracting new routes to further develop our key markets.

Aviation Partners

- SilkAir
- Cathay Pacific
- China Southern Airlines
- Jetstar
- Air New Zealand
- Virgin Airlines
- China Southern Consortium
- Cairns Airport
- Tourism and Events Queensland
- Tourism Australia

Destination Development and Capacity Building

In 2017 TTNQ delivered the second year of the three-year Australian Small Business Advisory Services Program, an Australian Government Northern Australia Tourism Initiative. During the year, 49 workshops were held across Cairns, Port Douglas and Daintree, and Cassowary Coast. An average of 15 people attended each workshop, with a total of 737 attendees learning new business skills. We also conducted 139 hour-long mentoring sessions for 64 businesses.

The program assisted a total of 358 individual businesses.

The topics of these activities were split over six areas:

- Funding avenues and financial analysis
- Building your business
- Making the most of your talent and team
- Management capabilities
- Digital engagement and implementation
- Tourism ready

The Australian Small Business Advisory Services Program supports the TNQ Tourism Small Business Development Program for TTNQ member and non-member businesses (or start-ups) that receive a significant proportion of revenue from tourism and have fewer than 20 full-time equivalent employees. Businesses and business intenders can participate in as many activities as they would like.

Non-Marketing Activities

Product Development

- To further develop Indigenous products and promote the region as a recognised leader in Indigenous tourism
- A two-year partnership with the Torres Strait Regional Authority (TSRA) to collaborate on the development of Indigenous tourism opportunities in the Torres Strait Islands
- To deliver \$1.5 million grant funding under the Connecting With Asia Fund to support Indigenous tourism businesses
- To work with key partners to grow and develop eco-tourism opportunities in the region such as the Wangetti Trail
- To develop and promote TNQ as a leader in fishing experiences
- To develop the story of the Wet Tropics World Heritage Area in consultation with key stakeholders
- To explore agricultural export opportunities and work closely with the key stakeholders

Infrastructure

- To support the development of key infrastructure that will increase the resilience of the tourism industry and the regional economy
- To advocate for quality telecommunication coverage throughout Tropical North Queensland
- To provide support to major development proponents in terms of gathering market intelligence and insights to assist the formation of business cases for major investment decisions
- To support the development of the Cairns Cultural Precinct and work closely with the Cairns Regional Council
- To support the delivery of the Cairns Port Shipping Development to increase access for the cruise ship market
- To support the development and delivery of the Global Tourism Hub with key stakeholders
- To support the development of key roads in the region

Investment Attraction

Investment in the region

Cairns city has undergone a tourism renaissance in the past 18 months, with millions of dollars of new infrastructure built. This includes:

- \$130 million Crystalbrook Collection five-star hotel Riley
- Hemingway's Brewery
- \$50 million Cairns Aquarium
- \$10 million Munro Martin Parklands upgrade
- \$13 million Shangri-La Hotel, The Marina, Cairns refurbishment
- \$8.7 million Cairns Museum refurbishment
- \$70.4 million Cairns Performing Arts Centre

Infrastructure under construction and about to start includes:

- Crystalbrook Collection five-star hotel Bailey
- Crystalbrook Collection five-star hotel Flynn
- \$176 million Cairns Convention Centre expansion
- \$550 million Nova City residential and commercial city development
- \$21 million Wangetti Trail
- \$7.7 million Northern Beaches Leisure Trail
- Multimillion-dollar domestic airport terminal upgrade

Regional economic growth framework

Tropical North Queensland has the potential to develop into a resilient, diverse and flourishing economy, anchored around tourism, agriculture and resources, with further growth areas including education, defence, marine and aviation. While somewhat geographically distant, further growth in connectivity via air, road and sea will help the region capture the opportunities provided by increasing trade and travel. Tourism, trade and education are all seasonal industries and require many links in complex value chains to be connected. This framework illustrates those connections.

Financial Management and Reporting

We provide sound financial control and performance monitoring.

