

Adelaide Hills Regional Strategic Tourism Plan



2021-2025

The Adelaide Hills region is in the enviable position to push the boundaries of regional tourism by fostering a dynamic strategy.

This strategy encompasses a progressive approach to visitor servicing, supports and grows the industry in a sustainable way, and leverages the power of digital engagement.



Acknowledgement of Country

Adelaide Hills Tourism acknowledges the Peramangk people as the traditional custodians and caretakers of the land that is known as the Adelaide Hills. We value the Peramangk people's rich cultural heritage and spiritual beliefs that connect them with country, and pay our respects to Elders past, present and emerging.

Introduction

Adelaide Hills Tourism's 2020-21 Business Plan stated that the "2020-25 Strategic Plan would evolve when the post-COVID tourism environment is better understood". It is fair to say, particularly in the global travel market, tourism continues in an uncertain and unstable environment that is not expected to recover until late 2022 or early 2023.

As is often the case, some of the best learnings come from a crisis and the post bushfire and COVID environment has forced Adelaide Hills operators to be nimble, creative and to quickly adapt their product proposition. Whilst international visitation has halted, there has been an upturn in local and national visitors which has filled the significant gap that international had left.

This is why the time is right to set the region on a path to 2025, as the insights gleaned from the current crisis have provided key industry learnings around the:

- changing travel behaviours of consumers;
- re-positioning of operators to refresh their appeal to a local and national audience;
- digital capability of the industry (allowing it to pivot quickly);
- launch of the SA Regional Visitor Strategy 2021-25, providing a strategic framework of key priorities including cross regional collaboration;
- opportunity to fill gaps in workforce skills.

The adaptation and growth of operators throughout 2020-21 has been supported by significant government grant programmes, initially for bushfire relief then shortly after for COVID recovery via various local, state and national government initiatives. The South Australian Tourism commission's "Book Them Out" and "Great State Voucher" campaigns have made a significant difference to an industry living in a world of uncertainty around border closures and health concerns. These initiatives have supported the region and operators to survive, and in some cases, thrive in uncertain times.

One of the most significant support programmes delivered has been the Tourism Industry Development Fund (TIDF). The SATC announced a \$20million package in September 2020 and to date, Adelaide Hills operators have secured more than \$1.4million in grants across six projects valuing more than \$7.2million with many more in the pipeline.

The four goals listed in the *Adelaide Hills Regional Strategic Tourism Plan 2015-2020 (Review and Interim Plan)* have been delivered beyond expectations despite a global downturn.

As a Regional Tourism Organisation, the last decade has produced outstanding growth and results due to best-practice marketing and development activities. The Adelaide Hills region is now in the enviable position to push the boundaries of regional tourism by fostering a more dynamic strategy. This strategy will encompass a progressive approach to visitor servicing, supports and grows the industry in a sustainable way and leverages the power of digital engagement.



**Adelaide
Hills**

Key Wins

2015-2021 Goals

Wins

1

We are an integrated and coordinated tourism region that engages the entire visitor economy in bundling and promoting experiences to create a compelling reason to visit.

- Leveraged a strong relationship with the South Australian Tourism Commission (SATC), supporting their activities across multiple marketing pillars; product development, familiarisations, curated themed content, pitched story ideas which ultimately featured in multiple campaigns. e.g. Winter Campaign 2019, Book them Out, Great State Vouchers.
- Curated content across all above the line channels, including social and digital achieving record engagement and followers.
- Developed relevant and compelling experiences across key themes, further supported by TIDF funding opportunities.
- Secured the "Wellness Tourism Initiative" funding, tapping into an emerging new market.

2

We have clearly articulated an Adelaide Hills identity and developed and use key messages that make it easy for the consumer to identify and select the Adelaide Hills as a favoured destination.

- Launched mobile first ATDW integrated website with interactive maps and itineraries www.visitadelaidehills.com.au achieving strong traffic and engagement levels.
- Embraced new and refreshed events; Chardonnay May, Sparkling Spring, Cherry Fest, Hahndorf's Hidden Histories and the Wellness Tourism Initiative to attract new markets to the region.
- Underpinned all communications with AHT's key interpretation themes.
- Undertook local marketing to leverage strong Visiting Friends and Relatives market.

3

We support development of and investment in tourism ventures, in the take-up of transformational technologies, and in operator marketing to bring more people to the region and get them staying longer and spending more.

- Secured highest tourism regional project value TIDF wins of all SA regions as at June 2021.
- Undertook digital assessments of more than 120 operators across the region to build industry capability.
- Delivered new digital platforms that are growing month on month due to outstanding back-end development, content creation and paid and organic growth across social and digital platforms.
- Achieved growth in the number of operators registering with the Australian Tourism Data Warehouse.

4

We connect to other regions and their key attractions, (e.g. Adelaide events, The Bend, Monarto Zoo) to maximise visitor stay and spend.

- Included other RTO's (State and National) in the Wellness Tourism Initiative, encouraging participation from regions with a common interest in this sector.
- Promoted experiences and operators that have cross regional offerings including leveraging the proximity to Adelaide. e.g. Epicurean Way, Heli-vista, Jugglehouse tours, Wine Touring operators.
- Collaborated regularly with other RTO's on shared initiatives and themed itineraries (supported by SATC's cross regional familiarisations programme).



Mount Lofty Botanic Garden, Crafers

Operating Environment 2021-2022

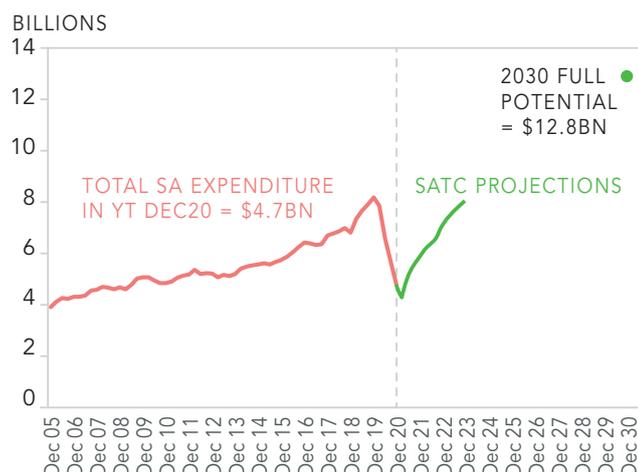
Towards the end of 2020 many Adelaide Hills operators started to benefit from the interstate borders re-opening and locals remaining close to home. This was despite a tough end to 2019 with bushfires followed immediately by the early impact of COVID-19 lockdowns.

Whilst the following figures represent the 2020 trough in visitor expenditure, the SATC has identified that the Adelaide Hills has the strongest regional propensity to re-bounce. Early indications from operator feedback and interstate borders reopening, show that by the end of 2021 visitation and expenditure will be growing at a steep trajectory.

Following a peak expenditure level of \$8.1b in December 2019, total State expenditure decreased to \$4.7b in 2020.

It is anticipated that numbers will continue to rebound in 2021 then return to previous levels by 2023.

Total State expenditure progress – Dec 2020



Visitor spend (Billions)

Dec 20	Jun 21	Dec 21	Jun 22	Dec 22	Jun 23	Dec 23	Dec 30
\$4.7	\$5.0	\$5.8	\$6.3	\$6.9	\$7.6	\$8.0	\$12.8

Source - SATC

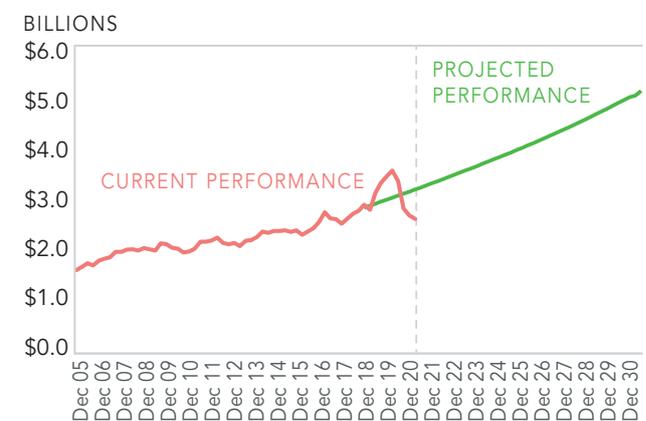
Regional Progress to 2030 Goal

Regional expenditure reached \$3.56b in December 2019, and has since fallen back to \$2.6b. 2019 was a particularly strong year, followed by COVID impacts.