We will continue to enhance and refine our business intelligence, corporate reporting capabilities and campaign monitoring. This will include sharing learnings to continue to improve what we do and use of cross-functional teams in the development of new initiatives.

Exploring alternative data sources that can supplement our strategy work will continue, as well as ongoing analysis to assist evidence-based decision-making.

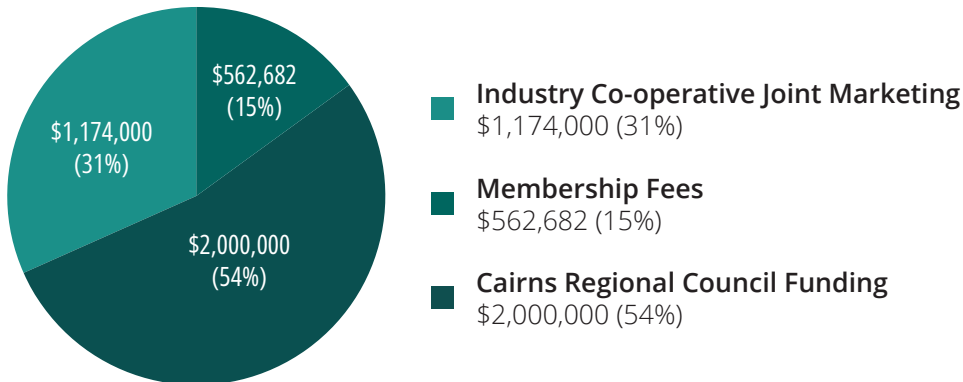
We will continue to manage financial resources to drive savings and maximise investment in our marketing activities.

TTNQ provide monthly reports to the Finance and Risk Management Committee. This is then tabled at Board level. In addition, each department provides the Board with summary reports outlining details of campaign, marketing and sales programs.

Budget Overview

2019/2020 Total Revenue: \$3.7 million

By 30 June 2019 we will have leveraged the \$3.7 million cash to a total of \$5,704,299 total marketing and promotional spend.



The above graph shows the budgeted income and expenditure summary for the current financial year. Almost 70% of the expenditure is used for marketing and promotional activity.

Corporate governance

- TTNQ undertakes robust corporate governance through effective systems and processes
- We will continue to ensure that we adhere to statutory and legislative requirements
- We will meet financial management, accountability and audit obligations
- Monitoring and delivery of our risk management framework will continue to address strategic, operational and project risks.

Risk Appetite

Perspective	Risk Appetite statement	Rating
Strategic	TTNQ 's purpose is to drive visitor revenue and long-term benefits for the region. Tourism marketing, positioning and brand story is key and at the heart of everything we do, we continuously seek improvement to adopt innovation strategies with a moderate appetite for risk.	Moderate
Political	We ensure relationships with Local, State and Federal Government bodies is a priority & we act transparently and in collaboration where possible	Low
Brand/Reputation	TTNQ's reputation is integral to supporting our purpose, we actively defend and protect our brand through collaboration, partnerships and marketing activity. We try to manage issues that have a negative impact on our brand to the best of our ability and our appetite for risk in this area is moderate.	Moderate
Corporate Governance	As a leader in the community, NFP and overseen by a voluntary Board, we have a low appetite for legal & regulatory risk and zero tolerance for fraud, theft of bribery and corruption. Robust governance is a priority for TTNQ.	Low
Financial	Finances underpin everything we do with our decisions on expenses always seeking best practice, value for money aligned with our strategic decisions. The majority of our funding is local tax payer funding which we spent wisely. Our appetite for financial risk is low.	Low
Operational	Our operations are aligned with our strategies, always seeking continuous improvement and an ability to be agile and nimble. We foster an environment of efficiencies but seek projects that are innovative and show leadership which means moderate to high risk.	Moderate to High
Work, Health and Safety	TTNQ provides a safe environment for staff and fosters a culture that values collaboration, partnerships, and continuous improvement.	Low
Privacy	TTNQ has a low appetite for data security breaches and cyber security malfunction. We safeguard our information and respect all privacy laws where deemed appropriate.	Low