In early 2021, regional expenditure had recovered faster than Adelaide representing 56% of visitor expenditure in SA.

The operating environment will continue to change given market forces beyond the region's control (vaccination rollout, federal announcements around border opening, new outbreaks) however many operators have adapted well to a COVID world; implementing social distancing at venues, QR check-ins and management of visitor numbers at their own businesses through advanced booking systems and criteria.

Regional expenditure in South Australia



Source - SATC



Regional Workforce Staff Shortages

At June 2020, there were 796 tourism businesses in the Adelaide Hills. (TRA, *Tourism Businesses by Employment Size, June 2020*). While infrastructure growth and product enhancement are major factors in driving tourism growth over the next five years, this will need to be supported by a thriving and available workforce.

Many operators had to reduce their staff levels at the height of the COVID pandemic and this, paired with a non-existent migrant and backpacker workforce has resulted in extreme shortages in skilled staff across all sectors. The tourism, hospitality and agricultural sectors have been hit particularly hard and are struggling to fill staffing requirements at the skill level required.

Preliminary research conducted internally by the SATC in late 2020 (small sample) suggested that 35% of employing regional tourism businesses indicated a shortage of 2.2 staff, equating to between 1,500 and 2000 job shortages across SA.

Key workforce challenges were cited as:

- Irregular working hours, insufficient working hours or not being able to guarantee working hours.
- Regional location, lack of local workforce pool to draw on.
- Lack of accommodation and or amenities in the regional area where the business is based.
- Lots of competition between employers for workers with the necessary industry skills.

As a result of these early findings, in May 2021, the SATC commenced a project with Deloitte Access Economics with a broader scope and stronger response rate to build on these early indicators. The SA Government, Regional Development Australia and local Councils are all working collaboratively for further clarity on workplace gaps and potential solutions.

Growth in Household Savings

2020 saw unusual records of household savings with the majority of the savings accrued by the top 40% of earners. The border restrictions and inability to travel offshore partnered with general economic uncertainty, meant that top earners stock-piled their savings in a globally fragile market.

The Reserve Bank of Australia predicts that cash rich reserves built up in 2020 are likely to be spent throughout 2021 and 2022. These consumers will be discerning in their choice of holiday and are likely to be high yield. Given the rich product offerings and the injection of high-quality tourism infrastructure in the region e.g. Sequoia Lodge at Mount Lofty House, it is likely that the Hills will continue to benefit from the high occupancy levels throughout 2021 and 2022, and at least until the international borders open.

Anecdotally, the properties in the Hills that are charging in excess of \$400 per night, are currently experiencing record occupancy and have not been impacted by seasonality or economic downturn.

It is anticipated that these savings have the potential to increase spending patterns from 2021 through to 2025, injecting some much-needed revenue into the domestic travel economy. This also bodes well for the quality regional produce and retail consumption, including premium wine, beverages and produce.

“Household wealth has increased strongly of late, mostly because housing prices have risen but also because households accumulated an unusually large amount of additional savings out of income over 2020,”

- Reserve Bank of Australia, May 2021

Board Changes

Following a ten-year tenure, in June 2021 Helen Edwards, Chair of Adelaide Hills Tourism will be stepping down from the role, maintaining a supportive role in the new focus on Wellness Tourism as part of a sub-committee of the Board. At the same time, Cam Stafford, Secretary will also be stepping down after eight years of service along with Melissa Bright from Adelaide Hills Council after five years of service.

In July 2021, Martin Radcliffe was appointed as the new Board Chair, an appointment which is critical in positioning the future direction of regional tourism growth. This five-year plan will set Martin and the board on a path driven by consumer behaviours in a digital and post-pandemic world.

Importance of Partnerships

Adelaide Hills Tourism will continue to work collaboratively with our key funding partners, the SATC, Adelaide Hills Council and Mount Barker District Council to ensure that our key messages are clearly articulated to consumers via above-the-line promotional activity.

In addition, the region will continue to work with Regional Development Australia (Adelaide Hills, Fleurieu and Kangaroo Island), Stirling Business Association, Hahndorf Business and Tourism Association, Business Mount Barker, Adelaide Hills Wine Region, Tourism Australia, Tourism Industry Council (SA) and other sub-regional tourism, commerce groups and agricultural industry associations.

Tracking Towards 2025

Prior to the events of 2020, the Adelaide Hills had experienced solid expenditure and visitor growth since 2007. As of 2019, visitor spend had reached \$170million, generating 1,700 direct and indirect jobs.

Visitor Spend to 2019

	VISITS	EXPENDITURE
Day trips	1,333,000	\$90m
Overnight	195,000	\$80m
OVERNIGHT SPLIT		
International	11,000	\$9m
Interstate	79,000	\$35m
Intrastate	105,000	\$35m

“The necessity will be to build international travel back, whilst maintaining a high profile of the Adelaide Hills to the local and national markets.”

– Adelaide Hills Tourism

Rebuilding

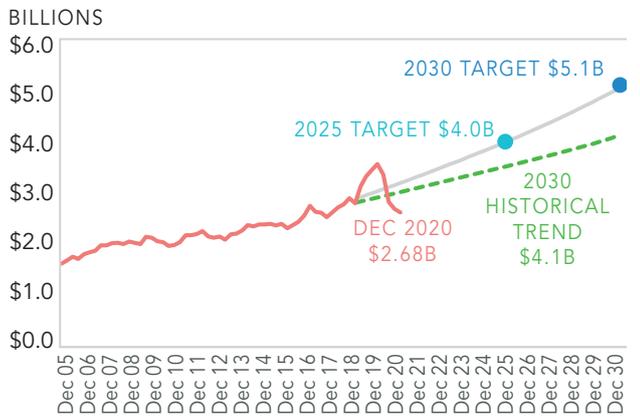
The region is now rebuilding back to these levels following a disrupted 2020. The SATC predicts that the regions which have a strong reliance on intrastate overnight numbers and day trips are likely to be the most resilient and therefore show the fastest recovery.

Forecasts show that visitor numbers could recover as early as 2022 for the Hills. These projections are based on the assumption that:

- national borders will remain open with minimal disruption;
- recession is moderate in intensity;
- vaccination rates will grow allowing gradual bubbles to open (as per the April 2021 New Zealand border opening);
- all international borders are re-opened by early 2023;
- aviation levels will grow to previous levels by 2023.

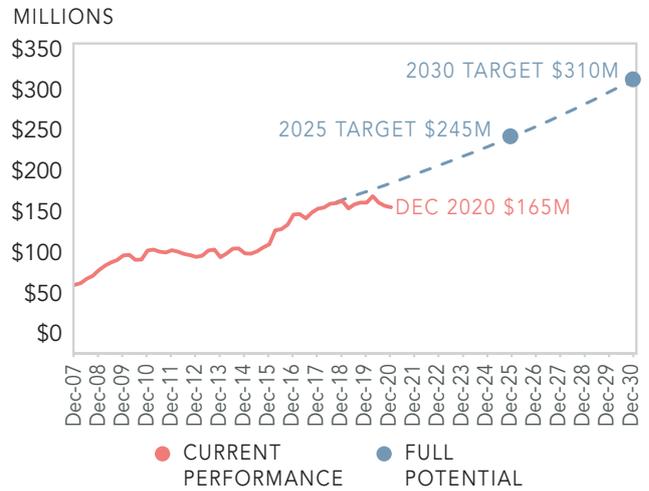
The region will need to prepare for the international borders re-opening and potential slowing of the local and national market. The necessity will then be to build international travel back, whilst maintaining a high profile of the Adelaide Hills to the local and national markets.

Regional Expenditure in South Australia



Source: SATC

Regional Expenditure in Adelaide Hills



Source: SATC

Following COVID-19 re-forecasting, the region is expected to recover and achieve a \$245 million visitor spend by 2025 - SATC



Apple Picking, Lenswood

Emerging Product Themes

The region continues to boast outstanding nature, food, beverages, hospitality, produce, arts and culture.



Key interpretation themes and stories have been shared through promotional activities over the last five years with new stories and reasons to visit emerging regularly. Underpinned by an overarching seasonal focus, messaging is aligned within the themes of; Taste the Adelaide Hills (food and beverages), Heritage, Art and Culture, Nature and Landscapes, Towns and Villages, Lifestyle and Wellbeing and Accommodation.

An example has been the expansion of what was the traditional food and wine sector to now incorporate the craft beverage industry including; distilleries, cideries, and breweries. Cellar door experiences are adapting to new market demands, now providing a variety of beverage experiences on Adelaide's doorstep.

The key to cutting through to a more discerning and high yield consumer, is to differentiate the region from its competitors. This is why Adelaide Hills Tourism has embarked on a Wellness Tourism Initiative with the view to injecting significant ongoing economic and socio benefits into the region.

This project is underpinned by local and state-wide collaboration, innovation, and new business development around growing consumer demand for wellness travel experiences in Australia. It will help the region bounce back from the impacts of the Cudlee Creek Bushfire of December 2019 and support what has already been identified as over 70 existing operators, who all have a Wellness story to tell.

Examples of wellness tourism in the Adelaide Hills reflect the integration of mental, physical and social wellness experiences and activities that encompass food, beverages, retail, spa experiences, creative pursuits, activity in nature and overnight stays with a wellness theme. Wellness links to sustainability and the region is a leader in sustainable business practises and product heroes.

“The Global Wellness Institute defines wellness tourism as travel experiences that maintain or enhance your personal health and wellbeing”



Jurlique Farm, Biggs Flat

Operational Framework

The Adelaide Hills tourism region is defined by the South Australian Tourism Commission as the geographical area covering the local government areas of Adelaide Hills Council and the Mount Barker District Council. Adelaide Hills Tourism is an independent regional tourism organisation constituted as an Incorporated Association. The Adelaide Hills Tourism Board (all voluntary positions) meets monthly and comprises tourism industry representatives as well as representatives from the two councils and other related industry sectors.

Funding Partners

The 2021-22 Business Plan reflects a number of contractual and implied expectations subject to grant and government funding.

Under the current structure, the Board and its activities are funded by three core funding partners;

Adelaide Hills Council	\$107,400
Mount Barker District Council	\$55,478
SATC Local Contact Officer contribution to local contact officer (expectation to work on SATC initiatives and collaborations, not tied to other AHT activities)	\$50,000
SATC Co-operative Marketing Fund	\$30,000

Some funds from bushfire recovery grants secured (such as Wellness Tourism Initiative and Wine Tourism Events) in the 2020-21 financial year will carry over to 2021-22 as indicated in budget document.

It is noted that Mount Barker District Council invests \$95,000 annually into operating the Adelaide Hills Visitor Information Centre in Hahndorf.

Staffing

The funding allows for 47 hours per week in project officer hours or approximately 1.2 FTE. These contractor hours deliver on the following activities for Adelaide Hills Tourism:

- Management of visitadelaidehills.com.au, Facebook and Instagram (including back-end maintenance, content curation, Google Analytics) paid digital campaigns and LinkedIn;
- Industry liaison – infrastructure, distribution support, facilitation of workshops and familiarisations, training, TIDF Grant support, industry communication (e-newsletters, closed Facebook group, LinkedIn) and database management;
- Industry representation – committees, forums and event attendance;
- Production and distribution management of visitor guides and tear-off maps;
- SATC key contact for all co-op activities including ensuring that Adelaide Hills is well represented in campaigns and attendance at cross-regional fortnightly management meetings;
- Board administration – monthly project officer reports, quarterly digital reports, budget liaison with Treasurer, organisational governance, constitutional deliverables.

As digital and the upskilling of the industry in this space becomes a more significant part of regional marketing and industry development activities, change will be inevitable for project officer deliverables.

Strategic Framework

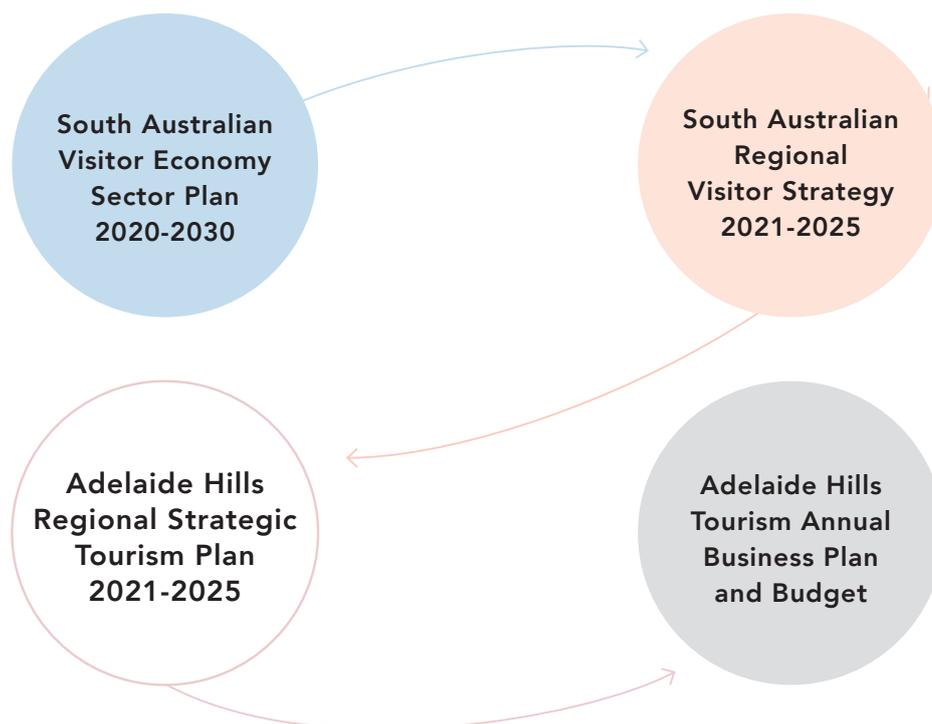
Regional success is underpinned by a collaborative approach to visitor growth in partnership with the State Government. Driven by the South Australian Tourism Commission, the SA Visitor Economy Sector Plan 2020-2030 sets the State on a target for long term, sustainable growth.

The *South Australia Regional Visitor Strategy 2021-2025 (RVS)*, deep dives into key priorities for the regions, including clear messaging and industry development. The RVS provides the regional footprint which will deliver on the Visitor Economy Sector Plan.

The *Adelaide Hills Regional Strategic Tourism Plan* aligns with both and the 2021-22 Business Plan and Budget, delivering at a micro level, the activities which will ultimately grow the visitor economy. The digram below shows the direct links between each strategic pillar and how strategy is turned into action.

Various agencies across South Australian Government have introduced sector strategic plans that support our region's themed marketing and industry development initiatives. They are the Nature Based Tourism and Heritage Strategies (Department of Environment and Water) and the Arts and Culture Strategy (Arts South Australia and SATC).

THE LINKS BETWEEN EACH STRATEGIC PLAN



STRATEGIC PRIORITIES

South Australian Visitor Economy Sector Plan 2030

STATE PRIORITIES

Marketing

- Driving awareness, appeal and booking of SA by our target consumers

Experience and supply development

- Balancing supply constraints with demand growth and developing experiences across SA

Collaboration

- Working closely together and aligning efforts

Industry capability

- Cultivating a sophisticated industry

Leisure and business events

- Using events to drive awareness and as a trigger to visitation



South Australian Regional Visitor Strategy 2025

REGIONAL PRIORITIES

- Attract the right mix
- Marketing channels
- Showcasing regional strengths

- Infrastructure (Roads, Trails, Signage, Black spots)
- Accommodation
- Experiences

- Festivals and events
- Visitor information servicing
- Touring routes
- Disasters and pandemics (crisis management)

- Digital resilience
- Third-party distribution
- Customer service
- Event and business management

- Support new and existing events



ADELAIDE HILLS REGIONAL STRATEGIC TOURISM PLAN 2021-2025

ADELAIDE HILLS PRIORITIES

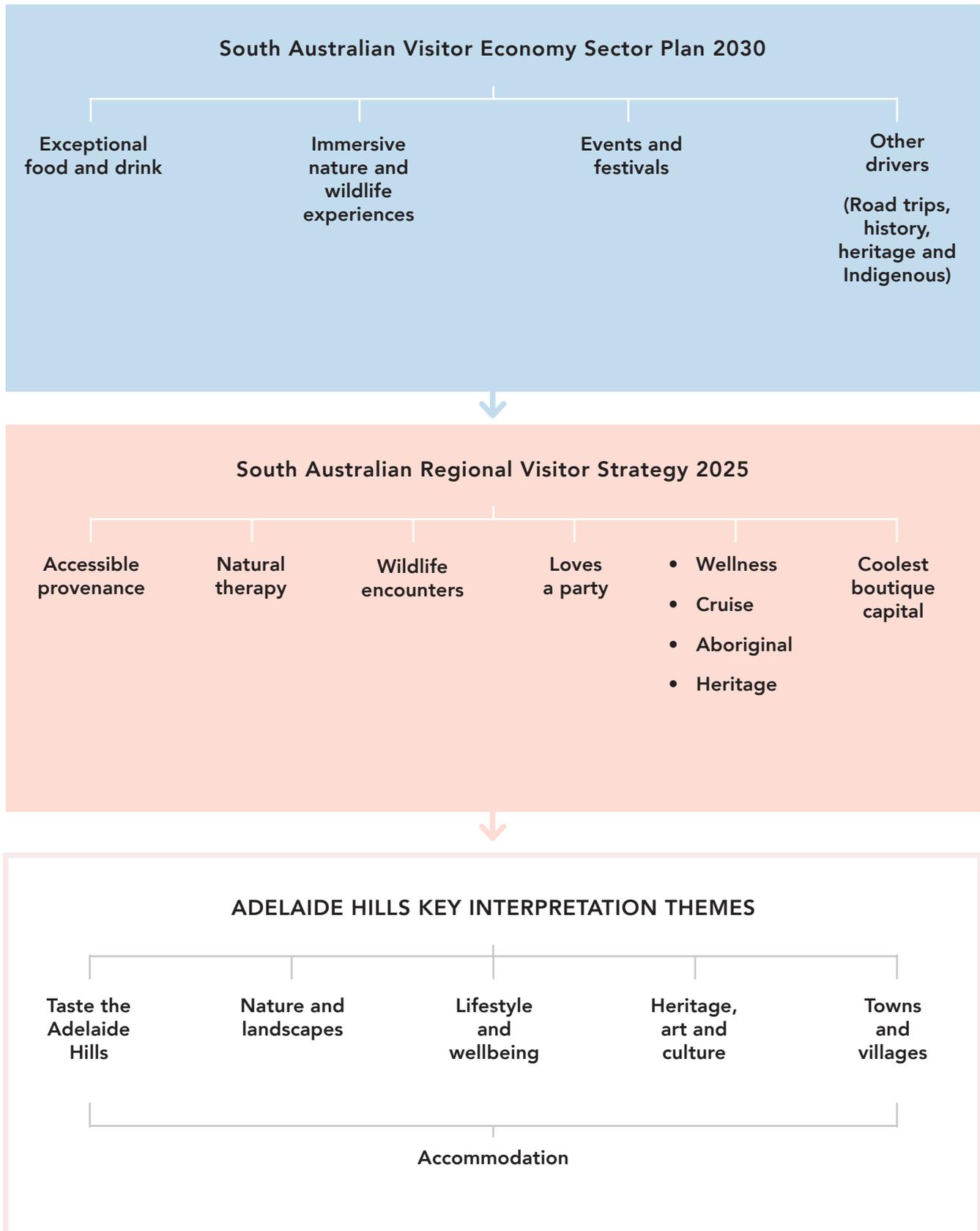
Marketing

Experience and supply development and industry capability

Industry and stakeholder collaboration

Leisure and business events

KEY EXPERIENCES AND MESSAGES



Adelaide Hills Priorities

Adelaide Hills' priority is to build a resilient and sustainable industry that capitalises on its proximity to Adelaide. The region aims to convert more visitors to stay overnight, encourage day trippers to linger longer, spend more and grow repeat visitations.

The following priorities are drawn from the Adelaide Hills chapter of the 2021-2025 South Australian Regional Visitor Strategy (RVS). Published February 2021, the RVS was developed in collaboration between Adelaide Hills Tourism and the South Australian Tourism Commission after extensive regional consultation including a workshop with key industry partners and stakeholders in September 2020.

Additionally, it is important to understand and meet changing visitor needs via regional experiences, events and strong marketing in a post-bushfire and pandemic environment.

Key deliverables will be addressed under the following areas:

Marketing

Driving awareness, appeal and booking of Adelaide Hills by target consumers through the digital strategy (including social media and website), visitor information servicing support (including visitor guide, maps, signage) and leveraging SATC marketing.

- Grow visitors to the new Adelaide Hills website and use site data to better understand visitor behaviour.
- Leverage South Australian Tourism Commission's marketing initiatives to increase leads to local businesses.
- Provide locals with new reasons to explore their own region, which will then enhance the trips of their visiting friends and relatives.
- Encourage greater mid-week visits from all groups (corporate, sporting and incentives) and regenerate interstate and international markets.

- Boost the promotion of experiences that best match changing visitor needs and are reflective of the Adelaide Hills Tourism key interpretation themes.
- Work collaboratively with the South Australian Tourism Commission's team to adapt visitor target markets and messages based on changing global and local pandemic responses.
- Work with StudyAdelaide to encourage international students to visit and bring their visiting families.

Experience and Supply Development and Industry Capability

Cultivating a sophisticated industry that anticipates and exceeds consumer expectations through experience, itinerary and cluster development, event support, crisis management, digital assessments and mentoring, and training delivery (or support of third-party training).

- Support the development of experiences that reflect the Adelaide Hills Tourism key interpretation themes.
- Support Department for Environment and Water initiatives such as the reinvigoration of Cleland Wildlife Park.
- Advocate for the development of 16 new accommodation rooms and 22 room upgrades by 2025.
- Encourage unique accommodation linked to trails, nature, wildlife, food, beverage, and wellness.
- Advocate for improved regional Wi-Fi and telephony connectivity.
- Address infrastructure including touring routes, scenic drives signage, walking and cycling trails and coach and car parking facilities.



Uraidla Hotel, Uraidla

- Address gaps in transport connectivity (e.g. ride sharing services and shuttles).
- Focus on building skills across digital marketing, customer service, experience development and distribution.
- Support industry resilience including developing business cases for grants and investment.
- Research and expand the health and wellbeing sector by becoming an incubator for State-wide industry development and positioning the region as a wellness hub.
- Advocate for a training centre to upskill local regional tourism and hospitality staff.

Industry and Stakeholder Collaboration

- Encourage partnerships between local tourism operators via industry networking events, familiarisations, digital platforms, cross-promotion and bundling of commissionable visitor experiences.
- Implement the Visitor Information Services strategy and ensure changing visitor needs are being serviced by local tourism operators and across all digital platforms.
- Ensure Adelaide Hills is well represented on major cross-regional touring route promotions (e.g. Epicurean Way).
- Support cross-regional and cross-industry resilience and crisis management plans to minimise risks for operators and visitors.

- Collaborate with rail, cruise and other specialist tour operators to include Adelaide Hills as part of their extended itineraries or packages.

Leisure and Business Events

- Optimise major Adelaide and cross-regional events including Bay to Birdwood, Tasting Australia and Santos Tour Down Under.
- Embrace new wine events such as Chardonnay May and Sparkling Spring, existing signature wine events (Winter Reds), as well as exploring new agritourism, arts and wellness event opportunities.
- Drive greater mid-week opportunities from business meetings and events.
- Collaborate with Mount Barker District Council to attract events to the new recreation and leisure precinct.

Governance Support

- Governance that demonstrates strategic outcomes and incorporated association accountability.



